

AFRICAN UNION

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**ANNUAL REPORT OF THE CHAIRPERSON
OF THE AFRICAN UNION COMMISSION
FOR THE PERIOD JANUARY TO DECEMBER 2015**

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Abbreviations

AAEA	Association of African Election Authorities
ACB	African Central Bank
ACBF	African Capacity Building Foundation
ACDEH	African Charter on Democracy, Elections and Human Rights
ACDC	African Centre for Disease Control
ACS	African Charter on Statistics
AfDB	African Development Bank
AFR100	African Forest Landscape Restoration Initiative
AGA	African Governance Architecture
AIB	African Investment Bank
AIR	African Institute for Remittances
AGOA	African Growth and Opportunity Act
AIDA	Accelerated Industrial Development of Africa
AMF	African Monetary Fund
AMISOM	African Union Mission to Somalia
AMLA	African Mining Legislation Atlas
AMV	African Mining Vision
APSA	African Peace and Security Architecture
ARC	African Risk Capacity
ARIS	Animal Resources Information System
ASEOWA	African Union Support to Ebola Outbreak in West Africa
ASRO	African Organisation for Standardization
AUC	African Union Commission
AU-YVC	African Union Youth Volunteer Corps
AXIS	African Internet Exchange System
BIAT	Boosting Intra-African Trade
BRIDGE	Building Resources in Democracy, Governance and Elections
CAADP	Comprehensive African Agriculture Development Programme
CAHOSC	Committee of Heads of State and Government on Climate Change
CARMMA	Campaign for Accelerated Reduction of Maternal Mortality in Africa
CAR	Central African Republic
CESA 16-25	Continental Education Strategy for Africa (2016-2025)
CIDO	Citizens and Diaspora Directorate

CFTA	Continental Free Trade Area
CHSTP	Continental High Speed Train Project
COMESA	Common Market for Eastern and Southern Africa
CTS	Critical Technical Skills
DIC	Department of Information and Communications
DPA	Department of Political Affairs
DREA	Department of Rural Economy and Agriculture
DSA	Department of Social Affairs
EAC	East African Community
ECCAS	Economic Commission of Central African States
ECOWAS	Economic Community of West African States
EFA	Education for All campaign
EMB	Electoral management body
EOA	Ecological and organic agriculture
EPA	Economic Partnership Agreements (European Union)
EU	European Union
FAO	Food and Agricultural Organisation
GHoA	Greater Horn of Africa
MDG	Millennium Development Goals
IBAR	Inter-Africa Bureau for Animal Resources
IGAD	Intergovernmental Authority for Development
HRO	Human rights observer
HRST	Department of Human Resources, Science and Technology
IDEP	Institute for Economic Development and Planning
JLMP	Joint Labour Migration Programme
KAP	Kigali Action Plan on Water and Sanitation
LAP	AU Legal Associates Programme
LiDeSA	Livestock development study for Africa
LOI	Letter of Intent
LPI	Land Policy Initiative
MESA	Monitoring Environmental Security in Africa
MOU	Memorandum of Understanding
NPCA	NEPAD Planning and Coordination Agency
OLC	Office of Legal Counsel
PACA	Partnership for Aflatoxin Control in Africa
PAFO	Pan African Farmers Organisation

PAIC	Pan African Investment Code
PAN-eN	Pan African e-Network
PANVAC	Pan African Veterinary Vaccine Centre
PAQAAF	Pan-African Quality Assurance and Accreditation Framework
PASE	Pan African Stock Exchange
PAU	Pan African University
PIDA	Programme for Infrastructure Development in Africa
PRC	Permanent Representatives Committee
PSC	Peace and Security Council
PSD	Peace and Security Department
RUFORUM	The Regional Universities Forum for Capacity Building in Agriculture
SAAM	Single African Aviation Market
SADC	Southern African Development Cooperation
SDG	Sustainable Development Goals
SPS	Sanitary Phytosanitary
STISA	Science, Technology and Innovation Strategy for Africa
STC	Specialized Technical Committee
TVET	Technical Vocational Education and Training
UMA	Arab Maghreb Union
UNECA	United Nations Economic Commission for Africa
UNCCD	UN Convention to Combat Desertification
UNGA	United Nations General Assembly
WAHO	West African Health Organisation
YD	Yamoussoukro Declaration

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Part A: OVERVIEW

Africa in 2015: Building the Africa we want

The aspirations of Agenda 2063 reflect our desire for shared prosperity and well-being, for unity and integration, for a continent of free citizens and expanded horizons, where the full potential of men, women and youth, boys and girls are realized, and with freedom from fear, disease and want.

African Union Agenda 2063

During 2015, many social, political and economic indicators continued to move in the right direction, despite setbacks and challenges.

The collective GDP of the continent over the last 20 years tripled, the adult illiteracy rate is down by nearly 20% since 1990, with more children in school than ever before in our history and enrollment in universities grew by 16% on average a year for the last two decades. We are also making modest progress on changing the structure of our economies; since 2006 both manufacturing and services have grown modestly as a percentage of GDP. Inequality remains a key challenge, with much variation across African countries. However, on this we are also making progress. Out of 35 African countries with data, 13 (37.1%) experienced an increase in income inequality, while in 19 countries (54.3%) income inequality is on the decline.

At the same time, the systemic underdevelopment, unemployment, marginalisation and poverty which continue to characterize the continent requires fundamental transformation and faster change. Agenda 2063 and its first 10-year implementation plan is therefore an endogenous developmental framework to address this, providing an anchor for African aspirations and a guide to action to tackle the major challenges of our time, in a changing world.

This 50-year framework gives fresh momentum to a range of continental initiatives, involving all sectors in realizing the aspirations of the African peoples. Agenda 2063 places investments in people at the centre of all priorities and aspirations: this starts with the need for a skills revolution and therefore to continue on the path towards universal, quality education for all, transformation of the university sector, as well as vocational education and training, to the importance of building universal and resilient health systems and address basic needs through access to water, sanitation and clean energy, as well as reproductive health and nutrition. It includes the transformation of African economies, revolutionizing agriculture and agro-processing, addressing the infrastructure gap in energy, transport, ICT, irrigation, storage and social infrastructure as well as industrialization, value addition, beneficiation and building manufacturing and services, in order to create jobs, economic opportunities, grow the African private sector and build shared prosperity. It identifies other key sectors such as the green and blue economies, as well as neglected sectors such as tourism, critical to ensure structural transformation.

Democratic, people-centred and accountable governance, developmental institutions that facilitate national and regional development and promote a culture of peace, human rights, gender equality, respect for diversity and inclusion are critical to all the above. Though there were setbacks during 2015 in South Sudan, Burundi and Libya, the African Peace and Security Architecture has become increasingly robust in dealing with conflicts, and working towards a programme to silence the guns by 2020. In a similar vein, the continent held a number of successful elections and is taking steps to strengthen commitment to various

normative frameworks on governance, including the Charter on Democracy, Elections and Governance and through the operationalization of the African Governance Architecture. In all these initiatives, Regional Economic Communities continue to play a critical role.

The AU Summits during 2015 adopted the Agenda 2063 framework and the First 10-year implementation plan, as Africa participated in the global consensus towards the post-2015 Sustainable Development Goals (SDGs) on the occasion of the 70th Anniversary of the United Nations Organisation. Africa united in the negotiations through its Common African Position, under the auspices of the High Level Committee on the Post 2015 Agenda, chaired by President Ellen Johnson Sirleaf of Liberia. The SDG's form an important part of our goals towards Agenda 2063, within the context of the 2030 milestones.

Because of the efforts of African negotiators, the SDGs, which were adopted as part of the global consensus captured the essence of the Common African Position. The seventeen (17) SDGs are embedded in the Agenda 2063 first Ten Year Implementation Plan, and therefore speak to the specificities of Africa and its broader transformation agenda.

Agenda 2063 builds on the enduring legacy and foundations of Pan Africanism; on the conviction that Africa must unite, or perish. The drive towards integration therefore remains the *raison d'être* for the existence of the African Union, and the core mandate of the RECs and the Commission. The Agenda 2063 projects which the Commission continues to pursue with RECs and Member states, such as the Continental Free Trade Area, free movement of people, goods and services, the integrated high-speed rail project and other infrastructure development projects that connect the continent, the creation of a single African aviation market, the harmonization of university education and professional qualification, and promoting industrialization and intra-African trade are all aimed at fostering integration and development, in order to speed up the implementation of programmes that constitute the key drivers for transformation in the coming decade.

2015, Year of Women for the realization of Agenda 2063

The 2015 theme allowed the continent to focus on the empowerment of girls and women, and how this contributes towards progress in all aspirations of Agenda 2063. The realization of the rights of women's and girls is a human rights issue, but it is also about building genuinely democratic and inclusive societies, where all citizens have a stake and are secure. The empowerment of girls and women, in education and access to health care and good nutrition, their labour market participation and equal inclusion in all spheres of human endeavor is a *sine qua non* for development, peace and shared prosperity. Empowered women means healthier and better educated families and communities, and more women in companies - as workers, professionals and management - significantly contribute to productivity and growth. For Africa to continue using only half its talent, will therefore delay our march towards transformation.

The activities by governments, women's and civil society organizations, regional economic communities and continental institutions such as the African Union, the United Nations Economic Commission for Africa (UNECA), the New Partnership for African Development Planning and Coordination Agency (NPCA), and the African Development Bank raised general awareness on gender equality and empowerment, 20 years after the historic Beijing Conference. The Beijing platform advocated for women's participation, as well as access to education, equal pay for equal work, social protection, land, and reproductive rights. The activities during the year showed that we have made progress, but research shows that if we continue at the pace of change since Beijing, it will take a further 80 years before we reach true gender equality. This is clearly not acceptable.

Beijing set the target for at least 30% of women's representation in all spheres of human endeavor, and 20 years later, Africa has made progress with regards to women in parliament and in ministries as the Info graphic on the African Gender Scorecard shows, with a few more countries reaching this target. The AU Commission made special efforts in the elections held during 2015, including more women in elections observer missions and with civil society organizations raising the need for the election of more women. Civil society in a number of elections had operations rooms to monitor women's participation, and campaigned for women candidates to be elected. The AU Commission also hosted the Women in Parliament global summit at the headquarters in Addis this year, sharing experiences with women parliamentarians from across the world.

There has been mixed results with regards to increasing women's participation in parliament during the 2015 elections held in Benin, Burkina Faso, Central African Republic, Egypt, Ethiopia Guinea, Madagascar, Nigeria, Sudan, Tanzania, Togo and Zambia, as shown in the table below.

During the 2015 elections, the representation of women, grew marginally, or stayed the same, except in Ethiopia and Sudan, who did well to increase the number of women in their parliaments to above 30%. This slow movement on women's representation starts within political parties, when they nominate candidates for party lists or in constituencies. During 2016, a further 20 elections will take place², and the Commission, working with the newly formed women's caucus of the African Association of Political Parties and others, need to do more to advocate for women's representation in these elections.

At the beginning of 2015, we announced our intention to launch the African Gender Scorecard, as an instrument to monitor progress, share best practices and encourage countries that are not performing. The 1st African Gender Scorecard Awards at the Johannesburg Summit in June 2015 focused on a limited number of indicators, namely: political representation, financial inclusion, economic participation, education, maternal mortality and access to basic services such as energy and water.

Country	% Women in Parliament in 2015 elections	% Women in Parliament in previous elections
1. Burkina Faso	TBA	16% (2012)
2. Benin	7%	8% (2011)
3. Central African Republic	TBA	12.5% (2011)
4. Cote d'Ivoire	9%	9.2% (2012)
5. Egypt	14%	2% (2012)
6. Ethiopia	39%	28% (2010)
7. Guinea		21.9% (2013)
8. Lesotho	25%	25% (2012)
9. Madagascar *	23.1%	
10. Nigeria	6%	7% (2011)
11. Sudan	31%	24% (2010)
12. Tanzania	36%	36% (2010)
13. Togo	18%	17.6% (2013)
14. Zambia	13%	12.7% (2011)

- Madagascar held Senate elections during 2015

The 2015 Gender Scorecard showed that there are certain areas where the continent is clearly making progress, including political representation, reducing maternal mortality, and reducing the gender gap in primary education, and increasingly in secondary education. Campaigns such as the Campaign for Accelerated Reduction of Maternal Mortality in Africa (CARMMA) and the campaign against Child

² List countries that will have elections in 2016:

marriages together with the commitment showed by our Ministers of Health, and in a number of countries our Heads of State and Government are testimonies to the progress made in this area.

African women clearly lag behind in the economic spheres. The Gender Scorecard shows that in 2015, only Rwanda, Burundi, Malawi, Mozambique and Tanzania had reached gender parity in labour force participation, and only Seychelles and Lesotho achieved parity in non-agricultural employment. The situation with regards to ownership of firms and women in senior management also leaves much to be desired.

Women are the primary producers of food in Africa. At the same time, there is the evident lack of access of women farmers and farmworkers to land rights, modern technology, markets, seeds and extension services and to capital. These negative factors impact on African agriculture as a whole, and in turn on growth, productivity, food security and employment. We are encouraged to see that more and more governments, as well as business, civil society and donors are paying attention to this reality. During the consultation on Agenda 2063, and particularly during 2014 as the Year of Agriculture, women farmers across the continent appealed to the AU and their governments to help relegate the handheld hoe (jembe) to the museums, as part of our programme to modernize agriculture and increase productivity. The campaign was launched at the June Summit in Johannesburg, with the symbolic donation of small automated tillers (donated by Polish company Ursus) to all Member states.

Other activities during the Year of Women highlighted the importance of women's economic empowerment, to growth and inclusive development, to breaking cycles of intergenerational poverty, and to general family and community well-being. It was therefore encouraging to see such initiatives as the African Women in Maritime, who held their first meeting in Luanda, Angola this year, and participated in the launch of the African Decade of the Seas and Oceans held in July this year in Addis Ababa.

Another initiative that is gaining momentum is on women in the extractive industries (mining, oil and gas). This sector is important since Africa still holds 30% of the planet's mineral reserves, including 40% of its gold, 60% of its cobalt and 90% of the world's platinum group metal reserves. The outcomes document of the *Regional Knowledge Sharefair on Gender in the Extractive industry* on 13-15 October 2015 in Nairobi, organized by the UNECA, UN Women and the AU Commission, not only called for a gender perspective on the African Mining Vision before domestication, but also enforcement of gender parity, equality and equity principles with respect to mineral rights deposits, funding; the protection of workers rights and women's representation in the sector, as professionals and on boards of mining and oil and gas companies.

Transformation, and inclusive economic growth and development

African economies continue to grow, albeit at a lower level due to the commodity price collapse and the drought and other extreme weather conditions. Despite this, we are still amongst the top three fastest growing regions in the world. East, Central and West Africa were projected to grow by 5% and over, growth in North Africa expected to reach above 4%, and with Southern Africa still recording the lowest growth rates of growth.

This growth was driven by the continent's demographics, demand for commodities (accounting for three quarter of African exports), public expenditure on infrastructure³, increased agricultural production and expanding services (retail, finance, telecoms, transportation). However, by year-end, a gloomier picture emerged, the International Monetary Fund cut its annual growth projections for 2015 down to 3.7% (from

³ In 2014, 143 of the 257 construction projects with a net worth of more than 50 million USD , were public sector led (Deloitte)

4.5%): largely blamed on low commodity and oil prices, and increasingly on the El Nino drought effects on Southern and East Africa.

These developments must make us more determined to work harder to achieve the Agenda 2063 goals of transforming our economies through industrialization, closing the infrastructure gap, transforming agriculture and agro-processing and towards a decent standard of living, quality of life and well-being for all African citizens.

The continent therefore needs to harness its latecomer advantage by using modern technologies, experiences and knowledge to leapfrog and speed up its development trajectory. The ongoing and evolving example of the information, communications and technology sector in Africa comes to mind, but this is also possible in infrastructure and climate adaptation and mitigation.

An African skills revolution

Human capital development, skills, technology and innovation are amongst the key drivers of economic and social transformation on the continent.. Only Mauritius made it into the top 50 of the 2015 Global Innovation Index rankings, largely as a result of its concerted investments in human capital development and the social wage, and therefore relatively low levels of income inequality.

The Commission requested the African Capacity Building Foundation (ACBF) to conduct a study on the Core Technical Skills and Capacities required for the implementation of Agenda 2063 Flagship project. The deficit in skills that we face is shocking. There is an urgent need to accelerate efforts at national, regional and continental levels to get an African skills revolution off the ground, and to be more bold and ambitious in our aspirations.

It is on record that we have more boys and girls in schools today than at any time during African history, along with improving youth and adult literacy rates. We've made steady press in reaching the millennium development goal of universal primary education and increasingly universal enrolment in secondary schools, as well as moving - albeit at a much slower pace - towards gender parity in primary and secondary education. However, early drop-out amongst girls, refugees, internally displaced persons and in conflict situations. The work by the AU- International Centre for the Education of Girls and Women is therefore critical, especially their focus on the development of legal frameworks for the rights of girls and women in schools and universities, on gender-responsive curricula and the retention of girls in schools.

Across the continent, Ministries of Education are focusing on the quality and outcomes of education, by working on improving educational infrastructure, and the quality of teaching. Following a decision of the relevant STC, the Commission has also called for proposals for a study on the Working and living conditions of African teachers, due to start in 2016 as part of work on the AU Teachers Roadmap, to improve the quality of teaching and learning, and the working conditions and professional status of teachers.

Despite growth in enrolment in universities and higher education over the past three decades (from 2.7 million students in 1991, to 9.3 million in 2006 and over 11 million in 2014), our gross enrolment rate for young men and women aged 18-24 years still hovers around 6%. Though the numbers are significant, this is from a very low base, considering Africa's growing youth population, and in comparison with other developing regions. There is also general consensus that the continent needs tens of thousands more PhDs, to replenish the ageing faculty at universities, to staff rapidly expanding higher education, to boost research and generate high-level skills growing economies need. To reach the continental target of 40% enrolment

will take a huge, but absolutely critical effort. This and other matters were high on the agenda of the Dakar Universities Summit held in Senegal in March 2015.

The development of technical and vocational education and training has also lagged behind, for example, ten years ago, only Rwanda, Cameroon, Democratic Republic of Congo, Egypt, Libya, Congo, Mauritius, Benin, Algeria and Mali had more than 10% of young people enrolled at Technical Vocational Education and Training (TVET) level. The greater focus on TVET over the past two decade, has seen concerted efforts by many countries to step up this critical sector of education, guided by the AU TVET Strategy of 2007, which prioritise agriculture, public health and water resources, energy and environmental management, information and communication technologies, construction and maintenance, good governance and traditional handicrafts. We are particularly pleased that the first Specialized Technical Committee (STC) of Ministers of Education, Science and Technology held in October this year, had a special focus on TVET. There is a need to assess how, over the last decade the TVET has evolved and progressed.

The Commission has been advocating for a greater focus on skills, higher education and technical, vocational and education and training. This includes participating in the Universities Summit held in Dakar in March this year, where the African Research Universities Network was launched, and where the proposals for African champions for Higher Education was flagged and working with initiatives such as the Rural Universities Forum for Capacity Building for Agriculture (RUFORUM). A committee of ten Heads of State and Government to champion Education, Science, Technology and Innovation, was established during the June 2015 summit.

The new 10-year *Continental Education Strategy for Africa for 2016-2025* (CESA 16-25.) captures the aspirations of Agenda 2063, moved by the STC for Education, Science and Technology. The CESA 16-25 moves away from the minimalistic prescriptive approaches, calling for human empowerment and creating enabling conditions to help individuals and nations reaching their potential. It links a robust human resource development programme to national, regional and continental socio-economic development. The CESA 16-25 is the African action plan towards the implementation of Agenda 2063 and the fourth goal of the SDGs.

Member states should be encouraged to run consistent national campaigns on the importance of education, skills and science and technology. The Commission must ensure that the Agenda 2063 Ten Year Implementation Plan in its Monitoring and evaluation framework clearly accounts for progress on all our education, science and technology and skills development targets.

Building an Africa that belongs to all its citizens

The building of democratic, effective, people-centred and accountable institutions, particularly governance institutions, civil society and the private sector, are critical to the political, social and economic development of the continent. The continent therefore has to continue to develop its governance structures, especially the public sectors, parliaments, local and decentralized governments, judiciaries so that they contribute towards the development of the people and continent.

The majority of African citizens therefore continue to live in countries that are peaceful and stable. This is as result of progress we are making in strengthening good governance, including states that address the basic needs of the population, drive economic and social development, fight corruption and manage diversity. There is a growing number of countries who are focusing in innovative ways and with determination on the development of their countries and on regional cooperation to the benefit of their economies and citizens. The Regional Economic Communities (RECs) continue to play a critical role in this regard.

At the same time, as the 2015 Human Development Report of the UNDP shows, despite economic growth and movement on many social indicators of the last decade, our situation in terms of the development of our people has not changed dramatically. We still have thirty-seven (37) African countries, more than two thirds, in the low human development categories. This shows that there are things that we are not doing right, and with a few exceptions, we have widening inequalities in countries across the continent. It also shows that the economic growth is not inclusive, and we are not making the required impact on the lives of the majority of African people. We must therefore ask ourselves the question: how can this situation persist, when Africa has land, water, forests, oceanic resources, minerals, oil and gas, as well as human resources in abundance, and yet the African people remain poor? In contrast, the majority of African small island states, despite small population, and without minerals, oil, gas that we take for granted, with often only the seas and their people as their resource are performing much better, because of strong investments in their people, and through stability, democratic and developmental governance, these countries are counted either in the medium or high development categories.

The focus on Agenda 2063 priorities, the mobilization of all sectors of society behind this programme and effective monitoring and sharing of experience should help build critical mass for transformation. Agenda 2063 identifies peace, leadership and political commitment, capable developmental states, and the participation, inclusion and empowerment of citizens as critical success factors for its implementation. This continues to inform the nature of the African polity and political culture that we seek to build over the coming decades.

A number of presidential and/or legislative elections took place on the continent this year: Burkina Faso, Burundi, Central African Republic, Cote d'Ivoire, Egypt, Ethiopia, Guinea, Lesotho, Madagascar (Senate), Nigeria, Sudan, Tanzania, Togo and Zambia. Elections in South Sudan were postponed due to the ongoing violence and instability in the country, with hopes for the latest Peace Agreement signed in October 2015. The Burkina Faso elections were also delayed, following popular protests against attempts to change the constitution, leading to an unconstitutional change. After the interventions of Economic Community of West African States (ECOWAS) and the AU, a civilian interim government was established and the elections took place peacefully on 29 November 2015. The National Transitional Council of Central African Republic (CAR) also postponed the elections from 18 October to December, and the first round took place peacefully.

Presidential and parliamentary elections in Burundi, Burkina Faso, Cote d'Ivoire, Egypt, Ethiopia, Guinea, Lesotho, Madagascar, Nigeria, Sudan, Tanzania and Zambia took place, with some progress and challenges. The political maturity of all concerned in the conduct and conclusions of the Nigerian elections remains a lodestar for the continent.

The protests resulting from the announcement on the change of constitution that would enable the incumbent President to run for a third term in office led to violence and disruption in the election processes in Burundi, prompting the African Union to call for postponement of the elections. The elections eventually proceeded on 21 July 2015, amidst violence and adverse conditions for free and fair elections. Since then, the country has been in a state of unrest. Efforts are underway by the East African Community (EAC) and the AU to help the country's leadership and people find a peaceful solution to the current conflict.

Though the majority of the other elections were peaceful, free and fair, they exposed persistent structural and historic fault-lines, including issues of voter turnout and participation of first time voters. This development shows that we must do more to ensure participation of the populace in the political and other

affairs of our countries, especially the participation of young people. Women voters, except where there is elections violence, remain the most consistent in terms of registration and voter turnout.

We look forward to 2016 as the Year of Human rights, which should be used to ensure greater focus and shifting the African narrative on these matters.

The fight against Ebola and Health for all

We entered 2015 determined to speed up efforts, supported by the international community, to deal with the Ebola virus in Guinea, Liberia and Sierra Leone. By February, 855 African health workers from 18 countries, including 115 from ECOWAS through the West African Health Organisation, were trained and deployed to the three countries. The African efforts against Ebola was characterized by solidarity by Member states, the private sector, citizens and health professionals through volunteering to serve in the affected countries, through financial and technical contributions, secondment of health workers, and a continental SMS campaign by the mobile network operators.

We are pleased to report that the epidemic has been stopped in its tracks, and by December 2015 all three countries, were declared Ebola free. ASEOWA therefore completed its mission at the end of September 2015, with only a small core that remained to help build local capacity until end of 2015.

The Ebola crisis placed the issue of investments in the strengthening of public health systems firmly on the agenda, as well as the implementation of the International Health Regulations (IHR) core capacities and investment in health as part of the priorities of Agenda 2063 and SDGs. As we therefore consider the next fifteen years of the African Health Strategy, which our Health ministers are discussing, we must learn lessons from our experiences in the fight against Ebola, as well as against other diseases.

The Ebola provided impetus for establishment of the Africa CDC as part of medium to long-term solution to build capacities of member states for disease surveillance, detection and response to future outbreaks and public health emergencies. The STC on Justice and Legal Matters cleared the Statutes of the Africa CDC, which will be presented to the Summit for adoption. In addition, core staff is being recruited and the regions have identified their proposals for the regional CDCs.

We are also making progress on other diseases, such as HIV and Aids. Fifteen years ago the pandemic looked insurmountable, but with African and global efforts, we have turned the corner, with new infections amongst adults and children down by 33% since 2001. Despite the progress, infections amongst young women between the ages of 15-24 years have not decreased and they remain the most vulnerable. Progress is also made with the fight against malaria, and tuberculosis, and with sustained efforts invested in this regard, we shall overcome.

Africa still imports nearly all the pharmaceuticals she uses, spending a whopping sum of 65 billion USD per year, whilst only 2% is manufactured on the continent. We must congratulate Ethiopia and learn from its exemplary stride in launching its comprehensive national Pharmaceutical Manufacturing Plan in July 2015, in line with the African Pharmaceutical Manufacturing Plan. Many of the patents on the drugs we use are expiring in the near future, and the rest of the world is poised to manufacture generic medicines to feed our market. We must therefore move faster on this matter.

Apart from the health impact on the affected countries, the broader socio-economic impact has been equally serious, not only on Guinea, Liberia and Sierra Leone, but on the region and the continent. The

International Ebola Conference hosted in Malabo in July 2015, as well as work by the UNECA and the UNDP addressed this issue, but clearly we must do more to help with economic recovery, including the issue of debts.

Climate change and extreme weather

According to the second Africa Adaptation Gap Report, due to past global emissions Africa will face adaptation costs of US\$7-15 billion per year by 2020, even though its contribution to the greenhouse gas emission was estimated to be less than 4%.

Africa, under the leadership of the Committee of Heads of State and Government on Climate Change (CAHOSCC), and through the CLIM-DEV partnership of the AUC-UNECA-AfDB, has remained seized with the issue in a comprehensive manner. Agenda 2063 is an endogenous growth and development path that is sustainable and with a low carbon footprint. With Member States and Regional Economic Communities (RECs), we see climate smart agriculture, risk mitigation, renewable energies and more generally the green economy as key in this regard.

The continent approached the COP21 Summit on Climate Change in Paris in December with determination, pushing for a legally binding agreement within a global governance framework that is applicable to all parties and covering adaptation, mitigation, financing as well as technology development and transfer. Africa also reiterated its call for the reduction of greenhouse emissions to achieve the adaptation goal of well below 2 degree Celsius, and to the principle of common but differentiated responsibility, social justice and equity.

The AU Commission, UNECA, the NEPAD Agency and the African Development Bank, along with other agencies such as the African Risk Capacity coordinated the African Pavilion at COP21, with events and exhibitions focusing on the various issues for Africa at the Summit in Paris. Two major announcements made at COP21.

The first was the African Renewable Energy Initiative (launched in 2009) that seeks to raise a further 20 billion US dollars to produce an additional 300 giga-watts of renewable energy by 2030, twice the current power generated today. This must help strengthen existing continental plans on renewables through PIDA, as well as renewable projects in Member States, the Regional Energy Pools, and initiatives such as the African Clean Energy Corridor.

The second announcement was the launch of AFR100 (African Forest Landscape Restoration Initiative), a pan-African effort to restore 100 million hectares (386 thousand square miles) of degraded and deforested landscapes by 2030. Ten Member States so far have agreed to join AFR100, committing at least 31.7 million hectares of land for forest restoration. This should strengthen existing programmes underway, such as the Great Green Wall for the Sahara and Sahel Initiative, a flagship project of the Africa Union that started in 2007, seeking to 'green' the Sahel/Sahara region through sustainable land and water management in a strip that is 15 km wide and 7,100 km long, from Dakar to Djibouti⁴. The programme involves local farmers in promoting natural regeneration, with encouraging improvements. For example, the tree density in the

⁴ Countries that form part of Great Green Wall initiative include: Burkina Faso, Djibouti, Ethiopia, Gambia, Mali, Mauritania, Niger, Nigeria and Senegal.

Zinder region of Niger has improved for the first time since the mid-1980s with the afforestation of more than one million trees planted.

The outcomes of COP21 are critical for Africa, with parts of the Sahel/Sahara having faced droughts in 2014, with major droughts and floods in Southern and East Africa as a result of El Nino towards the latter parts of 2015, and the ongoing threat of rising sea levels to island states. It is estimated that the droughts in the two regions affect over 20 million people, including close to 11 million children. It also had a decimating impact on agriculture, and on countries dependent on hydro-electric power. The El Nino effect is predicted to continue into 2016.

Although the final agreement of COP21 saw a comprehensive and binding agreement, with monitoring mechanisms, the sum total of national commitments to reduce emissions at the end of the conference, would not result in the critical target of below 2 degrees Celsius. At the same time, the continent and indeed the world are experiencing extreme weather conditions, and the El Nino effect of 2015-2016 is becoming the worst this century, with devastating effects. Africa must therefore continue to advocate for the world, and developed countries in particular, to take on the burden of much faster reductions in emissions, as well as on the critical issue of technology transfer and financing for mitigation and adaptation.

The State of African Integration

Integration remains central to the mission of the African Union, and continental institutions, RECs and Member States are pursuing regional integration as an overarching continental development strategy to achieve inclusive and sustainable growth. This year ECOWAS celebrated its 40th anniversary, with many milestones in the areas of integration, peace and security and progress on infrastructure and democratic governance.

During 2015, further steps have been taken to advance the continental integration agenda, at the levels of the RECs this included movements towards regional customs unions, facilitating the free movement of people, on intra-Africa trade and investments; and infrastructure projects to connect regions and create economies of scale. At continental level, we launched the negotiations on the Continental Free Trade, we are expanding disciplines in our programme on harmonization of higher education; the Pan African University as a flagship project is advancing; we have a core of countries committed to take the lead towards creating a single aviation market; and we are also making progress on embedding common normative frameworks.

The vision at the continental level is to achieve the African Economic Community (AEC), with six stages that involve the strengthening of sectoral cooperation and establishment of Regional Free Trade Areas (FTAs), a Continental Customs Union, a Common Market and a Monetary and Economic Union. With regard to the Abuja Treaty, the Regional Economic Communities (RECs) have made progress in terms of free movement of persons, goods and services and interconnectivity of infrastructure and trade.

The most notable achievement relates to the COMESA-EAC-SADC Tripartite Free Trade Area (TFTA)⁵ launched on 10 June 2015 in Sharm El Sheik, Egypt. Similarly, at the continental level, on 15 June 2015, the 25th AU Summit launched the negotiations for the Continental Free Trade Area (CFTA) with a view to establishing an African single market in 2017. The Member states of the Arab Maghreb Union (AMU) signed three out of the four protocols for the Union's free trade area. ECOWAS launched its customs union

⁵ The TFTA will stretch from Cape Town to Cairo, creating an integrated market with a combined population of almost 600 million people and a total Gross Domestic Product (GDP) of about US\$1 trillion.

as of 1 January, 2015; by April 2015 eight of its fifteen member states already begun to implement the common external tariff required under the customs union. Several RECs have managed to reduce intra-regional imports to lower levels: EAC applies a zero average tariff on imports within the Community; and ECCAS and COMESA both apply tariffs averaging around 1.9%. Intra-regional tariffs within SADC and ECOWAS are higher, at 3.8% and 5.7% respectively. COMESA, EAC, ECOWAS and SADC have all taken steps to facilitate transport and to lower non-tariff barriers.

There are however still instances where Member State policies are inconsistent with the integration agenda, for instance, some Member States offer better market access to European countries under the Economic Partnership Agreements (EPA) than to other African countries through their RECs or through the TFTA.

Efforts by the Commission to implement the CFTA include the realization of the Minimum Integration Programme (MIP), which recognizes that deepening Africa's integration goes beyond harmonizing REC memberships and policies. As a mechanism of convergence for the RECs, the MIP focuses on a few priority areas of regional and continental concern, in which the RECs could strengthen their cooperation and benefit from best integration practices. To achieve the MIP as a means of implementation of the CFTA, the Commission organizes Conference of Ministers of Integration, and the AUC-AfDB-UNECA and RECs Coordination meetings in order to assess progress made so far and to harmonize policies that reduce regional disparities within the continent. The main challenges which the Commission faces in pursuing the regional integration agenda include low progress in the implementation of the agreement; lack of harmonization of policies and programmes across RECs; overlap and multiplicity of memberships to RECs; lack of public private sector partnerships to carry out infrastructural projects; lack of funding for the regional and continental infrastructural projects; weak institutional capacities (financing and banking systems, statistics institutions, etc.); and conflicts which have hindered progress, particularly in ECCAS, IGAD and CENSAD.

