



NEPAD
TRANSFORMING AFRICA

ANNUAL REPORT

2016



New Partnership for Africa's Development

The technical body of the African Union

Accelerating the implementation of Africa's Agenda 2063



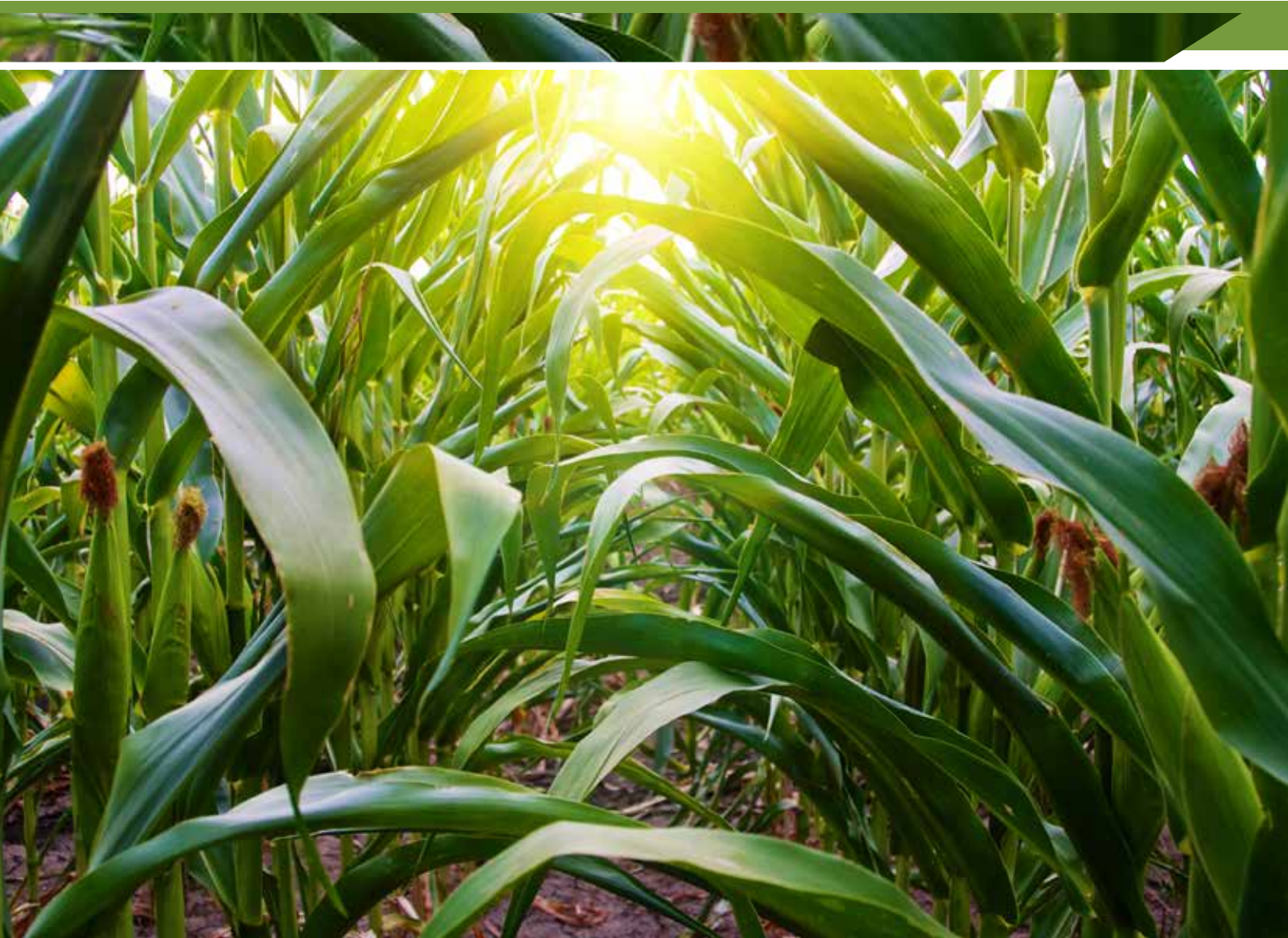
THE NEPAD AGENCY AT A GLANCE

The New Partnership for Africa's Development (NEPAD) Agency has a bold primary objective, namely to Transform Africa. To achieve these sustainable development priorities, it continues to transform into a development agency focusing on:

- incubating high impact projects that demonstrate proof-of-concept to translate the African Union's (AU) continental strategic development frameworks into national development priorities,
- enhancing knowledge-sharing among countries, supported by evidence-based feedback on best practices for regional integration, and
- brokering partnerships and resource-mobilisation for the implementation of the First Ten Year Implementation Plan of Agenda 2063.

CONTENTS

	The NEPAD Agency at a Glance	1
1	Governance of Natural Resources and Food Security	3
	Quick facts.....	4
	Regional-level results.....	6
	National-level results.....	7
2	Skills and Employment Opportunities for Youth	11
	Quick facts.....	12
	Continental-level results.....	12
	Regional-level results.....	12
	National-level results.....	13
3	Regional Integration: Infrastructure and Trade	17
	Quick facts.....	18
	Continental-level results.....	18
	Regional-level results.....	19
	National-level results.....	20
4	Industrialisation: Science, Technology and Innovation	21
	Quick facts.....	22
	Continental-level results.....	22
	Regional-level results.....	25
	National-level results.....	27
5	Programme management office	29
6	Business services centre	31
	Human capital management.....	31
	Procurement and supply chain.....	32
	Administration.....	32
7	Finance and budget cycle	33
8	Final Remarks and the way forward	35



1

GOVERNANCE OF NATURAL RESOURCES AND FOOD SECURITY

ABOUT

The programme focuses on the acceleration of modern agriculture to scale-up production, improve productivity and encourage beneficiation. This is achieved by transforming commodities and introducing services that contribute towards national prosperity, as well as food and nutrition security. The programme outcomes include mitigating climate change, improving sustainable land and water management, improving environmental governance, while promoting the blue economy and extractive industries.

QUICK FACTS:

Programme Footprint



Key continental result: CAADP implementation instruments



24 countries and 3 RECs



Executed budget: USD 2 million

Data as of Sept 2016



Continental-level results

- 1.1. A framework was developed to mainstream land policy and governance into national agricultural and other sector policies. It supports member states in addressing land governance issues. These include the design and implementation of interventions that address challenges relating to land governance and identifying opportunities in Africa's development agenda.
- 1.2. The establishment of the Africa Pavilion at the United Nations (UN) Framework Convention on Climate Change COP 22 in Marrakesh, **Morocco**. The initiative provided an opportunity for African heads of state, member states, Regional Economic Communities (REC) and other stakeholders to share experiences on climate change in Africa.
- 1.3. The second Africa Climate Smart Agriculture Alliance Forum brought together all key stakeholders to deliberate on actions that will help attain the African Union's (AU) vision to support 25 million farming households deploy Climate Smart Agricultural practices by 2025.
- 1.4. The Africa Environment Partnership Platform (AEPP) was launched to co-ordinate, mobilise resources, foster knowledge and support the implementation of the NEPAD Planning and Coordinating Agency's (NPCA) Environment Action Plan and Regional Flagship Programmes.
- 1.5. The African Union Commission (AUC) and NPCA developed the African Union Business Plan to catalyse the implementation of the Comprehensive Africa Agriculture Development Programme (CAADP) Malabo Commitments for Accelerated Agricultural Transformation in Africa.
- 1.6. The new CAADP Implementation Guidelines and Strategic guidelines provide a review mechanism for biennial reporting on the Malabo Declaration.



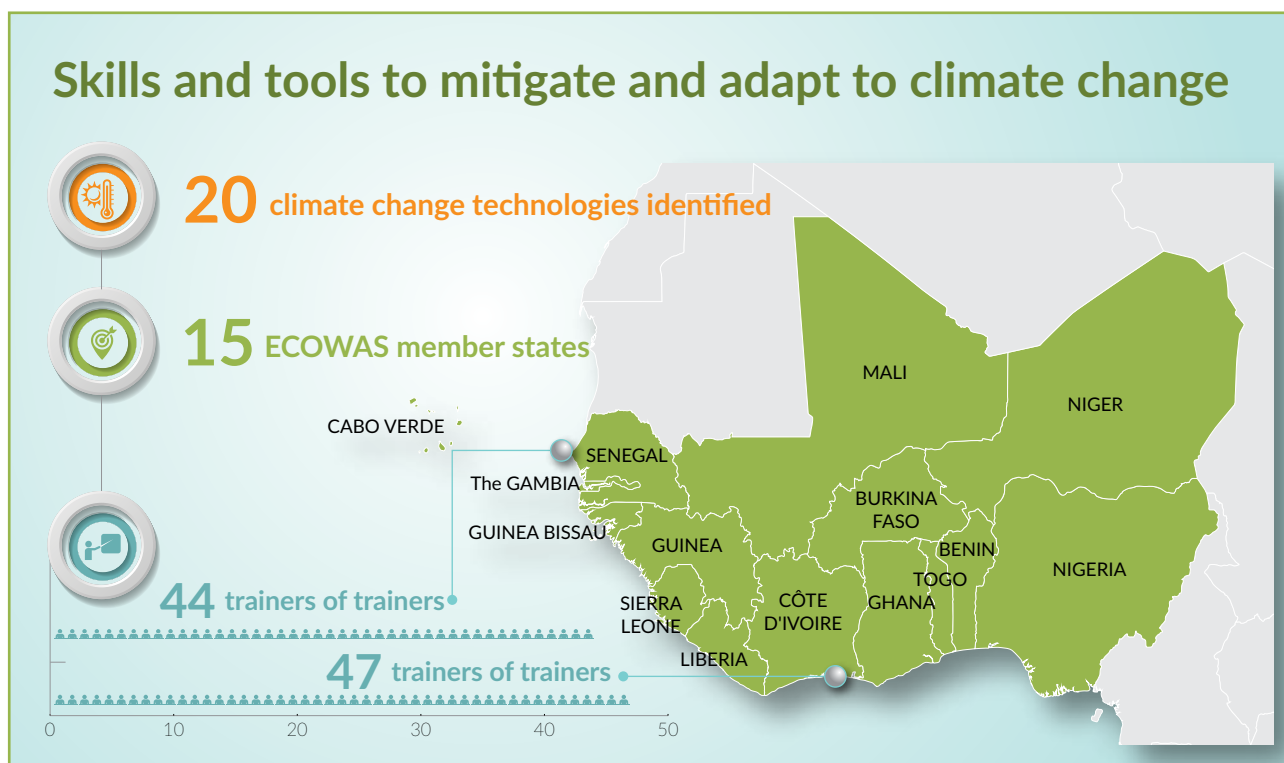
The African Union's vision is to support **25 million** farming households to deploy Climate Smart Agricultural practices by 2025.

