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COUNCIL OF MINISTERS

Fifty-fifth Ordinary Session

24 - 28 February, 1992

Addis Ababa, Ethiopia

CM/1688 (LV)

REPORT OF THE FIFTY-FIFTH ORDINARY SESSION
OF THE ADVISORY COMMITTEE ON ADMINISTRATIVE,
BUDGETARY AND FINANCIAL MATTERS

RAPPORTEUR'S REPORT

The Fifty-fifth Ordinary Session of the Advisory Committee on Administrative, Budgetary and Financial Matters was held in Addis Ababa, Ethiopia, from 27 November, to 16 December, 1991, pursuant to the provisions of Article 84 of the OAU Financial Rules and Regulations.

Attendance

2. *Representatives of the following Member States attended the Session.*

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| 1. <i>Algeria</i> | 2. <i>Angola</i> |
| 3. <i>Burundi</i> | 4. <i>Cameroon</i> |
| 5. <i>Chad</i> | 6. <i>Congo</i> |
| 7. <i>Cote d'Ivoire</i> | 8. <i>Djibouti</i> |
| 9. <i>Egypt</i> | 10. <i>Ethiopia</i> |
| 11. <i>Gabon</i> | 12. <i>Ghana</i> |
| 13. <i>Guinea</i> | 14. <i>Equatorial Guinea</i> |
| 15. <i>Kenya</i> | 16. <i>Liberia</i> |
| 17. <i>Madagascar</i> | 18. <i>Mali</i> |
| 19. <i>Malawi</i> | 20. <i>Mozambique</i> |
| 21. <i>Namibia</i> | 22. <i>Niger</i> |
| 23. <i>Nigeria</i> | 24. <i>Sahrawi Arab
Democratic
Republic</i> |
| 25. <i>Socialist People's
Libyan Arab Jamahiriya</i> | 26. <i>Rwanda</i> |
| 27. <i>Senegal</i> | 28. <i>Sierra Leone</i> |
| 29. <i>Somalia</i> | 30. <i>Sudan</i> |
| 31. <i>Tanzania</i> | 32. <i>Tunisia</i> |
| 33. <i>Uganda</i> | 34. <i>Zaire</i> |
| 35. <i>Zambia</i> | 36. <i>Zimbabwe</i> |

Opening of the Meeting (Agenda Item 1)

3. *The Session was opened by the Chairman of the Advisory Committee, H. E. Mr. B. K. ATEPOR, Ambassador of the Republic of Ghana to Ethiopia and the Organization of African Unity. The Chairman welcomed members of the Committee and particularly new Ambassadors accredited to Ethiopia who were attending the Committee's Session for the first time.*

4. *He then recalled briefly the attributions and terms of reference of the Advisory Committee, which consisted of considering the Draft Programme and Annual Budget estimates of the Organization prepared by the Secretariat, as well as all other administrative matters and related financial implications before they were submitted to the Council of Ministers for decision.*

5. *Continuing his address, the Chairman pointed out that it was at the annual November Session devoted to the consideration of Administrative, Budgetary and Financial Matters, that the Committee examined the different reports on the last Financial Year, submitted by the Secretariat and the Board of External Auditors, as well as the Draft Programme/Budget for the coming Financial Year.*

6. *The Committee, he continued, also had the challenging responsibility to persuade Governments of Member States to honour their financial obligations to the Organization. He hoped the Committee would tackle the current Session's work with all the seriousness it deserved. He apologized for having had to postpone the opening of the Session by two days which, he said, was due to the fact that the Sub-Committee on Programmes had finished its Second Session not too long ago. The Sub-Committee referred back to the Secretariat a number of the proposed programmes for rewriting and that had taken time to complete. He, nevertheless, wished that members would be able to study all the documents to ensure effective and meaningful debate.*

7. *Called upon by the Chairman to make his opening statement, the Secretary-General welcomed new members and paid tribute to the Outgoing Chairman, H. E. Mr. B. K. Atepor, whom he said he had had the privilege of working closely with since he assumed his responsibility as Secretary-General of the Organization two years ago.*

He praised Ambassador Atepor for his commitment to the OAU and for his energetic and relentless pursuit of better administrative and financial management in the Organization.

8. *The Secretary-General commended the Sub-Committee on Programmes, which met in November 1991, for the serious and productive work done. He expressed appreciation to the Board of External Auditors for their excellent performance. He reported on actions he had taken after the Committee's Fifty-third Session held in November 1990, to ensure the implementation of some of the recommendations made by the Board of External Auditors and the Committee. Among those actions the Secretary-General mentioned, particularly, steps he took to limit expenditure on Temporary Assistance, a budget line that had been frequently overspent. He also set up a Committee within the Secretariat composed of staff from the Departments of Administration, Finance, the Inspectorate and the Budget Control Division charged with the responsibility of making a quarterly review of the status of implementation of the recommendations of the Advisory Committee, the Board of External Auditors and the Internal Auditors.*

9. *In addition to those actions, the Secretary-General said, he focused attention on the need to ensure better coordination within the Headquarters on the one hand and between the Headquarters and the Regional Offices on the other, and expressed the hope that efforts in that direction would be consolidated when the Coordination Unit would have taken shape. He intimated that one analyst had already been assigned and the other two should be at their posts early in 1992. Efforts would continue in the direction of harmonization and coordination so that duplication could be avoided with all its attendant effects and a more efficient use of the Organization's meagre resources assured.*

Greater attention would also be paid to the formulation of programmes and improvements in policy planning capacity.

10. *Continuing his statement, the Secretary-General pointed out that the Draft Programme/Budget amounting to US\$ 28,900,000.00 which would be examined by the Committee, was the product of a long preparatory process which took into consideration*

prepathe difficult socio-economic and financial conditions obtaining in Member States, as well as the priority areas of the Organization. The Budget was 4 per cent over and above the 1991/92 Budget and 13 per cent over actual expenditure for 1990/91. Some attention had been given to the area of conflict resolution and management in the Political Department. The OAU should be seen to be playing a role in the preservation of peace and stability and in the process of orderly change resulting from the current political changes associated with the democratization of the political institutions of African governments. The Secretariat had been involved in monitoring elections in Member States and hoped to be more actively involved in the process of change in Member States. Such involvement would necessarily always be at the request and invitations of Member States.

11. *In the area of education and culture, emphasis would be placed on literacy, environmental information and education and African cooperation in education. Other priority areas in the ESCAS Department had also been given significant attention. In the economic field, emphasis would be placed on the gradual implementation of the Treaty Establishing the African Economic Community. That would be done in close cooperation with the ECA and ADB. The Secretariat also intended to strengthen its working relationships with the regional economic communities in order to reinforce the Secretariat's cooperation with them and coordinate and harmonize efforts. Priority would be given to the need for speedy ratification of the Treaty on the Establishment of the African Economic Community.*

12. *The Secretary-General proceeded to highlight some of the items on the Committee's agenda which deserved the Committee's close attention. Among them were the recommendations of the Committee of Fourteen on conditions of service. He expressed the hope that the Committee would consider the matter seriously and make appropriate recommendation to the Council of Ministers. The Secretary-General also drew attention to the new Staff Rules and Regulations which came into force in June, 1990. The application*

of the Rules and Regulations had posed administrative problems in that some of the provisions were not being applied owing to the unavailability of funds. He appealed for those provisions that did not have significant financial implications to be applied in order to resolve some of the current managerial problems the Secretariat was experiencing and also to improve the morale among staff.

13. *He also highlighted the proposal he was making regarding the re-organization of the Secretariat to enable it handle better, the new challenges resulting from the establishment of the Economic Community and the proposed management and resolution of conflicts. The proposed re-organization would bring about improvements in management and was an interim measure pending the general restructuring being envisaged. It would involve re-deployment of existing staff and the creation of a small number of new posts which did not have considerable cost implications.*

14. *Finally, the Secretary-General drew the Committee's attention to the situation of Member States contributions. With five months of the current financial year ended, only two Member States had paid up their contributions for the year, which amounted to less than US\$ 1,000,000.00 out of budgeted revenue of about US\$ 27,000,000.00. He concluded by appealing to members of the Committee to work in harmony with the Secretariat in order to make the necessary resources available for the functioning of the Organization.*

Adoption of the Agenda (Agenda Item 3)

15. *The following Agenda was adopted after some amendments:*

1. *Opening Session*
2. *Election of Officers*
3. *Adoption of the Agenda*
4. *Organization of Work*
5. *Adoption of the Report of the Fifty-fourth Ordinary Session of the Advisory Committee on Administrative, Budgetary and Financial Matters*

FBM/2 (LIV)

6. *Consideration of the Financial Report on the 1990/1991 Financial Year* CM/1683 (LV)

7. *Consideration of the Report of the Budget Control Division on the 1990/91 Financial Year* CM/1684 (LV)

8. *Consideration of the Report of the Board of External Auditors on the Accounts of the OAU General Secretariat and the Regional and Sub-Regional Offices for the 1990/91 Financial Year and the Comments of the General Secretariat and the Regional Offices* CM/1685 (LV)
Add. 1 - 15

9. *Consideration of the Report on the Implementation of Previous recommendations of the Advisory Committee* FBM/3 (LV)

10. *Consideration of the Report on the Implementation of the Programmes for 1990/91 Financial Year* FBM/4 (LV)
Add. 1 - 15

11. *Statement of Contributions of Member States to the OAU Regular Budgets as at 31 October, 1991* CM/1686 (LV)

12. *Consideration of the Assessment Report of the Secretary-General on the African Centre for Phytosanitary Research and Training (ACRPT)* FBM/5 (LV)
13. *Consideration of the Report of the Secretary-General on the Status of the SAFGRAD Project* FBM/6 (LV)
14. *Consideration of the Financial Implications of Restructuring the Conakry Office* FBM/7 (LV)
15. *Consideration of the General Secretariat's proposals on the Review of the Criteria for Granting Observer Status with the OAU* FBM/8 (LV)
16. *Consideration of the Report of the Secretary-General on the Reorganization of the General Secretariat* FBM/9 (LV)
17. *Implementation of the Recommendations of the Ad Hoc Committee of Fourteen as considered by the Fifty-first Ordinary Session of the Council of Ministers on the Improvement of the Conditions of the Staff of the Organization* FBM/10 (LV)