The RECs are also making steady progress towards the free movement of people: EAC citizens enjoy 3 month visa-free stays in Member States for national passport holders and a 6 month visa-free stays for EAC passport holders; COMESA grants 90 day visas-on-arrival for citizens of its FTA Member States; SADC countries are currently granting 90-day visa free stays to its citizens although it is being done through bilateral agreements; and ECOWAS is granting visas-on-arrival to its citizens and 7 members have adopted the ECOWAS passport, which allows citizens to travel without visas. Seychelles, Mozambique, Rwanda, Comoros, Uganda and Madagascar offer either visa-free access or visas-on-arrival to all African citizens. Rwanda, as a result of implementing the Africa's most liberal migration policy has enjoyed a 24% rise in tourism from African countries and a 50% rise in trade with neighbouring countries, including a 73% rise in trade with the DRC. Progress on movement of people in other regions, especially Central and North, and between regions is much more limited.

Following the Ministerial retreat of the Executive Council in June in Johannesburg, the Commission through its Departments of Political Affairs, Social Affairs, and Administration commissioned a study and engaged with the RECs on the Agenda 2063 flagship project on the African passport, in the context of migration.

There is increasing acceptance of the approach of the Programme for Infrastructure Development in Africa (PIDA) of building economies of scale through regional infrastructure projects. There is movement in ECOWAS on the Trans West African Coastal Highway, following the signing of the Lagos to Abidjan highway project by ECOWAS member states in 2014, with a meeting held in December 2015, which considered signing off on the Abidjan to Dakar leg of the Trans African Highway 7 Project.

African cities and Urbanization

Although Africa in 2015 still represents about 10.7% of the world's urban population, urbanization is amongst the most rapid in the world, and one of the key demographic trends in the continent. This presents major challenges as well as vast opportunities. In 2015 Africa had more than 35 cities of more than 1 million inhabitants, with 2 exceeding 5 million and 2 (Cairo and Lagos) having more than 13 million inhabitants. At current rates of population growth and urbanization, this figure is estimated to double over the next two decades. The sector is increasingly getting organized, with at least two major meetings of cities held this year, the first of Capital cities held in Pretoria, South Africa and the second the AfriCities 2015 Summit, held in Johannesburg. In addition, there is also a process to develop a common African position towards the Habitat 3 Summit in October 2016.

The AfriCities 2015 Summit, with over 5000 delegates from cities across the continent, pledged support for Agenda 2063 in their declaration, which read:

'We affirm that local authorities are at a turning point of their responsibility to support the structural transformation of the continent in the areas of economic development, social justice, preservation of ecological balance and the reinvention of democracy. The implementation of Agenda 2063 must focus on sustainable development based on social justice and dialogue with communities, which in turn would restore confidence in local government.'

Local government forms an important part of the African Governance Architecture, and the Commission through the Department of Political Affairs and with the relevant STC will continue to work together with continental bodies to help strengthen their role.

Pan Africanism, Culture, heritage, sports and identity

Aspiration 5 of Agenda 2063 commits the continent to ensure that we continue to build 'an Africa with a strong cultural identity, common heritage, values and ethics.' The Commission this year took steps to take forward this aspirations and tasks set in this regarding, including a discussion at the 4th Pan African Cultural Congress meeting in May 2015, co-organised with the South African Department of Arts and Culture to discuss an action plan to implement this aspiration; and taking forward the incorporation of Pan Africanism in the curriculum of schools and institutions of learning. The 4th PACA stressed the importance of fostering inclusive and tolerant societies and cultures, the promotion of local culture, under the theme One Africa, One Vision, One Destiny.

The creative, cultural and heritage sectors in the continent play a critical role in promoting the African identity and cultures in all its diversities: music, film, performing arts, literature, fashion, etc. It is a vibrant sector that requires all our support.

The conservation of our natural heritage, including wildlife, ecosystems and flora, as key to our development, including sustainable tourism remains a priority. The Commission, amongst other things engaged with the United Nations Environment Programme (UNEP) on the challenge of poaching, organized with Oxfam a Friday of the Commission session on the programme to protect the Great Apes on the continent, and also discuss these issues with a delegation of African Ministers of Tourism.

Sports remain an important aspect of fostering youth development, social cohesion and the spirit of Pan Africanism. A very successful 11th African Games was held in Brazzaville, Congo, marking the 50th

anniversary of the Games. This was very befitting, since Brazzaville also hosted the first edition of the Games in 1965.

The Confederation of African Football this year honoured the AU Commission in Cairo, Egypt when it bestowed the Platinum award on the Chairperson of the Commission, for the role of the Union in promoting sport. We should also acknowledge the invaluable role played by the football and sports fraternity and African sports persons in the fight against Ebola and other diseases.

During 2016, the African World Heritage Fund, the agency responsible for the promotion and protection of the African world heritage sites, will celebrate one decade since its establishment. We must continue to support their work, so that we preserve and build our heritage as part of our renaissance and for future generations.

The African narrative

We are seeing an increased diversity of African voices, telling African stories, in the media and other platforms, in arts, culture, film and literature. The discourse on the continent is no longer only dominated by stories about conflicts, but increasingly covers the many developments – political, elections, business, infrastructure, environmental issues, fashion and heritage. This includes coverage on the role of the African Union, where we are beginning to see shifts, albeit in small steps.

A major focus of Agenda 2063 is on the need to generate our own research and statistics, developing knowledge and interpreting and analysing trends and developments on the continent and in countries. The work of African policy think tanks and universities are critical in this regard, so is the work of African statistician-generals, who have been working with the Commission on vital statistics and indicators to help with the monitoring of Agenda 2063 and the SDGs.

Migration and Refugees

The issue of migration gained huge global prominence, with the continuing challenges faced by African migrants seeking greener pastures elsewhere and the crisis in Syria and Yemen. The majority of migration in the continent remains internal, compounded by conflicts such as in South Sudan, Somalia, Libya, Mali and new situations such the fight against terrorism and Boko Haram in west and central Africa, and the conflict in Burundi. In addition, economic migrancy remains a reality, as was the case throughout the ages. This remains an important issue, as we discuss the free movement of people, as part of our Agenda 2063 flagship projects and prepare for the World Humanitarian Summit in Istanbul in 2016. Ongoing work is been done around continental policy frameworks to address this issue, including the Labour Migration Governance for Integration and Development in Africa (also known as the Joint Labour Migration Programme) and the AU Commission Initiative against Trafficking (AU.COMMIT).

The European Union in November 2015 convened the Valetta Migration Summit, to address the perceived European refugee and migration crisis. Some Member states and the Commission participated in the event, with fair cohesion amongst African participants on the key positions, including the historical context of migration, the need to address root causes through African industrialization and investment in young people's skills, resolving the Syrian and other conflicts and respecting the rights of migrants and refugees, in line with international frameworks.

Africa's relations with the world

The quest towards an Africa that plays its rightful role in the world continues, through engagements on our continental platforms – Agenda 2063 and other common African Positions – at the UNGA and the adoption of the Sustainable Development Goals, and at COP21 in Paris. During 2015, Africa hosted for the first time global events such as the World Congress on Forests in Durban, the Financing for Development Conference in Addis Ababa and the WTO Ministerial meeting in Nairobi.

With regards to our strategic partnerships, the review has been completed and will be tabled to Summit during 2016. During 2015, the India-Africa Forum was held in New Delhi, the Forum for China Africa Cooperation in Johannesburg, and the College to College meeting of the AU and EU Commissions in Brussels.

The Commission has made progress in finalizing the proposals on Restructuring the AU Commission, and has presented the findings and recommendations to the PRC Subcommittee on Restructuring. The proposals focus on the creation of a structure that has the capacity to implement the mandates of Agenda 2063, and improving the operational efficiency of the Commission.

The Commission has also continued work to improve its administrative policies and procedures. During 2015, more than eight directors would have left their posts and the process to fill these have started. This should help us to bring in younger generations, more women at this level and ensure better regional spread.

The African Capacity Building Foundation has been task with developing recommendations on the most optimum division of labour between the AUC, the NEPAD Agency and Regional Economic Communities, as we implement Agenda 2063, for consideration by the Executive Council.

Following the Bahir Dar Retreat's recommendation in January 2014 on the need to improve the working methods of the Union, the report and recommendations were presented to the Summit in January 2015, and the Assembly adopted Decision 582 on Streamlining the work of Summits, with implementation starting at the June 2015 Summit.

The Summit decision on improving effectiveness also focused on implementation of decisions of policy organs. The implementation of decisions rest with the AU Commission and other organs, as well as with Member States and Regional Economic Communities. As the report on the Implementation of Decisions to the Summit shows, few decisions have been implemented in their totality. The Commission therefore has to ensure that this is addressed with urgency where it bears responsibility. More generally, the monitoring and evaluation framework of the 1st Agenda 2063 Ten Year Plan should ensure that at different levels, we account for the implementation of decisions and continental policy framework and strategies.

The Comparative Study on Working methods and Processes was completed, based on a study of other similar regional organisations (e.g. European Commission, CARICOM, EAC). This will be presented to the Executive Council Retreat in Mekelle in January 2016.

Agenda 2063 flagship programmes

The flagship projects emanate from the Call to Action section in the Agenda 2063 Popular version, and informed the goals of the 1st Ten Year Implementation Plan. They are potential game-changers because of

their strategic impact on (a) the integration project, (b) the contribution to rising living standards; and (c) on the continental developmental trajectory, mobilisation and narrative.

The Agenda 2063 flagship projects in progress to date are the Pan African Integrated High Speed Train network; Great Inga Dam and the push for renewable energy; Single Aviation Market; Outer Space: building African science and technology capacities; Africa Economic Dialogue Platform; Free movement of persons, services and goods, and the African Passport; Pan African E-Network: connecting the continent through technology; Virtual University/Technology in Education; Commodities Strategy, the Continental Free Trade Area; Silencing the Guns by 2020; and the establishment of Continental Financial Institutions.

Pan African Integrated High Speed Train Network: Connecting all African capitals and commercial centres through a high speed rail network, as part of a Pan African Transport network that links rail, road, aviation and oceanic transport, to facilitate the movement of goods, factor services and people, and reduce transport cost. The AU Commission signed an MOU with the People's Republic of China on this, and a technical team has been established, including experts from RECs. The technical team has developed the terms of reference for the pre-feasibility study, will engage with the China team on the draft Master plan, carry out sensitization with Member states and review existing railway projects in process, as well as do resource mobilization for the initial work.

Grand Inga Dam and the push for renewable energy as part of the African energy mix: at peak capacity, the Grand Inga dam hydro project has the capacity to generate 43,200 megawatt of power, supporting current regional energy pools to ensure affordable and clean energy to African people. The next stage of the project is envisaged as a public private partnership (PPP) from phases 3 to 8, with Inga 3 to be equipped for 4,800 MW with low head dam, and an option of 7,800 MW with high head dam. The DRC and South Africa signed a Treaty on Grand Inga Project on 29 October 2013, ratified by DRC Parliament on 21 November 2014 and a Cooperation Agreement on Energy Resources on 9 September 2014. The 4800 MW power generated by Inga 3 will be shared as follows: (i) 2500 MW for South Africa; (ii) 1300 MW for extractives industries and populations of Katanga (SNEL); and (iii) 1000 MW for Kinshasa and other DRC cities (SNEL). The DRC government on 17 June 2014 adopted a new law liberalizing the electricity sector and three organs dedicated to management, supervision and coordination of Inga 3 have been established. The next steps include: (a) negotiations with Nigeria to purchase around 2000 MW through the construction of INGA-Calabar Interconnection Line started in February 2014 and the Agreement is still to be finalized; (b) a new law dedicated to Grand Inga project development, named INGA Law, is under preparation to create an economic climate that encourages private investment in the development of DRC huge hydropower potential; (c) the setting up of the dedicated Authority named ADEPI (Autorité de Développement et de Promotion du site d'Inga) mandated to development and promotion of the Inga Site (Inga 3 and subsequent phases of Grand Inga hydro project) was due to be completed in December 2015 at latest; (d) launching of the selection process of the private developer among three pre-shortlisted consortiums started in August 2015 and is expected to be completed by June 2016. (d) The launch of the construction of Inga 3 is planned for June 2017, provided that all technical studies, tender documents and resource mobilization process completed before this deadline. Construction is expected to be completed in five to seven years.

Renewable and other Energy Initiatives: The AUC, with the EU Technical Assistance Facility, is working towards the "continental harmonised regulatory framework for the energy sector in Africa", with the aim of recommending best practices for a harmonised continental and regional regulatory framework in the African energy sector. The AUC also works with RECs to provide support to various energy sector development initiatives dedicated to facilitating continental integration and the development of regional infrastructure including nine hydropower projects and four transmission lines; the Hydropower 2020 Initiative aimed at harnessing the hydropower potential in the major river basins on the continent; the East African Regional Geothermal Programme with the Geothermal Risk Mitigation Facility to encourage public and private investors to invest in geothermal energy with potential of over 15GW in East Africa Rift System countries; assessment of the solar energy potential in the Sahara and Sahel regions; implementation of the Renewable Energy Cooperation Programme (RECP) under the Africa- EU Energy Partnership, targeting various renewable energy systems in Africa by 2020; Sustainable Energy for All (SE4All) in Africa, which is aimed at ensuring universal modern energy access, as well as doubling the use of renewable energy

and energy efficiency by 2030; the Africa Renewable Energy initiative that seeks to achieve at least 10GW of capacity by 2020; and the US Power Africa initiative which is already being implemented in several African Member States.

Single African Aviation Market: This flagship programme aims at delivering the single African air transport market to facilitate air transportation in Africa, based on the Yamoussoukro Declaration (YD). During the AU Summit in January 2015, eleven champion countries (Benin, Cape Verde; Republic of Congo; Cote d'Ivoire; Egypt our host to this Plenary; Ethiopia; Kenya; Nigeria; Rwanda; South Africa and Zimbabwe) made a Declaration of Solemn Commitment towards advancing the concrete and unconditional implementation of the YD. Since then, Ghana and Sierra Leon have joined the group, bringing the total to thirteen. The following legal instruments have been completed towards the realization of the SAATM; (i) Competition Regulations; (ii) Dispute Settlement Mechanism; (iii) Consumer Protection Regulations and the Regulatory and Enforcements Powers of the Executing Agency of the YD. The Ministerial Working Group of the champion countries at its first meeting in April 2015 developed an 18-point roadmap to the AUC and the African Civil Aviation Commission (AFCAC), with AFCAC as secretariat of to take the process forward. The Plenary of AFCAC has set November 14th of every year YD Day, to raise awareness on the importance of this flagship project. AFCAC also during the year held discussions with Member States and African Airlines on the implementation status of the YD, establishment of the SAATM and the outcomes of the study on 12 African Countries on the potential benefits of intra-Africa air transport liberalization (Passenger volume to increase from 6.1 mill. to 11 mill; 155,000 new employment, an accumulated \$1.3 billion contributions to their GDP, etc.).

Annual African Economic Dialogue Platform: The platform arose from the Bahir Dar Ministerial Retreat of the Executive Council held in January 2014 and endorsed by the Executive Council. The Economic Dialogue Platform aims to ring together at the highest level, African governments, business leaders and university principals to engage on the key issues to take forward Agenda 2063's goal of inclusive economic growth and development. A concept note on the platform was done by an interdepartmental committee that includes the departments of Trade and Industry and Economic Affairs, the Bureaus of the Chairperson and Deputy Chairperson and the AU Foundation. During the launch of the AU Foundation during the Assembly in January 2015, the Economic Dialogue Platform was also launched as one of the key projects of the Foundation.

The Inaugural session of the Economic Platform will be held on 14-15 April 2016 in Mauritius.

Outer Space and building African science and technology capacities: Draft African Space Policy and Strategy prepared, supporting programmes for development of local capacities, institutional, human and technical competencies in Earth Observation, Satellite Communication, Navigation and Positioning, Space Science and Astronomy, for socio-economic development of the continent. The Policy and strategy have two overarching objectives: to create a well-coordinated and integrated African Space Program that is globally competitive, yet responsive to the needs of the continent; and to create a regulatory environment that promotes and supports the African agenda, as a responsible user of outer space. The policy will be tabled at the Summit in January 2016 for consideration and adoption.

The Pan African University Space Science institute is a platform for the African Space Policy and Strategy, offering training in masters and PhD level in selected thematic areas: Earth Observation & Geographic Information System; Navigation & Positioning; Satellite Communication; and Space Science and Astronomy. The concept is to have a network of ten institutions with the hub in South Africa, which will provide theoretical and practical trainings.

The Global Monitoring for Environment and security (GMES and Africa) is envisaged as a joint AUC-EC project as a platform of, earth observation technology-based information services focusing on (i) Long term management of natural Resources; (ii) Water Resource management; (iii) Marine & coastal Management; (iv) Food Security and Rural Development; (v) Climate Variability and Change; (vi) Disaster risk reduction; (vii) Health; (viii) Conflict and Political Crisis and (ix) Infrastructure and Territorial Development.

The Pan African E-Network - connecting the continent through technology: involves a wide range of stakeholders and envisages policies and strategies to ensure transformative e-applications and services in Africa; especially the intra-African broad band terrestrial infrastructure; and cyber security, making the information revolution the basis for service delivery in the bio and nanotechnology industries and ultimately transform Africa into an e-Society. The AU with the Government of India funded and implemented the Pan African e-Network (PAeN) project connecting forty eight African Union Member States by satellite and fiber optic aiming at providing Tele-education, Tele-medicine, and Very-Very Important Personality Connectivity (VVIP) services. The Pan African e-Network has now been in use for five years including the supply and installation of equipment and software, leasing of satellite bandwidth and submarine fiber optic cable, operation and maintenance of the network and payments to Hospitals and universities that offer Tele-Medicine and Tele-Education services. PAeN has yielded a total of: (i) 18,208 students enrolled in various undergraduate and graduate disciplines in different Indian universities through the network, (ii) 606 Tele-medicine consultations per annum (iii) 4,390 Continuous Medical Education (CME) sessions; i.e. around 12,000 graduates over the five years of operation, in other words an average of 2,400 graduates per year contributing to the growth of this vital sector. In the health sector, around 3,000 medical consultations were carried out over the Network leading to save of lives. The agreement with India has been extended for a further two years, and the relevant STC and the Commission are discussing a sustainability strategy for this project.

Establishment of the Virtual University: the aim of this project is to increase access to tertiary and continuing education in Africa by reaching large numbers of students and professionals in multiple sites simultaneously and developing relevant and high quality Open, Distance and eLearning (ODEL) resources. A task team on this project was established, and is in the process of developing an action plan, looking at the following areas: mapping of existing ODeL capacity; mapping of existing infrastructure; identifying appropriate business model; develop a process for Programme and Qualifications Mix; development of staffing structure; development of draft supportive policy frameworks; development of quality assurance frameworks; development of costed business plan; and a Project Working Document that will facilitate and give strategic directions to the task force has been prepared

Free Movement of Persons and the African Passport:

The goal of this project is to transforming Africa's laws, which remain generally restrictive on movement of people despite political commitments to bring down borders with the view to promoting the issuance of visas by Member States enhance free movement of all African citizens in all African countries by 2018. Following the Executive Council decision on this matter, a Continental study on Free movement of people in Africa was completed and validated by a technical committee, and discussed with RECs. This exercise identified existing gaps in free movement policies at the level of the RECs, and key areas/themes to be highlighted in the drafting of a Protocol on Free Movement of Persons. A continent-wide study on different policies in place that facilitate free movement in Africa has been conducted. The first draft report is now undergoing validation at various levels. 2016 will be a period of wide consultations, including with Member States to develop and validate an AU Protocol on free movement in Africa.

Continental Free Trade Area

Four meetings of the CFTA Negotiating Forum are planned for 2016, the first during the last week of February 2016. Member States are urged to designate their Chief Negotiators, alternates and the focal persons within the Permanent Missions in Addis Ababa at their earliest convenience. The Commission will also ensure that the African Private Sector is meaningfully involved in the CFTA negotiations, through the operationalisation the African Business Council (ABC) as one of the institutions that were established to provide for effective private sector contribution to the CFTA negotiations.

As the negotiations have a 2017 timeline, it is critical that Member States provide adequate funding if the negotiations are going to conclude within the specified period of time. It is also important that all Member States are mobilised to participate effectively in the CFTA negotiations and the objectives that were defined for the CFTA are achieved. In this regard, the Commission will carry out various political engagement activities to maintain the momentum on the process.

Commodity Strategy and Industrialisation: Enabling African countries add value, extract higher rents from their commodities, integrate into the Global Value chains, and promote vertical and horizontal diversification anchored in value addition and local content development. The AU Commodities Strategy lays out a vision for commodity-led

industrialization aimed at using commodities as a driver for achieving the structural social and economic transformation of Africa and Agenda 2063. The AU Commodities Strategy reviews the state of play for high-priority commodities sectors in Africa, namely agriculture, mining, and energy. It considers current trends and outlooks, as well as sector-specific opportunities and challenges. It also focuses on two critical cross-cutting issues: Managing commodity price volatility and Industrialization through Commodities. The strategy, among things, proposes the following issues as mechanisms for ensuring that Africa benefits from its resources.

Along with strategies for enhancing commodity-led industrialization, African countries should also engage in strategies to influence commodity prices and maximize commodity-based rents. These include influencing Global Commodities Prices through collective bargaining and the establishment of commodities exchanges which are relatively few on the continent; price Stabilization through market instruments such as Warehouse Receipt System (WRS) and futures and options contracts that can be traded in commodity exchange systems, farmers' cooperatives and contract farming mechanisms, which are widely applied throughout many countries. Income stabilizing market instruments include forward and pooling contracts, insurances and index-based products such as weather insurances, and credit and micro-finance provision; macroeconomic Policies such as deferred repayment options in case of external shocks, including commodity price surges or collapses; and making appropriate use of Commodity Revenues to save commodity revenues during resource booms so that they can smoothen spending during resources busts including the establishment of a sovereign wealth fund.

Work for 2016 include, completing the sector specific recommendations, Mining, agriculture and energy commodities by the end of February 2016; and the development of an institutional mechanism for monitoring the strategy; organization of a Validation workshop for the draft Strategy document in April 2016, and submission of the African Union Commodity Strategy for consideration by various STCs. Key policy recommendations for the strategy are to be implemented, primarily at the national level with some coordination at the regional and continental levels

Silencing the Guns by 2020: Ending all wars, civil conflicts, gender based violence and violent conflicts and prevent genocide. All work of the Commission and RECs on Peace and security are geared towards the achievement of this objective. The Fifth African Union High-Level Retreat on the Promotion of Peace, Security and Stability in Africa held in October 2014, Arusha, Tanzania deliberated on "*Silencing the guns – Owning the Future*". Since then the AUC has been working with other stakeholders in the implementation of its recommendations.

Continental financial Institutions: Establishment of the Continental Financial Institutions: aims at accelerating integration and socio-economic development of the continent, as they are important institutions when it comes to the mobilization of resources and management of financial sector.

- *African Central Bank*: Strategic Framework adopted with qualification by the Assembly of Central bank Governors. Criteria for convergence is to be reviewed. Next steps in 2016: persuade African Central Banks to review criteria timeously; and convince all regions to adopt the Strategy
- *Pan Africa Investment Bank*: slow process of ratification of the statutes, need fifteen states for it to come into effect.
- *African Monetary Fund*: Statutes adopted and need to be ratified by the Member States; consensus on hosting agreement reached
- *Virtual Pan African Stock Exchange*: Slow movement due to reluctance of some parties. This is entirely private sector driven. AUC will continue to persuade, nudge, and nurture.

Conclusion

We have resolved to build the Africa that we want. We have also agreed and decided that to build the Africa that we want, we must evolve our indigenous prowess. It is our understanding that the determinants to attaining inclusive and sustainable economic growth are primarily domestic, even when collaboration and cooperation with external actions are critical to development. Following the AU Summit in June 2015, the Commission worked with Member states to start the process of domestication of Agenda 2063,. We must during 2016, continue to popularize Agenda 2063 amongst the African people through outreach, and strengthen the process of domestication with Member states and RECs .

We have recognized the importance of "hard" infrastructure, namely, roads, railways, sea and air ports, to African development, and the ever relevance of "soft" infrastructure, namely, human capital, institutions and policies. We understand that to attain an efficient economy, we must establish the right institutions, including property rights, the rule of law, and democracy, and further create enabling structures and environment capable of promoting investor attractiveness, which will make African economy more competitive and functional, that would lead to higher productivity, long-term economic health and continental stability.

The process of taking our destiny in our hands remains paramount, including staying the course and being resolute about African unity and integration and the implementation of our continental aspirations, through Agenda 2063. During 2015, the Summit also took important decisions regarding domestic resource mobilization, and alternative funding for the AU and its programmes.

Having put in place most of the parameters that would help us in attaining the Africa that we want and determinedly making progress in this regard, the continent is undoubtedly on a trajectory towards realizing its development and integration agenda, as contained in the Agenda 2063 and its First Ten Year Implementation Plan.

Part B: Activities of the AU Commission

Introduction

1. The African Union is charged with spearheading African integration and development, and through the AU Commission facilitate, coordinate and promote the agenda towards a continent that is integrated, people centered, peaceful and prosperous and takes its rightful place in the world. The activities of the AU Commission are informed by its mandate as set out in the Constitutive Act and Statutes, and by decisions of the AU policy organs.
2. The 3rd Strategic Plan of the Commission (2014-2017) and Agenda 2063, which guides its work, are based on the following priorities and outcomes:
 - Outcome 1:** Peace, Good governance, democracy and human rights
 - Outcome 2:** Agriculture, natural resource management, food security
 - Outcome 3:** Inclusive economic development and industrialization driven by integration
 - Outcome 4:** Enhance health, education and employment, underpinned by science and technology, research
 - Outcome 5:** Resource mobilisation to enable African self-reliance
 - Outcome 6:** A People's Union
 - Outcome 7:** Institutional capacities and relations with RECs, AU Organs and Partners
3. The Commission is in the process of aligning the 3rd Strategic plan (2014-2017) to the Agenda 2063 Ten Year Implementation plan, and shall submit the revised Strategic Plan to the Policy organs for consideration. The 2016 Annual report should therefore also reflect the indicators of the Agenda 2063 1st Ten Year plan.

Highlights of 2015

4. Major highlights for the Commission this year include:
 - The adoption of the Agenda 2063 framework, its first 10-year implementation plan, and the commencement of the domestication of Agenda 2063 into national and regional plans, as well as the work of the AUC and other organs.
 - Mobilisation by governments, civil society, partners, and business around 2015 as the Year of Women's Empowerment for the Realisation of Agenda 2063, and concerted efforts at gender mainstreaming in the AU Commission.
 - Ongoing work on implementation of continental frameworks and strategies, in the context of Agenda 2063 including agricultural transformation, infrastructure development, industrialization, education, science and technology and human development.

- The escalation and conclusion of the ASEOWA mission in Guinea, Liberia and Sierra Leone, work on the operationalization of the African Centre for Disease Control (ACDC), and more generally strengthening of health systems and the fight against disease as the first African Health Strategy (2007-2015) draws to conclusion.
- Finalisation of the report of the High Level Panel on Illicit Financial Flows, engagements and advocacy at continental and global levels on strategies to combat illicit financial flows, including regional consultations on implementation of recommendations.
- Progress on governance, with a number of successful elections held during this year, and the receipt by Tunisia of the Nobel Peace Prize in 2015, for its national dialogue, towards building a pluralistic democracy.
- Progress on integration, including the start made with the implementation of the Tripartite Agreement provision and the launch of the negotiations on the Continental Free Trade area at Summit in June this year.
- Work towards full operationalization of the African Governance Architecture, with the constitution of the AGA Platform, elections observation, the deployment of human rights observers, and the development of guidelines for the implementation of the African Charter on Democracy, Elections and Governance.
- Unrelenting efforts to create peace in Somalia, Central African Republic, eastern DRC, Sudan, Burkina Faso and Mali, with on-going challenges in South Sudan, Burundi, Libya and the fight against terrorism - Boko Haram in West and Central Africa and Al Shabaab in East Africa. African Peace and Security Architecture strengthened with the successful conclusion of the Amani 2 exercise of the African Standby Force.
- Greater attention to harness the role of women in all peace processes, including in conflict prevention, mediation, peace support operations, post-conflict reconstruction and peace-building. This year, in the context of the 15th Anniversary of UN Resolution 1325 also saw continued work to address the vulnerabilities of women and children, including a focus on sexual violence during and after conflicts. This was highlighted at the June Summit, during a high level panel with UNHCR special envoy on Refugees, Ms. Angelina Jolie-Pitt and with the Right Honorable William Hague.
- The rising number of deaths of African and other migrants in the Sahel/Sahara desert and in the Mediterranean sea, with the migration crisis compounded by the situation in Libya, Yemen and Syria, leading to the Valletta Summit on Migration hosted by the European in November 2015.
- Ongoing work to combat impunity, with the start of the Hissene Habre trial, and arising from the tabling of the report of the South Sudan Commission of Enquiry, the decision to establish a hybrid court to ensure justice.
- Participation in global processes around the post-2015 development agenda, financing for development, and climate change negotiations;
- Concluding work on the strategic review of Africa's partnerships with the rest of the world, ongoing work on existing partnerships and the promotion of Africa's transformation agenda.
- Continuous institutional improvements focusing on streamlining work of AU Summits, the AU Commission's restructuring project and work on alternative sources of funding.

Summits held during 2015

5. In its capacity as secretariat of the African Union, the Commission supported work of the policy organs. During 2015, working with the Permanent Representatives Committee, it organized and facilitated, the following sessions:

Table 1: Summits/Meetings of AU Policy Organs during 2015

SUMMIT/MEETINGS	DATE & VENUE
24 th Ordinary session of the Assembly of the AU	January 2015 Addis Ababa, Ethiopia
26 th Ordinary session of the Executive Council of the AU	January 2015 Addis Ababa, Ethiopia
25 th Ordinary session of the Assembly	June 2015 Johannesburg, South Africa
27 th Ordinary Session of the Executive Council	June 2015 Johannesburg, South Africa

6. The Extra-ordinary Summit on Maritime Security and Development, scheduled to take place in Togo in November 2015, was postponed to March 2016 for logistical reasons. An assessment mission was undertaken by the Commission in December 2015, to ensure that preparations are in place for the Summit to proceed in March.

Operationalisation of Specialized Technical Committees

7. Specialised Technical Committees (STCs) are provided for as Organs of the Union in both the Abuja Treaty and the Constitutive Act. Article 14 of the Constitutive Act makes provision for seven (7) initial STCs and empowers the Assembly to restructure them and establish others, and Article 15 gives the responsibility to STCs, each within its field of competence to prepare projects and programmes of the Union and submit to the Executive Council; ensure the supervision, follow-up and the evaluation of the implementation of decisions taken by the organs of the Union; ensure the coordination and harmonization of projects and programmes of the Union; submit to the Executive Council either on its own initiative or at the request of the Executive Council, reports and recommendations on the implementation of the provision of this Act; and to carry out any other functions assigned to it for the purpose of ensuring the implementation of the provisions of the Constitutive Act.
8. The Commission in 2014 agreed to expedite the operationalisation of STCs during 2015, and many STCs therefore held their inaugural meetings this year, replacing the Ministerial Conferences. All STCs during their first meetings adopted operational rules, with final clearance by the STC on Justice and Legal, so that they are harmonized and in line with the AU legal framework.

Agenda 2063 – First Ten-Year Implementation Plan

9. During 2015 the Commission finalised the Agenda 2063 Framework Document, which was adopted by the Assembly in January 2015. Subsequent to the adoption, the Commission embarked on the preparation of the First Ten Year Implementation Plan of Agenda 2063, which was adopted by the Assembly at its June 2015 Summit in Sandton, South Africa. Following the adoption of the First Ten Year Implementation Plan the Commission embarked on the domestication of the plan at

Member States and RECs level, with domestication defined as “the process of building awareness and strengthening citizens’ engagement and appropriation of Agenda 2063, leading to the informed inclusion of its goals, priorities, and targets into legislative, policy, institutional, planning, programming and budgetary processes that drive national, sectoral and local level development”.

10. The purpose of the domestication process, therefore, was to ensure that Member States integrate the Agenda 2063 First Ten Year Implementation Plan into their national visions, strategies and development plans. The domestication exercise involved consultations with government experts in planning, finance, statistics, foreign affairs, audit, media, telecommunication network operators, as well as Members of the Parliaments and civil society organisations (CSOs). By the end of 2015, twenty-one (21) Member States⁶ have embarked on the domestication process and are now aligning their plans with Agenda 2063 or intend to do so once current plans run their course. Others are designing mechanisms for alignment of Agenda 2063. Arising from this process, the Commission developed Agenda 2063 Domestication Guidelines for use by Member States in the domestication process.
11. In the same vein, efforts were made to enhance internal domestication within the AU Commission and all AU organs, aiming to align the 2014-2017 Strategic Plan of the AUC and Strategic Plans of Organs to Agenda 2063. Efforts have also been made to ensure that AU Regional Representations and Member States Groups of Ambassadors worldwide are fully involved in the domestication and promotion of Agenda 2063.
12. The Commission with the support of the African Capacity Building Foundation (ACBF) has undertaken a capacity assessment exercise and the following reports with recommendations have been completed: (a) A capacity needs assessment study, (b) A capacity development plan for the First Ten Year Implementation Plan of Agenda 2063; and (c) Identification of Critical Technical Skills for the First Ten Year Implementation Plan. The Capacity Needs Assessment Study incorporates the conceptual framing of African capacity, and highlights capacity categories with specific focus on the issues of goals, targets and priority areas contained in the First Ten-Year Implementation Plan. It also identifies potential capacity responsibilities for various stakeholder groups, including the Private Sector, CSOs, Academia, Youth and Women Networks and others. The Capacity Development Plan Framework Document presents key proposals for capacity development priorities and planning at continental, regional and national levels. It also analyses capacities in key stakeholder groups such as; youth, women and academia. Additional indicative capacities required for the flagship projects for the First Ten Year Implementation Plan of Agenda 2063 have also been developed.
13. The second study identified the Critical Technical Skills (CTS) required for the First Ten Year Plan, the state of skills on the continent, the skills required for key flagship projects, and therefore the gaps. The report analyses the current situation of CTS in African countries, the status of CTS education as well as science, technology, engineering, mathematics and technical vocational education and training. It lays out the importance and urgency of identifying and prioritising CTS for the continent as well as providing indicative listing of CTS areas for the First Ten- Year Implementation Plan. Indicative capacities required for the flagship programmes and other continental frameworks such as PIDA, CAADP, AIDA, STISA and AMV have also been presented

⁶ List countries:

together with suggestions for organising and mobilising CTS and other professional skill areas and capacities for implementation of the interventions. A section of the study focused on the African Diaspora, with an analysis of current diaspora numbers in North America, Europe and Asia and mechanisms suggested to harness their skills for Agenda 2063. Also identified is technology and innovation as key critical skill areas of concern, and the role of universities for accelerating African CTS.