Regional-level results

- 1.7. A total of 20 technologies were identified for the Economic Community of West African States (ECOWAS) to adapt to climate change.
- 1.8. At a regional workshop in Dakar, **Senegal**, 44 trainers of trainers from 15 ECOWAS member states and regional institutions were equipped with skills and tools to mitigate and adapt to climate change.
- 1.9. At a regional workshop in Abidjan, **Cote d'Ivoire**, 47 trainers of trainers from 15 ECOWAS member states and regional institutions were capacitated to introduce climate change methods into their respective countries' National Agriculture Investment Plans (NAIPs).
- 1.10. Economic Community of Central African States (ECCAS) received technical and financial

support to the value of USD 100 000 for the implementation of sustainable land and water management (SLWM)-related work with emphasis placed on regional monitoring and evaluation (M&E) platforms.

- 1.11. The RECs, ECOWAS, ECCAS and Common Market for Eastern and Southern Africa (COMESA), were equipped with the information and skills they need to design and maintain regional M&E systems on SWLM.
- 1.12. Technical support was provided to East African Community (EAC) and Southern African Development Community (SADC) member states to design, negotiate and implement tax policies in the extractives industries. This involved training senior government officials from mining and financing ministries.



National-level results

- 1.13. Fundable proposals for climate smart agricultural-related interventions were developed for **Kenya, Tanzania** and **Zambia**. The proposals were developed through close engagement with government of these countries and were undertaken under the Africa Climate Smart Agriculture Alliance framework and within the NEPAD-iN-GO Alliance on Climate Change.
- 1.14. Research results were published on methods to adapt to climate change in six countries. They include **Burkina Faso, Togo, Cameroon, Ethiopia, Zambia** and **South Africa**.
- 1.15. The NPCA and the National Steering Committee drafted a report on the risk assessment study for **Cape Verde** that was undertaken by the Platform for Agricultural Risk Management.
- 1.16. In **Senegal**, the Pencuum Women Fish Processors' facilities were upgraded, and the skills of 150 representatives upgraded in modern smoking technologies, quality and safety standards and certification.
- 1.17. An Investment Facility Platform (IFP), where risk management tools will be integrated, was launched in **Senegal** through Apix. The facility will unite the public and private sectors to facilitate more financing in the country's agricultural sector. This is in line with the Comprehensive Africa Agriculture Development Programme (CAADP) NAIP.
- 1.18. The establishment of an IFP will institutionalise the industry in **Uganda** via the Uganda Agribusiness Alliance.
- 1.19. Skills and systems for fish processors' association, d'Amakpa, in Nguessabo **Côte d'Ivoire** were upgraded. This was complemented by the publishing of a research report on the impacts of fish smoking activities, technologies and associated health risks to women. A

The skills of **150** representatives upgraded in modern smoking technologies, quality and safety standards and certification.



Research report on the impacts of fish smoking activities, technologies and associated health risks to women.



blueprint, including communication tools, was also developed that guides the scaling-up of fish processing and determines ways in which post-harvest losses can be mitigated.

- 1.20. A conceptual framework of a trade certification scheme for the shrimp industry was developed in **Cameroon, Gabon** and **Nigeria**. The certification scheme will pilot the African eco labelling mechanism, Eco Mark, which was developed by the African Regional Standard Office (ARSO).
- 1.21. Skills in climate change adaptation and mitigation in the **Zimbabwean** livestock sector were upgraded. This was done by training and capacitating 109 trainers of trainers in livestock extension.
- 1.22. Six awareness campaigns were conducted on livestock climate change adaptation and

mitigation in six Zimbabwean districts.


Meanwhile, six climate change adaptation techniques in the livestock sector were identified. They include destocking; supplementary feeding and home dame rations; commercial-based supplementary feeding; adoption of drought tolerant livestock species and breeds; livelihood diversification; as well as the use of indigenous knowledge tools to predict good seasons.

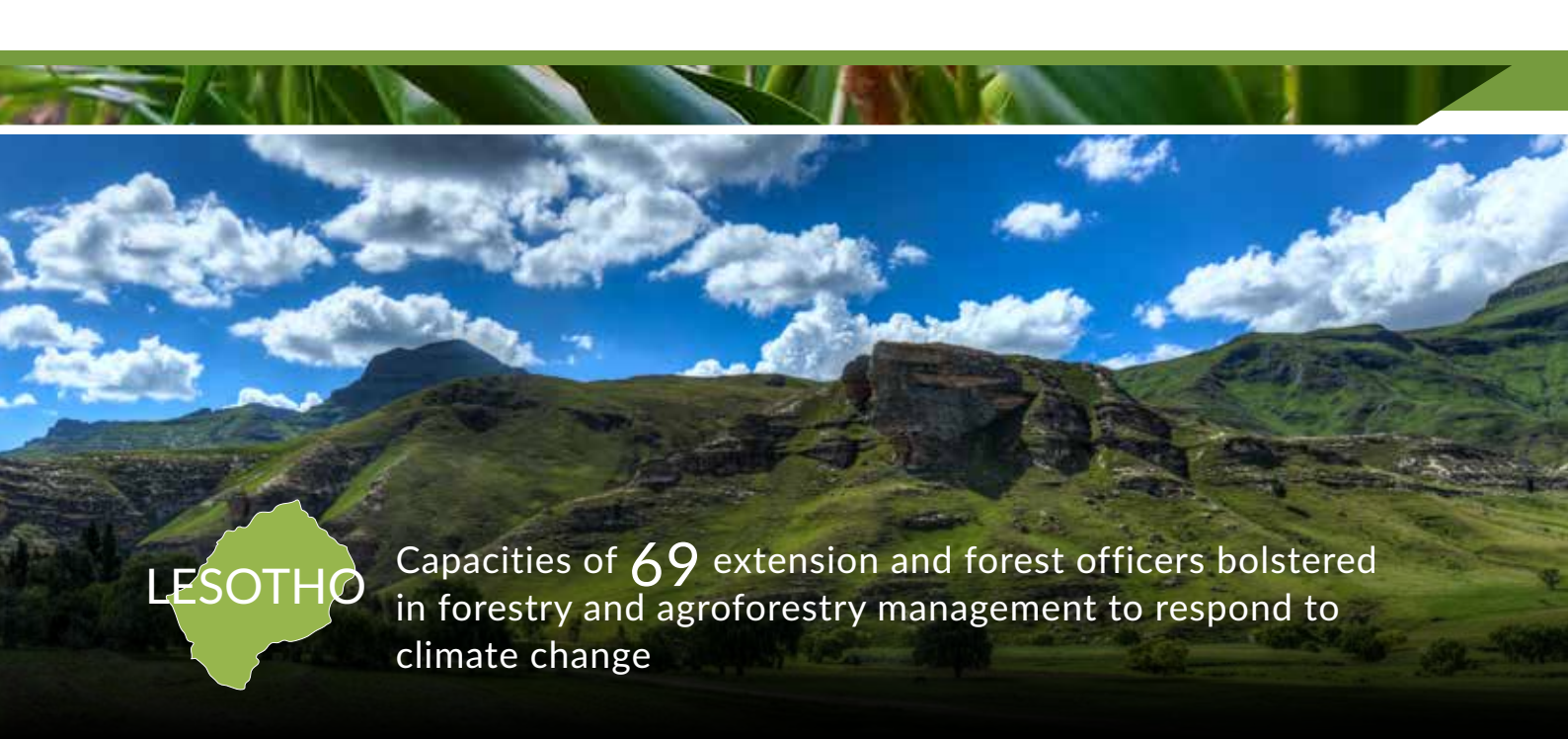
Five climate change mitigation techniques in the livestock sector were identified, including reducing veld fires, planting of fodder trees, minimising the felling of trees, hay bale making and growing forage trees.

Two policy briefs on climate change adaptation and mitigation were also drafted.

- 1.23. Datasets and inventories of existing forests

Skills in climate-change adaptation and mitigation in the Zimbabwean livestock sector

-  **109** trainers of trainers in livestock extension
-  **6** awareness campaigns conducted on livestock climate-change adaptation and mitigation in six Zimbabwean districts
-  **6** climate change adaptation techniques in the livestock sector identified
-  **5** climate change mitigation techniques in the livestock sector identified
-  **2** policy briefs on climate change adaptation and mitigation drafted



Capacities of 69 extension and forest officers bolstered in forestry and agroforestry management to respond to climate change

and agroforestry sites in **Lesotho** were developed for the Forestry Initiative for Landscape and Livelihoods Improvement (FILLI). In addition, capacities of 69 extension and forest officers were bolstered in forestry and agroforestry management to respond to climate change.

