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OAU

RESTRUCTURING OF THE OAU GENERAL SECRETARIAT

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INTRODUCTION

INTRODUCTION

For more than a decade, the OAU General Secretariat has been struggling to reshape itself to reflect the new priorities of the continent; conflict resolution, democratization and human rights on one side, economic integration and development on the other.

Restructuring proposals have succeeded one another. Some have resulted in useful changes. However, none has commanded a consensus. Some took a partial rather than Secretariat-wide approach.

At the 1997 Assembly of Heads of State and Government held in Harare, the Secretary General called for a serious, organization-wide, conclusive restructuring project. He set out a vision of how the General Secretariat should be transformed.

At its June, 1997 Session, the OAU member states' Ad-Hoc Committee of Fourteen on Structural Reform, took up the Secretary General's challenge from the Harare Summit. They agreed that the ongoing question of restructuring the OAU General Secretariat should be referred to a team of independent consultants. In July, the Committee also approved the consultants' terms of reference. Consultants were asked to focus on the following:

1. To evaluate and make proposals on organizational structures and related staff complement at headquarters and in the representational and specialized offices of the OAU.
2. To review the OAU's scientific and technical programs and activities and to make recommendations, where appropriate, on structures and staffing.
3. To recommend the most efficient ways for coordinating and harmonizing the activities of the African Economic Community (AEC) and the Regional Economic Communities (REC).
4. To examine and make recommendations on ways to improve coordination and accountability within headquarters and between headquarters and offices abroad.
5. To review and make recommendations on the draft Career Development Plan for the professional staff in the light of the job evaluation exercise undertaken by the Hay firm.
6. To conduct a management audit and recommend ways of improving methods of work and procedures.
7. To make a financial evaluation of the proposed structure, including a possible retrenchment package.

These seven issues are, of course, interrelated. While we discuss each of them separately in our report, in the order presented, we have tried to keep in mind a *vue* throughout. We also have dealt with an eighth issue, which is how the package of restructuring measures should be implemented.

We began the project in late November, 1997 and we are presenting this report, as requested, at the end of February, 1998.

We visited headquarters in December, January, and February and covered a number of regional offices and specialized agencies as well. We have interviewed dozens of people inside and outside the organization, including many associated with the successive attempts at restructuring which preceded this one, and we have read an impressive number of documents.

We worked closely with a Task Force of senior OAU officials appointed by the Secretary General. We thank them for their friendship, help, advice, and plain speaking.

Finally, we would like to thank the many people from all corners of the General Secretariat who went out of their way to help us during the three busy months we devoted to this project.

We have found a strong consensus on the importance and urgency of the restructuring and on the main themes it should address. These themes underlie the terms of reference we were given for this project.

We have also found that the OAU is burdened with a very wide range of activities, not all of which relate clearly to the major priorities which have emerged in the 1990s. The OAU needs a simpler, flatter organizational structure which is aligned to its new priorities and which allows the Secretariat to concentrate limited budgetary resources on them.

There is a strong sense on the part of management and staff that the human resources of the Secretariat must be renewed. Many will need management and technical training to deal with the organizations new tasks and to take advantage of the most up-to-date methods of work. Some will have to be given incentives to retire or find other work. A more flexible and less costly establishment, making use of more consultants and more employment contracts for staff is sought.

The Secretariat is eager to adopt modern and efficient methods of work. This does not just mean upgrading computers and other equipment. Even more important are methods of work, empowerment of employees, measures to improve horizontal and vertical communications, and a culture which measures results against agreed objectives.

The Secretariat wants to find ways to make the work of the OAU better known and appreciated by the peoples of Africa. It wants to achieve greater recognition in all the regions of Africa and to reach out to civil society, including public interest groups and the business community. At the same time, it wants to devolve responsibility for a number of its regional activities to those who have the greatest interest in them.

We are putting forward a detailed and comprehensive framework to guide change. Putting in place all of the proposed changes will take time and effort. Over time there may be some adjustments to what we are proposing. What is important is that the basic plan be adopted and that implementation work begin.

Getting on with the restructuring process now is essential if the OAU is to live up to all the hopes entrusted in it by its member states and by the peoples of Africa.

1. ORGANIZATIONAL STRUCTURE

1.1 INTRODUCTION

Much thoughtful work on the organizational structure of the Secretariat has been done in recent years, but, in our opinion, none of the previous studies delivered a streamlined organization. These studies were based on the idea that the OAU could only take on its new mandates if it added resources. The principles underlying the existing structure of the Secretariat were not really questioned. Our own analysis leads us to the conclusion that it is possible for the OAU General Secretariat to face its mandates with the present level of financial resources and a reduced level of human resources, provided that the organizational design is based on new principles.

Problems in the current structure

1. The OAU General Secretariat is a very fragmented organization. There are much too many units, many of them very small (one person sections are quite common). There is an "all chiefs, no indians" situation. People are specialized in very narrow tasks and generally work alone. This creates problems of imbalance in the distribution of work and *inadequate* utilization of personnel.
2. The structure has to be redesigned to face the challenge of becoming the Secretariat of the African Economic Community. At present, the responsibilities related to the functioning of the Community Secretariat are dispersed between two departments (EDECO and ESCAS) and other units, particularly the Lagos office. There is no common vision regarding the Community and no coordination mechanism integrating the administrative units involved. In fact, it appears that ESCAS is not in the game and that the community is EDECO's responsibility. This is unfortunate because the Community is aimed at both social and economic development.
3. Supervision should be normally a very powerful coordinating mechanism, but at the OAU it is not having this result. Much formal power is concentrated in the hands of the Secretary-General and his office. Their responsibilities are so heavy so that they cannot have a view of the whole picture nor the possibility to deal in a timely manner with all the issues brought to them. The Assistant Secretaries-General play a role in the supervision of the departments but this role is problematic. There is confusion as to the respective responsibilities of the directors and the ASG's, whose positions appear at least partly redundant.
4. Horizontal committees or regular meetings on issues of common interest should be generally powerful inter and intradepartmental coordinating mechanisms. At the OAU, the existing mechanisms are incomplete and many of them are not functioning very well.
5. The representational and the technical offices are poorly linked to the rest of the organization. These units receive no clear guidance and there is some confusion as to the reporting lines.

6. Due to a number of factors, productivity is quite low. A significant proportion of the personnel is not motivated or is incompetent. Moreover, their work facilities, tools and methods of work need improvement. The OAU should take advantage of the latest information technology and review its existing processes and methods of work.

Principles for designing a new structure

1. A streamlined structure must have a limited number of departments and divisions so that the number of chiefs will be limited.
2. The departments must have coherent mandates, covering well-defined subject areas, so that they can act in their own areas without having to resort to undue interdepartmental coordination.
3. The organization of work should be flexible with people less specialized in very narrow tasks. In general, the sections, which narrow the task perspective, should be eliminated. A professional career ladder will permit advancement on professional merit, without tying this necessarily to taking on administrative or management responsibilities.
4. Teamwork should be a common practice and people should be deployed on projects according to priorities defined at the department and division level.
5. The OAU should take greater advantage of information technology. The professionals should have a personal computer and depend less on support staff for producing documents, correspondence and e-mails. The ratio of support staff to professionals can be reduced significantly.
6. Only a small proportion of the staff should make a lifetime career at the OAU. Fixed term contracts and secondments should cover the majority of personnel. The OAU should make a larger use of consultants particularly for very specialized needs.

Main features of the new structure

The main features we recommend for the restructuring are:

1. A reduced and renewed Office of the Secretary-General, new roles for the Assistant Secretaries-General and the introduction of the position of Director General.
2. Two departments each related to the two fundamental missions of the OAU/AEC Secretariat: the Community Affairs Department and the Political Affairs Department.
3. One operational services department, The Communications and Conferences Department, whose activities are more operational and are closely linked to the activities of the mission departments.
4. Two corporate services departments: the Administration and General Services Department and the Finance and Budget Department.

CHAPTER 1
ORGANIZATIONAL STRUCTURE

1.2 THE OFFICE OF THE SECRETARY GENERAL

Those reporting to the Secretary General are the five Assistant Secretaries General, the Director General and the chiefs of the following units: Cabinet, Management Audit, Protocol, Legal Services, Cooperation and Resource Mobilization, and Afro-Arab Cooperation to which the Cairo Office reports. Due to their strategic role for the organization or their role in supporting directly the action of the Secretary General, these units must report directly to him.

In the present structure, ten units are within the Office of the Secretary General. In our proposal, the Inspectorate becomes the Management Audit Unit and the Budget Control Division is eliminated, its responsibilities being split between the Management Audit Unit (a posteriori financial control) and the Finance and Budget Department (a priori financial control). Registry and Telex and Security are transferred to the Administration and General Services Department. The Press and Information Division is transferred to the Communications and Conferences Department. The Coordination Unit is eliminated, as its various functions will be assumed by the Director General and by the proposed programming, budgeting and evaluation process. A new unit named Cooperation and Resource Mobilization is created.

1.2.1 The Assistant Secretaries General

The Assistant Secretaries General are shown in a staff position to the Secretary General. They will assist the Secretary General in his duties, on high-level and sensitive policy issues and mission, but have no line responsibility in the management of the departments. Examples of the kind of roles which Assistant Secretaries General might take on include: assuring follow-up and implementation of resolutions of chiefs of states and ministers, leading resource mobilization efforts with member states and outside donors, taking part in conflict resolution efforts, and building public awareness and support for the OAU/AEC.

1.2.2 The Director General

The Director General is the principal manager and chief operating officer of the organization. His basic responsibilities are general supervision and inter-departmental coordination. He participates in Policy Cabinet meetings (with the Secretary General and the ASG's) and in coordination meetings (Policy Cabinet plus directors) and he chairs Directors' meetings. The Director General plays a key role in strategic planning and in the programming and budget process (further explained in a later section of this report), in monitoring results against expected outcomes, and in implementing new management practices and systems.

1.2.3 The Cabinet

The Cabinet provides technical services to the Secretary General, coordinates the Secretary General's schedule, provides clerical services, routing and follow-up on official correspondence, ensures that the Secretary General is fully briefed on all activities and situations that require his attention, and prepares briefs and writes speeches.

1.2.4 Management Audit

The Management Audit Unit is an independent professional unit under the Secretary General's authority. It has no operational role. The Management Audit Unit combines the former Inspectorate General and the Budget Control Division (Internal Auditors). Two professionals are required to perform the duties of the Management Audit Unit. The Unit may resort to outside resources to perform some tasks when special expertise is required. The role of the Management Audit Unit is :

1. To foster optimal management practices.
2. To assess program performance within the Organization.
3. To perform internal financial audits.

To that effect, the Unit will perform the following duties :

- Examine administrative practices to ensure optimal use of resources; make recommendations to simplify systems and procedures and to avoid duplication of work.
- Periodically review the establishment and human resource management.
- Carry out appraisals of the operational efficiency and economy with which financial, physical and human resources are utilized and recommend improvements.
- Periodically evaluate program performance compared with objectives, planned results and resources utilized; budgetary and extra-budgetary programs.

1.2.5 Protocol

The Protocol Division handles such matters as:

- ensuring the appropriate conduct of ceremonies and public functions;
- processing documents for diplomatic privileges and processing applications for exit and entry visas on behalf of staff of the OAU;
- processing laissez passer applications;
- keeping flags and national anthems of member states;
- compiling information on member states and their leaders.

1.2.6 Legal Services

Legal Services provides all the legal work required by the OAU including:

- providing legal representation on behalf of the General Secretariat.
- drafting legal documents;
- assessing the legal implications of major agreements involving the OAU;
- giving legal advice and opinions;
- providing legal interpretations on OAU documents;

The addition of one professional to the complement of staff for this unit assumes increased workload resulting from the establishment of the AEC.

1.2.7 Cooperation and Resource Mobilization

Mobilization of new resources is one of the biggest challenges facing the OAU particularly for the missions related to conflict prevention and resolution (contributions to the Peace Fund), for the new and very difficult mandate of establishing the AEC, for funding research and technological development, and for new facilities and equipment, particularly in the area of information technology. Many units are in contact with potential donors. There is no reason to end this practice, as the various specialized units have outside relationships which they are best placed to cultivate.

We propose creation of a new unit with the role of coordinating the activities related to cooperation and resource mobilization with international organizations, national aid agencies, NGO's, and private organizations and businesses, whether based in Africa or outside. The unit will support the activities and propose guidelines to be followed by the functional departments, will develop a network of contacts, and will undertake representation activities. The Secretary General and the Assistant Secretaries General should play a major role in resource mobilization on a Secretariat-wide basis.

1.2.8 Afro-Arab Cooperation

The main function of this unit is to promote economic, political and cultural cooperation between African and Arab countries and their institutions. This unit works closely and give guidance to the Permanent Delegation to the League of Arab States based in Cairo which plays a representational role. This unit will work closely with the Cooperation and Resource Mobilization Unit.

1.2.9: The Cairo Office

The Permanent Delegation to the League of Arab States based in Cairo plays a representational role. This unit works under the guidance of the Afro-Arab Cooperation Unit to which it reports functionally, particularly for the program budget.

1.3 COMMUNITY AFFAIRS DEPARTMENT

The Community Affairs Department puts together the present EDECO and ESCAS Departments and the Offices in Brussels, Geneva and Lagos. As a result, all units dealing with the socio-economic issues addressed by the Abuja Treaty will be working together on building the African Economic Community. To guarantee the integration and the development of the functions formerly under ESCAS jurisdiction, we propose that a deputy director coming from that department be appointed.

In addition to the three representational offices, the Community Affairs Department will have six sectoral divisions and two horizontal units. The six sectoral divisions service the seven Specialized Technical Committees established by the Abuja Treaty and they correspond exactly to each of these committees, with the exception of the Macro-Economy, Trade and Immigration Division which services the Committee on Monetary and Financial Affairs and the Committee on trade, Customs and Immigration Matters. Underlying this proposal is the wish to have a relatively small number of divisions (for instance, the present division on Money, Finance, Trade, Customs and Immigration is not split) while not combining organizationally issues that are not closely related. For example, it appeared that rural economy and agricultural matters were relatively distinct and should be in their own division rather than artificially combined with other topics.

There will be two horizontal divisions in Community Affairs; the Economic Integration Division and the Statistics and Research Division. The Economic Integration Division plays a central role in the policy of integration and liaises with the Regional Economic Communities. The head of division should be a very high caliber person. The Statistics and Research Division has a support role in data collection and dissemination. Since a great deal of the information are available from various sources, for example the Regional Economic Communities, the United Nations Economic Commission for Africa, the World Bank and other international agencies, the Statistics and Research Division would not have to conduct original research, except where very specific information is needed.

The OUA offices in Geneva and Brussels receive guidance and report to the Community Affairs Department. It is important that each representational office have a reporting and operational link to the functional department with which it has the most dealings, even though it will have relations with other parts of the organization as well. The establishment of direct reporting lines between

these offices and the Community Affairs Department would not limit direct access to the Secretary General by Executive Secretaries when they judge it desirable or necessary.

The Lagos Office also reports to the Community Affairs Department. The department's role will be focused on pan-African and national policies on scientific and technological research while the Lagos Office's role is focused on promotion and coordination in specific technical areas through inter-African expert committees. The respective roles of the Department (through the Industry, Science and Technology, Natural Resources & Environment Division) and the Lagos Office are explained in the section on the strategic review of the scientific and technical programs and activities.

1.3.1 Economic Integration Division

The Economic Integration Division is the focal point between the OAU/AEC General Secretariat and other institutions which will be involved in the implementation of the treaty establishing the AEC. The Division coordinates the servicing of the Economic and Social Commission and supports the efforts relating to the strengthening of Regional Economic Communities and the establishment of new communities (article 28). The division plays a key role in the formulation of the policy of integration and in the relations between the AEC and REC's (article 88), the relations between the Community and African continental organizations (article 89), the relations between the Community and African non-governmental organizations with a view of encouraging the involvement of the African peoples in the process of economic integration (article 90), and the relations between the Community and socio-economic organizations and associations (article 91). Another area of responsibility is cooperation with the agencies and institutions within the United Nations System and other international organizations dealing with socio-economic issues and actively involved in the implementation of the AEC Treaty.

1.3.2 Statistics and Research Division

The Division's principal role is the collection of the information available from various sources and its dissemination to other divisions. The Division compiles and maintains general socio-economic data and statistics relevant to economic and social situation on the continent. The Division would rely as much as possible on statistics collected elsewhere but would carry out special research where very specific information was required.

1.3.3 Rural Economy and Agricultural Matters Division

The Rural Economy and Agricultural Matters Division carries the responsibility for the servicing of the Committee on Rural Economy and Agricultural Matters. It oversees the implementation of article 46 on

Agricultural Development and Food Production of the AEC Treaty. In order to promote the integration of production structures, the Member States shall cooperate in the following fields:

- the production of agricultural inputs;
- the development of river and lake basins;
- the development and protection of marine and fishery resources;
- plant and animal protection;
- the harmonization of agricultural development strategies and policies at regional and community levels;
- the harmonization of food security policies.

1.3.4 Macro-economy, Trade and Immigration Division

This division serves the Committee on Monetary and Financial Affairs and the Committee on Trade, Customs and Immigration Matters. It oversees the implementation of articles 29 to 45 of the AEC Treaty. These articles are on:

- the establishment of a Customs Union and the liberalization of trade;
- customs cooperation and administration;
- trade promotion;
- free movement of persons and rights of residence and establishment;
- monetary, financial and payment policies;
- the free movement of capital within the Community.

1.3.5 Industry, Science and Technology, Energy, Natural Resources & Environment Division

This division serves the Committee on Industry, Science and Technology, Energy, Natural Resources & Environment. It oversees the implementation of articles 48 to 60 of the AEC Treaty. These articles are on:

- the harmonization of Member States' industrialization policies;
- the creation of a solid basis for industrial development;
- the harmonization of national policies on scientific and technological research, the coordination of programs in applied research, research for development and scientific and technological services, the harmonization of national technological development plans and issues such as training, exchanges of researchers, etc.;
- cooperation in the field of energy and natural resources (nuclear energy, new and renewable energy, mineral resources, water resources);
- the adoption of national, regional and continental policies and programs for the protection and enhancement of environment and the control of hazardous wastes.

1.3.6 Tourism, Transport and Communications Division

This division serves the Committee on Transport, Communications and Tourism. It oversees the implementation of articles 61 to 66 of the AEC Treaty. In order to achieve a harmonious and integrated development of the continental transport and communications network and of tourism, Member States shall:

- draw up coordinated programs to restructure the road transport sector;
- prepare plans to improve and standardize the rail networks;
- harmonize their policies on maritime and air transport;
- encourage the establishment of Community and African multinational enterprises in the fields of transport;
- establish a pan-African postal network;
- develop, modernize, coordinate and standardize their national telecommunications networks, establish a pan-African telecommunications network and a pan-African system of communications by satellite;
- coordinate their efforts and pool their resources in order to promote the exchange of radio and television programs;
- undertake to collect, disseminate and exchange meteorological information at the continental level;
- strengthen intra-African cooperation in tourism and promote the establishment of efficient tourism enterprises.

1.3.7 Health, Labor, Social Affairs & Gender Issues Division

This division serves the Committee on Health, Labor and Social Affairs. It oversees the implementation of articles 72 to 76 of the AEC Treaty. These articles are on:

- the harmonization of labor and social security legislation;
- cooperation in the field of health;
- the adoption of national population policies;
- the formulation, harmonization and coordination of appropriate policies for the full development of the African woman.

1.3.8 Education, Culture and Human Resources Division

This division serves the Committee on Education, Culture and Human Resources. It oversees the implementation of articles 68 to 71 of the AEC Treaty. These articles are on:

- the coordination of policies and activities between Member States in the field of human resources;
- the strengthening of cooperation in the field of education and training;
- the promotion and preservation of African cultural value, the exchange of cultural programs, and promotion and development of sports programs as factors of integration.

1.3.9 Geneva Office

The main functions of the Permanent Observer Delegation of the OAU in Geneva are:

- Coordination of the activities of the African Group in Geneva and delegations from capitals on multilateral negotiations;
- Participation as Observer in meetings of the Governing Bodies of the UN Agencies, inter-governmental and non-governmental organizations;
- Monitoring and follow-up of the activities of WTO, UNCTAD, FAO, ECOSOC, IFAD, UNIDO, ITC;
- Follow-up on issues related to economic cooperation;
- Monitoring the activities of the Group of 77 and the African Group in the area of transport and communications, intellectual property rights, meteorology and tourism;
- Monitoring and coordinating African Group activities within the ILO and WHO.

1.3.10 Brussels Office

The main functions of the Permanent Delegation of the OAU in Brussels are:

- Coordination of the African Group's position on issues under negotiations within the ACP group and within the context of ACP-EU negotiations;
- Assistance to Headquarters in developing projects for financing under the terms of the European Development Fund and the European Investment Bank as provided for in the Lome IV Convention;
- Development of working relationships with the Customs Cooperation Council, the General Secretariat of the ACP Group and the Commission of the European Union with a view to securing technical and financial assistance;
- Monitoring and reporting on developments within the European Union, the European Parliament, the ACP-EU Joint Assembly and NATO;

Dissemination of information of OAU's activities.

1.3.11 STRC/ Lagos Office

The activities of the Lagos Office are coordinated with those of the Industry, Science and Technology, Energy, Natural Resources and Environment Division. The main functions of the Lagos Office are:

- Coordination of programs in applied research especially through the Inter-African Committees of Experts;
- Promotion of scientific and technological development applications;
- Identification of external funding sources for projects of common interest.
- Exchange of information and documentation in the field of scientific and technological development;
- Organization of training programs and exchanges of researchers and specialists.

1.4 POLITICAL AFFAIRS DEPARTMENT

The Political Affairs Department's main objective is giving operational substance to the Mechanism for Conflict Prevention, Management and Resolution. The Center for Conflict Management is the core unit of this department. The other units are the New York Office and two divisions: Political Cooperation, Democratization and Human Rights Division; Humanitarian Affairs, Refugees and Displaced Persons Division.

The activities of the Center for Conflict Management and those of the two divisions are highly inter-related. On the one hand, democratization and human rights are often at stake when conflicts arise and elections may take place after conflict resolution. On the other hand, problems of refugees and displaced persons are often a result of conflict. The Political Affairs Department manage crisis. Given these interrelationships, officers should be ready and able at any time to carry out tasks outside his/her own division.

The Center for Conflict Management relies heavily on the OAU Peace Fund. The objective of the Fund is to support OAU operational activities relating to conflict management and resolution. Apart from the financial appropriations from the regular budget of the OAU fixed at 5% of the total approved budget every year, the Peace Fund is open to voluntary contribution and special donations, both in cash and in kind. The special contributions have been larger than open-ended ones, that is, most donors designate their contributions towards the resolution of a particular conflict. The new structure of the Center for Conflict Management takes into account the need for a minimal permanent structure, with additional operations (which are unpredictable) being financed by donors. The basic structure provides for staffing the early warning system in the situation room and the field operations unit.

The OUA office in New York will report to and be operationally linked to the Political Affairs Department, given its strong political role vis-à-vis the United Nations and also the United States, though the New York office will maintain an array of connections with other parts of the Secretariat. The establishment of direct reporting lines between this office and the Political Affairs Department will not limit direct access to the Secretary-General by the Executive Secretary when he judges it desirable or necessary.

1.4.1 Center for Conflict Management

The Center's mission is the coordination of activities relating to the anticipation, prevention, management and resolution of intra and inter state conflicts in Africa. The functions will include:

- Serving the Central Organ. This function will include the coordination of the preparation of documents for meetings of the Central Organ, the preparation of the reports of meetings of the Central Organ and follow-up action on decisions of the Central Organ.
- Monitoring political developments in Africa and managing an early warning system through the establishment of a network of information sources and the updating of a data bank
- Promoting negotiations aimed at preventing and resolving conflicts
- Mobilizing resources for operations in the field and the coordination of activities with the UN, regional and sub-regional organizations, and non-governmental organizations
- Coordinating field operations and the undertaking of observer missions in areas of conflict and offering expertise on how to deal with these conflicts

1.4.2 Political Cooperation, Democratization and Human Rights Division

This division will undertake programs that promote the democratization process and democratic transition in Africa, intra-African political cooperation and cooperation between Africa and the international community. It will also focus its attention on election monitoring and the promotion of human rights. The division's principal functions will include:

- Coordinating and harmonizing policies on major political issues among African countries
- Developing a common program of political cooperation between OAU members and other countries
- Formulating policy and developing strategies on issues pertaining to elections monitoring, democratic processes and human rights
- Promoting studies on the development and building of democratic institutions and follow-up of democratization process in Member states

- Organizing and coordinating election monitoring and observation activities in Member States
- Monitoring human rights activities in Member States and liaising with the African Commission on Human and Peoples Rights

1.4.3 Humanitarian Affairs, Refugees and Displaced Persons Division

This division works in close cooperation with the office of the United Nations High Commissioner for Refugees and other inter governmental organizations as well as voluntary agencies involved in assisting refugees and displaced persons in Africa. These organizations are Member of the Coordinating Committee on Assistance to Refugees which is an advisory body on refugee assistance and is answerable to the OAU Commission of Twenty on Refugees. The principal functions of the division will include:

- Monitoring and analyzing developments with regard to refugees and displaced persons in order to formulate policies and strategies
- Coordinating the work of the OAU with that of international agencies, especially the UNHCR
- Developing and improving skills among refugees to make them self-supporting
- Assisting in the interpretation of OAU conventions on refugees
- Monitoring and promoting human rights issues in close cooperation with the African Commission on Human and Peoples Rights

1.4.4 New York Office

The main functions of the OAU Permanent Observer Mission at the United Nations in New York are:

- Coordination of the African Group of States delegated to the UN in developing common African positions in the UN General Assembly, Commissions and Committees;
- Building a political constituency and support for Africa in the United States;
- Monitoring political developments of concern to Africa in North America;
- Establishment of working relationships with the Organization of American States;
- Follow-up on OAU-UN Programs of Cooperation;
- Assistance to the Washington African Group activities on economic issues (IMF, World Bank meetings);
- Ensuring that OAU activities on Refugees, Health, Education, Child Care, etc., receive United Nations support.

