

REVIEW OF LEGAL AND INSTITUTIONAL INSTRUMENTS  
TO FACILITATE INTRA-REGIONAL TRANSPORT AND TRADE  
WITHIN SUB-SAHARAN AFRICA

ANNEX III-3

**TREATY ESTABLISHING THE AFRICAN ECONOMIC COMMUNITY**

(AJUBA 1991)

# TREATY ESTABLISHING THE AFRICAN ECONOMIC COMMUNITY

## TABLE OF CONTENTS

### *PREAMBLE*

Chapter I Definitions

Chapter II Establishment, Principles Objectives, General Undertakings and Modalities

Chapter III Organs of the Community

Chapter IV Regional Economic Communities

Chapter V Customs Union and Liberalisation of Trade

Chapter VI Free Movement of Persons, Rights of Residence and Establishment

Chapter VII Money, Finance and Payments

Chapter VIII Food and Agriculture

Chapter IX Industry, Science, Technology, Survey, National Resources and Environment

Chapter X Transport, Communications and Tourism

Chapter XI Standardisation and Measurement Systems

Chapter XII Education, Training and Culture

Chapter XIII Human Resources, Social Affairs, Health and Population

Chapter XIV Co-operation in Other Matters

Chapter XV Special Provisions in respect of certain countries

Chapter XVI Solidarity, Development and Compensation Fund

Chapter XVII Financial Provisions

Chapter XVIII Settlement of Disputes

Chapter XIX Relations between the Community and Regional Economic Communities, Regional,

Continental Organisations and Other Socio-Economic Organisations and Associations

Chapter XX Relations between the Community, Third States and International Organisations

Chapter XXI Relations between Member States, Third States, Regional and Sub-Regional

Organisations and International Organisations

Chapter XXII Miscellaneous Provisions

***PREAMBLE***

We, the Heads of State and Government of the Member States of the Organisation of African Unity (OAU);

1. The President of the People's Democratic Republic of Algeria
2. The President of the People's Republic of Angola
3. The President of the Republic of Benin
4. The President of the Republic of Botswana
5. The President of the Republic of Burkina Faso
6. The President of the Republic of Burundi
7. The President of the Republic of Cameroon
8. The President of the Republic of Cape Verde
9. The President of the Central African Republic
10. The President of the Federal Islamic Republic of the Comoros
11. The President of the People's Republic of Congo
12. The President of the Republic of Cote d'Ivoire
13. The President of the Republic of Djibouti
14. The President of the Arab Republic of Egypt
15. The President of the People's Democratic Republic of Ethiopia

16. The President of the Republic of Equatorial Guinea
17. The President of the Republic of Gabon
18. The President of the Republic of the Gambia
19. The President of the Republic of Ghana
20. The President of the Republic of Guinea
21. The President of the Republic of Guinea Bissau
22. The President of the Republic of Kenya
23. The King of Lesotho
24. The President of the Republic of Liberia
25. The Leader of the 1st of September Revolution of the Great Socialist People's Libyan Arab Jamahiriya
26. The President of the Republic of Madagascar
27. The President of the Republic of Malawi
28. The President of the Republic of Mali
29. The President of the Islamic Republic of Mauritania
30. The Prime Minister of the Republic of Mauritius
31. The President of the Republic of Mozambique
32. The President of the Republic of Namibia
33. The President of the Republic of Niger
34. The President of the Federal Republic of Nigeria
35. The President of the Republic of Rwanda
36. The President of Sahrawi Democratic Arab Republic
37. The President of the Republic of Sao Tome and Principe

38. The President of the Republic of Senegal
39. The President of the Republic of Seychelles
40. The President of the Republic of Sierra Leone
41. The President of the Republic of Somalia
42. The President of the Republic of the Sudan
43. The King of Swaziland
44. The President of the United Republic of Tanzania
45. The President of the Republic of Tchad
46. The President of the Republic of Togo
47. The President of the Republic of Tunisia
48. The President of the Republic of Uganda
49. The President of the Republic of Zaire
50. The President of the Republic of Zambia
51. The President of the Republic of Zimbabwe

MINDFUL of the principles of international law governing relations between States;

BEARING IN MIND the principles and objectives set forth in the Charter of the Organisation of African Unity;

CONSCIOUS of our duty to develop and utilise the human and natural resources of the Continent for the general well-being of our peoples in all fields of human endeavour;

RECOGNIZING the various factors which hinder the development of the Continent and seriously jeopardise the future of its peoples;

HAVING REGARD to the various resolutions and declarations adopted by our Assembly in Algiers in September 1968, in Addis Ababa in August 1970 and May 1973 providing that the economic integration of the Continent is a pre-requisite for the realisation of the objectives of the OAU;

HAVING REGARD to our decision taken in Libreville in July 1977 endorsing the Kinshasa Declaration adopted by our Council of Ministers in December 1976 concerning the establishment of an African Economic

Community, objective to be attained in successive stages;

CONSIDERING the "Monrovia Declaration of Commitment on the Guidelines and Measures for National and Collective Self-reliance in Economic and Social Development for the Establishment of a New International Order" and which, inter-alia, calls for the Creation of an African Common Market as a prelude to an African Economic Community;

CONSIDERING FURTHER the Lagos Plan of Action and the Final Act of Lagos of April 1980 reaffirming our Commitment to establish, by the year 2000, an African Economic Community in order to foster the economic, social and cultural integration of our Continent;

FINALLY CONSIDERING our Declaration made on the occasion of the Twenty-fifth Anniversary of the OAU and, in particular, the reaffirmation of our commitment and our determination to take the necessary steps to accelerate the establishment of the proposed African Economic Community;

NOTING that the efforts already made in the sub-regional and regional sectoral economic co-operation are encouraging and justify a larger and fuller economic integration;

NOTING the need to share, in a equitable and just manner, the advantages of co-operation among Member States in order to promote a balanced development in all parts of the Continent;

Have decided to establish an African Economic Community constituting an integral part of the OAU and hereby agree as follows:

## **CHAPTER I**

### ***Definitions***

#### **Article 1**

*For the purpose of this Treaty*

(a) "*Treaty*" shall mean the present Treaty;

(b) "*Protocol*" shall mean an instrument of implementation of the Treaty having the same legal force as the latter;

(c) "*Community*" shall mean the organic structure for economic integration established under Article 2 of this Treaty and constituting an integral part of the OAU;

(d) "*Region*" shall mean an OAU region as defined by Resolution CM/Res.464 QCXVI) of the OAU Council of Ministers concerning the Division of Africa into five (5) regions namely North Africa, West Africa, Central Africa, East Africa and Southern Africa;

(e) "*Sub-region*" shall mean at least three (3) States of one or more regions as defined in paragraph 1(d) of this Article;

- (f) "*Member States*" shall mean a Member State of the Community;
- (g) "*Third State*" shall mean any State other than a Member State;
- (h) "*Assembly*" shall mean the Assembly of Heads of State and Government of the OAU as provided for in Articles 7 and 8 of this Treaty,
- (i) "*Council*" shall mean the Council of Ministers of the OAU as provided for in Articles 7 and 11 of this Treaty;
- (j) "*Pan-African Parliament*" shall mean the parliamentary assembly established under Articles 7 and 14 of this Treaty;
- (k) "*Commission*" shall mean the Economic and Social Commission of the OAU as provided for under Articles 7 and 15 of this Treaty;
- (l) "*Committee*" shall mean any specialised technical committee established under Articles 7 and 25 of this Treaty or in pursuance thereof;
- (m) "*Court of Justice*" shall mean the Court of Justice of the Community constituted under Articles 7 and 18 of this Treaty;
- (n) "*Secretariat*" shall mean the General Secretariat of the OAU provided for in Articles 7 and 21 of this Treaty;
- (o) "*Secretary-General*" shall mean the Secretary-General of the OAU as provided for in Article 23 of this Treaty;
- (p) "*Customs Duty*" shall mean protective customs duties and charges having equivalent effect, levied on goods for their importation;
- (q) "*Export Duties and Taxes*" shall mean export duties and charges having equivalent effect, levied on goods for their exportation;
- (r) "*Customs Duties and Taxes*" shall mean all duties and taxes as defined in paragraphs (p) and (q) of this Article;
- (s) "*Non-Tariff Barriers*" shall mean barriers which hamper trade and which are caused by obstacles other than fiscal obstacles;
- (t) "*Intra-Community Trade System*" shall mean the system under which advantages are accorded to the goods referred to in Paragraph 1, Article 33 of this Treaty;
- (u) "*Goods in Transit*" shall mean goods being transported between two Member States or between a Member State and a third State and passing through one or more Member States;

(v) "*Barter Agreement*" or "*Compensatory Exchanges*" shall mean any agreement under which goods and services imported into a Member State may be paid for in full or in part by direct exchange of goods and services;

(w) "*Fund*" shall mean the Solidarity, Development and Compensation Fund of the Community established pursuant to Article 80 of this Treaty; and

(x) "*Person*" shall mean a natural or legal person.

## **CHAPTER II**

### ***Establishment, Principles, Objectives, General Undertaking and Modalities***

#### **Article 2**

##### *Establishment of the Community*

THE HIGH CONTRACTING PARTIES hereby establish among themselves an African Economic Community (AEC).

