



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

# THE ACBF STRATEGY FOR 2017-2021

Skilled People and Strong Institutions Transforming Africa



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## Acronyms

ACBF	African Capacity Building Foundation
ACI	Africa Capacity Index
ACR	Africa Capacity Report
AfCoP	African Communities of Practice
AfDB	African Development Bank
AfrEA	African Evaluation Association
APDev	African Platform for Development Effectiveness
APRM	Africa Peer Review Mechanism
AU	African Union
AUC	African Union Commission
AusAid	Australian Agency for International Development
BADEA	Arab Bank for Economic Development in Africa
BoG	Board of Governors
CBCF	Capacity Building Coordination Forum (Rwanda)
CEMAC	Communauté économique et monétaire de l'Afrique centrale (Economic and Monetary Community of Central Africa)
CD	Capacity Development
CDSF	Capacity Development Strategic Framework
CNA	Capacity Needs Assessment
COMESA	Common Market for Eastern and Southern Africa
CSO	Civil Society Organizations
DAC	Development Assistance Committee
DFID	Department for International Development (United Kingdom)
EB	Executive Board
ECA	UN Economic Commission for Africa
ECDPM	European Centre for Development Policy Management
ECOWAS	Economic Community of West African States
EIP	Effective Institutions Platform
ESA	East and Southern Africa
EUC	European Union Commission
FICAD	Facility for Financing Innovative Capacity Development Interventions
GSDRC	Social Development Research Centre
KME	Knowledge, Monitoring, and Evaluation (Department)
LenCD	Learning Network on Capacity Development
LIC	Low-Income Countries

LTSV	Long-Term Strategic Vision
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MIC	Middle-Income Countries
NCBS	National Capacity Building Secretariat (Rwanda)
NEPAD	New Partnership for Africa's Development
ODA	Official Development Assistance
OPD	Operations Department
PAP	Pan African Parliament
PI	Policy Institute
PIC	Policy Institute Committee
PIU	Project Implementation Unit
PRC	Project Review Committee
REC	Regional Economic Community
SADC	Southern African Development Community
SDG	Sustainable Development Goals
SSG	Strategic Studies Group
SMTP	Strategic Medium-Term Plan
SWF	Sovereign Wealth Fund
SWOT	Strengths-Weaknesses-Opportunities-Threats
ToC	Theory of Change
ToR	Terms of Reference
TT	Think Tank
UNDP	United Nations Development Program
UNECA	United Nations Economic Commission for Africa
USD	United States Dollar
WCA	West and Central Africa
WB	The World Bank

## Foreword

Africa has made significant strides in its development process, and despite the slowdown in growth in the recent years, the continent remains the world's second fastest growing region, after Eastern Asia. It has benefited significantly from proper planning, with its vision and goals well articulated in Agenda 2063 and the Sustainable Development Goals (SDGs).

But developing well-articulated development plans is one thing, and attaining the planned results is another. In the absence of resources, strong institutions, political will, and accountable and visionary leadership, implementing these noble plans and strategies will not happen. The gap between strategies and desired outcomes in Africa thus remains huge, propelling policy makers to re-assess the continent's policy landscape and, more importantly, its policy implementation capacities to ensure that it advances its economic transformation agenda.

For implementation to happen, countries need resources and capacity. Efforts have been made to reduce dependence on official development assistance, with innovative strategies to access untapped sources of financing. But capacity development has not received the attention it deserves, despite being a critical ingredient for Africa's transformation.

ACBF's consultations with a broad cross-section of African governments, private sector, civil society, and development partners show that capacity constraints are most visible in addressing major problems facing the continent. Among these problems are climate change, youth unemployment, migration, gender inequality, infrastructure deficits, domestic resource mobilization, and regional integration. Addressing them will require massive investments in capacity development. Capacity development in its various dimension – human, institutional, and soft (leadership, political will, and upholding pan-African values) – is vital and inevitable for realizing the aspirations of Agenda 2063. And countries need to come up with well-articulated capacity development programs aligned to their national development plans for the effective implementation of programs and policies at global, continental, and national level.

ACBF has over the past 25 years contributed much to capacity development on the continent with focus on strengthening institutions, empowering women, supporting economic growth, enhancing skills, and generating and sharing knowledge. It has supported evidence-based policy formulation and implementation at country and regional levels. And it has created platforms for the participation of non-state actors in identifying and addressing national and regional development priorities.

With its goal of contributing to the emergence of *Skilled People and Strong Institutions to Transform Africa*, ACBF will continue, over 2017–2021, to play its role as a strategic partner of African countries and regional and pan-African institutions. And it will focus

more on strengthening transformative and implementation capacities, to support achievement of the objectives of the 10-year plan of Agenda 2063 and the SDGs. This selectivity should not be understood as renouncing continuing support to policy formulation. Indeed, it is part of an endeavor to close the capacity building loop by taking policies from the shelves to ensure concrete actions through a plausible theory of change with realistic assumptions. The essence of our new five-year Strategy is to produce *Skilled People and Strong Institutions to Transform Africa*.

This Strategy will be implemented through four mutually supportive strategic pillars: enabling effective delivery of continental development priorities, supporting countries to achieve tangible development results, enhancing private sector and civil society contributions to sustainable development, and leveraging knowledge and learning to increase development effectiveness. These pillars will be aligned to four core programmatic areas. The Foundation's resources will be focused on selective capacity development priorities that are critical to supporting the overall continental development agenda rather than spreading them too thinly on myriad intervention areas.

ACBF resolutely places this Strategy under the overall emblem of innovation in implementation for better development results. Given the Foundation's experience over the years, the competencies of our staff, and the synergies with our partners, I could not be more confident in the Foundation's ability to succeed in this repositioning in the best interest of Africa's transformation agenda.

ACBF stands ready to accompany African countries in the next five years and beyond in their quest for economic transformation as we build the "Africa We Want."

Prof. Emmanuel Nnadozie  
Executive Secretary

## Executive summary

Progress has been significant in Africa's capacity development over the past 25 years. Even so, capacity deficits remain a significant challenge facing African countries in their quest for sustainable development. These deficits continue to prevent the continent from implementing its development strategies and policies effectively. ACBF's consultations with a broad cross-section of governments, private sector, civil society, and development partners show that capacity constraints remain the main barrier to the continent's sustainable transformation.

To respond to these constraints, the ACBF Strategy for 2017–2021, which builds on the experience accumulated by the Foundation and the lessons it has learned over the past 25 years, makes a number of value propositions to contribute to addressing the capacity challenges of the continent. The successful implementation of these value propositions is both critical and urgent to put Africa on the path to achieving progress toward the implementation of the first 10-Year Plan of Agenda 2063 and the Sustainable Development Goals.

ACBF's value propositions are expressed in four strategic pillars and five service lines. The four strategic pillars read as follows: enabling effective delivery of continental development priorities, supporting countries to achieve tangible development results, enhancing private sector and civil society contributions to sustainable development, and leveraging knowledge and learning to increase development effectiveness. These four Strategic Pillars express the goals that the ACBF Strategy for 2017–2021 aims to achieve through the implementation of four programs, one for each pillar, in customized combinations of five service lines:

- Resource Mobilization Services for capacity development in Africa will include funding arrangements that do not necessarily pass through the Foundation.
- Knowledge Services, with the continuing publication of the Africa Capacity Report, will include proactive offerings and support to implementing ACR recommendations, as well as a clearinghouse and helpdesk.
- Capacity Development Advisory Services will include capacity assessment, strategy and program development, unlocking implementation bottlenecks, change management support.
- Innovation in Capacity Development will include investment in innovative capacity development initiatives and systematic documentation and sharing of innovative and promising practices.
- Investments in Capacity Development initiatives will support policy formulation, adoption, and implementation, with training and institutional enhancing.

The Foundation is transforming itself from a “go-to” place for grants into a “go-to” place for investments in integrated capacity development as a grant-maker and investor in capacity development. Its new business model clearly identifies its clients, the services it will deliver, and how it will deliver them. ACBF has also clearly articulated its theory of

change around the need to go beyond the provision of capacity development and knowledge services to working towards their uptake. During the Strategy's period of implementation, ACBF will place unlocking implementation bottlenecks at the center of its capacity development advisory services. The objective is for ACBF to help accelerate the implementation of multilateral and bilateral development partners' programs and projects across the continent.

Unlike previous strategies, the ACBF Strategy for 2017–2021 will be implemented at a time when the leading concept in Africa development discourse is “transformation.” The Strategy therefore repositions ACBF to efficiently and effectively influence the transformation process – at continental, regional, and national levels. The focus will be on the capacity imperatives for development, with special attention to empowering youth and women as well as catering to countries in conflict and crisis.

A refocused and better governed Foundation will implement the ACBF Strategy for 2017–2021, aligning its operations to the development priorities of African countries and regional and pan-African organizations. Indeed, ACBF's focus will remain building capacity for policy improvement – whether it deals with economic growth, public service delivery, accountability, statistics, parliamentary oversight of the executive, participation of non-state actors, or cross-cutting issues like gender or climate change. So rather than being sector or country-led, selectivity for ACBF is about ensuring that all interventions target areas that carry the highest potential for catalytic capacity improvement and positive change in the lives of the people.

As an institution created by many partners, ACBF is well placed to appreciate the importance of partnerships and the need to create and leverage synergies to avoid duplication and to scale up results. Such synergies will be found at several levels. Home-grown capacity development initiatives will be funded by countries themselves.

Other initiatives will be supported by other capacity institutions. And still others will be directly implemented by donors. Partnerships reinvented and reinforced with policy institutes and think tanks remain at the heart of this Strategy.

ACBF has institutionalized the deep internal reforms that it initiated over the recent years, further strengthening its efficiency and effectiveness. These reforms will be deepened. The next five years will also see ACBF further develop its knowledge and operational networks to continue improving the quality of its capacity development services.

This Strategy anticipates the major risks that its implementation might face and identifies the necessary mitigating factors. A comprehensive Results Measurement Framework will detail the key objectives, expected results, and corresponding performance indicator targets.

The overall cost estimate of the ACBF Strategy for 2017-2021, allocated through the service lines, is USD 250 million. This cost is expected to be met by the current and future African member countries, non-African partner countries, multilateral development partners, the private sector, and foundations. The results framework spells out the results ACBF expects to deliver with this Strategy and how these results will be measured.

# 1. REPOSITIONING ACBF IN AFRICA'S CHANGING CAPACITY DEVELOPMENT LANDSCAPE

## **Africa's development efforts are being hobbled by severe capacity deficits**

Despite good progress since the turn of the century, Africa's development efforts are being hobbled by severe capacity deficits – by shortages of critical skills, inadequate leadership, inhibiting mindsets, and weak institutions. The deficits have severely hampered the implementation of policies and development strategies across the continent. Addressing them will require considerable effort in developing leadership and critical skills, changing mindsets, and building or strengthening key institutions.

The *2015 Africa Capacity Report* shows that 9% of African countries have low capacity, 73% medium capacity, and only 18% high capacity. And an ACBF study on the capacities needed to implement the African Union's Agenda 2063 shows serious gaps in critical technical skills to implement the Agenda's first 10-year plan. For instance, Africa has a projected gap of as many as 4.3 million engineers and 1.6 million agricultural scientists and researchers. The study also shows that leadership and transformational capacity – which is particularly important to implement global, continental, and national strategies – is hugely lacking across the continent. In most African countries, the gap between the actual number of professionals in critical technical areas and the minimum required number is as high as 70%. At the same time, attention to Technical Vocational Education and Training (TVET) has been declining.

Other major potential impediments to achieving the continent's long-term strategic goals and realizing the ambitious targets set in Agenda 2063 include the limited absorptive and utilization capacity of several beneficiary countries and the lack of a systematic, holistic approach to capacity creation, utilization, and retention. Such an approach would encompass individual, institutional, and organizational capacity and the enabling policy, legal, and regulatory environment. In this context, capacity development in Africa remains more relevant than ever, and the achievement of credible results in implementing the Sustainable Development Goals, the first 10-year plan of Agenda 2063, and national development strategies will require urgent and concerted efforts and investments to address the capacity challenges.

Required is a serious engagement and dialogue among academia, the private sector, and governments to ensure that Africa's institutions of higher learning educate Africa's youth to solve Africa's problems. Also required are supporting the development of capacity retention and utilization strategies, massive investment in science, technology, engineering, and mathematics (STEM) and vocational education and training, as well as systematically mobilizing diaspora capacity and stressing the training of Africa-focused professionals.

Yet, the challenge is not just one of capacity constraints, for Africa's capacity development landscape in Africa is changing. More and more stakeholders are getting involved, increasing competition. The practices and priorities of donor agencies in capacity development are changing, with some engaging directly with final beneficiaries rather than with specialized intermediate organizations, but with uncertain impact. And donor resources are increasingly earmarked to specific areas or even selected components of projects, limiting the flexibility of interventions.

### **The need for a new business model focusing on policy implementation**

ACBF has made the necessary adjustments to turn the changing landscape into an opportunity. This Strategy will focus on identifying, understanding critical capacity gaps and supporting the implementation of policies and strategies to sustainably build or strengthen, and retain capacity. To this end, the Strategy articulates an innovative business model for the Foundation. Using its 25 years of experience, ACBF will focus on accelerating and scaling up efforts in developing critical technical skills—emphasizing in equal measure, capacity development, capacity retention, and capacity utilization. By building or strengthening key institutions of development it will ensure greater effectiveness, implementation, and sustainability. And by developing leadership capacity and changing mindsets, it will ensure the adoption and implementation of global, continental, and national strategies.

ACBF will deepen its initial focus on economic policy analysis and management by going beyond policy formulation to emphasize policy implementation. This niche builds on lessons from the Foundation's flagship publication, the *Africa Capacity Report*, which tracks capacity gaps across the continent and reveals capacity for the implementation of policies and programmes as the main constraint impeding most countries in attaining their development goals. So, ACBF's focus will remain building capacity for policy improvement and implementation—whether it deals with economic growth, public service delivery, accountability, statistics, parliamentary oversight of the executive, participation of private sector and civil society, or cross-cutting issues like gender or climate change. The new business model builds on a programmatic approach that clearly identifies program clients, the services they require, the institutional arrangements to provide these services, and an explicit theory of change. That theory of change articulates the need for ACBF to go beyond the provision of capacity development and knowledge services to work proactively toward their uptake. In this vein, ACBF will place unblocking implementation bottlenecks at the center of its Capacity Development Advisory Services—to contribute to accelerating the implementation of country and regional programs and projects across the continent, including those supported by multilateral and bilateral development partners.

