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IMPLEMENTATION COMPLETION AND RESULTS REPORT
(GRANT NUMBERS H647-3A AND H876-3A AND TRUST FUND NUMBER TF-099645)

ON A

REGIONAL IDA GRANT
IN THE AMOUNT OF SDR 16.3 MILLION
(US\$25 MILLION EQUIVALENT)

AND

ADDITIONAL FINANCING
IN THE AMOUNT OF SDR 43.3 MILLION
(US\$65 MILLION EQUIVALENT)

AND

A MULTI-DONOR TRUST FUND
IN THE AMOUNT OF UP TO US\$29 MILLION EQUIVALENT

TO THE

AFRICAN CAPACITY BUILDING FOUNDATION (ACBF)

FOR AN

AFCC2/RI-ACBF REGIONAL CAPACITY BUILDING PROJECT (P122478)

August 31, 2018

Governance Global Practice
Africa Region

CURRENCY EQUIVALENTS

Exchange Rate Effective July 31, 2018

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FISCAL YEAR

July 1 - June 30

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ABBREVIATIONS AND ACRONYMS

AAP	Annual Action Plan
ACBF	African Capacity Building Foundation
AERC	African Economic Research Consortium
AFCRI	Regional Integration Department in the Africa Region (of the World Bank)
AFDB	African Development Bank
APIF	African Policy Institutes Forum
ASCON	Administrative Staff College of Nigeria
AU-CAP	African Union Capacity Building Project
AWDF	African Women Development Fund
BIDPA	Botswana Institute for Development Policy Analysis
BOG	Board of Governors
CAPAN	Cellule d'analyse des Politiques de Developpement de l'assemblee Nationale (Benin)
CAPES	Confederation of Associations in the Private Employment Sector (CAPES)
CAS	Country Assistance Strategy
CEPA	Center for Policy Analysis
CEPOD	Centre d'etudes de Politiques pour le Developpement (Senegal)
CGIAR	Consultative Group on International Agricultural Research
CLK-Net	Country Level Knowledge Network
COI	Conflict of Interest
CDMAP	Africa Capacity Development Management Action Plan
CESAG	Senegal Regional Management School
CODESRIA	Council for the Development of Social Science Research in Africa
COMESA	Community of East and Southern African States
CQS	Consolidated Quotation System
CSD	Climate Change and Sustainable Development
CSA	Climate Smart Agriculture
DGF	Development Grant Facility
EA	Environment Assessment
EB	Executive Board
ECCAS	Economic Community for Central African States
ECOWAS	Economic Community for West African States
EDPRS	Economic Development and Poverty Reduction Strategy
EPM	Economic Policy Management
ERM	Enterprise Risk Management
ES	Executive Secretary
ESAMI	Eastern and Southern African Management Institute
ESRF	Economic and Social Research Foundation
FMA	Financial Management Assessment
GIMPA	Ghana Institute for Management and Public Administration
HESPI	The Horn Economic and Social Policy Institute
HR	Human Resources
IBRD	International Bank for Reconstruction and Development
IC	Individual Consultant
ICB	International Competitive Bidding

ICT	Information and Communications Technology
IDA	International Development Association
IFR	Interim (Unaudited) Financial Report
IPAM	Institute of Public Administration and Management (Sierra Leone)
ISR	Implementation Status Report
K&L	Knowledge and Learning
KIPPRA	Kenya Institute for Public Policy Research and Analysis
LCS	Least Cost Selection
LIPA	Liberia Institute of Public Administration
MDAs	Ministries, Departments and Agencies
MDI	Management Development Institute, Gambia
MDTF	Multi Donor Trust Fund
MAP	Management Action Plan
MEFMI	Macroeconomic and Fiscal Management Institute of Eastern and Southern Africa
M&E	Monitoring and Evaluation
MTR	Midterm Review
NCB	National Competitive Bidding
ORAF	Operational Risk Assessment Framework
PDO	Project Development Objective
PRC	Permanent Representatives Committee
PRCS-RCA	Projet de Renforcement des Capacités en Statistiques de la Republique Centrafricaine
PTIC	Philippine Telecommunication Investment Corporation
PWC	Price Waterhouse Coopers
QBS	Quality-Based Selection
QCBS	Quality- and Cost-Based Selection
RBM	Results Based Management
REC	Regional Economic Communities
RE-MDTF	Recipient-Executed Multi Donor Trust Fund
RFM	Results Framework and Monitoring
RIDA	Regional International Development Association (funds)
SADC	Southern African Development Community
SIG	Special Interest Group
SMTP	Strategic Medium-Term Plan
SOE	Statement of Expenditures
TAP-NET	Technical Advisory Panels and Networks
TOT	Training of Trainers
UNDP	United Nations Development Programme
WAMI	West African Monetary Institute
WUA	Women's University for Africa
ZEPARU	Zimbabwe Economic Policy Analysis and Research Unit

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DATA SHEET

BASIC INFORMATION

Product Information

Project ID P122478	Project Name AFCC2/RI-ACBF Regional Capacity Building Project
Country Africa	Financing Instrument Investment Project Financing
Original EA Category Not Required (C)	Revised EA Category Not Required (C)

Related Projects

Relationship	Project	Approval	Product Line
Additional Financing	P127549-ACBF Regional Capacity Building Project - SMTP 3	05-Dec-2013	IBRD/IDA

Organizations

Borrower African Capacity Building Foundation (ACBF)	Implementing Agency African Capacity Building Foundation (ACBF)
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Project Development Objective (PDO)

Original PDO

The project’s objectives are to contribute to: (i) enhanced capacity for effective policy formulation and management in ACBF sub-grant recipients’ countries; and (ii) improved and sustained management of ACBF’s operations.

Revised PDO

To (i) improve capacity of ACBF’s clients to deliver and measure their development results; and (ii) enhance ACBF’s organizationaleffectiveness and efficiency.



FINANCING			
	Original Amount (US\$)	Revised Amount (US\$)	Actual Disbursed (US\$)
World Bank Financing			
IDA-H6470	25,000,000	24,986,442	24,462,896
TF-99645	29,000,000	28,999,992	28,999,992
IDA-H8760	65,000,000	64,970,258	63,613,988
Total	119,000,000	118,956,692	117,076,876
Non-World Bank Financing			
Borrower	0	0	0
Total	0	0	0
Total Project Cost	119,000,000	118,956,693	117,076,876

KEY DATES				
Approval	Effectiveness	MTR Review	Original Closing	Actual Closing
17-Mar-2011	01-Aug-2011	12-Sep-2016	31-Dec-2015	31-Dec-2017

RESTRUCTURING AND/OR ADDITIONAL FINANCING		
Date(s)	Amount Disbursed (US\$M)	Key Revisions
05-Dec-2013	13.76	Additional Financing Change in Project Development Objectives Change in Results Framework Change in Components and Cost Change in Loan Closing Date(s) Change in Financing Plan Reallocation between Disbursement Categories Change in Legal Covenants Change in Implementation Schedule
06-Feb-2017	81.29	Reallocation between Disbursement Categories



KEY RATINGS

Outcome	Bank Performance	M&E Quality
Satisfactory	Moderately Satisfactory	Substantial

RATINGS OF PROJECT PERFORMANCE IN ISRs

No.	Date ISR Archived	DO Rating	IP Rating	Actual Disbursements (US\$M)
01	04-Jan-2012	Moderately Satisfactory	Moderately Satisfactory	10.89
02	09-Sep-2012	Moderately Satisfactory	Moderately Satisfactory	10.89
03	23-May-2013	Moderately Satisfactory	Satisfactory	12.82
04	25-Jun-2014	Moderately Unsatisfactory	Moderately Unsatisfactory	43.36
05	30-Dec-2014	Moderately Satisfactory	Moderately Satisfactory	57.21
06	19-Jun-2015	Moderately Satisfactory	Moderately Satisfactory	66.63
07	26-Dec-2015	Satisfactory	Moderately Satisfactory	72.18
08	27-Jun-2016	Satisfactory	Satisfactory	76.05
09	29-Dec-2016	Satisfactory	Satisfactory	81.29
10	26-Jun-2017	Satisfactory	Satisfactory	85.23

SECTORS AND THEMES

Sectors

Major Sector/Sector	(%)
Public Administration	100
Central Government (Central Agencies)	50
Other Public Administration	50

Themes

Major Theme/ Theme (Level 2)/ Theme (Level 3)	(%)
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Economic Policy	16
Fiscal Policy	8
Subnational Fiscal Policies	8
Economic Growth and Planning	8
Migration, Remittances and Diaspora Engagement	8
Private Sector Development	33
Jobs	13
Job Creation	5
Youth Employment	8
Enterprise Development	20
MSME Development	20
Public Sector Management	20
Rule of Law	15
Judicial and other Dispute Resolution Mechanisms	5
Legal Institutions for a Market Economy	5
Personal and Property Rights	5
Data Development and Capacity Building	5
Data production, accessibility and use	5
Social Development and Protection	26
Social Inclusion	19
Other Excluded Groups	19
Social Protection	5
Social Safety Nets	5
Fragility, Conflict and Violence	2
Forced Displacement	2
Human Development and Gender	8
Labor Market Policy and Programs	8
Labor Market Institutions	8



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EXECUTIVE SUMMARY

Capacity-building is a difficult area in which to intervene: there are few lasting success stories to showcase investments and efforts directed to this objective. However, as indicated in World Bank (WB) Africa regional strategies over the years, the WB remains committed and engaged on capacity-building, which remains essential for the economic and social transformation of countries in Africa.

The African Capacity Building Foundation (ACBF) project was a US\$119 million investment project originally financed by a US\$25 million Regional IDA (RIDA) Grant and up to US\$29 million in a Multi Donor Trust Fund (MDTF). It was approved on March 17, 2011. A December 5, 2013 Additional Financing (AF) and restructuring added US\$65 million through a RIDA Grant, increasing total project cost to US\$119 million. The project closed on December 31, 2017. The project was designed during 2009-2011 in a difficult environment: the ACBF was implementing its own managerial and organizational reforms, the WB was engaged in difficult discussions with its own shareholders about replenishing its International Development Association (IDA) funding and the proposed project was to be financed through a different duo of WB instruments compared with previous years, which would impact the way ACBF operated. Implementation was also affected by the Ebola epidemic in some West African countries. At the same time, the ACBF also received financing in parallel by African governments, the African Development Bank (AfDB) and other partners.

The project’s original development objectives were to contribute to: (i) enhanced capacity for effective policy formulation and management in ACBF sub-grant recipients’ countries; and (ii) improved and sustained management of ACBF’s operations. The PDOs were tightened at the December 5, 2013 restructuring and AF (when US\$13.76 million had disbursed). The revised PDOs – which enhanced project ambition and rigor - were to: (a) improve the capacity of ACBF’s clients to deliver and measure their development results; and (b) enhance ACBF’s organizational effectiveness and efficiency. The results indicators were also revised to reflect the project’s ‘stretch goals’.

Because the project became overall more ambitious and the operation can be assessed based on revised outcomes and outcome targets, a split rating has not been applied: overall outcome is rated Satisfactory, Bank performance is rated Moderately Satisfactory, and monitoring and evaluation (M&E) quality is rated Substantial (summarized below).

Relevance	Efficacy	Efficiency	Overall Outcome	Bank Performance	M&E Quality
High	Substantial	Substantial	Satisfactory	Moderately Satisfactory	Substantial

The project’s original development objectives were highly relevant for the WB, the ACBF and for Africa. The project was aligned with the WB Africa Region’s strategy of strengthening institutional capacity of African countries, regional economic communities (RECs) and public sector entities. Bank support under the project focused on enabling the ACBF to implement its Third Strategic Medium-Term Plan (SMTP3) efficiently, measuring the results of such support to sub-projects, and controlling ACBF operating costs. The project objective remains relevant today, exemplified by Bank support for capacity building for the African Union Commission and preparation of a regional capacity building project to strengthen civil service and public administration capacity through regional and international networks.

On efficacy, the project substantially achieved its objectives. Both the original PDO indicators and nine out of 12 IRIs were achieved. During 2014-2017, all three PDO indicators and fourteen of fifteen IRIs were achieved: this was a significant achievement, since the 2013 restructuring and AF should have been completed in 2012, but spilled over into December 2013. The ACBF established, strengthened and nurtured the growth of numerous regional and country-specific policy institutes, think tanks and university programs in economic policy management (EPM) and public sector management (PSM). ACBF also ramped up its own Knowledge and Learning (K&L) activities, including publishing an annual flagship



report (the African Capacity Report), and creating and sustaining a network of African think tanks, some of which are on global lists of excellence. Lastly, ACBF substantially met the targets for becoming more efficient in its operations.

Evidence beyond project objectives and results indicators indicates the results and impact of ACBF's work across Africa.

ACBF financing facilitated the growth of think tanks on the African continent long before independent think tanks became a global phenomenon. ACBF financing contributed to the emergence of policy professionals, economists, and entrepreneurs across African countries, including women professionals. Many ACBF alumni – recipients of ACBF scholarships – are in leadership and management positions in governments, international organizations, academia and the private sector, and are champions for the ACBF. The ICR summarizes some of the success stories of sub-projects financed by the ACBF – many others are available on the ACBF website and those of its sub-projects; tracer studies conducted over the years by some universities and think tanks have tracked the progress of their alumni. Annex 13 (the ACBF ICR) provides more detail on the results and impact of ACBF's work across Africa through the project.

The Bank-executed MDTF financed a series of analytical notes on lessons learnt from the Foundation's long experience with capacity-building across the African continent, covering nine themes:

(i) Enhancing policy uptake in Africa: the role of think tanks; (ii) Managing think tanks in Africa: what works and what does not; (iii) How to ensure the sustainability of African think tanks; (iv) Beyond capacity building to capacity retention and utilization; (v) Building capacity in economic policy management: lessons from regional training programs; (vi) Measuring the effectiveness of capacity building programs in Africa; (vii) Challenges of capacity building in fragile states: lessons from Africa; (viii) Supporting policies of regional integration in Africa: experiences and lessons from policy institutes; and (ix) Public sector management in Africa: experiences and lessons from ACBF's training programs.

The project's efficiency was substantial. Efficiency of use of project funds was substantial. This was largely due to cost control efforts and several rounds of ACBF organizational and operational streamlining during the project period. These efforts enabled the ACBF to meet project results indicators on operational efficiency. The project was restructured twice, received Additional Financing in 2013 and was extended by two years. The PDO, results indicators and activities were refined at restructurings to provide greater focus in Bank support, improve measurement of achievements and facilitate sustainability of ACBF operations, especially through increased contributions from African governments and other partners. It achieved the revised PDO indicator on efficiency and the revised IRI on operational efficiency. In addition, ACBF generated significant financing from non-traditional donors such as the Bill and Melinda Gates Foundation (BMGF), improving its prospects for sustainability.

Bank performance is rated Moderately Satisfactory. There were some shortcomings in the wording of the PDO and project results indicators at preparation. These were addressed at restructuring. The Bank seems to have underestimated the time needed to retrofit ACBF sub-projects for RIDA1 financing, as well as the internal impact, on ACBF operations, of the implementation of the MAP. On the other hand, enhanced implementation support was facilitated by Bank supervision resources and the Bank-executed MDTF. The AF and restructuring slipped from 2012 to December 2013 to enable the replenishment of IDA 16 to conclude and, later, to obtain clarity on the issues laid out in the ACBF Letter of Commitment. The task team was quite stable, with the appropriate skills and experience, as supervision documents and ACBF feedback demonstrate. The Bank could have acted faster to resolve the issue of ineligible expenditures (2014-2016).

This ICR highlights several lessons for the ACBF and the World Bank:

Lessons for ACBF:

- a) **Over-dependence on a single donor can hurt organizational sustainability.** The ACBF became overly dependent on a single donor (the WB) and, until recently, paid little attention to its own sustainability. With financial sustainability a challenge, it would be desirable for the ACBF governing bodies to set concrete fund-raising targets and decide what actions need to be taken, by when, and by whom in ACBF, to give effect to the 2012 BOG decision to establish an Endowment Fund of US\$500 million by 2022 (this Fund has remained static at US\$5 million since its inception in 2012);



- b) **It would be desirable for the ACBF to not jettison its hard-won core business strengths built up over decades – especially on macroeconomic management, monitoring and evaluation, and think tank-based knowledge-sharing.** At a time when ACBF’s sustainability is uncertain, it appears to have moved into new thematic areas such as tobacco control. At the same time, numerous countries across Africa are confronting challenges in areas in which ACBF seeded, or built up, enviable expertise – such as in macroeconomic management, economic policy management, public investment management, and monitoring and evaluation. It would be desirable for ACBF to avoid the temptation to cast off its hard-won thematic strengths which, coupled with its close relationships with governments across Africa, can make it a unique provider of technical and analytical support to a growing number of countries that appear to need such policy advice and implementation support over the medium term. And the network of think tanks that ACBF has seeded and nurtured across Africa – many financially sustainable by now – constitute an unparalleled intellectual resource for the continent, one that ACBF could take to the next level by playing a leadership role in identifying and forging new intellectual partnerships beyond Africa, enabling it to carry Africa’s lessons to a global audience and usher in fresh ideas and innovations to Africa; and
- c) **ACBF’s business model must reflect - and adapt swiftly to - its often-swiftly changing operating environment.** After a period of relevance when the ACBF made a significant contribution to Africa’s capacity development, it appears that the organization failed to adapt sufficiently rapidly to changes in its operating environment and (re)make/reinvent itself to ensure its continued relevance to Africa in the 21st century. The Foundation took the Bank’s continued funding for granted and, when confronted with the issue of sustainability, tended to persist with its business model. It is argued that the designation of ACBF as a specialized agency of the African Union Commission demonstrates its ability to successfully adapt itself to its evolving operating environment. This, however, avoids the fundamental issue of the current paucity of reliable medium-term funding for the ACBF. With hardly any reliable funding commitments from new partners (such as the AUC) or from traditional donors (such as the WB), ACBF has been compelled to pick up business on an opportunistic basis, which sometimes appears to take it further away from its core business strengths, which are valued by governments across Africa.

Lessons for the World Bank:

- a) **Choice of instruments is important** - for example, the decision to begin using Regional IDA could have had the unintended effect of driving away bilateral donors who previously supported ACBF, because they did not want to contribute to IDA and again to an MDTF;
- b) **The Bank’s decision to impose a “cap” of 15 on the number of countries in which ACBF could operate with RIDA Grants produced two perverse effects:** (i) a “reverse adverse selection problem” or selection bias, i.e. ACBF chose 15 countries where they could get results since they were also under pressure from the Bank and its shareholders to demonstrate results and impact, even though these 15 countries were not necessarily the countries with greatest need; and (ii) African countries that had pledged support to SMTP3 but were excluded from the list had no incentive to convert their pledges into cash contributions;
- c) **Exit strategies need to be carefully prepared:** the decision to discontinue support to ACBF without an explicit exit strategy hurt the ACBF and its sub-projects, with the WB exit appearing to place the Bank at potential reputational risk with governments in Africa, the ACBF and ACBF sub-grantees;
- d) **It is desirable to avoid disconnects between the regional and the national.** There was a disconnect between what the Bank was supporting through the ACBF (e.g. support for think tanks and graduate training programs) at the regional level and what was happening at the country level in terms of capacity building; and
- e) **Introducing Bank-like processes and controls in bodies where they may not be appropriate may generate adverse consequences:** In its attempt to help ACBF address identified control weaknesses, the Bank persuaded it to introduce processes and procedures that mirrored the Bank’s own and – in some cases – were inappropriate for a smaller organization. The result was an increasingly bureaucratic control environment, loss of ACBF agility, a ballooning of staff costs during 2009-2014, and onerous procedures being passed on to sub-grantees.



I. PROJECT CONTEXT AND DEVELOPMENT OBJECTIVES

A. CONTEXT AT APPRAISAL

Context

1. The context at appraisal was somewhat different from that of most World Bank-financed capacity-building operations: the Bank had supported the African Capacity Building Foundation (ACBF) since its birth in 1991. The ACBF was born on February 9, 1991 as the outcome of a partnership between African governments and the international development community. The World Bank, the African Development Bank (AfDB) and the United Nations Development Program (UNDP) constituted the ACBF's sponsoring agencies, joined by governments from Africa¹ and other continents², bilateral partners and – in September 2002 - by the International Monetary Fund (IMF). The vision for such a partnership was articulated by the World Bank's then Vice President for the Africa Region, Edward "Kim" Jaycox, at a stakeholder meeting in New York in 1989: "The goal and vision can be stated relatively simply: 10, 15, 20 years from now, every Sub-Saharan African country could have its own cadre of very good policy analysts and economic managers— and Africa could have clusters of first-class training and management institutions. There will be much less need for technical assistance and expatriate advisors in these areas. More important, Sub-Saharan Africa will be in more control of its economic destiny, less vulnerable to external shocks and more competitive in the global market place...Africa must have its capacities." This vision gave birth in 1989 to the Africa Capacity Building Initiative, and then in 1991 to the ACBF whose mandate was to finance capacity-building across Africa with strong ownership from African governments. In 1995, following a broad consultative process involving the World Bank's African Governors and a study which yielded a strategy on how the World Bank might enhance the impact of its operations in Africa, the Bank initiated the Partnership for Capacity Building in Africa (PACT), whose implementation was entrusted to ACBF from 2000 onward. The ACBF, under its first Strategic Medium-Term Plan (SMTP1), provided grants and technical support to some 40 countries in Sub-Saharan Africa and to about 34 regional and continental institutions until 2005. The World Bank supported SMTP1 by providing Development Grant Facility (DGF) Grants of US\$147.6 million, which represented 56 percent of the total amount mobilized by ACBF under SMTP1, and by serving as Trustee of the multi-donor trust fund for SMTP1 (SMTP1 MDTF) under which donors provided US\$85.4 million³.

2. The World Bank was represented on both ACBF governance bodies until 2011 – the Regional Vice President (RVP) for the World Bank's Africa Region is formally a member of the ACBF Board of Governors (BOG) and a Director or PREM Sector Manager typically represented the Bank on the ACBF Executive Board (EB). After approval of the RIDA-financed project in 2011, World Bank task teams would supervise the project and – through implementation support and technical advice - assist the ACBF in developing and refining its objectives, policies, procedures and practices.

3. At appraisal, the ACBF had evolved into a pan-African international organization based in Harare. Investing in capacity-building initiatives, with all African countries and other partners represented in its governance structure, its

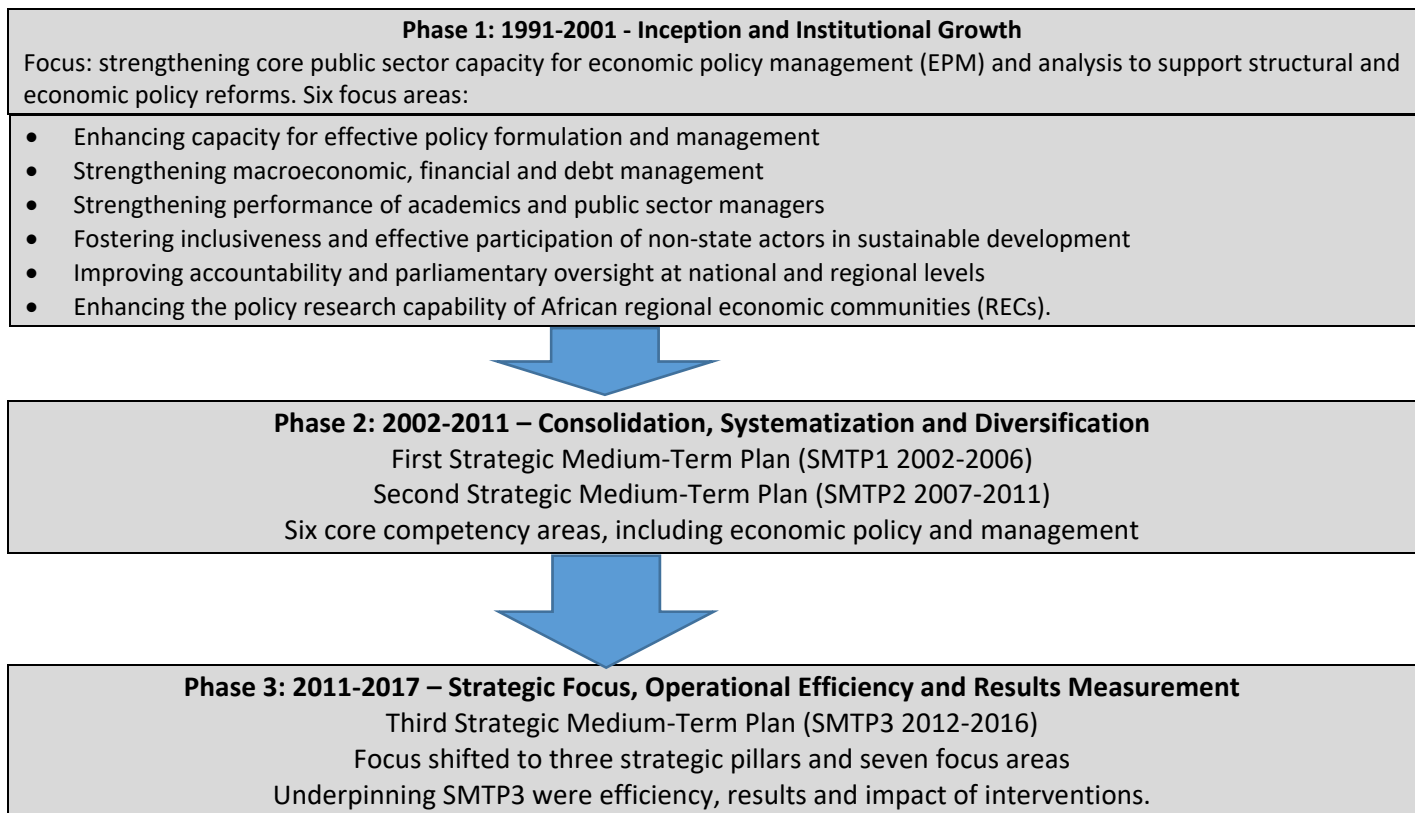
¹ Benin, Botswana, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Congo (Brazzaville), Democratic Republic of Congo, Cote d'Ivoire, Djibouti, Ethiopia, Gabon, Gambia, Ghana, Guinea Bissau, Kenya, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Sudan, Swaziland, Tanzania, Togo, Uganda, Zambia and Zimbabwe.

² Canada, Denmark, Finland, France, Greece, India, Ireland, The Netherlands, Norway, Sweden, the United Kingdom and the United States of America.

³ Project Appraisal Document for the ACBF Project (World Bank Report no. 56099)



vision was to become the premier African capacity development entity, a trusted advisor to national and regional decision-makers, and an effective partner to development stakeholders. Its 3-stage evolution is depicted below.



4. In 2011, the Bank moved from using DGF Grants to Regional IDA to finance its contribution to ACBF; several factors contributed to this change, including:

- a) The Bank’s initial vision of support was predicated on an ambitious US\$1 billion ACBF program for the first fifteen years, envisaged to be funded by the PACT TF - the World Bank decided to source its contributions from own income and its DGF, providing annual tranches to the ACBF, although these grants were not tied to specific sub-projects or purposes;
- b) The World Bank contributed US\$150 million to the ACBF even though none of the other contributors fully delivered on their initial pledges;
- c) In September 2008, an anonymous letter received by donors (the ‘Chamba letter’) alleged human resource and financial management malpractices at ACBF, resulting in suspension of Bank contributions, unease among donors about ACBF, an ACBF-commissioned audit, a Bank-led integrity review, the subsequent adoption of a Management Action Plan (MAP), and departures of several ACBF managers and staff. However, the audit and the integrity review – which took almost two years to complete – did not establish any of the allegations, though they identified several risk factors, resulting in improved risk assessment, enhanced internal controls and more effective and transparent personnel and operations policies and processes;
- d) The 2008 financial crisis impacted the ACBF and its donors. The Bank had to respond to requests for support from economies across the world. Donor countries and aid agencies began to confront aid budget constraints,



- as their policies and public finances focused on crisis management and post-crisis recovery. Some bilateral donors concentrated their aid budgets on selected sectors and countries. The overall mood of ACBF donors changed from liberal support to seeking accountability for performance and results in exchange for financing;
- e) The Bank also confronted tough questions from its shareholders during the 2008-2010 IDA replenishment discussions, which – together with the Chamba-related investigations and audits - resulted in a 2009-2011 hiatus in Bank financing to ACBF;
 - f) Prior to 1998 (when the 1997 Bank reorganization was completed) the “ACBF project” had no institutional ‘home’ in the World Bank, although several Departments, loosely coordinated by the front office of the Africa RVP, dealt with ACBF issues as they arose. Nor was any Bank Department tasked with tracking Bank-financed ACBF activities, performance or results. The Bank’s own internal reforms included abolition of the DGF and greater attention – including from the Board - to trust-funded activities, which had important implications down the road.
 - g) After 1998, ACBF issues – because they had to do with public sector capacity-building - came within the remit of the newly-created Poverty Reduction and Economic Management (PREM) Department: the PREM Director for Africa and the PREM Sector Manager for Public Sector and Institutional Reform began to handle ACBF issues. However, no Bank budget (BB) was allocated for dialogue, supervision or follow-up: a Senior Public Sector Specialist was designated to handle ACBF-related issues and usually accompanied the PREM Director and Sector Manager when they travelled for BOG and EB meetings. In addition, without a Country Management Unit (CMU) providing BB and having a stake in project success, no Bank supervision occurred until the RIDA1 and RE-MDTF-financed project was approved in 2011.

5. By appraisal, the cumulative effect of all these developments culminated in significant decisions by the Bank’s Board (and, by extension, all other ACBF funders) about ACBF’s thematic priorities, financial support, financing instruments, results and cost controls. Bank financing to the ACBF resumed in 2011, but through a new instrument (a Specific Investment Grant, as it was then known) and with financing sources (a Regional IDA grant and an RE-MDTF Grant) and amounts subject to approval by the World Bank’s Board, with a clear picture of ACBF thematic focus, agreed actions for institutional strengthening and significant changes in mutual obligations (i.e. projectized support by the Bank for agreed ACBF sub-projects and activities, with legally binding provisions on project execution, procurement, financial management, results indicators and results reporting). To some ACBF stakeholders, the 2011 Grants appeared to be a “bridging finance” between the DGF and IDA: it was argued that since the Bank suspended disbursements to ACBF after the Chamba letter and also failed to meet its original pledge of USD150 million, the 2011 IDA Grant was, in a way, a symbolic compensation to the ACBF. This trend was reinforced at Additional Financing in 2013, with RIDA2 also subject to the same conditions as RIDA1. The RE-MDTF Grant approved in 2011 – to be spent by the ACBF - was subject to Bank supervision, whereas previous MDTFs (into which the Bank itself contributed its DGF pledges) were ‘pass-through’ instruments. Because the 2011 RE-MDTF was subject to Bank supervision, it was accompanied by a Bank-executed MDTF (BE-MDTF) which provided for “enhanced supervision”.

6. The World Bank supported the ACBF from February 1991 until December 31, 2017, contributing US\$344.72 million (or 51.6 percent) of the total amount of US\$668.32 million that flowed to the ACBF from all sources during these 27 years. From 1991 to 2010, the World Bank provided more than US\$223 million in financing for the ACBF. From January 1, 2011 to December 31, 2017, US\$155.5 million⁴ (or 55.5 percent of ACBF total expenditures during

⁴ This includes US\$38.4 million from the Development Grant Facility released in calendar 2011.



this period) flowed from the World Bank to the ACBF. An overview of ACBF financing from different sources during 1991-2017 is at Table 1.

Table 1. ACBF Financing: World Bank and Other Sources (1991-2017, US\$ million)

	Phase 1	Phase 2	SMTP1	SMTP2	SMTP3	ACBF Strategy 2017-2021	Total	%
World Bank	15.00	10.00	148.10	108.000	63.622	0	344.722	51.6%
AfDB	6.05	6.00	12.00	12.00	4.60	7.00	47.65	7.1%
AfDB Special Operations					14.41	4.96	19.36	2.9%
UNDP	6.72	-	-	1.10	1.00	0	8.81	1.3%
Bilateral Partners	37.62	26.69	89.12	31.02	-	0	184.45	27.6%
African Countries	2.17	2.71	5.65	9.43	22.47	3.38	45.81	6.9%
BMGF					10.12	1.97	12.10	1.8%
AACES					3.00		3.00	0.4%
Other (IMF, RKF)	-	-	2.41	-	-		2.41	0.4%
TOTAL	67.57	45.40	257.28	161.55	119.22	14.82	668.32	100.0%

Source: Adapted from data received from ACBF, May 2018.⁵

7. From 2011, the Bank designated a task team and provided it with a budget to supervise implementation, provide fiduciary oversight and implementation support, and periodically report to Bank management on project implementation and results. Periodic project status reports – later to be called Implementation Status Reports or ISRs - would be publicly disclosed upon adoption of the Bank’s Access to Information Policy. Thus, for the first time, the ACBF became subject to World Bank supervision and fiduciary oversight, while the Bank – through its implementation support and supervision - began to better understand ACF processes and actual practices.

⁵ The WB amount for SMTP3 included some financing for preparation of the Strategy for 2017-2021.



Theory of Change (Results Chain)

8. The Project had a results framework that could be connected to the key elements of the original Project Development Objectives (PDOs). The Project Appraisal Document (PAD) did not describe in detail the results chain or the logic behind the operation. This was not required by Bank procedures at the time of project preparation. Nonetheless, the linkages can be discerned, as indicated in Figure 1.

9. The original PDO is broken down into sub-objectives to establish connection with indicators and activities; the revised PDO is, likewise, disaggregated into 2 sub-objectives. The Results Chain below links the sub-objectives with the PDO indicators, intermediate results indicators and components.

Figure 1. 2011 RIDA1 Project PDOs, Indicators, and Components

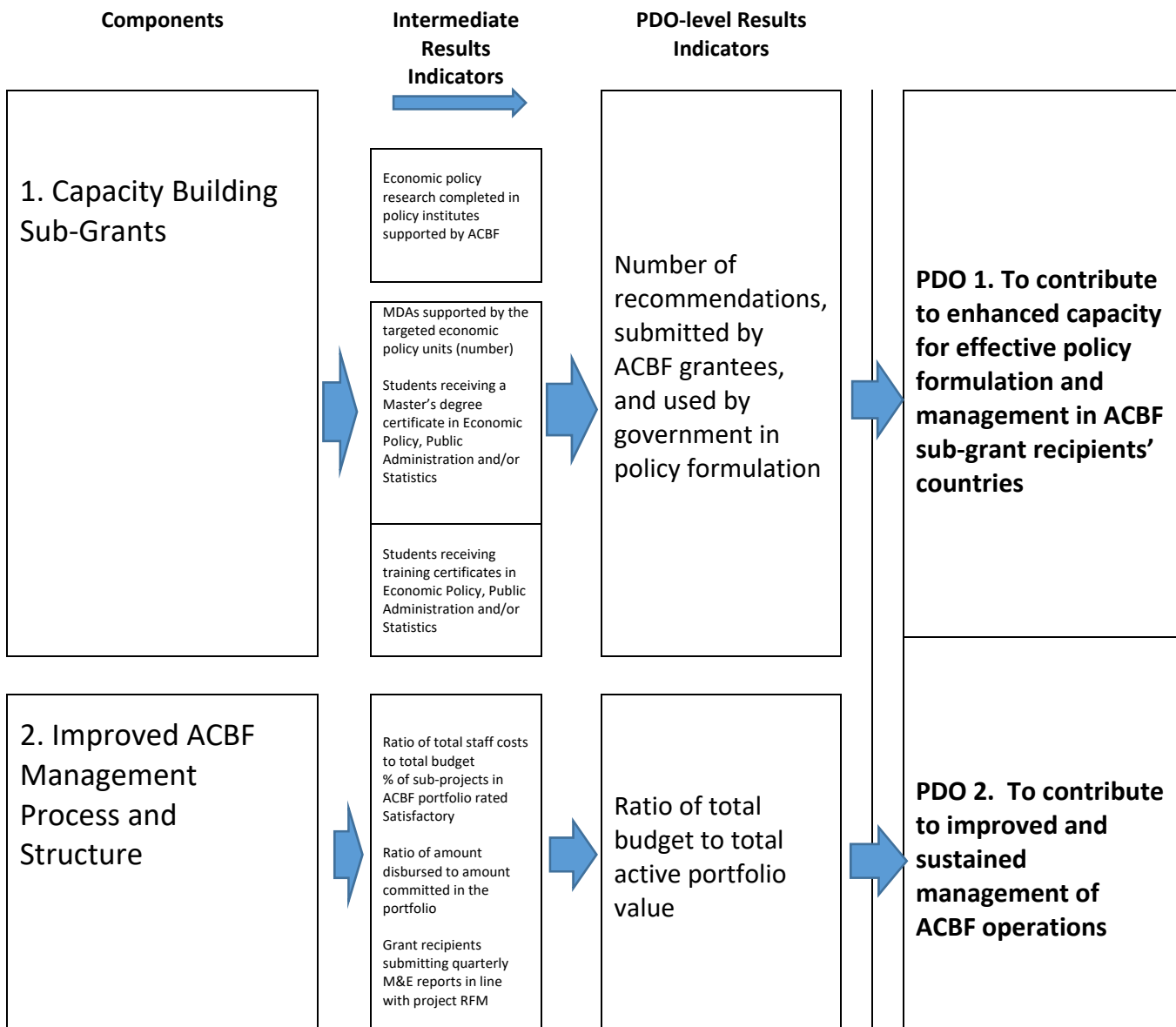
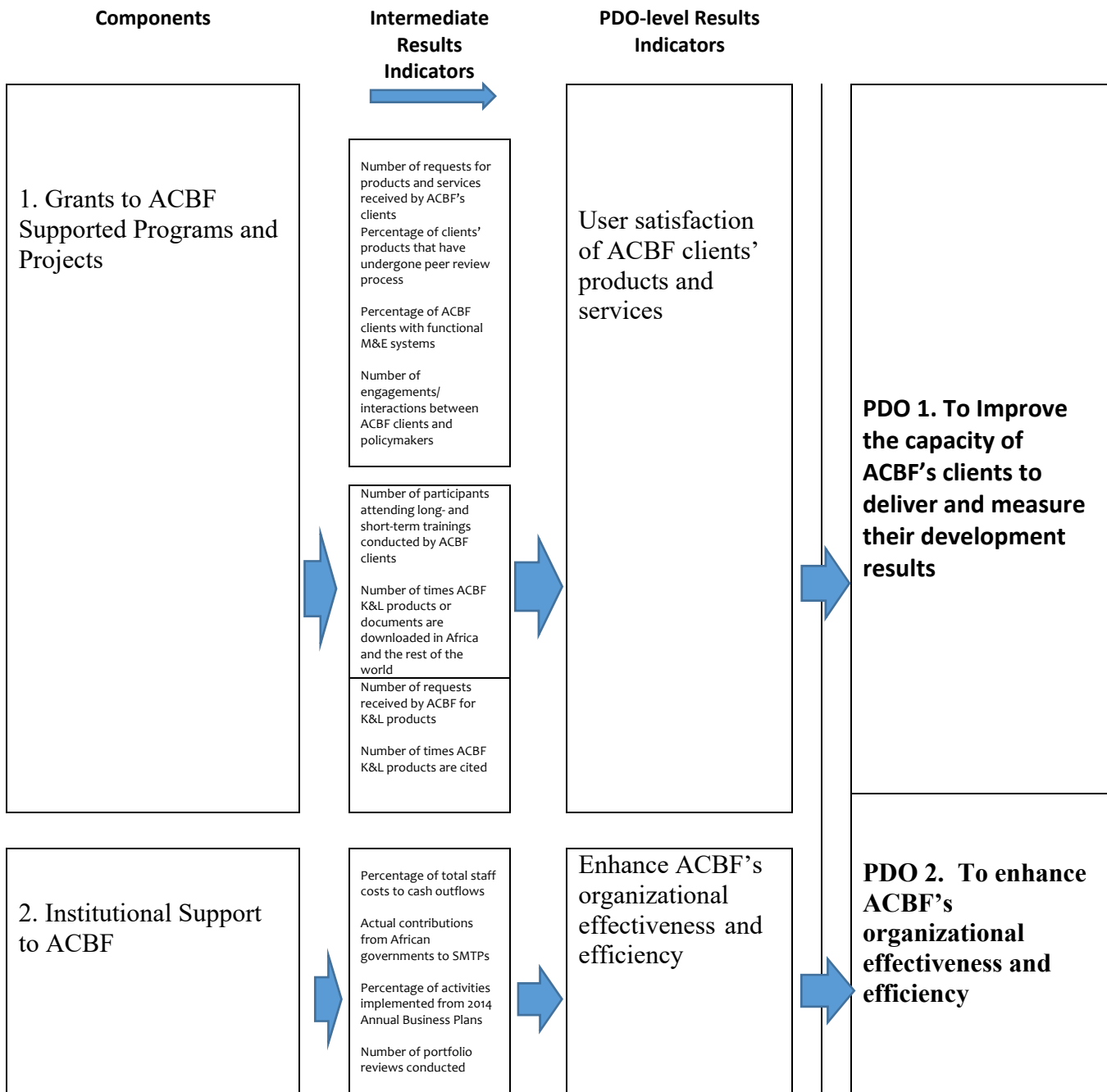




Figure 2. Additional Financing - Revised 2013 Project PDOs, Indicators, and Activities



Project Development Objectives (PDOs)

10. The original project development objectives were to contribute to: (i) enhanced capacity for effective policy formulation and management in ACBF sub-grant recipients' countries; and (ii) improved and sustained management of ACBF's operations.



Key Expected Outcomes and Outcome Indicators

11. Achievement of the development objectives was to be measured through two PDO-level indicators:

a) **Number of recommendations, submitted by ACBF grantees, and used by governments in policy formulation.** This indicator was intended to track the increased use of ACBF sub-grantees' outputs – specifically the think tanks and policy units/institutes - toward improved economic formulation in beneficiary countries; and

b) **Ratio of Total Budget to Total Active Portfolio Value (in percent).** This indicator was intended to measure how much ACBF was spending to deliver and manage each US\$1 of the grants it made. It was meant to track the evolution in operational efficiency, identified as critical to a sustainable program and to ACBF effectiveness.

12. Additional intermediate and output-based indicators for each component, and baselines and targets for the project, were developed. These are shown in the Results Chain above and in the Results Framework and Monitoring (RFM) at Annex 1. The RFM ensured effective monitoring of project achievements during its envisaged execution period of 2011 to 2015. Component 1 key performance indicators tracked outputs from the Sub-projects in the three major types of institutions (think tanks/economic policy units; Regional Economic Communities (RECs); and Training Institutions) supported by the ACBF and included in the 2011 pipeline. Component 2 indicators focused on budget efficiency ratios and portfolio management performance. The project RFM was to be the first step towards developing a broader set of indicators and a measurement framework based on the overall ACBF portfolio, for the ACBF's upcoming Third Strategic Medium-Term Program (SMTP3).

Components

13. The project had two components: “Capacity Building Sub-Grants” and “Institutional Development”.

- **The first component - “Capacity Building Sub-Grants” - financed ACBF sub-grants to public and private beneficiaries in Sub-Saharan African countries and to Regional Organizations serving these countries.** The sub-grants were intended to finance technical assistance sub-projects approved under SMTP2 to enhance the institutional capacities of these beneficiaries in four areas: (i) economic policy analysis and development management; (ii) financial management, accountability and transparency; (iii) national statistics and statistical systems; and (iv) regional economic cooperation and integration and provision of regional public goods. However, to be eligible for financing under the RIDA1 and RE-MDTF Grants, sub-projects had to meet explicit eligibility criteria, including the following:
 - The maximum amount of any Sub-grant was limited to US\$5 million equivalent;
 - The maximum amount of all Sub-grants made to any one Sub-grantee was limited to US\$7 million equivalent, so that funds were not concentrated in a particular area or entity;
 - To be eligible for financing under the RIDA Grant, sub-projects would have to be for the benefit of, or be carried out in, countries that were eligible for IDA financing. Thus, sub-grants to IBRD-only countries and countries in arrears to the Bank would be ineligible for financing under the RIDA Grant; the RE-MDTF could, however, finance such sub-grants;
 - Any proposed sub-project involving feasibility studies or engineering designs for specific investments, and which might therefore trigger World Bank safeguard policies, would not be eligible for financing under either the RIDA Grant or the RE-MDTF Grant;
 - Sub-grants would be subject to Bank fiduciary requirements (e.g., relating to procurement, financial management and audit); and



- Given ACBF’s lack of experience with World Bank policy and operational requirements, seven sub-projects out of the twelve projected in the 2011 pipeline were identified for prior Bank review; any adjustments to the pipeline would have to be submitted to the Bank for approval and decision regarding Bank prior review.
- **The second component - “Institutional Development” - financed activities to strengthen ACBF operations and institutional capacity.** These comprised (a) continued implementation of the activities under the Management Action Plan, (b) development of a forward-looking medium-term strategy (SMTP3) for ACBF, including enhancement of the monitoring and evaluation (M&E) system; (c) appraisal, supervision and evaluation of sub-projects, and (d) implementation of knowledge and learning activities designed to enhance skills and peer learning in economic and public sector management in Africa. Goods, services, training and operating expenses, including ACBF staff salaries, were eligible for financing under this component.
- **The RE-MDTF co-financed the RIDA operation to build synergies among ACBF donors, minimize transaction costs (for ACBF, the Bank, and other donors) and provide a continental canvas for ACBF activities.** It was envisaged that RE-MDTF resources would also enable ACBF to support programs in non-IDA countries and countries in arrears to the World Bank.

14. At the time, project costs by component and source of financing were difficult to estimate, given uncertainties about the scope of the ACBF Grants program and the extent of donor pledges that would actually materialize. The table below shows the best estimate of project costs at approval.

Table 2. Project Costs by Component and Source of Financing (at approval in March 2011)

Project Cost By Component	RIDA (US\$ M)	RE-MDTF (US\$ M)	Total (US\$ M)
A. Capacity Building Sub-Grants	15.0	22.6	37.6
B. Institutional Development	10.0	27.0	37.0
Other (WB RE-MDTF management and supervision costs and fees)		2.0	2.0
Total Financing Required	25.0	51.6	76.6

Source: Adapted from World Bank (ACBF PAD page 15)

15. The above financing amount and instrument was based on critical assumptions made about ACBF activities. In line with ACBF planning needs, Bank assistance through the RIDA1 and RE-MDTF Grants was initially considered under an Adaptable Program Grant (equivalent to the Specific Program Loans or APLs), with two phases and triggers. However, it was ultimately decided to design the RIDA1 Grant of US\$25.0 million equivalent and the RE-MDTF Grant of US\$51.6 million as Specific Investment Grants (equivalent, as instruments, to Specific Investment Loans or SILs) to support the achievement of SMTP2 objectives ending in December 2011, given that the ACBF strategic medium-term plan (SMTP3) for 2012-2016 was yet to be finalized. The PAD stated that “When IDA16 resources are identified and a new SMTP3 is endorsed by ACBF’s governing bodies for the period 2012-2016, a follow-up operation supporting the implementation of the said strategy will be prepared in FY12. New financial support from IDA and under a RE-MDTF for the next operation will be dependent upon evidence of continued satisfactory implementation of the MAP and satisfactory execution of the proposed Project.”⁶

⁶ PAD (Report no. 56099), page 14



B. SIGNIFICANT CHANGES DURING IMPLEMENTATION (IF APPLICABLE)

Revised PDOs and Outcome Targets

16. The PDOs were revised at Additional Financing, approved on December 5, 2013 when US\$13.76 million had disbursed. The revised PDOs were to: (a) improve the capacity of ACBF's clients to deliver and measure their development results; and (b) enhance ACBF's organizational effectiveness and efficiency.

Revised PDO Indicators

The revised PDO indicators were to:

- (i) Improve the capacity of ACBF's clients to deliver and measure their development results; and
- (ii) Enhance ACBF's organizational effectiveness and efficiency

Revised Components

17. The revised components comprised:

Component 1. Grants to ACBF Supported Programs and Projects

Component 2. Institutional Support to ACBF

Other Changes

18. At Additional Financing the project was restructured to include (a) Additional Financing; (b) a change in the Project Development Objectives; (c) changes to the Results Framework; (d) changes in Components and Cost; (e) a change in the Closing Date; (f) a change in the Financing Plan; (g) reallocation between Disbursement Categories; (h) a change in Legal Covenants; and (i) a change in the implementation schedule due to the extension of the closing date.

Rationale for Changes and Their Implication on the Original Theory of Change

19. The changes had been anticipated in the 2011 PAD, which stated that "When IDA16 resources are identified and a new SMTP3 is endorsed by ACBF's governing bodies for the period 2012-2016, a follow-up operation supporting the implementation of the said strategy will be prepared in FY12. New financial support from IDA and under a RE-MDTF for the next operation will be dependent upon evidence of continued satisfactory implementation of the MAP and satisfactory execution of the proposed Project."⁷ This also explains the rationale for the changes, and why the impact on the original theory of change was minimal. In fact, the refinements to the PDO, the PDO indicators and the intermediate-level indicators (IRIs) strengthened the project focus on achievement of its development objectives.

II. OUTCOME

A. RELEVANCE OF PDOs

Assessment of Relevance of PDOs and Rating

20. The original PDOs were highly relevant, and modifying them at the 2013 restructuring increased their relevance. The original PDOs were based on past ACBF performance and lessons learnt from Bank and other donors' support to the ACBF, and were meant to enable the ACBF to address its client countries' capacity challenges (especially in policy formulation and economic management) highlighted in the SMTP2. These PDOs were highly relevant to the Bank, other ACBF donors, the ACBF itself, and ACBF sub-grantees. The revised PDOs were even more relevant, capturing more accurately sub-grantees' capabilities and achievements, as well as ACBF's movement towards greater efficiency and

⁷ PAD (Report no. 56099), page 14



effectiveness. The ACBF demonstrated improved efficiency over the period: a high disbursement-to-cash outflow ratio (80.7 percent) and low staff cost-to-cash outflow ratio (15.7 percent) for FY2015. Overall implementation progress was adequate to ensure completion of project activities and achievement of project results by the extended closing date. In addition, disbursements were in line with projections. There were no material concerns regarding project management, procurement, financial management, and M&E. The improvements in ACBF efficiency and M&E and results tracking capability attracted other 'non-traditional' donors (e.g. BMGF) to ACBF. Lastly, at project closing, PDO relevance remained high because regional capacity-building remained high on the Bank's priorities in the Africa region, exemplified by the continued support to the African Union Commission, the request by the Regional Vice President for a discussion note to be prepared in new approaches to capacity building in Africa, and the preparation of an ambitious regional capacity-building project focusing on strengthening public administration capacity through networks of civil service and public administration training entities. Overall, therefore, the relevance of PDOs is rated **High**.

B. ACHIEVEMENT OF PDOs (EFFICACY)

Assessment of Achievement of Each Objective/Outcome

21. The PDO is broken down into four sub-objectives (two original and two revised), which are assessed individually, based on progress achieved on the relevant indicators and targets in the results framework.

Table 3. Summary of PDO Ratings

PDO	Rating	Overall Rating
PDO 1 (original, 2011). To contribute to enhanced capacity for effective policy formulation and management in ACBF sub-grant recipients' countries	Substantial	Substantial
PDO 2 (original, 2011). To contribute to improved and sustained management of ACBF's operations	Modest	
PDO 3 (revised, 2013). To improve the capacity of ACBF's clients to deliver and measure their development results	Substantial	
PDO 4 (revised, 2013). To enhance ACBF's organizational effectiveness and efficiency	Substantial	

22. During RIDA1 (2011-2013), the project achieved both its PDO indicators and nine of 12 IRIs. The three IRIs not achieved related to outcome 2 (improved and sustained management of ACBF operations). While the objectives were clear, the alignment and linkage between project activities/components and their contribution to the PDO could have been clearer. Due to the large number of indicators, the extent of achievement of each objective is summarized below.

Table 4. RIDA1 Period (2011-2013) – Extent of Achievement of Each Objective

PROJECT DEVELOPMENT OBJECTIVE (PDO):			
1. <i>Enhanced capacity for effective policy formulation and management in ACBF sub-grant recipients' countries</i>			
2. <i>Improved and sustained management of ACBF operations</i>			
PDO Level Results	Baseline	Values (2012 – 2013)	Remarks



Indicators	2010	Target 2013	Achievement Dec. 2013	Performance	
1. Number of recommendations, submitted by ACBF grantees, and used by government in policy formulation	0	15	39	Achieved	<u>260 percent of target achieved</u> Represents the number of policy recommendations submitted to and used by governments from Policy Institutes financed by RIDA1.
2. Ratio of total budget to total active Portfolio value	8%	12.4%	6.5%	Achieved	<u>147.6 percent of target achieved</u> The 2013 achievement exceeded the 2013 target by 5.9 percentage points ⁸ . The total active ACBF portfolio value comprises RIDA1, RE-MDTF and non-RIDA projects.
INTERMEDIATE RESULTS INDICATORS					
Component 1: Strengthened key institutions and human resources involved in policy formulation					
3. Economic policy research completed in policy institutes supported by ACBF	0	30	119	Achieved	<u>396.7 percent of target achieved</u> Relates to Policy Institutes financed by RIDA1/RE-MDTF. (Note: PNR-CAF was not yet declared effective)
4. MDAs supported by the targeted economic policy units (number) - Technical assistance (TA) - Training	0 0	65 155	118 328	Achieved	<u>181.5 percent of target achieved for TA and 211.6 percent for training</u> MDAs were supported through TA (e.g. process facilitation, change management and advisory services) and short-term training. Sub-projects included RESPEC, PROFAP, PRCS CAR, HESPI and KIPPPA.
5. Students receiving a Master's degree certificate in Economic Policy, Public Administration and/or Statistics	0	180	326	Achieved	<u>181.1 percent of target achieved</u> Based on Master's degree programs e.g. PSMT-PGIMPA, CMAAE, PRCS-CAR, EPM Makerere.
6. Students receiving training certificates in Economic Policy, Public Administration and/or Statistics	0	450	842	Achieved	<u>187.1 percent of target achieved</u> Based on short-term training offered by CMAAE, CODESRIA, PROFAP and PRCS-CAR to middle-level public sector managers and other stakeholders.
Component 2: Improved ACBF management process and structures					
7. Ratio of Total Administrative Costs (excluding staff) to Total Budget	16%	17.2%	14.7%	Achieved	<u>Achievement was 114.5 percent of target.</u> Includes RIDA1, RE-MDTF and non-RIDA projects.

⁸ PDO indicator 2 was intended to measure the extent of control of ACBF operating cost ratio. The baseline is correct and the target was indeed set at 12.4 percent because at approval in 2011, the ACBF was in the process of implementing the MAP which, among other things called for strengthened control functions such as internal audit, risk management, financial management and procurement. It was envisaged at approval that the indicator 2 ratio would rise because of the increased staffing implications. The intent of the indicator and target was to control the anticipated rise. As it happened, some ACBF managers/staff departed in 2012 and ACBF streamlined its functioning which, along with the increase in portfolio value, lowered the achieved ratio to 6.5 percent - i.e. ACBF over-performed on this indicator.



8. Ratio of Total Staff Costs to Total Budget	60%	57.7%	70.2%	Not Achieved	73.7 percent of target achieved. Includes RIDA1, RE-MDTF and non-RIDA projects. ACBF exceeded the target for Total Staff Costs by 15.2 percentage points. This ratio comprised RIDA and non-RIDA expenses, and reflected the semi-fixed nature of Staff Costs. ACBF states that in the immediate term, it could not reduce its total staff cost ratio to the targeted level (as it was able to do with variable costs) owing to the semi-fixed nature of these costs.
9. Percentage of Sub-projects in ACBF portfolio rated Satisfactory	46	80%	71.6%	Not Achieved	89.5 percent of target achieved The baseline was 46 sub-projects. At end-2013, 63 sub-projects in the ACBF portfolio were reviewed and rated in the portfolio review covering Jan-Dec 2013, of which 71.6% were rated Satisfactory.
10. Ratio of amount disbursed to amount committed in the portfolio	90%	98%	114.8%	Achieved	117.1 percent of target achieved Includes RIDA1, RE-MDTF and non-RIDA sub-projects.
11. Grant recipients submitting quarterly/ M&E reports in line with the Project Results Framework and Monitoring	0	75%	96.0%	Achieved	128 percent of target achieved 70 sub-projects out of a portfolio of 73 active sub-projects submitted quarterly reports by December 2013.
12. Yearly approved sub-projects/grants	0	44	27	Not Achieved	61.4 percent of target achieved Includes RIDA1, RE-MDTF and non-RIDA sub-projects. New Grant approvals were suspended due to liquidity constraints.

23. During RIDA2 (2014-2017) all three PDO indicators and fourteen of fifteen IRIs were achieved, as summarized below. In hindsight, this was a significant achievement, since the 2013 restructuring and additional financing was scheduled to be completed in the summer of 2013, but spilled over into December 2013 due to concerns among some Bank shareholders about the pace and coverage of ACBF governance improvements, resulting in RIDA2 approval being delayed by about six months until the receipt of the ACBF Letter of Commitment (see Annex 8). This delay held up RIDA2 financing for SMTP3, and ACBF sub-projects envisaged to be financed under SMTP3 remained in suspended animation – and were retrofitted in early 2014, causing further start-up delays - until RIDA2 was approved.

