



The African Capacity Building Foundation



Annual Report 2000

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ACRONYMS

ACBF	:	The African Capacity Building Foundation
ACBI	:	African Capacity Building Initiative
ACB Fund	:	African Capacity Building Fund
ACP	:	African Caribbean and Pacific countries
AfDB	:	African Development Bank
AERC-CMAP, Kenya (Regional)	:	African Economic Research Consortium's Collaborative Master's Program in Economics
AIPA, South Africa	:	African Institute for Policy Analysis
AKNF	:	Africa Knowledge Networks Forum
APUs	:	African Partner Universities
BBC	:	British Broadcasting Corporation
BCEAO	:	Banque Centrale des Etats de l'Afrique de l'Ouest
BEAC	:	Banque des Etats de l'Afrique Centrale
BIDPA, Botswana	:	Botswana Institute for Development Policy Analysis
CAFPD, Mali	:	Centre d'Analyse et de Formulation de Politiques de Développement
CAPAN (UAPD), Benin	:	Cellule de Renforcement des Capacités de l'Assemblée Nationale
CAPE, Benin	:	Cellule d'Appui à l'Analyse de Politiques Economiques
CAPED, Niger	:	Cellule d'Analyse et de Prospective en Développement
CAPES, Burkina Faso	:	Centre d'Analyse des Politiques Economiques et Sociales
CBTF	:	Capacity Building Trust Fund
CDF	:	Comprehensive Development Framework
CBN	:	Central Bank of Nigeria
CEMAC	:	Communauté Economique des Etats de l'Afrique Centrale
CEPA, Ghana	:	Centre for Policy Analysis
CERDI, France	:	Centre d'Etudes et de Recherches sur le Développement International
CESAG, Senegal	:	Centre Africain d'Etudes Supérieures en Gestion
CIDA	:	Canadian International Development Agency
CILSS	:	Comité Permanent Inter-Etats de Lutte Contre la Sécheresse dans le Sahel
CIPE	:	Center for International Private Enterprise
CIRES-CAPEC, Côte d'Ivoire	:	Centre Ivoirien de Recherches Economiques et Sociales
CNN	:	Cable News Network
CNPG-CEPEC, Guinea	:	Centre National de Perfectionnement à la Gestion - Cellule d'Etudes de Politique Economique
COMESA	:	Common Market for Eastern and Southern Africa
CREAM, Madagascar	:	Centre de Recherches, Etudes et d'Appui à l'Analyse Economique de Madagascar
CSD, Tanzania	:	Civil Service Department
DAC	:	Development Assistance Committee
DFID, United Kingdom	:	Department for International Development
DMPA, Zambia	:	Directorate of Macroeconomic Policy Analysis

DPC, Nigeria	:	Development Policy Centre
DRC	:	Democratic Republic of Congo
DRI	:	Debt Relief International
ECDPM	:	European Centre for Development Policy Management
ECOWAS	:	Economic Community of West African States
EEA, Ethiopia	:	Ethiopian Economic Association
E-HIPC	:	Enhanced Facility for Highly Indebted Poor Countries
EMPAC, Ethiopia	:	Ethiopian Macroeconomic Policy Analysis Capacity Building Project
EPM	:	Economic Policy Management
EPM/McGill, Canada	:	Economic Policy Management/McGill University (Regional) Project
EPRC, Uganda	:	Economic Policy Research Centre
ESAIDARM, (Regional)	:	Eastern and Southern African Initiative in Debt And Reserves Management
ESRF, Tanzania	:	Economic and Social Research Foundation
EU	:	European Union
HIPC	:	Heavily Indebted Poor Countries
IBFI	:	International Banking and Finance Institute
IDEC, Burundi	:	Institut de Développement Economique
IDF	:	Institutional Development Fund
IDRC	:	International Development Research Centre
IDS	:	Institute of Development Studies, Sussex
IEF, Gabon (Regional)	:	Institut d'Economie et de Finances, Gabon
ILO	:	International Labour Organization
IMF	:	The International Monetary Fund
IIAP	:	Institut International de l'Administration Publique
IPAR, Kenya	:	Institute of Policy Analysis and Research
IT	:	Information Technology
KIPPRA, Kenya	:	Kenya Institute for Public Policy Research and Analysis
LAN	:	Local Area Network
LIMPAC, Liberia	:	Liberian Macroeconomic Policy Analysis Capacity Building Project
MEFMI, Zimbabwe (Regional)	:	Macroeconomic and Financial Management Institute
MOP	:	Memorandum of the President of the World Bank
MOU	:	Memorandum of Understanding
NCEMA, Nigeria	:	National Centre for Economic Management and Administration
NCPB, Rwanda	:	National Capacity Building Program
NEC, Mali	:	National Economic Council
NECF, Zimbabwe	:	National Economic Consultative Forum
NED	:	National Endowment for Democracy
NEPRU, Namibia	:	Namibian Economic Policy Research Unit
NFP	:	National Focal Point
NGO	:	Non-governmental Organization
NGOCC, Zambia	:	Non-governmental Organization Coordinating Committee
NIEP, South Africa	:	National Institute for Economic Policy
OAU	:	Organization of African Unity
ODA	:	Official Development Assistance

OECD	:	Organization for Economic Co-operation Development
PACT	:	Partnership for Capacity Building in Africa
PASU, EDECO/OAU, Ethiopia	:	Policy Analysis Support Unit, Economic Development and Cooperation Department
PARIS21	:	Partnership in Statistics for Development in the 21 st Century
PARU, Nigeria	:	Policy Analysis and Research Unit
PDTPE, Zimbabwe	:	Professional Development and Training Programme in Economics
PHRD Fund	:	Policy and Human Resources Development Fund
PNRC – CAF, Guinea Bissau	:	Programme National de Renforcement des Capacité - Cellule d'Appui à la Formation
PNRC – CMAP, Mauritania	:	Programme National de Renforcement des Capacité - Centre Mauritanien d'Analyse de Politiques
PRC	:	Project Review Committee
PRECAGEF, Gabon	:	Projet de Renforcement des Capacités en Gestion Economique et Financière
PRECASP, Sao Tomé & Principe:	:	Projet de Renforcement des Capacités de Lutte contre la Pauvreté
PRIECA/AO, Senegal (Regional):	:	Projet pour le Renforcement de l'Inter face entre les Etats Et Chambres d'Agriculture de l'Afrique de l'Ouest
PRIESP, Mali	:	Projet de Renforcement de l'Interface entre l'Etat et le Secteur Privé
PRIME	:	Poverty Reduction Programming, Implementation, Monitoring and Evaluation
PRSP	:	Poverty Reduction Strategy Paper
PSCGT, Kenya	:	Private Sector Corporate Governance Trust
PTCI, Burkina Faso, (Regional)	:	“Programme de Troisième Cycle Interuniversitaire” in Economics for Francophone Africa
REC	:	Regional Economic Community
SADC	:	Southern African Development Community
SANGOCO, South Africa	:	South African Non-governmental Organization Coalition
SARIPS, Zimbabwe (Regional)	:	Southern African Regional Institute for Policy Studies
SENAREC	:	Secrétariat National pour le Renforcement des Capacités
SISERA	:	Secretariat for Institutional Support for Economic Research in Africa
SIDA	:	Swedish International Development Agency
SIWP	:	Strategy and Indicative Work Program
SMTF	:	Consolidated Strategic Medium Term Plan
UAPD (CAPAN), Benin	:	Unité d'Analyse de Politiques de Développement
UDEAC	:	Union Douanière et Economique des Etats de l'Afrique Centrale
UEMOA	:	Union Economique et Monétaire de l'Afrique de l'Ouest
UNAM, Namibia	:	University of Namibia
UNDESA	:	United Nations Department of Economic and Social Affairs
UNDP	:	United Nations Development Programme
UNECA	:	United Nations Economic Commission for Africa

UNOPS	:	United Nations Office for Project Services
UPE, Senegal	:	Unité de Politique Economique
USAID	:	United States Agency for International Development
VAT	:	Value Added Tax
WAIFEM, Nigeria (Regional)	:	West African Institute for Financial and Economic Management
WBI	:	The World Bank Institute
WTO	:	World Trade Organization
Y2K	:	Year 2000
ZEPARU, Zimbabwe	:	Zimbabwe Economic Policy Analysis and Research Unit

MESSAGE FROM THE CHAIRMAN OF THE EXECUTIVE BOARD

As we look back at the challenges and achievements of the year 2000, it is gratifying to note that the integration of the Partnership for Capacity Building in Africa (PACT) into ACBF has been largely accomplished and that the overall outcome has far exceeded our most optimistic expectations.

Once the Board of Governors endorsed the thrust of the PACT integration and implementation framework, the Foundation restructured its internal operations; clarified the contours of its broadened role; fine-tuned project eligibility criteria; reinvigorated project-development and implementation efforts; revitalized its outreach and networking activities; and reactivated its resource-mobilization initiatives. Thus, the integration of PACT into ACBF has begun to transform the Foundation into an even more significant and visible player in capacity building in Africa than it was before.

During the year under review, the Foundation approved 36 new full-fledged projects covering a wide geographical and thematic spectrum. These projects came from a large number of countries, including some countries such as Gabon, Guinea Bissau, Malawi, Mauritania, Niger, Sao Tome and Principe, and Swaziland that had never benefited before from the Foundation's support. The projects also addressed a broad array of areas, including such new ones as support to parliaments, enhancement of public sector-private sector-civil society interface, and promotion of regional integration – all with a view to improving the quality and responsiveness of poverty reduction policies on the Continent. Lastly, the Foundation awarded grants to 20 countries to assist them in establishing national focal points (NFPs) or their proxies. Thus, through new and ongoing interventions, the Foundation is gaining a steady and influential presence in most countries in sub-Saharan Africa that are committed to building strong, sustainable, transparent and accountable institutions. It is expected that these compelling achievements will be consolidated over the coming years as the Foundation implements its new strategic medium-term plan (SMTP).

The task of facilitating ownership of projects by beneficiaries and fostering partnership with both national and external stakeholders continued to be core priorities during the year. Accordingly, the Foundation convened two regional workshops in Libreville and Lusaka for NFPs. These workshops validated the central role the Foundation aims to play in facilitating the participation of NFPs in the capacity-building process. A major challenge will now be to clarify the mission and role of NFPs within both their national frameworks and the broader capacity-building community. In addition, as part of its proactive bid to tackle the growing capacity needs of the Continent, the Foundation reached out to its stakeholders and encouraged them to play an active, but targeted, role in the PRSP and E-HIPC processes. It is also hoped that the forthcoming First Pan-African Capacity Building Forum will help trigger a relentless Continent-wide advocacy campaign

for capacity building, and transform the Foundation into a vital vector for corralling multi-faceted forces for poverty reduction, good governance and sustainable development.

However, the strong performance recorded in 2000 must not be allowed to lull us into a false sense of complacency. The Foundation's transition from a tightly focused entity into a more ambitious institution has left much unfinished and challenging business to address. Therefore, the Foundation will, over the coming years, aim to build on the very useful lessons learned during the past year, consolidate its innovative work, and tighten the loose ends of its promising partnership approach to capacity building in an increasingly inter-connected world. Given the commitment of the Secretariat staff, and with the guidance of the Board of Governors and Executive Board, I have every confidence that this goal will be achieved.

As we ponder the exciting challenges that lie ahead, I should like to convey my profound gratitude to all members of the broader ACBF family for making 2000 a truly remarkable year; to the members of the Board of Governors for their steadfast and inspiring support of the Foundation; to the members of the Executive Board for their wise and pragmatic leadership; and to the Secretariat staff for their unstinting dedication and hard work, often in very trying circumstances. Thank you all.



Kwesi Botchwey
Chairman of the Executive Board

STATEMENT FROM THE EXECUTIVE SECRETARY

The year 2000 marked a turning point for ACBF not only because of the smooth and cost-effective integration of the Partnership for Capacity Building in Africa (PACT) into the Foundation, but also because the Foundation's performance was remarkable indeed by any conceivable measure. Thanks to the guidance provided by the Board of Governors and the Executive Board, our achievements were not simply well above the targets we had set for ourselves or the expectations of most of our stakeholders; more importantly, they surpassed by far the cumulative performance since the establishment of the Foundation in 1991. This Statement provides a synopsis of these accomplishments, which have paved the way for the road ahead.

With respect to operations, the number of new projects developed in 2000 surpassed by far the cumulative number of projects developed between 1991 and 1999. The total number of projects rose from 34 in 1999 to 80 (including 20 NFPs) in 2000. For 2000 alone, the Executive Board approved 36 new full-fledged projects and programs. This significant increase in activities was accomplished without any loss in quality. Rather, there was a consensus that project documents, appraisal reports and policy-oriented papers generated by the Foundation reflected a professionalism and a clarity of focus that compared favourably with those available at other multilateral institutions. In addition, the number of appraisal reports completed during the year amounted to 43 (as against a target of 30), as opposed to only 5 in 1998 and 4 in 1999.

The number of supervision missions completed during the year was 69, as against 27 in 1995 and 30 in 1998, with basically the same active project portfolio. In fact, the implementation of the PACT Initiative did not lead to any slippage in terms of supervision and monitoring of the active portfolio. Indeed, in a number of cases, the Foundation took decisive action to rectify problems prevailing in projects or to rescue others from slipping into atrophy. In addition, disbursements to active projects increased substantially.

The country coverage was significantly extended, with a more balanced geographical distribution of projects. New countries or regional organizations included Gabon, Guinea Bissau, Malawi, Mauritania, Niger, Sao Tome and Principe, Swaziland, the Economic and Monetary Community of Central Africa (CEMAC) and the Economic Community of West African States (ECOWAS). In particular, this was the first time in ACBF's history that Lusophone countries benefited from funding by the Foundation. The critical point to underscore is that broader geographical coverage was not achieved at the expense of quality. On the contrary, every project was identified, developed and appraised on its own merits, and had to meet the Foundation's rigorous project eligibility criteria. Unlike during the early years of implementation of the African Capacity Building Initiative (ACBI), all projects and programs approved by the Executive Board in 2000 were supported by full-fledged documents and appraisal reports.

While the focus of ACBF activities continued to be the enhancement of macroeconomic policy analysis and management capacity of African governments, the Foundation, in tune with the innovative dimension of the PACT Initiative, made strategic inroads into such areas as civil society (for example, the provision of capacity-building support to a women's non-governmental organization in Zambia); private sector representative institutions (for example, the Chamber of Commerce/Private Sector Ombudsman project in Mali); parliaments (for instance, the support being provided to National Assemblies in Benin, Nigeria and South Africa); and the rural sector (for example, the project to support a regional network of Chambers of Agriculture in West Africa), among others. In a true spirit of participatory governance, capacity-building support for these new stakeholders in interface areas is designed to enhance the quality, transparency and responsiveness of public policy programs aimed at reducing poverty.

During the year, the Foundation played a catalytic role in strengthening the capacity of African countries to design and implement the PRSP and E-HIPC initiatives. All of our 34 ongoing policy units and specialized training institutions, including the regional projects (for example, the economic policy management [EPM] programs, MEFMI and BCEAO/BEAC), have been encouraged to provide direct support to the PRSP process. Indeed, some of them are already acting as technical secretariats for country PRSP teams. New projects in the Foundation's portfolio such as those in Guinea-Bissau (PNRC-CAF), Mauritania (PNRC-CMAP) as well as Sao Tome and Principe (PRECASP) are aimed at providing direct critical support to the PRSP process. A new regional project, the West African Institute for Financial and Economic Management (WAIFEM), was approved in 2000 to strengthen capacity for debt and macroeconomic management. Also, the Foundation is working closely with several institutions to explore the possibility of developing a new project specifically targeting capacity building for poverty reduction.

The Foundation also tapped into a vast reservoir of budding partnerships. For example, we successfully organized two well-attended, high profile regional workshops for National Focal Points in Libreville (May 2000, for Francophone, Lusophone and Hispanophone countries) and Lusaka (June 2000, for Anglophone countries). These workshops enabled some of the Foundation's key constituencies – the public sector, the private sector and civil society – to share experiences and chart new pathways to national and regional partnerships in capacity-building efforts.

Preparations are also under way for the First Pan-African Capacity Building Forum scheduled to take place in Bamako in the last quarter of 2001. The Foundation is hard at work fine-tuning the thematic focus and format of the Forum in order to make it a resounding and historic success. Already, a number of institutions – including the African Development Bank, the United Nations Economic Commission for Africa, the Organization of African Unity, the OECD Development Centre and the Rockefeller Foundation - have either confirmed their co-sponsorship of this event or have signalled their intention to do so.

Intensive efforts to enlarge membership of ACBF began to bear fruit during the year. For example, in a letter personally signed by H.E. President El Hadj Omar Bongo, Gabon formally applied to join the Foundation. Chad, Ethiopia, Ireland and Sudan also began finalizing preparations to join the Foundation and take a seat on its Board of Governors.

Concomitantly, we succeeded in reviving the interest of a number of donors that were lagging in fulfilment of their pledges to the Foundation to expedite disbursements to the Foundation's trust funds. We also kicked off resource mobilization efforts. For example, during the 9th Annual Meeting of the Board of Governors held in June 2000 in Paris, the Governors decided to hold a special meeting in January 2001 in London in order to take up the Foundation's consolidated strategic medium-term plan (SMTP) for the next five years as a basis for new funding pledges to the Foundation. The broad thrust of the document was approved in December 2000 by the Executive Board, and will be submitted to the Board of Governors when it meets at Lancaster House in London in January 2001.

Meanwhile, disbursements by the Foundation's donors into its trust funds kept up at a regular pace. This was not just in accordance with the schedule of draw downs agreed upon by the Governors in 1997. It was also emblematic of their growing confidence in the Foundation's efforts and the promise these efforts hold out for the future in the drive to reduce poverty and foster sustainable development in Africa.

The strong performance in 2000 was achieved by the same staff (both numerically and qualitatively) and with the same compensation package as in 1998 and 1999. The restructured organization chart instituted by the new ACBF management that took office on 24 January 2000 galvanized once-dormant energies, bolstered team spirit and teamwork, and instilled in the staff a renewed sense of commitment and loyalty to the Foundation and to the Continent. And both the professional and support staff responded positively to the new impetus generated since January 2000. To meet the new challenges that still lie ahead, the ACBF Executive Board approved additional staff positions within the Secretariat. It is important to note, however, that all of this was accomplished while keeping the administrative budget well below the figure projected by the World Bank's own Memorandum of the President on PACT of April 1999, and with an improved operational and administrative efficiency ratio.

Media coverage of the Foundation and its activities was pervasive throughout the year like never before. For example, such major news outlets as CNN, BBC, *RFI*, *Deutsche Welle*, SABC, Africa No. 1 and *Jeune Afrique* featured ACBF/PACT news and events. Also, production of the Foundation's quarterly Newsletter, which slipped off the shelves in December 1996, resumed on a regular basis, and was very well received by the Foundation's stakeholders.

A new Research, Training, Information Systems and Publications Department as well as a strong project support and outreach structure were established within the Secretariat, reflecting the Foundation's drive to become, in addition to being a development funding agency, a knowledge-based institution, a clearinghouse for capacity-building activities and research in Africa as well as a major facilitating hub for networking and partnership arrangements. In addition, since April 2000, and for the first time in ACBF's history, the Foundation has a fully functional website.

To cap it all, the Network of African Journalists (*"Réseau des Journalistes Africains"*) awarded the Foundation and its Executive Secretary the *Sennen Andriamirado* Prize of Excellence for the Year 2000.

The Foundation's performance in 2000 clearly demonstrated that it possesses the operational capacity to deliver, and is emerging as a key, well-tested and reliable instrument for spearheading the building or enhancement of capacity in Africa. ACBF is committed to maintaining the same level of performance in the years ahead through its relentless pursuit of excellence and greater responsiveness to stakeholders. As an illustration, the integration of PACT into its fold was completed practically two years ahead of schedule. Therefore, drawing on the experience of the Foundation's performance in 2000, and based on the strategic framework that is shaping up for the next five years, the donor community will have before it a strong and compelling case for providing significant, additional funding to ACBF to enable it entrench its role as Africa's premier capacity-building institution. In order to meet this ambitious goal, the Foundation will need to continue to deepen its interventions, strike even smarter partnerships with its broad array of present and potential partners, strengthen its own human and institutional resources and better disseminate the results of its achievements and those of the projects it supports. We are confident that, with the unflagging support of the Executive Board and the Board of Governors, we will achieve this goal. In the words of a distinguished former member of the Executive Board, "ACBF has now become a household word". The challenge now is for the Foundation to maintain its good standing in the eyes of its African constituencies and the donor community in order to solidify its emerging stature and visibility.

This *Annual Report* comprises eight sections. Section One presents the Foundation – focusing on its evolution, membership, funding status, mandate, operational modalities, governance arrangements and staffing structure. Section Two provides a snapshot of the Foundation's achievements in 2000 – highlighting the key developments that marked its operations. Section Three discusses the major aspects of the Foundation's internal operations during the year – including the activities of the Board of Governors and the Executive Board, institutional restructuring, management information systems, financial management as well as policy and institutional development issues. Section Four addresses events and issues relating to the integration of the PACT Initiative into the

Foundation as well as the implementation of the Initiative itself. Section Five examines aspects relating to the Foundation's project portfolio such as portfolio size and distribution, project development activities, project achievements, and project constraints. Section Six looks at the Foundation's efforts to boost its outreach and networking activities. Section Seven sets out the Foundation's financial status, and highlights the need for a large-scale resource-mobilization effort to fund its activities. Section Eight caps the *Report* by providing a synopsis of the Agenda ahead. The *Report* contains a number of boxes, tables and annexes (including the Audited Financial Statements) to support the entire discussion.

SECTION I

1. THE AFRICAN CAPACITY BUILDING FOUNDATION

The African Capacity Building Foundation (ACBF), which is based in Harare, Zimbabwe, is an independent development funding institution established on 9 February 1991 through the collaborative efforts of three multilateral institutions (the World Bank, the African Development Bank and the United Nations Development Programme (UNDP), African Governments and bilateral donors. Its current membership comprises these three principal multilateral donors, 14 African countries (Botswana, Cameroon, Democratic Republic of Congo, Côte d'Ivoire, Ghana, Kenya, Malawi, Mali, Mauritius, Nigeria, Senegal, Tanzania, Uganda and Zimbabwe) and 9 non-African bilateral donors (namely, Canada, Denmark, Finland, France, the Netherlands, Norway, Sweden, the United Kingdom and the United States). In addition, Japan has contributed resources to the Foundation through the Policy and Human Resources Development (PHRD) Fund at the World Bank. The establishment of ACBF was a response to the severity of Africa's capacity problem and the challenge to invest in indigenous human capital and institutions in sub-Saharan Africa. The Foundation commenced operations in 1992.

The Foundation's principal objectives are to: (i) build and strengthen sustainable indigenous capacity for macroeconomic policy analysis and development throughout sub-Saharan Africa; (ii) improve through co-financing and other networking arrangements, the channeling and coordination of donor support for capacity building in the area of the Foundation's mandate; (iii) contribute to programs for the reversal of brain drain from the Continent and encourage retention as well as intensive utilization of existing capacity; (iv) build capacity in key areas of the public sector with emphasis on the interface between the public sector, on the one hand, and the private sector and civil society on the other; and (v) provide support for regional institutions and initiatives.

ACBF focused initially on addressing capacity needs in the areas of macroeconomic policy analysis and development management. The Foundation has developed a niche in addressing the paucity of expertise in these areas by providing direct support for capacity-building actions through the African Capacity Building (ACB) Fund.

In 1996, the Foundation successfully underwent an external evaluation of its performance during its initial phase. This led to a renewed commitment in 1997 by donors to the Foundation, which resulted in pledges of about US\$70 million. The second five-year phase commenced in 1998 and will run up to the year 2002.

In 1999, the Boards of the Foundation approved the expansion of its role in capacity building to include the Partnership for Capacity Building in Africa (PACT). The integration of PACT into ACBF constituted the subject of a feasibility study whose main thrust was endorsed by the Executive Board and the Board of Governors.

Prior to the integration of PACT, the Foundation's portfolio comprised policy units, national and regional projects with a significant emphasis on training to build capacity for policy analysis, and several projects to rehabilitate national institutions. Most of the national projects had training components and a number provided for fellowships, in-service training, attachment programs, study visits, networking, information exchange and outreach.

Following the integration of PACT, the Foundation broadened its role to include the following key categories: (i) enhancement of public sector performance and effectiveness; (ii) strengthening of interface among the private sector, the public sector and society; and (iii) strengthening of regional institutions and initiatives.

Efforts are being made to encourage countries to set up national focal points for country-level coordination of capacity-building activities. In addition, the Secretariat will utilize technical review committees in the project development process.

The Foundation's approach to capacity building is largely demand-oriented with emphasis on needs assessments, project ownership and sustainability, and complementarity of intervention across projects and programs. More emphasis is currently being placed on the promotion of equity in the gender profile of beneficiaries of the Foundation's funding support. Operations at the Foundation are planned by means of medium-term work programs, which are implemented through annual business plans. Performance is rigorously monitored and evaluated based on quantitative and qualitative indicators.

The Foundation also extends support to non-project activities such as institutional networking, forums and dialogue among development partners, databases, and research into capacity-building issues.

The Foundation has a three-tier management structure consisting of a Board of Governors, an Executive Board and a Secretariat. The Board of Governors, the highest policy-making body, consists of one governor for each member country and multilateral donor. Its main responsibility is to set the broad policies for the operation of the Foundation as well as the appointment of the members of the Executive Board. The Executive Board is made up of eleven voting members. Eight of the Executive Board members (at least four of whom are Africans from four different countries) are appointed in their personal professional capacities for a maximum of two three-year terms. The other three are designated by the Foundation's three sponsoring agencies (AfDB, IBRD and UNDP). The Executive Secretary is a non-voting member. The Executive Board is charged with responsibility for operational policies, guidelines and strategies and appointment of the Executive Secretary. The Secretariat carries out the day-to-day activities of the Foundation in accordance with the policies and guidelines set out by the Boards. Currently, the Secretariat is comprised of a staff of 27 from 14 African countries.

SECTION II

2. HIGHLIGHTS OF 2000

The year 2000 marked a watershed for the Foundation. Based on every key indicator, the Foundation's performance was remarkable. Following the assumption of office by the new Executive Secretary in January 2000, he brought fresh vigor to the Secretariat — thereby transforming the latter's performance and positioning the Foundation as the premier capacity-building institution on the Continent. This also constituted a harbinger of greater achievements in the years ahead.

The highlights of 2000 can be distinguished as follows: (a) integration of the Partnership for Capacity Building in Africa (PACT) into ACBF; (b) implementation of the Foundation's expanded mandate; (c) project development and implementation activities; (d) preparation of a new Consolidated Strategic Medium-Term Plan; (e) revitalization of outreach and networking; (f) enhancement of the management information systems; and (g) reactivation of a resource mobilization strategy. Table 1 below presents some of the principal highlights of the year.

Table 1. Operational Highlights, 2000		
Item	2000	1999
Cumulative number of grants approved	78	42
Grants to national focal points	20	-
Cumulative number of active projects	60	34
Number of re-assisted projects	7	1
New grants to projects (incl. NFPs)	56	3
Countries covered	29	23
Active projects		
• Public Sector Projects	50	34
• Interface	9	-
• Strategic Interventions	1	-
Mid-term reviews	4	3
Supervision missions	69	27
Project development/Appraisal missions	54	4
PACT missions	54	7
Capacity needs assessment missions	54	3
Project identification missions	54	1
	US\$ Millions	US\$ Millions
Cumulative total cost of projects	402.77	213.08
Cumulative commitments	146.97	86.52
New commitments	60.45	4.87
Cumulative disbursements	58.74	48.16
Cumulative co-financing commitments	193.77	109.15
Paid-in contributions (Phase I)	67.07	66.26
Paid-in contributions (Phase II)	21.22	9.82
Cumulative investment income	9.66	8.3

A. Integration of PACT into ACBF

In 2000, the integration of PACT into ACBF finally took shape. Following the decision by the Board of Governors to endorse the integration strategy recommended by the Executive Board, the Foundation streamlined its project cycle, refined the scope of the new mandate, determined project eligibility criteria, established a Program Review Committee, and fostered beneficiary ownership of projects and programs. It also revised the Organization Chart, which now provided in particular for a new Department of Research, Training, Information Systems and Publication; a PACT Operations Adviser; a Head of the Legal Department; and a Special Assistant for Program Support and Outreach. The Organization Chart placed responsibility for project operations at the level of three Operations Zones headed by Program Team Leaders. The integration also involved the consolidation of the Foundation's Annual and Medium-Term Plans incorporating the ACBF-PACT operational agenda, the launching of a staff recruitment drive to enhance the skills mix within the Secretariat, and the enhancement of the Foundation's visibility and stature.

B. Implementation of ACBF's Expanded Mandate

The Foundation embarked on a vigorous and effective implementation of its expanded mandate in 2000. It continued to internalize the lessons learned from its involvement in new areas and exchanges with a broad array of stakeholders in order to strengthen its own internal capacity. In addition, it invested much effort in enhancing its networking with other institutions and partners involved in capacity building. In implementing its broadened mandate, the Foundation focused on the following strategic priorities: strengthening of the core public sector, enhancement of interface among the public sector, the private sector and civil society; strengthening of regional initiatives and revitalization of regional institutions; fostering of the emergence of NFPs as instruments for capacity building and participatory development at the national level; and involvement in the PRSP and E-HIPC processes.

By the end of 2000, the Foundation had accomplished the following:

- clarification of the scope of the Foundation's mandate;
- delineation of project eligibility criteria;
- institutionalization of a framework for dialogue with other partners in development;
- development of a robust pipeline of more than 400 project ideas;
- presentation of 43 project proposals and 3 memoranda to the Executive Board, 36 of which were approved. The projects, which were of very good quality, covered a broad thematic, geographical and linguistic space;
- provision of funding support (US\$50,000 per beneficiary) to strengthen national focal points (NFPs) in 20 countries;
- organization of regional workshops for NFPs or proxy institutions (which attracted

a total of 342 representatives from 44 countries, 60 of whom were women and 19 of whom were cabinet ministers);

- pursuit of arrangements for the first Pan-African Capacity Building Forum, which is scheduled to take place in Bamako, Mali, in 2001;
- enhancement of the visibility of the Foundation and intensification of media coverage of its activities; and
- progress in efforts to mobilize additional resources for the Foundation.

C. Project Development and Implementation Activities

In the wake of the integration of PACT into ACBF, the Foundation recorded remarkable achievements in the development of new projects as well as in the implementation of ongoing ones. For example, it:

- clarified the scope of, and project eligibility criteria for, its expanded mandate following the integration of the PACT Initiative (see Box 3);
- institutionalized a framework for consultation and stakeholder participation in the capacity-building process through the NFPs, and set up 20 of them that were approved by the Executive Board in May and December 2000;
- developed a robust pipeline of more than 400 project ideas to guide the Foundation's intervention in capacity building and to enable it to track changes in capacity needs;
- presented 43 project proposals and three memoranda to the Executive Board, of which 36 (a number which surpassed the target of 30 projects in the revised Business Plan for 2000) were approved; and
- expanded substantially the thematic range as well as national and regional coverage of projects, touching on areas such as interface among the public sector, the private sector and civil society, and regional initiatives; and bringing 8 new countries, including Central African and Lusophone countries.

Cumulative commitments to projects rose from US\$ 86.52 million to US\$ 146.97 million, which represented an increase of 69.87% over 1999. This resulted from the near-doubling of the project portfolio from 34 to 60 projects and the provision of seed support to NFPs in 20 countries.

Cumulative disbursements to projects activities rose from US\$ 48.16 million to US\$ 58.74 million, representing an increase of 21.97% over the previous year. Actual disbursements to projects and project-related activities in 2000 amounted to US\$ 10.59 million, compared to US\$ 7.64 million in 1999. This reflected an accelerated pace of activities by projects in the Foundation's portfolio due to the resolution of project implementation bottlenecks, smoother transitions between phases and the speedy fulfillment of grant conditions by project promoters.

The cumulative level of co-financing (including self-generated financing as well as donor and counterpart funding) of ACBF-funded operations rose by 77.53%, bringing the total from US\$ 109.15 million to US\$ 193.77 million. This sharp increase was attributable not only to the expansion of the project portfolio but also to the Foundation's systematic efforts to assist its beneficiaries in leverage co-financing for the projects.

The projects in the Foundation's portfolio continued to strengthen the relevant capacities of beneficiaries. For example, by December 2000, a cumulative total of 12 701 persons had participated in conferences, seminars, short courses and workshops organized by ACBF-funded projects. Also, the cumulative number of policy studies commissioned by governments, the private sector, civil society organizations and the donor community rose from 458 in 1999 to 574 in 2000. Lastly, the cumulative number of research studies published and disseminated by the policy units grew from 361 in 1999 to 577 in 2000.

D. Preparation of a New Consolidated Strategic Medium-Term Plan

At the request of the Board of Governors, the Foundation prepared a new Consolidated Strategic Medium-Term Plan (SMTP) for the next five years. The document incorporated and built on the holding scenario of the Strategy and Indicative Work Program (SIWP) for the period 1998 – 2002, which was approved by both Boards in 1997. The SMTP presented the Foundation's vision, mission, objectives, strategic priorities and programs, and resource requirements for addressing sub-Saharan Africa's capacity needs. The Executive Board endorsed the broad thrust of the SMTP, subject to introduction of a number of changes ahead of presentation of the document to the Board of Governors in January 2001. It is expected that, following approval of the document, the Board of Governors will convene a pledging session later in the year to mobilize resources to finance the planned activities.

E. Revitalization of Outreach and Networking

In 2000, the Foundation achieved substantial results in strengthening its image and reputation as a major player on the African scene in the area of capacity building. It enhanced its visibility significantly through wide coverage of the regional workshops for NFPs organized in Libreville, Gabon, and Lusaka, Zambia. The Foundation resumed regular publication of the quarterly *ACBF Newsletter*, which had been dormant since 1996. It also developed a website that is poised to help transform ACBF into a portal to cutting-edge information and data on capacity building on the Continent. Lastly, members of the Foundation participated in many meetings, seminars and workshops, and struck strategic partnerships and networking arrangements with numerous institutions and stakeholders. These efforts enabled the Foundation not only to share its experiences and perspectives on the future with its partners, but also to position itself as a potential

central actor in the building of capacity for poverty reduction and sustainable development in Africa.

