

AFRICAN UNION

الاتحاد الأفريقي



UNION AFRICAINE

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Annex IV

AUDIT REVIEW OF THE AFRICAN UNION

TERMS OF REFERENCE

AUDIT REVIEW OF THE AFRICAN UNION

Terms of Reference .

A. Introduction and Background

1. The 36th Summit of the OAU in July 2000 in Lome, Togo adopted the Constitutive Act of the AU including its organs and institutions. Also, responding to the challenges of globalization and its implication for Africa, the fourth Ordinary Session of the Assembly of the African Union, at its meeting in Abuja in 2005 considered the proposal for rapid acceleration of political integration in Africa.
2. Specifically, Decision Assembly/AU/Dec.69 (IV) of January 2005 set up a Committee of Heads of State and Government under the chairmanship of H. E. President Yoweri Museveni of Uganda to consider the proposals in collaboration with the Chairperson of the Commission and to submit a report to the Summit of the African Union that was to hold in Sirte.
3. The Committee met in June 2005 in Kampala and reiterated the need for a Union Government, and approved the proposals on the creation of ministerial portfolios under the responsibility of Commissioners in the areas of Defense, Foreign Affairs, External Trade, Transport and Communications, Health, Environment, Scientific Research, Finance, Education (primary and secondary) and Agriculture.
4. After discussing the report of the Committee at its ordinary meeting in Sirte in July 2005, the AU Assembly established another Committee of Seven chaired by President Olusegun Obasanjo of Nigeria, the then Chairperson of the African Union. The Committee was mandated to consider the ideas discussed during the summit and submit to the next session of the Assembly in Banjul in July 2006 a report, itemising the roadmap, i.e. steps that need to be taken for the realization of this objective.
5. At the instance of the Chairman of the Committee of Seven, a broad based conference under the theme “**Desirability of a Union Government in Africa**” was convened in Abuja, Nigeria in November 2005. The conference, which brought together a wide spectrum of participants concluded that the “necessity for Union Government is not in doubt”; it must be a “Union of the African people and not merely a Union of states and governments”; its formation must be “based on a multi-layered approach” and on the principle of “gradual incrementalism”.

6. After reviewing the recommendations and conclusions of that conference, the Committee specifically requested the preparation of a framework document defining the purpose of the Union Government, the core values, steps and processes to enforce it, including a Draft Indicative Road Map. Its recommendations were approved by the Assembly of the African Union in Decision Assembly/AU/Dec.99 (VI) at its Sixth Ordinary Session on 23-24 January 2006 in Khartoum, Sudan. The Assembly consequently directed that a “Study on an African Union Government” be undertaken. The African Union Commission facilitated the conduct of that study, whose final output is contained in a Base Document entitled ‘Study on An African Union Government: Towards The United States of Africa.’

7. The major conclusions of the study were presented to the Seventh Session of the Assembly in Banjul, in July 2006 by President Olusegun Obasanjo of Nigeria. In Decision Assembly/AU/Dec.123(vii) the Assembly reaffirmed “that the ultimate goal of the African Union is full political and economic integration leading to the United States of Africa”, and requested the Commission to convene an Extraordinary Session of the Executive Council as soon as possible to consider the Report and propose an appropriate framework of action.

8. Subsequently, the 9th Extraordinary Session of the Executive Council convened from November 17 to 18, 2006 in Addis Ababa, discussed the “Study on An African Union Government: *Towards the United States of Africa* with a view to proposing a framework of action as directed by the Assembly in Decision/AU/Dec.123(vii).

9. Noting that all member states accept the United States of Africa as a common and a desirable goal, the Executive Council agreed on the need for a pragmatic and progressive approach and recommended an audit review of the state of the Union in order to identify the areas in which significant improvement have to be made in order to accelerate the African integration process.

10. Pursuant to the above, the AU Commission seeks to engage the services of a team of consultants to be headed by a designated Lead Consultant that will undertake an audit review of the African Union with a view to examining the workings of the Union organs, institutions, Technical and Specialised Agencies, Union programmes and activities, as well as their linkages with one another from inception till date. The final output of the review will be a policy document that, against the background of an in-depth analysis of the concerns outlined above, makes concrete recommendations on strategies and modalities for accelerating the African economic and political integration agenda.

11. In more specific terms, the review, taking into account existing findings of existing studies and relevant empirical experiences, will involve the various organs and institutions of the Union. The review will include general and specific African Union programmes, such as NEPAD, RECs, Intergovernmental Organizations (IGOs) such as the United Nations Economic Commission for Africa, and ADB, etc and their relationships and interactions with one another. It is expected that the consultants will work in collaboration with the AU commission and draw on existing documents containing decisions by the AU.

