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REPORT OF THE PRC ADVISORY SUB-COMMITTEE ON
ADMINISTRATIVE, FINANCIAL AND BUDGETARY MATTERS

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REPORT OF THE PRC ADVISORY SUB-COMMITTEE ON ADMINISTRATIVE, FINANCIAL AND BUDGETARY MATTERS

A. INTRODUCTION

1. The meeting of the PRC Advisory Sub-Committee on Administrative, Budgetary and Financial Matters was held from May 16-31, 2016 to consider budget appropriations for 2017.

B. ATTENDANCE

2. The meeting was chaired by the Ambassador and Permanent Representative of Uganda to AU, H.E. Mr Mull Katende, and was assisted by Ambassador and Permanent Representative of Ghana to AU, H.E. Mr Albert Yankey who presided on May 19-20, 30-31, 2016 and Ambassador and Permanent Representative of Mauritius, Mr D. Busgeetu who chaired on May 27, 2017.

3. It was attended by the following Member States:

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

C. AGENDA

4. The agenda submitted was adopted as follows:
 - a) Opening remarks
 - b) Adoption of the draft agenda
 - c) Organization of Work
 - d) Consideration of the 2015 Budget execution
 - e) Presentation of the 2017 Budget Overview
 - f) Consideration of the Organs 2017 draft budget
 - g) Consideration of the AUC 2017 draft budget
 - h) Any Other Business (AOB)

5. The meeting then agreed on the organization of work proposed by the Chairperson.

D. OPENING REMARKS

6. The meeting was called to order by the Chairperson of the advisory subcommittee on Administrative, budgetary and Financial Matters H.E. Ambassador Mulle Katende. The meeting started with a call to observe a minute of silence in honour of the departed Dean, the former Democratic Republic of Congo's Ambassador and Permanent Representative to the AU, H.E. Gerard Mapango, who passed away on May 12, 2016.

7. A moment of silence was also observed in honour of the Ag. Director of SPPMERM, Mr. Christopher Kachiza and victims of the plane crash involving Egypt Air.

8. The Chairperson of the Sub-Committee welcomed all present then thanked the Member States representatives for making themselves available and the AU Commission for making the meeting possible. He went on to inform participants that the meeting is meant to receive a report on budget implementation for 2015, review the 2017 budget proposal, which was to be preceded with a budget overview on behalf of all AU Organs, before considering budget proposals of each Organ.

9. Principles to govern the meeting when considering the appropriations were then set as follows:

- a) All matters that have to do with structures and other strategic issues should be dealt with by the appropriate Sub-Committee before the same is discussed at this meeting;
- b) All appropriations under consideration should be in accordance with Decisions of the Union;

- c) Ensure that all Directors or Head of organs are present or dully represented to answers on their budget proposal;
- d) Accord the necessary resources to Organs to carry out their mandate as long as the matter in question was approved by the Heads of States and Government;
- e) Expect maximum cooperation from the AU Commission and all other organs to ensure resources are used prudently and efficiently;
- f) AU Organs not based in Addis Ababa be given priority to present their budget proposals first so that they are not held up for too long in Addis Ababa;
- g) The Chairperson needed maximum support from all concerned in order to facilitate smooth deliberations of the meeting.

10. The Chairperson of the Sub-Committee went on to wish the budget session a success and ensure that the meeting concludes by May 20, 2016.

Remarks by H.E. the Deputy Chairperson of the African Union Commission

11. In his remarks, H.E. the Deputy Chairperson conveyed condolences to the family and country of the departed former Dean of Diplomatic Corps, Ambassador and Permanent Representative of the Democratic Republic of Congo to AU. He described him as a friend and a patriot to his country. He then introduced the new Director of Programing, Budgeting, Finance and Accounting, Ms. Assietou Sylla Diouf, who joined the Commission from the Private Sector three months earlier.

12. In introducing the 2017 budget, he commenced by highlighting the background that informed the preparation of budget. He stated that the budget preparation process started with Member States endorsing the Budget framework Paper. He recapped that the Paper provided key priority areas, programs and their expected results, and set parameters from which the budget was to be formulated. He also reminded the meeting that past budget discussions were held outside of Addis Ababa. But due to financial constraints facing the Union, it was not possible to hold it elsewhere this year.

13. He went on to inform the meeting that the Internal Budget and Program Committee (IBPC) met earlier to scrutinize the budget in detail, stressing that the recommendations of the IBPC would make budget deliberations much easier.

14. In his presentation, he highlighted the economic and social issues around which the 2017 budget of the Union was prepared. Among others, he mentioned that the slow economic growth affecting various Member States coupled with low commodity prices and high debt levels have impacted on revenue collection. This has in turn affected Member States to honor their obligations to the Union. Emphasis was placed on the Alternative Source of Financing (ASF) initiative endorsed by Heads of States and Governments in Johannesburg during the June 2015 Summit with a view to reduce the pressure from the Member States' treasuries and allow them to mobilize resources from non-treasury sources.

15. On the budget prerequisites, H.E. the DCP informed the meeting that principles of the ASF have been taken in to account in the budget with Member States expecting to contribute at least 15% to the Program budget. He further informed the meeting that the former African Development Bank President, Dr Donald Kaberuka, has been tasked to champion the implementation of the ASF, especially on the area of peace and security. Dr Kaberuka has since held an informal meeting with Heads of States and Government during the Africa World Economic Forum in Kigali, Rwanda in May 2016. The flagship projects, at a cost of US\$21 million, have also been incorporated in the budget, and have been apportioned mainly to Member States funds.

16. H.E. the DCP further informed the meeting that the budget comes at the end of the AU Commission Strategic Plan 2014-2017, and has embraced the Agenda 2063 as well as has responded to the Theme for 2017 'Harnessing the Demographic Dividends through Investments in the Youth, Women and the Vulnerable'

17. H.E. the DCP in his budget overview presented a 2017 budget appropriation of **US\$781.6 million**, in which he said it was 2.5% lower than the approved 2016 budget. He informed the meeting that the appropriation comprised an Operating budget of **US\$493.1 million**, which grew by 2.4% from 2016, and a Program budget of US\$288.5 million, representing a reduction of 9.8% from 2016. He further informed the meeting that Member States are expected to contribute **US\$212 million**, which is 27% of the total budget as assessed contribution of which **US\$44.0 million** constitute 15% of the Program budget. Partners were expected to make available **US\$569.6 million**.

18. H.E. the DCP went on to inform the meeting that projects without secured funding were placed in the 'Parking Lot' The chairperson then exposed the principle that the program budget was established based on the principle that programs were only considered in this draft budget to the extent that the funds were fully secured by Partners. All projects without funding confirmation were reserved in the "Parking Lot", pending mobilization and confirmation of funding. Once funds are available such projects will be considered in the Supplementary Budget for 2017.

19. Following this, he briefly highlighted factors that have characterized the budget:

- a) Depreciation of capital items led to the provision in the budget for refurbishment of buildings and replacement of equipment and vehicles
- b) Annual staff step increase
- c) Staff recruitment

20. He also pointed out that there has always been a discrepancy between approved budget and cash available due to funds not received in full or on time from both partners and Member States. Consequently, this led the Union to execute only 70% of funds available to it in 2015.

21. In conclusion his remarks, H.E. the DCP re-emphasized the importance of the ASF initiative as the likely source that can provide reliable, sustainable, and predictable and offer ownership of programs by Africans.

E. CONSIDERATION OF THE 2015 BUDGET EXECUTION REPORT OF THE AFRICAN UNION

Presentation by the African Union Commission

22. The AU Commission presented the 2015 Budget Execution Report of the Union. In the presentation, it was stated that out of an approved budget of **US\$446,874,036**, there was an amount of **US\$331,938,967** that was available to be spent in 2015. This represented 68% of expected funds. An amount of US\$89,375,956 was received from Member States out of the budgeted US\$131,471,087 and partners provide US\$82,099,703 out of the budgeted US\$298,230,676.

23. The actual expenditure stood at **US\$230,095,163** in 2015, representing a spending rate to the available funds of 69% (77% on Operating budget and 62% on Program budget). It was reported that the budget execution did not reach the expected levels mainly due to partners not releasing cash on time and low receipts of contributions from Member States.

Fund	4th Quarter 2015 Budget Execution				4th Quarter 2014 Budget Execution			
	Budget	Available Funds	Execution	%	Budget	Available Funds	Execution	%
Program Budget	303,150,905	192,215,836	119,978,408	62	287,601,633	154,164,618	93,002,975	60%
Operational Budget	143,723,131	143,723,131	110,116,755	77	138,659,265	138,659,269	119,002,854	86%
Total	446,874,036	335,983,967	230,095,163	69	426,260,902	292,823,887	212,005,829	72%

24. On Program implementation performance, the Commission reported that only 3% of the approved Program budget was funded with Member States funds. This had an effect on the relationship with Partners to contribute to the AU programs. It was further stressed that inadequate staffing and failure by Partners to release on time, affected the program implementation. To overcome the challenges, the Commission has put measures in place such as prioritizing flagship projects to be funded by Member States as well as organizing round table meetings with Partners.

Comments by the Member States

25. Following the Commission's presentation, Member States made the following comments and observations:

- Sought clarification on whether the budget addresses the current AUC Strategic Plan and flagship projects;
- Stressed the issue of ownership as the bulk of the AU Programs are still financed by Partner;
- Supported the urgency to implement the Alternative Sources of Financing initiative in order to avert funding challenges currently facing the Union;
- Expressed concern on the late remittances of assessed contribution and urged Member States to contribute to the Union in full before the July 2016 AU Summit;
-
- Sought clarification on why the budget execution was lower than expected;
- Noted that with the current execution rate it will be difficult to implement the proposed 2017 budget which is higher than the 2015 unless drastic measures have been taken between December 31, 2015 and now to warrant the Union executes the 2017 budget better, including measures to implement the ASF.
- Appreciated the presentation of the budget document as it was in a better shape than it was in past years;
- Requested for detailed annexes to the Budget documents to help with understanding the figures provided;
- Highlighted the negative impact resulting from the payment of nominal amount of contributions to avoid sanctions;
- Requested the status of the Reserves Fund
- The table on budget execution should assist the meeting learn from past years' capacity to spend when considering the 2017 budget proposals;

Responses from the Commission

- Reiterated that the priorities for 2017 were highlighted in the Budget Framework Paper clearly with expected results whose budgets are now being considered by the Sub-Committee;
- Concurred with Member States on financing issues as it was related with challenges between honouring national priorities and other commitments;
- On the timing of receipt of contributions, the Commission promised to make available the schedule of receipts to the meeting;
- It was explained that the Reserve Fund is made up of surplus revenue from contributions that exceed the amount required to finance budget of the Union. The meeting was also informed that an audit on Reserves Fund has been conducted and the report will be submitted in due course;
- The low execution on Program budget was attributed to late disbursement of funds;
- It was also explained that co-financing of program affects budget execution since it requires commitment from both parties;

Recommendations

26. The Sub-Committee adopted the report and recommends to the PRC as follows:
- a) **Requested Organs of the Union to take corrective measures and show progress in the future to improve the low rate of execution on both the Operating and Program budgets.**
 - b) **Urged all Member States to pay their assessed contributions on time and partners to honour their commitments.**
 - c) **Call upon Organs of the Union to come up with a result based budget that focuses on priority programs.**
 - d) **Fast track operationalization of the Accountability and Oversight mechanism as per Executive Council Decision EX.CL./Dec.915(XXVIII)**

F. THE 2017 BUDGET CONSIDERATION

27. The initial proposed budget of the Union for 2017 was estimated to be **US\$781,606,123**, which was 2.5% lower than the 2016 budget. The meeting was informed that this comprised the Operating budget of **US\$493,075,789**, which is 2.4% higher than the 2016 budget, and Program budget of **US\$288,530,333**, which is 9.8% lower than the 2016 budget. An amount of **US\$212,018,886**, representing 27% of the total budget was to be assessed on Member States with **US\$44,055,900** appropriated to Program budget which represented 15% of the total Program budget. It was further mentioned that partners pledged to provide **US\$569,587,236** in 2017.

28. The Commission informed the meeting that Member States contribution to the total budget has been growing from 18.7% in 2015 to 27% in 2017, while the partner contributions decreased from 81.3% in 2015 to 73.0% in 2017.

29. Compared to 2016, the assessed Member States contribution for 2017 has gone up by 24.8% on account of a Decision reached at the January Summit in 2016 to expedite implementation of the Alternative Source of Financing initiative in full within five years from 2016 to 2020.

30. The Commission emphasized the importance of Member States and partners to pay their commitments on time. The meeting was further informed that a new budget tool is currently being developed at the Commission.

31. In the presentation, the Commission informed the meeting of the cordial collaboration and relationship existing between itself and other AU Organs during budget preparation, especially, through the Internal Budget and Program Committee. However, the Commission

admitted that more analytical work still need to be worked out in order to assist with budget scrutiny and discussions in future.

32. The Chairperson of the Sub-Committee commended the Commission for placing unfunded projects in a “parking lot” before inviting Member States to begin interrogating budget of the Union in detail.

**MINUTES OF THE SUB COMMITTEE PAR ORGANS AND
DIRECTORATES ON 2017 BUDGET**

NEPAD Planning and Coordinating Agency (NPCA)

33. The NEPAD Planning and Coordinating Agency presented a total draft budget of **US\$42.7 million** (an increase of 26% compared to 2016 budget), which comprised the Operating budget of **US\$10.7 million** and Program budget of **US\$32 million**.

34. In the presentation, the representative of NPCA informed the meeting that the Operating budget had gone up in order to accommodate costs of moving to the new building and of transferring staff from short term to regular positions. He further informed the meeting that contribution in kind provided by host country, the Republic of South Africa, was not part of the presented budget.

Comments from Member States

- Requested additional detailed information to enable proper scrutiny of the budget proposed ;
- Recommended NPCA to harmonise the presentation to the format of AU Commission in order to facilitate the review from Member States;
- Recognized the contributions made in kind by the Republic of South Africa to the work and operations of NPCA;
- Sought further clarification and explanation on selected budget lines;
- Queried the low execution figures for 2015.

NPCA Responses

- The NPCA representative explained that some budget lines are related to the move to new premises and the costs associated are due to expenses to and provided for budgets to accommodate the new building with labor safety and labor regulations.
- Represented their budget under a revised format, more in line with the the AU Commission's format
- The execution does not include the report on the funds transferred to Member States, and NPCA promised to share the 2015 implementation report during the July 2016 Summit in Kigali

Recommendations

35. Upon resubmission of NPCA budget, the Sub-Committee recommends to the PRC as follows:

- a) A total budget of US\$41,440,410 broken down into Operating budget of US\$9,444,778 to be funded by Member States; and Programs of US\$31,995,633 to be fully funded by Partners
- b) Recommends recruitment of 11 additional staff, comprising of 7 Professionals and 4 Support staff
- c) All other costs related to unapproved positions to be removed from the budget
- d) Staff loans to be withdrawn from the budget

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	10,740,775	31,995,632	42,736,407	9,444,778	31,995,632	41,440,410	(1,295,997)	0	(1,295,997)
Grand total	10,740,775	31,995,632	42,736,407	9,444,778	31,995,632	41,440,410	(1,295,997)	0	(1,295,997)

Pan African Parliament (PAP)

36. The PAP presented a total draft budget of **US\$23.4 million** consisting of the Operating budget of **US\$17 million** and Program budget of **US\$6.4 million**. Among others, the meeting was informed that the Operating budget had gone up in order to recruit additional 13 staff members as per the approved structure, and for introducing allowances paid to Members of Parliament and of the Bureau as per AU regulations.

37. On the requested Program budget, the PAP representative told the meeting that it was mainly to support implementation of Agenda 2063, ratification of PAP and other AU protocols, and citizenship participation in PAP affairs. It was also meant to upgrade and install new IT equipment which was supposed to be provided by the host government.

Comments from Member States

- In response to PAP's concern on IT equipment, South African delegation assured the meeting that provision of R25 million is appropriated in 2016 budget from the South African Government for PAP IT equipment ;
- Sought clarification on anticipated staffing, staff training, staff list and their dependents as duplication of names was noted, allowances for MPs and Bureau members, non-statutory meetings, bank charges, unit costs of stationary and dependency of staff as they looked exaggerated;
- Queried the provision of IT equipment all in one year instead of implementing the acquisition program over 2 to 3 years in phases
- Suggested to drop all other capital expenditure items except for licenses and vehicle purchase;
- Questioned the new budget line related to MP allowances
- Asked PAP to present their budget proposal according to the format adopted by the AU Commission

Responses by PAP

- The representative of PAP expressed its appreciated for all the support provided by the Republic of South Africa and following the observations and indications provided from the representative of RSA informed the meeting that the budget line will be dropped.
- Provided the status of current staff headcount that stands at 62 and informed that the recruitment plan will be adjusted to 12 instead of the initial 22.
- Explained the objective of the planned training: provide training to staff in parliamentary matters in addition training to be offered to MPs in national and continental affairs.
- The budget line related to non-statutory meetings is to cater for urgent issues that need MPs' attention such as emerging political developments.
- The relatively high cost of Bank charges is mainly due to the Cash transportation service.
- The representative explained that MP allowances were suspended in 2009, resulting in a current situation where MPs don't received any entitlements from PAP. The 2017 draft budget proposed to reinstate these allowances at a rate of USD 300 per MP and session.
- The revised budget was endorsed with suggested amendments incorporated.

Recommendations

38. Upon resubmission of PAP budget, the Sub-Committee recommends to the PRC as follows:

- a) Requested PAP to present its proposal on MPs allowances to the appropriate policy organ for review and approval
- b) A total budget of **US\$22,020,159** broken down into Operating budget of **US\$15,577,975** to be funded by Member States; and Programs of **US\$6,442,184** to be fully funded by Partners

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	16,978,913	6,442,184	23,421,097	15,577,975	6,442,184	22,020,159	(1,400,938)	0	(1,400,938)
Grand total	16,978,913	6,442,184	23,421,097	15,577,975	6,442,184	22,020,159	(1,400,938)	0	(1,400,938)

African Court on Human and People's Rights

39. The African Court presented a total draft budget of **US\$11.3 million** with **US\$9.1 million** being operating budget and **US\$2.2 million** for Program budget.

