 Distr.

**Limited**

CS/ADM/SC/XXII/9.5

Original **English**

**COMMON MARKET FOR EASTERN**

**AND SOUTHERN AFRICA**

Twenty Second Meeting of the Sub Committee on Audit and Budgetary Matters

Sub Committee

Lusaka, Zambia

28 October – 1 November 2019

# **REPORT ON THE STATUS OF IMPLEMENTATION OF**

# **COUNCIL DECISIONS ON ADMINISTRATIVE**

# **AND BUDGETARY MATTERS FOR THE**

# **PERIOD 2016 – APRIL 2019**

AO/hcm

1. Council considers audit, financial, administrative and budgetary matters during its meetings and takes appropriate decisions to enhance the financial and administrative management of COMESA and its Institutions. Pursuant to this, audit, financial, administrative and budgetary matters are considered by the Audit and Budget Sub Committee and thereafter by the Budget and Administrative Committee. The Budget and Administrative Committee makes recommendations on policy issues for consideration by the Inter-Governmental Committee and recommendation to Council for approval.
2. In October 2016, Council decided that a matrix on the implementation of Council decisions on Audit and Budgetary matters should be prepared and submitted to the Sub-Committee on Audit and Budgetary Matters during its meeting. The matrices below outline the status of outstanding Council decisions as reported during the November 2018 Council meetings together with the decisions that were taken by Council in November 2018 and April 2019. The various statuses have been confirmed by Management and verified by Internal Audit.
3. The decisions were taken during the period October 2016 to April 2019 and overall implementation status and aging analysis is summarized below:

**Percentage Implementation**

|  |  |  |  |
| --- | --- | --- | --- |
| **Period** | **Decisions** | **Implemented** | **Partial/Not Implemented** |
| October 2016 | 62 | 53 | 9 |
| November 2017 | 50 | 31 | 19 |
| July 2018 | 19 | 11 | 8 |
| November 2018 | 26 | 10 | 16 |
| April 2019 | 9 | 3 | 6 |
| Total | 166 | 108 | 58 |
| % | 100% | 65% | 35% |

**Aging Analysis**

|  |  |  |
| --- | --- | --- |
| **Period in months** | **Partially implemented** | **Not Implemented** |
| 0-6 | 2 | 4 |
| 7-12 | 9 | 10 |
| 13 – 18 | 1 | 7 |
| 19 – 24 | 8 | 11 |
| 25 – 30 | N/A | N/A |
| 31-36 | 6 | 3 |

**October 2016 Council Decisions**

Number of Decisions Identified for Tracking – 62

Implemented – 53

Partially/Not Implemented **- 9**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No** | **Decision** | **Context** | **Responsible Unit/Division** | **Implementation Status – Nov 2018** | **Implementation Status – Sept**  **2019** |
| 1 | The Secretariat should submit a report on the status of contributions payable by Member States to the Ministers of Finance and Governors of the Central Banks Meeting and that of the COMESA Fund Ministerial meeting; | It was suggested that during the up-coming Council of Ministers meeting and Summit, there should be a substantive agenda on the low payment of contributions by Member States. This matter should also be considered by the Ministers of Finance during the COMESA Fund and Governors of Central Banks meetings | Budget and Finance | The issue will be addressed in the next Ministers of Finance & Governors of the Central Bank Meeting to be held in 2019.  *Dates of the meeting are yet to be deliberated on.* | Paper is ready.  Meeting is yet to be convened. |
| 2 | The reports of these Ministerial meetings be presented to the Policy Organs meetings during their deliberations on this matter; |  | Budget and Finance | The issue will be addressed in the next Ministers of Finance & Governors of the Central Bank Meeting to be held in 2019.  *Dates of the meeting are yet to be deliberated on.* | Pending outcome of 1 above. |
| 3 | The Secretariat should explore means of generating financial resources from alternative sources; and continue with its resources mobilisation efforts; | Some Development Partners are continuously reducing their financial support from one year to another due to changes in their priority plans. The Secretariat should explore the possibility of mobilizing resources from alternative sources to finance its programmes. | Budget and Finance in consultation with  International Cooperation & Resource Mobilization | Resource mobilization strategy is under development – potential sources of resource mobilization have been identified. | A paper on operationalization of COMESA levy, as established under Article 168, was presented to Officials in August 2019 |
| 4 | FEMCOM should recruit an all rounded staff that can handle Human Resources, Finance, and Administration instead of the Human Resource and Administration Manager initially advertised; | The Secretariat informed Council that FEMCOM was in the process of filling the positions of a Programme Manager and Human Resources Manager as provided in its budget. The Committee advised that an all rounded staff in Human Resources, Finance and Administration be considered for recruitment as opposed to a Human Resources Manager because the later would not be fully optimized. | FEMCOM | The FEMCOM Bureau deliberated on the issue of inadequate human resource capacity at FEMCOM Secretariat and recommended that the immediate priority is to:  Recruit a Communication Officer at P2  Recruit General Services Officer at G5 to handle procurement and administration issues  Notably the available allocated budget will accommodate the two positions. | Terms of Reference for these positions have been shared with the Secretariat for further input |
| 5 | The Court should present a paper to the Committee on Legal Affairs for their opinion on how to proceed with the issue of insurance of the building of the COMESA Court of Justice. | Council sought to know why the budget for insurance of the building and its contents had not been utilised in 2015 and 2016. The meeting was informed that the challenge with insuring the building was as a result of the fact that the building and its contents (except those purchased by the Court) were still owned by the Government of Sudan. | Court of Justice | This issue is still outstanding. However, the CCJ has engaged several insurance companies in Khartoum with a view to having the insurance issued as per current status | Due to the situation that had pertained at the Seat of the Court since December 2018, this issue has not been resolved.  However, with the latest positive developments in Sudan, the CCJ will ensure the issue is resolved in 2020. |
| 6 | An accounting package be procured for both the Commission and FEMCOM from the merger fees income. | Council noted the corrective actions put in place by CCC to address the audit findings and proposed that the Commission should utilise merger fees to procure an accounting package that shall be used by both the Commission and FEMCOM. This will address the audit finding that was noted by the external auditors. | COMESA Competition Commission | The Commission has been liaising with the secretariat and the providers of the system who are yet to install the software and provide training before the year end. | The Commission has commenced the process of procuring the accounting package for itself and FEMCOM |
| 7 | The Secretariat should undertake a review of the formula of contributions and present the same to the Policy Organs meeting through the Ministers of Finance. | Council noted that despite some economic challenges faced by some Member States, the assessed contribution ratio have remained the same in 2016 and 2017. | Budget and Finance  Resource Mobilization | The issue will be addressed in the next Ministers of Finance & Governors of the Central Bank Meeting to be held in 2019.  *Dates of the meeting are yet to be deliberated on.* | Paper is ready, awaiting outcome of meeting on COMESA levy. |
| 8 | Council approved the 2017 budget of RIA of COM $541,418 and decided that the Secretariat should provide a legal opinion on the powers of the Board regarding recruitment and promotion of staff | Council noted the clarification on the increase on the professional salary. The Secretariat explained that this was due to one IC staff who has been promoted to the professional level by the Board of Directors of RIA. | Division of Legal and Institutional Affairs | Communication has been sent to the Division of Legal and Corporate Affairs to draft and present the legal opinion. | Article (4) of the RIA Charter provides that staff of the agency shall be appointed by Council on the recommendation of the Board of Directors of the Agency. (legal opinion to be issued accordingly) |
| 9 | RIA should prepare a marketing plan for funding by Member States. The paper should be submitted to the next Policy organs meeting; | Council noted that some of the key audit observations considered by the Sub-Committee included; lack of a Marketing Plan for the COMESA Regional Investment Authority; lack of offsite back up for COMESA Leather and Leather Products Institute’s information resources; and non-comprehensive confidential clause for the Secretariat staff and its consultants. | RIA | A draft Marketing plan has been prepared for finalization in 2019 | Following the completion of the marketing plan, the Board of RIA recommended that RIA implement a rebranding campaign with which the marketing plan has to be updated (taking into consideration the board’s decision). Then shall it be presented to the Board as well as the appropriate COMESA Technical Committee, before Council’s approval. |
| 10 | All COMESA Institutions should put in place and implement an IT policy; | Council noted that some of the key audit observations considered by the Sub-Committee included; lack of a Marketing Plan for the COMESA Regional Investment Authority; lack of offsite back up for COMESA Leather and Leather Products Institute’s information resources; and non-comprehensive confidential clause for the Secretariat staff and its consultants. | RIA: CCC & CCJ to update on status. | LLPI has put in place an IT Policy  The CCJ filled the position of Information Technology (IT) Officer in February 2018 and is in the process of drafting an IT Policy. In the interim, the CCJ has been using the COMESA IT Policy.  FEMCOM has adopted a system of backing up all documents on the external hard drives on a regular basis in preparation for putting in place an IT Policy.  RIA shall benchmark IT policies of selected Investment Promotion Agencies  The Commission has already commenced collaboration with the IT Division of COMESA Secretariat to carry out the needs assessment | RIA has prepared the IT policy. The policy shall be shared with the COMESA IT Division for comments and thereafter presented to the RIA Board for approval.    The CCJ had planned to finalize the IT Policy in 2019 but due to the challenges experienced by the Host Member State it became difficult to do so. With the positive developments in Sudan, the CCJ will endeavor to finalize it in 2020.  The CCC has a draft IT Policy which is still work in progress. An IT Expert is earmarked to be recruited in 2019/2020. |
| 11 | The Legal Division should advise on the independence of the COMESA Institutions given their status of Autonomous and Semi-Autonomous and that they have their own Boards, in order to clarify the relationship with the Secretariat in terms of the process of progressing their decisions to Council | Regarding the report on the request for renewal of contract for the Registrar of the Court of Justice, the meeting sought clarification from the Secretariat of the correct procedure to follow as it was reported that the renewal had already been recommended by the Twenty Second Meeting of the Administrative Committee of the Court | Legal and Institutional Affairs | Communication has been sent to the Division of Legal and Corporate Affairs to draft and present the legal opinion | A paper has been prepared by the division which clarifies relationship between COMESA Institutions and the Secretariat as well as to how they process their decisions to Council |
| 12 | The Secretariat should undertake a review of the Executive Management Rules and Regulations for consideration by the next meeting of the Committee on Administrative and Budgetary Matters. |  | Human Resource and Administration | This was put on hold awaiting the approval of the Staff Rules and Regulations  It is planned for 2019 | Planned for 2020 |

