



CO-ORDINATING COMMITTEE FOR THE LIBERATION OF AFRICA
(COMMITTEE OF ELEVEN)

COMMENTS ON THE BOARD OF AUDITORS' REPORT ON THE
SPECIAL FUND.

GENERAL:

The 14th Session of the Co-ordinating Committee for the Liberation of Africa took note of comments of the Board of Auditors on the Special Fund and instructed the Executive Secretariat to observe and adhere as far as possible to the Boards recommendations and suggestions.

It was recommended that the Board of Auditors' report on the Special Fund of the OAU Liberation Committee be presented separately from that of the General Fund. This method of presentation would go a long way to ensure the confidential handling of the report.

REVENUE:

The Co-ordinating Committee accepted the Board of Auditors' recommendation that "the Executive Secretary should address letters to Member States requesting them to pay up their contribution at the end of every three months".

Payment to Liberation Movements:

The recommendations of the Board of Auditors were noted. The Committee requested that Liberation Movements acknowledge receipt of money paid to them through an official receipt. It was noted that it was the practice of the Executive Secretariat to issue crossed cheques to Liberation Movements. During the period under audit, only two payments were made by open cheques under exceptional circumstances.

11. The points raised by the Board of Auditors have been noted. However, the Committee noted that the Executive Secretariat has so far put more emphasis in assisting Liberation Movements in their overall financial administration rather than auditing their accounts once in a while. This method was found to be more effective in effecting control of unnecessary expenditure by Liberation Movements. Liberation Movements also resent the checking of their accounts especially so when the subventions from the Committee represented a very small fraction of their total revenue.

12. Training Centres:

The Executive Secretariat would in future obtain certificates of expenditure from Member States concerned.

16. (2) The Committee was informed that a proper receipt was being obtained. It should be pointed out, however, that this matter was discussed by both the Advisory Committee and the 10th Session of the Council of Ministers and both meetings vouched that the receipt was enough evidence to show that the funds were received by the Movement.

16. (3) The expenditure for building storage facilities was approved by both the Standing Committee on Finance and the Conakry Session of the Liberation Committee.

16. (4) The order for material to Liberation Movements was placed to El-Nasr Import and Export Company through the U.A.R. Embassy in Dar es Salaam before the devaluation of the Sterling Pound and therefore, the prices quoted represented the value of the merchandise before devaluation. It was, therefore, only fair to pay the actual value of the materials to El-Nasr before devaluation.

Because there was no commercial payment agreement between the United Arab Republic and Tanzania, it is a law in Tanzania that goods imported from countries which have no payment agreements with Tanzania should be paid for before the arrival of the goods. As a matter of fact in these circumstances the Executive Secretariat was requested to open a Letter of Credit for the total value of the goods, and this was before devaluation. However, due to lack of funds the Secretariat was unable to do so. The Secretariat even tried to get the Government of Tanzania guarantee the Liberation Committee with a sum of £80,000. However, the Government was not in a position to do so but they allowed the goods to be brought in Tanzania. The Secretariat had, therefore, to pay each bill separately depending on the amount of funds available in the Account in the Bank and the goods paid for were immediately withdrawn.

All import and export agreements between Tanzania and other countries before devaluation had to be respected in accordance with the value of the Sterling at the particular day of the contract.

The Advisory Committee on Finance and Budgetary questions which recently met in Addis Ababa requested the Administrative Secretary-General of the Organization of African Unity and the Executive Secretary of the OAU Liberation Committee to sort out the legality of the transaction.

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