F. Enhancement of the Management Information Systems

In order to accommodate the steep increase in transactions following the integration of PACT into ACBF and the consequent implementation of the expanded mandate, the Foundation continued to upgrade its information technology platform as well as strengthen its financial processing and internal controls mechanisms. The result was the strengthening of adherence to fiduciary rules and the achievement of significant budgetary savings. For example:

- The Foundation installed a Local Area Network (LAN) comprising a high-capacity server, 28 desktop computers and 5 laptops.
- As part of the Foundation's information management strategy, it designed a prototype website aimed at offering basic information on the Foundation's activities and achievements.
- The Foundation introduced new accounting software in order to improve financial reporting of expenditure by beneficiary projects and the tracking of internal transactions undertaken by the Foundation.

G. Reactivation of a Resource Mobilization Strategy

In 2000, most donors to the Foundation's trust fund disbursed pledged resources on the basis of the draw down schedule agreed upon by the Board of Governors in 1997 within the framework of the Memorandum of Understanding (MOU) relating to the African Capacity Building (ACB) Fund (Phase II). The Board of Governors urged those donors still lagging in fulfillment of their pledges to pay in the expected resources to enable the Foundation to implement its work program.

Following the approval by the Foundation of qualifying PACT projects, the World Bank released a total of US\$ 53 million to help finance the projects. Such action augured well for the release by the World Bank and other donors of additional resources within the framework of the implementation of PACT.

The Republic of Ireland (through Ireland Aid) signaled its intention to contribute to the joint funding of the Foundation. It is expected that the legal instruments specifying its pledge will be signed with the Foundation in 2001.

The Foundation considers resource mobilization as a key component in the realization of its objectives. Given the gap between the resources pledged thus far to the Foundation (and therewith its potential commitment authority) and the requirements for funding its current work program, and considering the magnitude of the financial resources that will be required to implement the SMTP, the Foundation prepared a paper proposing

strategies for mobilizing additional resources. The paper was endorsed by the Executive Board, and will serve as the framework for charting a resource mobilization drive in 2001 and beyond.

Box 1.

**ACBF: An African Institution at the Core of
Capacity Building in Africa**

ACBF has achieved much success in its core areas of activity relating to policy analysis and development policy management, namely: (i) the establishment, mostly from scratch, of policy units within or outside government; and (ii) training programs at both the national and regional levels. Following the integration of PACT into ACBF, the Foundation has embraced a broader set of challenges. The role the Foundation is likely to play in capacity building in Africa over the coming years will be clarified further in the Strategic Medium-Term Plan (SMTP) that it is currently preparing, and which will be presented to the Board of Governors for approval in 2001.

As ACBF ponders a bright future and the challenges for making capacity building a cornerstone of the development process, it is clear that the Foundation has achieved remarkable results that add value to the contributions of other development partners in Africa. These achievements justify its commitment to becoming the premier capacity-building institution on the Continent. Some of the key contributions are highlighted below:

- Ø The Foundation is uniquely African in that it is staffed entirely by Africans and specializes in problems and issues affecting capacity building for poverty reduction, good governance and sustainable development management in Africa.
- Ø ACBF has developed considerable experience in the African-led design and implementation of capacity-building projects. After ten years, the Foundation has garnered a wealth of knowledge on which to draw and share as well as a network of contacts that has taken substantial effort to build and enhance. This augurs well for transforming the Foundation into a hub or clearinghouse for lessons and best practices.
- Ø The Foundation has gained the trust and respect of its stakeholders as a result of the empowerment of stakeholders and the technical expertise it has developed in understanding and addressing the problems and issues of capacity building in Africa. Its proximity to its stakeholders has enabled it to intervene effectively in otherwise very difficult environments.
- Ø ACBF has adopted a process-based approach to capacity building reflecting flexibility in program implementation and commitment to long-term support while ensuring adequate monitoring of progress towards the sustainability of operations.

- Ø The Foundation's neutrality and focus on quality as well as the flexibility of its operational and funding modalities have enabled it to provide direct assistance to both governmental and non-governmental organizations. Its innovative interventions in capacity building have afforded it the opportunity to achieve economies of scale in its operations and project-development efforts and thus contributed to curbing transaction costs and enhancing opportunities for co-financing.
- Ø ACBF has assembled highly qualified African professionals who are specialized in the area of capacity building. Also, through the projects it supports, the Foundation has attracted skilled Africans from outside the Continent, which has contributed to the reversal of brain drain.
- Ø Given its integrated approach to capacity building, involving a focus on ownership, leadership and partnership, ACBF is uniquely positioned to foster sustainable bonds with many actors as well as facilitate dialogue and the coordination of capacity-building assistance on the Continent.
- Ø The Foundation has developed a rigorous administrative, organizational and financial controls system that has enabled it to operate as a lean and cost-effective organization.
- Ø The various policy units that the Foundation is supporting are making a difference by providing critical policy-informing analyses that have helped to facilitate consultation and dialogue among government, the donor community, the private sector and civil society as well as to upgrade the transparency, quality and delivery of public policies and programs on the Continent.

SECTION III

3. ACBF OPERATIONS

A. Activities of the Boards

ACBF is governed by two Boards - the Board of Governors, consisting of 26 members representing 23 countries and three sponsoring agencies (AfDB, UNDP and the World Bank); and the Executive Board, consisting of eleven voting members (of whom 8 are independent members and 3 are designated by the three sponsoring agencies) and one non-voting member (the Executive Secretary). The Board of Governors is the principal policy-making body of the Foundation. It met in special session in January and held its 9th Annual Meeting in June 2000. The Executive Board is responsible for the conduct of the general operations of the Foundation. It met three times in 2000 ³/₄ in regular sessions in March and December, and in special session in May.

The Board of Governors

The Board of Governors held two meetings in 2000 – a special meeting on 12 January in Harare, Zimbabwe, and its 9th annual meeting on 15 June in Paris, France.

At the Special Meeting held in January, the Board of Governors considered the Report on the *Study and Design and Implementation Issues in the Expansion of ACBF to Integrate PACT*, prepared by external consultants hired by the Foundation. It endorsed the flexible and incremental approach of “learning-by-doing” adopted by the Executive Board concerning the entire integration process and called on the Foundation to ensure that the results and recommendations of the study are utilized or implemented to the fullest extent possible. The Governors endorsed the integration of PACT into ACBF as recommended in the consultants’ report, but underscored the need for the Foundation to avoid disrupting its current work program by aligning such integration and consequent expansion of the scope of activities with the size of its human and financial resources. In this connection, they recommended that ACBF should strike a balance between utilization of external expertise and continued involvement of the Foundation in both upstream and downstream activities not only in order to help build a solid project pipeline but also to ensure effective and efficient implementation of projects in the Foundation’s portfolio. The Governors noted the Report by the Secretariat that the Foundation had already begun to build a pipeline of potential projects under PACT.

Concerning the scope and scale of ACBF activities, the Board of Governors also agreed that the expansion of the Foundation’s scope of activities should include, *inter alia*, economic and financial management, civil service reform and coordination of capacity-building activities not only with governments but also with the donor community. In this connection, the Board of Governors agreed that the Foundation did not yet need to

revise its current Strategy and Indicative Work Program (1998-2002). Rather, it should retain the SIWP intact within the framework of a broader work program that would be reviewed every six months. The Board of Governors thus requested the Foundation to prepare a paper clarifying its scope of activities following the integration of PACT into its fold. The paper would address, *inter alia*, the eligibility criteria for accessing ACBF resources within the expanded framework.

With respect to national focal points (NFPs), the Board of Governors agreed that their establishment or existence should not constitute an eligibility criterion for access to PACT resources. Rather, the Foundation should ensure that there is coordination of capacity-building programs in beneficiary countries. It also recommended that ACBF should pursue its reflection on the role of NFPs and their relation to the Foundation and other stakeholders.

The Board of Governors also deliberated on transitional issues relating to the integration of PACT into ACBF as well as the financing requirements. To this end, the Governors agreed that the African Capacity Building (ACB) Fund and the Capacity Building Trust Fund (CBTF) should be merged by the end of 2000. This would enable ACBF's current line of business to access resources allocated to PACT, provided that the Foundation protects as well the integrity of eligibility criteria for the financing of PACT-related projects. The Governors also agreed that, while the merger of the ACB Fund and the CBTF would reduce in the short run current pressures on ACBF finances, the Foundation should begin preparing a new consolidated work program (inclusive of PACT activities) and replenishment drive for its next phase, beginning in the year 2001. To this end, they decided that the Executive Board should examine, endorse and present a realistic medium-term program for presentation to the Board of Governors. They also agreed that the Executive Board should present a resource mobilization strategy to the Board of Governors to finance the new strategic plan. The plan would be discussed at a special meeting to be held sometime in early 2001. Meanwhile, the Governors requested the Foundation to improve the level of disbursements to projects in accordance with existing draw down rules. There was a consensus that there were no legal or institutional impediments to the integration of PACT into ACBF. However, pending further clarification by some donors, the Board of Governors decided that the current Memorandum of Understanding relating to the ACB Fund should be amended to accommodate the anticipated merger with the CBTF and the pledging of additional resources to the Foundation.

In light of the important developments taking place at the Foundation, the Board of Governors requested the Foundation to improve its outreach function by keeping its stakeholders, including local diplomatic missions, abreast of its activities – as this would help to enhance its stature and visibility.

At the Annual Meeting of the Board of Governors held in June 2000, the Governors

commended the Foundation on the high quality of Board papers. In reviewing the Foundation's financial position, they noted the confirmation provided by the Secretariat that the Foundation now systematically includes in its accounts data on the status of Japanese funding of ACBF projects through the Policy and Human Resources Development (PHRD) Trust Fund at the World Bank. The Governors urged all donors still lagging in fulfillment of their pledges to expedite the processing of disbursements to the Foundation's trust funds. As a result, they agreed to maintain the current draw down schedule, pending a review of the schedule at a later date following the merger of the ACB Fund and the CBTF.

With respect to policy issues, the Board of Governors underscored the need for the Foundation to develop innovative strategies for making the projects in its portfolio more sustainable, while signaling its awareness that such projects cannot find sustainability in the short term. The Board of Governors also encouraged the Foundation to pursue its work in the area of co-financing. In particular, the Governors requested the Foundation to examine the issues of round-tripping or double-dipping of resources as well as the motivations for such trends.

As regards the status of implementation of ACBF's expanded mandate, the Board of Governors commended the Foundation for the excellent work it had done since it commenced the exercise, and encouraged the Foundation to explore areas that are at the cutting edge of capacity building, while avoiding to overstretch itself.

With respect to vacancies and renewal of terms of office on the Executive Board, the Governors re-appointed Mr. Kwesi Botchwey and Mr. Gerald Helleiner to another three-year term on the Executive Board. Mr. Botchwey was also re-appointed Chairman of the Executive Board. The Governors decided to defer appointments to fill the three remaining vacancies, and agreed that once the Search Committee had obtained the relevant clarifications regarding the eligibility of employees of the United Nations system, it could present recommended candidates to the Board of Governors by correspondence. Governors would then vote on the slate of candidates without meeting. In November 2000, the Governors voted by mail to appoint Mrs. Winnie Byanyima and Mr. Thandika Mkandawire to the Executive Board. They thus filled two of the three vacancies reserved for independent members of the Executive Board.

In response to a concept paper presented by the Foundation on the organization of the first Pan-African Capacity Building Forum to signal the launching and implementation of PACT following its integration into ACBF, focus stakeholder attention on the key planks of PACT, and raise the stature and visibility of the Foundation through discussion of cutting-edge capacity-building issues and their development dimensions, the Board of Governors endorsed the principle of convening the Forum and selected the city of Bamako in Mali as the venue of the Forum. The Governors also requested the Foundation to seek other co-sponsors of the Forum to complement its own resources.

The Board of Governors examined the issue of whether to grant a waiver to African countries in respect of the formal constitutional requirement that they should contribute at least US\$250,000 to the ACB Fund to gain a seat on the Board of Governors. Most Governors acknowledged the need to foster greater African presence on the Board of Governors, in particular because of its implications for ownership of the Foundation by Africans. However, they were doubtful that the waiver approach would address the issue appropriately. They therefore declined to grant a waiver of the financial requirement and encouraged the Foundation to reflect further on ways to cultivate greater African presence and participation in the Foundation's activities at the level of the Board of Governors.

The Executive Board

The Executive Board met three times in 2000 - twice in regular session (15 – 16 March and 1 – 2 December) and once in special session (3 – 5 May).

The Executive Board played a significant role in helping to shape the focus of the Foundation's interventions in light of the integration of PACT into ACBF. The Executive Board also monitored the implementation of the Foundation's expanded mandate. In this connection, it decided that the Secretariat should, in implementing such mandate, focus primarily on enhancement of public sector performance and effectiveness, strengthening of the interface among the public sector, the private sector and civil society; and fostering of regional initiatives. The Executive Board however noted the need for the Secretariat to exercise some flexibility in such implementation, and was instrumental in clarifying the eligibility criteria for support to projects.

As regards workshops and forums, the Executive Board approved concept papers on: (i) the organization of regional workshops for national focal points or proxy institutions in Libreville (Gabon) and Lusaka (Zambia); and (ii) the convening of the first Pan-African Capacity Building Forum. The Executive Board contributed thoughts and recommendations regarding the objective of the Forum; the issue of participation of heads of state; the theme, cost, timing and venue of the Forum; and the range of sponsors and participants.

Following the integration of PACT into ACBF, the Executive Board revisited the Business Plan and Budget for 2000 that it had approved in November 1999 in respect of the Foundation's initial line of business. In this connection, the Executive Board approved the Consolidated Business Plan for Fiscal Year 2000 as well as the relevant administrative budget at US\$3.43 million. The Executive Board noted that the consolidated budget had been prepared in a participatory and consultative manner, that budgetary costs had been streamlined, and that despite the integration (which the World Bank Memorandum of

the President on PACT had estimated would cost an additional US\$ 1.6 million), the budget experienced an increase of only 23% over 1999. The Executive Board urged the Secretariat to make realistic estimates of budget items and keep control over cost overruns. It also sought to ensure that the Secretariat struck a balance between the level of outputs and the degree of attention to staffing constraints.

The Executive Board approved 36 new full-fledged projects and programs (drawn from a pipeline of more than 400 project ideas or proposals) and 20 national focal points. It approved the projects based on the innovative but streamlined scope and eligibility criteria it had endorsed earlier in the year. In sum, in 2000 the Executive Board approved grants amounting to US\$ 60,451,825. However, in light of the tight available commitment authority in the later part of the year, the Executive Board directed the Secretariat to manage, and possibly adjust downwards, the total commitment figure to a more realistic level. The complete list of new projects and programs approved by the Executive Board is presented in Annex 1 to this *Annual Report*.

The Executive Board also deliberated on a number of policy and institutional issues affecting processes within the Foundation relating to project development, approval and implementation. With respect to post-conflict environments, for instance, the Board decided that, although the Foundation should not exclude such environments from funding support, it should ensure that there is evidence of cessation of hostilities as well as a commitment to a program of democratic transition. The Executive Board requested the Secretariat to conduct a study on *Capacity Building in the Public Sector in Weak States*. The study would be aimed at taking stock of the lessons learned and extracting elements from such experience that would contribute to the shaping of Foundation policy in the area. The study would thus consider the range of possibilities in providing support, given the special circumstances of these environments.

Besides following up on the results of detailed needs assessment exercises in Cameroon, Gabon and Rwanda, and on the resolution of difficulties facing a few projects in the Foundation's portfolio, the Executive Board directed the Secretariat to consider more closely, during the negotiation of grant agreements, issues relating to tenure on project boards. It also decided that, given the long-term nature of the capacity-building process, it would maintain a flexible, case-by-case approach to the issue of renewal of financing of ongoing projects. The Executive Board examined the status of co-financing of projects being supported by the Foundation. It expressed concern about the failure of some promising projects to mobilize the requisite co-financing from other sources, which caused them to rely almost exclusively on ACBF funding for their operations. The Executive Board thus requested that a broader discussion be conducted within the framework of the Board of Governors. In doing so, the Executive Board noted the briefing given by the Secretariat that some donors are increasingly reluctant to provide co-financing to individual projects since they contribute directly to the Foundation's trust funds.

As part of its effort to attract and retain high-caliber individuals to work at the Foundation, the Executive Board commissioned a World Bank Human Resources Compensation Management Team to review the Foundation's compensation and benefits package. The preliminary report released in November 2000 informing the first phase of the exercise provided insights on various important issues and reflected staff perspectives and comments. It is expected that the compensation review exercise will be completed by November 2001.

B. Institutional Restructuring

During the year, the Foundation experienced significant changes in leadership, management and performance, including the assumption of office by a new Executive Secretary in January 2000. These changes had a strong impact on project operations. The year also witnessed the vigorous launching of both the integration of PACT into ACBF as well as its implementation. This led to a reorganization of the Secretariat, which ushered in far-reaching changes in the program management framework and paved the way for the transformation of the Foundation into a knowledge management leader on the Continent. One such change was the establishment of a new department for research, training, information systems and publications. The department will play a central role in realizing the Foundation's ambition of becoming a premium-grade knowledge base and information clearinghouse on capacity-building issues and activities in Africa. The reorganization involved the adoption of a new organizational chart that effectively combined integration and implementation concerns in the execution of the Foundation's expanded mandate, the creation of Operations Zones and consequent reallocation of the project portfolio on a geographical rather than a linguistic basis. Program Team Leaders were appointed to take direct responsibility for the Operations Zones.

Other significant institutional changes in management included the formal establishment of a Project Review Committee (PRC) to enable all professional staff to participate more effectively in the project screening and selection process. Efforts to achieve a full staff complement in order to raise and sustain performance level at optimal capacity led to the launching of a recruitment drive. The Foundation also accorded attention to issues of performance monitoring and staff motivation following the institutionalization of a mid-year staff performance review exercise and the launching of a compensation review by the Executive Board in September 2000.

C. Management Information Systems

Information Technology is a powerful tool in knowledge management. In 1999, the Foundation embarked on a large-scale upgrading of its IT platform. This involved the acquisition of new state-of-the-art Y2K-compliant hardware and software. The installation

and testing of a Local Area Network (LAN) was completed early in 2000 and comprised a high-capacity server, 28 desktop computers and 5 laptops. The new IT systems sought to address the current as well as medium-term needs of the Foundation. In order to ensure an efficient management of the IT systems, the Foundation has developed a procedure manual describing general guidelines and specific rules designed to help users of ACBF IT facilities.

ACBF has made a good start in the development of its knowledge management function by making appropriate use of the IT infrastructure. While the Foundation is still developing a more comprehensive information management strategy, it has invested considerably in designing a prototype website that offers basic information on the Foundation's activities and achievements. The website is still being developed in order to incorporate information that will satisfy internal needs as well as those of external partners. The prospects for a more ambitious expansion of the knowledge management function are significant considering the existing technology platform, the possibility of extension of the bandwidth of the internet connection and the potential of transforming internal processes through the intranet. The Business Plan for Fiscal Year 2001 envisages that the Foundation will enhance its IT capacity in order to increase its profile in knowledge management by supporting activities such as the creation of a Gateway to the capacity-building knowledge base, establishment of a search engine to gain access to all web sites in Africa specializing in capacity building, and introduction of an online library specializing in capacity building and other relevant development topics. Thus, the IT strategy being developed will seek to improve the efficiency of the Foundation's internal operations as well as lay the groundwork for networking with the global development community.

The introduction of new accounting software also contributed to the improvement of financial reporting of expenditure by beneficiary projects and the tracking of internal accounting transactions undertaken by the Foundation. This has resulted in a more robust monitoring of cost centre budgets and closer follow-up of disbursement trends. Major savings on the administrative budget were achieved as a result. The enhanced systems were also able to handle large volumes of transactions resulting from the integration of PACT into ACBF.

D. Staffing

Following the expansion of the Foundation's mandate during the year, the Foundation's strength increased by six members of staff. These comprised one Program Officer, a Finance and Budget Analyst and four members of the support staff. They were all recruited on the basis of a transparent, rigorous and competitive process aimed at raising the staffing level in the Secretariat to optimal capacity. The new additions increased the total staff strength to 27. This heralded the beginning of a recruitment drive aimed at

attracting and retaining high-caliber staff to enable the Foundation to handle the new organizational and operational challenges presented by its expanded mandate. ACBF remains dedicated to delivering work of the highest quality to ensure that its portfolio of projects continues to perform well and that the Foundation positions itself as the leading capacity-building institution in Africa.

E. Commitments

During the year, the Foundation recorded a phenomenal growth in its portfolio. A total of 36 projects and 20 national focal points were approved during the year. This increased the Foundation's grant commitments total from US\$ 86.52 million to US\$ 146.97 million. This represents nearly a 70% increase in commitments over 1999.

With a robust portfolio that rose from 34 to 60 active projects and 20 national focal points within one year, the Foundation demonstrated a high delivery capacity. This was an indication of the renewed vigour it gained in response to the new challenges arising from the expansion of its mandate and the prospects of additional resources.

F. Co-financing

The total cost of projects supported by the Foundation increased by 89% from US\$ 213.076 million in 1999 to US\$ 402.773 million in 2000. Of this amount, the ACBF share of co-financing (which stood at US\$ 146.97 million) represented 37% of the total, Governments or the beneficiaries themselves contributed 16%, and 33% originated from bilateral or multilateral donors. The balance of US\$ 56.409 million or 14% represented the co-financing deficit. The growth in the co-financing deficit was nearly two-fold when compared to the previous year's ratio of 5.5%. The massive expansion of the project portfolio during the year, coupled with the difficulties faced by project beneficiaries in mobilizing the requisite co-financing, contributed largely to the increased co-financing gap.

G. Disbursements

Disbursements to projects and project-related activities during the year amounted to US\$10.59 million compared to US\$ 7.64 million for 1999. This represented an increase of 38.6% over the previous year's performance. The increase in disbursements was attributable to a combination of various factors. First, drawing on experience, the Foundation anticipated and managed more appropriately the transitional problems often faced by projects moving from one phase to the next. These problems often manifest themselves in the slowing down of project activities and disbursements. Second, most of the new projects approved during the year received guidance in meeting conditions prior to the negotiation, signing and effectiveness of grant agreements - thus allowing a number of them to become operational sooner than was the case before. Third, the projects that

experienced governance and management problems were accorded special attention through special missions that focused on resolving the various problems they were facing.

H Administrative Expenditure

The budget for Fiscal Year 2000 was implemented in an environment of hyperinflation within the host country. The prices of basic commodities continued to rise unabated given an official inflation rate averaging 62% for the greater part of the year. The local currency exchange rate continued to be centrally controlled with the result that the official rate of devaluation of the Zimbabwe dollar lagged considerably behind the inflation rate.

Institutionally, the year began with a concerted effort to implement the PACT mandate. In light of the externalities that were facing the Foundation, the Secretariat founded the implementation of the budget for Fiscal Year 2000 on the themes of high operational performance, efficiency and cost effectiveness. Despite the hyperinflationary environment, significant savings were achieved through a number of cost-cutting measures. Some of these measures included the introduction of a systematic tendering process, the combination of missions to various countries within the same region and participation in regional and international conferences on a selective basis. The engagement of mostly local consultants in project development activities also translated into savings in travel costs and consultants fees.

The austerity measures taken in implementing the budget for Fiscal Year 2000 and the high operational outputs translated in turn into high efficiency ratios for 2000 when compared to previous years. A comparison of the efficiency with which one United States dollar was utilized between administration and disbursements to projects between 2000 and 1999 reveals that the year 2000 recorded an efficiency level of 21.67% as against 26.3% in 1999. This implies that, for every dollar, 21.67 cents were used for administration (as against 26.3 cents in 1999).

I Policy and Institutional Development Issues

ACBF, the PRSP Process and the Enhanced HIPC Capacity-Building Program

The nature of capacity building in Africa is changing rapidly, driven by a Continent-wide recognition of its central role in current efforts aimed at fostering holistic approaches to the resolution of development problems (for instance, the Comprehensive Development Framework [CDF], curtailing poverty (through Poverty Reduction Strategy Papers [PRSPs], trimming debt (for example, through the Enhanced HIPC Initiative), advancing technological innovation, and improving institutions and practices of governance. These trends point to a future filled with unique challenges and opportunities.

In implementing its expanded mandate, the Foundation contributed directly and indirectly to poverty reduction strategies and programs as well as to the capacity-building program of the Enhanced Highly Indebted Poor Countries Initiative (E-HIPC). The strong interest demonstrated worldwide in poverty reduction, and the decision to make the design of poverty reduction strategy papers (PRSPs) a prerequisite for access to debt relief made it imperative for the Foundation to play a more active role in enhancing the capacity of African countries to embrace the challenge. As a result, the Foundation participated in many meetings and forums aimed at assessing strategies, instruments and lessons in the area of poverty reduction. It also encouraged the projects in its portfolio to play a visible and effective role in the process.

Within the Foundation itself, efforts were made to contribute to the assessment of capacity needs as they related to participatory development frameworks; the design, implementation and monitoring of poverty reduction strategies and programs; and the implementation of the E-HIPC debt-management strategy. To this end, the Foundation participated actively in the following activities:

- The first training session organized in Washington, D.C., on 24 – 26 April 2000 by the World Bank and the IMF on the PRSP process and its content. The Executive Secretary made a videotaped presentation, which formed part of the materials at the training session.
- The first Forum organized in Abidjan on 5 – 9 June 2000 by the AfDB, the IMF and the World Bank and hosted by the AfDB (with co-sponsorship by ACBF) for country-level PRSP teams. The Secretariat contributed to efforts aimed at clarifying how the capacity needs for the design and implementation of home-grown poverty reduction strategies and programs can best be identified and addressed at the country level, and what might be the specific niche of NFPs and thus of the Foundation itself.
- The 6th Steering Committee Meeting of the HIPC Debt Strategy and Analysis Capacity Building Program for HIPC countries. The State Secretariat for Economic Affairs, Switzerland, hosted the meeting on 8 June 2000. Following the approval of the WAIFEM project by the Executive Board in May 2000, the Secretariat took the opportunity at the meeting to underscore the Foundation's commitment to building the necessary capacity in sub-Saharan Africa for effective implementation of the E-HIPC program. The meeting centered on HIPC capacity-building needs, the progress report on the HIPC capacity-building program, and transfer of the capacity-building program to five HIPC regional institutions, four of which are located in Africa and are already being supported by the Foundation (*Banque Centrale des Etats de l'Afrique de l'Ouest* [BCEAO], *Banque des Etats de*

l'Afrique Centrale [BEAC], the Macroeconomic and Financial Management Institute for Eastern and Southern Africa (MEFMI) and the West African Institute of Financial and Economic Management (WAIFEM). The meeting also reviewed other debt management initiatives and their complementarity with the HIPC capacity-building program. The Executive Secretary was appointed to the HIPC Ministerial Steering Committee.

- The Foundation was invited by the OECD Secretariat for the Partnership in Statistics for Development in the 21st Century (PARIS21) to participate in the PARIS21 Initiative, which is designed to strengthen national statistical systems and capacity of countries preparing poverty reduction strategies and programs. The Foundation made a written presentation at the inaugural conference on the Initiative that was held in June 2000, and is currently reflecting on a suitable collaborative framework within which it can play an active role in PARIS21 activities. Once the ACBF regional initiative on *Labor Market Statistics and Poverty Monitoring Systems in sub-Saharan Africa* takes off, the Foundation will be well placed to provide an institutional framework for managing the PARIS21 program in the African context.
- The Secretariat participated at the workshop and donor consultative meeting hosted by the Institute of Development Studies (IDS), Sussex, and the Government of Uganda on the establishment of a regional learning network for poverty reduction in sub-Saharan Africa. The meeting, which was held from 31 October to 2 November 2000 in Kampala, Uganda, set up an interim Steering Committee to initiate action towards the realization of the learning network. It has been proposed that the Foundation should serve as the host institution for the interim secretariat of the Steering Committee. The Foundation has responded positively to this proposal as it provides an opportunity to appropriately guide the emergence of the learning community. Meanwhile, the Foundation is working with a number of partners, including the World Bank Institute (WBI), to develop an innovative and holistic approach to addressing the capacity-building dimensions of the PRSP process. The tentative title given by the Secretariat to the program is *Poverty Reduction Programming, Implementation, Monitoring and Evaluation* (PRIME) Initiative.

At the level of the projects in the Foundation's portfolio, policy units, training programs and other initiatives played a central role in designing, disseminating and monitoring the implementation of poverty reduction strategy programs (see *Section F* in the chapter on *Project Portfolio Performance*).

Effective participation by Africa in regional cooperation and integration will require the Continent to strengthen requisite skills and institutional capacities at both national and regional levels. Given its mandate in building human and institutional capacity in Africa, ACBF is playing a leading role in current efforts towards promoting cooperation and integration on the Continent.

Regional integration in Africa is a subject that has continued to be characterized by a disturbing gap between aspirations and achievements. The goal of linking African countries together through a series of regional integration and cooperation arrangements and of integrating Africa into the global economy still remains a distant one. While this is, to some extent, attributable to a combination of design and implementation problems, it is also clear that lack of human and institutional capacity poses a significant challenge in taking forward the goal of achieving regional economic integration and cooperation.

It had been expected that the emergence of RECS and, eventually, the African Economic Community (AEC) by 2025 would pave the way for an Africa-wide economic market and then Economic Union. Despite these hopes, RECs have not been successful in attaining the desired results. The target set in the *Lagos Plan of Action* to achieve the Economic Community of African States by the year 2000 has not been met. Sub-regional integration, which is expected to provide the building blocks for African economic solidarity, has also had mixed results. In addition, the actual economic gain to be derived from this endeavor has proven to be very limited. Internal trade has been much less important in all of the African blocks, with, in most cases, little or no growth in relative terms over time. The two largest groupings in terms of size of members, COMESA and ECOWAS, show intra-regional trade shares of only 6-7% and 5% respectively, with little or no growth. The share of intra-regional trade within SADC in the 1980s was below 5%, but has risen to closer to 10% with the entry of the Republic of South Africa into the Community. In West Africa, the intra-regional trade share increased to 9% in UEMOA in 1996, but was less than 2% in UDEAC/CEMAC.

The Cotonou Agreement on ACP-EU partnership was signed between 15 European states and 77 ACP countries (48 of which were African states) in June 2000. This new partnership agreement marked the formal end of the Lomé Convention and the beginning of a gradual yet possibly trying process towards trade liberalization. The main objective of the partnership is to reduce and eventually eradicate poverty while contributing to sustainable development and to the gradual integration of ACP countries into the global economy. In these ongoing negotiations, both the ACP states and the EU agreed that regional cooperation would be a very important part of the Agreement. However, drawing on the experience of the various Lomé Conventions, it has become apparent that most ACP countries, and especially those in Africa, have not always taken full advantage of regional

cooperation programs. One of the major problems is the complex nature of the procedures and regulations involved and the incapacity of ACP states to stake trade positions built on a strategic consensus.

The emergence of the WTO as a key institution in the management and governance of the world economy is also posing new and challenging demands for African countries with respect to the various dimensions of their participation. In the previous rounds of WTO negotiations, African countries were literally voiceless and took no direct and active interest in the negotiating process. Besides the built-in biases of WTO processes, African participants generally lack technical expertise and negotiating experience – which in turn has led to their marginalization in trade negotiation processes.

Thus, strengthening the effectiveness of African countries in the negotiation process has emerged as a real issue among Africa's development concerns, especially in the wake of its increasing marginalization resulting from the globalization of the world economy. There is also a widespread recognition that most African economies lack sound and clear macroeconomic and financial management capacity, without which the full potential of national and regional efforts will not be realized.

It is for this reason that ACBF has embarked on a variety of initiatives aimed at contributing effectively through capacity building to the realization of the objective of African economic cooperation and integration. In pursuing this strategy for building vital human and institutional capacity, the Foundation supports a number of regional and national projects, which have had a positive impact on: (i) strengthening the capacity of African states in the design and implementation of RECs; (ii) enabling the Continent to participate fully in WTO negotiations and other international trade negotiations; (iii) building local capacity in macroeconomic and financial management; and (iv) enhancing negotiation capacity in support of external debt strategies.

To this end, the Foundation has provided support to a number of regional projects, which have a direct or indirect impact on enhancement of the capacity of African states in global trade negotiations as well as in macroeconomic, financial and debt management. Examples of projects that are benefiting from the Foundation's support include AERC, PTCI, BCEAO/BEAC, CEMAC, ECOWAS, IEF, MEFMI, PASU and WAIFEM. AERC and PTCI constitute emerging models of success in the experiment to upgrade economics education through the achievement of economies of scale in the provision of faculty, teaching facilities and curricula. The BCEAO/BEAC, MEFMI and WAIFEM projects lie at the cutting edge of current initiatives to overhaul macroeconomic policy frameworks and debt-management strategies across entire sub-regions in order to close the capacity gap as well as lend coherence and sustainability to poverty reduction and sustainable development efforts. The PASU project is designed to help orchestrate the emergence of the AEC as a potent tool for regional economic cohesion and integration. It is hoped that

the CEMAC and ECOWAS projects will provide much-needed additional impetus to the drive to enhance intra- and inter-regional co-operation as well as mainstream African sub-regional blocs in global trade negotiations. In the future, the Foundation will continue to explore innovative ways of enhancing trade negotiation capacity on the Continent either directly or through its projects.

ACBF, Knowledge Management and the Digital Divide

Knowledge is fast becoming a key driver in globalization and effective participation by countries in the global economy. Remarkable innovations have occurred in various fields of human endeavor and these are opening up new opportunities for countries to harness knowledge and participate more effectively in the global economy and the information society. In such a fast and expanding global information network, the role of information technology in the development process is evident. Yet, despite its importance, Africa's involvement in the technological revolution has been marginal. The Continent also lacks reliable access to technology and skills. To become competitive in world markets and to participate effectively in global information exchange, sub-Saharan African countries therefore need to make the desired transition into knowledge-based economies.

Over the last ten years and more vigorously since 2000, the Foundation has pursued a clear vision in capacity building in sub-Saharan Africa. It has applied innovative approaches to capacity building, placing a high premium on processes that foster Africa's leadership and ownership in the design and implementation of capacity-building interventions. For the Foundation to claim its rightful place as the premier capacity-building institution in Africa, it recognizes that it must become a knowledge-based institution. It will therefore need to cull and disseminate knowledge on capacity building that reflects its own experience as well as other relevant lessons generated by the global community.

