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REPORT OF THE AFRICAN CAPACITY BUILDING FOUNDATION



THE AFRICAN CAPACITY
BUILDING FOUNDATION

FONDATION POUR LE RENFORCEMENT
DES CAPACITES EN AFRIQUE



REPORT OF THE AFRICAN CAPACITY BUILDING FOUNDATION - 2021

INTRODUCTION

1. Article 7 of the Memorandum of Understanding signed on 20 February 2018 between the Chairperson of the African Union Commission (AUC) and the Executive Secretary of the African Capacity Building Foundation (ACBF) to operationalize ACBF's status as Specialized Agency of the African Union requires ACBF to report on its activities to the AU Organs. This report has been prepared in compliance with this obligation and presents a summary of the key activities conducted by ACBF from 1 January to 31 December 2021.

2. In February 2021, the Executive Council took decision Ex.CL/Dec. 1107 through which ACBF program Budget for the year 2021 was going to be accommodated through a World Bank Fund. For that decision to be implemented fully, the AUC needed to seek the Bank's no objection, which was granted in March 2021. However, the Bank only granted the extension of the Annual Workplan that the AUC requested in June 2021. The procedure took a long time and the first tranche of 124,032 USD was only disbursed on 8 November 2021. Thus, ninety percent of 2021 Budget is yet to be disbursed.

3. In October 2021, the Executive Council took decision Ex.CL/Dec.1126 through which the ACBF budget for 2022 in the amount of 1,204,830 USD was approved.

4. The activities of the African Capacity Building Foundation (ACBF) during the year 2021 were implemented under circumstances that were similar to those of the year 2020 e.g., the continued prevalence of the COVID-19 pandemic and its related negative economic and social effects. The pandemic, which was showing signs of waning among the vaccinated populations of industrialized countries, continued to display signs of resurgence across the world towards the year, with the appearance of a new variant, and remains pervasively prevalent in Africa, where vaccination rates remain low.

5. Despite these difficult conditions, ACBF successfully continued the implementation of its ongoing 2017-2022 Strategic Plan as approved by the Board of Governors, of which the African Union is a Member. These pillars are: Strategic Pillar 1 - Enabling Effective Delivery of Continental Development Priorities; Strategic Pillar 2 - Supporting Countries to Achieve Tangible Development Results; Strategic Pillar 3 - Enhancing Private Sector and Civil Society Contribution to Sustainable Development and Strategic Pillar 4 - Leveraging Knowledge Learning to Increase Development Effectiveness. The African Union is also a Member of the Executive Board of ACBF which provides oversight for the management of the Foundation and approves the projects to be implemented.

6. The activities in this report are presented along the same pillars:

STRATEGIC PILLAR 1: ENABLING EFFECTIVE DELIVERY OF CONTINENTAL DEVELOPMENT PRIORITIES

Contributing to the monitoring of the implementation of Agenda 2063

7. As a member of the Technical Working Group (TWG) for Agenda 2063, ACBF contributed significantly to the coordination and preparation of the 2nd Biennial Continental Report on the Implementation of Agenda 2063. The Foundation undertook a thorough revision of the reporting process and methodology including guidelines, data gathering tools and report templates in line with lessons learned from the first biennial reporting experience. ACBF also provided consistent technical support to 45 countries and 8 RECs, which led to an improvement of the quality of their submissions. These submissions served as the primary data sources for the consolidation and completion of the continental report, which was submitted to the President of Côte d'Ivoire, the Agenda 2063 Champion, for presentation to the AU Assembly of Heads of State and Government at the next Summit in early 2022. The main outcome resulting from the comprehensive and timely technical assistance provided to Member States in the preparation of the 2nd biennial continental report in 2021 was the increase in the number of country submissions to 38 country-level reports representing 69% against 56% in 2019 for the inaugural reporting.

Promoting a culture of evaluation and a “Made in Africa” evaluation approach in support of Agenda 2063 and SDGs

8. ACBF played a key role in facilitating the regional consultations held as part of the global evaluation for action (Eval4action) campaign for Africa coordinated by the African Evaluation Association (AfrEA). Stakeholder's consultations involving development partners, evaluation practitioners and other key actors were conducted in West-Central and Eastern-Southern Africa. These regional consultations enabled the development of a collective road map that serves as a reference for all the stakeholders engaged in the Eval4action campaign. The document provides guidelines for enhancing the culture of evaluation in managing development frameworks for Africa's transformation and sustainable development. The road map focuses on three areas essential for re-positioning evaluation as a critical instrument for supporting effective delivery of Agenda 2063 and SDGs in Africa, namely: (i) Professionalization of Evaluation including young and emerging evaluators; (ii) Building robust national M&E policies & systems for evidence-based decision-making in African countries; and (iii) Nurturing Made in Africa Evaluation approaches to support the implementation of SDGs and to achieve the Africa we want.