1.5 ADMINISTRATION AND GENERAL SERVICES DEPARTMENT

The Administration and General Services Department has six components: the Human Resources and Training Division, the Organization, Methods, Systems and Information Technology Division, the Medical Center, Maintenance and Transportation Services, Security Services, and Registry and Messengers Services.

At present, the Personnel Division has 36 employees including 20 messengers. It is proposed that the messengers be moved to Registry and Messengers Services. The Division would be renamed Human Resources and Training and its staff complement reduced to 11. The Organization, Methods, Systems and Information Technology Division is a new unit which will play a central role in modernizing the work practices of OAU/AEC Secretariat. It will focus on work redesign, process reengineering, continuous improvement of methods, needs studies of information technology, and support of users. Maintenance and Transportation Services are transferred from the Finance Department; while Security Services and Registry are transferred from the Office of the Secretary General.

1.5.1 The Human Resources and Training Division

This Division will continue to play the traditional role of the Personnel Division but will put more emphasis on human resource management practices aimed at rejuvenating the organization. The Division will provide advice and support to other parts of the General Secretariat seeking to better manage their human resources. The Division's strategic functions will be:

- formulating and evaluating policies on human resources management;
- monitoring and updating the organization and staffing plans;
- evaluating the staff in terms of their ability to contribute to the organization's objectives;
- developing the staff to help them better contribute to the organization's objectives.

1.5.2 The Organization, Methods, Systems and Information Technology Division

This new division plays a central role in the continuous improvement of work organization, processes and methods of work, administrative systems and the use of new technology. Its principal functions are:

- To support the departments in the reengineering of operational and administrative processes and in the continuous improvement of these processes;
- To study the needs for personnel in view of an optimal work organization;

- To study methods of work and make recommendations for their improvement;
- To evaluate the needs for new technology;
- To assist the departments in the implementation of new technology, to train the users and support them;
- To develop computer applications;
- To develop and update OAU/AEC Web sites (technical aspects);
- Implementation and maintenance of an E-Mail system;
- First level maintenance and repair of information technology equipment

1.5.3 The Medical Center

The Medical Center provides medical services to staff of the OAU, staff of the African diplomatic missions and their dependents. In addition to the professional staff complement, the Medical Center would continue to make use of specialists on a part-time basis as required.

1.5.4 Maintenance and Transportation Services

This unit is responsible for providing general maintenance to OAU premises, vehicles and equipment which includes cleaning, gardening, electrical maintenance, mechanical maintenance, plumbing, carpeting, repairing telephone systems, interpretation equipment and other equipment, and vehicles repairs and maintenance. In the case of construction projects, the unit will prepare the plans, specifications and contract documents. The unit is also in charge of transportation services. Some responsibilities of the unit such as cleaning of buildings, gardening and vehicles repairs will be contracted out.

1.5.5 Security Services

Security Services are responsible for safeguarding the premises and property of the OAU against intrusion, vandalism, theft and abuse. They also provide security services during conferences and meetings and supervise the issue of identity cards and other forms of identification to Secretariat staff and conference delegates.

1.5.6 Registry and Messengers Services

The Registry and Messengers Services process all out-going and incoming mail which includes all post office procedures as well as collecting and distributing the staff's official and personal mail, and maintaining a computerized list of incoming mail. The unit is also responsible for messengers services. The unit is the custodian of the official seal of the organization.

1.6 THE FINANCE AND BUDGET DEPARTMENT

The Department is responsible for the overall management of the financial resources of the Organization as well as for the execution of the budget.

According to article 71 of the Financial Rules and Regulations of the OAU, the Director of the Finance Department "shall be the financial Controller of the Organization". On the other hand, the Financial Rules gives the Internal Audit Division an operational role of control over all accounting operations (article 62) and over all deeds generating income and expenditure (article 63). This segregation of operational responsibilities has limited the role of the Director of Finance and led to a duplication of work, as the Internal Auditor has had to approve all transactions carried out by the Finance Department. In the proposed structure, the Director of Finance and Budget is the sole responsible Officer for financial operations of the OAU and is accountable as the Controller of the OAU. Consequently, changes will have to be made to the Financial Rules and Regulations of the OAU to reflect the new responsibilities.

In the new structure, the Director of Finance and Budget is involved in the budget planning process to make sure that the financial framework is properly defined and that all calculations are accurate. He also acts as an advisor on financial matters to other department Directors for the preparation of their budget. However, budget content will be worked out in consultations between the Secretary General/Director General, and the various operational and services departments, not by the Finance and Budget Division working almost alone, as at present.

The Secretary General and the Director of the Finance and Budget Department act respectively as Accountant and Controller of the AEC Secretariat, as per article 23 of the Protocol of the Abuja Treaty.

1.6.1 Accounting Division

The accounting Division is responsible for recording all transactions of the Organization and for producing financial reports. The Division accounts for all funds: extra-budgetary funds as well as budgetary funds. The Division examines the monthly financial reports and the vouchers received from external offices. The Budget Control Division (Internal Auditors) have been performing this duty under the current structure.

1.6.2 Treasury, Commitments and Financial Control Division

This Division performs the following tasks:

- it issues all payments of the General Secretariat, including payroll;
- it prepares cash plans and monitors the cash situation of the Organization;
- it makes investments from available funds to maximize investment revenue;

- it verifies the availability of funds before authorizing draws from the budget.

The Budget and Financial Planning Division previously performed these last three tasks; this Division does not exist in the proposed structure.

1.6.3 Procurement Division

This Division's principal functions are:

- Carrying out all purchases for the General Secretariat. It applies purchasing procedures that will ensure optimal value for money to the Organization. It keeps information on suppliers, prices and products.
- Processing of all official travel requests. In that respect, it deals with airlines and travel agencies to obtain the best prices for air tickets.
- Managing goods in store; it provides supplies from stores to the departments. It keeps an inventory of materials and supplies.

1.7 THE COMMUNICATIONS AND CONFERENCES DEPARTMENT

The Communications and Conferences Department combines all activities related to the production, translation, reproduction, distribution and conservation of information in all forms: printed documents, electronic files, audio-visual, etc. It also includes activities in the fields of public relations and conferences related to information dissemination and public information. This department has five units: the Communications Division, the Translation and Interpretation Division, the Conference Services Division, the Documentation Center and the Printing Division.

The Communications Division is based on the present Press and Information Division in the Office of the Secretary-General, but with broader responsibilities.

The Translation and Interpretation Division corresponds to the present Translation and Language Units within the Conferences Division. We propose that a new corps of employees named translators-interpreters be created. Translators who now also do interpretation and those having the capacity to do both jobs would be reclassified at a higher rank but would not receive any extra bonus for delivering interpretation services. The translators in the representational offices should be translators-interpreters. Taking into account the introduction of new technology, it is possible to reduce significantly the number of translators (much translation work could be contracted out to people working at a distance and communicating through e-mail) and secretaries.

The Conference Services Division is responsible for the planning, management and administration of all conferences and meetings of the OAU.

The Documentation Center brings together the Documentation and Archives Section in the Conferences Division and the Library Section of the Administration and Conferences Department. Both the Library and the Archives should be modernized.

The Printing Division corresponds to the present Printing and Reproduction Section in the Conferences Division. It should be modernized and its staff reduced.

1.7.1 Communications Division

The principal functions of the Communications Division are:

- Building a positive image of the OAU and the AEC through public relations work;
- Assisting the Community Affairs Department in setting up a mechanism to consult non-governmental organizations and socio-economic organizations (articles 90 and 91 of the AEC Treaty);
- Disseminating information pertaining to the OAU;
- Monitoring daily news and events, analyzing them, and making summaries and reviews;
- Issuing press releases and acting as the official OAU spokesperson;
- Preparation of publicity materials, video and radio recordings;
- Developing and managing the OAU Web page (technical support being the responsibility of the Organization, Methods, Systems and Information Technology Division).

1.7.2 The Translation and Interpretation Division

This Division is responsible for organizing the provision of efficient interpretation, translation and revision services in the language groups of the OAU. The Division has a minimal core of permanent employees and relies heavily on free lance translators and interpreters.

1.7.3 The Conference Services Division

This Division is responsible for the effective planning, management and administration of all conferences and meetings of the OAU. It is charged with preparing the calendars of meetings, the procurement of human and material resources needed to service meetings and conferences, the efficient distribution of documents before and during conferences, and working with the Translation and Interpretation Division on the provision of translators, interpreters and other technicians.

1.7.4 Documentation Center

The Documentation Center provides library services including published materials, CD-ROMs, access to data banks, videos, and other electronic materials; and maintain the Archives of the OAU. The main functions of the Documentation Center are:

- Computerizing information on documents for easy reference and consultation from any computer in the Secretariat and through the OAU/AEC Web sites on INTERNET from outside the Secretariat;
- Keeping all OAU publications and other relevant publications and documents;
- Providing adequate facilities for the protection and the maintenance of the Archives;
- Providing reference services to the Center's users from within or outside the Secretariat.

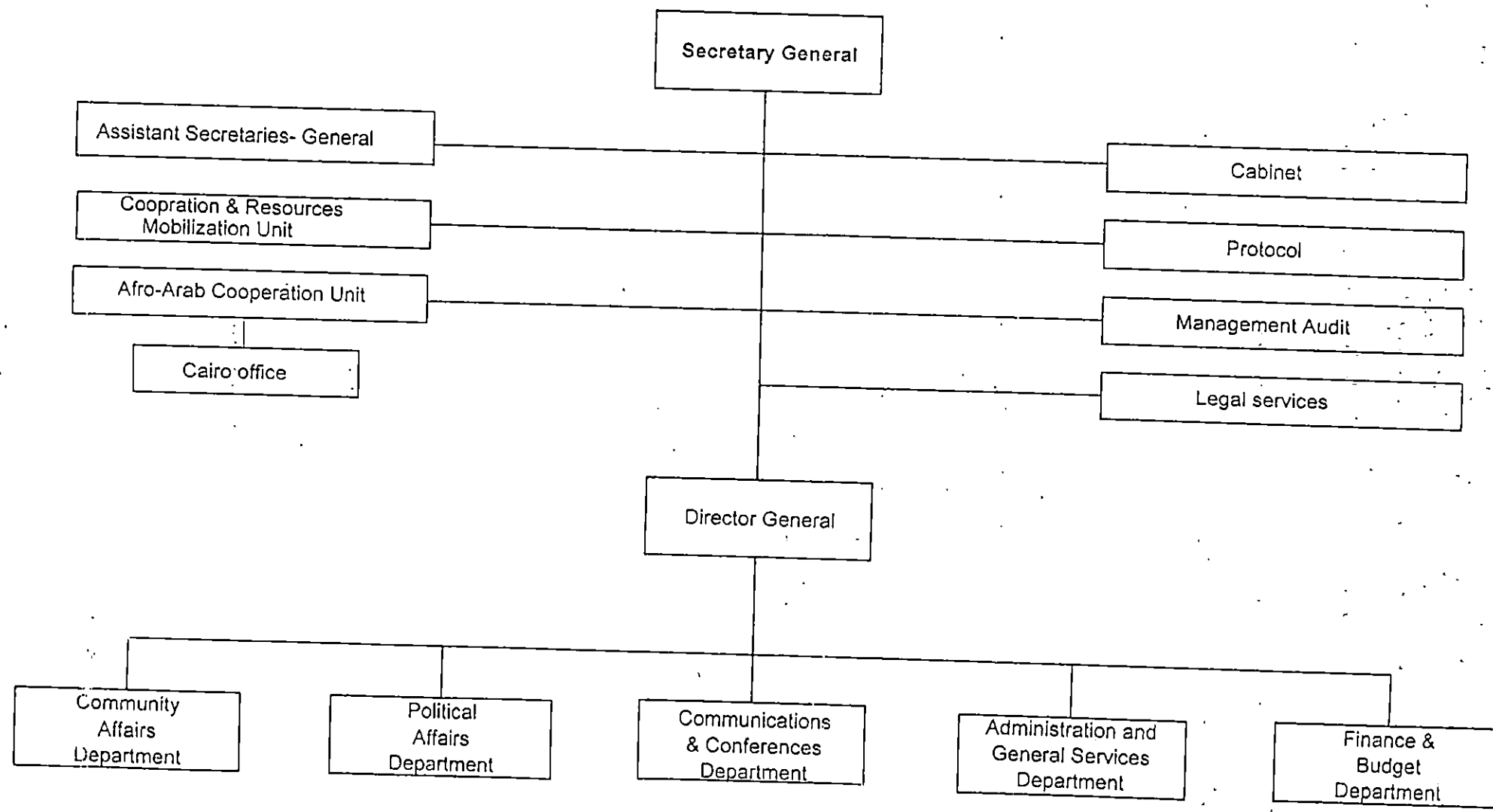
1.7.8 The Printing Division

The Printing is responsible for printing and reproducing documents and for graphic design. This Division services all the units of the General Secretariat

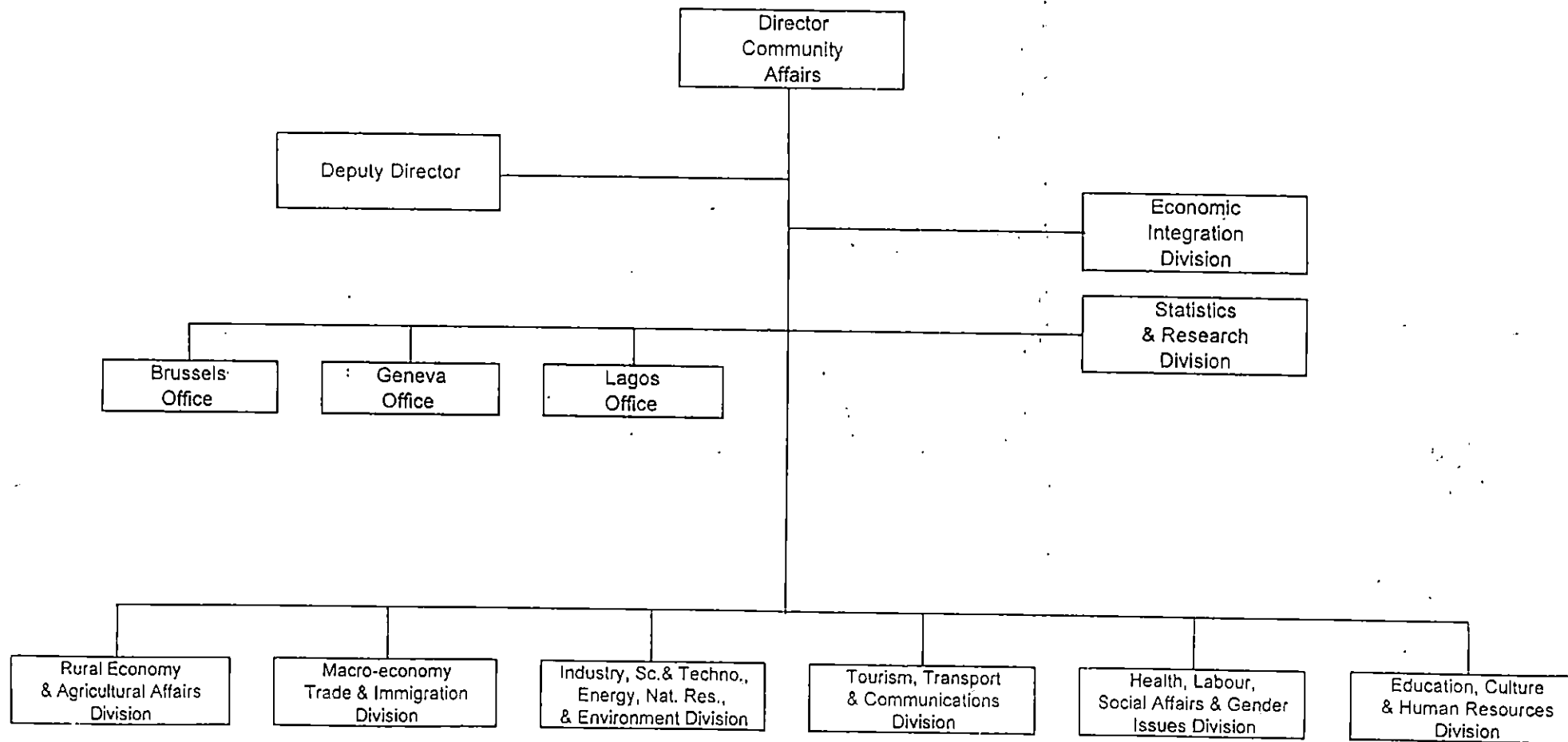
1.8 THE AFRICAN COMMISSION ON HUMAN AND PEOPLES RIGHTS (BANJUL OFFICE)

The Commission is an autonomous organization governed by its own Charter. Thus, the Commission is not shown on the Organization Chart. However, the Commission's Charter requires the OAU to provide personnel and administrative support to the Commission and consequently we have included the Commission in our estimates of the OAU staff complement.

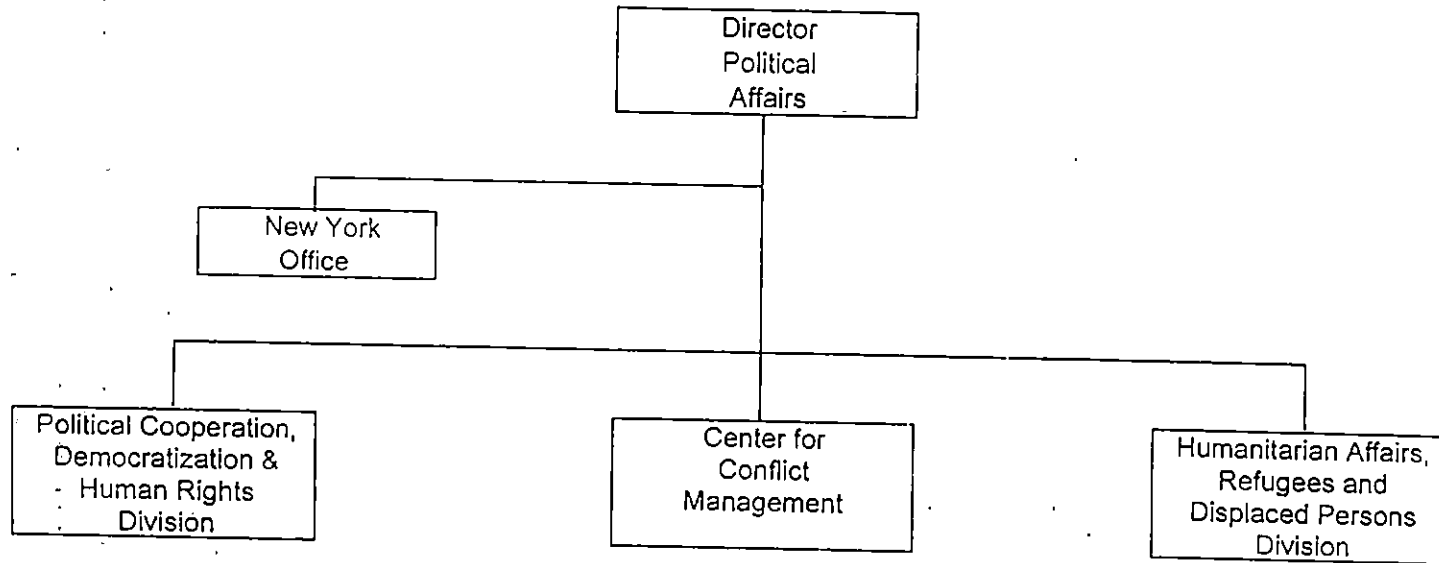
OAU/AEC Joint General Secretariat



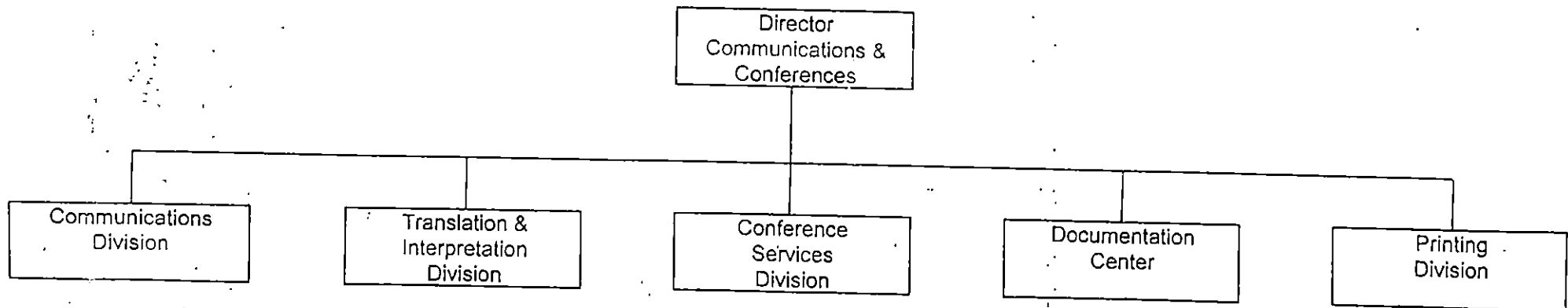
Community Affairs Department



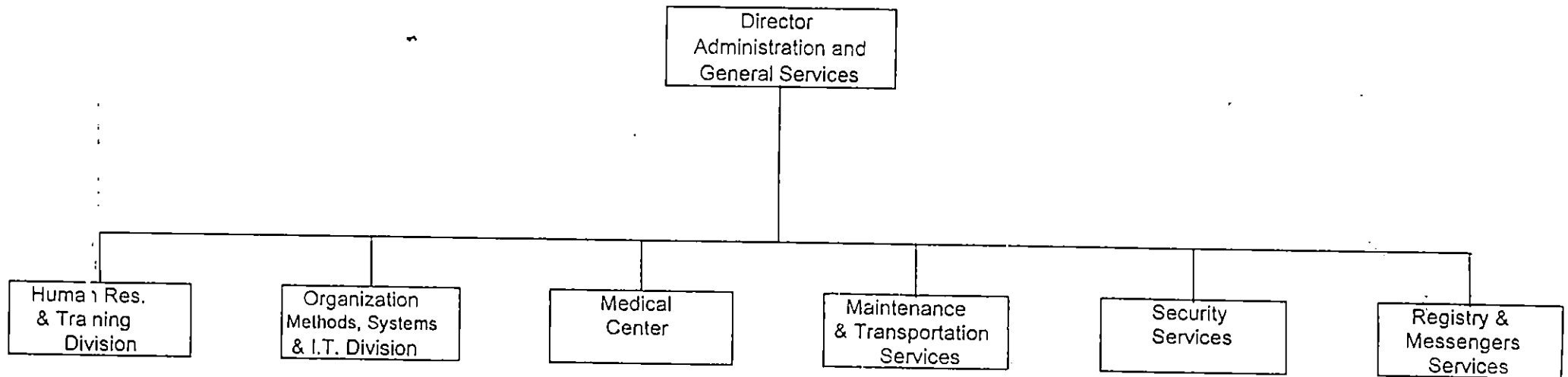
Political Affairs Department



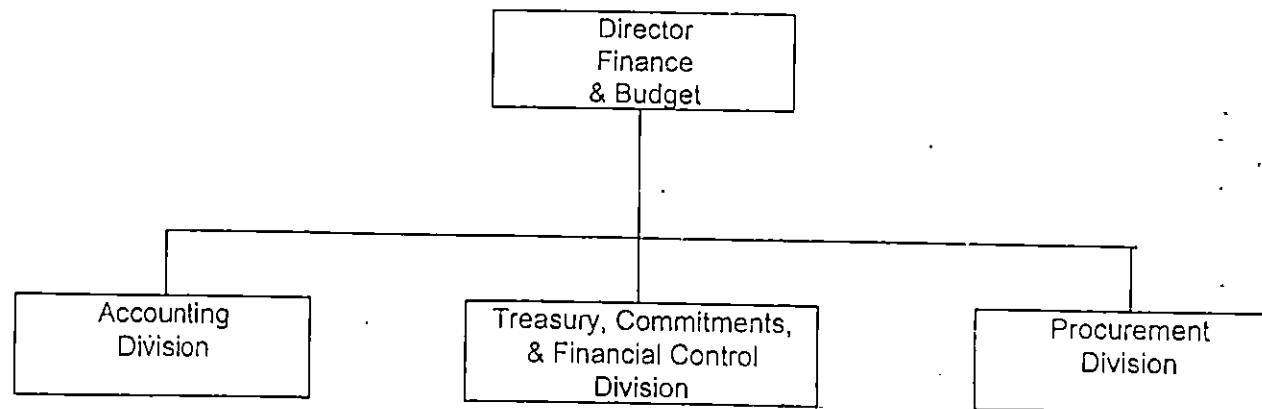
Communications & Conferences Department



Administration & General Services Department



Finance & Budget Department



**OAU - RESTRUCTURING
OFFICE OF THE SECRETARY-GENERAL
PROPOSED STAFF COMPLEMENT**

Post	Grade	Number
<u>Secretary-General</u>		
Secretary-General	Special	1
Private Secretary	GSA6	1
Household Staff	GSA	5
		<hr/> 7
<u>Assistant Secretaries-General</u>		
Assistant Secretaries-General	Special	5
Private Secretaries	GSA5	5
Household Staff	GSA	15
		<hr/> 25
<u>Director General</u>		
Director General	D2	1
Assistant Secretary - Bilingual	P3 GSA4	1 1
		<hr/> 3
<u>Cabinet</u>		
Chief of Cabinet	D1	1
Deputy Chief of Cabinet	P4	1
Attaché	P1	1
Secretaries - Bilingual	GSA4	3
		<hr/> 6
<u>Management Audit</u>		
Management Auditor	D1	1
Senior Auditor	P3	1
Secretary - Bilingual	GSA4	1
		<hr/> 3
<u>Protocol</u>		
Chief of Protocol	P5	1
Deputy Chief of Protocol	P2	1
Protocol Officers	P1	2
Secretary - Bilingual	GSA4	1
Clerk	GSA4	1
		<hr/> 6
<u>Legal Services</u>		
Chief of Legal Services	D1	1
Legal Officers	P3	3
Secretary - Bilingual	GSA4	1
Records Clerk	GSA4	1
		<hr/> 6
<u>Cooperation and Resource Mobilization</u>		
Chief of Unit	P5	1
Officer	P3	1
Officer	P2	1
Secretary - Bilingual	GSA4	1
		<hr/> 4
<u>Afro-Arab Cooperation</u>		
Chief of Unit	P5	1