14. Progress has been made on the following Flagship Projects - Integrated High Speed Train Network; Great Inga Dam; Single African Aviation Market; Outer Space; The Pan African E-Network; An Annual African Economic Dialogue Platform; Establishment of the Virtual University; Free Movement of Persons and the African Passport; The Continental Free Trade Area; Silencing the Guns by 2020; Development of a Commodity Strategy; and establishment of the Continental financial Institutions, including the African Central Bank.
15. The Commission continues to engage civil society and the Diaspora on the 10 year Implementation plan, most notably during this year, through a revived ECOSOCC, various Diaspora engagements, engagements with university students during the celebrations of African Youth day in November 2015, and with the Organisation of African Trade Union Unity. All made inputs and committed themselves to work with the African Union in the implementation of Agenda 2063 and to provide feedback on the implementation of Agenda 2063.

Outcome 1

Democracy, peace, human rights and good governance

Promoting free, fair and peaceful elections

1. The AU Commission continued to undertake activities to promote democracy and a stable political climate, by working with Member States and RECs to ensure transparent, credible and peaceful electoral processes and by supporting and building the capacity of electoral management bodies to administer credible elections on the continent.
2. During 2015, the Commission deployed pre-election assessment and elections observation missions to Member States where elections were held this year. A total of 150 trained observers were deployed, drawn from various African countries and institutions including the African Union Permanent Representatives' Committee (PRC), the Pan-African Parliament (PAP), African Election Management Bodies (EMB), Civil Society Organisations (CSOs) and independent elections experts. The deployment of AU observers contributed to creating a climate for peaceful elections in these countries, which provided opportunity for citizens to exercise their political rights. The reports of the Electoral Observer Missions pronounced on the elections based on the African Charter on Elections, Good Governance and Democracy, with recommendations to improve the management of electoral processes. These reports were shared with the concerned Member States, stakeholders and also posted on the AU Commission's website for wider public dissemination.
3. Other election-related activities that the AU Commission undertook include the resuscitation of the Association of African Election Authorities (AAEA) and the organisation of the 3rd Continental Elections Management Bodies Forum. Both the AAEA and Continental EMB Forum were held in Accra on 22-24 July 2015 under the respective themes: "*Promoting Credible and Transparent Electoral Processes in Africa through Inter-EMB Cooperation and Assistance*" and "*The Role of Election Management Bodies in Preventing Election-Related Violence*". The 3rd Continental EMB Forum Meeting explored election-related violence and the role of EMBs in preventing and mitigating this phenomenon.
4. The AU Commission also provided technical assistance and capacity building to the elections management bodies (EMBs) in Cote d'Ivoire, Lesotho, and Malawi using the BRIDGE (Building Resources in Democracy, Governance and Elections) curriculum. 'Train-the-facilitator' workshops were conducted for 48 EMB staff in Cote d'Ivoire and Lesotho, and modular workshops for 50 staff in Lesotho and Malawi. The training provided opportunity to EMB staff and other stakeholders for further professional development in the management of electoral processes, including election dispute resolution.

Human and Peoples rights, Constitutionalism and Humanitarian issues

5. The Commission embarked on the following activities, amongst others, in promoting rights-based approaches on the continent: operationalization of the African Governance Architecture's cluster

on Human Rights and Transitional Justice; training for African National Human Rights Institutions; development of project 2016 concept note to celebrate 2016 as the Year of Human Rights with emphasis on the Rights of Women establishment of the Pan African Institute for Human Rights; training on the documentation of human rights violations; development of terms of reference for the AU Human Rights Memorial and publication of the call for design proposals; deployment of Human Rights Observers; and the development of an African Transitional Justice Policy Framework.

6. In addition, the Commission organized jointly with key stakeholders the AU-UN Human Rights Dialogue and the AU-EU Human Rights Dialogue, attended the 2015 Sessions of the African Commission on Human and Peoples' Rights (ACHPR), and contributed to the African Union Commission Resource Center for Democracy, Governance and Human Rights. The Commission also worked with the UN on the following common instruments: (a) AU and UN Action Plan on Guiding Principles on Business and Human Rights; and (b) a joint Human Rights Manual for Peacekeeping Missions. The deployment of AU Human Rights Observers has since become a major new role of the Commission, with human rights observers (HROs) still being deployed in Mali (since 2014). The year 2015 also saw the deployment of observers to Burundi, DRC, Somalia and South Sudan. In addition, the human rights experts monitored and reported on the situation of civilians and other violations of human rights law, international humanitarian law and refugee laws accordingly.
7. Two other important consultations on the promotion of the African Charter on Democracy, Elections and Human rights (ACDEH), co-organised with IDEA was held this year. The first was an experts' consultation with Member States that signed and ratified the Charter, to engage on commitments of states under the Charter, domestication into national laws, policies and institutions and the role of all stakeholders. AU Organs, RECs, the media, civil society representatives and think tanks attended this consultation.
8. A second initiative was a workshop with Education Ministers, co-organised by the Departments of Political Affairs and Human Resources, Sciences and Technology on the mainstreaming of the shared values of the Charter in school curricula. This meeting discussed a methodology to mainstream and create awareness in the school curriculum, to promote a democratic political culture, the spirit of constitutionalism and rule of law across the continent, as amongst the Pan African ideals. The consultation also discussed other objectives including, popularising the ACDEH among young African citizens; building an empowered student population who own and are aware of the African Union mandate, vision and instruments; and; enabling students to have an active voice in the promotion of democracy in their country and on the continent.
9. In the area of Constitutionalism and Rule of law, the Commission initiated a number of activities including and not limited to: the inaugural Meeting of the Clusters on Constitutionalism and Rule of Law of the African Governance Platforms of the African Governance Architecture; the launching of three studies on the State of Constitutionalism in Africa; a strategy to address the Unconstitutional change of Government and on challenges to rule of law in Africa; a meeting with the Pan African Parliament and Regional Parliaments, and; the meeting with Judicial Institutions from the SADC Region to strengthen Constitutionalism and Rule of Law in Africa.
10. The following annual human rights focus days - the Rwanda Genocide, Africa Human Rights Day, International Tolerance Day, and International Human Rights Day - were successfully commemorated, and helped raise to awareness on human rights promotion and protection.

11. Complementing these efforts of the Department of Political affairs, the Peace and Security Department, provided support to post-conflict countries through the AU Liaison Offices, where elections were to take place, in preventing pre-electoral violence,. These efforts assisted in promoting the African Charter on Democracy, Elections and Human rights (ACDEH) in post-conflict countries, working with International Alert to ensure the operationalization of governance instruments in post-conflict settings. This is line with the Post-Conflict Reconstruction and Development Policy, 2006, which aims to prevent relapse into conflict by promotion good governance and the rule of law. Support was also provided to ECCAS to build the capacity of women in civic education in the Central African Republic, as well as the promoting women's role in peace building and reconciliation in Madagascar. These are examples of the symbiotic link between the African Governance Architecture and the African Peace and Security Architecture towards silencing the guns.
12. In order to better address issues of vulnerabilities in time of conflict, the Commission concluded a MoU with Medecins d'Afrique (MDA), a Pan-African NGO bringing together medical doctors and psychologists from the continent and the diaspora for deployment in emergency settings to respond to the emergency needs of victims, including victims of sexual violence in conflict, and addressing trauma. Under this initiative, efforts are under way to build the capacities at national levels to investigate crimes of sexual violence and end impunity as part of promoting community healing.
13. The Commission through the Political Affairs and Peace and Security Departments contributed actively to the formulation of the AU Humanitarian Draft Framework, highlighting protection and rights of refugees and internally displaced persons, as well as the critical link between emergency, early recovery and post-conflict reconstruction and development.

Developmental and People-centred Public Sectors and Local government

14. African Public Service Day was celebrated across Member States, with a continental celebration held in Brazzaville, Republic of Congo from 19 to 23 June 2015, under the theme *The Role of Public Service in Women Empowerment, Innovation and Accessible Service Delivery in Africa*. The commemoration raises awareness in AU Member States on the importance of effective service delivery at all levels. During the continental celebrations, African Union Member States shared their experiences on the theme and states with exemplary and impactful innovations in public service received awards for their accomplishments.
15. A budgeting meeting for the Two Year Work Plan for the Specialized Technical Committee on Public Service, Local Governance, Urban Development and Decentralisation (AU-STC No. 8) was held in Yaounde, Cameroon from 14 to 15 January 2015.
16. A High Level Consultation Workshop, followed by a stakeholder consultation on the African Union High Council of Local Authorities (AU-HCLA) was held in Dakar, Senegal in April, 2015. The AU-HCLA is a new consultative organ of the African Union intended to engage people in their own community development through their leaders and traditional rulers at the local level. The Government of Senegal reaffirmed its commitment to host the Secretariat of the AU-HCLA and to provide the funding of the Organ from January 2016 - December 2017.
17. An advocacy meeting of East and Southern Africa was held in Maputo, Mozambique, from 2-3 November 2015, attended by representatives of ten (10) AU Member States (Comoros, Eritrea,

Ethiopia, Kenya, Lesotho, Malawi, Mozambique, Namibia, Sao Tome & Principe and South Africa) as well as a representative from the African Association of Public Administration and Management (AAPAM), to promote signature and ratification of the African Charter on the Values and Principles of Public Service and Administration.

18. Organisations working in the sector of local government and cities have also had consultations and sharing experiences in the context of Agenda 2063 and preparations for the 3rd UN Habitat meeting to take place in 2016. These meetings include a forum of African Capital Cities held in June this year, the Africities Summit hosted by Johannesburg in November 2015 and a joint forum on urbanization with Habitat Africa, at the UN General Assembly in September. The AU-STC No. 8 coordinated efforts towards the development of a draft Common African Position on Urbanization for the Habitat III Conference in 2016.

Peace, security and silencing the Guns

19. The African Union, through its Peace and Security Council and the African Peace and Security Architecture, remain seized with the issue of peace and security, in pursuance of the Agenda 2063 pledge to silence the guns on the continent by 2020.

Peace-building, Conflict resolution and prevention

20. During 2015, the Peace and Security Council and the Commission paid particular attention to the threat of terrorism, which, over the past few years, has seen a dramatic increase, both in terms of spread, frequency and lethality. There is a greater collaboration among terrorist groups as they seek to expand their operations and acquire entire territories subjecting population under their control, especially girls and women, to harsh treatment and continued exploitation and violence. The emergence of the Islamic State (IS) in June 2014 exacerbated an already volatile situation, as it led to the re-configuration and redeployment of terrorist groups in Africa, with some declaring allegiance to IS and others reaffirming their loyalty to Al-Qaida. This has not only led to increased attacks by these groups on African territory, but it also called on jihadists to migrate to Africa to expand the Caliphate. The present situation requires continued and concerted efforts from Member States and the AU. The Nairobi PSC Summit held in September 2015, adopted a detailed roadmap, whose effective implementation will go a long way in addressing the scourge of terrorism and transnational organized crime. The Commission continued to follow-up on the relevant provisions of the communiqué, and regularly updates the PSC on progress and challenges.
21. On the ground, efforts continue to neutralize various terrorist groups. In Somalia, AMISOM and the Somali National Security Forces have made strides in degrading the capacity of Al Shabaab. This group continues nonetheless to pose significant threat, having now resorted to asymmetric attacks, with increasing efficiency and lethality. The Regional Task Force (RTF) of the Regional Cooperation Initiative for the Elimination of the Lord's Resistance Army (RCI-LRA) continues to exert pressure on the LRA, conducting offensive operations against the LRA in the CAR and DRC, and undertaking activities to protection of civilians and support the delivery of humanitarian assistance. The killing of civilians by the LRA has significantly dropped. The member countries of the Lake Chad Basin Commission (LCBC) and Benin are pursuing their efforts within the framework of the Multinational Joint Task Force (MNJTF). Although Boko Haram is still able of conducting attacks in various locations of the Lake Chad Basin Region, the capability of the group has been depleted. The Commission, in follow-up of the relevant PSC communiqués, is extending support to the operationalization of the MNJTF.

22. The Commission continues to promote the Nouakchott Process on the Enhancement of Security Cooperation and Operationalization of the African Peace and Security Architecture (APSA) in the Sahelo-Saharan Region and the Djibouti Process on the Enhancement of Security Cooperation in East Africa. These initiatives are aimed at facilitating timely exchange of intelligence and information, and operational coordination, among the intelligence and security services of the two regions. The second meeting of the Heads of Intelligence and Security Services of the Djibouti Process met in Kampala, on 14 and 15 July 2015, and are due to convene their third meeting in Addis Ababa on 7 December 2015. Steps are underway to conclude a Memorandum of Understanding (MoU) on the establishment of a Fusion and Liaison Unit for the East Africa region.
23. ***South Sudan:*** The peace process in South Sudan stalled during the first half of the year, with continued misery being unleashed on the population. Additional and concerted efforts were made during the second part of the year. On 17 and 26 August 2015, respectively, and following sustained efforts by the Intergovernmental Authority for Development (IGAD), with the support of the AU and other international stakeholders, the Sudan People's Liberation Movement in Opposition (SPLM/IO) and the Government of the Republic of South Sudan signed the Agreement on the Resolution of the Conflict in South Sudan. Steps subsequently taken to pave the way for the smooth implementation of the Agreement include the appointment by IGAD, on 21 October 2015, of the Chairperson of the Joint Monitoring and Evaluation Commission (JMEC), former President Festus Mogae of Botswana, which is responsible for monitoring and overseeing the implementation of the Agreement and the mandate and tasks of the Transitional Government of National Unity (TGoNU). On 26 October 2015, an agreement was reached regarding security arrangements in the capital, Juba. Thereafter, the Chair of the Ceasefire and Transitional Security Arrangements Monitoring Mechanism (CTSAMM) was appointed. At the time of finalizing this report, preparations were underway for the members of the SPLM/IO to return to Juba, a critical step towards the establishment of the TGoNU, which will set off the overall implementation process of the peace agreement. Undoubtedly, in view of the complexity of the issues to be dealt with, the parties need to demonstrate utmost commitment and good faith, in order to successfully conclude the peace process and open a new chapter in the troubled history of their young nation.

As part of the AU's involvement in the search for peace in South Sudan, the PSC mandated the establishment of a Commission of Inquiry to investigate human right violation and make recommendation on how best to achieve justice, reconciliation and healing among the South Sudanese communities. The report of the Commission of Inquiry, along with the separate opinion of one of the members of the Commission, was publically released in October 2015. The reports documented the gruesome violence meted out on the civilian population by the belligerent parties, and made a number of recommendations relating to accountability, justice and reconciliation, as well as to state building. The Commission, on the basis of the related PSC communiqué of 26 September 2015, is taking the required follow-up steps including with respect to the establishment of the Hybrid Court.

24. ***Sudan and South Sudan:*** There is progress with implementation of the September 2012 Cooperation Agreement between Sudan and South Sudan. With the assistance of the AU High-Level Implementation Panel (AUHIP), chaired by former President Thabo Mbeki and comprising General Abdulsalami Abubakar, the two countries, at the extraordinary meeting of the Joint Political and Security Mechanism (JPSM), held in Addis Ababa, from 13 to 14 October 2015, accepted the Map and the Centerline proposed by the AUHIP to facilitate the Safe Demilitarized Border Zone (SDBZ). This was preceded by the holding, in Addis Ababa, from 6 to 8 October

2015, of a meeting of the Joint Boundary Commission between Sudan and South Sudan, under the facilitation of the AU Border Programme (AUBP). The parties agreed on specific steps to expedite the demarcation of their common border. The AUHIP continues to work on other aspects of its mandate, as they relate to the resolution of the conflicts in Darfur and in the Two Areas in Sudan, and to the support of the National Dialogue announced by the Sudanese authorities in January 2014. Preparations are underway for the holding of negotiations that would involve the Government of Sudan, on the one hand, the Darfuri armed movements and the SPLM/North, on the other, to achieve a cessation of hostilities and pave the way for an inclusive national dialogue.

25. ***Somalia:*** The overall situation in Somalia is evolving positively as demonstrated by the various steps taken towards the realization of Vision 2016. The Somali Government reiterated its commitment to respect the constitutionally-mandated terms of the legislature and the executive, which will expire in August and September 2015 respectively. The recent launch of the National Consultative Forum on Elections is another encouraging step. Progress continues also to be made regarding the state formation process and the review of the provisional constitution. Notwithstanding these positive developments on the ground, the Al Shabaab terrorist group continues to pose significant threat, resorting to asymmetric attacks. To address this situation, the Commission, in consultation with stakeholders, developed a revised harmonized concept of operations in September 2015, to create and preserve an enabling environment for the unfolding political, peace and reconciliation processes in Somalia. To achieve this objective, AMISOM and the Somali national forces need enhanced support from the UN and the larger international community. The Commission will engage the UN on the implementation of resolution 2245(2015) of 9 November 2015 relating to the delivery of the UN support package to AMISOM. There is also need to increase the economic and financial support to provide the much needed peace dividends to the population on the ground. Ultimately, however, the Somali leaders have primary responsibility for achieving peace in their country and should be urged to persevere in their efforts and continue to demonstrate the necessary unity of purpose and action.
26. ***Mali:*** The overall situation in Mali has continued to evolve positively. The Agreement for Peace and Reconciliation, facilitated by the mediation led by Algeria, was finally signed on 20 June 2015, by the Coordination of the Movements of the Azawad (CMA). The Government and the Movements of the Algiers Platform, the other block of armed movements, and members of the Mediation, had signed the document on 15 May 2015. As repeatedly underlined by the PSC, the Agreement is a balanced document taking into account the legitimate concerns of all the parties, with due respect for the unity, territorial integrity and sovereignty of Mali, as well as the secular nature of the State. Its faithful implementation will go a long way in addressing the recurring crises and instability in Northern Mali, as well as in facilitating the fight against the terrorist and criminal groups. The implementation process of the Agreement was confronted with serious difficulties at the initial phase, progress was since made, as demonstrated by the establishment of the Follow-up Committee, which has, so far, convened five times, increased collaboration between the two blocs of armed movements which were, not long ago, at loggerheads with one another, following a week-long gathering in Annefis that ended on 14 October 2015, and the convening of a high level international conference for the economic recovery and development of Mali, in Paris, on 22 October 2015. The conference was preceded by a Joint Evaluation Mission to assess the needs of northern Mali. The cost of actions aimed at rapid recovery, poverty reduction and development over the next six years was estimated at 3.5 billion Euros. The implementation process of the Agreement is taking place against the backdrop of a continuing fragile but improving security situation.

The AU, including through MISAHEL, is actively supporting the implementation process of the peace and reconciliation agreement. MISAHEL is co-chairing the follow-up sub-committee in charge of political and institutional matters. Beyond Mali, the Commission has pursued the implementation of the AU Strategy for the Sahel region, which focuses on security, governance and socio-economic development issues. In this context, the Commission convened the first ever meeting of the Ministers of Defense of the member countries of the Nouakchott Process on the Enhancement of Security Cooperation and the Operationalization of the African Peace and Security Architecture in the Sahel-Saharan region, in Bamako, on 4 September 2015. The meeting, which was preceded by a preparatory meeting of Chiefs of Defense Staff, agreed on operational steps to enhance security cooperation in the region, including through joint patrols and mixed units. Furthermore, it was agreed to undertake a technical assessment mission in northern Mali, in the context of the envisaged deployment of an intervention force to combat terrorist groups and transnational organized crimes.

27. ***Cote d'Ivoire and Guinea:*** The presidential elections, which took place in Côte d'Ivoire and in Guinea, in October 2015, proceeded rather smoothly, marking a new step in the consolidation of peace and the entrenchment of electoral democracy. All stakeholders in these two countries should be encouraged in their efforts to strengthen democracy and the rule of law, including by addressing deficiencies recorded in their respective electoral processes.
28. ***Burkina Faso:*** Attempts by the former President and ruling party to change the constitution led to popular protests, and the eventual resignation of the President. After the interventions of Economic Community of West African States (ECOWAS) and the AU, a civilian interim government was established and the elections took place peacefully on 29 November 2015. Burkina Faso will need the continued support of the international community following the conclusion of the transition, particularly with respect to socio-economic development.
29. In ***Guinea Bissau***, the period following the Johannesburg Summit was marked by tensions between political stakeholders. These are notably linked to differences over the interpretation of the provisions of the Constitution relating to the respective powers as the President and the Prime Minister. Thanks to the efforts deployed by ECOWAS, the AU, the UN and other international stakeholders, the situation seems now to be returning to normalcy. A new Prime Minister was appointed on 17 September 2015, and his cabinet was sworn in on 13 October 2015. At the time of completion of this report, the Government was still incomplete, as the Head of State rejected the personalities proposed by the Prime Minister for the posts of Minister of Home Affairs and Minister of Natural Resources, resulting in an impasse in Parliament and challenges in the governing party.
30. ***The Comoros:*** The presidential and legislative elections scheduled to take place in The Comoros in February and April 2016 are of critical importance, for the stability of the archipelago. The Comorian stakeholders should, therefore, demonstrate utmost responsibility throughout the conduct of the electoral process and uphold the relevant provisions of the constitution of their country, including the provisions relating to the rotation of the presidency among the autonomous islands of the Union of the Comoros. In its communiqué of 21 September 2015, the PSC clearly underlined this point.
31. ***Madagascar*** has continued to make progress towards the stabilization of the situation. Local elections were held on 31st July 2015; these were followed by senatorial elections in December 2015. The Malagasy stakeholders should be encouraged to build on this progress to further stability

in their country. The Commission, including through its Liaison Office in Madagascar, continues to extend support to the Malagasy stakeholders, including in the area of security sector reform.

32. **Libya:** No tangible progress was made towards the resolution of the conflict facing Libya. At its June 2015 meeting held in Johannesburg, on the margins of the ordinary session of the Assembly, the International Contact Group for Libya (ICG-L) reviewed the situation. The ICG-L, reiterating its concern at the prevailing political and security challenges, including the worsening scourge of terrorism, urged all Libyan stakeholders to unite their forces and engage more seriously on the path of political dialogue and reconciliation. In the period since, the UN Special Representative intensified his consultations with the Libyan stakeholders with a view to reaching consensus on political agreement and on the establishment of a Government of National Accord. In September 2015, he submitted a draft Agreement and, on 8 October 2015 made proposals on the composition of the executive branch of Government. These proposals have not been endorsed by the Parties. As a result, the process remains stalemated. In the meantime, the situation on the ground continues to be of utmost concern, marked by continued infighting, expansion of terrorist activities, deteriorating humanitarian situation and closure of major oil installations. Needless to stress that there is no military solution to the conflict in Libya and that the parties have to demonstrate renewed commitment to end the tragedy befalling their country. The AU stands ready to assist them in whatever way possible in this respect.
33. The situation in **Burundi** is a matter of deep concern for the AU and the larger international community. Since the last Summit, the situation has significantly deteriorated, following the June and July 2015 general elections organized by the authorities in spite of the request for their postponement made by the East African Community (EAC), the AU and the larger international community. It should be recalled that the AU decided not to observe due to the absence of the necessary conditions for the holding of free, fair, transparent and credible elections, in accordance with the relevant provisions of the African Charter on Democracy, Elections and Governance.

The situation on the ground is marked by violence, as well as by increasing cases of human rights abuses. Furthermore, over 200,000 Burundians have sought refuge in the neighboring countries. The PSC has convened several meetings on the situation, expressing its deep concern and stressing the need for a genuine and inclusive dialogue. The PSC has also decided to impose targeted sanctions against all those contributing to the perpetuation of violence and undermining the search for a peaceful solution. The UN Security Council has made similar pronouncements. The Mediator appointed by the EAC, President Yoweri Museveni of Uganda, is pursuing his efforts aimed at facilitating the peaceful resolution of the current crisis. The AU fully supports his efforts and has repeatedly called on all the parties to extend full cooperation to him. On the ground, and in pursuance of the relevant PSC communiqués, the Commission has deployed human rights observers and military experts to monitor the human rights situation and supervise the disarmament of militias and other illegal armed groups. The objective is to reach a total strength of 100 personnel by 15 December 2015, including police. No effort should be spared to prevent a further deterioration, preserve the significant gains made through the Arusha Peace and Reconciliation Agreement, which is a cornerstone of stability in Burundi, and ensure the early resolution of the current crisis.

Following the deteriorating situation on the ground in Burundi, the 565th meeting of the PSC decided on the deployment of African Prevention and Protection Mission in Burundi (MAPROBU), and its full support for the resumption of the Inter-Burundi dialogue under the leadership of President Museveni. The Commission has been engaging the President and

Government of Burundi, as well as the UN Security Council on the PSC decision, and welcomed the resumption of the dialogue on 28 December 2015 in Kampala.

34. Efforts continue to be made to successfully conclude the ongoing transition in the **Central African Republic** (CAR), with the presidential and legislative elections planned to take place in December 2015 and January 2016. The voters' list was published on 4 November 2015. Earlier on 30 August 2015, the transitional national council adopted the new Constitution of the country. The situation on the ground remains however fragile as illustrated by the numerous acts of violence committed over the past few months, including attacks against civilians and clashes between communities, particularly in the course of September 2015. The humanitarian and socio-economic situation is also of concern. During December 2015, the referendum on the constitutional amendments in CAR was held, and so was the first round of the elections for a new government. We must continue all efforts to facilitate the successful conclusion of the transition as well as mobilize the necessary support to enable CAR to address the longer term challenges in order to consolidate the progress made and ensure the lasting stabilization of the country.
35. Regarding the **Great Lakes region**, the Commission continues to closely follow and actively support the implementation of the Peace, Security and Cooperation Framework for the Democratic Republic of Congo (DRC) and the region. While some progress was made during the period under review, many challenges persist. These relate to the continuing presence of armed groups in eastern DRC, including the Forces Démocratiques de Libération du Rwanda (FDLR) and the Allied Democratic Forces (ADF), as well as the limited progress in the implementation of the Nairobi Declarations, which concluded the Kampala Dialogue between the DRC Government and the former Movement of 23 March (M23). It was against this background that the 6th meeting of the Regional Oversight Mechanism took place in New York, on the margins of the UN General Assembly, on 29 September 2015, under the auspices of the AU and the UN. The meeting reviewed the situation in the region and agreed on the way forward.
36. The situations between **Eritrea and Ethiopia**, as well as between Eritrea and Djibouti, warrant the continued attention of the AU. More generally, the Commission, through the AUHIP, continues to work towards the promotion of a regional and holistic approach to the challenges of peace and security to the Horn of Africa. The AUHIP is due to submit shortly a report on this issue to the PSC.
37. **Western Sahara:** No progress was made in the search for a solution to the now four-decade long conflict in Western Sahara. In order to move the peace process forward, the Assembly, at its June Ordinary Session, appealed to the UN General Assembly to determine a date for the holding of the self-determination referendum for the people of Western Sahara. This call was reiterated by the PSC at its meeting of 26 September 2015. Renewed efforts are required to overcome the impasse and facilitate a solution consistent with international legality.
38. In parallel to the steps taken to prevent or resolve conflicts, the Commission is also actively engaged in post-conflict reconstruction and peace building activities. This is of particular importance, in view of the high risk of relapse into violence of countries emerging from conflict. The African Solidary Initiative (ASI) provides a framework for enhanced intra-African cooperation and support in this area.
39. While some progress was made in addressing the peace and security challenges confronting the continent, much remains to be done. In this respect, the need for renewed efforts to resolve the

existing conflicts and prevent the occurrence of violence, including through the deepening of democracy and the promotion of good governance and human rights, cannot be over emphasized. The AU has all the necessary tools to take this agenda forward, bearing in mind the commitment made by Member States to achieve the objective of a conflict-free Africa by 2020. Equally important is the need to mobilize, from within the continent, increased resources to support the implementation of the African Peace and Security Agenda. Without such resources, the leadership and the ownership of peace efforts the continent is aspiring to will not be effective.

Women, Peace and Security

40. The Commission through the Peace and Security Department and the work of the Special Envoy of the Chairperson on Women, Peace and Security continue to emphasize the importance of women in silencing the guns, by being at the table in peace negotiations, as mediators and in post conflict reconstruction.
41. Steady progress is also being made through the Gender, Peace and Security Programme to mainstream gender into the Peace and Security Architecture. Launched in June 2014 the Programme aims at supporting the implementation of continental and global commitments on gender, women peace and security. Under this framework the Commission worked closely with the Regional economic communities on formulating regional action plans for the implementation of UNSCR 1325, and enhancing RECs role in monitoring the implementation of UNSCR 1325 at national level.
42. Activities during 2015 in this regard included the training of women mediators, support to women's groups in Central African Republic to help prepare them for participation in the National Reconciliation Forum, and training women in peace-building and participation in elections; helping women from Burkina Faso, Chad, Mali, Mauritania and Niger to establish a Regional Platform of Women of the Sahel, to give ensure women's participation in regional processes; and advocacy on Africa's contribution to the implementation of UN resolution 1325.
43. Training of women mediators have taken place, by the AUC and by RECs, and more women were appointed as Special Representatives on Peace and Security matters this year. Amongst the issues arising from the Year of Women for the realization of Agenda 2063 are one for the institutionalization of training on Gender and Mediation, and the institutionalization of an advisory body on Women and Mediation, to advise and strengthen skills and knowledge base of African women mediators, and to increase awareness on women at the peace tables, to encourage the systematic inclusion of women in the negotiation teams of conflict parties.
44. In addition to its collaboration with ECCAS on the holding of the women participation in the Bangui Forum, the Commission provided support to IGAD for the Launch of the IGAD Women Regional Platform with a view to promoting women participation in peace in the Horn of Africa. The Great Lakes Women Forum held in collaboration with the Secretariat of the International Conference on the Great Lakes region (ICGL), under the aegis of the Commission, provided a platform for women from Burundi, Central African Republic, the DRC, and South Sudan to restate their vision for their region and articulate priorities and strategies towards silencing the guns in their respective countries.
45. At the national level, the Commission in line with the theme of The year on Women Empowerment Towards Agenda 2063 supported the holding of workshops in 13 post-conflict countries. The

reports, including key recommendations from the Workshops, have been received and efforts are under way to mobilize the necessary resources for their implementation. The CVE conference on Women and Counterterrorism, Djibouti December 2015, is an example of a strategic tri-lateral initiative between a member states (The Federal Government of Somalia) a Regional Economic Community (IGAD) and the African Union in tackling the issue of radicalization and terrorism from a women perspective with the aim of identifying the key roles women can play to counter radicalization and terrorism.

46. The year under review saw the 15th Anniversary of UNSCR 1325 and the launch of the UN Global study on 1325, as well as the UN review of the peacekeeping and peace building architecture. The institutionalization of an annual PSC session on UNSCR 1325 will assist the Commission's efforts towards women participation in silencing the guns by 2020.

The High Level Panel to review UN Peace Operations

47. The Commission and the PSC have repeatedly emphasized the need to build an innovative and forward looking partnership with the United Nations, in order to more effectively address peace and security challenges in Africa. It is in this context, and as a follow-up to the directive given by the Assembly of the Union, in January 2015, that the PSC adopted a Common African Position as an input into the review of peace operations undertaken by the UN's High Level Independent Panel on Peace Operations (HIPPO). The Report of the HIPPO, entitled "Uniting Our Strengths for Peace, Politics, Partnership and People," was released in June 2015. The PSC, in its communiqué of 10 August 2015, expressed its appreciation to the HIPPO for taking into account many of the views expressed in the Common African Position, including its acknowledgement of the strategic partnership between the AU and the UN based on the provisions of Chapter VIII of the Charter, and the call for the financing of UN-authorized AU-led peace support operations, through the use of UN assessed contributions, on a case-by-case basis. The PSC urged that this proposal be endorsed by the UN Security Council and General Assembly, and requested the Chairperson of the Commission to take this proposal forward, and to develop modalities for its implementation. On 2 September 2015, the UN Secretary-General issued a report constituted his response to and agenda with which to take forward the recommendations of the Panel.
48. At the PSC meeting held in New York, on 26 September 2015, the Commission submitted a report on follow-up steps on the Common African Position on the Review of UN Operations. The Report identified a series of modalities for the provision of UN assessed contributions based on three core elements, namely: the use of UN assessed contributions to support UN Security Council-authorized AU-led peace support operations for up to 75% of the cost of such missions; the establishment of a standing UN Support Office for Peace Operations that would have responsibility for facilitating the UN support to the AU; and a commitment by the AU to assume responsibility for 25% of the costs of such peace support operations, to be provided from within a time frame of 5 years starting from 2016. Other planned steps include the appointment of a Special Envoy of the Chairperson to the Peace Fund. The PSC approved the proposal, which was presented during the high-level meeting on peace keeping convened by US President Barack Obama on 28 September 2015, in the margins of the 70th UN General Assembly. The Commission has taken follow-up steps to facilitate consultations with the UN and relevant bilateral partners to take this process forward. These two UN Reports represent a significant step forward in the strategic partnership with the UN, in particular their acknowledgement of the role of the AU. In an increasingly complex world, it is only by strengthening and deepening this partnership that the international community will be able to

address in a sustainable manner the many challenges and threats facing the African continent and the rest of the world.

