

CM/295

COUNCIL OF MINISTERS

Fourteenth Ordinary Session

Addis Ababa - February/March 1970

REPORT OF THE NINETH SESSION OF THE
ADVISORY COMMITTEE ON BUDGETARY AND
FINANCIAL MATTERS HELD AT AFRICA HALL,
ADDIS ABABA, FROM WEDNESDAY 10TH TO
FRIDAY 19TH DECEMBER, 1969

CHAIRMAN: The Gambia: H.E. Mr. B. O. Semaga-Janneh
High Commissioner of the Gambia to
Senegal.

RAPPORTEUR: Nigeria: H.E. Mr. Olu Sanu,
Nigeria Ambassador to Ethiopia.

REPORT OF THE MEETING OF THE OAU ADVISORY
COMMITTEE ON BUDGETARY AND FINANCIAL MATTERS

The OAU Advisory Committee on Budgetary and Financial Matters held its ninth Ordinary Session in the Africa Hall from 10th to 19th December, 1969. The Chairman was, as on former occasions, His Excellency, Mr. B. O. Semaga-Janneh, the High Commissioner of the Gambia to Senegal. In a brief speech he welcomed the members of the Committee and said that he wished that the Committee would, in the usual manner, address itself to the task before it in a spirit of brotherhood and cooperation. He reminded the Committee that among the matters it would consider were the OAU draft budget, the revised version of the report on OAU Structure and Salary Levels which the Secretariat was asked to submit and the Auditor's report covering the financial year 1968/69.

2. The Administrative Secretary-General of the OAU, Mr. Diallo Telli, welcomed the members of the Committee on behalf of the General Secretariat. He informed them that the Secretariat would, as usual, give its maximum cooperation to assist the Committee to finish its work as quickly as possible.

3. Adoption of the Agenda

The Committee adopted the following Agenda:

- (i) Opening statement by the Chairman of the Advisory Committee.
- (ii) Adoption of the Agenda.
- (iii) General statement by the Administrative Secretary-General.
- (iv) Consideration of a revised version of the report on the review of the Structure and Salary Levels of the General Secretariat.
- (v) Consideration of request to purchase a Residence for the OAU Administrative Secretary-General.
- (vi) Recommendation for appointment of members of Board of External Auditors by name based on experience and ability.
- (vii) Consideration of the Draft Budget for 1970/71.

- (viii) Proposed plan to establish a sub-office of the Co-ordinating Committee for the Liberation of Africa in Lusaka.
- (ix) Consideration of the Medical Claims by Mr. G. Bresson, First Vice-President of the Commission of Mediation, Conciliation and Arbitration.
- (x) Consideration of the review of the Staff Rules and Regulations pertaining to annual leave for the OAU staff members.
- (xi) Request for funds to enable the General Secretariat to implement a Resolution on the study by the Committee of Seven on the mandate, structure and composition of the Co-ordinating Committee for the Liberation of Africa (Document CM/Res.205(XIII) refers).
- (xii) Proposed establishment of OPD staff clinic.
- (xiii) Consideration of Financial report for the Financial Year 1968/69.
- (xiv) Consideration of the Report of the Board of Auditors and the comments of the General Secretariat on the same report.
- (xv) Any other business.

4. The draft Agenda submitted by the Secretariat included an item entitled "Recommendation to decrease by a certain percentage, for a particular year or years, contribution to the regular budget by a member state which is a victim of a big disaster." The Committee said it was not appropriate for it to discuss this item and that to accept such a proposal would raise many problems for the Organization. The Committee AGREED that the item be deleted. It requested the Secretariat, if it thought it necessary, to put on the Agenda for the Council of Ministers at its next session, an item, "assistance to member states which are in financial distress as a result of national disaster or forces beyond its control." The Committee felt that the Council was more competent than the Advisory Committee to discuss and submit a recommendation to the Assembly of Heads of State and Government on such a matter. The General Secretariat accepted

this advice and said it would work out proposals, spelling out the financial implications, for submission to the Council of Ministers through the Advisory Committee.

