THE AFRICAN CAPACITY BUILDING FOUNDATION | FONDATION POUR LE RENFORCEMENT DES CAPACITÉS EN AFRIQUE
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THINK TANKS: KEY TO INDUSTRIAL DEVELOPMENT IN AFRICA

Time for a skills revolution in Africa

CONTENTS

4 Think Tanks: Key to Industrial Development in Africa

A section of the participants of the 4th African Think Tanks Summit listens with rapt attention to presentations by expert speakers

3 Edito: From our Executive Secretary

6 Time for a skills revolution in Africa

8 Scaling up and deepening our work across Africa

14 Off the press: ACBF's Reports on the RECS, Kenya's tea sector

15 Transforming Agribusiness, Trade and Leadership: A Capacity Needs Assessment of the Tea Value Chain in Kenya

Africa Capable of Achieving its Own Development

L'Afrique capable d'assurer son propre développement

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Africa Capacity

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Prof Emmanuel Nnadozie, ACBF Executive Secretary
Photo: Elizabeth Ankomah

Time for bolder industrialization tactics in Africa

Dear reader,

Welcome to the 12th edition of Africa Capacity, which calls for urgent actions to intensify Africa's industrialization while leveraging the role of think tanks. It also calls for a skills revolution to propel economic transformation on the continent. The two topics segue naturally when we ponder Africa's transformation agenda.

Evidence-based research from your Foundation—the ACBF—has repeatedly shown that industrialization is the principal avenue for Africa to capably achieve its own development and realize the aspirations of Agenda 2063. Unfortunately, the reality on the ground is an under-industrialized continent, even with well-articulated industrial strategies at continental, regional, and national levels. Africa's manufacturing value added (MVA) as a percent of GDP, for example, declined from 16.6 percent in 1980 to 12.7 percent in 2009 and then to 10.5 percent in 2016—a regress of 6.1 percentage points. In contrast, in 2016, developing countries of Asia had an average MVA of 26 percent of their GDP, while those of Latin America had an average MVA of 13 percent.

Undoubtedly, African countries cannot transform if they continue to concentrate on producing and exporting primary commodities. Merely harvesting and exporting raw materials for low rents—concentrating overly on administrative services bequeathed to it by a complex colonial project—are clearly inadequate to engender a strong and broad-based economic growth that comes with decent jobs, economic empowerment, and structural transformation. Africa must get its act together and take advantage of its primary commodities for industrialization through value addition to its soft (mostly agricultural) and hard (mostly mineral) commodities and developing forward and backward linkages to the primary commodity sector. The employment and income benefits would deepen countries' industrial structures, and diversify and expand their technological capabilities. This is at the heart of our campaign, together with our partners, for Africa's structural transformation.

But how can Africa industrialize and achieve structural transformation, when it is bereft of the skills to do so? Our research is clear—Africa is busy churning out more than 80 percent of graduates from the humanities and social sciences to go into today's world, which demands critical technical skills in science, technology, engineering, and mathematics. Consequently, we compound a situation where critical skills are short in supply and graduates are jobless.

This is the time, therefore, to quickly address the mismatch between educational training programs and Africa's development needs. In each country, tripartite dialogues between government, academia, and industry will be pivotal in reforming both basic and tertiary education so that it produces the skills pool that the transformation agenda demands. Government will need to take the lead, with indispensable assistance from think tanks, in providing sustainable policy frameworks for this to work. Africa has more than 700 think tanks, many of which the ACBF has strategically supported. Their fantastic work needs to be taken up and put to use by policymakers. They need further support to make them even more productive. ACBF has a unique vantage to coordinate such actions, as it has done so masterfully for more than 26 years.

These and other important development issues are the issues we unlock for you in the pages ahead.

Enjoy your read.

H.E. Thierry Tanoh, the Ivorian Oil, Energy and Renewable Energy Development Minister, who deputized for his colleague, the Minister of Industry and Mines H.E. Jean-Claude Brou, urged Africa to go the extra mile in implementing effective industrial policies to significantly improve its integration

Think tanks: Key to Industrial Development in Africa

Fourth Africa Think Tank Summit ended with clear calls for support to think tanks to help States make a difference in development

Achieving a shared and sustained economic growth in Africa, especially through resource-based industrialization, would continue to be a pipe dream if states do not support and act on the evidence put before them by many of the 700 established think tanks on the continent. This was one of the main calls-to-action of the 4th Africa Think Tank Summit convened by ACBF in April 2017.

