



ORGANIZATION OF
AFRICAN UNITY
Secretariat
P. O. Box 3243

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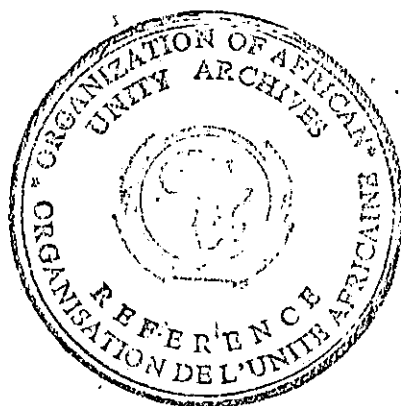
ORGANISATION DES ETATS
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أديس أبابا

COUNCIL OF MINISTERS
Forty-third Ordinary Session
25 February - 4 March, 1986
Addis Ababa, Ethiopia

CM/1351 (XLIII)
Annex IV

RECOMMENDATIONS MADE FROM 1979 TO 1986 BY THE ORDINARY
SESSIONS OF THE ADVISORY COMMITTEE ON ADMINISTRATIVE,
BUDGETARY, AND FINANCIAL MATTERS AND ADOPTED BY THE
COUNCIL OF MINISTERS OF THE ORGANIZATION OF AFRICAN UNITY



COUNCIL OF MINISTERS
Thirty-sixth Ordinary Session
23rd February to 1st March 1981
Addis Ababa, Ethiopia

CM/1351 (XLIII)
Annex IV

REPORT ON THE ACTIVITIES OF THE ADVISORY COMMITTEE
ON ADMINISTRATIVE, BUDGETARY AND FINANCIAL MATTERS
FOR THE PERIOD FEBRUARY 1980 TO JANUARY 1981

COUNCIL OF MINISTERS
Forty-third Ordinary Session
Addis Ababa, Ethiopia

CM/1351 (XLIII)
Annex IV.

25 February to 4 March 1986

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COMPILATION OF DECISIONS AND RECOMMENDATIONS ADOPTED BY THE
ADVISORY COMMITTEE ON ADMINISTRATIVE, BUDGETARY AND FINANCIAL MATTERS
AS APPROVED BY THE SESSIONS OF THE COUNCIL OF MINISTERS

1. Reference Document No. CM/929 (XXXII)
2. " " " CM/1003 (XXXIV) Rev. 2
3. " " " CM/1074 (XXXVI) Rev. 1
4. " " " CM/1156 (XXXVIII) Rev. 1
5. " " " CM/1234 (XL) Rev. 1
6. " " " CM/1248 (XLI) Rev. 1
7. " " " CM/1351 (XLIII)



TERMS OF REFERENCE OF THE ADVISORY COMMITTEE
ON ADMINISTRATIVE, BUDGETARY AND FINANCIAL MATTERS . . .

The Council of Ministers, sitting in its 28th Ordinary Session held in Lome, Togo, decided in Resolution CM/Res. 528 (XXVIII) as follows:-

"That henceforth, all the Member States represented in Addis Ababa as well as Ethiopia shall be Members of the Advisory Committee on Budgetary and Financial Matters except the countries providing the OAU External Auditors;

That the Members of the Advisory Committee on Budgetary and Financial Matters be henceforth assisted by experts from Member States, particularly, during the December Session. The Advisory Committee shall examine in detail the budgetary and financial proposals and shall submit its recommendations to the February Ordinary Session of the Council."

In accordance with the text of this decision, the composition of the Advisory Committee on Budgetary and Financial Matters is now as follows:

Algeria	Ivory Coast	Sierra Leone
Burundi	Kenya	Somalia
Cameroon	Liberia	Sudan
Egypt	Libya	Tanzania
Equatorial Guinea	Malawi	Uganda
Ethiopia	Morocco	Zaire
Gabon	Niger	Zambia
Ghana	Nigeria	
Guinea	Rwanda	
	Senegal	

The Terms of Reference of the Advisory Committee on Administrative, Budgetary and Financial Matters are as follows:

- Examine the Draft Programme of Action and the annual budgetary estimates of the Organization drawn up by the General Secretariat;
- Examine all administrative, and other matters with financial implications so as to enable the Council of Ministers to decide upon them;
- Submit to the Council of Ministers the final Draft Programme of Action and Budgetary Estimates accompanied by its comments, observations and recommendations;
- Examine during its ordinary meetings, the reports of its Standing Sub-Committee of Resident-Members;
- Be referred to for advice on all other administrative, budgetary and financial matters of a general nature, either by the Council of Ministers, or the General Secretariat, or the Board of External Auditors.
- Examine the financial report of the Accounting Officer of the budget;

- Examine and appraise the annual report of the Head of Budget Control Division, he may, where necessary, submit the case together with his comments, to the Council of Ministers.
- Examine the report of the Board of External Auditors and, where necessary, shall submit his written comments to the Council of Ministers;

The Advisory Committee on Administrative, Budgetary and Financial Matters shall meet at the Headquarters of the Organization after being convened by the Secretary-General after consultation with the Chairman, twice a year in Ordinary Session, namely:

- in May during the closure of the normal period of the Financial Year in order to appraise the situation as regards the administration of the budget and possibly examine the supplementary period of 3 months for the liquidation of commitments and obligations by the Organization;
- in November to examine, on the one hand, the final closure of the budget after expiry of the supplementary period and, on the other, the Draft Programme of Action and Budgetary Estimates for the following financial year as well as other reports relating to budgetary and financial matters and the administration of the budget during the previous financial year.

The Advisory Committee on Administrative, Budgetary and Financial Matter shall draw up its own Rules of Procedure which must be approved by the Council of Ministers.

A Sub-Committee of the Advisory Committee is also established in accordance with Article 85 of the Financial Rules and Regulations comprising the Resident Members of the Advisory Committee in Addis Ababa and the Representative of the Host Country and with the following terms of reference:-

- Examine and supervise the administration of the Budget and in particular, the financial and accounting transactions of the General Secretariat and other Regional and Sub-Regional Offices of the Organization;
- Examine with a view to making a decision regarding any request for a transfer of authorized budgetary funds submitted by the Accounting Officer of the budget in order to cope with any excess expenditure over and above allocations;
- Examine with a view to taking a decision on all unforeseen or unauthorized expenditure which may be occasioned by the implementation or new and urgent decisions or projects;
- Have referred to it or be seized of all matters that may be raised on the subject of a priori signatures of the Head of Budget Control Division and operations of the Finance Officer;

- Examine and supervise all budgetary and financial transactions which shall be submitted to it by the Accounting Officer, the Head of Control Division, the Finance Officer, the Loans Administrations and Administrators of Loan Funds;
- Instruct, approve or reject any request aimed at effecting any withdrawal from the Working Capital Fund or any other Fund without prior authorization from the Advisory Committee and without justification;
- Draw up reports on each of its meetings and submit them to the Advisory Committee for consideration and approval;
- All decisions adopted by the Sub-Committee authorizing funds to meet excess expenditure, and all other unforeseen expenses should first be financed from a given percentage of all balances or available funds coming under specific codes for appropriations without, however, seriously affecting the Working Capital Fund, that is, without depriving it of additional allocations;
- The Advisory Sub-Committee on Administrative, Budgetary and Financial Matters shall meet regularly at the Headquarters of the Organization upon being convened by the Secretary-General after consultation with the Chairman of the Sub-Committee;
- The Rules of Procedure of the Advisory Committee on Administrative, Budgetary and Financial Matters shall govern the meetings of the Sub-Committee.

REPORT ON THE ACTIVITIES OF THE ADVISORY COMMITTEE
ON BUDGETARY AND FINANCIAL MATTERS FOR THE PERIOD
FEBRUARY, 1978 TO JANUARY, 1979

List of Participants

Algeria	Ivory Coast	Sierra Leone
Burundi	Kenya	Somalia
Cameroon	Liberia	Sudan
Egypt	Libya	Tanzania
Ethiopia	Malawi	Uganda
Equatorial Guinea	Morocco	Zaire
Gabon	Nigeria	Zambia
Ghana	Rwanda	
Guinea	Senegal	

Composition of the Bureau

With the re-assignment to other duties of Mr. Salah Bassiouny, Ambassador of the United Arab Republic of Egypt to Ethiopia, the post of Rapporteur became vacant. His Excellency Mr. Abdelaziz Jamai, Ambassador of the Royal Kingdom of Morocco to Ethiopia was elected as Rapporteur with acclamation during the Twenty-Eighth Session. The composition of the Bureau as the Twenty-ninth Session was therefore as follows:-

Chairman	:	Cameroon	-	His Excellency El Hadj Mahmoudou Haman Dicko Ambassador of the United Republic of Cameroon to Ethiopia
Vice-Chairman	:	Zambia	-	His Excellency Kalenga Kangwa Ambassador of the Republic of Zambia to Ethiopia
Rapporteur	:	Morocco	-	His Excellency Abdelaziz Jamai Ambassador of the Royal Kingdom of Morocco to Ethiopia

COUNCIL OF MINISTERS
Thirty-Second Ordinary Session
Nairobi - Kenya
23 February to 2 March 1979

CM/1351 (XLIII)

Annex IV

RECOMMENDATIONS OF THE ADVISORY COMMITTEE ON BUDGETARY
AND FINANCIAL MATTERS FOR THE PERIOD
FEBRUARY 1978 TO JANUARY 1979

RECOMMENDATIONS OF THE ADVISORY COMMITTEE ON BUDGETARY
AND FINANCIAL MATTERS FOR THE PERIOD
FEBRUARY 1978 TO JANUARY 1979

RECOMMENDATION NO. 1

The Administrative Secretary-General also informed the Committee that in consultation with his Assistants, he has established a new Department of Finance which in his view will reduce, if not eliminate, the irregularities at the level of the General Secretariat and the Regional Offices.

The Committee expressed its appreciation for the initiatives taken by the Administrative Secretary-General, and noted the importance of implementing Resolution AHG/91 (XV). It was of the view that there was no need to provide additional funds and that savings for the 1977/78 Financial Year should be utilized in funding the expenditure.

DECISION:- THE COMMITTEE DECIDED:-

- (i) TO APPROVE THE AMOUNT OF US\$ 105,090.33 BEING FINANCIAL IMPLICATIONS OF THE CREATION OF THE FIFTH POST OF ASSISTANT SECRETARY-GENERAL.
- (ii) THAT THE AMOUNT SHOULD BE MET FROM SAVINGS OF THE GENERAL SECRETARIAT.

RECOMMENDATION NO. 2

DECISION:- THE COMMITTEE DECIDED:-

- (i) THAT THE GENERAL SECRETARIAT SHOULD STUDY THE QUESTION OF REVIEW OF THE PER DIEM FOR ALL OAU STAFF MEMBERS AND SUBMIT CONCRETE PROPOSALS.
- (ii) THAT AS REGARDS PER DIEM FOR EXTERNAL AUDITORS, THE BOARD SHOULD MAKE MENTION OF THE INADEQUACY OF THE PER DIEM IN ITS REPORT AND MAKE AN APPROPRIATE RECOMMENDATION FOR CONSIDERATION.
- (iii) THAT THE GENERAL SECRETARIAT SHOULD SUBMIT CONCRETE PROPOSALS FOR REVIEW OF THE OAU SALARY SCALES.

RECOMMENDATION NO. 3

As regards this proposal made by the Board of External Auditors, some Delegations thought this was unacceptable since this would result in the amendment of the Financial Rules and Regulations. The Advisory Committee could at anytime be convened to consider any cases of virement.

The Committee considered a proposal granting the Administrative Secretary-General power for virement not beyond a certain percentage on each code and in this regard 10% with a ceiling of US\$ 5,000.00.

It was however the view that the acceptance of this proposal might introduce an element of relaxation of the rules and give the opportunity to the General Secretariat to overspend.

DECISION:- THE COMMITTEE DECIDED THAT:-

- (i) THE RECOMMENDATION OF THE BOARD OF EXTERNAL AUDITORS RELATING TO THE NEED TO AUTHORIZE THE ADMINISTRATIVE SECRETARY-GENERAL TO EXERCISE SOME POWERS OF VIREMENT BE ACCEPTED IN PRINCIPLE.
- (ii) CONSIDERATION BE GIVEN TO THE POSSIBILITY OF AMENDING THE FINANCIAL RULES AND REGULATIONS TO ACCORD WITH SUB-PARAGRAPH (i) ABOVE.
- (iii) THE APPROPRIATE SUM OR PERCENTAGE BE DECIDED BY THE COUNCIL OF MINISTERS.

RECOMMENDATION NO.4

Mission of the Administrative Secretary-General:

The Board's observation on an earlier decision that the Administrative Secretary-General should not take with him a Personal Assistant when he travels on missions outside the Headquarters was examined by the Committee which reiterated its previous decision. The Committee however felt that where there is need for the Administrative Secretary-General to be accompanied by an Officer who is familiar with a given matter, the Administrative Secretary-General should be free to do so.

DECISION:- THE COMMITTEE REITERATED:-

- (i) ITS EARLIER DECISION THAT THE ADMINISTRATIVE SECRETARY-GENERAL SHOULD NOT BE ACCOMPANIED WHEN HE TRAVELS ON MISSION OUTSIDE HEADQUARTERS.
- (ii) THAT WHEN THERE IS NEED FOR HIM TO BE ACCOMPANIED BY AN OFFICER FAMILIAR WITH A GIVEN SUBJECT, HE MAY DO SO.

RECOMMENDATION NO. 5

Contingency Fund

The Committee reviewed the Board's recommendation in paragraph 16 of its Report that a Contingency Fund (Incidental Expenditures) be created to facilitate financial operations, the size of the fund being fixed at 5% of the total annual budget. It was the view that the creation of a Contingency Fund was unnecessary since the Advisory Committee could be summoned at any time and at short notice to consider any financial difficulties or problems the General Secretariat might be experiencing. Consequently the Committee was opposed to the creation of such a Fund.

DECISION:- THE COMMITTEE DECIDED NOT TO SUPPORT THE BOARD OF EXTERNAL AUDITORS' RECOMMENDATION ON THE CREATION OF A CONTINGENCY FUND (INCIDENTAL EXPENDITURES).

RECOMMENDATION NO. 6Accommodation Allowance

The Board of Auditors sought a ruling in paragraph 45 of its Report on the question whether or not housing allowance should be paid to statutory staff who have their own houses since the rules are not entirely clear on the issue. The Committee reviewed the observations of the Board as against the Comments of the General Secretariat that statutory staff who are considered internationally recruited are eligible for housing allowance irrespective of whether they are serving in their home country or not. It was the view of the Committee that the existing arrangements are in order.

DECISION:- THE COMMITTEE DECIDED THAT HOUSING ALLOWANCE SHOULD CONTINUE TO BE ENJOYED BY STATUTORY STAFF CONSIDERED INTERNATIONALLY RECRUITED IRRESPECTIVE OF WHETHER THEY SERVE IN THEIR HOME COUNTRY OR NOT.

RECOMMENDATION NO. 7Residence of the Administrative Secretary-General

The Committee examined the Board's recommendation in paragraphs 63 - 64 of its report that (a) action should be taken to transfer the provision of US\$ 400,000 set aside for the purchasing or construction of an Official Residence for the Administrative Secretary-General to the Working Capital Fund and (b) that the transfer of ownership of the existing Residence donated by the Ethiopian Government should be finalised. The Committee was informed by the General Secretariat in its comments that improvements and extensions to the existing Residence were contemplated and that as soon as the issue of the Title Deed is finalised by the Ethiopian Authorities, it is hoped to fund the cost of improvements and extensions from the sum of US\$ 400,000 voted sometime ago.

DECISION:- THE COMMITTEE DECIDED THAT THE GENERAL SECRETARIAT SHOULD SPEED UP THE MATTER AND FINALISE THE TRANSFER OF OWNERSHIP.

RECOMMENDATION NO. 8Miscellaneous Charges Order

The Board's recommendation contained in paragraphs 85 - 86 that in future all MCOs issued to staff members should be charged to personal advance accounts, the cost being cleared to the final expenditure of the Organization only on production of acceptable documentary evidence of actual usage was examined by the Committee which also noted the argument of the General Secretariat that they represented statutory entitlements of staff members in accordance with the OAU Staff Rules and Regulations and were therefore non-accountable. In its comments, the General Secretariat, asked that a line should be drawn between MCOs issued on either initial recruitment, home leave or transfer and those issued to Staff Members travelling on official mission, the latter being accountable.

The Committee was of the view that the observations of the Board of External Auditors were valid and therefore accepted the recommendations that MCOS should be accountable.

DECISION:- THE COMMITTEE DECIDED:-

- (i) THAT MCOS SHOULD BE ACCOUNTABLE.
- (ii) THAT THE COST OF MCOS ISSUED TO STAFF MEMBERS SHOULD BE CHARGED TO THEIR PERSONAL ADVANCE ACCOUNTS. THE COST SHOULD BE CHARGED TO THE EXPENDITURE ON PRODUCTION OF ACCEPTABLE DOCUMENTARY EVIDENCE OF ACTUAL USAGE OF MCOS.
- (iii) THAT THE EFFECTIVE DATE OF THE DECISION THAT MCOS SHOULD BE ACCOUNTABLE SHOULD BE 1ST JUNE 1979.

RECOMMENDATION NO. 9

The Committee was however dissatisfied with the situation of OAU Houses and recalled its earlier decision for a team to visit Lagos and report on them which had not been complied with. The Committee was informed in reply to question that rents were outstanding in respect of some of the houses while in other cases the STRC had to settle electricity bill amounting to US\$ 277.66 owed by a tenant who had vacated the house. The Committee noted that the arrerars were not owed by OAU Staff Members but by nationals of Cameroon, Egypt, Liberia, Somalia and by the Ministry of External Affairs of Nigeria.

As regards the transfer of Legal ownership of the House to the OAU, the Executive Secretariat informed the Committee that an "Accord de Siege" has not been submitted to the Federal Government of Nigeria.

The Committee questioned the value of the houses which were stated to be US\$ 41,154.61 in the Financial Report of the Organization; according to the Report the value represented the book value, the houses having been built since 1962 allowing five percent depreciation per annum. This, it was explained is different from their present market value. The Committee was also not satisfied with the number of publications in stock.

DECISION:- THE COMMITTEE DECIDED AS FOLLOWS:-

- (i) THAT THE LEGAL TRANSFER OF OWNERSHIP OF THE HOUSES SHOULD BE ACTIVELY PURSUED WITH THE FEDERAL GOVERNMENT OF NIGERIA.
- (ii) THAT A COMMITTEE COMPRISING CAMEROON (CHAIRMAN), REPRESENTATIVE OF THE BOARD OF EXTERNAL AUDITORS, A LEGAL OFFICER FROM THE SECRETARIAT AND AN OFFICER FROM THE DEPARTMENT OF ADMINISTRATION OF THE GENERAL SECRETARIAT TOGETHER WITH A VALUATION EXPERT TO BE PROVIDED BY THE NIGERIAN GOVERNMENT, SHOULD INSPECT THE HOUSES AND REPORT ON THEIR CONDITION, VALUE AND ON ALL OTHER RELEVANT ASPECTS OF THE HOUSES.

- (iii) THAT RENT ARREARS IN RESPECT OF THE HOUSES SHOULD BE RECOVERED BY THE EXECUTIVE SECRETARIAT, AS WELL AS ANY OTHER BILLS LEFT BEHIND BY TENANTS AND PAID BY THE OAU.
- (iv) IF THE NIGERIAN GOVERNMENT IS UNABLE TO MAKE AVAILABLE THE SERVICES OF A VALUATION EXPERT THE EXECUTIVE SECRETARY SHOULD BE AUTHORIZED TO SPEND A REASONABLE AMOUNT TO OBTAIN THE SERVICES OF ONE AT THE MARKET RATE IN LAGOS.

RECOMMENDATION NO. 10Increase in Education Allowance Granted to the Dependents of OAU Staff Members

After the introduction of the document on Education Allowance by the Secretariat, the Committee called for further enlightenment on the issue and the Secretariat replied. The Secretariat was, however, urged to submit a detailed report on the financial implications resulting from the decision that the Committee took on the issue.

DECISION:- THE COMMITTEE DECIDED:-

- (i) TO APPROVE THE SUM OF US\$ 1,200 PER ANNUM PER CHILD IN AFRICA AS AGAINST THE PRESENT RATE OF US\$ 400.00 PER ANNUM PER CHILD.
- (ii) THAT 75% OF THE TUITION FEES SHOULD BE PAID UP TO A MAXIMUM OF US\$ 1,200 PER ANNUM PER CHILD.
- (iii) THAT THE GENERAL SECRETARIAT SHOULD INCORPORATE THE FINANCIAL IMPLICATIONS IN THE DRAFT BUDGET.

RECOMMENDATION NO. 11Review of Per Diem

The Committee considered a request from the General Secretariat for a review of the rates of per diem in respect of the Political Appointees, the Board of External Auditors and the General Secretariat Staff as follows:-

(i) Administrative Secretary-General	US\$ 150.00
(ii) Assistant Secretaries-General	120.00
(iii) Board of External Auditors	100.00
(iv) Executive Secretaries	100.00
(v) Directors of Department	90.00
(vi) Professional Staff	80.00
(vii) General Services and Other Staff	60.00

The Committee considered the proposals in depth. It was of the view that it would not be proper in respect of the General Secretariat Staff to depart from the United Nations rates which in its view provided a better basis, these rates having been arrived at after a scientific analysis and study. It therefore did not consider the rates of the African Development Bank and the Union of African Railways appropriate in the circumstances.

DECISION:- THE COMMITTEE DECIDED:-

- (i) THAT THE RATES OF US\$ 75.00 AND US\$ 60.00 PER DIEM APPROVED FOR THE ADMINISTRATIVE SECRETARY-GENERAL AND HIS ASSISTANTS SHOULD CONTINUE TO APPLY.
- (ii) THAT THE RATE OF PER DIEM BASED ON THOSE OF THE UN SHOULD CONTINUE TO APPLY.
- (iii) THAT DIRECTORS AND EXECUTIVE SECRETARIES SHOULD RECEIVE 15% OVER THE APPROVED UN RATE.
- (iv) THAT THE ADMINISTRATIVE SECRETARY-GENERAL SHOULD BE AUTHORIZED TO REFUND THE BASIC COST OF ACCOMMODATION WHERE IT IS PROVED THAT STAFF MEMBERS REFERRED TO IN (i), (ii) and (iii) ARE COMPELLED TO BE ACCOMMODATED IN A HOTEL THE COST OF WHICH IS SUBSTANTIALLY HIGHER.
- (v) THAT THE MEMBERS OF THE BOARD OF EXTERNAL AUDITORS SHOULD RECEIVE 15% OVER THE APPROVED RATE OF PER DIEM.
- (vi) THAT THE POLITICAL APPOINTEES AND OFFICIALS OF THE GENERAL SECRETARIAT RETAIN THE 50% OF THE PER DIEM ALLOWANCE WHEN HOSPITALITY IS ACCORDED TO THEM.

Recommendation

The Programme and total Budget proposed to the Council of Ministers for the Financial Year 1979/80 is fixed at US\$ 14,474,568.00.

COUNCIL OF MINISTERS
Thirty-fourth Ordinary Session
Addis Ababa - Ethiopia
18 - 25 February, 1980

CM/1351 (XLIII)

Annex IV

REPORT ON THE ACTIVITIES OF THE ADVISORY COMMITTEE
ON ADMINISTRATIVE, BUDGETARY AND FINANCIAL MATTERS
FOR THE PERIOD FEBRUARY 1979 TO JANUARY 1980

4. The Committee recommended the General Secretariat to take appropriate measures to fill all the vacant posts at the Headquarters and the Regional and Sub-regional Offices. This recommendation should be supplemented according to the priority order established for these vacant posts.
5. The Committee recommended that in future the Secretariat should recruit local clerks.
6. The Committee felt that, henceforth, no mission should be undertaken by the Regional and Sub-regional Offices without the explicit authorization of the Secretary-General. In this respect, it recommended the General Secretariat to send a circular to the said Offices informing them of this new arrangement.
7. The Committee recommended the General Secretariat to reduce, as far as possible, the missions of the Headquarters staff. This particularly applied to travels to Geneva where OAU has an Office.
8. Considering the difficulties met by the General Secretariat in matter of recruitment, difficulties especially due to the low salaries offered by the Organization, the Committee recommended the General Secretariat to undertake a study in view of proposing consequent rise of salaries for all the statutory posts.
9. The Committee recommended the General Secretariat to see to the quick establishment of a diplomatic pouch system to facilitate its communications with the Regional and Sub-regional Offices.
10. The Committee recommended the General Secretariat to undertake, as soon as possible, a study with a view to centralising in the Headquarters all printing works carried out presently in the Regional and Sub-regional Offices and whose costs prove exorbitant.

