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**EXECUTIVE COUNCIL
Thirty-Second Ordinary Session
22 – 26 January 2018
Addis Ababa, ETHIOPIA**

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**REPORT OF THE PRC SUB-COMMITTEE
ON STRUCTURAL REFORMS**

REPORT OF THE PRC SUB-COMMITTEE ON STRUCTURAL REFORMS

A. Introduction

1. The PRC Subcommittee on Structural Reforms met on December 6, 2017 in the African Union Commission and was chaired by His Excellency Mr. Arcanjo Maria do Nascimento, Ambassador Extraordinary and Plenipotentiary/ Permanent Representative of the Republic of Angola to Ethiopia, the African Union and the UNECA. His Excellency is the Chairperson of the Sub-Committee.

2. This Meeting considered four structural propositions submitted by the Commission for consideration. Namely:

- a) Proposed structure of the Africa Centre for Disease Control and Prevention (Africa CDC)
- b) Proposed the structure of the African Institute for Remittances (AIR)
- c) Proposed relocation and structure of the Economic, Social and Cultural Council (ECOSOCC)
- d) Proposed amendment on the structure of the Inter-African Bureau of Animal Resources (IBAR).

B. Sub-Committee on Structural Reforms Composition

3. Members of the Bureau:

- Angola (Chairperson)
- S.A.D.R. (1st Vice-Chairperson)
- C.A.R. (2nd Vice-Chairperson)
- Senegal (3rd Vice-Chairperson)
- Seychelles (Rapporteur)

Membership

4. The Permanent Representatives' Committee, during its 24th Ordinary Session held in Addis Ababa, Ethiopia, in July 2012, agreed "*that the Sub-Committee on Structures should be open to all Member States as a "Sub-Committee of the Whole" instead of a Committee of Fifteen. [Paragraph 37(ii) of the Report of the PRC - PRC/Rpt(XXIV)].*"

C. Attendance

5. In attendance were 28 Member States, namely:

Algeria	Morocco
Angola	Namibia

Burkina Faso	Niger
Burundi	Rwanda
Chad	Sahrawi Republic
Comoros	Senegal
Equatorial Guinea	Seychelles
Ethiopia	Sierra Leone
Gabon	South Africa
Gambia	Sudan
Libya	Togo
Madagascar	Zambia
Mali	Zimbabwe
Mauritania	

6. The Commission was represented by:

- Administration and Human Resources Management Directorate (Secretariat)
- Africa CDC
- CIDO
- DREA, and
- AIR representatives.

7. The **Assembly Decision /AU/Dec.499 (XXII)** adopted at the 22nd Ordinary Session of the Assembly held in Addis Ababa, Ethiopia, in January 2014 stressed the urgency of establishing the Africa CDC and requested the Commission to submit a report to the Assembly in January 2015 that will include the legal, structural and financial implications of the establishment of the Centre. The Statute of the Africa CDC and its Framework of Operation were adopted in January 2015 by **Assembly Decision Assembly/AU/Dec.554(XXIV)**. The Commission is therefore submitting the required proposals to this subcommittee for consideration. The Commission proposed a total of 65 Regular Posts including one Director, 5 support staff with a total financial implication of USD 6,291,588.36. The Implementation is proposed into three phases so as to reduce the financial burden on Member States.

8. The African Union Commission was tasked by the Assembly to work on the modalities for structures and location of the African Institute for Remittances (AIR) in July 2012 (**Assembly/AU/Dec.440 (XIX)**). It is to be recalled that the offer of the Republic of Kenya to host the Institution has been adopted through the Executive Council Decision in January 2014 (**EX.CL/Dec. 808(XXIV)**). The Commission has worked on a proposal of an operating model and its financial implications that is submitted to this sub-committee for consideration. The proposed structure of the Institute is 18 Regular Posts including an Executive Director, 10 Professional, 6 General Service staff and a Sr. Policy Officer - Remittances within the Department of Social Affairs, AUC with a financial implications of USD1,260,048. The Implementation is proposed into three phases.

9. It is to be recalled that the Commission was requested, through Executive Council **EX.CL/Dec.1031(XXXI)** Decision, to establish a dedicated secretariat body of the ECOSOCC and provide an evaluation report on the relocation of the Organ including the structural, legal and financial implications to the PRC. The Commission has therefore submitted the report including the legal, financial and structural implications to the consideration of the PRC subcommittee on Structural Reform. The Commission proposed that ECOSOCC's structure shall be composed of thirty-three posts, comprising four managerial level positions at P5 and above, two unit head level posts (P3), seven senior officer positions (P3), ten professional officers (P2) and ten support posts under the General Service category. The total financial implication amounts to costs related to the salary and benefits associated to the thirty three positions included in the structure are as seen in the attached. The annual salary and benefits amount to USD1,930,941.59.

10. IBAR is a specialized Technical Office that reports to the Chairperson of the Commission through the Department of Rural Economy and Agriculture (DREA). Currently, the office has a total of 25 regular staff established through the Maputo Structure adopted in 2010 Summit in Addis Ababa. The office has submitted a request to amend its structure in order to include critical skills without which the achievement of the institutions would be negatively impacted. The Commission is therefore requesting the creation of one GSA5 position and an upgrade of a position from P2 to P3. These have a financial implication of USD 88,784.40 per annum. Three other requests for change of posts were submitted without any financial implications.

D. Opening of the Meeting

11. The Chairperson of the Sub-Committee welcomed the members of the Sub-Committee and the Commission's Representatives and thanked them for their attendance.

E. Adoption of the Agenda

12. The Sub-Committee adopted the following Agenda:

- a) Presentations of the structures and financial implications of the below :
 - i) Consideration of the structure of the Africa Centre for Disease Control and Prevention (Africa CDC);
 - ii) Consideration of the structure of the African Institute for Remittances (AIR);
 - iii) Consideration of the structure of the Economic, Social and Cultural Council (ECOSOCC);

- iv) Consideration of the structure of the Inter-African Bureau of Animal Resources (IBAR).

b) Any other business

13. The Sub-Committee adopted the following program of work:

Morning Session: the Meeting started at 10:45 AM to 13:15PM

F. Presentation Africa CDC

14. The Director for Africa CDC started the presentation by exposing the serious economic and security threats that diseases pose to African countries, which led the African Heads of State and Government to establish the Africa CDC. For instance, the Ebola outbreak had cost an estimated \$32 billion and killed 11, 000 people between 2014 and 2015. In the last 9 months, the Africa CDC responded and intervened in 9 African Countries to address disease outbreaks: Ebola, Meningitis, Lassa fever, Malaria, Monkey Pox Virus, and Plague.

15. The Director for Administration and Human Resources presented the proposed detailed structure of the Africa CDC. He explained that the structure has been benchmarked with Centers for Disease Controls in the USA, China, Europe and other African Countries. The proposed Africa CDC structure will be rolled out in a period of 3 years. It was also indicated that the Africa CDC will mobilize resources with other partners including the private sector to ensure that resources up to USD 250,000,000 would be raised to ensure an effective functioning of the Center.

16. Africa CDC and WHO are working with Member States to strengthen the health systems in the African Continent. The private sector will also be engaged in the process. It was mentioned that Africa is the only continent that did not have a center for disease control. In order for Africa CDC to function effectively and efficiently, there is a need for timely recruitment of staff so as to efficiently respond to rising disease threats in Africa.

17. The proposed structure has been discussed and approved by the Governing Board of Africa CDC, which is made up of 10 ministers of health, two commissioners, a private sector partner, and an African health network, as per Article 2 of the Statute of Africa CDC. In addition, the Africa CDC Technical and Advisory Council had also reviewed and approved the structure. The Department of Social Affairs had also done technical visits to propose the submitted structure. As such, for comparability, the title of director of divisions was proposed for the structure. This has no financial implications to the Member States.

