

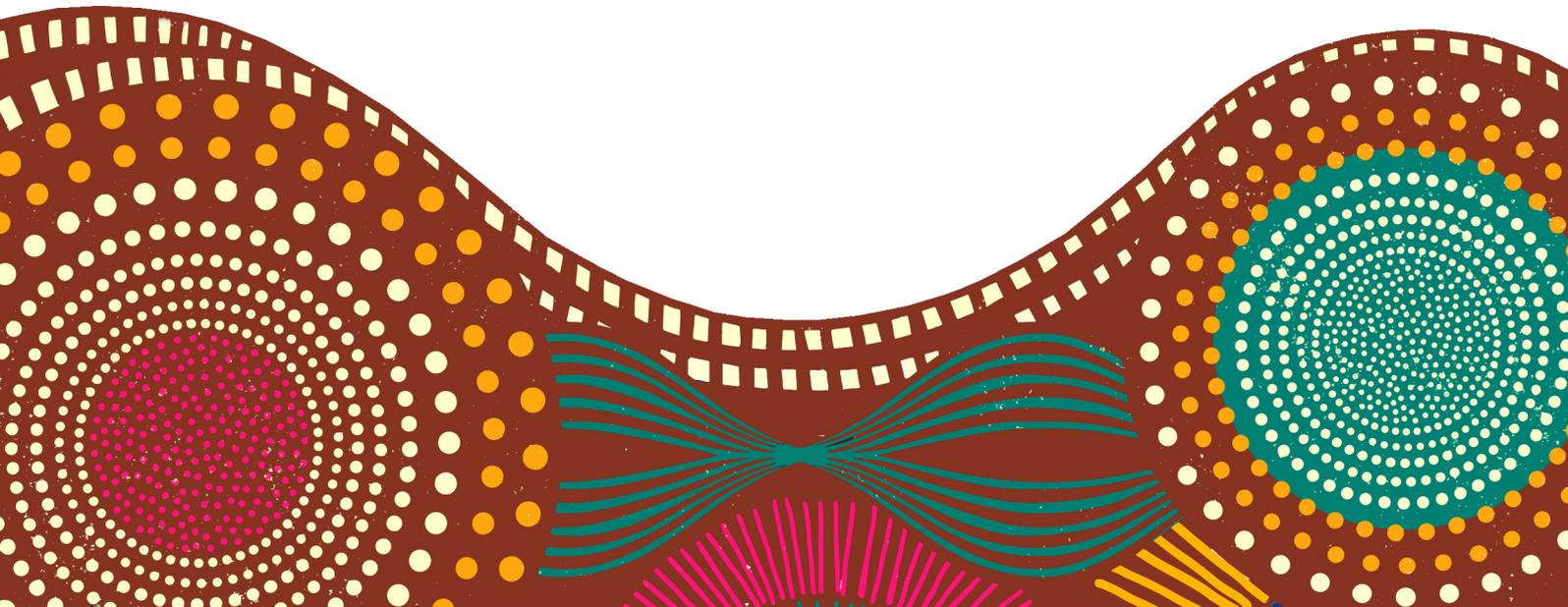


THE AFRICAN CAPACITY BUILDING FOUNDATION | FONDATION POUR LE RENFORCEMENT DES CAPACITES EN AFRIQUE

Securing Africa's future through capacity development

2021

ANNUAL REPORT



LETTER OF TRANSMITTAL TO THE BOARD OF GOVERNORS

RE: Annual Report 2021

14/03/2022

Dear Governors

I have the honor of presenting to the Board of Governors of the African Capacity Building Foundation (ACBF), the Annual Report of the Foundation for the period 1 January 2021 to 31 December 2021.

Please accept the assurances of my highest consideration.

A handwritten signature in black ink, appearing to read 'H. E. Erastus J. O. Mwencha', with a long horizontal flourish extending to the right.

H. E. Erastus J. O. Mwencha

Chair, Executive Board

African Capacity Building Foundation

MESSAGE FROM THE CHAIR OF THE BOARD OF GOVERNORS



The year 2021 was one of great uncertainty, not only on our continent, but all around the world. The COVID-19 pandemic continued to impact on all economies in new ways that we had not anticipated.

For the Foundation, and our Member States, this disrupted programming and made it difficult to plan. However, while the pandemic made life difficult, it delivered an important message; now, more than ever, we need resilient institutions able to withstand and adapt to the change happening all around us. In all this, the central role of ACBF in helping Africa build resilient post-COVID economies, became even more apparent.

As the proverbial saying 'every dark cloud has a silver lining', the challenges presented new opportunities for the Foundation to forge a new direction and evolve the partnerships that exist. ACBF has emerged, from the adversity of 2020 and 2021, stronger and primed for fresh

and more strategic cooperation with key stakeholders involved in addressing development challenges in Africa.

In our thrust to prepare Africa to build a more resilient future, the Foundation co-organized with the African Development Bank (AfDB), seminars on strengthening institutional capacities for inclusive development in post-COVID-19. This is part of several initiatives to enhance collaboration between ACBF and the AfDB.

The support of the major players that are part of the pan-African development architecture has been exemplary. More specifically, the support of the African Union and Member States as well as the AfDB, has been instrumental in securing sustainability of the Foundation. The African Union Commission financed 7% of the resource requirements of the 2021 Business Plan. The African Development Bank share of contribution supported 35% of the Business Plan while our African Member States contribution

financed 10% (Burkina Faso, Ethiopia, Ghana, Kenya, Mali, Nigeria, Togo, and Zimbabwe, fully paying their pledges). The Foundation applauds the Member States that have fully disbursed and urges other members to honor their pledges.

Afreximbank has reaffirmed its commitment to our strategic partnership by increasing its grants four-fold. The Arab Bank for Economic Development in Africa (BADEA) approved a first tranche of its support to our Women and Youth Entrepreneurship program, a sign of further confidence in the work of the Foundation. We also signed agreements with the Bill and Melinda Foundation for the implementation of three important projects: Strengthening Capacity of Strategic Partner Institutions in Africa, Strengthening African Leadership for Climate Adaptation and Supporting the African Adaptation Initiative of the African Union.

The partnerships highlighted above are the outcomes of deliberate strategies to diversify the Foundation's resource mobilization effort.

We are grateful that the proposed budget for FY2022 is based on already signed grant agreements with the Bill and Melinda Gates Foundation, as well as with BADEA, Islamic Development Bank, Afreximbank, and the African Union.

ACBF continues to renew itself, reforming internal systems and enhancing efficiencies, to better serve our clients. An external audit returned a clean, unqualified audit report, providing evidence of our commitment to managing the affairs of the Foundation responsibly.

As responsible stewards, the Foundation has a fully constituted Executive Board. The tenure of some Board members was renewed. We are pleased to advise that the process to appoint a new Executive Secretary has now been concluded.

The year 2022 is the final year of the current strategic plan. The Foundation now reflects on the lessons and successes of the past few years as it launches the next phase of its support to Africa with renewed fervor and confidence.



Hon. Ken Ofori-Atta

Chair, Board of Governors
African Capacity Building Foundation
Minister for Finance, Republic of Ghana.

FOREWORD FROM THE CHAIR OF THE EXECUTIVE BOARD



I am proud of the resilience and commitment that the Foundation demonstrated during the year under review. The innovative approach in how the Foundation deployed its programming resulted in delivering more with less. We achieved better efficiency and delivered on the planned results.

I commend the efforts of the Secretariat in dealing with the headwinds as the pandemic slowed down inflow of anticipated contributions from some of ACBF's partners. Innovative measures were put in place such as virtual supervision of programmes and remote implementation and delivery of support saw a reduction in program implementation support costs, which freed some resources for new interventions. I am very pleased to report this deliberate decision by the Secretariat to bring down institutional costs and improve efficiency ratios makes the Foundation attractive to funding partners.