With the support of its partners, ACBF will continue to intervene in areas identified by its clients (African countries and regional and pan-African organizations) as priorities in their pursuit of sustainable development. The focus for ACBF is making sure that its interventions target areas of capacity building with the highest potential for catalytic improvement and positive change in the lives of the African people.

As a pan-African organization, ACBF will further position itself as a trusted advisor, facilitator, and broker to support capacity development in Africa – rather than simply as a “go-to” place for grants. The Foundation will work toward this strategic aspiration and commitments by offering support through five service lines: resource mobilization services for capacity development in Africa, knowledge services, capacity development advisory services, innovation in capacity development, and investments in capacity development initiatives through grants and fund management.

ACBF will implement its programs and projects using a combination of internal competencies and networks of external technical and implementing partners, leveraging the knowledge and expertise that it has built over the years. These networks include implementing partners, including highly reputable intellectual institutions; technical partners and experts that complement ACBF’s mix of competencies; financial partners and knowledge networks, including the Strategic Studies Group (SSG), the African Think Tank Network (ATTN), the Policy Institutes Committee (PIC), and the African Communities of Practice (AfCOP) for managing for development results and leveraging results.

### **Selectivity, prioritization and institutional effectiveness will maximize impact**

Given the enormity and broad spectrum of the capacity challenges and the size of the continent, ACBF cannot do everything and be everywhere. In implementing the Strategy the Foundation will adopt a programmatic approach based on selectivity and prioritization. The Foundation will be selective and prioritize its interventions, often using a regional approach and focusing on addressing the most binding capacity constraints to maximize effectiveness and impact. Selectivity will be determined by the intersection among continental and national needs, donor and partner priorities, and ACBF’s own capacity complemented by those of its partners.

Selectivity and priority-setting will also derive from considering the potential impact of relieving binding development constraints, with emphases on empowering women and youth and on managing migration and the brain drain. Indeed, the Strategy pays particular attention to women and youth as well as to countries affected by conflict or crisis and those with low capacity. By 2020, four in five Africans will be 20 years on average; 10 million young Africans enter the labour market every year but only 30% is absorbed. Although more than half of Africa’s population are women, only 32.7% participate in the labor force.

In summary, ACBF has over the past 25 years accumulated considerable experience in managing capacity development interventions. It has built more partnerships and transformed itself into a more efficient and effective institution to support Africa’s transformation. It stands ready to continue supporting African countries and their regional and continental organizations in their efforts to develop or strengthen human, institutional, and soft capacities. And it will continue to provide grants, capacity development services, and knowledge and learning to enable them to achieve their development objectives. The Foundation will ensure that capacity development receives the attention it deserves—and will continue to emphasize sustainable capacity development and capacity creation, retention, and utilization as the guiding principles of its investments and interventions.

#### *Box 1 : ACBF at a glance*

Created by and for African countries and their partners, ACBF has much to offer. It is recognized by continental bodies as an African knowledge and capacity building service provider of choice for almost 25 years. It is also seen as having unique knowledge of Africa’s capacity building landscape, thanks to accumulating in-depth understanding of the capacity needs of African countries and playing a lead role in assessing capacity with national partners.

Such recognition and respect are at the heart of ACBF’s value proposition. In a quarter century, ACBF has developed a strong network of think tanks and collaborated with universities, governments, and civil society. That gives it a unique position: strong coordination capabilities, a potentially wide delivery network, and the influence to leverage support.

ACBF’s unique profile and strengths also highlight its value proposition:

- Twenty-five years of experience in supporting and coordinating capacity development in Africa.
- An Africa-wide mandate and unique understanding of the African context.
- Expertise in investment and program management.
- A strong track record in managing financial facilities and complex donor relationships.
- An exceptional skills mix of the core staff.
- Enhanced governance architecture and highly reliable operating systems and processes.
- Strong strategic partnerships and networks.

## 2. AFRICA'S DEVELOPMENT LANDSCAPE AND CAPACITY CHALLENGES

### 2.1 Africa Rising

With the changes to its political, social, and economic landscape over the past two decades, Africa is today at a critical stage of its development. The continent is experiencing a major transformation: Stagnation has given way to dynamism in the majority of countries. Sound policies and reforms are improving institutions and governance. Economic growth is no longer a distant promise in Africa but a reality (since 2000, gross domestic product grew above the 2 percent average annual in the prior 20 years). Countries are exporting more agro-industry products, including leather, coffee, cotton, cashew nuts, tea, cocoa, and mangoes. And the innovative use of information technology for financial services, such as mobile phone-based money transfer and its related products, is booming.

Despite the slowdown in 2014 and 2015, the continent's growth rate has remained positive. To maintain the development momentum and sustain the achievements, socio-economic transformation has become the main focus of African countries at continental, regional, and national levels. The transformative continental vision of Africa embodied in the aspirations of Agenda 2063 aims at achieving "an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the global arena." The bold Agenda calls for visionary leadership and political will that transcend national interests. Further reinforcing Africa's transformation agenda is the adoption of the Sustainable Development Goals (SDGs), with African countries contributing a Common African Position. The post-2015 development agenda is set to promote sustainable development for all beyond 2015, building on past achievements and addressing new challenges.

Complementing the continental and global development agendas (Agenda 2063 and the SDGs) are the plans of a number of organizations supporting Africa's transformation agenda at different levels. Consider the African Development Bank's High Fives (*Light Up Africa, Feed Africa, Industrialize Africa, Integrate Africa, and Improve the life of Africans*); the RECs' championing and support to the regional integration process as building blocks and implementing arms of the African Union; the NEPAD Agency's transformative initiatives; and ECA's support to economic and social development.

To ensure that economies continue to grow, African countries have to improve their performance in domestic resource mobilization. They also have to improve the domestic business climate to attract foreign capital for the development of productive capacity and infrastructure for economic diversification.

Despite the undeniable progress, African countries still face many challenges—macro-economic, socio-cultural, political, security, and environmental.

## **A snapshot of Africa's development challenges**

The renewed dedication of Africa's political leadership to advance the continent, as promoted in Agenda 2063, is evidence of the commitment to transform. Needed now is addressing the following challenges to translate this commitment into sustainable and equitably shared development.

### *Macroeconomic challenges*

Economic growth in Africa remained strong after 2000, averaging 5% until 2013, but then slowed, a result of the decline in commodity prices, adverse weather conditions, and a slowdown in global economic activity. These developments reflect Africa's vulnerability to external shocks and the need to implement structural policies aimed at improving productivity and promoting economic diversification and structural transformation.

Although foreign direct investment in Africa has increased significantly – from merely \$3 billion at the turn of the century to around \$54 billion in 2014 – the continent still faces challenges in mobilizing resources to support sustained and inclusive economic growth. Domestic resource mobilization is still inadequate, and many African countries are not attracting adequate foreign investment to fill the gap.

The continent continues to contend with poor infrastructure and technology (energy shortages and poor transport networks), under-developed regional markets due to insufficient regional integration, and inadequate access to international markets beyond commodity trading.

### *Socio-cultural challenges*

Africa has made significant strides in increasing the pace of improvement in human development and in fact had the second highest improvement in 2013, after South Asia over the past ten years, years according to UNDP's 2013 *Human Development Report*. But its inequality-adjusted Human Development Index of 0.345 remains the lowest of any world region. Most Africans continue to earn their living in the traditional economy or the informal sector, where productivity and income are low, with women mainly affected, an indication of the slow pace that the economy is industrializing and diversifying. In addition, gender inequality and high levels of poverty, youth unemployment, and maternal mortality are still major issues.

### *Political and security challenges*

The number of conflicts has generally declined since 2000, and political stability and democratic governance have improved in many countries. But a number of countries continue to grapple with violence, conflict, civil war, and terrorism. The African citizenry is gradually demanding more consultations, involvement in policy formulation, improvement in public service delivery and better governance. The high levels of inequality and lack of opportunities on the continent, emanating from the socio-economic and political landscape, are exacerbated by an exponentially growing population, contributing to the high levels of irregular and deadly migrations from the continent.

### *Environmental challenges*

Africa's environmental landscape is rapidly evolving. Climate change, once considered a remote challenge by many Africans, is producing devastating effects across the continent with the increasing incidence of droughts and floods, affecting water availability, food security, rural survival, health, energy, natural resource management, and loss of biodiversity. Indeed, climate change presents one of Africa's most daunting challenges.

To address these challenges, African countries have developed transformative agendas at national and continental levels and contributed to the development of a global development agenda. The AU Agenda 2063, the SDGs, the five priorities areas (High Fives) of the African Development Bank Group, the six focus themes of NEPAD, and the RECs' development strategies, in addition to national development plans, offer a comprehensive framework for the continent's transformation. They outline how to address the development challenges facing the continent. But their implementation faces critical challenges in meeting their respective goals.

### *Challenges in implementing AU Agenda 2063 and the Agenda 2030 for Sustainable Development.*

The key challenges associated with the implementation of AU Agenda 2063 and the SDGs include:

- Slow domestic adoption and alignment of national development strategies with the continental and global visions. The First Ten-Year Implementation Plan (2013–2023) of Agenda 2063 is still being aligned to national development plans since its inception in 2013, which may widen the mismatch between national and continental priorities.
- Challenges facing countries to meet the targets of the Plan within the stipulated timelines.
- Weak engagement among governments, the private sector, and civil society, impeding accountability and hampering private-sector-led growth for economic transformation.
- Limited access to knowledge to feed into the implementation process of the development plans.

- Institutional weaknesses and inadequate leadership and human capacity.

Added to these challenges are the insufficient financial resources for implementing the various plans. The 2015 edition of ACBF's flagship, the *Africa Capacity Report*, highlights the fact that most African countries failed to meet the Millennium Development Goals (MDGs) because they relied mostly on external donor support rather than domestic resource mobilization.

### *Challenges to implementing RECs' development strategies*

The 2014 *Africa Capacity Report* and the *Second Survey of the Capacity Needs of Africa's RECs* by ACBF offer a framework for addressing the challenges in implementing of the RECs' development strategies. Major challenges are the financial constraints in implementing mandates; the various overlapping memberships (of Africa's 54 countries, only five belong to just one REC, while three belong to four); and the not-so-free movement of people, goods, services, and capital. The study also revealed that all RECs expressed concern about inadequate staffing structures and mandates. Moreover, all RECs indicated the need to strengthen linkages between their secretariats and member states and between them and the AU.

### *Challenges to implementing national development plans.*

- Lack of ownership of the national development plans by the key stakeholders in the economy.
- Failure to link the national budget with the national development plan.
- Lack of financial resources.
- Institutional inadequacies.
- Insufficient investment in capacity development to support implementation of national development plans. Various *Africa Capacity Reports* have shown that the delivery of development results and capacity development outcomes remain the most pressing issue.

## **A look at the capacity challenges and requirements**

Research shows that capacity, more than financial resources, is the missing link and the critical impediment to effective implementation of projects and programs spelled out in continental, regional, and national development strategies. This lack of capacity explains the huge implementation gap on the continent, which has impeded even good development strategies from producing desirable development outcomes.

At the continental level, the capacity challenges translate into the difficulty for the African Union and its organs to effectively coordinate the continental development agenda, engage effectively with internal and external actors, and mobilize resources for its implementation. At the regional level, RECs cannot play their role as building blocks of

the continental development architecture. At the national level, the main capacity challenges include the ability to align the national development plans to the continental and global agendas while implementing planned policies and activities. For instance, a lack of capacity is hindering the ability to address the serious problems caused by climate change. This includes the capacity to develop early warning systems to detect unfavorable weather conditions, as well as putting into practice climate change adaptation and mitigation measures.

Additional challenges facing the continent, besides building capacity where it does not exist, are to retain, harmonize, and use capacity that does exist. ACBF's work on "Capacity Requirements for Agenda 2063" identifies four main categories of deficits: operational capacity of organizations, change and transformative capacity, composite capacity, and critical, technical, and sector-specific skills.

### **Operational capacity of organizations**

Many African actors still require human, institutional, and organizational capacity, systems and processes, and access to information and knowledge. Human capacity covers "hard" and "soft" skills for implementing development strategies at all technical levels. Hard skills refer to qualifications and experience, while soft skills include commitment, accountability, results orientation, proactivity, speed, problem-solving, continuous high energy, teamwork, and maintaining a heavy workload. Institutional and organizational capacity relates to adequate governance, clear understanding of mandates and missions, mobilizing institutional funding, and an organizational structure for delivering development services. Systems and processes include effectiveness of operational systems and work processes, such as financial planning and management, administrative setup, work planning, decision making and activation, interdepartmental coordination, procurement, human resources management, delegation, and information technology use. Access to information and knowledge relates to the ease of acquiring information and knowledge that enables learning for continuous improvement.

### **Change and transformative capacity**

Capacity to initiate, facilitate, and manage change is still scarce in many African countries and institutions. It includes the ability to foster "driver-of-change" approaches, showing how to "get there" and "make it happen." Such capacities include transformative leadership (including visioning); change readiness: creating and maintaining the desire for change; having the ability to shift mind-sets; technological predisposition and information and communications technology; invention and innovation commitment; risk management abilities; management and top leadership optimism; top management commitment; a shared inspirational vision and ownership of decision making.

### **Composite capacity**

This includes capacity to plan, facilitate, manage knowledge and risk, and develop, finance, and manage programs. It requires actors to link and use knowledge and

information in a multidisciplinary and multifaceted fashion, translating knowledge into skills and combining skills across and beyond qualifications.

*Critical, technical, and sector-specific skills*

This covers hard technical or specialist skills and subject matter knowledge that are critical for Africa, and includes sector-based skills in such areas as health, mining, finance, ICT, energy, engineering, infrastructure, research, water resources management, and science, technology, and innovation.

Having laid out the capacity challenges, ACBF identifies in this Strategy the requirement for Africa to promote capacity readiness and development along four dimensions: continental and regional dimensions; state dimension; non-state actor dimension, and knowledge generation and sharing dimension. Cutting across these dimensions is the requirement to empower the youth and women and address climate change.

### 3. ACBF'S RESPONSE TO AFRICA'S TRANSFORMATION CHALLENGES

What will ACBF contribute over the next five years? It intends to make significant contributions in raising capacity to levels that can really increase the chances for fulfilling the transformational aspirations embedded in global, regional and national development strategies. To achieve this, ACBF intends to further clarify its theory of change and use a programmatic approach centered on four pillars.