REPORT ON THE ACTIVITIES OF THE ADVISORY COMMITTEE
ON ADMINISTRATIVE, BUDGETARY AND FINANCIAL MATTERS
FOR THE PERIOD FEBRUARY 1980 TO JANUARY 1981

List of Participants

Algeria	Ivory Coast	Sierra Leone
Burundi	Kenya	Sudan
Cameroon	Liberia	Tanzania
Djibouti	Libya	Uganda
Egypt	Malawi	Zaire
Ethiopia	Niger	Zambia
Equatorial Guinea	Nigeria	Zimbabwe
Gabon	Rwanda	
Ghana	Senegal	
Guinea		

Composition of the Bureau

As at the end of the Thirty-second Session, the Bureau of the Advisory Committee was composed as follows:

The Committee at its Thirty-fourth Session elected the following Bureau:-

- | | | |
|------------------------|-----------|---|
| - <u>Chairman</u> | : Liberia | - His Excellency Nathaniel Eastman,
Ambassador of the Republic of
Liberia to Ethiopia |
| - <u>Vice-Chairman</u> | : Algeria | - His Excellency Mohamed Lamine
Allouane, Ambassador of the
Democratic and Popular Republic
of Algeria to Ethiopia |
| - <u>Rapporteur</u> | : Niger | - His Excellency Joseph Diata,
Ambassador of the Republic
of Niger to Ethiopia |

RECOMMENDATION NO 19

At the request of the General Secretariat, the Advisory Committee on Administrative, Budgetary and Financial Matters met in extra-ordinary session on 15th October, 1980 to consider the financial assistance to be given to the Government of Algeria following the serious situation created by the earthquake at El Asman. Present were:

- | | |
|----------------------|------------------|
| 1. Burundi | 12. Malawi |
| 2. Cameroon | 13. Niger |
| 3. Egypt | 14. Nigeria |
| 4. Ethiopia | 15. Rwanda |
| 5. Gabon | 16. Senegal |
| 6. Guinea | 17. Sierra Leone |
| 7. Equatorial Guinea | 18. Sudan |
| 8. Ivory Coast | 19. Tanzania |
| 9. Kenya | 20. Zaire |
| 10. Liberia | 21. Zambia |
| 11. Libya | |

The meeting was opened at 10.30 a.m. by the Committee's Chairman, Ambassador Nathaniel Eastman (Liberia).

A minute's silence was observed in memory of victims of the El Asman earthquake. The floor was then given to the Acting Secretary-General.

He read out a message from the Secretary-General requesting the Advisory Committee to kindly consider the possibility of taking from the Organization's Budget an amount ranging between US\$ 5,000.00 and 1,000.00 to be sent to the Government of Algeria as OAU's assistance to the El Asman disaster victims.

Following a fruitful debate on the question, the various proposals made by members of the Committee, the following decision was taken:

DECISION

1. THE ADVISORY COMMITTEE HAS AGREED THAT THE SUM OF US\$ 500,000.00 BE TAKEN FROM THE ORGANIZATION'S BUDGET AND SENT IMMEDIATELY TO THE GOVERNMENT OF ALGERIA IN THE FORM OF ASSISTANCE TO THE VICTIMS OF THE EL ASMAN EARTHQUAKE. THIS DECISION SHALL BE COMMUNICATED TO MEMBER STATES BY THE GENERAL SECRETARIAT;
2. THAT THIS SUM BE PROVIDED FROM THE SAVINGS MADE DURING THE PRESENT 1980/81 FINANCIAL YEAR;
3. THE COMMITTEE RECOMMENDS THAT THE CURRENT CHAIRMAN OF THE ORGANIZATION SHOULD SEND A LETTER OF CONDOLENCE TO THE ALGERIAN GOVERNMENT, IF THIS HAS NOT YET BEEN DONE, APPEALS TO MEMBER STATES TO SEND INDIVIDUALLY, ASSISTANCE IN CASH OR KIND TO THE GOVERNMENT OF ALGERIA.

4. THE COMMITTEE RECOMMENDS THAT THE GENERAL SECRETARIAT SHOULD DESPATCH A HIGH LEVEL DELEGATION TO ALGERIA TO EXPRESS BY WORD OF MOUTH AND MARK, BY ITS PRESENCE, OAU's SYMPATHY AND SOLIDARITY.

RECOMMENDATION NO. 20

Paragraphs 13 and 14: Financial Assistance to the Republic of Djibouti

As at 31 May 1980, an amount of US\$ 454,424.42 had been collected out of US\$ 1,000,000.00 earmarked initially. Part of the total received was transferred to the Republic of Djibouti in August 1980. At the request of the Committee, the General Secretariat explained that because of the financial difficulties facing it, it could not transfer the whole amount. However, it stated precisely, as the position improved afterwards, it then, transferred the rest of the amount.

DECISION

THE ADVISORY COMMITTEE STRONGLY DEPLORED THIS ATTITUDE OF THE GENERAL SECRETARIAT AND EMPHASISED THAT IN FUTURE, ANY AMOUNT EARMARKED FOR A SPECIFIC PURPOSE, SHOULD BE TRANSFERRED IMMEDIATELY TO THE BENEFICIARY AS SOON AS IT WAS PAID IN THE ACCOUNT OF THE ORGANIZATION.

RECOMMENDATION NO. 21

Paragraph 20: Refundable Loans

The Board of External Auditors has noted in its report that certain loans remained in abeyance since years. These loans were granted to individuals or to Member States. By the 31st May 1980 these refundable loans amounted to US\$ 622,512.44.

DECISION OF THE COMMITTEE

AFTER DEBATING THIS QUESTION, THE ADVISORY COMMITTEE REQUESTED THE GENERAL SECRETARIAT TO TAKE ALL NECESSARY MEASURES IN ORDER TO RECUPERATE ALL THESE LOANS BEFORE 1981.

RECOMMENDATION NO. 22

Paragraphs 22, 23 and 24: Film - Liberty in Unity

On this issue it should be recalled that the OAU had already paid for the realization of the film, "Liberty in Unity" an amount of US\$ 200,000 to the producer. Since the film was not delivered after more than seven years, the Secretary-General of the OAU suggested, an energetic action should be taken to make Mr. Adjali respect his commitments. The Executive Secretary of the New York Office informed the members of the Committee that all the steps taken to meet and hold discussions with Mr. Adjali proved abortive, the latter having systematically refused to meet him. Besides, Ambassador Latyr Camara (Senegal), Chairman of the Programme Committee while in New York attempted in vain to meet Mr. Adjali.

Ambassador Latyr Camara of Senegal informed the Committee of the new turn taken by events. He said that the responsibility was not solely Mr. Adjali's. It was also that of the General Secretariat. At any rate, arrangements were made so that Mr. Adjali might come to Addis Ababa in February 1981 and present the film to the Council of Ministers.

DECISION:-

THE SECRETARIAT SHOULD SEND A TELEGRAM TO AMBASSADOR LATYR CAMARA OF SENEGAL IN NEW YORK AND ASK HIM TO PURSUE HIS EFFORTS WITH A VIEW TO MEETING MR. ADJALI AND HOLDING DISCUSSIONS WITH HIM. TAKING INTO ACCOUNT THE FINDINGS OF AMBASSADOR LATYR CAMARA, A COMMISSION OF ENQUIRY WOULD BE APPOINTED TO PROPOSE THE FINAL DECISION TO BE TAKEN SO AS TO RECOVER THE AMOUNT PAID TO THE PRODUCER OR TO DECLARE IT AS A LOSS. THE REPORT OF THE COMMISSION WOULD BE SUBMITTED TO THE COUNCIL OF MINISTERS AND THE ORIGINAL VERSION OF THE FILM RECOVERED AND KEPT, IF NEED BE IN THE ARCHIVES.

RECOMMENDATION NO. 23

Paragraph 25 to 28:- Commemorative Coins

Commemorative gold and bronze coins were struck on the Tenth Anniversary of the Organization. To strike these coins the Organization had to borrow some money from the bank. This amount was already reimbursed, but some Member States to which these coins had been sold had not paid until now. Some coins are still available at the Secretariat.

As a result of the discussions held on these paragraphs and owing to the absence of the official in-charge of the file on the issue, the Committee recommended that the General Secretariat should continue its efforts with a view to recovering the amount owed by the Member States to which these coins had been sold and to selling the remaining coins available at the Secretariat.

RECOMMENDATION NO. 24

Paragraphs 29 and 30: Miscellaneous Charges Orders. (MCO)

The Committee requested the General Secretariat to put in effect the recommendations of the Board of External Auditors, according to which:

1. MCOs SHOULD BE ACCOUNTED FOR;
2. THE COST OF THE MCO DELIVERED TO STAFF MEMBERS SHOULD BE DEBITED TO THEM AS ADVANCE PAYMENT WHILE WAITING FOR STAFF MEMBERS TO PROVE AN EFFECTIVE USE WAS MADE OF THESE MCOs.
3. JUNE 1, 1979 SHOULD BE CONSIDERED AS THE EXACT DATE ON WHICH THIS DECISION WAS TAKEN.

The Committee also recommended that the General Secretariat should not deliver henceforth an MCO to those officials who fail to justify the use of previous ones.

RECOMMENDATION NO. 25.Paragraph 51: OAU Property in LagosDECISION

THE COMMITTEE RECOMMENDED THAT THE SECRETARIAT SHOULD FOLLOW-UP THE NEGOTIATIONS WITH THE GOVERNMENT OF THE FEDERAL REPUBLIC OF NIGERIA WITH A VIEW TO ACHIEVING A QUICK TRANSFER OF THE TITLE DEED OF THESE BUILDINGS.

RECOMMENDATION NO. 26Paragraph 54: Title-deed of the Residence of the Secretary-General

During the discussions on this paragraph the Secretariat gave a historical background of the amount of US\$ 400,000.00 initially allotted for the purchase or construction of the residence of the OAU Secretary-General. In the meantime, the Ethiopian Government placed gratuitously at the disposal of the Organization a residence in which some repairs were to be carried out. Part of the amount initially set aside for the purchase of the residence was therefore used for repairs. The Secretariat wanted to know whether important extension could be carried out without the transfer of the title deed to the Organization. The Ethiopian representative informed members that the residence had been given to the Organization and the formal transfer of the title deed was no longer necessary. Extension works no matter the cost and importance might be undertaken in agreement with the Ministries of Housing and Town Planning.

Several members took the floor and suggested that only part of US\$ 400,000.00 should be used for repairs. The remaining amount should be used in buying a plot for the construction of a residence for the Secretary-General of the Organization. The following decision was then taken:

DECISION

THE COMMITTEE REQUESTED THE SECRETARIAT TO INFORM THE ETHIOPIAN GOVERNMENT OF ALL THE POINTS RAISED DURING DISCUSSIONS. THIS WOULD ENABLE THE COMMITTEE TO TAKE A FINAL DECISION BASED ON THE REACTION OF THE ETHIOPIAN GOVERNMENT.

Paragraph 55: Improvement to Building "A" and to the Residence of the Secretary-GeneralDECISION

THE SECRETARIAT WAS AUTHORIZED BY THE COMMITTEE TO CARRY OUT REPAIRS IN "BUILDING A" AND EXTENSION WORKS AT THE RESIDENCE OF THE SECRETARY-GENERAL. THE AMOUNT OF US\$ 400,000.00 ALLOTTED FOR THE PURCHASE OF THE RESIDENCE OF THE SECRETARY-GENERAL SHOULD NOT HOWEVER BE USED IN MAKING REPAIRS IN "BUILDING A".

RECOMMENDATION NO. 27

Paragraph 57: Rotation of the Members of the Board of External Auditors

The Committee took formal note.

Paragraph 58: Level of Representation

DECISION

THE COMMITTEE DECIDED THAT THE RECOMMENDATION OF THE BOARD OF EXTERNAL AUDITORS ACCORDING TO WHICH AN EXTERNAL AUDITOR APPOINTED BY A MEMBER STATE MUST BE IN OFFICE FOR THREE YEARS SHOULD BE SUBMITTED TO THE COUNCIL OF MINISTERS FOR ADOPTION.

RECOMMENDATION NO. 28

Paragraph 14: Visits of the Inspector General and the Head of Budget Control

RECOMMENDATION

THE COMMITTEE APPROVED THE RECOMMENDATION OF THE EXTERNAL AUDITORS ACCORDING TO WHICH THE REPORT OF THE INSPECTORATE AND BUDGET CONTROL DIVISION SHOULD BE PLACED AT THE DISPOSAL OF EXTERNAL AUDITORS ON DUTY IN REGIONAL OFFICES. THE SECRETARIAT WAS ASKED TO PUT THIS RECOMMENDATION INTO EFFECT.

RECOMMENDATION NO. 29

Agenda Item 8: Amendment of the Financial Rules and Regulations by adding provisions authorizing the Secretary-General to make virement from one budget code to another up to the amount of US\$ 20,000 Document FBM/4 (XXXIV)

Following a recommendation of the Board of External Auditors contained in its report for the 1977/78 financial year according to which the Secretary-General should be authorized to make virement from one budget to another up to an amount of US\$ 20,000 thus enabling him to carry out and control as quickly as possible financial operations and report to the Advisory Committee, recommendation retained in principle at the 32nd Session of the Advisory Committee, the General Secretariat submitted a document to the Thirty-fourth Session.

DECISION

WHILE RETAINING THE RECOMMENDATION OF THE BOARD OF EXTERNAL AUDITORS, THE COMMITTEE TOOK INTO ACCOUNT THE FACT THAT THERE WERE IN ADDIS ABABA MEMBERS OF THE ADVISORY COMMITTEE WHO COULD BE ASKED, BY THE SECRETARY-GENERAL, TO MEET AT ANY TIME TO APPROVE VIREMENTS. IT DID NOT THEREFORE APPROVE THE AMENDMENT PROPOSED TO THE FINANCIAL RULES AND REGULATIONS.

RECOMMENDATION NO. 30

Agenda Item 10: Introductory Note for the Up-grading of the Salaries of the Nurses working at the OAU Staff Clinic - Document FBM/6 (XXXIV)

Two nurses holding respectively a diploma of higher education in nursing care and a diploma of state nurse worked at the OAU clinic on salary scales of GS 9 and GS 8.

Taking their qualifications and good performance into account, the Secretariat requested the Committee to upgrade them: the first should be on the scale of CL 5 Step 1 and the second on the scale of CL 4 Step 1. The Secretariat also proposed that a laboratory assistant be recruited on part-time basis and be paid a yearly salary of US\$ 2,400.

DECISION

THE COMMITTEE ADOPTED THE PROPOSALS CONTAINED IN THIS DOCUMENT.

RECOMMENDATION NO. 31

Agenda Item 11: Situation of Staff Members who have reached the Ceiling of their Grades - Document FBM/7 (XXXIV)

109 Staff Members of the Organization were in this situation. The Secretariat made two proposals to the Advisory Committee:

The first consisted in bringing from 10 to 15 the number of steps in each grade.

The second consisted in giving automatically a higher grade to those staff members who reached the ceiling of their present grade.

The Members of the Committee expressed their views on the issue and took the following decision:

DECISION

DOCUMENT FBM/7 (XXXIV) COULD NOT BE ACCEPTED AS PRESENTED BY THE SECRETARIAT FOR, IN THE OPINION OF THE COMMITTEE, ONLY DESERVING STAFF MEMBERS SHOULD BE PROMOTED. HOWEVER, IN ORDER TO TAKE AN EQUITABLE DECISION ON THE ISSUE, THE COMMITTEE DECIDED THAT A SUB-COMMITTEE COMPOSED OF CAMEROON (CHAIRMAN), ETHIOPIA AND ZAIRE (MEMBERS) BE APPOINTED TO STUDY THE ISSUE AND TO MAKE PROPOSALS WHICH COULD BE SUBMITTED TO THE COUNCIL OF MINISTERS ONCE APPROVED.

RECOMMENDATION NO. 32Agenda Item 12: Amendment to the Staff Regulations
(Document FBM/8 (XXXIV))

According to the proposals contained in this document, the duration of the payment of the installation allowance should be prolonged from 30 to 90 days with respect to newly recruited staff members.

The members of the Committee expressed their views on the issue and the following decision was taken:

DECISION

THE INSTALLATION ALLOWANCE WOULD BE PAID FOR SIXTY DAYS. FROM THE SIXTY-FIRST DAY, IF THE STAFF MEMBER DID NOT GET A HOUSE, THE ORGANIZATION WOULD PAY FOR HIS HOTEL ROOM IF HE IS ALONE AND FOR HOTEL ROOMS IF HE IS WITH THE MEMBERS OF HIS FAMILY.

RECOMMENDATION NO. 33Agenda Item 13: Acting Allowance - Document FBM/9 (XXXIV)

This document was presented by the General Secretariat and recommended that an allowance be paid to those staff members assuming provisionally the obligations and responsibilities of a post immediately above theirs. In accepting this proposal, Article 19 of the Staff Regulations would be amended. Several members of the Advisory Committee took the floor to suggest amendments to the proposal made by the General Secretariat as regards the amendment to Article 19 of the Staff Regulations.

DECISION

THE RECOMMENDATION OF THE GENERAL SECRETARIAT ON THE ESTABLISHMENT OF AN ALLOWANCE FOR AN INTERIM PERIOD WAS ACCEPTED. THE GENERAL SECRETARIAT SHOULD THEREFORE TAKE INTO ACCOUNT ALL THE AMENDMENTS TO ITS PROPOSAL TO AMEND ARTICLE 19 OF THE STAFF REGULATIONS. THE GENERAL SECRETARIAT SHOULD HOWEVER MAKE ARRANGEMENTS TO APPOINT STAFF MEMBERS TO NEW POSTS SO THAT THEIR INTERIM PERIOD MIGHT NOT BE TOO LONG.

RECOMMENDATION NO. 34Agenda Item 14: Review of the Salary Scale - Document FB/10 (XXXIV)

In this document, the Secretariat proposed to the Committee a thirty per cent re-evaluation of the salary scale of the Organization.

All the members of the Committee who took the floor recognized the need to review the salary scale but in a lesser proportion than that proposed by the Secretariat.

DECISION

THE COMMITTEE APPROVED IN PRINCIPLE THE REVIEW OF THE SALARY SCALE OF THE OAU STAFF MEMBERS AND DECIDED THAT THE RE-EVALUATION RATE OF BASIC SALARIES SHOULD BE 20 PER CENT. AS A RESULT, REDUCTION WOULD BE MADE ON DIFFERENT CODES WHILE CONSIDERING THE BUDGET PROPOSAL TO COMPENSATE AS MUCH AS POSSIBLE THE FINANCIAL IMPLICATIONS OF THIS INCREASE AMOUNTING TO US\$ 872,937.

RECOMMENDATION NO. 35Code 100 (a): American Dollar Devaluation

The Chairman of the Sub-Committee, composed of Sierra Leone (Chairman), Algeria, Cameroon, Malawi and Tanzania (Members), responsible for studying this issue, submitted the conclusions of this Sub-Committee to the Advisory Committee and proposed that the allowance granted so far to the OAU staff members as a result of the American Dollar devaluation be cancelled for the Organization as a whole and that the 20% increase in the basic salary of all the staff members be increased to 40%.

Some members of the Committee, concerned about social justice, felt that the increase of 40%, instead of being uniform for all staff members of the Organization, should rather proportionally decrease from the highest salaries to the lowest.

Some delegates also expressed the view that due to the cancellation of Dollar Devaluation Allowance, the cases of the Geneva and Brussels Offices, whose staff members would see their salaries decrease considerably, should be given special consideration.

The case of the Offices located in the Franc zone (Bangui, Niamey and Yaounde) was also discussed.

DECISION: THE COMMITTEE DECIDED THAT:-

- (a) THE AMERICAN DOLLAR DEVALUATION ADJUSTMENT BE CANCELLED FOR THE STAFF MEMBERS OF THE ORGANIZATION (HEADQUARTERS, REGIONAL AND SUB-REGIONAL OFFICES);
- (b) THE 20% INCREASE IN ALL THE BASIC SALARY GRANTED TO ALL THE STAFF OF THE ORGANIZATION BE CONSEQUENTLY INCREASED TO 40%, IN ORDER TO COMPENSATE, AS FAR AS POSSIBLE, THE CONTINGENT LOSSES;
- (c) CODE 100 (a) BE DELETED FROM THE BUDGETARY NOMENCLATURE OF THE ORGANIZATION;
- (d) THE GRADUAL MODULATION OF THE INCREASE IN THE BASIC SALARY PER CATEGORY OF STAFF WOULD BE DONE AFTER A THOROUGH STUDY. RWANDA EXPRESSED RESERVATIONS ON THIS ITEM.
- (e) THE STAFF MEMBERS OF THE ORGANIZATION SHOULD BE TREATED IN THE SAME WAY AND THAT; ACCORDINGLY, THERE SHOULD BE NO SPECIAL TREATMENT FOR THE GENEVA AND BRUSSELS OFFICES. BURUNDI EXPRESSED RESERVATIONS ON THIS ITEM.
- (f) THE STATUS QUO BE MAINTAINED FOR THE FRANC ZONE OFFICES, NAMELY, BANGUI, NIAMEY AND YAOUNDE.

RECOMMENDATION NO. 36Code 205: Housing Allowance

The Sub-Committee composed of Burundi (Chairman), Libya and Liberia (Members), in charge of studying this item, submitted its conclusion to the Committee.

The Sub-Committee proposed that upon presentation of contracts the rents for the Regional and Sub-regional Offices, up to 80%, considering the Grade of each staff member concerned, be borne by the OAU. The Committee confirmed this proposal with immediate effect.

With regard to staff members of the Headquarters, the Chairman of the Sub-Committee submitted the following three proposals to the Advisory Committee:

- The first proposal related to the different ceilings fixed by the General Secretariat for each category of staff: (Political Appointees: US\$ 1,500.00; Staff Members P4 to P6: US\$ 1,050.00; Staff Members P1 to P3: US\$ 900.00; Staff Members CL: US\$ 750.00) whose financial implications amount to US\$ 1,392,000.00 for a full year. Consequently, housing allowance would not be paid;
- The second consisted in implementing textually the decision taken by the Heads of State and Government in Monrovia especially the Organization bearing the difference between the new and old rent and the maintenance of the payment of Housing Allowance. Financial implications: US\$ 1,722,409.00.
- The third consisted in making the Organization bear 80% of the rents, as for the staff of the Regional and Sub-regional Offices. Financial implications: US\$ 1,568,781.00 - Housing Allowance would not be paid.

In short, the Chairman of the Sub-Committee proposed to the Advisory Committee to adopt the first proposal whose financial implications, US\$ 1,392,000.00, were the lowest.

DECISION

THE COMMITTEE, CONSIDERING THE DISAGREEMENT AMONG SOME DELEGATES, DECIDED THAT THE STUDY OF THIS ISSUE SHOULD BE PURSUED WITH THE MEMBERS OF THE SUB-COMMITTEE TO WHICH THE CHAIRMAN AND TWO OTHER MEMBERS OF THE ADVISORY COMMITTEE WOULD JOIN SO THAT THE EXACT AMOUNT BE DETERMINED BEFORE THE COUNCIL OF MINISTERS.

