



# Africa Capacity BULLETIN

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**In this issue:** ZIPAR has made 'significant contributions' to policy making, thanks to ACBF's support - Zambian government | ACBF-sponsored Master's Degree program contributes to Africa's reliance on homegrown banking and finance specialists | ACBF's recommendations on AU Agenda 2063 10-year plan increase awareness on capacity's role as an enabler of development | ACBF's investment in human and institutional capital key to sustaining Africa's growth | Mauritania commits to support ACBF's resource mobilization efforts | Events



## From the Executive Secretary

### Dear Friends,

Welcome to the ninth edition of Africa Capacity. The ACBF member countries are increasingly honoring their membership contribution to the Foundation which, in turn, is key to enable us fulfill our mandate on capacity development in Africa. Mauritania has confirmed that they will continue to support the Foundation and fulfill its pledges. At the moment, contributions from member countries are at US\$15m - a record in the history of the Foundation.

The ACBF presented the Risks and opportunities, capacities for implementation and division of roles under the theme Agenda 2063, 10 Year Plan to the African Union Executive Council Ministerial Retreat, on the occasion of the 25th African Union (AU) Summit in Johannesburg, South Africa. The presentation resulted in recommended responses to the capacity deficits on the continent being highlighted in the Retreat's resolutions.

In the past two months, the ACBF has invested in developing capacity of the AU and the East African Community (EAC). The AU received a US\$3m grant in support of its 3-year capacity building program, which aims to build and enhance capacities within its Commission for the implementation of the continent's development programs. The AU's program, set to be implemented over three years (2015-2017) aims mainly to strengthen institutional capacity to enhance coordination between the AU and its organs and ensure that partnerships and collaboration between the Commission, AU organs such as the NEPAD Policy and Coordinating Agency, Pan African Parliament (PAP) and strategic partners contribute to the successful implementation of the continent's development programs. On 15 June, the EAC received a US\$1m grant to boost its capacity to drive the new phase of the bloc's integration process, a priority area for ACBF, which aims to make its Custom Union and Common Market Protocols operational. The program will contribute to strengthen the EAC Secretariat's capacity to better carry out policy research and formulate policy that advances its regional integration agenda.

The 24th Annual Meeting of the ACBF Board of Governors will be held from 2-4 September 2015, in Addis Ababa, Ethiopia. The BOG will look into the future of Capacity Building in Africa and ACBF's role in it.

In this issue we feature two beneficiaries of ACBF-sponsored masters in banking and finance. The two graduates share their experience on how their new qualifications enable them to contribute and bring change at work and in society. On the topic of resource mobilisation, Mauritania honors its financial contribution to ACBF while in Zambia, ACBF's 10 year investment through ZIPAR has received recognition for its contribution to significant improvements in the policy making processes. Also, the Foundation continues to make key

and crucial contributions to Africa's development. Read more on ACBF's recommendations adopted in the June African Union Ministerial Retreat.

As usual, we hope that you will find this issue of the bulletin informative on the Foundations activities. Your feedback is highly appreciated.

Enjoy the read!

## RESULTS

### **ZIPAR has made 'significant contributions' to policy making, thanks to ACBF's support - Zambian government**

The Zambia Ministry of Finance expressed their gratitude to the Foundation for the positive impact the Zambia Institute for Policy Research (ZIPAR) has made in the policy making space in the country. ACBF has made a 10-year investment in capacity building in support of the government of Zambia through ZIPAR. As ACBF's support to ZIPAR comes to a close, the Foundations investment "has been instrumental in establishing ZIPAR as a pre-eminent and recognized think-tank in Zambia. To date, ZIPAR has scored significant achievements in supporting various aspect of the policy process in government, the private sector and civil society," said the Permanent Secretary in Ministry of Finance, Dr. Ronald Simwinga, in a letter to ACBF.

ZIPAR is a semi-autonomous policy think tank that fosters effective capacity to undertake economic policy analysis and research in Zambia, provides training and policy advice to government officials, conducts research in areas of economic policy formulation and management' and promotes policy dialogue with Zambia through dissemination workshops, conferences, and publications.