40. The Court Registrar informed the meeting that the draft budget was meant to respond to the increase of cases that the Court has to handle. The Court also sought to modernize court services, recruit additional staff. He further informed the meeting that an extra US\$200,000 was mobilized from the African capacity Building Foundation (ACBF) to add to the program budget figure of US\$2 million being considered in the meeting.

Comments by Member States

- Appreciated that the budget was within the stipulated 5% but could still be reduced further;
- Sought confirmation whether or not the new staffing was part of the approved structure;
- Sought clarification on the inclusion budget proposal of US\$200,000 from ACBF;
- Requested the Court to realign their program budget to avoid redundancies, inconsistencies and duplications

Responses by the Court

- Confirmed that the 7 additional staff were part of the approved structure;
- The mobilized ACBF amount of US\$200,000 is outside the proposed US\$2.2 million for the Program budget;
- Corrected repetitions and inconsistencies mentioned

Recommendations

41. Upon resubmission of the budget, the Sub-Committee recommends to the PRC as follows:

- a) **Recommends recruitment of 4 out of the 7 posts proposed and the remaining 3 to be considered in 2018.**
- b) **A total budget of US\$10,315,284 broken down into Operating budget of US\$8,709,318 to be funded by Member States and Program budget of US\$1,605,966 to be fully funded by Partners;**

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	9,123,140	2,159,039	11,282,179	8,709,318	1,605,966	10,315,284	(413,822)	(553,073)	(966,895)
Grand total	9,123,140	2,159,039	11,282,179	8,709,318	1,605,966	10,315,284	(413,822)	(553,073)	(966,895)

African Commission on Human and People's Rights (ACHPR)

42. The ACHPR presented a draft budget of **US\$5.3 million** comprising the Operating budget of **US\$4.6 million** and Program budget of **US\$0.7 million**.

Comments by Member States

- Queried the provision for temporary staff which increased by 11%.
- Questioned the lunch provided to staff of the Commission and sought clarification on staff welfare.
- Sought clarification on the rationale for holding 4 Ordinary sessions instead of 2 in a year

Responses from the ACHPR

- Explained that the Government of Gambia provides staffing to the Commission, especially during meeting sessions to render security, protocol, and transport services on its behalf. Such personnel receive only lunch in such instances.
- Temporary staff is meant to compliment work of the Commission during its meeting sessions since it is heavily understaffed.
- Though the Rules of Procedures require holding of 4 Ordinary sessions, only 2 sessions are held in a year due to budget constraints.

Recommendations

43. Upon resubmission of the budget, the Sub-Committee recommends to the PRC a total budget of **US\$5,525,705** broken down into Operating budget of **US\$4,610,969** to be funded by Member States; and Program budget of **US\$914,736** to be fully funded by Partners.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	4,610,969	652,400	5,263,369	4,610,969	914,736	5,525,705	0	262,336	262,336
Grand total	4,610,969	652,400	5,263,369	4,610,969	914,736	5,525,705	0	262,336	262,336

Economic, Social and Cultural Council (ECOSOCC)

44. The representative of ECOSOCC presented a total budget of **US\$2.03 million** comprising the Operating budget of **US\$1.03 million** and Program budget of **US\$1.0 million**.

Comments by Member States

- Requested clarification on ECOSOCC's activities as their budget presents mainly lines related to DSA;
- Queried the volume of meetings in the budget proposal

Responses from ECOSOCC

- The ECOSOC does not have salaried employees as its work involves bringing members from different countries.
- The volume of the meetings is explained by the fact that it is the mandate of the Organ to create synergy between the civil society organizations, governments and Union through the AU Commission, resulting in a lot of missions.
- Cluster meetings are meant to conduct elections of office bearers in a region as per the decision of the AU Assembly.

Recommendations

45. The Sub-Committee recommends to the PRC an operating budget of US\$1,119,557 fully funded by Member States.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	1,043,396	991,223	2,034,619	1,119,557	0	1,119,557	76,162	(991,223)	(915,062)
Grand total	1,043,396	991,223	2,034,619	1,119,557	0	1,119,557	76,162	(991,223)	(915,062)

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

46. The ACERWC presented a draft budget of US\$827,556 that did not raise observations.

Recommendations

47. The Sub-Committee recommends to the PRC a total budget of US\$827,556 broken down into operating budget of US\$271,838 and Programs of US\$555,718.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	271,838	555,718	827,557	271,838	555,718	827,557	0	0	0
Grand total	271,838	555,718	827,557	271,838	555,718	827,557	0	0	0

African Union Advisory Board on Corruption (AUABC)

48. The AUABC presented a total draft budget of **US\$1.66 million** comprising the Operating budget of **US\$1.55 million** and Program budget of **US\$0.11 million**. It was explained that the Operating budget went up by 55% due to the fact that previous operating costs were being absorbed by the AU Commission before it was transferred to Arusha, Tanzania.

Comment by Member States

- Sought clarification on translation costs, Assistant Finance Officer, Administrative Assistant and IT Specialist positions, language training, and the 4 meetings per year
- Advised the Board to seek alternative funds for their programs;
- The program budget to be reviewed to a realistic amount

Responses from the AUABC

- Explained to the Member States the need to retain the position of IT Specialist;
- Agreed to reduce the cost of language training;
- Justified the position of Assistant Finance Officer in order to facilitate segregation of duties as per the recommendation of Auditors;
- The AUABC in their Statutes are required to hold 4 meetings in a year, but due to financing limitations they held two meetings instead.

Recommendations

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

- a) **Recommends to the PRC Sub-Committee on Structure to drop the post of Administrative Assistant from the structure of AUABC.**
- b) **A total budget of US\$2,396,246 broken down into Operating budget of US\$1,861,946 and Program budget of US\$534,300; both fully funded by Member States;**

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	1,551,601	111,960	1,663,561	1,861,946	534,300	2,396,246	310,345	422,340	732,685
Grand total	1,551,601	111,960	1,663,561	1,861,946	534,300	2,396,246	310,345	422,340	732,685

African Union Commission on International Law (AUCIL)

50. The representative of AUCIL presented a draft budget of **US\$0.7 million**. This comprised the Operating budget of **US\$0.4 million** and the Program budget of **US\$0.3 million**.

Comments from Member States

- Questioned the honorarium rates provided in the budget;
- Wanted to know the status of training on African Law to young lawyers from Member States;
- Sought clarification on the high cost of printing in the draft budget;

Responses from AUCIL

- The representative confirmed that the honorarium provided for are in accordance with AUC circular.
- The training for young lawyers was phased out and embarked on a new program to train university lecturers in collaboration with the Africa Institute for International Law situated in Tanzania.
- The translation budget was provided in the budget on advice from the Conference department of the AU Commission.

Recommendation

51. The Sub-Committee recommends to the PRC a total budget of **US\$731,286** broken down into **Operating budget of US\$421,326** to be funded by Member States; and **Program budget of US\$309,960** to be funded by Partners.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	421,326	309,960	731,286	421,326	309,960	731,286	0	0	0
Grand total	421,326	309,960	731,286	421,326	309,960	731,286	0	0	0

Peace and Security Council

52. A total budget of **US\$1.05 million** was submitted by the Peace and Security Department which did not raise observations.

Recommendations

53. The Sub-Committee recommends to the PRC a total program budget of **US\$1,047,965** funded by Member States.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	0	1,047,965	1,047,965	0	1,047,965	1,047,965	0	0	0
Grand total	0	1,047,965	1,047,965	0	1,047,965	1,047,965	0	0	0

AU Commission

I. Operating Budget

54. The AU Commission presented an Operating budget of **US\$110,752,593**, which increased by 3% from 2016 budget. The increase was attributed to:

- a) Recruitment of staff and related costs
- b) Currency fluctuation
- c) Provision for the Women Fund
- d) Maintenance of buildings
- e) Capital expenditures
- f) Increased inflation rate

Comments from Member States

- It was highlighted that the budget for African Police (AFRIPOL) was not included in the proposal (refer to the Assembly decision; Assembly/AU/Dec.589(XXVI);
- Enquired about the consideration of the Alternative Sources of Financing initiative in the proposed budget;
- Requested for an explanation on the proposed increased cost of stationery despite modernization that has taken place at the Commission, especially with respect to e-conferencing;
- Sought clarification for the inclusion of maintenance budget items in the budget when a Maintenance Fund has been established;
- Requested for explanations on the costs for uniforms, non-residence allowance, IT materials, separation, audit, and Ad-hoc Administrative Tribunal budget lines;
- Suggested that the current practice on education allowance to be reviewed by the appropriate Sub-Committee (staff are refunded 75% of the invoice even if the amount is less than the entitlement)
- Inquired whether the budget has taken into account the impact of the changes of the structure currently under consideration;
- Emphasise the quality of service provided by the protocol Unit.

Responses by the AU Commission

- Following the observations about AFRIPOL, the representative of this Office presented a budget of USD1.06 million to the Sub-Committee who recommended the proposed amount. USD1.06 was subsequently added to the final tables;
- Explained that the initial proposed contribution from Members States had increased by 27% to factor in the decisions on the ASF. In addition, the commission announced that a meeting on ASF will be held as part of AU Summit in Kigali where the modalities of the initiative will be discussed ;
- The Commission agreed to transfer the maintenance expenses from the budget proposal to the Maintenance Fund;
- Provided the following explanations on budget lines queried by the Members States:
 - The cost for uniforms has increased due to the fact that 2 uniforms will be provided to the security staff instead of 1 currently.
 - Provided explanation on the nature of the non-residence allowance which is paid to international GS staff;
 - Separation costs are provided in the budget to cater for staff that leave the Commission by way of resignation, death, retirement, etc;
- Explained that the Commission has not yet started realizing savings as a result of IT modernization as it takes time to internalize the new system.

Recommendations

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

- a) **Recommends that all expense items related to maintenance be removed and placed under the Maintenance Fund;**
- b) **A revised operating budget of US\$109,509,732;**

II. Program Budget

56. The Commission presented an overview of its Program budget amounting to **US\$229.1 million**. The programs were aligned with the priorities defined in the 2017 Budget Framework Paper.

They are classified in the 4 four categories below:

- 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;

- 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** projects are program activities carried out by Commission whose budgets are spent outside the AUC budget and controlled directly by the sponsoring parties i.e. partners or Member States

Peace and Security Department

57. The department presented a total budget of US\$39.1 million for conflict and crisis prevention, post conflict reconstruction, strategic partnerships and security issues, and capacity building.

Comments from Member States

- Requested for detailed cost breakdown
- Sought explanation on the Pool Fund for Salaries, audit costs, as well as on the closure of the Liberia Liaison Office,
- Sought clarification on the anticipated new Liaison offices.

Response by the Commission

- JFA Pool Fund was meant to meet the costs of salaries for 207 short term staff directly involved in the peace and security work of the Commission.
- Although the audit costs were included in this budget, it is directly under the supervision and control of the Office of Internal Audit;
- The financial limitations compelled the Commission to close the Liberia Liaison Office and reallocate its functions to the Cote d'Ivoire office.
- The budget for the new Liaison Offices is provisional and meant for emerging conflicts.

Recommendation

58. The Sub-Committee recommends to the PRC a total program budget of US\$39,099,340 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	39,099,340	39,099,340	0	39,099,340	39,099,340	0	0	0
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	39,099,340	39,099,340	0	39,099,340	39,099,340	0	0	0

Office of the Internal Audit

59. The department presented a program budget of **US\$200,540**.

Comments from Member States

- Recognized the role the department and urged the meeting to consider providing sufficient funding to enable the department to fulfil its mission to the highest standard;
- Wondered why there was no provision for a retreat of the Sub-Committee on Internal Audit Matters;
- Due to its importance, the meeting proposed to channel all its budget requests to Member States funds.

Responses from the Commission

- a) Concurred with Member States that more funds should be made available for staff training;
- b) Agreed that most of Internal Audit activities should be appropriated under Member States for ownership. Further, audit costs are provided in the respective departmental partner funded program budgets.

Recommendation

60. The Sub-Committee recommends a program budget of **US\$200,540** under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	200,540	200,540	0	200,540	200,540	0	0	0
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	200,540	200,540	0	200,540	200,540	0	0	0

Administration, Human and Resource Management (AHRM)

61. The AHRM department program budget included in the initial submission was only \$1.6 million (as compared to USD18.9 in 2016) as some programs were under funds validation at the time of consolidating the document. With the permission of the Sub-Committee, the department submitted a revised program budget of \$22 million.

Comments from Member States

- Enquired on the reason of the difference between the initial budget in the initial program document of USD1.6M and the proposed budget of USD22M presented by the Department.
- Sought clarification on whether the African Academy has connection with the Pan African University;

Responses from the Commission

- Explained that the initial budget didn't include significant programs for which the funds mobilisation process was in process at the time of compiling the draft budget. Further explained that an amount of US\$14 million is fully mobilized and confirmed by partners.
- The Pan African University is an initiative of the Heads of State and Government to offer post-graduate training and research to African youth through a continental university network spread across five regions of Africa, while the African Academy is a specialized centre offering tailored courses to AU staff and Member States officials;

Recommendation

62. Upon resubmission of the AHRM budget, the Sub-Committee recommends to the PRC a total program budget of US\$14,277,078 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	1,687,750	1,687,750	0	14,277,078	14,277,078	0	12,589,328	12,589,328
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	1,687,750	1,687,750	0	14,277,078	14,277,078	0	12,589,328	12,589,328

Bureau of the Chairperson - Cabinet

63. The Bureau of the Chairperson presented a draft program budget of US\$14.3 million which focuses on partnerships, Agenda 2063, Institutional Support and other priority areas.

Comments from Member States

- Requested the Bureau to revise downwards Member States funded budget, such as the TICAD VI and Africa-Arab Summit.;

- Wanted to know why the Africa – Korea meeting is included in the budget as it has never been held;
- Sought clarification on activities related to partnerships but budgeted under Member States;
- Requested justification for retreats included in the proposed budget;
- Sought more information on the AU Foundation;
- Suggested to move activities related to communication as well as Special Envoy for peace and security to the relevant departments;
- Requested the Commission to undertake an evaluation of partnerships in compliance with previous Assembly decisions.

Responses from the Commission

- Initial budget of the TICAD VI and Africa-Arab Summit was revised as requested ;
- The Africa – Korea meeting is scheduled to take place in 2017. The budget provided is meant to meet the cost of African participation since the Government of Korea will not cover such costs.
- Explained that the partnership programs budgeted under Member States relates to their co- shared cost of participation in those meetings;
- The communication budget under the Bureau is envisaged to revamp the function of the office of spokesperson;
- The budget for the AU Foundation is meant to finance the meeting of the private sector to discuss financing of the Union;

Recommendations

64. The Sub-Committee recommends to the PRC a total program budget of US\$13,498,266 as follows:

- a) Main program budget of US\$13,157,266, and**
- b) Special Projects of US\$341,000**

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	14,302,229	14,302,229	0	13,157,266	13,157,266	0	(1,144,963)	(1,144,963)
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	341,000	341,000	0	341,000	341,000	0	0	0
Grand total	0	14,643,229	14,643,229	0	13,498,266	13,498,266	0	(1,144,963)	(1,144,963)

Department of Political Affairs

65. The department presented a draft budget of US\$9.8 million. It comprised projects that centred on governance, rule of law and democratization.

Comments from Member States

- Wondered whether the Committee of 10 meetings were not covered under the Peace and Security budget, and if the provided US\$45,000 was sufficient to hold such a meeting;
- Suggested to reduce some budget lines under Human Rights based on African and Universal Instruments Promoted and Protected;
- Sought clarification on the engagement of 2 consultants in budget items under Designing Policy frameworks, the AU-EU Partnerships, and the training for elections.

Responses by the Commission

- Confirmed that the meetings of Committee of 10 were not covered under the Peace and Security budget. As per Executive Council decision (outcome of Mekele retreat), a budget of US\$800,000 was approved.
- Based on the magnitude of work involved, 2 consultants are the minimum the Commission can engage to compile a database of all Member States constitutions;
- The AU-EU Human Rights dialogue is a distinct partnership that requires AU's leadership and is different from that of the UN;
- In order to achieve minimum standards in election observation people involved ought to be trained on what is expected of them, hence the training budget.

Recommendation

66. The Sub-Committee recommends to the PRC a total program budget of US\$10,481,412 as follows:

- a) Main program budget of US\$10,209,816**
- b) Pass-through of US\$213,576, and**
- c) Technical Assistance of US\$58,020**

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	9,551,816	9,551,816	0	10,209,816	10,209,816	0	658,000	658,000
Pass-through	0	213,576	213,576	0	213,576	213,576	0	0	0
Technical assistance	0	58,020	58,020	0	58,020	58,020	0	0	0
Special	0		0	0		0	0	0	0
Grand total	0	9,823,412	9,823,412	0	10,481,412	10,481,412	0	658,000	658,000

Strategic Policy Planning, Monitoring and Evaluation, and Resource Mobilization (SPPMERM)

67. The department presented a total budget of US\$2.75 million that caters for projects on Agenda 2063 facilitation as well as on improving operational efficiency in planning, monitoring and reporting.

Comments from Member States

- Sought clarification on the rationale for including budget item on publication and documentation;
- Questioned the relevance of a PRC retreat to validate the corporate balanced scorecard;
- Proposed that the 2 retreats in 1.02 “PRC retreat on Corporate Scorecard” and 4.05 “Retreat on the development of the 2018-2021 Strategic Plan” be merged;

Responses from the Commission

- The publication and documentation is done in liaison with the Communication Department;
- As the Corporate Scorecard is a monitoring and reporting tool, it is imperative that the Member States understand and validate;
- The two PRC retreats address different issues and will occur at different times.

Recommendations

68. The Sub-Committee recommends to the PRC a total program budget of US\$2,640,250 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	2,753,488	2,753,488	0	2,640,250	2,640,250	0	(113,239)	(113,239)
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	2,753,488	2,753,488	0	2,640,250	2,640,250	0	(113,239)	(113,239)

Department of Citizens and Diaspora Organizations (CIDO)

69. The department of CIDO presented a budget proposal of US\$946,263 for 2017 to support activities aimed at mobilizing non-state actors within the civil society constituency to affairs of the Union.

Comments from Member States

- Noted duplication of some budget items, such as 1.10 “Understanding the AU” and 1.12 “Popularizing the theme of the AU within Civil Society”;
- Sought clarification on the rationale for allocating its entire budget to Member States and encouraged the department to solicit funding from partners as well;
- Requested the department to reduce the budget proposal by 50%.

