AFRICAN UNION

الاتحاد الأفريقي

UNION AFRICAINE

UNIÃO AFRICANA

Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone: 517 700 Fax: 5130 36
website: www. www.au.int

ASSEMBLY OF THE UNION
Twenty-Fifth Ordinary Session
14 – 15 June 2015
Johannesburg, SOUTH AFRICA

Assembly/AU/Dec.569-587(XXV)
Assembly/AU/Decl.1-6(XXV)
Assembly/AU/Res.1(XXV)

DECISIONS, DECLARATIONS AND RESOLUTION

DECISION ON THE SCALE OF ASSESSMENT AND ALTERNATIVE SOURCES OF FINANCING THE AFRICAN UNION
Doc. Assembly/AU/5(XXV)

The Assembly,

1. **TAKES NOTE** of the Report of the Ad-Hoc Ministerial Committee on the review of the scale of assessment;

2. **DECIDES** to endorse the recommendations of the Ad-Hoc Ministerial Committee as follows;

   i) The new scale of assessment will be based on the principles of solidarity, equitable payment and capacity to pay and in a way that ensures no single country bears a disproportionate share of the budget;

   ii) The new scale of assessment shall be based on achieving the following targets

      a) 100% of the Union's Operational budget;
      b) 75% of Union's Program budget;
      c) 25% of Union's Peace support operations budget.

   iii) That the new scale of assessment shall be based on a tier system as follows;

      a) All countries with GDP above 4% - tier 1;
      b) All countries above 1% but below 4% - tier 2;
      c) All countries from 1% and below – tier 3.

   iv) The achievement of the Targets above in (ii) should be phased over 5 years starting from January 2016.

3. **FURTHER DECIDES** that:

   i) The new scale will be based on the principle that the five Member States in the Tier 1 shall take 60 percent of the budget shared equally; whereas Member States in Tier 2 and Tier 3 pay based on capacity to pay as contained in Option 3 of the proposal;

   ii) The new scale will be based on a ceiling of 12 percent without the imposition of floor rate;

   iii) The new scale will be implemented for the financial years 2016, 2017 and 2018.

4. **ADOPTS** the new AU scale of assessment which constitutes a hybrid of pure capacity to pay for some Member States and equal payment scales for others in accordance with the percentage of the budget under each tier;

5. **URGES** Member States to choose from a non-exhaustive, non-binding basket of options of alternative sources of funding in line with national imperatives, laws, regulations and constitutional provisions;

6. **URGES** the Commission in consultation with the Ad-Hoc Ministerial Committee to institute a robust annual review mechanism during the first five years of implementation that will assess possible impacts and recommend adjustments when and where necessary;

7. **ENCOURAGES** the Commission and the Ad-Hoc Ministerial Committee to continue working on and incorporating modalities that will build synergy between review of scale of assessment and budgeting, financial governance and management processes;

8. **URGES** Member States working in the spirit of solidarity and self-reliance to strive to achieve the stated contribution targets contained in relevant Assembly Decisions;

9. **REQUESTS** the Ad-Hoc Ministerial Committee meeting in an open-ended manner to pursue and conclude its work in instituting a sound and credible accountability and oversight mechanism that will ensure effective scrutiny of the budgetary processes including its presentation and implementation; In this regard, **FURTHER REQUESTS** the Ad Hoc Ministerial Committee on the Scale of Assessment to meet in October 2015 to consider all outstanding issues, including the consultation with the Republic of Angola on its scale of assessment and submit its report on the matter at the next Summit in January 2016;

10. **URGES** the Commission to provide all the necessary support to ensure timely conclusion of the exercise by providing a comprehensive list of existing and proposed accountability mechanisms;

11. **ENCOURAGES** Member States to promptly pay their assessed contributions once the new scale comes into force.