ZIPAR has played a leading role in carrying out research and policy analysis in order to provide evidence-based policy recommendations and advice to various ministries and government institutions in Zambia. This includes working with the members of parliament by providing their parliamentary committees with well researched and analyzed memoranda on topics on their agenda during their sessions.

ZIPAR has also made initial inroads by engaging with the private sector on policy matters through presentations at private sector business seminars, including research topics that contribute to shaping policies affecting the sector.

Despite the initial funding coming to an end, ZIPAR, with the support of the Ministry of Finance in Zambia plans to request for ACBF's continued financial support for the second phase. The second phase of this project is set to scale-up and consolidate the achievements of phase I. "I would like to confirm that the government of Zambia is desirous and keen to ensure that ZIPAR continuous to render its contribution to the policy process in Zambia in order to improve the economic governance of the country," said Dr. Simwinga.

## FEATURE

### **ACBF-sponsored Master's Degree program contributes to Africa's reliance on homegrown banking and finance specialists**

Since its inception 9 years ago, ACBF-sponsored Master's Degree in Banking and Finance (MBF), from the Centre Africain d'Études Supérieures en Gestion (CESAG) in Dakar, Senegal, has produced more than 325 graduates who have gone to secure key positions in the continent's financial and banking sector, helping Africa to rely more on homegrown banking and financial specialists than on external and western expertise.

Wilfried Tamegnon, a CESAG alumni currently working as an investment officer in the Dakar Office of the International Financial Corporation said that the MBF had allowed him to play a key role in building financial markets in West Africa. He says that, two years after graduating, he

joined the Regional Council for Public Savings and Financial Markets (CREPMF), the regulatory body of the West African Economic and Monetary Union (WAEMU). "There I first led, on behalf of CREPMF, the development project of the regional financial market co-financed by the World Bank, the Canadian International Development Agency (CIDA) and the French Development Agency (AFD). Later, I was promoted to senior manager of financial operations and regulation. In this capacity, I was responsible for all financial market operations in the 8 countries of the WAEMU."

Recognizing the importance of the MBF, Tamegnon decided to use his knowledge and skills not only for personal growth and advancement but also to help others build their skills and capacity in the fields of banking and finance. "I have remained attached to the program, doing my best to teach a module and invite international speakers to come and lecture the various classes," he says. "I have also helped many to fit into their professional life. This is what most of the program's alumni also do. I am sure that they will continue to support this wonderful training program."

For Venantio D. Wilson, another MBF graduate and currently a Regional Sales and Business Development Manager for west and central Africa at Arcelor Mittal, the program has helped him make an impact in the private sector, in the fields of metals sales. The program allowed him to be propelled "to a higher level in the profession, giving me a more upstream vision of the world of the steel industry, opening the doors of trading to me," he says. "My role was not only to conclude contracts directly with customers, but also to serve quotations to international traders in metallurgical products on behalf of Arcelor factories based around the world."

Even following the loss of his job owing to a restructuring of then Arcelor, the skills acquired during his MBF years proved very useful. "I responded with my own start-up of international trading," he says. "I used my relationships acquired on the international market of metallurgical products as sources to target niches of West Africa's market of metallurgical products, namely mining companies and those that use construction steel with high added value."

Back now at Arcelor Mittal after spending a couple of years running his practice, Wilson still relies on his skills gained during his MBF years. "I am in charge of the development of export sales of ArcelorMittal's products to West and Central Africa. The MBF training was a real catalyst in my professional growth."

## PARTNERSHIPS

### **ACBF's recommendations on AU Agenda 2063 10-year plan increase awareness on capacity's role as an enabler of development**

ACBF's recommendations on risks and opportunities relating to the implementation of the AU Agenda 2063 were incorporated into a resolution taken at the African Union Executive Council Ministerial Retreat. The ACBF's Executive Secretary, Prof. Emmanuel Nnadozie highlighted the risks and opportunities of Agenda 2063 at the Retreat on 10th June, 2015. The inclusion of ACBF's recommendations in the AU Resolution is a clear indication of the rising awareness, among African leaders, of the importance of capacity as a development enabler.

The Resolution, which was adopted at the end of the Summit, acknowledged that implementing Agenda 2063 could be hindered by a lack of capacity. It noted the need for greater clarity on the roles and responsibility of Continental and Regional Institutions in the implementation of the development blueprint; and also recognized that there was need for measure that enhances change in the mind-set through education and knowledge acquisition.

