

AFRICAN UNION

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**INTRODUCTORY NOTE OF THE CHAIRPERSON OF
THE COMMISSION TO THE ANNUAL REPORT
ON THE ACTIVITIES OF THE AFRICAN UNION AND ITS ORGANS**

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**INTRODUCTORY NOTE OF THE CHAIRPERSON OF
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INTRODUCTION AND OVERVIEW

1. I have the honour to present this Introductory Note to the Report on the Activities of the African Union (AU) and its Organs, accounting for the work done over the past year (January to December 2017), in compliance with Executive Council decision – EX.CL/Dec. 943(XXX) of January 2017.

2. As this is my first report as the Chairperson of the current Commission, which assumed office on 14 March 2017, I wish to pay special tribute to the former Commission and, in particular, to my predecessor, Dr. Nkosazana Dlamini-Zuma, for her stewardship, dedication and pursuit of the goals and objectives of our Union, culminating in the adoption of Agenda 2063.

3. Since my assumption of duties, I have focused my attention and that of my team on what I consider to be urgent priority issues for our Union, namely: the reform agenda; regional integration; addressing the challenges of peace and security on our continent; and establishing more effective partnerships within the framework of a global multilateral order. In this regard, I have undertaken a number of visits to different capitals and regions to engage with national, regional and international stakeholders in pursuit of these priority issues. I am pleased to note and report that these efforts have begun to bear positive outcomes. Some of these are evident in the increasing number of Member States that are already implementing the 0.2 percent levy with the view to ensuring our Union's financial autonomy and contributing to the Peace Fund, the finalization of the draft Agreement on the Continental Free Trade Area (CFTA) and the Protocol on Free Movement of Persons; the planned launching of the Single African Air Transport Market (SAATM), as well as advances made in efforts to 'Silence the Guns by 2020,' including through regional security initiatives established to combat terrorism and transnational organized crime.

4. Furthermore, our relations with our partners, particularly the United Nations (UN) and the European Union (EU), have seen some substantial improvements. Among the achievements in this area is the signing of the AU-UN Joint Framework for Enhanced Partnership in Peace and Security, on 19 April 2017. Similarly, the high-level of participation and the critical issues discussed at the 5th AU-EU Summit in Abidjan in late November 2017, including investments in youth and migration, created foundation for more effective collaboration and coordination in addressing these challenges.

5. This year, the Annual Report is divided into two (2) parts. The first part is a consolidated and comprehensive section detailing the activities and progress of the Union and its Organs, including Specialized Agencies and AU representational offices, for the year 2017. This part has been issued separately, for consideration by the policy

organs. The second part is a Note containing my reflections on activities undertaken by the Union and its Organs in 2017, but also the challenges faced and opportunities available in 2018 and beyond. The Note includes, where appropriate, recommendations on the way forward.

COMMEMORATING THE CENTENARY OF NELSON R. MANDELA

6. In October 2017, our brothers and sisters in South Africa celebrated the centenary of Oliver R. Tambo, a committed Pan-Africanist and stalwart of the liberation struggle for the dignity, equality and a better life for all in a multiracial South Africa. Comrade OR, as he was affectionately called, was instrumental, along with other young people at the time, in the founding of the African National Congress (ANC) Youth League, which he served as its first Secretary-General. The ANC Youth League became the cradle of the anti-apartheid struggle and a leadership training ground for generations of young South African women and men. It relentlessly defied the apartheid regime and succeeded in nurturing a new breed of leaders who galvanized the South African liberation movement and intensified mass mobilization in the struggle for freedom and equal rights for all the oppressed.

7. In 2018, Africa and, indeed, the world will join in the commemoration of the centenary of Nelson Rolihlahla Mandela, another great son of Africa who is affectionately known as Madiba. As we all know, Madiba devoted his life to fighting for truth, justice and equality for all peoples irrespective of race, religion or creed. He is perhaps mostly remembered for his perseverance, patience and his quest for forgiveness, reconciliation and peace. There are many lessons to learn from Madiba's remarkable life as the AU continues its efforts to foster a united, peaceful and prosperous Africa and promote the dignity of African people. Tolerance and reconciliation are required if the African continent is to move forward. These values are major prerequisites for 'Silencing the Guns by 2020'.

8. I also wish to recall that the 22nd Ordinary Session of the Assembly of the Union, held in Addis Ababa, in January 2014, declared 2014-2024 as Madiba Nelson Mandela Decade of Reconciliation in Africa. Building on that Declaration, I propose that the policy organs adopt a declaration that would provide for the following:

- observance of the year 2018 as Nelson Mandela Centenary;
- convening of a high-level meeting in honour of Madiba at the 31st Ordinary Session of the Assembly, scheduled to be held in Nouakchott, Mauritania, in July 2018;
- expression of the AU's full support for the holding of a Peace Summit under the theme: "Strengthening the role of the United Nations in the promotion and maintenance of international peace: Building on Mandela's Legacy", on the margins of the 73rd Session of the UN General Assembly in New York, next September. It should be recalled that the UN General Assembly, on 21

December 2017, adopted resolution A/72/L.39 in which it decided to convene a high-level plenary meeting to be known as the Nelson Mandela Peace Summit, focusing on global peace, in honour of the centenary of the birth of Nelson Mandela;

- support of the proposal to have a declaration as an outcome of the Peace Summit; and
- encouragement to all AU Member States to observe the Nelson Mandela Centenary and to recommit themselves to the ideals and values espoused by Nelson Mandela.

TAKING FORWARD THE HUMAN RIGHTS AGENDA

Commemoration of the 30th Anniversary of the African Charter on Human and People's Rights

9. Thirty- six years ago, the Organization of African Unity (OAU) adopted the African Charter on Human and Peoples' Rights, to promote and protect human rights and fundamental freedoms on the continent. Since the adoption of the Charter, significant progress has been made at national, regional and continental levels. A number of institutions dedicated to the promotion and protection of human rights have been established and the related normative framework enriched, with the adoption of the African Charter on the Rights and Welfare of the Child (1990), as well as a number of other instruments, including the Protocol to the Charter on Human and Peoples' Rights on the Establishment of an African Court on Human and Peoples' Rights (1998) and the Protocol to the African Charter on Human and Peoples' Rights on the Rights of Women in Africa (2003).

10. The African Commission on Human and Peoples' Rights (ACHPR) celebrated its thirty years of existence in November 2017, in Banjul, The Gambia. I was represented at the ceremony by the Commissioner for Political Affairs. Commemorating human rights means remembering victims of human rights abuses, including mass atrocities and genocide. That is a poignant responsibility at the AU Headquarters, which stands on the ground of the former Ethiopian central prison, known as Alem Bekagn. A little over forty years ago, on this very same ground, where this New Conference Centre and office buildings now stand, a countless number of prisoners were incarcerated, many of them tortured and many executed during the Red Terror Campaign of the Derg regime. There is, in this compound, a modest monument to these and other victims of human rights abuses and genocide in Africa.

11. It is in the spirit of furthering the advancement of our people's rights that the ACHPR was established. While the task of turning these aspirations into reality is a long one, I am confident that it will be achieved. Indeed, the past two years marked key milestones in this endeavour. 2016 was the Year of Human and People's Rights with an emphasis on the Rights of Women. In July 2016, the Assembly of the Union declared

2017-2026 as the Human and People's Rights Decade in Africa. The Declaration requested the Commission and all AU organs with a human rights mandate to develop an action plan that will focus on accelerating the implementation of all AU human rights instruments; raising awareness on and popularizing these instruments; enhancing the AU human rights instruments as a whole; establishing the Pan-African Human Rights Institute; and erecting the AU Human Rights Memorial.

12. As 2017 was the year for 'Harnessing the Demographic Dividends through Investment in the Youth', the focus on the rights of youth is also a culmination of our Union's sustained move towards deepening all dimensions of the culture of human and people's rights on the continent. The Theme of the 2017 Human Rights Day: 'Enhancing Youth Contribution – Towards Effective Implementation of the Action Plan of the Human and People's Rights Decade in Africa' – was equally a confirmation of Africa's determination to empower its growing youth population to play a central role in key areas of the continent's development. Having the youth assuming leadership in policy formulation, implementation, monitoring and reporting, as well as managing its rightful political, economic and social spaces, is paramount to shaping their future and ensuring a more prosperous Africa.

13. While commending all Member States for their efforts and contributions on this issue, I wish to reiterate the commitment of the Commission to engaging with the relevant stakeholders in order to take the necessary bold steps to develop youth-driven human rights policies and programmes. In this regard, I urge all Member States, as well as the Regional Economic Communities (RECs), to embark on similar exercises at the national and regional levels.

Ratification of Relevant AU Human Rights Instruments

14. Enhancing respect for human and peoples' rights on the continent requires that all related legal instruments be signed and ratified in earnest. In this respect, I am particularly concerned that nearly 20 years after its adoption by the OAU Assembly of Heads of State and Government in Ouagadougou, Burkina Faso, the Protocol to the African Charter on Human and Peoples' Rights on the Establishment of the African Court on Human and Peoples' Rights (AfCHPR) had been ratified by only 30 Member States as of 31 December 2017. Out of these, only 8 have made the Declaration under Article 34 (6) of the Protocol accepting the jurisdiction of the Court to receive cases directly from individuals and Non-Governmental Organizations. I urge Member States that have not yet done so, to urgently take steps to become parties to the Protocol and to make the Declaration provided under Article 34 (6) of the Protocol.

15. Of equal importance is the need to accelerate the entry into force of the Protocol on Amendments to the Protocol on the Statute of the African Court of Justice and Human Rights (ACJHR) – the Malabo Protocol it is to be recalled that the ACJHR is a merger of the ACHPR and the African Court of Justice and that the relevant Protocol was adopted by the AU Summit held in Sharm el-Sheikh, Egypt, in July 2008. The Malabo Protocol extends the jurisdiction of the yet-to-be established ACJHR to crimes

under international law and trans-national crimes, including crimes against humanity, war crimes and genocide. The Protocol's entry into force will enhance the rule of law as a foundation for good governance, peace and security on the continent, as well as make it possible to address the concerns raised with respect to investigations by the International Criminal Court (ICC) in Africa, and demonstrate Africa's commitment and leadership to address impunity. The Commission has developed an Action Plan to garner the fifteen (15) instruments of ratification required for the entry into force of the Malabo Protocol by 2018. The Plan was endorsed by the Open-ended Ministerial Committee on the ICC, in September 2017, and its implementation will commence in 2018. I urge Member States to make this important African mechanism a reality in 2018.

Child Labour and Child Rights

16. The African region, together with the Asia and the Pacific regions, host nine out of every ten children in child labour. According to statistics from the International Labour Organization (ILO), Africa ranks highest worldwide both in the percentage of children in child labour – one-fifth – and the absolute number of children in child labour – 72 million in 2016, compared to 59 million in 2012. This significant increase has happened despite targeted policies implemented by African Governments alongside efforts at regional level to combat child labour.

17. In order to address this challenge, the Commission is developing a Plan of Action, which will engage the Policy Organs and institutions. The objective is to take forward the provisions of the African Charter on the Rights and Welfare of the Child stipulating that 'Every child shall be protected from all forms of economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's physical, mental, spiritual, moral, or social development', as well as to meet the target set in the First Ten-Year Implementation Plan of Agenda 2063, which calls for the elimination of all forms of child labour by 2023. These objectives are in line with Target 8.7 of the Sustainable Development Goals (SDGs), which calls for immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, and, by 2025, end child labour in all its forms.

