

# Annual Report



2001



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## ABBREVIATIONS AND ACRONYMS

ACBF	:	The African Capacity Building Foundation
ACB Fund	:	African Capacity Building Fund
ACBI	:	African Capacity Building Initiative
AfDB	:	African Development Bank
AERC-CMAP, Kenya (Regional)	:	African Economic Research Consortium's Collaborative Master's Program in Economics
AIPA, South Africa	:	Africa Institute for Policy Analysis and Economic Integration
APIF	:	African Policy Institutes Forum
APREN	:	African Policy and Research Network
APUs	:	African Partner Universities
ARAADA	:	African Research Agenda for Accelerating Development in Sub-Saharan Africa
ATPSN	:	African Technology Policy Studies Network
AU/OAU	:	African Union/Organization of African Unity
AVU	:	African Virtual University
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
CAMERCAP, Cameroon	:	Projet de Renforcement des Capacités en Gestion Economique de la République du Cameroun
CAPAN, Benin	:	Cellule d'Analyse des Politiques de Développement de l'Assemblée Nationale
CAPE, Benin	:	Cellule d'Analyse de Politique Economique
CAPED, Niger	:	Cellule d'Analyse et de Prospective en Développement
CAPESES, Burkina Faso	:	Centre d'Analyse des Politiques Economiques et Sociales
CBTF	:	Capacity Building Trust Fund
CDF	:	Comprehensive Development Framework
CEMAC	:	Communauté Economique des Etats de l'Afrique Centrale
CEPA, Ghana	:	Centre for Policy Analysis
CEPEC, Guinea-Conakry	:	Cellule d'Etudes de Politique Economique
CERDI, France	:	Centre d'Etudes et de Recherches sur le Développement International
CESAG, Senegal (Regional)	:	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
CIRES-CAPEC, Côte d'Ivoire	:	Centre Ivoirien de Recherches Economiques et Sociales
CIVISCAP	:	Workshop on Building the Capacity of African Civil Society
COMESA	:	Common Market for Eastern and Southern Africa
CNPG-CEPEC, Guinea	:	Centre National de Perfectionnement à la Gestion - Cellule d'Etudes de Politique Economique
CREAM, Madagascar	:	Centre de Recherches, Etudes et d'Appui à l'Analyse Economique de Madagascar
CSD-PSF, Tanzania	:	Civil Service Department – Private Sector Facilitation Project
CS-DRMS	:	Commonwealth Secretariat Debt Recording and Management System
DAC	:	Development Assistance Committee
DFID, United Kingdom	:	Department for International Development
DGF	:	Development Grant Facility
DMPA, Zambia	:	Directorate of Macroeconomic Policy Analysis
DPC, Nigeria	:	Development Policy Centre

DRC	:	Democratic Republic of Congo
DRI	:	Debt Relief International
ECOWAS	:	Economic Community of West African States
EDRI	:	Ethiopian Development Research Institute
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 (Regional)	:	Economic Policy Management/McGill University 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
GCA	:	Global Coalition for Africa
GDN	:	Global Development Network
GMAP	:	Groupe Ministériel d'Actions et de Propositions
GOVNET	:	Network on Good Governance and Capacity Building
HIPC	:	Heavily Indebted Poor Countries
ICEG	:	International Centre for Economic Growth
ICT	:	Information and Communication Technology
IDEC, Burundi	:	Institut de Développement Economique
IDF	:	Institutional Development Fund
IDRC	:	International Development Research Centre
IEF, Gabon (Regional)	:	Institut d'Economie et de Finances, Gabon
ILO	:	International Labour Organization
IMF	:	International Monetary Fund
IT	:	Information Technology
IPAR, Kenya	:	Institute of Policy Analysis and Research
JAI	:	Joint Africa Institute
KIPPRA, Kenya	:	Kenya Institute for Public Policy Research and Analysis
LIMPAC, Liberia	:	Liberian Macroeconomic Policy Analysis Capacity Building Project
MDP	:	Municipal Development Programme
MEFMI, Zimbabwe (Regional)	:	Macroeconomic and Financial Management Institute
MOU	:	Memorandum of Understanding
NCEMA, Nigeria	:	National Centre for Economic Management and Administration
NEC, Mali	:	National Economic Council
NECF, Zimbabwe	:	National Economic Consultative Forum
NEPAD	:	New Partnership for Africa's Development
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
NLTPS	:	National Long-Term Perspectives Studies
ODA	:	Official Development Assistance
OECD	:	Organization for Economic Co-operation and Development
OMT	:	Operations Monitoring Team
PACT	:	Partnership for Capacity Building in Africa
PARU, Nigeria	:	Policy Analysis and Research Unit
PASU, (OAU), Ethiopia	:	Policy Analysis Support 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 Capacités- Cellule d'Appui à la Formation

PNRC – CMAP, Mauritania	:	Programme National de Renforcement des Capacités- 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 and Principe	:	Projet de Renforcement des Capacités de Lutte contre la Pauvreté
PRIECA/AO, Senegal (Regional)	:	Projet pour le Renforcement de l'Interface 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 Initiative
PRSP	:	Poverty Reduction Strategy Paper
PSCGT, Kenya	:	Private Sector Corporate Governance Trust
PTCI, Burkina Faso, (Regional)	:	Programme de Troisième Cycle Interuniversitaire
RECs	:	Regional Economic Communities
SADC	:	Southern African Development Community
SANGOCO, South Africa	:	South African Non-governmental Organization Coalition
SAP	:	Staff Advisory Panel
SARIPS, Zimbabwe (Regional)	:	Southern African Regional Institute for Policy Studies
SENAREC	:	Secrétariat National pour le Renforcement des Capacités
SIDA	:	Swedish International Development Agency
SIWP	:	Strategy and Indicative Work Program
SMG	:	Senior Management Group
SMTF	:	Strategic Medium -Term Plan, 2002 - 2006
SPRP	:	Staff Performance Review Panel
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 Master's Degree Program in Public Policy and Administration
UNDP	:	United Nations Development Programme
UNECA	:	United Nations Economic Commission for Africa
UPE, Senegal	:	Unité de Politique Economique
USAID	:	United States Agency for International Development
WAIFEM, Nigeria (Regional)	:	West African Institute for Financial and Economic Management
WBI	:	The World Bank Institute
ZEPARU, Zimbabwe	:	Zimbabwe Economic Policy Analysis and Research Unit



## MESSAGE FROM THE CHAIRMAN OF THE EXECUTIVE BOARD

A year ago, the African Capacity Building Foundation was poised to transform its operations and cover uncharted expanses in capacity building. This presented both opportunities and challenges. ACBF successfully integrated the Partnership for Capacity Building in Africa (PACT) into its fold in 2000. During the year just past, the Foundation placed premium on the design of its medium-term strategic framework over the next five years while improving the management of its expanded portfolio, enhancing its outreach and networking function, and triggering the transformation of its institutional platform and culture in order to emerge as a center of excellence in capacity building and knowledge management. I am pleased to report that the Foundation achieved its main objectives and, in many instances, surpassed them.

The Board of Governors kicked off the year on a high note in January 2001 by endorsing the basic thrust of the Foundation's Strategic Medium-Term Plan (SMTP), 2002 – 2006, and eventually approved the Plan in June 2001 following its earlier adoption in April by the Executive Board. The Plan, which signals ACBF's ambition to become the premier capacity-building institution on the Continent, provides for a significant streamlining and deepening of the Foundation's scope of activities by identifying six core competency areas (economic policy analysis and management, financial management and accountability, strengthening and monitoring of national statistics, public administration and management, strengthening of the policy analysis capacity of national parliaments, and professionalization of the voices of the private sector and civil society) and fine-tuning its intervention strategies in a targeted and holistic way, in partnership with other actors. Very importantly, the SMTP provides a roadmap for the Foundation as it develops strategies for evolving into a knowledge-based institution aimed at harvesting lessons and best practices and sharing them with its stakeholders. It is expected that the Foundation will convene a donors meeting in 2002

to finance the SMTP whose cost is estimated at US\$340 million over the five-year period.

During 2001, the Executive Board approved 10 new full-fledged operations and awarded grants to 6 national focal points in countries as diverse as Congo-Brazzaville, Guinea-Bissau, Lesotho, Malawi, Tanzania and Togo. The full-fledged projects sought to address both traditional and groundbreaking areas for the Foundation. As regards the traditional areas, the Foundation renewed its support to well-regarded policy units in Botswana and Ghana as well as a reputable regional training program based in Kenya that had demonstrated their mettle and potential to make a real and sustainable difference. The Foundation supported new operations in the Democratic Republic of Congo and Ethiopia in order to strengthen policy analysis capacity in the public sector in both countries. With respect to the new areas, the Foundation approved grants to support public sector-private sector-civil society interface in The Gambia and Kenya, enhancement of financial management and accountability in the core public sector in Djibouti, strengthening of statistical capacity of government in Cameroon, and capacity development in key public sector institutions in Chad.

At the same time, in order to consolidate the achievements of 2000, the Secretariat took measures to ensure that most of the newly approved projects and programs launched their activities in a timely way, and that ongoing operations remained sound and generated the expected results. As at 31 December 2001, the Foundation had approved a cumulative number of 88 grants to its beneficiaries amounting to US\$ 162.23 million. The projects and programs being supported by the Foundation continued to produce highly relevant and policy-informing outputs very often commissioned by Governments. I am much heartened that many of them are underscoring the primacy of quality, spearheading the design of poverty reduction strategy papers and playing a leading role in taking forward initiatives to foster



sound, participatory governance frameworks in their respective countries.

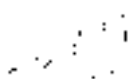
The Foundation organized three important events in 2001 – the African Policy Institutes Forum (APIF), the Workshop on the Building of Capacity in African Civil Society (CIVISCAP) and the First Pan-African Capacity Building Forum. APIF brought together about 70 directors of policy institutes and training institutions being supported by the Foundation to institutionalize a network and brainstorm on leading-edge development policy issues and their capacity-building implications. CIVISCAP afforded an opportunity for over 70 delegates from civil society organizations, partner institutions and the donor community to reflect on mechanisms and a plan of action for enhancing the capacity of civil society to buttress its relevance and contribute to public policy formulation on the Continent.

To cap it all, the Foundation co-sponsored - with the African Development Bank, the African Futures Program, the OECD Development Centre, the Organization of African Unity/African Union, the Rockefeller Foundation, the United Nations Development Programme, and the World Bank Institute – the First Pan-African Capacity Building Forum in Bamako, Mali. More than 600 persons, 40 per cent of them women, participated in the Forum. Among them were four Heads of State, cabinet ministers (including two European ministers), distinguished delegates from the public sector, the private sector and civil society as well as resource persons from around the world. The Forum, which enjoyed much media attention and helped to place the Foundation on the global map, offered a significant platform for informed discussion of cutting-edge development issues and their capacity-building dimensions, including linkages with the New Partnership for Africa's Development (NEPAD) – which constitutes a unique opportunity for the Continent to muster the requisite vision and energy to reinvent itself and embrace the formidable challenges ahead. At the Bamako Forum, participants renewed their commitment to capacity building as a central element in the development of the Continent. The Forum also offered lessons that will guide the Foundation as it contemplates the organization of such large-scale events in the future.

One key development to underscore was the commissioning by the Executive Board in June 2001 of a change management exercise aimed at reviewing the Foundation's institutional platform and corporate culture. I have every confidence that when the change management process is over, the Foundation will emerge the stronger for it, more responsive to the needs and expectations of its stakeholders, and focused on generating measurable results on the ground.

Capacity building constitutes one of the defining watersheds of development in Africa because it transcends ideology and preferences, moves beyond quick fixes, and rests on real, sustainable results. ACBF lies at the core of that watershed, and embodies part of the ethos of the moment as the world at large deliberates on ways of unleashing its potential in order to attain the Millennium Development Goals set by the international community. This is an opportunity the Foundation is determined to take with the steadfast support of its donors.

As we ponder the achievements of 2001, I wish to take this opportunity to thank the Board of Governors for its vision and belief in the Foundation's capacity to make a difference on the Continent, my colleagues on the Executive Board for their collegiality and commitment to capacity building in Africa, and the entire Secretariat staff for its hard work and unflagging dedication to Africa. I also wish to renew a warm welcome to the new members who joined the ACBF family in 2001 - namely Chad, Gabon and Ireland - while noting with satisfaction and a sense of anticipation the commencement of negotiations with the IMF that are poised to culminate in its membership in the Foundation. We all greatly look forward to next year when the Foundation will convene a conference to mobilize the requisite resources to finance the SMTP.



Kwesi Botchwey  
*Chairman of the Executive Board*

## STATEMENT FROM THE EXECUTIVE SECRETARY

The year 2001 was another busy and largely productive year for ACBF. The Foundation completed its first decade of operations on 9 February 2001. Established as a response to the shortcomings of technical assistance in Africa, the Foundation has over the years learnt many lessons concerning the intricate tasks involved in the design, start-up, implementation and long-term sustainability of indigenous capacity-building interventions. These lessons served the Foundation well as it entered the second year of implementation of the Partnership for Capacity Building in Africa (PACT) Initiative, which broadened the scope of its activities on the Continent.

Among the major achievements of the year was the approval of the Strategic Medium-Term Plan (SMTP) 2002-2006 by the Board of Governors in June 2001. The Plan, prepared in-house by the Foundation's staff with guidance from the Executive Board and the Board of Governors, defines the vision, mission, objectives, strategic programs and resource requirements of the Foundation so that it can intervene in an effective way to satisfy the capacity-building needs of sub-Saharan Africa. During the five-year period, the Foundation will focus on six areas of core competencies: economic policy analysis and management; financial management and accountability; the strengthening and monitoring of national statistics; public administration and management; the strengthening of the policy analysis capacity of national parliaments; and professionalization of the voices of the private sector and civil society. In keeping with the Foundation's goal of becoming a knowledge-based institution, the SMTP provides for the launching of technical advisory panels and networks (TAP-NETS) and country-level knowledge networks (CLK-NETS).

The Foundation also met its targets in 2001 with the successful organization of the First Pan-African Capacity Building Forum on 22-24 October in Bamako, Mali, as one of its main achievements. The Forum was attended by over 600 participants composed of national delegations from 43 African

countries; resource persons; representatives of national, regional and international organizations involved in capacity building; and high-level representatives of bilateral and multilateral agencies – including the Ministers in-charge of development co-operation of the Netherlands and Portugal, the Vice President of the World Bank, the Deputy Managing Director of the IMF and the Chair of the OECD Development Centre. The Forum also attracted capacity-building experts from Africa, Asia, Europe, Latin America and North America as well as a broad spectrum of development experts, public sector analysts, and representatives of the private sector and civil society. Among the African participants were 4 heads of state, 7 prime ministers and heads of government and 33 cabinet ministers - thus underscoring the interest at the highest level in capacity building on the Continent. Such a broad array of stakeholders reflected the spirit of true partnership that characterized the PACT Initiative, which inspired the Forum. The participation of women was well noted as they represented 40 per cent of the participants. The Forum benefited from extensive and intensive local and international media coverage. In addition to the Bamako Declaration, the Forum endorsed a draft Resolution to be presented for consideration at the 2002 OAU/AU Summit declaring a Capacity Building Decade in Africa. Undoubtedly, such a focus will help position capacity building as an essential factor in the development strategies of the Continent, ensure that African countries allocate adequate resources to capacity building, and contribute towards the realization of the key objectives of the New Partnership for Africa's Development (NEPAD). Indeed, it was during the Bamako Forum that the NEPAD Initiative was presented for the first time to the public by President Abdoulaye Wade of Senegal.

Following the significant achievements of the Foundation in 2000, which led to its portfolio nearly doubling in one year, the emphasis in 2001 was on the consolidation of its broadened role. The Foundation undertook 201 supervision missions as against 69 in 2000. It successfully negotiated and signed 35 grant agreements, most of which had

been approved in the year 2000. The Executive Board approved 10 new full-fledged projects, 6 National Focal Points and the refinancing of 3 of the Foundation's promising projects. The Foundation expanded its country coverage by including Chad, Djibouti, the Democratic Republic of Congo, The Gambia, Lesotho, Malawi, and Togo. It also broke new ground by approving its first projects to strengthen economic and financial management in the core public sector in Cameroon and Djibouti; economic and administrative reform in Chad; and public/private sector-civil society interface in The Gambia. The Foundation continued to support civil society by approving a grant for the National Council of Non-Governmental Organizations in Kenya.

The Foundation intensified its efforts to transform itself into a knowledge-based institution. To this end, it organized successfully its workshop series on capacity building by hosting in June 2001 in Harare, Zimbabwe, the African Policy Institutes Forum (APIF) and the Workshop on Building Capacity of African Civil Society (CIVISCAP). Almost 70 participants from numerous organizations such as partner policy institutes, ACBF-supported policy units and other research and training institutions attended APIF. The Forum examined the role of policy institutes and policymakers in knowledge generation, utilization and dissemination for development management and poverty reduction in Africa. CIVISCAP attracted over 70 participants from civil society organizations and groups in sub-Saharan Africa, including Non-governmental Organizations (NGOs); ACBF partner institutions; representatives of governments; as well as regional and international organizations. CIVISCAP explored the role of civil society organizations and their capacity-building needs. The Foundation recognizes the need to strengthen those organizations in order to increase effective partnership and interface among the public sector, the private sector and civil society geared at fostering sustainable development, good governance and poverty reduction in sub-Saharan Africa. Also, the *ACBF Newsletter* was published regularly in English and French throughout the year.

Since its establishment, the Foundation has attracted highly trained and qualified African professionals. Since January 2000, the ACBF Secretariat, under the guidance of the Board of

Governors and the Executive Board, embarked upon a self-initiated, internal change process to strengthen the Secretariat for effective and efficient delivery of its mandate and its gradual transformation into the premier knowledge-based capacity-building organization in support of sub-Saharan African states. At the end of 2001, nine new professional staff, comprising five Program Officers, one Administration and Human Resources Officer, two Disbursement Officers and one Information Technology (IT) Officer had joined the Foundation. The areas of specialization of the recruited Program Officers include banking and monetary economics, international economics, education, public and international administration, econometrics and macroeconomics. Also, one Secretary, one Bilingual Secretary and a Treasury Clerk joined the Foundation and the positions of Finance and Accounts Manager as well as Logistics, Meetings and Travels Assistant were filled. Such new staff and skills mix within the Foundation will help to ensure that the current dynamism and effectiveness are maintained over the coming years. Other internal changes included the continued restructuring of the Foundation's administrative framework and the streamlining of its budgetary and financial management. One good indicator of such measures was that the Foundation implemented its Business Plan below budget despite the hyper-inflationary environment in which it operated throughout the year. Also, delegations of signature and authority in a number of areas as well as the establishment of key structures such as the Senior Management Group (SMG), Staff Advisory Panel (SAP), Staff Performance Review Panel (SPRP), Project Review Committee (PRC) and the Operations Monitoring Team (OMT) helped to enhance participatory management, efficiency and effectiveness in the management of the Foundation. To cap it all, the Secretariat organized a Staff Retreat in November 2001 to brainstorm on the challenges ahead as the Foundation prepared to initiate the implementation of the SMTP in 2002. The staff members themselves facilitated the Retreat.

In addition, the Research, Training, and Information Systems Department, which was established in March 2000, organized a training session for newly recruited officers, upgraded the Foundation's information systems, enhanced its website, and generated numerous materials such as the reports on the proceedings of workshops

(for example, the *Report on the Workshop on Operational Approaches to Institutional and Capacity Development*, and the *Report on the Regional NFP Workshop held in Lusaka*), brochures (for example, *ACBF in Brief*), pamphlets and flyers. The Foundation launched efforts to co-edit (with the Institute of Social Studies at The Hague) a book on governance and to produce (with the African Futures Program) a book on the operationalization of national long-term perspectives.

The Foundation undertook a number of activities aimed at expanding the scope of its networking and partnership arrangements with other stakeholders engaged in Africa's development process. Accordingly, the Foundation co-sponsored and co-chaired with the AfDB, IMF and UNDP the Second Africa Poverty Reduction Strategies Forum held in September 2001 in Dakar, Senegal. It signed a Memorandum of Understanding in June 2001 with the African Futures Program under the terms of which it would strengthen its co-operation with the Program. One concrete illustration of such cooperation was the regional workshop that the Foundation co-hosted with the African Futures Program on the theme "Experiences in the Implementation of National Long-Term Perspectives Studies (NLTPS)". Also, the Foundation co-sponsored with the World Bank in April in Bamako, Mali, a regional workshop on the formulation of a regional integration strategy for West Africa. Participants included representatives of governments, the private sector and civil society. Other workshops attended by the Foundation included the DAC Network on Good Governance and Capacity Development (GOVNET) held in May 2001 in Paris, France; the Ministerial Lobby Group (*Groupe Ministériel d'Actions et de Propositions*) [GMAP] of the *Comité Permanent Inter-Etats de Lutte Contre la Sécheresse dans le Sahel* (CILSS)/*Club du Sahel* meeting held in June 2001 also in Paris, France; the Workshop on Education and Economic Development held in October 2001 in Maputo, Mozambique; and the Annual Meeting of the Global Development Network (GDN) held in December 2001 in Rio de Janeiro, Brazil. The Executive Secretary was appointed to the Advisory and Facilitation Group set up by the UNDP Administrator to evaluate technical co-operation for capacity development.

Lastly, but very importantly, a change management exercise was launched by the

Executive Board to review the Foundation's internal systems and corporate culture (including the interface between the Secretariat and the Boards), and to consider some of the implications of the Foundation's expanded role in capacity building following the integration of the PACT Initiative into its fold. At the same time, the Department for International Development (DFID) in the United Kingdom commissioned an independent study of the implementation of the PACT Initiative by the Foundation.

In short, the Foundation should be justly proud of its achievements in 2001. These achievements paved the way for addressing other challenges that will engage all ACBF stakeholders in the years ahead. For all these, many genuine thanks are due to the Secretariat staff, the entire Executive Board, the Board of Governors and, especially, the African countries for their indelible contributions to the Foundation's work in 2001.

This *Annual Report* comprises nine sections. Section One presents the Foundation – distilling its evolution, membership, funding status, mandate, operational modalities, and governance arrangements and staffing structure. Section Two provides a summary of the report, highlighting the key developments that marked the Foundation's operations during the year. Section Three looks at the major aspects of the Foundation's internal operations. Section Four discusses the status of the Foundation's portfolio, focusing on issues such as portfolio size and distribution, project development activities, project implementation matters, project achievements and project constraints. Section Five discusses policy and institutional development issues. Section Six provides a summary of the First Pan-African Capacity Building Forum, including issues discussed and its main recommendations. Section Seven looks at the Foundation's continued efforts to boost its outreach and networking activities. Section Eight presents the Foundation's finances. Section Nine concludes the *Report*, which also contains a number of boxes, tables and annexes (including the Audited Financial Statements) to support the overall narrative.



Soumaila Sako  
**Executive Secretary**



# Section



# One



## 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 (AfDB) 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, Chad, Democratic Republic of Congo, Côte d'Ivoire, Gabon, Ghana, Kenya, Malawi, Mali, Mauritius, Nigeria, Senegal, Tanzania, Uganda and Zimbabwe) and 9 non-African bilateral donors (namely, Canada, Denmark, Finland, France, Ireland, 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 operations through the African Capacity Building (ACB) Fund – a trust fund managed on its behalf by the World Bank.

In 1996, the Foundation 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) Initiative. The integration of PACT into ACBF constituted the subject of a feasibility study whose main thrust was subsequently 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 a number of projects to rehabilitate national institutions. Most of the national projects had training components and many of them earmarked resources to support 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



Figure 1. ACBF Strategic Medium-Term Plan, 2002 - 2006: Vision, Mission, Objectives and Strategy

 <p>ACBF aims to become the leading African Institution in partnership with other stakeholders to build sustainable capacity for good governance and poverty reduction in Africa.</p>	 <p>To build sustainable human and institutional capacity for poverty reduction in Africa.</p>	 <p>To build and strengthen sustainable human and institutional capacity in the core public sector, in the latter's interface with the private sector and civil society, in training and research institutions as well as within regional organizations in order to spur economic growth, promote poverty reduction, foster good governance and facilitate effective participation by Africa in the global economy.</p>	 <ul style="list-style-type: none"> <li>• To mobilize and provide funding, intellectual, information and research support toward capacity building in Africa in the Foundation's core competency areas as well as foster the emergence of ACBF as a knowledge-based institution.</li> <li>• To build partnership for, and stakeholders' ownership of, an inclusive and participatory approach to capacity building and development management, effective coordination of intervention and a holistic approach to the capacity-building process.</li> </ul>
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Table 1. ACBF Strategic Medium-Term Plan, 2002 - 2006: Core Components

CORE COMPETENCIES	AREAS OF FOCUS	PRIMARY PARTNERS/ IMPLEMENTING AGENCIES	INTERVENTION INSTRUMENTS/ ACTIVITIES	NATURE OF INTERVENTION INPUTS
<p><i>Capacity Building for:</i></p> <ul style="list-style-type: none"> <li>Economic Policy Analysis and Management</li> <li>Financial Management and Accountability</li> <li>Strengthening and Monitoring of National Statistics</li> <li>Public Administration and Management</li> <li>Strengthening of Policy Analysis Capacity of National Parliament</li> <li>Professionalization of the Voices of the Private Sector and Civil Society</li> </ul>	<ul style="list-style-type: none"> <li>Core Public sector</li> </ul>	<ul style="list-style-type: none"> <li>Core economic ministries and agencies Bureau/Office of statistics</li> <li>Public enterprise reform and regulatory commissions</li> <li>Public sector reform commissions</li> <li>Parliament and parliamentary institutions</li> </ul>	<ul style="list-style-type: none"> <li>Policy Units</li> <li>Training Programs</li> <li>Policy Implementation Programs</li> <li>Institution Building and Skills development programs</li> <li>Financial Management and Accountability programs</li> <li>Performance Evaluation and Monitoring programs</li> <li>Knowledge Networking</li> </ul>	<ul style="list-style-type: none"> <li>Country Programs</li> <li>Full Intervention</li> <li>Core public sector support</li> <li>Public-private Sector -Civil Society Interface</li> <li>Strengthening of Training Institutions</li> <li>Establishment/ strengthening of National Focal Points</li> <li>Dialogue and Advocacy</li> <li>Targeted Intervention</li> <li>One or two activities in the Full Intervention</li> <li>National Focal Point</li> </ul>
	<ul style="list-style-type: none"> <li>Public Sector - Private Sector - Civil Society Interface</li> </ul>	<ul style="list-style-type: none"> <li>Economic Consultative Councils</li> <li>Professional and Business Associations</li> <li>Autonomous Policy Think Tanks</li> <li>Network of civil society organizations</li> <li>Organizations for tripartite negotiation</li> </ul>		<ul style="list-style-type: none"> <li>Regional Programs</li> <li>Each of the following activities to be supported in five sub-regions (West, Central, the Horn, East and Southern Africa):</li> <li>Policy Units</li> <li>Training Programs</li> <li>Regional Networks (incl. Knowledge networking)</li> </ul>
	<ul style="list-style-type: none"> <li>Training Institutions</li> </ul>	<ul style="list-style-type: none"> <li>Specialized Training Institutions</li> <li>Institutions for Collaborative Master's and Ph.D. programs in Economics</li> <li>University-based Master's degree programs in Economic Policy</li> <li>Management, Public Administration and Financial Sector Management</li> </ul>	<ul style="list-style-type: none"> <li>Institution Building and Skills Development programs</li> <li>Institutional Networking and exchange programs</li> <li>Knowledge Networking</li> </ul>	<ul style="list-style-type: none"> <li>Knowledge Networking and Framework for Coordination of Capacity Building Activities</li> <li>Knowledge networking in all 48 sub-Saharan African Countries</li> <li>Convening of thematic networks</li> <li>Sharing of experiences in capacity building operations</li> <li>Commissioning and production of research</li> <li>Sharing of findings from cutting-edge research</li> </ul>
	<ul style="list-style-type: none"> <li>Regional Institutions</li> </ul>	<ul style="list-style-type: none"> <li>Regional Economic Communities</li> <li>Continent-wide Organizations</li> <li>Regional Networks of Civil Society</li> </ul>	<ul style="list-style-type: none"> <li>Institution Building and Strengthening</li> <li>Training Programs</li> <li>Knowledge Networking</li> </ul>	<ul style="list-style-type: none"> <li>Knowledge Networking and Framework for Coordination of Capacity Building Activities</li> <li>Knowledge networking in all 48 sub-Saharan African Countries</li> <li>Convening of thematic networks</li> <li>Sharing of experiences in capacity building operations</li> <li>Commissioning and production of research</li> <li>Sharing of findings from cutting-edge research</li> </ul>
	<ul style="list-style-type: none"> <li>National Focal Points for Capacity Building and Participatory Development</li> </ul>	<ul style="list-style-type: none"> <li>National Focal Points</li> <li>Proxy Institutions</li> </ul>	<ul style="list-style-type: none"> <li>Institution Building</li> <li>Dialogue and Advocacy</li> <li>Knowledge Networking</li> </ul>	<ul style="list-style-type: none"> <li>Knowledge Networking and Framework for Coordination of Capacity Building Activities</li> <li>Knowledge networking in all 48 sub-Saharan African Countries</li> <li>Convening of thematic networks</li> <li>Sharing of experiences in capacity building operations</li> <li>Commissioning and production of research</li> <li>Sharing of findings from cutting-edge research</li> </ul>
				<ul style="list-style-type: none"> <li>National Focal Points and Proxy Institutions</li> </ul>

set up national focal points for country-level coordination of capacity-building activities. In addition, the Secretariat will utilize technical review panels and networks in order to enhance the scope, quality and potential impact of its interventions.

In 2001, the Board of Governors approved the Foundation's Strategic Medium-Term Plan (SMTP) over five years (2002 – 2006). The Plan set out the Foundation's vision, mission, objectives priority areas of intervention. It is expected that the Foundation will focus on the following six core areas: (i) economic policy analysis and management; (ii) financial management and accountability; (iii) strengthening and monitoring of national statistics; (iv) public administration and management; (v) strengthening of the policy analysis capacity of national parliaments; and (vi) professionalization of the voices of the private sector and civil society. Within the framework of these six areas of core competencies, the Foundation will concentrate on the following five areas of intervention: (i) strengthening of effectiveness of the core public sector; (ii) strengthening of public sector, private sector and civil society interface; (iii) strengthening of training and research institutions; (iv) strengthening of regional organizations; and (v) establishment/strengthening of country-level frameworks for coordination of capacity building and participatory development.

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.

In keeping with ACBF's strategic shift into a knowledge-based institution, the Foundation is poised to play a leading role in fostering lesson-learning approaches to capacity building through the harnessing and dissemination of its experiences and those of its partners in capacity building. To this end, the Foundation aims to engage vigorously in knowledge generation and dissemination activities (through thematic networks, programs for experience sharing, commissioning and production of research, and sharing of cutting-edge finding from research) as well as program support activities (such as workshops and forums, program-related publications, technical and advisory assistance as well as institutional and database enhancement) in order to share information and promote dialogue among development partners.

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 members of the Executive Board (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. As at 31 December 2001, the Secretariat was comprised of the Executive Secretary and a small staff of 35 from 14 African countries.

# Section



# Two

## EXECUTIVE SUMMARY: HIGHLIGHTS OF 2001

The year 2001 was one of achievement, consolidation and change. The Foundation continued to identify and finance new operations that stood a chance to benefit a broad tapestry of stakeholders on the Continent. The Foundation marked its 10<sup>th</sup> anniversary, and took the opportunity to take stock not only of its decade of operation, but also of the first year of implementation of its expanded range of activities in the wake of the integration of the PACT Initiative into its fold. The Foundation's governing bodies approved its new strategic plan for the next five years, which opened up new possibilities of

intervention in critical areas. All of these developments occurred against the backdrop of a change management process aimed at revamping the Foundation's corporate processes and culture.

The highlights of the year included the following: (i) endorsement by the Executive Board and the Board of Governors of the Foundation's Strategic Medium-Term Plan (SMTP), 2002 – 2006; (ii) launching of efforts to transform the Foundation's organizational platform and culture; (iii) approval of new operations; (iv) management of the expanded portfolio; (v) organization of the First

**Table 2. Operations, 2001**

Item	2001	2000
Cumulative number of grants approved	88	78
Cumulative grants to national focal points (NFP)	26	20
Cumulative number of active projects	67	60
Number of re-assisted projects and programs	3	7
New grants to projects (including NFPs)	16	56
Cumulative number of countries covered	36	29
Cumulative number of ongoing operations		
• Public sector	55	50
• Interface	11	9
• Strategic interventions	1	1
Mid-term reviews	6	4
Supervision and appraisal missions	201	123
Capacity needs assessment missions	22	54
	<b>US\$ Millions</b>	<b>US\$ Millions</b>
Cumulative total cost of projects	448.76	402.77
Cumulative commitments	162.23	146.97
New commitments	15.26	60.45
Cumulative disbursements	71.79	58.74
Cumulative co-financing commitments	229.42	193.77
Paid-in contributions (Phase I)	67.07	67.07
Paid-in contributions (Phase II)	27.74	21.22
Cumulative investment income	10.47	9.66

Pan-African Capacity Building Forum; (vi) enhancement of outreach, networking and program support activities; (vii) mobilization of additional resources to finance the Foundation's activities; (viii) upgrading of the Foundation's management information systems; and (ix) internal reorganization, review of processes and enhancement of the staff complement. Table 2 sets out the main highlights of the year in the area of operations.

#### A. Endorsement of the Strategic Medium-Term Plan (SMTP), 2002 - 2006

After reviewing and streamlining previous versions of the Foundation's Strategic Medium-Term Plan (SMTP), 2002 - 2006, the Executive Board and the Board of Governors approved the

document in April and June 2001, respectively. The document, which presents the Foundation's vision, mission, objectives, programs and resource requirements for the period 2002 - 2006, incorporates and builds on the holding scenario of its Strategy and Indicative Work Program (SIWP) for its second phase (1998 - 2002). The Foundation will focus on the following six areas of core competencies: (i) economic policy analysis and management; (ii) financial management and accountability; (iii) strengthening and monitoring of national statistics; (iv) public administration and management; (v) strengthening of the policy analysis capacity of national parliaments; and (vi) professionalization of the voices of the private sector and civil society. The Foundation will need to mobilize US\$ 340 million to fully finance the SMTP over the five-year period.

#### Box 1. ACBF Strategic Medium-Term Plan, 2002 - 2006: A Primer

The ACBF Strategic Medium-Term Plan (SMTP) 2002-2006 launches the third phase of the Foundation's operations. The first phase of its activities spanned the period 1991-1996, during which the Foundation implemented the African Capacity Building Initiative (ACBI). The first phase had a resource requirement of US\$100 million out of which US\$81.564 million was pledged and US\$67.242 million paid-in. In 1997, the Foundation planned its transition into a second phase, which effectively commenced in 1998. The second phase was expected to span the period 1998 - 2002. However, following the advent of the Partnership for Capacity Building in Africa (PACT) Initiative in 1999, there was a considerable change in the scope and scale of the Foundation's activities far beyond what was envisaged for the second phase. The infusion of fresh resources by the World Bank into ACBF to help take forward the PACT Initiative, the integration of the latter into

ACBF in 2000, the clarification of the Foundation's focus following such integration, and the implementation of the ambitious PACT Agenda led the Foundation to play a broader and deeper role, which provided the framework for the SMTP and the programming of activities for the period 2002-2006. With a resource requirement of US\$340 million over the five-year period, the SMTP effectively represents the third phase of ACBF operations.

The SMTP incorporates and builds upon the Holding Scenario of the Foundation's Strategy and Indicative Work Program (SIWP) for its second phase. The Plan presents the Foundation's vision, mission, objectives, programs and resource requirements for the five-year period. It seeks to circumscribe and strengthen ACBF niches in the following areas of core competencies in capacity building: (i) Economic Policy Analysis and Management; (ii) Financial Management and Accountability; (iii) Strengthening

and Monitoring of National Statistics; (iv) Public Administration and Management; (v) Strengthening of the Policy Analysis Capacity of National Parliaments; and (vi) Professionalization of the Voices of the Private Sector and Civil Society (Figure 1 and Table 1).

The SMTP marks a significant watershed in the evolution of ACBF and efforts aimed at building sustainable capacity that will enable sub-Saharan Africa to address some of its development challenges and position itself more firmly on the path of sustained growth and development. The Plan reflects a steady but significant growth in the size, mix and complementarity of capacity-building interventions envisaged within the framework of the Foundation's broadened role. It is expected that, at the end of 2006, the implementation of the SMTP would have increased the size, scope and impact of the Foundation's portfolio of operations and transformed the institution into a knowledge-based organization.