Deepening multistakeholder engagement for advancing the implementation of tobacco control policy and improve health outcomes in Africa

9. ACBF organized several important tobacco control advocacy events with key partners for enhancing synergy and mutual collaboration in tackling tobacco-related challenges in Africa. The main event was the first Africa Tobacco Control and Development Conference, held on 26-28 October 2021 under the theme: ***“A Tobacco Free Africa: an Urgent Call for Joint Action.”***

10. Major outcomes of the Conference included the following:

- Reminder to countries that they have a powerful tool to drive implementation of tobacco control initiatives in the form of the mandatory obligations to WHO’s Framework Convention on Tobacco Control (FCTC) which most African countries have ratified.
- Recommendation to use the youth as advocacy champions given Africa’s large youth population and the fact that the youth is the primary target of the tobacco industry.
- Need for increased capacity development and research to address issues of emerging tobacco products, alternative livelihoods, taxation, enforcement of tobacco control policies and domestic financing for tobacco control, more effectively.
- Attention of governments drawn on the need to increase taxes on tobacco products not only as a strategy to generate revenues to finance public health, but also and more importantly to reduce affordability of tobacco products.
- Recommendation to use improved tobacco taxation as an efficient and effective strategy to establish a Tobacco Control Fund in Africa.
- Need to strengthen National Coordination Mechanisms as a way of improving multisectoral support and engagement of governments beyond the Ministries of Health.

11. **Co-**organized by ACBF and the Centre for Tobacco Control in Africa (CTCA) the conference benefited from valuable contributions from other regional partners including the World Health Organization Africa Office (WHO AFRO), the Research Unit on the Economics of Excisable Products (REEP) of the University of Cape Town, the Campaign for Tobacco-Free Kids (CTFK), the African Tobacco Control Alliance (ATCA), the Africa Centre for Tobacco Industry Monitoring and Policy Research (ATIM), the International Union Against Tuberculosis and Lung Cancer (The Union) and the Tax Justice Network-Africa (TJN-A).

Contribution to good governance and peacebuilding in Africa

12. During the reporting period, ACBF organized a consultation with African think tanks aimed at contributing innovative ideas on and experience in governance and

peacebuilding in Africa. The consultations focused on: (i) Governance as a tool for conflict prevention; (ii) Elections; (iii) Local governance; (iv) Youth; (v) Transformational leadership and institutional development; and (vi) Rule of law, human rights, and justice. Participating think tanks had the opportunity of contributing to redefining African priorities rather than being mere implementers after key decisions have been made. ACBF organized this consultation in support of UNDP's Consultative Process on Reimagining Governance and Peacebuilding in Africa. Results of the consultative process included the opportunity afforded to think tanks to contribute to redefining Africa's governance priorities; the practical solutions based on experiences identified by ACBF and its partners for UNDP's consideration and a better understanding by UNDP of the role think tanks can play in improving governance across Africa.

13. As a result of this consultation, it became clear to participating think tanks the extent to which they can contribute to shaping Africa's development agenda working with partners. The partnership enabled ACBF to support the UNDP in efforts to redefine and reimagine governance, paying attention to the practical solutions based on experiences on the ground brought about by think tanks. UNDP now understand that African think tanks can successfully support the implementation of its development program across all African countries.

Promoting regional integration in Africa

14. In line with its overall support to the accelerating Africa's regional integration agenda, especially considering the challenges of the COVID-19 pandemic, ACBF joined the African Union Commission, Regional Economic Communities, and other partners to organize the 2021 African Integration Forum on the theme "**Role of Continental Integration in Accelerating African Economic Recovery from the COVID-19 Pandemic**". The main objective of the Forum was to deliberate on how to use integration as a tool for the continent's economic recovery to build back better together following the COVID-19 Pandemic. ACBF's contributions were acknowledged and the Foundation was recognized as an important partner in promoting regional integration, along with Regional Economic Communities (RECs) Commissions/Secretariats, the AfCFTA Secretariat, AUDA-NEPAD, UNECA, African Development Bank, Afeximbank, African Business Council, Pan-African Chamber of Commerce, AfroChampions Initiative, AeTrade Group and Trade Law Centre.