18. A 5 Years strategic plan has also been developed and approved by the governing board of the Africa CDC. As such, the proposed structure is derived from the Strategy. The structure of other CDCs worldwide is far more complex than the very lean Africa CDC structure tabled before the subcommittee.

19. Clarification was sought with regards to the Executive Council's Decision to allocate a 0.5% of the operation budget of the Union to be used for programs and interventions of Africa CDC and not the operating budget.

20. In regards to Communications and outreach being handled by the Commission, it was indicated that the Africa CDC is purely a technical agency whereas the Directorate for Information and Communication (DIC) in the Commission works for the Political visibility, the brand of the Commission and covers events organized by the Commission. The Outreach cannot, therefore, be efficiently carried out if it is handled by the Commission's Directorate for Information and Communication.

21. The following recommendations were made:

- i) Africa CDC should align the staff list with the financial summary for accuracy of the document;
- ii) Africa CDC should review the structure to ensure that there was no duplications of functions;
- iii) Africa CDC should provide the 5 years strategic plan that had guided them to develop the structure;
- iv) Africa CDC should provide the report of the Governing Board that approved the structure in March.

G. Presentation of the Africa Institute for Remittances

22. The Commission informed the sub-committee that the Transitional structure of the Institute is supported by the European Union and the government of Kenya, both contributing towards the functioning of the Institute. The AIR informed the meeting that Remittances are far higher than the Foreign Direct Investment (FDI) and Development Aid. Therefore, if properly harnessed, Remittances will bring greater positive impact on the Social and economic development of Africa. The AIR will improve capacities of AU Member States in line with remittances data measurement, reform of the legal and regulatory frameworks on remittances as well as design a strategy for leveraging the impact of remittances for financial inclusion and development in Africa.

23. AIR structure is currently filled by seconded and short term staff and there is a need to have a structure with substantive staff. Other partners are waiting for a substantive structure to be filled in order to continue supporting the institute.

H. Presentation IBAR

24. A detailed presentation of the proposal was made by the Director DREA. IBAR proposed amendment on its structure was:

- Reclassification of 3 regular positions namely:
 - change of the French to English translator (P3) Position to Knowledge Management Officer;
 - Change of Economist and Data Management and Communication Officer positions at grade (P2) to Management Officer and Communication Officer at the same grades.

25. The reclassifications have no financial implications since the request is to change some positions in order to better respond to the current critical needs of the Institution. An upgrade (from P2 to P3) of the Finance officer to Senior Finance Officer and creation of one position (Administrative assistant) were also proposed.

I. Presentation ECOSOCC

26. A detailed presentation of the proposal was made by representative from CIDO. A concern was raised by the meeting in regards to the overall number of staff in the proposed structure and mainly on the administrative sections. The Administrative structure was recommended to be leaner and in line with other similar offices that were presented. The alignment request has been noted and will be reflected on the revised draft structure.

27. Zambia informed the meeting that it stood ready to provide all the necessary logistical support to enable ECOSOCC to deliver on its objectives. It was reiterated that the Government remained committed to provide professional level seconded staff and Security to facilitate the effective operation of the secretariat during the transition phase.

28. It was also emphasized that the AU Regulations and Rules be applied for the hiring of the staff in the ECOSOCC secretariat so as to ensure fair and transparent recruitment process.

J. DECISION

29. The Sub-Committee decided that the proposed structures of the Africa CDC, AIR, ECOSOCC and the amendments of IBAR structure should be amended as per the recommendations made by the Meeting and be, then, brought before to the PRC for further consideration.

Annexes:

- (1) Proposed structure of the Africa Centre for Disease Control and Prevention (Africa CDC)
- (2) Proposed the structure of the African Institute for Remittances (AIR)
- (3) Proposed relocation and structure of the Economic, Social and Cultural Council (ECOSOCC)
- (4) Proposed amendment on the structure of the Inter-African Bureau of Animal Resources (IBAR).



Organizational Structure of the Africa Centres for Disease control and Prevention (Africa CDC)

At the African Union Special Summit on HIV, TB and Malaria (ATM) in Abuja in July 2013, the Heads of State and Government in their declaration took cognizance of the need for an Africa Centres for Disease Control and Prevention (Africa CDC) to conduct life-saving research on priority health problems in Africa and to serve as a platform to share knowledge and build capacity in responding to public health emergencies and threats.

The **Assembly Decision /AU/Dec.499 (XXII)** adopted at the 22nd Ordinary Session of the Assembly held in Addis Ababa, Ethiopia, in January 2014 stressed the urgency of establishing the Africa CDC and requested the Commission to submit a report to the Assembly in January 2015 that will include the legal, structural and financial implications of the establishment of the Centre.

By **Assembly Decision /AU/Dec.554 (XXIV)** adopted at the 24th Ordinary Session of the Assembly held in Addis Ababa, Ethiopia in January 2015, the Assembly endorsed the establishment of the Africa CDC and at its 26th Ordinary Session in January 2016 approved the Statute of the Africa CDC and its Framework of Operation.

The Africa CDC was officially launched on 31st January 2017. Subsequent to the launch, Africa CDC has undertaken various activities including responding to diseases outbreaks on the Continent and undertaking visits to the five Regional Collaborating Centres (RCCs), to ensure that the RCCs are functional as mandate by the Statute. The RCCs will serve as technical support institutions for the Africa CDC that work closely with the Member States to ensure that the vision and mission of the Africa CDC is supported across the continent.

Considering that the Africa CDC is a nearly established specialised agency, there is need to have an approved structure which will guide its full functionality and recruitment process. The proposed Organizational Structure of the Africa CDC herein attached will ensure that the technical Agency operates at the envisaged capacity required to respond to disease outbreaks on the continent and support countries in strengthening their Health systems in attainment of the Agenda 2063 aspiration for a healthy and well-nourished Africa.

The purpose of this memo is to seek your intervention to expedite the review and endorsement process by the PRC Sub-Committee on Structure Reforms of the draft organizational structure for the Africa CDC as well as to fast-track the recruitment process. The draft Organizational Structure is attached herewith.

Submitted for your consideration.

I thank you.

Attachment: - Draft Organizational Structure for Africa CDC;
- Costing of the Structure
- Implémentation Plan

The African Institute for Remittances (AIR)

The African Institute for Remittances (AIR) was conceived within the framework of AU-EU Partnership on Migration, Mobility and Employment (MME) in the Joint Africa-EU Strategy (JAES) adopted in Lisbon in 2007. The AIR project is an initiative of the African Union Commission (AUC) in which the World Bank and selected development partners: European Commission (EC), African Development Bank (AfDB) and International Organization for Migration (IOM) were collaborated with its creation.

A preparatory project towards the establishment of the AIR was launched in June 2010 with a grant from the EC of €1,676,271 (US \$2.4 million equivalent). The implementation of the project has been completed on 30 April 2014. The preparatory project has accomplished different consultative and technical assistance activities. As a result, various decisions have been made by the AU policy organs: among others, the AU Assembly Decision (Assembly/AU/Dec.440 (XIX)) (see Annex 5), July 2012, by which the Assembly endorsed the establishment of the AIR and requested the AUC to work on the modalities for its structures and location. The AU Executive Council, through its Decision: EX.CL/Dec. 808(XXIV) (see Annex 6), in January 2014 accepted the offer from the Republic of Kenya to host AIR.