**Box 2. ACBF: Highlights of a Decade in Capacity Building, 1991 - 2001**

<b>1991</b>	<ul style="list-style-type: none"> <li>• The Foundation's Sponsoring Agencies (AfDB, UNDP and The World Bank) sign Agreement establishing ACBF. The Constitution is an annex to the Agreement.</li> <li>• The World Bank becomes the implementing agency of the ACBI.</li> <li>• The Donors to the ACB Fund that had signed an MOU on 7 December 1990 hold inaugural meeting. The original donors (exclusive of the Sponsoring Agencies) to the ACB Fund are: Austria, Botswana, Cameroon, Canada, Congo (DRC), Côte d'Ivoire, Denmark, Finland, France, Ghana, Kenya, Malawi, Mali, Mauritius, The Netherlands, Nigeria, Norway, Senegal, Sweden, Tanzania, Uganda, U.S.A, and Zimbabwe.</li> <li>• ACBF signs Headquarters Agreement with the Government of Zimbabwe.</li> <li>• The Executive Board holds its first meeting; Mr. Pierre-Claver Damiba becomes Chairman of the Executive Board.</li> <li>• Mr. Jonathan Frimpong-Ansah is appointed Executive Secretary of ACBF.</li> <li>• ACBF formally inaugurates its operations.</li> </ul>
<b>1992</b>	<ul style="list-style-type: none"> <li>• The Board of Governors holds its first meeting; Mr. Kjell Halvorsen of Norway becomes Chairman of the Board of Governors, and Mr. Ferhat Lounes is appointed Chairman of the Executive Board.</li> <li>• The Board of Governors approves the Foundation's first Strategy and Indicative Work Program (SIWP), 1992 - 1995.</li> <li>• The Executive Board approves the first set of 10 projects.</li> <li>• Mr. Pierre-Claver Damiba becomes Executive Secretary of ACBF.</li> </ul>
<b>1993</b>	<ul style="list-style-type: none"> <li>• The Executive Board adopts the Foundation's Operations Guidelines and Disbursement Manual for Grant Operations.</li> <li>• ACBF signs its first Grant Agreement – with AERC on the CMAP.</li> </ul>
<b>1994</b>	<ul style="list-style-type: none"> <li>• Mr. Ole M. Andersen (Denmark) is elected Chair of the Board of Governors.</li> <li>• UNDP commissions an independent study on the implementation of the ACBI.</li> </ul>
<b>1995</b>	<ul style="list-style-type: none"> <li>• ACBF organizes the Kampala Forum aimed at sharing capacity-building experiences and fostering a network among ACBF-funded projects.</li> <li>• Mr. Abel L. Thoahlane is appointed Executive Secretary of ACBF.</li> <li>• ACBF moves into a new office building (Southampton Life Centre, 7<sup>th</sup> Floor).</li> <li>• The World Bank ceases to be the implementing agency of the ACBI; ACBF becomes an autonomous institution.</li> </ul>
<b>1996</b>	<ul style="list-style-type: none"> <li>• Mr. Barrie Ireton (U.K.) becomes Chair of the ACBF Board of Governors.</li> <li>• ACBF undergoes its first independent external evaluation sponsored by the Board of Governors.</li> </ul>
<b>1997</b>	<ul style="list-style-type: none"> <li>• The independent external evaluation commissioned by the Board of Governors recommends a second phase for ACBF; Donors to ACBF endorse the recommendation.</li> <li>• ACBF and ICEG co-organize workshop that culminates in the adoption of the African Research Agenda for Accelerating Development in Sub-Saharan Africa.</li> <li>• The Board of Governors approves the Foundation's Policy Statement.</li> <li>• The Board of Governors approves the Foundation's SIWP, 1998 – 2002.</li> <li>• Mr. Kwesi Botchwey becomes Chairman of the Executive Board.</li> <li>• Donors to the ACB Fund announce new pledges amounting to about US\$ 65 million to finance the Foundation's second phase.</li> </ul>



<b>1998</b>	<ul style="list-style-type: none"> <li>• ACBF signs Agreement with the World Bank to access US\$ 10 million dollars earmarked by the Government of Japan for ACBF through the Policy and Human Resources Development (PHRD) Trust Fund.</li> <li>• Mrs. Joan Corkery and Mrs. Julia Majaha-Järtby become the first women to join the ACBF Executive Board.</li> </ul>
<b>1999</b>	<ul style="list-style-type: none"> <li>• ACBF co-sponsors the Workshop on Think Tanks as Policy Catalysts in Africa.</li> <li>• The World Bank Executive Board approves PACT and earmarks US\$ 150 million for the Initiative.</li> <li>• The ACBF Board of Governors endorses the integration of PACT into ACBF and its implementation by the Foundation; it commissions external consultants to explore strategies for accomplishing both objectives.</li> <li>• ACBF co-sponsors with DFID, ECDPM and the OECD the Workshop on Operational Approaches to Institutional and Capacity Development.</li> <li>• The World Bank Executive Board approves the first tranche of resources (US\$ 30 million) earmarked for PACT.</li> <li>• Uganda becomes a member of ACBF.</li> </ul>
<b>2000</b>	<ul style="list-style-type: none"> <li>• The Board of Governors endorses the strategy for integrating PACT into ACBF.</li> <li>• Mr. Soumana Sako assumes office as Executive Secretary of ACBF.</li> <li>• The ACBF Secretariat undergoes its first major internal reorganization since 1992 with the introduction of new departments and operations zones.</li> <li>• ACBF commences orientation towards a learning and knowledge-based institution with the establishment of a Research, Training, Information Systems and Publications Department.</li> <li>• ACBF launches its web site and resumes publication of the <i>ACBF Newsletter</i>.</li> <li>• The Executive Board approves the PACT scope of activities and project eligibility criteria, which expands the Foundation's role in capacity building.</li> <li>• The Executive Board approves the first wave of 25 full-fledged operations under ACBF-PACT.</li> <li>• The Executive Board approves financial support to 20 National Focal Points (NFPs), and the Secretariat organizes Regional Forums in Libreville and Lusaka for NFPs.</li> </ul>
<b>2001</b>	<ul style="list-style-type: none"> <li>• The Board of Governors approves the Foundation's Strategic Medium-Term Plan (SMTP), 2002 – 2006.</li> <li>• ACBF organizes the African Policy Institutes Forum (APIF) and the Workshop on Building Capacity in African Civil Society (CIVISCAP).</li> <li>• ACBF organizes the First Pan-African Capacity Building Forum.</li> <li>• Chad, Gabon and Ireland become members of ACBF.</li> <li>• Brazil, Italy and the European Union attend meetings of the Board of Governors as observers.</li> <li>• The IMF and ACBF begin discussions that will culminate in IMF membership in the Foundation.</li> <li>• DFID (U.K.) commissions an independent study on the implementation of the PACT Initiative.</li> <li>• The Executive Board launches a change management consultancy exercise to review the Foundation's institutional platform.</li> <li>• ACBF organizes its first All-Staff Retreat.</li> </ul>

### Box 3. ACBF and Capacity Building in Africa: A Decade of Challenges and Achievements, 1991-2001

During the 1980s, African economies recorded a lackluster performance. Many development experts attributed this situation to Africa's heavy reliance on donor prescriptions for its development policies as well as on development cooperation practices that contributed to the weakening of indigenous institutions and the inadequate utilization of local expertise.

Over the period 1992-1999, ACBF approved 41 grants to more than 36 public and private institutions located in Central Africa, Eastern and Southern Africa, and West Africa. The Foundation's strategy focused on the strengthening of policy analysis and management capacity through institutional and human development programs targeting policy institutes and training institutions. ACBF has generally favored a country-based approach in

supporting policy units although the Organization of African Unity received a grant in 1993 to facilitate the implementation of the Abuja Treaty that heralded the establishment of the African Economic Community. ACBF helped develop innovative training programs that had a regional focus in both their coverage and implementation strategies. These regional training programs were designed following a collaborative approach to ensure delivery of cost-effective and high-quality training as well as institutional strengthening of participating national learning institutions.

Table 3 provides at a glance the portfolio of ACBF-funded operations over three distinct periods: 1992-1995; 1996-1999; and 2000-2001. The choice of these periods coincides with three critical milestones in the Foundation's evolution. During

1992 - 1995, ACBF underwent a pilot phase that ended with the decision of the Board of Governors to institutionalize the Foundation. The period of 1996-1999 included a transition that ended with the mobilization of about US\$ 65 million to support the implementation of the Strategy and Indicative Work Program (SIWP), 1998-2002. Following the advent of PACT in 1999, the Foundation expanded its role in capacity building and defined a new operational framework reflected in the Strategic Medium-Term Plan (SMTP) for the period 2002-2006. The World Bank pledged US\$ 150 million to support the implementation of PACT. As indicated in Table 3, the effective take-off of PACT over the period 2000-2001 resulted in a remarkable increase in the volume of the Foundation's activities.

#### B. Kick-off of Efforts to Transform ACBF's Organizational Platform and Culture

In light of the Foundation's rapid transformation from a small structure into a complex organization of modest size but large objectives, the Executive Board commissioned a change management consultancy to review the Foundation's internal processes and corporate culture. The change management consultants worked with focus groups formed by both the Executive Board and Secretariat. They presented a diagnostic report in the last quarter of the year, which identified opportunities for change and will constitute the basis for more in-depth study in 2002 on internal communications, attitudes, systems and processes, knowledge management options, issues-and-action tracking mechanisms and interface between the Boards and the Secretariat.

#### C. Approval of New Operations

In 2001, the Executive Board approved a number of full-fledged operations. In this connection, it confirmed grants that it had awarded in 2000 to the following beneficiaries but had requested re-appraisals by the Secretariat: (i) the Private Sector Governance Trust (PSGT) project in Kenya (US\$ 1,000,000); (ii) the Community Action on AIDS project in Swaziland (US\$ 1,060,000); the Capacity Building for a Fair and Transparent Marketplace" project (US\$ 1,000,000); and the ACBF-ILO project to strengthen labor market statistics and poverty monitoring systems in sub-Saharan Africa (US\$ 1,500,000). The Executive Board awarded another round of grants to the following two promising projects that had completed their previous phases of operation: (i) the AERC Collaborative Master's degree Program in Economics [Phase III] (US\$ 3,000,000); and (ii)

the CEPA project [Phase II] in Ghana (US\$ 1,700,000). In addition, the Executive Board approved grants to the following new operations: (i) the CAMERCAP project in Cameroon (US\$ 1,708,850); (ii) the PROFESS project in Chad (US\$ 1,157,090); (iii) the CCDB project in Djibouti (US\$ 1,091,310); (iv) the EDRI project in Ethiopia (US\$ 1,598,164); (v) the MACROFOR project in the Democratic Republic of Congo (US\$ 1,598,164); (vi) the NGO Council project in Kenya (US\$ 850,000); (vii) and the public sector-private sector-civil society project in The Gambia (US\$ 850,000). Lastly, the Executive Board approved grants of US\$ 50,000 to national focal points in each of the following countries: Congo-Brazzaville, Guinea-Bissau, Lesotho, Malawi, Tanzania and Togo. As a result of these approvals, cumulative commitments with respect to projects and programs rose in 2001 from US\$ 146.97 million to US\$ 162.23 million – which represented a modest increase of 10.38% over 2000.

#### **D. Management of the Expanded Portfolio**

Following the rapid growth of operations on the ground in 2000, the Foundation sought in 2001 to consolidate its achievements by enhancing the quality of the portfolio through closer monitoring of project and program activities. Accordingly, the Foundation fielded 22 capacity needs assessment/project identification missions as against 12 targeted for the year; undertook 201 supervision (including special financial controls assignments) missions as against a target of 197; conducted 6 mid-term reviews of existing projects; and negotiated and signed 35 Grant Agreements as against a planned total of 23. Cumulative disbursements to projects and programs rose in 2001 from US\$ 58.74 million to US\$ 71.79 million – representing a significant increase of 22.22% over the previous year. This reflected an accelerated pace of activation of new operations and the maturation of existing ones.

#### **E. Organization of the First Pan-African Capacity Building Forum**

The Foundation organized the First Pan-African

Capacity Building Forum on 22 – 24 October 2001 in Bamako, Mali. The Forum was co-sponsored by ACBF, the African Development Bank (AfDB), the African Futures Program, the Organization of African Unity/African Union (OAU/AU), the Organization for Economic Co-operation and Development (OECD) Development Centre, the Rockefeller Foundation, the United Nations Development Programme (UNDP), and the World Bank Institute (WBI). The Forum was aimed at: (i) highlighting the development challenges facing the Continent and their capacity-building dimensions; (ii) providing an opportunity for the Foundation to evaluate its decade of involvement in capacity-building operations, including the broadening of its activities as the implementing agency of PACT; (iii) signal the Foundation's emergence as a leading capacity-building institution on the Continent; and (iv) sensitize the Foundation's broad array of stakeholders to the need to mobilize resources to finance the SMTP. More than 600 delegates (including 4 Heads of State, 7 Prime Ministers, 33 Cabinet Ministers, special guests, resource persons and representatives of bilateral and multilateral organizations and agencies) attended the event. The Forum, which comprised a Symposium (22 – 23 October) and a Policymakers Summit (24 October), culminated in the adoption in a Summary of Proceedings, the Bamako Resolution by which participants renewed their commitment to capacity building as a central aspect of sustainable development strategies on the Continent, and a draft version of an OAU/AU Resolution proclaiming the period 2002 – 2011 the Capacity Building Decade in Africa.

#### **F. Enhancement of Outreach, Networking and Program Support Activities**

In 2001, ACBF made many strides in buttressing its stature and visibility. In addition to publishing the *ACBF Newsletter* regularly on a quarterly basis, the Foundation generated a substantial amount of information materials (including reports of workshops and other forums, brochures, flyers etc.). The Foundation organized important events such as the African Policy

Table 3. ACBF Operations at a Glance, 1992 - 2001

Projects	1992-1995			1996-1999				2000-2001	
	No.	Cost (in U.S. dollars)	ACBF (in U.S. dollars)	No.	Cost (in U.S. dollars)	ACBF (in U.S. dollars)	No.	Cost (in U.S. dollars)	ACBF (in U.S. dollars)
Policy Units and Institutes	18	70,804,513	37,148,165	7	25,857,319	12,621,270	13	60,019,444	22,196,210
Training	8	63,282,265	22,550,000	8	53,131,782	14,199,670	11	79,889,161	22,507,857
Public Sector							9	21,391,788	14,337,364
Private Sector/ Civil Society							13	66,294,055	15,365,807
Total	26	134,086,778	59,698,195	15	78,989,101	26,820,940	46	227,594,448	74,407,238
NFPs							26		1,300,00

Institutes Forum (APIF) and the Workshop on building the Capacity of African Civil Society (CIVISCAP). Also, the Foundation strengthened its ties with many partner institutions and took part in numerous workshops and conferences, which enabled it to forge avenues for useful and sustainable bonds in the future.

#### **G. Mobilization of Additional Resources to Finance ACBF/PACT Activities**

In 2001, most donors to the Foundation's trust funds continued to disburse resources regularly on the basis of the schedule of draw downs 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). Three countries joined the ACBF Board of Governors in 2001 – Gabon (which pledged US\$ 250,000), Ireland (which pledged 800,000 Irish Pounds) and Chad (which pledged US\$ 250,000). The Government of the United States of America, through the United States Agency for International Development (USAID), disbursed US\$ 500,000 as part of its support of the PACT Initiative. Considering the quantum of resources required to fully implement the SMTP, the Board of Governors agreed to convene a Pledging Conference as soon as possible.

#### **H. Upgrading of ACBF Management Information Systems**

In 2001, ACBF pursued its efforts to upgrade its management information systems. In particular, following the hiring of a new information technology officer/web master, the Foundation re-designed and developed its web site into a more effective interactive portal for information

retrieval and exchange; acquired software to insulate the IT platform from external attacks to the network; and enhanced its accounting and financial management system with the acquisition of more cutting-edge software. A key aspect of the upgrading of the Foundation's information and communication technology systems were efforts made to facilitate the Foundation's evolution into a knowledge-management hub in the area of capacity building on the Continent.

#### **I. Internal Reorganization, Review of Processes and Enhancement of the Staff Complement**

In order to address emerging priorities dictated by the Foundation's broadened role, the Secretariat was reorganized. The former Finance and Administration Department was split into two separate departments: Administration and Human Resources; and Finance and Accounts. Additional responsibilities were devolved to Program Team Leaders. The Foundation continued to implement reforms to enhance administrative effectiveness and efficiency and promote participatory management through the streamlining of internal procedures (for example as regards procurement procedures); smarter processing of disbursement documentation; and establishment of standing and ad hoc committees to plan and conduct Foundation business (SMG), enhance staff welfare (SAP), assess staff performance (SPRP), evaluate project proposals (PRC), and monitor the implementation of ongoing operations (OMT). Lastly, besides conducting a review of the current compensation regime, the Foundation sought to recruit high-caliber staff to fill vacancies in operations, finance and general management to enable the Foundation to respond adequately to stakeholder expectations and to implement its work program effectively and efficiently.

# Section



# Three



## ACBF OPERATIONS

### A. Activities of the Boards

ACBF is governed by two Boards – the Board of Governors, consisting of 29 members representing 26 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 2001 and held its 10<sup>th</sup> Annual Meeting in June 2001. The Executive Board is responsible for the conduct of the general operations of the Foundation. It met three times in 2001 – in regular sessions in April and December, and in special session in June.

#### The Board of Governors

The Board of Governors held two meetings in 2001 – a special meeting on 24 – 25 January in London, United Kingdom, and its 10<sup>th</sup> Annual Meeting on 12 June in Copenhagen, Denmark.

At the Special Meeting held in January, the Board of Governors considered the following items: Executive Board vacancies; the Progress Report on the Implementation of the Foundation's Expanded Mandate; the Foundation's Financial Position; and the Foundation's Draft Strategic Medium-Term Plan (SMTP) for the next five years.

As regards Executive Board vacancies, the Board of Governors agreed that, in light of the results of the votes communicated by correspondence by the Governors, two individuals, Ms. Winnie Byanyima and Mr. Thandika Mkandawire, had been appointed to the Executive Board. The Board agreed that some geo-linguistic balance should be considered when assessing future members of the

Executive Board without compromising the rigor that ordinarily characterizes the selection process. The Board also agreed that suitable candidates should be identified to fill the remaining vacancy on the Executive Board

With respect to the Progress Report on the Implementation of the Foundation's Expanded Mandate, the Board noted the remarkable progress made by the Foundation in 2000, which involved a doubling of the size of the portfolio, an increase in the diversity of projects, and the development of national focal points. The Board thus endorsed the broadened scope of activities, but cautioned that such expansion be carried out progressively. In this connection, it endorsed the need to strengthen the size, quality and skills mix of the staff of the Foundation, and requested that additional measures should be taken to develop more robust plans in this respect. It underscored the need for the Foundation to play a visible, but well-articulated, role in the PRSP process as well as explore realistic and effective mechanisms for intervening in post-conflict countries. It noted the clarifications made on the status, role and funding of NFPs. However, it agreed that it was necessary to reflect further on ways of developing the NFPs to ensure that they play an even more effective role in the implementation of the Foundation's projects and programs. Lastly, the Board requested the Foundation to provide additional information on the sources of co-financing of projects and programs in its portfolio.

The Board also examined the Foundation's financial position. It agreed that, although the Foundation's net cash position remained strong, it needed to improve to a considerable degree the status of its commitment authority by following up on the pledges made by its donors (in particular the AfDB and UNDP) that renewed their commitment to honor their pledges. The Board noted with concern the fact that some donors had declined to honor a portion of their respective



pledges to the ACB Fund in respect of the first phase. More generally, it urged all other donors still lagging in fulfillment of their pledges to disburse the requisite resources to the Foundation, in accordance with the Memorandum of Understanding relating to the ACB Fund (Phase II). It requested the World Bank to clarify with Cameroon, Mali and Uganda the issue of disbursements that were allegedly rejected by the World Bank Trust Fund Division. In conclusion, the Board agreed that the Foundation's present financial status underscored the need for additional resources for the implementation of its Business Plan for 2001, and subsequently for that of the SMTP.

The Secretariat presented the Draft ACBF Consolidated Strategic Medium-Term Plan (2001 – 2005), whose cost was estimated between US\$ 701.954 million (full program option) and US\$ 553.292 million (reduced program option). The Governors commended the Foundation for the quality of the document. They also endorsed the development and capacity-building challenges presented in the document as well as the vision, strategy and objectives. The Board agreed that the Foundation should be more ambitious and start moving progressively towards a program and process approach to capacity building (through institutional and governance reform) especially in the public sector. It resolved that ACBF should place premium on quality, networking, experience sharing and dissemination – which would involve direct contributions by the Foundation to improvement in the policy environments of countries, especially through policy dialogue and provision of professional advice to governments. As a result, the Foundation would play an advocacy role and promote leadership and ownership of the development process by African stakeholders. Based on the size and scope of the SMTP, and on the Foundation's current programming cycle and *market share*, the Governors decided that the SMTP should be scaled down to about US\$ 300 million, and should run from 2002 to 2006.

At the 10<sup>th</sup> Annual Meeting held in June 2001, the Governors discussed the Foundation's Annual Report and audited financial statements for 2000, revisited the Foundation's financial position,

examined the revised version of the Strategic Medium-Term Plan, noted the planning of a change management exercise, addressed the issue of vacancies and renewals of terms of office on the Executive Board, and elected the new Bureau of the Board.

The Governors noted the Annual Report and Audited Financial Statements for 2000, and commended the Foundation for the significant work it had done – in particular in the areas of research, program support and outreach, even as it was integrating PACT into its operations. They encouraged the Foundation to pursue its work by paying attention not only to stock taking of the past and to maintenance of the quality of existing operations, but also to the building of the portfolio – including the monitoring and evaluation of its activities in order to institutionalize more effectively results- and impact-based performance reporting. Also, the Board noted the significant increase in disbursements to projects in 2000 as well as the decline in the share of administrative costs, and encouraged the Foundation to perform even better in these areas in the coming years. There was a consensus that the Foundation needed to assess further its overall policy towards co-financing as donors were increasingly reluctant to multiply or duplicate their initiatives and co-finance activities already being financed by the Foundation. In addition to recommending that the Foundation should strengthen its synergies with other institutions and initiatives working in Africa (such as AFRISTAT, GCA and UNDP) in the area of capacity building as well as report more on its partnerships and experience sharing with universities and knowledge-management networks, the Board requested the Foundation to develop a systematic human resources management policy characterized by the achievement of an appropriate balance between improvement of internal capacity (in terms of increase in both staffing levels and areas of competence) and recourse to external expertise in implementing its work program.

The Board assessed once more the Foundation's financial status, and agreed that its members would need to invest greater efforts in fulfilling their pledges so that the Foundation could meet its operations-related targets.

The Board considered the revised version of the SMTP, which incorporated the changes requested by the Governors at the previous session. In particular, the new version: (i) clarified further the Foundation's vision, mission, objectives, strategy and record – including its achievements, value-added and comparative advantage as an African institutions; (ii) identified six areas of core competencies (economic policy analysis and management, financial management and accountability, strengthening and monitoring of national statistics, public administration and management, strengthening of the policy analysis capacity of parliaments, and professionalization of the voices of the private sector and civil society); (iii) progressive build-up of the Foundation's portfolio of activities; (iv) striking of an appropriate balance between a project-based approach and a program-based approach; (v) clarification of the content of the knowledge networking and program support component; (vi) deeper reflection on the emerging role and operation of national focal points; (vii) clarification of the Foundation's own human-resource and institutional development strategy in light of the proposed scale of operations within the SMTP; and (viii) adjustment of the resource requirement for implementing the SMTP to US\$ 340 million over five years (2002 – 2006). The Board thus endorsed the revised SMTP as a basis for the Foundation's capacity-building interventions over the next five years, and recognized the need for the Foundation to convene soon a pledging session to mobilize the requisite resources to finance the Plan.

The Governors also noted that ACBF would commission a change-management consultancy to assess ways of enabling the Foundation to evolve more smoothly from a small-scale institution into a more robust, knowledge-based entity. They also agreed that, as a possible basis for supporting the request for fresh resources from the donor community, there should be some external evaluation of the Foundation's performance following the expansion of its role ahead of the pledging meeting. Such evaluation would be commissioned by DFID in collaboration with other interested members of the Board of Governors, and would be conducted without undue disruption of the pace of implementation of the Foundation's work program.

The Board of Governors re-appointed Mrs. Joan Corkery and Mr. Poul Engberg-Pedersen to another three-year term on the Executive Board. The Board also re-constituted the Search Committee and appointed the following members to sit on it: Botswana, Canada, Denmark, Gabon, Kenya, Mali and UNDP. Following the resignation of the Governor for Sweden, Mr. Lennart Båge, from the Board and, therewith, from his position as Chair of the Search Committee, the Board appointed Mr. Dan E. Frederiksen, Governor for Denmark, as the new Chair of the Search Committee.

Lastly, as regards the Bureau of the Board, the Governors re-elected Mr. Barrie Ireton as Chair, and elected the following as Vice Chairs: Mr. Dan Frederiksen (Denmark); Mr. Senturel Madoungou (Gabon); Mr. Simba Makoni (Zimbabwe); and Mr. Abdoulaye Janneh (UNDP). It also agreed that the Sponsoring Agencies would sit on the Bureau of the Board on a rotary basis, whereby each of them would be a member of the Bureau for a term of one year.

#### The Executive Board

The Executive Board met three times in 2001 – twice in regular session (5 – 6 April and 4 – 7 December) and once in special session (13 – 14 June).

In keeping with its core function of providing guidance in the design of operational policies and strategies, the Executive Board played a significant role in clarifying the scope and scale of the Foundation's interventions. In particular, it helped to shape the final version of the SMTP, 2002 – 2006 by fine-tuning the Foundation's focus and delineating its planned interventions into six discrete areas of core competencies [(i) macro-economic policy analysis and development management; (ii) strengthening and monitoring of national statistics; (iii) financial management and accountability; (iv) public administration and management; (v) strengthening of the policy analysis capacity of national parliaments; and (vi) professionalization of the voice of the private sector and civil society], intervening using an appropriate blend of a project-based and programmatic approach, and fleshing out the Foundation's knowledge-base orientation. There was a consensus that the Operations Committee of the Executive Board would also look closely at the issue

of criteria that would guide the selection of countries likely to benefit from a Full Intervention under the SMTP.

The Executive Board also monitored the status of implementation of the Foundation's expanded scope of activities. It approved the Foundation's Business Plan for 2002, but recommended that it should be more directly related to the six competency areas. It also endorsed the administrative budget for 2002, and directed that a category should be created entitled "program Support Activities" as this would render the classification of such activities more transparent and would reflect the Foundation's increasing orientation towards knowledge-based activities. The Executive Board thus agreed that the classification would be reviewed every year as part of preparation of the Business plan and budget. Board members endorsed the request by the Secretariat for threshold of discretionary commitment authority set initially at US\$ 50,000, subject to the following conditions: (i) the existence of a clear strategy approved by the Board in respect of the suggested activities; and (ii) the delineation of explicit reporting mechanisms.

Guided by the Foundation's commitment authority situation, the Executive Board approved ten new full-fledged projects covering a broad geographical and thematic space, six National Focal Points and the re-financing of three of the Foundation's promising projects. In sum, the grants amounted to US\$15.26 million – which reflected a deliberate decision by the Executive Board to place premium on the management of the portfolio of operations rather than on the approval of a substantial number of new projects and programs. The complete list of operations approved by the Executive Board in 2001 is presented in Annex A.1 to this Annual Report.

The Executive Board continued to monitor progress in the compensation review exercise, and agreed on issues relating to comparators and market definition for professional and support staff. It is expected that the review would be completed in 2002.

The Executive Board also provided guidance to the Secretariat in terms of clarifying the thematic focus as well as scope of the program and

participation of resource persons in the First Capacity Building Forum organized on 22–24 October 2001 in Bamako, Mali. Following the Forum, the Executive Board commended the Secretariat for organizing the Forum, which examined cutting-edge development issues and their capacity-building dimensions and attracted a broad array of partners and other stakeholders from around the world. Also, there was a consensus that the Forum attracted numerous luminaries in the field of capacity building and provided a useful platform for informed discussion of cutting-edge development issues and their capacity-building dimensions, including linkages with NEPAD. In addition, Board members noted that the Forum enjoyed national and international media coverage and helped to place the Foundation on the map as one of the Continent's premier capacity-building institutions. The Executive Board however requested the Secretariat to draw a number of lessons from the organization of the Forum – including the multiplicity of the themes covered in the Forum, the effects on staff time, the uneven quality of the papers presented at the Forum, and the financial cost relative to the Forum's achievements.

The Executive Board considered a number of policy and institutional issues affecting the implementation of projects or their evaluation. Accordingly, aside from monitoring the progress being made in the preparation of the *paper on capacity building in the public sector in weak states*, the Executive Board deliberated on a discussion paper presented by the Secretariat on salaries in ACBF-supported operations. The key issue was that of assessing the effects salaries prevailing in ACBF-funded projects and programs are likely to have on the sustainability of capacity-building interventions supported by the Foundation – in particular as salaries constitute the largest component of the recurrent budgets of these operations. The Executive Board requested the Secretariat to continue to use the guidelines set in 1996 as they provide an adequate framework for the Foundation's approach to the issue of salaries in the operations in its portfolio. Also, it decided that the Foundation should commission a study to examine the *market for highly skilled professions in Africa*. The results of such study would provide an appropriate guide to Foundation policy in this area.

The Executive Board considered the Foundation's current approaches to the re-financing and co-financing of projects and programs. Following extensive deliberations, the Executive Board agreed that the Foundation should re-finance operations on a case-by-case basis and ensure that re-financed projects are well justified and, where necessary, retrofitted within the SMTP framework. Where applicable, a re-financed operation can constitute a component of an emerging country program. With respect to co-financing, the Executive Board agreed that the Foundation should exercise some flexibility in the use of co-financing as a Grant condition, given the increasing difficulty in mobilizing co-financing from bilateral and multilateral sources that are raising issues of double-dipping.

In light of the expansion of the Foundation's remit, the steep increase in Board business, and the need to clarify the role of the Executive Board and its technical committees, Board members requested the Secretariat to: (i) prepare formal Terms of Reference for the Operations and Finance Committees; (ii) prepare a note on the criteria for defining Full Intervention within the framework of implementation of the SMTP; (iii) draft a strategy note for implementation of the knowledge-base function within the Foundation's work program.

The Secretariat presented a *report on the proceedings of the workshop on operational approaches to institutional and capacity development* organized by the Foundation, in conjunction with the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD) and the European Centre for Development Policy Management (ECDPM). The Executive Board urged the Secretariat to edit, distill and disseminate the report (including through the Foundation's website) as well as to take measures to address pointers contained in the report toward the appropriate mainstreaming of capacity-building issues in development policy frameworks, in particular with respect to the core competencies identified in the SMTP.

The Executive Board commissioned a change management consultancy aimed at reviewing organizational issues within the Foundation in order to improve systems, processes and procedures as the Foundation evolves from a small

to a medium-size organization in the wake of the broadening of its role. The consultants released a diagnostic report, which set out the outline of the key elements of the transformation process. It is expected that the change management process will be a prominent part of the Foundation's business in 2002. Board members agreed that the results of the change management exercise would be linked to the forthcoming drive to mobilize resources to finance the SMTP – a drive in which they resolved to play an active role.

## B. Information Harnessing, Knowledge Management and Training

### Development of the Knowledge Platform

ACBF has recognized the need to enhance its operations by developing knowledge management as a significant component of its activities. Beginning with the establishment in 2000 of a Research, Training, Information Systems and Publications Department, the Foundation is poised to push the frontiers of knowledge management in the area of capacity building in Africa. It therefore plans to invest about US\$71 million over the next five years in knowledge management activities within its core competency areas. This orientation will therefore feature prominently in the years ahead in its activities. In 2001, the Foundation carried out a number of knowledge-related activities that contributed to its increased visibility as a leading capacity-building institution on the Continent. It will continue to draw on the experience and expertise of its stakeholders in order to ensure its smooth transformation over the long term into a center of excellence in the area.

Thus, against the backdrop of sustained efforts to maintain the momentum in the implementation of the PACT agenda, the Foundation forged ahead in the formulation of a strategic framework to transform itself into a knowledge-based institution. Accordingly, it acquired a better understanding of the complexity of the task of making knowledge management a driver in the improvement of the performance of its core business of funding capacity-building interventions. It gained a better appreciation of the kind of knowledge that needs to be developed and shared as well as the sources and tools for knowledge dissemination. The Foundation



upgraded its information technology platform and enhanced its financial processing and control mechanisms. Also, it recruited an IT Officer/ Webmaster who has contributed to the maintenance of a well functioning IT platform. This has strengthened the organization's knowledge management function by facilitating the appropriate use of the IT infrastructure. The knowledge management and IT strategies 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 through the establishment of an intranet, on-line access and a diagnostic database. In addition, the Foundation will contribute to the expansion of knowledge on strategies and instruments for building sustainable human and institutional capacity.

#### Strengthening of the Internal Capacity of the Secretariat

In order to enhance staff performance, the Secretariat organized a workshop for program and disbursement officers in July 2001. The objective of the workshop was to enhance the core skills of staff involved in the identification, design, appraisal and monitoring of projects and programs. The workshop covered operations-related policies and procedures as well as tools and techniques for analysis, design, appraisal, management, supervision, monitoring and evaluation of projects. The participants considered it valuable as it provided an opportunity for learning more about the operations guidelines as well as getting an insight into practical experiences gained over the years. They recommended that such training modules should be organized more frequently and that a more systematic review of challenges facing staff involved in operations should be undertaken to ensure that future training activities address the need to upgrade such skills and performance.

The Secretariat also organized some hands-on training activities for ACBF staff to improve their skills in the use of information and communication technology (ICT) tools, including training on power point and web posting. The acquisition of such skills enabled the Secretariat

to improve the quality of its web publishing activities as well as its communication with other stakeholders. Other in-house seminars were organized to hone the awareness of staff regarding current development challenges that touch on the Foundation's mandate. The High Commissioner of Kenya to Zimbabwe was a guest speaker at one of the seminars. He addressed the issue of debt relief and offered his perspectives on HIPC as well as its implications for Africa's debt burden. The World Bank publication entitled *Can Africa Claim the 21st Century?* was also discussed in one of the in-house seminars.

#### Web Site Development

The Foundation commissioned a new web site in October 2001 to replace a prototype that was developed in 2000. The redesigned web site contributed to the popularization of the Foundation's work throughout the world, judging from the profile of more than 15,000 registered visitors who regularly send comments on the website or react to the materials, posted on it.

The website is achieving its objective of disseminating the work of ACBF by providing information on its mandate, procedures relating to grant applications, the composition of the Foundation's portfolio and the profile of partner institutions. The website has also become a useful resource center on the Foundation's capacity-building activities as it features all publications (including annual reports, newsletters, strategic and vision documents, briefs) generated and events (such as workshops, seminars and forums) organized by the Foundation. Knowledge-related activities organized by the Foundation in 2001 received wide web coverage through launching of dedicated web sites for CIVISCAP, APIF and the Bamako Forum.

The website has also become an interactive tool that has enabled the Foundation to respond to queries from readers and facilitate its interaction with stakeholders. The IT infrastructure has continued to grow in response to expanded staff size. Its functionality was also improved by the acquisition of new software to enhance the security of the IT platform and the Foundation's financial management capability. The continuous updating of the relevant software also helped to

reduce the frequency of breakdowns due to network overload and to external attacks on the network. The Finance and Accounts Department has applied IT solutions to improve the tracking of internal transactions as well as the reporting of expenditure by beneficiaries.

Lastly, the Foundation has designed shells for building databases that will be used for the development of the intranet. The intranet will be a valuable tool for capturing operations and financial data on the Foundation's activities as well as providing an information base for reporting and supporting research and other knowledge networking activities.

#### Library Development

The Secretariat has made good progress in transforming the ACBF library into a useful tool for supporting the Foundation's capacity-building activities. A needs assessment on information requirements was conducted in order to determine the type of hard and electronic publications to be acquired by the Information Center. The Foundation expanded its library acquisitions by 500 new titles covering a wide range of governance and development issues (including institutional and human capacity development), macroeconomics, growth and trade. It also expanded its subscriptions to periodicals, including the online version of the *Economist Intelligence Unit Country Profiles*. Significant progress was also recorded in efforts to develop an on-line library. In this connection, the Foundation developed an implementation framework for developing the on-line library and acquired the *Spectrum* online software that allows access to the online library catalogue using web technology.

#### Publications

The Secretariat increased its efforts to disseminate and share its experiences with its stakeholders and the wider community of development practitioners through publication of reports, newsletters, pamphlets and other information materials on the Foundation.

Accordingly, the Foundation published the *Report on the Proceedings of the Workshop on Operational Approaches to Institutional and*

*Capacity Development*. Although the report confirmed that there is no standard approach to capacity building, it contains interesting findings and insights into the lessons drawn from practical experience as well as the conceptual understanding of capacity and institutional development issues covering capacity-building interventions in areas as diverse as macroeconomic management, civil service reform and interface with civil society organizations. The report highlights a number of issues that could guide future research aimed at expanding our knowledge of how to deal, in practice, with the questions of nurturing ownership and strategies for improving sustainability of capacity building interventions aimed at affecting changes at the policy environment, sector wide and organizational levels.

ACBF also produced a brochure entitled *ACBF in Brief* aimed at providing an overview of the Foundation's experience in capacity-building over the last 10 years and at highlighting the new challenges and opportunities offered by the implementation of the SMTP, 2002 – 2006. The brochure underscores institutional development processes that will guide the Foundation's interventions in the six core competencies by highlighting the level of impact and expected changes brought about by those interventions as well as process dimensions that will involve policy, systems and human resource development. The brochure contains a summary of ACBF's operational procedures and internal processes, focusing on the relationship between ACBF and the beneficiaries of its support as well as on lessons learned in fostering the ownership and sustainability of capacity-building operations. Other projects in the pipeline include a book on governance to be co-edited with the Institute of Social Studies at The Hague as well as the ACBF/African Futures book on the operationalization of national long-term perspectives studies.

### C. Financial Management

The Foundation intensified its efforts to ensure that the resources placed at its disposal were managed prudently and efficiently. In this connection, the Secretariat aimed to achieve high performance, efficiency and cost effectiveness. In particular, an overall budget saving of 7.28 per

cent was achieved under very difficult circumstances largely because of the consistent application of cost-cutting policies and measures introduced in 2000 and 2001. In addition, procurement procedures were streamlined and greater authority granted to officers. The Foundation's accounting software continued to be relevant to its reporting needs. However, the accounting system was further enhanced with the introduction of new accounting software (Tetra CS3) in order to improve financial reporting of grant expenditure by beneficiary projects and the tracking of internal transactions undertaken by the Foundation. Such tracking and monitoring continued to improve as an increasing number of the software modules became operational. The enhanced system has been able to cope with increasing volumes of transactions resulting from the integration of PACT into ACBF. It demonstrated its adequacy in tracking administrative expenditure by making it possible to monitor and report expenditure by cost center, and making budget comparisons and analyses automatic. Budget management was therefore made simpler, which made it possible to control costs and achieve savings on most cost centers.

#### **D. Institutional and Human Resources Management Systems**

The Foundation implemented reforms to enhance administrative effectiveness and efficiency and promote sound human resources management in order to improve its capacity to implement its broadened agenda.

The new institutional and human resource management systems contributed significantly to these goals through the creation of a full-fledged Administration and Human Resources Department dedicated to improving the quality of administrative services and to ensuring that the Secretariat has the requisite skills mix to move from a predominantly project-oriented entity into a knowledge-based institution. Thus, the systems established in response to the progressive compositional change of the Foundation's remit were based on a shared organizational vision and values that foster teamwork and commitment. The efforts made in 2001 contributed significantly to the enhancement of the Foundation's institutional capacity, in particular in the following areas:

- Improvement of approval processes for administrative, financial and operations-related activities. This effort enhanced the Foundation's expenditure tracking and financial control ability, and therewith the Foundation's capacity to monitor its budget effectively and efficiently;
- Streamlining of procurement and fiduciary-related procedures and processes.
- Development of the core elements of a human resource management strategy aimed at guiding the Foundation's human resource management function in order to foster an effective implementation of the SMTP, 2002-2006. The core elements of such a strategy comprised the following: improved system of recruitment and placement; competitive conditions of service and compensation package; development of procedures for processing and monitoring staff grievances; refinement of the performance appraisal and promotion system; clarification of organizational values emphasizing performance, continuous learning, participation, team spirit as well as staff professional and personal growth and development; and introduction of technical advisory panels along thematic lines to complement Secretariat staff capacity.
- Continuation of the Compensation Review Exercise, including the review of job descriptions and job grading levels. The objective of the exercise was to provide a sound basis for the establishment of a comprehensive and competitive compensation system that would take into account the implications of the Foundation's expanded role, and enable the Foundation to recruit and retain high-calibre professionals, while motivating the entire staff.
- Clarification and enhancement of operational processes and procedures through consultancies and in-house committees, which included substantial efforts to transform the Foundation's organizational platform - including review of the organizational culture, management approaches, institutional processes, knowledge management framework,



total quality management and Board/Secretariat interface.

