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EXECUTIVE COUNCIL
Thirty-Sixth Ordinary Session
06 - 07 February 2020
Addis Ababa, Ethiopia

EX.CL/1212(XXXVI)
Original : English

**ACTIVITY REPORT OF THE AFRICAN CAPACITY BUILDING
FOUNDATION (ACBF)**

**REPORT OF THE AFRICAN CAPACITY BUILDING FOUNDATION
A SPECIALIZED AGENCY OF THE AFRICAN UNION
(For the reporting period: January – December 2019)**

I. 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 2019. The activities are presented along the four pillars of ACBF's Strategic Plan for the period 2017-2021 as adopted by the Board of Governors, of which the AU is an Honorary Member, on 1 July 2016. These pillars are the following: *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 to Contribute to Sustainable Development and Strategic Pillar 4 - Leveraging Knowledge Learning to Increase Development Effectiveness*

II. OVERVIEW OF THE AFRICAN CAPACITY BUILDING FOUNDATION

2. The African Capacity Building Foundation (ACBF) was created in 1991 in response to the severity of capacity constraints faced by African countries and the need build indigenous human and institutional capacity to promote sustainable development in Africa. The Foundation was designed to serve as a coordinating mechanism for African and Donor support to capacity building in Africa, through the pooling of resources and a common governance and reporting system. To date, 40 African countries have become members of ACBF. ACBF has, however, continued to avail its support to all African countries regardless of their membership status. In recognition of its effective support to Africa's development process, ACBF was designated by African Heads of States and Government a Specialized Agency of the African Union by Decision *Assembly/AU/Dec.621 (XXVIII)* of the 28th Assembly in January 2017. Over its 28 years of activity, ACBF has invested more than US\$700 million in capacity development in Africa, of which more than US\$50 million in the African Union and its Organs.

3. The Foundation uses 6 operational modalities to deliver capacity development services: (i) Skills development; (ii) Institutional and organizational development; (iii) Knowledge generation and sharing; (iv) Technical assistance and advisory; (v) Project management and (v) Fund administration.

4. ACBF continued in 2019 to consolidate its strategic partnership with the African Union, supporting the Commission in many activities and being associated with all strategic activities as a specialized agency.

5. As guided by the Executive Council, the African Union Commission conducted two assessment missions at ACBF's Headquarters in Harare, Zimbabwe, in August and September 2019. The missions were in compliance with Decision EX.CL/Dec.1049(XXXIV) of February 2019 in which the AU "**acknowledges the effective contribution made by ACBF to Africa's development since its inception in 1991**" and "**requests the Commission, in collaboration with ACBF, to assess the annual financial contribution that the AU could make to the operation of ACBF and report to the Executive Council**". During these missions, the African Union Commission also assessed a budget for activities to be implemented by ACBF during the year 2020 submitted by ACBF. ACBF expects a decision of the Executive Council on this budget.

III. OVERVIEW OF THE ACHIEVEMENTS OF FY2019

Strategic Pillar 1: Enabling Effective Delivery of Continental Development Priorities

6. **Fostering transformative leadership in Africa.** In FY2019, ACBF published some strategic knowledge products such as the Africa Capacity Report 2019 on "Fostering Transformative Leadership for Africa's Development" which was launched during the Ministerial meeting of the AU's Specialized Technical Committee (STC) on Finance, Monetary Affairs, Economic Planning and Integration which took place on 4-8 March 2019 in Yaoundé, Cameroon. The key findings and recommendations were shared with Ministers and delegates of all African countries. This resulted in an enhanced understanding of critical role that leadership plays in achieving development goals and increased visibility of ACBF as a knowledge-driven institution.

7. **Monitoring the implementation of Agenda 2063.** During FY2019, ACBF continued its support to the AUC in developing the Agenda 2063 Monitoring and Evaluation Framework, discussing indicators and data collection instruments in preparation for baseline data collection at RECs and country level. The Core Indicator Handbook for SDGs and Agenda 2063 was updated and readied for use by RECs and countries.

8. **Monitoring Africa's economic dynamics.** ACBF was requested by AUC to contribute to the drafting and production of flagship continental reports such as the Africa's Development Dynamics 2019 which used the lessons learned in the five Africa's geographical regions to develop recommendations and share good practices adapted to the specificities of African economies. ACBF also contributed to the drafting and production of the 2019 Report on the Status of Regional Integration in Africa which was presented to the African Heads of State and Government in Niamey, Niger in July 2019.

9. **Tackling implementation challenges in Africa.** ACBF organized the 2019 African Think Tank Summit in Nairobi, Kenya on “Tackling Implementation Challenges for Africa’s Sustainable Development”. The Summit helped to increase the understanding of the human and institutional capacities and enabling environment required for the effective implementation of policies and programs in Africa and proposed practical recommendations for the successful implementation of policies and programs in Africa. The Summit ended with a communiqué calling upon the ACBF, as the specialized Agency of the African Union for capacity development, to coordinate the development of a capacity development program on implementation of policies and programs in Africa.