18. *Implementation of OAU new Staff Rules and Regulations* FBM/11 (LV)
19. *Statement of Expenditure of the General Secretariat and the Regional and Sub-Regional Offices as at 31 August, 1991 for the Financial Year 1991/92* FBM/12 (LV)
20. *Consideration of the Report of the Sub-Committee on Programmes* FBM/Sub/Ctee/Rpt. (II)
21. *Consideration of the Draft Programme/Budget for the 1992/93 Financial Year* CM/1687 (LV)
22. *Transfer of the OAU Permanent Delegation to the League of Arab States from Tunis to Cairo* FBM/13 (LV)
23. *Any Other Business*
24. *Closing Session*

Election of Officers (Agenda Item 2)

16. *The Committee approved the composition of the Bureau of the Fifty-fifth Ordinary Session of the Advisory Committee:*

<i>Chairman</i>	-	<i>Mozambique</i>
<i>First Vice-Chairman</i>	-	<i>Cameroon</i>
<i>Second Vice-Chairman</i>	-	<i>Tunisia</i>
<i>Rapporteur</i>	-	<i>Nigeria</i>

Organization of Work (Agenda Item 4)

17. *The following working hours were adopted:*

-	<i>Morning</i>	<i>10:00 a.m. to 1:00 p.m.</i>
-	<i>Afternoon</i>	<i>4:00 p.m. to 7:00 p.m.</i>

Adoption of the Report of the Fifty-fourth Ordinary Session of the Advisory Committee on Administrative, Budgetary and Financial Matters: (FBM/2 (LV) (Agenda Item 5)

18. *During the consideration of the Draft Report of the Fifty-fourth Session of the Committee and within the framework of general comments on the document as a whole, some delegations raised the issue of the staff recruitment procedure of the professional category in the OAU and the principle of quotas allotted to Member States. Thus some delegations stressed that the recruitment policy in the OAU should take into account, the sacrifices and efforts made by each Member State with a view to ensuring the principle of dynamic equity in that field. For other delegations, recognizing the difficult and complex nature of the problem, it was necessary to ensure in the recruitment policy, the reconciliation of equity, competence and excellence and that was why it was necessary to be cautious while making recommendations to that end to the Secretary-General.*

19. *With regard to the principle of quotas, all those who took the floor on the issue agreed that adequate measures should be taken to remedy that phenomenon of non-representation and under-representation of States within the General Secretariat; while ensuring that competence, quality, effectiveness and excellence were not sacrificed for the concern of balance in staff recruitment. It was within that framework that the notion of brackets to fix quotas was introduced, like in the United Nations in order to allow the Secretary-General operate according to the general orientations thus established.*

20. *At the end of the general discussions on the document and addressing more particularly the issue of recruitment policy in the OAU General Secretariat, the Secretary-General took the floor to clarify the position of the Secretariat on the recruitment since he assumed office. He particularly stressed that there was no arbitrary practice in the present procedures of staff recruitment as the latter was governed by the provisions of the Staff Rules and*

Regulations. He stressed that the only exception, and he had informed the Advisory Committee and the Council of Ministers about it, concerned appointment to some posts and especially the posts of Executive Secretary and Director of Department which required his personal appreciation.

21. *Regarding the slowness noted in the recruitment procedures, the Secretary-General promised to do the necessary to improve the situation particularly as regards the advertisement of vacant posts and communication with the States concerned.*

22. *The Secretary-General pointed out that recruitment procedures remained difficult and complex especially if one were to stick to the Rules and Regulations in force and considering the pressure to which the Secretariat was constantly subjected to by governments when the interests of their nationals were at stake. He concluded by making an appeal to all governments' representatives to the OAU to assist the OAU in plugging the loopholes noted without running foul of the administrative texts in force.*

23. *After those comments and remarks, the Committee adopted the report of the Fifty-fourth Session, calling on the Secretariat to ensure that in future, the reports of the Virement Sessions were adopted immediately after the Sessions. It would enable the Committee to make sure that the figures contained in the reports were those approved during the consideration of the requests for virements submitted by the Secretariat.*

Consideration of the Report on the Implementation of earlier recommendations made by the Advisory Committee - Doc. FBM/3 (LV) (Agenda Item 6)

24. *Introducing the documents, the Secretariat's representative said that the report on the implementation of the earlier recommendations of the Advisory Committee and the Board of External Auditors could be analysed from the following four perspectives:*

- (a) *Certain recommendations were effectively and wholly carried out by the Secretariat;*
- (b) *It also emerged from the documents that there were some recommendations made by the Board of External Auditors which were not endorsed by the Advisory Committee to the Council and were consequently shelved by the Secretariat;*
- (c) *It also appeared from the documents that some recommendations were in the process of being implemented such as the introduction of the cash journal in accounting operations;*
- (d) *Largely, there were recommendations which had been approved but which could not be implemented through lack of logistic facilities originating from inadequate staffing in the Finance Department.*

25. *After this introductory statement, several delegations took the floor to highlight the following:*

(a) *The generalized problem of non-execution of the recommendations of the Advisory Committee and of the Board of External Auditors: The General Secretariat is requested to take all necessary steps to ensure an early implementation of these recommendations. Whenever it was impossible to do so, the Secretariat should report to the Advisory Committee;*

(b) **Dispute between OAU and the Commercial Bank of Ethiopia:**

Several delegations have deplored the arbitrary and illegal means employed by the Commercial Bank of Ethiopia to freeze the OAU account without due authorization from the account holder. In that regard, the Ethiopian delegation informed the Committee that the Ministry of Foreign Affairs of the Transitional Government of Ethiopia had already instructed the Commercial Bank of Ethiopia to release the amount in question and to pay the interests accruing therefrom during the whole period the amount had been frozen. The representative of the Ethiopian Government gave the assurance that such a situation would no longer be repeated.

(c) **Receipt Order:** *It is necessary that the General Secretariat introduce as early as possible in its system, this procedure aimed at reminding public accountants of Member States of the latter's debts to the Organization;*

(d) **Conakry Office:** *The Advisory Committee recommended that the General Secretariat should take steps to recover the money owed by the Coordinator who absconded after collecting his entitlements.*

Consideration of the Financial Report on 1990/91 Financial Year - Doc. CM/1683 (LV) - (Agenda Item 7)

26. *The document under reference above dealing with the item on the Agenda was introduced to the Committee by the Secretariat. In his presentation, the representative of the Secretariat underlined that the document under consideration had been prepared and was being submitted to the Committee in keeping with the relevant provisions of the Financial Rules and Regulations of the OAU.*

27. *Following this summary presentation by the Secretariat, some delegations took the floor to point out some discrepancies in the report, particularly, with regard to figures dealing with income generated, allotments, virements and arrears of contributions for some Member States. The Secretariat was requested to rectify these discrepancies before submitting the document to the Council of Ministers.*

28. *Referring to some established posts which had been kept vacant during the period under review, other delegations expressed their concern over this apparent over-budgeting situation and recommended to the Secretariat to adopt a clear recruitment policy in the light of the real needs and priorities of the Organization.*

29. *Finally, the Committee decided that, in future, the financial report would be used as a reference document to be examined together with the Report of the Board of External Auditors. It was also agreed that for the Budgetary Session of the Committee, the Report of the Board of External Auditors will be the central document while other financial reports will be prepared for information and reference.*

Consideration of the Report of the Budget Control Division - Doc. CM/1684 (LV) (Agenda Item 8)

30. *Prior to the presentation of the above report, the Committee debated the procedure to be followed during its consideration. It was then decided that the Committee would use the report of the Internal Audit Division as information document during the consideration of the report of Board of External Auditors of which it was a complement.*

31. Called upon to introduce the document, the Head of Internal Audit Division recalled that his document was being presented pursuant to Article 84 of the OAU Financial Rules and Regulations. That report, covering the 1990/91 Financial Year, was presented to the Secretary-General of the OAU who had already issued the necessary directives aimed at correcting all the errors and irregularities discovered in the accounts and implementing the recommendations he had approved. To that end, the Head of the Internal Audit Division expressed satisfaction with the positive relevant measures taken by the Regional and Sub-Regional Offices. He however, observed that there was some amount of inertia regarding the implementation of the recommendation at the level of the Headquarters.

32. The representative of the General Secretariat raised issues connected with the transfers and accounting of the allocations sent to the Regional Offices and the payment of rents. He also deplored the manner in which the investment funds, the property and the OAU Clinic as well as the OAU Pension Fund were being managed. He concluded by pointing out that specific recommendations had been formulated in the report before the Committee for consideration and approval.