#### **Article 3**

##### *Principles*

THE HIGH CONTRACTING PARTIES, in pursuit of the objectives stated in Article 4, of this Treaty solemnly affirm and declare their adherence to the following principles:

(a) Equality and inter-dependence of Member States;

(b) Solidarity and collective self-reliance;

(c) Inter-State co-operation, harmonisation of policies and integration of programmes;

(d) Promotion of harmonious development of economic activities among Member States;

(e) Observance of the legal system of the Community;

(f) Peaceful settlement of disputes among Member States, active co-operation between neighbouring countries and promotion of a peaceful environment as a pre-requisite for economic development;

(g) Recognition, promotion and protection of human and peoples' rights in accordance with the provisions of the African Charter on Human and Peoples' Rights; and

(h) Accountability, economic justice and popular participation in development.

## **Article 4**

### *Objectives*

1. The objectives of the Community shall be:

(a) To promote economic, social and cultural development and the integration of African economies in order to increase economic self-reliance and promote an endogenous and self-sustained development;

(b) To establish, on a continental scale, a framework for the development, mobilisation and utilisation of the human and material resources of Africa in order to achieve a self-reliant development;

(c) To promote co-operation in all fields of human endeavour in order to raise the standard of living of African peoples, and maintain and enhance economic stability, foster close and peaceful relations among Member States and contribute to the progress, development and the economic integration of the Continent; and

(d) To coordinate and harmonize policies among existing and future economic communities in order to foster the gradual establishment of the Community.

2. In order to promote the attainment of the objectives of the Community as set out in paragraph 1 of this Article, and in accordance with the relevant provisions of this Treaty, the Community shall, by stages, ensure:

(a) The strengthening of existing regional economic communities and the establishment of other communities where they do not exist;

(b) The conclusion of agreements aimed at harmonising and co-ordinating policies among existing and future sub-regional and regional economic communities;

(c) The promotion and strengthening of joint investment programmes in the production and trade of major products and inputs within the framework of collective self-reliance;

(d) The liberalisation of trade through the abolition, among Member States, of Customs Duties levied on imports and exports and the abolition, among Member States of Non-Tariff Barriers in order to establish a free trade area at the level of each regional economic community;

(e) The harmonisation of national policies in order to promote Community activities, particularly in the fields of agriculture, industry, transport and communications, energy, natural resources, trade, money and finance, human resources, education, culture, science and technology;

(f) The adoption of a common trade policy vis-à-vis third States;

- (g) The establishment and maintenance of a common external tariff;
- (h) The establishment of a common market;
- (i) The gradual removal, among Member States, of obstacles to the free movement of persons, goods, services and capital and the right of residence and establishment;
- (j) The establishment of a Community Solidarity, Development and Compensation Fund;
- (k) The granting of special treatment to Member States classified as least developed countries and the adoption of special measures in favour of land-locked, semi-land-locked and island countries;
- (l) The harmonisation and rationalisation of the activities of existing African multinational institutions and the establishment of such institutions, as and when necessary, with a view to their possible transformation into organs of the Community;
- (m) The establishment of appropriate organs for trade in agricultural and cultural products, minerals, metals, and manufactured and semi-manufactured goods within the Community;
- (n) The establishment of contacts and the promotion of information flow among trading organisations such as State commercial enterprises, export promotion and marketing bodies, chambers of commerce, associations of businessmen, and business and advertising agencies;
- (o) The harmonisation and co-ordination of environmental protection policies; and
- (p) Any other activity that Member States may decide to undertake jointly with a view to attaining the objectives of the Community.

## **Article 5**

### *General Undertakings*

1. Member States undertake to create favourable conditions for the development of the Community and the attainment of its objectives, particularly by harmonising their strategies and policies. They shall refrain from any unilateral action that may hinder the attainment of the said objectives.
2. Each Member State shall, in accordance with its constitutional procedures, take all necessary measures to ensure the enactment and dissemination of such legislation as may be necessary for the implementation of the provisions of this Treaty.
3. Any Member State, which persistently fails to honour its general undertakings under this Treaty or fails to abide by the decisions or regulations of the Community, may be subjected to sanctions by the Assembly upon the recommendation of the Council. Such sanctions may include the suspension of the rights and privileges of membership and may be lifted by the Assembly upon the recommendation of the Council.

## Article 6

### *Modalities for the establishment of the Community*

1. The Community shall be established gradually in six (6) stages of variable duration over a transitional period not exceeding thirty-four (34) years.

2. At each such stage, specific activities shall be assigned and implemented concurrently as follows:

(a) First Stage:

Strengthening of existing regional economic communities and, within a period not exceeding five (5) years from the date of entry into force of this Treaty, establishing economic communities in regions where they do not exist;

(b) Second Stage:

(i) At the level of each regional economic community and within a period not exceeding eight (ii) years, stabilising Tariff Barriers and Non-Tariff Barriers, Customs Duties and internal taxes existing at the date of entry into force of this Treaty; there shall also be prepared and adopted studies to determine the time-table for the gradual removal of Tariff Barriers and Non-Tariff Barriers to regional and intra-Community trade and for the gradual harmonisation of Customs Duties in relation to third States;

(ii) Strengthening of sectoral integration at the regional and continental levels in all areas of activity particularly in the fields of trade, agriculture, money and finance, transport and communications, industry and energy; and

(iii) Co-ordination and harmonisation of activities among the existing and future economic communities.

(c) Third Stage:

At the level of each regional economic community and within a period not exceeding ten (10) years, establishment of a Free Trade Area through the observance of the time-table for the gradual removal of Tariff Barriers and Non-Tariff Barriers to intra-community trade and the establishment of a Customs Union by means of adopting a common external tariff.

(d) Fourth Stage:

Within a period not exceeding two (2) years, co-ordination and harmonisation of tariff and non-tariff systems among the various regional economic communities with a view to establishing a Customs Union at the continental level by means of adopting a common external tariff.

(e) Fifth Stage:

Within a period not exceeding four (4) years, establishment of an African Common Market through:

(i) The adoption of a common policy in several areas such as agriculture, transport and communications,

industry, energy and scientific research;

(ii) The harmonisation of monetary, financial and fiscal policies;

(iii) The application of the principle of free movement of persons as well as the provisions herein regarding the rights of residence and establishment; and

(iv) Constituting the proper resources of the Community as provided for in paragraph 2 of Article 82 of this Treaty.

(f) Sixth Stage:

Within a period not exceeding five (5) years:

(i) Consolidation and strengthening of the structure of the African Common Market, through including the free movement of people, goods, capital and services, as well as, the provisions herein regarding the rights of residence and establishment;

(ii) Integration of all the sectors namely economic, political, social and cultural; establishment of a single domestic market and a Pan-African Economic and Monetary Union;

(iii) Implementation of the final stage for the setting up of an African Monetary Union, the establishment of a single African Central Bank and the creation of a single African Currency;

(iv) Implementation of the final stage for the setting up of the structure of the Pan-African Parliament and election of its members by continental universal suffrage;

(v) Implementation of the final stage for the harmonisation and co-ordination process of the activities of regional economic communities;

(vi) Implementation of the final stage for the setting up of the structures of African multi-national enterprises in all sectors; and

(vii) Implementation of the final stage for the setting up of the structures of the executive organs of the Community.

3. All measures envisaged under this Treaty for the promotion of a harmonious and balanced development among Member States, particularly, those relating to the formulation of multi-national projects and programmes, shall be implemented concurrently within the time period specified for the attainment of the objectives of the various stages outlined in paragraph 2 of this Article.

4. The transition from one stage to another shall be determined when the specific objectives set in this Treaty or pronounced by the Assembly for a particular stage, are implemented and all commitments fulfilled. The Assembly, on the recommendation of the Council, shall confirm that the objectives to a particular stage have been attained and shall approve the transition to the next stage.

5. Notwithstanding the provisions of the preceding paragraph, the cumulative transitional period shall not exceed forty (40) years from the date of entry into force of this Treaty.

## **CHAPTER III**

### ***Organs of the Community***

#### **Article 7**

##### *Organs*

1. The organs of the Community shall be:

(a) The Assembly of Heads of State and Government;

(b) The Council of Ministers;

(c) The Pan-African Parliament;

(d) The Economic and Social Commission;

(e) The Court of Justice;

(f) The General Secretariat; and

(g) The Specialised Technical Committees.

2. The Organs of the Community shall perform their duties and act within the limits of the powers conferred on them by this Treaty.

#### **Article 8**

##### *The Assembly of Heads of State and Government*

##### Composition and Powers

1. The Assembly shall be the supreme organ of the Community.

2. The Assembly shall be responsible for implementing the objectives of the Community.

3. To this end, it shall:

(a) Determine the general policy and major guidelines of the Community, and give directives, coordinate and harmonize the economic, scientific, technical, cultural and social policies of Member States;

- (b) Take any action, under this Treaty, to attain the objectives of the Community;
- (c) Oversee the functioning of Community organs as well as the follow-up of the implementation of its objectives;
- (d) Prepare and adopt its rules of procedure;
- (e) Approve the organisational structure of the Secretariat;
- (f) Elect the Secretary-General, his Deputies and, on the recommendation of the Council, appoint the Financial Controller, the Accountant and the External Auditors;
- (g) Adopt the Staff Rules and Regulations of the Secretariat;
- (h) On the recommendation of the Council, take decisions and give directives concerning the regional economic communities in order to ensure the realisation of the objectives of the Community;
- (i) On the recommendation of the Council, approve the Community's programme of activity and budget and determine the annual contribution of each Member State;
- (j) Delegate to the Council the authority to take decisions in pursuance of Article 10 of this Treaty;
- (k) Refer any matter to the Court of Justice when it confirms, by an absolute majority vote, that a Member State or organ of the Community has not honoured any of its obligations or has acted beyond the limits of its authority or has abused the powers conferred on it by the provisions of this Treaty, by a decision of the Assembly or a regulation of the Council;
- (l) Request the Court of Justice, as and when necessary, to give advisory opinion on any legal question; and
- (m) In carrying out its function hereunder, exercise any other powers granted to it under this Treaty.