Meanwhile, climate change adaptation measures were identified in the forestry sector. They include the implementation of agroforestry plantations with apiculture, range management areas (RMA) with grazing association (GA), grass planting in stone-lined slopes, conservation agriculture practices, as well as the building of dams and community reservoirs.

Four climate change mitigation techniques were identified in the forestry sector, including the protection of forest reserves and indigenous woodlands, implementation of agroforestry plantations, as well as the growing of orchards.

- 1.24. The capacities of rural women in **Benin** were enhanced to adapt to climate change, while the adaptive capacities of 153 women were bolstered to increase agricultural output in the country.

The skills of women were strengthened to

manage petty cash, formulate projects and undertake management and evaluation in pilot zones.

Meanwhile, 250 women and youth broadened their knowledge in environmental protection and conservation techniques.

A research-report was produced on climate change impacts on coastal erosion that emphasised improving territorial resilience.

- 1.25. In addition, a report on the state of the environment of **Senegal, Guinea, Cote d'Ivoire, Ghana, Cameroon, Gabon** and the **Republic of Congo** was produced. It also placed specific emphasis on the state of mangrove swamps and coasts in western and Central Africa.

- 1.26. In **Egypt**, the capacities of the Amcen support unit were raised, while the abilities of the Egyptian Environment Agency Affairs (EEAA) were strengthened in the fields of project-cycle management, M&E, management of degradation, desertification and climate change.

Financial and technical support was also brokered for EEAA in capacity building and climate change adaptation.

- 1.27. The capacity of farmers in the **Democratic Republic of Congo's** (DRC) Batéké Plateau was enhanced to adapt to climate change by training 150 small-holder farmers in relevant techniques.
 - 1.28. The capacities of 27 member countries of Terra Africa were enhanced, including REC representatives' abilities to communicate sustainable land management practices. Participants were selected from **Burkina Faso, Burundi, Comoros, DRC, Guinea Bissau, Cote d'Ivoire, Mauritania, Madagascar, Niger, Senegal** and **Togo**, as well as from ECOWAS and ECCAS.
 - 1.29. Technical and financial assistance, valued at USD 30 000, was provided to non-government organisation, Prosan, in **Niger** to restore 100 hectares of degraded land to the benefit of communities in Zinder.
 - 1.30. A risk assessment study with National Steering Committee and NEPAD experts was undertaken in **Cape Verde**. Methods and technical documents were also provided, and a final risk-assessment report produced.
- Several key risk factors were profiled. These

include those relating to archipelago geographical conditions, such as poor transport conditions of agricultural commodities between islands, as well as drought and the scarcity of water for drinking and irrigation. Catastrophic risks, including volcanic eruption and bushfires, were also profiled, as well as the high vulnerability of populations in rural and urban areas where livelihoods depend mostly on migrant remittances.

- 1.31. A platform for non-state actors (NSA) active in fishery and aquaculture was established in 13 West African member states. It will improve the engagement of NSAs in policy formulation and management of fisheries.
- 1.32. The capacities of 42 participants in 19 countries in Terra Africa were enhanced in integrated landscape management and engagement of business communities. Countries involved in the initiative included **Burkina Faso, Burundi, Comoros, Cote d'Ivoire, DRC, Ghana, Gambia, Guinea Bissau, Kenya, Lesotho, Madagascar, Malawi, Mali, Niger, Nigeria, Senegal, Togo, Uganda** and **Zimbabwe**.



153 women in Benin had their capacity to adapt bolstered to increase agricultural output



The skills of **women** were strengthened to manage petty cash, formulate projects and undertake management and evaluation in pilot zones



250 women and youth broadened their knowledge in environmental protection and conservation techniques



2 SKILLS AND EMPLOYMENT OPPORTUNITIES FOR YOUTH

ABOUT

The programme aims to accelerate and diversify economic transformation in rural areas. It also focuses on enhancing the employment prospects of youth in marginalised communities to join the mainstream and ensure their contribution towards a prosperous continent.

QUICK FACTS:

Programme Footprint



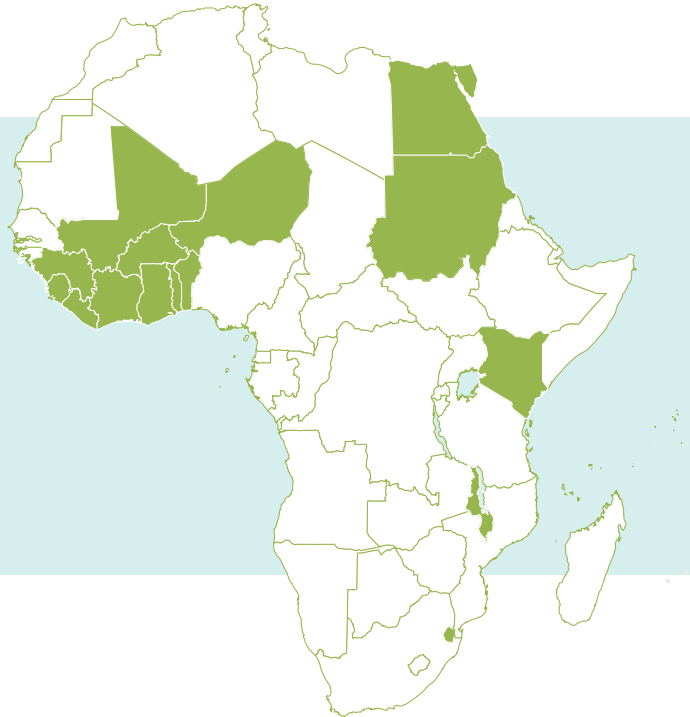
Key continental results: ATLAS and Rural Development Forum



16 countries and 3 RECs



Executed budget: USD 1 million
Data as of Sept 2016



Continental-level results

2.1. The second Africa Rural Development Forum was convened with its theme of *Transforming Africa's Rural Area through Skills Development, Job Creation and Youth Economic Empowerment for Africa*.

The second edition of the ATLAS was launched with its theme, *A new Emerging Rural World: An Overview of rural Change in Africa*. It provides information and analysis on cross-sectorial factors and dynamics, informing public policy debates and decisions on rural transformation.

A support network was developed to use this resource throughout all of the regions, while examining ways to support and strengthen

local capacity for generating quality data on rural transformation.

In addition, the Blue Print of Africa Rural Development was endorsed at the second Africa Rural Development Forum.

The forum offered opportunities to establish partnerships and to share experiences, including innovative approaches to rural development, territorial planning, skills development, novel financing methods, the deployment of information and communications technologies (ICT) and the creation of employment opportunities for youth in the green and blue economies.

Regional-level results

2.2. The Global Partnership for Effective Development Results' Nairobi Outcome document was developed in consultation with COMESA, the East African Community (EAC) and ECOWAS

member states. They included **Rwanda, Nigeria, South Africa, Uganda** and **Egypt**. Representatives from the public and private sector participated in the initiative.

National-level results

- 2.3. Technical support and content was provided to **Kenya** for the agenda and negotiations at a high-level meeting it hosted.
- 2.4. **Egypt** is leading the Enhancing Country Results Framework, which is developing the Africa Common Position to High Level Meeting.
- 2.5. Agriculture technical and vocational education and training (ATVET) was enhanced. The capacities of many agriculture training centres were developed, upgrading their curriculum and competent-based training. The programme focused on four organisations in **Ghana**, five in **Kenya**, four in **Malawi**, three in **Benin**, three in **Togo** and three in **Burkina Faso**.
- 2.6. The Africa Solidarity Trust Fund (ASTF) is supporting the Promoting Decent Rural Youth Employment and Entrepreneurship in Agriculture and Agribusiness project. It has set aside USD 4 million for this initiative in **Benin, Cameroon, Malawi** and **Niger**.
- 2.7. An inception phase was completed following the hosting of high-level political and technical workshops in **Benin, Cameroon, Malawi** and **Niger**. It will develop country specific work and implementation plans to train 1 600 youth in agro-business and incubate 200 young small and medium enterprises (SME).
- 2.8. The German government has provided EUR 35 million to NEPAD for the Skills Initiatives for Africa project, which will be introduced to **South Africa, Tunisia, Kenya, Nigeria** and **Cameroon**.

