

Transformation in a Generation

2016 END OF YEAR REPORT



2016

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“ No institution or individual has all the resources or answers ... Working together, with an understanding of the strategic environment, we can speed up progress

**Paul Kagame, President of the Government of Rwanda,
at the 2016 African Transformation Forum**

ABOUT ACET

The **African Center for Economic Transformation (ACET)** provides research and analysis, and policy advice that African countries can use to transform their economies. Our distinctive integrated approach is to work with and influence policymakers at the highest levels, providing them with an African perspective on policy analysis and research that translates to country-specific applications and practical advice. We focus on the how-to's of policy reforms, drawing on experiences and best practice from within and outside Africa.



OUR VISION

Our vision is an economically transformed Africa within a generation.



OUR MISSION

Our mission is to help government and business deliver economic transformation that improves lives.



OUR OUTCOME

Our long-term outcome is economic transformation and improved human well-being through diversified production, competitive exports, increased productivity and upgraded technology.

In 2016, **ACET** continued the implementation of its five-year (2015-2020) plan. Our work is supported and measured by the three key outcomes:

1

Increased understanding of African economic transformation issues.

2

Strengthened economic transformation strategies, plans and investment.

3

Strengthened policies and institutional capacities of governments.



EXECUTIVE SUMMARY

The year 2016 has been one of transition for the organisation as we work towards economic transformation in Africa. While we continue our research, advisory and advocacy work, we are also changing how we work, not only to be more efficient, but to also be more effective in helping countries transform.

First, we improved collaboration between our research and advisory teams with the development of the ACET Policy Engagement Model (APEM). Under this model, ACET conducts multi-country case studies in a key policy area, working with country-based experts or think tanks. Results are then validated in the country as part of an event that brings together policy makers, the private sector and key stakeholders to discuss findings, recommendations and possible implementation follow ups. So, instead of working in silos, we have created a natural blend between research and advisory teams in practice, such that while research is being conducted, key stakeholders are engaged through every step of the process. This has helped us to ensure buy-in of the key decision makers for whom research is targeted early on in the project.

Secondly, in March 2016, ACET launched the Pan-African Coalition for Transformation (PACT) as a new platform to drive policy implementation across eight thematic areas. Grounded in sound analysis of key issues, PACT will not only facilitate peer-to-peer learning and knowledge sharing between decision makers, it will also support the process of in-country implementation.

KEY ACCOMPLISHMENTS

In our **research and analysis** capacity, we were engaged on projects covering agriculture, resource management and mobilisation, extractives and trade:

- In **agriculture**, this included the completion of 10 background papers as part of the development of the second African Transformation Report on agricultural transformation; field work and value chain analysis on the Kenyan horticultural sector; a Sorghum and Millet Study in Uganda to bring traditional foods back to the dinner table; a second treatment of the Index Insurance study in Northern Ghana; and fieldwork on Warehouse Receipts and Financial Practices study in Ghana.
- In **trade** we published eight papers in peer reviewed journals and completed 21 more working papers as part of the Trade and Labour Market Outcomes study.
- Where **aid management** is concerned, we completed country reports and validation workshops for the six-country study (Burkina Faso, Ghana, Uganda, Rwanda, Tanzania, Zambia) on Mobilising and Managing external financial flows for Development.
- In **extractives**, we completed eight country studies (Burkina Faso, Ethiopia, Ghana, Mozambique, Namibia, Nigeria and South Africa) and eight validation workshops for the Local Content and Value Addition in extractives study; and completed draft reports of a new multi-country study, which assesses the impact of expanding Artisanal and Small-scale Mining (ASM) on smallholder agriculture.

In our **advisory** capacity, we supported governments and key stakeholders with strategic direction, coordination and internal capacity building:

- In the **ECOWAS region**, we facilitated the development of a framework MOU between four countries in West-Africa to ease restrictions on the movement of skilled workers across countries.

- In **Ghana**, we reviewed the effectiveness of FOCAC interventions on Ghana's economy and continue to support the National Development Planning Commission to develop the 40-year plan.
- **Continentially**, we hosted the first African Transformation Forum, bringing together nearly 300 stakeholders to address and agree on key actions for transformation. This event launched a new platform for knowledge sharing, advocacy and policy implementation, called the Pan-African Coalition for Transformation (PACT or the Coalition).

Throughout all these programmes, ACET continues its **advocacy** work with policy makers, private sector and other stakeholders through stakeholder validation workshops, policy learning events, presentations at conferences, participation at targeted events (like WEF, AfDB, UNCTAD etc.) and other convenings. These are further supported by dissemination of our work through traditional and new media platforms.