RECOMMENDATION NO. 37Code 204: Dependency Allowance

The Committee, considering Document FBM/11 (XXXIV), took the following decision:

DECISION

THE COMMITTEE DECIDED THAT SINCE THERE WAS ALREADY AN INCREASE IN THE SALARY AND TAKING INTO ACCOUNT THE DIFFICULT FINANCIAL SITUATION FACED BY THE CONTINENT, THE COMMITTEE APPEALED TO THE SECRETARIAT TO SHOW UNDERSTANDING AND PATIENCE UNTIL THE SITUATION IMPROVED. CONSEQUENTLY, THE STATUS QUO WAS MAINTAINED AND THE ISSUE COULD BE SUBMITTED TO THE COMMITTEE NEXT YEAR.

RECOMMENDATION NO. 38Administration and Conferences Department

During the consideration of the estimates under Code 100 (Staff Emoluments) of the Administration and Conferences Department, the Committee emphasized the need for Preci-Writers to take down notes during the meetings of the various bodies of the Organization. Therefore, it is necessary to recruit Preci-Writers quickly.

The Secretariat informed the Committee of the steps taken for the recruitment of Preci-Writers. In the same vein, the Committee also stressed the fact that new recording apparatuses, were needed to replace those being used at present by the Secretariat.

The Committee also dealt with the duties of the Staff Welfare Section.

After discussions, the Committee felt that the present Chief of this Section might be transferred to the Personnel or Training Section.

RECOMMENDATION ON POSTS

- (iii) THAT ALL OFFICERS PERFORMING THE SAME DUTIES ENJOY THE SAME RIGHTS AND BENEFITS.
- (iv) THAT THE POSTS OF PRECIS-WRITERS BE FILLED QUICKLY AT P1.
- (v) THAT TAPE RECORDERS BE BOUGHT SO AS TO RECORD THE DISCUSSIONS IN BETTER CONDITIONS.
- (vi) THAT THE PRESENT CHIEF OF STAFF WELFARE SECTION BE TRANSFERRED TO THE PERSONNEL OR TRAINING SECTION. THIS STAFF WELFARE SECTION WOULD HENCEFORTH BECOME A UNIT AND HEADED BY A P2-1 OFFICER.

RECOMMENDATION NO. 39Code 616: Subventions to African Organizations

The Chairman of the Sub-Committee, composed of Niger (Chairman), Cameroon, Nigeria, Kenya and Zimbabwe (members), set up to study this issue, submitted the following conclusions to the Committee:

- (a) Out of the US\$ 500,000.00 granted to African Organizations for the Financial Year 1980/81, the General Secretariat, considering the non-payment of contributions by Member States, could send only US\$ 12,000.00 to one Organization - The Organization of African Trade Union Unity (OATUU);
- (b) Consequently, the Sub-Committee recommended that no subvention be granted to African Organizations for the Financial Year 1981/82 in order to enable the Secretariat meet its previous obligations.

DECISION: THE COMMITTEE DECIDED THAT:-

- (i) NO SUBVENTION SHOULD BE GRANTED TO AFRICAN ORGANIZATIONS FOR THE FINANCIAL YEAR 1981/82 AND THAT THESE ORGANIZATIONS SHOULD BE INFORMED OF THIS DECISION.

IVORY COAST EXPRESSED RESERVATIONS ON THE NON-PAYMENT OF SUBVENTIONS TO THE SUPREME COUNCIL FOR SPORTS IN AFRICA;

- (ii) THESE ORGANIZATIONS SHOULD SEND COMPREHENSIVE REPORTS ON THEIR ACTIVITIES AND THAT THEY SHOULD AVOID ALL INTERFERENCE IN THE INTERNAL AFFAIRS OF MEMBER STATES.

RECOMMENDATION NO. 40

Outstanding Contributions

A Sub-Committee, composed of Rwanda (Chairman), Egypt, Niger, Zambia, Tanzania, Libya and Cameroon (Members) was set up to consider this issue.

The chairman of the Sub-Committee submitted to the Advisory Committee the conclusions in the form of two recommendations:

(i) FIRST RECOMMENDATION

At the beginning of each ordinary meeting of the Council of Ministers, the Assembly of Heads of State and Government and any other body or institution of the OAU, whose budget is financed by ordinary or special compulsory contributions of Member States, the Secretary-General or the Executive Secretary of the body or institution concerned, shall submit a report on the statement of contributions, by indicating the States which, considering their arrears, are subject to Article 97 of the Financial Rules and Regulations of the Organization.

The chairman of the meeting, upon receipt of the report of the Secretary-General or Executive Secretary of the body or institution concerned, shall indicate the names of the countries which, in accordance with Article 97 of the Financial Rules and Regulations, are not entitled to take part in the vote or the decisions without this, however, giving rise to discussions.

The State or the States, subject to Article 97 of the Financial Rules and Regulations shall recover, immediately and fully, their rights as soon as they pay in their contributions.

COUNCIL OF MINISTERS
Thirty-eight Ordinary Session
22nd February to 1st March 1982
Addis Ababa, Ethiopia

CM/1351 (XLIII)
Annex IV

REPORT ON THE ACTIVITIES OF THE ADVISORY COMMITTEE
ON ADMINISTRATIVE, BUDGETARY AND FINANCIAL MATTERS
FOR THE PERIOD FEBRUARY 1981 TO JANUARY 1982

(ii) SECOND RECOMMENDATION

REQUEST the Secretary-General to no longer organise meetings in the countries with outstanding contributions, in accordance with Article 97 of the OAU Financial Rules and Regulations.

REQUEST the Secretary-General to give priority, in the recruitment of staff for the Secretariat, to candidates from countries which comply with Article 97 of the OAU Financial Rules and Regulations.

REQUEST the African Group at the United Nations and the Meeting of Ambassadors in Addis Ababa to take into account, when considering African candidatures, the criterion of contribution to the Regular Budget of the OAU and the Special Fund for the Liberation of Africa.

After this the Committee decided to adopt only the first recommendation made by the Sub-Committee. Egypt expressed reservations on this recommendation.

RECOMMENDATION NO. 41

The total amount of the budgetary proposals for the Headquarters and the Regional and Sub-Regional Offices stand at US\$ 19,047,868.00 for the Financial Year 1981/82 that is an increase of US\$ 1,427,245.00 (8.09%) in comparison with the Financial Year 1980/81.

RECOMMENDATION NO. 42ANY OTHER BUSINESS

The representative of Sierra Leone suggested that the OAU should make viable investments which would enable it obtain resources for its activities without, each time, being compelled to wait for the contributions of Member States. To this end, he proposed that the Committee recommend the Council of Ministers to authorize the Secretariat to make the said investments. The Committee felt that it was a good idea but the financial difficulties of the Organization would certainly not enable it earmark funds for investment purposes. Besides, Article 21 of the OAU Financial Rules and Regulations provides for such a possibility which should be tried when the financial position improved.

The representative of Burundi raised the problem of geographical representation in the recruitment of OAU staff members and the actions that should be taken on the applications sent by Member States to the General Secretariat.

The Committee recommended that the General Secretariat take into account geographical representation during recruitments and to inform Member States of the actions taken with regard to applications sent by them.

The last item that was discussed under "Any other Business" was Dependency Allowance, equal treatment for equal work, pension and promotion. The General Secretariat provided all the relevant information.

Concerning more particularly the promotion of staff members, the Advisory Committee reiterated its recommendation that the General Secretariat apply the provisions of the Staff Regulations according to which it should first consider the possibility of promoting, to vacant posts, the staff members already working in the Organization before considering candidatures from outside.

LIST OF PARTICIPANTS

In accordance with the text of this decision, the composition of the Advisory Committee on Budgetary and Financial Matters is now as follows;

Algeria	Malawi
Burundi	Niger
Cameroon	Nigeria
Congo	Rwanda
Djibouti	Senegal
Egypt	Sierra Leone
Ethiopia	Sudan
Equatorial Guinea	Tanzania
Gabon	Uganda
Ghana	Zaire
Ivory Coast	Zambia
Kenya	Zimbabwe
Liberia	
Libya	

COMPOSITION OF THE BUREAU

As at the end of the Thirty-fourth Session, the Bureau of the Advisory Committee was composed as follows:

- <u>Chairman</u>	: Liberia	His Excellency Nathaniel Eastman Ambassador of the Republic of Liberia to Ethiopia
- <u>Vice-Chairman</u>	: Algeria	His Excellency Mohamed Lamine Allouane, Ambassador of the Democratic and Popular Republic of Algeria to Ethiopia
- <u>Rapporteur</u>	: Niger	His Excellency Joseph Diatta, Ambassador of the Republic of Niger to Ethiopia

The Committee at its Thirty-fifth Session elected its bureau as above.

RECOMMENDATION NO. 43Consideration of the Application for Exemption from PayingOutstanding Contributions Submitted by the Central African RepublicDocument FBM 15 (XXXV)

After considering these matters, the Committee made the following recommendations concerning the application for exemption from payment of outstanding contributions for the period 1966/79 submitted by the Central African Republic.

"The Advisory Committee, taking into account the fact that the Council of Ministers had viewed with sympathy the request forwarded by the Central African Republic considered the said request and recommended that the Council of Ministers traverse the request because:

1. that would create a dangerous precedent which should be avoided in so far as all African countries could be confronted with all sorts of problems such as natural disasters, political turmoil and others;
2. all OAU Member States should contribute to the Budget whatever may be the difficulties facing them;
3. this is the reason why the Advisory Committee felt that payment of outstanding contributions by the Central African Republic should be made by instalments to take into account the sympathy shown by the Council of Ministers.

In this regard, the provisions of Article 97 of the Financial Rules and Regulations will not be applied to the Central African Republic for a given period".

Outstanding Contributions of the Central African Republic

1972/73	US\$ 42,629.47
1973/74	66,822.33
1974/75	91,533.91
1975/76	112,219.43
1976/77	115,516.23
1977/78	71,663.49
1978/79	82,554.30
1979/80	3,063.95
CMAC	18,525.69
Namibia	18,525.69

Total US\$ 704,423.32

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RECOMMENDATION NO. 44Paragraph 10: Advances Recoverable

Advance due by staff members, Member States and staff members who left the Organization as at 31 May 1981 amounted to US\$ 720,834.39. The Members of the Committee wanted the Secretariat to explain the reasons for these advances recoverable. It was suggested that these advances should be

recovered by using the services of a lawyer if the Organization had one or in any case, by any other means. After the discussions, the Committee recommended that:

1. THE ADVANCES SHOULD BE RECOVERED FROM THE SALARIES OF THE STAFF MEMBERS STILL EMPLOYED BY THE ORGANIZATION;
2. THE GOVERNMENTS OF THOSE STAFF MEMBERS WHO HAD LEFT THE ORGANIZATION BE APPROACHED WITH A VIEW TO MAKING THE STAFF MEMBERS REFUND THE AMOUNT THEY OWED;
3. EFFORTS SHOULD BE MADE TO RECOVER FROM THE MEMBER STATES, THE AMOUNT THEY OWED;
4. STAFF MEMBERS OF THE ORGANIZATION SHOULD NO LONGER BE ALLOWED TO USE THE TELEPHONE AND TELEX FACILITIES OF THE ORGANIZATION FOR PRIVATE INTERNATIONAL TELEPHONE CALLS AND TELEX MESSAGES;
5. STAFF MEMBERS SHOULD BE REQUESTED TO JUSTIFY TRAVEL ADVANCES AS SOON AS THEY RETURNED FROM MISSIONS;
6. THE IDEA OF WRITING OFF DEBTS SHOULD CATEGORICALLY BE REJECTED.

RECOMMENDATION NO. 45

Paragraph 11: OAU Film "Liberty in Unity"

So far, the Organization has not received the film on the Tenth Anniversary (1973) in its three working languages. Only the English version was delivered to the Secretariat. Out of a total amount of US\$ 220,000.00 US\$ 200,000.00 has already been paid for the film. Some members of the Committee suggested that the English version of the film should be considered as a documentary film and that no more payments should be made towards the French and Arabic versions. Others suggested that the balance of US\$ 20,000 be paid for the two remaining versions to be produced and so that the matter might be settled once and for all. In any case the total cost of the film was US\$ 220,000.00 out of which the Organization has already paid US\$ 200,000.00. The Committee made the following recommendation after the discussions:

RECOMMENDATION

THE COMMITTEE RECOMMENDED THAT THE BALANCE OF US\$ 20,000.00 BE PAID TO THE FILM PRODUCER WHO SHOULD DELIVER THE FRENCH AND ARABIC VERSIONS OF THE FILM TO THE OAU OFFICE IN NEW YORK, AT THE LATEST BY THE TIME OF THE FORTHCOMING ASSEMBLY OF HEADS OF STATE AND GOVERNMENT.

RECOMMENDATION NO. 46

Paragraph 12: Commemorative Coins

To date, a quantity of gold, silver and bronze coins still remained to be sold.

DECISION

THE SECRETARIAT SHOULD DO ITS POSSIBLE BEST TO SELL THOSE COINS STILL AVAILABLE.

RECOMMENDATION NO. 47Paragraph 13: Construction of the Radio Studio

The Board of External Auditors wrote that although the construction work of the studio was in progress, a delay was inevitable owing to the lack of funds.

DECISION

THE NECESSARY FUNDS SHOULD BE MADE AVAILABLE TO ENABLE THE WORK TO BE COMPLETED.

RECOMMENDATION NO. 48Paragraph 14: Extension to the Secretary-General's Residence

The Ethiopian delegate took the floor and informed members, that the Secretary-General's residence should be considered as a historical monument and, therefore, no extension works should be undertaken on it. Furthermore, since the building belonged to the State, there was no question of a title deed. However, if the Organization so desired a plot could be placed at its disposal free of charge to enable it construct a residence for the Secretary-General. The present residence was given to the OAU to house the present and future Secretaries-General.

After that information, the members of the Committee wanted to know whether a residence should be built for the Secretary-General or not. It was decided that a residence should be built for the Secretary-General; hence the following recommendation:

RECOMMENDATION

THE COMMITTEE RECOMMENDED THAT THE COUNCIL OF MINISTERS CONSIDER A RESIDENCE FOR THE SECRETARY-GENERAL. IT FURTHER RECOMMENDED THAT THE US\$ 300,000.00 ALLOCATED BE UTILIZED FOR THIS PURPOSE AND THAT THE GENERAL SECRETARIAT OF THE OAU BE REQUESTED TO INFORM THE ETHIOPIAN GOVERNMENT OF THE ORGANIZATION'S DESIRE TO OBTAIN A SUITABLE PLOT OF LAND, WHICH SHALL BE PROVIDED FREE OF CHARGE.

RECOMMENDATION NO. 49Paragraph 20: Inspectorate

The Board of External Auditors was of the opinion that it was indispensable to increase the size of the Inspectorate Unit to enable it undertake its missions to the Regional and Sub-regional Offices. Consequently, it was proposed that the post of Chief of Regional Offices established under the Budget Control Division should be transferred to the Inspectorate Unit. Members then discussed the need to increase the size of the Inspectorate Unit not only to deal with administrative and financial matters but also technical issues. Particularly the assessment of the work of the Regional and Sub-regional Offices.

RECOMMENDATION

THE INSPECTORATE SHOULD BE STRENGTHENED TO DEAL SOLELY WITH ADMINISTRATIVE AND FINANCIAL MATTERS. THIS STRENGTHENING CAN BE DONE THROUGH THE CREATION OF NEW POSTS BECAUSE THERE IS A DIFFERENCE BETWEEN THE CONTROL DONE BY THE INSPECTORATE UNIT AND THE ONE DONE BY THE BUDGET CONTROL DIVISION.

RECOMMENDATION NO. 50

The Committee then Considered Document (CM/1160 (XXXVIII))
Draft Budget and Programme for the Fiscal Year running
from 1st June 1982 to 31 May 1983 - Part Two

Before considering the budgets for the Regional and Sub-regional Offices, it is important first of all to draw the attention to the following General recommendations adopted by the Advisory Committee:

1. Henceforth, all Directors of Regional and Sub-regional Offices should submit to the Advisory Committee written reports on the activities of their Offices.
2. The General Secretariat should do everything possible to harmonise the status of accountants in the Regional and Sub-regional Offices, in fact, there is no homogeneity in their positions;
3. No OAU staff member shall have the right to be issued with an MCO when proceeding on an official mission;
4. The General Secretariat should start negotiation with African Governments hosting OAU Offices with the view to obtaining free premises for the offices as well as opening an external account for the financial operations of these offices;
5. The General Secretariat must do everything possible to fill the vacant posts in the Regional and Sub-regional Offices.
6. All the Budgetary incomes of the Regional and Sub-regional Offices must be transferred to the Organisation's Headquarters, at the end of every financial year, that's 31st May of each year.

RECOMMENDATION NO. 51Technical Medical Assistance to the Comoros

The Committee reallocated the amount of US\$ 1 approved for this Office and decided to recommend its closure to the Council of Ministers.

RECOMMENDATION NO. 52

Consideration of Document FBM/5 (XXXVI): Amendments to Articles
26 (iv) (a) and 27 of the Staff Regulations

The Consideration of this document was entrusted to a sub-committee composed of the following countries: Niger (Chairman), Egypt, Guinea, Zaire and Zambia (Members).

The Chairman of the Sub-committee submitted the conclusions of the Sub-committee's deliberations to the Advisory Committee and requested it to adopt them.

With regard to Article 26 paragraph 4 of the Staff Regulations, the Secretariat indicated that in the present state of affairs, no provision

has been made for the payment of the travel expenses (round trip), of the spouse accompanying the body of the deceased staff member to his country of origin.

In view of the difficulties the spouse may be facing in settling all these problems, it is necessary that the Organization bears the travel expenses (round trip), of the spouse to accompany the body of the deceased and to return to the duty station to handle these problems.

Concerning the amendments to Article 27 of the Staff Regulations, the Secretariat emphasized the contradiction existing between Article 23 paragraph 1 and Article 27 paragraph 1 (iii). While Article 23 paragraph 1 speaks of working days, Article 27 Paragraph 1 (iii) only speaks of a maximum of 2 months. This amendment is therefore being proposed so as to harmonize the two texts. Henceforth reference will only be made to working days.

In the light of the explanations and information furnished to the Members of the Advisory Committee at their request, the following decision was taken:

The Advisory Committee decided to approve the amendments to Articles 26 (iv) (a) and 27 of the Staff Regulations as follows:

1. Amendments to Article 26, (iv) (a)

"In the case of the death of a staff member at his duty post, the Secretary-General shall authorize that the spouse, or in her absence, close relation living with the deceased at the duty post, and one of his own representatives accompany the body. The Organization shall bear the cost of the return tickets for the above mentioned persons."

2. Amendment to Article 27 Paragraph 1 (iii)

A staff member who, at the time of his resignation, shall have accumulated annual leave, shall be paid in lieu thereof a sum of money equivalent to his/her salary or wage for the period of such accrued leave corresponding to the following ceilings.

- (a) Fifty-six (56) working days excluding compensatory days for a staff member in Group I or II.
- (b) Fifty-two (52) working days excluding compensatory days for a staff member in Group II (1st and 2nd categories) within at least Five (5) years of service.
- (c) Forty (40) working days excluding compensatory days for a staff member in Group III (1st and 2nd Category within Five (5) years of service.

RECOMMENDATION NO. 53Consideration of the Salaries of Drivers, Messengers, Cleaners, Gardners, Guards and Lift Boys; Document FBM/9 (XXXVI)

The Committee considered this document and decided as follows:

1. That the post of 'Driver' be up-graded from GS3 to GS5.
2. That the posts of Messenger, Cleaner, Guard and Lift Boy be up-graded from GS2 to GS4.
3. That the post of Gardner be up-graded from GS2 to GS3.
4. The General Secretariat should take into account the length of service in making the necessary reclassification and adjustments. In other words, in changing the grades the staff members concerned should keep their respective positions on the new scales.

RECOMMENDATION NO. 54Review of the OAU Pension Scheme

Pursuant to the recommendations formulated by the Board of External Auditors on this question, the Advisory Committee decided that the Sub-committee, composed of Cameroon, Ghana, Nigeria and Libya, set up for this purpose, study the question and submit a report to the Advisory Committee.

RECOMMENDATION NO. 55Interpreters

Interpreters expressed their concern about the difficult conditions under which they work which are contrary to international norms. The Committee called upon the General Secretariat to provide for three interpreters per booth and to apply for the necessary funds. It should also do everything possible to pay the interpreters their entitlements in time.

RECOMMENDATION NO. 56Scale of Assessment of Member States

Nigeria and several other members of the Committee having expressed reservations on the unfair nature of the new Scale of Assessment adopted in Nairobi in June 1981, the Committee recommended that:

1. THE GENERAL SECRETARIAT PLACE THIS ITEM ON THE AGENDA FOR THE THIRTY-EIGHTH ORDINARY SESSION OF THE COUNCIL OF MINISTERS TO BE HELD IN FEBRUARY 1982.
2. THE GENERAL SECRETARIAT INFORMS ALL THE MEMBER STATES AND THOSE MEMBER STATES SERVING ON THE AD HOC COMMITTEE TO STUDY THESE QUESTIONS.

On the other hand, the Committee was of the opinion that, even if Member States did not agree with the new Scale of Assessment, they should nonetheless pay their contributions.

LIST OF PARTICIPANTS

In accordance with the text of this decision, the composition of the Advisory Committee on Budgetary and Financial Matters is now as follows:

Algeria	Ghana	Nigeria
Burundi	Guinea	Rwanda
Cameroon	Ivory Coast	Senegal
Chad	Kenya	Sierra Leone
Congo	Liberia	Sudan
Djibouti	Libya	Tanzania
Egypt	Malawi	Uganda
Ethiopia	Morocco	Zaire
Equatorial Guinea	Mozambique	Zambia
Gabon	Niger	Zimbabwe

COMPOSITION OF THE BUREAUElection of the Bureau

The Committee elected the following to the Bureau:

H.E. Mr. Simon Nk'o Etoungou,
Ambassador of Cameroon

- Chairman

H.E. Dr. T. Jokonya,
Ambassador of Zimbabwe

- Vice Chairman

H.E. Mr. Khalifa A. Bazelya
Secretary of the People's
Committee of the Libyan People's
Bureau

- Rapporteur

Observers

- Madagascar
- Mali

RECOMMENDATION NO. 59STATEMENT OF OUTSTANDING CONTRIBUTIONS DUE TO THE OAU REGULAR BUDGET, AS AT 31 OCTOBER 1983 (Document CM/1223 (XL))

The Assistant Secretary-General (Finance) introduced the document. He gave the analysis of the outstanding arrears from 1965 to 1982 and 1982 to 1983. He expressed the Secretariat's grave concern over the huge amount outstanding since 1965 and explained the difficulties of the Secretariat in using available fund to meet its obligations. He however, mentioned the controversy over the Scale of Assessment.

The members of the Advisory Committee discussed the problem of outstanding arrears on contribution at length. Many members contested the arrears shown against their countries and requested the Secretariat for explanation. Members also suggested that countries having outstanding arrears should be denied voting rights in accordance with the standing rules.

After the explanations of the Secretariat on all the issues raised by the members of the Advisory Committee, the Chairman congratulated two member countries; Congo and Zambia for paying up their contributions promptly without any arrears.

After that the Committee recommended that:

- (a) THERE SHOULD BE CO-OPERATION AND COLLABORATION BETWEEN THE SECRETARIAT AND THE MEMBER STATES WHOSE MISSIONS ARE SITUATED IN ADDIS ABABA TO REGULARLY DISCUSS DISCREPANCIES OR DIFFERENCES ARISING FROM OUTSTANDING ARREARS OF CONTRIBUTION.
- (b) TO REVIVE THE SUB-COMMITTEE WHICH HAD BEEN SET UP FOR THE REVIEW OF THE SCALE OF ASSESSMENT SINCE THREE YEARS AGO HEADED BY TUNISIA AND TO REQUEST THE SUB-COMMITTEE TO SUBMIT ITS RECOMMENDATIONS TO THE COUNCIL OF MINISTERS.
- (c) THE SECRETARIAT SHOULD INFORM ALL MEMBER STATES ABOUT THE NEW AND OLD SCALES OF ASSESSMENTS.