Table 5. RIDA2 Period (2014-2017) – Extent of Achievement of Each Objective

INDICATOR	Values (2014–2017)			COMMENTS
	TARGET (2017)	ACHIEVEMENT (Dec 31, 2017)	PERFORMANCE	
Project Development Objective (PDO):				
(i) Improve the capacity of ACBF’s clients to deliver and measure their development results				
(ii) Enhance ACBF’s organizational effectiveness and efficiency				



1.a User satisfaction of ACBF clients' products	90%	92%	Achieved	<u>102 percent of target achieved for 1.a and 113.75 for 1.b</u>
1.b. User satisfaction of ACBF clients' services	80%	91%	Achieved	The two measures cover products and services offered by ACBF sub-projects to meet their clients' and beneficiaries' needs. The data is derived from satisfaction surveys conducted during the reporting period by 14 sub-projects involving 1,400 respondents.
2. Percentage of sub-projects in ACBF portfolio rated satisfactory and above	77%	90%	Achieved	<u>116.89 percent of target achieved</u> Includes sub-projects rated Highly Satisfactory (HS), Satisfactory (S) and Moderately Satisfactory (MS).
3. Percentage of total disbursements (including K&L products) to cash outflows	80%	80%	Achieved	<u>100 percent of target achieved</u> This signals that a significant proportion of ACBF resources was spent on programmatic activities including K&L products.
INTERMEDIATE RESULTS				
Component-1: Grants to ACBF Supported Programs and Projects				
4. Number of requests for products and services received by ACBF's clients	1,200	6,673	Achieved	<u>556 percent of target achieved</u> 664 requests were recorded from 15 sub-projects.
5. Percentage of clients' products that have undergone peer review process (or any other quality control mechanism)	80%	100%	Achieved	<u>125 percent of target achieved</u> All products generated by ACBF clients were subjected to a peer review/quality control process.
6. Percentage of ACBF clients with functional M&E systems	80%	83%	Achieved	<u>103.75 percent of target achieved</u> Criteria to measure M&E system functionality of ACBF clients include: timely submission of quarterly reports, completion of the RIDA data instrument, generation of success stories and the existence of an M&E focal person.
7. Number of engagements/interactions between ACBF clients and policymakers	360	2,111	Achieved	<u>586.39 percent of target achieved</u> 13 sub-projects had 349 policy engagements/interactions
8. Number of participants attending long- and short-term trainings conducted by ACBF clients	1,800	30,045	Achieved	<u>563.94 percent of target achieved</u> The 2017 mid-year measure recorded 1,712 enrolments in six long-term training programs and 3,575 in short-term training from 7 Think Tanks and 4 regional development organizations
9.- Number of times ACBF K&L products or documents are downloaded in Africa and the rest of the world	55,000	310,171	Achieved	<u>586.39 percent of target achieved</u> Targeted campaigns including social media contributed to an increase in the number of downloads. Data on the number of downloads is collected from



				the ACBF website, virtual library and partner websites using Advanced Web Statistics 7.6 application.
10. Number of requests received by ACBF for K&L products	300	1,119	Achieved	<u>373 percent of target achieved</u> Most requests were generated from events attended by ACBF staff and feedback from e-mail alerts.
11. Number of times ACBF K&L products are cited	12,500	27,469	Achieved	<u>219.75 percent of target achieved</u> The increase is attributed to direct targeting of individual faculty members in academic institutions. The figure refers to citations generated from online publications, using the 'Publish Or Perish' platform and Google Scholar.
Component 2: Institutional Support to ACBF				
12. Percentage of total staff costs to cash outflows	17%	14.6%	Achieved	<u>114.12 percent of target achieved</u> ACBF states that continued efforts are being made to contain and reduce institutional costs while maintaining high service quality
13. Actual contributions from African governments to SMTP1SMTP3	US\$35 million	US\$22.93 million	Not Achieved	<u>65.5 percent of target achieved</u> The target in the PAD was US\$35 million. hence this has been used to calculate achievement of this IRI. However, there was a discrepancy that was picked up during supervision between the PAD target and the target set out in the Letter of Commitment, which was somewhat lower (USD21.11 million). For the ICR, though, the PAD figure is what counts. The extent of achievement signals a positive trend in converting pledges by African member countries into actual contributions.
14. Percentage of activities implemented from 2014 Annual Business Plans	95%	96%	Achieved	<u>101.05 percent of target achieved</u> This is the average execution rate of ACBF Departments' work plans at project closing. The breakdown by ACBF Department is: OPD (91%), K&L (95%), FAD (98%), RSPD (94%), LAD (95%) and IAD (100%). The ACBF states that some planned activities (e.g. related to K&L) could not be implemented due to insufficient funds.
15. Number of portfolio reviews conducted	2	4	Achieved	<u>200 percent of target achieved</u> Four reviews were conducted by the closing date, comprising the 2016 Annual Portfolio Review and the first, second and third Quarter 2017 Portfolio Reviews. Following project closing on Dec 31, 2017,



				the first Quarter 2018 Portfolio Review was under finalization on March 31, 2018.
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24. Additional results achieved on the ground, but not sufficiently captured in the results framework, include: (a) ACBF contribution to building M&E, procurement and financial management capacity in the ACBF sub-projects, as a result of which many sub-projects were able to access funding from other donors, strengthening their sustainability; (b) the impact of readily available and hands-on ACBF implementation support on increasing client capacity and resolving issues on the ground – this consistent feedback was given to ICR missions during its visits to sub-projects in Zimbabwe (ZEPARU, WUA, MEFMI), Ghana (IDEG, WAMI), Senegal (PPRC, SNCR) and Cote d’Ivoire, and reiterated at the May 15-16 ICR Validation Workshop in Harare by sub-projects in other countries (e.g. HESPI/Ethiopia); (c) akin to a ‘seal of good housekeeping’, the assurance provided to potential donors when they learn that the sub-project they are considering for support is financed by – and in partnership with - the ACBF; and (d) ACBF’s success in over-converting the target value of pledges from African countries into actual contributions.

Justification of Overall Efficacy Rating

25. The rating of Substantial is justified by the extent of achievement of the PDO indicators and of the IRIs, the feedback from ACBF’s governing bodies and sub-projects (see Annex 5), the additional results on the ground, and the missed opportunities to (a) approve the project earlier than March 2011 (due to the ongoing IDA replenishment and RIDA establishment discussions between the Bank and its shareholders); (b) achieve the three unfulfilled RIDA1 IRIs relating to ACBF operations; and (c) complete the 2013 restructuring and additional financing in 2012 (as originally scheduled) rather than in December 2013 (as actually happened).

C. EFFICIENCY

Assessment of Efficiency and Rating

Rating: Substantial

26. The PAD (at approval in 2011) or the Project Paper (at AF in 2013) did not provide a cost-benefit analysis of the activities to be financed under the project. This was partly because the benefits from such a project were difficult to quantify, and partly because Bank procedures did not require a cost-benefit analysis for capacity-building operations. The nature of the activities financed by the project – mainly consultancy services, training and knowledge-sharing, besides ACBF operational costs (including costs of staff salaries, travel and limited office equipment) - does not lend itself to standard economic or financial analyses to determine efficiency or value for money. However, the second component of the project (original and revised) was focused on improving ACBF’s organizational and operational efficiency. Hence, the efficiency assessment of the project is based on (a) project costs by component, (b) project performance in respect of PDO 2 (original and revised) and related IRIs, (c) a qualitative assessment of the project’s implementation efficiency and impact such as institutional strengthening of ACBF-supported sub-projects and feedback from stakeholders including sub-projects and (d) the continued implementation support and supervision from the Bank all through the project’s life, funded by the Bank’s own budget and BE-MDTF supervision and management resources. Based on this analysis and available data, project efficiency is rated Substantial.

27. An overview of the implementation period, original component allocations and actual expenditures is presented below. The project was extended by 24 months from the original four years to six years, but this was due to the AF approved on December 5, 2013. The Project disbursed 98.4 percent of the allocated amounts, indicating efficient project management, implementation support and supervision by the ACBF of its sub-projects.



Table 6. Project Cost By Component

IDA-H6470-001 (RIDA1)

Original Components (2011)	Allocation (US\$M)	Actual (US\$M)	% of Allocation
First Component: Capacity Building Sub-Grants	15.00	15.00	100
Second Component: Institutional Development	10.00	10.00	100
Total	25.00	25.00	100.00

IDA-H8760-001 (RIDA2)

Revised Components (2013)	Allocation (US\$M)	Actual (US\$M)	% of Allocation
Component A: Capacity Building Sub-grants, Capacity Indicators Report and Peer Learning Activities	44.00	39.50	89.77
Component B: Institutional Development	21.00	25.50	121.43
Total	65.00	65.00	100.00

TF-99645-001 (RE-MDTF)

Revised Components (2013)	Allocation (US\$M)	Actual (US\$M)	% of Allocation
Component A: Capacity Building Sub-grants, Capacity Indicators Report and Peer Learning Activities	15.00	13.10	87.33
Component B: Institutional Development	14.00	14.00	100.00
Total	29.00	27.10	93.45

28. The second component, focusing on improved management of ACBF operations, overspent its total allocation of US\$45 million by 11 percent, but the circumstances of this increase indicate mostly efficient ACBF institutional development and sub-project management and oversight. During the Mid-Term Review (MTR) mission in September 2016, ACBF requested a reallocation of US\$4.56 million from Category 1 (Program Costs) to Category 2 (Institutional Costs) to enable it to partially meet its operating expenses during 2017. This amount consisted of savings or funds recovered/reallocated from sub-projects. The reallocation request was approved by the Bank through the February 2017 restructuring. This ensured that ACBF obtained the resources to continue supervision and management of its current portfolio of sub-projects, which were largely financed by RIDA and RE-MDTF, and to ensure smooth and orderly closure of projects financed by RIDA and RE-MDTF on December 31, 2017. Prior to this, the Ebola epidemic halted sub-project implementation in several countries: ACBF had to invest additional effort to support sub-projects as soon as the epidemic subsided and it was safe to travel within and across countries.

29. The main challenge facing ACBF was its ability to meet its operating costs. The Additional Financing approved in December 2013 provided for a Bank contribution to operating expenses on a declining basis over the first three years of the project: US\$8 million in 2013 (retroactively), US\$7 million in 2014 and US\$6 million in 2015 - a total of US\$21 million over three years. The expectation at the time was that (a) funds from other sources such as Sweden (as the lone bilateral donor), the AfDB and African member countries would - over this time - supplant World Bank funds; and (b) a US\$35 million final phase of Bank support would be forthcoming, which would include a further - though much diminished - contribution to operating costs. In the event, Sweden withdrew its pledge and AfDB support was far lower than pledged. However, African member countries' contributions came in over target due to ACBF efforts (see Table 5) and the ACBF also received funding from BGMF and the Gates Foundation which, when added to ACBF's continuing cost-cutting and savings, enabled the ACBF to manage its operating costs.



D. JUSTIFICATION OF OVERALL OUTCOME RATING

30. The Overall Outcome is rated Satisfactory. As indicated earlier, the relevance of PDOs is rated High, given the high relevance of the capacity-building agenda for the WBG across Africa, and in individual African countries, at project closing. In addition, the revised PDOs became even more relevant for the reasons explained earlier. Second, efficacy is rated Substantial given the track record of ACBF achievements regarding PDO indicators and IRIs, and the fact that the ACBF had only four years (given the slippage in AF approval from 2012 to December 2013) to absorb the AF and show results. Third, efficiency is rated Substantial. Given the context and for the reasons stated, the Overall Outcome is rated Satisfactory.

E. OTHER OUTCOMES AND IMPACTS

Gender

31. Numerous ACBF-financed sub-projects supported gender-related issues, with the Zimbabwe-based Women's University in Africa (WUA) providing a best-in-class example. The WUA, established with ACBF support with financing from the AfDB, has blossomed into an internationally recognized entity, in its own professional niche, on a sustainable growth path. It has graduated more than 6,000 students, of whom about 80 percent are women. Almost 90 percent of WUA expenditures are met from student fees. The WUA has opened new campuses in Malawi and Zambia in collaboration with local universities.

32. Regional integration activities implemented by regional institutions contributed to enhancing capacity for economic development and integration, women empowerment, youth employment, and supported institutional transformation processes for implementing the continental agenda. The African Union Capacity Building Project (AU-CAP) organized regional training workshops in Private Public Partnerships and Microfinance targeted at Women and Youth in addition to conducting the 8th African Private Sector Forum for youth and women. The main outcome of this Forum was the establishment of training for African women and youth entrepreneurs, African enterprises owned by women in different sectors, African women in the private sector and establishment of a Mentorship Program for young entrepreneurs. The African Women Development Fund (AWDF) continued to strengthen women's organizations in Africa to promote women's rights and make their voices heard. The AWDF organized a Chief Executive Officers' Forum during the reporting period to create the platform for these women leaders to discuss how to improve the leadership functions of their organizations. The CEOs' forum was followed by individual coaching sessions for women leaders. As a result, Vimbai Mlambo from Zimbabwe, for example, who benefited from the Forum and coaching sessions, was promoted to Executive Director after the departure of the Director of her organization. She was also invited by UN Women to join a women's leadership group on women and HIV and AIDS in Zimbabwe where she brought young women's voices and concerns for action in this space. According to Vimbai "AWDF coaching project has truly been inspirational and contributed hugely to my personal development and prepared me into my new leadership position".

Institutional Strengthening

33. The ACBF Knowledge and Learning (K&L) Department peer-reviews flagship and other reports to assure quality:

- The Department ensured that knowledge products were of acceptable quality by having them reviewed by renowned experts. Every knowledge product went through a review process, including ACBF internal reviews and external blind reviews.



- For specific products, such as the Africa Capacity Report (ACR), in addition to the review process, ACBF had put in place an External Review Group (ERG) selected globally, expected to provide intellectual guidance and critical insights and challenge the ACBF ACR team to develop its thinking and ensure that the ACR delivers a critical, evidence-based, policy-oriented Report by a set target date.
- Professional editing of reviewed products, conducted by an external firm, is also part of quality assurance.

34. There is evidence that think tanks supported by ACBF have strengthened their capacity and capabilities, and now serve a broader audience.

- *Agriculture and food security.* FANRPAN trained its country nodes focal points to undertake advocacy on Climate Smart Agriculture (CSA) policy. Node coordinators now have improved capacity to support in-country advocacy activities, namely, developing concept notes, mobilizing diverse stakeholders and facilitating the national policy dialogues, keeping abreast with food, agriculture and natural resources policy issues and participating where required. The FANRPAN Nodes are also taking the lead in engaging with the media to create national awareness on CSA issues. FANRPAN is now being perceived as the go to organization for expertise and research on agriculture and food security issues in Africa. During the reporting period, FANRPAN was engaged by ACBF and FAO to conduct a Needs Assessment for Establishment of an African Centre for Best Practices, Capacity Development and South-South Cooperation (SSC). FANRPAN successfully completed the assignment and presented the needs assessment report during a validation workshop and it was well-received.
- *Creating platforms for dialogue on national policy:* The HESPI in Ethiopia organized a Consultative policy seminar on Federalism in Somalia. The meeting provided the Somali stakeholders various federalism practices and institutional governance frameworks on intergovernmental relations. The participants are now supporting the Somalia government formation by way of helping in mechanisms of constituent States formation, including aspects of power and resources sharing and transfer mechanism.
- *Promoting evidence-based policy making:* The Cameroon Policy Analysis and Research Centre (CAMERCAP) completed a study on science and technology and innovation in Cameroon including an Action Plan presented to the Government to support the revival of science and technology innovation in Cameroon. Some of the recommendations contained in the Action Plan include: development of a National Research Policy Document; mainstreaming of innovation in all policy formulation and; incentives for the promotion of local investment in science, technology and innovation and development of scientific and technological research. In Ethiopia, the HESPI finalized 9 high-quality and peer reviewed research products of regional scope and importance including topics such as: Small and medium enterprises access to Finance in Ethiopia: Synthesis of Demand and Supply, Quantifying the road influence zone on socio-economic development; and Fiscal Federalism and Decentralization in Selected IGAD member countries. Recommendations emerging from the studies will be used for policy formulation.
- *Public Financial Management:* HESPI trained eight (8) senior Audit officials of the supreme Audit Institutions of Somalia and South Sudan in Addis Ababa as part of efforts to consolidate the capacities of Audit Chambers in the two countries and ensure effective auditing. Feedback from the trainees indicated that the training helped the auditors to influence the change process of standardizing financial audits, fraud audits and instituting internal control systems. The institution also trained ten (10) Public Finance Management (budget and treasury) officials mainly from Ministries of Finance and Economic Planning of South Sudan and Somalia on Fiscal Transparency and effective budget management. Practical and hands-on experiences of Kenya,

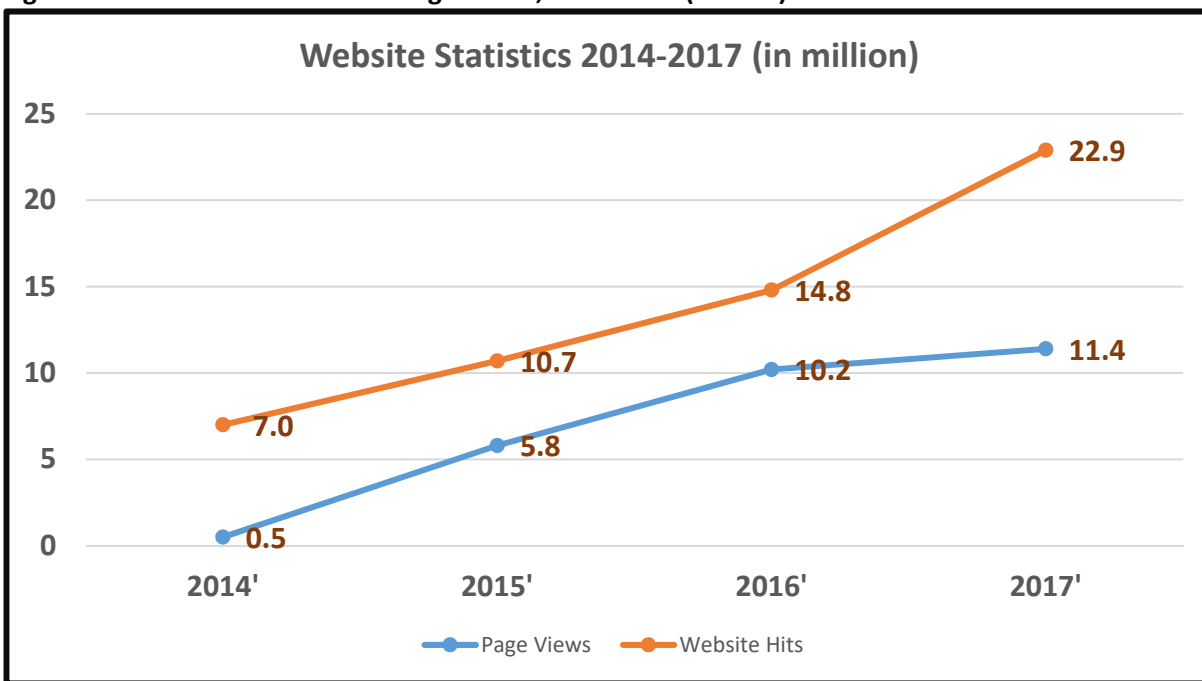


Somali and South Sudan were shared among trainees and this helped to establish a network system for sharing information on issues related to effective public financial management.

35. Two other dimensions of ACBF performance pertinent to this ICR relate to: (a) ACBF visibility through its communication and outreach efforts and (b) the performance of think tanks established or supported by it. ACBF outreach and communication was captured through data relating to ACBF website usage, page views, the ACBF e-Library and ACBF social media initiatives (e.g. Twitter and Facebook).

36. ACBF data on website hits and page views show significant increases during 2014-2017, evidence of increased ACBF visibility through its knowledge products, knowledge events and online information. Figure 3 depicts website usage statistics.

Figure 3. ACBF Website Hits and Page Views, 2014-2017 (million)



Source: ACBF March 2018

37. ACBF data on virtual library usage for 2011-2017 show that out of more than 85,000 users (of whom about 61,000 were new users), 58 percent were from Africa, 18 percent from Europe, 11 percent from the Americas and 9 percent from Asia (Table 7). More information on virtual library usage is at Annex 7. ACBF uses two web analytic and traffic measurement tools - Google Analytics and Advanced Web Statistics (AWStats). It took this decision after observing anomalies and inconsistencies in its statistics. AWStats appears to be less effective at gathering geographical location statistics but can identify other statistics for database-driven files such as PDFs. In contrast, Google Analytics appears to be more accurate for geographical location statistics but appears constrained in respect of other indicators. The data presented by ACBF is a compilation using both tools.

Table 7. ACBF Virtual Library Usage Statistics by Continent, 2011-2017



Continent	Users	New Users
	85,256% of Total: 100% (85,256)	60,927% of Total: 100% (60,927)
1. Africa	57.79%	58.06 %
2. Europe	18.33 %	18.26 %
3. Americas	11.16 %	11.10%
4. Asia	9.08 %	9.02%
5. Other	3.65 %	3.56%

Source: ACBF, February 2018

38. Many policy research institutes and think tanks ‘seeded’ by ACBF have grown into internationally and regionally reputed centers of excellence. In Zimbabwe, for example, the Zimbabwe Economic Policy and Research Unit (ZEPARU) and MEFMI are examples of entities (established by the ACBF with AfDB financing) that have grown in their own professional niches. ZEPARU advises Zimbabwean authorities and appears to be gaining traction on subjects (e.g. mining) on which its expert advice is relevant for Zimbabwe. MEFMI has gained recognition as a regional body with considerable technical and policy expertise in macroeconomic, fiscal and debt management, working with the World Bank, the IMF and other international bodies and advising African governments.

Text Box 1: Think Tanks Supported By ACBF

The ACBF has supported 45 think tanks in 29 African countries; some examples are given below. More details are at Annex 9 (key outputs by theme), Annex 10 (success stories) and Annex 12 (ACBF-supported think tanks).

The *Institute for Democracy and Governance (IDEG)* was established in Ghana in 2000 as an independent, not-for-profit policy research and advocacy organization. Its mission is to generate knowledge and enhance the capacity of citizens to influence public policy choices so as to consolidate democracy and good governance in Ghana and the rest of Africa. It was ranked 69th in the 2017 ranking of Top Think Tanks in Sub-Saharan Africa. In 2003, IDEG, in partnership with the ACBF, launched a 4-year Interface Capacity Building (IDEGCAP) Project (2003-2007) aimed at empowering citizens and non-state actors to influence public policy decisions and their outcomes. Under the project, IDEG undertook policy research and analysis, dialogue and advocacy, and capacity building activities. IDEG also serves as the Secretariat for the Africa Governance Monitoring and Advocacy Project (Afrimap) in Ghana.



The **Macroeconomic and Fiscal Management Institute of Eastern and Southern Africa (MEFMI)** is a regionally owned institute with fourteen member-countries⁹. During the 1980s and 1990s, when African governments faced capacity constraints for debt and reserves management and macroeconomic management, senior economic officials and financial managers in Eastern and Southern Africa launched the Eastern and Southern Africa Initiative in Debt and Reserves Management (ESAIDARM) in 1994, whose mandate was later broadened to cover macroeconomic and financial management issues and renamed MEFMI in 1997. Supported by ACBF, MEFMI activities focus on macro-economic management, financial sector management and sovereign debt management. Its Fellows Development Programme trains promising young professionals into specialists and experts available to their countries and to Africa. MEFMI clients typically comprise ministries of finance, ministries of economic development and planning or equivalent, central banks and other public institutions that interface with these core entities.

The **Kenya Institute of Public Policy Research and Analysis (KIPPRA)** is an autonomous public institute established in 1997 with ACBF support. It began functioning in Nairobi from 1999. Uniquely, it then became an autonomous think tank established under an Act of Parliament (the KIPPRA Act No. 15 of 2006, which became effective on February 1, 2007). Its mission is to provide quality public policy advice to the Government of Kenya by conducting objective research and analysis and through capacity-building, to contribute to the achievement of national development goals.

The **West Africa Monetary Institute (WAMI)** is a regional institute based in Accra, Ghana. Established in January 2001, its mission is to undertake technical preparations for the establishment of a common West African Central Bank and the launching of a single currency for the West African Monetary Zone (WAMZ).

Mobilizing Philanthropic and Private Sector Financing

39. The ACBF is making efforts to diversify its financing sources, including from NGOs and the private sector. In 2015, the ACBF, as part of its business strategy to diversify its financing sources, obtained a grant of US\$18 million from BMGF for work on tobacco control. The Grant is under implementation, financing policy research, technical assistance to think tanks, and public awareness-raising about tobacco control. ACBF also partnered with AUSAID in a fee-for-service arrangement.

Poverty Reduction and Shared Prosperity

40. Several sub-projects supported by the ACBF have undertaken policy research and analysis on issues to do with poverty and shared prosperity. For example, HESPI (Ethiopia), IDEG (Ghana), PPRC (Cote d'Ivoire), and others participated in preparation of Poverty Reduction Strategy Papers (PRSPs), SCDs and other similar products. ACBF and its sub-projects have provided need-based scholarships to students from low-income or disadvantaged families, as the IRIs for RIDA1 and RIDA2 have captured. In Rwanda, ACBF support enabled participation of young researchers in national policy processes following the establishment of the Economic Policy Research Network (EPRN) in 2010. The EPRN facilitated the generation of a critical mass of highly skilled and capable young economists, researchers and analysts who are driving economic policy, poverty reduction and related fields in Rwanda. The EPRN has become a major contributor to national policies, with its work recognized by the

⁹ Angola, Botswana, Burundi, Kenya, Lesotho, Malawi, Mozambique, Namibia, Rwanda, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.



government and with EPRN being called upon to present its views and positions on strategic policy issues including the Economic Development and Poverty Reduction Strategy (EDPRS). ACBF has also supported enhanced inclusiveness and effective participation of non-state actors in policy and development processes, by creating space for inclusive engagement and participation of the private sector and civil society organizations, including women’s organizations and media associations, in national and regional development processes. ACBF supported the institutional development and operational efficiency and effectiveness numerous national NGOs, private sector and media organizations such as the Co-ordinating Assembly of Non-Governmental Organizations in Swaziland in Swaziland; the Lesotho Council of NGOs; the Association of NGOs in Gambia; Non-Governmental Organizations Coordinating Committee in Zambia; the Botswana Council of NGOs and the Zambia Chamber of Small and Medium Business Associations, as well as the West African Journalist Association and the Media Institute of Southern Africa. Support to such organization has enabled them to make significant contributions in amplifying the voices of citizens and the private sector into national policies and programs that reduce poverty and boost shared prosperity.

41. Food Security and Agriculture: In Mauritania, the Centre Mauritanien d’Analyse de Politique (CMAP) produced a report on competitiveness of the agricultural sector which led to an agreed Action Plan to be implemented by the Ministry in charge of Agriculture. The effective implementation of the action Plan will allow the government amongst others to identify the Mauritanian agricultural products with highest export potential in the external market; and to develop Advisory Program to support producers and maintain agricultural machinery. It would also contribute to revitalize and reorganize the seed sector with the objective of making quality seed available by strengthening the structures in charge of their production and their multiplication. Finally, an information system on the market prices of agricultural products will established.

Other Unintended Outcomes and Impacts

- ACBF has moved closer to the African Union Commission (AUC) and has been designated as a specialized agency of the AUC. It is actively assisting the AUC with the implementation of Agenda 2063.
- K&L Products such as Africa Capacity Indicators and African Governance Outlook are in high demand. These and other ACBF knowledge products and expert opinions have become influential: ACBF has been invited to present and disseminate its products at workshops, conferences and meetings at national, continental and global level;
- ACBF alumni (its scholarship recipients) have been some of its most vocal champions – many are in professional, academic and political leadership positions including in national/provincial/municipal governments, with NGOs working on development, or with international organizations such as the UN, the World Bank and the AfDB; and
- The alignment of the ACBF M&E system and those of grantees led to greater harmonization that facilitated tracking and reporting on RIDA1 and RIDA2 results.

III. KEY FACTORS THAT AFFECTED IMPLEMENTATION AND OUTCOME

A. KEY FACTORS DURING PREPARATION

Factors beyond Bank or ACBF control



42. Project preparation coincided with the World Bank’s IDA replenishment process. Bank-donor negotiations included the issue of establishing a Regional IDA facility, for financing sub-projects such as ACBF. Until these discussions were concluded, it was not possible for the Bank to commit to RIDA financing for ACBF. On the ACBF side, this led to uncertainty about the quantum and timing of World Bank financing, exacerbating a situation where the release of DGF funds was suspended by the Bank in 2009 following the Chamba letter, putting stress on ACBF’s ability to finance operating and program costs. According to ACBF management, the Bank never notified ACBF of a suspension although, as a matter of fact, it did withhold funding, putting ACBF at risk. As a result, implementation of ongoing ACBF sub-projects was delayed, as was start-up of ACBF sub-projects proposed to be financed by the RIDA1 and RE-MDTF Grants.

43. The Ebola epidemic affected implementation in some countries. After the epidemic subsided, sub-project and ACBF staff were able to resume implementation and supervision.

Factors within the Bank’s control

44. The Bank’s move to finance the ACBF through a Regional IDA Grant and an associated RE-MDTF was the outcome of the decision by its management to change the instrument of support to the ACBF. As part of a broader decision regarding the appropriate use of DGF resources, Bank management decided that institutions such as ACBF, which were seen to need long-term funding, would be more appropriately funded through other sources. Accordingly, Bank financial support to ACBF was to be provided under a RIDA Grant. At the same time, the historical pass-through SMTP1 MDTF would be replaced with a new RE-MDTF governed by the same operational policies as the RIDA Grant. ACBF and the RIDA1 operation met the eligibility criteria for a regional IDA Grant (see Text Box below).

Text Box 2: ACBF’s Mandate and Regional Work Made It Eligible for A Regional IDA Grant

While ACBF was not formally established as a regional organization by member states, it was created as an autonomous non-profit agency with full juridical personality to serve a continent-wide function in Africa. It had the legal status and fiduciary capacity to receive grant funding and the legal authority to carry out SMTP activities proposed to be financed under the RIDA1 Grant (and RE-MDTF); (b) ACBF did not – and still does not - meet eligibility requirements to take on an IDA credit because it did not generate revenue and would not be able to repay the credit; (c) the costs and benefits of the activity to be financed with an IDA grant were not easily allocated to national programs; (d) the activities to be financed under RIDA1 were related to coordinated interventions to provide regional public goods in capacity-building; (e) while grant co-financing for the activity from other donors was expected under the new RE-MDTF, such co-financing would not be sufficient for ACBF’s planned activities; and (f) under the RIDA1 operation, ACBF would be the recipient of an IDA-funded regional operation involving many of IDA’s Member Countries.

Regional IDA support to ACBF was also justified by the regional focus of many ACBF interventions that would be consolidated in the SMTP2 program to be financed under RIDA1. ACBF had assisted in moving forward the regional integration agenda by strengthening the capacities of regional economic communities (RECs) - such as ECOWAS, ECCAS, COMESA and SADC¹⁰ - which provided a platform for policy harmonization

¹⁰ ECOWAS = Economic Community of West African States; ECCAS = Economic Community of Central African States; COMESA = Community of East and Southern African States; and SADC = Southern African Development Community.



and enhanced trade among member countries. The ACBF SMTP2 grant pipeline had continued to build upon this and would provide funding to COMESA, CODESRIA¹¹, and West African Monetary Institute (WAMI). ACBF had also been instrumental in leveraging several institutions for regional higher education and skills development in economics, public policy, public sector management, financial management and accountability as well as banking sector and capital market regulation.

Under its proposed SMTP2 grants, ACBF was also poised to continue support to regional-based research and education institutions such as Economic Policy Management (EMP) at the University of Ghana, Economic Policy Management (EPM) at the University of Makerere in Uganda, the Ghana Institute of Management and Public Administration (GIMPA) in Ghana, and the Horn Economic and Social Policy Institute (HESPI) in Addis-Ababa. Regional think tanks such as the African Economic Research Consortium (AERC) which benefited from ACBF support, provided a significant source of economic policy capability to the region. Finally, ACBF had established and was set to continue nurturing several Technical Advisory Panels and Networks (TAP-NETs) which had fostered communities of practice and peer learning networks with substantial regional benefits spilling over national boundaries.

45. The RIDA-financed project specified sub-projects and other activities to be financed, along with cost-control targets and RIDA funds could no longer be commingled with other funds. In a significant departure from the previous PACT-ACBF financing structure, financing was tied to specific outcomes, results and activities (see Box below). The key feature of the ACBF-PACT financing structure was that, with only a few exceptions, funds provided were not “targeted” by donors for specific activities. They were commingled in a common PACT-ACBF Trust Fund administered by the World Bank and transferred to ACBF as required.

Text Box 3: ACBF Financing Structure – RIDA1 Ushered In Significant Changes

In the past, ACBF donors used to influence allocation decisions through their membership on the BOG. Specific allocation decisions were made by the EB, primarily in response to recommendations made by the ACBF Secretariat. This approach ran counter to the level of “control” normally required by donors. It was argued at the time that the continuing commitment of financing to ACBF-PACT by a large number of donors and African Governments was an indicator of substantial donor confidence in ACBF capacity and performance. However, two potential risks were inherent in such a financing structure: (i) ACBF’s actual operating practices at the time gave rise to a significant risk that commitment authorities approved by the EB could exceed actual contributions and (ii) the willingness to accept discrete “targeted” funds could eventually undercut ACBF’s relatively unique common-pool financial structure and the resulting programming flexibility. To mitigate those risks, ACBF moved towards: (i) limiting annual commitment authorities for new ACBF sub-projects to 20% less than the annualized amount of explicit “pledges” received and (ii) moving the cycle of pledging and subsequent financial commitments forward so that financing of subsequent cycles would already be in place prior to the expiration of the previous cycle.¹²

46. The Bank took actions to address the issues in the Chamba letter in its capacity as trustee of the PACT MDTF and on its own behalf in respect of the DGF: (i) funds allocated for the FY09 DGF (US\$26 million) were frozen, as were the balance of undisbursed funds under the SMTP1 MDTF (US\$42 million); and (ii) additional audits were

¹¹ Council for the Development of Social Sciences Research in Africa

¹² The 1997 evaluation report suggested that ACBF establish a policy prohibiting acceptance of targeted financing held separate from the common-pool PACT-ACBF Trust Fund, but the evolution of international aid practices was to make this irrelevant, as donors became increasingly uncomfortable with financing not tied to specific activities.



conducted to identify if fraud or corruption had in fact taken place at the sub-grantee level - no cases of fraud or corruption were established.

47. In June 2010, following progress in MAP implementation and consultations with donors, the Bank approved the release of an initial tranche of both the FY09 DGF Grant and the SMTP1 MDTF to ACBF. Based on positive assessment of the implementation of management actions conditioning the availability of an initial tranche of each of the FY09 DGF Grant and undisbursed amount of the SMTP1 MDTF and intended to restore effective internal controls and financial procedures within ACBF and for ACBF grantees of existing and upcoming grants, the Bank disbursed US\$17 million in June 2010. At approval of RIDA1 in March 2011, it was expected that remaining conditions, which were prerequisites to availability of a second and third tranche of each of the FY09 DGF Grant and SMTP1 MDTF aggregating a total of US\$51 million, would be met in 2011. Concurrently, the Bank decided to resume support to implementation of SMTP2 program.

48. Three lessons informed project design, financing mode and the Bank's role vis-à-vis the ACBF:

- *Enhancing a systematic approach to track results:* ACBF was required to initiate a new RFM with a dual focus on (i) tracking ACBF's operational performance through December 2011; and (ii) enhancing the M&E system for proper monitoring of the future strategy (SMTP3);
- *Appropriate management of fiduciary risks:* Bank management felt that the pre-RIDA pass-through arrangements for donor financing and DGF grants to the ACBF and the consequent limited contractual fiduciary oversight role of the Bank as donor and as trustee in relation to disbursements made to ACBF had proved to be inadequate. Based on the fiduciary assessment of the ACBF at appraisal, the Bank and ACBF agreed that RIDA financing required the application of standard Bank fiduciary policies and technical supervision to provide better assurance that Bank and donor funds were spent for intended purposes.
- *Addressing the Bank's perceived conflict of interest (COI):* Bank management felt that the Bank's continued presence on the EB would pose COI issues between the Bank's roles as (i) executive director of ACBF endorsing ACBF managerial actions and approving projects for funding and (ii) as trustee and financier, with fiduciary and supervision responsibilities and arms-length agreement terms. For the RIDA1/RE-MDTF project, the Bank determined that its formal supervision role would be incompatible with its continued representation at the Executive Board, and decided to withdraw from the EB.

49. The Bank undertook a detailed 2010-2011 assessment of ACBF fiduciary capacity – to the standards applied to World Bank-financed sub-projects – which formed the basis for ACBF to be financed through RIDA1 and RE-MDTF Grants: these fiduciary standards and processes raised the bar for ACBF and its sub-grantees, and provided assurance to other donors about the adequacy of ACBF's fiduciary capacity:

- *The ACBF financial management (FM) assessment examined the ACBF's capacity to carry out the FM functions required for the proposed Grants: subject to a few suggested improvements, the assessment showed that ACBF had the capacity to carry out the FM functions required to implement the proposed grants.* It had, with Bank and AfDB support, improved its FM and governance as part of its MAP. As a result, the ACBF had substantially implemented improved Manuals to guide FM, Procurement and Operations activities. It had also strengthened its FM staffing, which enhanced, among other things, internal controls, audit systems and controls at sub-grantees' level.
- *The FM assessment, through risk evaluation, noted some systemic issues to be addressed through a time-bound Action Plan.* The weaknesses included (i) completing its IT systems integration: ACBF used the SUN system for accounting, which only interfaced with the payroll system and allowed manual intervention



between – and sometimes within – subsystems, making internal controls less effective; and (ii) other improvements including (but not limited to) the full adoption of International Financial Reporting Standards and the regular issuance of Interim Financial Reports (IFRs) in format and substance satisfactory to the Bank. An agreed Action Plan in the PAD detailed the additional actions required and the timetable to strengthen the FM function.

- *Procurement under the project would be carried out in accordance with the World Bank's Guidelines, a major fiduciary change for the ACBF.* The use of the World Bank's procurement guidelines would be mandatory for all contracts financed under the Grants. At Sub-grant level, these requirements, and the particular procurement methods to be used and institutional arrangements to be maintained by the Sub-grantees, would be elaborated in ACBF's Procurement Guidelines, which were to be updated and finalized as part of the updated Operations Manual, as a condition of project effectiveness. The ACBF was required to apply specific procurement methods detailed in the PAD. The Bank and ACBF reviewed the ACBF's template for the Financing Agreement with Beneficiaries and ACBF prior review thresholds which had remained unchanged for decades were revised. The ACBF Procurement Guidelines had been structured on the Basis of the World Bank's 1992 Procurement and Consultants' guidelines and had remained unchanged until about 2011. These changes also led to cost savings and operational efficiencies as ACBF involvement and travel was reduced considerably compared to the past.
- *The overall capacity of ACBF to manage procurement under the proposed project was deemed adequate and the procurement risk was rated as 'medium' driven by likelihood (ML).* The procurement assessment showed that ACBF had adequate institutional arrangements with clear roles and responsibilities for procurement. In addition to an existing procurement unit, ACBF had recruited an international Procurement Specialist to strengthen the management of its internal procurement and that of Sub-grantees. Several operational guidelines had been developed and adopted by the ACBF to mitigate the identified risks. The envisaged contracts to be procured under the project were generally of small value.
- *It was understood that the procurement capacity of sub-grantees would only be known after the sub-projects were appraised by ACBF.* Historically, the majority of ACBF grant recipients had been government and quasi-government agencies with procurement knowledge based on national procurement laws. The contracts envisaged, though many and scattered, were expected to be small in value. In addition, ACBF had already put in place policies and procedures to assess Sub-grantee capacity and mitigate against potential risks.
- *The Bank requested – and the ACBF agreed to – specific procurement-strengthening actions, laid out in a Procurement Action Plan in the PAD, including: (i) revision by ACBF, as a condition of effectiveness, of its Operational Manual (including Procurement Guidelines for its Grant Recipients) to ensure consistency with other Manuals and with Bank policies; and (ii) training (with ongoing assistance from the Bank) of Project Officers in procurement and FM for Sub-grants, in particular, familiarization with the Bank's specific procurement requirements for the RIDA and RE-MDTF Grants. In addition, ACBF was required to conduct an annual procurement audit (commencing FY 2011) with experts whose terms of reference, qualifications and experience were acceptable to the Bank, and furnish the report of the audit to the Bank not later than 6 months after the end of the year.*
- *The Bank also specified the disbursement methods and processes: the proceeds of both Grants would be disbursed against eligible expenditures incurred under SMTP2 – a major departure from previous modes of financing.* These expenditures comprised eligible goods, services, training and operating costs. Retroactive financing of up to US\$5 million equivalent of the IDA Grant and 20% of the RE-MDTF for operating expenses under Component 2 (Institutional Development) was also provided. ACBF financial statements, including those for the project, would be audited annually by independent auditors acceptable to the Bank. The Bank would disburse the RIDA Grant and RE-MDTF Grant proceeds based on consolidated and quarterly



withdrawal requests sent by ACBF. The Bank would provide ACBF with advances through two Designated Accounts opened respectively for each Grant in a reputable commercial bank, satisfactory to the Bank. To allow for proper tracking of eligible expenditures financed under the RIDA1 and RE-MDTF Grants, withdrawal requests would be accompanied by unaudited Interim Financial Reports (IFRs) indicating sources and uses of funds. While the operating costs and Sub-grants to Sub-grantees could be committed during FY2011, the RIDA1 Grant and RE-MDTF Grant proceeds were envisaged to be disbursed over 4 to 5 years, reflecting the normal disbursement period of ACBF's sub-grants.

Factors within the ACBF's control

50. The EB approved several sub-projects in anticipation of RIDA1 and RE-MDTF financing (i.e. when the project was under preparation), when the quantum of such financing was still not known (see risks in Box below). Consequently, RIDA1- and RE-MDTF Grant- financed sub-projects had to be "retrofitted" (i.e. their project costs reduced, implementation timelines revised, and results indicators updated to bring them into alignment with those in the Bank-financed project) following approval by the Bank of RIDA and RE-MDTF financing.

51. The Chamba letter led to significant actions by ACBF governing bodies, which impacted RIDA1 preparation. Notable ACBF actions included: (i) a freeze on approval of new sub-projects; (ii) an independent review by a consultant of the corporate governance framework at ACBF; (iii) ACBF's adoption and implementation – over the next few years – of a Management Action Plan (MAP – see next section) to strengthen its Internal Control Framework; and (iv) commissioning of a forensic audit and human resources audit of ACBF.

52. The ACBF adopted a MAP in 2009 and implemented it through 2014 – it shaped ACBF's outlook, functioning and processes for almost a decade. A new ES took office in July 2009 and moved aggressively to design and implement a far-reaching MAP to restore good management at the ACBF. A new management team was recruited, with half of the positions being externally filled. With Bank and AfDB support, ACBF management implemented MAP actions designed to restore (i) effective internal controls and financial procedures within ACBF; (ii) effective controls for existing sub-projects implemented by ACBF grantees as well as for the selection and approval of new sub-projects; and (iii) effective oversight of ACBF management. The MAP revived ACBF with better-motivated staff, strengthened internal controls, and enhanced systems and tools allowing for swift resumption of SMTP2.

53. The various audits and investigations conducted following the Chamba letter found no instance of embezzlement or corruption of any sort; they, however, recommended that ACBF should strengthen its systems and processes to avert the risks identified. In response to these recommendations, ACBF developed a MAP which was approved by the World Bank and implemented to the satisfaction of all financing partners. The MAP provoked a significant increase in ACBF's operating costs. Unfortunately, the inflows expected following the implementation of the MAP never materialized, because all bilateral partners withdrew support to ACBF. Due to insufficient inflows, the Bank found the cost/revenue ratio of ACBF to be inappropriate and began discussions on a restructuring of ACBF. The ACBF EB committed in a "Letter of Commitment" sent to the World Bank's Vice President for the Africa Region in November 2013, to implementing deep reforms to address the cost/revenue imbalance. These reforms were concluded by the current ES and completed to the satisfaction of the World Bank in October 2014. Details of the implementation of these reforms are at Annex 8. Following these reforms, the ACBF has become a more efficient and effective institution, which operates with a clear business model built around the following five service lines: (a) Resource mobilization to finance the capacity development effort in Africa; (b) Capacity Development Advisory Services; (c) Investment in Capacity Development (including managing



funds that development partners invest in capacity development in Africa); (d) Promoting innovation in capacity development and (e) Leveraging knowledge and learning for capacity development.

B. KEY FACTORS DURING IMPLEMENTATION

Factors within ACBF control

54. ACBF strengthened its fiduciary arrangements for World Bank RIDA financing. The ACBF strengthened its procurement arrangements, hiring more staff, training them on Bank procurement processes and procedures, and submitting for Bank review relevant procurement documents (e.g. terms of reference, bid documents and contracts above agreed threshold amounts). It also strengthened project financial management, internal controls, internal audit and financial reporting and was required to submit quarterly unaudited interim financial statements to the Bank's financial management specialists for review.

55. Under RIDA1 and RIDA2, ACBF strengthened its M&E capacity, results tracking and results reporting, while also making its K&L products available more widely. The ACBF was required to submit to the Bank semi-annual implementation progress reports for RIDA-financed sub-projects and activities and update its RFM and revise its Operations Manual to – among other things – enhance its sub-project monitoring and evaluation. The monitoring and evaluation of progress towards achieving the project objectives would entail continuous and systematic collection of data on inputs, outputs and intermediate outcome indicators of the Project. The main beneficiaries of ACBF K&L products are African policy makers; development partners; universities across Africa and beyond. The knowledge products are made more accessible through various channels, including posting on the ACBF website (the E-Library) in both English and French versions; products launch in many countries (e.g. the Africa Capacity Report) in partnership with think tanks that participate in their production and with other partners such as UNCTAD, IDEA and UNECA. Printed copies and flash-drives are used to disseminate products during events in which ACBF participates.

Factors within Bank control

56. The Bank could have communicated more effectively with ACBF on several occasions. There was need for more effective and timely communication. The point was also made that the Bank did not consult with ACBF – which considered itself a partner – about its decision to withdraw, nor was the ACBF officially informed in a clear and timely manner about the Bank's decision to stop further funding when the project closed in December 2017. This is also the case regarding the matters surrounding the travel audit and ineligible expenditures. Even before these events, the Bank did not communicate frankly to ACBF about the internal discussions that took place in the aftermath of the Chamba letter. Had the Bank been more open and candid with the ACBF and sub-projects, the latter might perhaps have realized earlier that Bank financing was to end in 2017.

IV. BANK PERFORMANCE, COMPLIANCE ISSUES, AND RISK TO DEVELOPMENT OUTCOME

A. QUALITY OF MONITORING AND EVALUATION (M&E)

57. The overall quality of M&E is rated **Substantial**.

58. At RIDA1 start-up, M&E was an established ACBF function since 2008 – its key features provide context for assessing the quality of M&E during 2011-2017. The ACBF's results management function was formally



institutionalized in early 2008 when the Foundation adopted the Managing for Development Results (MfDR) as an overarching approach to strengthen its performance, learning and accountability. An Operations Evaluation Department (OED) was established in 2008, with a mandate to build and implement a robust results-based M&E system to enable systematic performance tracking and results reporting for the Foundation. The establishment of the OED marked the commitment of transforming ACBF into a results-oriented and learning organization. A September 2008 OED comprehensive review of ACBF M&E requirements and institutional capacity - the so-called "Audit of ACBF M&E System" - largely informed the design and operationalization of the M&E system of the Foundation. Sufficient skilled and experienced staff were recruited by ACBF over the years to discharge M&E roles and responsibilities.

59. By 2010, the ACBF M&E system covered four major elements: evaluation policy, an M&E Manual, M&E processes, and M&E tools:

- The Evaluation Policy described the procedures, approach and processes to guide ACBF's evaluation work. It outlined the types of evaluation to be conducted by ACBF, including Mid-term Reviews, End-of-Project Evaluations, Project Completion Reports, Thematic Evaluations and Strategic Plan Evaluations. In addition, the policy specifies the roles and responsibilities of key actors in evaluation processes and provides guidance on how to use evaluation findings or products.
- The M&E Manual provided guidance on embedding the MfDR into ACBF operations. It complemented the evaluation policy and operations manual with step-by-step guidance on monitoring, evaluating and reporting on ACBF capacity-building interventions. The manual contained key tools and templates for planning, data gathering and analysis and reporting at both ACBF and project levels and provided criteria for assessing data quality in terms of reliability and validity.
- M&E processes comprised the key steps defined by ACBF in monitoring and evaluating its capacity-building interventions. These included: (1) assessing the theory of change of the proposed interventions; (2) development a Results Measurement Framework (RFM) and the related M&E Plan for the interventions; (3) conducting baseline for measuring the initial status of the results-level indicators and setting appropriate targets; (4) conducting regular monitoring missions; (5) conducting mid-term reviews to assess the implementation progress and ensure achievement towards the intended objectives; (6) conducting end-of-project evaluations to assess changes brought about by the intervention and its development impact as well as the key lessons to be drawn up; (7) organizing results dissemination activities and use of lessons.
- M&E tools: Two categories of tools or instruments were developed to support M&E processes within ACBF. First, the corporate-level tools are designed to help compile data from sub-projects and also to facilitate the planning and reporting processes at ACBF Secretariat. These include: Business Plan monitoring matrix, departmental plan progress reporting template, donor-specific reporting templates. Second, the project-level tools and templates for harmonizing the planning and reporting processes at grants recipients' level. RFM and M&E Plan are the key planning tools to be used in the project appraisal document (PAD). In addition, the Foundation also developed quarterly reporting template, indicators tracking table (ITT), administrative data collection tools kits, performance data sheet, M&E capacity assessment tool and success stories template.

60. The M&E unit's remit has three elements: upstream reviews of project proposals (to ensure logical clarity of proposed interventions and the adequacy of results monitoring arrangements); participating in mainstream project supervisions (for systematic performance monitoring) and downstream assessments of implemented interventions (to determine the extent to which results have been achieved and to re-examine initial assumptions to improve future interventions). Despite frequent movements, the M&E unit's mandate has largely remained



stable; it is currently staffed by two M&E Specialists.

61. Despite ACBF M&E capabilities at RIDA1 start-up, the move from DGF to RIDA financing required the ACBF to further strengthen this function. ACBF embedded the RIDA results framework and M&E requirements into its organizational M&E processes to strengthen its M&E capacity. It also aligned its M&E system with those of sub-grantees for greater harmonization to facilitate RIDA1 - and later RIDA2 – results tracking and reporting.

M&E Design

62. The RIDA1 M&E function was designed to enable timely management decision-making through regular and up-to-date information about the performance of ACBF-financed sub-projects and to identify actual or potential implementation problems. M&E findings were reflected in Quarterly and Annual Progress Reports submitted to ACBF management and shared with the BOG, EB, IDA and other donors. These Progress Reports reflected implementation of activities under Sub-projects managed by ACBF Sub-grantees, ACBF's own institutional activities, training and studies, performance indicators and Financial Monitoring Reports (FMR). They also covered other issues identified during ACBF project supervision and the effect of actions taken to resolve such issues. The fourth Quarterly Report is in the form of an Annual Report, covering progress during the year.

63. Due to ACBF's existing corporate M&E system, the RIDA1 M&E system was largely embedded in ACBF's own M&E organization, tools and systems, enhancing the probability of sustaining project gains in future. Hence, further strengthening ACBF capacity for data collection, reporting on activities and outcomes, and tracking of key results at corporate and grantee levels was a priority activity supported by the Project. The continued functioning of a full M&E Unit with dedicated staffing strengthened a results culture within the Foundation.

64. Based on an M&E assessment during project preparation, the ACBF adopted an Action Plan to prepare (a) a draft Results Framework and Monitoring RFM for the Project acceptable to the Bank and (b) a draft RFM for two Strategic Medium-Term Plans (SMTP2 and SMTP3) to be completed when the Strategies were finalized. Furthermore, the ACBF undertook – through binding legal covenants - to: (i) adjust its staff responsibilities in a manner satisfactory to the Bank to ensure that assessments of the M&E systems to be used under proposed Sub-grants were conducted upstream by the Recipient (i.e. during preparation of each Sub-project, prior to its approval for financing); (ii) prepare quarterly monitoring and evaluation reports on all ACBF activities (including Sub-projects) in form and substance acceptable to the Bank. In addition, as a condition of effectiveness, ACBF revised its Operations Manual to – among other things - further enhance Sub-project monitoring and evaluation.

M&E Implementation

65. The implementation of the existing ACBF M&E system commenced from 2010, when the EB approved the Results Measurement Framework (RFM) as the standard tool to support the articulation of the results chain for all ACBF-funded interventions and the M&E Plan as the main RFM instrument. The RFM was designed to ensure effective monitoring of results during project implementation.

66. Upon RIDA1 approval in 2011, numerous ACBF sub-projects – either ongoing or approved but not yet started – were rapidly 'retrofitted' to access RIDA1 funding. Because these sub-projects did not have M&E arrangements aligned with Bank/RIDA requirements, project and ACBF staff needed to be trained to effectively perform RIDA-associated M&E functions while modifying project M&E indicators and monitoring arrangements. Several hands-on regional M&E training



workshops were conducted for the relevant sub-projects and ACBF staff. Customized training was also provided on specific M&E challenges faced by project staff. The 2011 project retrofits involved nearly 70 sub-projects which successfully and rapidly were helped to integrate stronger M&E arrangements into their operational processes. Since then, these sub-projects have systematically tracked performance for varied purposes, including to meet ACBF/RIDA M&E requirements. In addition, M&E arrangements have become a key component of all new ACBF-supported-sub-projects with a well-defined RFM in the ACBF appraisal document to guide results monitoring and reporting.

67. Internally, ACBF updated its project proposal review process by including its M&E staff in the Project Review Committee (PRC). The PRC ensured that ACBF-financed sub-projects' results frameworks and results indicators were aligned with RIDA and that grantee sub-projects' indicators were fully integrated in project management and performance reporting. The March 2017 World Bank-ACBF Annual Project Implementation Progress Report confirmed that 86% of ACBF clients had functional M&E systems against an annual target of 79%.

68. ACBF substantially implemented the challenging RIDA2 M&E requirements, and made strong efforts to comply with RIDA1 and RIDA2 reporting requirements throughout implementation from 2011 to 2017. RIDA1 required the ACBF to prepare and submit one report each year, while RIDA2 required submission of two reports each year. ACBF submitted all required RIDA progress reports (9 in total) within the specified deadlines. These reports require consolidation of multiple data sources including quarterly implementation progress reports submitted by sub-projects, specific tools to gather data on RIDA core indicators (RIDA indicators data instruments) from sub-projects, ACBF departments' progress reports, updates from the Office of the Executive Secretary, and BOG and EB meeting updates. In addition, mid-term reviews were conducted for sub-projects to assess progress, identify critical gaps and challenges and seek solutions to ensure achievement of intended objectives and results. Sub-projects that closed also undertook a project completion report (PCR) as a self-assessment – from the grantees' perspective - of achievements and lessons.

69. A retrofit was applied in 2014 for RIDA2-financed sub-projects which had been designed and had started implementation before RIDA2/RE-MDTF approval which came with additional M&E requirements from the Bank. In this case, too, sub-project results frameworks had to be aligned with RIDA M&E framework.

70. ACBF also extended M&E processes and practices to special evaluations. Thus, every year, several sub-projects were selected, using well-defined evaluation criteria, for end-of-project or final evaluations. Thematic evaluations were conducted for ACBF intervention including Training Program and Policy Analysis (Think Tanks). And the last two ACBF strategic plans (SMTP2 and SMTP3) were systematically evaluated for the first time in the history of the Foundation.

71. Since 2011, all ACBF-supported sub-projects, regardless of source of funding, monitor performance regularly and report through the quarterly process defined by the Foundation. Every project prepares and submits a progress report every quarter to ACBF which reviews and provides feedback. The reports produced by sub-projects for the fourth quarter of each year represents their cumulative annual report. Furthermore, the output- and outcome-level results indicators are systematically tracked and summarized in the Indicators Tracking Table (ITT) designed by ACBF for use by sub-projects. Such ITTs, which show indicator-wise progress, are prepared by sub-projects every six months and submitted to the ACBF.

72. As a result, all ACBF clients by project closing have well-defined RFM and M&E plans aligned with the RIDA results indicators: this was a significant achievement, reflects well on ACBF and Bank teams and was confirmed by sub-grantees when a joint World Bank-ACBF ICR mission visited sub-projects in four countries in April 2018. The criteria used to measure the functionality of ACBF clients' M&E systems include timely submission of quarterly reports, completion of



RIDA data instrument, generation of success stories and the existence of an M&E focal person. The high indicator value depicts significant improvement in ACBF sub-grantees' M&E capabilities.

73. In many cases, ACBF sub-grantees' improved M&E capability enabled them to access funding from diverse sources, strengthening the probability of sustaining project gains. This was emphasized to the joint World Bank-ACBF ICR mission which visited several sub-projects in Cote d'Ivoire, Ghana, Senegal and Zimbabwe.

M&E Utilization

74. Even before project closing, M&E was being utilized by ACBF at the corporate and sub-grantee levels. The September 2016 World Bank Mission Aide Memoire noted that the ACBF had a robust M&E system in place at institutional and sub-grantee levels and producing accurate, validated data on all project indicators.

- ***In 2017, ACBF launched an M&E information management system at the corporate level.*** According to the 2017 RIDA Progress Report, an ACBF M&E Information Management System (IMS) was launched to enhance quality and results. The Foundation states that it developed the IMS to facilitate planning and performance reporting at corporate and operational levels.
- ***ACBF responded to requests to strengthen M&E capacity-building for the African continent.*** It developed a comprehensive program called the M&E Capacity Building Program for Africa (M&ECB) in collaboration with key development actors in Africa in response to M&E capacity strengthening needs for the continent. A task team from ACBF, AfrEA, CLEAR-AA and AUC drafted the three components of the program: Accessing Quality M&E Training and Professional Development; Strengthening National M&E Systems and Networking; and Leveraging M&E Knowledge and Practices. To gather further inputs and relevant contributions for consideration and improve the program, the M&ECB Program was presented during the 8th AfrEA International Conference in March 2017 in Kampala, Uganda. Following the conference, the preparation of the two main program components was assigned to CLEAR and AfrEA. The document is now under review to ensure consistency and to avoid duplication of ongoing efforts in the continent (e.g. Twende Mbele program, Short-course trainings). In addition, ACBF was invited to join the task force developing a collaborative M&E training curriculum for Africa. This is part of the program under development by ACBF.
- ***ACBF identified different ways to effectively utilize M&E products and results.*** First, a management action plan is systematically prepared to respond to the findings and recommendations of the review/evaluation of interventions undertaken by ACBF. This action plan is regularly monitored throughout its implementation by the M&E unit and reported to Management. Second, the supervision or project implementation support missions also serve as platforms to review M&E reports and take actions to address critical issues or concerns. For instance, the restructurings of RIDA sub-projects were mainly based on progress monitoring which helped identify sub-projects with challenges.

Justification of Overall Rating of Quality of M&E

75. The preceding sections, and Bank supervision missions, justify the overall rating of Substantial for quality of M&E. The June 2017 ISR, for example, stated that progress towards the achievement of the Project Development Objective remained Satisfactory. "All three PDO indicators either met or exceeded their 2016 end-of-year targets. Likewise, both project components are performing satisfactorily with all 12 intermediate indicators meeting or exceeding their 2016 annual targets. The PDO continues to remain relevant to Bank, Borrower, and member countries of ACBF, as well as sub-grantee priorities...no material concerns have emerged regarding project management, procurement and M&E since the MTR mission, which took place in September 2016.



B. ENVIRONMENTAL, SOCIAL, AND FIDUCIARY COMPLIANCE

Environmental Compliance

76. Not applicable. The project was categorized, for environmental assessment (EA) purposes, as “C”, since all the activities were for technical assistance and did not involve any environmental impacts. Sub-project proposals that might involve design work leading to investments, such as feasibility studies and engineering designs, would not be eligible for financing under either of the Grants. The Additional Financing was also similarly categorized as “C” for the same reasons.