Operationalization of the African Governance Architecture and Platform

49. The African Governance Platform met twice this year, focusing on developing rules, guidelines and an action plan to implement the African Charter on Democracy, Elections and Governance. The Platform developed guidelines for reporting on implementation of the Charter by Member States, three years after the Charter came into force.
50. The AGA platform established two clusters: (i) on human rights and transitional justice and (ii) on constitutionalism and the rule of law, in addition to the Inter-departmental task force on Conflict Prevention and resolution. This, along with the cluster on constitutionalism and rule law should support countries emerging from conflict, as well as help the Union to tackle threats to constitutional democracy. It provides an avenue for political analysis and coordination of efforts aimed at redressing unconstitutional changes of Government. The AGA Platform in partnership with the Government of Rwanda convened the Annual High Level Dialogue on Democratic Governance in December 2015, on the theme: Women's equal participation and leadership in political parties. The 2015 Dialogue was preceded by a Youth pre-consultation and leadership training, as an outflow of the Engagement Strategy adopted by the AGA Platform, which reaffirms the critical role of young people in Africa as enablers, drivers and beneficiaries of democratic governance
51. The July 2015 Assembly decided that the Commission should provide regular reports on the state of democratic governance on the continent. In pursuance of this decision, the AGA Platform and the AU Permanent Representative Committee agreed to consider establishing a PRC Sub-Committee on Democracy, Governance and Human Rights.

Legal and Shared value instruments

52. The Office of the Legal Counsel in addition to providing services to the other Departments within the Commission to ensure legality in all decision-making continues to deploy efforts to ensure strengthening of the Institutional framework of the Union.

Depositary Functions and Ratification of Treaties

53. Since the inception of the Organization of African Unity (OAU) in 1963 and the African Union (AU) in 2002, the policy organs of both structures have adopted Forty-nine (49) treaties, the most recent being:
 - Protocol on the Establishment on the African Monetary Fund and the Statute of the African Monetary Fund;
 - African Union Convention on Cross-Border Cooperation (Niamey Convention);
 - African Union Convention on Cyber Security and Personal Data Protection;
 - African Charter on the Values and Principles of Decentralisation, Local Governance and Local Development;
 - Protocol on Amendments to the Protocol on the Statute of the African Court of Justice and Human Right; and

- Protocol to the Constitutive Act of the African Union relating to the Pan-African Parliament, adopted by the Assembly in Malabo, Equatorial Guinea in June 2014.
- 54. Thirty-four (34) of the forty nine (49) treaties have entered into force. Three (3) additional treaties, namely: the constitution of the Association of the African Trade Promotion Organization (1974), the African Maritime Transport Charter (1994), and the Constitution of the African Civil Aviation Commission (revised version) (2009) are in force provisionally in conformity with the provisions of the respective treaties which allow for provisional entry into force.
- 55. Since the submission of the last report by the Commission in January 2015, the pace of signature, ratifications/accession has increased considerably when compared to the previous reporting period. Indeed, it should be noted that thirty-five (35) new signatures were appended to the treaties compared to the nineteen (19) signatures recorded during the previous reporting period, and twenty-one (21) instruments of ratification/accession were deposited compared to the twenty-six (26) received during the previous reporting period.
- 56. In order to address the slow pace of ratification or accession and implementation of OAU/AU Treaties, the Executive Council requested the Commission to prepare and submit the modalities for the establishment of a Ministerial Committee on Challenges of ratification/Accession and Implementation of OAU/AU Treaties within the context of the 50th Anniversary of the OAU to deal with the issue of political unwillingness and technical inability. As a result, the Executive Council by Decision (EX.CL/847 (XXV) adopted in Malabo, Equatorial Guinea in June 2014 adopted the Rules of Procedure of the AU Ministerial Committee on the Challenges of Ratification and Implementation of the OAU/AU Treaties.
- 57. Rule 4 of the said Rules of Procedure provides that there may be established a National Sectorial Committee in every Member State and the National Sectorial Committees shall liaise with various Ministries at the national level inter alias to facilitate the implementation of national policies and decisions related to the ratification of OAU/AU Treaties. The Commission assisted Member States on the establishment of the National Sectorial Committee as a focal point to transmit information to the Ministerial Committee on the efforts made by each Member State in relation to the signature, ratification/accession and implementation of OAU/AU treaties and the challenges faced to accelerate the ratification issues. In this regard, the Commission proposed that in accordance with the reality of each country on the issue, the National Sectorial Committee can be composited as follows: Representative(s) from the Ministry Foreign Affairs/External Relations as (focal point); Representative(s) from National Parliament; Representative(s) from the Ministry of Justice; Representative(s) from Sectorial Ministry.
- 58. So far, the Commission has undertaken visits to Zambia, Cameroon and Angola to sensitize the countries on the need to establish the National Sectorial Committees. Shortly after the visit to Cameroon for instance, the country ratified and deposited with the Commission, instruments of ratification of some of the treaties. The Commission and members of the Ministerial Committee at the Experts level will visit Namibia, Guinea Bissau, Senegal, Botswana, Sao Tomé e Príncipe, the Democratic Republic of Congo and Central Africa Republic in the coming months.
- 59. In accordance with its rules of procedure, the standing committee of at the Experts Level, held its first meeting in Luanda, Angola from 27 to 30 November 2015 and will report to the Ministerial Committee.

Combatting Impunity

60. **The Hissene Habre Trial:** The African Union and the Government of the Republic of Senegal in August 2012 signed the Agreement on the establishment of the African Extraordinary Chambers (AEC) in the courts of Senegal to prosecute person(s) most responsible for international crimes committed in Chad between 1982 and 1990. During 2015, the African Extraordinary Chambers (AEC) undertook judicial activities through its various Organs. The President of the Chamber of Assize and his three Assessors were appointed by the Chairperson of the Commission on 6 March 2015. The Extraordinary African Chambers began the trial on 20 July 2015, but was postponed to the next day upon determination that the accused's failed to appear in his defence. The Chamber appointed three lawyers to defend the accused and deferred the hearing to September 7 to allow the newly assigned lawyers to acquaint themselves with the case of the accused. The trial resumed on November 7 2015, and has followed its normal course. To date, Forty-Eight (48) witnesses and nine experts have been heard by the Court.

The Steering Committee for the Funding of the Hissene Habre Trial was established by Article 7 of the Joint Financial Agreement signed by the African Union (AU), Chad, Senegal and various Partners. During the reporting period, the Steering Committee for the Funding of the African Extraordinary Chambers under the Chairmanship of the African Union held three (3) sessions in Dakar (Senegal) in April, September and December 2015 respectively. These sessions were attended by the Representatives of the following members of the Committee: African Union, Senegal, Chad, Belgium, France, Germany, Luxemburg, Netherlands, EU, USA and the Office of High Commissioner for Human Rights (OHCHR). The Steering Committee during its various sessions adopted, inter alia, the following decisions: Adoption of the their 8th, 9th and 10th Financial and Activity Reports of the Administrator of the African Extraordinary Chambers subject to the requisite audit validation.

61. **South Sudan Commission of Inquiry:** As part of its response to the crisis in South Sudan, the Peace and Security Council of the African Union (AU), at its 411th meeting, at the level of Heads of State and Government, in Banjul, The Gambia, on 30 December 2013, mandated the establishment of the AU Commission of Inquiry on South Sudan (AUCISS). Under the Chairpersonship of H.E. Former President Olusegun Obasanjo, the AUCISS concluded its work on 29 January 2015 after which the report was formally submitted to the Peace and Security Council.

The PSC at the level of Heads of State and Government at its 547th meeting held in New York, on 26 September 2015, requested the Commission to release the report of the AUCISS and the Separate Opinion submitted by one member. The reports were thus posted on 27 October 2015 for public information, and are available on the AU general website (www.au.int) and on the Peace and Security Department website (www.peaceau.org).

The PSC communiqué also called for the establishment of a Hybrid Court in collaboration with a Government of National Unity in South Sudan. The details of the mandate and composition will be worked out by the Commission in accordance with the PSC Communiqué and arrangements concluded once the Government of National Unity has been formed.

Building legal capacity

62. The Commission through the Office of Legal Counsel has a number of initiatives to build Africa-wide legal capacity. This include the AU Legal Associates Programme (LAP), aimed at providing young legal professionals with expertise in the areas of African integration law as represented by the frameworks of the AU and its organs and specialized agencies and institutions. LAP stresses the role of law in development and to nurture the next generation of African legal luminaries equipped to understand common African legal positions, and as a resource to draw on by the AUC, RECs, Member states and other African institutions. The programme aims to bring ten (10) African lawyers ages 25-30 years to the AU for a year, two per region and 50-50 men and women to gain work experience and exposure to AU legal frameworks. Funding for the programme has been secured through the World Bank, and the first batch will be engaged in 2016.
63. The OLC signed an MOU with the Loyola University School of Law in the USA to train staff of the AU, RECs and Member States. On offer is a Masters of Law (LLM) in Rule of Law for Development; as well as a one year, degree-granting PROLAW programme and other complementary seminars and workshops for staff. Through the MOU, it is envisaged that at least 100 Rule of Law experts shall be educated over the next three years. Since the signing of the MOU, 4 Africans from Member states benefitted from the scholarship, and have graduated with their LLM in 2015/2015 academic year, with a further 6 staff from the Commission, African Court on Peoples and Human rights and the NEPAD Agency are currently attending the 2015/2016 academic year to graduate in 2016. The call for applications for the 2016/2017 academic year was announced in November-December 2015. Under this programme the Loyola University and the OLC also organized a train the trainer workshop and one on intellectual property rights, with 30 staff from various departments participating.

Agreements and Memoranda of Understanding entered into during 2015

64. During 2015, the AU Commission signed over sixty-eight (67) memoranda of understanding and agreements with Member states, international partners, civil society organisations and others around the work of the Union. (List attached as Annexure 1)

Outcome 2

Agriculture, natural resources management and food security

The Comprehensive Africa Agricultural Development Programme (CAADP)

1. The Africa Union's 2014 implementation report "*CAADP: Sustaining the momentum into the next decade*" reviewed the key issues facing African agriculture in the coming decade that required addressing. These included providing for the food and nutrition requirements and security of a growing and urbanizing population; economic inequality and poverty in rural areas; sustainable use of natural resources in the interest of African people and future generations; and the impacts of globalization on African agriculture, such as climate change, globalization of markets and the search for new sources of green energy.
2. Following on the Year of Agriculture in 2014, the *Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and improved Livelihoods* emphasizes the need to build on the achievements of the first 10 years since the adoption of CAADP. In order to operationalize the Malabo Declaration, the Commission developed an Implementation Strategy and Roadmap (IS&R), endorsed by the AU Summit in January 2015; developed a Results framework to facilitate and expedite implementation and track progress towards achieving the 2025 CAADP vision and developed a technical paper for reviewing fertilizer indicators in Africa. The Commission has also operationalized the Ecological Organic Agriculture (EOA) in Africa, through the EOA steering Committee, and in collaboration with the World Trade Organization and *Codex Alimentarius*, agreed on the areas of Sanitary and Phytosanitary (SPS) capacity building for African experts in 2015 to contribute toward the CAADP vision 2025; and finalized a USD 1.5 million Grant proposal with the Bill & Melinda Gates Foundation to support CAADP.
3. **Land Policy Initiative and Governance:** The Commission collaborates with the United Nations Economic Commission for Africa (UNECA) and the African Development Bank (AfDB) in a joint programme on the Land Policy Initiative (LPI). The aims of the initiative are to mainstream land issues and governance in regional protocols and programs, at continental, regional and national levels. As a result there are dedicated or joint programs on land governance by key organisations that influence discourse on Africa's development; the RECS and AU Commission now feature land governance in their work on agriculture and food security; the NPCA/CAADP has recently included land governance in its program, the PAP regularly features land governance in its regional seminars, speakers conference and annual women's caucus; a dedicated unit at UNECA is conducting research on land issues; land governance issues are being addressed within the African Natural Resources Center at the AfDB; with technical support of the LPI, Pan African Farmers Organisation (PAFO) has developed a work plan on land governance and a CSO platform on land governance in Africa has been established.
4. The Commission developed joint programs with RECs through research, consultations and technical assistance. With financial assistance by the European Union and the Swiss Agency for Development Cooperation, land governance projects are ready for roll-out in EAC, COMESA, IGAD and ECOWAS. Similar projects for ECCAS, SADC and UMA are at various stages of development. It is useful to note that ECOWAS was successful in developing a framework on

formulation and implementation of harmonized land policies in the ECOWAS Region with technical support by the AUC/LPI. Pilot projects on land governance by the LPI and/or in partnership with Food and Agriculture Organization of the United Nations (FAO) have been established in Angola, Burundi, Côte d'Ivoire, Ethiopia, Kenya, Malawi, Niger, Somalia, South Sudan and Swaziland and Zambia, with support from the European Union (EU), Germany, Italy, Switzerland and other donors. These programs are promoting the integrated application of the AU Framework and Guidelines and the FAO Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGT) to address land-related challenges at country levels.

5. **Ecological and Organic Farming:** The Continental Ecological Organic Agriculture (EOA) Steering Committee, in consultations with stakeholders developed the EOA Strategic Plan (2015-2025) and revised the EOA Action Plan for Africa (2015 -2020). Both were endorsed at the recent 3rd African Organic Agriculture Conference held in Lagos, Nigeria, as well as at the Inaugural meeting of the Specialized Technical Committee on Agriculture, Rural Development, Water and Environment, which took place at the AUC HQ in Addis Ababa, Ethiopia, from the 5th to 9th October, 2015.
6. **Grow Africa and New Alliance Initiative:** The Commission, NPCA and the World Economic Forum established the Grow Africa Initiative in 2011 to galvanize greater private investment and financing for African agriculture in support of CAADP. The New Alliance, on the other hand, was launched as a G7 initiative in 2012 to accelerate the implementation of CAADP, help lift 50 million people out of poverty in Africa by 2022 and achieve sustained, inclusive agriculture-led growth in Africa.

A report on the results since the inception of the two initiatives was presented at the STC on Agriculture, Rural Development, Water and Environment. In the review period, participating private companies reported progress on 56% of the 292 Letters of Intent (LOIs), with earmarked investments of close to \$10.2bn, and with over \$684 million invested in 12 partner countries since 2014. Private investments by companies reached over 8.2 million smallholder farmers, creating 21,366 jobs and tripling the numbers of previous years.

7. **Livestock Development:** To increase and sustain investment in the livestock sector, the Commission through the Inter-African Bureau of Animal Resources (IBAR) developed a Livestock Development Strategy for Africa (LiDeSA), which was endorsed at the January, 2015 Ordinary Session of the Executive Council. Implementation modalities have since been developed and were presented at the inaugural meeting of the Specialized Technical Committee for Agriculture, Rural Development and Environment for endorsement. The strategy also called upon technical and development partners in the sector to mainstream their interventions through the LiDeSA implementation mechanisms.

A policy framework for integrating Tsetse and Trypanosomosis (T&T) interventions in all rural development programmes was endorsed by the STC. This policy framework addresses the ways and means by which policies on T&T eradication programmes can be formulated to support and consolidate rural development efforts and ultimately contribute to the achievement of the Malabo Commitments.

With regard to Standard Methods & Procedures in Animal Health (SMP-Animal Health), the Commission through IBAR worked with stakeholders and developed a harmonized disease prevention and control programme in the Greater Horn of Africa (GHOA) that is now ready for

implementation. Furthermore, the capacity in the region was enhanced through the rolling out of standard methods and procedures for Foot and Mouth disease, Rift Valley Fever, Brucellosis and Peste des Petits Ruminants, and the introduction of cross border coordination and harmonization meetings. Information sharing on sanitary matters for the participating countries was enhanced through training on Animal Resources Information Systems (ARIS) and the production of two editions of the IGAD Regional Animal Health Bulletins.

To strengthen capacities for the conservation and sustainable use of African animal genetic resources, the Commission with support from partners through IBAR, finalized the documentation on the State of Animal Genetic Resources in Africa. To provide information on biodiversity of genetic resources on the continent, an informative monthly series of “Animal of the month” is being published on the IBAR website. In addition, an inventory of policies/legislation has been completed for Eastern, Southern and Northern Africa and initiated for West and Central Africa. An assessment of policies is already on-going in Central and East Africa with a view to drafting regional framework for crossbreeding in these regions. An assessment of various gene bank facilities in North Africa (Algeria, Egypt and Tunisia) was conducted to determine their potential to serve as regional gene banks.

PANVAC laboratory facilities were assessed to determine the level of investment required for the establishment of a continental back-up gene bank at PANVAC and the regional gene bank for East Africa in the Uganda National Animal Genetic Resource Centre & Data Bank. In addition, tools for inventory, characterization and monitoring of animal genetic resources were revised, harmonized and piloted in selected Member States, and a module on animal genetic resources created within the Animal Resources Information Systems (ARIS2). Regional information sharing networks using the Domestic Animal Diversity Network (DAD-NET) structure have been established for all regions.

8. **Sanitary and Phytosanitary Capacity Building programmes:** The Commission in collaboration with the World Trade Organization (WTO) trained sanitary and phytosanitary (SPS) experts from at least 24 Member States and four RECs on trade, transparency and notification, and engaged in the policy meetings of international standard setting organizations. The international standard setting organizations were mobilized to provide SPS training in priority areas to enhance country capacity to comply with the international SPS measures for enhanced market access. The priority areas include food hygiene and food safety in line with the Codex Alimentarius frameworks and guidelines; understanding and implementation of the WTO SPS Agreement; and the plant biosecurity under the Australia-Africa Plant Biosecurity Partnership.
9. **Partnership for Aflatoxin Control in Africa (PACA):** The Commission supported six pilot countries in evidence generation to inform policy interventions and the development of national aflatoxin control action plans. Also, during the reporting period, PACA registered a number of activities, including supporting Senegal, Tanzania and Uganda to develop their country-led situation analysis study, and supporting Tanzania and Uganda in developing and validating their national aflatoxin action plans. In addition, PACA supported Tanzania and Uganda to review their National Agriculture and Food Security Investment Plan, incorporate aflatoxin issues into the Agriculture Sector Development Plan of Tanzania; and is at the final stages into the Development Strategy and Investment Plan of Uganda.
10. PACA organized its first regional workshop on revamping the groundnut value chain of West Africa through aflatoxin mitigation. The workshop focused on engaging the private sector, creating

an enabling environment for investment in aflatoxin technologies, enforcement of standards and regulations, and reducing production losses through aflatoxin mitigation. Overall, the Partnership for Aflatoxin Control in Africa (PACA) has been operationalized as a flagship program supporting CAADP implementation. PACA has developed an evidence-based, coherent model for addressing major sanitary and phytosanitary challenges posed by aflatoxin contamination. The model has been piloted through the support of the AUC in six member states.

11. **Fisheries and Aquaculture:** A think tank meeting held in Abidjan, Cote D'Ivoire from 9-11 July 2015, validated the criteria for alignment of national and regional policies to the Policy Framework and Reform Strategy for Fisheries and Aquaculture in Africa with respect to the following policy areas: (i) conservation and sustainable uses of resources (ii) small-scale fisheries development (iii) aquaculture development (iv) trade and market development (v) regional and sub-regional cooperation (vi) human capacity development (vii) high seas fisheries (viii) cross-cutting issues-climate change resilience, gender, youth, finance and investment. The meeting validated and agreed on additional indicators to track the implementation of the Strategy for Fisheries and Aquaculture by AU Member States and RECs. Guidelines for implementation were endorsed at the inaugural meeting of the Specialized Technical Committee.
12. **Continental Agribusiness Strategy:** The main goal of this strategy is to achieve a *“dynamic, inclusive agribusiness sector that adds value to primary produce, generates employment and income and contributes to economic growth and reduction of import food dependency in Africa.”* The strategy further aims to create conducive environment for increased domestic private sector investment and business in the sector. The six strategic pillars of the strategy (i) enabling policy; (ii) monitoring & reporting progress, (iii) strategic research and knowledge management, (iv) facilitating partnerships, (v) building systemic capacity; and (vi) innovative financing, were endorsed during the Inaugural Conference of the STC on Agriculture, Rural Development, Water and Environment.

Environment, Natural Resources management and Climate Change

13. **Water and sanitation:** The Commission in collaboration with Member States, the Ministers responsible for Water Affairs and the AfDB has initiated key global partnerships to implement Africa Water Vision 2025. The Kigali Action Plan (KAP) is an on-going AU initiative championed by the Government of the Republic of Rwanda to support 10 AU Member States to construct about 12,400 water supply facilities and 154, 700 basic sanitation facilities, to bring rural water supply and sanitation services to an additional 10 million people. To this end, the Assembly requested H E President Paul Kagame, President of the Republic of Rwanda, to provide leadership in efforts to mobilise a minimum of 50 million Euros to catalyse the implementation of the Action Plan. To date, the target of Euro 50 million, set in Assembly Decision (AU/DEC.516(XXII) has been exceeded, with more than 56.4 million Euros mobilised towards the implementation of the Kigali Action Plan. The ten participating Member States will benefit from the seed funding, now at the AfDB. The available fund would create an enabling platform for the implementation of individual country programmes to construct prioritised infrastructure and provide services. In order to ensure sustainability, resource mobilisation efforts would be intensified at the country level.

Progress towards the achievement of the water and sanitation goals is monitored and reported annually through the Africa Water and Sanitation Sector Report to the Assembly of the African Union. The latest report indicates that more than 340 million Africans still lack potable water, let alone access to sufficient water to satisfy their basic daily needs. The situation is more critical for sanitation services, where more than 547 million Africans still lack access to basic sanitation! It is

against this background that a programme, branded “Operation 2M4M”: two million for water supply and four million for sanitation (2M4M) was developed to mobilise AU Member States to extend water supply to at least 108 million people and sanitation services to 216 million people.

Activities are underway on the targets set in the Africa Water Vision 2025 for Water Resources Management through: (i) the African Water Resources Management Priority Action Plan which aims at innovative mechanisms to manage demand and improve efficiency in the production, supply and utilisation of water in all sectors; increase the productivity of water used; and ensure resilience of the economies in the face of anticipated limits to water availability due to climate uncertainties; (ii) the pan-African Productive Sanitation Programme, which will, under the leadership of the Government of Burkina Faso, coordinate Africa’s efforts to develop and apply appropriate technologies to reuse waste and used water as sources of water and fertiliser in agriculture, as well as energy source through bio-gas production. The aim is to close the loop on sanitation, contribute to food security, while turning the tide against the pollution of Africa’s water and environmental resources; and (iii) the African Clean Village Programme aimed at mobilising and empowering rural communities to make sanitation a development priority.

14. **Great Green Wall for the Sahara and the Sahel Initiative, Combatting desertification:** This Pan African Initiative has witnessed gradual, but steady implementation to support livelihoods in the dry lands of the Sahel and Sahara. To strengthen implementation of the Great Green Wall of the Sahel and Sahara Initiative, the Commission put in place a regional harmonized strategy to streamline projects at country and regional levels and is working on a results framework for accountability and monitoring purposes. The Commission partners with the FAO, World Bank, EU and other partners to provide the necessary financial support, with over USD 120 million, mobilized in support of the Great Green Wall for the Sahara and Sahel Initiative.

The Commission continues to provide technical and financial support to the implementation of the United Nations Convention to Combat Desertification (UNCCD). Accordingly, it facilitated preparatory meetings of the African Group of Negotiators in Pretoria, South Africa in preparations for the 12th Conference of the Parties to UNCCD, which took place in Ankara, Turkey in October 2015.

15. **African Common Strategy on Combatting Illegal Trade in Wild Flora and Fauna:** This strategy was developed during the conference held in April 2015, in Brazzaville, Congo, and approved during the AU Summit in June 2015 in Johannesburg, South Africa. The Commission is now working with partners to put together a support programme to assist Member States in implementing the strategy.
16. **Forest Resources Management:** The June 2014 AU Malabo Summit called for the elaboration of an Africa Regional Framework for Sustainable Forest Management as guideline for Member States and the RECs in the review and development of their respective strategies for the forestry sector. The Commission started work on this by securing a Technical Cooperation Project (TCP) from the FAO to accomplish this important task.

The Commission in collaboration with the FAO and the Government of the Republic of South Africa organized Africa Day within the margins of the 14th World Forestry Congress in Durban, South Africa, showcasing Africa’s success stories, and opportunities and challenges in the forestry sector. The Chairperson of the Commission addressed the World Congress. An Africa pavilion was provided by the Commission for African stakeholders to exhibit their products and services and to

network with the global forestry fraternity. To enhance value addition of forest products, the Commission promotes sustainability production and marketing of Gum Arabic and other key forest products and is working on a Regional Strategy on Gum Arabic and Resins.

Disaster Risk Reduction, Meteorology, Weather and Climate Change

17. The Commission contributed to the development of the *Sendai Framework for Disaster Risk Reduction 2015-2030* adopted in March 2015 in Sendai, Japan. In addition, the 7th African Working Group on Disaster Risk Reduction and the 4th High Level Ministerial Meeting on DRR held in July 2015 in Yaoundé, Cameroon, endorsed the “*Yaoundé Declaration on the implementation of the Sendai Framework in Africa*”, including a decision to align the *Extended Programme of Action for the Implementation of the Africa Regional Strategy for DRR* to the Sendai Framework.
18. To improve meteorological, climate and weather services in Africa, a twelve-year roadmap (2016 – 2027) for the implementation and resource mobilization plan on the *Integrated African Regional Strategy on Meteorology, Weather and Climate Services* to mainstream meteorology into sub-regional and national development plans was adopted by the African Ministerial Conference on Meteorology (AMCOMET) in February, 2015. AMCOMET endorsed a Regional Climate Centre in Central Africa as per the January 2013 Decision of the Executive Council.
19. An annual monitoring and evaluation plan established by the Programme of Monitoring for Environment and Security in Africa (MESA) continental implementation centre has commenced. The MESA programme has also facilitated funding for Regional Economic Communities for Thematic Actions in areas of Meteorology and Earth Observations.
20. The Committee of Heads of State and Government on Climate Change (CAHOSCC) continues to foster African common positions on matters related to climate change. CAHOSCC adopted the key political message on the African Common Position on Climate Change on the margins of the 70th Session of the United Nations General Assembly as the basis for Africa’s negotiation on issues of climate change with the adoption of the sustainable development goals (SDGs); and in the lead up to the United Nations Framework Convention for Climate Change Twenty-First Conference of the Parties (COP 21) in Paris, France December 2015.
21. As the continent strives to achieve the objective of a peaceful Africa within a peaceful world, climate change is emerging as yet another threat clouding our horizon. Changing weather patterns and rising sea levels will surely bring environmental stress to large parts of our continent. Although Africa has contributed least to global warming, the continent, because of its limited resources and capacity, is likely to suffer the most from the resulting consequences, whether they relate to scarce water resources, damage to coastal infrastructure and cities, reduced agricultural yields and environmentally-induced migration. While the understanding of the interaction between climate change and conflict is to be deepened, it is clear that this phenomenon will impact negatively on the quest for peace in Africa, and further compound the efforts being made in this respect. Against this backdrop, the Commission has included climate change and its impact on peace and security in the priority areas of the APSA Roadmap for the period 2016 – 2020.

African Risk Capacity Agency

22. The African Union's (AU) African Risk Capacity (ARC) is a ground-breaking risk management and resilience-building platform that provides AU Member States with the financial tools and infrastructure they need to manage natural disaster risk and adapt to climate change. Led by its

African Member States, ARC brings together four critical elements to create a powerful value proposition for its participants and their partners, namely (i) early warning, (ii) climate risk insurance, (iii) contingency planning; and (iv) climate adaptation finance.

23. Prior to taking out insurance, countries enter into Memoranda of Understanding (MoU) for capacity building services from the ARC Agency Secretariat. This is a fee-for-service structure whereby the ARC facilitates the salary of a dedicated ARC Coordinator (government employee) and focused time of selected government experts in meteorology, agriculture, food security, contingency planning and finance in return for certain deliverables in the "pre-participation programme." Throughout the 12-18 month programme, the ARC Secretariat guides the in-country team in customizing ARC's proprietary weather risk quantification software, Africa RiskView, building a contingency plan for early intervention to affected populations in the case of a disaster and finally assisting the country in selecting the optimal coverage and structure of its insurance contract.
24. Four countries took out insurance contracts with ARC Ltd in the first risk pool: Kenya, Niger, Mauritania and Senegal. Due to a significant drought in the Sahel, three countries received payouts of \$26 million in 2015 to mobilize relief to food insecure populations ahead of the UN appeal. The following countries joined the pool this year: Burkina Faso, The Gambia, Malawi, Mali and Zimbabwe. To date, the following 26 countries has signed up to the ARC Treaty: Burkina Faso, Burundi, Central African Republic, Chad, Comoros, Congo Republic, Côte d'Ivoire Djibouti, Gabon, The Gambia, , Guinea, Kenya, Liberia, Libya (with reservations), Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Nigeria, Rwanda, Sahrawi Arab Democratic Republic, Senegal, Togo and Zimbabwe.
25. The creation of the ARC is a transformative moment in efforts to use national resources and aid more effectively and has the potential to transform disaster risk management on the continent. With the ability to scale to a multi-billion dollar portfolio, ARC has the potential to offer drought, flood, and cyclone coverage to 30 countries by 2020.

Outcome 3

Inclusive economic development, industrialization driven by economic integration

Promote Inclusive and sustainable economic growth

1. Over the past decade Africa has recorded a continental average growth rate of 4-5%, despite a recent unfavourable international economic and financial environment. Growth has mainly been driven by high commodity prices, investment in infrastructure, diversification of trading partners and increasing domestic demand. In addition, improved governance, institutional reforms and sound macro-economic policies have also provided new impetus to Africa's growth. However, this high growth episode has limited impact on employment and social development as our exports remain commodity-driven, with few backward and forward linkages, and has therefore not stimulated economic diversification, job creation and socio-economic development. Structural transformation of African economies therefore remains the main mission within Agenda 2063. Although some progress has been made at the national level, collective action by Member States is needed to address the challenges of structural transformation.
2. According to African Economic Outlook 2015, intra-Africa trade is growing mostly within sub regions. From 2010 to 2013, intra-African exports grew by 50%. However, the share of exports between African regions increased only from 11.3% in 2012 to 12.8% in 2013. This could indicate a lack of development of regional value chains and low levels of trade in intermediates between African countries. On the supply side, many African countries have improved their investment climate and conditions for doing business, which enhance long-term growth prospects.

The Africa Mining Vision (AMV)

3. The implementation of the Africa mining vision has progressed well over the year with key milestones and results achieved. The decision to establish the African Minerals Development Centre (AMDC) as an AU Specialised Agency with the draft Statute of the AMDC was considered by the STC on Justice and Legal Affairs in November 2015 and a financing and sustainability mechanism study is being conducted by an independent consultant through technical assistance from UNDP. Following a request to Member States to submit expressions of interest in hosting the AMDC, 5 countries have done so, namely, Zambia, Kenya, Sudan, Mali and Guinea. Evaluation missions are to be completed by early 2016 and a report will be submitted.
4. Working with the AMDC, the following Member States are currently undertaking the domestication of the AMV through the Country Mining Vision (CMV) process: Ghana, Kenya, Malawi, Mali, Mozambique, Namibia, Sierra Leone, South Sudan, Tanzania, Uganda and Zambia. More countries are sending their expressions of interest and the target is to have at least 20 AU Member States to have domesticated the AMV by June 2016.
5. The implementation of the African Minerals Geosciences Initiative (AMGI) was launched in Mali and a work-plan for 2015/16 developed and endorsed at the technical level. A Partnership with Brazil within South Industrial Cooperation was established and the African Minerals Geoscience

Centre (AMGC formerly SEAMIC) was identified as an African institution to host the data with its secretariat to be established within the AMDC.

6. In partnership with African Legal Support facility, the University of Cape Town and the World Bank under the African Mining Legislation Atlas (AMLA), a team of 30 young Law Students from 17 Universities across Africa undertook a 10 day intensive Mining Law course at the University of Cape Town. A Guiding template to guide AU Member States in reviewing their Mining Laws is being developed alongside capacity building. The objective of this is to strengthen African and MS capacity in the area of Mining law.
7. The AUC, working with UNDP, is launching an African Caribbean and Pacific (ACP) €13 million project to strengthen regional institutions that support Artisanal Miners in the low value and industrial minerals, called the *Stones for Development Project for Artisanal and Small Scale Miners*. The Launch Training Session for Eastern Africa was held on 9 – 12 November 2015 and training for other regions will be launched before end of February 2016.

Trade in Services

8. According to the *VII Assessing Regional Integration in Africa* (2015), there is large untapped potential for boosting intra-African trade in services, with African countries currently estimated to import between \$98 billion and \$183 billion in services from outside the continent. The lowering of current high barriers to trade in services between African countries could enable African firms to capture much of this business.
9. The Commission's work on Trade in Services has therefore expanded to include Case Studies on successful services Exports, Capacity Building for Trade in Services, Development of Service Sector Programme and Trade in Services Negotiations in the CFTA. Five Case studies on Trade in Services were commissioned with the objectives of highlighting successful service export strategies and raising awareness of the service industry's export potential on Africa's economic transformation. The studies relate to Air Transport Services in Ethiopia, Business Processing Outsourcing/ICT Services in Senegal, Banking Services in Nigeria, Cultural Services in Burkina Faso and Education Services in Uganda. The studies will be part of compendium of successful services exports from Africa, launched in December 2015.
10. Services negotiations are on-going at the Multilateral level, regional and Bi-lateral level in Africa but the CFTA negotiations have created an urgent need for capacity building to ensure fruitful and value added negotiations. In light of the Summit decision to negotiate Trade in Services and Trade in Goods concurrently, the Commission has undertaken several initiatives to prepare for the Negotiations. For instance, the Commission in conjunction with UNCTAD and technical assistance from the WTO, TRALAC, ILEAP among others, organized a training workshop on Trade in Services Negotiations on 24-28 August 2015 in Nairobi, Kenya, in English. A similar Workshop in French will be convened on 7-11 December 2015 in Dakar – Senegal.