In our operations, we have taken steps to strengthen our brand, improve internal processes and work towards financial sustainability:

- In our **communications and external relations** activities, we have built new media partnerships, created new branding and marketing collateral, and completed our website.
- In our **administrative and financial operations**, we have had to take bold steps to improve our operational efficiency and financial sustainability by reducing our annual budget and expenditure. To help source for funds, we onboarded a consultant to develop a resource mobilisation strategy, support fund raising activities of the organisation and train staff on how to identify funding opportunities and write proposals for funding.
- In our **programme management** activities, we have refined internal reporting and proposal development processes and built project management capacity through training workshops.

ACET WORK PROGRAMME: 2016 PROJECT PORTFOLIO

The 2016 work plan was implemented in four workstreams: Transformation Research (Analysis), Transformation Engagements (Advisory), Communications & External Relations and Operations within the five strategic pillars.

We began the year with 25 projects: Of these, 13 were managed under the Research programme, nine under Transformation Engagements, three under Communications and External Relations and five under Operations. We also took on five new research projects during the course of the year to close the year at 30 projects.

PROJECT	KEY ACTIVITIES	WORKSTREAM
Pillar 1		
Making Economic Growth Inclusive		
Intra-African Talent Mobility programme	<ul style="list-style-type: none"> Finalise and sign MoU, Capacity Building 	Engagements
Forum on China Africa Cooperation (FOCAC)	<ul style="list-style-type: none"> Conduct a study on the role of FOCAC in Ghana's economic transformation Launch Report 	Engagements
NDPC 40-Year Development Framework	<ul style="list-style-type: none"> Support the NDPC to develop a national development framework 	Engagements
Skills Development programme	<ul style="list-style-type: none"> Scoping on Youth Employment in Africa INCLUDE Youth Employment Project Skills Profile of Ghanaian Labour Market Productive Employment in Ghana 	Research
Pillar 2		
Modernising Agriculture and Promoting Light Manufacturing		
African Transformation Report 2	<ul style="list-style-type: none"> Report production - complete background papers and chapters Launch report 	Research, Comms
USAID-BASIS Index Insurance	<ul style="list-style-type: none"> Continue studies and inject insurance treatment to case study 	Research
Sorghum Project	<ul style="list-style-type: none"> Complete study and organise final cookery competition 	Research
Warehouse Receipts and Financial Practices: The Case of Ghana (USAID)	<ul style="list-style-type: none"> Conduct studies on warehouse receipts and financial practices in Ghana 	Research
Getting out of the Learning Trap	<ul style="list-style-type: none"> Produce a global and Kenyan value chain report on horticulture 	Research

PROJECT	KEY ACTIVITIES	WORKSTREAM
Pillar 3		
Leveraging Extractives		
Local Content and Value Addition	<ul style="list-style-type: none"> Complete validation workshops and final synthesis report. 	Research
Mining Governance and Investment Assessment	<ul style="list-style-type: none"> Complete and launch report on mining governance and investment 	Research
Impact of Artisanal Mining on Agriculture (Ford)	<ul style="list-style-type: none"> Conduct studies in Ghana and Burkina Faso. 	Research
Pillar 4		
Boosting Trade and Regional Integration		
Trade and labour Market Outcomes	<ul style="list-style-type: none"> Continue studies on trade and labour market 	Research
Pillar 5		
Managing Resources		
Mobilizing Financial Flows for Development (Aid Management) Study	<ul style="list-style-type: none"> Complete validation workshops, finalise reports and produce a synthesised report. Organise policy learning event 	Research
Special Projects		
African Transformation Index	<ul style="list-style-type: none"> Convene an Expert Panel on the African Transformation Index (ATR 1) to identify the process for revising the ATI and develop a work programme for implementation 	Research
African Transformation Forum	<ul style="list-style-type: none"> Hold the African Transformation Forum (ATF) in March 2016 	Engagements
Pan-African Coalition for Transformation	<ul style="list-style-type: none"> Launch PACT and define operationalising guidelines Hold consultations with potential donors, members and private sector 	Engagements
ACET Fellows	<ul style="list-style-type: none"> Implement ACET Fellows programme 	Research, Operations

PROJECT	KEY ACTIVITIES	WORKSTREAM
Strategy & Operations		
Communications Strategy	<ul style="list-style-type: none"> Complete strategy with emphasis on ATR2 and PACT Communications strategies 	Comms & External Rel.
Re-Branding	<ul style="list-style-type: none"> Complete the development of marketing collateral, rebranding exercises 	Comms & External Rel.
Publications	<ul style="list-style-type: none"> Benchmarking of publications templates, peer review process, digitisation of ACET content 	Comms & External Rel.
Media Plan	<ul style="list-style-type: none"> Development of media networks to support upcoming events 	Comms & External Rel.
Website	<ul style="list-style-type: none"> Launch the new ACET website in 2016 	Comms & External Rel.
Finance	<ul style="list-style-type: none"> Private Sector Development 	Operations
Human Resources	<ul style="list-style-type: none"> Staff Skills Assessment 	Operations
Admin	<ul style="list-style-type: none"> IT Projects (VPN Project, Printers) 	Operations
Project Management	<ul style="list-style-type: none"> ACET PM Training Systems and Process (Capacity Planning, Knowledge Management) 	Operations

Status of ACET projects

Of the above projects, 22 were scheduled for completion in 2016. Twelve (55%) of them were completed in time; five (23%) of these projects are on track to be completed by the end of the year and another five projects (23%) were off-track.