The Promoting Decent Rural Youth Employment and Entrepreneurship in Agriculture and Agribusiness project plans to train **1 600** youth in agro-business and incubate **200** young small and medium enterprises

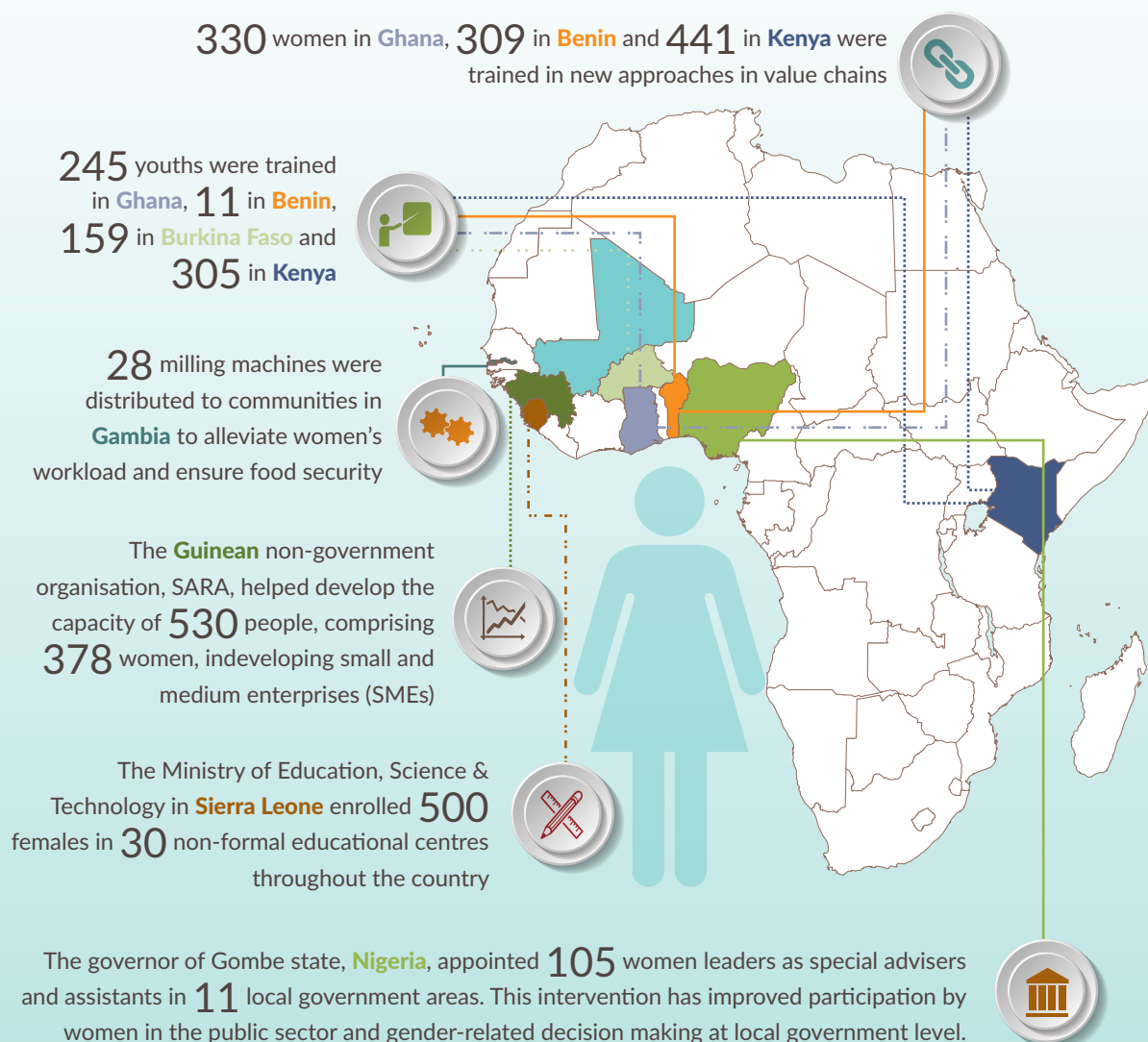


2.9. To empower women in agriculture and agri-business, the NPCA, with support from the German government, has finalised a plan to implement the Women in Agriculture Technical Vocational Education and Training (ATVET) Project.

2.10. A total of 330 women in **Ghana**, 309 in **Benin** and 441 in **Kenya** were trained in new approaches in value chains.

2.11. Up to 245 youth were trained in **Ghana**, 11 in **Benin**, 159 in **Burkina Faso** and 305 in **Kenya**. Meanwhile, the development of curricula

Programmes to empower women and the youth



is under way in **Togo** and **Malawi**, where training is planned to start in 2017.

2.12. The National Coordination of Women Entrepreneurs (CFEMA) in **Mali** was strengthened providing its members with the skills they need to become involved in inter-African trade and export.

2.13. The Women's Bureau of the Government in **Gambia** helped establish an agro-processing factory and procured 28 milling machines for distribution in 28 communities in the country. This has alleviated women's workload and ensured food security in communities.

2.14. A partnership between the non-government organisation, DIMOL, and the Ministry of Health in **Niger** replaced with helped rehabilitate women sufferers of fistula. Interventions included introducing reconstructive surgery capabilities at four theatres in Niamey, Tahoua, Zinder and Maradi.

2.15. A bio-technology unit for farming and animal vaccines was developed for AGEN in **Niger**. Poultry and rice farming in Cote d'Ivoire was stimulated and Senegal benefitted from five multi-functional platforms, five electric oil presses, five electric pellets and five tri-cycles.

2.16. Access to finance was facilitated and rural micro-credit schemes developed. A mobile banking system provides micro-credit services to women in remote areas of the North Bank region of **Gambia**. The Ministry of Gender of Liberia used the facility to finance 300 rural women from 30 communities, as well women victims of violence in NSF safe houses in five counties.

2.17. Support was provided to the **Cape Verde** government institution, Instituto de Emprego e Formação Profissional de Cabo Verde, to create a business incubation centre on San Vicente Island. This credit guaranteed scheme provides





access to self-employment opportunities, as well as improved job prospects for young vulnerable women.

- 2.18. The **Guinean** non-government organisation, SARA, helped develop the capacity of 530 people, comprising 378 women, in developing small and medium enterprises (SMEs).
- 2.19. ASMADE, the non-government organisation in **Burkina Faso**, supported the Association of Women in informal catering services to create 45 registered micro enterprises.
- 2.20. The Ministry of Education, Science and

Technology in **Sierra Leone** enrolled 500 females in 30 non-formal educational centres throughout the country. They receive numeracy, business development and literacy skills training, as well as financing to start SMEs.

- 2.21. In **Nigeria**, the governor of Gombe state appointed 105 women leaders as special advisers and assistants in 11 local government areas. This intervention by non-government organisation, RUDAN, has improved participation by women in the public sector and gender-related decision making at local government level.



3 REGIONAL INTEGRATION: INFRASTRUCTURE AND TRADE

ABOUT

The programme prioritises continental integration and infrastructure development to increase mobility, thus increasing employment, as well as trade and socio-economic development. Its priority framework is the Program for Infrastructure Development in Africa (PIDA), which addresses the infrastructure deficit that blights the continent's industrialisation and international competitiveness. Outcomes focus on trade facilitation, as well as the roll-out of energy, transport, water and ICT infrastructure.

QUICK FACTS:

Programme Footprint



Key continental results:
MoveAfrica and Continental Business Network

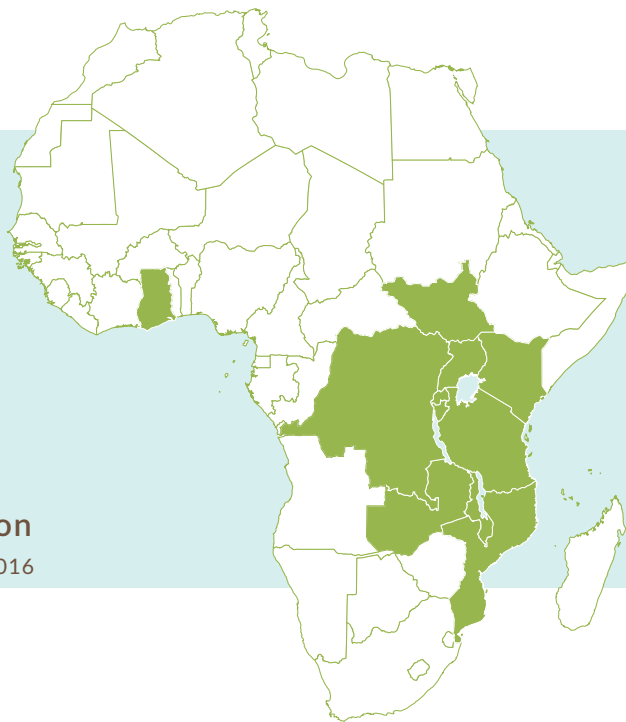


11 countries and 5 RECs



Executed budget: USD 1.8 million

Data as of Sept 2016



Continental-level results

- 3.1. In May, NEPAD launched the MoveAfrica initiative to support and complement current corridor projects that enhance intra-African trade. The initiative connects PIDA projects and one-stop border posts (OSBP), as well as trade facilitation initiatives, such as the AU's Boosting Intra-African Trade (BAIT) programme and the Accelerating Industrial Development of Africa (AIDA) framework. It wants to transform the continent's trans-boundary transport and logistics sectors and therefore reduce costs and increase efficiency for African manufacturers.
- 3.2. The Agency successfully organised the second Continental Business Network forum in May, providing a platform for high-level representatives from the private and public sectors to accelerate PIDA project execution. The meeting explored solid ways to mitigate risk in trans-boundary infrastructure projects.

It explored the critical role of the private and public sectors in "de-risking" PIDA projects, an important step towards securing long-term affordable finance for regional infrastructure projects. A total of 21 council members, including senior private sector representatives, partners of the NPCA, development finance institutions and international development agencies, have been nominated as members of the Continental Business Network (CBN) Council. The meeting was over-subscribed by "captains of industry", mirroring the private sector's growing appetite for investing in PIDA projects.

- 3.3. The Virtual PIDA Implementation Centre (VPIC) and Africa Infrastructure Database (AID) were enhanced, while RECs were trained in improved data collection, bolstering their capability to generate frequent and quality information on PIDA projects.

Regional-level results

3.4. The NPCA has deployed six technical experts to SADC, EAC, ECCAS, ECOWAS and COMESA, as well as to the Intergovernmental Authority on Development (IGAD) and the Central Corridor Transit Trade Facilitation Agency (CCTTFA). Two ICT and energy specialists were seconded to the NPCA. This will build capacity in the RECs to accelerate the PIDA Project Action Plan (PAP). NEPAD has finalised the implementation arrangements of the PIDA Capacity Building Project (CAP) with six RECs.