In the coming years, the Foundation plans to take on increased responsibilities and challenges as a result of the integration of PACT into its fold. The implication is that the Foundation must, in addition to its vigorous intervention through projects and programs, consider the information dimension in capacity building and policy dialogue initiatives, and ensure that its outputs and services actually reach the intended clients and partners. This requires that new capacity be created, focusing particularly on institutional development, knowledge production and application as well as skills improvement backed by modern digital communication technologies. Specifically, the Foundation and the institutions it supports will need to develop strategic networks as tools for communication in order to: (i) disseminate information about their activities; (ii) share up-to-date information on experiences, findings and policy recommendations; (iii) propagate information about best practices; (iv) exchange ideas and obtain feedback on

performances; (v) share strategies, methodologies, tools and techniques with others for information and refinement; and (vi) have access to networks outside Africa for experience sharing, thus becoming part of the global network of institutions and information exchange.

As part of ACBF's progressive evolution into a knowledge-oriented institution and in line with the study on which the integration and implementation of the PACT Initiative was based, the Foundation has established a strong Program Support and Outreach framework as well as a Department of Research, Training, Information Systems and Publications. These structures, which will play a major role in the implementation of program support activities, are aimed at implementing the Foundation's vision of becoming an information clearinghouse in the area of capacity building for poverty reduction and sustainable development management.

In keeping with its goal of playing a more active role in communication and networking activities, ACBF has already been engaged in a number of activities. For example, through collaborative work with ECDPM, the Foundation followed up on the actions and recommendations of the workshop on "Communication Strategies for Development of Network" held in December 1999 to brainstorm on approaches and strategies for enhancing information flow and exchange on capacity building in Africa. To strengthen its institutional capacity, the Foundation established its own registered website in 2000, which enabled it to reach out to its clients and stakeholders. In addition, the Foundation upgraded its entire platform so that it could address more effectively the mammoth capacity-building challenges facing the Continent.

For ACBF to become a hub in the utilization of digital communication systems as part of the capacity-building process on the Continent, the Foundation will undertake a number of additional activities such as the following: intranet development; database expansion; online library development; information technology upgrade; strengthening of internal capacity to provide IT-related services; development of an ACBF Gateway as a prelude to the creation of a super website of the Foundation with linkages to other relevant institutions; and establishment of an ACBF Information Center.

In addition, the Foundation will contribute to the expansion of knowledge on strategies and instruments for building sustainable capacity and institutions. In this connection, it is poised to develop an IT platform that will facilitate the establishment of a network of institutions involved in capacity building in Africa at the national and regional levels and provide advisory services to its projects and other clients.

Box 2.**Research, Training and Knowledge Management at ACBF:
First Steps**

Africa's ability to participate productively in the new global economy and reduce poverty within its precincts will be contingent on the capacity of its people and institutions to utilize and adapt existing and new knowledge and information to rapidly evolving contexts and realities on the Continent. In preparation for the expansion of its role from grant-maker to knowledge-broker as well in capacity building on the Continent, ACBF has established a Research, Training, Information Systems and Publications Department as well as expanded its program support and outreach functions. The start-up phase of the Department will involve a vigorous outreach program aimed at increasing the Foundation's visibility and developing a strategy that will enable ACBF to play an effective and leading role in knowledge generation and dissemination in Africa. Initial measures such as the acquisition of a state-of-the-art information technology platform and the construction of a website have already been taken as part of a strategy that will guide research, training and information management activities at the Foundation. In the medium-term, the Foundation plans to convene and foster thematic networks, systematically document and disseminate experiences in the area of capacity building, commission and generate research itself, and share the findings of its leading-edge research efforts. These activities will be supported by workshops and similar forums, publications, resort to technical or advisory assistance, outreach and institutional enhancement.

By relying in particular on an online library system, other electronic or virtual frameworks as well as smart networking, the research activities will contribute to the transformation of ACBF into a learning organization by providing analytical frameworks and practical guidelines for the Foundation's operations based on its own experience as well as on relevant lessons gleaned from other institutions. Considering the modest resources currently available for this operation, the Foundation will be selective in the choice of research themes. Possible research topics will include the assessment of the performance of ACBF-funded projects and the analysis of sustainability factors in the area of capacity building.

Training will also gradually become an important part of the Foundation's new role of capacity builder. The Foundation is expected to play an active role in disseminating knowledge to ensure a proper transfer of skills in key areas such as policy formulation as well as program and project design, implementation and evaluation. The gradual transfer of responsibilities to national institutions will require a dissemination of basic methodological tools to empower institutions vested with enhanced responsibilities to ensure ownership and sustainability of development efforts. The Foundation is expected to play a leading role in organizing training workshops for African experts, including the staff of NFPs, in the conduct of needs assessments. The pay-off of such activities may be potentially substantial considering that the gradual take-over by national institutions of upstream activities related to program design could enhance the sustainability of capacity-building interventions and free up resources earmarked for project development and support activities. A number of training modules have been identified and will be implemented in 2001 in partnership with other development agencies and African training institutions.

———— **SECTION IV** ————

4. INTEGRATION OF PACT AND IMPLEMENTATION OF THE EXPANDED MANDATE

A challenge and opportunity that ACBF embraced in 2000 was the Partnership for Capacity Building in Africa (PACT) – a new initiative sponsored by the African Governors of the World Bank aimed at mobilizing greater support for capacity building on the Continent. PACT will not only address the current areas being supported by the Foundation – macroeconomic policy analysis and development management capacity – but also cover new ones such as enhancement of the performance of the core public sector; strengthening of interface and dialogue among the public sector, the private sector and civil society; and strengthening of regional initiatives or institutions. African ownership and leadership as well as an all-inclusive participatory process – both within African countries and between the latter and their development partners – characterize PACT. The integration of PACT as well as the implementation of the Initiative itself constituted the thrust of the Foundation’s activities in 2000. These activities resulted in organizational achievements as well as accomplishments in project-related and project support activities.

A. Organizational Achievements

Organizational issues relating to the integration process and the implementation of the expanded mandate were addressed during the year. The Foundation made notable progress in the following areas:

Streamlining of the ACBF Project Cycle. The Foundation continued to ensure that the project development and implementation cycle was characterized by adherence to rigorous procedures that ensured that high-quality projects were identified, developed, appraised and implemented. To this end, the level of the Foundation’s involvement in upstream project development activities remained high during the year, but with effective stakeholder participation that gave rise to a strong sense of ownership of new projects and programs. By the end of the year, the indications were that this situation would prevail for much of 2001, as the process of setting up national focal points (NFPs) in countries would continue until these structures take root and reach a significant level of effectiveness. The Foundation will however work closely with the NFPs to ensure that they build up their capacity rapidly enough to be able to take up their role and responsibilities in the project development process. To this end, the Secretariat will, beginning next year, hold a regular Forum with NFPs. The Forum will allow for dialogue, information exchange, experience sharing and collaborative support to make NFPs more functional and sustainable. Direct assistance will also be provided by the Secretariat to strengthen their growth. The Foundation thus expects that, by the end of 2001, many NFPs will be in a position to take on some of the tasks involved in upstream activities relating to project development.

Organization Chart and Staff Complement. A new organization chart for the Secretariat became effective in March 2000. The chart provided for two managerial level positions, namely, Finance and Administration; and Research, Training, Information Systems and Publication. In addition to these were positions for PACT Operations Advisor, Head of the Legal Department and Special Assistant for Program Support and Outreach. The organization chart placed responsibility for project operations at the level of three Operations Zones - namely, Eastern and Southern Africa (Zone I); Central and the Horn of Africa (Zone II); and West and North Africa (Zone III). A Program Team Leader who works with program officers heads each Operations Zone. The organization chart encouraged the emergence of Zonal teams that have responsibility for making proposals on program priorities to the Secretariat's Program Review Committee (PRC).

During the year, the Secretariat endeavored to fill existing and newly approved vacancies. These consisted of vacant posts for 5 program officers, a Budget and Finance Analyst, an Administrative Officer, 2 bilingual secretaries and a driver. By the end of the year, all of the vacancies had been filled, except for positions for 4 program officers, the Administrative Officer, and one bilingual secretary. These positions would be filled in the first quarter of 2001. As a rule, the Foundation advertises vacancies widely. The recruitment process is rigorous — involving short-listing of candidates based on clear criteria, individual and panel interviewing of candidates, and written tests. All candidates are assessed on a highly competitive basis.

Preparation of Annual and Medium-Term Plans. In the wake of the integration of PACT into ACBF, and in order to enable a more effective implementation of the new agenda, the Foundation prepared and approved a consolidated Business Plan for 2000. The Business Plan, which was the culmination of a participatory approach adopted within the Secretariat, provided a common framework for project development activities, project portfolio management and operational modalities in the context of the expanded mandate of the Foundation. The process of preparation of the Business Plan for 2000 set the stage for the drafting of the Foundation's strategic medium-term program for the next five years and a Business Plan for 2001, both of which sought to present a single set of projects, programs and institutional development activities for an expanded ACBF. What is left in the integration process is the creation of a single trust fund for the expanded mandate of the Foundation. It is expected that, following the pledging of new resources to finance the SMTP and with the guidance of the Executive Board and Board of Governors, the Foundation will provide an integrated legal framework for the merger of all existing funds into a single trust fund.

Enhancement of ACBF's Image. The Secretariat continued to implement the recommendation of the Board of Governors that the Foundation should enhance its stature and visibility in countries as well as within the wider development community. To this end, the Foundation reinvigorated its outreach efforts through the resuscitation

and regular publication of the ACBF quarterly Newsletter, wide media coverage of the Foundation's activities, production and dissemination of information about the Foundation and the launching of the ACBF website. The Foundation also sought to strengthen its networking arrangements with partner institutions such as *Club du Sahel*, the Institute of Development Studies in Sussex, the Joint African Institute, the IMF Institute, the World Bank Institute, the African Virtual University, MDP, ECDPM, AFRISTAT, CILLS, UNECA, UNDDSMS, the Carnegie Corporation, the Rockefeller Foundation, among others (see Section 6).

In addition, the Executive Secretary pursued a program of working visits to, and hosting of, Ambassadors, High Commissioners and Resident Representatives of bilateral and multilateral organizations in Zimbabwe. In May and June, he held special meetings with 19 ministers who led their country teams to the regional NFP workshops held in Libreville and Lusaka. In addition, the NFP regional workshops attracted representatives of bilateral and multilateral institutions, and enjoyed substantial press coverage. The Executive Secretary also hosted the resident representative of the Rockefeller Foundation in Zimbabwe and the heads of other institutions to explore potential areas of collaboration in capacity building. In August, COMESA Heads of Mission invited the Secretariat to present a brief on the Foundation's expanded mandate and to share thoughts on capacity-building issues and the Foundation's interventions in Eastern and Southern Africa as well as at the continental level.

During the first half of the year, the Foundation approached His Excellency President Olusegun Obasanjo of Nigeria to sponsor an OAU Resolution declaring the decade 2001-2010 a decade of capacity building in Africa. The draft resolution was cleared with the Nigerian High Commission in Zimbabwe and forwarded to the President of Nigeria. The Secretariat is following up on the proposal with the Federal Government of Nigeria. It is expected that the draft resolution will be tabled for consideration by the OAU Secretariat sometime in 2001.

B. Accomplishments relating to Projects and Program Support Activities

In the year 2000, the Foundation undertook a wide array of project-related and project-support activities. By the end of the year, the Foundation had many achievements to its credit that set the stage for greater accomplishments in the future.

Project-related Activities

The Foundation generated exceptional results in its project-related work. Following the integration of PACT, it invested substantial effort in building the basis for a successful implementation of the Initiative. For example, the Board of Governors and the Executive Board guided the Secretariat in clarifying the scope of, and eligibility criteria for, the

Foundation's expanded mandate (see Box 3). The Foundation also institutionalized a framework for consultation and stakeholder participation in the capacity-building process through the NFPs, and set up or strengthened 20 of them through seed resources approved by the Executive Board in May and December 2000. The status, mission and role of these NFPs will continue to be clarified in order to enable them to become more effective instruments in the implementation of the Foundation's projects and programs (see Box 4). The Foundation developed a robust pipeline of over 400 project ideas that were instrumental in guiding the Foundation's interventions and in enabling it to track trends and changes in capacity needs. From the pool of these project ideas, the Secretariat was able to develop and present 43 project appraisal reports and 3 memoranda to the Executive Board, 36 of which were approved. This number surpassed the target of 30 projects set out in the Foundation's Business Plan for Fiscal Year 2000.

Box 3.

Project Eligibility Criteria under the Expanded Mandate

Projects and programs seeking to access funding support under the expanded mandate are required to meet a set of criteria. As project environment and country situations differ, such projects are required to satisfy an adequate combination of the criteria listed below. The Foundation however pursues a long-standing policy of seeking geographical balance in the distribution of the projects it supports without sacrificing the quality and merit of individual project proposals, and without serving as a funding agency of last resort.

- *Consistency with ACBF Mandate, Scope and Focus of Activities*
- *Relevance to Core Capacity Needs*
- *Technical Soundness of Project Proposal*
- *Inclusivity of Potential Stakeholders/ Commitment to a Participatory*
- *Process in Capacity Building and National/ Regional Development*
- *Demonstrated Ownership and Commitment to Project Sustainability*
- *Adequacy of Governance Structure*
- *Conduciveness of Project Environment*
- *Need For Geographical Balance*

An analysis of the composition of the 36 new projects shows that the Foundation was able to expand substantially the national and regional distribution (8 new countries, including Central African and Lusophone countries) and thematic scope (for example,

support to the core public sector; to interface areas among the public sector, the private sector and civil society; and to regional initiatives) of projects.

Within a period of six months following the approval of the first pipeline of projects, the Foundation had made significant progress in getting about half of the newly approved projects off the ground. Supervision missions conducted to these newly approved projects assisted them in addressing conditions for grant negotiation and effectiveness. The result was that, by the end of December 2000, 8 out of the 17 projects approved in May 2000 had successfully negotiated and signed their Grant Agreements. A number of these projects had also successfully leveraged a significant share of co-financing.

Program Support Activities

In its bid to achieve its goal of becoming the principal intellectual and operational vehicle as well as the clearinghouse for promoting better understanding and utilization of capacity in Africa, the Foundation undertook a wide array of project-support activities. A synopsis of the major activities includes the following:

Organization of two Regional Workshops for National Focal Points. On 22-23 May and 26-27 June, the Foundation organized two workshops for national focal points and proxy institutions in Libreville (Gabon) and Lusaka (Zambia), respectively. Countries were represented by national teams, which comprised representatives from government, the private sector and civil society, and with a significant degree of gender balance. The Libreville workshop attracted 176 participants from 22 Francophone, Lusophone and Hispanophone African countries, while the Lusaka workshop was attended by 166 participants from 22 Anglophone African countries. The Vice Presidents of the host countries (Gabon and Zambia) opened the workshops in their respective countries.

Seven cabinet ministers took part in the Libreville workshop as against a total of 12 who led their country teams to the workshop in Lusaka. More than 60 of the 346 participants who attended the workshops were women.

The workshops provided a forum for the discussion of the concept, objectives, functions, role and funding of NFPs. In addition, they offered participants an opportunity to clarify issues concerning ACBF, PACT, the integration process, the Foundation's project cycle and the significance of Grant Agreement conditions.

Organization of the Conference of Directors of Economic Policy Management Programs. On 12-13 September 2000, a Conference of Directors of the Economic Policy Management (EPM) Programs funded by the Foundation was held in Harare, Zimbabwe. The purpose of the conference was to take stock of the implementation of the programs in Africa. Participants included the directors of the four EPM programs in Africa, senior university

Box 4.**National Focal Points: Role and Prospects**

Under the initial PACT framework, beneficiary countries were expected to establish or utilize a streamlined, high-level body mandated to plan, coordinate, synchronize and monitor the implementation of capacity-building efforts as a prerequisite for donor support. This body, variously called a National Focal Point (NFP), National Capacity Building Secretariat, Inter-ministerial Committee or other proxy entity, already existed in a number of countries or was established during the process of formulation of PACT. However, following the integration of PACT into ACBF, the Board of Governors decided to build more flexibility into the operation of NFPs by relaxing the condition of making capacity-building support to a country contingent on their establishment.

NFPs are ordinarily expected to oversee initial national capacity assessments whose results are used for the formulation of a national and/or sector-based capacity development policy, strategy and program. Also, they are expected to coordinate the identification, design and preparation of capacity-building projects and programs as well as the evaluation of the eligibility of grant proposals prior to their submission to the Foundation for appraisal and eventual approval. In addition, they are expected to be the main contact points for donors seeking to support capacity building. In this connection, they play a role in coordinating assistance efforts. They are thus expected to monitor program and project implementation, and coordinate evaluations of capacity-building policies, programs and projects in order to gain lessons of experience or become repositories of best practices.

NFPs therefore play a role in: (i) institutionalizing a framework for articulating and mainstreaming capacity-building needs in national development programs; (ii) providing a mechanism for developing, implementing and monitoring capacity-building plans and strategies; (iii) establishing a capacity-building process that is driven by capacity needs assessments and prioritization of intervention; (iv) setting up institutional frameworks for creating a partnership among stakeholders in a country in the area of capacity building; (v) providing access to better information on various capacity-building activities and opportunities for funding support; and (vi) contributing to better coordination of donor support for capacity building.

NFPs are evolving institutions that need additional time to mature and clarify their roles in order to become effective national institutional frameworks for capacity building and to play an active role in the Foundation's upstream activities in the short and medium term. For this to happen, the following factors should be addressed: (i) governments need to grant NFPs sufficient political and material support; (ii) donors need to alter their technical cooperation strategies, recognize the role assigned to NFPs, and cooperate with them; (iii) qualified, proactive, and experienced people need to be recruited to enable NFPs to implement their mission; and (iv) the private sector and civil society need to play a more active, co-operative and productive role in the operation of NFPs. In 2000, ACBF awarded US\$50,000 grants to each NFP in 20 countries (Benin, Botswana, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Côte d'Ivoire, Democratic Republic of Congo, Gabon, Guinea, Mali, Mauritania, Namibia, Nigeria, Rwanda, São Tomé and Príncipe, Swaziland, Uganda and Zambia). The Foundation will continue to help build the requisite sustainable institutional and human capacity of NFPs to enable them to serve as effective relays mostly for upstream activities and in-country coordination efforts. The activities set out in the Foundation's Business Plan for 2001 are designed to enable the Foundation to lay the groundwork for achieving this objective.

administrators, EPM student representatives, EPM financial administrators, a representative of the World Bank Institute, and members of the ACBF Secretariat staff. Discussions centered on the following issues: course content and organization of training efforts (including training of trainers); program governance; management and guidance of students, in particular internships and follow-up after graduation; indicators for evaluation of program impact; strategies to increase accessibility to the programs; and sustainability of the programs.

The meeting noted that the first academic year had registered good progress in implementation and opened up new challenges. One major achievement was the level of integration of the EPM programs into other regular university programs, with each respective university awarding degrees (master's degree for the Anglophone universities and *Diplôme d'Etudes Supérieures Spécialisées* (DESS) for the Francophone universities) to graduates. The result is that the process towards ownership has taken root and the programs are now wholly African-led at the management and teaching levels.

Preparations for the Organization of the First Pan-African Capacity Building Forum. On 1 August, the Executive Secretary constituted a PACT Forum Organizing Committee comprising 9 professional staff and 3 secretaries. The Committee is tasked with the responsibility of designing, planning and delivering the Forum and following up post-Forum outcomes. A concept paper on the Forum was prepared and presented by the Secretariat to the Executive Board and the Board of Governors in March and June 2000, respectively, which provided a preliminary framework for articulating ideas on the organization of the Forum. The paper benefited from comments by both Boards, which provided additional orientation to the Secretariat on the Forum. The Organizing Committee, through its working groups on Agenda and Topics, Budget and Logistics, Outreach and Publications, and Forum Report and Follow-up Activities, held a series of meetings to give form and substance to arrangements relating to the Forum.

Active Involvement in Conferences, Seminars, Workshops and other Forums. The Foundation organized and participated in many forums, special working sessions and training programs as part of its effort to enhance the effectiveness of its interventions; share knowledge, information and emerging best practices in capacity building; strengthen the Foundation's role and participation in capacity building for trade negotiation; and assist in the preparation of PRSPs, implementation of the E-HIPC Initiative, and the design of responsive training programs to strengthen policy analysis and economic management skills in Africa. The Foundation also held an in-house training session for its program officers on the project appraisal process to enable staff take on more responsibilities in the implementation of the expanded mandate.

SECTION V

5. PROJECT PORTFOLIO PERFORMANCE

A. Introduction

The year 2000 was both exciting and challenging to the Foundation. The dominant twin activities were the integration of PACT into ACBF and the implementation of the resultant expanded mandate. The year witnessed the emergence of a consolidated portfolio of projects and programs, which effectively ended the superficial divide between Phase II operations of ACBF and the focus of activities under PACT. There was a substantial growth in the portfolio of projects and programs during the year and a significant improvement in the performance of ongoing projects – a strong indication that the advent of PACT had reinforced ongoing operations at the Foundation. Given the growth in the portfolio in 2000, the challenge ahead is that of maintaining the strong momentum of project performance and effectiveness. This is a challenge that the Foundation will address as it bolsters the staff complement of the Secretariat and enhances the individual and collective productivity of the staff.

B. Portfolio Size and Distribution

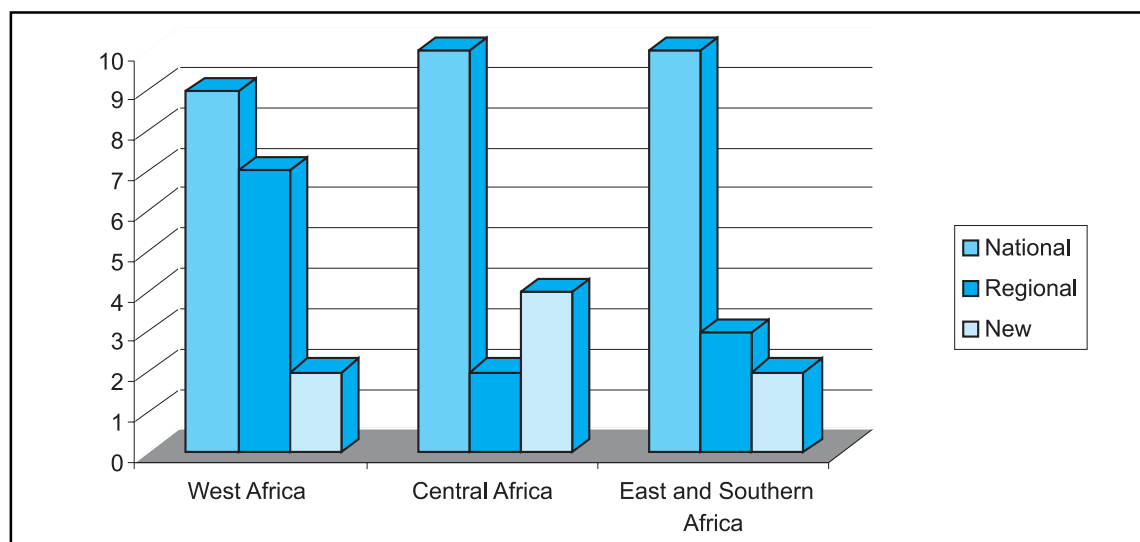
In the beginning of the year, there were 34 projects in the Foundation's portfolio. Following the integration of PACT into the Foundation, the Executive Board approved 17 projects in May and 19 projects in December. The projects have a wide geographical coverage (including a number of African countries that were benefiting from ACBF for the first time such as Gabon, Malawi, Mauritania, Niger and Swaziland as well as Lusophone countries such as Guinea-Bissau and Sao Tome & Principe). The projects also encompass a broad thematic scope – such as the strengthening of macroeconomic policy analysis capacity, support for research and training institutions, enhancement of the public sector, strengthening of public-private sector interface, strengthening of interface between the core public sector and civil society, strategic support to issues of relevance to sustainable development, and promotion of regional integration. In addition, the Foundation awarded grants to a number of African countries to assist them in establishing or strengthening national focal points responsible for coordinating capacity-building interventions. The approval of 36 projects by the Foundation in 2000 alone represented an unparalleled achievement in that the number of operations approved surpassed the number of projects approved by the Foundation over the entire decade preceding the integration of PACT into ACBF (see Maps 1 and 2).

At the end of 2000, the Foundation had a total portfolio of 60 projects and programs and 20 National Focal Points. The projects and programs are classified into Public Sector Interventions, Interface Projects, Training Projects, and Strategic Support. Of the 60 projects and programs, the Public Sector accounted for 50, made up for 26 policy units (22

national and 4 regional), 3 National Assembly programs and 11 Other Institution Strengthening and Skills Development Programs (9 national and 2 regional). The Interface Projects totalled 9, comprising 4 projects to strengthen consultation among stakeholders (3 national and 1 regional), 3 Policy Advocacy Institutions (2 National and 1 Regional), 1 corporate governance Project and 1 Institution Strengthening and Skills Development Program. In the portfolio there was one Strategic Intervention.

The launching of the National Focal Point program, which saw initial proposals from 20 countries approved in 2000, represented a good head start for countries striving to launch participatory development frameworks in their development processes and the preparation of PRSPs. Of the 20 countries, only Chad, Côte d'Ivoire, Mali and Zambia have however prepared either interim or full-fledged PRSPs and also begun to apply participatory development framework principles for which the NFPs will serve as operational vehicles. During the year, the Foundation encouraged countries with NFPs to ensure that the latter play a significant role in implementing the key elements of participatory development, which underpins frameworks like the PRSP process.

Figure1. Regional and Country Coverage of Projects

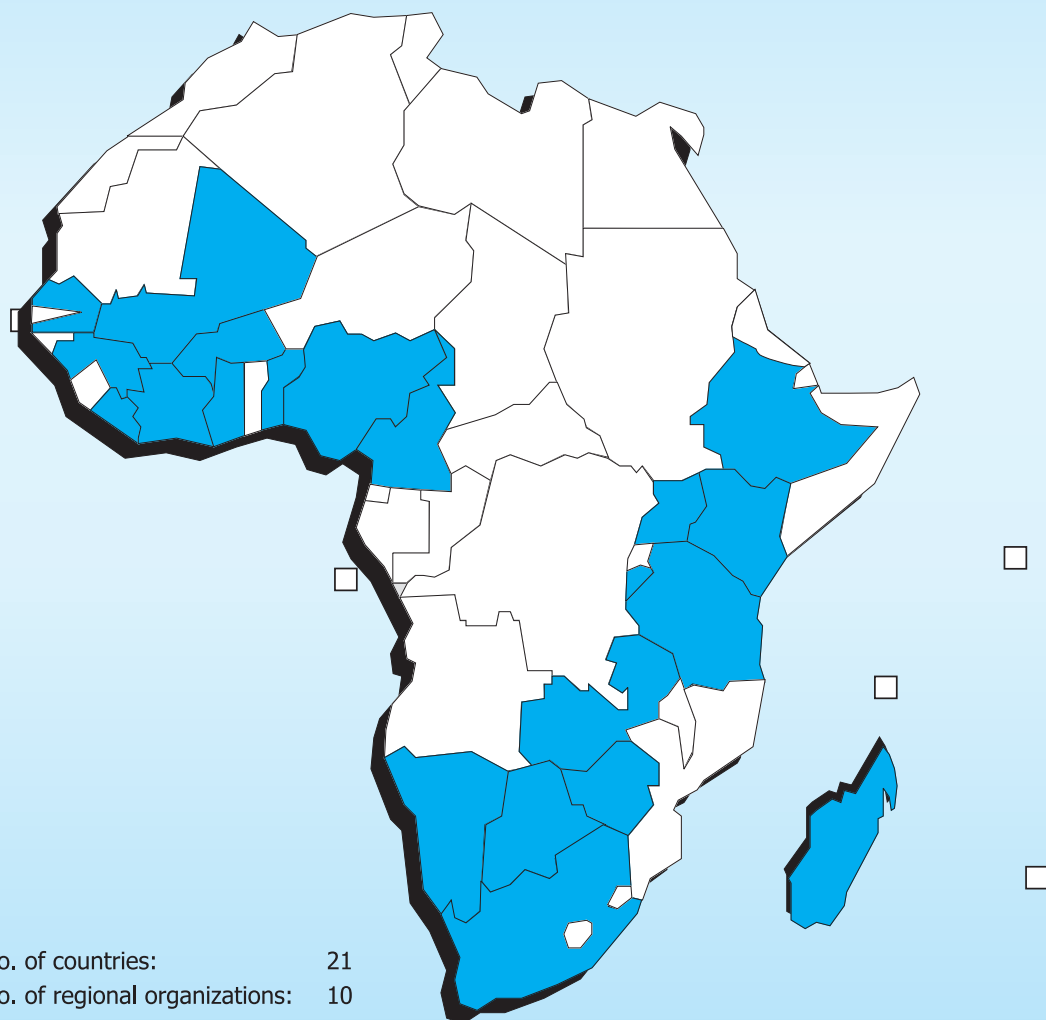


C. Project Development Activities

In the aftermath of the integration of PACT into ACBF, the Foundation embarked on a significant build-up of new projects in its pipeline. During the year, the pipeline of potential projects and programs soared to more than 400 project ideas and proposals. These formed the basis for the development, appraisal and presentation of 43 project proposals and 3 memoranda in May and December 2000 to the Executive Board for approval. The Executive Board eventually approved 36 of these projects. In addition, the Foundation identified as well as developed or strengthened NFPs in 20 countries.

Map 1.

***ACBF Country Coverage
1991 - 1999***



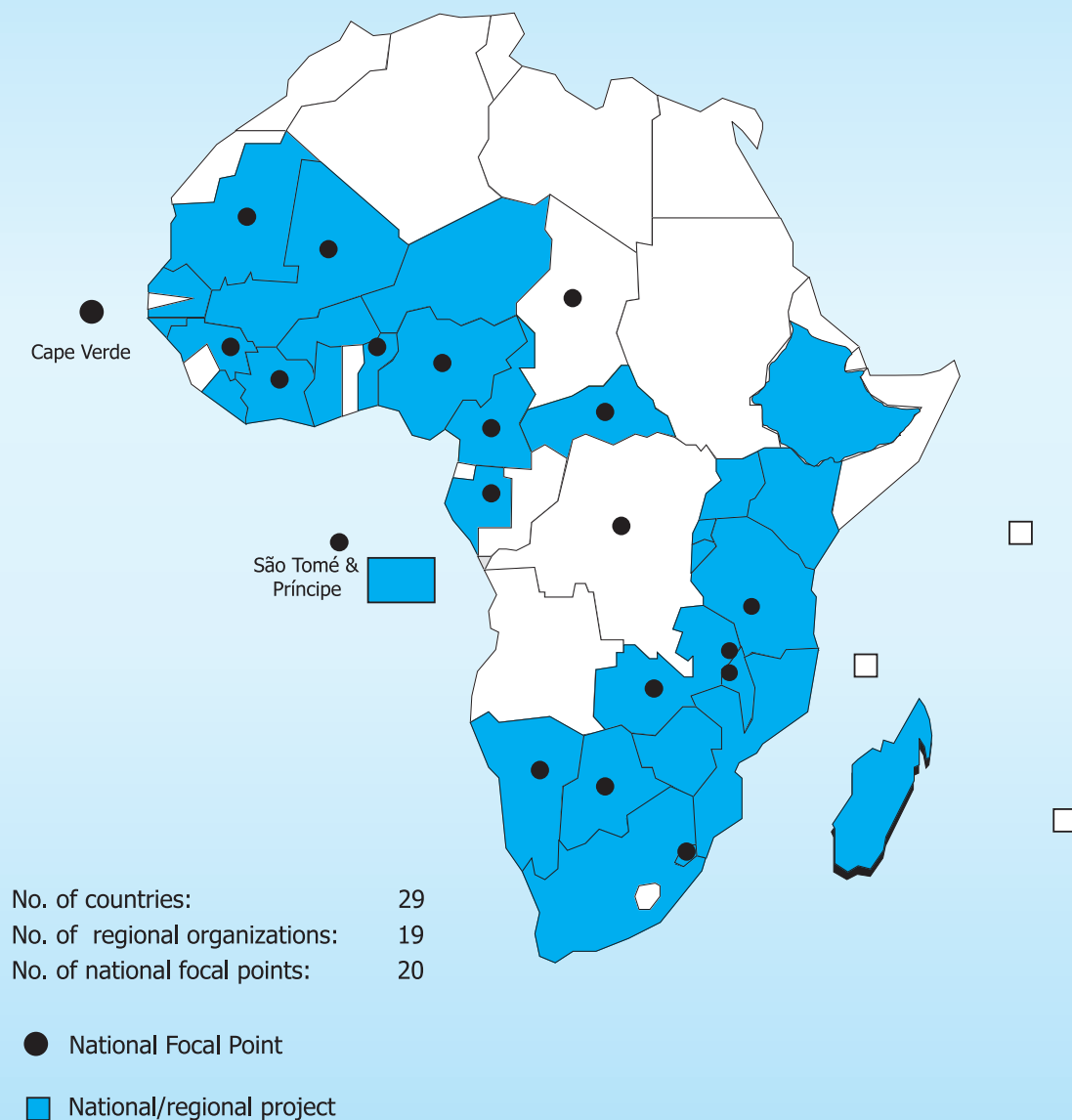
No. of countries: 21

No. of regional organizations: 10

■ National/regional project

Map 2.

***ACBF Country Coverage
December 2000***



This map does not represent an official map of Africa.

The selection of projects and programs was guided by the scope of the Foundation's expanded mandate and eligibility criteria as endorsed by the Executive Board and the Board of Governors during their meetings in May and June 2000, respectively. The Project Review Committee (PRC) within the Secretariat examined proposals put forward by Zonal Teams from the pool of project ideas and proposals. Priority was given to countries and sub-regions with acute capacity needs and/or those in which the Foundation had very limited or no presence, including the Lusophone countries. All countries requesting support for the establishment of national focal points were considered in line with the Foundation's efforts and determination to assist countries in establishing mechanisms for coordinating capacity-building activities and facilitating participatory development processes. The Foundation ensured that it selected projects on the basis of a combination of eligibility criteria without sacrificing the quality and merit of individual project proposals, and without serving as a funding agency of last resort.

D. Overview of Performance

The Foundation remained very active throughout 2000. It implemented planned activities vigorously - and thereby exceeded by far the operational targets set for projects, programs and project support activities. By the end of the year, the Foundation had developed 54 new projects, appraised 43 proposals and approved 36 new operations and 20 National Focal Points. The significance of such performance becomes evident when it is realized that it took the Foundation about 9 years to build a portfolio of 34 active projects (total active portfolio size as at 31 December 1999). Table 2 provides a summary of project and program support operational targets vis-à-vis achievements for the year.