Social Compliance

77. There were no social compliance issues as this was a category C project. However, the operation did have a significant impact on Africa’s citizens including through (a) empowering women’s education (e.g. through the Women’s University of Africa), (b) training women entrepreneurs and future women business leaders as summarized elsewhere in this ICR.

Fiduciary Compliance

Procurement

78. Overall, ACBF procurement performance was satisfactory through RIDA1 and RIDA2. An ACBF procurement unit was established in 2011 as part of the Management Action Plan (MAP). Since then, the unit has overseen procurement activities valued at more than US\$20 million, with over US\$10 million comprising procurement for RIDA- and RE-MDTF-financed activities. At project appraisal, procurement risk was rated Moderate, mainly due to adequate institutional arrangements indicating clear roles and responsibilities for procurement staff. A Procurement Specialist was engaged to work on sub-grant operations and corporate procurement for goods and services. ACBF later strengthened its procurement capacity, adding a Procurement Assistant responsible for shopping and small-value contracts and then a bilingual Procurement Assistant (proficient in English and French). Over the years ACBF Procurement and Program staff were trained in World Bank procurement guidelines and processes. At sub-grant level, procurement methods were initially included in the Operations Manual. As part of the sub-project appraisal process, the ACBF assessed the institutional capacity of sub-grantees in handling procurement and agreed on mitigation measures. In some small sub-grants (mostly small sub-grants), where it was not cost-effective to have a full-fledged procurement unit, available staff were designated as procurement focal points. The World Bank undertook annual post procurement reviews (PPRs) and the risk rating dropped from Moderate to Low. Key procurement challenges during implementation comprised: (a) loss of staff in 2014 as part of the ACBF cost-efficiency measures, affecting implementation (only 15 percent of the procurement plan was implemented that year); (b) contract management was handled by the ACBF procurement unit when it could more appropriately have been assigned to the ACBF Operations Department (i.e. by Project Officers). Over time, a template was developed to systematize contract management by Project Officers. Other than the above challenges, no procurement issues were noted by supervision missions in the last year or supervision.

Financial management

79. Financial management performance was rated satisfactory, overall. During RIDA1, the ACBF strengthened its financial management, accounting, internal controls and internal audit as part of the implementation of the Management Action Plan (MAP). During RIDA2, overall, financial management was satisfactory. FM risk rating was moderate at inception and during implementation.



80. “Questionable expenditures” and their resolution during 2015-2016. The February 2015 Travel Audit Report, commissioned by the Bank after another anonymous letter was issued on May 1, 2014, led the Bank to claim reimbursement of US\$228,687.88 as “ineligible expenditures” and also identify an additional US\$305,663.914 as “questionable expenditure. After an independent audit and verifications by the Bank’s Financial Management Specialists, US\$182,854.94 remained a subject of non-agreement between ACBF and the Bank, as the Bank did not recognize some expenditures approved by the ACBF EB. The Bank and ACBF agreed that ACBF would submit substitute documentation for the residual amount to resolve the matter. The Bank officially withdrew its demand for a refund by a letter dated September 21, 2017.

C. BANK PERFORMANCE

Quality at Entry

81. The quality at entry is rated Moderately Satisfactory.

RIDA1

82. The instrument for Bank support significantly changed: the use, in tandem, of a RIDA Grant and an RE-MDTF Grant innovatively addressed the uncertainty about project cost estimates and helped ACBF complete the implementation of SMTP2 and finalize the preparation of SMTP3. RIDA1 supported ACBF by providing IDA financing in the Bank’s 2011 fiscal year to complete the final year of SMTP2 (instead of the usual DGF contribution), consolidate the results achieved under the MAP, and assist the ACBF to finalize preparation of SMTP3, in order to allow timely preparation and implementation of donor support to the new strategy.

83. While RIDA1 objectives, scope, components and design were carefully thought through, the project results indicators and the Results Management Framework, in hindsight, could have been designed more appropriately to enable attribution of causality between project activities and targeted outcomes. PDO indicator 1, as worded, created a disconnect between ACBF-financed support for sub-grant recipients and enhanced country (i.e. government) capacity. Supervision documents and discussions with Bank and ACBF staff and management indicate that this was realized early in RIDA1 implementation, and addressed in 2014 at Additional Financing.

Quality of Supervision

84. The quality of Supervision is rated Moderately Satisfactory overall, comprising Moderately Satisfactory for the RIDA1 period and Satisfactory for the RIDA2 period.

85. It took some time for the World Bank supervision missions to achieve a relationship with ACBF, which was not familiar with Bank operational policies and practices, and not used to being supervised in its activity implementation beyond BOG and EB oversight. RIDA 1 and RIDA2 mission and supervision documents and Implementation Status Reports are quite detailed and candid.

86. Over the years, the Bank teams had the right mix of skills and experience, assessing project progress and providing realistic and candid implementation status ratings. The mix of skills enabled the Bank teams to support implementation and provide advice on implementation, risk mitigation and results monitoring. The slow start-up of RIDA1 (in part due to the retrofitting of sub-projects) was reflected in the downgrade of ISR DO and IP ratings to Moderately Satisfactory in January and September 2012, with actual disbursements stagnant at US\$10.89 million. By May 2013 the IP rating had improved to Satisfactory but the DO rating remained at MS. Meanwhile the Additional Financing was approved in December 2013. In June 2014, although disbursements had risen to US\$43.36 million, the DO and IP ratings were



downgraded to Moderately Unsatisfactory, mainly due to the concerns raised by the May 1, 2014 anonymous letter which led to audits and reviews of travel and other expenditures. By December 2014, the DO and IP ratings had risen to MS, staying there till December 2015, when the DO rating was upgraded to Satisfactory while the IP rating remained at Moderately Satisfactory. From June 2016 until closing, both DO and IP ratings remained at Satisfactory.

87. Under the leadership of the Bank team, the Bank-executed MDTF has financed a series of analytical notes on lessons learnt from the Foundation's long experience with capacity-building across Africa. The objective of this series is to document and disseminate key lessons on capacity-building in Africa that highlight successes and failures based primarily – though not exclusively - on ACBF's project interventions. With close to three decades of capacity-building on the continent, this is an opportune reflection on lessons learnt in this challenging field to understand what has worked, what has not, and why; the implementation bottlenecks facing countries in Africa; what critical success factors underlie capacity-building interventions; and what initiatives could be undertaken to effectively and sustainably support capacity development efforts in Africa. The key themes covered are: (i) Enhancing policy uptake in Africa: the role of think tanks; (ii) Managing think tanks in Africa: what works and what does not; (iii) How to ensure the sustainability of African think tanks; (iv) Beyond capacity building to capacity retention and utilization; (v) Building capacity in economic policy management: lessons from regional training programs; (vi) Measuring the effectiveness of capacity building programs in Africa; and (vii) Challenges of capacity building in fragile states: lessons from Africa.

Justification of Overall Rating of Bank Performance

88. The overall rating is Moderately Satisfactory. The Bank team, especially during 2014-2017, provided very professional implementation support along with supervision and established a trusted relationship with ACBF and sub-projects. The team had the needed skills. However, this was not enough – management attention to this sensitive, high-risk and potentially high-reward project appears to have been somewhat episodic. As the ACBF ES states in the Lessons section, it would have been desirable for the ACBF and Bank management to have remained in closer communication, and for Bank management to have communicated to ACBF management more clearly and more in advance its intention to stop further financing. For these reasons, the rating of MS appears justified.

D. RISK TO DEVELOPMENT OUTCOME

The risk to development outcome is rated **Substantial**, and is explained below.

89. RIDA1 and RIDA 2 identified key risks, some of which came to pass:

1. *Cost Sustainability and Financial Risks*

90. At RIDA1 approval, ACBF was in a potentially precarious financial position. The level of donor support was uncertain. It was recognized that ACBF's financial situation would be affected by the spillover of the 2008 international financial crisis and delays in establishing the MDTF for SMTP2. At that time, ACBF anticipated a loss of more than US\$23 million that had been expected from European and North American donors and from African countries. Additional Bank funding through RIDA1 was seen as helping mitigate the risk of reduced grants to ACBF beneficiaries. Internal cost reduction efforts were required and ACBF needed to actively manage its operating costs, to make available more resources for sub-projects and to increase ACBF efficiency.

91. During RIDA1 and RIDA2, ACBF management adopted measures to contain operating costs: (i) ACBF tried to contain operating and overhead expenses during the remainder of SMTP2. Caps and limits on



staff, travel, consultants, administrative and knowledge activities costs were introduced and were maintained for 2011; (ii) broader commitment to performance and cost-efficiency measures were adopted as part of the governance framework defined and monitored by the EB; (iii) ACBF started making budget or grant commitments based on resources available: agreements with sub-grantees contained a clause stating that grant disbursements were dependent on fund availability; (iv) ACBF considered cancelling some grants awarded in 2008 or earlier and to recommit these resources if possible; (v) ACBF continued trying to collect unretired advances (US\$6 million at RIDA1 approval and about US\$1 million at RIDA2 closing) under closed grants, even though the likelihood of recovery was low, partly because some of these funds had already been used for eligible expenses, but had not yet been properly accounted for.

2. Governance Risks

92. Bank and donor concerns at appraisal about oversight of ACBF management practices highlighted the critical role of its governance organs. A Corporate Governance Review (CGR) was initiated in mid-2009 by the ACBF EB to assess the relevance and effectiveness of the management and EB functions in order to strengthen ACBF corporate governance. The September 2010 Governance Action Plan based on the CGR aimed to bring governance practices at ACBF in line with good practice principles in similar institutions. The plan addressed the functions and relationships among the ACBF governance organs as well as the competencies required of EB members for effective leadership and for effective oversight and audit functions. The governance action plan was approved by the BOG in September 2010, subject to nuancing the confidentiality provisions as they apply to representatives of the sponsoring agencies on the EB, given that these members have obligations towards their respective organizations.

93. World Bank management was of the view, at RIDA approval, that establishing an appropriate governance relationship between the Bank and ACBF required resolution of the COI inherent in the Bank's multiple roles. Bank management took the view that the Project would place the Bank in an unprecedented position of having concurrent executive and supervisory functions in an IDA-recipient organization, creating both real and apparent conflicts of interest that potentially could undermine the legitimacy of EB decisions and put the Bank's reputation at risk. At the same time, the Bank's departure from the EB needed to be appropriately managed to address transitional issues for ACBF, the Bank, and other donors and stakeholders. With due regard to the need to balance all these concerns, the Bank's withdrawal from EB participation was formalized at the September 2011 BOG meeting. Actual withdrawal occurred upon the adoption of those formalities.

94. The Bank took steps to mitigate COI concerns during the transition period, comprising: (i) full disclosure to stakeholders of the Bank's dual role within the context of its decision to disengage from the EB; (ii) measures to facilitate prompt effectiveness of the IDA Financing Agreement and RE-MDTF Grant Agreement and ensure effective project supervision, with adequate supervision resources; (iii) project supervision to address explicitly any remaining institutional issues; (iv) ACBF and the Bank to ensure effective communication of the shift in the Bank's role as it disengages from the EB; (v) the World Bank Group staff member appointed to serve on an interim basis on the EB would not be nominated by or be mapped to any Bank Vice Presidential Unit (VPU) involved in preparation or supervision of the proposed Project; (vi) clear terms of reference for the appointed staff member would be prepared, requiring



his/her recusal from EB discussions and decisions that involved the RIDA Grant or RE-MDTF Grant, including sub-project approvals, budgets or resource allocations; (vii) establishment of effective information and decision firewalls between the EB and Bank staff involved in project oversight; and (vi) a regular stock-taking by IDA management, aligned with the supervision process, would be conducted to ensure that these safeguards would operate as intended.

3. Capacity Risks

95. The forensic and human resource audits conducted in 2009 revealed some lapses in internal control processes and in general compliance with ACBF's policies. The implementation under the MAP of the recommendations coming out of these audits led to a profound restructuring of ACBF involving re-engineering of its systems, policies, processes and procedures and adjusting its staffing to develop a strong cadre of staff, update ACBF policies and create a culture of compliance with ACBF policies.

96. At the operational level, MAP implementation through July 2010 yielded rapid results: (i) Internal controls were enhanced and the Enterprise Risk Management (ERM) framework was being used for risk management; (ii) systems, processes and supporting manuals were being improved to increase institutional effectiveness; (iii) a human resources development and management strategy, in line with those of similar international organizations, was being implemented to attract and retain the best talent; (iv) knowledge creation was becoming more effective through internal expertise, and channels for communicating new knowledge to Operations Departments; (v) an operations evaluation function was institutionalized and evaluation findings, lessons and recommendations were being implemented; (vi) business continuity was strengthened; (vii) resource mobilization and partnership building were streamlined in ACBF activities; (viii) communication and visibility improved regarding ACBF's activities; and (ix) corporate governance was being enhanced through better delineation of responsibilities and further collaboration between the three governing bodies (BOG, EB, ES), improved EB oversight responsibilities and better recruitment processes and requirements for EB members.

V. LESSONS AND RECOMMENDATIONS

97. This ICR highlights several lessons for the ACBF and the World Bank:

Lessons for ACBF:

- a) **Over-dependence on a single donor can hurt sustainability.** The ACBF became overly dependent on a single donor (the WB) and, until recently, paid little attention to its own sustainability. This meant that, if that donor withdrew, 26 years of effort could be lost. This pertains to ACBF's own institutional costs as well as the grants to sub-projects. Since the Bank, on average, had provided over 50% of the resources that funded ACBF, the Foundation should have been more actively managing this risk. With financial sustainability a challenge, it would be desirable for the ACBF governing bodies to set concrete fund-raising targets and decide what actions need to be taken, by when, and by whom in ACBF, to give effect to the 2012 BOG decision to establish an Endowment Fund of US\$500 million by 2022 (this Fund has remained static at US\$5 million since its inception in 2012);
- b) **It would be desirable for the ACBF to not jettison its hard-won core business strengths built up over decades – especially on macroeconomic management, monitoring and evaluation, and think tank-based knowledge-sharing.** At a time when ACBF's sustainability is uncertain, it appears to have moved into new thematic areas such as tobacco



control. At the same time, numerous countries across Africa are confronting challenges in areas in which ACBF seeded, or built up, enviable expertise – such as in macroeconomic management, economic policy management, public investment management, and monitoring and evaluation. It would be desirable for ACBF to avoid the temptation to cast off its hard-won thematic strengths which, coupled with its close relationships with governments across Africa, can make it a unique provider of technical and analytical support to a growing number of countries that appear to need such policy advice and implementation support over the medium term. And the network of think tanks that ACBF has seeded and nurtured across Africa – many financially sustainable by now – constitute an unparalleled intellectual resource for the continent, one that ACBF could take to the next level by playing a leadership role in identifying and forging new intellectual partnerships beyond Africa, enabling it to carry Africa’s lessons to a global audience and usher in fresh ideas and innovations to Africa; and

- c) **ACBF’s business model must reflect - and adapt swiftly to - its often-swiftly changing operating environment.** After a period of relevance when it made a contribution to Africa’s capacity development, it appears that ACBF failed to adapt sufficiently rapidly or nimbly to changes in its operating environment and (re)make/reinvent itself to ensure its continued relevance to Africa in the 21st century. The Foundation took the Bank’s continued funding for granted and, when confronted with the issue of sustainability, tended to persist with its business model. It is argued that the designation of ACBF as a specialized agency of the African Union Commission demonstrates its ability to successfully adapt itself to its evolving operating environment. This, however, avoids the fundamental issue of the current paucity of reliable medium-term funding for the ACBF. With hardly any reliable funding commitments from new partners (such as the AUC) or from traditional donors (such as the WB), ACBF has been compelled to pick up business on an opportunistic basis, which sometimes appears to take it further away from its core business strengths, which are valued by governments across Africa.

Lessons for the World Bank:

- a) **Choice of instruments is important** - for example, the decision to begin using Regional IDA could have had the unintended effect of driving away bilateral donors who previously supported ACBF, because they did not want to contribute to IDA and again to an MDTF;
- b) **The Bank’s decision to impose a “cap” of 15 on the number of countries in which ACBF could operate with RIDA Grants produced two perverse effects:** (i) a “reverse adverse selection problem” or selection bias, i.e. ACBF chose 15 countries where they could get results since they were also under pressure from the Bank and its shareholders to demonstrate results and impact, even though these 15 countries were not necessarily the countries with greatest need; and (ii) African countries that had pledged support to SMTP3 but were excluded from the list had no incentive to convert their pledges into cash contributions;
- c) **Exit strategies need to be carefully prepared:** the decision to discontinue support to ACBF without an explicit exit strategy hurt the ACBF and its sub-projects, with the WB exit appearing to place the Bank at potential reputational risk with governments in Africa, the ACBF and ACBF sub-grantees;
- d) **It is desirable to avoid disconnects between the regional and the national.** There was a disconnect between what the Bank was supporting through the ACBF (e.g. support for think tanks and graduate training programs) at the regional level and what was happening at the country level in terms of capacity building; and
- e) **Introducing Bank-like processes and controls in bodies where they may not be appropriate may generate adverse consequences:** In its attempt to help ACBF address identified control weaknesses, the Bank persuaded it to introduce processes and procedures that mirrored the Bank’s own and – in some cases – were inappropriate for a smaller organization. The result was an increasingly bureaucratic control environment, loss of ACBF agility, a ballooning of staff costs during 2009-2014, and onerous procedures being passed on to sub-grantees. The onerous procedures were also passed on to the sub-grantees. The staff cost escalation was later managed by the ES, beginning with the first wave of separations in October 2012 and a second in January/February 2014.



Reflections from the ACBF Executive Secretary

At the ICR Validation Workshop in Harare May 15-16, 2018, the ES highlighted some of his reflections:

The Bank has strongly supported the Foundation financially and technically since ACBF was created. It has by far been the largest ACBF funder, which is highly appreciated by the Foundation and its beneficiaries. The relationship between the Bank and ACBF, especially at the technical level, has significantly improved over the years as confirmed by the TTL and other Bank staff dealing with ACBF. As a result of this improvement, Implementation Support missions were reduced to only once a year. On its part, the Foundation repositioned itself and became a specialized agency of the African Union.

ACBF brought capacity development back to the center of Africa's development discourse and put up credible efforts to diversify its source of funding, with an unprecedented level of financial contributions from African member countries. Notwithstanding the Bank's strong support to ACBF and the Foundation's record disbursement rate of RIDA funds, the Bank's relationship with ACBF over the years has been characterized by several issues that present lessons for future engagement.

ACBF's work and achievements could have benefitted from more interest at the Bank. The feeling at the ACBF is that the Bank's leadership, especially at the Africa Region showed little interest in ACBF's work and its achievements. The conditions that may have been well-intended could prove to be burdensome, create unintended consequences and expose the Foundation to risks. Before the release of RIDA II funds, the Bank put some conditions that were very difficult to implement. For instance, the requirement to reduce staff cost to 17% or less within one month, which resulted in immediate significant reduction by almost half of the staff of ACBF and significant reduction of salaries of remaining staff. Also, the Bank's approach was nothing short of micromanagement illustrated by the discussions about the number of managers, titles of managers, etc.— instead of focusing on letting ACBF achieve the 17% as it saw fit. The result was decline in staff morale, high turnover and anonymous letters from disgruntled staff who were laid off.

Engaging and discussing with ACBF before the end of the RIDA project could have provided an opportunity to learn valuable lessons and better prepare for the future. Even though the Mid-term review of the RIDA project commissioned by the Bank recommended a thorough engagement with ACBF on the lessons learned and the way forward before the end of the RIDA project and despite the request by ACBF along the same lines, the RIDA project ended in a way that left ACBF in limbo and in an extremely precarious position. The only thing that was done was to request ACBF to provide the Bank with its plan and strategy for sustaining itself at the end of RIDA.

Anonymous allegations against the Foundation could have been handled and treated in a manner that did not harm the Foundation and expose it to high levels of risk. The way the Chamba letter and the anonymous letter of May 2014 were handled and treated proved to be damaging to the Foundation even though at the end, all the allegations were found to be false. First, ACBF felt that it was already found guilty and should prove itself innocent. Second, the wrong signal was unwittingly sent to other partners resulting in some of them deciding to stop supporting ACBF or to withholding support. Third, in each case, in spite of well-acknowledged quick action by ACBF at least in the case of the 1 May 2014 letter, it took more than two years to end the matter, thereby subjecting ACBF to significant costs, pain and risks.



ACBF's 27-year knowledge, expertise, experience and achievements in Africa could have been better capitalized upon to support the Bank's development programs in Africa. There is no doubt that ACBF has considerable experience in developing think tanks, supporting public administration, establishing training programs in various fields, supporting higher education institutions and parliaments, etc. This expertise and remarkable achievements could have been better capitalized on to support the Bank's operations in Africa instead of setting up parallel and sometimes competitive programs.

ACBF's implementation of the reforms promised in the Letter of Commitment of November 2013 and achievement of PDO should have been better acknowledged and rewarded. At high cost, the Foundation assiduously and successfully implemented the letter of commitment of 2013 without much shown by the Bank in terms of proper acknowledgement and support. The Foundation became more efficient with consistently staff cost ratio of 17% or less from 2014 to 2017. Since the end of the RIDA funding the question ACBF is asking now is: more efficient for what? Also, the Foundation is better governed as illustrated by the establishment of, increase in the number of meeting of the Executive Board to 4 times a year from 2 or 3 a year, monthly updates to the Executive Board, quarterly update to the Board of Governors and strengthening of the link between the Executive Board and the Board of Governors. In line with the requirement of the Bank, the Foundation's efforts resulted in increased contribution from African countries which saw historically record contributions from this constituency. Without partnership with the Bank, ACBF will not be in a position to meet the expectations and increasing demands for its services from these countries.

ACBF and indeed Africa would have benefitted more if commitments were fully met. The Bank pledged \$100 million to support SMTP3 but disbursed only US\$65 million, which created major challenges to ACBF and its grantees and exposed ACBF and the Bank to significant reputational risks. The Bank also agreed to support and even spearhead the drive for funding ACBF's capacity building in Africa, but unfortunately this did not materialize.



ANNEX 1. RESULTS FRAMEWORK AND KEY OUTPUTS

A. RESULTS INDICATORS

A.1 PDO Indicators

Objective/Outcome: 1. To contribute to enhanced capacity for effective policy formulation and management in ACBF sub-grant recipients’ countries

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
User satisfaction of ACBF clients’ (a) products and (b) services	Percentage	55.00 05-Dec-2013	0.00 05-Dec-2013	80.00 31-Dec-2017	91.00 29-Dec-2017
Products	Percentage	60.00 05-Dec-2013	0.00 05-Dec-2013	90.00 31-Dec-2017	92.00 29-Dec-2017
Services	Percentage	55.00 05-Dec-2013	0.00 05-Dec-2013	80.00 31-Dec-2017	91.00 29-Dec-2017

Comments (achievements against targets): 102 percent of target achieved for 1.a and 113.75 percent for 1.b. The two measures cover products and services offered by ACBF sub-projects to meet their clients needs. The data are derived from satisfaction surveys conducted during the reporting period by 14 sub-projects involving 1,400 respondents.

Objective/Outcome: 2. To contribute to improved and sustained management of ACBF’s operations.



Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percentage of subprojects in ACBF portfolio rated satisfactory and above	Percentage	62.10	0.00	77.00	90.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017

Comments (achievements against targets): 116.89 percent of target achieved. This includes sub-projects rated Highly Satisfactory (HS), Satisfactory (S) and Moderately Satisfactory (MS).

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percentage of total disbursements (including knowledge products) to cash outflows (Efficiency Ratio)	Percentage	63.10	0.00	80.00	80.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017

Comments (achievements against targets): 100 percent of target achieved. This signals that a significant proportion of ACBF resources was spent on programmatic activities including Knowledge & Learning products.

Objective/Outcome: 2013 Revised 1. Improve capacity of the Recipient's clients to deliver and measure their development results

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
User satisfaction of ACBF clients' (a) products and (b) services	Percentage	55.00	0.00	80.00	91.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017



Products	Percentage	60.00 05-Dec-2013	0.00 05-Dec-2013	90.00 31-Dec-2017	92.00 29-Dec-2017
Services	Percentage	55.00 05-Dec-2013	0.00 05-Dec-2013	80.00 31-Dec-2017	91.00 29-Dec-2017

Comments (achievements against targets): 102 percent of target achieved for 1.a and 113.75 percent for 1.b. The two measures cover products and services offered by ACBF sub-projects to meet their clients needs. The data are derived from satisfaction surveys conducted during the reporting period by 14 sub-projects involving 1,400 respondents.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percentage of subprojects in ACBF portfolio rated satisfactory and above	Percentage	62.10 05-Dec-2013	0.00 05-Dec-2013	77.00 31-Dec-2017	90.00 29-Dec-2017

Comments (achievements against targets): 116.89 percent of target achieved. This includes sub-projects rated Highly Satisfactory (HS), Satisfactory (S) and Moderately Satisfactory (MS).

Objective/Outcome: 2013 Revised 2. Enhance the Recipient's organizational effectiveness and efficiency

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percentage of total disbursements (including knowledge products) to cash	Percentage	63.10 05-Dec-2013	0.00 05-Dec-2013	80.00 31-Dec-2017	80.00 29-Dec-2017



outflows (Efficiency Ratio)

Comments (achievements against targets): 100 percent of target achieved. This signals that a significant proportion of ACBF resources was spent on programmatic activities including Knowledge & Learning products.

A.2 Intermediate Results Indicators

Component: 1. Capacity Building Sub-Grants

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Number of requests for products and services received by ACBF's clients	Number	200.00	0.00	1200.00	6673.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017

Comments (achievements against targets): 556 percent of target achieved. 664 requests were recorded from 15 sub-projects.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percentage of clients' products that have undergone peer review process (or any other quality control mechanism)	Percentage	55.00	0.00	80.00	100.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017

Comments (achievements against targets): Target exceeded: 125 percent of target achieved. All products generated by ACBF clients were subjected to a peer review/quality control process.



Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percentage of ACBF clients with functional M&E systems	Percentage	25.00	0.00	80.00	83.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017

Comments (achievements against targets): Target exceeded: 103.75 percent of target achieved. Criteria used to measure M&E system functionality among ACBF clients include: timely submission of quarterly reports, completion of RIDA data instrument, generation of success stories, and designation of an M&E focal point (person).

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Number of engagements/interactions between ACBF clients and policymakers (cumulative)	Number	60.00	0.00	360.00	2111.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017

Comments (achievements against targets): Target exceeded: 586.39 percent of target achieved. 13 sub-projects had 349 policy engagements/interactions.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Number of participants attending long and short-term trainings conducted by	Number	300.00	0.00	1800.00	30054.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017



ACBF clients (cumulative)

Comments (achievements against targets): Target exceeded: 563.94 percent of target achieved. The 2017 mid-year measure recorded 1,712 enrolments in six long-term training programs and 3,575 in short-term training from 7 think tanks and 4 regional development organizations. The numbers seem large because (i) although ACBF only provided a limited number of scholarships to facilitate full-time participation, many of the facilities that made the courses operational (eg. libraries, computer labs, classrooms) were funded with the proceeds of ACBF grants and therefore all participants benefited from ACBF funding whether they received direct financial support or not; and (ii) there was a massive expansion of online training offerings that expanded access to training and increased the enrolment numbers.

Component: 2. Institutional Development

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Number of times ACBF K&L products/documents are downloaded in (a) Africa and (b) Rest of the world	Number	5000.00	0.00	55000.00	310711.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017

Comments (achievements against targets): Target exceeded: 586.39 percent of target achieved. Targeted campaigns including social media contributed to an increase in the number of downloads. Data on the number of downloads is collected from the ACBF website, virtual library and partner websites using Advanced Web Statistics 7.6 application.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Number of requests received by ACBF for K&L products	Number	140.00	0.00	300.00	1119.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017



Comments (achievements against targets): Target exceeded: 373 percent of target achieved. Most requests were generated from events attended by ACBF staff and feedback from email alerts.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Number of times ACBF K&L products are cited.	Number	2500.00	0.00	12500.00	276942.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017

Comments (achievements against targets): Target exceeded: 219.75 percent of target achieved. The increase is attributed to direct targeting of individual faculty members in academic institutions. The figure refers to citations generated from online publications, using the 'Publish or Perish' platform and Google Scholar.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percentage of total staff costs to cash out flows	Percentage	22.30	0.00	17.00	14.60
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017

Comments (achievements against targets): Target exceeded: 114.12 percent of target achieved. ACBF states that continuous efforts are being made to contain and reduce institutional costs while maintaining high service quality.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Actual contributions from African governments to SMTP III	Amount(USD)	24350000.00	0.00	35000000.00	22930000.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017



Comments (achievements against targets): Target not achieved: There was a shortfall of USD 12,070,000 or 34.48 percent. This partially reflects the fall-off of African contributions after ACBF's operations were limited to 15 countries (the so-called reduced footprint), which provided a disincentive for countries that had originally pledged but were not included on the list of 15. In addition, as with all African regional institutions, ACBF experienced difficulties in collecting on pledges.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percentage of activities implemented from Annual Business Plans	Percentage	70.00	0.00	95.00	96.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017

Comments (achievements against targets): Target exceeded: 101.05 percent of target achieved. This is the average execution rate of ACBF departmental work plans at project closing. The breakdown by department is: OPD (91 percent); K&L (95 percent); FAD (98 percent); RSPD (94 percent); LAD (95 percent); and IAD (100 percent). ACBF could not implement some planned activities (eg. in K&L) due to insufficient funds.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Number of portfolio reviews conducted	Number	2.00	0.00	2.00	4.00
		05-Dec-2013	05-Dec-2013	31-Dec-2017	29-Dec-2017

Comments (achievements against targets): Target exceeded: 200 percent of target achieved. By the time of project closing on December 31, 2017 ACBF was doing quarterly portfolio reviews.

Component: 2013 Revised New Component A. Capacity Building Sub-grants, Capacity Indicators Report and Peer Learning Activities



Component: 2013 Revised New Component B. Institutional Development



Detailed Results Information

**PART A
(RIDA1: 2011-2013)**

PROJECT DEVELOPMENT OBJECTIVE (PDO):					
3. <i>Enhanced capacity for effective policy formulation and management in ACBF sub-grant recipients' countries</i>					
4. <i>Improved and sustained management of ACBF operations</i>					
PDO Level Results Indicators	Baseline 2010	Values (2012 – 2013)			Remarks
		Target 2013	Achievement Dec. 2013	Performance	
1. Number of recommendations, submitted by ACBF grantees, and used by government in policy formulation	0	15	39	Achieved	<u>Achievement was 260 percent of target.</u> Represents the number of policy recommendations submitted to and used by governments from Policy Institutes financed by RIDA1.
2. Ratio of total budget to total active Portfolio value	8%	12.4%	6.5%	Achieved	<u>Achievement was 147.6 percent of target.</u> The 2013 achievement exceeded the 2013 target by 5.9 percentage points. The total active ACBF portfolio value comprises RIDA1, RE-MDTF and non-RIDA projects.
INTERMEDIATE RESULTS INDICATORS					
Component 1: Strengthened key institutions and human resources involved in policy formulation					
3. Economic policy research completed in policy institutes supported by ACBF	0	30	119	Achieved	<u>Achievement was 396.7 percent of target.</u> Relates to Policy Institutes financed by RIDA1/RE-MDTF. (Note: PNRC-CAF was not yet declared effective)
4. MDAs supported by the targeted economic policy units (number) - Technical assistance (TA)	0	65	118	Achieved	<u>Achievement was 181.5 percent of target for TA and 211.6 percent of target for training.</u> MDAs were supported through TA (e.g. process



- Training	0	155	328		facilitation, change management and advisory services) and short-term training. Sub-projects included RESPEC, PROFAP, PRCS CAR, HESPI and KIPPRA.
5. Students receiving a Master’s degree certificate in Economic Policy, Public Administration and/or Statistics	0	180	326	Achieved	<u>Achievement was 181.1 percent of target.</u> Based on Master’s degree programs e.g. PSMTTP-GIMPA, CMAAE, PRCS-CAR, EPM Makerere.
6. Students receiving training certificates in Economic Policy, Public Administration and/or Statistics	0	450	842	Achieved	<u>Achievement was 187.1 percent of target.</u> Based on short-term training offered by CMAAE, CODESRIA, PROFAP and PRCS-CAR to middle-level public sector managers and other stakeholders.
Component 2: Improved ACBF management process and structures					
7. Ratio of Total Administrative Costs (excluding staff) to Total Budget	16%	17.2%	14.7%	Achieved	<u>Achievement was 114.5 percent of target.</u> Includes RIDA1, RE-MDTF and non-RIDA projects.
8. Ratio of Total Staff Costs to Total Budget	60%	57.7%	70.2%	Not Achieved	<u>Achievement was 73.7 percent of target.</u> Includes RIDA1, RE-MDTF and non-RIDA projects. ACBF exceeded the target for Total Staff Costs by 15.2 percentage points. This ratio comprised RIDA and non-RIDA expenses, and reflected the semi-fixed nature of Staff Costs. ACBF states that in the immediate term, it could not reduce its total staff cost ratio to the targeted level (as it was able to do with variable costs) owing to the semi-fixed nature of these costs.
9. Percentage of Sub-projects in ACBF portfolio rated Satisfactory		80%	71.6%	Not Achieved	<u>Achievement was 89.5 percent of target.</u> 63 sub-projects in the ACBF portfolio were reviewed and rated in the portfolio review covering Jan-Dec 2013.
10. Ratio of amount disbursed to amount committed in the portfolio	90%	98%	114.8%	Achieved	<u>Achievement was 117.1 percent of target.</u> Includes RIDA1, RE-MDTF and non-RIDA sub-projects.



11. Grant recipients submitting quarterly/ M&E reports in line with the Project Results Framework and Monitoring	0	75%	96.0%	Achieved	<u>Achievement was 128 percent of target.</u> 70 sub-projects out of a portfolio of 73 active sub-projects submitted quarterly reports by December 2013.
12. Yearly approved sub-projects/grants	0	44	27	Not Achieved	<u>Achievement was 61.4 percent of target.</u> Includes RIDA1, RE-MDTF and non-RIDA sub-projects. Approval of new Grants was suspended due to liquidity constraints.



**PART B
(RIDA2: 2014-2017)**

INDICATOR	Values (2014–2017)			COMMENTS
	TARGET (2017)	ACHIEVEMENT (Dec 31, 2017)	PERFORMANCE	
Project Development Objective (PDO):				
(i) Improve the capacity of ACBF’s clients to deliver and measure their development results				
(ii) Enhance ACBF’s organizational effectiveness and efficiency				
1.a User satisfaction of ACBF clients’ products	90%	92%	Achieved	<u>Achievement was 102 percent of target for 1.a and 113.75 of target for 1.b.</u>
1.b. User satisfaction of ACBF clients’ services	80%	91%	Achieved	The two measures cover products and services offered by ACBF sub-projects to meet their clients’ and beneficiaries’ needs. The data is derived from satisfaction surveys conducted during the reporting period by 14 sub-projects involving 1,400 respondents.
2. Percentage of sub-projects in ACBF portfolio rated satisfactory and above	77%	90%	Achieved	<u>Achievement was 116.89 percent of target.</u> Includes sub-projects rated Highly Satisfactory (HS), Satisfactory (S) and Moderately Satisfactory (MS).
3. Percentage of total disbursements (including K&L products) to cash outflows	80%	80%	Achieved	<u>Achievement was 100 percent of target.</u> This indicates that a significant proportion of ACBF resources were spent on programmatic activities including K&L products.
INTERMEDIATE RESULTS				
Component-1: Grants to ACBF Supported Programs and Projects				
4. Number of requests for products and services received by ACBF’s clients	1,200	6,673	Achieved	<u>Achievement was 556 percent of target.</u> 664 requests were recorded from 15 sub-projects.
5. Percentage of clients’ products that have undergone peer review process (or any other quality control mechanism)	80%	100%	Achieved	<u>Achievement was 125 percent of target.</u> All products generated by ACBF clients were subjected to a peer review/quality control process.
6. Percentage of ACBF clients with	80%	83%	Achieved	<u>Achievement was 103.75 percent of target.</u>



functional M&E systems				Criteria to measure M&E system functionality of ACBF clients include: timely submission of quarterly reports, completion of the RIDA data instrument, generation of success stories and the existence of an M&E focal person.
7. Number of engagements/interactions between ACBF clients and policymakers	360	2,111	Achieved	<u>Achievement was 586.39 percent of target.</u> 13 sub-projects had 349 policy engagements/interactions
8. Number of participants attending long- and short-term trainings conducted by ACBF clients	1,800	30,045	Achieved	<u>Achievement was 563.94 percent of target.</u> The 2017 mid-year measure recorded 1,712 enrolments in six long-term training programs and 3,575 in short-term training from 7 Think Tanks and 4 regional development organizations
9.- Number of times ACBF K&L products or documents are downloaded in Africa and the rest of the world	55,000	310,171	Achieved	<u>Achievement was 586.39 percent of target.</u> Targeted campaigns including social media contributed to an increase in the number of downloads. Data on the number of downloads is collected from the ACBF website, virtual library and partner websites using Advanced Web Statistics 7.6 application.
10. Number of requests received by ACBF for K&L products	300	1,119	Achieved	<u>Achievement was 373 percent of target.</u> Most requests were generated from events attended by ACBF staff and feedback from e-mail alerts.
11. Number of times ACBF K&L products are cited	12,500	27,469	Achieved	<u>Achievement was 219.75 percent of target.</u> The increase is attributed to direct targeting of individual faculty members in academic institutions. The figure refers to citations generated from online publications, using the 'Publish Or Perish' platform and Google Scholar.
Component 2: Institutional Support to ACBF				
12. Percentage of total staff costs to cash outflows	17%	14.6%	Achieved	<u>Achievement was 114.12 percent of target.</u> ACBF states that continued efforts are being made to contain and reduce institutional costs while maintaining high service quality
13. Actual contributions from African governments to SMTP1-SMTP3	US\$ 21.11	US\$22.93 million	Achieved	<u>Achievement was 108.62 percent of target.</u> This signals a positive trend in converting pledges by African



	million			member countries into actual contributions.
14. Percentage of activities implemented from 2014 Annual Business Plans	95%	96%	Achieved	<u>Achievement was 101.05 percent of target.</u> This is the average execution rate of ACBF Departments' work plans at project closing. The breakdown by ACBF Department is: OPD (91%), K&L (95%), FAD (98%), RSPD (94%), LAD (95%) and IAD (100%). The ACBF states that some planned activities (e.g. related to K&L) could not be implemented due to insufficient funds.
15. Number of portfolio reviews conducted	2	4	Achieved	<u>Achievement was 200 percent of target.</u> Four reviews were conducted by the closing date, comprising the 2016 Annual Portfolio Review and the first, second and third Quarter 2017 Portfolio Reviews. Following project closing on Dec 31, 2017, the first Quarter 2018 Portfolio Review was under finalization as of March 31, 2018.



B. KEY OUTPUTS BY COMPONENT

(Note: The 'Key Outputs' rows in the table below may please be read in conjunction with Annex 9)

Objective 1: Enhanced capacity for effective policy formulation and management in ACBF sub-grant recipients' countries	
Outcome Indicator:	1. Number of recommendations submitted by ACBF grantees and used by government in policy formulation
Intermediate Results Indicators	1. Economic policy research completed in policy institutes supported by ACBF 2. MDAs supported by the targeted economic policy units (number) - Technical assistance - Training 3. Students receiving a Master's degree certificate in Economic Policy and Public Administration and/or Statistics 4. Students receiving training certificates in Economic Policy, Public Administration and/or Statistics
Key Outputs by Component (linked to the achievement of Objective 1) Component 1: Strengthened key institutions and human resources involved in policy formulation	1. Economic policy recommendations and options proposed to governments by ACBF-supported think tanks 2. Policy advisory support provided by ACBF-supported think tanks 3. MDA officials' skills improved on economic policy management, public sector management and financial management 4. Training curricula developed by ACBF Grantees and sub-projects through ACBF-supported training programs 5. Institutional support provided to sub-grantees by ACBF in the form of technical assistance, training and development of manuals/processes/procedures for operations, fiduciary management and risk management 6. Support by ACBF to policy and training institute networks
Objective 2: Improved and sustained management of ACBF operations	
Outcome Indicator:	1. Ratio of total budget to total active Portfolio value
Intermediate Results Indicators	1. Ratio of total administrative costs (excluding staff) to Total Budget



	<ol style="list-style-type: none">2. Ratio of Total Staff Costs to Total Budget3. Percentage of Sub-projects in ACBF portfolio rated satisfactory4. Ratio of amount disbursed to amount committed in the portfolio5. Grant recipients submitting quarterly/ M&E reports in line with the Project Results Framework and Monitoring6. Yearly approved sub-projects/grants
<p>Key Outputs by Component (linked to the achievement of Objective 2)</p> <p>Component 2: Improved ACBF management process and structures</p>	<ol style="list-style-type: none">1. Operational, financial and administrative procedures and systems developed and deployed2. Financial, administrative and operational manuals prepared and adopted3. Staff performance appraisal system developed and adopted4. Quality assurance project implementation support missions undertaken5. African Capacity Reports prepared and disseminated6. Africa-wide, regional and country-specific peer-to-peer knowledge-sharing events delivered7. Staff development program developed and adopted



2013 Revised Objective 1. Improve the capacity of ACBF’s clients to deliver and measure their development results

Outcome Indicators	<ul style="list-style-type: none"> 1.a User satisfaction with ACBF clients’ products 1.b User satisfaction with ACBF clients’ services
Intermediate Results Indicators	<ul style="list-style-type: none"> 1. Number of requests for products and services received by ACBF’s clients 2. Percentage of clients’ products that have undergone peer review process (or any other quality control mechanism) 3. Percentage of ACBF clients with functional M&E systems 4. Number of engagements/ interactions between ACBF clients and policymakers 5. Number of participants attending long and short-term trainings conducted by ACBF clients 6. Number of times ACBF K&L products/documents are downloaded in Africa and the rest of the world 7. Number of requests received by ACBF for K&L products 8. Number of times ACBF K&L products are cited
<p>Key Outputs by Component (linked to the achievement of 2013 Revised Objective 1)</p> <p>Component 1. Grants to ACBF Supported Programs and Projects</p>	<p>Component 1</p> <ul style="list-style-type: none"> 1. In-depth analysis and response provided to development issues 2. Policy options responding to development challenges proposed 3. Improved accessibility to policy products and services 4. Increased awareness for policy engagement 5. Enhanced knowledge in policy analysis on national development issues 6. Policy guidance and technical assistance provided to decision makers 7. Enhanced peer learning in policy practice and knowledge sharing 8. Accessibility to degree programs in development management increased 9. Expertise and competencies in policy analysis and public sector management improved 10. Improved quality of training material and resources
2013 Revised Objective 2. Enhance ACBF’s organizational effectiveness and efficiency	
Outcome	<ul style="list-style-type: none"> 1. Percentage of sub-projects in ACBF portfolio rated satisfactory and above



	2. Percentage of total disbursements (including K&L products) to cash outflows
Intermediate Results Indicators	<ol style="list-style-type: none">1. Percentage of total staff costs to cash out flows2. Actual contributions from African governments to SMTP1-SMTP33. Percentage of activities implemented from 2014 Annual Business Plans4. Number of portfolio reviews conducted
Key Outputs by Component (linked to the achievement of 2013 Revised Objective 2) Component 2: Institutional Support to ACBF	<u>Component 2</u> <ol style="list-style-type: none">1. ACBF's management procedures and processes enforced2. Financial, administrative and operational manuals revised, adopted and applied3. Staff performance appraisal system rolled out4. Quality assurance project implementation support missions undertaken5. African Capacity Reports produced and disseminated6. Africa-wide, regional and country-specific peer-to-peer knowledge-sharing events delivered7. Staff development program adopted and rolled out



ANNEX 2. BANK LENDING AND IMPLEMENTATION SUPPORT/SUPERVISION

A. TASK TEAM MEMBERS

Name	Role
Preparation¹³	
Yusupha Crookes (AFCRI)	Director
Jan Walliser (AFTPM)	Acting Sector Director
Anand Rajaram (AFTPR)	Sector Manager
Mamadou Deme (AFTPR)	Senior Public Sector Specialist/Task Team Leader
Macmillan Anyanwu (AFTPR)	Operations Officer
Said Al Habsy (AFTDE)	Operations Adviser
Diego Garrido Martin ((AFTDE)	Extended Term Consultant
Isabel Mignone Del-Carril (AFTDE)	Operations Officer – Trust Funds
Francis Kanyerere Mkandawire (AFTFM)	Financial Management Specialist
Daniel Yaw Domelevo (AFTFM)	Senior Financial Management Specialist
Patrick Kabuya (AFTFM)	Financial Management Specialist
V.S. Krishnakumar (AFTPC)	Manager – Procurement
S.M. Quamrul Hasan (AFTPC)	Senior Procurement Specialist
Simon Chenjerani Chirwa (AFTPC)	Procurement Specialist
Tijan Sallah (AFTCP)	Manager
Nicolette DeWitt (LEGAF)	Lead Counsel
Agata Pawlowska (CFPIR)	Senior Operations Officer
Ivonna Kratynski (CTRLP)	Lead Finance Officer
Magdalena Manzo (CFPTP)	Senior Operations Officer
Frode Davanger (AFCRI)	Operations Officer
Reynaldo P. Castro (AFTPR)	Consultant
Douglas I. Graham (OPCFM)	Consultant
Madeleine Chungkong (AFTPR)	Program Assistant

¹³ Per Project Appraisal Document, Annex 6, p. 63



Supervision/ICR

Deryck R. Brown	Senior Public Sector Specialist & Task Team Leader
Andrew Asibey	Procurement Specialist
Chitambala John Sikazwe	Procurement Specialist
Baison Banda	Procurement Specialist
Wedex Ilunga	Senior Procurement Specialist
Howard Bariira Centenary	Senior Procurement Specialist
Tandile Gugu Zizile Msiwa	Senior Financial Management Specialist
Zoe Kolovou	Counsel
Alexandra C. Bezeredi	Social Safeguards Specialist
Amitabha Mukherjee	ICR Contributing Author
Blessing Manyanda	Procurement Assistant - Team Member
Kisa Mfalila	Environmental Safeguards Specialist
Jean Okolla Owino	Team Member
MacDonald Nyazvigo	Team Member
Aleksandar Kocevski	Operations Officer - Team Member
Zohreh Bahrehbar	Voice Secondee - Team Member
Kateryna Elishyieva	Voice Secondee - Team Member
Michael Christopher Jelenic	Public Sector Specialist - Team Member

B. STAFF TIME AND COST

Stage of Project Cycle	Staff Time and Cost	
	No. of staff weeks	US\$ (including travel and consultant costs)
Preparation		
FY11	27.030	169,321.01
Total	27.03	169,321.01
Supervision/ICR		
FY11	0	12,166.11



FY12	31.172	242,741.33
FY13	33.210	285,469.67
FY14	21.400	164,946.00
FY15	23.283	189,271.09
FY16	21.976	254,048.87
FY17	24.498	202,540.20
FY18	23.740	355,840.15
FY19	1.100	7,489.08
Total	180.38	1,714,512.50

ANNEX 3. PROJECT COST BY COMPONENT

Project costs by component are summarized in the table below. The paragraphs following the table provide context for the difference between the amounts at approval and actuals at closing.

IDA-H6470-001 (RIDA1):

Original Components (2011)	Amount at Approval (US\$M)	Actual at Project Closing (US\$M)	Percent of Approval
1: Capacity Building Sub-Grants	15.00	15.00	100.00
2: Institutional Development	10.00	10.00	100.00
Total	25.00	25.00	100.00

IDA-H8760-001 (RIDA2):

Revised Components (2013)	Amount at Approval (US\$M)	Actual at Project Closing (US\$M)	Percent of Approval
A: Capacity Building Sub-grants, Capacity Indicators Report and Peer Learning Activities	44.00	39.50	89.77
B: Institutional Development	21.00	25.50	121.43
Total	65.00	65.00	100.00

TF-99645-001 (RE-MDTF):

Revised Components (2013)	Amount at Approval (US\$M)	Actual at Project Closing (US\$M)	Percent of Approval
A: Capacity Building Sub-grants, Capacity Indicators Report and Peer Learning Activities	15.00	13.10	87.33
B: Institutional Development	14.00	14.00	100.00
Total	29.00	27.10	93.45

By way of context, as of December 2016, progress towards the achievement of the PDO was satisfactory. All three PDO indicators were either exceeded or were on track to reach their 2016 end-of-year targets. Likewise, both project components were performing satisfactorily, with 9 out of 12 intermediate indicators exceeding their 2016 annual targets, while another three were on track to do so by the end of calendar 2016.



ANNEX 4. EFFICIENCY ANALYSIS

Efficiency Gains From The Project

Benefit described in PAD/Project Paper	Progress under the Project	Remarks
<u>RIDA 1</u>		
Ratio of total budget to total active Portfolio value	Baseline 8%, target 12.4%, actual 6.5%	Gain materialized
Ratio of total Admin. (Excl. Staff) to Total Budget	Baseline 16%, target 17.2%, actual 14.7%	Gain materialized
Ratio of Total Staff Costs to Total Budget	Baseline 60%, target 57.7%, actual 70.2%	Gain has not materialized
Percentage of Sub-projects in ACBF portfolio rated satisfactory	Target 80%, actual 71.6%	Gain has not materialized
Ratio of amount disbursed to amount committed in the portfolio	Baseline 90%, target 98%, actual 114.8%	Gain materialized
Grant recipients submitting quarterly/ M&E reports in line with the Project Results Framework and Monitoring	Baseline 0%, target 75%, actual 96%	Gain materialized.
Yearly approved sub-projects/grants	Baseline 0, target 44, actual 27	Gain has not materialized
<u>RIDA2</u>		
Percentage of total disbursements (including K&L products) to cash outflows	Target 80%, actual 80%	Gain materialized
Percentage of total staff costs to cash out flows	Target 17%, actual 14.6%	Gain materialized
Actual contributions from African governments to SMTP	Target US\$35 m; actual US\$23.40 m	Gain not fully materialized
Percentage of activities implemented from Annual Business Plan	Target 95%, actual 96%	Gain materialized
Number of portfolio reviews conducted	Target 2, actual 4	Gain materialized



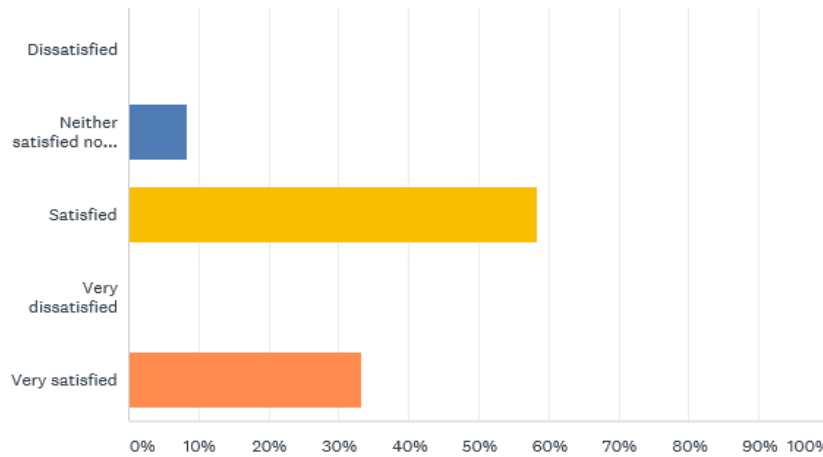
ANNEX 5. BORROWER, CO-FINANCIER AND OTHER PARTNER/STAKEHOLDER COMMENTS

Two groups of ACBF stakeholders were requested to respond to a brief survey: (a) current BOG and EB members and past EB members and (b) ACBF sub-projects. Their responses are summarized below.

**ACBF Sub-projects
Summary of Survey Responses**

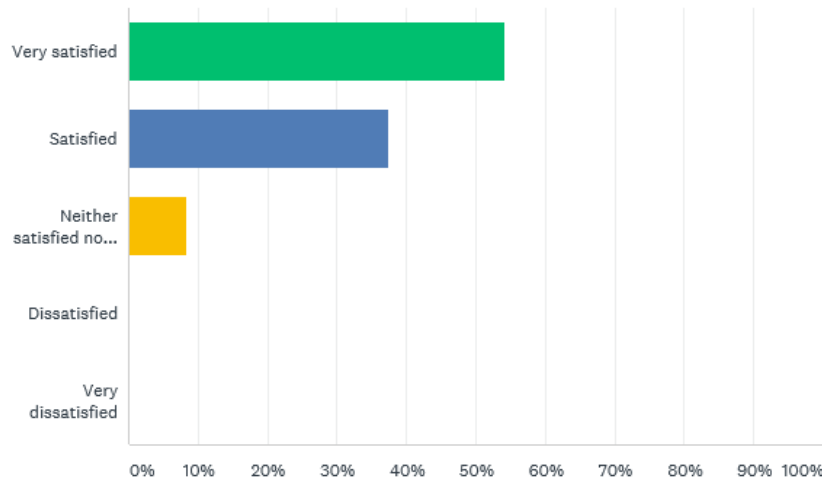
For your project, how would you assess the availability of information from ACBF about accessing ACBF funding?

Answered: 24 Skipped: 0



For your project, how would you assess the support received from ACBF in designing and preparing the project?

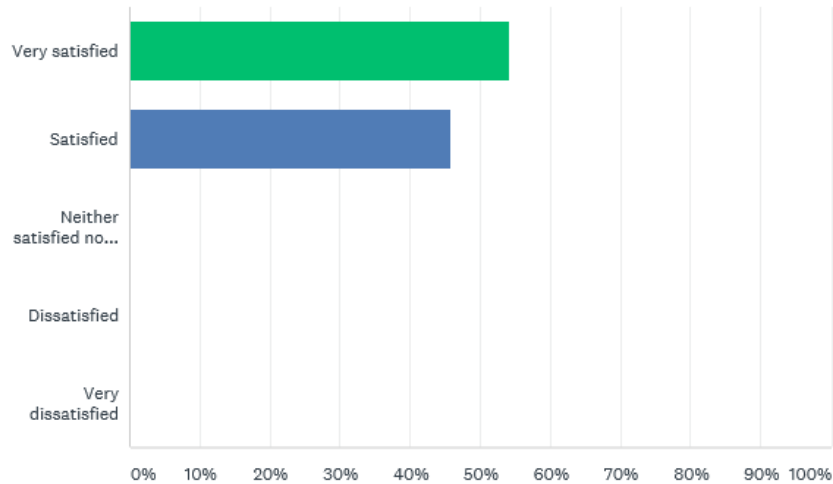
Answered: 24 Skipped: 0





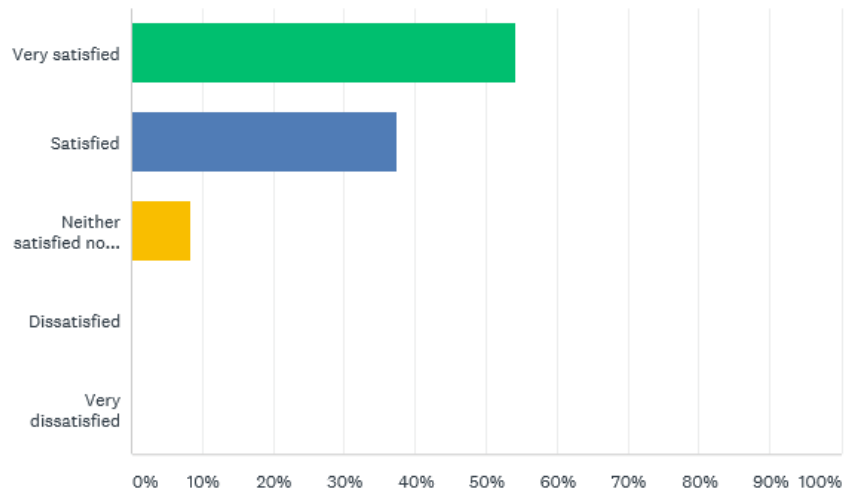
For your project, how would you assess the support from ACBF during the project appraisal and approval phase?

Answered: 24 Skipped: 0



For your project, how would you assess the support from ACBF for the preparation and signing of grant/financial agreements and other legal documents?

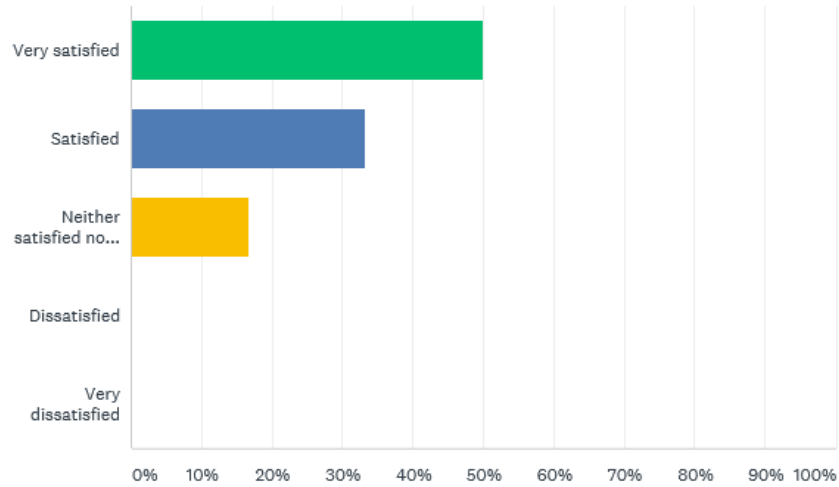
Answered: 24 Skipped: 0





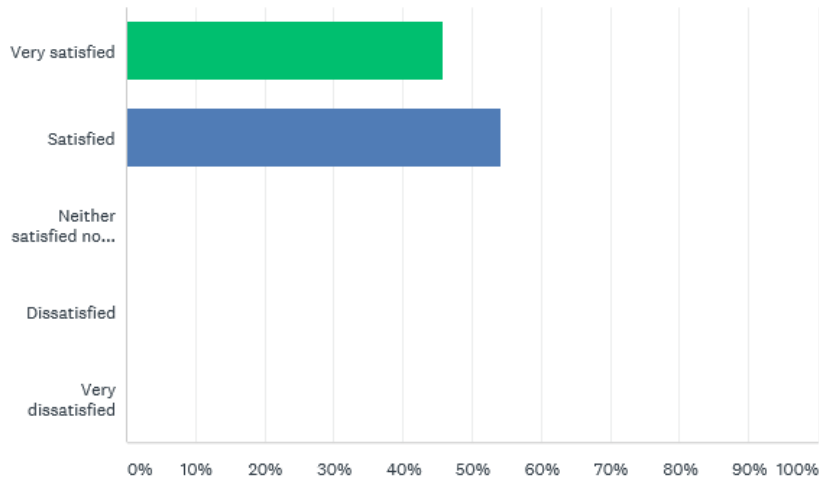
For your project, how would you assess the support from ACBF to declare your project effective and begin implementation?

Answered: 24 Skipped: 0



For your project, how would you assess the support from ACBF on project monitoring and evaluation?