- Establishment of standing and ad hoc committees geared towards improving staff welfare, enhancing participatory management as well as fostering organizational effectiveness and efficiency. These standing committees included the following:
  - i. The Senior Management Group (SMG), composed of Heads of Departments and Department-level managers, meets once every month to review general management matters as they relate to personnel, finance, budget, administration, work and organizational structures, procedures and processes;
  - ii. The Staff Advisory Panel (SAP), made up of elected representatives of the Professional Staff and of the Support Staff. The SAP advises and alerts the Executive Secretary on administrative and social issues affecting staff welfare and staff rights. It also hears staff grievances of an individual or collective nature, acting as a mediating preventive mechanism;
  - iii. The Project Review Committee (PRC), which reviews new project proposals and appraisal reports and makes recommendations to the Executive Secretary ahead of their presentation to the Executive Board;
  - iv. The Operations Monitoring Team (OMT), which reviews the status of implementation of existing projects and programs and recommends corrective actions in order to improve the quality of the portfolio; and
  - v. The Staff Performance Review Panel (SPRP), which is responsible for reviewing the individual performance reports of all staff other than Senior Managers.
- Management of a recruitment drive to increase the staff complement and strengthen the Secretariat's skills mix to enable it to implement the SMTP effectively.
- Organization of an induction workshop for new officers involved in finance and

operations to facilitate the acquisition of core skills in the identification, design, appraisal and monitoring of projects and programs.

- Organization of a Staff Retreat, which enabled staff members to brainstorm on the major issues currently affecting the organization's internal culture and performance as it gears up to implement the SMTP, 2002 - 2006.

## E. Commitments and Disbursements

The year 2001 was a period of consolidation following a phenomenal growth in the project portfolio and commitments during 2000.

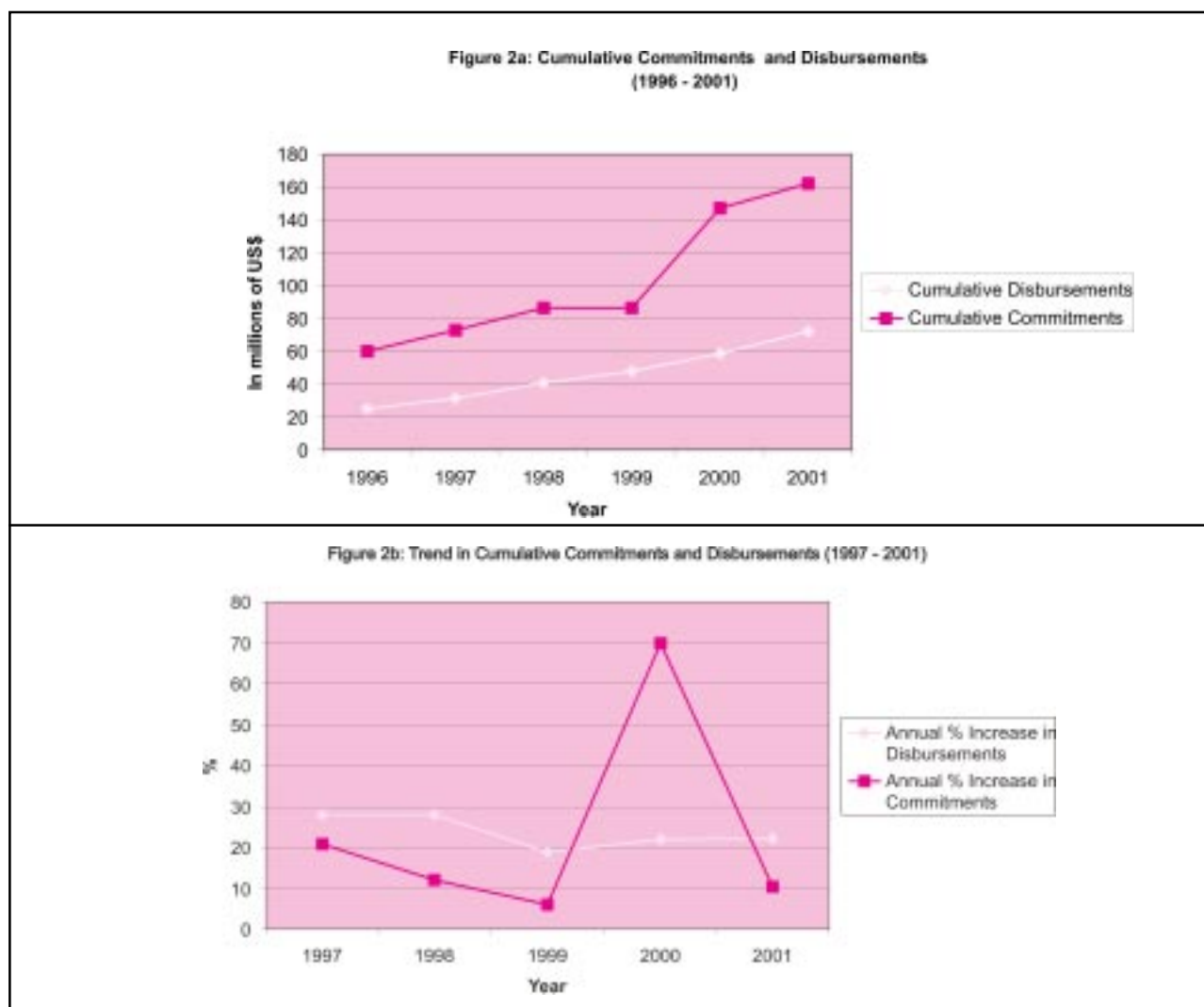
Commitments during 2001 increased by US\$15.26 million, bringing cumulative commitments in respect of projects to US\$162.23 million.

Total disbursements for the year amounted to US\$13.05 million compared to US\$10.59 million in the previous year. This represented an increase of 22.22% over the previous year's performance.

The increase in disbursements was largely due to three factors: Firstly, most Grant Agreements in respect of operations approved in 2000 (the first year of implementation of the PACT Initiative and the year with the highest commitment rate) became effective in 2001. This resulted in a steep increase in grant withdrawal applications as the new projects and programs drew their initial advances to commence operations (Figure 2a). Secondly, project-monitoring missions focusing on operational issues at the project level were increased for each operations zone - thus resulting in projects and programs achieving higher levels of activity. Thirdly, internal ACBF withdrawal application procedures were streamlined in order to reduce the processing time for disbursement to operations.

The annual percentage increase in commitments dropped, however, in 2001 as greater emphasis was placed on the consolidation of the Foundation's portfolio following the steep increase in commitments registered in 2000 as a result of the approval of 25 full-fledged projects and 20 National Focal Points to launch the PACT Initiative. (Figure 2b).

Figure 2. Commitments and Disbursements



## F. Co-financing

Co-financing continued to be a challenge to the Foundation's beneficiaries given that ACBF considers its interventions as merely catalytic. The total cost of ACBF-supported projects and programs was US\$441.300 million. Of this amount, ACBF's share of financing amounted to 36.76% or US\$162.23 million. Beneficiaries and their governments contributed 14.53% or US\$64.125 million of the total cost of projects while other donors (which included bilateral and multilateral donors) contributed 36.45% or US\$160.84 million. The shortfall of US\$54.11 million or 12.26% of the total cost of projects

represented the co-financing deficit. Compared to 2000, the co-financing deficit was reduced by 6.56% from US\$57.91 million to US\$54.11 million. This reflected the additional efforts made by the Foundation in encouraging beneficiaries to seek more sources of co-financing. However, the issue of co-financing continues to be a critical factor in the development and implementation of projects and programs not only because of the paucity of official development assistance, but also because of the reluctance by an increasing number of donors to provide resources to both the Foundation and the operations it supports – the double-dipping problem (see Chapter 5).

## G. Administrative Expenditure

During 2001, the local economic environment was characterized by hyperinflation, with a monthly inflation rate exceeding 80 percent. The situation had an adverse impact especially on the administrative costs incurred by the Foundation and payable in local currency. The dual exchange rate regime continued to prevail with the official exchange rate pegged administratively at 55 Zimbabwe dollars to the United States dollar, and parallel market rates in excess of 300 Zimbabwe dollars for the United States dollar. The business sector continued to be speculative in setting prices largely guided by inflationary expectations in advance of the trends in parallel market exchange rates.

In response to the high inflation, the Foundation instituted, wherever possible, measures to cut costs and reduce the impact of inflation on the cost of operations. The Foundation also fought to curb operational travel costs by combining, within the same region, missions relating to the development, supervision and appraisal of various operations. The policy of engaging national/regional consultants as much as possible translated into significant savings in staff travel costs as well as consultants travel costs and fees. By making continuous improvements in its communication

systems, the Foundation took full advantage of internet connectivity in order to reduce costs. Also, the use of express courier services was curbed significantly as most documents were transmitted electronically. Intermediaries in the production of the newsletter and other publications were eliminated in favour of direct interaction with originators and printers. These measures helped to contain costs in 2001. The result was that, as in the previous year, the Foundation recorded savings in the execution of the budget approved by the Executive Board without incurring any loss in effectiveness.

The above austerity and efficiency measures and high operational outputs resulted in the maintenance of high efficiency ratios for 2001. In comparison, the efficiency with which one United States dollar was utilized between administration and disbursements to projects and project support activities reveals that 1999 was at 26.3% and 2000 at 21.63% as against 19.17% for 2001 (i.e. for every one United States dollar spent, 19.17 cents were used for administration and 80.83 cents for program-related activities). Thus, operational efficiency in 2001 exceeded the level achieved in 2000, the year that recorded the highest output. The Foundation will continue to seek innovative ways of curbing the cost of doing business while scaling up its performance.

# Section



# Four

## PORTFOLIO PERFORMANCE

### A. Institutional Context

The context in which the Foundation operated in 2001 was much influenced by the significant institutional change experienced in 2000. The year witnessed noteworthy improvements in organizational processes and procedures aimed at making the Foundation's activities more effective. Highlights included the following: (i) strengthening of performance monitoring in operations through the introduction of a framework project supervision assessment report, greater devolution of operational responsibilities to program team leaders, and improved quarterly reporting on performance; (ii) institutional reforms to enhance administrative effectiveness and efficiency, including the streamlining of systems, processes and procedures in operations, administration as well as finance and accounts; and (iii) significant progress in efforts to strengthen responsiveness of the financial and administrative systems.

Other major areas in which significant enhancements were made in the institutional context included the take-off of the Research, Training and Information Systems Department; the enhancement of financial and accounting functions by upgrading them, to a full-fledged Department; the creation of an Administration and Human Resources Department to give prominence to human resources issues and administrative processes and procedures; and the establishment of committees geared towards improving staff welfare and organizational effectiveness and efficiency.

During the year, the Foundation maintained the strong visibility that it enjoyed in 2000 as a result of a vigorous outreach program. This was characterized by regular publication of the Newsletter, electronic and print media coverage of the Foundation's activities - particularly the First Pan African Capacity Building Forum and the workshops to launch the African Policy Institute

Forum (APIF) and to build or strengthen the capacity of African Civil Society (CIVISCAP). The production and dissemination of information materials on the Foundation recorded some strides the publication and dissemination of the workshop with the release of the proceedings on *Operational Approaches to Institutional and Capacity Development*, the core elements of the *Strategic Medium Term Plan, 2002-2006* and a wide variety of information materials during the First Pan-African Capacity Building Forum. The year also saw a significant improvement in the design and information content of the Foundation's web site. Such improvement has had a positive impact on the number of visitors to the site and thus on the Foundation's visibility.

Staff strength in the Foundation's Secretariat was enhanced significantly during the year. The position of Finance and Accounts Manager was filled after a competitive interview process that gave the edge to an internal candidate; five Program Officers joined the Foundation; and the position of Administrative and Human Resources Officer was filled. Other appointments during the year were two Disbursement Assistants, an Information Technology Officer/Webmaster, a Logistics, Meeting and Travel Assistant, a Treasury Clerk, and two Secretaries (one of whom is bi-lingual). With these appointments, the Secretariat made a significant leap towards optimal staffing capacity. Nonetheless, there are a few more vacancies that need to be filled in order to bring relief to the workload and strengthen the skills mix to make the implementation of the SMTP more effective.

### B. Performance of Projects and Programs

The implementation of projects and programs in 2001 took off with the some momentum that has characterized operations in the Foundation since 2000. Targets set for activities both at the level of direct operations and program support activities

Table 4. Summary of Performance Against 2001 Targets

Activity	Target	Achievement
(A) Direct Operations		
• Capacity Needs Assessment/ Project Identification	12	22
• Project Development		
- Project refinancing	3	3
- New National Projects and Programs	5	12
- New Regional Operations	2	8
- National Focal Points	10	6
- Seed Projects	5	7
• Project Supervision Missions	197	201
• Mid-Term Reviews	4	6
• Project Completion Reports	5	4
• Grant Agreements Signed	23	35
(B) Research, Training and Information Systems		
• ACBF Workshop Series	3	2
• Staff Training	6	7
• Enhancement of Web Site	To be achieved	Achieved
(C) Outreach and Program Support Activities		
• ACBF Newsletter	4	4
• Information Materials	6	Numerous
• First Pan-African Capacity Building Forum	1	1
• Workshops	3	3
- <i>African Policy Institutes Forum</i>		
- <i>Building Capacity of African Civil Society</i>		
- <i>Development of Regional Assistance Strategy for West Africa</i>		
(D) Institutional Enhancement		
• Enhancement of operational, administrative and financial processes and procedures		
• Development of core elements of Human Resource Management Strategy		
• Job Grading and Compensation Review		
• Recruitment of additional professional and support staff		
• Creation of Finance and Accounts as well as Administration and Human Resource Departments to strengthen organizational effectiveness and Efficiency		
• Establishment of committees to strengthen responses and participatory management		



were adequately met. In some cases, they were exceeded significantly. By the end of the year, the Foundation had developed 33 new operations comprising 20 national and regional interventions, 6 national focal points and 7 seed projects. Out of these, a total of 10 projects and programs, 6 National Focal Points and 7 seed projects were approved by the Executive Board. A summary of performance against 2001 targets is presented in Table 4.

### Direct Operations

*Needs Assessment/Project Identification Missions.* The Foundation fielded 22 capacity needs assessment/project identification missions to countries, sub-regional organizations and development partner institutions on the Continent as against 12 targeted during the year. These missions resulted in the development of 33 proposals and the preparation of 24 appraisal reports, 18 of which (including a memorandum) were submitted to the Executive Board between April and December 2001 and 7 approved internally as seed projects. Six projects were approved in April 2001. Four projects and 6 National Focal Points were approved in December 2001, thus bringing total new commitments to 10 projects and 6 National Focal Points. The 10 approvals (projects and National Focal Points) in December 2001 represented new additions to the existing portfolio of 63 active operations and 20 national focal points at the end of April 2001. These outcomes imply that the Foundation met the targets of 34 proposals (consisting of national and regional projects and programs, national focal points, special projects and seed projects), and 24 appraisals set as targets for the year.

However, there were two areas in which the Foundation did not meet its targets: First, 32 projects were developed as against the 34 projected for the year. Second, there were 23 approvals as against the 34 expected by the end of the year. These shortfalls resulted from a combination of factors. During the year, there was a downward adjustment (from 7 to 3) of the total number of projects proposed for re-financing. This was

because the closing dates of four of the projects (DMPA, Zambia; EMPAC, Ethiopia; UPE, Senegal; and IDEC, Burundi) were extended when it became clear that they were not in dire need of fresh resources in 2001. More importantly, the Secretariat reduced the number of appraisal reports presented to the Executive Board in December 2001 in order to maintain its commitment authority at a comfortable level pending the outcome of the pledging session in the first semester of 2002. Lastly, two operations - the African Technology Policy Studies Network (ATPSN) project and the CASEP project (Republic of Congo) - were not approved by the Executive Board. The Executive Board deemed that ATPSN was outside the Foundation's core competency areas, while CASEP needed to be assessed in the context of the Foundation's strategy for intervening in weak states.

*Project Supervision Missions.* By the end of the year, the Secretariat had undertaken 201 project supervision missions as against a target of 197. The missions, which comprised field visits to all active operations in the portfolio and 13 financial controls assignments, constituted vital inputs in the project management process and contributed significantly in strengthening the Foundation's project/program monitoring function. The high rate at which of Grant Agreements regarding newly approved operations became effective in 2001 is thus one indicator of the role and utility of supervision missions in the overall performance of the Foundation's portfolio.

*Mid-term Reviews.* Mid-term performance reviews were undertaken during the year for the ESRF (Tanzania) and KIPPRA (Kenya) projects as well as the EPM programs in Cameroon, Côte d'Ivoire, Ghana and Uganda. By the end of the year, a total of 6 mid-term reviews had been conducted; they provided much valuable feedback and many lessons on the implementation of capacity-building operations.

*Project Completion Reports.* During the year, four (4) projects that had come to the end of their implementation phases submitted the required

project completion reports to enable all stakeholders to learn lessons, and from which the Foundation could distill best practices and identify avoidable pitfalls. The institutions concerned were AERC-CMAP II, BIDPA I, IPAR I, and DPC I. The EPM Program at McGill University in Canada continued to experience difficulties in preparing its completion report.

*Grant Agreements.* By the end of 2001, thirty-five (35) Grant Agreements had been successfully negotiated and signed, as against a planned total of 23. There was therefore a high rate of activation of newly approved projects and programs – a clear indication that the Foundation has begun to curb significantly the time lag between approval of operations and their implementation.

#### Program Support Activities

The Foundation made notable progress in its program support activities. The ACBF Workshop Series was launched with the publication of the first in the series. The proceedings of the Workshop on *Operational Approaches to Institutional and Capacity Development* were published and disseminated widely. The Foundation launched preparatory activities to publish the *ACBF Review* and *ACBF Occasional Papers* during the first quarter of 2002. The *ACBF Newsletter* was published regularly on a quarterly basis and disseminated consistently throughout the year. The publication continued to improve in content and presentation. The editions of the last two quarters of the year were largely devoted to activities relating to the APIF and CIVISCAP workshops as well as the Bamako Forum. Since the resuscitation of the *ACBF Newsletter* in 2000, it has become an invaluable vehicle for enhancing the Foundation's visibility.

In addition, a substantial number of information materials on the Foundation, which included extracts of the SMTP, flyers and brochures on the workshops and Forum, were produced and disseminated during the year. The Foundation also re-designed and upgraded its web site

significantly. The site is today becoming a strong attraction to a good number of visitors and thus a veritable instrument for institutional networking and information dissemination on the Foundation and its operations.

During the year, the Foundation stepped up its efforts to train staff. An induction course was organized especially for program officers, focusing on honing the operational skills of new officers. The course provided training on operations-related issues. These included the Foundation's project cycle, capacity needs assessments, project development and appraisal processes as well as project implementation planning. A session was devoted to financial and administrative issues in project management. The course will be completed in 2002 with a detailed follow-up session on the project supervision and monitoring process. Selected staff of the Secretariat benefited from skills development programs in the areas of strategic communication, desktop publishing and the application of new accounting software packages. On the whole, a total of 22 members of staff benefited from training programs – 15 from the induction course and 7 from other skills development programs.

#### C. Progress in the Implementation of Projects and Programs

Eight of the operations approved in 2001 became fully operational during the year. This degree of activation of newly approved operations strengthened the record achieved in 2000, which showed a significant reduction in the time between approval of projects and programs and the effectiveness of Grant Agreements relating to their operation. Thus, all but 4 of the 46 projects that were approved in the wake of the take-off of activities relating to the Foundation's integrated work program in 2000 negotiated and signed their Grant Agreements. The four operations are: PSU, South Africa; PARU, Nigeria; the ACBF-ILO project; and CAMERCAP, Cameroon. It is expected that the Grant Agreements in respect of these operations will be signed and declared effective in 2002.

So far, NFPs have been established in 26 sub-Saharan African countries. While the pace of implementation of full-fledged projects remained high, the rate at which the NFPs became operational proved to be overly slow. In addition, the Secretariat is addressing this issue closely and is exploring strategies for clarifying and taking forward more decisively the role of NFPs.

Much additional work remains to be done to improve the operational status and effectiveness of the National Focal Points. The Foundation will take on decisively the issue of political commitment, and work closely with stakeholders to revisit the issue of funding of NFPs to enable them to become effective instruments for spearheading country-based operations, in particular given the Foundation's emerging upstream and strategic orientation.

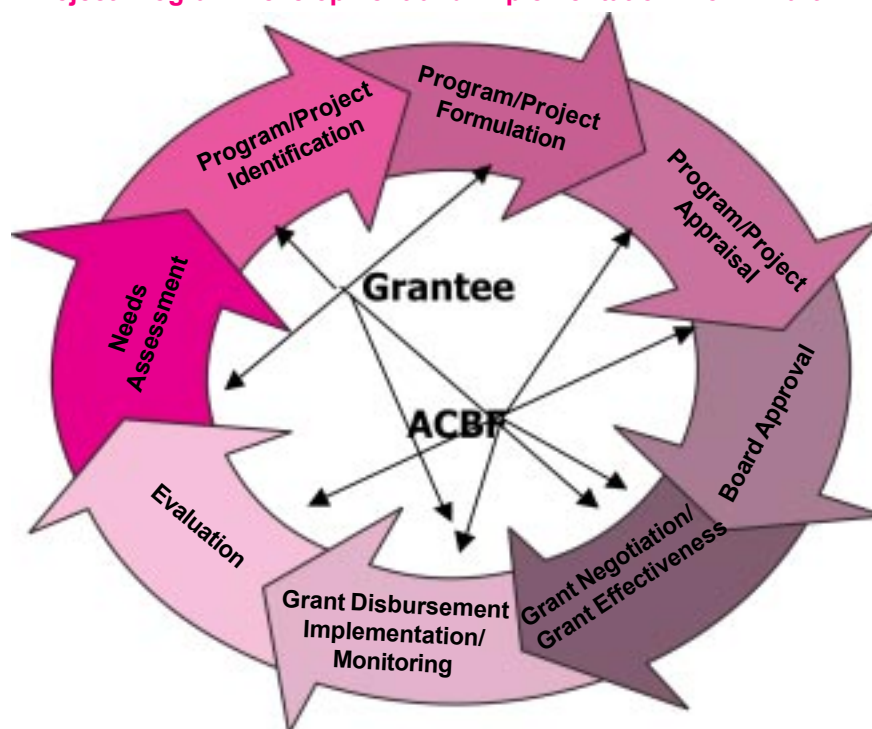
#### D. Portfolio Composition, Achievements and Utility of Outputs

##### Portfolio Composition

At the end of 2001, the Foundation had a total

portfolio of 67 projects and programs, 26 National Focal Points and 7 seed projects. The projects and programs are classified into Core Public Sector Interventions, Interface Operations, Support for Regional Institutions, and a Special Intervention. The core public sector projects and programs consisted of interventions in economic policy analysis and management (27 projects), economic and financial management training (11 projects), financial management and accountability (4 projects), public administration and management (1 project) and policy analysis capacity of national parliament (3 interventions). The interface operations totaled 11, comprising national economic consultative councils for tripartite negotiations (2 projects), networks of non-governmental organizations for dialogue and policy advocacy (3 projects), public-private sector interface (2 projects), support for corporate governance in the private sector (1 project) and a project to reform the public sector to enable it to support the emergence of a growth-oriented private sector.

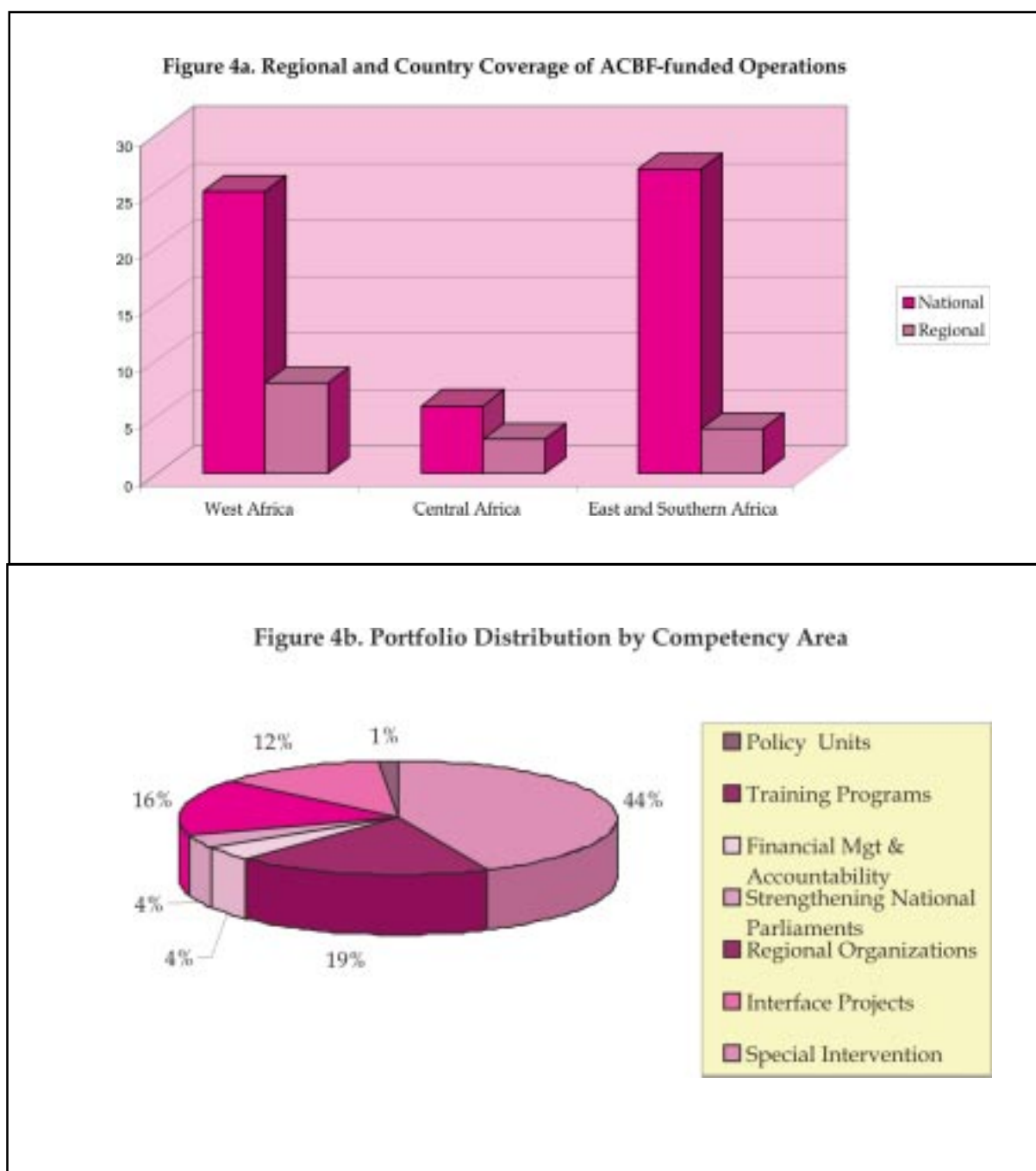
**Figure 3. Project/Program Development and Implementation Flow Chart**



Apart from the 11 economic and financial management programs (which support Master's-level and specialized training institutions) already listed above, at the regional level the portfolio comprised 11 additional operations in support of regional organizations. These were made up of 9 interventions in core public sector areas and 2

interface interventions. The public sector operations support capacity-building activities largely through training, policy analysis and research, exchange programs, internships, in areas such as economic and financial management, trade and international negotiations as well as issues in regional integration.

**Figure 4. Portfolio Distribution**



The portfolio had one special intervention to strengthen capacity for the management and administration of AIDS programs at the community level in order to raise awareness and share lessons of experience and best practices.

#### Achievements and Utility of Outputs

During the year, the performance of operations in the Foundation's portfolio was satisfactory. The institutions supported by the Foundation

the underlying issues affecting the development process and provide necessary inputs into policy/program design and implementation; (ii) donor agencies to facilitate reforms in development assistance policies and programs and their management; and (iii) the private sector to provide informed analysis for investment planning and foster effective dialogue with the public sector.

Policy studies and research commissioned through the policy units by government, the private sector,

#### Box 4. The Seed Grants Program: A Snapshot

In a bid to improve its responsiveness to the needs of beneficiaries and to introduce some flexibility into the Foundation's capacity-building operations, the Executive Board approved a Seed Grants Program in 2001. Under this program, the Executive Secretary would be able to provide limited-scale, one-off assistance to very specific areas of need that require immediate support within a much shorter period of time than would be the case with a regular project. Activities targeted included co-sponsorship of major regional workshops, seminars and conferences; conduct of special studies; specialized data surveys; and support for exchange and collaborative programs. The Seed Grants program is also intended to enable the Foundation to take

forward its collaboration with partner institutions. The approved program for 2001 provided for five seed grants with a ceiling of US\$6,000 per grant. Proposals for support were screened and appraised within the Secretariat prior to presentation to the Executive Secretary for approval.

During the year, the following activities were supported under the Seed Grants Program:

1. Co-sponsorship of NLTPS Regional Workshop in Dakar, Senegal
2. Co-sponsorship of the Second PRSP Workshop in Dakar, Senegal
3. Commissioning of PRSP Mapping Study – ACBF, UNDP and IDS-DFID (first draft report submitted)
4. Pursuit of NLTPS-ACBF Book Project (preparation in progress)
5. Preparation of ACBF-ISS Book on Governance, Reforms & Policy Outcomes (work in progress)
6. Co-sponsorship of Regional Workshop on “Integrating Financial Markets in the ECOWAS Region” - ACBF-African Capital Market Forum, in Accra, Ghana
7. Co-sponsorship of a national forum to strengthen the link between the Faculty of Commerce, University of Zimbabwe, with commerce and industry in the country in order to enhance the relevance of curriculum to the needs and expectations of the country's private sector.

undertook research, policy analysis, training, linkage and exchange programs, among numerous other capacity-building activities, which contributed to improvement in development management at the national and regional levels. They also started to contribute to the strengthening of the voice of civil society and the private sector in the articulation, design and management of development policies and programs. The bulk of the research and policy analysis work was commissioned by: (i) governments to enhance their understanding of

the donor community rose from 1256 to 1408. A total of 36 exchange programs/study visits were undertaken and 127 publications were disseminated in 2001. In addition, the policy units continued to provide support to government agencies in the form of technical assistance. The cumulative number of beneficiaries of training stood at 2,481 compared to 2199 and 1,840 in 2000 and 1999 respectively. In addition, the number of participants who benefited from courses, workshops and seminars organized by national and regional training projects increased



from 12,701 to 15,246. This was attributable to the maturation of training institutions such as NCEMA and MEFMI and policy-unit operations with training components.

### Training Institutions

There are seven national training interventions (the four EPM projects, EMPAC, NCEMA II, and UNAM) in the Foundation's portfolio. UNAM became effective in May 2001 and kicked off its master's degree program in Public Policy and Administration for senior and government officials in response to the critical shortage of relevant and experienced personnel in the Namibian civil service. All the other ongoing interventions maintained a satisfactory performance during the year. NCEMA has so far conducted 20 training modules out of the 30 envisaged under its second phase. The courses have benefited a total of 777 officers drawn largely from the public sector. EMPAC succeeded in establishing a Macroeconomic Policy Reference Center in the Ministry of Economic Development and Cooperation of Ethiopia and in enhancing the capacity and utility of the Library and Computer Laboratory at the Economics Department of Addis Ababa University. This was consistent with its efforts to improve and sustain the quality of post-graduate education in the country.

The regional training institutions (AERC-CMAP, BCEAO/BEAC – Macroeconomic and Financial Management, BEAC/BCEAO – Debt Management, MEFMI, PTCI, SARIPS and WAIFEM) continued to strengthen skills in the core public sector. Beneficiaries from the core public sector accounted for about 80% of participants on average, and the retention rate for beneficiaries of post-graduate training remained high as evidenced by the results recorded by AERC-CMAP and PTCI.

*AERC-CMAP* and *PTCI* have established a reputation of excellence in their economics training programs. Due to increasing demand for top-flight economists, policy analysts and development manager, the Foundation approved the proposal for AERC-CMAP Phase III in April 2001, which eventually became effective in August

2001. The program is extended to bring in at least three universities from four countries that have been ravaged by conflicts, namely Rwanda, Burundi, Eritrea and Liberia. This will go a long way in strengthening the Foundation's interventions in these troubled countries. CMAP III also provides an opportunity to further reduce the average cost of the program, as beneficiaries of the program at doctorate level will constitute a greater share of the faculty for the Joint Facility for Electives. By the end of year 2000, the AERC-CMAP had supported 863 students at post-graduate level, comprising 38 Ph.D. and 825 Master's Degree graduates. On the other hand, 616 students had benefited from PTCI post-graduate training.

*MEFMI*. The Macroeconomic and Financial Management Institute (MEFMI) continued to demonstrate its leadership role in capacity building in debt management. The Institute has improved capacity in macroeconomic analysis, policy formulation and execution, and has upgraded awareness and skills in the application of sound macroeconomic systems. Also, it has enhanced knowledge and skills in the implementation of monetary policy operations as well as sharpened awareness and understanding of the operation of financial markets, risks and risk management tools and techniques. Moreover, the Institute has contributed to the improvement of coordination among and within institutions of the member states that are responsible for financial and economic management, including public debt management. A total of 373 participants benefited from its workshops/courses, out of which 161 were female. In addition, it organized executive forums and fellows development training programs benefiting 19 and 13 participants respectively. MEFMI also carried 8 policy studies commissioned by member states and other stakeholders. These studies include: *Debt and Cash Management Study* for Tanzania; a *Manual on the Implementation of Debt Sustainability Analysis* for all member states; and the *Measurement of International Capital Flows* in the MEFMI region.

*WAIFEM*. This operation, which is a collaborative venture of the Central Banks of the five



**Box 5. AERC-CMAP: Achievements and Impact**

The AERC-CMAP is one of the more successful initiatives being supported by ACBF. To date, 800 students have graduated from the program. Another 138 have been supported for thesis research, while a further 38 have been supported through Ph.D. research fellowships. Ninety of the recipients of thesis grants completed their studies while ten of the research fellowship recipients graduated. AERC has published an alumni directory for tracking the careers of CMAP graduates. The distribution of the graduates so far is as follows: universities (66), governments and parastatals (218), NGOs (26), other training institutions (12), research institutions (5), financial institutions (44), and the private sector (219). The funding support provided to the economics departments of participating universities has increased the range of opportunities for faculty and created a conducive and pleasant environment for both students and themselves. This has improved morale and contributed to faculty retention.

Collaboration in the development, periodic review and evaluation of standardized instructional materials by regional and

international experts has helped to ensure that the quality of the degree remains high and relevant to the African context. There is improved staffing of departments of economics in category A universities. The wide range of elective courses available under the JFE would not have been available to students in any one university. In particular, the addition of courses such as corporate finance and investment, managerial economics and other cutting-edge topics has enhanced the suitability of the program to the needs of both the public and private sectors. The JFE's design that focuses on collaboration in the development of curricula and application of standards is forging regional cohesion of institutions and students. This has the potential of fostering networking and regional cooperation among future economists, policy researchers and policy makers in the region.

The CMAP has improved completion rates for master's degree graduates significantly. Previously, master's degree programs could take as long as five years and the completion rate was much lower. There has been a

steady increase in support for, and patronage of, the program by employers. As a result of the economies of scale generated by the CMAP, the program has succeeded in reducing overall costs per student trained. Governments and other institutions that used to rely on overseas training are now sending their employees to CMAP due to the reduced cost and relevance of the program to the African context. The two-year master's degree program offered by AERC-CMAP costs US\$22,000 compared to the same program at McGill University in Canada (US\$50,000) and Columbia University in the United States (US\$70,000).

AERC is fostering gender balance by vigorously addressing obstacles faced by women pursuing post-graduate training in economics. For example, it accommodates nursing mothers at the JFE. This has contributed to the increase in the number of female students enrolled in the Program from 9% to 17%. Graduates of the CMAP serve in economic management agencies in government, central and reserve banks, commercial banks and the departments of economics in various universities.

Anglophone countries of West Africa (The Gambia, Ghana, Liberia, Nigeria and Sierra Leone), was established in 1996 as a sub-regional training organization aimed at developing critical skills for macroeconomic and financial management among the staff of Central Banks and other public sector bodies with core economic management responsibilities in the sub-region. During the first four years of its operation, the Institute organized short-term customized courses benefiting 1064 participants from central banks (56%), ministries of finance and economic planning (12%) and other public and private sector agencies (32%). The Institute commenced full implementation of the capacity building program (CBP) with funding by

ACBF in January 2001. The program comprises three core components - debt management, financial sector management, and macroeconomic management.

*EPMs.* Each of the four EPM programs has successfully graduated 2 cohorts of a total. Out of a total of 226 students admitted to the four programs, 210 of them have completed, representing a passing rate of 93%. The programs have either completed the third cohort or are in the process of doing so. All four-partner universities have successfully managed the transfer process, thereby becoming the only academic institutions that have organized a

graduate training program in economic policy management in Africa. The total cost per student has been reduced from an average of US\$60,000 at McGill and CERDI to an average of US\$ 22,000, and the actual figure will eventually be lower when all four cohorts finally graduate from each program. Virtually all the training of students has been undertaken in Africa – which exposed participants to the practical realities of economic policy management.

