



ORGANIZATION OF  
AFRICAN UNITY  
Secretariat  
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منظمة الوحدة الافريقية  
السكرتاريه  
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ORGANIZATION DE L'UNITE  
AFRICAINNE  
Secretariat  
B. P. 3243

• Addis Ababa •

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COUNCIL OF MINISTERS  
THIRTY-SECOND ORDINARY SESSION  
NAIROBI, KENYA  
23 FEBRUARY - 2 MARCH, 1979

REPORT OF THE COMMITTEE ON OAU PREMISES IN LAGOS



### INTRODUCTION

1. At its Thirtieth session which met in Addis Ababa, the Advisory Committee on Financial and Budgetary Matters concluded discussion on the OAU houses in Lagos by deciding:

that a Committee comprising Cameroon (Chairman), a representative of the Board of External Auditors, a Legal Officer from the Secretariat and an Officer from the Department of Administration and Finance of the General Secretariat together with a valuation Expert, to be provided by the Nigerian Government, should inspect the houses and report on their condition, value and on all other relevant aspects of the houses",

2. The Committee chaired by Mr. Jerome MENDOUGA of Cameroon, and comprising Messrs. Hassan N. SOWE, External Auditor from Gambia, C. EGBUNIKE, Legal Advisor and W. OKELLO, Chief of General Services, visited Lagos from January 31 to February 7, 1979. The Federal Government of Nigeria kindly made available to the Committee the services of Mr. E.E. EBERE, a Chartered Estate Surveyor and Valuer of the Ministry of Public Works and Housing.

### ORGANIZATION OF WORK

3. The Committee decided to proceed in the following manner:

- (i) Visit and check each and every house;
- (ii) Establish an inventory of OAU property in each household;
- (iii) Hold extensive discussions with the OAU Executive Secretariat in Lagos, who gave the Committee the fullest cooperation over all the aspects of the OAU property in Lagos;
- (iv) Examine the magnitude of the housing problem in Lagos;
- (v) To that end, establish contacts with quarters likely to provide pertinent information, be they African Embassies real estate agents and building contractors or representatives of international organizations.

4. The Committee also paid a courtesy call to H.E. the Permanent Secretary of the Ministry of Foreign Affairs of the Federal Government of Nigeria who, on that occasion, expressed Nigeria's total commitment and support to the Organization of African Unity.

General Information on the Houses

5. The houses are seven blocks of buildings. They were built by C.C.T.A. in 1960, 1961 and 1962, primarily as residential premises for the former expatriate Staff-Members of C.C.T.A. in Lagos. The land on which they are built was given by the Nigerian Government on a lease of 99 years. All these houses are situated in the highly valued and best residential area of Ikoyi in the city of Lagos.

6. The said seven blocks of buildings are:

1. One Double Storey Hse., on 31, Queen's Drive - Ikoyi
2. One Double Storey Hse., on 20, Gerrard Road - Ikoyi
3. One Double Storey Hse., on 3, McPherson Ave. - Ikoyi
4. One Bangalow, on 32, Queen's Drive - Ikoyi
5. One Duplex 1A and 1B, Karamo Close - Ikoyi
6. One Duplex 5A and 5B, Ikoyi
7. One Block of Six Flats, on 24, Mekuwene Rd., - Ikoyi

They provide all together 14 residential houses.

7. These houses were very well built in cement blocks, rendered internally with fine plastered walls, and externally with some exposed ornamental blocks (stones) work, carrying a timber truss roof under asbestos tiles. Some roofs of the buildings have beautiful timber facia, but no guttering. Windows are of steel with adequate burglar proofing steel wires. The interior of the houses are neatly plastered and are provided with soft board ceilings, terrazzo tiles to the floors. The services are electricity, and the drainages are to septic tanks. The plots are properly fenced with wire-mesh, reinforced with cement steel poles, except the plots on 20, Gerrard Road and 32, Queen's Drive, which do not have fence.

Administration and Maintenance

8. All the houses are insured against burglary and fire, and those which are unoccupied have Security Guards. The OAU is responsible for the maintenance of these houses but they are not always very well maintained in good repair order.

9. These houses are presently occupied by the staff of OAU with the exception of two which are occupied by the Nigerian Government and the Egyptian Embassy. The allocation of the houses to the OAU staff is made by the Executive Secretary verbally. There is no written directive allocating houses nor is there policy guidelines governing such allocation. As such, there is no proper record neither of the allocation of houses nor of the conditions under which a house is given to a staff member. For those houses which are rented by the Embassies and the Government of Nigeria, the lease agreements were never renewed when due.

#### Furniture

10. All occupied houses and flats are furnished by the OAU, except the house occupied by the Nigerian Government. These furniture consist of standard living room set (sofa and four or three chairs), beds, mattresses, dining room set (dining table and chairs), curtains, refrigerators, cookers and other essential fixtures such as air conditioners etc. These furniture are in most cases supplemented by the occupants of the houses and vary from one house to the other according to the ability and taste of individuals concerned.

#### Condition of the Houses

11. The following is the detailed position of each house as observed by the Committee:

##### I. DOUBLE STOREY HOUSE, ON 13, QUEEN'S DRIVE - IKOYI

12. This premises is situated in a very good and prestigious area of Lagos (Ikoyi). The main building is a two storey house on a well developed plot, properly fenced with mesh-wire, reinforced with concrete poles. It is a luxurious and impressive building with asbestos roofing tiles. The front side is finished in polished timber covering most of the front wall. All windows are of glass and the interior doors are of good polished wood.