Responses by the Commission

- The World Bank was approached to finance some of programs of CIDO. Negotiations with the Bank are currently on going, and it is hoped that they will be concluded in 2016;
- Some Member States have shown keen interest to champion the mobilization of non-state actors into affairs of the Union;
- Agreed to revise the initial submission by 50%.

Recommendation

70. The Sub-Committee recommends to the PRC a total program budget of US\$473,131 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	946,263	946,263	0	473,132	473,132	0	(473,132)	(473,132)
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	946,263	946,263	0	473,132	473,132	0	(473,132)	(473,132)

Bureau of the Deputy Chairperson - Cabinet

71. The BDCP Cabinet presented a draft budget of US\$746,461.

Comments from Member States

- Noted duplication of program items with those proposed by other departments. As such, members called the BDCP Cabinet to harmonization their proposals with those suggested by other departments;

Responses from the Commission

- Clarified that though some program items may appear to duplicate those in other department, the mandate of the BDCP is to ensure proper coordination and offer strategic oversight at higher level.

Recommendation

72. The Sub-Committee recommends to the PRC a total program budget of US\$764,461 as follows:

- a) Main program budget of US\$544,001, and**
- b) Technical Assistance of US\$220,460.**

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	544,001	544,001	0	544,001	544,001	0	0	0
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	220,460	220,460	0	220,460	220,460	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	764,461	764,461	0	764,461	764,461	0	0	0

Information and Communication Department

73. The department presented a draft budget of US\$1.5 million meant to support activities aimed at informing and mobilizing African citizens to play a part in the implementation and reporting on the Agenda 2063. They are also meant to support the rebranding of the Union so that it is known far and wide.

Comments from Member States

- Sought clarification on the provision for All Africa Games in the 2017 budget when the games are to be held in 2019;
- Suggested that some related budget be merged;
- Queried if the department has the capacity to implement the proposed budget when the rate of execution was just 17% in 2015;

- Proposed that item 2.06 “Organise AU media awards” be deleted as it was not accompanied with detailed budget breakdown to support it;
- Requested information on past implementation on the popularization of Agenda 2063.
- Proposed that budget item 2.07 “payment of media Center manager” be moved to the Operational budget.

Responses from the Commission

- Based on the lessons learned from 2015 All African Games in Brazzaville, it is deemed necessary to prepare ahead of time;
- Requested Member States to finance the entire US\$1.5 million as it was difficult to attract partner funds to support this important function;
- The main reason for the 2015 low rate of execution of the department was due to difficulties to access World Bank Funding;
- The media award budget item is meant to reward and encourage both electronic and print media to dedicate more coverage on issues of the Union;
- The popularization of Agenda 2063 is being introduced into the budget for the first time;
- Explained the vital role played by the Media Center Manager, and expressed concern on the difficulty of accommodating such item in the operating budget.

Recommendations

74. The Sub-Committee recommends to the PRC a total program budget of US\$1,163,226 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	1,499,427	1,499,427	0	1,163,226	1,163,226	0	(336,201)	(336,201)
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	1,499,427	1,499,427	0	1,163,226	1,163,226	0	(336,201)	(336,201)

Medical Service Department

75. The department presented a budget of US\$208,800 which was meant to modernise the medical services, recruit specialist doctors on part time basis, and for commemorating some important globally accredited days related to their mandate.

Comments by Member States

- Suggested that funds allocated to commemoration of important days could be used to finance some critical program items.
- Observed that some budget items duplicate programs already identified by other departments.

Responses by the Commission

- Noted the observation and suggestion by the meeting;

Recommendation

76. The Sub-Committee recommends to the PRC a total program budget of US\$208,800 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	208,800	208,800	0	208,800	208,800	0	0	0
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	208,800	208,800	0	208,800	208,800	0	0	0

Department of Rural Economy (DREA)

77. The department presented a total budget of US\$50.1 million.

Comments by Member States

- Observed that some program items meant to be financed with partner funds were allocated to Member States;
- Wondered why recruitment of staff appeared under Pass through Funds.
- Proposed if budget item 4.02 “Coordinate Program on Sustainable Livestock development in Africa” under Pass-through could be cut by 50%.

Responses by the Commission

- The department clarified that Member States funds allocated to some budget items as counterpart funds that include an amount of US\$200,000 required to trigger the release of US\$7 million EU funds for IBAR activities.
- It was explained that recruitment of staff was erroneously put under Pass through Funds and it will be transferred to the main program budget.
- Agreed to cut budget item 4.02 by 50%

Recommendations

78. The Sub-Committee recommends to the PRC a total program budget of US\$48,974,508 as follows:

- a) Main program budget of US\$15,148,140
- b) Pass-through budget of US\$32,923,544, and
- c) Technical Assistance of US\$902,825

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	14,207,713	14,207,713	0	15,148,140	15,148,140	0	940,427	940,427
Pass-through	0	34,988,424	34,988,424	0	32,923,544	32,923,544	0	(2,064,880)	(2,064,880)
Technical assistance	0	902,825	902,825	0	902,825	902,825	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	50,098,961	50,098,961	0	48,974,508	48,974,508	0	(1,124,453)	(1,124,453)

Women Gender and Development

79. The department presented a total budget of approximately US\$1.99 million (including technical assistance) for 2017. It was pointed out an error in the posting of some activities to the Technical Assistance category instead of placing them in the main program budget.

Comments from Member States

- Proposed that the Women's Day celebration be held in all AU regions.

Response by the Commission

- It was clarified that the Women's Day celebration planned for Central Africa region was a pilot whose lessons would then be replicated in other regions in future.

Recommendation

80. The Sub-Committee recommends to the PRC a program budget of US\$1,990,276 as follows:

- a) Main budget of US\$973,398, and
- b) Technical Assistance of US\$1,016,878

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	906,842	906,842	0	973,398	973,398	0	66,556	66,556
Pass-through	0		0	0		0	0	0	0
Technical assistance	0	1,083,434	1,083,434	0	1,016,878	1,016,878	0	(66,556)	(66,556)
Special	0	0	0	0	0	0	0	0	0
Grand total	0	1,990,276	1,990,276	0	1,990,276	1,990,276	0	0	0

Department of Economic Affairs

81. The department presented a total budget of US\$5.98 million to be entirely financed by Member States.

Comments by Member States

- Proposed to expunge AU Financial Institutions' item 1.02 "Identify and disseminate economic best practices in Africa" and reduce 1.01 "Produce the Annual report on dynamics of African economies" by 50% while item 2.01 on ratification of charters for the AU financial institutions be allocated US\$100,000;
- Proposed that the entire departmental budget be cut by 50%;
- Suggested that the department should align its programs with RECs as well as institutions such as UNDP, UNECA and the World Bank;
- The item 1.02 "Organize Two regional trainings to Youth and Women on best practices in project management" on the Private Sector Project be cut by 50% and allow the department adopt a Training of Trainers rather than targeting youth and women in groups which may not be cost efficient;
- Proposed that the Business Forum be allocated of 30% of the requested amount;
- Proposed that payment of honoraria be reduced from US\$30,000 to US\$18,000;

Responses by the Commission

- Noted the observations and proposals to reduce some of the budget items;
- Justified the need to retain payment of honoraria to professors as it is meant to validate professional articles before they are published in Journals;
- Explained that an attempt was made to align the programs presented in the proposed budget with regional and global initiatives..

Recommendations

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

- a) A program budget of US\$5,479,241 (including Pass-through and Special Projects)
- b) The proposed regional trainings under item 1.02 "Organize Two regional trainings to Youth and Women on best practices in project management" must focus on Training of Trainers

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	2,170,120	2,170,120	0	1,667,585	1,667,585	0	(502,534)	(502,534)
Pass-through	0	84,436	84,436	0	84,436	84,436	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	3,727,220	3,727,220	0	3,727,220	3,727,220	0	0	0
Grand total	0	5,981,776	5,981,776	0	5,479,241	5,479,241	0	(502,534)	(502,534)

Department of Conference Management and Publications

83. The department presented a total draft budget of US\$1.08 million all allocated to Member States.

Comments by Member States

- Sought additional information on Google Translation.
- Wanted to know the difference between accessories and spare parts.
- Enquired on the rationale for re-introducing the purchase of heavy duty printer when the same also appeared in 2016 budget.
- Questioned the relevance of visits to institutions.

Responses by the Commission

- It was explained that the Google Translation application assists with initial translation and simplifies the work of translators thereby speeding up translation work;
- Confirmed that heavy duty photocopy machine was budgeted for in 2016. However, clarified that the one in 2016 budget is the heavy duty printer while that proposed for 2017 is the heavy duty printing machine;
- Explained the importance of exchange visits to sister institutions as it accords staff with latest knowledge and technology.

Recommendations

84. The Sub-Committee recommends to the PRC a program budget of US\$1,049,358 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	1,079,694	1,079,694	0	1,049,358	1,049,358	0	(30,336)	(30,336)
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	1,079,694	1,079,694	0	1,049,358	1,049,358	0	(30,336)	(30,336)

Department of Infrastructure and Energy (DIE)

85. The Department presented a draft total budget of US\$26.2 million to support energy development, transport system and tourism development, postal policies and regulations, and infrastructure development.

Comments by Member States

- Sought clarification on the working relationship with NPCA on similar project;
- Enquired the cost of hiring a consultant at daily rate of US\$8,000;
- Observed an overlap between Training and Capacity Building under 1.01 and Regional Trainings under 2.01 for AFREC activities;
- Sought clarification on the budget item of 'advocating for a single air transport market';
- Requested for additional on Ministerial meetings of the working group on the establishment of the single air transport market;
- The meeting was interested to know the rationale for going ahead with trainings on high speed railway and the setting up of Centers of excellence that come before a study to assess the viability of railway industry in Africa is conducted;
- Wanted to find out if Terms of Reference (TOR) for the high speed railway project were shared with Member States.

Response by the Commission

- Defined different roles played by the department and NPCA such that the former set policies while the latter implements;
- Acknowledged the error in consultant's daily rate which was to be corrected.
- Clarified that item 1.01 was about training on database whereas 2.01 is training on energy efficiency and indicator development;
- Mentioned that the Union needed to reach out to all players for the air transport market to achieve its intended results.;
- Clarified that although the working group provides the technical know-how on the single air transport, it needed the guidance from a ministerial group to steer the project;
- It was mentioned that based on commitment to implement the high speed railway projects in Africa it was imperative to go ahead with the training while the study was being conducted concurrently;
- It was confirmed that the Terms of Reference (TOR) have not been validated by member States.

Recommendations

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

- a) Study on the assessment of railway industrial viability be done first before training and establishment of the Center of Excellence can take place;**
- b) Scope of "study on Continental High Speed Train" and "Study on assessment of railway industrial capacity in Africa" to be reviewed and**

Terms of Reference (TOR) redefined and submitted to Sub-Committee for review and recommendation.

c) Recommends a total budget of US\$25,852,527 as follows:

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	4,930,739	4,930,739	0	4,577,527	4,577,527	0	(353,212)	(353,212)
Pass-through	0	20,000,000	20,000,000	0	20,000,000	20,000,000	0	0	0
Technical assistance	0	1,275,000	1,275,000	0	1,275,000	1,275,000	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	26,205,739	26,205,739	0	25,852,527	25,852,527	0	(353,212)	(353,212)

Legal Counsel

87. The department presented a draft budget of US\$1.3 million to support projects on maritime industrial and legal support to the Union.

Comments by Member States

- Sought clarification on how long it would take to conclude the Hissene Habre trial;
- Wanted to know the importance of the campaign for the operationalization of the African Court of Justice, Human and People's Rights that cost US\$765,700.

Responses by the Commission

- The Hissene Habre trail was initially scheduled to last for 27 months but later was revised to 14 months. Its budget was supported with partner funds.
- The campaign for the operationalization of African Court is meant to bring on board more Member States to ratify the treaty from the current 8 ratifications.

Recommendation

88. The Sub-Committee recommends to the PRC a total program budget of US\$1,029,692 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	1,295,392	1,295,392	0	1,029,692	1,029,692	0	(265,700)	(265,700)
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	1,295,392	1,295,392	0	1,029,692	1,029,692	0	(265,700)	(265,700)

Department of Human Resources Science and Technology (HRST)

89. The department presented a total draft budget of US\$39.8 million (including Pass through) to support intervention in areas of science, technology and innovation, and on education and capacity building.

Comments by Member States

- Suggested reduction of budget allocated to Virtual and e – University;
- The department was requested to explain why one of the meetings on education and capacity building is planned to take place in Morocco, a non-AU country;
- Observed duplication in salaries and wanted to know if that was an oversight;
- Queried budget items 1.01 “Support to NIS of Member States from ECCAS” and 1.05 “Support innovation policy development” which looked similar and majority of interventions are to be conducted in ECCAS;

Responses by the Commission

- Explained that items 1.01 and 1.05 (mentioned above) were not similar as they focus on different audiences. The concentration of intervention in the ECCAS was due to deficit of data in the region that needed correction as opposed to EAC and ECOWAS which were in a better shape.
- Agreed to revise the cost of virtual University downwards after consulting with the department of Infrastructure and Energy that also run a similar program with a view to share facilities.
- Noted the observation on the planned meeting to be held in Morocco and agreed to look into it with a view to take it elsewhere.

Recommendations

90. The Sub-Committee recommends a program budget of US\$40,729,928 as follows:

- a) Main budget of US\$6,788,505, and
- b) Pass-through budget of US\$34,441,423

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	5,775,150	5,775,150	0	6,788,505	6,788,505	0	1,013,355	1,013,355
Pass-through	0	33,989,625	33,989,625	0	34,441,423	34,441,423	0	451,798	451,798
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	39,764,775	39,764,775	0	41,229,928	41,229,928	0	1,465,153	1,465,153

HRST IPED – Operational Budget

91. The total budget presented was US\$743,562.

Comments by Member States

- Observed that the initial submission did not include the cost of vehicles of US\$100,000
- The unit cost for computers was observed to be too high at a cost of US\$2,000;
- Wondered if AU has a policy on the type of vehicles to be purchased for its offices;
- Observed that it was difficult to follow the discussion on the proposed budget since the supporting documents were not adequate.

Responses by the Commission

92. Noted the observations and proposals from Member States and agreed to revise the budget accordingly;

Recommendations

93. The Sub-Committee recommends to the PRC a total operating budget of US\$762,647.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	743,562	0	743,562	762,647	0	762,647	19,085	0	19,085
Grand total	743,562	0	743,562	762,647	0	762,647	19,085	0	19,085

HRST Pan African University – Operational Budget

94. The department presented a draft budget of US\$2.96 million for activities of the Pan African University.

Comments by Member States

- Requested clarification on the costs allocated to the Project Management Unit (PMU) and why existing department staff could not perform the function of this Unit;
- Sought information as to when the rector and the deputy will be recruited;
- Noted that the salaries budget item is on the high side and wondered if it was for a single year;

Responses by the Commission

- It was explained that the PMU was established to run the day to day activities of the PAU and it is composed of a Project Manager, Finance Officer, Administration Assistant and the Assistant Officer since the department is understaffed and currently doesn't have the capacity to assist PAU.
- It was pointed out that work to recruit the Rector and the deputy Rector is underway.
- It was confirmed that the budget item for salaries was indeed for a single year.

Recommendation

95. The Sub-Committee recommends a total operating budget of US\$2,531,177.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	2,964,358	0	2,964,358	2,531,177	0	2,531,177	(433,181)	0	(433,181)
Grand total	2,964,358	0	2,964,358	2,531,177	0	2,531,177	(433,181)	0	(433,181)

HRST African Observatory on Science, Technology and Innovation (AOSTI) – Operational Budget

96. The office presented a draft budget of US\$1.84 million. In the presentation, the AOSTI representative appreciated the contribution and support made by the government of Equatorial Guinea.

Comments by Member States

- Wanted clarification on the staff medical insurance and the number of staff covered since it was observed to be too high;
- Wondered why the Office requested to replace a vehicle that has been in use for less than 5 years;
- Sought information on how long the office has been in existence and wanted justification on the plan to recruit 12 new staff;
- Wondered why the office proposed to buy a laptop and a desk top for every staff.

Responses by the Commission

- The office plans to sub contract medical services to its staff with a view to rationalize and eventually reduce medical expenses;
- Clarified that though the existing vehicle is under 5 years, the salty conditions in Malabo has made it degenerate quickly and therefore need replacement;
- Informed the meeting that the office has been in existence since 2012 with only 4 staff all on short term basis. Therefore, there is a need to strengthen the office with additional 12 staff to deliver on its mandate;

- The unit cost for computers was arrived at based on the prevailing prices in Malabo.

Recommendation

97. The Sub-Committee recommends to the PRC a total operating budget of US\$916,272.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	1,843,352	0	1,843,352	916,272	0	916,272	(927,080)	0	(927,080)
Grand total	1,843,352	0	1,843,352	916,272	0	916,272	(927,080)	0	(927,080)

HRST International Center for the Education of Girls and Women in Africa (CIEFFA) – Operational Budget

98. The office presented a draft budget amount to US\$754,628.

Comments from Member States

- Sought clarification on the 12 national staff.
- Observed that there was different unit cost for the same type of vehicles proposed by CIEFFA and AOSTI.

Responses by Commission

- Clarified that the 12 national staff were seconded to the Office by the government of Burkina Faso.

Recommendation

99. The Sub-Committee recommends to the PRC a total operating budget of US\$716,656.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	754,628	0	754,628	716,656	0	716,656	(37,972)	0	(37,972)
Grand total	754,628	0	754,628	716,656	0	716,656	(37,972)	0	(37,972)

Department of Trade and Industry (DTI)

100. The department submitted a total draft budget of US\$12 million earmarked to support interventions in the areas of mining, industrialization, and trade and Africa Structural Transformation under Agenda 2063.

Comments from Member States

- On Boosting Inter-Africa Trade (BIAT) project, members sought clarification on several budget items (item # 2.01, 2.02, 2.06 and 3.06), and if these were being introduced for the first time;
- Sought clarification on the current status of AGOA;
- Wanted clarification on the different unit costs applied for budget item 1.01 CFTA negotiations and 1.05 Meetings of the Working Group;
- Wondered if the department has the capacity to implement 26 meetings of CFTA in one year;
- Observed that some meetings contained in the budget were not in the Calendar of Meetings;
- Proposed that 2.03 under BIAT be expunged;
- Observed that 3.02 and 3.04 under BIAT did not have detailed cost breakdown and wondered how the figures in the budget were arrived at;
- In item 4.01 under BIAT, it was observed that the cost of photocopier was too high and needed revision.
- Proposed that items 6.01 and 6.04 of BIAT be revised downward.