3.5. The government of Zambia and SADC are fast-tracking the Zambia-Tanzania-Kenya (ZTK) Power generation Transmission Project with the support from the NPCA. An inter-governmental memorandum of understanding (IGMOU) is now in place providing the framework under which the project should be developed. The first phase, namely the Kenya-Tanzania interconnection, was to be finalised by December 2016. Meanwhile, the second phase, the Tanzania-Zambia inter-connection, will be commissioned by December 2018. Completion of this project will



expand and strengthen power markets on the continent by connecting the Eastern African Power Pool (EAPP) and Southern African Power Pool (SAPP).

- 3.6. Through the PIDA CAP, the Agency is supporting the acceleration of the pilot project on the Beira North South Corridor (NSC) Multi-Modal Development, based on lessons learnt from the CCTTFA. SADC and NPCA convened a task force and Ministerial Meetings that were held from 30 May to 3 June 2016 to prepare legal frameworks and a detailed roadmap to outline the acceleration process. It also involved the identification and prioritisation of projects for consideration and endorsement by the ministers on 3 June 2016. Thereafter, the projects were showcased after packaging at a high-level investor forum in October 2016.
- 3.7. The Agency supported the CCTTFA: Development finance institution (DFIS)/Donor roundtable. It sought financing needed to accelerate the implementation of 18 of the 23 projects that were identified by the regional task force of the CCTTFA member states, namely **Burundi, Rwanda, Tanzania, DRC** and **Uganda**, in March 2015. These projects were presented using the

newly adopted Quality at Entry Criteria (QaE) for validation of NEPAD International Professional Practices Framework (IPPF). The CCTTFA projects database will be connected to other PIDA platforms, such as the Africa Infrastructure Database (AID) and VPiC. Using the service delivery mechanism, NEPAD has initiated further engagement with CCTTFA to provide accelerated support and financial closure.

- 3.8. The Agency supported the review and validation of the terms of reference for the development of the Intergovernmental Authority for Development (IGAD) Regional Infrastructure Master Plan (IRIMP).
- 3.9. Through its service delivery mechanism (SDM), the NEPAD Agency supported the Abidjan-Lagos Corridor in early stage project preparation by providing advisory services to the ECOWAS Commission and the five project member states. They include **Côte d'Ivoire, Ghana, Togo, Benin** and **Nigeria**.
- 3.10. The PIDA CAP project provided support to EAC, ECOWAS and SADC to validate the project pipeline and develop roadmaps for the implementation of priority PIDA projects.

National-level results

- 3.11. NEPAD experts visited **Ghana** to assess and support the Ghana 1000 project, focusing on legal, policy, finance and structural challenges and opportunities. The team reviewed gas supply agreements, and will provide further support to the Public Utilities Regulatory Commission for tariff modelling for a new energy mix in the country. This will support Ghana's ambitions

of becoming a net exporter of energy by 2020.

- 3.12. Infrastructure for Skills Development (IS4D) trained 65 participants from 17 public sector agencies in the **DRC, Uganda, Kenya, Tanzania, Malawi, Mozambique, South Sudan** and **Zambia**. This was done across two cohorts in 2015 and 2016.



4 INDUSTRIALISATION: SCIENCE, TECHNOLOGY AND INNOVATION

ABOUT

A key focus point of the programme is the harmonisation of country and regional-level industrialisation policies to ensure synergies with continental-policy frameworks. Capacity enhancement in science, technology, innovation, health and education are integral to support a revolution in science, technology and innovation (STI) skills and capabilities. The main frameworks that are being implemented by the programme include the Science, Technology and Innovation Strategy for Africa (STISA 2024), African Health Strategy, Pharmaceutical Manufacturing Plan for Africa (PMPA), Continental Education Strategy (CESA) and Accelerated Industrialisation Development for Africa (AIDA).

QUICK FACTS:

Programme Footprint



Key continental results: HLP on Emerging Technologies, African Health Strategy and Grand Challenges Africa



20 countries and 3 RECs



Executed budget: USD 1.9 million

Data as of Sept 2016



Continental-level results

- 4.1. The African Union High-level Panel on Emerging Technologies was appointed. It will advise the AU and its member states on how to harness emerging technologies for economic development. The panel will also recommend the type of regional institutional arrangements to promote and sustain common regulatory approaches, while proposing a strategy and policy on emerging technologies.
- 4.2. The NPCA is co-operating with Japan to promote Kaizen in Africa. This Japanese term means “improvement” and involves the adoption of innovation by the entire workforce of companies to improve their productivity. Technical support has been provided by the Japan International Cooperation Agency (JICA), and seven Kaizen projects are being implemented in **Tunisia, Ghana, Cameroon, Ethiopia, Kenya, Tanzania** and **Zambia**, while one was completed in **Egypt**. A total of 25 African countries have

benefited from training in Kaizen-related programmes with about 60 African officials having benefited from annual training in Japan and Malaysia. The NPCA has also engaged with the government of Japan to take Kaizen to the next level on the continent. At the Tokyo International Conference on African Development (TICAD) IV held in August 2016 in Nairobi, **Kenya**, the NPCA and government of Japan launched a project to roll-out Kaizen elsewhere in Africa. The NPCA is also meeting with JICA to mainstream Kaizen on the continent by establishing centres of excellence that are to be established in all of the regions.

- 4.3. The NPCA worked with the AUC’s Department of Social Affairs to co-ordinate the preparation of the African Health Strategy (AHS) 2016-2030, adopted at the July 2016 Summit. It details an operational approach to meet the aspirations of Agenda 2063 and specifically monitors

the targets of the first 10 year implementation plan, in terms of the health and well-being of the African population.

- 4.4. The NEPAD Agency, working with the African Union Commission (AUC) and Pan African parliament, developed a Model Law on Medical products Regulation, which was adopted by the AU Summit of January 2016. It complements and facilitates the implementation of the African Medicines Regulatory Harmonisation (AMRH) programme and guides countries in reviewing their national laws. It will also facilitate their establishment of semi-autonomous national medicines regulatory agencies (NMRA's).
- 4.5. The Agency is assessing various technologies that will benefit AU member states. It

consulted experts to develop a formulation framework to guide regulation of technologies to control vectors that transmit infectious disease, including malaria, Zika virus disease and Chikungunya. Confined field trials for the vectors will be piloted in **Burkina Faso, Mali and Uganda.**

- 4.6. The NEPAD Agency, the African Academy of Science, Bill and Melinda Gates Foundation, Department for International Development and Wellcome Trust launched Grand Challenges Africa (GCA) under the Alliance for Accelerating Excellence in Sciences in Africa. GCA will provide USD 2 million towards research programmes to address African health challenges through a competitive grant scheme.



Confined field trials for vectors, including malaria, Zika virus disease and Chikungunya, will be piloted in Burkina Faso, Mali and Uganda.



4.7. Building on the AU and RECs strategies and roadmaps on industrialisation, the Agency has partnered **South Africa's** Council for Scientific and Industrial Research (CSIR) to develop an operational framework on technology. This will result in a roadmap for countries to achieve the short-, medium- and long-term industrialisation targets for the continent.

4.8. The African Medicines Agency (AMA) will be established within the context of the African Medicines Regulatory Harmonisation (AMRH) and as part of the Pharmaceutical Manufacturing Plan for Africa (PMPA) framework. The AU Executive Council also endorsed the milestones for

AMA's creation and tasked NEPAD Agency, AUC and the World Health Organisation (WHO) with defining the scope of the medical products to be covered. The AMA task team also developed a legal and institutional framework, business plan and financial implications of the development.

4.9. Health and education indicators were used as pathfinders for institutionalising sexually transmitted infection (STI) indicators. The indicators play a key role in informing the status of health and wellbeing on the continent. The NEPAD Agency is helping align reporting through common health indicators and contributing towards the *African Statistical Yearbook*.

Regional-level results

4.10. A draft SADC Framework on STI surveys and indicators was adopted by SADC member countries. The Agency and African Observatory on Science, Technology and Innovation (AOSTI) were identified as member institutions of the SADC STI Technical reference group to support the implementation of the Regional Indicative Strategic Development Plan 2015-2020 (RISDP 2015-2020).

4.11. Together with AMRH partners, the West Africa MRH project was launched in February 2015, and included the establishment of a joint MRH programme steering committee, as well as the formation of seven Technical Working Groups (TWG). A framework of collaboration between West African Health Organisation (WAHO) and West African Economic and Monetary Union (WAEMU) and a three year plan of action was drafted. Initial funding of USD 3 million for the programme is being concluded to support work in West Africa. WAHO and WAEMU common technical documents (CTDs) were harmonised with technical support from the WHO. The region will now develop technical guidelines to undertake regular functions among the ECOWAS countries.

4.12. The SADC Regulators Forum further endorsed the implementation of the AMRH Programme using the Zazibona approach. A total of 105 products have already been reviewed under the Zazibona Scheme. A total of 25 products were registered in **Botswana**, 13 in **Namibia**, 11 in **Zambia** and 20 in **Zimbabwe**. While 14 products were recommended for non-registration, 61 are pending responses from manufacturers. The SADC guidelines for registration of medicines and the common technical document format are aligned to the EAC Model. This was achieved through a collaborative framework between

the SADC Secretariat, NEPAD, World Bank and the WHO.