#### Accommodation

##### Ground Floor:

13. On the ground floor are verandah, a fountain at the entrance, a garage which is now used as ironing room, a kitchen, a dining room, a sitting room and a split-level terrace on the first floor landing.

First Floor:

14. The first floor comprises of four bed rooms, two bath rooms, one shower, three toilets and a sitting room with a balcony. All bed rooms have built-in ward-robos. Out-buildings are servant's quarters, consisting of five rooms (bed rooms) and a lock-up garage for two cars.

Condition:

15. The premises as observed by the members of the Committee is in a generally good repair condition. It was however observed that some parts of the hitherto polished wood work finishing are now peeling off. The drainage and water pipes are not properly working. They are either leaking or are blocked, the result of which is that certain parts of the plot are now flooded with water. It appears that no painting has ever been done for a long time on the external wall including the wood work.

16. There are some structural cracks and defects in the main building. The roof of the kitchen of the servant's quarters and the attached room have been ripped off by the falling trees. The out-buildings are not presently fully used by the tenant. The front of the building below the roof which has good wood (timber) finishing, the wood are falling off. On the whole, the house in the view of the committee does not seem to be altogether in good repair condition.

Occupancy:

17. The house is at present rented by the Federal Government of Nigeria and occupied by a Commissioner. The rent payable by the Government of Nigeria is ₦5,000 per annum.

18. The rentable value of this house according to the Rent Control Edict (Standard and Maximum) order of 1976, is estimated to be \$13,500 - 15,000 per annum.

(\*). 1 Naira = US.\$1.60

Improvements made by the Occupant:

19. The tenant (Nigerian Government) has, on its own and with the approval of the OAU Executive Secretariat made certain major improvements on the said pieces of land, by building an additional detached Guest House of two bed rooms with a kitchen, store and sitting/dining room. The guest house is a modern small bungalow constructed of cement blocks and asbestos roof with louvre glass windows. Another addition is a carport for two cars, detached from both main and guest houses. To the main house also the Government added an extra bed room which now has very many visible structural cracks.

II. DOUBLE STOREY HOUSE, ON 20, GERRARD ROAD - IKOYE

20. This is a double storey building and perhaps the best constructed of all this group of properties. There is a lot more liberal use of glass louvres on both the sitting room on the ground floor and sitting room on first floor. The parts covered with this type of glass are securely protected from outside by a reinforced concrete short wall. It has a well designed gable roof with asbestos tiles and p.v.c. tiles to floor. The house is situated on a very big plot on Gerrard Road, Ikoyi.

AccommodationGround Floor:

21. On the ground floor are a sitting room, a dining room, a laundry, a store, a lock-up garage and a separate bath room and a toilet. There is also a well constructed internal flower-bed by the sitting room wall (glass).

First Floor:

22. There is another sitting room, a balcony, three bed rooms, (one bed room has a private bath and toilet) and another separate bath and toilet. All bed rooms are fitted with built-in ward-ropes/cupboards with p.v.c. tiles to floor. There is a wide corridor leading to the bed rooms.

Condition of the Building:

23. The house has been unoccupied for a long time and still remains unoccupied. The fixtures and other toilet and bath room fittings are falling apart. Some asbestos tiles on the roof are falling off and are therefore making it possible for the rain water to sip through the ceiling. Some windows are broken and the timber on the fascia-board of the balcony are badly decayed. The floor of the verandah on the ground floor is sinking, a sign of dampness.

24. The house has no fence. It is therefore too exposed to guarantee proper security, not only of the building but also of the plot itself. As a matter of fact, the Committee observed that on the two adjoining plots some constructions are underway on both sides and there is encroachment into the plot which may lead to incorporating some parts of that plot into adjoining ones. There is also attempt to direct waste water from the adjoining plots to the OAU plot which has rendered the plot damp and is threatening the foundation of the building of both the main house and the servant's quarters.

25. The house has not been maintained or even simply cleaned since the last occupant left it. It was explained to the Committee that since nobody occupied the house, the OAU Office did not deem it necessary to maintain it. It was further explained that the last staff member who had occupied the house had been transferred on a presumably temporary basis and therefore the Executive Secretariat felt it had no free hand to let it. In any case the Committee observed that the house is neglected.

26. The rent according to the official regulation is estimated at ₦ 13,500 - 15,5000 per annum.

### III. DOUBLE STOREY HOUSE, ON 3, MCPHERSON AVENUE, IKOYI

27. This is a two storey villa, built of strong cement block walls, with asbestos roof tiles. The floor is of terrazzo and steel windows. The plot is well fenced and provided with two strong steel gates. Out-buildings consist of servant's quarters of three rooms, a kitchen and a toilet. There is one recently constructed carport used for an overnight parking of all official cars of the OAU.

#### Accommodation

##### Ground Floor:

28. The ground floor has a well set sitting/dining room, kitchen, fitted with built-in cupboards and storage facilities, toilet, lock-up garage and a front paved porch.

First Floor:

29. There are two bed rooms on the first floor, one very large and one with private bath and toilet. All bed rooms have build-in cupboards.

Condition of the Building:

30. The house is kept in good repair condition. The compound is well kept and the Committee was informed that due to the recent increase in cases of burglary, the Executive Secretariat found it necessary to have this property properly fenced.

Occupancy:

31. The house is occupied by the Executive Secretary since July 1963. Being an OAU staff member and following the Advisory Committee decision on rent to be paid by OAU staff in Lagos, the sum of US\$360.00 which is the equivalent of the house allowance entitlement of the Executive Secretary is paid as rent every month in respect of this house.

32. This house is adequately furnished and the furniture are reasonably in good condition, with exception of some few chairs which need repair. All fixtures are functioning well.