Responses by the Commission

- Explained that in drawing out the budget for 2017 due consideration was taken on the fact that the Union was facing financial difficulty;
- Reassured that the department is able to absorb all planned meeting since it has boosted its capacity with recruitment of new staff that will be on board by January 2017;
- Even though some meetings of the CFTA were not included in the Calendar of Meetings, the Commission pleaded to members to treat CFTA as special project due to its importance and tight targets;
- Agreed to review the proposed budget downwards;
- Appealed to the meeting not to expunge item 2.03 as it was the decision of Ministers of Trade to reach out to all stakeholders including the Pan African Parliament.

Recommendations

101. The Sub-Committee recommends to the PRC a total program budget of US\$14,341,277 as follows:

- a) Main budget of US\$2,140,892,
 b) Technical Assistance of US\$1,040,783, and
 c) Special project budget of US\$11,159,602.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	2,222,987	2,222,987	0	2,140,892	2,140,892	0	(82,095)	(82,095)
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	620,783	620,783	0	1,040,783	1,040,783	0	420,000	420,000
Special	0	9,151,175	9,151,175	0	11,159,602	11,159,602	0	2,008,427	2,008,427
Grand total	0	11,994,945	11,994,945	0	14,341,277	14,341,277	0	2,346,332	2,346,332

Department of Social Affairs (DSA)

102. The department presented a draft total budget of US\$8.1 million to support projects on human capital development, disease control, and remittances.

Comments by Member States

- Suggested that budget line 2.08 'Develop Support for the Implementation of Pharmaceutical Manufacturing Plan for Africa' that is covered by Member States to be reduced by US\$20,000 to US\$40,000.
- Requested for detailed breakdown on some activities budgeted under output "Implementation of the African Health Strategy Promoted"
- Wondered why the department provided for the development of an Encyclopaedia when the same was budgeted for under CIDO;

Responses by the Commission

- Agreed to work with CIDO on the preparation of Encyclopaedia Africana.

Recommendation

103. The Sub-Committee recommends to the PRC a total program budget of US\$13,897,107 as follows:

- a) Main budget of US\$3,429,565,
 b) Pass-through budget of US\$149,562,
 c) Technical Assistance of US\$

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	695,096	695,096	0	3,429,565	3,429,565	0	2,734,469	2,734,469
Pass-through	0	0	0	0	149,562	149,562	0	149,562	149,562
Technical assistance	0	179,756	179,756	0	179,756	179,756	0	0	0

Special	0	7,222,582	7,222,582	0	10,138,224	10,138,224	0	2,915,642	2,915,642
Grand total	0	8,097,434	8,097,434	0	13,897,107	13,897,107	0	5,799,673	5,799,673

NEPAD Coordinating Unit

104. The Unit presented a draft budget which was revised downwards from the original US\$1.6 million to US\$382,320.

Comments from Member States

- Welcomed the reduced budget;
- Wanted to find out if any AU Decision will be affected as a result of significant reduction of the proposed budget;
- Members requested for an explanation on the low rate of execution of the 2015 budget..

Response by the Commission

- The meeting was assured that no AU Decision will be affected with the downward revision of the budget;
- The low rate of execution was attributed to austerity measure put in place for activities financed by Member States.

Recommendations

105. The Sub-Committee recommends to the PRC a total program budget of US\$382,320 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	1,615,530	1,615,530	0	382,320	382,320	0	(1,233,210)	(1,233,210)
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	1,615,530	1,615,530	0	382,320	382,320	0	(1,233,210)	(1,233,210)

Program Budget, Finance and Accounting Department (PBFA)

106. The department presented a draft budget of US\$2 million aimed to support interventions to improve budgeting, finance and accounting within the Union.

Comments from Member States

- Suggested that the meetings of the Internal Program and Budget Committee be held in the East Africa region or at AUC Headquarters as it would be cheaper to do so;
- Wondered why the department is planning to visit PAU;
- Wanted to know the rationale for dropping the Medium Term Expenditure Plan;
- Sought clarification why the training on e-Payment is planned in Nairobi and not at the AUC Headquarters and also suggested that the training should target Training of Trainers;
- Questioned the proposed consultancy fees of US\$60,000 for integration of Quick books despite the fact that SAP is already implemented;
- Sought clarification on daily consultancy rate of US\$1,000 which seems to be on the high side;
- Wondered whether it was necessary to conduct visits to regional offices/organs;
- Wanted to know if it is practical to rollout SAP to regional offices/Organs within a single year, and suggested reducing the number of days;
- Sought clarification on computer based training shown under item 3.04;
- Suggested reducing the number of days for the planned retreat;
- Requested for an explanation as to why the travel costs to Kampala was different compared to activities planned in Nairobi.

Responses by the Commission

- Clarified that even if the meeting of IPBC were to take place in Addis Ababa, the cost to be saved will be very minimal since its membership is drawn from all AU Organs;
- The Medium term Expenditure Plan was dropped from the budget on account that there is a parallel reform program that is on-going within the department;
- The travel costs to Kampala is different from Nairobi because it involves participants travelling from Addis Ababa whereas those attending the Nairobi meeting come from all Organs of the Union;
- The e-Payment training is planned to be conducted in Kenya because Ecobank which is the provider of the platform is located in Nairobi;
- The department has to make visits to PAU to fulfil its oversight mandate over all Organs and institutions of the AU;
- On issues raised on the roll out of SAP, it was explained that there is standard period required to align processes, set up the system and train staff. The department has planned to rollout to 4 AU offices;
- Quick books is proved to be appropriate and cost effective for smaller offices whereas SAP will be rolled out to offices with sizable staff and operations;
- The daily rate for consultancy was obtained from quotations for SAP and other professional engagements.

Recommendations

107. The Sub-Committee recommends to the PRC a total program budget of US\$1,977,809 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	2,008,142	2,008,142	0	1,977,809	1,977,809	0	(30,333)	(30,333)
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	2,008,142	2,008,142	0	1,977,809	1,977,809	0	(30,333)	(30,333)

Protocol Department

108. The department presented a draft budget for 2017 of US\$144,650 to support programs aimed at reinforcing the protocol services of AU Commission.

Comments from Member States

- Requested for information on budget execution for 2015 and for 2016;
- Observed that the presented budget items are a repetition of past year budgets;
- Sought clarification on the rationale for attending training in Dubai and exchange program in Brussels.

Responses by the Commission

-
- The department couldn't execute fully its programs in 2015 due to financial constraints.;
- Explained that the department was unable to execute past budgets due to financial constraints, as such it had to reprogram the same activities in 2017;
- Dubai was chosen for training since it hosts the Washington School of Protocol, which is among the best in the world;
- Brussels was chosen for an exchange program in order to learn best practices in protocol at the EU Headquarters.

Recommendations

109. The Sub-Committee recommends to the PRC a total program budget of US\$144,650 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	144,650	144,650	0	144,650	144,650	0	0	0
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	144,650	144,650	0	144,650	144,650	0	0	0

DIE: African Energy Commission (AFREC) – Operational Budget

110. The department of Infrastructure and Energy presented a draft budget of US\$2,052,073 to support operations of AFREC.

Comments from Member States

- Members requested for information on the Maputo Structure for AFREC;

Responses by the Commission

- Confirmed that the staff strength approved for AFREC as per Maputo is 10;

Recommendation

111. The Sub-Committee recommends to the PRC a total operating budget of US\$1,275,699.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	2,052,073	0	2,052,073	1,275,699	0	1,275,699	(776,374)	0	(776,374)
Grand total	2,052,073	0	2,052,073	1,275,699	0	1,275,699	(776,374)	0	(776,374)

African Mission in Somalia (AMISOM)

112. The Department presented a draft budget of US\$335.9 million to cater for peace operations in Somalia.

Comments from Member States

- Enquired if the 25% of Member States contribution required under the Alternative Sources of Financing (ASF) was factored in when drawing the draft budget;
- Questioned the rationale for including air transport costs which were not budgeted for in previous years;

- Wanted to find out the impact of the withdrawal of EU's support on the operations of AMISOM;
- Wanted to know which activities will be affected by the reduction of 5% as compared to the 2016 budget;
- Wondered why there was low execution on the civilian personnel budget;
- Explanation was requested on the nature and application of Trust Fund.

Responses by the Commission:

- Clarified that the 25% of Member States contribution to AMISOM required under the ASF was not factored in;
- The budget was reduced downwards in order to accommodate the withdrawal of EU's support to AMISOM;
- Informed the meeting that reduction on the budget was mainly on Military Policing and Civilian personnel;
- Explained that the low execution on civilian personnel budget was due to delays on the newly recruited staff to take up their positions;
- Explained the need to include costs of air travel in 2017 because the UN which provided free air transport in the past withdrew its services;
- Explained that the Trust Fund was established and funded by the United Nations.

Recommendation

113. The Sub-Committee recommends to the PRC a total budget of US\$335,965,041 as follows:

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	325,112,803	10,852,238	335,965,041	325,112,803	10,852,238	335,965,041	0	0	0
Grand total	325,112,803	10,852,238	335,965,041	325,112,803	10,852,238	335,965,041	0	0	0

Office of the Secretary General (OSG)

114. The office presented a draft budget of US\$168,365 aimed at improving the interaction between Member States through the Permanent Representative Committee and its AU Policy Making Organs.

Comments by Member States

- Requested for the budget execution for 2015 with a view to measure the Office's capacity to spend the requested budget proposal;
- Questioned the costs provided for the meetings of the Commission and Directors;
- Sought clarification on how the Statutory Technical Committee budget was arrived at.

Responses by the Commission

- Assured the meeting that the Office has the capacity to absorb the 2017 budget although it was not able to do so in 2015 due to financial constraints;
- Explained that the proposed budget for Commission and Directors meetings is to cater for water and stationery.
- Presented the detailed cost breakdown related to Statutory Technical meeting.

Recommendation

115. The Sub-Committee recommends to the PRC a total program budget of US\$168,365 under the Main budget.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
Main	0	168,365	168,365	0	168,365	168,365	0	0	0
Pass-through	0	0	0	0	0	0	0	0	0
Technical assistance	0	0	0	0	0	0	0	0	0
Special	0	0	0	0	0	0	0	0	0
Grand total	0	168,365	168,365	0	168,365	168,365	0	0	0

African Police (AFRIPOL) – Operational Budget

116. The department of Peace and Security presented a total budget of US\$1,056,800 to operationalize the African Police (AFRIPOL) as per decision Assembly/AU/Dec.589(XXVI).

Comments by Member States

- Queried the inclusion of furniture budget while the host country is providing for furnished building;
- Questioned why the recruitment plan doesn't include professional and technical staff ;
- Questioned the proposed high budget for maintenance of premises.

Responses by the Commission

- to revise Agreed to remove the proposed budget for furniture;
- The recruitment is intended to constitute the senior management structure as the technical staff will be sourced from secondment from Member States;
- Agreed downwards the budget for maintenance of premises.

Recommendation

117. The Sub-Committee recommends to the PRC a total operating budget of US\$948,450.

Category	Initial			Recommended			Initial Vs Recommendation		
	Operating	Programs	Total	Operating	Programs	Total	Operating	Programs	Total
2017 Budget	1,056,800	0	1,056,800	948,450	0	948,450	(108,350)	0	(108,350)
Grand total	1,056,800	0	1,056,800	948,450	0	948,450	(108,350)	0	(108,350)

CONCLUSIONS AND RECOMMENDATIONS ON 2017 BUDGET

118. Following the discussions and explanations made by the Commission and other Organs of the African Union, the Sub-Committee on Administrative, Budgetary and Financial Matters recommends to the PRC as follows:

- i) **A total budget of US\$782,108,049 was recommended for the African Union for the year 2017, which is broken down into:**
 - a) **US\$488,525,786 for Operating costs representing 62% of the total budget**
 - b) **US\$293,582,263 for Programmes representing 38% of the total budget**
- ii) **The budget is also recommended to be financed as follows:**
 - a) **US\$205,149,538 from Member States assessed contributions, representing 26% of the budget**
 - b) **US\$576,958,511 from International Partners representing 74% of the budget**
- iii) **The Sub-Committee recommends the improvement to the budget report in the following areas:**
 - a) **Harmonisation of the format of the documents;**
 - b) **Alignment with the AU Financial Rules and Regulations by providing, preceding financial year actuals and estimates for following financial 2 years (Art 12)**
 - c) **Suggested to present in the future budgets all Revenue listed under Article 18 of the Financial Rules and Regulations**
- iv) **It was recommended that in future, the draft Programs should first be considered by the Sub-Committee on Programs and Conferences before it is tabled to the Sub-Committee on Administrative, Budgetary and Financial Matters;**
- v) **The Calendar of Meetings to be aligned to the revised Program Budget;**
- vi) **Member States requested to be regularly updated on the situation of the Reserve Fund.**

BUDGET OF THE UNION 2017
(Art 12 of FRR)

in US\$			Budget 2015	Budget 2016	Budget 2017	Variation 2017 vs 2016	%	Variation 2016 vs 2015	%
Revenue		Member States Contribution	147,318,607	169,833,340	205,149,538	35,316,198	20.8%	22,514,733	15.3%
		Partners (inc Pass through & TA)	639,727,038	631,487,492	576,958,511	(54,528,981)	-8.6%	(8,239,546)	-1.3%
		Commercial & Revenue Generating Activities	-	-	-	-		-	
		Voluntary Contributions, Gifts and Donations	-	-	-	-		-	
		Miscellaneous	-	-	-	-		-	
Total Revenue			787,045,645	801,320,832	782,108,049	(19,212,783)	-2.4%	14,275,187	1.8%
Expenses	Operating Costs	Staff Cost	120,334,696	121,611,885	129,841,347	8,229,462	6.8%	1,277,189	1.1%
		Operating Costs	347,985,921	357,900,344	355,757,269	(2,143,075)	-0.6%	9,914,423	2.8%
		Capital Expenditure	1,561,885	1,837,339	2,927,171	1,089,832	59.3%	275,454	17.6%
	Total Operating Costs (A)		469,882,502	481,349,568	488,525,786	7,176,218	1.5%	11,467,066	2.4%
	Programs	Programme	317,163,143	319,971,264	293,582,263	(26,389,001)	-8.2%	2,808,121	0.9%
Total Programme (B)		317,163,143	319,971,264	293,582,263	(26,389,001)	-8.2%	2,808,121	0.9%	
Total Costs (A)+(B)			787,045,645	801,320,832	782,108,049	(19,212,783)	-2.4%	14,275,187.00	1.8%

RATIOS		Budget 2015	Budget 2016	Budget 2017	Variation 2017 vs 2016	%	Variation 2016 vs 2015	%	
		Operating Costs	59.70%	60.07%	62.46%	2.4%		0.4%	
		Programme	40.30%	39.93%	37.54%	-2.4%		-0.4%	
TOTAL		100%	100%	100%					

Note:		Budget 2015	Budget 2016	Budget 2017	Variation 2017 vs 2016	%	Variation 2016 vs 2015	%
		AMISOM- Contributions in kind	489,000,000	513,000,000	583,000,000	70,000,000	14%	24,000,000

BUDGET OF THE UNION 2017
Comparative 2017 vs 2016 by Organ

Organ	Budget 2016	Budget 2017	Variation	Variation %	% Share
AUC	348,838,476	348,833,296	-5,180	0.0%	44.6%
Pan African Parliament (PAP)	32,460,993	22,020,159	-10,440,834	-32.2%	2.8%
African Court on Human and People's Rights (AfCHPR) (The Court)	10,286,401	10,315,284	28,883	0.3%	1.3%
African Court on Human and People's Rights (AfCHPR) (The Commission)	5,581,245	5,525,705	-55,540	-1.0%	0.7%
ECOSSOC	2,034,619	1,119,557	-915,062	-45.0%	0.1%
NEPAD	33,885,492	41,440,410	7,554,918	22.3%	5.3%
African Union Commission on International Law (AUCIL)	684,775	731,286	46,511	6.8%	0.1%
Advisory Board on Corruption	1,376,408	2,396,246	1,019,838	74.1%	0.3%
Peace & Security Council	797,216	1,047,965	250,749	31.5%	0.1%
ACERWC	739,178	827,556	88,379	12.0%	0.1%
AFREC	945,268	1,275,699	330,431	35.0%	0.2%
IPED	735,512	762,647	27,135	3.7%	0.1%
CIEFFA	735,512	716,656	-18,855	-2.6%	0.1%
PAU	2,526,668	2,531,177	4,509	0.2%	0.3%
AIR	2,135,276	763,494	-1,371,782	-64.2%	0.1%
ACDC	3,093,121	3,971,148	878,027	28.4%	0.5%
AOSTI		916,272	916,272		0.1%
AFRIPOL		948,450	948,450		0.1%
AMISOM	354,464,673	335,965,041	-18,499,632	-5.2%	43.0%
Total (Including AMISOM)	801,320,833	782,108,049	-19,212,784	-2.4%	100.0%

BUDGET OF THE UNION 2017

Source of Fund

Organs	Member States		
	Operating Budget	Programs	Total Assessment
AUC	109,509,732	40,070,932.54	149,580,665
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
SPECIALIZED OFFICES			
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
PEACE OPERATIONS			
AMISOM			-
TOTAL	163,412,983	41,736,555	205,149,538

Partners		
Operating	Programs	Total
	199,252,631	199,252,631
	6,442,184	6,442,184
	1,605,966	1,605,966
	914,736	914,736
		-
	31,995,633	31,995,633
	309,960	309,960
		-
		-
	472,360	472,360
		-
		-
		-
		-
		-
		-
		-
		-
		-
		-
		-
325,112,803	10,852,238	335,965,041
325,112,803	251,845,708	576,958,511