#### *Box 2: ACBF's Commitments*

ACBF will:

1. Continue to respond to its member states' needs and demands and ensure that they benefit from returns on their investment in the Foundation.
2. Deepen its alliance with well established and emerging policy institutes and think tanks as primary allies in promoting reforms, piloting innovations, and drawing lessons for up-scaling.
3. Remain a reliable partner to pan-African organizations in promoting regional integration across all levels.
4. Offer a clearinghouse and helpdesk on knowledge and expertise and find and facilitate synergies in capacity building.
5. Mobilize resources for capacity development in Africa and match supply with needs.
6. Effectively and efficiently manage funds and retail grants.
7. Enhance its role as a competent substantive advisor on capacity development, policy impact, and transformation.
8. Bring transformational intelligence even to highly technical policy processes.
9. Continue to assume its assignments with adequate energies to do them well.
10. Enhance its internal environment to be a place where staff and partners are excited and motivated to give their best.

In sum, ACBF aspires to strengthen its recognition by stakeholders and observers as an effective, trusted, and competent substantive advisor and facilitator to support capacity development in Africa.

#### **Theory of change for effectively supporting African transformation**

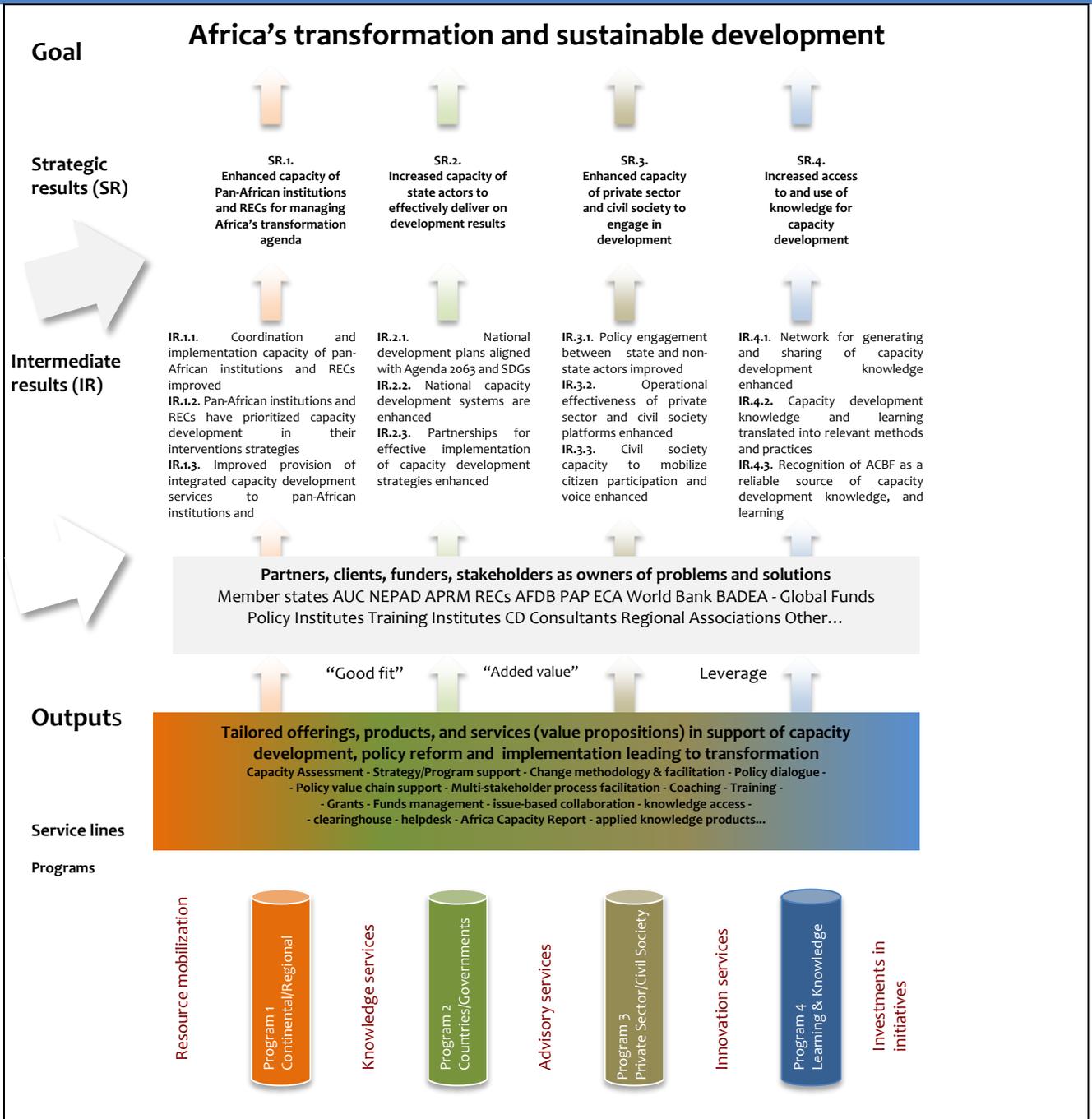
ACBF's "theory of change" is anchored on a coherent set of ideas that describe what the change should be, how a change process occurs, what makes it happen, what has to happen for the intended outcome, who needs to be involved, whose interests are at stake, and what the results of a change process should be.

In this context, ACBF's theory of change aims for a client that has the capacity to design and implement development programs that produce positive change in the lives of the people, following an effective uptake and ownership of capacity development services (technical advisory, knowledge, investments) delivered by ACBF, in partnership with other stakeholders. The theory builds on lessons for going beyond the development of

capacity products to focus on the full value chain of services, knowledge products, and policies, with sharper attention to national, regional, and continental implementation.

In line with its vision of an “Africa Capable of Achieving Its Own Development,” ACBF has identified four mutually supportive strategic pillars for promoting Africa’s transformation. For each pillar, the theory of change identifies a strategic result, each underpinned with three associated intermediate results. Though these intermediate results do not provide a comprehensive picture of needs, they are critical in achieving higher aspirations and can provide a basic orientation for ACBF’s strategic contributions. In view of the widespread consultations that led to their identification, it is assumed that the pillars represent objectives that are fundamentally shared, owned, and ultimately driven by clients and that achieving results will be essentially based on home-grown reform efforts supported by ACBF and multiple development partners on the continent.

Figure 1: ACBF's theory of change



Institutional arrangement:

**ACBF as a high performing and sustainable organization**

Business model, systems, optimized processes and organisational structure, enhanced staff capacity, effective communication, diversified funding base

The four pillars relate to a wide range of stakeholders, partners, clients, funders. Pillar 1 focuses on the pan-African architecture, particularly the AUC, APRM, Pan-African Parliament (PAP), and RECs—as well as synergies with other pan-African players, including AfDB, ECA, and NEPAD. Pillar 2 focuses on the specific needs of member states and the critical capacities that governments require for managing policy reforms, implementing policies, and achieving results. Pillar 3 targets non-state actors, including civil society (especially women-based and youth-led organizations) and the private sector and their engagement and partnership with state actors, lending their voice and contributions for effective delivery on development priorities and achieving results. Pillar 4 supports all these constituencies by broadening and deepening access to applied knowledge.

To meet these diverse needs, ACBF’s interventions will be tailored, and guided by a sense of opportunity (demand-driven approach). Interventions will be conceived as “good fits,” relevant and leveraging other resources. ACBF cannot and will not attempt to be expert in all technical and sector needs of African countries. Instead, it will provide competent advisory support in capacity development, policy reform and change management. Value propositions will include unlocking implementation bottlenecks; strategy and programming support, change methodology and facilitation, policy dialogue, policy value chain support, multistakeholder process facilitation, coaching, training, grant management, issue-based collaboration, knowledge codification and access, clearinghouse functions, helpdesks, applied knowledge products, including the *Africa Capacity Report*, and regional and national capacity needs assessments and capacity development strategies.

The theory of change is grounded on ACBF’s deep reforms, which have enhanced its capacity to deliver following adjustments to its business model through reinventing partnerships, optimizing systems, processes, and organizational structure, enhancing staff capacity, effective communication, and a diversified funding base. This Strategy reflects the shared vision that ACBF will continue reforming itself through a credible change process.

### **Strategic pillars**

The goal of the ACBF Strategy 2017-2021 is to contribute to Africa’s Transformation and sustainable development by addressing the capacity challenges facing national, regional, and continental development actors. ACBF will address capacity development challenges in Africa using a catalytic approach centered on the four strategic pillars:

- Pillar 1: Enabling effective delivery of continental development priorities.
- Pillar 2: Supporting countries to achieve tangible development results.
- Pillar 3: Enhancing private sector and civil society contributions to sustainable development.

Pillar 4: Leveraging knowledge and learning to increase development effectiveness.

ACBF will manage its contribution by coordinating the implementation of four programs, corresponding to the four pillars and the related results areas. Each program will rely on a combination of service lines, notably: Resource Mobilization Services for Capacity Development, Capacity Development Advisory Services, Knowledge Services, Capacity Development Innovation Support, and Investment in Capacity Development Initiatives. These delivery modes will allow ACBF to focus and rationalize its support and to respond to demand in a highly flexible way.

## 4. STRATEGIC PROGRAM APPROACHES

The strategic pillars will be implemented through a programmatic approach and underpinned by five service lines. Each program uses an adapted mix of service lines or delivery modes. As a strong advocate for gender equality and equity, ACBF will continue to mainstream gender in all its pillars and programs through tailored interventions. There will be increased focus on capabilities and opportunities for empowering women and girls to boost their productivity and participation.

### Strategic Pillar 1 – Enabling effective delivery of continental development priorities

#### Focus

The pillar directly targets the African Union, RECs, and other pan-African institutions. The aim is to support them in developing and deepening the overall continent's transformation and to ensure that the aspirations are achieved. The pillar will contribute to stronger engagement of RECs and pan-African institutions in implementing the continental development agenda.

Despite the recent successes in Africa, significant economic, political, environmental, and security challenges still threaten to derail progress. The SDGs and Agenda 2063 highlight inclusive growth, sustainable development, and the use of Africa's resources for the benefit of all Africans. Subregional and regional bodies have an important facilitating role in ensuring that these global and continental agendas are implemented. This is especially so for setting policy and strategy, coordinating the socio-economic and integration agenda, building consensus and advocacy, sharing experience and information, and generally setting the framework and putting in place the enabling conditions for peace, security, political stability, and growth.

Significant work is required by the African Union to build bridges to connect national, regional, and continental aspirations and to become more effective in its engagement with the rest of the world. But achieving the goals set in the Agenda 2063 at both the continental and regional level requires addressing the serious capacity challenges facing the AU organs and RECs.

ACBF's study on capacity requirements for implementing Agenda 2063 found a complex and heavy institutional architecture within the African Union – including a lack of clarity on mandates and duplications of roles, functions, and activities among institutions (box 3). It also found limited human capacity, overdependence on external donors, and at times, an unfortunate dynamic driven more by competition than by synergies. The RECs' capacity for regional cooperation and integration remains inadequate and where it exists, may not be optimal. So the need persists for continuing capacity development in terms of

coordination, harmonization, and strengthening skills and competencies. This is where the Foundation comes in: to support the capacity of these pan-African organizations to effectively coordinate, harmonize, and monitor the continent's development aspirations.

*Box 3 : AU's high level commitment to capacity development*

In January 2016, the AU Ministerial Retreat noted and deliberated on the comprehensive report submitted by ACBF on capacities for implementation of Agenda 2063 and "calls on Member States to urgently develop a continental initiative on Critical Technical Skills, and to prioritize investments in the development of skills especially in the STEM areas, essential for implementing Agenda 2063, including vocational skills and technicians, and the design and management of large-scale projects."

In the same vein, the AU Assembly of Head of States "urges member States, RECs, the Commission, the NEPAD Planning and Coordination Agency, in partnership with the ECA, AfDB, and ACBF to validate and integrate recommendations of the ... Capacity Assessment Study into the curricula (education systems) at different levels in order to make education system responsive to the national, regional and continental needs." Assembly/AU/Draft/Dec.1 (XXVI) Rev.1 page 1

The main intent of this pillar is to strengthen the institutional, transformative, soft, and technical capacities of the pan-African institutions and RECs to overcome key obstacles preventing effective implementation and monitoring of development priorities. Playing a catalytic role in its support to these pan-African organizations, ACBF will leverage all necessary partnerships to respond to the capacity building challenges of continental and regional institutions including the AUC, its organs, and such specialized agencies as the NEPAD Agency, the APRM, and the PAP.

Through tailored interventions, ACBF will strengthen its strategic partnership with the AUC through support to restructuring the Commission and to monitoring and evaluation to address capacity needs related to the 10-Year Plan of Agenda 2063 and to achieving the 17 goals of the 2030 Agenda for sustainable development. The Foundation will use the existing MoU with NEPAD to its full potential by developing capacity in selected sectors such as regional integration, natural resource management, and science, technology, and innovation. It will consolidate its partnership with the APRM and take it to a strategic level through the design and implementation of joint programs designed for promoting good governance and addressing leadership challenges that could hamper implementation of continental and global agendas for Africa.

The capacities of these institutions, as custodians of the continental development agenda, are also to be enhanced to enable them to fulfil their mandates and to provide leadership in the implementation of the transformative development agenda. Through existing MoUs, ACBF will continue partnering with other continental bodies such as ECA, AfDB, and the World Bank and link with other global partners including Afreximbank, the Islamic Development Bank, International Fund for Agricultural Development, European Union, and Arab Bank for Development. The Foundation will continue to play a critical

role in the RECs, AU/NEPAD, AfDB, and ECA Coordination Platform to support RECs in ensuring ownership and coordination of key capacity building initiatives.

### Expected results

The main result expected from implementing this pillar is enhancing the capacity of pan-African institutions and RECs for managing and measuring Africa's transformation agenda. The intermediate results to achieve this goal are the following:

- *Improved coordination and implementation capacity of pan-African institutions and RECs improved.* Addressing the capacity challenges for coordination and engagement is essential to enable the continental and regional bodies to effectively lead the delivery of Africa's development agendas.
- *Pan-African institutions and RECs have prioritized capacity development in their intervention strategies.* The majority of continental and regional institutions have explicit capacity development strategies but only a few allocate sufficient resources for their implementation and do not necessarily take a holistic approach. The intention is to support these institutions to consider, integrate, and adequately resource the capacity development function as a key priority in their interventions.
- *Improved provision of integrated capacity development services to pan-African institutions and RECs.* Efforts to equip continental and regional institutions with the capacities to lead Africa's transformational agenda require a good understanding of their capacity needs and priorities. ACBF will work closely with its partners to continuously monitor capacity challenges and develop appropriate solutions. It will consistently improve its capacity development services offered to continental and regional clients.