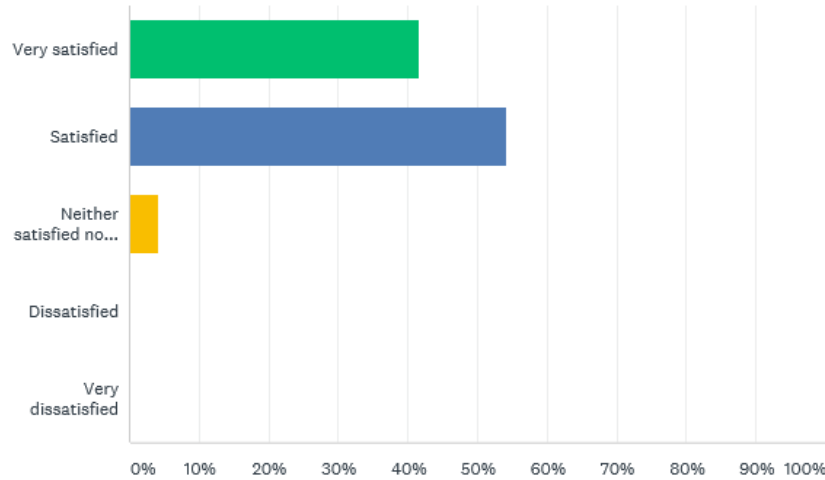
Answered: 24 Skipped: 0





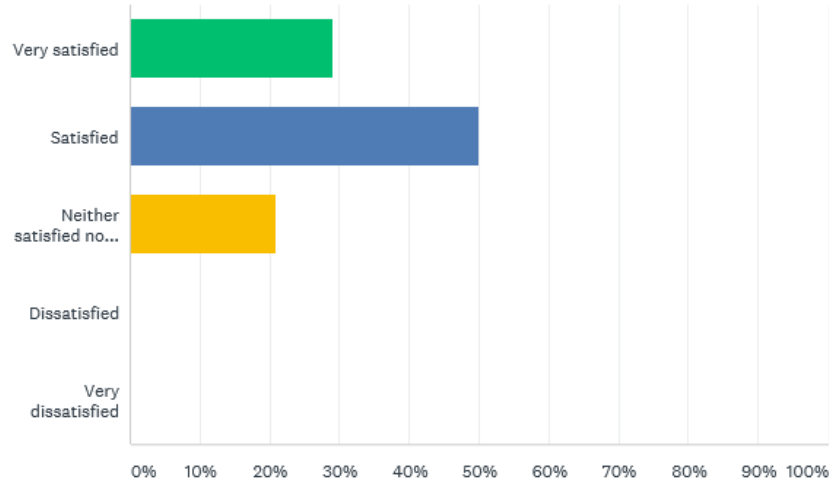
For your project, how would you assess the support from ACBF for periodic progress reporting on project activities and outputs?

Answered: 24 Skipped: 0



For your project, how would you assess the support from ACBF on financial management and procurement matters?

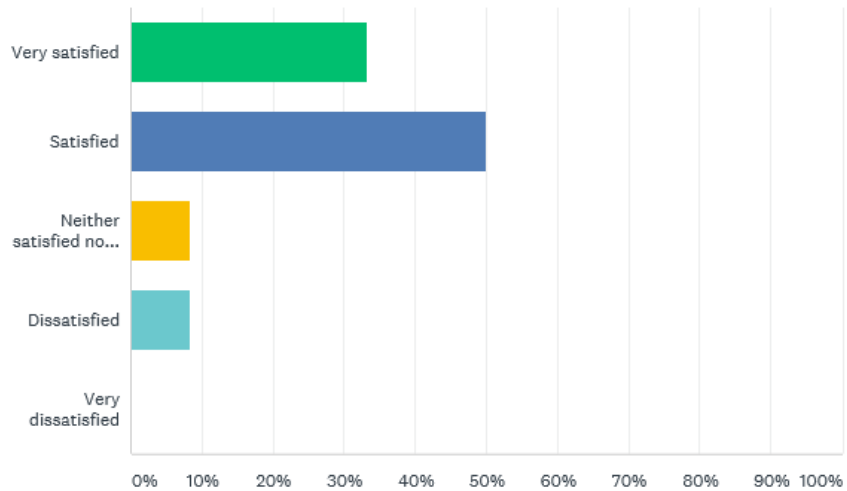
Answered: 24 Skipped: 0





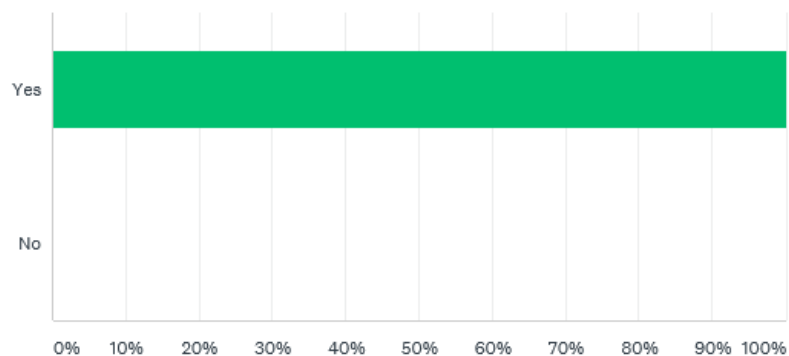
For your project, how would you assess the support from ACBF for project completion and closing?

Answered: 24 Skipped: 0



Do you see any need for future support from the ACBF?

Answered: 23 Skipped: 1



Question: Do you see any need for future support from the ACBF?

Comments:

- 1. Financial Support; to strengthen capacity of member countries in macroeconomic and financial management, in particular, countries need technical assistance to conduct debt sustainability analysis, establish and manage sovereign wealth funds, tax and revenue administration of natural resources, development of gender responsive policies, as well as understanding cross border payment systems and loan negotiation amongst others. 2. Technical Support; to strengthen institutional system in procurement, risk management, results based budgeting and M&E.
- 1. Funding research studies 2. Funding capacity building of staff 3. Funding research findings dissemination workshops
- Provision of adequate information on strategic and sustainable project funding, Reduce micro-management



- ACBF Supported [project] to implement [project]. This was a pilot project and we would like to scale it up to benefit more youth and women in [country]
- We wish ACBF financial support for our [Project], of which the ACBF Foundation was the main donor. We did the preselection of the third promotion for three years now, because of the lack of funding, we cannot start the program.
- Support to targeted interventions such as conducting core research...to insulate think tanks from interference in rendering independent policy advice. Such support also helps as a signal in unlocking other resources such as from Government and other partners.
- In view of the satisfactory cooperation that [project] has had with ACBF over the past two decades, in terms of capacity building, we suggest the sustaining of the ACBF's technical and financial support, as observed since the start of the [Program] activities
- Technical assistance
- The financial and training/capacity building support on the incubation of the various innovations, marketing, linkages with the industry and society, and infrastructures such as expansion of the students' labs and classes and the student hostels. Other support is the support on the scholarships especially for the female students and students from the region (outside [country])
- More assistance on claims and direct payments. The deadlines for transfers of direct payments are too long and this has a negative impact on the progress of project activities.
- ACBF's core or program support contributed immensely to [think tank's] institutional development and the strengthening of its human resources and technical capacities. These capacities have been crucial to sustaining...operations even as ACBF steadily reduced its support...after 2013. Future ACBF support that sustains...institutional and technical capacities, would enable...to mobilize complementary project resources...for operate regionally, especially in African fragile states, as well.
- As my project is a Master program, I will suggest supporting us by given scholarship for the students and support for the administration of the program (materiel, car, salaries).
- Yes, there is need for continued support in capacity building especially the research forums initiated through the ACBF financial support and the [project] Masters in Regional Integration developed through ACBF support.
- We need support that will help to design and implement our own research agenda. The support will be in terms of: (1) grant for research activities, dissemination and communication, (2) collaborative research program, funds for implementation of specific research program.
- It is much desirable that ACBF supports the innovative bridge program for inclusive capacity building in Africa- a program that has exceeded expectations in delivery of outputs and outcomes - and addresses the severe capacity development gap in the fragile and post conflict states.
- Core support to be able to retain key staff and also funding for regional activities
- To be more reactive with timely response and action.
- ACBF should provide funding so that more highly qualified Africans should be sponsored for Masters, PhD and for internships
- [Think tank] is currently seeking to enhance inclusive capacity building for individuals from underrepresented countries and groups (including women, fragile and post-conflict states). The recent support from ACBF was for bridge program for underrepresented countries and groups. A total of 20 PhD and 20 Masters Bridge Program students supported by ACBF would be seeking to undertake the Collaborative Masters and PhD Programs offered by [think tank], but the current



challenge is availability of scholarships. Therefore, we seek from ACBF targeted scholarships for fragile and post-conflict states so as to build a pool of economists in these states

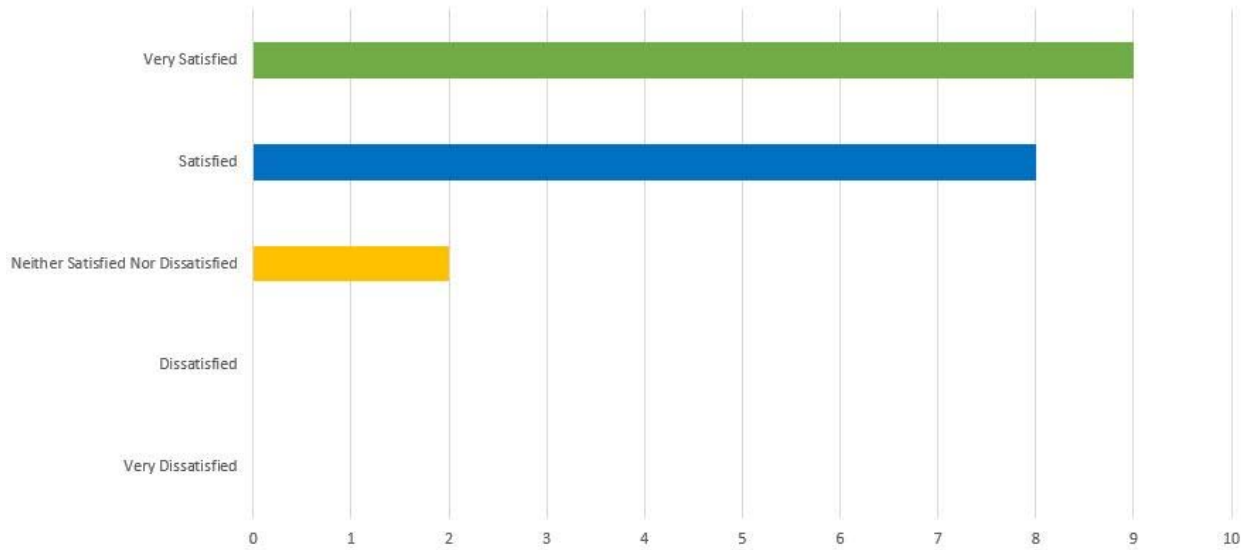
- ACBF should support the Project in terms of funds to continue with the program. It can also assist by talking to the various governments where the beneficiaries are coming from.
- To consolidate on the gains made by the Project by supporting the medium-term strategic agenda of the [entity] which covers institutional & legal reform; macroeconomic policy convergence and trade integration; capital market integration and payment and settlement systems inter-connectivity, necessary for the Institute's new strategic direction and the expanded mandate of the [entity].
- 1. Applicants from fragile countries like Liberia and Sierra Leone cannot afford the fee-paying option, hence the continued support from ACBF; 2. Countries like The Gambia that are least represented should receive sponsorship to build capacities. Supports should be in the form of tickets, stipend, accommodation, books and school fees.



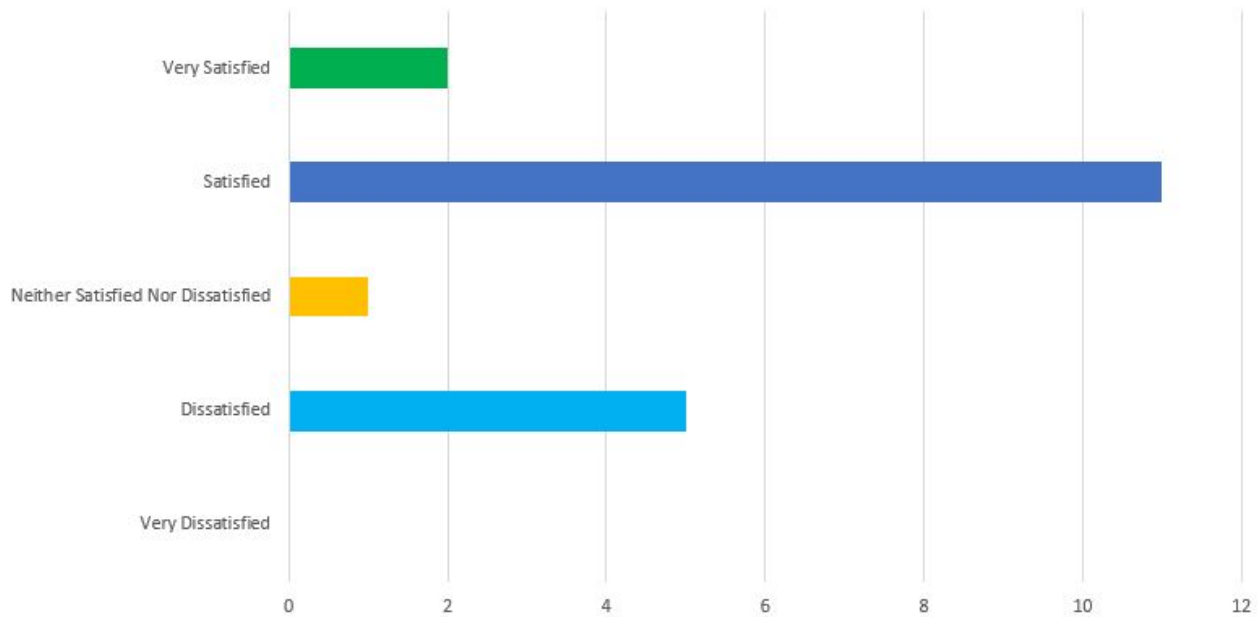
ACBF: Board of Governors and Current and Former Executive Board Members

Summary of Survey Responses

How would you assess ACBF performance on project design, preparation, implementation, Monitoring and Evaluation and cost-efficiency during 2011-2017 (i.e. during implementation of RIDA1, RIDA2 and RE-MDTF)?

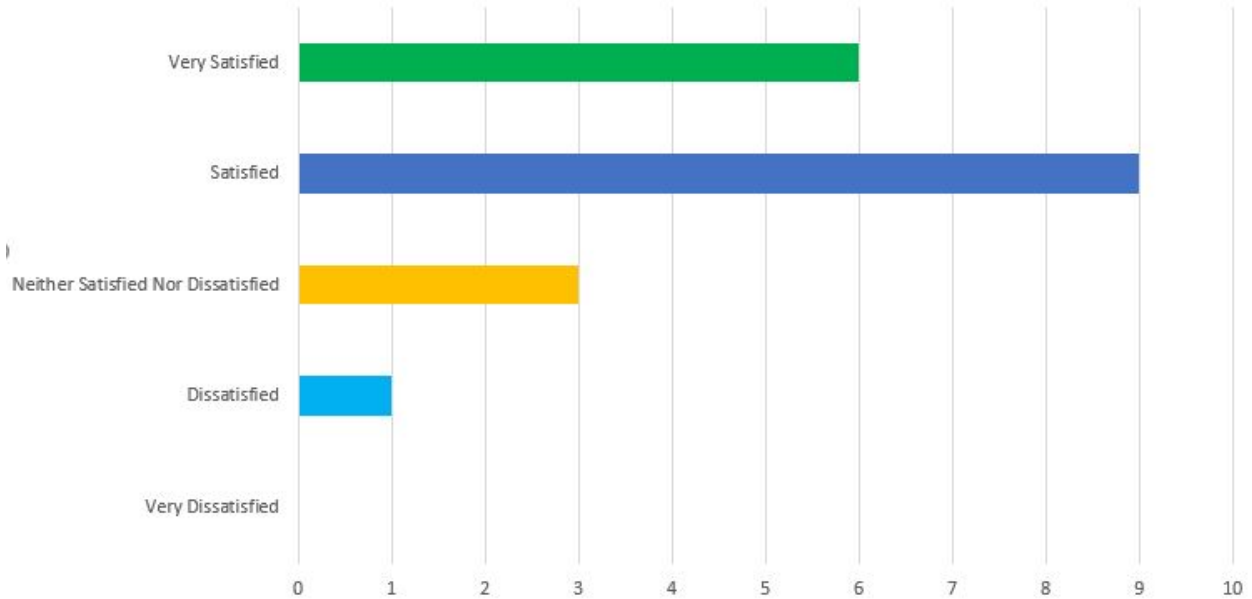


How would you assess the World Bank's support to the ACBF during 2011-2017 on implementation, M&E and supervision?

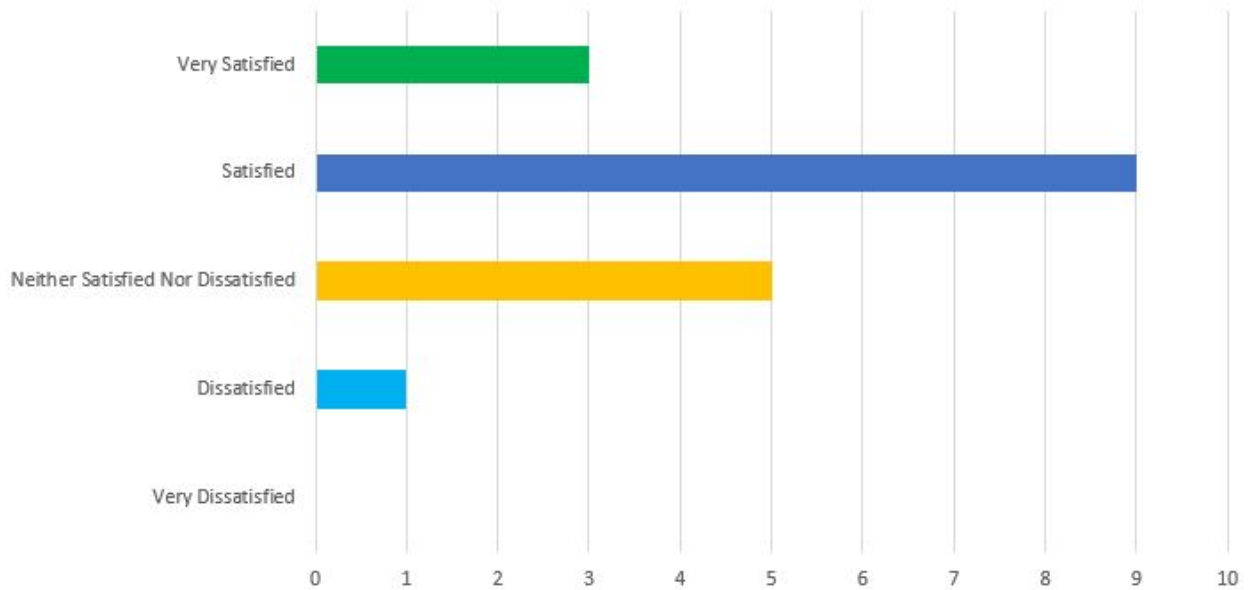




How satisfied are you with the current provisions regarding composition, structure, responsibilities and mandate of the ACBF Executive Board?

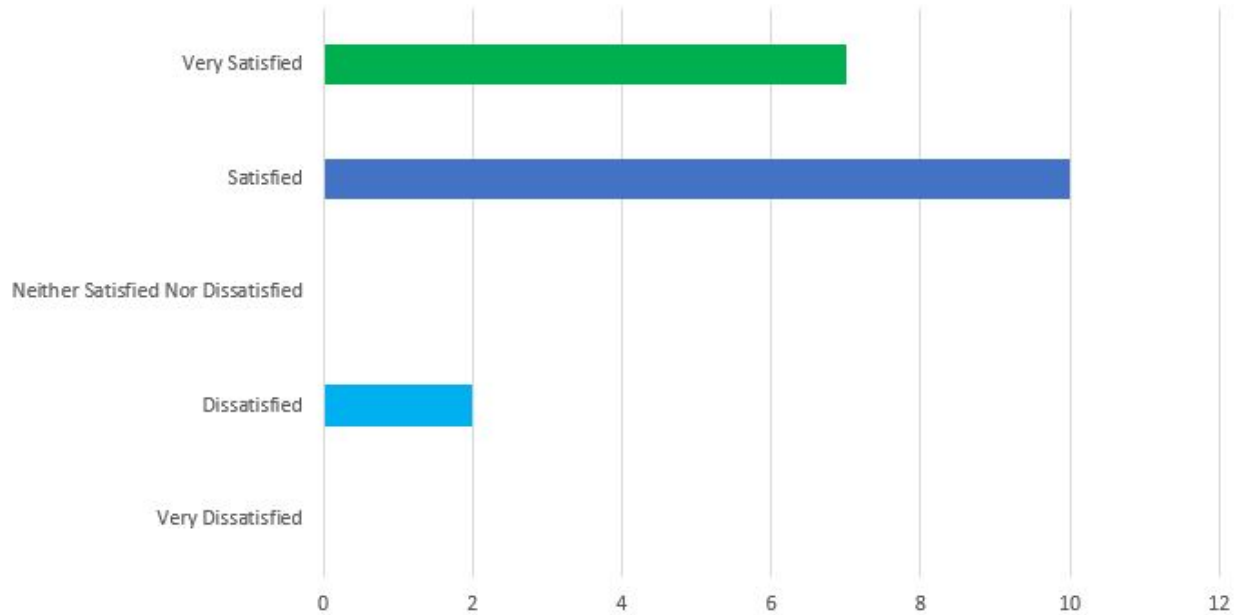


How satisfied are you with the current provisions about composition, structure, responsibilities and mandate of the ACBF Board of Governors?

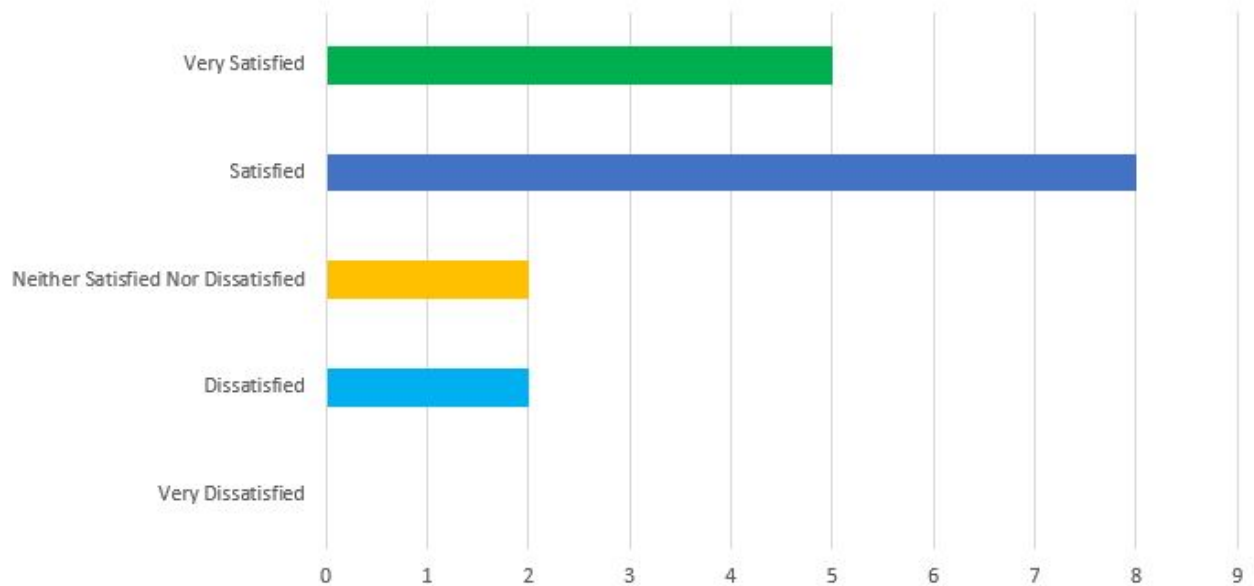




How satisfied are you with the current mandate, functions, focus, organizational structure and performance of the ACBF Secretariat?



As a member of ACBF's Executive Board, how would you assess the overall performance of the ACBF sub-projects financed by RIDA1, RIDA2 and the RE-MDTF?





ACBF Stakeholders

Comments

Question: How would you assess ACBF performance on project design, preparation, implementation, Monitoring and Evaluation and cost-efficiency during 2011-2017 (i.e. during implementation of RIDA1, RIDA2 and RE-MDTF)?

Comments:

- The number of sub-projects in Cameroon downgraded from 06 to 01. The amount also decreased and the delay of implementation postponed due to the difficulties at the HQ
- We discussed the proposals extensively before agreeing on financing. We received less information during project implementation and afterwards. Later, the 'traffic light' system was introduced that gave us information on the status of the sub-projects
- ACBF has more than 20-year experience and Track Record in the capacity building field. This helped the foundation to design and supervise effectively a variety of capacity building sub-projects. The best performance is in the capacity building of capacity building institutors where the people developed and their graduating institutions were a solid contribution to the impact on macroeconomic policy of some countries.

Question: How would you assess the World Bank's support to the ACBF during 2011-2017 on implementation, M&E and supervision?

Comments:

- The supervision of the grant was at arms length and could have benefitted from more in situ participation of the World Bank for a better understanding of the challenges and successes of the projects.
- The World Bank's support was satisfactory and achieved the intended objectives. The M&E and supervision were adequately done and this is the reason the support achieved its purpose.
- Process of releasing funds by World Bank is rather slow.
- The World Bank could provide more sustained and active support, and be clearer at an earlier stage if likely future levels of support. The Bank provided funding then stood back, and gave the impression that future support depended not on demand from Africa, or ACBF's performance, but on internal dynamics.
- The World Bank has been the back bone of ACBF's success since its creation. The Bank should increase its support both financial and technical implementation to enable the Foundation play its rightful role towards the developmental effort of the continent. With the African Union (AU) accepting ACBF as its specialized agency for capacity building, it is critical that the Bank uses that political space to advance Africa's development agenda.
- The World Bank has been very engaged in providing support to ACBF on implementation as well as in M&E supervision notwithstanding that the Bank has decided to discontinue its support to the Foundation.
- The support was hardly acquired. But it was necessary to relaunch the Foundation
- WB needs to get regular value for money audit and evaluation reports vetted by EB from ACBF before considering up-scale. WB also needs to check the sufficiency of internal control procedures, where much action is needed. Presently the management reports and discussions in



EB are mostly geared to resources mobilization rather than on what ACBF has done to ensure economic, effective, and efficient utilization of those resources, and how ACBF has sub served its core functional responsibilities in the continent. Resources are insufficient, but equally ACBF should provide credible assurance of value for money utilization of its existing resources and how it is serving its core functional objectives.

- My dissatisfaction is mainly due to WB not honoring its commitments and not coming out clearly as to the reasons
- Good thing was the availability of finance. Very dominant in EB meetings: two caps, i.e. financier and micro-management. Odd situation during the integrity investigation.
- ACBF had just created a solid M&E department and the new approach depended on data in the design of sub-projects. Baselines were created and assessed and new data collected during supervision. Performance could thus be tracked by objective and progress towards final outcomes. This came from joint work with the World Bank

Question: How satisfied are you with the current provisions about composition, structure, responsibilities and mandate of the ACBF Board of Governors?

Comments:

- In terms of responsibilities, the Board of Governors need to do more on resource mobilization and providing political support at the country level of the uptake of ACBF initiatives.
- Organizations need to evolve with the challenges of the times. ACBF needs to do the same. What worked in the period we were serving may no longer be relevant for the challenges ahead. For example. Bringing in private sector members to the board. Ensuring day to day versus longer term strategic guidance. Also risk management in light of the governance evolutions and the role of boards. I am not sure how ACBF has adapted to these since the last review

Question: How satisfied are you with the mandate, functions, focus, organizational structure and performance of the ACBF Secretariat?

Comment:

- I was impressed by the dedication, professionalism and commitment of staff during my tenure.

Question: As a member of ACBF's Executive Board, how would you assess the overall performance of the ACBF sub-projects financed by RIDA1, RIDA2 and the RE-MDTF?

Comment:

- Overall, I am satisfied except for one or two projects that did not perform well due to governance issues.
- Not all the funds were released by the World Bank.
- The reviews have all been satisfactory.
- Based on my experience from the time I joined the ARC of ACBF, I consider that their overall performance is very good and I base this in comparison with other international organizations that I have worked with.
- EB members have only some theoretical knowledge about these sub-projects as presented by the Secretariat.



Question: How would you assess the overall performance of ACBF sub-projects financed by RIDA1, RIDA2 and the RE-MDTF?

Comments:

- Whereas the downsizing made a lot of sense, it stretched to a breaking point thus difficult to gauge optimal structure.
- We discussed the proposals extensively before agreeing on financing. We received less information during project implementation and afterwards. Later, the 'traffic light' system was introduced that gave us information on the status of the sub-projects.

Question: What - in your view - were the top 3 successes/achievements of the ACBF during 2011-2017?

Comments:

- More visibility at international level, Inclusion as AU partner, More knowledge products released
- RIDA disbursement of more than 80%. Support to AUC
- The ACBF during the period under consideration achieved - 1. full project development and implementation; 2. ensured successful oversight of all the projects while, and 3. restructuring the secretariat to ensure cost effectiveness in the management of all the projects.
- 1. The capacity of Think Tanks, 2. The annual ACR and the Capacity of the Secretariat
- 1. Support to think tanks, 2. Capacity support for policy development at Ministries of Finance, 3. Excellent implementation of World Bank project.
- Restructuring the Foundation to ensure higher levels of efficiency, stronger internal controls and impactful projects across Africa.
- Public Service Governance Capacity Building, Technical Assistance to CSOs, Board Diversity.
- Moving from a grant making body towards one making a contribution in providing advice, analysis, and direct support to Africa; more strategic; leaner and providing more value for money.
- Being AU (African Union) agency.
- Technical support to the AU for development and planning for implementation of Agenda 2063, key knowledge products in support of continental development frameworks, Human and Institutional capacity development of key institutions on the continent.
- Continued support to capacity building of African countries; having been selected as one of the specialized agencies of the African Union; succeeded in obtaining the support of the Bill and Melinda Gates Foundation.

Question: What - in your view - were the top 3 successes/achievements of the ACBF during the period you were on the Executive Board?

Comments:

- Achievement of the core mandate, ability to respond to funding constraint, successful downsizing
- 1. Support to Policy Analysis and Research Institutes. 2. Support to RECs 3. Introduction of African Capacity Reports
- 1. Critical scrutiny of sub-projects before approval. 2. clear focus on goals to be attained. 3. Successful completion of various sub-projects.



- 1. Securing increased African financial contribution and ownership; 2) introducing independent risk and audit committee; 3) developing an index and publishing assessed results on status of capacity in Africa.
- Support for some think tanks; Support for countries with fragile states, Success in mobilizing resources from private sector

Question: What - in your view - are the top 3 challenges confronting the ACBF today?

Comments:

- Improve financial support to field operations, improve the diplomatic presence and recognition as a capacity building partner for African countries, better sharing of knowledge products
- 1. Political instability in the African countries. 2. Insufficient Resources. 3. Insufficient oversight over the sub-projects.
- WB Scaling down its support. Member states low implementation rate.
- 1. The key challenge to the ACBF is resource mobilization especially from African member countries to the ACBF. 2. Given the resource constraints there is the concomitant challenge of capacity of the secretariat and finally. 3. To bring development partners especially European countries on board to support the capacity efforts of the ACBF on the African continent.
- 1. Sustainability in terms of Financial resources to implement is mandate.
- 1. Financial sustainability, 2. Competition in Capacity development.
- Resource Mobilization, Attracting talent and geographic location of Head office.
- Project Monitoring and Evaluation, Slow Response in Fulfillment of Pledges by some member countries, Low Capacity Development in the Private Sector.
- Having an assured volume of funds to allow multi-year planning and support: continuing to refine strategic focus; and more emphasis on outcomes as well as outputs.
- Getting new funding partners, recovering African states pledges and contributions.
- Visibility, Ownership and Financial Resources.
- Resources and partnership, are topics to be covered.
- Departure of two significant donors (WB and SIDS) and there they need to be aggressive in resource mobilization; adopting to their new business model; funding the strategy for 2017- 2021.

Question: As a member of the 2008-2014 ACBF Executive Board, what - in your view - were the top 3 challenges confronting the ACBF during that period?

Comments:

- Funding, 2. following to the funding, able to meet demand from member states
- over staffing, funding and attracting caliber staff
- 1. Integrity investigation 2. Resource mobilization (broader than WB) 3. Keep capacity development on the development agenda
- 1. Delayed release of funds from major donors. 2. Succession from one Executive Secretary to another.
- 1. Maintaining financial support of bilateral donors; 2. functioning in the challenging host country environment including attracting talent; 3. Ensuring long term support for capacity building when the funding modalities were shifting to project and earmarked approaches



- Effectiveness of ACBF's support for Governance; Scattering meager resources over a plethora of sectors; Stability of funding and staffing

Question: What - in your view - are the top 3 actions that ACBF needs to take (and by when) to address its key challenges and risks?

Comment:

- Fund raising to improve financial support to field operations via Think tank, be better known by African common people or citizen / presence and publicity

Question: What - in your view - are the top 3 actions that ACBF needs to take (and by when) to address the key challenges and risks it confronts and/or to adapt to its evolving operating environment?

Comments:

- 1. The ACBF needs to diversify its base of support to incorporate private sector support and financial contributions. 2. As an Agency of the African Union leverage its position to ensure the continued support of the African Governments through fulfilling their pledges to the institution, and 3. Through greater support expand its project portfolio whilst moving towards service level agreements rather than the provision of grants to institutions.
- ACBF needs to reposition itself from Grant making organizations to implementer of projects and provider of knowledge products. Establish partnership frameworks.
- 1. Implementation of a new business model, 2. Diversify development partners, 3. Pursue with AU Financing mechanisms.
- Ensure a more engaged board of governors, better resource mobilization and better remuneration of Foundation staff.
- Succession Plan for key personnel, Stakeholder Engagement with more member countries, Aggressive Resource Mobilization.
- Greater clarity on role as specialized body of AU (end 2018): consequential financial contribution from Africa encouraging renewed support from external donors and founders (ongoing): firmer results based strategic choices (annual starting 2019).
- Getting more funding partners and sources as well as having more African countries joining.
- Maintaining strong continental ownership, Effective response to capacity Challenges, Mobilize adequate resources.
- Cost reduction, involvement of stakeholders, ROI of projects.
- More aggressive resources mobilization and broader advocacy, explore the new profile as a specialized agency of the AU; solicit more financial and political support from African member countries.
- 1. Restructure the management to create a CFO, who would individually and jointly with ES provide management assurances about adequacy of internal controls and efficient financial management; 2. Top management (Directors with the exception of Head IAD) should have collective responsibility of raising resources and promoting its fruitful end use; 3. IAD functions should be upgraded to include value for money audit with due audit risk analysis.
- Diversifying donor base. Support to Fragile states.

Question: What - in your view - were the top 3 actions ACBF needed to take during that period to address its key challenges and risks and/or to adapt to its evolving operating environment?

Comments:



- Shedding of staff, increased member contributions, reduced overhead expenses
- 1. Introduce organizational changes as response to the integrity investigation (audit committee + information flows/management form sub-projects) 2. Maintain the relationship with (potential) financiers despite of being in hot water. 3. Prepare a new strategic plan to meet the challenges and show results. Good idea: African Capacity Reports
- 1. Reduce reliance on two major funding sources. 2. Reduce role of a 'Grant disbursement' to a holistic service provider in capacity development issues in the continent.
- 1. Define the value proposition for bilateral donors to stay in; 2. Speed up process of decentralization to other locations. 3. Redesign partnership arrangements to adapt to changing funding modalities
- More strategic focus of support, Board of Governors action to ensure more predictability of funding, better choice of secretariat's management

Question: If there are any other lessons/issues/suggestions you would like to highlight, please use the comments/text box below.

Comments:

- ACBF as pan African institution needs to increase the awareness of its existence, of its presence and the importance of its role or contribution to achieve Agenda 2030 SDG and AU 2063 FTYIP.
- ACBF has a noble mission in the African agenda and it has to develop the niche of premier institution for capacity development in Africa
- 1. Strong point: convening power; mobilizing African leaders and creating African ownership. 2. Capitalize more on the huge number of sub-projects and information gathered over the years. 3. Be satisfied with less money (sub-projects) and focus more on knowledge management
- ACBF has executed admirably in a changing context and has managed to deliver sustained results in capacity building. The changing priorities and modalities of finance require ACBF to be constantly nimble in adapting to new challenges. Founder organizations like the World Bank can help make that happen.
- As a global support institution, the World Bank should continue to support the development of Africa through enhancing its related institutions and to do so through its continuing support to the Africa Capacity Building Foundation.
- The World Bank should re-consider its decision not to support ABCF and also support ACBF to mobilize resources from other donors.
- Cost reduction.
- The World Bank may want to reconsider its support to ACBF based on the new business model of the Foundation.



ACBF comments on the ICR are awaited and will be summarized below when received.



ANNEX 6. SUPPORTING DOCUMENTS

World Bank

1. Project Concept Note
2. Concept Note Review Meeting Minutes
3. Project Appraisal Document
4. Project Paper (2013 Additional Financing)
5. Restructuring Paper (2016 restructuring)
6. Mission Aide Memoires
7. Mid-Term Review Mission Aide Memoire
8. Implementation Status Reports
9. PACT and ACBF Evaluation Reports

ACBF and Sub-Projects

1. ACBF Constitution
2. ACBF Operational and Procurement Manuals
3. ACBF Progress Reports
4. Africa Capacity Reports
5. ACBF Publications (see ACBF website)
6. Publications by ACBF Sub-projects (see respective websites)

Evaluations of the ACBF

1. 1995: Mid-Term Evaluation of the African Capacity Building Initiative - A UNDP Evaluation undertaken by the Nordic Consulting Group.
2. 1996: An Evaluation of the Performance of ACBF under its Pilot Phase - External Evaluation carried out by Development Associates, USA.
3. 1997: PriceWaterHouseCoopers Financial Review of ACBF – External Evaluation by the World Bank.
4. 1999: Study on Integration of PACT into ACBF – An assessment by GRM, Australia.
5. 2000: CIDA Operations Assessment Mission to ACBF by Mr. Enrique Madueno.
6. 2000: DFID-commissioned Assessment undertaken by Prof. John Toye.
7. 2001: Operations Review by France carried out by Mr. Dominique Mas.
8. 2001: Operations Review by DFID carried out by Mr. Jeremy Clarke, Senior Governance Adviser.
9. 2001: World Bank DGF Programs and Financial Operations Review Mission to ACBF by Mr. Paul Hubbard.
10. 2002: DFID-commissioned Assessment undertaken by Diana Goldsworthy and Paul Bennell.
11. 2002: Change Management Diagnostic Study commissioned by ACBF Executive Board.
12. 2002/2003: World Bank Mid-Term Review of PACT by John Silverman et al.
13. 2004: Review of Development Effectiveness of World Bank Support to Capacity Building in Africa - conducted by the Operations Evaluation Department, the World Bank.
14. 2005: Review by World Bank Operational Taskforce on Capacity Building in Africa.
15. 2010 Mid-term review evaluation of SMTP1 by ITAD



FLAGSHIP & OTHER REPORTS PUBLISHED BY ACBF

1. Africa Capacity Reports (ACRs)
 - ACI 2011: Capacity Development in Fragile States
 - ACI 2012: Capacity Development for Agricultural Transformation and Food Security
 - ACI 2013: Capacity Development For Natural Resource Management (ACI 2013)
 - ACR 2014: Capacity Imperatives for Regional Integration in Africa (ACR, 2014)
 - ACR 2015: Capacity Imperatives for Domestic Resource Mobilization in Africa
 - ACR 2017: Building Capacity in Science, Technology and Innovation for Africa's Transformation

2. Publications on Agenda 2063
 - African Critical Technical Skills and Key Capacity Dimensions Needed for the First 10 Years of Agenda 2063
 - Capacity development Plan Framework Buttressing Implementation of the First 10 Years Plan – “The Africa We Want”
 - Capacity Requirements for the New African Vision agenda 2063 - “The Africa We Want”.
 - Survey of the capacity Needs of Africa's Regional Economic Communities and strategies for Addressing Them
 - Assessment of Internal and external Risks Associated with the Implementation of the African Union's Agenda 2063
 - A Digest of OUA-AU Treaties, Conventions and Agreements, 1963 to 2014

3. Occasional Papers
 - Youth Unemployment in Africa: Capacity Building and Innovative Strategies
 - Drivers of Economic Growth in Africa
 - ACBF Board of Governors Issues Paper: Accessing Funds for Development: Required Capacities for Resource Mobilization and Absorption
 - Policy and Institutional Dimensions of Africa's Political Economy in an Age of Globalization
 - Infrastructure Development and Financing in Sub-Saharan Africa: Toward a framework for capacity enhancement
 - The Retention of Highly Skilled Returnees in Mozambique: An Institutional Approach
 - Development Drivers in Africa: Role of Innovation

4. Development Memoirs
 - The Role of Information and Communication Technology (ICT) in Africa's Sustainable and Inclusive Development: Understanding the Capacity Challenges
 - Addressing Africa's Youth Employment and Food security Crisis: The Role of African Agriculture in Job Creation
 - Transparency and Accountability in the management of Public Funds: How sensibly must African Countries Stand?



- The African Capacity Building Foundation: Rising to the Challenges of Capacity through a Unique and Innovative Framework
 - Governance and transformative Leadership in Africa: Progress, Prospects and Challenges
5. Policy Briefs
- Building Capacity in Science, Technology, and Innovation for Africa’s Transformation: The Role of Private Sector
 - Building Capacity in Science, Technology, and Innovation for Africa’s Transformation: The Role of Governments
 - Building Capacity in Science, Technology, and Innovation for Africa’s Transformation: The Role of higher learning and research Institutions
 - Building Capacity for Domestic Resource Mobilization: The Role of Development Partners
 - Building Capacity for Domestic Resource Mobilization: The Role of the Private Sector
 - Building Capacity for Domestic Resource Mobilization: The Role of of Government
 - Building Capacity for Domestic Resource Mobilization: The Role of the Civil Society
6. Books
- African Financial Governance Outlook: Effective Public Financial Management for Sustainable Development
 - African Financial Governance Outlook: Public Financial Governance Reforms, the Recent Progress in Africa. Preliminary Findings of the AGO Pilot Phase
 - Gender Budgeting as a Tool for Poverty Reduction: Concept, Practices and capacity Implications
7. African Community of Practice on Management for Development Results (AfCoP)
- The Mediterranean Migration Crisis: Roots Causes and Implications for the African Continent
 - Guidelines for initiating and Managing Evaluation
 - Influencing Inclusive Growth through Peace Building and Reconciliation
 - Unpacking Nigeria’s policy Response to Youth Unemployment: The Youth Enterprise with Innovation in Nigeria (YOUWIN)
 - Trade Facilitation in Africa
 - National Planning Processes and Accountability



FLAGSHIP & OTHER REPORTS PUBLISHED BY ACBF SUB-PROJECTS

1. EDRI

- Analysis of Changes in Food Consumption Patterns in Urban Ethiopia.
- Road Sector Development and Economic Growth in Ethiopia.
- Does Electricity Supply Strategy Matter? Shortage and Investment: Reflections based on CGE
- Climate Conventions and Africa/Ethiopia.
- Carbon Markets and Mitigation Strategies for Africa/Ethiopia: Literature Review and the Way forward

2. HESPI

- Making Public Finance Management the Central Instrument of Policy and Recovery
- Rebuilding Capacity for Effective Public Finance Management: The Case of Somalia's Transition from Conflict
- Economic Growth in the Horn of Africa: Identifying Principal Drivers and Determinants
- Assessment of Economic Integration in IGAD
- Regional Integration and Trade in Africa: Augmented Gravity Model Approach
- Composition of growth and alleviation of income poverty and child under nutrition in Sub-Saharan Africa

3. COMESA

- A methodological guideline for implementing the 2008 SNA in the financial services sector was developed;
- COMESA intra-regional trade potential, opportunities and challenges;
- Sugar Competitiveness study in COMESA which resolved the Kenya sugar safeguard application concerns;
- The impact of the Transpacific Partnership on AGOA eligible COMESA Member States trade with the USA
- Comprehensive audit of NTBs, their causes and costs in the COMESA region
- An assessment of joining COMESA by the republic of Tunisia, South Sudan and Somalia
- Taking Stock of the Implementation of the COMESA Integration Agenda

4. IPAR Rwanda

- Great lakes support program: cost of production and the determinants of farmer incentives to invest in their coffee plantations
- Public Financing for Agriculture
- Impact of Land reforms in Rwanda on women economic empowerment
- Disability Rights: Gap analysis of the level of inclusion of disability issues
- Assessing the reproductive and Sexual Health of the Historically Marginalized people
- IMIHIGO Public Contract Evaluation 2016-2017



- Update selected Indicators in the log frame for the Land Tenure Regularization Programme
- Strengthening the impact on employment of sector policies
- Production of case studies on Science, Technology and Innovation in Rwanda
- Cost Benefit Analysis of Tax Incentives in Rwanda

5. KIPPRA

- An assessment of Water Reforms in Kenya: Selected Indicators
- Financial Needs for Private Sector
- Firm Development, Regulation and Competition
- Investment, Growth, Opportunities and Business Environment
- KIPPRA-Treasury Model (KTMM)- updating the model with new data, monitoring key macroeconomic variables, generating medium term projections
- Scoping Paper on the review of Oil and Gas Governance and Exploitation in Kenya
- Sustainability of Current Account Deficits in Kenya (YP)
- Pre-conditions for successfully tapping Diaspora remittances for infrastructure development in Kenya.
- Land Reforms in Kenya: Land Registration and Land Investment
- Understanding the Banking Structure in Kenya.
- Baseline Study on Counterfeiting, Piracy and Illicit Trade
- Concept on Situational Analysis of Illicit Trade in Tobacco Products in Kenya in collaboration with the International Institute for Legislative Affairs (ILA)
- Accelerating Industrial Development in Africa: The Case of Kenya [Enterprise Survey]

6. WAIFEM

- Financing infrastructure for sustainable development in west Africa
- Structure and composition of the labor market in the Gambia
- Poverty analysis and mapping in Liberia
- The challenges of exchange rate management in ECOWAS
- The challenges of fiscal decentralization in Nigeria

7. MPPRAP

- How best small businesses can be supported to harness their potential of creating jobs;
- Ways to improve adoption of climate smart agricultural technologies among small holder farmers

8. IGAD

- Final report on the fourth biennial meeting of the IGAD business forum (IBF)
- Report of the workshop validation of the preparation and negotiation modalities for IGAD to join the tripartite free trade area.



- Macroeconomic Performance of IGAD Member Countries Using Macro-Econometric Models: The Cases of Ethiopia, Kenya, Sudan, and Uganda Model Specification, Estimation Result, Discussion and Analysis.
- Report by the Horn Economic and Social Policy Institute for the Secretariat of the Intergovernmental Authority for Development Think Tank Network.
- Report by the Horn Economic and Social Policy Institute for the Secretariat of the Intergovernmental Authority for Development Operation research Manual

9. ESRF

- Localization and Community Awareness of SDGs: Capacity Building and Empowerment of the Local Institutions and Actors for Successful SDGs Localization and Implementation.
- Training guide for updating and preparation of district strategic plans.
- Participatory governance on natural gas economy.
- Kilimanjaro region mapping of industrial potential areas 2017.
- Enhancing industrialization in Tanzania as a pivotal pillar of economic growth: mapping of extant industrialization potentials in Mwanza region.

10. ZIPAR

- Financing the Economic Stabilization and Growth Programme (Zambia Plus) in the Shadow of the IMF.
- Scaling the Eurobond Debt wall

11. CMAP

- Revue Pays Sur le Renforcement des Capacités en Mauritanie.
- Stratégie pour le développement du secteur industriel en Mauritanie : 2015-2019.
- Revue des dépenses publiques dans le secteur de l'eau en Mauritanie (2006-2016).
- La Mobilisation des Ressources Intérieures en Mauritanie : Taxation optimale du tabac en Mauritanie.
- Situation de référence des Objectifs du Développement Durable en Mauritanie
- Etude pour la création d'une Agence Mauritanienne de Promotion des Exportations
- Mauritanie Transformation de la trajectoire de l'emploi des jeunes.
- Rapport sur l'Evaluation des Objectifs du Millénaire pour le Développement en Mauritanie.
- Etude sur les filières attachées aux industries minières

WEBSITE LINKS OF SUB-PROJECTS FINANCED BY ACBF

HESPI:	www.hespi.org
ZIPAR:	www.zipar.org.zm
KIPPRA:	www.kippira.or.ke
AERC:	www.aercafrica.org
CAPEC:	www.capec-ci.org



IDEC: www.idec.org.bi
EEA: www.eeacon.org
EDRI: www.edri.org.et
ESRF: www.esrftz.org
IPAR Rwanda: www.ipar-rwanda.org
CMAP: www.cmap.mr
CAMERCAP: www.camercap-parc.org
CEPOD: www.cepodsn.org
CADERDT: www.caderdt.com
CERCAP: www.cercap.net
IDEG: www.ideg.org
NM AIST: www.nm-aist.ac.tz
ZiE: www.zie-edu.org
AUST: www.aust.edu.ng
EPM Ghana: www.epm.ug.edu.gh
EPM Makerere: www.mak.ac.ug
EPM Zambia: www.unza.zm
EPM Abidjan: www.gpe-afrique.org
EPM Yaounde: www.gpeyaounde.org
CESAG: www.mbf.cesag.sn
GIMPA: www.new.gimpa.edu.gh
WAIFEM: www.waifem-cbp.org
CODESRIA: www.codesria.org
AU : www.au.int
EAC: www.eac.int
COMESA: www.comesa.int
UEMOA: www.uemoa.int
IGAD: www.igad.int
WAMI: www.wami-imao.org
AWDF: www.awdf.org
FANRPAN: www.fanrpan.org
AAU: www.aau.org
EABC: www.eabc-online.com



ANNEX 7. CONTEXT AT APPRAISAL

The context at appraisal was somewhat different from that at most World Bank-financed capacity-building sub-projects: the World Bank had supported the Africa Capacity Building Foundation (ACBF) since its establishment in 1991; this contextual section provides the backdrop. The seventies and eighties had seen an outpouring of international financing and technical assistance to Africa (it was estimated that more than 100,000 expatriate technical experts were advising African governments by the late eighties), as well as the emergence of liberation movements, the discovery of natural resource deposits and - over time – the emergence of new countries. The focus of international assistance also evolved from large infrastructure to economic management, poverty reduction and conflict management. The African Capacity Building Foundation (ACBF) was born on February 9, 1991 as the outcome of a partnership between African governments and the international development community. The World Bank, the African Development Bank (AfDB) and the United Nations Development Program (UNDP) constituted the ACBF's sponsoring agencies, joined by governments from Africa¹⁴ and other continents¹⁵, bilateral partners and – in September 2002 - by the International Monetary Fund (IMF). The vision for such a partnership was articulated by the World Bank's Vice President for the Africa Region, Edward "Kim" Jaycox, at a stakeholder meeting in New York in 1989: "The goal and vision can be stated relatively simply: 10, 15, 20 years from now, every Sub-Saharan African country could have its own cadre of very good policy analysts and economic managers— and Africa could have clusters of first-class training and management institutions. There will be much less need for technical assistance and expatriate advisors in these areas. More important, Sub-Saharan Africa will be in more control of its economic destiny, less vulnerable to external shocks and more competitive in the global market place...Africa must have its capacities." This vision gave birth in 1989 to the Africa Capacity Building Initiative, and then in 1991 to the ACBF whose mandate was to finance capacity-building across Africa with strong ownership from African governments.

In 1995, following a broad consultative process involving the World Bank's African Governors and a study which yielded a strategy on how the World Bank might enhance the impact of its operations in Africa, the Bank initiated the Partnership for Capacity Building in Africa (PACT), whose implementation was entrusted to ACBF from 2000 onward. The PACT was a collaborative effort among the World Bank, AfDB and UNDP to take concrete steps towards improving economic and public management capacity in Africa. The ACBF, under its first Strategic Medium-Term Plan (SMTP1), provided grants and technical support to some 40 countries in Sub-Saharan Africa and to about 34 regional and continental institutions until 2005. The World Bank supported SMTP1 by providing multiple DGF Grants for a total of US\$147.6 million, which represented 56 percent of the total amount mobilized by ACBF under SMTP1, as well as by

¹⁴ Benin, Botswana, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Congo (Brazzaville), Democratic Republic of Congo, Cote d'Ivoire, Djibouti, Ethiopia, Gabon, Gambia, Ghana, Guinea Bissau, Kenya, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Sudan, Swaziland, Tanzania, Togo, Uganda, Zambia and Zimbabwe.

¹⁵ Canada, Denmark, Finland, France, Greece, India, Ireland, The Netherlands, Norway, Sweden, the United Kingdom and the United States of America.



serving as Trustee of the multi-donor trust fund for SMTP1 (SMTP1 MDTF) under which donors provided US\$85.4 million¹⁶.

The World Bank was represented on both ACBF governance bodies until 2011 – the Regional Vice President (RVP) for the World Bank’s Africa Region was a member of the ACBF Board of Governors (BOG) and a Director or PREM Sector Manager was a member of the ACBF Executive Board (EB). And after approval of the project in 2011, World Bank task teams would supervise the project and also provide implementation support to the ACBF in developing and refining its objectives, policies, procedures and practices.

From 2011-2017, the ACBF received US\$119 million from the World Bank, representing more than 50 percent of ACBF’s total financing during this period. The World Bank funds comprised US\$90 million from two Regional International Development Association (RIDA) Grants and US\$29 million from a Recipient-executed Multi-Donor Trust Fund (RE-MDTF). The first RIDA Grant (hereafter RIDA1) of SDR 16.3 million (US\$25 million equivalent) was approved by the World Bank’s Board of Executive Directors on March 17, 2011 with an original closing date of December 31, 2015. The closing date was extended by two years at Additional Financing. The RE-MDTF had the same approval and closing dates. The second RIDA Grant (hereafter RIDA2) was approved on December 5, 2013 as Additional Financing (AF) along with restructuring and an extension of the closing date to December 31, 2017. A second restructuring, approved on February 6, 2017, reallocated costs between disbursement categories.

At appraisal, therefore, the ACBF had evolved into a pan-African international organization based in Harare. Investing in capacity-building initiatives, with all African countries and other partners represented in its governance structure, its vision was to become the premier African capacity development entity, a trusted advisor to national and regional decision-makers, and an effective and efficient partner to development stakeholders. It sought to achieve this by expanding financing for, and influence on, developing African countries’ human and institutional capacity for sustainable growth and poverty reduction. From 1991-2001 (the inception and institutional growth phase), ACBF focused on strengthening core public sector capacity for economic policy management (EPM) and analysis to support structural and economic policy reforms. ACBF focused on: (a) enhancing capacity for effective policy formulation and management, (b) strengthening macroeconomic, financial and debt management, (c) strengthening the performance of academics and public sector managers, (d) fostering inclusiveness and effective participation of non-state actors in sustainable development, (e) improving accountability and parliamentary oversight at national and regional levels, (f) enhancing the policy research capability of African regional economic communities (RECs) and (g) strengthening statistical systems and capacity. ACBF’s operations during the subsequent period (2002-2011) diversified into six core competency areas³, including economic policy and management. This period, in fact, coincided with the Foundation’s first and second Strategic Medium-Term Plan (the 2002-2006 SMTP1 and the 2007-2011 SMTP1). In 2012, the Foundation formulated its third Strategic Medium-Term Plan (the 2012-2016 SMTP3), with focus shifting from six core competency areas to three strategic pillars⁴ and seven focus areas⁵ (covering the first two

¹⁶ PAD (Report no. 56099)



years of the implementation of the strategy); underpinning the SMTP3 was efficiency, results and impact of interventions.

In 2011, the Bank moved from using DGF Grants to Regional IDA to finance its contribution to ACBF: several factors contributed to this change in the main instrument of World Bank support to the ACBF, including an increasingly results-oriented approach of the international development community. Key contributory factors included:

- a) *The initial vision of World Bank support to the ACBF was predicated on an ambitious US\$1 billion ACBF program for the first fifteen years, envisaged to be funded by the PACT TF. World Bank management agreed to contribute up to 15 percent (i.e. US\$150 million) of this envisaged program cost through grants, with the rest envisaged to be sourced from other multilateral and bilateral sources and from African member countries. [The World Bank honored its pledge of US\$150 million.]*
- b) *The World Bank decided to source these contributions from own income and thereafter from its Development Grant Facility (DGF), providing annual contributions to the ACBF. These grants were not tied to specific sub-projects or purposes. The DGF grants financed ACBF annual work programs (i.e. capacity-building sub-projects across Africa and ACBF own operating costs) underpinned by successive Strategic Medium-Term Plans (SMTPs – see Box below)¹⁷, with Bank membership of the BOG and EB thought to provide sufficient oversight of and familiarity with ACBF capacity, activities and performance.*

Text Box 4. World Bank Commitment To ACBF SMTP1 and 2

The World Bank supported SMTP1 by providing multiple DGF Grants for a total of US\$147.6 million which represented 56 percent of the total amount mobilized by ACBF under SMTP1. It also served as Trustee of the multi-donor trust fund for SMTP1 (SMTP1 MDTF) under which donors provided US\$85.4 million. Thereafter, on September 5, 2006, the Bank's Board approved Bank support to the SMTP1 program and objectives over 2007-2011 through a series of DGF grants totaling up to \$150 million to be approved annually. The Bank funding to SMTP1 was justified on the basis that it not only "fits within the Bank's framework for supporting capacity development in Africa, as articulated in the CDMAP¹⁸, [but] independent evaluations [of ACBF programs] have confirmed the effectiveness of ACBF/PACT in addressing several aspects of the capacity development challenge in Africa"¹⁹.