Total Budget for 2017		
Operating	Programs	Total 2017
109,509,732	239,323,563	348,833,296
15,577,975	6,442,184	22,020,159
8,709,318	1,605,966	10,315,284
4,610,969	914,736	5,525,705
1,119,557	-	1,119,557
9,444,778	31,995,633	41,440,410
421,326	309,960	731,286
1,861,946	534,300	2,396,246
-	1,047,965	1,047,965
271,838	555,718	827,556
1,275,699	-	1,275,699
762,647	-	762,647
716,656	-	716,656
2,531,177	-	2,531,177
763,494	-	763,494
3,971,148	-	3,971,148
916,272	-	916,272
948,450	-	948,450
325,112,803	10,852,238	335,965,041
488,525,786	293,582,263	782,108,049

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

BUDGET OF THE UNION 2017
Member States Assessment

Organ	2016	2017	Variation	
AUC	126,387,664	149,580,665	23,193,000	18%
PAP	12,016,230	15,577,975	3,561,745	30%
AfCHR (The Court)	7,934,915	8,709,318	774,403	10%
ACHPR (The Commission)	4,279,846	4,610,969	331,123	8%
ECOSSOC	1,043,396	1,119,557	76,162	7%
NEPAD	8,871,755	9,444,778	573,023	6%
AUCIL	389,575	421,326	31,751	8%
Advisory Board on Corruption	1,376,408	2,396,246	1,019,838	74%
Peace & Security Council	797,216	1,047,965	250,749	31%
ACERWC	293,375	355,196	61,821	21%
AFREC	945,268	1,275,699	330,431	35%
IPED	735,512	762,647	27,135	4%
CIEFFA	735,512	716,656	(18,855)	-3%
PAU	2,526,668	2,531,177	4,509	0%
AIR	-	763,494	763,494	
ACDC	1,500,000	3,971,148	2,471,148	
AOSTI	-	916,272	916,272	
AFRIPOL		948,450	948,450	
AMISOM	-	-	-	
Total	169,833,340	205,149,538	35,316,199	21%

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

BUDGET OF THE UNION 2017
Budget by Components and Organs

	Staff Cost	Operating Costs	Capital Expenditure	Sub Total	Programs	TOTAL	Share of the Budget
AUC	81,834,576	26,145,807	1,529,349	109,509,732	239,323,563	348,833,296	44.6%
PAP	8,899,874	6,438,101	240,000	15,577,975	6,442,184	22,020,159	2.8%
AfCHR (The Court)	5,899,885	2,751,713	57,720	8,709,318	1,605,966	10,315,284	1.3%
ACHPR (The Commission)	2,386,434	2,164,035	60,500	4,610,969	914,736	5,525,705	0.7%
ECOSSOC		1,119,557		1,119,557	-	1,119,557	0.1%
NEPAD	7,849,696	1,568,738	26,344	9,444,778	31,995,633	41,440,410	5.3%
AUCIL		421,326		421,326	309,960	731,286	0.1%
Advisory Board on Corruption	797,369	1,000,077	64,500	1,861,946	534,300	2,396,246	0.3%
Peace & Security Council				-	1,047,965	1,047,965	0.1%
ACERWC	28,814	243,024		271,838	555,718	827,556	0.1%
AFREC	1,127,099	123,600	25,000	1,275,699	-	1,275,699	0.2%
IPED	516,881	116,566	129,200	762,647	-	762,647	0.1%
CIEFFA	480,484	122,972	113,200	716,656	-	716,656	0.1%
PAU	1,842,683	436,430	252,064	2,531,177	-	2,531,177	0.3%
AIR	475,800	173,500	114,194	763,494		763,494	0.1%
ACDC	2,708,414	1,172,733	90,000	3,971,148	-	3,971,148	0.5%
AOSTI	699,938	131,234	85,100	916,272	-	916,272	0.1%
AFRIPOL	712,350	96,100	140,000	948,450	-	948,450	0.1%
Total excluding AMISOM	116,260,299	44,225,514	2,927,171	163,412,983	282,730,025	446,143,008	57%
AMISOM	13,581,048	311,531,755		325,112,803	10,852,238	335,965,041	43.0%
Total including AMISOM (funded by partners)	129,841,347	355,757,269	2,927,171	488,525,786	293,582,263	782,108,049	100%

	Staff Cost	Operating Costs	Capital Expenditure		Programs	TOTAL
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% of the total	16.6%	45.5%	0.4%		37.5%	100.0%
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2017 Program Budget : By Pillar											
No.	Pillar	2016			2017			% Difference b/n 2016 and 2017			% Share of the Budget
		Member States	IPs	Total	Member States	IPs	Total	Member States	IPs	Total	
1	Peace and Security	2,164,871.00	64,119,262.08	66,284,133.08	6,007,718.00	18,139,912.00	24,147,630.00	177.51%	-71.71%	-63.57%	19.88%
2	Social, Economic and Human Development	5,115,403.44	67,301,507.84	72,416,911.28	4,501,494.20	24,937,394.57	29,438,888.77	-12.00%	-62.95%	-59.35%	24.24%
3	Integration, Cooperation and Partnerships	1,315,827.00	4,936,427.52	6,252,254.52	3,226,407.00	2,363,604.00	5,590,011.00	145.20%	-52.12%	-10.59%	4.60%
4	Shared Values	146,060.00	1,905,369.80	2,051,429.80	2,955,128.50	7,507,820.60	10,462,949.10	1923.23%	294.03%	410.03%	8.61%
5	Institutions, Capacity Building and Communication	4,508,889.90	33,933,562.72	38,442,452.62	13,413,057.22	38,398,718.10	51,811,775.32	197.48%	13.16%	34.78%	42.66%
Total		13,251,051.34	172,196,129.96	185,447,181.30	30,103,804.92	91,347,449.27	121,451,254.19	127.18%	-46.95%	-34.51%	100%

2017 Program Budget : By Outcome											
No.	Outcome	2016			2017			% Difference b/n 2016 and 2017			% Share of the Budget
		Member States	IPs	Total	Member States	IPs	Total	Member States	IPs	Total	
1	Promote peace and stability, good governance, democracy and human rights	2,310,931.00	65,104,138.88	67,415,069.88	8,489,715.00	25,647,732.60	34,137,447.60	267.37%	-60.61%	-49.36%	28.11%
2	Increased agricultural production, food and nutrition security	757,685.00	55,096,229.85	55,853,914.85	438,832.00	14,709,307.55	15,148,139.55	-42.08%	-73.30%	-72.88%	12.47%
3	Promote inclusive economic and infrastructure development, and industrialization	2,088,519.00	8,342,556.72	10,431,075.72	5,286,082.40	5,038,314.20	10,324,396.60	153.10%	-39.61%	-1.02%	8.50%
4	Policies and Programmes to enhance health, education and employable skills	2,743,217.44	8,270,459.79	11,013,677.23	1,525,000.80	6,969,047.82	8,494,048.62	-44.41%	-15.74%	-22.88%	6.99%
5	Strategies for resource mobilization, including alternative and additional sources of funding	841,809.00	528,689.00	1,370,498.00	824,025.00	584,329.00	1,408,354.00	-2.11%	10.52%	2.76%	1.16%
6	Build a People-centered Union	688,085.00	1,502,344.00	2,190,429.00	1,574,357.50	62,000.00	1,636,357.50	128.80%	-95.87%	-25.30%	1.35%
7	Strengthen the institutional capacity of the AU	3,820,804.90	33,351,711.72	37,172,516.62	11,965,792.22	38,336,718.10	50,302,510.32	213.17%	14.95%	35.32%	41.42%
Total		13,251,051.34	172,196,129.96	185,447,181.30	30,103,804.92	91,347,449.27	121,451,254.19	160.97%	-57.28%	-22.49%	100%

2017 Program Budget : By Project						
No.	Department	Project	2017			% Share of the Budget
			Member States	IPs	Total	
1	Bureau of the Chairperson - Cabinet	Africa's Strategic Partnerships and relations with the RECs	824,025.00	584,329.00	1,408,354.00	1.16%
2	Bureau of the Chairperson - Cabinet	Agenda 2063 and AU Foundation	277,280.00	-	277,280.00	0.23%
3	Bureau of the Chairperson - Cabinet	AU Representational Offices Programmes	784,668.00	28,500.00	813,168.00	0.67%
4	Bureau of the Chairperson - Cabinet	Development Partners Programme Support Initiatives	-	10,376,899.99	10,376,899.99	8.54%
5	Bureau of the Chairperson - Cabinet	Policy Coordination and Supervision	281,564.00	-	281,564.00	0.23%
6	CIDO	Mobilizing non-state actors within Civil society	473,131.50	-	473,131.50	0.39%
7	Information and Communication	Building a people's union, through information dissemination and communication within the continent	1,101,226.00	62,000.00	1,163,226.00	0.96%
8	Office of Internal Audit	Enhancement of Internal Audit Functions	46,100.00	154,440.00	200,540.00	0.17%
9	NEPAD Coordination Unit	Integration of NEPAD into the AUC	382,320.00	-	382,320.00	0.31%
10	Office of the Legal Council	African Integrated Maritime Strategy	174,692.00	-	174,692.00	0.14%
11	Office of the Legal Council	Legal Support to AU Organs	655,000.00	200,000.00	855,000.00	0.70%
12	Office of the Secretary General of the Commission	Promote Effective Cooperation and Collaboration with Member States, other AU Organs and the RECs.	168,365.00	-	168,365.00	0.14%
13	Protocol Services	RE-ENFORCEMENT OF PROTOCOL SERVICES DEPARTMENT	144,650.00	-	144,650.00	0.12%
14	SPPMERM	Coordinate the Implementation of Agenda 2063	227,900.00	387,084.00	614,984.00	0.51%
15	SPPMERM	Strengthening the Strategic Planning Capabilities within the AUC and other AU Organs	641,929.70	1,383,336.00	2,025,265.70	1.67%
16	Women, Gender and Development	African Women Economic Empowerment and Gender Parity	76,558.00	367,575.00	444,133.00	0.37%
17	Women, Gender and Development	Gender Mainstreaming to achieve Equality and Women's Empowerment	257,633.00	271,631.60	529,264.60	0.44%
18	Bureau of the Deputy Chairperson - Cabinet	Administrative Tribunal	364,082.00	-	364,082.00	0.30%
19	Bureau of the Deputy Chairperson - Cabinet	Institutional Capacity Building programme	-	179,919.15	179,919.15	0.15%
20	Administration and Human Resource Development	Enhancing effective implementation of Administration and Human Resources Management functions of AUC	474,254.52	13,802,823.96	14,277,078.48	11.76%
21	Conference Management and Publications	Modernization of DCMP Working Methods	1,049,358.00	-	1,049,358.00	0.86%
22	Program Budget Finance and Accounting	Institutionalising Programming Budgeting, Finance and Accounting (PBFA) Reforms	385,271.00	1,592,538.00	1,977,809.00	1.63%
23	Medical Services	Enhancing Medical Services Delivery Systems within AU	208,800.00	-	208,800.00	0.17%
24	Economic Affairs	Economic Policies and establishment of AU Financial Institutions	200,000.00	-	200,000.00	0.16%
25	Economic Affairs	Enhancing Inclusive Business Climate for Private Sector Development and Investment in Africa	297,760.40	-	297,760.40	0.25%
26	Economic Affairs	Harmonization of Statistics in Africa	575,644.00	239,091.00	814,735.00	0.67%
27	Economic Affairs	Promotion and Implementation of the African Integration Agenda	254,200.00	100,890.00	355,090.00	0.29%
28	Human Resource Science and Technology	Africa Observatory for Science, Technology and Innovation (AOSTI)	346,039.00	-	346,039.00	0.28%
29	Human Resource Science and Technology	Education and Capacity Building in Africa	1,041,764.80	3,031,771.00	4,073,535.80	3.35%

2017 Program Budget : By Project						
No.	Department	Project	2017			% Share of the Budget
			Member States	IPs	Total	
30	Human Resource Science and Technology	Science Technology and Innovation strategy for sustainable development (STISA-2024)	302,036.00	2,066,894.00	2,368,930.00	1.95%
31	Infrastructure and Energy	Strengthening Skills for Energy Development AFREC/AFSEC	624,180.00	-	624,180.00	0.51%
32	Infrastructure and Energy	Energy Development Strategies and Initiatives in Africa	454,500.00	451,484.00	905,984.00	0.75%
33	Infrastructure and Energy	Facilitation and Harmonization of Transport Systems and Tourism in Africa	497,795.00	218,022.00	715,817.00	0.59%
34	Infrastructure and Energy	Facilitation of Prog, Dev & Implem. of harmonised ICT & Postal Policies and Regulations in Africa	109,588.00	1,695,108.60	1,804,696.60	1.49%
35	Infrastructure and Energy	Programme for Infrastructure Development in Africa (PIDA)and Institutional Architecture (AIDA)	-	526,849.60	526,849.60	0.43%
36	Peace and Security	Capacity Building	6,806,530.00	10,431,177.00	17,237,707.00	14.19%
37	Peace and Security	Conflict Prevention	112,274.00	2,867,912.80	2,980,186.80	2.45%
38	Peace and Security	Coordination and Partnership	621,547.00	1,345,223.00	1,966,770.00	1.62%
39	Peace and Security	Crisis/Conflict Management	4,066,139.02	9,518,451.00	13,584,590.02	11.19%
40	Peace and Security	Post-Conflict Reconstruction and Peace Building	140,018.00	2,071,621.60	2,211,639.60	1.82%
41	Peace and Security	Strategic Security Issues	260,193.98	858,252.40	1,118,446.38	0.92%
42	Political Affairs	Operationalise the African Governance Architecture Platform and Secretariat	304,794.00	428,529.00	733,323.00	0.60%
43	Political Affairs	Promoting Free Movement of People in Africa	870,940.00	-	870,940.00	0.72%
44	Political Affairs	Strengthening the African Governance Architecture (AGA) for the promotion of African Shared Values	1,569,364.00	7,036,189.00	8,605,553.00	7.09%
45	Rural Economy and Agriculture	Coordinating implementation of CAADP and related activities	61,740.00	7,137,904.90	7,199,644.90	5.93%
46	Rural Economy and Agriculture	Enhanced Coordination of Sustainable Environment and Natural Resources	194,347.00	2,890,121.65	3,084,468.65	2.54%
47	Rural Economy and Agriculture	Enhancing the coordination of Animal resources initiatives in Africa	182,745.00	4,681,281.00	4,864,026.00	4.00%
48	Social Affairs	Facilitate Africa Human Capital Development	181,200.00	1,870,382.82	2,051,582.82	1.69%
49	Social Affairs	Facilitate peace and stability through Pan-Africanism, cultural renaissance and drug control	328,060.00	1,049,922.20	1,377,982.20	1.13%
50	Trade and Industry	Boosting Intra Africa Trade and Enhancement of Africa's Share in Global Trade	701,598.00	1,439,294.00	2,140,892.00	1.76%
Total			30,103,804.92	91,347,449.27	121,451,254.19	100%

BUDGET OF THE AFRICAN UNION 2017

Comparative 2017

Organ	Initial Proposal 2017	Recommended by Sub-Committee 2017	Variation	Variation %
AUC	332,824,982	348,833,296	16,008,313	4.8%
Pan African Parliament (PAP)	23,421,097	22,020,159	(1,400,938)	-6.0%
African Court on Human and People's Rights (AfCHPR) (The Court)	11,282,179	10,315,284	(966,895)	-8.6%
African Court on Human and People's Rights (AfCHPR) (The Commission)	5,263,369	5,525,705	262,336	5.0%
ECOSSOC	2,034,619	1,119,557	(915,062)	-45.0%
NEPAD	42,736,408	41,440,410	(1,295,998)	-3.0%
African Union Commission on International Law (AUCIL)	731,286	731,286	-	0.0%
Advisory Board on Corruption	1,663,561	2,396,246	732,685	44.0%
Peace & Security Council	1,047,965	1,047,965	-	0.0%
ACERWC	827,556	827,556	-	0.0%
AFREC	2,052,073	1,275,699	(776,374)	-37.8%
IPED	743,562	762,647	19,085	2.6%
CIEFFA	754,628	716,656	(37,972)	-5.0%
PAU	2,964,358	2,531,177	(433,181)	-14.6%
AIR	2,865,388	763,494	(2,101,894)	-73.4%
ACDC	5,564,269	3,971,148	(1,593,121)	-28.6%
AOSTI	1,843,352	916,272	(927,080)	-50.3%
AFRIPOL	1,056,800	948,450	(108,350)	-10.3%
AMISOM	335,965,041	335,965,041	-	0.0%
Total (Including AMISOM)	775,642,494	782,108,049	6,465,555	0.8%

BUDGET OF THE AFRICAN UNION 2017

Operating/Programs

Organs/Specialized Offices	Initial Proposal			Recommended by Sub-Committee			Variation		
	Operating	Programs	Total 2017	Operating	Programs	Total 2017	Operating	Programs	Total 2017
AUC	110,752,593	222,072,389	332,824,982	109,509,732	239,323,563	348,833,296	(1,242,861)	17,251,174	16,008,313
PAP	16,978,913	6,442,184	23,421,097	15,577,975	6,442,184	22,020,159	(1,400,938)	-	(1,400,938)
AfCHR (The Court)	9,123,140	2,159,039	11,282,179	8,709,318	1,605,966	10,315,284	(413,822)	(553,073)	(966,895)
ACHPR (The Commission)	4,610,969	652,400	5,263,369	4,610,969	914,736	5,525,705	-	262,336	262,336
ECOSSOC	1,043,396	991,223	2,034,619	1,119,557	-	1,119,557	76,162	(991,223)	(915,062)
NEPAD	10,740,775	31,995,632	42,736,407	9,444,778	31,995,632	41,440,410	(1,295,997)	-	(1,295,997)
AUCIL	421,326	309,960	731,286	421,326	309,960	731,286	-	-	-
Advisory Board on Corruption	1,551,601	111,960	1,663,561	1,861,946	534,300	2,396,246	310,345	422,340	732,685
Peace & Security Council	-	1,047,965	1,047,965	-	1,047,965	1,047,965	-	-	-
ACERWC	271,838	555,718	827,557	271,838	555,718	827,557	-	-	-
AFREC	1,427,893	624,180	2,052,073	1,275,699	-	1,275,699	(152,194)	(624,180)	(776,374)
IPED	743,562	-	743,562	762,647	-	762,647	19,085	-	19,085
CIEFFA	754,628	-	754,628	716,656	-	716,656	(37,972)	-	(37,972)
PAU	2,964,358	-	2,964,358	2,531,177	-	2,531,177	(433,181)	-	(433,181)
AIR	763,494	2,101,894	2,865,388	763,494	-	763,494	-	(2,101,894)	(2,101,894)
ACDC	3,971,148	1,593,121	5,564,269	3,971,148	-	3,971,148	-	(1,593,121)	(1,593,121)
AOSTI	1,843,352	-	1,843,352	916,272	-	916,272	(927,080)	-	(927,080)
AFRIPOL	1,056,800	-	1,056,800	948,450	-	948,450	(108,350)	-	(108,350)
AMISOM	325,112,803	10,852,238	335,965,041	325,112,803	10,852,238	335,965,041	-	-	-
TOTAL	494,132,589	281,509,905	775,642,494	488,525,786	293,582,263	782,108,049	(5,606,803)	12,072,358	6,465,555

