



ADDIS ABABA

CM/355/Rev.1/Add.1

COUNCIL OF MINISTERS
Sixteenth Ordinary Session
Addis Ababa - June 1971

REPORT OF THE TWELFTH SESSION OF THE ADVISORY COMMITTEE
ON BUDGETARY AND FINANCIAL MATTERS

VENUE General Secretariat - Addis Ababa

DATE Thursday, 10th June, 1971

CHAIRMAN: The Gambia: H.E. Mr. B.O. SEMAGA-JANNEH
High Commissioner of the Gambia to the UK.

RAPPORTEUR: Nigeria : H.E. Mr. OLU SANU
Nigerian Ambassador to Ethiopia.

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

1. The Advisory Committee on Budgetary and Financial Matters held its Twelfth Ordinary Session in the Conference Room of Building "A" at the OAU Headquarters, Addis Ababa. The meeting was attended by all members of the Committee under the Chairmanship of H.E. Mr. B.O. Semaga-Janneh, High Commissioner of the Gambia to the United Kingdom.

2. The Chairman opened the meeting by welcoming the members. The Secretariat explained that the meeting had been called to review old and new proposals for addition to the 1971/72 budget proposed to the adjourned February 1971 sitting of the Sixteenth meeting of the Council of Ministers.

CORRIGENDUM TO CM/355/Rev.1:

3. The Committee agreed to delete section 2 of paragraph 55 of document CM/355/Rev.1 which reads - "2. that Resident members of the Committee should consider proposing a Chairman among them", but which had never been discussed during the Committee's eleventh meeting.

4. The following APPLICATIONS FOR SUBVENTIONS were received from African Organizations:

	<u>Amount of subvention</u>
a) Supreme Council of Sport	US\$ 90,000
b) Pan-African Youth Movement	75,000
c) Centre for Oral Tradition(Niamey).	43,000

5. The Committee heard verbal representations from representatives of the Secretariat of the Supreme Council of Sport and the Pan-African Youth Movement. The representatives also answered questions put to them by the Committee members regarding the level of their budgets, their accounting, auditing procedures, and other sources of revenue.

6. During the general discussion on subventions to other organizations, the Committee reaffirmed that the following CRITERIA should be recommended as basis in considering applications for subventions in future:-

- (i) Applicants must detail their other sources of revenue and submit their proposed budgets and their Members' assessment together with their applications.
- (ii) Applying Organizations must detail their constitutions, memoranda or articles of associations, so that their objects can be clear to the Council of Ministers.
- (iii) Applicants should produce evidence of adequate arrangements for auditing of their accounts particularly where a previous OAU subvention was granted, details as to how it was spent must be submitted.
- (iv) To be granted a subvention, the organization applying for it must have been previously accorded observer status.
- (v) The applying organization's proposed programme of action must not be a duplication of functions already performed by the OAU.

7. The Committee however considered the applications for subventions that had been presented and decided to recommend to the Council of Ministers that subventions be granted as follows:-

(a)	Supreme Council of Sport	US\$90,000
(b)	Pan-African Youth Movement.. ...	15,000
(c)	Centre for Oral Tradition(Niamey) ...	Nil

8. The Committee did not recommend to grant any subvention to the Centre for Oral Tradition (Niamey) because it was not quite certain that the work proposed for the centre would not be a duplication of functions already being performed by some sections of the OAU.

OFFICIAL RESIDENCE OF THE SECRETARY-GENERAL

9. The Secretariat read the letter from the Ministry of Public Works to the Secretary-General in which it was indicated that the cost of the proposed official residence of the Secretary-General had increased to nearly US.\$ 200,000 as compared to original estimate of cost amount to US.\$ 77,000. The Minister of Public Works of the Ethiopian Government and the project architect explained that the difference was mainly due to two reasons. Firstly, the original estimate was based on a smaller plan and that, secondly, the earlier estimate was made without the bills of quantities having not been completed.

10. The Committee finally agreed to recommend that the Secretary-General's official residence should not be luxurious and that the maximum cost of building it should not exceed US.\$100,000.