### Policy Units

Policy units supported by the Foundation continued to play a catalytic role in the process of policy analysis, policy and program formulation and management as well as policy monitoring and evaluation in many countries. Highlights of the utility of the outputs of projects and programs financed by the Foundation include the following:

- Macroeconomic and sectoral policy analysis and research by the projects continued to provide a strong basis for policy reforms, design, implementation and monitoring. The analytical works made some contributions to improvements in:
  - o Rural development and agricultural policy reforms (Tanzania (ESRF), Kenya (IPAR & KIPPRA);
  - o Public expenditure review and reform of tax policy and budgetary processes (e.g. Benin (CAPE), Ghana (CEPA), Senegal (UPE) and Tanzania (ESRF);
  - o Efficacy of economic forecasting and enhancement of macroeconomic and sector-based policy analysis and planning through efficient macro and sector models in areas such as agriculture, education, infrastructure, health, small and micro-enterprises, tourism (e.g. Côte d'Ivoire (CIRES-CAPEC), Kenya (KIPPRA), Nigeria (DPC) and South Africa (NIEP) etc;
  - o Contribution to the preparation of national development plans and development of national vision documents (e.g. Botswana (BIDPA), Kenya (KIPPRA), Namibia (NEPRU), Zambia (DMPA);
  - o Country Development Assistance Strategies (ESRF, Tanzania);
- o Research and consultative support, drafting and review of poverty reduction strategies and programs, including PRSPs and the consultative process involved (e.g. Kenya, Tanzania, Namibia, Benin, Mali, Zambia). NEPRU led the preparation of Namibia's National Poverty Reduction Action Plan; DMPA has continued to serve as the Secretariat for the consultative process and preparation of Zambia's PRSP; and CAPE played a central role in the design of the PRSP in Benin; and
- o Understanding of the dimensions and implications of the new EU-ACP Cotonou Agreement and challenges for African countries (e.g. Benin, Cote d'Ivoire).
- Secondment of core professionals to economic ministries and agencies helped to strengthen capacity for policy analysis and assisted in the implementation of specific development policies and/or programs (e.g. Botswana, Kenya, Senegal and Zambia).
- Participation of the professional staff of the institutions supported in national delegations to regional and international meetings and conferences, including WTO conferences, helped to inform policy dialogue and assisted countries in positioning themselves strategically on policy issues (e.g. Botswana, Kenya and Zambia).
- The participation of institutions in inter-ministerial task forces and committees for policy analysis, review, reform and/or monitoring contributed vital inputs in the design and implementation of policy and institutional reforms as well as the effectiveness of development policies and programs (e.g. Kenya, Namibia and Zambia). For instance, like KIPPRA and other policy units, DMPA staff represent the Ministry of Finance and Economic Development in various working groups and were involved in the negotiations of the 2001 economic reform program with the IMF and coordinated the review of the program in June 2001.
- The projects in the portfolio also made

**Box 6. Capacity Building for Debt Management: The Role of ACBF**

Through its support to regional debt management organizations, ACBF has made a direct contribution to the implementation of the Enhanced HIPC program. Indeed, the Foundation has maintained its support to MEFMI, the BEAC/BCEAO Debt Management Program and WAIFEM covering 27 African countries from three sub-regions: MEFMI for Eastern and Southern Africa; BEAC and BCEAO for Francophone Central and West Africa; and WAIFEM for Anglophone West Africa.

The three programs offer both in-service training and support missions to member states. An independent evaluation of the capacity-building programs implemented by the three regional organizations concluded that the courses and technical missions have been of high quality and are cost effective.

The training workshops and technical missions deal with front office, middle office and back-office operations of debt management. The workshops focus on enhancing practical skills required for producing debt strategy reports and conducting debt negotiations. The workshops and support missions have been valuable for countries that have reached the HIPC decision point. In some countries, the capacity-building program has enabled them to update their analysis of HIPC relief and the expected impact of funding poverty reduction programs. Country debt strategy reports show that a significant number of countries that have reached HIPC completion

points remain largely exposed to external shocks and are likely to experience problems with the sustainability of their debts.

Domestic debt has also emerged as a major concern for a number of countries and they have expressed a need for assistance in developing coherent domestic debt strategies. Two regional programs have organized workshops on domestic debt that enable participants to review methodologies for integrating fiscal, financial and real sector effects in the analysis of domestic debt sustainability.

While it is recognized that the capacity-building programs have had a significant impact on the capacity of the relevant member states to develop debt strategies, produce reliable debt statistics and enhance their skills in debt negotiations, the sustainability of those capacity-building efforts remains a challenge as other institutional issues remain to be addressed. Indeed, revitalizing the capacity of debt management agencies would require the commitment of member states to streamline macroeconomic management, align budget policy with debt sustainability requirements, and take appropriate action to ensure the retention of skilled personnel who are operating key functions in debt management.

ACBF has been co-operating closely with other donors providing support to the HIPC Capacity Building Program (CBP). The Foundation has provided input toward the independent review of the Debt Capacity Building Program implemented by Debt Relief

International (DRI). It has participated regularly in the activities of the HIPC CBP Steering Committee - including the London meeting in June 2001 and the Maputo meeting of Ministers of the SADC region organized jointly by the Government of Mozambique, SIDA and DRI in November 2001. The two ministerial meetings adopted declarations dealing with HIPC II implementation issues, including acceleration of HIPCs to reach decision points and enhanced financing of debt relief and support for the reinforcement of debt management capacity-building interventions. The HIPC CBP Steering Committee has provided an effective forum for coordination of debt management capacity-building activities between Africa-based regional organizations and DRI on one hand, and between donors and debt relief beneficiaries/stakeholders on the other.

ACBF has continued to encourage mutual learning among the three Africa-based regional organizations. They have regularly organized study visits to their respective organizations for their senior officers and exchanged experiences on ways of upgrading the pool of qualified experts in debt management. Within the framework of the HIPC CBP, the three regional organizations exchange information regularly on their respective work programs. It is anticipated that they will soon organize structured consultations among their respective Ministers of Finance and take a leading role in distilling best practices in debt management extracted from their own experiences.

contributions to reform of policy institutions and prepared briefing papers for government on aspects of development policy issues (e.g. review of the President's Economic Advisory Council and Land Reform Program in Namibia, briefing papers in Namibia (NEPRU), Senegal

- (UPE) and Zambia (DMPA). The contribution of the institutions to the flow of economic information through book series, research report series, working papers, occasional papers, economic reviews policy briefs, policy analysis series, journals, monthly

### Box 7. Economic Policy Management Training Programs: Preparing Public Sector Managers for the 21<sup>st</sup> Century

The four Africa-based Economic Policy Management (EPM) Programs were approved by the Executive Board of the Foundation in November 1996 with the main goal to improve the efficiency of the public sector in the four sub-regions covered by the programs through enhancement of capacity for economic policy analysis and management.

Each EPM project has two main components: (i) enhancement of the capacity of the Economics Department of the University supported by the project so that it can host and deliver the program; and (ii) administration of a scholarship program to support 4 cohorts of 30 scholars each to enable them to follow course work and an internship. Support is being provided through the development of infrastructure (classrooms, library, computer laboratory,

training equipment). And the training of future faculty. Human capacity, organization of attachment programs and exchange of faculty, etc. McGill University and CERDI were assigned the responsibility of assisting APUs in the development of the training infrastructure using resources from the pilot projects.

There are several opportunities to be seized by all four EPMs in the environment in which they operate. First, even though the programs are not widely known, demand for admission has been growing. Also, the launching of PRSP processes in countries covered by these programs is an opportunity to be seized to market the graduates and request that countries obtain financing to send scholars to the programs. Moreover, the fact that these programs have a monopoly over the training of policy analysts and managers in Africa is also an

opportunity to be seized. In addition, the existence of the Joint Africa Institute (JAI) with considerable financial resources and ready to cooperate with EPMs is another opportunity to be captured by these programs to mobilize additional qualified trainers. Finally, the existence of a market for short-term training is an opportunity to be seized by all EPMs.

As the Foundation gears up to launch the design of the second phases of the EPMs in Africa with the active participation of the four APUs, it will take into account not only the achievements, strengths and weaknesses of the four programs as identified during the mid-term reviews of these programs, but also the main changes in the environments of economic policy management ministries and agencies that employ the graduates.

macroeconomic indicators, economic reports, among others, is assisting to heighten awareness of development issues and enhance understanding of policy options. This is playing a vital role in dialogue among stakeholders in national development.

- The institutions provided a platform for broadening consultation and dialogue among development stakeholders at the national level, especially through the activities of the interface projects such as the interface project in The Gambia as well as CSD-PSF, PRIESP, PSCGT and SANGOCO projects.
- At the regional level, institutions undertook activities geared towards the design of convergence criteria for harmonization of agricultural economic policies in UEMOA countries (PRIECA/AO), strengthening of the capacity of

Highly indebted poor countries on the Continent on issues relating to debt relief and poverty reduction (BEAC/BCEAO), served as part of regional organizations/ government delegations to conferences, roundtables and negotiations addressing issues in various aspects of inter-regional relations.

#### E. Assessment of Performance and Lessons of Experience in the Implementation of Projects and Programs

In 2001, even as the Foundation strove to consolidate its performance, it had to address a number of constraints affecting project/program development and implementation. Continuing conflict in some countries made it difficult for the Foundation to commence project development activities, explore further potential interventions for pipeline development or monitor effectively the



implementation of operations in its portfolio. There was an attempted coup in the Comoros, gunfire and heightened tension in the Central African Republic, separatist tendencies in Cameroon as well as ethnic and religious violence in Nigeria. Although the eight-year civil war in Burundi was brought under control through the formation of a transitional government that provided for power sharing in November 2001, the environment remained characterized by uneasy calm and tension. In addition, Sierra Leone,

performance could have been stronger but for the increased number of unplanned activities that the Foundation had to address. These included the Change Management Consultancy assignment and review of the performance of the entire portfolio by DFID on behalf of the Board of Governors. Although the Compensation Review Exercise was a planned activity, it drew more heavily on staff time than was initially anticipated.

The good performance in 2001 was attributed to a

#### Box 8. KIPPRA: From Slow Starter to Award Winner

The Kenya Institute for Public Policy Research and Analysis (KIPPRA) was established to undertake research that would inform the policymaking process in government and strengthen the human and institutional capacity of the Ministry of Finance and Planning and other government agencies in order to maximize the utilization of research outputs.

Over the last three years, KIPPRA has built strong collaborative ties with key government departments involved in fiscal policy and monetary management, PRSPs, trade and private sector promotion. It is now well-positioned to participate in government task forces or respond to ad hoc requests for policy advice on urgent policy matters. KIPPRA has strengthened its ties with government and other agencies through its capacity-building programs that involve training of officials in the operation of

macro- and micro-models developed by the Institute. In this connection, it has helped to enhance the skills of officers seconded from the university and the Kenya Private Sector Foundation as well as from the Departments of Trade, Industry, Finance and Planning, and Education.

KIPPRA has produced high-quality, demand-led policy studies that have found their way into government white papers or informed government decisions in key areas such as regional integration and trade, COMESA, and WTO negotiations. KIPPRA has also provided strategic inputs into the preparation of the PRSP, Fiscal Strategy Paper, Development Plan, Sessional Papers, Budget, Private/Public Sector Forum and other sector-based studies. The quality of KIPPRA's research work has been widely acclaimed by its clients and donors. One stellar illustration of the innovative quality of its work was the Award it received in 2001

from the Global Development Network for its outstanding research on an alternative model for infrastructure services delivery to improve access to such services by low-income urban households. KIPPRA has also developed a macro-model that is being used by the Treasury, the Central Bank and other international financial institutions. The model is gradually attracting interest from researchers and treasury officials from other member countries of the East African Community.

The success of KIPPRA demonstrates that there is a substantial demand for policy analysis in government. It also shows that although a public policy research institute can maintain its independence and high quality of research work, it still has to cope with the difficult question of how to balance the allocation of resources between the implementation of its core research programs and unplanned demands for research and technical advice from government.

Liberia, Angola, Mozambique, Eritrea and the Democratic Republic of Congo, among others, remained politically volatile during the year.

In spite of these constraints, the Foundation performed well in 2001, if judged against the operational targets set for the year. Such

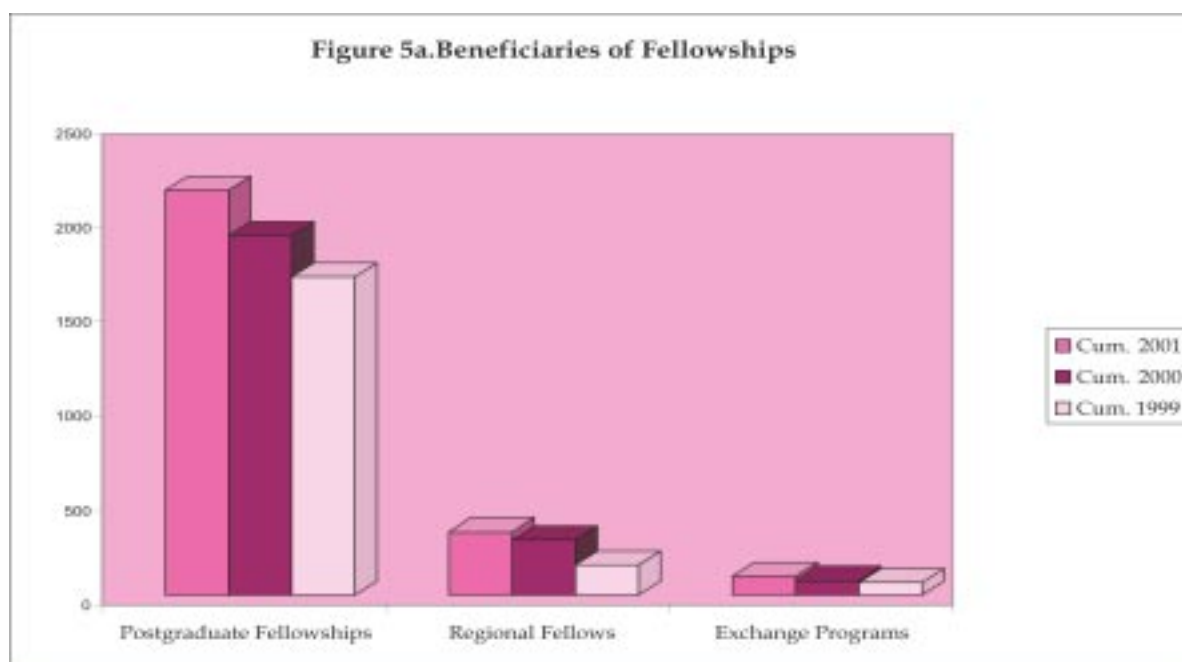
number of factors: First, the Foundation's performance in 2000 set a benchmark that the Foundation sought to emulate. Second, besides the improved productivity resulting from the staff experience and exposure gained by staff over the years, the staffing level in the Secretariat rose significantly during the year as a result of a

successful recruitment drive. Indeed, of the 14 vacancies that were filled in 2001, eleven were professional positions – a Finance and Accounts Manager, 5 Program Officers, an Administrative and Human Resources Officer, 2 Disbursement Assistants, an Information Technology Officer / Webmaster, and a Logistics, Meetings and Travels Assistant. With respect to the support staff, the Foundation recruited a Treasury Clerk, a Bilingual Secretary and a Secretary. Third, more effective supervision and monitoring of projects as well as stakeholders' commitment also played a significant role in raising the performance level. For example, many projects approved in 2000 and 2001 became operational. A total of about 35 Grant Agreements were negotiated and signed, 22 of which became effective before the end of year. These figures exceed the cumulative total over the period 1991-1999 and double that for 2000. This trend reflected a strong commitment by stakeholders to ensure the timely take-off of the projects they were promoting. One direct consequence of the speedy commencement of project activities is the expectation that disbursement levels will rise in 2002. The Foundation plans to further scale up the rate of

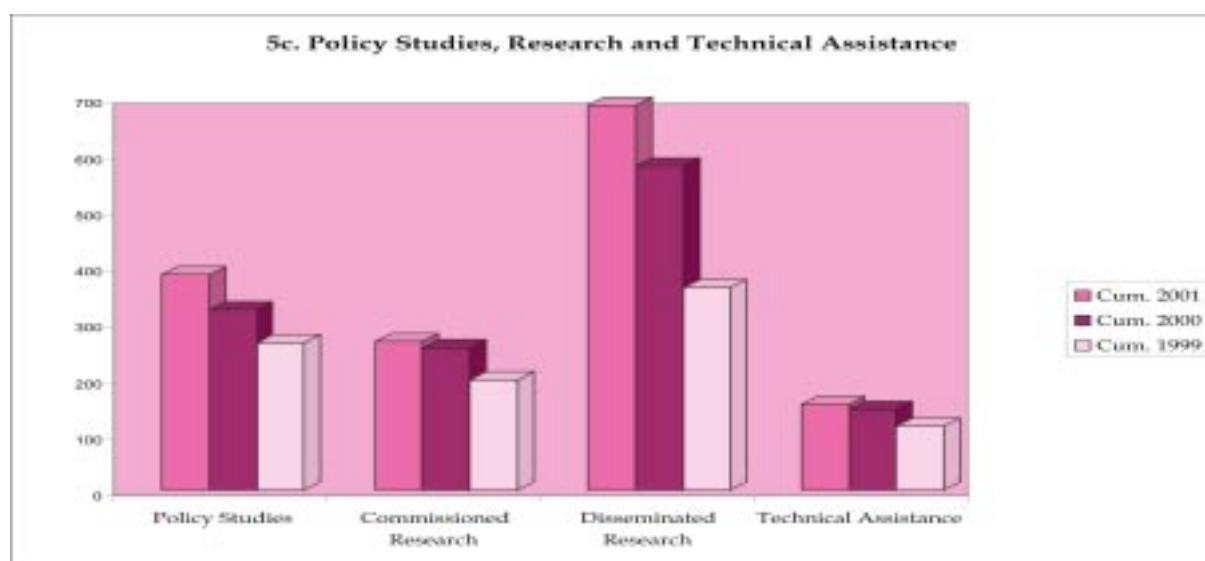
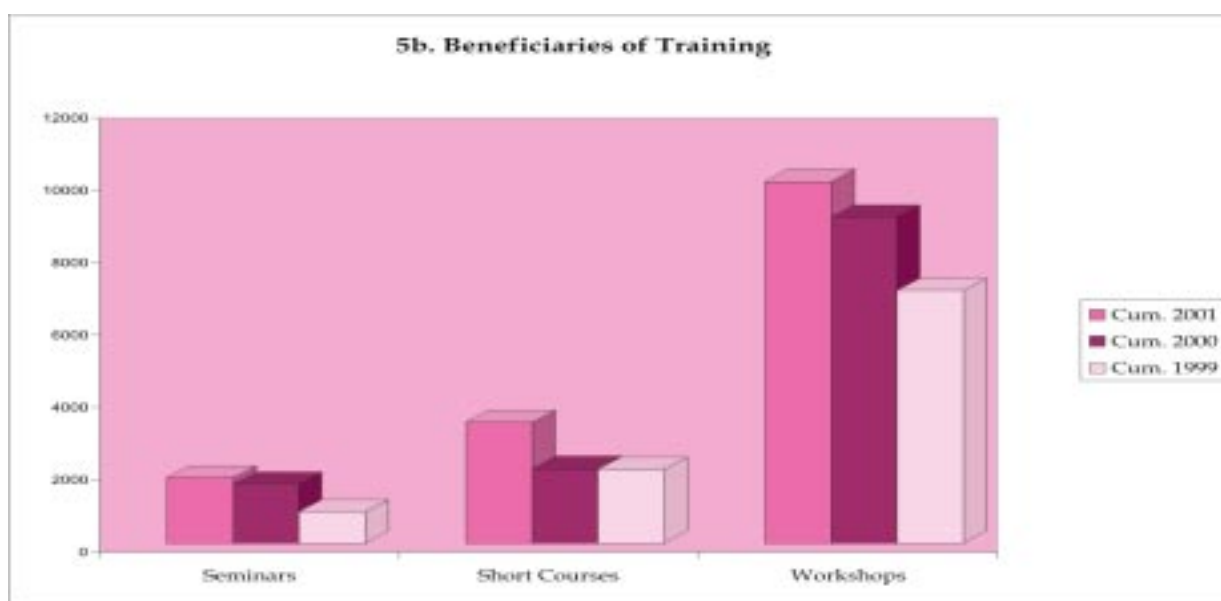
disbursements by organizing a series of workshops and training modules in early 2002 aimed at better acquainting finance and accounts officers in the projects and programs it supports with the Foundations financial and procurement procedures.

Ongoing projects and programs continued to maintain a commendable momentum in the implementation of their activities. Of the 9 projects approved in April 2001 (Corporate Governance, Kenya; Community Action on HIV/AIDS, Swaziland; Strengthening of Consumers' Capacity, Consumers International, Africa Regional Program; AERC Collaborative Master's Program in Economics, Phase III; Botswana Institute for Development Policy Analysis, Phase II, Botswana; Centre for Policy Analysis, Phase II, Ghana; Economic and Financial Management in the Core Public Sector, Cameroon; Economic and Administrative Reform, Chad; and Enhancement of Financial Accountability and Budgetary Discipline, Djibouti), Grant Agreements were negotiated and signed for 7 and the projects are fully operational. The Grant Agreements for the remaining two, BIDPA and CAMERCAP, are

**Figure 5. Portfolio Operations: Output Performance, 1999 - 2001**







**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 programs

scheduled for negotiation by the end of the year. The Foundation will continue to work to shorten the time-lag between the approval of projects and programs and the effective start-up of their operations.

NFPs remain important instruments for coordinating capacity building and strengthening

participatory development. The extent of ownership of PRSPs at the country level needs improvement. Much, however, is currently being done by the World Bank and other multilateral as well as bilateral and regional organizations to strengthen national ownership. The level of, and capacity for, effective participation of stakeholders (especially the private sector and civil society) in

the design, implementation, monitoring and evaluation of the PRSPs will nonetheless benefit substantially from further support. There is need for the Foundation to provide direct and visible support to participatory development frameworks and enhance stakeholders' capacity to participate in the design, implementation and monitoring of the implementation of PRSPs. It is also desirable to bring together at the country level the NFP, ACBF-supported policy unit(s)/ training institution(s) and the national PRSP team to form a nucleus of the institutional support for a country's comprehensive poverty reduction programs.

In 2000, the Foundation focused, inter alia, on the following issues: (i) lessons garnered in connection with the location of policy units in government because of the need to strike a balance between enhancing the visibility of such units and ensuring their effectiveness; (ii) the problem of co-financing and its implications for the timely negotiation of Grant Agreements and the successful implementation of project activities; (iii) the long-run sustainability of the Foundation's interventions, which justifies the need for project re-financing; (iv) staff retention in the context of contract-based appointments as is the case with most of the institutions supported by the Foundation; (v) staffing of policy units in government with officers drawn from the civil service and the implications of this approach for the future of incentive systems in the civil service; and (vi) the role and responsibilities of the governance structures in projects and programs

### Box 9. Enhancing Financial Accountability and Budgetary Discipline: The Case of the CCDB Project in Djibouti

In Djibouti, the worsening fiscal situation has been accompanied by a deterioration in the control and management of public expenditure. The growing stock of domestic arrears has led to a loss of credibility in claims on the state and an escalation in the use of ad hoc procedures such as uncontrolled advanced payments that have often circumvented the normal accounting and control system. Such measures have reduced transparency and accountability- thereby contributing to further overruns.

The Executive Board approved a grant of US\$1,234,291 to the *Projet de Renforcement des Capacités de la Chambre*

*des Comptes et de Discipline Budgétaire de la République de Djibouti (CCDB)* in April 2001. The main goal of the CCDB is to improve governance in the country through the development and operation of transparent and accountable institutions. This goal will be reached through enhancement of the institutional capacity of the CCDB as well as the attraction and retention of qualified professionals. The CCDB will also seek to upgrade the relevant skills of current staff members. The Grant Agreement between ACBF and the CCDB was negotiated and signed in July 2001 and became effective immediately thereafter.

Since the project became operational in July 2001, it has played a critical role in enabling the CCDB to launch its activities as an independent financial accountability unit in Djibouti - thereby helping to transform itself from a dormant entity into a potent and effective instrument for forging change in the country's financial accountability and budgeting systems. It is expected that the CCDB will emerge as a center of excellence in the discharge and monitoring of judiciary and administrative audit functions.

supported by the Foundation.

Many of the above issues remained relevant to ongoing operations and will continue to inform the Foundation's interventions. However, other lessons or issues stand out: First, there is need to strengthen the present shift in favor of broad-based ownership of projects and programs as this offers a better framework for more effective and sustained stakeholder participation and commitment. Besides enabling the enhanced participation of stakeholders, such operations allow for a greater level of transparency, effectiveness and impact.

Second, there is need to revisit issues concerning the emergence of NFPs. It has become obvious that two preconditions are vital for the effective establishment of NFPs: (i) strong political commitment, especially by the government; and (ii) the availability of adequate resources to support the main activities expected of a functional

**Box 10. PNRC-CMAP, Mauritania: An Innovative Approach to Capacity Building**

The *Programme National de Renforcement des Capacités* (PNRC) in Mauritania is the overarching framework within which the Government's capacity-building effort is organized. One key element of the PNRC is poverty reduction, guided by models and lessons drawn from current poverty reduction strategy paper (PRSP) processes all over the Continent. Given the significant capacity gaps prevailing in Mauritania, ACBF sought to intervene in the country by weaving its operations into the broader ambit of ongoing initiatives. This resulted in the design of an innovative operation – the *Centre Mauritanien d'Analyse sur la Pauvreté* (CMAP) – that combines key components of the Foundation's competency areas (economic policy analysis and management as well as professionalization of the voices of the private sector and civil society), all within a think-tank and policy dissemination framework. The principal goal of the PNRC-CMAP is to create, utilize and retain the requisite institutional capacity to articulate strategies and policies for poverty reduction and sustainable development and to ensure ownership of such strategies by Mauritians. The PNRC-CMAP is also aimed at fostering a more productive dialogue between the Government and the other

stakeholders or sectors in the country.

The PNRC-CMAP will thus be the major vehicle for:

- Enhancing economic policy analysis capacity in Mauritania. This strategic approach was adopted in response to the weak institutional capacity of public administration agencies and training institutions in the area of policy analysis and development management in the country. The PNRC-CMAP will thus play a leading role in:
  - Generating policy-related studies aimed at assisting Government in formulating and implementing objectives and strategies in the areas of poverty reduction, macroeconomic policy as well as human and institutional development;
  - Enhancing the advocacy and policy analysis skills of civil society organizations to enable them to contribute usefully to policy discussions and monitor adequately the implementation of policies affecting them;
  - Formalizing dialogue among all the key segments of the society in order to consolidate their views, facilitate ownership and internalization of programs and rationalize the supply and demand of studies and information in the field of economic policy analysis on poverty issues;

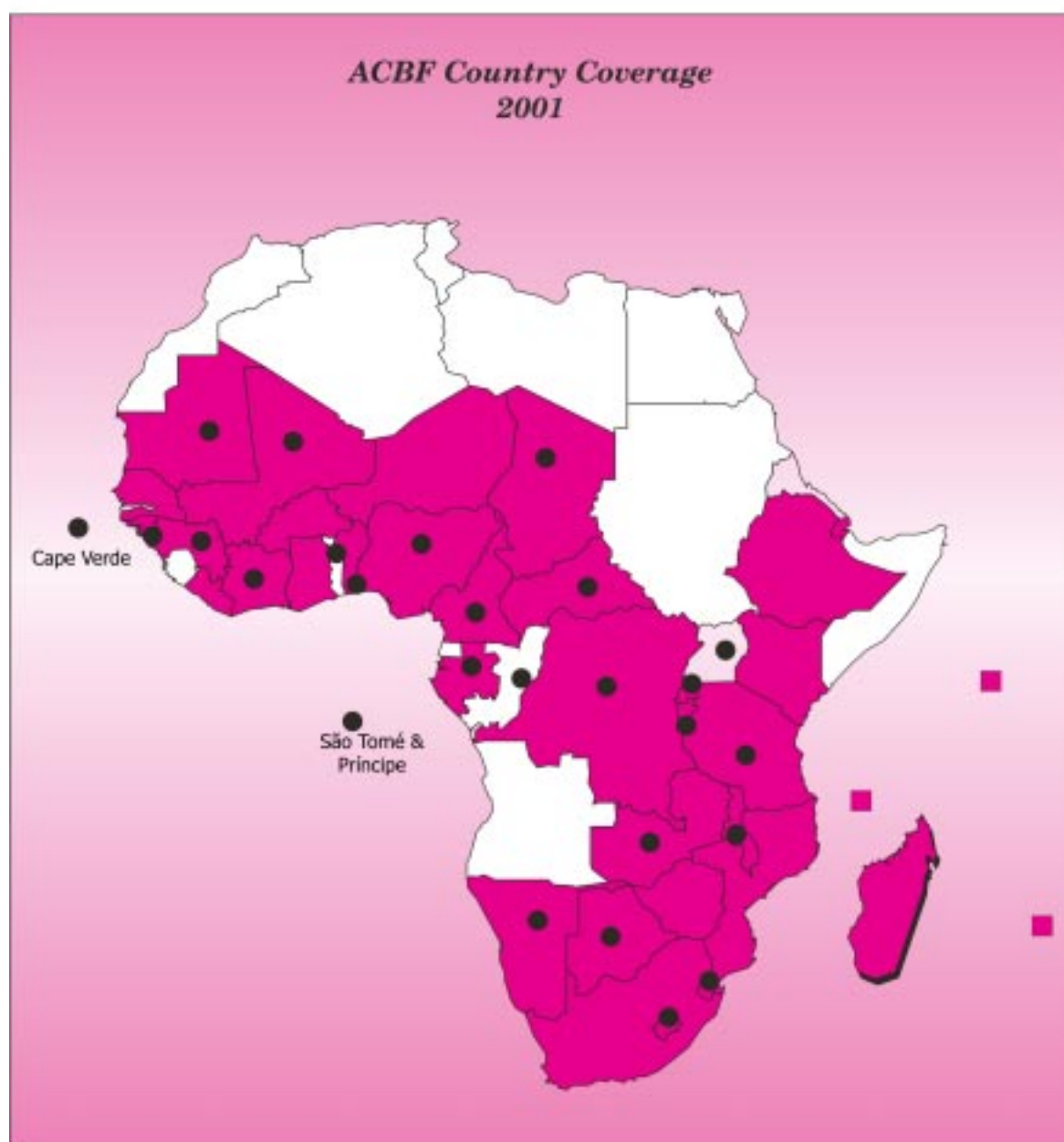
- Adopting a strategic approach for the dissemination using new technologies of a regular supply of competent analyses, clearly defined messages, targeted publications, and monitored feedback. It is expected that the supply of relevant policy advice to Government agencies by other stakeholders will hone public-sector sensitivity to the complexities of policymaking in area of poverty reduction. The result would be a convergence of actions and purposes as well as improvement in the design, formulation, implementation and monitoring of economic and social policies;
- Setting up a documentation center and one-stop gateway for information on poverty, poverty reduction practices and lessons in Mauritania for dissemination on a regular basis to stakeholders; and
- Convening seminars and other forums in order to foster discussions on major economic policy issues leading to poverty reduction. It is expected that this will culminate in the institutionalization of a national forum or round table of policymakers and leaders of the private sector and civil society that would foster the exchange of views as well as serve as a mechanism for shaping and monitoring the implementation of recommendations.

NFP. The difficulty currently facing the emergence of NFPs lies in the absence of strong political support and effective commitment by the private sector and civil society. An improvement in their resource base will also take them a step further. In most cases, the lack of strong political commitment and inadequate funding are clear indications that the prospects of NFPs serving as effective institutional support mechanisms for upstream operations remain remote.

Third, greater attention should be accorded to the institutional anchoring of ACBF-funded operations

in order to strike an adequate balance between visibility and effectiveness concerns, as amply demonstrated, for example, by the relocation of CAFPD from the Office of the President to that of the Prime Minister. Lastly, the Foundation needs to pay more attention to the tracking of the impact of the operations in the portfolio and to the broadening of policy dialogue at the country level among a broad and representative array of stakeholders. Such broadening of consultation will strengthen support for participatory development as well as the role of the private sector and civil society in the design, implementation and

## Map



No. of countries: 37  
 No. of regional organizations: 20  
 No. of national focal points: 26

● *National Focal Point*  
 ■ *National/regional project*

*This map does not represent an official map of Africa.*

monitoring of poverty reduction programs.

Fourth, the Foundation needs to monitor more

closely interface operations involving the private sector and civil society as they present new challenges arising from their special orientation, focus and priorities.

# Section



# Five



## POLICY AND INSTITUTIONAL DEVELOPMENT ISSUES

### A. Donor Coordination, Co-financing Policy and Capacity Building

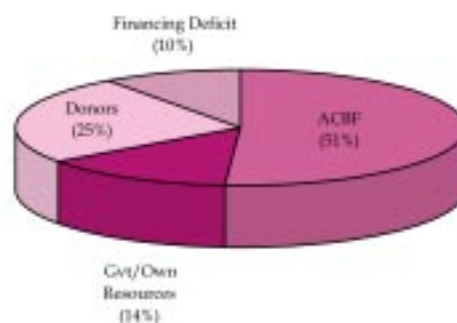
Over the years, ACBF has considered co-financing, especially joint (as opposed to parallel) funding, as an important instrument in mobilizing resources for the implementation of viable projects and programs. Co-financing is essential not only because it helps to cover the relevant financing gaps, but also because it elicits a higher level of commitment and ownership by beneficiaries of ACBF support who provide counterpart funding. In addition, co-financing is an excellent vehicle for ensuring consistency between ACBF operations and those of other donors. Co-financing also fosters a supportive environment by bringing together countries with different implementation schedules and disbursements rules. Such coordination and integration of various capacity-building projects and programs are needed to avoid fragmentation and to obtain optimal results.

The Foundation has invested considerable efforts in assisting recipient countries in identifying co-financing sources as well as in improving the coordination and management of co-financing by broadening consultations with donors actively involved in capacity building in Africa. However, sourcing and confirming co-financing has proven to be the single most significant constraint affecting the normal implementation of national and regional operations. Many ACBF-funded projects and programs have been facing longer gestation periods due to financial shortfalls, despite the Foundation's efforts to invite donors to participate in all phases of the project cycle (including project identification) or to introduce greater flexibility on the issue. The difficulty in securing co-financing could be linked to such factors as the low level of commitment of some donors to strengthening local capacity; and the

different meanings that some donors assign to ACBF co-financing.

The Foundation manages its co-financing policy by encouraging its beneficiaries to seek the requisite co-financing. Apart from 9 projects approved on the basis of 100% funding support from the Foundation, of all other projects have benefited from co-financing from other donors. As shown in the Figure 6, the Foundation's share is the largest in the financing of its projects and programs (52%

Figure 6. Financing Status of ACBF-funded Projects (% of Total Budget)



of the total budget), while pledges from bilateral and multilateral donors account for 26.4%. Governments or the beneficiaries themselves contribute 16.4%. The balance of 5.2% represents the co-financing deficit. Among the co-financed projects and programs, the Foundation's financing support ranged from 4.6% (CSD – PSF, Tanzania) to 77% (PNRC-CAF, Guinea Bissau) of the total cost.

However, experience shows that many projects continue to have difficulty in mobilizing the requisite co-financing. In almost all cases, the total additional funds secured remain short of the total amount pledged. Internally generated financing (that is, financing by recipients from



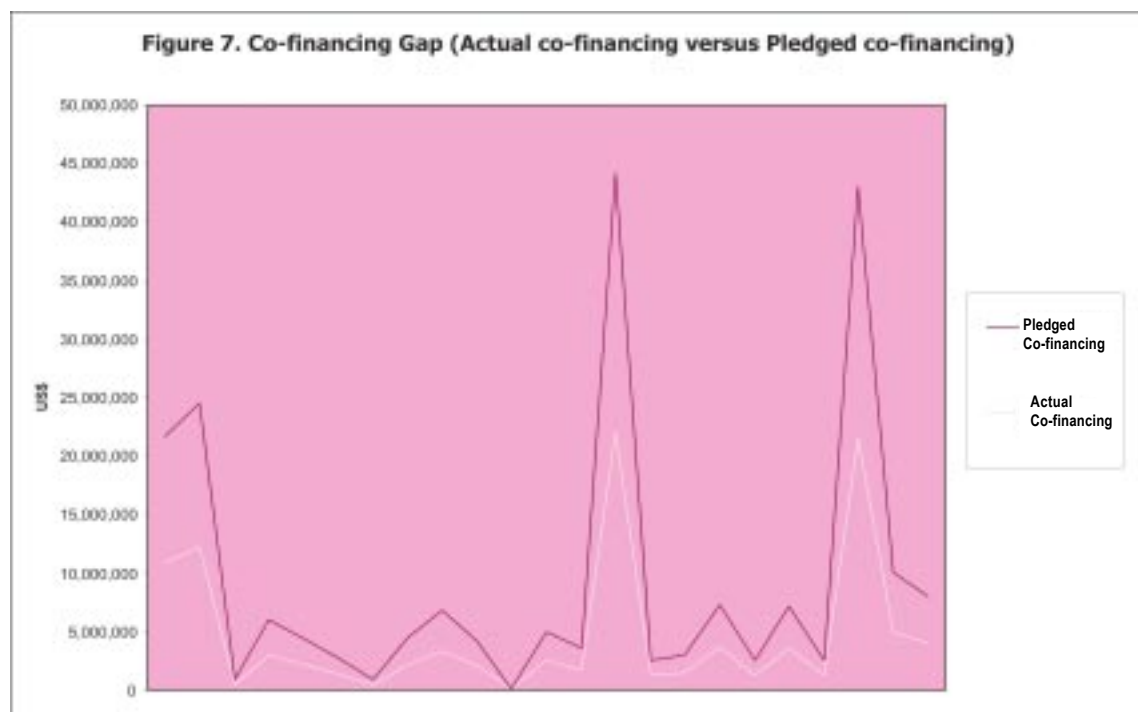
their internal resources or by the Government) is difficult to secure, especially during the start-up of new interventions. This is clearly shown in Figure 7, which indicates that the higher the amount of co-financing, the larger the gap between actual and pledged co-financing. Put differently, the lower ACBF's share of the total cost of a given project or and program, the higher the probability for beneficiaries to face problems in securing the required co-financing from Government and other donors.

As shown in the table below, ACBF's share of co-financing for Phase I interventions represented about 53%, governments and/or beneficiaries contributed 14% while 24% originated from donors. Beneficiaries were able to mobilize 77% of the required co-financing from the total amount pledged. The implication is that whenever the Foundation has adopted a flexible co-financing policy, it has been less challenging for beneficiaries to fill the co-financing gap from other donors and Government.

Also, it can be observed that when the Foundation reduced its financing share from 53% to 41%,

requiring the beneficiaries to mobilize more resources from donors and governments/local sources (36% and 18%, respectively, compared to 24% and 14% for Phase I interventions), the projects or programs were on average only able to secure 67% of the total co-financing that had been pledged. Thus, one conclusion from the foregoing is that, as the Foundation reduces its share and relies more markedly on co-financing from other donors, the ability of projects and programs to generate the requisite outputs tapers off.