Projects off-track were delayed for various reasons, but primarily due to delays in the peer review process for quality assurance. As with many research institutions, there remains a trade-off between quality and timeliness. While we have taken measures to improve internal bottlenecks, there remain some dependencies on external partners and reviewers, which cannot be avoided.

Other projects, such as the ATR2, which was originally scheduled for the fourth quarter of the year were delayed for strategic reasons. Towards the end of the year, two other reports on Africa's agriculture - out - doored by AGRA and IFAD - prompted a strategic review to ensure that the message of the ATR2 is still timely and relevant. The result of this was an increase in the scope of our work and consequently delays in completion. In the spirit of continuous improvement, we will continue to refine our internal processes and minimise external impacts.

Areas of ACET focus

5 

Operating Pillars



PILLAR ONE 1

Economic Strategies and Management for Transformation

OBJECTIVES

To help countries produce more transformational development strategies in response to country demand.

To help countries raise sufficient resources and manage them efficiently.

PILLAR TWO 2

Making Economic Growth Inclusive

OBJECTIVES

To expand employment opportunities so that economic growth is more inclusive and incomes are more equal.

To ensure that African workers' skills, particularly among the youth, align with employer needs.

PILLAR THREE 3

Leveraging Extractives for Transformation

OBJECTIVES

To help countries use their natural resources - minerals, oil, and natural gas - to support transformation by:

- Optimising project revenue.
- Managing in transparent and accountable fashion.
- Linking to other sectors.
- Boosting local content and value addition.

PILLAR FOUR 4

Modernising Agriculture and Promoting Light Manufacturing

OBJECTIVES

To raise the productivity and resilience of traditional smallholder farmers.

To promote the growth of a small and medium-scale modern commercial farming sector.

To link agriculture to industry through processing and other light manufacturing to add value.

To enable agriculture to respond to urban population demands.

PILLAR FIVE 5

Boosting Trade Facilitation and Regional Integration

OBJECTIVES

To help countries accelerate trade facilitation as a means to promote regional integration.

To help countries provide a platform to support a transformed regional business environment through increased trade and policy harmonisation.





**KEY
ACTIVITIES
2016**



STATUS OF KEY ACTIVITIES

I. TRANSFORMATION RESEARCH PROGRAMME

We continue to conduct economic analysis and research that provides a practical understanding of economic transformation. While continuing existing research from 2015, in 2016 our research work was streamlined within five key pillars:

1. Making Economic Growth Inclusive:

- a) **The Intra-African Talent Mobility Partnership (TMP) Project:** Acting as the secretariat for four out of twelve countries in the pilot, ACET has been the sub-regional secretariat for the West-Africa chapter of the Intra-African Talent Mobility programmes in 2014. The project seeks to establish a "Schengen" type mechanism for the movement of skilled professionals across borders. Over the past few years, the West Africa programme – composed of Benin, Côte d'Ivoire, Ghana and Sierra Leone – has been working towards the development of a framework agreement (MoU) covering priority areas to ease the movement of skilled persons across their countries. In 2016, its final year, countries concluded capacity building workshops and signed the MoU on the sidelines of the ECOWAS annual meeting in December. In the presence of the President of ECOWAS and other government representatives, countries committed to implementing a number of recommendations as stipulated in the MoU's schedule of commitments. The Government of Côte d'Ivoire as the champion, will take the lead in seeking further funding to operationalise the activities in the pilot countries.
- b) **Forum on China Africa Cooperation (FOCAC):** This is a new study, which ACET undertook from September to December to investigate the role of FOCAC in Ghana's economic transformation. The report assessed specific FOCAC pledges against actual outcomes and the impact on development through the lens of ACET's DEPTH framework on transformation. This analysis also made some forward-looking deductions about the role that China can have in the future on driving targeted transformation. The report was completed in 2016.