4. The Assembly shall be assisted by the Council in the performance of its duties.

## **Article 9**

### *Meetings*

1. The Assembly shall meet once a year in regular session. An extraordinary session may be convened by the Chairman of the Assembly or at the request of a Member State provided that such a request is supported by two-thirds of the members of the Assembly.
2. The office of the chairman shall be held every year by one of the Heads of State and Government elected by the Assembly after consultation among Member States.

## **Article 10**

### *Decisions*

1. The Assembly shall act by decisions.
2. Without prejudice to the provisions of paragraph (5) Article 18, decisions shall be binding on Member States and organs of the Community, as well as regional economic communities.
3. Decision shall be automatically enforceable thirty (30) days after the date of their signature by the Chairman of the Assembly, and shall be published in the official journal of the Community.
4. Unless otherwise provided in this Treaty, decision of the Assembly shall be adopted by consensus, failing that, by a two-thirds majority of Member States.

## **Article 11**

### *The Council of Ministers Composition, Functions and Powers*

1. The Council shall be the Council of Minister of the OAU.
2. The Council shall be responsible for the functioning and development of the Community.
3. To this end, it shall:
  - (a) Make recommendations to the Assembly on any action aimed at attaining the objectives of the Community;
    - b. Guide the activities of the subordinate organs of the Community;
  - (c) Submit to the Assembly proposals concerning programmes of activity and budget of the Community as well as the annual contribution of each Member State;
  - (d) Propose to the Assembly the appointment of the Financial Controller, the Accountant and the External Auditors;
  - (e) Prepare and adopt its rules of procedure;
  - (f) Request the Court of Justice, as and when necessary, to give advisory opinion on any legal questions; and
  - (g) Carry out all other functions assigned thereto under this Treaty and exercise all powers delegated to it by the Assembly.

## **Article 12**

### *Meetings*

1. The Council shall meet twice a year in Ordinary Session. One such Session shall precede the Ordinary Session of the Assembly. An extra-ordinary Session may be convened by the Chairman of the Council or at the request of a Member State provided that such request is supported by two-thirds of the members of the Council.
2. The office of the Chairman of the Council shall be held by the Minister of a Member State elected by the Council after consultations among its members.

## **Article 13**

### *Regulations*

1. The Council shall act by regulations.
2. Without prejudice to the provisions of paragraph (5) of Article 18 of this Treaty, such regulations shall be binding on Member States, subordinate organs of the Community and regional economic communities after their approval by the Assembly. Notwithstanding the foregoing provisions, regulations adopted as aforesaid shall forthwith have a binding effect in the case of delegation of powers by the Assembly pursuant to paragraph 3(j) of Article 8 hereof.
3. Regulations shall be enforceable automatically thirty (30) days after the date of their signature by the Chairman of the Council and shall be published in the official journal of the Community.
4. Unless otherwise provided in this Treaty, regulations shall be adopted by consensus or, failing that, by two-thirds majority of Member States.

## **Article 14**

### *The Pan-African Parliament*

1. In order to ensure that the peoples of Africa are fully involved in the economic development and integration of the Continent, there shall be established a Pan-African Parliament.
2. The composition, functions, powers and organisation of the Pan-African Parliament shall be defined in a Protocol providing thereof.

## **Article 15**

### *Economic and Social Commission*

#### *Composition and Participation*

1. The Commission shall be the Economic and Social Commission of the OAU.

2. The Commission shall comprise Ministers responsible for economic development, planning and integration of each Member States. They may be assisted, as and when necessary, by other Ministers.

3. Representatives of regional economic communities shall participate in meetings of the Commission and its subsidiary organs.

The modalities and conditions of their participation shall be prescribed in the protocol concerning relations between the Community and African regional and sub-regional organisations and Third States. Representatives of other organisations may also be invited to participate as observers in the deliberations of the Commission.

## **Article 16**

### *Functions*

The Commission shall carry out the following functions:

(a) Prepare, in accordance with the Lagos Plan of Action and the Final Act of Lagos, programmes, policies and strategies for co-operation in the fields of economic and social development among African countries on the one hand, and between Africa and the International community on the other, and make appropriate recommendations to the Assembly, through the Council;

(b) Coordinate, harmonize, supervise and follow-up the economic, social, cultural, scientific and technical activities of the Secretariat, of the Committees and any other subsidiary body;

(c) Examine the reports and recommendations to the Assembly, through the Council, and ensure their follow-up;

(d) Make recommendations to the Assembly, through the Council with a view of co-ordinating and harmonising the activities of the different regional economic communities;

(e) Supervise the preparation of international negotiations, assess the results thereof and report thereon to the Assembly through the Council; and

(f) Carry out all other functions assigned thereto by the Assembly or the Council.

## **Article 17**

### *Meetings*

1. The Commission shall meet at least once a year in Ordinary Session. It may be convened in extraordinary Session either on its own initiative or at the request of the Assembly or the Council.

2. The Ordinary Session of the Commission shall be held immediately before the Ordinary Session of the Council preceding the Session of the Assembly and at the same venue of such Session.

3. The Commission shall prepare and adopt its rules of procedure.

## **Article 18**

### *Court of Justice Constitution and Functions*

1. A Court of Justice of the Community is hereby constituted.

2. The Court of Justice shall ensure the adherence to law in the interpretation and application of this Treaty and shall decide on disputes submitted thereto pursuant to this Treaty

3. To this end, it shall:

(a) Decide on actions brought by a Member State or the Assembly on grounds of the violation of the provisions of this Treaty, or of a decision or a regulation or on grounds of lack of competence or abuse of powers by an organ, an authority or a Member State; and

(b) At the request of the Assembly or Council, give advisory opinion.

4. The Assembly may confer on the Court of Justice the power to assume jurisdiction by virtue of this Treaty over any dispute other than those referred to in paragraph 3(a) of this Article.

5. The Court of Justice shall carry out the functions assigned to it independently of the Member States and the other organs of the Community.

## **Article 19**

### *Decisions of the Court*

The Decisions of the Court of Justice shall be binding on Member States and organs of the Community.

## **Article 20**

### *Organisation*

The statutes, membership, procedures, and other matters relating to the Court of Justice shall be determined by the Assembly in a protocol relating to the Court of Justice.

## **Article 21**

### *Composition General Secretariat*

1. The Secretariat shall be the General Secretariat of the OAU.

2. The Secretariat shall be headed by the Secretary-General assisted by the necessary staff for the smooth functioning of the Community.

## **Article 22**

### *Functions of the Secretary-General*

1. The Secretary-General shall direct the activities of the Secretariat and shall be its legal representative.

2. The Secretary-General shall:

(a) Follow up and ensure the implementation of the decisions of the Assembly and the application of the regulations of the Council;

(b) Promote development programmes as well as projects of the Community;

(c) Prepare proposals concerning the programme of activity and budget of the Community and upon their approval by the Assembly ensure the implementation thereof;

(d) Submit a report on the activities of the Community to all meetings of the Assembly, the Council and the Commission;

(e) Prepare and service meetings of the Assembly, the Council, the Commission and the Committees;

(f) Carry out studies with a view to attaining the objectives of the Community and make proposals likely to enhance the functioning and harmonious development of the Community.

To this end, the Secretary-General may request any Member State to furnish him with all necessary information; and

g. Recruit the staff of the Community and make appointments to all posts except those referred to in paragraph 3(f) of Article 8 of this Treaty.

## **Article 23**

### *Appointments*

1. The Secretary-General and his assistants shall be elected by the Assembly in accordance with the relevant provisions of the OAU Charter and the rules of procedure of the Assembly.

2. The Financial Controller and the Accountant shall be appointed by the Assembly for a term of four (4) years renewable once only.

3. In the appointment of the staff of the Community, and in addition to the need to ensure high integrity and competence, consideration shall be given to equitable geographical distribution of posts among all Member

States.

## **Article 24**

### *Relations between the Staff of the Community and Member States*

1. In the performance of their duties, the Secretary-General and his Assistants, the Financial Controller, the Accountant and the staff of the Community shall be accountable only to the Community. In this regard, they shall neither seek nor accept instructions from any Government or any national or international authority external to the Community. They shall refrain from any conduct incompatible with the nature of their status as international officers.
2. Every Member State undertakes to respect the international character of the duties of the Secretary-General, his Assistants, the Financial Controller, the Accountant and other officers of the Community and undertakes not to influence them in the performance of their duties.
3. Member States undertake to cooperate with the Secretariat and other organs of the Community and to assist them in the discharge of the functions assigned thereto under this Treaty.

## **Article 25**

### *Specialised Technical Committees*

#### *Establishment and Composition*

1. There is hereby established the following Committees:
  - (a) The Committee on Rural Economy and Agricultural Matters;
  - (b) The Committee on Monetary and Financial Affairs;
  - (c) The Committee on Trade, Customs and Immigration Matters;
  - (d) The Committee on Industry, Science and Technology, Energy, Natural Resources and Environment;
  - (e) The Committee on Transport, Communications and Tourism;
  - (f) The Committee on Health, Labour and Social Affairs; and
  - g. The Committee on Education, Culture and Human Resources
2. The Assembly shall, whenever it deems appropriate, restructure the existing Committees or establish other Committees.
3. Each Committee shall comprise a representative of each Member State. The representatives may be

assisted by advisors.