The remarkable level of performance in 2000 could be attributed especially to two factors: First, the assumption of office in January by a new Executive Secretary generated a new impetus and transformed the pace of activities in the Foundation's Secretariat, utilizing more intensively existing capacity with a new team-and results-oriented management. This new orientation, coupled with the considerable dedication of the Secretariat staff, had a profound impact on performance. Second, the boost provided by the PACT Initiative made a difference as it eased significantly the funding constraint that contributed to the limited scope and scale of the Foundation's operations in 1999 and the two preceding years. The expansion of the Foundation's mandate as a result of the advent of PACT and the attendant promise of resources made it possible for the Foundation to scale up its activities considerably. This is a clear indication that the Foundation has adjusted well to its expanded role and is prepared to address even more effectively some of the core capacity-building dimensions of the Continent's development challenges.

Needs Assessments/ Project Identification Activities

As against a target of 30, the Foundation fielded 54 needs assessment/project

identification missions to countries and regional institutions, which resulted in the development of 54 project proposals, and the submission of 43 appraisal reports to the Executive Board between May and December 2000. A total of 17 projects were approved in May 2000. With the approval of 19 project proposals in December, the Foundation added a total of 36 projects to its portfolio of approval operations. These outcomes meant that the Foundation met and in some cases significantly exceeded operational targets for 2000.

Project Supervision and Monitoring

By the end of the year, the Foundation had undertaken 69 project supervision missions as against a target of 50. In 1999, it fielded 29 missions against a target of 60. The missions conducted in 2000 were to all existing projects in the portfolio, the 17 projects and 11 NFPs that were approved in May 2000 and 5 financial supervision assignments. Four of the existing projects requiring close monitoring (DPC, EPRC, CEPA, CAPES and NIEP) received extensive attention during the year, and all outstanding issues were resolved. Following the satisfactory resolution of the implementation issues affecting the DPC project, whose first phase was about to close, the Foundation decided to renew financing of the project in respect of its second phase. EPRC, which experienced financial management problems, was put back on track following action taken by the Foundation to spur the Government of Uganda to introduce effective changes. Disbursements were suspended to the Centre over a period of 8 months during which time two operational-cum-financial missions and a forensic audit (by a reputable firm of auditors) were undertaken. In the case of CEPA, issues relating to the procurement of capital equipment – due to lack of prior approval by the Foundation – were resolved. Both the Foundation and CEPA learned some lessons, which will be invaluable in monitoring the performance of the project as well as other projects in the portfolio. The Grant Agreements regarding the CAPES and NIEP projects were finally signed after the project promoters met all the conditions precedent to negotiations. Measures were also initiated by the Foundation to accelerate the start-up of the relevant project activities.

Meanwhile, the Foundation continued to monitor closely operational developments relating to the CREAM and LIMPAC projects in Madagascar and Liberia respectively. Both projects are yet to be operational for political or institutional reasons. The Foundation has therefore set frameworks and benchmarks for the speedy resolution of issues impeding their take-off.

Mid-term Reviews

By the end of the year, four out of five mid-term reviews had been conducted (CEPA, Ghana; EMPAC, Ethiopia; IDEC, Burundi; and UPE, Senegal). The remaining one (CMAP Phase II; regional, Kenya) is under way and is expected to be completed by the first

quarter of 2001 given the extensive regional coverage of the project. The mid-term reviews afforded the Foundation an opportunity to re-assess the projects concerned, formulate improvements in mid-stream in project implementation, and lay the groundwork for their future orientation.

Project Completion Reports

During 2000, project completion reports were expected from three projects that came to the end of their implementation phases. These projects were EPM, CERDI, France; EPM, McGill University, Canada; and PDTPE, Zimbabwe. Of these, PDTPE completed and submitted its report. A project completion report was also received from BCEAO, which is due for a second phase of funding support by the Foundation, given its successful performance during the first phase. Reports for the EPM projects will be ready in the first quarter of 2001.

Grant Agreements

A total of 10 Grant Agreements were scheduled for negotiation and signing during the year. By the end of the year, 17 Grant Agreements had been successfully negotiated and signed. These consisted of 8 Grant Agreements for projects approved in May, and which represented the first set of projects under the expanded mandate (PRECAGEF, Gabon; PRIESP, Mali; UNAM, Namibia; NGOCC, Zambia; SARIPS, Regional (Zimbabwe); WAIFEM, Regional (Nigeria); CSD, Tanzania; and EEA, Ethiopia). This was a strong indication that project promoters and stakeholders had demonstrated a high sense of commitment to the fulfilment of necessary grant conditions for early commencement of project implementation efforts. Seven other Grant Agreements (BEAC, Regional; CAPES, Burkina Faso; CEPEC II, Guinea; CIREC-CAPEC II, Cote d'Ivoire; EPM, Ghana, EPM, Uganda; and NIEP, South Africa) relating to projects approved prior to 2000 were also successfully negotiated and signed. In addition, Grant Agreements for the national focal points established in Gabon and Guinea (SENAREC-Gabon and SENAREC-Guinea) were signed. This was an unparalleled achievement by the Foundation since it began operations in 1991.

Also, virtually all the newly approved projects with Grant Agreements made exceptional efforts to generate co-financing to meet this critical condition precedent to negotiation of Grant Agreements.

Table 2. Performance Against Targets in 2000

Activity	Target	Achievement
DIRECT OPERATIONS		
1. Needs assessments/project identification	30	54
2. Project Proposals	30	54
3. Appraisal reports	30	43
4. Project supervision missions	50	69
5. Projects requiring close monitoring	3	3
6. Mid-term reviews	5	4
7. Project completion reports	3	2
8. Board submissions	30	43
9. Grant Agreements	10	16
PROGRAM SUPPORT ACTIVITIES		
1. Outreach, Research, Publication & Information Technology		
- Dev. of Outreach Policy, 2000	A Policy Document	✓
- Research	✓	-
- Newsletters	4	4
- General Information Kit About ACBF	1	1
- Development of ACBF Web Site	Final stage	✓
- Medial coverage	Enhanced	✓
- Development of Information Technology Policy and Strategy	A Policy & Strategy Document	✓
- Establishment of a full-fledged Library	✓	✓
2. Workshops	2	3
3. Preparatory activities for Capacity Building Forum	✓	✓
4. Staff training	✓	2
5. Institutional Enhancement		
- Improvement of Management Information System for project, finance and general Administration	✓	Ongoing
- Full automation of disbursement procedures	✓	Ongoing

✓ : Unquantified outcome/target achieved

E. Output Performance and Achievements

During 2000, the 34 ongoing projects in the Foundation's portfolio maintained a good momentum in the implementation of their work programs. Indeed, they were the ones that were fully operational given that the Grant Agreements for a number of new projects approved in May were only negotiated and signed in the last quarter of the year. Output performance was therefore largely limited to existing training and policy-unit projects. It was an indication that the process of launching the expanded mandate did not adversely affect existing operations.

During 2000, project outputs grew appreciably over the 1999 level in spite of the fact that 10 out of the 34 ongoing projects were at the end of their implementation phases. Policy studies commissioned through the institutions by government, the private sector, civil society organizations and the donor community rose from 458 in 1999 to 574 in 2000. This represented more than a 25% increase over the preceding year. The cumulative number of research work generated by the policy units that was disseminated spiked by almost 60% from 361 in 1999 to 577 in 2000. Courses, workshops, seminars and conferences organized by the institutions benefited 12 701 participants, compared to 9 026 in 1999. In the area of post-graduate economics training, more candidates were enrolled in, or completed, their master's degree programs in 2000. By December 2000, the cumulative number was 1 651, compared to 1 450 in 1999 – which represented almost a 13% increase. These achievements reflected the soundness and robustness of the portfolio despite the integration of PACT and its implementation.

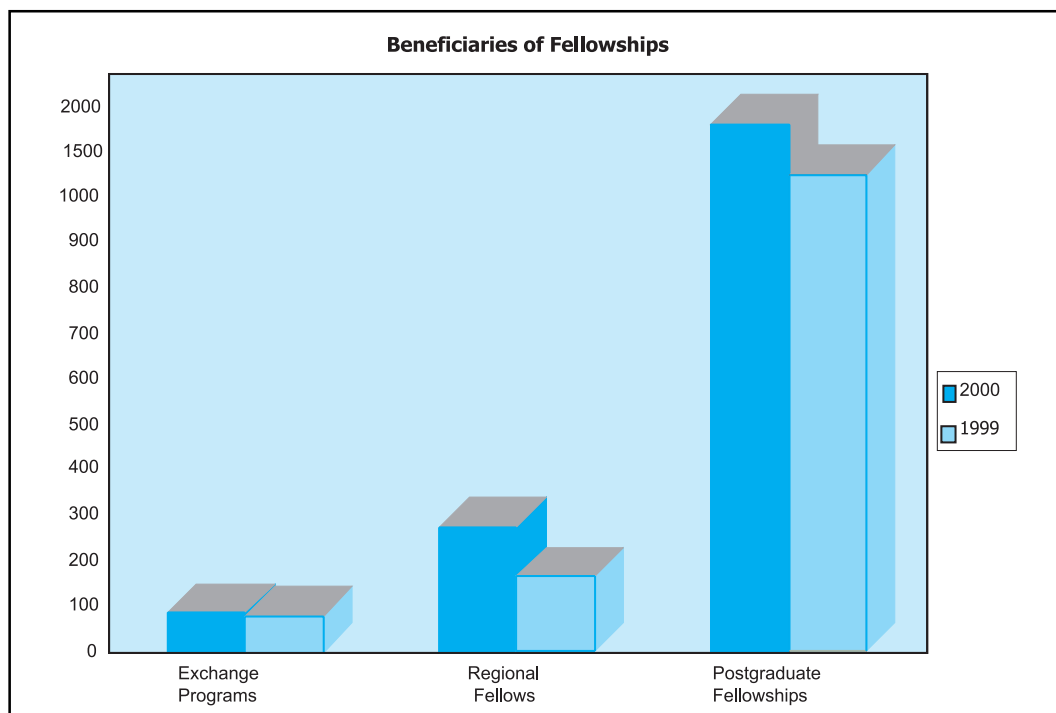
Training Institutions

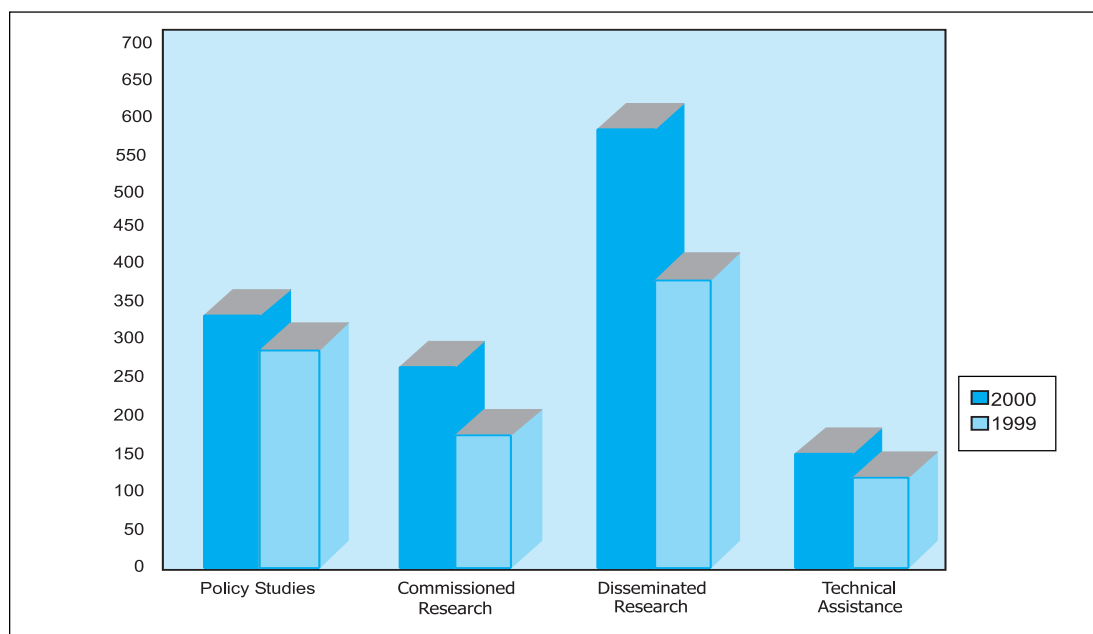
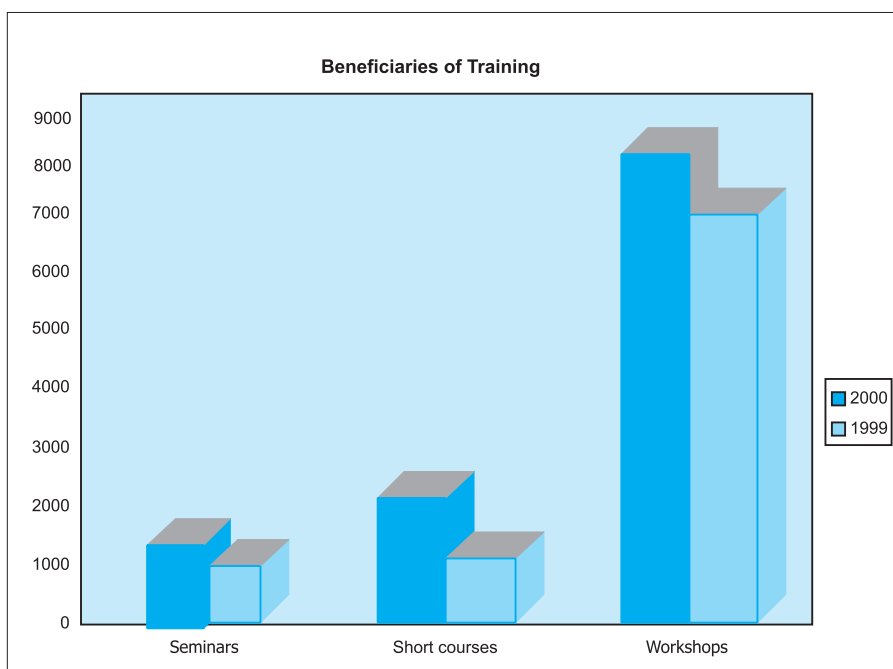
In 2000, all the institutions were on track with respect to their objectives. With respect to national training projects, PDTPE closed during the year. The UNAM master's degree program in Public Policy and Administration was approved by the Executive Board in May 2000, and only became operational during the last quarter of the year. The EMPAC staff development program recorded progress in identifying and organizing training courses for public-sector officials in Ethiopia. NCEMA conducted 7 training courses covering topics and themes such as the concepts, tools and techniques of macroeconomic policy analysis and management; planning and management of social services and infrastructure; planning and management of petroleum and energy resources; and public enterprise reform. The courses benefited 229 participants. NCEMA also carried out collaborative research work on four themes touching on inter-sectoral linkages, the economic impact of privatisation in Nigeria, the minimum wage, and Nigeria's trade prospects within the framework of the WTO.

At the regional level, the portfolio consisted of the following training projects and programs by the end of the year: AERC-CMAP; BCEAO/BEAC (macroeconomic policy management);

BEAC/BCEAO (debt management); EPM, Cameroon; EPM, Côte d'Ivoire; EPM, Ghana; EPM, Uganda; PTCI; MEFMI; WAIFEM; SARIPS; and CESAG. The latter three projects were new operations approved in 2000. They did not record any notable outputs as they focused their energies on fulfilling grant conditions. All the ongoing projects continued to maintain a satisfactory performance during the year. The cumulative number of beneficiaries of training at the post-graduate level (including fellows in various capacity-building programs) stood at 2 199 in 2000, compared to 1 840 in 1999. In addition, the cumulative number of persons who benefited from conferences, seminars, short courses and workshops reached 12 701 in 2000, compared to 9 026 the year before. These remarkable outputs were attributable to the maturation of individual training programs and policy-unit projects with training components.

Figure 2. Project Output Performance, 1999 - 2000





Policy Studies: *studies commissioned by governments*

Commissioned Research: *research commissioned by the private sector, the donor community and NGOs*

Disseminated Research: *research completed and disseminated through publications, memoranda etc.*

Technical Assistance: *technical support provided to government by the projects*

Exchange Programs: *these include study visits*

Regional Fellows: *fellows trained in specific skills and capable of offering support to project activities and governments*

Postgraduate Fellowships: *these comprise fellowships for master's and doctoral degree programs*

The *AERC-CMAP* and *PTCI* projects continued to demonstrate that they were models of economics education and inter-university co-operation in Africa. By the end of 2000, the *AERC-CMAP* had supported 809 candidates, with 561 passing through the Joint Facility for Electives (JFE). In 1999, 103 candidates benefited from the program. The number rose to 109 in 2000. With a passing rate of more than 90%, the *PTCI* JFE turned out 255 graduates. By the end of 2000, the *PTCI* program had supported 520 candidates at the post-graduate level.

The *BCEAO/BEAC* project on macroeconomic policy management completed its first phase in 2000. By December 2000, the project had trained a total of 507 government officials and central bankers in the CFA Zone. In addition, a total of 14 individuals were still pursuing a training-of-trainers program in order to facilitate an appropriate transfer of skills to indigenous resource persons. The Executive Board approved the second phase of the project in December 2000.

The *BEAC/BCEAO* training program in debt management kicked off operations in 2000, and by the end of year had already organized workshops benefiting 143 participants ranging from high-ranking policymakers to mid-level debt-management analysts. The project undertook 5 technical missions to Côte d'Ivoire, Gabon, Guinea-Bissau, Mali and Mauritania to conduct an institutional assessment aimed at appropriately structuring national capacity-building workshops for those countries. The missions also conducted preliminary reviews of debt management issues affecting country eligibility for resources available under the E-HIPC Initiative. In some of these countries, the missions also reviewed poverty reduction strategies and made recommendations regarding the formulation of debt reduction strategies and the strengthening of debt-management capacity.

Regional workshops were organized to review national debt-management case studies and formulate preliminary debt-reduction strategies for participating countries. The workshops covered methodological issues relating to debt-sustainability analysis and debt strategies, debt negotiation and the financial programming of expenditure in the social sector as it relates to E-HIPC requirements. The workshops used data provided by national teams to assess the impact of external debt reduction on national poverty reduction programs. Participants at regional workshops included senior officers from ministries of finance, sectoral ministries (for example, health and education), debt management agencies and central banks.

The *MEFMI* project continued to consolidate its achievements during the year. The six components of the project – institutional development, macroeconomic and financial management, the fellows program, debt management, reserves management, and networking – proceeded apace. The transfer of skills to beneficiary countries resulted in the improvement of institutional structures and analytical frameworks for the recording, validation and management of debt.

Box 5.**PTCI: A Model of Regional Inter-University Collaboration**

The *Programme de Troisième Cycle Interuniversitaire* (PTCI) has transformed the structure of graduate training in Francophone Africa by strengthening facilities; modernizing outdated curricula; providing books, computers and computer software for training in economics; improving teaching facilities; and aligning the training conform more to international standards. In particular, the program has entrenched the teaching of quantitative methods and specialized courses. Also, the program has harmonized criteria for entry and exit in respect of post-graduate studies in economics throughout. Another major innovation is the introduction of an external examination system in Francophone universities: independent commissions, composed of lecturers of outstanding academic achievements are certifying the students at all levels. The students also evaluate the courses and lecturers on a continuous basis.

PTCI has also contributed to the improvement of the contents of courses delivered by participating universities as a result not only of the continuous review of the outlines for both quality and relevance, but also and most importantly because of the development of new courses. The number of electives offered in the program has increased from five (5) to ten (10). This has enabled the accommodation of a wide range of needs, and has broadened substantially the range of specialists available to governments. Departments that were previously operating solitarily could not offer this rich menu of courses. This has been partly facilitated by the operation of the Joint Facility for Electives (JFE), which enables the use of the best teachers drawn from other universities in the as well as other projects in the portfolio region to offer a wide range of specialized courses.

PTCI has not only increased the number of graduates, but has also shortened the time required to complete the program. Some 255 students have completed their studies successfully since the program began. Prior to the establishment of the PTCI program, post-graduate programs were characterized by high failure rates.

Over time, the cost per student in the PTCI program has declined from an average of US\$ 20 500 per year in 1995 to the current US\$12 500 currently, which compares favorably with US\$30 000 at universities in Europe and North America or with the AERC Collaborative Master's Program. Additional efforts are being made to reduce the average cost further considering current financial situation of national universities that are mandated to support such a program.

PTCI conducted a tracer survey of its graduates in 1999. The survey found that the 100 graduates who were sampled were gainfully employed: 63% were hired by participating faculties, 16% were in the private sector, 8% in the public sector, 8% found new opportunities in international organizations, and the remaining 5% worked for NGOs.

Through PTCI, students have received high-quality training in economics — with state-of-the-art grounding in economic theory and the practical tools needed for conducting sound economic policy analysis. Thus, the training provided by PTCI is not only relevant to the on-the-job needs of professional economists in Africa, but also responds to the pressing need for enhancing the quality of economics teaching in African universities. Given the homegrown character and the quality of its outputs, the program has validated the consensus on the value and relevance of regional inter-university collaboration. This is an important impact, as the PTCI consensus will greatly facilitate the successful implementation of other such regional initiatives.

In addition, there were indications that beneficiary countries were beginning to acquire adequate capacity for debt portfolio review, sustainability analysis and negotiation. All MEFMI member states were able to computerize their debt operations. Lastly, these countries began to develop the capacity to tranche reserves and implement suitable benchmarks.

The *EPM Programs* consolidated their achievements in 2000 following their transfer in 1998 from Canada and France to Cameroon, Côte d'Ivoire, Ghana and Uganda. The programs addressed practical economic management issues in Africa by developing targeted debt-management modules and macroeconomic frameworks. To date, the cumulative number of graduates from all four EPM programs reached 230 by the end of 2000, against 179 in 1999.

In September 2000, the Foundation organized a Conference of Directors of the EPM programs to take stock of the implementation of the programs in Africa. Participants at the conference included the directors of the four EPM programs, senior university administrators, EPM student representatives, EPM financial administrators as well as ACBF and World Bank staff. Discussions focused on: course content and organization of training efforts; program management issues; management and guidance of students; indicators for evaluation of the impact of the programs; and strategies for increasing accessibility to the programs and for boosting their sustainability.

Generally, the training institutions in the Foundation's portfolio contributed to the following, among others:

- Growth in the number of skilled policy analysts and development managers nationally and continentally
- Improvement in the quality of economics education
- Access to high-quality training in economics, economic policy management as well as public policy and administration at costs considerably lower than what obtains outside the Continent
- Building of local capacity to sustain the quality and outputs of training programs
- Enhancement of capacity for debt, reserves, financial sector and macroeconomic management through BCEAO, BEAC, MEFMI and WAIFEM. These institutions are also involved in the implementation of the E-HIPC Capacity-Building Program.

Policy Units

Policy-unit projects in the Foundation's portfolio continued to generate relevant studies and organized important economic policy summits and other forums that reflected their central role in the public policy-making processes of many countries. Maturing policy-unit projects enhanced their reputations as reliable generators of high-quality analyses and studies. They produced policy-informing studies or reports that provided influential

alternative viewpoints on critical policy issues. A number of policy units such as CAPAN (UAPD), CAPED, CAPES, CREAM, LIMPAC, NIEP, PARU, PSU and SARIPS did not record any results because they were still focused on meeting conditions precedent to negotiation of their Grant Agreements. Others were undergoing a period of transition to their second phases (CEPEC and PASU) or were resolving internal issues relating to the management of their operations (DMPA, EPRC and KIPPRA).

BIDPA played a key role in research, training, networking and dialogue not only in Botswana, but also in the Southern Africa region. To date, the Institute has been involved in over 200 research projects that have contributed significantly to policymaking in Botswana (see Box 6).

CAFPD produced 13 thematic research papers, and 2 reports on poverty reduction issues. In addition, it organized two roundtables on the free movement of goods within UEMOA and on Mali's vision for 2025. The Centre is being increasingly recognized as an important interlocutor in the area of development policy research in Mali.

CAPE produced 2 thematic research papers and 11 reports on a broad range of macroeconomic policy issues, including assessment of macroeconomic and financial management in Benin. The unit was also active in providing support towards preparation of poverty reduction strategy documents and in fostering policy dialogue in Benin on trans-border trade issues.

CEPA staff carried out core research work in key areas such as trade, education, poverty reduction, debt management, governance and the national budget in Ghana. They also conducted collaborative work with other institutions such as the Institute of Economic Affairs, the Legon Economics Society, AERC, the World Bank and UNDP. Two seminars were held to launch the Centre's flagship publications on the economy of Ghana. The cumulative number of papers produced and disseminated by *CEPA* since its establishment in 1993 exceeds 80 (see Box 7).

CIRES-CAPEC completed 6 policy studies on topics relevant to the economy of Côte d'Ivoire, including: financing of the education sector; reform of rice production and food security policy; regional integration; poverty measurement; promotion of small- and medium-scale enterprises; and the design of a dynamic forecasting model for decision-making and analysis of the business cycle. *CIRES-CAPEC* also produced a case study on ACBF's intervention in capacity building in Côte d'Ivoire in the area of macroeconomic policy formulation. Lastly, it published 9 studies as working papers, and disseminated its research work through its *Politique Economique en Bref (PEB)* and *Bulletin de Politique Economique (BUPEC)*. Overall, *CIRES-CAPEC* published 6 issues of *PEB* and 4 issues of *BUPEC*. It deferred its training modules due to the unstable political environment in Côte d'Ivoire.

DPC carried out a considerable amount of research and training work in 2000. With respect to research, *DPC* staff focused on issues such as the social mapping of the Niger Delta; rural development strategies in Nigeria; public global urban indicators; infrastructure for rural development; the determinants of regional poverty in Nigeria; institutional analysis of the national food storage program in Nigeria; transportation policy, and ECOWAS. In total, *DPC* generated 37 research papers that were disseminated in various forms. *DPC* also organized 15 training seminars and workshops on a broad range of policy issues. The training sessions benefited a total of 1 015 participants drawn from various sectors.

Ongoing core research at *EPRC* covered areas such as the determinants of health care demand in Uganda; exchange-rate issues; multivariate analysis of poverty in Uganda; price level dynamics and the Central Bank's reaction function; agricultural policy and food security issues; and public sector deficits and macroeconomic performance. *EPRC* produced 7 studies on topics such as the effectiveness of treasury bills as instruments of monetary policy in Uganda; the determinants of regional poverty in Uganda; and the responsiveness of tax revenue to economic growth in the country. In addition, the Centre initiated a quarterly review publication on the economy of Uganda as well as policy briefs, workshop proceedings and discussion papers.

ESRF carried out both core and commissioned research work in 2000. Its core research focused on areas such as micro-credit and finance, taxation, the legal and regulatory framework, public expenditure, trade, privatization and poverty. At the request of the Government, *ESRF* conducted work on Tanzania's Assistance Strategy and on regional economic integration issues. It also provided technical backstopping support to the PRSP process. Lastly, *ESRF* organized 5 workshops and related forums to build capacity on a broad range of policy issues, which benefited over 600 participants.

IDEC produced 22 studies on a variety of issues such as the economic effects of the embargo imposed on the economy of Burundi, export and import-substitution policy, and analysis of public enterprise performance in Burundi. The Institute also published and disseminated 2 issues of *RIDEC*, its flagship economic journal. *IDEC* professional staff published 12 articles, and the Institute continued to co-operate with *CURDES* at the University of Burundi. *CURDES* produced 17 independent studies. *IDEC* organized 5 seminars and 8 training modules on economic policy methodologies and issues in order to upgrade the skills of civil servants and other participants. These sessions benefited 228 persons.

IPAR produced 5 occasional papers, 2 books, 6 discussion papers, 8 policy briefs and 5 special reports. The Institute also introduced a new quarterly publication, and hosted 3 workshops and seminars to discuss research outputs to which government officials and parliamentarians were invited. The books were entitled *Kenya's Strategic Policies for the*

NEPRU maintained a high level of productivity in terms of capacity building in research and policy analysis, participation in workshops, lectures and other forums. The Unit continued to play a critical role in generating policy-informing research on a variety of macroeconomic issues or sectoral policy issues with macroeconomic implications. NEPRU provided important technical support to Government in the design of poverty reduction strategies. In this connection, it chairs a committee on Poverty Reduction Strategy and continues to serve as a technical arm to the National Planning Commission. NEPRU is also providing financial and technical support to the master's degree program in Public Policy and Administration at UNAM.

UPE enhanced its role as the think tank of the Ministry of Economic Affairs and Finance in Senegal. It continued to generate seminal papers on a wide range of macroeconomic policy issues such as private sector promotion, the role and significance of livestock breeding in the economy, industrial development policy, and public expenditure analysis. The cumulative number of substantive papers generated by the Unit stands at 110. UPE played an active role in assisting the Government to design its poverty reduction strategy within the framework of the PRSP process. At the request of the Minister of Economic Affairs and Finance, the Unit generated policy briefings and memoranda to back the implementation of policies and programs in the country. Lastly, UPE organized training sessions on targeted macroeconomic policy issues and methodologies for public sector officials. By December 2000, it had organized workshops, seminars and short courses benefiting 479 participants.

The achievements of policy units in the Foundation's portfolio can thus be summarized as follows:

- Provision of inputs for the preparation of white papers on key policy issues by governments;
- Provision of background materials and research papers to guide policy formulation, implementation and monitoring as well as the preparation of national budgets, vision documents and development plans;
- Provision of technical support, policy advice and advisory services to governments and other stakeholders in national economic management;
- Serving as technical arms or policy/program implementing agencies for government and other stakeholders;
- Serving as sources of highly-skilled policy analysts to government, private sector and civil society institutions;
- Provision of support for the PRSP process in many countries;
- Provision of a platform for dialogue among stakeholders in national economic management and development; and

Box 6.**BIDPA: Boosting Policy Analysis and Research in Botswana**

The Botswana Institute for Development and Policy Analysis (BIDPA) contributes research support and policy analysis work to key economic ministries and agencies in Botswana. It also develops local capacity for policy analysis and management through in-service training and fellowship programs. After close to six years of operation, BIDPA is now well-established as an independent institution with high standards, and is favourably regarded for its work in areas such as poverty alleviation; diversification and economic growth; international and regional competitiveness; international trade and finance systems; HIV/AIDS; macroeconomic modelling and planning; as well as transformation and modernization of civil society through its position as the secretariat for the Council established to co-ordinate the implementation of Vision 2016 in Botswana.

Since the inception of BIDPA, the Institute has been involved in over 200 research projects ranging from small-scale, short-term internally generated work to large national projects spanning many months, and sometimes in collaboration with other institutions. The Institute has also served as a forum for public debate, and has encouraged collaboration between the Government and the private sector on important national issues. BIDPA staff members have been active participants in various reference groups and task forces within Botswana.

BIDPA is currently implementing a capacity-building program in the area of economic and social development. This consists of the provision of annual scholarships for training at the master's and doctoral levels. In addition, on-the-job training is provided to junior staff through supervision of research work, internal seminars and presentations, and work on BIDPA projects. In order to build local research capacity, BIDPA involves junior staff members in all of its major research work. Through its library and information technology resources, BIDPA has been able to extend its information services to a wider audience. It houses a research library specializing in economics, statistics, public administration and social welfare. The BIDPA website has become an important reference site for students and researchers both locally and abroad. The steady increase in demand for BIDPA services nationally and regionally is an indication of the Institute's rising reputation and burgeoning visibility.

- Contribution towards the implementation of treaties, protocols and conventions relating to regional cooperation and economic integration. PASU, which is lodged at the OAU, has carried out work aimed at strengthening capacity for the implementation of the treaty establishing the AEC, and treaties, protocols and conventions of RECs in Africa.

F. Contributions by Policy Units to the PRSP Process and the Enhanced HIPC Capacity-Building Program

During the year, the Executive Secretary wrote to all ACBF-supported institutions encouraging them to endeavour to provide support to the PRSP process in their respective

countries. Positive responses to the circular were received from a number of the institutions, which demonstrate that the Foundation is beginning to emerge as a significant player in the area of poverty reduction in sub-Saharan Africa. Some of the contributions are illustrated below:

DMPA, Ministry of Finance and Economic Development, Zambia. *DMPA* currently serves as the Technical Secretariat for the PRSP process. The Directorate undertook the background work on the PRSP process, including preparation of the interim PRSP and the organization of meetings with donors and workshops to raise awareness among key stakeholders about the PRSP process.

ESRF, Tanzania. *ESRF*, which currently serves as the national capacity building secretariat in Tanzania, has been commissioned by the Government to provide technical support in the preparation of the country's PRSP.

NEPRU, Namibia. *NEPRU* recently completed a major study on the impact of public policies on poverty levels in Namibia. In another study, the Unit examined trade and land policies and their implications for poverty and inequality in the country. Currently, *NEPRU* is a member of the Namibian team developing the country's poverty reduction strategy program. Its contributions include the conduct of three background studies and participation in various meetings and discussion sessions on the PRSP. The National Planning Commission is developing a poverty reduction action program based on the country's poverty reduction strategy. The national committee responsible for the design of the program is chaired the Director of *NEPRU*. The Unit is expected to play an important role in the monitoring and evaluation of the program once the Government approves the program.

CAPE, Benin. In response to the Executive Secretary's circular, *CAPE* has developed a research program, which focuses on poverty alleviation in Benin. It will examine issues relating to: i) poverty levels and profiles in the rural areas and how poverty can be addressed effectively in rural areas; ii) the efficiency of micro-finance institutions in Benin; iii) analysis of the socio-economic cost of corruption in the Benin; and iv) a comparative analysis of the competitiveness of industries in Benin and Nigeria and the implications for cost of living and poverty trends in Benin.

BCEAO, *BEAC*, *MEFMI* and *WAIFEM*. These regional institutions provide training to strengthen skills for debt, reserves and financial sector management as well as macroeconomic management. The macroeconomic policy management programs they offer build skills for designing policy, program and expenditure reforms that are geared towards poverty reduction. They also undertake country advisory missions to assist member states in debt sustainability analysis; design of debt management strategies; development of databases for effective debt management; and institutional reforms that

support the emergence of effective debt management operations in government or allied agencies. All four institutions participate effectively in the enhanced HIPC capacity building program.

AERC. The AERC research program currently supports a collaborative study on “Poverty, Income Distribution and Labour Market Issues” in 12 sub-Saharan African countries. The research at the moment benefits some of the PRSP teams at the country level. The Consortium is at present in consultation with the Foundation seeking to explore collaborative arrangements for the AERC to support country-level PRSP teams. The support will be channelled through the strengthening of databases for the PRSP process, collaborative research support for the PRSP teams, and rigorous training programs for policy analysts, statisticians and econometricians, among others in the PRSP teams. In order to achieve economies of scale, the support by the AERC will be provided largely at the regional level.