Officer	P2	1
Secretary - Bilingual	GSA4	1
		<hr/>
		3
<u>Cairo Office</u>		
Executive Secretary	D1	1
Economic/Trade Officer	P4	1
Translator - Interpreter	P4	1
Assistant Accountant	GSA5	1
Secretary- Bilingual	GSA4	1
Operator-Receptionist	GSA3	1
Drivers	GSB7	1
Cleaner-Messenger	GSB8	1
Watchman	GSB8	1
		<hr/>
		9
Total Complement		<hr/>
		72

**OAU - RESTRUCTURING
COMMUNITY AFFAIRS DEPARTMENT
PROPOSED STAFF COMPLEMENT**

Post	Grade	Number
<u>Director of Department</u>		
Director of Department	D2	1
Deputy Director	P5	1
Secretary - Bilingual	GSA4	1
Clerk	GSA2	1
		4
<u>Economic Integration Division</u>		
Head of Division	P5	1
Senior Economist	P3	3
Secretary - Bilingual	GSA4	1
		5
<u>Statistics and Research Division</u>		
Head of Division	P4	1
Data Bank Specialists	P1	2
Secretary - Bilingual	GSA4	1
		4
<u>Rural Economy and Agricultural Division</u>		
Head of Division	P4	1
Policy Senior Officer	P3	1
Secretary Bilingual	GSA4	1
		3
<u>Macro-Economy, Trade and Immigration Division</u>		
Head of Division	P5	1
Policy Senior Officers	P3	3
Policy Officers	P2	2
Secretary - Bilingual	GSA4	1
		7
<u>Industry, Science and Technology, Energy, Natural Resources and Environment Division</u>		
Head of Division	P5	1
Policy Senior Officers	P3	3
Policy Officers	P2	2
Secretary - Bilingual	GSA4	1
		7
<u>Tourism, Transport and Communication Division</u>		
Head of Division	P4	1
Policy Senior Officer	P3	1
Policy Officer	P2	1
Secretary - Bilingual	GSA4	1
		4
<u>Health, Labor, Social Affairs and Gender Issues Division</u>		
Head of Division	P5	1
Policy Senior Officers	P3	2

Officers	P2	2
Secretary - Bilingual	GSA4	1
		6
<u>Education, Culture and Human Resources Division</u>		
Head of Division	P4	1
Policy Senior Officer	P3	1
Officer	P2	1
Secretary - Bilingual	GSA4	1
		4
<u>Brussels Office</u>		
Executive Secretary	D1	1
Senior Economist	P4	1
Socio-Economic Officer	P2	1
Translator-Interpreter	P4	1
Finance Officer	P2	1
Secretary - Bilingual	GSA4	1
Typist - Bilingual	GSA3	1
Cleaner-Messenger	GSB7	1
Driver	GSB7	1
		9
<u>Geneva Office</u>		
Executive Secretary	D1	1
Assistant Executive Secretary	P4	1
Senior Economists	P3	2
Economic and Social Affairs Officer	P3	1
Translator-Interpreter	P4	2
Finance Officer	P2	1
Secretary - Bilingual	GSA4	1
Receptionist - Secretary	GSA3	1
Driver	GSB7	1
Messenger - Clerk	GSB7	1
		12
<u>Lagos Office</u>		
Director	D1	1
Scientific Officer (Coordination and support to Committee of Experts)	P4	1
Scientific Officers (Promotion)	P3	3
Finance and Administration Officer	P2	1
General Service Officer	GSA5	1
Secretary - Bilingual	GSA4	2
Senior Clerk (Documentation)	GSA4	1
Driver - Messenger	GSB7	1
		11
Total Complement		76

**OAU - RESTRUCTURING
POLITICAL AFFAIRS DEPARTMENT
PROPOSED STAFF COMPLEMENT**

Post	Grade	Number
<u>Director of Department</u>		
Director	D2	1
Secretary - Bilingual	GSA4	1
Clerk	GSA2	1
		3
<u>Center for Conflict Management</u>		
Head of Center	P5	1
Political Officer - Secretary of the Central Organ	P4	1
Political Analysts (Early System in the Situation Room)	P3	3
Political Officers in Conflict Resolution and Management	P4	4
Secretaries - Bilingual	GSA4	2
Field Operations:		
Military Advisors responsible for intelligence and operations	P4	2
Military Officer responsible for logistics	P4	1
Communication Officer	P3	1
Radio Repair Man - Radio Operator	GSA3	1
Storekeeper	GSA2	1
Wheeled Vehicle Repairman	GSB	1
		18
<u>Political Cooperation, Democratization and Human Rights Division</u>		
Head of Division	P5	1
Political Senior Officers	P3	2
Political Officers	P2	2
Secretary - Bilingual	GSA4	1
		6
<u>Humanitarian Affairs, Refugees and Displaced Persons Division</u>		
Head of Division	P5	1
Senior Officers	P3	2
Officer	P2	1
Secretary - Bilingual	GSA4	1
		5
<u>New-York Office</u>		
Executive Secretary	D1	1
Assistant Executive Secretary	P4	2
Special Political Officer	P4	1
Translator-Interpreter	P4	2
Senior Economist	P3	1
Political Officer	P3	1
Finance Officer	P2	1
Information Officer	P2	1
Documents Officer	P2	1

Assistant Accountant	GSA5	1
Secretaries - Bilingual	GSA4	3
Receptionist	GSA3	1
Driver	GSB	1
Security Guard	GSB	1
Cleaner - Messenger	GSB	1
		<hr/>
		19

Total Complement		<hr/>
		51

**OAU - RESTRUCTURING
COMMUNICATIONS AND CONFERENCE
DEPARTMENT
PROPOSED STAFF COMPLEMENT**

Post	Grade	Number
<u>Director of Department</u>		
Director	D1	1
Administrative Assistant	GSA5	1
Secretary - Bilingual	GSA4	1
		3
<u>Communications Division</u>		
Head of Division	P5	1
Senior Information Officers	P3	3
Secretary - Bilingual	GSA4	1
Audio-visual Technician	GSA3	1
Clerk	GSA2	1
		7
<u>Conference Services Division</u>		
Head of Division	P4	1
Conference Administrator	P2	1
Documents Controller	P2	1
Secretary - Bilingual	GSA4	1
Clerk	GSA2	1
		5
<u>Documentation Center</u>		
Head of Division	P3	1
Librarian	P2	1
Documentalist - Archivist	P2	2
Cataloguer - Bilingual	GSA4	2
Secretary - Bilingual	GSA4	1
		7
<u>Translation and Interpretation Division</u>		
Head of Division	P4	1
French Translators-Interpreters	P4	2
Arabic Translators-Interpreters	P4	2
English Translators-Interpreters	P4	2
Portuguese Translators-Interpreters	P4	2
French Translators	P3	4
Arabic Translators	P3	5
English Translators	P3	3
Portuguese Translators	P3	5
French Revisor	P4	1
Arabic Revisor	P4	2
English Revisor	P4	1
Portuguese Revisor	P4	2
French Proof-Readers	P1	1
Arabic Proof-Readers	P1	2
English Proof-Readers	P1	1

Portuguese Proof-Readers	P1	2
Typing pool:		
Supervisor	GSA4	1
French Secretary	GSA3	1
Arabic Secretary	GSA3	1
English Secretary	GSA3	1
Portuguese Secretary	GSA3	1
Secretary - Bilingual	GSA4	1
		<hr/> 44
Printing Division		
Head of Division	P3	1
Printing Plant Controller	P2	1
Pre-Press Supervisor	GSA4	1
Printing Supervisor	GSA4	1
Binding Supervisor	GSA4	1
Graphic Designer	GSA4	1
Mechanic - Printing Workshop	GSA4	1
Electrical - Printing workshop	GSA4	1
Typesetters	GSA3	2
Printing Assistants	GSA3	9
		<hr/> 19
Total Complement		<hr/> 85 <hr/>

**OAU - RESTRUCTURING
ADMINISTRATION AND GENERAL SERVICES DEPARTMENT
PROPOSED STAFF COMPLEMENT**

<u>Post</u>	<u>Grade</u>	<u>Number</u>
<u>Director of Department</u>		
Director	D1	1
Administrative Assistant	GSA5	1
Secretary - Bilingual	GSA4	1
		<hr/> 3
<u>Human Resources and Training Division</u>		
Head of Division	P5	1
Personnel Officer - Training Specialist	P4	1
Senior Recruitment Officer	P3	1
Personnel Officer - Recruitment and Contracts	P2	1
Personnel Officer - Staff Benefits	P1	1
Administrative Assistant	GSA5	1
Secretary - Bilingual	GSA4	3
Senior Clerks	GSA3	2
		<hr/> 11
<u>Organization, Methods, Systems and Information Technology Division</u>		
Head of Division	P5	1
Systems and Process Analyst	P3	1
Computer Experts	P2	2
Secretary - Bilingual	GSA4	1
		<hr/> 5
<u>Medical Center</u>		
Physician - Clinic Head	P5	1
Physicians	P4	2
Pharmacist	P3	1
Administrative Assistant	GSA4	1
Nurse- Senior	GSA5	1
Nurse- Staff	GSA4	3
Auxiliary Nurse	GSA4	1
X-Ray Technician	GSA5	1
Laboratory Technician	GSA5	1
Assistant Laboratory Technician	GSA2	1
		<hr/> 13
<u>Maintenance and Transportation Services</u>		
Head of Division	P4	1
Estate Officer	P1	1
Clerk	GSA4	1
Telephone Operators	GSA2	2
Technicians - Buildings and Equipment Maintenance	GSA3	4
Secretary	GSA3	1
Drivers	GSB	15
		<hr/> 25

Security Services

Chief of Security	P2	1
Officer	GSA5	1
Receptionist	GSA3	1
Guards	GSB8	22
		<hr/>
		25

Registry and Messenger Services

Chief of Registry	P2	1
Senior Clerk	GSA4	1
Mail Clerk	GSA2	2
Receiving Clerk	GSA3	2
Mail Runners	GSB6	6
		<hr/>
		12

Total Complement		94
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**OAU - RESTRUCTURING
FINANCE AND BUDGET DEPARTMENT
PROPOSED STAFF COMPLEMENT**

<u>Post</u>	<u>Grade</u>	<u>Number</u>
<u>Director of Department</u>		
Director of Department	D1	1
Bilingual Secretary	GSA4	1
Filing Clerk	GSA2	1
		3
<u>Accounting Division</u>		
Head of Division	P4	1
Finance Officer - Headquarters	P3	1
Finance Officer - Regional Offices	P3	1
Assistant Accountant	GSA5	1
Computers Operators	GSA4	2
		6
<u>Treasury, Commitments and Financial Control Division</u>		
Head of Division	P4	1
Financial Officer - Payroll	P3	1
Finance Officer - Disbursements, Cash and Budget Monitoring	P3	1
Assistant Accountant	GSA5	2
Accounts Clerk	GSA4	2
Typist - Bilingual	GSA3	1
		8
<u>Procurement Division</u>		
Head of Division	P3	1
Assistant Accountant	GSA5	1
Senior Clerk - Procurements	GSA3	1
Store Manager	GSA4	1
Typist - Bilingual	GSA3	1
		5
<u>Total Complement</u>		22

OAU - RESTRUCTURING
 AFRICAN COMMISSION ON HUMAN AND
 PEOPLE'S RIGHTS - BANJUL
 PROPOSED STAFF COMPLEMENT

Post	Grade	Number
Secretary to the Commission Chief	P4	1
Accounts Assistant	P3	1
Secretary - Bilingual	GSA5	1
Clerk	GSA4	1
Receptionist	GSA3	1
Driver - Messenger	GSA2	1
Watchman	GSB	2
Cleaner	GSB	2
	GSB	1
Total Complement		11

2. STRATEGIC REVIEW OF THE SCIENTIFIC AND TECHNICAL PROGRAMS AND ACTIVITIES

2.1 INTRODUCTION

Our strategic review of the scientific and technical programs and activities carried out by the OAU/STRC system sought to assess their relevance to the new challenges facing the Continent in this particular field, having also in mind the Abuja Treaty, the vision and priorities of the Organization and the need for a cost-effective and flexible structure.

Other important considerations guided our review. First, the principle of comparative advantage i.e. is the OAU/STRC system better equipped and positioned than others to carry out these programs and activities, and from the OAU point of view, are they the kind of programs and activities that correspond to its strengths? Second, the principle of cost effectiveness or "value for money". Are the programs or activities cost effective or is the OAU getting value for the money invested in these programs and activities? Third, the principle of the scope of the activities. Are the activities regional or pan-African in scope and character? OAU-supported programs and activities should encompass more than one sub-region and ideally several.

Before commenting on the particular programs and activities, we wish to make the following observations on what is called the OAU/STRC System:

- There seems to be confusion between what pertains to the domain of science and technology research and development and the activities of the specialized offices. The specialized offices do not appear to undertake research activities as such. This distinction matters when discussing policy making or implementation of science and technology.
- In the different documents consulted and in the reports presented to us by the specialized offices, activities like participation in meetings, missions etc., are presented as outputs, which they obviously are not. In this respect, it is difficult to make any analytical links between the utilization of the resources made available and real criteria for program evaluation. Moreover, the OAU/STRC information available about the impact of programs or activities is somehow misleading because no distinction is made between coordination activities and implementation activities.
- In many instances, the OAU/STRC system is presented as an umbrella that is essential and instrumental in attracting funding from donors. Such a role for the OAU can certainly be played in different and more cost effective ways. The OAU is viewed by donors as a valued partner, particularly so when it provides "core funding" or administrative costs for a program or project structure, kinds of expenditure which donors normally try to avoid funding. In our view, donors should be asked to assume administrative costs of programs or projects.

- Most of the factors and circumstances identified by Prof. Thomas R. Odhiambo, in his report of January 1989, as causing a serious lack of operational efficiency and the perception of ineffectiveness of the OAU/STRC system, appear to be still very pertinent, especially the lack of policy guidance and of strategic planning.

2.2 THE SCIENTIFIC, TECHNICAL AND RESEARCH COMMISSION (STRC) - LAGOS

There is a consensus that as the OAU seeks to renew and restructure the General Secretariat to serve as the Secretariat for the AEC, its role and activities in the sector of science and technology for development needs to be re-emphasized and strengthened.

In this context, the structures, mandates and respective roles, in the area of Science and Technology, of Headquarters and the STRC in Lagos, need to be reviewed and redefined. The structures should be cost-effective and flexible. The mandates and respective roles should be clearly delineated in order to avoid duplication and confusion. Authority and accountability responsibilities should also be clear and respected in order to ensure that policies and programs are implemented in an efficient and effective manner and that stated objectives are achieved.

The Abuja Treaty establishing the African Economic Community provides a new framework for the role and activities of the OAU in the sector of science and technology. One of the seven Specialized Technical Committees established by the Treaty will cover science and technology issues, namely The Committee on Industry, Science and Technology, Energy, Natural Resources and Environment. Article 51 of the Treaty defines the obligations assumed by the Member States with regard to Science and Technology and Article 52 the obligations with respect to joint Scientific Research and Technological Programs. A Protocol on Science and Technology will define the modalities of the cooperation called by Articles 51 and 52 of the Treaty.

The Community Affairs Department of the OAU General Secretariat will be responsible for the OAU's role as Secretariat for the African Economic Community and will service the seven Specialized Technical Committees, including The Committee on Industry, Science and Technology, Energy, Natural Resources and Environment. The Community Affairs Department should therefore assume the lead role within the OAU for science and technology matters and should have the responsibility for overseeing the STRC Lagos Office which should report to the Community Affairs Department.

Some of the areas of cooperation, defined in Article 51 of the Treaty, that should be the clear responsibility of the Community Affairs Department, would be the harmonization, at the Community level, of national policies on scientific and technological research and of national technological development plans, as well as the coordination of positions on all scientific and technical questions forming the subject of international negotiations.

CHAPTER 2

STRATEGIC REVIEW OF THE SCIENTIFIC AND TECHNICAL PROGRAMS AND ACTIVITIES

Other areas of cooperation also defined in Article 51 of the Treaty, such as the coordination of programs in applied research and the exchange of information and documentation, and training programs and exchanges of researchers and specialists, should be coordinated by the STRC Lagos Office.

However, in order to strengthen the role and activities of the OAU in the sector of science and technology for development, the STRC Lagos Office needs to be given a renewed mandate with respect to promotion of scientific and technological development application. Special efforts have to be made to identify opportunities for project development in this area and to bring together and involve in a real sense various economic partners. Successes in this area would significantly contribute to the building of the African Economic Community.

The STRC Lagos Office also needs to be restructured to reflect this new mandate. Work methods and procedures need to be adopted that will strengthen its management and operations. Work plans need to be prepared in consultation with the Community Affairs Department and, if approved, appropriate resources have to be allocated in order to enable the work to be carried out.

The organizational structure of the STRC Lagos Office should be task oriented and reflect the two main functions of the Office, those of coordination and of promotion. In addition to administrative services, there should be a unit handling coordination activities such as the Inter-African Committees of Experts, and a unit responsible for promotion work.

The following permanent staff complement should be provided to the STRC Lagos Office to enable it to discharge its mandate. Additional resources could be hired on a short term contract basis as consultants when required for specific tasks or projects.

- 1 Executive Director
- 1 Scientific Officer (Coordination)
- 3 Scientific Officers (Promotion)
- 1 Finance and Administration Officer
- 1 General Service Officer
- 2 Bilingual Secretaries
- 1 Senior Clerk (Documentation)
- 1 Driver/Messenger

RECOMMENDATIONS

In the area of science and technology, the Community Affairs Department at Headquarters should assume the lead role for the OAU and have the responsibility for overseeing the STRC/Lagos Office.

The Community Affairs Department should be responsible for the harmonization of national policies on scientific and technological research and of national technological development plans.

The STRC/Lagos Office should be responsible for coordination activities in technical areas and for promotion of scientific and technological development application. The promotion work should aim at identifying opportunities for project development, external resources mobilization, and bringing together various economic partners.

Work plans detailing the programs and activities entrusted to the STRC/Lagos Office by the OAU should be prepared and, if approved, appropriate resources should be allocated to enable the work to be carried out.

The STRC/Lagos Office should be restructured on a task basis reflecting its two main functions of coordination and promotion. A complement of 11 permanent staff should be provided to the STRC/Lagos Office to enable it to discharge its mandate. Additional resources could be hired on a consultant basis for specific tasks and projects.

2.3 THE INTER-AFRICAN BUREAU FOR ANIMAL RESOURCES (IBAR)-NAIROBI

IBAR, formed in 1951, has been operating within the OAU/STRC structure since 1965. It is claimed that the OAU funding for its projects is insufficient and that the present IBAR establishment of professional staff is not adequate. The present ratio of professional staff to support staff is very high. IBAR is instrumental in raising funds for various projects from donor agencies, lately namely from the European Union.

IBAR has been operating fairly independently from the OAU/STRC. It should be noted that IBAR is not involved in research per se but is an operational unit, working at the field level, coordinating joint projects involving a number of countries, and that the OAU assumes all of the operating costs for a structure that benefits both donor agencies and users of services provided by IBAR.

This situation raises questions about the appropriate status and structure for IBAR and the role appropriate for the OAU. Although animal health and production is a pan-African concern calling for coordination and cooperation, some questions should be asked about OAU's continued participation and whether the form and nature of its participation in the Office is the appropriate one, after more than 30 years of support.

It would seem that the time has come for IBAR to become autonomous administratively and for the users of the structure and the beneficiary of the services rendered by IBAR to contribute towards the operating costs of IBAR and participate in its governance.

RECOMMENDATIONS

The OAU should modify the form and nature of its participation in IBAR. The OAU should phase out its funding for the operating costs of IBAR (salaries, common staff costs, travel, maintenance and communications) and grant administrative autonomy to IBAR, thereby transforming IBAR into an independent agency.

The OAU should invite donor agencies, member countries who benefit from IBAR services and regional inter-governmental organizations, to participate in and assume responsibility for IBAR, by providing personnel and funding to meet operating costs and by paying for the services obtained, and also to participate in the governance of IBAR.

The OAU should facilitate the transition by providing, for an initial phase, an operating grant and the services of the current Director.

The recommended restructuring should be completed during the 1998-2000 Budget Biennium.

2.4 THE INTER-AFRICAN PHYTOSANITARY COUNCIL (IAPSC) - YAOUNDE

IAPSC, created in 1954, has been operating within the OAU/structure since 1965. While the mandate of IAPSC is recognized as still valid, it is also believed that its performance is unsatisfactory. Offices allocated to IAPSC are reported to be inadequate. Presently, there are only two scientists out of a staff strength of 16. It is reported that major activities of IAPSC have been suspended because of inadequate resources allocated to it. Relations of IAPSC with the RECs are apparently not functional.

IAPSC has been operating fairly independently from the OAU/STRC. IAPSC has worked in collaboration with national, regional and international organizations, and Member States, in the field of plant protection and plant quarantine, but in a limited way.

The situation described above indicates that IAPSC is not cost effective and raises questions about the appropriate status and structure for IAPSC and the role appropriate for the OAU. The situation calls for corrective action.

The Study Tour of the OAU Regional Offices was of the view that the IAPSC should be strengthened, reorganized and adequate funds put at its disposal for it to perform in a better way. In our view, the best route to achieve this would be for the OAU to modify the form and nature of its participation in IAPSC by granting administrative autonomy to IAPSC and inviting donor agencies, member countries and regional inter-governmental organizations to contribute financially and participate in the governance of IAPSC. The resulting structure, by constituting a partnership of stakeholders and encouraging their active participation, would offer favorable conditions and a strong base for the future of IAPSC.

RECOMMENDATIONS

The OAU should modify the form and nature of its participation in IAPSC. The OAU should phase out its funding for the operating costs of IAPSC (salaries and wages, common staff cost, travel, maintenance and communications) and grant administrative autonomy to IAPSC, thereby transforming IAPSC into an independent agency.

The OAU should invite donor agencies, member countries and regional inter-governmental organizations, to contribute financially and participate in the governance of IAPSC.

The OAU should actively support this restructuring by providing technical assistance and, for an initial phase, an operating grant to facilitate the transition.

The recommended restructuring should be completed during the 1998-2000 Budget Biennium.

2.5 THE AFRICAN CENTER FOR PHYTOSANITARY RESEARCH AND TRAINING(CARFOP) – DSCHANG, CAMEROON

This project is generally viewed as a very costly training program that is not cost effective. From 1990 to 1995, when the OAU allocated an amount of over one million dollars and thus provided most of the funding for the operation of the Center, the Center produced only seven graduates. In the circumstances, it is difficult to justify continued OAU support for this project. OAU funds would be more effectively used if allocated to support training at Universities across Africa and for practical training in existing Regional Research Centers across Africa.

RECOMMENDATIONS

The OAU should withdraw its support to CARFOP and allocate the funds to support training at Universities and Regional Research Centers across Africa.

2.6 THE FOUTA-DJALLON PROJECT - CONAKRY

The initial goal of the Office, when the Project started in 1984, was to prepare and execute this Regional Project and ensure liaison between the relevant authorities. The Project is now in its Phase II which encompasses comprehensive studies, including the creation of an appropriate legal framework for the Project.

Inadequate human resources and inadequate OAU grants have been identified as constraints for the Project. It should also be noted that the Office has been operating fairly independently from the OAU/STRC System.

This is a pilot project of a regional character now evolving towards a permanent structure, under the OAU umbrella. In the context of a refocusing of the role of the OAU and of the respective roles of the OAU/AEC and the RECs, the time has come for the OAU to consider that it has successfully accomplished its coordination role, through operating the International Coordination Office, and indicate its intention to transfer its role to a more appropriate regional organization. In order to facilitate such a transition, the OAU should provide technical assistance including legal advice and work closely with sub-regional intergovernmental organizations including ECOWAS, riparian countries of West Africa whose rivers rise from the Fouta Djallon Highlands, and donor agencies, in designing an appropriate framework and permanent structure for this project.

RECOMMENDATIONS

The OAU should transfer its coordination role for the Fouta Djallon Project to a more appropriate regional organization.

The OAU should phase out its funding for the operating costs of the OAU/International Coordination Office (salaries and wages, common staff and communications expenses) and instead provide technical assistance for designing an appropriate framework and permanent structure for the project.

The recommended transition should be completed during the 1998-2000 Budget Biennium.