RECOMMENDATION NO. 60Consideration of the 1982/83 Financial Report

(Document CM/1224 (XL) and the Report of the Board of External Auditors (Document CM/1225 (XL))

After the Secretariat had given clarifications on other questions raised, the Committee then made the following recommendations:

RECOMMENDATION

- (i) TOOK NOTE OF THE FINANCIAL REPORT AND THE REPORT OF THE BOARD OF EXTERNAL AUDITORS TO WHICH REFERENCE COULD BE MADE DURING THE CONSIDERATION OF THE BUDGETARY PROPOSALS;
- (ii) THAT THE GENERAL SECRETARIAT SHOULD MAKE AVAILABLE IN GOOD TIME TO THE MEMBERS OF THE ADVISORY COMMITTEE WRITTEN COMMENTS ON THE REPORT OF THE BOARD OF EXTERNAL AUDITORS FOR THE HEADQUARTERS AND ALL THE REGIONAL AND SUB-REGIONAL OFFICES;

- (iii) THAT THE GENERAL SECRETARIAT SHOULD TAKE ADEQUATE MEASURES TO RECOVER ADVANCES AS THEY HAVE BEEN OUTSTANDING FOR A LONG TIME.
- (iv) THAT THE ACCOUNTANTS IN THE REGIONAL AND SUB-REGIONAL OFFICES SHOULD BE ANSWERABLE TO THE EXECUTIVE SECRETARIES AND DIRECTORS RESPECTIVELY;
- (v) THAT THE REQUESTS MADE BY THE BOARD OF EXTERNAL AUDITORS IN RESPECT OF: REVIEW OF TERMINAL ALLOWANCE, EDUCATION ALLOWANCE, SALARY OF LOCALLY RECRUITED STAFF AND PER DIEM ALLOWANCES FOR THE MEMBERS OF THE EXTERNAL AUDITORS SHOULD BE DISCUSSED UNDER THE APPROPRIATE ITEMS ON THE AGENDA;
- (vi) THAT THE GENERAL SECRETARIAT IN FUTURE SHOULD PROVIDE INTERPRETATION FACILITIES FOR THE BOARD OF EXTERNAL AUDITORS' MEETINGS;
- (vii) THAT THE BOARD OF EXTERNAL AUDITORS SHOULD IN FUTURE AUDIT ALL THE OAU FUNDS INCLUDING DONATIONS FROM INTERNATIONAL ORGANIZATIONS AND ANY OTHER SOURCES.

RECOMMENDATION NO. 61

CONSIDERATION OF REQUESTS FOR REFUND OF EXPENSES INCURRED ON THE MAINTENANCE OF THE OAU PEACE-KEEPING FORCE IN CHAD AND COMMENTS OF THE GENERAL SECRETARIAT - (DOC. CM/1230 (XL))

The Assistant Secretary-General in charge of Finance introduced Document CM/1230 (XL) and said that the document referred to the decision taken by the OAU Summit in Nairobi and the 19th Assembly of Heads of State and Government in Addis Ababa, which requested the Advisory Committee to study the financial implications of contributions to the Pan-African Peace-keeping Force in Chad and submit its recommendations to the Council of Ministers. He also stated that the document indicated all the expenditures incurred by Nigeria, Kenya and Congo.

After the introduction, the Chairman opened the discussion on the points contained in the document and several delegates contributed to the discussion. Some of them wondered as to why the OAU should be asked to refund to the countries concerned the expenses which they had incurred.

While several delegates emphasized that Congo had the right to ask for a refund, on the basis of the decision of the Council of Ministers in February 1981, they mentioned that the 19th Summit did not take any decision to the effect that the OAU should refund any expenses and that it had only asked the Advisory Committee to study the financial implications resulting from the despatch of the Peace-keeping Force in Chad.

Another delegation said that there was a basis for refunding other countries and that it was clearly indicated in the final communique of the Mini-Summit held in Kinshasa.

During the discussions on this question, mention was made of the principle of volunteering and that the countries that had sent their troops to Chad did so voluntarily, in that the Nairobi Summit did not compel any particular country to send any troops to Chad.

Some delegations observed that Nigeria being the only country that presented detailed expenses, the Committee could not decide on the financial implications for all countries that were involved in the Peace-keeping Force in Chad. Others established that countries that sent teams of observers should equally submit their expenses.

At the end of the discussions, the Chairman summarized the proceedings as follows:-

- (a) That some delegations observed that the 38th Session of the Council of Ministers took a decision on the basis for refunding the People's Republic of Congo;
- (b) That Senegal, Nigeria and Zaire have all sent troops to Chad but Nigeria and Zaire, amongst the three countries, submitted detailed reports on the expenditure incurred for the maintenance of their troops in Chad;
- (c) That some delegations suggested that Member States that were members of the Observer Group should also submit detailed information regarding expenditure incurred by them.

RECOMMENDATIONS

- (a) THERE WAS NO CONSENSUS ON THIS ISSUE AND THEREFORE THE COMMITTEE COULD NOT REACH A CONCLUSION WHICH SHOULD FORM THE BASIS FOR AN APPROPRIATE RECOMMENDATION TO BE SUBMITTED TO THE COUNCIL OF MINISTERS;
- (b) OTHER COUNTRIES THAT CONTRIBUTED TROOPS TO THE PEACE-KEEPING FORCE IN CHAD SHOULD BE REQUESTED TO SUBMIT DETAILED REPORTS OF THE EXPENSES INCURRED BY THEM;
- (c) THE GENERAL SECRETARIAT SHOULD SUBMIT TO THE ADVISORY COMMITTEE ALL RELEVANT REPORTS AND DECISIONS AND PREPARE AN EXPLANATORY NOTE BASED ON THE DECISIONS TAKEN IN THIS REGARD;
- (d) THE ADVISORY COMMITTEE SHOULD SUBMIT AN INTERIM REPORT TO THE COUNCIL OF MINISTERS.

RECOMMENDATION

Consideration of Draft Budget for 1984/85 Financial Year

(Document CM/1226 (XL))

The Assistant Secretary-General (Finance) introduced document CM/1226 (XL) - Draft Budget for the Financial Year 1984/85. In his introduction he stated that the General Secretariat had proposed the budget on a realistic basis to enable the Organization achieve its goals taking into account the burden that the budget would put on the Member States. Therefore, the Draft Budget was an austerity Budget warranted by economic situation of many African countries resulting from the economic recession, difficulties in balance of payment, and the increase in cost of energy, etc.... He added that the Budget was prepared to cater for top priorities and that the overall total of the Budget was US\$ 26,372,811.00 which has an increase of US\$ 2,759,485.00 or 11.68% over the 1983/84 Budget.

Following this introduction, the Committee Members made some comments of which the most substantive ones were the following;

- (a) The Draft Budget was not an austerity one since it did not take into account the difficult economic situation of Member States, and it did not also define the objectives it was intended to achieve;
- (b) When preparing the Budget, the General Secretariat did not take into account the Advisory Committee's recommendation that the Budget should be divided into two parts, the first dealing with Regular Budget and the second with the investment Budget for the Development of Africa within the framework of the Lagos Plan of Action;
- (c) The Committee equally noted that the Budgetary Proposals had not been rationally prepared and therefore stressed that this should be done in future.

After listening to the General Secretariat's clarification, the Committee's Chairman suggested that the Draft Budget be considered as proposed, taking into account the following recommendations which should be binding on the Secretariat in future.

RECOMMENDATIONS

- (a) TO SUBMIT A REPORT INTRODUCING THE BUDGET THAT INCLUDES ON THE ONE HAND THE ANALYSIS OF THE CONDITIONS OF THE BUDGET PERFORMANCE OF THE PAST FINANCIAL YEAR WITH REGARD TO THE ACCOUNTS AND THE WORK PROGRAMMES AND ON THE OTHER HAND DEFINING NEW OBJECTIVES TO BE ATTAINED BEARING IN MIND PARTICULARLY THE ECONOMIC SITUATION OF MEMBER STATES;
- (b) THE RECOMMENDATIONS OF THE ADVISORY COMMITTEE AT ITS 36TH ORDINARY SESSION SHOULD BE SCRUPULOUSLY ADHERED TO IN PREPARING THE BUDGET IN TWO PARTS: THE FIRST DEALING WITH REGULAR BUDGET AND THE SECOND WITH THE INVESTMENT BUDGET

RECOMMENDATION NO. 63

CABINET - CODE 100 - PERSONAL EMOLUMENTS

The Committee then recommended as follows:

- (i) THAT THE NEW CHIEF OF CABINET BE APPOINTED ON THE SAME GRADE AND STEP AS THE FORMER CHIEF OF CABINET WAS RECRUITED AT P4 STEP 6;
- (ii) THAT THE JOB DESCRIPTION OF THE CHIEF OF CABINET AND THE RELATIONSHIP OF HIS OFFICE VIS-A-VIS THE POLITICAL APPOINTEES; INSPECTOR-GENERAL, THE EXECUTIVE SECRETARIES AND THE DIRECTORS OF DEPARTMENTS IN THE ORGANIZATION BE DEFINED BY THE SECRETARIAT AND SUBMITTED TO THE COMMITTEE OF 14 EXPERTS MANDATED TO REVIEW THE OAU STRUCTURE.

RECOMMENDATION NO. 64ADMINISTRATION AND CONFERENCES DEPARTMENT

During the consideration of the Budget estimates on Code 100 - Personal Emoluments for the Administration and Conferences Department, the Committee wanted to know from the Secretariat whether the post of the Director of Administration was vacant and if so, why the post was not advertised.

The Secretariat explained that the post of Director of Administration was not vacant and therefore not advertised but the post was being temporarily assigned to the Inspector-General in addition to his duties.

The Secretariat, informed the Committee of the abnormal administrative situation obtaining in the Reproduction Unit of the Conference Division: 14 Collators were recruited, 13 of whom were placed on GS 5 Grade and one on GS 6. This disparity created frustration among the staff members of the lower grade: The Secretariat would therefore like to harmonize the situation.

A long discussion took place and three trends were identified among the Committee members as follows:

- (i) to reclassify the 13 Collators;
- (ii) to redeploy the staff member on GS 6 to other duties; or
- (iii) to bring the staff member on GS 6 to a lower grade.

The General Secretariat had admitted committing an administrative error during the recruitment of the Collators and the Committee therefore accepted to correct that error by upgrading the staff concerned.

The Secretariat also raised the difficulties it encountered in recruiting Precis-Writers at Salary Grade of P1, as their job descriptions and qualifications demanded to be rated at a higher grade. The Secretariat further requested the Committee to increase the number of Precis-Writers to four or six in each OAU Official language.

After lengthy deliberations of all the above issues the Committee recommended that:-

RECOMMENDATIONS

- (a) THE SECRETARIAT SHOULD PUT AN END TO THE TEMPORARY PROCEDURE AND THERE SHOULD BE A SEPARATION BETWEEN THE INCUMBENT OF THE POST OF THE INSPECTOR-GENERAL AND THAT OF THE DIRECTOR OF ADMINISTRATION DEPARTMENT;
- (b) 1. REGULARIZE THE ADMINISTRATIVE SITUATION OF 13 COLLATORS BY PLACING THEM ON GS 6;
- 2. THE RECLASSIFICATION SHALL TAKE EFFECT FROM 1 JUNE 1984 IN ACCORDANCE WITH THE ENTRY INTO FORCE OF THE BUDGET OF THE FINANCIAL YEAR 1984/85.

ON FIRST APPOINTMENT, AND ENTITLED MEMBER OF STAFF RECRUITED FOR TWO YEARS OR MORE FROM OUTSIDE THE COUNTRY OF DUTY STATION MAY BE REIMBURSED EXPENSES IN TRANSPORTATION OR EXCESS BAGGAGE OR UNACCOMPANIED PERSONAL EFFECTS AND HOUSEHOLD GOODS, WITHIN ONE YEAR FOLLOWING DATE OF APPOINTMENT, AS FOLLOWS:-

(a) BY LAND AND/OR BY SEA

UP TO A MAXIMUM OF:

- 200 KILOS (1 CUB METER OR 440 LBS OR 44 CUB FEET) FOR THE STAFF MEMBER
- 100 KILOS (1 CUB METER OR 220 LBS OR 22 CUB FEET) FOR ONE DEPENDENT WIFE.
- 50 KILOS ($\frac{1}{2}$ CUB METER OR 110 LBS OR 11 CUB FEET) FOR EACH DEPENDENT CHILD UP TO A MAXIMUM OF SIX CHILDREN.

(b) BY AIR

UP TO A MAXIMUM OF:

- 50 KILOS UNACCOMPANIED BAGGAGE AND
- 10 KILOS EXCESS BAGGAGE FOR EACH ELIGIBLE PERSON AUTHORIZED TO TRAVEL AT THE EXPENSE OF THE ORGANIZATION.

NOTE: NO COSTS FOR PACKING, CRATING, CARTAGE, UNPACKING, UNCRATING AND STORAGE WILL BE PAID BY THE ORGANIZATION.

D. TRAVEL ON TRANSFER AND SEPARATION FROM SERVICE

The Committee approved to maintain the status quo as follows:

(i) TRAVEL ON TRANSFER

THE ORGANIZATION OF AFRICAN UNITY SHALL PAY THE EXPENSES OF REMOVING A STAFF MEMBER'S HOUSEHOLD GOODS AND PERSONAL EFFECTS FROM THE PLACE OF ACTUAL DUTY STATION TO THE NEW OFFICIAL DUTY STATION BY THE MOST ECONOMICAL MEANS, INCLUDING WEIGHT OR VOLUME OF PACKING AND CRATING UP TO THE MAXIMUM OF:

(a) BY SEA/OR BY LAND

- (i) 1000 KILOS (9 CUB METERS OR 2,200 LBS OR 220 CUB FEET) INCLUSIVE OF PACKING CRATES AND LIFT VANS FOR STAFF MEMBERS WITHOUT DEPENDENTS;
- (ii) 1500 KILOS (11 CUB METERS OR 3,300 LBS OR 330 CUB FEET) FOR STAFF MEMBER AND WIFE WITHOUT CHILDREN;

(iii) 2000 KILOS (13 CUB METERS OR 4,400 LBS OR 440 CUB FEET) FOR STAFF MEMBER AND WIFE WITH ONE TO TWO CHILDREN;

(iv) 2500 KILOS (15 CUB METERS OR 5,500 OR 550 CUB FEET) FOR STAFF MEMBER AND WIFE WITH THREE TO SIX CHILDREN.

(b) BY AIR

50 KILOS UNACCOMPANIED BAGGAGE AND 10 KILOS EXCESS BAGGAGE FOR EACH ELIGIBLE PERSON.

N.B. THE ORGANIZATION WILL PAY REASONABLE COSTS OF PACKING AND CRATING ONLY.

(ii) TRAVEL ON SEPARATION

THE ORGANIZATION OF AFRICAN UNITY SHALL PAY THE EXPENSES OF REMOVING A STAFF MEMBER'S HOUSEHOLD GOODS AND PERSONAL EFFECTS TO THE PLACE RECOGNIZED AS HIS HOME OR ANY OTHER ONE PLACE AUTHORIZED BY THE SECRETARY-GENERAL IN EXCEPTIONAL CASES ON SUCH TERMS AND CONDITIONS AS HE DEEMS APPROPRIATE, PROVIDED THE GOODS AND EFFECTS WERE IN THE STAFF MEMBER'S POSSESSION AT THE TIME OF SEPARATION AND ARE BEING TRANSPORTED FOR HIS OWN USE, AND THAT THE TRAVEL EXPENSES BORNE BY THE ORGANIZATION SHALL NOT EXCEED THE MAXIMUM AMOUNT THAT WOULD HAVE BEEN PAYABLE ON THE BASIS OF RETURN TRANSPORTATION TO THE PLACE OF RECRUITMENT OR HOME LEAVE.

PAYMENT BY THE ORGANIZATION OF AFRICAN UNITY OF REMOVAL EXPENSES SHALL BE SUBJECT TO THE FOLLOWING CONDITIONS:

THE MAXIMUM WEIGHT UNCLUDING WEIGHT OR VOLUME OF PACKING AND CRATING, FOR WHICH ENTITLEMENT TO REMOVAL AT THE ORGANIZATION'S EXPENSES SHALL BE:

(a) BY SEA/OR BY LAND

(i) 1000 KILOS (9 CUB METTERS OR 2,200 LBS OR 220 CUB FEET) INCLUSIVE OF PACKING CRATES AND LIFT VANS, FOR STAFF MEMBERS WITHOUT DEPENDENTS;

(ii) 1500 KILOS (11 CUB METERS OR 3,300 LBS OR 330 CUB FEET) FOR STAFF MEMBER AND WIFE WITHOUT CHILDREN;

(iii) 2000 KILOS (13 CUB METERS OR 4,400 LBS OR 440 CUB FEET) FOR STAFF MEMBER AND WIFE WITH ONE TO TWO CHILDREN;

(iv) 2500 KILOS (15 CUB METERS OR 5,500 LBS OR 550 CUB FEET) FOR STAFF MEMBER AND WIFE WITH THREE TO SIX CHILDREN.

(b) BY AIR

50 KILOS UNACCOMPANIED BAGGAGE AND 10 KILOS EXCESS BAGGAGE FOR EACH ELIGIBLE PERSON.

- (c) THE ORGANIZATION OF AFRICAN UNITY SHALL NOT PAY REMOVAL EXPENSES REFERRED TO IN ITEM 4 (a) SUB-ITEMS i, ii, iii, AND iv ABOVE TO ENTITLED STAFF MEMBERS WHO HAVE NOT COMPLETED AT LEAST TWO YEARS SERVICE WITH THE ORGANIZATION AT THE TIME OF SEPARATION. HOWEVER, THE SECRETARY-GENERAL MAY IN EXCEPTIONAL CASES AND IF IN HIS OPINION, THERE EXISTS SPECIAL REASONS FOR GRANTING SUCH AUTHORIZATION (IF AND WHEN REQUESTED IN WRITING BY THE OFFICER CONCERNED) MAY AUTHORIZE SUCH OFFICER TO MAKE USE OF THE ENTITLEMENT. BUT IN THE EVENT OF DISMISSAL FOR WHATEVER REASON, OR LEAVING THE SERVICE FOR REASONS OF INCAPACITATION BEFORE THE COMPLETION OF TWO YEARS, THE OFFICER CONCERNED SHALL BE ENTITLED TO REMOVAL OF HIS PERSONAL EFFECTS AT THE EXPENSE OF THE ORGANIZATION IN ACCORDANCE WITH ITEM 1(a) and 1(b) ABOVE.

- (d) THE ORGANIZATION WILL PAY REASONABLE COSTS OF PACKING AND CRATING ONLY.

(ii) Review of the Rate of Per Diem and Terminal Expenses

The Advisory Committee discussed the recommendations of the Sub-Committee and after amendments were effected took the following decision:-

RECOMMENDATION

THE COMMITTEE APPROVED THE FOLLOWING LUMP SUMS AS PER DIEM RATES FOR THE DIFFERENT CATEGORIES OF STAFF MEMBERS OF THE ORGANIZATION:-

(a) SECRETARY-GENERAL	US\$ 150.00
(b) ASSISTANT SECRETARY-GENERAL	130.00
(c) EXECUTIVE SECRETARIES, INSPECTOR GENERAL, DIRECTORS OF DEPARTMENTS AND MEMBERS OF THE BOARD OF EXTERNAL AUDITORS	100.00
(d) PROFESSIONAL STAFF	90.00
(e) OTHERS	80.00

Terminal Expenses

The Committee decided to approve the recommendation of the Sub-Committee to increase the Terminal Expenses from US\$ 6.00 to US\$ 12.00

RECOMMENDATION

APPROVED THAT THE TERMINAL EXPENSES BE INCREASED FROM US\$ 6.00 TO US\$ 12.00.

(iii) Review of the Education Allowance

The Advisory Committee considered the recommendations of the Sub-Committee and after amendments recommended as follows:-

RECOMMENDATION

- (i) THAT 75% OF ACTUAL SCHOOL FEES BE REFUNDED TO PARENTS OR PAID TO SCHOOLS WITH A CEILING OF (a) US\$ 2,500.00 AT THE HEADQUARTERS, REGIONAL AND SUB-REGIONAL OFFICES; (b) US\$ 3,000.00 FOR NEW YORK, GENEVA AND BRUSSELS OFFICES;
- (ii) THAT THE FOLLOWING OTHER RECOMMENDATIONS SHOULD BE REFERRED TO THE SUB-COMMITTEE OF 14 EXPERTS ON STRUCTURAL REVIEW OF THE OAU;
 - (a) STANDARDIZATION OF SCHOOL FEES IN ACCORDANCE WITH THE CEILING;
 - (b) PAYMENT OF EDUCATION ALLOWANCE FOR EACH CHILD UP TO 21 YEARS OF AGE FOR A NORMAL CHILD AND 24 YEARS FOR A DISABLED CHILD;
 - (c) PAYMENT OF A RETURN AIR TICKET ONCE EVERY SCHOOL YEAR BETWEEN THE SCHOOL AND THE DUTY STATION OF THE PARENTS;
 - (d) REFUND OF 80% TO THE STAFF MEMBER OF MEDICAL EXPENSES INCURRED FOR A SICK CHILD STAYING OUTSIDE THE DUTY STATION OF PARENTS.

(iv) Post Adjustment Allowance

The Advisory Committee noted that the Sub-Committee could not find an immediate solution to the problem of Post Adjustment Allowance and it therefore requested the Secretariat to continue its research on the issue.

RECOMMENDATION

THE ADVISORY COMMITTEE VIEWED THE PROBLEM OF POST ADJUSTMENT ALLOWANCE AS COMPLEX AND RECOMMENDED TO REFER THE MATTER TO THE SUB-COMMITTEE OF 14 EXPERTS ON STRUCTURAL REVIEW OF THE OAU.

(v) Housing Allowance

The Advisory Committee noted that the Sub-Committee could not arrive at a solution but merely commented on the decisions taken on the problem by the Assembly of Heads of State and Government at their meeting in Monrovia in 1979, and the action taken by the Secretariat in 1980, setting ceiling for each category of staff members, both of which had financial and political implications.

The Committee considered the matter and recommended as follows:

- (i) TO REFER THE PROBLEM OF HOUSING ALLOWANCE TO THE SUB-COMMITTEE OF 14 EXPERTS ON STRUCTURAL REVIEW OF THE OAU;
- (ii) TO ASK THE SECRETARY-GENERAL TO TAKE APPROPRIATE MEASURES TO REMEDY THE CASES OF STAFF MEMBERS WHO HAVE SUFFERED AS A RESULT OF THE APPLICATION OF CIRCULAR NO. 154/SG.80 OF 24 JULY 1980 WHICH SET THE CEILINGS FOR EACH CATEGORY OF STAFF.

(vi) Subventions to African Organizations

The Advisory Committee adopted the recommendation of the Sub-Committee:

- (i) That considering the budgetary and financial constraints of the OAU, no subvention to African Organizations should be granted for the Financial Year 1984/85 until the Secretariat could pay subventions granted previously;
- (ii) That the General Secretariat should transmit the decision of the Advisory Committee to the respective Organizations.

RECOMMENDATION NO. 70

CLASSIFICATION AND STANDARDIZATION OF POSTS OF SECRETARIES, CLERKS AND OTHER RELATED GRADES FBM/8 (XXXVII)

The Assistant Secretary-General, Administration, introduced the document. He told the Committee that since the inception of the Organization, the Secretariat had neither established a uniform system of grading Secretaries, Clerks and other related grades nor introduced a suitable Career Development Programme for the staff in these categories. In presenting the case of the Proof-Readers, he mentioned that their present classification did not comply with the provisions of Article 6, of the Staff Rules which classified Proof-Readers in the Second Category of Group II as professionals and Technical Staff. He therefore strongly requested the Committee to consider the reclassification of the Proof-Readers and other categories of staff at appropriate levels of salaries.

The Committee deliberated on the issue at a great length. It noted that anomalies stated in the document had been with the Organization for a long time and wondered why it had just been submitted to the Committee. Since the issue affected the progress of staff members some delegations felt the document should be considered immediately while others held the view that it should be deferred because the matter needed an in-depth study to redress the affected staff and furthermore the Secretariat had not included in the document the financial implications. The Committee observed also that the document as presented had not adequately corrected the anomalies identified.