5. Organization of Work

The Committee agreed to work according to the following timetable:

10 a.m. to 1.00 p.m.

4 p.m. to 7.00 p.m.

The Committee agreed to hold night sessions when this became necessary.

6. The Committee decided to discuss the items not serially but first those on which documents had already been submitted by the Secretariat. More especially, the Committee agreed to dispose of the small items before the major ones.

7. At this juncture, the Administrative Secretary-General took the permission of the Chairman to make an announcement. He read out a telegram which the Charge d'Affaires of the Cameroon in Addis Ababa had received from his Government requesting the Advisory Committee to recommend to the Council of Ministers to give further subvention to the Supreme Council for Sports in Africa. The Charge d'Affaires sought the permission of the Committee to attend its meeting as an observer so that he could defend the request of the Supreme Council.

8. The Committee felt that the Secretary of the African Sports Council should have arranged to appear before it in person to explain, by showing relevant documents, how the Council spent the previous subvention given to it. The Committee however DECIDED to permit the Charge d'Affaires of the Cameroon to follow the debate of the Committee as an observer. The Committee further AGREED that the item be put on the Agenda of the Council of Ministers at their 14th Session next February.

9. Consideration of the Medical Claims by Mr. G. Bresson
First Vice-President of the Commission of Mediation,
Conciliation and Arbitration

The Committee then proceeded to consider the claim of Mr. G. Bresson, the First Vice-President of the Commission of Mediation, Conciliation and Arbitration. Many members of the Committee felt that since Mr. Bresson went to Naples for convalescence they did not see how he should be entitled for refund of the air fares as shown in his claim. At his request Mr. Bresson appeared before the Committee. He argued at length that he travelled to Naples on the advice of his doctor in Brussels in order to continue taking treatment and not for convalescence. He said if he had stayed in Brussels for treatment he might be obliged to live in the hospital, and in that case it would be more expensive for the Organization. After the Committee had listened patiently to Mr. Bresson's explanation, it requested him to leave the room so that it could decide on the matter. The Committee, during its discussion noted that there was no supporting evidence from the Doctor that Bresson's trip to Naples was a continuation of his medical treatment. The Committee therefore unanimously DECIDED that it saw no reason why it should reverse the previous decision of six of its members who were resident in Addis Ababa to the effect that Mr. Bresson's claim was not justified. The Committee requested the Secretariat to convey its decision to Mr. Bresson.

10. Consideration of request to build a Residence for the
OAU Administrative Secretary-General Document CM/299

The Secretary-General introduced this document saying that the request was based on very sound economic principles. He pointed out that through the generous co-operation of His Imperial Majesty and the Ethiopian Government, there may be a possibility that a piece of land will be donated on which to build official residence for the Secretary-General. He argued that it would be cheaper in the longrun to build a house befitting the status of the Secretary-General than to continue to pay US.\$9,600 per annum which was the rent of his present residence. It was calculated that about US.\$70,000 must have been spent on the present rented house of the Secretary-General if one included costs of furniture and repairs. The Committee was shown the plan of the residence proposed for the Secretary-General. It was estimated that it would

cost US.\$70,000 to build. A senior architect who presented the plan of the building, was at the meeting of the Committee to give explanation on the plan if it was thought necessary. He said that it was usual to vote 10% of the estimated cost of a building to meet any unforeseen expenses. The total amount to be voted for the Secretary-General's residence would therefore be US.\$77,000. The US.\$7,000, representing 10% of the net estimate, would be returned to the coffers of the OAU in case it was not needed. The Advisory Committee AGREED unanimously to recommend the construction to the Council of Ministers. In making this recommendation, the Committee was aware of its previous recommendation in Document CM/271/Rev.1, in which it suggested that if and when the Council of Ministers accepted the proposals on new structure, the Secretary-General would receive annual rent allowance of US.\$5,000 and would no more be entitled to free accommodation. The Committee was of the view that if the Council of Ministers agreed to build a house for the Secretary-General, the question of his rent allowance would no longer arise. The Secretariat explained that the total estimated cost of US.\$77,000 for the building could conveniently be obtained from the savings in the 1968/69 Budget which was more than sufficient for this purpose. As the house could be built within six to eight months, according to the view of the Senior Architect, if the building started now or any time early in the next financial year, it would be possible to save part of the item on the rent and maintenance of residence of the Secretary-General in the 1970/71 Budget.