10. **Enhancing COMESA’s organizational performance.** ACBF conducted an organizational performance assessment of COMESA. This exercise resulted in the identification of a number of gaps. Appropriate recommendations were proposed to fill in these gaps, especially for the strengthening of capacity for human resource management, organizational management, procurement, performance management and monitoring and evaluation. Having successfully completed an assessment of COMESA’s institutional capacity, ACBF coordinated a review of COMESA’s organizational structure and recommended a leaner and more fit-for-purpose business structure that will drive efficiency within the organization.

11. **Strengthening the Center for Ticks and Tick-Borne Diseases.** ACBF conducted an independent assessment and study designed to determine the sustainability and better integration of the Centre for Ticks and Tick-Borne Diseases (CTTBD) into the AU structures. Commissioned by the African Union, the study’s Report was presented to the AU Specialized Technical Committee on Agriculture, Rural Development, Water and Environment and will guide the AU Assembly decision on the future of the Center.

Strategic Pillar 2: Supporting Countries to Achieve Tangible Development Results

12. **Establishment of Comoros’s first think tank.** During the reporting period, ACBF assisted **the** government of the Union of the Comoros in the establishment of the Centre for Analysis and Research on Public Policy (CNARPP), the one and only think tank in the country. This successful initiative has once again demonstrated the catalytic nature of ACBF’s interventions as Governments and other development partners have expressed interest to continue supporting and using the services of the Center.

13. **Launch of The Gambia’s Capacity Development Strategy.** On 12 July 2019, the Government of the Republic of The Gambia launched the country’s Capacity Development Strategy developed by ACBF. The Strategy is being used by the Government and other partners in the country’s capacity development efforts and in mobilizing resources for its implementation.

14. **Supporting Nigeria’s financial sector.** The Foundation also supported a senior officials’ capacity building project at the Ministry of Finance of Nigeria. The project

contributed to enhancing the capacity of senior officials to effectively perform their duties in a more effective management of the country's economic policy.

15. *Enhancing farmers' productivity and access to markets in Ethiopia.* An organizational capacity building project was successfully implemented in the Ministry of Livestock and Fisheries of the Federal Democratic Republic of Ethiopia with the objective of enhancing farmers productivity and market access for livestock products.

16. *Enhancing absorptive capacity and M&E in Zimbabwe.* ACBF also facilitated the management of the African Development Bank Group's support to a number of projects in Zimbabwe. The collaboration proved to be very effective in accelerating the absorption of funds and implementation of activities in these projects and the reporting on the utilization of the allocated resources. ACBF also trained Zimbabwe's evaluation professionals on using the ATLAS.ti software in qualitative data analysis.

17. *Promoting domestic resource mobilization in Malawi.* In FY 2019 ACBF also produced an Advisory Note on Domestic Resource Mobilization using the Africa Capacity Report 2019 as well as available secondary data. The Note which was also used by the National Planning Commission of Malawi has been critical in supporting Malawi's adoption of a strategy to mobilize resources from online payment systems.

18. *Providing on-demand advisory services to member States.* During the period under review, ACBF provided technical assistance and advisory services to African countries in a number of areas, including regional integration and the AfCFTA (Ghana); human capital development (Nigeria and Madagascar); private sector development (Madagascar and Kenya).

Strategic Pillar 3: Enhancing Private Sector and Civil Society Contribution to Sustainable Development

19. *Empowering women in agriculture and business.* The Foundation implemented a skills building program for selected women entrepreneurs in Chad, Mali, Republic of Congo, Liberia, Malawi and Rwanda. This exercise was undertaken under the Foundation's Empowering women in Agriculture and Promoting Women's Entrepreneurship programs. Skills were especially developed in such areas as planning and organizing, marketing and financial management. The training will be followed by the provision of start-up capital to enable the women to put the new skills they acquired into practice and improve their welfare and that of their families. The program was implemented in partnership with the Arab Bank for Economic Development in Africa.

20. *Promoting public health through tobacco control.* In FY 2019, ACBF commenced the implementation of a second phase of its Tobacco Control (TC) program in partnership with 11 civil society organizations in Africa. The program is already achieving significant results including the passage of tobacco control legislations in Côte d'Ivoire, Ethiopia and Kenya.

21. **Enhancing organizational monitoring and evaluation systems.** The Foundation also supported tobacco control projects in setting up their monitoring and evaluation systems. Several tobacco control organizations were supported to revamp their M&E system including by developing tools and approaches to use in data collection, management and reporting. Tobacco control partners were also introduced to paperless, real-time data collection.

22. **Strengthening the coordination of tobacco control partners.** ACBF consolidated its partnership with regional Tobacco Control institutions through the launch of a second phase of its capacity building program implemented with the support of the Bill and Melinda Gates Foundation. The regional partners on this program include the Center for Tobacco Control in Africa (CTCA), the Alliance for Tobacco Control in Africa (ATCA) and the University of Cape town (UCT).