The co-financing gaps are attributable to three major factors. First, many ACBF-funded projects are either new or weak institutions, which need to be strengthened. As a result, beneficiaries tend to lack the required proactive approach to secure complementary financing. In the end, the responsibility for sourcing co-financiers effectively shifts from the beneficiaries of projects or programs to the Foundation. Second, major donors are also contributors to ACBF. Thus, it is becoming increasingly difficult to leverage external co-financing, as some donors have often been reluctant to co-finance with ACBF on the grounds that their contribution to the Foundation is



	Closed Projects	Ongoing Projects	New Projects
<b>ACBF*</b>	52.6	41.2	54.2
<b>Resources Pledged by Donors*</b>	23.7	36.6	22.9
<b>Govt. and own Resources*</b>	13.8	18.0	15.2
<b>Financing Deficit*</b>	9.9	4.2	7.7
<b>ACTUAL CO-FINANCING</b>			
(% of Total Co-financing Pledged)	77	67	-

\* (% of Total Co-financing Pledged)

adequate for such purposes – what is now referred to as the double-dipping issue. The policy seems to be that, instead of the Foundation requesting co-financing from them, it should first utilize all their contributions to the Foundation and seek replenishment. However, ACBF has adopted the co-financing strategy precisely as a means to attract bilateral funding for national and regional operations. Third, there are still many aid agencies which either have yet to internalize the concept of capacity building in their programs with local partner institutions or have shifting priorities and financing policies. The different adjustments they are making tend very often to have adverse financial effects on the environment of capacity-building projects and programs.

Consequently, co-financing has become a constraint in the effective implementation of the operations in the Foundation's portfolio. For example, in many cases where co-financing has been a condition for grant negotiation or effectiveness, projects were slow to take off for the simple reason that the project promoters could not secure the required co-financing. In other instances, the results have been that the Foundation provided more than its share of support in the early years of project implementation – thereby exhausting its total support toward half of the lifetime of the project.

In a third category of cases, the Foundation was forced to front-load disbursements in order to facilitate the commencement of project or program activities. However, when the other donors joined in, the Foundation had difficulty in monitoring closely disbursements from partners and to

persuade them to revise their respective disbursement streams in order to synchronize funding or replenishment cycles. Finally, as already in the cases of the Botswana Institute for Development Policy Analysis (BIDPA), the Kenya Institute for Public Policy Research and Analysis (KIPPRA), the *Unité de Politique Economique*

(UPE), and the *Cellule d'Etudes de Politique Economique* (CEPEC I), and soon in those of the *Centre d'Analyse et de Formulation de Politiques de Développement* (CAFPD) and *Cellule d'Analyse de Politique Economique* (CAPE), the Foundation has had to restructure project or program budgets and allocate grant resources to critical capacity-building activities. In sum, although the Foundation believes that its co-financing policy is crucial in securing both project commitment and ownership, the experience shows that the Foundation needs to address its co-financing policy more pragmatically as well as review its co-financing expectations and procedures.

One simple way of tackling the issue and minimizing delays project/program start-ups associated with co-financing problems has been to impose tougher conditions for submission of projects to the Executive Board. Project or program sponsors are ordinarily required to provide written evidence of pledges by potential donors before proposals are submitted to the Executive Board. However, despite its advantage, this approach has tended ultimately to undermine the Foundation's catalytic role in supporting capacity-building interventions and resulted in longer gestation periods for projects. In addition, since the availability of co-financing is usually a condition for Board approval, the responsibility of securing the requisite resources as well as the burden of sourcing co-financing has effectively shifted from the weak implementing institution to the Foundation.

To overcome this hurdle, the Foundation has thus

far adopted a flexible approach to new operations by presenting, where justified, open-ended co-financing schemes to the Executive Board and declaring the relevant Grant Agreements effective without securing firm co-financing commitments from beneficiaries. The results of this approach have been mixed.

On the one hand, the Foundation's experience has shown that approval by the ACBF Executive Board may make it easier for project sponsors to attract co-financing. This catalytic approach was successful in both phases of the *Programme de Troisième Cycle Interuniversitaire en Economie* (PTCI) program. On the other hand, extreme flexibility on the issue has often led to uncertainty during project implementation. In the latter case, the Foundation could envisage the trimming of projects or programs to affordable sizes and raising its support to 100%.

However, in its drive to source co-financing for national and regional operations, the Foundation could introduce even greater flexibility in the future by substantially raising the level of its contribution to 2/3 of the total cost of projects and to target donors that are not contributing to the Foundation in order to maximize performance. This approach has many advantages. First, fund-raising activities for co-financing purposes would decrease dramatically in the work programs of ACBF staff, and the co-financing conditionality would not impede project or program implementation. Second, the Foundation would play a leading and more visible role in nurturing promising projects and programs. As a result of such *de facto* division of labor, ACBF would find it easier to subject co-financed projects and programs to its performance standards. In addition, suggestions made by the Foundation regarding adjustments for effective implementation of project or program activities would stand a better chance of being implemented by beneficiaries. Such a new policy will require, *inter alia*, the following: (i) down-sizing of ACBF-funded operations to levels that can be financed almost entirely by the Foundation, another donor and/or the government; (ii) strengthening of coordination

mechanisms at the level of project or program formulation, especially with ACBF sponsors; and (iii) ACBF could invite other partners to participate in joint missions to review or evaluate projects or programs, even if they are not contributing to the funding of these interventions.

## **B. The Challenge of Conceptualizing, Tracking and Measuring Capacity Building Performance**

Development theorists, managers and practitioners have responded to demands for accountability by advocating the utilization of performance indicators given that: (i) these indicators are measures which provide a guide as to what to search for when assessing progress made by a project towards the implementation of activities, the production of outputs and the achievement of its objectives; (ii) they explain the behavior and relative marginal contributions of the determinants of performance; and (iii) by decomposing performance into its deterministic components, they can influence the effectiveness and efficiency of projects. The problem is that capacity building interventions, by their nature, outputs and impact, are different from conventional development interventions such as infrastructure, agriculture and industrial projects. Therefore, conventional performance indicators used by development managers for such projects are not all applicable to capacity-building interventions.

Indeed, capacity-building interventions have at least two dimensions: (i) an instrumental dimension; and (ii) a behavioral dimension. Under its instrumental dimension/meaning, capacity is defined as the organizational, technical and even political skills to carry out particular functions or tasks related to development policy, planning and management. The behavioral perspective regards capacity as an effort to change a society's institutions, rules, standards norms of behavior, its level of social capital and values and its ability to respond, adapt and exert discipline on itself. Under this view, a society or group or individuals must learn to take on new roles, attitudes and responsibilities in the development process.

**Box 11. Performance Indicators and Capacity Building: Challenges and Opportunities**

ACBF recognizes the critical role of performance indicators in assessing the relevance and results of the Foundation's interventions in the area of capacity building in Africa. The need to be guided by a framework within which it can operate in order to deliver measurable results as well as set benchmarks against which its performance can be assessed across institutions and time-periods cannot be too strongly emphasized. It is only in this way that the Foundation can establish a track record worthy of emulation and comparison – all of which would have deep implications for its sustainability.

However, the use of performance indicators has its own limitations. First, performance indicators are not readily comparable across institutions involved in capacity building. Each institution or agency involved in capacity building is unique in its own right and has its own functional orientation in the implementation of its activities. Such uniqueness rules out the possibility of establishing institution for intervention in capacity building. This, however, is not to suggest

that a model institution or a structured mode of intervention in capacity building cannot be established. Perhaps a starting point in this direction could be the Foundation's structure and operation. Second, there are no established or tested baseline levels for performance indicators in the sense of optimal values or levels against which those to be derived are comparable. This derives from the first point raised above on limited institutional comparability across agencies involved in capacity building. Third, the outputs of capacity-building activities are not homogenous. This poses a problem for costing, valuation of utility and classical marginal analysis. Marginal costing and output valuation or pricing are therefore not suitable. Fourth, in the area of capacity building, it is difficult, if not impossible, to derive a rate of return to investment. Fifth, these limitations pose measurement problems and thus the need to use performance indicators in the area of capacity building with some caution.

It is also important to note that, while the Foundation has reasonable control over the behavior of inputs and process indicators, its

intervention may not necessarily guarantee the attainment of outputs specified for the activities of a project. The ability of a project to produce target outputs is also influenced by externalities that are outside the Foundation's control and that of the projects in its portfolio. Indeed, in some cases such factors are exogenous to the project. The degree to which the Foundation's performance (through the outputs of its projects) is reflected on short-term, medium-term, and long-term indicators of the results of the output of project activities also pales on progressively. This, however, is not to suggest that potentially visible effects of the Foundation's performance cannot be measured at the project output or impact level. What this requires, among other things, is an intervention in a capacity-building task over a fairly long period. The SMTP (2002 – 2006) provides for the development and utilization of appropriate performance indicators to measure and track the Foundation's performance as well as that of its projects. This objective constitutes a challenge and an opportunity for the Foundation to document and share its achievements and impact in a systematic and value-increasing way.

Capacity in this sense is about the self-organization of a society, group and individuals and their will, vision, cohesion and values to undertake development action and to change for the better over time. Accordingly, country and individual participation, ownership, commitment, leadership and accountability become crucial. While it may be easy to use conventional indicators to measure the instrumental aspects of capacity, measurement of behavior is a more difficult endeavor given that one ends up focusing on capacity building processes, on human behavior, values, roles and relationships. Measuring the performance of capacity-building operations becomes a matter of judgment and intuition and given the unique circumstance of

each intervention, it is difficult to utilize benchmarking like in conventional projects and programs.

Moreover, given that conventional performance indicators provide evidence of quantity and quality and must be accurate enough to make them objectively verifiable (considering that while being independent, they must demonstrate means-end relationships between the levels of a project planning implementation matrix and have to indicate that changes recorded can be attributed directly to the project), they are difficult to use in capacity-building interventions except at the level of output and process. The nature of the outputs of several capacity-building interventions, such as



the outputs of policy units supported by the Foundation, are policy papers commissioned and/or not commissioned by policymakers and intangible outputs. It is difficult to determine how to measure the utilization of these papers by policymakers in the absence of clear indications that a specific policy was formulated on the basis of recommendations contained in the paper.

Since its establishment in 1991 and especially since 1996, the Foundation's concern has been to derive indicators to be used not only for the measurement of its performance as an institution, but also to measure the performance of the projects in its portfolio as well as the beneficiaries of outputs of these projects. Through learning by doing, the Foundation has developed a framework encompassing the main concepts on performance indicators and has identified the difficulties in utilizing several of these concepts, using an input-output model.

For the measurement of its own performance, the Foundation has devised a typology of indicators - including input indicators (which enable ACBF to determine the cost-effectiveness of its operations); process indicators (which measure how good, adequate, timely, efficient, etc. the inputs provided the Foundation are in the implementation of project activities); and output indicators (which enable the Foundation to show the immediate physical and financial outputs of its activities).

Given that the outputs produced by ACBF are inputs for the projects it finances, the Foundation has derived five sets of indicators to measure the performance of its projects, again using an input-output model: input indicators, process indicators, output indicators, outcome indicators and impact indicators. Outcome indicators measure the results of outputs produced by projects supported by the Foundation, while impact indicators gauge changes induced by the results of outputs generated by projects.

In the past, the Foundation's annual business plan was used as an instrument to include inputs, process and outputs indicators and to monitor their performance. Beneficiaries were required to submit annual work program, a component of

which was a list of inputs, process and outputs indicators. Quarterly reports produced by project managers captured progress toward the achievement of targets. Supervision reports produced by ACBF professional staff at the conclusion of each supervision mission recorded progress on how beneficiaries were implementing the planned activities, producing the expected outputs and making progress toward the achievement of objectives. Mid-term reviews were also used as instruments to capture quantitative and qualitative indicators on project/program performance.

Other capacity-building institutions have sought to address the issue of tracking performance by also using a "learning by doing" approach. Like ACBF, tracking performance for them is based on the concepts of accountability and responsibility. Capacity-building activities are thus viewed predominantly as the primary responsibility of the beneficiary who is expected to develop performance indicators. This is so although donor agencies are accountable to their constituencies that provided the resources.

Donor agencies involved in capacity building activities have other accountabilities and have their own performance monitoring systems to measure the quantity and quality of outputs in general and in particular the quality and financial control of their own contributions. They have developed basic standards of processes (management) especially financial management and have instituted proper monitoring and evaluation tools. However, the final responsibility for delivering the methodology, tools and instruments for monitoring performance lies with their partners. Performance indicators developed by partners are also used to provide information on the performance of donor agencies' capacity-building interventions.

Within the framework of implementation of the SMTP, the Foundation plans to improve its conceptual framework and methodology by not only culling a set of performance indicators out of those currently in use, but also by inducing the active participation of beneficiaries in the



identification of these indicators. Hence, to continue systematic monitoring of its performance and that of the projects/programs it supports, the Foundation will organize workshops with project managers and beneficiaries of project outputs in order to agree on a list of performance indicators, especially project-related indicators, and on the methodology for data collection to generate them. Data collection techniques will include: (i) conduct of periodic surveys by the Secretariat and/or managers of operations in the Foundation's portfolio; (ii) review of government policy and program documentation to track how many and/or whether part or all of the outputs (policy studies) of policy units/research centers were used as inputs in policy formulation; (iii) conduct of tracer studies to determine how many beneficiaries are employed by core government agencies, training institutions and research entities; and (iv) organization of structured and unstructured interviews with users of the outputs of ACBF-supported projects or programs.

### **C. Transforming ACBF into a Knowledge-based Institution: Challenges and Strategies**

Over the last ten years, the Foundation has accumulated considerable experience in supporting capacity-building operations in sub-Saharan Africa. It has applied new 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 a leading capacity-building institution, it has to transform itself into a knowledge-based institution. Indeed, its long-term sustainability would very much be contingent on its ability to contribute to the generation and dissemination of knowledge in capacity building that reflects its own experiences as well as other relevant lessons generated by the global community.

This means firstly that the Foundation would need to systematize lesson learning based on its own experiences as well as on those of other actors and use such lessons to continuously improve and develop its own approaches in the future. Secondly,

ACBF will need to develop mechanisms for sharing and disseminating to African countries the knowledge that is required through the internet and other forums such as workshops and publications. Thirdly, the Foundation will need to promote the development of knowledge networks, which can encourage sharing of information on capacity building among African countries.

Such an approach will require the development of a carefully prioritized and sequenced strategy and plan of action. The strategy and plan of action will take into account the likely level of available capacity within the ACBF. Initial activities are likely to include the development of project information systems and databases and conduct of impact evaluations and operational research designed to learn lessons from ACBF experience and to disseminate the results. Lessons will also be regularly reviewed and fed back into operational practice through staff training and other means.

Within the framework of implementation of the SMTP, the Foundation will contribute to the expansion of knowledge on strategies and instruments for building sustainable capacity and institutions in Africa. It will invest in building its internal capacity for conducting research and establish collaborative networks for research on capacity building and other development issues. The Foundation will also play an active role in knowledge dissemination and utilization activities through training and other consultative mechanisms. It is already embarking on a program to develop an IT platform that will facilitate the collection and sharing of knowledge and assisting African institutions to widely disseminate research studies and successful development experiences within the global learning community.

As part of the reorganization of the Foundation's Secretariat to bolster its effectiveness, and in line with the study on which the integration and implementation of the PACT Initiative was based, the Foundation has established departments mandated to play a major role in developing and implementing the Foundation's knowledge networking and program support activities in order to follow through the Foundation's vision of becoming a knowledge-based institution and

information clearing house in its areas of competence.

While taking the lead in the development and identification of best practices in capacity development, the Foundation will engage other development partners strategically in order to ensure synergy of efforts and greater impact. It will seek to strike a balance between knowledge generation activities and advocacy for knowledge utilization by African development stakeholders.

Within the remit of its core competencies, the Foundation will undertake knowledge generation and dissemination activities in all countries in sub-Saharan Africa and at the regional level. The activities that will be carried out will comprise the following:

#### Knowledge Generation and Dissemination Activities

The knowledge generation component will involve the establishment of thematic networks; the development of documentation and sharing of experiences in capacity building; the commissioning and production of research; and the sharing of findings from cutting-edge research.

#### *Thematic Networks*

The Foundation will convene thematic networks based on the six areas in which it will strengthen its core competences. Thus, there will be a network devoted to each of the six areas in which it has developed comparative advantage in the capacity-building process. Each will seek to share information and best practices as well as monitor developments on substantive issues both at national and regional levels. The networks will also strive to strengthen the link between policy analysis and research, on the one hand, and policy design, implementation and monitoring, on the other. They will therefore serve as instruments for collaborative activities, information exchange and experience sharing.

Each thematic network will provide ready access to cutting-edge strategies, methodologies and instruments in the analysis, management, monitoring and evaluation of issues within its

remit. The networks will consist of policymakers, development managers and practitioners as well as policy analysts and researchers. They will be convened at the national and regional levels. At the national level, each network will strengthen inputs from research and policy analysis into the policymaking process and enhance interaction among development practitioners, especially policymakers and researchers. At the regional level, the network will facilitate experience sharing and information exchange. The activities of the networks will be undertaken in collaboration with national and regional partner institutions, including ACBF-supported policy units and specialized training institutions.

#### *Documentation and Sharing of Experiences in Capacity Building*

The Foundation plans to systematically document and share information and experiences in strategies, processes and instruments in capacity building in the years ahead. These will be based on experiences from its own operations as well as from experiences by similar institutions or from capacity building programs in other developing regions. Part of this activity will involve collation and dissemination of best practices in capacity building operations and the provision of technical assistance to countries and regional organizations in the design, implementation, monitoring and evaluation of capacity building strategies and plans as well as institutional arrangements for effective implementation of capacity-building and capacity-utilization programs.

The documentation will constitute part of the electronic database development exercise that will be undertaken over the coming years, while the mechanisms for sharing experiences will consist of national and regional workshops and publications consisting of *ACBF Best Practice Series*, *Readings on ACBF experiences* in capacity building, *ACBF working and occasional paper series* and *Capacity Building Briefs*, among others.

The documentation and experience-sharing activities will be geared towards benefiting agencies implementing capacity building programs at the national and regional levels, the donor community, development management agencies and the wider development community.

*Commissioning and Production of Research*

As part of the knowledge networking activities earmarked in the SMTP, the Foundation will commission and produce research in the six areas of its competences to document and provide up-to-date policy-relevant information on substantive development and capacity-building issues. This activity will be undertaken in collaboration with, and will seek to strengthen, existing research and policy analysis and development policy management networks.

The implementation of this activity will be carried out through thematic research groups that will be set up within the Foundation's Secretariat along the five areas of competences, collaborative research with existing and new research and policy analysis networks such as the African Economic Research consortium, the Council for the Development of Economic and Social Research in Africa, the Organization for Social Science Research in Eastern and Southern Africa and the West African Economic Association, and joint research and policy studies with national and regional organizations, including partner and ACBF-supported institutions. The research will be geared towards issues relating to development management and capacity building and utilization.

*Sharing of Findings from Cutting-edge Research*

In addition to conducting its own research, the Foundation will track, collate, synthesize and disseminate findings from major research works, which fall within the remit of its core thematic competences. This activity will provide ready access by countries and regional institutions to very recent findings on selected development issues and enable them to stand sensibly on relevant policy options.

The findings will be shared through publications series, workshops and electronic communication and would benefit policymakers, policy research and analysis institutions and the development community.

*Program Support Activities*

Program support activities will consist of workshops and forums, program-related publications, technical and advisory assistance, outreach and institutional enhancement.

*Workshops and Forums*

The Foundation plans to organize thematic regional workshops, institutionalize the Pan-African Capacity Building Forum, convene biennial meetings of policymakers, sponsor communications workshops, organize dissemination workshops on the PSRP process and the Enhanced HIPC Initiative, launch a symposium series, sponsor a Forum on the ACP-EU New Partnership Agreement and convene another one on Knowledge for Development.

*Program-related Publications*

The publications will include the *ACBF Review*, *ACBF Occasional Papers Series* as well as *Development Policy Management and Capacity Building Briefs*.

*Outreach*

The outreach component would comprise publications of the *ACBF Newsletter*, production of brochures and flyers, production of documentaries on the Foundation, organization of public relations meetings, press conferences and tours by journalists of ACBF and the operations in its portfolio.

*Institutional Enhancement*

Lastly, institutional enhancement will involve the strengthening of procurement and financial controls within the Foundation; development of the Foundation's web site and intranet; database development; installation of video conferencing and satellite communication facilities; generation of an online library; upgrading of the Foundation's information technology platform; and strengthening of the Foundation's internal capacity to provide information technology-related services.

# Section



# Six

## THE FIRST PAN-AFRICAN CAPACITY BUILDING FORUM

One of the objectives that informed the broadening of ACBF's role during the integration of PACT into the Foundation was the need to provide a forum for articulating issues and processes; sharing experiences, ideas and best practices relating to capacity building, capacity utilization and development management; and mobilizing a higher level of consciousness and resources for capacity building in Africa. The First Pan-African Capacity Building Forum that the Foundation organized on 22 – 24 October 2001 was a significant response to this objective as well as to the need to raise the profile and visibility of ACBF among development stakeholders within Africa and outside the Continent. The Forum brought together African leaders, policymakers, development practitioners, senior representatives of multilateral and bilateral donor agencies, the private sector and civil society organizations, and international scholars. Held in Bamako, Mali, the three-day event had two major components – a two-day symposium and a one-day policymakers summit.

The main objective of the Forum was to provide a platform for experience sharing, information exchange and dissemination, and the strengthening of partnership between Africa and its development partners as well as among African development stakeholders in the effort to build capacity for sustainable development on the Continent. Also, the Forum provided an excellent opportunity for networking among professionals and development practitioners as well as among institutions in the field of development management and capacity building. The Bamako Forum thus helped to provide a framework for reflecting more deeply and broadly on the Continent's capacity-building priorities against the backdrop of larger development challenges encapsulated in the Millennium Goals defined by the United Nations (see Box 12).

### A. Level of Participation and Profile of Participants

About 600 participants, comprising national delegates, African and non-African resource persons, national and regional organizations with capacity building mandates, and representatives of bilateral and multilateral organizations and agencies took part in the Forum. Among the African participants, 4 were Heads of State (who attended the Policymakers Summit), 7 were Prime Ministers and Heads of Government, and 33 were Cabinet Ministers. The participants represented a strong cross-section of development practitioners, policy analysts and managers from the public sector, the private sector and civil society. A total of 40 countries were represented by national delegations. On the average, each country delegation comprised a team of 5, which consisted of representation from the public sector, the private sector and civil society. Generally, at least two of the delegates in each national delegation were women.

### B. Structure and Outcome of the Forum

The Forum generated four distinct outputs: (i) the Summary of Proceedings of the Symposium, which sets out the main conclusions of the various sessions. These sessions enabled participants to raise numerous issues that have implications for capacity-building interventions on the Continent; (ii) orations of strong support by the Foundation's key stakeholders; (iii) the Bamako Declaration, through which Forum participants renewed their commitment to capacity building on the Continent; and (iv) the Pre-Draft Resolution of the African Union proclaiming a Capacity Building Decade in Africa (2002 – 2011). It is expected that the document will be tabled at the forthcoming Summit of Heads of State of the African Union in Durban, South Africa.



The Symposium had two major components – Plenary and Parallel Sessions. There were two plenary sessions. The first addressed the theme “*Human Resource and Institutional Development in Africa*”, while the second examined the theme “*Socio-Political and Economic Factors in Capacity Utilization and Retention in Africa*”. There were 9 parallel sessions, which covered the following sub-themes:

- African Priorities and Responses in Capacity Building
- Effectiveness of International Responses to Africa’s Capacity Needs
- Lessons of Experience in the Building of Capacity to Strengthen the Public Sector in Africa
- Lessons of Experience in the Building of Capacity to Strengthen Non-State Actors (the Private Sector)
- Lessons of Experience in the Building of Capacity to Strengthen Non-State Actors (Civil Society)
- Asian and Latin American Experiences in Capacity Building
- Gender Issues in Capacity Building
- Knowledge Management, Information Technology and Globalization
- The Challenges of HIV/AIDS to Capacity Building and Africa’s Development

### C. Main Conclusions of the Symposium

#### *Human Resource and Institutional Development Issues in Africa*

- Africa must avoid transplanted development strategies and build its own capacity. The Continent’s own efforts should provide the basis and framework for the design and implementation of the Africa Union.
- Capacity building in the public sector should contribute to efforts aimed at reforming the sector and ensuring that its performance is monitored effectively.
- Africa needs its own institutional framework and strategies for building and strengthening trade negotiation capacity as

technical assistance in this area is largely supply-driven.

#### *African Priorities and Responses in Capacity Building*

- Civil society should be empowered and appropriate incentives should be introduced to enhance the capacity of the private sector.
- Good governance should be strengthened across the entire Continent. Democratic governments have been established in a number of countries, but challenges remain in terms of strengthening political legitimacy, the rule of law and popular participation.
- Efforts should be invested to support the professionalization of the civil service in Africa as well as the building of capacity to enhance the formulation and effective implementation of development policies and programs.
- Measures should be undertaken in a focused way to foster investment in the social sectors, improvement in remuneration in order to stem brain drain, and enhancement of the role of women in order to upgrade their economic status.
- Investment in information and communication technology is a priority.
- Regional integration should be pursued vigorously across the Continent.
- Interventions in post-conflict countries should be undertaken in a targeted way.
- Existing capacity should be utilized effectively and action should be taken to ensure that the environment is conducive enough to attract and retain African professionals presently employed in the Diaspora.

#### *Effectiveness of International Responses to Africa’s Capacity Needs*

- Technical assistance and capacity development are still largely donor-driven and attempts to change the situation have only been superficial due to opposition by vested interests at home and abroad, resistance to change and the power

**Box 12. Millennium Development Goals**

All 189-member states of the United Nations have pledged to meet the following Millennium Development Goals by 2015<sup>1</sup>:

*Curtail extreme poverty and hunger:* cut by half the proportion of people living on less than a dollar a day;

*Achieve universal primary education:* ensure that all boys and girls complete a full course of primary schooling;

*Promote gender equality and empower women:* eliminate gender disparity in primary and secondary education – preferably by 2005, and at all levels by 2015;

*Reduce child mortality:* reduce by two-thirds the mortality rate among children under the age of five;

*Improve maternal health:* reduce by three-quarters the maternal mortality rate;

*Combat HIV/AIDS, malaria, and other diseases:* halt and begin to reverse the spread of HIV/AIDS; halt and begin to reverse the incidence of malaria and other major diseases;

*Ensure environmental sustainability:* integrate the principles of sustainable development into country policies and programs; reverse the loss of environmental resources; reduce by half the proportion of without sustainable access to safe drinking water; achieve significant improvement in the lives of at least 100 million slum dwellers by 2020; and

*Develop a global partnership for development:* developing further an open trading and financial system that is rule-based, predictable, and nondiscriminatory (includes a commitment to good governance, development, and poverty

reduction – nationally and internationally); address low income countries' special needs (includes tariff- and quota-free access for their exports; enhanced debt relief for the HIPC's; cancellation of official bilateral debt; and more generous official development assistance for countries committed to poverty reduction); address special needs of landlocked and small island developing countries; deal comprehensively with developing countries' debt problems through national and international measures to make debt sustainable in the long term; in cooperation with developing countries, provide access to affordable essential drugs in developing countries; in cooperation with the private sector, make available the benefits of new technologies (especially information and communications technologies).

<sup>1</sup> Where relevant, 1990 is used as the base year. More information on the Millennium Development Goals and the text of the UN General Assembly's Millennium Declaration can be accessed on the Internet at [www.un.org/millenniumgoals/index.html](http://www.un.org/millenniumgoals/index.html) and [www.developmentgoals.com](http://www.developmentgoals.com)

relationship, which distorts the essence of a genuine partnership.

- There is need for a new paradigm, a new model and instruments based on partnership, local ownership and empowerment, mutual obligation and a practical framework for implementation, taking into account the complexity of the process of capacity development.
- There is need to establish a new relationship based on mutual trust,

respect as well as a shared vision and commitment.

*Lessons of Experience in the Building of Capacity to Strengthen the Public Sector in Africa*

- Ownership, broad participation and the strengthening of existing institutions are critical components of the capacity-building process in the public and private sectors in Africa.

- Developing capacity in Africa is a major challenge, but retaining such capacity appears to be even more fundamental.
- Success stories in capacity building need to be disseminated and reviewed in order to extract the reasons for such successes as well as the indicators for tracking or assessing them. Premium should be placed on the sharing of knowledge-based success stories.
- The relationship between donors and recipients should be changed radically, taking into account the voice of the elected representatives in beneficiary countries who are ultimately accountable for the results of the programs and policies that they design and implement.
- Good governance is a pre-requisite for an efficient and results-oriented public sector and thus of effective capacity building in this sector.

*Lessons of Experience in the Building of Capacity to Strengthen Non-State Actors (the Private Sector)*

- Institutional efforts and mechanisms should be introduced and pursued to support capacity building in the private sector.
- Young entrepreneurs should be targeted in a broader vigorous program to strengthen capacity in the private sector.
- Good corporate governance is a key ingredient in the building of private sector capacity.

*Lessons of Experience in the Building of Capacity to Strengthen Non-State Actors (Civil Society)*

- The drive to build capacity in civil society organizations should continue to strengthen knowledge and skills within such organizations. However, considerable emphasis should be placed on building capacity for interface with other stakeholders in development, particularly the public and private sectors.
- Capacity building in civil society should contribute to enhancing systematic, democratic and effective participation of the sector in the policymaking process.

- There is need to pursue efforts to support autonomous policy research think tanks and the core activities of civil society organizations given that they play a vital role in bridging the gap between power and knowledge as well as between policy design and its implementation.
- The institutionalization of legal frameworks to guide the activities of civil society organizations is vital to their relevance and effective operation.

*Asian and Latin American Experiences in Capacity Building*

- Africa's colonial development experience - particularly slavery - and the concentration on the production and export of primary products partly explain current trends in human capital development on the Continent.
- There is need for a prudent application of subsidy policies, and thus of a strong and active government presence in human capital development. Equally important is the need for an appropriate role for the private sector - especially support for tertiary-level education and specialized training.
- The experience in Latin America has demonstrated that economic reforms and competition among educational institutions could contribute to significant growth and improvement in the quality of human capital, and thus of capacity building.

*Gender Issues in Capacity Building*

- Strategies to promote gender equality are needed and these should be pursued vigorously. To this end, institutions should be revamped in order to establish equal rights and opportunities for women and promote proactive measures aimed at strengthening and professionalizing their political voice and redressing persistent gender disparities in the control of resources.
- Confidence building and empowerment are important considerations for increased

participation of women in development.

Capacity building for gender equality should be geared toward empowering people to live better and more dignified lives.

- There is need to build capacity among government officials, the private sector, civil society as well as other stakeholders as part of a vigorous effort to entrench a gender-sensitive approach to development.
- ACBF and other donor organizations should support capacity-building initiatives focused on addressing gender concerns or bridging gender gaps in development.
- A partnership approach to gender-equality issues is critical for broadening understanding of the concept and integrating gender concerns into development policies and programs. Capacity-building efforts should target such an approach.

#### *Knowledge Management, Information Technology And Globalization*

- As a follow up to the Forum, a small committee of experts should be set up to investigate, assess and come up with an extensive inventory of the Continent's existing scientific and technological capacities (logistics, equipment and human resources).
- There is need to identify common-interest projects at the Continental and/or sub-Continental level to help produce a more conducive environment for the private sector in order to enhance the production of goods and the Continent's share in world exports.
- It is desirable to take advantage of the new opportunities created by the changing environment to reshape technical cooperation toward a partnership for knowledge sharing.
- There is need to rethink the expatriation of highly qualified Africans as a propitious opportunity for the Continent to tap on world-class know-how and create mechanisms and conditions to enable the Continent to benefit from that situation.

#### *The Challenges of HIV/AIDS to Capacity Building and Africa's Development*

- HIV/AIDS is not just a health sector problem but a tremendous development problem that is affecting economic growth, social stability and, above all, consuming future generations through its effect on the number of orphans.
- There is need for a multi-sectoral approach to efforts aimed at addressing the pandemic.
- Governments, the private sector and donors should work in a concerted way as regards the funding of research as well as the design and implementation of strategies to tackle the pandemic.

#### *Socio-Political and Economic Factors in Capacity Utilization and Retention in Africa*

- There is need to strengthen ongoing interventions in capacity building in order to increase the pool of available capacity and put in place strategies and programs for effective utilization of existing capacity.
- There is need to restructure educational systems in order to raise the standard of education and provide appropriate incentives.
- There is need to improve the governance environment and economic conditions on the Continent in order to encourage capacity retention and reversal of brain drain.
- The Continent should push further its civil service reform programs in order to provide an appropriate environment for the attraction and retention of high-level skills and competencies in the public sector.
- Organizations with capacity-building mandates should continue to reflect on strategies and programs geared at drawing on the skills and knowledge of Africans in the Diaspora.

#### **D. Orations of Strong Support at the Policymakers Summit**

At the Policymakers Summit, leaders and

**Box 13. The Bamako Forum: Some Lessons and Achievements**

The Bamako Forum generated a number of lessons for the Foundation. First, it confirmed the need to devise structured mechanisms for dialogue, effective coordination between African and non-African stakeholders as well as sustainable partnership arrangements. This has implications for the financing of such events. As a result of the financial support from other sponsors of the Forum, the Foundation's financial contribution was scaled back significantly. Second, the breadth and depth of the discussions at the Forum demonstrated that such meetings are critical vehicles for disseminating lessons and best practices of replicable value. However, it was noted that there would have been even more in-depth discussions had the number of themes been reduced following the presentations. Third, the Forum reflected the maturing ownership and leadership demonstrated by African Governments in the area of capacity building, as evidenced by

the massive participation of these Governments. Fourth, the Forum signaled that the challenges ahead are enormous, and that more intensive and concerted efforts need to be invested by African Governments and their partners in addressing them. Fifth, the extensive coverage given by the national and international media demonstrated that it is possible to find appropriate ways of ensuring that such large-scale events receive wide publicity in a cost-effective way.

By most accounts, the Bamako Forum was a success in that the Foundation accomplished its core objectives. First, the Forum helped to secure the Foundation's niche as a leading capacity-building institution in Africa. Second, it helped to place the Foundation on the global map - thereby enhancing its visibility and stature. Third, the Forum afforded participants a unique opportunity to enhance their awareness and improve their understanding of Africa's past, present and future

development challenges. Fourth, by sharing their experiences garnered from around the globe and assessing the mammoth development challenges that lie ahead, Forum delegates renewed their political commitment to capacity building as a pivotal dimension of strategies and policies geared at promoting sustainable development and poverty reduction on the Continent. It is hoped that such an outcome will pave the way for the successful mobilization of resources to finance the Foundation's Strategic Medium-term Plan (SMTP) for the next five years (2002 – 2006), and subsequently the implementation of the New Partnership for Africa's Development (NEPAD). Fifth, by attracting numerous luminaries from a broad array of sectors and countries, the Forum lay the groundwork for enhanced partnership as well as effective coordination among African and non-African stakeholders of capacity-building interventions on the Continent.

policymakers ranging from Heads of State and Government to the representatives of the Foundation's sponsoring agencies (AfDB, IBRD and UNDP) and other key multilateral agencies endorsed the conclusions of the Symposium and confirmed their strong support of the Foundation. In particular, the Heads of State pledged to spread the word about the success of the Forum as well as about the Foundation itself. These leaders and policymakers reiterated their firm commitment to capacity building and to the Foundation at the Press Conference that followed the Summit. Also, it was at the Policymakers Summit that President Abdoulaye Wade announced the New Partnership for Africa's Development (NEPAD) for the first time.

**E. Bamako Declaration**

This document called on all African countries to intensify their efforts aimed at mobilizing additional domestic resources and upgrading the efficiency of the use of such resources for education as well as knowledge generation, dissemination and utilization. African governments and other stakeholders were also urged to work together and proactively in addressing gender inequality and human rights. Participants agreed that African institutions should develop programs and activities that strengthen African Unity at the regional and continental levels. In this connection, African states should improve their negotiating skills (in particular as regards trade) based on indigenous institutions rather than on donor-driven initiatives. Another key message in the Declaration was the appeal to African Governments to openly assess the prevalence of



HIV/AIDS and spearhead concerted programs for prevention, cure and care for infected persons and those affected directly or indirectly by the pandemic. The participants resolved that the concept of the Pan-African Capacity Building Forum should be institutionalized through regular meetings aimed at assessing and disseminating lessons and experiences in capacity building as well as at charting fresh approaches for the future. Lastly, the participants mandated the Foundation to help develop, in synergy with other regional and international bodies, frameworks for action planning to be applied in a flexible way at the national and regional levels. Such frameworks would guide the design, implementation and monitoring of coherent capacity-building interventions on a sustainable basis.

#### **F. Pre-Draft of the Resolution of the African Union**

This Resolution, which proclaimed 2002 – 2011 the Capacity Building Decade in Africa, called on African governments and the international community to support ongoing efforts to build capacity in various sectors on the Continent. The Resolution was premised on the recognition by all member states of the African Union that capacity building is of paramount importance and has cross cutting implications as regards the economic, social and cultural development and integration of the Continent. It is expected that President Omar Bongo of Gabon will sponsor the Resolution, which will be placed on the Agenda of the Summit of Heads of State of the African Union that will be held in July 2002 in Durban, South Africa.

# Section



# Seven

## OUTREACH, NETWORKING AND PARTNERSHIPS

In 2001, the Foundation stepped up its program-support, networking and outreach activities in order to sustain the momentum of the previous year. In particular, the *ACBF Newsletter* continued to be published every quarter and to gain a wide readership. The Foundation also generated numerous brochures, reports, flyers and other information materials. By the end of the year, the Foundation had enhanced considerably its visibility and stature as one of the leading capacity-building institutions on the Continent.

### Program Support Activities

In a bid to consolidate its role as a principal vector for promoting networking as well as knowledge generation, dissemination and utilization on capacity-building in sub-Saharan Africa, and to strengthen consultative processes for cooperation among relevant stakeholders, the Foundation organized several key meetings that bolstered knowledge exchange and the coordination of expert knowledge and information on capacity building. Events such as the African Policy Institutes Forum (APIF), the Workshop on Building the Capacity of African Civil Society (CIVISCAP) and the First Pan-African Capacity Building Forum (Bamako Forum) were major highlights of the year.

#### *Organization of the African Policy Institutes Forum (APIF) 2001*

On 21-22 June 2001, the Foundation convened the African Policy Institutes Forum (APIF) 2001 in Harare, Zimbabwe. The principal goal of APIF was to give voice to African policy institutes (policy centers and specialized training institutions) and foster the review of leading development issues, especially those relating to institutional capacity building for development policy analysis and management for poverty reduction in sub-Saharan Africa. In the long run, the Forum is expected to help enhance the role of African policy institutes and increase their contribution to the

polymaking process in Africa – thereby helping to bridge the gap between research and policy on the Continent. About 70 participants representing numerous institutions, which included partner policy institutes, ACBF-supported policy units and other research and training institutions. Zimbabwe's Minister of Finance and Economic Planning opened the occasion. Overall, APIF helped to chart the path to knowledge generation, utilization and dissemination by policy institutes so that they can contribute more effectively to development management and poverty reduction in sub-Saharan Africa. Indeed, a key recommendation of the workshop was that APIF should not be merely a platform for dialogue. Rather, it should strive to become a forum whose perspectives and conclusions are widely sought by stakeholders in the international community in the effort to strengthen Africa's voice in development issues globally. Against the backdrop of globalization, policy institutes in Africa need to gear up to become knowledge-based entities in order to bolster their contributions toward the realization of knowledge-based economies on the Continent.