33. In accordance with the Laws of Nigeria governing rent of property in this area of Lagos, the estimated rentable value of this house is Naira 13,500 - 15,000 per annum (see Valuer Report).

IV. DOUBLE STOREY HOUSE, ON 32, QUEEN'S DRIVE -- IKOYI

34. This house is very well built on a very prestigious area of Ikoyi. The foundation is reinforced on concrete piles thus raising the floor above the ground. The roof is of asbestos and the front of the fascia board is finished in fine wood work.

Accommodation

35. The house has three bed rooms, sitting/dining rooms, kitchen, bath room, a separate toilet and a verandah, properly surrounded with a strong steel burglar proof steel, including all windows. It has also three roomed servant's quarters and a detached lock-up garage.



Condition

36. The house is occupied by an OAU official, an Asst. Executive Secretary of the OAU whose monthly housing allowance of US.\$360.00 is being collected as the rent. It has basic OAU furniture which are generally in good condition. The house is generally in good tenantable condition. It was however explained to the members of the committee that the occupant has been undertaking certain minor repairs and maintenance out of pocket. The house has no fence,

The estimated rental value of this house is ₦13,000 - ₦ 15,000 p.a.

V. DUPLEX 1A and 1B, KORAMO CLOSE, IROYI

37. This is a pair of semi-detached and identical house situated on one plot. The construction of the building is of strong cement blocks and asbestos roof tiles. The floor is of terrazzo. The out-buildings comprise of servant's quarters of three bed rooms for each duplex.

Condition of the Building:

38. The 1A wing of the duplex is in good repair condition. It was recently redecorated and minor repairs effected. However, it was pointed out that the sewerage does not work properly due to faulty pipes and that the septic tank over flows. It was also noted that the tiles on the roof are breaking and falling off: some, through tear and ware, and some ripped by falling branches of trees, thus causing roof leakage. The water heater in 1A is completely out of order.

39. The 1B wing was vacant for a long period of time and has just been occupied. It is in good condition, apart from the roof leakage. It has not been redecorated. The building is properly burglar proofed and a fence of wire mesh with strong cement poles has just been erected on the plot. Both gates are of strong steel.

AccommodationGround Floor:

40. The ground floor consists of verandah, lock-up garage, store, sitting/dining room, kitchen and one small toilet and a wash basin.

First Floor

41. There are three bed rooms and a separate bath room, and separate toilet. The floor has wood block finishing and windows fitted with burglar proof wires.

Furniture

42. The two wings of the duplex, i.e., 1A and 1B, are both furnished and the furniture are of good quality although some need little repair and general maintenance.

Occupancy:

43. The 1A wing is occupied by the Chief Accountant since 23rd May, 1977 when this officer was transferred from Headquarters (General Secretariat) to the Executive Secretariat in Lagos. As an OAU staff member, the sum of US.\$240.00 which represents his house allowance entitlement under OAU rules, is paid every month as rent for this house.

44. The 1B wing of the same duplex is occupied by the second Asst. Executive Secretary since 21st June, 1978. The officer has just joined the OAU. The rent being collected is US.\$360.00 which is the officer's house allowance payable by OAU.

45. The rentable value of each wing is, according to the Government Edict, estimated at ₦13,500 - 15,000 per annum.

VI. DUPLEX' 5B, IKOYA AVENUE, IKOYA

46. This is another duplex building of semi-detached/identical houses, built with cement blocks, terrazzo flooring and of asbestos tiles roof. The houses are of double storey and each has a lock-up garage. External doors and windows are of glass, while internal flush doors are wooden. The out buildings have the standard servant's quarters of three rooms (bed rooms), kitchen and a toilet.

Condition of the Building:

47. The building in general is in good condition; however, some identical minor cracks were observed on the back of the garages of both houses. This, it was advised by the valuation Expert, as of no structural importance. In other words the cracks were considered by and large superficial. The roof tiles are falling off.

48. The interior of both houses are looking dirty and appeared as if they have not been redecorated (painted) for a long time. The plot is very well fenced with mesh-wire and reinforced with concrete poles and strong steel gate.

ACCOMMODATION

Ground Floor:

49. The ground floor comprises: entrance verandah, lock-up garage, store, sitting/dining room, kitchen with built-in cupboards, and a small toilet and a wahsing basin.

First Floor:

50. The first floor comprises: three bed rooms, separate bath room and a separate toilet. The bed rooms have built-in cupboards and the floor is of fine wood finishing.

Furniture:

51. The 5A wing of the same duplex is furnished by OAU furniture and the furniture are more or less of the same quality and quantity, except where certain personal touches have been added.

52. The 5B wing is at present unoccupied and is sometimes used by the Executive Secretariat as a guest house. The furniture found in it are only basic.

Occupancy:

53. House 5A of the duplex is occupied by the Internal Auditor since March 1976. The sum of US.\$240.00 which represents his house allowance entitlement according to the OAU staff rules is paid monthly as rent for this house.

54. The rent fixed by the Nigerian Government for houses of similar type, in similar areas is estimated to be Naira 13,500 - 15,000 per annum.

55. The next wing 5B is vacant and the estimated rentable value for the same duplex is ₦ 13,500 - 15,000 per annum.

VII. BLOCK OF SIX FLATS ON 24, MEKUNWEN ROAD

56. This is a residential block of three storey building, each floor comprising of two flats of two bed rooms each. The building is constructed of cement block walls, carrying a timber truss roof under asbestos tiles. The roof has fascia with guttering. The block has front staircase and one staircase is at the rear part and glazed louvre windows and doors. Out-buildings are a block of six garages and other block of six servant's quarters, one each for every flat.