I am also delighted to note that despite the resource constraints, the Foundation's attention was not diverted away from addressing continental priorities. The program orientation remained aligned to Africa's most pressing capacity needs. In this regard, work to make the African Continental Free Trade Area (AfCFTA) a success was a key priority.

ACBF and Afreximbank published a policy brief that will guide Member States on accelerating trade development to support the AfCFTA. ACBF also developed research reports on the challenges and opportunities for growth through capacity development. These interventions highlight the centrality of human and institutional capacity as key building blocks for the success of intra-African trade.

In 2021, ACBF also played a central role in coordinating the 2nd Biennial Continental Report on the Implementation of Agenda 2063, a sign

that the Foundation remains focused on its historical mandate of leading capacity development interventions on the continent.

In the year under review, African Member States' annual contributions to the ACBF reached record levels. The Member States are to be commended for the phenomenal achievement of meeting 94% of the resource mobilization target for this constituent group. This is unequivocal affirmation that African countries have confidence in the Foundation and the work it is doing across the continent.

I therefore call upon all our other partners to come on board and honor their pledges to ACBF. I am delighted that our efforts to engage the non-African countries and bilateral partners to enhance partnership and mobilize resources are on a positive trajectory. Most recently, Finland agreed to partner with ACBF on a project on Taxation Capacity Development in support of

Member States. There are also ongoing efforts to engage the European Union, China, and Japan.

I wish to applaud, on behalf of the Executive Board, Prof. Emmanuel Nnadozie for the leadership displayed over the past eight years that he has been at the helm of the Secretariat. Amid the turbulence, he steered the Foundation through seasons of uncertainty. As he bows at the end of his successful tenure, he leaves us a Foundation that is strong and stable.

We will now soon embark on the process of developing a new strategy for ACBF for the next five years, through a process that will be retrospective, introspective and prospective, focusing on the key challenges facing Africa.



H. E. Erastus J. O. Mwencha

Chair, Executive Board
African Capacity Building Foundation

INTRODUCTION BY THE EXECUTIVE SECRETARY



The Covid-19 pandemic persisted in 2021 and presented the Foundation with stark choices: either we sit back and be defeated by this unprecedented crisis, or we face up to it and come out even more resilient than ever. We chose the latter.

While the pandemic disrupted and delayed many of our programs, we used the challenges that Covid-19 brought to gain a better appreciation of the capacity gaps facing Africa, and more clarity in finding new ideas on how to solve them.

The pandemic's disruption exposed some of the most pressing needs that economies across the continent face in building the resilience to withstand future shocks.

Therefore, it was only logical that our focus in financial year 2021 was on implementing programs to support countries to better adapt to the pandemic, while continuing to pursue the aspirations of Agenda 2063.

As a result, the Foundation achieved many successes during the year under review, despite the challenges faced in rolling out programs.

Keeping an eye on the continent's broad vision, the Foundation led the rollout of a capacity building plan for embedding Agenda 2063 M&E Framework into the national Results Management Processes in Member States of the African Union.

ACBF continued to score successes in advancing tobacco control policy implementation in Africa, as we extended skills training, hosted tobacco control advocacy events, and provided capacity support to key actors and key institutions across Africa to enhance the quality and efficacy of legislation.

To ensure nobody is left behind, ACBF completed the Empowering Women in Agriculture project in partnership with the Arab Bank for Economic Development in Africa. Under this program, women-led agricultural cooperatives received

technical skills and seed grants in Liberia, Malawi, and Rwanda. These programs will be critical in ensuring that the most vulnerable groups are resilient in the face of future economic disruptions.

Our commitment to build resilient economies was also on display in the Foundation's work to boost the capacity of Togo's private sector for the implementation of Togo's National Development Plan. This support was unique and innovative in that it targeted educating the private sector on the tools of economic intelligence as well as the challenges, opportunities, and threats of the African Continental Free Trade Area (AfCFTA).

Our proactive stakeholder engagement ensured that we retained our funding partners while opening avenues for new cooperation. Our gratitude goes to our Member States, whose annual contributions to ACBF reached record levels, as well as to the Bill and

Melinda Gates Foundation, our leading operational funding partner. We are excited about the bright prospects for new funding partnerships in 2022 and beyond.

Internally, we continued to renew our systems and controls, to ensure that we are better equipped to execute our mandate.

I wish to thank the Board of Governors and the Executive Board for their diligence in providing the oversight to keep the Foundation on the right path.

The past year has been tough, but it has better prepared us to tackle the change around us, and to lead the Foundation into a new future of transformation.

I am leaving the African Capacity Building Foundation (ACBF), after completing my allowable two terms (8 years), serving as its Executive Secretary, with the support of our ACBF staff, who continue to display exemplary

perseverance and innovation. The pandemic changed the way our people work and live, but they did not lose focus of the Foundation's goals.

As I reflect on my tenure, I am proud of the several reforms undergone by the Foundation, achieving significant milestones that have strengthened its position in Africa's development architecture, becoming a more relevant Institution on the continent and beyond.

I pass on the baton stick, confident in the knowledge that the Foundation will continue to soar to greater heights.



Professor Emmanuel Nnadozie

Executive Secretary

African Capacity Building Foundation



CONTENTS

LETTER OF TRANSMITTAL TO THE BOARD OF GOVERNORS	2
MESSAGE FROM THE CHAIR OF THE BOARD OF GOVERNORS	3
FOREWORD FROM THE CHAIR OF THE EXECUTIVE BOARD	6
INTRODUCTION BY THE EXECUTIVE SECRETARY	9
ABBREVIATIONS AND ACRONYMS	14
EXECUTIVE BOARD	15
BOARD OF GOVERNORS	16
PART I: HIGHLIGHTS OF THE FINANCIAL YEAR 2021	18
PART II. IMPLEMENTATION OF THE ACBF STRATEGY 2017–2022	22
I. ENABLING EFFECTIVE DELIVERY OF CONTINENTAL DEVELOPMENT PRIORITIES	24
II. SUPPORTING COUNTRIES TO ACHIEVE TANGIBLE DEVELOPMENT RESULTS	30
III. ENHANCING PRIVATE SECTOR AND CIVIL SOCIETY CONTRIBUTION TO SUSTAINABLE DEVELOPMENT	34
IV. LEVERAGING KNOWLEDGE AND LEARNING TO INCREASE DEVELOPMENT EFFECTIVENESS	39
V. POSITIONING ACBF AS A HIGH PERFORMING AND SUSTAINABLE ORGANIZATION	46
PART III: CHALLENGES FACED, LESSONS LEARNED	52
PART IV: LOOKING AHEAD	56
PART V: ACBF IN BRIEF	58
PART VI: FINANCIAL STATEMENTS	66

ABBREVIATIONS AND ACRONYMS

ACBF	African Capacity Building Foundation
AfCFTA	African Continental Free Trade Area
AfDB	African Development Bank
Afreximbank	African Export-Import Bank
ATIM	Africa Centre for Tobacco Industry Monitoring and Policy Research
AUC	African Union Commission
AUDA-NEPAD	African Union Development Agency
EWA	Empowerment of Women in Agriculture
REEP	Research Unit on the Economics of Excisable Products
SDGs	Sustainable Development Goals
UNECA	United Nations Economic Commission for Africa
UNDP	United Nations Development Programme
WHO	World Health Organisation

EXECUTIVE BOARD



Erastus J.O. Mwencha
(Chair)



Louka T. Katseli
(Vice Chair)



Roselyn Akombe
(UNDP)



Jonas Aklesso Daou



Mamour Malick Jagne



Jessie Rose
D. Mabutas



Pauline Paledi-Mokou



Constant Koko
Mudekereza



Emmanuel Nnadozie
(Ex-Officio)



Mahama Ouedraogo
(AUC)