Held in a context of an end to the commodity super cycle which exposed African countries that are over–dependent on collecting rents from the sale of natural resources and raw materials to considerable economic shocks, the Summit attendees from all over Africa declared that "a key area of intervention of [African] think tanks is to design and advise on public policies aimed at promoting industrialization, and supporting private sector-driven industrial development and sustained economic growth."

The Summit urged African governments, the main beneficiaries of the work done by think tanks, to work with African think tanks and capacity building institutions, foremost of which is the African Capacity Building Foundation, to move beyond just investing in industrialization and focus on expanding skills and human capacity to help the continent's wider development process.

At various stages during the three days of intense brainstorming, members of the Government of Côte d'Ivoire as well as heads of institutions and think thanks revisited the importance of industrialization and the processes to achieve it in Africa.

To the Ivorian Minister of Industry and Mines H.E. Jean-Claude Brou, who was represented by his colleague of the Oil, Energy and Renewable Energy Development Ministry, H.E. Thierry Tanoh, the call for Africa's industrialization "warrants the determination and engagement of all stakeholders" notably think tanks, governments and the private sector.

"Africa has an urgent need to implement effective industrial policies to significantly improve its integration with global value chains," he said, adding: "Indeed, the African continent must go further in the endogenous transformation of its agricultural and mineral resources sectors in order to ensure its economic and social development."

But this appears to be a tall order, especially when the ACBF Executive Secretary Prof Emmanuel Nnadozie, pointed out that "across Africa, the manufacturing sector accounts for about 8.3% of the labor force, which is far below the share attained by the successful manufacturing-based developing countries at their peak.

"This shows that the pace of industrialization on the continent remains slow," Prof Nnadozie argued, adding that "within this framework and given the new developments, the 700 think tanks identified in Africa can and should play a critical role as organizations designed for and capable of long-term thinking and reflection, and be proactive in providing the required intellectual insights for Africa's transformation."

According to Prof Nnadozie, Africa clearly needs the expertise of think tanks now more than ever before to be able to attain its transformation agenda.

In closing the summit on behalf of Prof Ramata Ly-Bakayoko, the Ivorian Minister of Higher Education and Scientific Research, her representative Prof. Jean Sylvain Bonny said Cote d'Ivoire had noted the pertinent recommendations of the Summit and would take the required actions to help create in the country a more competitive manufacturing sector for strong and inclusive growth.

He thanked ACBF, its partners, and the think tanks, noting that the summit proposals were a win-win for both African Governments and the research institutions.

Prof. Jean Sylvain Bonny who deputized for the Ivorian Minister of Higher Education and Scientific Research, Prof Ramata Ly-Bakayoko, closed the Think Tanks Summit by promising that his country would take advantage of the Summit's recommendations and build a more competitive manufacturing sector

NOW IS THE TIME TO LEVERAGE THE POTENTIAL OF AFRICA'S ACTIVE AGE GROUPS TO DRIVE THE CONTINENT'S TRANSFORMATION

Time for a skills revolution in Africa

An African skills revolution is in the offing. ACBF and the African Union Commission (AUC) are hatching ideas to help African States urgently retool their young people in skills that matter to steer the continent towards its much-needed transformation.

The seeds of such a revolution were sowed in June, during the first formal meeting between the ACBF Executive Secretary, Prof Emmanuel Nnadozie, and the Chairperson of the African Union Commission (AUC), H.E. Moussa Faki Mahamat, following the latter's election to that position earlier in the year.

During this first official encounter between the two personalities, the Head of the AUC was lucid about the indispensable role of capacity development in the ongoing reform process of the AU.

"We need the appropriate capacity to make the required progress on this vital issue for the Union," H.E Faki Mahamat told the ACBF Head, as he requested the Foundation to play a key role in helping move the reform process forward both at the level of the African Union and its Commission.