**November 2017 Council Decisions**

Number of Decisions Identified for Tracking – 50

Implemented – 31

Partially/Not Implemented **- 19**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No** | **Decision** | **Context** | **Responsible Division/Unit** | **Implementation Status – Nov 2018** | **Implementation Status – Sept 2019** |
| 1 | The COMESA Secretariat during its review of the staff rules and regulations should consider factoring in a score for gender and determine the weightings between oral and written in accordance with best international practice. | Council noted that the quota system was applied in the recruitment process and that candidates are granted additional points depending on the extent to which they have filled their quotas. Both oral and written tests are given an equal weighting while gender is not taken into consideration when granting scores although female candidates are always encouraged to apply. | Human Resources & Administration | The Staff Rules and Regulations were approved in the same meeting i.e. November 2017. A proposal to be submitted to Management for approval and inclusion in the Rules as an addendum | Discussions have been held and a wholistic review of the recruitment process is planned for 2020. This will consider, the mode and duration of advertisements, the type of assessments and interviews. |
| 2 | The Secretariat should continue consultations with relevant organizations and submit a report, which will facilitate the work of the Experts in developing the COMESA Qualification Equivalence Framework. The meeting should take place by 30th March 2018; and  Secures funding (COM$137,750) for the two experts from Member States | The Council noted the Secretariat proposal to adopt the SADC Qualification Equivalence Framework, which is still under development. The IC advised the Secretariat to develop a framework for COMESA. | Human Resources & Administration | Letters have been written to the Qualifications Authorities of the Arabic and French speaking MS requesting them to share with the Secretariat their Categories of qualifications /Awards and the years of study for each category. This will facilitate the development of the COMESA Qualifications Equivalence Framework as deiced by Council | This has been put on hold because of lack of budget |
| 3 | The Secretariat should conduct a Human Resource Audit to inform recruitment and or absorptions decisions due to their underlying financial implications. | The issue of Job classification for General Service staff be looked into by the Secretariat with an assessment of the budgetary implications for assessment and a report be presented. The report should include the number of staff, their qualifications and their emoluments | Human Resources & Administration | The classification of General Service positions was presented with its financial implications. Audit shall be done in the context of the review of the structure | A review of the Organization structure is now in progress. All issues relating to staffing are pending the finalization of the structure. |
| 4 | Sanctions should be consistently and fully applied in line with the Treaty provisions, as well as decisions of the Authority, including withdrawal of privileges such as recruitment; and in the implementation of the sanctions, Member States should be given equal opportunity and treatment, to address the issue of their arrears in line with Article 171 (6) of the Treaty as well as decisions of the Authority on the matter. | Council noted that sanctions should be consistently and fully applied in line with the Treaty provisions, as well as decisions of the Authority, including withdrawal of privileges such as recruitment; and in the implementation of the sanctions, Member States should be given equal opportunity and treatment, to address the issue of their arrears in line with Article 171 (6) of the Treaty and the payment history of the affected Member States should be put into consideration. | Legal and Corporate Affairs |  | Secretariat is implementing Sanctions regime on Member States in accordance with Treaty provisions as well as subsequent decision that have been made by the COMESA Authority and each Member State is given the right to be heard on the application of sanctions |
| 5 | The matter of annual Member States contributions be brought before the meeting of Ministers responsible for Finance. | Council noted that the current non-remittance/late remittance of annual Member States contribution has a significant adverse impact on the organization, which if not immediately attended may result in the depletion of Cash Reserve Fund and cessation of all activities, including programmes. | Budget and Finance | The issue will be addressed in the next Ministers of Finance & Governors of the Central Bank Meeting to be held in 2019.  *Dates of the meeting are yet to be deliberated on.* | Paper is ready. Meeting is yet to be convened. |
| 6 | That Secretariat should develop a comprehensive paper on innovative mechanisms for resourcing COMESA programmes and projects for discussion by the Council | Council noted that the current non-remittance/late remittance of annual Member States contribution has a significant adverse impact on the organization, which if not immediately attended may result in the depletion of Cash Reserve Fund and cessation of all activities, including programmes. | International Cooperation and Resource Mobilization | Resource mobilization strategy is being finalized and shall incorporate mechanisms of resourcing COMESA programmes and projects | A paper on operationalization of COMESA levy, as established under Article 168, was presented to Officials in August 2019 |
| 7 | A policy framework on budget allocation be put in place by the COMESA Secretariat to ensure that program activities are allocated significant portion of the budget. This applies to the COMESA Secretariat and all COMESA Institutions and Agencies. | Council was invited to note that RIA played an important role in promoting investments in the region, yet only 34 % of its budget obtained from Member States, was allocated to program activities | Budget and Finance | The issue will be addressed in the next Ministers of Finance & Governors of the Central Bank Meeting to be held in 2019.  *Dates of the meeting are yet to be deliberated on.* | Outstanding: To be aligned with process to come up with 2021-2025 MTSP. |
| 8 | The sustainability of RIA in promoting investments in the COMESA region should be reviewed in light of its limited programme budget | Council was invited to note that RIA played an important role in promoting investments in the region, yet only 34 % of its budget obtained from Member States, was allocated to program activities | Manager - RIA | Outstanding | This has been brought to the attention of RIA board and will be taken into consideration when developing RIA’s upcoming SMTP.  In addition, COMESA RIA has been engaged with cooperating partners to discuss the possibility of secure funding for the implementation of medium to long-term projects rather than short-term ones. |
| 9 | In future, annual financial statements should be submitted by the Secretariat, strictly in line with time frames and provisions under Article 169 (3) and Financial Rules 78 (1). | (i) Article 169 (3) (on accounts of the Secretariat and External Auditors) requires the Secretary-General to submit report on audited financial statements not later than six months from the expiry of the financial year to which the accounts so audited relate; and  (ii) Financial Rule 78 (1) (External auditors) requires the Secretary General to submit the financial statements for the financial year to the External Auditors in accordance with the instructions of the Council within four months after the end of the Financial year. | Budget and Finance | Road Map and Action Plan to comply with requirements in respect of submission of 2018 financial statements and audited reports is being prepared.  Matters impacted submissions of 2017 financial statements and audited reports: -  1: Framework of holistic financial reporting – uniform general ledger accounts framework concluded in February-2018.  2: Framework of utilizing Auditors General approved in May-2018, with a budget allocated in July-2018. | 2019 financial statements shall be finalized and submitted in line with provisions under Article 169 (3) and Financial Rules 78 (1). |