Another ACBF recommendation to go into the resolution relates to the need for the AU Ten – Year Implementation Plan to be aligned with existing Continental Frameworks and national visions. The session stressed the importance of inclusivity, particularly the involvement of women and the youth and the taking on board of the issues of Small Island States as well as the need to strengthen ownership and domestication of the Vision by Member States and Regional Institutions.

In the Resolution, participants emphasized the importance for member states to establish a

## KNOWLEDGE & LEARNING

### **ACBF's investment in human and institutional capital key to sustaining Africa's growth**

ACBF's capacity building efforts remain critical for economic growth in Africa and should underpin the continued emergence of Africa's lion economies and sustainability of the remarkable economic performance of these economies, said the Foundation's Executive Secretary, Prof. Emmanuel Nnadozie at the annual Oxford Africa Conference that was held on 22-23 May 2015.

For the last 24 years, the ACBF has been investing in human capital by training mid-level policy advisors in economics and in public sector management. It has also supported and strengthened the capacity of African institutions through investing in research and policy analysis for policy making, partnering with 35 think tanks across Africa, most of which were established by ACBF.

These investments will prove crucial as they create an environment in which growth will be sustained. "Indeed, a number of African Economies are performing exceptionally well, and are projected to earn a place alongside the Asian Tigers", noted Prof. Nnadozie. "Economic growth in those countries should spill over to neighbouring countries and regions. Africa must now work to create the right environment for this to happen."

Moreover, Prof. Nnadozie said that as poles of continental growth, the domino effect the lion economies have on neighbouring countries is important in fostering regional integration, economic integration and structural transformation. "As we all know, countries need 'good neighbors' in order to achieve or sustain economic growth," he added.

"We are focusing on and looking seriously at the capacity needs for sustained growth. The work we – ACBF - do provides support to the continent's overall objectives, which include structural transformation, regional integration, and economic and inclusive growth."

harmonised mechanism to ensure that higher education in the continent is compatible, comparable with acceptability and clear recognition of credentials that will facilitate transferability of knowledge, skills and expertise. The mechanism should also ensure women and the youth are empowered and their sustained growth in knowledge acquisition encouraged.

Following the discussion on the presentation, the Retreat further agreed that the AUC should continue to engage in actions necessary towards the expeditious finalization of the capacity assessment work, including the important level for Member States towards a consolidation Capacity Assessment Document and a Capacity Development Plan; highlighting critical skills and training required as well as arrangements to involve Universities and the role of the youth and women; for the consideration at the next Summit in January 2016.

The Resolution called for ACBF and other institutions to continue providing necessary support on capacity building dimensions of Agenda 2063.

Other key observations and recommendations included in the Retreat's final document were that risk management strategies must be employed to curb threats from overshadowing successes. Also, that there was still room for further improvement on Africa's significant effort in building human and institutional capacity. There was need to enhance capacities in science and technology, engineering and technical skills which are essential for the industrialization of the continent, as well as develop and enforce policies to retain trained professionals thus preventing the brain drain and ensuring retention of technical skills.

The AUC's current institutional architecture was also discussed in ACBF's presentation and it was agreed that it be urgently reviewed to better align it to the content and spirit of Agenda 2063. The Commission's working systems and approaches also needed to be improved and streamlined, with greater emphasis on decentralization of responsibilities for speedy actions and results.

Figures from economists show that Africa is the second fastest growing market in the world. The 'lion economies' are now more than ever becoming a force to reckon with and the rest of the world is now paying attention. Africa's GDP is projected to reach \$2.6 trillion in 2020 while consumer spending will stand at \$1.4 trillion.

According to the World Bank, Africa's growth rate continues to rise, with sub-Saharan Africa's 2014 growth rate of 4.6% projected to increase to 5.2% in 2015-16 and 5.3% in 2017; despite increased terrorist attacks and the negative effect of Ebola on economic growth. These projections are well above the developing country average of 3.9%.

Key sectors contributing to Africa's collective GDP growth include natural resources, retail, agriculture, finance, transportation and telecommunications. Improvements in political stability and economic reforms have aided growth.