Graham Stegmann



Kevin Urama
(AfDB)

INDEPENDENT MEMBERS OF THE AUDIT AND RISK COMMITTEE



J Graham Joscelyne



Verasak Liengsriwat

BOARD OF GOVERNORS

2021 List of Board of Governors

	COUNTRY / INSTITUTION	GOVERNOR
1	GHANA	KEN OFORI-ATTA (CHAIR)
2	AFRICAN DEVELOPMENT BANK	RABAH AREZKI
3	AFRICAN UNION COMMISSION	ALBERT MUCHANGA
4	BENIN	ABDOULAYE BIO TCHANÉ
5	BOTSWANA	KELAPILE NDOBANO
6	BURKINA FASO	LASSANÉ KABORÉ
7	BURUNDI	DOMITIEN NDIHOKUBWAYO
8	CABO VERDE	OLAVO AVELINO CORREIA
9	CAMEROON	ALAMINE OUSMANE MEY
10	CENTRAL AFRICAN REPUBLIC	FÉLIX MOLOUA
11	CHAD	MAHAMAT HAMID KOUA
12	COMOROS	FOUADY GOULAME
13	CONGO (Republic)	EBOUKA-BABACKAS INGRID OLGA GHISLAINE
14	CONGO (Democratic Republic)	CHRISTIAN MWANDO NSIMBA KABULO
15	COTE D'IVOIRE	ADAMA COULIBALY
16	DJIBOUTI	ILYAS MOUSSA DAWALEH
17	ESWATINI	NEIL RIJKENBURG
18	ETHIOPIA	AHMED SHIDE
19	GABON	SOSTHÈNE OSSOUNGOU NDIBANGOYE
20	THE GAMBIA	MAMBURY NJIE
21	GUINEA BISSAU	ARISTIDES GOMES
22	GUINEA (Republic)	MAMADI CAMARA

BOARD OF GOVERNORS

2021 List of Board of Governors

23	COUNTRY / INSTITUTION	GOVERNOR
24	KENYA	UKUR YATANI KANACHO
25	LIBERIA	SAMUEL D. TWEAH
26	MADAGASCAR	RICHARD J. RANDRIAMANDRATO
27	MAURITIUS	RENGANADEN PADAYACHY
28	MALAWI	FELIX MLUSU
29	MALI	ALOUSSÉNI SANOU
30	MAURITANIA	OUSMANE MAMOUDOU KANE
31	NAMIBIA	OBETH M. KANDJOZE
32	NIGER	RABIOU ABDOU
33	NIGERIA	ZAINAB SHAMSUNA AHMED
34	RWANDA	UZZIEL NDAGIJIMANA
35	SAO TOME & PRINCIPE	TAVARES DOS SANTOS VAZ
36	SENEGAL	AMADOU HOTT
37	SIERRA LEONE	FRANCIS M. KAIKAI
38	SUDAN	GIBRIL IBRAHIM
39	TANZANIA	MWIGULU LAMECK NCHEMBA
40	TOGO	SANDRA ABLAMBA JOHNSON
41	UGANDA	MATIA KASAIJA
42	UNDP	AHUNNA EZIAKONWA
43	THE WORLD BANK	HAFEZ GHANEM
44	ZAMBIA	SITUMBENKO MUSOKOTWANE
45	ZIMBABWE	MTHULI NCUBE

PART I: HIGHLIGHTS OF THE FINANCIAL YEAR 2021

The focus of the African Union in 2021 was on pushing forward with reforms that will advance the continent's vision to build an efficient and financially self-sufficient Africa.

In 2021, the AU declared the year as “The AU Year of the Arts, Culture and Heritage: Levers for Building the Africa We Want.” Together with the Agenda 2063 vision for an integrated, prosperous, and peaceful Africa, driven by its own citizens, this guided ACBF's programming through FY2021.

The need for an Africa that can stand on its own was driven home

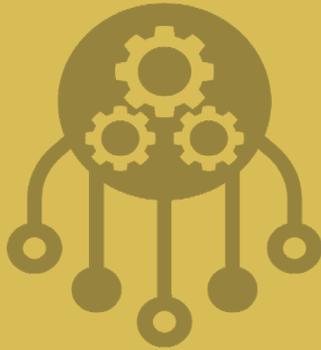
in the wake of Covid-19, which laid bare the gaps in Africa's capacity to build institutions able to withstand significant shocks.

The Foundation's work in 2021, therefore, was built around upgrading its internal systems to support programs in the face of radical shifts in the work environment, while building institutional capacity in key areas such as public accounting and policy implementation across Africa.

The focus of the Foundation's program is evident in the following highlights for the year:







Improved resource mobilization to meet Africa's needs: ACBF established a Trust Fund for mobilizing resources for the AU's High-Level Panel and the Consortium on Illicit Financial Flows from Africa

Enhanced support from Member States: African Member States made their highest annual contribution in FY2021, achieving 94% of their target as compared to 51% and 61% in 2019 and 2020 respectively. To date, eight (8) countries have fully paid their contributions to the current Strategic Plan: Burkina Faso, Ethiopia, Ghana, Kenya, Mali, Nigeria, Togo, and Zimbabwe.



Advancing key partnerships to fund programming: ACBF signed agreements with the Bill and Melinda Gates Foundation for the implementation of three projects: Strengthening Capacity of Strategic Partner Institutions in Africa, Strengthening African Leadership for Climate Adaptation and Supporting the African Adaptation Initiative of the African Union. Afreximbank approved a 5-year grant (2021-2025) for capacity building for trade finance and the AfCFTA.



Pushing forward with thought leadership. The Foundation successfully held its 30th Anniversary celebrations from 19 to 21 October 2021. The commemorations ran under the theme: Commemorating 30 years of Capacity Development in Africa. During the celebrations, ACBF showcased its achievements and impacts across Africa during its 30 years in existence. Testimonials from Member States and partners solidified the impact that ACBF has had on the continent. On 21 October, the Foundation once again demonstrated its position as a thought-leader when it hosted an e-seminar under the theme: Post-Covid-19 recovery in Africa: Challenges, Lessons and Capacity Development Priorities.

Engaging with the public on Foundation programs: The Foundation successfully launched two initiatives: the ACBF Media Awards for Capacity Development and the ACBF Alumni Network, during its 30th Anniversary celebrations. The main objectives of the Media Awards are to recognize and reward journalism excellence in the coverage of the Foundation's activities and to inspire interest in the coverage of ACBF activities, thus enhancing its visibility. The Alumni Network brings together former beneficiaries, staff members, and other members of the ACBF family to network and support the Foundation's activities.

Accolades for ACBF: The Foundation was recognized by the 2021 African Integration Forum as an important partner in promoting regional integration, along with the AfCFTA Secretariat, REC Secretariats, and others.

PART II.

IMPLEMENTATION OF THE ACBF STRATEGY 2017–2022

The Four Pillars of ACBF's Strategy for 2017-2022:

- Enabling effective delivery of continental development priorities.
- Supporting countries to achieve tangible development results.
- Enhancing private sector and civil society contribution to sustainable development.
- Leveraging knowledge and learning to increase development effectiveness.

Among the many disruptive effects of the global Covid-19 pandemic, were logistical challenges and delays in the disbursement of funding from our

partners, disrupting the Foundation's programs across the continent. But along with the challenges came many lessons and indeed opportunities.

The disruptions did not curb the enthusiasm of ACBF and its partners to accelerate steps toward meeting the goals of Agenda 2063.

The struggles that many African countries and institutions faced in responding to the pandemic stressed the importance of ACBF's work. Under the Four Strategic Pillars, programming in FY2021 was targeted at measurable efforts to fill the capacity gaps that the pandemic underlined.



I. Enabling effective delivery of continental development priorities

Enhancing monitoring of Agenda 2063.