2.7 THE SEMI-ARID FOOD GRAIN RESEARCH AND DEVELOPMENT PROJECT(SAFGRAD)-OUAGADOUGOU

This is a project that became operational in 1978 and has since encompassed 28 Member States within the semi-arid ecological zone of the Continent. The initial project goal was to assist African participating member countries attain food self-reliance and food security in a sustainable manner. It is important to note that SAFGRAD is not institutionalized within the OAU structure and that the OAU annual financial contribution of \$200,000 is channeled through the STRC. SAFGRAD has been successful over the last 13 years in raising over 45 million US dollars.

The SAFGRAD Coordination Office proposed, in a document dated June 1997, the creation of a new institution, presented as an institutional evolution of SAFGRAD: the African Agricultural and Food Policy Research Development Agency (AAFRADA), encompassing the activities of IBAR of Nairobi and of IAPSC of Yaounde, and reporting to a restructured STRC based at OAU Headquarters.

The proposal, which has been described as comparable to the creation of a Pan-African Department of Food and Agriculture, overemphasizes, in our view, the benefits of harmonization and of pulling everything under one roof. We doubt very much the attractiveness of such a centralized approach for potential donors.

RECOMMENDATIONS

The OAU should not institutionalize SAFGRAD. The SAFGRAD Coordination Office should not become an OAU Coordination Office

The OAU \$200,000. contribution to SAFGRAD should be allocated for coordination activities and extending the SAFGRAD Network to other member countries who wish to join the Network.

SAFGRAD should be encouraged to seek support from donor countries and sub-regional organizations including the RECs.

2.8 THE CENTER FOR LINGUISTIC AND HISTORICAL STUDIES BY ORAL TRADITION (CELHTO) - NIAMEY

While the mandate and the activities carried out by the CELHTO have merit, the lack of adequate funding and the freezing of positions have caused a situation where :

- following the retirement, last December, of the Director, only two professionals remain - a finance officer and a linguistic officer;
- the administration costs are out of proportion to the limited program activities and output;
- the Center's facilities are not fully utilized.

This is not a cost effective situation and the funds spent on administration costs could better be used to fund a grant program in support of projects and activities in matters of language and oral traditions and of African culture and heritage, in African universities or other regional centers that are better equipped and deserving of support. Such a program for the support of culture and languages could best be administered by the Education, Culture and Human Resources Division at Headquarters.

An intergovernmental bureaucratic structure, such as the OAU, does not offer the most favorable conditions and environment for maximizing the efficiency and benefits of programs and activities of the type that are carried out by CELHTO. A network of Universities and Regional Centers would offer much better conditions and environment, and through a decentralized approach, would have a much greater impact across the African continent.

RECOMMENDATIONS

The OAU should modify the way it presently supports linguistic and cultural research through operating CELHTO. The OAU should phase out its funding for the operating costs of CELHTO (salaries and wages, common staff cost, maintenance and communications expenses) and instead provide a grant for specific programs and activities.

The physical facilities of the OAU/CELHTO Center should be transferred to the University of Niamey located adjacent to the CELTHO. Some of CELTHO's linguistic and oral tradition research should be pursued there with financial support from the OAU and other partners. Initially, the OAU should provide special support that would ease the transition and ensure that the cultural and historical records of the CELTHO are preserved.

Other programs and activities now conducted by CELHTO should be transferred to African Universities and to Regional Centers including, the Regional Center for Research and Documentation on Oral Traditions and African Languages (CERDOTALA), the Eastern Africa Center for Research on Oral Traditions of African National Languages (EACROTANAL) and the Southern African Center for African Languages and Oral Traditions (SACALOT)

A grant program, to be administered by the Education, Culture and Human Resources Division, should be established to provide financial support, on a project-basis and in accordance with approved criteria, to Universities and Regional Centers for programs and activities covering linguistic, cultural and historical research and promotion.

The recommended transfers should be completed during the 1998-2000 Budget Biennium.

2.9 THE AFRICAN COMMISSION ON HUMAN AND PEOPLES' RIGHTS - BANJUL

The African Charter on Human and Peoples' Rights, adopted in 1981 and in force since 1986, established the African Commission on Human and Peoples' Rights within the OAU to promote human and peoples' rights and ensure their protection in Africa

Article 41 of the African Charter on Human and Peoples' Rights requires that the Secretary General of the OAU appoint the Secretary of the Commission and provide the staff and services necessary for the effective discharge of the duties of the Commission, and that the OAU bear the cost of the staff and services. The members of the Commission are elected by the Assembly of Heads of State.

While the Commission is an organ of the OAU, it is not part of the OAU General Secretariat. The autonomy of the Commission is recognized as the Commission is governed by its own charter. Reports that have reviewed the resource requirements of the Commission Secretariat have observed that the Secretariat is under-staffed.

RECOMMENDATIONS

The OAU should provide to the Commission appropriate and adequate resources and support for the Commission to effectively carry out its mandate.

The OAU should encourage the Commission to seek the support of inter-governmental institutions and non-governmental organizations for the funding and execution of its programs and projects.

2.10 AN ENHANCED ROLE

The consequence of our recommendations is to reduce the role of the OAU in the management of scientific and technical programs. Significant economies will result from the adoption of this approach.

In future, the OAU will still have a major role in the promotion of scientific and technical development programs and projects. In fact, its promotional role will be enhanced as resources obtained from savings resulting from the proposed restructuring of the specialized offices will enable it to intervene in many more member countries.

CHAPTER 3

~~COORDINATING THE ACTIVITIES OF THE AEC AND THE RECS~~

3. COORDINATING THE ACTIVITIES OF THE AEC AND THE RECS

3.1 INTRODUCTION

One of the major developments affecting the role of the OAU in recent years has been the increased emphasis placed on the promotion of regional and continental cooperation and integration through the establishment of the African Economic Community (AEC). The assumption by the OAU of the role of secretariat for the AEC will have far-reaching repercussions for the restructuring of the Organization's secretariat and the way it relates with the regions, notably the Regional Economic Communities (RECs). This issue is at the heart of the adaptation and restructuring of process undertaken by the OAU secretariat. In accordance with the Consultants' terms of reference this part of the report examines and makes recommendations on the most efficient ways of coordinating and harmonizing the activities of the AEC and the RECs in the light of the Protocol on Relations between the AEC and the RECs.

3.2 THE RESTRUCTURING OF OAU IN LIGHT OF THE ABUJA TREATY

The decision to use the OAU Secretariat to serve equally as Secretariat for the AEC raises a number of concerns which will need to be addressed decisively and properly if the construction and the objectives of the AEC are to be achieved.

In restructuring of the OAU Secretariat, it will be essential to highlight the fact that there will be a true and well structured AEC Secretariat with its own visibility and corporate identity. The restructuring should ensure that the provisions of the Treaty and the implied work program are fully reflected in the new structure and organization chart of the new OAU/AEC Secretariat. All AEC activities and operations performed separately at the moment by EDECO and ESCAS should be combined in one department. This Community Affairs Department would serve as a single responsibility center for AEC affairs within the General Secretariat. It would be structured to reflect the Specialized Technical Committees listed in Article 25 of the Treaty. Given the size and broad responsibilities of this Department, a Deputy Director would share the overall burden with the Director, ensuring continuity in his/her absences, and assuming, at the request of the Director, the supervision of day-to-day operations relating to certain activities.

Some have argued that the AEC Secretariat should be organized on a geographical basis (i.e., five geographical divisions) rather than on the functional/sectoral basis we recommend above. However, such an approach should be avoided as it would lead to duplication of sectoral functions. It also would be operationally problematic, given the very different stages of integration reached in different regions, the non-functioning of certain RECs (notably UMA and ECCAS) and the likely reconfiguration of IGOs and RECs in the years ahead.

There does not so far appear to be a clear and common vision of how the Abuja Treaty will be implemented. The proposed Economic Integration and

Cooperation Division would create, within the Community Affairs Department, a center of intellectual leadership in the development of a vision for the integration process. There is a need to determine the nature of the transitional process to the AEC identified in Article 6 of the Treaty and put in place the mechanisms that will ensure the construction of the AEC over its various stages. It is this challenge that should be at the heart of the mandate of the Economic Cooperation and Integration Division.

Given the provisions of Articles 51, 52 and 53 of the Treaty pertaining to science and technology, and the interest that this sector of activity represents for the AEC and its member states, this sector also should become part of the Community Affairs Department. It would be dealt with by a Division having the mandate to develop and implement the terms of the protocol on Science and Technology called for in Article 53. In this context arrangements should be made for the establishment of an adequate relationship and coordination between the Department, the OUA/STRC and the RECs. In this regard, the STRC/Lagos office should report to the Director of the Community Affairs Department.

The Secretary General is, of course, ultimately responsible for the dual OAU/AEC Secretariat. However, the Director of the Community Affairs Department should be recognized within and outside the General Secretariat as the senior official responsible for the work of building the AEC. Great care should be taken in choosing this Director, who will guide the process of integration, supervise policy development and day-to-day work on AEC affairs, and serve as a high level point of contact with other interested parties.

3.3 THE ROLE AND MANDATE OF THE OAU/AEC SECRETARIAT

It is generally accepted that the OAU/AEC Secretariat should focus for the foreseeable future on the pursuit of the objectives set for itself in the first two stages of the construction of the Community as outlined in Article 6 of the Treaty. This involves the coordination and harmonization of activities among the RECs, the strengthening of the existing RECs, and the creation of new ones as needed. To avoid any duplication with the RECs and other interested parties, such as the UNECA, a clear and widely accepted definition of these coordinating and harmonizing responsibilities is required.

The role of the OAU/AEC Secretariat should be in general to provide a strong leadership and vision in respect of the process of integration, to encourage the RECs to work with one another and with the AEC Secretariat, and to exchange experience and information aimed at facilitating the compatibility of REC policies and objectives.

There is a risk that the pressure of day-to-day activities may lead the OAU/AEC Secretariat to assume responsibility for some of the more technical issues which would be better left to the individual RECs, and other more technically oriented

bodies, such as the UNECA. Conversely the role of the latter may need to be adapted so that they focus more narrowly on the provision of technical assistance to the RECs, and their member states while leaving the leadership on the overall integration process to the OAU/AEC Secretariat. In an environment of very tight budgetary resources, the AEC and its partners can ill afford to duplicate roles and functions. Such duplication could put the RECs in the embarrassing position of playing the role of referee or of having to choose among partners.

The work done so far in the Joint AEC/UNECA/ADB Secretariat has been most useful in this respect. Moreover, the work program for the AEC approved by the ECOSOC on 20-21 November 1997 and the role assigned to the OAU/AEC Secretariat are generally sound. In order to avoid a heavy top-down approach, the detailed implementation of this program should involve directly the RECs, as the building blocks of the AEC.

The perception that things are done to them rather than with them and for them could severely affect the confidence and spirit of cooperation of the RECs. The cooperation and more active involvement of the RECs will be essential as they will undoubtedly insist in identifying themselves their needs and the support they should receive from the AEC and other parties. It should also be emphasized that the RECs work in close cooperation with their member states. Ultimately, as the Treaty states clearly, the construction of the AEC will depend heavily on the commitment of the member states. Their relations with the RECs and the AEC are therefore of crucial importance.

The non-inclusion of the RECs in the Joint AEC/UNECA/ADB Secretariat may have been understandable at the time it was set up. However, the recent decision to include the RECs in the two coordination committees established under the Protocol on Relations between the AEC and the RECs constitutes a major positive development. This also has implications for the annual budget of the AEC as mentioned below. These committees should be activated as soon as possible after the Protocol is ratified by the RECs.

The role and usefulness of the AEC/UNECA/ADB Joint Secretariat also should be reviewed. One possibility is that the AEC, UNECA and ADB would continue to have ad hoc and informal consultations on technical issues of mutual interest as they deem useful. Alternatively, the Joint Secretariat could be merged with the new formal and official Coordination Committee and Committee of Officials created under the Protocol, having in mind that the Protocol now constitutes the legal basis for AEC coordination arrangements.

Given its leading role in the construction of the Community under the Treaty it should be clearly understood and agreed that the OAU/AEC Secretariat should have the key responsibility for the calling and preparation of all ministerial meetings pertaining to integration issues falling under the terms of the Treaty. Similarly the OAU/AEC Secretariat, with the assistance of the Geneva and Brussels offices, should play the lead role and be the sole spokesman for files of

overriding pan-African importance, such as the WTO and ACP/Lome Convention negotiations.

3.4 DAY-TO-DAY WORKING RELATIONS BETWEEN THE OAU/AEC SECRETARIAT AND THE RECS

The first point to be made under this heading is that there should be a contact point for day-to-day relations at division head level in the Department for Community Affairs for each of the RECs and vice-versa. The current practice established by EDECO in this respect should be retained and continued once the OAU/AEC Secretariat is restructured.

As regards the general question of communications and interaction between Addis and the RECs, a number of alternatives can be considered. It has been proposed that OAU/AEC offices could be opened in the cities where the RECs are located. We consider that this measure would be premature, costly and most likely ineffective at least at this stage in the relations between the AEC and the RECs. It should also be added that at the moment there is a large number of regional and sub-regional Intergovernmental Organizations (IGOs) including the five major RECs (ECOWAS, SADC, COMESA, UMA and ECCAS). Moreover some of the IGOs have an overlapping membership. Which regional organizations might be designated in the future as RECs for purposes of the Treaty is not clear. In such an unsettled situation, the opening of OAU/AEC representative offices at the RECs would be problematic.

The question of opening such offices should be reviewed once the questions of restructuring, staffing and budget have been dealt with properly. Another possibility which could be looked at then would be to place one or two OAU/AEC well qualified Secretariat officers directly in the offices of the RECs themselves. However, this would have to be negotiated with the individual REC's.

For the foreseeable future, the most practical, cost effective and generally acceptable approach would be to strengthen, through visits and electronic communications, the network of contacts and relations between the OAU/AEC Secretariat and the officials of the RECs. An effective system of contacts would involve in our view the preparation of studies of interregional interest, projects that can be replicated in other regions, the organization by OAU/AEC of seminars, workshops, joint missions, and consultation meetings bringing together officials of the AEC and the RECs. This also argues in favor of involving the RECs in the elaboration and implementation of a detailed work plan. Computerization and the introduction of modern and instant telecommunications facilities in the OAU/AEC Secretariat and the RECs will make this approach more easily workable than in the past.

The Community Affairs Department, as Secretariat for the AEC, will have a relatively small staff with which to carry out its responsibilities under the Treaty. They will need to be highly competent and credible people, able to work on a par with the specialists and technicians of the RECs, UNECA and other parties. The establishment of effective working relations with AEC partners will depend in good part on the vision, qualifications and sense of initiative of the OUA/AEC staff. For reasons of flexibility and cost effectiveness, the regular staff of the Secretariat should be able to draw on consultants to perform specific ad hoc assignments, especially those relating to the strengthening of the RECs. The networking approach suggested above also should be encouraged. The budget of the AEC and of the new Department for Community Affairs should take account of the need for increased use of consultants and of networking.

As the restructuring takes place and new divisions are set up, the Community Affairs Department should immediately proceed with a comprehensive and in-depth review of the skills of the staff assigned to it in order: a) to put the right people in the right jobs; b) to identify officers requiring training; and c) to identify people who may be declared redundant. Put briefly, the personnel assigned to Community Affairs will have to be credible in the eyes of the RECs; the UNECA, the ADB, and other technical parties.

3.5 FINANCING OF THE AEC

The OAU/AEC Secretariat will require adequate financing if its objectives are to be met. The Treaty provides that the activities of the AEC Secretariat will be financed from the resources of the OAU budget. Article 24 of the Protocol mandates the Secretary General to propose an annual budget in consultation with the Chief Executives of the interested parties.

While there is neither the need for nor the financial possibility of creating a large AEC Secretariat, two points need to be emphasized. First, if the recruitment of highly qualified staff proved difficult, it may be desirable, depending on the circumstances, to review salaries needed to attract such people. Second, the intensification of relations with the RECs and the implementation of the program of work approved by the ECOSOC may require substantial financing.

In the short run, a strict prioritization of the tasks included in the work program will be unavoidable. At the same time, the search for additional budgetary contributions from members and external sources, as well as self-financing mechanisms, will be essential. In this connection we recommend that the study on this question approved in the ECOSOC program of work be conducted as a matter of top priority. It will be essential, also to sensitize member states to their financial responsibilities in assuring the success of the Community. It is worth emphasizing in this respect that while some of the regional groupings such as UDEAC and UMOA already have self-financing mechanisms in place, other RECs are in an advanced stage of studies to establish their own. Collaboration between the AEC and the RECs in respect of such mechanisms should be established.

The search for self-financing mechanisms for the AEC should not detract from the need to continue mobilizing extra-budgetary resources and technical assistance from international organizations and donor countries. In this respect we have noted the interesting report of the Secretary General to the Advisory Committee on Administrative, Budgetary and Financial Matters contained in document FBM/6(LXVI). We would suggest that the mobilization of resources for the OAU/AEC programs be organized and coordinated more systematically by the Secretariat. This should be done through the proposed Resource Mobilization Unit in the Secretary General's office, operating in close coordination with the operational departments, and the Representational and Specialized Offices.

We would note finally that means should be found to ensure the continuation of the excellent work performed by the Policy Analysis Support Group (PASU) financed by the African Capacity Building Foundation as well as the UNDP program for the promotion of African economic integration (FAF-94-008)

The requirement for the Assembly to appoint a Financial Controller and an Accountant for the AEC (Article 23, paragraph 2 of the Treaty) will need to be coordinated with the provisions of the OAU Charter and the current practices of the General Secretariat in order to avoid the duplication of positions and confusion. In our view this needs not be a problem if the same persons are appointed to play these functions for both the AEC and the OAU.

3.6 STATISTICAL AND RESEARCH CAPACITY OF THE OAU/AEC SECRETARIAT

The work of the proposed Community Affairs Department should be underpinned by an improvement of the statistical gathering capacity of the Secretariat and the access by individual officers of the Department to the main international data banks such as those operated by the UN system and institutions such as the World Bank, the IMF, UNCTAD, UNIDO, the OECD, the European Union and the World Trade Organization, to name a few.

Given the considerable cost of organizing a modern fully fledged statistical office we would recommend that the OAU/AEC seek to maximize the use of existing facilities and avoid the possible duplication with other institutions particularly the UNECA. In accordance with the Article 18 of the Protocol which calls for the establishment of data banks in the Secretariat of the OAU/AEC and the RECs, the proposed Statistics and Research Division to be set up in the new Department of Community Affairs should take the lead and develop an action plan in this respect.

While the Secretariat should not attempt to develop its own statistical production capacity, it should develop systems to access, store and disseminate operationally useful statistical series. The important role played by UNECA in the implementation of the Addis Plan of Action for the Development of African Statistical Capacity should be taken fully into consideration. As for access to international data banks and linkage with the RECs this will be facilitated when the Secretariat implements its computerization program.

3.7 POPULARIZATION OF THE AEC TREATY

In accordance with the provisions of Article 91 of the Treaty concerning the Relations between the Community and Socio-Economic Organizations and Associations, the OAU/AEC Secretariat should develop a program of information and contacts to popularize the Treaty in carefully selected circles. The construction of the AEC will require the understanding and the active support of industrialist groups, chambers of commerce, trade unions, financial circles and universities, to name a few. Such influential institutions should be prime targets.

An experienced officer of the Communications Division should be appointed to work on the elaboration of such a program in conjunction with the Department of Community Affairs. This program could be developed and implemented in collaboration with the RECs. The recent initiative of EDECO to publish a regular bulletin on AEC news is in that respect an excellent initiative and a step in the right direction. This publication should be as widely distributed as possible throughout Africa, particularly to the targets groups mentioned above.

3.8 RECOMMENDATIONS

- 3.8.1 The OAU should restructure its organization in a way which creates a highly visible AEC Secretariat having its own identity. The new Community Affairs Department should take on this role.
- 3.8.2 The structure of the Community Affairs Department should reflect the Specialized Technical Committees listed in Article 25 of the Treaty. In addition an Economic Integration and Cooperation Division and a Statistics and Research Division should be set up in the Department.
- 3.8.3 Personnel assigned to the new Community Affairs Department should be highly professional and credible. A thorough review of the skills and competence of individual officers in EDECO and ESCAS should be conducted to ensure that the right people are put in the right jobs. Training, reassignment or, if necessary, redundancy, should be considered for those who do not meet the requirements of the new department.
- 3.8.4 The Director of the Community Affairs Department should develop the Community vision and guide the process of integration. He/she would serve as the official high level point of contact with the Executive Secretaries of the RECs.
- 3.8.5 In view of the broad economic, social and scientific responsibilities of the Community Affairs Department, a Deputy Director should be appointed to assist the Director.
- 3.8.6 The division of labor between the OAU/AEC Secretariat and the other key partners (i.e., the RECs, the UNECA and the ADB) should be clearly defined and agreed by all in order to avoid the dispersion of responsibilities, sterile competition and duplication.
- 3.8.7 The management of the integration process and of the Community work program should involve the REC directly at all stages.

- 3.8.8 As soon as the Protocol on Relations between the AEC and the RECs comes fully into force, the two formal and official coordination committees provided for in the Protocol should be activated and the role of the Joint OAU/AEC/UNECA/ADB should be re-examined.
- 3.8.9 The OAU/AEC Secretariat should have the sole responsibility for calling and organizing ministerial meetings pertaining to integration issues falling under the Abuja Treaty.
- 3.8.10 For efficiency and cost effectiveness reasons, relations with the RECs in the foreseeable future should be conducted in a practical manner through a program of action which maximizes contacts and interaction at the expert level. Frequent visits and the greater use of electronic communication facilities should underpin this approach. The possibility of opening AEC offices to the RECs could be reviewed once the questions of restructuring, staffing, identification of the RECs, and budget have been dealt with adequately.
- 3.8.11 The search for additional budgetary contributions from member states and external sources, as well as self-financing mechanisms, should be conducted as a matter of top priority.
- 3.8.12 The proposed Statistics and Research Division should be given the task of improving the gathering and use of statistics related to the AEC integration process through developing a program of computerized access to international data banks. The use of statistical information existing in other international organizations should be maximized to avoid duplication and the waste of resources.
- 3.8.13 A program of information and contacts to popularize the Treaty should be developed and implemented jointly by the Communications Division and the Department of Community Affairs. The RECs should be invited to participate in this process.

CHAPTER 4

~~COORDINATION BETWEEN HEADQUARTERS AND REPRESENTATIVE OFFICES~~

4. COORDINATION BETWEEN HEADQUARTERS AND REPRESENTATIVE OFFICES

4.1 INTERACTION BETWEEN REPRESENTATIVE OFFICES AND H.Q.

4.1.1 Reporting Lines

The definition of a clear mandate and reporting lines for Representative Offices (ROs) is an issue with which all international organizations are confronted at some point or another. Such offices are rightly considered as an extension of the HQ in the main foreign action centers. Their interaction with HQ and, in particular, the operational departments must be handled carefully if their usefulness and relevance are to be maximized. The fact that the ROs fulfill various functions must be taken into consideration when establishing reporting lines. However, reporting relationships should be dealt with in a pragmatic manner, in a way that ensures maximum operational linkage, interaction and relevance of the ROs.

The question of interaction between the OAU/AEC ROs and HQ can be approached in three main ways: a) to continue to conduct the interaction as has been done so far; b) to get the ROs to report to some non-operational coordination division or unit set up for that purpose; or c) to get individual ROs to report to the operational department with which they have the most in common either by the nature of their work or in terms of the main focal point of their activities.

A review of present arrangements, the emergence of new OAU/AEC priorities, the situation in the ROs, the imminent restructuring of the Secretariat, and the practices of other major international organizations all point to approach c) as the most efficient, cost effective way to ensure strong operational linkages and a clear sense of direction from HQ. In particular, other international organizations have found that it makes sense to tie representative offices to an operational department at headquarters, even though these offices serve the entire organization, rather than to a central coordination unit which tends to become a post office.

There is in general much uncertainty and lack of clarity among the staff of the Representative Offices (ROs) concerning the reporting lines with the headquarters (HQ). Although the ROs tend to send their correspondence and reports to the Office of the Secretary General as a matter of routine, they also seem to increasingly send copies to the operational departments concerned in an attempt to establish more direct links with them. We understand that the instructions on the routing to HQ and the redistribution in HQ of correspondence originating from ROs are not well known. The redistribution of correspondence in the HQ is considered by ROs staff as deficient.

This combined with the resulting widespread absence of feedback from HQ gives the feeling of one-way traffic. ROs, therefore, often have doubt about the relevance, and usefulness of their own work. The ill-defined lines of reporting and lack of a formal working relationship with the HQ operational departments combine to create a situation where ROs are left without a real sense of direction from HQ. They are even sometimes unaware of direct contacts between headquarters and the organizations to which they are accredited or with which they regularly deal. All of this strongly suggests that the present reporting arrangements are seriously inadequate and that in the framework of the Secretariat's reorganization a formal organic link with a relevant operational department should be established by designating a center of responsibility for each RO.

4.1.2 Drafting and Approval of Program/budgets

The situation outlined above also seems to arise in part from the fact that program-budgets are drafted by ROs themselves with limited consultations with and inputs from the operational departments and divisions at HQ. In order to increase the prioritization and relevance of the ROs' work, and provide greater direction from HQ it would be highly desirable for the HQ operational departments to become more directly and actively involved in the drafting and the approval of the ROs program-budgets before they are sent to the Budget Office. If this were done, the program-budgets of ROs would become more attuned to and also have more influence on the operational priorities of headquarters.

