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PROPOSED STATE MEMBERS' CONTRIBUTIONS TO
AATA BIENNIAL BUDGET: 1984-1986

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1. Paragraph 5(f) of Article 9 of the Constitution of the Association of African Tax Administrators (AATA) requires the Executive Committee to propose to the General Assembly the subscriptions and exceptional contributions, if any, which State members will make towards the budget of the Association. The interim Secretariat now presents its proposals, for consideration by the Executive Committee, of the subscriptions to be paid by State members of AATA to the budget of the Association for the biennium March 1984 to February 1986.

2. Members of the Executive Committee will recall that at its first meeting held from 25-27 March 1982, the General Assembly noted that some State members were dissatisfied with the Organisation of African Unity (OAU) formula for assessing contributions. Egypt then suggested that contributions be assessed on the basis of each State member's per capita income. Members of the General Assembly agreed that either the Executive Committee or any delegate should suggest an alternative formula for assessing member States' contributions to AATA biennial budget during this meeting or the Second General Assembly Meeting.

3. Members of the Executive Committee will realize that the failure or success of AATA depends on its financial resources. The operational activities of AATA cannot be ensured unless its regular flow of income is guaranteed. While the interim Secretariat is convinced that the OAU formula for assessing member States' contributions to AATA budget is fair and equitable, it is, however, proposing other formulae to be studied and discussed. Firstly, it is proposed that an Endowment (Trust Fund) be established and such fund to be managed by an African financial institution. The future budget of the Association would be financed from the proceeds of the Trust Fund.

4. The proposed formula or Trust Fund calls for an initial outlay of about 10 to 15 million U.S. dollars not including the capital cost of the premises of the Association. With regard to the collections of the Trust Fund, a small fund raising committee should be formed to raise the initial sums required. Simultaneously when the Secretary-General is appointed, he should prepare a project document to be submitted to international organizations such as the Ford Foundation or the German Foundation for the purpose of soliciting funds. The initial outlay of 10 to 15 million U.S. dollars suggested has to be gathered within a period of two to three years and this will be done by member States pledging voluntarily certain amount of U.S. dollars. The payment of the amounts pledged could be done in two phases. It is suggested that the initial capital costs of AATA Secretariat be borne by AATA host country. This should be the subject of negotiation with the host country during the signing of the Headquarters agreement.

5. During the interim period, when the initial outlay for the Trust Fund is being collected, the Secretariat of AATA could carry on its activities with financial resources received through assessed contributions using the OAU formula or any other formula which will be put forward by the Executive Committee or the General Assembly.

6. Secondly, the Executive Committee is requested to consider the proposal put forward by Egypt that contributions be based on member States' per capita income. An example of member States' contributions to the budget of AATA using this formula is shown in Table I.

7. Until one of the formulae proposed or any other formula is approved by the General Assembly, members of the Executive Committee are requested to consider and adopt proposed State members' contributions to AATA biennial budget March 1984 to February 1986 based on the OAU formula. Table II shows each State member's contribution towards the proposed 1984-1986 biennial budget using the OAU formula.

8. It is recommended that member States newly joining the Association should make voluntary contributions to the approved budget of the Association for the biennium 1984-1986 but that such contributions should not be less than the minimum contribution shown in column V of Table II.

TABLE I

AATA member States proposed contributions in US\$ based on per
capita income - (1984-1986 biennial budget US\$691,800)

I	II	III	IV	V
Algeria	531	14.24	10.0	69180
Botswana	377	10.11	10.0	69180
Cameroon	231	6.20	6.8	47260
Central African Republic	91	2.44	3.0	18599
Comoros	59	1.60	1.8	12196
Egypt	319	8.55	9.4	65173
Ethiopia	77	2.07	2.3	15779
Gambia	112	3.01	3.3	22944
Liberia	269	7.22	7.9	55035
Mali	74	1.98	2.2	15092
Niger	113	3.03	3.3	23096
Nigeria	219	5.88	6.4	44820
Senegal	168	4.51	4.9	34378
Swaziland	452	12.12	10.0	69180
Togo	145	3.90	4.3	29728
Uganda	108	2.90	3.2	22105
Zaire	69	1.85	2.0	14102
Zambia	313	8.39	9.2	63953
TOTAL ...	3727	100.0	100.0	691800

NOTES:

- Column II - 1981 GDP per capita income at 1970 constant prices (US\$)
- Column III - Percentage share in total per capita income of member States
- Column IV - Member States percentage share of budget proposals to the nearest one decimal point
- Column V - State member's assessed contributions to the proposed 1984/1986 budget

TABLE II

AATA member States contributions in US\$ based on the
OAU formula: (1984/86 biennial budget (US\$691,800))

I	II	III	IV	V
Algeria	9992.9	18.24	10.-	69180
Botswana	301.6	0.55	1.65	11415
Cameroon	2009.2	3.67	10.-	69180
Central African Republic	206.7	0.38	1.14	7887
Comoros	34.0	0.06	0.58	4012
Egypt	13684.5	24.97	10.-	69180
Ethiopia	2485.6	4.53	10.-	69180
Gambia	68.7	0.13	0.58	4012
Liberia	508.5	0.93	2.79	19301
Mali	497.5	0.91	2.73	18886
Niger	629.8	1.15	3.45	23867
Nigeria	17352.7	31.67	10.-	69180
Senegal	966.5	1.76	5.28	36527
Swaziland	246.4	0.48	1.44	9962
Togo	374.7	0.68	2.04	14113
Uganda	1518.8	2.77	8.32	57558
Zaire	2021.6	3.69	10.-	69180
Zambia	1882.8	3.43	10.-	69180
TOTAL ..	54782.5	100.-	100.-	691800

NOTES:

- Column II - 1981 GDP at 1970 constant prices (US\$ million)
- Column III - Percentage share in total GDP of State members of AATA
- Column IV - Percentage contributions of State members with lower limit of .5% and higher limit of 10%
- Column V - State member's assessed contributions in US\$ to the 1984/86 biennial budget