



# African Economic Research Consortium

ANNUAL REPORT

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Consortium pour la Recherche Economique en Afrique





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\*\*Up to June 2016



# African Economic Research Consortium

Consortium pour la Recherche Economique en Afrique

## Annual Report 2016/17

For the period 1 April 2016 to 31 March 2017



AERC Annual Report 2016/2017

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# The African Economic Research Consortium

## Vision

Sustained development in sub-Saharan Africa, grounded in sound economic management and an informed society.

## Mission

To strengthen local capacity for conducting independent, rigorous inquiry into problems pertinent to the management of African economies, through a synergetic programme combining research with postgraduate training in economics.

## Objectives

- i. Enhance the capacity of locally-based researchers to conduct policy-relevant economic inquiry.
- ii. Promote the retention of such capacity, and
- iii. Encourage its application in the policy context.



## Foreword

*Prof. Lemma W. Senbet,  
Executive Director, AERC*

It is with great pleasure that I present to you the African Economic Research Consortium's (AERC) Annual Report. This report draws a curtain on the financial year 2016/17, and accounts for the performance of the organization against our Strategic Plan 2015-2020, during the second year of its implementation. The report reflects the key milestones achieved by AERC in its quest to enhance capacity building in the advancement of research and training to inform economic policies in Africa. The novel features of the current strategy are inclusive capacity building and quality enhancement; regional and global linkages; private sector engagement; enhanced visibility and policy impact; and promoting African stakeholder-ship and long-term sustainability of AERC. The strategy is informed by the evolving needs and current development imperatives in Africa.

Although the primary purpose of this report is to provide stakeholders with an accurate description of the AERC's activities during the fiscal year, we recognize that the report is also a valuable source of information. In preparing the report, therefore, we have endeavoured to provide readers with a useful and informative picture of AERC's performance over the past twelve months. When we look back at the year, a number of key events and themes stand out and define AERC.

As this report underscores, AERC has introduced an innovated bridge programme, a free standing institutional setting intended to address under representation by virtue of gender, language barrier, and fragile/post conflict status. This inclusive capacity building framework is enshrined in the current AERC Strategic Plan 2015-2020. The specific aim, in the context of fragile and post conflict states, is to build capacity and enhance the participation of individuals and institutions from these countries in the AERC training and research programmes. A significant portion of these researchers have since submitted research proposals to the highly competitive thematic research programme (and some already accepted), and hence bridging into the higher level AERC capacity building programme. The success in the research arm has inspired implementation of the bridge in the training arm, and the execution is under way.

On Collaborative Research, the project on "Capital Flight from Africa" was completed and a book of the framework papers published by the Oxford University Press (OUP). AERC, in collaboration with NORAD, launched the book in Oslo, Norway, as part of broader dissemination of the work. Also based on the collaborative AERC-World Bank research on service delivery indicators, the Bank is currently engaged in a new Africa wide flagship initiative to track service delivery in education and health across countries and over time in a comparable manner. The Capacity for Service Delivery Indicators Project's (CSDI) objective is to expand the capacity for analysis and use of SDI data in national policy dialogue on education and health in Kenya, Nigeria, and Tanzania.

Under the training programme, the Collaborative Master's in Agricultural and Applied Economics (CMAAE) conducted an online course for blended learning facilitators under an online environment. Similarly, the very first joint Academic Advisory Board (and its sub-Committees) meeting was held in Mauritius during the period. The Collaborative Master's Programme (CMAP) and Collaborative PhD (CPP) Joint Facility for Electives (JFE) was carried out successfully at the Kenya School of Monetary Studies (KSMS) in Nairobi, Kenya.

As part of enhanced private sector engagement, I would like to underscore one new activity in this report; the first ever farmer training workshop for Ethiopian farmers by the AERC was conducted in Addis Ababa, Ethiopia. The farmer training session took advantage of farmers attending the thesis dissemination workshop. These workshops are designed to take farmers to the next level, beyond the policy implications of the theses dissemination workshops. The focus on this particular one was on "Farming as a Business" with efforts to impart skills on commercialization of African agriculture, which is predominantly subsistence.

Regarding policy outreach, in March 13-14, 2017 AERC organized and hosted the signature AERC Senior Policy Seminar on the theme "Industrialization in Africa" in Abidjan, Cote d'Ivoire. The region-wide seminar brought together 121 participants, primarily African policy-makers and advisors drawn from the highest levels of



government representing 24 countries. The senior policy seminar was an outstanding success, and generated a consensus communique adopted by African senior policy makers. This seminar was officially opened by Hon. Jean-Claude Brou, Minister for Industrialization and Mines, Cote d'Ivoire. This was a timely opportunity to explore policy options for accelerating the pace of industrialization on the continent.

The seminar drew on research by the AERC network, and on a multi-year research programme involving many AERC affiliates. It was jointly sponsored by the African Development Bank (AfDB), the Brookings Institution, and the United Nations University World Institute for Development Economics Research (UNU-WIDER). AERC senior policy seminars are forums designed specifically to bring together senior policy makers from sub-Saharan African countries to exchange experiences and deliberate on topical issues pertaining to sustainable development of their economies. Participants in these seminars are drawn from the highest levels of government, including the presidency, ministers, governors of central banks, heads of civil services, permanent secretaries and heads of government agencies and parastatals.

As a result of a large alumni base in the policy space, AERC has now cultivated considerable convening power. AERC's convening power and its vast network are key assets in drawing partnerships globally. The DFID-ESRC Growth Research Programme (DEGRP) and AERC brought together business, government and research stakeholders from Africa and beyond in a conference to explore attaining inclusive economies in low-income countries in Africa. The conference, which was attended by over 100 participants, was a forum for an intense dialogue based on rigor and evidence in the best of AERC traditions. It focused on leveraging agriculture, financial sector development, and innovation to build better economic opportunities for all.

The AERC Alumni Association (AERCAA) is now basically in place. This movement brings together individuals who have gone through the AERC capacity building and knowledge programmes. The key objective is to unify a strong voice for African Development and sustainability of AERC activities. This drive will enhance communication and Alumni retention. It is also expected to have a positive impact for resource mobilization. The AERC board has already approved an endowment fund to go with it.

AERC participated in the Sixth Tokyo International Conference on African Development (TICAD VI) Summit that was held on 26-28 August, 2016 in Nairobi, Kenya. In partnership with the Institute of Developing Economies, Japan External Trade Organization (IDE-JETRO), JETRO-Nairobi, and Overseas Development Institute (ODI), AERC mounted a successful side event on the theme "Industrialization, Private Sector Development and Economic Transformation in Africa: Challenges and Prosperity." Participants in this event included policy makers, diplomats, academia, as well as private sector actors.

We are deeply indebted to the longstanding funding partners, including DFID, SIDA, NORAD, BMGF, IDRC, AfDB, World Bank, USAID, DANIDA, and AICBF, most of whom have been with AERC since its inception about three decades ago, and have nurtured this organization. I am pleased to inform you that African governments and institutions have begun joining hands in our strategy for sustainability of this wonderful African success story. Among the key African institutions that support AERC are the African Central Banks, the Government of Kenya Treasury, and AfDB. Since the historic Livingstone Resolution of Central Banks in March 2015, three additional banks have become signatories to be members of the Consortium in accordance with the AERC bylaws. The growing African stakeholder-ship of AERC is further enhanced by the generous AfDB grant to AERC and a membership of Trade and Development Bank in the Consortium. Moreover, the Reserve Bank of South Africa has confirmed membership in the Forum, and it has already made its first disbursement. At the same time, an expansion plan for the Forum membership is under way to include two Francophone Central Banks.

Finally, we are pleased that AERC again emerged as among top International Development Think Tanks in the 2016 Global Index. AERC, which has consistently been ranked high over the last three years (between top 24 and 26), was placed at position 26 globally (top in Africa). Moreover, it is mentioned among the top in new categories, and particularly among the Best Independent Think Tanks internationally and among Think Tanks with the Most Significant Impact on Public Policy. This ranking programme involves 6,500 think tanks and other civil society actors worldwide in various categories, and it is conducted by The Think Tanks and Civil Societies Program (TTCSP) at the Lauder Institute, University of Pennsylvania.

Our success is the result of the work done by AERC Management and Staff as well as many network members and international resource persons throughout the globe who have provided dedicated contributions and support to AERC. My deep gratitude also goes to the Board of Directors as well as the Programme Committee members.

This annual report is a formal accountability document that details AERC's activities and outcomes during the 2016/17 fiscal year. We are proud to have been part of these achievements as we leap forward into the next fiscal year and move AERC into the next level of excellence.

Prof. Lemma W. Senbet,  
Executive Director,  
African Economic Research Consortium



# Overview

**T**he year 2016/2017 marks the second year of the implementation of the Strategic Plan, 2015-2020.

The Strategy, which was approved by the Board at its meeting in March 2015, is contextualized within the evolving African economic environment and challenges.

About thirty years since its establishment, AERC has fostered an enduring, integrated capacity building framework anchored in three pillars: research, collaborative graduate training and policy outreach, complemented by a vast network of institutions, researchers, resource persons, and policy makers. This is its primary niche. This niche has enabled AERC to address the gap between research and policy making, while contributing towards sustainable individual and institutional capacity building. Moreover, this report shows other distinctive features of AERC as follows:

**1. Demand:** There is growing demand for evidence-based policy in Africa and AERC has been and remains uniquely positioned to fill this demand. In fact, over the years AERC has cultivated considerable convening power.

## The 2015–2020 Strategic Objectives

1. Enhance capacity building for economic policy research and graduate training in sub-Saharan Africa.
2. Build and strengthen national, regional and global linkages to generate high quality economic policy research and graduate training.
3. Engage the private sector in mutually beneficial research and training activities to enhance innovation, and to deepen and broaden AERC capacity building.
4. Enhance AERC visibility, outreach and policy engagement to maximize the uptake of AERC products in policy.
5. Maximise mutual benefits through diversified resource base and stakeholder-ship for sustainability.

As discussed in the report, vehicles that AERC uses for the interface between research and policy include Africa-wide senior policy seminars and national policy workshops. The success of this modality is evidenced by strong participation of policy makers in AERC dissemination activities.



*Delegates who participated in the AERC Senior Policy Seminar XIX on “Industrialization in Africa.” The seminar was held in Abidjan, Côte d’Ivoire.*

**2. Innovation:** As part of its drive for excellence, AERC continuously innovates to enhance impact and relevance to its stakeholders. We provide two examples below.

(a) AERC has innovated the bridge programme, which is an integral component of the 2015/2020 strategic plan. The aim is to build capacity and facilitate the participation of individuals and institutions from post-conflict and fragile states in AERC training and research programmes. Early success of this is the research bridge programme, which has capacitated about 40 researchers from these countries. A significant portion of these researchers has since submitted research proposals to thematic research, thus integrating into the high value AERC capacity building programme.

(b) The delivery mechanism for SPS has been re-configured to help achieve three objectives: informed policy making as a result of two-day intense dialogue between policy makers, AERC and other researchers, private sector and other stakeholders based on AERC and affiliated research; to enhance ownership of policy options as typically reflected in the declarations at

concluding sessions of the seminar; to have guidance from policy makers for future AERC research and training activities consistent with imperatives facing the continent.

**3. Impact:** AERC research and training programmes have two primary purposes: capacity building and policy influence. Capacity building for policy-oriented research through the biannual process and collaborative training have long-term payoffs as can be witnessed by AERC products around the continent (governors of central banks, deputies, ministers, vice-chancellors, etc.). In the shorter term, AERC collaborative research (e.g. SDI, capital flight) has more immediate policy influence. Even in the training arena, thesis dissemination is designed to reach out to multi-stakeholder dialogue with potential impact on farmers.

## Programme progress

The full report provides a detailed progress in the execution of the strategic plan under each of the strategic objectives listed above. Among the key delivery channels are the enduring biannual research workshop capacity building activities, joint/shared facilities for graduate training electives, senior policy seminar, and national workshops. Under the current strategy, a new

bridge programme for inclusive capacity building is being implemented to address the under-represented by virtue of gender, language, and post conflict and fragile status.

The June 2016 Biannual Research Workshop, that was held in Nairobi on 29 May- 2 June 2016, brought together a total of 94 researchers drawn from 26 African countries. The December 2016 Biannual Research Workshop was held on 4-9 December 2016 in Dakar, Senegal, with a total of 78 researchers (of whom 11 were CPP students) in attendance. There was an increase in the proportion of women presenting thematic research papers, whereby the June and December 2016 biannual research workshops witnessed 23% and 26% women participation, respectively, compared with 21% and 20% in June and December 2015, respectively. Together, the researchers and CPP participants in December 2016 were from 20 African countries. Researchers from under-represented countries, such as Benin, Botswana, Burundi, Burkina Faso, Chad, Congo, DRC, Ethiopia, Malawi, Mauritania, Swaziland, Tanzania, Togo and Zimbabwe participated in the workshop. About 37% of the researchers were drawn from fragile and post-conflict countries.

As has become a tradition, the full day plenary session marking the commencement of the Biannual Research Workshop was held on the theme “Integrating African Markets: The Way Forward”



*Prof. Lemma W. Senbet, AERC Executive Director explains a point to H.E Erastus Mwencha, Deputy Chairperson of the African Union Commission, who was the chief guest during the June 2016 AERC Biannual Research workshop. The biannuals are workshops organized twice a year to present the results of the thematic research modality. They bring together a large number of economists from the African continent and outside.*

and was officially opened and chaired by H.E. Erastus Mwencha, Deputy Chairperson of African Union Commission, Addis Ababa, Ethiopia. The welcoming speech on the theme “Research meets policy in Africa” was delivered by the AERC Executive Director Prof Lemma W. Senbet. The plenary session provides a forum for updating researchers on frontier knowledge and raising policy makers’ awareness on a topical issue. The session also included a public-private roundtable featuring a panel of senior scholars and representatives from the private sector.

In line with the AERC strategic objective of increasing participation of researchers from post-conflict and fragile states, a technical workshop on research methods, proposal writing and presentation skills was held from 25 April to 6 May 2016. A total of 17 participants from fragile and post-conflict

countries were in attendance. Participants were encouraged to develop proposals. Researchers were informed that promising proposals would receive proposal development grants.

Under the training programme, the Collaborative Masters in Agricultural and Applied Economics (CMAAE) conducted an online course for blended learning facilitators under an online environment that was designed and ran with the assistance of a blended learning consultant in April 2016. A total of 41 lecturers drawn from the eight accredited network universities registered for the course. Materials for blended learning were developed and a pilot of two courses, Agricultural Project Planning and Management, and Environment and Natural Resource Management was undertaken between August and November 2016. A lessons learnt

workshop to review progress so far and chart the way forward for the blended learning initiative was held in Kigali, Rwanda, on 26-27 January 2017.

The first joint Academic Advisory Board (and its sub-committees) meeting was held in Mauritius in May 2016. This followed the merger of the Advisory Boards and Committees of the Collaborative Masters Programme (CMAP) and the Collaborative PhD Programme (CPP), which was formally completed and their memberships reconstituted at a joint meeting of CMAP and CPP Academic Advisory Boards held on 30 October 2015 in Arusha, Tanzania. The second meeting of the CMAP-CPP Committee on Programme Evaluation and Institutional Development was held on 14 November 2016 to review the CMAP JFE 2016 and CPP supplementary examination results. This was followed by



the meeting of the Executive Committee to approve the examination results on behalf of the Academic Advisory Board. The CMAAE held its Academic Sub-Committee meeting on 20 May 2016 in Nairobi to consider the selection of the SFSE 2016 lecturers, among other agenda items. Another Academic Sub-Committee meeting was held on 24 January 2017 in Kigali, Rwanda, to consider the 2016 SFSE examination results and curriculum review, among other agenda items. This meeting preceded the annual CMAAE Academic Advisory Board meeting held on 25 January 2017 where the SFSE 2016 examination results and the CMAAE curriculum 2016 were approved.

All the three collaborative programmes – CMAP, CMAAE and CPP – successfully conducted joint facilities for electives of 2016. The Joint Facility for Electives (JFE) held at the Kenya School of Monetary Studies (KSMS) in Nairobi enrolled a total of 68 CMAP students from 20 June 2016 to 23 September 2016. Moreover, a total of 18 CPP students admitted in 2015/2016 participated at the JFE from 27 June 2016 to 28 October 2016. Eighty-two CMAAE students reported to the Shared Facility for Specialization and Electives (SFSE) at the University of Pretoria, South Africa, on 1 August 2016 for their elective courses and completed the session on 30 November 2016.

A total of 20 research fellows spent three months within the period 1 February 2016 – 31

November 2016 at the AfDB Headquarters in Abidjan, Cote d'Ivoire, under the AERC/ AfDB Scholars' Exchange Programme for Research and Mentorship, where each of them successfully produced one publishable research paper. Two of the fellows have since had their papers published in internationally refereed journals. Another group of five research fellows reported to the AfDB in January 2017.

In order to enhance the brand and strengthen the value proposition of AERC, communication and outreach remains one of the key instruments during this strategic plan period. Dissemination of research outputs helps boost interaction among researchers and policy communities, hence making widely known the programme activities of AERC. During this reporting period, the production of research outputs and other promotional materials continued as did regular updates to the network members and other partners, with AERC taking advantage of key events to disseminate information to a wide range of stakeholders.

In March 2017, AERC hosted the signature AERC Senior Policy Seminar on the theme Industrialization in Africa in Nairobi, Kenya. The region-wide seminar brought together nearly 121 participants, primarily African policy-makers and advisors drawn from the highest levels of government representing 24 countries. The seminar was officially opened by Hon Jean-Clause Brou,

Minister for Industrialization and Mines, Cote d'Ivoire. The AERC Executive Director delivered a welcoming speech focusing on how research meets policy in the AERC capacity building framework. The cluster of senior government officials included two ministers, one governor and five deputy governors of central banks, two ambassadors, two former ministers, the president of the PTA Bank, former vice president and chief economist of the African Development Bank, two special advisors, as well as parliamentarians.

AERC started a collaborative research project on Health care financing in sub-Saharan Africa. The call for proposals for Framework Papers for this project was sent out in June 2016, and re-opened in August 2016 to allow more time for researchers to respond. A total of 27 proposals were received and these are currently under review. The inception workshop for this project was done in April/ May 2017. The final review workshop will be held back-to-back with the December 2017 biannual research workshop. The project is expected to be complete by 30 June 2018, at which point the papers will be published in a suitable outlet.

During the year, AERC successfully undertook all planned Service Delivery Indicators (SDI) project outreach and engagement seminars with the media, non-governmental institutions, civil society organizations and opinion leaders in each of the three project countries –





*Prof. Erik Thorbecke bidding farewell to members of Group A at an AERC Biannual Research Workshop. He is the immediate former chairman of this group. He had served as AERC Resource Person for over 20 years. Thematic Group A deals with Poverty, Labour Markets and Income Distribution.*

Kenya, Tanzania and Nigeria – as well as organizing policy seminars in Kenya and Nigeria. The seminars, which were delivered under the theme Service Delivery Indicators for Improved Outcomes in health and education: Evidence, policy messages and possible actions, focused on the survey results and recent research findings. Interactive sessions on SDIs on education and health in the respective countries were also held. The SDI engagement presentations to media, CSOs, opinion leaders and NGOs generated robust discussions. The media consultants have reported increased interest and focus on SDI messaging by media practitioners, bloggers, and other stakeholders with likely enhancement of public accountability and service delivery outcomes in education and health. Thereafter, two policy dialogue events – a National Policy Seminar

for Nigeria and a Regional Policy Colloquium for Kenya and Tanzania – were held in October 2016, where extensive discussions among high-level policy makers and policy analysts across the three countries were witnessed.

Finally, AERC emerged as among the very top International Development Think Tanks in the 2016 Global Index, and has maintained the first position in this category in sub-Saharan Africa (SSA). The organization was also placed at position 26 globally in this category. AERC is also separately listed among the top in other categories, including Top Think Tanks Worldwide (Non-US); Top Economics Think Tanks worldwide; Best Independent Think Tanks internationally; Best Regional Studies Centre; and Think Tanks with the Most Significant Impact on Public Policy.

### **Maximizing mutual benefits through a diversified resource base and stakeholder-ship**

AERC continues to reach out to African governments and institutions as a key strategy for the sustainability of the Consortium. Among the key African institutions that support AERC are the African Central Banks. Since the historic Livingstone Resolution of Central Banks in March 2015, three additional banks have become signatories to become members of the Consortium in accordance with the AERC bylaws. The growing African stakeholder-ship of AERC is further enhanced by the generous AfDB grant to AERC and a membership of PTA Bank in the Consortium. Moreover, the Reserve Bank of South Africa has confirmed membership in the Forum, and has already made its first disbursement. At the same



*Prof. Lemma W. Senbet, AERC Executive Director, having a chat with Ms. Sheila Mbijiwe, Deputy Governor, Central Bank of Kenya during one of AERC's Conferences. AERC has contributed significantly to both knowledge generation and policy design in Africa.*

time, an expansion plan for the Forum membership is under way to include two Francophone Central Banks. The meeting of the AERC Central Banks Governors' Forum was convened in Washington on 6 October 2016, during the World Bank/IMF meetings. The main agenda was member expansion and that the Francophone Central Banks will be invited in the next round.

AERC is also re-engaging lapsed donors in the wake of the global financial crisis of 2008, and meetings and discussions are being pursued with the European Union and Rockefeller Foundation. Re-engagement with previous funders is one of the key resource mobilization strategies, and it has already yielded fruit as witnessed by the re-engagement of IDRC

and USAID. Moreover, the Government of Kenya (GOK), honoured its pledge by remitting its core contribution of Kshs.67.0 million (US\$662,000) that was in arrears for the past three years (2013/14, 2014/15 and 2015/16). In addition, the GOK remitted Kshs.85.0 million (US\$850,000) in support of the special capacity building project.

### **Improving the human resource, administrative and financial management capacity for effective programme delivery**

During the year, there was strong progress in the automation of the business processes in AERC. The development and the implementation of the Enterprise Resource Planning (ERP) is almost finalized. The

HR and Payroll module for administering staff benefits and payroll has already been rolled out and is in use. Other modules, such as procurement and budgeting, will be rolled out in the next quarter.

The annual statutory audit for AERC for the period April 2015 to March 2016 was conducted in May 2016 by the new auditor, Deloitte Ltd. In addition, the specialized audits for the ACBF CPP II and CMAAE II projects, as well as the World Bank-funded SDI project, were

conducted by the auditors, Ernst and Young. The auditors gave unqualified opinion of the Consortium's financial status as at 31 March 2016. Each of the reports was accompanied by a management letter. The management letters contain internal control issues raised during the period under review together with a follow-up status of previous audit issues raised.

### **Programme Progress: Details**

Programme activities in the year 2016/2017 were implemented in accordance with the AERC Strategic Plan 2015-2020 under three pillars: research, collaborative training and policy outreach. This report provides details of the progress made towards the realization of the strategic objectives and associated outcomes.



# Enhance capacity building in economic policy research and graduate training in sub-Saharan Africa



## Enhance capacity building in economic policy research and graduate training in sub-Saharan Africa

**T**he outcomes under the strategic objective are presented together with the key activities undertaken during the reporting period.

### Enhanced pool of locally based economists in sub-Saharan Africa with improved skills and competencies to conduct economic policy research and teaching at universities

#### Thematic research

The AERC thematic research programme has evolved over time as the primary focus for capacity building in policy-oriented economics research for early career African researchers. The goal is to enhance the pool of locally based economists in sub-Saharan Africa with improved skills and competencies to conduct economic research that informs policy. This is accomplished through the use of a unique framework combining learning-by-doing, peer review, mentoring and networking through the biannual research workshop, with skills improvement through technical workshops and visiting scholars' programmes.

As per the Strategic Plan 2015-2020, AERC aims to increase the number of researchers completing thematic research projects from the base line of 560 completed projects in March 2015 to 690 completed projects by the end of the plan period. AERC is on track to achieve this outcome. By the end of March 2017, the cumulative number of researchers who have finalized their research reports stood at 639, up from 610 at end of March 2016. In addition, a total of 200 research papers had been published in refereed journals

by end of March 2017, up from the base line of 186 in March 2015. The thematic research activities, which yield the outputs that have been instrumental in contributing towards the achievement of the outcome, are outlined below.

#### The biannual research workshop

The biannual research workshop features plenary sessions on the first day followed by three days of five concurrent thematic sessions. The fourth day is devoted to technical sessions, where individual researchers engage with resource persons to get clarity on the outcome of the peer review mechanism and expectations for the next advanced round of research. In effect, by allowing individual researchers to engage with resource persons regarding their project, technical sessions allow researchers to hold resource persons accountable to the comments they would have made during research presentations.

Two biannual research workshops were carried out between April 2016 and March 2017 – one in June 2016 in Nairobi, Kenya, and the other in December 2016 in Dakar, Senegal.