4.1.3 Designation of Responsibility Centers

It is proposed that a responsibility or reporting center for each RO be established at headquarters. For example in the case of the New York RO, which does mainly political work, that center would be the Political Affairs Department. Geneva and Brussels which focus mainly on economic and social affairs would have the Community Affairs Department as their formal responsibility or reporting center. Cairo would report to the unit dealing with Afro-Arab Cooperation, which is to be located in the Secretary General's office to reflect the historic importance of this subject. These reporting lines would be reflected in the organization chart of the Secretariat.

While it is clear that all ROs do work of interest to more than one department it would belong to the responsibility or reporting center (e.g. to the Political Department in the case of New York) to perform the appropriate consultations and coordination with other concerned departments when the ROs program-budgets are drafted. Considering that there are relatively few ROs, such coordination should not place an undue burden on departmental directors. In terms of day-to-day

reporting and contacts, the ROs would be free to keep a variety of people at headquarters in the loop, provided they also kept their responsibility center in the picture. Should it be necessary in the framework of very significant issues to obtain guidance from top management, this should be handled by directors of the responsibility centers in the normal course of their work.

Such a pragmatic arrangement would be much more efficient and cost-effective than the setting up of non-operational division or unit responsible to coordinate the work of the ROs with the operational departments. In fact such a coordination division would constitute another costly bureaucratic layer between the ROs and the operational departments, or at worst become a glorified post office with no substantial role or function.

If things were done as outlined above, the responsibility centers (or designated departments) would develop a sense of ownership for their respective RO's programs and budgets. Conversely, the ROs would acquire a sense of belonging to HQ. The defense of ROs' budgets in discussions with other departmental directors and the Budget Office could easily be assumed by the responsible departments. This would eliminate the necessity for RO staff to come 2 to 3 times a year to defend, often without much result, their budgets, thus contributing to significant savings on missions. These savings could be used to finance a consultation/coordination meeting every year or second year between the 4 ROs and HQ if this was deemed useful.

It appears that, in certain cases in the past, some Executive Secretaries of ROs refused to report to Directors of Departments, presumably on account of their higher ranks. This problem appears to have resulted from the attitude of one or two individuals and does not to our knowledge reflect a commonly held position among Executive Secretaries. On the contrary, the Executive Secretaries we interviewed expressed a keen desire to work more directly with and to report to operational departments as a means of increasing the relevance of their offices and the sense of direction from HQ. In any case the problem, if any, could be dealt with easily if Department Directors were given ranks at least equal to those of Executive Secretaries and if the latter were given clear instructions concerning their reporting lines when they are appointed. It should be emphasized that the establishment of direct reporting lines between the ROs and operational departments would not affect, limit or constrain direct access to the Secretary General by Executive Secretaries when they judged it desirable or necessary.

4.1.4 African Position Coordination

The coordination of African missions' positions is a very important but extremely time consuming function for most of the ROs. This burden is becoming increasingly demanding on both the staff and the budgets of

ROs due to the increasing number of African missions, particularly in Geneva and Brussels, and the multiplication of topics discussed in the UN and other multilateral fora. There is an understandable tendency on the part of the ROs to be very accommodating towards all requests placed on them by African missions. This overloading of the ROs risks diverting them from concentrating on a few key issues related to OAU/AEC priorities. It should be addressed in the context of the new approach to the drafting of ROs program-budgets and the greater sense of direction from HQ on priorities outlined above. In this connection, an effort should be made by HQ and the ROs to inform African missions especially in New York, Geneva and Brussels, of the operational priorities of OAU/AEC and the need for the ROs to focus on them.

The task of informing the African missions on the activities and resolutions of the OAU/AEC Assemblies and ministerial bodies should be shared by the Foreign Ministries of member countries. By the same token the latter should also be encouraged to provide instructions to their missions on the need to respect the OAU/AEC position in the meetings of the international institutions to which they are accredited. If this was done as a matter routine the coordination burden placed on the ROs would be alleviated and the resources of the ROs could be redirected to the top priorities of the Organization and the Community. We would suggest that in the context of the restructuring of the Secretariat the whole issue of coordination of African positions and the way it is handled be raised at an appropriate moment with the Council of Foreign Ministers.

4.2 PERSONNEL MANAGEMENT ISSUES

4.2.1 Review of Job Descriptions

In an environment of changing priorities and tight budgetary resources, it is of great importance that individual officers in the ROs be given clear and up-to-date job descriptions. The implementation of new OAU/AEC priorities and the restructuring of the Secretariat offer a propitious occasion to conduct a general and in-depth review of job descriptions in all ROs. This should be initiated by the Executive Secretaries but with inputs from and clearance by the Departments concerned to ensure that, as in the case of program-budgets, the priorities of OAU/AEC as defined by HQ are fully integrated into the job descriptions. This exercise is of great importance to the relevance of the RO's work as the RO staff often have a tendency in the absence of clear direction from HQ to take an all embracing and sometimes indiscriminate approach to the coverage of events and meetings in the multilateral institutions to which they are accredited as observers. In summary, the assumption of greater responsibility for and involvement in the drafting of program-

budgets and job descriptions by the concerned operational departments should lead to a considerable improvement in the relevance and usefulness of the ROs activities.

4.2.2 Selection and Posting of Staff to ROs

With the greater emphasis placed in OAU/AEC on economic issues resulting from the implementation of the Abuja Treaty, the staff assigned to ROs, especially Geneva and Brussels, will need to have first class technical skills and experience to deal with files of major Pan African interest. (The World Trade Organization and ACP/Lomé Convention are two important examples).

The relevance and usefulness of ROs will also depend very much on the skills and competence of their staff. There appears to be no clear selection procedures and criteria at present to ensure that technically competent staff are posted to ROs. In addition to the suggested improvements in the drafting of program-budgets and job descriptions outlined above, there is a need to pay much greater attention to the selection of RO staff. ROs are small and their responsibilities can be heavy. Therefore, they can ill-afford to have weak staff. If 2 or 3 officers in a 5-officer RO underperform, it is the whole RO which is affected.

A thorough review of the personnel presently serving in the ROs should be performed to determine whether individuals have the competency and skills to perform the tasks which will be assigned to them, having in mind the new priorities of OAU/AEC. Moreover an interdepartmental selection committee for RO personnel at Director or Head of Division level (including a representative of Personnel) should be set up to establish job qualifications, interview candidates and make recommendations when each RO vacancy at a professional level is being filled.

4.2.3 Adoption of a Rotation Policy

In the same vein, officers serving in ROs should not over-extend their tours of duty. Many officers have spent 10, 15 and even more years in the ROs. This situation begs to be addressed. The drawbacks of this situation are well known. We have noted that there is very broad support in OAU/AEC for the adoption of a rotation policy similar to that of all other international organizations and national foreign services. Having in mind the budgetary implications of such a policy, the normal tour of duty should be sufficiently to get full value from an officer's posting but should not exceed five or, at most, six years. On completion of a posting, return to HQ should be a standard requirement; cross-postings should be avoided. In implementing this policy of rotation,

emphasis should be placed on encouraging the movement of technically competent personnel between the operational divisions and the ROs. For example, a trade specialist at HQ would be a prime candidate to look after the trade file in Geneva and vice-versa.

4.2.4 Information Activities

In a number of cases, officers sent to ROs for specific assignments and duties have found themselves virtually unable to fulfill their mandates due to the lack of budget or lack of a real full time task to perform. (Examples of these are the officers sent to New York to cover Washington and the Information Officers sent to Brussels and Geneva). In the circumstances, they have assumed other responsibilities in the political, social or economic sectors.

In particular, the absence of an information policy, very low interaction with the Press and Information Division and very limited information "targets" raise questions about the usefulness to have information officers in Brussels and Geneva. In these two cases, information work, even when the OAU/AEC develops a more coherent public affairs policy, could be conducted on a day-to-day basis by the RO staff through their usual contacts, including with NGOs. In most cases, the distribution of official statements speeches, resolutions, etc., could be delegated to a secretary.

The situation is very different in the case of New York. The need for OAU/AEC to reach a wide range of influential "targets" of great importance to Africa, notably in Washington, amply justifies the reinforcement of the position of the Information Officer and greater budgetary and logistical support, especially in the form of immediate hook-up to the Internet to facilitate the speedy and widespread distribution of information including with HQ.

4.3 REVIEW OF THE ESTABLISHMENT

The work of the ROs' staff is clearly quite heavy due to their African coordination responsibilities, compounded by the multiplication of meetings at the institutions to which they are accredited. However, we do not propose any addition of personnel, at least for the time being, given the organizations tight budget situation and the need for the ROs to become more selective in their activities.

The situation in the ROs has already been studied in much detail by the Committee of Fourteen and the Secretariat in the recent past. In view of this we will refrain from repeating what is already known and documented and focus more narrowly on a number of specific issues which we would like to address as well as on a few recommendations. In our comments outlined above in

section 4.2 we have also made a number of general suggestions regarding personnel management which apply to all ROs. These comments should be kept in mind when reading the more specific recommendations which follow concerning individual ROs.

a) **New York**

At the request of the Council of Ministers a senior political officer was posted to the New York RO for the specific purpose of promoting African interests in Washington D.C.. Since then, the importance of OAU/AEC contacts with influential American circles in Washington has increased substantially. However due to the lack of a travel budget the officer has virtually stopped covering Washington and his attention has turned almost entirely to United Nations affairs, without a formal re-designation of his position. We strongly recommend that an adequate travel budget be given to the New York office so that it can cover Washington as mandated by the Council of Ministers. Such a solution would be less costly than the opening of a new office in Washington.

As mentioned above in paragraph 4.2.4 the New York RO information officer is hampered in her work by the lack of connection to the Internet. Considering the problem arising from the lack of a travel budget to cover Washington it is of the utmost importance that the information officer be provided with the kind of telecommunications tools which are needed to communicate effectively in America. The Communications Division at HQ should assume a greater role in developing an information program for the American audience, to be implemented by the New York RO information officer.

To deal with extra work at the time of the Annual Session of the UN General Assembly, one or two experienced and reliable staff members should be sent from HQ each year for a few weeks to assist the RO during the Session.

Supervision of the administrative and financial affairs of the RO should be delegated by the Executive Secretary to one of his Assistants so as to allow the Executive Secretary to devote all his time to substantive matters.

The number of bilingual secretaries should be reduced once the computerization program of the RO is implemented.

b) **Geneva**

In light of our comments on information work in Geneva (see paragraph 4.2.4) we would recommend that the position of information officer be either abolished or formally re-designated as an economic/social position.

One of the positions of bilingual secretary should be abolished when the program of computerization is implemented.

One or two competent HQ staff or specialized consultants should be assigned temporarily to the RO when the WTO negotiations become more active.

One of the two drivers' positions should be abolished.

c) **Brussels**

As in the case of Geneva, the position of information officer should either be abolished or re-designated as an economic/social affairs position.

Competent staff from HQ or specialized consultants should be assigned to the RO on a temporary basis when the re-negotiation of the Lome Convention enters into an active phase.

A position of driver should be abolished.

d) **Cairo**

The position of Assistant Executive Secretary should be re-designated as an economic/trade officer at a more junior level in order to try to increase the trade and economic content of Afro-Arab cooperation as well as Arab support for the construction of the AEC.

One of the driver positions should be abolished.

4.4 MISCELLANEOUS ISSUES

4.4.1 Staff Rules and Regulations

The staff serving in the ROs are governed by the same Staff Rules and Regulations which apply to HQ Staff. While the specific aspects of the terms and conditions of service abroad are covered in various administrative notes and memos, it would be desirable to bring them together in a separate document; "Terms and Conditions of Service in ROs and Specialized Offices". A thorough review of these terms and conditions and their implementation could be undertaken on the same occasion.

4.4.2 Translators/Interpreters

An important aspect of African mission coordination performed by ROs is the provision of interpretation at meetings. Secretariat staff posted to ROs should be selected according to their ability to act not only as

translators but also as interpreters. These positions should be combined in a single-job classification. This would provide more flexibility and avoid the need to pay supplementary salaries from RO budgets to staff classified as one or the other occupation.

4.4.3 External Audit

The use of different (i.e. various national) procedures by external auditors supplied by member states is often a source of confusion and frustration on the part of Finance Officers and Executive Secretaries in ROs. This situation could be corrected through the adoption by OAU/AEC of a set of standard auditing procedures to be used by all external auditors, or alternatively by the hiring of independent external auditors through open tender procedures.

4.4.4 Computerization

Considering their distance from Addis and the sometimes out-conditions under which the ROs currently operate, we wish to express our full agreement with the recommendations for early computerization of these offices contained in paragraph 6 of the "Report on the Interdepartmental Meetings on Info-Technology" of August 7 and September 22, 1997.

4.5 RECOMMENDATIONS

In the light of the facts and comments outlined, we recommend that :

- 4.5.1 In a restructured Secretariat, ROs should report to operational departments. New York should report to the Political Affairs Department, Geneva and Brussels to the Community Affairs Department, and Cairo to the Afro-Arab cooperation unit. These reporting relationships should be reflected in the organization chart.
- 4.5.2 Program-budgets of ROs should be prepared jointly by the ROs and their "responsibility center" departments, in consultation with other interested departments, as required.
- 4.5.3 The coordination functions of ROs should be reviewed in the light of the operational priorities identified in departments and ROs program-budgets. ROs and African member states' missions serviced by them should be given clear guidance on priorities so as to reduce the excessive burden placed on ROs.
- 4.5.4 Standard instructions for the distribution in HQ of reports and correspondence originating from ROs should be issued to the ROs by the directors of the responsible departments.

- 4.5.5 The African position coordination function of the ROS should be reviewed with the objective of reducing the increasingly heavy and costly burden it places on the ROs.
- 4.5.6 A thorough review of the personnel presently serving in the ROs should be performed to determine whether the individuals concerned have the competency and skills to perform the tasks assigned to them, bearing in mind the new priorities of OAU/AEC. A selection committee, at the director level, should be set up to establish job qualifications, and to interview and select personnel to be posted to ROs as vacancies arise.
- 4.5.7 A policy of rotating staff between the ROs and Addis at intervals of not more than 5-6 years should be adopted and adhered to. This should also be part of a more general policy of staff mobility in the Secretariat.
- 4.5.8 The positions of staff posted to ROs who are unable to perform the duties officially assigned to them due to a shortage of funds or a lack of policy support should be reviewed, and abolished if appropriate. This concerns in particular the positions of the Information Officers in Geneva and Brussels.
- 4.5.9 The terms and conditions of service in the ROs should be reviewed thoroughly and brought together in a single document.
- 4.5.10 Language staff assigned to ROs should be classified as interpreters/translators and be expected to provide both services.
- 4.5.11 A high priority should be given to the computerization of ROs and their connection to Internet.
- 4.5.12 Competent HQ staff or specialized consultants should be assigned to the ROs on a temporary basis to assist at the time of special events such as the annual UN General Assembly, WTO negotiations, or the re-negotiation of the Lome Convention.
- 4.5.13 The New York RO should be provided with a travel budget to perform liaison work in Washington, as mandated by the Council of Ministers.
- 4.5.14 The recommendations concerning specific ROs outlined in paragraph 4.3 should be implemented as part of the global process of restructuring.

CHAPTER 5

~~CRITICAL REVIEW OF THE CAREER DEVELOPMENT PLAN FOR THE PROFESSIONAL STAFF~~

5. CRITICAL REVIEW OF THE CAREER DEVELOPMENT PLAN FOR THE PROFESSIONAL STAFF

5.1 GENERAL CONTEXT

Throughout our investigations and analyses, human resource issues appeared fundamental and critical to the OAU renewal process. Several interlocutors noted that some of these resources were either underemployed or too numerous, that some of the current resources did not offer the ideal profile to carry out the organization's new mandates, and that human resource management was a problem within the organization. On that subject, several issues have been raised, such as the choice between internal and external human resource sourcing, limited vertical mobility, financial restrictions, deterioration of productivity and motivation, skepticism regarding the availability and evaluation of training and limited prospects for promotion, and frustration with the process of decision-making which affects employees and their careers. All of these issues are related, at least in part, to career development.

How can career development respond to this situation? Career development is an all-encompassing concept. It is a multiple process which covers all aspects of the employee's organizational life and responds directly to both the employee's and the organization's needs. On the one hand, it is a process including a sequence of inter-related elements: recruiting; initial integration; appointment; initial and subsequent training; transfers and promotions; periodic evaluation throughout; and, increasingly, the preparation for retirement. On the other, it implies specific method and content at each phase of the process, requiring sound definition and implementation by management. The basic purpose of career development is also dual: to assure the organization of the best possible resources, ready to assume new and more advanced tasks in future and, as well, to motivate employees to identify their future with the organization and develop as a result.

5.2 MAIN OBSERVATIONS

The OAU Draft Career Development Plan presents 21 occupational groups, combining no less than 92 different positions for which there are six access or promotion levels (P1 to P6). For each of these levels, three grades are identified, and within these grades five steps indicate the specific position held by the individual.

The Draft Career Development Plan proposes a job nomenclature far too large for an organization the size of the OAU. For example, not only do we find six levels (Assistant finance officer - Finance officer - Senior finance officer - Chief finance officer - Principal finance officer - Senior principal finance officer) and three grades for each level within the Finance officer

position, but also the Draft Career Development Plan adds specifications for each grade within each level (Ex.: LEVEL P2; GRADE III: Finance officer (General) - Finance officer (Financial Planning & Budgeting) - Finance officer (Treasury /Disbursement) - Finance officer (Procurement) - Budget control officer). One effect of such a detailed system is to overspecialize professionals and to prevent the updating of job descriptions within an administrative unit. This may not only hinder the career development of an individual but also prevent the optimization of human resource utilization. In all cases, we would suggest reducing this nomenclature. In view of the restructuring we recommend, it seems appropriate to decompartmentalize the functions and put less emphasis on the specifics of each position.

Job overspecialization may tend to reduce operational efficiency and increase production costs. For example, we noted such a problem with translators, sometimes acting as interpreters. It would be in the best interest of the organization to consider merging existing functions in some cases. A professional category of translator-interpreter would be a good example of an efficient and effective merger.

Another comment about by the Draft Career Development Plan concerns the great importance given to the diplomas and years of experience necessary to become eligible for senior positions. The requirements, namely academic degrees and diplomas, do not reflect individual skills in a coordination or supervision position, but may rather act as an obstacle for those otherwise qualified to hold such functions. Skills are actually measured by the level of knowledge, often acquired outside academic training, as well as by personal and professional skills developed in diversified environments. In the type of organization we want to promote, these access criteria to job classifications must be revised.

A job classification system is designed to group jobs of a similar nature and complexity level, to ensure objectivity, transparency, and fairness, because it is the basis of any remuneration system. Moreover, it should give flexibility in resource allocation, help develop team work and encourage cooperation between the individuals within the organization. It must avoid too many categories, especially if horizontal and vertical mobility are desirable within the organization.

The Draft Career Development Plan suggests increasing the number of steps to solve the wage cap problem. We do not favor this approach as it would only put off the problem for a while. We prefer encouraging a change in organizational culture. Within an organization where financial resources are limited, it is better to relate pay to the nature and quality of the work performed rather than to the number of years spent in the same job. Such an orientation encourages resource performance and mobility. Most of the organizations aiming at a renewal in their structure and their personnel choose to simplify job classification and to reduce the number of grades. Such a context enables organizations to better face changes and to develop their ability to adapt to new challenges.

A remuneration system based on a large number of steps may be a serious handicap for an organization seeking to adopt a performance and result-oriented management approach. In view of the new management orientations, a remuneration system based on Minimum, Midpoint and Maximum for each grade would be more appropriate.

5.3 ORIENTATIONS OF THE REPORT OF THE HAY MANAGEMENT CONSULTANT ON JOB EVALUATION

The report of the Hay management consultant bases its recommendations for job classification on the nature of each job and the responsibilities pertaining to it. Hence the importance to be given to job descriptions, their analysis and their classification in a system where objectivity and equity are sought for. This report stresses the importance to first classify jobs, and then, and only then, to classify individuals according to their functions and not in relation to their academic background or years of experience.

We agree with the job classification structure proposed in the Report of the Hay management consultant on job evaluation and consider that the methodology used is appropriate for the type of organization we suggest. The proposed classifications P1 to P5, D1 and D2 are suitable for the structure we recommend. The P4 designation for the grades of "Specialist" and "Coordination" is a good initiative, opening the door to highly qualified people who may then be adequately remunerated without having to be designated as managers.

The Hay report also proposes guidelines for the development of a remuneration policy and insists upon the importance to be given to individual performance in wages management; an idea we strongly support as long as performance appraisal is based on clearly defined and agreed objectives and expectations, measured with objectively verifiable indicators.

For these reasons, we support the orientations proposed in the Hay report and note that the Draft Career Development Plan should be adapted to these new considerations in the development of the OAU renewal plan. We consider the fact that the staff have already assimilated the Hay job appraisal method, as strongly favorable to a transition process.

5.4 RECRUITING

An adequate plan for job classification is not enough to guarantee that the organization will be manned with the human resources it needs to carry on its mandates. In this regard the recruiting policy plays a critical role. We

heard some complaints concerning the recruitment process. Most of these were related to past situations. However, we consider that the current situation could benefit from some improvements.

According to several employees, career development should be encouraged by internal promotion. We support this idea that internal promotion should be emphasized in order to create objective conditions encouraging mobility within the organization. Nevertheless, this orientation should be subordinated to the basic requirement that the organization be manned with the best possible resources. In such a case, the internal recruitment and promotion process should provide a significant number of qualified candidates. A scoring system should be established to monitor these situations. In the absence of an adequate number of excellent internal applications, the organization should proceed to external recruitment.

We note that the organization would benefit from a larger resource pool when recruiting. The OAU must optimize its chances of recruiting the best candidates because human resources recruitment is a critical investment in its future. In spite of the related costs, the organization should, on a regular basis, publish job advertisements for the positions open to outsiders. Modern communication tools (Internet) should also be used although they are not yet commonly used on the Continent.

Finally, let us note that the management of this recruiting process should be simplified. The present rules involve a committee formed of too many people with few of them directly concerned with the recruitment in question.

5.5 TRANSFERS AND HORIZONTAL MOBILITY

Transfers and promotions constitute a central part of career planning and presently are a thorny problem. With a limited number of positions available and limited financial resources, as well as the necessity to maintain a motivated employee body, flexibility and imagination will be required. The issue of training is part of the solution, in order to motivate people by enriching their work and prepare them for other responsibilities. It is also necessary to think in terms of **horizontal mobility** both within headquarters and between headquarters and the regional offices. This is compatible with the notion of a tour of duty and should promote both a better knowledge of the total organization among employees and strong management candidates for the future. Indeed, this approach would help avoid the limitations of one-on-one succession planning, favoring a pool of candidates approach in order to broaden possibilities for both the organization and the individual employee.

5.6 TRAINING

Training is a fundamental element in the career development plan. On the one hand it is perceived as an essential means to develop individual skills, but it should mainly be a method used by the organization to improve the skills of its human resources and their performance. With this in mind, policies and training plans should be developed to support the strategic planning of the organization to ensure that the human resources will be able to meet the established goals. Planning and implementation of the training program is a strategic function which should be carried on by the Human Resources & Training Division.

5.7 RECOMMENDATIONS

The proposals for restructuring formulated in this report abolishes "Sections" and consequently the positions of "Chief of Sections" and makes the structure of the organization more flat or horizontal. Furthermore, the level of supervision is significantly reduced at the same as managers and professionals are empowered and made accountable. To the extent where work methods are also very significantly modified, we have in place the essential elements for cultural change.

In order to benefit fully from the new context, we recommend that :

1. The OAU Draft Career Development Plan should be revised. Position qualifications should put less emphasis on academic degrees. The job profiles in the new structure should be developed taking into account the new values of the organization. Job categories should be less numerous and grouped to encourage efficiency and resource optimization while preserving the equity principle.
2. The Hay report orientations should be endorsed, applied to the new structure and globally implemented.
3. All job openings, without restriction, should be opened to internal personnel and, in cases of equal competence, internal personnel should be given priority.
4. Policies and training plans should be developed to support the strategic planning of the organization to ensure that the human resources will be able to meet the established goals.
5. An institutional policy should be developed to favor transfers between Headquarters and its external offices. A maximum period of continued service of five to six years in external offices should be set, followed by a minimum period of two years of service at Headquarters.

6. An institutional policy shall be developed to favor internal mobility. No professional employee should stay in the same job for more than five or six years. Job descriptions should be reviewed on a regular basis and managers should assign work or mandates to their staff with a view to favor diversity of job experience and versatility.
7. In the new organizational culture, a lateral transfer should be considered as a step forward in an employee's career progression.
8. Work methods and procedures should be designed with a view to developing and highlighting professionalism and accountability of individuals.
9. During the restructuring process, the division responsible for training and career development should be strengthened with external support and additional budgetary resources should be provided for specific training programs related to the restructuring.
10. Under a new job classification system, the current step-based salary scale for professional staff could be replaced by a system based on a Minimum-Midpoint-Maximum for each grade. Such a system would allow salaries to be managed within the Minimum and Maximum, instead of tying salaries to specific steps within a grade. Such an approach would favor eventually the introduction of a performance-oriented merit increase system.

CHAPTER 6

MEANS OF IMPROVING THE METHODS OF WORK AND PROCEDURES

6. MEANS OF IMPROVING THE METHODS OF WORK AND PROCEDURES¹

This section of the report presents the main findings of the consulting team related to work methods, and makes recommendations to improve the Secretariat effectiveness and efficiency. Rationalization, streamlining, empowerment, and implementing modern technology were the key concepts that guided the search for solutions to the problems confronting the Secretariat. These solutions are proposed as ways and means to put the proposed structure to work in order to build a dynamic organization.

6.1 FINANCE DEPARTMENT

The Finance Department is responsible for the overall management of the financial resources of the Organization and the execution of the budget. The Control Budget Division (Internal Audit) also plays an operational role in financial matters (a priori approval of transactions) although it is under the direct responsibility of the Secretary General.