11. Recommendation for the appointment of members of Board of External Auditors by name based on experience and ability

The Committee discussed this matter very briefly and DECIDED that it was not competent to give any recommendation on it. It took note of the suggestion of the Board of External Auditors that the same members be allowed to serve on the Board for

a fixed period of time, to ensure continuity. The Committee agreed with this suggestion and hoped that the Council of Ministers would urge countries to allow their officials to stay on the job for the duration of their membership on the Board.

12. Proposed Plan to Establish a sub-office of the Co-ordinating Committee for the Liberation of Africa in Lusaka.

The Secretariat submitted the above proposal in Document CM/300. The Committee AGREED that the sub-office be established with 1 Director on P4 Step I, 1 Assistant Director on P3 Step I and auxiliary staff. It ACCEPTED a budget of US.\$ 35,140.00 to cover the services of the office for the year 1970/71. This amount did not include rental for office accommodation because it was expected that the Government of Zambia would provide this free. The Committee asked the Secretariat to approach the Government of Zambia to assist by providing free office accommodation so that this could offset part of the cost of running the sub-office. The Committee recalled with appreciation that its desire for the Government of Zambia to be good enough to provide free accommodation for the above OAU office was in keeping with the normal tradition whereby all the member states hosting OAU offices provided free accommodation for them.

13. Consideration of the Review of the Staff Rules and Regulations pertaining to annual leave for the OAU Staff Members - Document CM/303

The Committee did not feel able to accept the proposal of the Secretariat that OAU staff should be entitled to 6 weeks' leave in a year including all public holidays. The Secretariat based its proposal on what obtained in other international organizations, like the ECA, and the practice of many member states. But the Committee ACCEPTED the interpretation that 28 days' leave to which each OAU staff was entitled annually, in accordance with Article I, Chapter 4 of Staff Rules and Regulations, should mean WORKING days.

14. Request for funds to enable the General Secretariat to implement a Resolution on the study by the Committee of Seven on the mandate, structure and composition of the Co-ordinating Committee for the Liberation of Africa (Document CM/Res.205 (XIII) refers)

The Secretary-General introduced the document and said that the Secretariat doubted very much whether the Committee of 7 would have to visit all the 41 member states in order to carry out their task. He argued that such a trip would be a very expensive exercise. The Advisory Committee shared the view of the Secretary-General in this regard and RECOMMENDED that:

- (i) The Secretariat should write to all member states requesting them to make available to the Secretariat, as soon as possible, whatever facts they had which would be useful to the Committee of 7.
- (ii) Members of the Committee of 7 should arrive 4 days before the meeting of the Council of Ministers next February to discuss among themselves their programme of work. By arriving before the Council of Ministers the meeting of the Committee could be serviced by some of the technical staff who would be recruited to service the meeting of the Council of Ministers. If the Committee of 7 decided to visit all or some of the member states, the full financial implication of these visits would be brought to the Council at its February session for approval. The Secretary-General told the Committee that the Secretariat would withdraw its proposal on the budgetary allocation for the Committee of 7 and would submit a fresh one based on the recommendation of the Advisory Committee on the timing of the meeting of the Committee of 7.

15. Proposed Establishment of OPD Staff Clinic

The Secretariat introduced this document and explained that since it had a qualified medical officer on its staff, and would soon recruit two more, it considered it a good idea if the doctors could use part of their time to treat minor ailments of the staff and their families in the proposed clinic. In this

way there could be savings for the OAU in medical bills. Many members of the Committee wondered why the Secretariat could not go the whole hog by putting up a suggestion to employ a full fledged doctor for the clinic. The Committee asked the Head of the Health Bureau to clarify a number of points which he did to the satisfaction of the members. He estimated that a sum of US.\$ 3,500.00 would be enough to buy the basic medical equipment for the clinic. Recurrent expenditure for buying emergency drugs and other non-durable items like bandages, thermometers, disposable tongue depressors, suturing materials etc was estimated to be US.\$ 3,000. The total estimate including salaries for the staff was US.\$ 8,736. The Committee, therefore, DECIDED to recommend the proposal to the Council of Ministers and suggested that staff of African Embassies in Addis Ababa, with their families, should avail themselves of the existence of the clinic. The Secretariat welcomed the suggestion.