Consideration of the Report of the Board of External Auditors - Doc. CM/1685 (LV) Add. 1 - 15 (Agenda Item 9))

The General Secretariat

33. This report was presented by Mr. Jobe Abdulie B.A., Chairman of the Board of External Auditors. After informing the Committee that the Representative of Madagascar did not take part in the audit exercise, Mr. Jobe Abdulie, in a long introduction, covered the following areas:

- contributions were not coming in at the expected rhythm. Those received during the 1990/91 Financial Year represented only 26.02% of the total assessed contributions;

- *arrears of contributions were on the increase by the year, amounting to US\$ 52,920,506.57. Included in these figures, US\$ 50,318,000.83 is in respect of the regular budgets;*
- *there was an increase of US\$ 10,744.49 over the ceiling of the Working Capital Fund which is fixed at US\$ 2,000,000.00;*
- *there is a difference of US\$ 778,961.18 between the opening investment balances yet to be clarified as far as the management of the investment fund was concerned;*
- *it was noted, according to the bank reconciliation statements, that the Commercial Bank of Ethiopia, had again blocked a sum of Birr 10,525.09 without authorization or instruction from the OAU General Secretariat;*
- *the remittance of subventions to Regional and Sub-Regional Offices showed a difference of US\$ 1,058,491.20 without the corresponding entries either at the Headquarters or at the Regional Offices;*
- *advances recoverable of the Headquarters had not been up-dated since 1988.*

34. *As regards the budget implementation, the Chairman of the Board of External Auditors observed that:*

- *the total expenditure amounted to US\$ 25,605,240.17 representing only 88.10% of the approved appropriations;*
- *revised appropriations after the approved virements amounted to US\$ 29,070,964.00 which was different from the approved budget of US\$ 29,063,072.00;*

- *a total over-expenditures of US\$ 347,725.50 was noted under 24 expenditure codes and the amount of virements approved by the Committee were apparently revised without prior consultation of the latter;*
- *supplementary appropriations of US\$ 47,648.80 were transferred to the Nairobi Office;*
- *appropriations of US\$ 200,000.00 voted under bank charges were revised to US\$ 450,000.00 while the actual corresponding expenses amounted to only US\$ 52,099.32;*

35. *The Chairman of the Board of External Auditors also raised issues relating to:*

- *need to clearly define procedure for the payment of education allowance and what type of education qualifies for payment of the allowance;*
- *need to clarify the principle, procedure and modality of paying salary differential to the Organization's technical staff;*
- *need to clarify the nature and scope of Capital Fund which should be considered as Contingency Fund pursuant to Article 16 of the Financial Rules and Regulations;*
- *absence of budget control ledger and cash book, despite relevant previous recommendations of the Committee, etc...*

36. *In conclusion, the Chairman of the Board of External Auditors expressed satisfaction at the fact that no case of and fraudulent accounting were discovered.*

37. *During the general debate on the report of the Board of External Auditors, several delegations wanted to know the steps taken by the General Secretariat to resolve the issues raised by the Chairman of the Board so as to improve the financial and administrative management of the OAU. They expressed concern over the management of the Pension Fund and the property of the OAU.*
38. *Some members of the Committee deplored the fact that the General Secretariat did not take the necessary steps to implement some of the recommendations of the Board of External Auditors.*
39. *Other delegations asked for clarifications on the role and the responsibility of the Budget Control Division and General Inspectorate, wondering if there was no duplication or overlapping.*
40. *In the same vein, some delegations asked the Secretariat to conduct an in-depth study into the cost of meetings and conferences of the Organization and in particular, the cost of technical staff (interpreters and translators).*
41. *During general observation on the report of the External Auditors, a number of delegations reiterated the issue regarding the introduction of "biennial programming" in the place of the annual budgeting which seemed to pose some accounting difficulties. To that end, the Secretariat was requested to conduct an in-depth study so as to report on the proposal to the Advisory Committee.*
42. *As regards the accounting of joint projects, the Committee recommended that separate accounts be prepared for projects of the regular budget, in other words, operational and investment budgets.*
43. *The Committee then considered all the recommendations made by the External Auditors and approved those relating to the financial and store management. It took note of the recommendations dealing with administrative problems and asked that they should be referred to the Secretary-General or the Committee of Fourteen on OAU Structural Reform which were competent on those matters, for consideration.*

44. *The Committee also decided that contrary to its previous decision, any doubtful debt equal to or lower than US\$ 5.00 (Five US Dollars) should be declared bad debt and therefore deleted from the Organization's books.*

Regional and Sub-Regional Offices - Document CM/1685 (LV) Add. 1-15

Lagos Office - Add. 1

45. *During the presentation of the External Auditors' Report, the attention of the Committee was drawn to the inventory of OAU's property. To that end, the Chairman of the Board of External Auditors observed that House No. 13 at Queen's Drive, IKOYI, did not appear on the list of OAU houses and that the title deed and transfer certificate could not be found at the STRC.*

46. *The Committee considered all the recommendations made by the External Auditors and approved them.*

Yaounde Office - Add. 2

47. *During the consideration of the External Auditors' Report on the accounts of that Office, the Committee once again noted that the conflict situation still existed in the Yaounde Office. It called on the General Secretariat to throw some light on the situation.*

48. *The Secretary-General intervened to explain the measures taken and those envisaged to correct the situation in that Office. A delegation headed by the Assistant Secretary-General in-charge of Administration and Finance was in Yaounde to acquaint itself with the problems in the Office. The Secretary-General asked the Committee to give him a little more time and assured it that every step would be taken to resolve the problems in the Yaounde Office before the next Session of the Committee. He intimated that the same delegation had visited the Niamey Office which also had several problems.*

49. *The Committee took note of the recommendations relating to administrative matters and approved those on financial management.*

Nairobi Office - Add. 3

50. *During the consideration of that report, the question of the opening of US Dollar account which was closely linked with that of the Headquarters Agreement was debated.*

51. *The Committee requested the General Secretariat to furnish it with the necessary clarifications.*

52. *The Assistant Secretary-General in-charge of Finance informed the Committee that OAU could now operate US Dollar Account which was not possible before.*

53. *The Committee recommended that the Headquarters Agreement be up-dated and harmonized both at the Headquarters and in the Regional and Sub-Regional Offices.*

54. *Taking the floor, the Secretary-General gave the assurance that all the Headquarters Agreements would be up-dated to ensure good functioning of the Organization and its Offices outside.*

55. *The Committee then approved Recommendation No. 1 and took note of Recommendation No. 2.*

New York Office - Add. 4

56. *During the consideration of the External Auditors' Report on that Office, the Committee wanted to know the position of the General Secretariat regarding the problems of housing, high cost of living and working conditions of staff in the New York Office to which urgent solution was needed.*

57. *Regarding this matter, the Secretary-General acknowledged that the staff in that Office were facing particularly difficult living conditions. The same thing applied to the OAU Offices in Brussels and Geneva. He then said that a document on improving the working conditions of the staff of the Organization would be submitted to the present Session of the Committee and hoped a happy solution would be found not only to the situation of the New York Office but also of the Headquarters and other OAU OFFICES.*

58. *Taking the floor, the Executive Secretary of the New York Office offered some clarifications regarding title deed, advance owed by Dr. S. Gomes, Post Adjustment frozen since 1980, education grant which was insignificant, salaries stagnation, high cost of living and desperate situation facing the staff of the Office.*

59. *The Chairman of the Board of External Auditors also took the floor to explain that the External Auditors had statutory and moral responsibility. Their role was not limited to seeing if the funds of the Organization were received and expended. Hence, they went beyond the financial issues to make recommendations on administrative problems impeding the good running of the New York Office.*

60. *The Committee then recommended that the General Secretariat should urgently take the necessary steps to provide the staff of that Office with the normal working conditions. It took note of the Recommendation No. 1 and rejected Recommendation Nos. 8, 9 and 10, calling for a more detailed study.*

Dar-es-Salaam Office - Add. 5

Lusaka Office - Add. 6

Maputo Office - Add. 7

Luanda Office - Add. 8

61. *All the recommendations made by the External Auditors on those Offices were approved by the Committee.*

Geneva Office - Add. 9

62. While considering the report on the accounts of that Office, several delegations were worried about the conditions of service of the OAU staff members particularly as regards the rent, Post Adjustment Allowance, the regular fluctuation of the Swiss Franc.

63. The Committee requested the General Secretariat to prepare a document that would take into account all those factors so that urgent and adequate solutions could be found to them. It then approved all the recommendations except Recommendations No. 2 and 6 of which it took note.

Niamey Office - Add. 10

64. When considering the report on the accounts of that Office, the Committee members expressed their concern about the existence of vacant posts. They deplored the poor budget administration which tended to persist and requested the General Secretariat to reflect on the situation of that Office which had been for several years a cause of concern to the Committee. Taking the floor, the Assistant Secretary-General in-charge of Administration reassured the Committee that all measures would be taken to fill the vacant posts. He expressed satisfaction that there was no misappropriation and pointed out that all the criticism would be taken into account by the General Secretariat to solve the administrative and financial management problem of the Niamey Office.

65. After taking note of Recommendations No. 2 and 6, the Committee approved all the other recommendations made by the External Auditors.

Tunis Office - Add. 11

66. All the recommendations made by the External Auditors on the accounts of this Office were approved by the Committee.

Brussels Office - Add. 12

67. *The interventions focused on the cost of living, the conditions of service of the staff of that Office, the rate of exchange of the Belgium Franc against the American Dollar, the recovery of US\$ 374.72 granted by that Office on behalf of the General Secretariat and the over-expenditure noted.*

68. *After the explanations given by the Director of the Brussels Office, the Committee recommended to the General Secretariat that the same measures regarding the improvement of the living conditions of the staff in New York and Geneva be applied to the staff of that Office.*

69. *The Committee then approved all the recommendations except Recommendation No. 3 on the advance of US\$ 374.72; the Director of the Brussels Office was requested to take all the necessary measures to recover that amount from the African Group in Brussels.*

Conakry Office - Add. 13

70. *Considering the report on that Office, the Committee deplored the lack of financial discipline which led to the former Co-ordinator still owing US\$ 1,206.97.*

71. *It recommended that the General Secretariat take all the measures to enable the establishment of a genuine financial discipline and the recovery of the US\$ 1,206.97 owed by the former Co-ordinator and that the "Afi Banque de Conakry" should also be contacted for the irregular disbursement it made in favour of the same Co-ordinator.*

72. *The Committee also recommended that the General Secretariat contact the Government of Benin to recover the US\$ 1,206.97 owed by the former Coordinator and the Hi-fi music system he had carried away. It then approved all the Recommendations except No. 2 of which it took note.*

Banjul Office - Add. 14

73. While considering the report on the accounts of that Office, the Committee was not satisfied with the Book-keeping which contained many mistakes and deplored the bad state of accounts in that Office.