2. Modernising Agriculture and Promoting Light Manufacturing:

- a) **The African Transformation Report:** The second African Transformation Report is focused on Africa's agricultural transformation. The objective is to offer critical analysis, best practice and policy recommendations to modernise agriculture and make it a key driver of income growth and poverty reduction through agro-processing. To date, we have completed 10 background papers, organised two stakeholder meetings and have completed the first draft of the report. A Steering Committee meeting was held in Nairobi, Kenya on March 22, to incorporate additional feedback from key stakeholders like AGRA, IFPRI, the Gates Foundation and others. The report is scheduled for completion in May 2017.
- b) **Promoting Improved Production Technologies Among Smallholder Farmers in Ghana Via Interlinked Credit and Index Insurance Contracts:** This project is in its third and final year and will conclude in the first quarter of 2017. The objective is to promote the use of index insurance to expand access to credit and to increase the adoption of improved production practices among smallholder farmers. In 2016, we continued the final round of randomised control trials in Northern Ghana. Farmers have already benefitted from two rounds of insurance policies and the government of Ghana has shown interest in expanding the scale of agricultural insurance policies.

- c) Warehouse Receipts and Financial Practices, The Case of Ghana: This is a two-year joint project with IFPRI, which started in July 2016.** The goal of this study is to assess the potential economic benefits of warehouse receipts, not only to farmers, but more generally, the agricultural marketing chain. To achieve this, the project scope is sub-divided into two phases. The first phase, which we started in July 2016 was devoted to theoretical research, interviews of stakeholders in the Ghanaian agricultural commodity marketing chain with a direct interest in storage and warehouse receipts. It was completed by December 2016 with the outputs being a technical report and a scholarly journal article on warehouse receipts. In Phase II, which will run from October 2016 through early 2018, we will conduct and analyse survey data, produce a technical report and a scholarly journal article based on survey findings, and conduct an IFPRI-sponsored international workshop on warehouse receipts.
- d) Bring Back Traditional Grains:** This project was a joint partnership between ACET and the Makerere University, School of Public Health Resilient Africa Network (RAN). The objective was to provide a theoretical basis for the campaign to bring back traditional grains to the dinner table. The idea is to increase resilience of communities through crops that are drought tolerant and well suited to agro-ecological conditions of Africa. The project was piloted successfully in Uganda through analytical research and the organisation of cookery competition among street food vendors in Kampala. The project has been successfully completed.
- e) Getting out of the Learning Trap:** This year-long project, which started in July 2016, is exploring export sectors in three African countries - Ethiopia, Kenya and Madagascar. The objective of this study is to understand how African-owned firms learn and build their technological capabilities in order to enter and remain competitive in global value chains. The project will generate four empirical industry case studies on textile in Ethiopia and Madagascar, and Floriculture in Ethiopia and Kenya. These empirical studies will be generated through innovative methods of assessing firms' technological capabilities by tailoring the study of capabilities to specific global value chains and constructing firm histories based on oral narratives. The ACET team has conducted field surveys in Kenya and a value chain report has been completed.

3. Leveraging Extractives

- a) Local Content and Value Addition:** This multi-year research study assesses the policies, laws and institutions regulating local inputs in the extractive industries in the eight countries. Researchers in each country (Ghana, Namibia, South Africa, Ethiopia, Mozambique, Nigeria, Burkina Faso and Gambia) completed studies, which were reviewed and shared at validation workshops in each country. The final stage of this study is the publication and dissemination of individual country reports as well as a synthesis report, which is currently in progress. The project will close by April 2017.
- b) Impact of Artisanal and Small Scale Mining on Agriculture:** This project, which started in January 2016, seeks to explore the effects of artisanal mining on agriculture and translate recommendations from the study into actionable plans. The scope of work involves conducting analytical and field research, engaging policy makers, mining and agriculture sector and other stakeholders; and implementing actions over two years in Ghana and Burkina Faso. Data collection and first draft of reports are complete and have been reviewed at validation workshops in each country. Final reports are in progress.
- c) Mining Governance and Investment Assessment (MInGov):** The purpose of the study is to develop assessment tools that strengthen the mining sector's governance, investment environment and development impact. To date, ACET has undertaken a sector survey and collected data, which was analysed by ASI and submitted to the World Bank for comments. Final reports will be completed pending feedback.

4. Boosting Trade and Regional Integration

a) **Trade and labour Market Outcomes** study seeks to thoroughly analyse the challenges and opportunities created by globalisation in developing countries. Following the completion of five of six modules and 13 papers in 2015, the team shared the results of the studies at three workshops in La Paz, Nairobi and Geneva; and two joint workshops with ILO. To date, eight papers and 21 working papers have been completed. The sixth module is designed to focus on policy lessons. The objective of this phase is to initiate empirical research with strong policy relevance to test some of the theoretical conclusions that were derived in the first phase as well as to engage policy makers on the results of the studies conducted in 2015 through the PACT framework. The team has already begun work and has submitted a proposal for financing this phase of the study.