18. In actual fact, the overall child rights requires urgent attention, particularly in the context of the evolving nature of African conflicts and crises, characterized at times by extreme violence, thus posing new threats to, and challenges for, the protection of children on the continent. In this regard, I call upon Member States to collaborate with the African Committee of Experts on the Rights and Welfare of the Child in addressing these and other challenges to children welfare on the continent. I urge for renewed efforts towards the full implementation of the AU Agenda on Children's Rights, Agenda 2040. I also encourage Member States to facilitate direct access of the African Committee of Experts to the AfCHPR, to contribute to the creation of a strong, multi-layered, joined-up and united human rights system which responds to the particular vulnerabilities of children on our continent.

ADDRESSING IRREGULAR MIGRATION

19. The increased incidence of irregular migration of African youth – mostly male, even though the number of young women and migrant children is now on the rise is a sore wound for the continent. As we all know, migration, in and of itself, is not a problem. Indeed, migration has historically been a force for good in the world; it is the increasingly irregular channels through which migration takes place on the continent, with the attendant consequences in terms of imperilling the lives of migrants and undermining their human rights, which poses a challenge. The impetus to migrate is largely driven by the lack of economic opportunities in the countries of origin and the illusion that, even if life is hard elsewhere, it is still better than at home. As at the beginning of January 2018, the International Organization on Migration (IOM) estimated that there were some 576,000 African migrants in Libya, representing 31 nationalities and accounting for 93% of migrants in the country. These include new arrivals and those migrants who had been in Libya for over six months.

20. Last November, and following reports of slave markets in Libya, where young African men and women were auctioned and sold, I issued a statement in which I strongly condemned these despicable acts, which are at odds with the ideals of our Organization and relevant African and international instruments. I called for an immediate end to these and other acts of human trafficking, welcomed the announcement by the Libyan authorities of an investigation, and requested the ACHPR to also launch an investigation in support of the Libyan authorities. I decided to dispatch an Envoy to Libya for consultations with the Government and other stakeholders, to agree on practical steps in support of the efforts to address the plight of the African migrants in Libya.

21. Earlier on, the situation of stranded African migrants in Libya was elaborately discussed during the ministerial meeting of the Specialized Technical Committee (STC) on Migration, Refugees and Internally-Displaced Persons (IDPs) held in Kigali, in October 2017. The meeting urged Member States with stranded migrants in Libya to scale up their repatriation and reintegration efforts. The Libyan representative requested the support of the AU to their efforts.

22. From 26 to 28 November 2017, the Commissioner for Social Affairs travelled to Tripoli, as my Special Envoy. The Commissioner met the Chairman of the Presidential Council of Libya and Prime Minister of the Government of National Accord and other stakeholders, as well as with representatives of the African community in Libya. My Special Envoy visited one detention centre under the control of Libyan authorities that hosts about 3,800 migrants. Reaffirming the AU's commitment to work with the Libyan authorities, she stressed the need to upscale voluntary humanitarian evacuations in collaboration with IOM and other stakeholders. Assisted voluntary repatriation/return of 15,000 - 20,000 stranded migrants in Government detention centres was set as a target before the end of January 2018.

23. I also initiated high-level consultations in order to galvanize international support for practical solutions to the issue. In this respect, a tripartite meeting between the AU, the EU and the UN was held on 29 November 2017 on the margins of the 5th AU-EU Summit in Abidjan. The meeting agreed to put in place a Task Force to save and protect lives of migrants and refugees along the routes and, in particular, inside Libya, as well as to accelerate the assisted voluntary returns to countries of origin and the resettlement of those in need of international protection. The AU-EU Summit adopted a joint statement in which it condemned in the strongest terms the reported auctioning of African migrants, and expressed its firm resolve to work for an immediate end of these criminal practices and to ensure the well-being of the migrants and refugees. The Summit also agreed to widely communicate to the youth about the dangers of such hazardous journeys and against the trafficking networks.

24. The Joint AU-EU-UN Task Force convened its first meeting at the AU Headquarters in Addis Ababa, on 4 December 2017. The Task Force, which is chaired by the Commissioner for Social Affairs, agreed to operate at three levels: political, working-level and operational. The immediate focus of the Task Force was the voluntary repatriation, within six weeks, of at least 15,000 migrants identified in Government-controlled detention centres. Meanwhile, work will continue to address other related issues, including support to the most vulnerable with alternatives to detention, as well as the eventual closure of all detention centres, and an end to the criminalization of migrants. The Task Force held its second meeting in Brussels on 14 December 2017.

25. On 5 December 2017, I met with Permanent Representatives of twenty-two Member States that either have nationals stranded in Libya or share a border with Libya. I used the opportunity to brief them on the AU-led efforts with partners. I called on concerned Member States to send consular officials and to speedily provide consular services, including identification of their nationals and issuance of emergency travel documents. I also urged the Libyan authorities to ensure the safety and security of migrants held in Government-controlled detention centres, facilitate access to all detention centres for consular officials from countries of origin and AU/IOM officials, and to issue flight and landing permits for all air carriers transporting migrants. I expressed appreciation to Member States that pledged logistical support and/or offered to host migrants to be resettled, within the framework of African solidarity, and urged other AU Member States to contribute to these efforts. Subsequently, on 11 December 2017, I wrote a letter to the Chairman of the Presidential Council of Libya to urge that speedy action be taken to facilitate the repatriation and resettlement efforts of African migrants.

26. I am pleased to report that significant progress has been made with the voluntary humanitarian return of over 11,500 African nationals through IOM's support and direct returns by Member States. A number of concerned African countries, with the support of the IOM, have taken steps in this respect. These efforts should be strengthened, and the Commission will continue to galvanize international support to this end. At the same time, any lasting resolution of the issue of African migrants has to be part of an overall approach to address the root causes of the phenomena and restore security and political stability in Libya.

27. With respect to the investigation by the ACHPR, at the time of finalizing this report, the Commission was yet to receive a response to its request to undertake a mission to Libya. In my above-mentioned letter to the Chairman of the Libyan Presidential Council, I urged full cooperation with the ACHPR. I will keep following up on this matter.

HARNESSING THE DEMOGRAPHIC DIVIDEND THROUGH YOUTH EMPOWERMENT

28. The African continent has the youngest population in the world with more than 400 million young people aged between 15 and 35 years. Over 75 percent of Africans are below 35. By 2025, a quarter of the world's youth will be African and, in the year 2040, they will constitute the largest labour pool in the world. Harnessing this resource is therefore critical to shared prosperity, collective peace and security, and the reckoning of Africa in global affairs. Such a youth bulge calls for an increased investment in economic and social development. It is in realization of the importance of this human resource that the Assembly, in Decision/AU/Dec.591 (XXVIII), declared 2017 as the year of "*Harnessing the Demographic Dividend through Investment in the Youth,*" and called for the development of a comprehensive roadmap with clear deliverables and milestones to guide Member States and the RECs on key steps to take towards harnessing the demographic dividend in Africa. President Idriss Deby Itno of Chad was nominated as Leader of the Theme of the year to champion its implementation.

29. 2017 served as a springboard for comprehensive youth development action through the lens of the demographic dividend. However, it is imperative to note that actualizing the demographic dividend goes beyond 2017 and requires concerted and sustained efforts from all stakeholders. During the July 2017 Summit, the Assembly called for action beyond 2017 to maintain the momentum.

30. In the journey towards 'The Africa We Want,' it is critical to ensure that young people not only have jobs but have also decent and productive ones. In this regard, discussions have to start from developing sustainable enterprises as vehicles for job creation. Young people are often financially disenfranchised, making it extremely difficult, if not impossible, to access start-up capital. In 2017, the Assembly committed one percent of the programme budget towards the operationalization of the Youth Fund. Consultations with key stakeholders towards the development of the Fund management architecture have progressed well, and the Fund will be operational in 2018.

31. A major challenge in Africa is the mismatch between skills and labour market needs. In 2017, the Commission convened an 'AfricaTalksJobs' Conference, bringing together policymakers, academia, donors, civil society and, most importantly, private sector as employers to interrogate the unemployment and underemployment crisis, deliberate on potential solutions, with a view to committing to collaboration. During the Conference, the private sector committed itself to working on skills development with other stakeholders. The format of the 'AfricaTalksJobs' will be maintained as a tool for

accountability, and will also include virtual collaborations to increase efficiency and leverage scarce resources.

32. Similarly, with the increased awareness of the role of Technical and Vocational Education and Training (TVET) in job creation, the Commission is working with Member States, under the framework of the AU TVET Strategy, in a hands-on approach to improve systems and standards. In 2017, the Commission launched the process of assessing TVET systems in a bid to improve its implementation. The aim is to significantly scale this up in 2018. Also, in collaboration with the German Government, the Commission launched the Skills Initiative for Africa as a pilot project to provide funding and technical support towards the improvement of skills.

33. Furthermore, the Commission is implementing a number of youth engagement programmes to ensure that African youth continue to play important roles in building the Africa We Want, while developing their leadership skills. The AU Youth Volunteer Corp (AU-YVC) has traditionally served as a tool for youth empowerment through volunteering. In 2017, the Commission took a step back to evaluate the program and scale it up significantly. A new strategy was, therefore, developed to address some of the critical continental needs. As an example, the Commission is deploying youth volunteers to support the Africa Centre for Disease Control (CDC) in establishing Regional Collaborating Centres, to strengthen its capacity to respond efficiently to disease outbreaks. The revised programme also proposes to increase the number of annual deployments from 60 to 150 youth volunteers. The strategy will also see the Commission strengthen collaboration with Member States and RECs, as well as with AU Youth Volunteer Alumni, to strengthen the role of youth through mentorship. Finally, the Commission has institutionalized a Model African Union as a vehicle to bring the AU closer to African's young people.

34. I call upon all Member States to uphold their commitment to youth development. In particular, I urge countries that have not yet done so to take steps to become parties to the Charter. To date, 42 Member States have signed the Charter, with 38 of them having ratified it. I urge all Member States to step up funding for youth development at national, regional and the continental levels.

PROMOTING THE CULTURE OF READING

35. A generation of young Africans is growing up with limited knowledge of our great African writers. Our continent has produced outstanding writers of fiction, playwrights, and scholars of the humanities. This rich literature provides a resource of inestimable value to young people, as they seek to educate and empower themselves.

36. The number of books produced in the continent, the number of libraries and booksellers and, above all, the number of readers, are far too few. Our great writers such as Leopold Sedar Senghor, Wole Soyinka, Birago Diop, Chinua Achebe, Ahlem Mosteghanemi, Ngugi Wa Thiongo, Nurudin Farah, Buchi Emecheta, Chimamanda Ngozi Adichie, Ishmael Beah, Leila Abouleila, Nadifa Mohamed, Breyten Breytenbach,

Binyawanga Wainana, Naguib Mahfouz, Ken Bugul, Leonaro Miano, Alain Mobanckou and Ben Okri, to name but a few, are not nearly sufficiently well known among our youth, especially as the educational systems have not proactively promoted African content in curricula. Furthermore, the culture of reading is threatened by the increasing domination of social medias. Against this background, I commend the African Ministers responsible for Education, Science and Technology, who, at their last statutory meeting held in Cairo, Egypt, in October 2017, called for the development of programmes to promote a culture of reading among children, youth and adults, as well as for the promotion of African writers and African content in education curricula, in line with the Continent Education Strategy for Africa, adopted by the Assembly in January 2016.