The AUC Chair acknowledged the tremendous work that ACBF is doing on the continent and re-echoed the centrality of capacity development in the context of implementing the AU Agenda 2063 for Africa's transformation.

Both heads of institutions agreed that Africa had no choice at this point than to robustly pursue its transformation agenda. In this regard, they agreed to work together to launch a skills revolution program involving especially the continent's vibrant youth, given that Africa's young people are the main attributes of the continent's demographic dividend.

H.E. Faki Mahamat and Prof. Nnadozie were clear that considerable resources were required to pursue the skills revolution and wider programs for human and institutional capacity development in Africa. To this end, their organizations would join forces for resource mobilization efforts with both traditional partners and relatively newer partners such as China.

The meeting took place within a new context of relations between the ACBF and the AUC, following the endorsement of the Foundation by the continent's leaders as the Specialized Agency of the African Union for Capacity Development.

The meeting provided an opportunity for the Head of ACBF to recall the highlights of fruitful working relations between the Foundation and the Commission for more than 25 years. The partnership has seen ACBF provide funding and strategic support to enhance capacity development in support of AUC and AU programs.

For instance, ACBF has played a key role in carrying out studies and providing analysis on the capacity imperatives for implementing Agenda 2063 and has actively supported developments within a broad coordination mechanism for Africa's transformation agenda involving the AUC and development partners such as Africa's Regional Economic Communities, the African Development Bank, the UN Economic Commission for Africa, and the UNDP.

Scaling up and deepening our work across Africa

Leaders of Comoros, The Gambia, Ghana, and Liberia renew their commitment to capacity development this quarter

The second quarter of 2017 has been a roller-coaster for the Foundation in working out ways to entrench the capacity development equation across Africa, through very productive sessions with the leaders of the Comoros, The Gambia, Ghana and Liberia, who all renewed their commitment to make capacity building central to their development trajectories.

SPREADING ITS WINGS: ACBF TOOK ITS CAPACITY DEVELOPMENT SESSIONS ACROSS AFRICA IN THE SECOND QUARTER OF 2017

Liberia

In April, Liberia's President, H.E. Ellen Johnson Sirleaf saluted the African Capacity Building Foundation (ACBF) for the results it is achieving on capacity development initiatives across the continent, adding that she will support the organization in its quest for resources to help African governments build, retain and use critical skills on which the continent's sustainable development will depend.

President Johnson Sirleaf's commitment to supporting capacity development efforts in Liberia and across Africa was made at the Presidential Mansion, Monrovia, during a working meeting with the ACBF Executive Secretary, Prof Emmanuel Nnadozie.

Moment of communion between H.E. Ellen Johnson Sirleaf, Liberia's President (left); and ACBF's Executive Secretary, Prof Emmanuel Nnadozie

Reviewing recent initiatives by ACBF in Africa in general and in Liberia in particular in order to seek ways to strengthen the effectiveness of the programs, Mrs. Johnson Sirleaf said she was particularly pleased with the coming to fruition of the Empowering Women in Agriculture (EWA) initiative for which she serves as lead champion and which was initiated by ACBF in 2012 together with other partners to build the capacity of women farmers and promote their access to agricultural land, agricultural project-financing, technology, knowledge and communication opportunities.

In her view, the recent launch of the pilot project in Tanzania "is a sign of progress" and ACBF should do all that is necessary to ensure continuity of the initiative.

Speaking to the press after presenting ACBF's exact plans to support Liberia's development agenda and obtaining the country's support to carry ACBF's voice to funding organizations, Prof Nnadozie said "President Ellen Johnson Sirleaf's exemplary leadership role in championing several African causes has been a motivating factor for our request that she helps to champion our global call for support to capacity development in Africa.

"As you may have read in our various reports, evidence abounds that the one crucial thing that may considerably delay Africa's progress toward sustainable inclusive growth and development is the inadequacy of appropriate skills in very important sectors of science, technology, engineering and mathematics (STEM).

Prof Nnadozie thanked President Sirleaf for her support and for the directives she has given to Liberia's Minister of Finance and Development Planning to honor the country's pledges in support of the Foundation's work. A meeting between the Honorable Minister of Finance and Development Planning, Boima S. Kamara, and Prof Nnadozie produced very fruitful results.