ACBF contributed significantly to coordinating the preparation of the **2021 Second Biennial Continental Report on the Implementation of Agenda 2063**, in its capacity as a member of the Technical Working Group. The Foundation actively participated in an in-depth revision of the reporting process and methodology, including guidelines, data gathering tools and reporting templates informed by the key lessons drawn from the inaugural 2021 Report.

This resulted in an increase in the number of country submissions from 56% in 2019 to 69% in 2021.

ACBF also supported the provision of technical assistance to 45 countries and eight Regional Economic Communities (RECs), improving the quality of their reporting.



Agenda
2063
The Africa we Want



Promoting regional integration in Africa



In line with its overall support to accelerate Africa's regional integration agenda in the face of the challenges of the Covid-19 pandemic, ACBF joined the African Union Commission, Regional Economic Communities, and other partners to organize the 2021 African Integration Forum under the theme: Role of Continental Integration in Accelerating African Economic Recovery from the Covid-19 Pandemic.

The Forum's main objective was to deliberate on how to use integration as a tool for the continent's economic recovery and to build back better together. The Foundation was recognized as an important partner in promoting regional integration, along with REC Secretariats, the AfCFTA Secretariat, AUDA-NEPAD, UNECA, African Development Bank, Afeximbank, African Business Council, Pan-African Chamber of Commerce, AfroChampions Initiative, AeTrade Group, and Trade Law Centre.



Promoting the “**made in Africa evaluation approach**” in support of Agenda 2063 and SDGs.

ACBF played a key role in facilitating regional consultations as part of the Decade of Evaluation for Action (Eval4action) campaign for Africa, coordinated by the African Evaluation Association. The Eval4Action campaign, calls on all actors to accelerate the delivery of Sustainable Development Goals (SDGs) by advocating for stronger evaluation capacities and evidence-based policies.

To this end, stakeholder consultations involving development partners, evaluation practitioners, and other key actors were conducted in West

and Central Africa, and Eastern and Southern Africa in April and May 2021. These regional consultations enabled the development of a collective roadmap that serves as a reference for all the stakeholders engaged in the Eval4action campaign. The roadmap provides guidelines for enhancing the culture of evaluation in managing development frameworks for Africa's transformation and sustainable development. It focuses on three areas, essential for re-positioning evaluation as a critical instrument for supporting the effective delivery of Agenda 2063 and SDGs in Africa:



Professionalizing evaluation, including young and emerging evaluators.



Building robust national M&E policies and systems for evidence-based decisionmaking in African countries.



Nurturing the made-in-Africa evaluation approaches to support the implementation of SDGs and to achieve the Africa we want.

Mobilizing key partners to tackle tobacco-related challenges in Africa.



**A TOBACCO FREE
AFRICA**

According to the World Health Organization, tobacco is the leading cause of preventable death in the world, with estimates indicating that it kills one of every two users, a mortality rate higher than any other disease. Despite these scary revelations, tobacco use is rapidly increasing in Africa, so measures are needed to help with tobacco control.

ACBF organized several tobacco control advocacy events. The main event was the first Africa Tobacco Control and Development Conference, held on 26-28 October 2021, under the theme:

"A Tobacco Free Africa: An Urgent Call for Joint Action." Co-organized with the Centre for Tobacco Control in Africa, it benefited from valuable contributions from other regional partners including the World Health Organization Africa Office, the Research Unit on the Economics of Excisable Products of the University of Cape Town, the Campaign for Tobacco-Free Kids, the African Tobacco Control Alliance, the Africa Centre for Tobacco Industry Monitoring and Policy Research, the International Union Against Tuberculosis and Lung Cancer, and the Tax Justice Network-Africa.

Major recommendations of the conference include the following:

Reminding countries that they have a powerful tool to implement tobacco control initiatives in the form of the mandatory obligations to WHO's Framework Convention on Tobacco Control, which most African countries have ratified.

Recommend using youth as advocacy champions given Africa's large youth population and the youth are the tobacco industry's primary target.

Increasing capacity development and research to address emerging tobacco products, alternative livelihoods, taxation, enforcement policies, and domestic financing for tobacco control.

Having governments understand the need to increase taxes on tobacco products as a strategy not only to generate revenues to finance public health but more important to reduce affordability of tobacco products.

Recommending improved tobacco taxation as an efficient and effective strategy to establish a Tobacco Control Fund in Africa.

Strengthening National Coordination Mechanisms to improve multisectoral support and engagement of governments beyond ministries of health.

II. Supporting countries to achieve tangible development results

Upgrading monitoring and reporting for Agenda 2063 milestones

One of the biggest challenges facing most African countries having reliable data to assess their progress in pursuing developmental goals such as the SDGs and Agenda 2063. To close this gap, the Foundation led the design and rollout of a capacity-building plan for embedding an Agenda 2063 M&E Framework into the national Results Management Processes in African Union Member States. Specific interventions were conducted for selected countries to upskill their institutional M&E capacity as part of the Agenda 2063 M&E Framework in Member States. During FY2021, the interventions targeted six Small Island Developing States—Cape Verde, Comoros, Madagascar, Mauritius, São Tomé and Príncipe, and Seychelles. Chad, Mauritania, and Zambia—facing challenges in the preparation and

submission of their country-level report on the implementation of Agenda 2063—also saw their capacity enhanced through the provision of knowledge and skills for meeting their Agenda 2063 M&E requirements.

These capacity-building efforts focused on functional institutional arrangements, managing data, and writing progress reports. The institutional arrangements in these countries for coordinating Agenda 2063 are being enhanced with the establishment of well-resourced units and clear mandates to oversee monitoring and reporting on Agenda 2063. The support to these countries has also helped them understand better the Agenda 2063 monitoring and reporting requirements.





Developing skills and tools in Africa's tobacco industry monitoring.

With ACBF support, Sefako Makgatho Health Science University and the Africa Centre for Tobacco Industry Monitoring and Policy Research, launched the first online course on tobacco industry monitoring and responses in Africa. They also organized several workshops to strengthen the capacity of trainees in conducting monitoring interventions. These initiatives led to the establishment and activation of functional monitoring teams in Benin, Côte d'Ivoire, Ethiopia, Gabon, Kenya, Mauritania, Senegal, The Gambia, South Africa, and Uganda. Another significant outcome was building the first ever Regional Index on Tobacco Industry Interference in Africa, calculated for 14 countries, by the African Tobacco Control Alliance, the Africa Centre for Tobacco Industry Monitoring and Policy Research, and the Global Center for Good Governance in Tobacco Control. Also recommended was fully implementing the provisions of Article 5.3 of the WHO Framework Convention on Tobacco Control on the protection of public health policies from tobacco industry interference.



Strengthening countries' capacity to respond to Covid and build resilient health systems.

For FY2021, ACBF and the Islamic Development Bank produced a study and a policy brief: Capacity Imperatives of pandemic responses: Building resilient health systems and ensuring socio-economic transformation in Africa. The publications share experiences on the capacities needed to address health-related issues in pandemic situations.



They cast a spotlight on the capacity challenges facing African countries in their response to Covid-19 and propose priority capacity development actions for building resilient health systems and supporting socio-economic transformation. The key findings and recommendations were shared with a wide audience, including members of the ACBF Board of Governors and Executive Board.



III. Enhancing private sector and civil society contribution to sustainable development



Enhancing the role of private sector in national development plans.

The Foundation strengthened the capacity of Togo's private sector to implement Togo's National Development Plan, especially in the context of the impact of Covid-19 on the Togolese economy. The support provided an opportunity to educate private organizations on the tools of economic intelligence as well as the challenges,

opportunities, and threats of the African Continental Free Trade Area. Support was also provided to study and produce policy briefs on the impact of the Covid-19 pandemic on the logistics sector in Togo and strategies to improve the promotion of locally produced goods and local and subregional value chains.





