

Final Management Response and Follow-up Note
Evaluation of the results of the Africa Commission:
Realising the Potential of Africa's Youth

This note summarises the main findings and recommendation from the evaluation of the results of the Africa Commission: Realising the Potential of Africa's Youth. It also includes comments from the Danish Ministry of Foreign Affairs and follow up to the evaluation.

Executive summary

Background

The Africa Commission was launched by Prime Minister Anders Fogh Rasmussen in 2008 'to help Africa benefit more from globalization'. The majority of the 18 Commissioners were senior politicians and officials from African states and regional organisations, reflecting the Commission's commitment to ensure African ownership of its recommendations and initiatives. The aim of the Commission was to present new and creative strategies to revitalise and strengthen the international cooperation with Africa.

The Commission focused on ways to create employment for young people through private sector-led growth and improved competitiveness of African economies. This included discussions on decent jobs, entrepreneurship, and the provision of opportunities for young African women and men through education, skills development and access to finance.

Facilitated by the Ministry of Foreign Affairs of Denmark, the Commission held three high level meetings in Denmark 2008-2009, complemented by separate meetings across Africa and specific thematic workshops aimed at identifying policy recommendations and initiatives, which could further this agenda.

As a result of the Commission's work 22 policy recommendations were agreed to 'refocus international development cooperation' to support private sector led growth and youth employment. Ten recommendations were direct stand-alone policy recommendations and the remaining 12 were operationalized into five concrete development initiatives and launched in support of the recommendations. The Commission itself was as such closed in 2009, some projects have been finalised and some are still on-going. The total budget for the five initiatives was DKK 1,162 mill.

The objective of this evaluation is "to document and assess the results of the Africa Commission both in terms of its policy impact as well as the results of the five initiatives" covering the period from the establishment of the Commission in 2008 until March 2016.

Assessment of the Africa Commission's ten policy recommendations

The Africa Commission's ten stand-alone recommendations broadly addressed the need for a refocused agenda for international development cooperation with Africa. The most important priority identified here was to create jobs for Africa's increasing youth population through private sector-led growth and

through reforms that improve the competitiveness of African economies. Africa's large and growing work force was regarded by the Commission as a significant development opportunity for Africa, provided that more jobs could be created. The Evaluation has assessed the effects of the ten policy recommendations on (i) the Danish development agenda, (ii) the international development agenda and (iii) the African development agenda.

In relation to the Danish development agenda, the Evaluation concludes that the Africa Commission had a significant impact on the scale and nature of Danish policy towards Africa in relation to private sector development, although it must be noted that there already before the Africa Commission was a considerable support towards private sector development. Danish stakeholders consulted by the evaluation team emphasized that the Commission had changed the way that private sector development was viewed by the Danish development community. The main Danish policy commitment in this area was "to double Denmark's annual support to private sector development in Africa by 2014".¹ The Evaluation notes that this was realised, inter alia, by the increase in Denmark's support to business sector programmes in Africa together with the Africa Commission initiatives from DKK 190 million in 2009 to an average of 475 DKK mill. in the years 2010-2015, i.e. an increase of two and a half times of the level prior to the launch of the recommendations of the Africa Commission. In total over DKK 3 billion was allocated for the business sector programmes together with the five Africa Commission initiatives in the period 2009-2015. A number of other private sector support measures were additionally supported in parallel with this, for example IFC programmes and Danida's B2B programme.

In relation to the international development agenda, the Evaluation finds that the Africa Commission was a part of the ongoing debate on the role of development aid and the need to bring the private sector more into play to ensure growth and jobs in Africa and hence in congruence with the development aid debate at the time. The focus of the Africa Commission specifically on jobs for the youth was a relatively new aspect and considered quite timely. There is however no evidence that this aspect was carried forward by members of the Commission afterwards. Therefore, while placing the Africa Commission's policy recommendations firmly within the policy discussion at the time, and highlighting their relevance, the Evaluation concludes that it is not possible to track a specific contribution from the Africa Commission to the "refocusing" of the international agenda per se.

In relation to the African development agenda, the Evaluation also confirms that the recommendations were in line with the on-going debates but there is limited evidence of effects on the national development strategies at country level in Africa and on the Pan-African development agenda. Neither is there any significant evidence that the Commission members took forward its recommendations and actively engaged with national and international partners in the public and private domain in Africa to promote a refocused agenda for international development cooperation with Africa, to which they had committed.