"We will ensure you remain a viable entity that drives Africa in the direction of self-reliance, sustainable job creation and better quality of life for all Africans," Minister Kamara told the ACBF's Executive Secretary.

Ghana

Still in April, Ghana's Vice President H.E Dr. Mahamudu Bawumia underscored the centrality of capacity development in the transformation of Africa, praising ACBF for delivering on its mandate to offer topnotch technical and knowledge support to African countries and institutions to leverage the continent's sustainable development.

H.E Dr. Bawumia made his remarks during an audience he granted to the ACBF Executive Secretary, Prof. Emmanuel Nnadozie, in Accra, the city that hosts the ACBF's West and Central Africa Regional Office.

H.E Dr. Mahamudu Bawumia, Ghana's Vice President, has praised ACBF for delivering topnotch technical and knowledge support to African countries

Describing ACBF as "a well-known Pan-African Institution that has made huge achievements through its capacity development investments on the continent," the Ghanaian Vice President said the development of Africa's institutional and human capacity to deliver on the continent's development goals was of utmost importance. Hence, he noted, it was urgent for Member States to fulfill their pledges towards meeting all the financial needs of the Foundation's new Strategic Plan, in order for the Foundation to continue with its indispensable mandate.

"My country will therefore play a leading role in promoting the Foundation's activities which are key in spearheading Africa's development," he said.

It was a reassured Executive Secretary of the ACBF who thanked the Ghanaian leadership for the country's pledge to the Foundation's previous strategic plans and its commitment to the current Strategic Plan for 2017-2021, built on the following four strategic pillars: (a) enabling the effective delivery of continental development priorities, (b) supporting countries to achieve tangible development results, (c) enhancing private sector and civil society contributions to sustainable development, and (d) leveraging knowledge and learning to increase development effectiveness in Africa.

Prof. Nnadozie stated that the total value of financial contributions towards the delivery of the Foundation's program by Member States reached 20% of the required funding for ACBF during the 2012-2016 strategic period but that "such contributions continue to be decisive as they demonstrate Member States' commitments and contribution to leveraging resources from other donors."

The Head of ACBF noted that "ACBF's request for Member States to honor their pledges is clearly in line with our novel approach of going beyond making investments on capacity development in the form of grants, to providing more strategic services to Member States, such as providing capacity development services and undertaking joint resource-mobilization for capacity development activities, which would result in more beneficial and more sustainable ways of enhancing development at this critical time."

ACBF is supporting some of the key institutions in Ghana to leverage capacity for the country's development. These include: the Centre for Policy Analysis (CEPA), Ghana Economic Policy Analysis and Research Institute (GEPARI), the Institute for Statistical, Social and Economic Research (ISSER) based at the University of Ghana, and the Institute for Democratic Governance (IDEG). The support is targeted at enhancing both technical and institutional capacities for the organizations.

The country has also benefitted from ACBF's support to regional projects such as the African Women Development Fund (AWDF), the West African Monetary Institute (WAMI), the Public Sector Management Training Program (PSMTP) based at the Ghana Institute of Management and Public Administration (GIMPA); and the Economic Policy Management Training program based at the Department of Economics, University of Ghana.

Comoros

In May, a brand-new policy center to help the Government of Comoros achieve rapid milestones within its plan to become an emerging economy by 2040 as well as an initiative to compute the country's institutional and human resource needs to meet its development goals, were launched in Moroni, the capital of the Indian Ocean nation.

These developments followed three days of intense capacity development encounters between the Government of Comoros and a team from the African Capacity Building Foundation (ACBF) led by its Executive Secretary, Prof Emmanuel Nnadozie.

The Center for Analysis and Research on Public Policies, which was launched in Moroni with the technical and financial support of ACBF, comes in handy to support the country make much needed progress with its Accelerated Growth and Sustainable Development Strategy (SCA2D, in French) by conceiving, analyzing and evaluating relevant economic and social policies.

The think tank will also boost the country's institutional and human capacity for developing and implementing policies, improve informational processes meant to support SCA2D, and promote multi-stakeholder participation in development dynamics through dialogue between the public and private sectors as well as civil society.