The June 2016 workshop was held from 29 May to 2 June 2016 with a total of 93 researchers (of whom 20 were CPP students) in attendance. The thematic researchers and CPP participants were drawn from 26 African countries. Out of the 73 thematic researchers, 19 participated for the first time, and 14 (about 20%) of the total thematic researchers were female participants (excluding CPP students). A total of 20 CPP students (nine of whom were women) presented their thesis proposals.

The December 2016 workshop was held from 4-8 December 2016 with a total of 75 researchers in attendance (including 11 CPP





*Researchers in a discussion during one of the group sessions. AERC has supported and mentored about 3,900 early career economics researchers from across sub-Saharan African countries through the thematic research programme.*

students). The Thematic and CPP students were from 19 African countries, and 22 of the thematic researchers were participating for the first time. Of the 75 thematic researchers, 21 (28%) were women, the highest share of females we have had to date. Overall, the number of women participating in research activities (including biannual workshops, technical workshops and proposal development workshops) during the year 2016/2017 was 32% of the total number of participants in the activities. The CPP students presented their post-field reports while the thematic researchers presented reports at various stages of development: new proposals, interim reports, and final reports.

Over time, the number of CPP and CMAP graduates participating in thematic research has been increasing,

an outgrowth of the concerted efforts at integrating AERC research and training. In the June 2016 biannual research workshop, 11 CPP and CMAP graduates presented their thematic research reports, while 13 presented their reports in December 2016. Moreover, the link between technical workshops and thematic research has begun to bear fruit as evidenced by the participation of nine researchers at the June biannual workshop and 14 at the December 2016 biannual workshop, having sharpened their research skills at past technical workshops.

Concurrent thematic sessions at the June biannual research workshop featured 79 presentations involving 30 proposals, 17 interim reports, 12 final reports, and 20 CPP thesis proposals. Of the 30 proposals, 20 were

recommended to proceed to the interim report stage, one was approved for the award of a proposal revamp grant, five were recommended for revision and presentation at future biannual workshops, and four were recommended for withdrawal. For the December 2016 biannual research workshop, concurrent thematic sessions were 73, involving 32 proposals, 18 interim reports, 12 final reports and 11 CPP post field reports. Seven of the new proposals presented were recommended for withdrawal. The low withdrawal rate is indicative of the quality of the preliminary review of the proposals, and the general quality of research proposals in AERC. Since 2014, AERC has been utilizing resource persons for preliminary review of new proposals. This has greatly improved the screening process for new proposals. Following the outcome of

the two biannual research workshops, a total of 28 thematic research grants (two of which were proposal revamp grants) were awarded by the end of March 2017. Detailed statistics on the research reports presented at the biannual workshop are presented in Annex A.

### The Plenary session

One of the key features of the biannual research workshops is the plenary session. AERC plenary sessions serve at least three purposes: they (i) inform AERC researchers on emerging issues of importance to Africa's development; (ii) allow for deep interactions between policy makers and researchers; and, (iii) provide a platform for upcoming researchers to learn from accomplished researchers and a forum for signaling directions for future research. Two recent plenary sessions are the 44th Plenary Session held in June 2016 and 45th Plenary Sessions held in December 2016.

The theme of the 44th Plenary Session was Integrating African Markets: The Way Forward. His Excellency Erastus Mwencha, Deputy Chairperson of the African Union Commission officially opened the plenary session and gave the keynote address, which was well received. Prof Njuguna Ndung'u, former governor, Central Bank of Kenya, chaired the plenary session and moderated the policy roundtable discussion. AERC Executive Director, Prof Lemma Senbet, gave opening

remarks highlighting the Consortium's capacity building framework and the positioning of the plenary session in this framework.

The theme of the 45th Plenary Session was China and Africa. AERC Executive Director, Prof Lemma W. Senbet, gave a welcoming speech on delivering AERC research to policy while Hon. Kerfalla Yansané, Senior Minister, Office of the President, Conakry, Republic of Guinea, gave opening remarks and chaired the Plenary Session leaving the task of chairing and moderating the policy roundtable discussion to Prof Njuguna Ndung'u, former Governor, Central Bank of Kenya. Prof Amadou Aly Mbaye, Université, Cheikh Anta Diop de Dakar, Senegal, who represented the local partner (Université, Cheikh Anta Diop de Dakar) at the biannual event, also gave welcoming remarks.

The two plenary sessions attracted a broad range of participation by policy makers, funding partners, researchers, academia and private sector participants. Among the international participants were staff of the International Development Research Centre (IDRC), the World Bank, African Development Bank (AfDB), International Monetary Fund (IMF), United Nations University World Institute for Development Economics Research (UNU-WIDER).

The June 2016 plenary session featured three commissioned papers. The first paper, Policy

Dimensions of Reducing African Trade Costs: Recent Research and Open Questions, was presented by Prof Bernard Hoekman, European University Institute (EUI) Italy. Discussions on the paper were led by Prof Leonce Ndikumana, University of Massachusetts at Amherst, USA. The second paper, Regional Financial Integration and Economic Activity in Africa: Some Lessons for Reforms, was presented by Prof Akpan Ekpo, West African Institute for Financial and Economic management (WAIFEM), Nigeria and Mr Chuku Chuku, University of Manchester, UK. Prof Robert Lensink, University of Groningen, the Netherlands, discussed the paper. The third paper, Towards a Transformative African Integration Process: Rethinking the Conventional Approaches, was presented by Dr Stephen Karingi, United Nations Economic Commission for Africa (UNECA), Addis Ababa, Ethiopia, and discussion on the paper was led by Dr Tilahun Temesgen, AfDB, East Africa Resource Centre (EARC), Nairobi, Kenya.

During the December 2016 plenary session three commissioned papers were presented. The first paper, China's Rise and Opportunity for Structural Transformation in Africa, was presented by Prof Justin Yifu Lin, Peking University, China (and former chief economist of the World Bank). Discussion on the paper were led by Prof Channing Arndt, UNU-WIDER, Finland. The second paper, The



*Conference participants in one of AERC's events. Major events hosted by AERC attract a broad range of participation, including policy makers, donors, researchers and academia. Participation of female researchers has been growing in leaps and bounds over the past years, thanks in no small part to our aggressive campaign for inclusiveness.*

Emerging Pattern of African Economic Engagement with China (and the Emerging South): Implications for African Development, was presented by Prof Alemayehu Geda, Addis Ababa University, Ethiopia. Dr Janvier Nkurunziza, UNCTAD Genève, Switzerland led discussion on the paper. The third paper, What Kinds of Chinese “Geese” are Flying to Africa? Evidence from Chinese Manufacturing, was presented by Prof Deborah Bräutigam, Johns Hopkins School of Advanced International Studies, USA, and discussion on the paper was led by Prof Andy McKay, University of Sussex, UK.

For both plenary sessions, open floor discussions and social media exchanges on the papers were very lively. The papers will be published in a special issue of the Journal of African Economies once they are revised, taking into account comments received.

The papers will be externally reviewed prior to publication.

### **The June and December 2016 public-private policy roundtables**

Both plenary sessions concluded with a robust public-private sector roundtable policy discussion chaired and moderated by Prof Njuguna Ndung'u, former governor, Central Bank of Kenya. The panelists in the June roundtable discussions were Ms Betty Maina, Principal Secretary for East African Integration, Ministry of Labour and East African Affairs, Kenya; Prof Akpan Ekpo, West African Institute for Financial and Economic Management (WAIFEM), Nigeria; Mr Kebour Ghenna, Executive Director, Pan African Chamber of Commerce and Industry, Ethiopia; Ms Phanice Kwamboka, Founder/CEO, Eye on Africa; Dr Stephen Karingi, United Nations Economic Commission for

Africa (UNECA), Addis Ababa, Ethiopia, and Ms Sandra Shenge, AEGIS Trust, Rwanda.

For the December 2016 public-private sector roundtable policy discussion, the panelists were Prof Justin Lin, Peking University, China; Dr Albert G. Zeufack, Chief Economist, Africa Region, World Bank, USA; Hon Kerfalla Yansané, Senior Minister, Office of the President, Conakry, Republic of Guinea; Mr Ndiaye Ousmane Sy, Permanent Secretary of UNACOIS; and Prof Deborah Bräutigam, Johns Hopkins School of Advanced International Studies, USA. Dr Zeufack made a brief policy presentation on China and Africa as part of the roundtable policy discussions.

### **Technical workshops**

Two technical workshops were held in 2016. The courses offered during the technical workshops aim at familiarizing AERC researchers, particularly those from under-represented countries and groups (especially women), with analytical tools and software to develop their capacity to apply the tools in policy-oriented research analysis. One technical workshop on Time Series Econometrics was held on 14-25 October 2016 in Mombasa, Kenya. A total of 22 participants selected from 201 applicants participated in the workshop. The large number of applicants (relative to the intake) suggests a high demand for such technical retooling



workshops. Of the total 22 participants selected, 12 were women. Dr Eliab Luvanda, University of Dar es Salaam, Tanzania, was the instructor for the course. The other technical workshop, on Panel Data

Econometrics, was held from 20 February to 3 March 2017 in Nairobi, Kenya. A total of 21 participants selected from 227 applicants took part in the workshop. Of the total 21 participants selected, 11 (52%)

were women. Prof Tomson Ogwang, Brock University, Canada, conducted the course. Table 1 shows the distribution of the selected applicants by country and gender.

**Table 1: Distribution of selected participants by country and gender**

No.	Country of researchers	Time Series Econometrics Workshop		Panel Data Econometrics Workshop	
		Male	Female	Male	Female
1	Benin		1		1
2	Botswana		1		
3	Burkina Faso		1		1
4	Burundi			1	
5	Cameroon		1		1
6	Central African Republic	1			
7	Chad	1			
8	Congo				
9	Côte d'Ivoire		1		1
10	Democratic Republic of Congo	1			
11	Ethiopia	1			1
12	Gambia	1			
13	Ghana	1			1
14	Guinea				
15	Kenya		2		1
16	Lesotho		1		
17	Liberia			1	
18	Mali			1	
19	Malawi			1	
20	Madagascar			1	
21	Nigeria		1		1
22	Senegal	1		2	
23	Sudan	1		1	
24	Tanzania		1		1
25	Togo	1		1	
26	Uganda		1		1
27	Zambia		1		1
28	Zimbabwe	1		1	
	<b>Total</b>	<b>10</b>	<b>12</b>	<b>10</b>	<b>11</b>





## Student enrolment into the collaborative training programmes

Dealing with under-representation is a key objective in the current strategy. The advertisement for 2016/2017 Masters and PhD fellowships was posted on the AERC website, with the deadline for submission of application being set for 15 August 2016. As part of inclusive capacity building, particular focus was placed on first year qualified women and individuals from under-represented countries (including fragile and post-conflict countries) admitted into the Collaborative Masters in Agricultural and Applied Economics (CMAAE), the Collaborative Masters Programme (CMAP) and the Collaborative PhD Programme (CPP) in Economics.

In the CMAAE programme, a total of 40 scholarships were awarded for 2016/17, of which 37 were new MSc scholarships under cohort 12 and three were PhD scholarships. Out of the 40 scholarships, 18 (45%) were awarded to female CMAAE students. Meanwhile, the CMAP awarded a total of 33 new scholarships (17 full and 16 partial) to first year students admitted into CMAP Category B and C universities, a significant rise from 14, 19 and 15 scholarships awarded in 2015/2016, 2014/2015 and 2013/2014, respectively. The rise in the award of scholarships is occasioned by the disbursement of funds

from AfDB. In terms of gender distribution, 19 (58%) of the scholarships were awarded to female students in 2016/2017, compared with 57%, 53% and 47% in 2015/2016, 2014/2015 and 2013/2014, respectively.

The CPP awarded a total of 25 new scholarships, compared with 24 and 18 in 2015/2016, 2014/2015, respectively. Out of the 25 CPP scholarships, 10 were awarded to Kenyans under the AERC/ Government of Kenya Capacity Building for Policy Analysis Project, while the remaining 15 were scholarships for other nationalities funded by SIDA and AfDB. In terms of gender distribution, 13 (52%) of the CPP scholarships are awarded to women in 2016/2017, a significant rise from 29% in 2015/2016, 44% in 2014/2015 and 38% in 2013/2014. The significant improvement in women enrolment in the collaborative training programmes can partly be explained by affirmative action in the award of scholarships and the joint effort between the AERC and the network universities to sensitize women to enrol into the programmes.

We are pleased to report that all the students admitted in the three programmes – CMAP, CMAAE and CPP – in 2015/2016 have completed their first year of coursework at their respective universities. A total of 68 CMAP students, who were admitted in Category B universities, have undertaken elective courses at the Joint Facility for Electives (JFE)

held at the Kenya School of Monetary Studies (KSMS) in Nairobi, Kenya, from 20 June 2016 to 23 September 2016. However, those admitted in CMAP Category C universities were taught elective courses at their respective universities. A total of 18 CPP students admitted in 2015/2016 reported to the Joint Facility for Electives (JFE) at the KSMS on 27 June 2016, which ended on 28 October 2016. The CMAAE counterparts, comprising 82 students drawn from eight accredited universities, attended the Shared Facility for Specialization and Electives (SFSE) at the University of Pretoria, South Africa, during the period 1 August 2016 to 30 November 2016. As of March 2017, the cumulative number of CMAP, CMAAE and CPP alumni was 2,741, 664 and 202, respectively.

## Enhanced generation and use of high quality economic policy-oriented research

To enhance the generation and use of high quality economic policy-relevant research, AERC aims at having several of the thematic research papers published in quality peer reviewed international journals. A first step, however, is to have the reports published in AERC Research Papers series. Towards meeting this outcome a total of 319 thematic research papers were published as at end of March 2017, up from 309 as at end of March 2016.

Efforts to track publications by thematic researchers in peer reviewed journals have been enhanced. Also, to enhance the researchers' ability to publish in leading international journals, a policy to guide mentorship by senior researchers and resource persons will be developed in 2017/2018 to guide the process. About 11 research papers have been published in peer reviewed journals in 2016 and 2017 (see Annex A for journals where some of the thematic research papers have been published) bringing the total number of AERC papers published in journals to 201. Interestingly, thematic research publications are not concentrated in particular journals, but spread across various journals. Further efforts to track down thematic research publications will continue in the next fiscal year 2017/2018. To assist with

tracking and monitoring of thematic research projects, AERC is working to integrate the online paper submission and tracking system into the AERC Enterprise Resource Planning (ERP) system. This will be piloted once the integration is complete.

## Enhanced capacity of universities to conduct graduate-level economics teaching and policy-oriented research that is relevant to African development needs

### Change of status of CMAP, CMAAE and CPP universities

During the review of the Strategic Plan 2010-2015, the slow graduation and

maturation between and within CMAP and CPP categories was identified as an issue of concern and an area in need of attention in the strategic plan. Given the volume of work involved, and to ensure that mass maturation of universities does not compromise quality and put undue pressure on scarce resources, a decision was taken to consider only the applicants for CPP.

An Ad-hoc Committee of the CMAP-CPP Academic Advisory Board was appointed to evaluate the preparedness of universities to be graduated and an evaluation criterion was developed so as to ensure an objective and consistent framework for assessing preparedness of the universities for maturation to either CPP host or non-host degree awarding status. Missions to Addis Ababa University in Ethiopia, University of Botswana, and Abomey Calavi University in Benin, who had applied to join the network of CPP universities, and to the University of Nairobi and Felix Houphouët-Boigny University (formerly University of Cocody) in Côte d'Ivoire, who had applied for change of status from CPP non-host to host degree-awarding status, were conducted in April and May 2016.

The report of the Ad-hoc Committee was presented to the CMAP-CPP Academic Advisory Board in May 2016 for its deliberation and input. A detailed report with a fully-fledged analysis of resource



*Joint Faculty for Electives (JFE) students listening to presentations during the official launch of the programme. JFE is a residential programme of elective courses conducted by AERC at a facility to serve both the Collaborative Master's Programme and the Collaborative PhD Programme in consecutive sessions. The JFE programme presents high quality core curriculum courses that are generally beyond the capacity or existing demand of the participating universities.*





*Collaborative PhD Programme (CPP) and Collaborative Master's Programme (CMAP) students at the Joint Facility for Electives grounds taking photos. Through its Training Programme, AERC runs collaborative programmes in both master's and doctoral level studies in economics, and strengthens the capacities of economics departments in public universities across the continent.*

implications was presented to the March 2017 meeting of the AERC Board for consideration.

### **Supporting CMAP, CMAAE and CPP universities**

Annual operating grants were issued to all participating CMAP and CPP universities during the period in support of their operations for the 2016/17 academic year. These grants cover programme operating costs, allowances to university officials involved in programme implementation and fees for students (including thesis supervision fees). Expenditure on maintenance of computers and other equipment is also covered by the grants. Hence, among other things, the grants improve teaching and research facilities at the universities as part of AERC's institutional

capacity building. During the reporting period, AERC renewed service grants to eight universities for the CPP Class of 2013 and 2014.

### **Faculty capacity building: Exchange programme and retooling workshops**

During the reporting period, AERC conducted retooling workshops from 6-8 February 2017, aimed at keeping faculty teachers abreast with advances in core courses of Microeconomics, Macroeconomics and Quantitative Methods. A total of 25 participants from CMAP and CPP network universities participated in the workshops

A CMAAE retooling workshop was held on 25-27 October 2016 in Swaziland. The

workshop was based on LSMS survey data and was aimed at enabling CMAAE faculty teach their post graduate students and carry out high level econometric data analysis using the STATA software. It is expected that this cohort will develop research proposals that demonstrate use of the research skills gained in the retooling workshop. Another research-based analytical retooling workshop for the CMAAE faculty was held on 29-31 March 2017 in Addis Ababa, Ethiopia, with the aim of enabling network researchers to adequately carry out research on the impact of agricultural and food policies on nutrition outcomes in sub-Saharan Africa. This workshop was inspired by a new grant from BMGF on agricultural policies and nutrition.

## Subject specialist workshops for curricula review

A joint CMAP-CPP Subject Specialist Workshop was held in Nairobi, Kenya, on 27-29 May 2016, in which course outlines for Econometrics/ Econometrics Theory & Practice, Corporate Finance & Investment, Financial Economics, Health Economics and Public Sector Economics for both CMAP and CPP were reviewed and updated. Apart from international experts in the respective fields drawn from the CMAP/ CPP network universities and elsewhere in the world, the current external examiners for Health Economics (Prof Francesco Moscone of Brunel University, UK) and Financial Economics/Corporate Finance (Prof Bo Sjö from University of Linköping, Sweden) also participated, to provide an external and international perspective to the process. The external examiners for Econometrics and Public Sector Economics could not make it to the meeting but they provided comments and recommendations. The Corporate Finance & Investment was renamed CMAP Financial Economics. The revised curricula were used at the JFE 2016.

A second CMAP-CPP Subject Specialist Workshop was held in Nairobi, Kenya, on 2-4 February 2017 to review and update course outlines for International Economics, Environmental Economics,

Labour Economics and Monetary Theory and Practice. In addition, a curriculum was developed for the bridging programme aimed at equipping participants from under-represented groups (women, post-conflict and fragile states, etc.) with the requisite skills to effectively transit into the mainstream AERC's training programmes (CMAP and CMAAE) without cannibalizing on the high value being created in current capacity building programmes. It is expected that under the bridge programme, participants will take two months intensive courses in Quantitative Methods, Microeconomics and Macroeconomics, which are prerequisite courses for the Masters and PhD programmes in economics.

A CMAAE curricula review workshop was held in Pretoria, South Africa on 4-5 August 2016. Curricula under the following four specialized fields of study were reviewed and updated: Agriculture and Rural Development; Agricultural Policy and Trade; Agribusiness Management; and Environmental and Natural Resource Management. The revised curricula were approved at the meeting of the CMAAE Academic Advisory board held in January 2017.

## Enriching the learning experience: SFSE and JFE, including courses mounted at regional SFSEs

The 2016 CMAP and CPP Joint Facility for Electives (JFE)

commenced successfully on 20 June and 27 June 2016, respectively, at the Kenya School of Monetary Studies (KSMS) in Nairobi, Kenya. The venue of the JFE was approved and contracted as the JFE venue for the period 2014-2016, following an extensive, competitive procurement process aimed at identifying the most suitable venue for hosting the JFE, both in terms of quality of facilities and price competitiveness. This followed the successful completion of construction and renovation works that inhibited the hosting of the JFE at the KSMS in 2015, and its subsequent hosting at the Ngurdoto Mountain Lodge in Arusha, Tanzania. Additionally, there had been security concerns following a terrorist attack on a public university in the northern parts of the country, hence the need for the relocation to Arusha.

The CMAP JFE came to a close on 23 September 2016, with the CPP JFE closing on 28 October 2016. A total of 68 CMAP class of 2015 students drawn from the seven category B universities (Botswana, Cape Coast, Malawi, Makerere, Mauritius, Namibia and Zimbabwe) and from 13 African nationalities were in attendance, 27 (40%) of whom are women. A summary of students' participation by university and gender is given in Table 2.



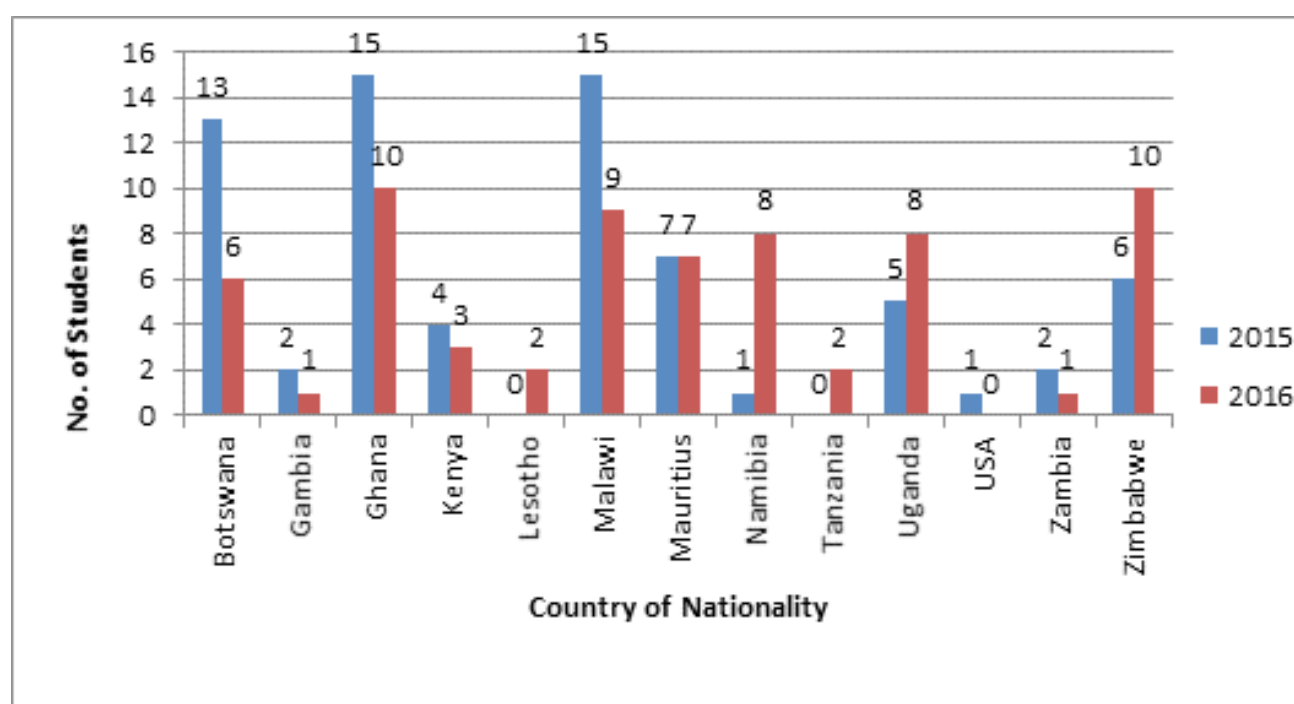

**Table 2: CMAP JFE student distribution by gender (2012-2016)**

No.	University	Gender		Total 2016	Female %				
		Male	Female		2016	2015	2014	2013	2012
1	Botswana	2	7	9	77.8	86.7	76.5	57.1	75.0
2	Cape Coast	9	1	10	10.0	6.7	41.7	11.1	16.7
3	Makerere	8	1	9	11.1	20.0	40.0	11.1	28.6
4	Malawi	5	5	10	50.0	40.0	33.3	60.0	20.0
5	Mauritius	2	7	9	77.8	58.3	50.0	-	50.0
6	Namibia	7	4	11	36.4	100.0	16.7	60.0	44.4
7	Zimbabwe	8	2	10	20.0	25.0	28.6	25.0	11.1
	<b>Total</b>	<b>41</b>	<b>27</b>	<b>68</b>	<b>39.7</b>	<b>43.7</b>	<b>47.8</b>	<b>32.2</b>	<b>30.0</b>

In percentage terms, this is slightly lower than the 44% female enrolment recorded in 2015 or the 48% in the 2014 JFE, which was the highest level of female participation since the inaugural JFE in 1993. Overall, though, there have

been significant improvements in female enrolments in the programme in recent years, compared with previous years. For example, female participation at the JFE stood at 38% in 2011, 30% in 2012, and 32% in 2013.