4.13. A second meeting was convened in April 2016 and resulted in the establishment of the IGAD MRH Steering Committee, TWGs and a coordinating unit as part of IGAD Health and Social Development Department. In addition, the NMRAs agreed to:

- establish a sustainable financing mechanism for the IGAD Regional programme,
- build the capacity of the IGAD secretariat and its member states to ensure effective co-ordination and implementation of the programme,
- establish an integrated information management system that connects all authorities and facilitates joint activities and the development of a website for sharing information,
- initiate a phased approach for harmonisation of the regulation of medicines, based on the priorities identified in the IGAD member states, and
- support the development of an overarching regional pharmaceutical policy and to adopt modern legislative frameworks, based on the AU Model Law.

Furthermore, it was agreed that the IGAD regional Medicines Regulatory Collaboration and Harmonization Program be hosted by the Sudanese government.

4.14. The SADC Innovation Outlook report was published as part of the consolidated SADC Statistic Yearbook (SSYB).

4.15. The SADC Secretariat, NPCA and African Observatory of Science, Technology and

Innovation (AOSTI) agreed to involve national statistic offices to assume full responsibility of STI data collection. This will be done together with ministries responsible for STIs.

4.16. The coming into force of the harmonised guidelines for registration of medicines in the EAC region in January 2015 allowed NMRAs in **Kenya, Uganda, Tanzania** (mainland) and **Tanzania** (Zanzibar), **Rwanda** and **Burundi** to authorise 643, 152, 58, four, 30 and five products, respectively. In addition, four products have been authorised by the NMRAs of **Kenya, Uganda** and mainland **Tanzania** through joint assessments conducted at regional level. Meanwhile, harmonisation of guidelines and standards for the inspection of pharmaceutical manufacturing sites has led to the assessment of nine manufacturing sites in EAC, as well as **Egypt** and India. Five facilities have subsequently been approved.

These efforts are geared at accelerating the approval of medicines that meet internationally acceptable quality, safety and efficacy standards.

4.17. In SADC, an initiative, known as Zazibona, involving collaboration between **Zambia, Zimbabwe, Botswana** and **Namibia** started operating in 2013.

4.18. A joint steering committee of the WAHO and the WAMU approved a common technical document. It will aid in the development of harmonised guidelines for registration of medicines in ECOWAS.

4.19. A steering committee was launched to implement the medicines regulatory harmonisation (MRH) Project in the Economic and Monetary Community of Central Africa (CEMAC). It manages the implementation of joint activities in **Cameroon, The Republic of Congo, Gabon,**

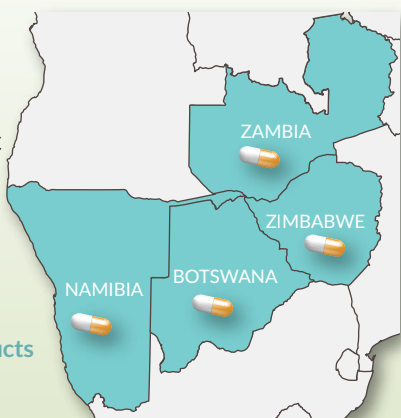
Harmonised registration of medicines by national medicines regulatory agencies



The Zazibona Scheme is a SADC collaboration between Zambia, Zimbabwe, Botswana and Namibia, it started operating in 2013.

Number of products registered:

- 25** in Botswana
- 13** in Namibia
- 11** in Zambia
- 20** in Zimbabwe



14 products were recommended for non-registration, 61 are pending responses from manufacturers.



The harmonised guidelines for registration of medicines in the EAC came into force in January 2015

Number of products authorised:

- 643** in Kenya
- 152** in Uganda
- 58** in Tanzania (mainland)
- 4** in Tanzania (Zanzibar)
- 30** in Rwanda
- 5** in Burundi



Equatorial Guinea, the Central African Republic and Chad. It serves as an entry point for the implementation of the MRH Project in the ECCAS.

4.20. A continental Expert Working Group (EWG) on standards for good manufacturing practice was inaugurated in May 2016 to assess existing plans and align national and regional approaches. This is in line with the African Medicines Regulatory Harmonization Framework and the Pharmaceutical Manufacturing Plan for Africa (PMPA). Consequently, the RECs have started implementing innovative national and regional certification schemes for compliance with good manufacturing practices. These include state mechanisms for protecting and incentivising local manufacturers to ensure sustainability of supply of medical products, while complying with universal good manufacturing practice

standards. The RECs include the EAC, SADC and ECOWAS.

4.21. The AU/NEPAD Southern African Network of Water Centres of Excellence (SANWATCE) launched the AU/NEPAD SANWATCE WARFSA aligned Research Grant. It provides 10 bursary opportunities for post-graduate researchers from the AU/NEPAD member institutions to conduct research that is aligned with the SADC Water Research Agenda. The value of the funding is ZAR 180 000 per institution over a two-year period, and includes a ZAR 30 000 conference grant to present research findings in the second year.

4.22. SANBio, a NEPAD Agency Centre of Excellence on Health and Nutrition, was reconfigured to effectively implement the Science, Technology and Innovation Strategy for Africa (STISA-2024).

National-level results

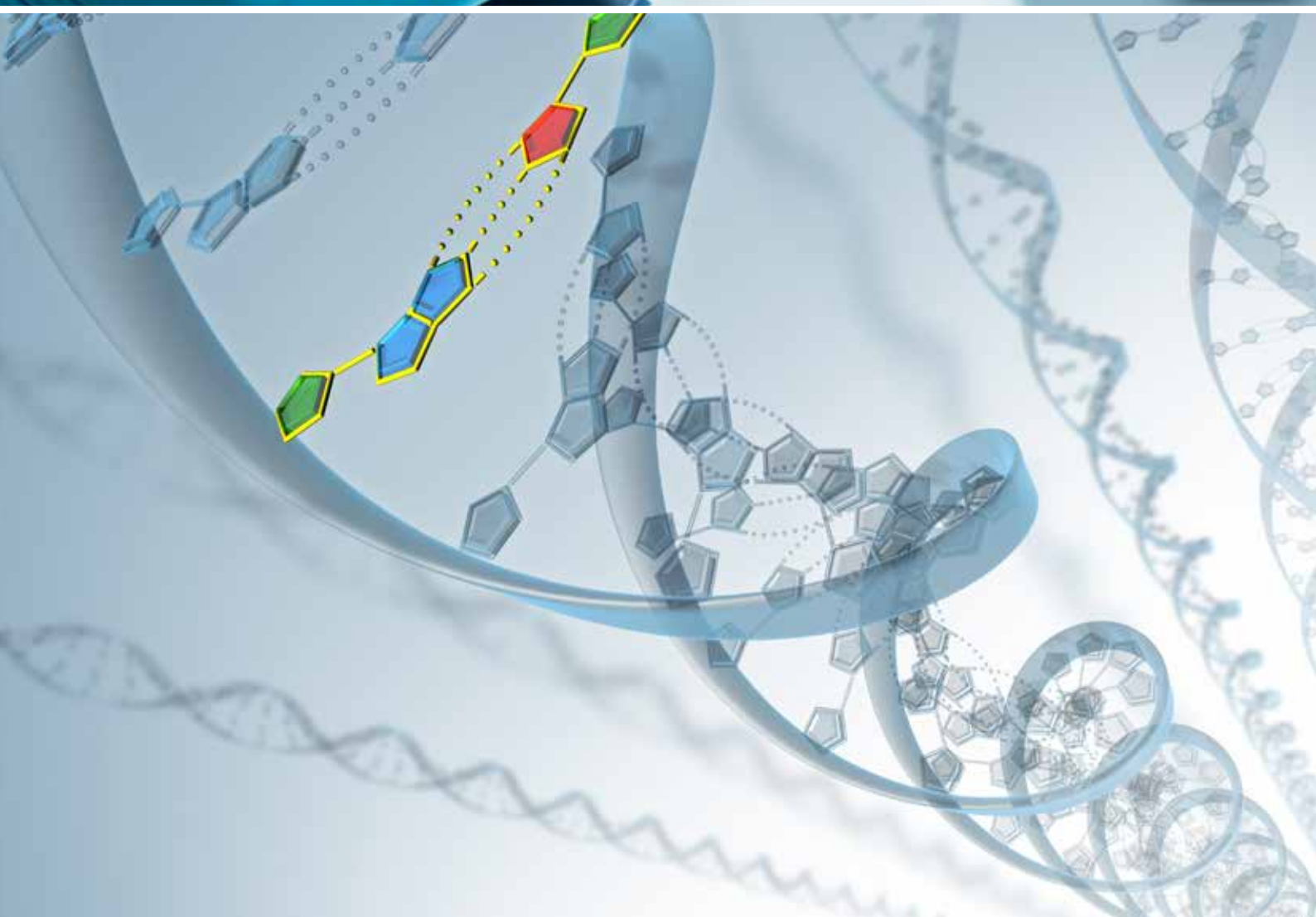
4.23. The Agency worked with the governments of **Lesotho, Malawi, Mozambique and Zambia**, to appraise and negotiate the Southern Africa Tuberculosis and Health Systems Support Project TB project, which will be funded by the World Bank. The USD 122 million project was approved for funding on 26 May 2016. During its implementation, the NEPAD Agency will support these countries by providing knowledge, co-ordination and harmonisation services.

4.24. The Agency has engaged RECs and their member states to initiate African Union Model Law on Medical Products Regulation implementation at regional and national levels. Detailed Model Law implementation plans have been developed for West African countries through ECOWAS-WAHO and Central Africa. In addition, a number of countries have used the Model Law to review their own national laws. They

include the **Cote d'Ivoire, Seychelles, Zimbabwe, Lesotho, Namibia, Swaziland and Tanzania.** The **DRC** has also expressed interest in using the Model Law to review its national legal framework for regulation of medicinal products.