Tourism

11. Following the adoption of strategies and actions for development of tourism under Agenda 2063 by a Working Group of Ministers in Seychelles in March 2014, a Ministerial delegation led by the Chairperson of the Commission for Africa of the World Tourism Organisation (UNWTO-CAF) visited the Chairperson of the Commission to consult on the way forward for accelerating achievement of goal of making Africa "the Preferable Destination" and creating tourism's Brand

Africa. It was agreed that action should be taken to make tourism more visible in the structures and activities of the Union and, in that regard, a meeting of Ministers of Tourism should be convened next year under the relevant Specialized Technical Committee.

Labour and Employment

12. The AU Policy Organs adopted the Declaration and Plan of Action on Employment, Poverty Eradication and Inclusive Development with its Follow-Up Mechanism in January 2015. The AU/ILO/OIM/ECA Joint Programme on Labour Migration for Development and Regional Integration in Africa commenced implementation, and the Public Private Partnership Framework on Jobs Creation and Inclusive Development was adopted.
13. Under the AU/ILO/OIM/ECA Joint Programme on Labour Migration for Development and Regional Integration (JLMP), two studies were undertaken, on skills recognition and on portability of social security access for migrant workers. Both studies place emphasis on enhancing the roles of the RECs in labour migration management.

Migration and Remittances

14. Following the Lampedusa tragedy of 2013, the Commission embarked on a series of regional and continental initiatives aimed at more effective management of migration, such as the AU-Horn of Africa Initiative on Human Trafficking and Migrants Smuggling, launched at a regional Ministerial meeting in October 2014 in Khartoum, The Sudan, and the Labour Migration Governance for Development and Integration in Africa adopted by the AU Assembly in January 2015. Most migration is still taking place within the continent, and the issue of free movement within Africa needs to be addressed to avoid African migrants using irregular and dangerous migration channels. The African Institute on Remittances was also established in Nairobi, Kenya to facilitate the flow of remittances on the continent.

Maritime Strategy and blue economy

15. The adoption of the 2050 Africa's Integrated Maritime (AIM) Strategy provides a framework for greater attention to the development of Africa's ocean and blue economy. As per the AIM Strategy, the Commission launched the *African Decade of Seas and Oceans (2005-2015)* and for the first time, celebrated African Day for Oceans and Seas on 25 July 2015 at the Headquarters of the Union. The continental launch and the celebration were preceded by the 1st meeting of the Strategic Task Force on the Implementation of the 2050 AIM Strategy and a Panel Discussion on 24 July 2015. Unfortunately, the meeting of the Strategic task force did not quorate, and was turned into a consultation. The Strategic Task Force therefore has yet to convene, to develop the Implementation plan for AIM2050. There were also side events by the African Ship Owners Association, the Women in Maritime Africa (WIMA) and by the continental port authorities associations. A special event with children was also held as part of the celebrations. The government of the Seychelles also organised an event on the occasion of the launch.
16. Since the launch of the Decade, the African Ship-owners Association and other organisations in the sector, have engaged in regional consultations, to discuss Agenda 2063 and the AIM 2015. The Commission participated in the World Oceans' Summit, organised by The Economists in Portugal this year, cooperates with the Government of Norway and others on the implementation of the AIM 20150 strategy; and also met the Gulf of Guinea Commission on cooperation in this area.

17. The process of implementation of the 2050 AIM Strategy has however been slow due to lack of human and financial resources.

Accelerated Industrial Development of Africa (AIDA)

18. Significant progress has been recorded on industrial strategy development, with ECOWAS, SADC and COMESA dedicating their Summits in 2015 to industrialization and Africa's structural transformation. A strategic stakeholders' retreat for AIDA conducted from 5 to 7 October in Nairobi, and attended by members of Conference of African Ministers of Industry (CAMI) bureau at experts' level, RECs (COMESA, EAC, ECCAS, ECOWAS, and SADC) led to information sharing on the implementation of continental strategies at the regional level, namely, AIDA, AMV and BIAT. It also brainstormed on how to address challenges related to implementation of those strategies. The meeting further discussed the arrangements for 21st Africa Industrialization Day as well as the first STC meeting of Ministers responsible for Trade, Industry and Mining, which is expected to be held during 2016. The Africa Industrialization Day is celebrated every year in collaboration with UNECA and UNIDO and the theme for 2015 was aligned to the annual theme on Women's Empowerment for Agenda 2063.
19. The Commission co-organized and hosted the 21st General Assembly of the African Organization for Standardization (ARSO) at the AUC Headquarters in Addis Ababa, from 10th to 14th August 2015 as well as the 52nd ARSO Council, which identified programmes and strategies for the implementation of the African Standardization Agenda in the wider African Integration Agenda. In collaboration with the Pan African Quality Infrastructure (PAQI) and a German Technical Assistance partner (PTB), the Commission prepared a road map and capacity building program in the area of quality infrastructure, Technical Barriers to Trade (TBT) and sanitary and phytosanitary (SPS) measures to provide proper support to the Continental Free Trade Area (CFTA) negotiations. The implementation of this program commenced during the last quarter of 2015.
20. A workshop held from 7 to 10 October, 2015 In Nairobi, Kenya under the theme "Unleashing the Growth Potential of Small and Medium-sized Enterprises (SMEs) in Africa through Public Private Partnership" was a first step leading to the formulation of a Master Plan for SMEs in Africa at the continental level. The workshop highlighted the best practices in support of SME development. The importance of holding a training workshop for African women-owned companies on technology transfer and value addition was noted.

African Commodities Strategy

21. The Bahir Dar Ministerial Retreat of the Executive Council held on 24 – 26 January 2014, deliberated on the Agenda 2063 Framework. The Retreat mandated the development of a commodity strategy by the Commission that will result in Africa regaining control of the pricing of key commodities of which it is the dominant producer, as well as measures to hedge against price and currency fluctuations in the trading of key commodities.
22. The AU Commodities Strategy will come up with specific recommendations to:
 - Enable African countries to add value, and extract higher rents from their commodities and integrate into the Global Value chains;
 - Propose institutional mechanisms for improved consultations at the national/regional levels for sustainable commodity-based development;

- Make proposals for deepening regional commodities markets, consonant with existing regional economic blocs in order to reduce African countries vulnerability to global shocks and excessive dependence on commodities.

23. In order to advance this process, an Internal AU Technical Committee, organized in three Sub-Committees was established. The Sub Committees have submitted inputs that have been compiled into a single report with cross cutting and sectorial recommendations. It was agreed that a pre-validation workshop would be organized in this regard, to further enrich the report.

Customs Cooperation and Trade Facilitation

24. At its 7th Ordinary Meeting held in September 2015, in the Democratic Republic of Congo, the AU Sub-Committee of Directors General of Customs assessed the implementation of the Single Window system in Africa and progress on coordinated border management. With regard to the Single Window system, it was recommended that adequate resources should be mobilized to ensure that all stakeholders are taken on board, and to appoint a lead agency during the implementation stage, so as to ensure a coordinated approach. They noted that Coordinated Border Management is important for both trade facilitation and national security and therefore Customs administrations need to work closely with other border agencies including at the national, regional and international levels. The Commission is in the process of developing a border management strategy to serve as an instrument for balancing lawful and easy movement of goods and people, and enhancement of border security.

25. The Directors General of Customs also held the first African Trade Facilitation Forum, which identified concrete activities, including capacity building, to be done at national, regional and continental levels to expedite the implementation of the WTO Trade Facilitation Agreement. A continental Trade Facilitation Strategy is being developed for consideration by the DG Customs at their next meeting in September 2016.

Continental Free Trade Areas negotiations

26. Two major economic integration goals were reached in 2015, namely, the conclusion of the COMESA-EAC-SADC Tripartite Free Trade Agreement in Sharm El Sheikh, Egypt, in June 2015 and the launch of the CFTA negotiations during the June 2015 Summit in Johannesburg, South Africa. The establishment of a functional CFTA that builds on existing regional free trade areas in order to broaden and deepen continental integration of African economies is a fundamental milestone in the implementation of Agenda 2063 and the Common African Position on the Post-2015 Development Agenda. It is expected that this major stride will play a key role in fostering the structural transformation of the continent. The inaugural session for the CFTA negotiations is scheduled for February 2016 with substantive negotiations commencing in April 2016.

27. Consultations of key stakeholders on the CFTA are already taking place, including engagement of the Pan African Parliament (PAP), the private sector as well as the civil society organizations. A validation workshop for the establishment of the African Business Council was held in November 2015 in order to fast track the establishment of an institutionalized mechanism to involve the African private sector, comprised mainly, the SMEs, in the BIAT/CFTA agenda. With regard to the BIAT Action Plan, the Commission has co-organized consultative meetings with the Regional Economic Communities and UNECA in order to harmonize views on the implementation, monitoring and evaluation of the seven clusters of the BIAT. A monitoring and review workshop organized by the Commission, took place in November 2015, with experts from Member States,

RECs, and technical partners on the establishment of a monitoring and reporting mechanism for the BIAT Action Plan.

28. In this regard, the Commission signed a Joint Partnership Agreement in December 2014 with USAID, DfID and Sweden to support diversified partnership base, which now includes Germany (GIZ and PTB), South Korea, Turkey, Canada, Australia, USAID, DfID, Sweden, Japan and China. To this end, USD18 million was mobilized from partners for the period 2015-17 for the CFTA project, which will support inter alia the establishment of the CFTA Support Unit within the Department of Trade and Industry and the Trade Observatory as well as a Senior Trade Policy Advisor in the office of the Commissioner. Member States also dedicated USD3million for the 2016 calendar year for the CFTA process as one of the flagship projects under Agenda 2063.

Multilateral Trade Negotiations: Africa's Trade with the rest of the World

29. Economic Partnership Agreements (EPAs) and the increasing numbers of 'mega-regional' trade blocks make it more important than ever that Africa should move faster to conclude its continental free trade area and trade facilitation reforms, as these agreements would undermine regional integration and overall trade performance.
30. **WTO negotiations:** In line with the Decision of the High Level African Trade Committee (HATC) that was held in Johannesburg, South Africa on the margins of the 25th Ordinary Session of the Assembly of Heads of State and Government, the Commission organized preparatory Meetings for the 10th Ministerial Conference (MC10) of the WTO on 20 July 2015 in Nairobi, Kenya and on the 19 and 20 of October 2015, in Brussels, Belgium. Ministers of Trade deliberated on an African Common Position in preparation for WTO MC10. AU Ministers of Trade underscored that engagement with the MC10 process should be framed by the overriding priority accorded to Africa's industrial development in Agenda 2063 and other continental policy frameworks. Ministers took note of recent International agreements including the Addis Ababa Declaration on Financing for Development and the Post- 2015 Development Agenda that reaffirmed the important role of trade in meeting internationally-agreed development objectives and targets and that development should be an integral component of all multilateral trade agreements.
31. Among other outcomes, Ministers of Trade also:
- Emphasized willingness to engage with all WTO members to ensure a meaningful outcome from Nairobi;
 - Agreed that the outcome from Nairobi should be a Ministerial Declaration with clear decisions on substantive priority issues with a strong development dimension;
 - reaffirmed the negotiating mandates, developmental principles and objectives of the Doha Development Agenda (DDA); and
 - reaffirmed the centrality of the principles of the single undertaking; less than full reciprocity; and Special and Differential Treatment.
32. The WTO Ministerial session was hosted in Nairobi, Kenya in December 2015.
33. **Economic Partnership Agreements (EPAs):** The Third EPA coordination meeting was organized 17-18 October 2015, in Brussels in order to achieve a harmonized approach to EPA implementation to ensure that the implementations of the EPAs are aligned to Africa's long term development objectives, including the establishment of the CFTA. The meeting also reviewed

recent developments and assessed the current state of play of the negotiations, signature and implementation. The Meeting also developed an EPA Implementation Guide as a tool to assist Member States in implementing EPAs.

34. **AGOA and US-Africa trade relations:** Following broad and persistent advocacy by Member States and the AU Commission, the African Growth and Opportunity Act (AGOA) was reauthorized for another ten years until 2025. In order for Africa to benefit fully from AGOA, African countries must put in place National Response Strategies with the support of the U.S.A, technical and financial institutions such as the World Bank, AfDB, and UNECA, etc. As for perspectives of the Africa-U.S trade relations beyond 2025, it is the view of the US side that Africa has the world's highest economic growth rate and is becoming more and more competitive. With the establishment of the CFTA, African countries will broaden trade exchanges regionally. Furthermore, the U.S. has negotiated FTAs with many countries of three continents namely, Asia, Europe and Latin America. Taking into account all these factors, the U.S. is likely to engage negotiations on FTAs with African beneficiary countries beyond 2025, similar to EPAs with E.U.

Pan African Financial Institutions

35. The AU Constitutive Act provides for the establishment of three Pan African financial institutions, namely the African Investment Bank (AIB), the African Monetary Fund (AMF) and the African Central Bank (ACB). In addition, the AU Summit urged that mechanisms be developed for the mobilization of resources for the financing of the integration programmes.
36. With regard to the **African Investment Bank (AIB)** the Assembly of Heads of State and Government in February 2009 adopted the Protocol establishing the bank. As of 5 May, 2013, the following twenty countries have signed the Protocol: Angola, Benin, Burkina Faso, Côte d'Ivoire, Comoros, Congo, Democratic Republic of Congo, Gabon, The Gambia, Ghana, Guinea, Guinea-Bissau, Libya, Niger, Senegal, Sierra Leone, Sao Tome and Principe, Togo and Zambia. The main challenge towards the establishment of the African Investment Bank remains the slow progress in the ratification of its Protocol as only two countries Libya and Republic of Congo, have done so. Fifteen ratifications are required for the Protocol to enter into force.
37. The Protocol and Statutes of the **African Monetary Fund (AMF)** were adopted by the African Ministers of Finance, Planning and Economic Development and the AU Summit. Technical consultations on the Draft Host Agreement were held between officials of the Commission and Cameroonian authorities in Yaoundé in October 2015.
38. Progress has been made towards the establishment of the **African Central Bank (ACB)**. The 38th Ordinary Session of the Assembly of Governors of the Association of African Central Banks (AACB) in August 2015 adopted the '*Strategy for the Creation of the African Central Bank*' with qualifications, and urged the Commission to engage in political dialogue with stakeholders on the Strategy. The draft strategy will be submitted to the STC of Ministers of Finance, Planning and Economic Development in March 2016 for consideration and for submission to the Assembly of Heads of State and Government in June/July 2016 for adoption.
39. Regarding the **Pan African Stock Exchange**, a technical study has been carried out. The study recommended that a gradual approach, consisting of the adoption of regional virtual Stock Exchanges and closed cooperation across regional entities be adopted. The recommendation has since been adopted by the Ministers alongside the AMF.

40. Member States are urged to keep in mind the useful role that these financial institutions are supposed to play towards bridging the funding gap that undermines continental efforts to unleash the potential of the private sector, catalyze investments and ratify the Statute and the Protocol in order to allow for the establishment of the AIB and the African Monetary Fund.
41. **African Institute of Remittances (AIR):** Following the launch in November 2014, the African Institute for Remittances (AIR), a Specialized Technical Office of the Commission hosted by the Government of the Republic of Kenya, has been operationalized in 2015. The AU Flag was hoisted on 22 October 2015 at the office of the AIR in Nairobi, Kenya, to mark operationalization of the Institute. The main objectives of the Institute are: i) to improve the statistical measurement, compiling and reporting capabilities of Member States on remittances data so as to ascertain their true magnitude and impact; ii) to promote appropriate changes to the legal and regulatory frameworks for remittances and use of innovative technology so as to promote greater competition and efficiency leading to a reduction in transfer costs; and iii) to leverage the potential impact of remittances on social and economic development of Member States, with special emphasis on enabling the financial inclusion of beneficiary families.
42. The AU is looking forward to the adoption of the Structure of the Institute and calls upon the Government of the Republic of Kenya to meet its commitments, providing the office building as presented during the launch of the Institute; the secondment of Technical and support Staff; the office equipment; and allocating funding (US\$ 1million) for the year 2016. In 2016, the AIR activities will focus on i) provision of technical assistance on improvement of remittances data measurement; ii) identifying and promoting policy reforms to enhance remittances friendly to market situation iii) sharing of best practices and global experiences; and iv) creating better understanding on the mandates and roles of the AIR as planned for 2016.

Statistics Development Programme

43. In the framework of the monitoring and evaluation of socio-economic development process and in order to allow the harmonization of policies, there is a need for accurate statistics, which must be comprehensive and produced on a regular basis. To address this, the Commission has developed the African Charter on Statistics (ACS) and the Strategy for the Harmonization of Statistics in Africa – (SHaSA). The January 2009 Summit of the African Union adopted the ACS. However, as at date, only six Member States, have ratified the instrument as against the fifteen ratifications required for it to enter into force. While the Commission calls upon Member States to ratify the ACS., it is important to report that it has commenced action towards the establishment of two major continental projects, namely the Pan African Institute of Statistics (to be established in Tunis, Tunisia), and the Pan African Statistical Training Center (to be established in Yamoussoukro, Côte d'Ivoire).
44. In the perspective of fast-tracking the establishment of these two institutions, the Commission would like to recognize the efforts by Tunisia, including the allocation of financial, logistical and other resources for the establishment of the Pan African Institute of Statistics, as well as the efforts so far invested by Côte d'Ivoire towards the establishment of the Pan African Statistical Training Center.

Private Sector Development

45. Private Sector Development is a key component in deepening the integration process in Africa and the private sector is as an essential partner for achieving inclusive and sustainable growth.

Recognizing this role, the African Union Private Sector Forum, institutionalized in 2005, brings together, in a high-level policy dialogue platform, private sector representatives, government officials and academia from across the continent with a view to finding concrete solutions to challenges hindering private sector role in Africa's development.

46. Responding to these challenges, the Commission's efforts have contributed to the organization of Business Forums with external partners such as the European Union through the Africa-EU Business Forum (AEBF); the Africa-India Business Council (AIBC) and the Africa Arab Trade Fair in order to strategically connect the African Private Sector with foreign investors with the aim of taking advantage of continental and global developments. Through these platforms, the Commission works with Member States to help them adopt and implement policies in support of private sector development. It provides policies including business development services, regulatory reforms, and capacity-building, with a particular focus on strengthening local micro, small and medium sized enterprises.
47. A recent evaluation of AU support to private sector development during the past decade confirmed the important role played by the Commission in private sector development and identifies ways of improving future interventions in the framework of Agenda 2063 and Agenda 2030, which include: (i) putting emphasis on job creation; (ii) mainstreaming private sector development across various AU Programmes; (iii) promoting more cross-cutting issues such as gender, youth employment, and infrastructure development and (iv) bridging financial gaps through PPP.
48. With regard to the promoting and attracting investments within the continent, the Commission has completed the drafting and adoption by African Experts, of the Draft Pan African Investment Code (PAIC). The PAIC provides a continental and global policy framework for the attraction and retention of investments in Africa through a coherent and comprehensive policy framework to address the issues of sustainable and inclusive development in Africa through the lens of a private sector-led development. However, effective private sector development requires an enabling environment in creating conditions that would also attract Foreign Direct Investments (FDI) and encourage domestic investors and domestic resource mobilization.
49. To strengthen the role of the private sector, it becomes urgent and important to build on past achievements and lessons. In that regard, the Commission proposes to establish a strategic framework (Private Sector Development Strategy) to strengthen the role of the private sector in achieving inclusive and sustainable growth, add value and effectively complement actions by Member States, private sector organizations, development financing institutions and other development partners.
50. In that spirit Commission wants to remain an important partner of governments and business intermediary organizations in African countries for supporting the creation of an enabling business environment and the development of local enterprises that are equipped to create decent jobs, generate public revenues, and harness the opportunities offered by globally integrated markets. In so doing, the Commission plans to explore new ways of harnessing the potential of the private sector as a financing partner, implementing agent, advisor or intermediary to achieve more effective and efficient results, not only in the field of local private sector development, but also in other areas such as sustainable energy, sustainable agriculture and agribusiness, digital and physical infrastructure, and the green and social sectors. Strengthening the role of the private sector will require: adoption of the Private sector Development strategy during the 2nd STC of AU Minister of

Economy Finance and Monetary Affairs scheduled to take place in March 2016; and adoption of the PAIC by this 2nd STC.

Infrastructure development and the Integration agenda

51. Development of robust infrastructure in the continent would be the panacea for attaining inclusive and sustainable economic growth towards achieving Africa's development and integration agenda. The roadmap to achieving this would amongst others, include: expanding access to affordable energy for different uses; regional and continental transport networks and reducing cost of transportation; expanding access to information and communication technology and reducing cost of transactions in that respect, while increasing regional, continental and global connectivity.
52. In the course of doing this, it is important to outline some key challenges that must be overcome. They include:
- Lack of harmonized continental and regional policies, laws and regulations to facilitate regional and continental projects;
 - Inadequate project preparation capacity and lack of funding, leading to shortage of bankable projects;
 - Inadequate coordination and cooperation in the execution of regional and continental projects. For example, segments of the Trans-African Highways (TAH) that correspond to the priorities of the countries involved have been built, but segments that do not fit country priorities have stagnated;
 - The inherently complex nature of financing and execution arrangements for regional and continental projects, given rise to multiple country actors, and policy frameworks;
 - Lack of centralized coordination of the various old and new African and non-African initiatives on African Energy sector development and access;
 - Inadequate institutional capacities for delivering regional and continental infrastructure project as well as stakeholders inability to handle and deliver on due time. The lack of competences in this regard, constitute one of the key challenges in delivering on infrastructure, of which the AU Commission has prioritized its intervention in the context of the Programme for Infrastructure Development for Africa (PIDA) implementation.
53. To overcome these challenges and in line with the AUC Strategic Plans and various decisions of the AU Policy Organs, the following overall **strategies** were undertaken as medium and long-term solutions in collaboration with the NPCA, RECs, AfDB, UNECA, Member States, Specialized Institutions, Regional and Development Partners:
- Development of regional/continental strategies and frameworks for harmonization of policy and regulation;
 - Development of sector master plans (Transport, Energy, Telecoms/ICT and Tourism) in the context of the Programme for Infrastructure Development for Africa (PIDA);
 - Support Regional Economic capacity building to implement infrastructure programmes and projects in the context of the Programme for Infrastructure Development for Africa (PIDA);
 - Support the implementation of concrete projects in the AU/NEPAD Flagship Programme;
 - Coordination of key African institutions involved in sector activities;

- Advocacy for Africa's interests in the development of global infrastructure policy and regulatory frameworks; and,
- Promotion of partnerships for the development of integrated infrastructure.

Programme for Infrastructure Development in Africa (PIDA)

54. PIDA as adopted by the 18th Ordinary Session of the Assembly of the African Union in January 2012, is primarily aimed at facilitating continental integration and economic development in Africa through improved regional infrastructure mechanism, and is considered as the continental infrastructure master plan for each infrastructure sector. Its Priority Action Plan (PIDA-PAP) is made up of 51 key priority projects/programmes. The overall cost of PIDA is US\$ 360 billion for the period 2012-2040. The PIDA-PAP covering the period 2012-2020 will cost US\$ 68 billion.
55. Bi-annually, implementation Roadmap associated with joint planning work plan for the implementation of the PIDA-PAP for 2012 – 2020 has been developed. The implementation of 2015 work plan has led to the following major achievements:
- Pursuing implementation of capacity building programme supported by AfDB and German cooperation (GIZ) for NPCA, AUC and RECs for implementation of PIDA - PAP;
 - Resource Mobilization: setting up PIDA Service Delivery Mechanism (SDM) fund to prepare projects at early stage;
 - Promotion and engaging private sector in PIDA-PAP implementation by creation of Continental Business Network (CBN) whose objective is to provide an Infrastructure Investment Advisory platform for African leaders on a range of strategic issues like policy, investment risks, project structuring and specifically the existing constraints to the implementation of the PIDA projects. The Network will comprise leading African and global business and finance bodies as well as regional and international organizations. In addition, the CBN will engage and advance private sector priorities and requirements to invest in regional and cross-border projects;
 - Finalizing and Implementing PIDA-PAP Communication strategy remains a key achievement. Within that context, PIDA Communication strategy was reviewed and PIDA Communication Journalists established;
 - PIDA Week took place on 13 - 17 November 2015, in Abidjan, Cote D'Ivoire, to create synergies between all PIDA-related meetings like the Steering Committee, the Council for Infrastructure Development (CID), the Infrastructure Consortium for Africa (ICA), the NEPAD IPPF, the Continental Business Network etc. thereby harmonizing meetings that normally would have been organized separately;
 - Finalized and implemented PIDA Monitoring, Evaluation and Reporting (PIDA M&E) System according to the Institutional Architecture for Infrastructure Development in Africa (IAIDA). The system covered the mapping and defining of the role of countries and each institution involved.. It was used for the first time to generate the PIDA-PAP implementation progress report for the said PIDA Week;
 - Mobilized support for Regional Economic Communities for appropriation and implementation of projects and programmes of the PIDA-PAP. During the period under consideration the support was focused on (i) Capacity building programme for PIDA implementation; (ii) the Regional PIDA-PAP projects prioritization and specific action REC by REC. To that end the ECOWAS Infrastructure Group Meeting on 25-26 June 2015 held in

Abuja, Nigeria requested the AUC to finalize the Capacity Support preparation to some PIDA-PAP projects in ECOWAS and to support ECOWAS Infrastructure Master Plan development on PIDA up to 2030;

- Support to transport sector development within the Joint Africa EU Strategy (JAES) 2014 23017 Action Plan notably the operationalization of the Infrastructure Reference Group;
- Physical implementation on the ground, that include, amongst others, the implementation of the African Internet Exchange Systems (AXIS) project, the Eastern Africa Regional Geothermal Programme, Kaleta Hydropower Project of guinea completed and under operation; implementation of other hydro dam projects such as the Grand Ethiopian Renaissance Dam at 47% completion stage, and advancement recorded in the preparatory studies of INGA III Hydropower Project.

Transport Development

56. The African Union Agenda 2063 has clearly identified development of transport networks as a necessity for the physical integration and socio-economic development of Africa. It is still observed that Africa has not yet been able to benefit commensurately from its abundant resources due to inadequate transport infrastructure and services. The cost of production and distribution of commodities in the continent is the highest in the world to the extent that goods produced in Africa are hardly able to compete with goods from other regions even in the African market. The vast touristic attractions still remain out of reach to the global adventurous community.
57. The Commission has embarked on strengthening and consolidating management of the transport sector in the continent, a project that is supported by a 4 million Euros grant from the EU under the 10th EDF. The main objective of the project is to strengthen the capacity of the Department of Infrastructure and Energy in the African Union Commission in the fields of transport policy harmonization and transport sector and services development, the PIDA Priority Action Plan (PAP) for the start-up of smart corridor activities, and the Infrastructure Consortium for Africa (ICA) for implementing its strategic business plan; as well as edit and publish comprehensive transport sector guidelines. The specific initiatives being pursued include:
58. **Railway Transport:** The Vision 2040 for Railway Development in Africa, which was elaborated with the support of the International Union of Railways (UIC) underscores the fact that railways are the backbone of any credible transport network. The deterioration of African railways over the decades has undermined the effectiveness of African transport networks. The Vision, which was later endorsed by the AU Summit in June 2014, outlines strategies for revamping railway transport in Africa in cohesion with other transport modes. In that context, the Commission has undertaken practical steps by launching the Continental High Speed Train Project (CHSTP), as one of the flagship projects of Agenda 2063, with the objective of facilitating the elaboration and execution of plans for construction of identified high-speed railway routes across the breadth and width of Africa in the near future.

The CHSTP addresses all the key issues for sustainability of the initiative, including the appropriate legal and institutional framework, mobilization of financial resources and investments, development of technology and manufacturing capacities, research and development as well as training and education. During the year, a consultative mission to China was undertaken by the AUC from 25 to 29 May 2015 to discuss implementation modalities for the Memorandum of Understanding (MOU) on Cooperation in Railway, Highway, Aviation, Industrialisation and Development in Africa. The

focus of the mission was on the Continental Integrated High Speed Train project. The two sides agreed on an implementation framework including institutional arrangements for overseeing and managing implementation of the project. To begin with, a **joint AUC/China team of experts** has been set up and a joint **plan of action** and project **roadmap** has been elaborated. The joint team is now finalizing preparatory activities of the project.

After three decades of very little investments in rail infrastructure, there clearly is a revival in the sector. We are seeing national and regional initiatives in East Africa (to connect Kenya, Tanzania, Uganda, Rwanda and Burundi) and West Africa (3000 km rail project to link Benin, Burkina Faso, Niger, Cote d'Ivoire, Ghana, Nigeria and Togo) in the context of the PIDA Trans African transport network, as well as high speed initiatives of Egypt and South Africa, light rail in Ethiopia, rail connections between Eritrea and Sudan, the launch of the revamped Benguela Railway by Angola, DRC and Zambia, the commissioning of the Mchinji-Chipata railway line between Zambia, Malawi and Mozambique and revamping of railway infrastructure in many other countries that are in progress.

59. **Air Transport:** The African Agenda 2063 recognizes the special importance of air transport as a quick-win strategy for speeding up physical integration of Africa as it has minimal infrastructure needs compared to the other transport modes, which require heavy and long-term investments in infrastructure. The Commission has now decided to fast-track full implementation of the 1999 Yamoussoukro Decision on the Liberalization of Air Transport Markets and move towards the establishment of a Single African Air Transport Market by 2017. To that end, consultations have been and continue to be held with key stakeholders including African airlines, aeronautical authorities and others with a view to securing substantial support for the initiative.

In moving towards full implementation of the Yamoussoukro Decision and establishment of a single African air transport market the following key activities have been undertaken during the period under consideration:

- Adoption by the AU Summit in January 2015 of the Regulatory and Institutional documents of the Yamoussoukro Decision; Declaration of Solemn Commitment by eleven (11) Member States⁷ to the Agenda 2063 flagship project on implementation of the Yamoussoukro Decision towards the establishment of a Single African Air Transport Market; Launching of the project's Ministerial Working Group; and adoption by the AU Summit in June 2015 of the Road Map and Institutional Arrangements;
- To date, two (2) more countries have joined the single air transport market project and advocacy activities by the Commission and key stakeholders are on-going to urge more Member States to join the project. Furthermore, the Executing Agency, the African Civil Aviation Commission (AFCAC) is finalizing implementation framework for the project;
- Also, there are three (3) on-going projects under EU support for capacity building on aviation safety, security and satellite navigation services and applications in Africa. Steering Committee meeting was held in June 2015 to review and validate the interim reports of the projects and prepare for a continental meeting to adopt the projects' outcome tentatively in December 2015.

⁷ List countries:

60. **Maritime Transport:** In the course of implementing the Revised African Maritime Transport Charter the European Union has provided, under the 10th EDF, a 10 million Euros support to some maritime transport activities in Africa. The support specifically targets Africa's economic growth, connectivity and the promotion of regional integration. It covers the following components: (i) Harmonization of maritime safety regulations; (ii) Improvement of maritime safety through technical assistance and training; (iii) Upgrading maritime data in ports and regional exchange of data; and (iv) Increasing port efficiency, in particular at cargo handling terminals. This is an intra-ACP project whereby the ACP Secretariat is the executing agency with overall guidance being provided by a Steering Committee composed of the AUC, RECs, African specialised institutions and the EU. The project reached the Interim stage in November 2014. During the period under consideration, one Steering Committee meeting was held in June 2015 which reviewed on-going activities on maritime safety, security and protection of the marine environment including capacity building for Port State Control (PSC) and Flag State Implementation (FSI).

Energy Development Strategies and Initiatives in Africa

61. The Commission pursued a number of strategies and actions, including: accelerating development of renewable energy and other sources; facilitating regional and continental clean power generation and transmission projects; and, developing guidelines on renewable energy (Geothermal, Hydro, solar, bioenergy and wind) to contribute to socio-economic development.
62. **Africa Hydropower 2020 Initiative:** In the implementation of the Initiative, the Commission is supporting the capacities of the AU Member States and has in the process organized continental training workshop for advanced small hydropower plants. The training took place from 22 to 27 November 2015. Furthermore, a financial agreement was signed between the Italian Government and the African Union Commission as contribution to the budget for hydropower 2020 on capacity building for small hydropower in East African Community (EAC). The coordination of the implementation of the project is done in collaboration with East African Community (EAC). The project has already started in November 2015 and will be for a period of three years with an initial budget of 200, 000 Euros for the first year. This initiative is open for other potential partners to join.

Geothermal Risk Mitigation Facility (GRMF): The overall objective of GRMF is to encourage public and private sector developers by providing partial grants for surface studies leading to drilling and for reservoir confirmation drilling in order to mitigate the risk associated with geothermal resource exploration. This approach contributes to reducing risks and costs of early stage geothermal development. To this end, the African Union Commission is coordinating the Geothermal Risk Mitigation Facility (GRMF) programme for Eastern Africa that was set up in 2012 with financial support and collaboration from the German Ministry for Economic Cooperation (20million Euros) and the EU-Africa Infrastructure Trust Fund (30million Euros) through KfW. Since then there have been further contributions and efforts from different international partner organisations including ICEIDA, BGR, UNEP and USAID. DFID has recently joined the programme with a further contribution of 47 million British Pounds.

63. For the first application round of the GRMF, four projects have been awarded grant with total grant amount of USD 17 Million. In the 2nd application round, the GRMF programme was extended to include six (6) additional countries based on the great interest shown by developers in the first application round. The additional countries include Burundi, Comoros, Democratic Republic of Congo, Djibouti, Eritrea and Zambia. In the 3rd round launched in October 2014,

fourteen applications were submitted by Comoros, Djibouti, Kenya, Ethiopia, Rwanda, Tanzania and Uganda, with the evaluation result of 3rd round expected to be concluded by December 2015.