16. Consideration of a revised version of the report on the review of the Structure and Salary Levels of the General Secretariat

The Administrative Secretary-General introduced the document. He said the Secretariat took great pains to prepare it so that it would give the member states a simple, concise and readable report, which in spite of brevity, contained all the information needed. The report was as a result of full consultation between all the senior staff of the OAU. The Secretary-General explained that it was made up of three parts. The first and second parts contained respectively the recommendations of the Sub-Committee of Experts and those of the Advisory Committee on Budgetary and Financial Matters. The third part contained the views and concrete proposals of the Secretariat on all the issues raised in the previous papers on the subject of the OAU Structure and salary levels. The Secretary-General said that although the Secretariat was not obliged to submit its revised version of the report on Structure and Salary levels to the Advisory Committee it preferred to so (i) because of the financial implications of the report, and (ii) in order to benefit from the comments and recommendations of the Committee. The Secretary-General reminded the Committee that when he raised issues which led to the establishment of Experts to report on OAU Structure and Salary Levels, he was much more

concerned with increasing the salaries of staff, which remained static since they were fixed, with reference to corresponding but lower U.N. scales of salaries, in 1965. He said he was not at all concerned with the Structure which he found, after 6 years of experience, workable and flexible to meet all eventualities. The Secretary-General, welcomed any constructive proposal which would improve the existing structure. He appealed to the Committee to give serious consideration to the report submitted by the Secretariat and insisted that any increase of salaries which the Council of Ministers, at its 14th Session in February, would be kind enough to accept, should come into effect from 1st June, 1970.

17. There was prolonged debate by the members of the Committee on whether the report submitted by the Secretariat was in fact a revised version of the Report on Structure and Salary levels as the Assembly of Heads of State and Government, on the recommendation of the Council of Ministers, requested the Secretariat to prepare. Some members of the Committee argued that the report merely contained, among other things, a summary of the recommendations of the Advisory Committee at its previous session, on the same matters. These members concluded therefore, that there was no point for the Committee to pronounce on matters on which they had already given their views. It was also felt that the Secretary-General had concerned himself mostly with salary scales, whereas the original terms of reference of the Committee requested it to effect savings also.

18. After lengthy debate on this matter the Advisory Committee DECIDED to take note of the report and requested the Secretariat to send it, with all the annexes, to member states before 31st December, 1969 for consideration in accordance with the recommendation of the Council of Ministers and approved by the Assembly of Heads of State and Government. The Secretary-General took note of all the suggestions made by several members of the Committee during the debate and informed the Committee that he would submit, direct to member states, a revised version of the report on Structure and Salary levels by taking into account all the suggestions made by the Committee.

19. The Commission of Mediation, Conciliation and Arbitration

The Commission wanted the Committee to discuss and endorse their intention to convene in Addis Ababa a meeting of all the members of Commission. There was a heated debate on this matter and the Committee pointed out that since there was no financial allocation for the meeting in the current budget, it was irregular for the Commission to convene a full meeting of all the members without consulting the Resident Members of the Advisory Committee. The Committee refused to endorse the convening of the meeting. It should be pointed out that the meeting of the full membership of the Commission would cost the OAU US.\$ 23,500 and that each member was to receive a 'per diem' allowance of US.\$ 100 while he attended the meeting.

20. The Committee also discussed the claims of the two Vice-Presidents of the Commission in respect of:

- (i) trips they undertook; and
- (ii) a taxi hired by the Second Vice-President.