4.25. The SANBio Hub and **Botswana's** National Food Technology Research Centre (NFTRC) signed a memorandum of understanding to address skills gaps on agro-processing in the region. A capacity building agro-processing workshop was conducted through the SANBio Hub Bio manufacturing Industry Development Centre (BIDC).

4.26. The African Biosafety Network of Expertise continues to build functional biosafety systems in the AU member states. The programme covers 16 countries, including **Nigeria, Ghana, Kenya, Uganda, Malawi, Togo, Swaziland, Zambia, Ethiopia, Tanzania, Sudan and Burkina Faso.**



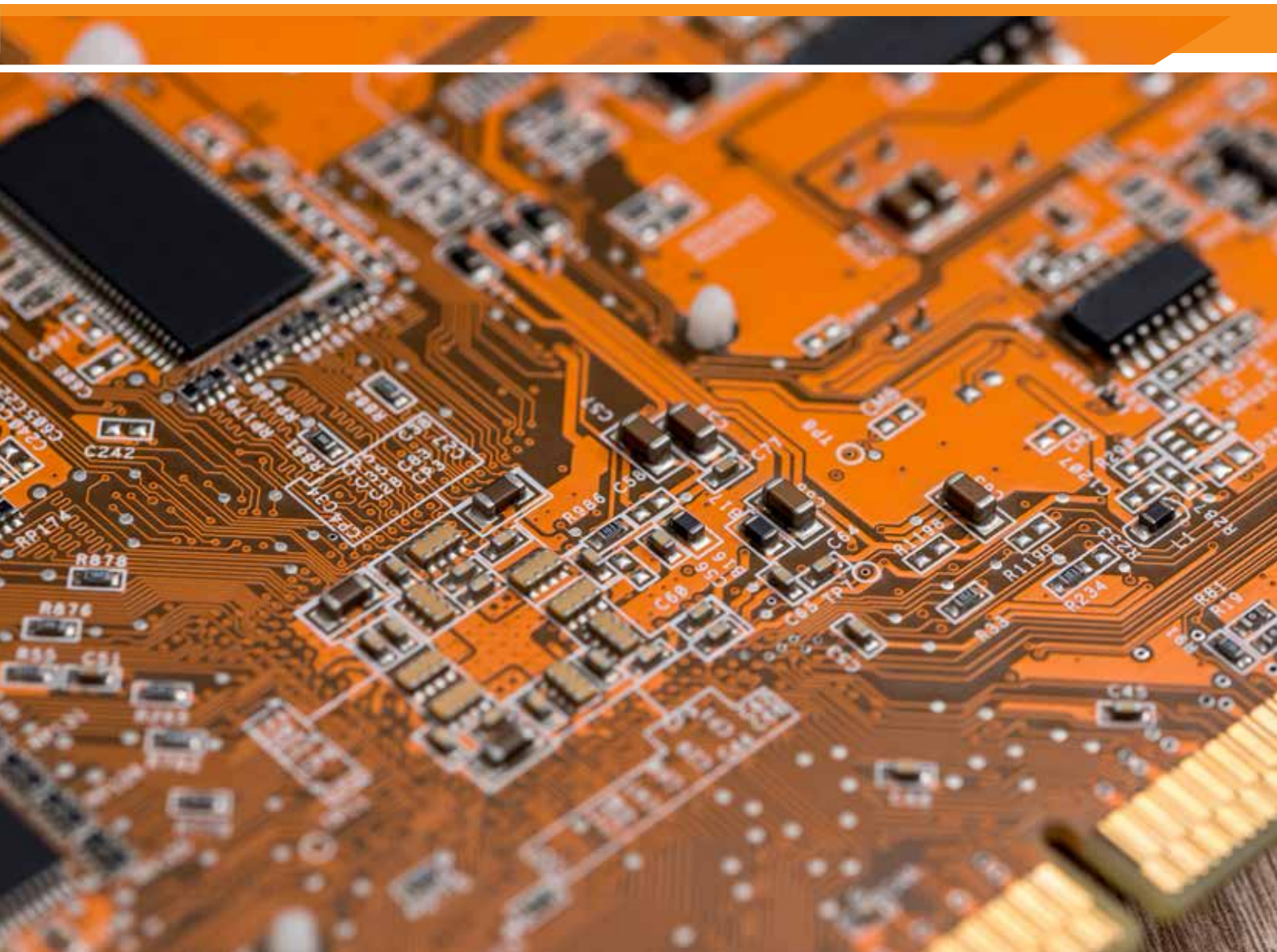
4.27. Regulators and researchers from **Kenya, Mali** and **Burkina Faso** were trained in assessing risks associated with emerging technologies, such as gene drive and gene editing.

4.28. The third phase of the Science Technology and Innovation Indicators started in 2014 to increase the number of countries with the capacity to collect and analyse such indicators from 35 in 2014 to at least 50 by 2017. A total of 47 countries now have this capability. On-site training sessions were held in two countries,

namely **Gambia** and **Seychelles**.

4.29. A total of 42 officials, 27 women and 15 men, in **Gambia** were trained in research and development (R&D) and innovation data-collection methods for STI surveys.

4.30. Up to 14 officials, including eight females and six males, in the **Seychelles** were trained in R&D and innovation data collection methods for STI surveys. A draft National STI Policy for the **Seychelles** was also reviewed with support from the Agency.



5 PROGRAMME MANAGEMENT OFFICE

- 5.1. An integrated Standard Operating Procedure was developed to enhance organisational effectiveness through standards, governance and efficient delivery of targeted results.
- 5.2. A fully integrated SAP system was implemented, which includes project-cycle, human-capital and procurement supply-chain management, as well as finance, budget cycle and business intelligence for M&E. It will be integrated with the AUC in the foreseeable future.

- 5.3. A framework for knowledge management was developed, and a handbook is being drafted. Subsequently, regional-level training sessions in knowledge management were conducted in SADC, ECOWAS and COMESA.
- 5.4. NEPAD staff were trained in knowledge management. Staff was equipped with skills needed to mainstream knowledge creation, sharing and application in programme-cycle management. Various knowledge products were produced. A total of 15 Fisheries Policy Briefs were packaged, aimed at accelerating the implementation of the pan-African Fisheries and Aquaculture Policy Framework and Reform Strategy.
- 5.5. Core indicators for Agenda 2063 FTYIP were selected and profiled. Each of the indicators are a prerequisite for ensuring standardisation of data collection, analysis and reporting protocols among AU member states. Collaborating closely with the AU, the agency also developed a handbook for the AU to accelerate the M&E cycle for the FTYIP.
- 5.6. An improved method for tracking data was developed. The method, based on the profiled set of indicators of Agenda 2063, will be tested and rolled out in a group of countries in the second quarter of 2017.
- 5.7. Partnerships have been forged with various institutions in the fields of long-term scenario, foresight and territorial planning, using remote-sensing technologies. A method deploying a set of instruments is being built and will be introduced to the RECs and by member states to help them plan and monitor processes when implementing national and regional development plans aligned to the First Ten Year Implementation Plan of Agenda 2063.





6 BUSINESS SERVICES CENTRE

HUMAN CAPITAL MANAGEMENT

- 6.1. A total of 10 vacancies were advertised in August 2016, namely two P5, one P3, three P2 and four GS. Shortlisting of the prospective candidates was undertaken and interviews conducted in November.
- 6.2. In addition to the implementation of the approved NPCA Structure, the division also coordinated

and facilitated the recruitment and selection for 37 positions for the various projects and programmes. A total of 24 new staff members

were appointed in the NPCA. Recruitment and selection is under way to fill the remaining 13 posts.

PROCUREMENT AND SUPPLY CHAIN

- 6.3. A procurement assessment was conducted in April 2016 to evaluate the performance of the Procurement Division to meet the demands and requirements of programmes and projects. The assessment also included a procurement compliance element to determine the effectiveness of internal controls under the new Enterprise Resource Planning (ERP) system and the SAP.
- 6.4. The results of the procurement assessment led to the implementation of the findings to expand the function of the division. The Head

of the Procurement, Travel and Stores Division from the AUC was seconded to the division and more people will be employed to support procurement and supply-chain management. Mandates include enhancing compliance and zero audits, improving efficiency and ability to service the projects and programmes of the agency. The procurement and Supply Chain Management division implemented a Roadmap to improve its services to the NEPAD Agency, while implementing the union's overall procurement strategy

ADMINISTRATION

- 6.5. The Agency moved to a new 4 500 square metre premises with 91 closed offices and many more open offices. Meeting rooms, as well as an auditorium, conference centre and canteen will be completed by the first quarter of 2017. The Agency's office also hosts APRM and Grow Africa.

- 6.6. The Agency has upgraded its information and technology infrastructure with the installation of fibre-optic cables to ensure fast and reliable internet connectivity. In addition, a self organising network (SON) IP-based telephonic system and VoIP telephonic broker was installed.





7 FINANCE AND BUDGET CYCLE

- 7.1. The approved budget for the NPCA for the 2016 financial year is USD 8 871 755 for operations and USD 25 013 738 for programmes.
- 7.2. A total of USD 5 812 184 was received as the subvention from the AU during the three quarters of the financial year. An amount of USD 18 271 688 was released against the programmatic budget.
- 7.3. The actual expenditure against the allotment, which was requested from the AUC as at 30 September 2015, amounts to USD 5 281 830. This represents 60% of the overall budget and 91% of the subvention received.