The Finance Department presently has two divisions: the Budget and Financial Planning Division and the Disbursements, Procurement and Accounting Division.

6.1.1 Accounting system

Observations

- The present accounting system allows to effectively produce the financial reports in a timely manner.
- The accounts payable sub-ledger has not been put in place. Consequently, checks have to be made by hand and the details of transactions with the main suppliers have to be kept in the general ledger.
- A new accounting program has been recently purchased to replace the present one in order to operate in a network.

Recommendations

- 6.1.1.1 That before replacing the present accounting software, the Finance Department make sure that the production of financial reports will be efficient and timely with the new software.
- 6.1.1.2 That the accounts payable sub-ledger be set up in order to produce checks by computer and to produce detailed information on suppliers.

6.1.2 Duplication of work

¹ Unless explicitly indicated, the Secretariat's units designated in this section refer to the actual structure.

We have observed that some functions are performed twice, for different purposes:

For instance:

- Monitoring of the cash position is done by the Head of the Budget and Financial planning to make investments and by the Chief of the Disbursements section to ensure that disbursements are covered.
- The Regional Offices financial reports are examined by the Finance Department for accounting purposes and by the Budget Control Division for audit purposes.
- For purchases, eleven approvals and verifications are required to perform the purchases and the payment processes.

Recommendation

6.1.2.1 That the Department of Finance eliminate the duplication of work, that approval requirements be simplified and that audit be performed after completion of the operational process.
For instance:

- Monitoring of the cash position should be performed by one person only who would provide the information to the relevant persons.
- Only the Department of Finance staff should examine Regional Offices financial reports. The Internal Auditor would do some a posteriori tests to make sure the controls are performed satisfactorily by the Finance Department.
- The same persons should not approve purchase orders when they are similar to the purchase requisitions that they previously approved.

6.1.3 Passages and Supplies Section

Airplane tickets are purchased directly from airlines instead of travel agencies. The airlines do not grant discounts nor have they entered into formal agreements as to conditions of payments. The recently appointed Chief of the section is in the process of negotiating discounts and formal conditions of payments with the main airline. He is also considering to using a travel agency.

All missions must be approved by the Secretary General. In his absence, this may cause delays in the acquisition of airline tickets.

Requisitions to obtain supplies from the store are all approved by the Chief of the section. There are numerous store requisitions involving routine and low-costs items.

The Tender Board looking after purchases of \$10 000 and more is composed of 7 statutory members from higher management plus invited parties according to the nature of the purchase. In the 1996-97 financial year, the Board met seven times, with several people attending. This process is time consuming of senior management time, notwithstanding the difficulty to bring all the members together.

Recommendations

- 6.1.3.1 That measures be taken to reduce the costs of airplane tickets either through negotiating discounts from most frequently used airlines or through using a travel agency. The latter solution would also have the advantage of reducing the section workload at no cost.
- 6.1.3.2 That approval of missions be delegated to department Directors once they have been approved in the budgeting process.
- 6.1.3.3 That approval for store requisitions by the Chief of the Section be limited to well defined special cases, assuming that a qualified storekeeper is in place. Control should be exercised by the Chief of section through reports on consumption by departments, by statistics and by direct supervision.
- 6.1.3.4 That the number of statutory members of the Tender Board be significantly reduced as well as the number of invited parties, in order to reduce senior management time devoted to budgeted purchases.

6.1.4 Maintenance section

The Maintenance section is responsible for the maintenance of buildings, land, vehicles and equipment. The section has two professionals and 65 general service staff. All the work is done by the General Secretariat staff, with the necessary work supervision and the required management of personnel.

Some private firms offered their services to the General Secretariat, for office cleaning for instance. The Secretariat has not contracted out maintenance services because of personnel considerations, although the cost would be lower and the performance probably improved.

Recommendation

- 6.1.4.1 That maintenance tasks be contracted out whenever benefits could be gained for the organization.

6.1.5 Audit of OAU

The Board of External Auditors is composed of seven regular members appointed by the Council of Ministers for three years, with a possibility for re-election. Historically, the external audit has been performed by Auditors provided by the Member Countries in order to preserve confidential information. Nowadays, this reason does not stand any more. The OUA should submit itself to the demanding audit process of a private independent firm. An independent audit of OAU financial statements would enhance the confidence of external donors and of other external parties. It should be noted that currently the OAU occasionally has to resort to private firms to audit some extra-budgetary funds at the request of the donors.

The Auditors are professional accountants coming from various backgrounds and various countries. They have different methods of work and different opinions of accounting treatments of transactions. Different Auditors perform their work differently and give different advice, which is normal to a certain extent, but which may bring confusion to the OAU staff in regional offices.

Two audits are done every year for all the regional offices, one by internal and one by external Auditors. This duplication of work causes a heavy workload to the regional offices and extra costs to the organization.

Recommendations

- 6.1.5.1 That the accounting Manual be updated to reflect the current financial rules in order to minimize interpretations of procedures.
- 6.1.5.2 That independent Auditors from a private firm be appointed to audit the OAU financial statements.
- 6.1.5.3 That Regional Offices be audited at year-end either by internal or external Auditors, but only once. The planning should be done by external Auditors. Not all Regional Offices need to be audited every year. This should not prevent the internal Auditors from performing audits whenever requested during the year, according to their work-plan and the needs as they arise.

6.2 BUDGET PLANNING

The main purpose of this section of the report is to propose a new budgetary process for the Secretariat.

6.2.1 Objective of the budget planning process.

The budget planning process allows the organization to plan the allocation of its financial resources towards achieving its strategic objectives and its priorities.

6.2.2 Observations regarding the present process

- The budget and programs are not closely linked together.
- The budget does not reflect the reality of programs.
- The budget is based on management by control (detailed activities and budgetary items) as opposed to management by results (defined results and measures of performance).
- The budget items are incremented from the previous years' expenses. The relevance of programs, activities, operating costs and personnel needs are not reviewed systematically.
- The budget cuts are made unilaterally by the Finance Department to limit the requests to a global increase of 10%. Departments and regional offices are not informed of the reasons for the cuts. They manage a budget that is imposed upon them. There is limited overall forum to discuss the budget; it is discussed on a one to one basis between the Finance Department and the departments.
- Low percentage of variable costs over total costs.
- In certain cases the financial resources granted do not correspond to the mandates given.
- The 10% increase rule is misunderstood. It is seen as a growth budget. The OAU has limited resources to meet its growing mandate. The attitude should be one of maximizing output versus costs.
- The Advisory Committee does not receive the budget long enough before its meeting on the Budget. The Members of the Committee are not financial experts.

6.2.3 Recommendation for a budget planning process that would integrate the strategic planning to ensure optimal concurrence of activities and resources.²

² The proposed process is based on certain premises which will need to be adjusted to the new structure once agreed upon

Principles behind the recommendation:

- limit to costs
- value for money
- taking full consideration of priorities
- better integration of programs
- timing, a key factor for appropriate assessment
- based on accountability and responsibility principles.

We recommend that the budget planning process follow four steps:

1. Setting of priorities, strategies and budget ceiling for each department.
2. Budget preparation. Definitions of detailed programs and related costs.
3. Analysis and integration. Analysis of programs and costs. Recommendation to the Advisory Committee.
4. Approval and confirmation of final budget and distribution to departments.

STEP 1: SETTING OF PRIORITIES

- The Secretary General (SG) leads step 1 of the process. He sets the strategic orientations and the priorities of the Organization in consultation with the Assistant Secretaries General (ASGs), the Director General and with the Directors of Department.
- A budget meeting is held after these consultations to put together the various orientations and priorities. This meeting includes the SG, the Director General, the ASGs and the Department Directors.
- The Director of Finance (DF) advises on financial resources available (global ceiling) and possible constraints.
- The SG sets the ceiling for each department for the coming year according to priorities.
- The SG sends the budget call to all Department Directors.

STEP 2: BUDGET PREPARATION

The Director General supervises the Budget preparation, making sure that all Department Directors complete their tasks.

The budget covers one year and it shows financial projections for two more years in order to present the financial horizon.

- The Department Directors:
 - Elaborate their programs and activities;
 - Set their staff complements.
 - Compile the cost of their budget within their indicative ceiling for the coming year.
 - Make financial projections for the second and third coming year on the basis of the current and future programs.
- The Finance Department :
 - Provides the departments with standard costs for the purpose of costing the budget items.
 - Computes the costs of staff as requested by the departments.
 - Advises the departments on specific financial matters.
 - Verifies the calculations of the department budgets for accuracy not for relevance.

STEP 3: ANALYSIS AND INTEGRATION

- Integration of all programs through a meeting of the Directors of Departments with the Secretary General and the Director General. They analyze the program proposals; each Director explains his or her budget proposal. Programs are reviewed on the basis of their relevance with set priorities and strategic orientations.
- Following the analysis of the program proposals, the SG has the final say on the definitive ceiling of each department.
- A draft budget is prepared by the Finance Department to reflect the decision. The Secretary General submits the Draft Budget to the Advisory Committee on Administrative, Budgetary and Financial Matters.

The draft budget :

- presents the budget for the coming year to be approved plus the financial horizon for the next two years;
- is a summary of the detailed proposals;
- stresses expected results
- shows the main economies;
- underlines changes versus the previous budget
- is distributed in advance to the Advisory Committee on Administrative, Budgetary and Financial Matters.

STEP 4: APPROVAL AND CONFIRMATION OF THE FINAL BUDGET

- Analysis by the Advisory Committee whose members have time to consult experts for advice; recommendation to the Council of Ministers.
- Examination of the draft budget and approval of the coming year budget by the Council of Ministers.
- Preparation of final budget and timely distribution of appropriations to the departments.

6.2.4 Budget up-date

A mid-term review (after six months) of the budget should be submitted to and approved by the Advisory Sub-Committee, following recommendations of the Secretary General where an internal review has identified a need and available funds. This review allows to reallocate funds between departments.

During the year, Department Directors should be allowed to manage their budget within their overall ceiling as long as they follow their work program and that they strive to achieve the set objectives. Consequently, except for salaries, they should be allowed to reallocate funds within their department where necessary.

6.3 ORGANIZATION OF CONFERENCES

The task of organizing conferences, actually involves Protocol and the Conference Division: Protocol for logistics and the Conference Division for the production of documents. This situation involves an important coordination problem. In addition to this problem related to the division of work in the secretariat, the present situation in the Conference Division is characterized by the existence of several problems:

- The number of conferences exceeds the capacity of the division.
- Many documents are received in a handwritten form.
- Translators produce handwritten documents.
- The vast majority of computers of the typing pools are outdated.
- The Arabic unit of the typing pool is not linked to the network.
- WordPerfect 5.1 is used to type documents.
- Translators receive extra remuneration when they are used as interpreters, as if they were external consultants.
- The photocopiers of the printing section are largely over utilized.
- Two computers of the printing section, out of four, are broken down and one is too old to permit the use of present versions of software.
- The supervisors of the printing section are well trained, but other general services personnel need to be trained.
- The printing section does not have a petty cash to face emergencies.
- The archive section is understaffed.
- Given the important computerization project underway, the archive section will become an important information provider inside and outside the Secretariat.
- The monitoring of the division activities is done by traditional means.

It appears that the organization of conferences can be dramatically improved by integrating in the same unit all relevant tasks and by using modern information technology. More specifically, it is possible to make the following recommendations:

- All activities related to the preparation of conferences should, as reflected in the new structure proposed earlier in this report, be integrated in the same unit (Communication and Conferences).
- All professionals producing documents, all translators, all revisers, and all proof readers should be provided with a computer and should use Microsoft Word for Windows to write their documents.
- All typists should use Microsoft Word for Windows and its proofing capability to produce documents.
- All transmission of documents should be done electronically, using the computer network(s) facilities of the Secretariat.
- As professionals and translators will use word processing to produce their documents in larger number, the number of typists in the typing pool should be reduced progressively. When all professionals and translators will use word processing, only one supervisor, also doing typing, and four typists, one for each language, will be required for the whole typing pool. A strategy should be developed to manage the downsizing of the typing pool.
- An important number of translators should be able to do interpretation and be classified as translators-interpreters, in order to give more flexibility to the Secretariat.
- The Secretariat should consider the possibility of using free-lance translators instead of permanent staff to translate documents. Modern information technologies permits the transmission of large documents almost instantly all over the world. Before making any decision, the feasibility of such a "system" should be carefully assessed. Among other factors, the availability of computers, and the quality of transmission in particular countries, should be considered in this feasibility analysis.
- Modern information technologies should be use to streamline the registration formalities at all conferences, including the preparation of identification tags.
- The printing unit should be provided with four more high capacity photocopiers.
- The staff of the printing unit should receive training in order to use equipment.
- The monitoring of the activities to implement the annual conferences program should be done using a specialized software (a project management software may be appropriate, or a software like Manage Pro).

6.4 COMMUNICATIONS

In the present situation, the Press and Information unit has the responsibility of coordinating the Secretariat's communications. There is a large consensus around the diagnosis that the Secretariat is not "reaching out enough". Too many people in Africa and around the World do not know the existence of OAU and of AEC. It appears that in today's information society the traditional activities of a Press and Information unit are not sufficient:

- As proposed in the new structure presented earlier in this report, the responsibility of all communication activities should be given to the Communications Division of the Communications and Conferences Department.
- An information and communication policy, integrating the pertinent recommendations of this report, should be urgently developed, adopted and implemented. The Secretariat should eventually use the assistance of an outside communication expert.
- A communication plan to promote the reorganization should be developed, adopted and implemented as soon as a decision to reorganize the Secretariat will be made. This communication plan should distinguish between several target populations: Secretariat's staff, member countries, international organizations, the press. The Secretariat should eventually use the assistance of an outside communication expert.
- Press communiqués should continue to be issued and their distribution should be improved to reach all worldwide cable and satellite news television networks, all African television and radio stations, all major newspapers that have a worldwide coverage, and all African newspapers.
- The distribution of Secretary General's declarations should be improved to reach the Ministry of Foreign Affairs of all countries around the world, and all research centers interested in African issues.
- The Secretariat's regional offices and embassies in Addis Ababa should be systematically used to disseminate information.
- An OAU Web site should be designed and *published* on INTERNET under the responsibility of the Communication Division. The System, Methods and Information Technology Division of the Administration and General Services Department in the proposed structure should do its technical development.
- An AEC Web site should be designed and *published* on INTERNET under the responsibility of the Communication Division, but the System, Methods and Information Technology Division of the Administration and General Services Department in the proposed structure should undertake its technical development.
- The Archives and the Library should be integrated in the Documentation Center, as reflected in the new structure proposed earlier in this report.

- The Documentation Center catalogue and archived documents should be accessible for consultation from any computer in the Secretariat, and through OAU and AEC Web sites on INTERNET from outside the Secretariat.
- The Documentation Center should purchase data banks available on CD-ROM that are of interest for the secretariat professional staff.
- A computer should be available in the Documentation Center for users to consult CD-ROM data banks and to connect to INTERNET.
- The Secretariat should seriously consider the possibility to publish its key documents on CD-ROM.
- The Communications Division should assist departments that wish to design and publish information on INTERNET, and this information should be integrated in the OAU or the AEC Web sites.
- A committee should be established to make decisions on publications including Web sites.
- All activities related to photography should be contracted out.
- The monitoring of radio and television should continue, and a control room should be established for these activities.
- INTERNET should be monitored, as are radio and television.

6.5 EXTERNAL AND INTERNAL MAIL

In the present situation, the Registry and Telex unit handles all incoming and outgoing mail and the management of outgoing mail is characterized by a high degree of centralization: every piece of mail going out have to be cleared by the Cabinet. This procedure is in contradiction with the empowerment of departments' directors and it introduces delays often incompatible with the technical nature of many issues. On the other hand, there is no internal mail system, a large number of messengers run from one unit to another delivering letters, memo, documents, records, etc.

Even though, as recommended below, E-Mail should become a usual way to communicate and transmit documents outside the Secretariat as well as between units of the Secretariat, there will always be an important volume of traditional mail to manage, and it is possible to make the following recommendations to improve the efficiency of this activity:

- External and internal mail handling activities should be integrated in the Registry and Messengers Division of the new structure proposed earlier in this report.
- Outgoing mail should be cleared by departments; Cabinet's clearance should be required only in the case of units under the direct supervision of the Secretary General.

- A copy of each outgoing letter should be kept in the department or in the Cabinet, according to the case.
- Departments and Cabinet should maintain a computerized list of their outgoing mail.
- The Registry and Messengers Division should maintain a computerized list of incoming mail.
- The Registry and Messengers Division should be responsible to operate an internal mail system, in replacement of the present messengers scheme. Internal and external mail should be picked up in units and delivered to units three times a day; four messengers would be able to make this system work instead of the 20 messengers now in place.

6.6 HEALTH SERVICES

The clinic provides health services to staff members and their dependents, it also serves the staff of African Embassy in Addis Ababa and their families. The analysis of the Clinic's activities revealed the following problems:

- The doctor in charge of the clinic is overloaded with administrative tasks.
- According to the doctor in charge of the clinic, the clinic has no cashier, but one is listed in the establishment list of December 1997.
- There are not enough filing cabinet to file the patients records

The following recommendations would permit to improve the effectiveness and the efficiency of the clinic:

- A post of administrative assistant should be created in the clinic to help the doctor in charge of the clinic with administrative work, and this person should also be the cashier.
- The patient records should be computerized using an integrated clinic management software, that would also permit to computerize all information management activities of the clinic.

6.7 SECURITY SERVICES

Direct observation permitted to conclude that the security system of the Secretariat compound does not operate as the ones generally in place in international organizations.

Recommendation

- An expert in security systems should be given the mandate to assess the Secretariat security system and to recommend corrections, technology, and training required. This expert should consider the possibility of contracting out security services to a private firm.

6.8 MAINTENANCE ACTIVITIES

The Secretariat maintains a large number of manual workers for gardening, and for cleaning and maintenance of the buildings in its compound. The management of such staff is a burden for the Secretariat and it appears that it is not easy to obtain good quality services from the actual staff. The following recommendation aims at improving the efficiency and effectiveness of maintenance services:

- The Secretariat should contract out all services related to gardening, cleaning, and maintenance of its buildings. This would reduce considerably the number of permanent staff required for these purposes.

6.9 PROFESSIONAL AND MANAGEMENT ACTIVITIES

In each and every unit of the Secretariat, professionals and managers carried out specialized tasks. In the present situation, work is done in a very traditional manner: professionals and managers do not use modern tools of information technology that professionals and managers use now in organizations all around the world. For instance, the following problems have been noticed:

- A small number of professionals and managers use computers to write their documents.
- A large number of professionals and managers do not have a computer
- Professionals do not have access to the data banks they need to do their analyses.
- Managers do not have the computerized management tools that facilitates planning and monitoring of activities.
- Professionals and managers do not have access to INTERNET.
- Professionals and managers do not have E-Mail services.

In order to improve effectiveness and efficiency of the overall Secretariat, it is possible to make the following recommendations:

- All professionals and all managers, at headquarters and in regional offices, should be provided with a computer and should use Microsoft Word for Windows to produce their documents.
- All professionals, at headquarters and in regional offices, should be provided the specialized software they need to do the analysis they have to do.

All managers, at headquarters and in regional offices, should be provided with the management software they need.

- All professionals and all managers, at Headquarters and in Regional Offices, should have access to the Documentation Center catalog and to archives from their computer.
- All professionals and all managers, at Headquarters and in Regional Offices, should have access to INTERNET.
- The Secretariat should purchase the specialized CD-ROM data banks related to their professional activities.
- The transmission of documents inside the Secretariat should use the Secretariat's computer network(s) facilities.
- E-Mail should become a usual way to communicate, inside and outside the Secretariat.
- The clearance of all outgoing E-Mail messages by the Cabinet is not compatible with the empowerment of department directors, and it would introduce delays in communication in an era where fast communication is becoming the rule for organizations worldwide, so everything should be done to avoid this procedure.

6.10 INFORMATION TECHNOLOGY

The fact-finding and analysis identified the following problems related to information technology:

- Over 150 computers are disseminated in the Secretariat, but about 40 of them should be replaced because they are outdated, some of them don't even have a hard disk.
- Not all departments are equipped with a Local Area Network (LAN).
- There is no standardization as to the software to be used in the Secretariat.
- There is no strategic plan for the computerization of information systems (applications) in the Secretariat.
- Applications developed so far are not documented.
- There is no Information Technology Committee to standardized hardware and software, to approve a strategic plan for the computerization of information systems, to monitor the implementation of this plan, to adopt an INTERNET policy and an E-MAIL policy.
- There is no Information Technology unit in the Secretariat.
- There is no information system specialist in the Secretariat to carry out systems analysis and application design.

- The Secretariat's only computer specialist has more work than he can do, even though he works outside normal working hours.
- There is no E-Mail system implemented in the Secretariat.

Recommendations

- As recommended in the proposed structure, a Systems, Methods, and Information Technology Division should be established. This division should be headed by an experienced information system expert, and three professionals experienced in organization, work process analysis, reengineering, system design and computer programming. The main functions of this unit should be the following:
 - Work process analysis
 - Reengineering studies
 - System design
 - Installation of hardware and software
 - Training of users
 - Users assistance
 - First level maintenance and repair
 - The development of computer applications
 - Documentation of computer applications
 - Development and updating of OAU and AEC Web sites (technical aspects)
 - Implementation and maintenance of an E-Mail system
- An Information Technology Committee should be established in the Secretariat, to standardize hardware and software to be used, to adopt a strategic plan for computerization of information systems (applications), to adopt an INTERNET policy, and to adopt an E-Mail policy.
- As soon as possible, an Information System and Technology expert should be given the mandate to carry out a detailed analysis of the Secretariat information system, including an analysis of information circulation, to propose a strategic plan for computerization of information systems, to propose an INTERNET policy, and to propose an E-Mail policy.
- Secretariat's outdated computers should be replaced by modern computers as soon as possible.
- Where it has not been done so far, computers should, as soon as possible, be connected through Local Area Networks using Windows NT, and these networks should be linked together in a Wide Area Network, to permit communication between all computers of the Secretariat and with the outside world. A main server may be required to facilitate communication with the outside world.

- Each Department and the Cabinet should be equipped with a Modem as soon as possible; it seems that UNDP has already purchased 11 Modems for the Secretariat.
- Each Regional Office should be equipped with an adequate number of computers, a Local Area Network using Windows NT, and a Modem.
- As soon as possible, arrangements should be made with the Ethiopian Telecommunication Corporation to make dial-up connections with INTERNET possible. Later on, a dedicated lined should be installed to permit connection from any Secretariat's computer.
- An E-Mail system permitting internal communication, and external communication through INTERNET, should be implemented as soon as possible. This system should permit Secretariat's staff to consult their electronic mailbox while they are outside Addis Ababa.

6.11 MANAGING THE SECRETARIAT

The purpose of this section is to propose some important management guidelines in harmony with the guiding principles of the Secretariat reorganization. These guidelines will put the structure to work properly, and will permit the emergence of an organizational culture oriented toward performance.

6.11.1 Planning

As described in the section of this report on the budgetary process, the Policy Cabinet of the Secretariat should, every two years with a mid-term review, establish the priorities of the organization, and departments should propose programs on the basis of these priorities. A bottom up process in departments shall counter balance this top down process in order to allow participation and coordination inside departments. The proposed budgetary process establishes a participatory mechanism for information exchange between departments.

6.11.2 Organizing

The word "organizing" does not refer only to the design of the structure of an organization; it also refers to resources allocation. On the basis of the work plan of their department, directors and heads of division should assign responsibilities to staff members and provide them with the means required to undertake the activities they have to carry out.

- Department directors and heads of division should participate in a management training program covering, among others, the following topics:
 - Introduction to management
 - Functions of management
 - Leadership
 - The culture of organizations
 - Management of change
 - Decision making
 - Organization behavior
 - Team work
 - Time management
 - Conduct of meetings
 - Information systems and information technology
- All professionals should participate in a management training activity focusing on the management of change and on team work.
- Professionals and General services staff should be trained or retrained to accomplish their tasks appropriately.
- In the area of information technology, all staff members should be trained to use the computer as required by the nature of their tasks.

6.11.3 Directing

One aspect of "directing" concerns the personnel management function. This aspect has been dealt with earlier in this report, but it should be noted that during the transition period from the old structure to the new one, the personnel division would have to deal with personnel issues related to this major organizational change.

The second aspect of this management function is the direct management of staff members by managers. Directors and heads of division should manage their staff on the basis of sound principles of organization behavior, notably with the preoccupation of empowering employees.

6.11.4 Controlling

As a management function, "control" refers to the feedback mechanisms required to make sure that objectives are met. Directors and heads of division should put in place simple procedures to get information necessary to monitor on going activities and make decision accordingly.

6.11.5 Decision Making

At each level of the organization, time and nature of issues permitting, participatory decision making should be preferred to authoritative decision making.

6.11.6 Coordination

The proposed structure and management practices founded on sound principles, along with the increased empowerment and accountability of managers diminish considerably the coordination need compared to the present situation. Coordination in this new structure should be accomplished through information sharing, lateral communication, participatory process, collegial decision making, and meetings at each level of the organization.

6.12 TRAINING

In order to allow each and every one to play its role in the reinvented Secretariat, training will be required at all levels of the organization:

- Members of the Policy Cabinet should participate in a senior executive seminar on the theme: Leadership and the management of major changes in organizations. This seminar should be organized as soon as possible after the decision to go on with the Secretariat reorganization.