In the first case, the two Vice-Presidents had already undertaken some trips, ostensibly for official missions, and they wanted the Committee to approve that they be refunded costs of air tickets and per diem allowance. The First Vice-President, Mr. G. Bresson, visited Ivory Coast, Upper Volta and Niger and his total claim, air fares and per diem allowance, came to US.\$ 1,219.72. The Second Vice-President Mr. R. J. Benjamin visited Lusaka (Zambia) and his total claim added up to US.\$ 787.20. The total claims amounted to US.\$ 2,000.92. In the second case, the Second Vice-President, Mr. R. J. Benjamin, wanted a refund of US.\$ 784.30 which was the cost of his hiring a taxi when his official car was in a garage for repairs as a result of an accident. The Committee discussed the second matter fairly briefly and AGREED that the Second Vice-President be refunded the necessary amount. The Committee, however, pointed out that in future the General Secretariat should endeavour to provide a car for temporary use in cases such as this, in order to avoid unnecessary expenditure. There was very long debate on the first item and the Committee asked for more

clarification on the nature of the mission undertaken by the two Vice-Presidents. They told the Commission that because only US.\$ 1,000 was provided in 1969/70 budget of the Commission for official missions and that this amount was not sufficient to cover the expenses of the two trips, the Commission should have brought up the matter, in the first instance, before the Resident Members of the Advisory Committee before the two Vice-Presidents undertook their respective trips. The Committee DECIDED that since the claim of the Second Vice-President, Mr. R. J. Benjamin, was US.\$ 737.20 only, they could use the US.\$ 1,000.00 which was provided for official mission to settle this claim. The Commission should thereafter seek the authority of the Resident Members of the Advisory Committee for the refund of the claim of the First Vice-President.

21. Consideration of the Draft Budget 1970/71
Document CM/302

The Secretariat submitted the draft budget in two parts, Document CM/302 and an Annex. The first contained the normal budget proposals with increments and provision of a few new posts, all as a result of natural expansion of the service. The Annex contained the recommendations of the Advisory Committee, at its 8th Session, on some structural changes of the Secretariat and increases of emoluments for the staff. It would be recalled that the Advisory Committee on Budgetary and Financial Matters, at its 8th Session, which was held in Addis Ababa from 15th to 21st August, 1969, recommended to the Council of Ministers at its thirteenth Ordinary Session, held in Addis Ababa from 27th August to 6th September, 1969, some structural changes of the OAU and increases of emoluments for the staff. These recommendations were based on the report of the Sub-Committee of Experts which was established to look into the Structure and Salary Levels of the OAU. The Council of Ministers debated the recommendations of the Advisory Committee at length and decided to defer taking final decision on them till the 14th Session of the Council which would start on 27th February, 1970. The Secretariat decided that it would be a better presentation if it submitted the budget proposals for the Financial Year 1970/71 in two parts namely: The Ordinary budget (which is contained in Document CM/302) and an Annex which contained the full financial

implications of the recommendations of the Advisory Committee on Structural changes of the Secretariat and increases of emoluments for the staff. The Ordinary budget as accepted by the Advisory Committee at its 9th Session is shown in Document CM/302/Rev.1 and the financial implications of its recommendations on Structural changes of the Secretariat and increases of emoluments for the staff are embodied in the Document CM/302/Rev.1, Annex entitled "Annexes to Draft Estimates for the Financial Year 1st June, 1970 to 31st May, 1971". The idea is that once the Council of Ministers accepts the proposals in the Annexes, they will be incorporated into the main budget.

22. The budget was discussed paragraph by paragraph and the Committee, as usual, either accepted the proposals submitted by the Secretariat or amended them in the ways it thought necessary. In accordance with previous decision of the Council of Ministers, the 1970/71 budget of the Commission of Mediation, Conciliation and Arbitration was considered as part of the over-all budget of the General Secretariat. The budget estimate submitted by the Secretariat was US.\$ 3,025,900.16 and the one submitted by the Commission was US.\$ 220,087.00 making a total of US.\$ 3,245,987.16. It should be pointed out that the above figure of US.\$ 3,025,900.16 of the budget proposed by the Secretariat for its services included proposals for the establishment of the OAU office in Santa Isabelle, Equatorial Guinea, which were submitted later by the Secretary-General. Due to the temporary nature of the office in Santa Isabelle, the budget proposals for this office, with explanatory note, is submitted as an addendum to the main budget.