The spending per category is provided in the table below:

CATEGORY	BUDGET	EXPENDITURE	EXECUTION RATE
Staff	4 841 117	4 242 617	88%
Operating	901 656	1 039 213	115%
CAPEX	69 411	-	
Operations Total	5 812 184	5 281 830	91%
Programmes	13 674 937	6 086 507	45%
Total	24 083 872	11 368 337	47%

7.4. The low staff costs can mainly be attributed to the delay in recruiting and on-boarding. At least 12 core positions were advertised during August 2016 on NEPAD's website and the vacancies closed in October 2016. It is, therefore, not expected that the total budget execution rate will be achieved at year-end for the category staff costs.

7.5. In terms of operating costs, execution exceeded the budget, but more funds will be replenished within the approved budget.

7.6. All of the earmarked capital items for purchase were procured during the fourth quarter of the year.

7.7. Programmatic delivery stood at USD 6 million by the third quarter of the year. This is expected to significantly increase during the last quarter of the year to at least USD 10 million.



8

FINAL REMARKS AND THE WAY FORWARD

The Agency's bold primary purpose to transform Africa is now more critical, considering evolving global priorities, increasing demand for effective management of resources within and across frontiers, as well as the commitment to achieve development goals.

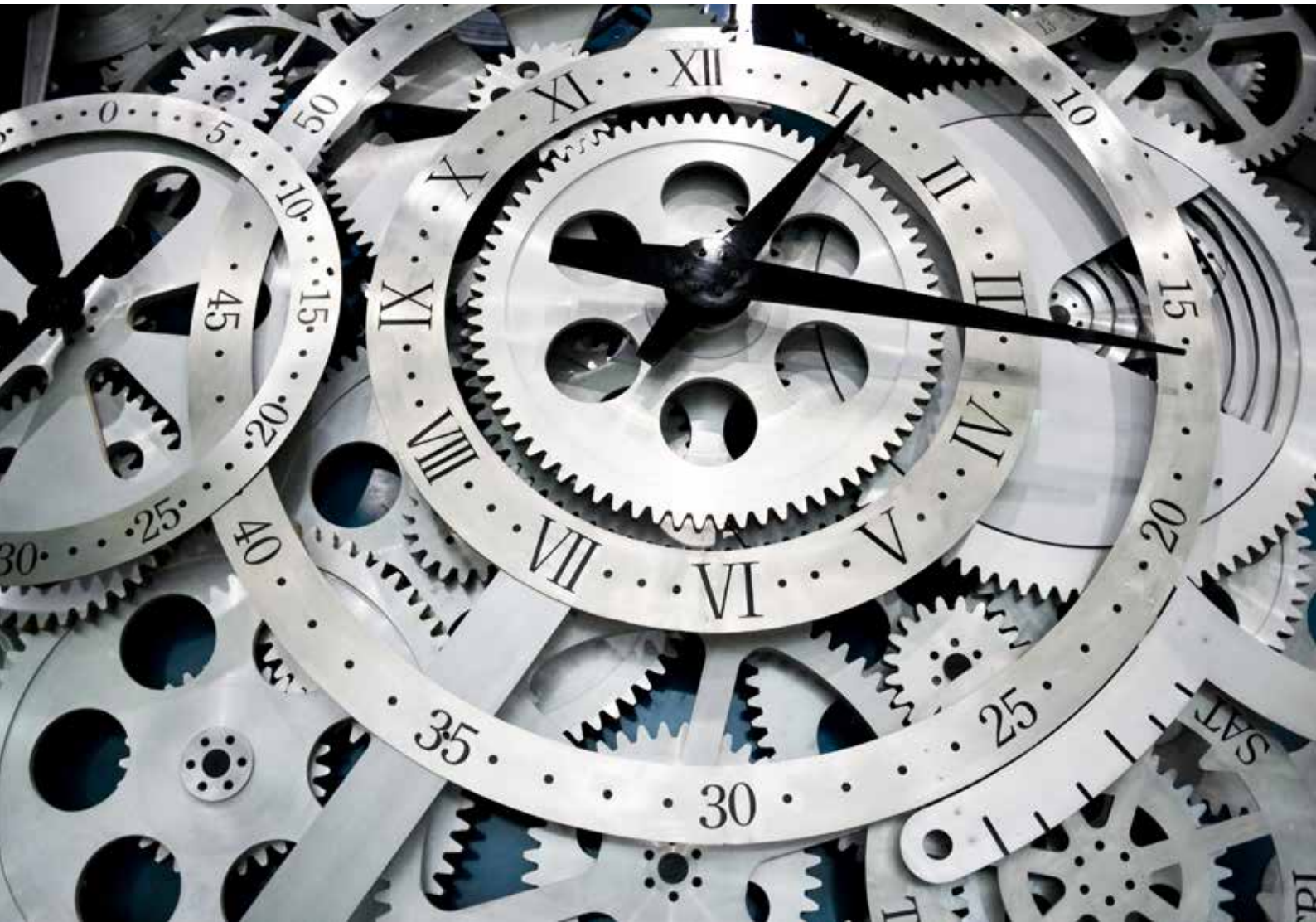
The Agency continues to play an important role in the acceleration of Africa Transformation Agenda, which is enshrined in the first 10 year implementation plan. Overall, it is building its adaptive capacities for

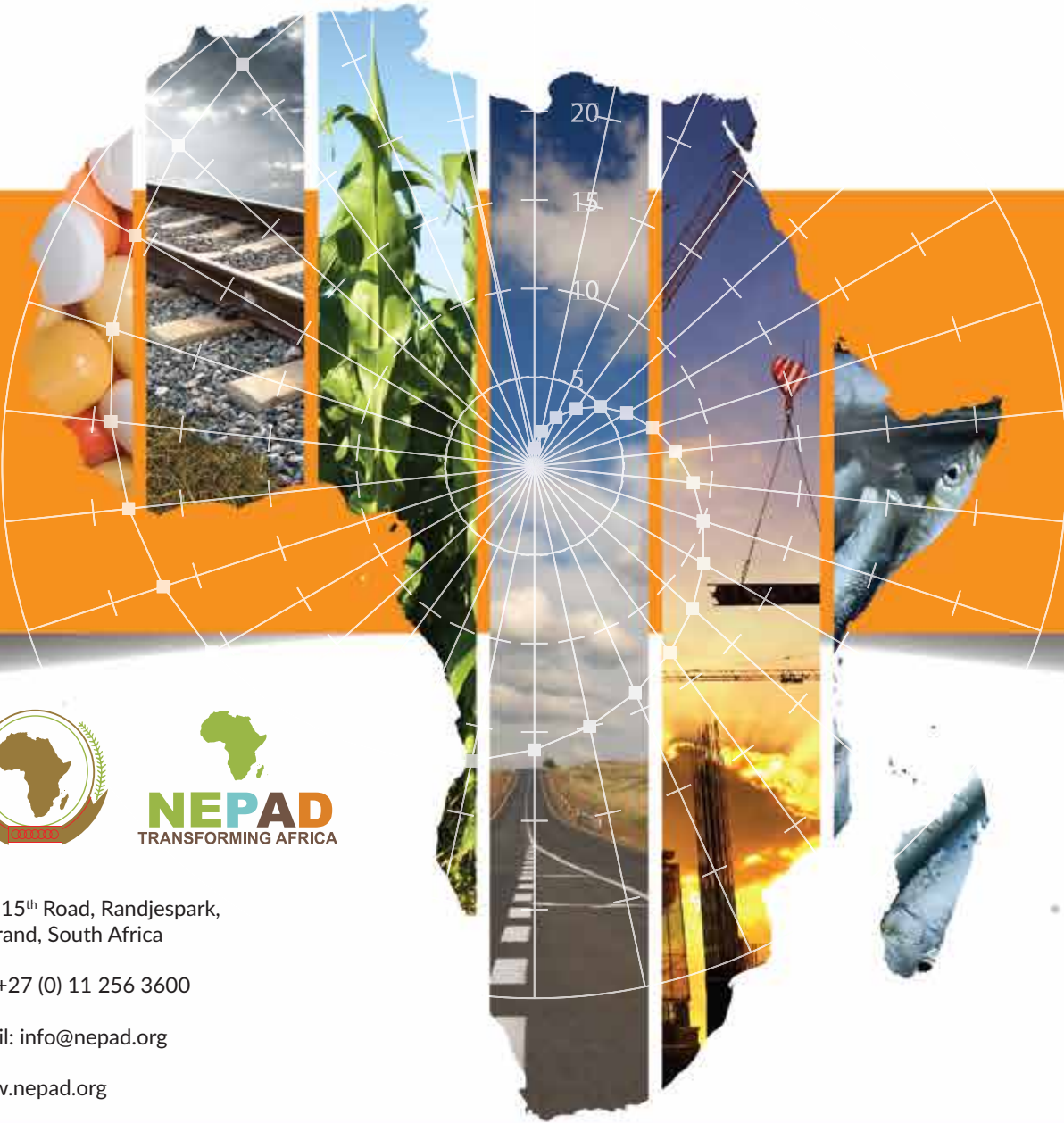
integrated delivery of co-ordination results at the national, regional, and continental levels.

Deployment of an integrated system (ERP SAP) has significantly strengthened accountability frameworks by setting standards, enhancing governance and efficient delivery with diligent oversight. It has also been instrumental in the efficient management of a collection of projects under the investment programme framework, driven and prioritised by the

goals and aspirations of Agenda 2063.

The agency has developed an integrated Standard Operating Procedure (SOP) that is fully compliant with AU policies and principles. This includes smart procedures, operational excellence, access to development partners, precision implementation and results, provenance and accountability, enduring partnerships, evidence-based insight and knowledge.






NEPAD
TRANSFORMING AFRICA

230 15th Road, Randjespark,
Midrand, South Africa

Tel: +27 (0) 11 256 3600

Email: info@nepad.org

www.nepad.org