### Key interventions and value proposition

This pillar will be delivered through a Sustainable Transformation and Regional Integration Program (STRIP) with key interventions and a value proposition. In this program, ACBF recognizes that Africa's challenges require different approaches to capacity development. For example, as the continent is endowed with many natural resources, ACBF intends to work on developing the skills and knowledge to manage these resources. Many challenges relate not to funding but to adequate articulation of interventions and attention to capacity dimensions. Working directly with pan-African organizations, both continental and regional, the Foundation will be an increasingly active partner and facilitator for regional integration in Africa. Acting as a broker and providing technical advisory assistance, ACBF will propose interventions and provide services that respond to the specific needs and priorities of the AU, its organs, and affiliated RECs. The following key interventions will be implemented under this pillar:

*Strengthening governance and leadership capacity.* Responding to outcomes of studies relating to the capacity imperatives for Agenda 2063, and to the restructuring of the African Union

Commission and a survey of the capacity of the RECs, ACBF will assist regional institutions and the AUC by strengthening both the “hard” and the “soft” capacities at the governance and leadership levels. New support will be geared to coherence, mind-set changes, and pan-Africanism. This will also include leadership development through skill building for effective leadership by partnering with regional training institutions on the continent. ACBF intends to work more with the African Union Leadership Academy and APRM to coordinate and strengthen capacities for effective implementation of Agenda 2063, especially the implementation of the first 10-Year Plan.

*Enhancing Africa’s engagement with international partners.* Due to the growing requests from prospective partners to establish new arrangements for cooperation with Africa through the AU, the ACBF will support AUC’s engagement and coordination with international and global partners. It will develop strategic studies and position papers such as the Africa’s Common Position on relationship with the US, EU, the BRICs, and China. It will also use its new business model for collaboration and partnership in forging new alliances with Africans in the Diaspora and for better engagement on skill mobility and retention. The Fourth Capacity Development Forum (CDF) and the High Level Forums on continental and regional issues will be organized to engage stakeholders on current or emerging capacity issues on the continent. ACBF will also convene consultative dialogues to source ideas from pan-African organizations and think tanks on effective implementation of the transformative Agenda 2063.

*Upgrading and scaling up capacity development of the RECs.* In partnership with NEPAD and using outcomes of the RECs capacity Needs Assessment study and the Africa’s Regional Economic Communities and the 2015–2025 Capacity Development Implementation Plan, ACBF will work with RECs to upgrade and upscale capacity development aimed at mobilizing resources, increasing intra-African trade, and accelerating regional integration.

*Stakeholder mapping, monitoring, and evaluation.* ACBF will map relevant stakeholders for the effective implementation of global and continental visions. It will also contribute to the monitoring of progress and the mid-term assessments of the first 10-year implementation plan.

*Re-engineering training curricula to fit private sector needs.* ACBF will provide a coordination and monitoring platform for university partnerships at the regional level. It will bring attention to curricula reform and broker dialogues between the private sector and the academia in re-engineering training curricula for the required critical technical skills and in building STEM education. The academia–private sector–government tripartite dialogue will be done in partnership with the African Union Commission and other Pan-African organizations, such as ECA and AfDB.

*Advancing gender equality.* In advancing gender equality, special attention will be on building capacity for Empowering Women in Agriculture (EWA), hinged on the Comprehensive Africa Agriculture Development Program (CAADP). This will be done

in partnership with NEPAD, Gender is My Agenda, Femmes Africa Solidarité and other development organizations such as the Mo Ibrahim Foundation, OCP, Morocco, FAO, and UN Women. The EWA program will be piloted in selected countries in each subregion before up-scaling it to all countries.

*Enhancing the effectiveness and delivery of partners.* ACBF will collaborate with such regional financial institutions as the AfDB, Afreximbank, and Islamic Development Bank as well as other private foundations in offering technical advisory services to their clients in developing bankable projects for financing infrastructure and sustainable development programs. It will also build critical capacities of their clients in national governance to meet emerging issues relating to climate change, youth unemployment, food security, migration, and intra-African trade. Advisory services will also be offered to address blockages that impede effective delivery and inhibit absorptive capacity at program and project levels. In the course of implementing the Strategy, ACBF will also build up its strategic partnerships and collaborations with other development institutions such as the AfDB, UNDP, and World Bank.

## **Strategic Pillar 2 – Supporting countries to achieve tangible development results**

### **Focus**

This pillar focuses on the capacity of state actors to drive the implementation of development programs. Countries have made progress in setting their medium and long-term national development plans. But these plans often are not implemented effectively and are not aligned with regional and continental agendas. And many countries still face serious capacity challenges in delivering on their own development agenda due to reasons which include poor institutional arrangements, inability to mobilize substantive domestic resources, weak governance and political leadership, limited technical and sector-specific skills, inadequate infrastructure, and weak accountability systems in the public sector. Achieving the goals set in Agenda 2063 and the SDGs will require adequately addressing these capacity challenges and aligning national plans with continental and global development agendas. The focus under this pillar will be on building technical and operational capacities (hard capacities) combined with enhancing transformative leadership and commitments to technological innovation (soft capacities), the key drivers of transformational change.

ACBF is recognized for its effective support to policy formulation in Africa with the support of the network of think tanks and policy institutes it has nurtured over the years. ACBF will use this strong network to provide a decisive support to government reform and implementation processes. During the implementation of this Strategy, ACBF will create operational partnerships not based on donor-grantee relations in a bid to create a strong alliance for development management. It will be critical for the scores of think tanks created or supported by ACBF to go beyond supplying policy research results. They

should take a more proactive stance on policy implementation and seek opportunities to expand collaboration around agendas of common concern along the policy value chain.

The development alliance with think tanks will come handy in any approach to develop capacity in countries affected by conflict and crisis and those with low capacity. They will receive priority attention from ACBF because of their high level of need for support. ACBF's approach to improving capacity at country level will be geared to unlocking and accelerating implementation of development programs, whether funded by national or partner resources. This approach will be issue-driven and based on continuing consultation, using combinations of service lines most appropriate for each case.

### Expected results

Through this pillar, ACBF expects increased capacity of state actors to effectively deliver on development results in selected countries. This strategic result will be supported by three intermediate results:

*National development plans aligned with Agenda 2063 and SDGs.* This result focuses on the preparedness of countries in implementing the continental development frameworks and their contributions to their intended goals. Support will be provided to countries to ensure that elements of Africa's transformation agenda relevant to their context are considered in their national development plans.

*National capacity development systems are enhanced.* National capacity challenges are diverse, and addressing them requires country-specific solutions. ACBF intends to assist countries address their capacity development challenges more strategically and in a more coordinated manner. This will be achieved through an improved assessment and prioritization of capacity challenges to ensure that the most critical capacity issues affecting their ability to achieve economic growth and development are effectively tackled. This will be followed by support to develop capacity development strategies. Coordinating the implementation of these strategies will be critical to ensure harmonization and leverage synergies and partnerships for better and increased results.

*Partnerships for effective implementation of capacity development strategies enhanced.* ACBF will develop a new breed of partnerships during the implementation of this Strategy, with the clear goal of going beyond the traditional donor-grantee relations. This goal will be achieved by supporting countries to develop innovative and issue-based partnerships that will mobilize and channel substantial domestic and external resources for implementing their capacity development strategies.

#### *Box 4 : Toward issue-based collaboration: Exploring a hybrid approach*

The 2013 Evaluation of ACBF Supported Policy Centers argued for a hybrid approach: "While core funding is the most preferred by many grantees, the evaluation found that it often creates reliance, requires significant technical assistance to the grantee, and focuses on building material and organizational capacity that does not necessarily ensure grantees meet programmatic objectives."

ACBF will explore a hybrid approach as follows:

- Create a portfolio approach rather than institutional approach to maximize policy impact.
- Facilitate partnerships across the portfolio to leverage expertise to provide knowledge and recommendations on strategic policy issues, particularly such emerging needs as natural resource management.
- Incentivize institutions to meet programmatic goals, which can be leveraged for additional funding, reducing the reliance on funding and expanding the donor base.
- Draw a clear delineation between core research and the development of capacity and material support.
- Increase opportunities for institutions to build out their research agenda but launch initiatives critical for policy influence and uptake.

Source: Evaluation of ACBF support to Think Tanks (2013)

### Key interventions and value proposition

This pillar will be implemented through a Country Delivery Capacity Support Program (CDCSP).

Studies and development strategies point out that African countries continue to face significant challenges in achieving their development goals, including those in agriculture, food security, climate change, natural resource management, infrastructure development, and more. To be sure, ACBF cannot be expert in all sectors, but it has developed expertise to address the dimensions of capacity development, policy management, and transformational change to promote these and other reform agendas.

The policy value chain depicted in figure 3 underpinned the recent evaluation of ACBF's support to policy institutes and think tanks. It has been further developed for this Strategy to illustrate the type of services that may be required from identifying a policy issue to implementation for eventual policy impact.

- Institutional and human capacity development support to policy centers, think tanks, and training institutions (ACBF's key focus).
- Identifying needs and opportunities and developing tailored policy solutions, mindful of the "what" and the "how" dimensions.
- Awareness-raising around the value of policy change, which implies policy dialogue, multistakeholder engagement, negotiations, media, and advocacy.
- Adoption of policy change by decisionmakers: implying the pruning of policy and strategy and building consensus or viable compromises through the political process; and
- Policy implementation, which starts with allocating the required resource through the relevant budget processes and a multitude of implementation challenges to lead to actual change.

Evidence from evaluation and consultations shows that the focus on strengthening policy institutes alone does not automatically imply policy impact and actual change. Many more steps in the policy value chain need attention.

*Adapting continental transformation agendas.* In partnership with AUC and governments, ACBF will support countries to ensure that elements of Africa's transformation agenda relevant to their context are considered in their national development plans.

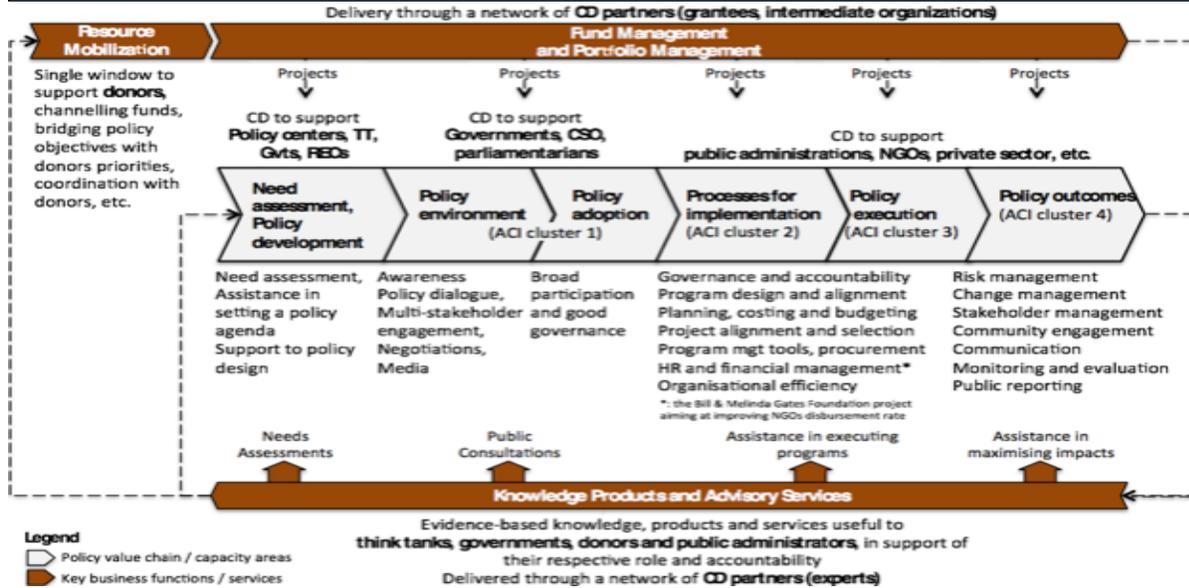
*Developing country capacity needs assessments and capacity development plans.* ACBF will continue offering technical services in conducting capacity needs assessments and capacity development plans to help countries identify their capacity challenges and propose country-specific solutions in a coordinated manner.

*Supporting national policy formulation and implementation.* ACBF will position itself to become a constructive partner in promoting policy implementation and transformation, with strategic engagement along the entire policy value chain. It will do so with its member states and with existing and emerging policy institutes and think tanks.

Such services can be offered directly by ACBF, which will also work closely with policy institutes to develop the capacities to accompany the steps along the policy value chain. The figure shows how various service lines are envisaged to support stakeholders throughout the stages of the policy process. Types of interventions include:

- Conducting country needs assessment and policy development.
- Advocating and engaging stakeholders for policy dialogue and negotiation.
- Assisting in implementing and monitoring policy.
- Supporting policy impact assessments and documenting lessons.

Figure 2 : Delivery through a network of CD Partners



Enhancing partnership with existing and supporting new training programs ACBF will also strengthen its partnerships with higher education institutions hosting some of its flagship regional training programs, such as Economic Policy Management Programs, Public Sector Management Training Programs, the Association of African Universities, and the African Institutes for Science and Technology. Special attention will be paid to promoting national training programs in STEM, technical and vocational education, and capacity development of women.

Such partnerships will be especially valuable in countries affected by conflict or crisis or with low capacity.

### Strategic Pillar 3—Enhancing private sector and civil society to contribute to sustainable development

#### Focus

This pillar targets the capacity of non-state actors and institutions, particularly civil society and the private sector, to enhance their engagement in delivering development priorities on the continent.

The ongoing global economic slowdown demonstrates the fragility of the success African countries have achieved in the last decade. It also creates an urgent need to accelerate the implementation of Agenda 2063 to make progress in achieving the SDGs. This requires

the full participation of all sectors of the society, including civil society and the private sector.