| 10 | The Secretariat submits the matter of review of the formula regarding distribution of annual Member States contributions to the Ministers of Finance, as directed by Council in November 2012. | Council noted that the current formula is due for review, as directed by the Council in November 2012. The review waits convening of the meeting of the Ministers responsible for Finance. | Budget and Finance | Outstanding  The issue will be addressed in the next Ministers of Finance & Governors of the Central Bank Meeting to be held in 2019.  *Dates of the meeting are yet to be deliberated on* | Paper is ready. Meeting is yet to be convened. |
| 11 | There is a need to align the scope of programmes, as developed from the 2016-2020 Medium Term Strategic Plan with increased funding from Member States. In this regard, the COMESA Secretariat should be mandated to carry out work, which should inform deliberations of COMESA Policy Organs on review of the base line of Member States funding. | Council noted that the current formula is due for review, as directed by the Council in November 2012. The review waits convening of the meeting of the Ministers responsible for Finance | Research & Strategic planning  Resource Mobilization and International Cooperation | Resource mobilization strategy is being prepared for Council’s approval through the Convergence Council that is planned to meet in 2019.  The strategy will identify funding gaps and proposals to close the gaps that may include a review of the MS contribution formula. | Outstanding: To be aligned with process to come up with 2021-2025 MTSP. |
| 12 | Cheaper options of procuring the generator should be sought and funds obtained from the Reserve Funds of the Court. The approval of the purchase of the generator is granted in principle, pending the submission of documentation to meet requirements of cost-efficiency | Potential suppliers of the generator from Khartoum had been invited to the Court building to carry out initial assessment to come up with specifications and costings and that the budget presented was based on the preliminary specifications and costings received. The option to import had not been explored. | Court of Justice | The CCJ procured the services of a consultant to inspect and survey the Court building to determine the total power requirements for the purpose of recommending the appropriate capacity of a standby generator to be installed and to assess whether the generator recommended was available locally in Sudan. The CCJ is currently in the process of procuring the generator based on the recommendation of the consultant | The Court would like to report that the process for procuring a standby electricity generator for the Court building was finalised in 2018.  Subsequently, a Procurement Committee was convened to consider the quotations that had been received by the Court. As a result, a supplier was recommended.  Unfortunately, due to the situation that pertained at the Seat of the Court from December 2018, the CCJ was unable to complete the purchase of the generator.  It is envisaged that the process will be finalized in due course and, all things constant, before the end of 2019. |
| 13 | IPSAS be implemented over a period of twelve (12) months, with 2018 financial statements being the first IPSAS compliant financial statements. | COMESA is an Inter-governmental organization, with a non-profit orientation, as reflected in its aims under Article 3 of the Treaty. Member States represented by governments are its members; make up its oversight governance structures. IPSAS is aligned to the financial reporting expectations of Member States. | Budget and Finance | Road Map and Action Plan being drafted by Budget and Finance Division, which is the lead Division.  *Time-frame: November-2018.* | Deferred to 2021, as the Secretariat is addressing related framework (i.e. external audit), as a priority. |
| 14 | An implementation steering committee is established by the Secretary General, with participation from Budget and Finance Divisions and the following Units; Internal Audit; Strategic Planning; and Resource Mobilization. | COMESA is an Inter-governmental organization, with a non-profit orientation, as reflected in its aims under Article 3 of the Treaty. Member States represented by governments are its members; make up its oversight governance structures. IPSAS is aligned to the financial reporting expectations of Member States | Budget and Finance | The Road map will be submitted to Secretary General to establish an Implementation Task Team, with participation of relevant Divisions and Units.  *Time-frame: November-2018.* | As above |
| 15 | On IPSAS, Council approved the establishment of its implementation - people capacity and accounting policies, systems and processes, which are aligned to IPSAS framework. | COMESA is an Inter-governmental organization, with a non-profit orientation, as reflected in its aims under Article 3 of the Treaty. Member States represented by governments are its members; make up its oversight governance structures. IPSAS is aligned to the financial reporting expectations of Member States | Budget and Finance | Road Map and Action Plan being drafted by Budget and Finance Division, which is the lead Division.  *Time-frame: November-2018.* | As above |
| 16 | A professional/qualified expert in IPSAS subject matter, be contracted as IPSAS Expert and operate under the Budget and Finance Division. The IPSAS Expert shall facilitate implementation of IPSAS at the COMESA Secretariat. The IPSAS Expert be engaged based on Policy on engagement of Consultants for a period not exceeding six (6) months | COMESA is an Inter-governmental organization, with a non-profit orientation, as reflected in its aims under Article 3 of the Treaty. Member States represented by governments are its members; make up its oversight governance structures. IPSAS is aligned to the financial reporting expectations of Member States | Budget and Finance | Funding to be secured under 2019 Budget` | As above |
| 17 | That the COMESA Secretariat follow-up with Kenya and Zimbabwe on their offers for training and support in the implementation of IPSAS | Council was informed that IPSAS is the most appropriate financial reporting framework for COMESA Secretariat and its Agencies and the offer for training and support in the implementation of IPSAS made to the COMESA Secretariat by Kenya and Zimbabwe. | Budget and Finance | COMESA Secretariat engaged Kenya and Zimbabwe.  Sites to be visited for benchmarking agreed with Kenya and Zimbabwe  Benchmarking Missions: October to December 2018 &  January to March 2019 | As above |
| 18 | Council endorsed the recommendation that the Proposals that are presented to Council for endorsement should have implementation timeframes for ease of follow up. | The Secretariat was asked to ensure that proposals made for endorsement by Council should have clear timeframes for ease of monitoring the implementation of decisions. | All Divisions, Units and COMESA Institutions |  | RIA: Board decisions that shall be presented to Council in November 2019 for endorsement will include implementation timeframes. |
| 19 | The Secretariat should submit documents to Member States two weeks prior to meetings to facilitate their preparations for meetings***.*** | Council underscored the need for timely circulation of documents which would allow Member States to print the documentation they may require in hard copy. Where submission of documents to Member States is delayed, the Secretariat would then provide the hard copies, on request. | All Divisions, Units and COMESA Institutions | Outstanding | This shall be complied with |
| 20 | Council endorsed the resuscitation of the Ad-hoc Sub Committee on HR matters***.*** | Issues relating to Human Resources have been taking considerable time and discussion during Policy Organ meetings at the expense of other matters of core business of COMESA. | HR and Administration | Outstanding | The Committee is yet to be put in place and formalised. Criteria being developed. However, Adhoc meetings of Experts convened in 2017 and 2018 to look at the Organisation Structure and the Qualifications Equivalence |