BUDGET OF THE AFRICAN UNION 2017
Member States Assessment

Organs/Specialized Offices	Initial Proposal	Recommended by Sub-Committee	Variation	
AUC	144,754,925	149,580,665	4,825,739	3.3%
PAP	18,421,097	15,577,975	(2,843,122)	-15.4%
AfCHR (The Court)	9,123,140	8,709,318	(413,822)	-4.5%
ACHPR (The Commission)	4,708,832	4,610,969	(97,863)	-2.1%
ECOSSOC	1,192,079	1,119,557	(72,522)	-6.1%
NEPAD	15,540,120	9,444,778	(6,095,343)	-39.2%
AUCIL	467,820	421,326	(46,494)	-9.9%
Advisory Board on Corruption	1,663,561	2,396,246	732,685	44.0%
Peace & Security Council	1,047,965	1,047,965	-	0.0%
ACERWC	355,196	355,196	-	0.0%
AFREC	1,521,520	1,275,699	(245,821)	-16.2%
IPED	743,562	762,647	19,085	2.6%
CIEFFA	754,628	716,656	(37,972)	-5.0%
PAU	2,964,358	2,531,177	(433,181)	-14.6%
AIR	1,078,778	763,494	(315,284)	-29.2%
ACDC	4,210,116	3,971,148	(238,968)	-5.7%
AOSTI	1,843,352	916,272	(927,080)	-50.3%
AFRIPOL	1,056,800	948,450	(108,350)	-10.3%
AMISOM	1,627,836	-	(1,627,836)	-100.0%
Total	213,075,686	205,149,538	(7,926,148)	-3.7%

**African Union Commission
Summary of 2017 Program Budget**

Department	Initial Proposal					Recommended by the Sub-Committee					Variation
	Main	Passthrough	Technical assistance	Special	Grand total	Main	Passthrough	Technical assistance	Special	Grand total	
Bureau of the Chairperson	14,302,228.99			341,000.00	14,643,228.99	13,157,265.99			341,000.00	13,498,265.99	(1,144,963.00)
CIDO	946,263.00				946,263.00	473,131.50				473,131.50	(473,131.50)
Information and Communication	1,499,427.00				1,499,427.00	1,163,226.00				1,163,226.00	(336,201.00)
Office of Internal Audit	200,540.00				200,540.00	200,540.00				200,540.00	-
NEPAD Coordination Unit	1,615,530.32				1,615,530.32	382,320.00				382,320.00	(1,233,210.32)
Office of the Legal Counsel	1,295,392.00				1,295,392.00	1,029,692.00				1,029,692.00	(265,700.00)
Office of the Secretary General of the Commission	168,365.00				168,365.00	168,365.00				168,365.00	-
Protocol Services	144,650.00				144,650.00	144,650.00				144,650.00	-
SPPMERM	2,753,488.20				2,753,488.20	2,640,249.70				2,640,249.70	(113,238.50)
Women, Gender and Development	906,841.60		1,083,434.20		1,990,275.80	973,397.60		1,016,878.20		1,990,275.80	-
Bureau of the Deputy Chairperson	544,001.15		220,460.00		764,461.15	544,001.15		220,460.00		764,461.15	-
Administration and Human Resource Development*	1,687,750.00				1,687,750.00	14,277,078.48				14,277,078.48	12,589,328.48
Conference Management and Publications	1,079,694.00				1,079,694.00	1,049,358.00				1,049,358.00	(30,336.00)
Program Budget Finance and Accounting	2,008,142.00				2,008,142.00	1,977,809.00				1,977,809.00	(30,333.00)
Medical Services	208,800.00				208,800.00	208,800.00				208,800.00	-
Economic Affairs	2,170,119.60	84,436.00		3,727,220.00	5,981,775.60	1,667,585.40	84,436.00		3,727,220.00	5,479,241.40	(502,534.20)
Human Resource Science and Technology	5,775,150.00	33,989,625.00			39,764,775.00	6,788,504.80	34,441,423.00			41,229,927.80	1,465,152.80
Infrastructure and Energy	4,930,739.20	20,000,000.00	1,275,000.00		26,205,739.20	4,577,527.20	20,000,000.00	1,275,000.00		25,852,527.20	(353,212.00)
Peace and Security	39,099,339.80				39,099,339.80	39,099,339.80				39,099,339.80	-
Political Affairs	9,551,816.00	213,576.00	58,020.00		9,823,412.00	10,209,816.00	213,576.00	58,020.00		10,481,412.00	658,000.00
Rural Economy and Agriculture	14,207,712.55	34,988,423.88	902,825.00		50,098,961.43	15,148,139.55	32,923,543.88	902,825.00		48,974,508.43	(1,124,453.00)
Social Affairs	695,095.82		179,756.00	7,222,581.86	8,097,433.68	3,429,565.02	149,561.96	179,756.00	10,138,223.86	13,897,106.84	5,799,673.16
Trade and Industry	2,222,987.00		620,783.00	9,151,175.29	11,994,945.29	2,140,892.00		1,040,783.00	11,159,602.33	14,341,277.33	2,346,332.04
Grand Total	108,014,073.23	89,276,060.88	4,340,278.20	20,441,977.15	222,072,389.46	121,451,254.19	87,812,540.84	4,693,722.20	25,366,046.19	239,323,563.42	17,251,173.96

*NB: The AHRM program budget included in the initial submission was \$1.6 million. With permission of the Sub-Committee, the department resubmitted a total program of \$22 million budget out of which \$14.3 million was recommended by the Sub-Committee. With the revised submission, the total program budget of AUC considered by the Sub-Committee is \$244 million.



2017 BUDGET OVERVIEW PAPER



HARNESSING THE DEMOGRAPHIC DIVIDEND
THROUGH INVESTMENTS IN THE YOUTH

Africa Union Commission

6/27/2016

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2017 BUDGET OVERVIEW PAPER

Executive Summary

The 2017 budget has provided the African Union (AU) Organs an opportunity to align in full their programs to the first Ten Year Implementation Plan of the Agenda 2063. It has embraced the Alternative Source of Financing (ASF) initiative where 100 per cent of Operating budget, 75 per cent of Program budget and 25 per cent of Peace and Security budget will be financed with funds sourced from the continent.

The budget was prepared under the assumptions that:

- it will begin to increase Member States assessed contribution based on the ASF principle;
- the Program budget will at the core earmark the implementation of 12 flagship projects with the launching of the Continental Free Trade Area at the center
- provide for the flagship projects with first Member States funds;
- the Accountability and Oversight mechanism proposed by Member States will be up and running; and
- recurrent costs of completed projects will be fully provided for.

It has the following functional classifications:

- a) Social, Economic and Human Development with 54% of the budget;
- b) Peace and Security with 10% of the budget;
- c) Institution, Capacity Building and Communication with a share of 22%;
- d) Shared Values with a budget share of 5%; and
- e) Integration, Cooperation and Partnerships with a share of 9%.

The total budget proposed for 2017 stands at **US\$782,108,049** (including AMISOM's budget of US\$335,965,041) with **US\$488,525,786 (62%)** being the Operating budget and **US\$293,582,263 (38%)** is the Program budget. It is expected that Member States will contribute **US\$205,149,538** (26% of the budget) while the rest **US\$576,958,511** (64% of the budget) will come from partners.

Section One

1.0 Introduction

The 2017 budget is an important one for a number of dimensions:

- 1.1 It comes at the end of the AU Commission's 2014-2017 Strategic Plan. It also welcomes with the new AU Commission that assumes its position during the second half of 2016. It is the budget that embraces Agenda 2063's First Ten Implementation Plan in full with the launching of the Continental Free Trade Area and other AU flagship projects at the center. It comes at the time when a number of Member States are recovering from economic shocks emanating from the El Niño weather pattern, low commodity prices and conflicts.
- 1.2 The 2017 budget is greeted with a new thinking by Member States who through the PRC have assumed a greater oversight function over affairs of the Union. The AU Assembly in January 2016 endorsed a new Oversight and Accountability Mechanism, which, among others, proposed the strengthening of the Sub-Committee on Administrative, Budgetary and Financial Matters and renamed it as Sub-Committee of General Supervision and Coordination on Budgetary, Financial and Administrative Matters. A Sub-Committee on Budgetary Matters has also been created to specifically carry out technical appraisal of AU draft budget and its implementation. There is also an amalgamation of the ad hoc Ministerial Committee on Scale of Assessment with the Sub-Committee on Contribution into a fully-fledged Ministerial Sub-Committee on Scale of Assessment.
- 1.3 It also comes at a time when the number of women in leadership positions at AU is growing steadily, and the gender gap in both professional and nonprofessional positions is fast closing within the AU institutions. This is in appreciation of progress made with gender equality and equity goal set through the AU Themes of past two years.
- 1.4 In addition, the budget responds to the 2017 Theme 'Harnessing the Demographic Dividends through Investments in the Youth'.

1.5 The endorsement of the 2017 Budget Framework paper by the PRC in December 2015 and the subsequent interrogation of detailed draft programs for 2017 by the sub Committee on Programs and Conferences paved the way for the development of this budget. It is prepared under the objective of consolidating gains in achieving aspirations stipulated in the Agenda 2063 around the following:

- a) Focusing on building Africa's human capacity;
- b) Mainstreaming the participation of women and youth in all priorities and activities of the Union;
- c) Deepening regional and continental market integration and development;
- d) Promoting inclusive economic development and industrialization;
- e) Expanding agricultural production and productivity for food and nutrition security;
- f) Promoting peace, security and stability;
- g) Implementing strategies for resources mobilization; and
- h) Building a people-centered Union and strengthening the institutional capacity of the AU Commission, RECs and other AU Organs.

1.6 The budget is prepared on the assumption that Member States will increase its contributions towards financing the programs from the current 6.8 per cent to about 15 per cent in 2017 in order to incrementally reach the 75 per cent mark set for the Alternative Source of Financing initiative by 2020. This is in addition to financing 100 per cent of AU operational budget.

1.7 The paper is presented in 6 sections with the introduction situating the budget within which the Union operates, and provides the foundation of the 2017 budget;

- Section 1: Introduction
- Section 2 brings in the experiences in implementing the 2015 budget focusing just on figures;
- Section 3 recalls the agreed upon key priority areas as presented in the Budget Framework Paper and what their budget entails for 2017;
- Section 4 provides a synopsis of the budget in broad terms, while
- Section 5: a rundown of specific AU Organs budget complete with reasons for their increase/decrease is provided in
- Section 6 is the conclusion.

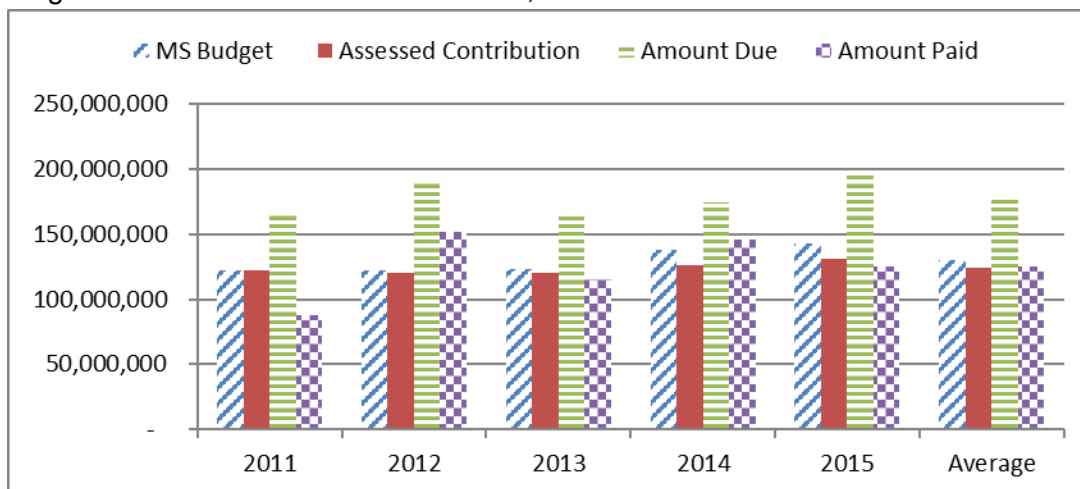
Section Two

2.0 The 2015 Budget Implementation

2.1 Out of the total approved budget of **US\$446,874,036 (excluding AMISOM)**, the Union had spent **US\$230,095,163** as at December 31, 2015, representing 51 per cent. During the same period, an amount of **US\$335,938,967** (75% of budget) was available to finance the budget. Out of this, Member States contributed **US\$110,116,755** (including arrears) while partners provided **US\$192,215,836**. Against this, the overall execution to the available funds is 70 per cent. And with an expenditure of **US\$105,041,887** on Program budget, and **US\$110,152,991** on Operating budget gives execution rates of 62 per cent and 77 per cent, respectively, to the available budget.

2.2 Out of the US\$131.47 million, 2015 assessed contribution from Member States, US\$89.38 was received representing 68% of the total assessed contribution. During the 2015, US\$51.55 million was received to clear arrears up to end of 2014. As at end of 2015, 19 Member States had fully met their obligations to the Union while 35 Member States were in arrears with 14 Member States being in arrears as at 31 December 2014.

Figure 1: Member States Contributions, 2011 - 2015



Source: PBFA

2.3 As more MSs default on their contributions and the amount in arrears accumulated, the Union was forced to operate under a severe financial constraint; which lead the Union to borrow from the Working Capital.

Table 1: Status of Arrears Payment, 2011 - 2015

	2011	2012	2013	2014	2015	Average
Total Arrears Carried Forward	44,627,381	72,407,058	44,046,085	49,324,362	76,323,063	57,345,590
Arrears Paid	18,606,654	62,255,185	28,663,121	32,218,013	51,552,790	38,659,153
Payment rate	42%	86%	65%	65%	68%	67%

Source: PBFA

2.4 As at the end of the first half of the year, the Union had received **US\$63,388,075** (26% of expected). The Union institutions, however, could only absorb about 40 per cent in that half leaving the rest to be absorbed in the second half of the year. This necessitated the partners to release an extra **US\$36,111,370** during the second half of the year bringing the total received to **US\$99,499,445**.

Section Three

3.0 Summary of Key Deliverables for 2017

3.1 The 2017 Budget Framework Paper highlighted a number of measures the Union was to undertake in order to arrest challenges Africa is currently facing, and to sustain the growth momentum the continent is experiencing as well as to absorb the effects of economic shocks emanating from mainly the El Nino weather phenomenon, the commodity price slump, and conflicts. Coupled with a renewed spirit for self-reliance towards program financing as it was evident during the AU Summit in January 2016 when a good number of Member States volunteered to meet the funding gap created by one Member State, the Union has lined up a number of important interventions for 2017. The identified interventions are meant to create conducive environment from which Member States to operate from collectively as a block. At the center of it all is the implementation of flagship projects:

- 1) Integrated High Speed Train Network: The ultimate goal is to connect African capitals and commercial centers through an African High Speed Train to facilitate movement of goods, factor services and people, reduce transport costs and relieve congestion of current and future systems. In 2017, the focus will be to carry out feasibility studies and this will attract a budget of US\$0.48 million

- 2) **Single African Air Transport Market:** This allows for capitalization of opportunities in the aviation sector within the framework of the implementation of Yamoussoukro Decision on single air transport market for Africa as a catalyst for boosting intra-Africa trade, business, tourism as well as cultural exchanges. About US\$0.30 million is earmarked for this purpose in 2017
- 3) **An African Virtual and E-University:** This will allow for an increased access to tertiary and continuing education in Africa by reaching large numbers of students and professionals in multiple sites simultaneously and developing relevant and high quality Open, Distance and eLearning (ODEL). In 2017, this has attracted a budget of US\$0.54 million.
- 4) **Formulation of Commodities Strategy:** The Union is venturing into the implementation of an ambitious, multi-sectoral commodities strategy. This enables Member States add value, extract higher rents from their commodities, integrate into the global value chain, and promote vertical and horizontal diversification anchored in value addition and local content development. Its formulation will require a budget of US\$0.16 million in 2017.
- 5) **Establishment of the Continental Free Trade Area;** The year 2017 was earmarked for launching the Continental Free Trade Area. This is with a view to accelerate intra Africa trade more significantly, and use trade more effectively as an engine of growth and sustainable development through doubling of intra-Africa trade by 2022. The processes leading to the launch and the launch itself will attract a budget of US\$3.69 million in 2017.
- 6) **The African Passport and Free Movement of People:** This targets the transformation Africa's laws, which remain generally restrictive on movement of people despite political commitments to bring down borders with a view to promoting the issuance of visas by Member States to enhance free movement of all African citizens in all African countries by 2018. In 2017, this will have a budget of US\$0.87 million.
- 7) **The Grand Inga Dam:** The optimal development of the Inga dam will generate 43,200 MW of power to support current power pools on the continent. More immediate is the facilitation to complete the first phase of Inga Dam III to generate 4,800 MW with low head dam and 7,800 MW with high head dam. In 2017, an amount of US\$0.10 million has been reserved towards this purpose.

- 8) The Pan-African E-Network: Following the successful provision of transformative e-application such as the tele-medicine and tele-education that has benefited the continent in many ways over the last 5 years, the Union is now forging ahead to sustain the program by meeting its operating costs for its hub in Dakar, maintenance chargers for the satellite transmission and connectivity, and pay service fees for tele-education services, among other. Together these will have a budget of US\$0.11 million in 2017.
- 9) Establishment of an Annual African Forum: Once a year, the African political leadership, the private sector, academia and the civil society meet to discuss issues around the smooth implementation of the Agenda 2063. This has a budget of US\$0.12 million in 2017.
- 10) African Outer Space Strategy: The budget proposed for the strategy in 2017 is US\$1.33 million.
- 11) Establishment of Continental Financial Institutions: This has a draft budget of US\$0.20 million in 2017

3.2 In addition to the flagship projects above, other selected intervention areas for implementation in 2017 are presented below according to the outcome structure of the AU Commission Strategic Plan, 2014-2017.