- c) *From its inception to 2010, ACBF underwent 15 independent and rigorous evaluations and assessments: they are listed in Annex 5.*

¹⁷ Source: PAD Report no. 56099, page 7

¹⁸ Capacity Development in Africa: Management Action Plan (CDMAP), Report SecM2006-0323

¹⁹ *African Capacity Building Foundation (ACBF)/ Partnership for Capacity Building in Africa (PACT), A Proposed Strategy for Further Bank Support to ACBF/PACT (2007-2011). World Bank Report No36976, August 8, 2006*



- d) *It became clear within a few years that ACBF would not be able to raise the envisaged US\$1 billion, - but alone among all donors the Bank kept its commitment to its US\$150 million contribution. At different times during 1991-2008, when the World Bank reviewed its contributions to the ACBF, the fact that other donors would end up contributing far lower amounts than they had pledged was never explicitly recognized; if it had been, the Bank may have decided during the nineties to reduce the quantum of its contributions to the ACBF. Thus, the World Bank paid US\$150 million to the ACBF even though none of the other contributors fully delivered on their initial pledges.*
- e) *In September 2008, anonymous letter received by donors (the 'Chamba letter') alleged human resource and financial malpractices at ACBF due to deviations from operating policies and practices. The letter resulted in suspension of Bank contributions, unease among donors about ACBF management and operating practices, an ACBF-commissioned audit, a Bank-led integrity review, the subsequent adoption of a Management Action Plan (MAP), and departures of several ACBF managers and staff. But an ACBF-commissioned audit and the Bank's integrity review of the allegations – both taking almost two years to complete – did not establish any of the allegations. It identified several risk factors and called for improved risk assessment, internal controls and more effective and transparent personnel and operations policies and processes. The MAP addressed the structural weaknesses identified to the satisfaction of the World Bank. The reforms were closely monitored by the Bank throughout the duration of the project.*
- f) *The 2008 financial crisis impacted not only economies, but also the ACBF and its donors. The Bank's own finances came under stress due to requests for support from economies across the world. Donor countries and aid agencies began to confront aid budget constraints. Many donor governments' commitment to development aid also weakened as their policies and public finances focused on crisis management and post-crisis recovery. Many bilateral donors changed their priorities and concentrated their aid budgets on only a few themes, sectors, countries or regions (e.g. the UK began to focus on only the very poorest countries and significantly reduced – if not stopped – aid to other countries. In addition, in the post-2008 world, major 'traditional' donors contributed to capital increases for key multilateral institutions such as the IMF, the World Bank and regional MDBs. Hence the initial US\$1 billion ACBF funding scenario was no longer realistic by 1997 and even less so by 2010, while the overall mood of ACBF donors (including, for example, the Bank's own Board) changed from liberal support to demanding accountability for performance and results in exchange for financing. The Bank also confronted tough questions from its shareholders during the 2008-2010 IDA replenishment discussions, which – together with the fallout from the Chamba letter including investigations and audits - resulted in a 2009-2011 hiatus in Bank financing to ACBF.*
- g) *The nature of the instrument for Bank support to the ACBF (i.e. grants from its own income and DGF) created a rather unusual situation in the Bank – internally and vis-à-vis the ACBF - about the Bank's role and responsibility:*
- There was no fiduciary obligation on the Bank to ensure appropriate management or uses of Bank funds, neither was there any legally obligatory supervision or implementation support role for the Bank other than the obligations arising from its BOG and EB memberships. The Bank's Board and



senior management used to review proposed Bank contributions to the ACBF when (a) discussing the use of Bank own income, (b) before annual allocations were proposed in the Bank's administrative budget and (c) before the contributions were released. Such pre-RIDA contributions were grants from own income or DGF and were not 'projectized'.

- Externally, the ACBF became used to a situation where its largest funder had no fiduciary or oversight role over the ACBF, except to the extent that EB members reviewed and approved (or rejected) project financing proposals and BOG members approved ACBF policies and strategies. BOG and EB meetings often lasted two to three days with numerous agenda items. In practice, the ACBF Executive Secretary and the ACBF Secretariat/management team were free to grow the ACBF to support an expanding portfolio of sub-projects across the African continent, subject to BOG and EB oversight. Nevertheless, over this period, BOG and EB members raised important issues, resulting in the codification of operating policies and procedures (including for procurement, financial management, internal audit and controls) and staff rules.
- Prior to 1998 (when the 1997 Bank reorganization was completed) the "ACBF project" had no institutional 'home' in the World Bank, although several Departments, loosely coordinated by the front office of the Africa RVP, dealt with ACBF issues as they arose. Nor was any Bank Department tasked with tracking Bank-financed ACBF activities, performance or results. In addition, the Bank's own internal reforms included abolition of the DGF and greater attention – including from its Board – to trust-funded activities, with important implications down the road.
- After 1998, ACBF issues – because they had to do with public sector capacity-building - came within the remit of the newly-created Poverty Reduction and Economic Management (PREM) Department: the PREM Director for Africa and the PREM Sector Manager for Public Sector and Institutional Reform began to deal with ACBF issues. However, no Bank budget (BB) was allocated for dialogue, supervision or follow-up: a Senior Public Sector Specialist was designated to handle ACBF-related issues and usually accompanied the PREM Director and Sector Manager when they travelled for BOG and EB meetings. In addition, without a Country Management Unit (CMU) providing BB and having a stake in project success, no Bank supervision took place until the RIDA1 and RE-MDTF-financed project was approved in 2011.

By appraisal, the cumulative effect of global, Bank- and ACBF-specific developments culminated in significant decisions by the Bank's Board (and, by extension, all other ACBF funders) about ACBF thematic priorities, financial support, financing instruments, results and cost controls. This ACBF project was approved on March 17, 2011 and became effective on August 1, 2011: Bank financing to the ACBF thus resumed in 2011, but through a new instrument (a Specific Investment Grant as it was then known) and with financing sources (an IDA grant and an RE-MDTF Grant) and amounts subject to approval by the World Bank's Board, with a clear picture of ACBF thematic focus, agreed actions for institutional strengthening and significant changes in mutual obligations (i.e. projectized support by the Bank for agreed ACBF sub-projects and activities, with legally binding provisions on project execution, procurement, financial management, results indicators and results reporting). To some ACBF stakeholders, the 2011 Grants appeared to be a "bridging finance" between the DGF and IDA: it was argued that since the Bank suspended disbursements to ACBF after the Chamba letter but also failed to meet its pledge, the 2011 IDA Grant was, in a way, a symbolic compensation to the ACBF for the Bank's failure to fully meet its pledge. This trend was reinforced at Additional Financing in 2013, with RIDA2 also



subject to the same conditions as RIDA1. The RE-MDTF Grant approved in 2011 – to be spent by the ACBF - was subject to Bank supervision, whereas previous MDTFs (into which the Bank itself contributed its pledges – were ‘pass-through’ instruments which entailed no fiduciary obligation on the Bank’s part). Because the 2011 RE-MDTF was subject to Bank supervision, it was accompanied by a Bank-executed MDTF (BE-MDTF) which provided for “enhanced supervision”.

The Bank now designated a task team and provided a budget (from its administrative budget) to supervise implementation, provide fiduciary oversight and implementation support, and to periodically report to Bank management on progress towards achievement of project objectives, project implementation and results. Periodic project status reports (PSRs) – later to be called Implementation Status Reports (ISRs) - would be publicly disclosed upon adoption of the Bank’s Access to Information Policy.

In 2011, therefore, for the first time in 20 years of operation, the ACBF became subject to World Bank supervision and fiduciary oversight, while the Bank itself – through its implementation support and supervision - began to better understand how the Foundation actually worked. The closer relationship with the Bank brought changes, including the review of, and changes in, ACBF’s internal oversight and fiduciary responsibilities and institutional and staff strengthening of the ACBF and its beneficiaries. It also led to rationalizing and decentralizing of ACBF control mechanisms, increased prior review thresholds for operations and more cost-effective use of resources than before, particularly on staff travel. ACBF and Beneficiary Agreements were reviewed and enhanced. Internal staff enhancements included the separation of the FM and procurement function and the establishment of procurement Manager / Specialist positions to enhance ACBF and beneficiary capacity, as well as systems reviews and controls and strengthening the ACBF procurement mechanism which had previously revolved around the position of the ES who possessed the highest approval limits instead of the highest ACBF approval body being the ACBF Management Procurement Committee. In addition, the apparent conflict of interest of the World Bank being on the EB and various project and procurement Committees - which had undermined its independent fiduciary oversight responsibility - was noted by the Bank in 2007 but was only implemented after the 2008 Chamba letter. This fiduciary role was further enhanced in 2011 and included planned implementation support missions. This change marked a new chapter in the World Bank-ACBF relationship, with increased fiduciary oversight and accountability than in earlier periods. The suggested improvements included enhancements to the ACBF procurement manual and standard contracts – to include updated provisions for conflict of interest and fraud and anti-corruption provisions, review of the contracting procedures for individual consultants and training to ACBF staff in basic procurement at ACB level and ACBF beneficiaries, besides on-the-ground interaction and verification of the procurement systems of selected ACBF beneficiaries.

ANNEX 8. ACBF LETTER OF COMMITMENT & ACTIONS TAKEN

PART A. TEXT OF ACBF LETTER OF COMMITMENT DATED NOVEMBER 8, 2013

8 November 2013

Mr. Makhtar Diop
Vice President, Africa Region
The World Bank
1818 H Street, NW
Washington DC 20433 United
States of America

Dear Mr. Diop,

Letter of Commitment from the Executive Board of the Africa Capacity Building Foundation (ACBF) on the World Bank's Financing towards ACBF's Third Strategic Medium Term Plan (SMTP III)

Introduction

This letter represents an undertaking by the ACBF Executive Board, in exercise of its oversight function to ensure that the Foundation implements the reforms set out in the Action Plan that appears below. The overarching objective of the reforms is to secure the sustainability of ACBF and enhance operational efficiency, restructure activities for higher effectiveness of program of delivery, and focus even further attention on results.

The ACBF remains committed to addressing areas of concern to its funding partners regarding operational modalities and scope of implementation of SMTP III. To this end, the ACBF Executive Board undertakes to address the issues enumerated below by identifying specific actions and timelines for performance:

- Strategy and selectivity;
- Efficiency considerations and cost structure;
- Sustainability of ACBF in the long term;
- Ensuring Results/Impact of the Foundation's Interventions; and
- Governance and the role of the Executive Board.

Strategy and Selectivity

Priority Interventions to Scale up Success

The Executive Board has provided guidance to Management to prioritize a few areas where ACBF has demonstrable success. The guiding principle for selection is to focus on interventions identified in the Independent Evaluation Report of SMTP II as areas of comparative advantage. To this end, ACBF will earmark three priority focus areas, viz:

- i) Improving capacity for policy formulation through enhancing quality and impact of the work of Policy Think Tanks. ACBF will primarily support Think Tanks (TTs) on Economic Policy Analysis and Financial Accountability. The specific choices in this area of intervention will be TTs that have contributed to improving the effectiveness of the design and management of public policies and programs, moving forward policy debates and generating innovative approaches and tools for policy analysis, implementation, monitoring and evaluation. TTs that have facilitated dialogues and synergies between public sector and umbrella organizations of civil society and the private sector and improved participation of the civil society in government policy making processes will also be prioritized.
- ii) Enhancing capacity for effective regional training partnerships. ACBF will direct its support to two areas of interventions: (a) Economic Policy Management (EPM) Programs established and jointly funded with the World Bank Institute (WBI), and (b) the Public Sector Management and Training (PSMT) Programs implemented in collaboration with African Universities and Institutes of Public Administration. The EPM Programs have demonstrable results as they have increased the cadre of qualified economists and contributed to institutional strengthening in the public and private sectors and tertiary educational institutions in Africa, while the PSMT Programs have contributed to improved skills of public officers in budgeting, negotiation, policy design and management and have also brought about behavioral change of the public servants towards performance management systems.
- iii) Enhancing policy results within Regional Economic Communities (RECs). These programs aim at fostering regional integration on the continent within sub-regions as well as continent-wide. While this area of focus was rated with mixed results in the independent evaluation of SMTP II, the Foundation is going to put more effort into networking the RECs and other regional institutions so they can learn from each other, updating the RECs study that was done in 2006 to assess capacity of the RECs, and to bring in new areas of focus into a strategy for strengthening the implementation and other capabilities of the RECs.

Focus Countries: Concentrated Footprint to Deepen Results

ACBF will concentrate its footprint in no more than fifteen (15) countries to be supported by RIDA II (referred to as the SMTP III 'focus countries'). The 'focus countries' have been selected on the basis of eligibility criteria for RIDA, political economy and needs analysis and ability to achieve results. ACBF member countries other than the 'focus countries'

will benefit from the Foundation's knowledge activities such as Monitoring and Evaluation (M&E) capacity building activities, Capacity Profiling and Capacity Needs Assessments, as well as knowledge networking activities. These products could be useful in influencing other stakeholders to provide capacity building support to the countries. The focus countries are Burkina Faso, Burundi, Cameroon, Cote d'Ivoire, Djibouti, Ethiopia, Ghana, Malawi, Mauritania, Nigeria, Rwanda, Senegal, South Africa, Tanzania and Zambia. Although South Africa is not an IDA eligible country the project serves 16 countries in the sub-region, coming from both SADC and COMESA regions. Concomitantly, the M&E function at ACBF will be enhanced to ensure that all proposed interventions and countries of focus are informed by lessons learnt from the independent evaluation of the SMTP II, as well as from ACBF's own mid-term reviews and end-of-project evaluations. The Executive Board is therefore confident that Management will be in a better position to capture and report on results in the future. Should other financing opportunities arise from alternative funding sources, ACBF will consult with the major partners of the Foundation to arrive at an effective strategy for broader engagement.

Efficiency Considerations and Cost Structure

ACBF'S New Business Model

From 2013, ACBF Management has been exploring and testing a business model deemed relevant and fit for purpose to deliver the SMTP III objectives on the basis of a base case scenario. This model is premised on a restructured organization with different ways of doing business regarding project implementation support and nature of supervision.

The ACBF new Business Model addresses the following strategic issues:

1. Improving performance to deliver results by establishing strategic partnerships with some of the traditional partners;
2. Ensuring effective and efficient delivery of results by improving business processes, procedures and use of ICT to adjust to the funding environment; and
3. Using knowledge products and services to assist member countries which are not SMTP III focus countries?

Major actions and activities of the Model are as follows:

(i) Project Monitoring and supervision

The Foundation has identified travel as a major cost driver and has implemented measures to reduce field visits and travel-related activities to ensure efficiency and economy. The ACBF Executive Board undertakes to ensure that these measures will be sustained and to the extent practicable, actively work towards further improvement. The measures already put in place have shown considerable cost savings as can be seen from the table below:

The Foundation forecasts that the new business model will result in staff travel costs decreasing by at least 50% from the 2012 levels. The reduction in costs is without loss of quality in project implementation support to the extent that the savings are achieved through use of multidisciplinary teams for project supervision with no more than one mission to a project per year. The portfolio review risk ratings will be used to prioritize missions to the riskiest projects. Multiple projects in the same country will be supervised during one extended mission and combined with other activities to serve multiple purposes, including bringing together in one location projects from one region for training and other project support activities. End of project evaluations will now be done internally using desk reviews and video conferencing. Project forums that are held once a year to train grantees on procurement, financial management and M&E will also be used for problem solving in a clinic format and serve as face to face supervision. It is anticipated that all these efforts will contribute to bringing down costs of supervising the portfolio.

(ii) Decentralization of the Operations Department with partial integration of selected support units (Finance, M&E, and Procurement)

The proposed decentralization not only improves the effectiveness of project supervision but also has demonstrable cost-saving benefits. Close proximity to projects will reduce travel cost. With decentralization ACBF plans to have a small core of international staff and introduce locally/regionally recruited staff. The Host Country Agreement signed with Ghana includes provision of free office accommodation, which will have a significant impact on the cost of decentralization to ACBF.

Cost Structure - A 'Fit for Purpose' Operating Model Relentless focus on efficiency

The Foundation is implementing a series of measures to ensure that the operating structure is 'fit for purpose', lean and efficient. In this regard, and in view of the business model described above, the Executive Board has approved a new structure that will result in overall cost savings of at least US\$2.5 million on the wage bill once the reforms are implemented. The changes being introduced will establish a new structure with a smaller staff complement, a leaner management team and a flatter structure. In addition, a down ward compensation adjustment will be implemented resulting in individual compensation adjustment, including non-payroll benefits, of approximately 20% of the current compensation.

The Foundation is engaging an external HR consultant to assist with the restructuring process, particularly in aligning compensation with new levels of responsibility.

Cost-Savings out of the Restructuring

The table below shows the cost saving implications of the reforms on organizational structure:

Staff Costs & Head Count	Before Reforms	After Reforms	Difference
Cost to ACBF			
Professional	7,308,149	4,603,895	-37%
Support	745,334	449,822	-40%
Total	8,053,483	5,053,717	-37%
Headcount			
Professional	44	31	-30%
Support	20	14	-30%
Total	64	45	-30%

Sustainability of ACBF in the long term

ACBF has a four-pronged strategy for financial sustainability, viz. (i) encouraging sustainability of grant recipients; (ii) ensuring ACBF's operating costs are entirely covered by African member contributions; (iii) achieving results in operations to justify continued support from Donors; and (iv) growing the Endowment Fund.

Encouraging sustainability of grant recipients

Financial ownership and sustainability of grant recipients is critical to allow support from ACBF to decrease over time and save resources for new operations while older operations continue to benefit from ACBF's knowledge/learning expertise. In August 2012, ACBF issued its "partnerships, graduation and exit policy and strategy", approved by the Executive Board in December 2012. These strategies provide for ACBF to limit its support to a project or program to a maximum of 3 phases or 12 years. Going forward, therefore:

- No project will be financed for more than 3 phases and each successive phase will be contingent on demonstrable results;
- The nature of funding will evolve from institutional to program with each successive phase; and

- On the exit strategy, ACBF will evolve its working relationship with mature partners, especially think- tanks, from a grant relationship to programmatic collaboration.

Ensuring core staff costs are entirely covered by African member contributions

In the short term, ACBF will review its organizational structure and staffing to ensure that, by January 2017, its core staff costs are fully covered by African member countries' paid-in contributions. To achieve this objective, ACBF is taking measures to collect the maximum of the pledges to the current SMTP. Indeed, ACBF aims to collect 30% of African countries pledges to SMTP III by end of 2013, 50% by end of 2014, 60% by end of 2015 and at least 75% by end of 2016.

Achieving results in operations to justify continued support from Donors

ACBF sees its relations with donors in general, and especially with the World Bank, as a mutually beneficial engagement and, therefore, does not envisage its partnership with the Bank in terms of an outright disengagement. On the other hand, the partnership with the World Bank has allowed ACBF to attract other partners and has also translated into enhancing the Foundation's operations and internal control environment. Going forward, ACBF will refocus its activities on a limited number of countries and thematic areas to achieve and communicate credible results of its operations so that it can continue to be attractive to development partners interested in capacity development in Africa. The World Bank's share of financing is already easing: its share of total pledges in the financing of ACBF has gone from 69% for SMTP II to 53% for SMTP III, while the shares of the African Development Bank and African member countries rose over the same period from 7% and 5% to 27% and 15%, respectively.

Strategies for long-term sustainability: growing the Endowment Fund

ACBF's long-term aspiration is to build a sustainable and predictable funding platform that takes care not only of its operating expenses but also of a continuously increasing part of the overall resource needs of the Foundation. It is with this objective in mind that the 46th Ordinary Meeting of the ACBF Executive Board approved the establishment of an Endowment Fund for the Foundation. At its 22nd Annual Meetings, hosted by the Government of Gabon in Libreville on 27-30 June 2013, the ACBF Board of Governors endorsed the creation of the Endowment Fund and established a Permanent Committee of the Board of Governors on Resource Mobilization, tasked with taking the necessary measures to grow the Fund to the expected levels. The creation of the Permanent Committee, made up largely of African Finance Ministers, further confirms the concurrence and commitment of all governance organs of ACBF to the need to enhance stability and predictability in the financing of the Foundation.

There are three stages of sustainability through the Endowment and other direct contributions from African members. The first stage was mentioned under "*Ensuring core staff costs are entirely covered by African member contributions*" which is also the minimal sustainability level. The second sustainability level will be achieved when the combination of the revenues generated through the investment of the Endowment Fund plus direct contributions of African countries can cover all staff and administrative costs -- expected to be achieved by 2022. The third and optimal level of sustainability will be achieved when the revenues derived from the investment of the Endowment Fund and other direct contributions by African members cover all the operating costs of the Foundation which include core staff costs, administration costs, and project development and supervision costs. At that point, it is expected that resources from Donors will exclusively be directed to programmatic activities. This third level is expected to be achieved by 2026.

Ensuring Results and Impact of the Foundation's Intervention

The Foundation has managed to ensure that the importance of generating and demonstrating tangible results at both down and upstream levels is well-understood, appreciated and sustainable. Moving forward, the Foundation's efforts are geared towards paying more attention to: i) improving the quality of project designs; ii) provision of capacity support to grantees to ensure effective implementation and monitoring of their projects; iii) continuous improvement in the quality of evaluations; iv) developing core indicators for measuring capacity building outcomes for both the Foundation and the grantees.

In order to ensure sustainable impact, ACBF will continue to strive to become the authority on capacity development in Africa through continued development of knowledge products (tools, techniques, case studies, evaluations) that are tied around the subject of its core business.

Governance and the Role of the Executive Board

The ACBF Constitution spells out the role and responsibilities of the Executive Board within the Foundation. Article VIII stipulates that the Executive Board is responsible for the conduct of the general operations of the Foundation. In this connection, the Executive Board, among other functions: (i) approves such rules and regulations as may be necessary for the proper conduct of the Foundation's affairs; (ii) causes a statement of policy of the Foundation to be prepared for approval by the Board of Governors; (iii) determines the priorities of work for the Foundation; (iv) approves the Foundation's programs and operational plans; (v) approves the annual report on the Foundation's activities; and (vi) approves the terms of any proposed agreements that the Executive Board may by regulation require to be submitted to it for approval.

The Executive Board is committed to being an engaged board and will put in place measures to enhance its oversight function. To further improve the Board's oversight role, the Executive Board will meet every quarter with two of the meetings being conducted virtually to save on travel costs. Further, management will circulate to the Board the Aide Memoires of all donor missions at each Executive Board meeting. For the World Bank to be kept in the loop of the Board's oversight role, approved Minutes of Executive Board meetings will be routinely shared with the Bank.

The Executive Board has created three committees to assist in adequately discharging its responsibilities: the Operations Committee (OP), the Finance and Human Resource Committee and the Audit and Risk Committee (ARC). The Finance and Human Resource Committee examines financial and staff matters, while the OP examines and provides guidance on projects, programs, knowledge management and other operational policy matters. The ARC of the Executive Board was set up to assist the Executive Board in fulfilling its governance and oversight responsibilities at ACBF. According to its charter, the ARC has overarching duties and responsibilities on the external audit and internal audit activities as well as the risk management functions of the Foundation. The Committee is composed of four members. It is chaired by a member of the Executive Board with three other independent experts. The Executive Board is taking steps to ensure that the respective Committees have the requisite skills to effectively discharge their mandates.

To manage risk of default on pledges, the Executive Board approves projects on the understanding that Management will sign Grant Agreements with projects only subject to available commitment authority. Commitment authority has in the history of the Foundation been defined to mean confirmed pledges from the donors of the Foundation. Going forward, and because of the unprecedented delay in getting resources from the Foundation's major donors, the Executive Board will ensure that projects are only considered for approval based on signed Financing Agreements with donors as opposed to approving them on the basis of confirmed pledges.

In light of the challenges facing the Foundation, the Executive Board will maintain the position of a full time resident Executive Secretary. A replacement has already been identified and he will assume duty on 1st December 2013.

Conclusion

The ACBF Executive Board commits to work closely with the outgoing and incoming Executive Secretaries of the Foundation to ensure a smooth transition and attention to the key elements of this Action Plan.

The ACBF Executive Board would like to take this opportunity to indicate its interest in continuing a structured dialogue between itself and the Senior Management of the World Bank to attend to any issues of concern. We see the World Bank not only as a financier but as an important partner to ACBF and the delivery of its objectives in Africa.

Yours Sincerely,



Paul Baloyi

2013-11-11

Chairman of the Executive Board

PART B. IMPLEMENTATION STATUS OF ITEMS FROM LETTER OF COMMITMENT

ISSUE	PROPOSED ACTION	TIMELINE	IMPLEMENTATION STATUS	RISKS
<p>Strategy and selectivity</p>	<ul style="list-style-type: none"> ▪100% of RIDA funding confined to the three identified niche areas as stated in the Letter of Commitment by the ACBF Executive Board. ▪Footprint reduced to 15 countries as defined in the Letter of Commitment 	<p>November 15, 2013</p>	<p>▪IMPLEMENTED. This has been implemented. All projects in RIDA II conform to the three identified niche areas</p> <p>IMPLMENTED. All projects under RIDA II are confined to the 15 focus countries. The WB has allowed some flexibility for including strategic countries outside the 15 in consultation with partners</p>	<ul style="list-style-type: none"> ▪There is pressure to ensure that projects retained in the portfolio conform to the PDO in the financing agreement ▪There is a risk that African member countries left out as a result of reducing ACBF's footprint might not honour their pledges to the Foundation

ACBF Business Model	<ul style="list-style-type: none"> ▪Multidisciplinary teams for project supervision with no more than one multidisciplinary mission to a project per year. ▪Greater use of ICT tools for project implementation support ▪Decentralization timeline revised to take place after restructuring is completed 	<p>November 15, 2013</p> <p>2nd quarter of 2014</p>	<ul style="list-style-type: none"> ▪IMPLEMENTED. Multidisciplinary teams are now in place with clear TORs IMPLEMENTED. Enhancements of ICT at project level allowed full implementation of this commitment ▪IIMPLEMENTED. Relocation is planned to happen in earnest in the second quarter of 2014 	<p>There is a risk of loose control environment at the project level due to limited supervision by the Foundation</p> <ul style="list-style-type: none"> ▪ ICT infrastructure on the continent is not always reliable ▪ Unforeseen escalation of costs in ne host country - rentals
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Cost Structure and Organizational footprint	<ul style="list-style-type: none"> ▪Revise organizational structure (organigram) to get a leaner management team and reduced overall wage bill ▪Revise current wage bill to achieve savings. Overall individual compensation reduction of about 20% (payroll and non- payroll benefits) 	<p>December 2013</p> <p>Implementation By January 31, 2014</p>	<p>IMPLEMENTED. On 31 December 2013, the foundation separated 18 staff.</p> <p>IMPLEMENTED. From 2014, the Foundation has effected individual compensation reduction as well as reduction of non-payroll benefits such mobility premium, number of security guards to staff residences and subscription to the UN Clinic.</p> <p>The total effect of the restructuring measures is a reduction in staff costs by 32% in 2014 as compared to 2013.</p>	<ul style="list-style-type: none"> ▪Loss of talent/skill and number strength ▪Residual risk is that the Foundation may continue to lose its current talent due to feelings of job insecurity and frustration with an uncertain future and reduced compensation in the face of escalating costs of living in the host country. ▪General feeling of discontent among the staff putting a damper on staff morale and performance
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Sustainability of ACBF	Discontinue support to projects with after 3 phases of funding and adjust each successive phase contingent on demonstrable results	From March 30, 2014	IMPLEMENTED.. Management has identified projects to be phased out and notices are being sent	Might present going concern risks on projects which are substantially dependent on ACBF funds.
	Adjust nature of funding in each successive phase to evolve from institutional to program funding	From March 2014	IMPLEMENTED. The processes of the Project Review Committee (PRC) and the Executive Board (EB) of ACBF project have been reviewed to incorporate this	Might be affected by the closure of projects in African member countries
	ACBF to raise 30% of cash from pledges by African members by second year, 50% by end of 2014, 60% by end of 2015 and at least 75% by end of 2016	By December 30, 2016	IMPLEMENTED.	

Sustainability of ACBF	Evolve working relationship with mature Think -Tanks from Grant Recipient to collaborator/partner	By December, 2022	IN PROGRESS. Not due but the groundwork is being laid	Some Think Tanks might not be mature enough for this kind of relationship
	Financing of ACBF Operating Costs	By 2026	IN PROGRESS	

Governance & Role of The Executive Board	<ul style="list-style-type: none"> ▪Revise approval process for funding to new projects to have new commitments based on signed Financing Agreements and not pledges. 	December 2013	<ul style="list-style-type: none"> ▪IMPLEMENTED.
	<ul style="list-style-type: none"> ▪Recruit a full time resident Executive Secretary 	December 2013	<ul style="list-style-type: none"> ▪IMPLEMENTED. A full-time and resident ES reported on duty on 1 December 2013
	<ul style="list-style-type: none"> ▪Share with the World Bank minutes of Executive Board meetings & share Aide memoires of World Bank and other donor missions at each consecutive Executive Board meeting. 	From Jan 2014	<ul style="list-style-type: none"> ▪IMPLEMENTED. From 2014 all minutes of EB meetings will be shared with the WB. All Aide Memoires of WB and other donor missions will be shared with the EB
	<ul style="list-style-type: none"> ▪Introduce quarterly Executive Board meetings with two virtual meetings to save on costs 	From 2014	<ul style="list-style-type: none"> ▪IMPLEMENTED. Four EB meetings are planned for 2014 with two being virtual. In addition, monthly briefs to the EB to keep them informed and engaged have been introduced in 2014 The Secretariat provides monthly update to all members of the executive board on all aspects of the work and state of the Foundation

Results /Impact	<ul style="list-style-type: none"> ▪ Develop knowledge products to align with ACBF's niche areas ▪ Focus areas informed by lessons learned and demonstrable results ▪ Funding on successor phases of approved projects contingent on results 	<p>From January 15, 2014</p>	<ul style="list-style-type: none"> ▪ IMPLEMENTED. All knowledge products from 2014 conform the three niche areas ▪ IN PRPGRESS. All new projects will be based on lessons and results ▪ IN PROGRESS. PRC and EB processes in place to ensure successor phases are contingent on results 	
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ANNEX 9. KEY OUTPUTS DELIVERED BY ACBF SUB-PROJECTS BY THEMATIC AREA

Outputs Delivered By Category	Indicators	Cumulative Delivered	Remarks
1. POLICY ANALYSIS			
1.1- In-depth analyses and responses to development issues at country level	Number of policy research/analyses conducted	295	This figure aggregates the total research conducted all the 17 Think Tanks funded under RIDA/RE-MDTF grants. It relates mainly to core research (30%) initiated directly by Think Tanks and commissioned research (70%) by Governments or other development partners at country level. The themes covered by the research studies were varied and diverse across countries, and included: food security, agricultural value chain, youth employment, women entrepreneurship, land tenure and use, investment and private sector development, public-private partnership and infrastructure development, climate change, etc.
1.2- Policy options responding to development challenges at country level	Number of policy papers produced	56	Policy papers include policy briefs, policy recommendations and other policy-related documents developed through policy research. Policy papers are more concise and constitute support materials used by decision makers and other key actors in deepening their understanding on development issues and policy options. Most ACBF-supported Think Tanks develop three policy papers on average annually.
1.3- Improved access to policy products and services	Number of policy products disseminated	274	Dissemination included meetings, workshops and publications. The purpose of dissemination was to present to key actors the main findings from policy research and policy recommendations on development issues. Publications of research findings remain the main dissemination strategy for most think tanks, representing 60% of the total number of policy products disseminated.
1.4- Policy awareness and engagement raised at countries' level	Number of policy advocacy/ dialogues organized	423	Target audience mainly comprised policy-makers and high officials from public and private sectors and civil society. These events create space to engage state and non-state actors in national development processes. ACBF-supported think tanks that have emerged as key actors in facilitating dialogue or advocacy include IDEG, HESPI, IPAR Rwanda, KIPPRA and CEPOD.

Outputs Delivered By Category	Indicators	Cumulative Delivered	Remarks
1.5- Enhanced knowledge in policy analysis on national development issues	Number of public policy officials trained (short-term training courses)	1,347	In addition to the core mandate of conducting policy research and analysis, most supported think tanks also provided short-term trainings to partners and other clients. The participants in the training included: officials from ministry departments and agencies (70%), civil society (20%) and private sector (10%)The duration of short-term training varied across ACBF-supported sub-projects from 2 days to two weeks
	Number of short-term training courses organized	24	
1.6- Policy guidance and technical assistance provided to decision makers	Number of policy guidance and technical assistance provided	87	Supported think tanks were instrumental in providing technical advice and support to government institutions and other partners as required. Technical advice included facilitating reviewing policy documents and participating in policy committees. Policy advice was an integral element of the interventions of almost all policy think tanks supported by ACBF
1.7- Peer-to-peer learning on policy practice and knowledge-sharing	Number of exchange programs organized	25	Several supported think tanks promoted exchange programs under their learning and sharing strategies. These included EDRI, EEA, CEPOD, ZIPAR, HESPI and IPAR Rwanda
2. TRAINING PROGRAMS			
2.1- Access to degree programs (Masters and PhD) in development management increased	Number of degree programs supported by ACBF	12	ACBF supported 12 Long-term (academic) training programs including: 5 EPMs (Abidjan, Ghana, Yaounde, Zambia, Makerere); 3 STEM (2iE, AUST, AIST); 1 PSMTTP (GIMPA); 1 Agriculture (CMAAE); 1 Gender (FAS) and 1 Banking & Finance (CESAG)
2.2- Expertise and competencies in policy analysis and management improved	Number of participants in ACBF-supported degree training programs	3,287	This includes mainly participants in Master's degree from the 12 long-term training programs supported by ACBF. Only CMAAE covered a PhD program with 8 students supported. Out of 3,287 participants, there were students sponsored by ACBF (30%) and non-sponsored participants (70%). The distribution of participants per training program type is: EMPs (39%), STEM

Outputs Delivered By Category	Indicators	Cumulative Delivered	Remarks
			(26%) and others (35%). These include sponsored and fee-paying students
2.3- Improved capabilities of faculty members to deliver on assigned mandate	Number of training-of-trainers organized	17	Refers to ToT sessions targeting faculty members and other teaching staff from the 12 long-term training program supported by ACBF
2.4- Financial access to training programs increased	Number of scholarships awarded	989	EPMs programs accounted for 70% of the total number of scholarships provided for participants in all 12 training programs supported by ACBF. In addition, the ACBF also supported teaching and learning equipment and materials as well as other logistic and administrative costs as part of institutional strengthening.
2.5- Improved quality of training material and resources	Number of training curricula developed and reviewed	174	All the 12 supported training programs had developed comprehensive training curriculum package at the beginning of the program and proceeded with reviews for further refining and improvement. An average of 20 training curriculum were prepared for each of the program.
2.6- Skills in development management improved	Number of participants in short-term training	2,616	In addition to the long-term academic training, the supported institutions also offered short-term training, mostly in the areas of economic policy management, financial management and public administration management. EPMS and PSMTP were the institutions mostly involved in short-term trainings
2.7. Knowledge sharing and promising experience learning improved	Number of study tours and exchange programs	166	Supported training institutions also organized networking and peer-learning activities. The figure includes mainly EPM Alumni Network (EPMAN) PSMTP Alumni associations meetings (40%), as well as exchange programs organized by individual training institutions (60%)
3. REGIONAL INTEGRATION			
3.1- In-depth analysis and	Number of policy research	75	ACBF-supported regional economic communities (RECs) conducted diverse research studies to inform regional integration agenda in the context of their

Outputs Delivered By Category	Indicators	Cumulative Delivered	Remarks
responses to development issues at the regional level	conducted		respective regions. These include: WAMI, COMESA, EAC and IGAD. The research studies covered critical topic such as regional or cross-border trade, contract negotiation, regional integration index, convergence criteria, regional macro-economic models.
3.2- Policy options responding to development challenges at the regional level	Number of policy papers produced	78	This figure accounts for the synthesis of findings and recommendations emerged from research studies conducted by the regional entities. The papers were mostly developed by IGAD (15%), COMESA (60%), FANRPAN (15%) and WAMI (10%)
3.3- Policy awareness and engagement at the regional level increased	Number of policy advocacy/ dialogues organized	20	Relates to interactions and engagement of regional entities with key stakeholders at regional level
3.4- Enhanced knowledge on policy analysis of regional development issues	Number of officials of regional institutions receiving short-term training	1,583	The training targeted mostly RECs staff (COMESA, EAC, WAMI, AU) and other regional entities officials such as FANRPAN, AWDF and AAU (also playing the role of service provider as well)
3.5. Knowledge-sharing and learning improved	Number of exchange programs	35	There were intra-regional exchange programs (70%) and cross regional and international (30%). The supported regional entities included WAMI, AWDF, FANRPAN and COMESA

SHORT NOTE ON KEY OUTPUTS PER THEMATIC AREAS

(Prepared by ACBF from Progress Reports)

The ACBF has emerged as one of the leading capacity development organizations in Africa. The Foundation has supported the formulation and implementation of relevant, inclusive and coherent public policies and programs that have contributed to increased growth and sustainable development across the continent. The Foundation has built and strengthened public sector institutions and created platforms for inclusive policy engagement as well as empowered senior public sector officials and managers who are playing a lead role in national and regional development processes. ACBF has also strengthened and equipped a number of higher educational institutions that have trained and deployed a cadre of highly skilled and capable academicians. At the regional level, ACBF has been successful in improving the coordination and relevance of regional policies and programs. The Foundation has supported the enhancement of policy research capabilities of Regional Economic Communities (RECs).

Policy Analysis

The focus work of think tanks included research, training, dialogue and networking at national and regional levels. Research conducted by the think tanks include country needs assessment, studies on policy issues in agriculture, SMEs and Gender. The think tanks also contributed to building human capacity in the public sector by conducting trainings for auditors, M&E technicians and statisticians amongst others. In the reporting period, opportunities for dialogue, networking and partnerships were created with government ministries and departments and other national and international research and policy institutions. The think tanks were also instrumental in providing tailored technical advice and support to government institutions as required. Examples of achievements by some policy units:

- *Food Security and Agriculture:* In Mauritania, the Centre Mauritanien d'Analyse de Politique (CMAP) produced a report on competitiveness of the agricultural sector which led to an agreed Action Plan to be implemented by the Ministry in charge of Agriculture. The effective implementation of the action Plan will allow the government amongst others to identify the Mauritanian agricultural products with highest export potential in the external market; and to develop Advisory Program to support producers and maintain agricultural machinery. It would also contribute to revitalize and reorganize the seed sector with the objective of making quality seed available by strengthening the structures in charge of their production and their multiplication. Finally, an information system on the market prices of agricultural products will be established.

FANRPAN trained its country nodes focal points to undertake advocacy on Climate Smart Agriculture (CSA) policy. Node coordinators now have improved capacity to support in-country advocacy activities namely developing concept notes, mobilising diverse stakeholders and facilitating the national policy dialogues, keeping abreast with food, agriculture and natural resources policy issues and participating where required. The FANRPAN Nodes are also taking the lead in engaging with the media to create national awareness on CSA issues. FANRPAN is now being perceived as the go to organization for expertise on research. During the reporting period, FANRPAN was engaged by ACBF and FAO to conduct a Needs Assessment for Establishment of an African Centre for Best Practices, Capacity Development and South-South Cooperation (SSC). FANRPAN successfully completed the assignment and presented the needs

assessment report during a validation workshop which was well accepted.

- *Creating platforms for dialogue on national policy:* The HESPI in Ethiopia organized a Consultative policy seminar on Federalism in Somalia. The meeting provided the Somali stakeholders various federalism practices and institutional governance frameworks on intergovernmental relations. The participants are now supporting the Somalia government formation by way of helping in mechanisms of constituent States formation, including aspects of power and resources sharing and transfer mechanism.
- *Promoting evidence-based policy making:* The Cameroon Policy Analysis and Research Centre (CAMERCAP) completed a study on science and technology and innovation in Cameroon including an Action Plan presented to the Government to support the revival of science and technology innovation in Cameroon. Some of the recommendations contained in the Action Plan include: development of a National Research Policy Document; mainstreaming of innovation in all policy formulation and; incentives for the promotion of local investment in science, technology and innovation and development of scientific and technological research. In Ethiopia, the HESPI finalized 9 high-quality and peer reviewed research products of regional scope and importance including topics: Small and medium enterprises access to Finance in Ethiopia: Synthesis of Demand and Supply, Quantifying the road influence zone on socio-economic development; and Fiscal Federalism and Decentralization in Selected IGAD member countries. Recommendations emerging from the studies will be used for policy formulation.
- *Public Financial Management:* HESPI trained eight (8) senior Audit officials of the supreme Audit Institutions of Somalia and South Sudan in Addis Ababa as part of efforts to consolidate the capacities of Audit Chambers in the two countries and ensure effective auditing. Feedback from the trainees indicated that the training helped the auditors to influence the change process of standardizing financial audits, fraud audits and instituting internal control systems. The institution also trained ten (10) Public Finance Management (budget and treasury) officials mainly from Ministries of Finance and Economic Planning of South Sudan and Somalia on *Fiscal Transparency and effective budget management*. Practical and hands-on experiences of Kenya, Somali and South Sudan were shared among trainees and this helped to establish a network system for sharing information on issues related to effective public financial management.

Long-Term Training:

A total of 448 students graduated from The Public Sector Management Training Program of the Ghana Institute of Management and Public Administration (PSMTP-GIMPA) in Ghana over the RIDA project implementation period. There were 4 Master's Degree students, 8 Bachelor's degree students and 44 A level students graduated in Statistics under the *Projet de Renforcement des Capacités en Statistiques de la République Centrafricaine (PRCS-CAR)* in Central African Republic. 214 Master's degree students of the Nelson Mandela African Institute of Science and Technology (NM-AIST) in Tanzania completed and submitted their dissertations for examination during the period. The Economic Management Program in Zambia (EPM – Zambia) graduated 298 participants, EPM-Ghana graduated 412 participants and EPM-Yaounde graduated 125 participants. The Economic Policy Management in Uganda (EPM-Makerere) trained 252 students. The Collaborative Masters' Program in Agricultural and Applied Economics (CMAAE) in Kenya supported 5 PhD fellows.

Most of the students who graduated went back to the organizations where they were working before the

studies, whilst others got promoted. For example, graduates of the EPM-Ghana program indicated that before the admission to the program, he was working with a Department in charge of monitoring budget of Metropolitan, Municipal and District Assemblies (MMDAs) and allocations at the Ministry of Finance of Ghana, where he was basically in charge of checking whether the MMDAs have gotten their allocations and utilising them accordingly. After graduation, he has been given a new role on government finance and economic management, which is a role above what he was doing previously and more related to policy formulation.

Short-Term Training:

The trainings covered areas such as Economic Governance, Policy Formulation and Implementation, Administration, Trade, Statistics, Project Management, Customer Relations, Resource mobilization, Financial Management, Leadership, youth employment and entrepreneurship. For example, Within the Youth employment and entrepreneurship program, the *Centre Mauritanien d'Analyse de Politique (CMAP)* conducted coaching sessions on entrepreneurship for the benefit of 105 unemployed young graduates. At the end of the session, 58 business plans were produced and 2 trainees have succeeded to establish their own companies: One has created a company called "Flavors of the Desert" for the processing of Fishing and Livestock Products. He established the company with his own funds. The second trainee created a company called "Brick deposit" funded by the "*Caisse de Depot et Développement (CDD)*" through the National Agency for the Promotion of Youth Employment (ANAPEJ).

3.1.3. Regional Integration

The implementation of activities by these regional institutions continued to contribute to enhancing capacity for economic development and integration, women empowerment, youth employment, good governance, intra-African trade, as well as supporting the institutional transformation processes for the implementation of the continental agenda.

The African Union Capacity Building Project (AU-CAP) organized regional training workshops in Private Public Partnerships and Microfinance targeted at Women and Youth in addition to conducting the 8th African Private Sector Forum for youth and women. The main outcome of this Forum was the establishment of training for African Women and Youth Entrepreneurs, African Enterprises owned by women in different sectors, African women in the private sector and establishment of Mentorship Program for young Entrepreneurs.

Furthermore, The African Women Development Fund (AWDF) continued to strengthen women organizations in Africa to promote women's rights and make their voices heard. AWDF among others organized Chief Executive Officers' Forum during the reporting period to create the platform for these women leaders to discuss how to improve the leadership functions of their organizations. The CEO's forum was followed by individual coaching sessions for the women leaders. As a result, Vimbai Mlambo from Zimbabwe, for example, who benefited from the Forum and coaching sessions was promoted to the position of Executive Director after the departure of the Director of her organization. She has also been invited by UN Women to join a women's leadership group on women and HIV & Aids in Zimbabwe where she will bring young women's voices and concerns for action in this space. According to Vimbai "*AWDF coaching project has truly been inspirational and contributed hugely to my personal development and prepared me into my new leadership position*".

The Association of African Universities' Capacity Development Project for Revitalization of African Higher Education Institutions (AAU-CADRE) based in Ghana, introduced an internship program in 2016 for young graduates as a way of strengthening university-industry relationships and linkages and it already yielding results by promoting graduate employability. Some of the interns have ended up working at those institutions where they did their internships after their graduation with others getting employed by other organizations/companies. For example, Miriam Adongo who benefited from the internship program wrote back to AAU to express her appreciation that had it not been for the internship, she would not have managed the interview she attended before getting the job as an Environmental Officer with DAI-KIWASH project.

The West African Monetary Institute (WAMI) constructed a trade index for the West African Monetary Zone (WAMZ) to assess each Member State's performance and relate it to the trade integration goals of ECOWAS, which is critical to the determination of the extent of trade integration in the Zone. This trade index was adopted at the meeting of the WAMZ Trade Ministers during the reporting period in Liberia and it was recommended that the index should be updated and published annually to inform decision making in the Zone. The College of Supervisors of the West African Monetary Zone (CSWAMZ) meetings organized by WAMI during the reporting period, contributed to the drafting of a Model Banking Act for the zone which will be presented for adoption after it has been reviewed by the Legal Institution and Issue Committee of the zone. When this Act is adopted, will contribute to boosting trade and businesses in the zone.

The Common Market for Eastern and Southern African (COMESA) organized the 2nd Annual Research Forum with its theme 'Trade in Services and Trade Facilitation for Inclusive and Sustainable Industrialization in the COMESA region'. The forum brought together scholars from 22 universities, private sector practitioners, development partners and policy makers from 14 COMESA Member States. Among its key results was the creation of a committee of 22 leading Universities across the 19 COMESA Member States to discuss modalities of implementing the COMESA Masters' Program in regional integration.

ANNEX 10. ACBF SUCCESS STORIES

ACBF-SUPPORTED SUCCESS STORIES: POLICY RESEARCH AND ANALYSIS

Project Name: Institute for Policy Analysis and Research of Rwanda (IPAR-Rwanda)

Story Title: Improving public service delivery and performance evaluation in Rwanda

IPAR-Rwanda is an autonomous policy institute established in 2008. It is one of the lead policy institutes in Africa supported by the ACBF. IPAR has emerged as the lead think tank in Rwanda and has supported and influenced a number of significant national policies and programs. The institute has also attained a very high legitimacy and visibility among state and no-state actors in the country thereby increasing the demand for its research products and services. In addition to the Rwandan Government who is the main client and user of IPAR's services, the institute also provides services to and collaborates with the World Bank, the African Development Bank (AfDB), United Nation's Development Program (UNDP) and other international development organizations.

In 2013, the Government contracted IPAR to lead the evaluation of the *Imihigo*- an annual performance agreement between the President and Ministers and mayors in the country- by conducting an independent and objective assessment and to recommend ways of improving service delivery and planning including setting performance targets for the coming year. Unlike the failure of other performance management systems in the civil services in countries around the globe, the *Imihigo* has been fully accepted and owned by leaders in Rwanda and the findings and recommendations from the assessment are used to inform both political and program oriented decision making.

Rwanda has made remarkable progress towards achieving the goal of becoming a middle income country as reflected by its Vision 2020. This is evident through significant socio-economic transformation observed in the last decade as a result of the implementation of programs under the Economic Development and Poverty Reduction Strategy, EDPRS 1&2. Rwanda's progress is mainly attributed to implementation of Performance contracts (*Imihigo*). These performance contracts have proved to be a planning and monitoring tool to deliver the EDPRS targets and to sustain the momentum towards delivering the sustainable development goals.

Imihigo represents one of the successful cases where traditional indigenous knowledge has been harnessed to drive development and service delivery in Africa. It has become one of the home grown initiatives that are changing the face of Rwanda as an invaluable tool for planning, monitoring and evaluation of the impacts of development policies.

Since IPAR was first contracted by the Prime Minister's office in 2013, the institute has been at the fore front of the evaluation and has successfully completed two evaluations the results of *Imihigo* the outcomes and recommendations of which have been used by the President and the Ministers and District Mayors for accountability purposes and as a basis for annual planning and investments.

Project Name: Institute for Democratic Governance Capacity Building Project (IDEG-CAP)

Story Title: Preventing Election Violence and Promoting Peace and Democracy in Ghana

During the period just before the 2012 presidential elections, the threat of widespread political violence which could mar free and fair elections and rule of law loomed large. To mitigate this risk, IDEG convened a high level meeting on 27 November 2012—the first of its kind in Ghana. This meeting was attended by institutions of State, traditional authority and civil society organizations and it successfully adopted the Kumasi Declaration,

popularly called the 'Peace Pact'. In the Declaration, the presidential candidates collectively took a stand against "electoral violence, impunity and injustice" and jointly committed themselves to the maintenance of the rule-of-law in the country.

The Declaration was signed by all 8 Presidential candidates and each candidate was presented a copy of the revised edition of the Election Dispute Adjudication Manual (2012) which directed all election disputes to the Courts for a prompt resolution. Over 4,000 people attended the meeting, including high profile dignitaries' civil society organizations, youth groups, women's organizations, religious bodies, professional associations and the media. The event was broadcast live by the Ghana Television (GTV) and its syndicates in other regions and received extensive coverage in the electronic and print media.

The Kumasi Declaration became the first-ever political instrument employed in the management of potentially violent multiparty elections in Ghana.

In the days leading to the 7 December 2012 elections and after, civic groups and the media used the Declaration to steer politicians towards peaceful options for solving election disputes. The Declaration also encouraged both the opposition and the governing parties to resort to the Supreme Court, rather than the streets, in their dispute over the validity of the results of the presidential elections, published on 9 December 2012.

Today, the Declaration has become an important moral standard for holding political leaders accountable, and making them responsible for up-holding the rule-of-law in the democratic politics of the country. This innovative instrument can serve to peacefully manage potential violent electoral disputes in other African countries.

IDEG's Capacity Building Project (IDEG-CAP II) is funded by ACBF to strengthen interface mechanisms established under IDEG-CAP I between the State and non-state actors, contribute to the consolidation of democratic governance, accelerate poverty reduction, increase growth and sustainable development in the country through strong ties of cooperation, networking and strategic partnership. Through core funding, ACBF provides the institutional support that enables IDEG to undertake projects. In recognition of its work in promoting peace and democracy IDEG received the Martin Luther King Award from the US Embassy in Ghana. It is doubtful that this achievement would have been possible without ACBF's continued support to IDEG.

Project Name: Kenya Institute for Public Policy Research and Analysis (KIPPRA)

Story Title: Promoting Evidence-Based Research for Strategic Policy Making in Kenya

The signing of the Economic Partnership Agreements (EPAs) by the Government of Kenya's has enabled Kenyan exports to enter EU markets without any tax which has been a huge relief for the Kenyan exporters. <http://www.trademarka.com/news/relief-for-exporters-as-kenya-signs-new-trade-deal-with-eu/>. The

Government in January 2014 requested the Kenya Institute for Public Policy Research and Analysis (KIPPRA), one of the think tanks supported by African Capacity Building Foundation (ACBF), to provide it with evidence-based information that will guide its decision on the signing of the EPA.

The call on KIPPRA was in line with the government's desire to take pragmatic decision based on evidence and the trust in the capability of the institution as well as the quality and relevance of its policy research evidence and recommendation. KIPPRA provided empirical evidence and recommendations that enabled the government to move forward with the agreement on the EPA. To ensure quality and relevance of the research, KIPPRA adopted a participatory approach backed by a multi-faceted team. The team is composed of individuals with extensive technical expertise in economic and trade analysis as well as highly experienced senior government officials who were conversant with the intricacies of trade negotiations. The key stakeholders who participated in the research included the East African Community, Kenya government, Kenyan civil society, Kenyan exporters and the larger business community in Kenya, the European Union, and the media. This participatory and inclusive strategy promoted early-buy in, ownership and utilization of the outcomes of the

study.

KIPPRA is among the first policy research Institutes established by the Government of Kenya with support from ACBF. Since its establishment in 1994, the institute has provided insightful research-based evidence that has informed a number of strategic policies, programs and projects implemented by the government and other stakeholders. The EPAs study is one of the many research engagements supported by ACBF.

Project Name: Zambia Institute for Policy Analysis and Research (ZIPAR)

Story Title: Promoting Equitable Development of Constituencies in Zambia

ZIPAR has developed an alternative allocation model aimed at enhancing effective allocation of the Constituency Development Fund (CDF) in Zambia. The study and follow-up presentations and engagement with government and other stakeholders has spurred deliberations and interrogation of the existing allocation model.

The CDF was approved by the Parliament of Zambia in 1995 and administered through the local government to all constituencies in Zambia. The Fund is intended to support the implementation of development programmes at the constituency level. The CDF is the only fund that goes directly to the community and as a result is an important vehicle for achieving their prioritized needs. There is a reasonable involvement of the communities in the utilization of the fund. However, the challenge that was identified is that an equal quantum of the fund is disbursed to the constituencies without taken into account the heterogeneity, including the location and endowment of each the constituencies.

It can therefore, be described as a 'one size fits all' program. But the reality is that constituencies in Zambia differ immensely in terms of geographical size, population size and the levels of deprivations. Notwithstanding the current allocation model, the CDF has the potential of uplifting the rural and deprived communities as well as promote equitable development in the country

Furthermore, in the 2015 budget, the government introduced a Local Government Equalization Fund that will use a resource allocation model to determine how much funds should be disbursed to the constituencies based on needs.

This new perspective and drive of the government is a direct outcome of a study on '**Resource Allocation Model for the Constituency Development Fund**' conducted by ZIPAR,

Evidence of the impact of the resource allocation model was also cemented when a prominent member of parliament, Hon. Given Lubinda, visited ZIPAR offices on August 13, 2014 without prior notice. The MP was interested in the model and requested for copies of the publication on the CDF model. He was also interested in getting to know other research studies that ZIPAR had done.

By adopting a model that takes into consideration the needs and priorities of individual constituencies, the CDF will go a long way to promote equitable development of the constituencies and Zambia at large.

Project Name: Horn Economic and Social Policy Institute (HESPI)

Story Title: Strengthening Financial Integrity and Accountability in South Sudan

The HESPI project started at the time when South Sudan seceded from Sudan after several years of conflict which ruined institutional capacities in the country among other humanitarian damages. There were no capable institutions to design the new country's PFM laws and policies. As at independence in 2011, the capacities and functions of the public finance integrity and accountability institutions were all at their rudimentary stage. The HESPI Grant focused on strengthening institutional capacity in collaboration with the Government of South Sudan. The project has provided tailor- made training and stimulated knowledge transfer for senior leadership from the Ministry of Finance and National Audit Chamber.

HESPI has conducted a robust diagnostic study on the institutional and legal context of South Sudan. This diagnostic study helped to assess the performances of public agencies responsible for Public and Financial Management (PFM) and financial sector policies and also to appraise the capacity needs of these agencies and institutions. The assessment served as a basis for designing and implementing a tailor-made training and technical support to the country. The exercise was to assist in reforming and capacitating its financial integrity and accountability institutions such as the Ministry of Finance and Economic Development, Bank of South Sudan, Anti-corruption commission, Public Accounts Committee (PAC) of the Parliament, and National Audit Chamber.

Among others, the study highlighted capacity gaps in the form of weak internal control and audit functions, accounting, procurement and reporting, weak institutional and human capacity in the core areas of PFM, lack of fiscal discipline at all levels, weak leadership, weak tax policy and administration, poor treasury functions, weak planning and budget formulation which hinder the recovery in the in post-conflict situation.

Following the assessment, HESPI prepared and submitted to the authorities of the Republic of South Sudan (RSS) recommendations and strategies that will help alleviate the capacity constraints and improve PFM. In addition the institute has provided hands-on training and technical support to improve the PFM capacity deficiencies. HESPI has also sensitized and created awareness among government official on fiscal discipline and good governance including the significance of sound PFM and Institution building. Important issues in rebuilding post-conflict nations were addressed including the role of leadership in PFM in post-conflict countries, the role of leaders in state reconstruction, and the importance of good financial governance.

Project Name: Ethiopian Economic Association

Story Title: Improving Domestic Revenue Mobilization of Regional Governments in Ethiopia

The government of Ethiopia has embarked on a new development trajectory guided by the Growth and Transformation Plan (GTP), 2010- 2015. The focus is to attain a middle income status with an average growth of 11 percent by 2015. The plan emphasizes laying a foundation for the industrial sector to take the lead in the economic and social transformation of the country. Accordingly, Ethiopia will require about US\$72 billion to finance the various projects outlined in the plan. Over 68 percent of this revenue is expected to come from domestic sources, primarily from domestic tax revenue.

The regional government of Southern Nations Nationalities and People's (SNNP) Regional State in Ethiopia reached out to EEA, an ACBF supported policy institute to provide them with research-based policy options and hands-on technical support to improve their capabilities in mobilizing adequate tax revenue to finance their projects and program.

The request was underpinned by the fact that the regional government did not have the capacity to mobilize adequate tax revenue. The domestic revenue mobilization capacity as measured by the ratio of tax collection as a share of Gross Domestic Product (GDP) or by tax-to-regional budget was very low. The average regional tax revenue-to-regional GDP ratio was estimated to be only 1.7 between 2005 and 2010. Over 84 percent of the Region's budget was subsidized by the federal government, 3 percent from non-tax revenues meaning and only about 13 percent from its own tax revenues.

The research and technical support provided by EEA enabled SNNP to identify the revenue potential of the region, revise the region's tax policies, develop and operationalize effective tax collection strategies. The hands-on technical support also improved skills and competencies of the staff of the Bureau of Revenue of

SNNP to provide technical oversight for revenue planning, implementation monitoring and evaluation in the region.

The Bureau of Revenue of SNNP has adopted and implemented most of the recommendations provided by the study, for example:

- The Bureau used the findings of the study when preparing the 2011–12 regional annual work plans. It used the findings to set annual revenue targets for each *woreda* (district) and municipal town;
- The results of the study have been used by the Bureau to support its M&E functions. The biannual M&E process compares the amount of revenue collected during each period against annual agreed-upon targets and estimated revenue potential;
- The Bureau of Finance and Economic Development has used the revenue potential estimates to set the regional annual revenue target, which is declared as part of the annual regional government budget;
- The Bureau of Revenue has also started using the results of the study for its Tax Payers Awareness Creation activities;
- The Bureau has undertaken administrative reforms aimed at reorganizing its human resources based on the recommendation of the study.

ACBF-SUPPORTED SUCCESS STORIES: REGIONAL INTEGRATION

Project Name: Inter-Governmental Authority on Development (IGAD)

Story Title: Enhanced effectiveness of financial sector institutions in IGAD Region

Over the year under review, as part of its strategy to improve the skills and competencies of the staff within financial integrity institutions, HESPI trained 34 members of the two parliaments Public Accounts Committee (PAC) and Economic Committee of the Parliaments of South Sudan and Somalia. Nineteen participants were from Somalia and fifteen of them were from South Sudan. The seminar aimed to improve effective utilization of public resources in the targeted countries by strengthening the capabilities of the parliamentarians in undertaking their oversight, accountability and legislative roles. The four-day seminar helped to increase their knowledge and understanding on public budget process/cycle, functions and the legitimate mandates of the PAC and Economic Committee in financial oversight. The seminar also provided opportunity for experiences sharing from successful post-conflict nations namely Uganda and Kenya. Critical action points such as finalizing legal framework (adopting from others with customization), capacity building of the committees, protection mechanisms, etc. were set out.