Strategic Pillar 4: Leveraging Knowledge and Learning to Increase Development Effectiveness

23. **Enhancing the contributions of Networks and Communities of Practice.** ACBF continued to manage, engage and nurture an extensive network and communities of practice. The networks which include the Strategic Studies Group (SSG), External Reference Group (ERG), African Think Tank Network (ATTN), Policy Institute Committee (PIC) and the Africa Communities of Practice (AfCoP) on Management for Development Results. These networks and communities of practice provide critical support to ACBF's knowledge products and services and to the enhancement of policymaking in the continent. They also provide intellectual guidance and critical insights in delivering evidence-based publications. For example, the SSG peer-reviewed the Africa Capacity Report 2019, and the Belt and Road Initiative Report. The ERG provided support in the production of the *Africa Capacity Report 2019* and served as reviewers for the AfCoP 2019 Forum Research Papers. SSG members also represented ACBF in the 3rd AU Specialized Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration Experts Meeting. The ATTN spearheaded the organization of the 2019 Africa Think Tank Summit and supported the organization of the Africa China Think Tank Forum in Zambia. Through AfCoP, the 2019 Africa Forum on Managing for Development Results (MfDR) was organized in Senegal drawing on a community of over 4,000 members from 41 African countries and around the world.

24. **Documenting and sharing lessons learned in capacity development.** In 2019, ACBF produced with the World Bank 9 "Lessons Notes on Capacity Development" aimed at sharing experiences around capacity development interventions and the work done by ACBF in Africa over the years. The Notes are practical knowledge products which will inform future capacity building interventions while providing additional motivation and support for the continued learning and progress on capacity development across Africa and beyond.

25. ***Increased access to and use of knowledge on capacity development.*** The ACBF Virtual Library on Capacity Development also continued playing a pivotal role of being a platform to disseminate ACBF knowledge products across geographical boundaries. People who accessed ACBF knowledge products via the virtual library in 2019 came from 126 countries 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.

IV. LOOKING AHEAD: OVERVIEW OF FY2020 CAPACITY DEVELOPMENT PRIORITIES

26. During FY2020, ACBF will continue to support the delivery of continental and regional priorities. Specific activities will include:

- Developing a capacity building program to support the implementation of the African Continental Free Trade Area (AfCFTA);
- Providing capacity building support to the African Union to accelerate the execution of the Ten-Year Implementation Plan of Agenda 2063;
- Supporting the preparation, negotiation, implementation, monitoring and evaluation of partnership projects;
- Conducting M&E capacity building training and rolling out the M&E framework for Agenda 2063 at continental, RECs and countries levels;
- Continuing to support the monitoring and evaluation of other continental and regional initiatives such as addressing the Illicit Financial Flows and promoting the APRM;
- Developing a digital capacity development program; and
- Partnering with the African Union Commission, the African Union Development Agency-NEPAD, the African Development Bank, the UN Agencies, the World Bank and Afreximbank in organizing strategic and high-level events on critical issues pertaining to Africa's transformation and sustainable development.

27. In parallel, ACBF will continue to support countries to achieve tangible development results; to promote civil society and private sector organizations' effective contribution to Africa's sustainable development and to leverage knowledge and learning to increase development effectiveness.

V. RECOMMENDATIONS

1. To ensure an effective implementation of the African Continental Free-Trade Area (AfCFTA), it is recommended that African institutions, and especially ACBF, are given preference for the capacity building support required for the AU, its Organs and Member States;
2. ACBF will, in this regard, submit a Capacity Building Program to support the AU, Organs, RECs and Member States readiness for the effective implementation of the AfCFTA for the financing of which it is recommended that the African Union will chair a Donor Pledging Conference;
3. The program will identify and address the capacity imperatives for the implementation of the AfCFTA at African Union, Organs, RECs and Member States levels.

DRAFT DECISION ON THE ACTIVITY REPORT OF THE AFRICAN CAPACITY BUILDING FOUNDATION, A SPECIALIZED AGENCY OF THE AFRICAN UNION

The Executive Council,

1. **WELCOMES AND TAKES NOTE** of the Activity Report of the African Capacity Building Foundation (ACBF) together with the recommendations contained therein;
2. **FURTHER TAKES NOTE** of the PRC's Report after the Assessment conducted by the AU Commission, pursuant to Dec. EX.Cl/1049 of February 2019, on the ***financial contribution that the AU could make to the operation of ACBF;***
3. **ACKNOWLEDGES** the importance for Africa to have African institutions leading the capacity development effort for the effective implementation of the African Continental Free-Trade Area (AFCFTA) and welcomes the Capacity Development Program ACBF is developing to enhance readiness for the AFCFTA at African Union, Organs, RECs and Member States levels
4. **REQUESTS** ACBF to take the lead in building a coalition of African institutions to deliver the required capacity development services;
5. **REQUESTS** the Commission to work with ACBF for the organization of a Donor Pledging Conference during the year 2020 for the mobilization of adequate financial resources for the implementation of the Capacity Development Program.
6. **RECOMMENDS** supplementary budget be allocated to ACBF for the financial year 2020, in line with the options recommended by the PRC in its report.

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