Promoting digitalization through the establishment of a coordinated continent-wide platform for research and capacity building for digital transformation in Africa

15. During the reporting period, ACBF provided the platform for think tanks to deliberate on how to engender a genuine digital transformation in Africa. These deliberations took place during the ACBF organized the Africa Think Tank Summit on

“Digital Transformation in post-COVID-19 Africa: Opportunities, challenges and options for building back better”. At issue was the impact of the COVID-19 pandemic on Africa’s digital transformation agenda and its implications for all key stakeholders, the need for a thorough examination of the key capacity challenges faced by African countries and how to address the continent’s serious digital capacity gaps. The event advocated for a coordinated continent-wide movement and platform with a clearly defined research agenda for African think tanks to support the digital transformation of Africa. Also, the summit offered recommendations on the type of interventions, partnerships and co-ordination mechanisms required to support capacity development for a successful implementation of Africa’s digital transformation agenda. The Summit came up with a communiqué calling upon ACBF, as the specialized Agency of the African Union for capacity development, to coordinate the development of a digital capacity development program. Held in November, the 2021 edition of the Africa Think Tank Summit, was organized by ACBF in collaboration with a wide range of its partners.

STRATEGIC PILLAR 2: SUPPORTING COUNTRIES TO ACHIEVE TANGIBLE DEVELOPMENT RESULTS

Upgrading the capacity of countries to monitor and report on the implementation of Agenda 2063 and other national development frameworks

16. The Foundation led the design and rollout of the capacity building plan for the internalization of the Agenda 2063 M&E Framework in the national results management processes in Member States of the African Union. Specific capacity building interventions were conducted for selected countries to upgrade their institutional M&E capacity. These interventions were conducted in the Small Island Developing States (SIDS) and countries that had difficulty in timely preparation and submission of their country-level report on the implementation of Agenda 2063. These countries were provided with the necessary knowledge and skills in the critical areas such as Agenda 2063 M&E requirements, data management and monitoring report writing. As a result, institutional arrangements for coordinating the implementation of Agenda 2063 are enhanced in these countries with the establishment of well-resourced units and clear mandate to oversee the monitoring and reporting on Agenda 2063. In addition, the support provided to these countries has enabled them to become more familiar with the quality requirements for the country reporting as part of the rollout of Agenda 2063 M&E Framework in countries.

Building capacity for tobacco industry monitoring in countries

17. With the support of ACBF, SMU-ATIM launched the first online course on tobacco industry monitoring (TIM) and response in Africa and organized several workshops to

further strengthen the capacity of trainees in conducting TIM activities. These decisive capacity development initiatives led to the establishment and activation of TIM teams in Benin, Cote d'Ivoire, Ethiopia, Gabon, Kenya, Mauritania, Senegal, The Gambia, South Africa and Uganda. Another significant outcome of these interventions was the establishment of the first ever Regional Index on Tobacco Industry Interference in Africa by ATCA, SMU-ATIM and the Global Center for Good Governance in Tobacco Control – GGTC. The Index, which covers 14 countries¹, recommends the full implementation of the provisions of Article 5.3 of the WHO FCTC on the protection of public health policies from the tobacco industry's interference.

STRATEGIC PILLAR 3: ENHANCING PRIVATE SECTOR AND CIVIL SOCIETY CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

Empowering Women in Agriculture and measuring performance and results

18. The Foundation successfully completed the Empowering Women in Agriculture project in partnership with the Arab Bank for Economic Development in Africa (BADEA). Several women agricultural cooperatives received technical skills and seed grants in the 3 selected countries of Liberia, Malawi, and Rwanda. These interventions helped increase the active participation of target women groups in agriculture. The last component of the project focused on the construction of indicators for measuring and reporting on the results of EWA interventions in African countries. EWA indicators were developed in the areas of organizational capacity of women associations (5 indicators), technical capacity of women farmers (8 indicators), networking and partnership (5 indicators), financial inclusion (9 indicators) and gender-sensitive agricultural policy (7 indicators). A comprehensive profile description was prepared for each EWA indicator to facilitate a common understanding of the indicators and to promote their consistent use in the design and implementation of EWA interventions.

Strengthening technical and organizational capacity of tobacco control partners

19. ACBF supported its tobacco control partners in the development of their organizational manuals, including Human Resources Management, Governance, and M&E manuals, as well as communication and resource mobilization strategies, and Terms of reference of the Board. The institutional capacity strengthening support extended to these partners has resulted in the enhancement of their sustainability, with many of them mobilizing additional funding to support their interventions. Examples include ATCA, UCT-REEP, MWECS, CLUCOD, ATN, HPP, IECT RAID and IILA.