74. Taking the floor to clarify the visitor, the Secretary to the Commission on Human and Peoples' Rights pointed out that the Commission had only one professional staff while all the other employees including the Accountant were of the General Services category and locally recruited. He added that the Accountant had never been initiated to the OAU Financial Rules and Regulations and accounting procedures. Furthermore, the Commission lacked the necessary financial resources for its functioning. A lasting solution should be found to all those problems to guarantee the smooth functioning of the Banjul Office.

75. In his intervention, the Secretary-General informed the Committee that he had personally detailed a senior officer of the Finance Department to initiate the Accountant of the Banjul Office to the OAU Financial Rules and Regulations and accounting practices. He took note of the observations of the Committee by promising that the General Secretariat would take the necessary administrative measures to redress the situation.

76. The Committee then rejected Recommendations No. 1 and 10 and approved all the other Recommendations made by the External Auditors.

Windhoek Office - Add. 15

77. A delegation recommended that the amount of US\$ 1,261.32 representing the hotel expenses unduly paid to Ambassador Jolaoso be refunded to the Secretariat and reflected as pointed out in the Report of the Budget Control Division.

78. All the recommendations contained in the Report of the Board of External Auditors were then approved by the Committee.

Consideration of the Report on the Implementation of the Programmes for 1990/91 Financial Year (Agenda Item 10):

79. During the general debate which followed the brief introduction of the item by the Secretariat, some delegations referring to the planned meeting of the Population Commission to be organized by the OAU, insisted on the need for proper coordination between the OAU and ECA so as to avoid duplication of efforts in this particular area of activity.

80. Other delegations pointed out that, in the future, the format of the report should be clearly spelt out for easy monitoring:

- (a) the activities approved under the programme and during the financial year under review;
- (b) the status and level of implementation of the activity programme;
- (c) the difficulties, if any, encountered during the implementation process; and
- (d) the recommendations for the required follow-up of the programme with a view to ensuring continuity in the programming exercise.

81. After the exchange of views on the implementation of the programmes, the Committee underscored the importance of such a report and requested the Secretariat to submit this report for the meetings of the Sub-Committee on Programmes for reference in considering priorities.

Statement of Contributions of Member States to the OAU Regular Budgets as at 31 October, 1991 (Doc. 1686 (LV)) (Agenda Item 11)

82. Introducing Document CM/1686 (LV) the representative of the General Secretariat drew a general picture of the situation of outstanding contributions to the Organization's regular budgets which for the period 1975 to 1990/91 amounted to

US\$ 45,268,414.68. Moreover, he added that outstanding contributions for the fiscal year 1991/92 standing at US\$ 27,020,549.42 as at 31 October, 1991 constituted a major threat to the smooth running of the Organization.

83. After this introduction, several delegations took the floor to underline the alarming and dramatic state of the Organization's finances. Those delegations made appeals to all Member States to shoulder their responsibilities vis-a-vis their Organization even if it meant some additional effort and sacrifices. For that purpose, a special appeal was made to each of the representatives of African countries in the Organization to undertake to approach their respective governments for the payment of contribution to the OAU. Regarding the issue of how to clear the arrears of contribution, the Committee urged the Secretariat to implement the provisions already adopted to that end and contained in Resolution CM/Res. 1279 (LII).

84. Some States suggested that just as sanctions are applied to States defaulting upon their financial obligations to the organization in conformity with resolutions adopted earlier by the Council of Ministers and the Assembly of Heads of State and Government, likewise, the OAU should consider the introduction of incentives or positive measures in respect of States which regularly honoured their obligations. It was recommended that further thought be given to that issue.

85. Within the framework of the general discussions the question of arrears the Secretary-General took the floor to shed light on some issues raised.

86. Speaking on the plan to secure the payment of arrears to be negotiated with the States concerned, the Secretary-General informed the Committee of efforts already made by the Secretariat which had sent letters to all Ministries of Foreign Affairs of Member States concerned. So far, three Member States had responded to the letter. Burkina Faso, Mozambique and the Sudan.

87. *On the question of arrears, the Secretary-General expressed his concern by stating that only a small number of Member States regularly honoured their obligations while the majority of Member States did not do it.*

88. *While reiterating his appeal to all Member States to do everything possible to honour their commitment to their Organization, the Secretary-General suggested that the issue of arrears of contribution should, in future, remain a permanent item on the Agenda of the Assembly of Heads of State and Government.*

89. *At the end of the general discussion, the Committee took note of the report, calling for an in-depth reflection to determine the ways and means of encouraging countries which were normally honouring their obligations, as well as other actions to be taken to recover the arrears. The Committee entrusted to the Sub-Committee which had considered the issue of outstanding contributions, the task of considering the matter and make proposals.*

Consideration of the Assessment Report of the Secretary-General on the African Centre for Phytosanitary Research and Training (ACPRT):FBM/5 (LV) - (Agenda Item 12)

90. *Following the introduction of the above report, the Committee deemed it judicious to consider it together with the 1992/93 Draft Programme and Budget. That decision was taken because the report on ACPRT was an aide-memoire to facilitate the appraisal of the Draft Programme and Budget of the Yaounde Office which included ACPRT.*

Consideration of the Report of the Secretary-General on the Status of the SAFGRAD Project (FBM/6 (LV) - (Agenda Item 13))

91. *The Committee decided to consider that report together with the 1992/93 Draft Programme and Budget, for the same reasons as those relating to Document FBM/5 (LV).*

Consideration of the Financial Implications of Restructuring the Conakry Office (FBM/7 (LV) - (Agenda Item 14)

92. It was decided that the above report would also be considered during the consideration of the 1992/93 Draft Programme and Budget, for the same reasons as those relating to Documents FBM/5 (LV) and FBM/6 (LV), which were directly linked to 1992/93 Draft Programme and Budget.

Consideration of the General Secretariat's Proposals on the Review of the Criteria for Granting Observer Status with the OAU - (Agenda Item 15)

93. In introducing this item, the representative of the General Secretariat informed the Committee of the reasons behind the review of the current criteria for granting Observer Status with the OAU.

94. He indicated that in the opinion of the Assembly of Heads of State and Government, it was necessary to:

- (a) up-date the text of the criteria which contained anachronistic terms;
- (b) underscore the scrupulous compliance by the observers with previous criteria governing their participation in the deliberations of the OAU;
- (c) give new orientations to the said criteria with a view to promoting co-operations between the OAU and the organizations enjoying Observer Status.

95. The representative of the General Secretariat also stated that the Assembly of Heads of State and Government in its resolution AHG/Res. 194 (XXV) had given the Advisory Committee mandate to review the criteria in question and spelt out the relevant terms of reference.

96. *In conclusion, he informed the Committee that as part of the implementation of the said resolution, the General Secretariat had prepared a few draft amendments contained in Document FBM/8 (LV) Annex I now being submitted to the Advisory Committee for consideration.*

97. *In the ensuing debate, some delegations wondered whether it was really necessary to review the criteria and even suggested that the text be maintained in its present form, with the exception of the title of Chapter I, 1 (b) which should be up-dated.*

98. *Other delegations on the other hand supported the idea of revising the criteria. They observed that as well as up-dating the text of Chapter I, 1 (b), it would also be necessary to amend the provisions relating to membership and funding sources of organizations seeking Observer Status with the OAU.*

99. *The proposed amendments were aimed at excluding non-African Members and funding sources.*

100. *Those same delegations felt that the restrictions imposed on African membership and funding sources did not take into account the realities that the organizations seeking OAU Observer Status might be confronted with, and that it was necessary to make the condition more flexible by indicating that members of the said organizations be in majority African and that their funding sources be also in greater part, African.*

101. *Other delegations still felt that there was nothing that justified the conditions preventing non-African Members voting within their Organizations and that those conditions should be deleted.*

102. *Regarding the participation of Observers in the deliberations of the OAU, a delegation observed that the present provisions were in order, that the proposed amendment was not necessary and that OAU should take appropriate administrative measures to ensure that the Observers comply with the current procedure.*

103. *In conclusion, the Advisory Committee decided to defer the consideration of this item to its next Session on virements and requested the Secretariat to prepare the relevant document, taking into account all the views expressed on the issue.*

Consideration of the Report of the Secretary-General on the Reorganization of the General Secretariat (Doc. FBM/9 (LV) (Agenda Item 16))

104. *The document was introduced by the Secretary-General who recalled that the proposals made in the document were in line with the intentions he had communicated to the Summit in Abuja in June, 1991 i.e., that in anticipation of the signing of the Treaty Establishing the African Economic Community and in order to reflect the new priority areas of the Organization in the light of the Declaration of the Twenty-sixth Summit on the political and socio-economic situation and the fundamental changes taking place in the world, he had already taken steps to review the present structure of the General Secretariat.*

105. *He went on to emphasize that the proposals being made took into account the need to reflect the new priority areas and concerns of the Organization in the Secretariat's structure as well as the need to consolidate the activities of the Secretariat and to avoid duplication and the need to redress certain deficiencies in the current structures of the Headquarters.*

106. *The Secretary-General highlighted the areas where changes were planned. In the changes proposed for the Political Department, emphasis was to be laid on conflict resolution and management. In the EDECO Department, emphasis was to be laid on preparedness for implementation of the activities resulting from the signing of the Abuja Treaty. Changes proposed for the ESCAS Department were aimed at enhancing the capacity of the department to deal with the activities relating to the environment programme and those for the other departments and services were all for the purpose of improving efficiency and*

coordination. The proposals were interim administrative measures while the Ad Hoc Committee on Structural Review continued with its work to review, in close consultation and coordination with the OAU Permanent Steering Committee, the entire structure of the Secretariat of the Organization.

107. It was also being proposed that the post of Director and Deputy Director of Cabinet be up-graded to P5 and P4 levels with the Director of Cabinet assuming responsibility for the newly established Programme and Policy Coordination Unit. The Unit would need to have a supervisory head and the two alternatives available were either to put the Director of Cabinet in-charge of the Unit or up-grade the Unit to the level of a Department with a Director.

108. The Secretary-General concluded on the note that the financial implications of the proposed changes had been considered. The exercise would involve re-deployment of existing staff and the additional budgetary implications would be minimal.