37. The Commission intends to reverse this trend by providing a mechanism and an occasion to celebrate the continent's writers and readers. To this end, the Commission is planning to establish African Writers' Prizes and an African Reading Week. Over the course of the next years, the Commission will use all means available to give a high profile and status to writers, publishers, booksellers and librarians and, thereby, promote a culture of reading across the continent. In so doing, the Commission will work closely with the Committee of Ten Heads of State and Government mandated to champion education on the continent. It is my conviction that the Commission, through these initiatives, will contribute to the enlightenment and empowerment of the young people of Africa.

COMBATING CORRUPTION AND ILLICIT FINANCIAL FLOWS

Theme of the Year 2018: Africa's Anti-Corruption Year

38. The adoption of the AU Convention on Preventing and Combating Corruption in 2003 and its entry into force in 2006 gave hope to many in Africa that Governments across the continent were determined to fight corruption. To date forty-nine Member States have signed the Convention, of which thirty-eight have ratified it. While the progress made is commendable, it is, however, a matter of concern that fifteen (15) years on, corruption retains its grip on the continent and has taken so many facets. It continues to hinder efforts to promote democratic governance, socio-economic transformation and peace and security. It creates inequalities and erodes rule of law.

39. Agenda 2063 recognizes that good governance is one of the pre-conditions for a prosperous and peaceful Africa. This gives a sense of urgency to the fight against corruption. By declaring 2018 the African Anti-Corruption Year, the policy organs have renewed Africa's commitment to end this scourge. The Theme for the African Anti-Corruption Year (Project 2018) is: 'Winning the Fight Against Corruption: A Sustainable Path to Africa's Transformation'. President Muhammadu Buhari of Nigeria has been appointed as the Leader for the African Anti-Corruption Year. The general objective of the African Anti-Corruption Year is to promote the fight against corruption and impunity on the continent as a sustainable path to a prosperous and peaceful Africa. Other specific objectives for marking the year include the following:

- to evaluate the progress made in fighting corruption and adopt best practices since the coming into force of the Convention on corruption;
- to increase space for civil society and private sector participation in the fight against corruption in Africa;
- to evaluate the level of ratification, domestication and implementation of regional, continental and relevant international instruments that have direct bearing on the fight against corruption at the national level;
- to encourage Member States to develop policies, plans of actions and programmes, so as to boost the fight against corruption in Africa;
- to develop an African Common Position on the recovery of African assets under foreign jurisdictions;
- to provide technical support to Member States in the fight against corruption; and
- to contribute to the implementation of anti-corruption policies.

40. It is my hope that Member States, the RECs and civil society organizations, together with African citizens, AU Organs and all other, will join efforts to eliminate corruption from the lives of millions of Africans affected, particularly the poor and marginalized populations. It is also expected that there will be increased domestication and implementation of all AU and RECs instruments. I have no doubt that a focused and dedicated fight against corruption will contribute significantly to the realization of Agenda 2063 and to the implementation of other relevant development agendas.

Illicit Financial Flows

41. I wish to recall that, in recognition of the detrimental effect of Illicit Financial Flows (IFF) on Africa, the 4th joint annual meeting of the AU/Economic Commission for Africa (ECA) Conference of Ministers of Finance, Planning and Economic Development adopted a resolution mandating the establishment of a High-Level Panel on Illicit Financial Flows from Africa. The Panel, chaired by former President Thabo Mbeki, was inaugurated in February 2012.

42. Over the last 50 years, Africa is estimated to have lost above \$1 trillion in IFFs, representing roughly the sum of all the Official Development Assistance (ODA) received by Africa during the same period. Considered as money that is illegally earned, transferred or utilized, IFFs deprive Africa in excess of \$50 billion annually.

43. The widespread occurrence of IFFs in Africa contribute to undermining state capacity and affecting the continent's potential to adequately finance its development

agenda. This is a matter of serious concern given the existing high levels of poverty, resource needs and the changing global landscape of ODA across Africa.

44. Current estimates assess that commercial activities (abusive transfer pricing, trade mispricing, over-invoicing of services and intangibles, and using unequal contracts) and tax evasion are by far the largest contributor to IFFs, accounting for 65 percent; criminal activities (money laundering, trafficking and smuggling of people, drugs and arms, etc.) for 30 percent; and corruption and abuse of office around 5 percent. While it is widely recognized that corruption facilitates all other aspects of IFFs, the figures speak to the fact that the extent of its importance is limited.

45. I am particularly concerned that the sources of IFFs are from within Africa. The fundamental responsibility for eliminating the sources, therefore, rests with the Member States. It is a matter that requires our urgent action because current evidence shows that taking prompt action to curtail illicit financial outflows from Africa will provide a major source of funds for the global and continental development frameworks in the near future, namely Agenda 2063 and Agenda 2030. Furthermore, successfully combating IFFs will generate positive impacts in terms of governance, resulting in sustainable improvements in the business environment.

46. The 24th Ordinary Session of the Assembly adopted, in January 2015, a Special Declaration on IFFs, which, among others; (i) commits Member States to implement the recommendations of the High-Level Panel; (ii) ask the Panel to further ensure the implementation of the recommendations globally; and (iii) requests the Commission, through the Panel, to submit progress reports to the Assembly annually. In the framework of the AU Special Declaration, the Panel has developed a result-based action plan matrix to guide and record periodically the achievements of African countries to curtail IFFs. The matrix includes suggested actions covering 24 distinct areas, on the basis of the key recommendations of the High-Level Panel. In the context of the implementation of the Special Declaration, the Commission will continue to work with the Member States to ensure that they provide relevant feedback, and take the necessary follow-up steps. In this regard, I have recently addressed a letter to the Ministers of Finance of all Member States to seek their support and cooperation.

47. During the course of 2017, the Commission has continued to support the effort, of the High-Level Panel to mobilize international support and build alliances around this question. I congratulate the Africa Group at the UN for the initiative that led to the adoption, in December 2016, by the General Assembly, of a resolution on IFFs. I call upon the Africa Group to continue to drive this issue to its logical conclusion through the full implementation of the resolution.

ACCELERATING SOCIO-ECONOMIC DEVELOPMENT AND REGIONAL INTEGRATION

Africa's Economic Outlook in 2017

48. Overall economic growth in Africa rose to 3.1% in 2017, after experiencing its lowest growth - 1.7% - in 2016. Africa's economy expanded due to the slight recovery in commodity prices and better domestic conditions supported by improved macroeconomic management. Growth in private consumption and increase in investment led the recovery in Africa's growth despite relatively low commodity prices, adverse weather conditions and fragile global economic conditions affecting some countries. Africa is the second fastest growing region after East and South Asia (5.9%), followed by South-Eastern Europe (2.5%) and Latin American and Caribbean region (1%).

49. Growth has remained relatively strong across the majority of African countries, despite the global economic slowdown experienced over the period since mid-2014. More than 70% of African countries grew at an average growth rate above 3% in 2017. About 25% of African countries grew at an average growth rate of 5% and above in 2017. The recovery in some major economies and the continued robust growth in other economies underpinned the continent's growth in 2017. In general, greater resilience continues to be observed in 2017 among smaller and non-commodity-dependent economies, as well as significant heterogeneity across sub-regions and economic groupings.

50. Despite inflationary pressures easing in some countries in 2017, inflation remains high, recording 13% in 2017 against 10% in 2016. The effect of the rising oil prices, strengthening domestic demand and currency devaluations have pushed up import costs and exacerbated inflationary pressures on the continent. However, this will, to some extent, be offset by tight monetary policies and increased agricultural production in some of the countries. Similarly, the high exchange rate volatility witnessed by a large number of African currencies in 2016 weakened and currencies became more stable in 2017.

Africa's trade and industrial performance

51. Africa's merchandise exports grew by 8.9% in 2017, twice the global trade growth at 4.3%, due to the recovery in global economy, especially in Africa's trading partners and the overall recovery in the global trade activity. In the first quarter of 2017, Africa's exports to China increased by 46%, with agricultural exports rising by 18%, compared with the same period in 2016. Sharp price rises in commodities, such as copper since the beginning of 2017, contributed to the significant gains in trade value with China. China's total trade with Africa rose by 16.8% in the first quarter of 2017.

52. However, Africa's exports to the world remain poorly diversified and dominated by primary commodities, mainly hydrocarbons and other mineral exports. From 2010-

2015, hydrocarbons comprised 55% of Africa's exports, with manufacturing accounting only 18%. Despite Africa's efforts to industrialize, Africa's manufacturing sector's share in world manufacturing exports is still less than 1 percent, a share that has even declined further since 2010. Diversification of economies is thus an urgent imperative for Africa.

53. Africa continues to be entrenched among the lower rungs of global values chains. Industrialization across the continent is struggling to take off. African countries' exports composition continued to be dominated by over 60% of total exports by raw commodities with minimal value added. African countries spend some US \$30 billion a year to import processed food from ingredients often abundant on the continent. Such trend can be reversed through value-added agro-processing that would contribute to creating countless jobs, especially for the growing youth population. In this regard, the AU has embarked on the development of a Commodity Strategy as a critical instrument to drive Africa's structural transformation, value addition and commodity-led industrialization.

54. Intra-African trade has increased from 10 to 16% of Africa's total trade in the last five years. However, the level of intra- African trade still compares unfavourably with other regions of the world - intra-regional trade is 70% in EU, 52% in Asia, and 26% in South America.

Private Sector and Small Medium Enterprise development

55. For African economies, SMEs represent over 90% of businesses in the continent, and they contribute to over 50% of GDP, accounting for about 63% of employment in low-income countries. Despite their importance, there is less policy focus on the development of the SMEs. Providing effective assistance to the Africa's SMEs, especially in the manufacturing sector, could ensure that the continent benefits in employment creation for its young population and increase the beneficiation of the local products, while maximizing regional values chains. Accordingly, the Commission, in collaboration with the RECs, has developed a draft SME Strategy, for consideration by the Ministers responsible for Trade, Industry and Mineral Resources.

56. I note with regret that private sector development, including SMEs, in Africa continues to be impeded by several challenges. The environment in which they operate could be more conducive with better institutional frameworks that enable skilling and development to transition from the 'cursed' informality, access necessary financing to spur innovations and promote their participation in industrialization processes and value chains. The private sector in Africa also face skills gaps and skills mismatches which constrain its capacity to play its role of catalyst for the continent's industrial development and broader transformation. For instance, according to the African Capacity Building Foundation, an additional 4 million engineers and 70,000 agricultural scientists are needed to support Africa's industrial development.

Medium-term outlook and way forward

57. Africa's growth prospects appear favourable in the medium-term, driven by continued prudent macroeconomic management and strong domestic demand, underpinned by increasing public and private investment. Growth is expected to reach 3.6% in 2018 and 3.8% in 2019. However, slow growth recovery in advanced and emerging economies and tightening of financial markets in the developed economies may continue to negatively affect export demand and curtail Foreign Direct Investment (FDI) inflows to Africa. Public debt levels are sustainable, but remain high, calling for the need to invest funds borrowed into productive sectors to generate returns that could allow timely repayment and enhance the countries' growth prospects.