DESCRIPTION	Annual Salaries and Benefits Cost				
	2016	2017	2018	2019	2020
Executive Director	120,000	126,000	132,300	138,915	145,861
Remittances and Development Policy Adviser (P4)	-	96,000	100,800	105,840	111,132
Senior Statistics and Research Officer (P3)	84,000	88,200	92,610	97,240	102,102
Senior Remittance Regulation and Policy Officer (P3)	84,000	88,200	92,610	97,240	102,102
Remittance Statistics Officer (P2)		72,000	75,600	79,380	83,349
Remittance Market Regulation and Policy Officer (P2)	-	72,000	75,600	79,380	83,349
Research Officer (P2)	-	72,000	75,600	79,380	83,349
Research Officer – Payment (P2)	-	-	72,000	75,600	79,380
Advocacy and Communication Officer (P2)	72,000	75,600	79,380	83,349	87,516
IT Officer (P2)	-	72,000	75,600	79,380	83,349
Finance & Admin Officer (P2)	72,000	75,600	79,380	83,349	87,516
Admin Assistant (GSA5)	24,000	25,200	26,460	27,783	29,172
Secretary/Receptionist (GSA4)	-	24,000	25,200	26,460	27,783
Bilingual Secretary (GSA4)	-	-	24,000	25,200	26,460
Driver/Mail Runner (GSB6)	12,000	12,600	13,230	13,891	14,586

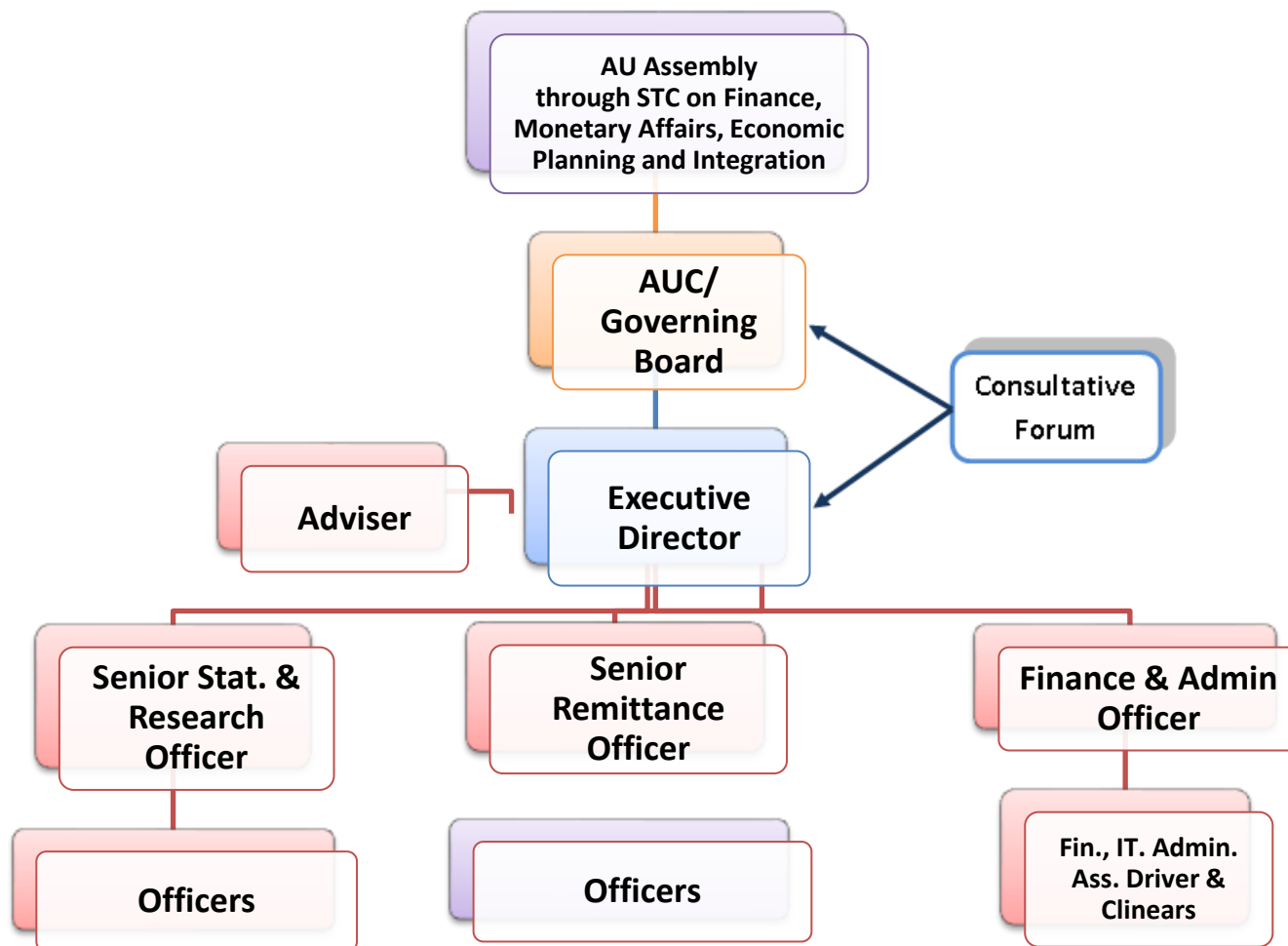
THE AFRICAN INSTITUTE FOR REMITTANCES (AIR)

2 Cleaners	9,000	9,450	9,923	10,419	10,940
Subtotal	477,000	908,850	1,050,293	1,102,806	1,157,946
SPO - Remittances (P3) (HQ)	84,000	88,200	92,610	97,240	102,102
Grand Total	561,000	997,050	1,142,903	1,200,046	1,260,048

THE AFRICAN INSTITUTE FOR REMITTANCES (AIR)

Description	Grade	Existing Temporary Structure	AIR Secretariat		
			Year 1	Year 2	Year 3
Temporary Structure and Phase I Staff Recruitment					
Executive Director	P6	x			
Remittances and Development Policy Adviser	P4		x		
Senior Statistics and Research Officer	P3	x			
Senior Remittance Regulation and Policy Officer	P3		x		
Remittance Statistics Officer	P2		x		
Remittance Market Regulation and Policy Officer	P2		x		
Research Officer	P2			x	
Research Officer – Payment System	P2	x			
Advocacy and Communication Officer	P2		x		
IT Officer	P2		x		
Finance & Admin Officer	P2	x			
Admin Assistant	GSA5		x		
Bilingual Secretary	GSA 4		x		
Secretary/Receptionist	GSA 4			x	
Driver/Mail Runner	GSB 6		x		
2 Cleaners	GSB 5		x		
Senior Policy Officer – Remittances HQ	P3	x			
Total Number of Staffs in each year		5	11	2	

THE AFRICAN INSTITUTE FOR REMITTANCES (AIR)