Condition:

57. While the block is structurally sound, it has however not been painted externally for a long time and this gives it very dirty appearance from outside. The servant's quarters area is very filthy and the walls are dirty. The compound had a tennis court and other recreative facilities which are now neglected and out of use.

58. Some flats are in good tenantable condition, whereas some are generally in bad condition, especially inner flush doors, built-in cupboards in the kitchens and bed rooms. Roof leakage was observed on the 3rd floor of flat No.5.

Accommodation and Occupancy

59. All flats have two bedrooms, kitchen with built-in cupboards, sitting/dinning room, bath room and toilet together and balcony/verandah. All occupied flats have OAU furniture and are in general good condition.

60. The rentable value of each flat according to Government Regulations is ₦ 6,750 - 7,500 p.a. or ₦ 562.5 - 662.5 per month.

First Floor:

61. Flat No.1 is occupied by a Secretary (on permanent/statutory terms) since 3rd January 1973. Her house allowance entitlement of US.\$128.00 is paid every month as rent.

62. Flat No.2 is unoccupied and is now used by the Executive Secretariat as a Warehouse, where books and other scientific materials are kept. The flat is not equipped as a Warehouse; only the space is being used.

Second Floor:

63. Flat No. 3 is occupied by an Administrative Assistant (on permanent/statutory appointment) who has been living in this flat since 1st November 1966. Rent paid in respect of this flat is US.\$128.00, her entitlement for house allowance.

64. Flat No.4 is used by the Executive Secretariat as a Guest House.

65. Flat No.5 is occupied by a Translator (French) who is a staff member of CAU. Like others, his housing allowance of US\$128.00 is paid as rent in respect of this flat.

#### Third Floor:

66. Flat No.6 is occupied by Egyptian Embassy official on lease agreement which was signed between the Executive Secretariat and the Egyptian Embassy, for a period of three months at the rent of £60 p.m. This rent has since been raised to N 240 per month.

67. There seems to have developed strained relations between the Executive Secretariat and the Egyptian Embassy over this tenancy, as a result of the former's effort to collect rent arrears from the latter.

68. The point of view of the Egyptian Embassy which was expressed to the Committee is that the new rent is too high and was fixed by the Executive Secretariat without consultation. The Egyptian Embassy has rather proposed to the CAU in writing the rent it was prepared to pay and which it equated to the house allowance entitlement of an CAU staff officer's living in similar flats which it stated to be US\$240; this amount the Embassy has paid and it claimed to cover the period upto June 1979.

69. The CAU Executive Secretariat, as supported by External Board of Auditors, has the Egyptian Embassy outstanding rent arrears of US\$5.359 up to June 1979.

#### LAND HOLDING

70. The houses are built on plots of land given by the Nigerian Government on 99 years lease, totalling about 2 acres at various areas of Ikoyi in Lagos. The leases are subject to annual rent, renewable every twenty years, as follows:

1.	Lease hold No	L05719	at	£.37
2.	"	"	"	L06172 at £ 19
3.	"	"	"	L05720 at £ 28
4.	"	"	"	L05721 at £ 75
5.	"	"	"	L05722 at £111
6.	"	"	"	L05723 at £ 35

71. The rent is due for renewal in the third quarter of this year 1979.

72. Rates are payable on the above property annually. In this regard the Council of Ministers meeting in its Eleventh Ordinary Session in Algiers (September 1968) noted.

"that the facilities granted by the Nigerian Government which was still paying the annual rates on the property were on consideration that the technical cooperation work of the former CCTA was continued by the STRC under the CAU" (Res.CM/DEC.42(XI)).

73. The Committee noted in support of the foregoing that on February 25, 1966, that memo VDO014/1.1 was sent to the CAU Executive Secretariat in Lagos and confirmed the above listed properties for which the Federal Government of Nigeria was paying the township rates.

74. The Committee however noted that whereas bills were still being addressed to the "CCTA c/o CAU, they have not been forwarded to the Federal Government of Nigeria and had been paid out of CAU funds while standing ones were also being considered for payment accordingly.

#### Financing of the construction of the houses

75. To build the houses, the CCTA had obtained loans from the Nigerian Housing Development Society Ltd.. At the time of the integration of the CCTA in the CAU, the loans had not been completely amortised. But the CAU subsequently paid off.

OAU LEGAL OWNERSHIP OF THE HOUSES

Historical background

76. Prior to 1964, the CCTA (Commission for Technical and Scientific Co-operation in Africa) consisted of European and African members. They were: France, United Kingdom, Belgium (European founder members) South Africa and Portugal. The African members were: Federal Republic of Nigeria, the Federation of Rhodesia and Nyassaland, the Republic of Rwanda, Senegal, Sierra Leone, Somalia, Tanganyika, Uganda, Upper Volta, Central African Empire, Chad, Congo, Gabon, Ghana, Guinea, Ivory Coast, Liberia, Malagasy, Mali, Niger, the Federal Republic of Cameroon, and the Islamic Republic of Mauritania.

77. The Commission had operated from London and Paris, but transferred its headquarters to Lagos at the invitation of Nigeria in 1959. In 1962, African members of the Commission demanded the exclusion of both South African and Portugal and these countries withdrew.

78. The Federation of Rhodesia and Nyassaland had earlier disintegrated and ceased to be a member.

79. In 1963 at Dar-es-Salaam, African member States of the Commission decided to have the CCTA integrated in the OAU, and sought the withdrawal of the remaining three European countries - France, United Kingdom, Belgium.

80. At a meeting held in November 1963 between the representatives of these European members and the OAU, it was decided:

- a) that the Founder-members should withdraw from the CCTA;
- b) that no difficulties would be placed in the way of the OAU taking over all the subsidiary institutions of the CCTA.