"We hope that this investment will be catalytic and will attract other donors," said Prof Nnadozie, upbeat about greater things to come for Comoros which he described as a country with a high level of commitment to its capacity development.

Such an ambition is extremely important for Africa as a continent which still has an acute shortage of think tanks which he reckoned are "indispensable aid tools for decision making."

A comparison between the number of think tanks on public policy in sub-Saharan Africa and that of the USA alone, is extremely revealing of the lacuna of the developing continent. The USA as a country has 1,835 of such think tanks while the whole of Sub-Saharan Africa has just 700.

The acute shortage of research centers to aid countries in policy formulation and implementation is further compounded by Africa's limitation not only of crucial capacity to face today's development challenges but also of the very understanding where such needs arise. This explains why ACBF capitalized on the mission to Comoros to partner with the Comorian Government to launch a study on the country's capacity needs for development.

THE OLD FRIDAY MOSQUE IN MORONI, CAPITAL OF COMOROS, BUILT IN 1427, HAS BECOME A SYMBOL OF THE CAPITAL CITY AND A TOURIST ATTRACTION

The President of Comoros, H.E. Azali Assoumani, and his government pledged to work with ACBF to improve the institutional and human capacity deficits in the country.

The Comoros President Azali Assoumani, and his Vice President Ahmed Said Hassani Djaffar and their collaborators who had working sessions with the ACBF delegation to Moroni spoke of their total awareness of the country's shortfall in institutional and human capacity to achieve its development plans, and said they were highly committed to work with the Foundation to improve the situation.

Both parties agreed that for Comoros to make a great leap forward, the country needed to improve on its domestic resource mobilization capacities. A major way to achieve this, they concurred, would be through a change of mindset especially with regards to paying taxes. This would call for an improvement in leadership at all levels and serious engagement with communities.

What is pressing for the country now is to earnestly "embark on a wide-scale capacity building campaign to respond to the legitimate expectations of people by creating the conditions for inclusive, strong and sustainable growth," Prof Nnadozie said at what was described by both sides as a very fruitful meeting.

The Gambia

In June, President Adama Barrow was elated to welcome ACBF's authorities, led by the Foundation's Executive Secretary, Prof Emmanuel Nnadozie, to support the transformative efforts taking place in The Gambia.

The discussions with the President and members of his Government, including Vice President Fatoumata Tambajang and Finance Minister Hon. Amadou Sanneh who is also a member of the ACBF Board of Governors, were rich and to the point.

How would ACBF contribute to The Gambia's new development plan? What are the capacity needs of the country to turn a new leaf and hit the road towards transformation? All of these were ironed out in detail ahead of a capacity needs assessment study planned to start soon.

It was a mission of total concordance on the lynchpin role that capacity development must play in Africa's transformation agenda in general and that of The Gambia in particular.

"The recent problems of The Gambia are African problems, which require African solutions," said President Barrow, who specifically mentioned the need for civil service reforms and capacity building in his country.

"I will count on African institutions such as the African Capacity Building Foundation to help move my government's agenda forward," President Barrow observed.

The Gambia's new President, H.E. Adama Barrow (L) is quite confident the work of Prof Emmanuel Nnadozie (R) and his team will make a difference in his country's transformative drive

Replying Prof Nnadozie said *"Africa's transformation agenda is the very leitmotiv of ACBF and there is no better place to act upon this goal than in The Gambia which is undergoing a historic wind of change both as a budding democracy and as a nation with a leadership bent on bringing development to its people."*

Prof Nnadozie had earlier congratulated President Barrow and his Government on their accession to power as well as on their demonstrated resolve to transform the country.