23. The proposal by the Secretariat to establish an OAU office in Santa Isabelle evoked lively discussion. Many members of the Committee expressed the view that it would be better to second officers from the Secretariat to work in Equatorial Guinea rather than recruiting permanent staff for this purpose. The Secretary-General replied that he could not spare staff for such secondment without impairing the work of the Secretariat. The Committee after long debate, approved the proposals to establish OAU office in Santa Isabelle but reduced the staff to a minimum. The amount originally proposed was US.\$ 59,074.00, the Advisory Committee approved US.\$ 46,804.00.

24. At the end of the discussion on the draft budget, the Committee AGREED to recommend to the Council of Ministers a budget of US.\$ 2,466,446.80 for the services of the OAU Secretariat, including the Mediation Commission and all the Regional Offices, for the Financial Year 1970/71. This is US.\$ 779,540.36 less than the figure proposed by the Secretariat or 24.01% reduction. When the recommended budget is compared with the current one of US.\$ 2,401,209.00, it is US.\$ 65,237.80 or 2.64% increase over the current budget. The draft budget as recommended by the Advisory Committee is contained in Document CM/302/Rev.1. In the Document CM/302/Rev.1 Annex VI, found at the end of CM/302/Rev.1 Annex, there are the following vital figures:-

(i)	Total 1970/71 Draft Budget showing normal growth only including addendum I	US.\$ 2,466,446.80
(ii)	5% General Increase, Additional non-resident allowance and Post Adjustment allowance based on above regular budget (Annex III of Document CM/302/Rev.1 Annex refers)	US.\$ 92,661.66
(iii)	Increase as a result of proposed Structural changes - i.e. difference in salary between 1970/71 Draft Budget and Proposed New Structure (Annex I of Document CM/302/Rev.1 Annex refers)	US.\$ 15,080.00
(iv)	5% increase and Post Adjustment allowance on difference in salary between 1970/71 Draft Budget and Proposed New Structure above (Annex IV of Document CM/302/Rev.1 Annex refers)	US.\$ 1,357.20
(v)	Total 1970/71 Draft Budget if the Council of Ministers adopts proposals (i) to (iv) above - Increase of US.\$ 174,336.66 or 6.76% over the current 1969/70 budget	US.\$ 2,575,545.66
(vi)	Anticipated savings if Mediation Commission is made Ad-hoc with effect from 1/11/70 but retaining the Registrar and Accounts Clerk (Annex V of Document CM/302/Rev.1 Annex refers)	US.\$ 69,171.70
(vii)	Total 1970/71 Draft Budget if the Council of Ministers further adopts proposal (vi) above - Increase of US.\$ 105,164.96 or 4.19% over the current 1969/70 budget	US.\$ 2,506,373.96

25. When the Committee was discussing the proposals, already accepted by the Advisory Committee, that the Directors of Department be upgraded from P4 to P5, as part of the Structural re-organization of the Secretariat, the First Vice-President of the Mediation Commission requested the Committee to treat the Registrar of the Commission at par with Directors of Departments, in other words, he too should be upgraded from P4 to P5. He argued that the Registrar was for the Commission what the Directors were for the General Secretariat and furthermore the present incumbent was a man of considerable experience and ability. The Committee AGREED that if the Council of Ministers accepted the recommendation that the Directors of Departments be upgraded from P4 to P5, the Registrar of the Commission should automatically be upgraded from P4 to P5 so that he would be at par with the Directors of the Department.

26. Consideration of the Report of the Board of Auditors and the Comments of the General Secretariat on the same report - Document CM/297

The Chairman of the Board of Auditors introduced the above document. He said the report of the Board was in two parts namely:

- (i) Accounting and Financial Organization of the General Secretariat.
- (ii) Annexes: Reports on Regional and Sub-Regional Offices.