CHAPTER 7
FINANCIAL EVALUATION OF THE PROPOSED STRUCTURE

7. FINANCIAL EVALUATION OF THE PROPOSED STRUCTURE

7.1 STAFF COMPLEMENT OF THE PROPOSED STRUCTURE

This report recommends a new structure and a reorganization of the work force of the OAU General Secretariat in order to allocate human resources more efficiently. New ways and means are also identified for carrying out various tasks. The development of computer technologies will bring more efficiency in many tasks. Sub-contracting of some clerical tasks may prove more efficient and less costly. Short-term consultants may be hired to perform special assignments instead of full-time employees. Some cases of duplication of work have been identified and eliminated in the structure. Finally, it has been found more appropriate that four specialized offices cease to be OAU branches with full-fledged OAU employees. Consequently the work force of the OAU would be cut down by 222 employees, from 633 in the 1998-2000 draft budget to 411 in our proposal, a 35% reduction; 114 positions at Headquarters and 108 in specialized offices would be abolished.

7.2 STAFF COSTS SAVINGS

We have made cost projections in order to compare the staff costs of the proposed staff complement with those in the 1998-99 draft budget of the OAU. We have used the same basis of calculation as much as possible, in order to ensure comparability. For ease of calculation, we have used averages in some cases instead of detailed figures. For instance, salaries in our calculations are an average of actual salaries paid in 1997-98 for each category of staff plus a one step increase to bring them up to the 1998-99 level. We have followed the recommendations of the Hay Report on classification except in a few cases. We have calculated the various allocations in accordance with the current rules and standards.

Total staff costs (budget codes 100 and 200) in our proposal amount to 17.8\$ million, compared to 23.6\$ million in the 1998-99 draft budget, an economy of 5.8\$ million.

The main savings come from basic salaries: 2.6\$ million less than in the draft budget. In our calculations, we have not made a provision of 3% over all salaries, as done in the budget, to account for possible promotions during the year. However, we have applied the recommendations of the Hay Report for new categories of professional staff at upper levels: the D2 and D1 categories. These categories earn higher salaries than provided for in the current salary grid.

The biggest other savings occur in the main categories of allowances, like post adjustments (\$988 232), housing allowances (\$563 099), education allowances (\$520 539) and the pension scheme (\$354 385).

OAU - Restructuring
Resource requirements
Proposed staff complement

Professional category and above	Office of the Secretary General	Community Affairs	Political Affairs	Administration and General Services	Finance and Budget	Communications and Conference	Commission on Human Rights	Proposed complement			Draft Budget 1998-2000			Difference: Proposed less Draft Budget		
								Head Office	External Offices	Total OAU	Head Office	External Offices	Total OAU	Head Office	External Offices	Total OAU
Secretary-gen.	1							1	-	1	1	-	1	-	-	-
Assist. Sec.gen.	5							5	-	5	5	-	5	-	-	-
D2	1	1	1	-	-	-	0	3	-	3	-	-	-	3	-	3
D1	4	3	1	1	1	1	0	6	5	11	7	4	11	8	(4)	4
P5	3	5	3	3	-	-	0	15	-	15	15	-	15	(18)	1	(17)
P4	3	10	13	4	2	16	1	35	14	49	53	13	66	(14)	(14)	(28)
P3	6	20	10	3	5	22	1	58	9	67	72	23	95	(8)	(7)	(15)
P2	3	12	6	5	-	6	0	25	7	32	33	14	47	1	(3)	(2)
P1	3	2	-	2	-	6	0	13	-	13	12	3	15	-	-	-
Total Professional	29	53	34	18	8	52	2	161	35	196	184	61	245	(23)	(26)	(49)
General service category																
GSA6	1	-	-	-	-	-	0	1	-	1	3	-	3	(2)	-	(2)
GSA5	6	1	1	6	4	1	1	16	4	20	17	11	28	(1)	(7)	(8)
GSA4	12	14	8	12	6	14	1	57	10	67	25	9	34	32	1	33
GSA3	1	2	2	10	3	16	1	30	5	35	83	20	103	(53)	(15)	(68)
GSA2	-	1	2	5	1	2	1	11	1	12	42	17	59	(31)	(16)	(47)
GSA1	-	-	-	-	-	-	0	-	-	-	-	3	3	-	(3)	(3)
Total GSA	20	18	13	33	14	33	4	115	20	135	170	60	230	(55)	(40)	(95)
GSB8	2	-	-	22	-	-	0	22	2	24	-	-	-	22	-2	24
GSB7	1	5	-	-	-	-	0	-	6	6	-	2	2	-	4	4
GSB6	-	-	-	6	-	-	0	6	-	6	-	-	-	6	-	6
GSB5	-	-	-	-	-	-	0	-	-	-	-	7	7	-	(7)	(7)
GSB4	-	-	-	-	-	-	0	-	-	-	-	1	1	-	(1)	(1)
GSB	20	-	4	15	-	-	5	36	8	44	100	48	148	(64)	(40)	(104)
Total GSB	23	5	4	43	-	-	5	64	16	80	100	58	158	(36)	(42)	(78)
Total G S	43	23	17	76	14	33	9	179	36	215	270	118	388	(91)	(82)	(173)
TOTAL	72	76	51	94	22	85	11	340	71	411	454	179	633	(114)	(108)	(222)

OAU - Restructuring
Proposed Staff Complement
OAU - Cost of Staff Complement (inUS\$)

Code	Title	Headquarters	External Offices	Total Proposal	1998-99 Draft Budget	Increase (Decrease)
100	Basic Salary	5 491 294	1 163 671	6 654 964	9 327 500	(2 672 536)
101	Post Asjument Allowance	1 504 873	403 495	1 908 368	2 896 600	(988 232)
102	Temporary Assistance	787 000	72 100	859 100	878 600	(19 500)
103	Overtime Payments	15 000	13 200	28 200	31 450	(3 250)
104	Commision's Honorarium	-	33 000	33 000	33 000	-
200	Recruitment Costs	120 000	-	120 000	120 000	-
201	Travel on Home Leave	533 774	259 416	793 190	951 816	(158 626)
202	Travel On Transfer	72 000	-	72 000	72 000	-
203	Installation Allowance	120 000	-	120 000	120 000	-
204	Dependency Allowance	162 180	33 867	196 047	302 000	(105 953)
205	Housing Allowance	2 164 125	895 008	3 059 133	3 622 232	(563 099)
206	Pension Scheme	768 781	162 914	931 695	1 286 080	(354 385)
207	Group Insurance	284 580	59 427	344 007	530 000	(185 993)
208	Medical Scheme	411 740	224 852	636 592	863 500	(226 908)
212	Education Allowance	1 377 438	318 523	1 695 961	2 216 500	(520 539)
214	Training	40 000	-	40 000	40 000	-
217	Separation costs	350 000	-	350 000	350 000	-
218	Acting Allowance	15 000	4 000	19 000	19 300	(300)
	Total	14 217 784	3 643 473	17 861 257	23 660 578	(5 799 321)

7.3. OPERATING COSTS SAVINGS

Our recommendations with respect to the OAU specialized offices will result in substantial savings in operating costs. In fact, proposed changes for IBAR, IAPSC, CELHTO and the Fouta-Djallon project will entail recurrent costs savings amounting to \$ 269,200. per year.

The operating costs in question are for travel, maintenance, communications, supplies and services, furniture and equipment, and meetings costs.

Budget 1998-2000	CELHTO	Fouta-Djallon	IBAR	IAPSC
Travel	19 000	20 000	20 000	20 000
Maintenance	42 000	22 000	29 000	31 000
Communications	14 400	11 000	22 600	13 600
Supplies & services	46 600	8 200	67 600	39 400
Furniture & equipment	10 000	24 000		2 000
Meetings	32 000			44 000
	164 000	85 200	139 200	150 000

TOTAL for two years: \$538 400 SAVINGS for one year: \$269 200

These savings made on operating costs of specialized offices could be reallocated through a grant program in support of scientific research activities in Africa.

We have not calculated the operating costs that could be saved from having 114 fewer employees at Headquarters.

7.4 RECURRENT IMPACT AND OTHER COSTS

Except for outsourcing costs for maintenance and gardening at Headquarters, the savings indicated above, approximately \$6 million, will be net recurrent savings.

We have not calculated the capital costs for improvement of the work environment and for equipment, in particular for new information technology. We believe that such expenditures could be met by external resources mobilization.

During the transition period, other costs will be incurred that are difficult to estimate at this time because they are predicated on the approaches adopted by senior management and their assessment of the capacity of the present human resources. Some costs that will need to be met relate to external professional support and intensive training programs. But the most important costs will relate to a staff retrenchment plan

7.5 RETRENCHMENT PLAN

The restructuring proposals entail a reduced staff complement. This staff complement would be in place at the end of the transition period, once restructuring is completed and new working methods are mainly implemented in the organization.

This staff complement clearly indicates the need to proceed with a retrenchment plan. Staff changes will mainly be made as follows:

Headquarters:

Professionals :	from 184 to 161
GS :	<u>from 270 to 179</u>
Total :	from 454 to 340

Specialized and representative offices:

Professionals :	from 61 to 35
GS :	<u>from 118 to 36</u>
Total :	from 179 to 71

TOTAL:

Professionals :	from 245 to 196
GS :	<u>from 388 to 215</u>
Total :	from 633 to 411

In total, there will be a net reduction of 222 employees, amounting to 35% of the Organization staff.

We know that during the period 1998-2000, 54 employees will reach retirement age. Some of these employees will have to be replaced. The net reduction in staff will most likely not be sufficient to meet the reduction objectives in all of the job categories, and some layoffs will need to take place. Furthermore, the restructuring process will require a redefinition of job profiles for a large number of positions and it is reasonable to anticipate that some employees will not meet the new requirements and consequently will not keep their job.

The OAU has to implement a retrenchment plan to manage downsizing. A retrenchment plan is not only a financial program to compensate departing employees, but it must also be a global strategy, a systematic work plan and a rigorous schedule in order to ensure a successful downsizing. Such a plan is essential for several reasons:

- If the OAU wants to attract quality human resources, it has to act as a quality employer. The OAU therefore needs a retrenchment plan that will enable employees to leave in an honorable way and that will not place them in serious financial insecurity at the end of their employment.
- If the OAU wants to succeed in its renewal plan, it must act according to fundamental values. A retrenchment plan ensures that employees are treated with transparency and fairness. In so doing, the organization avoids being accused of favoritism and manipulation which would hinder its actions. Moreover, sticking to a clear and known plan will preserve the morale of those remaining in the organization as they will not feel subject to arbitrary decisions.
- A retrenchment plan is a process that must be carefully managed in order to allow an organization to reach its goals. Regular assessments at each stage of implementation will enable the organization to adjust in good time and to implement any necessary action.

The Staff rules and regulations provide for and grant all managerial powers necessary to carry out downsizing. The main provisions are the following:

- The Secretary General may at any time lay off employees if service requirements call for a reduction in positions or downsizing (art. 23a) by giving a three-month notice (art. 50).
- A lay-off compensation corresponding to one month of basic salary for each year of service, up to a maximum of 12 years of service, or a maximum equivalent to a year of basic salary.
- Except for elected civil servants, retirement is mandatory at the age of 60 (art. 24) or after 30 years of service (art. 51a).
- Early retirement is possible after 55 years of age or 20 years of service (art. 51b).

Although early departures are possible, nothing at the moment encourages employees to voluntarily resign to facilitate the organization's renewal. We believe that the organization would benefit from implementing an **early departure incentive program** taking into account the retrenchment objectives. The conditions for success of such a program are:

1. The program has to provide enough incentive;
2. The program has to be developed in consultation with the employees association and supported by it;
3. The program has to be fully funded before it is implemented;
4. An effective communication plan has to be developed.

5. Personalized counseling services must be available to support and plan the after-departure period.
6. Specific measures must be planned to facilitate the transition period (leave for job search, access to training, etc.)

In order to be successful, such a program must offer a clear improvement in the financial conditions related to the departure and be limited in time. It must be known that after a specific date, the program will be over and that subsequent lay-offs will be governed by regular conditions and, nothing else. The organization will also have to broadly and clearly advertise the new structure, the new staffing plan, the positions deleted, and the type of profile required for the remaining positions within the new organization.

Several retrenchment plan were experienced by large organizations over the last years. There is no set rule in this field. Each organization must determine the plan which best suits its needs and resources and allows its specific goals to be reached. Moreover, we have indicated that consultation and negotiation with the staff association was desirable. Therefore it is difficult for us to elaborate a proposal at this time. However, we would suggest the following scenario:

- **Duration of the offer:** An incentive program for early departure should be available to employees during a three-month period.
- **Date of departure:** Three months after the end of the program.
- **Financial conditions:**
 1. **In lieu of notice :** The employee shall be entitled to receive the equivalent of his basic salary, post adjustments, dependent allowances, housing allowance and education allowance for a period of three months following the date of departure.
 2. **Retirement allocation:** 14% of the basic salary shall be paid to the employee as a notice equivalence.
 3. **Lay-off compensation:** A lay-off compensation equal to one month of basic wages for each year of service, up to a maximum of 12 years of service, thus a maximum equivalent to one year of basic wages.
 4. **Additional compensation:** An additional compensation for early departure equivalent to 75% of the lay-off compensation shall be paid to the employee.
 5. **Disbursement conditions:** Any and all sums indicated in the financial conditions shall be paid to the employees as a lump sum.
- **Limitations:** Any employee close to the age of retirement may benefit from the retrenchment plan as long as the financial conditions do not exceed the total remuneration and allocations, direct and indirect, which he should normally be paid until his retirement.

This formula where the additional compensation is related to the lay-off compensation is a greater incentive to those employees who have seniority and higher salary levels in their job classification. If the objective were to broadly cover all the employees, then it would be preferable to offer a fixed additional compensation to everyone (for example, one year of basic salary).

To be effective, the retrenchment plan must also be simple and easily understood.

Given the importance of the various allocations in the total payroll, the cost of a compensation formula based on salary should be quickly recovered by the organization.

To assess the cost of a net reduction of 222 positions, we have considered that a maximum number of 308 positions would be affected by the restructuring proposal. On these basis, the maximum cost of the proposed retrenchment plan should be \$7,287,000., and the minimum cost would be \$5,252,000. We can therefore set a budget target of \$6,300,000., being the median value, for the retrenchment plan. We have assumed here that the personnel of the specialized offices affected by the restructuring proposal would receive the full benefits provided under the retrenchment plan.

RETRENCHMENT PLAN - MAXIMUM COST CALCULATION

Cat.	Salary (average)	Post adjustment	Depend.. Allowance (average)	Housing Allowance	Pension (14% of salary)	Education (average)	TOTAL	Maximum number of departure	3 months in lieu of notice	Lay-off compensation	Additional compensation	TOTAL
HEADQUARTERS												
D2	40 721	16 288	477	12 180	5 701	6 760	82 127	0				
D1	35 547	14 219	477	12 180	4 977	6 760	74 160	0				
P5	26 713	10 685	477	12 180	3 740	6 760	60 554	0				
P4	24 734	9 894	477	12 180	3 463	6 760	57 508	18	258 785	445 217	333 913	1 037 915
P3	22 016	8 806	477	10 440	3 082	6 760	51 581	14	180 535	308 221	231 166	719 921
P2	17 327	6 931	477	10 440	2 426	6 760	44 361	8	88 723	138 620	103 965	331 307
P1	15 097	6 039	477	10 440	2 114	6 760	40 326	0				0
TOTAL P1>D2								40	528 042	892 058	669 044	2 089 144
GSA6	15 312		477	3 219	2 144	2 501	23 653	2	11 826	30 624	22 968	65 418
GSA5	14 271		477	3 219	1 998	2 501	22 467	1	5 617	14 271	10 704	30 592
GSA4	12 106		477	3 219	1 695	2 501	19 998	0	0	0	0	0
GSA3	10 050		477	3 219	1 407	2 501	17 654	53	233 912	532 628	399 471	1 166 011
GSA2	8 275		477	3 219	1 158	2 501	15 630	31	121 135	256 513	192 385	570 033
TOTAL GSA								87	372 489	834 036	625 527	1 832 053
GSB8	9 217		477		1 290		10 984	0	0	0	0	0
GSB7	6 631		477		928		8 036	0	0	0	0	0
GSB6	4 452		477		623		5 552	0	0	0	0	0
GSB5	4 029		477		564		5 070	0	0	0	0	0
GSB	4 818		477		674		5 969	64	95 506	308 331	231 249	635 086
TOTAL GSB								64	95 506	308 331	231 249	635 086
TOTAL HEADQUARTERS								191	996 038	2 034 426	1 525 819	4 556 283
REPRESENTATION AND SPECIALISED OFFICES												
P5	26 713	10 685	477	12 180	3 740	6 760	60 554	4	60 554	106 850	80 138	247 542
P4	24 734	9 894	477	12 180	3 463	6 760	57 508	0	0	0	0	0
P3	22 016	8 806	477	10 440	3 082	6 760	51 581	14	180 535	308 221	231 166	719 921
P2	17 327	6 931	477	10 440	2 426	6 760	44 361	7	77 632	121 292	90 969	289 894
P1	15 097	6 039	477	10 440	2 114	6 760	40 926	3	30 695	45 291	33 968	109 953
TOTAL P1>D2								28	349 416	581 654	436 241	1 367 311
GSA6	15 312		477	3 219	2 144	2 501	23 653	0	0	0	0	0
GSA5	14 271		477	3 219	1 998	2 501	22 467	7	39 317	99 900	74 925	214 141
GSA4	12 106		477	3 219	1 695	2 501	19 998	0	0	0	0	0
GSA3	10 050		477	3 219	1 407	2 501	17 654	15	66 201	150 744	113 058	330 003
GSA2	8 275		477	3 219	1 158	2 501	15 630	19	74 244	157 218	117 913	349 375
TOTAL GSA								41	179 762	407 861	305 896	893 519
GSB8	9 217		477		1 290		10 984	0	0	0	0	0
GSB7	6 631		477		928		8 036	0	0	0	0	0
GSB6	4 452		477		623		5 552	7	9 716	31 163	23 372	64 252
GSB5	4 029		477		564		5 070	1	1 268	4 029	3 022	8 319
GSB	4 818		477		674		5 969	40	59 692	192 707	144 530	396 929
TOTAL GSB								48	70 675	227 900	170 925	469 500
TOTAL REP. & SPEC. OFFICES								117	599 853	1 217 415	913 061	2 730 330
MAXIMUM COSTS ESTIMATED								308	1 595 891	3 251 841	2 438 881	7 286 613

BUDGETARY APPENDIXES

- Proposed Staff Complement
Assumptions for costs projections
- Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
Headquarters
- Proposed staff complement
Annual Cost per Employee (in US\$)
Headquarters
- Proposed Staff Complement
External Offices - cost of staff complement
- Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
Cairo
- Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
Brussels
- Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
Geneva
- Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
Lagos
- Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
New-York
- Actual Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
Banjul

**Proposed Staff Complement
Assumptions for costs projections**

Purpose of the costs projections: to compare the staff costs of the proposed staff complement with the staff costs in the 1998-99 draft budget prepared by the OAU. Consequently, we use the same basis of calculation as much as possible in order to produce comparable costs. The allocations calculated are in accordance with current staff rules and standards. For external offices, we use the same costs as in the 1998-99 draft budget with adjustments for the number of employees where relevant.

Code 100 Basic salary
Average of actual 1997-98 salaries for each category plus one step for 1998-99.
No provision of 3% of salaries for promotions as in the draft budget.

Code 101 Post adjustment allowance
All staff from Group I (Elected officials) and Group II (Professional and Technical staff).
40% of basic salary at Headquarters;
Various adjustments in other stations, varying between 38% and 58%.

Code 102 Temporary assistance
Same amounts as in 1998-99 draft programme-budget.

Code 103 Overtime payments
Same amounts as in 1998-99 draft programme-budget.

Code 104 Commission's honorarium (Banjul).
Same amounts as in 1998-99 draft programme-budget: 33 000\$.

Code 200 Recruitment costs
Same amount as in 1998-99 draft programme-budget: 120 000\$ for 10 planned initial recruitments. An average of 12 000\$ per recruitment.
Includes: travel of candidates for interviews, per diem, cost of advertising vacancies.

Code 201 Travel on home leave
Eligibility: staff members who are serving outside their home country, once every two years.
Assumption: 96% of professional staff is eligible.
37% of GSA staff is eligible.
0% of GSB staff is eligible.

Headquarters: 96% of 184 professional staff =	177	
37% of 170 GSA staff =	63	
	240	

Total cost HQ in 1998-99 draft programme-budget:	650 000 S
Average cost per eligible employee	2 708 S

External Offices
Same costs as in the 1998-99 draft programme-budget.

Code 202 Travel on transfer
Same costs as in draft programme-budget: 72 000\$.

OAU
Proposed Staff Complement
Assumptions for costs projections

- Code 203 Installation Allowance
Allowance on initial appointment provided the staff member is not recruited in the country of the duty station.
Full rate of the daily subsistence allowance and 50% for each eligible dependant accompanying him, for a maximum of 30 days.
- Same amount as in the draft budget based on 10 recruitments: 120 000 \$
- Code 204 Dependency Allowance
All staff is eligible.
150\$ per child per year.
200\$ for spouse per year.
In 1998-99 budget, 302 000\$ for 633 employees: an average of 477\$ per employee.
- Code 205 Housing Allowance
Eligibility: staff members internationally recruited.
Rate for those serving at Headquarters and not in their home country:
- | | | |
|-------|-------|-----------|
| ASGs | 1 450 | per month |
| P4-P6 | 1 015 | per month |
| P1-P3 | 870 | per month |
| GSA | 725 | per month |
- In external Offices, rates vary according to the station. The various rates have been applied to the number of proposed employees.
- Code 206 Pension scheme
The employer contributes 14% of the employee's basic salary..
- Code 207 Group Insurance
Life insurance. All employees are eligible.
530 000\$ in the 1998-99 draft budget for 633 employees, an average cost of 837\$ per employee.
- Code 208 Medical scheme
At Headquarters, the costs are the operating cost of the clinic, excluding staff costs, plus costs incurred outside the clinic.
At external offices, the costs represent costs reimbursed to employees.
- Headquarters: 550 000\$ in the 1998-99 draft budget for 454 employees, an average of 1 211\$ per employee.
- External Offices
The average cost of the 1998-99 draft budget for each station has been applied to the proposed number of employees.
- Code 212 Education Allowance
Eligibility: Staff members in Groups I (ASGs) and II (Professionals and Technicians) whose duty station is elsewhere other than in their home country and those in Group III who are recruited outside the country of the duty station.

OAU
Proposed Staff Complement
Assumptions for costs projections

Headquarters: 1 669 500\$ in the 1998-99 draft budget for 249 eligible employees,
an average of 6 760\$ per employee.

External Offices

The average cost of the 1998-99 draft budget for each station
has been applied to the proposed number of employees.

Code 214 Training

Same cost as in the 1998-99 draft budget: 40 000\$.

Code 217 Travel on separation

Same cost as in the 1998-99 draft budget: 350 000\$.

Code 218 Acting Allowance

Same cost as in the 1998-99 draft budget.

OAU - Restructuring
Proposed staff complement
Annual Cost per Employee (in US\$)
Headquarters

Professional category and above	Basic salary	Post adjustment (40% of basic salary)	Dependency Allowance (average)	Housing Allowance	Pension (14% of basic salary)	Education (average)	Total annual cost
D2-15	43 262	17 305	477	12 180	6 057	6 760	86 040
D2-14	42 664	17 066	477	12 180	5 973	6 760	85 120
D2-8	39 076	15 630	477	12 180	5 471	6 760	79 594
D2-6	37 880	15 152	477	12 180	5 303	6 760	77 752
D1-13	37 434	14 974	477	12 180	5 241	6 760	77 065
D1-11	36 302	14 521	477	12 180	5 082	6 760	75 322
D1-5	32 906	13 162	477	12 180	4 607	6 760	70 092
P5	26 713	10 685	477	12 180	3 740	6 760	60 554
P4	24 734	9 894	477	12 180	3 463	6 760	57 508
P3	22 016	8 806	477	10 440	3 082	6 760	51 581
P2	17 327	6 931	477	10 440	2 426	6 760	44 361
P1	15 097	6 039	477	10 440	2 114	6 760	40 926
General service category				Note 1		Note 2	
GSA6	15 312		477	3 219	2 144	2 501	23 653
GSA5	14 271		477	3 219	1 998	2 501	22 467
GSA4	12 106		477	3 219	1 695	2 501	19 998
GSA3	10 050		477	3 219	1 407	2 501	17 654
GSA2	8 275		477	3 219	1 158	2 501	15 630
GSB8	9 217		477		1 290		10 984
GSB7	6 631		477		928		8 036
GSB6	4 452		477		623		5 552
GSB5	4 029		477		564		5 070
GSB	4 818		477		674		5 969

Note 1: Internationally recruited staff only: 8700\$ per year for 37% of GSA staff = 3219\$ on average..