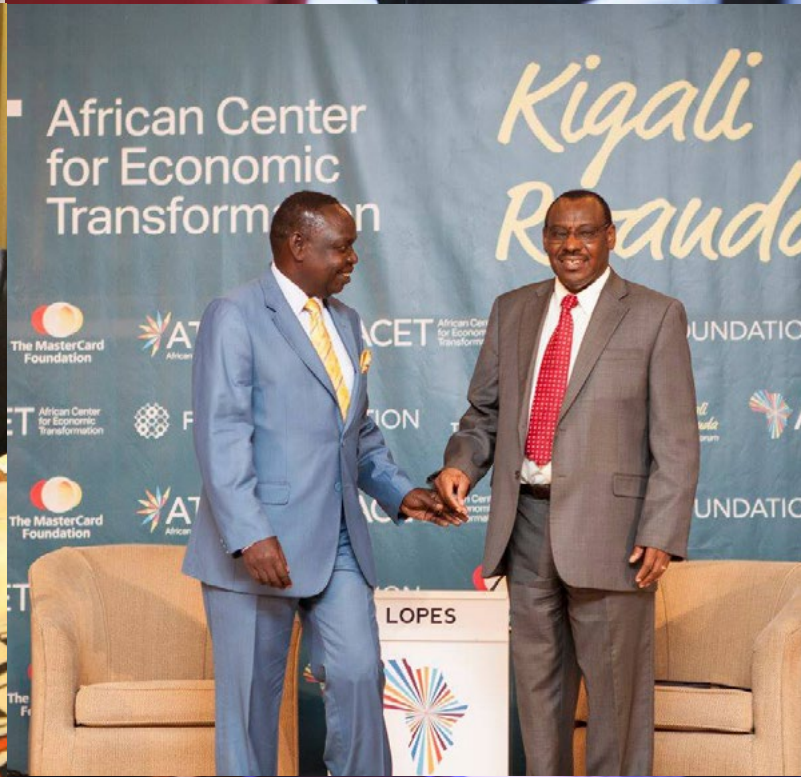
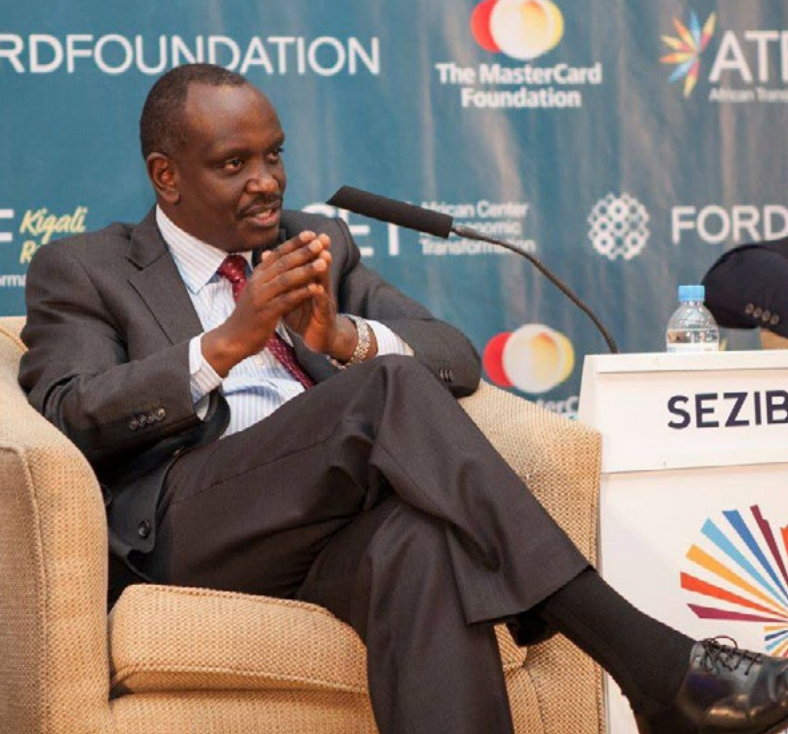
5. Managing Resources

a) **Aid Management:** We continued our 21-month study on Managing and Mobilising Financial Flows for Development. Studies have been completed and validation workshops carried out in each of the six countries. This validation exercise is based on ACET's Policy Engagement Model and it is designed to bring all stakeholders together to fill knowledge gaps, correct misrepresentations and assure stakeholders of the analytical rigour, completeness and objectivity of the analysis. To date, all country reports have been completed along with a draft synthesis report. On 10-11 April 2017, we will hold the final policy learning event for country stakeholders in Accra, Ghana. The goal is to share the results of the study and engage stakeholders to take recommendations forward through the new PACT chapter framework.