Before concluding the debate, the Committee called on the Representative of the Staff Association to make a statement. In his address, the Representative of the Staff Association appealed to the Committee to consider the matter in the spirit of justice and equity. He explained that the reclassification of Secretaries would not have any financial implications. He agreed with the Committee to have an in-depth study of the matter by a Sub-Committee whose terms of reference should be well defined and a time limit determined to complete its assignment.

The Chairman noted the Statement of the Representative of the Staff Association and assured him that his requests would be taken into consideration. He was therefore, asked to submit a written document of his address to the Committee.

Then the Committee agreed to defer the classification and Standardization of Posts of Secretaries, Clerks and other related grades and recommended to refer the whole matter to the proposed Ad Hoc Committee of 14 Experts on OAU Structural Reform comprising Cameroon, Congo, Egypt,

Ethiopia, Ghana, Guinea, Libya, Mozambique, Nigeria, Sudan, Tanzania, Togo, Zaire and Zambia.

With reference to the Committee's recommendation the Ethiopian delegation expressed its reservation on the matter because quote "in view of the fact that the Advisory Committee refused to up-hold the principle of equal pay for equal work and thereby denies (sic) the rectification of the plight of locally recruited staff members at the Headquarters and Regional Offices, Ethiopia reserves her right to raise the issue at the 40th Ordinary Session of the Council of Ministers, scheduled to take place in February 1984 at Addis Ababa" unquote.

RECOMMENDATION NO. 71

Review of Criteria for Granting Observer Status

(Document CM/1229 (XL))

In introducing the Document CM/1229 (XL) the Secretariat recalled the mandate given to the Advisory Committee by Resolution CM/913 (XXXVIII) to review the criteria for granting observer status with the OAU as being granted to African Organizations.

After a thorough examination of the document, the Committee observed that there was a proliferation of requests for subventions from African Organizations granted observer status and remarked that the OAU could not afford to squander its funds in this manner. The Committee felt that these Organizations should find their own source of finances as granting of observer status should not be regarded as an automatic right to subvention.

The Committee agreed that the existing criteria for granting observer status were satisfactory but the problem noted was that Member States did not strictly apply the rules. The Committee therefore decided:

TO RECOMMEND TO THE COUNCIL OF MINISTERS THAT THE EXISTING CRITERIA FOR GRANTING OBSERVER STATUS WERE SATISFACTORY AND THAT THEY SHOULD BE APPLIED STRICTLY AND DISCOURAGE GRANT OF SUBVENTIONS.

RECOMMENDATION NO. 72

Request for Exemption from Arrears of Contributions Submitted by Chad - CM.1223 (XL) Addendum

The General Secretariat presented to the Committee the request of the Republic of Chad that it be exempted from payment of arrears of contribution due to the OAU Regular Budgets from 1970/71 to 1983/84 totalling US\$ 900,502.33.

The Committee debated on whether the Advisory Committee was competent to consider such a request at its level or whether the matter should be referred to the Council of Ministers. The Committee then subsequently decided:-

TO REFER THE REQUEST OF THE REPUBLIC OF CHAD FOR EXEMPTION FROM ARREARS OF CONTRIBUTION DUE TO THE OAU REGULAR BUDGETS FROM 1970/71 TO 1983/84, TOTALLING US\$ 900,502.33. TO THE COUNCIL OF MINISTERS TO CONSIDER AND TAKE APPROPRIATE DECISION.

RECOMMENDATION NO. 73

ANY OTHER BUSINESS

During the discussions on any other business the Committee decided on the following:-

1. THAT ONLY THE OFFICIAL DELEGATION OF THE SECRETARIAT SHOULD BE ADMITTED INTO THE CONFERENCE HALL DURING THE MEETING OF THE ADVISORY COMMITTEE;
2. THAT THE GENERAL SECRETARIAT SHOULD ATTACH FINANCIAL IMPLICATIONS TO ALL DOCUMENTS INVOLVING EXPENDITURES WHEN BEING SUBMITTED TO THE ADVISORY COMMITTEE FOR CONSIDERATION.
3. THAT THE GENERAL SECRETARIAT SHOULD PREPARE FINANCIAL IMPLICATIONS OF ALL DRAFT RESOLUTIONS SUBMITTED TO THE COUNCIL OF MINISTERS AND ALL OTHER MEETINGS OF THE OAU;
4. THAT BEFORE THE BUDGETARY SESSION IS HELD THE SECRETARIAT SHOULD SUBMIT TO THE BUREAU OF THE ADVISORY COMMITTEE, ADMINISTRATIVE MATTERS FOR CONSIDERATION TO ALLOW THE COMMITTEE CONCENTRATE MAINLY ON BUDGETARY PROPOSALS DURING ITS MEETING;
5. THAT WHEN HEADS OF AFRICAN DIPLOMATIC MISSIONS OR THEIR REPRESENTATIVES UNDERTAKE OFFICIAL MISSIONS FOR THE OAU THEY SHOULD BE ACCORDED THE SAME FACILITIES GIVEN TO THE ASSISTANT SECRETARIES-GENERAL AS FOLLOWS:

(i) FIRST CLASS AIR TICKETS;

(ii) PER DIEM ALLOWANCE AT THE RATE OF US\$ 130.00.

The Advisory Committee having been informed of the earthquake which shook one of the regions of the People's Revolutionary Republic of Guinea, observed one minute's silence in memory of the victims.

To demonstrate OAU's solidarity with the People of Guinea who have been severely affected by this natural catastrophe, the Committee authorized the Secretary-General of the OAU to assist the country with US\$ 150,000. It stressed that the smallness of the assistance was due to the tight financial situation of the Organization. However the symbolic gesture in itself shows the willingness of the OAU to share in the difficult moments the People of Guinea were passing through;

On behalf of his Government, the Representative of Guinea expressed his profound thanks and gratitude to the Advisory Committee and to the General Secretariat of the OAU for their generous assistance to the victims of the earthquake in Guinea, and gave the assurance that he would faithfully inform the Government of his country of that magnanimous gesture. He then thanked, on behalf of his Government, all OAU Member States who, following the calamity, rallied round to express their brotherly solidarity with the People's Republic of Guinea.

The OAU Secretary-General a.i. then addressed the Committee. He remarked that certain lapses observed by the Committee on the part of the General Secretariat were unintentional. He gave the assurance that the Secretariat would learn from the present Session to do better in future. He then informed the Committee that the 40th Ordinary Session of the Council of Ministers would take place in Addis Ababa, Ethiopia from 27 February to 7 March 1984.

Finally, in closing the 37th Session of the Advisory Committee on 4 January 1984 at 7.30 p.m., the Chairman thanked members of the Advisory Committee, on behalf of the Bureau, for their active participation in the work of the Committee. Then on behalf of the members of the Committee he extended his gratitude to the General Secretariat and particularly, to the interpreters, for their services which enabled the Committee to bring its deliberation to a successful end.

RECOMMENDATION NO. 74

The total budget for the 1984/85 Fiscal Year amounting to US\$ 25,305,171.00 representing an increase of US\$ 7,691,935.00 (7.17%) over the 1983/84 budget of US\$ 23,613,326.00 was approved.

RECOMMENDATION NO. 75

DRAFT TERMS OF REFERENCE

During its consideration of the Draft Budget Estimates for 1984/85 in general, and, in particular, the item entitled "Classification and Standardization of Secretaries, Clerks and other Related Grades", the OAU Advisory Committee on Administrative, Budgetary and Financial Matters observed and decided that there was need to recommend to the Council of Ministers, that an Ad Hoc Committee of experts be established to review the service conditions of the staff members as well as the existing structure so as to remove the administrative anomalies and other factors affecting the smooth and efficient performance of the General Secretariat and make appropriate recommendations. The recommendations of the Ad Hoc Committee should not necessarily have financial implications. The work of the Ad Hoc Committee should not necessarily entail additional financial implications. Consequently, the following draft terms of reference of this Ad Hoc Committee was approved by the Committee:

- (i) To make a comprehensive review of the service conditions of all staff of the OAU Secretariat, including other benefits and pensions;
- (ii) To review the criteria for recruitment of staff and existing policies and practices. In particular, to ascertain and

- establish the equivalency of academic qualifications such as degrees and diplomas and normally presented by aspirant employees from different educational institutions;
- (iii) To draw up a scheme of service detailing the career prospects of staff members;
 - (iv) To regrade, reclassify and harmonize posts, particularly at the technical and supportive levels with a view to ensuring fair remuneration taking into account qualifications, efficiency and experience.
 - (v) To review the existing structure within the Secretariat with an overall view of making its activities programme-oriented and avoiding duty-over-lapping, wasteful duplication and, as far as possible, ensure equitable distribution of duties and responsibilities among established departments.
 - (vi) To review the present staff regulations with a view to improving it and removing the existing anomalies; and take steps to encourage professional competence and efficiency on the one hand, and introduce appropriate punitive measures against indiscipline and incompetence of the staff members on the other hand; and,
 - (vii) To review the relationship between the General Secretariat and Regional Offices in the light of the responsibilities entrusted to the General Secretariat under the Lagos Plan of Action and the Final Act of Lagos.

In view of the urgency to undertake some of the tasks spelt above, the Committee recommends that Member States whose experts served in the previous Ad Hoc Committee on Structure as established by Resolution CM/Res. 607(XXX) from the new Ad Hoc Committee, that is to say:

Cameroon, Congo, Egypt, Ethiopia, Ghana, Guinea, Libyan Arab Jamahiriya, Mozambique, Nigeria, Sudan, Tanzania, Togo, Zambia and Zaire.

Furthermore, the Committee recommends that the Ad Hoc Committee should accomplish its work and submit its findings and recommendations within six months from March 1984.

To ensure efficiency and expedition, the Ad Hoc Committee is expected to have full cooperation and assistance of the Secretary-General and his staff. In this regard, the Secretary-General is requested to seek additional technical assistance from the UN System under the existing Co-operation Agreements.

COUNCIL OF MINISTERS
Forty-first Ordinary Session
25 February - 5 March 1985
Addis Ababa, Ethiopia

CM/1351 (XLIII)
Annex IV

REPORT OF THE THIRTY-NINTH ORDINARY SESSION OF THE
ADVISORY COMMITTEE ON ADMINISTRATIVE, BUDGETARY
AND FINANCIAL MATTERS

RECOMMENDATION NO. 78Consideration of the Report of the Board of External Auditors
on the Accounts of the OAU for the Financial Year and Comments
of the General SecretariatRECOMMENDATION

- (i) THE SECRETARIAT SHOULD PAY MORE ATTENTION TO THE COMMITTEE'S RECOMMENDATIONS AND THE CONSEQUENCES OF THE RECOMMENDATIONS SHOULD BE SEEN;
- (ii) AN INSPECTOR SHOULD BE SENT TO REGIONAL AND SUB-REGIONAL OFFICES WHERE THERE WERE DIFFERENCES BETWEEN THE OFFICES AND HOST GOVERNMENTS' ON THE RATE OF EXCHANGE USED TO COVER CONTRIBUTIONS PAID IN LOCAL CURRENCY TO THE OFFICES BY THE HOST GOVERNMENT WITH A VIEW TO STUDYING THE PROBLEM SO THAT CONTACTS WILL EVENTUALLY BE MADE WITH THE GOVERNMENTS CONCERNED IN ORDER TO REACH AN AGREEMENT;
- (iii) A SUB-COMMITTEE SHOULD BE SET UP TO LOOK INTO THE CHARACTER OF ALL SPECIAL FUNDS ADMINISTERED BY THE GENERAL SECRETARIAT AND MAKE CONCRETE RECOMMENDATIONS ON THE FATE OF THOSE FUNDS; THAT SUB-COMMITTEE SHALL BE COMPOSED OF ALGERIA, CONGO AND ZIMBABWE.
- (iv) A SEMINAR BE HELD BEFORE THE NEXT EXTERNAL AUDIT WHICH WILL GIVE THE EXTERNAL AUDITORS AND THE SECRETARIAT AN OPPORTUNITY TO STUDY THE ACCOUNTING PROBLEMS IN THE SECRETARIAT AND MAKE RECOMMENDATIONS FOR SOLUTION.

RECOMMENDATION NO. 79Assistance to Member States Affected by Natural Calamities

Finally the Committee decided to make the following disbursements from the funds for Emergency and Drought to aid Member States currently affected by natural calamities:

Ethiopia	US\$	75,000.00
Chad		50,000.00
Mozambique		50,000.00
CILSS		110,000.00
	US\$	285,000.00

RECOMMENDATION NO. 80Consideration of Requests for Refund of Expenses Incurred for the
OAU Peace-keeping Force sent to Chad and Comment of the General
Secretariat

The Chairman reminded the Committee of the mandate given to them by the 40th Session of the Council of Ministers which was that they should make a factual study of the matter. That would involve stating the countries involved in the peace-keeping efforts and the amount of the expenses incurred which would be presented to the Council of Ministers which will take the next decision.

The Chairman further made it clear to the Committee that the following list of claimants had already been circulated by the Secretariat.

The countries are:

1. The People's Republic of the Congo with a claim of CFA 858,116,409.80;
2. The Republic of Kenya with a claim of US\$ 44,878.93;
3. The Federal Republic of Nigeria with a claim of US\$ 82,952,576.35
4. The Republic of Senegal with a claim of CFA 1,226,120,000.00;
5. The Republic of Zaire with a claim of US\$ 9,453,242.00.

The Committee requested the representatives of the above countries to confirm the amounts their governments were claiming for as compensation for the amounts spent on their troops sent to Chad to keep the peace there. The representatives of the People's Republic of the Congo, Federal Republic of Nigeria, the Republic of Kenya and Senegal confirmed the amounts indicated above.

After that the Chairman said that the Libyan Arab Jamahiriya was now requesting to be included in the list. The Chairman suggested that Libya should be asked to state the basis on which she was claiming a refund of expenses amounting to over US\$ 900 million.

The Advisory Committee felt that it would have no choice but to refer the sums claimed to the Council of Ministers since the Committee could not fully examine them due to lack of invoices and similar supporting documents as to how they were spent.

The Chadian delegation posed the interlocutory question to know from the General Secretariat the countries that formed the Peace-keeping Force in Chad.

Was Libya a member of the OAU Peace-keeping Force? If the answer was negative, then the Chadian delegation would insist that Libya's request be rejected.

The Secretary-General a.i., Dr. Peter Onu, called on the Advisory Committee to avoid a political debate on Chad, pointing out that the answer to the Chadian delegation's question can be found in Resolution AHG/Res. 110 (XIX). He also said that the Committee should invite the Jamahiriya delegation to explain his country's reasons for claiming for a refund.

To this question the Head of the Libyan Delegation responded that Libya's claim was legitimate since Libya contributed to the maintenance of peace in Chad as spelt out in its Note Verbale M/1/15/1111 of 6th December, 1984. He added that the Jamahiriya had sent its troops to maintain peace in Chad at the request of the GUNT which was formed in accordance with the Lagos Accord. The Jamahiriya did so on behalf of the African Continent as a whole.

The Chairman advised the Committee that they should be careful in deciding what should be discussed and at what level. He further advised Libya to submit her claim for refund of expenses to the Council of Ministers which might choose to refer the matter to the Advisory Committee if it wished. He went on to say that the Council's resolution on the matter

mandated the Committee to study only the expenses incurred by the Member States mentioned in Resolution AHG/Res. 110 (XIX) and report in conformity with Operative paragraph 4 of the said resolution.

- "4. MANDATES the Advisory Committee on Budgetary and Financial Matters to study the financial implications of the Peace keeping Missions of Congo, Senegal, Zaire and Nigeria and of the Observer Group composed of Algeria, Guinea-Bissau, Kenya and Zambia, to be submitted to the next session of the Council of Ministers."

The Advisory Committee assured Libya that it would report that Libya made a request for the refund of expenses incurred on peace-keeping in Chad but the Committee was unable to decide on the request and they chose to refer the request to the Council of Ministers.

The Algerian delegation informed the Committee that Algeria had contributed its share during the first dispatch of OAU troops to Chad as well as for the second despatch of the OAU Peace-keeping Force to Chad. Algeria also made an appreciable contribution to the reconstruction of Chad and that in response to the appeal made by the OAU. The Algerian delegation added that Algeria reserved the right to assert its contributions at the appropriate level.

In conclusion, the Chairman stated that it was noted by the Committee that some of the countries which sent Observer Groups to Chad had not yet submitted their statements of expenditure in connection with the peace-keeping process in that country.

RECOMMENDATION

- A. THE ADVISORY COMMITTEE DECIDED TO REFER THE ISSUE OF REFUND OF EXPENSES INCURRED BY TROOPS CONTRIBUTING COUNTRIES TO MAINTAIN PEACE IN CHAD TO THE FORTY-FIRST ORDINARY SESSION OF THE COUNCIL OF MINISTERS. IT RECOGNIZED THAT IT WAS NOT IN A POSITION TO CONSIDER THIS MATTER THOROUGHLY AS INVOICES AND OTHER SUPPORTING DOCUMENTS INDICATING HOW THE EXPENSES WERE INCURRED WERE NOT AVAILABLE.
- B. THE ADVISORY COMMITTEE ALSO DECIDED TO REFER THE REQUEST OF THE JAMAHIRIYA FOR REFUND OF EXPENSES INCURRED BY IT FOR PEACE-KEEPING OPERATION IN CHAD TO THE FORTY-FIRST ORDINARY SESSION OF THE COUNCIL OF MINISTERS.

RECOMMENDATION NO. 81

CONSIDERATION OF PROPOSALS FOR RECTIFICATION OF DISPARITIES IN BASIC SALARIES BETWEEN LOCALLY AND INTERNATIONALLY RECRUITED STAFF IN THE FIRST CATEGORY OF GROUP III - GENERAL SERVICES STAFF AND OTHER RELATED GRADES IN CONFORMITY WITH ARTICLE 6 OF THE STAFF REGULATIONS (Doc. 896 (XXXI) REV. 5 ANNEX 2 REV. 1)

Before commencing discussion on the agenda item, members of the Committee requested the Secretariat to give definitions of the terms "locally recruited" and "internationally recruited". The Acting Legal Advisor informed the meeting that there was no clear definition of the two terms in the Staff Rules and Regulations. However, he said, the practice in the Secretariat had been to classify all staff recruited from outside the

the duty station as "internationally recruited" and those recruited at the duty station as "locally recruited".

The Assistant Secretary-General for Administration introduced the document which the Secretariat had prepared on the issue. He referred to the consensus reached at the 37th Session of the Advisory Committee that the matter of disparities in salaries and other personnel matters be referred to the Committee of Fourteen on Structure to which Ethiopia had made reservations as recorded in paragraph 278 of the Report of the 37th Session. Ethiopia raised the matter at the 40th Session of the Council of Ministers which in turn directed that the Secretariat should study the matter with the host countries of the Headquarters and Regional Offices with the view to rectifying the existing anomalies.

The Assistant Secretary-General informed the Committee that consultations had been held between representatives of the Ethiopian Government and the Secretariat and the two sides had agreed to settle the matter in accordance with Article 6 of the Staff Regulations which classifies Staff into categories corresponding to their level of appointment and/or functions. Document FBM/5 (XXXIX) now being presented to the Committee contains recommendations made by the Secretariat after the consultations with the Ethiopian Government.

The Committee debated on the entire issue of disparity in salaries extensively as well as the recommendations made in Doc. FBM/5 (XXXIX). One view expressed was that the recommendations contained in the document be adopted so that the financial implications could be incorporated in the 1985/86 Budget which will be implemented beginning June 1985. The Secretariat was recommending alignment of locally recruited staff basic salaries with those of internationally recruited staff so as to put into practice the concept of equal pay for equal work. The financial implication of the exercise worked out at US\$ 297,800.00 for both the Headquarters and Regional Offices.

Another view on the issue was that since the decision of the Council was that the Secretariat should consult with all the States hosting OAU Offices, the Secretariat's consultations with the Ethiopian Government representatives was just part of what the Secretariat was instructed to do and therefore the recommendations made after consultations with only one host country could not be imposed on all the other Member States hosting Regional and Sub-regional Offices.

It was also suggested that as the matter was one of those to be studied by the Committee of Fourteen on Structure, action should be staged on the recommendations made until the Committee of Fourteen meets and studies the issue together with others assigned to it.

The debate continued on and arguments put included that this particular matter was not a matter involving classification of posts but one of putting right irregularities or anomalies which no one disputed in principle.

Winding up the debate, the Chairman ended by saying that no body spoke against or disputed the injustice cited in the Document FBM/5 (XXXIX) or the need to rectify them. He noted that the fact that the Committee had discussed the issue further was not a waste of time but rather revealed new dimensions of the problem.

ADVISORY COMMITTEE ON ADMINISTRATIVE
BUDGETARY AND FINANCIAL MATTERS
Forty-first Ordinary Session
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CM/1351 (XLIII)
Annex IV

REPORT OF THE FORTY-FIRST ORDINARY SESSION OF THE ADVISORY COMMITTEE
ON ADMINISTRATIVE, BUDGETARY AND FINANCIAL MATTERS

RECOMMENDATION

THE ADVISORY COMMITTEE REQUESTED THE GENERAL SECRETARIAT TO PURSUE CONSULTATION WITH THE OTHER HOST COUNTRIES AND REPORT TO THE ADVISORY COMMITTEE IN TIME FOR ANY FINANCIAL IMPLICATIONS TO BE INCORPORATED IN THE 1985/86 BUDGET PROPOSALS FOR PRESENTATION TO THE COUNCIL OF MINISTERS IN FEBRUARY.

RECOMMENDATION NO. 82Consideration of the Draft Programme and Budget for 1985 -1986
Financial Year

The Draft Programme and Budget was introduced by the Assistant Secretary-General for Finance who narrated how the Secretariat went about the exercise of estimating the proposals for both the Headquarters and the Regional Offices. Particular attention was given to the call of the 40th Session of the Council of Ministers that the budget for 1985/86 should not exceed that of 1984/85. The Secretariat did succeed in achieving that goal and even went beyond it by cutting down the proposals for 1985/86 by 2.50% below the level of the 1984/85 budget. He added that the total budgetary proposals of the General Secretariat for the Financial Year 1985/86 now stood at US\$ 24,668,814.00.

The Assistant Secretary-General informed the Committee of a communication received from the Government of Gabon that it no longer wished to host the OAU Office on Tropical Forests for which proposal had been made in the draft budget amounting to US\$ 443,490.00. The Committee, he went on to say, would now decide on the next course of action.

Executive Secretaries and Directors of Regional Offices were each requested to give an account of the activities of their offices before the draft budgets of the respective offices were considered.

The Committee made observations on the performance of all the Regional and Sub-regional Offices, pointing out especially areas where the Board of External Auditors had reported adversely during their audit of the 1983/84 accounts. The Secretariat was urged to observe and, where necessary, carry out the recommendations made by the Auditors so that the same observations and criticisms made in the 1983/84 audit reports will not be repeated.

The Committee also sought information from the Secretariat on how far the Secretariat had gone with the call made by the Fortieth Session of the Council of Ministers for a study of the role of some of the Regional and Sub-regional Offices in order to determine their usefulness and effectiveness with the view to deciding which ones should be closed as a move towards reducing the size of the Organization's budget. The Secretariat responded that the entire exercise of reorganizing the Secretariat has begun at the Headquarters and plans for similar exercises at the Regional Offices are in a foot.

The Advisory Committee, having heard the necessary explanations by the Secretariat, decided to refer a number of issues raised to the Ad Hoc Committee of 14 on Structural Reform. Among these were grading of posts, disparity in salaries of staff, career development of personnel, job

titles, structure of some divisions within the Secretariat and a policy on the transfer of staff from one duty station to another. The Advisory Committee also decided to discuss a number of other issues under the item "Any Other Business".

RECOMMENDATION NO. 83

CHAPTER I - A: Offices of the Secretary-General and the Assistant Secretaries-General Staff Emoluments

The Advisory Committee considered the budget estimates of the Offices of the Secretary-General and Assistant Secretaries-General under Code 100, Staff Emoluments which included the household staff, the Inspectorate and the Afro-Arab Co-operation Division.