**July 2018 Council Decisions**

Number of Decisions Identified for Tracking – 19

Implemented – 11

Partially/Not Implemented **- 8**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No** | **Decision** | **Context** | **Responsible Unit/Division** | **Implementation Status – Nov 2018** | **Implementation Status – Sept 2019** |
| 1 | That to prevent recurrence of these risks, the Secretariat should incorporate sustainability and exit strategy aspects in COMESA programmes, supported with grant funding | Staff/Experts proposed under bridging financing are provided for in the already signed RDOAG. The bridging financing enables COMESA to access the COM$19.6 million under RDOAG. | International Cooperation and resource Mobilization | Outstanding | To be aligned with the 2021-2025 MSTP |
| 2 | Going forward, academic qualifications obtained in French and Arabic speaking Member States be equated to academic qualifications obtained in English speaking Member States | The objective is to develop a Framework that will guide the Secretariat in this matter in order to attain equity in the recruitment of staff from Member States | HR & Administration | The Committee of Experts in the area of Qualifications met in 2018 and developed some guidelines and action points which were presented to Council | The Committee has not been able to meet this year as planned due  to lack of funding/budget |
| 3 | Further work needs to be carried out by the Secretariat prior to re-submission of the request for promotions. Further work includes;  Outlining the implications on the current and future budgets of the Secretariat;  Indicating how the proposed upgrading and promotions are consistent with Staff Rules, including;  Assessment of all staff deserving of up-grading and promotions;  Due consideration being given to equity, fairness and change management processes; and  Adherence to Council decision of 2014 relating to freezing staffing adjustments with financial implications  Preparing Terms of reference for positions created through review of organizational structure, prior to filling up of the positions  Providing clarity on the framework informing the proposed upgrading and promotion. | The Secretariat made a submission regarding upgrading of Professional posts as well as Intermediate posts to the Professional posts and appointments of the incumbent to these posts. | HR & Administration | This has been put on hold awaiting the finalization of the Organization Structure | To be handled with the ongoing review of the structure |
| 4 | The Secretariat develops a policy where 1st ranked candidate resigns shortly after taking up the post to guide handling of such situations in future. | The officer who had been appointed to the position of Assistant Registrar had resigned his position after serving for one and a half years. Council observed that the absence of Rules and Regulations on this matter is detrimental to an effective and efficient recruitment process | HR & Administration | A proposal to be submitted to Management by December 2018. | The review of all HR related policies is being planned for 2020 |
| 5 | That in line with its mandate, the COMESA Secretariat should prepare a comprehensive paper on the matter of non- and or late remittances of annual Member States contributions.  The Secretariat should continue to prioritize efforts relating to Member States engagements regarding remittance of annual Member States contributions by among other issues, bringing to the attention of Member States the existing provisions of the Treaty and all the decisions of the Authority relevant to this matter.  That taking into account different budget calendar dates of Member States, remittances of annual Member States contributions due towards COMESA programmes within a period of twelve months should be complied with. Bi annual or part remittances throughout the budget year should ensure each Member States’ compliance with provisions of the Treaty (i.e. remittance of Member States contribution within a year) regardless of differences in budget year dates.  That the Secretariat should prepare a comprehensive paper on the resourcing of COMESA programmes, for submission to the Committee on Administrative and Budgetary Matters, at its next meeting. | Council recalled that at its meeting in November 2017, it had a dedicated session to reflect on the matter of late and/or non-remittance of annual Member States contributions. At the meeting Council decided that: -  1.Sanctions should be consistently and fully applied in line with the Treaty provisions, as well as decisions of the Authority, including withdrawal of privileges such as recruitment;  2.In the implementation of the sanctions, Member States should be given equal opportunity and treatment, to address the issue of their arrears in line with Article 171 (6) of the Treaty as well as decisions of the Authority on the matter.  3.Member States should pay the 2017 contribution, in full before 31st December 2017, as the Reserve Fund is gradually being depleted; while those Member States which are over two (2) years in arrears should consider entering repayment plans;  4.The matter of annual Member States contributions be brought before the meeting of Ministers responsible for Finance; and  5.Secretariat should develop a comprehensive paper on innovative mechanisms for resourcing COMESA programmes and projects for discussion by the Council.  Despite the above efforts the status of remittance of annual Member States contribution remains a matter of concern. | Budget & Finance  International Cooperation & Resource Mobilization | Progress on Resource Mobilization strategy to be reported in the budgetary and Administrative Committee | To be aligned with the 2021-2025 MSTP |
| 6 | Council noted the unfunded 2018 budget needs of COM$1,101,623, attributed to the withdrawal of grant funding on re-current costs of institutional support (capacity, systems and processes); overtime pay for locally recruited staff to cope with limited capacity; and address strategic and organizational risks. Council: -  Approved the proposal to obtain required funding of COM$926,623 from staff budget lines be submitted to Council for approval.  Council decided that the request for increased funding towards COMESA programmes and activities be referred to Ministers responsible for Finance**.** | Council noted the request for additional funding of COMESA programmes and activities. Council observed that there is a need to consult Ministers responsible for Finance as they are critical to sustainability of COMESA funding | Budget and Finance | The issue will be addressed in the next Ministers of Finance & Governors of the Central Bank Meeting to be held in 2019 | **To be aligned with the 2021-2025 MSTP** |
| 7 | Council directed that the Secretariat should adhere to rules and regulations regarding loans and debt as sources of funding COMESA activities, as required under the Treaty (Article 166 (4));  Directed that in future, Member States requiring CVTFS assets should make a part payment at the time of placing an order; and  Directed the Secretariat to expedite implementation of the external audit control findings, on CVTFS:  Put in place systems for managing and monitoring devices issued from stock for the purposes of piloting by the Revenue Authorities.  Ensuring that revenue is recognized in the period in which risks and rewards of ownership of devices is transferred to its customers, ideally at delivery of devices to them.  A financial manual is in place and enforced  Establish review and reconciliation policies and procedures at all levels of management  Inventory counts are performed on a regular basis and reconciled to the general ledger, with any large discrepancies investigated and explained | Council noted the conclusions made by the Inter-Governmental Committee, as follows: -  That CVTFS is yet to comply with the decision of Council as regards repayment of loans. The participating Member States have been informed of their responsibilities towards liquidation of the loans in line with the Council decision;  Secretariat should adhere to rules and regulations regarding loans and debt as sources of funding COMESA activities; and  In future, Member States requiring CVTFS assets should make a part payment at the time of placing an order. | Budget & Finance | Matter to be deliberated by Steering Committee of CVTFS Participating Member States, which is scheduled to take place before COMESA Policy Organs meeting in October 2018. | **An implementation report to be submitted by CVTFS in November-2019.** |
| 8 | Council reiterated the requirement for the Secretariat to fully implement the decisions of Council of November 2017 as stipulated below: -  Extension of an outsourced Group Medical Scheme to non-regular staff recruited as individual consultants. Each individual consultant should be required to contribute the same amount (COM$3,750 per individual per year) as made by Secretariat on behalf of individual regular staff. The increased membership of Group Medical Scheme will over time also increase the available pooled resources.  Addressing Group Personal Accident gaps, by complimenting it with Group Life Assurance within the existing budgetary provisions. | Council recalled that at its meeting held in Lusaka, Zambia in November 2017, it had noted with concern a number of non-compliance issues. | HR & Administration | The Secretariat is in the process of outsourcing the scheme which will cover all staff including Regular, Project and Consultants | The process is now complete with a provider identified. A paper will be presented to the Sub Committee for budget approval |