109. Debating the subject, some members of the Committee, commending the initiative of the Secretary-General, were of the view that the proposals were in the interest of the OAU and should therefore be supported, while others suggested that the matter should be addressed by the Ad Hoc Committee of Fourteen on Structural Review. Members of the Committee were generally agreeable with the principle of the re-organization especially in view of the fact that the decolonization process was at last at its end and the liberation struggle was also close to achieving its ultimate goal. The Secretariat was right in looking ahead and identifying a role for the Organization in conflict resolution and management, it was agreed. The re-organization planned within the Political Department was therefore a welcome one.

110. On the proposal for the post of Chief of Cabinet to be upgraded, members of the Committee could not appreciate the rationale behind the proposal. The Chief of Cabinet,

they said, was a personal appointee of the Secretary-General whose tenure of Office coincided with that of the Secretary-General and would automatically separate from the Organization's employment at the same time that the Secretary-General leaves.

111. The Committee recognized however that, the Programme Policy Coordinating Unit was a necessary and important development. It was recalled that the Committee, with expert advice, had endorsed the need for the establishment of the Unit and had approved its composition at relatively high level and subsequently required personnel with high level of qualification. Because of all those considerations, the Ad Hoc Committee of Fourteen on Structural Review had proposed that the Unit should have someone to head it. Consideration should therefore be given to providing a Head for the Unit.

112. Several other suggestions were made on the Secretariat's proposals. It was recognized that the Secretary-General had primary responsibility for the efficient functioning of the Secretariat. He should therefore be given the free hand to reorganize the Secretariat within the limits of specified guidelines.

113. After a prolonged discussion of the issue, it was decided that the matter be referred to the Ad Hoc Committee of Fourteen on Structure which should meet, examine the subject thoroughly and report to the Advisory Committee before the end of the current Session.

114. The Ad Hoc Committee of Fourteen met in an Extra-ordinary Session on 4 and 5 December, 1991 and made recommendations which the Advisory Committee endorsed. Details of their deliberations are contained in the Report of the Committee - Document Ext/Ad Hoc Committee/14/Rpt. (I); Report of the First Extra-ordinary Meeting of the Ad Hoc Committee of Fourteen on Structure Reform. All the recommendations made were endorsed.

Consideration of the Recommendations of the Ad Hoc Committee of Fourteen as considered by the Fifty-first Ordinary Session of the Council of Ministers on the Improvement of the Condition of Service of the Staff of the Organization - FBM/10 (LV) (Agenda Item 17)

115. The document was introduced by the Assistant Secretary-General (Administration and Conferences Department). He informed the Committee that the 1991-92 Budget did not have any provision for the purpose mainly because of the Secretariat's concern about the prevailing economic conditions in the continent. However, considering the rising cost of living and the continued fall in the value of the US Dollar, it had become necessary to review the conditions of service and make some improvements to staff emoluments, he concluded.

116. Members of the Committee were generally of the view that the conditions of service needed a review especially because there had been no marked improvements since 1980. It was reiterated that since the Council had taken a decision on the matter, the decision should be implemented.

117. It was generally recognized that conditions in the Offices in New York, Geneva and Brussels were particularly difficult for the staff in those Offices and solutions to the problems there must be found quickly in order to alleviate the difficulties the staff were facing.

118. The President of the Staff Association was invited to make a statement which he did in the form of an appeal to the Committee to consider seriously, the proposals made by the Secretariat. The staff, he said, had not considered industrial action but rather had chosen to make their appeal patiently over the years. Their appeal had always resulted in disappointment. He pleaded with the Committee to make some gesture as a step towards raising the morale of the staff which was now at a low ebb.

119. It was finally decided that the matter should be referred to the Ad Hoc Committee of Fourteen on Structural Review which would examine it in accordance with the

mandate given by the Council of Ministers. The Committee would meet and report to the Advisory Committee before the latter meets to adopt its report some time in January, 1992.

Implementation of New Staff Rules and Regulations - FBM/11 (LV) (Agenda Item 18)

120. The item was introduced by the Assistant Secretary-General (Administration and Conferences Department). The new Rules and Regulations, he said, were approved by the Council of Ministers in February 1990 and they came into force on 1 June, 1990. However, no budgetary provisions were made in the budgets of 1990/91 and 1991/92. The Secretariat was now proposing that all the provisions with financial implications be implemented with the exception of Articles 27C and 42F which could be deferred. The financial implications, he indicated, would be around US\$ 125,000.00. If the Committee did give positive consideration to the proposal, it would raise staff morale and improve performance.

121. Without a prolonged debate on the issue, it was decided to refer the matter to the Committee of Fourteen. The matter would be examined together with the proposals for improvement in the conditions of service and a report would be presented early in January 1992.

Statement of Expenditure of the General Secretariat and Regional and Sub-regional Offices as at 31 August, 1991 for the Financial Year 1991/92 - FBM/12 (LV) (Agenda Item 19)

122. Introducing the above item, the representative of the Secretariat drew attention to the irregular use of appropriations during the first four months of the Financial Year because of the political situation in the country since May, 1991 and which disrupted the normal functioning of the Secretariat. The Committee took note of the information contained in the relevant document and decided to go back to it during the consideration of the 1992/93 Programme and Budget.

Consideration of the Report of the Sub-Committee on Programmes - FBM/Sub-Comtee/Rpt. (II) (Agenda Item 20)

123. That Report was introduced by the Committee's Chairman Ambassador of

Consideration of the Report of the Sub-Committee on Programmes - FBM/Sub-Cttee/Rpt. (II)
(Agenda Item 20)

123. That Report was introduced by the Committee's Chairman Ambassador of Ghana, H. E. Mr. B. K. Atepor. In his introductory remarks, the Chairman of the Sub-Committee emphasized the principle and of the need for rationalizing the Secretariat's programmes. He especially called on the Advisory Committee to envisage a long or medium-term plan within the Secretariat bearing in mind the main guidelines and the priorities of the Organization.

124. The Committee took note of the report and decided to consider it at the same time as the 1992/93 Programme and Budget.

125. Reacting to the proposal of the Chairman of the Sub-Committee on Programmes regarding a long or medium-term programming, the Committee charged the Secretariat to conduct studies with the assistance of the UNDP so as to clearly identify the long and medium term programmes.

Consideration of the Draft Programme and Budget for the 1992/93 Financial Year, CM/1687
(LV) (Agenda Item 21)

126. The Draft Programme and Budget for the 1992/93 Financial Year was introduced by the Assistant Secretary-General in-charge of the Department of Finance. He began by pointing out that during the preparation of the Programme and Budget, the Secretariat took into account the economic and financial difficulties facing Member States. He then intended that only priority programmes had been maintained.

127. The Secretariat therefore submitted a Draft Programme and Budget for the 1992/93 Financial Year amounting to US\$ 28,956,271.00 to the Advisory Committee. That Draft Programme and Budget showed an increase of US\$ 3,370,251.85 (13%) over the expenditure reflected in the 1990/91 Programme and Budget. The Draft Budget represented an increase of 3% over the expenditure of the 1990/91 Programme and Budget, increased by 10% pursuant to the provisions of Resolution CM/Res. 1279 (LII).

128. *The Committee then proceeded to consider the Draft Programme and Budget, programme by programme as follows:*

Assembly of Heads of State and Government

129. *The Committee considered the proposals made by the Secretariat and voted an appropriation of US\$ 615,000.00 for holding of the Session of the Council of Ministers and the Assembly of Heads of State and Government, including US\$ 15,000.00 for the payment of overtime because the two Sessions mentioned above would not be held in Lome, Togo. The Committee also decided to approve an appropriation of US\$ 100,000.00 for financing the meetings of the Ad Hoc Committees of Heads of State and Government during the 1992/93 Financial Year. The total amount voted under that heading for the 1992/93 Financial Year was US\$ 715,000.00.*

Council of Ministers - Budgetary Session

130. *The Committee approved an appropriation of US\$ 692,080.00 for the holding of the Budgetary Session of the Council of Ministers.*

Advisory Committee on Administrative, Budgetary and Financial Matters

131. *An appropriation of US\$ 110,000.00 was approved by the Committee.*

Board of External Auditors

132. *The Committee voted an appropriation of US\$ 100,000.00 for the financing of audit operations during the 1992/93 Financial Year.*

Programme 1.3: African Commission on Human and Peoples' Rights

133. *During the consideration of the Secretariat's budget estimates and the recommendations of the Board of External Auditors under this programme, the Committee deplored the mismanagement of the resources made available to the Commission.*

134. *The Committee then requested the Secretariat to take the necessary measures to improve the financial management of the Banjul Office.*

135. *Subsequent to the detailed comments and observations on each Code, the Committee approved a total appropriation of US\$ 496,495.00 under this Programme for the 1992/93 Financial Year.*

P A R T T W O

Sub-Programme 2.1.1. Office of the Secretary-General

136. *In considering the Secretariat's Budget proposals, the Committee asked the Secretariat for a detailed breakdown of the established posts and common staff costs for the entire Programme.*

137. *After the adjustments made on Codes 100 + 213 and 204 - 212, the Committee approved a total appropriation of US\$ 891,702.00 for this Programme for the 1992/93 Financial Year.*

Sub-Programme - Offices of the Assistant Secretaries-General

138. *The Committee approved the proposals submitted by the Secretariat and adopted an amount of US\$ 524,000.00 for the Sub-Programme for the Financial Year 1992/93.*

Programme 2.1.3. Inspectorate General

139. *After considering the Secretariat's proposals, the Committee asked the Secretariat to divide the 1992/93 budget proposals between the Inspectorate General and the Budget Control Division since the two Units now had separate Programmes.*

140. Under the Code on Official Missions, the Committee approved a total amount of US\$ 10,000.00 covering four missions for the 1992/93 Financial Year as part of the total budget of US\$ 153,341.00 for the Programme for 1992/93.