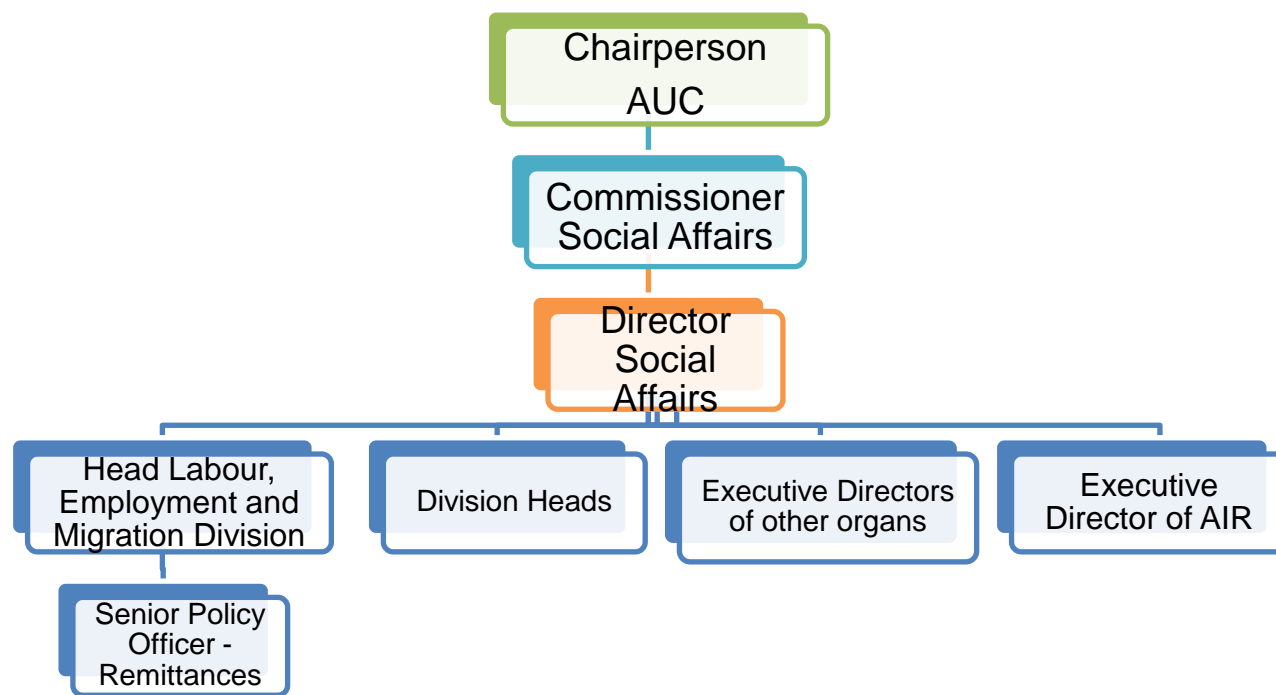


I. REMITTANCES UNIT

1. The Unit shall serve as the communications channel between the Commission and the Secretariat;
2. The Unit shall be organized within the Department of Social Affairs, Division of Labour, Employment and Migration;
3. The Unit shall have a Senior Policy Officer - Remittances as a staff member of the Head Quarter of the Commission.

THE AFRICAN INSTITUTE FOR REMITTANCES (AIR)

Remittances Unit within the division of Labour, Employment and Migration, Department of Social Affairs, AUC



PART 4: FUNDING PROPOSALS TO FINANCE THE AIR

The AIR Secretariat would be financed through different possible mechanisms. As per the industry practitioner's suggestion and recommendations from the various Consultative and Experience Sharing Forums, AIR at its initial stage and until it established credibility and recognition by the industry players should be financed through:

- i. Staff salaries and related benefits will be covered by the AUC (Member States);
- ii. Resources from the Government of the Republic of Kenya¹;
- iii. Resources from Member States;
- iv. Resources from Partners: EC², AfDB, the World Bank and others;
- v. Resources from international development organizations;
- vi. Resources from the Private Sector (Banks, RSPs, MTOs, etc.).

AIR, in its 2nd phase after gaining recognition and establishing trust, may offer fee based services as a way to improve its self-sufficiency. The following could be revenue generating mechanisms:

- i. Fee based services, especially on services provided to the private sector;
- ii. Publications;
- iii. Member State's co-financed technical assistance services;
- iv. Sponsorship by donors/ international development partners, etc.

¹ The Government of the Republic of Kenya offered a total of US\$ 5 million to be disbursed US\$ 1 million annually.

² Possibility of funding (€ 5 million for 2016-2020) from the EC, through its Pan-African Support program (PanAf)

THE AFRICAN INSTITUTE FOR REMITTANCES (AIR)

Annex 1

Estimated Administrative, Operational and Program Costs for Five Years (2016 - 2020)

DESCRIPTION	ANNUAL COST				
	Year 1	Year 2	Year 3	Year 4	Year 5
I. Staff Costs	561,000	997,050	1,142,903	1,200,046	1,260,048
➤ ED and support staffs	237,000	272,850	310,493	326,017	342,318
➤ Programme staffs	240,000	636,000	739,800	776,789	815,628
➤ SPO - Remittances (HQ)	84,000	88,200	92,610	97,240	102,102
II. Program Costs	1,500,000	2,900,000	3,020,000	2,920,000	2,420,000
➤ Send Money Africa (SMA) Database	150,000	180,000	200,000	200,000	200,000
➤ Establishment of Peer group of central banks and continued collaboration	50,000	20,000	20,000	20,000	20,000
➤ Assessments and Studies on:	400,000	500,000	600,000	500,000	-
- the remittances data collection, analysis and reporting mechanisms of selected AU Member States					
- the legal and regulatory conditions on remittances of selected AU Member States					
- Feasibility study on the establishment of regional payment and settlement systems					
- the Institutional capacities of Microfinances and Post Offices to involve on remittances distribution					
➤ Technical Assistance and capacity building activities:	700,000	2,000,000	2,000,000	2,000,000	2,000,000
- to improve remittances data measurement					
- Promotion of legal and regulatory reforms on remittances and uses of innovative technologies					
- for Microfinances and Post Offices in selected AU Member States					
- Awareness creation and financial education program for remittance senders and recipients					
- on uses of formal financial system and promote the financial inclusion					
➤ Partnership and Experience sharing programs:	200,000	200,000	200,000	200,000	200,000
- Diaspora engagement for development					

THE AFRICAN INSTITUTE FOR REMITTANCES (AIR)

- Sharing best practices within and outside of Africa					
- Private sector engagement					
- Collaboration with other continental and global initiatives on remittances					
III. Operational and Administrative Costs	192,600	174,230	181,942	170,039	178,541
➤ Purchase of Fixed Assets	60,000	20,000	20,000	-	-
- 2 Vehicles	60,000	-	-	-	-
- Furniture & Fixtures	-	10,000	10,000	-	-
- Office Equipment	-	10,000	10,000	-	-
➤ Communications	19,200	20,160	21,168	22,226	23,338
- Internet Services	12,000	12,600	13,230	13,892	14,586
- Telephone & Fax	3,600	3,780	3,969	4,167	4,376
- Postage	1,200	1,260	1,323	1,389	1,459
- Freight Charges	1,200	1,260	1,323	1,389	1,459
- Newspapers & Periodicals	1,200	1,260	1,323	1,389	1,459
➤ Travelling Expenses	55,000	72,750	76,388	80,207	84,217
- Ex. Director's official mission	10,000	10,500	11,025	11,576	12,155
- Research mission	15,000	15,750	16,538	17,364	18,233
- Experts mission	15,000	15,750	16,538	17,364	18,233
- Advocacy	-	15,000	15,750	16,538	17,364
- Resource mobilization mission	15,000	15,750	16,538	17,364	18,233
➤ Rental & Maintenance	7,800	8,190	8,600	9,029	9,481
- Rental of vehicles	2,000	2,100	2,205	2,315	2,431
- Maintenance of Vehicles	2,400	2,520	2,646	2,778	2,917
- Maintenance of Equipment	2,400	2,520	2,646	2,778	2,917
- Maintenance of Premises	1,000	1,050	1,103	1,158	1,216
➤ Stationery and Office Supplies	24,000	25,200	26,460	27,783	29,172
- Stationery & Office Supplies	9,000	9,450	9,923	10,419	10,940
- Printing of Publishing	10,000	10,500	11,025	11,576	12,155
- Library & Books services	5,000	5,250	5,513	5,788	6,078
➤ Other Operating Expenses	26,600	27,930	29,327	30,793	32,332
- Utilities (water and electricity)	3,600	3,780	3,969	4,167	4,376
- Property insurance	5,000	5,250	5,513	5,788	6,078
- Fuel and Lubricants	12,000	12,600	13,230	13,892	14,586
- Bank Charges	1,200	1,260	1,323	1,389	1,459
- Miscellaneous Expenses	4,800	5,040	5,292	5,557	5,834
Total	2,253,600	4,071,280	4,344,845	4,290,085	3,858,589

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Contingency 5%	112,680	203,564	217,242	214,504	192,929
Grand Total	2,366,280	4,274,844	4,562,087	4,504,589	4,051,518