B. General Objectives of the Audit

12. The general objectives of the audit are :

- (i) Evaluate the African economic and political integration agenda and existing and on going reviews on political and economic integration by the Commission as well as other AU organs and the RECs;
- (ii) Review the operations of all the various organs and institutions of the AU as presently constituted with a view to identifying the weaknesses and strengths in their functioning and aligning them with the realities of political and economic integration;
- (iii) Review the structures and processes of the various organs of the African Union with a view to promoting efficiency and coherence in the functioning of the various organs;
- (iv) Review the nature of relationship between the various organs and institutions of the African Union, and with other relevant continental organizations, and indicate the nature and character of inter-organ relationship and relation with other institutions that will help to accelerate the integration process;
- (v) Review the global trends with respect to political and economic integration, outline the specific and general challenges confronting the African integration process;
- (vi) Make concrete recommendations on the policies, strategic orientations, institutions and structures, programmes, roadmaps, and possible scenarios required to accelerate economic and political integration; and
- (vii) Assess the efficiency of the African Union in the maintenance of peace in the Continent.

C. Specific Objectives of the Audit

13. The specific objectives of the Audit are the following:
- (i) Review the current state of affairs, with an in-depth analysis of the dynamics underlining the current situation and provide a factual description and assessment of the state of the Union, particularly as it relates to Africa's quest for economic and political integration taking into account the core values outlined in the Constitutive Act of the African Union;
 - (ii) Highlight the major trends with respect to political and economic integration, outline the specific and general challenges to the African integration process, including major constraints and obstacles at national, regional and international levels, and make concrete proposals on the appropriate strategies to address these challenges and overcome these constraints, and on the nature of programmes, initiatives, policies and decisions that will be required to facilitate the achievement of the desired goals;
 - (iii) Review the Report of the Chairperson of the Commission on the strengthening of the Commission, and the operations of the different organs and institutions of the AU as presently constituted and analyze their structures and quality of staff and their functioning and the nature of their operations and their interactions with one another, highlighting deficiency and gaps as wells as modalities and strategies for overcoming the perceived deficiency and gaps;
 - (iv) Review NEPAD structures and programme as well as the ongoing work on its integration and incorporation into the AU structure, and make specific recommendation regarding its location within the African Union Commission;
 - (v) Review existing Union decisions and agreements with a view to identifying the challenges and constraints facing Member States with respect to the implementation of agreed decisions and agreements.
 - (vi) Review Union experiences on the application of sanctions and propose recommendations on strategies for deterring non-adherence of member states to agreed union policies and decisions;

- (vii) Review the 1998 Protocol on Relations between the African Economic Community and the RECs, as well as the Draft Protocol on Relations between the African Union and RECs and against this background, examine the functioning and activities of the RECs, taking into account the conclusions of existing studies and reports, and propose concrete strategies for harmonizing the instruments and organs of the RECs with those of the Union and modalities for their eventual incorporation into the Union structure;
- (viii) Review challenges and progress made in establishing pan African financial institutions as envisaged under article 19 of the Constitutive Act of the AU and make recommendations on strategies for effectuating their timely establishment and operationalization;
- (ix) Provide requisite background for building alternative scenarios describing different possible futures for stepping up unity at the continental level, as well as suggest programmes, initiatives, policies and decisions that will be required to facilitate the achievement of economic and political integration;
- (x) Review the finances and financial management of the Union and the current system of assessed contributions of member states vis-à-vis the financial challenges of economic and political integration as well as the ongoing discussions on funding options, and make concrete suggestions on workable options;
- (xi) Indicate the nature and character of the ideal relationships between the principal organs, institutions and high officials of the Union, particularly the head of the commission;
- (xii) Make an assessment of the degree and conditions of the involvement of the Civil Society and the African population in the process of continental economic and political integration.

14. The audit is expected to provide an in-depth analysis and assessment of current state of integration. Specifically, it must also suggest programmes, initiatives, policies and decisions that will be required to facilitate the achievement of political integration.

15. It is expected that the consultants will work in collaboration with the AU commission and draw on existing documents containing decisions by the AU.

D. Technical Deliverables

16. To be delivered in one original hard copy and one soft copy on a CD
- (i) Draft Report
 - (ii) Final Report
 - (iii) List of documents examined
 - (iv) List of persons interviewed
 - (v) Number of Focused Group Discussions and participants
 - (vi) List of contacts

E. Audit Schedule (to be determined)

17. The process is expected to be conducted over a period of four (4) calendar months beginning from 1st September 2007.

F. Methodology

18. The methodology for the audit will be a combination of desk research, field study through interviews, focus group discussions and survey research. . Consultants will visit the various AU organs, representative Member States and utilize documents provided by the African Union Commission as well as other sources including (but not limited to) Regional Economic Communities (RECs), the African Development Bank (AfDB), UNECA and any other sources the consultants might find relevant for the purpose of the review.