"This vivid picture of Africa's vibrant economies suggests that indeed Africa's traditional economic powerhouses—Egypt in North Africa, Nigeria in West Africa and South Africa in Southern Africa—must transform into real lion economies and serve as locomotives in their various regions" says Prof. Nnadozie

He adds, "Other countries with promising potential whose transformation into lion economies will boost regional transformation are Ethiopia and Kenya in East Africa and the Democratic Republic of Congo (DRC) in Central Africa."

The focus of the Oxford Africa Conference was on Africa as "A Continent on the Move: People, Politics and Business across borders".

## OUR RESOURCES

### **Mauritania commits to support ACBF's resource mobilization efforts**

Mauritanian Prime Minister, Yahya Ould Hademine, has confirmed that his country would honor its financial contribution to the African Capacity Building Foundation's (ACBF) strategic medium term plans.

In a meeting held on 15 June 2015, on the margins of the 25th AU Summit held in Johannesburg (South Africa), his Excellency Ould Hademine also told ACBF's Executive Secretary, Prof. Emmanuel Nnadozie that his country would support the Foundation's resource mobilization efforts to diversify its sources of funding by facilitating meetings with potential new funders.

The Mauritanian Premier thanked the Foundation for its overall support to Mauritania and in particular for its continued support to Centre Mauritanien d'Analyse des Politiques (CMAP) over the past years and that CMAP had become an important organization, which is playing a critical role in Mauritania.

For instance, CMAP assisted the Government of Mauritania in exploring employment opportunities in the agro-industry sector. It released a comprehensive study on analysis of Agro-industry that showed the detailed value-chain of that sector as well as the possibilities for Mauritanian youngsters to establish innovative agro-enterprises in the country. In collaboration with the Institut Supérieur d'Enseignement Technique (ISET), CMAP was able to provide a youth employment coaching session focusing on the agricultural sector for undergraduate students. Four out of 30 participants were able to establish new enterprises dealing with production and distribution of vegetables. Thanks to the success of CMAP youth employment coaching session, the Institut Universitaire Professionnel (IUP) signed an agreement with the project to set up a Master's degree program on youth employment and entrepreneurship. The preparation of the curriculum is at an advanced stage and the program is planned to start in fall 2015.

However, the Premier expressed worries at the impact that the recent restructuring of ACBF's portfolio might have on service delivery by the Centre since key experts might have to leave as a result of the subsequent reduction of ACBF's funding, despite support provided by the Government. He added that the situation also affected the capacity of the Centre to mobilize other resources. The Prime Minister requested ACBF to consider providing additional support to CMAP.

The Executive Secretary expressed his satisfaction for the response and the commitment made by the Prime Minister to assist the Foundation in its resources mobilization drive. He also assured that ACBF will consider the request on additional support to CMAP.

### **27-28 August**

**European Union Funding for Energy 2015: Financing Energy Projects in Africa, Asia and Europe. Berlin, Germany**

### **2-4 September**

**24th Annual Meeting of the ACBF Board of Governors (BOG): Addis Ababa, Ethiopia**



## **EVENTS**

### **06-10 July**

**African Development Bank supervision mission to ACBF**

### **08 July**

**55th Regular Meeting of the ACBF's Executive Board: Virtual meeting**

### **09 July**

**Launch of the Economic Development in Africa Report 2015, "Unlocking the Potential of Africa's Services Trade for Growth and Development": Harare, Zimbabwe**

### **15 July**

**ACBF's side event at the Financing for Development Conference on "Building the capacity for Domestic Resource Mobilization (DRM) to achieve the Sustainable Development Goals (SDGs)": Hotel Elilly, Mars; Addis Ababa, Ethiopia**

### **16-18 July**

**ACBF's official visit to the Chair of the Board of Governance: Libreville, Gabon**

### **20-24 July**

**Procurement Training Workshop for ACBF Grantees: Harare, Zimbabwe**

### **25-26 July**

**African Governance Outlook Inception workshop: Accra, Ghana**

### **30 July**

**2nd Annual African Leadership Forum organised by Office of Former President of the United Republic of Tanzania, Benjamin William Mkapa: Dar es Salaam, Tanzania**