4. Each Committee may, as it deems it necessary, set up subsidiary committees to assist the Committee in carrying out its work. It shall determine the composition of any such subsidiary Committee.

## **Article 26**

### *Functions*

Each Committee shall within its field of competence:

- (a) Prepare projects and programmes of the Community and submit them to the Commission;
- (b) Ensure the supervision, follow-up and the evaluation of the implementation of decisions taken by the organs of the Community;
- (c) Ensure the co-ordination and harmonisation of projects and programmes of the Community;
- (d) Submit to the Commission, either on its own initiative or at the request of the Commission, reports and recommendations on the implementation of the provisions of this Treaty; and
- (e) Carry out any other functions assigned to it for the purpose of ensuring the implementation of the provisions of this Treaty.

## **Article 27**

### *Meetings*

1. Subject to any directives given by the Commission, each Committee shall meet as often as necessary and shall prepare its rules of procedure and submit them to the Commission for approval.

## **CHAPTER IV**

### ***Regional Economic Communities***

## **Article 28**

### *Strengthening of Regional Economic Communities*

1. During the first stage, Member States undertake to strengthen the existing regional economic communities and to establish new communities where they do not exist in order to ensure the gradual establishment of the Community.
2. Member States shall take all necessary measures aimed at progressively promoting increasingly closer co-operation among the communities, particularly through co-ordination and harmonisation of their activities in all

fields or sectors in order to ensure the realisation of the objectives of the Community.

## **CHAPTER V**

### ***Customs Union and Liberalisation of Trade***

#### **Article 29**

##### *Customs Union*

Member States of each regional economic community agree to progressively establish among them during a transitional period specified in Article 6 of this Treaty, a Customs Union involving:

- (a) The elimination, among Member States of each regional economic community, of customs duties, quota restrictions, other restrictions or prohibitions and administrative trade barriers, as well as all other non-tariff barriers; and
- (b) The adoption by Member States of a common external customs tariff.

#### **Article 30**

##### *Elimination of Customs Duties Among Member States of Regional Economic Communities*

1. During the second stage, Member States of each regional economic community shall refrain from establishing among themselves any new customs duties and from increasing those that apply in their mutual trade relations.
2. During the third stage, Member States shall progressively reduce and eliminate finally among themselves, at the level of each regional economic community, customs duties in accordance with such programme and modalities as shall be determined by each regional economic community.
3. During each stage, the Assembly, on the recommendation of the Council, shall take the necessary measures with a view to co-ordinating and harmonising the activities of the regional economic communities relating to the elimination of customs duties among Member States.

#### **Article 31**

##### *Elimination of Non-Tariff Barriers to Intra-Community Trade*

1. At the level of each regional economic community and subject to the provisions of the Treaty, each Member State shall, upon the entry into force of this Treaty, progressively relax and ultimately remove quota restrictions, and all other non-tariff barriers and prohibitions which apply to exports to that State, of goods originating in the other Member States, at the latest, by the end of the third stage and in accordance with paragraph (2) of this Article. Except as otherwise provided or permitted by this Treaty, each Member State shall thereafter refrain from imposing any further restrictions or prohibitions on such goods.

2. Subject to the provisions of this Treaty, each regional economic community shall adopt a programme for the progressive relaxation and ultimate elimination, at the latest by the end of the third stage, of all quota restrictions and prohibitions and all other non-tariff barriers that apply in a Member State, to imports originating in the other Member States; it being understood that each regional economic community may subsequently decide that all quota restrictions, other restrictions and prohibitions be relaxed or removed within a shorter period than that prescribed in this paragraph.

3. The arrangements governing restrictions, prohibitions, quota restrictions, dumping subsidies and discriminatory practices shall be the subject of a Protocol concerning Non-Tariff Trade Barriers.

## **Article 32**

### *Establishment of a Common External Customs Tariff*

1. During the third stage, Member States shall, at the level of each regional economic community, agree to the gradual establishment of a common external customs tariff applicable to goods originating from third States and imported into Member States.

2. During the fourth stage, regional economic communities shall, in accordance with a programme drawn up by them, eliminate differences between their respective external customs tariffs.

3. During the fourth stage the Council shall propose to the Assembly the adoption, at Community level, of a common customs and statistical nomenclature for all Member States.

## **Article 33**

### *System of Intra-Community Trade*

1. At the end of the third stage, no Member State shall, at the level of each regional economic community, levy customs duties on goods originating in one Member State and imported into another Member State. The same prohibition shall apply to goods originating from third States which are in free circulation in Member States and are imported from one Member State into another.

2. The definition of the notion of products originating in Member States and the rules governing goods originating in a third States and which are in free circulation in Member States shall be governed by a Protocol concerning the Rules of Origin.

3. Goods originating from third States shall be considered to be in free circulation in a Member State if (i) the import formalities relating thereto have been complied with, (ii) customs duties have been paid thereon in that Member State, and (iii) they have not benefited from a partial or total exemption from such customs duties.

4. Member States undertake not to adopt legislation implying direct or indirect discrimination against identical or similar products originating from another Member State.

## **Article 34**

### *Internal Taxes*

1. During the third stage, Member States shall not levy, directly or indirectly on goods originating from Member State and imported into any Member State, internal taxes in excess of those levied on similar domestic products.
2. Member States, at the level of each regional economic community, shall progressively eliminate any internal taxes levied for the protection of domestic products. Whereby virtue of obligations assumed under a prior agreement signed by a Member State, that Member State is unable to comply with this Article, it shall notify the Council of this fact and shall not extend or renew such agreement when it expires.

## **Article 35**

### *Exceptions and Safeguard Clauses*

1. Notwithstanding the provisions of Articles 30 and 31 of this Treaty, any Member State, having made its intention known to the Secretariat of the Community which shall inform Member States thereof, may impose or continue to impose restrictions or prohibitions affecting:
  - (a) The application of security laws and regulations;
  - (b) The control of arms, ammunitions and other military items and equipment;
  - (c) The protection of human, animal or plant health or life, or the protection of public morality;
  - (d) Export of strategic minerals and precious stones;
  - (e) The protection of national treasures of artistic or archaeological value or the protection of industrial, commercial and intellectual property;
  - (f) The control of hazardous wastes, nuclear materials, radio-active products or any other material used in the development or exploitation of nuclear energy;
  - (g) Protection of infant industries;
  - (h) The control of strategic product; and
  - (i) Goods imported from a third country to which a Member State applies total prohibition relating to country of origin.
2. The prohibitions or restrictions referred to in paragraph 1 of this Article shall in no case be used as a means of arbitrary discrimination or a disguised restriction on trade between Member States.
3. Where a Member State encounters balance-of-payments difficulties arising from the application of the

provisions of this Chapter, that Member State may be allowed by the competent organ of the Community, provided that it has taken all appropriate reasonable steps to overcome the difficulties, to impose, for the sole purpose of overcoming such difficulties, quantitative or similar restrictions or prohibitions on goods originating in the other Member States for such period as shall be determined by the competent organ of the Community.

4. For the purpose of protecting an infant or strategic industry, a Member State may be allowed by the competent organ of the Community, provided it has taken all appropriate reasonable steps to protect such industry, to impose, for the sole purpose of protecting such industry, quantitative or similar restrictions or prohibitions, on similar goods originating in the other Member States for such period as shall be determined by the competent organ of the Community.

5. Where the imports of a particular product by a Member State from another Member State increase in a way that causes, or is likely to cause, serious damage to the economy of the importing states. The latter may be allowed by the competent organ of the Community to apply safeguard measures for a specified period.

6. The Council shall keep under regular review the operation of any quantitative or similar restrictions or prohibitions imposed pursuant to paragraphs 13, and 4 of this Article and shall take appropriate action in this connection. It shall submit, each year, to the Assembly, a report on the aforementioned matters.

## **Article 36**

### *Dumping*

1. Member States shall prohibit the practice of "dumping" within the Community.

2. For the purposes of this Article, "dumping" shall mean the transfer of goods originating from a Member State to another Member State for them to be sold:

(a) At a price lower than the usual price offered for similar goods in the Member State from which those goods originate, due account being taken of the differences in conditions of sale, taxation, transport expenses and any other factor affecting the comparison of prices;

(b) In conditions likely to prejudice the manufacture of similar goods in the Member State.

## **Article 37**

### *Most Favoured Nation Treatment*

1. Member States shall accord one another, in relation to intra-community trade, the most-favoured-nation treatment. In no case shall tariff concessions granted to a third State pursuant to an agreement with a Member State be more favourable than those applicable pursuant of this Treaty.

2. The text of the agreements referred to in paragraph 1 of this Article shall be forwarded by the Member States parties thereto, through the Secretary-General, to all the other Member States for their information.

3. No agreement between a Member State and a third State, under which tariff concessions are granted, shall

be incompatible with the obligations arising out of this Treaty.