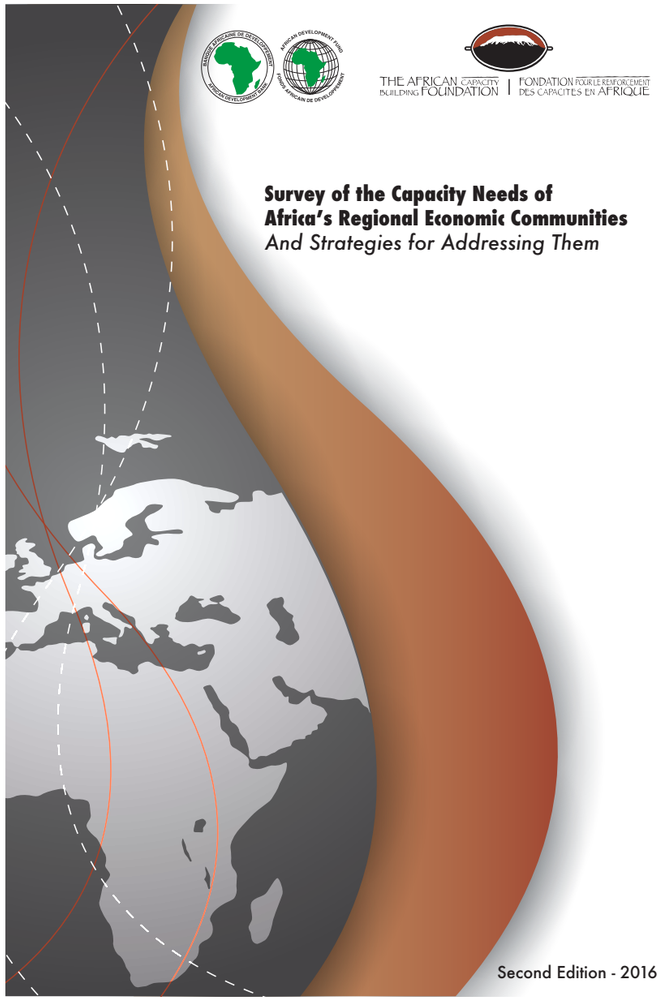
"We concur with the Government of The Gambia that a revolution in governance especially through robust reforms of the civil service and institutions as well as through the retooling and retention of human resources are the very places to start on the road to the desired transformation," Prof Nnadozie added.

The ACBF delegation also held talks with the President of the Gambia Chamber of Commerce and Industry (GCCI) , Mr. Muhamed Jagana, and the Governor of the country's Central Bank, Mr. Bakary Jammeh. While the working session with Mr. Jagana focused on the crucial role that the private sector should play in supporting Gambia's development, the discussion with Governor Jammeh centered on further developing the capacity of the staff of the Central Bank, as ACBF has done in the past to enhance its contribution to development and economic growth.

HOT OFF THE PRESS: ACBF Reports on the RECs and Kenya's tea sector

Survey of the Capacity Needs of Africa's Regional Economic Communities and Strategies for Addressing Them

The ACBF Report on the "Survey of the Capacity Needs of Africa's Regional Economic Communities and Strategies for Addressing Them" was launched at the 4th African Think Tank Summit in April. The Report established that while notable progress had been recorded in certain areas, capacity interventions over the past years had been largely fragmented and reactive, and had therefore not been as effective as desirable in addressing the RECs' capacity needs.



"Training approaches, for example, are often ad hoc in nature, without a clear comprehensive understanding of the actual expected impact," the Report said. In terms of internal management of RECs, the study notes the lack of coordination with divisions and units tending to operate in silos.

A more worrying finding is the RECs' over-reliance on external resources for funding not just for capacity building activities, but even for the overall activities of the organizations, making their development coordination interventions precarious.