In addition to the above, HESPI implemented a Twinning Relationship that enabled project analysis and loan officers from the Reconstruction and Development Bank of Somalia to gain on the job experience on how to better manage public resources and conduct professional project analysis in the process of post-conflict reconstruction from the Development Bank of Ethiopia through secondment. The Twinning Relationship allowed the beneficiary officers to work with the selected bank for 6 weeks (1Dec. 2014 t-17 January 2015). Evaluation of the initiative showed that the *beneficiary officers gained practical knowledge and skills on objective loan provision process, procedures and loan cycle monitoring practices, on feasible loan appraisal procedures (setting priority sectors and project financing in post-conflict situations), on loan approval processes with development banks especially in post conflict situations, how to conduct applied research processes and research capacity building methods within the development banks and Project Rehabilitation and Loan Recovery Process in such a way that it would be adopted in Somalia context.*

In response to a request from the Somalia government authorities, HESPI organized a high-level conference on Somalia Federalism during the year under review. The event is engagement initiative supported by the ACBF capacity building grant. The forum aimed to promote dialogue and build consensus on the issue of constitutional and political federalism in Somalia, a fundamental requirement in the rebuilding of the country and to ensure effective public resources management. The main rationale was to increase the awareness and understanding of Somalis and other stakeholders through experience sharing on the different types of federal governance. The conference was conducted in partnership with the IGAD Secretariat, World Bank, UNECA and other Non-Governmental organizations. The conference culminated in identification and strategizing around key issues that require further attention and deliberation.

Project Name: Common Market for Eastern and Southern Africa (COMESA)

Story Title: COMESA's research unit contributions in regional integration agenda

As part of its effort to enhance the effectiveness and impact of its trade policies and programs, the COMESA Secretariat requested ACBF's support to establish a research unit that will lead and coordinate trade policy analysis and research at the Secretariat. The Foundation in 2013 approved a grant of US\$3 million for the establishment and operationalization of the policy research unit. The project's formal launching on 11- 13th August 2014 brought together representatives from the Coordinating ministries of COMESA Member States, leading policy think tanks and key policy research institutes in the COMESA region and across Africa.

The Research unit has brought significant improvement to the conduct, coordination and utilization of research-based evidence for the policy making work of the trade division and the various policy organs of the Secretariat. For example, the study on '*Trade Volumes within COMESA*', motivated by the Secretariat's desire to improve intra-regional trade among member countries as way of mitigating the aggregate production deficit of food and agricultural good in the region within the short to medium term, provided a number of insightful recommendations that were endorsed by the Intergovernmental Committee in December 2014. Aside this, the Committee also committed to ensuring that the finding and recommendations of the study feeds into the decisions of the COMESA Council and the 2015 work plan of the Secretariat.

The project has also contributed to the coordination of research at the Secretariat through the development of a comprehensive Research Agenda which was discussed and approved by the Project Steering Committee. The unit has succeeded in integrating its research work into the structures of the Secretariat culminating in an increased request for research-based information and technical support from the key policy organs. For instance, the research unit successfully responded to, and presented research-based recommendations to the COMESA Summit held in February 2014 the findings and recommendations were adopted by the Council of Ministers and have been published in the COMESA flagship publication "Key Issues in Regional Integration Volume III".

Further, the unit contributed to the study on sugar competitiveness in COMESA in October 2014 which was a request from the summit. The outcome have been utilized by Kenya which presented a request for a sugar safeguard during the policy organs meetings which held in December 2014, and is a key input to the forth coming second extra-ordinary meeting of the trade and customs committee schedule for 9-11th February 2015.

In terms of skills transfer and training, the research unit has provided technical support and hands-on training for trade experts, staff of the trade division and COMESA coordinating ministries in trade policy analysis using software such as E-views.

ACBF-SUPPORTED SUCCESS STORIES: REGIONAL TRAINING PROGRAMS

Project Name: Economic Policy Management Programme in Ghana (EPM-Ghana)

Story Title: Overview of EPM Ghana Achievements

The overall goal of EPM-Ghana is to improve the performance and efficiency of the public sector in Anglophone West Africa given the backdrop of inadequate skills and competencies of the public sector of African countries to develop, analyse and manage economic policies. Since its inception in 1998, EPM-Ghana has received a total grant support of US\$9,770,000.00 from ACBF as a major donor (70% of total resources). Other donor partners are the University of Ghana, the Joint Japan World Bank Graduate Scholarship Programme (JJ/WBGSP) and countries.

In terms of Training, a total of 989 personnel mainly from the participating regional countries (Nigeria, Sierra Leone, Liberia, Gambia, Ghana and others) have been trained for competencies in Economic Policy Management. A tracer study conducted in December 2016, found that 64.2 percent of the respondents were employed in the public sector, with the remaining spread across financial institutions (insurance and banks), academia, research and private businesses. Additionally, graduates of EPM perform a wide range of functions in their organizations such as economic advisors (15.6 percent), administrators (20.0 percent), researchers (5.6 percent), lecturing (2.2 percent), planning (12.2 percent) and project management (12.2 percent), among others. Again, the study found that a large proportion of respondents (77.9 percent) have not changed jobs following completion of the Programme.

In the area of Institutional Strengthening, the Programme through the direct invention of ACBF is equipped with fixed assets, including a three-floor building fitted with Wi-Fi and power generating plant to provide uninterrupted power supply, vehicles, modern classrooms, well stocked library, modern video conference facility and computer laboratory. These assets serve not only ACBF sponsored scholars, but also that of JJ/WBGSP scholars and fee-paying students. Again, ACBF pays the salaries of the staff of the Programme and regularly train them to improve their skills and competencies on the job. Also, the assets endowments from ACBF propelled the Programme to roll-out a fee-paying Programme on a full scale. The fee-paying Programme has become a key sustainability anchor of the Programme even in the absence of the major donor ACBF, since November 2016, albeit major fall-outs from applicants who cannot afford the fees (i.e. mostly from the public sector).

In sum, the partnership support from ACBF has been of great benefit to the Programme and the human capacity development of personnel from the beneficiary countries. In order to consolidate these gains, there is still the urgent need for continued grant support to open up accessibility of the Programme to fragile countries like Liberia and Sierra Leone and least represented countries like the Gambia. Again, with ACBF renewed financial support, the public sector will have access to the programme again. The full fee-paying programme introduced as a result of the absence of ACBF funding is mainly participated by personnel from the private sector, which totally defeats the main objective of EPM-Ghana as public sector-oriented training programme.

Project Name: Public Sector Management Training Programme in GIMPA (PSMTP-GIMPA)

Story Title: The State of PSMTP GIMPA Today

The Programme hosted by the Ghana Institute of Management and Public Administration (GIMPA) and funded by ACBF from 2006-2017 (11 years) is a graduate training programme that leads to a Master's Degree in Public Sector Management for middle and senior level public sector officers from Anglophone West African Countries. It has admitted and successfully graduated 448 persons so far with 351 on ACBF scholarship and 97 on fee paying. This has been a great success since there were no drop outs during the course of the Programme.

The PSMTP with ACBF funding support accomplished the following for our partner institutions in (ASCON) Nigeria, (IPAM) Sierra Leone, (LIPA) Liberia and (MDI) The Gambia; Review/Design curriculum of their short training programmes, Training of Trainers (TOT) for faculty, faculty and staff development and as well as faculty and staff exchanges. With ACBF funds, GIMPA built an auditorium for lectures, procured office equipment, library books and equipment, 4X4 office vehicle and developed and reviewed PSMTP curriculum.

Promotions and performance of PSMTP Alumni to key policy positions within their various countries have been encouraging. These are a few examples:

- Dr. Surrur (PSMTP 2006) – Immediate past Head of Civil Service in Sierra Leone.
- Mr. Emmanuel Essilfie-Conduah (PSMTP 2008) – Manager for Staff Relation, Ghana Exim Bank.
- Mr. Prince Kwame Newman PSMTP (2012) - Currently Director of Administration, Greater Accra Regional Coordinating Council.
- Sambujang Njie (PSMTP 2014) – currently the Chief Electoral Officer at the Independent Electoral Commission (IEC), The Gambia
- Mrs Bertha Mortoti (2014) – Currently Deputy Registrar, West African Examination Council (WAEC), Ghana.

As part of strategies to sustain the programme, the PSMTP Secretariat and the various country coordinators incorporated a publicity campaign into the programme to encourage more people to enrol on the programme on fee paying basis. It is worthy of note that this would not have been possible without ACBF's funding contribution and technical support which established the PSMTP.

Project Name: Banking and Finance Master's Degree Program (MBF – CESAG)

Story Title: A journey with the African Capacity Building Foundation

Since 2000, ACBF has been supporting the Banking and Finance Master's Degree Program at Centre Africain d'Etudes Supérieures en Gestion (CESAG) with the main objectives to build the institutional and human capacity of CESAG to enable it to organize a Master's Degree in Banking and Finance (MBF) of international standards. The performance of MBF Project (Phase I) clearly indicates that the MBF at CESAG is the only training institution in West and Central Africa with the institutional and human capacity to organize and award a MBF recognized by the Conseil Africain et Malgache de l'Enseignement Supérieur (CAMES).

When it was established, CESAG's MBF was recognized as radical institutional and pedagogical innovations in Africa due to its design, mode of delivery, linguistic and geographical coverage, and duration. Several pedagogical and technical partnership agreements have been signed by the Project with several European, North American and African training institutions and organizations to provide trainers, hardware and/or software required for training. CESAG's MBF Project promoters and managers established strategic partnerships with CESAG's parent institution, the Banque Centrale des Etats de l'Afrique de Ouest (BCEAO); its counterpart in Central Africa, the *Banque des Etats de l'Afrique Centrale* (BEAC); the Bank of France; INSEAD; New York University's Stern School of Business; and the University of Brussels. As at the end of 2006, four cohorts have been trained, graduating 167 participants.

Over the years ACBF has continued to strengthen the implementation of CESAG's Master's degree program in Banking and Finance (MBF) and to enhance its sustainability. The approved grant will help train an additional 400 middle and high-level African managers in banking and finance and strengthen networking with relevant professional associations, training institutions and corporations so as to raise the visibility and accessibility of the program. Several other donors have since provided co-financing: UEMOA, BCEAO, Banque de France, European Union, etc.

According to the outcomes of the tracer study conducted recently, at 100 percent, Program completion rate is excellent and 98 percent of the graduates were recruited by key financial institutions. In 2008, CESAG's MBF was recognized as the leading program in banking and finance in Africa, ranked No 1 by the newspaper "Jeune Afrique".

Project Name: The African University of Science and Technology (AUST)

Story Title: Promoting Skills in Science and Technology in Africa: The case of AUST

As a young regional research-focused University with mandate to educate the next generation of scientists and engineers that can use their expertise to develop Africa, AUST-Abuja commenced full operations in 2007 amidst obvious/expected institutional challenges. Some of the challenges included provision of appropriate infrastructure to support teaching and research, attraction and retention of high caliber resident/visiting faculty, and capacity enhancement of its staff to be able to discharge their functions efficiently. This informed the expected outcomes of the ACBF-funded project which seek to improve the quality of research and training facilities at AUST, increase accessibility of African students and professionals to quality training programs in science and technology at AUST.

The first set of activities undertaken by the Project were the training of 13 middle management staff in various specialized courses and the engagement of 24 PhD students of AUST as Teaching Assistants. The trainings which ran from March through November 2015 within and outside Nigeria has had tremendous impact on staff performance, enabling them take up significantly more challenging tasks efficiently as well as increasing productivity in the discharge of their functions, while timely delivery of tutorials to MSc students is enhanced by the engagement of Teaching Assistants.

The project has also enabled AUST to have access to high quality Visiting Faculty which the university could not have been able to reach. This has impacted the quality of students trained in the university. The PhD students are sought after for post-doctoral programs in top universities such as University of Princeton and University of Delaware in the USA.

Another success story is based on the scholarships that were awarded to all 21 female M.Sc. students from various countries in the sub-region including Ghana, Chad, Cameroon and Nigeria, enrolled in the

university in 2015/2016 academic year. Being that students need not worry about financial issues, they have been committed to their studies thus their excellent performance in their examinations so far. Also worthy of note is the provision of fiber optics and expansion of internet bandwidth from 1MB to 15MB through the project. This obviously has enhanced the use of the internet for research and training at the university particularly through the video conferencing facility at AUST which is now fully functional.

All of these would ultimately contribute to the achievement of project development objectives. The support of ACBF in the provision of the scholarship is an opportunity to increase the number of females involved in higher education in science and technology. Without the ACBF program, the interaction of our students with high quality faculty and the improvement in the ICT infrastructure which is the backbone for effective modern teaching and high level research would have remained remote to AUST.

Project Name: International Institution for Water and Environmental Engineering (2iE)

Story Title: Faso Soap- Innovation in Malaria Prevention

According to the WHO 2014 World Malaria Report, 333 million people in West Africa alone are at risk of malaria. Malaria is a curable and preventable disease transmitted to humans through mosquito bites. Mosquitoes tend to breed in areas where there is stagnant water and prevention of malaria can be tackled through the elimination of breeding grounds for mosquitoes. Enhancing prevention measures would help dramatically reduce the proliferation of malaria.

Faso soap is a project developed by two students, Moctar DEMBELE (from Burkina Faso) and Gerard NIYONDIKO (from Burundi) as an innovative and cheap solution to prevent malaria. The soap acts as a mosquito-repellent when used on the skin and also kills mosquito eggs that have been deposited in waste water from bathrooms. The soap provided two methods of preventing the spread of malaria. This project initially entered and won the Green Start Up Challenge (GSUC) organized by the International Institution for Water and Environmental Engineering (2iE). The GSUC is an ACBF funded activity that awards innovative projects which support green growth in Africa and whose social and/or environmental impact is positive for the African continent's sustainable development. In 2013, Faso Soap project went ahead to win first prize (US\$ 25, 000) and the People's Choice Award (US\$1, 500) at the Global Social Venture Competition (GSVC) out of 600 projects from aspiring entrepreneurs around the world. This was the first time since GSVC's launch in 1999, the award has been won by an African team. The project was also selected among the 30 top innovations of the year by the Global Innovation through Science and Technology (GIST) initiative.

ACBF's grant to 2iE has provided the communication and logistical support needed to host the GSUC as well as allow innovative projects like Faso Soap to compete and win other competitions. Without ACBF intervention, the GSUC would not exist or this opportunity will take longer to come into effect. In addition, ACBF support to GSUC has increased its exposure thereby drawing new partners to 2iE. ACBF through this project highlights the use of local resources to address local problems.

The principal beneficiaries of ACBF's intervention are the entrepreneurs who have been provided opportunities to showcase and develop their projects and ideas. In addition, as in the case of Faso soap, the social impact of this project will go beyond Burkina Faso and spread throughout Africa improving the prevention of malaria thereby relieving the stress on household budgets for malaria treatment.

ACBF SUCCESS STORIES

ACBF K&L Department

Success story # 1. Guided the African Union in identifying the capacities required to successfully implement Agenda 2063 and the strategies at addressing them

In 2013, African countries developed Agenda 2063, an indigenous 50-year strategic framework for Africa's transformation anchored on inclusive growth and sustainable development. However, African leaders had questions on what it would take to ensure successful implementation of this Agenda.

At the commission of the AUC, ACBF responded rapidly through the development and publication of four strategic studies – namely, (i) *“Assessment of Internal and external risks associated with the implementation of AU Agenda 2063”*; (ii) *“Capacity Requirements for the New African Vision Agenda 2063”*; (iii) *“Capacity Development Plan Framework: Buttressing Implementation of the First 10-Year Plan”* and (iv) *“African Critical Technical Skills: Key Capacity Dimensions Needed for the First 10 Years of Agenda 2063”*. The ACBF studies have been critical in shaping the direction toward successful implementation of the continental agenda, having identified the capacities and priority programs required for support by the African Union and its organs, regional economic communities and African countries as well as key stakeholders. More importantly, these studies were delivered at the January 2017 summit of the AU heads of State and Government which increased the Foundation's visibility contributing to the decision of having ACBF as the specialized Agency of the Africa Union on Capacity Development. Moreover, as part of its contribution to the celebration of OAU-AU 50th anniversary, ACBF developed and published a strategic and informative study – *“A Digest of OAU-AU Treaties, Conventions, and Agreements, 1963 to 2014”*, to stimulate the thinking about the need to fast-track ratification to give momentum to the processes of regional cooperation and regional integration.

Success story # 2. Enhanced data and empirical evidence on capacity development for informed decision making through the Africa Capacity Report

Produced since 2011, the Africa Capacity Report (ACR) has been published annually with the objective of measuring and examining capacity imperatives for meeting development goals in African countries by focusing on the key determinants and components of capacity for development. The ACR has focused on key and strategic themes critical to Africa and its socio-economic transformation: Capacity Imperatives for Regional Integration in Africa (2014); Capacity Imperatives for Domestic Resource Mobilization in Africa (2015); Building Capacity in Science, Technology and Innovation for Africa's Transformation (2017).

Key achievements of the Report include the use of the various capacity indicators and data for research by universities across Africa and beyond as well as development partners and African policy makers. For instance, following the publication of the Africa Capacity Report 2015 on domestic resource mobilization, Madagascar has been developing a domestic resource mobilization strategy within the framework of the *Plan National de Développement (2015-2019)*.

Success story # 3. Establishment of the flagship African Think Tank Summit for peer-learning and exchange of innovative solutions to support Africa's development agenda

Think tanks are independent organizations producing research-based evidence to address policy issues, and seeking to inform and influence the policy making processes through various engagement strategies. They are increasingly seen as influential players in shaping development policy and practice. A key challenge however remained that there was no known platform offering an opportunity for Africa's think

tanks to exchange ideas and experiences on various strategic issues and contribute their work on the new dynamism taking place on the continent.

In 2014, ACBF which has been leader and key supporter and creator of think tanks in Africa, using its convening power initiated annual think tank summits that have become a stable platform for experience sharing and contribution of Think Tanks' expertise to solving Africa's common development challenges. Through the years, ACBF's achievement in bringing more than 100 leading African think tanks, researchers, development partners, and policymakers together to advance the developmental, educational, scientific and social relations for Africa's socio-economic transformation has been significant. The Summits have in turn led to the creation of the Africa Think Tank Network which has helped to identify areas of opportunity and joint partnerships amongst think tanks and supported mentorship of young researchers.

Success story # 4. Enhanced knowledge brokerage on Management for Development Results (MfDR), through a community of practice, that has advanced national and regional development processes

In the framework of the "African Community of Practice on Managing for Development Results" (AfCoP-MfDR) project, ACBF has facilitated knowledge sharing among some 5,000 AfCoP members, in 43 African countries, which included governments, regional economic communities and non-state actors. In the AfCOP Project completion report, the ACBF-managed knowledge sharing component was found to be the most successful component of the four under the Project with recommendation for scale-up. ACBF's support has enabled knowledge brokerage and transfer of tacit knowledge on key development issues such as regional integration, natural resources management, food security, domestic resource mobilization, *inter alia*. AfCoP case studies and guides have provided development practitioners with the 'what' and 'how' to do things to achieve results and impact. Eighty eight percent of AfCoP members surveyed on the project impact, said they were motivated to change their practices and working methods through exchanges on the ACBF-facilitated AfCoP website and access to the MfDR knowledge products. The tools have been very popular and in demand, requested by universities²⁰ to serve as course materials or by ministries and departments to conduct different tasks including development programs planning and evaluation.

²⁰ These include University of Dar es Salam, University of Dodoma; University of Namibia, Daystar University, University of Abomey-Calavi.

ANNEX 11. ACBF SUB-PROJECTS FINANCED BY RIDA1, RIDA2 AND RE-MDTF

(Source: ACBF Finance and Administration Department)

PROJECT ACRONYM	PROJECT TITLE	LOCATION (Country)	TYPE (National/Regional)	GRANT APPROVAL/SIGNING DATE (month/year)	GRANT EFFECTIVENESS DATE (month/year)	GRANT CLOSING DATE (month/year)	PROJECT COST (US\$)	FUNDING SOURCES
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POLICY ANALYSIS

1. ESRF	Economic and Social Research Foundation	Tanzania	National	Dec-2012	Feb-2013	31-Dec-17	1,246,294.00	RIDA2
2. IPAR-CAP	Institute of Policy Analysis and Research Capacity Building Project	Rwanda	National	June-2012	June-2012	30-Jun-17	1,410,000.00	RIDA2
3. HESPI	Horn Economic and Social Policy Institute	Ethiopia	National	Dec-2011	Jan-2013	30-Oct-17	2,800,000.00	RE-MDTF
4a. KIPPRA	Kenya Institute for Public Policy Research and Analysis	Kenya	National	Dec-2010	Apr-2011	30-Jun-17	1,500,015.00	RE-MDTF
4b. KIPPRA	Kenya Institute for Public Policy Research and Analysis	Kenya	National	Dec-2010	Apr-2011	30-Jun-17	109,717.00	RIDA2
5. CMAP	Centre Mauritanien d'Analyse de Politiques	Mauritania	National	June-2012	July-2012	31-Dec-17	1,802,909.00	RIDA2
6. CAMERCAP	Cameroon Policy Analysis and Research Centre	Cameroon	National	Aug-2014	Jan-2015	31-Dec-17	700,000.00	RIDA2
7. CEPOD	Centre d'Etudes de Politiques pour le Développement	Senegal	National	May-2015	June-2015	31-Dec-17	537,615.00	RIDA2
8. IDEC	Institut de Développement Economique	Burundi	National	Oct-2012	Nov-2012	30-Sep-16	1,100,000.00	RIDA2

9. ZIPAR	Zambia Institute for Policy Analysis and Research	Zambia	National	Aug-2005	Nov-2007	31-Dec-14	274,809.00	RIDA1
10. EEA	Ethiopia Economics Association	Ethiopia	National	Sept-2008	Oct-2008	31-Dec-14	283,942.00	RIDA1
11. IDEG	Institute for Democratic Governance (IDEG) Interface Capacity Building Project	Ghana	National	Apr-2009	Apr-2009	31-Dec-17	759,646.00	RIDA1
12. EDRI	Ethiopia Development Policy Institute	Ethiopia	National	Sept-2008	Feb-2009	30-Sep-17	226,513.00	RIDA1
13. CAPES	Centre d'Analyse des Politiques Economiques et Sociales	Burkina Faso	National	Sept-2010	Sept-2010	31-Dec-17	383,347.00	RE-MDTF
14. MPPRAP	Malawi Public Policy Research and Analysis Project	Malawi	National	November 2015	Feb-2016	31-Dec-17	410,000.00	RIDA2
15. GEPARI	Ghana Economic Policy Analysis and Research Institute	Ghana	National	Apr-2016	Apr-2016	31-Dec-17	320,270.00	RIDA2
16. CADERDT	Centre Autonome d'Etudes et de Renforcement des Capacités pour le Développement au Togo	Togo	National	Sept-2008	Feb-2009	31-Dec-17	323,036.00	RE-MDTF
17. CERCAP	Centre d'Etudes et de Renforcement des Capacités d'Analyse et de Plaidoyer	Mali	National	Sept-2008	Feb-2009	31-Dec-17	300,000.00	RE-MDTF
Sub-total - Policy Analysis							14,488,113.00	

REGIONAL TRAINING PROGRAMS

18. CESAG	Master Degree in Banking and Finance Training Program	Senegal	Regional	Apr-2012	Sept-2012	11-Apr-17	1,000,000.00	RIDA2
19. EPM Abj	Programme de Formation en Gestion de la Politique Economique à Abidjan	Cote d'Ivoire	Regional	Apr-2012	May-2012	11-Apr-17	2,500,000.00	RIDA2
20. EPM Yde	Programme de Formation en Gestion de le Politique Economique à Yaoundé	Cameroon	Regional	Apr-2012	Sept-2012	11-Apr-17	2,000,000.00	RIDA2

21. 2iE	ACBF Support to a Network of African Institutions of Science and Technology Program in Ouaga	Burkina Faso	Regional	Dec-2012	Jan-2013	30-Sep-17	900,129.00	RIDA2
22. NPTCI	Nouveau Programme de 3e Cycle Interuniversitaire en Economie	Burkina Faso	Regional	CANCELLED			-	
23. GFID	Financial Governance and Transparency Strengthening Project in Djibouti	Djibouti	National	May-2012	Aug-2012	31-Oct-17	1,300,000.00	RIDA2
24. PROFAP	Projet d'Appui à la Formation des Agents de l'Administration Publique	Chad	National	June-2012	Oct-2012	31-Dec-17	1,500,000.00	RIDA1
25a. PPRC-CI	Programme Pays de Renforcement des Capacités en Côte d'Ivoire	Cote d'Ivoire	National	May-2013	Aug-2013	31-Dec-17	3,565,878.00	RE-MDTF
25b. PPRC-CI	Programme Pays de Renforcement des Capacités en Côte d'Ivoire	Cote d'Ivoire	National	As above	As above	As above	204,536.00	RIDA2
26. PRCS-CAR	Projet de Renforcement des Capacités Statistique de la République Centrafricaine	RCA	National	June-2012	Sept-2012	31-Dec-17	1,000,000.00	RIDA1
27. CODESRIA	Renforcement de Capacités pour la Production des Connaissances et de Leadership en Afrique	Senegal	Regional	June-2012	Oct-2012	30-Apr-17	1,650,000.00	RIDA1
28. EPM Gha	Economic Policy Management Training Program in Ghana	Ghana	Regional	Dec-2012	Jan-2013	30-Nov-16	2,783,829.00	RIDA2
29. EPM Zbia	Economic Policy Management Program at University of Zambia	Zambia	Regional	Mar-2014	Mar-2014	31-Dec-17	1,299,000.00	RIDA2

30a. EPM Mkr	Economic Policy Management Program at Makerere University	Uganda	Regional	Sept-2012	Dec-2012	30-Sep-17	2,199,199.00	RIDA1
30b. EPM Mkr	Economic Policy Management Program at Makerere University	Uganda	Regional	As above	As above	As above	131,600.00	RIDA2
31. AUST	ACBF Support to a Network of African Institutions of Science and Technology Program in Abuja	Nigeria	Regional	Nov-2012	Jan-2013	30-Nov-17	2,176,062.00	RIDA2
32. AIST	Africa Institute of science and Technology	Tanzania	Regional	Nov-2012	Jan-2013	31-Oct-17	2,260,000.00	RIDA2
33. PSMTP-GIMPA	Public Sector Management Training Program of the Ghana Institute of Management and Public Administration	Ghana	Regional	Jan-2012	Feb-2012	31-Dec-17	3,229,815.00	RIDA1
34. CMAAE	Collaborative Masters' Program in Agricultural and Applied Economics	Kenya	Regional	June-2012	June-2012	30-Jun-17	2,811,665.00	RIDA1
35. FAS	Master Degree in Gender and Peace Building Training Program	Senegal	Regional	Aug-2012	Nov-2012	03-Aug-16	300,359.00	RE-MDTF
36. MINDS	Mandela Institute for Development Studies	South Africa	Regional	Nov-2014	Dec-2014	30-Nov-16	111,947.00	RE-MDTF
37. RESPEC	Projet de Renforcement des Capacités en Statistiques, Etudes Prospectives et Planification Pour la Lutte contre la Pauvreté au Congo	Congo	National	June-2012	July-2012	31-Dec-17	718,589.00	RIDA1
38. PNRC-CAF	Programme National de Renforcement des Capacités	G. Bissau	National	CANCELLED			-	

39. WAIFEM	West African Institute for Financial and Economic Management Capacity Building Project	Nigeria	Regional	Sept-2010	Sept-2010	31-Dec-17	700,000.00	RE-MDTF
40. NILS	National Institute For Legislative Studies Capacity Building Project	Nigeria	Regional	Sept-2010	Sept-2010	31-Dec-17	400,000.00	RE-MDTF
41. CIFAL Ouaga	Centre International de Formation des Acteurs Locaux de Ouaga	Burkina Faso	Regional				289,918.00	RIDA1
42. AERC BP	African Economic Research Consortium - Bridging Programme	Kenya	Regional	8-Mar-2017	8-Mar-2017	30-Nov.-17	350,000.00	RE-MDTF
	Sub-Total - Training Programs						35,382,526.00	

REGIONAL INTEGRATION

43. AWDF	Strengthening Institutional Capacity of the African Women's Development Fund	Ghana	Regional	Feb-2012	May-2012	31-Dec-17	1,900,000.00	RIDA2
44. AAU-CADRE	Association of African Universities' Capacity Development Project for the Revitalization of Higher Education Institutions	Ghana	Regional	Dec-2012	Jan-2013	31-Dec-17	2,400,000.00	RIDA2
45. FANRPAN	Food, Agriculture and Natural Resources Policy Analysis Network	South Africa	Regional	Dec-2012	Dec-2012	31-Dec-17	2,044,744.00	RIDA2
46. COMESA	Common Markets for East and Southern Africa	Zambia	Regional	Mar-2013	May-2013	30-Sep-17	2,867,401.00	RE-MDTF
47. CAP-WAMI	Capacity Building Project for the West African Monetary Institute	Ghana	Regional	Jan-2012	Feb-2012	31-Oct-17	2,000,000.00	RE-MDTF

	(WAMI)							
48. AU-CAP II	African Union Capacity Building Program	Ethiopia	Regional	May-2015	May-2015	31-Dec-17	1,882,950.00	RIDA2
49. EABC	East Africa Business Council	Tanzania	Regional	July-2010	May-2011	22-Jul-14	32,716.00	RIDA1
50. AUCAP BF	African Union Capacity Building Program – Bridging Fund	Ethiopia	Regional	May-2013	June-2013	31-May-15	608,291.00	RIDA2
51. EAC CAP	East Africa Community Capacity Building Project	Tanzania	Regional	Jun-2015	Sept-2015	31-Dec-17	550,000.00	RIDA2
52. IGAD	IGAD Integration Support Project	Djibouti	Regional	Jul-2015	Aug-2015	31-Dec-17	650,000.00	RIDA2
53. PACSR-UEMOA	Projet d'Appui au Centre de Programmation Stratégique, de Recherche et de Veille de l'UEMOA	Burkina Faso	Regional	May-2016	Aug-2016	31-Dec-17	365,000.00	RIDA2
	Sub-total - Regional Integration						15,301,102.00	
	Grand Total						65,171,741.00	

ANNEX 12. THINK TANKS SUPPORTED BY ACBF

No	Country	Think tank	Name of Think Tank
1	Benin	CAPOD	Conception et Analyse des Politiques de Développement
2	Botswana	BIPDA	Botswana Institute for Development Policy Analysis
3	Burkina Faso	CAPES	Centre d'Analyse des Politiques Economiques et Sociales
4	Burundi	IDEC	Institut de Développement Economique
5	Cabo Verde	STPC	Strategic Transformation and Policy Centre
6	Cameroon	CAMERCAP	Cameroon Policy Analysis and Research Center
7	Cote d'Ivoire	CAPEC	Cellule d'analyse de politiques économiques du CIRES
8	Ethiopia	HESPI	Horn Economic and Social Policy Institute
9		EEA/EEPRI	Ethiopian Economics Association
10		EDRI	Ethiopian Development Research Institute
11	Ghana	IDEG	Institute for Democratic Governance
12		GEPARI	Ghana Economic Policy Analysis and Research Institute
13		ISSER	Institute of Statistical, Social and Economic Research
14		CEPA	Centre for Policy Analysis
15	Kenya	KIPPRA	Kenya Institute for Public Policy Research and Analysis
16		CCG	Center for Corporate Governance
17		AERC	African Economic Research Consortium
18		IPAR-KENYA	Institute of Policy Analysis and Research
19		ARRF	Africa Research and Resource Forum
20	Liberia	LIMPAC	Liberia Macroeconomic Policy Analysis Center
21	Madagascar	CREAM	Centre de recherches, d'études et d'appui à l'analyse économique à Madagascar
22	Malawi	MPPRAP	Malawi Public Policy Research and Analysis Project
23	Mali	CERCAP	Centre d'études et de renforcement des capacités d'analyse et de plaidoyer
24	Mauritania	CMAP	Centre Mauritanien d'Analyse des Politiques
25	Mozambique	CEEG	Centre of Economics and Management Studies
26	Namibia	NEPRU	Namibian Economic Policy Research Unit
27	Niger	CAPED	Cellule d'analyse et de Prospective en Développement

28	Nigeria	DPC	Development Policy Center
29		EPAU	ECOWAS Economic Policy Analysis Unit
30		NILS	National Institute of Legislative Studies
31	Rwanda	IPAR-RWANDA	Institute of Policy Analysis and Research
32	Senegal	CEPOD	Centre d'Etudes de Politiques pour le Développement
33	Senegal	CODESRIA	Council for the Development of Social Science Research in Africa
34	South Africa	FANRPAN	Food Agriculture, Natural Resources Policy Analysis Network
35		MINDS	Mandela Institute for Development Studies
36		AFI	African Futures Institute
37		AIPA	Africa Institute for Policy Analysis and Economic Integration
38	Swaziland	SEPARC	Swaziland Economic Policy Analysis and Research Centre
39	Tanzania	ESRF	Economic and Social Research Foundation
40	Togo	CADERDT	Centre autonome d'études et de renforcement des capacités pour le développement au Togo
41	Uganda	EPRC	Economic Policy Research Centre
42	Zambia	ZIPAR	Zambia Institute for Policy Analysis and Research
43	Zimbabwe	ZEPARU	Zimbabwe Policy and Analysis Research Unit
44		MEFMI	Macroeconomic and Financial Management Institute of Eastern and Southern Africa
45		SARIPS	Southern African Regional Institute for Policy Studies



THE AFRICAN CAPACITY BUILDING FOUNDATION | FONDATION POUR LE RENFORCEMENT DES CAPACITES EN AFRIQUE

Securing Africa's future through capacity development

African Capacity Building Foundation Regional Capacity Building Project

Implementation Completion and Results Report

July 2018

ABBREVIATIONS

AAU	Association of African Universities
ACBF	African Capacity Building Foundation
AfCoP	African Community of Practice
AfDB	African Development Bank
CESAG	Centre Africain d'Etudes Supérieures en Gestion
CODESRIA	Council for the Development of Social Research in Africa
COMESA	Common Market for Eastern and Southern Africa
DGF	Development Grant Facility
EPM	Economic Policy Management
ESA	East and Southern Africa
FAS	Femmes Africa Solidarité
GAC	Governance and Anti-Corruption
IBRD	International Bank for Reconstruction and Development
ICE	Information Education Communication
ICR	Implementation Completion Report and Results
ID	Institutional Development
IDA	International Development Association
IDEG	Institute of Democratic Governance
MAP	Management Action Plan
MDTF	Multi Donor Trust Fund
M&E	Monitoring and Evaluation
MIS	Management Information Systems
MTR	Mid-Term Review
PDO	Project Development Objective
PFR	Portfolio Review
PSMTP	Public Sector Management Training Program
RIDA	Regional International Development Association
RVP	Regional Vice President
SDR	Special Drawing Rights
SMTP	Strategic Medium-Term Plan
TA	Technical Assistance
TOR	Terms of Reference
UNDP	United Nations Development Project
WCA	West and Central Africa
WAMI	West African Monetary Institute

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EXECUTIVE SUMMARY

This Implementation Completion and Results Report covers the achievements, challenges, and lessons learned during implementation of the African Capacity Building Foundation's (ACBF) Regional Capacity Building Project funded by the World Bank under the Regional International Development Association/Recipient-Executed Multi Donor Trust Fund (RIDA/RE-MDTF) resources from March 2011 to December 2017. The World Bank has supported ACBF from its establishment in February 1991. By the end of the Regional Capacity Building Project on December 31, 2017, the World Bank had contributed \$344.72 million, 51.6 percent of the total amount of \$668.31 million invested by ACBF since its inception in 1991. From January 1, 2011, to December 31, 2017, the World Bank contributed \$155.5 million²¹ (or 55.5 percent of ACBF total expenditures during this period).

The project built on 20 years of funding of ACBF by African countries and donor agencies led by the World Bank from 1991. Since 2011, ACBF's financing from the World Bank has come through the RIDA instrument, alongside RE-MDTF financing administered by the World Bank on behalf of the donors that contribute to the financing of the ACBF. The RIDA instrument operates on a project basis, with the requirement of a defined results framework and monitoring plan.

The Regional Capacity Building Project comprised 53 national and regional subprojects and a set of knowledge and learning activities. The financing agreement committed ACBF to submit regular reports to the World Bank detailing implementation progress on both the subprojects it financed and on the institutional strengthening activities of ACBF. In December 2013, the original Project Development Objectives were revised to focus more on clients and final beneficiaries, to make the results more measurable and directly attributable to the project's interventions.

Overall, the project achieved its development objectives, its performance was credibly measured, and its planned results were achieved. For the period covered by the initial funding, 2011–2013, ACBF achieved both Project Development Objective-level indicators and 7 of 10 intermediate results indicators. During the period of Additional Financing, 2014–2017, all four revised Project Development Objective-level indicators were achieved, as well as all 12 revised intermediate results indicators.

ACBF provided support in policy research and analysis that led to solid achievements in improving public service delivery and performance evaluation in Rwanda, preventing election violence and promoting peace and democracy in Ghana, promoting evidence-based research for strategic policy making in Kenya, promoting equitable development of constituencies in Zambia, and improving domestic revenue mobilization of regional governments in Ethiopia (see annex 1 for details). Other achievements include building public sector management capacity for service delivery in West Africa, strengthening financial systems through capacity building in banking and finance, promoting critical skills in science and technology in Africa, and promoting innovation in malaria prevention (see annex 3 for details).

In support of regional integration, two concrete achievements are the enhanced effectiveness of financial sector institutions through support to the Inter-Governmental Authority on Development and the creation of and support to the research unit of the

²¹ This includes \$38.4 million from the Development Grant Facility released in calendar 2011.

Common Market for Eastern and Southern Africa (COMESA), which made significant contributions to the regional integration agenda (see annex 2 for details).

ACBF recorded success in promoting knowledge and learning. It supported the African Union in identifying the capacities needed to successfully implement Agenda 2063, and the strategies for building them, and in developing and sharing enhanced data and empirical evidence on capacity development for informed decision making through the annual Africa Capacity Reports. Achievements also include launching the flagship African Think Tank Summit for peer learning and exchange of innovative solutions to support Africa's development agenda. In addition, support for management of the enhanced knowledge brokerage on management for development results, through a community of practice, has advanced national and regional development processes (see Annex 4 for details).

Failure of the World Bank to renew funding after project closing in December 2017 threatens the sustainability of the project gains, particularly by increasing the risk that the supported institutions will have to phase out or severely reduce their activities, potentially resulting in policy reversals at national, regional, and continental levels. ACBF has intensified efforts to source alternative funding from African member countries and other donors to maintain its support and contributions to Africa's transformation agenda. However, the World Bank's support remains critical to give ACBF sufficient time to secure from other sources the resources required for effective implementation of its mandate.

This Implementation Completion and Results Report is organized into seven chapters:

Chapter 1 examines the project background and context at appraisal, highlighting the origins of ACBF and its legal status as an autonomous entity. The chapter affirms ACBF as a success story in the history of Africa's development efforts, as upheld by numerous evaluations between 1991 and 2011. This section also highlights the deep structural reforms conducted by ACBF following the unfounded allegations of fiduciary impropriety made in an anonymous letter in 2008, making it an even more efficient and effective institution with world-class systems and processes.

Chapter 2 examines the Project Development Objectives under RIDA I/RE-MDTF and the Additional Financing that was provided as part of the project restructuring in December 2013 and the reallocation in 2017. The Implementation Completion Report and Results process demonstrates the relevance of the Project Development Objectives, as revised during the Additional Financing, to Africa's development landscape, as well as the institutional strengthening of ACBF itself, making it a more efficient and more effective institution with a strong focus on results.

Chapter 3 examines the key achievements of the project and concludes that the revised Project Development Objectives were achieved. The revised Project Development Objectives were more direct, attributable, and measurable and were achieved fully, with three of the outcome indicators even exceeding targets. A number of success stories are highlighted to demonstrate the performance of the project.

Chapter 4 reviews project efficiency and concludes that the project was implemented efficiently, having maintained a staff overall cost ratio that was consistently below the target of 17 percent. As implementation of the Management Action Plan in 2010 led to higher staffing and operating costs, ACBF introduced measures to ensure that the operating structure was "fit for purpose," lean, and efficient.

Chapter 5 analyses World Bank performance in its relationship with ACBF and the project and concludes that the Bank contributed to the institutional strengthening of ACBF. The section outlines the important contribution made by the World Bank, especially at the technical level, to the institutional strengthening of ACBF. It also notes the disconnect between Bank management and ACBF and the impression that Bank management was less interested in the results achieved by ACBF than in its perceived fiduciary challenges.

Chapter 6 discusses the performance of ACBF as an organization as well as the overall risks to development outcomes. ACBF went through dynamic organizational changes that have made it a more efficient and effective institution that is winning continental recognition and attracting new strategic partners. A disorderly withdrawal of World Bank support from ACBF would create risks to the project's development outcomes and ACBF's sustainability, despite a severalfold increase in contributions of African member countries and support from other donors and new funders.

Chapter 7 examines the lessons learned from the implementation of the Regional Capacity Building Project and presents recommendations for future interventions.

1. PROJECT BACKGROUND, CONTEXT, AND DEVELOPMENT OBJECTIVES

1.1 Background of the African Capacity Building Foundation

The African Capacity Building Foundation (ACBF) is an autonomous legal entity established under a Founders Agreement of February 9, 1991. ACBF arose from consultations among the African Governors, the World Bank, the African Development Bank (AfDB), and the United Nations Development Programme (UNDP). The goal was to “take concrete steps towards improving economic and public management capacity in Africa.”²² Funding was channeled through a Multi Donor Trust Fund, for which the Bank served as a Trustee until the end of 2011. The World Bank contributed \$15 million of a total of \$67.57 million during Phase 1 funding (1991–1997) and \$10 million of a total of \$45.40 million during Phase 2 (1998–2001). After merging with the Partnership for Capacity Building in Africa in 2002, ACBF began developing and operating under Strategic Medium-Term Plans.

During 1991–2017, ACBF invested \$668.31 million in capacity development in Africa. More than half of this amount came from the World Bank (table 1).

Table 1.1: Sources of ACBF financing, 1991–2017 (\$ million)

Source of financing	Phase 1 (1991–1997)	Phase 2 (1998–2001)	SMTP I [2002 – 2006]	SMTP II (2007–2011)	SMTP III [2012 – 2016]	ACBF Strategy (2017–2021)	Total	Share of total (percent)
World Bank	15.000	10.000	148.100	108.000	55.000	8.622	344.722	51.6
African Development Bank	6.053	6.000	12.000	12.000	4.600	7.000	47.653	7.1
AfDB African Community of Practice Zimbabwe projects					14.405	4.955	19.360	2.9
United National Development Programme	6.718	-	-	1.096	1.000	0	8.814	1.3
Bilateral partners	37.624	26.687	89.120	31.022	-	0	184.453	27.6
African countries	2.171	2.714	5.649	9.431	22.469	3.378	45.812	6.9
Bill & Melinda Gates Foundation					10.121	1.974	12.095	1.8
Australia Africa Community Engagement Scheme					3.000		3.000	0.4
Other	-	-	2.406	-	-		2.406	0.4
Total	67.566	45.401	257.275	161.549	110.595	23.445	668.315	100.0

Note: SMTP is Strategic Medium-Term Plan.

ACBF's membership today includes 40 African countries, the World Bank, AfDB, and UNDP. Several non-African countries were Trust Fund contributors²³ until 2011, and others provided direct one-time support.²⁴ Over the years, ACBF built a strategic partnership with the African Union and is now a Specialized Agency of the African Union, an integral part of the continental development architecture.

ACBF is governed by its constitution and run by a three-tier governance structure: a Board of Governors, deciding its overall policy orientation; an Executive Board, providing operational and financial oversight; and a Secretariat, responsible for its operational and financial leadership and management. ACBF is head-quartered in Harare, Zimbabwe, according to an agreement signed on May 22, 1991, with the Government of Zimbabwe. ACBF has a regional office in Accra, Ghana, and a service office in Nairobi, Kenya. It is also establishing a physical presence at the African Union Commission.

ACBF's architects envisaged "a continent with effective institutions and policies acquired through sustained investment in people and institutions." From its inception, the ACBF's mission has been "to build human and institutional capacity for sustainable growth and poverty reduction in Africa."²⁵ As part of its 2012 and 2014 restructuring, ACBF adopted the vision statement of an "Africa capable of achieving its own development" and a new mission to "build strategic partnerships, offer technical support, and provide access to relevant knowledge related to capacity building in Africa." ACBF's mandate remains that of leading the development and coordination of capacity building initiatives in the design, formulation, monitoring, and evaluation of development policies leading to inclusive growth in Africa.

ACBF initially identified three modes of operationalizing its mandate: funding capacity development initiatives, providing technical support, and generating and sharing knowledge. In 2014, ACBF began work on a new business model, completed in 2016, built around five service lines: resource mobilization to finance capacity development in Africa, capacity development advisory services, investment in capacity development initiatives (including managing funds from donors for capacity development), supporting innovation in capacity development, and leveraging knowledge and learning for capacity development.

ACBF bases its interventions on the principles of the centrality of capacity to the development process in Africa; the critical role of partnership and a demand-driven approach in tackling capacity challenges; African ownership and leadership in capacity development; and a systematic, sequenced, and coordinated approach to capacity development that prioritizes implementation capacity and capacity retention and utilization.²⁶

A World Bank mid-term evaluation of the Partnership for Capacity Building in Africa (PACT) in 2003 recognized ACBF as the premier indigenous institution for capacity building in Africa. Although the World Bank did not conduct any direct supervision of ACBF's use of its Development Grant Facility funds, it did conduct 14

²³ Austria, Canada, Denmark, Finland, France, Ireland, the Netherlands, Norway, Sweden, UK, USA
4. Australia, India and Greece.

²⁵ ACBF Operational Manual, p.1

²⁶ External Annual Audit 2014 (page 9).

evaluations of ACBF's activities between 1991 and 2011.²⁷ One of these evaluations, the PACT mid-term evaluation in 2003, concluded:

ACBF represents a real success story in the recent history of African development efforts. In the space of less than 12 years, ACBF has matured to the point that it now has a credible reputation for being the premier indigenous institution providing long-term support for the development of professional capacity for policy analysis in Africa. It provides support to an expanding number of key African organizations throughout the region that, in turn, provide economic education, training, policy analysis and advice of international quality directly to their respective governments -- and, increasingly, to the private commercial sector and civil society organizations as well. That is a remarkable achievement, especially when the amount of financing provided to accomplish it has been infinitesimal as a share of total resources provided for technical cooperation in Africa.

1.2 The “Chamba” letter and changes in funding modality and amount

Neither a forensic audit by external auditors commissioned by ACBF nor a review by the World Bank Integrity Vice Presidency found any evidence to support the allegations in the anonymous “Chamba” letter, though they did identify some vulnerabilities. In 2008, the World Bank received an anonymous letter (referred to within ACBF as the “Chamba letter”) that raised allegations of impropriety by ACBF management. Although these allegations were eventually determined to be unfounded, the World Bank initially withheld all ACBF funds under its guardianship while the allegations were investigated. The ACBF Executive Board commissioned a forensic audit that “identified vulnerabilities in ACBF’s operations and weaknesses in ACBF’s general control environment and internal control practices.” The Executive Board shared the audit findings with the World Bank, which then directed its Integrity Vice Presidency (INV) to conduct an additional review, especially at the ACBF subgrantee level. Neither the external audit nor the INV review found evidence to corroborate the allegations in the Chamba Letter.

Soon after taking office in 2009, ACBF’s new Executive Secretary ordered the preparation and adoption of a Management Action Plan (MAP), a roadmap to address the findings of the audit and investigation.²⁸ The MAP was approved by the World Bank and all the other donors to ACBF. Implemented over July 1 2009 to 30 June 2010, the MAP focused on strengthening internal controls and enhancing effectiveness and efficiency (see box 1.1).²⁹ Activities under the MAP reinforced risk assessment and fiduciary compliance, as well as financial management, operational management and communication. On 30 June 2010, the World Bank and donors deemed implementation of the MAP to be satisfactory and released the funds that had been withheld.

Implementation of the MAP led to a significant increase in ACBF’s operating costs, as it necessitated the creation of additional positions. The cost was a result of the enhanced focus on compliance and controls leading to increased staffing in areas such as finance, procurement, risk assessment, administration, and communication. This increase in operating costs was known and accepted by the ACBF Executive Board, with the expectation that a reformed ACBF would attract a level of financial resources compatible with the new structure of the Secretariat and reflecting the MAP reforms.

²⁷ A full list of these evaluations is attached in Annex.

²⁸ Evaluation of the ACBF SMTP II, July 2012, p. x.

²⁹ MAP Results to the end of 2010 (RIDA I PAD, page 31).

Unfortunately, the increased inflows never materialized. Most bilateral partners withdrew support to ACBF after disbursing their contributions to SMTP II; two donors even reneged on their pledges. As a result of the insufficient inflow of funds, the ratio of operating costs to program costs rose.

At the time of appraisal, the World Bank considered the cost of the revamped organizational structure following the implementation of the MAP to be excessive. At the request of the World Bank, ACBF restructured in October 2012 and as a result shed 18 staff members in December 2012. The World Bank considered the cost reduction from this first restructuring to be inadequate, and a further restructuring led to the separation of an additional 22 staff members in December 2013 and January 2014. In addition, to meet the required staff–cost ration of 17 percent, the salaries and benefits of the remaining staff members were cut by some 22 percent for the highest paid staff. A Letter of Commitment that the ACBF Executive Board sent to the World Bank in November 2013 promised additional reforms. ACBF implemented 24 deep reforms in five areas: prioritizing and scaling up operations for success, increasing efficiency, increasing the focus on results and impacts, strengthening governance, and working toward sustainability.³⁰

Box 1.1 Summary of the Management Action Plan 2009

Introduced in 2009, the Management Action Plan (MAP) was a comprehensive participatory exercise that laid a strong foundation for the organization’s turn around. The MAP focused on strengthening ACBF’s internal controls and enhancing its efficiency and effectiveness.

Implemented through the end of 2010, the MAP yielded important results even beyond the period of implementation:

- 1. Internal controls were enhanced, and the Enterprise Risk Management framework is now being used for risk management.**
- 2. Systems and processes and their supporting manuals were continuously improved for increased institutional effectiveness.**
- 3. A human resources development and management strategy, in line with those of similar international organizations, is being implemented to attract and retain the best talent.**
- 4. Knowledge creation is becoming more effective as a result of enhanced internal expertise and new channels for communicating knowledge to operations departments.**
- 5. An operations evaluation function was introduced and institutionalized, and evaluation findings, lessons, and recommendations are being implemented.**
- 6. Business continuity was strengthened.**
- 7. Resource mobilization and partnership building were streamlined in all ACBF activities.**
- 8. Communication and visibility of ACBF’s activities have improved.**
- 9. Corporate governance was enhanced through better delineation of responsibilities and further collaboration between the ACBF’s three governing bodies.**
- 10. Executive Board oversight responsibilities have been strengthened, and better recruitment processes were introduced for selecting Executive Board members**

³⁰ Annex 12 presents details of the implementation of the reforms

The World Bank never explained its decision to change the funding modality from the Development Grant Facility (DGF) to Regional IDA (RIDA) financing and the nonfulfillment of its commitment in 2007 to contribute \$150 million to implementation of SMTP II. The World Bank never explained the reduction in funding level from the pledged \$150 million to \$108 (DGF \$83 million and RIDA \$25 million), which adversely affected ACBF's operations under SMTP II. Even though the World Bank had a seat on ACBF's Executive Board, it did not communicate this unilateral shift in modality well³¹ nor did it explain the impact of this shift on the level of contribution to ACBF. The World Bank had announced approval of a \$150 million contribution for SMTP II (2007–2011) under the DGF at the Pledging Conference that it hosted in Paris in February 2007. Before it had entirely disbursed its pledge, the World Bank decided that "it was no longer appropriate to use the DGF resources to fund ACBF."³² This unilateral decision and the accompanying changes in conditions of funding may have **influenced other donors, leading to their withholding of funding support to ACBF.**

The move from DGF to RIDA funding, with the accompanying requirements to adhere to IDA processes and procedures, was a major shift in operational modalities. The operational consequences of the change in funding instrument were not explained to ACBF when the initial RIDA funding was approved.³³

31 Board of Governors' minutes show that the matter was brought to their attention, but it is unclear whether they could have done anything about it.

32 Project Paper of the Additional Finance for RIDA II, p.2.

33 RIDA MTR Report, 2016.

2. PROJECT DESCRIPTION, PROJECT DEVELOPMENT OBJECTIVES, AND THEORY OF CHANGE

2.1 Initial phase of the Regional Capacity Building Project (RIDA I/RE-MDTF)

The initial phase of the Regional Capacity Building Project (Regional International Development Association/Recipient Executed–Multi Donor Trust Fund [RIDA I/RE-MDTF]) was approved on March 17, 2011. The Project Development Objectives (PDOs) were to contribute to enhanced capacity for effective policy formulation in ACBF subgrant recipient countries and to improve and sustain management of ACBF operations.

Accordingly, the original project funded two components: *capacity building*, with funding of \$15 million in countries that met the IDA criteria for funding, and ACBF *institutional development*, which was allocated \$10 million (table 2.1)

Table 2.1: RIDA I costs by component, original funding (\$ millions)

Original component (2011)	Amount at approval	Actual amount at project closing	Share of approval amount (percent) ^a
Capacity building subgrants	15	14.6	100
Institutional development	10	9.8	100
Total	25	24.5	100.00

a. The difference in the amounts approved and actual at closing could be accounted for by currency gains/losses from SDR to US dollars.

The capacity building component financed ACBF subgrants to public and private organizations in Sub-Saharan African countries and to regional organizations serving these countries. The subgrants financed technical support to subprojects approved under the Strategic Medium-Term Plan II (SMTPII) funding to enhance the institutional capacities of beneficiaries in four areas: economic policy analysis and development management; financial management, accountability, and transparency; national statistics and statistical systems; and regional economic cooperation and integration and provision of regional public goods.

The ACBF institutional development component financed activities to strengthen ACBF operations and institutional capacity in four areas: continued implementation of activities under the Management Action Plan (MAP); development of a forward-looking medium-term strategy (SMTP III) for ACBF, including enhancement of the monitoring and evaluation system; appraisal, supervision, and evaluation of subprojects; implementation of knowledge and learning activities to enhance skills and peer learning in economic and public sector management in Africa; and financing for goods, services, training, and operating expenses. Key results for this component are measured through output indicators related to increased efficiency in resource utilization in ACBF, improved performance of ACBF operational portfolio, and strengthened project management capacity in ACBF (Project Appraisal Document, RIDA I).

The RE-MDTF co-financed the RIDA operations to build synergies among ACBF donors, minimize transaction costs (for ACBF, the World Bank, and other donors),

and provide a continental canvas for ACBF activities. It was envisaged that RE-MDTF resources would also enable ACBF to support programs in non-IDA countries and countries in arrears to the World Bank.

2.2 Additional Financing of the Regional Capacity Building Project (RIDA II/RE-MDTF)

Additional Financing of the Regional Capacity Building Project (RIDA II/RE-MDTF) was approved in 2013, with revised Project Development Objectives (PDOs). The revised PDOs sought to enhance capacity for effective policy formulation in ACBF subgrant recipient countries and improve and sustain management of ACBF operations. The approved Additional Financing was \$65 million (SDR43.3 million), allocated as indicated in table 2.2.

Table 2.2: RIDA II costs by component, Additional Financing (\$ millions)

Revised component (2013)	Amount at approval	Actual amount at project closing	Share of approval amount (percent) ^a
Enhanced capacity for effective policy formulation in ACBF subgrant recipient countries	44.0	38.0	86
Improved and sustained management of ACBF operations	21.0	25.6 ^b	122
Total	65.00	63.6	100.00

a. The difference in the amounts approved and actual at closing could be accounted for by currency gains/losses from SDR to US dollars.

b. The World Bank approved a reallocation from Category A (program) to Category B (institutional support) to extend implementation of RIDA II by one year. Institutional costs would have stayed at the same level proportionally had the balance of \$35 million of the Bank's commitment been honored.

The Additional Financing aimed to support “development of capacity in Africa within the framework of SMTP III, which includes improving capacity for policy dialogue and tracking policy impact” (Project Paper p. 2, para. 5). The resources were also used to prepare and initiate implementation of the ACBF Strategy for 2017–2021. The reformulated PDOs sought to ensure that subgrantees would improve their capacity to track, monitor, measure, and report on their own results.

The Regional Capacity Building Project went through two restructurings. Changes were made to the results framework, and the project portfolio grew from the initial 13 projects approved in 2011 to 53 by the project closing on December 31, 2017 (table 2.3).

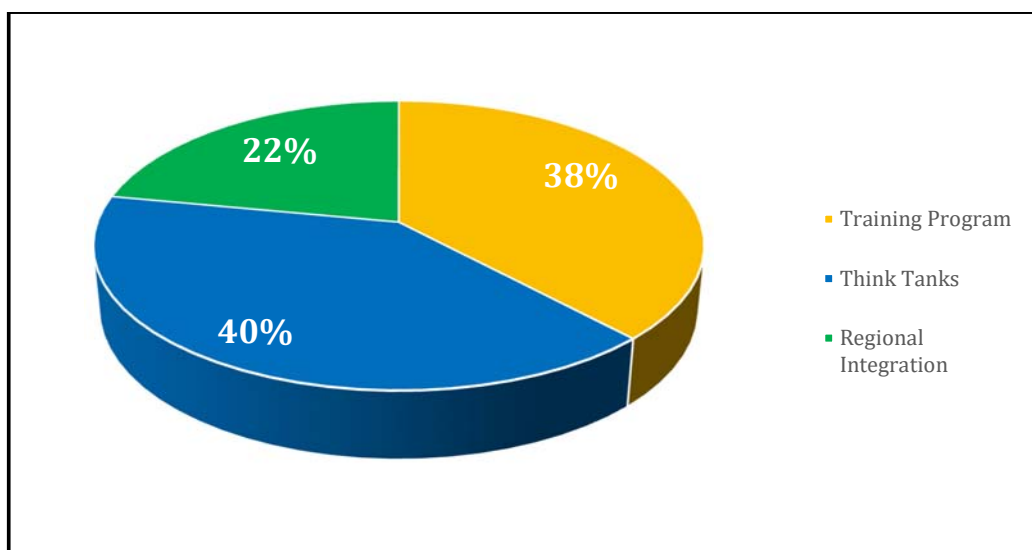
Table 2.3: RIDA project portfolio growth, 2011–2017

Phase	Approval Year	# Projects	Per Funding Source	Total	Growth
RIDA-1	2011	13	8 RIDA 5 ReMDTF	13	-
RIDA-2 (add financing)	2013	34	31 RIDA 3 ReMDTF	47	261%
Re-structuring	2017	6	1 RIDA 5 ReMDTF	53	13%
Total		53	40 RIDA 13 ReMDTF		

Most RIDA II/RE-MDTF subprojects were approved in or before 2013 (see table 2.3). ACBF had no commitment authority to approve new projects in 2014–2016. The new approvals in 2017 reflect the reallocation of funds from slow performing projects to high performing projects.