#### *Organization of the Workshop on Building the Capacity of African Civil Society (CIVISCAP)*

On 27-28 June 2001, the Foundation organized the Workshop on Building the Capacity of African Civil Society (CIVISCAP), which took place in Harare as well. CIVISCAP attracted over 70 participants from sub-Saharan African civil society organizations and groups, including Non-governmental Organizations (NGOs), ACBF partner institutions, representatives of governments, and regional and international organizations. The workshop enabled the Foundation to facilitate dialogue among representatives of civil society organizations, partner institutes and the donor community concerning the formulation of mechanisms and a plan of action to enhance the capacity of civil society. This would promote its ability to

participate actively in the development process and foster its interface with the other key stakeholders - namely the public sector and the private sector. The emphasis on building the capacity of civil society reflects a recognition by the Foundation that African civil society must be strengthened in order to increase effective partnership and interface among the public sector, the private

sector and civil society. Building the capacity of African civil society for sustainable development and poverty reduction is pertinent as the role of civil society is increasingly viewed as a critical contribution that will help to accelerate the pace of development on the Continent. In this regard, the Foundation is poised to influence the building of institutional and human capacity in civil

#### Box 14. APIF: Bridging the Gap between Policy Research and Policymaking in Africa

Since ACBF and ICEG convened a workshop for directors of policy institutes in 1997 to brainstorm on an African Research Agenda for Accelerating Development in Sub-Saharan Africa (ARAADA), there have been significant gaps in information on development, which needed to be bridged to enable policy institutes to share a common knowledge of current development issues. The African Policy Institutes Forum (APIF) 2001, organized by the Foundation, took up the challenge of institutionalizing a framework for reflection, dialogue and information exchange among policy institutes, and between policy institutes and the Foundation. It afforded a platform for sharing experiences, lessons, best practices, capacity, information and knowledge on a sustained basis among institutions, and between institutions and the Foundation. As a springboard for the institutionalization of the Forum for Directors of Policy Units and Specialized Training Institutions, APIF examined the path to *Knowledge Generation, Utilization and Dissemination by Policy Institutes for Development Management and Poverty Reduction in sub-Saharan Africa*. About 70 participants representing numerous specialized research and training institutions in Africa attended the Forum.

The workshop generated the following conclusions and recommendations.

- A substantial gap still exists between applied policy research and the policy-making process in sub-Saharan Africa, which needs to be bridged. The bridging of this gap will however require adjustments on two fronts – that of policy researchers and policymakers.
- Concern for the policy research-policy-making gap should not be addressed at the national level alone, as there are significant regional dimensions, which deserve close attention.
- African policy institutes have been responsive to the Continent's development needs and challenges. They however need to be strengthened further in order to enhance their impact and leverage the Continent's position globally.
- Research and policy analysis should be largely demand-driven in order to enhance their relevance. This should not however vitiate the need for supply-led research. It is important for Policy Institutes to strike an appropriate balance between demand-driven and supply-led research. Innovation and pressure for good governance on the part of government result mainly from supply-led research.
- To enhance the chances of recommendations from policy research being utilized by government, policy researchers need to step up the quality, utility and presentation of their outputs.
- Many Policy Institutes are playing an active and significant role in the PRSP process. However, the concern should transcend the PRSP

process and focus as well on strategies, policies and programs for sustainable development in sub-Saharan Africa.

- Capacity building to strengthen the PRSP process is vital, but this should be extended to support efforts directed in general at poverty reduction strategies and programs.

· Efforts by ACBF to launch a major program – the Poverty Reduction Programming, Implementation, Monitoring and Evaluation (PRIME) Initiative – to strengthen the capacity of poverty reduction programs, especially the PRSP, are commendable. PRIME should not be limited to the PRSP process alone; the capacity of agencies responsible for the implementation of poverty reduction programs should also be strengthened. In addition, the Foundation should ensure that the Initiative does not duplicate whatever support multilateral and bilateral organizations are currently providing to countries in the area of capacity building for country ownership of the PRSP process.

- APIF should be institutionalized. For now the Forum should be annual event. The Foundation should reflect on its key components and share thoughts with the Directors of the Policy Institutes so that a common understanding can be reached with respect to its mission, its objectives, instruments for taking forward its activities and its governance structure.

society organizations in Africa and their interface with the public sector over the period covered by the Foundation's SMTP, 2002 – 2006.

#### *Organization of the First Pan-African Capacity Building Forum*

On 22-24 October 2001, the Foundation organized the Pan-African Capacity Building Forum in Bamako, Mali. The Forum was co-sponsored by ACBF, the African Development Bank; the African Futures Program; the Organization of African Unity/African Union; the Organization for Economic Cooperation and Development (OECD) Development Centre; the Rockefeller Foundation; the United Nations Development Programme; and the World Bank Institute. The purpose of the Forum was fourfold, namely to: (i) spotlight the development challenges facing Africa and their capacity-building dimensions; (ii) provide an international platform for the Foundation to assess and evaluate its ten years of intervention in capacity building in Africa, including the expansion of its role as a result of the integration of the PACT Initiative; (iii) signal the emergence of the Foundation as a premier institution spearheading capacity-building efforts in Africa; and (iv) sensitize ACBF's broader network of stakeholders ahead of the conference to mobilize resources to finance the Foundation's Strategic Medium-Term Plan (SMTP) 2002-2006.

More than 600 participants attended the three-day event. These participants comprised national delegates from 43 countries, including 7 Prime Ministers and 4 Heads of States and 33 Cabinet Ministers, special guests, resource persons, national and regional organizations and representatives of bilateral and multilateral organizations and agencies.

The Symposium component of the Forum (on 22 – 23 October) afforded an opportunity for delegates to deliberate on key African development challenges and their priority capacity-building dimensions. Thus, it enabled participants to discuss ways of taking forward the goal of achieving sustainable development and poverty reduction on the Continent. The Policymakers

Summit (on 24 October) provided a unique platform for Heads of State and Government in attendance as well as the representatives of major multilateral and bilateral institutions to reaffirm their commitment to capacity building in Africa. A significant outcome was the endorsement of a Draft Resolution to be presented for consideration at the next Organization of African Unity/African Union Summit declaring of a capacity-building decade in Africa. This would position capacity building as a core factor in Africa's development priorities, thereby paving the way for the increased flow of resources to capacity-building efforts and, subsequently, towards the realization of the New Partnership for Africa's Development (NEPAD). NEPAD constitutes the new framework within which development assistance will be channeled to the Continent (see Box 16). Another important outcome of the Forum was the Bamako Declaration, in which the participants renewed their commitment to capacity building on the Continent.

#### *Outreach, Networking and Partnerships*

The Foundation undertook a number of activities aimed at expanding the scope of its networking and partnerships with other stakeholders engaged in development on the Continent. In this respect, the Foundation pursued active consultations with its stakeholders at the national, regional and international levels aimed at mapping out joint initiatives in capacity building. The Foundation participated in various workshops, seminars and conferences where it shared knowledge gathered from its experiences on the ground. The Foundation also collaborated with its development partners in the sponsorship of a dissemination workshop. Such forums are essential in ensuring a wide dissemination of experiences, lessons and best practices emanating from development-related efforts.

#### *Promotion of Collaboration and Networking*

In a bid to consolidate strategic and smart partnerships for joint programs in capacity building, the Foundation participated in the one-day Consultative Meeting on Public/Private Sector



Partnership in Social Development in Africa, held in Harare, Zimbabwe. The Southern Africa office of the Rockefeller Foundation organized the meeting. It was agreed at the meeting that ACBF, the Rockefeller Foundation, the Ford Foundation, the Kellogg Foundation as well as other donors and stakeholders would explore the possibility of working together to support a fellowship program for public/private sector partnerships and social development for poverty reduction in Africa.

ACBF also collaborated with institutions and initiatives on issues affecting women's development as well as their participation as effective partners in Africa's development. In this regard, the Foundation received and held discussions with the Executive Director of the Forum for African Women Educationalists (FAWE) on the framework of a joint capacity-building program that will help to promote the education of girls and women in sub-Saharan Africa. The enhancement of gender balance and equity constitutes one of the strategic pillars of the SMTP, 2002 – 2006.

In February 2001, the Foundation held follow-up discussions with the Municipal Development Programme (MDP) of the OECD-*Club du Sahel*, based in Cotonou, Benin. The discussions were aimed at developing further the joint ACBF/MDP/UEMOA Memorandum of Cooperation to build capacity in financial management for local governments in West Africa. On 3 October 2000, the Foundation signed a joint Memorandum of Cooperation in Paris with the *Club du Sahel*, MDP and the West African Economic and Monetary Union (UEMOA), which underscored the need to build the capacity of local governments in financial management and accounting.

The Foundation, jointly with the UNDP-funded African Futures program, hosted a regional workshop in Dakar, Senegal on the theme “*Experiences in the Implementation of National Long-Term Perspectives Studies (NLTPS)*”. The purpose of the workshop was to share national experiences concerning the implementation of NLTPS in order to delineate common principles and practical guidelines to be followed as well as the appropriate tools and methodology for the implementation of NLTPS.

Lastly, the Foundation held discussions with many present and potential donors to its Trust Fund. In addition, the alternate ACBF Governor for France visited the Foundation's offices to explore ways of enhancing co-operation ties between France and ACBF. France is a founding member of the ACBF Board of Governors, and has already expressed readiness to consider making a pledge to finance the SMTP, 2002 – 2006.

#### Knowledge Networking and Exchange

The Chairman of the Executive Board and the Executive Secretary represented the Foundation at the Symposium organized in May 2001 by the African Development Bank Group during its Annual Meetings held in Valencia, Spain. The Symposium provided a platform for the Foundation to discuss the human and institutional capacity dimensions of Africa's major development challenges.

The Executive Secretary was appointed to the Advisory and Facilitation Group for the evaluation conducted jointly by UNDP and the Netherlands on technical co-operation and capacity development.

The Foundation also participated in a meeting held in April 2001 in Dakar, Senegal, on the establishment of an African Policy and Research Network (APREN). This new initiative seeks to support the creation of a number of thematically focused research and policy networks. Other networking workshops attended by members of the Foundation included the *DAC Network on Good Governance and Capacity Development (GOVNET)* held in May in Paris, France; and the *Comité Permanent Inter-Etats de lutte Contre la Sécheresse dans le Sahel (GMAP/CILSS)* of the *Club du Sahel* held in June 2001, also in Paris, France. In December 2001, the Foundation participated at the Annual Meeting of the Global Development Network (GDN) held in Rio de Janeiro, Brazil, as well as at the Workshop on Education and Economic Development held in Maputo, Mozambique. The Executive Secretary was a member of the GDN Panel that selected the “most innovative development project”.

The Foundation co-sponsored and co-chaired the

Second Africa Poverty Reduction Strategies Forum held in September 2001, in Dakar, Senegal. The Forum was organized by the World Bank and the International Monetary Fund, and co-sponsored by ACBF, UNDP, DFID, CIDA and the Governments of Italy and Belgium. The main purpose of the Africa Forum on Poverty Reduction Strategies was to: (i) provide participants an opportunity to exchange experiences in the design and implementation of national poverty reduction strategies; (ii) foster networking among country PRSP teams and the larger development community; and (iii) facilitate the development of communities of practice among PRSP teams.

In line with its gradual transformation into a knowledge-based institution, the Foundation

launched, in June 2001, the first of a series of lectures that it will be hosting to generate debate and promote knowledge sharing on capacity-building issues and development in Africa. This first such lecture by the High Commissioner of Kenya to Zimbabwe focused on HIPC and issues relating to the management of the Continent's debt burden.

Overall, in 2001 the Foundation strove to position itself as a leading institution spearheading capacity building on the Continent as well as consolidating its networking and partnership with other institutions in order to promote knowledge learning and exchange on capacity building and development-related experiences, lessons and issues in Africa.

#### Box 15. CIVISCAP: Enhancing the Capacity of Civil Society in Africa

Following the integration in 2000 of the Partnership for Capacity Building in Africa (PACT) Initiative into ACBF, the scope of the Foundation's activities became broader and encompassed the building of capacity not only in the public sector, but also in interface areas involving the private sector and civil society. This broader focus was consistent with the general consensus that, without a vibrant citizenry that participates in policymaking and advocates good governance in general, public sector reforms, policies and strategies to reduce poverty may fail.

Given that civil society in Africa is called upon to play a critical role in supporting poverty reduction and sustainable development by enabling citizens to empower themselves and seek improved performance by the state and the private sector, and given the evidence that civil society in Africa is too weak to play the role that it is expected to play, the Foundation recognizes the need to identify strategies that address the capacity needs of civil society organizations and groups. The Workshop on Building Capacity of African Civil Society (CIVISCAP) was a response to this need as it enabled

representatives of African civil society organizations as well as bilateral and multilateral agencies directly and indirectly involved in supporting civil society organizations to identify the main strands of such a strategy and to come up with an action agenda to implement it.

CIVISCAP 2001 was centered on the theme: Empowering African Civil Society for Poverty Reduction. Its main objectives were to: (i) identify the main institutional and human capacity needs of African civil society that fit within the current role and strategic interventions of the Foundation and its partners; and (ii) delineate mechanisms and agree upon a specific plan of action for building the human and institutional capacity of African civil society organizations so that they can interact more beneficially with other constituencies. This would be critical in enabling civil society organizations to play a key role in the formulation, implementation, monitoring and evaluation of poverty reduction strategies and programs.

Over 70 participants attended CIVISCAP 2001. The participants were representative of civil society

organizations from sub-Saharan Africa; Non-Governmental Organizations (NGOs); ACBF partners and projects; government representatives; and representatives of regional and international organizations.

Papers presented in the first plenary session focused on an overview of the definition of African civil society and its role in poverty reduction; the role and experiences of media organizations, women's organizations, African civil society in conflict and post-conflict countries, human rights organization, and labor unions. From these presentations and the discussions that followed, the participants were able to: (i) raise the issue of a definition of civil society based on their experiences; (ii) note the diversity of African civil society organizations; (iii) appreciate the need to clearly identify whose agenda African civil society organizations are following; and (iv) identify differences and similarities of constraints that African civil society organizations face in their role as effective and efficient partners of government and the private sector.

**Box 16. ACBF, NEPAD and Sustainable Development in Africa: Budding Synergies**

What is the New Partnership for Africa's Development (NEPAD)? It is a call for a new partnership between Africa and the international community, based on mutual respect. It is premised on African Governments committing themselves, through a peer review mechanism, to good governance, democracy and human rights, while endeavoring to prevent and resolve situations of conflict and instability on the Continent. NEPAD is a pledge by African leaders, based on a common vision for the Continent's future and on a firm and shared dedication to the eradication of poverty in Africa as well as the latter's active participation in the world economy and body politic. NEPAD is an African strategy for achieving sustainable development in the 21<sup>st</sup> Century. It offers a common and credible voice regionally and globally. The partnership is founded on the realization of common interests, obligations, commitments, benefits and equality.

As international debate and consensus building continues on the role, timeliness, and eventual implementation of NEPAD's strategic policy framework and programs of action, ACBF recognizes

that capacity building constitutes a key factor in the successful implementation of NEPAD. Thus, ACBF, as a leading institution in the area of capacity building in Africa, is uniquely positioned to contribute to the clarification of NEPAD's capacity-building requirements as well as to the implementation of strategies to address the Continent's capacity deficit. .

Accordingly, ACBF can forge links with NEPAD in the following areas:

- Access to ACBF database of Technical Advisory Panels and Networks in the Foundation's six core competence areas to strengthen NEPAD's task forces in various areas of operation.
- Assistance in the development of capacity building implementation plan for NEPAD programs.
- Provision of support for the establishment of NEPAD Secretariat.
- Support for the establishment of institutional networks, convening of experts meetings, working committees, etc., to facilitate the operation of the initiative.
- Linking of NEPAD's projects to ACBF-supported institutions to strengthen partnership and joint activities at national and regional levels.
- As NEPAD evolves, there is need to strengthen the synergy between ACBF and NEPAD through the following mechanisms:
- ACBF could establish partnership with NEPAD and become the implementing agency for the capacity-building programs of the initiative.
- ACBF could serve on NEPAD's technical and operational committees, and thereby assist NEPAD's task forces in the area of capacity building and providing technical support to the initiative.
- ACBF could work directly with NEPAD projects at the country and regional levels in areas of shared mandates.
- ACBF could provide capacity-building support for the establishment of NEPAD's Secretariat and assisting in monitoring the performance of the initiative.

# Section



# Eight

## FINANCE

The financial position of the Foundation improved considerably in 2001 as it continued to receive more financial support to enable it implement its expanded work program incorporating the Partnership for Capacity Building in Africa (PACT). Donor pledges grew by US\$30,575 million – thereby increasing the cumulative pledges for all the funding phases to US\$ 210.30 million. Commitments to capacity-building operations increased by a modest US\$15.255 million, due largely to a deliberate policy by the Executive Board to place greater emphasis on the consolidation of the existing portfolio as against the development of new projects and programs. The year's additions brought the cumulative total commitments, exclusive of administrative expenditure, to US\$ 162.226 million.

The Foundation's liquidity position also improved significantly. The annual budget cash cover increased to 3 years, as compared to 2.5 years for the previous year. This achievement was made possible due to the financial support provided by all donors who continued to honor their pledges in accordance with the draw down schedule agreed for the year.

### Pledges

Following a satisfactory report on the Foundation's progress in implementing the PACT Initiative, the World Bank DGF Committee approved the allocation of an additional US\$30.000 million towards the Initiative. The Government of the United States, through USAID, pledged an additional US\$0.500 million, while the Rockefeller Foundation contributed US\$0.075 million towards the holding of the First Pan-African Capacity Building Forum in Bamako, Mali. In addition, the governments of Gabon, Ireland and Chad signed agreements under terms of which they adhered to the Memorandum of Understanding (MOU) in respect of Phase II funding. The government of Gabon and Chad

pledged US\$ 0.250 million each, while the Republic of Ireland pledged IR£ 0.800 million (about US\$ 0.967 at the then ruling exchange rate between the Irish pound and the US dollar). The above pledges combined to increase the cumulative amount of pledged resources by US\$32.042 million to US\$ 210.30 million, exclusive of investment income of US\$ 10.47 million. These additional resources provided the necessary cushion to enable the Foundation to develop a modest pipeline of operations for 2001.

### Commitments

Following the phenomenal growth in the project portfolio in 2000, the Executive Board decided in 2001 to emphasize consolidation of program achievements and capacity building within the Foundation while building a modest pipeline of operations. As a result, in developing the pipeline, the Foundation accorded priority to promising projects and programs seeking refinancing. Thus, commitments for the year amounted to US\$15.255 million, a figure 74.77 per cent below the previous year. This brought the cumulative commitments in respect of projects and programs to US\$162.226 million, up 10.4 per cent from the cumulative figure of US\$146.970 million in 2000. As regards program support and administrative expenditure, the cumulative expenditure amounted to US\$ 2.42 million and US\$ 25.07 million respectively. When the two are added to the commitments for projects and programs, the total committed funds as at the end of 2001 amount to US\$ 189.72 million. When the cumulative commitments, pledges and investment income are compared, there remains a balance of US\$31.06 million in available resources for future commitments. The resource requirement for the 2002 Consolidated Budget amounted to US\$ 5.54 million. This left a balance of US\$ 25.52 million available for future commitments.

The outcome was an improvement over 2000 when the available commitment authority closed at



US\$19.86 million. However, despite the improvement in available commitment authority, the Foundation's resources still fell far short of the resource requirement for adequate implementation of the SMTP (2002 – 2006), which stood at US\$340.000 million. The implication was that resource mobilization remained the Foundation's greatest challenge in 2001.

#### Available Cash Resources

The Foundation's cash resources are held in Trust Funds administered by the World Bank. The cash flows from donor contributions against pledges of the first, second and ACBF/PACT phases. The cash position is summarized in Box 17.

In 2001, the Trust Fund in respect of Phase I contributions was closed. The few remaining African donors with outstanding amounts in respect of Phase I (for example, Cameroon, Senegal and Tanzania) who might make good on their pledges were encouraged to pay in such amounts to the ACBF/PACT Trust Fund at the World Bank. Phase II contributions continued to flow in at a steady pace in accordance with the agreed draw down formula. With regard to the PACT Initiative, the World Bank provided most of the cash resources that altogether amounted to US\$ 73.500 million. The resources comprised

US\$43.000 million from the first two tranches, the IDf grant of US\$ 0.500 million for capacity building within the ACBF Secretariat and US\$ 30.000 million released in 2001 following the success recorded by the Foundation in implementing PACT.

Other contributions to the ACBF/PACT Trust Fund included receipts in 2000 from USAID (US\$ 1.000 million) and CIDA (US\$ 0.600 million). In 2001, additional contributions of US\$ 0.075 million were received from the Rockefeller Foundation for the funding of the First Pan-African Capacity Building Forum held in Bamako, Mali.

As at 31 December 2001, the Foundation's gross cumulative cash resources had risen to US\$190.46 million. Cumulative outflows during the period comprising disbursements to projects, program support activities and administration expenditure totalled US\$99.11 million. The difference between the two gross amounts constitutes the net available cash resources. This amounts to US\$91.35 million.

The available cash resources had therefore improved by 29 per cent over the same position last year. This level provided adequate cash cover for disbursements on prior commitments during 2002.

**Box 17. Financial Position of ACBF****Resources Available for Commitment to Projects**

The Foundation's financial position improved in 2001 as a result of support provided by donors for the implementation of the PACT Initiative. Pledges in respect of Phase I remained at USD67.65 million net of non-payments by some donors and adjustments for exchange losses. Investment income arising from the investment of funds from Phase I amounted to US\$8.44 million. Phase II pledges increased slightly to US\$57.48 million following the signing of Memoranda of Understanding for contributions to Phase II by the Governments of Chad, Gabon and Ireland. The Japanese pledge through the Policy and Human Resources Development (PHRD) Trust Fund administered by the World Bank remained at US\$10.00 million. Phase II investment income amounted to US\$2.030 million, bringing the combined total investment income to US\$10.47 million.

Following the Foundation's continued satisfactory progress in implementing the PACT Initiative, the World Bank Development Grant Facility (DGF) Committee approved the release of the third tranche of US\$30 million towards support of the Initiative. USAID increased its support for the Initiative by a further US\$0.500 million. The Rockefeller Foundation, on the other hand, contributed US\$0.075 million towards expenditure in connection with the organization of the First Pan-African Capacity Building Forum. This brought cumulative total pledges plus investment income to US\$220.78 million.

Against these resources are cumulative commitments amounting to US\$162.23 million. These comprise first-phase commitments of US\$61.85 million, Phase II commitments of US\$24.67mn and commitments relating to the PACT Initiative amounting to US\$75.71mn. Added to these commitments are those earmarked for program support and administration expenditure cumulatively amounting to US\$2.42 million and US\$25.07 million respectively. When all commitments to date are taken into account and a provision is made for the following year's administrative budget, the available commitment authority becomes US\$25.52 million.

**Available Cash Resources**

Available cash resources comprise the following: paid-in contributions in respect of phases I and II pledges, Japanese PHRD resources made available to the Foundation, contributions to the Foundation in respect of the PACT Initiative, and investment income. The combined total cash resources on a cumulative basis amounted to US\$190.46 million. Cash outflows from this cumulative total amounted to US\$71.62 million in respect of disbursements to projects, US\$2.42 million in respect of program support expenditure and US\$25.07 million in respect of administrative expenditure. The above outflows left available a cash balance of US\$91.35 million.

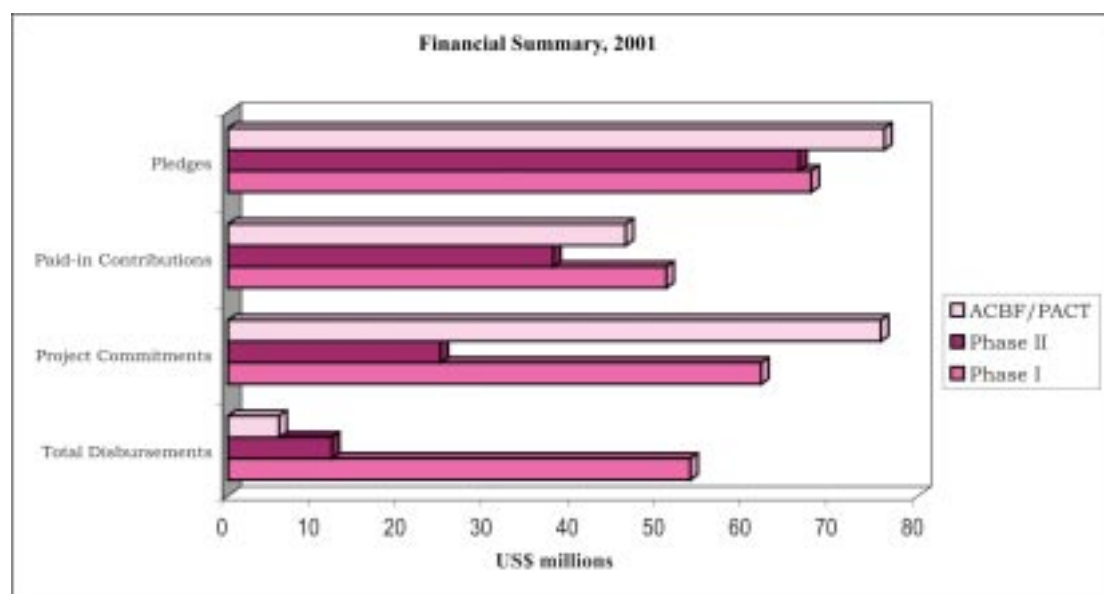
(US\$ millions)

<b>1. Pledges</b>			
Phase I			81.56
Less Defaults	10.887		
Exchange Losses	<u>3.028</u>	<u>13.91</u>	
Phase I (net pledges)			67.65
Phase II			57.48
Japan PHRD Trust Fund			10.00
Phase III			75.18
Investment Income			10.47
Total Resources			220.78
<b>2. Commitments</b>			
Phase I	61.85		
Phase II	24.67		
ACBF/PACT Phase	<u>75.71</u>		
			162.23
Program Support Expenditure as at 31/12/01			2.42
Cumulative Admin. Expenditure as at 31/12/01		<u>25.07</u>	
			189.72
Total Resources Available for Grant Commitments and 2002 Administrative Budget			31.06
Less: Approved Consolidated Budget for 2002		5.54	
Available Commitment Authority for Projects in 2002		<u>25.52</u>	
<b>3. Available Cash Resources</b>			
Paid-in Contributions			
Phase I			67.07
Phase II			27.74
Japan PHRD Fund			10.00
ACBF/PACT Phase			75.18
Investment Income			10.47
Total Cash Resources			190.46
Less: Expenditure to date			
Disbursement to projects			71.62
Program Support			2.42
Cumulative Administration and Capital Expenditure			25.07
			<b>99.11</b>
<b>Cash Available as at 31 December 2001</b>			<b>91.35</b>

**Table 5. Trust Fund 1, Phase I; Phase II; and ACBF/PACT: Financial Status**

Year	Total Pledges	Expected Draw down	Amount Paid-in	Amount Committed	Amount Disbursed
1991	67.65	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
2001	0.00	-	-	-	3.66
<b>Sub-total</b>					
<b>Phase I<sup>a</sup></b>	<b>67.65</b>	<b>41.87</b>	<b>50.85</b>	<b>61.85</b>	<b>53.62</b>
<b>Phase II</b>					
<b>1998</b>	<b>56.36</b>	<b>5.89</b>	<b>0.30</b>	<b>15.80</b>	<b>1.58</b>
<b>1999</b>	<b>0.25</b>	<b>11.73</b>	<b>9.52</b>	<b>4.87</b>	<b>2.05</b>
<b>2000</b>	<b>0.37</b>	<b>17.78</b>	<b>12.15</b>	<b>-</b>	<b>3.21</b>
<b>2001</b>	<b>0.50</b>	<b>13.74</b>	<b>5.77</b>	<b>-</b>	<b>2.78</b>
<b>Sub-total</b>	<b>57.48</b>	<b>49.14</b>	<b>27.74</b>	<b>20.67</b>	<b>9.62</b>
<b>Japan</b>					
<b>PHRD 1999</b>	<b>10.00</b>	<b>-</b>	<b>10.00</b>	<b>4.00</b>	<b>0.71</b>
<b>PHRD 2000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.83</b>
<b>PHRD 2001</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.91</b>
<b>Total PHRD</b>	<b>10.00</b>	<b>-</b>	<b>10.00</b>	<b>4.00</b>	<b>2.45</b>
<b>Total Phase II</b>	<b>67.48</b>	<b>49.14</b>	<b>37.74</b>	<b>24.67</b>	<b>12.07</b>
<b>ACBF/PACT 2000</b>	<b>44.60</b>	<b>14.54</b>	<b>43.50</b>	<b>60.45</b>	<b>0.40</b>
<b>ACBF/PACT 2001</b>	<b>30.57</b>	<b>2.64</b>	<b>2.64</b>	<b>15.25</b>	<b>5.53</b>
<b>Total ACBF/PACT</b>	<b>75.17</b>	<b>17.18</b>	<b>46.14</b>	<b>75.70</b>	<b>5.93</b>
<b>Total</b>	<b><u>210.30</u></b>	<b><u>108.19</u></b>	<b><u>134.73</u></b>	<b><u>162.22</u></b>	<b><u>71.62</u></b>

<sup>a</sup> The total pledges include the contribution by the Netherlands (US\$5.2 million revised down to US\$3.009 million) and exclude the contribution by Japan of US\$10 million and Phase I Trust Fund 2 (US\$16.350 million) earmarked for Administration. The cumulative investment income of US\$10.47 million is excluded from the above computation.



# Section



# Nine

## CONCLUSION

The creation, utilization and retention of human and institutional capacity are the central tenets of ACBF's mission. In promoting these core elements of its mandate, the Foundation has, over its decade of operations, provided catalytic technical and financial support to both national and regional institutions in the identification, development, implementation and evaluation of their operations. In 2001, with the strong support of its three Sponsoring Agencies and 26 African and non-African Donors, the Foundation made many strides as it embraced the challenges and opportunities its broadened role engendered.

This *Annual Report* has highlighted the Foundation's main achievements of the year. For example, the Executive Board and Board of Governors approved the Foundation's Strategic Medium-Term Plan (SMTP), 2002 – 2006. The Foundation continued to recruit and retain high-caliber staff, reflect on a knowledge management strategy as well as review and streamline its internal processes in order to hone its responsiveness to stakeholder needs and demands. As a result, it also launched a change management exercise to equip itself for the mammoth challenges ahead. The Foundation continued to find and finance innovative operations while seeking to sustain and improve the quality of the existing portfolio through more targeted monitoring and supervision. It organized the First Pan-African Capacity Building Forum that helped to position ACBF at the vortex of cutting-edge development issues and their capacity-building dimensions. This capped a yearlong quest to enhance its outreach and networking activities through the organization of, and participation in, conferences, forums, meetings and workshops touching on central aspects of its mission. Lastly, the Foundation initiated efforts to mobilize the resources required to finance the SMTP.

The above achievements show that the Foundation has fully integrated the PACT Initiative into its fold and embraced its expanded

role in the area of capacity building. However, they also foreshadow the magnitude of the challenges that the Foundation will need to address and surmount over the coming years in order to lodge itself at the vital center of development efforts on the Continent. For example, it will need to: (a) pursue its current efforts to facilitate and manage change by transforming its institutional platform and culture; (b) form forward-looking and sustainable strategies for evolving into a knowledge-based institution; (c) refine its collaborative approach to capacity building characterized by African ownership and leadership of the capacity-building process in partnership with the global community of stakeholders. This will be crucial in clarifying its progressive orientation toward upstream interventions that will afford it an opportunity to help untie the knots wrought by unsound policy and institutional environments; (d) strike strategic partnerships with other initiatives, especially, NEPAD, in order to mainstream good governance and capacity-building issues in poverty reduction efforts on the Continent; (e) force the spring of capacity renewal in post-conflict environments and other states in dire need of regenerative capacity; (f) rethink and reorder the current patchwork of reflections on performance indicators into an overarching framework for conceptualizing, tracking and measuring its achievements as well as those of the operations in its portfolio; and (g) revitalize its resource-mobilization efforts in order to secure adequate resources for implementing the SMTP.

Capacity building is now widely regarded as a cornerstone of development in Africa. ACBF's core business is to help equip the Continent with the human and institutional capacity to shape its own future. This is a tall order that cannot be achieved in the short term. The Foundation's achievements in 2001 must therefore be seen as initial steps in that direction. With the steadfast support of its stakeholders, the Foundation is clearly girding for the long haul in order to scale up sustainable success that will have a ripple effect as well as a catalytic and lasting impact across the Continent.



# Annexes



# 2001



## ANNEXES

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## Annex A1. Profiles of Operations Approved in 2001

### NATIONAL OPERATIONS

#### 1. Botswana Institute for Development Policy Analysis (BIDPA) Phase II - Botswana

The Executive Board approved a grant of US\$ 1,500,000 in April 2001 to support the second phase of the Foundation's support to the Botswana Institute for Development Policy Analysis (BIDPA). The Foundation also provided financial support to BIDPA in 1993 in respect of its first phase. The main objectives of BIDPA are to: (i) provide research support and policy analysis services to key economic ministries and agencies in Botswana; and (ii) develop local capacity for policy analysis and management through in-service training and fellowship programs. The project comprises the following components: (i) institutional development of BIDPA; (ii) economic research and policy analysis, focusing on issues relevant to Botswana and Southern Africa in general; (iii) provision of professional training to local economists through fellowships and in-service programs to strengthen their research and policy analysis skills; (iv) public education program to facilitate broad-based policy dialogue; and (v) establishment of networking arrangements among agencies and professionals involved in economic policy analysis and capacity building. The overall goal of BIDPA II is to consolidate the Institute's achievements and strengthen further policy analysis, design and management capacity in Botswana.

Location: Gaborone, Botswana  
 Coverage: National  
 Project Type: Policy Unit  
 Category of Project: Semi-Autonomous  
 Implementing Agency: BIDPA  
 Approval Date: April 2001  
 Effectiveness Date: Awaiting Effectiveness  
 Duration: 5 years  
 Project Size: US\$13,753,013  
 ACBF Share of Funding: US\$ 1,500,000  
 Co-financing:  
 BIDPA's Internal Resources: US\$ 2,222,222  
 Government of Botswana: US\$ 2,500,000

#### 2. Cellule d'Appui à la Formulation et à la Gestion des Politiques Macroéconomiques (MACROFOR) - Democratic Republic of Congo

In December 2001, the Executive Board approved a grant of US\$1,500,000 to the Government of the

Democratic Republic of Congo (DRC) to help establish the *Cellule d'Appui à la Formulation et à la Gestion des Politiques Macroéconomiques (MACROFOR)*. The main goal of this operation is to improve the performance of economic management agencies in DRC through institutional support and staff development. This goal will be reached through the enhancement of skills in line economic ministries, the Central Bank and other public-sector agencies responsible for managing the country's Economic Recovery Plan in the areas of economic policy analysis and formulation, poverty reduction strategies and debt management.

The main components of MACROFOR are: (i) institutional support; (ii) graduate training; and (iii) short-term in-country training, and study tours.

Location : Kinshasa, Dem. Rep. of Congo  
 Coverage : National  
 Type of Project : Policy Unit  
 Implementing Agency: SENAREC, DRC  
 Date of Approval : December 2001  
 Date of Effectiveness: Awaiting Negotiation of Grant Agreement  
 Duration : 4 years  
 Project Size : US\$ 1,598,164  
 ACBF Share of Funding: US\$ 1,598,164  
 Main Beneficiaries : Government departments in charge of budgetary and financial management issues, including the Central Bank

#### 3. Centre for Policy Analysis (CEPA) Phase II - Ghana

In April 2001, the Executive Board approved a grant of US\$ 1,700,000 to support the second phase of the Centre for Policy Analysis (CEPA) project, based in Accra, Ghana. CEPA was established in 1993 as an autonomous policy institute. Its main goal was to contribute, through policy analysis, policy dialogue and training, to the improvement of the policy environment, identify the causes of macroeconomic instability, provide alternative policy options, and contribute to the building of human and institutional capacity in Ghana. CEPA's contributions in the areas of research, policy analysis and policy dialogue on macroeconomic issues are widely acknowledged and respected both inside and outside Ghana. CEPA (Phase II) aims to consolidate the achievements of the Centre's first phase.

The project has the following components: research and policy analysis; training, internships and institutional networking; dissemination and research; and institutional development.

Location:	Accra, Ghana
Coverage:	National
Project Type:	Policy Unit
Category of Project:	Autonomous
Implementing Agency:	CEPA
Approval Date:	April 2001
Effectiveness Date:	17 August 2001
Duration:	4 years
Project Size:	US\$ 4,756,000
ACBF Share of Funding:	US\$ 1,700,000
Co-financing:	US\$ 3,056,000
Main Beneficiaries:	Government, Multilateral Financial Institutions, Private Sector, Public at large

#### 4. Ethiopian Development Research Institute (EDRI) - Ethiopia

The Executive Board approved a grant of US\$ US\$1,500,000 to support the Ethiopian Development Research Institute (EDRI) in December 2001. EDRI is a semi-autonomous economic advisory unit under the supervision of the Office of the Prime Minister of Ethiopia.

The main components of the project are: (i) institutional capacity building; (ii) research and policy analysis; (iii) training; (iv) seminars, workshops and conferences; (v) networking and institutional linkages; and (vi) dissemination and publications.

Location:	Addis Ababa, Ethiopia
Coverage:	National
Type of Project:	Policy Unit
Category of Project:	Semi-autonomous
Implementing Agency:	EDRI
Date of Approval:	December 2001
Date of Effectiveness:	Awaiting Negotiation of Grant Agreement
Duration:	4 year
Project Size:	US\$3,244,000
ACBF Share:	US\$ 1,500,000
Co-financing:	To be announced
Government of Ethiopia	US\$1.244,000,
Other Donors:	US\$0.500,000
Main Beneficiaries:	EDRI and Government departments.

#### 5. Projet d'Appui à la Professionnalisation de l'Administration Publique de la République du Tchad (PROFESS) - Chad

The Executive Board approved a grant of US\$ 1,157,090 in April 2001 for the implementation of the "Projet d'Appui à la Professionnalisation de l'Administration Publique de la République du Tchad (PROFESS)". The goal of the project is to improve the performance of the public sector and promote good governance for sustainable poverty reduction in Chad.