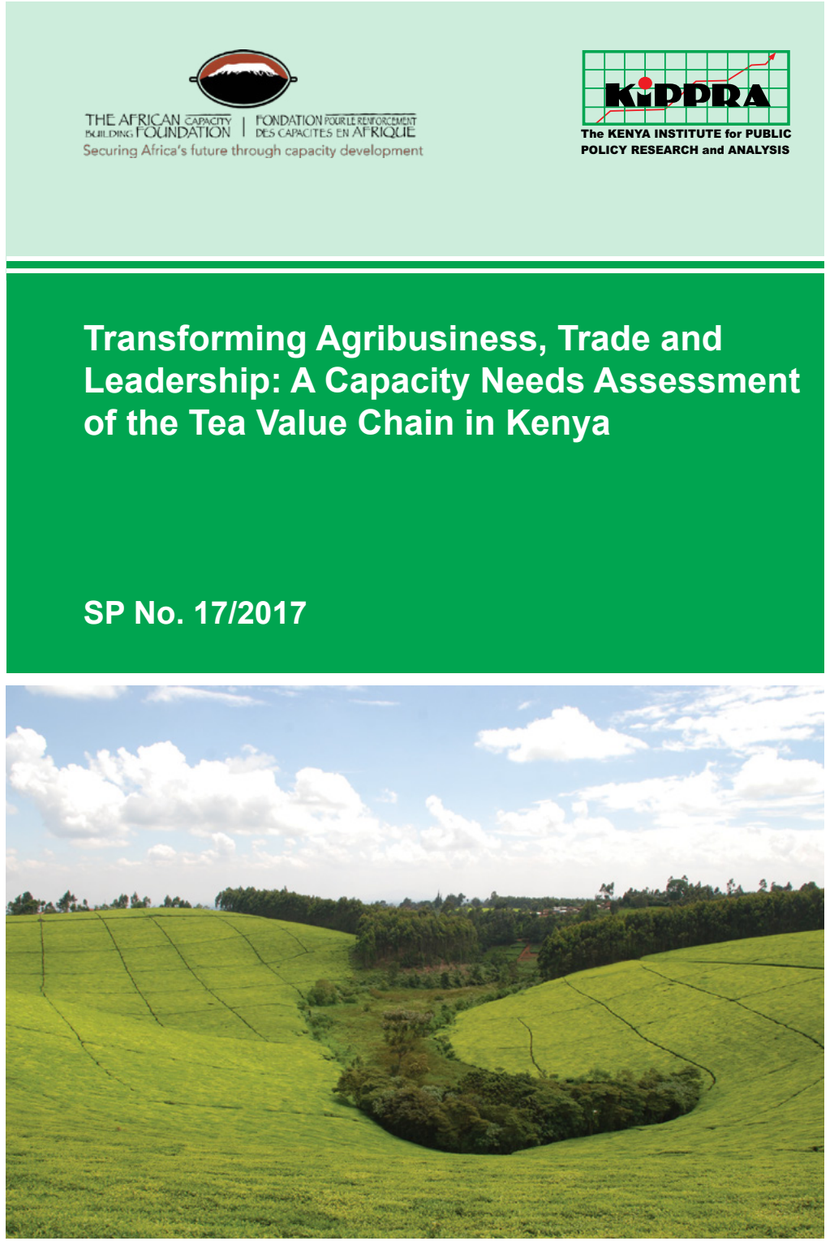
It is against this backdrop that the Report recommends that the RECs pay serious attention to enhancing their internal capacities by devising innovative resource planning, mobilization, and utilization strategies.

In this regard, the Report advises the RECS to establish a trust fund with contributions drawn from Member States and development partners – a model which is already working well for the Economic Community of West African States (ECOWAS) where a levy of 1.5% of customs duty is applied for the collection of such funds, resulting in a pot of more than US$630 million a year to finance integration programs in West Africa.

The study also suggests that RECS streamline training for their staff and collaborators in all projects they are implementing, to squarely deal with capacity gaps of personnel working on specific projects.

http://bit.ly/2x0OYTW

A Capacity Needs Assessment of the Tea Value Chain in Kenya



Published in June 2017, this Report which is a result of a partnership between the Kenya Institute for Public Policy Research and Analysis and the African Capacity Building Foundation (ACBF) analyses the institutional and human capacities of the tea value chain in Kenya.

The Report was necessitated by the need to initiate transformative actions necessary for enhancing the tea sector's productivity and contributions to national economic growth and development. The transformative agenda is also aimed at strengthening agribusiness trade and international competitiveness as envisioned in the Kenya Vision 2030.

The objective of the study therefore was to identify capacity challenges that were critical in agribusiness and trade to enhance the competitiveness of the tea sub-sector. Specifically, the study was to review national strategies, policies, practices and challenges with respect to agribusiness, trade and leadership.

Secondly, it was to provide sound situation analysis of the Kenya agri-business sector in relation to trade and leadership capacity. Thirdly, it was to provide baseline data for assessing Kenya's capacity development progress; and finally, assess and analyze the status of the capacity of the Public Sector Transformation Division (PSTD) and other relevant institutions to implement the reforms in the tea value chain.

http://bit.ly/2x1EhAj

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