Sub-Programme 2.1.4. Office of the Legal Advisor

141. The Committee commended the Secretariat for the presentation of this programme, took note of the detailed proposals of the Secretariat and authorized the holding of only one meeting on the OAU Charter Review during the 1992/93 Financial Year. After general comments on the planned activities, the Committee allocated a total of US\$ 263,311.00 to the Programme for the Financial Year 1992/93.

Sub-Programme 2.1.5. Policies and Programmes Coordination

142. The Committee approved the creation of the post of Head of this Unit at P5 in consonance with the recommendations of the First Extra-ordinary Session of the Ad Hoc Committee of Fourteen on OAU Structural Reform.

143. This decision entailed an increase in the initial appropriation from US\$ 157,376.00 to US\$ 242,000.00 under this Sub-Programme for the 1992/93 Financial Year.

Sub-Programme 2.1.6. Budget Control Division

144. After the Inspectorate General and the Budget Control Division had been separated, the Committee approved a total of US\$ 252,309.00 under this Sub-Programme for the Financial Year 1992/93.

Programme 2.2. Afro-Arab Cooperation

145. *After considering the Secretariat's proposals, the Committee took note of the proposed programme of activities.*

146. *It subsequently approved a total budget of US\$ 284,771.00 for this programme for the 1992/93 Financial Year.*

Sub-Programme 2.2.3. OAU Permanent Mission to the League of Arab States - Cairo

147. *The Committee took note of the steps taken by the Secretariat to transfer the Mission to the Arab League from Tunis to Cairo, following the transfer of the Arab League Headquarters to Cairo.*

148. *The Committee, however, recommended that the Secretariat conduct the necessary studies on the possibilities and the advantages that the OAU could derive from the acquisition of premises for the OAU Permanent Mission in Cairo.*

149. *The Committee decided in general not to allot, henceforth, appropriations to the Regional and Sub-Regional Offices*

150. *The Committee approved a total allocation of US\$ 292,699.00 to the Permanent Mission for the Financial Year 1992/93.*

Programme 2.3. Information Services

151. *In considering this Programme, some delegations underscored the role and the crucial importance of the information services in Africa in the light of the past and current fundamental changes in the world and their impact on African Countries.*

152. *Other delegations emphasized the need for the OAU to prepare and publish, on a regular basis, the OAU Year Book.*

153. *After a detailed examination of the Programme in its various components, the Committee allocated a total sum of US\$ 379,325.00 for the 1992/93 Financial Year, this sum representing an increase of 45% over the actual expenses during 1990/91 Financial Year.*

Programme 2.4. Protocol Division

154. In considering this Programme, the Committee focused particularly its attention on Code 608 relating to "General Operating Expenses" meant to cover costs for printing of OAU Laissez-Passer and for purchasing of Member States flags. In this regard, the Committee recommended that the Secretariat should adopt a clear policy of stock management and forward planning.

155. After this general observation, the Committee allotted to this Programme, a total sum of US\$ 273,000.00 representing an increase of 50% over the actual expenditure during 1990/91 Financial Year.

P A R T T H R E E - P O L I T I C A L D E P A R T M E N T

Programme 3.1. Decolonisation and Sanctions

156. In examining this Programme, and during the general debate on the issue, the Committee reviewed the current political developments on the continent with regard to the decolonization and sanctions aspect and requested the Secretariat to review and update its activity programmes in this area.

157. After this general debate, the Committee allocated to this Programme, a total sum of US\$ 326,871.00 representing an increase of 6% over the actual expenditure during 1990/91 Financial Year.

Programme 3.2. General Political Affairs

158. In considering this Programme, the Committee sought clarification on some cost estimates related to education grants and official missions. Concerning the official missions, the Committee recommended to cancel the proposed annual mission to the UN General Assembly.

159. After these preliminary observations, the Committee allocated to the Programme, a total sum of US\$ 377,000.00 representing an increase of 9% over the actual expenditure during 1990/91.

Programme 3.3**Refugee Related Activities**

160. In considering the Programme, the Committee focused its attention on the following:

- (a) **Information Unit:** The Secretariat's proposal to transfer this Unit to Information Division was supported within the general re-organization of the General Secretariat proposed by the Secretary-General.
- (b) **Planned Missions:** The Committee decided to reduce the cost estimate of these missions from US\$ 22,000.00 to US\$ 14,000.00.

161. Finally, the Committee allocated to the Programme, a total sum of US\$ 863,327.00 representing a decrease of 3% over the actual expenditure during 1990/91 Financial Year.

Programme 3.4:**Coordinating Committee for the Liberation of Africa Policy-Making Organs**

162. After a detailed discussion and subsequent clarification by the Secretariat, the Committee allocated to this Programme, a total sum of US\$ 733,462.00 representing a decrease of 30% over the actual expenditure during 1990/91 Financial Year. The Committee recommended that proposals for reducing the number of staff members be made and submitted to the next Session of the Liberation Committee.

Programme 3.4.5: Sub-Regional Office - Lusaka

163. In considering the activity programme of the Lusaka Office, Members of the Committee exchanged views on the current political developments in Southern Africa, and in the light of the present political trend of negotiations and realities in the area, the Committee agreed:

- (a) *to allocate a total sum of US\$ 96,680.00 during the 1992/93 Financial Year, representing a decrease of 4% over the actual expenditure during 1990/91 Financial Year;*
- (b) *to recommend for the attention of the Council of Ministers, the closure of the Lusaka Office at the end of 1992/93 Financial Year, i.e. by 31 May, 1993;*
- (c) *to request the Secretariat to work out the financial implications arising from the closure of the Office, with regard to separation benefits and other statutory benefits for staff to be submitted to the Fifty-fifth Session of the Council of Ministers.*

Programme 3.4.8. Mission to the United Nations - New York

164. *In examining the budgetary proposals submitted by the Secretariat, the Committee focused its attention on such areas as official missions, general operating expenses, furniture and equipment, the need to find the title deed of the building, the purchase of houses for the staff and the rental of the photocopy machine.*

165. *Finally, the Committee allocated a total sum of US\$ 1,117,752.00 representing an increase of 11% over the actual expenditure during the 1990/91 Financial Year.*

Programme 3.4.9. OAU Office in Windhoek - Namibia

166. *In keeping with the standing decision of the Fifty-third Session of the Council to close the Windhoek Office at the end of 1991/92 Financial Year, the Committee agreed:*

- (a) *not to allocate any financial appropriation for the 1992/93 Financial Year;*

- (b) *to allot an amount of US\$ 75,000.00 to meet the financial implications of the closing of the Office.*

P A R T I V - EDUCATION, CULTURE, SCIENCE,

TECHNOLOGY, LABOUR AND SOCIAL AFFAIRS

167. *In view of the fact that some programmes under ESCAS, namely those relating to Health and environment matters had not been submitted to the Sub-Committee for consideration and prior clearance, the Committee agreed to examine those two programmes before considering their financial implications.*

168. *During the general debate on the activity programme concerning the health sector, a delegation raised the issue, in the context of Joint Projects, of "Special Health Fund for Africa" established under the OAU auspices, and requested the Secretariat to provide to the Committee, with the necessary information about its role, its function as well as the role and responsibility of the OAU in the management of the Fund. Replying to that question, the Secretariat pointed out that the Fund was not yet operational because its status had not yet been adopted and furthermore, additional information was contained in the report on the deliberations of the Fourth Conference of African Ministers of Health held in Mbabane, Swaziland, in April 1991 and which could be submitted to the Fifty-fifth Ordinary Session of the Council of Ministers in February 1992.*

169. *Other delegations emphasized the need for the General Secretariat, to ensure proper coordination between Headquarters and its technical regional offices so as to work out and present an integrated programme package reflecting the priorities of the Organization.*

170. *Concerning the programme on the environment, the general discussion focussed on the preparations underway for the Rio Conference and on the envisaged follow-up action*

on the African side. In that regard, some delegations pointed out that although Africa seemed to have made the necessary political preparations, for having adopted its common position at the Abidjan Conference (Nov. 1991), it was however imperative for efforts to be made within the framework of the general negotiations of the Rio Conference. The same delegations stressed that it was urgent for Africa to make the necessary arrangement in this regard, by especially stressing the need for compensation. The Secretariat pointed out that Africa, after the Abidjan Conference, could consider itself proud for having adopted a Common Position in the field of Environment and Development. Considering, however, the lack of resources, Africa could not participate in all the preparatory meetings for the Regional Conventions and particularly those on climatic change and bio-diversity. For the specific cases, the Abidjan Conference requested the Joint Secretariats (ECA/OAU/UNEP/UNSO/ADB/UNCTAD) to set up a panel of Experts in the fields concerned to assist Africa in the negotiations on those Conventions. The Joint Meeting was also requested to identify concrete projects in other priority development projects in view of the negotiations.

171. *After the general debate, the Committee:*

- (a) urged all Member States to take, under the OAU auspices, the appropriate measures to ensure the technical preparation for the Conference;*
- (b) requested the Secretariat to establish the necessary mechanism to ensure the required follow-up to Rio Conference;*

- (c) *endorsed the recommendation requesting the OAU Secretariat to undertake the consultations and negotiations with the Secretary of the Preparatory Committee with a view to holding a Preparatory Meeting at experts' level (scientists, legal and economic experts) to work out the compensation modalities.*

Programme 4.1. Education, Culture and Science

172. *The Committee showed concern over the lack of a general policy on the matter concerning subventions given by the OAU to other African Organizations. The concern was prompted by the number of these organisations and the activities they seemed to be involved in. The Secretariat was requested to prepare a paper on the issue in order to enable the Committee discuss the matter and make recommendations for future policy guidelines. After a general debate, a total sum of US\$ 443,315.00 was recommended for the programme, representing an increase of 51% over the actual expenditure during 1990/91 Financial Year.*

Programme 4.2. Health

173. *The Committee, during the general debate, requested that the missions concerned be broken down in the Draft Programme and Budget. Finally, the Committee recommended a total sum of US\$ 98,226.00 for the Programme, representing an increase of 29% over the actual expenditure during 1990/91 Financial Year.*

Programme 4.3. Environmental Affairs

174. *During the general debate, the Committee emphasized the need for the Secretariat to play a leading role in preparations for the United Nations Conference planned to take place in Rio de Janeiro, Brazil in June 1992. That role should enable Member States prepare themselves better for participation at the Conference. In the light of the general debate, the Committee recommended US\$ 125,170.00 for the programme.*

Programme 4.4. Labour and Social Affairs

175. In considering this programme, the request for US\$ 10,000.00 for studies on security and health at the work-place was turned down. Finally, a total sum of US\$ 491,599.00 was recommended for the programme, representing an increase of 6% over the actual expenditure during 1990/91 Financial Year.

