**AFRICAN UNION** 

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**UNION AFRICAINE** 

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## COMMUNIQUE OF THE MEETING OF AFRICAN UNION FINANCE MINISTERS ADDIS ABABA, AUGUST 9, 2017

- 1. We, Finance Ministers of the African Union Member States, met in plenary today Wednesday August 9th in Addis Ababa, Ethiopia, with the aim of assessing the status and accelerating the implementation of the decisions of the Assembly of Heads of States and Government in Johannesburg (2015) and Kigali (2016) and Addis Ababa (2017) to ensure progressive financial autonomy of the Union.
- 2. We recalled that the Johannesburg 2015 Decision was that Member States would assume responsibility for 100% of the operating budget, 75% of the program budget, and 25% of the peace support operations budget, and strengthened budget oversight of Union funds.
- 3. We fully understood the importance of our meeting in the light of the continental and global economic developments and agreed on the urgency of accelerating the implementation of the above decisions.
- 4. We reaffirmed that meeting the financing targets and timelines established by the African Union in 2015, was a strategic imperative for Africa. We fully ascribed to the position that, in the same way that individual Member States were aspiring to lower external dependence, our Continental Organization must move in the same direction of reducing its dependence.
- 5. We deliberated and agreed on how to faithfully, effectively and speedily implement the three Assembly Decisions while bearing in mind the varying national legislative procedures, constitutional obligations, regional and international trade agreements on the one hand, and the differences in structure, nature and levels of economies on the other hand.
- 6. We have agreed to keep under review the mechanisms to consolidate the financial management of the Union to ensure rigor in priority setting, budget choices, and division of labor, accountability, transparency and value for money. In this respect, we will agree on a set of 'golden rules' to guide the budget of the Commissioner and its Organs.
- 7. We have taken note of the expansion of the F10 to the Kingdom of Morocco and the Federal Republic of Nigeria, following the Decision of the 29<sup>th</sup> ordinary session of the conference of Heads of States and governments held in Addis Ababa on 3<sup>rd</sup> July

2017, as well as the request from the Republic of Cameroon to be part of the F10, as a result of which F10 will be referred to in the following paragraphs as the "F10+".

- 8. To this effect we have agreed on the processes that will enable our full engagement, through the F10, in the entire budget process of our Union, taking into account the role of existing Policy Organs with budget oversight functions existing.
- 9. We have put forward a set of proposals that should inform the forthcoming revision of the Scale of Assessment in line with the principles of equitable burden sharing, ability to pay, solidarity, equity, ownership and sustainability;
- 10. We proposed that a new and more robust sanctions and incentives regime be adopted by the forthcoming January 2018 AU Assembly of Heads of State and Government in order to encourage Member States to effectively comply and pay their contributions on time.
- 11. We welcomed the F10's recommendation that after funding the budget of the African Union and the Peace Fund, any balance of the proceeds from the 0.2% levy on eligible imports be retained by Member States for their own development projects.
- 12. We expressed our sincere thanks to the Committee of Ten (F10) and their experts for the work done so far and instruct the Commission, in the context of the AU Institutional Reform process, to facilitate their mandate, in particular, deepening and consolidating the work around the budget, financial reforms and oversight.
- 13. We commend the AU High Representative on AU Financing the Union and the Peace Fund Dr. Donald Kaberuka for his tireless efforts and ask him to further pursue his support to Member States as well as advocacy at the continental and global level for both the Peace Fund and the overall financing of the Union. We request the AU Commission to provide all support necessary for this purpose.
- 14. We propose that the number of F10+ members, to be expanded to 15, and the AU Commission, through its Reform Implementation Unit, to take forward these outcomes and keep us regularly briefed on a bi-annual basis and this prior to Ordinary sessions of the AU Assembly
- 15. We reaffirmed our commitment to working closely with the AU Commission, the Permanent Representatives Committee and the Executive Council in the implementation of the decisions of the Assembly.
- 16. We are determined to make progress on this matter and have decided to reconvene to review progress immediately before the January 2018 AU Assembly of Heads of States and Government.

17. We hereby, express our gratitude to the AU Commission for its excellent support in the facilitation of this meeting, as well as to the government of the Federal Democratic Republic of Ethiopia for her warm welcome and fraternity.

Done in Addis Ababa, 9 August 2017