DECISION ON THE REPORT OF THE JOINT SITTING OF THE MINISTERIAL COMMITTEE ON SCALE OF ASSESSMENT AND CONTRIBUTIONS AND COMMITTEE OF FIFTEEN MINISTERS OF FINANCE (F15)

The Executive Council,

- **1. TAKES NOTE** of the Report of the Joint Sitting of the Ministerial Committee on Scale of Assessment and Contributions and the Committee of Fifteen Ministers of Finance (F15).
- COMMENDS Member States for contributing US\$178,789,441.40, equivalent to 88% of the \$203,500,000 assessed to Member States for the 2021 Regular Budget.
- **3. ALSO COMMENDS** Member States for contributing **US\$252,034,074.49** to the AU Peace Fund since 2017, which continues to demonstrate the high level of commitment by the Union to fully operationalize the Fund.
- 4. **FURTHER COMMENDS** Member States that are up-to-date in the payment of their contributions, and **URGES** Member States that have not yet done so to pay their assessed contributions in fulfilment of their financial obligations to the Union.
- 5. **RECALLS** Decision EX.CL/Dec.1071 (XXXV) of July 2019 which considered the security and political situation of Somalia and Libya and withheld the imposition of sanctions for non-payment of contributions, and which requested the Commission to consult with the two countries to agree on a payment plan to clear the arrears within four (4) years from the adoption of the Decision.
- 6. ALSO RECALLS Decisions Assembly/AU/Dec.752(XXXIII) of February 2020 which took note of the requests from Seychelles and Burundi and the challenges faced in meeting their annual contributions to the Union, and the request to the Commission to engage with Member States facing difficulties paying their contributions to the Union and those in arrears for two (2) or more years in order to agree on the payment plan for clearing their arrears.
- 7. FURTHER RECALLS EX.CL/Dec.1119(XXXVIII) of February 2021 which took note of the request from the Republic of Sudan on the need to review its assessed contribution and requested the Commission to consult with the Republic of Sudan based on the current Scale of Assessment to agree on a Payment plan to clear the arrears as soon possible, within four (4) years from the adoption of the Decision.
- 8. **RECALLS** Decision Assembly/AU/Dec.802(XXXIV) of February 2021 which endorsed the payment plans for the Republic of Somalia, Republic of Seychelles and Republic of Burundi to clear their arrears.
- 9. COMMENDS the Republic of Somalia, Republic of Seychelles and Republic of

Burundi for fulfilling their commitments to clear their arrears in accordance with the endorsed payment plans.

- **10. ALSO RECALLS** Decision EX.CL/Dec.1138(XXXIX) which urged the State of Libya and the Republic of The Sudan to conclude the engagements with the Commission to agree on their respective payment plans for settling their arrears and report back to the Executive Council in February 2022.
- 11. TAKES NOTE of the report of the Commission on the on-going consultations with the State of Libya and the Republic of The Sudan, **URGES** the two Member States to urgently finalize and submit their respective payment plans for settling their arrears to the Commission and **REQUESTS** the Commission report back to the Executive Council in July 2022.
- **12. DECIDES** to impose sanctions on the following Member States that have fallen back on the payment of their assessed contributions:
 - a. Cautionary sanctions: Sao Tome and Principe, Guinea and Congo.
 - b. Intermediate sanctions: South Sudan.
- **13. RECALLS** Decision EX.CL/Dec.1138(XXXIX) which directed the Commission, supported by the Experts of the Committee of Fifteen Ministers of Finance (F15), to expedite the process of developing the new scale of assessment to be applied for the period 2023-2025 and present proposals for consideration and adoption by the Policy Organs in February 2022.
- 14. TAKES NOTE of the report of the Joint Sitting of the Ministerial Committee on Scale of Assessment and Contributions and Committee of Fifteen Ministers of Finance (F15) on the development of the new scale of assessments and the recommendation to give more time to the Commission and F15 Experts to gather additional data that will, in the context of COVID-19 pandemic, better reflect Member States' capacity to pay and for the necessary regional consultations to be undertaken, RECOMMENDS the extension of the application of the current scale of assessment 2020-2022 by one year up to 2023, REQUESTS the Commission and F15 Experts to agree on a roadmap for the development of the new scale of assessment to be applied for the period 2024-2026 and FURTHER REQUESTS the Commission report back to the Executive Council in July 2022.
- **15. RECALLS** Executive Council Decision EX.CL/Dec.1100(XXXVII) of October 2020 which took note of the September 2020 Report on the outcome of the Regional Consultations for Member States' contributions to the AU Peace Fund undertaken by the AU High Representative on Financing of the Union and the Peace Fund and decided to endorse the report and recommendation to continue to use the scale of assessment for the regular budget to assess Member States' contributions to the AU Peace Fund in line with the general consensus and the reservations made thereof.

- **16. ALSO RECALLS** Executive Council Decision EX.CL/Dec.1119(XXXVIII) of February 2021 which mandated the Commission to continue bilateral consultations with countries according to the reservations on Decision EX.CL/Dec. 1100(XXXVII) on the use of scale of assessment for the regular budget to assess Member States to the AU Peace Fund with a view to arriving at the appropriate mechanism for assessing the Peace Fund as long as it does not affect the consensus already agreed on the matter and the reservations made thereof.
- **17. FURTHER RECALLS** Decision EX.CL/Dec. 1138(XXXIX) of October 2021 which directed the Commission and urged six Member States that have entered the reservation to finalize the consultations before the next ordinary session of the Executive Council in February 2022.
- **18. TAKES NOTE** of the proposal made by the six Member States of the Northern Region and its implications on the total endowment of the Peace Fund and **DIRECTS** the Commission to work closely with the F15 and the Office of the Legal Counsel to analyze the proposals made and the implications thereof, and recommend solutions in accordance with legal frameworks of the African Union and **FURTHER DIRECTS** the Commission, guided by the solutions recommended thereof, to continue consultations with the concerned countries from the North and other regions to agree on a mechanism for contributions to the Peace Fund and report back to the Executive Council in July 2022.
- **19. FURTHER TAKES NOTE** of the concern raised regarding the concentration of investments in two banks from one region and **DIRECTS** the Commission to finalize the African Union Treasury Policy and report back to the Executive Council in July 2022.