Special projects

We also undertook the following special projects:

1. **Refining the African Transformation Index.** The objective in 2016 was to gather an expert panel to review the existing Transformation Index and begin work on the next ATI. While a full panel meeting could not be convened, we presented the proposed index revisions to a forum of experts at the World Bank for feedback. We also recruited a temporary resource to begin work on some aspects of the revision. This work is currently ongoing.
2. **NDPC 40 Year Development Framework:** As part of our ongoing strategy with the Government of Ghana, ACET was invited by the National Development Planning Commission to write eight thematic reports, ranging from tourism to local content, towards its 40-year national development plan. While the project was temporarily put on hold for presidential elections, we are in current discussions with the Government to resume work.



II. TRANSFORMATION ENGAGEMENTS PROGRAMME

Our objective is to encourage countries to design and implement economic strategies and plans that drive long-term transformation. In our 2015 strategy, ACET highlighted our vision to serve as a catalyst for this process by leveraging our research to convene events that bring key country stakeholders together to agree on strategies and action plans.

After launching our first country forum, the Ghana Transformation Forum in 2015, we drew a number of lessons that led to a refined approach. This new approach still acknowledges the need for a regular mechanism and platform for sharing ideas and best practices, developing synergies in knowledge and skills as before. However, instead of conducting individual country fora and regional dialogues, we have decided to focus our limited resources on one continental forum – the African Transformation Forum.

The African Transformation Forum

In March 2016, with the support of the Government of Rwanda, ACET convened the first African Transformation Forum (ATF) in Kigali, Rwanda. The ATF brought together almost 300 of the continent's leading thinkers and implementers to share ideas, best practice, and perspectives on how to accelerate job growth, boost investment and make governments more efficient and accountable. The forum is proposed to be bi-annual however, due to the need to follow up on action items; we expect to organise the next forum in 2017.

The Pan-African Coalition for Transformation (PACT, or the Coalition)

At the end of the forum, ACET launched the Pan-African Coalition for Transformation (PACT) as a mechanism for governments and local policymakers to gain information and support as they design and implement innovative policies related to economic transformation. Its rationale is simple but powerful: African governments can accomplish more together than they can apart.

It will include eight topic-driven chapters with a core membership comprising African countries, as represented by sector ministers and other government officials. The Coalition's overall objectives include:

- Bringing about collaboration among a select number of governments, the private sector and other stakeholders around a particular policy issue.
- Facilitating increased consultation, peer learning and advocacy among members.
- Supporting effective implementation of transformative economic policies.

Since its launch, we have developed Coalition Operating Guideline document to serve as a blueprint for making the Coalition work. We have also identified and selected champion countries based on their comparative advantage or interest to lead the various chapters. Rwanda will lead the chapter on Trade and Regional Integration; Ethiopia will champion Manufacturing, Côte d'Ivoire has been identified for Skills and Education etc.

We have identified and refined Chapter objectives as well as outlined a private sector strategy. Apart from these, we are actively pursuing partnerships to secure funding and consultations are ongoing for membership of the Chapters. We are also planning side events on the shoulders of chapter-specific regional conferences.

Going forward, the Coalition will be the primary vehicle for engaging countries, not only to share best practice but to develop implantation strategies and plans as needed. ATF will also showcase the work of the Coalition and continue to provide a platform for advocacy and best practice sharing on transformation.



III. COMMUNICATIONS AND EXTERNAL RELATIONS

This year, we recruited a new Director to lead all our communications and external relations activities. The primary objective was to raise awareness about the second African Transformation Report and the African Transformation Forum; and to develop media partnerships for future engagements.

Strategy

In context of a broader communications strategy, we developed detailed launch strategies for both the 2016 ATF and the ATR2. The ATR2 strategy includes pre-launch, launch and post launch activities.

Media Planning

Partnerships

Within the year, we began forging relationships with major media houses in several African countries to complement ACET's engagement with government, private sector, donors and CSOs. We took advantage of major international fora to begin preliminary discussions with key media players on creating national awareness about ACET and the forthcoming ATR and PACT. Also, as part of ACET's Ghana strategy, we partnered with the Institute of Economic and Financial Journalists to host a half-day workshop to train journalists in the reporting and communication of economic transformation issues.

Television Broadcast

During the year, the Communications team had series of conversation with local media houses to explore attractive ways to broadcast economic transformation to television audiences in Ghana. A programme format has been proposed and will begin airing as soon as the ATR 2 is launched, as the focus is on agriculture transformation.

Media Monitoring and Tracking

To enable ACET track the reach of our publications and visibility (in accordance with our results framework), we have engaged a media intelligence platform to assist in this endeavor. The platform helps to monitor ACET mentions in social media and other networks.