**November 2018 Council Decisions**

Number of Decisions Identified for Tracking – 26

Implemented – 10

Partially/Not Implemented **- 16**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No** | **Decision** | **Context** | **Responsible Unit/Division** | **Implementation Status Sept 2019** |
| 1. | A Committee be set up to facilitate the development and implementation of a regional qualification framework;  The current members of the Task Force shall be members of Committee; and  the Matrix on MS recognized qualifications be referred to the Committee to develop a COMESA Qualification Standard. | Pursuant to the July 2018 Council decision, the Secretariat convened a meeting of Experts from Member States to facilitate development of a qualifications framework that would be used by the Secretariat, as a reference document during recruitment.  The Task Force received presentations from Member States regarding education systems / qualifications frameworks, in the following areas: - Education Structures; Quality Assurance and Accreditation systems; Categorization of Qualifications and Durations; and Entry/progression rules etc. | HR & Admn | The Committee will be reconstituted including those who were participating in the October 2018 meeting of Experts when the funds are available. This is on hold because of lack of funding |
| 2. | The Secretariat prepares a new organizational structure based on its needs and gaps, taking into account its mandate, the development goals of COMESA, demands of the on-going restructuring of the African Union and the capacity of Member States to sustain the structure, while implementing programmes;  A Committee of Experts from Member States be convened to review and finalise the report prepared by the Secretariat in the first quarter of 2019;  The report of the Committee should be submitted to the Committee on Administrative and Budgetary Matters; and | In 2015, whilst considering the Financial implications of the implementation of the new COMESA Secretariat organizational structure, Council decided that all the additional positions which amounted to 64 be frozen and that the Secretariat undertake a study to determine the value addition of the new structure. The study was commissioned and was presented to the Council of Ministers in November 2017. After consideration of the report, Council decided that Human Resource Experts from the Member States validate the report.  Pursuant to the decision of Council, a Task Force of Human Resource Experts was convened to validate the Consultants’ report on the value addition of the new organization structure | HR & Adm | Work in progress  The Committee to be constituted once the draft organogram is prepared. Desk reviews and consultations with internal stakeholders have been completed. Submission shall be made to the task force of HR Experts from Member States as decided by Council in November 2018 |
| 3 | Council directed the Secretariat to revise the COMESA Staff Rules and Regulations to take into account the serving Officers when there are vacancies, so as to give them an opportunity to compete and prove themselves. | Secretariat informed IC that recruitment of candidates into vacant professional posts is guided by Staff Rules and Regulations. Currently, there are no specific provisions regarding staff already within the COMESA Secretariat. It is important to consider reviewing the rules to take into account the serving Officers when there are vacancies, so as to give them an opportunity to compete and prove themselves. | HR & Adm | To be included in the review planned for 2020 |
| 4 | The Secretariat finalizes the acquisition process of outsourcing COMESA Secretariat Staff Medical Scheme Insurance and present the same to the Sub Committee on Audit and Budgetary Matters | Council received an update on the progress made in outsourcing COMESA Secretariat Staff Medical Scheme | HR & Adm | A service Provider has been identified and a Paper on the financial and budget implications shall be submitted to the Sub Committee |
| 5. | In line with best practices, the Secretariat should in future always ensure that COBEA Chair and or in his/her absence, duly authorized COBEA representative present their own management letters and auditors reports on the audit of annual financial statements of COMESA Organs and its Institutions to facilitate review by the Sub Committee on Audit and Budgetary Matters. | An invitation was sent to COBEA for the Chair and overall COBEA Supervisor to attend this meeting of Council on Audit and Budgetary matters. Admittedly and regrettably, this was sent late;  COBEA Chair further informed the Secretariat through an email that she would only be available to present the reports from the week beginning 2nd December 2018 | Budget & Finance | Implemented |
| 6 | Council decided to constitute a Select Committee of Council consisting of the Chair, Vice Chair and three other non – members of COBEA namely Kenya, Mauritius and Uganda to interrogate the 2017 COMESA Secretariat Audit Report;  That the Select Committee be convened in the second week of January 2019; | Council noted that audit issues are serious and sensitive and need to be handled meticulously; there is need for arbitration to resolve the disagreement between COBEA and Management. Council further noted that an audit report indicates the manner in which organizational resources were managed and should be taken in good faith with a view to address issues raised. Negotiation of an audit report it tantamount to questioning the integrity of the auditors, therefore, the report should either be adopted or rejected. | Budget & Finance | Implemented |
| 7 | That the report of the Select Committee be submitted to an Extra Ordinary meeting of Council of Ministers to be held in February 2019; |  | Budget & Finance | Implemented |
| 8 | A status report on the implementation of Council decision for the last 5 years be circulated to Member States before presentation to IC at its next meeting |  | M&E | Status report has been prepared. |
| 9 | The Audit Charter for COBEA be developed. |  |  | A meeting to review draft Audit Charter taking place from 7 – 11 October 2019, with to be reported to Council in November. |
| 10 | Approved that the tender for external audit services for the audit of projects be launched among the Big four audit firms; and  Mandated the Bureau to approve and appoint external auditors for the audit of grants from Cooperating Partners since the procurement process will not be finalized by 25 November 2018 – the date Council is scheduled to finalize its meeting. | Council was informed by the Secretariat that there are complimentaries between COBEA audit on COMESA Secretariat institutional financial statements, incorporating all COMESA resources; and Audits on individual grant funded projects, carried by private audit firms. A number of these grant funds disbursed to Member States, are being implemented by Government structures, hence use of private audit firms.  The Secretariat had informed the Committee that there is a requirement that audits are undertaken for each grant agreement signed with Cooperating Partners. The grants are also subjected to audit by COBEA, as required by the Council in the context of holistic COMESA Secretariat financial statements. | Budget & Finance | Implemented |