Programme 4.5. Historical and Linguistic Studies

176. The Committee observed that the number of staff in this programme based in Niamey was large and needed pruning within the general framework of the re-organization of the General Secretariat. The Chairman of the Ad Hoc Committee of Fourteen on Structural Review assured members of the Committee that the whole question of staff strength at the Secretariat at both the Headquarters and Regional Offices was receiving the attention of the Ad Hoc Committee and the Committee's final report would touch on all these issues. After reviewing proposals on each budgetary code, the Committee recommended a total sum of US\$ 651,975.00, representing an increase of 35% over the actual expenditure during 1990/91 Financial Year.

Programme 4.7. Project for the Integrated Development of the Fouta Djallon Highlands

177. The programme was discussed extensively. Some members of the Committee were of the view that the Office for the Project should be located at Labe rather than Conakry which is more than seven hundred kilometres away from the Project site. It was agreed that the location of the Office was a matter for management and it should be left to the Secretary-General to decide. Finally, a total sum of US\$ 296,069.00 was recommended for the programme, representing an increase of 44% over the actual expenditure during 1990/91 Financial Year.

Programmes 4.8 to 4.11. Scientific, Technical and Research Commission - Lagos

178. Some concern was expressed on the long absence of the Executive Secretary from the duty station. It was pointed out that though his sabbatical leave of nearly 2 years was taken in line with the existing Staff Rules and Regulations, it was not in the interest of the Organization, especially the Lagos Office, which was without a substantive head for that period. After a long debate on the matter, it was agreed that the absence of that staff member who was on leave without pay approved was a matter for the Secretary-General to decide on. However, if there was any lack of clarity on the matter in the Rules and Regulations, the committee would have to lay down procedural guidelines. After the general debate and review of the programme component, the Committee recommended a total sum of US\$ 1,305,200.00, representing a net decrease of 7% over the actual expenditure during 1990/91 Financial Year.

Programme 4.12. Animal Resources - Nairobi Office

179. The Director of the Nairobi Office briefed the Committee on the status of the joint projects for which funds were being requested. He informed members that his Office had been able to raise up to US\$ 209,000,000.00 for the Joint Projects which included the Pan-African Rinderpest Campaign. Rinderpest, he said, had been eradicated in West Africa and only two countries, one in the Eastern Sub-Region and one in the Southern Region, remained infested. Eradication of trypanosomiasis and sleeping sickness was also among the joint projects and action in that area had resulted in the elimination of the diseases in two districts in Uganda. The Committee took note of the information on the joint projects and requested the Secretariat to prepare and submit periodic evaluation reports on the implementation of such projects. After the general debate, the Committee recommended a total sum of US\$ 981,644.00 for the programme, representing a net decrease of 3% over the actual expenditure during 1990/91 Financial Year.

financial implications were around US\$ 350,000.00. The USAID was prepared to make a donation of US\$ 400,000.00 towards the preparatory cost of phase three, the Sub-Committee had been informed. Because no programme had been submitted for the third phase, the Sub-Committee had been cautious in making any commitments. As the future seemed unclear, they were concerned that the OAU did not end up with another Office on its hands. Because of these apprehensions, the Sub-Committee on Programmes chose to refer the matter to the Advisory Committee.

183. *The issue was debated extensively and it was decided that the study on the project which the Council had requested should be submitted to the Council at its next Session. It was further decided that for the time being, the Committee should recommend a token subvention of US\$ 100,000.00 for the Council's consideration and decision.*

P A R T V - EDECO DEPARTMENT

Programme 5.1: Research and Planning

184. *The programme was briefly introduced by the representative of the Secretariat.*

185. *During the general debate, some delegations sought clarifications particularly on missions to be undertaken within the activity programme, focusing on the number, venue, their relevance to the programme as well as on their high costs.*

186. *Referring particularly to Sub-Programme 5.1.7 relating to the meeting of the OAU/ADB/ECA Joint Secretariat, some delegations expressed the view that it would be less costly for the Organization to hold the planned consultative meetings in Addis Ababa where most of these institutions were located, instead of organizing them outside. In their opinion, it would be much*

easier for the ADB to come to Addis Ababa rather than for the OAU staff to go to wherever the meetings were to be held outside Addis Ababa. The same delegations recommended therefore, for economic reasons, that these consultative meetings be organized in future in Addis Ababa.

187. *Concerning the activity programme on country profiles, they commended the initiative of the Secretariat and requested the latter to prepare and submit an evaluation report to its November Session, in 1992.*

188. *After the above general observations, the Committee approved a total sum of US\$ 463,570.00 for the programme, representing a decrease of 13 per cent over the actual expenditure during the 1990/91 Financial Year.*

Programme 5.2: General Economic Affairs

189. *During the general debate on the programme, the Committee focused its attention on the planned 15 missions and requested the Secretariat to provide detailed information on the nature, relevance and cost estimate of each mission. And in the course of the discussion of the issue, one delegation expressed his reservation on the allocation of US\$ 20,000.00 as OAU's contribution to the cost of organizing the joint OAU/ECA/ADB Meeting.*

190. *After the general comments, the Committee allocated to the Programme, a total sum of US\$ 816,800.00 representing a net increase of 55 per cent over the actual expenditure during 1990/91 Financial Year.*

Programme 5.3: Natural Resources

191. *In considering the programme, the Committee reduced from US\$ 30,000.00 to US\$ 15,000.00 the sum proposed for the joint meetings, and decided to cancel the entire activity programme entitled "Joint Project" budgeted for US\$ 20,000.00.*

192. *After the general reservations on cost estimate of the planned missions, the Committee allocated to the programme a total sum of US\$ 269,450.00 representing an increase of 41 per cent over the actual expenditure during the 1990/91 Financial Year.*

Programme 5.4: Economic Cooperation and Integration

193. *In considering the programme, the Committee sought detailed clarification on the proposed joint projects and on the level of contribution provided by the UNDP.*

194. *After the explanation provided by the Secretariat, the Committee approved US\$ 340,000.00 for the joint projects and allocated a total sum of US\$ 638,870.00 to the programme, representing a net increase of 156 per cent, over the actual expenditure during the 1990/91 Financial Year.*

Programme 5.5: Transport and Communications

195. *In considering the activity programme, the Committee discussed several issues concerning the number, nature, and relevance of all the planned missions during 1992/93 and requested the Secretariat to establish priorities while taking steps to reduce the number of staff going on the same mission.*

196. *Concerning the Ministerial Meeting on Maritime Transport to be held during the 1992/93 Financial Year, some delegations proposed that, in view of the high cost, the meeting be organized jointly by the OAU and ECA.*

197. *Finally, the Committee agreed to retain the meeting while reducing the allocation from US\$ 60,000.00 to US\$ 45,000.00 and invited the OAU and ECA Secretariats to coordinate and harmonize their activities in this regard so as to avoid duplication and overlapping.*

198. *The Committee decided to allocate a total sum of US\$ 329,625.00 to the programme, representing a net increase of 38 per cent over the actual expenditure during the 1990/91 Financial Year.*

Programme 5.6: **Mission to the UN in Geneva**

199. *In considering this programme, the Committee requested the Secretariat to study and submit a report on cost/benefit for contracting medical insurance for the staff rather than refunding the medical bills submitted by staff.*

200. *After the necessary clarification on the missions to be undertaken within the activity programme, the Committee allocated a total sum of US\$ 1,050,600.00 representing an increase of 5 per cent over the actual expenditure during the 1990/91 Financial Year. The Committee however took note and commended the Office for its clarity and prudence and requested the Secretariat to take a cue from this so as to make the work of the Committee easier.*

Programme 5.7: **Mission to the EEC in Brussels**

201. *During the general debate on the programme, some delegations underlined the fact that some OAU Member States were not members of the ACP Group, particularly those countries in North Africa belonging to UMA (Arab Maghreb Union) Group. It was stressed therefore that the Brussels Office should take into account the concerns of this group of countries in its activity programme.*

202. *After a detailed clarification on the planned missions, the Committee allocated to the programme a total sum of US\$ 558,800.00 representing a decrease of 1 per cent over the actual expenditure during the 1990/91 Financial Year.*

P A R T V I - ADMINISTRATION AND CONFERENCE SERVICES

Programme 6.1 **Personnel Service**

203. *The Committee discussed at length, the question of recruitment of new staff to fill vacant posts at Headquarters, Regional and Sub-Regional Offices. The Committee recommended to fill those posts by internal re-deployment and recruitment should be carried out only if the Secretariat did not have the necessary competent staff. The Committee decided that five posts be filled in the year 1992/93 and these are two (2) Revisers in the languages unit, one physician for the Clinic and one Head of Division for the Finance Department. The estimate for the consultants submitted by the Secretariat was rejected. The Committee recommended a total appropriation of US\$ 1,573,100.00 for Personnel Services during 1992/93 Financial Year representing a decrease of 26% over the actual expenditure during 1990/91 Financial Year.*

Programme 6.3. **Library**

204. *The Committee was of the view that there was need to improve the services offered by the Library to suit the standard of an international organization. Finally, a total appropriation of US\$ 174,159.00 for the Library Service was approved, representing an increase of 27% over the actual expenditure during 1990/91 Financial Year.*