81. The French Government, in writing withdrew from the Commission; and subsequently the United Kingdom and Belgium, by ceasing to contribute to the budget of the Commission, and not taking any part in the activities of the Commission also ceased effectively to be members.

82. Thus the stage was set for the integration of the CCTA in the OAU. In Addis Ababa in 1963, the Summit Conference of Independent African states then took the following action:

"Considering that at the last CCTA Session in Dar-es-Salaam in January to February, 1963, the final adoption of the new CCTA Convention was deferred until the Heads of African States had an opportunity to consider the role and direction of the CCTA within the overall context of Pan-African Co-operation. And in view of the fact that Article 23 of this new Convention lays down as follows:-

"Pending the signature and the ratification of this convention as provided in Article 16, the Parties having initialled this convention agree to apply it provisionally as if it had entered into force as from the date of initialling, subject to any decision which may be taken by the Heads of African and Malagasy States at Conference at Addis Ababa or at any subsequent conference on the role of CCTA within the overall context of Pan-African Co-operation."

Decides to maintain CCTA and to reconsider its role in order to bring it eventually within the scope of the organization of African States which will have, as one of its arms, an organ for technical, scientific and cultural co-operation."

83. Subsequently, of December 31, 1964 for the completion of this procedure and set up a Liquidators' Committee made up of Ethiopia and Sudan".



84. The final report of these liquidators (Doc. CM/215) was taken up and disposed of at the OAU Summit in 1968 (Algiers).

#### Legal Status of the Properties

85. With the integration of CCTA in the OAU, the OAU was henceforth duly entitled to take over all assets and liabilities of the CCTA, including the houses.

86. The CCTA operated in Lagos prior to the integration in the OAU as a body corporate with diplomatic privileges and immunities by virtue of an Order-in-Council of the Nigerian Government. Thus, on integration, the OAU surrogated to the body corporated of the CCTA. This was further facilitated by the OAU General Convention on Privileges and Immunities (1965) by which Member States of the OAU who acceded to it, recognized by law, the juridical nature of the OAU in their respective territories. The Convention stipulates that:

"Considering it necessary that the OAU should enjoy in the territory of each of its members such legal capacity as may be necessary for the exercise of its functions and the fulfilment of its purposes," parties to the convention provided in Section A, Article 1, that:-

"The Organization of African Unity shall possess juridical personality and shall have the capacity:-

- a) to enter into contract including the right to acquire and dispose of moveable and immoveable property;
- b) to institute legal proceedings."

87. Where then Nigeria acceded to the Convention on 21st October, 1966, it has by law recognised the juridical body of the OAU in its territory. The OAU therefore became a body corporate in Nigeria, by virtue of Nigeria being a party to the Convention. There was nothing in law preventing the OAU from acquiring and possessing the moveable and immoveable properties of the CCTA, which had been integrated in its body.

Transfer of the Properties of CCTA  
to the OAU

88. The Council of Ministers, at the same Eleventh Ordinary Session and Resolution CM/DEC.42 (XI) above mentioned instructed that:-

"the General Secretariat should conclude the legal arrangements with the Nigerian Government immediately on the redemption of the property (of former CCTA)".

89. Consequently the then unpaid balance of the building loans were paid off by the OAU.

90. However, the Committee noted that the release of the houses were effected not to the OAU, but to the CCTA, an extinct body. Both the Titles Deeds on the land and the Redemption Certificate still stand in the name of the CCTA.

91. The Committee noted that no action had been taken by the Secretariat on the legal transfer. There had only been an exchange of correspondence prompted by the Nigerian Federal Ministry of Works and Housing who had requested "original documents and agreements leading to the establishment of the Mission here (in Lagos)" for the continued payment of the rent on a plot leased to the Organization. The OAU Executive Secretariat explained in its reply the substance of the above stated historical background to the problem and concluded that "no formal agreement was signed either in 1958 or in 1965". No request for transfer of property was made neither on that occasion, nor at any other which the Committee could note.

92. The Executive Secretariat concurred to this fact and explained that such transfer could not be effected because an "Accord de Siege" had not been signed between the OAU and the Government of Nigeria.

93. The Committee could not find relevancy in such a contention, for, an "Accord de Siege" in the context of this exercise can only be a supplementary agreement as provided in article 6 of the OAU convention on privileges and immunities. The only and simple thing to do is the following formality:

Notify formally the Government of Nigeria of the integration of the CCTA (now an extinct body) in the OAU and consequently request the transfer of all assets and liabilities of the former to the latter, as explained in paragraph 85 above.

That entails amending and/or modifying all legal instruments accordingly.

Values of the Houses

94. It should be recalled that the Financial Report of the Secretariat (Doc. CM/930 (XXXII) Annex XVII (b) stated the value of the OAU houses as of 31st May, 1970 to be \$41,154.61, which was found to be an underestimation notwithstanding the explanation to the effect that the said figures were only book value, arrived at by the application of the depreciation accounting procedure.

95. The Advisory Committee had therefore directed that the real value be established in conformity with market data.

96. As stated above, the Government of Nigeria kindly acceded to the request of the Advisory Committee and provided an expert Estate Surveyor and Valuer, who embarked in his work of gathering the necessary details immediately.

97. The expert however advised the Committee, on the 5th day of its meeting that he was not in a position to produce a report before sometime, explaining that one basic data was not and could not be readily available. He explained that his calculations of the value of the properties would heavily depend on the new land rent figure which was due for revision in the first months of the second half of 1979. He further emphasized that his evaluation could not be professionally sound without the said data.

