

**DECISION ON THE REPORT OF THE JOINT SITTING OF THE MINISTERIAL
COMMITTEE ON SCALE OF ASSESSMENT AND CONTRIBUTIONS AND THE
COMMITTEE OF F15, INCLUDING THE OUTCOME OF THE F15 RETREAT – Doc.
EX.CL/1370(XLI)**

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);
2. **COMMENDS** Member States for contributing **US\$142,823,360.89**, equivalent to 70% of the **US\$204,784,571.00** assessed contribution in 2022 towards the Union's regular budget;
3. **ALSO COMMENDS** Member States for contributing **US\$272,470,917.00** to the AU Peace Fund since 2017, a demonstration of the high level of commitment by the Union to fully operationalize the Fund;
4. **FURTHER COMMENDS** Member States that are up-to-date with the payment of their contributions and **URGES** Member States that have not yet done so to pay their assessed contributions in fulfillment of their financial obligations to the Union;
5. **RECALLS** Decision EX.CL/Dec.1071(XXXV) which considered the security and political situation of the Federal Republic 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 Member States to agree on a payment plan to clear the arrears within four (4) years from the adoption of the decision;
6. **ALSO RECALLS** Decision Assembly/AU/Dec.752(XXXIII), which took note of the requests from the Republic of Seychelles and the Republic of Burundi and the challenges they 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** Decision EX.CL/Dec.1119(XXXVIII), which took note of the request from the Republic of the Sudan on the need to review its assessed contribution and requested the Commission to consult with the Republic of the 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), which endorsed the payment plans for the Federal Republic of Somalia, the Republic of Seychelles and the Republic of Burundi to clear their arrears;
9. **COMMENDS** the Republic of Seychelles for fully implementing the payment plan which was agreed with the Commission and for clearing all outstanding arrears to AU budgets as well as paying in full the 2022 assessed contribution to the regular budget and Peace Fund and **ENCOURAGES** the Republic of Burundi and the Federal Republic of Somalia to continue implementing the payment plans agreed with the Commission to clear the arrears as soon as possible in line with Decision Assembly/AU/Dec.802(XXXIV);
10. **ALSO RECALLS** Decision EX.CL/Dec.1138(XXXIX), which urged 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. **FURTHER RECALLS** Decision EX.CL/Dec.1162(XL), which took note of the report of the Commission on the on-going consultations with Libya and the Republic of the Sudan, urged the two (2) Member States to urgently finalize and submit their respective payment plans for settling their arrears to the Commission and requested the Commission to report back to the Executive Council in July 2022;
12. **RECALLS** Decision Assembly/AU/Dec.838(XXXV), which decided exceptionally and given the well-known long-standing complex situation in Libya that, upon full payment by Libya of 50% of its arrears, the Commission shall write-off the 50% of the contributions to the regular budget due to the Union;
13. **COGNIZANT** of the lack of progress made in agreeing on a payment plan between the Commission and the Republic of the Sudan on the payment of the latter's arrears and **URGES** both parties to urgently conclude on the matter and report back to the Executive Council in February 2023;
14. **URGES** Libya to pay in full the 50% of its arrears for the Commission to effect the necessary write-off of the remaining 50% of its arrears;
15. **DECIDES** to impose sanctions on the following Member States that have fallen back on the payment of their assessed contributions:
 - a. **Cautionary sanctions:** Nigeria, Ghana, Malawi, Chad, Senegal and Djibouti are to be removed from the list of countries under sanction; and
 - b. **Intermediate sanctions:** São Tomé and Guinea.

16. **RECALLS** Decision EX.CL/Dec.1138(XXXIX), which directed the Commission, supported by the F15 technical experts, 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;
17. **ALSO RECALLS** Decision EX.CL/Dec.1162(XL), which: took 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 the F15 technical 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; recommended the extension of the application of the current scale of assessment 2020-2022 by one year up to 2023; requested the Commission and the F15 technical 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 requested the Commission to report back to the Executive Council in July 2022;
18. **FURTHER RECALLS** Decision Assembly/AU/Dec.838(XXXV), in which the Assembly decided to extend the application of the current scale of assessment 2020- 2022 by one year up to 2023;
19. **TAKES NOTE** of the roadmap agreed on by the Commission and F15 technical experts on the development of the new scale of assessment and in line with Decision Assembly/AU/Dec.838(XXXV), and **REQUESTS** the Commission, with the support of the F15 technical experts, to develop the new scale of assessment to be applied for the period 2024-2026 and, following the due process, present it to the Assembly for adoption in February 2023 including the relevant consultations as highlighted below:
 - a) presentation of options to the F15 technical experts for analysis: 11-12 of January 2023;
 - b) preliminary consultative meeting with Embassies in Addis Ababa to evaluate the options: 20-23 January 2023;
 - c) consultative meeting with the PRC to review and endorse the options: 27 January 2023;
20. **RECALLS** Decision EX.CL/Dec.1119(XXXVIII), 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 the 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;

21. **ALSO RECALLS** Decision EX.CL/Dec.1138(XXXIX), which directed the Commission and urged six (6) Member States that have entered the reservation to finalize the consultations before the Executive Council in February 2022;
22. **FURTHER RECALLS** Decision EX.CL/Dec.1162(XL), which: took note of the proposal made by the six (6) Member States of the Northern Region that expressed reservations on Decision EX.CL/Dec.1100(XXXVII) on the use of the scale of assessment for the regular budget to assess Member States to the AU Peace Fund and its implications on the total endowment of the Peace Fund; directed the Commission to work closely with the F15 and the Office of the Legal Counsel to analyze the proposals made and the implications thereof; recommended solutions in accordance with the legal framework of the Union; and further directed the Commission, guided by the solutions recommended thereof, to continue consultations with the concerned Member States 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;
23. **TAKES NOTE** of the progress and the proposals made and **URGES** the Commission and the F15 to finalize the analysis of the proposals made by the six (6) Member States of the Northern Region including the consultations as prescribed in Decision EX.CL/Dec.1162(XL) and report back to the Executive Council in February 2023;
24. **RECALLS** Decision EX.CL/Dec.1162(XL) that took note of the concern raised regarding the concentration of investments in two (2) banks from one (1) region and expresses its concern on the delay on implementation of the decision;
25. **REITERATES** its request to expedite finalization of the African Union Treasury Policy and present it for consideration by PRC through its relevant Sub-Committees and F15 technical experts and report back to the Executive Council in February 2023.