As Agenda 2063 and the SDGs were designed taking into account partnership with the civil society and the private sector. So, commitments by governments, the private sector, and other institutions of civil society are critical to the achieving the aspirations of the continental agenda and the SDGs. But the participation of civil society and the private sector in continental programmes and priority areas remains a concern at all levels.

### *Private sector*

The private sector in Africa remains the key driver of growth, jobs, and wealth. It is a key source of innovation and finance and a key partner in building capacity and human capital. It is also a source of valuable expertise and ingenuity that can help find new solutions to Africa's development challenges. But for it to continue playing its role as an engine of growth, it needs to be supported by a conducive policy environment, adequate infrastructure, effective public sector institutions, and security for investments.

The effectiveness of the private sector in contributing to sustainable development is hampered by a lack of awareness and understanding of its potential role in promoting the development agenda and by the lack of a collective and unified approach due to divergent interests and agendas. Other impediments are the low participation of women and youth in the private sector, the reluctance to be involved in what are perceived as political matters, and the weakness in the private sector due to inadequate support from the public sector.

ACBF's approach to effective engagement of the private sector in sustainable development will be centered on promoting awareness and understanding of continental and global development agendas and on supporting the conditions and opportunities for partnerships and engagements around key development issues. Among those issues are creating a business-friendly environment, employing youth, empowering women, and fostering innovation.

### *Civil society*

Over the years, civil society organizations in Africa have emerged as key stakeholders in development processes. They contribute to national development efforts through their advocacy, service delivery, and local capacity building, with the media providing information and ensuring accountability. At national and regional levels, CSOs can be a bridge with the private sector in achieving continental and global goals.

But CSOs in Africa face many challenges, including weak internal capacity and inadequate resources. The disparities in capacity – either to address the development agenda or to

appreciate the issues or to participate in development processes and mechanisms at national or regional level—have limited the ability of CSOs to speak with one voice or build consensus around critical development issues. CSOs also have limited capacity to undertake policy analysis and advocacy around technical issues that characterise development programs. They can thus benefit from sustained partnerships and the services included in this Strategy.

### **Expected results**

The five-year goal is to increase the capacity of non-state actors engaged in delivering continental and countries' development priorities. Under this pillar, the Foundation will contribute to achieving three intermediate results.

*Increased awareness and understanding by the private sector and civil society of continental and global development agendas.* This result focuses on the readiness of the private sector and civil society to contribute to the implementation of the continental development frameworks. Support will be provided to increase their awareness and understanding of Agenda 2063 and SDGs and to enable them to fully participate in and contribute to their implementation.

*Enhanced capacity of private sector and civil society to effectively engage in national, regional, and continental development processes.* The private sector requires an adequate policy environment to grow, create jobs, and innovate—and thus to support sustainable economic growth and development at continental, regional, and national levels. Hence an effective engagement and dialogue with the public sector and with the AU and RECs is important for the private sector to effectively contribute to development.

Creating conducive environment for genuine and permanent dialogue among non-state actors and the state is necessary for the design of responsive policy design and effective implementation. This requires strengthening CSO capacity to mobilize and catalyze citizens' voices, and efficient engagement of policy makers.

*Increased participation of women and youth in the private sector.* ACBF will seek to develop a new breed of partnerships during the implementation of this Strategy, with the clear goal of supporting civil society and private sector organizations that promote women and youth empowerment and the effective participation of women and youth in business. This goal will be achieved through supporting these organizations to develop innovative and issue-based partnerships that will help mobilize and channel substantial domestic and external resources for implementing their capacity development strategies.

## Key interventions and value proposition

This pillar will be implemented through the Private Sector and Civil Society Contributions Program (PSCS), which aims to facilitate meaningful and substantive involvement of private sector and civil society in economic growth and development.

ACBF will deliver technical and advisory services to non-state actors to enhance their results. It will also provide training programs to enhance the capacity of non-state actors and ensure more effective engagements with the state and with key regional and continental actors. And it will work closely with all key partners to ensure their full participation in national and continental capacity building efforts.

ACBF recognizes the many challenges facing the private sector and civil society in making meaningful contribution to Africa's development, and acknowledges that it is not in a position to address all of them. But the Foundation has developed expertise to address targeted dimensions of capacity development support to private sector and civil society organizations to increase their effectiveness.

ACBF will position itself to become a constructive partner in addressing capacity-related issues and in promoting private sector and CSO strategic engagements along the entire policy value chain. It will do so with its existing and emerging policy institutes and think tanks.

*Promoting better understanding of continental transformation agendas.* In partnership with AUC, NEPAD, RECs and governments, ACBF will support efforts designed to promote a better understanding of Agenda 2063 and SDGs among private sector and civil society organizations to ensure that elements of Africa's transformation agenda inform their activities.

*Conducting organizational capacity needs assessments and developing capacity development strategies.* ACBF will continue offering technical services (including those for fees) to assist non-state institutions and actors in identifying their capacity challenges and to propose organization-specific solutions.

ACBF will support capacity building of CSOs whose areas of focus have direct links with promoting national and continental agendas. These CSOs have been recognized by the RECs and have a meaningful presence in countries. Institutional strengthening activities will include improving systems, processes, and controls as well as training human resources. Leveraging its experience in capacity building, ACBF will provide, with financing from the private sector, human resource and technical advisory services to design institutional systems, structures, and strategies.

*Supporting civil society and private sector organizations' engagement in policy formulation and implementation.* Using its networks, ACBF will become a constructive partner with civil society and the private sector in promoting policy implementation and transformation with strategic engagement along the entire policy value chain. It will do so with the support of existing and emerging policy institutes and think tanks.

ACBF will support CSOs to work with RECs and governments. It will also collaborate with partner CSOs to organize annual joint meetings with the RECs on issues of collaboration and partnership.

*Supporting the participation of youth and women in the private sector.* Activities that strengthen academia-industry links will be supported to match the needs of businesses and address youth unemployment. The support under this pillar includes enhancing the capacities of women-led businesses to be competitive at national, continental, and global levels through organizations focusing on the empowerment of women. Customized job fairs can target youth in various countries (box 5).

#### *Box 5 : Customized job fairs targeting youth in African countries*

Youth in Africa lack information on available jobs. They also do not have adequate information and guidance on the right skill mix to gain access to the job market. Organizing customized job fairs to bring together both industry players and job seekers would be a key feature of ACBF's approach to capacity building in the next five years. The job fairs will provide information on job market offerings and allow the youth to interact with companies. Entrepreneurial clinics will be organized during the fairs to provide technical guidance on proposal writing, loan options, interview skills, and job creation. Leveraging its experience in youth employment research and programs, ACBF will cover at least 25 countries over the period.

### **Strategic Pillar 4—Leveraging knowledge and learning to increase development effectiveness**

#### **Focus**

This pillar seeks to increase the access to and use of knowledge for better articulation of capacity development strategies and programming. Immense and varied capacity development experiences and knowledge are accumulated over many years by different players on the continent, including ACBF. However, many of these rich experiences and practices are not documented in a way that they could be translated into methodologies and approaches. In addition, the existing knowledge is also dispersed, preventing its optimal use in development intervention strategies.

The uneven continental landscape of capacity development knowledge calls for rationalizing and leveraging approaches, successes, failures, promising practices, and telling examples to make the capacity development market more transparent, complete and responsive. ACBF will facilitate this through a clearinghouse function. The

clearinghouse would help all partners better understand what capacity development knowledge, expertise, and funding are available on the continent. ACBF will do so with concrete, hands-on and applied services to help the capacity development support system become more effective.

Beyond knowledge as such, the clearinghouse will include a referral service for expertise in capacity development, reform management, and transitional processes. ACBF will also assume a brokering role to leverage and match funds that do not pass through ACBF accounts. To this end, it will reinforce its intelligence and observatory functions to better appreciate “what is out there” and to anticipate opportunities.

However, ACBF is mindful that the supply of knowledge products does not necessarily translate into uptake, changed practice, and development impact. So the emphasis under this Strategy is placed on applied knowledge, “fit for purpose,” and leveraging the knowledge and capacity of ACBF’s partners.

The proliferation of knowledge products can lead to clutter, which can be addressed by making knowledge more accessible through the clearinghouse and by tailoring policy messages to audiences and occasions. This will also be addressed by the helpdesk that puts ACBF at the disposal of concrete demand.

Knowledge sharing and learning has costs, with very little possibility of recovery. But relevant knowledge made available and applied by countries and partners does promote evidence-based planning, saving huge resources as policies and programs are built around what works. Undoubtedly, African member states and other funding partners will see value in supporting the sustainable generation and sharing of such important capacity development knowledge for addressing Africa’s critical development needs.

The rationale underlying this pillar is that knowledge and learning can facilitate coordination and enhance capacity, thus improving service quality and delivery, strengthening capacity development approaches, and improving development effectiveness and outcomes. The main focus is to connect African governments, departments, and agencies; the African Union and its organs; REC Secretariats; think tanks and policy research institutes; development partners; academic and training institutions; and non-state actors (private sector and CSOs with knowledge essential for development. But with knowledge will more openly and easily available, it can be expected that there will be uptake beyond these target groups. Emphasis will be on ensuring uptake of recommendations articulated in knowledge products by ensuring that countries receive the necessary technical support.

This pillar is also grounded on the assumption that, beyond knowledge production and dissemination, some knowledge services will be proactively offered to countries and

regional institutions to resolve specific development-related issues for a fee on a cost recovery basis.

### **Expected Results**

ACBF will support three intermediate results to the strategic result expected at continental and regional levels.

*Enhanced network for generating and sharing of capacity development knowledge.* Evidence-based capacity development policies and strategies are essential for enhancing the relevance and feasibility of capacity development interventions. ACBF will support networking for sharing, generating and capturing knowledge, relevant approaches and experiences that will inform and improve capacity development services delivery.

*Capacity development knowledge and learning translated into relevant methods and practices.* A convergence around tested capacity development approaches and tools is conducive to change, even though capacity needs are context-dependent and approaches need to be tailored. ACBF will facilitate the scaling-up of the promising experiences and knowledge accumulated through capacity development interventions across the continent over the years.

*ACBF recognized as a reliable source of capacity development knowledge and learning.* ACBF's mandate to support capacity development processes across the continent implies multiple roles as technical advisor, process facilitator, and funding partner. With the increasing and diverging capacity needs across the continent, ACBF's role is more than relevant today. The Foundation will strive to meet the specific needs and demand of its stakeholders and other clients who acknowledge ACBF as a "center of excellence in capacity development in Africa."

### **Key interventions and value proposition**

This pillar will be implemented through the Knowledge Generation and Sharing Program (KGSP). This program will focus on capturing and organizing knowledge, while paying special attention to the adoption, adaptation, and application of knowledge in a way that helps the Foundation and its various partners and stakeholders work more effectively in addressing the capacity development challenges. In fact, brokering knowledge and expertise will be at the heart of this pillar, which will serve the other pillars of the Strategy.

Using its competencies and 25 years of experience as an African knowledge and capacity building service provider, ACBF intends to help connect its partners and clients with the essential knowledge and competencies required in interventions for achieving development goal. It is geared to supporting access to relevant methodologies, developing and implementing high-impact interventions, and generating of fit-for-purpose knowledge products that will feed into and inform the continent's transformative agenda.

The following key interventions will be implemented under this program.

*Knowledge connection, facilitation, and sharing.* Supporting partners and stakeholders to connect with a wide range of knowledge and expertise is an effective approach to improve capacity development practices. There are few spaces facilitating systematic interactions around capacity issues between actors in Africa. ACBF is proposing through the Capacity Development Platform (CDP) to facilitate a venue, platform, or network in concert with existing platforms, such as its Africa Communities of Practice for Development Results (AfCOP) and the African Platform on Development Effectiveness (APDEv), where policy makers, development practitioners, academia, private sector, and civil society can exchange knowledge and experiences on capacity development practices and opportunities.

The key services to be offered through this platform include a clearinghouse, helpdesk for capacity development support, marketplace for local experts, and capacity development resource center. They will also include the facilitation of practitioner meetings and High Level Forums, the coordination of think tanks under the African Think Tank Network (ATTN, for which ACBF serves as secretariat), the coordination of the Policy Institutes Committee (PIC), and Strategic Studies Group (SSG), and the support to other relevant networks and development expert groups.

*Production of fit-for-purpose, high-quality, and timely capacity development knowledge products.* Products directly addressing Africa Agenda 2063 and the SDG priorities as well as emerging development needs will include the *Africa Capacity Report*, policy briefs, occasional papers, and development memoirs. Other products will include capacity needs assessment methodologies and tools, capacity development training packages, and other products tailored for specific audiences.

Joint research and studies will be conducted at the continental level with such strategic partners as the AU, AfDB, ECA, NEPAD, and think tanks in line with their priorities and those of the continent. Member states, country and pan-African partners will be able to solicit support through a helpdesk function that can respond to practical queries in a matter of days. The helpdesk will be a portal and gateway to technical and financial opportunities and to good practices around the world on what works and what does not work in capacity development. It will allow member states and partners to address queries on capacity development, reform management, and transformational processes and to get well-documented answers with a short turnaround. The helpdesk functions will be offered to member states, the AUC, the RECs, and other country and pan-African partners. ACBF will leverage the expertise of Policy Institutes, experts in ACBF's Strategic Studies Group (SSG), universities and regional associations in running the helpdesk. The documented responses will also build up an openly accessible knowledge base.

*Developing capacity building methodologies, models, tools, and approaches.* There will be produced for critical areas such as regional integration, domestic resource mobilization, science, technology, and innovation, agricultural and natural resource management, and capacity in fragile (conflict-prone) countries. Other knowledge products will include lessons from the field, manuals on issues related to the themes of the *Africa Capacity Reports, Guidelines, and Handbooks*.

*Facilitating focused learning by closing learning loops.* ACBF will pay increasing attention to dynamics, methodologies, and routines to strengthen a culture of association and collaboration around learning, including internal services and external partners and networks. Offerings may include planned and facilitated occasions for focused reflection together with stakeholder lessons and consequences for improving practice, regular after action reviews to reflect on success and failure and the reasons for it, and systematic review and follow ups of relevant evaluation findings to build on lessons and avoid repeating mistakes. Learning opportunities will be explored around concrete challenges facing member states, including exchanges with those who have experiences to offer. Learning opportunities will also be reinforced to reach policy makers in conferences.