The CMAP JFE 2016 students were drawn from 13 African countries, an improvement over the 11 nationalities represented in the 2015 JFE, but slightly lower than 14 in 2014. The distribution by nationality is presented in Figure 1.

**Figure 1: CMAP JFE 2015 and 2016 student distribution by nationality**


A total of six CMAP elective courses were offered (Financial Economics, Econometrics Theory and Practice, Health Economics, International Economics, Monetary Theory & Practice, and Public Sector Economics) and six visiting lecturers per session were engaged, one of whom was a woman. There still exists room for improvement in encouraging more women to participate in the teaching of elective courses at the JFE.

The year 2016 marks the fifth year since four Category C universities took full responsibility for teaching both core and elective courses, and not send students to JFE. In 2015/2016, a total of 120

students enrolled into the MA programme at the Category C universities, compared with 121 in 2014/2015 and 110 in 2013/2014. Universities of Ghana and Dar es Salaam have recorded gradual increase in the enrolment of students in the programme since their graduation to Category C, while Addis Ababa University has maintained its admission of 30 students every academic year. However, there has been a gradual drop of enrolment of students at the University of Nairobi to 11 in 2015/2016, down from 15 in 2014/2015, 22 in 2013/2014, 26 in 2012/2013, and 33 in 2011/2012. This could partly be explained by the change in preferences of students to enrol into the

part-time evening programme, which has been occasioned by the declining scholarship support to Category C universities. The Category C universities are teaching the elective courses to students admitted in 2015/2016 at their respective universities.

A total of 18 students from the class of 2015 attended the CPP 2016 JFE. Five (28%) of them were women, a figure which is significantly lower than the 42% female enrolment in the 2015 JFE or the 39% in 2014, but slightly higher than the 24% recorded in 2013. Table 3 shows the distribution of the CPP students by university and gender.

**Table 3: CPP JFE 2016 student participation by university and gender**

	Degree-Awarding University	CPP Class of 2015 Students			Of which Non-AERC Sponsored
		Male	Female	Total	
1	Benin	0	1	1	-
2	Cape Town	3	0	3	-
3	Dar es Salaam	3	0	3	2
4	Felix Houphouet-Boigny	1	0	1	-
5	Ibadan	1	0	1	-
6	Nairobi	4	2	6	-
7	The Witwatersrand	1	1	2	-
8	Yaoundé II	0	1	1	-
	<b>Total</b>	<b>13</b>	<b>5</b>	<b>18</b>	<b>2</b>

The CPP JFE 2016 students were drawn from six African countries. The distribution of the students by nationality is provided in the statistics presented in Annex B.

There has been a significant increase in the participation of Kenyans in the programme

in the past four or so years due to the targeted funding by the Government of Kenya (GoK) under the AERC-GoK Capacity Building Project for Policy Analysis. For example, the CPP Class of 2015 has a total of 11 Kenyans - 61% of the total student population in this cohort, and about the

same proportion in last year's class at the JFE. Efforts are currently under way to increase African stakeholder-ship of AERC, a key objective of the current Strategic Plan 2015-2020. It is envisaged that this will in turn improve the level of scholarship support to students from other African



*Prof. Lemma W. Senbet, AERC Executive Director, (seated in the middle) with section of students, lecturers and AERC staff members during a visit to the Joint Facility for Electives.*

countries, in a similar manner to that of the GoK funding model. The advent of the AERC Central Banks Governors' Forum and the generous AfDB grant have already yielded significant support. The AERC is also intensifying its resource mobilization efforts in order to boost scholarship funding and student enrolment in the CPP.

A total of five CPP elective courses (Development Economics, Econometrics, Health Economics, International Economics, and Public Sector Economics) were offered and five visiting lecturers per session were engaged, one of whom was a woman.

The 2016 CMAAE Shared Facility for Electives (SFSE) commenced on 1 August 2016 at the University of Pretoria, South Africa, and ended on 30 November 2016. A total of 82 students, 29 of whom were women, participated

at the 2016 SFSE. The 82 included 13 registered students at the University of Pretoria. This implies that 69 students were visiting the venue from the other seven accredited departments (University of Nairobi, Makerere University, Sokoine University, Egerton University, Bunda College, University of Zimbabwe and Haramaya University). A total of 15 foundation and elective courses were offered by 15 visiting lecturers competitively engaged internationally.

### **Blended learning: reach, quality, cost and operational efficiency in teaching electives**

In an effort to re-examine the structure of CMAAE and come up with appropriate strategies to reduce the delivery cost of the programme, the AERC is developing blended learning materials with the help of the consultant, Neil Butcher and

Associates. In the current reporting period, the consultant ran an online facilitators course for 41 faculty members drawn from the eight accredited CMAAE departments. Two courses, Agricultural Project Planning and Management, and Environmental and Natural Resource Management were piloted between August and November 2016. Advertisements for three subject facilitators and one IT support were done in the third quarter of the year. These are expected to further improve the technical content of the course materials in the learning management system and improve the site for user friendliness and maneuverability. The facilitators will then teach the courses online. A lessons learnt workshop was held in Kigali, Rwanda, to reflect on progress made so far, and inform the way forward in this initiative.



## Maintaining academic excellence

### Quality assurance under the improved CMAP architecture

To ensure that the MA programme offered by Category C universities maintains the level of quality that has been the hallmark of CMAP since inception, the AERC has continued to take the following measures:

- The heads of Category C universities continue to be members of the CMAP Academic Advisory Board. They were among the members who attended the 9-11 May 2016 CMAP-CPP Academic Advisory Board and its Sub-Committees' meetings in Mauritius
- Joint external examiners continue to be engaged for both Category B and Category C universities. Lessons drawn from joint external examination were shared during the CMAP Academic Advisory Board meeting held in May 2016.
- Monitoring visits continue to be conducted to the Category C universities to monitor quality of teaching of core and elective courses, although no missions were conducted during the quarter.

To enhance the sharing of resources in the teaching of elective courses, AERC proposes the introduction of video conferencing and e-learning at JFE and at Category C universities during the strategic plan

period 2015-2020. Efforts will be made to encourage lecturers to develop online course materials for elective courses. This is expected to standardize the teaching of elective courses and encourage networking between students from Category C universities and those from Category B. In addition, this will promote efficiency and minimize costs of offering elective courses in the long run.

### Conducting and grading comprehensive examinations

Comprehensive examinations for the 18 CPP Class of 2015 students were set at a meeting of teams of experts held in Nairobi, Kenya, from 30 January – 1 February 2017. Seven examination papers were set (Microeconomics, Macroeconomics, Development Economics, Econometrics, International Economics, Health Economics, and Public Sector Economics) and subsequently conducted at the host-degree awarding universities from 13 February – 3 March 2017. Thereafter, the examinations were graded by the internal examiners in March 2017 and sent to external examiners together with the JFE examinations for review. Both results were presented for approval at the CMAP-CPP Academic Advisory Board meeting in May 2017.

### Academic Advisory Board meetings

The CMAP-CPP Academic Advisory Board and its Sub-Committees meetings were

held in Mauritius on 9-11 May 2016. This was the first time for the meetings of the joint Academic Advisory Board and its sub-Committees to be held since the respective advisory boards and committees of CMAP and CPP were formally merged. Their memberships reconstituted at a joint meeting of CMAP and CPP Academic Advisory Boards held on 30 October 2015 in Arusha, Tanzania. The CMAP-CPP Academic Advisory Board recommended approval of the CPP JFE and comprehensive examination results. Also approved at the meeting were the venue and the elective courses for the CMAP and CPP JFE 2016. The second meeting of the CMAP-CPP Committee on Programme Evaluation and Institutional Development was held on 14 November 2016, to review and approve the CMAP JFE 2016 and CPP supplementary examination results. This was followed by the meeting of the Executive Committee to approve the examination results on behalf of the Academic Advisory Board. The CMAAE Academic Advisory Sub-Committee met on 20 May 2016 in Nairobi, Kenya, and approved visiting lecturers for CMAAE SFSE 2016. The Academic Sub-Committee and the Academic Advisory Board also met in Kigali, Rwanda, on 24-25 January 2017 to approve the CMAAE SFSE 2016 examination results, which were later submitted to the respective accredited universities.



### Monitoring and sensitization visits to network universities and to under-represented countries and groups

The period witnessed monitoring visits by the AERC Training Department to CMAP, CPP and CMAAE universities. Among the CMAP/ CPP universities visited are University of Benin and University of Ibadan, Nigeria, in October 2016; University of Dar es Salaam, Tanzania, and University of Cape Town, South Africa, in February 2017; and University of Nairobi, Kenya, in March 2017. Under the CMAAE, monitoring visits were made to seven CMAAE network universities as follows: University of Nairobi (July 2016), Jomo Kenyatta University of Agriculture and Technology (September 2016); University of Swaziland (October 2016); Egerton and Moi Universities (November 2016); University of Rwanda

(January 2017), and Haramaya University (March 2017).

The primary aim of the visits was to evaluate the progress of implementation of programme activities at the respective universities with regard to learning, teaching, and equipment needs for effective implementation of the programmes. The AERC team also interacted with key programme implementers and beneficiaries with a view to enhancing good working relationship as well as quality in programme implementation. Of key concern to the monitoring and outreach team were the following areas: admissions timing procedure; students' completion rate/ supervision; and teaching staff and equipment needs. The status of grants issued to the universities was harmonized, with special emphasis being placed on the review and confirmation of inventory of

equipment purchased by AERC grants. Any problems and challenges of teaching staff and equipment, research, thesis supervision and students' welfare were discussed between the AERC, the Head of Department and teaching staff. Possible solutions were then explored.

### Enhanced participation of under-represented countries, groups and institutions, including post-conflict and fragile states in economic policy research and training

As mentioned earlier, one of the key components of the AERC Strategic Plan 2015-2020 is inclusivity in its research and capacity building initiatives, with great emphasis on enhancing



*Prof. Njuguna Ndung'u, former Governor of Central Bank of Kenya (left) interacting with researchers during one of AERC's Conferences. The quality of the research conducted through AERC programmes is not only highly regarded by a range of national and international bodies, but it has also attracted the interest of respected academic publishers.*

participation of women and individuals from fragile and post-conflict countries. This is achieved through targeted outreach missions and methodological enhancement workshops as highlighted in the sections that follow.

### **Capacity building for women and researchers in post-conflict and fragile states**

Efforts at increasing women's participation in AERC research and training activities are on-going. On the research side, the proportion of women who presented their thematic reports at the June 2016 biannual research workshop was about 20% and 28% for the June and December 2016 biannual research workshops, respectively. The proportion of researchers from Francophone countries attending the biannual research workshop remained at about 48% in June 2016 and December 2016 compared with 35% in December 2015. Meanwhile, 37% of the researchers were drawn from fragile and post-conflict countries in June 2016 and this increased slightly to 38% in December 2016. In terms of thematic research grants to researchers from fragile and post-conflict countries, six researchers were approved to receive thematic research grants following the June 2016 biannual research workshop while seven were approved in December 2016. The enhanced representation of Francophone researchers in AERC research activities is encouraging. However, a matter of concern remains country

concentration with Cameroon being the most represented in thematic research activities.

At the same time, there has been significant improvement in participation of women in the training activities. Scholarship awards to women in 2016/2017 under the CMAP is 58% compared with 54% in 2015/16, 53% in 2014/15 and 47% in 2013/14. CPP scholarships awarded to women has been gradually increasing, averaging 35% between 2009/10 to 2016/17. For example, in 2016/2017, 48% of the scholarships were awarded to women, a significant increase from 29% in 2015/2016, 44% in 2014/2015 and 39% in 2013/2014. The significant increase in 2016/2017 is owing to improved admission of women by the CPP degree-awarding universities. As for CMAAE, 45% of the scholarships in 2016/2017 were awarded to women, a slight improvement from 35% in 2015/2016, but significantly lower than 58% in 2014/15 and 50% in 2013/14, occasioned by low admission of women in the accredited CMAAE universities. An area of improvement, though, is the number of women participating in the teaching of elective courses at the JFE/SFSE and external examinations. This can partly be explained by the low number of women faculty, in some cases none, at the Departments of Economics in the network universities.

With regard to participation of individuals and institutions from under-represented countries,

including the fragile and post-conflict countries, the training programme has enrolled students from Angola, Eritrea, Ethiopia, Gambia, Burundi, Lesotho, Niger, Rwanda, Sierra Leone, Swaziland, Liberia and South Sudan into the CMAP, CMAAE and CPP. It is the first time since the inception of CPP in 2003 for students from Eritrea, Niger and South Sudan to be awarded CPP scholarships. On the increase of Francophone participation in the training programmes, University of Abomey Calavi in Benin is expected to be the third CPP degree-awarding university from the Francophone region, following the favourable evaluation of its preparedness to join the CPP degree-awarding universities.

### **Special technical workshops for fragile and post-conflict countries**

To achieve enhanced participation of under-represented countries, groups and institutions, AERC has adopted the "bridge" programme – a multipronged approach that includes sensitization visits and special technical workshops. In April 2016, AERC held a special technical training workshop for researchers from fragile and post-conflict states on Research Methods, Proposal Writing and Presentation Skills. A total of 17 participants from fragile and post-conflict countries attended the workshop in Nairobi, Kenya. Eight of the participants were women. The topics offered during the technical workshop aimed at familiarizing



researchers from these countries with proposal writing skills, presentation skills and analytical tools and software as part of developing their capacity to engage in policy-relevant research and analysis. Prof Eugene Kouassi, Université Félix Houphouët-Boigny, Abidjan-Cocody, Côte d'Ivoire, was the instructor for the course.

The technical workshop is part of a mentorship programme to allow for mentoring of participants by the instructors in developing their research proposals. The objective is ultimately to use these special technical workshops as a feeder for the thematic research pipeline. In addition to providing technical support to the participants post the workshop, this programme helps cultivate interest in undertaking research among the researchers from fragile and post-conflict countries. The participants were encouraged to develop research proposals during the technical workshop, and to continue to work on these proposals after the workshop, with an undertaking by AERC to provide proposal development grants to the most promising proposals. The participants have benefited from feedback and mentorship



*Dr. K.Y. Amoako, President of the African Center for Economic Transformation (ACET) and former United Nations Economic Commission for Africa's (UNECA) Executive Secretary, shares light moments with senior policy makers during one of AERC's events. Major events hosted by AERC attract a broad range of participation, including high level policy makers, donors, researchers and academia.*

by the course instructor. Out of the 17 participants who took part in the technical workshop, 13 have since submitted their proposals. Through the mentorship process, nine out of the 13 proposals from the participants received a proposal development grant in October 2016. The nine proposals together with two others from an earlier special technical workshop were presented at a side event at the December 2016 biannual research workshop held in Dakar, Senegal.

Meanwhile, five of the six researchers who previously participated at a technical workshop held in October 2015, and invited as observers at the June 2016 biannual research workshop and to present their proposals at

a side event, revised and submitted their proposals to AERC in November 2016 after incorporating the comments received at the workshop. This development is encouraging and demonstrates the value of the bridge programme as these researchers had virtually no idea about writing a research proposal when they first attended the technical workshop. The proposals have been sent out for review under the thematic proposal review process, and those that meet the minimum requirement for presentation under thematic research will be incorporated into the biannual research process.

Table 4 presents a summary of the outcomes relating to the implementation of strategic objective 1.

**Table 4: Outcomes resulting from implementation of strategic objective 1**

Strategic Objective	Outcomes	Outcome Indicators	Baseline	Target 2016	Actual April 2016-March 2017
Enhance capacity building for economic policy research and graduate training in sub-Saharan Africa	(1.1) Enhanced pool of locally based economists in sub-Saharan Africa with improved skills and competencies to conduct economic policy research and teaching at universities	# of researchers who have finalized thematic research reports	560	L 590 M 600 H 610	639
		# of CMAP, CMAAE and CPP alumni (cumulative)	CMAP = 2524 CMAAE = 554. CPP = 137	CMAP = 2727 CMAAE = 634. CPP = 178	CMAP = 2741 CMAAE = 694. CPP = 201
		% of graduates in Economics & Agricultural Economics working in universities, government and policy research institutions	60%	68%	67%
	(1.2) Enhanced generation and use of high quality economic policy-relevant research	# of thematic research final reports published through AERC (cumulative)	284	314	319
		# of final thematic research reports published in refereed international journals (cumulative)	186	L 196 M 206 H 221	200
	(1.3) Enhanced capacity of universities to conduct graduate-level economics teaching and policy oriented research that is relevant to African development needs	# of CMAP category B and C universities with capacity to offer graduate level teaching in economics	CMAP Cat. C universities = 4; Cat. B = 7; Cat A = 15	CMAP C=5; B=8; and A=14	CMAP C = 4; B = 7; and A = 15



		# of CMAAE accredited universities with capacity to offer graduate level teaching in Agricultural and Applied Economics	CMAAE accredited universities (AC)= 7	CMAAE AC=8	CMAAE AC=8
		# of CPP degree-awarding universities (Anglophone and Francophone)	CPP= 8 universities (Anglo (An)=6; Franco (Fr)=2)	CPP=9 (An=6;Fr=3)	CPP=8 (An=6;Fr=2)
		# of CMAP elective courses offered at category C universities	4	5	5
	(1.4) Enhanced participation of under-represented countries, groups and institutions, including post-conflict and fragile states in economic policy research and training	% of participants taking part in AERC's research activities who are women	18%	20%	32%
		% of participants taking part in AERC's training activities who are women	26%	30%	35%
		% of participants taking part in AERC's research activities from fragile and post-conflict states	25%	30%	36%
		% of participants taking part in AERC's training activities from fragile and post-conflict states	14%	18%	20%





		% of participants taking part in AERC's research activities from Francophone and Lusophone countries	35%	37%	43%
		% of participants taking part in AERC's training activities from Francophone and Lusophone countries	20%	24%	23%

Build and strengthen national, regional and global linkages to generate high quality economic policy research and graduate training



## Build and strengthen national, regional and global linkages to generate high quality economic policy research and graduate training

In order to enhance best global practice and generate high quality economic policy research and graduate training, focus has been placed on strengthening national, regional and global linkages with leading policy research institutions, universities and multilateral institutions during the current strategy period. This provides an opportunity for AERC to be mentored and also mentor fledgling research and training institutions in sub-Saharan Africa. Numerous activities were undertaken during the reporting period towards realizing the stipulated strategic objective and associated outcomes.

### Collaborative Research

Collaborative research is the main vehicle that AERC uses for policy outreach in Africa. This calls for collaboration and synergy among seasoned African researchers and other thought leaders to work on big issues of contemporary policy interest to Africa. Below are some of the collaborative research projects and activities undertaken during the current reporting period. It should be noted that by their very nature, collaborative research projects typically span at least two financial years.

#### Collaborative Research Projects

##### Financial Sector Reforms and Development Project

The financial sector reforms and development project framework papers were commissioned in April 2014, with Prof Isaac Otchere, Carleton University, Canada, as the project co-ordinator. Papers from this project have been presented at various forums, including at the GDN Annual Conference in Casablanca, Morocco, that took place from 11-13 June 2015, and at the Econometrics Society Annual Conference, Africa Region, held from 22-24 July 2016 in

Lusaka, Zambia, bringing more exposure to the AERC researchers. The papers have since been published in the Review of Development Finance, Issue 1 of 2017, bringing the framework phase of the project to completion.

Following the progress on the Framework Papers Phase of the project, a call for research proposals for the Country Case Studies Phase was issued in December 2015. The response to the call was extraordinary, with a total of 98 proposals received. Out of these proposals, an initial three proposals were commissioned early in 2016 and fed into the AERC Senior Policy Seminar held on 22-23 March 2016 in Nairobi, Kenya. These three papers are near completion. These were commissioned under the USAID/GDN grant. Out of the remaining 92 proposals, only six were selected for funding, owing to resource constraints. The project inception workshop was held on 24 February 2017, at which point the project was commissioned. Prof Issouf Soumare, Carleton University, was selected as the coordinator for the project.

##### Capital Flight and Tax Havens

This project entailed commissioning of framework papers and country case studies on the theme “Capital Flight from Africa”. The project was co-ordinated by Prof Léonce Ndikumana, University of Massachusetts, Amherst, USA. A book of the framework papers was published during the fourth quarter of 2014 by the Oxford University Press (OUP), with Prof Léonce Ndikumana and Prof Ibi Ajayi as editors. Some of the framework papers provided input into the AERC Senior Policy Seminar on Capital flight from Africa held on 9-10 April 2014 in Addis Ababa, Ethiopia, in partnership with UNECA. AERC, in collaboration with NORAD, launched the Capital Flight book in Oslo, Norway on 16 December 2015, as part





*Prof. Ibi Ajayi and Prof. Erik Thorbecke both long standing AERC Resource Persons during a farewell party hosted in their honour as they retire from active participation in the AERC Biannual Research workshops. They have been long standing resource persons and have contributed significantly to building capacity of researchers in the AERC Thematic research programme and Collaborative research programme – An AERC research modality that brings senior African and non-African researchers together to conduct research on topical issues of interest, and to produce a critical mass of literature of policy and academic relevance to sub-Saharan Africa.*

of broader dissemination of the work, and in recognition of NORAD as the sponsor of the project. Dr Jon Lomøy, Director General of NORAD, officially launched the book, while the AERC Executive Director delivered an opening speech on the AERC capacity building framework, with particular attention to the many contributions of NORAD to AERC and to this particular project. In his remarks, Dr Lomøy stressed the importance of rigorous research and evidence in policymaking and appreciated AERC for its role in this regard.

Nine country case studies of the project were commissioned in June 2014. Interim and final review workshops were held on 6–8 December 2014 and 29–30 May 2015, respectively. Eight of the nine country case studies from the project were published in the African Development Review in April 2016. One was dropped due to quality

considerations. The capital flight project is now completed. AERC has so far issued three dissemination grants to national think tanks (CAPES of Burkina Faso, KIPPRA of Kenya, and ZEPARU of Zimbabwe). These disseminations have already taken place. The disseminations were attended by various stakeholders, including participants from government, private sector and civil society organisations.

### Senior Scholars Research Programme

The Senior Scholars Research Programme provides an opportunity for senior members of the network to engage in AERC research. The objective of the programme is to retain senior scholars in the AERC network. A call for proposals was developed and posted on the AERC website. It was also sent to network members in November 2012 on three themes: youth unemployment; sources and spread of growth

opportunities and distribution of benefits; and natural resource management, climate change and economic development nexus. Thirty proposals were received in March 2013, and these underwent three rounds of external review. The proposal on youth unemployment was selected and commissioned in September 2014.

Currently, the researchers are implementing the project, having submitted their preliminary report in December 2015. The report consists of five chapters plus the introduction. The report was sent to two reviewers, who are serving as the “steering committee” for this project. Detailed comments were sent to the researchers in April 2016. The researchers have since submitted a revised report, which has been sent to the reviewers for review and comments. AERC will continue to closely monitor progress on this project, in

particular, to make sure the comments from the reviewers are fully addressed. The project research report is expected to be published as a monograph. The suitable outlet will be decided based on the quality assessment by the steering committee.

### Growth in Fragile States in Africa

AERC launched a collaborative research project on Growth in Fragile and Post-Conflict countries (supported by the IDRC). The objective is to inform economic policies that promote sustainable growth and development in fragile and post-conflict states in Africa, building resilience of these countries, thus reducing chances of relapses. A call for proposals was issued in May 2015. As a result, 77 proposals were received.

Ten proposals were selected and presented during a framework paper inception workshop held in March 2016, in Nairobi, Kenya, after which the project was commissioned. The inception workshop saw the participation (for the first time in AERC collaborative research projects) of practitioners in the brainstorming – policy makers and other policy actors – to help shape the projects, thus enhance the policy relevance of the research. The co-ordinator of this project is Dr Anke Hoeffler, Centre for the Study of African Economies (CSAE), University of Oxford, UK. Draft reports were submitted on 15 November 2016, and all researchers received feedback from the co-ordinator by mid-January 2017. The comments were incorporated in the revisions ahead of the final review workshop, held on 4-5

March 2017, in Nairobi, Kenya. The revised final manuscripts are expected on 30 May 2017. AERC will work with the project co-ordinator to identify a suitable outlet for the outputs of this project.

### Health care financing in sub-Saharan Africa

Sub-Saharan Africa, perhaps to a greater extent than any other region in the world, still faces a grim scenario with respect to the health of its people. While the continent has seen improvements in health outcomes, including child mortality, morbidity remains high, and many countries missed on the Millennium Development Goals targets in this area. Poor population health status is mirrored by crises in health financing and human resource. Most of the notable successes in health sector have been made



*Prof. Lemma W. Senbet, AERC Executive Director, shares a joke with a researcher during a technical workshop on Time Series Econometrics that was held on 14-25 October 2016 in Mombasa, Kenya.*



possible in large part through development support. An example is the 2014 Ebola outbreak in West Africa. This suggests that reductions in development aid in general, and health related aid in particular, could potentially jeopardise the gains made thus far. To mitigate such risk, there is a need for Africa to increasingly self-finance its development agenda, and financing of health care is no exception.