Programme 6.3. **Maintenance Services**

205. *The Committee examined the proposals of the Secretariat and approved a total appropriation of US\$ 715,000.00 representing an increase of 11% over the actual expenditure during 1990/91 Financial Year.*

Programme 6.4. **Clinic**

206. *The Committee expressed satisfaction with the improvements made in the clinic services and requested the Secretariat to provide ophthalmology services. However, it recommended that the pharmacy be strengthened so that it could provide drugs to the members of African Embassies and their families according to modalities to be considered.*

207. *It was suggested that future budgets of the Clinic should provide for official missions in order to expose the staff to current developments in the clinical and medical fields. The Committee recommended US\$ 10,000.00 for Official Missions and approved a total appropriation of US\$ 578,800.00, representing a decrease of 15% over the actual expenditure during 1990/91 Financial Year.*

Programme 6.5. Passages and Supplies Services

208. *The Committee was of the view that there was no need to request for an allocation of US\$ 270,000.00 for purchase of furniture and equipment in view of the fact that the Secretariat had been allocated funds in the previous and current financial years. They reduced the request for security equipment from US\$ 60,000.00 to US\$ 35,000.00. A total appropriation of US\$ 573,062.00 was recommended representing a decrease of 5% over the actual expenditure during 1990/91 Financial Year.*

Programme 6.6. Registry

209. *The Committee approved a total appropriation of US\$ 368,000.00 for Registry Services, representing a decrease by 20% over the actual expenditure during 1990/91 Financial Year.*

Programme 6.7. Security

210. *The Committee rejected the proposals of the Secretariat to increase the number of Security Guards from the present 20 to 28 and approved a total appropriation of US\$ 101,000.00 for security services, representing an increase of 14% over the actual expenditure during 1990/91.*

Programme 6.8. Financial Services

211. *The Committee provided a total appropriation of US\$ 628,145.00 for financial services representing an increase of 31% over the actual expenditure during 1990/91 Financial Year.*

Programme 6.9. Conference Services

212. *A total appropriation of US\$ 144,365.00 for Conference Services was allocated, representing an increase of 21% over the actual expenditure during 1990/91 Financial Year.*

Programme 6.10. Translation Services

213. *The Committee felt that there was need to urgently recruit two (2) Portuguese Revisers as the Unit was operating without Revisors. Finally a total appropriation of US\$ 1,815,294.00 was allocated for the programme.*

Programme 6.11. Documents and Archives

214. *A total appropriation of US\$ 87,086.00 for documents and archives was allocated for this programme during 1992/93 Financial Year.*

Programme 6.12. Printing Unit

215. *A total appropriation of US\$ 361,842.00 was allocated for the programme during 1992/93 Financial Year.*

Programme 6.13. Construction, Improvement and Landscaping
of the Compound

216. *Some delegations felt that there was need to improve the landscaping of the compound especially the road leading to the printing shop. After a lengthy discussion, the Committee approved an appropriation of US\$ 80,000.00 for the construction, improvement and landscaping of the compound during 1992/93 Financial Year.*

P A R T V I I - S U B V E N T I O N S A N D S P E C I A L D O N A T I O N S

217. *With regard to this Programme, the Committee:*

- (a) *approved an appropriation of US\$ 150,000.00 as Subventions for the year 1992/93;*
- (b) *recommended a total appropriation of US\$ 250,000.00 for assistance to Member States;*
- (c) *recommended a total appropriation of US\$ 1,000,000.00 as contribution to the Special Emergency Assistance Fund for Drought and Famine in Africa.*
- (d) *A delegation wanted to know why no appropriation had been made for the Special Health Fund for Africa. The Secretariat replied that the Fund had an autonomous management and therefore could not be included in the OAU Programme and Budget.*

C O N C L U S I O N

218. *The Committee approved an appropriation of US\$ 26,914,465.00 for the Draft Programme and Budget for the 1992/93 Financial Year, amount representing the total budget estimates for 1992/93 Regular Programme and Budget. The amount represented an increase of 5% over the actual expenditure during 1990/91 Financial Year.*

Transfer of the OAU Permanent Delegation to the League of Arab States from Tunis to Cairo
- Doc. FBM/13 (LV) (Agenda Item 22)

219. That agenda item was introduced for consideration of the Advisory Committee by a representative of the Secretariat. In his presentation, the latter stated that following the decision of the League of Arab States to move its Headquarters from Tunis to Cairo, the OAU had also decided to transfer the OAU Permanent Delegation from Tunis to Cairo. The representative of the General Secretariat further pointed out that the decision of transferring the OAU Office from Tunis had financial implications which had not been budgeted for during the current 1991/92 Financial Year which could only be met either through a formal request for virements in April 1992, or after a formal authorization by the present Session of the Advisory Committee to meet these expenses from the Working Capital Fund, in conformity with Articles 16 (b) and 17 of the Financial Rules and Regulations. The Committee accepted the second proposal.

220. During the general debate which followed the above introductory remarks by the Secretariat, some delegations raised the issue concerning procedures and modalities for paying compensation and other entitlements to the local staff on separation from the Organisation. It was finally agreed that the terminal benefits be calculated on the same basis as for those local staff of the Luanda and Maputo Offices.

221. Concerning the financial implication of the transfer exercise, the Committee examined the various options proposed by the Secretariat; and in view of the exigency of service and convenience of Staff, and taking into account the envisaged date for the transfer, the Committee:

- (a) took note of the arrangements made by the Tunis Office by 25 December 1991, latest;
- (b) requested the Secretary-General to meet the financial implications from the Working Capital Fund in conformity with relevant provisions of the Financial Rules and Regulations.

Any Other Business (Agenda Item 23)

222. *The Chairman informed members of the Committee that the Committee of 14 requested to consider the matter relating to the improvement of the working conditions of the OAU staff would no longer meet on 7 and 8 January 1992 as initially planned. However, consultations would be conducted between the Bureau of the Advisory Committee and the Secretariat to find ways and means of placing the issue before the Advisory Committee.*

223. *The message sent by the Secretary-General elect of the United Nations, Dr. Boutros Boutros Ghali, to the Chairman of the Advisory Committee was also read to the Committee.*

224. *During the general discussions, the OAU Secretary-General took the floor to inform the Committee that the Togolese Government had just communicated that it would not be in a position to host the next Session of the OAU Assembly of Heads of State and Government initially scheduled in Lome in June 1992 and that the Current Chairman of the OAU, General IBRAHIM BADAMASI BABANGIDA, President of the Federal Republic of Nigeria, had been informed. Consultations were underway with Member States in order to find the country that could host the next Summit. He concluded by reminding the Committee that the forthcoming Session of the Council of Ministers would be held in Addis Ababa from 24 to 28 February, 1992.*

225. *The Chairman of the Committee informed the members of the conclusions of the Working Group set up to consider the proposals on the improvement of conditions of service of the staff of the Organization.*

The Committee approved the following proposals:

- (a) *Increase of 15.50% of salary spread over two Financial Years for the staff of the General Services Category. The financial implications for the Financial Year 1992/92 would be US\$ 206,463.00. It would be the same for the Financial Year 1993/94.*

- (b) *Increase of 15.50% of salary spread over three Financial Years for the staff of the Professional Category. The financial implication for the Financial Year 1992/93 would be US\$ 360,672.00. It would be the same for the Financial Years 1993/94 and 1994/95.*
- (c) *Increase of 50% of the Housing Allowance Ceiling for the staff of the New York Office. The financial implication would be US\$ 97,800.00.*
- (d) *Increase of 30% of the Housing Allowance ceiling for staff of the Geneva Office. The financial implication would be US\$ 66,960.00.*
- (e) *A preferential exchange rate of US\$ 1.00 = SWF 1.95 for the Geneva Office. The financial implication would be US\$ 135,462.00 for the Financial Year 1992/93.*
- (f) *A preferential exchange rate of US\$ 1.00 = BF 55 for the Brussels Office. The financial implication would be US\$ 119,072.00 for the Financial Year 1992/93.*

226. *The total amount of the financial implications of those measures would be US\$ 986,429.00.*

227. *If that amount were added to the figure of US\$ 26,914,465.00 adopted for the Programme and Budget 1992/93 in which the financial implications of those measures were not included, the total amount of US\$ 27,900,894.00 would be reached. That would be a decrease of US\$ 243,727.00 (one per cent) over the expenses of the Financial Year 1990/91 increased by 10 per cent (US\$ 28,144,621.00).*

228. *After approving those measures, the Committee pointed out clearly that they were transitional measures and the whole issue of improvement of conditions of service of the*

of the Organization should be considered by Ad Hoc Committee of Fourteen on Structural Reform which should convene, as soon as possible, to consider them and make final proposals to the Advisory Committee at its Budgetary Session in November, 1992. The Committee finally stressed the fact that during its deliberations, the Committee of Fourteen should take into account the human, psychological, qualitative and material aspects which played an important and decisive role in the conditions of service.

229. *The Committee then pointed out the following amounts which should be deducted from the Draft Programme and Budget for the Financial Year 1992/93 before its apportionment among the Member States in conformity with the present Scale of Assessment:*

(a)	<i>Interests from bank deposits</i>	US\$ 400,000.00
(b)	<i>Sale of obsolete items and articles</i>	US\$ 40,000.00
(c)	<i>Miscellaneous income</i>	US\$ 30,000.00
(d)	<i>15% of Outstanding Contributions recovered during the Financial Year 1990/91</i>	US\$ 2,279,993.00
(e)	<i>Contribution for Namibia</i>	US\$ 163,481.00

		US\$ 2,913,474.00

230. *Thus, the amount to be apportioned among the Member States for the Financial Year 1992/93 was US\$ 24,987,420.00.*

231. *To conclude, the Committee expressed the wish that in future it be associated with the execution of the Secretariat Programmes and to that end, meetings be organised regularly between the Committee members and the Secretariat.*

232. *As all the agenda items had been exhausted, the meeting adjourned.*

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