98. He therefore insisted that he could present an evaluation in figures only after getting the new land rent rates.

99. Faced with this situation, the Committee requested the Valuer to agree to prepare at least an interim report. This request was accepted and the Expert gave his assessment regarding rental value of the houses as well as their technical description.

100. According to the expert the estimated rental value of the houses both in accordance with LAGOS STATE Rent Edict of 1976, and open market as prevailing in Lagos at present are as follows:-

" ESTIMATE OF ANNUAL RENTAL VALUE

Under the Lagos State Rent Edict of 1976 the standard and maximum rents fixed for the properties would be as follows:

Address of Property	Standard Rent p.a.	Maximum Rent p.a.
No. 24 Mekuwen Road, Two bed room Flats	₦ 6,750 each	₦ 7,500 each
No. 3 Macpherson Avenue	₦13,500	₦15,000
No. 5A Ikoya Avenue	"	"
No. 5B Ikoya Avenue	"	"
No. 1A Kuramo Close	"	"
No. 1B Kuramo Close	"	"
No. 20 Gerrard Road	"	"
NO. 32 Queens Drive	"	"
NO. 13 Queens Drive (i) Main House	₦13,500	₦15,000
(ii) Two bed Room Bungalow	₦ 6,750	₦ 7,500

However, my estimates of the open market rental value of the properties where they are all in good and tenantable condition is as follows:-

Address of Property	Open Market Rental Value
No. 24 Mekuwen Road, Two bed-room flats	each ₦ 8,500 p.a.
No. 3 Macpherson Avenue	₦30,000 p.m.
No. 5A Ikoya Avenue } No. 5B Ikoya Avenue } No. 1A Kuramo Close } No. 1B Kuramo Close }	each ₦20,000 p.a.
No. 20 Gerrard Road	₦32,000 p.a.
No. 32 Queen's Drive	₦32,000 p.a.
No. 13 Queen	
(i) Main House	₦35,000 p.a.
(ii) Two bedroom bungalow	₦15,000 p.a.

Financial Records of the Houses

101. The Records relating to the OAU houses in Lagos have been checked.

102. It was not possible to ascertain total rent due on the houses since 1969 due to the fact that no rent Register was maintained until June 1978 and furthermore only very few tenancy Agreements were available for inspection. In addition to this there was no evidence to indicate that tenancy agreements were renewed. Thus in majority of cases it was not possible to determine the period a tenant occupied a house. It was noted that there was no tenancy agreement for the house allocated to the Nigerian Government.

103. However, figures on rent collected since 1969 to date from the officials of the OAU and private tenants occupying the houses according to the receipt vouchers and the salary record book are as follows:-

Rent from OAU Officials	US\$ 79,374.61
Rent from private tenants	" 122,656.42
Total .....	<u>US\$202,031.03</u>

104. According to records it has been observed that the following rents owed by officials of certain Embassies are still outstanding.

Cameroon Embassy	US\$ 3,131.48
Liberia Embassy	" 4,560.00
Egypt Embassy	" 3,900.00
	<u>US\$ 11,591.48</u>

Rates and State Land Rent

105. Since action had not yet been taken to transfer legal ownership to the OAU of the houses rates and state land rent bills are still in the name of CCTA and are being settled by the OAU Lagos Office. So far a payment of ₦5,271.50 for the year 1977 had been made to the Lagos state government and the outstanding bills totalling ₦23,231.92 are expected to be settled.

106. The Committee did not see any indication that the Nigerian Government had been approached for the payment of rates bills nor that it had renounced its agreement to settle such bills on behalf of the Organization.

107. The Committee was able to visit all the houses and a physical check of the furniture was carried out and all items therein were seen, bearing in mind paragraph 12 of the External Auditor's report for the year 1976/77 which recommended that items which would not be used be destroyed and the rest sold by auction.

#### Housing Problem in Lagos

108. Through the contacts it established with some African Embassies, the UNDP office and some local private building contractors and estate agents, the Committee received general information which all concurred to underline the seriousness of the compounded housing problem in Lagos.

109. It was noted that scarcity of houses characterized generally the housing situation, which leads to very high rents. That is particularly true of the best residential areas which are because of urban problems in the city, those in which most diplomatic and international organization officials prefer to live. Furthermore, tenants are generally required to effect advance payment of rent for 12 to 21 months.

110. To curb that trend of soaring rents, the Government has set standard and maximum rents for houses according to size and location in the "Rent Control Edict of 1976", while at the same time the Government itself has embarked on a very impressive housing development scheme.

111. In view of the present acute housing problem, the Committee was informed that the UNDP has had to advise all UN agencies to suspend assigning experts to Lagos and has had to stop

implementing certain projects for which funds had already been voted because of housing problem. Even though the Nigerian Government was arranging for the accommodation of UNDP experts, some had had to stay as long as six months or more in hotels.

112. The Committee has learned as an example that one African Embassy was paying for its professional (diplomatic) staff members (excluding the ambassador) rent ranging from ₦3,500 to ₦14,000 p.a. on residences with at least 3 bed rooms and servants' quarters; but time-constraints did not make it possible to gather such information from many Embassies. It was further learned that while many Embassies have built their own Chanceries and the residences for ambassadors, very few had done so for their staff members.

113. The Committee also learned that repair and maintenance arrangements of OAU properties could be easily effected in Lagos either on permanent contact basis, or on a case to case basis, directly with contractor and building companies, or through

Estate agents, although the latter's fees depend mainly on whatever terms are agreed upon by the two parties. As an example, one such company indicated it could manage the properties and develop any vacant land according to wishes and could finance such development.