| 11 | Approved the additional grant funding of COM$4,463,964 and related expenditure to be incorporated into Secretariat 2018 budget. | Council received and considered the status of expenditure under Grants funding, for the period January to June 2018 and additional grants | Budget & Finance | Implemented |
| 12 | Any final budget short-fall, taking into account the cancelled 2018 Burundi Summit; 2018 Lusaka Summit; and November 2018 COMESA Policy Organs’ Meetings, be made by Secretary General within the 2018 Budget, through a re-allocation. A report on this matter should be made available to Council at its next meeting. | The 2017 Summit was not held and the funds allocated towards the 2017 Summit are therefore part of the Reserve Fund.  The Secretariat compiled all information relating to funding and projected expenditure which indicated a funding deficit of COM $ 388,038. | Budget & Finance | A meeting to review draft Audit Charter taking place from 7 – 11 October 2019, with to be reported to Council in November.  Implemented |
| 13 | Approved re-allocations addressing budget short-falls towards costs of audit of 2017 Financial Statements at COMESA Secretariat (COM$28,062); Competition Commission (COM$236) and FEMCOM (COM$4,362); and  Urged the Secretariat to engage COBEA on lessons, which should be incorporated in the plan and budget for the audit of 2018 financial statements. | Council was informed that US$49,300 allocated as a source of funding on EU grants, will be required to pay for the audit of projects by private audit firms. In appointing Auditors General to audit COMESA Secretariat, Council in October 2016 also directed that projects be audited by private audit firms; and  The Secretariat has finalized implementation of holistic financial reporting, which created the unavoidable delay in submission of 2017 financial statements. The modification of the accounting system to respond to holistic financial reporting requirements took more days, than had originally been planned hence the delay in finalizing the COBEA audit. | Budget & Finance | COBEA to be re-engaged based on decisions of Council regarding type of audits (financial audit or (combining financial & compliance audits) |
| 14 | Council approved that the additional legal costs be met from Staff Emolument budget lines, arising from late filling in of positions in 2018. These shall pay for the following costs: -  US$20,000, to enable the Secretariat attend to the matter at the COMESA Court of Justice;  US$100,000 submitted by the other party (Malawi Mobile Limited) This amount becomes payable, if Secretariat loses the contest but final amount will become known after a “taxation legal process”; and the Secretariat should prepare a brief to Council on the status of this case. | Council was informed that the Secretariat need to secure additional funding towards legal costs, which are estimated to be COM$20,000 (provisional estimate only). The costs will relate to travel, daily subsistence allowance and other incidentals. Further, Malawi Mobile Limited has submitted a bill of cost at COM$100,000. COMESA is contesting against the award of this cost. This amount becomes payable, if Secretariat loses the contest but final amount will become known after a “taxation legal process.” | Legal & Corporate Affairs | The matter is still being considered by the Court |
| 15 | Approved the budget of COM$64,405 for convening the Annual General Meeting and Board Meeting in 2018 from the Reserve Fund; and    Directed that FEMCOM introduces a new budget line for convening of the AGM and Board meetings. | Council was informed that due to lack of a budgetary provision, FEMCOM last held its last Annual General Meeting in November 2014 and Board Meeting in December 2016.  Given the aforementioned situation, FEMCOM plans to hold its Annual General Meeting and Board Meeting in December 2018. | FEMCOM | Implemented |
| 16 | Approved that RIA, should through a budget reallocation in 2018 continue subscribing to WAIPA for the benefit of COMESA Member States and Institutions. | Council deliberated on the need for RIA to make a reallocation of resources to facilitate renewal of WAIPA subscription, as it could be a benefit for COMESA Member States and other institutions. | RIA | Reallocation of funds was undertaken and renewal of subscription to WAIPA paid. |
| 17 | Council approved the withdrawal of the Reserve Fund to pay for the 2019 expenditure budget, pending receipt of MS contributions. | Secretariat – 7,801,264  CCC – 478,386  FEMCOM – 395,550  RIA – 266,023  TOTAL – 8,941,222 | Budget & Finance | Implemented |
| 18 | Council approved the use of overheads contribution in 2019 | Mandatory cash contribution from COMESA towards EU grants, to convert EU grants into multi-donor funded actions and remove “D+3” contracting deadline - $ 146,800  Web Editor, pending finalization of Secretariat organizational structure - $ 66,000  US$1,034,843: institutional capacity of which it is proposed that US$364,292 be allocated to staffing (Head – GPS/APSA Coordinator; COMWARN Analyst 1; COMWARN Analyst 2; Finance Officer) under Governance, Peace and Security.  Secretariat should make a further submission on the utilisation of the balance, based on actual receipts before end of 2019 financial year; and  US$150,000: Security installations at COMESA Headquarters.  That the Secretary General engages the EU with a view of financing staff costs of the remaining key APSA staff namely: Early Warning Expert/Post Conflict Reconstruction and Development; Mediation Support Officer/Early Warning Expert; and COMESA Liaison Officer in AUC. | Budget & Finance | 2019 Budget Utilisation Report will provide an update. |
| 19 | COMESA Institutions harmonize and rationalize their procedures with those of the Secretariat. | The Sub Committee on Audit and Budgetary matters enquired whether IT systems at the Secretariat and its Institutions were centralized. Management informed the Sub Committee that IT systems were not centralized and noted that synergies could be created if IT initiatives at the Secretariat and the Institutions were coordinated. To this end, the Sub Committee urged management to harmonize and rationalize procedures at the Institutions with those of the Secretariat. | COMESA Institutions | RIA uses COMESA Rules, Policies and Procedures  The CCJ had planned to commence this exercise in 2019 but the challenges experienced by the Host Member State made it difficult for the CCJ to implement this decision in 2019. It is envisaged that the decision will be implemented in 2020 |
| 20 | The capacity of Internal Audit to undertake IT audits be enhanced through the recruitment of an IT Auditor. | Internal Audit had planned to undertake various audits while the IT audit of strategic databases would be outsourced because the Unit lacked competencies in IT audits. Council agreed that in order to increase the scope of IT audits in the organization, there was a need to recruit an IT Auditor. | Internal Audit | Job description and 2020 budget for the IT Auditor has been presented for consideration and approval by Council in 2019. |