## **Article 38**

### *Re-export of Goods and Intra-Community Transit Facilities*

1. During the third stage, Member States shall facilitate the re-export of goods among them in accordance with the Protocol concerning the Re-export of Goods.
2. Member States shall grant one another freedom of transit through their territories to goods proceeding to or coming from another Member State in accordance with the Protocol concerning Intra-Community Transit and Transit Facilities and in accordance with the provisions of any Intra-Community Agreements to be concluded.

## **Article 39**

### *Customs Co-operation and Administration*

Member States shall, in accordance with the Protocol concerning Customs Co-operation, take all necessary measures for harmonising and standardising their customs regulations and procedures in such a manner as shall be appropriate for ensuring the effective implementation of the provisions of this Chapter and facilitating the movement of goods and services across their frontiers.

## **Article 40**

### *Trade Documents and Procedures*

For the purpose of facilitating intra-community trade in goods and services, Member States shall simplify and harmonize their trade documents and procedures in accordance with the Protocol the concerning Simplification and Harmonisation of Trade documents and Procedures.

## **Article 41**

### *Diversion of Trade Arising from Barter or Compensatory Exchange Agreement*

1. If, as a result of a barter or compensatory exchange agreement relating to a specific category of goods concluded between a Member State or a person of the said Member State, on the one hand, and a third State or person of the said third State, on the other, there is substantial diversion of trade in favour of goods imported under such agreement and to the detriment of similar goods of the same category imported from and manufactured in any other Member State, the Member State importing such goods shall take effective steps to correct the diversion.
2. In order to determine whether a diversion of trade has occurred in a specific category of goods within the meaning of this Article, consideration shall be given to all the relevant trade statistics and other data available on such category of goods for the six-month period preceding a complaint from an affected Member State concerning diversion of trade, and for an average of two comparable six-month periods during the twenty-four (24) months preceding the first importation of goods under the barter agreement or compensatory exchange

agreement.

3. The Secretary-General shall refer the matter to the Council for consideration and submission to the Assembly for decision.

## **Article 42**

### *Trade Promotion*

1. In order to attain the objectives of the Community set out in sub-paragraph 2 (m) Article 4 of this Treaty, Member States agree to undertake the trade promotion activities stated below in the following areas:

#### (a) Intra-Community Trade

(i) Promote the use of the Community's local materials, intermediate goods and inputs, as well as finished products originating within the Community;

(ii) Adopt the "All-Africa Trade Fair of the OAU", as an instrument of the Community trade promotion;

(iii) Participate in the periodic fairs organised under the auspices of the "All-Africa Trade Fair of the OAU", sectoral trade fairs, regional trade fairs and other trade promotion activities of the Community;

(iv) Develop an intra-community trade information network, linking the computerised trade information systems of existing and future regional economic communities and individual Member States of the Community; and

(v) With the assistance of the Secretariat, study the supply and demand patterns in Member States and disseminate the findings thereon within the Community.

#### (b) South-South Trade

(i) Promote the diversification of Africa's markets, and the marketing of Community products;

(ii) Participate in extra-community trade fairs, in particular, within the context of South-South Co-operation; and

(iii) Participate in extra-community trade and investment fora.

#### (c) North-South Trade

(i) Promote better terms of trade for African commodities and improve market access for Community products;

(ii) Participate as a group in international negotiations within the framework of GATT and UNCTAD and other trade-related negotiating fora.

2. The modalities of organising trade promotion activities and trade information systems of the Community shall be governed by a Protocol concerning Trade Promotion.

## CHAPTER VI

### *Free Movement of Persons, Rights of Residence and Establishment*

#### Article 43

##### *General Provisions*

1. Member States agree to adopt, individually, at bilateral or regional levels, the necessary measures, in order to achieve progressively the free movement of persons, and to ensure the enjoyment of the right of residence and the right of establishment by their nationals within the Community.
2. For this purpose, Member States agree to conclude a Protocol on the Free Movement of Persons, Right of Residence and Right of Establishment.

## CHAPTER VII

### *Money, Finance and Payments*

#### Article 44

##### *Monetary, Financial and Payment Policies*

1. In accordance with the relevant Protocols, Member States shall, within a time-table to be determined by the Assembly, harmonize their monetary, financial and payments policies, in order to boost intra-community trade in goods and services, to further the attainment of objectives of the Community and to enhance monetary and financial co-operation among Member States.
2. To this end, Member States shall:
  - (a) Use their national currencies in the settlement of commercial and financial transactions in order to reduce the use of external currencies in such transactions;
  - (b) Establish appropriate mechanisms for setting up multilateral payments systems;
  - (c) Consult regularly among themselves on monetary and financial matters;
  - (d) Promote the creation of national, regional and sub-regional money markets, through the co-ordinated establishment of stock exchanges and harmonising legal texts regulating existing stock exchanges with a view to making them more effective.
  - (e) Cooperate in an effective manner in the fields of insurance and banking;

(f) Further the liberalisation of payments and the elimination of payment restrictions, if any, among them and promote the integration of all existing payments and clearing mechanisms among the different regions into an African Clearing and Payments House; and

(g) Establish an African Monetary Union through the harmonisation of regional monetary zones.

## **Article 45**

### *Movement of Capital*

1. Member States shall ensure the free movement of capital within the Community through the elimination of restrictions on the transfer of capital funds between Member States in accordance with a timetable to be determined by the Council.

2. The capital referred to in paragraph 1 of this Article is that of Member States or persons of Member States.

3. The Assembly, having regard to the development objectives of national, regional and continental plans, and upon the recommendation of the Commission and after the approval of the Council acting on the recommendation of the Commission, shall prescribe the conditions for the movement within the Community of the capital funds other than those referred to in paragraph (2) of this Article.

4. For the purpose of regulating the movement of capital between Member States and Third States, the Assembly, upon the approval of the Council, acting on the recommendation of the Commission, shall take steps aimed at co-ordinating progressively the national and regional exchange control policies.

## **CHAPTER VIII**

### *Food and Agriculture*

## **Article 46**

### *Agricultural Development and Food Production*

1. Member States shall cooperate in the development of agriculture, forestry, livestock and fisheries in order to:

(a) Ensure food security;

(b) Increase production and productivity in agriculture, livestock, fisheries and forestry, and improve conditions of work and generate employment opportunities in rural areas;

(c) Enhance agricultural production through processing locally animal and plant products; and

(d) Protect the prices of export commodities on the international market by means of establishing an African

Commodity Exchange.

2. To this end, and in order to promote the integration of production structures, Member States shall cooperate in the following fields:

(a) The production of agricultural inputs, fertilisers, pesticides, selected seeds, agricultural machinery and equipment and veterinary products;

(b) The development of river and lake basins;

(c) The development and protection of marine and fishery resources;

(d) Plant and animal protection;

(e) The harmonisation of agricultural development strategies and policies at regional and Community levels, in particular, in so far as they relate to production, trade and marketing of major agricultural products and inputs; and

f. The harmonisation of food security policies in order to ensure:

(i) The reduction of losses in food production;

(ii) The strengthening of existing institutions for the management of natural calamities, agricultural diseases and pest control;

(iii) The conclusion of agreements on food security at the regional and continental levels;

(iv) The provision of food aid to Member States in the event of serious food shortage; and

(v) The protection of regional and continental markets primarily for the benefit of African agricultural products.

## **Article 47**

### *Protocol on Food and Agriculture*

For purposes of this Chapter, Member States shall cooperate in accordance with the provisions of the Protocol on Food and Agriculture.

## **CHAPTER IX**

### ***Industry, Science, Technology, Energy, Natural Resources and Environment***

## **Article 48**

## *Industry*

1. For the purpose of promoting industrial development of Member States and integrating their economies, Member States shall within the Community harmonize their industrialisation policies.

2. In this connection, Member States shall:

(a) Strengthen the industrial base of the Community, in order to modernize the priority sectors and foster self-sustained and self-reliant development;

(b) Promote joint industrial development projects at regional and Community levels, as well as the creation of African multinational enterprises in priority industrial sub-sectors likely to contribute to the development of agriculture, transport and communications, natural resources and energy.

## **Article 49**

### *Industrial Development*

In order to create a solid basis for industrialisation and promote collective self-reliance, Member States shall:

(a) Ensure the development of the following basic industries essential for collective self-reliance and the modernisation of priority sectors of the economy:

(i) Food and agro-based industries;

(ii) Building and construction industries;

(iii) Metallurgical industries;

(iv) Mechanical industries;

(v) Electrical and electronics industries;

(vi) Chemical and petro-chemical industries;

(vii) Forestry industries;

(viii) Energy industries;

(ix) Textile and leather industries;

(x) Transport and communications industries; and

(xi) Biotechnology industries;

- (b) Ensure the promotion of small-scale industries with a view to enhancing the generation of employment opportunities in Member States;
- (c) Promote intermediate industries that have strong linkages to the economy in order to increase the local component of industrial output within the Community;
- (d) Prepare master plans at regional and Community levels for the establishment of African multinational industries particularly those whose construction cost and volumes of production exceed national financial and absorptive capacities;
- (e) Strengthen and establish, where they do not exist, specialised institutions for the financing of African multinational industrial projects;
- (f) Facilitate the establishment of African multinational enterprises and encourage and give financial and technical support to African entrepreneurs;
- (g) Promote the sale and consumption of strategic industrial products manufactured in Member States;
- (h) Promote technical co-operation and the exchange of experience in the field of industrial technology and implement technical training programmes among Member States;
- (i) Strengthen the existing multinational institutions, particularly, the African Regional Centre for Technology, the African Regional Centre for Design and Manufacture and the African Industrial Development Fund;
- (j) Establish a data and statistical information base to serve industrial development at the regional and continental levels;
- (k) Promote South-South and North-South co-operation for the attainment of industrialisation objectives in Africa;
- (l) Promote industrial specialisation in order to enhance the complementarity of African economies and expand the intra-Community trade base, due account being taken of national and regional resource endowments; and
- (m) Adopt common standards and appropriate quality control systems, which are crucial to industrial co-operation and integration.