Empowering Women in Agriculture: A new way to increase women's participation

The Foundation successfully completed the Empowering Women in Agriculture project in partnership with the Arab Bank for Economic Development in Africa. Several women agricultural cooperatives in Liberia, Malawi, and Rwanda received technical skills and seed grants, increasing the active participation of target women groups in agriculture.

One of the key components of the project focused on constructing indicators for measuring and reporting on results of EWA interventions in African countries. Several indicators were built in the five EWA-related areas:



Organizational capacity of women associations
—5 indicators.



Technical capacity of women farmers
—8 indicators.



Networking and partnership
—5 indicators.



Financial inclusion
—9 indicators.



Gender-sensitive agricultural policy
—7 indicators.

A comprehensive profile of each EWA indicator was prepared to ensure common understanding of the indicators and to facilitate their consistent use in designing and implementing results frameworks for EWA interventions.

Strengthening the institutional capacity of tobacco control partners

ACBF supported its tobacco control partners in developing their organizational manuals, including human resources management, governance, and M&E manuals, as well as communication and resource mobilization strategies and terms of reference for their Board.

The support extended to these partners, enhanced their sustainability, and many of them mobilized additional funding to support their interventions. Beneficiaries include the African Tobacco Control Alliance, University of Cape Town-Research Unit on Economics of Excisable, Mathiwos Wondu-Ye

Ethiopia Cancer Society (Ethiopia), Comité/Club Universitaire UNESCO pour la Lutte Contre les Drogues et autres Pandémies (Côte d'Ivoire), Anti-Tobacco Network (Botswana), Humana People to People (Botswana), Initiative pour l'Education et le Contrôle du Tabagisme (Benin), African Network For information and Action Against Drug (The Gambia), and International Institute for Legal Affairs (Kenya).

Progress in the 14 target organizations is visible in project management, monitoring and evaluation, and grant procedures and utilization, evident in the following examples:



Administrative orders signed in 12 departments in Benin, banning the use of shisha in public places.



Graphic Health Warning Decree, signed in 2020 in Mauritania and coming into effect in October 2021.



Establishing and enforcing smoke-free provisions and other key provisions of the tobacco control laws in Benin, Côte d'Ivoire, Ethiopia, Gabon, and Senegal.



IV. Leveraging knowledge and learning to increase development effectiveness

Institutions and Member States continued to benefit from ACBF's role as the repository of new knowledge as it executed its mandate as the African Union's Specialized Agency for Capacity Development.

During the year under review, ACBF brought together African think tanks to collate fresh knowledge around key areas such as governance and conflict prevention. The aim of these meetings

was to provide a platform for think tanks to help Africa reset its own priorities, and to lessen its dependence on ideas and decisions from outside the continent.

With partners, ACBF organized forums to collate strategies to accelerate economic recovery in the wake of Covid-19, including discussions on how to build resilient health systems and drive sustainable socioeconomic transformation in Africa.

Promoting innovation in good governance and peacebuilding in Africa

During the year, ACBF organized consultations with African think tanks aimed at contributing innovative ideas and experience in governance and peacebuilding. The consultations focused on governance as a tool for youth; elections; local governance; conflict prevention; transformational leadership and institutional development; and rule of law, human rights, and justice. They supported of UNDP's Consultative Process on Reimagining Governance and Peacebuilding in Africa. The main outcomes:

1

The think tanks contributed to redefining African priorities rather than being mere implementers of key decisions made elsewhere.

2

ACBF supported UNDP in redefining and reimagining governance, paying attention to practical solutions based on experiences brought about by think tanks on the ground.

3

Through the consultations, UNDP learned what African think tanks can do to support the implementation of its development programs across Africa.



Promoting factoring to support trade development and transformation

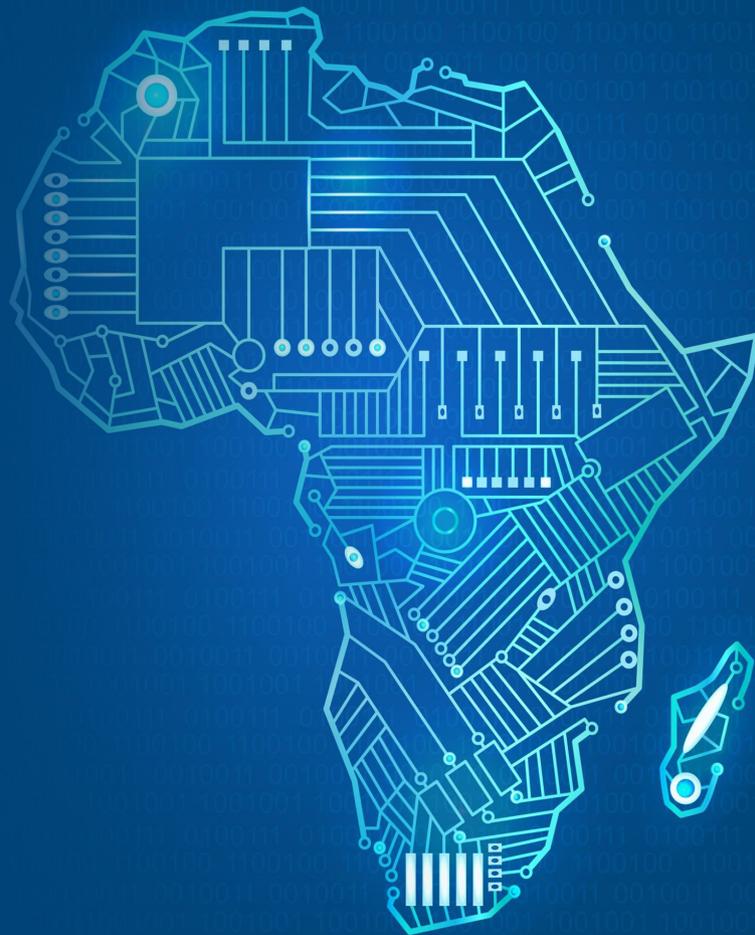
ACBF and Afreximbank published a policy brief on Building Capacity for the Development of Factoring in Africa to accelerate trade development and to support the AfCFTA and a research paper on Factoring in Africa to support trade development: Challenges and Opportunities for growth through capacity development.

These knowledge products highlighted strengthening leadership, human, and institutional capacities and laying

out the main elements for African countries to develop and use factoring for socioeconomic transformation. The publications were distributed to key stakeholders, including ACBF Board of Governors and Executive Board members, think tanks, international organizations, continental and regional organizations, researchers, and government agencies responsible for creating an enabling regulatory and policy environment.

Addressing Africa's new challenges through peer-learning and knowledge-sharing by think tanks

ACBF and its partners convened the 8th Africa Think Tank Summit, which focused on the theme: Digital Transformation in post-Covid-19 Africa: Opportunities, Challenges, and Options for Building Back Better.



The Summit provided insights on the impact of Covid-19 on Africa's digital transformation agenda, its implications for all key stakeholders, the key capacity challenges facing African countries, and how to address the digital capacity gaps. The Summit advocated for a coordinated continent-wide movement and platform, with a clearly defined

research agenda for African think tanks to support the digital transformation. It also recommended interventions, partnerships, and coordination mechanisms to support capacity development for successful implementation of Africa's digital transformation agenda.

Recommended partnership and coordination mechanisms

- Cooperating among financial institutions and innovative financial solutions to fund ICT infrastructure projects.
- Investing in critical infrastructure, science, technology, and innovation to facilitate the participation of the majority of the populace to have access to the required devices, platforms, and technology.
- Capacity building toward closing the wide divides in digital knowledge and use.