AERC is in the process of launching a collaborative research project on Health care financing in sub-Saharan Africa. The call for proposals for framework papers for this project was sent out in June 2016, and re-opened in August 2016 to allow more time for researchers to respond. There appears to be less enthusiasm for the topic for only 27 proposals, which are currently under review, were received. The inception workshop for this project was in April/May 2017, while the final review workshop is planned to take place back-to-back with the December 2017 biannual research workshop. The project should be completed by 30 June 2018, and the papers published in a suitable outlet.

### **Rethinking Regional Integration in Africa for Inclusive and Sustainable Development**

Regional integration is a development priority for Africa. Africa's integration journey towards a more connected, competitive and business-friendly continent is under way,

and its roadmap is, in some areas, under construction as evidenced by AERC's intense research inquiry and policy dialogue on the subject. Further, AfDB has recently developed a central database and system for collecting and measuring the progress of Africa on the move. The efforts have so far yielded Africa's Regional Integration Index, an action tool in the continent's recent policy and operational level developments.

In furtherance of the regional integration agenda, AERC is launching a new collaborative research project that will focus on previously under-researched and emerging issues. The project will focus on five socio-economic dimensions that are fundamental to Africa's integration, namely: regional infrastructure, trade integration, productive integration, free movement of people, and financial and macroeconomic integration. The call for framework papers for this project was sent out in February 2017, and an inception workshop is planned to take place back-to-back with the June 2017 biannual research workshop in Johannesburg, South Africa.

### **Institutional Collaboration**

#### **AERC Sponsors Joint Event at the Tokyo International Conference on African Development**

AERC co-hosted a side event at the Sixth Tokyo International Conference on African Development (TICAD VI)

Summit held on 26-28 August, 2016 in Nairobi, Kenya. In partnership with the Institute of Developing Economies, Japan External Trade Organization (IDE-JETRO), JETRO-Nairobi, and Overseas Development Institute (ODI), AERC mounted a very successful side event on the theme "Industrialization, Private Sector Development and Economic Transformation in Africa: Challenges and Prosperity." Participants included policy makers, diplomats, and academia, as well as private sector actors.

The event was addressed by Prof Lemma W. Senbet; Dr Stephen Gelb, Senior Research Fellow, Overseas Development Institute (ODI); Mr Takahiro Fukunishi, Director, IDE – JETRO; Prof Gerrishon Ikiara, Professor of Economics, University of Nairobi; Mr Hiroshi Sato, Chief Senior Researcher, IDE – JETRO and Prof Keijiro Otsuka, Chief Senior Researcher, IDE – JETRO. The session, which involved research presentations and a panel discussion, explored potential ways toward transformation as experts from SSA, UK and Japan discussed industrialization in Africa considering evidence-based policy and empirical research in the local context.

#### **AERC Participates in the China-Africa Economic Cooperation Symposium**

AERC was well represented at the China-Africa-Cooperation Symposium held in Mombasa, Kenya, on August 11-12, 2016. Prof Senbet moderated part of the dialogue and delivered



a keynote speech on the state of African finance and capacity building with emphasis on the China-Africa co-operation in developing the African financial sector for enhanced domestic resource mobilization.

China has emerged as Africa's largest trading partner, not just in minerals and oil but also in infrastructure, manufacturing, services, education, and even finance.

"China has been a transformational partner from the standpoint of Africa's development," Prof Senbet said during the symposium, adding that China and Africa should foster relationships in other spheres apart from that nurtured between government actors, but also among the private sector actors and the grassroots.

"The symposium was productive, and potentially influential. I am pleased that there was such a high level representation from the Chinese side," said Prof Senbet after the seminar. He was interviewed by CCTV and other local and international media stations.

### **DEGRP International Conference on Economic Opportunities for a Better Future: Leveraging Agriculture, Innovation and Financial Inclusion**

Low-income countries (LICs) experienced high GDP growth over the past two decades.



*Dr. Dirk Willem te Velde, Finance and Innovation Research Lead for the DEGRP programme at the conference convened jointly by the DFID-ESRC Growth Research Programme (DEGRP) and the African Economic Research Consortium (AERC) in Nairobi, Kenya. The conference was attended by over 100 participants and set an agenda to discuss how to leverage agriculture, financial sector development and innovation to build better economic opportunities for all.*

However, this growth has not been sufficiently inclusive, transformational or resilient. As a result, many countries have seen a rise in joblessness, increased absolute poverty, static economic structures and lack of resilience in the latest economic crisis. AERC co-organized a two-day conference with the DFID-ESRC Growth Research Programme (DEGRP) on Economic opportunities for a better future: Leveraging agriculture, innovation and financial inclusion. Held on 28-29 October 2016 at Safari Park Hotel in Nairobi, Kenya, the conference drew on cutting edge research to discuss how to leverage agricultural transformation, innovation, and financial inclusion to build better economic opportunities

for all. It comprised of high-profile keynote speeches, panel and research sessions. Panel sessions brought together business, government and academic perspectives to debate important policy issues relating to agriculture, finance and innovation while research sessions explored new research in depth. The key issues, themes and questions addressed included:

- **Agricultural innovation:** How can barriers to investment and innovation on farms – such as risk, or lack of access to inputs, credit, or technical knowledge – be overcome?
- **Institutions and management:** What institutions are needed to underpin agricultural transformation? How



can land markets be made to work effectively and equitably? How can irrigation be stimulated through better management of schemes and the water resources they use?

- **Finance:** How can the financial sector be developed and regulated to generate economic opportunities, without boom-bust cycles? What conditions and features of the financial sector, including microfinance, can increase access to finance for the poorest and most vulnerable households and firms? What innovations and/or collateral technologies are required to de-risk credit extension to the poor and vulnerable, and how best to ensure efficient risk sharing between public and private sectors?
- **Innovation:** What implications do new insights into innovation have for efforts to promote productivity change and economic transformation? What policies and incentives support and drive innovation at the micro and macro level?

The Conference was a success considering the quality and depth of discussions held as well as the participation by high-level policy speakers and senior researchers. Opening speeches were delivered by Prof Lemma W. Senbet, AERC Executive Director; Dr Dirk Willem te Velde, ODI Head of International Economic

Development Group; and H.E. Dr Kerfalla Yansane, Senior Minister, Office of the President, Guinea. There were two keynote speeches by Mrs. Sheila M'Mbijjiwe, Deputy Governor, Central Bank of Kenya; and Mr Admassu Tadesse, PTA Bank President and CEO. Conference proceedings are currently being prepared for publication.

### **The GDN-AERC-Brookings Washington high policy dialogue on "Boosting African Voices on International Development in sub-Saharan Africa"**

With the financial support of USAID and GDN, AERC is currently implementing a project on strengthening the capacities of African researchers and policy institutions to inform and advise the priorities of old and new donors, including USAID, in sub-Saharan Africa. This work includes support to researchers and research teams working on research relevant to USAID's mission to end extreme poverty and promote the development of resilient, democratic societies and its priorities (poverty alleviation, food security, economic analysis and reform, agriculture development, public/private partnerships, trade, domestic and foreign investment). The research work is aimed at promoting African voices and perspectives as part of fact-based contribution in the multilateral development policy fora. In addition, the body

of research work produced will be used as a resource for bilateral and multilateral agencies' policy formulation in their development assistance programs.

Under the USAID grant, GDN and AERC organised two high level policy dialogues (HLPD) in Washington DC and in Africa. The Washington DC HLPD took place on 6 October 2016 at the Brookings Institution, where Prof Lemma W. Senbet and Prof Peter Quartey (University of Ghana) represented AERC. The event in Africa took place on 3 December 2016, back-to-back with the Biannual Research Workshop in Dakar, Senegal. The event brought together senior African policy makers, senior AERC network researchers, representatives of aid agencies and other stakeholders to deliberate on how development assistance can best support informed policy making in the continent. The theme of the HLPD was "Effective Aid for Inclusive Development in sub-Saharan Africa: A Look from the Ground Up."

### **Knowledge Platform Development Project**

The Knowledge Platform on Inclusive Development Policies (INCLUDE) brings together researchers from Africa and the Netherlands who work with the private sector, non-governmental organizations (NGOs) and governments in exchanging information and ideas about how to achieve better research-policy linkages on economic transformation

and inclusive development. The Platform Secretariat is hosted by the African Studies Centre (ASC) in Leiden and is a consortium made up of ASC, AERC, The Broker and the International Institute of Social Studies (ISS/EUR).

In the initial stages of the project, the INCLUDE Platform launched seven research policy communities in four African countries, with the objective of bringing together researchers and policy actors so as to improve research uptake in policy. As the name suggests, these communities are made up of researchers, policy makers, and other policy actors. The four countries are Kenya, Uganda, Ghana and Mozambique. In partnership with the African Development Bank (AfDB), INCLUDE held a Panel Session titled "Jobs for Women and Young People – the Transformative Potential of Agribusiness" on 23 May 2016,

in Lusaka, Zambia, back-to-back with the AfDB Annual Meetings. Geraldine Fraser, Gender Envoy, AfDB, and Isa Baud, Chair INCLUDE Steering Group, made introductory remarks. The panelists were Dr Nteranya Sanginga, Director General of International Institute of Tropical Agriculture (IITA); Ms Yana Watson Kakar, Dalberg; Ms Ada Osakwe, Agrolay Ventures; Ms Jacqueline Novogratz, CEO Acumen; and Dr Wanjiru Kamau-Rutenberg, Director at African Women in Agricultural Research and Development (AWARD). The dialogue was augmented by designated floor panelists drawn from the partner institutions, including the AERC Executive Director. The panelists and delegates deliberated on innovative approaches to make agribusiness more attractive and remunerative to youth (men and women) as part of agricultural transformation in

Africa. The panel attracted many delegates, including senior African policy makers, who were attending the 2016 AfDB Annual Meetings.

The Platform and UNICEF hosted a half a day social protection seminar on 29 October 2016 titled "Leaving no one behind," an agenda of the Sustainable Development Goals at the Dutch Ministry of Foreign Affairs (MFA), The Hague, Netherlands. About 35 participants attended the seminar. These were drawn from the MFA, African missions in the Netherlands, co-ordinators of the Platform research consortia and the Secretariat. The objective of the seminar was to explore how social protection could become the backbone for achieving this goal through development co-operation. Reina Buijs, Deputy Director-General for International Co-operation made the opening



*Participants keenly following proceedings of the DFID-ESRC Growth Research Programme (DEGRP) and the African Economic Research Consortium (AERC) conference. The two-day conference whose theme was "Economic Opportunities for a Better Future: Leveraging Agriculture, Innovation and Financial Inclusion" was held at Safari Park Hotel in Nairobi, Kenya. It drew on cutting edge research to discuss how to leverage agricultural transformation, innovation, and financial inclusion.*





remarks. Discussions focused on sustainable finance and political dialogue of social protection programmes.

On 30 October 2016, the Platform hosted a one-day research-policy dialogue on “How to make development policies in Africa more inclusive” in Leiden, the Netherlands. The research groups presented their interim findings and outlined the implications for policy.

### Capacity for Service Delivery Indicators Project

Based on the collaborative AERC-World Bank research on service delivery indicators, the Bank is currently engaged in a new Africa wide flagship initiative to track service delivery in education and health across countries and over time in a comparable manner. The Capacity for Service Delivery Indicators Project’s (CSDI) objective is to expand the capacity for analysis and use of SDI data in national policy dialogue on education and health in Kenya, Nigeria, and Tanzania.

The CSDI project begun in October 2013, and ran through mid-October 2016. The project has three programmatic components, namely: (i) Capacity for SDI Analysis (ii) Capacity for SDI Policy Dialogue; (iii) Capacity for Service-delivery related communication and public accountability. The Capacity for SDI analysis has two major elements (a) Basic SDI training course, aimed at building the

skills of junior researchers and analysts to undertake useful analysis of SDI data, and (b) Advanced SDI training course. The Advanced SDI training course is a follow-on training to the basic SDI course and builds the skills of senior researchers and analysts in cutting edge analysis of SDI data that will influence development debates and stimulate further research in education and health in these three respective countries (and beyond). The objective is to strengthen the capacity of governmental agencies, and non-governmental organizations (including think-tanks) to analyse questions related to service delivery.

Following successful completion of Basic SDI training and Advanced SDI training workshops in the three countries, AERC embarked on the Capacity for SDI Policy Dialogue, and Capacity for Service-delivery related communication and public accountability phases of the project. This began with the successful launch of the Tanzania SDI survey results (country report), which was previously postponed. The launch took place on 27 May 2016 in Dar es Salaam. The launch was co-organised by AERC, the World Bank, and the Research on Poverty Alleviation (REPOA). Mr Keith Hansen, World Bank’s Vice President for Human Development Global Practice, participated at the launch. Tanzanian government officials and policy makers, including parliamentarians, also attended the launch.

During the reporting period, a number of activities were undertaken under the Service Delivery Indicators project. In September and October 2016, AERC successfully undertook all planned SDI project outreach and engagement seminars with media, non-governmental institutions, civil society organizations and opinion leaders in each of the three countries (Kenya, Tanzania and Nigeria), as well as organizing policy seminars in Kenya and Nigeria.

Delivered under the theme “Service Delivery Indicators for Improved Outcomes in Health and Education: Evidence, Policy Messages and Possible Actions,” the seminars focused on the survey results and recent research findings. The approach of engagement involved opening remarks by the AERC Executive Director, who provided a background to CSDI project, reason for the initiation, coverage of SDI across Africa and the progress made to date. This was followed by interactive sessions on SDIs on education and health in the respective countries. The SDI engagement presentations to media, CSOs, opinion leaders and NGOs generated robust discussions to stimulate media attention. The media consultants have so far reported increased interest and focus on SDI messaging by media practitioners, bloggers, and other stakeholders. The multi-stakeholder dialogue is intended to promote public accountability and enhanced service delivery outcomes in education and health.



*H.E. Dr. Kerfalla Yansane, Senior Minister, Office of the President, Guinea, giving a key note address at the DFID-ESRC Growth Research Programme (DEGRP) and the African Economic Research Consortium (AERC) conference. The Conference was a great success, considering the quality and depth of discussions held, as well as the participation by high-level policy speakers and senior researchers.*

Following successful engagement seminars held in September 2016, a National Policy Seminar for Nigeria and a Regional Policy Colloquium for Kenya and Tanzania were undertaken during the first half of October 2016. The two policy dialogue events saw extensive discussions among high-level policy makers and policy analysts across the three countries. The main papers prepared using the SDI dataset and discussed at the events are:

- “The SDI Process, and key findings in health and education from Kenya, Nigeria and Tanzania” by Lucas Katera of REPOA in Tanzania and Opeyemi Fadeyibi of World Bank, in Nigeria.
- “What Do Teachers Know and Do in Primary Schools in Kenya, Nigeria and Tanzania?” by Tessa Bold, University of Stockholm, Sweden.

- “The Quality of Service Delivery at Health Care Facilities in Kenya, Nigeria and Tanzania” by Germano Mwabu of University of Nairobi.
- “Effect of School Management on Quality of Primary Education in Kenya” by Eldah Onsomu of Kenya Institute for Public Policy Research and Analysis.
- “Health Care Service Delivery and Health Outcomes in Nigeria” by Femi Ayadi of University of Houston, Clear Lake, Houston.
- “Quality of Service Delivery at Health Care Facilities and Primary Schools in Nigeria” by Samuel Abayomi Oyekale of North-West University Mafikeng Campus, South Africa.

During the SDI policy seminars, AERC constituted public

private discussion panels for education and health sectors, and the discussions were managed by experienced moderators. The SDI grant expired on 15 October 2016, and AERC is currently engaged in grant close out activities. Visiting Scholars Programmes To further enhance the capacity of its network researchers, and thus the quality of research outputs, AERC links its researchers to leading research institutions through visiting scholar programmes. Below is an update on each of the visiting scholars’ programme.

### The AERC/IMF Visiting Scholars Programme

The AERC/IMF visiting scholars programme provides AERC researchers an opportunity to work on their work-in-progress or final reports using facilities at the International Monetary Fund (IMF) and to interact with IMF staff in their areas of research. During the period March to May 2016, eight researchers visited the IMF. One researcher, Ronald Mangani from Malawi, indicated that he was not able to participate in the programme due to work commitments. Two researchers from the 2015 cohort of approved applicants visited the IMF during the period March 2017 to May 2017.

Meanwhile, a call for expression of interest was posted on the AERC website and circulated widely to AERC network members in March and April 2016. The list of 15 applicants was reviewed during



the June 2016 AERC-IMF meeting held in Nairobi, Kenya. The list of 11 recommended participants was compiled and forwarded to IMF in August 2016 for final selection of the participants. Following this, five researchers were selected by the IMF in October 2016. The selected candidates were: Chuku Chuku from Nigeria, Kouame Desire from Cote d'Ivoire, Ita Mannathoko from Botswana, and Tiriongo Kiplang'at and Peter Wamalwa from Kenya. Furthermore, another call for expression of interest was posted on the AERC website and circulated widely to AERC researchers in September 2016. The call was extended until December 2016. Following this, a total of 26 applicants responded to the call and 18 were shortlisted and their names forwarded to the IMF for selection in January 2017.

### AERC/Journal of African Economies Visiting Scholars Programme

The AERC/Journal of African Economies Visiting Scholars Programme enables network members who have completed an AERC-supported research project to visit the University of Oxford, where they participate in academic and research activities at the Centre for Study of African Economies (CSAE), write a publishable journal article from their research reports and present their research output at a seminar. Two AERC researchers – Elizabeth Nanziri-Lwanga from Uganda and Douzenet Mallaye from Chad – participated in the programme during the first half of 2016. A total of 26 researchers have participated in the programme between 2007 and June 2016. The programme has been temporarily suspended

to facilitate review and restructuring of programmes and activities within the CSAE. We hope that the programme will resume soon.

### The AERC/CERDI/ FERDI Visiting Scholars Programme

AERC recently finalized the establishment of a new visiting scholars programme with CERDI/FERDI, France. The AERC/CERDI & FERDI Visiting Scholars Programme will provide short-term visiting fellowships to enable AERC network researchers to visit CERDI to work on their AERC sponsored research while at the Centre and to: (a) Generate a publishable article from the work; (b) Benefit from and enhance interaction with researchers at the Centre, including access to data; and (c) Participate in intellectual life of the centre. In addition,



*Participants in the DFID-ESRC growth research programme (DEGRP) and AERC conference held in Nairobi, Kenya. The key themes addressed in the meeting included agricultural innovation, institutional management as well as finance.*



the fellowship programme will enable the visiting fellows to pursue new research that is of mutual interest to AERC and CERDI/FERDI, and research collaboration with the Centre scholars. An MOU formalizing the visiting scholars programme was signed during the reporting period in August 2016. The fellowship will support independent research and study while in CERDI, France, and Fellows will be expected to attend all CERDI seminars and to present at least one seminar on their own research while at the Centre. Each visit would normally last for a period of two months. The timing of the visit will be arranged by CERDI. Following the signing of the MOU, a call for expression of interest was developed and uploaded on AERC website in January 2017 and circulated widely to network researchers. Expressions of interest have been received at AERC and the selection process will follow the procedure outlined in the signed MOU where shortlisting will be done at the AERC secretariat and final selection will be at CERDI/FERDI in France.

### Emerging Visiting Scholars Programme

We are pleased that a new visiting scholars programme was announced by the World Bank at the occasion of the AERC Biannual Research Workshop in Dakar, December 2016. The modality is now being worked out to formalize the AERC-World Bank partnership for the visiting scholars programme

### Institutional Partnerships

AERC aims to strengthen its capacity building in research and training activities, as well as policy outreach, through institutional linkages within and outside Africa on mutually beneficial terms. During the reporting period, AERC formalized three new partnership arrangements in under-represented countries; Centre d'étude et de renforcement des capacités d'analyse et de plaidoyer (CERCAP) in Mali, Cellule d'analyse de politiques économiques du CIRES (CAPEC) in Côte d'Ivoire and Centre autonome d'études et de renforcement des capacités pour le développement au Togo (CADERDT) in Togo. These institutional partnerships are targeted exclusively to institutions in fragile and post-conflict countries, and are part of AERC efforts to build capacity for research and policy analysis in these countries. Institutional partnerships form a complementary effort to the "research methods" training discussed above, which is also exclusively targeted at researchers from fragile and post-conflict countries. A call for expression of interest for additional institutional support under the IDRC support was uploaded on the AERC website and circulated widely in August 2016. Three institutions responded and a fourth institution has been selected to benefit from the institutional partnership grant. The selected institution is The

Horn Economic and Social Policy Institute (HESPI) in Ethiopia which was awarded an institutional partnership grant in March 2017.

### AERC/African Development Bank Scholars Exchange Programme for Research and Mentorship

The Research Department of the African Development Bank (AfDB) has designed an exchange programme between the AfDB and the AERC, in which new graduates under the AERC collaborative training programmes, particularly doctoral programmes, are given an opportunity to spend up to three months at the AfDB headquarters in Abidjan, Côte d'Ivoire, to deepen their research competencies. During the period of the programme, visiting researchers are expected to work on topics arising from their dissertation or research work they would have started working on with a view of gaining practical experience and deriving publishable papers, which will be included, where applicable, in the working paper series of the AfDB. Moreover, the research fellows will have dedicated mentorship, including from senior management, so as to expose them to the Bank and enhance their skills as they learn a number of practical aspects related to development financing and the challenges of Africa's transformation. Visiting researchers are supervised by appropriate Bank staff in



the Development Research Department. The programme is expected to run for two years and benefit a total of 33 visiting research fellows.

A total of 20 research fellows visited the AfDB during

the period 1 February – 30 November 2016, where they successfully produced one publishable research paper each under the mentorship of senior AfDB researchers. One of the research fellows, Dr Adom Philip Kofi, has

published his article in the Energy Economics Journal in December 2016. Table 5 presents a list of the 20 research fellows and the title of their research papers that are ready for publication.

**Table 5: AfDB Scholars Exchange Programme for Research and Mentorship research fellows**

	Name	Title of Research Paper	AfDB Supervisor and Mentor	Status
Period of Mentorship: 1 February – 30 April 2016				
1	Archade Nduricimpa Burundi (M)	Threshold Effects of Inflation on Economic Growth in Africa: Evidence from a Dynamic Panel Threshold Analysis	Prof John C. Anyanwu (Lead Research Economist)	Completed, ready for publication
2	Bright Eregha Nigeria (M)	Exchange Rate Policies, Inflationary Expectation and FDI Flow in WAMZ	Dr Jacob Oduor (Principal Research Economist)	Completed, ready for publication
3	Edith Togba Cote d'Ivoire (F)	Pérennité Financière et Portée Sociale De La Microfinance Dans l'UEMOA	Dr Linguère Mbaye, (Research Analyst)	Completed, ready for publication
4	Mamello Nchake Lesotho (F)	Product Market Integration and Border Effects Between Lesotho and South Africa: A production-Consumption Approach	Dr Emelly Mutambatsere, (Chief Research Economist)	Completed, ready for publication
5	Owen Nyangoro Kenya (M)	Capital Flows and Macroeconomic Performance in sub-Saharan Africa	Dr Amadou Boly (Principal Research Economist)	Completed, ready for publication
6	Solomon Olakojo Nigeria (M)	Extra-ECOWAS Trade and Investment Flows: Any Evidence of Business Cycles Transmission?	Dr Yameogo Nadeye Desiree (Senior Research Economist)	Completed, ready for publication
		R&D and Economic Performance: Simultaneous Estimates of Reciprocal Effects for Africa and Other Regions		
Period of Mentorship: 1 May – 31 July 2016				
7	Patrick Mfoulou Olugu Cameroon (M)	Forme urbaine, comportement de mobilité et dysfonctionnement de l'offre de transport en Afrique: Cas de Yaoundé	Dr Amadou Boly, (Principal Research Economist)	Completed, ready for publication
8	Eric Arthur Ghana (M)	A Comparative Study of the Effect of Household Socioeconomic Status on Child Health	Prof John C. Anyanwu (Lead Research Economist)	Completed, ready for publication

9	Ibrahim Alley Nigeria (M)	Capital Flow Shocks and Economic Growth in sub-Saharan Africa: Any role for capital controls?	Jacob Oduor (Principal Research Economist)	Completed, ready for publication
10	Joseph Omoijholaibi Nigeria (M)	The Determinants of Financial Inclusion and Growth Performance of an Oil-Dependent Economy: Analysis of the Nigerian Case	Anthony Simpasa, (Principal Research Economist)	Completed, ready for publication
11	Anthonia Taye Odeleye Nigeria (F)	Corporate Governance and Dividend Payouts in Nigeria	Moyo Jennifer Mbabazi (Senior Research Economist)	Completed, ready for publication
12	Michel Dieudonne Mignamissi Cameroon (M)	Monnaie unique et intégration par le marché	Linguere Mbaye (Research Analyst)	Completed, ready for publication
13	Kilishi Abdulhakeem Nigeria (M)	An Analysis of the Determinants of Institutional Quality in Africa	Nadege Yameogo (Senior Research Economist)	Completed, ready for publication
14	Gutu Teso Ethiopia (M)	Measuring resilience and level of commercialization of smallholders in the face of climate change and logistic challenges to achieve poverty reduction in Ethiopia	Balgis Osman-Elasha (Climate Change Expert at the Compliance and Safe Guards Division)	Completed, ready for publication
			Anthony Nyong (Manager, Compliance and Safeguards Division)	
15	Boris Odilon Kounagbe Lokonon Benin (M)	Farmers and Communities Vulnerability and Resilience to Climate Shocks in the Niger Basin of Benin	Adeleke Salami (Senior Research Economist)	Completed, ready for publication
			Edwin Muchapondwa (Consultant)	
Period of Mentorship: 1 September – 30 November 2016				
16	Gandjon Fankem Gislain Stephane Cameroon (F)	Integration Commerciale en Afrique Centrale: Le Regime Politique Importe-t-il?	Dr Audrey Verdier-Chouchane (Mrs) (Chief Research Economist)	Completed, ready for publication
17	Rifkatu Nghargbu Nasarawa State, Nigeria (F)	Inequity in Maternal and Child Health Care Utilization In Nigeria	Dr Andinet Woldemichael (Senior Research Economist)	Completed, ready for publication
		Economic and Non-economic Determinants of Antenatal Care Utilization: A Two-Part Model Analysis.		