58. Given the above current economic outlook on the continent, I wish to highlight the following:

- i) Africa needs to diversify economically and add value through commodity-based industrialization, raising productivity in agricultural and non-agricultural sectors;
- ii) Promoting industrialization in Africa should continue to meet the requirements of private businesses, in particular SMEs that are the backbone of the African private sector. The continent undoubtedly needs to promote the "Made in Africa" in which the private sector, in particular SMEs, has a crucial role to play;
- iii) Africa's industrial policies should be coherent with other policies, including trade policies, to promote value addition and economic diversification. These policies could include 'smart protectionism', of which nascent industrial sectors can develop productivity through learning-by-doing, technology upgrade, support from leading firms and reducing tariffs on imported inputs to industrial sectors, as well as reducing barriers to imports of services that are inputs to the industrial sector. The industrial policies should also pay attention to developing producer services, such as design, marketing and branding that promote the "Made in Africa";
- iv) Mobilizing finance to support the private sector in Africa cannot be overstated. Promoting financial market development to harness domestic resources for long-term development and is accessible to the range of economic actors, would be a significant contribution to improving the capacity of Africa's private sector to participate in Africa's industrialization and value chain development. At the regional and continental levels, harnessing cross-border financial flows from Africa's Diaspora could be crucial for the continent's development. Initiatives to enhance the use of remittance channels, cutting the associated costs and mobilizing remittances for investment purposes, could help channel the Diaspora's finance into the industrialization process of African economies;

- v) It is also important to stress that our continent will have to actively promote all viable means of domestic as well as foreign resource mobilization. This includes harnessing excess liquidity in the banking sector for development (particularly for long- term development projects) and stemming illicit financial flows out of Africa;
- vi) Member States should strengthen public-private dialogue platforms at all levels, in order to harness the goodwill of the private sector for it to be a reliable partner in Africa's development. The CFTA is a case in point, wherein the success of the initiative lies, to a large extent, in the ability to engage the private sector throughout the process – from negotiations to implementation, monitoring and evaluation.

Regional Integration

59. Accelerated economic integration is vital for our development and the prosperity of our people. This is an imperative, not an option. Coupled with the free movement of people and goods across the continent, integration will definitely provide home-grown solutions to poverty and the scourge of irregular migration.

60. I am pleased to report that tangible progress is being recorded on our integration agenda, notably with respect to the establishment of the African Continental Free Trade Area (CFTA). At the beginning of December 2017, the Government of Niger hosted the 4th meeting of the AU Ministers of Trade. The Niamey meeting, which I attended, concluded the first phase of negotiations on the CFTA, in accordance with the decision adopted by the Assembly of the Union, in June 2015 in Johannesburg. More specifically, the Trade Ministers endorsed the Agreement Establishing the CFTA, together with the Protocol on Trade in Services. On 8 January 2018, I wrote to all African Heads of State and Government to update them on the progress made and to seek their continued support for the completion of the CFTA negotiation process. President Issoufou Mahamadou, as the Leader for the CFTA, will submit a report to the Assembly. I look forward to the adoption of the recommendations contained therein, including the convening of an Extraordinary Summit for the signing of the CFTA Agreement. Following appropriate consultations, I intend to appoint a team of envoys to sensitize Member States on the need to expeditiously sign and ratify the Agreement and its Protocol, once these instruments have been adopted by the Assembly of the Union. The envoys will also reach out to other key stakeholders, including civil society and the private sector, to explain the benefits of the CFTA and ensure full ownership of the implementation process

61. The CFTA, which is a flagship project of Agenda 2063, holds the promise of a market of over 1.2 billion people. Its implementation will significantly increase intra-African trade; create economies of scale and regional value chains; and augment job opportunities, at a time when renewed efforts are required to meet the needs of African youth and fully harness the demographic dividend. There will be a second phase of

negotiations focusing on competition policy, intellectual property rights and investment, later in the year. I look forward to the completion of this process next year.

62. I warmly welcome this positive and critical development and commend all involved, in particular President Issoufou Mahamadou of Niger for his leadership and commitment. My appreciation also goes to the Ministers, Senior Officials and Chief Negotiators of Member States, as well as to the RECs representatives. Gratitude is equally due to our technical partners, including ECA, the UN Conference on Trade and Development (UNCTAD) and the African Development Bank (AfDB), whose support to the CFTA negotiations has been invaluable.

63. I also wish to recall that the Assembly at its 24th Ordinary Session in January 2015, adopted a Declaration on the implementation of the 1999 Yamoussoukro Decision towards the establishment of a Single African Air Transport Market (SAATM) by 2017. During the January 2015 Summit, eleven (11) Member States declared their Solemn Commitment to the implementation of the Yamoussoukro Declaration towards the establishment of the SAATM by 2017. To date, the Commission has registered adherence to the Solemn Commitment from twenty-three (23) Member States, namely: Benin, Botswana, Burkina Faso, Cape Verde, Republic of Congo, Côte d'Ivoire, Egypt, Ethiopia, Gabon, Ghana, Guinea, Kenya, Liberia, Mali, Mozambique, Niger, Nigeria, Rwanda, Sierra Leone, South Africa, Swaziland, Togo and Zimbabwe. However, the SAATM could not be launched in 2017, due to delays in the adoption of key regulatory instruments. Following the completion of the requisite regulatory framework, the SAATM will be launched during the January 2018 Summit.

64. In a letter addressed to all African Heads of State and Government in December 2017, I underscored that Africa stands to gain significant economic benefits by liberalizing and unifying its internal air transport market. This is, indeed, a quick-win project, which does not require huge investments in financial or technical resources. Simple, progressive policy and regulatory reforms are all that are needed to stimulate momentous growth in Africa's aviation industry. This will, in turn, impact positively on other socio-economic sectors. Opening up air transport markets will lead to quick increase in routes and number of flights, spurring more opportunities for cross-border investments in the production and service industries, including tourism. Furthermore, air transport connectivity has a major logistical role in the operationalization of the CFTA and the Protocol on Free Movement of Persons. I take this opportunity to commend the twenty-three Member States that have undertaken to implement the Yamoussoukro Declaration and urge all the others to join this crucial project for the benefit of the entire continent, without delay.

65. More generally, the Commission has intensified its efforts towards the implementation of the Programme for Infrastructure Development in Africa (PIDA), to create the regional infrastructure necessary for continental interconnection. Some of the PIDA projects are at a highly advanced stage, including two hydroelectric projects in East and West Africa (Ruzizi III) and the Sambagalou Dam. Efforts also continue with respect to the INGA III project in the DRC. In this respect, I addressed a letter to

President Joseph Kabila Kabange, on 5 December 2017, to reiterate the Commission's support to the INGA III project and its readiness to continue to work with all concerned partners to facilitate the early launching of the project. I recommended the establishment of a High-Level Strategic Committee involving the AU Commission, the AfDB and the NEPAD Agency to support the ongoing efforts, and that the project be presented during the June-July 2018 Summit. I am also glad to report that progress is being made with respect to the African Renewable Energy Initiative (AREI), on which President Alpha Condé will be submitting a report to the Assembly.

Pan-African Financial Institutions

66. Article 19 of the Constitutive Act provides for the establishment of three Pan-African financial institutions, namely the African Investment Bank, the African Monetary Fund and the African Central Bank. These institutions are key for the sustainable financing of Africa's socio-economic transformation.

67. With regard to the African Investment Bank, the Protocol establishing it was adopted by the Assembly of the Union in February 2009. So far, twenty-two signatures have been registered: Angola, Benin, Burkina Faso, Chad, Cote d'Ivoire, The Comoros, the Republic of Congo, the Democratic Republic of Congo, Gabon, The Gambia, Ghana, Guinea-Bissau, Guinea, Libya, Liberia, Madagascar, Niger, Senegal, Sierra Leone and Sao Tome & Principe, Togo and Zambia. Among them, only five have proceeded with the ratification: Benin, Burkina Faso, Congo, Libya and Togo.

68. Concerning the African Monetary Fund, the Protocol and Statute were adopted in June 2014 during the 23rd Ordinary Session of the Assembly of the Union held in Malabo, Equatorial Guinea. Nine signatures have been registered: Benin, Cameroon, Chad, Congo, Ghana, Guinea-Bissau, Mauritania, Sao Tome and Principe and Zambia. As far as the African Central Bank is concerned, the Joint Strategy for its establishment was adopted, in Malabo in July 2015, during the Assembly of the Association of the African Central Banks. It was endorsed by the African Ministers of Finance, Planning and Economic Development in March 2016, and is awaiting approval of the Assembly.

69. I remain concerned about the slow pace of implementation of the decisions taken by the Assembly. I urge Member States to take the necessary steps to allow the early operationalization of the Pan-African financial institutions.

Free Movement of Persons and African Passport

70. Free Movement of People in Africa is a fundamental pillar for the continental integration process. The foundation to gradually facilitate free movement of people in Africa was set forth by the 1991 Abuja Treaty on the African Economic Community (AEC). Decision EX.CL/Dec.908(XXVIII) of January 2016 on the outcomes of the Mekele Retreat of the Executive Council, in January 2016, further affirms the commitment to the free movement of people and goods. This reinforced Decision Assembly/AU/Decl.6 (XXV) of June 2015, in which the Assembly reiterated previous

commitments aimed at accelerating mobility and integration on the continent and mandated the Commission to develop a Protocol on Free Movement by January 2018.

71. Whereas the African integration agenda in the areas of trade in goods and services has advanced, integration through free movement of people has not made comparable progress, due to lack of requisite policy. During the Assembly Session in Kigali, in July 2016, the Heads of State and Government took a bold step by launching the African Passport and urged Member States to issue it to all African citizens. This decision has played a major role in catalysing efforts by various Member States to relax visa regulations for African nationals and strive towards the free movement of people. I welcome these steps.

72. Building on these advances, the development and adoption of the Protocol on Free Movement of Persons in harmonization of the different national and regional policies in the area of visa regimes, residence permits, and right to establishment is therefore a welcome development in our march towards regional integration. At the Second Session of the Specialized Technical Committee (STC) on Migration, Refugees and Displaced Persons held in Kigali from 20 to 21 October 2017, a Draft Protocol to the Treaty Establishing the AEC, relating to Free Movement of Persons, Right of Residence and Right of Establishment, as well as its Implementation Roadmap were adopted. The Draft Protocol, which also provides for Member States to adopt the African Passport for their citizens, has been reviewed by the STC on Justice and Legal Affairs held in Addis Ababa, in November 2017.

73. The Draft Protocol is now before the Assembly for adoption. It will enter into force either on the date of adoption by the Assembly or thirty (30) days after the receipt of the fifteenth instrument of ratification. Given the commendable enthusiasm and focused efforts demonstrated by Member States in the discussion and preparation of the Draft Protocol, I recommend the former option for its entry into force to the Assembly.

ENSURING SAFE FOODS FOR AFRICA

74. The issues of food safety, nutrition and food security are inextricably linked not only to each other but also to human health and trade. Unsafe food creates a vicious cycle of disease and malnutrition, particularly affecting infants, young children, elderly and the sick. Foodborne diseases impede socio-economic development by straining health care systems, and harming national economies, tourism and trade. Unfortunately, not many studies have estimated the cost of foodborne disease outbreaks in Africa, in order to fully understand the magnitude of the loss as a proportion of national gross domestic product. According to the Food and Agriculture Organization (FAO) and the World Health Organisation (WHO), a single food safety challenge, such as aflatoxins, is estimated to be responsible for damaging up to 25 percent of the world's food crops, resulting in large economic losses in many developing countries, as well as contributing to human and animal diseases. They are also reported to be responsible for Africa's loss of over 670 million US dollars in export trade earnings due to contamination in cereals, dried fruits and nuts.

75. Inaction on the part of Governments to assert food control can therefore lead to devastating trade implications. A single event of a food-borne disease outbreak can bring unimaginable economic consequences, including loss of reputation and export markets, with catalytic negative effect on employment and livelihoods. The Commission target of tripling intra-regional trade in agricultural commodities by 2025 will be difficult to realize as long as there are no structured continental, regional and national mechanisms providing coordination and leadership on food systems control in Africa.

76. Furthermore, food supply chains now cross multiple national borders. Unfortunately, Member States have different food control regimes which do not achieve the same appropriate level of protection, thus stifling intra-regional trade. Good collaboration between Governments, producers and consumers is essential to ensure food safety across Africa.

