FOURTH SESSION OF THE AU CONFERENCE
OF MINISTERS OF SOCIAL DEVELOPMENT (CAMSD4)
ADDIS ABABA, ETHIOPIA
26-30 MAY 2014

CAMSD/EXP/5(IV)

THEME: “Strengthening the African Family for Inclusive Development in Africa”

REPORT OF THE EXPERTS’ MEETING
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COMMITTEE OF 7
ON LIQUIDATION OF THE ASSETS OF/ REPLACEMENT STRUCTURE FOR
THE AFRICAN REHABILITATION INSTITUTE (ARI)
ADDIS ABABA, ETHIOPIA
28-29 OCTOBER 2013

INTRODUCTION

1. The Experts’ Meeting of the 1st Meeting of the Committee of Seven (7) on Liquidation of the Assets of/ on the Replacement Structure for the African Rehabilitation Centre (ARI) was convened at the New Conference Centre, African Union Commission, Addis Ababa, Ethiopia, from 28-29 October 2013. The meeting was held in implementation of Executive Council Decision EX.CL/750 (XXII), which endorsed the dissolution of ARI according to Article XVII of its Agreement and established the Committee of 7 Member States to oversee the liquidation of the assets of ARI and to prepare a report to be submitted to the Assembly of Heads of States through the Executive Council on the dissolution.

ATTENDANCE

2. The Experts’ Meeting was attended by delegates from the following AU Member States: Congo, Kenya, Senegal, Togo, Zambia and Zimbabwe.

3. The Regional Directors of the three Regional Offices of ARI, namely in Brazzaville, Congo, Dakar, Senegal and Nairobi, Kenya, as well as a representative from the ARI Headquarters in Harare, Zimbabwe, also participated in the Meeting.

Agenda Item 1: OPENING

4. The Chairperson of the Experts’ meeting, Mrs Sarah Banda from Zambia welcomed participants and alluded to activities over the past year regarding the dissolution of ARI. She expressed appreciation to Member States present for their commitment to finalise the dissolution of ARI.

5. The AUC Director of Social Affairs, Amb. Olawale I. Maiyegun, in his welcoming statement, emphasised that the outcomes of the meeting is critical to the implementation of the AU Disability Architecture. The Director stressed the need for implementable recommendations from the meeting to serve the needs of persons with disabilities in the continent.

Agenda Item 2: PROCEDURAL MATTERS

Adoption of the Agenda and Programme of Work

6. The meeting adopted the agenda and programme of work consisting of 10 items.
Agenda Item 3: CONSIDERATION OF THE TERMS OF REFERENCE FOR THE COMMITTEE

7. The meeting adopted its Terms of Reference, to facilitate and oversee the following:
   i. An audit of assets and liabilities of the ARI HQ and Regional Offices;
   ii. The closure of the ARI Headquarters and Regional Offices;
   iii. The collection of arrears from ARI State Parties owed to ARI;
   iv. The liquidation of the assets of ARI and payment of salary arrears and emoluments due to current, retired and deceased staff, as well as the collection of dues from staff to ARI;
   v. The consideration and approval of the replacement structure for ARI;

Agenda Item 4: REPORT OF THE AUC AUDITORS ON THE REGIONAL OFFICES OF ARI WITH RECOMMENDATIONS ON PAYMENT OF STAFF EMOLUMENTS AND LIQUIDATION OF ARI ASSETS

8. The AUC Auditor presented the summary of the ARI liabilities of the Regional Offices. The outstanding dues for salaries and gratuity for these offices amounts to $1,133,132. It was emphasised that the main source of income for the regional offices were contributions from the host countries, and it was recommended that these amounts be considered when calculating outstanding arrears on assessed contributions for Member States by the ARI Headquarters. After presentation by the representative of the AU Department of Internal Audit, the meeting made the following observations:

   ➢ The ARI Headquarters should prepare a comprehensive account of all Member State contributions to ARI offices, as well as of arrears in assessed contributions;
   ➢ The audit report should have included recommendations on management of the ARI transition structure and for the new structure;
   ➢ Regular auditing is essential, also to include the audit of other assets such as buildings, the contribution of donor money to ARI viz-a-viz the programmes being executed in terms of achievements, challenges and staff performance;
   ➢ Capacity building such as training of ARI finance officers on financial systems used by the AUC is critical;

9. Further to the discussion of the audit report, the meeting made the following recommendations:

Payment of salary and gratuity arrears to ARI staff members
   - The legally approved policy documents of ARI (Staff Rules and Regulations, Financial Rules and Regulations and the ARI Agreement) should be applied in the computation of staff emoluments, as two documents of each are in existence. The AU Legal Counsel and Auditors should decide which policy documents should be used, which will also shed light on further claims from ARI Headquarters staff;
A final audit of the financial books of the ARI Headquarters needs to be conducted by the AUC Department of Internal Audit, upon which the auditors will verify the salary and gratuity arrears payable to deceased, retired and current ARI staff members of both the Headquarters and Regional Offices; subsequently the auditors will affect the payments whilst in Harare with the assistance of the finance officers of the Ministry of Labour and Social Services;