Website Review and Update

We launched a new ACET website in March 2016 to incorporate a dynamic and more interactive platform. Within this new website, we have created a comprehensive microsite for PACT, which highlights all relevant information. The site can be accessed at <http://acetforafrica.org/pact/>

Re-Branding and Development of Marketing Collateral

We have successfully rebranded the ACET label. This was very necessary for ACET's visibility at the ATF in Kigali. We produced corporate brochures and other marketing collateral, standardised ACET branded templates and other processes to maintain brand identity.

IV. OPERATIONS

In 2016, we continued to apply our DEPTH concept to our internal processes to ensure operational and financial efficiency. We continued to seek ways to diversify our funding; improve our engagement strategies, improve productivity while leveraging on our technology and human resources.

- **Finance:** In order to expand our sources of funding, we constituted an internal grants team who were constantly scanning research opportunities that are aligned to our core thematic areas. By the end of the year, 12 funding opportunities were identified and applied for and out of those, three were converted into full projects. We will continue to keep a regular pipeline of funding in the following years.
 - The team has also refined our grants strategy and as a result recruited, during the fourth quarter of the year, a Fund Raising Consultant to lead the grant activities. The consultant is expected to redefine and execute the funding strategy and will be responsible for advising and developing a TOR for a fundraising resource to work with ACET for the long-term. Also, we have had consultations with several organisations to garner support for implementing PACT.
 - **Programme Management:** We also continued to work towards more effective project delivery through project management workshops, the implementation of quarterly team status meetings and review of internal operations processes (contracting, pricing, etc.)
- **Human Resources:** One of the key priorities for HR was developing a new model for ACET work as aligned to the new PACT operating model. This included an internal review of staff capabilities, restructuring and the development of a nimble approach to recruitment and staffing.
- At the same time, we also worked to provide an environment conducive for learning and attracting talent through our Intern programme and our ACET Fellows programme. By the end of the year, we had trained three interns, who by the end of the internship period had undertaken two main research projects. We also developed an approach and database of experts for the ACET Fellows programme. We have begun recruitment of senior fellows and will continue to recruit based on resource priorities and funding availability.





MEASURING IMPACT

OUTCOME 1: Increased understanding of African economic transformation issues

Over the years, ACET has developed over 170 research outputs, however we began tracking references to our work in 2014. Since then, ACET work has been cited on at least 58 occasions, with 30 in 2016 alone (see table 1). These include academic references from organisations like the Center for Global Development, Japan International Cooperation Agency (JICA), the European Center for Development Policy Management (ECDPM); journals like the Journal for African Economics, European Journal of Business and Management, the Journal of Economics, Management and Financial Management, as well as individual researchers from around the world.

Not only have our staff been committed to creating quality research, we have been actively engaging stakeholders nationally, regionally and globally. We have received over 125 invitations to share our work since 2014. In 2016, 82 of these came from international organisations (the African Union, OECD, UNECA, UNCTAD, CARD, AGRA, IMF), educational institutions (Harvard University, Columbia, Peking University, China European Business International School); development partners/agencies (Germany, Switzerland, Iran, Denmark, Norway, France, Columbia, etc.) and more. Out of these, ACET participated in 37 of these events. We have far exceeded our projections for 2020 and will reassess our targets for 2020.

In the process, we have learned many lessons in the analytical process, the most significant being our content development process, partnerships and areas of focus.

- **Content development process:** ACET's research process is a rigorous one, which draws upon not only the knowledge of our staff but that of research partners, subject matter experts and local stakeholders through the APEM Model to ensure that our work is grounded in the local realities. This process while thorough, has brought its share of operational challenges as we balance quality with timely delivery. We have taken measures to speed up the process and continue to refine it as we go along.
- **Partnerships:** Given our limited capacity, we have actively sought to broaden our networks and partner where possible, with other academic institutions, think tanks, development partners and private sector in our work. In 2016, we collaborated with JICA, ODI, EDCPM, a few universities and local think tanks on our work. We will continue to utilise this model for future work.
- **Focus:** In the past we worked on a number of thematic areas, which sometimes puts a strain on our staff. In 2016, we streamlined our areas of focus to five thematic areas. This not only allows us to build our portfolio in these areas but will help us target specific funding sources and human resources.

Table 1: Outcome 1 Indicators

Indicator	Baseline (2014)	Target (2015)	Progress To Date	5-Yr Target (2020)
a) References/citations of ACET reports and analysis in national policy documents and international debate on African transformation per year	8	10	20	15
b) Invitations to share content more widely at non-ACET sponsored events/fora per year	6	8	37	10

OUTCOME 2: Strengthened economic transformation strategies, plans and investments

To date, we have worked with three governments (Ghana, Liberia and Sierra Leone) to develop strategies for financial planning and economic management. In 2016, ACET worked primarily with the Government of Ghana's National Development Planning Commission in the development of a new 40-year strategy and has been requested to offer technical insight on at least two economic planning committees. We also brokered an MOU between the Government of Ghana and Chinese investors for a textile manufacturing project.