20. Visible progress is also noted in the 14 target organizations in the areas of project management, monitoring and evaluation as well as grant procedures and utilization. This

¹ Botswana, Burkina Faso, Cote d'Ivoire, Ethiopia, Gabon, Ghana, Kenya, Mozambique, Nigeria, Senegal, South Africa, Tanzania, Uganda, and Zambia.

progress is impacting their results, a selection of which includes administrative orders signed in 12 departments in Benin banning the use of shisha in public places; Graphic Health warning Decree signed in 2020 in Mauritania which came into effect in October 2021; Countries including Benin, Cote d'Ivoire, Ethiopia, Gabon and Senegal successfully raised enforced smoke-free provisions and other key provisions of the tobacco control laws.

Enhancing private sector support to the implementation of national development plans in countries

21. In FY2021, the Foundation continued to provide support towards enhancing the contribution of non-state actors to sustainable development. For instance, ACBF supported the Republic of Togo in building the capacity of the private sector to contribute to the implementation of the National Development Plan. A total of 17 representatives from Togolese SMEs were equipped with business intelligence tools and skills to capture and analyze data needed for decision-making in an increasingly competitive business environment. Another 35 private sector representatives were sensitized to the opportunities that the African Continental Free Trade Area (AfCFTA) present for Togo's private sector. The Foundation's support was also extended to the "*Centre Autonome d'Etudes et de Renforcement des Capacités pour le Développement du Togo*" (CADERDT), enabling it to conclude two studies on the effects of COVID-19 on strategies to revitalize the logistics sector in Togo and on promoting the value chains of the Made in Togo products.

STRATEGIC PILLAR 4: LEVERAGING KNOWLEDGE AND LEARNING TO INCREASE DEVELOPMENT EFFECTIVENESS

Expanding access to and use of knowledge on capacity development

22. ACBF's Virtual Library on Capacity Development continued playing a pivotal role of being a platform for the dissemination of the Foundation's knowledge products across geographical boundaries. People who accessed ACBF knowledge products via the virtual library came from 126 countries of the world with all African countries represented with 74.18%, 7.68% came from the Americas, 4.72% from Asia, 0,58% from the Oceania and 0.18% with physical location not recorded. The timeliness, relevance and quality of the knowledge products has remained high as reflected in feedback from user satisfaction surveys. ACBF knowledge products are being noticed and used beyond Africa. For instance, during FY2021 a Japanese educational publisher based in Kyoto requested reprint permission for excerpt from ACBF's publication titled "Tackling Malawi's medical brain drain" for educational purposes.

Promoting factoring as a viable alternative for trade financing in Africa

23. ACBF and Afreximbank published a Policy Brief on “Building Capacity for the Development of Factoring in Africa to accelerate trade development and to support the AfCFTA” and a Research Paper on “Factoring in Africa to support trade development: Challenges and opportunities for growth through capacity development”. The knowledge products highlight the importance of strengthening leadership, human and institutional capacities and laying out the main elements that can be taken into consideration by African countries if they are to develop and use factoring for the socio-economic transformation of the continent.

24. These publications and their key findings and recommendations were shared with a wide audience, including ACBF Board of Governors and Executive Board members. Key results achieved are the following:

- A demonstration by ACBF and Afreximbank of the specific opportunities offered by factoring and the potential positive impact on African countries through these papers.
- A better understanding of the evolution and key drivers of factoring in Africa by international, continental and regional organizations interested in trade development and advancing the AfCFTA agenda; researchers working on issues related to trade and trade finance; legislators, regulators, government agencies responsible for creating an enabling regulatory and policy environment to support trade and the implementation of the AfCFTA; and frontline actors involved in factoring operations (factoring companies, SMEs, banks, non-bank financial institutions, and other firms offering legal, insurance services and digital solutions on factoring).
- A well-informed key stakeholders involved in trade and trade finance about the actionable recommendations on how to promote and adopt policies on factoring in Africa.

Working toward the adoption of a Model Law on Factoring in Africa

25. ACBF and Afreximbank developed a Policy Paper on factoring for the Pan African Parliament (PAP). The paper on factoring was used to engage the PAP for the development and adoption of a Model Law on Factoring by the African Union (AU) and to subsequently encourage member states to adopt this law. The rationale is that in the current situation in Africa, characterized by insufficient trade financing resources, factoring becomes a viable alternative to promote trade on the continent. ACBF and Afreximbank are working with the Pan-African Parliament to introduce and support the promulgation of the law in Africa. This engagement raised awareness among members

of PAP on the role, evolution and importance of factoring in Africa and the potential it offers for African countries. PAP members also developed a good understanding of actionable recommendations on how to promote and adopt policies on factoring in Africa.