Recommended actions to support digital transformation

- Identifying and sharing practical examples of partnerships for realizing digital transformation, especially in health, education, and financial inclusion.
- Facilitating the establishment of multicountry coordination mechanisms while benefiting from the experience of the European Union.
- Undertaking technology foresight to advise on the technologies to focus on for deployment and research.

The Summit tasked ACBF, as the Specialized Agency of the African Union for Capacity Development, to develop a digital capacity development program.

Held virtually on 9–10 December 2021, the partners included:



Increasing global access to knowledge for capacity development in Africa

During 2021, the ACBF Library continued to offer access to knowledge products through direct email shots to partners/stakeholders and the e-library (<https://elibrary.acbfpact.org/>). Through social media and email campaigns, the Foundation successfully drove traffic to the e-library evidenced by the analytics for FY2021. The following is a breakdown of visitors to the e-library in numbers:



The 26,207 users from 138 countries downloaded 172,000 files.



About 91.0 percent of the visitors used a direct address or e-mail link.



8.8 percent visited the virtual library through links from an Internet Search Engine.



the remaining 0.2 percent come from links from external websites.

In Africa, Kenya had the highest number of visitors followed by South Africa, Senegal, Côte d'Ivoire, Zimbabwe, Nigeria, Uganda, Ghana, Ethiopia, Cameroon, Mali, Burkina Faso, Zambia, Namibia, Morocco, Botswana, Rwanda, Gabon, and Libya.



V. Positioning ACBF as a high performing and sustainable organization

Enhancing strategic partnerships to support resource mobilization

In FY2021, ACBF Member States remained the main source of institutional funding for the Foundation while the Bill and Melinda Gates Foundation remained the main operational funding partner. Despite the restrictions due to the continued high prevalence of the Covid-19 pandemic in Africa, ACBF continued to strengthen its partnerships and resource mobilization efforts.

The AU partially disbursed the contribution it pledged to ACBF for 2021 and approved a contribution for FY2022. ACBF completed the process of establishing a Trust Fund for mobilizing resources for the AU's High-Level Panel and Consortium on Curbing Illicit Financial Flows from Africa.

The Foundation continued to engage non-African bilateral partners to enhance partnerships and mobilize resources. This resulted in interest from the

Government of Finland to collaborate with ACBF on a Taxation Capacity Development Program, to be launched in 2022. The Foundation remained committed to taking its partnership with China to fruition and to entering a partnership with Japan. Substantive progress was made in 2021 in engaging with the Republic of Zimbabwe to secure land for the construction of the Africa Capacity Development Institute, and a potential construction site was identified.

Afreximbank approved a five-year grant (2021–2025) for enhancing capacity for trade finance and AfCFTA, targeting institutional support, skills development, knowledge sharing, advocacy, and engagement.

The Arab Bank for Economic Development in Africa approved the first tranche of the second phase of the Women and Youth Empowerment Project, following the successful implementation of the first phase, and the Islamic Development Bank is co-financing the initiative. This project is designed to equip women and youth with skills and tools for effective participation in Africa’s agricultural transformation.

ACBF extended its cooperation with AfDB, UNDP World Bank and the throughout the year. As part of efforts to broaden partnerships, it engaged the European Union Commission through officials of the European External Affairs Services to identify potential areas for collaboration.

The partnership with the Bill and Melinda Gates Foundation was further consolidated in 2021, as ACBF signed agreements with the implementation of key programs:

- Strengthening the Capacity of Strategic Partner Institutions in Africa.
- Strengthening African Leadership for Climate Adaptation.
- Supporting the African Adaptation Initiative of the African Union.



Enhancing visibility and communication with the world.

Despite the disruptions caused by the Covid-19 pandemic, the Foundation continued to enhance its visibility through aggressive social media campaigns, production of bulletins and engaging with the media in the Southern, Eastern, and Western African Regions. It held television interviews with CNBC Africa, South African Broadcasting Corporation (SABC), Mail and Guardian, Ghana Broadcasting Corporation, Ghana Business News, East African News, and Channels Radio. Ensuring effective coverage of its events, it generated discussions on social media and enhanced the organization's print, audio and visual visibility.

Developing ACBF's digital capacity for a tech-driven Covid-19 response plan.

Covid-19 compelled ACBF to develop innovative ways of remotely optimizing its human and financial resources, to manage risk, and to provide strong procurement and logistical support.

Key in this process was the continued implementation of the Foundation's Covid-19 Response Plan, which involved stringent monitoring of the operational environment Headquarters and the decentralized offices to protect

the health of staff.

Various kept IT systems secure and available in the remote working arrangement, as part of the upgrade of the Foundation's digital capacity, resulting in overall system availability of around 92 percent throughout the year. For instance, a solar back-up system was installed, and a learning management system, intranet and end-user computing devices enhanced the digital platform at the Foundation.

Enhancing control and assurance systems.





Strict measures were put in place to reduce the cost structure of the Foundation in line with the available resource envelope. The annual external audit for the FY2020 was successfully completed and received an unqualified opinion.

The Foundation's internal controls remain strong. The audit function enhanced its quality assurance and advisory service support. Investment in technology was enhanced to improve remote working capacity while retaining controls.

During the year, ACBF promoted smart partnerships for greater impact, signing several

agreements to serve as the fiscal agent for financing partners.

The highest standards of corporate governance were observed in processes to fill vacancies in the Executive Board and in senior leadership positions at the Secretariat. As a result, the Foundation has retained the appropriate skill set to deliver on its mandate.

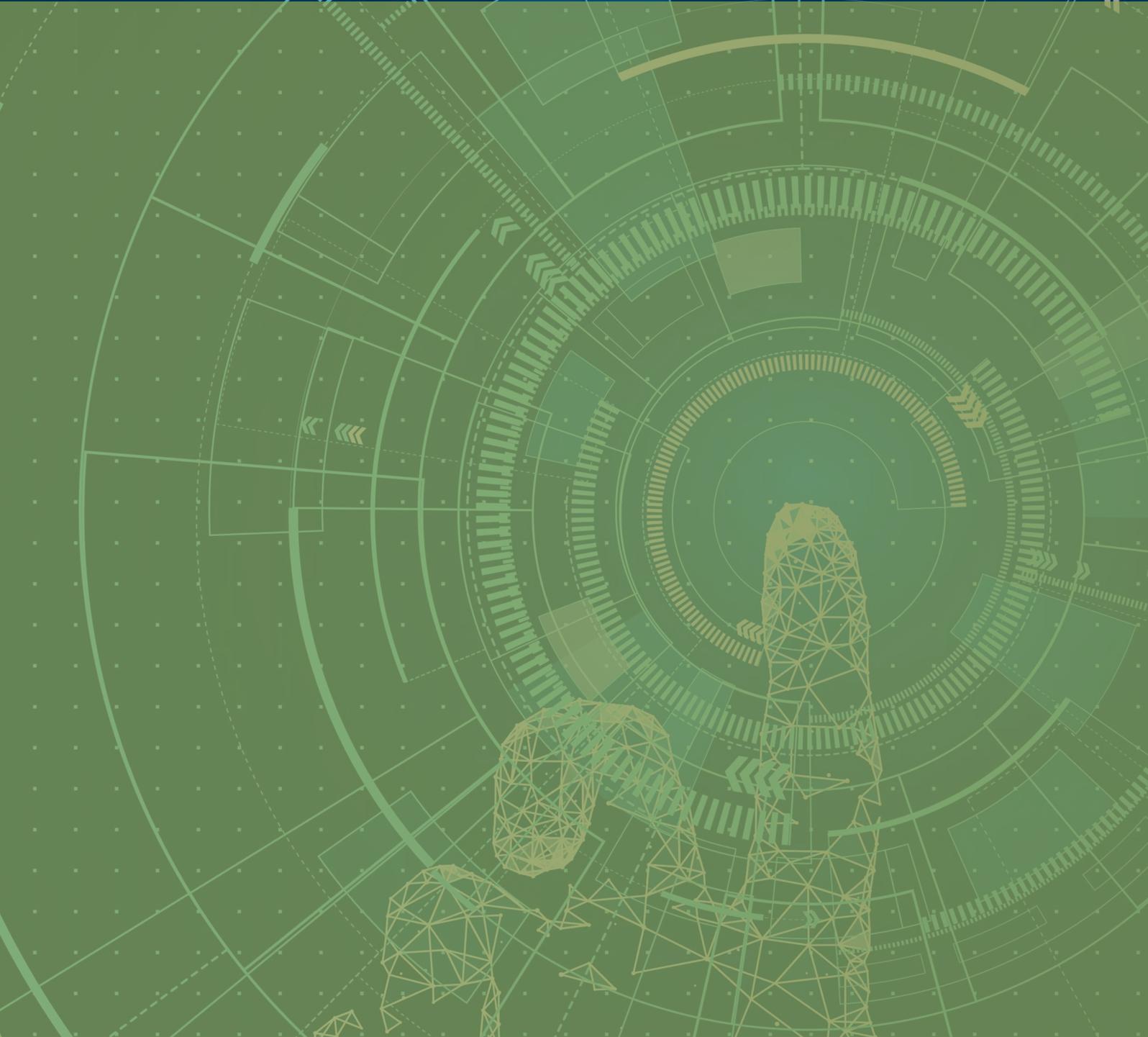
Risk management activities were enhanced throughout FY2020 to improve the control environment both at corporate and project levels. Risk and assurance measures remained robust to support Management and the Audit and Risk Committee of the Executive Board.