64. During the period under consideration the following activities were implemented: continued monitoring of the projects awarded in 1st and 2nd application round; completing the evaluations of applications submitted in 2nd round and signing grant agreements; finalized evaluation of the applications submitted in 3rd round; and the Commission also coordinated efforts towards the establishment of the Africa Geothermal Center of Excellence and the East Africa Geothermal Facility (EAGER).
65. **Bio-energy Policy and Strategy Framework:** In the implementation of the road map and action plan of the Bioenergy Policy Framework and Guidelines, the African Union Commission (AUC) in collaboration with the United Nations Economic Commission for Africa (UNECA), implemented a programme on Biofuel for Transport and Households. Seven case studies for Ethiopia, Kenya, Rwanda, Mauritius, South Africa, Burkina Faso and Cameroon were conducted, three regional capacity building workshops were organized in Mbabane, Swaziland on 06-08 May, 2015; in Arusha, Tanzania on 9-11 June, 2015, and in Accra, Ghana on 4-6 August 2015. The first Regional Training Workshop was organized in Cairo, Egypt on 14-18 September 2015 and the other two training workshops were organized in Port Louis, Mauritius on 9-13 November 2015, and in Dakar, Senegal on 14-18 December 2015.
66. **Africa-EU Energy Partnership (AEEP):** The Commission continues to implement the Africa EU Energy Partnership with the objective to achieve the 2020 agreed political targets of 10,000 MW in hydropower, 5,000 MW of wind energy, 500 MW for solar and tripling the installed capacity of other renewable energy sources, doubling the inter-regional electricity trade, the trade of natural gas between Europe and Africa. The prospects of achievements based on the pipeline projects continue to reflect that the targets will be exceeded. The AEEP will present an updated monitoring report in the next reporting period at the end of 2016.

In October 2015 the African side selected and filled two new Co-chair positions with Egypt representing Member States and COMESA representing the RECs. This brought the number of AEEP Co-chairs to six together with the African Union Commission – Department of Infrastructure and Energy, the European Union – DEVCO C5, Germany and Italy. In order to improve the coordination of Pan African Energy Initiatives, the African Union Commission, in collaboration with AfDB, NPCA, UNECA, UNDP, UNEP, SE4All, carried out a series of meetings that took place at the SE4ALL Annual Forum in New York in May 2015, the Vienna Energy Forum in June 2015, the Financing for Development Conference in Addis Ababa in July 2015, the AUC for African Stakeholders in September 2015, and the South Africa International Renewable Energy Conference (SAIREC) in Cape Town in October 2015. The final coordination meeting took place in December 2015 at the Africa Pavilion at COP21 in Paris presenting the results of a mapping exercise of the Africa Energy Initiatives and concluded on a harmonized coordination mechanism of all major Pan African Energy Initiatives through the Institutional Architecture for Infrastructure Development in Africa (IAIDA).

The AEEP through Africa-EU Renewable Energy Cooperation Programme (RECP), as part of capacity building for achieving the targets, in 2015 supported studies for the establishment of the Southern Africa Centre for Renewable Energy and Energy Efficiency (SACREEE) in Namibia and also the East African Centre for Renewable Energy and Energy Efficiency (EACREEE) to be situated at the Makerere University in Uganda. RECP also re-established a renewable energy Master's degree

programme at the University of Zimbabwe in cooperation with the University of Dar es Salaam, Tanzania and Makerere University, Uganda.

67. In order to speed up the access to sustainable modern energy in Africa, the African Union Commission, together with other stakeholders (AfDB, SE4ALL, IRENA, etc.) and led by the Turkish G20 Presidency, participated in the elaboration of the G20 Energy Access Action Plan for Sub-Saharan Africa that was approved at the G20 Ministerial meeting at the beginning of October 2015.

Information and Communication Technologies (ICT)

68. Based on the implementation of the strategic goals of the 2014-2017 and Policy organs Decisions, the Commission pursued a number of main strategies and actions, in ICT sector including the following:
69. The **Dot Africa (.Africa) Geographical Top-Level Domain Name (gTLD) project**: On the 26th of March 2014 in Singapore, the AUC selected operator -ZACR and signed an agreement with the Internet Corporation for Assigned Names and Numbers (ICANN) for the accreditation of DotAfrica, which was an historic moment for the continent. Africa has finally secured its **e-Identity** and now has a unified presence on the Internet and DotAfrica as a new Top Level Domain is designed for the promotion of African business, peoples and culture in the Internet.

The Political launch of the DotAfrica, took place on the 22 May 2014 in the context of the closing of the OAU/AU 50th Anniversary yearlong celebration. Following the signing of the Registry agreement by ICANN and ZACR, the DotConnectAfrica (DCA) contested and filed against ICANN for an Independent Review Panel (IRP). ICANN stopped further processing of the DotAfrica application until the IRP has ruled on the complaint filed by DotConnectAfrica. This IRP Review Panel process is delaying the technical launch of the dotAfrica Top-level domain. The activities undertaken in 2015 are:

- Comprehensive discussion on the status of the delegation of DotAfrica at the ICANN 53 Buenos Aires, Argentina, 21-25 June 2015;
- Close follow up of the Independent Panel Review on ICANN decision on DotAfrica with the development of various advocacy documents.

70. **African Internet Exchange Systems (AXIS) project**: The AXIS project is funded by the Euro-Africa Infrastructure Fund and the Government of Luxembourg through Luxembourg Development Agency and implemented by the AUC. The project aims at keeping Africa's internet traffic local, which would save more than US\$ 500 million charges to Africa by providing capacity building & technical assistance to facilitate the establishment of Internet Exchange Points and Regional Internet Exchange Points in Africa. The objectives of AXIS are to: (i) Support the establishment of Internet exchange points (IXP) in Member States of the African Union, Regional Internet Hubs and Carriers (ii) Establish a real-time and historical traffic data accessible via web-based visualization system; (iii) Develop a certificate curriculum on Internet Exchange technologies. The expected impacts of the Internet Exchange Points are therefore: reducing of delay/latency on local internet traffic in Member States; saving transit cost, increased number of new local online applications and increased quality of local access.
- For the period under consideration, the achievements include: the launch of the IXPs in Mauritius and Liberia; completed evaluation of the 2nd call for proposal of the RIXP grants for West, Central

and southern Africa; capacity building for Internet access providers (ISP) to grow to regional Internet; carriers (RIC) for Southern Africa, West Africa, Central Africa et North Africa; and grant support to selected IXP in Rwanda and Kenya to grow to regional IXPs. The AXIS project has to date procured and donated equipment and facilitated the setting up of Internet Exchange Points (IXPs) in Member States that demonstrated readiness.

71. The **Pan-African e-Network (PAeN) for Telemedicine and Tele-education:** The Government of India funded and implemented a Pan African e-Network (PAeN) connecting African Union Member States by satellite and fibre-optic, aiming at improving Tele-education, Tele-medicine, and Very-Very Important Personality Connectivity (VVIP) services. The project budget estimated at US\$ 150 million is totally funded by the Government of India over a 5 years period for the supply and installation of equipment and software, leasing satellite bandwidth and submarine fiber optic cable, operation and maintenance of the network and payment of fees of the Hospitals and universities that offer Tele Medicine and Tele Education services respectively
72. As of end of August 2014, the main achievements are a total of: (i) 18,208 students enrolled in various undergraduate and graduate disciplines in different Indian universities through the network, (ii) 606 Tele medicine consultations (iii) 4,390 Continuous Medical Education (CME) sessions. In 2013 African Party failed to set up as expected, a management structure to take over the management of the PAeN at the end of Indian assistance that was initially on 14 July 2014. Then, following negotiation with the Government of India to extend its assistance for 2 more years, the new transfer date will be 13 July 2016 and during this period, African Party should identify and implement a sustainability plan to effectively take over the management on 14 July 2016.
73. From the above, and following a decision of the AU Assembly, the Commission developed and submitted to AU Organs, a Sustainability Action Plan of the PAeN after its transfer to African Parties. But implementation of activities of the Action Plan was not done in 2015, and were delayed untill 2016 as no budget was allocated to PAeN in 2015.
74. **Analogue to Digital Terrestrial (ADM) Television Transition:** The deadline to switch-off the analogue broadcasting in Africa was 17 June 2015. However, it was noted that African countries are at various stages of the switch-over and except few who have completed their transition before the ITU deadline of June 2015 while many are in challenging situations (lack of financial resources and technical capacities, etc.) to switch-off the analogue services after setting up their committee and defining the strategy and the road map for the transition to Digital Terrestrial Television services.
75. The following actions were implemented for the period under consideration although the ADM project activities were not appropriately funded in the 2015 budget:
 - Organization of a joint AUC, AUB and ATU expert's preparatory meeting 12 May 2015, Addis Ababa, to review the transition status of the AU Member States and set up the African Technical committee (ATC) with focus on the appropriate practical modalities for the implementation of the strategy for the smooth transition.
 - Coordinated the development of the AUC-ATU-AUB joint report on the status of migration to full digital television

African Internet Governance Forum (AIGF)

76. The 4th African Internet Governance Forum (AfIGF2015) was held from 06 to 08 September 2015 in Addis Ababa, Ethiopia. The outcomes include recommendations on:
- Development of an African contribution to the WSIS+10 to address the absence of an African position on the matter;
 - Emphasizing the need to address access to information as a key development issue for Public Access to Information & Knowledge in the context of the Sustainable Development Goals (SDGs);
 - Need to review “connecting the next billion” as a Programme/Project by countries and stakeholders using Programme/Project best practices and methodologies;
 - Need for an African Safety mechanism for African e-consumers with an emphasis on Pan-African collaboration and cooperation in the prevention, investigation and prosecution of Cyber Crimes including issues related to effectively countering and combating spam;
 - Stress on the fact that Access to the Internet is essential for the full realization of human development and facilitates the exercise and enjoyment of a number of human rights and freedoms, including the rights to freedom of expression and access to information, peaceful assembly and association.
 - Results from the transition announcement made in 2014 by the U.S. Commerce Department (transition the stewardship of the IANA functions to the multistakeholder community; and Enhancing ICANN accountability);
 - Need for regulation on the specific context of Net Neutrality

Harmonization of Postal Policies & Regulations and Strategies for Postal Development

77. The key activities and achievements for this year include the developed TORs on (i) Develop Postal Master Plan and (ii) Guidelines on Postal e-Services; coordination of activities for the holding of the round table on leveraging postal networks for socio-economic development in Africa: finalization of pilot countries reports, design of format and agenda of the roundtable, identification of potential donors and drafting and sending of invitation letters; and sensitization of African postal community on expected postal contribution to the implementation of the AU Agenda 2063. The Commission also focused on the coordination of the AUC-PAPU-UPU joint project on connectivity of post offices in rural areas in Africa and the preparation of the related Roundtable of donors held on the margin of the 1st STC on Communication and ICT.

Outcome 4

Enhancing health, education and employment, underpinned by science, technology and research

Healthy lives and well-being for all, at all ages

HIV/AIDS, TB, Malaria and Infectious Diseases – Ebola in 2015

1. The Heads of State and Government approved the establishment of the Africa Centers for Disease Control and Prevention (Africa CDC) at the AU January 2015 Summit. . ASEOWA contributed to save life of thousands of people in the 3 most affected countries and supported investigation of 8153 cases and 49,493 contacts were successfully followed up. Time interval from on-set of illness to admission at the ETU decreased from 6 days in January to 2 days in February 2015 and the proportion of cases notified from contact list increased from 20% in Dec 2014 to 100% in March 2015.
2. The volunteers supported the Ebola case management, health service restoration, epidemiological surveillance, infection prevention and control, psychosocial, communication and social mobilization pillars. In these pillars, they worked in collaboration with the National staff, local and international organizations and this culminated in the control of the Ebola outbreak. The ASEOWA volunteers also supported capacity building of National and international staff
3. With the support of ASEOWA volunteers, the quality of case investigation and contact listing improved over time with an increased proportion of cases notified from listed contacts. The time interval from on-set of illness to admission at the ETU also decreased. ASEOWA volunteers were also deployed to two Ebola Treatment Units (ETUs) in Guinea, two in Liberia and two in Sierra Leone. High survival rates were recorded in these treatment units. Deployment of the mobile laboratory to Sierra Leone led to the reduction in turnaround between sample arriving in the lab and result getting to the clinicians. This improved the quality of the response with early onset of contact tracing and quarantine.
4. ASEOWA volunteers supported the implementation of Infection Prevention and control (IPC) Ring approach that effectively interrupted EVD transmission specifically in Montserrado County in Liberia. The volunteers contributed to the prevention and control of EVD among the health workers through capacity building of responders in their respective areas of work and also supported IPC in schools and health facilities. ASEOWA contributed immensely to the restoration of health services. The volunteers played a critical role in re-opening of hospitals that were closed, re-starting services that had been stopped and offered services in selected hospitals that were understaffed. This resulted in an improvement in health service utilization.
5. Massive scale down of ASEOWA operations started in May 2015 when the first groups of seconded volunteers exited the mission area. The last group of volunteers exited the mission area in September 2015.
6. A total of US\$ 76,800,498.08 was pledged to support the Commission in the fight against Ebola in West Africa out of which US\$ 56,850,463.08 were effectively disbursed. The Commission is particularly grateful to the partners, particularly to the African Private Sector for their generous contributions.

7. The AUC successfully conducted the African Union Support to Ebola outbreak in West Africa (ASEOWA) mission for the fight against the Ebola Virus Disease (EVD) in West Africa deploying 855 medical and public health cadres from 17 AU Member States. The AUC organised an International Ebola Conference that mobilised resources from Member States and mapped the economic and financial impact of the epidemic and what is required to achieve sustainable socio-economic recovery and reconstruction in the immediate to medium term. The Commission undertook a comprehensive evaluation of the ASEOWA and an Evaluation Workshop from 26-28 October 2015 in Seychelles. The objective of the workshop was to evaluate the planning and execution of the mission, the lessons learned and experiences gained, as well as to properly document all that transpired with a view to responding better to future public health emergencies of international concern and indeed, all humanitarian crisis. The Workshop facilitated the preparation of the final ASEOWA report for the PSC and the AU Assembly in January 2016. AUC-AIDS Watch Africa organised various high level events at continental and global levels towards increased domestic health financing.

Health, Nutrition and Population

8. The African Regional Nutrition Strategy has been revised and adopted for implementation from 2016-2025. Nutritional awareness amongst high level policy makers has increased significantly over the past few years, resorting from several advocacy efforts by the Commission, including the work of the AU Nutrition Champion, His Majesty King Letsie III of Lesotho. The implementation of the African Health Strategy has been advanced through the Pharmaceutical Manufacturing Plan for Africa (PMPA) and the Maputo Plan of Action on Sexual and Reproductive Health and Rights (MPoA), including the Campaign on the Reduction of Maternal Mortality in Africa (CARMMA) that has been launched in 45 Member States, resulting in remarkable reduction of maternal and child mortality on the continent.

Drug Control

9. The AUC promoted the implementation of the AU Plan of Action on Drug Control (2013-2017) by RECs and Member States. Overall research capacity was improved to collect data and analyse trends related to drugs at the AUC, resulting in a publication and regular newsletters. National inter-sectorial drug control coordinating committees are functional in 60% of Member States, and the AUC conducted training with drug control focal points in Member States, resulting in improved reporting on drug use and trafficking trends to refine future policy formulation for the continent.

Sport

10. The Commission coordinated the implementation of the Sport Policy Framework for Africa (2008-2018) and the Architecture for Sport in Africa and in particular coordinated the preparations for the 2015 African Games with the Host Country, Republic of Congo and members of the African Sport Movement. The DSA further facilitated the restructuring the Seven (7) Sport Development Zones of the former Supreme Council for Sport in Africa into five (5) AU Sports Development Regions, which would streamline sport for development and development through sport.

Well-educated citizens and a skills revolution, underpinned by science, research and innovation

11. The Plan of Action for the Second Decade of Education for Africa (2006-2015), followed by the new Continental Education Strategy for Africa for 2016-2025 (CESA 16-25), the Continental

Technical and Vocational Education and Training (TVET) Strategy and the Science, Technology and Innovation Strategy for Africa (STISA) provides the overall policy framework to ensure the achievements of an African skills revolution as envisaged by Agenda 2063 and to achieve the Sustainable Development Goals by 2030. Within this, special attention is paid to young people, and to girls and women's education.

Promoting universal and quality basic education

12. **Pan African Institute for Education for Development** The Institute (IPED) is a specialized AU institution, with the responsibility to function as Africa's education observatory. IPED is responsible for the implementation and hosting of the Education Management Information System for Africa (EMIS). This is to develop and monitor processes towards quality, responsive, inclusive education development that meets the individual and collective goals and build human resources and intellectual capacity in the continent.

Recruitment of the IPED Coordinator was finalized, while recruitment for the other positions is underway with the approval of the 2016 regular budget. Efforts are underway to get agreement from the 11 members (Angola, Benin, Burkina Faso, Central African Republic, Congo, Gabon, Gambia, Guinea, DRC, Senegal and Sudan) of the original Executive Committee of IPED to facilitate clearing of the outstanding debt of around USD 3 million. Clearing this debt is urgent for IPED to carry out its important task as the African Education Observatory and Member States are called upon to commit to clearing the debt.

The continental Education Management Information Systems (EMIS) presents perhaps the most crucial area of focus in education development. Robust EMIS is essential for effectual policy development based on sound, accurate, timely and meaningful statistical information, enabling accurate portrayal and accounting of the education situation necessary for good planning and development of appropriate interventions. Working with partners, the Commission has helped RECs to develop their own regional EMIS Norms and Standards (based on the continental framework) using the expertise of EMIS experts in Member States' Ministries of Education. To date, SADC, ECOWAS and EAC have adopted their EMIS Norms and Standards codes of practice and are currently assessing Member States compliance on these frameworks through peer review.

13. **Teacher development:** The Pan African Conference for Teacher Development (PACTED IV) was held during the 1st STC-EST. The Ministers reiterated the need to improve the status and working conditions of teachers as a prerequisite for quality education. The Ministers also recommended the continuation of the AU Teachers Roadmap and its alignment with CESA 16-25 and amendments to the Roadmap. A study on the living and working conditions of the teacher in the African education system is advertised to start during the last quarter of 2015. The outcome will inform strategies to valorize the teaching profession.
14. **International Centre for the Education of Girls and Women in Africa:** The African Union - International Centre for the Education of Girls and Women in Africa (AU/CIEFFA) is a specialized institution of the African Union since 2004, dealing with women and girls' education, and a UNESCO Category 2 institution. Following the Assembly Decision, on studies to be conducted on the operational modalities of the AU/CIEFFA, discussions have been held with legal experts. The centre this year started recruiting short-term and regular staff as per the approved structure. A fact-finding mission was carried out to discuss on existing agreements, look at the infrastructure status, initiate the inventory of current human resources of the centre, its financial

situation, the office materials and logistics available, as well as the relationship of the Centre with the Government of Burkina Faso and other partners.

There are on-going discussions with partners for resource mobilisation for the activities underlined for the Centre's Strategic plan for 2015-2017, with its focus on four strategic priorities: (i) legal frameworks for rights of girls and women in schools and universities; (ii) gender-responsive curricula in schools and universities; (iii) retention of girls in schools; and (iv) documentation, advocacy, communication and publications. The AU/CIEFFA in collaboration with UNESCO is preparing in-depth case studies of countries providing education to diverse groups of learners, with special emphasis on girls' education in the five regions of the continent.

Development and harmonization of African Higher Education

15. **Pan African University:** The Pan African University (PAU) continues to evolve as an African Union flagship project designed to foster excellence in African higher education and research, and serve as a driver of innovation, relevance and competitiveness for the continent's education sector. The 2015 AU January Summit elected the President and Vice President of the PAU Council and directed the Chairperson of the Commission to constitute the broader membership of the Council. PAU Council members were subsequently appointed from among representatives of the AU Commission, Member States, Regional Economic Communities, the PAU Rectorate, PAU Institutes, staff, students, host universities, partners, academia, the African diaspora, the private sector, and civil society, in accordance with provisions of the PAU Statute. The PAU Council held its inaugural meeting on 25 June 2015 at the Commission Headquarters, and an extraordinary meeting from the 22 to 23 October 2015.

The January 2015 Summit designated the Republic of Cameroon as host country of the PAU Rectorate. The Commission has taken steps to ensure the relocation of the Rectorate to Cameroon, including an official request for the Government of the Republic of Cameroon to submit a report on the state of preparations for hosting the Rectorate and a visit to the country led by the President of the PAU Council on the 16 and 17 of September 2015, in order to meet the relevant government authorities and develop a roadmap for the relocation of the Rectorate. Key milestones of the joint roadmap include signing of the Headquarters Agreement during the January 2016 Summit and the relocation of the Rectorate to Yaoundé by the end of March 2016.

Under the PAU framework, the University constitutes five institutes distributed across Africa's five regions. Four of the PAU's institutes in the Western, Eastern, Central and Northern regions are operational, and the first batch of students graduated in November 2014 at the PAU Institute for Basic Sciences, Technology and Innovation (PAUSTI) in Kenya. The PAU Institute for Life and Earth Sciences (including Health and Agriculture) PAULESI, in Nigeria; and the PAU Institute for Governance, Humanities and Social Sciences (PAUGHSS) in Cameroon, graduated their first cohorts of Masters and PhD students in November and December of 2015 respectively. South Africa was nominated by SADC to host the PAU Space Sciences Institute on behalf of the Southern region. An AUC delegation led by the Commissioner for HRST paid a working visit to South Africa in March 2015, to kick-start negotiations for the establishment and operationalization of the PAU Space Sciences Institute. The two parties agreed on a joint roadmap, and officials on both sides have since been communicating and consulting on how to move the process forward.

16. **Nyerere Programme:** To encourage the participation of young African students with physical disabilities in Masters Programmes, a special call of the Nyerere Scholarship was made in 2015 only for applicants with Physical Disabilities and 40 candidates were selected to be considered for

scholarship award. Under the expanded Nyerere Programme jointly managed with the European Commission, 15 networks involving 72 Universities from 34 Member States are implementing intra-African academic mobility. The mobility scheme comprises partial studies and full degree programmes at Masters and PhD levels.

17. **Harmonization of higher education:** In implementing the *African Union Harmonization Strategy for Higher Education*, the Commission works with UNESCO to facilitate the ratification and implementation of the Revised Arusha Convention on the Recognition of Academic Qualifications adopted in December 2014 in Addis Ababa. Member States are urged to expedite the establishment of a Working Group for the implementation of the Addis Convention by designating a country focal point to follow-up and expedite the ratification process.

In collaboration with the European Union, a pilot project for harmonising curriculum development using the tuning approach has been successfully carried out by designing learning outcomes and competencies for selected subject areas. A second phase of tuning project is launched in 2015 that is scaled-up to 110 universities from 42 countries, and with eight subject areas.

The Commission initiated the development of a Pan-African Quality Assurance and Accreditation Framework (PAQAF), in collaboration with the European Commission and the Association of African Universities. A validation workshop was held in July 2015 involving national and regional quality assurance and accreditation agencies, directors of ministries for higher education, and quality experts to reach consensus on the process of establishing a PAQAF and possible operational modalities. The mandate, roles and functions of a Continental Accreditation Agency were also identified. The validated Framework is to be considered by the AU Assembly. Meanwhile, the African Quality Rating Mechanism (AQRM) is advocated to ensure that it is adopted by African Universities as one of the mechanisms for assessing and improving quality of higher education through self-evaluation exercises and external validation.

The harmonization of higher education is a critical part of the integration project, and key to ensuring skills mobility and research and scientific cooperation in the continent. The AUC, UNESCO, and EU thus agreed to engage the Parliaments of Member States to expedite the ratification process of the Addis Ababa Convention.

Skills Development & Technical, Vocational and Education Training (TVET)

18. In implementing the Continental TVET Strategy adopted by the AU Summit in 2013, the Commission is focusing on skills portability at continental and regional levels through the development of continental and regional harmonisation and qualification frameworks to promote labour mobility and African integration. The Commission in partnership with USAID and FHI 360 organised an exhibition of 20 model TVET Centres serving as examples of best practice of TVET in Africa, and provided prototypes and Learning models for enhancing TVET models in Africa. Ten of the Centres, two from each African region, were fêted during the first session of the STC on Education, Science and Technology.

Review of Second Decade of Education for Africa

19. As the Second Decade of Education for Africa came to an end, the AU Summit requested Member States to evaluate implementation of the Plan of Action for the 2nd Decade of Education in respective countries, to follow up on the end-term evaluation and develop a new ten-year strategy for education in line with the aspirations and expectation of African citizens and Agenda 2063.

20. To implement this decision, and for African countries to contribute to the development of the global education goals in the post 2015 Sustainable Development Goals, an extra-ordinary session of the Bureau of COMEDAF VI was held in Kigali, Rwanda in February 2015. At the same time, UNESCO had called for a meeting of Ministers for sub-Saharan Africa for the same purpose. The COMEDAF VI Bureau meeting discussed the end-term evaluation of the Second Decade of Education for Africa, the Education For All campaign (EFA); and the development of the next African Strategy for Education; and perspectives to be taken on board in the global discussions. The AU Commission and the COMEDAF Bureau VI were invited to synthesize the EFA evaluation for North Africa with that of the SSA, to complete the key aspects left out of the report and to move forward with development of the continental education strategy 2016-2025.
21. At the UNESCO meeting of Education Ministers, held in Kigali, Rwanda from 9-11 February 2015, 45 sub-Saharan African countries made presentations on progress made in education since 2000, as well as national reviews in preparation for the post 2015 education agenda. Issues highlighted and discussed ranged from Early Childhood Care and Education (ECCE), to Universal Primary Education (UPE), educational needs of youth and adults, and adult literacy. Attention was also given to issues regarding quality, equity, inclusiveness, and gender parity in education on the African continent.
22. It was agreed that the post-2015 education agenda needs to be anchored in a lifelong learning and sector-wide perspective that would address access, equity and quality for all – children, youth and adults - at all levels of education from ECCE to higher education and adult learning, and across formal, non-formal and informal sub sectors. Africa was well represented at the luncheon at the World Education Summit, which concluded the global education development goals for 2030, as contribution to the post 2015 Sustainable Development Goals.

The Continental Education Strategy for Africa 2016 – 2025 (CESA 16-25)

23. Taking into account the reviews of the Second Decade of Education, and the consensus on the post 2015 education goals, the Commission drafted the Continental Education Strategy for Africa 2016-2025. The strategy envisions “a transformed and integrated African education and training system geared towards the development of knowledge, skills and values for achieving the vision of African Union.” Its mission is to “reorient Africa’s education and training systems to meet the knowledge, competencies, skills, innovation and creativity required to nurture African core values and promote sustainable development at the national, regional and continental levels.
24. The new strategy moves away from prescriptive and minimalist goals of human rights, and calls for human empowerment and creating enabling conditions to help individuals and nations to realize their potential. It addresses the need to deliver better living standards, higher levels of quality employment, entrepreneurship and innovation, through establishment of robust and dynamic inter-sectoral linkages; while also addressing Africa’s quest for increased capacity, and human capital development, as a key to realizing that common developmental approach the continent has taken. The draft strategy demands that education and training programs be directly linked to national human resource development programs as well as national social economic development visions. It demands pedagogic discipline and curriculum development and delivery mechanisms that respond to the aspirations expressed in Agenda 2063.
25. The Commission convened a workshop involving experts from Member States of the COMEDAF VI Bureau and others, RECs and partner agencies, to produce Draft Zero of the strategy, which

was circulated to Member States, RECs and education agencies for input. The strategy will be the basis for designing and implementing programs at the continental, regional and national levels. CESA was endorsed by the 1st ordinary session of the STC-EST and is ready for presentation to the January 2016 AU Summit for adoption.

Inaugural Session of the Specialized Technical Committee on Education, Science and Technology

26. The 1st Ordinary Session of the Specialized Technical Committee on Education, Science and Technology (STC-EST I) was held at the African Union Headquarters in Addis Ababa, Ethiopia from 27-30 October 2015. The Ministerial Session followed the Experts session on the 30th October 2015. The Session elected the Bureau of STC-EST 1, considered the reports in the areas of Education and Science and Technology, from the Partners and Civil Society; and endorsed draft Continental Education Strategy for Africa.
27. The Ministers also called for the establishment of a multidisciplinary technical committee of African experts under the chairpersonship of the AUC and the support of institutions such as the WFP and the Center of Excellence Against Hunger in order to undertake a general study on the relevance and impact of school feeding in the AU Member States. The Ministers made recommendations on Technical and Vocation Education and Training, called for restructuring and reforming TVET systems and collaboration between the TVET sector and industries as well as the private sector.

Science, Technology and Innovation Strategy for Africa 2024 (STISA-2024)

28. Following the adoption of the Science, Technology and Innovation Strategy for Africa (STISA-2024), in June 2014 by the Heads of State and Government, the Commission and NEPAD Agency led the development of an Implementation Framework for STISA-2024, to mobilize and guide different implementing agencies to participate in the implementation of STISA-2024, and the overall Agenda 2063. An experts drafting team was established to elaborate the framework.
29. The first document developed was an Action Plan for implementing the Pillars of STISA-2024 to improve and strengthen science, technology and innovation capacities at the national, regional and continental levels through building and upgrading research infrastructures, enhancing professional and technical competencies, promoting innovation and entrepreneurship development and creating an enabling environment for STI. The Implementation Framework for STISA-2024 was considered by the First STC on Education, Science and Technology, which urged the Commission, the NEPAD Agency, Member States, RECs and Partners to ensure the systematic development of appropriate flagship programmes that address the priority areas and pillars of SITISA-2024 according to its timeframe and periodically provide the monitoring and evaluation reports.
30. **African Union Research Grant Programme:** Through the 15 million Euro Financing by Agreement between the European Commission and the ACP Group of States/ 10th EDF Envelop, the AUC launched the African Union Research grants to support research in Africa, and to build AUC institutional capacity to manage a competitive system of research grants. A 3rd Call will be launched in early 2016, focusing on “food and nutrition security and sustainable agriculture” valued at 10M Euros funded by the EU Pan-African Programme (PanAf). To highlight and create the necessary awareness of the successes recorded, the Commission prepared a summary book of all projects and a short documentary to capture the outcome of the projects and its progress. Some of

the projects were planned to be exhibited at the COP 21 demonstrating the potential of the programme to contribute to combating climate change.

31. **African Union Kwame Nkrumah Scientific Awards:** The Commission, in collaboration with its development partners, launched several projects aimed at raising public awareness and understanding on the central role of science and technology, and its deployment as a tool for socio-economic development. The African Union Kwame Nkrumah Scientific Award extends scientific prizes to outstanding African scientists at the national, regional and continental levels. Within the last 12 months, 11 prizes have been awarded at national level to young scientists. The regional component of the programme, implemented through the Regional Economic Communities, will hand out a prize of USD 20,000 for each of the regions of the continent. In addition, two continental prizes of USD 100,000 each were awarded during the January summit in 2015.
32. **Africa – EU STI High-Level Policy Dialogue:** The the EU-Africa High Level Policy Dialogue (HLPD) on Science Technology and Innovation was endorsed by Africa-EU Summit in Tripoli in 2010 and is embedded in the Joint EU-Africa Strategy (JAES). The HLPD agreed to work towards a long term jointly funded and co-owned Research and Innovation Partnership. The first priority agreed on is the role of science, technology and innovation in food security, nutrition and sustainable agriculture as a first priority. As a consequence, the HLPD tasked an expert working group (EWG) to prepare an initial roadmap, setting out short, medium and long-term-milestones. The EWG proposed that this R&I Partnership be organized around selected themes, which are central to food security, nutrition and sustainable agriculture. The EWG also identified three indicative research themes and a set of cross cutting areas. The draft roadmap will be considered by the HLPD in March 2016.
33. **African Union Biodiversity Program:** The 16th Ordinary session of the Assembly of Head of State and Government of the African Union decided to include biodiversity among its priorities, and called on Member States to become Parties to the Convention on Biological Diversity (CBD) and its Protocols, including the Nagoya Protocol on ABS. The 15th session of the African Ministerial Conference on the Environment (AMCEN) in March 2015, considered and adopted the draft African Union Guidelines on ABS; this was consequently adopted by the Assembly in June 2015. The Guidelines contains a ‘Strategic Framework’ with policy direction to Member States and ‘Technical Guidelines’ that elaborates step-by-step actions to be taken by the relevant players in ABS implementation in Africa. In the course of the year the Department has been popularizing the AU Guidelines at important regional and international forum.
34. **African Space Policy and Strategy:** Space applications are critical for the realization of the Agenda 2063 vision and form a core part of the delivery of STISA-2024. Institutionalizing of a formal African space sector presents a unique opportunity for cooperation, and sharing of resources and enabling infrastructure amongst Member States. In 2010, the Ministers in charge of Science and Technology (AMCOST) established the African Union Space Working Group to develop a Space Policy and a Strategy for Africa, as the first in a series of instruments towards an African Outer-space Programme as articulated in STISA-2024 and the broader AU Agenda 2063, and relevant decisions of AU policy organs. The Working Group produced draft Policy and Strategy, adopted by the Inaugural STC in 30 October 2015. The final documents will be presented for consideration to the Summit in January 2016.
35. **Global Monitoring for Environment and Africa Programme:** Global Monitoring for Environment and Security (GMES) and Africa is an enhanced long-term EU-Africa cooperation

programme on Earth Observation Systems to enable the two continents address common global challenges, and build institutional, human and technical capacities in Africa for the access and exploitation of Earth Observation-based services. A Cooperative Agreement between AUC and EC was signed in 2014 for implementation of the first phase, based on 3 thematic areas: (i) Long term Management Natural Resources (ii) Water Resource Management; and (iii) Marine & Coastal Areas. This phase, building on the Monitoring of Environment and Security in Africa (MESA) will be launched in 2016.