PNRC-CMAP, Ministry of Economic Affairs and Development, Mauritania. This new project reflects a decision by the Government of Mauritania to address poverty issues and poverty reduction policies in a holistic, institutional and sustainable way. CMAP will carry out relevant policy research in support of the Government’s policy objectives; ensure ownership and internalization of the resulting policies; improve the capacity of Mauritanian professionals in policy analysis and formulation, monitoring and evaluation; and enhance the capacity of civil society to better play its advocacy role in the bid to attack poverty. Like PNRC-CMAP, the national capacity-building project that was approved by the Executive Board during its meeting in December 2000 for Sao Tome and Principe (PRECASP) also holds tremendous prospects for strengthening capacity for poverty reduction in the country.

Labor Market Statistics and Poverty Monitoring Systems. The Foundation is proceeding with further development of the regional initiative to improve labor market statistics and poverty monitoring systems in sub-Saharan Africa. The Executive Board approved the project in principle in May 2000. The project will build synergy between data capacity building initiatives and the Poverty Reduction Strategy Paper (PRSP) process. It will therefore strengthen the capacity of governments, social partners and local institutions to regularly collect, collate, process, analyze and disseminate labor market and poverty monitoring statistics and information in order to facilitate debate and dialogue on poverty issues, and thus guide policy and programs appropriately. The project holds some good prospects for the Foundation’s support to the PRSP process and for its participation in the PARIS21 Initiative.

SANGOCO, South Africa. Through the SANGOCO project that was approved in May 2000, the Foundation also seeks to strengthen its support for poverty reduction programs in South Africa, a country that has one of the most inequitable income distribution profiles in the world. SANGOCO’s activities will contribute to the orientation of development

policies and programs for the alleviation of poverty in South Africa and the improvement of the quality and quantity of resources allocated to poor communities. The activities of the project consist of a War on Poverty Campaign, a program to strengthen and empower the NGO network, and an institutional development program for the National Secretariat and provincial offices of the network to strengthen their links with rural communities and monitor effectiveness of public policies and programs geared towards poverty reduction.

UPE, Ministry of Economic Affairs and Finance, Senegal. UPE has assisted the Ministry in providing the conceptual framework for defining and articulating the government's poverty reduction strategy. This was critical in boosting the country's eligibility for resources within the framework of the Enhanced HIPC Initiative.

Box 7.

CEPA: Stimulating Economic Policy Dialogue in Ghana

The work of the Centre for Policy Analysis (CEPA) has stimulated public debate and contributed towards economic literacy in Ghana. Research and policy analysis work at CEPA focuses mainly on macroeconomic stabilization issues. The outputs include working and discussion papers, seminar series, annual reviews, projections on the Ghanaian economy and mid-year reviews of the country's economic performance. CEPA's flagship publications are the *Mid-year Macroeconomic Review* and *Ghana: Macroeconomic Review and Outlook*. More recently, CEPA has extended its work to other sectors, including agriculture, trade and education. To date, CEPA staff have produced and disseminated over eighty (80) papers, in addition to ten (10) produced in collaboration with institutions such as the Bank of Ghana, AERC, EAGER (Massachusetts), the World Bank, the Sigma One Corporation and the Institute of Social Studies at The Hague. A number of CEPA researchers now sit on important Boards and influence the direction of public policies through their publications and involvement in high-level panels.

CEPA also conducts training sessions for its stakeholders. For example, in 1995, the Centre held a seminar for senior policy makers in sub-Saharan Africa jointly with the Institute of Development Studies, University of Sussex, England. Two similar workshops were conducted jointly with EAGER and AERC in 1997. In addition, CEPA conducted two training workshops for 19 members of the Institute of Financial and Economic Journalists in 1998/1999 in order to re-tool them with basic skills for understanding, reporting on, and discussing economic and financial issues.

G. Issues, Constraints and Challenges

The Project Environment

Political instability will continue to pose a major challenge to intervention, effective supervision and the performance of projects in some countries. During the year, Burundi, Cote d'Ivoire, the Democratic Republic of Congo, Liberia and Zimbabwe experienced varying forms of political instability, which affected the scope, scale and pace of intervention as well as the quality of supervision or project effectiveness. Instability in the project environment also poses a threat to the mobilization of co-financing for new proposals and ongoing projects. Given that the issue is an extraneous factor, there was very little that the Foundation could do in 2000 to improve the situation prevailing in the mentioned countries. It however took precautionary measures to ensure the safety of program officers during project development processes and the continuous supervision of ongoing projects in these countries.

The Integration and Implementation of PACT

A second challenge that the Foundation faced in 2000 was its transformation from an institution with modest objectives into one with ambitious targets. The rapid rate of such transformation was an additional factor that had implications for the Foundation's internal functioning as well as management of stakeholders' expectations and the expanding project portfolio. While the year witnessed a remarkable performance by the Foundation, it is also important to underscore the fact that the high level of performance was attained with less than the staff complement required. The Secretariat experienced difficulties attracting qualified candidates to fill the vacant positions at the program officer level. In response to these challenges, the Foundation began reflecting on a comprehensive human resources strategy aimed at revitalizing staff inputs; motivating, retaining or re-training staff; and enriching their professional and career objectives. In addition, it is expected that restructuring of Secretariat operations as evidenced by the establishment of operation zones headed by Program Team Leaders, the setting up of a research, training information systems and publications department, and the enhancement of key project support and outreach functions will enable the Foundation to adjust more appropriately to the expansion of its role.

Resource Mobilization

A third issue that the Foundation had to confront during 2000 was that of resource mobilization. It was recognized that much more effort needed to be invested to attract fresh resources from other traditional donors (such as the European Union, Germany and Switzerland) and non-traditional sources (such as private foundations and charitable organizations). This factor was critical not only because it formed the basis for continued

World Bank support to the Foundation within the framework of the implementation of PACT, but also because of the existing gap between the Foundation's financial targets and the quantum of resources that had been mobilized thus far in order to implement the SIWP for the second phase. The issue became even more pressing in 2000 as the Foundation began preparing its new strategic medium-term plan (SMTP). The Secretariat pursued its reflections on this issue in a paper presented to the Executive Board in December 2000. It is thus expected that, following approval of the SMTP in 2001, the Foundation will intensify its resource mobilization efforts ahead of the pledging session and other related activities.

Gender Issues

The Foundation considers gender issues and the empowerment of women as central to its mission and that of the projects in its portfolio. To this end, in 2000, it continued to build on its previous efforts in this regard. For example, at the level of the Foundation, there were three women on the Executive Board by the end of 2000, and an additional woman joined the professional staff as Finance and Budget Analyst. This brought to four the number of female professional staff in the Secretariat. At the level of ACBF projects, the Foundation approved an innovative project aimed at supporting the efforts of a network of women's NGOs in Zambia in order to equip it with the requisite leadership skills, promote women's keen involvement in political dialogue as well as provide high-quality information on relevant public policy issues. Also, the Foundation continued systematically to encourage stakeholders to be sensitive to the gender distribution of project staff and participants in workshops, symposia and training programs. It also fostered interest in research on the effects of policy prescriptions on women's incomes, careers and employment opportunities. The Foundation is aware of the large task ahead, and will continue to strive to mainstream gender issues in capacity building, in particular in the wake of the expansion of its mandate to include interface issues, knowledge management and networking.

Co-financing

The issue of co-financing continued to affect project development and implementation processes within the Foundation during 2000. Given that the Foundation considers its interventions as merely catalytic, it ordinarily requires that potential beneficiaries mobilize the requisite additional financing for implementation of their projects. This policy is premised on the assumption that good projects would attract complementary funding from other sources. In addition, the mobilization of co-financing would compel the beneficiary to demonstrate greater ownership of a given project. A third rationale is the need to foster project sustainability by requiring that beneficiaries absorb a portion of the costs attaching to the projects they support. However, the co-financing requirement has tended to be difficult to implement. This challenge was even more visible in 2000

when the Foundation helped develop and approved 36 projects and programs. In many cases, donors' enthusiasm for projects did not necessarily translate into the release of fresh resources. This situation either delayed the take-off of new projects or stymied the implementation of ongoing ones. While the Foundation will continue to encourage its beneficiaries to identify adequate sources of co-financing, it will have to reassess the issue in light of the increasing paucity of official development assistance against a backdrop of burgeoning resistance by donors to 'triple dipping' - that is, the tendency to contribute at once directly to ACBF, to co-finance projects being funded by the Foundation, and to provide resources to other capacity-building projects that fall within the Foundation's remit but towards which the Foundation is yet to contribute resources. The analysis of the Foundation's co-financing policy in light of current trends has enormous implications for partnership issues as well as for the ownership and sustainability of capacity-building projects. For example, in the face of declining donor resources in both absolute and relative terms, the Foundation will be under some pressure to moderate its co-financing policy and take on an increasing share of project financing responsibility. Yet, it must assess the moral hazard implications of such a shift in policy. In the end, even as the Foundation reflects on more flexible ways of implementing its co-financing policy, much more effort will need to be made to encourage project promoters to supply adequate co-financing as this is a key indicator of their commitment to given projects, which in turn is critical for the long-run sustainability of the latter following the termination of donor support.

SECTION VI

6. OUTREACH, NETWORKING AND PARTNERSHIPS

In 2000, the Foundation enhanced its visibility and stature as the premier capacity-building institution in Africa. The Foundation also made significant strides in establishing smart partnerships and collaborative networks with other stakeholders engaged in development in Africa. These accomplishments were largely as a result of the vigorous launching and effective implementation of the first year of the Foundation's expanded mandate, following endorsement by the Board of Governors and Executive Board of the integration of PACT into ACBF, and the advent of new leadership at the Secretariat.

The implementation of the expanded mandate gave a new impetus to the Foundation's outreach and network activities that witnessed the re-launching of the ACBF Newsletter (which had been inactive since 1996), enhanced media coverage of ACBF activities and wide dissemination of information about the Foundation. The development of the ACBF website during the year was particularly significant in that it propelled the Foundation into the utilization of modern digital tools of communication and exchange, thus placing ACBF at the cutting edge of the new information technology. The Foundation also extended its activities beyond mere participation at various forums devoted to development issues by engaging in increased consultation and collaboration with bilateral, regional and multilateral institutions for joint capacity-building initiatives. In this respect, the Foundation forged new smart partnerships with a number of development partners.

Enhanced Visibility

The need for wider dissemination of information on the Foundation's activities as well as for greater institutional visibility on the Continent prompted the Foundation to pursue a vigorous outreach effort during the year. Throughout 2000, the Foundation received both electronic and print media coverage by television outlets such as the Zimbabwe Broadcasting Corporation (ZBC), the *Radio-Télévision Gabonaise*, Voice of America (VOA), *Radio France Internationale*, *Radio Deutsche Welle*, and regional and international news networks such as the Inter Press Services, *Radio Afrique Numéro 1*, TeleAfrica, CNN International, the BBC Network Africa, the Pan African News Agency (Africa News Online), Channel Africa, *Agence France Presse*, Business Day, Reuters, *Jeune Afrique l'Intelligent* and local newspapers in various countries. In addition, the two regional workshops for NFPs that were held in Libreville, Gabon, on 22-23 May 2000 and 26-27 June 2000 in Lusaka, Zambia, also received extensive press coverage by both national and international media.

Media coverage of the Foundation succeeded in raising its visibility and enhancing awareness of the PACT Initiative as a component of the Foundation's expanded mandate. It also helped to highlight the new orientation to capacity interventions in Africa, which,

through strong financial support by both African countries and the international donor community, is poised to broaden and deepen capacity-building efforts on the Continent.

The ACBF quarterly Newsletter was revived with a new presentation and focus targeting the Foundation's key constituencies in the public sector, the private sector and civil society. All four editions of the Newsletter were published and disseminated. The Foundation's multi-media approach also included the preparation of promotional information materials on ACBF in the form of brochures and booklets distilling its role in the area of capacity building on the Continent.

The Foundation engaged in consultations with its stakeholders in countries as well as regional and multilateral institutions. For example, the Executive Secretary briefed development stakeholders, including Executive Directors of the World Bank, on the vision and implementation strategy for the expanded mandate. He also led a delegation to the United Kingdom, the Netherlands, Canada (CIDA), UNDP, the United States (USAID), the Carnegie Corporation, among others, to seek preliminary responses and guidance on the emerging elements of the Foundation's medium-term plan for the implementation of its expanded mandate.

The Foundation also reached out to its constituency in Zimbabwe. To this end, the Executive Secretary met with Ambassadors, High Commissioners and Resident Representatives of multilateral donors in order to enhance the Foundation's presence as well as strengthen working relations and exchange information with them. He paid courtesy calls on diplomatic envoys and Resident representatives from Angola, Argentina, Australia, Botswana, Brazil, Canada, Denmark, Ethiopia, the European Union, France, Germany, India, Japan, Kenya, Malawi, Mozambique, the Netherlands, Nigeria, Norway, South Africa, Sudan, Sweden, the United Kingdom, UNDP, the United States, and the World Bank.

The Executive Secretary also received several dignitaries from the diplomatic corps at the Secretariat, including the Canadian High Commissioner, the Kenya High Commissioner and the Ambassador of Sudan. One notable visit in March was that of a group of diplomats from Denmark, Sweden, Norway and the Netherlands who were invited for a first-ever briefing session on the integration of PACT and status of implementation of the Foundation's expanded mandate.

At the invitation of the COMESA Heads of Mission in Zimbabwe, the Foundation briefed the diplomats on the Foundation's activities and exchanged ideas with them on the Foundation's expanded mandate and capacity-building issues at the sub-regional and continental levels. The Foundation and the COMESA Heads of Mission agreed on the importance of strong African ownership of the Foundation.

The Foundation's broadened mandate has expanded the scope and scale of its capacity-building interventions and opened up opportunities for smart partnerships and strategic networking with other development partners. In this regard, the Foundation in 2000 proffered its support to several joint initiatives with other development partners. It also played a leading role in several forums that boosted its stature as the leading capacity-building institution on the Continent.

The Foundation was actively involved in the preparation of collaborative frameworks for joint programs with UNDESA, AFRISTAT and UNECA. It also co-operated with the WBI, the AfDB, the IMF Institute and IDS at Sussex on PRSP-related activities. It deepened its contacts with PARIS21, the Rockefeller Foundation and ECDPM with a view to developing joint capacity-building programs with them.

In July, the Foundation attended a donors meeting in Paris on the *Centre Africain d'Etudes Supérieures en Gestion* (CESAG) project on training in banking and finance, convened by the International Banking and Finance Institute (IBFI) of the *Banque de France*. The meeting discussed a project to transform CESAG into a business school capable of offering a world-class master's degree in Business Administration (MBA) and a high-quality executive education program. It is expected that the program will provide new opportunities to disseminate leading-edge knowledge in banking and finance to African training institutions.

In August, the Foundation was invited as a key partner to brainstorm with other development partners on the establishment of an Africa Knowledge Networks Forum (AKNF) at the first AKNF Preparatory Workshop, organized by the United Nations Economic Commission for Africa (UNECA).

Early in October, the Foundation attended the Donors Roundtable aimed at mobilizing resources for the African Futures Centres of Excellence Network. The Foundation also signed a joint Memorandum of Co-operation with the Club du Sahel-MDP and UEMOA under the terms of which all the parties agreed to pool their resources and experiences in order to design a collaborative capacity-building program on local financial management and accounting for local governments in several countries in Francophone Africa. During the same month, the Foundation held discussions with the Rockefeller Foundation on developing strategies for strengthening African universities – especially those in countries affected by prolonged civil strife as well as the ones in Francophone and Lusophone countries. At the end of October, the Foundation participated at a meeting on the establishment of a Regional Learning Network for Poverty Reduction in sub-Saharan Africa, which took place in Kampala, Uganda. The main purpose of the meeting was to bring together all relevant stakeholders to agree on concrete proposals for strengthening policy analysis and management for poverty reduction in the region.

In November 2000, the Foundation attended the tripartite meeting among the member states of the *Comité Permanent Inter-Etats de Lutte contre la Sécheresse au Sahel (CILSS)*, at which it was agreed that a capacity-building initiative would be launched to boost aid management in CILSS countries as well as support the implementation of the Sahel 21 Initiative. It was further agreed that the key stakeholders would sign a Memorandum of Understanding to this effect at a later date. The Executive Secretary attended a follow-up meeting the next month on the margins of the ECOWAS Summit of Heads of State and Government.

A Consultant for the Department for International Development (DFID), United Kingdom, visited ACBF as part of an assignment to prepare a study on the Foundation's current and planned business portfolio and systems in the wake of the expansion of the Foundation's work program. The study was part of a wider review of DFID's approach to working with African regional organizations. In November, the Foundation received a Senior Development Officer from the Canadian International Development Agency (CIDA) who held working sessions with the Executive Secretary and other members the Foundation's senior management on cooperation between CIDA and ACBF. Also, in November, a Senior Program Officer from the European Centre for Development Policy Management (ECDPM) visited the Foundation and held discussions with Foundation officials on how to enhance current collaborative arrangements between ACBF and ECDPM.

Between July and November, delegations from Cameroon, Côte d'Ivoire, Ethiopia, Gabon, Ghana, Guinea, Namibia, Nigeria, South Africa, Tanzania, Uganda, Zambia and Zimbabwe visited the Foundation to negotiate and sign grant agreements relating to their respective projects.

Lastly, by December 2000, the Foundation had received confirmation from a number of institutions - the World Bank, UNECA, OAU, AfDB, Rockefeller Foundation and the OECD Development Centre - that they were inclined to co-sponsor the First Capacity Building Forum scheduled for the last quarter of 2001 in Bamako, Mali.

Other Meetings, Seminars and Workshops

Throughout 2000, the Foundation maintained a strong presence in various workshops and seminars that provided opportunities for knowledge sharing and exchange. In this regard, in September, the Foundation participated at the ECDPM Expert Forum on *Modernizing International Cooperation? Lessons and Opportunities from the ACP-EU Partnerships*, held in Maastricht, the Netherlands. The aim of the Forum was to reflect, and provide policy advice, on lessons learnt by ECDPM and its partners within the framework of the Lomé Convention.

In mid-September, ACBF participated in the closed-door session of the 4th MEFMI Forum of Ministers of Finance and Planning held in Malta. The Executive Secretary shared perspectives with other participants on aspects of capacity building for negotiation in Africa, particularly in connection with external debt and trade. The Foundation was also present at the African Economics Editors Forum 2000, held in Johannesburg, South Africa, which attracted leading business, financial and economic editors from 13 countries in Africa and North America as well as representatives from the mainstream South African media, media scholars and consultants, representatives from the World Bank Institute, and the Freedom Forum Africa Centre.

In November, the Foundation attended the AERC Board meeting held in Chicago, U.S.A.. AERC is planning to launch a Collaborative Ph.D. Program on a pilot basis. The purpose of the program is to offer a high-quality doctorate-degree program in economics that is comparable to those provided by some of the best universities in the developed countries. The Collaborative Ph.D. Program would address the serious dearth in highly trained economists on the Continent.

SECTION VII

7. FINANCE

The year 2000 recorded a substantial improvement in the Foundation's financial position, which enabled it to commit a record US\$ 60.45 million in grants to capacity-building projects and programs throughout sub-Saharan Africa. This constituted a phenomenal growth in commitments considering the Foundation's previous financial position. The available commitment authority for grants of only US\$ 24.66 million as at 31 December 1999 for the remaining period of the Foundation's second phase (three years), whose funding requirement was estimated at US\$ 51 million exclusive of administration, implied that the Foundation began the year 2000 with a funding gap for project grants of US\$ 27 million.

The liquidity position of the Foundation also showed substantial improvement with an increase in the annual budget cover from a one-year cash cover in 1999 to a cash cover exceeding three years in 2000. Thus, resource mobilization posed the greatest challenge to the Executive Board and the Secretariat during 2000.

Two major developments contributed to the improvement in the Foundation's financial position. These were: (i) the decision by the World Bank to provide resources towards capacity-building activities in Africa; and (ii) the successful integration of the PACT Initiative into the Foundation. These positive developments made it possible for the Foundation, under the expanded mandate, to mobilize sufficient resources to support the addition to grant commitments of US\$ 60.45 million in 2000.

Pledges

Following the Foundation's successful presentation of qualifying PACT projects whose total costs was in excess of US\$ 24 million in May 2000, the World Bank, pursuant to its decision to provide support for the PACT Initiative, released the first installment of US\$ 30 million. Out of this amount, US\$ 5 million was allocated to the second phase of the Foundation's operations within the framework of implementation of the Memorandum of Understanding (MOU) of 1997 relating to the African Capacity Building (ACB) Fund (Phase II). In August 2000, the World Bank approved a second installment of US\$ 23 million, of which another US\$ 5 million was allocated to the second phase of the Foundation's operations under the terms of the Memorandum of Understanding (MOU) of 1997 relating the African Capacity Building (ACB) Fund (Phase II). In addition, the United States Agency for International Development (USAID) pledged US\$ 0.500 million toward PACT. Canada, through the Canadian International Development Agency (CIDA), signed the MOU relating to the ACB Fund (Phase II), under the terms of which it pledged US\$ 3 million for the implementation of the Foundation's expanded mandate. From this amount, CIDA allocated US\$2.4 million to the Foundation's original mandate and US\$ 0.600 million

towards the implementation of PACT. The government of Japan approved an extension of the closing date of the grants awarded to two of the EPM programs within the framework of the Policy and Human Resources Development (PHRD) Trust Fund. In December 2000, the Republic of Ireland announced its intention to pledge IR£ 0.800 million over a period of two years - an amount equivalent to US\$ 0.967 million at exchange rates prevailing as at 31 December 2000. It is expected that the legal framework of the pledge will be finalized in 2001. The additional resources shown in Box 8 amounted to US\$ 45.57 million. This figure, to which should be added the cumulative investment income of US\$ 9.66 million, provided the much-needed resources for commitment in the year 2000.

Commitments

Following the launching of the PACT Initiative, commitments rose by US\$ 60.45 million during fiscal year 2000. This amount brought the cumulative commitments for projects to US\$ 146.97 million whereas commitments to program support activities, as at 31 December 2000, stood at US\$ 1.21 million. As regards administrative expenditure, the cumulative figure amounted to US\$21.02 million. The sum of the three gives a total cumulative commitment to date of US\$ 169.20 million. The difference between the cumulative commitment authority and commitments to date leaves a balance of US\$19.86 million in resources available for future commitments.

The Business Plan and Budget for 2001 will have a resource requirement of US\$ 5.43 million, comprising US\$ 3.96 million for the administrative budget and US\$ 1.47 million earmarked for program support activities. This leaves a balance of US\$ 14.43 million available for future grant commitments. However, the resource requirements for implementation of the SMTP will be much higher than what will be available as at the end of 2001. This funding shortfall implies that the Foundation will need to embark on an ambitious resource mobilization drive beginning in 2001. In anticipation of this exercise, the Executive Board, at its 24th Regular Meeting, held in December 2000, approved the framework of a resource mobilization strategy. The details and timeline of implementation of the strategy will be clarified in 2001.

Available Cash Resources

ACBF's cash resources consist of donor contributions in respect of its first and second phases as well as contributions by the World Bank, other multilateral and bilateral donors and the Japanese PHRD Trust Fund towards the Foundation's operations. Box 8 summarizes the cash position as at 31 December 2000.

Given that some African countries (for example, Cameroon, Senegal and Tanzania) have signalled their intention to make good on the outstanding balances of their pledges,

there are prospects that Phase I could still record further cash inflows. Phase II contributions have remained satisfactory as some donors (Botswana, Denmark, Sweden and the United Kingdom) have disbursed resources well ahead of the agreed draw down schedule.

As at 31 December 2000, the Foundation's cumulative cash resources had reached US\$ 151.45 million. This figure takes into account the cash available from the various sources. The cumulative outflow for the period, which comprises disbursements in respect of projects, program support activities and administrative expenses, totalled US\$80.77 million. The difference between the two cumulative amounts constitutes the net available cash resources - that is US\$ 70.71 million.

With an available cash balance of US\$70.71 million, the Foundation's cash position as at the end of 2000 was quite sound. This level of liquidity will be adequate to support disbursements against prior commitments in the short term. However, the Foundation will need substantially more resources in order to fund its Strategic Medium-Term Plan for the next five years.

Box 8.**Financial Position of ACBF****Resources Available for Commitment to Projects**

During the year 2000, resources for Phases I and II as well as for the PACT Initiative were consolidated into one Trust Fund to be named the Consolidated Capacity Building Trust Fund.

Confirmed pledges in respect of Phase I increased slightly by US\$ 0.597 million to US\$ 67.82 million following increased prospects by some African countries to fulfill their pledges. The exchange losses stood at US\$ 2.85 million while the default level dropped slightly to US\$ 10.89 million. Investment income in respect of Phase I amounted to US\$ 8.43 million. Confirmed pledges in respect of Phase II remained at US\$ 56.01 million while the resources pledged by Japan through the PHRD Trust Fund at the World Bank stood at US\$ 10 million. Investment income in respect of Phase II amounted to US\$ 1.23 million. Pledges and contributions towards the Foundation's expanded mandate incorporating the PACT Initiative amounted to US\$ 45.57 million, comprising US\$0.967 million that Ireland has indicated it is ready to pledge, US\$ 0.500 million pledged by USAID, US\$0.600 million pledged by Canada, a total of US\$ 43.50 million from the first and second tranches of the World Bank contribution towards PACT, and US\$ 0.500 million from the IDF Grant administered by the World Bank. This brings the cumulative total resources to US\$ 189.06 million.

Against this total are commitments of US\$146.97 million comprising commitments in respect of Phase I of US\$ 61.85 million, commitments in respect of Phase II of US\$ 24.67 million and US\$ 60.45 million for the expanded mandate. Added to these commitments are those earmarked for expenditure on project-support activities and administration amounting cumulatively to US\$ 1.21 million and US\$ 21.02 million, respectively. This leaves an available commitment authority of US\$ 14.43 million.

Available Cash Resources

The available cash resources comprise paid-in contributions in respect of Phase I amounting to US\$67.07 million, paid-in contributions in respect of Phase II amounting to US\$ 21.22 million, resources pledged by Japan through the PHRD Trust Fund in the amount of US\$10 million, contributions by the World Bank in respect of the expanded mandate amounting to US\$ 43.50 million as well as combined investment income of US\$ 9.66 million for both phases. This brings the cumulative cash resources to US\$ 151.45 million. Against these inflows are outflows relating to disbursements to projects of US\$ 58.74 million, program support expenditure of US\$ 0.98 million and cumulative administration and capital expenditure of US\$ 21.02 million - leaving a balance of US\$ 70.71 million in available cash resources as at 31 December 2000.

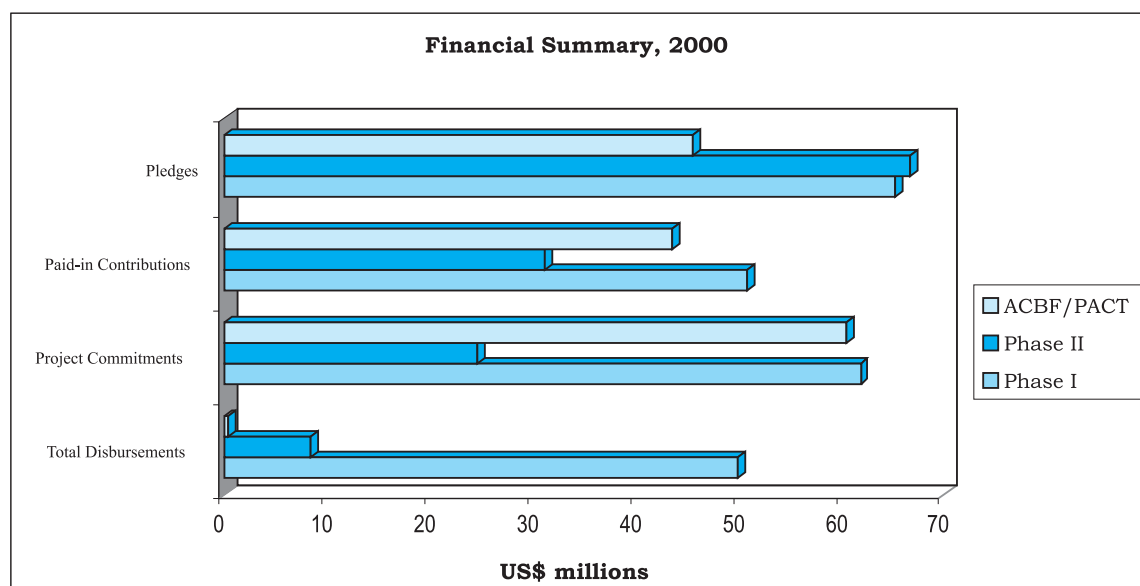
**Available Resources for 2001 as at
31 December 2000 (US\$ millions)**

1. Pledges		81.56
Phase I		
Less Defaults	10.89	
Exchange Losses	<u>2.85</u>	<u>13.74</u>
Phase I (net pledges)		67.82
Phase II		56.01
Japan PHRD Trust Fund		10.00
ACBF/PACT Phase		45.57
Investment Income		9.66
Total Resources		<u>189.06</u>
2. Commitments		
Phase I	61.85	
Phase II	24.67	
ACBF/PACT Phase	<u>60.45</u>	
		146.97
Program Support Expenditure as at 31/12/00		1.21
Cumulative Admin. Expenditure as at 31/12/00		<u>21.02</u>
Total Resources Available for Grant Commitments and 2001 Administrative Budget		19.86
Less: Approved Administration Budget for 2001		3.96
Approved Program Support Budget 2001		1.47
Available Commitment Authority for Projects in 2001		<u>14.43</u>
3. Available Cash Resources		
Paid-in Contributions		
Phase I		67.07
Phase II		21.22
Japan PHRD Fund		10.00
ACBF/PACT Phase		43.50
Investment Income		9.86
Total Cash Resources		151.45
Less: Expenditure to date		
Disbursements to Projects		58.74
Program Support Expenditure		0.98
Cumulative Administration and Capital Expenditure		21.02
Cash Available as at 31 December 2000		<u>70.71</u>

Table 3.: Trust Fund 1, Phases I and II: Financial Status

Year	Total Pledges	Expected Draw down	Amount Paid-in	Amount Committed	Amount Disbursed
1991	65.21	0.00	0.00	0.00	0.00
1992	0.00	-	0.00	17.20	0.00
1993	0.00	-	24.41	25.24	2.39
1994	0.00	-	2.91	8.20	6.66
1995	0.00	-	6.72	9.00	5.53
1996	0.00	-	3.29	0.61	10.19
1997	0.00	11.86	7.45	1.60	6.91
1998	0.00	12.26	2.36	-	7.26
1999	0.00	17.75	3.29	-	4.88
2000	0.00	-	0.42	-	6.14
Sub-total					
Phase I ^a	65.21	41.87	50.85	61.85	49.96
Phase II					
1998	56.36	5.89	0.30	15.80	1.58
1999	0.25	11.73	9.52	4.87	2.05
2000	-0.60	17.78	11.40	-	3.21
Sub-total	56.01	35.40	21.22	20.67	6.84
Japan					
PHRD 1999	10.00	-	-	4.00	0.71
PHRD 2000	-	-	-	-	0.83
Total PHRD	10.00	-	10.00	4.00	1.54
Total Phase II	66.01	35.40	31.22	24.67	8.41
ACBF/PACT 2000	45.57	14.54	43.50	60.45	0.40
Total	176.79	91.81	125.57	146.97	58.74

^a The total pledges include the contribution by the Netherlands (US\$5.2 million revised down to US\$3.009 million) and excludes the contribution by Japan of US\$10 million and Phase I Trust Fund 2 earmarked for Administration.



SECTION VIII

8. THE AGENDA AHEAD

The year 1999 heralded a new era in the history of ACBF with the decision by the Board of Governors and the Executive Board to integrate PACT into the Foundation. In 2000, the new architecture following the integration took shape and the Foundation kicked off successfully the implementation of its broadened agenda. This *Annual Report* has sought to capture these important achievements and has highlighted some of the challenges the Foundation confronted while implementing its expanded mandate.

After clarifying the criteria for eligibility for its support, the Foundation sought to transform governance structures on the Continent into more transparent and credible vehicles of change; fostered efforts to make the core public sector more efficient and effective; forged more fruitful interactions among the public sector, the private sector and civil society; and helped to transform regional initiatives into dynamic and cost-effective sources of regional integration. The ultimate objective was to improve not only the performance of the public sector, but also the design and delivery of public-sector projects and programs. In the process, the Foundation laid the groundwork for becoming not only a hub for the generation of lesson-learning experiences, but also a repository for the dissemination of best practices of replicable value. These are all encouraging indices of progress that hold out even greater promise as the Foundation's interventions gain additional traction in many countries on the Continent.

Clearly, ACBF, through its innovative initiatives in the area of capacity building, is poised to lead the way in bringing a fresh perspective to sustainable development in Africa. The Foundation is aware that it must contribute towards altering the terms of the debate on development in Africa, and help liberate the Continent from the shackles of poverty. This implies that, even as it addresses the challenges identified in previous years, it will need to consider a number of other critical issues that will shape the scope and scale of its activities in 2001 and beyond. For example, it will need to take stock of its manifold achievements and derive lessons that will be useful in managing the changes occurring within its precincts and around it, consolidating its portfolio, and forging the orientation of its future interventions. Second, it will need to prepare a new strategic medium-term plan (SMTP) setting out the operational priorities for the next five years, determine the attendant financial requirements as well as identify the human and institutional implications of its broadened role. This implies that the Foundation will need to implement a more ambitious resource-mobilization strategy targeting both traditional and non-traditional donors, while rethinking its own approach to co-financing arrangements in order to accommodate emerging realities on the ground. Third, the Foundation will be expected to continue to build on its solid achievements in 2000 by enhancing further its knowledge-management, outreach and other program support activities. This will enable it to develop the budding partnerships that it has already

struck with other key players in the field, improve its proximity to stakeholders and deepen the impact of its interventions.

In short, ACBF will, over the coming years, reach inwards and outwards to embrace a new agenda for the future. By absorbing the lessons of experience extracted from its operations and other activities, by drawing guidance and inspiration from the Board of Governors and the Executive Board, and by listening to its broader community of national and external stakeholders, the Foundation will identify its core priorities and chart the strategies for implementing them. It is only in this way that ACBF will give true meaning to the bedrock concepts of ownership, leadership and partnership that underpin the Foundation's purpose and operations, and which lie at the core of efforts aimed at reducing poverty and promoting sustainable development on the Continent. It is hoped that the forthcoming Capacity Building Forum and similar encounters with its partners will constitute propitious opportunities for taking this goal forward.