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EX.CL/1073(XXXII)iii
Annex 3

ANALYTICAL REPORT

**IMPLEMENTATION OF EXECUTIVE COUNCIL DECISION ON THE RELOCATION
OF ECOSOCC**

IMPLEMENTATION OF EXECUTIVE COUNCIL DECISION ON THE RELOCATION OF ECOSOCC

ANALYTICAL REPORT

On the basis of the Decision of the Executive Council Ex. CL/Dec. 1031 (XXXI) related to the Report of the Economic Social and Cultural Council (ECOSOCC), the African Union Commission is requested to implement the previous Executive Council Decisions EX.CL/Dec 833(XVII) on the establishment of a dedicated secretarial body within CIDO and EX.CL/Dec. 849(XXV) which calls for an in-depth study regarding the appropriate functioning of ECOSOCC since its inception and provide appropriate recommendations on modalities to revamp the operations of the organ, in line with the current reforms of the AU that would support the principles of Africa ownership. Also, the Commission is requested to submit the evaluation report on the relocation of ECOSOCC to the PRC for consideration as well as the structural, legal and financial implications of ECOSOCC relocation for onward submission of the Executive Council in January 2018.

This analytical report highlights the key considerations of the relocation process from the perspectives of the legal, structural and financial implications of the relocation. The report is based on input from AHRM, OLC and PBFA, and has been consolidated by CIDO for the consideration of the PRC Sub-Committee on Structure.

1. STRUCTURAL IMPLICATIONS

A. Proposed human resource establishment and structure

1) Organization of an interim unit within CIDO:

- 1.1. The transition/interim body shall be established under the CIDO Directorate at the level of the AUC Headquarters, reporting to the Bureau of the AUC Chairperson. It shall be headed by the Director of CIDO.
- 1.2. The terms of reference of the above role shall be clearly defined to outline the Director's authority and function during the transition period.

2) Human resource establishment of the ECOSOCC new structure:

- 2.1. ECOSOCC's structure shall be composed of twenty seven posts, comprising one managerial level position at P5, three unit head level posts (P3), seven officer positions (P2), eight professional officers (P1) and eight support posts under the General Service category.
- 2.2. The Principal Coordinator shall report to the Director of CIDO at the level of AUC Headquarters.

2.3. The structure, beyond the line reporting to the Director of CIDO, shall have a matrix organization allowing the various units to report to their respective functional departments (see matrix organogram). These include the Administration and Human Resource Management, the Programming, Budgeting, Finance and Accounting, the Office of Internal Audit and the Information and Communication Directorates.

B. Steps to be followed in establishing and filling the posts under the proposed structure:

Recruitment procedure to be followed shall be in accordance with the AU Staff Rules and Regulations.

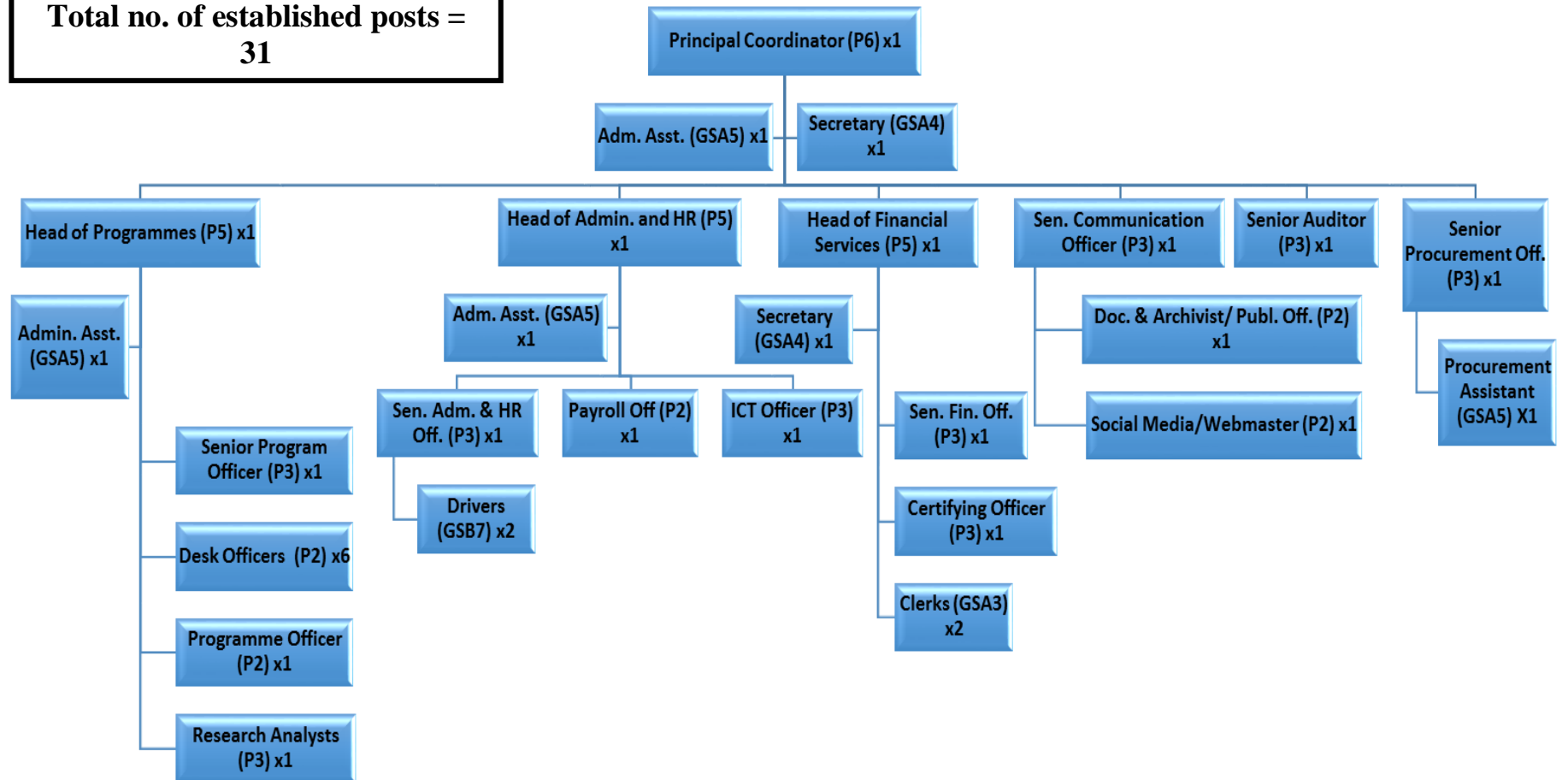
- B.1. Development of terms of reference for all twenty-two different positions making up the thirty two established posts within the structure.
- B.2. The proposed structure is subject for submission, review and approval by the PRC Subcommittee on Structures and subsequent authority levels.
- B.3. The TORs shall make reference to the standard job specification (educational qualification level, years of work experience and applicable competencies) used by the AU Commission for each grade.
- B.4. The positions shall be advertised on the AU recruitment websites for a minimum of one month and a maximum of two months.
- B.5. All local positions (GSA3 and below) shall be advertised through local newspapers and the AU recruitment website.
- B.6. Posts at P5 and above, P2 and below are open for internal as well as external applicants.
- B.7. Posts graded at P3 level shall be open for internal applicants only.
- B.8. Shortlisting shall be done through a panel composed of the representatives of APROB (Appointment, Promotion and Recruitment Board). The Board shall review and approve the shortlist.
- B.9. Interviews shall be conducted through an APROB panel and the results along with APROB's recommendations for appointment shall be presented to H.E. Chairperson of the AUC.

B.10. During shortlisting and interviews, the user department will need to be represented and relevant professionals can also be invited to be part of the panel as resource persons from either inside or outside the AUC.