## **Article 50**

### *Protocol on Industry*

For the purposes of Articles 48 and 49 of this Treaty, Member States agree to cooperate in accordance with the provisions of the Protocol on Industry.

## **Article 51**

## *Science and Technology*

### 1. Member States shall:

- (a) Strengthen scientific and technological capabilities in order to bring about the socio-economic transformation required to improve the quality of life of their population, particularly that of the rural populations;
- (b) Ensure the proper application of science and technology to the development of agriculture, transport and communications, industry, health and hygiene, energy, education and manpower and the conservation of the environment;
- (c) Reduce their dependence and promote their individual and collective technological self-reliance;
- (d) Cooperate in the development, acquisition and dissemination of appropriate technologies; and
- (e) Strengthen existing scientific research institutions and, where they do not exist, establish new institutions.

### 2. In the context of co-operation in this field, Member States shall:

- (a) Harmonize, at the Community level, their national policies on scientific and technological research with a view to facilitating their integration into the national economic and social development plans;
- (b) Coordinate their programmes in applied research, research for development and scientific and technological services;
- (c) Harmonize their national technological development plans by placing special emphasis on local technologies as well as their regulations on industrial property and transfer of technology;
  - b. Coordinate their positions on all scientific and technical questions forming the subject of international negotiations;
- (e) Carry out a permanent exchange of information and documentation and establish community data networks and data banks;
- (f) Develop joint programmes for training scientific and technological cadres, including the training and further training of skilled manpower;
- (g) Promote exchanges of researchers and specialists among Member States in order to make full use of the technical skills available within the Community; and
- (h) Revise the educational systems in order to better educational, scientific and technical training to the specific developmental needs of the African environment.

## **Article 52**

### *Scientific Research and Technological Programmes*

Member States shall take all necessary measures to prepare and implement joint scientific research and technological development programmes.

### **Article 53**

#### *Protocol on Science and Technology*

For the purposes of Articles 51 and 52 of this Treaty, Member States agree to cooperate in accordance with the provisions of the Protocol on Science and Technology.

### **Article 54**

#### *Energy and Natural Resources*

1. Member States shall coordinate and harmonize their policies and programmes in the field of energy and natural resources.

2. To this end, they shall:

- (a) Ensure the effective development of the continent's energy and natural resources;
- (b) Establish appropriate co-operation mechanisms with a view to ensuring a regular supply of hydrocarbons;
- (c) Promote the development of new and renewable energy in the framework of the policy of diversification of sources of energy;
- (d) Harmonize their national energy development plans;
- (e) Articulate a common energy policy, particularly, in the field of research, exploitation, production and distribution;
- (f) Establish an adequate mechanism of concerted action and co-ordination for the collective solution of the energy development problems within the Community, particularly, those relating to energy transmission, the shortage of skilled technicians and financial resources for the implementation of energy projects of Member States; and
- (g) Promote the continuous training of skilled manpower.

### **Article 55**

#### *Energy*

1. Member States shall cooperate in the following fields:

- (a) Mineral and water resources;
- (b) Nuclear energy;
- (c) New and renewable energy.

2. They shall further:

- (a) Seek better knowledge and undertake an assessment of their natural resources potential;
- (b) Reduce progressively their dependence on transnational enterprises in the development of such resources, particularly through mastering exploration techniques; and
- (c) Improve methods of pricing and marketing raw materials.

## **Article 56**

### *Natural Resources*

In order to promote co-operation in the area of natural resources and energy, Member States shall:

- (a) Exchange information on the prospection, mapping, production and processing of mineral resources, as well as on the prospection, exploitation and distribution of water resources;
- (b) Coordinate their programmes for development and utilisation of mineral and water resources;
- (c) Promote vertical and horizontal inter-industrial relationships, which may be established among Member States in the course of developing such resources;
- (d) Coordinate their positions in all international negotiations on raw materials;
- (e) Develop a system of transfer of know-how and exchange of scientific, technical and economic data in remote sensing among Member States; and
- (f) Prepare and implement joint training and further training programmes for cadres in order to develop the human resources and the appropriate local technological capabilities required for the exploration, exploitation and processing of mineral and water resources.

## **Article 57**

### *Protocol on Energy and Natural Resources*

For the purposes of Articles 54, 55 and 56 of this Treaty, Member States shall cooperate in accordance with the provisions of the Protocol on Energy and Natural Resources.

## **Article 58**

### *Environment*

1. Member States undertake to promote a healthy environment. To this end, they shall adopt national, regional and continental policies, strategies and programmes and establish appropriate institutions for the protection and enhancement of the environment.
2. For the purposes of this paragraph 1 of this Article, Member States shall take the necessary measures to accelerate the reform and innovation process leading to ecologically rational, economically sound and socially acceptable development policies and programmes.

## **Article 59**

### *Control of Hazardous Wastes*

Member States undertake, individually and collectively, to take every appropriate step to ban the importation and dumping of hazardous wastes in their respective territories. They further undertake to cooperate in the transboundary movement, management and processing of such wastes produced in Africa.

## **Article 60**

### *Protocol on the Environment*

For the purposes of Articles 58 and 59 of this Treaty, Member States shall cooperate in accordance with the provisions of the Protocol on the Environment.

## **CHAPTER X**

### ***Transport, Communication and Tourism***

## **Article 61**

### *Transport and Communications*

1. In order to achieve a harmonious and integrated development of the continental transport and communications network, Member States shall undertake to:
  - (a) Promote the integration of transport and communications infrastructure;
  - (b) Coordinate the various modes of transport in order to increase their efficiency;
  - (c) Harmonize progressively their rules and regulations relating to transport and communications;

- (d) Encourage the use of local material and human resources, standardisation of networks and equipment, research and the popularisation of infrastructural construction techniques as well as adapted equipment and materials;
- (e) Expand, modernize and maintain transport and communications infrastructures by means of mobilising the necessary technological and financial resources;
- (f) Promote the creation of regional industries for the production of transport and communications equipment; and
- (g) Organize, structure and promote, at regional and Community levels, passenger and goods transport services.

2. To this end, Member States shall:

- (a) Draw up co-ordinated programmes to restructure the road transport sector for purposes of establishing inter-State links and the construction of major transcontinental trunk roads;
- (b) Prepare plans to improve, re-organize and standardise the various rail networks of Member States with a view to their inter-connection and construct new railways as part of a Pan-African network;
- (c) Harmonize:
  - (i) Their policies on maritime, inter-State lake and river transport;
  - (ii) Their air transport policies;
  - (iii) Their programmes on the training and further training of specialised cadres in transport and communications;
- (d) Modernize and standardise their transport and communications equipment in order to permit Member States to be linked with one another and with the outside world;
- (e) Promote proper integration of air transport in Africa and coordinate flight schedules; and
- (f) Coordinate and harmonize their transport policies at regional and Community levels in order to eliminate non-physical barriers that hamper the free movement of goods, services and persons.

## **Article 62**

### *Community Enterprises in the Field of Transport*

1. Member States shall encourage the establishment of Community and African multinational enterprises in the fields of maritime, rail, road, inland waterways and air transport.

2. The expression "Community and multinational enterprises" and the legal status thereof shall be as defined in the relevant Protocol.

## **Article 63**

### *Posts and Telecommunications*

1. In the field of Posts, Member States undertake to:

- (a) Establish a Pan-African Postal Network;
- (b) Adopt a policy of rationalisation and maximisation of conveyance of mail;
- (c) Ensure that the Post has a legal status, an efficient management system and the resources necessary for providing reliable services to meet customer demands; and
- (d) Create customer-oriented and competitive services.

2. In the field of Telecommunications, Member States shall:

- (a) Develop, modernize, coordinate and standardise their national telecommunications networks in order to provide reliable inter-connection among Member States;
- (b) Establish a Pan-African Telecommunications Network and ensure its utilisation and maintenance;
- (c) Establish a Pan-African system of communications by satellite in order to improve telecommunications, particularly in rural areas.

3. Member States further undertake to provide efficient and regular Post and Telecommunication services within the Community, and to develop close collaboration among Post and Telecommunications administrations.

4. In order to attain the objectives set out in this Article, Member States shall also encourage the establishment of private companies for post and telecommunications services.

## **Article 64**

### *Broadcasting*

1. Member States undertake to:

- (a) Coordinate their efforts and pool their resources in order to promote the exchange of radio and television programmes at bilateral, regional and continental levels;

(b) Encourage the establishment of programme exchange centres at regional and continental levels. In this connection, Member States shall strengthen the activities and operations of existing programme exchange centres; and

(c) Use their broadcasting and television systems in order to further close co-operation and better understanding among their peoples and, in particular, to promote the objectives of the Community.

2. Member States further undertake to collect, disseminate and exchange meteorological information at the continental level, particularly with regard to the development of early warning systems for the prevention of natural disasters and for ensuring safety in aerial, coastal and inland navigation.