The project portfolio covered three thematic areas: training, think tanks, and regional integration. Think tanks had the highest allocation, at 40 percent; training had 38 percent; and regional integration had 22 percent (figure 2.1).

Figure 2.1: Distribution of RIDA II/RE-MDTF subprojects by thematic area



Source: RIDA Progress Report 2017, p. 9.

The restructured project had two components: capacity building subgrants, capacity indicators report, and peer learning activities; and institutional development.

Under the capacity building subgrants, capacity indicators report, and peer learning activities component, ACBF provided finance and technical support to subgrantees to enhance the institutional capacity of Sub-Saharan African governments, regional organizations serving these countries, and other entities established in these countries. Areas covered included economic policy management; public sector management; and regional integration, regional economic cooperation, and

provision of regional public goods.³⁴ ACBF also supported research, analysis, workshops, and conferences associated with the production of the Africa Capacity Indicators Report and coordination and convening of peer learning activities (for example, Policy Institute Committees and Strategic Studies Groups).

Under the institutional development component, ACBF financed its operating costs, after these were rationalized in a manner that was consistent with its Letter of Commitment of November 2013.

³⁴ RIDA II, PAD page iii.

3. KEY ACHIEVEMENTS OF THE REGIONAL CAPACITY BUILDING PROJECT

3.1 Relevance of project development objectives

The Project Development Objectives (PDOs) of the Regional Capacity Building Project were fully relevant to the needs expressed by ACBF's clients at the subgrantee level, country, and ACBF levels. At the subgrantee level, there was low capacity to respond to countries' development needs in economic policy analysis, governance, financial management, and the interface between state and nonstate actors. An effective response to those expressed needs required good project design, implementation, and results monitoring.

3.2 Initial financing: RIDA I/RE-MDTF

The revised PDOs were achieved for the initial financing covering 2011–2013 (RIDA I/RE-MDTF; see annex 11). The PDO indicator “*Number of recommendations, submitted by ACBF grantees and used by government in policy formulation,*” which was set at 15, was exceeded by 24. This indicator was intended to track the use of the outputs of ACBF subgrantees to improve economic policy formulation in beneficiary countries. An independent evaluation by ITAD Limited, a UK-based organization, found that ACBF had achieved results in influencing policy processes and outcomes and strengthening transparency and accountability (RIDA II Project Appraisal Document, p. 17). The PDO indicator “*Ratio of total budget to total active portfolio value,*” used to assess the improved and sustained management of ACBF operations component, exceeded the target by 5.9 percent.

The intermediate results and output indicators showed high achievement levels. The indicators measure performance in line with the Result Monitoring Framework for the project's two components.

Component 1: Strengthened key institutions and human resources involved in policy formulation

The key performance indicators that tracked the outputs of subprojects in the three major types of institutions (policy units, public sector management institutions, and training institutions) included in the 2011 pipeline exceeded their targets by the end of December 2013:

- Policy units completed 169 economic policy research projects, exceeding the target of 119 (for example, Kenya Institute for Public Policy Research and Analysis and Horn Economic and Social Policy Institute Progress Report 2013).
- Public sector management institutions (ministries, departments, and agencies) supported by technical assistance from the policy units achieved more than twice their target for process facilitation, change management, and advisory services (target 65, actual 118) and for short-term training sessions (target 155, actual 328) (for example, RESPEC, PROFAP, PRCS-CAR, HESPI, and KIPPRA subprojects; see annex 5 for details).
- Training institutions exceeded targets for graduating students with a master's degree (target 180, actual 326) or with a certificate (target 450, actual 842).

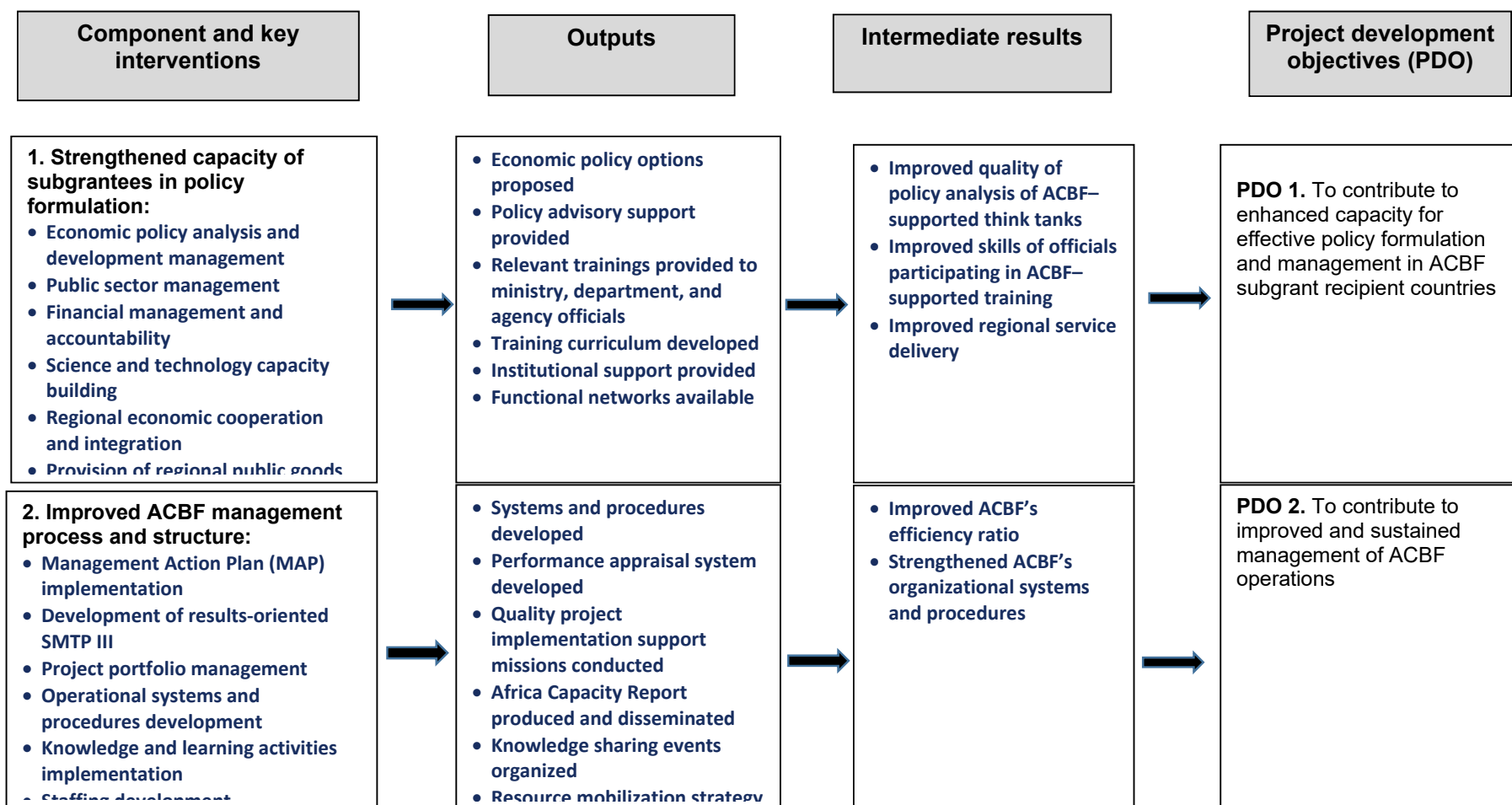
Component 2: Improved ACBF management processes and structures

The performance indicators focused especially on budget efficiency ratios and portfolio management performance over the period. Four of the six indicators achieved their targets:

- The ratio of total administrative costs (excluding staff) to total budget, an efficiency measure, performed better than the target of 17.2 percent, with total administrative costs at 14.7 percent of the total budget (2.5 percentage points better than the target).
- The ratio of funds disbursed to funds committed in the portfolio exceeded the target of 98 percent by 16.8 percentage point; the disbursement figure includes non-RIDA projects and may reflect retroactive financing to the start of the project.
- Subgrant recipients submitting quarterly monitoring and evaluation reports in line with the Project Results Monitoring Framework exceeded the target of 75 percent by 21 percentage point for all ACBF operations (70 out of 73 projects in ACBF portfolio) including non-RIDA projects.
- The ratio of Total Staff Costs to Total Budget, the Foundation has exceeded by 15.2 percentage point against a target of 57.7 percent. These costs included both RIDA and non-RIDA expenses, and is a reflection of the semi-fixed nature of Staff Costs.
- The percentage of subprojects in the portfolio that were rated satisfactory, at 71.6 percent, fell short of the target of 80 percent. A total of 63 projects were reviewed and rated in 2013 (the focus was on RIDA and non-RIDA projects; Portfolio Review 2013).
- Yearly approved subprojects subgrants fell short by 17 (target 44, actual 27) due to limited commitment authority.

Figure 3.1 shows the results chain for RIDA I.

Figure 3.1: RIDA I results chain



3.3 Additional Financing: RIDA II/RE-MDTF

Under the Additional Financing phase of the Regional Capacity Building Project, the project achieved all four indicator targets for the revised PDO indicators, with three out of four targets exceeded (table 3.1). The revised PDOs were to improve the capacity of ACBF's clients to deliver and measure development results and to enhance ACBF's organizational effectiveness and efficiency. These revised PDOs, with their emphasis on client actions, were considered more direct and more readily attributable to subproject activities, and their outputs were more measurable. The targets for ACBF client satisfaction were exceeded for both the product (target 90 percent, actual 93 percent) and the services (80 percent target, 92 percent actual). The percentage of subprojects in the ACBF portfolio rated satisfactory and above exceeded the target by 13 percentage points (77 percent target, 90 percent actual), an impressive performance. The fourth indicator on ratio of total disbursements (including knowledge and learning products) to cash outflows met its target of 80 percent.

Table 3.1: RIDA II Cumulative outcome indicators, 2013–December 2017

Indicator	Target (percent)	Achievement (percent)	Overall performance (percentage point difference)
1a. Client satisfaction with ACBF products	90	93	Target exceeded (+3)
1b. Client satisfaction with ACBF services	80	92	Target exceeded (+11)
2a. Percentage of subprojects in ACBF portfolio rated satisfactory and above	77	90	Target exceeded (+13)
2b. Ratio of total disbursements (including knowledge and learning products) to cash outflows	80	80	Target met

Overall, the project performance assessment shows that ACBF clients are now able to deliver quality products and services to their beneficiaries in a cost-effective manner. In addition, the subgrantees were enabled to track and measure the performance of their interventions.

Component 1: Subgrants to ACBF-supported programs and projects

All eight intermediate result indicators for component 1 exceeded their targets, demonstrating a high level of performance:

- Number of requests for products and services received by ACBF's clients (1,200 target, 6,684 actual).
- Percentage of clients' products that have undergone peer review or other quality control mechanism (80 percent target, 96 percent actual).
- Percentage of ACBF clients with functional monitoring and evaluation systems (80 percent target, 83 percent actual).
- Number of engagements/interactions between ACBF clients and policymakers (360 target, 2,133 actual).
- Number of participants attending long- and short-term training conducted by ACBF clients (1,800 target, 30,230 actual).
- Number of times ACBF knowledge and learning products/documents are downloaded in Africa and the rest of the world (55,000 target, 310,171 actual)

- Number of requests received by ACBF for knowledge and learning products (300 target, 1,119 actual).
- Number of times ACBF knowledge and learning products are cited (12,500 target, 27,469 actual).

Specific factors explained the exceptionally high performance on the intermediate results indicators. Some prominent ones include:

- Demand from clients for technical assistance and short-term training was higher than anticipated, and the quality of training, including online and blended training modes, was improved.
- A majority of ACBF-supported subprojects met the minimum monitoring and evaluation requirements for performance tracking and reporting results of investments in staff training. The criteria used to measure the functionality of monitoring and evaluation systems of ACBF's clients include timely submission of quarterly reports, completion of RIDA data instruments, identification of success stories, and identification of a focal person for monitoring and evaluation and preparation of completion reports.
- Short-term training increased due to more training offered by think tanks, regional development organizations, and other training centers.
- Targeted campaigns, including on social media, contributed to an increase in the number of knowledge and learning product downloads. Download data were collected from the ACBF website, virtual library, and partner websites using the Advanced Web Statistics 7.6 applications.

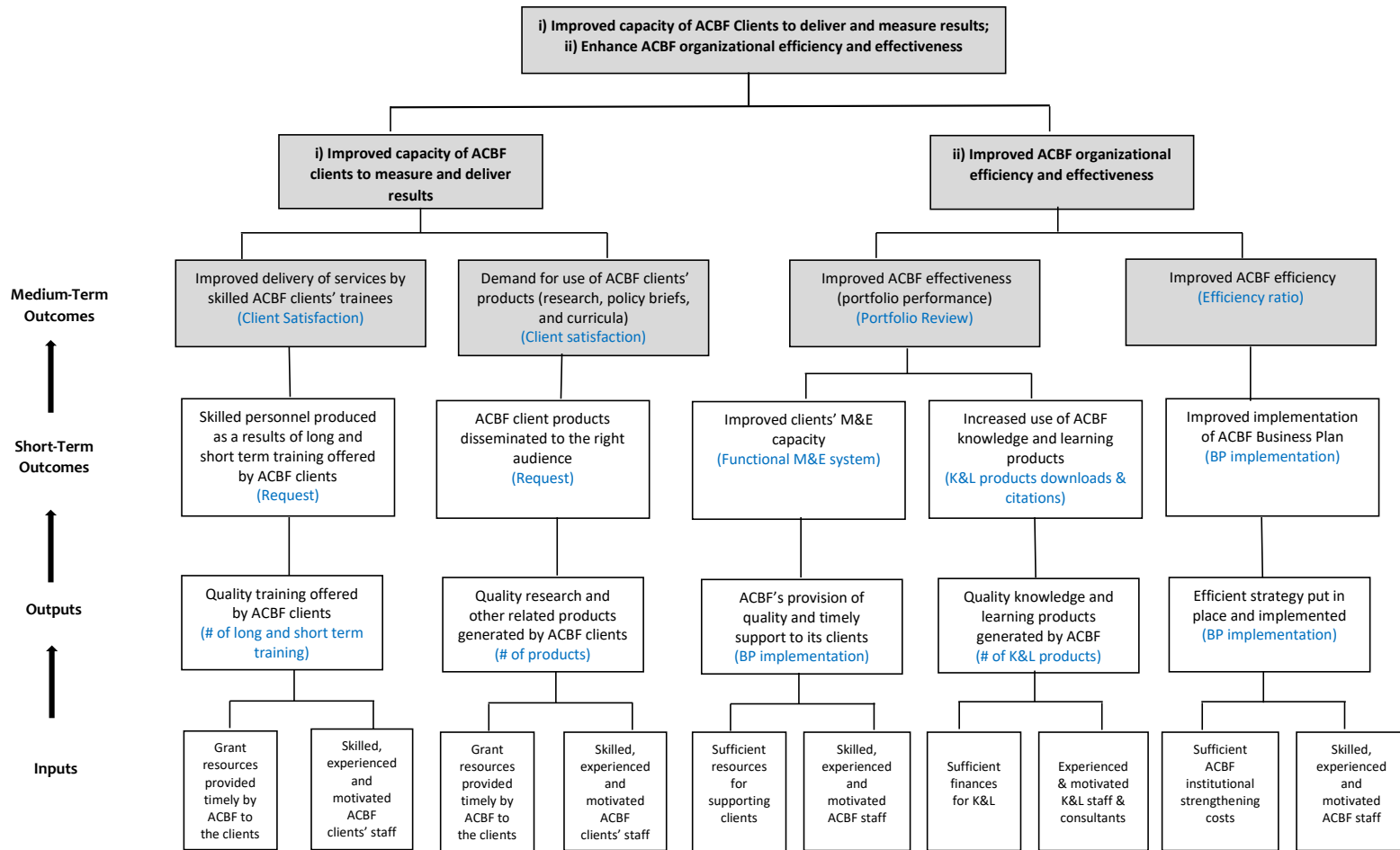
Component 2: ACBF institutional development

The four indicators for the ACBF institutional development component exceeded their targets as follows:

- Ratio of total staff costs to cash outflows (17 percent target, 14.6 percent actual, which is better than the target).
- African members contributed \$23.4 million to SMTP III, which is 13 percent higher than the target of \$20.74 million. African countries were expected to raise their game to encourage continued support of ACBF by the World Bank and other donors. Their contributions to SMTP III were higher than their cumulative contributions from 1991 to 2011. Despite this show of support, however, donors did not increase their contributions. The World Bank disbursed only 65 percent of its commitment, and none of the bilateral donors stepped forward, not even Sweden, which had pledged \$10 million.
- Number of portfolio reviews conducted exceeded the target of at least two per year (target 2, actual 4).
- Percentage of activities implemented from the Annual Business Plan: ACBF has developed enhanced capacity to carry out planned activities, resulting in the achievement of the planned target of 85.8 percent.

Figure 3.2 shows the results chain for RIDA II.

RIDA-2 (Additional Financing) RESULTS CHAIN



RIDA II/RE-MDTF success stories: Component 1, grants to ACFB-supported programs and projects

Aside from the achievement of PDOs, the results of the Regional Capacity Building Project are also measured through its success stories. These successes cover the three designated areas of the Additional Financing (RIDA II/RE-MDTF): policy analysis and implementation, training at the regional level, and regional integration. Successes were also achieved in knowledge and learning activities. (See annexes 1–4 for more details on these success stories.)

Policy analysis and implementation

Capacity building in policy formulation was enhanced through support to think tanks to produce research papers, disseminate them, carry out dialogue based on them, and provide training in support of policy analysis (table 3.2).

Table 3.2: Policy analysis outputs and indicators

Expected output	Indicator	Number of outputs delivered
1.1 In-depth analysis and response provided to development issues at country level	Number of policy research projects conducted	295
1.2 Policy options responding to development challenges proposed at country level	Number of policy papers produced	56
1.3 Accessibility to policy products and services improved	Number of policy products disseminated	274
1.4 Policy awareness and engagement raised at country level increased	Number of policy advocacy/dialogues organized	423
1.5 Knowledge in policy analysis on national development issues enhanced	Number of public policy-making officials trained in short term trainings	1,347
	Number of short-term training sessions organized	24
1.6 Policy guidance and technical assistance provided to decision makers	Number of policy advice guidance provided	87
1.7 Peer learning in policy practice and knowledge sharing enhanced	Number of exchange programs organized	25

The main outputs delivered by the ACFB and ACFB-supported think tanks in policy analysis and implementation included the Africa Capacity Reports, publications on Agenda 2063, development memoirs, preparation and dissemination of policy research studies, policy briefs, and policy recommendations. Dissemination took place through meetings, workshops, and publications. In addition, policy dialogues were held with decision makers and high-level officials in the public and private sectors and in civil society organization.

Some other success stories for ACFB-provided support to think tanks (see annex 1 for details):

- Work by the Institute for Policy Analysis and Research of Rwanda led to improved public service delivery and performance evaluation in Rwanda (IPAR-Rwanda).
- Work by the Institute for Democratic Governance Capacity Building Project in Ghana helped prevent election violence and promoted peace and democracy (IDEG-CAP)

- The Kenya Institute for Public Policy Research and Analysis (KIPPRA) promoted evidence-based research for strategic policy making in Kenya
- The Zambia Institute for Policy Analysis and Research (ZIPAR) promoted equitable development of constituencies in Zambia.
- The work of the Ethiopian Economic Association contributed to improved domestic revenue mobilization of regional governments in Ethiopia.

Training at the regional level

Capacity building. **Capacity building was enhanced through ACBF support** for increasing access to graduate degree programs and to short-term training programs. The training programs covered a wide ranges of development subjects including economic policy analysis, public sector management, banking and financial management, science and technology, and agricultural development. Key achievements in this thematic area are shown in table 3.3 below.

Table 3.3: Regional training outputs and indicators

Expected output	Indicator	Number of outputs delivered
2.1 Accessibility to postgraduate degree programs (masters and PhD) in development management increased	Number of degree programs supported	12
2.2 Expertise and competencies in policy analysis and management strengthened	Number of participants in postgraduate degree programs supported by ACBF	3,287
2.3 Capabilities of faculty members to deliver on their assigned mandate improved	Number of training-of-trainers programs organized	17
2.4 Financial accessibility in training programs increased	Number of scholarships awarded	989
2.5 Quality of training material and resources improved	Number of training curricula developed and reviewed	174
2.6 Skills in development management improved	Number of participants in short-term training	2,616
2.7 Knowledge sharing and promising experience learning improved	Number of study tours and exchange programs	166

Economic policy management. **In long-term training, ACBF supported post graduate degree programs in Africa.** Five institutions offered programs in economic policy management (in Cameroon, Côte d’Ivoire, Ghana, Uganda, and Zambia; table 3.4); three in science, technology, engineering, and math (International Institution for Water and Environmental Engineering, African University of Science and Technology, and African Institute of Science and Technology); one in public sector management training (Ghana Institute of Management and Public Administration); one in agriculture (Collaborative Masters in Agricultural and Applied Economics); one in gender (Femmes Africa Solidarité); and one in banking and finance (Centre Africain d’Etudes Supérieures en Gestion).

Table 3.4: ACBF-supported economic policy management training program participants, 1998–2015

Country	Program enrollment			Program completion			Sectors				Scholarship funding source		
	Male	Female	Total	Male	Female	Total	Public	Private	Others	Total	ACBF	Others	Total
Cote d'Ivoire	478	88	566	452	80	532	519	33	14	566	443	123	566
Ghana	647	225	872	558	197	755	634	170	68	872	448	424	872
Uganda	564	219	783	418	165	583	783	0	0	783	463	320	783
Cameroon	460	121	581	428	114	542	523	46	12	581	442	139	581
Zambia	217	149	366	163	103	266	324	23	19	366	167	199	366
Total	2,366	802	3,168	2,019	659	2,678	2,783	272	113	3,168	1,963	1,205	3,168
Share (percent)	75	25	100	75	25	100	88	9	4	100	62	38	100

Note: Percentages may not sum to 100 because of rounding.

The economic policy management program has been ACBF's most consequential contribution to capacity building for development in Africa. It has made a significant impact both in training large numbers of African economic management professionals and in strengthening the technical capacity of the institutions doing the training. ACBF provided 62 percent of the scholarships for graduate degree programs, and the program attained an 85 percent completion rate (2,678 of 3,168 participants; see table 3.4).

ACBF support to regional training programs has built public sector management capacity to improve public service delivery in West Africa, strengthened financial systems through capacity building in banking and finance, promoted critical skills in science and technology, and promoted innovation in malaria prevention (see annex 2 for details).

Regional integration

Regional programs and the secretariats of regional economic communities have been the main actors driving implementation of the regional integration agenda on the continent. Key achievements accomplished under this thematic area are shown in table 3.5 and in annex 3.

Table 3.5: Regional integration outputs and indicators

Expected output	Indicator	Number of outputs delivered
1. In-depth analysis and response provided to development issues at regional level	Number of policy research activities conducted	75
2. Policy options responding to development challenges proposed at regional level	Number of policy papers produced	78
3. Policy awareness and engagement raised at regional level	Number of policy advocacy/ dialogues organized	20
4. Enhanced knowledge in policy analysis on regional development issues	Number of regional institution officials who received short-term trainings	1583
5. Knowledge sharing and learning improved	Number of exchange programs	35

Two examples of achievements in promoting regional integration are the enhanced effectiveness of financial sector institutions in the Inter-Governmental Authority on Development (IGAD) region through support to IGAD and the creation of and support to COMESA's research unit, which has made significant contributions to the regional integration agenda (see annex 3 for details).

Knowledge and learning

ACBF recorded successes in knowledge and learning initiatives, for instance, by supporting the African Union in identifying the capacities required to successfully implement Agenda 2063 and the strategies for addressing them. Another important achievement was the development and sharing of enhanced data and empirical evidence on capacity development for informed decision making through the Africa Capacity Report.

Achievements also include convening the African Think Tank Summit for peer-learning and exchange of innovative solutions to support Africa's development agenda. The summit also provided a forum for enhanced knowledge brokerage on management for development results, achieved by creating a community of practice that has advanced national and regional development processes (see annex 4 for details).

RIDA II/RE-MDTF success stories: Component 2, ACBF institutional development

This component consisted of the program support and corporate processes at ACBF including the provision of services, and operating costs. The Intermediate results indicators under this component were achieved as shown in Table 3.6 below.

Table 3.6: Component 2: ACBF institutional development, as of December 2017

Indicator	Target	Actual
1. Total staff costs as a share of cash outflows (percent)	17	14.6
2. Contributions from African governments to SMTP III (\$ millions)	20.74	\$23.40
3. Share of activities implemented from the 2014 Annual Business Plans (percent)	80	96
4. Number of portfolio reviews conducted	2	4

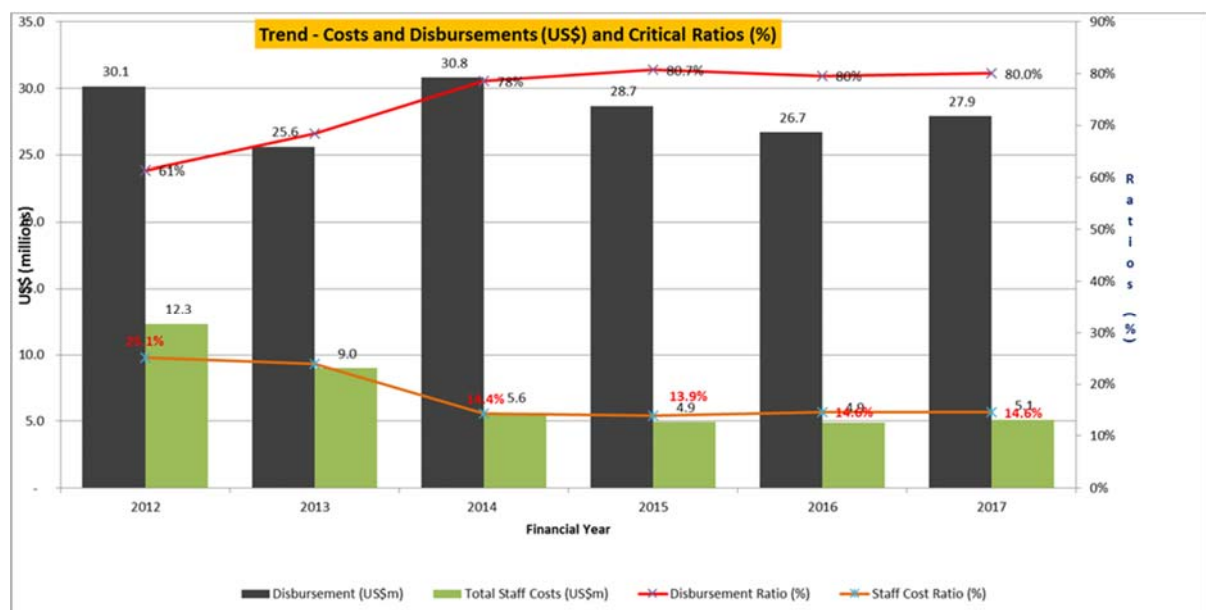
4. PROJECT EFFICIENCY

Implementation of the Management Action Plan (MAP) in 2009–2010 led to higher staffing and operating costs for ACBF. To implement the MAP requested by the World Bank (see chapter 1), new staff positions were introduced, and the salary scale was benchmarked at international levels. As a result, staff costs rose. Following the World Bank Implementation Support Mission of October 2012 and its recommendations, however, ACBF introduced cost-cutting measure that led to the shedding of close to half of the institution’s staff and a reduction in the salaries and **benefits of the remaining staff.**

The ACBF also implemented measures to ensure that the operating structure was “fit for purpose,” lean, and efficient. The Executive Board approved a new structure for the institution, in line with the business model designed to meet the reform obligations laid out in the Letter of Commitment sent to the World Bank in November 2013. In addition to a smaller staff and reductions in pay and benefits, these commitments led to a leaner management team with a flatter management structure.

Following implementation of these deep reforms, ACBF’s ratio of staff cost to total cash outflow has been held to under the target of 17 percent (figure 4.1).

Figure 4.1: Trends in ACBF costs and disbursements, 2012–2017



Under RIDA II, the World Bank approved a total of \$65 million (SDR 43.3 million) in 2013.

Building sustainability into valued interventions such as capacity building for development is a long-term endeavor. ACBF has a four-pronged strategy for ensuring financial sustainability:

- Encouraging sustainability among subgrant recipients.
- Covering ACBF’s operating costs from contributions from African member countries.
- Achieving results in operations to justify continued support from donors.
- Growing its endowment fund.

As promised in the Letter of Commitment of 2013, ACBF focused its activities on 15 countries and three thematic areas to achieve and communicate credible results and to remain an appealing development partner for capacity development in Africa. Unfortunately, ACBF's relations with member countries outside the central 15 deteriorated as a result of this focus. Nonetheless, thanks to intensive efforts by the Secretariat, ACBF member countries contributed an unprecedented \$23 million to ACBF during the six-year period 2012–2017, which is more than their cumulated contributions over the 21-year period 1991–2011 (\$22 million).

In addition to continued funding from the African Development Bank, ACBF has also attracted new funding partners such as the Bill & Melinda Gates Foundation, the Australian Government's Department of Foreign Affairs and Trade, Afreximbank, and the Arab Bank for Economic Development in Africa.

5. WORLD BANK PERFORMANCE

The World Bank has made major contributions to ACBF's institutional strengthening over the years, from supporting resource mobilization to supporting the revamping of its systems and processes. The World Bank supported ACBF's resource mobilization by hosting pledging conferences for Strategic Medium-Term Plan I (SMTP I) and SMTP II. The Bank ended this practice in 2012, despite a formal request by ACBF to continue. That same year the World Bank dropped out of ACBF's Executive Board.

In opting out of the Executive Board, the World Bank chose to focus its attention on administrative supervision rather than policy oversight, thereby forgoing the opportunity to be actively involved in shaping the direction of ACBF. The World Bank introduced its own rules, processes, and procedures for managing implementation of the Regional Capacity Building Project. In so doing, the Bank also lost the opportunity to use ACBF to support its own operations in Africa, many of which suffer from capacity shortcomings in implementation.

The World Bank's support of ACBF's monitoring and evaluation system was particularly important in five areas throughout the RIDA I and RIDA II project cycle:

- *Promoting a results management culture in ACBF.* The World Bank guided ACBF's Management to enhance monitoring and evaluation within ACBF by expanding the mandate of the monitoring and evaluation unit to cover upstream review of operational products and regular monitoring of project performance.
- *Enhancing monitoring and evaluation capacity of ACBF-supported projects.* The World Bank has not only provided coaching to ACBF but also participated in training organized by ACBF for subgrantees.
- *Enhancing ACBF's ability to monitor and evaluate projects.* The introduction of progress reports into ACBF operational processes has gradually improved its ability to track the performance of individual subprojects and consolidate progress.
- *Enhancing ACBF's ability to track its departmental performance.* In addition to improving operational processes, the World Bank's reporting requirements also enabled ACBF to systematically monitor and report on the quarterly performance of its departments.
- *Enabling ACBF to measure organizational achievements against its Strategic Plans.* Ensuring a more results-oriented Strategic Plan is one of the key results expected by the Bank in supporting ACBF's monitoring and evaluation system.

ACBF established excellent professional relationship with the World Bank's technical team and task team leader supervising the project, especially from 2014 to the end of the project. The World Bank's task team developed a thorough understanding of capacity development and its constraints and made helpful contributions to ACBF's strategic thinking.

As to the overall interest of Bank managements in ACBF's work and successes on the ground, however, ACBF and its subgrantees believed that the level of interest could have been stronger.

The Bank could have better handled the unsupported accusations in the anonymous letter alleging ACBF misconduct and the resulting fallout. As it was, the Bank's reaction put ACBF in the position of being considered guilty until proven innocent. Had this incident been handled more cautiously, that might have encouraged other donors to stay the course with ACBF.

6. ACBF PERFORMANCE, COMPLIANCE, AND RISKS TO DEVELOPMENT OUTCOMES

6.1 Performance: ACBF has met all the results requirements of the project

Despite severe constraints due to operating with reduced staffing and resources—the World Bank disbursed only 65 percent of the \$100 million it had pledged for implementation of Strategic Medium-Term Plan III (SMTP III)—**ACBF met all the results requirements of the project**. As part of its reform process, ACBF strengthened its drive for results as well as its governance. (See annex 12 for details of the reforms and the risks they created for ACBF’s resource mobilization.)

At the strategic level, ACBF has consolidated its leadership as the African Union’s technical arm for capacity development without losing its independence. This partnership became more strategic with the decision of the African Heads of State and Governments to make ACBF an African Union Specialized Agency. ACBF is positioned to support the continent’s efforts to implement Agenda 2063 and the Sustainable Development Goals.

At the operational level, ACBF has:

- **Consolidated its coordination role in capacity building for development in Africa in support of the continent’s transformation** by engaging government officials and other key stakeholders and participating in a series of High-Level Forums seeking solutions to Africa’s capacity challenges (for example, AfCoP Natural Resource Thematic Group Meeting, Arusha, April 2017; the Bill & Melinda Gates Partners Meeting, Cape Town, April 2017; and the African Think Tanks Summit, Abidjan, April 2017).
- **Delivered critical knowledge on capacity building for development by producing its Africa Capacity Report**, a unique knowledge product published annually since 2011 with the objectives of examining and measuring capacity in African countries for achieving their development agenda. In addition to measuring comparative capacities every year using a composite index, the report focuses on specific thematic areas each year. For instance, the 2017 edition focused on building capacity in science, technology, and innovation for Africa’s transformation. It was launched in March 2017 during the Joint Annual Ministerial Conference of the United Nations Economic Commission for Africa and the African Union Commission in Dakar.
- **Supported continued capacity building initiatives**, providing strong support for the development of the monitoring and evaluation frameworks for Agenda 2063 and the Anti-Ilicit Financial Flows Project as a member of the Continental Technical Teams. ACBF also helped validate the findings of studies on capacity imperatives for achieving the Sustainable Development Goals (SDGs) in Africa and launched the report “Survey of the Capacity Needs of Africa’s Regional Economic Communities.”

On knowledge generation and sharing, ACBF has become a knowledge hub, producing numerous knowledge products and services including:

- **The Africa Capacity Reports**. These annual reports provide African countries with data compiled by ACBF and supported by country case studies.
- **Several studies by the Strategic Studies Group**, a strategic network of ACBF that assists it in identifying key policy and other emerging issues requiring its attention and that of its stakeholders.

- **“Capacity Imperatives for Achieving the Sustainable Development Goals (SDGs) in Africa,”** whose findings highlight the capacity imperatives on which African countries need to focus to fulfil the aspirations of the SDGs within the context of Africa’s own Agenda 2063.

ACBF has established a resource center for capacity development. Its library supports ACBF-funded projects through:

- **The ACBF Virtual Library,** a platform for wide dissemination of partners’ publications; general research support, by sharing requested material as electronic copies via email; email alerts publicizing new ACBF knowledge products and services and access to relevant electronic resources. (See table 6.1 for usage statistics and <http://elibrary.acbfact.org/> for details.)
- **Opportunities for partners to exhibit their knowledge products** at ACBF events such as the Capacity Development Forum and ACBF anniversary celebrations.
- **Assistance in setting up libraries and information resource centers** (for example, Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI), The Zimbabwe Economic Policy Analysis and Research Unit (ZEPARU), and Zimbabwe’s Ministry of Regional Integration).

ACBF library users include its staff, ACBF-funded projects, academic staff and postgraduate students, international and development organizations, the diplomatic corps, government officials, members of parliament, media, the private sector, nongovernmental organizations, and civil society organizations. A total of 85,256 online visitors from 185 countries accessed the ACBF Virtual Library over 2011–2017 (see table 6.1), including users in all African countries (57.79 percent of total users).

Table 6.1: ACBF Virtual Library usage statistics 2011 to 2017

Year	Number of visitors	Number of unique visitors	Number of downloads
2017	32,229	26,915	310,171
2016	20,163	13,717	346,500
2015	24,424	12,834	476,962
2014	2,998	2,167	108,570
2013	2,394	2,311	3,381
2012	2,159	2,105	469 (Nov and Dec)
2011 (Oct. 24–Dec 30)	889	878	Not available
Total	85,256	60,927	1,246,053

At the corporate level, the organizational structure of the ACBF has become leaner and flatter since the implementation of the reforms in 2014.

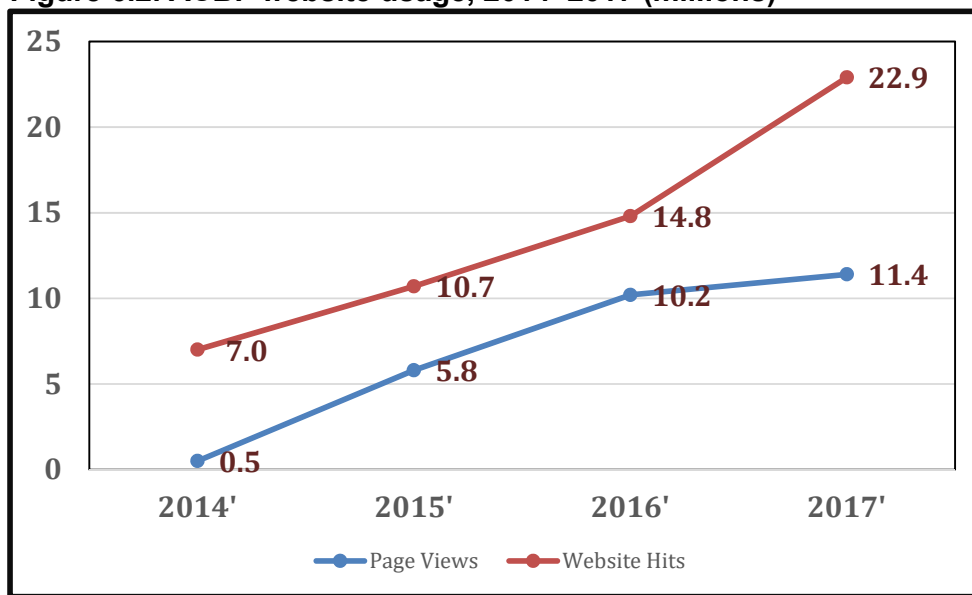
ACBF retrofitted its monitoring and evaluation systems for subprojects funded under RIDA Additional Financing (RIDA II) in 2014. These interventions were developed and active before the approval of the RIDA/RE–MDTF grant, which required the new monitoring and evaluation systems to align the results framework of these subprojects with the RIDA monitoring and evaluation framework. ACBF consolidated its internal monitoring and evaluation system as well.

The robustness of these monitoring and evaluation systems coupled with the high quality of its products has enabled ACBF to become an important service provider in capacity building in monitoring and evaluation. For instance, as a member of the

Continental Technical Working Group, ACBF has been providing support in developing and implementing the monitoring and evaluation framework of Agenda 2063. Also, ACBF had led the team tasked with designing the monitoring and evaluation framework for curbing illicit financial flows from Africa under the Anti-Illicit Financial Flows Project.

ACBF has significantly improved its visibility in the capacity building development arena, adding to its traditional media activities a social media presence that is gaining increasing traction. Traffic on ACBF’s website (*www.acbf-pact.org*) is high and rising, with nearly 11.5 million page views and 23 million web hits in 2017. ACBF also registered an 83 percent increase in Twitter followers (from 1,200 to 2,200). Also, 40 newswire articles were published on ACBF’s website as of the first half of 2017. ACBF maintains regular media engagement. Figure 6.1 shows the evolution of ACBF’s web hits and page views from 2014 to 2017.

Figure 6.2. ACBF website usage, 2014–2017 (millions)



6.2 Compliance with all RIDA covenant and reporting requirements

ACBF has complied with all RIDA covenant and reporting requirements throughout project implementation. RIDA I required ACBF to submit one report each year, while RIDA II required two reports each year. These reports consolidate multiple sources of data, including quarterly implementation progress reports submitted by subprojects, specific tools developed to gather data on the RIDA core indicators from subprojects, ACBF departmental progress reports, Office of the Executive Secretariat updates, and ACBF’s Executive Board meeting updates.

6.3 Risk to development outcome

World Bank withdrawal of funding

The World Bank’s failure to meet its commitments in full—\$108 million paid against a pledge of \$150 million for SMTP II and \$ 65 million paid against a pledge of \$100 million for STMP III—negatively affected ACBF, which had developed plans and motivated clients based on the pledged level of funding. This exposed ACBF to considerable reputational risk among member countries and subgrantees.

The World Bank's discontinuation of RIDA funding since December 31, 2017, risks reversing the gains that ACBF has made with African governments to strengthen capacity for development planning, prudent financial management, and good governance. The expectations of ACBF, shared by its subgrantees, were that the World Bank would reconsider its position once ACBF had reformed its structure and processes and continue its support. However, ACBF and its member countries do not expect the Bank to withdraw completely. Neither, however, are they fully prepared to plug the gap that is emerging.

The interruption of the Bank's support since December 31, 2017, is likely to make it harder for other donors to continue funding not only ACBF but also its subgrantees, since ACBF is seen as a guarantor of good performance of subgrantees.

The withdrawal of World Bank funding exposes both ACBF and the World Bank to serious reputational risks as a reliable financing partner in capacity building on the continent. Even if ACBF finds other sources of funding, the break in the flow of funds has created a confidence gap that will take time to repair.

To stop financing ACBF at this time, when it is delivering so well, is neither wise nor justified, especially at a time when capacity development needs are higher because of broad democratization initiatives and continuing imperatives to support economic growth and transformation. ACBF's position as Africa's leading institution for capacity building for development has been widely acknowledged, as demonstrated in particular by its recent designation as a Specialized Agency of the African Union. That status makes it difficult for the World Bank to meaningfully support capacity development in Africa without involving ACBF.

Safeguarding against fraud and corruption

Since August 2010, ACBF has developed a stringent antifraud and corruption policy, with inputs from the World Bank, that applies both to itself and to all its subgrantees. ACBF management is taking swift action to investigate any allegations of corruption or fraud on its projects. Internally, principles of integrity and anticorruption have been emphasized and observed. A professional code of conduct has been introduced, and a process has been established for all eligible staff to declare their assets. At the beginning of each year, all professional staff and staff in procurement and finance departments must submit asset declaration forms. Manuals (both internal and external), such as the Financial Policies and Procedures Manual and the Operations Manual, have been revised to cover enhanced measures to reduce fraud and corruption risks at ACBF and among subgrantees. Management compliance reviews, internal audits, and external audits provide further assurance of ethical behavior.

7. LESSONS LEARNED AND RECOMMENDATIONS

- 1. Working relationship between the World Bank and ACBF, especially at the technical level, have improved significantly** over the years, which has resulted in the reduction in Implementation Support Missions to once a year.
- 2. Notwithstanding the World Bank's strong support to ACBF,** ACBF's record disbursement rate of RIDA funds, and the positive results achieved despite the challenges, the Bank's relationship with ACBF over the years has been characterized by several issues that present lessons for future engagement.

3. **ACBF's work could have benefited from more interest from the Bank's leadership.** There is a sense at ACBF that Bank leadership, especially in the Africa Region, showed little interest in ACBF's work and its achievements.
4. **Actions that are well-intended may become detrimental, create unintended consequences, and expose ACBF to risks.** Before the release of RIDA II funds, the World Bank imposed some conditions that were very difficult to implement. For instance, the requirement to reduce staff costs to 17 percent of cash outflows within one month, which resulted in an immediate reduction of ACBF staff by almost half and a significant reduction in the salaries of remaining staff, led to plummeting staff morale, high turnover, and anonymous letters from disgruntled former staff. In this matter, the Bank engaged in counterproductive micromanagement, as illustrated by discussions about the proper number of departments, titles of heads of department, and the like instead of allowing ACBF management to make these decisions and achieve the 17 percent goal based on its deep knowledge of the institution.
5. **Direct discussions between the World Bank and ACBF before the end of RIDA could have provided an opportunity to learn valuable lessons and better prepare for the future.** Even though the Mid-term Review of RIDA commissioned by the World Bank recommended engagement with ACBF on lessons learned and the way forward before the end of RIDA, and despite ACBF's request for such a discussion, RIDA ended in a way that left ACBF in an extremely precarious position and within a cloud of uncertainty. The only request from the World Bank was that ACBF provide to the Bank its strategy for sustaining itself at the end of RIDA.
6. **Anonymous allegations against ACBF, which proved to be unfounded, could have been dealt with in a way that did not harm ACBF and expose it to high levels of risk.** First, ACBF was made to feel that it had been found guilty before any evidence was presented and that it needed to prove its innocent. Second, the wrong signal was unwittingly sent to other development partners, causing some of them to withdraw their support from ACBF. Third, despite quick action by ACBF, the matter of the anonymous letter of May 2014 was unduly escalated and dragged on for more than two years, only to find that there had been no wrongdoing. This subjected ACBF to significant costs, harm, and risks.
7. **Greater use could have been made of ACBF's 27 years of knowledge, expertise, experience, and achievements in Africa to support the Bank's development programs in Africa.** ACBF has extensive experience in developing think tanks, supporting public administration institutions, establishing training programs, supporting higher education institutions and parliaments, and other capacity building endeavors. Instead of setting up parallel and sometimes competitive programs, the World Bank could have leveraged this expertise and these remarkable achievements to support its operations in Africa.
8. **ACBF's implementation of the reforms promised in the Letter of Commitment of November 2013 and achievement of Project Development Objectives should have been better acknowledged and rewarded.** At high cost, ACBF conscientiously and successfully implemented the 2013 Letter of Commitment of 2013, an achievement that received little World Bank acknowledgement or support. ACBF became more efficient, maintaining a 17 percent or lower staff cost ratio from 2014 to 2017. Also, ACBF is better governed, as illustrated by the increase in the number of regular meetings of the Executive Board from two a year to four, the monthly updates

to the Executive Board, the quarterly updates to the Board of Governors and the strengthening of the link between the Executive Board and the Board of Governors. In line with the commitment made to the World Bank in the Letter of Commitments of November 2013, ACBF worked to increase contributions from African member countries, thus yielding unprecedented levels of contributions. Despite their steady increase, African contributions remain significantly below the level of resources required to respond to demands for capacity development in African countries.

9. **ACBF and its mission to build capacity in Africa would have benefited more if funding commitments had been fully met.** The World Bank pledged \$100 million to support SMTP III but disbursed only \$65 million. This shortfall created major challenges for ACBF and its subgrantees and exposed ACBF and the World Bank to significant reputational risks. The Bank also agreed to support and even spearhead the drive for funding ACBF's capacity building for development in Africa, but this backing never materialized.

Annex 1.

Selected success stories: ACBF-supported Policy Research and Analysis

Improving public service delivery and performance evaluation in Rwanda, Institute for Policy Analysis and Research of Rwanda

The Institute for Policy Analysis and Research of Rwanda (IPAR-Rwanda), established in 2008, is one of the leading policy institutes in Africa supported by the ACBF. As the leading think tank in Rwanda, IPAR has supported and influenced major national policies and programs. It has attained a very high legitimacy and visibility among state and non-state actors in the country, thereby increasing the demand for its research products and services. In addition to the Rwandan government, the main client and user of IPAR's services, it serves and collaborates with the World Bank, the African Development Bank (AfDB), United Nations Development Program (UNDP) and other international development organizations.

In 2013, the Rwandan government contracted with IPAR to lead the evaluation of the *Imihigo*—annual performance agreements between the country's president, its ministers, and mayors—by conducting an independent and objective assessment recommending ways to improve service delivery and planning, and setting performance targets for the coming year. The *Imihigo*, unlike many failed performance management systems around the globe, have been fully accepted and owned by leaders in Rwanda, who use the assessment's findings and recommendations to inform both political and program-oriented decision making.

Rwanda progressed remarkably toward becoming a middle-income country, a goal set by its *Vision 2020*. Socioeconomic transformation over the past decade has resulted from programs under the Economic Development and Poverty Reduction Strategy (EDPRS 1&2). The progress is mainly attributed to *Imihigo*, which have proved to deliver the EDPRS targets and sustain Rwanda's momentum toward the United Nations Sustainable Development Goals.

Imihigo harness traditional indigenous knowledge to drive development and service delivery in Africa. They are one of the home-grown initiatives that are changing the face of Rwanda as an invaluable tool for planning, monitoring, and evaluating the impacts of development policies. Since IPAR was first contracted by the prime minister's office in 2013, it has been at the forefront of the evaluation of *Imihigo*, completing two rounds whose outcomes and recommendations have served the president, ministers, and district mayors for accountability and for annual planning and investments.

Preventing election violence and promoting peace and democracy in Ghana, Institute for Democratic Governance Capacity Building Project (IDEG-CAP)

Just before the 2012 presidential elections, the threat of widespread political violence that could mar free and fair elections and the rule of law loomed large. To mitigate this risk, the Institute for Democratic Governance (IDEG) convened a high-level meeting on 27 November 2012—the first of its kind in Ghana. This meeting, attended by institutions of state, traditional authority, and civil society, adopted the Kumasi Declaration, popularly called the "Peace Pact." In the declaration, the presidential candidates collectively took a stand against "electoral violence, impunity, and injustice" and committed themselves to maintaining the rule of law in the country.

The declaration was signed by all eight presidential candidates, who were each presented with a copy of the revised *Election Dispute Adjudication Manual* (2012), which directed all election disputes to the courts for a prompt resolution. More than 4,000 people attended the meeting, including youth groups, women's organizations, religious bodies, professional associations, high profile dignitaries, civil society organizations, and the media. The event was broadcast live by the Ghana Television and its syndicates in other regions and received

extensive coverage in the electronic and print media.

The Kumasi Declaration became the first political instrument ever employed in managing potentially violent multiparty elections in Ghana. In the days leading to and following the 7 December 2012 elections, civic groups and the media it to steer politicians toward peacefully solving election disputes. The declaration encouraged both the opposition and the governing parties to resort to the Supreme Court, rather than the streets, in their dispute over the validity of the presidential election results, published on 9 December.

Today, the declaration has become an important moral standard for making political leaders responsible for upholding the rule of law in Ghana's democratic politics. Other African countries can use this innovative instrument to peacefully manage potential violent electoral disputes.

IDEG's Capacity Building Project (IDEG-CAP II) is funded by ACBF to strengthen interface mechanisms established under IDEG-CAP I between the state and nonstate actors, contribute to the consolidation of democratic governance, accelerate poverty reduction, and increase growth and sustainable development in the country through strong ties of cooperation, networking, and strategic partnership. ACBF provides core funding that enables IDEG to undertake projects. In recognition of IDEG's work in promoting peace and democracy, it received the Martin Luther King Award from the US Embassy in Ghana. IDEG's achievement depended on ACBF's continued support.

Promoting evidence-based research for strategic policy making in Kenya, Kenya Institute for Public Policy Research and Analysis

In January 2014, the government of Kenya requested the Kenya Institute for Public Policy Research and Analysis (KIPPRA), a think tank supported by ACBF, to provide evidence-based information to guide its decision on signing of Economic Partnership Agreements (EPAs) with the European Union. The EPAs enable Kenyan exports to enter EU markets without any tax, a huge relief for Kenyan exporters. <http://www.trademarka.com/news/relief-for-exporters-as-kenya-signs-new-trade-deal-with-eu/>.

The government's call on KIPPRA followed its desire to take a pragmatic decision based on evidence, relying on the institution's capability and the quality and relevance of its policy research evidence and recommendation. KIPPRA's evidence and recommendations enabled the government to move forward. To ensure research quality and relevance, KIPPRA adopted a participatory approach employing a multifaceted team of technical experts in economic and trade analysis and highly experienced senior government officials conversant with trade negotiations. The key stakeholders included the East African Community, the Kenyan government, Kenyan civil society, Kenyan exporters and the larger business community in Kenya, the European Union, and the media. This participatory and inclusive strategy promoted early-buy in, ownership, and implementation of the study outcomes.

KIPPRA is among the first policy research institutes established by the government of Kenya with support from ACBF. Created in 1994, the institute has provided insightful research-based evidence that has informed strategic policies, programs, and projects implemented by the government and other stakeholders. The EPA study is one of many research engagements supported by ACBF.

Promoting equitable development of constituencies in Zambia, Zambia Institute for Policy Analysis and Research

The Zambia Institute for Policy Analysis and Research (ZIPAR) developed an alternative allocation model for the Constituency Development Fund (CDF) in Zambia. The CDF, administered since 1995 through local governments throughout Zambia, supports

development programs at the constituency level. As the only fund that with community participation in its use, it is an important vehicle for meeting locally prioritized needs. By adopting a model that takes into consideration the needs and priorities of individual constituencies, the CDF would go a long way to promote equitable development of the constituencies and Zambia at large.

The ZIPAR study identified the challenge that an equal amount of the fund is disbursed to each constituency without considering their heterogeneity, including their locations and resources. The CDF can therefore be described as a “one size fits all” program. But constituencies in Zambia differ immensely in terms of geographical size, population size, and level of deprivation. Nonetheless, the CDF has the potential to uplift rural and deprived communities and promote equitable development.

ZIPAR’s study and follow-up presentations and engagement with government and other stakeholders has spurred deliberations over the existing allocation model. In the 2015 budget, the government introduced a Local Government Equalization Fund that will use a resource allocation model to determine how much funding should be disbursed to constituencies based on their needs. When a prominent member of parliament, Given Lubinda, visited ZIPAR’s offices unannounced on 13 August 2014, he showed interest in the model and requested copies of the publication about it. He also asked about other ZIPAR research studies.

Strengthening financial integrity and accountability in South Sudan, Horn Economic and Social Policy Institute

The Horn Economic and Social Policy Institute (HESPI) project started in 2011, when South Sudan seceded from Sudan after several years of conflict, which ruined institutional capacities in the country in addition to the humanitarian damage. The new country had no capable institutions to design public finance and management (PFM) laws and policies, and the capacities and functions of public finance institutions rudimentary. The HESPI grant focused on strengthening institutional capacity in collaboration with the government of South Sudan. HESPI conducted a robust diagnostic study on the institutional and legal context, which assessed the performance of public PFM and financial sector agencies and also appraised their needs. The assessment served as a basis for designing and implementing tailor-made training and technical support to reform and enable financial integrity and accountability institutions such as the Ministry of Finance and Economic Development, Bank of South Sudan, Anti-corruption Commission, National Audit Chamber, and Public Accounts Committee of the parliament.

The study highlighted gaps in accounting, procurement and reporting, internal control and audit functions, institutional and human capacity in the core areas of PFM. It found weak leadership, treasury functions, tax policy and administration, planning and budget formulation, and lack of fiscal discipline at all levels.

HESPI submitted Republic of South Sudan (RSS) recommendations and strategies to the authorities to alleviate the capacity constraints and improve PFM. It sensitized government officials to fiscal discipline and good governance including the significance of sound PFM and institution building. HESPI addressed important issues in rebuilding post-conflict nations, addressed including the role of leadership in PFM and in state reconstruction and the importance of good financial governance.

Improving domestic revenue mobilization of regional governments in Ethiopia, Ethiopian Economic Association

The regional government of Southern Nations Nationalities and People’s (SNNP) Regional State in Ethiopia reached out to the Ethiopian Economic Association (EEA), an ACBF-

supported policy institute for research-based policy options and hands-on technical support to mobilize adequate tax revenue. The need for more secure tax revenue arose from Ethiopia's Growth and Transformation Plan (GTP), 2010–2015, which needed about \$72 billion to finance projects aimed at reaching middle-income status. More than 68 percent of this revenue was expected to come from domestic sources, primarily tax revenue.

SNNP did not have the capacity to mobilize adequate tax revenue. The ratio of tax collection as a share of regional gross domestic product was estimated to be only 1.7 percent between 2005 and 2010. More than 84 percent of the region's budget came from the federal government, 3 percent from non-tax revenues, and only about 13 percent from SNNP tax revenues.

EEA research and technical support enabled SNNP to identify the revenue potential of the region, revise the region's tax policies, and develop and operationalize effective tax collection strategies. EEA hands-on technical support improved the competence of Bureau of Revenue staff to provide technical oversight for revenue planning, implementation, monitoring, and evaluation in the region.

The Bureau of Revenue of SNNP adopted and implemented most of the study recommendations:

- **The Bureau of Revenue used the study findings when preparing the 2011–12 regional plans to set annual revenue targets for each *woreda* (district) and municipal town.**
- **The Bureau of Revenue used the study results to support its biannual monitoring and evaluation comparing the amount of revenue collected with agreed-upon annual targets and estimated revenue potential.**
- **The Bureau of Finance and Economic Development used EEA revenue potential estimates to set the annual target declared in the regional government budget.**
- **The Bureau of Revenue has also started using the study results for taxpayers awareness activities.**
- **The Bureau of Revenue has undertaken administrative reforms of its human resources based on the study recommendation.**

Annex 2.

Selected Success Stories: ACBF-supported Regional training programs

Promoting public sector development in West Africa, Economic Policy Management Program in Ghana

The overall goal of the Economic Policy Management Program in Ghana (EPM-Ghana) is to improve public sector performance and efficiency in Anglophone West Africa to develop, analyze, and manage economic policies. Since its inception in 1998, EPM-Ghana has received a total of \$9,770,000—70 percent of total resources—from ACBF. Other donors are various countries, the University of Ghana, and the Joint Japan World Bank Graduate Scholarship Program.

A total of 989 personnel, mainly from Nigeria, Sierra Leone, Liberia, Gambia, and Ghana, have been trained in economic policy management. A tracer study of graduates in December 2016 found that 64.2 percent of the respondents were employed in the public sector, with the others spread across academia, research, private businesses, and financial institutions (insurance and banks). EPM graduates perform a wide range of functions such as administrators (20.0 percent), economic advisors (15.6 percent), planners (12.2), project managers (12.2 percent), researchers (5.6 percent), and lecturers (2.2 percent). A large proportion of respondents (77.9 percent) did not change jobs following the program.

Through the direct invention of ACBF, EPM-Ghana is equipped with fixed assets, including a three-floor building with wi-fi and its own generating plant to provide uninterrupted power supply, vehicles, modern classrooms, a well-stocked library, a modern video conference facility, and a computer laboratory. These assets serve not only ACBF-sponsored scholars, but also JJ/WBGSP scholars and fee-paying students. ACBF pays the salaries of the staff and regularly trains them on the job to improve their skills and competencies. The assets from ACBF propelled EPM-Ghana to roll out a full-scale fee-paying program, which became a key sustainability anchor even in the absence of the major donor ACBF since November 2016, despite enrollment losses from applicants (mostly from the public sector) who cannot afford the fees. This totally defeats the main objective of EPM-Ghana as public sector-oriented training program.