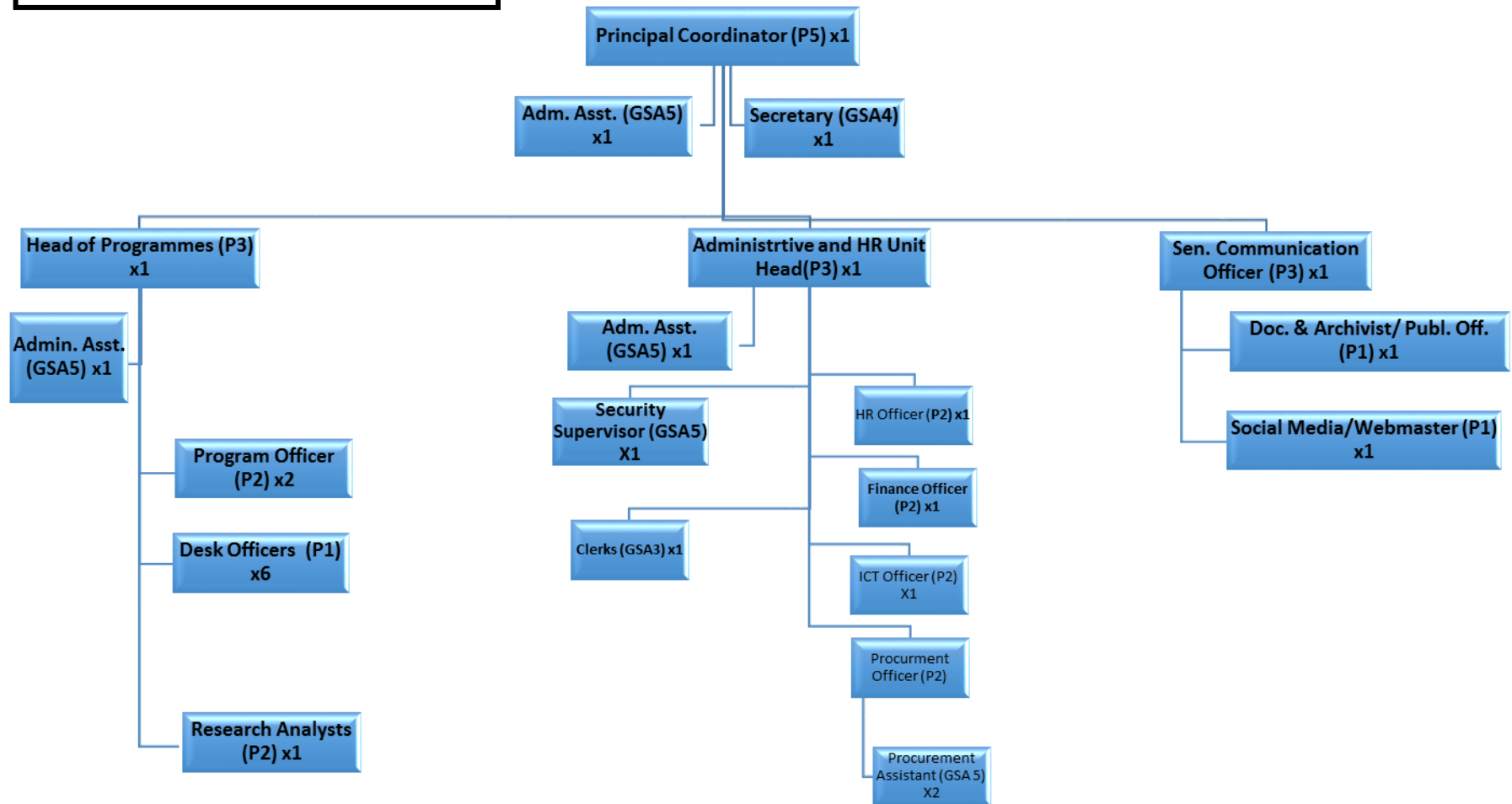
C. HR Costs associated with the proposed structure:

Costs related to the salary and benefits associated to the twenty seven positions included in the structure are as seen in the attached. The annual salary and benefits amounts to USD 1,561,453.30 (One million five sixty one thousand four hundred and fifty three and 30/100). This shall include basic salary, post adjustment, housing, spouse and children allowance, non-resident allowance where applicable and pension. The initial proposed amount was 1,930,941.59 (One Million nine hundred thirty thousand nine hundred and forty one and 59/100).

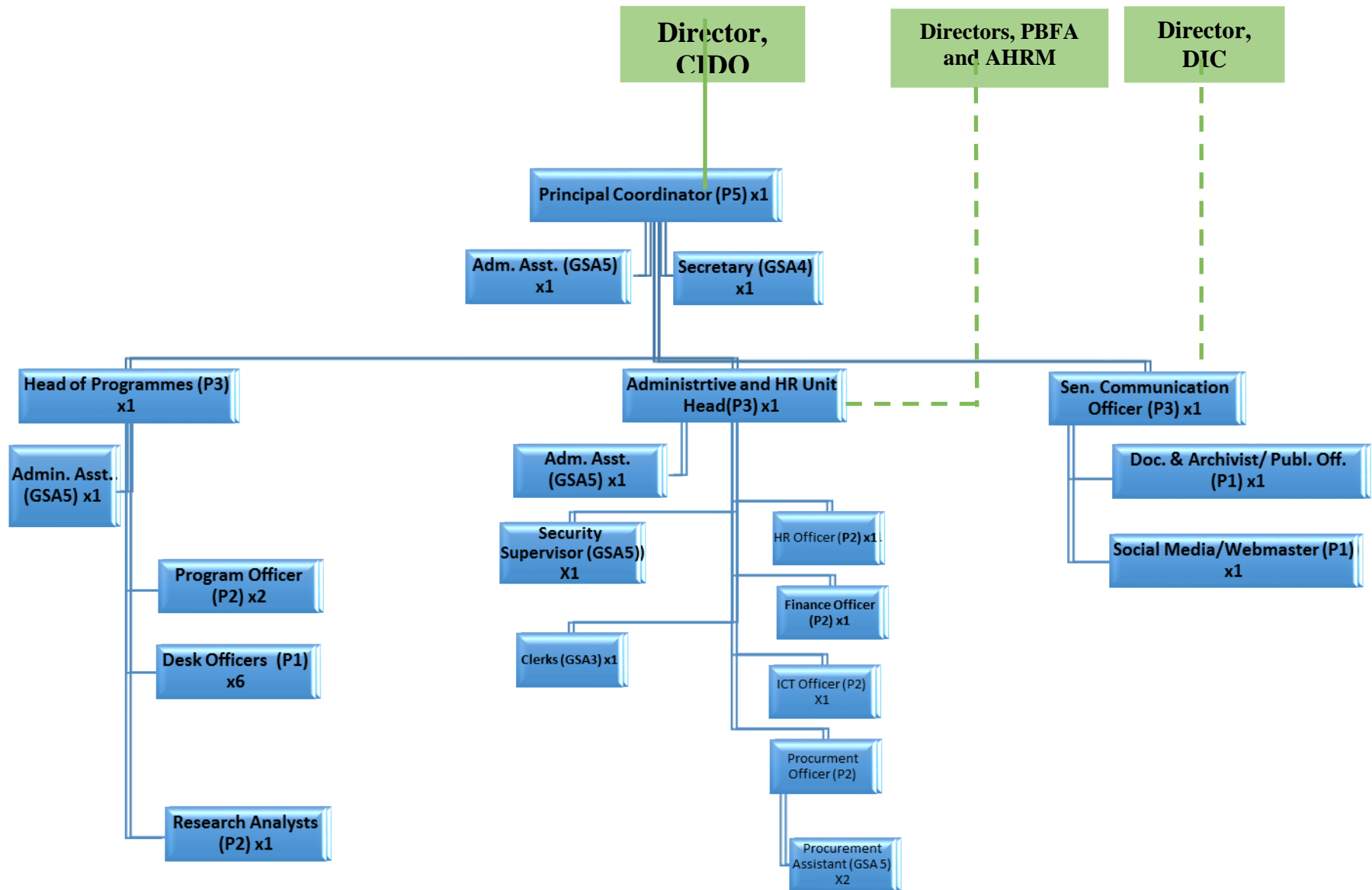
**Initial PROPOSED
STRUCTURE FOR ECOSOCC**
Total no. of established posts =
31



**Revised PROPOSED
STRUCTURE FOR ECOSOCC**
Total no. of established posts =
27



LINE AND FUNCTIONAL STRUCTURE BETWEEN ECOSOCC AND AUC HEADQUARTERS



2. FINANCIAL COMPLICATIONS

Table 1 below shows an estimated budget for 2018 financial year for ECOSOCC as **USD 5,981,894.3**. This represent **435%** increase from the 2017 approved budget of **USD 1,119,557**.