77. In 2012, the Commission launched the Partnership for Aflatoxin Control in Africa (PACA), an initiative that aims to coordinate and support aflatoxin mitigation across the health, agriculture and trade sectors in Africa. PACA, which currently operates in six pilot countries, has made significant progress in aflatoxin control through, generating locally relevant data, building human and laboratory capacity for aflatoxin testing, and supporting the development of national and regional strategies and facilitating resource mobilization for their implementation. I am also aware that several RECs and Member States have commenced the implementation of regional and national programs to build sanitary and phytosanitary capacity, in particular in relation to food safety. However, these programs are proceeding at different paces. Furthermore, the RECs have not been able to develop a critical mass of technical capacity to provide the necessary leadership to catalyse the substantive continent-wide reforms needed to address the challenges of food safety.

78. Against this background, it is critical to ensure a uniform approach and harmonization of food safety standards across the continent, as well as to increase support to Member States to better coordinate all food safety issues in Africa, in order to save lives and improve the health of African people, as well as enhance the continent's capacity to participate effectively in international trade and raise living standards. Building an effective food safety and quality regime throughout Africa is, therefore, an urgent necessity. Consequently, the Commission has proposed to host, in collaboration with WHO and FAO, the proposed International Food Safety Conference in 2019, to further garner political support for the establishment of a continental food safety structure. I will engage relevant stakeholders in our Member States, as well as partners, to further food safety on the continent.

PROTECTING WILDLIFE AND WILD LANDS

79. Agenda 2063, under Aspiration 1 '*A prosperous Africa based on inclusive growth and sustainable development*', emphasizes the importance of the environment and

ecosystems, including wildlife and wild lands, as critical to the overall prosperity and development of the continent. The environment directly supports the livelihoods of most Africans, with a large proportion of the continent's population being dependent on subsistence agriculture, untreated water, wood energy, and building materials sourced from the environment. Conservation of wildlife has also global benefits, leading to the enactment of various international instruments, including the UN Convention on Biological Diversity, the Convention on International Trade in Endangered Species of Wild Fauna and Flora, and the Convention on Migratory Species of Wild Animals.

80. Africa's rapid economic growth is widely reported. At the same time, the continent has, over the past 20 years, experienced devastating losses of its unique wildlife heritage. For example, lions that were once numbering 50,000 continent-wide around 2005, are now estimated at closer to 23,000. Africa's elephants, which numbered 1.3 million in 1970, dropped to around 600,000 in 2005 – due to poaching pressure, their numbers are now estimated at around 470,000. Of Africa's five subspecies of rhinos, one has been declared extinct in the last two years. In a nutshell, as Africa has grown, its ecological resource base, on which future generations depend, is being eroded.

81. Losses in species diversity and richness of natural resources, ecosystem functioning and services will have an adverse impact on the efforts to achieve sustainable development. Against this backdrop, renewed efforts for the conservation of Africa's wildlife and wild lands is crucial. With a clear agenda, Africa can both develop economically and conserve its key wildlife and wild lands.

82. There are common underlying threats to security and to biodiversity. Heavily armed, interconnected, and funded syndicates of traffickers operate across a range of illicit markets, including illegal arms, human trafficking, and wildlife products. The agenda for strengthening security and protecting biodiversity is shared. Additionally, there is mounting evidence that resource conflicts resulting from ecological degradation are an underlying driver of violence and insecurity, particularly in the case of water and land resources and in the context of trans-boundary systems. Linked to this is the evident impact of erosion of these natural resources on migration.

83. At its 27th Ordinary Session, in June 2015, in Johannesburg, South Africa, the Executive Council adopted decision EX.CL/Dec.879 (XXVII), through which it endorsed the African Strategy on Combating Illegal Exploitation and Trade in Wild Fauna and Flora and called upon Member States and AU partners to support and facilitate its implementation. The African Common Strategy aims to prevent, reduce and eventually eliminate illegal trade in wild flora and fauna through a coordinated response by all countries. As a follow-up, the Commission developed, in September 2017, a monitoring framework for the implementation of the Strategy. Steps have also been taken to popularize this Strategy, while a Memorandum of Understanding was concluded with the African Wildlife Fund (AWF) to support its implementation.

84. These efforts need to be scaled up. In the period ahead, I intend to enhance coordination among all concerned entities within the AU system to ensure the effective implementation of the Strategy. The Commission will also reach out to Member States to increase awareness and assist national efforts to protect wildlife and wild lands. Furthermore, the Commission will proactively engage international partners, both bilaterally and within the framework of multilateral fora, to champion a development agenda with conservation at its core.

ADVANCING GOVERNANCE, DEMOCRACY AND ELECTIONS

Progress in Operationalizing the African Governance Architecture

85. It should be recalled, that in 2011, the 16th Ordinary Session of the Assembly of the Union adopted the African Governance Architecture (AGA) as a framework for dialogue among stakeholders, with the ultimate aim of harmonizing the AU Shared Values Instruments and coordinating initiatives towards promoting and consolidating democratic governance on the continent.

86. Since its inception, and in close cooperation and collaboration with the African Peace and Security Architecture (APSA), the AGA has made tremendous progress in its policy and institutional development towards increased coordination, collaboration and synergy on democratic governance issues. Efforts to further operationalize the AGA, as well as the African Governance Platform through the AGA Secretariat, continued through four approaches in 2017, namely:

- a) enhancing synergy and coordination among AU organs, institutions and RECs with mandates to promote and strengthen good governance, democracy and human rights;
- b) supporting the implementation and monitoring of Shared Values Instruments;
- c) fostering popular participation and citizen engagement in democratic governance processes; and
- d) generating, managing and disseminating knowledge on African shared values and democratic governance trends.

Elections and Youth Participation

87. In 2017, eleven (11) presidential and parliamentary elections were held. The Commission deployed election observation missions during all these elections, with a view to ensuring credibility and legitimacy of their outcomes. The observation missions also contributed to the prevention of electoral violence which could have triggered instability with adverse consequences for democratization, peace and security in the concerned countries. While most of these elections went peacefully, a few were

disputed, leading to violent street protests and judicial interventions that impacted on their timely conclusion.

88. In order for the AU to achieve greater integration and development, the promotion of active participation of women and youth in all levels of electoral processes, including running for political offices at the national level, is essential. As part of activities marking the AU 2017 Theme, the Commission undertook extensive consultations and sensitization of youth groups across the continent. In this regard, the 4th annual Continental Forum on Election Management Bodies in Africa organized by the Commission, in November 2017, focused on the AU 2017 Theme to reflect and deliberate on the challenges, opportunities and strategies for meaningful youth participation in electoral processes in Africa. The issue of youth participation and representation was also extensively discussed during the 6th High-Level Dialogue in December 2017 in Pretoria, South Africa, under the theme *Enhancing Youth Participation and Representation in Governance in Africa*.

Taking Forward the Democratization Agenda

89. Overall, the last six months demonstrated again that, while Africa's road to democracy is long and winding, nonetheless African citizens and their leaders are finding their way. Our countries have been in democratic transitions of one form or another for more than 25 years. Substantial progress has been made. There are more democratically-elected Governments on the continent than ever before. Our democracies are no longer interludes between other forms of rule: democracy is becoming entrenched with more peaceful transitions of power than before. They are also becoming more complex, with decentralization and local democracy becoming more widespread. As part of the efforts to advance democratic governance on the continent, the African Peer Review Mechanism (APRM) has been revamped under the stewardship of President Uhuru Kenyatta. The APRM is Africa's home-grown governance self-assessment mechanism.

90. Democracies in Africa are growing deeper roots, and this is something we must welcome and support. In Liberia, for the first time in that country, there has been a peaceful and orderly transition from one elected president to another. In Kenya, elections were marked by the widening of democratic institutions under the decentralized system provided for by the new Constitution. In these two countries, democracy has been supported by the actions of an independent judiciary. In Ethiopia, the ruling party has very recently taken significant steps, to foster national consensus and widen the democratic space. In Zimbabwe, a peaceful transfer of power took place following the decision of President Robert Mugabe to step down from his position as Head of State.

91. The AU Constitutive Act is unequivocal in its affirmation of constitutional democracy. It does not recognize unconstitutional changes of Government. Africa also possesses important continental instruments and institutions dedicated to upholding human rights, democracy, and the participation of civil society.

92. The continent's greatest strength is the enduring enthusiasm of African citizens for democracy. The turnout in elections is generally high. Voters wait for their chance to cast their ballots with exemplary patience. National election monitors and journalists scrutinize the campaigns, the voting and the counting with commendable rigour. Election commissions and the judiciary carry out their onerous duties with a sense of responsibility, despite meagre resources and sometimes intense pressure.

93. However, the price of democracy is constant vigilance in responding to the needs of the people. This vigilance is particularly necessary today as we have witnessed some electorates, in countries with strong democratic traditions, succumbing to the allure of authoritarian populism and xenophobia. We are not immune to these trends. We have a fast-growing population of young people, who are well-connected through social media, and have high aspirations. They may be frustrated by lack of employment opportunities and other unmet expectations. We are buffeted by mass migration and the rollercoaster ride of boom and bust in economies that, largely, depend on natural resources. Our airwaves and social media are conduits for the appeals of extremists. We have yet to see systematic hacking of African voters' rolls, or systematic manipulation of voters' opinions using social media, but have good reason to ensure that the enemies of democracy are not able to sabotage these mechanisms, and undermine our people's faith in free and fair electoral processes.

94. Going forward, and as part of the efforts to strengthen the democratization process on the continent, the Commission will build on the outcomes of the 6th High Level Dialogue. The Dialogue was held as the AU celebrated the 10th anniversary of the adoption of the African Charter on Democracy, Elections and Governance, the continent's foremost democratic governance normative instrument.

WORKING TOWARDS SILENCING THE GUNS BY 2020

95. In May 2013, on the occasion of the Golden Jubilee of the OAU/AU, the Assembly of the Union set, as an objective, ending all conflicts and wars in Africa by 2020. Silencing the Guns is one of the Flagship Projects of the First Ten-Year Implementation Plan of Agenda 2063. This is, undoubtedly, a tall ambition, given the protracted nature of some of the security challenges confronting the continent and the complexity of the issues involved. Yet, Africa has no other option than to bring to an end the violence that has torn apart so many of its regions and countries, if the continent is to fulfil the aspirations to well-being of its population and move beyond the paradox of a resource-rich land, whose people are among the poorest in the globe.

96. There is no doubt that progress has been made towards the promotion of peace, security and stability on the continent. However, the remaining challenges are enormous. To achieve our objective of a conflict-free continent, we need to exert greater efforts and to display stronger political commitment. I am convinced that the objective, as ambitious as it is, is within reach. Key in this respect are the following: full cooperation of Member States with the PSC and the Commission in the discharge of

their respective responsibilities in the prevention, management and resolution of conflicts, in line with relevant provisions of the PSC Protocol; close coordination and collaboration between the AU and the RECs/RMs, as part of the APSA; and full support of the international community, in particular the UN, to the priorities set by the continent. It is with this in mind that I appointed, in October 2017, former Algerian Foreign Minister and former AU Commissioner for Peace and Security Ramtane Lamamra as the AU High Representative for Silencing the Guns. In this capacity, Mr. Lamamra, in close collaboration with all concerned stakeholders, will galvanize support towards ending violence and sustaining peace on the continent.

97. In the following paragraphs, I will highlight some of the challenges confronting us, in order to facilitate the adoption of decisions that may be required to advance the goal of silencing the guns by 2020.