During discussions on that issue, a delegation drew the attention of the Committee to the difference between the salaries of the Assistant Secretary-General and the Secretary-General, adding that the difference could not be justified as in both cases they were OAU political appointees. Consequently, it called upon the Advisory Committee members to address themselves to that anomaly.

Many delegations spoke on that topic and some of them supported the motion that the Advisory Committee should discuss the matter during its current session. Some others sought explanations from the General Secretariat on how the salaries of political appointees were determined and on what basis. The consensus was that this matter should be referred to the Ad Hoc Committee of 14 on Structural Reform for consideration, taking into account the duties and responsibilities of both the Secretary-General and the Assistant Secretaries-General.

The General Secretariat answered the enquiries raised by saying that the salaries of political appointees were determined by the Council of Ministers and that the decision of the Council of Ministers formed the basis for the salaries of the Secretary-General and the Assistant Secretaries-General.

The Chairman summarized the consensus that since there was an Ad Hoc Committee on Structural Reform, that Committee should look into this matter and make the appropriate recommendation.

RECOMMENDATION

THAT THE QUESTION OF DISPARITY BETWEEN THE SALARIES OF THE SECRETARY-GENERAL AND THOSE OF THE ASSISTANT SECRETARIES-GENERAL BE REFERRED TO THE OAU AD HOC COMMITTEE ON STRUCTURAL REFORM.

RECOMMENDATION NO. 84

CHAPTER I - B: Cabinet - Code 100

The Cabinet includes: Chief of Cabinet, Registry, Protocol, Information, Security and Legal Division. When considering the budget proposals under this Chapter, one of the delegates observed that the grade of the Chief of Cabinet who was on P4/3 was not commensurate with his responsibilities, and requested the Committee to recommend his upgrading.

to P6. The Committee discussed the matter and the consensus was that it should be referred to the Committee of 14 on Structural Reform.

In considering this topic, the Advisory Committee noted that the General Secretariat did not adhere to the recommendation made by the 37th Session of the Committee to separate the substantive holder of the post of Inspector General from that of the Director of Administration. The Committee expressed its concern over the fact that this matter still remained unsolved.

In response to that the Assistant Secretary-General informed the Committee that the Secretary-General would provide the answer to this question on his return to post. Among the issues that captured the attention of the Advisory Committee when discussing this code was the low scale of the Chief of Security who was on P1/6, a grade that was not commensurate with his responsibility. Most of those who spoke felt that this matter should be reviewed so that the salary scale of the Chief of Security could be determined.

RECOMMENDATIONS

- (a) THAT THE QUESTION OF DETERMINING THE SALARY SCALE OF THE CHIEF OF CABINET, BE REFERRED TO THE COMMITTEE OF 14 ON STRUCTURAL REFORM WITH A RECOMMENDATION FROM THE GENERAL SECRETARIAT THAT THE POST BE GIVEN A SPECIFIC TITLE; AND
- (b) THAT THE QUESTION OF THE SCALE OF THE CHIEF OF SECURITY BE ALSO REFERRED TO THE COMMITTEE OF 14 ON STRUCTURAL REFORM.

RECOMMENDATION NO. 85

Côte 912: Special Fund for Refugees

The Committee considered the estimates under that code and recommended the following:

RECOMMENDATION

THE COMMITTEE APPROVED 1% OF THE BUDGET FOR THE FINANCIAL YEAR 1985/86 FOR THE SPECIAL FUND FOR REFUGEES THAT IS US\$ 230,240.00. ON THE OTHER HAND, THE COMMITTEE APPROVED US\$ 8,910.00 FOR THE HOLDING OF THREE MEETINGS OF THE COMMITTEE OF FIFTEEN ON REFUGEES IN AFRICA IN ADDIS ABABA.

RECOMMENDATION NO. 86

Inter-African Bureau on Tropical Forests

In considering the budget proposals for this Office, the Chairman drew the Committee's attention to the decision of the Gabonese Government that it was no longer interested in hosting the Inter-African Bureau on Tropical Forests and said that the General Secretariat had informed all Members States of the decision. He further stated that the Government of the Equatorial Guinea had expressed the wish to host the Office.

The Head of the Equatorial Guinea delegation then spoke and confirmed his Government's wish to host the Office.

Following that the Chairman asked the Head of the Equatorial Guinea delegation to formally inform the General Secretariat in writing of his Government's wish so that the Secretariat in turn could inform all the Member States accordingly.

The Committee observed that the budget of this office had been kept with a nominal amount of US\$ 1.00.

RECOMMENDATION NO. 87

International Co-ordination Office for the Project for the Development of the Fouta Djallon Region at Labe, Republic of Guinea

The Executive Secretary STAC Lagos introduced his report in which he explained to the Committee that the Government of the Republic of Guinea had decided to open this new Office in Conakry, instead of Labe which was the site agreed upon and requested that the OAU should bear the responsibilities for paying the rent.

The Committee considered this point among the views expressed concerning this matter was that the scientific nature of the Bureau required that it should be in Labe. The Committee also expressed its wish that the Government of the Republic of Guinea should host the Bureau as other African OAU Member States hosting the OAU Offices were doing.

RECOMMENDATION

- (a) THE COMMITTEE REQUESTED THE GENERAL SECRETARIAT TO SEND THE ASSISTANT SECRETARY-GENERAL FOR ESCAS AND THE EXECUTIVE SECRETARY OF LAGOS OFFICE TO CONAKRY IN ORDER TO DRAW THE ATTENTION OF THE GUINEA GOVERNMENT TO THE SCIENTIFIC IMPORTANCE OF THE OFFICE AND ALSO THE NEED TO HAVE IT INSTALLED WITHIN THE SITE OF THE PROJECT AS WELL AS TO REQUEST THE GUINEA GOVERNMENT TO ADHERE TO THE PREVIOUS OFFER THAT IT HAD MADE TO PROVIDE THE NECESSARY INFRASTRUCTURE FOR THE BUREAU AND NOT TO ASK THE OAU TO PAY FOR THE RENT AS WAS THE PRACTICE IN ALL MEMBER STATES HOSTING OAU REGIONAL OFFICES.
- (b) THE COMMITTEE ALSO RECOMMENDED THAT THE INTERNATIONAL CO-ORDINATOR SHOULD RESIDE IN LABE NEAR THE SITE OF THE PROJECT.

RECOMMENDATION NO. 88

Application for Subvention Submitted by the Supreme Council for Sport in Africa - CM/1255(XLI)

The Supreme Council for Sport in Africa requested from the OAU for the Financial Year 1985/86 an amount of US\$ 290,000.00 to cover the expenses to be incurred for the implementation of its programme on the organization of eight (8) training courses (7) at regional level and one (1) at continental level.

The Committee considered the request made by the Supreme Council for Sports in Africa. Some delegations felt that the request should be approved considering the activities carried out by the Council in the interest of Africa. Other delegations felt that taking into account the serious economic situation obtaining in Africa and the need to adopt a lower

budget, it was appropriate to refrain, within the framework of the present budget, from granting subventions to third party Organizations.

After this discussion the Chairman finalized the consensus that the Committee has agreed to grant the Supreme Council for Sport in Africa an amount below their original request and recommended the following:

RECOMMENDATION

THE COMMITTEE APPROVED A SUBVENTION OF US\$ 150,000.00 TO BE GIVEN TO THE SUPREME COUNCIL FOR SPORT IN AFRICA.

RECOMMENDATION NO. 89

Any Other Business

The Chairman, invited the members of the Advisory Committee to suggest items to be considered under "Any Other Business." The following items were suggested and agreed on to be discussed:

- (i) Vacant Posts and Geographical Distribution
- (ii) Policy on Transfers
- (iii) Co-ordination between OAU General Secretariat Headquarters and Regional and Sub-regional Offices
- (iv) Administrative Matters and Role of the Advisory Committee
- (v) Implementation of the Decisions of the Advisory Committee
- (vi) Responsibilities of the Internal Auditor
- (vii) Problem of Outstanding Obligations
- (viii) Problem of Pension and Group Insurance Scheme - ALICO
- (ix) Preparation for the Meeting of the Committee of 14 on Structure
- (x) Bank Charges on Contributions Receivable from Member States
- (xi) Budget Proposal for Holding Seminar on Harmonization of OAU Accounting Policies with the Board of External Auditors.

Vacant Posts and Geographical Distribution

The Advisory Committee noted with concern that there were still unfilled posts both at the OAU Headquarters and in the Regional and Sub-regional Offices. Besides, the delegation of Congo suggested that appointments of Executive Secretaries be made, if possible on the basis of geographic distribution. The Secretary-General a.i. explained that it was not the intention of the OAU General Secretariat to keep vacant posts unfilled but that the remaining vacant posts were unfilled because of many reasons such as the financial constraints the Organization faced in the past few years and lack of qualified candidates from the least represented Member States.

The Committee requested the OAU General Secretariat to fill all vacant posts as soon as possible and to request those Member States who are least represented to provide qualified candidates.

Policy on Transfer

The Members of the Advisory Committee noted that the General Secretariat has no defined policy concerning the transfer of staff between the Headquarters and the Regional and Sub-regional Offices. The Advisory

Committee therefore requested the OAU General Secretariat to develop a coherent policy under which OAU staff members would be transferred from one office to another.

Co-ordination between OAU Headquarters and its Regional and Sub-regional Offices

The Advisory Committee wondered whether the OAU Regional and Sub-regional Offices were autonomous or answerable to OAU Headquarters. The Secretariat explained that all Regional and Sub-regional Offices were answerable to the OAU Headquarters where the Departments or units are charged with the responsibilities of supervising their activities.

The Committee recommended that for the OAU General Secretariat to have effective control over its Regional and Sub-regional Offices, should have, at the Headquarters, technically qualified staff in different fields, to follow and co-ordinate the work of the OAU Regional and Sub-regional Offices.

Role of the Advisory Committee on Administrative Matters

The Committee said that in the past more emphasis was put on financial and budgetary matters, and very little on administrative issues while under the Lome Resolution, the Advisory Committee has to advise both on financial and administrative matters. The General Secretariat agreed with the views expressed by the Committee and it was decided that in future sessions of the Advisory Committee administrative matters should be discussed. It was further agreed that Sub-committees of the Advisory Committee should be set up to look into different aspects of the Organization's operations.

Implementation of Advisory Committee's Recommendations

The Advisory Committee noted that the General Secretariat did not implement some of its recommendations and therefore renewed its call on the General Secretariat to implement all Advisory Committee recommendations after they have been endorsed by the Council of Ministers and Heads of State and Government.

Responsibilities of Internal Auditors

Regarding the responsibilities of Internal Auditors, the Committee underscored their role as watch-dogs of the Organization's assets and in this regard requested the General Secretariat to take remedial action regarding Regional Offices without resident Internal Auditors.

Problem of Outstanding Obligations

The problem of outstanding obligations was one of the issues over which the Advisory Committee expressed concern during the consideration of the draft budget for the General Secretariat and the Regional Offices. It generated a lengthy discussion during which several delegates expressed their concern over this phenomenon and asked the authorities in the General Secretariat and the Executive Secretaries/Directors of the Regional Offices to give justification for outstanding obligations supported by appropriate documents.

Both the Chairman of the Board of External Auditors and the Head of the Budget Control Division submitted to the Committee reports on this

issue expressing their concern on the unsatisfactory manner in which the question of obligations was handled. The Committee, having heard the necessary explanations from the General Secretariat and from the Chairman of the Board of External Auditors recommended the following:

RECOMMENDATION:

- (a) THE COMMITTEE RECALLED THAT IN ACCORDANCE WITH ARTICLE 3 OF THE FINANCIAL RULES AND REGULATIONS, ALL OBLIGATIONS SHALL BE DEFINITELY DRAWN UP ON 31 MAY. HOWEVER, ACCORDING TO ARTICLE 4 OF THE SAID RULES AND REGULATIONS THE ACCOUNTING FOR THE PRECEDING FINANCIAL YEAR SHALL DEFINITELY CLOSE ON 31 AUGUST. THE COMPLEMENTARY PERIOD OF THREE MONTHS SHALL BE DEVOTED TO THE REGULARIZATION OF ACCOUNTING OPERATIONS LEGALLY ENTERED INTO PRIOR TO 31 MAY BUT WHICH, FOR SOME REASON, WERE NOT COMPLETED BEFORE THAT DATE.
- (b) CONSEQUENTLY, THE ADVISORY COMMITTEE WILL NO LONGER ACCEPT IN FUTURE DRAFT BUDGETS REMAINDERS OF ESTIMATES CONSIDERED AS OBLIGATIONS WHICH WERE NOT SETTLED.
- (c) IN ACCORDANCE WITH ARTICLE 20 OF THE FINANCIAL RULES AND REGULATIONS, THE WORKING CAPITAL FUND SHALL BE FED BY THE EXCESS OF REVENUE OVER ACTUAL EXPENDITURE FOR A PARTICULAR YEAR, THAT IS TO SAY, THE BALANCE OF FUNDS AFTER FINAL BALANCING OF THE BUDGET.
- (d) THE DEPARTMENT OF FINANCE AND THE CONTROLLER WERE REQUESTED TO WRITE A CIRCULAR TO THAT EFFECT.

The Committee approved the recommendation that the Auditors should visit the Regional and Sub-regional Offices to examine their accounts and submit reports containing valid supporting documents concerning expenditure under the Code for obligations and to pin-point dubious practices.

Problem of Pension and Group Insurance Scheme - ALICO

The Jamahiriya delegation raised the question of Pension and Group Insurance Schemes and the Committee also wished to know why the Organization was dealing with American Life Insurance Company (ALICO) instead of an African Insurance Company. The Committee wanted to know when the General Secretariat started dealing with ALICO and how much money it now has with the said Company as well as the interest yielded in favour of the staff insured with the Company.

After the explanations by the General Secretariat the Committee agreed to set up a sub-committee on the issue composed of the Jamahiriya, Uganda, Senegal, Burundi and Malawi. The Committee also recommended that the General Secretariat should call for tenders both from African and Non-African Insurance Companies.

Preparation for Meeting of the Committee of 14 on Structural Reform

Concerning the meeting of the Committee of Fourteen, the General Secretariat was requested to ensure that documents for the meeting of the Committee of Fourteen on Structural Reform should reach members in good time

and that consultations should be made with the Chairman regarding the date for holding the meeting.

Bank Charges on Contributions Receivable from Member States

The issue was briefly discussed, and the Committee said that it was the responsibility of each Member State to include an amount to cover bank charges when paying its contributions.

Ad-Hoc Committee on the Scale of Assessment

Some members of the Advisory Committee noted with concern that the Secretariat should take appropriate measures to enable the Ad Hoc Committee on the Scale of Assessment to meet before the Forty-first Ordinary Session of the Council of Ministers.

Seminar on Harmonization of OAU Accounting Policies

The Committee approved the sum of US\$ 34,000.00 to cover the expenses for holding a seminar on Harmonization of OAU Accounting Policies in the 1985/86 Financial Year.

Interpretation Equipment

The Secretary-General a.i. made an appeal to the Advisory Committee to make a budget provision for replacement of the interpretation equipment. After a short discussion it was decided that the purchase of interpretation equipment could be made through a virement request.

RECOMMENDATION No. 90

Budget 1985/86

The total budget for the financial year 1985/86 amounted to US\$ 23,254,235.00 representing a decrease of US\$ 2,050,935.00 (or 8.10%) over the 1984/85 approved budget of US\$ 25,305,171.00.

LIST OF PARTICIPANTS

The Meeting was attended by representatives of the following countries:

Algeria	Malawi
Burundi	Mali
Cameroon	Mozambique
Chad	Niger
Congo	Nigeria
Cote D'Ivoire	Rwanda
Djibouti	Sahrawi Arab Democratic Republic
Egypt	Senegal
Equatorial Guinea	Sierra Leone
Ethiopia	Sudan
Gabon	Tanzania
Ghana	Tunisia
Guinea	Uganda
Kenya	Zambia
Liberia	Zimbabwe
Libyan Arab Jamahiriya	
Madagascar	

COMPOSITION OF THE BUREAUElection of Officers

Following the consultations before and during the meeting, the Advisory Committee unanimously elected the following Officers

H.E. Dr. T. Jokonya Ambassador of Zimbabwe	-	Chairman
H.E. Mr. Bounkoulou Ambassador of the Congo	-	Vice-Chairman
H.E. Mr. Khalifa A. Bazelya Secretary of the Committee of the Libyan People's Bureau	-	Rapporteur

RECOMMENDATION NO. 91

Item 2 - Agenda Item 2 "Consideration of Proposals for Rectification of Disparities in the Basic Salaries Between Locally and Internationally Recruited Staff in the Second Category of Group II and the First Category of Group III - General Services Staff and Other Related Grades in Conformity with Article 6 of the Staff Rules and Regulations Doc. CM/896 (XXII) Rev. 5 Annex 2 Rev. I".

Before opening the debate on this item, the Chairman of the Committee recalled among other things, the directives of the Council of Ministers as well as the contacts and consultations held with some Member States hosting regional and sub-regional offices with a view to rectifying the current disparities. He called on the General Secretariat to present the relevant document to the Advisory Committee.

In his presentation of the document in question, the Assistant Secretary-General in charge of Finance briefed the participants on the disparities in the basic salary between the Internationally and Locally recruited staff. He recalled that the Advisory Committee which was seized of the issue during its Thirty-seventh Ordinary Session decided that the matter be referred to the Council of Ministers. He added that in compliance with the directives of the Council of Ministers to the effect that the Advisory Committee should re-examine the question, the latter decided at its meeting held in May 1985 to initiate contact with the countries hosting regional and sub-regional offices and consequently requested the Vice-Chairman of the Advisory Committee to visit the countries concerned. The Vice-Chairman's mission report was submitted to the Advisory Committee for consideration.

The Assistant Secretary-General in charge of Finance identified the categories of the staff who would benefit from the rectification as well as the grades that would be given to them. He also indicated the financial implications resulting from such a rectification and informed the participants that information on these implications would be found attached as an annex to the document under consideration.

The Chairman of the Advisory Committee took the floor once again to brief the participants on the outcome of his visits. He expressed thanks to the countries visited as well as the Heads of the Regional and Sub-regional Offices of the Organization for their co-operation, which enabled him to successfully accomplish his mission.

The Chairman of the Advisory Committee told the participants that the countries he visited were in favour of "equal pay for equal job". An abnormal situation existed which should be corrected taking into account academic qualifications and experience. He added that one of the countries visited was of the view that the existing disparity in the salaries was internally created by the OAU General Secretariat who had ignored the recruitment procedures normally followed by other international organizations. The General Secretariat should therefore conform to international rules governing recruitment.

The representative of Ghana gave his country's position on the issue, namely, that the principle of "equal pay for equal job" should be

upheld, adding that the measures applied by the General Secretariat had resulted in errors which must be rectified by the competent bodies of the Organization taking academic qualifications and experience into account.

Over twenty speakers took the floor on this issue. They all emphasized the need to rectify the current disparities in the salaries between locally and internationally recruited staff. They argued there was no legal basis for such disparities which should be corrected. They also said that the staff members who had suffered from this state of affairs be reclassified in a fair and just manner.

Several speakers proposed that the matter should be referred to the Committee of Fourteen on Structural Reform to enable the latter examine it and come up with appropriate recommendations. Other speakers felt, however, that the matter did not fall within the purview of the Committee of Fourteen because the situation came about as a result of a wrong application of Staff Rules and that it should be rectified on the spot.

The Secretary-General then took the floor and stated that the General Secretariat would eliminate the disparities and correct the errors committed.

He added that in his viewpoint there were two administrative procedures to solve the problem:

1. Mere cancellation of the illegally established Category through dismissal of the staff classified therein.
2. Recourse to a three-stage procedure:
 - (a) Identify the bad elements of the Category and terminate immediately their employment;
 - (b) Organise tests or competitive examinations or any other appropriate means enabling the remaining staff to accede to the regular Category in consonance with their aptitude and qualifications;
 - (c) Tolerate that the latter elements of the Category in question, not affected by the provisions (a) and (b) to remain there until extension of service by resignation, promotion or dismissal.

He concluded by requesting the Committee to take its responsibilities with regard to those proposals so that he himself could take his own.

The Chairman then summed up the consensus that emerged from the debate as follows: There were three schools of thought as far as this issue was concerned. The first school was of the opinion that the question formed part of the restructuring of the OAU and that the matter be referred to the Committee of Fourteen on Structural Reform. It nevertheless shared the view of those who contended that an error had been committed and that it must be rectified by a special committee.

The second school which was in the majority felt that the matter under discussion did not form part of the restructuring exercise and that it

was a question of eliminating disparities brought about by administrative errors on the part of the General Secretariat. It was therefore incumbent on the latter to correct them taking into account academic qualifications and experience.

The third school was of the view that before taking a decision, the question should be studied in more detail as this would enable the Advisory Committee arrive at a better decision.

After hearing the comments of the General Secretariat and approving the summary of the chairman who placed emphasis on consensus, the Advisory Committee formulated the following recommendations:

RECOMMENDATIONS

- (a) THE ADVISORY COMMITTEE TOOK NOTE OF THE FACT THAT THE "CL" CATEGORY DOES NOT EXIST IN THE OAU STAFF RULES AND REGULATIONS ADOPTED BY THE COUNCIL OF MINISTERS AT ITS THIRTY-SECOND ORDINARY SESSION HELD IN NAIROBI (DOC. CM/896 (XXXII) REV.4) AND THEREFORE RECOMMENDED THAT THE ILLEGALLY CREATED CATEGORY BE PURELY AND SIMPLY ABOLISHED AND TESTS AND EXAMINATIONS ORGANIZED WHICH WOULD ENABLE THE DESERVING STAFF MEMBERS TO BE PLACED IN THE STATUTORY CATEGORY CORRESPONDING TO THEIR COMPETENCE AND QUALIFICATIONS.
- (b) HOWEVER, DURING THE RECLASSIFICATION EXERCISE SENIORITY AND LENGTH OF SERVICE WITH THE ORGANIZATION SHOULD BE TAKEN INTO ACCOUNT.
- (c) THE FINANCIAL IMPLICATIONS OF THE EXERCISE WOULD BECOME EFFECTIVE AS OF 1 JANUARY, 1986.
- (d) THE COMMITTEE URGED THE SECRETARY-GENERAL TO CARRY OUT THIS EXERCISE AS SOON AS POSSIBLE AND SUBMIT A REPORT ON THE RESULTS AND THE FINANCIAL IMPLICATIONS BEFORE THE COMMENCEMENT OF THE 1986/87 FINANCIAL YEAR.
- (e) THE QUESTIONS RELATING TO THE STRUCTURES OF THE ORGANIZATION SHOULD BE SUBMITTED TO THE OAU COMMITTEE OF FOURTEEN ON STRUCTURAL REFORM.

RECOMMENDATION NO. 92

After hearing the General Secretariat's replies and clarifications, the Committee took note of the report and made the following recommendations:

RECOMMENDATIONS

1. IT IS RECOMMENDED THAT THE SECRETARY-GENERAL HENCEFORTH MAINTAIN THREE KINDS OF STATUTORY ADVANCES; NAMELY
 - (a) CAR LOAN
 - (b) SALARY ADVANCE:

RULES AND REGULATIONS GOVERNING THE GRANTING OF SALARY ADVANCE MUST BE STRICTLY ADHERED TO. SALARY ADVANCE WITHIN A YEAR SHOULD NOT EXCEED DOUBLE THE MONTHLY SALARY OF THE STAFF AND EACH SALARY ADVANCE SHOULD BE PAID WITHIN SIX MONTHS WITHOUT INTEREST.

(c) TRAVEL ADVANCE:

THE PRESENT RULES AND REGULATIONS GOVERNING THE REFUND OF TRAVEL ADVANCE SHOULD BE MAINTAINED, NAMELY: PRESENTATION OF A TRAVEL CLAIM UPON RETURN FROM MISSION TO ENABLE THE FINANCE DEPARTMENT REGULARIZE THEIR RECORDS. FAILURE TO SUBMIT THE DULY FILLED OUT FORM 8 DAYS AFTER RETURN FROM MISSION WILL RESULT IN THE TOTAL AMOUNT BEING DEDUCTED FROM THE STAFF MEMBER'S SALARY. IN THE EVENT THAT THE STAFF MEMBER PRESENTS THE TRAVEL CLAIM, THE AMOUNT DEDUCTED SHALL BE REFUNDED TO HIM.