REQUESTS OF THE GENERAL SECRETARIAT

11. The Secretariat drew the attention of the Committee to the estimates of UNFORESEEN 1970/71 EXPENDITURE on the following items:

- | | |
|---|--------------|
| (a) OAU Mission to Western countries led by
H.E. President Kaunda | US.\$ 13,751 |
| (b) OAU Extra-ordinary meetings in Lagos -
December 1970 | US.\$ 21,210 |
| (c) Namibia Case | US.\$ 67,650 |
| (d) Cost arising from adjournement of 16th meeting
of the Council of Ministers | US.\$ 5,024 |

The Secretariat revealed that the above i.e. the sum of US. \$ 107,635 involved would be absorbed under the 1970/71 budget provided Member States paid their full contributions and that, therefore, need no longer existed for this amount to be provided in the 1971/72/^{proposed} budget. The Committee AGREED that the amount should not be included in the 1971/72 budget.

ECONOMIC AND SOCIAL AFFAIRS DEPARTMENT - Account Code

12. To implement decision CM/219/XV and, in this connection, to finance a meeting of the Committee of Eight Experts to study the OAU programme of priorities in the economic and social fields, the Secretariat requested an additional US.\$10,000. The Committee decided to recommend US.\$6,000.

DEPARTMENT OF POLITICAL AFFAIRS - Account Code.....

13. Because the Defence Commission could not sit concurrently with the Seventeenth meeting of the Council of Ministers due to the heavy agenda of this Council Session and the fact that the Defence Commission Report arising from its meeting of December, 1970, required some time to read through and consider, the Secretariat requested US.\$17,700 to cover a subsequent and separate meeting of the Commission.

+that

The Committee decided to recommend/US.\$3,000 be provided instead and that the next Defence Commission meeting should sit concurrently with the eighteenth meeting of Council of Ministers in order to minimize costs.

14. The following proposals were finally agreed to by the Committee as OTHER ADDITIONS TO THE 1971/72 PROPOSED BUDGET:

- (a) Account code Financial implications of appointing one or more African experts to study the administrative structure of the General Secretariat (Reference Decision CM/Dec.117/XV and document CM/365) - US.\$4,360.
- (b) Account code Financial Implications of setting up a committee of nine specialists to prepare and submit to the Council of Ministers a draft Convention or Conventions on Co-operation in Legal Matters (Reference document CM/366 - US.\$6,339.
- (c) Account code 100 Salary upgrading for Chief of Finance (to eliminate anomaly) - US.\$ 441.

REQUEST OF THE S.T.R.C. (LAGOS) EXECUTIVE SECRETARIAT
TO REVIEW 1971/72 BUDGETARY PROPOSALS PRESENTED TO
COUNCIL OF MINISTERS AT THE 16TH SESSION

15. The Executive Secretary revealed that by rehashing and correction of omissions in the 1971/72 proposed budget which had been presented to the Committee during his absence, an extra US.\$63,000 would be required.

Many Committee members expressed the view that they were against last minute and mid-stream proposals.

The Committee did not accept the Executive Secretary's request, except that an additional US.\$151 was recommended in order to correct a typing error.

REQUEST OF EXECUTIVE SECRETARY OF LIBERATION COMMITTEE
FOR ADDITIONAL PROVISION IN 1971/72 BUDGET

16. Code 707: An additional US.\$2,000 was requested to enable the purchase of a new replacement car.

The Committee decided to recommend US.\$ 1,000 instead.

TOTAL OF PROPOSED 1971/72 BUDGET

17. The Committee finally recommended to the Sixteenth Council of Ministers a total budget of US.\$3,076,666 (Assessment total)- thus

Original budget	US.\$ 2.950.375
Twelfth Committee additions	<u>US.\$ 226.291</u>
	US.\$ 3.076.666
Anticipated revenue	<u>US.\$ 52.000</u>
	<u>US.\$ 3.128.666</u>

18. The summary of the items of the proposed 1971/72 budget is contained in document CM/356/Rev.3/Annex 1,

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