*Disseminating policy messages, evidence, and promising approaches for uptake and innovation.* This includes an interactive virtual library and organizing stakeholder meetings around the key emerging practices and lessons for policy and development plan formulation, implementation, monitoring, and evaluation. Such a sharing exercise will mainly draw on the Africa Capacity Report, occasional papers, policy briefs, and other knowledge products by the Foundation and its partners. This component also includes the conduct of training and such events as High Level Forums, Capacity Development Forums, seminars, and workshops.

#### ***Box 6 : African Capacity Report (ACR) as driver of change***

The Africa Capacity Report has gained its place among policy makers and practitioners. To further strengthen its relevance and potential as a vector for change, ACBF is exploring changes to the production and content. Emphasis will be given to further leverage the expertise and knowledge of policy institutes, national statistical offices, and other pan-African partners. Content will increasingly offer applied knowledge in promising examples of innovations that may inspire practice elsewhere. The reports will include discussions of the methodological issues that governments and stakeholders face in planning and accounting for capacity development changes. It will also be organized online with complementary and more detailed content and interactive options, fully integrated with the clearinghouse and helpdesk functions.

## 5. RESULTS CHAIN

Table 1 below presents the hierarchy of results and, notably, how intermediary results achieved as a result of the implementation of the Strategy will lead to strategic results, which themselves will lead to the strategic goal of contributing to Africa's transformation and sustainable development.

**Table 1 : The Strategy's results chain**

<b>STRATEGIC GOAL</b>			
<b>Contributing to Africa's Transformation and Sustainable Development</b>			
<b>STRATEGIC PILLARS</b>			
<b>1</b> Enabling effective delivery of continental development priorities	<b>2</b> Supporting countries to achieve tangible development results	<b>3</b> Enhancing private sector and civil society contributions to sustainable development	<b>4</b> Leveraging learning and knowledge to reach greater development effectiveness
<b>STRATEGIC RESULTS</b>			
SR.1. Capacity of Pan-African institutions and RECs for managing Africa's transformation agenda is enhanced.	A SR.2. Capacity of state actors to effectively deliver on development results is increased.	SR.3. Capacity of private sector and civil society to engage in development is enhanced.	SR.4. Access to and use of knowledge for capacity development is increased
<b>INTERMEDIATE RESULTS</b>			
IR.1.1. Coordinating and implementation Capacity of pan-African institutions and RECs improved	IR.2.1. National development plans aligned with Agenda 2063 and SDGs	IR.3.1. Policy engagement between state and non-state actors improved	IR.4.1. Network for generating and sharing of capacity development knowledge enhanced
IR.1.2. Pan-African institutions and RECs have prioritized capacity development in their interventions strategies	IR.2.2. National capacity development systems are enhanced	IR.3.2. Operational effectiveness of private sector and civil society platforms enhanced	IR.4.2. Capacity development knowledge and learning translated into relevant methods and practices
IR.1.3. Improved provision of integrated capacity development services to pan-African institutions and RECs	IR.2.3. Partnerships for effective implementation of capacity development strategies enhanced	IR.3.3. Civil society capacity to mobilize citizen's participation and voice enhanced	IR.4.3. Recognition of ACBF as a reliable source of capacity development knowledge and learning

## 6. RISK MANAGEMENT FRAMEWORK

The successful implementation of the ACBF Strategy 2017-2021 will require mitigating a number of risks inherent to each of its four pillars. These key risk factors and their mitigating measures are the following:

*Table 2 : Risk Management Framework*

Strategic pillars	Risk factors	Mitigation strategy
1. Enabling effective delivery of continental development priorities	- AUC has undertaken various capacity assessments and related studies with support of ACBF to ensure a successful implementation of the 10-Year Plan of Agenda 2063. This momentum for capacity development could be lost with a change in the AUC leadership who might direct priorities and resources to other dimensions or focus areas	Institutionalize recommendations and identify champions in AUC to relay the capacity development imperatives to the new leaders at an earlier stage and get the same level of buy-in and commitment
	Capacity development service providers seem to compete over control and use of limited resources available for their interventions. This could affect the collaboration and networking essential for effective delivery of the Strategy	Enhance its partnership with key actors to maintain cooperation, synergy, complementarity, and mutualization of various resources available for capacity development interventions in the continent
2. Supporting countries to achieve tangible development results	Agenda 2063 and SDGs may overlap with national development plans. African countries might face some challenges in the prioritization of these "high level" development agendas, particularly where funding constraints exist	Develop relevant frameworks to facilitate engagement and coordination between AUC and countries for integrating relevant parts of agenda 2063 and SDGs in national budgets and resource mobilization strategies to fund their implementation
	Although there is a consensus that capacity is the missing link in achieving development results, countries might still not be committed to capacity development, mainly due to weak political will and support	Develop initiatives for creating awareness on the value and potential impact of capacity development in national development contexts

3. Enhancing private sector and civil society contributions to sustainable development	Private sector still might consider capacity for development as state actors' responsibilities and therefore would not embrace partnership for capacity development to make direct contributions	Promote the creation of spaces and facilitate initiatives for awareness raising and shared responsibilities of contributing to capacity development for economic transformation in countries
	Diverse socio-political and economic interests of CSOs could make difficult efforts for creating a common space for policy engagement with state actors	Support the creation of varied platforms of exchange for adapting civil society interactions with state actors
4. Leveraging learning and knowledge to reach greater development effectiveness	Lack of collaboration among capacity development actors may significantly affect learning and information sharing and limit access to existing as well as new knowledge	Contribute significantly to existing capacity development platforms toward synergy, cooperation, and complementarity
	The proliferation of knowledge products with less attention to uptake and change management can lead to clutter and meaningless initiatives	Develop a mechanism to generate and capture more applied knowledge

## 7. HOW TO GET THERE? DELIVERING THE ACBF STRATEGY 2017-2021

### 7.1 Service lines

Programs in the 2017–2021 Strategy will be implemented through a combination of five service lines or mode of intervention—to focus and manage the quality of ACBF's interventions.

*Mobilization and leveraging resources for capacity development.* This service line aims to support partners in mobilizing resources for their capacity development efforts regardless of whether the mobilized resources are managed by ACBF or not. Through the clearinghouse function, ACBF will help make finance for capacity development more transparent and assist in matching the demand for and supply of funding.

*Knowledge services.* Efforts will build on the regional architecture and leverage relevant existing and emerging knowledge to facilitate access to practical solutions. ACBF will use the clearinghouse function to make its wealth of available knowledge and expertise more transparent. It will help to connect decision makers and practitioners sharing particular challenges and solutions, organizing forums, supporting knowledge sharing among African think tanks, and using other means to connect those seeking solutions with those who have promising experiences to offer. A main feature will be a helpdesk as the go-to-place for any queries related to policy reform management, transformation, and capacity development. ACBF will further offer knowledge products fit-for-purpose, including the *Africa Capacity Report*, strategic studies and action briefs to facilitate informed practice and decision making. Very instrumental, will be a sustained and concerted effort to 'close

learning loops' between knowledge and operational processes and to connect external and internal applied knowledge.

### **Capacity development advisory services**

ACBF has increasingly been providing technical advice and support. This mode supports robust analysis of capacity challenges and develops strategies and programs to address them. Advisory services will be a significant extension of the helpdesk function. Services will generally be fee-based and offer timely and quality responses to the specific demand or needs of ACBF's clients in capacity development. Examples of services that clients can solicit include systemic capacity assessments, capacity development policies, strategy and program designs, policy development, evaluation, process facilitation, and change management to support complex reforms. Services may cover support actions along the full policy value chain. ACBF will further develop its methodological toolkit, strengthen its staff capacities, and draw on its advisory network to render good fit and high-quality advisory services. This service line will help increase implementation at the country and project levels, increase disbursement by donors, and scale up and achieve development results.

### **Promoting innovation in capacity development**

This service line applies a variety of means to promote, support, document, and disseminate innovative practices that ensure the creation, use, and retention of capacities for validation and up-scaling. The Facility for Financing Innovative Capacity Building Interventions (FICAD) will be one mechanism to promote experimentation. Issue-based partnerships will be convened to monitor their innovative edge. The service line will use all available means and opportunities under the programs to encourage experimentation of innovative ways to develop capacity, to assess and address capacity issues, and to transform existing methods into more appropriate capacity solutions. It will distill lessons, capture and vet promising approaches, articulate stories of innovation, and make them widely accessible through multiple channels.

### **Investment in capacity development initiatives and fund management**

Investments in capacity development initiatives mainly consist of retailing investments to finance capacity development programs and projects. This will continue to be an important part of ACBF's new business model in the current Strategy (investing in policy research production and dissemination, training programs, policy design and implementation, and institutional building and strengthening). However, a solid bridge will be built with knowledge and advisory services to add more value to the financial resources the Foundation provides to its clients.

ACBF has over the years established the systems and track record as a credible fund manager for investments in the field of capacity development. Its partners and clients may also draw on ACBF's expertise for unblocking delivery challenges and addressing issues related to absorptive capacities that prevent very significant programs on the

continent from achieving their expected results (such as supporting partners' clients in improving their program delivery and budget execution rates).

### Connecting programs and service lines

Programs and service lines relate in a coherent matrix. Table 3 below shows sample activities linking programs and service lines. Each program will be implemented through a relevant mix of service lines.

**Table 3 : Matrix of linkages between service lines and programs: Sample activities**

	<b>Continental/ Regional</b>	<b>Countries/ Governments</b>	<b>Private Sector/ Civil Society</b>	<b>Learning &amp; Knowledge</b>
<b>Resource mobilization</b>	<ul style="list-style-type: none"> <li>• Leveraging resource with AUC and RECs for CD</li> </ul>	<ul style="list-style-type: none"> <li>• Domestic resource mobilization</li> <li>• Royalties for CD</li> </ul>	<ul style="list-style-type: none"> <li>• Private sector contribution</li> </ul>	<ul style="list-style-type: none"> <li>• Mapping and matching resources</li> </ul>
<b>Advisory services</b>	<ul style="list-style-type: none"> <li>• Shaping effective support programs for regional agendas</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity needs assessment</li> <li>• Change management</li> </ul>	<ul style="list-style-type: none"> <li>• Leveraging and reinforcing PPPs</li> </ul>	<ul style="list-style-type: none"> <li>• Managed knowledge for advisory support</li> </ul>
<b>Knowledge services</b>	<ul style="list-style-type: none"> <li>• African Capacity Indicators</li> </ul>	<ul style="list-style-type: none"> <li>• Promising experiences/applied knowledge</li> </ul>	<ul style="list-style-type: none"> <li>• Methodology for multi-stakeholder participation</li> </ul>	<ul style="list-style-type: none"> <li>• Clearinghouse</li> <li>• Helpdesk</li> <li>• Knowledge connection</li> </ul>
<b>Innovation</b>	<ul style="list-style-type: none"> <li>• Rationalization of support system</li> </ul>	<ul style="list-style-type: none"> <li>• Promoting innovation (FICAD)</li> </ul>	<ul style="list-style-type: none"> <li>• Innovative funding mechanism</li> </ul>	<ul style="list-style-type: none"> <li>• Codifying promising practices</li> </ul>
<b>Investment &amp; fund management</b>	<ul style="list-style-type: none"> <li>• Catalytic funds to leverage larger resources</li> </ul>	<ul style="list-style-type: none"> <li>• Issue-based partnerships</li> </ul>	<ul style="list-style-type: none"> <li>• Managing private sector trust fund</li> </ul>	<ul style="list-style-type: none"> <li>• Learning on effective grant making for results</li> </ul>
	<b>Programme 1</b>	<b>Programme 2</b>	<b>Programme 3</b>	<b>Programme 4</b>

### Putting emphasis on selectivity and prioritization

Given the enormity and broad spectrum of the capacity challenges and the size of the continent, ACBF cannot do everything and be everywhere. It will be selective and prioritize its interventions, often using a regional approach and focusing on addressing the most binding capacity constraints to maximize effectiveness and impact. Selectivity will be determined by the intersection among continental and national needs, donor and partner priorities, and Foundation capacity. Selectivity and prioritization will also derive from considering the potential impact on relieving binding development constraints. Emphasis would be on the empowerment of women and youth, migration, and the brain drain. Countries affected by conflict or crisis or those with low capacity will receive priority attention.

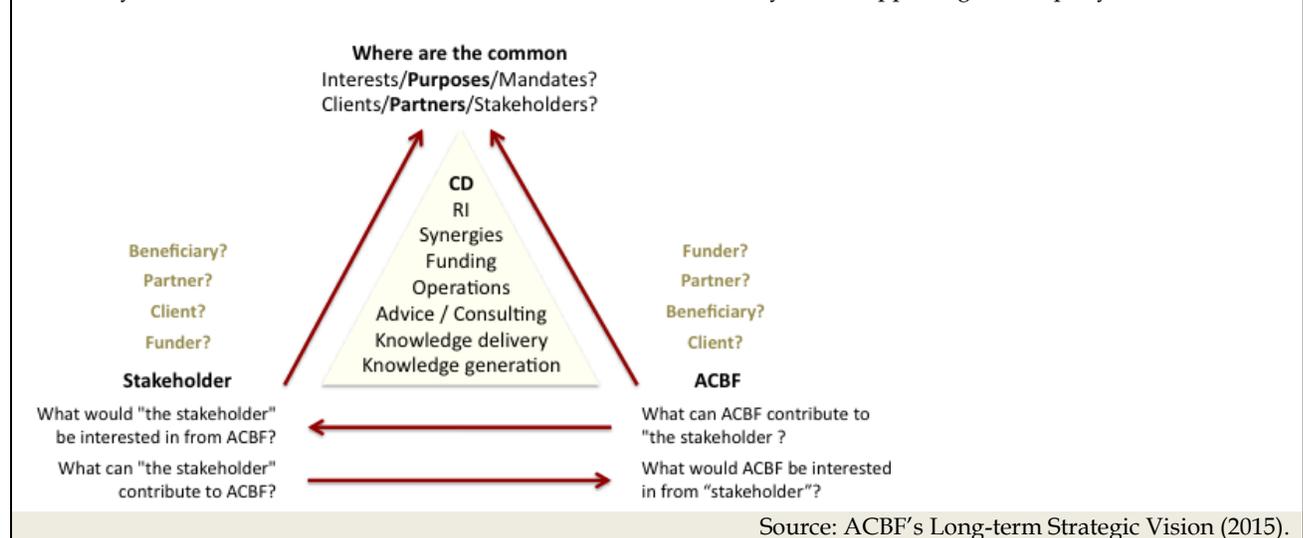
## Reinventing partnerships and leveraging synergies

Relationships between ACBF and its stakeholders have evolved over the past 25 years. The fact that the Foundation was anchored in a grant-making mode has led to relations being dominated by the perception of ACBF as a "go-to place" for funding rather than a "go-to-place" for capacity development support. The new value propositions of the Foundation aims at shifting this perception by revisiting its relations with all stakeholders.