- The available balance of the ARI Headquarters accounts shall be used to liquidate arrears and gratuity proportionally, pro rata, to what is owed to retired, deceased and current staff of the Headquarters and Regional Offices by 31 December 2013;

**ARI Assets**

- All assets of the ARI HQ and Regional Offices shall be donated to the respective Ministries responsible for disability in the host countries, specifically to benefit disability programmes;

**Collection of arrears from Member States**

- The amounts in arrears payable by ARI State Parties up to the end of 2013, is to be verified urgently, before 15 November 2013;
- A bank account shall be opened at the AUC into which arrears from Member States to ARI will be paid;
- The Chairperson of the Committee of 7 shall write to ARI State Parties, copied to the respective Regional Directors, indicating the amounts owed in arrears, and requesting them to pay their arrears into the new account for the liquidation of all ARI assets; This communication will also refer to the Executive Council Decision that a Report needs to be submitted to the AU Assembly on the dissolution of ARI;
- Constructive engagement with Member States to pay their arrears will be required and in this regard, the Regional Directors will also assist in consulting with ARI State Parties in their Region with the view to facilitate payment of arrears of staff members in the Region;

**Agenda Item 5: PROPOSAL FOR THE ACTIVITIES AND TIME FRAME (ROAD MAP) FOR THE CLOSURE OF THE ARI HQ AND REGIONAL OFFICES**

10. The representative of the AUC presented the proposed schedule (road map) with clearly identified activities and time frames for the closure of the ARI HQ and Regional Offices. After intense deliberations, the Meeting made the following recommendations:

**Closure of all ARI Offices and letters of termination of contracts to all AR HQ and Regional Staff Members**

- The Chairperson of the Committee of 7 will issue a letter of notification of the closure of ARI Offices to the Headquarters and Directors of Regional Offices, upon which letters of termination of contracts to ARI staff to cease duties
finally on 31 December 2013 will be issued by the respective accountable officers/ Regional Directors;
- In the letters of termination, ARI staff will be reassured that the process of collecting arrears will be ongoing and they will be informed accordingly regarding their successive proportional payments of salary and gratuity arrears;
- The Committee of 7 shall prepare a report on the dissolution of ARI for consideration by the 4th Session of the AU Conference of Ministers of Social Development in May 2014, which will be submitted further to the Executive Council in July 2014 or January 2015.

### Agenda Item 6: PROPOSAL FOR THE REPLACEMENT STRUCTURE FOR THE ARI – AU DISABILITY INSTITUTE AND TRANSITIONAL MECHANISM

11. The representative of the AUC presented the report on the replacement structure for ARI. It was emphasized that the AU Disability Institute will report directly to the Director of Social Affairs and that its main function would be to advocate for and coordinate the implementation of the Continental Plan of Action on the African Decade of Persons with Disabilities (2010-2019).

12. The Committee of Seven (7) endorsed the Report on the Replacement Structure for ARI and made the following recommendations:

   The AU Commission is requested to:
   - Convene the Disability Consultative Committee in the course of 2014;
   - Prepare a report for the consideration of the new AUDI structure, to be funded by the AUC, to the Permanent Representatives’ Committee (PRC), through its Sub-Committee on Structures, and the Sub-Committee on Administrative, Budgetary and Financial Matters, respectively;
   - Facilitate the drafting of the job descriptions (Terms of Reference) for the seven (7) proposed positions of the AUDI;
   - Develop the draft Statutes for the African Union Disability Institute;
   - Develop the Host Agreement for the African Union Disability Institute;
   - Fast-track the completion of the draft Protocol on the Rights of Persons with Disabilities in collaboration with the African Commission for Human and Peoples Rights in Banjul, The Gambia;
   - Facilitate resource mobilization for the Institute to implement its mandate;
   - Develop a clear performance contract for the AUDI, including a Business Plan and indicators for the implementation of the Continental Plan of Action by Member States;
   - Consult Zimbabwe and Kenya for an official offer to host the AU Disability Institute, however it should not preclude other Member States that are also interested in hosting the Institute.

### Agenda Item 7: ANY OTHER BUSINESS

13. The ARI Headquarters enquired about a response to a letter submitted by their staff members on 12 November 2012 regarding additional payments which were not included during the Head Quarters audit in 2012. The meeting deferred the matter to the special meeting with Regional Directors the next day.
Agenda Item 8: CONSIDERATION OF THE DRAFT AGENDA AND PROGRAMME OF WORK FOR THE MINISTERIAL MEETING

14. The Experts considered and verified the draft agenda and programme of work for the Ministerial meeting.

Agenda Item 9: ADOPTION OF THE REPORT OF THE EXPERTS’ MEETING OF THE COMMITTEE OF 7

15. The Experts adopted their Report with amendments to be incorporated by the AU Commission.

Agenda Item 10: CLOSING

16. The Chairperson of the Experts’ meeting, Ms Sarah Banda, from Zambia, thanked the Experts for their constructive contributions, and the AU Commission for their technical support to make the meeting a success.

17. The meeting was then adjourned.