36. **African Observatory for Science, Technology and Innovation:** As recommended by the 25th ordinary session of the Assembly of the African Union, the African Observatory for Science, Technology and Innovation (AOSTI) consolidated its draft Statutes for presentation to the Specialized Technical Committee on Justice and Legal Affairs for consideration; the Statutes were amended and ready to be submitted to the 26th Ordinary Session of the Assembly for adoption. The Directorate of education, science and technology of the Economic Community of West African States (ECOWAS) and AOSTI are jointly monitoring and evaluating the scientific production of the ECOWAS region. This study will be published by December 2015 in the Bibliometric series of the African Innovation Outlook spearheaded by AOSTI. The study will include detailed scientific production of each of the 15 Member States of ECOWAS; as well as provide aggregate statistics for other regional economic communities and the continent as a whole. Member States are encouraged to use this publication in their processes of STI policy formulation and implementation. ECOWAS has pledged US\$137,000 for this study, which is part of the execution of the MOU between the AU Commission on behalf of AOSTI and the ECOWAS Commission.
37. **Science and Technology framework for Detection, Identification and Monitoring of Infectious Diseases of Humans, Animals and Plants in Africa:** The AU Science and Technology Framework for the Detection, Identification and Monitoring of Infectious Diseases of Humans, Animals and Plants in Africa endorsed by the Executive Council EX.CL.766 (XXII) in January, 2013 calls for the establishment of an AU Network of Infectious Disease Surveillance as an effective network of national and regional centres of excellence in all the AU levels. The following Member States designated the National Centres of Infectious Disease Surveillance (NatCIDS) Algeria, Egypt, Ethiopia, Ghana, Mali, Niger and Nigeria and the process is ongoing. A draft legal agreement was sent for clearance to the AU Legal Counsel, and made ready for signature. Consultations with RECs are ongoing to identify their Regional centres. East African Community (ECA) nominated the Integrated Disease Surveillance Network as the regional hub (RCIDS) for the AUNIDS, which was endorsed by the ECA Council of Ministers in October 2014. While modalities are put in place for the initiation and take up of WACIDS⁸. Two collaborative networks were identified and partnered with (Southern African Centre for Infectious Disease Surveillance (SACIDS), and the Connecting Organizations for Regional Disease Surveillance (CORDS).

As a response to the Ebola outbreak STRC with SACIDS⁹ and partners organised workshops on “Lessons learned from past Ebola Disease outbreak risk management”. The outcome centred on improved infectious control, communication, capacity building, collaboration, coordination and network-working. The outcome of the meeting resulted on a tripartite CORDS, SACIDS and STRC to develop Intensified Preparedness Programme (IPP) on building capacity in communication and community work to better manage Ebola outbreak initiative.

⁸ Western Africa Centre for Infectious Surveillance

⁹ Southern Africa Centre for Infectious Surveillance

38. **AU Network of Sciences:** The African Union Network on Sciences is a virtual network that involves a wide range of individuals/institutions working together to address Africa's scientific and technological development challenges. It is a platform for African scientist, engineers, innovators, inventors and technology developers to interact, cooperate, exchange information/knowledge and complement one another in research and academic work. It is an innovative way to enhance brain circulation and link African-based scientists and those in the Diaspora. The project is to be implemented in four phases.

STRC conducted a survey on existing Scientific networks, virtual or physical, to develop the network data-base. STRC recorded achievements in identifying over 163 institutions and obtaining database of members of different networks and institution and assembled a database of over 2000. The STRC is working with African universities and research institutions to furnish the network with their data bases. TWAS¹⁰ offered to support and partner with STRC in the development of AUNS project and graciously unveiled its database to STRC while the African Academy of Sciences (AAS) has provided the AUNS with the database of its fellows.

The Network's E-portal, modules, data base and digital library are in design stage where currently the consultation between the STRC and Management Information Service (MIS) Division resolved that it is economical to out-source the hosting while a back-up should be in STRC. The Bibliotheca Alexandrina (library of Alexandria) has offered to partner with STRC and assist in the design, construction and hosting of the network portal.

39. **Project on the Documentation and Protection of African Indigenous Knowledge:** Under this project, the *Volume one 2nd edition of the African Pharmacopeia* was produced. The first edition of the African Pharmacopeia book was published in 1985 and since then there had been progresses made in the field technically and scientifically in other continents' pharmacopeia. The STRC was able to finalize the 2nd edition of the African Pharmacopeia with an updated data on the plants identified under the 1st edition, and in addition, 100 plant species were included in the book along with a photo glary. The book was dispatched to all Member States and specialized institutions. The office will start work on the **Volume two 2nd edition of the African Pharmacopeia** that involves general methods of analysis, physical, chemical, biological including efficacies of species.
40. **Africa's STI challenges and Climate Change:** This is a continuing project that analysis the impact of climate change on the continent. The STRC carried out a survey on Green Innovation Policy in the continent, with results showing that the greater proportion of Member States do not have green innovation policy. Among the RECs only SADC has one. The survey was carried out with aim of developing a framework for the continent. The STRC developed a document titled; 'Africa's STI challenges and Climate Change' and it is ready for publication.
41. **African Scientific Research and Innovation Council:** Preliminary actions were taken by the Commission on the implementation of the African Scientific Technical and Research Innovation Council (ASRIC) as per decision EX.CL/766(XXII) and EX.CL/839 in the course of the year. While awaiting the endorsement of the ASRIC Statute by the Justice and Legal STC, the STRC and the Commission worked on the modalities for launching the ASRIC, including the organization of the first ASRIC conference for a later stage. Members of the Organizing Committee were drawn from the RECs and STI institutions in Africa. The members had their first meeting on the margins

¹⁰ Third World Academy of Sciences

of the Validation Workshop of STISA-2024 Implementation that was held on the 8th September 2015, in Accra, Ghana to familiarize with updates on ASRIC. Thereafter, terms of reference was drafted for the members of the organizing committee. Planning meeting was held in Abuja, Nigeria, for the second time on the 9th of October 2015. During the second meeting, agenda for the proposed First ASRIC meeting, guidelines for selection of members of ASRIC bureau, thematic and Programmatic Scientific Sub-Committee were drafted.

Investing in Africa's young men and women

42. **Youth Policy Frameworks:** Since the launch of the *African Youth Charter* in Banjul in 2006, the Framework has been signed by 42 Member States and ratified by 37. The Government of the Gambia has offered to host the 10-year celebration of the Youth Charter in Banjul. A concept note has been completed and a preparatory committee set up to start preparations towards the event scheduled for May 2016.
43. **The Youth Decade Plan of Action Plan:** To align with current AU strategic documents such as post 2015 agenda, Agenda 2063 and emergent Youth Development issues, the Commission is reviewing the Plan of Action. The Draft Guidelines for Mainstreaming Youth in the African Union and Continent-Wide Activities has been developed and is awaiting validation and endorsement. The Youth voice is being taken into account in the review process through the AUYVC and other youth.

African Union Youth Volunteer Corps (AU-YVC): AU-YVC is an African Union's initiative for youth capacity building, empowerment and participation through volunteer action. Since its launch in December 2010, AU-YVC has recruited and trained 258 young professionals and deployed over 140 in the AU, other international and regional institutions and to Member States across the continent. Revitalization of the AUYVC programme is currently on-going in order to strengthen Youth volunteer initiatives at national, regional (RECs) and continental levels and ensure the programme delivers on its mandate. As a result AU-YVC is expected to boost its capacity to deploy more volunteers as well as provide technical assistance to Member States and RECs in setting up their volunteer initiatives. The new programme will promote volunteerism at the RECs and Member State levels. The greatest challenge is finance and Member States are requested to provide support since the programme benefits all. For the 2016 programme, a two-week call for proposals went out, and the Commission received over 8,000 applications from young people and students. Due to financial resources, only 100 volunteers, although we have a database of at least 1000 young men and women who qualify.

44. **Youth Participation:** To enhance youth participation, empowerment and civic engagement, the following activities were undertaken at continental level: (i) the 2nd continental Africa Model United Nations, in collaboration with the Model United Nations of Addis Ababa University on the theme, "*African Diplomacy on multiple fronts*"; (ii) the 3rd Intergenerational Dialogue with the Pan African Parliament and African youth under the theme "*Promoting a culture of good governance for citizen's action for empowerment of young women, as well as youth innovation and entrepreneurship*"; celebrations of International Youth Day under the theme, "*Youth Civic Engagement*." and the African Youth Day under the theme "*African Year of Human Rights towards Agenda 2063 – the Africa we want*." An intergenerational dialogue is also planned for the January 2016 Summit.
45. **Youth Empowerment and Wealth Creation:** The programme on Youth in Science Technology and Innovation for empowerment and wealth creation in Africa is to build the capacities of youth in

Africa through the use of STI for self-development and community prosperity. The project will support micro businesses, and/or similar institutions that are based on technology transfer, adoption, and diffusion in Member State as stipulated in the STISA 2024 priority areas 'Live Together-Build the Society' and 'Wealth Creation'. It will also expose communities to environmental friendly technologies that address their daily challenges such as Water and Sanitation, Healthcare, Energy, Food, Agriculture & Environment, Housing and Construction, Waste & Recycling, and ICT. A project document was done and the first phase of the project is targeting at leveraging and building individual experience and capacities of young people to utilize basic technologies for their economic sustainability, integration and community development.

46. A comprehensive elaboration of the Youth and Women Employment pillar of the First Five Year Priority Programme on Employment Poverty Eradication and Inclusive Development was also undertaken. This is in line with the implementation of the Ouagadougou +10 declaration and Plan of Action. The Commission is working on this programme with the African Development Bank, the UNECA and the ILO.

Outcome 5

Resource mobilization to enable African self-reliance

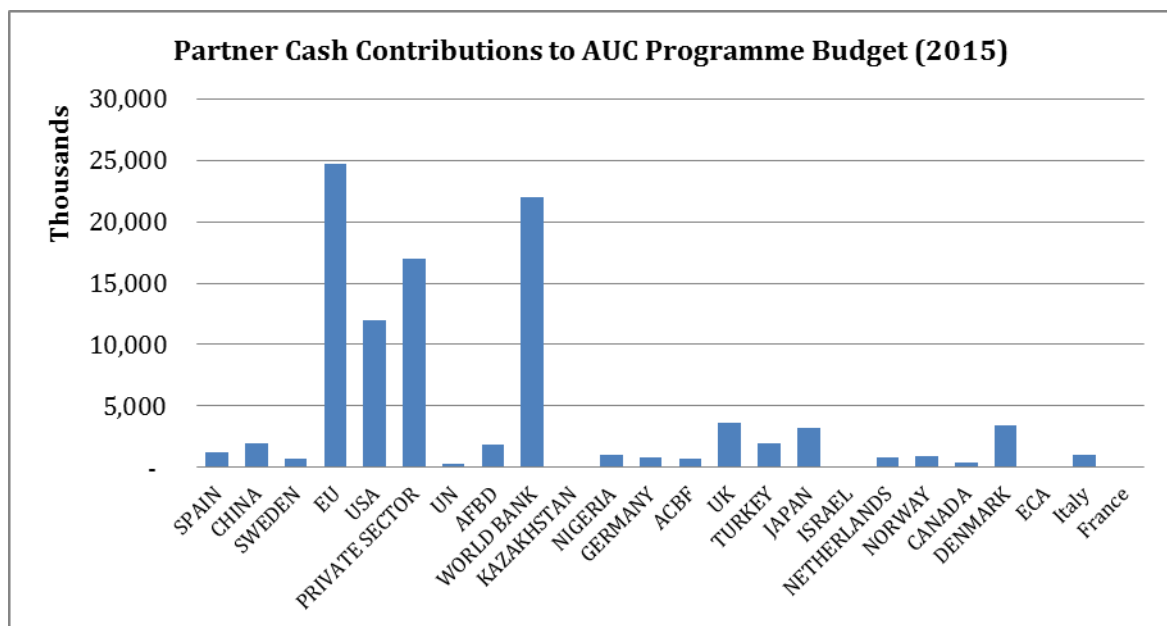
Alternative sources of Funding

1. The AU Summits in January and June 2015 were again seized with the issue of moving towards greater self-reliance in mobilizing domestic resources to fund continental programs, institutions and operations. In June 2015, Heads of States and Government of the African Union adopted the Declaration on Self-Reliance, which included the decision on alternate sources of funding, The revised assessed contribution and Scale of Assessments that will become effective from January 2016 whose objective is to ensure that in the medium term, Member States would fund 100 percent of the operating budget, 75 percent of the programme budget, and 25 percent of the peace and security operations.
2. The Commission and Organs must of course ensure that we maximize revenue, minimize wastage and ensure effective utilization of our resources.
3. Summit also acknowledged the work of the African Union Foundation, and the contributions of the private sector to the AU Ebola efforts through the Africa Against Ebola Solidarity Trust. The AU Foundation was officially launched at Summit in January 2015, and the Council of the Foundation at its meeting in May 2015 set up the interim Secretariat to be based in Johannesburg for an initial period of two years.

Budgeting and Resource mobilization in 2015

4. The Commission presented the 2016 Annual Budget Framework paper and Budget for adoption at the June 2015, and prepared the 2017 Budget Framework document based on the following underlying principles: results and accountability for delivery; efficiency, effectiveness, discipline and transparency in the sourcing and use of resources; oversight by the PRC Sub-Committees to ensure streamlining, legitimacy and alignment with mandate and goals of Agenda 2063; efforts within the Alternative sources of funding framework to ensure sustainable funding of AU operations and programmes with domestic funding; robust accountability and oversight mechanisms; and observance of the principles of subsidiarity and complementarity.
5. **2015 Budget:** The Union policy organs adopted a total budget of USD 393,037, 453, with 142,687,881 for operations and a USD250,349,572 programme budget. Member States committed 37% of this total budget as per the agreed Scale of Assessment, and the Commission had to raise the remaining 63% from development partners. Member States contributions cover the Operational segment of the AU budget. However, the operational budget suffered due to late payment of Member States contributions. By end of November 2015, only about 60 percent of assessed contributions were received from Member States, despite proactive engagements with the affected Member States by the AU Commission.

6. The total confirmed programme contribution for the African Union Commission in 2015 is USD 112, 348,305 compared to USD 105,929,602 in 2014. This attests to higher levels of resource mobilization. Member States' contribution to the program budget increased by 13.88 percent in 2015. This is compared to an increase in partner resources of just over 5% percent in 2015.
7. Figure (xx) shows partner contributions in 2015. Those figures are the actual collected cash from partners at the time the report was prepared. This is in addition to USD 318,257,991, which were contributed for peace support operations (mostly AMISOM), by the EU, DFID, China and Italy.
8. The year 2015 has witnessed the entry of new partners in the development process, namely the World Bank, who signed an agreement of USD 27 million over three years for capacity building of the African Union as well as furthering the trade and economic growth continental agenda. Also, support from the Government of China was reintroduced in 2015 based on an agreement signed in 2014 to support various programs of AUC.



9. Funds mobilized through joint financing arrangements constituted only 13 percent of total resources mobilized up to end of November, 2015, compared to 87 percent in bilateral assistance. Through enhanced partner coordination, AUC aspires to do more through joint arrangements.
10. **2016 Budget:** The Policy organs in June this year adopted the 2016 Budget, amounting to a total of USD416,867,326 with the proviso that the Commission ensure the closing of the funding gap. Consultation meetings were held with international partners for financing the
11. Efforts continue to be made for non-JPA international partners to join the pool funding to streamline activities and reduce transaction costs. In its reports to development partners on the use of partner funding, the Commission has endeavored to focus on results as opposed to activities, by enhancing the Results Based Management framework (RBM) at the AUC as well as AU organs and NEPAD. A revised standardized template has been developed to address all challenges highlighted by partners and internal stakeholders regarding the current reporting format. The Commission has also developed a Resource Mobilisation Strategy whose implementation will start soon.

Financing for Agenda 2063

12. In pursuit of the Pan African ideal towards self-reliance, Africa aims to harnessing and mobilising domestic resources in a targeted and effective manner, in order to finance Agenda 2063, with external funding such as donor aid financing and foreign direct investment as additional to what the continent can mobilise. Priority areas for domestic resource mobilisation therefore include the following strategies areas:
- Enhanced fiscal resource mobilization;
 - Maximization of natural resource rents – OGM, agriculture, maritime, tourism, etc;
 - Leveraging of the increasingly important pool of African institutional savings – pension funds, central bank foreign exchange reserves, sovereign wealth funds and capital market development;
 - Encourage and facilitate intra-Africa investments;
 - Enhanced retail savings mobilization through financial inclusion;
 - The curbing of illicit financial flows;
 - Improving public sector inefficiencies and governance/corruption-based financial leakages and wastages: government, infrastructure services and agriculture value chain.
13. The Resource Mobilization Strategy of Agenda 2063 also took into account recommendations of the Financing for Development Conference (Addis Ababa, July 2015), which called for inter alia “strengthening public policies, regulatory frameworks and finance at all levels, unlocking the transformative potential of people and the private sector.” Of relevance is the process of alternative sources of finance (ASF) for continental programs. The ASF process was formalized in June 2015 with the approval of Heads of States and implementation will continue to be supported and monitored in 2016 and beyond.

Combating Illicit Financial Flows to Facilitate Domestic Resource Mobilization

14. The 24th AU Assembly endorsed the *Report of the High-Level Panel (HLP) on Illicit Financial Flows (IFF) from Africa*. The Report reflects the work of the HLP carried out since its establishment in February 2012. The Report underlines that Africa is losing in excess of USD 50 Billion to 60 Billion a year through Illicit Financial Outflows.
15. With a view to tackling IFF and ensure that those funds are properly channeled to Africa’s development needs, the Commission recommends that Member States enhance their regulatory and institutional frameworks to ensure that relevant authorities take appropriate actions to curtail IFF from Africa. These actions should be accompanied by appropriate collection of trade transaction data and creating of data base that are robust at national, regional and continental levels. The Commission in close collaboration with Member States would require multinational corporations operating in African countries to provide the transfer pricing unit with comprehensive report showing their disaggregated financial reports. The Commission will use its political weight to engage with international organization working on Tax Administration.
16. The AU Assembly tasked AUC and UNECA to formulate modalities of combating IFF. Regional consultations on the IFF modalities were held and have been concluded. At the latest meeting held

in Ghana in November 2015, it was agreed to establish an IFF Consortium to devise and recommend specific modalities towards the implementation of the IFF High Level Panel recommendations. The consortium is comprised of AUC, UNECA and African organisations with specific expertise in various aspects of IFF, under the leadership of H E former President Thabo Mbeki.

Outcome 6

A People's Union

Effective participation of all stakeholders in the conception, design, implementation, monitoring and evaluation of Agenda 2063 is a critical success factor.

Agenda 2063, Critical Factors for Success

1. A vibrant and active civil society in the continent is critical towards the African agenda, to ensure people-centered development. The relationship between civil society and the Union, and the strengthening of the voice of civil society, is therefore an important part of the work of the Commission.
2. In the period under consideration, the Commission continued to prioritize, entrench, establish and sustain active engagement with non-governmental organizations, professional and social groups, community based organizations, faith based groups and the wider panoply of non-state actors. This is in fulfillment of the commitment of the Constitutive Act to create a people-centered community in the African Union, based on partnership between governments and African Civil society.
3. The consultative approach to the development of Agenda 2063 has been an important part of involving the African citizenry and civil society in the work of the Union. This is also reflected in the work of all AUC departments, organs of the Union and RECs: involving civil society, think tanks, policy institutions, business, advocacy groups and professionals in the work of the Union at various levels.
4. In addition, the Union at continental, regional and through its Member States continue to communicate on its vision, policies and programmes to the African citizenry and the world, building a Pan African perspective critical to its mission and enabling the continent to own the African narrative and brand to reflect continental realities, aspirations and priorities and its position in the world.

Civil society stakeholder platforms

5. Activities completed undertaken through the Citizens and Diaspora Directorate (CIDO) reinforce the commitment of the African Union to prioritize, promote and entrench genuine African ownership of the programs and policies of the African Union. It does this by targeting, constructing and sustaining partnerships with various segments of the wider African society, such as professional and social groups, trade unions, NGOs, cultural groups, the private sector, faith-based groups, etc. and facilitate collaboration with the Commission in support of the Union agenda. The partnerships with civil society allow the Commission to interact on a sustained basis with important segments of the African population in support of the Union agenda and its brand. In this context, the following stakeholder engagement activities were implemented:
6. **The Annual African Union-Civil Society Organization (CSO) Consultation on the Africa-EU Joint Strategy:** The Forum was held as part of preparations for the next Intercontinental CSO

Consultation, as per recommendation of the steering committee meeting held in Brussels in July 2015. The Forum reviewed the history and progress of the Africa-EU partnership, and made recommendations on the thematic areas of partnership, the role of civil society, operational structures and the civil society requirements for next Joint Annual Forum (JAF).

7. **6th African Union – Organization of African Trade Union Unity (AU-OATUU) Partnership Forum:** This partnership brings together representatives of trade union organizations and labor movement across the five regions of continent. The 6th Forum reflected on recommendations from the previous Forum on trade union participation in Agenda 2063, and generated follow-up actions in support of the implementation and monitoring of the First 10-Year Plan of Agenda 2063. The forum also considered specific mechanisms for labour participation in the JAES process, AU ECOSOCC, and the implementation of the AU Gender Policy, in recognition of 2015 as the year of women's empowerment.

Activities of ECOSOCC

8. Article 11 of the ECOSOCC Statutes stipulate that Sectorial Clusters be established as key operational mechanisms to provide inputs into the policies and programs of the African Union, reinforced by the ECOSOCC Assembly decision taken in Cairo in February 2015. Operationalization plans for all ten cluster committees were prepared, and started with the setting up of the following four (4) clusters in Nairobi Kenya this year: Peace and Security, Political Affairs, Gender, and Rural Economy and Agriculture. The second phase was scheduled to take place in Cairo, Egypt, in November 2015 but had to be cancelled due to the imposition of austerity measures, which prevented the release of Member State funds on which ECOSOCC depends for its activities.
9. The administrative directive freezing deployment of Member State resources have presented a critical operational challenge to ECOSOCC activities, as the organ's budget is 100% drawn from Member State contributions. Key activities halted by this directive include the establishment of the other clusters, an anti-terrorism roundtable under the auspices of the Peace and Security Cluster of ECOSOCC; the Pre-Summit Meeting, and the 2nd Statutory meeting of the Standing Committee of ECOSOCC at which the Annual Report of the organ is to be prepared and adopted for presentation to the Heads of State and Government of the Union at the 2016 AU Summit.

Programmes to mobilise the Diaspora

10. The Diaspora Program focused on the implementation of the outcomes of the 2012 Global African Diaspora Summit, and in adherence to Article 3(q) of *The Protocol on Amendments to the Constitutive Act of the African Union* (2003), which expressly invited the African Diaspora to participate as an important part to the building of the Union. In this context, the development of regional networks structures for engagement of the Diaspora has continued apace in the reporting period; with the completion of the African Union Sixth Region in Ottawa, Canada in April 2015; the League of Arab States (LAS) in Cairo, Egypt, in July 2015 and the Australian Pan-African Network in Melbourne, Australia in November 2015. The latter activity resulted in the establishment of a Steering Committee for the establishment of an AU Diaspora Network in the Asia-Pacific Region.
11. The Diaspora Program also focused on the operationalization of AU Assembly decision No: Assembly/AU/Dec.478.(XXI) on the *Implementation of the Global African Diaspora Five Legacy Projects*; of which the African Union Diaspora Volunteer Corps (AUDVC) was one such. The same decision set up a self-funding Technical Committee of Experts composed of the Heads of the AUC,

NEPAD, ADB, UNDP, UNECA, RECs, Africa Capacity Building Foundation, Heads of Implementation Agencies and Representatives of the Diaspora and Private Sector to co-ordinate and monitor the implementation of the Legacy Projects that were endorsed by the Assembly in July 2012; and consultations have been carried out between the Commission and Member States regarding the operational modalities of the Technical Committee, particularly the criteria that it should be self-funding.

12. The Commission has in this regard leveraged its technical partnerships in North America to develop the framework for a pilot diaspora volunteer project to feed into the AUDVC global program once it is ready for roll-out by the Technical Committee. A technical project workshop was held in May 2015 for the design and implementation of the pilot volunteer corps project, with Cuso International. The workshop developed a technical framework for a 4-year, \$6 million dollar project, still to be approved, that would see technical experts recruited from the African Diaspora community in Canada to be placed with the AU Commission as well as with local partner organizations in five (5) AU Member States to build capacity in organizational development and economic development. In addition to project funding already pledged from the World Bank as part of the Support for Capacity Development of the African Union Commission and Other African Union Organs Project (P126848), CIDO and Cuso International also finalized a project proposal - aimed at securing supplementary project funding - to the Government of Canada through the Department of Foreign Affairs, Trade and Development (DFATD).
13. Activities completed under the current reporting period provide a platform to transition to the next phase of programming, providing linkages for complementary activities earmarked for 2016 under the Support of Capacity Development of the African Union Commission and other African Union Organs Project (P126848). Next year, a two-track approach will be followed: (i) building capacity of government departments responsible for Diaspora engagement; working with national ministries, departments, or agencies of AU Member States created to engage their diaspora in national development activities; and (ii) develop partnerships with Diaspora organizations and networks that help identify, train and deploy Diaspora professionals, skilled women and youth to offer their services as volunteers under priority economic development, more specifically piloting the African Union Diaspora Volunteer Program (AUDVP).
14. The Commission will, with partners including the World Bank Group, work to develop, amongst other things, a certificate program in “Diaspora Engagement Policy and Planning 201” for public servants and policy makers of Member States; develop networks and engage skilled Diaspora to provide technical assistance to strengthen Ministries’ and Departments’ diaspora engagement frameworks and mechanisms; identify professionals with skills not readily available in the region or country and connect youth, particularly in vulnerable communities in Africa, with young professionals (Future Leaders) in the African Diaspora through online platforms and field events.
15. Other activities started under the current reporting cycle include consolidation of the Regional Consultative Process – in particular, extending consultations on the Diaspora Program to Oceania, Australasia and the Middle East; regions with sizeable African Diaspora populations. A CIDO full-time Desk Officer with responsibility for programming in the Middle East, Gulf and Oceania was appointed to take this forward.
16. With regard to Diaspora representation in the African Union, there is a need to define a legal and institutional process to integrate the participation of diaspora agencies into the processes of the African Union. To this end, Commission is in the process of recruiting a short-term expert

consultant to prepare, produce and submit a draft framework on legal and political representation of the Diaspora in AU structures and processes. At the end of this work, there would be a need to make proposals on Diaspora engagements, including basic guiding principles governing the process of Diaspora representation and participation in AU structures, policies and processes; operational modalities to apply said guiding principles to non-African States in the Caribbean and elsewhere with majority or significant African populations, corporate institutions or organizations, parliamentarians, mayors, civil society organization or individuals; a list of the main organs or institutions of the African Union in which the Diaspora would be represented and the modalities for such participation where the statutory instruments establishing the Organs do not specifically spell them out; means and channels through which Diaspora views and perspectives can feed into AU policies and processes outside the formal framework; and protocols on the entitlements, privileges, obligations, duties and responsibilities associated with the processes of inclusion, representation and participation of the Diaspora at various levels.

Communication, outreach and the African narrative

17. Communication and outreach activities are carried out across the Commission, in addition to the dedicated work done by its department of information and communication (DIC).

Communications activities around key African issues and AU events and programmes

18. **Ebola:** As requested by the Executive Council meeting of 8 September 2014, the Commission designed and managed the implementation of a holistic continental communication strategy on the AU's intervention in the Ebola crisis. The strategy's aim, as guided by the decision was to "ensure proper communications about EVD to the general population and the international community at large" and was underpinned by the following pillars: public information; internal communication; branding, advocacy; crisis communication.
19. Accordingly, achievements under the continental communication strategy on Ebola included:
 - Formulating the ARC message which became the main message of the African Union, used by ASEOWA and the AU i.e. Ebola is real but now we know, You Can Avoid being infected by Ebola, You Can Recover from Ebola and You Can Contribute to the fight against Ebola.
 - Arranging interviews for AU leadership with stations and agencies e.g. CNBC, Channel Africa, 105.3 Afro FM, ETV, CCTV, BBC World Service Radio, BBC TV, Power FM, Anadolu Turkish news Agency, SABC Radio; SABC TV; ENCA; VOA; Aljazeera TV, ENCA, SCC news agency, RFI, Africa 24, Radio 702 and Power FM.
 - Maintaining a regular Friday afternoon 5 minute feedback on the AU intervention with Afro FM radio station in Addis Ababa, Ethiopia.
 - Organizing 14 press conferences on ASEOWAS's intervention and producing a 5 minute video on the ASEOWA
 - Responding to media enquiries and coordinating the work of the media company hired by the private sector to ensure correct positioning of the AU
 - Organizing a successful media trip to the three Ebola affected countries, with regional and international media as well as local media in the affected countries. Large amounts of photos and video were also collected for future use.
 - Covering the deployments of ASEOWA Volunteers in Nigeria, Ethiopia, Kenya, South Africa and the DRC

- Producing a regular bulletin titled “ASEOWA UPDATE” which was circulated to media, partners, AU staff members and internationally via the website
- Producing advocacy and information materials such as the Ebola fact sheet , timeline of the African Union’s response , and the question and answer sheet on Ebola
- Designing the ASEOWA logo, producing stand-alone banners, wall banners, and ASEOWA branded backdrops, which were used in meetings, at national airports, press conferences etc; Designing and populating a web page on ASEOWA and
- Running a social media campaign on Twitter using the hashtag #AUonEbola, and creating and managing a FaceBook page especially on the AU Ebola intervention. The page was often quoted by other actors such as BBC Ebola, and AfricaAgainstEbola

20. **PIDA Communication strategy:** The Commission managed the design process of the PIDA communication plan, acted the lead communications for the 1st PIDA week, coordinating with NEPAD and African Development Bank; and supported all AUC branding and communication materials for the PIDA week e.g. brochures, banners, leadership bios.
21. **African Centre for Disease Control Communication strategy:** The Commission has produced a comprehensive communication strategy for the African CDC. This is a long term strategy that will guide all communication, branding, public relations and advocacy work of the ACDC.
22. **Revamped AU Website:** AUC has revamped its website (au.int) using the current design, development and usability trends. The layout has been changed to a scrolling page divided into sections with well-designed icons, graphics, images and content. Content and information flow has also been restructured and presented to improve user experience and information accessibility. The capability to easily share and like content from the website onto social media channels is another new feature. The revamped website is responsive i.e. it respond to different screen sizes to provide the best user experience possible for each device (desktop monitors, laptops, tablets, and mobile devices and their corresponding orientations).
23. **Increased social media presence:** AUC has been using Facebook, YouTube, Flickr and Twitter social media channels to reach to its audiences. The AUC currently enjoys 254,000 followers of its Facebook page that has shown a 10% increase this year. In 2015 Facebook has verified the African Union Facebook account and this is very significant because it will enable users to easily identify the official African Union account. The AU Twitter account registered 124, 000 followers up to October 2015 and this is more than 50% increase from the previous year. Moreover, the YouTube account of the African Union has 857 subscribers and more than 99,954 views of videos which show a 50% increase compared to similar period last year. Last but not least, 1758 pictures have been posted on Flickr in the year 2015 and the total pictures posted on the account reached 3763.
24. **Live streaming:** Since 2013 live streaming has been integrated as one of the communication tools of the Commission and has been used to popularize the main activities of the AUC as well as the Union. Currently the AUC live stream account has 347 followers and this year 54 events have been live streamed up until October 215. It is worth noting that, AUC has live-streamed 205 events since the service started in January 2013 and all live streamed videos are available for users to access them on demand.
25. **Dissemination of AU publications (AU Echo, Agenda 2063, AU Handbook):** In order to raise awareness on what AU is concretely doing, the Commission produced and distributed African Union publications, promoting continental programs and initiatives as well as involving the African

people in the African narrative. The main channels we used for the distribution include AU Summits, guided tours at the AU headquarters, conferences and meeting outside Addis, website, Outlook etc. The publications disseminated are as follows:

- AU ECHO: Produced this year on the theme of the year “Year of women empowerment and development towards Agenda 2063”. Significant contributions were received from Africans across the continent, and with more than 2000 copies distributed.
- African Union Handbook 2015: During this year, the Commission with the support of the Embassy of New Zealand produced the second edition of the African Union handbook in French and English. This broadened the knowledge of our readers on the African Union. More than 5000 copies were distributed.
- Agenda 2063: DIC printed and distributed the popular version of Agenda 2063.

26. **26. Visibility in Media:** In 2015, the Commission strengthened its relationship with media in line with its communication strategy, which calls for a close relationship with both continental and international media for the promotion of AU projects. AUC ensured appearance of the AU in major international media broadcasters including BBC, Al Jazeera, France 24, Voice of America, Africa 24, CCTV, NY Times, The Guardian, Anadolu Agency (Turkey), Hommes d’Afrique, Femmes d’Afrique, etc. among other international medias. AU also worked closely this year with national TV like B One in DRC, Radio Television Guinean in Guinea, Citizen TV in Kenya, SABC in South African, EBC in Ethiopia, etc.
27. **High visibility Branding at continental events:** Following the AU branding strategy, the the Commission introduced some innovations including, for the first time, branded backdrops for the plenary hall, which were unveiled during the January 2015 summit, and for press conferences. The Commission managed and supported, through its budget, the branding of the AU at the African Games in Brazzaville, Congo. Main messages were “I am African, I am the African Union”, and “I am African, Agenda 2063 is mine”. The messages were carried on T-shirts, caps, banners, billboards. 1800 T-shirts and caps were distributed in stadiums during the African Games and also in the city of Brazzaville for the first time, thereby popularising the African Union.
28. **Public relations activities:** People have shown more interest in visiting the African Union headquarters this year. As of September 2015, AU had received 2041 official visitors from a diverse cluster of groups ranging from primary to university students, AU Member States officials, various diplomatic missions, journalists among others with the aim of knowing more about the Commissions activities. The Commission takes advantage of this activity as channel to reach out to its diverse audience segment, strategic partners and other categories of stakeholders as outlined in the communication strategy.
29. **Events Coverage:** The Commission this year, provided coverage services to main events including: AU Summits, UN General Assembly, Africa-India Summit, AU-EU College to college meeting, AUEOM, Joint AU-ECA Conference of Ministers of Finance, Obama Visit, Maritime Security and Development Conference, STC’s etc. It also provided the following services : media invitations, press releases, live streaming, press conferences, photography, video and social media(Facebook, Twitter, YouTube, Flickr)

Inaugural meeting of the STC on Communication Information and Technologies

- 30.** In line with the AU communication strategy, the Commission co-organized the first successful STC meeting on Communication and Information Technologies (STC-CICT) which came out with strong recommendations on the way forward for the Pan African Radio and TV channels, AU communication strategy and the AU branding strategy studying and send inputs and comments to AUC. The meeting was attended by forty one (41) AU Member States.