Outcome 1: Peace and stability, good governance, democracy and human rights as foundations for development and stable societies promoted

3.2.1 The capacities of the Union, RECs and RMs will be enhanced to meet the disarmament, demobilization and reintegration (DDR) challenges in post-conflict African countries. This includes improved capacities of AU and RECs in security sector reforms so as to better support Member States when needed. This has a budget of US\$7.54 million in 2017.

3.2.2 The Union seeks to strengthen the capacity and enhance collaboration between the AU Continental Early Warning System and the Early Warning Systems of RECs as instruments for conflict prevention through the production of coordinated and timely information to enhance engagements with decision makers at continental, regional and country levels. This has a budget of US\$4.24 million in 2017.

3.2.3 The Union will strive to assist with improving the political and legal decision making processes to enable rapid deployment of peace support operations and cooperation among AU, RECs/RMs and Member States. In 2017, an amount of US\$4.10 million has been reserved for enhancing the required systems, processes, policies and capacities to adequately plan, manage, sustain and liquidate.

3.2.4 Put into operation the standby force by making sure it has sufficient, qualified and skilled personnel (military, police, civilian) with capacities and capabilities to carry out the operations. This will have a budget of US\$18.68 million in 2017.

3.2.5 Advocate for the promotion of a culture of constitutionalism and rule of law with a view to redress the tendency of unconstitutional takeover of governments. This has a budget of US\$1.72 million in 2017.

3.2.6 Support observer missions to elections scheduled for 2017 as part of entrenching democracy through transparent and peaceful elections. In 2017, this has been allocated a budget of US\$5.77 million.

3.2.7 The Union will continue to lobby Member States and have at least 45 of them that ratify, implement and report on the African Charter on Democracy, Elections and Governance. This has been allocated a budget of US\$0.10 million in 2017.

3.2.8 Advance the campaign to have at least 5 more Member States ratifying the protocol establishing the African Court for Human and People's Rights, and more States deposit the declarations required under Article 34 (6) of the Protocol. This has a budget of US\$0.20 million in 2017.

3.2.9 The African Commission on Human and People's Rights will intensify its engagement with Member States through the PRC and its sub Committees so that they are more involved in its work and taking the relationship between the two to another level. This has a budget of US\$0.20 million in 2017.

3.2.10 The Union intends to target at least 75 per cent of Member States to be assisted with the development of strategies for drug control that include provisions for curbing the health and social consequences of drug use. This has a budget of US\$0.50 million in 2017

3.2.11 Work with Member States to formulate, standardize, disseminate and promote PAP Model Laws that will eventually be adopted at local levels. About US\$0.25 million is earmarked for this purpose.

Outcome 2: Policies and institutions for the sustainable development, increased agriculture production, food security, expanded value addition and market access, and sound environmental and natural resources management implemented.

3.3.1 Support Member States to implement the CAADP priorities as well as the utilization of the animal resources as instruments for boosting agriculture production and productivity for food and nutrition security. In 2017, this has a budget of US\$7.20 million.

3.3.2 The Union will continue to support and monitor enhancement of agribusiness including access to productive resources by women and youth. In 2017, a budget of US\$0.15 million has been provided for this purpose.

3.3.3 Support Member States' implementation of the Natural Resources Management, African Water Vision 2025, Climate Change and Sustainable Development strategies. This has a budget of US\$3.08 million in 2017.

3.3.4 Support and encourage the High Level panel on Gender Equality and Women Empowerment to bring together high ranking African women in academia, research, scholars, gender experts to discuss emerging issues affecting women, and identify practical solutions for women empowerment in, especially, access to finance, agribusiness, etc. A budget of US\$0.93 million has been dedicated to this in 2017.

3.3.5 Continue to monitor institutions and other stakeholders involved in the mainstreaming and implementation of Multilateral Environmental Agreements that include monitoring for environmental and security in Africa. This has a budget of US\$1.21 million in 2017.

Outcome 3: Infrastructure development and environment for inclusive economic development, industrialization, private sector-led intra-African trade and sustainable utilization of natural resources created.

3.4.1 The Africa Mining Vision Compact will be in full operational from 2017. A budget of US\$0.21 million has been earmarked for the Union to work with Member States to

ensure that private sector operating in the mining industry do their business according to attributes of the African Mining Vision.

3.4.2 Working with Member States to develop and implement policies in support of private sector development with a view to foster competitive sectors and ensure equal opportunities for all segments of the population. This has a budget for 2017 of US\$0.30 million.

3.4.3 Promote policies and standards that will assist in fostering regional economic integration in the perspective of taking advantage of the potential gains from an enlarged market. This has been allocated a budget of US\$0.25 million in 2017.

3.4.4 The Union will assist in promoting economic research and use of statistics to inform policy makers and practitioners timely so as to reduce the continent's vulnerability to external shocks and propose optimal solutions to African development imperatives. In 2017, this has a budget of US\$4.57 million.

Outcome 4: Policies and Programs to enhance health, education and employable skills underpinned by investment in services, science, research and innovation implemented by Member States

3.5.1 The Union intends to assist Member States create a new Africa citizen who is an effective change agent for the sustainable growth and development of the continent. This will be done by making sure the comprehensive Ten Year Continental Educational Strategy; 2016-2025 has been fully embraced in Member States. A budget of US\$1.78 million has been earmarked for this purpose.

3.5.2 Continue to support Member States to strengthen and build capacity in science, technology and innovation, including harnessing the capacity of information, communication and technology to improve access, management and quality of education and training systems. This has a budget of US\$2.72 million in 2017.

3.5.3 The Union will in 2017 support the establishment of the Pan African Intellectual Property Organization (PAIPO) to promote and protect creativity, invention, innovation, technology transfer, techno-industrial competitiveness, African traditional knowledge, among others. In 2017, this will have a budget of US\$0.40 million.

3.5.4 The Union will facilitate the work to ensure that at least 20 Member States have aligned their national health plans with AU Health Policies. This has attracted a budget of US\$1.12 million in 2017.

3.5.5 The Event Based Surveillance and the Emergency Operation Center under the auspices of the Africa Center for Disease Control would be in full operational from 2017. This will have a budget of US\$5.43 million.

3.5.6 With a budget of US\$0.37 million in 2017, the Union will advocate for at least 25 Member States having extended social protection measures to migrant workers.

3.5.7 Launch the implementation of the first set of programs/projects addressing at least 3 priorities of STISA - 24-24: eradicating hunger and achieve food and nutrition security, prevent and control diseases and ensure welfare, and protect our space. In 2017, this will have a budget of US\$1.04 million.

3.5.8 The Union will support the establishment of an African Institute for Statistics that will work with national Statistical Offices to collect, analyze and disseminate continent's statistics, among others. This will have a budget of US\$3.73 million in 2017.

Outcome 5: Strategies for resource mobilization, including alternative and additional sources of funding, to enable Africa to finance its programs and development in place.

3.6.1 The Union will also endeavor to mobilize resources from the private sector, philanthropists, individuals, donors within Africa, the diaspora and globally. This has a budget of US\$0.10 million in 2017.

Outcome 6: An AU that communicates with and engages Member States/Stakeholders in defining and implementing the African Agenda.

3.7.1 Connect African people, ideas, initiatives and resources for Africa's development and Agenda 2063 through a robust and effective communication strategy. This has a budget of US\$0.86 million in 2017.

3.7.2 A budget of US\$0.31 million will be required to advocate for the African Union and support for its programs in 2017.

3.7.3 The Commission on Human and People's Rights will embark on an intensive campaign to advocate for the implementation and observance of the African Charter and the African human rights systems among citizens with an intention to make it known to African citizen as a platform for redressing human rights violations. This has a budget of US\$0.20 million in 2017.

Outcome 7: Institutional capacities of the AUC improved, and relations with RECs, AU Organs and with strategic and other partners strengthened.

3.8.1 The Union will venture to inculcate a culture of accountability and responsibility among staff through a process that will involve transforming the existing AU operating model to the one that is dynamic, robust and actionable. To do this, it will require US\$1.52 million in 2017.

3.8.2 Drive performance and operational efficiency at all levels through the provision of required information to staff to perform their responsibilities, accountabilities and duties satisfactorily in accordance with set rules, regulations, policies and principles of the African Union. This has a budget of US\$5.51 million in 2017.

3.8.3 The AU Center of Excellence Academy will be fully operational providing capability enhancement solutions to AU leadership, staff and Member States to enable them effectively deliver on mandate of their respective organizations, especially in areas of measurement, reporting, evaluation and oversight. A budget of US\$2.5 million has been earmarked for this purpose in 2017.

3.8.4 The new SAP modules on Business Planning (BP) and Grant Management (GM) will be fully implemented from 2017. The BP links the budget planning with implementation and reporting from a single platform while the GM facilitates the tracking of grants from planning to recipients in terms of time, effort certification, reporting and results, etc. In 2017, these will have a budget of US\$0.67 million.

3.8.5 Migrate to e-banking to facilitate bank transfers in real time. This has a budget of US\$0.04 million in 2017.

3.8.6 A mechanism for budget scrutiny and oversight, and monitoring of the implementation of the AU budget will be fully operational from 2017. This will have a budget of US\$0.25 million.

3.8.7 The Union, through PAP will strengthen participation of citizens, especially women, youth, people with disabilities, vulnerable groups and the diaspora in its parliamentary processes. This has a budget of US\$0.30 million in 2017.

3.8.8 The medical services delivery systems will be improved by equipping it with specialized clinics and diagnostics services with the state of the art equipment while upgrading the skills of its medical staff. This has a budget of US\$0.21 million in 2017.

Section Four

4.1 Proposed 2017 Budget

4.1.1 The proposed 2017 budget for the Union, including AMISOM, is **US\$782,108,049**, which is 2.4 per cent lower than the 2016 approved budget. It is composed of Operating budget of **US\$488,525,786** (62% of 2017) and Program Budget of **US\$293,582,263** (38% of 2017).

Table 2: Budget of the Union 2017

BUDGET OF THE UNION 2017 (Art 12 of FRR)									
in US\$			Budget 2015	Budget 2016	Budget 2017	Variation 2017 vs 2016	%	Variation 2016 vs 2015	%
Revenue		Member States Contribution	147,318,607	169,833,340	205,149,538	35,316,198	20.8%	22,514,733	15.3%
		Partners (inc Pass through & TA)	639,727,038	631,487,492	576,958,511	(54,528,981)	-8.6%	(8,239,546)	-1.3%
		Commercial & Revenue Generating Activities	-	-	-	-		-	
		Voluntary Contributions, Gifts and Donations	-	-	-	-		-	
		Miscellaneous	-	-	-	-		-	
Total Revenue			787,045,645	801,320,832	782,108,049	(19,212,783)	-2.4%	14,275,187	1.8%
Expenses	Operating Costs	Staff Cost	120,334,696	121,611,885	129,841,347	8,229,462	6.8%	1,277,189	1.1%
		Operating Costs	347,985,921	357,900,344	355,757,269	(2,143,075)	-0.6%	9,914,423	2.8%
		Capital Expenditure	1,561,885	1,837,339	2,927,171	1,089,832	59.3%	275,454	17.6%
	Total Operating Costs (A)		469,882,502	481,349,568	488,525,786	7,176,218	1.5%	11,467,066	2.4%
	Programs	Programme	317,163,143	319,971,264	293,582,263	(26,389,001)	-8.2%	2,808,121	0.9%
Total Programme (B)		317,163,143	319,971,264	293,582,263	(26,389,001)	-8.2%	2,808,121	0.9%	
Total Costs (A)+(B)			787,045,645	801,320,832	782,108,050	(19,212,782)	-2.4%	14,275,187.00	1.8%
RATIOS			Budget 2015	Budget 2016	Budget 2017	Variation 2017 vs 2016	%	Variation 2016 vs 2015	%
		Operating Costs	59.70%	60.07%	62.46%	2.4%		0.4%	
		Programme	40.30%	39.93%	37.54%	-2.4%		-0.4%	
TOTAL			100%	100%	100%				
Note:			Budget 2015	Budget 2016	Budget 2017	Variation 2017 vs 2016	%	Variation 2016 vs 2015	%
		AMISOM- Contributions in kind	489,000,000	513,000,000	583,000,000	70,000,000	14%	24,000,000	5%

4.1.2 The classification components of the budget highlights that staff cost have gone up by 6.8 per cent due to the provision for new staff to be recruited in 2017. Operating costs remained stable at 0.6% decrease whilst the capital expenditure has increased by 59.3 per cent in order to meet the costs of refurbishing of buildings at mainly AU Commission, replacement of vehicles and upgrading of IT equipment.

4.1.3 The Program budget has decreased by 7.1% mainly due to the fact that Programs without secured funding from Partners have not been considered in this draft budget.

Table 3: Budget comparison by component of expenses, 2015 – 2017

Financial Year	Staff Cost	Operating Costs	Capital Expenditure	Programs	TOTAL
2015	15.3 %	44.3 %	0.1%	40.3%	100%
2016	14.3%	42.7%	0.2%	42.6%	100%
2017	16.6%	45.5%	0.4%	37.5%	100.0%

4.2 Estimates of Revenues for the 2017 Budget

4.2.1 The 2017 Union budget is expected to be financed from two sources: the contributions from Member States based on the scale of assessment applicable in that year, which largely meets the operating expenses of the Union, and funds received from development partners (both bilateral and multilateral) mainly to support programs and peace operations. More recently, the Union has endeavored to mobilize funds from the private sector, philanthropists, and from renting out its own facilities.

4.2.2 The Member States assessed contribution for 2017 is estimated at **US\$205,159,538**, representing 26 per cent of the total budget. Out of this, it is estimated that **US\$41,736,555** will finance programs (15% of Program budget) as counterpart funds and for projects fully financed with Member States funds. A total amount of **US\$576,958,511** is expected to come from development partners to the AU budget.

Table: Share of Contributions to Total Budget, 2015 – 2017

Type of Contribution	Budget 2015	Budget 2016	Budget 2017	Variation 2017 vs. 2016	Variation 2016 vs. 2015
MS Contribution	18.7%	21.2%	26.2%	20.8%	2.5%
Partners Contribution	81.3%	78.8%	73.8%	-8.6%	-2.5%
TOTAL	100%	100%	100%		

4.2.3 The assessed contribution on Member States has gone up by 20.8 per cent from the 2016 on account of the Decision reached at the AU Summit in June 2015 to expedite implementation of the Alternative Sources of Financing (ASF) initiative in full within five years from 2016 to 2020.

Section Five

4.0 Budget Overview by AU Organs

BUDGET OF THE UNION 2017							
Budget by Components and Organs							
	Staff Cost	Operating Costs	Capital Expenditure	Sub Total	Programs	TOTAL	Share of the Budget
AUC	81,834,576	26,145,807	1,529,349	109,509,732	239,323,564	348,833,296	44.6%
PAP	8,899,874	6,438,101	240,000	15,577,975	6,442,184	22,020,159	2.8%
AfCHR (The Court)	5,899,885	2,751,713	57,720	8,709,318	1,605,966	10,315,284	1.3%
ACHPR (The Commission)	2,386,434	2,164,035	60,500	4,610,969	914,736	5,525,705	0.7%
ECOSSOC		1,119,557		1,119,557	-	1,119,557	0.1%
NEPAD	7,849,696	1,568,738	26,344	9,444,778	31,995,633	41,440,410	5.3%
AUCIL		421,326		421,326	309,960	731,286	0.1%
Advisory Board on Corruption	797,369	1,000,077	64,500	1,861,946	534,300	2,396,246	0.3%
Peace & Security Council				-	1,047,965	1,047,965	0.1%
ACERWC	28,814	243,024		271,838	555,718	827,556	0.1%
AFREC	1,127,099	123,600	25,000	1,275,699	-	1,275,699	0.2%
IPED	516,881	116,566	129,200	762,647	-	762,647	0.1%
CIEFFA	480,484	122,972	113,200	716,656	-	716,656	0.1%
PAU	1,842,683	436,430	252,064	2,531,177	-	2,531,177	0.3%
AIR	475,800	173,500	114,194	763,494		763,494	0.1%
ACDC	2,708,414	1,172,733	90,000	3,971,148	-	3,971,148	0.5%
AOSTI	699,938	131,234	85,100	916,272	-	916,272	0.1%
AFRIPOL	712,350	96,100	140,000	948,450	-	948,450	0.1%
Total excluding AMISOM	116,260,299	44,225,514	2,927,171	163,412,983	282,730,025	446,143,009	57%
AMISOM	13,581,048	311,531,755		325,112,803	10,852,238	335,965,041	43.0%
Total including AMISOM (funded by partners)	129,841,347	355,757,269	2,927,171	488,525,786	293,582,263	782,108,050	100%

5.1 AU Commission

5.1.1 The proposed budget for the AU Commission for 2017 is **US\$348,833,296** which is which is almost at the same level with the 2016 approved budget (0.0% change). It consists of an Operating budget of **US\$109,509,732** and the Program budget of **US\$239,323,564**. The Program budget is further broken down into the following:

- 1) Main budget: US\$121,451,254 (51% of Program budget)
- 2) Special projects: US\$25,366,046 (11% of Program budget)
- 3) Pass-through funds: US\$87,812,541 (37% of Program budget)

4) Technical Assistance: US\$4,693,722 (2% of Program budget)

5.1.2 The main budget is characterized by projects and programs that originate and are implemented directly by the Commission and a great deal of them run for a period greater than one year. Special projects are meant to be one-off designed and implemented in a single year. Pass-through funds are grants to Member States while Technical Assistance contains projects whose funds are spent outside the AU accounting system.