Contributing to evidence-based capacity development interventions through knowledge generation and sharing partnerships

26. ACBF provided technical expertise in the production of the Africa's Development Dynamics (AfDD) 2022 on "African Value Chains for a Sustainable Recovery and Realizing the AfCFTA". ACBF contributed to the peer-reviewing of the AfDD 2022 regional chapters on West, Central, Southern, Eastern and Northern Africa. The AfDD 2022 targets African policymakers as its primary audience. A second targeted audience is the development community and civil society interested in African affairs. The flagship report's principal aim is to deepen the policy debate on how African policymakers, at national, regional, and continental levels, can accelerate the implementation of the AfCFTA and strengthen economic recovery and resilience through regional and global value chains.

Enhancing capacity development programming and practices through fit-for-purpose knowledge publications

27. In 2021, ACBF and the Islamic Development Bank (IsDB) produced a study and a policy brief on the "*Capacity Imperatives of pandemic responses: building resilient health systems and ensuring socio-economic transformation in Africa*" aimed at sharing experiences around the capacities needed to address health related issues in pandemic situations. The study undertook a microeconomic analysis of the impacts of the COVID-19 pandemic in 10 selected countries, and an overall analysis of the socio-economic impacts of the disease on human development, economic and social vulnerabilities in the countries. The study also examined the capacity challenges experienced by African countries in their response to the COVID-19 pandemic and proposes priority capacity development actions aimed at building resilient health systems and supporting socio-economic transformation for dealing with future outbreaks and pandemics.

28. ACBF co-organized with the African Development Bank an e-Policy Seminar on "*Strengthening Institutional Capacities for Inclusive Development in Post-COVID-19 Africa*" on 15-16 March 2021. The seminar was hosted under the African Development Institute Global Community of Practice (G-CoP) on policy responses to post COVID-19 Africa with the support of ACBF in the design and delivery of the outcomes. The seminar's outcome was a policy document critical to shaping policy responses in key thematic policy areas. The knowledge product is based on the outcomes of the seminar and is aimed to design programmatic interventions to respond to key recommendations from the seminar.

Promoting regional value chains for sustainable recovery from the COVID-19 Pandemic in Africa

29. ACBF contributed to the development and production of *Africa's Development Dynamics 2022* on "African Value Chains for a Sustainable Recovery and for Reinforcing Operationalization of the African Continental Free Trade Area" (lead by AUC and OECD Development Centre). The flagship report aims to generate new quantitative and policy evidence to nourish the policy dialogue among African policy makers, and with their development partners. The analysis examines the new momentum provided by the implementation of the AfCFTA, the ongoing digital transformation of the continent, and the challenge of the available fiscal space during the COVID-19 crisis. It analyzes opportunities for digital trade, new policies in the COVID-19 context, and how to finance African value chains through such things as tax and procurement policies. This report is expected to deepen the policy debate on how African policymakers at national, regional and continental levels, can strengthen economic recovery and resilience through regional Value Chains and global Value Chains. Through the report, African policymakers, the development community and civil society interested in African affairs are offered an opportunity to understand and appreciate the policies required to support regional Value Chains and global Value Chains development to better play their role.

CONCLUSION AND RECOMMENDATIONS

30. Despite the constraints due to the COVID-19 pandemic and its impact on its funding, ACBF continues to be an invaluable strategic partner of African countries, regional and continental organizations in their quest for developmental capacity. The Foundation continued to enjoy the political and financial support of its Member States in 2021 and for the first time received a contribution from the African Union.

31. ACBF continues to support the implementation of the African Union's Agenda 2063 and the achievement of Sustainable Development Goals in African countries, African support, as provided by the African Union, Member States and other African Institutions, remains critical for ACBF to continue to attract international support for investment in capacity development in Africa. The following recommendations are therefore submitted to ensure an increase in African support to the Foundation to enhance its capacity to continue providing a decisive capacity development support to Agenda 2063:

- a. The AUC to consider a rapid disbursement of the resources of the budget approved by the African Union for ACBF to allow the Foundation to start its annual activities at the same time as AU Organs, AUC Departments and other AU Specialized Agencies. None of the resources of the budget approved by the AU for ACBF for the year 2020 was disbursed, and the

first disbursement of the resources approved for the 2021 budget was only received in November 2021.

- b. The AU to champion the development of ACBF's Strategic Plan for the period 2023-2027 by inviting development partners for its formulation and funding
- c. The AU Organs and AUC Departments to implement the Executive Council Decisions (Ex.CL/Dec.1073 and Ex.CL/Dec.1097) to transfer capacity development activities to ACBF for implementation.

December 2021

The African Capacity Building Foundation

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