Policy institutes that have been primarily recipients of ACBF grants will become substantive partners in promoting policy implementation and transformation. AUC and the RECs have received support but are expected to channel funding through ACBF to promote common goals. Prime contributors to ACBF, particularly member states, would increasingly seek specific and substantive advisory services to promote priority reforms. Funders, including non-African donors and multilateral partners, will be welcome to solicit specific advisory services, in addition to funding projects. Such synergies can be developed regardless of whether this also translates into some kind of specific bilateral partnership agreement.

*Figure 3: Stakeholder triangle for exploring common ground*

The triangle demonstrates opportunities for partnership beyond past distribution of roles. The body of the triangle indicates areas that are likely to provide an interface or common ground for collaboration. The basis of the triangle focuses on the relation between stakeholders with a notion of mutuality to be explored from both sides. The top of the triangle shows what the partners can collectively do to better advance capacity development in Africa" and ultimately African Transformation. It also shows that collaboration may mean supporting a third party.



## 7.2 Leveraging institutional reforms

Since 2012, ACBF has undertaken a process of reform that will continue as it strives to remain on top of its game. Continuous reforms will ensure that the Foundation improves its anticipation of opportunities, its communication, and its use of applied knowledge

and practices. ACBF will also continue to strengthen the skills mix of its staff, especially in change management, and expand its database on consultants to expand its ability to respond to national, regional, and continental institutions' needs.

### Budget projections and funding

**Budget provisions.** The budget estimates are based on the Foundation's 25-years of experience in costing capacity development services and the volumes of operations deemed necessary to achieve results.

The option selected by the Foundation is to present the budget projections and funding by service lines rather than programs. The rationale is that programs will be delivered through various combinations of services. Reserving resources along the various lines of services will offer the opportunity to build programs that are flexible enough to be adapted if and where necessary.

ACBF will continue to enhance the skills-mix of its staff and build the necessary partnerships to support the delivery of the Strategy. The costs of this implementation support are included in the overall resource requirement of the Strategy estimated at USD 250 million over the five years and allocated as follows:

*Table 4 : Budget estimates*

Service lines	Budget	%
Resource Mobilization Services	5,000,000	2
Knowledge Services	50,000,000	20
Capacity Development Advisory Services	60,000,000	20
Innovation in Capacity Development	10,000,000	4
Investments in Capacity Development Initiatives	100,000,000	40
Implementation Support	25,000,000	10
<b>Total</b>	<b>250,000,000</b>	<b>100</b>

### Funding

African countries (governments, private sector, and civil society) and regional organizations that are the direct beneficiaries of ACBF's operations are expected to play a leadership role in financing the ACBF Strategy 2017–2021, through their own direct contributions and their advocacy to attract non-African partners. This was the main

conclusion of the 24<sup>th</sup> Annual Meeting of the Board of Governors in September 2015, the third Capacity Development Forum and the 25<sup>th</sup> Anniversary of ACBF celebrated on 3–5 May 2016. Significant contributions from African countries will not only confirm to other donors the African ownership of ACBF—but will also provide the Foundation with flexible resources that may be used to address capacity development priorities that do not attract other donors' resources.

The Foundation's value propositions are expected to attract the interest of traditional non-African partner countries to resume their cooperation. The Foundation will also make a concerted effort to attract new non-African partner countries as well as leverage South-South Cooperation by opening up to emerging economies as well as a wide range of other countries.

ACBF will continue with its partnership with multilateral development financing institutions, especially the World Bank, AfDB, and UNDP. The Foundation also aims at attracting other major development financing institutions such as Afreximbank, the Islamic Development Bank, BADEA, IFAD, and the BRICS Bank. ACBF will continue to develop its partnerships with foundations and philanthropies that are playing an increasing role in development financing. It will also resume its effort to involve the private sector in financing the capacity development effort.

The resource mobilization for financing this Strategy will combine several approaches, including a pledging conference, a proactive development and marketing of capacity building programs and projects, and calls for proposals. Support to the implementation of the five priorities defined by the African Development Bank—the High Fives—and to the first 10-Year Plan of Agenda 2063 and specific programs aimed at making progress to achieve the Sustainable Development Goals will offer opportunities to use this combination of approaches.

### **Strategy Monitoring, Evaluation, and Reporting**

The monitoring and evaluation of ACBF's Strategy (2017–2021) is anchored on the Foundation's drive towards promoting learning, innovation and accountability for the results of its capacity investments across the continent. ACBF will continue to enhance and use the information and findings from its monitoring and evaluation system to guide the design and implementation of projects and programs, including its knowledge and learning engagements with stakeholders in Africa and beyond.

A results measurement framework (RMF) detailing the key objectives, expected results, and corresponding performance indicator targets have been developed (see annex 4) to guide results-based monitoring, evaluation, and reporting of the performance and impact of the Strategy. The RMF encompass the four key strategic pillars that will drive ACBF's capacity building investments and the expected results that reflects the Foundation's contribution and direct impacts at the continental, regional, and national levels and with

private sector and civil society. It delineates the key performance indicators, baselines, and targets as well as the data collection and reporting requirements for continuous and periodic assessment of the performance and results of the Strategy.

The monitoring and evaluation of the Strategy will be rigorous and coherent to ensure that projects and programs are effectively implemented, performance targets adequately tracked, and lessons integrated into corporate decision making processes for timely programmatic fine-tuning. In line with the ACBF Evaluation Policy and Guidelines, all projects and programs will undergo annual performance reviews and midterm assessments to ensure effective and efficient delivery and achievement of intended results. In addition, the “evaluability” criteria will be applied every year to select critical projects or programs that will be subject to an end-of-project evaluation. At the corporate level, the RMF will form the basis for developing, implementing, and assessing the corporate annual business plans and departmental plans. An independent evaluation will be conducted at the midterm and endline of the Strategy to assess its delivery and impacts. The evaluation will include operational and organizational performance of ACBF vis-à-vis the expected results of the Strategy to ascertain the Foundation’s efficiency, effectiveness, impact, and sustainability.

The monitoring and evaluation process of the Strategy is intended to generate evidence-based information that will guide operational decisions and facilitate effective adjustments and refinements of programs and capacity engagements. It also is intended to equip and empower relevant partners and stakeholders with the ability to effectively collect and use results-based M&E information to improve the delivery and impact of their projects and programs. The process will also include the creation of spaces for inclusive engagement and knowledge and learning sharing among the partners and relevant development actors.

## 8. CONCLUSION

The ACBF Strategy 2017–2021 is a landmark strategic plan for the Foundation. Its focus which is to resolutely support the transformation process of the continent, without overlooking the needs of countries affected by conflict or in crisis and those with low capacity. It is built around four strategic pillars, four programs, and five service lines to deliver capacity development in an innovative way in support of African countries’ effort toward making significant progress on the path to implementing the first 10-Year Plan of Agenda 2063 and the SDGs.

The overall cost estimate of the Strategy, USD 250 million, will certainly not cover all the capacity needs of Africa given the immensity of the challenges and will be invested in the most catalytic manner to achieve the best results where capacity is the most needed to advance the continent. African countries and pan-African organizations – through their own contributions and their support to help ACBF mobilize resources from other

partners – are expected to play a more significant role than in the past in financing the Foundation over the next five years.

The implementation of the Strategy will be monitored at regular intervals throughout the implementation process to ensure that the Foundation's delivery is on track to achieve of the agreed targets. The focus will mainly be on assessing implementation progress of the programs of the Strategic Pillars and on the transparent reporting to all stakeholders.

## APPENDICES

## Annex 1 : ACBF at a Glance

The African Capacity Building Foundation (ACBF) is a non-profit organization established in February 1991 as partnership between African governments and the international donor community to respond to the severity of Africa's capacity needs, and the challenge of investing in indigenous human capital and institutions in Africa. The major sponsors of the Foundation include African and non-African governments, the African Development Bank (AfDB), the United Nations Development Programme (UNDP) and the World Bank. African governments, donor countries and organizations that contribute to the Foundation's trust fund are members and constitute a segment of the larger community of the Foundation's stakeholders. The current membership comprises the three sponsoring agencies (AfDB, UNDP and World Bank), 39 African countries<sup>1</sup>, 14 non-African countries<sup>2</sup> and two Foundations (Bill and Melinda Gates Foundation and Rockefeller Foundation).

### 1. Identity and Mandate

ACBF has recently revised its vision, mission and values to better adapt to the changing capacity development landscape and the dynamic operating environment in Africa, as follows:

**Vision:** Africa capable of achieving its own development

**Mission:** Build strategic partnerships, offer technical support, and provide access to relevant knowledge related to capacity building in Africa

**Core Values (CREAM):** Communication (communicate effectively both internally and externally); Recognition (recognizing and valuing our team); Excellence (striving for excellence in our work); Accountability (doing what we say at all times in accountability to each other, our customers and our donors); Modern (innovative and creative in all we do)

ACBF's mandate in capacity building is defined by its constitution with the responsibility to serve as a coordinating mechanism for donor support to capacity building on the Continent, through the pooling of resources and a common governance and reporting system. Until January 2000, ACBF interventions focused on building and strengthening capacity for macroeconomic policy analysis and development management, its initial niche in capacity building. Since 2000, this focus was expanded as a result of the integration of the Partnership for Capacity Building in Africa (PACT) initiative into the Foundation's fold. PACT aimed at mobilizing greater support for capacity building in Africa. The expansion broadened the Foundation's scope to cover the following areas:

- Support to projects and programs designed to strengthen the public sector and its interface with the private sector and civil society
- Support to regional initiatives in the areas of training, policy analysis, applied policy research, trade policy development and negotiations as well as policy advocacy.
- Support for the emergence of institutional frameworks for country ownership and coordination of capacity building activities as well as for participatory development.

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<sup>1</sup> Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Congo (Republic); Congo (Democratic Republic), Côte d'Ivoire, Djibouti, Ethiopia, Gabon, the Gambia, Ghana, Guinea, Guinea Bissau, Kenya, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Namibia, Niger, Nigeria, Rwanda, São Tomé and Príncipe, Senegal, Sierra Leone, Sudan, Tanzania, Togo, Uganda, Zambia, and Zimbabwe.

<sup>2</sup> Australia, Austria, Canada, Denmark, Finland, France, Greece, India, Ireland, the Netherlands, Norway, Sweden, United Kingdom and Unites States

- Knowledge generation and sharing for the transformation of ACBF into a knowledge-based institution and to support the emergence of knowledge economies in Africa.

To date, the Foundation has supported more than 300 capacity development initiatives in form of projects and programs in some 45 countries and with regional organizations. Since its inception in 1991, ACBF has committed more than US\$700 million to capacity building in Africa.

## 2. Governance Structure

ACBF operates on the framework of a three-tier governance structure comprising a Board of Governors, an Executive Board and a Secretariat.

***The Board of Governors:*** The Board of Governors comprises representatives of African member states and all donor countries to the ACBF as well as the World Bank, UNDP, the African Development Bank and the IMF. The Board of Governors is the highest policymaking body of the Foundation. Its main responsibility is to set the broad policies for the operation of the Foundation as well as to appoint the independent members and chairperson of the Executive Board. Ordinarily, the Board of Governors meets annually. The Board of Governors has a Bureau of five members elected every year.

***The Executive Board:*** The Executive Board is responsible for the conduct of the general operations of ACBF, including approval of ACBF's programs and operational plans, annual budget and annual reports; approval of audited financial statement and appointment of the Executive Secretary. The Executive Board meets twice a year and consists of 11 members in addition to the Executive Secretary, who is an ex-officio member. It operates under two committees: Finance and Operations. The Finance Committee examines financial matters, while the Operations Committee examines and provides guidance on projects, programs, knowledge management and other operational policy matters.

***The Secretariat:*** The Secretariat administers the Foundation in accordance with the policies and guidelines set out by the Executive Board. Headed by an Executive Secretary, the Secretariat is responsible for conducting the business of ACBF and assuring that its policies and programs are properly developed and carried out. The Executive Secretary appoint staff of the Secretariat to provide support in running day-to-day activities of ACBF.

## Annex 2 : Evidence, Lessons, and Opportunities

ACBF has made significant contributions over years by establishing a unique role in providing long-term support to capacity development across Africa. The interventions undertaken by the Foundation are varied in terms of nature and scope and were mainly driven by demand approach to ensure relevance, impact and sustainability. Feedback from different evaluations and other assessment of ACBF's interventions have revealed that the Foundation has achieved important results but also there a number of challenges and areas for improvement.

The Mid-term review of the 3<sup>rd</sup> Strategic Medium-Term Plan of ACBF (SMTP III) has found that "the Foundation has supported the development and implementation of policies and programs that has catalyzed economic development and growth in beneficiaries' countries." Below table shows some ACBF's achievements revealed by the mid-term review of the 3<sup>rd</sup> strategic plan:

Focus Areas and Achievements
<p><b>1. Policy Research and Analysis</b></p> <p>IPAR -Rwanda: IPAR's research findings and technical support was instrumental to the development and ongoing implementation of "IMHIGO", a robust performance management tool that is being used by the Ministry of Local government to evaluate the annual Performance Contracts of District Officers.</p> <p>ZIPAR -Zambia: The alternative allocation model for the Constituency Development Fund (CDF) developed by ZIPAR has stimulated interest of government to refine the CDF allocation criteria to ensure that resources for the constituency development are allocated based on needs. This positive development will directly enhance infrastructural development and improve the standard of living of the citizenry especially the poor in rural communities.</p> <p>CADERDT - Togo: The facts and recommendations come out of the study conducted by the Center on the living conditions and salary trends in the country were used as the basis for negotiations between the Togolese Workers Union (STT) and the Government of Togo on the purchasing power of the population, particularly the civil servants. Consequently, the negotiations led to a 20% increase of the salary in the public sector in Togo.</p> <p><b>2. Training:</b></p> <p>Under SMTPIII, ACBF has supported the training of over 16,361 highly skilled and capable public sector officials and professional who are playing a lead role and are acting as change agents in their respective countries. These trainings have empowered professionals, decision makers and leaders, as well as strengthening capacities of government, parliaments, civil society, private and higher learning institutions in Africa.</p> <p>In addition, the Foundation has supported a number of capacity building interventions that has contributed to improved macroeconomic stability and prudent financial management in Africa. ACBF has invested in capacity building projects and programs that have built the skills and competencies of Central banks and Ministries of Finance and Economic/Development Planning in Sub-Saharan Africa. For instance, by using the macroeconomic model developed with the support of MEFMI, the Central Bank of Namibia and the Ministry of Finance of Botswana were able to almost accurately project the real GDP growth of 4.3% and 5.3% for 2013, against the actuals of 4.4% and 5.9% respectively. In Lesotho, MEFMI supported the government to develop an Economic Activity Indicator, which is currently being used to proxy the performance of the economy in the short to medium term. The National Bank of</p>

Rwanda has also been assisted by the institute to build a core model for inflation, which has improved inflation forecasting.

