



Communiqué on the appointment of the Board of Trustees for the African Union Peace Fund

Addis Ababa, 17 November 2018: The Chairperson of the African Union Commission, Moussa Faki Mahamat, yesterday appointed the five African members of the Board of Trustees of the African Union Peace Fund. This decision marks a key step in the implementation of the Financing of the Union agenda, which is part of the ongoing institutional reform process.

The Trustees, who represent the five regions of the continent, are Zainab Ahmed, from Nigeria, former Minister of State for Budget and National Planning, who previously served as the Executive Secretary and National Coordinator of the Nigeria Extractive Industries Transparency Initiative (NEITI); Kamel Morjane, from Tunisia who served as Minister of Foreign Affairs and Minister of Defence in Tunisian and held senior positions in the United Nations; Elene Makonnen, from Ethiopia, who has worked in various senior advisory levels with the African Development Bank, World Bank and the United Nations Economic Commission for Africa; Tito Mboweni, from South Africa, a former Governor of the South African Reserve Bank and currently a non-executive Director for South Africa at the New Development Bank (BRICS Development Bank); and Anicet Dologuele, from the Central African Republic, who served as the President of the Central African States Development Bank, as well as Prime Minister of and Minister of Economy Planning and Finance in his country.

In addition to these African members, the European Union and the United Nations will occupy two seats on the Peace Fund Board that have been allocated for international partners.

The Board of Trustees was established by the Assembly of the Union in July 2016 to ensure strategic coherence, enhanced governance, and financial and administrative oversight of the Peace Fund.

The Peace Fund will finance three key priorities: mediation and preventive diplomacy activities, institutional capacity requirements, and peace support operations.

The Chairperson of the Commission expresses his sincere appreciation to the Trustees for accepting this assignment in the spirit of service to the continent and pan-Africanism. He is confident that their proven track record in financial management, governance and investment financing will ensure that the Peace Fund will be managed in line with the highest fiduciary standards and integrity.

The Board of Trustees' inaugural meeting took place on 16 November 2018 at the African Union Headquarters in Addis Ababa.

Note to Editors:

I. About the AU institutional reform

The January 2017 Decision Assembly/AU/Dec.635(XXVIII) on *the Institutional Reform of the African Union (AU)* sets out a comprehensive AU reform agenda. It is aimed at fundamentally re-positioning the organization to meet the evolving needs of its Member States and the continent, and identifies the following core reform priorities:

- Focus on key priorities with continental scope;
- Realign African Union institutions, in order to deliver against those priorities;
- Connect the African Union to its citizens;
- Manage the business of the African Union efficiently and effectively at both the political and operational levels; and
- Finance the African Union sustainably and with the full ownership of the Member States.

The AU Peace Fund is part of the overall Financing of the Union agenda. Significant progress has been made in its operationalization. The key highlights include the following:

- Establishment of a Committee of Fifteen Ministers of Finance to oversee the AU budget;
- Following the adoption of the 'golden rules' for financial management at the January 2018 Summit, a credible budget process is now in place as a result of which the AU 2019 budget was reduced by 12%;
- **24** Member States are at various stages of implementing the 0.2% levy to ensure predictable and self-autonomous financing of the Union;
- United Nations Security Council Resolutions 2320 and 2378 on predictable and sustainable financing of AU mandated peace support operations also represent significant progress in the drive towards delivering the AU's long- standing position that UN assessed contributions should be used to finance AU-led peace support operations that are authorised by the UN Security Council.

II. About the Peace Fund

The Peace Fund was established in 1993 as the principal financing instrument for the peace and security activities of the Organization for African Unity. Following the establishment of the African Union, the Peace Fund became one of the five pillars of the African Peace and Security Architecture (APSA). The overall legal basis for the Peace Fund is set out in Article 22 of the Protocol on the Establishment of the Peace and Security Council.

In July 2016, the AU Assembly of Heads of State and Government decided to endow the Peace Fund with \$400m in Member State contributions to be drawn from the 0.2% levy that has been instituted to finance the overall African Union budget. The full endowment level will be reached in 2021.

Since 2017, the Fund has received the highest levels of Member State contributions since the establishment of the Fund in 1993.

The AU Assembly decided to structure the Peace Fund around three thematic windows:

- Window 1: Mediation and Preventive Diplomacy;
- Window 2: Institutional Capacity ; and
- Window 3: Peace Support Operations.

The relevant AU Policy Organs will have the political authority to guide the activities of the Peace Fund.

III. About the role of the Board of Trustees

A Board of Trustees, made up of five African members representing the 5 AU Regions and two international partners, has been established. The role of the Board of Trustees is to ensure strategic coherence and enhanced governance, financial and administrative oversight of the Peace Fund.

The other elements of the governance and management structure are: an Independent Evaluation Panel, which will be established to regularly review the effectiveness and impact of the Fund; an Executive Management Committee, will provide strategic management oversight of the Fund; a Fund Manager, who will manage the finances; and a Peace Fund Secretariat that will manage the day to day operations of the Fund.

The Trustees are:

- **Zainab Ahmed**, from Nigeria. She is a former Minister of State for Budget and National Planning, and previously served as the Executive Secretary and National Coordinator of the Nigeria Extractive Industries Transparency Initiative (NEITI);
- **Anicet Dologuele** from the Central African Republic, who served as the President of the Central African States Development Bank, as well as Prime Minister and Minister of Economy Planning and Finance in his country;
- **Elene Makonnen**, from Ethiopia, who has worked in various senior advisory levels with the African Development Bank, World Bank and the United Nations Economic Commission for Africa;

- **Tito Mboweni**, from South Africa, who was Governor of the South African Reserve Bank. He is as a non-executive Director for South Africa at the New Development Bank (BRICS Development Bank); and
- **Kamel Morjane**, from Tunisia, who served as Minister of Foreign Affairs and Minister of Defence in in the Tunisian Government and held senior positions in the United Nations.