18	Adom Philip Kofi Ghana (M)	The Long-run Price Sensitivity Dynamics of Industrial and Residential Electricity Demand: The Impact of Deregulating Electricity Prices	Dr Anthony Simpasa (Principal Research Economist)	Published in Energy Economics Journal in December 2016
19	Djahini-Afawoubo Dosse Mawussi Togo (M)	A qui profitent les services sociaux de base au Togo ?	Linguere Mbaye (Research Analyst)	Completed, ready for publication
20	Mustapha Saidi Atanda Ogun State, Nigeria (M)	Inclusive Growth and African Equity Markets: Insights on (Mis)pricing and Diversification Strategies.	Jacob Oduor (Principal Research Economist)	Completed, ready for publication

Another group of five research fellows reported at the AfDB in January 2017. The remaining eight research fellows are scheduled to visit AfDB in May 2017.

### CMAAE internship programme and institutional partnerships

With the exception of the Government of Kenya internships, no other partner sponsored CMAAE internships in the period under review. Currently, there are 14 GoK CMAAE interns at the National Treasury. It is expected that with the rollout of African Governments co-funding, internships in the five BMGF countries will be re-launched. The AfDB funding is also expected to bring on board a number of internships to be rolled out in 2017/18.

### Sandwich PhD fellowship awards

Cumulatively, a total of eight PhD fellows have benefitted from the CMAAE staff development fellowships, three of whom have graduated. These are Jackson Langat, who was registered at Egerton

University, and Elias Kuntashula and Christopher Fakudze from University of Pretoria. During the reporting period, the programme continued to support five PhD fellows who are currently in their fourth year of study. Unfortunately, Christopher Fakudze died suddenly in May 2016. A faculty member at the University of Zambia who is a PhD student at the University of Pretoria made progress in the period under review and is expected to conclude her studies and graduate by April 2017.

### P4P Data Analysis and Knowledge Management Hub (DAKMAH) Project

AERC continued to build on its partnership with Purchase for Progress (P4P) pilot project in Africa, Asia and Latin America. The partnership was originally planned to run for a period of four years ending March 2015. However, a one-year no-cost extension was given so as to enable the Hub to conclude all envisaged activities and deliverables, and to lay a more solid base for further development of the centre of expertise, while disseminating

evidence, lessons and best practices for smallholder agricultural and market development to policy makers. During the reporting period, only one country (Ghana) had to go back to field to collect data, because preliminary analysis concluded that there were some anomalies in the data. For continuity and to avoid losing momentum on the project, bridge support that ran from 3 March to 31 July 2016 was also agreed to enable AERC to develop a proposal for the second phase of AERC/WFP partnership on the data analysis and knowledge management hub.

WFP/P4P's emphasis on learning in its monitoring and evaluation led to a need to conduct deeper quantitative analysis of the data generated by engaging researchers from AERC network and others to further explore the data and write research papers. These research outputs were being finalized for publication in a volume that will contribute to the discussion/dialogue on constraints of smallholder farmers access to remunerative

markets. To this end, four papers, out of 10 initial submissions have been finalized and are being edited for publication in a volume on “Lessons from the P4P Pilot”. One of the researchers was invited to present a paper at the African Association of Agricultural Economists conference held in Addis Ababa, Ethiopia, in September 2016. The data portal, which was intended to house data

collected under the project, was finalized and is operational. There is now a need to identify how other AERC data could be sourced and be uploaded on the portal for the benefit of the entire network.

Related to this work and in part preparing for a possible follow-on collaboration on P4P, AERC was invited to co-host a policy dialogue and advocacy session in Nairobi in April

2017. This workshop brought together policy makers, practitioners, WFP and the private sector for a dialogue on constraints to smallholder market participation and policy implications from the pilot along the lines of the AERC Senior Policy Seminar (SPS).

Table 6 presents a summary of the outcomes relating to the implementation of strategic objective 2.

**Table 6: Outcomes of implementing strategic objective 2**

Strategic Objective	Outcomes	Outcome Indicators	Baseline	Target 2016	Actual April 2016-March 2017
Build and strengthen national, regional and global linkages to generate high quality economic policy research and graduate training	(2.1) Enhanced profile of AERC in policy making in SSA	# of collaborative research projects successfully completed (cumulative)	20	22	22
		# of collaborative research projects presented at conferences (cumulative)	15	17	17
	(2.2) Strengthened institutional capacity to conduct quality policy relevant research and training	# of African policy oriented research and training institutions with enhanced capacity	Universities=26 Think Tanks=10	Universities=31 Think Tanks=13	Universities=27 Think Tanks=14

# Engage the private sector in mutually beneficial research and training activities to enhance innovation, and to deepen and broaden AERC capacity building





## Engage the private sector in mutually beneficial research and training activities to enhance innovation, and to deepen and broaden AERC capacity building

**T**he private sector has increasingly been recognized as a key driver of economic growth and development in Africa. During the current strategic plan period, more prominence has been given to private sector linkages so as to enhance development impact of activities of AERC in mutually beneficial areas of interest. In order to realize the outcomes under this objective, numerous activities were undertaken during the reporting period. Objective 3 is a new territory for AERC, and as a result, activities have proceeded at a slower pace than for the other objectives. Efforts are, however, under way to ramp up activities to ensure that the outputs are met and outcomes realized as per the Strategic Plan 2015-2020 results measurement framework (RMF).

### Increased private sector participation in economic policy research and capacity building for sustainable development in Africa

Both the June and December 2016 Biannual Research workshop plenary sessions featured a public-private roundtable policy discussion, with private sector actors as panelists. The June edition had Mr Kebour Ghenna, Executive Director, Pan African Chamber of Commerce and Industry, Ethiopia; Ms Phanice Kwamboka, Founder/CEO, Eye on Africa, and Ms Sandra Shenge, AEGIS Trust, Rwanda. Four other private sector actors participated as observers. The December 2016 plenary session had private sector actor Mr Ndiaye Ousmane Sy, Permanent Secretary of UNACOIS, participating as a panelist.

During the Senior Policy Seminar held in March 2016, the public/private sector roundtable attracted private sector actors, among them Linda Kwamboka, Co-founder, Mfarm Limited, Kenya; and Mr Admassu Tadesse, President and CEO, PTA Bank. The roundtable, which was

chaired and moderated by Mr Admassu Tadesse, provided a forum for exchange of views between policy makers, private sector players and non-state actors on the challenges and opportunities faced by policy makers, private sector and non-state actors in their attempts to facilitate and foster financial inclusion in Africa.

AERC also hosted the 2017 Senior Policy Seminar in collaboration with the AfDB and UNU-WIDER in Abidjan, Côte d'Ivoire in March. The seminar focused on the theme "Industrialization in Africa." One hundred and twenty one (121) participants, including senior policy makers, private sector actors, and civil society, participated at the seminar and engaged in policy discussions around this topical theme.

### Strengthened capacity for research and analysis in the private sector

#### Research on issues pertinent to the private sector

The growing importance of the private sector in the economies of the region necessitates policy research attention relevant to the private sector. Most of the work in this respect has been under the theme of financial inclusion and in topics discussed during the biannual workshops in thematic groups C (Finance and resource mobilization) and E (Agriculture, climate change and natural resource management). Research in finance is increasingly paying attention to financial inclusion, financial market development, financial regulation, governance, etc., that are at the intersection of public and private sectors. Similarly, there is research in agriculture and climate change that focuses on smallholder farmers who are part of the private sector in this space.

Table 7 presents a summary of the outcomes relating to the implementation of strategic objective 3.



*Participants following proceedings during one of AERC's dissemination workshops. In order to empower smallholder farmers with best practices and policy makers on the key recommendations of supported theses research work, the AERC's CMAAE programme has held theses dissemination workshops in several countries in Africa.*

**Table 7: Outcomes of implementing strategic objective 3**

Strategic Objective	Outcomes	Outcome Indicators	Baseline	Target 2016	Actual increment April 2016-March 2017
Engage the private sector in mutually beneficial research and training activities to enhance innovation, and to deepen and broaden AERC capacity building	(3.1) Increased private sector participation in economic policy research and capacity building for sustainable development in Africa	# of policy research and training activities undertaken in partnership with the private sector (cumulative)	1	3	2
		# of private sector actors participating in AERC policy outreach activities (cumulative)	10	25	17
		# of private sector actors participating in research dissemination activities (cumulative)	20	50	41
	(3.2) Strengthened capacity for research and analysis in the private sector	# of researchers conducting policy oriented research related to private sector (cumulative)	10	16	22

# Enhance AERC visibility, outreach and policy engagement to maximize the uptake of AERC products in policy







## Enhance AERC visibility, outreach and policy engagement to maximize the uptake of AERC products in policy

**A**ERC as a reference and focal point for policy research and training in sub-Saharan Africa

### Policy outreach and dissemination packages

#### Senior Policy Seminar XIX

The African Economic Research Consortium's (AERC) Senior Policy Seminar XIX (SPS, 2017) featured the theme "Industrialization in Africa", and it was held in Abidjan, Cote d'Ivoire on March 13-14, 2017, in partnership with African Development Bank (AfDB), Brookings Institution, and the United Nations University World Institute for Development Economics Research (UNU-WIDER). The 2017 Senior Policy Seminar was an outstanding success. It attracted 121 participants from all over Africa, including senior policy makers, private sector actors, civil society, leaders from knowledge organizations. It was officially opened by Hon Jean-Claude Brou, Minister for Industrialization and Mines, Cote d'Ivoire. This was a timely opportunity to explore policy options for accelerating the pace of industrialization on the continent. The seminar drew on research by the AERC network, and on a multi-year research programme involving many AERC affiliates. At the closing of a two day multi-stakeholder policy dialogue, based on rigor and evidence, a declaration from the participants was issued on the highlights of what transpired, along with reaffirmation and commitment by senior policy makers to inclusive industrialization and call for action.

AERC senior policy seminars are forums designed specifically to bring together senior policy makers from sub-Saharan African countries to exchange experiences and deliberate on topical issues pertaining to sustainable development of their economies. Participants

in these seminars are drawn from the highest levels of government, including the presidency, ministers, governors of central banks, heads of civil services, permanent secretaries and heads of government agencies and parastatals.



*Hon. Jean-Claude Brou, Minister for Industrialization and Mines, Cote d'Ivoire addressing a gathering during the opening of the African Economic Research Consortium's (AERC) Senior Policy Seminar (SPS XIX) on the theme "Industrialization in Africa" that was held in Abidjan, Cote d'Ivoire on March 13-14, 2017. The conference was a great success attracting 121 high level participants from all over Africa.*

"Africa has no choice but industrialize. Simultaneously it has no choice, but integrate in its quest for inclusive and sustainable growth. There are positive upswings, though. A strong and positive growth trajectory, rapid urbanization, more stable and improving economic and political environments have opened a window of opportunity for Africa to achieve economic transformation through industrialization and regional integration. And this specific senior policy seminar on industrialization in Africa provides a timely forum for dialogue on the subject between senior policy makers, academic thought leaders, private sector actors, and among policy makers themselves. This debate will be conducted in the best of AERC's traditions guided by rigour and evidence," said Professor Lemma W. Senbet, Executive Director of AERC on the eve of the conference.

Leading researchers and thought leaders shared their ideas with distinguished senior policy makers in various sessions. The first session was devoted to a presentation by Prof Finn Tarp of the UNU-WIDER, Finland, titled “Industrialization in Africa: Setting the Stage & Overview”. The second session featured Prof Carol Newman, Trinity College, Ireland, who presented a paper on “Industrial Clusters: The Case for Special Economic Zones in Africa”. Dr Eyerusalem Siba, Brookings Institutions, Washington D.C did the last presentation of the day on “Learning to Export and Learning by Exporting”.

The first session of the second day was a presentation by Prof Judith Fessehaie, University of Johannesburg, South Africa on

“Regional Industrialization in Africa” and the second session featured “Financing Industrial Development: Lessons from other Regions” by Prof Keun Lee, Seoul National University, Korea. Third session was on “AfDB’s Industrial Strategy” and the presenter was Dr Ludovic Alcorta, United Nations Industrial Development Organization (UNIDO).

The lead discussants for these papers were, respectively, Prof Aly Mbaye, CREA/UCAD, Senegal; Dr Adam Mugume, Bank of Uganda; and Dr Nii Sowa, International Growth Centre, Ghana. Session chairs were Pierre Guislain, AfDB; Dr Kheswar Jankee, Mauritian Ambassador to Germany; Prof Monty Jones, Minister of Agriculture, Sierra Leone; Dr Louis Kasekende, Deputy

Governor, Bank of Uganda; and Dr Frannie Leautier, Senior Vice President, AfDB. There were floor discussions by participants after each presentation. The closing session of the conference was a policy roundtable on Industrialization in Africa. This roundtable was chaired and moderated by Dr Bright E. Okogu, Executive Director, AfDB.

### **Publications (research output and corporate / promotional materials)**

**Thematic Research Papers:** During the fiscal year, 21 thematic research and two special papers, whose titles are indicated in tables 8 and 9 respectively, were produced and distributed during the period under review.



*Prof. Lemma W. Senbet, AERC Executive Director; Hon. Jean-Claude Brou, Minister for Industrialization and Mines, Cote d'Ivoire and Mr. Pierre, Guislain, Vice-President, Private Sector, Infrastructure and Industrialization of the African Development Bank (AfDB) during the AERC Senior Policy Seminar XIX. The seminar drew on research by the AERC network, and on a multi-year research programme involving many AERC affiliates. It was jointly organized by the African Development Bank (AfDB), the Brookings Institution, and the United Nations University World Institute for Development Economics Research (UNU-WIDER).*

**Table 8: New AERC Research Papers**

Number	Title of Research Paper	Author(s)
301	Out-of-pocket Payments for Health Care and Impoverishment in Nigeria,	Awoyemi Taiwo Timothy and Adigun Grace Toyin
302	Extension of the Drinking Water Network in the District of Abidjan	N'kongon Y. Jeanne
303	Analysis of Asymmetries in the Tax-Spending Nexus in Burundi: Evidence from Threshold Modelling	Arcade Ndoricipa
304	The Bank Lending Channel of Monetary Policy Transmission: A Dynamic Bank-Level Panel Data Analysis on Tanzania	Wilfred Mbowe
305	The Determinants of Corruption in Cameroon	Ngoa Tabi and Henri Ondo
306	Optimal Monetary Policy Rule and Exchange Rate Volatility: A case of Zambia	Oswald Kombe Mungule
307	Courts and Bribery for Infrastructure in East African Manufacturing Firms	Sheshangai Kaniki and Tendai Gwatidzo
308	Assessing the Links between Energy and the Macro Economy: A GCE Analysis for Ghana	Emmanuel Ekow Asmah
309	Analysis of Food Aid Distribution in Malawi and Ethiopia	Alabi Reuben Adeolu and Adams Oshobugie Ojor
310	Indirect Taxation, Income Distribution and Poverty in Cote d'Ivoire	Gbongue Mamadou and Beyera Isabelle
311	The Potential Impact on Trade of Setting up a Second Monetary Zone in West Africa	Sékou Falil Doumbouya and Ousmane Bah
312	Macroeconomic Determinants of Primary Education in the Republic of the Congo: Analysis Based on a Simultaneous Equation Model	Mathias Marie Adrien Ndinga and Marien Ngouabi
313	Quality of Institutions and Foreign Direct Investment (FDI) in Sub-Saharan Africa: Dynamic Approach,	Komlan Fiodendji
314	Corporate Governance and Dividend Payout Policy: Evidence from Selected African Countries	Joshua Yindenaba Abor and Vera Fiador
315	Impact of ECOWAS/EU Economic Partnership Agreements on Intra-ECOWAS Trade: An Empirical Analysis of Trade, Revenue and welfare Effects	G.O Onogwu and C.J Arene
316	Socioeconomic Determinants of Use of Reproductive Health Services in Ghana	Patience Abor and Gordon Nkuruma
317	Foreign Direct Investment and Growth: Evidence from the Economic Community of west African States	Patricia Aadamu and Dickson Oriakhi
318	Are High Value Agri-food Supply Chains Participants better Insulated from Shocks? Evidence from Senegal	Senakpon Fidele Dedehouanou
319	Multi-Asset Deprivation and Pro-Poor Growth in Cameroon	Hans Mpenya
320	The Role of Property Rights in the Relationship between Openness to International Capital Flows and Economic Growth in Sub-Saharan Africa Countries: An Estimate from Non-Stationary Panel Data	Sionfou Coulibaly and Lewis Gakpa
321	Determinants and Economic Impact of International Tourist Arrivals in Ghana	Isaac Bentum-Ennin



**Table 9: New AERC Special Papers**

Number	Title of Special Paper	Author(s)
50	The Economic and Environmental Cost/benefits of Green Fuel: The Case of the Chisumbanje Ethanol Plant	Carren Pindiriri
51	Empirical Analysis of the Socio-Economic Impact of Climate Change on water Resources in Botswana	J.S. Juana, P.M. Makepe and K.T.Mangadi

## Collaborative Research Volumes and Other Projects

- *Health, Economic Growth and Poverty Reduction Framework Papers*. This book was published as a joint venture between AERC and the University of Nairobi Press and has been shared with some of the AERC network members and institutions
- *Reproductive Health, Economic Growth and Poverty Reduction in Africa*: Selected papers from the country case studies were submitted to the Journal of African Development (JAD) to be published in a special issue with Prof Germano Mwabu of the University of Nairobi as the guest editor. This journal has been published and distributed to AERC stakeholders.
- *Financial Sector Reforms and Development*: The papers from the project are due for publication in a special issue of Review of Development Finance.
- *Capital Flight and Tax Havens*: The nine country case studies of this project have been completed and are now ready for publication. The co-ordinator for this project is Prof Léonce Ndikumana.

The authors revised their papers following a final review workshop and these papers have been submitted to the African Development Review for publication. These will be published in a special journal.

## Other AERC publications

- *Senior Policy Seminar XVII Report*: A report titled Agriculture in Africa's Transformation: The Role of Smallholder Farmers was published.
- *Senior Policy Seminar XVIII Policy Brief*: A report titled Financial Inclusion in Africa was published as a declaration.
- *Senior Policy Seminar XVIII Report*: A report titled Financial Inclusion in Africa was published.
- *Senior Policy Seminar XVIII Papers*: A book titled Financial Inclusion in Africa was published.
- *Senior Policy Seminar XVIII Policy Brief*: A report titled Industrialization in Africa was published as a Communiqué.

## Updates from the Executive Director's Desk

Two issues of Updates from the AERC Executive Director's Desk were produced in May and December 2016 and shared among the AERC

network members through MailChimp. The updates, which provide highlights of the recent activities and milestones, were also posted on the AERC website for wider circulation.

## AERC Newsletter

The AERC Newsletter Issue (Number 32) was published as per schedule and distributed to AERC network members.

## AERC Strategic Plan 2015-2020

The AERC Strategic Plan 2015/2020 was published and distributed to the AERC board members and other stakeholders.

## Policy Briefs

Sixteen Policy Briefs were produced from the collaborative research projects and posted on the AERC website for wider circulation. These Policy Briefs provide a succinct and clear summary of a specific research paper that is particularly intended for use by policy makers.

## Journal of African Economies

During the period, the Journal of African Economies: Volume 25, Supplement 1, 2016: Youth Employment in sub-Saharan Africa: Challenges, Constraints and Opportunities was published by Oxford University Press. Copies of the journal

have been distributed in various AERC events.

### AERC Documentary

AERC produced a documentary to showcase some of the achievements of the Consortium since its inception. The Documentary will be used to market AERC as well as showcase the flagship activities, such as the Biannual Research Workshops, Senior Policy Seminars, and Joint Facilities for Electives (residential collaborative electives training of African graduate students at a shared facility), as well as positioning the organization in the future. The documentary is a brief history and background of the AERC featuring interviews with some of its founding associates as well as network members, plus selected stakeholders. Also featured are interviews with the Executive Director, the Research Director, the Training Director and the Finance and Administration Director as well

as other AERC staff and AERC network members. Recent clips captured during workshops plus those from the Senior Policy Seminars were incorporated into the documentary.

### Media coverage for AERC flagship events Senior Policy Seminar XVIII and Biannual Research Workshop

#### Media coverage for AERC events

AERC made significant effort to ensure that the nineteenth senior policy seminar and the May/June and December AERC biannual research workshop drew extensive media coverage. Thus, leading local newspapers, as well as television and FM radio stations allocated considerable space and time to enlighten Africans and the rest of the world on these events. The senior policy seminar was covered by the following media houses: Fraternite Matin; L'Inter; Notre

Voie; Soir Info; Télévision Ivory Coast (TIC); Radiodiffusion Télévision Ivoirienne (RTI), and La Première. The biannual on the other hand got coverage from The Daily Nation, Citizen TV, Capital FM, Kass Media, Kenya News Agency (KNA), Radio Waumini, Sunday Weekly, Hot 98, AIG Radio, West TV, Xinhua, and Radio Salama. Television stations like Citizen TV also carried interviews with some of the seminar and workshop participants, and these were broadcast during prime time.

The Plenary Session of the December 2016 Biannual Research Workshop was on the theme "China and Africa". It took place on 4 December 2016 at the Radisson Blu Hotel in Dakar, Senegal. Media outlets that published stories about the event included Le Soleil, Sud Quotidien, WalFadjir, Le Quotidien, Le Matin, Le Populaire and the national television owned



*Policy makers following presentations during the AERC Senior Policy Seminar that was held in Abidjan, Cote d'Ivoire. Participants in these seminars are drawn from the highest levels of government, including the presidency, ministers, governors of central banks, heads of civil services, permanent secretaries and heads of government agencies and parastatals.*

by the Senegalese Public Broadcasting company.

### The AERC/DEGRP Conference

A significant effort was made to ensure that the two-day conference co-organized by the DFID-ESRC Growth Research Programme (DEGRP) and African Economic Research Consortium (AERC), that took place on 28-29 October 2016, Nairobi, Kenya, was well covered by the media. The meeting drew on cutting edge research to discuss how we can leverage agricultural transformation, innovation, and financial inclusion to build better economic opportunities for all.

The conference comprised high-profile keynote speeches, panel sessions and research sessions. Panel sessions brought together business, government and academic perspectives to debate important policy issues relating to agriculture, finance and innovation. The Daily Nation, Citizen TV, Capital FM, Kass Media, Kenya News Agency (KNA), Radio Waumini, Sunday Weekly, Hot 98, AIG Radio, West TV, Xinhua, Inooro, XNews and Radio Salama all covered this event. Television stations like Citizen TV also carried interviews with some of the conference participants and these were broadcast.

### Service Delivery Indicators for improved outcomes in health and education: Evidence, policy messages and possible actions

African Economic Research Consortium (AERC), hosted a two-day workshop with the Kenyan media and civil society on Service Delivery Indicators (SDI). The meeting was held on 15-16 September 2016 in Nairobi, Kenya. The purpose of this workshop was to engage the media, the civil society and opinion leaders in Kenya to support the process of bringing about positive change in service delivery performance, and possible policy actions for better quality service delivery in



*Hon. Jean-Claude Brou, Minister for Industrialization and Mines, Cote d'Ivoire greeting a section of policy makers as he arrives for the senior policy conference that was hosted by AERC in his home country. AERC makes significant efforts to ensure that major events like senior policy seminars and biannual research workshops attract high level policy makers.*





education and health sectors. Nearly 30 journalists from the local and international media participated in this event.