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Annex A.1: Profiles of New Projects

In 2000, the Executive Board approved grants to 36 full-fledged projects, amounting to US\$ 59,451,825. There were 25 projects in the public sector, 9 projects in the interface category, and 1 strategic initiative. The Executive Board also approved grants amounting to US\$1 million to 20 national focal points.

I. Public Sector Projects

A. Economic Policy Analysis, Research and Training Institutions

1. Capacity Building Program in Public Financial Management - Rwanda

The Executive Board approved in December 2000 a grant of US\$3 million to the Government of Rwanda in support of the Capacity Building Program in Public Financial Management in the country. The main objective of the program is to build/re-build the institutional and human capacity of the main institutions responsible for economic and financial management in the country, taking into account the tragic events of 1994, which decimated most of the existing human and institutional capacity. The program, which is part of a broader initiative, comprises four main components: (i) institutional development through the establishment of a Human Resources Development Agency (HRDA); (ii) institutional strengthening of departments and ministries responsible for economic policy analysis, formulation and management; (iii) in-country training; and (iv) staff development of the Economics Department of the University of Butare.

Location	:	Kigali, Rwanda
Coverage	:	National
Project Type	:	Institutional Development/Enhancement Program in the Public Sector
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$7,106,100
ACBF Funding	:	US\$3,000,000
Co-Financing	:	Government of Rwanda, bilateral donors
Implementing Agency	:	Human Resources Development Agency (HRDA); Ministry of Finance
Main Beneficiaries	:	Government agencies and the University of Butare.

2. Cellule d'Analyse et de Prospective en Développement (CAPED) - Niger

In December 2000, the Executive Board approved a grant of US\$1,500,000 to support the *Cellule d'Analyse et de Prospective en Développement* (CAPED).

The project will assist the Government of Niger to create a critical mass of highly qualified experts in policy analysis and development management, thereby enhancing the Government's ability to play a strategic role in guiding the country's economy.

The components of the project will include: (i) research, studies, evaluation and development

policy analysis; (ii) training; (iii) documentation and information dissemination; (iv) fostering of a network of experts; and (v) logistical support to key partner institutions.

The project is expected to contribute towards the establishment of a center of excellence, which will enable decision-makers to better guide the Government in the design of policies aimed at reducing poverty and promoting sustainable growth and development.

Location	:	Niamey, Niger
Coverage	:	National
Project Type	:	Policy Unit
Category of Project	:	Government Policy Analysis Unit
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$2,950,605
ACBF Funding	:	US\$1,500,000
Co-financing	:	Government of Niger; Other donors
Implementing Agency	:	Prime Minister's Office
Main Beneficiaries	:	Government, private sector and civil society

3. Centre Ivoirien de Recherches Economiques et Sociales (CIRES-CAPEX) [Phase II] - Côte d'Ivoire

In May 2000, the Executive Board approved a grant of US\$1,754,000 to support the second phase of the *Cellule d'Analyse de Politique Economique/ Centre Ivoirien de Recherches Economiques et Sociales* (CIRES-CAPEC II).

The goal of the second phase of the CIRES-CAPEC project is to consolidate the gains made during the initial phase. The specific objectives of the second phase are to: (i) consolidate and enhance CAPEC's human and institutional capacity for policy analysis and formulation; (ii) develop a more responsive research agenda based on policy challenges to be faced by Côte d'Ivoire in the short-, medium- and long-term; (iii) strengthen the analytical and implementation capacity of selected departments in the civil service through in-service training programs; and (iv) lay a strong foundation for a strategy aimed at enhancing the project's financial sustainability.

Location	:	Abidjan, Côte d'Ivoire
Coverage	:	National
Project Type	:	Policy Unit
Category of Project	:	Semi-autonomous
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Effectiveness of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$ 2,192,500
ACBF Funding	:	US\$ 1,754,000
Co-financing Government	:	US\$ 438,500
Implementing Agency	:	CIRES/CAPEC
Main Beneficiaries	:	Private Sector, Government, Civil Society

4. Development Policy Centre [Phase II] - Nigeria

In December 2000, the Executive Board approved a grant of US\$1,442,210 for the second phase of the Development Policy Centre (DPC).

The main objective of the project is to develop and disseminate alternative policy options on the Nigerian economy. Its main components are as follows: (i) consolidation of institutional and human capacity; (ii) research and policy analysis; (iii) training; and (iv) outreach and dissemination.

The project will pursue its task of: (i) strengthening DPC, an autonomous policy think tank that can serve as an economic intelligence unit capable of analyzing and publishing relevant socio-economic information on Nigeria; (ii) conducting policy analysis and research; (iii) coordinating the activities of policy analysis centers in Nigeria; and (iv) organizing training activities for professional economists and managers in the private and public sectors.

Location	:	Ibadan, Nigeria
Coverage	:	National
Project Type	:	Policy Unit
Category of Project	:	Autonomous
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$3,599,414.64
ACBF Funding	:	US\$1,442,210.00
Co-financing	:	US\$1,402,182.87 Other donors
		US\$ 755,071.55 Commissioned research
Implementing Agency	:	Development Policy Centre
Main Beneficiaries	:	Government, private sector and civil society

5. Programme de Mastère en Banque et Finances (CESAG) - Senegal

The Executive Board approved a grant of US\$1,500,000 in December 2000 to support the *Centre Africain d'Etudes Supérieures en Gestion* (CESAG). The project is intended to develop CESAG into a "world class" business school that will offer an MBA degree and provide ongoing executive education programs equivalent to the best of such programs offered by renowned professional business schools in Europe and the United States. The MBA program offered by CESAG will be bilingual (English and French), and will be open to qualified applicants from throughout West and Central Africa.

The expected result of the project will be the existence of an emerging pool of well-qualified managers who will constitute the next generation of public and private sector leaders throughout the region.

Location	:	Dakar, Senegal
Coverage	:	Regional
Project Type	:	Training
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$3,379,500
ACBF Funding	:	US\$1,500,000
Co-financing	:	BEAC, BCEAO, the World Bank, European Union
Implementing Agency	:	CESAG
Main Beneficiaries	:	Students and executives from West and Central Africa

6. The Institute of Policy Analysis and Research (IPAR) Phase II - Kenya

In December 2001, the Executive Board approved a grant of US\$ 1,500,000 to support the second phase of the Institute of Policy Analysis and Research (IPAR). IPAR was established in March 1994 as an autonomous, private-sector think tank with the main goal of strengthening policy analysis and research in Kenya.

The objectives of the second phase of the project are to: (i) consolidate the institutional and human capacity of the Institute; (ii) undertake policy research and analysis relevant to the development of Kenya; (iii) provide policymakers and other stakeholders with policy alternatives; and (iv) develop national indigenous capacity in rigorous policy analysis and formulation.

IPAR II will have four main components: (i) consolidation of institutional and human capacity; (ii) research; (iii) policy analysis; and (iv) capacity building/training.

Location	:	Kenya
Coverage	:	National
Project Type	:	Policy Analysis Unit
Category of Project	:	Autonomous Policy Unit
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$ 4.0 million
ACBF Funding	:	US\$ 1.5 million
Co-financing	:	USAID: US\$ 1.8 million IPAR & others: US\$ 700,000
Implementing Agency	:	IPAR
Main Beneficiaries	:	Public, Private and Civil Sectors

7. Namibian Economic Policy Research Unit Project [Phase III] - Namibia

In December 2000, the Executive Board approved a grant of US\$2 million to support the second phase of the Namibian Economic Policy Research Unit (NEPRU) Project. NEPRU was set up in

1990 at the initiative of the Government of Namibia. It is the leading policy think tank in Namibia. Its major aim is to contribute to professional excellence in development policy analysis, research and training in order to enhance the quality of development policies in the country. During the first phase of ACBF support to NEPRU (1994 – 2000), the unit was strengthened institutionally, policy-informing research and policy analysis were undertaken, and capacity was built in core economic institutions – especially the National Planning Commission, the Ministry of Finance and the Bank of Namibia.

NEPRU II will strengthen research and policy analysis as well as continue to provide high quality economic information to policymakers. To achieve its objectives, NEPRU II has the following components: (i) institutional development; (ii) research and policy analysis; (iii) training; and (iv) institutional networking.

Location	:	Windhoek, Namibia
Coverage	:	National
Project Type	:	Policy Unit
Category of Project	:	Autonomous
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$ 5,602,880
ACBF Funding	:	US\$ 2,000,000
Co-financing	:	NEPRU US\$ 2,610,304 Other Donors US\$ 992,576
Implementing Agency	:	NEPRU
Main Beneficiaries	:	Private Sector, Government, Civil Society, Academia

8. *National Capacity Building Program for Poverty Reduction (PRECASP) – Sao Tome and Principe*

In December 2000, the Executive Board approved a grant of US\$1,100,000 to the Government of Sao Tome and Principe to support implementation of the country's capacity-building program for poverty reduction (PRECASP). The main goal of the PRECASP project is to improve the performance of the public sector in Sao Tome to enable it to participate in the formulation, implementation and management of the government's development poverty reduction policy and strategy. The project will build or otherwise strengthen human resources in primary economic and sectoral ministries and government institutions involved in poverty reduction efforts in the public sector. Therefore, PRECASP will foster training programs for the relevant government ministries and agencies responsible for the formulation, implementation, monitoring and evaluation of poverty reduction strategies, programs and projects.

Location	:	São Tome, São Tome and Principe
Coverage	:	National
Project Type	:	Training
Date of Approval	:	December 1, 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$1,100,000
ACBF Funding	:	US\$1,100,000
Implementing Agency	:	Sao Tome National Focal Point
Main Beneficiaries	:	Government ministries and agencies

9. Policy Analysis and Research Unit (PARU), National Assembly - Nigeria

In December 2000, the Executive Board approved a grant of US\$2 million to support the Policy Analysis and Research Unit (PARU) within the National Assembly of Nigeria. The goal of the project is to enhance the capacity of the National Assembly to effectively and efficiently discharge its constitutional functions of formulating or drafting bills, making laws, maintaining oversight over the executive branch, and to increase its capacity for effective constituency relations.

Its major components are: (i) institutional development; (ii) policy research and analysis; (iii) training; (iv) consultative forums; (v) documentation and dissemination; and (vi) networking.

It is expected that the project will result in overall transparency, better accountability and good governance in Nigeria.

Location	:	Abuja, Nigeria
Coverage	:	National
Project Type	:	Policy Unit
Category of Project	:	Policy Unit in Parliament
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$3,536,925
ACBF Funding	:	US\$2,000,000
Co-financing	:	National Assembly and other stakeholders
Implementing Agency	:	National Assembly of Nigeria
Main Beneficiaries	:	National Assembly, Executive Branch, civil society, private sector

10. Programme de Troisième Cycle Inter-universitaire (PTCI) [Phase II] - regional project based in Burkina Faso

In December 2000, the Executive Board approved a four-year grant of US\$4 million to support the second phase of the *Programme de Troisième Cycle Inter-universitaire* (PTCI) for Francophone Africa.

The main objectives of PTCI II are to: (i) increase the availability, and improve the quality, of graduate-level education in economics in Francophone Africa; and (ii) increase the number of students earning such degrees in Africa.

PTCI, which is a regional project based in Burkina Faso, has been effective in strengthening the departments of economics of participating universities. It has provided 5 860 books, 139 computers, computer software for training in economics and better teaching facilities. By October 2000, 28 teachers had benefited from thesis research grants, thereby speeding up the completion of their Ph.D. training. Ten of the teachers have graduated. Enrollment at PTCI in 1999-2000 was 104, and the program has 255 graduates.

PTCI II is thus intended to consolidate the gains achieved during the first phase.

Location	:	Ouagadougou, Burkina Faso
Coverage	:	Francophone Africa
Project Type	:	Training
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$12,742,365
ACBF Funding	:	US\$ 4,000,000
Co-financing	:	European Union, Norway, USAID Belgium, the Netherlands
Implementing Agency	:	Conférence des Institutions d'Enseignement et de Recherche Economiques et de Gestion en Afrique [CIEREA]
Main Beneficiaries	:	- PTCI graduates from Francophone Africa - 13 Francophone participating universities

11. Programme National de Renforcement des Capacités (PNRC) – Cellule d'Appui à la Formation (CAF) – Guinea Bissau

A grant of US\$1,300,000 to support the *Programme National de Renforcement des Capacités* [PNRC] - *Cellule d'appui à la Formation* [CAF] was approved by the Executive Board in December 2000. The objective of the project is to build a critical mass of well-trained economic policy analysts and managers within Government Ministries and Departments through formal academic training and other professional development activities.

The project components include: (i) formal training; (ii) work attachments; and (iii) short-term courses and workshops.

The project is expected to increase the supply of skilled staff as well as provide career incentives and job enrichment in order to improve staff commitment to career pursuits in the civil service.

Location	:	Bissau, Guinea Bissau
Coverage	:	National
Project Type	:	Training Project
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$1,682,340
ACBF Funding	:	US\$1,300,000
Co-financing	:	US\$ 382,340
Implementing Agency	:	The <i>Programme National de Renforcement des Capacités</i> [PNRC] - <i>Cellule d'appui à la Formation</i> [CAF]
Main Beneficiaries	:	Officers from Government ministries and departments, the Central Bank, and the Chamber of Commerce

12. Programme National de Renforcement des Capacités (PNRC) – Centre Mauritanien d'Analyse sur la Pauvreté (CMAP) - Mauritania

The *Programme National de Renforcement des Capacités - Centre Mauritanien d'Analyse sur la Pauvreté* (PNRC-CMAP) was awarded a grant of US\$1,200,000 by the Executive Board in December 2000.

The objectives of the project are two-fold: (i) to create the needed infrastructure to articulate strategies and policies for poverty reduction and sustainable development and to ensure ownership of such strategies by the Government of Mauritania; and (ii) to help establish a more productive dialogue between the Government and other sectors (namely the public sector, the private sector and civil society).

PNRC-CMAP will comprise the following components: (i) institutional development; (ii) consultancy fund to support the research program; (iii) training; and (iv) publication, documentation and dissemination.

The project will improve the design, formulation and monitoring of economic and social policies, which in turn will improve the dialogue between policymakers and beneficiaries.

Location	:	Nouakchott, Mauritania
Coverage	:	National
Project Type	:	Policy Unit
Category of Project	:	Semi-autonomous
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$1,845,360
ACBF Funding	:	US\$1,200,000
Co-financing	:	US\$ 482,966
Implementing Agency	:	Ministry of Economic Affairs and Development
Main Beneficiaries	:	Government officials, the private sector and civil society

13. *Projet de Renforcement des Capacités en Gestion Economique et Financière (PRECAGEF) - Gabon*

In May 2000, the Executive Board approved a grant of US\$1,422,850 to the Government of the Republic of Gabon to implement the *Projet de Renforcement des Capacités en Gestion Economique et Financière* (PRECAGEF).

The main goal of the project is to improve the performance and effectiveness of the public sector in Gabon to enable it to achieve the country's vision and development policy to reorient the state's role in the economy by fostering non-oil, private sector-led growth and addressing deficiencies in human development.

The immediate objectives of the project are to: (i) build/strengthen the institutional and human capacity of departments in primary ministries (the Ministry of Planning and the Ministry of Finance) responsible for economic and financial data collection, storage, processing and dissemination and economic and financial policy research, analysis and formulation; and (ii) build/strengthen the human and technical capacity of the Finance and Budget Committee of the National Assembly for budget control.

The project has two components: (i) institutional and human strengthening of the Executive Branch in economic and financial statistics; and (ii) institutional and human strengthening of the National Assembly.

Location	:	Libreville, Gabon
Coverage	:	National
Project Type	:	Institutional Development/Strengthening
Category of Project	:	Public Sector
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$1,422,850
ACBF Funding	:	US\$1,422,850
Co-Financing	:	Government of Gabon
Implementing Agency	:	SENAREC-Gabon
Main Beneficiaries	:	Government agencies and the National Assembly

14. *Southern African Regional Institute for Policy Studies (SARIPS) - regional project based in Zimbabwe*

In May 2000, the Executive Board approved a grant of US \$ 1,500,000 to support the strengthening of the Southern African Regional Institute for Policy Studies (SARIPS).

The long-term goal of SARIPS is to promote the mobilization, enhancement and effective utilization of the growing but diverse and often isolated intellectual and public-spirited activist resources of the SADC region. The main objective of the SARIPS project is to build regional policy analysis capacity and provide well-researched information on regional policy issues for consumption by regional and national policymakers, through: (a) policy analysis and research; (b) policy training; and (c) policy dialogue through publications, information and dissemination of research findings.

The major components of the project are: (i) institutional development; (ii) enhancement of research; (iii) training support; and (iv) publications.

Location	:	Harare, Zimbabwe
Coverage	:	Regional
Project Type	:	Policy Analysis Unit/Training
Category of Project	:	Autonomous
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Effectiveness of Grant Agreement
Duration	:	3 years
Total Budget	:	US\$ 11,516,642
ACBF Funding	:	US\$ 1,500,000
Co-Financing/Other Donors	:	US\$ 8,448,162
Implementing Agency	:	SARIPS
Main Beneficiaries	:	SARIPS, Southern African Region

15. Strengthening of National Parliament (Professional Support Unit) - South Africa

The Executive Board approved a grant of US\$ 2 million in May 2000 to help build the capacity of Parliament in South Africa by enabling parliamentary whips and standing committees to better manage their parliamentary roles and by enhancing access to information by parliamentarians.

The goal of the project is to enhance dialogue and provide training as well as technical, legal and research support through the forums of whips, chairpersons of parliamentary committees as well as Members of Parliament in order to create better understanding about development. The project will establish a Professional Support Unit (PSU) that will support training, research, study visits, and ensure effective consultation among whips, chairpersons of committees and the 400 members of the National Parliament.

Location	:	Capetown, South Africa
Coverage	:	National
Project Type	:	Professional Support Unit
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$ 3,164,500
ACBF Funding	:	US\$ 2,000,000
Co-financing	:	National Parliament and other donors US\$ 1,164,500
Implementing Agency	:	National Parliament of South Africa
Main Beneficiaries	:	Legislators

16. Unité d'Analyse de Politiques de Développement (UAPD) - Bénin

In May 2000, the Executive Board approved a grant of US\$1,600,000 to the National Assembly of Benin to help strengthen its capacity to play a strategic role in the assessment, formulation/drafting and dissemination of policies and laws in Benin. In the wake of democratisation and

the call for better governance in the country, the project will enable the National Assembly to acquire the requisite tools and skills to accomplish its mission.

The project, a policy analysis support unit (UAPD), would: (i) assist in the analysis, design and evaluation of development policy in Benin; (ii) support the efforts of the National Assembly to develop its capacity to conceive and draft laws; (iii) organize training on issues, topics and areas relating to development policy; (iv) upgrade the stock, and improve the quality, of information available not only to members of the National Assembly, but also the public; and (v) promote networking activities in order to facilitate the exchange.

The components of the UAPD project comprise the following: (i) development policy analysis and publication of works; (ii) training; (iii) information and communication; (iv) documentation; and (v) networking.

Location	:	Porto Novo, Benin
Coverage	:	National
Project Type	:	Policy Analysis Unit
Category of Project	:	Policy Unit in Parliament
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$ 3,682,050
ACBF Funding	:	US\$ 1,600,000
Co-financing	:	US\$ 180,000 (UNDP) US\$ 142,857 (National Assembly)
Implementing Agency	:	National Assembly
Main Beneficiaries	:	National Assembly

17. University of Namibia Master's Program in Public Policy and Administration (UNAM) - Namibia

In May 2000, the Executive Board approved a grant of US\$850,000 to support efforts by the University of Namibia to build the capacity of senior and middle-level civil servants through establishment of a master's-degree program in Public Policy and Administration. The 15-month master's-degree program was launched in June 1999 with seed support from the Foundation amounting to US\$200,000 contributed through NEPRU. These resources were matched by the Ford Foundation, which contributed US\$250,000. The University of Namibia and the Institute of Social Studies (ISS), which is based in The Hague, collaborate to deliver the program.

The overall objective of the project is to strengthen Namibia's public policy management capacity in a way that supports and sustains the government's priorities in the crucial areas of development, democratization and decentralization. The components of the project comprise the following: (i) Training in Public Policy and Administration; (ii) Training of Trainers; and (iii) Institutional Capacity Building.

Location	:	Windhoek, Namibia
Coverage	:	National
Project Type	:	Training
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Effectiveness of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$1,986,700
ACBF Funding	:	US\$ 850,000
Co-financing	:	US\$1,786,700 (a consortium of donors)
Implementing Agency	:	University of Namibia
Main Beneficiaries	:	Government of Namibia

18. Zimbabwe Economic Policy Analysis and Research Unit (ZEPARU) - Zimbabwe

In December 2000, the Executive Board approved a grant of US\$1,500,000 to support the Zimbabwe Economic Policy Analysis and Research Unit (ZEPARU).

The overall objective of the project is to build sustainable indigenous capacity for macroeconomic policy analysis and management for use by government institutions responsible for various aspects of macroeconomic policy formulation and implementation. Such institutions include the Ministry of Finance and Economic Development (which incorporates the former National Economic Planning Commission) and the Reserve Bank of Zimbabwe (Economics Division). The primary aim of the Unit will be to produce first-rate, well-articulated economic research and policy analysis to inform government policy decisions in accordance with priorities and targets set by the Government. It will disseminate high-quality analyses that are relevant to current and medium-term economic policy issues in Zimbabwe as well as build capacity within the Government to utilize policy analysis on a sustainable basis.

Location	:	Harare, Zimbabwe
Coverage	:	National
Project Type	:	Policy Analysis Unit
Category of Project	:	Policy Unit in Government
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 Years
Total Budget	:	US\$ 5,500,000
ACBF Funding	:	US\$ 1,500,000
Co-Financing/Other Donors:	:	US\$ 3,600,000
Implementing Agency	:	Government of Zimbabwe, Ministry of Finance and Economic Development
Main Beneficiaries	:	Government of Zimbabwe

B. Regional Organizations

19. Banque Centrale des Etats de l'Afrique de l'Ouest/ Banque des Etats de l'Afrique Centrale (BCEAO/BEAC) (Macroeconomic Policy and Financial Management Training Program) [Phase II] - Regional

In December 2000, the Executive Board approved a grant of US\$1,738,857 to the two Central Banks in the CFA Zone – *Banque des Etats de l'Afrique Centrale (BEAC)* and *Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO)* to enable them enhance the human and institutional capacities of public economic and financial management agencies in CFA Zone countries. The project, which is in its second phase, has three components: (i) a training program comprising short courses and seminars; (ii) a training of trainers program; and (iii) the acquisition of equipment needed to improve the teaching environment.

The project has been operational since July 1996, and has kept a very good performance in the delivery of short-term courses for civil servants and central bank officers. It has contributed towards strengthening the capacity of the training centres of the two regional central banks - COFEB in Dakar (BCEAO) and CFPP in Yaounde (BEAC) - to deliver the training program effectively and efficiently. BCEAO/BEAC II aims to consolidate the gains made during the initial phase in strengthening capacity for economic policy management in the CFA Zone.

Location	:	Yaounde (Cameroon) and Dakar (Senegal)
Coverage	:	Regional
Project Type	:	Training
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$4,347,142
ACBF Funding	:	US\$1,738,857
Co-financing	:	
BEAC/BCEAO and	:	US\$ 869,428
Member States	:	US\$ 434,714
Other donors	:	US\$1,304,143
Implementing Agency	:	BCEAO
Main Beneficiaries	:	BEAC, BCEAO and economic management agencies in the CFA Zone

20. Communauté Economique et Monétaire de l'Afrique Centrale: Renforcement des Capacités en vue d'améliorer la Participation des Pays de la CEMAC au Système Commercial Multilatéral - Regional

In December 2000, the Executive Board approved a grant of US\$1 million to the *Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC)* to support the implementation of the *Projet de renforcement des capacités des pays de la CEMAC au système commercial multilatéral*. The main objective of the project is to build the capacity of member states to participate effectively in multilateral negotiations within the framework of the World Trade Organization (WTO). The project has three main components: (i) institutional strengthening of the Secretariat of CEMAC

to enable it to build the capacity of member states in multilateral negotiations; (ii) training in international trade and negotiations; and (iii) support for trade policy analysis and development.

Location	:	Bangui, Central African Republic
Coverage	:	Regional
Project Type	:	Institutional Development and Training
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of the Grant Agreement
Duration	:	4 years
Total Budget	:	US\$1,851,542
ACBF Funding	:	US\$1,000,000
Co-Financing	:	CEMAC
Implementing Agency	:	CEMAC
Main Beneficiaries	:	Ministries of Trade, Chambers of Commerce

21. *Economic Community of West African States (ECOWAS), Trade Negotiation Capacity Building Project - Regional*

In May 2000, the Executive Board approved a grant of up to US\$2 million to the ECOWAS Secretariat for the establishment of a project to strengthen the capacity of ECOWAS country to engage in trade negotiations.

The main goal of the project is to strengthen the negotiating capacity of ECOWAS member states through training of national trade officials from the 15 countries in the region.

The specific objectives are to: (i) strengthen the institutional and human capacity of the ECOWAS Secretariat; (ii) equip trade officials from ECOWAS member states with critical skills; and (iii) sensitize policymakers regarding the importance of international trade negotiations and the need to adopt common and mutually reinforcing trade positions.

Location	:	Abuja, Nigeria
Coverage	:	Regional
Project Type	:	Training
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$ 3,800,000
ACBF Funding	:	US\$ 2,000,000
ECOWAS	:	US\$ 600,000
Co-Financing	:	US\$ 1,000,000

22. *Institut d'Economie et de Finances (IEF), Specialized Regional Training for Government Financial Agencies - Regional*

In December 2000, the Executive Board approved a grant of US\$3 million to the Ministerial

Committee of the *Union Monétaire de l'Afrique Centrale* (UMAC), a specialized institution of the Economic and Monetary Community of Central Africa (CEMAC) comprising Cameroon, the Central African Republic, Chad, Congo (Brazzaville), Equatorial Guinea and Gabon.

The purpose of the grant is to support the implementation of the “*Projet de Création d'un Pôle Régional de Formation des Régies Financières d'Afrique Centrale*” at the *Institut d'Economie et des Finances* (IEF) in Libreville, Gabon. The main goal of the project is to improve the performance of the public sector in the Central African Region by reforming and retooling the skills of the departments and agencies responsible for fiscal policy formulation, tax administration and public expenditure management. The project has three immediate objectives: (i) to create a regional center of excellence at IEF for post-graduate education and personnel training for the departments and agencies responsible for fiscal policy formulation, tax administration and public expenditure management in the CEMAC Region; (ii) to strengthen the institutional and human capacity of IEF in post-graduate education and personnel training for government financial agencies; and (iii) to organize post-graduate education and short-term training in fiscal policy formulation, tax administration and public expenditure management in the CEMAC Region.

The project has three components: (i) institutional development; (ii) institutional strengthening of IEF; and (iii) post-graduate education and short-term training.

Location	:	Libreville, Gabon
Coverage	:	Regional
Project Type	:	Training
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$9,200,000
ACBF Funding	:	US\$3,000,000
Co-Financing	:	Bilateral donors and CEMAC member states
Implementing Agency	:	Institut d'Economie et des Finances
Main Beneficiaries	:	Government ministries and agencies

23. Market Statistics and Poverty Monitoring Systems (ACBF/ILO Initiative) - Regional

In May 2000, the Executive Board approved in principle a grant of up to US\$1,500,000 to help build regional statistical capacity for monitoring trends in poverty in a number of countries in West and Central Africa. The Executive Board authorized the Secretariat to proceed to develop the project and re-submit it to the Board, through the Operations Committee. It is expected that the full-fledged project that will result from this process will determine the capacity-building activities to be carried out, identify a counterpart institution that will implement the project, clarify the role of ILO in the implementation of project activities and determine the pilot countries for the start-up phase.

24. Policy Analysis Support Unit (PASU) [Phase II] - Regional

In December 2000, the Executive Board approved a grant of US\$3 million to the Organization of African Unity to support the second phase of the Policy Analysis Support Unit (PASU) project. PASU has been operational since 1992. Its first phase ended in June 2000. The main objective was to strengthen capacity of the Organization of African Unity (OAU) to implement the treaty establishing the African Economic Community (AEC).

The goal of PASU II is to enhance the technical capacity of staff of the OAU/AEC Secretariat as well as those of the Regional Economic Communities (RECs) to provide the necessary technical advisory services to member states for the effective implementation of the treaty establishing the AEC. To achieve its objectives, PASU II has the following components: (i) institutional enhancement; (ii) policy research; (iii) training; (iv) advisory services; and (v) database development.

Location	:	Addis Ababa, Ethiopia
Coverage	:	Regional
Project Type	:	Policy Unit
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$ 7,709,074
ACBF Funding	:	US\$ 3,000,000
Co-financing		The OAU/AEC : US\$ 1,709,074 Other donors : US\$ 3,000,000
Implementing Agency	:	The OAU/AEC
Main Beneficiaries	:	The Region

25. West African Institute of Financial and Economic Management (WAIFEM) - Regional

In May 2000, the Executive Board approved a grant of US\$ 2,519,000 to support efforts by the West African Institute of Financial and Economic Management (WAIFEM) to train and strengthen the capacity of its member countries in debt, financial sector, and macroeconomic management in the Anglophone countries of West Africa. WAIFEM was launched in 1996 by the Central Banks of the Gambia, Ghana, Liberia, Nigeria and Sierra Leone. It has contributed significantly to skills development in the region.

Location	:	Abuja, Nigeria
Coverage	:	West Africa
Project Type	:	Training
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Effectiveness of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$12,611,000
ACBF Funding	:	US\$ 2,519,000
Co-financing	:	US\$10,092,000
CBN	:	US\$ 824,000
DFID	:	US\$ 500,000
DRI	:	US\$ 1,000,000
SIDA	:	US\$ 350,000
Central Banks (Member states)	:	US\$ 6,943,000
Implementing Agency	:	WAIFEM
Main Beneficiaries	:	Central Banks of the Gambia, Ghana, Liberia, Nigeria and Sierra Leone

II. Public Sector - Private Sector - Civil Society Interface Projects

A. National Institutions

26. Ethiopian Economic Association - Ethiopia

In May 2000, the Executive Board approved a grant of US\$1,030,000 to enhance the capacity of the Ethiopian Economic Association. The project will enable the Ethiopian Economic Association, which has emerged as a valuable independent voice, to further improve the quality of its contributions to public policy discourse.

Location	:	Addis Ababa, Ethiopia
Coverage	:	National
Project Type	:	Private Sector Interface
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Effectiveness of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$1,213,187
ACBF Funding	:	US\$1,030,000
Co-financing	:	US\$ 213,187
Implementing Agency	:	Ethiopian Economic Association (EEA)
Main Beneficiaries	:	Private Sector, Government, Civil Society

27. National Economic Council - Malawi

In December 2000, the Executive Board approved a grant of US \$1,500,000 to support the National Economic Council in Malawi. The overall objective of the project is to enhance the Government's ability to achieve its policy objective of poverty alleviation and socio-economic development

through enhancement of capacity in strategic planning, policy analysis and economic management in general. The components of the project are as follows: (i) institution building; (ii) consultative seminars, workshops, conferences and study tours; (iii) training in macroeconomic analysis; and (iv) enhancement of the capacity of the executive and legislative branches of government.

Location	:	Lilongwe, Malawi
Coverage	:	National
Project Type	:	Public Sector Interface
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	3 years
Total Budget	:	US\$3,000,000
ACBF Funding	:	US\$1,500,000
Co-Financing/Other Donors:	:	US\$1,500,000
Implementing Agency	:	National Economic Council, Malawi
Main Beneficiaries	:	Government, National Economic Council, Private Sector, Civil Society

28. National Economic Consultative Forum - Zimbabwe

In December 2000, the Executive Board approved a grant of US\$2 million to support the strengthening of the National Economic Consultative Forum Secretariat in Zimbabwe.

The overall objective of the project is to strengthen the capacity of the National Economic Consultative Forum in Zimbabwe to enable it to operate effectively and efficiently as a platform for interface with existing organizations. It will facilitate the relationship among government, the private sector and civil society. The components of the project are as follows: (i) institutional capacity building; (ii) consultative seminars, workshops, conferences, study tours, attachments and national retreats; and (iii) establishment of monitoring and evaluation systems.

Location	:	Harare, Zimbabwe
Coverage	:	National
Project Type	:	Public/Private Sector Interface
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	5 years
Total Budget	:	US\$6,697,845
ACBF Funding	:	US\$2,000,000
Co-Financing/Other Donors:	:	US\$5,697,845
Implementing Agency	:	National Economic Consultative Forum
Main Beneficiaries	:	Government, Labour, Private Sector, Business, and Civil Society

29. Non-governmental Organization Coordinating Committee (NGOCC) Capacity Building Project for Women's Participation in Decision-making - Zambia

In May 2000, the Executive Board approved a grant of US\$1,384,980 to the NGO Coordinating Committee of Zambia for the implementation of the project for building women's capacity to participate in decision making in Zambia.

The main goal of the project, which is part of the Movement 2000 (M2000) Program, is to generate women's empowerment and to increase their participation in decision-making processes in Zambia. The project has the following objectives: (i) to strengthen women's organizations and their institutional consolidation; (ii) to develop women's capacities of leadership and gender awareness in the civic and political fields; and (iii) to help women acquire skills in economic empowerment through training. The project has three main components: (i) institutional development; (ii) training; and (iii) information, communication and consciousness-raising initiatives.

Location	:	Lusaka, Zambia
Coverage	:	National
Project Type	:	Civil Society Interface
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Effectiveness of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$1,384,980 (Program Budget : US\$8 million)
ACBF Funding	:	US\$1,384,980
Co-Financing	:	Bilateral donors
Implementing Agency	:	NGOCC
Main Beneficiaries	:	Women organizations

30. Private Sector Corporate Governance Trust - Kenya

In May 2000, the Executive Board approved, in principle, a grant of US\$ 1 million to promote good corporate governance and social responsibility in Kenya. The Executive Board approved the grant subject to a reappraisal of the project proposal. The goal of the project is to establish a viable, independent, credible and sustainable framework for developing, promoting, encouraging and supporting good corporate governance and social responsibility in Kenya through the adoption of sustainable principles and best practices in corporate governance.