Terrorism and related Security Challenges

98. Terrorism remains a serious security threat on the continent and has featured prominently on the AU agenda over the past years. From the Horn Africa to the Sahel region and the Lake Chad Basin, terrorism and violent extremism are posing a new set of challenges to security, stability and development on the continent. 2017 has witnessed some of the deadliest acts of terrorism to date. On 24 November 2017, 311 worshippers were killed in the attack on Al-Rawda mosque in the north of Egypt. Six weeks before this devastating incident, another 512 people were killed in Mogadishu. This attack was the deadliest in Somalia's history. In the Lake Chad Basin and the Sahel region, attacks by Boko Haram continue to claim many lives. These are only a few examples of the continuous acts of violence perpetrated against innocent civilians and peacekeepers across Africa over the past years.

99. From the conflicts in the Middle East and far beyond, terrorists are steadily developing narratives to portray a global injustice and justify their criminal actions. These dynamics are now having serious ramifications on our continent. With the defeat of the so-called Islamic State in the Middle-East, the group is seeking to make the African continent, and particularly North Africa and the Sahel region, its new frontier. This is most evident by the current situation in Libya and the influx of thousands of African and foreign terrorist fighters into the region. Given the continent's porous borders, and the expansive ambitions harboured by terrorist groups, none of our countries is immune to this threat.

100. The conditions conducive to the spread of terrorism and violent extremism in Africa are complex. Poverty, marginalization, human rights violations and other factors are driving individuals and communities to join terrorist groups, either out of ideological conviction or the desire to attain material gain. Hence, the need for tailored and context-specific approaches to prevent and combat terrorism.

101. As early as 1992, the AU adopted a range of policy and legally-binding instruments. The AU's approach has also continuously adapted to the changing nature

and manifestation of the terrorist threat in Africa and the impact of global developments. In this regard, and within the APSA framework, we have developed a range of institutions, mechanisms and innovative tools to respond to the terrorist threat. These include peace support operations and ad-hoc security arrangements, as well as specialized institutions such as the Committee of Intelligence and Security Services of Africa (CISSA), the African Centre for the Study and Research on Terrorism (CAERT) and, most recently, the AU Mechanism for Police Cooperation (AFRIPOL). The AU has also initiated the Nouakchott and Djibouti Processes to enhance security cooperation in the Sahel and East Africa regions. These platforms remain instrumental in building confidence and fostering common approaches among the regions' intelligence services. Several RECs have also developed regional strategies and action plans to prevent and combat terrorism.

102. However, despite the laudable efforts of the AU, RECs and Member States, the continental response to the scourge of terrorism has remained fragmented and incommensurate with the scale of the problem. It is for these reasons that the Commission has called for an integrated and comprehensive approach that focuses on prevention and addressing conditions conducive to the spread of terrorism, integrated security and law-enforcement responses, and sustainable post-conflict stabilization and reconstruction. These integrated and mutually-reinforcing components are outlined in the landmark communiqué adopted by the 455th meeting of the Peace and Security Council (PSC), held at the level of Heads of States and Government, on 2 September 2014, in Nairobi Kenya.

103. In furtherance of this approach, the Commission convened a high-level forum in December 2017, in Oran, Algeria, under the theme "*Effective and Sustainable Counterterrorism Responses: A Regional Approach*". The meeting acknowledged that shortcomings in preventing and combating terrorism and violent extremism on the continent are not due to the shortage of guiding principles and frameworks. In this regard, it was recognized that there are no alternatives to nationally-owned, led and financed efforts to achieve meaningful and effective action. The meeting also stressed the need for regional and sub-regional approaches to preventing and countering terrorism. In this respect, sustained efforts will also be made to strengthen the Djibouti and Nouakchott Processes, building on the meeting that took place in Addis Ababa on 10 November 2017 and brought together the Member States of these two initiatives.

Democratic Republic of Congo

104. Since assuming office, I have continued to closely follow the situation in the DRC, in the context of the implementation of the 31st December 2016 Political Agreement, on the basis of which the parties agreed to a transition leading to the holding of free, fair and transparent elections. At the end of September 2017, I visited Kinshasa to consult with President Joseph Kabila and other Congolese stakeholders and encouraged them to fully honour the commitments entered into, in order to consolidate the gains made and deepen democracy in their country. The Commissioner for Peace and Security and my Strategic Advisor also travelled several times to the

DRC during the period under review, to encourage the implementation of the agreement. Additionally, the Commission convened or participated in a number of consultative meetings, involving the relevant regional organisations, the UN and other stakeholders, to discuss the situation in the DRC and how best the international community could support the ongoing process. In early November 2017, the National Independent Electoral Commission published the electoral calendar, which provides for the holding of the presidential and legislative election on 23 December 2018.

105. The publication of the electoral calendar is a positive development. I urge all concerned to ensure that the calendar is strictly complied with. I also stressed the importance of confidence building measures to ease the political tension, prevent the recurrence of the acts of violence that were witnessed in 2017, and create a conducive environment for the successful conduct of the electoral process. To this end, and within the framework of the relevant PSC decisions, I will continue to engage all the Congolese stakeholders to encourage restraint and dialogue. The Commission will also continue to avail support towards the holding of peaceful and transparent elections. I call on the international community at large to provide the required financial and logistical assistance.

Central African Republic

106. The AU has remained actively involved in the efforts aimed at promoting lasting peace, security and reconciliation in the Central African Republic (CAR), most notably through the African Initiative for Peace and Reconciliation led by the Commission, in collaboration with the countries of the region and relevant international partners. This Initiative was launched at the request of President Faustin Archange Touadera and aims to facilitate dialogue between the armed groups, which control large portions of the CAR territory, and the democratically-elected Government. In the past months, and following the adoption of a roadmap in Libreville in July 2017, a number of steps have been taken to operationalize the Initiative. I note, in particular, that the facilitation panel held discussions with the armed groups in November and December 2017, under the chairmanship of my Special Representative in the CAR. These discussions provided an opportunity for the panel to brief the armed groups on the Initiative and to convey to them my message calling for an end to violence and a full commitment to the peace and reconciliation process. A second round of discussions is scheduled in February 2018. I welcome the support extended to the ongoing efforts by the UN, the EU and other partners. No efforts should be spared to ensure the success of this Initiative and bring to an end the violence and the dire humanitarian situation unfolding in different parts of the country.

South Sudan

107. Among the conflict situations the AU is seized with, few are as desperate as the one prevailing in South Sudan. Four years after the onset of the conflict, all efforts aimed at ending the violence have so far failed to make a tangible impact on the ground. The population continue to be subjected to untold suffering. The available

figures on the humanitarian situation speak for themselves. A countless number of people have been killed; 1.9 million people are internally displaced and over 2 million sought refuge in neighbouring countries; 7 million people are in need of assistance and protection. As I indicated in my statement to the opening of the first phase of the High-Level Revitalization Forum, held under the auspices of the Inter-Governmental Authority on Development (IGAD), in Addis Ababa from 18 to 21 December 2017, this tragedy is a betrayal of the liberation struggle and martyrdom of many South Sudanese. Given the gravity of the situation, South Sudan was one of the first countries I visited upon assuming office. During that visit, I saw, first-hand, the extent and depth of the trauma caused by the violence afflicting the country.

108. The Commission has since continued to extend full support to the IGAD-led efforts. In this respect, the AU High Representative for South Sudan, former President Alpha Oumar Konare, continues to carry out regular consultations with the South Sudanese stakeholders and regional leaders. Furthermore, the PSC remains seized of the situation. At its 720th meeting held on 20 September 2017, at ministerial level in New York, the PSC stressed that the situation could no longer be treated in a routine manner and that time had come for Africa to take decisive actions in order to put an end to the suffering of the people. In this respect, the PSC requested the Commission to submit to it, by December 2017, possible measures to be applied against all those who continue to obstruct the peace efforts.

109. Following an extensive consultation process with all relevant South Sudanese parties, the first phase of the IGAD-led High-Level Revitalization Forum took place. The signing, on 21 December 2017, of an Agreement on Cessation of Hostilities, Protection of Civilians and Humanitarian Access generated huge expectations. Unfortunately, the Parties have, once again, failed to honour their commitments as fighting broke out between various signatories immediately after signing of the Agreement. On 12 January 2018, the UN Secretary-General and I issued a joint statement condemning the violations of the Agreement and calling on the South Sudanese parties to immediately seize all hostilities, desist from undertaking further military operations and uphold their commitments. We expressed our intent to support the imposition of consequences, consistent with the PSC communiqué of 20 September 2017, should the parties continue to violate their own Agreement.

110. I consider the situation in South Sudan as one of the most serious challenges confronting our Union today. It is my strong conviction that the Summit should convey a strong message to the South Sudanese parties to end this senseless conflict and to genuinely commit to a sustainable and inclusive political settlement that will enable South Sudan to realize its potential and allow its people to finally enjoy the fruits of their hard-won independence. I wish to seize this opportunity to, once again, reiterate the AU's appreciation to IGAD and the Heads of State and Government of the region, for their commitment and steadfastness. Their continued leadership is critical to take forward the peace process. The AU will continue to stand by the region in its quest for durable peace.

Somalia

111. The AU Mission in Somalia (AMISOM) continues to make a significant contribution to peace and stability in Somalia. Its presence has created a conducive environment for important progress on the political front, including the successful conduct of the electoral process, resulting in a peaceful transfer of power, and a political agreement on the main principles of security sector governance in a federal Somalia. The overall environment remains, however, challenging, as demonstrated by the October attack in Mogadishu. Despite these challenges, AMISOM has made important progress in facilitating a conditions-based transition, including by building the capacity of Somali military and police personnel and beginning to transfer security responsibilities in a number of locations where conditions were conducive. This allowed for the repatriation of 1,000 military personnel, in compliance with April 2017 joint AU/UN Review of AMISOM and relevant subsequent decisions by the AU PSC and the UN Security Council. The presence of AMISOM continues to be indispensable to ensure a successful transition conducted in an orderly and gradual manner.

112. Predictable and sustainable funding for AMISOM for the remaining transition period is required to protect the gains achieved over the past decade and avert a setback of strategic dimensions. In this respect, I had several exchanges with the UN Secretary-General to consult on how best to take forward the request made to him by the Security Council to explore funding arrangements for AMISOM, bearing in mind the full range of options available, as well as the limitations of voluntary funding. In this context, we requested former Algerian Foreign Minister and AU Peace and Security Commissioner Ramtane Lamamra and former UN Under-Secretary-General for Peacekeeping Operations Jean Marie Guehenno, to consult widely with the Troop Contributing Countries (TCCs) and other key stakeholders, with a view to formulating recommendations on the predictable and sustainable funding of AMISOM, as part of a comprehensive transition strategy that also requires the enhancement of the capacity of Somali forces.

113. No efforts should be spared to preserve the gains made in Somalia. The Somali leaders should persevere on the path of reconciliation and display the required commitment to build strong and capable Somali security forces that can ultimately guarantee the security of their country, bearing in mind that this must include enhanced accountability for international support. They should also maintain cohesion among their national institutions, and all concerned international actors should act in a manner that fosters such unity and cohesion.