Supplementary Budget Request

ECOSOCC already has an approved budget for 2018 of **USD 2,528,666**. The Final Budget Proposal for 2018 that sets-ups ECOSOCC in Zambia is **USD 5,981,894.3**

The Supplementary Budget requested for ECOSOCC in 2018 is therefore **USD 3,453,228.3**

Budget Analysis

The following key observations are drawn to your attention to facilitate your kind deliberations:

- a) The 2018 budget include significant **once-off** cost amounting to **USD 2,299,398**;
- b) This non-recurring expenditure is associated with initial recruitment cost & allowances; initial Capital Expenditure and Study on ECOSOCC Reform Program;
- c) The regular budget, net of non-recurrent expenditure amounts to **USD 3,686,822**;
- d) The actual increase expected on the regular budget is therefore **USD 2,567,265**, representing **229%**;
- e) The proposed budget does not include offer of seconded support staff from the Republic of Zambia;
- f) However, office space and rentals that was offered by the Republic of Zambia, was considered in this budget. The offer was made effective till the time when ECOSOCC Secretariat moves into its permanent office site.

Thanks to the Government of the Republic of Zambia for the pledge it undertook towards the setting-up of the ECOSOCC secretariat in Zambia, The pledge includes the following expenditure items:

- i) Rental costs – up to the time of occupation of the permanent offices.
- ii) Capital expenditure on land and buildings;
- iii) Security services for the Secretariat premises (*Transition period only*);
- iv) Provision of an official vehicle for the Head of the Secretariat (*Transition period only*); and

- v) Seconded support staff to the ECOSOCC Secretariat who will be paid by the Government of Zambia (*Transition period only*).

The budget present the total expected for staffing, resourcing and day-to-day expenditure required.

The strategy of recruitment assumed in this budget is a 'big bang' approach.

Phased approach to the relocating project will not reduce cost but only help to spread cost over multiple years but restraining the operational objectives in the meanwhile.

Thank you.

Table 1
ECONOMIC, SOCIAL AND CULTURAL COUNCIL (ECOSOCC)
SUMMARY OF PROPOSED BUDGET 2018

DESCRIPTION	REQUESTED BUDGET 2017	Year 2018 Expected	
		REQUESTED BUDGET FOR 2018	Non- Recurring Expenditure
Staff Cost	-	1,561,453.30	840
Initial Recruitment	-	71,000	71,000
Installation Allowance	-	955,152	955,152
Other Staff cost	-	494,508	
Statutory & Operational Programs and Meetings	1,119,557	2,291,827	880,552
Communication and Publicity	-	97,000	
Other Operating Expenses	-	159,360	40,260
CAPEX	-	351,594	351,594
Programme Budget	-	0	
Grand Total Operational Budget	1,119,557	5,981,894.30	2,299,398
Budget less non-recurrent cost (Regular budget)		3,686,822	
Regular budget less last year Approv. budget		2,567,265	
Actual Increase of Regular Budget against last year Approv. Budget		229%	

Supplementary Budget

Final Budget, 2018 (Draft)

5,981,894.3

Original Budget 2018, Approved

2,528,666

Supplementary budget request

3,453,228.3

3. LEGAL IMPLICATIONS

In the assessment of the Office of the Legal Counsel of the African Union the principal legal implications of the relocation pertain to amending the relevant legal instruments, specifically, the Statutes and the Rules of Procedures of the organ.

To this effect the OLC has tabled the proposed amendments on the agenda of the Specialized Technical Committee (STC) on Justice and Legal Affairs. The proposed amendments implicate Articles 10 and 14 of the Statutes and Rule 37 of the Rules of Procedure. These amendments refer to the location of the Secretariat of ECOSOCC.

The other amendments which will have to be effected pertain to the structure of the Secretariat. For instance, if there is an office of the Executive Secretary created, that will have to be incorporated into the legal instruments, including the specific roles and reporting lines. These amendments will have to be effected after the proposed structure is approved.

In addition, there is an ongoing effort within ECOSOCC to review the entirety of the ECOSOCC Statutes with a view to proposing wholesale amendments that can render the organ fit for purpose. Once the committee responsible for this work presents its list of proposed amendments, these will be tabled before the STC on Justice and Legal Affairs for consideration.

4. GOVERNANCE

The interpretation made the Office of the Legal Counsel of the African Union with regard to present Decision holds that the relocation refers to the Secretariat of ECOSOCC, and does not constitute a devolution of powers from the African Union to ECOSOCC. In other words, the Decision does not afford legal and administrative independence to ECOSOCC, and the relocated Secretariat will continue to work through the framework of applicable African Union rules and regulations.

5. PRESIDING OFFICER vs PRINCIPAL COORDINATOR

Given the unique nature of ECOSOCC as a civil society organ composed of civil society representative with no association with the official apparatus of member states, it is important to underline the distinction of roles between the Presiding Officer, who is elected by the members of the General Assembly, and the Principal Coordinator, who will be the administrative head of the Secretariat. This structure is unlike that of other AU organs where the Head of the Organ is also simultaneously the executive officer of the Secretariat. This distinction is necessary because the Presiding Officer of ECOSOCC is not an official within his or her member state, but rather a civil society member; and as such is not positioned to exercise executive oversight over African Union processes; including staff recruitment and budgets. The Principal Coordinator will head a staff of African Union employees and will execute the operations of the Secretariat in line with African Union regulations and under the direct line management of the African Union Commission through the Director of CIDO.

6. APPOINTMENT OF INTERIM PRINCIPAL COORDINATOR

As per the above paragraph, and in line with the Decision of the Assembly, the position of interim principal coordinator will be established to oversee all aspects of the transition to a fully-operational Secretariat based in Lusaka, Zambia. The interdepartmental taskforce working on the implementation of Assembly Decision has recommended that, in order to benefit from continuity and institutional memory, that this position will be recruited internally. A Terms of Reference for the role will be developed to outline the specific responsibilities and will be accompanied by an implementation road map with time-bound actions leading to the full implementation of the Assembly Decision within a period of 12-24 months.

7. BUDGET

The budget for the activities relevant to the implementation of the Assembly Decision will be presented for consideration and adoption by the PRC Sub-Committee on Budget through the supplementary budget procedure. The submission will be made on the firm condition it will be subject to the Decision of the Assembly during the January 2018 Summit on the relocation and subject to such adjustments as will be deemed necessary at that time.