### 3. Regional Integration

ACBF played a leading role in the establishment of a policy research unit at Common Market of Eastern and Southern Africa (COMESA) Secretariat which has already started demonstrating results. The outcomes of research studies conducted by the unit has informed and influenced a number of national and regional policies such as the review of Kenya's policy on sugar trade.

**Source:** Mid-term Review of the 3<sup>rd</sup> Strategic Medium-term Plan of ACBF (SMTP III), April 2016.

Other evaluations have also shown significant contributions made by ACBF in supporting capacity development efforts in the continent. Evidence of ACBF's achievements revealed by these assessments are as follows:

- Independent Evaluation of ACBF-supported Policy Centers and Think Tanks in Africa
  - ACBF is considered a key driver in supporting institutions to better synchronize their efforts with research needs and play a significant role in influencing and impacting policy in countries
  - Stakeholders consider ACBF support in developing internal capacity of institutions as "very successful." In addition, ACBF supported institutions are viewed as above average when compared to similar institutions in their respective countries
  
- The Evaluation of ACBF's ACR has revealed the following positive change:
  - The ACR has been instrumental in exposing and raising general awareness on capacity gaps across the continent. In particular, it fulfils a vital need through its unique value proposition within the knowledge product landscape. By focusing on capacity development, the ACR provides measures for understanding and improving capacity indicators that are largely based on an accepted and rigorous methodology.
  - The ACR as an input into national and regional policies and programs: a number of countries and regional bodies are using the ACR as an input into their policy development activities and programing
  - The ACR as a research, training and reference material: The ACR has contributed to shaping the understanding and thinking of lecturers, students and future leaders on capacity imperatives and dynamics on the continent. The ACR is being used as a course/reference material by a number of universities in Africa and abroad (e.g. EPM-University of Ghana, Iowa State University in the United States, Carleton University in Canada, University of Aberystwyth in Scotland, and Sciences Po in France).
  - Increased utilization of the ACR. Statistics from web generated monitoring data reveal that the 2013 and 2014 ACR reports were downloaded 8423 times within a period of 12 months. Further, average downloads have been increasing from 39 per month in 2012 to 4,755 downloads per month in 2014. In addition to free online downloads of the Executive Summary, individuals, governments and organizations both within and outside Africa purchased over 917 copies of the ACI in 2013.

Despite the aforementioned achievements and successes in attributing to ACBF support through its diversified areas of interventions, the Foundation has also been confronting challenges and weaknesses at different levels as summarized below from a series of evaluations conducted before and during the implementation the SMTP III:

**About Policy Research and Analysis (*from ACBF-supported Think Tanks Evaluation Report*)**

- ACBF's current positioning limits its ability to leverage its resources to further catalyze impact. ACBF's current model is linear in nature as it utilizes policy centers and think tanks to then influence policy impact. This linear approach, however, results in missed opportunities for ACBF to further maximize impact. Adopting a more multi-dimensional approach, over and above its support to policy centers and think tanks can further catalyze impact.
- ACBF has been engaging with the varied actors involved in policy development and implementation. The Foundation is moving toward a more programmatic approach in catalyzing policy impact by engaging with various actors across the value chain. These contexts require key considerations in how ACBF can best approach them in an effective and sustainable way.
- Engagement and service utilization will depend largely on country contexts. To increase the flexibility of ACBF support, and given fluctuations in donor funding to ACBF, there should be consideration given to strategically utilizing the products and services of ACBF support in varying national contexts

**About ACR (from ACBF's Flagship Publication, ACR Evaluation Report)**

- The dual strategic orientation of the report as both an "action oriented" and/or "advocacy oriented" document complicates choices of designing and framing the reports' content for efficient consumers' targeting.
- The successful translation of capacity building information into policy and finally impactful projects and programs requires significant behavioral change on the parts of a broad stakeholder base working together simultaneously for the accomplishment of common outcomes. To this effect the report must zero in on strategies that correspond to the diverse needs and complexity of the development process.
- Targeted multi-channel dissemination strategies are a prerequisite for efficient engagement with key stakeholders and consumers. To this effect, packaging of the report is most effective if it takes into consideration the needs of both current and potential future ends users.

### Annex 3 : Strategy Development Process

The ACBF Strategy 2017 – 2021 is the sixth strategic plan developed by the Foundation to set directions and establish its interventions priorities for the next five-year period. Like the previous strategic plans, the development of the new Strategy was mandated by the Board of Governance (BoG) and the Executive Board (EB) which also provided guidance to the Secretariat throughout the process. The development of the Strategy has been part of integrated processes undertaken by the Foundation since mid-2014 to ensure a meaningful and participatory exercise responding to the expectations and priorities of the Foundation. The overall strategic thinking and planning processes included the following three key phases:

- ✓ **Visioning Exercise** (June 2014 - March 2015) had helped redefine the vision and mission as well as the core values of the Foundation. It was an internal reflective exercise supported by an external consultant that afforded opportunity for staff to interrogate ACBF's identity and mandate in light of current and evolving environment.
- ✓ **Long-term Strategic Vision – LTSV** (June - December 2015) was a prospective study for analyzing the future capacity landscape of Africa over 10 to 15 year-horizon in the context of the development priorities and emerging issues facing the continent. It has also highlighted the key role ACBF could play in supporting Africa's capacity development efforts. The process was facilitated by an external resource and focused on extensive high level consultations with BoG and EB members, technical and strategic partners and staff interviews as well.
- ✓ **ACBF Strategy 2017-2021** (November 2015 – April 2016) to identify the strategic priorities of ACBF for a period of five years between 2017 and 2021. It is an important opportunity for ACBF to reflect on its value proposition for capacity development services to partners and other clients that best meets their needs and priorities.

Specifically, the Strategy 2017-2021 began with an inception mission held in November 2015 where the external facilitators met with ACBF Management, staff to conduct an in-depth SWOT analysis and other relevant consultations. There were also further consultations with EB members, RECs representatives, selected projects partners and key funding partners such as the World Bank, African Development Bank and Sweden International Development Agency. This step was complemented by external environment scan to examine the development challenges and state of capacity in Africa.

Then, two strategic planning retreats were successively organized in December 2015 and January 2016 to identify the strategic directions to be taken and results the Foundation will contribute to over the five-year period as well as the critical implementation and institutional arrangements required for a successful delivery of the Strategy. The initial draft Strategy was prepared in February 2016 and had gone through a rigorous internal and external review including ACBF EB members, Secretariat Management and staff, as well as technical partners. They made in-depth analysis on the relevance and feasibility of the strategic choices and also provided further guidance and orientations.

Between April and May 2016, the strategy core team had carried out another adjustment in terms of contents and structure with support of a professional consultant to ensure a clarity, focus, relevance and coherence in the Strategy and its ownership by all ACBF's stakeholders.

Finally, the Strategy was presented to the EB members who provided substantive inputs for further consideration by ACBF Secretariat. The revised final draft Strategy was submitted to the BoG for approval in June 2016.

The strategic results reflect the long-term changes to which the Foundation is intending to contribute at the continental, regional or country levels by the completion of the Strategy whilst the intermediate results are the medium-term changes that ACBF will support over the period of the Strategy implementation. The framework serves primarily as a monitoring and management tool for tracking strategy performance, as well as a basis for reporting on results and evaluation.

The strategic results framework that follows provides for indicators, benchmarks, sources of information and allocates responsibilities. At this stage the framework is indicative. Baselines need to be established and in this context indicators and benchmarks will be reviewed adjusted and validated together with relevant stakeholders. The strategy is fundamentally client oriented and it is important that indicators are relevant for them and realistic in appreciating progress and added value in the results chain. It is well understood that at the outcome level ACBF will make a contribution to results that will be achieved by member states and pan-African organizations with the support of other partners as well.

The results framework will thus also be complemented by other components

- (1) As ACBF will rely increasingly on projects that will be designed and funded with earmarked resources and be conceived with their own results framework that will be nested in the overall SRMF.
- (2) The service lines will function based on quality criteria that will be monitored and will provide data that will reflect on ACBF's performance.
- (3) ACBF will further reflect target of its own reform process in annual business plans that will be monitored.

These complementary data sources will allow some triangulation of data and will allow establishing plausible relations between higher level results (outcomes) and lower level indicators around outputs and inputs. This will be useful to understand ACBF's contribution to African transformation and the strategic and intermediate objectives identified.

## Annex 4 : Strategy Results Measurement Framework (SRMF)

Strategic and Intermediate Results	Indicators	Baseline (in 2017)	Target (by 2021)	Frequency	Data Sources
<b>Strategic Pillar 1: Enabling Effective Delivery of Continental Development Priorities</b>					
<b>SR.1. Capacity of pan-African institutions and RECs for managing Africa's transformation agenda is enhanced</b>	<ul style="list-style-type: none"> <li>- Level of implementation of continental and regional development agendas</li> <li>-Quality of support provided by AU Organs and RECs to member states</li> <li>- Number of Pan-African institutions and RECs that meets reporting requirements</li> </ul>			Mid-term and End	<ul style="list-style-type: none"> <li>- AUC Agenda 2063 implementation progress report</li> <li>- Assessment/ evaluation report</li> </ul>
IR.1.1. Coordinating and implementation Capacity of pan-African institutions and RECs improved	<ul style="list-style-type: none"> <li>- Frequency of meeting of Agenda 2063 National Focal Points</li> <li>- % of AU organs and RECs that have functional performance measurement system</li> </ul>			Annual  Midterm and End	<ul style="list-style-type: none"> <li>- AUC Agenda 2063 implementation progress report</li> <li>- REC reports</li> </ul>
IR.1.2. Pan-African institutions and RECs have prioritized capacity development in their interventions strategies	<ul style="list-style-type: none"> <li>- % of AU Organs and RECs that have integrated capacity development into their strategies</li> <li>- % of AU Organs and RECs that have allocated adequate resources for their capacity development activities.</li> </ul>			Midterm and End  Annual	<ul style="list-style-type: none"> <li>- Performance review report by AUC and RECs</li> <li>- Financial report by AUC and RECs</li> </ul>
IR.1.3. Improved provision of integrated capacity development services to pan-African institutions and RECs	<ul style="list-style-type: none"> <li>- Level of satisfaction of pan-Africa institutions and RECs with the capacity development services provided by ACBF</li> <li>- Number and type of capacity development services provided by ACBF to pan-African institutions and RECs</li> </ul>			Mid-term and End	<ul style="list-style-type: none"> <li>- Performance review report by AUC and RECs</li> <li>- Survey report by ACBF</li> </ul>
<b>Strategic Pillar 2: Supporting Countries to Achieve Tangible Development Results</b>					
<b>SR.2. Capacity of State actors to effectively deliver on development results is increased</b>	<ul style="list-style-type: none"> <li>-ACR ranking</li> <li>- Capacity retention and utilization</li> </ul>			Mid-term and End	African Capacity Inde/Report (ACBF)
IR.2.1. National development plans aligned with Agenda 2063 and SDGs	<ul style="list-style-type: none"> <li>- % of countries that have mainstreamed Agenda 2063 and SDGs into their national development plans</li> <li>- Level of preparedness of member states</li> </ul>			Annual  Annual	<ul style="list-style-type: none"> <li>- Agenda 2063/ SDG implementation progress reports</li> </ul>

IR.2.2. National capacity development systems are enhanced	- % of member states that have aligned their capacity development strategies with the national development plans - % of member- states that have allocated adequate resources for their capacity development activities.			Annual  Annual	- National capacity development committee/agency report
IR.2.3. Partnerships for effective implementation of capacity development strategies enhanced	- % of joint capacity development programs implemented in countries - Number of people benefitting from critical technical skills enhancement program			Mid-term and End	MoUs at MDAs level
<b>Strategic Pillar 3: Enhancing Private Sector and Civil Society Contributions to Sustainable Development</b>					
<b>SR.3. Capacity of private Sector and Civil Society to engage in development is enhanced</b>	- % of domestic resources mobilized from private sector towards implementation of national development plans. - Level and quality of participation of private sector and civil society in regional and national development processes			Annual  Midterm and End	Country capacity development report - Assessment report by ACBF
IR.3.1. Policy engagement between state and non-state actors improved	- Number of PPPs developed per country - Number and quality of dialogue between state and non-state actors at continental regional and national levels			Annual	Country capacity development report
IR.3.2. Operational effectiveness of private sector and civil society platforms enhanced	Number of functional private sector and CSO platforms/networks			Annual	Country capacity development report
IR.3.3. Civil society capacity to mobilize citizen's participation and voice enhanced	- Citizen perception of civil society influence on policy making processes - Level of citizen's involvement in civil society activities			Annual	Country capacity development report
<b>Strategic Pillar 4: Leveraging Knowledge Learning to Increase Development Effectiveness</b>					
<b>SR.4. Access to and use of knowledge and learning for capacity development is increased</b>	- Availability of capacity development information - Number of downloads from ACBF virtual library			Annual  Midterm and End	- ACBF Annual Report  - Survey report by ACBF
IR.4.1. Network for generating and sharing of capacity development knowledge enhanced	- Users satisfaction of capacity development knowledge products generated by ACBF supported networks			Midterm and End	- Survey report by ACBF - Annual Report

	- Number of knowledge products generated by ACBF supported networks				
IR.4.2. Capacity development knowledge and learning translated into relevant methods and practices	Number of new capacity development tools developed			Annual	ACBF Annual Report
IR.4.3. Recognition of ACBF as a reliable source of capacity development knowledge and learning	- Number of request for capacity development products and services received by ACBF			Annual	ACBF Annual Report