| 21 | COMESA Secretariat expedite repayment of loans acquired for CVTFS, as directed by the Council;  CVTFS be audited by COBEA; and  The outcome of CVTFS Steering Committee be reported to the Council in November 2018, as part of updating the Council on implementation of its decisions relating to CVTFS.  Referred the request for the appointment of an audit firm to undertake the audit of CVTFS 2017 Financial Statements to the CVTFS Steering Committee. | Council considered progress made by COMESA Secretariat and CVTFS, in implementing its decisions taken in Lusaka, Zambia in July 2018 while considering the CVTFS 2016 audited financial statements.  Council was informed that implementation of the decisions of Council on CVTFS require deliberations of the CVTFS Steering Committee. In this regard, the CVTFS Steering Committee is planning to hold its meeting before the meeting of Council scheduled for November 2018. | Budget & Finance | Repayment:  Competition Commission: US$2.6 million. Balance: No change  Zep Re: US$1.0 million. Balance: No change  Stanbic: US$3.1 million. Repaid:US$2.9 million. Balance: US$0.2 million  CVTFS Audit: To be aligned with the audit of COMESA Organs & Institutions, which awaits conclusion of  Outcome of CVTFS Steering Committee: Meeting is yet to be convened.  Private audit of CVTFS to file the annual return, as per Companies Act: Consultations underway. |
| 22 | Member States provide their feedback on documents which were directed by Council to be submitted to them by end of February 2019; and  Based on the contributions received from Member States, the Secretariat convenes the Technical Committee established by Council to reconsider the project, its project costs and funding on the proposed headquarters by end of April 2019 | The Secretariat informed Council it had held meetings with the Consultant Architect in order to review the documentation and information before it can call for a meeting with the members of the Technical committee on the construction of the COMESA Headquarters as directed by the Authority of Heads of State and Government in July, 2019.  In the consultations held the Secretariat was informed of the breakdown of the building construction costs | HR & Administration | The Sub Committee on the New Headquarters met in July 2019. The Sub Committee shall reconvene in November 2019 and its report shall be submitted to Council. |
| 23 | Directed that the Secretariat to develop rules of procedure for the Sub Committee on Audit and Budgetary Matters and submit to Committee on Administrative and Budgetary Matters for consideratio*n.* | Enquiry was made as to whether Member States that attend the meeting of the Sub Committee at own cost are also required to nominate individual members. A further enquiry was made on the role that is played by such members. The Secretariat informed Council that Member States that attend the Sub Committee meeting at own cost were not required to nominate individuals as their regularity in attending these meetings may not be guaranteed.The Secretariat further informed Council that Article 15 of the COMESA Treaty allows Council to establish Technical Committees for the attainment of the objectives of the Treaty. These Committess design rules of procedure to guide the conduct of meetings. The Secretariat undertook to prepare the rules of procedure of the Sub Committee to address the concerns raised on the role and powers of members who attend at own cost. The meetingreminded the Secretariat that the decision of Council was that such members shoud participate at the meetings as part of the broader membership of COMESA.  Council also noted that the meeting further advised the Secretariat that the rules of procedure should align with the spirit of the Council decision that requires only the constitution of the quorum of the meeting to be determined by members of the reconstituted Audit and Budget Sub Committee. The rules of procedure should not therefore be a guide for membership, decision making or voting rights of various members States that are participating in the Sub Committee.  The meeting sought clarification on the process of inviting nominated officials to participate in meetings as it had noted that the Secretariat send invitations directly to the nominees as oppossed to sending invitations through coordinating Ministries. The Secretariat took note of the anomaly for corrective action. | Legal & Corporate Affairs | Draft Rules of Procedure have been prepared for consideration by the subcommittee on Audit and Budgetary matters. |
| 24 | The Secretariat to fund the Euro 247,231.51 from savings under the 2018 staff emoluments budget lines;  The amount should be treated as a receivable from EAC in the books of the Secretariat; and  Based on the response and acknowledgement of the debt by the Secretary General of the East African Community, the COMESA Secretary General should aggressively pursue the recovery process from EAC by engaging her counterpart at the EAC and if these efforts do not yield results, escalate the matter at the political level through the engagement by the Chairperson of the COMESA Council of Ministers with his counterpart at the EAC. | Council considered a submission on pre-financing of EU recovery order regarding EU funds disbursed by COMESA to EAC. Council took note of the risk that would arise from failure by the Secretariat to honor the EU Recovery Order, which would impact on EU funding under 11th EDF/RIP (Euro85.0 million) towards the implementation of COMESA Programmes. | Budget & Finance | Consultations with EAC underway, as amount is not yet refunded. |
| 25 | Directed that all COMESA Institutions re-classify all amounts and costs recorded under miscellaneous activities budget line to a relevant budget line in order to facilitate meaningful monitoring, reporting and control of expenditure. | Council noted that a robust ticket handling and accounting system and process is necessary for all COMESA Institutions, as spending on air tickets is a significant item of expenditure. The controls should ensure that COMESA Institutions only pay for tickets that have been utilized and that refunds are received for paid but unused tickets.  Council noted that: -  COMESA Institutions allocates budgetary provisions and costs towards a budget line, classified as miscellaneous activities.  Budget lines should meaningfully describe transactions that are similar. This facilitate monitoring, reporting and control. | COMESA Institutions | ALLPI reclassified amounts under the miscellaneous budget line to other budget lines.  RIA, FEMCOM and CCC reclassified amounts under the miscellaneous budget line to other office expenses  CCJ immediately implemented this directive by expunging the Miscellaneous budget from the 2019 budget when the 2019 budget was being considered by Council. |
| 26 | All COMESA Institutions adopt uniform chart of accounts to facilitate a focus on significant general ledger accounts and benchmarking with experiences of comparable organisations. | COMESA Institutions have established chart of general ledger accounts that are different from each other, which makes it impossible to compare amounts allocated and charged to general ledger accounts. | COMESA Institutions  Budget and Finance | RIA deployed the Secretariat Chart of Accounts in its accounting system at the time of its installation.  CCJ is of the view that the adoption of a uniform chart of accounts should be done once the COMESA Secretariat has finalized reorganization of its chart of accounts. This will form the basis of alignment. |