Horn of Africa

114. The challenges of peace and security in the African continent take particularly acute forms in the Horn of Africa. The IGAD region suffers from particularly intractable and complex armed conflicts, and continues to be beset by instability. The challenges of establishing sustainable peace and security arise both from internal factors, including the legacy of past wars, and from external factors, including the growing spill-over from

the conflict in Yemen. The AU and its partners, including IGAD and the UN, have been deeply engaged in trying to prevent, manage and resolve these conflicts. As a result, the Horn is host to the world's greatest concentration of peacekeepers and has several ongoing peace processes. It is in cognizance of these challenges that the Assembly and the PSC, on numerous occasions, stressed the need for a regional and holistic approach to the challenges of peace, security and stability in the Horn, in support of IGAD, that would lead to the convening of a conference on peace, security, stability, cooperation and development in the Horn of Africa, and requested the Commission, including the AU High-Level Implementation Panel (AUHIP) to work towards that end.

115. It is against this backdrop that the AU convened a Strategic Consultation on the Horn of Africa, in Khartoum, Sudan, in October 2017. Many substantive issues were discussed pertaining to the legacy of past conflicts, the role of poverty and under-development in generating conflicts, the challenge of state border and shared trans-border resources, the threat posed by violent extremism and intolerant identity politics. The discussions also focused on the 'shared space' of the Red Sea arena with our partners in the Middle East. The necessary steps will be taken to follow up on the outcomes of the Consultation, in close consultation with the countries of the region.

Lake Chad Basin

116. The Multinational Joint Task Force (MNJTF) mandated to combat the Boko Haram terrorist group has considerably weakened the capability of the group. However, despite those gains, Boko Haram still remains a threat for the countries of the region. In order to address this threat in a sustainable manner, there is a need to complement the security efforts with measures to address the root causes of violent extremism in the Lake Chad Basin area. In this regard, the Commission provided support for the convening of the First Regional Stabilization Conference in the Lake Chad Basin in N'Djamena, in early November 2017, with the objective to develop a regional stabilization strategy for the countries affected by Boko Haram. Follow-up steps are being taken by the Commission.

Mali and Sahel

117. The security situation in the Sahel continues to be of serious concern. The multiple terrorist attacks perpetrated in Mali, Burkina Faso and Niger led the countries of the region to establish the G5 Sahel Joint Force, to complement the stabilization efforts of MINUSMA and the French Barkhane counter-terrorism operations. Following the endorsement of the Joint Force Strategic CONOPS by the PSC, on 13 April 2017, and the request for the UN Security Council to provide all the necessary assistance, I wrote, on 27 April 2017, to the Secretary-General to mobilize adequate and predictable resources in support of the G5 Sahel Joint Force. On 15 June 2017, I sent another letter to the Secretary-General to, once again, underline the critical importance of UN Support to the G5 Sahel. I welcome the adoption of resolution 2991(2017) of 8 December 2017, in which the UN Security Council stressed that the efforts of the Joint Force to counter the activities of terrorist groups and other organized criminal groups will contribute to the

creation of a more secure environment in the Sahel region, thus facilitate the fulfilment by MINUSMA of its mandate to stabilize Mali, and authorized the provision of operational and logistical support from MINUSMA to the G5 Force.

118. In June 2017, together with the Peace and Security and Political Affairs Commissioners, I visited the five countries that are part of the G5 Sahel Force to express AU's solidarity. I also participated in different meetings bringing together the countries of the region and their partners, including on the margins of the General Assembly in September 2017, and in Paris, in December 2017. I welcome the support provided so far by bilateral and multilateral partners, including France, the United States of America, Saudi Arabia and the EU. It is my hope that the Donors Conference scheduled to take place in Brussels on 23 February 2018 will make it possible to mobilize the additional funds and other support required to enable the Force to reach its full operational capability, building on the encouraging progress already made on the ground.

119. These efforts will be pursued, along with the support to the implementation of the 2015 Peace and Reconciliation Agreement. There is no doubt that the successful implementation of the Agreement will go a long way in further isolating the terrorist groups and creating a more conducive environment for the success of counter-terrorism operations.

Libya

120. The situation in Libya continues to be of utmost concern. Despite international efforts to find a lasting solution, the political process remain deadlocked, while the security situation continues to be volatile. The humanitarian situation and the conditions under which African migrants live in Libya are also a source of deep concern. During the period under review, the Commission and the AU High-Level Committee on Libya continue their efforts and engagement with Libyan stakeholders. The 4th meeting of the AU High-Level Committee held in Brazzaville, in September 2017 and in which the Commissioner for Peace and Security and I participated, adopted a roadmap to guide the AU efforts. On that basis, President Denis Sassou Nguesso of the Republic of Congo, who is the Chair of the Committee, has taken a number of initiatives, and will be briefing the Assembly on his efforts. As part of the efforts to enhance support for the High-Level Committee and facilitate international coordination, the Commission is considering the possible resumption of the activities of the AU-led International Contact Group on Libya.

121. In mid-January 2018, I received in Addis Ababa Ghassam Salame, the UN Secretary-General Special Representative for Libya. We underscored that a coordinated approach between the two the AU and the UN is vital in achieving lasting peace in Libya. In this regard, we agreed that the two Organizations shall work together to facilitate a consensus among Libyans, in order to unify the Libyan institutions, form an inclusive national government and hold free and fair elections in the country. In so doing, the AU and the UN shall act in pursuance of the relevant decisions of the

Security Council and the PSC and build on the AU Roadmap, and the UN Action Plan adopted at the High-Level Meeting on Libya, convened by the UN Secretary-General, in New York on 21 Sept 2017.

Western Sahara

122. Western Sahara is one of the most protracted conflicts facing our Union. The welcome return of the Kingdom of Morocco to the AU has raised hopes that the AU will be in a position to play a more active role in support of the UN efforts towards overcoming the challenges at hand. It should be recalled that the UN Security Council has repeatedly called upon the parties to resume negotiations under the auspices of the UN Secretary-General without pre-conditions and in good faith, with a view to achieving a just, lasting and mutually acceptable political solution, which will provide for the self-determination of the people of Western Sahara in the context of arrangements consistent with the principles and purposes of the UN Charter.

123. The AU, through the PSC and other Policy Organs, has also repeatedly pronounced itself on the situation. In particular, the Assembly of the Union, at its 29th Ordinary Session held in Addis Ababa in July 2017 requested me, in consultation with the PSC, to take appropriate measures to support the efforts of the UN and encourage the parties to cooperate in good faith towards ensuring the success of the process. The Assembly also requested me to report in January 2018 on measures and initiatives taken in partnership with the UN.

124. Over the past six months, I have closely followed the situation. I have also carried out consultations on how best to take forward the mandate given to me by the Assembly. As part of those efforts, I met with the newly-appointed Personal Envoy of the UN Secretary-General Horst Köhler in Addis Ababa, in January 2018. While mindful of the complexity of the crisis, it is my strong belief that, with the required good will from the parties, a solution is within reach and that the AU, working closely with the UN, can play a positive role in helping overcome the current impasse.

FURTHERING GENDER EQUALITY AND WOMEN'S EMPOWERMENT

125. The Solemn Declaration on Gender Equality and Women's Empowerment (SDGEA), adopted by the Assembly of the Union at the 3rd Ordinary Session held in July 2004 provides the framework for our current reporting on progress made to achieve gender parity at all levels and guarantee the right to education for women and girls, as well as their full and effective participation and representation in governance and peace processes. During 2017, the Commission received national reports from 28 Member States on the implementation of the Declaration for the year 2016 - the highest since the reporting on the instrument began in 2006. The reports highlight progress in a number of areas, including adoption of legislation and policies to protect and promote the rights of women and girls and prevent violence against them; the reinsertion of teenage mothers back to school; integration of an increasing number of women in defence and security forces; and demobilisation and reintegration of child soldiers in countries

emerging from conflicts. However, challenges remain with regards to women's representation in governance structures and peace processes, women's economic empowerment, as well as with respect to early marriages and harmful traditional practices. Furthermore, infections of HIV/AIDS are also reported to be highest among women and girls.

126. While acknowledging the progress made, I am concerned that the gap between policy and implementation continues to be wide. This calls for renewed efforts from Member States to live up to their commitments and accelerate their implementation. The 'Africa We Want' requires greater traction and transformative actions in support of women's empowerment. From my end, I will spare no efforts in taking forward the gender agenda. In this respect, the Commission has initiated a process to develop a new and bold strategy on gender, focusing on achieving more tangible results. Furthermore, consultations are underway with the UN towards mobilizing far greater resources, particularly from the private sector, in support of women's economic empowerment, building on the existing AU Fund for African Women.

DELIVERING ON THE AU INSTITUTIONAL REFORM

127. The January 2017 Decision Assembly/AU/Dec.635 (XXVIII) on the AU Institutional Reform sets out a comprehensive reform agenda. In an increasingly uncertain multilateral context, the Reform Decision is aimed at fundamentally transforming the organization into an effective and efficient institution and at re-positioning it to meet the evolving needs of its Member States and the continent. It identifies the following core reform priorities:

- Focus on key priorities of continental scope;
- realign AU institutions in order to deliver against those priorities;
- connect the AU to its citizens;
- manage the business of the AU efficiently and effectively at both the political and operational levels; and
- finance the AU sustainably and with the full ownership of the Member States.

128. The Decision is being implemented within the framework of the Constitutive Act of the AU. In September 2017, I established the Reform Implementation Unit in my Office. Since I assumed office, I have had several consultations with Member States on the reform implementation process, as well as a number of meetings with Presidents Paul Kagame, Idriss Déby Itno and Alpha Condé - mandated to follow up the process - in Kigali, Conakry and Dakar, respectively. A detailed progress report has been circulated to Member States in advance of the Summit, to allow Member States to prepare for the discussions on the reform process.

129. In my view, two key issues must be addressed for the reform process to be viable. Firstly, we must achieve financial autonomy and independence within a clear accountability framework. The 2017 Kigali Financing Decision provides the basis for financial independence to be achieved, and Member States should aim for full implementation in the shortest possible timeline. In this regard, I am pleased to report that 21 Member States are at various stages of implementation of the 0.2 percent levy and, of these, 12 have started the process of collecting the levy. Regarding the revitalization of the Peace Fund in accordance with the July 2016 Kigali Assembly Decision on Financing the Union, the total contribution of Member States to the Fund stood at USD 29.5 million, representing approximately. I have also initiated consultations on the selection of the Board of Trustees for the Fund. The Peace Fund Instrument has been reviewed by the Office of the Legal Counsel, and is ready for endorsement.

130. I would like to emphasize that the 'Financing the Union' agenda is not simply about the 0.2% levy. It is about making hard budget choices, voting budgets that we can afford, ensuring compliance, establishing more equitable burden sharing, maintaining the highest fiduciary standards, laying down clear limits on external dependency, and establishing golden rules on financial management in line with international best practice. I would like to assure Member States of my firm commitment to improving the overall accountability and effectiveness of the Commission's finance and budget management systems and processes. To this end, the Commission is working towards preparing more credible budgets, ensuring value for money, and delivering concrete results and impact. The Committee of Finance Ministers, at its meeting held in Kigali in mid-January 2018, reviewed the various reform proposals and will make its recommendations to the January 2018 Summit.

131. Another important aspect relates to the crisis of implementation of decisions adopted. The quality and credibility of AU decision-making must be established. It would be better to have fewer decisions adopted and fully implemented, than the current practice of taking numerous decisions that are either partially or never implemented at all. In this regard, I am pleased to indicate that proposals on how to strengthen the implementation of legally-binding decisions have been prepared for discussion at this Summit. I would again like to emphasize that these proposals have been developed within the framework of the Constitutive Act.

STRENGTHENING THE RELATIONS BETWEEN THE AU AND ITS RECs

132. I wish to underscore the critical role of the RECs and the Regional Mechanisms for Conflict Prevention, Management and Resolution (RMs) in the overall implementation of the ongoing institutional reform process. I have endeavoured, over the course of last year, to engage in a more meaningful way with the RECs/RMs through their respective Chief Executives.