## Enhanced policy outreach and attractiveness to African governments, donors, and other stakeholders

### AERC Tops Development Think Tanks in Africa in the 2016 Global Index

African Economic Research Consortium (AERC) again emerged among the very top International Development Think Tanks in the 2016 Global Index, and was still listed first in this category in sub-Saharan Africa (SSA). The organization was placed at position 26 globally. AERC was also separately listed among the top in other categories, including Top Think Tanks Worldwide (Non-US); Top Economics Think Tanks worldwide; Best Independent Think Tanks internationally; Best Regional Studies Centre; and Think Tanks with the Most Significant Impact on Public Policy. This programme involves 6,500 think tanks and other civil society actors worldwide in various categories, and it is conducted by The Think Tanks and Civil Societies Programme (TTCSP). The Think Tanks and Civil Societies Programme conducts research on the role policy institutes play in governments and in civil societies around the world.

Often referred to as the “think tanks’ think tank,” TTCSP examines the evolving role and character of public policy research organizations.

“Over the past 26 years, TTCSP has developed and led a series of global initiatives that have helped bridge the gap between knowledge and policy in critical policy areas such as international economics, international peace and security, globalization and governance, environmental issues, information and society, poverty alleviation, and healthcare and global health. These international collaborative efforts are designed to establish regional and international networks of policy institutes and communities that improve policy making while strengthening democratic institutions and civil societies around the world,” said Dr James G. McGann, Director, Think Tanks and Civil Societies Programme during the presentation of the results.

“This is delightful news for the Consortium. We are very excited about the results as AERC continues to shine in these rankings. While it is gratifying that we are getting high global ratings as part of think tank rankings, it is imperative to note that AERC is not just a think tank. It is a think tank plus; with numerous arms, including research, training, and policy outreach, with a substantial emphasis on capacity building. Its products are visible around the continent, including numerous

governors of central banks and high level policy officials,” said Prof Lemma W. Senbet, AERC Executive Director.

### Support towards Dissemination at National and International Conferences

#### Small grants

AERC supports various activities through small grants. These include National Policy Workshop grants to local economics associations or other institutions for convening a policy workshop; Grants to Professional Associations that provides support to strengthen the economics profession in Africa to foster closer links between academic and policy communities; and, Conference Participation grants that are issued for capacity building by facilitating the travel of African economists to present the results of their AERC-funded research to regional and international conferences as well as regional economics journals for institutional support. Annex C contains details of the support AERC has provided towards dissemination of research outputs since the beginning of the 2016/17 fiscal year.

### Theses Dissemination Workshops

In order to empower smallholder farmers with best practices and policy makers on the key recommendations of supported theses research work, the CMAAE programme

held these dissemination workshops in the following countries: Manzini, Swaziland, in October 2016; Egerton, Kenya, in November 2016; Kigali, Rwanda, in January 2017; and in Haramaya, Ethiopia, in March 2017. This was the 20th series of dissemination workshops held since 2011.

### Short-Term Farmer Trainings

In the period under review, the first ever farmer training for Ethiopian farmers by the AERC/CMAAE was conducted in Addis Ababa, Ethiopia on 28-29 March 2017. The training sessions take advantage of farmers attending the thesis dissemination workshops

and are designed to take farmers to the next level, beyond the policy implications of the theses dissemination workshops. The focus of the first training was “Farming as a Business” with efforts to impart skills on commercialization of African agriculture which is predominantly subsistence. The specific objective is to equip farmers with knowledge and skills on farming as a business to enable the transformation of African agriculture from subsistence to a vibrant, commercialized agricultural enterprise.

### E-Reach:

The AERC website content continues to increase now with 601 publications, including

301 Research Papers, collaborative research reports, and other materials. An audit of the AERC website has been conducted to determine requirements needed to refresh its look and feel among other functions to improve user experience. A few areas that have been identified include improvements to the websites responsiveness across different devices, user profiles, newsletter, interactive calendar, advanced search capability, publications catalogue, multilingual content, user registration and discussion forums. Table 10 indicates the AERC publications available online to date.

**Table 10: AERC publications available online as at January 2017**

<b>Publications online</b>	<b>January 2017</b>
Research Papers	301
Book length volumes	05
Policy Briefs	85
Institutions and Service Delivery Working Papers	10
Asian Drivers Working Papers	48
Export Supply Response working papers	10
Journal Publications	5
Reproductive Health Working Papers	18
Capital Flight Working Project	15
Growth Project Working Papers	07
ICT Project Working Papers	09
Growth–Poverty Nexus Framework Papers	07
Health and Economic Growth Framework Papers	08
Senior Policy Seminar reports	14
Research News	10
French publications	44
Others	5
<b>Total</b>	<b>601</b>



*Dr. Frannie Leautier, former Senior Vice-President of the African Development Bank Group and Treasurer of the AERC Board of directors addressing delegates during a senior policy seminar. These high level policy seminars provide a forum for dialogue between senior policy makers, academic thought leaders, private sector actors and policy makers themselves.*

### Paperless Workshops and Social Media

Electronic registration and distribution of workshop materials continued to play a major role in increasing the efficiency of the logistics behind the Biannual Research Workshops and Senior Policy Seminars. The use of an online events portal has become the norm and participants have not only adjusted to using electronic resources, but are very appreciative of the convenience accorded to them in relation to the

ease of accessing workshop materials.

The use of social media to increase the reach and engagement of AERC events continued in earnest over the course of the reporting period. Most notably was the December 2016 Biannual Research workshop social media campaign and the AERC/DEGREP conference in October 2016. Both these workshops featured the use of live web casts which extended the reach of the

conferences by a combined total of 300 online participants. Online advertisements were used to create awareness of the events to constituents beyond the AERC network who followed proceedings and engaged mainly through Twitter conversations.

Table 11 documents performance of the AERC Twitter account, @AERCAFRICA over one and a half years during four Biannual Research workshops and a Senior Policy Seminar.

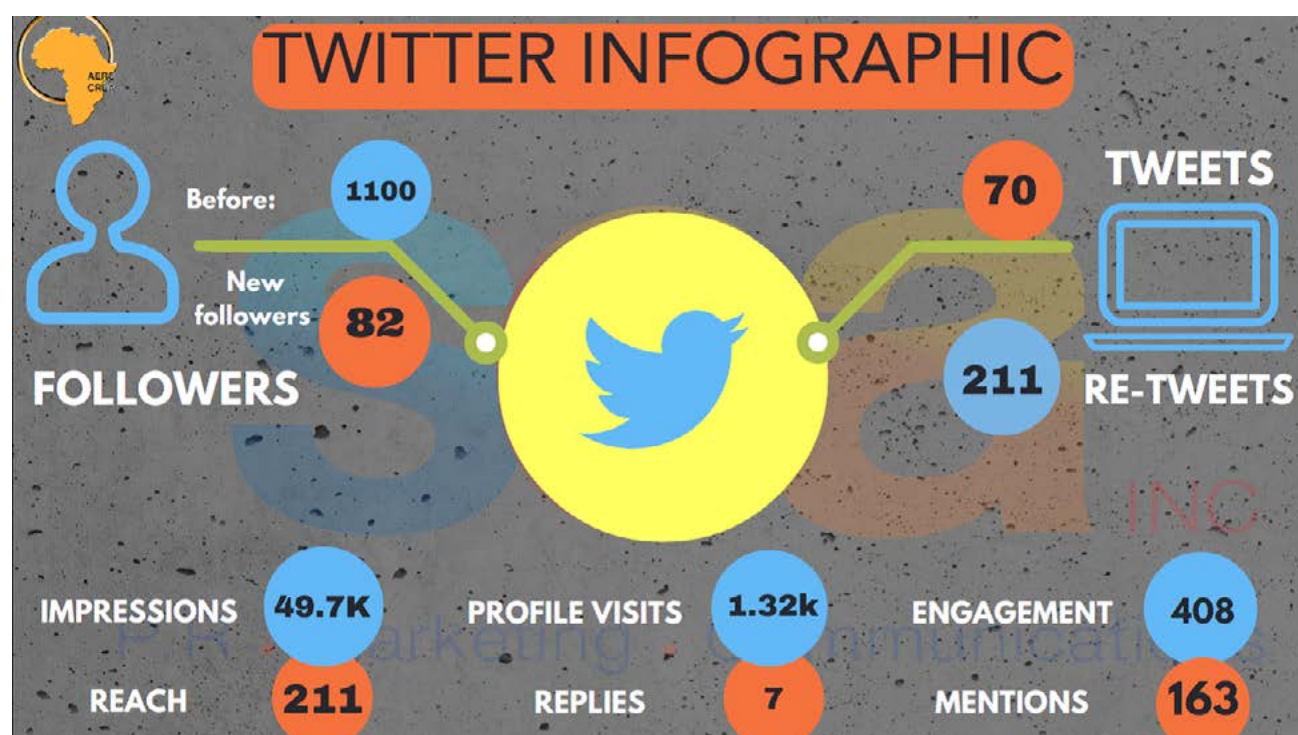


**Table 11: AERCAFRICA Twitter account performance June 2015 to March 2016**

Metric	June 2015	Dec2015	March 2016	June 2016	Dec 2016
Followers	520	683	887	1019	1182
New Followers	53	163	86	116	82
Tweets	207	1050	313	534	70
Tweet impressions	11,400	48,900	498,794	587,601	49,700
Retweets	243	1652	2307	3890	211
Mentions	110	76	1834	1834	163
Accounts Reached	3800	16,300	160,401	158,254	211

Figure 2 illustrates the performance of Twitter for the December 2016 Biannual Research workshop anchored on the plenary theme “China and Africa.”

**Figure 2: Twitter Metrics December 2016 Biannual Research Workshop**



During the December 2016 Biannual Research Workshop, a few distinctive social media strategies were used for the first time:

- Online advertisements on Facebook and Twitter of the

event to create awareness.

- Use of Facebook to reach out to younger researchers.
- Crowd sourcing of ideas and feedback through interactive polls.

Table 12 presents a summary of the outcomes relating to the implementation of Strategic Objective 4.



Table 12: Outcomes of implementing strategic objective 4

Strategic Objective	Outcomes	Outcome Indicators	Baseline	Target 2016	Actual April 2016-March 2017
Enhance AERC visibility, outreach and policy engagement to maximize the uptake of AERC products in policy	(4.1) AERC as a reference and focal point for research and training in SSA	# of publications/downloads from AERC website annually	28,000	40,000	29,636
		AERC's ranking among global development think tanks (measurement by Think Tanks and Civil Societies Program)	27	26	26 AERC emerged among the very top International Development Think Tanks in the 2016 Global Index, and first in this category in sub-Saharan Africa (SSA). The organization was also placed at position 26 globally in this category. It is important to note though, that AERC is not just a think tank. It is a think tank plus; with multiple arms, including research, training, and policy outreach, with heavy emphasis on capacity building.
	(4.2) Enhanced policy outreach and attractiveness to African governments, donors, and other stakeholders	# of established partnerships with African governments and institutions (cumulative)	National think tanks =10 Public universities=41 Central banks=4 Governments=1 (GoK) Regional institutions = 4	National think tanks=12 Public universities=42 Central Banks=6 Governments=1 Regional institutions=4	National think tanks=12 Public universities=41 Central Banks=12 Governments=1 Regional institutions=4 The founding members of the Central Bank Governors' Forum include: Nigeria, Kenya, Uganda, Tanzania, Ghana, Zambia, Malawi, Zimbabwe, Mozambique, Rwanda, and Burundi.
		# of policy analysts and researchers from African governments and other institutions participating in AERC activities (cumulative)	795	845	1,037

# Maximize mutual benefits through diversified resource base and stakeholder ship for sustainability







## Maximize mutual benefits through diversified resource base and stakeholder-ship for sustainability

**T**he AERC Strategic Plan, 2015-2020, stipulates the need for enhanced sustainability through a diversified and broadened stakeholder base. To achieve this, AERC's long term financing strategy will be anchored on clear value propositions for its diverse partners. Various activities were carried out during the period, April 2016-March 2017, towards realizing the targets of this strategic objective and associated outcomes.

### Broadened and diversified resource base for sustained funding of AERC's activities

During the reporting period a number of strategies were employed in an effort to increase the resources available for implementation of programme activities. These include deepening and sustaining strong relationships with current funding partners; re-engaging with previous funders; enhancing African stakeholder-ship through African governments and institutions; engaging with non-traditional partners; and, capitalizing on the vast network and alumni base.

Efforts made on resource mobilization have borne fruits with new commitments made by existing and re-engaged funders, as well as African stakeholders. The Government of Kenya (GOK) remitted Kshs.75.0 million (US\$750,000) and Kshs.33.2 million (US\$332,000) million in support of the special capacity building project and AERC budgetary support. The African Development Bank (AfDB) released the first tranche of UA1.5 million (US\$2.0 million) in support of the capacity building activities of AERC. This is part of the UA5 million (US\$7 million) for a three year support of the Strategic Plan, 2015-2020.

The United States Agency for International Development (USAID) has now confirmed a grant of US\$150,000 for CMAAE with a possibility of extension into two more years. The World Bank has committed a core contribution of US\$200,000 for the year with a possibility of continuing core support, consistent with the continuing membership in the Consortium.

AERC is deeply appreciative of the continued partnership with existing funders, particularly those that have engaged with AERC over a long period of time. Deepening and sustaining strong relationships with current members of the Consortium have paid off. In conjunction with the March 2016 AERC Board meetings, members had a separate meeting and all present reaffirmed their continuing membership in the Consortium and support of the AERC Strategic Plan, 2015-2020. The Norwegian Agency for International Development (Norad) expressed challenges, as it was facing budget cuts as a result of the refugees crisis in the country. Norad was thus non-committal in providing financing for 2016/17. However, following further negotiations, Norad provided bridge support of US\$386,528 in support of the CPP programme pending long-term financing of the strategic plan. Meanwhile, the Danish International Development Agency (DANIDA) remitted its final grant support for 2016/17.

Moreover, there are continued efforts to maintain ongoing partnerships with the African Capacity Building Fund (ACBF), the UN's World Food Programme (WFP), Netherlands Ministry of Foreign Affairs and the German Academic Exchange Service (DAAD). The Bill and Melinda Gates Foundation awarded a three year grant support of US\$3,169,000 in support of a project on Agriculture and Food Policy Analysis for Nutrition- Nutrition-Sensitive Agriculture Policy.



*Dr. Louis Kasekende, Deputy Governor, Bank of Uganda participating in one of AERC's events. Dr. Kasekende is an AERC Alumni and the current chairman of the Board of Directors. AERC Alumni in research and training serve as mid to senior level policy makers in key African (and other) institutions, including: universities, ministries of finance, central banks, regional bodies and multilateral organizations.*

Relentless efforts continued in reaching out to African governments and institutions as a key strategy for sustainability of the Consortium. As previously reported, these efforts culminated into the historic convening of 12 African central banks in Livingstone, Zambia (February 2015), and signing of the Resolution for the Banks to become members of the Consortium in accordance with the AERC bylaws. Eight Banks signed the Resolution in Livingstone, but subsequently three more, including Nigeria, Mozambique, and South Africa have signed. Eight remitted membership fees of US\$100,000 in 2015/16. Renewed commitment of the AERC African Central Bank Governors' Forum saw release of annual contributions of US\$100,000 each from the Central Banks of Ghana,

Tanzania, Uganda, Nigeria, Zambia, Zimbabwe, Malawi, South Africa for 2016/17. In addition, Rwanda contributed \$25,000 with the promise of contributing \$100,000 in July 2018. Two banks have been in arrears and one of them is expected to provide the cumulative core contributions in 2018; the other is facing fiscal crisis. On the whole, it is exciting that the commitments and the contributions of the AERC Central Banks Governors' Forum have been sustained into the second period of the strategic plan.

Meanwhile, an expansion plan for the Forum membership is under way with a focus on two Francophone Central Banks. Moreover, the African stakeholdership for AERC sustainability is also being enhanced by institutions which

are at a private-public space. This is also consistent with our new strategy for enhanced engagement with the private sector. In this regard, it is uplifting that PTA Bank (now Trade and Development Bank) has become a member of the Consortium with an institutional seat on the Board, and it has already disbursed its 2016/17 contribution.

Moreover, AERC continues on the strategy of re-engaging lapsed donors upon successful re-engagement with IDRC and USAID. Meetings and discussions are being pursued with the European Union and Rockefeller Foundation. Also, AERC continues to engage non-traditional funders, such as MasterCard Foundation (by meeting with consultants hired by the Foundation to carry out assessments of organizations).

New funding opportunities are also being sought from existing donors, such as DFID and BMGF. Following the successful bid by an international consortium, including AERC, we have secured funding in support of research seeking to identify workable policies to help make the financial sector an effective instrument in promoting financial inclusion and sustained growth in LICs, and consequently create an enabling environment for transitioning these countries to middle income status – as part of DFID-ESRC Growth Programme. In the period under review, The Bill and Melinda Gates Foundation signed a three-year grant agreement with AERC for



an Africa wide research on impact of agricultural and food policies on nutrition outcomes.

### **Donor reporting and compliance**

In support of these resource mobilization efforts, AERC has ensured compliance with grant conditions, which include timely donor reporting, adherence to procurement guidelines, stringent administrative and financial measures and delivery of implementation plans.

### **Effective, accountable and transparent governance structure and management practices**

#### **AERC Governance**

The smooth implementation of the Strategic Plan 2015-2020 will depend on an effective, accountable and transparent governance structure. We recognize with appreciation the role played by the Board of Directors in the development and subsequent approval of the new strategy. We also acknowledge the support of the Board in laying the foundations for the execution of the Plan. AERC is also deeply appreciative of the reaffirmation of continuing membership of the institutions currently represented on the Board. The continuing challenge is the huge turnover in the directors representing the institutions. The Executive Committee of the Board commissioned self-

assessment of its performance, and the report will be presented at the March 2017 Board meeting.

The Audit and Risk Committee (ARC), established in 2015, has continued to have fruitful meetings to provide support to the Executive Committee of the AERC Board in audit and risk management as stipulated in the ARC Charter. The ARC membership is composed of an external expert, Ms. Susan Kasinga, and Dr Frannie Léautier, who has taken up the role of Treasurer of the Board and Chair of the ARC, and the Executive Director as ex-officio members. To complete the membership of ARC, as per the Audit and Risk Committee Charter, the Nominations Committee at its November 2016 meeting proposed Mr Keith Jeffris, Executive Director of Econsult, to join the Board as Director at Large with effect from 1 April 2017. The Committee further recommended that Mr Jeffris will be requested to join the Audit and Risk Committee, which is a sub-committee of the Executive Committee.

At the same time, we recognize the contribution of the AERC Programme Committee in its important advisory capacity in the design and monitoring of the programmes. The Committee meetings were held in June 2016 and December 2016 alongside the AERC biannual research workshops. The meetings provided an opportunity to confirm the Committee's

commitment to support AERC in the implementation of planned activities towards the achievement of the strategic objectives.

### **Improved HR capacity and Administration processes for effective programme delivery and stakeholders value addition**

AERC is cognizant of the fact that, to achieve the milestones set out in the 2015-2020 strategy, the quality of workforce and supporting structures play a critical role. In the current strategic plan 2015-2020, HR will continue to focus on activities that help the organization implement the strategic plan.

#### **Organizational structural review and alignment**

Having proper structures in place is seen as a key driver to the implementation of the strategy 2015-2020. Parker Randall Consultants, who were engaged to assist in the organizational and structural review, began the assignment in November 2015. The consultants carried out a comprehensive job analysis and interviews with management and staff. The review included a proposed new structure, job evaluation and benchmarking of AERC salaries and benefits against other comparators in the





*AERC staff members in a team building activity. Team members normally engage in various types of activities to enhance social relations in the office.*

market. The consultant has also revised the job descriptions, but these are being revised further internally as we assess the impact of the Enterprise Resource Planning (ERP) system on various jobs.

The consultant presented the draft final report for management review and comments. The management team has reviewed the report and made their input. The report was presented to the Executive Committee of the Board at the March 2017 meeting.

### Staff Changes

This period saw the departure of Ms Sandra Mulluka, the

Publications Assistant, in September 2016, following the expiry of her contract with AERC. Ms Edith Mutui joined the Secretariat in January 2017 to fill this position. A temporary communication expert, Mr Maina Gacheru, was hired for six months to support the Communication and Outreach Division in addressing the identified gaps. In order to fully address the gaps within the communication unit, the process of hiring a Chief Communications Officer in lieu of the Communications Director has begun. The period also saw the departure of Catherine Tole, the Human Resources and Administration Manager, who left to pursue personal

interests. The process of identifying a replacement was completed. We are pleased that a highly qualified individual, Ms Kasiki Egesa was identified and joined AERC on March 1, 2017. During the period 2016/17, the staff retention rate was 93.3%.

### Performance Management System

The lessons learnt from the piloting of the new performance agreement tool have informed the revisions of the tool to address its shortcomings. The tool was found to be lengthy and attribution based on the cascading structure was not quite clear. These issues have both been addressed and the tool revised accordingly. Revisions to the tool will continue as feedback is received. We are pleased that the newly hired HR Manager has expertise in the development and implementation of performance instruments, and her expertise will be brought to bear on finalizing an instrument that is satisfactory.

### Staff Activities

During the period, activities undertaken included, an ICT day, a finance and systems review workshop and a staff seminar. The purpose of the ICT day was to enhance technology adoption in the Secretariat while the finance and systems review workshop was aimed at enhancing accountability and efficiency. The staff seminar was held for two days with the aim of enhancing team cohesion. The



staff participated in several activities and group sessions which allowed for team work and collaboration. There were other staff welfare activities that were held during this period which included a talk on estate planning, a medical talk for staff and a wellness day.

The annual general meeting for the staff provident fund was held and the fund accounts for the period 2015 were presented to staff.

### **Staff Training and development**

The period saw five capacity building initiatives for staff aimed at enhancing their skills further and addressing gaps that may have been identified. Seven staff were trained in the following areas: monitoring and evaluation, procurement, change management, systems audit, development studies and organizational development. Staff were also supported to undertake continuous professional development in line with their different professional requirement.

### **Improved financial and risk management of AERC resources and programmes**

The annual statutory audit for AERC for the period April 2015 to March 2016 was conducted in May 2016 by the new auditor Deloitte Ltd and approved in the July 2016 Executive Committee of the Board. Moreover, the specialised

audits for the ACBF CPP II and CMAAE II projects as well as the World Bank-funded Service Deliver Index (SDI) project were conducted by the auditors, Ernst and Young. The auditors gave unqualified opinion of the Consortium's financial status as at 31 March 2016. Each of the reports was accompanied by a Management Letter. The management letters contain internal control issues raised during the period under review together with a follow up status of previous audit issues raised. Management held internal sessions with all staff to review all issues raised in the SIDA internal assessment audit and the audit management letter. Implementation of recommendations have commenced and will continue to be reviewed to ensure they do not recur. The audit reports have been forwarded to the respective donors alongside the published annual report for 2015/16.

The audits for the FY 2016/17 commenced in February 2017 with an interim audit that examined the internal controls. The outcome of the audit will be the interim management letter. The final audit was undertaken in May 2017. Both audits will be undertaken by Deloitte and Touche. Meanwhile, the specialised audits for ACBF CMAAE II will be undertaken in September 2017 after the expiry of the grant in June 2017.

The Programme of Work and Budget (PWB) 2016/17 as approved by the March 2016

Board meeting was revised in November 2016 to take into account new mandated activities while retaining the budget levels as approved by the Board in March 2016. This took into account the effect of BREXIT and potential exchange losses as well as the projected income for the year. The PWB was updated to reflect actual /projected level of activities to March 2017. The proposed changes to the PWB 2016/17 were presented to the Executive Committee and the Board in March 2017 for consideration and approval.

### **Operational efficiency and effectiveness of business processes**

#### **Automation of Business Processes**

Substantial progress has been made on the Enterprise Resource Planning (ERP) system implementation. The development and customization effort has been completed on all modules, respective users trained and data migrated in preparation for a system changeover and commissioning done in April 2017. This date was brought forward from the previously reported July 2017 as a result of the progress made on development and customization. Over the implementation period that started in September 2015 emphasis has been on the design, automation and refining operational processes to increase efficiency. Currently, the focus is on fine tuning the

quality of information generated from the system to enhance effectiveness by ensuring it is relevant and pertinent to the business process in addition to being delivered in a timely, accurate, consistent and cost-effective manner. The ERP will enable AERC leverage on one of its most definitive

assets—information - through the integration of silo functions. This will be actualized through easily accessible dashboards and reports that will: (i) increase visibility to operations allowing timely decisions; (ii) link impact to resource inputs and execution, allowing continuous monitoring and evaluation; and

(iii) inform the strategic direction at a significantly reduced cost of information gain.