5.1.3 The Operating budget of **US\$109,509,732** is broken down into the following:

- 1) Staff Cost: US\$81,834,576 (75% of total operational budget)
- 2) Other Operating Costs: US\$26,145,807 (24% of total operational budget)
- 3) Capital Expenses: US\$1,529,349 (1% of total operational budget)

5.2 NEPAD Planning and Coordinating Agency (NPCA)

5.2.1 The NPCA have proposed for 2017 a total budget of **US\$41,440,410** broken down into an Operating budget of **US\$9,444,778** and the Program budget of **US\$31,995,633**. It consists of the following categories:

- a) Staff costs: US\$7,849,696 (83.1%)
- b) Other Operating Costs: US\$1,568,738 (4.9%)
- c) Capital Expenses: US\$26,344 (0.1%)

5.2.2 Overall, the NPCA budget is 22.3 per cent higher than the approved budget for 2016 on account of the following reasons:

- a) Scaling up implementation of the Climate Change Adaptation Mitigation Framework
- b) Inclusion of the Project Preparation Facility Network
- c) Implementation of a project to improve medicines policies, laws and regulatory frameworks; and
- d) Inclusion of a project to strengthen Africa's capacity to develop and use Science, technology and Innovation Indicators in development planning and policy formulation

5.3 Pan African Parliament (PAP)

5.3.1 The Pan African Parliament is presenting a proposed budget for 2017 of **US\$22,020,159**, which is 32.2 per cent lower than the approved budget for 2016. Out of this, an amount of **US\$15,577,975** is meant for meeting the operating expenses of the institution while **US\$6,442,184** has been reserved for the Program budget. The PAP budget is classified as follows:

- a) Staff costs: US\$8,899,874 (57%)
- b) Other Operating Costs: US\$6,438,101 (41%)
- c) Capital Expenses: US\$240,000 (2%)

5.3.2 The proposed budget for PAP includes:

- a) Costs of an additional staff to be recruited in 2017
- b) Introduction of allowances paid to the Bureau and Members of Parliament that have been aligned with AU Rules applicable in other Organs
- c) Replace and upgrade the obsolete IT infrastructure such as the server, network portals, backup systems, etc.

5.4 African Court for Human and People's Rights (AfCHR)

5.4.1 The AfCHR has proposed a budget of **US\$10,315,284**. This consists of the Operating budget of **US\$8,709,318** and the Program budget of **US\$1,605,966**. It is about 0.3 per cent higher than the 2016 approved budget on account of recruiting new staff and replacement and upgrading of IT equipment. The AfCHR budget is classified as follows:

- a) Staff costs: US\$5,899,885 (68%);
- b) Other Operating Costs: US\$2,751,713 (32%);
- c) Capital Expenses: US\$57,720 (1%).

5.5 African Commission for Human and People's Rights (ACHPR)

5.5.1 The Commission for Human and People's Rights has proposed a budget of **US\$5,525,705** and is 1 per cent lower than the approved 2016 budget. It is composed of the Operating budget of **US\$4,610,969** and the Program budget of **US\$914,736**. The proposed budget is classified as follows:

- a) Staff Costs: US\$2,386,434 (52%)
- b) Other Operating Expenses: US\$2,164,035 (47%)
- c) Capital Costs: US\$60,500 (1%)

5.6 Economic, Social and Cultural Council (ECOSOCC)

5.6.1 The ECOSOCC has proposed for 2017 of a budget amounting to **US\$1,119,557** of Operating budget which is 45 per cent lower than that of 2016.

5.7 African Union Commission for International Law (AUCIL)

5.7.1 The AUCIL have proposed a budget for 2017 of **US\$731,286**, which is 6.8 per cent higher than the 2016 approved budget. It comprises the Operating budget of **US\$421,326** and the Program budget of **US\$309,960**.

5.8 African Union Advisory Board on Corruption (AUABC)

5.8.1 The Advisory Board on Corruption has earmarked a budget for 2017 of **US\$2,396,246**, which is 74.1 per cent over the 2016 approved budget. It consists of an Operating budget of **US\$1,861,946** and a Program budget of **US\$534,300**. The overall budget for the Board is classified as follows:

- a) Staff Costs: US\$797,369 (43%);
- b) Other Operating Expenses: US\$1,000,077(54%);
- c) Capital Costs: US\$64,500 (3%).

5.9 Peace and Security Council

5.9.1 The budget for Peace and Security Council for 2017 has been proposed to be **US\$1,047,965** and is 31.5 per cent higher than the 2016 approved budget. It consists of only Programs.

5.10 The African Committee of Experts on the Rights and Welfare of the Child (ACERWC)

5.10.1 The budget proposed for 2017 for ACERWC is **US\$827,557**, which is 12 per cent above the 2016 approved budget. It is composed of the Operating budget of **US\$271,838** and the Program budget of **US\$555,718**. The proposed is classified as follows:

- a) Staff Costs: US\$28,814 (11%);
- b) Other Operating Expenses: US\$243,024 (89%).

5.11 Specialized Offices

5.11.1 Below are the figures for Specialized Offices:

BUDGET OF THE UNION 2017					
Comparative 2017 vs 2016 by Organ					
Organ	Budget 2016	Budget 2017	Variation	Variation %	% Share
AFREC	945,268	1,275,699	330,431	35.0%	0.4%
IPED	735,512	762,647	27,135	3.7%	0.2%
CIEFFA	735,512	716,656	-18,855	-2.6%	0.2%
PAU	2,526,668	2,531,177	4,509	0.2%	0.7%
AIR	2,135,276	763,494	-1,371,782	-64.2%	0.2%
ACDC	3,093,121	3,971,148	878,027	28.4%	1.1%
AOSTI		916,272	916,272		0.3%
AFRIPOL		948,450	948,450		0.3%
AMISOM	354,464,673	335,965,041	-18,499,632	-5.2%	96.6%
Total	364,636,030	347,850,585	-16,785,445	-4.6%	100.0%

BUDGET OF THE UNION 2017							
Budget by Components and Organs							
	Staff Cost	Operating Costs	Capital Expenditure	Sub Total	Programs	TOTAL	Share of the Budget
AFREC	1,127,099	123,600	25,000	1,275,699	-	1,275,699	10.7%
IPED	516,881	116,566	129,200	762,647	-	762,647	6.4%
CIEFFA	480,484	122,972	113,200	716,656	-	716,656	6.0%
PAU	1,842,683	436,430	252,064	2,531,177	-	2,531,177	21.3%
AIR	475,800	173,500	114,194	763,494	-	763,494	6.4%
ACDC	2,708,414	1,172,733	90,000	3,971,148	-	3,971,148	33.4%
AOSTI	699,938	131,234	85,100	916,272	-	916,272	7.7%
AFRIPOL	712,350	96,100	140,000	948,450	-	948,450	8.0%
Total	8,563,651	2,373,135	948,758	11,885,544	-	11,885,544	100%

Section Six

6.0 Conclusion

6.1 The 2017 budget provides an opportunity for AU organs to fully align their programs and activities to the first Ten Year Implementation Plan of the Agenda 2063 and to the Theme for 2017. With a great deal of Member States experiencing economic shocks of different types, they are still committed to implement the Alternative Sources of Financing in full in order to slowly weaning off from being dependent on foreign support.

ANNEXES

BUDGET OF THE UNION 2017					
Comparative 2017 vs 2016 by Organ					
Organ	Budget 2016	Budget 2017	Variation	Variation %	% Share
AUC	348,838,476	348,833,296	-5,180	0.0%	44.6%
Pan African Parliament (PAP)	32,460,993	22,020,159	-10,440,834	-32.2%	2.8%
African Court on Human and People's Rights (AfCHPR) (The Court)	10,286,401	10,315,284	28,883	0.3%	1.3%
African Court on Human and People's Rights (AfCHPR) (The Commission)	5,581,245	5,525,705	-55,540	-1.0%	0.7%
ECOSSOC	2,034,619	1,119,557	-915,062	-45.0%	0.1%
NEPAD	33,885,492	41,440,410	7,554,918	22.3%	5.3%
African Union Commission on International Law (AUCIL)	684,775	731,286	46,511	6.8%	0.1%
Advisory Board on Corruption	1,376,408	2,396,246	1,019,838	74.1%	0.3%
Peace & Security Council	797,216	1,047,965	250,749	31.5%	0.1%
ACERWC	739,178	827,556	88,379	12.0%	0.1%
AFREC	945,268	1,275,699	330,431	35.0%	0.2%
IPED	735,512	762,647	27,135	3.7%	0.1%
CIEFFA	735,512	716,656	-18,855	-2.6%	0.1%
PAU	2,526,668	2,531,177	4,509	0.2%	0.3%
AIR	2,135,276	763,494	-1,371,782	-64.2%	0.1%
ACDC	3,093,121	3,971,148	878,027	28.4%	0.5%
AOSTI		916,272	916,272		0.1%
AFRIPOL		948,450	948,450		0.1%
AMISOM	354,464,673	335,965,041	-18,499,632	-5.2%	43.0%
Total (Including AMISOM)	801,320,833	782,108,049	-19,212,783	-2.4%	100.0%

BUDGET OF THE UNION 2017				
Member States Assessment				
Organ	2016	2017	Variation	
AUC	126,387,664	149,580,665	23,193,000	18%
PAP	12,016,230	15,577,975	3,561,745	30%
AfCHR (The Court)	7,934,915	8,709,318	774,403	10%
ACHPR (The Commission)	4,279,846	4,610,969	331,123	8%
ECOSSOC	1,043,396	1,119,557	76,162	7%
NEPAD	8,871,755	9,444,778	573,023	6%
AUCIL	389,575	421,326	31,751	8%
Advisory Board on Corruption	1,376,408	2,396,246	1,019,838	74%
Peace & Security Council	797,216	1,047,965	250,749	31%
ACERWC	293,375	355,196	61,821	21%
AFREC	945,268	1,275,699	330,431	35%
IPED	735,512	762,647	27,135	4%
CIEFFA	735,512	716,656	(18,855)	-3%
PAU	2,526,668	2,531,177	4,509	0%
AIR	-	763,494	763,494	
ACDC	1,500,000	3,971,148	2,471,148	
AOSTI	-	916,272	916,272	
AFRIPOL		948,450	948,450	
AMISOM	-	-	-	
Total	169,833,340	205,149,538	35,316,199	20.8%

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

BUDGET OF THE UNION 2017

Source of Fund

Organs	Member States			Partners			Total Budget for 2017		
	Operating Budget	Programs	Total Assessment	Operating	Programs	Total	Operating	Programs	Total 2017
AUC	109,509,732	40,070,932.54	149,580,665		199,252,631	199,252,631	109,509,732	239,323,564	348,833,296
PAP	15,577,975		15,577,975		6,442,184	6,442,184	15,577,975	6,442,184	22,020,159
AfCHR (The Court)	8,709,318		8,709,318		1,605,966	1,605,966	8,709,318	1,605,966	10,315,284
ACHPR (The Commission)	4,610,969		4,610,969		914,736	914,736	4,610,969	914,736	5,525,705
ECOSSOC	1,119,557		1,119,557			-	1,119,557	-	1,119,557
NEPAD	9,444,778		9,444,778		31,995,633	31,995,633	9,444,778	31,995,633	41,440,410
AUCIL	421,326		421,326		309,960	309,960	421,326	309,960	731,286
Advisory Board on Corruption	1,861,946	534,300.00	2,396,246			-	1,861,946	534,300	2,396,246
Peace & Security Council	-	1,047,965.00	1,047,965			-	-	1,047,965	1,047,965
ACERWC	271,838	83,357.72	355,196		472,360	472,360	271,838	555,718	827,556
SPECIALIZED OFFICES									
AFREC	1,275,699		1,275,699			-	1,275,699	-	1,275,699
IPED	762,647		762,647			-	762,647	-	762,647
CIEFFA	716,656		716,656			-	716,656	-	716,656
PAU	2,531,177		2,531,177			-	2,531,177	-	2,531,177
AIR	763,494		763,494			-	763,494	-	763,494
ACDC	3,971,148		3,971,148			-	3,971,148	-	3,971,148
AOSTI	916,272		916,272			-	916,272	-	916,272
AFRIPOL	948,450		948,450			-	948,450	-	948,450
PEACE OPERATIONS									
AMISOM			-	325,112,803	10,852,238	335,965,041	325,112,803	10,852,238	335,965,041
TOTAL	163,412,983	41,736,555	205,149,538	325,112,803	251,845,708	576,958,511	488,525,786	293,582,263	782,108,049

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

Staff Costs by Organs					
Comparative 2016 vs 2017					
	Staff Costs				Share of the Budget 2017
Organs	Budget 2016	Budget 2017	Variation	Variation %	
AUC	80,477,258	81,834,576	1,357,318	1.7%	63.0%
PAP	6,908,622	8,899,874	1,991,252	28.8%	6.9%
AfCHR (The Court)	6,308,051	5,899,885	(408,166)	-6.5%	4.5%
ACHPR (The Commission)	2,698,565	2,386,434	(312,131)	-11.6%	1.8%
ECOSSOC	-	-	-		0.0%
NEPAD	8,221,166	7,849,696	(371,470)	-4.5%	6.0%
AUCIL		-	-		0.0%
Advisory Board on Corruption	831,982	797,369	(34,613)	-4.2%	0.6%
Peace & Security Council	-	-	-		0.0%
ACERWC	23,628	28,814	5,186	22.0%	0.0%
AFREC	1,459,314	1,127,099	(332,215)	-22.8%	0.9%
CIEFFA	561,368	516,881	(44,487)	-7.9%	0.4%
IPED	561,367	480,484	(80,883)	-14.4%	0.4%
PAU	2,044,104	1,842,683	(201,421)	-9.9%	1.4%
AIR	489,000	475,800	(13,200)	-2.7%	0.4%
ACDC		2,708,414	2,708,414		2.1%
AOSTI	-	699,938	699,938		0.5%
AFRIPOL		712,350	712,350		0.5%
AMISOM	11,027,460	13,581,048	2,553,588	23.2%	10.5%
Total	121,611,885.00	129,841,346.75	8,229,462	6.8%	26.0%

Operating Costs by Organs					
Comparative 2016 vs 2017					
Organs	Operating Costs				Share of the Budget 2017
	2016	2017	Variation	Variation %	
AUC	27,796,809	26,145,807	(1,651,002)	-5.9%	7.3%
PAP	5,215,664	6,438,101	1,222,437	23.4%	1.8%
AFCHR (the court)	3,052,317	2,751,713	(300,604)	-9.8%	0.8%
ACHPR (the commission)	2,393,234	2,164,035	(229,199)	-9.6%	0.6%
ECCOSSOC	1,505,779	1,119,557	(386,222)	-25.6%	0.3%
NEPAD	3,601,199	1,568,738	(2,032,461)	-56.4%	0.4%
AUCIL	401,263	421,326	20,063	5.0%	0.1%
Advisory Board on Corruption	1,177,519	1,000,077	(177,442)	-15.1%	0.3%
Peace & Security Council	-	-	-	#DIV/0!	0.0%
ACERWC	235,096	243,024	7,928	3.4%	0.1%
AFREC	82,576	123,600	41,024	49.7%	0.0%
CIFFA	129,944	116,566	(13,378)	-10.3%	0.0%
IPED	129,944	122,972	(6,972)	-5.4%	0.0%
PAU	501,300	436,430	(64,870)	-12.9%	0.1%
AIR	95,600	173,500	77,900	81.5%	0.0%
ACDC	960,500	1,172,733	212,233	22.1%	0.3%
AOSTI	-	131,234	131,234		0.0%
AFRIPOL		96,100	96,100		0.0%
AMISOM	310,621,600	311,531,755	910,155	0.3%	87.6%
Total	357,900,344	355,757,269	(2,143,075)	-0.60%	100.00%

Capital Expenditure by Organs					
Comparative 2016 vs 2017					
Organs	Capital Expenditure				Share of the Budget 2017
	2016	2017	Variation	Variation %	
AUC	-	1,529,349	1,529,349		52.2%
PAP	677,989	240,000	(437,989)	-64.6%	8.2%
AfCHR (The Court)	125,600	57,720	(67,880)	-54.0%	2.0%
ACHPR (The Commission)	10,000	60,500	50,500	505.0%	2.1%
ECOSSOC	-	-	-		0.0%
NEPAD	195,781	26,344	(169,437)	-86.5%	0.9%
AUCIL	-	-	-		0.0%
Advisory Board on Corruption	302,130	64,500	(237,630)	-78.7%	2.2%
Peace & Security Council	30,650	-	(30,650)	-100.0%	0.0%
ACERWC	35,089	-	(35,089)	-100.0%	0.0%
AFREC	50,300	25,000	(25,300)		0.9%
CIEFFA	-	129,200	129,200		4.4%
IPED	69,000	113,200	44,200		3.9%
PAU	-	252,064	252,064		8.6%
AIR	60,000	114,194	54,194		3.9%
ACDC	20,500	90,000	69,500		3.1%
AOSTI	-	85,100	85,100		2.9%
AFRIPOL		140,000	140,000		4.8%
AMISOM	260,300	-	(260,300)		0.0%
Total	1,837,339	2,927,171	1,089,832	59.3%	100.0%

Programs by Organs					
Comparative 2016 vs 2017					
Organs	Programmes				Share of the Budget 2017
	2016	2017	Variation	Variation %	
AUC	241,625,096	239,323,564	(2,301,532)	-1.0%	81.5%
PAP	20,444,763	6,442,184	(14,002,579)	-68.5%	2.2%
AfCHR (The Court)	2,351,486	1,605,966	(745,520)	-31.7%	0.5%
ACHPR (The Commission)	1,301,399	914,736	(386,663)	-29.7%	0.3%
ECOSSOC	991,223	0	(991,223)	-100.0%	0.0%
NEPAD	25,013,737	31,995,633	6,981,896	27.9%	10.9%
AUCIL	295,200	309,960	14,760	5.0%	0.1%
Advisory Board on Corruption	0	534,300	534,300		0.2%
Peace & Security Council	797,216	1,047,965	250,749	31.5%	0.4%
ACERWC	485,367	555,718	70,351	14.5%	0.2%
AFREC	0	0	0		0.0%
IPED	0	0	0		0.0%
CIEFFA	0	0	0		0.0%
PAU	0	0	0		0.0%
AIR	1,453,676	0	(1,453,676)	-100.0%	0.0%
ACDC	1,593,121	0	(1,593,121)	-100.0%	0.0%
AOSTI	0	0	0		0.0%
AFRIPOL		0	0		0.0%
AMISOM	19,639,015	10,852,238	(8,786,777)	-44.7%	3.7%
Total	315,991,299	293,582,263	(22,409,036)	-7.1%	100.0%

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