8. IN-DEPTH STUDY ON ECOSOCC PERFORMANCE

In accordance with the Decision of the Executive Council, the process of developing and implementing an in-depth study on ECOSOCC has commenced with a technical consultation which undertook a high-level performance review of the organ since inception and developed the parameters for the in-depth study. The broad-based coalition of stakeholders who participated in this consultation included ECOSOCC members, representatives from broader civil society, member states, the AU Commission and the African Diaspora. The consultations developed actionable outcomes in 4 areas of reform, including ECOSOCC member ship criteria; governance; national chapters and cluster committees; and relations with member states. The outcomes of the consultation constitute the first-phase deliverables for the implementation of this Decision; and the ECOSOCC Secretariat, working together with the Interim Principal Coordinator, will be dedicated to working with all stakeholders to give effect to the ECOSOCC reform process as part of the broader transition to the new Secretariat.

Initial Proposed structure

Position title	Grade	Number of posts	Type	Basic salary	Post adjustment (46%)	Housing allowance	Spouse allowance	Child allowance	Pension	Total per position
Principal Coordinator	P6	1	International	57,514.80	26,456.81	16,819.20	2,875.74	750.00	12,785.54	117,202.09
Head of Programmes	P5	1	International	47,828.55	22,001.13	16,819.20	2,391.43	750.00	10,632.29	100,422.60
Senior Programme Officer	P3	1	International	35,299.95	16,237.98	14,414.40	1,765.00	750.00	7,847.18	76,314.50
Programme Officer	P2	1	International	29,286.60	13,471.84	14,414.40	1,464.33	750.00	6,510.41	65,897.58
Research Analysts	P3	1	International	35,299.95	16,237.98	14,414.40	1,765.00	750.00	7,847.18	76,314.50
Head of Administration and HR	P5	1	International	47,828.55	22,001.13	16,819.20	2,391.43	750.00	10,632.29	100,422.60
Senior Administration and HR Officer	P3	1	International	35,299.95	16,237.98	14,414.40	1,765.00	750.00	7,847.18	76,314.50
ICT Officer	P3	1	International	35,299.95	16,237.98	14,414.40	1,765.00	750.00	7,847.18	76,314.50
Payroll Officer	P2	1	International	29,286.60	13,471.84	14,414.40	1,464.33	750.00	6,510.41	65,897.58
Head of Financial Services	P5	1	International	47,828.55	22,001.13	16,819.20	2,391.43	750.00	10,632.29	100,422.60
Senior Finance/Accounting/Budgeting Officer	P3	1	International	35,299.95	16,237.98	14,414.40	1,765.00	750.00	7,847.18	76,314.50
Certifying Officer	P3	1	International	35,299.95	16,237.98	14,414.40	1,765.00	750.00	7,847.18	76,314.50
Senior Communicaitons Officer	P3	1	International	35,299.95	16,237.98	14,414.40	1,765.00	750.00	7,847.18	76,314.50

[illegible]

Drivers	GSB7	2	Local	6,536.25	-	-	326.81	750.00	1,241.89	8,854.95
				13,072.50		-	653.63	1,500.00	2,483.78	8,854.95
Sub-total B				328,562.85	135,525.45	172,958.40	16,428.14	12,750.00	71,943.19	242,957.96
Total number of posts on structure (A+B)		33		929,109.30	411,776.82	413,208.00	46,455.47	24,750.00	205,444.66	2,048,744.25

Revised proposed structure

Position title	Grade	Number of posts	Type	Basic salary	Post adjustment (46%)	Housing allowance	Spouse allowance	Child allowance	Non resident allowance	Pension	Total per position	Total
Principal Coordinator	P5	1	Int.	57,514.80	26,456.81	16,819.20	2,875.74	750		12,785.54	117,202.09	117,202.09
Head of Programmes	P3	1	Int.	35,299.95	16,237.98	14,414.40	1,765.00	750		7,847.18	76,314.51	76,314.51
Programme Officer	P2	1	Int.	29,286.60	13,471.84	14,414.40	1,464.33	750.00		6,510.41	65,897.58	65,897.58
Desk Officers (Regional/NEC/CC/SCCs)	P1	6.00	Int.	24,056.00	11,065.76	14,414.40	1,202.80	750.00		5,347.65	341,019.66	341,019.66
Programme Officer	P2	1	Int.	29,286.60	13,471.84	14,414.40	1,464.33	750.00		6,510.41	65,897.58	65,897.58
Research Analysts	P2	1	Int.	29,286.60	13,471.84	14,414.40	1,464.33	750.00		6,510.41	65,897.58	65,897.58
Administrative and Finance Unit Head	P3	1	Int.	35,299.95	16,237.98	14,414.40	1,765.00	750		7,847.18	76,314.51	76,314.51
HR Officer	P2	1	Int.	29,286.60	13,471.84	14,414.40	1,464.33	750.00		6,510.41	65,897.58	65,897.58
ICT Officer	P2	1	Int.	29,286.60	13,471.84	14,414.40	1,464.33	750.00		6,510.41	65,897.58	65,897.58
Finance Officer	P2	1	Int.	29,286.60	13,471.84	14,414.40	1,464.33	750.00		6,510.41	65,897.58	65,897.58

Procurement Officer	P2	1	Int.	29,286.60	13,471.84	14,414.40	1,464.33	750.00		6,510.41	65,897.58	65,897.58
Procurement Assistant	GSA5	2	Int.	14,852.25	6,832.04	12,009.60	742.61	750	3,000.00	3,301.66	82,976.32	82,976.32
Senior Communicaitons Officer	P3	1	Int.	35,299.95	16,237.98	14,414.40	1,765.00	750		7,847.18	76,314.51	76,314.51
Documentation and Archivist/Publication Officer	P1	1	Int.	24,056.00	11,065.76	14,414.40	1,202.80	750.00		5,347.65	56,836.61	56,836.61
Social Media and Webmaster	P1	1	Int.	24,056.00	11,065.76	14,414.40	1,202.80	750.00		5,347.65	56,836.61	56,836.61
Administrative Assistant	GSA5	3	Int.	14,852.25	6,832.04	12,009.60	742.61	750	3,000.00	3,301.66	124,464.48	124,464.48
Security Supervisor	GSA5	1	Int.	14,852.25	6,832.04	12,009.60	742.61	750	3,000.00	3,301.66	41,488.16	41,488.16
Clerks	GSA3	1	Local	10,434.90	-	-	521.75	750		1,982.63	13,689.28	13,689.28
Secretaries	GSA4	1	Int.	12,096.00	5,564.16	12,009.60	604.8	750	3,000.00	2,688.94	36,713.50	36,713.50
Total number of posts on structure		27									1,561,453.30	1,561,453.30

IBAR OFFICE REQUEST TO UPGRADE AND CHANGE OF POSITION TITLES

The African Union Inter African Bureau for Animal Resources (AU-IBAR) is a specialized Technical Office of the Department of Rural Economy and Agriculture (DREA). Its mandate is to support and coordinate the sustainable development and utilization of animal resources (livestock, fisheries and wildlife) to enhance nutrition and food security and contribute to the wellbeing and prosperity of African peoples.

IBAR office wishes to submit the structural changes below as required by the operation needs

No	Post	Grade/Step 5	Action	Monthly Salary/ Difference	Annual Salary/difference	Installation allowance	Air ticket	TOTAL
1	Human Resources Assistant	GSA5	Create new position	4,179.03	50,148.36	26100	1,500.00	77,748.36
1	Finance Officer	P2 to P3	Upgrade position to Senior Finance Officer from P2 to P3 (Salary adjustments applicable)	919.67	11,036.04			11,036.04
1	French to English translator	P3	Abolish the position and replace it with Senior Knowledge Management Officer at the same approved grade in the Maputo structure (No financial implications)					
1	Economist	P2	Abolish the position and replace with Senior Fisheries Officer at the same approved grade in the Maputo Structure (No financial implications)					
1	Data Management and Communication Officer	P3	Abolish the position and replace with Communication Officer at the same approved grade in the Maputo Structure (No financial implications)					
2	Total Proposed Regular Budget Posts			5,098.70	61,184.40	26,100.00	1,500.00	88,784.40

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