PART III: CHALLENGES FACED, LESSONS LEARNED

Like many other organizations, the Foundation continued to grapple with the effects of the Covid-19 pandemic, particularly the need to implement all activities remotely. Drawing from lessons learned in FY2020, the Foundation continued to improve its ability to deliver

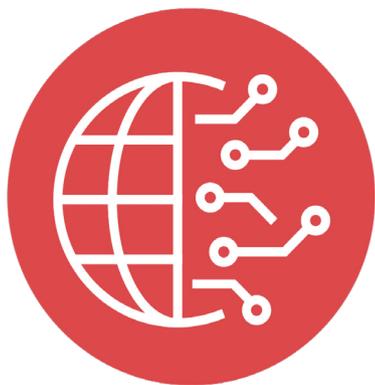
remotely through technological enhancements. The upgrading of the Foundation's digital platform is ongoing and is expected to further enhance its ability to conduct online operations in the long term.





Some important lessons were learned during FY2021:

Improving partners' digital platforms had an immediate positive impact on their capacity to deliver



With support from the Bill and Melinda Gates Foundation, ACBF approved reallocation of resources to its partners to cover their digital capacity upgrading. This upgrading afforded the partners improved access to their beneficiaries and accelerated their disbursement processes in a cost-effective manner and enhanced overall program implementation.

Knowledge sharing events can be delivered effectively albeit remotely



In FY2021, ACBF convened and successfully delivered the first Africa Tobacco Control Conference, the 8th Africa Think Tank Summit and a knowledge seminar, with partner organizations. The events were wholly virtual and hosted on the Ukova platform. This was an important lesson that will assist the Foundation in managing costs and expanding outreach and impact in future events.



PART IV: LOOKING AHEAD

The Foundation's 2022 Business Plan will close the chapter for the Strategy 2017–2022 and facilitate the effective implementation of the Strategy in line with the ACBF vision of an Africa capable of achieving its own development.

In 2022, a new strategy will be developed in consultation with member states, partners and stakeholders to ensure that it is well aligned with country, regional and continental priorities during its five-year implementation period.

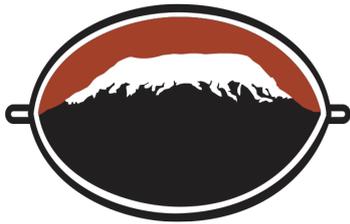
The Foundation will deliver its mandate through continuing support for the First-Ten-Year Implementation Plan of Agenda

2063 as well as the SDGs for Africa's sustainable development. It will also provide fit-for-purpose advisory and technical assistance to African countries in support of policy formulation and implementation, including the development of post-Covid-19 recovery plans. It will support countries in ensuring their preparedness for implementing the AfCFTA and adopting digitalization to accelerate Africa's socioeconomic transformation. And it will increase the access to and use of knowledge for supporting evidence-based capacity development interventions across Africa.



PART V: ACBF IN BRIEF





Propelled by its vision and mission to accelerate the development of Africa, the African Capacity Building Foundation, was established in 1991 as an independent non-profit pan-African organization with a mandate to build human and institutional capacity for Africa's sustainable development.

Designated as the African Union's Specialized Agency for Capacity Development in 2017, the Foundation serves as a coordinating mechanism for donor support to capacity building in Africa through its resource pooling, common governance, and reporting system. In the past 29 years of service, ACBF has spearheaded and robustly coordinated capacity development programs worth more than US\$700 million across 48 countries and eight regional economic communities in Africa.

Over the years, ACBF has gathered experience and skills that set it apart for the provision of expert knowledge and human resources to facilitate timely implementation of continental and national development agendas. It advises and supports African countries, regional economic communities, and institutions on decisive steps to develop the practical skills urgently required for the continent's economic transformation.



VISION

Africa capable of achieving its own development.



MISSION

To build strategic partnerships, offer technical support, and provide access to relevant knowledge related to capacity building in Africa.



GOVERNANCE

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

BOARD OF GOVERNORS

The Board of Governors, the highest policymaking organ of the Foundation, sets the broad policy and strategic direction of the Foundation. The Governors meet annually to consider the report on the activities of the Foundation and review the financial sustainability of the entity. The Board comprises representatives of African member countries (Ministers of Finance, Planning, or Economic Development) and partner institutions. A bureau of three members, (Chairperson and two vice-Chairpersons) spearheads and leads the discussion by the Governors.

EXECUTIVE BOARD

Appointed by the Board of Governors, the Executive Board oversees the activities of the Foundation. It sets the guidelines and rules and procedures for the Foundation to operate and approve projects and budgets for all programming interventions. Made up of experts in the field of capacity building and economic development, the Executive Board has 11 members (three representatives of the founding sponsoring agencies and eight independent members).

SECRETARIAT

The Secretariat administers the Foundation, in accordance with the policies and guidelines set out by the Boards. Led by an Executive Secretary, it conducts the business of ACBF, directs the development, execution, and monitoring of the Foundation's programs, plans, and budgets, and develops and manages the portfolio of projects, knowledge, and programs, and enhances its visibility.

ACBF builds capacity and responds to Africa's capacity needs through:





Partners

African Member States (on 31 December 2021)

Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Côte d'Ivoire, Democratic Republic of Congo, Djibouti, Eswatini, Ethiopia, Gabon, The Gambia, Ghana, Guinea, Guinea Bissau, Kenya, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Namibia, Niger, Nigeria, Republic of Congo, Rwanda, São Tomé and Príncipe, Senegal, Sierra Leone, South Africa, Sudan, Tanzania, Togo, Uganda, Zambia, and Zimbabwe.

Bilateral partners

Australia, Austria, Canada, China, Denmark, Finland, France, Greece, India, Ireland, the Netherlands, Norway, Sweden, the United Kingdom, and the United States of America.

Multilateral partners



PART VI: FINANCIAL STATEMENTS



THE AFRICAN CAPACITY BUILDING FOUNDATION FINANCIAL STATEMENTS

For the year ended 31 December 2021

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management of The African Capacity Building Foundation (“the Foundation”) is responsible for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the financial statements and related information. The Foundation’s independent auditors, PricewaterhouseCoopers have audited the Financial Statements and their report appears on pages 4 to 6.