OAU - Restructuring
Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
Headquarters

Professional category and above	Number of employees	Basic salary (code 100)	Post adjustment (code 101)	Dependency Allowance (average) - (code 204)	Housing Allowance (code 205)	Pension (code 206)	Education Allowance (code 212)	Total annual cost
SG, ASGs	6	256 869	102 748	2 862	73 080	35 962	42 000	513 520
D2-15	1	43 262	17 305	477	12 180	6 057	6 760	86 040
D2-14	1	42 664	17 066	477	12 180	5 973	6 760	85 120
D2-8	-	-	-	-	-	-	-	-
D2-6	1	37 880	15 152	477	12 180	5 303	6 760	77 752
D1-13	1	37 434	14 974	477	12 180	5 241	6 760	77 065
D1-11	2	72 604	29 042	954	24 360	10 165	13 520	150 644
D1-5	3	98 718	39 487	1 431	36 540	13 821	20 280	210 277
P5	15	400 689	160 275	7 155	182 700	56 096	101 400	908 315
P4	35	865 700	346 280	16 695	426 300	121 198	236 600	2 012 773
P3	58	1 276 916	510 766	27 666	605 520	178 768	392 080	2 991 716
P2	25	433 187	173 275	11 925	261 000	60 646	169 000	1 109 033
P1	13	196 260	78 504	6 201	135 720	27 476	87 880	532 041

General service category

GSA6	1	15 312		477	3 219	2 144	2 501	23 653
GSA5	16	228 342		7 632	51 504	31 968	40 019	359 465
GSA4	57	690 031		27 189	183 483	96 604	142 568	1 139 876
GSA3	30	301 487		14 310	96 570	42 208	75 036	529 612
GSA2	11	91 021		5 247	35 409	12 743	27 513	171 933

GSB8	22	202 770		10 494		28 388		241 652
GSB7		-		-		-		-
GSB6	6	26 711		2 862		3 740		33 313
GSB5		-		-		-		-
GSB	36	173 436		17 172		24 281		214 890

Total	340	5 491 294	1 504 873	162 180	2 164 125	768 781	1 377 438	11 468 691
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OAU - Restructuring
Proposed staff complement
External Offices - cost of staff complement

Code	Title	Cairo	Brussels	Geneva	Lagos	New-York	Banjul	Total
100	Basic Salary	143 866	152 447	225 901	198 235	327 683	115 540	1 163 671
101	Post Adjustment Allowance	39 540	58 515	102 861	67 687	116 192	18 700	403 495
102	Temporary Assistance	1 500	6 000	13 200	6 000	35 000	10 400	72 100
103	Overtime Payments	1 200	2 000	2 000	3 000	4 500	500	13 200
104	Commission's Honorarium	-	-	-	-	-	33 000	33 000
201	Travel on Home Leave	7 500	36 500	54 000	15 000	100 000	46 416	259 416
204	Dependency Allowance	4 293	4 293	5 724	5 247	9 063	5 247	33 867
205	Housing Allowance	71 040	102 720	194 688	136 320	338 400	51 840	895 008
206	Pension Scheme	20 141	21 343	31 626	27 753	45 876	16 176	162 914
207	Group Insurance	7 533	7 533	10 044	9 207	15 903	9 207	59 427
208	Medical Scheme	7 200	19 800	71 244	3 993	117 610	5 005	224 852
212	Education Allowance	24 996	59 997	61 530	30 000	100 000	42 000	318 523
218	Acting Allowance	-	500	1 000	1 500	-	1 000	4 000
	Total staff costs	328 809	471 647	773 818	503 942	1 210 227	355 030	3 643 473
	Total 1998-99 draft budget	308 110	569 950	1 076 870	877 000	1 344 800	340 656	4 517 386
	Increase (decrease)	20 699	(98 303)	(303 052)	(373 058)	(134 573)	14 374	(873 913)
	Employees	9	9	12	11	19	11	71

OAU - Restructuring
Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
Brussels

Professional category and above	Number of employees	Basic salary (code 100)	Post adjustment (code 101)	Dependency Allowance (average) - (code 204)	Housing Allowance (code 205)	Pension (code 206)	Education Allowance (code 212)	Total annual cost
D2-15	-	-	-	-	-	-	-	-
D2-14	-	-	-	-	-	-	-	-
D2-8	-	-	-	-	-	-	-	-
D2-6	-	-	-	-	-	-	-	-
D1-13	-	-	-	-	-	-	-	-
D1-11	-	-	-	-	-	-	-	-
D1-5	1	32 906	16 453	477	19 200	4 607	8 571	82 214
P5	-	-	-	-	-	-	-	-
P4	2	49 469	24 734	954	33 600	6 926	17 142	132 824
P3	-	-	-	-	-	-	-	-
P2	2	34 655	17 327	954	30 720	4 852	17 142	105 650
P1	-	-	-	-	-	-	-	-
General service category								
GSA6	-	-	-	-	-	-	-	-
GSA5	-	-	-	-	-	-	-	-
GSA4	1	12 106	-	477	9 600	1 695	8 571	32 449
GSA3	1	10 050	-	477	9 600	1 407	8 571	30 105
GSA2	-	-	-	-	-	-	-	-
GSB8	-	-	-	-	-	-	-	-
GSB7	2	13 262	-	954	-	1 857	-	16 072
GSB6	-	-	-	-	-	-	-	-
GSB5	-	-	-	-	-	-	-	-
GSB	-	-	-	-	-	-	-	-
Total	9	152 447	58 515	4 293	102 720	24 343	59 997	399 314

QAU - Restructuring
Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
Cairo.

Professional category and above	Number of employees	Basic salary (code 100)	Post adjustment (code 101)	Dependency Allowance (average) - (code 204)	Housing Allowance (code 205)	Pension (code 206)	Education Allowance (code 212)	Total annual cost
D2-15	-	-	-	-	-	-	-	-
D2-14	-	-	-	-	-	-	-	-
D2-8	-	-	-	-	-	-	-	-
D2-6	-	-	-	-	-	-	-	-
D1-13	-	-	-	-	-	-	-	-
D1-11	-	-	-	-	-	-	-	-
D1-5	1	32 906	15 795	477	15 360	4 607	4 166	73 311
P5	-	-	-	-	-	-	-	-
P4	2	49 469	23 745	954	26 880	6 926	8 332	116 305
P3	-	-	-	-	-	-	-	-
P2	-	-	-	-	-	-	-	-
P1	-	-	-	-	-	-	-	-

General service category

GSA6	-	-	-	-	-	-	-	-
GSA5	1	14 271	-	477	9 600	1 998	4 166	30 512
GSA4	1	12 106	-	477	9 600	1 695	4 166	28 044
GSA3	1	10 050	-	477	9 600	1 407	4 166	25 700
GSA2	-	-	-	-	-	-	-	-

GSB8	2	18 434	-	954	-	2 581	-	21 968
GSB7	1	6 631	-	477	-	928	-	8 036
GSB6	-	-	-	-	-	-	-	-
GSB5	-	-	-	-	-	-	-	-
GSB	-	-	-	-	-	-	-	-

Total	9	143 866	39 540	4 293	71 040	20 141	24 996	303 876
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OAU - Restructuring
Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
Geneva

Professional category and above	Number of employees	Basic salary (code 100)	Post adjustment (code 101)	Dependency Allowance (average) - (code 204)	Housing Allowance (code 205)	Pension (code 206)	Education Allowance (code 212)	Total annual cost
D2-15	-	-	-	-	-	-	-	-
D2-14	-	-	-	-	-	-	-	-
D2-8	-	-	-	-	-	-	-	-
D2-6	-	-	-	-	-	-	-	-
D1-13	-	-	-	-	-	-	-	-
D1-11	-	-	-	-	-	-	-	-
D1-5	1	32 906	17 769	477	24 960	4 607	6 153	86 872
P5	-	-	-	-	-	-	-	-
P4	3	74 203	40 070	1 431	67 392	10 388	18 459	211 943
P3	3	66 047	35 666	1 431	59 904	9 247	18 459	190 754
P2	1	17 327	9 357	477	19 968	2 426	6 153	55 708
P1	-	-	-	-	-	-	-	-

General service category

GSA6	-	-	-	-	-	-	-	-
GSA5	-	-	-	-	-	-	-	-
GSA4	1	12 106	-	477	11 232	1 695	6 153	31 663
GSA3	1	10 050	-	477	11 232	1 407	6 153	29 319
GSA2	-	-	-	-	-	-	-	-

GSB8	-	-	-	-	-	-	-	-
GSB7	2	13 262	-	954	-	1 857	-	16 072
GSB6	-	-	-	-	-	-	-	-
GSB5	-	-	-	-	-	-	-	-
GSB	-	-	-	-	-	-	-	-

Total	12	225 901	102 861	5 724	194 688	31 626	61 530	622 330
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OAU - Restructuring
Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
Lagos

Professional category and above	Number of employees	Basic salary (code 100)	Post adjustment (code 101)	Dependency Allowance (average) - (code 204)	Housing Allowance (code 205)	Pension (code 206)	Education Allowance (code 212)	Total annual cost
D2-15	-	-	-	-	-	-	-	-
D2-14	-	-	-	-	-	-	-	-
D2-8	-	-	-	-	-	-	-	-
D2-6	-	-	-	-	-	-	-	-
D1-13	-	-	-	-	-	-	-	-
D1-11	-	-	-	-	-	-	-	-
D1-5	1	32 906	15 795	477	19 200	4 607	3 000	75 985
P5	-	-	-	-	-	-	-	-
P4	1	24 734	11 872	477	17 280	3 463	3 000	60 827
P3	3	66 047	31 703	1 431	46 080	9 247	9 000	163 508
P2	1	17 327	8 317	477	15 360	2 426	3 000	46 908
P1	-	-	-	-	-	-	-	-

General service category

GSA6	-	-	-	-	-	-	-	-
GSA5	1	14 271	-	477	9 600	1 998	3 000	29 346
GSA4	3	36 317	-	1 431	28 800	5 084	9 000	80 633
GSA3	-	-	-	-	-	-	-	-
GSA2	-	-	-	-	-	-	-	-

GSB8	-	-	-	-	-	-	-	-
GSB7	1	6 631	-	477	-	928	-	8 036
GSB6	-	-	-	-	-	-	-	-
GSB5	-	-	-	-	-	-	-	-
GSB	-	-	-	-	-	-	-	-

109 225 67 687 5 247 196 320 27 553 30 000 465 242

OAU - Restructuring
Proposed Staff Complement
Annual Cost by Staff Grade and by Budgetary Code (in US\$)
New-York

Professional category and above	Number of employees	Basic salary (code 100)	Post adjustment (code 101)	Dependency Allowance (average) - (code 204)	Housing Allowance (code 205)	Pension (code 206)	Education Allowance (code 212)	Total annual cost
D2-15	-	-	-	-	-	-	-	-
D2-14	-	-	-	-	-	-	-	-
D2-8	-	-	-	-	-	-	-	-
D2-6	-	-	-	-	-	-	-	-
D1-13	-	-	-	-	-	-	-	-
D1-11	-	-	-	-	-	-	-	-
D1-5	1	32 906	15 137	477	28 800	4 607	6 250	88 177
P5	-	-	-	-	-	-	-	-
P4	5	123 671	56 889	2 385	129 600	17 314	31 250	361 109
P3	2	44 032	20 255	954	46 080	6 164	12 500	129 985
P2	3	51 982	23 912	1 431	69 120	7 278	18 750	172 473
P1	-	-	-	-	-	-	-	-

General service category

GSA6	-	-	-	-	-	-	-	-
GSA5	1	14 271	-	477	12 960	1 998	6 250	35 956
GSA4	3	36 317	-	1 431	38 880	5 084	18 750	100 463
GSA3	1	10 050	-	477	12 960	1 407	6 250	31 144
GSA2	-	-	-	-	-	-	-	-

GSB8	-	-	-	-	-	-	-	-
GSB7	-	-	-	-	-	-	-	-
GSB6	-	-	-	-	-	-	-	-
GSB5	-	-	-	-	-	-	-	-
GSB	3	14 453	-	1 431	-	2 023	-	17 907

Total	19	327 683	116 192	9 063	338 400	45 876	100 000	937 214
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OAU - Restructuring
 Actual Staff Complement
 Annual Cost by Staff Grade and by Budgetary Code (in US\$)
 Banjul

Professional category and above	Number of employees	Basic salary (code 100)	Post adjustment (code 101)	Dependency Allowance (average) - (code 204)	Housing Allowance (code 205)	Pension (code 206)	Education Allowance (code 212)	Total annual cost
D2-15	-	-	-	-	-	-	-	-
D2-14	-	-	-	-	-	-	-	-
D2-8	-	-	-	-	-	-	-	-
D2-6	-	-	-	-	-	-	-	-
D1-13	-	-	-	-	-	-	-	-
D1-11	-	-	-	-	-	-	-	-
D1-5	-	-	-	-	-	-	-	-
P5	-	-	-	-	-	-	-	-
P4	1	24 734	9 894	477	11 520	3 463	7 000	57 088
P3	1	22 016	8 806	477	9 600	3 082	7 000	50 981
P2	-	-	-	-	-	-	-	-
P1	-	-	-	-	-	-	-	-

General service category

GSA6	-	-	-	-	-	-	-	-
GSA5	1	14 271	-	477	7 680	1 998	7 000	31 426
GSA4	1	12 106	-	477	7 680	1 695	7 000	28 958
GSA3	1	10 050	-	477	7 680	1 407	7 000	26 614
GSA2	1	8 275	-	477	7 680	1 158	7 000	24 590

GSB8	-	-	-	-	-	-	-	-
GSB7	-	-	-	-	-	-	-	-
GSB6	-	-	-	-	-	-	-	-
GSB5	-	-	-	-	-	-	-	-
GSB	5	24 088	-	2 385	-	3 372	-	29 846

Total	11	115 540	18 700	5 247	51 840	16 176	42 000	249 502
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CHAPTER 8
IMPLEMENTATION STRATEGY

8. IMPLEMENTATION STRATEGY

The strategy for implementing a global renewal plan for an organization as complex as the OAU is of the utmost importance. The larger and the more complex the organization, the more difficult it is to achieve a successful transition. And, in this specific case, not only do we recommend structures that are highly different from the previous ones but we also propose major changes in staffing, working methods and organizational culture. It is obvious that the success of the organization's renewal plan is linked to the implementation of the transition as much as to the quality of the plan itself.

This is why we deemed it appropriate to add this last chapter to our report and to indicate what are the factors for a successful implementation strategy for the OAU renewal plan.

8.1 A WELL-DEFINED GLOBAL PLAN

Launching such a vast change program requires a well-defined global plan clearly indicating the results to be obtained, the changes to be made, the way these changes will be operated, as well as a very accurate implementation schedule. We also insist on the fact that in addition to defining the objectives, it is important to indicate how these will be achieved. The existence of a plan integrating these components will not only make it easier to manage the change but will also, as a main benefit, increase confidence and give new points of reference to the personnel involved in these changes and their implementation.

8.2 EFFECTIVE COMMUNICATION

Effective communication is a key factor in a transition period: on the one hand, it allows the external world to be informed of the decisions and of what is happening within the organization and, on the other hand, it is essential inside the organization as personnel are an integral part of the process and need to thoroughly understand what is at stake.

Experience shows that a participatory approach is essential to reach intended results. Transition is only justified by the situation which is intended at the end of the process. The organization has to maintain the ability of its personnel to find its way about in a new structure where values and methods are greatly modified.

8.3 A CLEAR AND INTERFERENCE-FREE MANDATE

The team responsible for managing the transition process must be given a clear mandate and must be accountable to a single authority in the organization. It must be free from any interference from personnel and members of the organization. In order to do so, it is recommended to use external professional resources to launch some of the change processes and to manage part of the transition program until new managers (director general, directors of departments) are recruited or confirmed in their position.

Using external professional resources also has the advantage of enabling the managerial team to pursue the essential activities of the organization's normal program, while implementing the transition. This is why it is quite usual to see external professional resources participate in the transition process until its completion.

8.4 STAFF PARTICIPATION

Staff must participate and be made accountable for a given part of the transition plan. As soon as they are appointed or confirmed in their position, managers must actively participate in the implementation of the transition process. They must be at the center of the recruitment process and of the review of methods and procedures.

8.5 TRAINING

In order to allow everyone to play its role and to contribute to the reorganization of the Secretariat, training constitutes a key success factor and will be required at all levels of the organization. Consequently, an appropriate training plan will have to be established during the implementation phase.

To facilitate the emergence of a new organizational culture, these managers will have to be trained first and then work as a team on the management of the transition process in order to encourage the sharing and communication of the organization's new values and orientation.

8.6 KNOWN VALUES

A clear statement of the new organizational values is a key factor for success in a transition process. The success of the renewal process is not measured by effective management during transition but rather by the type of organization obtained upon completion of the transition period. This is why new organizational values must be clearly stated in order to deeply inspire those who have to make strategic decisions during this period:

It will be necessary to stress how important it is for managers to delegate power and responsibilities, for staff to be accountable and professional, for operations to be effective, work methods efficient, administrative processes simple, and for results to be achieved.

8.7 A QUICK ACTION

Experience has shown that quick action is always a good guarantee of success in a reorganization and restructuring process. In a transition period, the organization is centered on itself and the numerous internal changes are so disruptive that the main objectives of the mission are often neglected during that period. Moreover, the longer the organizational change process, the more it is subject to resistance and the less the organization will be able to maintain discipline and enthusiasm with those working to implement such a demanding task. For these reasons, it is essential that the planned transition period be as short as possible.

8.8 A MULTIDIMENSIONAL OPERATION

The transition process that will be launched requires a complex, global and multidimensional operation. It has already been mentioned that the objective sought was a renewal of the organization more than a simple restructuring. We also stressed the fact that a transition plan must be implemented quickly. In this specific case, this means that important actions will have to be taken simultaneously. These actions are related to the redeployment of personnel in the organization, the development and introduction of new methods and procedures, and the implementation of proposed changes for specialized offices. For all these reasons we suggest that the transition be carried out by specialized teams, each operating in a different sector. The plan attached as an example to this document provides for three teams working with one task force managing the whole process.

8.9 EXCEPTIONAL MEASURES

The proposed restructuring plan leads to staff cuts. After considering the issue, we suggest that the appeal or review procedures in case of lay-off remain unmodified. The time period necessary to get agreement on other measures could be longer than any time that could be gained during the operation. Suspending normal procedures would not be appropriate, as such suspension could be legally challenged. At this point, we would rather work at increasing the awareness level of those participating in the review committee on lay-off measures in order for them to proceed diligently and efficiently.

8.10 STRATEGIC REINFORCEMENTS

The proposed restructuring plan provides for some measures to strategically reinforce the organization. These measures will have to be prioritized at the outset of the transition process for it to be carried out successfully: the appointment of a director general and of strong and accountable department directors is one of the key elements in the change process as these directors will participate in the implementation and success of the transition plan. This is also true for the communications division and the division for organizational development, as both division will have important responsibilities during the transition period.

8.11 A PLAN FOR MANAGING THE TRANSITION.

You will find attached to this document a plan for managing the transition period. This plan could be improved later and developed more exhaustively. However, it is a reliable plan as we have taken account of the experience of other organizations in assessing the time duration of the activities and their logical sequence. Although the plan is demanding, it can be implemented as such, provided the transition team is given a clear mandate and acts without any interference. The transition plan provides nevertheless for the management team to frequently report on the progress made, indicate any difficulties encountered and propose adjustments as needed to the work plan.

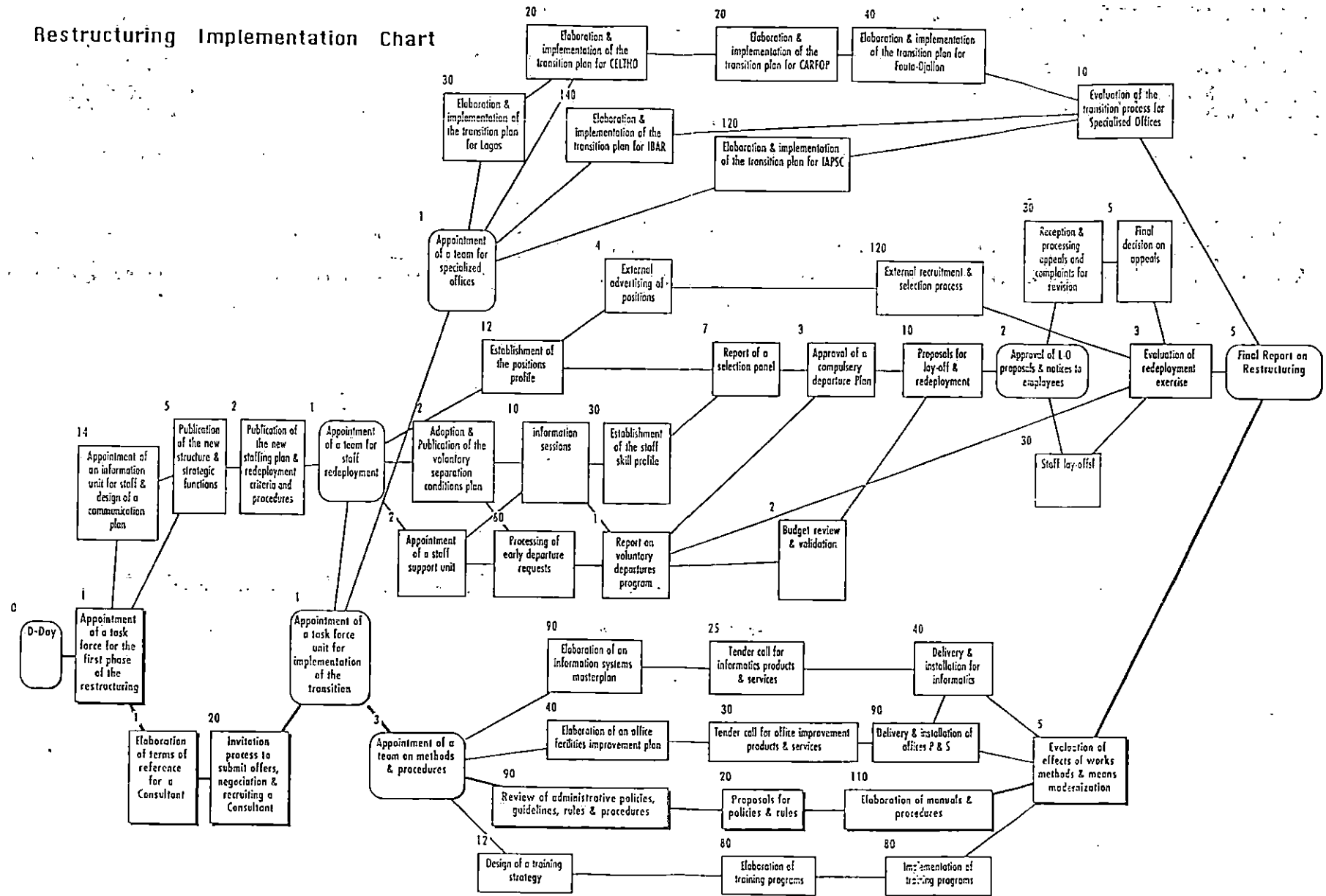
What this plan clearly indicates is that the transition can be completed within an 18 month period.

This plan provides for a global action: it integrates staff redeployment, the development and implementation of new methods and procedures, the implementation of proposed changes for specialized offices, as well as physical improvements to headquarters' premises. Finally, the plan provides for parallel actions on these themes in order to complete the whole program within a reasonable time period.

LIST OF MAIN ACTIVITIES

	Name	Days From Start	Duration (Days)	Elapsed Time
1	<i>D-Day</i>	0	0	0
2	Appointment of a task force for the first phase of the restructuring	0	1	1
3	Elaboration of terms of reference for a Consultant	3	1	1
4	Appointment of an information unit for staff & design of a communication plan	3	14	18
5	Invitation process to submit offers, negotiation & recruiting a Consultant	4	20	28
6	Publication of the new structure & strategic functions	21	5	7
7	Publication of the new staffing plan & redeployment criteria and procedures	28	2	4
8	<i>Appointment of a task force unit for implementation of the transition</i>	32	1	1
9	<i>Appointment of a team on methods & procedures</i>	33	3	3
10	<i>Appointment of a team for specialized offices</i>	33	1	1
11	<i>Appointment of a team for staff redeployment</i>	33	1	1
12	Establishment of the positions profile	34	12	16
13	Adoption & Publication of the voluntary separation conditions plan	34	2	2
14	Appointment of a staff support unit	34	2	2
15	Elaboration & implementation of the transition plan for Lagos	34	30	42
16	Elaboration & implementation of the transition plan for IBAR	34	140	196
17	Elaboration & implementation of the transition plan for IAPSC	34	120	168
18	Elaboration of an office facilities improvement plan	38	40	54
19	Design of a training strategy	38	12	16
20	Review of administrative policies, guidelines, rules & procedures	38	90	124
21	information sessions	38	10	12
22	Elaboration of an information systems masterplan	38	90	124
23	Processing of early departure requests	38	60	82
24	External advertising of positions	52	4	4
25	Establishment of the staff skill profile	52	30	40
26	Elaboration of training programs	54	80	112
27	External recruitment & selection process	56	120	168
28	Elaboration & implementation of the transition plan for CELTHO	76	20	28
29	Tender call for office improvement products & services	94	30	40
30	Report of a selection panel	94	7	9
31	Elaboration & implementation of the transition plan for CARFOP	104	20	28
32	Report on voluntary departures program	122	1	1
33	Approval of a compulsory departure Plan	123	3	3
34	Budget review & validation	123	2	2
35	Proposals for lay-off & redeployment	126	10	14
36	Elaboration & implementation of the transition plan for Fouta-Djallon	132	40	56
37	Delivery & installation of offices P & S	136	90	124
38	<i>Approval of L-O proposals & notices to employees</i>	140	2	4
39	Reception & processing appeals and complaints for revision	144	30	42
40	Staff lay-offs	144	30	42
41	Proposals for policies & rules	164	20	26
42	Tender call for informatics products & services	164	25	33
43	Implementation of training programs	166	80	112
44	Final decision on appeals	186	5	7
45	Elaboration of manuals & procedures	192	110	152
46	Evaluation of redeployment exercise	224	3	5
47	Evaluation of the transition process for Specialised Offices	230	10	14
48	Delivery & installation for informatics	262	40	54
49	Evaluation of effects of works methods & means modernization	346	5	5
50	<i>Final Report on Restructuring</i>	353	5	5

Restructuring Implementation Chart



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