During this reporting period, the key milestones delivered are highlighted in Table 13 and have been running parallel to the current systems to date:

**Table 13: ERP Development Milestones**

Administrative Modules	Status
Human Resource	Complete
Payroll	Complete
Procurement	Complete
Finance	Data migration is ongoing
Resource Mobilization	Complete
<b>Grants Module</b>	
Training	Complete
Communications	Complete
Research	Complete
<b>Portals</b>	
HR Portal	Complete
Training Portal	Complete
Research Portal	Complete
Procurement Portal	Complete

Once financial transaction data is migrated, the ERP will be commissioned fully into production. This will be done through a formal changeover process terminating the ongoing parallel runs and switching all transactions and related operations to the ERP.

A third party quality evaluation of the system will be undertaken as a precursor to going live. This will assess the system along the following lines: (i) functional, coding database and transactional

integrity; (ii) operational readiness; and, (iii) security posture.

Upon going live in April 2017, the focus now shifts to stabilizing the system through hands-on support and re-training of users and system administrators for a period of three months, as part of a two-year support contract to be provided by the vendor, Attain ES Ltd. This will also see a post-implementation phase during which expected benefits from

the new state of operations will be monitored. These include reduced process turnaround time, enhanced controls, decentralized operations, improved resource allocation through re-organized roles and responsibilities, ease of information access, improved co-ordination and planning across units will be monitored.

Table 14 presents a summary of the outcomes relating to the implementation of Strategic Objective 5.




**Table 14: Outcomes of implementing Strategic Objective 5**

Strategic Objective	Outcomes	Outcome Indicators	Baseline	Target 2016	Actual April- 2016 - March 2017
<ul style="list-style-type: none"> <li>Maximize mutual benefits through diversified resource base and stakeholder-ship</li> </ul>	(5.1) broadened and diversified resource base	Broadened and diversified resource base	<ul style="list-style-type: none"> <li>7 African governments and institutions-provided funding in 2014/15 (Kenya, 6 central banks-Kenya, Ghana, Tanzania, Uganda, Zambia and Mozambique)</li> <li>3 Foundations (DAAD, ACBF, BMGF)</li> <li>6 North America and European government (DFID, SIDA, NORAD, DANIDA, USAID and IDRC)</li> <li>4 Multilateral institutions (WFP, AfDB, UNU-WIDER and GDN)</li> <li>0 Asia and South America</li> <li>3 other organizations (Trinity, Dunford, IFAD/AFRACA)</li> </ul>	<ul style="list-style-type: none"> <li>9 African governments and institutions (Continued support and additional Central Banks of Nigeria and Lesotho)</li> <li>4 Foundations (Additional AGRA)</li> <li>7 North America and European governments (Additional EU)</li> <li>4 Multilateral institutions</li> <li>2 Asia and South America (China and Australia)</li> <li>4 other organizations (Additional IFPRI)</li> </ul>	<ul style="list-style-type: none"> <li>11 Central Banks under the Governors Forum have signed resolution for support. I government (GOK) continued to fund (new entry South Africa yet to sign)</li> <li>3 Foundations supporting (DAAD, ACBF, BMGF)</li> <li>6 North America and European government have indicated on-going support (DFID, SIDA, NORAD, DANIDA, USAID and IDRC)</li> <li>4 Multilateral institutions (WFP, AfDB, GDN and World Bank) continued support</li> <li>On-going discussions with China</li> <li>1 other organization continued to fund AERC</li> </ul>
	(5.2) Effective, accountable and transparent governance structure and management practices	Level of stakeholders' satisfaction with AERC service delivery			Survey not yet conducted

	(5.3) Improved HR capacity and Administration processes for effective programme delivery and stakeholders' value addition	% of staff retention	70%	85%	93% - 2 staff left during the reporting period.
	(5.4) Improved financial and risk management of AERC resources and programmes.	Global ranking of financial transparency of organizations conducted annually by Transparify	5 star rating	5 star rating	5 star rating attained.
		# of unqualified audit reports	0	100%	Audit completed. Unqualified reports for Statutory & Specialized audits for ACBF CMAAE II & WB SDI
	(5.5) Improved operational efficiency and turnaround time of business processes	# of processes automated	20%	80%	100% ERP development, on ongoing fine-tuning, quality evaluation, data migration and stabilizing through support at 90%



*Team building session: AERC staff enjoying a game during an outdoor session at a staff seminar. These sessions are held regularly to help staff work together effectively as a team, especially by means of activities and events that are designed to increase motivation and promotion of teamwork.*

# Financial Performance





## Programme Financial Performance and Financing

### Introduction

In March 2016, the Board approved the Programme of Work and Budget (PWB) for the year 2016/17 with the projected programme requirements of US\$ 13.994 million. The financial requirements were guided by the activities planned in the second year of the Strategic Plan 2015-2020 and the Monitoring and Evaluation Plan. The budget for the Programmes was expected to be financed by US\$11.67 million projected incomes from various sources and US\$2.324 million from projected carry forwards funds from the previous year 2015-16.

### Key Financial Highlights

#### Audit Performance 2016/17

##### Statutory Audit

The external auditor, Deloitte and Touche, performed the 2016/17 audit satisfactorily and issued an unqualified audit report. The audit management pointed out a number of areas that required Management to improve. Most of the issues have since been implemented.

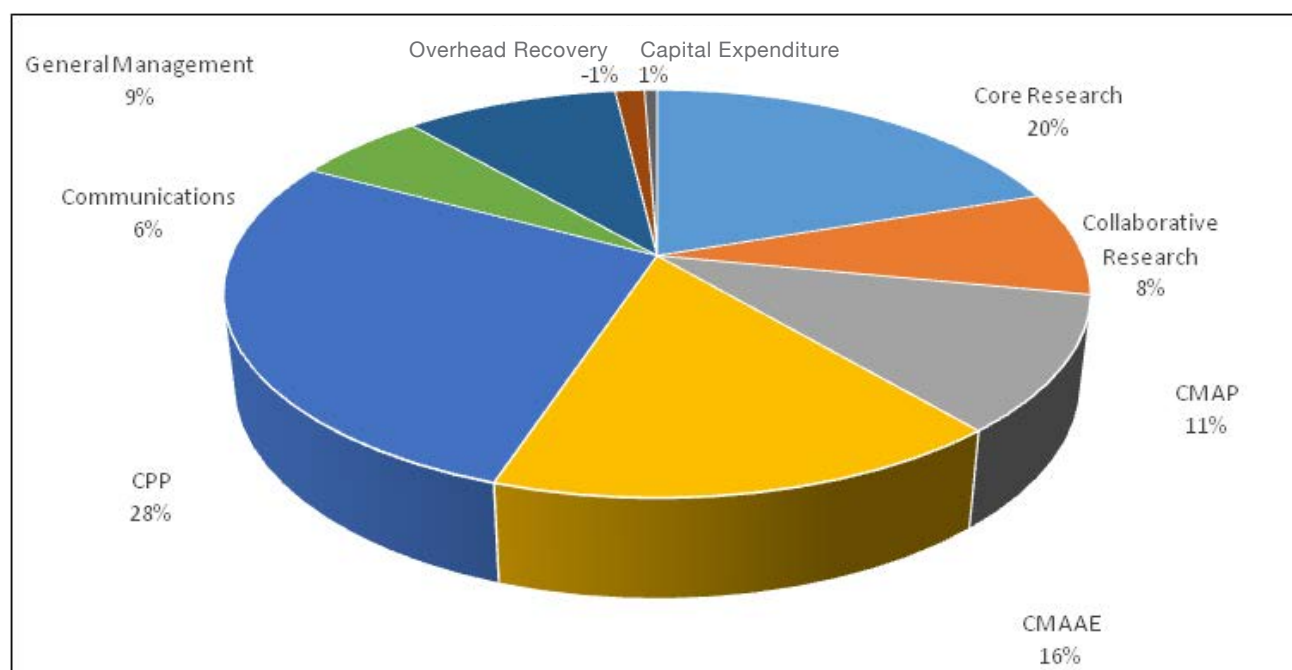
### Programme Expenditure

The actual total programme expenditure for the period is US\$10.988 million. This was 8% lower than the expenditure in the previous year 2015/16. This expenditure was financed by income of US\$14.837 million. The excess income over expenditure of US\$3.844 million increased the net assets position from US\$20.397 in the previous year to US\$24.241 million. Figure 3 indicate the programme contribution to total expenditure.

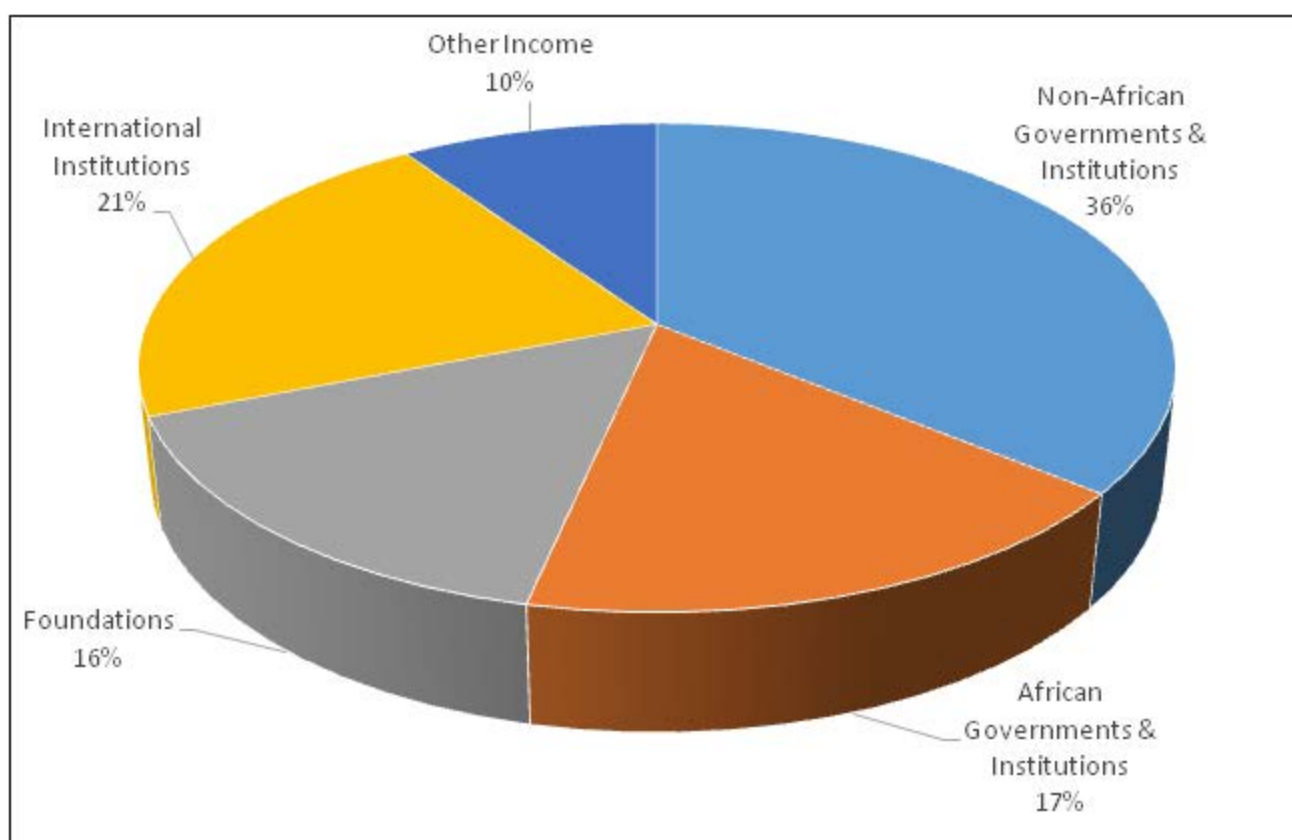
### Programme Financing

The income for the year of US\$ 14.836 million was 36% increase over the previous year income. Figure 4 shows the categories of the funding sources with government stakeholders contributing 53% of total income for the year. Of this amount, 33% is income derived from African governments and institutions. Foundations and International institutions accounted for 16% and 21%, respectively. Other income, mainly investment income and grant write-backs accounted for 10%.

**Figure 3: Expenditure per Implementing Programmes**



**Figure 4: Categories of funding Sources**



*Note: The African proportion excludes the generous AfDB contributions, which is lumped with international organizations.*

The net assets for the Consortium as at the end of 2016/17 is US\$24.2 million. Of this amount, US\$10.7 million relates to the restricted Board Reserves (US\$4.0m) and Research Innovations Endowment Fund (RIEF) (US\$6.7m). The balance of US\$13.5 million is composed of US\$2.2 million unrestricted and US\$11.3 million earmarked Programme funds. A significant component of earmarked funds (US\$5.7m) relates to the GOK special capacity building project.

The Consortium's Financial Statements were duly approved at the July 2017 Executive Committee of the AERC Board. The approved financial statements as well as the Independent auditor's report on internal controls were subsequently shared with all donors. A summary of the approved audit report for the fiscal year is presented on the financial pages.

The actual programme expenditure to March 2017 is

US\$11.9 million. This is 15% decrease over the March 2016 approved requirements of US\$14.0 million.

Figure 5 shows specific programme expenditure and variances between March 2016 approved and projected/actual March 2017. The Research and Training Programmes constituted 29% and 52% of total expenditure, respectively, while Communication and Policy Outreach and General Support Services constituted 8% and 11 %, respectively.

**Figure 5: Projected/Actual Expenditure per Implementing Programme**

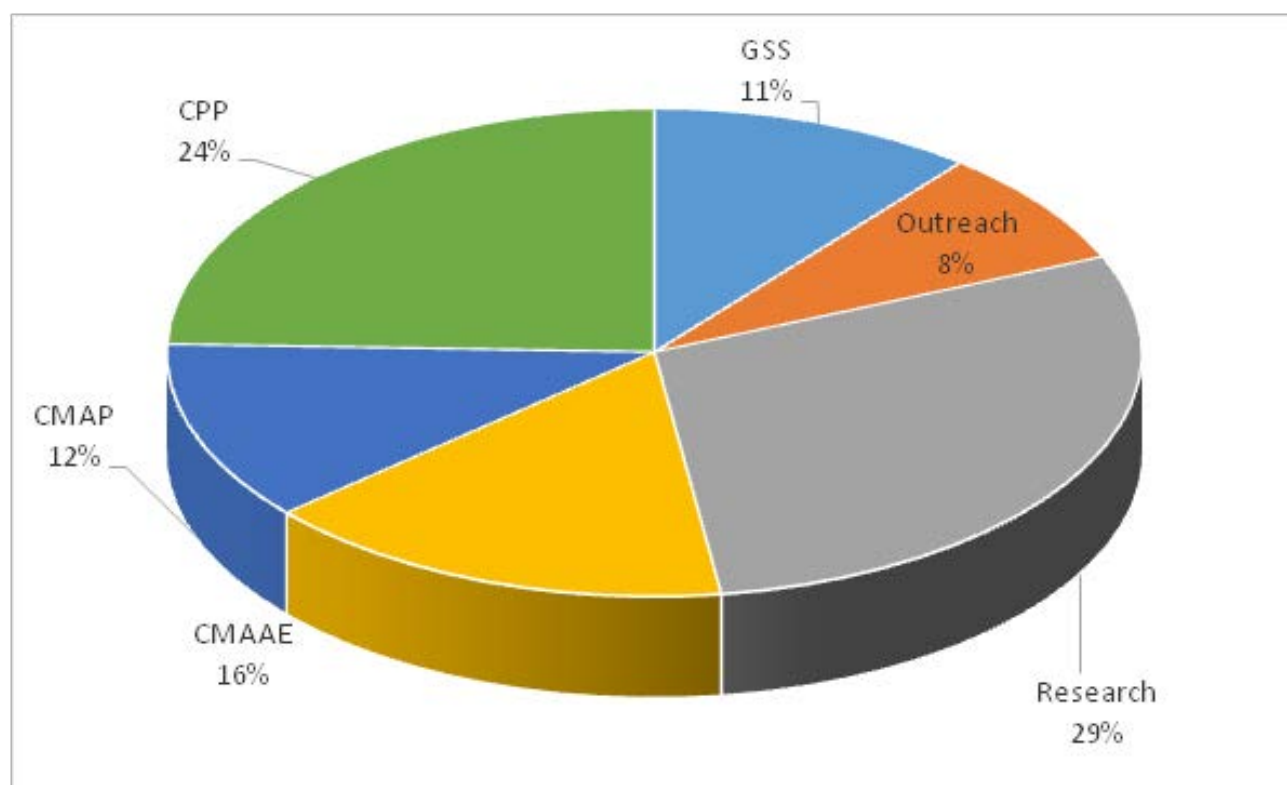




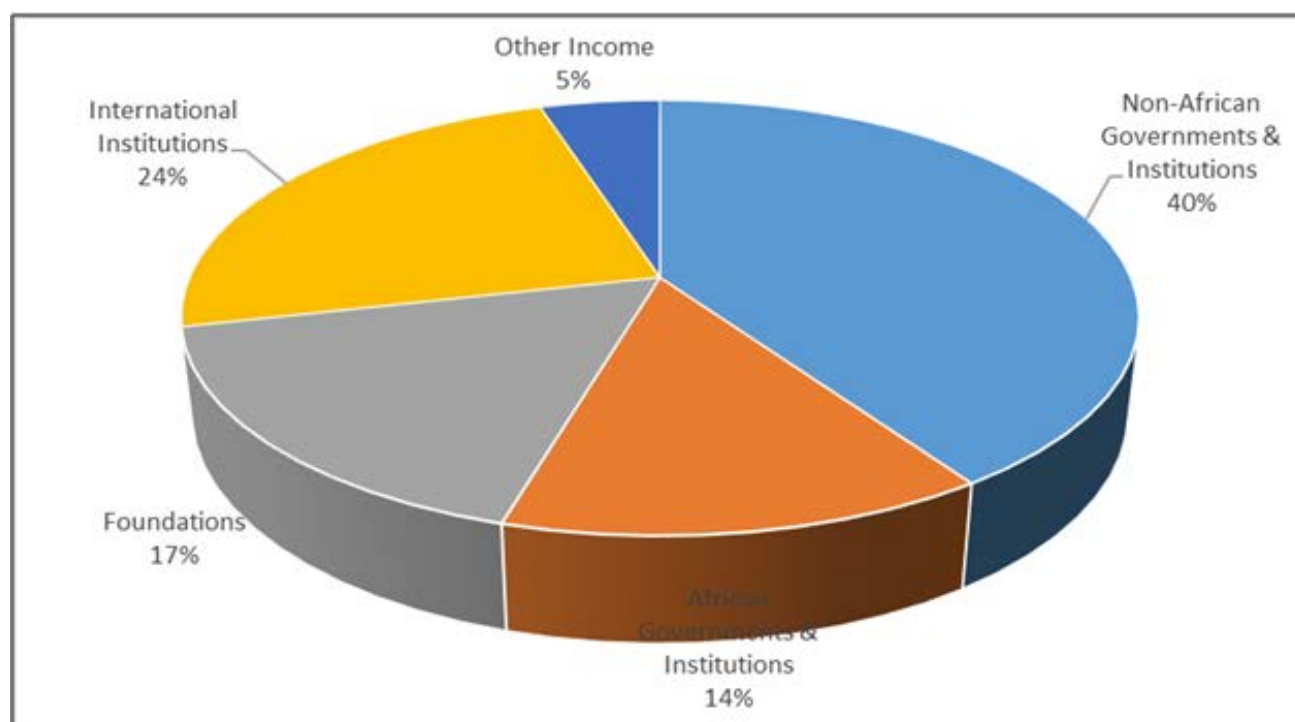


Figure 6 shows the categories of the funding sources with government stakeholders contributing a significant component of the programme financing (54%). Of this

amount, 14% is income derived from African governments and institutions (this is a temporary scenario). Foundations and international institutions accounted for 24% and 17%,

respectively. Other income, mainly investment income and grant write-backs accounted for 5%.

**Figure 6: Categories of funding sources: Projected/Actual March 2017**



## Investments

### Research Innovations Endowment Fund

The value of the Research Innovations Endowment Fund (RIEF) as at 31 December 2016 was US\$6,489,863. This is 5% increase from the amount of US\$6,154,670 in December 2015.

### Board Reserve Fund

The principal objective of the Board Reserve Fund remains to cater for the Consortium's legal and moral obligations in the event of a sudden reduction or cessation of funding. The Fund may also be used on a loan basis to meet cash flow shortages due to delayed disbursement of committed

funds. The appropriate level of the reserve fund had been set at US\$4.2 million.

The book value of the Board Reserve Fund as at 31 December 2016 was US\$2,996,983. In 2012, the Board approved the use of US\$2.0 million from the Fund to finance programme activities.

# Summary Financial Report



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Executive Director  
African Economic Research Consortium, Inc.  
ME Bank Towers, 3rd Floor  
Jakaya Kikwete Road  
Nairobi, Kenya

## INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF THE AFRICAN ECONOMIC RESEARCH CONSORTIUM, INC

### Report on the financial statements

#### Opinion

We have audited the accompanying financial statements of African Economic Research Consortium, Inc, ("Consortium") set out on pages 7 to 30, which comprise the statement of financial position as at 31 March 2017 and 2016, statement of activities and changes in net assets, schedule of expenditure per objective, schedule of functional expenditure and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Consortium as at 31 March 2017 and 2016, and of its financial performance and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of AERC in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Kenya. We have fulfilled our other ethical responsibilities in accordance with these requirements. The IESBA Code is consistent with the International Ethics Standards Board for Accountant's Board of Ethics for Professional Accountants (parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of the Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with accounting principles generally accepted in the United States of America and for such internal controls as management determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Consortium's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Consortium or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Consortium's financial reporting process.





## INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF THE AFRICAN ECONOMIC RESEARCH CONSORTIUM, INC (Continued)

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consortium's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consortium's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consortium to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Consortium or business activities within the Consortium to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Consortium audit. We remain responsible for our audit opinion.

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

*The engagement partner responsible for the audit resulting in this independent auditor's report is  
CPA Bernadette Wahogo – P/No 1698.*

Certified Public Accountants (Kenya)

Nairobi, Kenya

24 July 2017

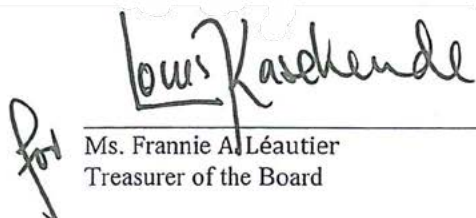


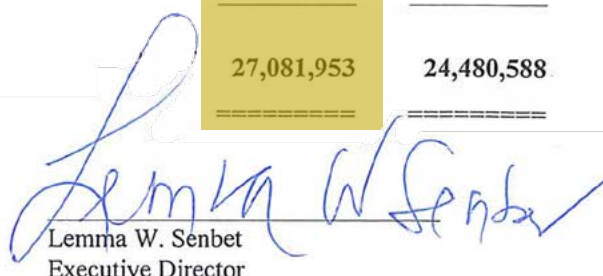


## AFRICAN ECONOMIC RESEARCH CONSORTIUM, INC

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2017

	Note	2017 US\$	2016 US\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank balances	5	8,812,350	2,396,352
Short-term investments	6	6,233,177	10,102,502
Grants receivable	7	660,801	916,776
Other receivables	8	431,876	485,394
<b>Total current assets</b>		<b>16,138,204</b>	<b>13,901,024</b>
<b>Non-current assets</b>			
Long-term investments	6	10,727,929	10,319,820
Property and equipment	9	215,820	259,744
<b>Total non-current assets</b>		<b>10,943,749</b>	<b>10,579,564</b>
<b>TOTAL ASSETS</b>		<b>27,081,953</b>	<b>24,480,588</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current liabilities</b>			
Accruals		294,634	770,910
Sundry creditors		275,684	209,285
Grants payable-grantees	10	2,270,770	3,103,026
<b>Total liabilities</b>		<b>2,841,088</b>	<b>4,083,221</b>
<b>Net assets</b>			
Unrestricted net assets	11	1,889,046	1,727,574
Board restricted reserve	12	4,040,158	2,996,983
Temporarily restricted net assets	13	12,710,856	10,223,103
Research innovations endowment fund	14	5,600,805	5,449,707
<b>Total net assets</b>		<b>24,240,865</b>	<b>20,397,367</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>27,081,953</b>	<b>24,480,588</b>

  
 Ms. Frannie Al Léautier  
 Treasurer of the Board

  
 Lemma W. Senbet  
 Executive Director

## AFRICAN ECONOMIC RESEARCH CONSORTIUM, INC

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Operating reserve US\$	Board restricted reserve US\$	Temporarily restricted reserve US\$	Permanently restricted reserve US\$	Total 2017 US\$	Total 2016 US\$
<b>Support and revenues</b>							
Grant from Governments	7	4,366,507	-	2,957,324	-	7,323,831	6,932,636
Grants from Foundations	7	-	-	2,322,184	-	2,322,184	1,394,859
Grants from International Organizations and others	7	60,328	-	3,248,452	1,600	3,310,380	1,512,602
Investment income	15	61,886	63,175	695,494	149,498	970,053	716,031
Other (loss)/income	16	(47,502)	-	-	-	(47,502)	(140,033)
		<u>4,441,219</u>	<u>63,175</u>	<u>9,223,454</u>	<u>151,098</u>	<u>13,878,946</u>	<u>10,416,095</u>
<b>Net assets released from restriction</b>							
Grants forfeited		-	-	957,605	-	957,605	470,456
Appropriation (to)/from Board Reserve/RIEF		(980,000)	980,000	-	-	-	-
		<u>(980,000)</u>	<u>980,000</u>	<u>957,605</u>	<u>-</u>	<u>957,605</u>	<u>470,456</u>
<b>Total support and revenues</b>		<u>3,461,219</u>	<u>1,043,175</u>	<u>10,181,059</u>	<u>151,098</u>	<u>14,836,551</u>	<u>10,886,551</u>

# AFRICAN ECONOMIC RESEARCH CONSORTIUM, INC

## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2017 (Continued)

	Operating reserve US\$	Board restricted reserve US\$	Temporarily restricted reserve US\$	Permanently restricted reserve US\$	Total 2017 US\$	Total 2016 US\$
<b>Expenditure</b>						
General Administration	(531,690)	-	1,521,272	-	989,582	1,012,941
Research Program	2,367,502	-	805,008	-	3,172,510	2,887,907
Communications	652,622	-	-	-	652,622	649,989
Master's Program	548,663	-	663,977	-	1,212,640	1,378,840
CMAAE Program	38,271	-	1,799,177	-	1,837,448	2,357,966
Doctoral Program	224,379	-	2,903,872	-	3,128,251	3,764,690
<b>Total expenditure</b>	<b>3,299,747</b>	<b>-</b>	<b>7,693,306</b>	<b>-</b>	<b>10,993,053</b>	<b>12,052,333</b>
<b>Change in net assets</b>						
Net assets at the beginning of the year	161,472	1,043,175	2,487,753	151,098	3,843,498	(1,165,782)
	1,727,574	2,996,983	10,223,103	5,449,707	20,397,367	21,563,149
<b>Net assets at the end of the year</b>	<b>1,889,046</b>	<b>4,040,158</b>	<b>12,710,856</b>	<b>5,600,805</b>	<b>24,240,865</b>	<b>20,397,367</b>

\*General Administration expenditure is negative due to overhead recovery that are charged to projects thus reducing general administration costs.