## **Article 65**

### *Tourism*

1. For the purpose of ensuring the harmonious and profitable development of tourism in Africa, Member States undertake to:

(a) Strengthen intra-African co-operation in tourism, particularly through:

(i) The promotion of intra-African tourism;

(ii) The harmonisation and co-ordination of tourism development policies, plans and programmes; and

(iii) Joint promotion of tourism products representing Africa's natural and socio-cultural values.

(b) Promote the establishment of efficient tourism enterprises adapted to the needs of the African people and attractive to foreign tourists, through:

(i) The adoption of measures designed to promote investment in tourism with a view to the establishment of competitive African tourist enterprises;

(ii) Adoption of measures designed to develop and utilise human resources for tourism in Africa; and

(iii) Strengthening or establishment of high-level tourism training institutions where necessary.

2. Member States shall adopt all requisite measures for the development of African tourism that takes due account of the human and natural environment and the well-being of the African peoples and which contribute effectively to the implementation of the continent's political and socio-economic integration and development.

## **Article 66**

### *Protocol on Transport, Communication and Tourism*

For the purposes of this Chapter, Member States undertake to cooperate in accordance with the provisions of the Protocol on Transport, Communications and Tourism.

## **CHAPTER XI**

### ***Standardisation and Measurement Systems***

#### **Article 67**

##### *Common Policy on Standardisation and Measurement Systems*

1. Member States agree to:

(a) Adopt a common policy on standardisation and quality assurance of goods and services among Member States;

- b. Undertake such other related activities in standardisation and measurement systems that are likely to promote trade, economic development and integration within the Community; and
- c. Strengthen African national, regional and continental organisations operating in this field.

2. For the purposes of this Chapter, Member States agree to cooperate in accordance with the provisions of the Protocol concerning Standardisation, Quality Assurance and Measurement Systems.

## **CHAPTER XII**

### ***Education, Training and Culture***

#### **Article 68**

##### *Education and Training*

1. Member States shall strengthen co-operation among themselves in the field of education and training and coordinate and harmonize their policies in this field for the purpose of training persons capable of fostering the changes necessary for enhancing social progress and the development of the Continent.

2. For the purposes of paragraph 1 of this Article, Member States undertake to:

- a. Improve the efficiency of existing educational systems by promoting the training of trainers and using appropriate methods and aids;
- b. Cooperate in the strengthening of existing regional and Community training institutions and where necessary, establish new institutions, preferably through the strengthening of appropriate existing national and regional institutions;
- c. Prepare, coordinate and harmonize joint training programmes with a view to adapting them to development needs thereby ensuring progressively self-sufficiency in skilled personnel;
- d. Promote the systematic exchange of experience and information on education policy and planning; and
- e. Take appropriate measures to stop the brain- drain from the Community and encourage the return of

qualified professionals and skilled manpower to their countries of origin.

## **Article 69**

### *Culture*

Member states shall:

- a. Pursue the objectives of the Cultural Charter for Africa;
- b. Promote and propagate endogenous African cultural value;
- c. Make every effort to preserve and recover their cultural heritage;
- d. Ensure that development policies adequately reflect their socio-cultural values in order to consolidate their cultural identity
- e. Exchange their cultural programmes and their experiences, particularly in art, literature, entertainment, sports and leisure activities; and
- f. Promote and develop sports programmes and activities at all levels as factors of integration.

## **Article 70**

### *Protocol on Education, Training and Culture*

For the purposes of this Chapter, Member States agree to cooperate in accordance with the provisions of the Protocol on Education, Training and Culture.

## **CHAPTER XIII**

### ***Human Resources, Social Affairs, Health and Population***

## **Article 71**

### *Human Resources*

1. Member States agree to cooperate with a view to developing, planning and utilising their human resources.
2. To this end, they undertake to:
  - (a) Adopt and promote a common policy on planning, programming, professional training and harmonize their employment and income policies;
  - (b) Coordinate their policies and activities in the fields of training, planning and career guidance and counselling;
  - (c) Improve their information and recruitment services in order to facilitate, in particular, the search for, and recruitment of African experts;

(d) Encourage consultancy agencies to promote the use of African experts and the development of local consultancy services; and

(e) Adopt employment policies that shall allow the free movement of persons within the Community by strengthening and establishing labour exchanges aimed at facilitating the employment of available skilled manpower of one Member State in other Member States where there are shortages of skilled manpower.

## **Article 72**

### *Social Affairs*

1. Member States agree to ensure the full participation and rational utilisation of their human resources in their development efforts with a view to eliminating other social scourges plaguing the continent.

2. To this end they undertake to:

(a) Encourage the exchange of experiences and information on literacy, vocational training and employment;

(b) Harmonize gradually their labour and social security legislation with a view to eliminating poverty and promoting balanced socio-economic development within the Community;

(c) Take necessary measures for the survival and development of the child and the protection of the child against abuse, neglect and exploitation;

(d) Provide disabled persons with adequate training likely to facilitate their social integration and enable them contribute to the attainment of the objectives of the Community;

(e) Create conditions conducive to the training of young school leavers, and other youth, in order to enable them to be gainfully employed;

(f) Adopt, coordinate and harmonize their policies with a view to ensuring a decent life for the aged; and (g) harmonize their efforts to put an end to the illegal production, trafficking and use of narcotic drugs and psycho4ropic substances and formulate sensitization and rehabilitation programmes in this field.

## **Article 73**

### *Health*

1. Member States agree to promote and increase co-operation among themselves in the field of health.

2. To this end, they shall cooperate in developing primary health care, promoting medical research, particularly in the field of African traditional medicine and pharmacopoeia.

## **Article 74**

### *Population and Development*

1. Member States undertake to adopt, individually and collectively, national population policies and mechanisms and take all necessary measures in order to ensure a balance between population growth and socio-economic development.

2. To this end, Member States agree to:

(a) Include population issues as central elements for formulating and implementing national policies and programmes for accelerated and balanced socio-economic development;

(b) Formulate national population policies and establish national population institutions;

(c) Undertake public sensitization on population matters, particularly, among the target groups; and

(d) Collect, analyse and exchange information and data on population issues.

### **Article 75**

#### *Women and Development*

1. Member States agree to formulate, harmonize, coordinate and establish appropriate policies and mechanisms for the full development of the African woman through the improvement of her economic, social and cultural conditions.

2. To this end, Member States shall take all measures necessary to ensure greater integration of women in development activities within the Community.

### **Article 76**

#### *Protocols on Human Resources, Social Affairs, Health and Population*

For the purposes of this Chapter, Member States undertake to cooperate in accordance with the provisions of the Protocols on Human Resources, Social Affairs, Health and Population.

## **CHAPTER XIV**

### *Co-operation in other fields*

#### **Articles 77**

##### *Harmonisation of policies in other fields*

Subject to the provisions of this Treaty, Member States agree to consult with one another, through appropriate Community organs, for the purpose of harmonising their respective policies in other fields for the efficient

functioning and development of the Community and for the implementation of the provisions of this Treaty.

## **CHAPTER XV**

### ***Special Provisions in Respect of Certain Countries***

#### **Article 78**

##### ***Special Provisions in Respect of Botswana, Lesotho, Namibia and Swaziland***

1. Member States, recognising the exceptional situation of Botswana, Lesotho, Namibia and Swaziland within the Community and their membership in the Southern Africa Customs Union, agree to grant them temporary exemption from the full application of certain provisions of this Treaty.

2. For this purpose, Member States shall adopt a Protocol on the Exceptional Situation of Botswana, Lesotho, Namibia and Swaziland.

#### **Article 79**

##### ***Special Provisions in respect of the Least Developed, Landlocked, Semi-Landlocked and Island Countries***

1. Member States, taking into consideration the special economic and social difficulties that may arise in certain Member States and especially the least developed, land-locked, semi-landlocked and island countries, shall grant them, where appropriate, special treatment in respect of the application of certain provisions of this Treaty, and shall accord them any other assistance that they may need.

2. The special treatment and assistance referred to in paragraph 1 of this Article may consist, inter alia of:

- (a) Temporary exemptions from the full application of certain provisions of this Treaty; and
- (b) Assistance from the Fund.

3. For purposes of this Chapter, Member States agree to adopt a protocol on the situation of the least developed, land-locked, semi-landlocked and island countries.

## **CHAPTER XVI**

### ***Solidarity, Development and Compensation Fund***

#### **Article 80**

##### ***Establishment***

1. A Solidarity, Development and Compensation Fund of the Community is hereby established.

## **Article 81**

### *Objectives and Statutes of the Fund*

1. The Statutes of the Fund shall be established by the Assembly in a Protocol relating thereto.
2. The Statutes shall determine, inter alia, the objectives, the authorised capital stock, resources of the Fund, contributions of Member States, the currencies in which contributions shall be paid, the functioning, organisation and management of the Fund and any other related matters.

## **CHAPTER XVII**

### *Financial Provisions*

## **Article 82**

### *Regular Budget of the Community*

1. The annual regular budget of the Community, which constitutes an integral part of the OAU regular budget, shall be prepared by the Secretary-General and approved by the Assembly upon the recommendation of the Council.
2. The budget shall be funded by contributions made by Member States in accordance with the scale of assessment of the OAU. Upon the recommendation of the Council, the Assembly shall determine the conditions under which the financial contributions of Member States may be supplemented or, where necessary replaced by the proper resources of the Community.

## **Article 83**

### *Special Budgets*

Special budgets shall be made available, where necessary, to meet the extra-budgetary expenditure of the Community. The Assembly shall determine the contributions of Member States to special budgets of the Community.