**April 2019 Council Decisions**

Number of Decisions Identified for Tracking – 9

Implemented – 3

Partially/Not Implemented **- 6**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No** | **Decision** | **Context** | **Responsible Unit/Division** | **Implementation Status - Sept 2019** |
| 1 | The instruments identified in the framework as presented by the Auditors General in their meeting on March 2018 should be prepared and presented to the Policy Organ for consideration and approval. | Council appreciated and thanked the Secretary General for her insights into the new External Audit Framework that is currently used by the Secretariat. Some of these insights included lack of the relevant instruments for operationalizing the new audit framework, departure from the enabling Treaty provisions and their effect on the ability of COMESA to mobilize resources, should it fail the 9 pillar assessment of the EU given the current challenges. | Legal and Corporate Affairs | The division has scheduled a meeting of the legal drafting subcommittee to consider the draft instruments once adopted by the relevant committee. |
| 2 | Directed the Secretariat to implement the 2017 COBEA audit report recommendations and submit its report to Council until all matters are fully addressed. | The mandate of the Select Committee was to interrogate 2017 COBEA report; which entailed receiving responses, documents and clarifications from the Secretariat to facilitate the consideration of the same by COBEA. Council noted that this was not achieved  In light of the above. the Secretary General requested Council that the COBEA report be considered as an internal audit report and she assured Council that all recommendations therein would be duly followed up and implemented. The COBEA recommendations shall be on the agenda of the meetings of Council until they are fully addressed. | Budget and Finance  Legal and Corporate Affairs  HR and Administration | A report on the implementation of the recommendations shall be presented to the Committee on Administrative and Budgetary Matters  Legal opinion has been issued to go with the report to be prepared by Budget and Finance in coordination with Human Resource and Administration |
| 3 | The paper on the modalities of operationalizing the Staff Revolving Fund, it established in November 2018, be submitted to the Sub Committee on Audit and Budgetary Matters. | Council noted that the Inter-Governmental Committee received a Paper on the Staff Revolving Fund, established by the Council in November 2018. Council further noted that the Paper was referred to the Sub Committee on Audit and Budgetary Matters. | Budget and Finance  HR and Administration | Paper is part of the Agenda for November 2019 |
| 4 | The Court, in consultation with Member States with arrears, should come up with proposals on how the concerned Member States could clear their arrears and current contributions | While seven Member States fully remitted their budgetary contributions towards the Court's budget last year, five other Member States cleared their arrears up to 2017, other seven Member States had either remitted their last payments since 2016; 2014 and 2013 or had several years of arrears, | CCJ | This is an ongoing activity and the CCJ will continue engaging concerned Member States with a view of coming up with repayment plan proposals. |
| 5 | The Secretariat should consistently apply the sanctions, as approved by the Authority on all defaulting Member States with immediate effect; | Burundi, Comoros, Democratic Republic of Congo, Djibouti, Libya and Uganda have arrears which have been outstanding for more than two (2) years.  As per the Authority decisions on sanctions, the above Member States have fallen into the sanctions bracket | Budget and Finance  Legal and Corporate Affairs  HR and Administration | Secretariat is implementation the sanctions regime in accordance with Treaty provisions as well as subsequent decisions made by the COMESA Authority.  Uganda does not have arrears that are over two years. |
| 6 | The matter on non-remittance of assessed contributions should be escalated to the Bureau of the Authority | As per the Authority decisions on sanctions, the above Member States have fallen into the sanctions bracket | Budget and Finance | Meeting of the Bureau of the Authority yet to be convened. |
| 7 | The draft report on resource mobilization strategy should be finalised. To this effect, Member States should submit their comments not later than 30 April 2019 as decided in November 2018. | The Secretariat discussed the challenges being faced by the non-remittance of assessed contributions by Member States, which included the following: -  The continued dependence on Reserve Fund to finance COMESA programmes and activities.  The depletion of the Reserve Fund as arrears have built up.  Erosion of trust and confidence by Cooperating Partners, as non- remittance of contributions is translated as non-commitment of Member States to COMESA and If no contributions are received by 30 June 2019 the Reserve Fund will be depleted. Such a situation is not sustainable. | International Cooperation and Resource Mobilization | The Ministers of Finance met in October 2019 to consider the operationalization of the COMESA Levy as a channel for resource mobilization |
| 8 | Designate a focal point within the COMESA Secretariat to facilitate processes, including communications regarding implementation of decisions relating to the delivery of the COMESA HQ project. | Council further noted the challenge faced by the Secretariat to convene the Technical Committee Meeting of all Member States. | HR and Administration | Out standing |
| 9 | Fully optimize utilization of its resource mobilization capacity, including exploring how this capacity can assist in raising of funds towards the delivery of COMESA Headquarters | Council further noted the challenge faced by the Secretariat to convene the Technical Committee Meeting of all Member States. | International Cooperation and Resource Mobilization | Specific paper on possible financing of COMESA Headquarters yet to be finalized. |