## AFRICAN ECONOMIC RESEARCH CONSORTIUM, INC

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED 31 MARCH 2017 (Continued)

## STATEMENT OF EXPENDITURE PER OBJECTIVE

	General administration US\$	Research program US\$	Communications & publications US\$	ChMAAE program US\$	Masters program US\$	Doctoral program US\$	Total 2017 US\$	Total 2016 US\$
1. Enhanced Capacity Building	-	1,829,953	264	1,318,018	958,646	2,536,462	6,043,343	6,403,982
2. Build & Strengthen National, Regional & Global Linkages	-	698,126	1,330	183,966	-	-	883,422	1,218,100
3. Private Sector Engagement	-	2,865	-	-	-	-	2,865	-
4. Enhance AERC Visibility, Outreach and Policy Engagement	-	-	354,039	56,652	-	-	410,691	348,437
<b>Total programme costs</b>	<b>-</b>	<b>2,530,944</b>	<b>355,633</b>	<b>1,558,636</b>	<b>958,646</b>	<b>2,536,462</b>	<b>7,940,321</b>	<b>10,968,670</b>
5. Diversification and Broadening AERC Stakeholder and Resource Base	1,200,666	566,063	296,988	266,532	247,499	537,928	3,115,676	1,306,264
Overheads	(148,141)	75,404	-	12,279	6,496	53,862	-	-
Capitalization of equipment purchases	(62,944)	-	-	-	-	-	(62,944)	(122,601)
<b>Total expenditure</b>	<b>989,581</b>	<b>3,172,511</b>	<b>652,621</b>	<b>1,837,447</b>	<b>1,212,641</b>	<b>3,128,252</b>	<b>10,993,053</b>	<b>12,052,333</b>

## AFRICAN ECONOMIC RESEARCH CONSORTIUM, INC

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED 31 MARCH 2017 (Continued)

## STATEMENT OF FUNCTIONAL EXPENDITURE

Year 2017	General administration US\$	Research program US\$	Communication & publications US\$	ChMAAE program US\$	Master's program US\$	Doctoral program US\$	2017 Total US\$
<b>Expenditure</b>							
Personnel costs	679,269	478,013	225,518	283,247	211,483	603,064	2,480,594
Contracted services	91,575	284,409	32,087	171,893	109,449	134,024	843,437
Travel, conferences and meetings	159,588	1,650,484	191,727	569,710	446,586	688,467	3,706,562
Communications	36,522	8,669	4,714	20,345	6,531	7,713	84,494
Occupancy and office operations	148,578	(86,166)	125,382	75,676	30,106	174,027	467,603
Grants to organizations	-	132,393	34,349	428,636	380,990	997,807	1,974,175
Grants to individuals	-	613,500	36,671	274,718	21,000	442,500	1,388,389
Depreciation	22,190	15,705	2,173	943	-	6,788	47,799
Equipment purchases	62,944	-	-	-	-	-	62,944
<b>Total expenditure before overheads</b>	<b>1,200,666</b>	<b>3,097,007</b>	<b>652,622</b>	<b>1,825,168</b>	<b>1,206,145</b>	<b>3,074,390</b>	<b>11,055,997</b>
Overheads	(148,141)	75,504	-	12,279	6,496	53,862	-
<b>Total expenditure before capitalization</b>	<b>1,052,525</b>	<b>3,172,511</b>	<b>652,621</b>	<b>1,837,447</b>	<b>1,212,641</b>	<b>3,128,252</b>	<b>11,055,997</b>
Capitalization of equipment purchases	(62,944)	-	-	-	-	-	(62,944)
<b>Total expenditure after capitalization</b>	<b>989,581</b>	<b>3,172,511</b>	<b>652,621</b>	<b>1,837,447</b>	<b>1,212,641</b>	<b>3,128,252</b>	<b>10,993,053</b>

## AFRICAN ECONOMIC RESEARCH CONSORTIUM, INC

SCHEDULE OF FUNCTIONAL EXPENDITURE  
FOR THE YEAR ENDED 31 MARCH 2017

## STATEMENT OF FUNCTIONAL EXPENDITURE

Year 2016	General administration US\$	Research program US\$	Communication & publications US\$	CMAAE program US\$	Master's program US\$	Doctoral program US\$	2016 Total US\$
<b>Expenditure</b>							
Personnel costs	677,697	424,923	272,028	483,059	230,639	675,586	2,763,932
Contracted services	94,114	338,448	25,815	166,578	89,900	153,984	868,839
Travel, conferences and meetings	208,514	1,432,012	179,898	671,476	647,039	714,019	3,852,958
Communications	35,048	11,942	2,470	7,748	7,417	14,370	78,995
Occupancy and office operations	120,714	47,872	141,339	115,937	23,675	1,103,862	1,553,399
Grants to organizations	-	21,000	22,070	695,050	342,084	793,397	1,873,601
Grants to individuals	(2,000)	537,300	4,195	94,489	27,000	300,902	961,886
Depreciation	60,643	15,705	2,174	545	11,086	8,570	98,723
Equipment purchases	111,534	1,023	6,696	1,674	837	837	122,601
<b>Total expenditure before overheads</b>	<b>1,306,264</b>	<b>2,830,225</b>	<b>656,685</b>	<b>2,236,556</b>	<b>1,379,677</b>	<b>3,765,527</b>	<b>12,174,934</b>
Overheads	(181,789)	58,705	-	123,084	-	-	-
<b>Total expenditure before capitalization</b>	<b>1,124,475</b>	<b>2,888,930</b>	<b>656,685</b>	<b>2,359,640</b>	<b>1,379,677</b>	<b>3,765,527</b>	<b>12,174,934</b>
Capitalization of equipment purchases	(111,534)	(1,023)	(6,696)	(1,674)	(837)	(837)	(122,601)
<b>Total expenditure after capitalization</b>	<b>1,012,941</b>	<b>2,887,907</b>	<b>649,989</b>	<b>2,357,966</b>	<b>1,378,840</b>	<b>3,764,690</b>	<b>12,052,333</b>



## Annex A: Thematic Research Programme Statistics for 2016/17

**Table A1: Distribution of research reports and CPP theses by thematic group – 2016/17**

June 2016	NP	RP	WIP	FR	CPP	Total
Group A	6	-	3	4	3	16
Group B	2	2	6	2	6	18
Group C	5	-	2	4	4	15
Group D	8	-	4	1	2	15
Group E	5	2	2	1	5	15
Total	26	4	17	12	20	79
December 2016						
Group A	10	-	3	-	1	14
Group B	5	1	1	4	5	16
Group C	7	-	5	1	3	16
Group D	5	-	3	5	1	14
Group E	4	-	6	2	1	13
Total	31	1	18	12	11	73

Key:

Thematic groups

A: Poverty, Labour Markets and Income Distribution

B: Macroeconomic Policy and Growth

C: Finance and Resource Mobilization

D: Production, Trade and Economic Integration

E: Agriculture, Climate Change and Natural Resource Management

Research reports

NP: New proposal;

RP: Revised proposal

WIP: Work in progress

FR: Final report

CPP: PhD thesis



**Table A2: Distribution of researchers by country, gender and thematic group**

No.	Country of researchers	Category		Gender		Researchers per country	Researchers by thematic concurrent group				
June 2016		Thematic	CPP	M	F		A	B	C	D	E
1	Benin	1		1		1	1				
2	Burundi	1		1		1			1		
3	Botswana	1			1	1		1			
4	Burkina Faso	1			1	1					1
5	Cameroon	12	1	11	2	13	6	1	2	2	1
6	Côte d'Ivoire	5		4	1	5	2	1	1	1	
7	Congo	1		1		1					1
8	DRC	1		1		1	1				
9	Ghana	5		5		5	1	3		1	
10	Guinea	1		1		1				1	
11	Ethiopia	3		3		3		1		1	1
12	Kenya	5	14	10	9	19	2		2		1
13	Liberia	1		1		1			1		
14	Malawi	3		2	1	3		2	1		
15	Mauritania	1		1		1	1				
16	Niger	2		1	1	2	1		1		
17	Nigeria	6	1	4	3	7		3	1		2
18	Rwanda	1		1		1		1			
19	Senegal	6		5	1	6			1	4	1
20	South Africa	1		1		1			1		
21	Sudan	1		1		1					1
22	Swaziland	2		2		2				2	
23	Togo	4		4		4			1	1	2
24	Uganda	5	2	6	1	7	2		1	2	
25	Zambia	1		1		1		1			
26	Zimbabwe	2	2	3	1	4		1			1
Total		73	20	71	22	93	17	15	14	15	12

No.	Country of researchers	Category		Gender		Researchers per country	Researchers by thematic concurrent group				
		Thematic	CPP	M	F		A	B	C	D	E
Dec 2016											
1	Benin	1			1	1				1	
2	Botswana	1			1	1		1			
3	Cameroon	12		10	2	12	6	1		2	3
4	Chad	1		1		1		1			
5	Côte d'Ivoire	8		6	2	8	2	2	1	2	1
6	Congo	2		1	1	2	1				1
7	DRC	1		1		1	1				
8	Ghana	4		3	1	4	1	1	1	1	
9	Ethiopia	2		2		2				1	1
10	Kenya	4	10	9	5	14	1		2		1
11	Malawi	4		2	2	4		1	3		
12	Nigeria	8		6	2	8		3	2	1	2
13	Senegal	5		4	1	5	1		1	3	
14	Sudan	1		1		1					1
15	Swaziland	1		1		1				1	
16	Tanzania	1			1	1		1			
17	Togo	3		3		3			1	1	1
18	Uganda	4		2	2	4			3	1	
29	Zimbabwe	1	1	2		2		1			
<b>Total</b>		<b>64</b>	<b>11</b>	<b>54</b>	<b>21</b>	<b>75</b>	<b>13</b>	<b>12</b>	<b>14</b>	<b>14</b>	<b>11</b>



## Annex B: Training Programmes Statistics for 2016/17

### Collaborative Master's Programme (CMAP)

**Table B1: Scholarship awards under CMAP in 2016\***

University	Year I	Gender	Nationality	Year II	Gender	Nationality
Addis Ababa	Azene Kidist Muluneh	Female	Ethiopia			
Botswana	Ogweno Nyaboe Jedah	Female	Kenya	Mwafulirwa Jane	Female	Zambia
	Ahairwe Pamela Eunice	Female	Uganda	Ngwenya S. Nkosingiphile	Male	Swaziland
Dar es Salaam	Musili William Mulei	Male	Kenya	Namuliira Phionah	Female	Uganda
	Ayebare Deborah	Female	Uganda			
	Mongula Dennis Benedict	Male	Tanzania			
	Mpombo Lucy Bosco	Female	Tanzania			
Cape Coast	Abotiyuure Gray Elvis	Male	Ghana			
	Appiah-Kubi Grace Darko	Female	Ghana			
Ghana, Legon	Gitimu Maryanne Nyambura	Female	Kenya			
	Adom Priscilla Norley	Female	Ghana			
	Akonnor Kingsley Takyi	Male	Ghana			
Nairobi	Philip Doris Syombua	Female	Kenya	Mwangi Lottan Waithira	Female	Kenya
	Sagire Robi Lucas	Male	Kenya	Chepkorir Valentine	Female	Kenya
	Kayirere Uwase Sonia	Female	Kenya	Rwamihigo Sylvestre	Male	Rwanda
	Bah Saidu	Male	Sierra Leone	Nkunzimana Jeanine	Female	Burundi
	Kollie Genesis B.	Male	Liberia			
	Muhonza Kanze Benjamin	Male	DR Congo			
Mauritius	Fokoo Yahwant	Male	Mauritius	Muli John Nzuki	Male	Kenya
	Appadoo Navisha	Female	Mauritius	Saine Mariama	Female	Gambia
	Mothae Lerato Lyllian	Female	Lesotho			
	Badjie Isatou A.	Female	Gambia			
	Salimatou Barry	Female	Gambia			
	Njie Mam Jarra	Female	Gambia			



Malawi	Kuchande Steven Limbanazo	Male	Malawi	Mwangi Beatrice Njeri	Female	Kenya
	Pemba Laetitia Amiss	Female	Malawi			
Makerere	Prowd Roosevelt	Male	Liberia	Aswata Millicent Bridget	Male	Kenya
	Atwine Blessing	Female	Uganda			
	Sunday Nathan	Male	Uganda			
Namibia	Kamati Katrina Namutenya	Female	Namibia	Undji Joao Valdemar	Male	Angola
	Abiatar Andreas	Male	Namibia			
Zimbabwe						

\*All Kenyan students are under the Government of Kenya Capacity Building for Policy Analysis scholarship programme.

## Collaborative MSc in Agricultural and Applied Economics (CMAAE)

**Table B2: List of students awarded CMAAE scholarships in 2016/2017\***

NO	NAME	GENDER	COUNTRY	UNIVERSITY ADMITTED	REMARK
1	Mukamugema Alice	F	Rwanda	Egerton	Award AfDB Full Scholarship
2	Saniyo Gumbo	M	Zambia	Egerton	Award AfDB Full Scholarship
3	Wisdom Mgomezulu	M	Malawian	LUANAR	Award AfDB Partial Scholarship
4	Nagujja Janet	F	Uganda	Makerere	Award BMGF Partial Scholarship
5	Nyirahabimana Hyacinthe	F	Rwanda	Makerere	Award AfDB Full Scholarship
6	Twesiime Caroline	F	Uganda	Makerere	Award BMGF Partial Scholarship
7	Orazuyo Santina	F	Uganda	Makerere	Award BMGF Partial Scholarship
8	Nabikyu Jane Rosette	F	Uganda	Makerere	Award BMGF Partial Scholarship
9	Nakazzi Betty	F	Uganda	Makerere	Award BMGF Partial Scholarship
10	Alexis Ndamaniha	M	Burundi	Makerere	Award AfDB Full Scholarship
11	Amaobeng Nimako Solomon	M	Ghana	Nairobi	Award BMGF Full Scholarship
12	Mulba Francis FB	M	Liberia	Nairobi	Award AfDB Full Scholarship
13	Mugurutsi Mwadjuma	F	Burundi	Sokoine	Award AfDB Full Scholarship
14	Kihamba George Zabron	M	Tanzania	Sokoine	Award BMGF Partial Scholarship
15	Isack Njiile	M	Tanzania	Sokoine	Award BMGF Partial Scholarship
16	Mgonja Reuben James	M	Tanzania	Sokoine	Award BMGF Partial Scholarship
17	Sirima David Anthony	M	Tanzania	Sokoine	Award BMGF Partial Scholarship
18	Rumulika Kumbwela	M	Tanzania	Sokoine	Award BMGF Partial Scholarship



19	Marjory Chihuri	F	Zimbabwe	Zimbabwe	Award AfDB Partial Scholarship
20	Haregity Nitsuh Worko	F	Ethiopia	Haramaya	Award BMGF Partial Scholarship
21	Desalegn Teshale Wolde	M	Ethiopia	Haramaya	Award BMGF Partial Scholarship
22	Mantegeb Zeru Zeleke	F	Ethiopia	Haramaya	Award BMGF Partial Scholarship
23	Eden Andualem Tilahun	F	Ethiopia	Haramaya	Award BMGF Partial Scholarship
24	Fami Abdurezak Aherifa	M	Ethiopia	Haramaya	Award BMGF Partial Scholarship
25	Gemechu Ordofa Jara	M	Ethiopia	Haramaya	Award BMGF Partial Scholarship
26	Getachew Belay Alemu	M	Ethiopia	Haramaya	Award BMGF Partial Scholarship
27	Sylvester Ojwang	M	Kenya	Nairobi	Award DAAD Full Scholarship
28	Kinuthia Catherine Wambui	F	Kenya	Egerton	Award DAAD Full Scholarship
29	Mohamed Sala Saada	F	Kenya	Nairobi	Award GoK Full Scholarship
30	Rutoh Linet Cherono	F	Kenya	Nairobi	Award GoK Full Scholarship
31	Abodi Maurine Adhiambo	F	Kenya	Egerton	Award GoK Full Scholarship
32	Shiundu Felix Mwala	M	Kenya	Nairobi	Award GoK Full Scholarship
33	Anthony Mwirigi	M	Kenya	Nairobi	Award GoK Full Scholarship
34	Harad Lungu	M	Zambia	Pretoria	Award AfDB Full Scholarship
35	Duduzile Dlamini	F	Swaziland	Pretoria	Award AfDB Full Scholarship
36	Theophilus Lusito Dlamini	M	Swaziland	Pretoria	Award AfDB Full Scholarship
37	Jacobina Senate	F	Lesotho	Pretoria	Award AfDB Full Scholarship
	PhD Agricultural Economics				
38	Haile Million Sileshi	M	Ethiopia	Sokoine	Award DAAD Full Scholarship
39	Mwangi Backson Mutonya	M	Kenya	Kenyatta	Award DAAD Full Scholarship
40	Kachilei Levy	M	Kenya	Moi	Award DAAD Full Scholarship

\*All Kenyan students are fully funded under the Government of Kenya Capacity Building for Policy Analysis project or DAAD.

## Collaborative PhD Programme (CPP)

**Table B3: CPP graduates and pipeline students by cohort and nationality as of December 2016**

		Cohort/ Country of nationality	Graduates	Continuing students	Discontinued/ withdrawal	Total
CPP cohort	1	2002	18	0	0	18
	2	2003	21	0	1	22
	3	2004	20	4	2	26
	4	2005	19	2	0	21
	5	2006	19	1	0	20
	6	2007	15	1	0	16
	7	2008	20	0	0	20
	8	2009	25	5	1	31
	9	2010	22	3	6	31
	10	2011	21	18	7	46
	11	2012	2	14	6	22
	12	2013	0	26	0	26
	13	2014	0	18	0	18
	14	2015	0	17	0	17
<b>Total</b>			<b>202</b>	<b>109</b>	<b>23</b>	<b>334</b>
Country of nationality	1	Benin	4	3		7
	2	Botswana	2	1	2	5
	3	Burkina Faso		1	1	2
	4	Burundi	1	0		1
	5	Cameroon	15	10	4	29
	6	Central Republic	1			1
	7	Chad		2	1	3
	8	Côte d'Ivoire	12	4	1	17
	9	DRC	1	0	2	3
	10	Ethiopia	3	2		5
	11	Gabon	1	0		1
	12	Ghana	10	3		13
	13	Kenya	21	50	4	75
	14	Lesotho	4	1		5
	15	Liberia	1	0	1	2
	16	Malawi	8	1		9



	17	Mozambique	0	1		1
	18	Namibia			1	1
	19	Nigeria	53	6	3	62
	20	Rwanda	2	3		5
	21	Sierra Leone	5	1		6
	22	South Africa	1	0		1
	23	Swaziland	1	1	1	3
	24	Tanzania	22	12	2	36
	25	Uganda	14	0		14
	26	Zambia	7	0	0	7
	27	Zimbabwe	13	7		20
<b>Total</b>			<b>202</b>	<b>109</b>	<b>23</b>	<b>334</b>



## Annex C: Conference participation and professional association grants for 2016/17

**Table C1: Conference Participation grants – 2016/17**

Name	Amount (US\$)	Type/theme	Affiliation	Country
Dr Elizabeth Owiti	5,000	Travel grant to present a paper: Utilization and Cost of HIV Treatment in Mbagathi District Hospital in Kenya at the ISPOR 21st Annual International Meeting on 21-25 May 2016 in Washington, D.C, USA	School of Economics, University of Nairobi	Kenya
Prof Eugene Kouassi	2,450	Travel grant to present a paper at the African Econometric Society Conference on 26-28 July 2016 in Mpumalanga, South Africa.	University of Felix Houphouet Boigny	Cote d'Ivoire
Dr Ratjomose Macheme	1,836	Travel grant to present a paper at the CSAE Conference on 20-22 March 2016 at St. Catherine's College, Oxford in United Kingdom.	School of Economics, University of Cape Town	South Africa
Dr Brou Bosson	2,450	Travel grant to present a paper at the African Econometric Society Conference on 26-28 July 2016 in Mpumalanga, South Africa.	University of Felix Houphouet Boigny	Cote d'Ivoire
Dr Christian Kamala	2,290	Travel grant to present a paper titled "Education, Integrational Mobility and Poverty Dynamics in Rural Tanzania" at a conference in South Africa on 25-27 May 2016 in Mpumalanga, South Africa.	Faculty of Economics and Management, Universite Catholique de Bukavu	Congo, DRC
Dr Kiplangat Cheruiyot	2,370	Travel grant to present a paper titled "Determinants of Technical Efficiency in Kenyan Manufacturing Sector: A Cross-Sectional Analysis" at the 14th International Conference on Data Development on 23-26 May 2016 in Mpumalanga, South Africa.	School of Economics, University of Nairobi	Kenya
Dr David Muthoka	3,120	Travel grant to present a paper at the 4th Biennial Scientific Conference in Rabat, Morocco from 26-29 September, 2016.	School of Economics, University of Nairobi	Kenya
Dr Alexandre Zounmenou	2,000	Travel grant to present a paper at the third EU conference, on 7-9 September 2016 in Barcelona, Spain	University of Yaoundé II	Cameroon
Dr Sanoussi Yacoubu	3,259	Travel grant to present a paper at the fourth scientific Conference of the African Health Economics and Policy Association from 26-29 September 2016 in Rabat, Morocco.	University of Lomé	Togo



Dr Isabel Waiyaki	2,020	Travel grant to present a paper at the Global Development Finance Conference in Durban, South, in Africa on 23-24 November 2016.	University of Nairobi	Kenya
Dr Ameth Ndiaye	4,800	Travel grant to present a paper at the Conference on Institutional Development Research on 1-2 December 2016 in Witten, Germany.	University of Chiekh Anta Diop	Senegal

**Table C2: Professional Associations grants – 2016/17**

Name	Amount (US\$)	Type	Affiliation	Country
African Association of Agricultural Economists (AAA)	10,000	Grant to enable AAA to host the fifth International Conference of the ICAAAE to be held on September 23-26, 2016 in Addis Ababa, Ethiopia	African Association of Agricultural Economists (AAA)	Kenya
African Econometric Society (AES)	5,000	Grant to enable the African Econometric Society (AES) to host a Conference on July 26-28, 2016 in Mpumalanga, South Africa	African Econometric Society (AES)	South Africa
African Farm Management Association (AFMA)	9,349	Grant to enable AFMA to host the tenth International Conference to be held on November 24-24, 2016 in Mauritius.	African Farm Management Association (AFMA)	Kenya



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