2. IN ADDITION TO THE TICKET WHICH MUST BE ISSUED TO THE STAFF MEMBER PROCEEDING ON MISSION, HOME-LEAVE OR SEPARATING FROM THE ORGANIZATION, MCOS MAY BE ISSUED FOR OTHER REASONS, IN ACCORDANCE WITH THE RULES LAID DOWN BY THE SECRETARY-GENERAL. THESE RULES SHALL ALSO APPLY TO THE JUSTIFICATION OF MCOS.
3. AS A GENERAL RULE, REFUNDS SHOULD BE EFFECTED THROUGH DEDUCTION AT SOURCE. THE ACCOUNTANT SHALL BE RESPONSIBLE FOR ANY DELAY IN SUCH OPERATIONS.
4. IN THE CASE OF SEPARATION FROM THE ORGANIZATION THE STAFF MEMBER SHALL PRODUCE CLEARANCE GIVEN TO HIM BY THE DIRECTOR OF FINANCE TESTIFYING THAT HE DOES NOT OWE THE ORGANIZATION ANYTHING BEFORE HE IS PAID ALL HIS ENTITLEMENTS, FAILING WHICH THE AMOUNT HE OWES THE ORGANIZATION IS DEDUCTED FROM HIS ENTITLEMENTS.

RECOMMENDATION NO. 93Consideration of the Annual Report of the Internal Auditor

(Doc. CM/1319 (XLIII)).

After the Chairman had summed up, the Committee took note of the Report of the Internal Auditor and endorsed the recommendations contained therein as well as the following recommendations:

RECOMMENDATIONS

1. THE GENERAL SECRETARIAT SHOULD TAKE DUE NOTE OF ALL THE COMMITTEE'S DELIBERATIONS AND IMPLEMENT THE RECOMMENDATIONS IN THE BUDGET CONTROL ANNUAL REPORT.
2. THE CURRENT TWO VACANT POSTS IN THE BUDGET CONTROL DIVISION SHOULD BE FILLED BY 31 MAY, 1986 AT THE LATEST SO AS TO ENABLE THE DIVISION DISCHARGE ITS RESPONSIBILITIES FULLY. THE SECRETARY-GENERAL SHALL TAKE ALL THE NECESSARY MEASURES TO THAT EFFECT.
3. THE INTERNAL AUDITORS SHOULD EXTEND THEIR VISITS TO COVER ALL REGIONAL AND SUB-REGIONAL OFFICES.
4. THE BUDGET CONTROL DIVISION SHALL BE PLACED UNDER THE DIRECT AUTHORITY OF THE SECRETARY-GENERAL IN CONSONNANCE WITH THE PROVISIONS OF ARTICLE 52 OF THE FINANCIAL RULES AND REGULATIONS AND SHALL FORM AN INTEGRAL PART OF THE CABINET OF THE SECRETARY-GENERAL. THE SENIOR INTERNAL AUDITOR SHALL SUPERVISE THE INTERNAL AUDITORS OF THE REGIONAL OFFICES WHERE THEY EXIST.

5. THE GENERAL SECRETARIAT SHOULD ENSURE THAT FINANCIAL STATEMENTS AND DRAFT BUDGETS ARE PROPERLY PREPARED AND SUBMITTED TO MEMBERS OF THE ADVISORY COMMITTEE IN CONFORMITY WITH THE FINANCIAL RULES AND REGULATIONS.
6. THE GENERAL SECRETARIAT SHOULD CONTINUE THEIR EFFORTS TO ESTABLISH PROPER CASH MANAGEMENT OF IDLE MONEY FOR INVESTMENT IN COMPETITIVE MARKETS ON SHORT-TERM BASIS TO GENERATE ADDITIONAL INCOMES FOR THE ORGANIZATION.
7. THE GENERAL SECRETARIAT SHOULD NEGOTIATE WITH THE COMMERCIAL BANK OF ETHIOPIA WITH A VIEW TO RAISING THE PRESENT RATE OF 5% ON THE DEPOSIT ACCOUNT.
8. IN ORDER TO ENSURE EFFECTIVE IMPLEMENTATION OF THE PROVISIONS RELATING TO THE PAYMENT BY OAU OF PART OF THE HOUSE RENT OF THE STAFF MEMBER WHICH CAN GO UP TO 80% SUBJECT TO THE CEILING THAT HAS BEEN SET; A HOUSING COMMITTEE COMPOSED OF 3 OFFICIALS FROM THE ADMINISTRATION AND FINANCE DEPARTMENTS AND ONE FROM EACH OF THE OTHER DEPARTMENTS SHALL BE SET UP. THIS COMMITTEE SHALL MEET EVERY FOUR MONTHS AND SHALL MAKE A REPORT TO THE SECRETARY-GENERAL. SUCH A COMMITTEE SHOULD BE SET UP AT THE HEADQUARTERS AS WELL AS IN THE REGIONAL OFFICES. THE FIRST MEETING OF THESE COMMITTEES SHOULD BE DEVOTED TO DRAWING-UP A LIST OF HOUSES OF STAFF MEMBERS AS WELL AS A LIST OF STAFF MEMBERS WHO CANNOT GET ACCOMMODATION AND ARE CONSEQUENTLY IN THE HOTEL.
9. 80% OF THE RENT OF THE STAFF TO BE PAID BY THE OAU SHOULD BE PAID DIRECTLY TO THE LESSOR.
10. THE GENERAL SECRETARIAT SHOULD CUT DOWN ON THE NUMBER OF PERSONS EMPLOYED ON TEMPORARY TERMS AND REGULARIZE SHORT-TERM EMPLOYMENTS. ALL PERSONS ALREADY EMPLOYED ON SHORT-TERM BASIS, WHO HAVE SERVED FOR MORE THAN ONE YEAR, SHOULD BE PAID GRATUITY IN ACCORDANCE WITH THE STAFF RULES AND REGULATIONS.
11. MEMBER STATES' ARREARS OF CONTRIBUTIONS TO THE OAU REGULAR BUDGET SHOULD BE ACCOUNTED FOR IMMEDIATELY AND PAID INTO THE WORKING CAPITAL AND INVESTMENT FUND. THE LATTER SHALL BE USED, AMONG OTHER THINGS, TO MEET THE NECESSARY IMMEDIATE COMMITMENTS PENDING THE PAYMENT BY MEMBER STATES OF THEIR CONTRIBUTIONS.
 - DRAWINGS ON THE WORKING CAPITAL FUND SHALL BE AUTHORIZED BY THE ADVISORY COMMITTEE ON ADMINISTRATIVE, BUDGETARY AND FINANCIAL MATTERS.
 - ADVANCE FROM THE WORKING CAPITAL FUND TO FINANCE BUDGETARY APPROPRIATIONS DURING THE FINANCIAL YEAR SHALL BE PAID BACK INTO THE WORKING CAPITAL FUND AS SOON AS FUNDS ARE AVAILABLE AND DEPENDING ON THE TOTAL AMOUNT OF CONTRIBUTIONS RECEIVED.
12. AT THE END OF EACH FINANCIAL YEAR, BANK INTERESTS MADE SHALL BE PAID AND ACCOUNTED FOR IN THE NEW BUDGET.

13. THE GENERAL SECRETARIAT MUST ENSURE THAT PERSONS RECRUITED SHOULD HAVE THE NECESSARY QUALIFICATIONS FOR THE POSTS THEY HOLD. IN ANY CASE, THE ORGANIZATION SHOULD ALLOW A STAFF MEMBER TO UNDERGO TRAINING ONLY WHEN THE LATTER IS APPOINTED TO A NEW POST OR WHERE NEW CONDITIONS CALL FOR FURTHER TRAINING, PROVIDED OF COURSE, THAT THE TRAINING IS OF SHORT DURATION.
14. THE GENERAL SECRETARIAT IS ALSO REQUESTED TO MAKE A DETAILED COMPILATION OF ALL THE DECISIONS AND RECOMMENDATIONS TAKEN SINCE 1981 BY THE ADVISORY COMMITTEE RELATING TO ADMINISTRATIVE, BUDGETARY AND FINANCIAL MATTERS, AS APPROVED BY THE COUNCIL OF MINISTERS. THE COMPILATION SHOULD BE MADE AVAILABLE FOR DISTRIBUTION TO THE COUNCIL OF MINISTERS IN FEBRUARY 1986.

RECOMMENDATION NO. 94

Report of the Board of External Auditors on the Financial Year ended 31 May 1985 Doc. CM/1322 (XLIH) Add. I XVIII

Presenting this document, the Chairman of the Board of External Auditors expressed satisfaction at the cooperation of the Directors of the Sub-regional and Regional Offices visited by the members of the Board, and went on to recall the difficulties encountered by the auditors in the accomplishment of their task.

In this regard he stated that the representatives of Mauritania and the Comoros, had not participated in the activities of the Board. Therefore, extra burden devolved on the other members of the Board who audited the accounts of some of the Regional Offices at the Headquarters instead of on the spot, at those Offices.

He added that the delay in publishing the financial report and the annual report of the Budget Control Division had hampered the progress of the work of the Board.

Furthermore, the organization of a seminar on the harmonization of the OAU External Auditing and Accounting Systems gave rise to numerous discussions.

The Chairman of the Board of External Auditors went on to report on the financial position of the Headquarters and the Regional and Sub-regional Offices, particularly those of the Lagos, Dar-es-Salaam, Yaounde, and Nairobi Offices. He revealed that there has been radical improvement in the statement of payments of contribution by Member States to the budget of the Organization for the year 1983/84 financial year, adding that this situation was very encouraging.

The Chairman of the Board of External Auditors then briefed the members of the Advisory Committee on the performance of the budget which had just been audited, highlighted the positive aspects and shortcomings in this regard.

He formulated some recommendations aimed at improving the management of African funds, especially uncashed cheques, the lending commitments which should be deleted from the OAU accounting terminology, budget preparation, introduction of MCOs cards and as well as contributions to the Pension Fund.

In conclusion, he confirmed that the seminar on the harmonization of OAU External Auditing and Accounting Systems which was approved by the Advisory Committee, at its Session held in November 1984, was in fact held from 14 to 16 October 1985.

As proposed by a delegation, the Advisory Committee proceeded to consider the report of the External Auditors, starting with that of the General Secretariat, before considering those of the Sub-regional and Regional Offices separately.

FIRST: THE GENERAL SECRETARIAT

Several delegates took the floor to comment on this report. Some commended the Board of External Auditors on the good work done. Others regretted that the representatives of certain Member States on the Board had not participated in the audit exercise, and this had made the burden of their colleagues heavier. In this regard the Committee enjoined Member States to make their representatives attend audit exercises.

The Advisory Committee once again requested the General Secretariat to take steps to recover loans given to staff members who had been transferred or who were no longer in the services of the Organization.

Staff members of the Secretariat were also urged to co-operate with Members of the Board of External Auditors to enable them accomplish their task under the best possible working conditions.

A delegation observed the deplorable state of OAU premises and the lack of audit report on OAU properties. He urged the External Auditor to include in his next report examination of OAU properties. The delegation also appealed to the General Secretariat to maintain the premises of the OAU in a manner befitting the image of the Organization.

After hearing the replies and clarifications of the General Secretariat, the Chairman said that the General consensus that emerged from the debate was that there was the need to improve the management of the finances of the Organization and to devise a method whereby the errors could be avoided in future.

The Chairman then proposed the adoption of the report, and it was so decided.

RECOMMENDATION NO. 95

Executive Secretariat of Lagos

- The Advisory Committee then took note of the report notwithstanding the amendments made.

RECOMMENDATIONS:

1. THE ADVISORY COMMITTEE REJECTED THE RECOMMENDATIONS MADE BY THE EXTERNAL AUDITORS THAT RENTS OWED TO THE OAU OFFICE IN LAGOS BY OFFICIALS OF THE EMBASSIES OF EGYPT, CAMEROON AND LIBERIA BE WRITTEN OFF.
2. THE ADVISORY COMMITTEE RECOMMENDED THAT THE EXECUTIVE SECRETARIAT, LAGOS, SHOULD INITIATE CONTACTS WITH THE COUNTRIES CONCERNED TO RECOVER THE RENTS.

RECOMMENDATION NO. 96Yaounde Office

At the end of the debate, the Advisory Committee made the following recommendations:

RECOMMENDATIONS

The Advisory Committee recommended that:

1. THE SECRETARY-GENERAL REQUEST THE DIRECTOR OF YAOUNDE OFFICE TO CORRECT WITHOUT DELAY THE RECORDS NOTICED IN THE SUM OF MONEY UNDULY PAID TO ELEVEN (11) STAFF MEMBERS AND TO ENSURE THAT THE AMOUNT PAID IN EXCESS SHOULD BE REFUNDED.
2. IN VIEW OF THE GROSS MISMANAGEMENT OF THE YAOUNDE OFFICE, THE SECRETARY-GENERAL OF THE OAU SHOULD TAKE CONCRETE MEASURES TO REMEDY THE SITUATION.
3. THE ACCOUNTS OF THE YAOUNDE OFFICE SHOULD BE CHECKED BY AN INTERNAL AUDITOR AND NECESSARY STEPS BE TAKEN TO THAT EFFECT.

RECOMMENDATION NO. 97Bangui Office

The report of the Board of External Auditors on the accounts of the Bangui Office did not give rise to any lengthy debate by the Advisory Committee. Those who took the floor on this item expressed satisfaction at the activities of the Office and one of the delegates emphasized that the results of research carried out in this Office should be circulated to all OAU Member States.

The Chairman of the Board of External Auditors provided some clarifications as demanded by members of the Advisory Committee. During his intervention, he drew the attention of the Committee to the shortage of staff in the Office, the post of Director and that of a translator being vacant.

After clarification of the Chairman of the Board of External Auditors, the Chairman of the Advisory Committee summed up the debate and requested members of the Committee to take note of the Report of the External Auditors on the Bangui Office. This proposal was endorsed by the Committee.

RECOMMENDATION NO. 98Nairobi Office

The Advisory Committee took note of the report.

RECOMMENDATION

THE ADVISORY COMMITTEE RECOMMENDED THAT THE EXTERNAL AUDITORS REFRAIN FROM USING POETIC IMAGERY IN THEIR REPORTS AND TO KEEP TO THE TECHNICAL ASPECTS OF AUDITING.

RECOMMENDATION NO. 99The Executive Secretariat of the Organization of African Unity
to the UN in New York

The Advisory Committee then took note of the report, and made the following recommendations:

RECOMMENDATIONS

1. THE ADVISORY COMMITTEE RECOMMENDED THAT: THE GENERAL SECRETARIAT TAKE ALL THE NECESSARY STEPS TO RECOVER THE ADVANCES AND UNUSED MCOs BEFORE THE END OF THE CURRENT FINANCIAL YEAR.
2. THE NEW YORK OFFICE CONFORM TO THE PROVISION LAID DOWN IN THE OAU FINANCIAL RULES AND REGULATIONS. IN THIS REGARD, THE COMMITTEE DREW THE ATTENTION OF THE OFFICE TO THE SUMS OF MONEY PAID TO THE CONSTRUCTION COMPANY RESPONSIBLE FOR BUILDING THE HEADQUARTERS OF THE OAU OFFICE IN NEW YORK, FOR WHICH NO RECEIPTS WERE ISSUED.

RECOMMENDATION NO. 100The Co-ordinating committee for the Liberation of Africa
Dar-es-Salaam Regional Office

The committee took note of the report and made the following recommendations:

RECOMMENDATIONS:

The Advisory Committee recommended that:

1. THE EXECUTIVE SECRETARY DEPOSIT THE OUTSTANDING CONTRIBUTIONS PAID INTO THE OPERATIONAL CAPITAL FUND IN A SEPARATE ACCOUNT UNTIL THE LIBERATION COMMITTEE MEETS AND ISSUES DIRECTIVES AS TO HOW SUCH FUNDS SHOULD BE USED;
2. THE EXECUTIVE SECRETARY USE BUDGETARY APPROPRIATIONS IN DUE TIME TO AVOID ISSUING SO MANY CHEQUES TOWARDS THE END OF THE FINANCIAL YEAR;
3. THE VALIDITY OF A CHEQUE SHOULD UNDER NO CIRCUMSTANCES EXCEED THE TIME STIPULATED BY BANK REGULATIONS.

RECOMMENDATION NO. 101The Co-ordinating Committee for the Liberation of Africa
Lusaka Sub-regional Office

The report of the External Auditors on the accounts of the Sub-regional Office at Lusaka provoked a lengthy discussion during which some delegates spoke of many irregularities concerning the management and expenditure of funds, especially in connection with travel advances, medical treatment, payment of housing allowance to staff members that enjoyed free

accommodation and the purchase of a huge quantity of floor tiles for the Executive Secretary of the Dar-es-Salaam Office.

Some severely criticised the mismanagement of the Lusaka Office and attributed that to the incompetence of the Chief Liaison Officer and the Accountant.

Others censored the report of the External Auditors, proposed that there should be a fresh auditing of the Office's accounts and stressed the need for a standard format for the reports of External Auditors. A delegate suggested that the Head of that Office be dismissed on account of incompetence as far as proper administration was concerned.

The Executive Secretary then took the floor and explained that the accounting problems facing the Lusaka Office were due to the fact that the Accountant of that Office was supposed to retire before the end of the financial year, a couple of months after his transfer to the Lusaka Office and that this had affected his morale.

With regard to medical expenses, the Executive Secretary informed the Committee that, though the necessary documents were not submitted, the practice in the Lusaka Office had been that pharmacies sold medicines retained medical prescriptions for their own accounting purposes.

Concerning the purchase of floor tiles on his behalf, the Executive Secretary stated that this was a favour he had asked the Chief Liaison Officer to do him which did not involve any OAU money.

After these explanations, the Chairman of the Advisory Committee summarized the discussions of this item and said that the Executive Secretary's answers to the questions raised were insufficient.

RECOMMENDATIONS:

The Advisory Committee recommended that:

1. THE EXECUTIVE SECRETARY ISSUE CLEAR DIRECTIVES IN FUTURE SO AS TO AVOID ANY MISUNDERSTANDINGS.
2. IN VIEW OF THE FACT THAT JUSTIFICATIONS GIVEN FOR MEDICAL EXPENSES WERE UNTENABLE, THE CHIEF LIAISON OFFICER SHOULD RECOVER THE SUMS WRONGLY PAID TO STAFF MEMBERS CONCERNED UNLESS THEY CAN PRODUCE VALID COPIES OF THEIR MEDICAL PRESCRIPTIONS.
3. IRREGULARITIES CONCERNING THE GRANT OF LOANS AND HOUSING ALLOWANCE BE RECTIFIED AND THE SUMS WRONGLY PAID TO THE STAFF MEMBERS CONCERNED BE REFUNDED.
4. THE SECRETARY-GENERAL AND THE BOARD OF EXTERNAL AUDITORS TAKE NECESSARY MEASURES TO CONDUCT A FRESH AUDIT INSPECTION OF THE ACCOUNTS OF THE LUSAKA OFFICE.

RECOMMENDATION NO. 102The Liberation Committee - Maputo Sub-regional Office

The delegates that spoke were agreed, during the discussion of the report on the accounts of that Office, on rejecting it because of its inaccuracy. In this connection, they pointed out that the Head of that Office had blatantly contravened administrative procedures, particularly under the Codes of temporary advances while on official mission and maintenance of vehicles.

Many delegates spoke of lack of on-the-spot auditing of the accounts of that Office and expressed their dissatisfaction with the report presented to the Committee.

During the discussion of the report it was proposed that Member States of the Board of External Auditors should be requested to supply the Organization with competent auditors and that membership of the Board should change partially. After the clarifications given by the Executive Secretary, the Chairman summarized the discussion and described the report as incomplete. He said that it should be re-written and asked the External Auditors in this regard to fully assume their responsibility towards this particular report.

RECOMMENDATION:

The Advisory Committee recommended that:

THE GENERAL SECRETARIAT AND THE CHAIRMAN OF THE BOARD OF EXTERNAL AUDITORS TAKE NECESSARY STEPS TO COMPLETE THE REPORT ON THE ACCOUNTS OF THE MAPUTO OFFICE WHICH THE COMMITTEE HAS REJECTED IN ITS PRESENT FORM.

RECOMMENDATION NO. 103The Liberation Committee - Luanda Sub-regional Office

The delegates that made interventions demanded that the Auditor's report be rejected because it was incomplete and inconsistent and could not therefore be discussed.

Some speakers added that there were cases of embezzlement of funds and that the necessary steps should be taken to recover the amounts involved. They expressed their dismay at the way in which the Office was run.

Following these interventions, the Chairman concluded that the report was not worthy of consideration by the Committee and that the Committee could not therefore discuss it.

At this juncture the Secretary-General took the floor and informed the Committee that he had visited the Office during his stay in Luanda. He added that, having seen the deteriorating condition of that Office, he had approached the Angolan Minister of Foreign Affairs on the possible dismissal of the Officer in Charge. He expressed his hope that a decision would be taken on this matter.

Finally, the Chairman of the Advisory Committee felt that, after listening to the views expressed by the various speakers, there was no need for any comments by the Executive Secretary since it was obvious that the members of the Committee had rejected the report.

RECOMMENDATIONS:

1. THE ADVISORY COMMITTEE CALLED UPON THE CHAIRMAN OF THE BOARD OF EXTERNAL AUDITORS AND THE GENERAL SECRETARIAT TO TAKE THE NECESSARY MEASURES TO PRODUCE A NEW REPORT ON THE LUANDA SUB-REGIONAL OFFICE.
2. THE HEAD OF THE LUANDA SUB-REGIONAL OFFICE AND HIS STAFF SHOULD REFUND THE SUMS WRONGLY PAID TO THEM.

RECOMMENDATION NO. 104

Inter-African Bureau of Languages - Kampala

RECOMMENDATIONS:

The Advisory Committee recommended that:

1. THE AUDIT REPORT ON THE ACCOUNTS OF THE KAMPALA OFFICE WAS NOT DIFFERENT FROM THOSE REJECTED BY THE ADVISORY COMMITTEE. ALL THE SAME, THE DIRECTOR OF THAT OFFICE BE EXCUSED FOR OVER-EXPENDITURE OF CODE 208 SINCE THE HEADQUARTERS COULD NOT REFUTE HIS EXPLANATIONS.
2. THE ADVISORY COMMITTEE DEPLORED THE FAILURE OF THE GENERAL SECRETARIAT TO FURNISH IT WITH RELEVANT SUPPORTING DOCUMENTS IN RESPECT OF CODE 208 (OAU MEDICAL SCHEME) DURING THE CONSIDERATION OF THE VIREMENT REQUEST (40TH ADVISORY COMMITTEE MAY 1985) FOR THE KAMPALA OFFICE AND RECOMMENDED THAT IN FUTURE THIS STATE OF AFFAIRS SHOULD NOT BE ALLOWED TO RECUR.
3. THE INSPECTOR GENERAL PERFORM HIS DUTY IN ACCORDANCE WITH THE ESTABLISHED RULES AND RECOMMENDATIONS OF THE COMMITTEE.
4. CARE BE TAKEN IN FUTURE TO ATTACH SUPPORTING DOCUMENTS TO APPLICATIONS FOR TRANSFER OF FUNDS FROM ONE CODE TO ANOTHER.
5. A FRESH AUDIT INSPECTION OF THE ACCOUNTS OF THE KAMPALA OFFICE BE CONDUCTED AS SOON AS POSSIBLE SINCE THE PREVIOUS EXERCISE WAS INCOMPLETE.

RECOMMENDATION NO. 105:

The OAU Permanent Mission to Geneva

At the beginning of the discussion of the External Auditor's report, members of the Committee enquired about advances, over-expenditure, rate of utilization of funds, terms of granting and recovering loans and the stores accounting. The Office was also queried for failing to invest its surplus funds.

Some raised the issue of the transfer of some staff members of the Office, and said that the statement of expenditure did not contain the necessary details.

The Executive Secretary answered all these questions and informed the Committee that the shortcomings in the External Auditor's Report were due to the fact that the auditing of the office's accounts was carried out in Addis Ababa and not on the spot in Geneva itself.