Location	:	Nairobi, Kenya
Coverage	:	National
Project Type	:	Private Sector Interface
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$3,090,858
ACBF Funding	:	US\$1,000,000
Co-financing	:	To be Announced
Ford Foundation	:	US\$ 640,000
The Netherlands Embassy	:	US\$ 485,000
IDRC	:	US\$ 200,000
Other Donors	:	US\$ 765,858
Implementing Agency	:	Private Sector Corporate Governance Trust (PSCT), Kenya
Main Beneficiaries	:	Private Sector, Government, Civil Society

31. *Projet de Renforcement de l'Interface entre l'Etat et le Secteur Privé (PRIESP) - Mali*

The Executive Board approved a grant of US\$723,330 in May 2000 to help strengthen the analytical capacity of the organized private sector in Mali in its dialogue with Government authorities on public sector concerns. In order to achieve this goal, the project has the following objectives: (i) enhance the advocacy function of the private sector by strengthening its policy analysis capacity; (ii) implement an effective mechanism for dissemination; and (iii) foster a formal discussion framework through applied research. The grant will support the following: (i) the institutional capacity of the Chamber of Commerce as well as the Office of the Ombudsman; (ii) a consultancy fund to support the research program; and (iii) publication and dissemination.

Location	:	Bamako, Mali
Coverage	:	National
Project Type	:	Public Sector – Private Sector Interface
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Effectiveness of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$901,365
ACBF Funding	:	US\$723,330
Co-financing	:	US\$ 78,032
Implementing Agency	:	Chamber of Commerce, Mali
Main Beneficiaries	:	Government, Chamber of Commerce and Office of Ombudsman

32. *South African Non-Governmental Organization Coalition (SANGOCO) – South Africa*

In May 2000, the Executive Board approved a grant of US\$1,200,000 to the South African Non-Governmental Organization Coalition (SANGOCO). SANGOCO will support the capacity of its

member organizations to participate more effectively in public discourse. The goal of the project is to contribute to the orientation of development policies and programs for the eradication of poverty in South Africa and the improvement of the quality and quantity of resources allocated to poor communities.

The project has three components: (i) a war on poverty campaign; (ii) a program to strengthen and empower the NGO Network; and (iii) an institutional development program for the National Secretariat and the provincial offices of the network.

Location	:	South Africa
Coverage	:	National
Project Type	:	Public Sector – Private Sector – Civil Society Interface
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$5,455,317
ACBF Funding	:	US\$1,200,00
Co-financing	:	To be Announced
SANGOCO	:	US\$2,201,561
Other donors	:	US\$2,053,756
Implementing Agency	:	SANGOCO
Main Beneficiaries	:	SANGOCO

33. Tanzania Civil Service Department (CSD): Reforming the Public Sector for Private Sector Facilitation - Tanzania

In May 2000, the Executive Board approved a grant of US\$1,335,905 to support the reform of the public sector for private sector facilitation in Tanzania.

The overall objective of the CSD project is to transform the public sector into a dynamic and efficient institution that is responsive to the needs of the private sector. The project will fit into the three existing components of the wider Public Service Reform Program: (i) Private Sector Facilitation and Leadership; (ii) Private Sector Participation; and (iii) Performance Management Systems.

Location	:	Dar es Salaam, Tanzania
Coverage	:	National
Project Type	:	Public Sector – Private Sector Interface
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Effectiveness of Grant Agreement
Duration	:	3 Years
Total Budget	:	US\$29,084,709
ACBF Funding	:	US\$ 1,335,905
Co-Financing	:	US\$ 6,179,360 (Government of Tanzania)
	:	US\$15,159, 846 (IDA)
	:	US\$ 214,717 (UNDP)
Implementing Agency	:	The President's Office, Civil Service Department, Tanzania
Main Beneficiaries	:	Key Government Agencies and Private Sector Associations.

B. Regional Organizations

34. *Projet pour le Renforcement de l'Interface entre les Etats et Chambres d'Agriculture de l'Afrique de l'Ouest (PRIECA/AO)*

In December 2000, the Executive Board approve a grant of US\$1,431,594 to finance the project to strengthen interface between Chambers of Agriculture and the public sector in countries in West and Central Africa. The main objective of the PRIECA/AO project is to help build the basis for more effective dialogue between governments and organized interest groups in the agricultural sector in the countries of the sub-region.

The project comprises the following components: (i) institutional support to the Chamber of Agriculture and the CMA/AOC Secretariat; (ii) a consultancy fund to support the research program; (iii) training; (iv) publication and dissemination; and (v) a Regional Forum.

The challenge for the Chambers of Agriculture and all the professional organizations in the agricultural sector is to play an effective role in influencing public policy and articulating the necessity to support the emerging agricultural sector. The project therefore seeks to develop the institutional capacity of the various Chambers of Agriculture to monitor policies and strategies aimed at influencing the future of the farming profession, and ultimately agricultural development.

Location	:	Dakar, Senegal
Coverage	:	Regional
Project Type	:	Policy Advocacy Unit
Date of Approval	:	1 December 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$1,914,560
ACBF Funding	:	US\$1,431,594
Co-financing	:	US\$ 482,966 CMA/WCA
Implementing Agency	:	Conference of Ministers of Agriculture of West and Central Africa (CMA/AOC)
Main Beneficiaries	:	Farmers' Interest Groups, Chambers of Agriculture, and the Secretariat of the Conference of the Ministers of Agriculture (CMA/AOC)

35. *Consumers International - Creating a Fair and Transparent Market Place, West and Southern Africa*

In May 2000, the Executive Board approved a grant of US\$1 million to Consumers International to provide support to consumer groups and organizations with a view to creating a more transparent and fair market environment conducive to the protection and promotion of consumers' rights and interests in the development process. The project aims to increase the level of participation of civil society in policy dialogue and decision-making and to strengthen the capacities of national and regional African consumer entities and organized lobby groups.

Location	:	Harare, Zimbabwe
Coverage	:	Regional
Project Type	:	Private Sector – Civil Society Interface
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting Negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$4 million
ACBF Funding	:	US\$1 million
Co-financing	:	US\$3 million
Implementing Agency	:	Consumer International
Main Beneficiaries	:	Member countries, African Consumer Groups and Consumers

36. Community Action on HIV/AIDS, Manzini City Council - Swaziland

The Executive Board approved a grant of US\$1,060,000 in May 2000 to the Alliance of Mayors' Initiative for Community Action on AIDS at the Local Level (AMICAAL) in Swaziland. The main objective of the project is to define and implement an effective multi-sectoral policy response to the HIV/AIDS epidemic in the municipalities of Swaziland. It will thus create an enabling environment for bringing partners together under the aegis of the municipalities of the Swaziland National Association of Local Authorities (SNALA) and the Local Authorities Managers Association (LAMAS).

The project comprises the following components: (i) training workshops, seminars and policy round tables; (ii) impact, monitoring and evaluation studies; (iii) capacity building at local government, communities, municipal and national levels; (iv) enhancement and creation of support and recreational services; and (v) dissemination and advocacy.

Lessons learnt from the project in the city of Manzini will be disseminated to the other 10 municipalities in Swaziland that signed the SNALA Declaration on HIV/AIDS. Local monitoring and measurement as well as statistics gathered for future National Development Reports will serve to identify changes in key indicators.

Location	:	Manzini, Swaziland
Coverage	:	National
Project Type	:	Public Sector Interface Project
Date of Approval	:	5 May 2000
Date of Effectiveness	:	Awaiting negotiation of Grant Agreement
Duration	:	4 years
Total Budget	:	US\$ 4,318,250
ACBF Funding	:	US\$ 1,060,000
Co-financing		
UNDP	:	US\$ 510,000
Local Authorities	:	US\$ 730,000
Gap	:	US\$ 2,018,250
Implementing Agency	:	AMICAAL/Swaziland
Main Beneficiaries	:	Local authorities in Swaziland

37. National Focal Points

In May and December 2000, the Executive Board approved grants of US\$ 50,000 to each National Focal Point (NFP) in twenty countries. As part of ACBF's expanded mandate that resulted from the integration of PACT in 2000, the Foundation set up institutional frameworks in the countries in which it operates to determine the core capacity needs of stakeholders in order to enhance ownership of, and commitment to, the process. These institutional frameworks serve as small high-level bodies that are expected to facilitate government, private sector and civil society participation with a mandate to plan, coordinate, synchronize as well as monitor the implementation of capacity-building activities.

The NFP framework is expected to assist in: (i) institutionalizing a process for articulating and mainstreaming capacity-building needs in national development programs; (ii) providing a mechanism for developing, implementing and monitoring capacity building plans and strategies; (iii) establishing a capacity-building process that is driven by capacity needs assessments and prioritization of intervention; (iv) setting up an institutional framework for creating a partnership among stakeholders in a country; (v) providing access to better information on various capacity-building activities and funding support in a country; and (vi) contributing to better coordination of donor support for capacity building. To date, ACBF has provided seed support to NFPs in 20 countries on the Continent.

Location	:	NFPs in 20 countries
Coverage	:	National
Project Type	:	National Focal Points
Dates of Approval	:	May and December 2000
Dates of Effectiveness	:	Dates vary
Duration	:	1 - 2 years
Total Budget	:	Amounts vary
ACBF Funding	:	US\$50,000 per NFP
Co-financing	:	Government
Implementing Agency	:	National Governments
Main Beneficiaries		
NFPs in Benin, Botswana, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Congo (DRC), Côte d'Ivoire, Gabon, Guinea, Mali, Mauritania, Namibia, Nigeria, Rwanda, Sao Tome and Principe, Swaziland, Uganda and Zambia		

Annex A.2: Summary of Project Outputs

Project Title	Effective Date of Commence-ment	Number of Institutions Strengthened	Beneficiaries of Training				Number of Training Programs and Beneficiaries			Policy Studies, Research and Consultancies				Technical Assistance to Gov't. Agencies	Exchange Programs/ Study Visits
			Ph.D.	M.A.	P.G.D.	Fellows Inst. Cap. Build	Courses	Work-shops	Seminars	Comm. by Gov't.	Comm. by other sectors	Research Completed	Publica. Dissem.		
1. ACBF/ILO															
2. AERC (CMAP) I & II	Mar-93	20 Depts. of Econ	23	809				2							6
3. AIPA	Nov-94	1			16										
4. BCEAO/BEAC I & II	Feb-96	2			129	14		507							
5. BEAC/BCEAO (DEBT)								143						5	
6. BIDPA	Jul-95	4	1	3	40			1800	100	70	36	106	106	12	
7. CAFPD	Nov-97	1			38						4	14			
8. CAPE	Feb-98	1						103		8	4	11	9		5
9. CAPED															
10. CAPES	-														
11. CEMAC															
12. CEPA	Jan-94	1						103	19	19	18	80	60		
13. CERDI	Nov-94			16		10									
14. CAPAN (UAPD)															
15. CESAG															
16. CONSUMER INT.															
17. CIRCES-CAPEC I & II	Nov-93	1						96		5		43	22		28
18. CEPEC I & II	Nov-93	1					273	120	26	23	3	27	20		
19. CREAM	-														
20. CSD															
21. DMPA	Feb-96	2		20		4		120	40			5	3		
22. DPC I & II	Feb-94	1					300	415	300	4	4	37	14		
23. ECOWAS															
24. EDECO/PASU I & II	Jul-93	1					3	150	133		14	10	3	1	
25. EEA															
26. EMPAC	May-97	1				92									
27. EPRC I & II	Jul-93	1		5		44		667	29	9	7	65	43		
28. EPM/Cameroon	Oct-99			57											
29. EPM/Cote d'Ivoire	Jun-99			57											
30. EPM/Ghana	Sep-00			50											
31. EPM/Uganda	Oct-00			66											
32. ESAIDARM/MEFMI	Jul-94	1				46		2904	2904			12	8		
33. ESRF I & II	Mar-94	1				15		610	610	35	91	62	50	102	
34. IDEC	Jun-95	4						258	258	21	18	38	30	2	

Annex A.2: Summary of Project Outputs (continued)

Project Title	Effective Date of Commence-ment	Number of Institutions Strengthened	Beneficiaries of Training				Number of Training Programs and Beneficiaries			Policy Studies, Research and Consultancies				Technical Assistance to Gov't. Agencies	Exchange Programs/ Study Visits
			Ph.D.	M.A.	P.G.D.	Fellows inst. Cap Build	Short Courses	Work-shops	Seminars	Comm. by Gov't.	Comm. by other sectors	Research Completed	Publica. Dissem.		
35. IEF															
36. IPAR	Jun-95	1				20		75	85	3	31	32	18		
37. KIPRA	May-98	-										15			
38. LIMPAC															
39. McGill	Nov-94		14		5										19
40. NCBP - RWANDA															
41. NCEMA I & II	May-93	1			14										
42. NEC							996	102					31		
43. NECF			10												
44. NEPRU I & II	Mar-95	1	14		13										
45. NGOCC							158	113	145	75			75	2	
46. NIEP	Jul -01														
47. PARU															
48. PDTPE	May-93	4	10	24	15							13	4		6
49. PRECAGEF								507							
50. PRECASP															
51. PRIECA/AO															
52. PRIESP															
53. PSCGT															
54. PNRC - CAF															
55. PNRC - CMAP															
56. PSU															
57. PTGI	Sep-94	13 Depts. of Econ						31	33						10
58. SANGOCO															
59. SARIPS							326		430	3	10	2	70		
60. SWAZILAND															
61. UNAM															
62. UPE	Jul-94	1						191	288	65	13	110	11	19	
63. WAIFEM															
64. ZEPARU															
Cumulative 2000			33	1651	223	292	2056	9017	1628	321	253	682	577	143	74
Cumulative 1999			33	1450	201	156	1168	6991	867	262	196	364	364	114	66

Annex A.3. Basic Data on Active Projects

Classification of Projects	Approval Date	Effectiveness Date	Closing Date	Amount of Grant \$'000
A. PUBLIC SECTOR PROJECTS				
A.1. ECONOMIC POLICY ANALYSIS AND MANAGEMENT UNITS AND PROGRAMS				
1. BIDPA	01/93	05/95	03/2000	3,000
2. CAFPD	04/95	11/97	04/2002	1,600
3. CAPE	03/95	01/98	03/2002	1,500
4. CAPED	12/2000	Awaiting	Negotiation	1,500
5. CAPES	03/97	Awaiting Effectiveness	03/2005	1,600
6. CEPA	01/93	01/94	04/2001	3,500
7. CIRES - CAPEC I	01/93	11/93	06/2000	1,750
8. CIRES - CAPEC II	11/99	Awaiting Effectiveness	04/2001	1,500
9. CEPEC I	10/92	11/93	12/99	1,600
10. CEPEC II	11/99	Awaiting Effectiveness	03/2005	1,500
11. CREAM	11/99	Awaiting	Negotiation	1,721
12. DMPA	05/95	02/96	12/2001	1,700
13. DPC	04/93	02/94	03/2001	2,846
14. DPC II	12/2000	Awaiting	Negotiation	1,442
15. EEA	05/2000	Awaiting Effectiveness	04/2006	1,030
16. EPRC I	10/92	07/93	04/98	1,500
17. EPRC II	05/98	05/98	05/2003	2,000
18. ESRF I	10/92	03/94	10/98	1,700
19. ESRF II	05/98	06/99	06/2003	2,000
20. IDEC	10/92	06/95	04/2001	2,000
21. IPAR I	03/94	05/95	12/2000	2,525
22. IPAR II	12/2000	Awaiting	Negotiation	1,500
23. KIPPRA	04/95	05/98	08/2002	1,630
24. LIMPAC	11/98	Awaiting	Negotiation	1,800
25. NEPRU I	03/94	03/95	06/2000	2,400
26. NEPRU II	12/2000	Awaiting	Negotiation	2,000
27. PRECASP	12/2000	Awaiting	Negotiation	1,100
28. NIEP	11/98	7/2000	07/2004	2,000
29. PNRC - CAF	12/2000	Awaiting	Negotiation	1,300
30. PNRC - CMAP	12/2000	Awaiting	Negotiation	1,200
31. UPE	04/93	07/94	12/2001	1,912
32. ZEPARU	12/2000	Awaiting	Negotiation	1,500
A.2 PUBLIC SECTOR, ECONOMIC AND FINANCIAL MANAGEMENT TRAINING PROGRAMS				
1. AERC II	11/97	12/98	06/2001	3,000
2. CESAG	12/2000	Awaiting	Negotiation	1,500
3. EMPAC	04/95	05/97	04/2001	1,410
4. EPM - CAMEROON	11/97	9/99	06/2003	2,000
5. EPM - COTE d'IVOIRE	11/97	06/99	06/2003	2,000
6. EPM - GHANA	11/97	9/2000	04/2003	2,000
7. EPM - UGANDA	11/97	10/2000	04/2003	2,000
8. NCEMA I	10/92	02/94	05/98	990
9. NCEMA II	11/98	07/99	12/2003	997
10. PTCI I	10/93	09/94	06/2001	5,000
11. PTCI II	12/2000	Awaiting	Negotiation	4,000
12. SARIPS	05/2000	Awaiting Effectiveness	04/2004	1,500
13. UNAM	05/2000	Awaiting Effectiveness	04/2006	850

Annex A.3. Basic Data on Active Projects (continued)

Classification of Projects	Approval Date	Effectiveness Date	Closing Date	Amount of Grant \$'000
A.3 FINANCIAL MANAGEMENT AND ACCOUNTABILITY				
1. NCBP - RWANDA	12/2000	Awaiting	Negotiation	3,000
2. PRECAGEF	05/2000	Awaiting Effectiveness	05/2005	4,222
A.4 STRENGTHENING OF POLICY ANALYSIS CAPACITY OF NATIONAL PARLIAMENT				
1. CAPAN	05/2000	Awaiting	Negotiation	1,600
2. PARU	12/2000	Awaiting	Negotiation	2,000
3. PSU	05/2000	Awaiting	Negotiation	2,000
A.5 REGIONAL ORGANIZATIONS				
1. ACBF/ILO	05/2000	Awaiting	Re-appraisal	2,000
2. BCEAO/BEAC (MACRO) I	05/95	02/96	09/2000	1,050
3. BCEAO/BEAC (MACRO) II	12/2000	Awaiting	Negotiation	1,740
4. BEAC/BCEAO (DEBT)	11/99	Awaiting Effectiveness	04/2001	1,000
5. CEMAC	12/2000	Awaiting	Negotiation	1,650
6. ECOWAS	05/2000	Awaiting	Negotiation	2,000
7. IEF	12/2000	Awaiting	Negotiation	3,000
8. MEFMI	11/96	02/98	01/2003	2,900
9. PASU I	10/92	01/94	06/2000	3,000
10. PASU II	12/2000	Awaiting	Negotiation	3,000
11. WAIFEM	05/2000	Awaiting Effectiveness	04/2005	2,519
B. PUBLIC –PRIVATE SECTOR – CIVIL SOCIETY INTERFACE PROJECTS				
B.1. National Institutions				
1. CSD	5/2000	Awaiting Effectiveness	4/2004	1,335
2. NEC	12/2000	Awaiting	Negotiation	1,500
3. NECF	12/2000	Awaiting	Negotiation	2,000
4. NGOCC	5/2000	Awaiting Effectiveness	04/2004	1,384
5. PRIESP	5/2000	Awaiting	03/2005	723
6. PSCGT	5/2000	Awaiting	Re-appraisal	1,000
7. SANGOCO	5/2000	Awaiting	Negotiation	1,200
B.2. Regional Organizations				
1. PRIECA/AO	12/2000	Awaiting	Negotiation	1,431
2. CONSUMER INT.	5/2000	Awaiting	Re-appraisal	1,000
SPECIAL INTERVENTIONS				
1. MANZINI	05/2000	Awaiting	Negotiation	1,000
D. NATIONAL FOCAL POINTS				
20 countries	05/2000 and 12/2000	Dates	Vary	0,050 per NFP

Annex A.4: Project Disbursement Profile as at December 31 2000 (US\$)

	Grant Approved	Cumulative Disbursements 31/12/00	Cumulative Disbursements as at 31/12/99	Actual Disbursements Jan - Dec 2000	Actual Disbursement Jan - Dec 1999
ACBF/ILO	1,500,000	-	-	-	-
AERC-CMAP I	5,000,000	5,000,000	5,000,000	-	-
AERC-CMAP II	3,000,000	2,906,062	1,802,023	1,104,039	1,032,949
AIPA I	150,000	150,000	150,000	-	-
AIPA II	1,001,730	1,001,730	1,001,730	-	-
BCEAO/BEAC I	1,050,000	994,140	879,173	114,967	222,113
BCEAO/BEAC II	1,738,857	-	-	-	-
BEAC/BCEAO (debt)	1,650,000	-	-	-	-
BIDPA	3,000,000	2,422,795	1,615,884	806,911	476,520
CAFPD	1,600,000	600,667	406,828	193,839	137,850
CAPAN (UAPD)	1,600,000	-	-	-	-
CAPE	1,500,000	597,627	405,732	191,895	160,047
CAPED	1,500,000	-	-	-	-
CAPEX	1,600,000	-	-	-	-
CEMAC	1,000,000	-	-	-	-
CEPA	3,500,000	2,755,218	2,227,989	527,229	494,559
CERDI-AUREDI	2,364,000	2,270,456	2,270,456	-	-
CESAG	1,500,000	-	-	-	-
CIRES-CAPEX I	1,750,000	1,627,653	1,520,756	106,897	94,198
CIRES - CAPEX II	1,754,000	-	-	-	-
CNPG-CEPEC	1,600,000	1,509,184	1,509,184	-	77,162
CNPG-CEPECII	1,500,000	-	-	-	-
Com. Action on Aids	1,060,000	-	-	-	-
Consumers Int.	1,000,000	-	-	-	-
CREAM	1,721,270	-	-	-	-
CSD	1,335,903	-	-	-	-
DMPA	1,785,000	753,685	592,727	160,958	167,366
DPCI	2,845,965	2,554,163	2,373,732	180,431	269,067
DPC II	1,442,210	-	-	-	-
ECOWAS	2,000,000	-	-	-	-
EEA	1,030,000	-	-	-	-
EMPAC	1,410,000	390,059	236,624	153,435	-
EPM Cameroon)	2,000,000	719,045	286,871	432,174	286,872
EPM (Coted'Ivoire)	2,000,000	667,863	362,122	305,741	249,821
EPM (Ghana)	2,000,000	758,923	318,925	439,998	118,925
EPM (Uganda)	2,000,000	875,024	345,887	529,137	152,177
EPRC I	1,500,000	1,412,911	1,412,911	-	-
EPRC II	2,000,000	783,125	663,927	119,198	463,927
ESAIDARM	2,000,000	2,000,000	2,000,000	-	-
ESRF I	1,700,000	1,577,113	1,577,113	-	-
ESRF II	2,000,000	780,676	357,942	422,734	257,942
IDEC	2,000,000	1,163,229	854,925	308,304	132,046
IEF	3,000,000	-	-	-	-
IPAR	2,525,000	2,201,661	1,609,798	591,863	431,020
IPAR II	1,500,000	-	-	-	-
KIPPRA	1,630,000	501,571	131,134	370,437	131,134
LIMPAC	1,800,000	-	-	-	-
McGILL	2,136,000	1,788,135	1,788,135	-	-
MEFMI	2,900,000	2,353,102	1,860,440	492,662	559,967
NCBP - Rwanda	3,000,000	-	-	-	-

Annex A.4: Project Disbursement Profile as at December 31 2000 (US\$) (continued)

	Grant Approved	Cumulative Disbursements 31/12/00	Cumulative Disbursements as at 31/12/99	Actual Disbursements Jan - Dec 2000	Actual Disbursement Jan - Dec 1999
NEC	1,500,000	-	-	-	-
NECF	2,000,000	-	-	-	-
NCEMA I	990,000	990,000	990,000	-	-
NCEMA II	997,940	490,024	100,000	390,024	100,000
NEPRU I	2,400,000	2,399,569	1,697,874	701,695	282,189
NEPRU II	2,000,000	-	-	-	-
NGOCC	1,384,980	-	-	-	-
NIEP	2,000,000	400,674	100,000	300,674	100,000
OAU/EDECO/PASU	3,000,000	3,002,677	2,850,517	152,160	513,504
OAU/EDECO/PASU	3,000,000	-	-	-	-
PARU	2,000,000	-	-	-	-
PDTPE	2,000,000	1,880,161	1,853,331	26,830	105,795
PNRC - CAF	1,300,000	-	-	-	-
PNRN - CMAP	1,200,000	-	-	-	-
PRECAGEF	1,422,850	-	-	-	-
PRECASP	1,100,000	-	-	-	-
PRIECA/AO	1,431,594	-	-	-	-
PSCGT	1,000,000	-	-	-	-
PSU	1,859,100	-	-	-	-
PTCI I	5,000,000	4,830,643	3,948,987	881,656	470,740
PTCI II	4,000,000	-	-	-	-
(PRIESP)	723,330	-	-	-	-
SANGOCO	1,200,000	-	-	-	-
SARIPS	1,500,000	100,000	-	100,000	-
UNAM MPPA	850,000	-	-	-	-
UPE	1,912,200	1,228,050	1,051,241	176,809	152,187
WAIFEM	2,519,000	302,528	-	302,528	-
ZEPARU	1,500,000	-	-	-	-
NFP (11)	550,000	-	-	-	-
NFP (9)	450,000	-	-	-	-
	146,970,929	58,740,143	48,154,918	10,585,225	7,640,077

Annex A.5: Financing Status of ACBF Projects as at 31 December 2000

Project	Total Cost	ACBF's Share	Govt./Own Finance	Pledged Co-finance	Financing Deficit 2000	Financing Deficit 1999
	1	2	3	4	5	6
ACBF/ILO	1,500,000	-	-	1,500,000	-	-
AERC-CMAP I	15,583,700	5,000,000	-	10,583,700	-	-
AERC-CMAP II	12,267,124	3,000,000	-	9,267,124	-	-
AIPA I	150,000	150,000	-	-	-	-
AIPA II *	7,573,000	1,001,730	-	950,000	-	-
BCEAO/BEAC I	3,570,000	1,050,000	1,612,000	908,000	-	-
BCEAO/BEAC - II	4,347,142	1,738,857	-	-	(2,608,285)	-
BEAC/BCEAO (DEBT)	5,468,908	1,650,000	-	3,818,908	-	-
BIDPA	10,000,000	3,000,000	3,000,000	4,000,000	-	-
CAFPD	2,880,000	1,600,000	230,000	1,050,000	-	-
Cap. Building	1,100,000	1,100,000	-	-	-	-
CAPE	2,619,760	1,500,000	924,160	195,000	(600)	(600)
CAPED	2,950,605	1,500,000	-	-	(1,450,605)	-
CAPES	3,215,256	1,600,000	321,526	1,293,730	-	-
CEMAC	1,000,000	1,000,000	-	-	-	-
CEPA	6,068,000	3,500,000	-	2,568,000	-	-
CERDI-AUREDI	6,867,000	2,364,000	-	1,539,000	(2,964,000)	(2,964,000)
CESAG	3,379,500	1,500,000	-	-	(1,879,500)	-
Chambers of Agric.	3,346,154	1,431,594	1,914,560	-	-	-
CIRES - CAPEC I	1,750,000	1,750,000	-	-	-	-
CIRES - CAPEC II	2,192,500	1,754,000	438,500	-	-	-
CNPG-CEPEC I	2,196,594	1,600,000	596,594	-	-	-
CNPG-CEPECII	2,440,658	1,500,000	260,000	500,000	(180,658)	(180,658)
Com. Action on Aids	4,318,250	1,060,000	730,000	510,000	(2,018,25)	-
Consumer Int.	4,000,000	1,000,000	-	3,000,000	-	-
CREAM	2,371,270	1,721,270	200,000	450,000	-	-
DMPA	3,951,000	1,785,000	1,176,000	990,000	-	-
DPC I	4,335,000	2,845,965	1,000,000	-	(489,035)	(489,035)
DPC II	3,599,415	1,442,210	-	-	(2,157,205)	-
ECOWAS	3,800,000	2,000,000	-	-	(1,800,000)	-
EMPAC	2,350,000	1,410,000	258,500	681,500	-	-
EPM (Cameroon)	3,009,705	2,000,000	-	806,620	(203,085)	-
EPM (Cote d'Ivoire)	2,990,836	2,000,000	-	990,836	-	-
EPM (Ghana)	3,278,794	2,000,000	-	1,278,794	-	-
EPM (Uganda)	3,161,640	2,000,000	-	1,161,640	-	-
EPRC I (Uganda)	1,821,537	1,500,000	321,537	-	-	-
EPRC II (Uganda)	4,690,798	2,000,000	800,000	521,856	(1,368,942)	-1,368,942
ESAIDARM	8,000,000	2,000,000	2,074,435	3,925,565	-	-
ESRF I (Tanzania)	4,208,000	1,700,000	695,401	-	(1,812,599)	-1,812,599
ESRF II (Tanzania)	5,400,000	2,000,000	-	957,800	(2,442,200)	-
EEA	1,894,709	1,030,000	864,709	-	-	-
IEF	13,725,212	3,000,000	2,453,697	-	(8,271,515)	-
PSCGT	9,090,858	1,000,000	-	2,090,858	(6,000,000)	-
IDEC Burundi)	2,861,280	2,000,000	-	-	(861,280)	(861,280)

* Cancelled in July 1996

Annex A.5: Financing Status of ACBF Projects as at 31 December 2000

Project	Total Cost	ACBF's Share	Govt./Own Finance	Pledged Co-fin. from donors	Financing Deficit 2000	Financing Deficit 1999
	1	2	3	4	5	6
IPAR I	5,033,000	2,525,000	-	1,711,500	(796,500)	(796,500)
IPAR II	4,000,000	1,500,000	-	2,500,000	-	-
KIPPRA	5,312,000	1,630,000	1,182,000	2,500,000	-	-
LIMPAC	2,174,293	1,800,000	37,000	337,293	-	-
McGILL	7,936,000	2,136,000	886,000	4,914,000	-	-
MEFMI	25,000,000	2,900,000	-	22,100,000	-	-
NCBP	7,106,100	3,000,000	-	-	(4,106,100)	-
NECC	3,000,000	1,500,000	350,000	1,150,000	-	-
NECF	6,697,845	2,000,000	1,055,250	2,591,400	(1,051,195)	-
NCEMA I	989,879	990,000	-	-	121	121
NCEMA II	2,102,070	997,940	817,002	287,128	-	-
NEPRU I	3,665,000	2,400,000	1,265,000	-	-	-
NEPRU II	5,602,880	2,000,000	2,610,304	992,576	-	-
NGOCC	1,384,980	1,384,980	-	-	-	-
NIEP	5,565,044	2,000,000	1,817,869	1,747,175	-	-
PASU I	3,000,000	3,000,000	-	-	-	-
PASU II	7,709,074	3,000,000	7,709,074	-	3,000,000	-
PARU	3,536,925	2,000,000	-	-	(1,536,925)	-
PDTPE	2,000,000	2,000,000	-	-	-	-
PNRC - CAF	1,682,340	1,300,000	-	-	(382,340)	-
PNRN - CMAP	1,845,360	1,200,000	-	-	(645,360)	-
PRECAGEF	1,422,850	1,422,850	-	-	-	-
PSU	3,164,500	1,859,100	-	1,164,500	(140,900)	-
PTCI	12,400,000	5,000,000	-	4,894,000	(2,506,000)	(2,506,000)
PTCI II	12,742,365	4,000,000	-	-	(8,742,365)	-
PRIESP	901,365	723,330	78,035	100,000	-	-
CSD	29,084,709	1,335,903	6,179,360	15,374,563	(6,194,883)	-
SANGOCO	5,455,317	1,200,000	2,201,561	2,053,756	-	-
SARIPS	11,516,642	1,500,000	-	8,448,163	(1,568,479)	-
UAPD (CAPAN)	2,860,463	1,600,000	-	-	(1,260,463)	-
UNAM	1,986,700	850,000	1,136,700	-	-	-
UPE	2,961,000	1,912,200	194,400	50,000	(804,400)	(804,400)
WAIFEM	12,610,269	2,519,000	16,701,951	2,323,939	8,934,621	-
ZEPARU	5,500,000	1,500,000	400,000	-	(3,600,000)	-
NFPs (11)	550,000	550,000	-	-	-	-
NFPs (9)	450,000	450,000	-	-	-	-
Total	402,773,175	146,970,929	64,493,125	129,278,924	(56,408,927)	(11,783,893)

Annex A.6: Status of Pledges and Contributions by Donors as at 31 December 1999 – Phase I

Country/ Organization	Amount Pledged (US\$ millions)		Amount Contributed (US\$ millions)		Exchange Losses (Gains)	Outstand- ing Amount	Status
	Trust Fund 1	Trust Fund 2	Trust Fund 1	Trust Fund 2			
AfDB	6.000	-	6.054	-	(0.054)	-	Fully Paid
Austria	0.400	-	0.377	-	0.023	-	Fully Paid
Botswana	0.250	-	0.250	-	-	-	Fully Paid
Cameroon	0.250	-	0.171	-	-	0.079	
Canada	1.500	1.500	1.499	1.676	(0.175)	-	Fully Paid
Côte d'Ivoire	0.250	-	0.250	-	-	-	Fully Paid
Congo (DRC)	0.250	-	-	-	-	0.250	
Denmark	4.000	-	3.951	-	0.049	-	Fully Paid
Finland	5.000	-	4.698	-	0.302	-	Fully Paid
France	10.000	-	4.477	-	0.523	5.000	
Ghana	0.250	-	-	-	-	0.250	
Kenya	0.250	-	0.250	-	-	-	Fully Paid
Mali	0.250	-	0.250	-	-	-	Fully Paid
Mauritius	0.250	-	-	-	-	0.250	
Netherlands	3.009	-	3.009	-	-	-	Fully Paid
Nigeria	0.250	-	0.250	-	-	-	Fully Paid
Norway	4.300	-	3.505	-	0.795	-	Fully Paid
Senegal	0.250	-	-	-	-	0.250	
Sweden	6.000	-	4.615	-	1.385	-	Fully Paid
Tanzania	0.250	-	-	-	-	0.250	
United Kingdom	5.000	-	4.992	-	0.008	-	Fully Paid
UNDP		6.855	-	6.718	-	0.137	Grant Closed
USA	10.000	-	5.000	-	-	5.000	
World Bank	7.000	8.000	7.000	8.000	-	-	Fully Paid
Zimbabwe	0.250	-	0.250	-	-	-	Fully Paid
GRAND TOTAL	65.209	16.355	50.848	16.394	2.856	11.466	

**Annex A.7: Status of Pledges and Contributions by Donors as at
31 December 1999 – Phase II**

Country / Organization	Amount Pledged US\$ (000)	Amount Paid-in US\$(000)	Remarks
African Development Bank	6.000	-	Fully Paid
Botswana	0.300	0.300	
Cameroon	0.300	-	
Canada	2.400	-	
Côte d'Ivoire	0.300	-	
Denmark	5.000	1.870	
Finland	3.000	1.297	
Netherlands	2.500	0.795	
Nigeria	0.400	-	
Norway	4.121	1.606	
Senegal	0.250	-	
Sweden	6.000	2.940	
Uganda	0.250	-	
United Kingdom	4.942	2.339	
UNDP	5.000	-	
World Bank	15.000	10.000	
Zimbabwe	0.250	0.073	
TOTAL	56.013	21.220	

N.B. Not reflected above is the Japanese contribution of US\$10 million, which is to be accessed through the PHRD Trust Fund at the World Bank.