Assessment of the Africa Commission's Five Initiatives

Five initiatives were established by the Africa Commission relating to African competitiveness, access to finance, entrepreneurship, sustainable energy, and education (the last initiative on education is de facto two separate initiatives split into post-primary education and research). These were:

- Benchmarking African Competitiveness, implemented by the Global Competitiveness Network of the World Economic Forum, aimed at expanding and using the Global Competitive Index in Africa and supporting reforms promoting African competitiveness in the African Union

¹ Lars Løkke Rasmussen, Danish Prime Minister and Chairman of the Africa Commission: foreword to "Growth and Employment: Visions at Work", Africa Commission, August 2010

- Access to Investment Finance for Small and Medium-sized Enterprises by creating the African Guarantee Fund aimed at providing guarantees to African financial institutions lending to SMEs
- Unleashing African Entrepreneurship, implemented by International Labour Organisation aimed at providing packages of assistance to young African entrepreneurs
- Access to sustainable energy, implemented by the African Development Bank aimed at addressing the energy deficit in African countries by focusing on renewable energy
- Promoting post-primary education and research, implemented by the ILO Skills for Youth programme aimed at strengthening the formal and informal systems for technical and vocational training to increase opportunities for youth employment
- Support to universities, business and research in Agricultural innovation, better known as UniBRAIN, implemented by the Forum for Agricultural Research in Africa, promoting innovation and facilitating graduation of more entrepreneurial students by joining education research and business common efforts for improved agro-business in Africa

Results were first and foremost achieved on the ground of the individual projects. Concerning the first initiative, Benchmarking African Competitiveness, all the envisaged results have been achieved. This includes that seven new sub-Saharan countries were included in the Global Competitiveness Report and the World Economic Forum produced the report “Africa Competitiveness 2010: The State of Affairs” which was published and released at the 2010 United Nations Conference on progress in achieving the millennium development goals.

The second initiative, Access to Finance, saw the establishment of the African Guarantee Fund (AGF) in close cooperation with African Development Bank and is now a well-functioning institution. The fund filled a gap in terms of providing guarantees to banks to reduce their risk (perceived or real) in facilitating lending to SMEs. The AGF is still at an early stage of operations but so far links have been established with 62 banks and about 850 small and medium-sized enterprises (SMEs) have gained access to finance with many more expected to come. The AGF has attracted a significant level of additional funding from other donors, which increases its sustainability prospects and outreach potential to many more SMEs.

The third initiative, Unleashing African Entrepreneurship, implemented in Tanzania, Kenya and Uganda, led among other things to introduction of the entrepreneurship education in national curricula, and general entrepreneurship training and support to business start-ups and an estimated 40,000 enterprises were reported to have started by youth across Africa resulting from the ILO-implemented initiative.

The fourth initiative, Sustainable Energy for Africa (SEFA), has thus far seen slow progress but should now be at a stage where it is ready to accelerate implementation. It has developed a solid pipeline of potential electricity generation projects - 13 approved so far - in its endeavours to bring more sustainable energy provision to SMEs. Expected results indicate that the amount of megawatts generated is anticipated to exceed targets. The job creation targets are however unlikely to be met directly, although jobs will indirectly be created through access to more reliable energy, improving productivity and competitiveness of enterprises.

The first project of the fifth initiative, Skills for Youth, was implemented in Benin, Burkina Faso and Zimbabwe. It saw a large roll-out of informal training and the project reports that almost 12,000 jobs have been created for youth, informal apprenticeships have been established, master crafts trainers trained, beneficiaries have participated and benefitted from crafts training and institutional partners have been trained. There is evidence that aspects of the project may be about to become institutionalised in one country whereas there is little indication of this in the other countries.

Concerning the second project of the fifth initiative, support to universities, business and research in agricultural innovation (UniBRAIN), progress has been slow but this should be seen in the light of probably over-optimistic projections of how rapidly self-sustainability of business incubators could be achieved. Hence, the actual commercialization of agribusiness innovations has not been rolled out yet and the support to tertiary educational institutions to produce efficient entrepreneurs has only to a very limited degree been initiated. “The UniBRAIN model” has been branded well across Africa and is a well-known concept, which may per se lead to replication of the incubator idea, but not necessarily while adhering to the good practice principles of becoming self-sustained (i.e. self-financing) but rather as an approach to linking business and academia.

In most cases the initiatives were designed without a proper results-matrix to guide the implementation and results measurement, so the evaluation has consequently found it hard to assess outcomes and impact against set targets. There is however evidence that most of the initiatives were effective in achieving the set outputs².

In terms of transformative capacity, there are some noteworthy results so far. Several of the initiatives have contributed with some degree of upstream policy influence. The support to competitiveness benchmarking in Africa has inspired further results, such as the establishment of the Nigerian Competitiveness Council and there are examples of the media picking up on the debate and undertaking a series of debates on competitiveness. The AGF was created from scratch, but has been able to gain momentum, and future commitment of funding from a range of other donors, which will enable the AGF to continue to stimulate the market for SME financing. It is assessed as likely to see good results in the future and hence good potential for both expansion and replication, and may in that sense have a transformative capacity. Linked to the third initiative, Unleashing African Entrepreneurship, the evaluation team notes that the International Labour Organisation has entered into a new coalition to address youth unemployment - the Joint Youth Employment Initiative for Africa which was launched in 2013 by the African Development Bank, African Union, International Labour Organisation and United Nations Economic Commission for Africa. They were all key partners of the Africa Commission but it has not been possible to establish whether the initiative could have been inspired by the discussions of the Africa Commission³. The Sustainable Energy Fund for Africa (Initiative 4) can be considered as a front-runner and innovative as being the first of its kind. It has attracted much additional donor funding, which can be regarded as an indicator of its transformative capacity. Moreover, the Sustainable Energy Fund for Africa is well integrated into a number of global initiatives.