The Secretary-General explained that this year the Secretariat did not find it necessary to submit written comments on the Auditors' report on the General Secretariat because the Auditors, unlike in the previous years, worked closely with the Secretariat. The Secretariat was able to satisfy them practically on all the points which would have been subject of adverse comments in their report. The Secretary-General hoped that the Committee would, this time, be able to accept the Auditors' report.

27. In the course of discussing the report, the Committee wanted to know the principle governing (i) granting of advances to OAU staff and (ii) financing by OAU of conferences hosted by member states outside the Headquarters of the OAU. On (i), the

Secretary-General explained that the Secretariat had rules, which worked satisfactorily, on granting advances. On (ii), the principle is that the host countries paid the difference between what the conference would cost if held at headquarters and what it would cost if it were held outside Addis Ababa. In case of advances to staff of the OAU, the Committee urged the Secretariat to adhere strictly to the rules and to see to it that new advances were not given until the old ones were retired. Secondly, the amount for car advances should be graded in such a way that junior officers are not put into financial debt. With regards to the outstanding amounts owed by Governments who played host to the OAU, the Committee was satisfied that the Secretary-General was doing his best to collect these amounts. Nevertheless, the Committee urged that a very sound procedure should be established for refunding to the OAU as quickly as possible money owed by a member state as a result of its playing host to a conference outside the OAU Headquarters.

28. The Committee considered the recommendation of the Board of Auditors to the effect that the Internal Auditor should check all payments before they were made in order to ensure that the payments were consistent with the Financial Rules and Regulation and that there were sufficient funds for such payments. The Committee took note that that was the procedure at present and the Secretary-General explained that it worked well. The Committee AGREED that the work of the Internal Auditor was also to check all irregularities and advise the Secretary-General on how they could be corrected. The Advisory Committee then took note of the report of the External Board of Auditors and decided as follows:

- (i) It RECOMMENDED to the Council of Ministers, the appointment of an Internal Auditor, to be based in Dar-es-salaam and responsible to the Secretary-General, to audit the account of the Liberation Committee as suggested by the Auditors.
- (ii) It REQUESTED the Secretary-General, among other things, to increase the staff of the Finance Section and to replace those that appeared inefficient with efficient officers, all with a view to improve the performance of this vital

organ of the Secretariat. The Auditors further REQUESTED the Secretary-General to submit a report on this matter to the Council of Ministers.

- (iii) It further REQUESTED the Secretary-General to send copies of the Auditors Report to all the Regional Offices asking them to send to him their written comments on matters in the Report affecting their offices. Having received these reports, he should submit his own report on the matter to the Council of Ministers.
- (iv) It also REQUESTED the Secretary-General in particular to ask the Executive-Secretary of the Liberation Committee to explain why there were so many persistent irregularities concerning salary advances and flagrant violations of rules and regulations, as pointed out in the report of the External Board of Auditors, in spite of previous recommendations on these matters. The Secretary-General is to submit a report on this matter to the Council of Ministers.

29. The meeting of the Advisory Committee ended on 19th December, 1969. The Committee AGREED to meet on Tuesday 24th February, 1970, at 4 p.m. before the 14th Ordinary Session of the Council of Ministers beginning 27th February, 1970 in order:

- (i) To consider Financial Report of the OAU for the Financial Year 1968/69.
- (ii) To consider the final draft Budget.
- (iii) To adopt the Rapporteur's report.
- (iv) To consider a report by the Secretary-General on the steps he has taken to implement the recommendations of the Board of External Auditors.
- (v) To consider a recommendation by the Advisory Committee that the total amounts up to 31st May 1970 which the OAU owes to its staff in respect of Pension Fund as adopted by the Assembly of Heads of State and Government, at its third Ordinary Session, held at Addis Ababa from 5th to 9th November, 1966 (Document CM/121/Rev.1) be obtained from the Working Capital Fund.

1970-02

Report of the ninth session of the
Advisory committee on budgetary and
financial matters held at Africa Hall
,Addis Ababa ,from Wednesday 10th
to Friday 19th December ,1969

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