Annex A.8: Schedule of Draw-Downs into Trust Fund 1 - Phase I
(US\$ Millions)

Country/ Organization	Pledges	Cum. Draw-Down 1998	Actual Draw- Downs 1999	Cum. Draw- Downs 1999	Expected Cum. Draw-Downs 1999 100%	Exch. loss adjustment	*Outstanding Balances 1999
AfDB	6.000	6.054	-	6.054	6.000	0.054	0.000
Austria	0.400	0.377	-	0.377	0.400	(0.023)	0.000
Canada	1.500	1.498	0.002	1.500	1.500	(0.002)	0.000
Denmark	4.000	3.951	-	3.951	4.000	(0.049)	0.000
Finland	5.000	4.698	-	4.698	5.000	(0.302)	0.000
France	10.000	4.477	-	4.477	10.000	(0.523)	5.000
Netherlands	3.009	3.009	-	3.009	3.009	-	0.000
Norway	4.300	3.505	-	3.505	4.300	(0.795)	0.000
Sweden	6.000	4.616	-	4.616	6.000	(1.384)	0.000
U.K.	5.000	4.992	-	4.992	5.000	(0.008)	0.000
U.S.A.	10.000	5.000	-	5.000	10.000	-	5.000
World Bank	7.000	7.000	-	7.000	7.000	-	0.000
Africa	3.000	1.250	0.422	1.672	3.000	-	1.328
TOTAL	65.209	50.427	0.424	50.851	65.209	(3.032)	11.328

* The outstanding balance in Trust Fund 2 is US\$137,000 from UNDP (through UNOPS). This is not in the above table because it is classified under Trust Fund 2. If it is taken into account, the total outstanding balance under Phase I would amount to US\$11.465 million.

Annex A.9: Schedule of Draw-Downs into the ACB Fund, Phase II
(US\$ millions)

Country/ Organization	Pledges	Cumulative Draw- Downs 1998	Planned Draw- Downs 1999	Actual Draw- Downs 1999	Cumulative Draw- Downs 1999	Balance Due 1999
AfDB	6.00	-	1.915	-	-	1.915
Botswana	0.30	0.300	-	-	0.30	-
Canada	2.400	-	0.766	-	-	0.766
Cameroon	0.30	-	0.096	-	-	0.096
Côte d'Ivoire	0.30	-	0.096	-	-	0.096
Denmark	5.00	1.870	1.595	-	1.870	1.595
Finland	3.00	0.722	0.957	0.575	1.297	0.382
Netherlands	2.50	0.795	0.798	-	0.795	0.798
Nigeria	0.40	-	0.128	-	-	0.128
Norway	4.12	0.784	1.315	0.822	1.606	0.493
Senegal	0.25	-	0.080	-	-	0.080
Sweden	6.00	2.940	1.914	-	2.940	1.914
Uganda	0.25	-	0.080	-	-	0.080
U.K.	4.94	2.339	1.577	-	2.339	1.577
UNDP	5.00	-	1.596	-	-	1.596
World Bank	15.00	-	4.787	10.000	10.000	-
Zimbabwe	0.25	0.073	0.080	-	0.073	0.080
TOTAL	56.01	9.823	17.780	11.397	21.220	11.596



Chartered Accountants (Zimbabwe)

Kenilworth Gardens	Telephone	746248, 720965
1 Kenilworth Road		746271
Highlands	Facsimile	746255
PO Box 267		
Harare		
Zimbabwe		

**REPORT OF THE INDEPENDENT AUDITORS
TO THE EXECUTIVE BOARD OF
THE AFRICAN CAPACITY BUILDING FOUNDATION
CONSOLIDATED CAPACITY BUILDING TRUST FUND**

We have audited the financial statements of the Fund set out on pages 115 to 129. The financial statements are the responsibility of the Foundation's Board. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing, which require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, the assessment of the accounting principles used and significant estimates made by management, and the evaluation of the overall financial statement presentation.

In our opinion the financial statements are properly drawn up in accordance with the provisions of the financial regulations of the African Capacity Building Foundation and in conformity with International Accounting Standards, so as to give, in all material respects, a true and fair view of the financial position of the Consolidated Capacity Building Trust Fund as at 31 December 2000 and of the results of the operations and cash flows for the financial year ended on that date.

DELOITTE & TOUCHE

12 March 2001

**Deloitte Touche
Tohmatsu**

Annex B.2

**THE AFRICAN CAPACITY BUILDING FOUNDATION
CONSOLIDATED CAPACITY BUILDING TRUST FUND
RECEIPTS AND EXPENDITURE STATEMENT
for the year ended 31 December 2000**

	<u>2000</u> US\$	<u>1999</u> US\$
RECEIPTS ex World Bank	12 431 556	16 046 850
IDF Grant	100 000	141 275
Miscellaneous	-	77 090
Interest receivable	119 675	48 533
	<hr/> 12 651 231	<hr/> 16 313 748
NATIONAL PROJECTS EXPENDITURE		
AUTONOMOUS POLICY UNITS		
Capital costs	124 393	16 498
Personnel costs	509 069	388 813
Research and publication costs	714 851	539 153
Operation and maintenance costs	132 697	221 682
Training	21 636	9 992
Unallocated	-	-
	<hr/> 1 502 646	<hr/> 1 176 138
SEMI-AUTONOMOUS POLICY UNITS		
Capital costs	38 571	71 799
Personnel costs	965 284	990 145
Research and publication costs	527 590	336 514
Operation and maintenance costs	196 947	98 388
Training costs	589 867	242 738
Unallocated	14 264	241
	<hr/> 2 332 523	<hr/> 1 739 825
GOVERNMENT POLICY UNITS		
Capital costs	1 147	116 715
Personnel costs	598 633	496 947
Research and publication costs	128 290	51 797
Operation and maintenance costs	176 285	90 211
Training costs	291 632	41 873
Unallocated	1 386	24 210
	<hr/> 1 197 373	<hr/> 821 753
TOTAL NATIONAL POLICY UNITS	<hr/> 5 032 542	<hr/> 3 737 716
NATIONAL TRAINING UNITS		
Research and publication costs	31 014	20 546
Operation and maintenance costs	19 637	132 560
Training costs	374 130	158 100
Unallocated	2 440	3 578
	<hr/> 427 221	<hr/> 314 784
TOTAL NATIONAL PROJECTS EXPENDITURE	<hr/> 5 459 763	<hr/> 4 052 500

Annex B.3

**THE AFRICAN CAPACITY BUILDING FOUNDATION
CONSOLIDATED CAPACITY BUILDING TRUST FUND
RECEIPTS AND EXPENDITURE STATEMENT
for the year ended 31 December 2000**

	<u>2000</u> US\$	<u>1999</u> US\$
REGIONAL PROJECTS EXPENDITURE		
POLICY UNIT PROJECTS		
Capital costs	1 845	-
Personnel costs	227 585	204 045
Research and publication costs	46 137	78 781
Operation and maintenance costs	50 336	299 573
	<hr/>	<hr/>
TOTAL POLICY UNITS	325 903	582 399
	<hr/>	<hr/>
TRAINING PROJECTS		
Capital costs	31 508	667
Personnel costs	365 706	130 469
Research and publication costs	391 277	-
Operation and maintenance costs	506 353	277 093
Training costs	2 790 810	2 325 469
Unallocated	-	1 258
	<hr/>	<hr/>
TOTAL TRAINING PROJECTS	4 085 654	2 734 956
	<hr/>	<hr/>
TOTAL REGIONAL PROJECTS EXPENDITURE	4 411 557	3 317 355
	<hr/>	<hr/>
TOTAL PROJECTS EXPENDITURE	9 871 320	7 369 855
	<hr/>	<hr/>
Workshops	744 241	215 630
Bank charges	10 352	9 824
	<hr/>	<hr/>
TOTAL EXPENDITURE ON PROGRAMS	<u>10 625 913</u>	<u>7 595 309</u>

Annex B.4

**THE AFRICAN CAPACITY BUILDING FOUNDATION
CONSOLIDATED CAPACITY BUILDING TRUST FUND
RECEIPTS AND EXPENDITURE STATEMENT
for the year ended 31 December 2000**

	<u>Notes</u>	<u>2000</u> <u>US\$</u>	<u>1999</u> <u>US\$</u>
ADMINISTRATION EXPENDITURE			
Direct project related expenditure:			
Country assessment and project identification	10.1	49 203	24 141
Project appraisal	10.2	189 670	-
Project proposal preparation	10.3	61 387	-
Project supervision and monitoring	10.4	92 196	178 040
		<u>392 456</u>	<u>202 181</u>
Other administration expenditure:			
Professional staff expenses		1 612 342	1 535 452
Support staff expenses		217 726	173 168
Consultants fees and travel costs		17 695	38 243
General and administration expenses	10.5	676 744	823 850
Other	10.6	101 778	76 682
		<u>2 626 285</u>	<u>2 647 395</u>
TOTAL ADMINISTRATION EXPENDITURE		<u>3 018 741</u>	<u>2 849 576</u>
CONSOLIDATED EXPENDITURE ON PROGRAMS AND ADMINISTRATION		<u>13 644 654</u>	<u>10 444 885</u>
EXCESS OF (EXPENDITURE OVER RECEIPTS)/ RECEIPTS OVER EXPENDITURE	4	<u>(993 423)</u>	<u>5 868 863</u>

Annex B.5

**THE AFRICAN CAPACITY BUILDING FOUNDATION
CONSOLIDATED CAPACITY BUILDING TRUST FUND
BALANCE SHEET
31 December 2000**

	Notes	2000 US\$	1999 US\$
ACCUMULATED FUNDS	4	11 514 863	12 508 286
EMPLOYMENT OF FUNDS			
Fixed assets	5	315 973	273 891
CURRENT ASSETS			
Stock	6	10 297	11 971
Debtors	7	467 057	470 452
Bank balances and cash	8	4 264 108	6 039 956
Unretired advances to projects	9	6 674 572	5 960 667
Total current assets		11 416 034	12 483 046
CURRENT LIABILITIES			
Creditors		217 144	248 651
Net current assets		11 198 890	12 234 395
TOTAL EMPLOYMENT OF FUNDS		11 514 863	12 508 286



..... **EXECUTIVE SECRETARY**



..... **FINANCE AND ADMINISTRATION MANAGER, a.i.**

Annex B.6

**THE AFRICAN CAPACITY BUILDING FOUNDATION
CONSOLIDATED CAPACITY BUILDING TRUST FUND
CASH FLOW STATEMENT
for the year ended 31 December 2000**

	<u>2000</u> US\$	<u>1999</u> US\$
Cash Flows from Operating Activities		
Excess of (expenditure over receipts)/receipts over expenditure	(993 423)	5 868 863
Adjustments for:		
Depreciation	93 062	47 034
Interest receivable	(119 675)	(48 533)
Operating Cash Flows before Working Capital Changes	(1 020 036)	5 867 364
Increase in unretired advances	(713 905)	(270 223)
Decrease/(increase) in debtors	3 395	(185 523)
(Decrease)/increase in creditors	(31 507)	146 479
Decrease in stock	1 674	35
Cash (used in)/generated from operations	(1 760 379)	5 558 132
Cash Flows from investing activities		
Purchase of fixed assets	(135 144)	(201 265)
Interest received	119 675	48 533
Net cash used in investing activities	(15 469)	(152 732)
Net (decrease)/increase in cash and cash equivalents	(1 775 848)	5 405 400
Cash and cash equivalents at 31 December 1999	6 039 956	634 556
Cash and cash equivalents at 31 December 2000	4 264 108	6 039 956

Annex B.7

THE AFRICAN CAPACITY BUILDING FOUNDATION CONSOLIDATED CAPACITY BUILDING TRUST FUND NOTES TO THE FINANCIAL STATEMENTS 31 December 2000

1. NATURE OF ACTIVITY

The main activities of the Foundation are aimed at building and strengthening human and institutional capacities in macro-economic policy analysis and development in Sub-Saharan Africa, including support to capacity building in the public sector as well as the interface areas among the public sector, the private sector and civil society.

2. CURRENCY

These financial statements are expressed in U.S. dollars, this being the currency of the original funding by the World Bank.

Transfers of funds to Zimbabwe are converted to Zimbabwe dollars at the exchange rate ruling at the time of transfer. Expenditure in Zimbabwe dollars is reconverted to U.S. dollars at the exchange rate ruling at the time of settlement of the expense.

Current assets and current liabilities in Zimbabwe dollars at the year end are converted at the year end exchange rate.

Differences arising from the reversion of expenditure and restatement of year end monetary amounts are included in the receipts and expenditure statement.

3. ACCOUNTING POLICIES

The principal accounting policies of the Foundation, which are set out below, have been consistently applied in all material respects.

3.1 Accounting convention

The financial statements are prepared in terms of the historical cost convention. Procedures are not adopted to reflect the impact on the financial statements of specific price changes or changes in the general level of prices.

The financial statements have been prepared in conformity with International Accounting standards.

3.2 Depreciation of fixed assets

Fixed assets are depreciated on a straight-line basis over their anticipated useful lives as follows:

Library books	-	5 years (20%)
Motor vehicles	-	5 years (20%)
Computers	-	5 years (20%)
Furniture and equipment	-	10 years (10%)

3.3 Receipts

Advances from the World Bank are brought to account on a receipts basis while interest and other sundry income are recognised on an accruals basis.

Annex B.7 (continued)

3.4 Grants

Payments made in accordance with Grant Agreements are initially recorded as unretired advances. When supporting documentation for expenditure is received, the appropriate amount is transferred to the receipts and expenditure statement. This could result in expenditure being incurred but not reflected in the receipts and expenditure statement for the year.

3.5 Stock

Stock is valued at the lower of cost and net realisable value. Cost is determined using suppliers' invoice price on a first-in-first-out basis.

3.6 Employee benefits

Both employer and employees contribute to a savings scheme administered by UBS (AG) Switzerland. The objectives of the scheme are to provide terminal benefits for employees hired on the normal 3-year renewable contracts.

In terms of the rules of the scheme, the employer is obligated to contribute 7% of the employee's salary into the fund and to contribute further amounts up to 7% of the employees' salary to match any voluntary contributions to the fund by the employee on a dollar-for-dollar basis.

On termination of employment, the employee will be entitled to receive 100% of the employee and employer contributions plus a share of net income received by the fund during his or her period of service.

	2000 US\$	1999 US\$
4. ACCUMULATED FUNDS		
Balance – 31 December 1999	12 508 286	6 639 423
Transferred from receipts and expenditure statement	(993 423)	5 868 863
	<hr/>	<hr/>
Balance – 31 December 2000	11 514 863	12 508 286
	<hr/>	<hr/>

Annex B.8

**THE AFRICAN CAPACITY BUILDING FOUNDATION
CONSOLIDATED CAPACITY BUILDING TRUST FUND
NOTES TO THE FINANCIAL STATEMENTS
31 December 2000**

5. FIXED ASSETS

Cost	Balance 31 Dec 99 US\$	Additions US\$	Scrapping US\$	Balance 31 Dec 00 US\$
Library books	3 343	(110)	-	3 233
Motor vehicles	30 420	39 362	-	69 782
Computers	396 355	52 519	95 351	353 523
Furniture and equipment	143 161	43 373	30 838	155 696
	<hr/> 573 279	<hr/> 135 144	<hr/> 126 189	<hr/> 582 234
<u>Depreciation</u>		Charge for the year		
Library books	-	365	-	365
Motor vehicles	30 420	8 360	-	38 780
Computers	184 655	65 420	95 351	154 724
Furniture and equipment	84 313	18 917	30 838	72 392
	<hr/> 299 388	<hr/> 93 062	<hr/> 126 189	<hr/> 266 261
Net book amount	<hr/> 273 891			<hr/> 315 973
Comprising:-				
Library books	3 343			2 868
Motor vehicles	-			31 002
Computers	211 700			198 799
Furniture and equipment	58 848			83 304
	<hr/> 273 891			<hr/> 315 973

Annex B.8 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION
CONSOLIDATED CAPACITY BUILDING TRUST FUND
NOTES TO THE FINANCIAL STATEMENTS
31 December 2000**

	<u>2000</u> US\$	<u>1999</u> US\$
6. STOCK		
Consumables	10 297	11 971
	<hr/>	<hr/>
7. DEBTORS		
Amount due from staff gratuity/savings scheme fund	84 183	88 351
Staff loans	44 579	140 066
Staff advances	13 308	-
Travel advances	32 957	24 790
Prepayments	7 663	9 009
Other	284 367	208 236
	<hr/>	<hr/>
	467 057	470 452
	<hr/>	<hr/>
8. BANK BALANCES AND CASH		
United States dollars - Standard Chartered Bank London	1 513 725	-
United States dollars - Grindlays (Pvt) Banking London	2 314 605	4 651 239
United States dollars - Grindlays (Pvt) Banking London and Stanbic Bank Harare	444 090	1 509 238
Foreign currencies - Stanbic Bank Harare	(8 312)	(120 521)
	<hr/>	<hr/>
	4 264 108	6 039 956
	<hr/>	<hr/>

Foreign currencies include Zimbabwe dollars expressed inequivalent United States dollars at rates of exchange ruling at the balance sheet date.

Annex B.8 (continued)

THE AFRICAN CAPACITY BUILDING FOUNDATION CONSOLIDATED CAPACITY BUILDING TRUST FUND NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2000				
9. GRANT DETAILS				
Project	Coverage	Cumulative disbursements US\$	Cumulative grant expenditure US\$	Unretired advances US\$
AERC - CMAP I	Regional	5 000 000	5 000 000	-
AERC-CMAP II	Regional	2 906 062	2 406 062	500 000
AIPA I	South Africa	150 000	150 000	-
AIPA	South Africa	1 001 730	1 001 730	-
BCEAO/BEAC	Regional	994 140	911 857	82 283
BIDPA	Botswana	2 422 795	2 422 795	-
CAFPD	Mali	600 667	450 667	150 000
CAPE	Benin	597 627	457 627	140 000
CEPA	Ghana	2 755 218	2 355 218	400 000
CERDI-AUREDI	Regional	2 270 456	1 997 678	272 778
CIRES- CAPEC I	Regional	1 627 653	1 543 684	83 969
CNPG - CEPEC	Guinea	1 509 184	1 483 441	25 743
DMPA	Zambia	753 685	610 527	143 158
DPC	Nigeria	2 554 163	1 881 842	672 321
EMPAC	Ethiopia	390 059	278 370	111 689
EPM	Cameroon	719 045	518 284	200 761
EPM	Cote d'Ivoire	667 863	467 863	200 000
EPM	Ghana	758 923	439 998	318 925
EPM	Uganda	875 024	433 406	441 618
EPRC I	Uganda	1 412 911	1 361 437	51 474
EPRC II	Uganda	783 125	634 598	148 527
ESAIDARM	Regional	2 000 000	2 000 000	-
ESRF I	Tanzania	1 577 113	1 577 113	-
ESRF II	Tanzania	780 676	680 676	100 000
IDEC	Burundi	1 163 229	1 061 017	102 212
IPAR	Kenya	2 201 661	2 101 661	100 000
KIPRA	Kenya	501 571	351 571	150 000
McGILL	Regional	1 788 135	1 459 290	328 845
MEFMI	Regional	2 353 102	2 214 959	138 143
NCEMA I	Nigeria	990 000	990 000	-
NCEMA II	Nigeria	490 024	390 024	100 000
NEPRU I	Namibia	2 399 569	2 374 726	24 843
NIEP	South Africa	400 674	-	400 674
OAU/EDECO/PASU	Regional	3 002 677	2 727 014	275 663
PDTPE	Zimbabwe	1 880 161	1 878 363	1 798
PTCI	Regional	4 830 643	4 324 023	506 620
UPE	Senegal	1 228 050	1 128 050	100 000
SARIPS	Zimbabwe	100 000	-	100 000
WAFEM	Regional	302 528	-	302 528
Total		58 740 143	52 065 571	6 674 572

Annex B.8 (continued)

THE AFRICAN CAPACITY BUILDING FOUNDATION CONSOLIDATED CAPACITY BUILDING TRUST FUND NOTES TO THE FINANCIAL STATEMENTS 31 December 2000

	2000 US\$	1999 US\$
10. EXPENDITURE		
10.1 <u>Country assessment and project identification</u>		
Consultants fees	5 400	454
Consultants travel costs	757	2 525
Staff travel costs	43 046	21 162
	<hr/>	<hr/>
	49 203	24 141
	49 203	24 141
10.2 <u>Project appraisal</u>		
Consultants fees	105 750	-
Consultants travel costs	17 334	-
Staff travel costs	66 586	-
	<hr/>	<hr/>
	189 670	-
10.3 <u>Project proposal preparation</u>		
Consultants fees	6 825	-
Consultants travel costs	4 558	-
Staff Travel costs	50 004	-
	<hr/>	<hr/>
	61 387	-
10.4 <u>Project supervision and monitoring</u>		
Consultants fees	32 050	65 778
Consultants travel costs	51 915	97 023
Staff travel costs	8 231	15 239
	<hr/>	<hr/>
	92 196	178 040
10.5 <u>General and administration expenses</u>		
Administrative travel costs	168 888	142 738
Communication expenses	91 634	64 418
Recruitment expenses	41 383	48 928
Conferences and meetings travel costs	94 087	160 618
Publications	15 188	8 404
Board fees	25 500	35 100
Stationery/office supplies	35 215	15 867
Office rent	94 470	54 040
Other operating expenses	110 379	77 862
Staff travel costs (PACT Study)	-	15 507
Consultants fees (PACT Study)	-	242 679
Consultants travel costs (PACT Study)	-	56 947
Advertising & translation fees (PACT Study)	-	6 463
	<hr/>	<hr/>
	676 744	929 571
Less: amount due to Trust Fund No. 2	-	105 721
	<hr/>	<hr/>
	676 744	823 850
10.6 <u>Other</u>		
Depreciation costs	93 062	47 034
Financial expenses	8 716	29 648
	<hr/>	<hr/>
	101 778	76 682

**THE AFRICAN CAPACITY BUILDING FOUNDATION
CONSOLIDATED CAPACITY BUILDING TRUST FUND
NOTES TO THE FINANCIAL STATEMENTS
31 December 2000**

11. GRANT COMMITMENTS

The Foundation has entered into Grant Agreements with a number of institutions to make available funds for projects. The funds will be made available from the Consolidated Capacity Building Trust Fund of the Foundation. The commitments have been grouped into commitments from the original mandate, referred to as Phases I and II, and from new commitments entered into after integration with the PACT Initiative. The undisbursed balances are as follows:

Phase I Grant Commitments

<u>Project</u>	<u>Coverage</u>	<u>Grant approved</u> <u>US\$</u>	<u>Cumulative disbursements</u> <u>US\$</u>	<u>Total undisbursed balance</u> <u>US\$</u>
AERC - CMAP I	Regional	5 000 000	5 000 000	-
AIPA I	South Africa	150 000	150 000	-
AIPA	South Africa	1 001 730	1 001 730	-
BCEAO/BEAC	Regional	1 050 000	994 140	55 860
BIDPA	Botswana	3 000	2 422 795	577 205
CAFPD	Mali	1 600 000	600 667	999 333
CAPE	Benin	1 500 000	597 627	902 373
CAPES	Burkina Faso	1 600 000	-	1 600 000
CEPA	Ghana	3 500 000	2 755 218	744 782
CERDI-AUREDI	Regional	2 364 000	2 270 456	93 544
CIRES - CAPEC	Cote d'Ivoire	1 750 000	1 627 653	122 347
CNPG - CEPEC	Guinea	1 600 000	1 509 184	90 816
DMPA	Zambia	1 785 000	753 685	1 031 315
DPC	Nigeria	2 845 965	2 554 163	291 802
EMPAC	Ethiopia	1 410 000	390 059	1 019 941
EPRC	Uganda	1 500 000	1 412 911	87 089
ESAIDARM	Regional	2 000 000	2 000 000	-
ESRF	Tanzania	1 700 000	1 577 113	122 887
IDEC	Burundi	2 000 000	1 163 229	836 771
IPAR	Kenya	2 525 000	2 201 661	323 339
KIPPRA	Kenya	1 630 000	501 571	1 128 429
McGILL	Regional	2 136 000	1 788 135	347 865
MEFMI	Regional	2 900 000	2 353 102	546 898
NCEMA	Nigeria	990 000	990 000	-
NEPRU	Namibia	2 400 000	2 399 569	431
OAU/EDECO/PASU	Regional	3 000 000	3 002 677	(2 677)
PDTPE	Zimbabwe	2 000 000	1 880 161	119 839
PTCI	Regional	5 000 000	4 830 643	169 357
UPE	Senegal	1 912 200	1 228 050	684 150
Total Grant Commitments - Phase I		61 849 895	49 956 199	11 893 696

**THE AFRICAN CAPACITY BUILDING FOUNDATION
CONSOLIDATED CAPACITY BUILDING TRUST FUND
NOTES TO THE FINANCIAL STATEMENTS
31 December 2000**

11. GRANT COMMITMENTS (continued)**Grant Commitments – Phase II**

<u>Project</u>	<u>Coverage</u>	Grant approved US\$	Cumulative disbursements US\$	Total undisbursed balance US\$
AERC CMAP II	Regional	3 000 000	2 906 062	93 938
BCEAO/BEAC II	Regional	1 650 000	-	1 650 000
CEPEC II	Guinea	1 500 000	-	1 500 000
CREAM	Madagascar	1 721 270	-	1 721 270
EPM	Cameroon	2 000 000	719 045	1 280 955
EPM	Ghana	2 000 000	758 923	1 241 077
EPRC II	Uganda	2 000 000	783 125	1 216 875
ESRF II	Tanzania	2 000 000	780 676	1 219 324
LIMPAC	Liberia	1 800 000	-	1 800 000
NCEMA II	Nigeria	997 940	490 024	507 916
NIEP	South Africa	2 000 000	400 674	1 599 326
		<hr/>	<hr/>	<hr/>
		20 669 210	6 838 529	13 830 681
		<hr/>	<hr/>	<hr/>
EPM (Japanese PHRD) Côte d'Ivoire		2 000 000	667 863	1 332 137
EPM (Japanese PHRD) Uganda		2 000 000	875 024	1 124 976
		<hr/>	<hr/>	<hr/>
		4 000 000	1 542 887	2 457 113
		<hr/>	<hr/>	<hr/>
Total Grant Commitments - Phase II		24 669 210	8 381 416	16 287 794
		<hr/>	<hr/>	<hr/>
Total Grant Commitments - Phases I & II		86 519 105	58 337 615	28 181 490
		<hr/>	<hr/>	<hr/>

Annex B.8 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION
CONSOLIDATED CAPACITY BUILDING TRUST FUND
NOTES TO THE FINANCIAL STATEMENTS
31 December 2000**

11. GRANT COMMITMENTS (continued)

<u>New Projects</u>	<u>Coverage</u>	<u>Grant approved US\$</u>	<u>Cumulative disbursements US\$</u>	<u>Undisbursed balance US\$</u>
BCEAO/BEAC II	Regional	1 738 857	-	1 738 857
EEA	Ethiopia	1 030 000	-	1 030 000
NGOCC	Zambia	1 384 980	-	1 384 980
NCBP	Rwanda	3 000 000	-	3 000 000
PRECASP	Sao Tome	1 100 000	-	1 100 000
CIRES - CAPEC II	Cote d'Ivoire	1 754 000	-	1 754 000
CAPED	Niger	1 500 000	-	1 500 000
CEMAC	Regional	1 000 000	-	1 000 000
CESAG	Regional	1 500 000	-	1 500 000
PRIECA/AO	Regional	1 431 594	-	1 431 594
MANZINI	Swaziland	1 060 000	-	1 060 000
CONSUMERS INT.	Regional	1 000 000	-	1 000 000
DPC II	Nigeria	1 442 210	-	1 442 210
ECOWAS	Regional	2 000 000	-	2 000 000
IEF	Regional	3 000 000	-	3 000 000
PSCGT	Kenya	1 000 000	-	1 000 000
ACBF/ILO	Regional	1 500 000	-	1 500 000
IPAR II	Kenya	1 500 000	-	1 500 000
NEC	Malawi	1 500 000	-	1 500 000
NECF	Zimbabwe	2 000 000	-	2 000 000
NEPRU II	Namibia	2 000 000	-	2 000 000
OAU/PASU II	Regional	3 000 000	-	3 000 000
PARU	Nigeria	2 000 000	-	2 000 000
PNRC – CAF	Guinea Bissau	1 300 000	-	1 300 000
PNRC – CMAP	Mauritania	1 200 000	-	1 200 000
PRIESP	Mali	723 330	-	723 330
PTCI II	Regional	4 000 000	-	4 000 000
CSD	Tanzania	1 335 903	-	1 335 903
SANGOCO	South Africa	1 200 000	-	1 200 000
SARIPS	Regional	1 500 000	100 000	1 400 000
PSU	South Africa	1 859 100	-	1 859 100
PRECAGEF	Gabon	1 422 850	-	1 422 850
UAPD (CAPAN)	Benin	1 600 000	-	1 600 000

UNAM MPPA	Namibia	850 000	-	850 000
WAIFEM	Regional	2 519 000	302 528	2 216 472
ZEPARU	Zimbabwe	1 500 000	-	1 500 000
NFPs (11)		550 000	-	550 00
NFPs (9)		450 000	-	450 000

**Total Grant Commitments
to New Projects**

60 451 824

402 528

60 049 296

Consolidated Grant Commitments

146 970 929

58 740 143

88 230 786

2000

1999

US\$

US\$

12. EMPLOYEE BENEFIT COSTS

Cost of employer contributions to staff gratuity/savings scheme

165 578

161 088

13. CAPITAL COMMITMENTS

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Annex C.1:**Board of Governors, 2000**

Member	Governor	Alternate
United Kingdom	Barrie Ireton (Chair)	Jean Forrest
Sweden	Lennart Båge (Vice-Chair)	Bo Jerlstrom
UNDP	Abdoulie Janneh (Vice-Chair)	Jacques Loup
AfDB	Cyril Enweze	
Botswana	Wilfred J. Mandlebe	
Cameroon	Samuel Obam Mbom	
Canada	Guy Mercier	
Congo (DRC)	Mwana Nanga Mawapanga	
Côte d'Ivoire	Mohamadou Koulibaly	
Denmark	Ole Moesby	
Finland	Matti Aaltola	
France	Mireille Guigaz	Dominique Mas
Ghana	Yaw Osafo Marfo	
Kenya	Chrysanthus B. Okemo	
Malawi	Matthews Chikaonda	R.D. Dzanjalimodzi
Mali	Bacari Koné	
Mauritius	G. Wong So	
The Netherlands	Arjan P. Hamburger	Peter de Haan
Nigeria	Mallam Adamu Ciroma	
Norway	Jon Lomøy	Arild Eik
Senegal	Moctar Diop	
Tanzania	Basil Mramba	
Uganda	Gerald Ssendaula	
United States of America	Verne Newton	
The World Bank	Callisto Madavo	Praful Patel
Zimbabwe	Simba Makoni	

Annex C.2: Executive Board, 2000

Independent Board Members

Kwesi Botchwey (Chair)

Joan Corkery (Vice-Chair)

Winnie Byanyima*

Poul Engberg-Pedersen

Gerald K. Helleiner

Julia Majaha-Järtby

Thandika Mkandawire*

Representatives of Sponsoring Agencies

Abdoulaye Mar Dieye, **United Nations Development Programme**

Henock Kifle, **African Development Bank**

Brian D. Levy, **The World Bank**

Executive Secretary

Soumana Sako

* Appointed to the Executive Board in November 2000.

Annex C.3:**Management and Staff, 2000**

Soumana Sako - Executive Secretary **(Mali)**

Professional Staff

Jotham Kotamo - Manager, Administration and Finance Department **(Malawi)**

Apollinaire Ndorukwigira - Manager, Research, Training, Information Systems and Publications Department **(Burundi)**

Genevesi O. Ogiogio - PACT Operations Adviser; and Program Team Leader, Zone I **(Nigeria)**

Edwin N. Forlemu - Head, Legal Department; and Special Assistant, Program Support and Outreach **(Cameroon)**

Samba Ka - Program Team Leader, Zone III **(Senegal)**

Jacques G. Katuala - Program Team Leader, Zone II **(Democratic Republic of Congo)**

Anthony Barclay - Program Officer **(Liberia)**

Wolde-Medhin Dereje - Program Officer **(Ethiopia)**

Dorothy Mutizwa-Mangiza - Program Officer **(Zimbabwe)**

Grace Ongile - Program Officer **(Kenya)**

Constantine Mandengu - Head, Finance Unit **(Zimbabwe)**

Rosa Ongeso - Head, Publications, Media, Information Services and Technology Unit **(Kenya)**

Charlotte Ndlovu - Finance and Budget Analyst **(Zimbabwe)**

Donatien Kouassi - Disbursement Assistant **(Côte d'Ivoire)**

Jasper Muvezwa - Head, Library Sub-Unit **(Zimbabwe)**

Support Staff

Chester Kwambana - Accounts Assistant **(Zimbabwe)**

Nomhle Veli-Moyo - Senior Secretary **(Zimbabwe)**

Rachelle Joe - Secretary **(Zimbabwe)**

Catherine Mwaba Meleka - Bilingual Secretary **(Zambia)**

Catherine Mlingwa - Secretary **(Zimbabwe)**

Sylvia Tlou - Bilingual Secretary **(Zimbabwe)**

William Kazvidza - Accounts Clerk **(Zimbabwe)**

Memory Mudubiwa - Receptionist **(Zimbabwe)**

George Mandebvu - Driver/Messenger **(Zimbabwe)**

Jonathan Sithole - Driver/Messenger **(Zimbabwe)**

Edmund Suluma - Driver/Messenger **(Zimbabwe)**

Godwin Makura - Messenger **(Zimbabwe)**