133. The Protocol on Relations between the AU and the RECs and the MoU on Cooperation in the area of Peace and Security signed between the AU and the RECs/RMs include numerous provisions aimed at ensuring a closer cooperation and collaboration between the AU and the RECs/RMs. While progress has been made in their implementation, a number of provisions are yet to be concretized. In addition, the meetings at the Chief Executive level do not enjoy participation at the appropriate level, thus reducing their ability to make decisions and act as a driver for a truly coordinated continental agenda involving the AU and its regional entities.

134. In view of the call by the Assembly for a clearer division of labour between the AU and the RECs, in the context of the reform process, I intend to take urgent steps to enhance the existing coordinating mechanisms, at all levels. In this respect, it is my intention to convert the existing liaison offices of the AU to the RECs, which currently focus exclusively on peace and security, into permanent delegations to the RECs covering the whole agenda of the AU. In parallel, steps will be taken to ensure much greater involvement of the RECs/RMs into the daily work of the Commission. I look forward to the support of Member States to the envisaged measures.

ENHANCING AFRICA'S PARTNERSHIPS AND MULTILATERALISM

135. I would like to express my appreciation for the benefits the Union continued to garner from its various bilateral and multilateral partners. However, I also want to stress the need for our continental organization to leverage these partnerships so as to become an effective force in the pursuit of multilateralism and the achievement of a just and equitable international order that is respectful of international law and the sovereign equality of all member states.

136. Africa's prospects for peace, security and development are closely intertwined with the global multilateral world order. Africa has much to gain from a world order governed by the rule of international law, in which decisions of global import are taken in a collective manner. Over the last decades, the multilateral order has delivered tangible goods for Africa, including global responses to conflicts and humanitarian crisis, as well as cooperation in combating pandemics and tackling climate change. Africa has also contributed to the promotion of international norms on human rights, assistance to refugees and internally displaced persons, prevention of genocide and crimes against humanity, and the fight against impunity.

137. In the past few years, the Commission undertook a review of all its partnerships to identify which serves the interests of the Union. This exercise included a joint Commission-PRC retreat in Cairo, last December. Africa's multilateral agenda is inextricably tied to a strong and impartial UN, acting in partnership with the AU and its RECs. The signing, in April 2017, of the Joint AU-UN Framework for Enhanced Partnership in Peace and Security laid a firm foundation for partnership and cooperation between the two organizations. The Joint AU-UN framework is the reaffirmation by the UN of the AU as a key strategic partner in the context of Chapter VIII of the UN Charter.

138. The AU-UN strategic partnership on peace and security is vital for both organizations. But it cannot be realized without the support and endorsement by the UN Security Council of the increasing contribution by the AU and its RECs/RMs to the maintenance of regional peace and security. I will continue to urge the international community, in particular the UN Security Council, to acknowledge the principle of burden-sharing by providing the Union with predictable, sustainable and flexible financing for AU-led or authorized peace support operations undertaken with the consent of the Security Council.

139. I am encouraged by the steps taken in 2016 and 2017 by Egypt, Ethiopia and Senegal, as African non-permanent members of the UN Security Council, to champion the AU position on this issue through the adoption of two Security Council resolutions. I look forward to further progress in this regard. The Commission, working with all concerned stakeholders, will do all it can to secure a substantive UN Security Council resolution this year on the principle of the use of UN assessed contributions to support AU peace support operations mandated by the Security Council. While congratulating the new African members in the UN Security Council - Côte d'Ivoire and Equatorial Guinea- I encourage them to remain resolute and cohesive in advancing Africa's priorities and concerns at the level of this organ.

140. To complement their efforts in the area of peace and security, the AU and the UN are planning to conclude a Framework for the Implementation of Agenda 2063 and the 2030 Agenda for Sustainable Development. It is hoped that this Framework will facilitate the mainstreaming of the two Agendas into the national planning policies of Member States and contribute positively to Africa's development. It will help in minimizing duplication, optimizing resource use and mobilizing the support of domestic and external stakeholders and development partners.

141. Following the successful 5th AU-EU Summit, the next major milestone in the AU–EU partnership relates to the post-Cotonou Partnership Agreement (CPA) arrangements. The CPA between the EU and 78 African, Caribbean and Pacific countries (ACP) will expire in February 2020. That Agreement is a legally-binding treaty that covers trade and development cooperation, and includes a political dimension. Since 2007, the Joint Africa- Europe Strategy (JAES) has complemented the CPA in scope. The EU foresees that a post-Cotonou agreement would replace both instruments (CPA and JAES).

142. The Commission has been tasked by the Policy Organs to facilitate a Common African Position (CAP), and work on this is currently in progress based on a paper developed by the African Group in Brussels, coordinated by the AU Permanent Mission to Brussels. The CAP will be built on the premise of a partnership between two independent and sovereign blocs, who commit to upholding their values and respective regulations and instruments, and who seek to maximize their interests, thereby moving away from a donor-recipient relationship. Any cooperation instrument with Europe should promote African objectives as enshrined in Agenda 2063, which was largely

harmonized with Agenda 2030. By the same token, any free trade arrangement should be welcomed as long as it complements and strengthens the CFTA.

143. It is our expectation that any new agreement will fully trust and invest in African institutions, as this is critical for the next phase of Africa's development. As we have made clear in public statements, as well as in the Declaration of the 5th AU-EU Summit, Africa should be treated as a whole continent in its cooperation with Europe. At the same time, the Commission recognizes that more work and efforts are required to appropriately incorporate regions that were not originally part of the CPA.

144. African leaders established the AU as a Union of Member States that strives to be driven by African people and assumes a presence as a force in global affairs. The AU must, therefore, provide leadership on the challenges of multilateralism in this century and decide, for itself, what kind of multilateralism best serves the interests of the continent. Time and again, it has been shown that Africa as a whole benefits when Member States speak with one voice. This imperative is, therefore, of critical importance for the Union to be reckoned with as a global actor and no longer as the subject of constant international concern and humanitarian solicitude. The global multilateral order is under strain as a few major countries appear to be turning away from multilateralism and looking increasingly inwards. As major a beneficiary of a global and multilateral world order, the AU has a role to play in promoting multilateralism. It is against this backdrop that the Commission convened its annual mediators retreat in Ndjamena on the topic of multilateralism and it intends to make this a strategic focus of its activities in the coming years, including by holding an international conference on this matter in 2018.

Non-proliferation of Weapons of Mass Destruction

145. The AU has long maintained that Weapons of Mass Destruction (WMD) constitute a serious threat to global security and stability. Universal adherence to the multilateral disarmament and non-proliferation regimes will serve to strengthen their effectiveness and authority, and provide the required transparency and confidence-building measures among States Parties. The effective implementation of the multilateral regimes will guard against the growing and complex security threats facing Africa and the globe, including the proliferation of illicit trafficking networks and terrorist groups, while also fostering international cooperation and guaranteeing the equal benefit of all States from the peaceful applications of nuclear, chemical and biological sciences and technology for socio-economic development.

146. Fifty-four African states have acceded to the 1970 Treaty on the Non-Proliferation (NPT) of Nuclear Weapons. An equal number of African States have also signed the African Nuclear-Weapon-Free Zone Treaty (Pelindaba Treaty), which came into force in 2009. In July 2017, the majority of Member States voted in favour of the Treaty on the Prohibition of Nuclear Weapons and, to date, seventeen have signed it.

147. It is within this context that I wish to recall that, on 15 July 2015, my predecessor, Dr. Nkosazana Dlamini Zuma, had welcomed the Agreement between the Islamic Republic of Iran and the 'P5+1', comprising the permanent members of the UN Security Council and Germany, as well as the EU, on the Joint Comprehensive Plan of Action (JCPoA) regarding Iran's nuclear programme, reached in Vienna, Austria, on 14 July 2015. She noted that the Agreement represented a triumph for multilateral diplomacy and a vindication of the principle of peaceful and negotiated resolution of international disputes. In a similar vein, on 15 October 2017, and following the US decision not to certify the JCPoA, I reiterated the AU's full support to the Agreement, like many other members of the international community, and commended all parties that have reaffirmed their steadfastness and commitment to this critical instrument, as verified by the International Atomic Energy Agency. In noting that the JCPoA has contributed significantly to regional stability and renewed the international community's confidence in the NPT and the global multilateral frameworks, I stressed the need to spare no efforts for continued promotion of multilateral approaches as the most viable and effective way for addressing global challenges. Meanwhile, on 7 October 2017, I issued a press release welcoming the awarding of the 2017 Nobel Peace Prize to the International Campaign to Abolish Nuclear Weapons (ICAN), bearing in mind Africa's long-standing commitment to a nuclear-weapons free world.

IMPLEMENTING THE AU RESOLUTION ON THE CHAGOS ARCHIPELAGO

148. I also wish to recall that the Assembly, through Resolution Assembly/AU/Res.1(XXVIII) adopted at its 28th Ordinary Session, held in Addis Ababa, in January 2017, expressed its full support to the request of the Republic of Mauritius at the level of the UN General Assembly, with the view to ensuring the completion of the decolonization of its territory. On 22 June 2017, the General Assembly, through Resolution 71/292 (2017), overwhelmingly decided to request the International Court of Justice (ICJ) to render an advisory opinion on the "Legal Consequences of the Separation of the Chagos Archipelago from Mauritius in 1965."

149. On 14 July 2017, and in pursuance of the request of the General Assembly, the ICJ made an order indicating 30 January 2018 as the time-limit within which statements on the question may be presented to the Court, and 16 April 2018 as the time-limit within which states and organizations having presented written statements may submit comments on the other written statements. In this connection, the Commission, in early December 2017, sent a Note Verbal urging all Member States willing to furnish relevant information on the question before the ICJ to submit written statement to the Court by 30 January 2018, in support of the call for the full decolonization of the territory of the Republic of Mauritius. I urge Member States to continue extending full support to Mauritius. On its part, the Commission has submitted a request to the Court, seeking permission to make a submission in accordance with Article 66 of the Statute of the ICJ. To this end, the Commission has put in place a team of African lawyers to assist in preparing its submission.

SUSTAINING AFRICAN SOLIDARITY WITH PALESTINE

150. Solidarity with the people of Palestine is a longstanding position for the AU. Since my assumption of office, I have continued to follow the situation closely. I am deeply concerned by the complete stalemate which characterizes the peace process. On 6 December 2017, following the decision of the United States Government to recognize Jerusalem as the capital of the State of Israel, I issued a statement in which I expressed regret about the decision, noting that this will only increase tension in the region and beyond, and complicate the search for a solution to the Israeli-Palestinian conflict. I reiterated the AU's solidarity with the Palestinian people and our support to their legitimate quest for an independent and sovereign State with East Jerusalem as its capital, within the framework of relevant AU and UN resolutions and decisions.

CONCLUSION

151. As we begin a new year, I wish to note that we have come a long way over the past twelve months in addressing many of the challenges facing our continent. However, we can and should do more. The challenges we face are not insurmountable; but they require urgent and focused attention, greater commitment and renewed political will. This is all the more necessary given the current uncertainties of the global multilateral world order.

152. For our part, let me reiterate the commitment of the Commission and myself in continuing to serve the best interests of our Union as defined by the decisions of the Policy Organs. Crucial in this respect is the consistent need to ensure synergy between commitments and actions, particularly on the reform agenda, which is critical to building an efficient and effective Union fit for purpose and capable of meeting the needs of our people. I look forward to continue to work with you in the same spirit of dedication to the ideals of our Union in the period ahead.