The Assistant Secretary-General then intervened and informed the Committee that the answer to the question raised about the utilization of funds would be given during the discussion of the budget.

The Chairman said in his summary, that the Committee had decided to make the following recommendation regarding the accounts of the Geneva Office.

RECOMMENDATION:

THE ADVISORY COMMITTEE RECOMMENDED THAT THE GENERAL SECRETARIAT AND THE CHAIRMAN OF THE BOARD OF EXTERNAL AUDITORS TAKE NECESSARY STEPS TO COMPLETE THE REPORT ON THE ACCOUNTS OF THE GENEVA OFFICE.

RECOMMENDATION NO. 106

Accra Office

The Committee took note of the report and made the following recommendations:

RECOMMENDATIONS

The Advisory Committee recommended that:

1. THE GHANA GOVERNMENT BE COMMENDED FOR FULFILLING ITS COMMITMENTS TOWARDS THE OAU.
2. THE REQUEST TO INCREASE THE RATE OF POST-ADJUSTMENT FOR THE ACCRA OFFICE STAFF BE REJECTED.
3. THE SECRETARY GENERAL LOOK INTO THE ADMINISTRATIVE STATUS OF SOME STAFF MEMBERS OF THE ACCRA OFFICE.
4. THE OLD FURNITURE AND EQUIPMENT OF THE ACCRA OFFICE BE DISPOSED OF BY AUCTION.

RECOMMENDATION NO. 107

Bureau of Niamey

The Director of Niamey Office responded to the points raised by the delegations.

The Advisory Committee took note of the report of the Niamey Office and made the following recommendations:

RECOMMENDATIONS

The Advisory Committee recommended that:-

1. THE NIAMEY OFFICE BE CONGRATULATED ON ITS SOUND MANAGMEENT.
2. THE DIRECTOR OF THE OFFICE SEND COPIES OF ALL PUBLICATIONS TO ALL MEMBER STATES.

RECOMMENDATION NO. 108Tunis OfficeRECOMMENDATIONS

The Advisory Committee recommended that:

1. TRAVEL EXPENSE ON MISSIONS TO PURCHASE ITEMS, IN FUTURE BE MINIMIZED AND THAT IN ORDER TO UNDERTAKE SUCH MISSIONS PURCHASES ORDERS ACCOMPANIED BY THE NECESSARY SUPPORTED DOCUMENTS BE SUBMITTED.
2. THE EXECUTIVE SECRETARY OF TUNIS OFFICE SHOULD NOT COMMIT SIMILAR IRREGULAR PRACTICE AS PUNITIVE MEASURES BE TAKEN IN FUTURE.
3. THE SECRETARY-GENERAL DRAW A PROGRAMME OF MISSIONS AND TO ENDEAVOUR TO COMPLY WITH IT.

RECOMMENDATION NO. 109The Permanent Office of the OAU in Brussels

The Director concluded by saying that the accounts of the Brussels Office were audited in Addis Ababa and not in Brussels.

RECOMMENDATIONS:

The Advisory Committee recommended that:

1. THE CHAIRMAN OF THE BOARD OF EXTERNAL AUDITORS WORK TOGETHER WITH THE DIRECTOR OF THE BRUSSELS OFFICE TO RE-AUDIT THE ACCOUNTS AND RE WRITE THE REPORT WHICH WAS GROSSLY INCOMPLETE.
2. THE SECRETARY-GENERAL TAKE APPROPRIATE ADMINISTRATIVE MEASURES IN THE CASE OF THE ACCOUNTANT OF THE OFFICE.

RECOMMENDATION NO. 110

After its deliberations on the reports of the Board of External Auditors on the accounts of the General Secretariat, the Regional and Sub-regional Offices, the Advisory Committee made the following general recommendations:

RECOMMENDATIONS:

The Advisory Committee recommended that:

1. THE GENERAL SECRETARIAT TAKE ALL THE NECESSARY MEASURES TO FACILITATE THE JOB OF THE EXTERNAL AUDITORS INCLUDING AVAILING THEM OF THE RECOMMENDATIONS OF THE ADVISORY COMMITTEE, DURING THEIR WORK;
2. THE GENERAL SECRETARIAT AND THE EXECUTIVE SECRETARIES AND DIRECTORS OF THE REGIONAL AND SUB-REGIONAL OFFICES BE AT THEIR POSTS DURING THE AUDIT MISSIONS OF THE EXTERNAL AUDITORS AND TO PROVIDE THE LATTER WITH ALL THE DOCUMENTS AND STATEMENTS NECESSARY TO THE AUDITORS;
3. THE EXTERNAL AUDITORS SHOULD NOT ISSUE AUDIT CERTIFICATES TO THE OFFICES WHOSE ACCOUNTS THEY AUDIT WHEN THEY DO NOT RECEIVE ALL THE NECESSARY DOCUMENTS FOR EVALUATION;
4. THE GENERAL SECRETARIAT TAKE ALL THE NECESSARY MEASURES TO RECOVER THE ADVANCES, ESPECIALLY FROM THOSE STAFF MEMBERS TRANSFERRED TO OTHER OFFICES;
5. THE GENERAL SECRETARIAT ENSURE SENDING ALL THE PUBLICATIONS OF THE REGIONAL AND SUB-REGIONAL OFFICES, TO ALL MEMBER STATES AND THE HEADQUARTERS LIBRARY ON REGULAR BASIS;
6. THE MEMBER STATES OF THE BOARD OF EXTERNAL AUDITORS AVAIL THE OAU OF COMPETENT AND QUALIFIED AUDITORS;
7. CONSIDERING RESOLUTION CM/RES. 951 (XLI) ENLARGING THE MEMBERSHIP OF THE ADVISORY COMMITTEE TO ALL MEMBER STATES, THE COMMITTEE RECOMMENDED THE PARTIAL RENEWAL OF THE MEMBERSHIP OF THE BOARD OF EXTERNAL AUDITORS EVERY THREE YEARS;
8. IN FUTURE; THE REPORTS OF THE MEMBERS OF THE BOARD OF EXTERNAL AUDITORS ON THE ACCOUNTS OF THE REGIONAL AND SUB-REGIONAL OFFICES, BE REPORTS OF THE WHOLE BOARD OF EXTERNAL AUDITORS AND NOT THE REPORTS OF INDIVIDUAL REPRESENTATIVES OF MEMBER STATES OF THE BOARD;
9. THE ADVISORY COMMITTEE,

TAKING INTO CONSIDERATION THE STIPULATIONS OF ARTICLES 88 TO 95 OF THE FINANCIAL RULES OF THE OAU;

TAKING INTO CONSIDERATION ALSO THE REPORT SUBMITTED BY THE BOARD OF EXTERNAL AUDITORS WHICH SHOWS SERIOUS SHORTCOMINGS. IN THE AUDITING OF THE ACCOUNTS OF SOME OF THE REGIONAL AND SUB-REGIONAL OFFICES OF THE ORGANIZATION, IN ADDITION TO THE LACK OF UNIFORMITY;

CONSCIOUS OF THE IMPORTANCE OF THE AUDIT TO THE IMPROVEMENT OF THE ADMINISTRATION OF THE OAU ORGANS:-

- (a) REQUESTS THAT ALL REGIONAL AND SUB-REGIONAL OFFICES BE AUDITED ON THE SPOT BY EXTERNAL AUDITORS WITH ITS FULL MEMBERSHIP OR NOT;

- (b) REQUESTS UNIFORMITY OF SUCH AUDIT REPORTS TO INCLUDE THE FOLLOWING PARTS, IN ADDITION TO THE INTRODUCTION:-

FIRST: THE FINANCIAL SITUATION

(a) ANNUAL INCOME

1. CONTRIBUTIONS OF MEMBER STATES TO THE BUDGET OR SUBVENTIONS TO REGIONAL AND SUB-REGIONAL OFFICES,

2. OTHER REVENUES (IN DETAILS)

(b) ANNUAL EXPENDITURE

1. BUDGET EXPENDITURE;
2. OTHER EXPENDITURE (IN DETAILS).

(c) BANK STATEMENT AND RECONCILIATION

1. PETTY CASH
2. BANK RECONCILIATION

(d) ADVANCES

(e) BALANCE SHEET

(PREPARE A BALANCE SHEET SHOWING THE ASSETS AND LIABILITIES).

SECOND: MATERIALS ACCOUNT

(CAPITAL AND THE RELATING COST).

THIRD: BUDGET IMPLEMENTATION

- BUDGET CONTROL

1. DETAILED COLUMNS FOR THE BUDGET IMPLEMENTATION;
2. CLEARANCE - AUDIT CERTIFICATE

FOURTH: GENERAL REMARKS

FIFTH: RECOMMENDATIONS (IF NECESSARY)

CONCLUSION

RECOMMENDATION NO. 111

RECOMMENDATION:

1. A VIREMENT OF AN AMOUNT OF US\$ 63,936.00 BE APPROVED FOR THE PURCHASE OF FIVE GESTETNER OFFSET DUPLICATORS AND TWO RANK XEROX DUPLICATORS FOR THE HEADQUARTERS AS REQUESTED IN DOCUMENT FBM/2 (XLI);

2. THE GENERAL SECRETARIAT SHOULD STORE THE OLD MACHINES UNTIL THEY ARE DISPOSED OF IN AN APPROPRIATE MANNER.

RECOMMENDATION NO. 112

Progress of Work on the construction of the New Office of the Executive Secretariat - New York

RECOMMENDATIONS

1. A TOTAL AMOUNT OF US\$ 205,000 TO BE DRAWN FROM THE SAVINGS MADE IN THE 1985/86 BUDGET, SHOULD BE APPROVED FOR THE FURNISHING OF THE CONFERENCE ROOM AND THE LIBRARY OF THE NEW BUILDING OF THE ORGANIZATION OF AFRICAN UNITY IN NEW YORK.
2. THE REMAINING FUNDS REQUESTED FOR THE FURNISHING OF THE NEW OFFICES SHOULD BE INCLUDED IN THE 1986/87 BUDGET.

RECOMMENDATION NO. 113

Consideration of the Programme and Draft Budget for the Financial Year 1986/87 (Document CM/1321 (XLIII) Vol. I & II)

The Advisory Committee concluded its debate on this agenda item with the adoption of the following recommendation:

RECOMMENDATION

AWARE OF THE FACT THAT THE ORGANIZATION HAD A NEW SECRETARY-GENERAL IN WHOM THE ADVISORY COMMITTEE HAD FULL CONFIDENCE, THE LATTER DECIDED TO APPROVE A TOTAL BUDGET OF US\$ 25,538,387 FOR THE 1986/87 FINANCIAL YEAR, LEAVING IT TO THE SECRETARY-GENERAL TO ALLOCATE THIS SUM BETWEEN THE HEADQUARTERS AND THE REGIONAL OFFICES AND TO SUBMIT TO THE ADVISORY COMMITTEE FOR POSSIBLE ADOPTION ANY NEW APPROPRIATIONS, TAKING INTO ACCOUNT THE IMPLEMENTATION OF ALL THE DECISIONS OF THE COUNCIL OF MINISTERS AND THE ASSEMBLY OF HEADS OF STATE AND GOVERNMENT.

RECOMMENDATION NO. 114

Agenda Item 6: Report of the Secretary-General on the Residence of the OAU Secretary-General - FBM/6 (XLI)

The Chairman of the Advisory Committee drew attention to the residence of the Secretary-General which the Host Country considers a historical monument and said that its historical significance precludes any possibility of extension or alteration to the building. He also referred to the time when the Organization was functioning without a substantive Secretary-General consequently the house remained unoccupied and was not well attended to nor properly maintained.

Following this the Assistant Secretary-General for Administration and Conferences introduced the document. He narrated the history of all the residences occupied by the OAU Secretaries-General since the inception of the Organization up to the present time. He said that during the term of

office of H.E. Mr. William Eteki Mboumoua, the Provisional Military Government of Socialist Ethiopia offered the present residence, rent free, to the Organization, to serve as the official residence of the OAU Secretary-General and his successors, on condition that the OAU would be responsible for its maintenance and the cost of repairs.

He informed the Committee that some time later, the General Secretariat requested the Advisory Committee to approve an extension work to the residence. On this basis the Advisory Committee recommended the construction of the Secretary-General's residence and voted US\$ 400,000.00 which was approved by the Thirty-eighth Session of the Council of Ministers in 1982.

However, since the departure in 1983 of H.E. Mr. Kodjo, the residence has remained unoccupied until today and it is in the possession of the Secretariat. But at present the residence deteriorated to a state that to repair it will, according to experts, involve a huge sum of money.

As a result of that sad condition of the house, H.E. Mr. Ide Oumarou could not move into the residence on his assumption of duty as the Secretary-General of the Organization. He with his family was compelled under these circumstances to stay in the National Hotel which has not been convenient.

The Assistant Secretary-General then concluded his introduction by saying that:

- (i) Even if the present official residence of the Secretary-General was immediately habitable, it could not house a medium size family because it is a two-bedroom house. And if it had housed two previous Secretaries-General, this was because their children were studying abroad.
- (ii) In the meantime, a request should be made to the Ethiopian Government for a suitable house to be temporarily allocated to the Secretary-General and in the long-term an appropriate and permanent official residence of the OAU Secretary-General should be built.

Before deliberating on the document, the Chairman asked the Secretary-General to brief the Committee on what he had done in finding a short-term solution to the problem. The Secretary-General informed the Committee that soon after his election he visited the residence before leaving for Niger and was shocked to see the state of the residence lacking maintenance and repairs for a long time. It could not be habitable.

On his return to Addis Ababa, he discussed the problem of the residence with the Ethiopian Government with a view to finding an accommodation to stay temporarily. As the Ethiopian Government could not find an alternative suitable accommodation immediately, it however waived the restriction on extension to the residence so as to make the General Secretariat make internal modification for additional bed-rooms. He thanked the Ethiopian Government for their kind consideration and assistance. The Secretary-General then suggested that a residence should be built as a long-term solution.

The Chairman then asked the Vice-Minister for Foreign Affairs who is the leader of delegation of Ethiopia, to first speak on the matter before other delegations would give their contributions to the debate.

The Vice-Minister told the Committee, that he thought it advisable not to discuss the document as it was presented because of its emotional contents. Nevertheless, he would clearly state the position of his Government relating to the assistance it could offer for immediate and long-term solutions.

On the maintenance and repairs of the residence, it was still the view of the Ethiopian Government that the cost of repairs to the damaged residence should be borne entirely by the General Secretariat whose duty it was to maintain the residence, unless it could be approved by experts that the repairs needed, were due to structural defects.

On the question of an immediate solution, the Government had made some search but could not yet find an alternative house with adequate rooms to accommodate the Secretary-General. However, considering the circumstances where the Secretary-General with his family were still staying in the Hotel, the Government had waived the restriction of alteration to the residence. The General Secretariat at its expense could extend or make internal alteration to provide additional rooms in the residence as soon as possible.

As for the long-term solution, it was the decision of the Committee to construct a new residence for the Secretary-General, if the Government would provide a plot of land, the size of which would depend upon the plan for the building of the residence.

General debate on the issue ensued. Many delegations spoke extensively on the matter. They deplored the negligence of the General Secretariat in maintaining the residence regularly even though it had been unoccupied for a long time.

In the course of the discussion, these delegations made two proposals, namely:

- (a) the possibility of making some modifications in the present building to accommodate the Secretary-General and his family and in the meantime, pursue the construction of a permanent residence for the Secretary-General since the Government of the Host Country is ready to provide a suitable plot for this purpose.
- (b) the General Secretariat should properly repair the present building and hand it back to the Ethiopian Government while the Host Country shall provide a suitable house to accommodate the Secretary-General and his family pending the completion of the proposed new residence.

During the debate the General Secretariat was asked about the state of the fund allocated by the Advisory Committee for the construction of the residence of the Secretary-General.

The General Secretariat replied that part of that sum was used for the maintenance of the building of the present residence of the Secretary-General and to cover the cost of modifications and furniture for the Office of the Secretary-General in the Rotunda. This sum was used according to the approval of the Advisory Committee and the balance was US\$ 254,675.00.

During the consultations and discussions held later on, the idea of making internal modifications to the official residence at OAU expense, provided that the Ethiopian Government would be willing to grant the building to the Organization in perpetuity, was among the issues raised. The idea was later abandoned because it was felt that only the construction of a new residence would provide a suitable and lasting solution to the problem.

At the end of the consultations and the brief debate that ensued, the Committee attained the following consensus:

- (i) The Advisory Committee accepted with gratitude the offer of the Ethiopian Government to provide as soon as possible an alternative suitable residence to accommodate the Secretary-General as short-term solution;
- (ii) The Committee agreed that the present residence should be repaired by the General Secretariat and handed over to the Ethiopian Government with thanks;
- (iii) For the long-term solution, the General Secretariat should look into the possibility of constructing a new residence for the Secretary-General in accordance with the recommendation of the Advisory Committee which had been adopted by the Thirty-eighth Ordinary Session of the Council of Ministers in 1982.
- (iv) To this effect, the Advisory Committee requested the Government of Socialist Ethiopia to kindly provide the suitable plot to build a new residence for the Secretary-General.

RECOMMENDATION NO. 115

Relief Aid to Popular Republic of Benin for Flood Disaster and to Third World Countries Outside Africa Struck by Natural Disasters

The Chairman before opening the debate on any other business informed the Committee of the flood disaster which struck the Popular Republic of Benin recently and which had devastatingly affected their harvest. After he had consulted with the General Secretariat on the matter, it was suggested in line with the OAU tradition, to donate a token sum of US\$ 50,000.00 to Benin for relief aid. The suggestion was unanimously accepted.

RECOMMENDATION

THE ADVISORY COMMITTEE UNANIMOUSLY RECOMMENDED THAT A SUM OF US\$ 50,000.00 BE DONATED TO THE POPULAR REPUBLIC OF BENIN FOR RELIEF AID FLOOD DISASTER.

The Secretary-General then addressed the Committee to introduce the idea of African assistance to non-African countries affected by natural disasters and catastrophes. He mentioned as example the disasters in Mexico, Colombia and Bangladesh which unfortunately did not elicit any African response giving the impression to the rest of the world that our continent was insensitive to the misfortunes of other continents.

After the address, the delegations who spoke on the issue agreed in principle to assist third world countries affected by natural disasters and calamities. The Committee then recommended that a resolution should be submitted to the Council of Ministers for relief aid to Third World Countries hit by calamities or natural disasters.

The Advisory Committee, meeting in its Forty-first Ordinary Session in Addis Ababa, Ethiopia, from 27 November to 9 December, 1985,

- Considering the several calamities and natural disasters which have seriously affected numerous countries of the world within the past few years, and in particular Third World Countries within the past years, as has been the case in Mexico, Bangladesh and Colombia;
- Conscious of the need for Africa to take the necessary steps to enable it to demonstrate in future, within the limits of its resources and in specific cases, its solidarity with countries affected by natural disasters;

RECOMMENDS THAT THE COUNCIL OF MINISTERS AUTHORIZES THE ADVISORY COMMITTEE ON ADMINISTRATIVE, BUDGETARY AND FINANCIAL MATTERS, TO DEMONSTRATE IN FUTURE ITS SOLIDARITY WITH THIRD WORLD COUNTRIES AFFECTED BY NATURAL DISASTERS, BY MAKING A CONTRIBUTION WITHIN THE LIMITS OF ITS RESOURCES, EVEN A SYMBOLIC ONE, IN CAREFULLY SELECTED CASES OF DISASTERS.

RECOMMENDATION NO.116

Agenda Item 7: Any Other Business

The chairman called on the members of the Advisory Committee to propose the items they would want to discuss under this agenda item. The members of the Committee then raised the following points for discussion:

1. Meeting of the Ad Hoc Committee to review the Scale of Assessment.
2. Follow-up and co-ordination of the activities of the Regional Offices.
3. Translation of the official documents into all the working languages of the Organization.
4. American Life Insurance Company (ALICO) and the OAU Pension and Insurance Schemes.
5. New initiatives to improve the performance in the General Secretariat.
6. The Calendar of meetings of the General Secretariat
7. Maintenance of the Premises of the General Secretariat
8. A meeting of African Experts to discuss the disease Acquired Immune Deficiency Syndrome "AIDS"

9. Circulation of Press Releases and Bulletins published by the Headquarters, Regional and Sub-regional Offices.
10. The withdrawal of Morocco from the OAU and its implications on the Budget.
11. Annual Report of Activities
12. Up-grading Staff qualifications and performance.
13. Promotion and rotation of officers and the system of transfers
14. Assistance to African Organizations and the necessity of evaluating their activity reports as a condition to extending such assistance.
15. Accountability of MCOs issued to OAU staff.

First: Meeting of the Ad Hoc Committee to Review the Scale of Assessment.

The delegation of Rwanda took the floor on the meeting of the Ad-Hoc Committee to review the Scale of Assessment. He said that Rwanda had sent all the information requested by the Resolution of the Council of Ministers to the General Secretariat for submission to the Ad Hoc Committee.

Rwanda was among those countries which contested the Scale of Assessment adopted in Nairobi but in spite of that it accepted willingly to pay up all its contributions to the Organization on the basis of that Scale pending that the Ad Hoc Committee proposed a New Scale of Assessment. At present, Rwanda had paid up all its contributions to the OAU regular budget and the Special Fund of the Liberation Committee. Rwanda, therefore, awaited with great interest the outcome of the proceedings of the Ad Hoc Committee which should, as suggested, meet at the level of experts and not Ambassadors, the recommendations of which would then be submitted to the Council of Ministers.

Second: Follow-up and Co-ordination of the Activities of the Regional Offices

The Tunisian delegation stressed that the General Secretariat should effectively and systematically monitor follow-up and co-ordinate the activities of the Regional Offices, instead of such follow-up taking place during the meetings of the Advisory Committee.

It proposed the establishment of a competent organ at the Headquarters to supervise, follow-up and co-ordinate the activities of the Regional Offices at all levels.

Third: Translation of Official Documents into all the Working Languages of the Organization

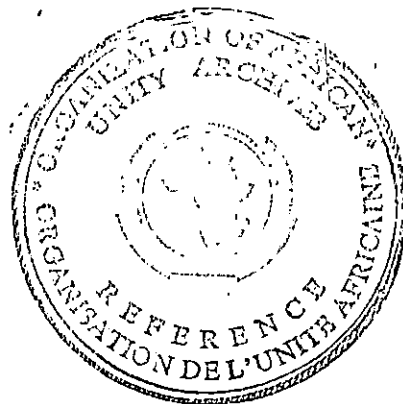
The delegation of the Jamahiriya raised the problem of the Arabic language which the General Secretariat as well as the Regional and Sub-regional Offices ignore. He recalled their request to the General Secretariat to treat the Arabic language like the other working languages of the

Organization and added that the Arabic Language is the only African language in the Organization; yet the General Secretariat and its offices do not give it the importance it deserves as is clearly evidenced by:

- (a) Documents are not prepared in Arabic, while such documents are prepared in the two other languages;
- (b) Documents and publications of the Regional and Sub-regional Offices are not translated into Arabic as could be seen from all the documents published by these Offices.

The delegation of the Jamahiriya once again drew the attention of the General Secretariat and the new Secretary-General to this failure and requested them to place the Arabic language on an equal footing with the other working languages. To this end he proposed the following:

- (a) TO FILL IN ALL THE VACANT POSTS OF ARABIC TRANSLATORS TYPISTS AND PROOF-READERS IN THE ORGANIZATION WITH QUALIFIED AND COMPETENT PEOPLE.
- (b) TO REQUEST THE GENERAL SECRETARIAT, THE REGIONAL AND SUB-REGIONAL OFFICES TO AWARD THE ARABIC LANGUAGE THE SAME IMPORTANCE THEY ATTACH TO THE OTHER WORKING LANGUAGES OF THE ORGANIZATION.



1986-02

Recommendations Made From 1979 to 1986 by the Ordinary Sessions of the Advisory Committee on Administrative, Budgetary and Financial Matters and Adopted by the Council of Ministers of the Organization of African Unity

Organization of African Unity

Organization of African Unity

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