Launch of new initiatives

- 31.** The Commission launched new additions to its communications mix, aimed at creating a people centered African Union. The first was the production of a magazine supplement in an international publication to provide information on the African Union to broad audiences. The magazine to carry the supplement will be selected based on its international outreach and distribution capacity. More than 30 000 copies are expected to be produced. Launch of a “This is my Africa” picture campaign to be hosted on the AU website. The campaign will draw in pictures from African citizens, showing their daily lives and what makes them proud to be African.

Outcome 7

Institutional capacities and relations with RECs, Organs and Partners

Institutional capacities and development of the AUC

1. Twenty-five years after the landmark *Report of the Secretary-General on the Fundamental Changes taking place in the World and their Implications for Africa* by OAU Secretary General Salim Achmed Salim in 1990, the transformation of our Union and its building blocks, the Regional Economic Communities, continue apace. This report called for African solutions to African problems, reflected today in how RECs deal with challenges from the Ebola Virus Epidemic to the threat of terrorism and peace and security matters in their regions, as well as their innovations on economic integration and free movement of people. It finds expression in the fledgling African Governance Architecture and Pan African Parliament, and the maturing African Peace and Security Architecture and its judicial organs. And it is mirrored in the work and growing ability of the AU Commission to represent the Union, to coordinate and monitor implementation of its decisions and defend its interests, including on the global stage.
2. The task of continuous improvement, building, and renewal of African institutions, to more effectively serve Africa's peoples aspirations for a better life, requires constant attention. During 2015, work therefore continued on the institutional and other capacities necessary to implement Agenda 2063, which includes the AUC restructuring project, work on streamlining AU Summit, the establishment of Specialised Technical Committees, engagements with RECs and the NEPAD Agency on the division of labour on implementation and coordination, and engagements with AUC strategic partners, the AfDB and UNECA on cooperation on key continental priorities.
3. The funding situation of the African Union organs, specialized agencies and programmes remains a challenge, especially in an increasingly economic and fiscal situation that many countries faced. Despite the decision of the January 2015 Summit on Alternative sources of funding, Member State contributions this year presented a distinct challenge for the Commission, with late contributions, high levels of arrears and non-payments. The Commission has introduced austerity measures, to ensure that what little resources are available for programmes are used prudently, but of course we can do better. The new formula for the Scales of Assessment may face difficulty in 2016, and the Executive Council needs to deliberate on this matter.
4. During most of 2015, much of the AUC's business processes with resources in service departments were drawn towards the AU's Ebola efforts through ASEOWA. In addition to the coordination and operational work by the Social Affairs Department and Peace and Security Department on this, Medical Services Department provided a quarantine unit for Ebola cases, as well as cleared and trained all the ASEOWA volunteers prior to deployment; the Department of Programming, Budgeting, Finance and Accounting handled financial management functions for the \$56 million ASEOWA operation; and Administration and Human Resources Department managed the contracting process for over 800 ASEOWA volunteers.

5. Nevertheless, AUC service departments managed to deliver on the vast majority of their planned results in the context of their normal day-to-day operations. In addition, the reform agenda for core business processes progressed according to plan, which contributed to achievement of outcome 7 using three different strategies: enhancing corporate governance and management of the African Union; improving operational efficiency in the AUC; and reducing AUC operational cost.

Activities enhancing corporate governance

6. ***Financial good governance:*** Following the adoption of IPSAS, the African Union produced its first International Public Sector Accounting Standards (IPSAS) compliant financial statements in 2015, which have been audited by the AU Board of External Auditors comprising of the heads of the supreme audit institutions of Member States. With this accomplishment, the Union has embarked on a higher level of transparency and accountability. The Commission rolled out the Grant Management and SAP Business Planning and Consolidation Modules to improve management of the resources from Member States and Partners. It will also assist in bringing innovation in the AU budgeting process. The modules will be tested with the 2017 budgeting process.
7. Managerial ***good governance:*** In fulfilment of good governance and accountability principles in general, and provisions of the AU Staff Regulations and Rules in particular, several administration and human resource policy guidelines were developed aimed at clearer policies for better governance and accountability. A total of eleven (11) policies were developed, and implementation will start in December 2015. Those include, among others, the following:
 - the African Union Code of Ethics and Conduct , which implements the existing Staff Regulations and Rules by defining the core values of the Union and setting key ethics principles;
 - Policy on harassment, defining what constitutes harassment and indicating formal and informal routes for addressing harassment cases.
 - Recruitment and Personnel Selection Policy, which provides a more effective, efficient and transparent system for selection and recruitment, new tools and process enhancements were applied for recruitment.
 - Information Technology Policy, which lays out the guidelines for information management systems applications and use;
 - Policies on staff compensation and benefits, which provide a new and adapted AU Compensation Scheme aiming at attracting and retaining talents. AUC is also changing its life insurance and pension service provider, in line with decisions of the Summit of Heads of States, with the aim of enhancing staff benefit plans. This set of policies has been embarked upon in 2015 and are expected to be finalized by March 2016.
 - Standard operating procedures for all key processes were properly documented and operationalized, which has already led to process improvements.

Activities to Improve Operational Effectiveness

8. AUC embarked on a project towards the global restructuring of the Commission and other organs, with the view to enhance AU capability in tackling the AU strategic goals and the implementation of Agenda 2063. Following the July 2015 Executive Council Decision, process mapping of all units was carried out, in line with objectives of Agenda 2063 and its 1st ten-year implementation plan.

Validation workshops were held with departments so as to engage internal and external stakeholders, including Member States. The final restructuring document will be submitted for consideration of Policy Organs. Re-structuring of the Human Resources Division was already done, transforming the HR functions to be more client-oriented. Eight human resource generalists were assigned to support AUC Departments and Offices. They run complete tasks related to leave, contract, performance, claims, insurance and benefits. More operational, transparent and engaging recruitment processes were introduced, for which standard operating procedures are currently being finalized. Town hall meetings were institutionalized for management to communicate with staff and exchange feedback and suggestions for enhancement of the AUC's core business processes.

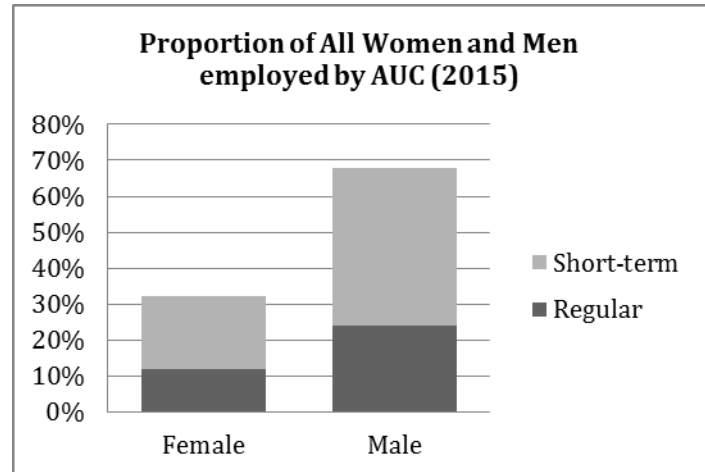
9. An AUC *Learning and Development Strategy* was approved in September 2015 within an AUC competency framework to support skills development initiatives. Ten training activities were carried out to build and transform technical and leadership capacity for all managers. AUC learning and development solutions will be delivered in the context of the African Academy. Peer-to-peer learning visits were carried out to Academy partners such as Ecole National de l'Administration; Organization Internationale de la Francophonie, European Union School of Administration; European Commission; University of Cape Town and Harvard Kennedy School of Government. The Academy will be inaugurated on the margin of the January 2016 Summit. The Academy will promote an Afro-centric orientation, based on a series of training and orientation programs on pan-Africanism. A Pilot Structure of the Academy will be tested starting December 2015 followed by the hiring of the academy support staff.
10. **Review of staff rules and regulations:** The Commission reform agenda will continue in 2016, where the AU Staff Regulations and Rules (SRR) will be reviewed based on a gap analysis conducted in 2015. The review aims to provide better and more transparent governance and accountability of staff members and the organization at large. The new SRR will also bring flexibility in terms of career management and succession planning, and complemented with the planned adapted AU Compensation Scheme, will together boost the AU's ability to attract and retain talents. A revised AU job evaluation policy will be issued to complement the new structure.

Activities to reduce AUC operational costs

11. New technologies were introduced to reduce time and the costs of delivering key services within the Commission. Those include a SAP Contract Management Work-flow System that tracks AUC Staff Contracts; a new HR Operation Model, including an online Help Desk to manage staff queries more promptly. Framework contracts were put in place to enable just-in-time deployment of translation and interpretation services. Similarly, the time it takes to process contracts will be reduced by 70%.
12. The increasing use of the Conference Workflow Systems will cut down on the time required for the processing of documents and meeting requests by 80%, whilst further enhancing quality-checks by 90 percent. Conference services have gone a step further in becoming paper-smart, with the introduction of the DVD System, which has reduced paper reporting during the two Summits held in 2015 by 40 percent. In the same vein, smart devices in the form of built-in flip laptops for use by participants, will soon be introduced. After the upgrade of its printing facilities, 80 percent of AUC publications are now printed in-house, thereby cutting down on the rate of outsourcing significantly.
13. Conferences has also introduced 8 display panels in prominent locations, showing daily updates on programmes of meetings including dates and venues to improve line of communication with meeting participants and adding value to the smart conferencing policy.

Gender mainstreaming in the Commission

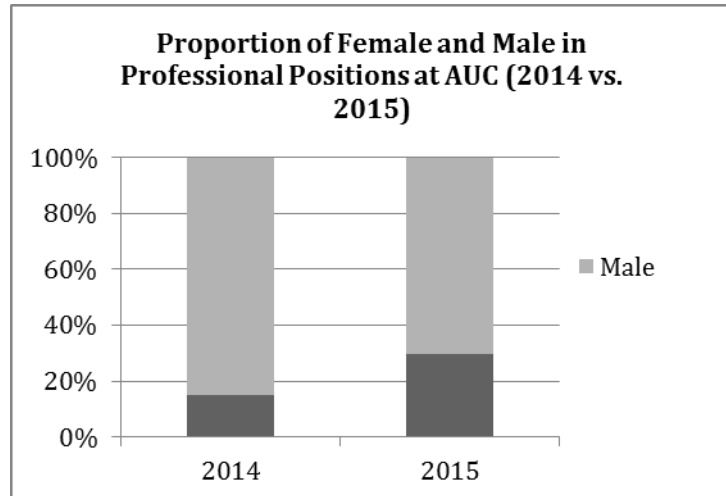
14. An assessment of gender mainstreaming within the Commission was undertaken. Based on that, the Commission has taken serious steps towards its commitment for gender parity in 2015. For starters, gender friendly practices were institutionalized to maximize the possibility of attracting qualified women to fill positions, in the effort to achieve gender parity among Commission employees. As a result, the proportion of women in professional positions at AUC staff almost doubled this year to become 30% compared to about 15 percent in 2014.
15. In 2015, 32 percent of all AUC staff are women. About 37.5 percent of employed women are in regular positions, while 35 percent only of employed men at AUC are in regular posts.
16. Knowledge of Gender mainstreaming was fostered through training and technical assistance among departments. Gender focal points were appointed, who are responsible to ensure mainstreaming of gender in departmental and individuals work plans. Progress on gender mainstreaming is tracked at AUC through a system of indicators in order to ensure that AUC meets its targets of equitable representation of both genders.
17. Gender parity in managerial posts has improved slightly in 2015 compared to 2014. Figure (xx) shows change in favour of females at the heads of division level. At the level of Directors, by 31 December 2015, the gender gap between male and female incumbents appears to be closing with six male and six female directors in the AUC. Worthy of mention that it is largely due to vacancies, as shown below.



FEMALE DIRECTORS	MALE DIRECTORS	VACANCIES (reasons for leaving)
Secretary General (Mali)	Legal Counsel (South Africa)	Rural Economy and Agriculture (m: retired)
Chief of Staff (Zimbabwe)	Political Affairs (Lesotho)	Communications and Information (f: retired)
Conference Management and Publications (Algeria)	Administration and HR (Chad)	Infrastructure and Energy (m: retired)
Internal Audit (Zambia)	Economic Affairs (Cote d'Ivoire)	CIDO (m: retired)
Trade and Industry (Swaziland)	Social Affairs (Nigeria)	Peace and Security (m: appointed by UN)
Gender (Guinea)	Medical Services (Gambia)	Strategic Planning (m: passed away in 2015)
		Human Resource Science and Technology (m: appointed by Islamic Development Bank)
		Programme Budget and Financial Administration (m: appointed by UN)

Planning, monitoring and evaluation, and knowledge management

18. The Commission continued its efforts to link and engage with the continent's Centres of Excellence with a view to enhancing its analytical capacity in evidence based policy making and the need to constantly monitor perspective trends in the light of the implementation of the Ten Year Implementation Plan of Agenda 2063.



19. Following the Executive Council's Decision EX.CL/Dec.894 (XXVII), the African Union Commission embarked on a process to map Agenda 2063 – First Ten Year Implementation Plan to the Strategy for the Harmonization of Statistics in Africa (SHaSA) and Sustainable Development Goals (SDGs). SHaSA provides for reliable and updated statistical information regularly and in a timely manner in support of policy formulation and decision making covering all aspects of development and integration. A steering committee has been established that will oversee the work of developing this measurement framework. The steering committee comprises of African Union Commission (AUC), the United Nations Economic Commission for Africa (UNECA), the African Development Bank (AfDB), the African Capacity Building Foundation (ACBF) and the Africa Symposium on Statistical Development (ASSD). Indicators, together with the sources and coverage have been produced and validated by the Multidisciplinary Expert Group.
20. The Commission also engaged RECs with a view to leveraging Monitoring and Evaluation best practices within AUC and among RECs to enhance their roles in the implementation of the First Ten-Year Implementation Plan of Agenda 2063. Several meetings were convened with RECs to facilitate the exchange of experiences on existing M&E systems/initiatives within the AUC and RECs. A special committee has been formed and will be chaired by one of the RECs. Efforts have also been made to align SDGs to Agenda 2063 as the overall continental framework.
21. The Commission continued its work of providing knowledge and information through its knowledge management activities. Over 2200 users from a broad spectrum of society accessed our library services with over 100 people conducting higher education research using our facilities. The Commission also developed an African Knowledge Base portal with a view to effectively and efficiently serve the continent especially in the light of Agenda 2063.
22. With regard to the AU Archives, the Commission continues to work on building systems to collect documents and records, preserve them and to make them accessible to authorized users. A Draft Archives Policy has been developed and a common repository shared by AUC and AU Organs has been established. We have also digitized old documents dating as far back as 1963 to ensure safe preservation of the continent's history.

Administrative tribunal

23. The AU Administrative Tribunal was reconstituted and sat for the first time in nearly a decade to hear pending matters. The Office of the Legal Counsel represented the African Union Commission and defended eight (8) matters during the Administrative Tribunal Session of 5-16 October 2015 held at the Commission in Addis Ababa, Ethiopia. The judges of the administrative Tribunal delivered judgments on 26 October 2015. A comprehensive report of the session will be provided by the Secretariat of the Administrative Tribunal.

PRC Sub-Committee on Host Agreements

24. Pursuant to the Executive Council Decision on the Sub-Committee on Headquarter and Host Agreements (EX.CL/Dec.877 (XXVII) dated June 2015, the Headquarters Implementation Committee chaired by the Office of the Legal Counsel (OLC), together with the African Union Commission Protocol Office and the Department of Administration and Human Resource Management convened a joint meeting with the Ministry of Foreign Affairs of the Federal Democratic Republic of Ethiopia to discuss hosting issues as requested by the Executive Council. A meeting of the Sub-Committee was convened on 20 November 2015 to review the implementation status of the decision of the Executive Council and the report will be submitted to the Policy Organs.

Preparations for the Election to Organs and the AU Commission in 2016

25. The Commission through the Office of Legal Counsel has started preparations for this process, in line with the Constitutive Act, Statutes and other decisions of the Organs on this matter. There are separate reports on the two elections to be conducted in January 2016 while for the elections of Commissioners in June/July 2016, the matter will be discussed by the Ministerial Panel, and a report prepared for consideration by the Executive Council.

Accreditation to the African Union

26. The Commission has also continued to ensure that the relationship with non- African States and other organizations is done bearing in mind the supreme interest of the Union. In this regard, in accordance with Part II, Section II (3) of the Criteria for Granting Observer Status and for a system of Accreditation within the African Union (the Criteria), adopted by the Executive Council in July 2005, the Commission has continued to receive and consider requests for accreditation from various non-African States and organisations. The following were accredited during the reporting period:
- Ms. Phumzile Mlambo-Ngcuka, Executive Director of United Nations Entity for Gender Equality and the Empowerment of Women (UN Women);
 - Mr. Thomas Yanga, Director of the World Food Programme Africa Office;
 - H.E. Dr. Bisher H. Al-Khasawneh, Ambassador of the Hashemite Kingdom of Jordan to the Arab Republic of Egypt and the Permanent Mission to League of Arab States;
 - Ambassador K.V. Bhagirath, Secretary General of Indian Ocean Rim Association;
 - H.E. Dr. Nasri Khalil S. Abujaish, Representative of the State of Palestine to the AU; and
 - Ambassador Susan D. Page, Chargé d’Affaires, a.i. to the U.S. Mission to the African Union (USAU).

27. The total number of non-African States and international organizations accredited to the Union is now one-hundred-two (105) i.e. eighty-four (84) non-African States and twenty-one (21) Regional Integration and International Organizations.

AU Representative and Liaison offices

28. The AU at present has permanent missions/representative offices in Brussels, Cairo, Geneva, the Southern African Representative office in Malawi, at the United Nations Headquarters in New York and in Washington. The role of these missions are to (i) promote the programmes, image and decisions of the African Union and advocate for African positions and interests; (ii) represent the African Union at multi-lateral and bilateral levels; (iii) engage with civil society, media and the Diaspora in support of African positions; and (iv) facilitate and provide support to the African Groups of Ambassadors.
29. The activities of the **AU Brussels Permanent mission** mainly focused on the implementation of the cooperation instruments between the AU and the European Union, namely the Joint African-Europe Strategy (JAES) and the ACP-EU Partnership Agreement. It facilitated the annual College-to-College meeting between the AU Commission and the European Commission in Brussels on 23 April 2015, and follow-up on its outcomes. The mission established a coordination/consultation mechanism with the Brussels Group of African Ambassadors to monitor the implementation of the JAES and its 2014-2017 Roadmap. The Mission also sensitized the African Group of Ambassadors on the AU Commission preparations for the Valletta Migration Summit, and participated in all preparatory meetings organized by the EU. During these meetings, the Permanent Mission tried its best that the African countries, Members of the Rabat and Khartoum processes respectively, speak with one voice and defend the interests of Africa. The dialogue with the EU on the migration issue was conducted in good faith and a spirit of shared responsibility, with the Mission continuing to call on the EU to take into account the legitimate concerns of Africa with respect to the human rights of refugees, asylum seekers and migrants and not to shirk responsibility by ‘outsourcing’ the processing of refugees and asylum seekers.
30. The Brussels mission also organized activities around the Common African Position on the Post-2015 Development Agenda, and around Africa’s preparations for the Climate Change negotiations at COP21.
31. As a follow-up of the implementation of the ACP-EU Cotonou Partnership Agreement, the Mission monitors Economic Partnership Agreements (EPAs) negotiations by participating in all the ACP and ACP-EU meetings relating to EPAs, as well as all AU Coordination Meetings on EPAs and helps to harmonize the positions of the African negotiators, including . In this regard, the AU Permanent Mission in Brussels, in close collaboration with the Department of Trade and Industry, organized and facilitated the EPA Coordination Meeting that took place in Brussels on 17-18 October 2015. Overall, the Brussels Group actively participated in this process by making valuable contributions to the debate and proposing recommendations on the way forward for the EPA implementation for the regions that have signed the EPA. As a result, all the concerns expressed by the African Group of Ambassadors in Brussels on EPA negotiations, have been reflected in the AU Matrix/Roadmap that will guide the RECs for EPA implementation and/or negotiation. The Mission in close collaboration with the Department of Trade and Industry, also facilitate the organization of the Informal African Trade Ministers Meeting that took place on 19-20 October 2015 in Brussels in preparation for the 10th WTO Ministerial Conference to be held in Nairobi, Kenya from 15 to 18 December 2015.

32. ACP and ACP-EU Parliamentary Assemblies: the Mission participated regularly in the sessions of the ACP Parliamentary Assembly and those of the ACP-EU Joint Parliamentary Assembly during the reporting period. As usual, the Mission seized the occasion to contribute to harmonizing the positions of African Member States on these institutions with those adopted by the AU, notably with regard to economic and political questions, in particular those relating to trade and development, Migration and the resolution of certain conflicts in Africa which are regular agenda items at sessions of the two Assemblies. Whenever possible, the Mission organized coordination meetings between the Group of African Ambassadors in Brussels and the African members of the Joint Parliamentary Assembly, on the margins of sessions of ACP Parliamentary Assemblies and of the ACP-EU Joint Parliamentary Assemblies. Overall, these meetings contributed to the consolidation of African positions during the discussions of African MPs with their ACP Group and European Parliament counterparts.
33. The Brussels furthermore facilitated other activities of the Group of African Ambassadors, monitored working relations with the EU institutions, and conducted other representational tasks.
34. The year 2015 was an active year for the *AU Mission in Washington, DC*, and was marked by the achievement of historic and important milestones for the African Union Commission-U.S. strategic partnership.
35. It co-organized the 3rd High Level Dialogue between both parties, which took place April 13, 2015. This political dialogue remains an important annual platform to deepen and broaden the strategic partnership between the AUC and the U.S. around four interdependent pillars of mutual interest: peace and security, democracy and governance, economic development, investment and trade, and promotion of opportunity and development. At this meeting an important Memorandum of Cooperation was signed by the Chairperson of the AUC and Secretary of State John Kerry to support the establishment of African Centers for Disease Control and prevention.
36. During this meeting, a major point of discussion was the re-authorization of the African Growth and Opportunity Act (AGOA) Bill for another 10 years. This was passed in June 2015, three months in advance of its expiration and is the longest extension to date, another important milestone in U.S.-Africa economic relationship. The AU Mission was instrumental in coordinating the advocacy activities of the African Ambassadors Group in Washington, DC towards the U.S. Government and Congress and was successful in bringing partners from the private sector, civil society and the Diaspora for greater advocacy for a seamless AGOA renewal.
37. The year was culminated with the historic visit of President Barack Obama to the AU Headquarters on July 28, 2015, the first ever by a sitting U.S. President. Discussions were held between Leadership of the Commission and President Obama on key initiatives in peace operations, health, the skill revolution, women and girls education and wildlife conservation where the two sides are committed to make sustainable achievements. This successful of this visit was another strong testimony of the AU Washington Office's commitment to take the AU-U.S. relationship to a higher level.
38. During the period under consideration, the *Representational Mission of the African Union to the United Nations in New York* pursued implementation of its mandate in the framework of the African Union Strategic Plan 2014-2017. Following the submission of the Report of the High Level Independent Panel on Peace Operations (HIPPO) in June 2015, the office monitored and reported on developments relating to concrete steps taken at the level of the United Nations to take forward

the recommendations of the Panel. The inclusion of a major part of the Common African Position on the Review of UN Peace Operations inputs to the HIPPO report is a welcome development particularly fundamental principle that guides AU Peace operations as well as the basis for an enhanced AU-UN Partnership. It should be noted that these inputs formed the basis for interventions of the African Group on the Report.

39. The office also facilitated the successful participation of the AUC delegation to the Summit for the adoption of the Post 2015 Development Agenda held on 24 September 2015. Monitoring implementation of the 2030 Agenda for Sustainable Development at national and regional levels remains critical moving forward including ensuring its coherence with Africa's Agenda 2063.
40. The office continued to coordinate the activities of the African Group within the Second Committee (Economic and Financial) and monitors the implementation of relevant African Union Decisions falling under the purview of the Committee. Of particular priority for the office is the need to ensure that the African Group facilitates the adoption by the 70th Session of the UN General Assembly of a resolution on the Framework for a Renewed UN/AU Partnership on Africa's Integration and Development Agenda (PAIDA) as a successor to the Ten Year Capacity Building Program, which expires in 2016.
41. The Office continues to ensure effective follow-up through the various coordination mechanisms of the African Group, in the UN Security Council (A3) and the relevant deliberative committees of the UN, particularly the Fifth Committee in the discharge of its mandate of defending the African Union Common Position.
42. The ***African Union Southern Africa Regional Office (AU-SARO)***, in Lilongwe Malawi, remain quite active in developing strategies and providing support to regional economic development and integration initiatives in the Eastern and Southern parts of the African continent in line with the African Union's continental integration agenda.
43. In 2015, AU-SARO successfully organized and participated in a number of regional workshops, capacity building and advocacy initiatives aimed at the enhancement of knowledge of the AU, its organs and decision-making processes and policies in the region. These included the organization of a Model Summit on 11 and 12 November 2015 in collaboration with the Women's University in Africa, in Harare Zimbabwe and the Government of the Republic of Zimbabwe and the publishing of its magazine titled “ *Enhancing Policies on Humanitarian Response Action, Food Security and Women Empowerment in Southern Africa*” which highlighted articles on Building Climate Change Resilience, Humanitarian action to fight famine, realizing women empowerment, Accelerating Industrialization in Southern Africa as well as the Status of implementation of AU Decisions, Charters and Protocols.
44. The AU-SARO continues to participate in development programmes and activities of AU member States in the region, development partners and those of civil society organizations.

Relations with the Regional Economic Communities

45. The Commission engages with the Regional Economic Communities based on the Protocol of 2008. This cooperation spans across a range of issues, from agriculture to infrastructure; peace, security, governance and elections observation, to gender equality and women's empowerment and a joint monitoring and evaluation framework for Agenda 2063.

46. The issue of the optimal participation of RECs in the AU and their role in the implementation of Agenda 2063 remains critical. The ACBF study on the optimal division of labour between the AU Commission, the NEPAD Agency and the RECs will be presented to the Mekelle Retreat of the Executive Council.

Africa's place in the world and her global partnerships

47. Africa's position and impact in the world continues to change, albeit very slowly in areas such as its shares of global production, including manufacturing, agriculture and knowledge production, as well as trade and capital flows. Given its mineral and other natural resources and reserves, it maintains global attention for its raw materials, and continues to export large volumes capital through illicit financial flows, predominantly from the private sector.
48. At the same time, the evolution of the African vision of an integrated, peaceful, people centered and prosperous Africa that takes its rightful place in the world, and its vision Agenda 2063 African Union to articulate common African positions, and

Africa's global partnerships

49. **Partnerships review:** The Commission finalized the Evaluation Report, in compliance with the Decision of the Executive Council EX.CL/Dec.786 (XXIV), which requested the Commission to undertake a comprehensive evaluation of all Africa's Strategic Partnerships and present the outcome to the Executive Council in June/July 2014. Although the deadline for submission of the Report was not met due to technical reasons, the Commission has since submitted the Evaluation Report to the Sub-committee on Multilateral Cooperation, for review and recommendations to the PRC and subsequent submission to the Policy Organ.
50. The evaluation exercise identifies the general and specific challenges of the nine Strategic Partnerships¹¹. It lays down the principles guiding strategic partnerships, upholding the notion of equality, complementarity and of solidarity and advocates for more emphasis on regional and continental engagements, complementing the traditional cooperation arrangement at bilateral levels between the strategic partners and individual African countries. It identifies the most viable areas of cooperation under each of the partnerships based on the principles of comparative advantage and complementarity and emphasizes the need to set up monitoring, evaluation and reporting mechanisms to follow up the implementation process and to measure the impact of the partnerships on the continental integration and development agenda. The evaluation also addresses streamlining the cycle/frequency of the partnership Summits.
51. The study identifies that most of the partnerships action plans are too ambitious and not streamlined. They include a large number of activities, which are not achievable during the stipulated timelines. As such, some of the activities will require additional human and financial resources if they are to be implemented successfully. To avoid this and enhance the rate of implementation, the study further underlines the need for each partnership to concentrate on few but viable and achievable projects. Once the evaluation Report is adopted, the moratorium on new partnerships, imposed by
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the Executive Council, will be lifted and the Commission, guided by the outcome of the evaluation, may engage in new partnerships that have the potential and readiness to support Africa's continental agenda.

52. **India-Africa:** During the period under review, the Commission organized the 3rd Africa-India Forum Summit, in Delhi, India from 26 to 29 November 2015. The Summit was attended by a large number of African Heads of States and Government. The 3rd Africa-India Forum Summit adopted the Delhi Declaration and Strategic Framework Document covering the period between 2015 and 2020. The Strategic Framework is in the process of being translated into a concrete Action Plan that will contain a sound monitoring and evaluation mechanism. The Summit was the first exercise guided by the spirit of the evaluation and all efforts were made to ensure that its outcome fully reflected the position and interest of the African side.
53. **Forum of China Africa Cooperation (FOCAC):** Similarly the Commission participated in the 2nd FOCAC Summit, held in Johannesburg, South Africa from 2 to 5 December 2015. Although the FOCAC Summit was co-organized by the two Co-Chairs, namely China and South Africa, the Commission made efforts to ensure that African Union positions are reflected in its two outcome documents - the Johannesburg Declaration and Strategic Areas of Cooperation.
54. **AU-League of Arab States:** The Commission also convened a number of high level meetings and consultations with strategic partners on the margins of the 70th UNGA in New York, USA, including the 3rd Ministerial meeting of the Coordination Committee of the Africa-Arab Partnership, which monitored the implementation of the Resolutions of the 3rd Africa-Arab Summit and the three initiatives on development and investment established by His Highness the Amir of Kuwait during the 3rd Africa-Arab Summit that was held in Kuwait in 2013. It is worth noting that the allocation of the US\$1 billion (One billion United States Dollars) concessional loan announced at the Summit, are being negotiated directly with Member States. At these meetings, the Commission called upon all other Gulf countries to undertake similar initiatives to support the development efforts of the African continent. The 3rd Ministerial meeting also gave guidance on the preparation for the 4th Africa-Arab Summit.
55. **TICAD:** The Joint Secretariat meeting of the Tokyo International Conference on Africa's Development (TICAD), was also held on the margins of UNGA in New York. The meeting focused on the follow up of the TICAD V Summit and preparation for TICAD VI Summit. The New York meeting was preceded by the TICAD Joint Secretariat and the Joint Monitoring Committee Meetings held on 26 August 2015, in Tokyo, Japan. It is to be recalled that Kenya will host the TICAD VI Summit in Nairobi following the consultations between The Gambia and Kenya as requested by the Executive Council in June 2015, while The Gambia will host the combined TICAD V follow up meeting and the TICAD VI preparatory meeting.
56. **Partnership events in 2016:** A number of Summits and high level meetings and consultations are planned for 2016. These include the 4th Africa-South America Summit, to be held in Quito, Ecuador in May 2015, TICAD VI Summit, to be held in Nairobi, Kenya in August/September 2016, 4th Africa-Arab Summit to be held in Equatorial Guinea in November 2016 and the 4th Africa-Korea Forum to be held in Addis Ababa during the first half of 2016. The AU-EU Joint Annual Forum and Senior Officials Meeting of Africa-Turkey Partnership are also planned to be held in 2016. The Commission has already started preparations for these important events. The Commission will ensure that discussions and negotiations on substantive issues with respect to these partnerships as well as the final documents of the Sessions are guided by the outcome of the

Evaluation of the Strategic Partnerships, as requested by the Executive Council in Johannesburg, South Africa in June 2015.

African participation in multi-lateral forums

57. **UN and its Agencies, and UN reform:** The Commission provided support to the Committee of Ten Heads of State and Government on the Security Council Reforms during the meeting held in April 2015 in Livingstone, Lusaka, Zambia, and during the Summit of June 2015 held in Johannesburg, South Africa. In furtherance to the decision of the Summit, the Commission submitted a request for allocation of fund for the activities of the C-10, which was approved in the budget of the Commission for 2016.

Part C

CONCLUSION

The continent is making progress, and we must use our achievements to speed up transformation: in the improvement of the standards of living of the African people; the development of our human capital; the diversification of our economies and inclusive growth; modern infrastructure that drives growth and connect our continent; a modern and vibrant agriculture and agro-processing sector that guarantee good nutrition for all and our collective food security and an Africa that relies on the potential of African people, especially its women and youth and caring for its children.

2016 has been declared the Year of Human Rights, with a special focus on the Rights of Women. During this year, we must strengthen the implementation of our continental instruments, so that the African people in all corners of our continent enjoy rising living standards, peace and security and full political, social and economic rights.

The need to build ‘capable and democratic developmental states and institutions, that can lead and drive the agenda for transformation and integrated,’ is listed as one of the critical enablers for the implementation of Agenda 2063. This includes institutions at all levels, public, private and civil society, as well as different spheres: local, sub-national, national, regional and continental.

The AU Commission will continue to be the focal point for continental integration and must therefore do much more to facilitate implementation of AU decisions and policy frameworks, working with and strengthening RECs and other AU organs, mobilizing civil society and various sectors, and giving critical support to Member States, as they implement Agenda 2063.

2016

Annual report of the chairperson of the African union commission for the period January to December 2015

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