114. In brief, it can be stated that the housing problem in Lagos is serious, but not necessarily permanent, or unique in Africa.

#### GENERAL OBSERVATIONS

115. From the preceding presentation, the Committee feels that the OAU properties in Lagos could be dealt with in four respects:-

- a) Management as regards administration, maintenance of finance.
- b) The furniture in the houses;
- c) Housing of the OAU staff members in Lagos;
- d) The Legal Transfer.

116. To deal with the problem, the Committee is of the opinion that certain principles and guidelines must be upheld.

- a) Whatever property the OAU owns is for and must be upheld in the interest of the organization.
- b) The uniformity of the rules of the Organization must be safeguarded.
- c) Staff welfare is essential for the efficiency of the work of the organization.
- d) Any observation of the problem must be viewed in a long term prospective.
- e) The conjunctural situations must be met without prejudice to the long term prospective and within the framework of the rules and practices of the Organization.
- f) House occupancy entails responsibilities, such as ensuring good use of the premises and to ensure that the same is handed over in good condition in which possession was given.
- g) The employment relationship between the OAU and staff members should and is in no way related to that of tenancy of the OAU houses in this respect, and as such it ought to be noted that:
  - (i) The OAU does not provide housing nor furniture to its staff members, except to the Administrative Secretary General;
  - (ii) The OAU only pays its staff members a graduate housing allowance which is neither a compensation for house entitlement, nor a payment directly related to the exact rent actually paid.

117. The Committee observed that the OAU staff members in Lagos, while admitting knowledge of the rules of the Organization and while also emphasizing the seriousness of the housing situation, tended to argue that it is a necessity for the OAU to provide them with free housing and furniture.

118. Even non OAU staff member occupying the houses seem to feel that they are to rent these houses furnished.
119. Other facts to be taken into account and the committee noted are the following:
- a) No occupant of OAU houses has redecorated it upon the termination of the lease agreement, as no such provision have been made.
  - b) No rent presently paid is equal to half of the rental value as set by the Rent Control Edict of 1976 which seems to have set figures in many cases below 50% of the inflated open market conditions.
120. Due account should also be taken of the fact that the OAU office in Lagos is likely to grow, with the great probability that the number of professional staff members alone will exceed that of the 14 residential accomodation available in Lagos at present.

#### RECOMMENDATIONS

121. It is in the light of the preceding information, facts and considerations that the Committee wishes to make the following recommendations.

#### LEGAL TRANSFER

R.1. The Administrative Secretary-General should take up and complete the formality regarding the legal transfer of CCTA assets and liabilities, including the houses, to the OAU and without delay, formally notify the Government of Nigeria as provided in paragraph 93 of this report.

R.2. In order to avoid confusion of referring to the OAU Office in Lagos of STRC as if two separate bodies (OAU/STRC), the Official name should be THE ORGANIZATION OF AFRICAN UNITY OFFICE FOR SCIENTIFIC, TECHNICAL AND RESEARCH COMMISSION.

#### LAND RATES

R.3. The Administrative Secretary-General should approach the Government of Nigeria for the settlement of land rate bills by the latter in accordance with the latter's policy.



FURNITURE

R. 4. The OAU Secretariat should:-

- a) cease from supplying and providing any OAU house and/or official with any furniture forthwith;
- b) sell by auction all existing furniture, (with the exception of air conditioners since they are already fixed to houses) according to OAU rules and regulations, with due priority being given to the staff members of the Organization. The disposal of all such furniture be completed by the end of the Current Financial Year (May 31st, 1979).

ASSISTANCE TO STAFF MEMBERS FOR HOUSING

- R. 5. a) There should exist no direct relationship between the terms of employment of OAU staff members and the OAU property.
- b) The house allowance of OAU staff members in Lagos should be raised and reviewed regularly in a reasonable manner that makes it possible and easy for them to cope with the housing situation adequately, with due regard to the rent regulation of the host country.
- c) OAU staff members in Lagos should be free as all others to house themselves, and to this end, they should have absolute priority on available OAU houses, with no more than one month advance payment required of them.
- d) OAU should authorize advance payment of all house allowance within a financial year if requested by an officer for the purpose of securing a house and work out in this regard an assistance scheme in conformity with the rules and regulations of the Organization.

OAU HOUSES

- R.6. a) All houses should be let at Nigerian established rent rates with preference given to best offers acceptable under local laws, and to Africans.
- b) Unfenced houses and those badly in need of repairs at present should be immediately placed on the rental market and let to would be tenants undertaking actions described in paragraph 113 above.
- c) Rent should be budgeted as income of the Organization, with 10% being placed in a special fund exclusively established for assisting staff officers in case of necessary advance payment of their rent.
- R.7. Housing plans and designs should be traced with local Municipal Authorities in Nigeria and the same be filed both at the OAU Lagos Office and the Headquarters.

ADMINISTRATION

- R.8. OAU houses should be administered by the OAU whose Lagos Office is provided, in particular, with officers responsible for administration, finance and/or general services.
- R.9. All tenants including OAU staff members should sign lease agreements providing among other traditional clauses, for the houses to be given back at the termination of the tenancy in the condition in which they were at the time of entry, and also that such houses or part there of should never be sub-let.
- R.10. All tenants, except OAU staff members whose rights at termination of appointment are to be on condition that the terms of R.8. have been fulfilled, should be required to give adequate guarantee for the implementation of the terms of R.8 above, with advance payments made according to local laws and practices.

MAINTENANCE

- R.11. Maintenance should be effected by reputable companies, under contract with OAU or on a case to case basis as the state of the houses does not call for frequent repairs.
- R.12. Maintenance should be financed through normal budgetary appropriations.
- R.13. All houses should be repaired and renovated, except those specified in R.5(a) above, through an allocation of US.\$50,000 on from savings in the current budget or on appropriation in the next Financial Year.