PROFESS has three main components: (i) support to CESRAP; (ii) support to the institutional assessment process; and (iii) in-country training.

Location:	N'djamena, Chad
Coverage:	National
Project Type:	Training
Category of Project:	Government
Implementing Agency:	CESRAP
Date of Approval:	April 2001
Date of Effectiveness:	6 June 2001
Duration:	4 year
Project Size:	US\$ 1,538,450
ACBF share:	US\$ 1,157,090
Co-financing:	NIL
Main Beneficiaries:	Government of Chad

#### 6. Projet de Renforcement des Capacités de la Chambre des Comptes et de Discipline Budgétaire (CCDB) de la République de Djibouti - Djibouti

The "Projet de Renforcement des Capacités de la Chambre des Comptes et de Discipline Budgétaire de la République de Djibouti" (CCDB) was awarded a grant of US\$ 1,091,310 by the Executive Board in April 2001. The main goal of the project is to improve governance in the country through the development and operation of transparent and accountable institutions. This goal would be reached through strengthening of the institutional capacity of the CCDB.

The CCDB project has two main components: (i) institutional development; and (ii) skills upgrading.

Location:	Djibouti
Coverage:	National
Project Type:	Government
Category of Project:	Government
Implementing Agency:	CCDB
Date of Approval:	April 2001
Date of Effectiveness:	17 July 2001
Duration:	4 years
Project Size:	US\$1,091,310
ACBF Share of Funding:	US\$1,091,310
Co-financing:	US\$ 132,991
Main Beneficiaries:	CCDB, Government of Djibouti

#### 7. Projet de Renforcement des Capacités en Gestion Economique et Financière de la République du Cameroun (CAMERCAP) - Cameroon

The Executive Board approved a grant of US\$ 1,708,850 in April 2001 for the implementation of the *Projet de Renforcement des Capacités en Gestion Economique et*

*Financière* (CAMERCAP) in Cameroon. The goal of the Project is to improve the efficiency of the public sector in order to pave the way for the creation of an environment conducive to growth and improved governance. The project has three main objectives: (i) to strengthen the institutional capacity of departments and units in the Ministry of Economic Affairs and Finance responsible for statistics, vision formulation and modelling; (ii) to build/strengthen sustainable skills in the staff of three departments in the Ministry of Economic Affairs and Finance responsible for statistics and strategic planning and modelling; and (iii) to support the process of vision formulation in the country.

The CAMERCAP project comprises three main components: (i) institutional enhancement; (ii) training; and (iii) vision formulation.

Location: Yaounde  
 Coverage: National  
 Project Type: Policy Unit  
 Category of Project: Government  
 Implementing Agency: Ministry of Economic Affairs and Finance  
 Date of Approval: April 2001  
 Date of Effectiveness: Awaiting Negotiation of Grant Agreement  
 Duration: 4 years  
 Project Size: US\$1,708,850  
 ACBF Share of Funding: US\$ 1,708,850  
 Co-financing:  
 Main Beneficiaries: Ministry of Economic Affairs and Finance; relevant Public-sector agencies

#### 8. Strengthening the National Council of Non-Governmental Organizations of Kenya for Better Governance and Poverty Reduction (NC-NGO) - Kenya

In December 2001, the Executive Board approved grants of US\$850,000 to the National Council of Non-governmental Organisations of Kenya. The overall objective of the project is to strengthen the Council's capacity for effective and efficient coordination, support and regulation of its members for meaningful participation in national development. During the four-year period, the Council intends to: (i) strengthen its institutional and human capacity; (ii) carry out research; (iii) facilitate training for member organisations; (iv) coordinate and strengthen the NGOs networking systems; (v) strengthen the information and database of the Council; and (vi) publish and disseminate information on the Council and members' activities.

Location: Nairobi, Kenya  
 Coverage: National  
 Project Type: Interface  
 Category of Project: Institutional Development/

Strengthening  
 Implementing Agency: National Council of Non-governmental Organizations of Kenya  
 Date of Approval: December 2001  
 Date of Effectiveness: Awaiting Negotiation of Grant Agreement  
 Duration: 4 years  
 Project Size: US\$1,996,342  
 ACBF Share of Funding: US\$ 850,000  
 Co-financing: US\$1,299,143 (Ford Foundation; the Government of Netherlands, IDRC; and other Donors)  
 Main Beneficiaries: National Council of Non-governmental Organisations of Kenya and Government of Kenya

#### 9. Strengthening the Public/Private Sector-Civil Society Interface in The Gambia- The Gambia

The Executive Board approved a grant of US\$ 850,000 to The Gambia in December 2001. The project aims to strengthen interface among the public sector, the private sector and civil society in order to enhance policy dialogue so that development policies and strategies reflect broader consensus among stakeholders in The Gambia. The components of the project include the following: (i) production and dissemination of study abstracts, updates, brochures, flyers and newsletters; (ii) posting of information in a dedicated website to ensure continued relevance to end users; and (iii) organization of workshops, seminars and the economic summits to foster dialogue on major policy issues.

Location: Banjul, The Gambia  
 Coverage: National  
 Project Type: Interface  
 Implementing Agency: Department of State for Trade, Industry and Employment (DOSTIE)  
 Date of Approval: December 2001  
 Date of Effectiveness: Awaiting Negotiation of Grant Agreement  
 Duration: 4 years  
 Project Size: US\$ 970,725  
 ACBF Share of Funding: US\$ 850,000  
 Co-financing: US\$ 120,725 (DOSTIE)  
 Main Beneficiaries: DOSTIE, Gambian Chamber of Commerce and Industry (GCI) and The Association of Non-Governmental Organizations



## REGIONAL OPERATIONS

**10. African Economic Research Consortium's Collaborative Master's Program in Economics (CMAP) (Phase III) - Regional**

In April 2001, the Executive Board approved the third phase of the Collaborative Master's Program in Economics (CMAP) being implemented by the African Economic Research Consortium (AERC). CMAP (Phase III) is modeled on the two previous phases, and aims to consolidate the achievements of the Program. This will be achieved through continued support to strengthen the universities participating in the Program.

The main objectives of CMAP III are to: (i) continue support for the efficient delivery of the Master's degree program in Economics at participating universities; (ii) strengthen the faculty development component of CMAP at Category B and especially at Category A universities; (iii) establish the major components for the sustainability of CMAP at participating universities; and (iv) introduce innovation in CMAP in order to maintain the program's pioneering role in economics education on the Continent.

The program's main components are: (i) institutional development through the provision of grants (ii) master's degree Scholarship/Fellowship programs; (ii) faculty development through thesis grant awards and Ph.D. fellowships to outstanding students and scholars to prepare them for careers in academia; (iii) use of modern technology to link participating universities by electronic mail and virtual teaching techniques (e.g. through the African Virtual University [AVU]); and (iv) development of mechanisms and strategies to enhance the prospects of sustainability of the Program.

Location:	Nairobi, Kenya
Coverage:	Regional
Project Type:	Training
Implementing Agency:	African Economic Research Consortium (AERC)
Date of Approval :	April 2001
Date of Effectiveness:	June 2001
Duration:	4 years
Project Size:	US\$12,998,991
ACBF Share of Funding:	US\$ 3,000,000
Co-financing:	US\$15,630,596 (AERC, AfDB, European Union, the Government of Netherlands, the Government of Norway, USAID, and the McArthur Foundation)
Beneficiaries:	Universities; AERC.

**National Focal Points**

In December 2001, the Executive Board approved grants of US\$ 50,000 each to National Focal Points (NFPs) in six countries: Congo-Brazzaville, Guinea-Bissau, Lesotho, Malawi, Tanzania and Togo. The Foundation supports the establishment of NFPs in various countries in order to enhance ownership of, and commitment to, the capacity-building process. NFPs are expected to assist in the prioritization of capacity needs and in the coordination of resources earmarked to strengthen capacity in the relevant countries. They serve as small high-level bodies that facilitate government, private sector and civil society participation and are mandated to plan, coordinate, synchronize as well as monitor the implementation of capacity-building activities.

Location:	NFPs in 6 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 Congo-Brazzaville, Guinea-Bissau, Lesotho, Malawi, Tanzania and Togo

## A. 2. List of Grant Agreements Negotiated and Signed in 2001

Title of Project or Program	Date of Executive Board Approval	Date of Signature of Grant Agreement	ACBF Grant US\$
1. AERC-CMAP III, Phase III, Kenya (Regional)	5 April 2001	8 June 2001	3,000,000
2. BEAC-BCEAO (Debt Management), Cameroon (Regional)	24 November 1999	2 May 2001	1,650,000
3. CAPAN, Benin	5 May 2000	1 February 2001	1,600,000
4. CCDB, Djibouti	5 April 2001	13 July 2001	1,019,310
5. CEMAC, CAR (Regional)	2 December 2000	23 November 2001	1,000,000
6. CEPA II, Ghana	5 April 2001	24 June 2001	1,700,000
7. CESAG, Senegal (Regional)	2 December 2000	3 April 2001	1,500,000
8. Community Action on AIDS, Swaziland	5 May 2000	19 June 2001	1,060,000
9. Consumers International, Zimbabwe (Regional)	5 May 2000	31 August 2001	1,000,000
10. GSD-PSF, Tanzania	5 May 2000	25 October 2000	1,335,903
11. DPC II, Nigeria	2 December 2000	10 May 2001	1,500,000
12. ECOWAS, Nigeria (Regional)	5 May 2000	15 August 2001	2,000,000
13. IEF, Gabon (Regional)	2 December 2000	23 November 2001	3,000,000
14. National Focal Point, Cape Verde	1 December 2000	29 June 2001	50,000
15. National Focal Point, Chad	5 May 2000	2 March 2001	50,000
16. National Focal Point, Cote d'Ivoire	5 May 2000	18 December 2001	50,000
17. National Focal Point, DRC	5 May 2000	26 February 2001	50,000
18. National Focal Point, Mauritania	2 December 2000	29 August 2001	50,000
19. National Focal Point, Rwanda	5 May 2000	6 June 2001	50,000
20. National Focal Point, São Tome & Principe	5 May 2000	30 April 2001	50,000
21. National Focal Point, Zambia	5 May 2000	21 November 2001	50,000
22. NEC, Malawi	2 December 2000	12 May 2001	1,500,000
23. NECF, Zimbabwe	2 December 2000	5 October 2001	2,000,000
24. NEPRU II, Namibia	2 December 2000	11 May 2001	2,000,000
25. PASU II (AU), Ethiopia (Regional)	2 December 2000	20 June 2001	3,000,000
26. PFMR, (NCPB), Rwanda	2 December 2000	5 June 2001	3,000,000
27. PNR-CMAP, Mauritania	2 December 2000	29 August 2001	1,200,000
28. PRECAGEF, Gabon	5 May 2000	18 November 2000	1,422,850
29. PRECASP, Sao Tome and Principe	2 December 2000	30 April 2001	1,100,000
30. PRIECA/AO, Senegal (Regional)	2 December 2000	30 January 2001	1,431,594
31. PROFESS, Chad	5 April 2001	6 June 2001	1,157,090
32. PSCGT, Kenya	5 May 2000	12 May 2001	1,000,000
33. PTCL, Burkina Faso (Regional)	2 December 2000	18 December 2001	4,000,000
34. SANGOCO, South Africa	5 May 2000	9 May 2001	1,200,000
35. ZEPARU, Zimbabwe	2 December 2000	5 October 2001	1,500,000

Annex A.3. Summary of Outputs of ACBF-funded Operations

PROJECT TITLE	Effective Date of Commencement	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. building	Short Courses	Work-shops	Seminars	Comm. by gov't.	Comm. by other sectors	Research Completed	Publica. Dissem.	
1. ACBF/ILO														
2. ABRC (CHAP) I, II, & III	Mar-93	20 Depts of Econ	38	825				2						7
3. AIPA	Nov-94	1			16									
4. AMICALL	Sep-01						1						2	
5. BCEAO/REAC I & II	Feb-96	2			129	14		507						
6. BEAC/BCEAO (DEBIT)	Sep-01							143					5	
7. BIDPA	Jul-95	4	1	7	40	6		1812	100	83	40	106	106	3
8. CAFPD	Nov-97	1			38		166		80	10	3	13	8	
9. CAMERCAP														
10. CAPAN														
11. CAPE	Feb-98	1					156	103		8	4	11	9	5
12. CAPED														
13. CAPES														
14. CODB	Jul-01													
15. CENAC														
16. CEPA	Jan-94	1						103	19		18	91	60	
17. CERDI	Nov-94			16		10								
18. CESAG	Aug-01													
19. CIRCES-CAPEC I & II	Nov-93	1						96		5		47	22	28
20. CEPIC I & II	Nov-93	1					270	120	27	23	3	17	20	
21. Consumers International	Oct-01					6		37				7	8	2
22. CRC	Aug-01													
23. CREAM														
24. CSD-PSF	Apr-01			1		5		6						1
25. DMPA	Feb-96	2		20		4		120	40			5	3	
26. DPC I & II	Feb-94	1					300	500	378	4	4	40	17	
27. ECONAS														
28. EDRI														
29. EEA	May-01													
30. ENPAC	May-97	1				92	11							
31. EPIC I & II	Jul-93	1	2	12	58	44		876	38	25	7	84	49	6
32. EPM/Cameroon	Oct-99													
33. EPM/Cote d'Ivoire	Jun-99			57										
34. EPM/Ghana	Sep-00			50										
35. EPM/Uganda	Oct-00			66										
36. ESAIDARW/MEPMI	Jul-94	1				80		3277	34			20	8	
37. ESAP I & II	Mar-94	1				15		782		45	106	68	56	3

## A.3. Summary of Outputs of ACBF-funded Operations (continued)

PROJECT TITLE	Effective Date of Commencement	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. building	Short Courses	Work-shops	Seminars	Comm. by gov't, other sectors	Comm. by Research Completed	Publica. Dissem.			
38. GAMBIA (Interface)															
39. IDEC	Jun-95	4	3			11		272		21	18	38	30	7	4
40. IEF															
41. IPAR	Jun-95	1				20		75	85	3	31	32	18		
42. KIPPRA	May-98	-										15			
43. LIMPAC															
44. McGill	Nov-94			14		5								19	
45. MCPSP (PFR)															
46. MCENA I & II	May-93	1				14	1773	102					31		
47. NCMGO															
48. NEC						4	18						3		
49. NECF															
50. NEPRU I & II	Mar-95	1	4	12		13	201	113	145	85		177	2		
51. NGOC	Apr-01							6							
52. NIEP	Jul-00					3	3	70				9			
53. PARU															
54. PASU I & II	Jul-93	1					3	150	133		14	10	3	1	6
55. PDPE	May-93	4	7	24		15		507				13	4		
56. PRECAGEF	Apr-01														
57. PRECASP	May-01			1				1							
58. PRIECA/AO	Feb-01														
59. PRIESP	Jan-01														
60. PROFESS	Jun-01													2	
61. PSOGT	Oct-01														
62. PNRC - CAF	Nov-01														
63. PNRC - OMAP	Dec-01														
64. PSU															
65. PTCT I & II	Sep-94	13 Depts. of Econ		616				31	33					10	
66. SANGOCO															
67. SARUPS	Jun-01			27		1	327	3	430	3	10	2	96		
68. UNAM	May-01														
69. UPE	Jul-94	1						191	288	72	13	117	11	19	
70. WAJFEM															
71. ZEPARUJ															
Cumulative 2001			55	1805	281	333	3229	10005	1811	384	264	730	686	153	96
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	361	114	66

**Annex A.4. Basic Data on ACBF-funded Projects and Programs**

Classification of Projects and Programs	Approval Date	Effectiveness Date	Closing Date	Amount of Grant \$'000
<b>Public Sector Operations</b>				
<b>A.1 Economic Policy Analysis and Management</b>				
1. BIDPA I	01/93	05/95	03/2000	3,000
2. BIDPA II	04/2001	Awaiting Effectiveness	05/2006	1,500
3. CAFPD	04/95	11/97	06/2003	1,600
4. CAMERCAP	04/2001	Awaiting	Negotiation	1,708
5. CAPE	03/95	01/98	06/2003	1,500
6. CAPEP	12/2000	Awaiting	Negotiation	1,500
7. CAPES	03/97	08/2001	03/2005	1,600
8. CEPA I	01/93	01/94	04/2001	3,500
9. CEPA II	04/2001	8/2001	12/06	1,700
10. CIRES-CAPEC I	01/93	11/93	02/2000	1,750
11. CIRES-CAPEC II	11/99	11/2001	06/2002	1,754
12. CEPEC I	10/92	11/93	12/99	1,600
13. CEPEC II	11/99	5/2001	03/2005	1,500
14. CREAM	11/99	Awaiting	Negotiation	1,721
15. DMPA	05/95	02/96	12/2002	1,700
16. DPC I	04/93	02/94	03/2001	2,846
17. DPC II	12/2000	8/2001	11/2005	1,442
18. EEA	05/2000	5/2001	04/2006	1,030
19. EDRI	12/2001	Awaiting	Negotiation	1,500
20. EPRC I	10/92	07/93	04/98	1,500
21. EPRC II	05/98	05/98	05/2003	2,000
22. ESRF I	10/92	03/94	10/98	1,700
23. ESRF II	05/98	06/99	06/2003	2,000
24. IDEC	10/92	06/95	12/2006	2,000
25. IPAR I	03/94	05/95	12/2000	2,525
26. IPAR II	12/2000	Awaiting	Negotiation	1,500
27. KIPRA	04/95	05/98	03/2003	1,630
28. LIMPAC	11/98	Awaiting	Negotiation	1,800
29. NEPRU I	03/94	03/95	06/2000	2,400
30. NEPRU II	12/2000	05/2001	11/2005	2,000
31. PRECASP	12/2000	05/2001	10/05	1,100
32. NIEP	11/98	7/2000	07/2004	2,000
33. PNRC-CAF	12/2000	11/2001	02/06	1,300
34. PNRC-CMAP	12/2000	02/2001	03/2006	1,200
35. UPE	04/93	07/94	12/2001	1,912
36. ZEPARU	12/2000	Awaiting Effectiveness	4/2006	1,500
<b>A.2 Public Sector Economic and Financial Management Training Programs</b>				
1. AERC II	11/97	12/98	06/2001	3,000
2. AERC III	4/2001	6/2001	12/2005	3,000
3. CESAG	12/2000	8/2001	4/2006	1,500
4. EMPAC	04/95	05/97	04/2001	1,410
5. EPM-CAMEROON	11/97	9/99	06/2003	2,000
6. EPM- COTE D' IVOIRE	11/97	06/99	06/2003	2,000
7. EPM-GHANA	11/97	9/2000	04/2003	2,000
8. EPM-UGANDA	11/97	10/2000	04/2003	2,000
9. MACROFOR	12/2001	Awaiting	Negotiation	1,598
10. NCEMA I	10/92	02/94	05/98	990
11. NCEMA II	11/98	07/99	12/2003	997
12. PTCI I	10/93	09/94	06/2001	5,000
13. PTCI II	12/2000	12/01	06/2007	4,000
14. SARIPS	05/2000	06/2001	04/2004	1,500
15. PROFESS	04/2001	06/2001	12/2005	1,157
15. UNAM	05/2000	05/2001	04/2006	850



**Annex A.4. Basic Data on ACBF-funded Projects and Programs (continued)**

Classification of Projects and Programs	Approval Date	Effectiveness Date	Closing Date	Amount of Grant
<b>A.3 Financial Management and Accountability</b>				
1. NCBP (PFMR)	12/2000	Awaiting Effectiveness	12/2006	3,000
2. PRECAGEF	05/2000	4/2001	05/2005	1,422
3. CCDB	04/2001	7/2001	01/2005	1,091
<b>A.4 Strengthening Policy Analysis Capacity of National Parliament</b>				
1. CAPAN	05/2000	Awaiting Effectiveness	8/2005	1,600
2. PARU	12/2000	Awaiting	Negotiation	2,000
3. PSU	05/2000	Awaiting	Negotiation	2,000
<b>A.5 Regional Organizations</b>				
1. ACBF/ILO	05/2000	Awaiting	Negotiation	2,000
2. BCEAO/BEAC (MACRO) I	05/95	02/96	09/2000	1,050
3. BCEAO/BEAC (MACRO) II	12/2000	08/2001	11/2004	1,740
4. BEAC/BCEAO (DEBT)	11/99	9/2001	4/2004	1,650
5. CEMAC	12/2000	Awaiting Effectiveness	5/2006	1,000
6. ECOWAS	05/2000	Awaiting Effectiveness	2/2006	2,000
7. IEF	12/2000	Awaiting Effectiveness	5/2006	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	12/2000	06/2005	3,000
11. WAIFEM	5/2000	9/2000	04/2005	2,519
<b>B. Public Sector -Private Sector-Civil Society Interface Operations</b>				
<b>B.1. National Institutions</b>				
1. CSD-PSF	5/2000	04/2001	4/2004	1,335
2. GAMBIA (Interface)	12/2001	Awaiting	Negotiation	850
3. NEC	12/2000	09/2001	12/2004	1,500
4. NECF	12/2000	Awaiting Effectiveness	04/2006	2,000
5. NGOCC	5/2000	04/2001	04/2004	1,384
6. NGO Council	12/2001	Awaiting	Negotiation	850
7. PRIESP	5/2000	01/2001	03/2005	723
8. PSCGT	5/2000	10/2001	12/2005	1,000
9. SANGOCO	5/2000	9/2001	12/2004	1,000
<b>B.2 Regional Organizations</b>				
1. PRIECA/AO	12/2000	2/2001	7/2005	1,431
2. CONSUMER INT.	5/2000	10/2001	12/2005	1,000
<b>C. Special Interventions</b>				
AMICAAL	05/2000	09/2001	12/2005	1,000
<b>D. National Focal Point</b>				
20 Countries	05/2000 and 12/2000	Dates	Vary	0,050 per NFP
6 Countries	12/2001	Dates	Vary	0,050 per NFP

## Annex A.5. Disbursements to ACBF-funded Projects and Programs as at 31 December 2001 (US\$)

Project/Program	Grant Approved	Cumulative Disbursements as at 31/12/01	Cumulative Disbursements as at 31/12/00	Actual Disbursements Jan - Dec 2001	Actual Disbursements Jan - Dec 2000
AERC-CMAP I	5,000,000	5,000,000	5,000,000	-	-
AERC-CMAP II	3,000,000	3,000,000	2,906,062	93,938	1,104,039
AERC-CMAP III	3,000,000	250,000	-	250,000	-
AIPA I	150,000	150,000	150,000	-	-
AIPA II	1,001,730	1,001,730	1,001,730	-	-
AMICAAL	1,060,000	100,000	-	100,000	-
BCEAO/BEAC I	1,050,000	960,694	960,694	-	81,521
BCEAO/BEAC II	1,738,857	200,000	-	200,000	-
BEAC/BCEAO (debt)	1,650,000	296,749	-	296,749	-
BIDPA I	3,000,000	2,661,558	2,422,795	238,763	806,911
BIDPA II	1,500,000	-	-	-	-
CAFED	1,600,000	865,065	600,667	264,398	193,839
CAMERCAP	1,708,850	-	-	-	-
CAPAN	1,600,000	-	-	-	-
CAPE	1,500,000	749,947	597,627	152,320	191,895
CAPED	1,500,000	-	-	-	-
CAPEX	1,600,000	150,000	-	150,000	-
CCDB	1,091,310	189,845	-	189,845	-
CEMAC	1,000,000	-	-	-	-
CEPA I	3,500,000	2,854,137	2,755,218	98,919	527,229
CEPA II	1,700,000	231,458	-	231,458	-
CERDI-AUREDI	2,364,000	2,270,456	2,270,456	-	-
CESAG	1,500,000	100,000	-	100,000	-
CIRES-CAPEC I	1,750,000	1,736,521	1,627,653	108,868	106,897
CIRES - CAPEC II	1,754,000	150,000	-	150,000	-
CNPG-CEPEC	1,600,000	1,509,184	1,509,184	-	-
CNPG-CEPEC II	1,500,000	100,000	-	100,000	-
CONSUMER INT.	1,000,000	146,140	-	146,140	-
CREAM	1,721,270	-	-	-	-
CSD-PSF	1,335,903	270,066	-	270,066	-
DMPA	1,785,000	1,059,248	753,685	305,563	160,958
DPC I	2,845,965	2,742,560	2,554,223	188,337	180,491
DPC II	1,442,210	100,000	-	100,000	-
ECOWAS	2,000,000	-	-	-	-
EDRI	1,500,000	-	-	-	-
EEA	1,030,000	175,631	-	175,631	-
EMPAC	1,410,000	500,071	390,059	110,012	153,435
EPM Cameroon)	2,000,000	1,140,435	707,916	432,519	421,045
EPM (Côte d'Ivoire)	2,000,000	1,138,314	667,863	470,451	305,741
EPM (Ghana)	2,000,000	1,101,236	758,923	342,313	439,998
EPM (Uganda)	2,000,000	1,316,011	875,024	440,987	529,137
EPRC I	1,500,000	1,412,911	1,412,911	-	-
EPRC II	2,000,000	1,126,818	815,476	311,342	151,549
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	1,194,994	780,676	414,318	422,734
IDEC	2,000,000	1,523,576	1,163,229	360,347	308,304
IEF	3,000,000	-	-	-	-
ILO	1,500,000	-	-	-	-
IPAR	2,525,000	2,530,806	2,201,661	329,145	591,863
IPAR II	1,500,000	-	-	-	-
	<b>91,614,095</b>	<b>45,583,274</b>	<b>38,460,845</b>	<b>7,122,429</b>	<b>6,677,586</b>

## Annex A.5. Disbursements to ACBF-funded Projects and Programs as at 31 December 2001 (US\$) (continued)

Project/Program	Grant Approved	Cumulative Disbursements as at 31/12/01	Cumulative Disbursements as at 31/12/00	Actual Disbursements Jan - Dec 2001	Actual Disbursements Jan - Dec 2000
KIPPRA	1,630,000	978,873	501,571	477,302	370,437
LIMPAC	1,800,000	-	-	-	-
MACROFOR	1,598,164	-	-	-	-
McGILL	2,136,000	1,788,135	1,788,135	-	-
MEFMI	2,900,000	2,900,000	2,353,102	546,898	492,662
NC-NGO	850,000	-	-	-	-
NCBP (PFMR)	3,000,000	-	-	-	-
NEC	1,500,000	100,000	-	100,000	-
NECF	2,000,000	-	-	-	-
NCEMA I	990,000	990,000	990,000	-	-
NCEMA II	997,940	732,556	490,024	242,532	390,024
NEPRU I	2,400,000	2,399,566	2,399,569	(3)	701,695
NEPRU II	2,000,000	521,603	-	521,603	-
NGOCC	1,384,980	204,468	-	204,468	-
NIEP	2,000,000	907,519	400,674	506,845	300,674
OAU/PASU I	3,000,000	3,002,676	3,002,677	(1)	152,160
OAU/PASU II	3,000,000	362,730	-	362,730	-
PARU	2,000,000	-	-	-	-
PDTPE	2,000,000	1,901,512	1,892,325	9,187	38,994
PNRC - CAF	1,300,000	-	-	-	-
PNRN - CMAP	1,200,000	-	-	-	-
PRECAGEF	1,422,850	100,000	-	100,000	-
PRECASP	1,100,000	100,000	-	100,000	-
PRIECA/AO	1,431,594	453,460	-	453,460	-
PRIESP	723,330	241,236	-	241,236	-
PROFESS	1,157,090	100,000	-	100,000	-
PSCGT	1,000,000	195,615	-	195,615	-
PSU	1,859,100	-	-	-	-
PTCI I	5,000,000	4,830,643	4,830,643	-	881,656
PTCI II	4,000,000	500,000	-	500,000	-
INTERFACE (Gambia)	850,000	-	-	-	-
SANGOCO	1,200,000	201,542	-	201,542	-
SARIPS	1,500,000	297,609	100,000	197,609	100,000
UNAM-MPPA	850,000	234,116	-	234,116	-
UPE	1,912,200	1,351,473	1,228,050	123,423	176,809
WAIFEM	2,519,000	650,670	302,528	348,142	302,528
ZEPARU	1,500,000	-	-	-	-
NFP (11)	550,000	157,834	-	157,834	-
NFP (9)	450,000	-	-	-	-
NFP (6)	301,200	-	-	-	-
	<b>162,227,543</b>	<b>71,787,110</b>	<b>58,740,143</b>	<b>13,046,967</b>	<b>10,585,225</b>

## Annex A.6. Financing Status of ACBF-funded Projects and Programs as at 31 December 2001

Project/Program	Total Cost	ACBF's Share	Govt./Own Finance	Pledged Co-finance	Financing Deficit 2001	Financing Deficit 2000
1	2	3	4	5	6	
AERC-CMAP I	15,583,700	5,000,000	-	10,583,700	-	
AERC-CMAP II	12,267,124	3,000,000	-	9,267,124	-	
AERC-CMAP III	12,998,991	3,000,000	-	9,998,991	-	
AIPA I	150,000	150,000	-	-	-	
AIPA II	7,573,000	1,001,730	-	-	6,571,270	
AMICAAL	4,318,250	1,060,000	843,000	510,000	1,905,250	(2,018,250)
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	-	(2,608,285)
BEAC/BCEAO (debt)	5,468,908	1,650,000	-	3,818,908	-	
BIDPA I	10,000,000	3,000,000	8,965,821	1,867,546	(3,833,367)	
BIDPA II	13,753,013	1,500,000	6,904,591	5,300,000	48,422	
CAFPD	2,880,000	1,600,000	230,000	1,050,000	-	
CAMECAP	1,708,850	1,708,850	-	-	-	
CAPAN	2,860,463	1,600,000	-	-	1,260,463	(1,260,463)
CAPE	2,619,760	1,500,000	259,980	195,600	664,180	(600)
CAPED	2,950,605	1,500,000	-	-	1,450,605	(1,450,605)
CAPEX	3,215,256	1,600,000	321,526	1,293,730	-	
CCDB	1,091,310	1,091,310	-	-	-	
CEMAC	1,000,000	1,000,000	-	-	-	
CEPA I	6,068,000	3,500,000	-	2,568,000	-	
CEPA II	4,756,000	1,700,000	1,000,000	2,056,000	-	
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	(1,879,500)
CIRES-CAPEC I	1,750,000	1,750,000	-	-	-	-
CIRES - CAPEC II	2,192,500	1,754,000	438,500	-	-	-
CNPG-CEPEC	2,196,594	1,600,000	596,594	-	-	-
CNPG-CEPEC II	2,440,658	1,500,000	244,165	118,800	577,693	(180,658)
CONSUMER INT.	4,000,000	1,000,000	-	3,000,000	-	-
CREAM	2,371,270	1,721,270	-	-	650,000	
CSD	29,084,709	1,335,903	6,179,360	15,374,563	6,194,883	(6,194,883)
DMPA	3,951,000	1,785,000	1,202,600	990,000	(26,600)	
DPC I	4,335,000	2,845,965	1,000,000	489,035	-	(489,035)
DPC II	3,599,415	1,442,210	755,072	1,402,183	(50)	(2,157,205)
ECOWAS	3,800,000	2,000,000	640,000	1,676,596	(516,596)	(1,800,000)
EDRI	3,244,000	1,500,000	-	-	(1,500,000)	-
EEA	1,894,709	1,030,000	864,709	480,000	(480,000)	-
EMPAC	2,350,000	1,410,000	258,500	681,500	-	-
EPM Cameroon)	3,009,705	2,000,000	-	1,100,000	(90,295)	(203,085)
EPM (Côte d'Ivoire)	2,990,836	2,000,000	-	970,000	20,836	-
EPM (Ghana)	3,278,794	2,000,000	-	1,379,000	(100,206)	-
EPM (Uganda)	3,161,640	2,000,000	-	1,161,000	640	-
EPRC I	1,821,537	1,500,000	491,290	-	(169,753)	-
EPRC II	4,690,798	2,000,000	1,220,573	1,439,459	30,766	(1,368,942)
ESAIDARM	8,000,000	2,000,000	2,074,435	3,925,565	-	-
ESRF I	4,208,000	1,700,000	695,401	-	1,812,599	(1,812,599)
ESRF II	5,400,000	2,000,000	1,920,000	480,000	1,000,000	(2,442,200)
IDEC	2,861,280	2,000,000	82,650	-	778,630	(861,280)
IEF	13,725,212	3,000,000	2,453,697	8,271,515	-	(8,271,515)
ILO	1,500,000	1,500,000	-	-	-	-
IPAR	5,033,000	2,525,000	-	2,508,600	(600)	(796,500)
IPAR II	4,000,000	1,500,000	-	1,787,130	712,870	-
	<b>260,317,529</b>	<b>93,214,095</b>	<b>41,254,464</b>	<b>100,799,830</b>	<b>21,805,140</b>	<b>(38,759,605)</b>

## Annex A.6. Financing Status of ACBF-funded Projects and Programs as at 31 December 2001 (continued)

Project/Program	Total Cost	ACBF's Share	Govt./Own Finance	Pledged Co-finance	Financing Deficit 2001	Financing Deficit 2000
	1	2	3	4	5	6
KIPRA	5,312,000	1,630,000	1,182,000	2,500,000	-	-
LIMPAC	2,174,293	1,800,000	-	-	374,293	-
MACROF	1,598,164	1,598,164	-	-	(1,598,164)	-
McGILL	7,936,000	2,136,000	886,000	4,914,000	-	-
MEFMI	25,000,000	2,900,000	-	22,100,000	-	-
National Council of Non-Governmental	1,996,342	850,000	-	-	(850,000)	-
NCBP (PFMR)	7,106,100	3,000,000	-	-	4,106,100	(4,106,100)
NEC	3,000,000	1,500,000	350,000	1,150,000	-	-
NECF	6,697,845	2,000,000	-	-	4,697,845	(1,051,195)
NCEMA I	898,879	990,000	-	-	(91,121)	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	-	-
OAU/EDECO/PASU I	3,000,000	3,000,000	-	-	-	-
OAU/EDECO/PASU II	7,709,074	3,000,000	4,709,074	-	-	3,000,000
PARU	3,536,925	2,000,000	-	-	1,536,925	(1,536,925)
PDTPE	2,000,000	2,000,000	-	-	-	-
PNRC - CAF	1,682,340	1,300,000	-	382,340	-	(382,340)
PNRN - CMAP	1,845,360	1,200,000	207,960	50,000	387,400	(645,360)
PRECAGEF	1,422,850	1,422,850	-	-	-	-
PRECASP	1,100,000	1,100,000	-	-	-	-
PRIECA/AO	3,346,154	1,431,594	-	-	1,914,560	-
PRIESP	901,365	723,330	78,035	100,000	-	-
PROFESS	1,538,450	1,157,090	1,293,790	-	(912,430)	-
PSCGT	9,090,858	1,000,000	-	2,090,858	6,000,000	(6,000,000)
PSU	3,164,500	1,859,100	-	1,164,500	140,900	(140,900)
PTCI I	12,400,000	5,000,000	-	4,789,800	2,610,200	(2,506,000)
PTCI II	12,742,365	4,000,000	-	1,400,000	7,342,365	(8,742,365)
INTERFACE (Gambia)	970,725	850,000	120,725	-	-	-
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	(1,568,479)
UNAM MPPA	1,986,700	850,000	1,136,700	-	-	-
UPE	2,961,000	1,912,200	194,400	854,400	-	(804,400)
WAIFEM	12,610,269	2,519,000	-	5,015,470	5,075,799	8,934,621
ZEPARU	5,500,000	1,500,000	4,000,000	-	-	(3,600,000)
NFP (11)	550,000	550,000	-	-	-	-
NFP (9)	450,000	450,000	-	-	-	-
NFP (6)	301,200	301,200	-	-	-	-
	<b>448,139,220</b>	<b>162,227,543</b>	<b>64,124,884</b>	<b>160,839,996</b>	<b>54,108,291</b>	<b>(57,908,927)</b>



## Annex A.7. Status of Pledges and Contributions by Donors as at 31 December 2001 – Phase I

Country/ Organization	Amount Pladeged USD (million)		Amount Contributed USD (million)		Exchange (Loses)/Gains	Outstatnding amount	Status
	TF 1	TF2	TF1	TF2	USD (million)	USD(million)	
AfDB	6.000	-	6.053	-	0.053	-	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	Fully Paid
Canada	1.500	1.500	1.500	1.500	0.003	-	Fully Paid
Côte d'Ivoire	0.250	-	0.250	-	-	-	Fully Paid
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
United States	10.000	-	5.000	-	-	5.000	
UNDP	-	6.855	-	6.718	-	0.137	Grant Closed
WorldBank	7.000	8.000	7.000	8.000	-	-	Fully Paid
Zimbabwe	0.250	-	0.250	-	-	-	Fully Paid
<b>Total</b>	<b>65.209</b>	<b>16.355</b>	<b>50.849</b>	<b>16.218</b>	<b>93.028)</b>	<b>11.466</b>	

**Annex A.8. Status of Pledges and Contributions by Donors as at 31 December 2001 - Phase II**

<b>Country/ Organization</b>	<b>Amount Pledged US\$ (000)</b>	<b>Amount Paid-in US\$(000)</b>	<b>Remarks</b>
African Development Bank	6.000	-	
Botswana	0.300	0.300	Fully Paid
Cameroon	0.300	-	
Canada	2.400	1.587	
Chad	0.250	-	
Côte d'Ivoire	0.300	-	
Denmark	5.000	3.377	
Finland	3.000	2.619	
Gabon	0.250	-	
Ireland	0.967	-	
Netherlands	2.500	0.795	
Nigeria	0.400	0.400	Fully Paid
Norway	4.121	2.417	
Senegal	0.250	-	
Sweden	6.000	2.940	
Uganda	0.250	0.100	
United Kingdom	4.942	3.078	
UNDP	5.000	-	
World Bank	15.000	10.000	
Zimbabwe	0.250	0.123	
<b>TOTAL</b>	<b>57.480</b>	<b>27.736</b>	

*Note: 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.9. Schedule of Draw-Downs into Trust Fund 1 - Phase I (US\$ millions)**

<b>Country/ Organization</b>	<b>Pledges</b>	<b>Cum. Draw- Down 2000</b>	<b>Actual Draw- Downs 2001</b>	<b>Cum. Draw- Downs 2001</b>	<b>Expected Cum. Draw- Downs 2001 100%</b>	<b>Exch. Loss Adjust- ment</b>	<b>Out- standing* Balances Dec. 2001</b>
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	1.500	-	1.500	1.500	-	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	1.672	-	1.672	3.000	-	1.328
<b>TOTAL</b>	<b>65.209</b>	<b>50.851</b>	<b>0.000</b>	<b>50.851</b>	<b>65.209</b>	<b>(3.030)</b>	<b>11.328</b>

\* The outstanding balance from UNDP (through UNOPS) is US\$137,000. This amount does not appear 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.10. Schedule of Draw-Downs into the ACB Fund, Phase II (US\$ millions)**

<b>Country/ Organization</b>	<b>Pledges</b>	<b>Cumulative Draw- Downs 2000</b>	<b>Planned Draw- Downs 2001</b>	<b>Actual Draw- Downs 2001</b>	<b>Cumulative Draw- Downs 2001</b>	<b>Balance Due 2001</b>
AFDB	6.00	-	3.722	-	-	3.722
BOTSWANA	0.30	0.300	-	-	0.300	-
CANADA	2.400	-	1.489	1.587	1.587	-
CAMEROON	0.30	-	0.186	-	-	0.186
CHAD	0.250	-	-	-	-	-
COTE d'IVOIRE	0.30	-	0.186	-	-	0.186
DENMARK	5.00	2.620	0.482	0.757	3.377	-
FINLAND	3.00	1.297	0.564	1.322	2.619	-
GABON	0.25	-	0.155	-	-	0.155
IRELAND	0.967	-	-	-	-	-
NETHERLANDS	2.50	0.795	0.756	-	0.795	0.756
NIGERIA	0.40	-	0.248	0.400	0.400	-
NORWAY	4.12	1.606	0.950	0.811	2.417	0.139
SENEGAL	0.25	-	0.155	-	-	0.155
SWEDEN	6.00	2.940	0.782	-	2.940	0.782
UGANDA	0.25	-	0.155	0.100	0.100	0.055
U.K.	4.94	2.339	0.728	0.739	3.078	-
UNDP	5.00	-	3.102	-	-	3.102
WORLD BANK	15.00	10.000	-	-	10.000	-
ZIMBABWE	0.25	0.073	0.082	0.050	0.123	0.032
<b>TOTAL</b>	<b>57.48</b>	<b>21.970</b>	<b>13.742</b>	<b>5.766</b>	<b>27.736</b>	<b>9.270</b>

## Annex B.1



**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 98 to 114.

**Respective responsibilities of Directors and Auditors**

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.