In sum, ACBF support benefited EPM-Ghana and developed the human capacity of personnel from the beneficiary countries. To consolidate these gains, continued grant support is urgently needed to open up accessibility to fragile countries such as Liberia and Sierra Leone and least-represented countries such as the Gambia. With renewed ACBF financial support, the public sector will have access to EPM-Ghana again.

Building Public Sector Management Capacity in West Africa, Public Sector Management Training Programme

The Public Sector Management Training Program (PSMTP) hosted by the Ghana Institute of Management and Public Administration (PSMTP-GIMPA) and funded by ACBF from 2006 to 2017, leads to a Master's Degree in Public Sector Management for middle- and senior-level public sector officers from Anglophone West African countries. It has graduated 448 persons so far—351 on ACBF scholarship and 97 fee-paying. There were no dropouts.

The PSMTP with ACBF funding support accomplished the following for our partner institutions—the Administrative Staff College of Nigeria, the Institute of Public Administration and Management in Sierra Leone, the Liberia Institute of Public Management, and the Management Development Institute in the Gambia—review and design curriculum of their short training programs, training of trainers (TOT) for faculty, faculty and staff development, and faculty and staff exchanges. With ACBF funds, GIMPA built an auditorium for lectures; procured office equipment, library books, and library equipment; and a vehicle and developed and reviewed PSMTP curriculum.

Promotions and performance of PSMTTP alumni to key policy positions have included:

- **Dr. Surrur (PSMTTP 2006), immediate past head of civil service in Sierra Leone.**
- **Mr. Emmanuel Essilfie-Conduah (PSMTTP 2008), manager for staff relations, Ghana Exim Bank.**
- **Mr. Prince Kwame Newman PSMTTP (2012), currently director of administration, Greater Accra Regional Coordinating Council.**
- **Sambujang Njie (PSMTTP 2014), currently the chief electoral officer at the Independent Electoral Commission (IEC), the Gambia.**
- **Mrs Bertha Mortoti (2014), currently deputy registrar, West African Examination Council (WAEC), Ghana.**

To encourage more people to enrol in the program on a fee-paying basis, the PSMTTP secretariat and the various country coordinators incorporated a publicity campaign into the programme. This would not have been possible without ACBF funding and technical support, which established the PSMTTP.

Strengthening financial systems through capacity building in banking and finance, Banking and Finance Master's Degree Program (MBF-CESAG)

Since 2000, ACBF has supported the Banking and Finance Master's Degree Program at Centre Africain d'Etudes Supérieures en Gestion (MBF-CESAG) to build CESAG institutional and human capacity to offer a Master's Degree in Banking and Finance (MBF) meeting international standards. CESAG is the only training institution in West and Central Africa able to organize and award an MBF recognized by the Conseil Africain et Malgache de l'Enseignement Supérieur.

When it was established, CESAG's MBF was recognized as a radical institutional and pedagogical innovation in Africa due to its design, duration, mode of delivery, and linguistic and geographical coverage. Several European, North American, and African training institutions and organizations provide trainers, hardware, and software required for training under CESAG's several pedagogical and technical partnership agreements. MBF promoters and managers established strategic partnerships with CESAG's parent institution, the Banque Centrale des Etats de l'Afrique de Ouest (BCEAO); its counterpart in Central Africa, the Banque des Etats de l'Afrique Centrale; the Bank of France; INSEAD; New York University's Stern School of Business; and the University of Brussels. By the end of 2006, four cohorts had been trained, graduating 167 participants.

ACBF has continued to strengthen the implementation of CESAG's MBF program to enhance its sustainability. The approved grant helped train an additional 400 middle- and high-level African managers in banking and finance and strengthen networking with relevant corporations, training institutions, and professional associations so as to raise the visibility and accessibility of the program. Several donors have since provided cofinance: the West African Economic and Monetary Union, BCEAO, Banque de France, the European Union, and others.

According to a recent tracer study of graduates, the program's 100 percent completion rate is excellent and 98 percent of the graduates were recruited by key financial institutions. In 2008, CESAG's MBF was recognized as the leading banking and finance program in Africa, ranked No. 1 by *Jeune Afrique*.

Promoting critical skills in science and technology in Africa, The African University of Science and Technology

As a young regional research-focused university with mandate to educate the next generation of scientists and engineers to develop Africa, the African University of Science and

Technology (AUST-Abuja) commenced full operations in 2007. It faced obvious institutional challenges: securing infrastructure to support teaching and research, attracting and retaining high-caliber resident and visiting faculty, and enhancing staff capacity to discharge their functions efficiently. The ACBF-funded project at AUST aimed at improving research and training facilities and increase the access of African students and professionals to quality training programs in science and technology.

The project first undertook training 13 middle-management staff in various specialized courses and hiring 24 AUST PhD students as teaching assistants. The training, which ran from March through November 2015 within and outside Nigeria, enabled staff to take up much more challenging tasks efficiently and discharge their functions more productively. The engagement of teaching assistants enhanced the timely delivery of tutorials to MSc students.

The project also gave AUST access to high quality visiting faculty, whom the university could not have otherwise provided. This improved the quality of students trained in the university. AUST's PhD students are sought after for postdoctoral programs in top universities such as Princeton University and the University of Delaware in the United States.

Scholarships were awarded through the project to all 21 female MSc students enrolled in the university in 2015/16 academic year who came from Cameroon, Chad, Ghana, and Nigeria. Because students need not worry about financial issues, they have been committed to their studies and performed outstandingly in their examinations so far. Fiber optic cables and internet bandwidth expanded from 1MB to 15MB were provided through the project. This enhanced the use of the internet for research and training at the university, particularly through the video conferencing facility at AUST, now fully functional.

Promoting innovation in malaria prevention: The case of Faso soap, International Institution for Water and Environmental Engineering

According to the World Health Organization 2014 World Malaria Report, 333 million people in West Africa are at risk of malaria, a curable and preventable disease transmitted to humans through mosquito bites. Mosquitoes breed where there is stagnant water, and malaria prevention can be tackled through eliminating breeding grounds for mosquitoes. Enhancing prevention measures would help reduce malaria proliferation.

Faso soap was developed by two students, Moctar Dembele (from Burkina Faso) and Gerard Niyondiko (from Burundi) as an innovative and cheap solution to prevent malaria. Faso soap provides two methods of preventing the spread of malaria. It acts as a mosquito repellent when used on the skin, and it kills mosquito eggs that have been deposited in waste water from bathrooms.³⁵ Their project initially won the Green Start Up Challenge (GSUC) organized by the International Institution for Water and Environmental Engineering (2iE). The GSUC is an ACBF-funded activity giving awards for innovative projects that support green growth in Africa and make a positive social or environmental impact for the African continent's sustainable development.

In 2013, the Faso soap project went on to win first prize (\$25,000) and the People's Choice Award (\$1,500) at the Global Social Venture Competition (GSVC) out of 600 projects from aspiring entrepreneurs around the world. This was the first time since GSVC's launch in 1999 that the award was won by an African team. The project was also selected among the 30 top innovations of 2013 by the Global Innovation through Science and Technology initiative.³⁶

ACBF's grant to 2iE provided the communication and logistical support to host the GSUC, which allows innovative projects such as Faso soap to compete in other competitions. In addition, ACBF support has increased GSUC's exposure, thereby drawing new partners to

³⁵ "Faso Soap: Integrate the fight against malaria in everyday gestures" (in French).

https://www.youtube.com/watch?feature=player_embedded&v=HG1rjY2BxII.

³⁶ "Faso Soap in the top 30 innovations of the year." <http://www.2ie->

[edu.org/index.php/en/content/article?id=30:faso-soap-top-30-of-the-innovations-of-the-year](http://www.2ie-edu.org/index.php/en/content/article?id=30:faso-soap-top-30-of-the-innovations-of-the-year).

2iE. Through this project, ACBF highlights the use of local resources to address local problems.

The principal beneficiaries of ACBF's intervention are the entrepreneurs who receive opportunities to showcase and develop their projects and ideas. In addition, in the case of Faso soap, the social impact of a project will spread through Africa improving the prevention of malaria and relieving the stress on household budgets for malaria treatment.

Annex 3.

Selected Success Stories: ACBF-supported Regional Integration Programs

Enhanced effectiveness of financial sector institutions in the IGAD region, Inter-Governmental Authority on Development

As part of its strategy to improve the skills and competencies of the staff of financial integrity institutions, the Horn Economic and Social Policy Institute (HESPI) trained 34 members of the Public Accounts Committee (PAC) and Economic Committee of the parliaments of South Sudan and Somalia. Nineteen participants were from Somalia, and 15 were from South Sudan. The four-day seminar aimed to improve the use of public resources by strengthening the parliamentarians in their oversight, accountability, and legislative roles. The seminar examined the public budget process/cycle and the mandates of the PAC and Economic Committee in financial oversight. It also provided experience sharing from the successful post-conflict nations of Uganda and Kenya. Critical action points such as finalizing the legal framework (adopting and customizing one from elsewhere), building committees' capacity, and creating protection mechanisms were discussed.

HESPI also implemented a twinning relationship in which project analysis and loan officers from the Reconstruction and Development Bank of Somalia gained on-the-job experience in residency at the Development Bank of Ethiopia on how to better manage public resources and conduct professional project analysis during post-conflict reconstruction. The twinning relationship allowed the beneficiary officers to work with the selected bank for six weeks in December 2014–January 2015. Evaluation of the initiative showed that the beneficiary officers gained practical knowledge and skills on loan procedures and loan cycle monitoring practices, on feasible loan appraisal (setting priority sectors and project financing in post-conflict situations), on loan approval processes with development banks in post-conflict situations, on applied research and research capacity building within the development banks, and on the Project Rehabilitation and Loan Recovery Process that would be adopted for Somalia.

In response to a request from the Somali government, HESPI organized a high-level conference on Somali Federalism supported by an ACBF capacity building grant. The forum aimed to promote dialogue and build consensus on constitutional and political federalism in Somalia, a fundamental requirement in rebuilding the country and ensuring effective public resource management. The main rationale was to increase the awareness and understanding of Somalis and other stakeholders through experience sharing on the different types of federal governance. The conference was conducted in partnership with the Inter-Governmental Authority on Development secretariat, World Bank, United Nations Economic Commission on Africa, and nongovernmental organizations. The conference culminated in identifying and strategizing around key issues that require further attention and deliberation.

The Common Market for Eastern and Southern Africa's research unit contributions to the regional integration agenda, Common Market for Eastern and Southern Africa

As part of its effort to enhance the effectiveness and impact of its trade policies and programs, the Common Market for Eastern and Southern Africa (COMESA) secretariat requested ACBF's support to establish a research unit to lead and coordinate trade policy analysis and research. In 2013, ACBF approved a grant of \$3 million to establish and operationalize the unit. Its formal launch in August 2014 brought together representatives from the coordinating ministries of COMESA member states, leading policy think tanks, and key policy research institutes in the COMESA region and across Africa.

The research unit has improved the conduct, coordination, and use of research-based evidence for policymaking in the trade division and the various policy organs of the secretariat. For example, the study on "Trade Volumes within COMESA," motivated by the desire to improve intraregional trade among member countries to mitigate the aggregate production

deficit of food and agricultural goods in the region in the short to medium term, produced insightful recommendations that were endorsed by COMESA's intergovernmental committee in December 2014. The committee also committed to ensuring that the finding and recommendations of the study fed into the decisions of the COMESA council and the 2015 work plan of the secretariat.

The research unit has also coordinated research at the secretariat through the development of a comprehensive research agenda, which was discussed and approved by the project steering committee. The unit's integration of its research work into the structures of the secretariat has led to increased requests from the key policy organs for research-based information and technical support. For instance, the research unit presented research-based recommendations to the COMESA summit in February 2014 that were adopted by the Council of Ministers and published in the flagship publication *Key Issues in Regional Integration* Volume III.

Further, the unit contributed to the October 2014 study on sugar competitiveness in COMESA requested by the summit. The study was used by Kenya to support a request for a sugar safeguard during the December 2014 policy organs meetings and was a key input to the second extraordinary meeting of the trade and customs committee scheduled in February 2015.

The research unit has also provided technical support and hands-on training in trade policy analysis using software such as E-views for trade experts, staff of the trade division, and COMESA coordinating ministries.

Annex 4.

Success Stories: ACBF Contributions to Knowledge and Learning

Supporting Guided the African Union in identifying the capacities and strategies required to implement Agenda 2063

In 2013, African countries developed Agenda 2063, an indigenous 50-year strategic framework for Africa's transformation anchored by inclusive growth and sustainable development. However, African leaders had questions on what it would take to ensure successful implementation of this Agenda, ACBF responded rapidly by developing and publishing four strategic studies:

1. *Assessment of Internal and External Risks Associated with the Implementation of AU Agenda 2063.*
2. *Capacity Requirements for the New African Vision Agenda 2063.*
3. *Capacity Development Plan Framework: Buttressing Implementation of the First 10-Year Plan.*
4. *African Critical Technical Skills: Key Capacity Dimensions Needed for the First 10 Years of Agenda 2063.*

The ACBF studies have shaped the course toward implementation of the continental agenda, identifying the capacities and priority programs required by the African Union (AU), its organs, regional economic communities, African countries, and key stakeholders. These studies, delivered at the January 2017 summit of the AU heads of state and government, increased ACBF's visibility and contributed to ACBF being made the specialized Agency of the Africa Union on Capacity Development. Moreover, to contribute to the celebration of the OAU-AU 50th anniversary, ACBF developed and published a strategic and informative study, *A Digest of OAU-AU Treaties, Conventions, and Agreements, 1963 to 2014*, to stimulate thinking about the need for fast-track ratification to give momentum to regional cooperation and integration.

Provided enhanced data and empirical evidence on capacity development for informed decision making through the Africa Capacity Report

Produced annually since 2011, the Africa Capacity Report (ACR) examines the key determinants and components of capacity for development goals in African countries. The ACR has focused on themes critical to Africa and its socioeconomic transformation: *Capacity Imperatives for Regional Integration in Africa* (2014); *Capacity Imperatives for Domestic Resource Mobilization in Africa* (2015); *Building Capacity in Science, Technology and Innovation for Africa's Transformation* (2017).

A key achievement of the ACR is the use of its capacity indicators and data for research by universities across Africa and beyond, as well as development partners and African policymakers. For instance, following the publication of the *Africa Capacity Report 2015* on domestic resource mobilization, Madagascar developed a domestic resource mobilization strategy within its framework.

No. 3. Established the flagship African Think Tank Summit for peer learning and exchange of innovative solutions to support Africa's development agenda

Think tanks are independent organizations producing research-based evidence to address policy issues and seeking to inform and influence policymaking through various engagement strategies. They are increasingly seen as influential players. In Africa, there was no known platform for think tanks to exchange ideas and experiences on various strategic issues and contribute their work on the the continent's new dynamism.

In 2014, ACBF, the leader, key supporter, and creator of think tanks in Africa used its

convening power to initiate annual summits that have become a regular occasion for experience sharing and contribution of think tank expertise to solving common development challenges. Through the years, by bringing more than 100 leading African think tanks, researchers, development partners, and policymakers together, ACBF has advanced the developmental, educational, scientific, and social base for Africa's socioeconomic transformation. The summits led in turn to the creation of the Africa Think Tank Network, which has helped to identify opportunities, suggested joint partnerships among think tanks, and supported mentorship of young researchers.

No. 4. Brokered enhanced knowledge on Management for Development Results through a community of practice advancing national and regional development

In the framework of the African Community of Practice on Managing for Development Results (AfCoP-MfDR) project, ACBF has facilitated knowledge sharing among some 5,000 AfCoP members in 43 African countries, including governments, regional economic communities, and nonstate actors. In the AfCOP Project completion report, the ACBF-managed knowledge sharing component was found to be the most successful of four and was recommended for scale-up. ACBF's support has enabled knowledge brokerage and transfer of tacit knowledge on key development issues such as regional integration, natural resources management, food security, domestic resource mobilization, and others. AfCoP case studies and guides have provided development practitioners with the what and how to do achieve impact. Of AfCoP members surveyed on the project, 88 percent said they were motivated to change their practices and working methods through exchanges on the ACBF-facilitated AfCoP website and access to management for development results knowledge products. The tools have been, requested by universities³⁷ to serve as course materials and by ministries and departments to conduct development programs planning and evaluation.

³⁷ These include University of Dar es Salam, University of Dodoma; University of Namibia, Daystar University, University of Abomey-Calavi.

Annex 5.

List of RIDA-funded projects

Abbreviation	Project	Location	Regional or national	Grant approval date	Grant effectiveness date	Grant closing date (under RIDA)
Policy analysis						
1. ESRF	Economic and Social Research Foundation	Tanzania	National	December 2012	February 2013	31 December 2017
2. IPAR-CAP	Institute of Policy Analysis and Research Capacity Building Project	Rwanda	National	June 2012	June 2012	30 June 2017
3. HESPI	Horn Economic and Social Policy Institute	Ethiopia	National	December 2011	January 2013	October 2017
4. KIPPRA	Kenya Institute for Public Policy Research and Analysis	Kenya	National	December 2010	April 2011	June 2017
5. CMAP	Centre Mauritanien d'Analyse de Politiques	Mauritania	National	June 2012	July 2012	December 2017
6. CAMERCAP	Cameroon Policy Analysis and Research Centre	Cameroon	National	August 2014	January 2015	December 2017
7. CEPOD	Centre d'Études de Politiques pour le Développement	Senegal	National	May 2015	June 2015	December 2017
8. IDEC	Institut de Développement Economique	Burundi	National	October 2012	November 2012	September 2016
9. ZIPAR	Zambia Institute for Policy Analysis and Research	Zambia	National	August 2005	November 2007	December 2014
10. EEA	Ethiopia Economics Association	Ethiopia	National	September 2008	October 2008	December 2014
11. IDEG-CAP	Institute for Democratic Governance (Capacity Building Project)	Ghana	National	April 2009	April 2009	December 2017
12. EDRI	Ethiopia Development Research Institute	Ethiopia	National	September 2008	February 2009	September 2017
13. CAPES	Centre d'Analyse des Politiques Economiques et Sociales	Burkina Faso	National	September 2010	September 2010	December 2017

14. MPPRAP	Malawi Public Policy Research and Analysis Project	Malawi	National	November 2015	February 2016	December 2017
15. GEPARI	Ghana Economic Policy Analysis and Research Institute	Ghana	National	April 2016	April 2016	December 2017
16. CADERDT	Centre Autonome d'Etudes et de Renforcement des Capacités pour le Développement au Togo	Togo	National	September 2008	February 2009	December 2017
17. CERCAP	Centre d'Etudes et de Renforcement des Capacités d'Analyse et de Plaidoyer	Mali	National	September 2008	February 2009	December 2017
Regional training programs						
18. CESAG	Master's Degree in Banking and Finance Training Program	Senegal	Regional	April 2012	September 2012	April 2017
19. EPM Abj	Programme de Formation en Gestion de la Politique Economique à Abidjan	Cote d'Ivoire	Regional	April 2012	May 2012	April 2017
20. EPM Yde	Programme de Formation en Gestion de la Politique Economique à Yaoundé	Cameroon	Regional	April 2012	September 2012	April 2017
21. 2iE	International institution for water and environmental engineering	Burkina Faso	Regional	December 2012	January 2013	September 2017
22. NPTCI	Programme de Troisième Cycle Interuniversitaire en Sciences Economiques	Burkina Faso	Regional	CANCELLED		
23. GFID	Financial Governance and Transparency Strengthening Project in Djibouti	Djibouti	National	May 2012	August 2012	October 2017
24. PROFAP	Projet d'Appui à la Formation des Agents de l'Administration Publique	Chad	National	June 2012	October 2012	December 2017
25. PPRC-CI	Programme Pays de Renforcement des Capacités en Côte d'Ivoire	Cote d'Ivoire	National	May 2013	August 2013	December 2017
26. PRCS-CAR	Projet de Renforcement des Capacités Statistique de la	Central African	National	June 2012	September 2012	December 2017

	République Centrafricaine	Republic				
27. CODESRIA	Renforcement de Capacités pour la Production des Connaissances et de Leadership en Afrique	Senegal	Regional	June 2012	October 2012	April 2017
28. EPM Gha	Economic Policy Management Training Program in Ghana	Ghana	Regional	December 2012	January 2013	November 2016
29. EPM Zbia	Economic Policy Management Program at University of Zambia	Zambia	Regional	March 2014	March 2014	December 2017
30. EPM Mkr	Economic Policy Management Program at Makerere University	Uganda	Regional	September 2012	December 2012	September 2017
31. AUST	African University of Science and Technology	Nigeria	Regional	November 2012	January 2013	November 2017
32. AIST	Africa Institute of Science and Technology	Tanzania	Regional	November 2012	January 2013	October 2017
33. PSMTG-GIMPA	Public Sector Management Training Program of the Ghana Institute of Management and Public Administration	Ghana	Regional	January 2012	February 2012	December 2017
34. CMAAE	Collaborative Masters' Program in Agricultural and Applied Economics	Kenya	Regional	June 2012	June 2012	June 2017
35. FAS	Master Degree in Gender and Peace Building Femmes Africa Solidarité	Senegal	Regional	August 2012	November 2012	August 2016
36. MINDS	Mandela Institute for Development Studies	South Africa	Regional	November 2014	December 2014	November 2016
37. RESPEC	Capacity Building Project in Statistics, Forecasting, and Planning in the Fight Against Poverty in Congo	Congo	National	June 2012	July 2012	December 2017
38. PNRC-CAF	Training Support Unit of the National Capacity Building Program	Guinea Bissau	National	CANCELLED		
39. WAIFEM	West African Institute for Financial and Economic Management Capacity Building Project	Nigeria	Regional	September 2010	September 2010	December 2017

40. NILS	National Institute for Legislative Studies Capacity Building Project	Nigeria	Regional	September 2010	September 2010	December 2017
41. CIFAL Ouaga	Centre International de Formation des Acteurs Locaux de Ouagadougou	Burkina Faso	Regional			
42. AERC CPP	African Economic Research Consortium—Bridging Programme	Kenya	Regional	8 March 2017	8 March 2017	November 2017
Regional integration						
43. AWDF	Strengthening Institutional Capacity of the African Women's Development Fund	Ghana	Regional	February 2012	May 2012	December 2017
44. AAU-CADRE	Association of African Universities' Capacity Development Project for the Revitalization of Higher Education Institutions	Ghana	Regional	December 2012	January 2013	December 2017
45. FANRPAN	Food, Agriculture, and Natural Resources Policy Analysis Network	South Africa	Regional	December 2012	December 2012	December 2017
46. COMESA	Common Market for Eastern and Southern Africa	Zambia	Regional	March 2013	May 2013	September 2017
47. CAP-WAMI	Capacity Building Project for the West African Monetary Institute (WAMI)	Ghana	Regional	January 2012	February 2012	October 2017
48. AU-CAP II	African Union Capacity Building Program	Ethiopia	Regional	May 2015	May 2015	December 2017
49. EABC	East Africa Business Council	Tanzania	Regional	July 2010	May 2011	July 2014
50. AUCAP BF	African Union Capacity Building Program—Bridging Fund	Ethiopia	Regional	May 2013	June 2013	May 15
51. EAC CAP	East Africa Community Capacity Building Project	Tanzania	Regional	Jun 2015	September 2015	December 2017
52. IGAD	Inter-Governmental Authority on Development Integration Support Project	Djibouti	Regional	Jul 2015	August 2015	December 2017

53. PACSR- UEMOA	Appui au Centre de Programmation Stratégique, Recherche et Veille de l'UEMOA	Burkina Faso	Regional	May 2016	August 2016	December 2017
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Annex 5a.

Selected flagship and other reports published by ACBF

8. Africa Capacity (ACIs)/African Capacity Reports (ACRs)

ACI 2011: Capacity Development in Fragile States
ACI 2012: Capacity Development for Agricultural Transformation and Food Security
ACI 2013: Capacity Development for Natural Resource Management
ACR 2014: Capacity Imperatives for Regional Integration in Africa
ACR 2015: Capacity Imperatives for Domestic Resource Mobilization in Africa
ACR 2017: Building Capacity in Science, Technology, and Innovation for Africa's Transformation

9. Publications on Agenda 2063

1. African Critical Technical Skills and Key Capacity Dimensions Needed for the First 10 Years of Agenda 2063
2. **Assessment of Internal and External Risks Associated with the Implementation of the African Union's Agenda 2063**
3. Capacity Development Plan Framework Buttressing Implementation of the First 10 Years Plan—"The Africa We Want"
4. Capacity Requirements for the New African Vision Agenda 2063—"The Africa We Want"
5. **A Digest of OUA-AU Treaties, Conventions, and Agreements, 1963 to 2014**
6. Survey of the Capacity Needs of Africa's Regional Economic Communities and strategies for Addressing Them

10. Occasional Papers

ACBF Board of Governors Issues Paper: Accessing Funds for Development: Required Capacities for Resource Mobilization and Absorption
Development Drivers in Africa: Role of Innovation
Drivers of Economic Growth in Africa
Infrastructure Development and Financing in Sub-Saharan Africa: Toward a Framework for Capacity Enhancement
Policy and Institutional Dimensions of Africa's Political Economy in an Age of Globalization
The Retention of Highly Skilled Returnees in Mozambique: An Institutional Approach
Youth Unemployment in Africa: Capacity Building and Innovative Strategies

11. Development Memoirs

Addressing Africa's Youth Employment and Food Security Crisis: The Role of African Agriculture in Job Creation
Governance and Transformative Leadership in Africa: Progress, Prospects and Challenges
The African Capacity Building Foundation: Rising to the Challenges of Capacity through a Unique and Innovative Framework
The Role of Information and Communication Technology (ICT) in Africa's Sustainable and Inclusive Development: Understanding the Capacity Challenges
Transparency and Accountability in the Management of Public Funds: How Sensibly Must African Countries Stand?

12. Policy Briefs

Building Capacity for Domestic Resource Mobilization: The Role of Development Partners
Building Capacity for Domestic Resource Mobilization: The Role of the Private Sector
Building Capacity for Domestic Resource Mobilization: The Role of Government
Building Capacity for Domestic Resource Mobilization: The Role of the Civil Society
Building Capacity in Science, Technology, and Innovation for Africa's Transformation: The Role of the Private Sector
Building Capacity in Science, Technology, and Innovation for Africa's Transformation: The Role of Governments
Building Capacity in Science, Technology, and Innovation for Africa's Transformation: The Role of Higher Learning and Research Institutions

13. Books

African Financial Governance Outlook: Effective Public Financial Management for Sustainable Development
African Financial Governance Outlook: Public Financial Governance Reforms, the Recent Progress in Africa. Preliminary Findings of the AGO Pilot Phase
Gender Budgeting as a Tool for Poverty Reduction: Concept, Practices, and Capacity Implications

14. African Community of Practice on Management for Development Results

Guidelines for Initiating and Managing Evaluation
Influencing Inclusive Growth through Peace Building and Reconciliation
National Planning Processes and Accountability
The Mediterranean Migration Crisis: Root Causes and Implications for the African Continent
Trade Facilitation in Africa
Unpacking Nigeria's Policy Response to Youth Unemployment: The Youth Enterprise with Innovation in Nigeria (YOUWIN)

Annex 5b.

Selected flagship and other reports published by ACBF clients

12. Ethiopia Development Policy Institute (EDRI)

Analysis of Changes in Food Consumption Patterns in Urban Ethiopia
Carbon Markets and Mitigation Strategies for Africa/Ethiopia: Literature Review and the Way Forward
Climate Conventions and Africa/Ethiopia
Does Electricity Supply Strategy Matter? Shortage and Investment: Reflections based on CGE
Road Sector Development and Economic Growth in Ethiopia

13. Horn Economic and Social Policy Institute (HESPI)

Assessment of Economic Integration in IGAD
Composition of Growth and Alleviation of Income Poverty and Child Undernutrition in Sub-Saharan Africa
Economic Growth in the Horn of Africa: Identifying Principal Drivers and Determinants
Making Public Finance Management the Central Instrument of Policy and Recovery
Rebuilding Capacity for Effective Public Finance Management: The Case of Somalia's Transition from Conflict
Regional Integration and Trade in Africa: Augmented Gravity Model Approach

14. Common Market for Eastern and Southern Africa (COMESA)

A methodological guideline for implementing the 2008 SNA in the financial services sector
An assessment of joining COMESA by the republic of Tunisia, South Sudan and Somalia
COMESA intra-regional trade potential, opportunities, and challenges
Comprehensive audit of nontariff barriers and their causes and costs in the COMESA region
Sugar competitiveness study in COMESA, which resolved the Kenya sugar safeguard application concerns
Taking stock of the implementation of the COMESA integration agenda
The impact of the Transpacific Partnership on African Growth and Opportunity Act-eligible COMESA member states trade with the United States

15. Institute of Policy Analysis and Research (IPAR) Rwanda

Assessing the reproductive and sexual health of the historically marginalized people
Cost-benefit analysis of tax incentives in Rwanda
Disability rights: Gap analysis of the level of inclusion of disability issues
Great lakes support program: Cost of production and the determinants of farmer incentives to invest in their coffee plantations
Imihigo public contract evaluation 2016–2017
Impact of land reforms in Rwanda on women's economic empowerment
Production of case studies on science, technology and innovation in Rwanda
Public financing for agriculture
Strengthening the impact on employment of sector policies
Update of selected indicators in the log frame for the Land Tenure Regularization Programme

16. Kenya Institute for Public Policy Research and Analysis (KIPPRA)

Accelerating industrial development in Africa: The case of Kenya (Enterprise Survey)
An assessment of water reforms in Kenya: Selected indicators
Baseline study on counterfeiting, piracy, and illicit trade
Situational analysis of illicit trade in tobacco products in Kenya in collaboration with the International Institute for Legislative Affairs (ILA)
Financial needs of the private sector
Firm development, regulation, and competition
Investment, growth, opportunities, and business environment
KIPPRA-Treasury Model (KTMM)- updating the model with new data, monitoring key macroeconomic variables, generating medium-term projections
Land reforms in Kenya: Land registration and land investment
Preconditions for successfully tapping diaspora remittances for infrastructure development in Kenya
Scoping paper on the review of oil and gas governance and exploitation in Kenya
Sustainability of current account deficits in Kenya
Understanding the banking structure in Kenya.

17. West African Institute for Financial and Economic Management (WAIFEM)

Financing infrastructure for sustainable development in West Africa
Poverty analysis and mapping in Liberia
Structure and composition of the labor market in The Gambia
The challenges of exchange rate management in the Economic Community of West Africa States
The challenges of fiscal decentralization in Nigeria

18. Malawi Public Policy Research and Analysis Project (MPPRAP)

How small businesses can best be supported to harness their potential to create jobs
Ways to improve adoption of climate smart agricultural technologies among smallholder farmers

19. Intergovernmental Authority on Development (IGAD)

Final report on the fourth biennial meeting of the IGAD business forum (IBF)
Macroeconomic performance of IGAD member countries using macroeconometric models: The cases of Ethiopia, Kenya, Sudan, and Uganda: model specification, estimation result, discussion and analysis
Report by the Horn Economic and Social Policy Institute for the Secretariat of the Intergovernmental Authority for Development think tank network
Report by the Horn Economic and Social Policy Institute for the Secretariat of the Intergovernmental Authority for Development operation research manual
Report of the workshop validation of the preparation and negotiation modalities for IGAD to join the tripartite free trade area

20. Economic and Social Research Foundation (ESRF)

Enhancing industrialization in Tanzania as a pivotal pillar of economic growth:
Mapping extant industrialization potentials in Mwanza region
Kilimanjaro region mapping of industrial potential areas 2017

Localization and community awareness of SDGs: Capacity building and empowerment of the local institutions and actors for successful SDGs localization and implementation
Participatory governance on natural gas economy
Training guide for updating and preparation of district strategic plans.

21. Zambia Institute for Policy Analysis and Research (ZIPAR)

Financing the Economic Stabilization and Growth Programme (Zambia Plus) in the Shadow of the IMF
Scaling the Eurobond Debt Wall

22. Centre Mauritanien d'Analyse de Politiques (CMAP)

Etude pour la création d'une agence Mauritanienne de promotion des exportations
Etude sur les filières attachées aux industries minières
La mobilisation des ressources intérieures en Mauritanie : Taxation optimale du tabac en Mauritanie
Mauritanie transformation de la trajectoire de l'emploi des jeunes
Rapport sur l'évaluation des objectifs du millénaire pour le développement en Mauritanie
Revue des dépenses publiques dans le secteur de l'eau en Mauritanie, 2006–2016
Revue pays sur le renforcement des capacités en Mauritanie
Situation de référence des objectifs du développement durable en Mauritanie
Stratégie pour le développement du secteur industriel en Mauritanie, 2015–20 2019

Annex 6.

Website links of projects financed by ACBF

<i>2iE</i>	<i>www.2ie-edu.org</i>
<i>AAU</i>	<i>www.aau.org</i>
<i>AERC</i>	<i>www.aercafrica.org</i>
<i>AU</i>	<i>www.au.int</i>
<i>AUST</i>	<i>www.aust.edu.ng</i>
<i>AWDF</i>	<i>www.awdf.org</i>
<i>CADERDT</i>	<i>www.caderdt.com</i>
<i>CAMERCAP</i>	<i>www.camercap-parc.org</i>
<i>CAPEC</i>	<i>www.capec-ci.org</i>
<i>CEPOD</i>	<i>www.cepodsn.org</i>
<i>CERCAP</i>	<i>www.cercap.net</i>
<i>CESAG</i>	<i>www.mbf.cesag.sn</i>
<i>CMAP</i>	<i>www.cmap.mr</i>
<i>CODESRIA</i>	<i>www.codesria.org</i>
<i>COMESA</i>	<i>www.comesa.int</i>
<i>EABC</i>	<i>www.eabc-online.com</i>
<i>EAC</i>	<i>www.eac.int</i>
<i>EDRI</i>	<i>www.edri.org.et</i>
<i>EEA</i>	<i>www.eeaecon.org</i>
<i>EPM Abidjan</i>	<i>www.gpe-afrique.org</i>
<i>EPM Ghana</i>	<i>www.epm.ug.edu.gh</i>
<i>EPM Makerere</i>	<i>www.mak.ac.ug</i>
<i>EPM Yaounde</i>	<i>www.gpeyaounde.org</i>
<i>EPM Zambia</i>	<i>www.unza.zm</i>
<i>ESRF</i>	<i>www.esrftz.org</i>
<i>FANRPAN</i>	<i>www.fanrpan.org</i>
<i>GIMPA</i>	<i>www.new.gimpa.edu.gh</i>
<i>HESPI</i>	<i>www.hespi.org</i>
<i>IDEC</i>	<i>www.idec.org.bi</i>
<i>IDEG</i>	<i>www.ideg.org</i>
<i>IGAD</i>	<i>www.igad.int</i>
<i>IPAR Rwanda</i>	<i>www.ipar-rwanda.org</i>
<i>KIPPRA</i>	<i>www.kippira.or.ke</i>
<i>NM AIST</i>	<i>www.nm-aist.ac.tz</i>
<i>UEMOA</i>	<i>www.uemoa.int</i>
<i>WAIFEM</i>	<i>www.waifem-cbp.org</i>
<i>WAMI</i>	<i>www.wami-imao.org</i>
<i>ZIPAR</i>	<i>www.zipar.org.zm</i>

Annex 7.

List of evaluations conducted on ACBF prior to RIDA funding

- 1995 Mid-Term Evaluation of the African Capacity Building Initiative—a United Nations Development Programme evaluation undertaken by the Nordic Consulting Group
- 1996 An Evaluation of the Performance of ACBF under its Pilot Phase—external evaluation carried out by Development Associates, United States
- 1997 Price Water House Coopers Financial Review of ACBF—external evaluation by the World Bank
- 1999 Study on integration of the Partnership for Capacity Building in Africa into ACBF—An assessment by GRM International, Australia
- 2000 Canadian International Development Agency operations assessment mission to ACBF by Enrique Madueno
- 2000 UK Department for International Development—commissioned assessment undertaken by John Toye
- 2001 Operations review by France carried out by Dominique Mas
- 2001 Operations review by the UK Department for International Development carried out by Jeremy Clarke, Senior Governance Adviser
- 2001 World Bank Development Grant Facility programs and financial operations review mission to ACBF by Paul Hubbard
- 2002 UK Department for International Development—commissioned assessment undertaken by Diana Goldsworthy and Paul Bennell
- 2002 Change management diagnostic study commissioned by ACBF Executive Board
- 2002/2003 World Bank mid-term review of Partnership for Capacity Building in Africa (PACT) by John Silverman and others
- 2004 Review of development effectiveness of World Bank support to capacity building in Africa—conducted by the Operations Evaluation Department, the World Bank
- 2005 Review by World Bank Operational Taskforce on Capacity Building in Africa

Annex 8. List of key supporting documents

Project appraisal documents

- **Project Appraisal Document on the ACBF Regional Capacity Building Project, World Bank, 2011**
- Project Appraisal Document on the ACBF Regional Capacity Building Project, Additional Financing, World Bank, 2011

RIDA project progress reports

- RIDA Project Annual Progress Report, ACBF, 2012
- RIDA Project Annual Progress Report, ACBF, 2013
- RIDA Project Semi-Annual Progress Report, ACBF, 2014
- RIDA Project Annual Progress Report, ACBF, 2014
- RIDA Project Semi-Annual Progress Report, ACBF, 2015
- RIDA Project Annual Progress Report, ACBF, 2015
- RIDA Project Semi-Annual Progress Report, ACBF, 2016
- RIDA Project Annual Progress Report, ACBF, 2016
- RIDA Project Semi-Annual Progress Report, ACBF, 2017

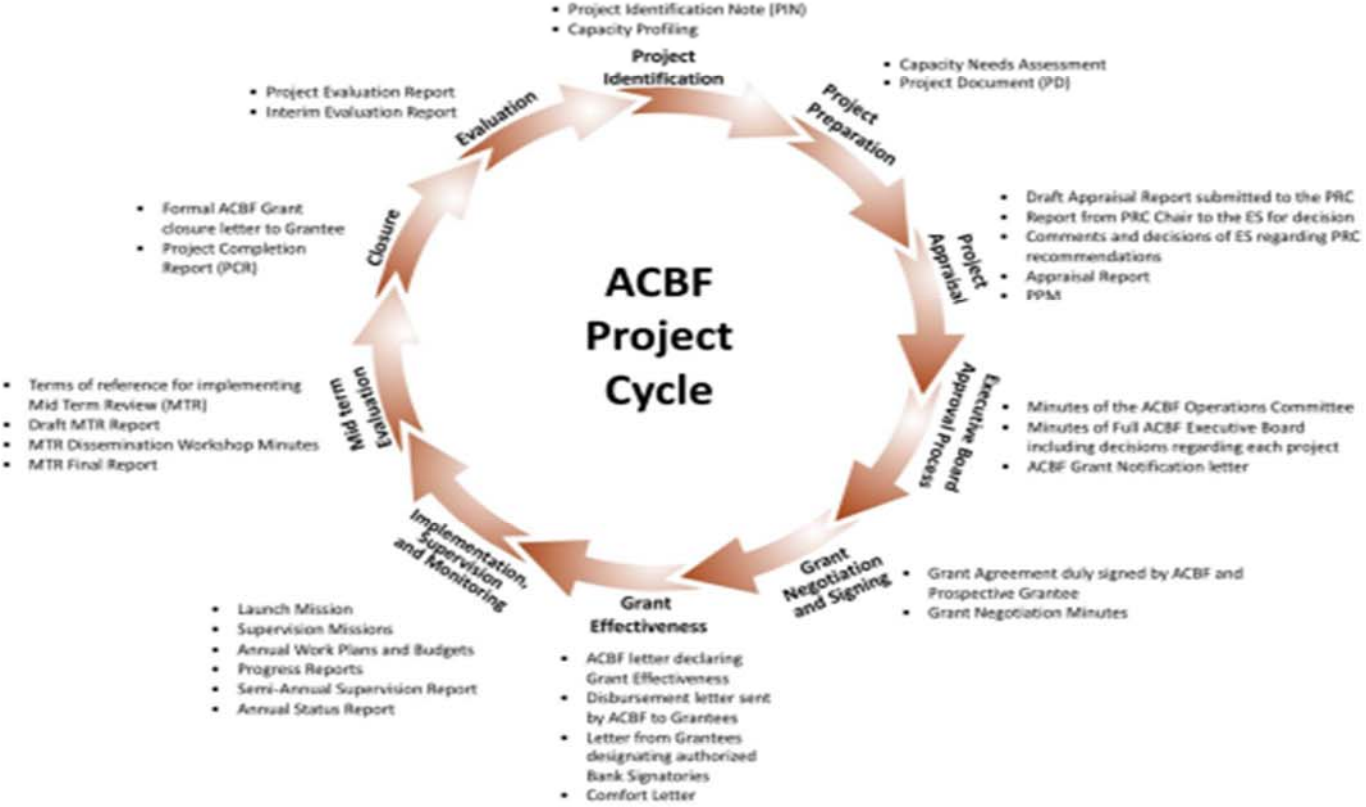
Aide-mémoire

- **Aide Memoire, Implementation Support Mission to ACBF, World Bank, 2012**
- Aide Memoire, Implementation Support Mission to ACBF, World Bank, 2013
- Aide Memoire, Implementation Support Mission to ACBF, World Bank, 2014
- Aide Memoire, Implementation Support Mission to ACBF, World Bank, 2015
- Aide Memoire, Implementation Support Mission to ACBF, World Bank, 2016
- Aide Memoire, Implementation Support Mission to ACBF, World Bank, 2017

ACBF documents

- ACBF Strategic Medium-Term Plan I, 2002–2006
- ACBF Strategic Medium-Term Plan II, 2007–2011
- ACBF Strategic Medium-Term Plan III, 2012–2016
- ACBF Strategy 2017–2021
- ACBF Long Term Strategic Vision, 2016
- ACBF Operational Manual, 2014
- ACBF Monitoring and Evaluation Manual, 2013
- ACBF Achievements and Impact Assessment, 2016
- ACBF African Capacity Report Evaluation Report, 2015
- ACBF Strategic Medium-Term Plan II Evaluation Report, 2012
- ACBF Strategic Medium-Term Plan III Mid-Term review Report, 2015
- ACBF Supported Policy Think Tank Evaluation Report, 2014
- ACBF Supported Training Program Evaluation Report, 2011
- RIDA Project Mid-Term Review Report, ACBF, 2016
- Projects Portfolio Review Report, ACBF, 2010
- Projects Portfolio Review Report, ACBF, 2010
- Projects Portfolio Review Report, ACBF, 2011
- Projects Portfolio Review Report, ACBF, 2012
- Projects Portfolio Review Report, ACBF, 2013
- Projects Portfolio Review Report, ACBF, 2014
- Projects Portfolio Review Report, ACBF, 2015
- Projects Portfolio Review Report, ACBF, 2016
- Projects Portfolio Review Report, ACBF, 2017
- ACBF Management Team, 2010–2017
- **ACBF Organizational Structure, 2010–2017**

ACBF PROJECT CYCLE AND SELECTED KEY DOCUMENTS



Annex 10. RIDA-I Results level indicators progress, end-2013

Project development objective

5. Enhanced capacity for effective policy formulation and management in ACBF subgrant recipient' countries
6. Improved and sustained management of ACBF operations

Indicators	Baseline 2010	Cumulative values (2012–2013)			Comments
		Target 2013	Achievements end-2013	Performance	
1. Number of recommendations, submitted by ACBF grantees and used by government in policy formulation	0	15	39	24 above target	The number of policy recommendations submitted and used from the Policy Institutes under the RIDA I project, mainly from KIPPRA and HESPI. PNRC-CAF and PPRC were considered for cancellation as not effective.
2. Ratio of total budget to total active portfolio value	8%	12.4%	6.5%	5.9% better than target	This includes both RIDA I and non-RIDA projects. The total foundation cost in year 2013, compared with the total active portfolio value, was 5.9% less than the annual target.
Strengthened key institutions and human resources involved in policy formulation					
3. Economic policy research completed in policy institutes supported by ACBF	0	30	119	169 above target	From policy institutes under the RIDA I project. PNRC-CAF has not been declared effective.
4. Ministries, departments, and agencies supported by the targeted economic policy units with: <ul style="list-style-type: none"> • Technical assistance • Training 	0 0	65 155	118 328	53 above target 173 above target	The support was in the form of technical assistance (process facilitation, change management or advisory and mentoring) and training (short-term sessions). The following projects were involved: RESPEC, PROFAP, PRCS CAR, HESPI, and KIPPRA.
5. Students receiving a Master's degree certificate in economic policy and public administration or in statistics	0	180	326	146 above target	Based on the Master's degree training programs: PSMTF-GIMPA, CMAAE, PRCS-CAR, and EPM Makerere. The data are for students currently enrolled and excludes those who graduated.
6. Students receiving training certificates in economic policy, public administration, or statistics	0	450	842	392 above target	Based on CMAAE, CODESRIA, PROFAP, and PRCS-CAR offering short-term training to mid-level managers in the public sector and other stakeholders.
Improved ACBF management process and structures					
7. Ratio of administrative cost excluding staff to total budget.	16%	17.2%	14.7%	2.5% better than target	Includes RIDA I and Non-RIDA projects. ACBF used 2.5% less than the targeted budget to cover administrative costs.
8. Ratio of total staff costs to total	60%	57.7%	70.2%	15.2%	Includes RIDA I and non-RIDA projects. ACBF has exceeded

Indicators	Baseline 2010	Cumulative values (2012–2013)			Comments
		Target 2013	Achievements end-2013	Performance	
budget				worse than target	by 15.2% the budget allocated for staff costs. This reflects the semi-fixed nature of staff costs. In the short term, ACBF could not reduce its staff costs as it did other variable costs in line with reduced portfolio and disbursement amounts.
9. Percentage of sub-projects in ACBF portfolio rated satisfactory		80%	71.6%	8.4% below target	63 projects were reviewed and rated in ACBF's portfolio in the January–December 2013 review.
10. Ratio of amount disbursed to amount committed in the portfolio	90%	98%	114.8%	16.8% above target	Includes RIDA I and non-RIDA projects.
11. Grant recipients submitting quarterly monitoring and evaluation reports in line with the Project Results Monitoring Framework	0	75%	96.0%	21% above target	70 of 73 active projects and programs submitted their quarterly report as of December 2013.
12. Yearly approved subprojects and grants	0	44	27	17 below target	Includes RIDA I and non-RIDA projects. Approval of new grants was suspended due to liquidity challenges.

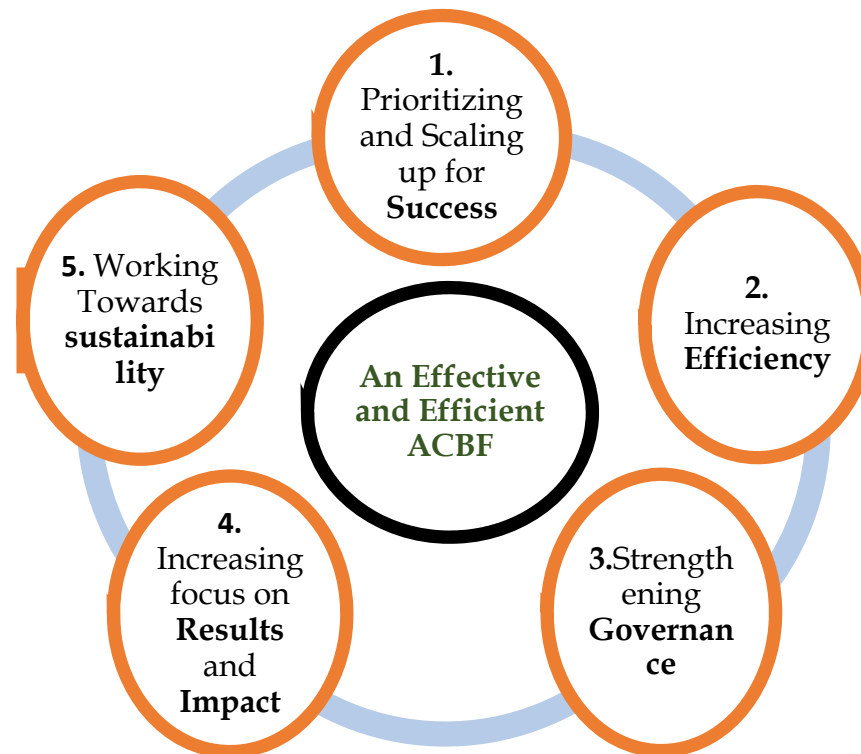
ANNEX 11: RIDA-2 RESULTS LEVEL INDICATORS PROGRESS – as at end-December 2017

INDICATORS	Cumulative Values (2013 – 2017)			COMMENTS
	TARGET 2017	ACHIEVEMENTS as at Dec 2017	OVERALL PERFORMANCE	
Project Development Objective (PDO):				
<ul style="list-style-type: none"> - (i) Improve the capacity of ACBF's clients to deliver and measure their development results; and - (ii) Enhance ACBF's organizational effectiveness and efficiency. 				
1.a User satisfaction of ACBF clients' products	90%	93%	Target exceeded (+3%)	The two measurements reveal the products and services offered by ACBF's partners meet the needs and expectations of their stakeholders or beneficiaries. These resulted from the various satisfaction surveys conducted over the entire period of the project's duration by the sub-projects funded under the grant and involving a more than 15,000 respondents
1.b. User satisfaction of ACBF clients' services	80%	92%	Target exceeded (+11%)	
2- Percentage of subprojects in ACBF portfolio rated satisfactory and above	77%	90%	Target exceeded (+13%)	This includes projects rated Highly Satisfactory (HS), Satisfactory (S) and Moderately Satisfactory (MS). In 2017, the Bank has recommended to take into "MS rating" as a level of success (in addition to HS and H) that was not included in the measurement in previous years
3. Percentage of total disbursements (including K&L products) to cash outflows	80%	80%	Target met	This achievement shows that a very large proportion of the Foundation's resources is primarily devoted to programmatic activities including knowledge production. The Foundation is therefore very keen to the efficient use of its resources in responding to the capacity needs and demand from its clients
INTERMEDIATE RESULTS				
Component-1: Grants to ACBF Supported Programs and Projects				
4- Number of requests for products and services received by ACBF's clients	1,200	6,684	Target exceeded (+5,484)	There are two main categories of requests considered for the measurement: technical assistance and short-term training. The demands for products and services of ACBF's clients have grown up substantively over the project period because of their high-quality standards and usefulness for the clients.
5- Percentage of clients' products that have undergone peer review process (or any other quality control mechanism)	80%	96%	Target exceeded (+16%)	This measurement indicates that most of the products generated by concerned ACBF's clients during the reporting period have been taking through quality assurance process.
6- Percentage of ACBF clients with functional M&E systems	80%	83%	Target exceeded (+3%)	The criteria used to measure the functionality of the M&E system of ACBF's clients include: timely submission of quarterly report, completion of RIDA data instruments, production of success stories, existence of M&E focal

				person and preparation of completion report (eventually). The majority of ACBF-supported projects meet the minimum M&E requirements in terms of performance tracking and reporting.
7- Number of engagements/ interactions between ACBF clients and policymakers	360	2,133	Target exceeded (+1,773)	There is an increasing number of formal interactions between ACBF's clients and decision maker, policy analysts or key development actors. The engagements included research publication, policy dialogue, advocacy workshops, validation workshop, high level forums or panel discussion.
8- Number of participants attending long and short-term trainings conducted by ACBF clients	1,800	30,230	Target exceeded (+28,430)	Academic Institutions focuses mainly on long-term or degree courses whilst Think Tanks, regional development organization and other training centres provide short-term trainings.
9- Number of times ACBF K&L products/documents are downloaded in Africa and the rest of the world	55,000	310,171	Target exceeded (+255,171)	Targeted campaigns including social media contributed to an increase in the number of downloads. Number of downloads are collected from the ACBF website, virtual library and partner websites using the the Advanced Web Statistics 7.6 application.
10- Number of requests received by ACBF for K&L products	300	1,119	Target exceeded (+819)	Most requests are generated from events attended by ACBF staff and feedback from the e-mail alerts.
11- Number of times ACBF K&L products are cited	12,500	27,469	Target exceeded (+14,969)	An increase is attributed to the direct target of individual faculties in the academic institutions. These are citations generated from online publications using publish or perish platform and the Google scholar.
Component 2: Institutional Support to ACBF				
12- Percentage of total staff costs to cash out flows	17%	14.6%	Target exceeded (+2.4%)	Continued efforts are being made to keep the institutional cost as low as possible, but maintain the highest quality of the Foundation's services
13- Actual contributions from African governments to SMTP III	US\$ 21.11 million	23.40 million	Target exceeded (+2.29 million)	In overall, African member countries has made tremendous effort to keep their commitment by paying their contributions to support the implementation of the 3 rd Strategic Plan (SMTP III) of ACBF running from 2012 to 2016.
14- Percentage of activities implemented from Annual Business Plan	95%	96%	Target exceeded (+1%)	This is an average figure of the execution rate of the work plans of all ACBF's Departments as at end December 2017. The breakdown per Department is as follows: OPD (91%), K&L (95%), FAD (98%), RSPD (94%), LAD (95%) and IAD (100%). It is also to indicate that a number of intervention initially planned (e.g. K&L related activities) could not be implemented due to the lack of funds
15- Number of portfolio reviews conducted	2	4	Target exceeded (+2)	Four reviews were conducted: Annual portfolio review 2016; and first, second and third quarter 2017 portfolio reviews

ANNEX 12: UPDATE ON REFORMS CONDUCTED BY ACBF

The Reforms focused on the following five key areas



All reforms have been fully implemented as indicated in the next section on implementation of the Reforms

SUMMARY OF REFORMS ACTIONS IMPLEMENTED

Prioritizing and scaling up for success

- Programmatic areas reduced to three priorities (Policy formulation through support to think tanks; Training at regional level & Enhancing policy results in RECs)
- Footprint reduced to 15 Countries to Deepen Results
- Multidisciplinary teams used, decentralization implemented & ICT used for increased efficiency in Program Delivery

Increasing efficiency

- Simpler, flatter and leaner management structure (see below)
- 48% of staff separated; salary cuts ranging from 20% to 4%; Overall reduction of 33% in compensation
- Saving of on rental costs with relocation to permanent offices
- Saving on travel costs with relocation of Operations for Central and West Africa to Accra from October 1st, 2014
- Reduction of all overhead costs to the strict minimum

Enhancing Governance & the Role of the Executive Board

- Project approvals strictly based on existence of confirmed funding
- Full-time resident Executive Secretary leading the Foundation since 1 December 2013
- Minutes of Executive Board meetings shared with World Bank
- Greater engagement of the Board of Governors
- Frequency of Executive Board meetings increased from 2 to 4 per year, including 2 virtual
- Monthly updates to Executive Board and bi-monthly newsletter to all other Stakeholders

Increasing focus on results and impact

- Project design improved & Grantees' capacity enhanced for effective implementation & monitoring of their projects;
- Results framework developed with core indicators for measuring capacity building outcomes for both the Foundation and grantees
- Knowledge products strictly aligned to the 3 priority areas
- Selection of new projects strictly based on lessons learned and capacity of potential Grantees to deliver results
- Refinancing of projects linked to Grantees' demonstrable results

Working towards sustainability

- Projects no longer be funded beyond 3 phases
- Funding to grantees progressively evolving from institutional to program costs
- Bilateral partners reengaged and ongoing effort to diversify financing sources
- Operating costs increasingly covered by African contributions
- Commitment of African members to growing the Endowment Fund

LEVEL OF COMPLETION OF THE REFORMS

REFORM AREA	PERCENTAGE OF COMPLETION	STATUS OF IMPLEMENTATION
A. Prioritizing and scaling up for success	100% IMPLEMENTATION RATE	<ul style="list-style-type: none"> • Programmatic areas reduced to: <ul style="list-style-type: none"> ✓ Support to policy formulation and implementation, ✓ Training at regional level ✓ Support to regional integration. • Number of African countries in which ACBF can use the World Bank's support to SMTP III reduced to 15 (add list). • A new business model has been defined for the Foundation of which grant-making is only one element
B. Increasing Efficiency	100% IMPLEMENTATION RATE	<ul style="list-style-type: none"> • Structure of ACBF Management Team made flatter and leaner around three Department: Operations Department; Knowledge, Monitoring and Evaluation Department; and Finance and Administration Department. These operational departments are supported by 3 other managerial positions, namely in the Office of the Executive Secretary, Internal Audit and Legal Counsel. • Wage bill significantly reduced through separation of 40 staff out of a total of 84, salary cut of 4-20% for remaining staff and reduction in staff benefits. Overall result is 38% reduction in staff costs • Program delivery costs reduced. • Relocation from Harare city centre to suburb resulting in significant savings on rental costs. • Relocation of Operations Department for West and Central Africa to Accra which, resulting in significant savings on travel costs.
C. Strengthening Governance	100% IMPLEMENTATION RATE	<ul style="list-style-type: none"> • Frequency of Executive Board meetings doubled from 2 to 4 meetings a year (of which 2 virtual) • Minutes of these meetings shared with the World Bank which decided to pull out of the Board in 2011. • Project approval processes have been revised to ensure that new commitments are exclusively based on confirmed pledges (in other words pledges for which a grant agreement has been signed). • The Executive Secretary appointed in December 2013 is fully resident in Harare.
D. Increasing focus on Results and Impact	100% IMPLEMENTATION RATE	<ul style="list-style-type: none"> • Project design significantly improved and grantees' implementation and monitoring capacity enhanced • Core indicators developed to measure capacity building outcomes for both the Foundation and its grantees, and presented in the Foundation's Theory of Change (see below) • Systematic actions taken to continuously improve quality of evaluation.

		<ul style="list-style-type: none"> • Knowledge products aligned on the 3 priority areas of focus of ACBF's operations • Programmatic areas and grantees benefiting of ACBF's support selected based on lessons learned and demonstrable results. • Continuation of ACBF support to any grantee henceforth contingent on demonstrated results
E. Working Towards sustainability of the Foundation	100% IMPLEMENTATION RATE	<ul style="list-style-type: none"> • ACBF support to any grantee discontinued after a maximum of 3 phases and funding progressively evolving from institutional costs to program expenditure. • Effort ongoing to re-engage non-African countries/bilateral partners • Concerted effort to diversify funding sources (partnership with Bill & Melinda Gates Foundation, Australia, Afreximbank, China, BADEA, IsDB, etc.). • Mobilization of African member countries around the objective of progressively covering ACBF's operating costs and growing the Foundation's Endowment Fund. • Increase focus on demonstrable results with the objective of securing continued Donor support.