The Financial Statements have been prepared in accordance with and comply with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Standards Interpretations Committee (IFRSIC).

Management is also responsible for the systems of internal control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets and to prevent and detect material misstatements and losses. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of management to indicate that any material breakdown in the functioning of these controls, procedures and systems occurred during the reporting period under review.

These financial statements have been prepared on a going concern basis. Nothing has come to the attention of the Board of Governors to indicate that the Foundation will not be a going concern for

the foreseeable future.

The Financial Statements and related annexure set out on pages 7 to 51 were approved by the Executive Board on the 7th of April 2022 and are signed on its behalf by:



PROF. EMMANUEL NNADOZIE
EXECUTIVE SECRETARY



MS. GRACE KAIMILA-KANJO
DIRECTOR FINANCE AND ADMINISTRATION

INDEPENDENT AUDITOR'S REPORT TO THE EXECUTIVE BOARD OF THE AFRICAN CAPACITY BUILDING FOUNDATION

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the African Capacity Building Foundation as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

What we have audited

- the statement of financial position as at 31 December 2021;
- the statement of income and expenditure for the year then ended;
- the statement of changes in accumulated funds for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards of Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Foundation in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”) issued by the International Ethics Standards Board for Accountants and other independence requirements applicable to performing audits of financial statements in Zimbabwe. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements applicable to performing audits of financial statements in Zimbabwe.

Other information

Management is responsible for the other information. The other information comprises the information included in the document titled “African Capacity Building Foundation Annual Report 2021”. The other information does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the management for the preparation of financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Governors either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists,

we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with management, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Tinashe Rwodzi
Registered Public Auditor

Partner for and on behalf of
PricewaterhouseCoopers Chartered Accountants (Zimbabwe)
Public Accountants and Auditors Board, Public Auditor Registration Number 100
Institute of Chartered Accountants of Zimbabwe, Public Practice Certificate Number
253568

4 May 2022

Harare
Zimbabwe

THE AFRICAN CAPACITY BUILDING FOUNDATION
STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

	<u>Notes</u>	<u>2021</u> <u>US\$</u>	<u>2020</u> <u>US\$</u>
ASSETS			
Non-current assets			
Property and equipment	5.1	2 334 776	2 428 660
Right of use asset	5.2	663 881	913 326
Total Non-Current Assets		2 998 657	3 341 986
Current assets			
Inventories	6	35 125	38 349
Accounts receivable	7	1 366	1 366
Amounts due from staff	8	134 213	110 568
Advances to projects	9	1 313 127	1 441 897
Other assets	10	479 816	336 643
Bank balances and cash - Endowment fund	11.1&14.2.1	2 049 783	2 035 129
Bank balances and cash - Restricted	11.2	5 784 744	4 272 452
Bank balances and cash - Unrestricted	11.3	2 719 721	2 523 771
Total current assets		12 517 895	10 760 175
TOTAL ASSETS		15 516 552	14 102 161
ACCUMULATED FUNDS AND LIABILITIES			
Accumulated funds			
		13 012 512	10 880 392
Current liabilities			
Provisions	12	435 523	296 253
Other liabilities	13	1 576 236	1 646 850
Financial lease liability	13.1	233 921	219 351
Terminal gratuity	13.2	-	549 063
Total current liabilities		2 245 680	2 711 517
Long term liabilities			
Financial lease liability	13.1	258 360	510 252
Total long-term liabilities		258 360	510 252
TOTAL ACCUMULATED FUNDS AND LIABILITIES		15 516 552	14 102 161


PROF. EMMANUEL NNADOZIE
EXECUTIVE SECRETARY


MS GRACE KAIMILA-KANJO
DIRECTOR FINANCE AND ADMINISTRATION

THE AFRICAN CAPACITY BUILDING FOUNDATION
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2021

	<u>Notes</u>	<u>2021</u> US\$	<u>2020</u> US\$
REVENUE			
Direct contributions	14	4 708 913	3 484 324
Special contributions	14.1	6 145 749	3 551 348
Other income	14.2	603 882	448 755
Total revenue		<u>11 458 544</u>	<u>7 484 427</u>
EXPENDITURE			
Project expenses			
Project expenses Strategic Pillars 1-4 and program expenses	15	6 667 115	6 064 386
Administration and Board expenses	16	2 659 309	2 878 292
Total expenditure		<u>9 326 424</u>	<u>8 942 678</u>
Excess/(deficit) of revenue over expenditure	20	<u>2 132 120</u>	<u>(1 458 251)</u>

THE AFRICAN CAPACITY BUILDING FOUNDATION
STATEMENT OF CASH FLOWS
For the year ended 31 December 2021

	<u>2021</u> US\$	<u>2020</u> US\$
Cash flows from operating activities		
Excess/(deficit) of revenue over expenditure	2 132 120	(1 458 251)
Adjustment for:		
Disposal of property and equipment	(1 425)	26 061
Depreciation of property and equipment	340 176	371 596
Financial Interest	71 420	88 602
Interest earned	(20 843)	(24 253)
	<hr/>	<hr/>
Operating cash outflows before working capital changes	2 521 448	(996 245)
Decrease in advances to projects	128 772	316 371
Decrease in accounts receivable	-	1 104
(Increase)/Decrease in amounts due from staff	(23 645)	85 455
(Increase)/Decrease in other assets	(143 173)	72 070
Decrease in inventories	3 222	15 231
(Decrease)/Increase in current liabilities	(480 406)	342 290
	<hr/>	<hr/>
Cash used in operations	2 006 218	(163 724)
Financial interest paid	(71 420)	(88 602)
	<hr/>	<hr/>
Cash generated/(used in) from operating activities	1 934 798	(252 326)
	<hr/>	<hr/>
Cash flows from investing activities		
Proceeds on disposal of property and equipment	2 070	-
Purchase of property and equipment	(13 759)	(43 921)
Interest received from investing activities	20 843	24 253
	<hr/>	<hr/>
Cash used in investing activities	9 154	(19 668)
	<hr/>	<hr/>
Cash flows from financing activities		
Lease principal payment	(237 322)	(198 607)
Nairobi lease rent freeze	16 267	-
	<hr/>	<hr/>
Net decrease in bank balances and cash	1 722 896	(470 601)
Bank balances and cash at beginning of year	8 831 352	9 301 953
	<hr/>	<hr/>
Bank balances and cash at end of year	10 554 248	8 831 352
	<hr/>	<hr/>

**THE AFRICAN CAPACITY BUILDING FOUNDATION
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
For the year ended 31 December 2021**

	Accumulated Funds
	US\$
Balance as at 1 January 2020	12 338 643
Excess/(deficit) of revenue over expenditure	(1 458 251)
Balance as at 31 December 2020	10 880 392
Excess/(deficit) of revenue over expenditure	2 132 120
Balance as at 31 December 2021	13 012 512



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

Securing Africa's future through capacity development

LOCATIONS AND CONTACT INFORMATION OFFICES

Harare, Zimbabwe (Headquarters)

Accra, Ghana (Regional Office for Central and West Africa)

Nairobi, Kenya (Regional Office for East Africa)

Addis Ababa, Ethiopia (AU Liaison Office)

AFRICAN CAPACITY BUILDING FOUNDATION

2 Fairbairn Drive

Mount Pleasant, Harare, Zimbabwe

Tel: (+263-242) 304663, 332002

Cell: +263 772 185 308 - 10

E-mail: root@acbf-pact.org\

Website: <https://www.acbf-pact.org>

Virtual Library: <https://elibrary.acbf-pact.org/>

Linked In: www.linkedin.com/company/africa-capacity-building-foundation

Twitter: https://twitter.com/ACBF_Official

Facebook: <https://www.facebook.com/ACBFOfficial/>

YouTube: <https://www.youtube.com/user/ACBFafricaisnow>