**Basis of opinion**

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.

**Opinion on financial statements**

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 2001 and of the results of the operations and cash flows for the financial year ended on that date.

A handwritten signature in black ink that reads "Deloitte Touche".

*27 April 2002*

**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 2001**

	<b>2001 US\$</b>	<b>2000 US\$</b>
<b>Receipts</b>		
Receipts from Trust Funds	19 462 746	12 431 556
IDF Grant	440 919	100 000
Interest earned	132 780	119 675
Miscellaneous	40	-
	<hr/> 20 036 485	<hr/> 12 651 231
<b>Expenditure</b>		
<b>Core public sector projects</b>		
<b>National Economic Policy Analysis, Research and Training</b>		
<b>Economic Policy Analysis and Management Programs</b>		
Capital costs	347 380	164 111
Personnel	2 938 847	2 072 986
Research	745 690	1 370 731
Operation and maintenance	976 735	505 929
Training	600 320	903 135
Unallocated	29 867	15 650
<b>Total Economic Policy Analysis and Management Programs</b>	<hr/> 5 638 839	<hr/> 5 032 542
<b>Economic &amp; Financial Management Training Programs</b>		
Capital costs	341 300	31 508
Personnel	437 220	365 706
Research	171 798	422 291
Operation and maintenance	109 496	525 990
Training	2 162 848	3 164 940
Unallocated	9 004	2 440
<b>Total Economic &amp; Financial Management Training Programs</b>	<hr/> 3 231 666	<hr/> 4 512 875
<b>Financial Management and Accountability</b>		
Capital costs	30 185	-
National Economic Policy Unallocated	507	-
Operation and maintenance	43 020	-
National Economic Policy Programs	16 401	-
<b>Total Financial Management and Accountability</b>	<hr/> 90 113	<hr/> -
<b>Total National Economic Policy Analysis, Research and Training</b>	<hr/> 8 960 618	<hr/> 9 545 417



## Annex B.3

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
RECEIPTS AND EXPENDITURE STATEMENT  
for the year ended 31 December 2001**

	<b><u>2001</u></b> <b>US\$</b>	<b><u>2000</u></b> <b>US\$</b>
<b>Core Public Sector Regional Organizations</b>		
Capital costs	23 278	1 845
Personnel	513 675	227 585
Research	316 764	46 137
Operation/maintenance	123 938	50 336
Training	457 182	-
Unallocated	8 679	-
<b>Total Core Public Sector Regional Organisations</b>	<u>1 443 516</u>	<u>325 903</u>
<b><u>Public, Private Sector, Civil Society Interface</u></b>		
<b>National Institutions</b>		
Capital costs	227 394	-
National Institutions unallocated	14 439	-
Personnel	32 106	-
Operation/maintenance	12 667	-
Training	73 029	-
Program activities	177 677	-
<b>Total National Institutions</b>	<u>537 312</u>	<u>-</u>
<b>Regional Institutions</b>		
Capital costs	151 413	-
Personnel	67 262	-
Research	37 980	-
Operation/maintenance	21 667	-
Training	71 280	-
<b>Total Regional Organisations</b>	<u>349 602</u>	<u>-</u>
<b>Total Public, Private Sector, Civil Interface</b>	<u>886 914</u>	<u>-</u>
<b>National Focal Points</b>		
Capital costs	7 834	-
<b>Total National Focal Points</b>	<u>7 834</u>	<u>-</u>
<b>Total Projects Expenditure</b>	<u>11 298 882</u>	<u>9 871 320</u>

## Annex B.4

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
RECEIPTS AND EXPENDITURE STATEMENT  
for the year ended 31 December 2001**

		<b><u>2001</u></b> <b>US\$</b>	<b><u>2000</u></b> <b>US\$</b>
	<b>Notes</b>		
Workshops		1 205 240	744 241
Bank Charges		5 534	10 352
<b>Total Expenditure on Programs</b>		<b>12 509 656</b>	<b>10 625 913</b>
<b>Administration Expenditure</b>			
Direct project related expenditure:			
Country assessment and project identification	10.1	24 893	49 203
Project appraisal	10.2	39 062	189 670
Project proposal preparation	10.3	66 024	61 387
Project supervision and monitoring	10.4	202 408	92 196
		<b>332 387</b>	<b>392 456</b>
Other administration expenditure:			
Professional staff expenses		2 277 213	1 612 342
Support staff expenses		266 640	217 726
IDF training		843	-
IDF equipment maintenance		2 422	-
IDF consultant fees		378 195	-
Consultants fees and travel costs		221 674	17 695
General and administration expenses	10.5	481 666	676 744
Other	10.6	124 895	101 778
		<b>3 753 548</b>	<b>2 626 285</b>
<b>Total Administration Expenditure</b>		<b>4 085 935</b>	<b>3 018 741</b>
<b>Consolidated Expenditure on Programs and Administration</b>		<b>16 595 591</b>	<b>13 644 654</b>
<b>Excess of Receipts over Expenditure/ (Expenditure over Receipts)</b>	<b>4</b>	<b>3 440 894</b>	<b>(993 423)</b>

## Annex B.5

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
BALANCE SHEET  
31 December 2001**

		<u>2001</u> US\$	<u>2000</u> US\$
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	5	327 488	315 973
<b>CURRENT ASSETS</b>			
Inventory	6	13 020	10 297
Accounts Receivable	7	793 700	467 057
Bank Balances and Cash	8	5 917 041	4 264 108
Unretired Advances to Projects	9	8 422 658	6 674 572
Total Current Assets		15 146 419	11 416 034
<b>TOTAL ASSETS</b>		15 473 907	11 732 007
<b>ACCUMULATED FUNDS</b>			
	4	14 955 757	11 514 863
<b>Current liabilities</b>			
Accounts Payable		518 150	217 144
<b>TOTAL ACCUMULATED FUNDS AND LIABILITIES</b>		15 473 907	11 732 007



EXECUTIVE SECRETARY



FINANCE AND ACCOUNTS MANAGER

## Annex B.6

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
CASH FLOW STATEMENT  
for the year ended 31 December 2001**

	<u>2001</u> US\$	<u>2000</u> US\$
<b>Cash Flows from Operating Activities</b>		
Excess of receipts over expenditure/(expenditure over receipts)	3 440 894	(993 423)
Adjustments for:		
Depreciation	102 579	93 062
Interest Receivable	(132 780)	(119 675)
	<hr/>	<hr/>
Operating Cash Flows before Working Capital Changes	3 410 693	(1 020 036)
Increase in Unretired Advances	(1 748 086)	(713 905)
(Increase)/Decrease in Debtors	(326 643)	3 395
Increase/(Decrease) in Creditors	301 006	(31 507)
(Increase)/Decrease in Stock	(2 723)	1 674
	<hr/>	<hr/>
Cash generated from/(used in) Operations	1 634 247	(1 760 379)
	<hr/>	<hr/>
<b>Cash Flows from Investing Activities</b>		
Purchase of Fixed Assets	(114 094)	(135 144)
Interest Received	132 780	119 675
	<hr/>	<hr/>
Net Cash generated from/(used in) Investing Activities	18 686	(15 469)
	<hr/>	<hr/>
Net Increase/(Decrease) in Cash and Cash Equivalents	1 652 933	(1 775 848)
	<hr/>	<hr/>
<b>Cash and Cash Equivalents at 31 December 2000</b>	4 264 108	6 039 956
	<hr/>	<hr/>
<b>Cash and Cash Equivalents at 31 December 2001</b>	5 917 041	4 264 108
	<hr/>	<hr/>

## Annex B.7

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
NOTES TO THE FINANCIAL STATEMENTS  
31 December 2001**

**1. Nature of Activity**

The main activities of the Foundation are aimed at building and strengthening human and institutional capacities in macroeconomic 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 recognized on an accruals basis.

## Annex B.7

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
31 December 2001**

**3. Accounting Policies (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.

Under this 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.

**4. Accumulated Funds**

	<u>2001</u> US\$	<u>2000</u> US\$
Balance – 31 December 2000	11 514 863	12 508 286
Transferred from receipts and expenditure statement	3 440 894	(993 423)
Balance – 31 December 2001	<u>14 955 757</u>	<u>11 514 863</u>



## Annex B.7 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
31 December 2001**

**5. Property, Plant and Equipment**

<u>Cost</u>	Balance <u>31 Dec 00</u> US\$	<u>Additions</u> US\$	<u>Disposals</u> US\$	Balance <u>31 Dec 01</u> US\$
Library books	3 233	21 454	-	24 687
Motor vehicles	69 782	18 058	-	87 840
Computers	353 523	58 209	-	411 732
Furniture and equipment	155 696	16 373	-	172 069
	<u>582 234</u>	<u>114 094</u>	<u>-</u>	<u>696 328</u>
<u>Depreciation</u>		Charge for the year		
Library books	365	555	-	920
Motor vehicles	38 780	10 549	-	49 329
Computers	154 724	75 583	-	230 307
Furniture and equipment	72 392	15 892	-	88 284
	<u>266 261</u>	<u>102 579</u>	<u>-</u>	<u>368 840</u>
	Balance <u>31 Dec 00</u> US\$			Balance <u>31 Dec 01</u> US\$
Net book amount	<u>315 973</u>			<u>327 488</u>
Comprising:-				
Library books	2 868			23 767
Motor vehicles	31 002			38 511
Computers	198 799			181 425
Furniture and equipment	83 304			83 785
	<u>315 973</u>			<u>327 488</u>

Assets to the value of US\$59 459 were financed through the IDF Grant.

## Annex B.7 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2001**

	<u>2001</u> US\$	<u>2000</u> US\$
<b>6. Inventory</b>		
Consumables	13 020	10 297
<b>7. Accounts Receivable</b>		
Amount due from staff gratuity/savings scheme fund	196 417	84 183
Staff loans	166 698	44 579
Staff advances	13 140	13 308
Travel advances	85 503	32 957
Prepayments	14 546	7 663
Other	317 396	284 367
	<hr/> 793 700 <hr/>	<hr/> 467 057 <hr/>
<b>8. Bank Balances and Cash</b>		
United States Dollars - Standard Chartered Bank London	5 809 915	1 513 725
United States Dollars - Grindlays (Pvt) Banking London	-	2 314 605
United States Dollars - Grindlays (Pvt) Banking, Stanbic Bank and Standard Chartered Bank	38 733	444 090
Foreign Currencies - Stanbic Bank and Standard Chartered Bank	68 393	(8 312)
	<hr/> 5 917 041 <hr/>	<hr/> 4 264 108 <hr/>

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

## Annex B.7 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2001**

**9. Unretired Advances to Projects**

	Coverage	Grant approved US\$	Cumulative disbursements US\$	Grant expenditure US\$	Unretired advance US\$
<b>Phase I</b>					
AERC-CMAP I	Regional	5 000 000	5 000 000	5 000 000	-
AIPA I	South Africa	150 000	150 000	150 000	-
AIPA II	South Africa	1 001 730	1 001 730	1 001 730	-
BCEAO/BEAC	Regional	1 050 000	960 694	921 517	39 177
BIDPA	Botswana	3 000 000	2 661 558	2 661 558	-
CAFPD	Mali	1 600 000	865 065	715 065	150 000
CAPE	Benin	1 500 000	749 947	609 947	140 000
CAPEB	Burkina Faso	1 600 000	150 000	-	150 000
CEPA	Ghana	3 500 000	2 854 137	2 665 111	189 026
CERDI-AUREDI	Regional	2 364 000	2 270 456	1 997 678	272 778
CIREB-CAPEC	Cote d'Ivoire	1 750 000	1 736 521	1 736 521	-
CNPG -CEPEC	Guinea	1 600 000	1 509 184	1 483 441	25 743
DMPA	Zambia	1 785 000	1 059 248	916 090	143 158
DPC	Nigeria	2 845 965	2 742 560	2 742 560	-
EMPAC	Ethiopia	1 410 000	500 071	388 382	111 689
EPRC	Uganda	1 500 000	1 412 911	1 412 911	-
ESAIDARM	Regional	2 000 000	2 000 000	2 000 000	-
ESRF	Tanzania	1 700 000	1 577 113	1 577 113	-
IDEC	Burundi	2 000 000	1 523 576	1 421 364	102 212
IPAR	Kenya	2 525 000	2 530 806	2 478 598	52 208
KIPPR	Kenya	1 630 000	978 873	828 873	150 000
McGILL	Regional	2 136 000	1 788 135	1 459 290	328 845
MEFMI	Regional	2 900 000	2 900 000	2 900 000	-
NCMA I	Nigeria	990 000	990 000	990 000	-
NEPRU	Namibia	2 400 000	2 399 566	2 374 723	24 843
OAU/EDECO/PASU	Regional	3 000 000	3 002 676	2 727 013	275 663
PDTPE	Zimbabwe	2 000 000	1 901 512	1 901 512	-
PTCI	Regional	5 000 000	4 830 643	4 536 240	294 403
UPE	Senegal	1 912 200	1 351 473	1 251 473	100 000
Total Grant Commitments - Phase I		61 849 895	53 398 455	50 848 710	2 549 745
<b>Phase II</b>					
AERC-CMAP	Regional	3 000 000	3 000 000	3 000 000	-
BCEAO/BEAC (debt)	Regional	1 650 000	296 749	146 749	150 000
CEPEC II	Guinea	1 500 000	100 000	-	100 000
CREAM	Madagascar	1 721 270	-	-	-
EPM CAMEROON	Cameroon	2 000 000	1 140 435	939 674	200 761
EPM GHANA	Ghana	2 000 000	1 101 236	901 236	200 000
EPRC II	Uganda	2 000 000	1 126 818	926 818	200 000
ESRF II	Tanzania	2 000 000	1 194 994	1 094 994	100 000
LIMPAC	Liberia	1 800 000	-	-	-
NCMA II	Nigeria	997 940	732 556	632 547	100 009
NIEP	South Africa	2 000 000	907 519	807 518	100 001
		20 669 210	9 600 307	8 449 536	1 150 771

## Annex B.7 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2001**

**9. Unretired Advances to Projects (continued)**

	<u>Coverage</u>	<u>Grant approved</u> US\$	<u>Cumulative disbursements</u> US\$	<u>Cumulative grant expenditure</u> US\$	<u>Unretired advance</u> US\$
EPM Abidjan	Cote d'Ivoire	2 000 000	1 138 314	938 314	200 000
EPM Uganda	Uganda	2 000 000	1 316 011	874 394	441 617
Sub-Total		4 000 000	2 454 325	1 812 708	641 617
Total Grant Commitments - Phase II		24 669 210	12 054 632	10 262 244	1 792 388
Total Grant Commitments - Phase I & II		86 519 105	65 453 087	61 110 954	4 342 133
<b>Projects under Expanded Mandate</b>					
AERC-CMAP III	Regional	3 000 000	250 000	-	250 000
AMICAAL	Swaziland	1 060 000	100 000	-	100 000
BCEAO/BEAC II	Regional	1 738 857	200 000	-	200 000
BIDPA II	Botswana	1 500 000	-	-	-
CAMERCAP	Cameroon	1 708 850	-	-	-
CAPED	Niger	1 500 000	-	-	-
CCDB	Djibouti	1 091 310	189 846	90 113	99 733
CEMAC	Regional	1 000 000	-	-	-
CEPA II	Ghana	1 700 000	231 458	31 458	200 000
CESAG	Regional	1 500 000	100 000	-	100 000
CIRES-CAPEC II	Cote d'Ivoire	1 754 000	150 000	-	150 000
Consumer Int.	Regional	1 000 000	146 140	46 140	100 000
DPC II	Nigeria	1 442 210	100 000	-	100 000
ECOWAS	Regional	2 000 000	-	-	-
EDRI	Ethiopia	1 500 000	-	-	-
EEA	Ethiopia	1 030 000	175 631	75 631	100 000
IEF	Regional	3 000 000	-	-	-
ACBF/ILO	Regional	1 500 000	-	-	-
IPAR II	Kenya	1 500 000	-	-	-
MACROF	DRC	1 598 164	-	-	-
NC-NGO	Kenya	850 000	-	-	-
NCBP (PFMR)	Rwanda	3 000 000	-	-	-
NEC	Malawi	1 500 000	100 000	-	100 000
NECF	Zimbabwe	2 000 000	-	-	-
NEPRU II	Namibia	2 000 000	521 603	325 155	196 448
NGOCC	Zambia	1 384 980	204 468	104 468	100 000
OAU-PASU II	Regional	3 000 000	362 730	262 730	100 000
PARU	Nigeria	2 000 000	-	-	-
PNRC-CAF	Guinea Bissau	1 300 000	-	-	-
PNRN-CMAP	Mauritania	1 200 000	-	-	-
PRECAGEF	Gabon	1 422 850	100 000	-	100 000
PRECASP	Sao Tome	1 100 000	100 000	-	100 000
PRIECA/AO	Regional	1 431 594	453 460	303 460	150 000
PRIESP	Mali	723 330	241 236	161 236	80 000
PROFESS	Chad	1 157 090	100 000	-	100 000
CSD	Tanzania	1 335 903	270 066	170 066	100 000
PSCGT	Kenya	1 000 000	195 615	-	195 615
PSU	South Africa	1 859 100	-	-	-

## Annex B.7 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2001**

**9. Unretired Advances to Projects (continued)**

	<u>Coverage</u>	<u>Grant approved US\$</u>	<u>Cumulative disbursements US\$</u>	<u>Cumulative grant expenditure US\$</u>	<u>Unretired advance US\$</u>
<b>Projects under Expanded Mandate</b>					
PTCI II	Regional	4 000 000	500 000	-	500 000
Public Sector, Private Sector					
SANGOCO	Gambia	850 000	-	-	-
SARIPS	South Africa	1 200 000	201 542	101 542	100 000
UAPD (CAPAN)	Regional	1 500 000	297 609	197 609	100 000
UNAM MPPA	Benin	1 600 000	-	-	-
WAIFEM	Namibia	850 000	234 116	34 476	199 640
ZEPARU	Regional	2 519 000	650 670	341 581	309 089
	Zimbabwe	1 500 000	-	-	-
Sub-Total		74 407 238	6 176 190	2 245 665	3 930 525
<b>National Focal Points</b>					
CRC-Cape Verde	Cape Verde	50 000	-	-	-
HRDA	Rwanda	50 000	25 000	-	25 000
PFRD	Mauritania	50 000	-	-	-
SENAREC Benin	Benin	50 000	-	-	-
SENAREC Botswana	Botswana	50 000	-	-	-
SENAREC Burundi	Burundi	50 000	-	-	-
SENAREC Cameroon	Cameroon	50 000	-	-	-
SENAREC Central African Republic	Central African Republic	50 000	-	-	-
SENAREC Chad	Chad	50 000	25 000	-	25 000
SENAREC DRC	DRC	50 000	25 000	-	25 000
SENAREC Gabon	Gabon	50 000	25 000	-	25 000
SENAREC Guinea	Guinea	51 200	32 834	7 834	25 000
SENAREC G. Bissau	G. Bissau	50 000	-	-	-
SENAREC Nigeria	Nigeria	50 000	-	-	-
SENAREC Sao Tome	Sao Tome	50 000	25 000	-	25 000
SENAREC Swaziland	Swaziland	50 000	-	-	-
SENAREC Uganda	Uganda	50 000	-	-	-
SENAREC Zambia	Zambia	50 000	-	-	-
SNRC	Cote d'Ivoire	50 000	-	-	-
NFP Lesotho	Lesotho	50 000	-	-	-
NFP Namibia	Namibia	50 000	-	-	-
NFP Malawi	Malawi	50 000	-	-	-
SENAREC Mali	Mali	50 000	-	-	-
SENAREC	Republic of Congo	50 000	-	-	-
NFP	Tanzania	50 000	-	-	-
NFP	Togo	50 000	-	-	-
Total National Focal Points		1 301 200	157 834	7 834	150 000
Total Grant Commitments - Expanded Mandate		75 708 438	6 334 024	2 253 499	4 080 525
<b>GRAND TOTAL</b>		<b>162 227 543</b>	<b>71 787 111</b>	<b>63 364 453</b>	<b>8 422 658</b>

## Annex B.7 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2001**

	<b>2001 US\$</b>	<b>2000 US\$</b>
<b>10. Expenditure</b>		
10.1 <u>Country assessment and project identification</u>		
Consultants fees	7 950	5 400
Consultants travel costs	-	757
Staff travel costs	16 943	43 046
	<hr/> 24 893	<hr/> 49 203
10.2 <u>Project appraisal</u>		
Consultants fees	8 050	105 750
Consultants travel costs	1 671	17 334
Staff travel costs	29 341	66 586
	<hr/> 39 062	<hr/> 189 670
10.3 <u>Project proposal preparation</u>		
Consultants fees	30 688	6 825
Consultants travel costs	5 377	4 558
Staff Travel costs	29 959	50 004
	<hr/> 66 024	<hr/> 61 387
10.4 <u>Project supervision and monitoring</u>		
Consultants fees	47 045	32 050
Consultants travel costs	5 653	51 915
Staff travel costs	149 710	8 231
	<hr/> 202 408	<hr/> 92 196
10.5 <u>General and administration expenses</u>		
Administrative travel costs	-	168 888
Communication expenses	31 348	91 634
Recruitment expenses	51 291	41 383
Conferences and meetings travel costs	57 100	94 087
Publications	12 630	15 188
Board expenses	204 085	25 500
Stationery/office supplies	9 440	35 215
Office rent	41 600	94 470
Other operating expenses	74 172	110 379
	<hr/> 481 666	<hr/> 676 744
10.6 <u>Other</u>		
Depreciation costs	102 579	93 062
Financial expenses	22 316	8 716
	<hr/> 124 895	<hr/> 101 778



## Annex B.7 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION**  
**CONSOLIDATED CAPACITY BUILDING TRUST FUND**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 December 2001**

**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:

	<u>Coverage</u>	<u>Grant approved</u> US\$	<u>Cumulative disbursements</u> US\$	<u>Total undisbursed balance</u> US\$
<b>Phase I</b>				
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	960 694	89 306
BIDPA	Botswana	3 000 000	2 661 558	338 442
CAFPD	Mali	1 600 000	865 065	734 935
CAPE	Benin	1 500 000	749 947	750 053
CAPES	Burkina Faso	1 600 000	150 000	1 450 000
CEPA	Ghana	3 500 000	2 854 137	645 863
CERDI-AUREDI	Regional	2 364 000	2 270 456	93 544
CIRES-CAPEC	Cote d'Ivoire	1 750 000	1 736 521	13 479
CNPG-CEPEC	Guinea	1 600 000	1 509 184	90 816
DMPA	Zambia	1 785 000	1 059 248	725 752
DPC	Nigeria	2 845 965	2 742 560	103 405
EMPAC	Ethiopia	1 410 000	500 071	909 929
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	1 523 576	476 424
IPAR	Kenya	2 525 000	2 530 806	(5 806)
KIPPRA	Kenya	1 630 000	978 873	651 127
McGILL	Regional	2 136 000	1 788 135	347 865
MEFMI	Regional	2 900 000	2 900 000	-
NCEMA	Nigeria	990 000	990 000	-
NEPRU	Namibia	2 400 000	2 399 566	434
OAU/EDECO/PASU	Regional	3 000 000	3 002 676	(2 676)
PDTPE	Zimbabwe	2 000 000	1 901 512	98 488
PTCI	Regional	5 000 000	4 830 643	169 357
UPE	Senegal	1 912 200	1 351 473	560 727
<b>Total Grant Commitments - Phase I</b>		<b>61 849 895</b>	<b>53 398 455</b>	<b>8 451 440</b>

## Annex B.7 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2001**

## 11. Grant Commitments (continued)

	<u>Coverage</u>	<u>Grant approved US\$</u>	<u>Cumulative disbursements US\$</u>	<u>Total undisbursed balance US\$</u>
<b>Phase II</b>				
AERC-CMAP II	Regional	3 000 000	3 000 000	-
BCEAO/BEAC II	Regional	1 650 000	296 749	1 353 251
CEPEC II	Guinea	1 500 000	100 000	1 400 000
CREAM	Madagascar	1 721 270	-	1 721 270
EPM	Cameroon	2 000 000	1 140 435	859 565
EPM	Ghana	2 000 000	1 101 236	898 764
EPRC II	Uganda	2 000 000	1 126 818	873 182
ESRF II	Tanzania	2 000 000	1 194 994	805 006
LIMPAC	Liberia	1 800 000	-	1 800 000
NCEMA II	Nigeria	997 940	732 556	265 384
NIEP	South Africa	2 000 000	907 519	1 092 481
		<hr/> 20 669 210	<hr/> 9 600 307	<hr/> 11 068 903
EPM (Japanese PHRD)	Côte d'Ivoire	2 000 000	1 138 314	861 686
EPM (Japanese PHRD)	Uganda	2 000 000	1 316 011	683 989
		<hr/> 4 000 000	<hr/> 2 454 325	<hr/> 1 545 675
<b>Total Grant Commitments - Phase II</b>		<hr/> 24 669 210	<hr/> 12 054 632	<hr/> 12 614 578
<b>Total Grant Commitments - Phases I &amp; II</b>		<hr/> 86 519 105	<hr/> 65 453 087	<hr/> 21 066 018
<b>Projects under expanded mandate</b>				
AERC-CMAP II	Regional	3 000 000	250 000	2 750 000
AMICAAL	Swaziland	1 060 000	100 000	960 000
BCEAO/BEAC II	Regional	1 738 857	200 000	1 538 857
BIDPA II	Botswana	1 500 000	-	1 500 000
CAMERCAP	Cameroon	1 708 850	-	1 708 850
CAPED	Niger	1 500 000	-	1 500 000
CCDB	Djibouti	1 091 310	189 845	901 465
CEMAC	Regional	1 000 000	-	1 000 000
CEPA II	Ghana	1 700 000	231 458	1 468 542
CESAG	Regional	1 500 000	100 000	1 400 000
CIRES-CAPEC II	Cote d'Ivoire	1 754 000	150 000	1 604 000
Consumer Int.	Regional	1 000 000	146 140	853 860
DPC II	Nigeria	1 442 210	100 000	1 342 210
ECOWAS	Regional	2 000 000	-	2 000 000

## Annex B.7 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2001**

## 11. Grant Commitments (continued)

	<u>Coverage</u>	<u>Grant approved</u> US\$	<u>Cumulative disbursements</u> US\$	<u>Total undisbursed balance</u> US\$
<b>Projects under Expanded Mandate</b>				
EDRI	Ethiopia	1 500 000	-	1 500 000
EEA	Ethiopia	1 030 000	175 631	854 369
IEF	Regional	3 000 000	-	3 000 000
ACBF/ILO	Regional	1 500 000	-	1 500 000
IPAR II	Kenya	1 500 000	-	1 500 000
MACROFOR	DRC	1 598 164	-	1 598 164
NC-NGO	Kenya	850 000	-	850 000
NCBP (PFMR)	Rwanda	3 000 000	-	3 000 000
NEC	Malawi	1 500 000	100 000	1 400 000
NECF	Zimbabwe	2 000 000	-	2 000 000
NEPRU II	Namibia	2 000 000	521 603	1 478 397
NGOCC	Zambia	1 384 980	204 468	1 180 512
OAU-PASU II	Regional	3 000 000	362 730	2 637 270
PARU	Nigeria	2 000 000	-	2 000 000
PNRC-CAF	Guinea Bissau	1 300 000	-	1 300 000
PNRN-CMAP	Mauritania	1 200 000	-	1 200 000
PRECAGEF	Gabon	1 422 850	100 000	1 322 850
PRECASP	Sao Tome	1 100 000	100 000	1 000 000
PRIECA/AO	Regional	1 431 594	453 460	978 134
PRIESP	Mali	723 330	241 236	482 094
PROFESS	Chad	1 157 090	100 000	1 057 090
CSD	Tanzania	1 335 903	270 066	1 065 837
PSCGT	Kenya	1 000 000	195 615	804 385
PSU	South Africa	1 859 100	-	1 859 100
PTCI II	Regional	4 000 000	500 000	3 500 000
Public / Private Sector- Civil Society, Interface	Gambia	850 000	-	850 000
SANGOCO	South Africa	1 200 000	201 542	998 458
SARIPS	Regional	1 500 000	297 609	1 202 391
CAPAN	Benin	1 600 000	-	1 600 000
UNAM- MPPA	Namibia	850 000	234 116	615 884
WAIFEM	Regional	2 519 000	650 670	1 868 330
ZEPARU	Zimbabwe	1 500 000	-	1 500 000
Sub-Total		74 407 238	6 176 189	68 231 049

## Annex B.7 (continued)

**THE AFRICAN CAPACITY BUILDING FOUNDATION  
CONSOLIDATED CAPACITY BUILDING TRUST FUND  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2001**

## 11. Grant commitments (continued)

	<u>Coverage</u>	<u>Grant approved</u> US\$	<u>Cumulative disbursements</u> US\$	<u>Total undisbursed balance</u> US\$
<b>National Focal Points</b>				
CRC - Cape Verde	Cape Verde	50 000	-	50 000
HRDA	Rwanda	50 000	25 000	25 000
PFRD	Mauritania	50 000	-	50 000
SENAREC Benin	Benin	50 000	-	50 000
SENAREC Botswana	Botswana	50 000	-	50 000
SENAREC Burundi	Burundi	50 000	-	50 000
SENAREC Cameroon	Cameroon	50 000	-	50 000
SENAREC Central African Republic	Central African Republic	50 000	-	50 000
SENAREC Chad	Chad	50 000	25 000	25 000
SENAREC DRC	DRC	50 000	25 000	25 000
SENAREC Gabon	Gabon	50 000	25 000	25 000
SENAREC Guinea	Guinea	51 200	32 834	18 366
SENAREC Guinea Bissau	Guinea Bissau	50 000	-	50 000
SENAREC Nigeria	Nigeria	50 000	-	50 000
SENAREC Sao Tome	Sao Tome	50 000	25 000	25 000
SENAREC Swaziland	Swaziland	50 000	-	50 000
SENAREC Uganda	Uganda	50 000	-	50 000
SENAREC Zambia	Zambia	50 000	-	50 000
SNRC	Cote d'Ivoire	50 000	-	50 000
NFP Lesotho	Lesotho	50 000	-	50 000
NFP Zambia	Zambia	50 000	-	50 000
NFP Malawi	Malawi	50 000	-	50 000
SENAREC Mali	Mali	50 000	-	50 000
SENAREC	Republic of Congo	50 000	-	50 000
NFP	Tanzania	50 000	-	50 000
NFP	Togo	50 000	-	50 000
Total National Focal Points		1 301 200	157 834	1 143 366
Total Commitments - Expanded Mandate		75 708 438	6 334 023	69 374 415
<b>Consolidated Grant Commitments</b>		<b>162 227 543</b>	<b>71 787 110</b>	<b>90 440 433</b>

**Annex C.1. Board of Governors (as at 31 December 2001)**

<b>Member</b>	<b>Governor</b>	<b>Alternate</b>
<b>United Kingdom</b>	Barrie Ireton (Chair)	Jeremy Clarke
<b>Denmark</b>	Dan E. Frederiksen (Vice-Chair)	Birger Fredrickssen
<b>Gabon</b>	Senturel Madoungou (Vice Chair)	
<b>Zimbabwe</b>	Simba Makoni (Vice Chair)	
<b>UNDP</b>	Abdoulie Janneh (Vice-Chair)	Jacques Loup
<b>AfDB</b>	Cyril Enweze	
<b>Botswana</b>	Wilfred J. Mandlebe	
<b>Cameroon</b>	Meva A' M'Eboutou	Obam Mbom Samuel
<b>Canada</b>	Heather Cameron	
<b>Chad</b>	Mahamat Ali Hassan	
<b>Congo (DRC)</b>	Mutungulu Mbuyamu IIankir	
<b>Côte d'Ivoire</b>	Antoine Bohoun Bouabré	
<b>Finland</b>	Matti Aaltola	Paula Koski
<b>France</b>	Mireille Guigaz	Dominique Mas
<b>Ghana</b>	Yaw Osafo-Marfo	
<b>Ireland</b>	Brendan Rogers	Alan Gibbons
<b>Kenya</b>	Christopher Mogere Obure	Paul Adhu Awiti
<b>Malawi</b>	Matthews Chikaonda	R.P. Dzanjalimodzi
<b>Mali</b>	Bacari Koné	
<b>Mauritius</b>	G. Wong So	
<b>The Netherlands</b>	Arjan P. Hamburger	
<b>Nigeria</b>	Mallam Adamu Ciroma	Suleiman Danbarka Kassim
<b>Norway</b>	Jon Lomøy	Arild Eik
<b>Senegal</b>	Abdoulaye Diop	
<b>Sweden</b>	Ann Uustalu	Pelle Enarsson
<b>Tanzania</b>	Basil Mramba	
<b>Uganda</b>	Gerald Ssendaula	Isaac Musumba
<b>United States of America</b>	Verne Newton	
<b>The World Bank</b>	Callisto Madavo	Praful Patel

**Annex C.2. Executive Board (as at 31 December 2001)****Independent Board Members**

Kwesi Botchwey (Chair)

Joan Corkery (Vice-Chair)

Winnie Byanyima

Poul Engberg-Pedersen

Gerald K. Helleiner

Thandika Mkandawire

**Representatives of Sponsoring Agencies**

Jean Barut, **United Nations Development Programme**

Henock Kifle, **African Development Bank**

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

**Executive Secretary**

Soumana Sako



**Annex C.3. Management and Staff (as at 31 December 2001)**

Soumana Sako	- Executive Secretary ( <b>Mali</b> )
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Apollinaire Ndurukwigira	- Manager, Research, Training and Information Systems Department ( <b>Burundi</b> )
Genevesi O. Ogiogio	- Manager, Programs Department; and Program Team Leader, a.i., Operations Zone I ( <b>Nigeria</b> )
Edwin N. Forlemu	- Special Assistant; Manager, Legal Services, Program Support and Outreach Department; and Manager, a.i., Administration and Department ( <b>Cameroon</b> )
Human Resources	
Constantine Mandengu	- Manager, Finance and Accounts Department ( <b>Zimbabwe</b> )
Samba Ka	- Program Team Leader, Operations Zone III ( <b>Senegal</b> )
Jacques G. Katuala	- Program Team Leader, Operations Zone II ( <b>Democratic Republic of Congo</b> )
Hayat Abdulahi	- Program Officer ( <b>Ethiopia</b> )
Anthony Barclay	- Program Officer ( <b>Liberia</b> )
Sally Linda Mulalu	- Program Officer ( <b>Zambia</b> )
Dorothy Mutizwa-Mangiza	- Program Officer ( <b>Zimbabwe</b> )
Coffi Rémy Noumon	- Program Officer ( <b>Benin</b> )
Grace Ongile	- Program Officer ( <b>Kenya</b> )
Dieynaba Tandian	- Program Officer ( <b>Senegal</b> )
Felix Ye	- Program Officer ( <b>Burkina Faso</b> )
Rosa Ongeso Unit	- Head, Publications, Media, Information Services and Technology ( <b>Kenya</b> )
Clement Ahossi	- Administration and Human Resources Officer ( <b>Benin</b> )
Charlotte Ndlovu	- Budget and Finance Analyst ( <b>Zimbabwe</b> )
Chriswell Vava	- Information Systems Officer ( <b>Zimbabwe</b> )
Jasper Muvezwa	- Head, Library Sub-Unit ( <b>Zimbabwe</b> )
Abdoulaye Kane	- Assistant Disbursement Officer ( <b>Burkina Faso</b> )
Grace Wamala	- Assistant Disbursement Officer ( <b>Uganda</b> )
Nomhle Veli Moyo	- Logistics, Meetings and Travels Assistant ( <b>Zimbabwe</b> )
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Chester Kwambana	- Accounts Assistant ( <b>Zimbabwe</b> )
Ishmael Atanasi	- Treasury Clerk ( <b>Zimbabwe</b> )
Rachelle Joe	- Secretary ( <b>Zimbabwe</b> )
Catherine Mwaba Meleka	- Bilingual Secretary ( <b>Zambia</b> )

Cathrine Mlingwa	- Secretary ( <b>Zimbabwe</b> )
Juliet Mucheki	- Secretary ( <b>Zimbabwe</b> )
Sophie Ncube	- Bilingual Secretary ( <b>Zimbabwe</b> )
William Kazvidza	- Accounts Clerk ( <b>Zimbabwe</b> )
Memory Munyurwa	- Receptionist ( <b>Zimbabwe</b> )
George Mandebvu	- Driver/Messenger ( <b>Zimbabwe</b> )
Jonathan Sithole	- Driver/Messenger ( <b>Zimbabwe</b> )
Edmund Suluma	- Driver/Messenger ( <b>Zimbabwe</b> )
Godwin Makura	- Messenger ( <b>Zimbabwe</b> )