Where public-private partnerships are concerned (Indicator 2d), we intend to broker relationships within the context of PACT specifically and towards specific objectives that countries identify within the economic transformation agenda.

Our vision is that the private sector partners in these chapters have the opportunity to engage countries during chapter meetings, offer solutions and hear from government as well. We are very aware that this aspect of PACT may require us to enhance our current skill sets, especially in the area of engaging the private sector. Currently some of our key staff have been drawn from the private sector but of course we may need to complement this. Our intention is not to replace the likes of investment councils but to create an atmosphere where these sorts of deals can be made.

Where targets are concerned, we have been encouraged by the level of dissemination of research in Outcome 1 but are also keenly aware that more effort will be required to achieve uptake of research recommendations by governments to achieve our targets in Outcome 2. Last year, one of our strategies was to use country fora to advocate for country-specific transformation plans. After the first country forum – the Ghana Transformation Forum in 2015 - we realised that this approach was time-consuming, resource-intensive and too small to achieve scale. The forum was well attended, but policy makers were not engaged even after multiple meetings. We needed another way to keep their attention, add value and also reach more countries if we were going to achieve the targets we set. So in 2016, we re-evaluated the country forum model and developed PACT. Though yet to be tested, we see PACT as an answer to this. We have seen a few benchmarks that we are learning from e.g. R4D's Joint Learning Network in addition to our own ideas. Our vision is that PACT becomes a platform not just for knowledge sharing but one that cultivates more participation through "peer-pressure" (so to speak) and by adding value through peer-to-peer learning.

We envision that through the PACT chapters, we will have even more opportunities to engage policy makers one-on-one on specific challenges they face on the ground. By including the private sector in these chapters, we also seek to create more opportunities to broker partnerships between the public and private sectors to their mutual benefit.

Table 2: Outcome 2 Indicators

Indicator	Baseline (2014)	Target (2015)	Progress To Date	5-Yr Target (2020)
a) # Countries with strategies and plans aligned with transformation drivers and pathways as defined in the ATR (cumulative)	1	2	1	10
b) # Governments who engage ACET to help them incorporate transformation principles into strategies and action plans (cumulative)	1	2	1	6
c) % Countries ACET supported (above) where the private sector was an integral part of the planning process	100%	100%	100%	100%
d) # Private sector-government relationships brokered by ACET (cumulative)	0	2	1	6

OUTCOME 3: Strengthened policies and institutional capacities of governments

Over the years, our achievements have included support for at least seven governments (Benin, Côte d'Ivoire, Ghana, Guinea, Liberia, Sierra Leone, Zambia) – three of which were evaluated in 2014. In 2016, our primary capacity building work was in support of four ECOWAS countries (Benin, Côte d'Ivoire, Ghana and Sierra Leone) through the Intra-African Talent Mobility programme. The programme seeks to boost trade and economic integration by easing the constraints on cross-border mobility of professionals and skilled workers. In the past three years, ACET as the West-Africa secretariat, coordinated the development of assessments, country workshops, capacity building reforms in implementing countries and as of December, oversaw the signing of an MOU to implement agreed reforms.

Our indicators are therefore a measure of satisfaction of ACET services provided to these countries. The feedback from the 2014 evaluation is referenced in the table below. We have completed the development of the annual survey and results for 2016 work are expected by end of Q1 2017.

Within the context of PACT, our capacity development process will identify gaps of member countries and mechanisms to address these gaps e.g. technical support, financial support. ACET as a secretariat is responsible for facilitating the process of finding these solutions and feeding the evidence back into the chapter.

Table 3: Outcome 3 Indicators

Indicator	Baseline (2014)	Target (2015)	Progress To Date	5-Yr Target (2020)
a) # Governments supported that express greater confidence that their institutional capacities are improving or have improved, in annual satisfaction survey	3	3	3	8
b) % Countries who ranked ACET services as satisfactory in Satisfaction Survey (annually)	0	70%	TBD	80%

CONCLUSIONS

In the face of a challenging financial year, ACET remained relevant in the African transformation narrative, contributing through quality research and engaging governments all over Africa. With the development of the PACT framework, we will be transitioning to a new way of working in 2017, which we envision will be a step closer to achieving real policy changes on the ground. We are also particularly excited that with the initiation of the first four Chapters of PACT in 2017, our research and analysis can be shared with more people and our effort will be supported by more partners working alongside to achieve economic transformation in Africa.



Transformation in a Generation

2016 END OF YEAR REPORT



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The African Center for Economic Transformation (ACET) is a Pan-African economic policy institute supporting Africa's long-term growth through transformation.