## **Article 84**

### *Sanctions Relating to Non-Payment of Contributions*

1. Upon the decision of the Assembly, any Member State of the Community having arrears in the payment of its contribution to the budget of the Community, shall not have the right to vote or participate in taking decisions of the Community if the amount of its arrears is equal to, or is in excess of the contribution payable by such State for the last preceding two financial years. Such Member State shall cease to enjoy other benefits arising by virtue of this Treaty as well as the right to address meetings. In addition, it shall lose the right to present candidates for vacant posts within the Community and shall not be eligible for office in the deliberative organs of

the Community. The Assembly may, where necessary, impose other sanctions on a Member State for non-payment of contributions.

2. Notwithstanding the provisions of paragraph 1 of this Article, the Assembly may suspend the application of the provisions of the said paragraph if it is satisfied, on the basis of a satisfactory explanatory report by the Member State through the Secretary-General, that the non-payment of contributions is due to causes and circumstances beyond the control of the said Member State.

3. The Assembly shall decide on the modalities for the application of this Article.

## **Article 85**

### *Financial Rules and Regulations*

The Financial Rules and Regulations of the OAU shall govern the application of the provisions of this Chapter.

## **Article 86**

### *Board of External Auditors*

The selection procedure, terms of appointment, and duties and responsibilities of the Board of External Auditors shall be defined in the financial rules and regulations.

## **CHAPTER XVIII**

### ***Settlement of disputes***

## **Article 87**

### *Procedure for the Settlement of Disputes*

1. Any dispute regarding the interpretation of the application of the provisions of this Treaty shall be amicably settled through direct agreement by the parties to the dispute. If the parties concerned fail to settle such dispute, either party may, within a period of twelve (12) months, refer the matter to the Court of Justice.

2. The decisions of the Court of Justice shall be final and shall not be subject to appeal.

## **Chapter XIX**

### ***Relations between the Community and Regional Economic Communities, Regional Continental Organisations and other Socio-Economic Organisations and Associations***

## **Article 88**

*Relations between the Community and Regional Economic Communities*

1. The Community shall be established mainly through the co-ordination, harmonisation and progressive integration of the activities of regional economic communities.
2. Member States undertake to promote the co-ordination and harmonisation of the integration activities of regional economic communities of which they are members with the activities of the Community, it being understood that the establishment of the latter is the final objective towards which the activities of existing and future regional economic communities shall be geared.
3. To this end, the Community shall be entrusted with the co-ordination, harmonisation and evaluation of the activities of existing and future regional economic communities.
4. Member States undertake, through their respective regional economic communities, to coordinate and harmonize the activities of their sub-regional organisations, with a view to rationalising the integration process at the level of each region.

**Article 89**

*Relations between the Community and African Continental Organisations*

The Community shall closely cooperate with African continental organisations including, in particular, the African development Bank and African Centre for Monetary Studies in order to ensure the attainment of regional and continental integration objectives. It may conclude co-operation agreements with these Organisations.

**Article 90**

*Relations between the Community and African Non-Governmental Organisations*

1. The Community, in the context of mobilising the human and material resources of Africa, shall establish relations of co-operation with African Non-Governmental organisations, with a view to encouraging the involvement of the African peoples in the process of economic integration and mobilising their technical, material and financial support.
2. To this end, the Community shall set up a mechanism for consultation with such Non-Governmental organisations.

**Article 91**

*Relations between the Community and Socio-Economic Organisations and Associations*

1. The Community, in the context of mobilising the various actors of socio-economic life, shall establish relations of co-operation with socio-economic organisations and associations including mainly, producers, transport operators, workers, employers, youth, women, artisans and other professional organisations and associations with a view to ensuring their involvement in the integration process of Africa.

2. To this end, the Community shall set up a mechanism for consultation with such socio-economic organisations and associations.

## **CHAPTER XX**

### ***Relations between the Community, Third States and International Organisations***

#### **Article 92**

##### *Co-operation Agreements*

1. The Community may conclude co-operation agreements with third States.

2. In the pursuit of its objectives, the Community shall ensure the establishment of relations of co-operation with the United Nations System, particularly, the United Nations Economic Commission for Africa, specialised agencies of the United Nations and any other international organisation, with a view to attaining the objectives of the Community.

3. Co-operation Agreements to be concluded pursuant to the provisions of Paragraphs 1 and 2 of this Article shall be submitted to the Assembly for approval upon the recommendation of the Council.

## **CHAPTER XXI**

### ***Relations between Member States, Third States, Regional and Sub-Regional Organisations and International Organisations***

#### **Article 93**

##### *Agreements concluded by Member States*

1. Member States may conclude economic, technical or cultural agreements with one or several Member States, and with Third States, regional and sub-regional organisations or any other international organisation, provided that such agreements are not incompatible with the provisions of this Treaty. They shall transmit such agreements to the Secretary-General who shall inform the Council thereof.

2. In the event of incompatibility of agreements concluded, prior to the entry into force of this Treaty among Member States or between the Member States and Third States, sub-regional or regional organisations or any other international organisation, with the provisions of this Treaty, the Member State or Member States concerned shall take the appropriate steps to eliminate such incompatibility. To this end, Member States shall, where necessary, assist each other and adopt a common position.

#### **Article 94**

##### *International Negotiations*

1. Member States undertake to formulate and adopt common positions within the Community on issues relating to international negotiations in order to promote and safeguard the interests of Africa.
2. To this end, the Community shall prepare studies and reports designed to help Member States to better harmonize their positions on the said issues.

## **Article 95**

### *Protocols on Chapters XIX, XX and XXI*

Member States hereby agree to conclude the Protocols relating to Chapters XIX, XX and XXI of this Treaty.

## **CHAPTER XXII**

### ***Miscellaneous Provisions***

## **Article 96**

### *Headquarters of the Community*

The Headquarters of the Community shall be one and the same as that of the OAU.

## **Article 97**

### *Working Languages*

The working languages of the Community shall be the same as those of the OAU.

## **Article 98**

### *Legal Status*

1. The Community shall form an integral part of the OAU.
2. In his capacity as the legal representative of the Community the Secretary-General may, on behalf of the Community:
  - a. Enter into contracts; and
  - (b) Be a party to judicial and other legal proceedings.
3. Subject to prior approval of the Council, the Secretary-General may, on behalf of the Community:

- (a) Acquire and dispose movable and immovable property;
- (b) Borrow; and
- (c) Accept donations, bequests and gifts.

## **Article 99**

### *The Treaty and the Protocols*

This Treaty and the Protocols shall form an integral part of the OAU Charter.

## **Article 100**

### *Signature and Ratification*

This Treaty, and the Protocols, shall be signed and ratified by the High Contracting Parties in accordance with their respective constitutional procedures. The instruments of ratification shall be deposited with the Secretary-General of the OAU.

## **Article 101**

### *Entry into Force*

This Treaty shall enter into force thirty (30) days after the deposit of the Instruments of ratification by two-thirds of the Member States of the OAU.

## **Article 102**

### *Accession and Admission*

1. Any Member State of the OAU may notify the Secretary-General of its intention to accede to this Treaty.
2. The Secretary-General shall, upon receipt of such notification, transmit copies thereof to all Member States. Admission shall be decided by a simple majority of Member States which shall transmit their votes to the Secretary-General. Upon receipt of the required number of votes, the Secretary-General shall transmit the decision of admission to the concerned Member State.

## **Article 103**

### *Amendment and Revision of the Treaty*

1. Any Member State may submit proposals for the amendment or revision of this Treaty.

2. Proposals for amendment or revision shall be submitted to the Secretary-General who shall transmit the same to Member States within thirty (30) days of receipt thereof at the Headquarters of the Community.

3. The Assembly, upon the advice of the Council, shall examine these proposals at its next meeting within a period of one year, following notification of Member States in accordance with the provisions of paragraph 2 of this Article.

4. Amendments or revisions shall be adopted by the Assembly by consensus or, failing that, by a two-thirds majority and submitted for ratification by all Member States in accordance with their respective constitutional procedures. They shall enter into force thirty (30) days after the deposit of the instruments of ratification by two-thirds of the Member States with the Secretary-General of the OAU.

## **Article 104**

### *Withdrawal*

1. Any Member State wishing to withdraw from the Community shall notify by giving one-year notice in writing, to the Secretary-General who shall inform Member States thereof. Upon the expiration of such a period, that Member State shall, if the notice is not withdrawn, cease to be a Member of the Community.

2. During the period of one year referred to in paragraph 1 of this Article, any Member State wishing to withdraw from the Community shall comply with the provisions of this Treaty and shall be bound to discharge its obligations under this Treaty up to the date of its withdrawal.

## **Article 105**

### *Dissolution*

The Assembly may decide to dissolve the Community and determine the terms and conditions for sharing of the latter's assets and liabilities.

## **Article 106**

### *Depository of the Treaty*

1. This Treaty, drawn up in four (4) original texts in the Arabic, English, French and Portuguese languages, all four (4) texts being equally authentic, shall be deposited with the Secretary-General of the OAU who shall transmit a certified true copy thereof to the Government of each signatory State.

2. The Secretary-General shall notify Member States of the dates of deposit of the instruments of ratification or accession and shall upon the entry into force of this Treaty register the same with the Secretariat of the United Nations.

IN WITNESS WHEREOF, WE, Heads of State and Government of Member States of the Organisation of African Unity have signed this Treaty.