DEVELOPMENT

- R.14. The OAU office in Lagos should be provide with a warehouse. The sum of US.\$10,000 should be made available to enable study to be carried out with a view to build a complex comprising a warehouse and 5 to 10 guest rooms exclusively reserved for OAU experts and staff members on official business. This complex could also take into account other aspects of staff welfare.
- R.15. The Advisory Committee on Financial and Budgetary Matters should be given authority to impliment this project possibly through savings during the next Financial Year.

RENT ARREARS

- R.16. All rent arrears should be collected and governments concerned requested to cooperate.

GENERAL RECOMMENDATION TO THE SECRETARIAT

- R.17. The Administrative Secretary-General should ensure that the rules of the Organization are known and take appropriate measures to avoid confusion.
- R.18. The General Secretariat should follow up the matter of the valuation Report by the Expert and to ensure that the same is forwarded to the Committee as soon as it is completed.

CONCLUSION

122. The Committee wishes to conclude by expressing its appreciation to:

- a) The Federal Government of Nigeria whose Permanent Secretary of the Ministry of External Affairs was kind enough to receive the Committee when the latter paid a courtesy call, and more so for the valuable services of the Estate Surveyor and Valuer whose report is awaited;
- b) To the OAU office in Lagos whose unfailing cooperation and assistance has considerably helped the Committee in its work;
- c) To those African Embassies and Representatives of International Organizations in Lagos which the Committee was able to contact and receive information from; and
- d) To all those who contributed in one way or another to its findings and work.



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Addis Ababa . . .

ADVISORY COMMITTEE OF ADMINISTRATIVE,  
BUDGETARY AND FINANCIAL MATTERS  
Thirty-Second Session  
5 - 19 November 1979  
Addis Ababa

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Annex 1

COMMENT ON LAGOS HOUSES

COMMENT ON LAGOS HOUSES

Para 5: The Secretariat notes that the Committee admits that the houses were built for the Staff of the CCTA. They were used by all senior officers of the former CCTA, whether expatriates or not. Shortage of accommodation affects all staff members.

Para 9: Houses were let on specific lease arrangement. Allocation of houses is by seniority. Leases were not renewed when the houses were required for use of OAU staff. Only the Egyptian Embassy has refused to abide by both the request to leave and the request to pay the rent agreed. The Secretariat wishes the Advisory Committee to take a decision on this.

Para 10: Furniture: When CCTA built the houses the beds, mattresses, air conditioners, dining chairs and tables sitting room chairs, refrigerators and cookers were provided on the modest scale as the Nigerian Government provide for all government houses.

No curtains or other expendable furniture were provided. The provision of furniture is NOT an OAU affair. The beds were bought since 1960 or 1961 in most cases.

Following the persistent negative recommendation of the Internal Auditor, these furniture are being maintained or replaced by each staff.

- 2 -

It is not correct that all items of furniture are provided by the OAU. Even at present the Committee saw some items provided exclusively by staff member for their houses.

#### Condition of Houses

Para 23 - 26: The house at 20 Gerard road and all other houses were usually maintained in an excellent state of repair until 1969. To this end a firm of estate agents had contract with the Executive Secretariat for:

- a) maintenance and
- b) letting any vacant property.

However the Internal Auditor from Addis Ababa insisted that the contract be terminated as; he did not consider it necessary to spend money on maintenance. The Executive Secretary protested in vain. He was asked to comply. The result is the unwholesome situation of this and other vacant houses.

It is not fair for the Committee to say "the OAU Office did not deem it necessary to maintain it"; particularly as the Executive Secretary gave the committee the report of the internal auditor.

Since the Executive Secretary received the report, he has invited an estate agent to assess the cost of refurbishing the house. The agent will also fence in the entire property, let it and credit our A/C with the balance after deducting cost. A contract will be completed with the firm if the Secretary-General agrees.

Unless the Secretary-General objects, all vacant properties will be similarly dealt with.

Para 75:      Financing the Houses

No provision has ever been made in OAU/STRC budget for payment of redemption. The truth is that the Executive Secretariat created a Housing Fund in 1965 when the first house was let. Rent received from the Estate Agent on houses were paid into this account. From the account the houses were maintained. In 1969 the Executive Secretariat paid off the redumption on the properties from the Housing Fund.

The Internal Auditor in Addis insisted that the account be closed. It was closed in 1969.

Para 90:      The houses were built under CCTA order in Council 1959. They were released under the same law. If OAU had completed an agreement with the Nigerian Government at the time, the Government would have promulgated a law establishing the OAU/STRC Office in Lagos. This would have been the frame of reference. Up to time of writing there in NO such law in Nigeria.

Para 104:      There is no way the Executive Secretariat can recover mcney from these defaulting embassies. Now that an agent will handle the matter, he will be able to take any defaulting tenant to court to recover debt.

Para 108 - 114:      Housing Problem in Lagos

The Committee has discussed this problem frankly. The Secretariat is grateful.





The Staff would wish to benefit from the decision of the Heads of State in Monrovia on Housing for Staff Member of the OAU secretariat.

The entire STRC Staff in Lagos, Nairobi, Yaounde and Bangui appeals to the Secretary-General and the Advisory Committee for Housing Allowance commensurate with high rent.

#### RECOMMENDATIONS

The Secretariat agrees with the Recommendations in so far as Staff Members are not **thrown** into the streets; rather adequate provision should be made for them.

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1979-03

# Report of the Committee on OAU Premises in Lagos

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