There has thus been some policy influence of the initiatives but the vision that the initiatives should be used actively as demonstration models for wider replication is still to be achieved. Most of the initiatives have a fairly indirect causal-relationship to generating jobs for youth and it is hence hard to establish the extent to which there has been a positive policy change concerning youth employment due to the policy recommendations and initiatives.

Assessment of Programme Monitoring, Evaluation and Dissemination of Results of the Africa Commission

The Africa Commission recommended the establishment of an African Monitoring and Evaluation Unit to follow up on the Commission’s recommendations and ensure continued African ownership of the activities and that the initiatives maintained their Pan-African scope. To this end, the Danish Ministry of Foreign Affairs financed the establishment of the Joint Monitoring and Evaluation Unit

² Note: first, in most cases there was limited evidence enabling triangulation of results, and second, that it in most cases is too early in the implementation to assess evidence of impact.

³ http://www.ilo.org/addisababa/whats-new/WCMS_210399/lang-en/index.htm

within the Joint Secretariat Support Office of the African Union Commission, the African Development Bank and United Nations Economic Commission for Africa. The unit was tasked to ensure continued African ownership of the initiatives, to develop and disseminate the recommendations of the Africa Commission and to document the experiences and results gained from the five initiatives. However, the Joint Monitoring and Evaluation Unit did not fulfil the important tasks that it was expected to undertake. Hence, there has been limited direct follow-up on the Africa Commission's policy recommendations and on disseminating experiences from the initiatives. The Evaluation considers that the failure of the Joint Monitoring and Evaluation Unit to fulfil its functions was due to lack of institutional and political ownership to the Commission's work, little oversight, which weakened the prospects for further impacting the international and African policy agenda.

The five initiatives were on the other hand monitored in accordance with the standard monitoring procedures of the Ministry anchored in the Technical Advisory Services of the Ministry as well as part of the implementing organizations' own procedures.

Conclusion

The evaluation team concludes that the Africa Commission participated in the wider debate on the role of development aid and the need to bring the private sector more into play to ensure more and better employment for Africa's youth. The Africa Commission did extend the debate in Danish development policy as to whether private sector development should be one of the focal points for Denmark's international development assistance and its recommendations did lead to a significant increase in Danish funding for private sector development in Africa.

With respect to bringing about a refocused international development agenda, the Africa Commission's recommendations were in congruence with the ongoing debate, and timely when it came to bring the issue of placing youth employment on the agenda, though without evidence of significant contribution to the international agenda.

There is limited evidence of effects on the national development strategies at country level in Africa and that the Commission members actively engaged with national and international partners in the public and private domain in Africa to promote a refocused agenda for international development cooperation with Africa, as the commitment in the Commission-endorsed "Copenhagen Statement" stipulated.

While the Africa Commission was a Danish-led and financed initiative, the expectation was that African ownership of the Commission's recommendations would derive from its African membership, which included a number of important and influential individuals. In other words, it was expected that these individuals, being party to the discussions and work of the Commission, would take forward its recommendations, but little evidence to this effect has been found. A form of operationalisation of the policy intents and follow-up would have been beneficial to secure a higher level of political engagement by the Pan-African institutions as well as the individual members.

The bulk of the five (*de facto* six) initiatives supported were found to be relevant to the Commission's objectives and largely effective in meeting or on track in meeting their targeted outputs, although that it has been challenging to assess outcomes and impact due to generally weak results frameworks. Most significant is the initiatives that have been well institutionalized and continues to contribute to the Commission's agenda.

Key lessons learned

1) Strategy for follow-up on policy recommendations. The ten policy recommendations were not accompanied with an operational plan or strategy for how they were supposed to be implemented and followed-up. Given the commitments made in the "Copenhagen Statement", a more comprehensive

plan for how to pursue the recommendations of the Commission and possibly influence policies at both international level and at the national level in the African countries would be useful if a similar initiative is launched in the future.

2) Ensure political ownership. Related to the lesson learned above, ownership at political level must be ensured through encouraging leadership and active involvement of the institutions in every element of the planning, implementation, monitoring and evaluation of all initiatives, especially if they have the purpose of being demonstration models with a view to scaling up, replication and possibly deliver policy changes. Such responsibilities should not be delegated to a Secretariat.

3) Secure solid results frameworks. Danida has clear and well-considered guidelines for the design and management of its development projects and programmes.⁴ Programmes/projects are designed using a clear intervention logic (the theory of change) through a proven and well-considered process of identification, formulation, appraisal, and approval⁵. Danida aid management guidelines should be followed in all cases: attempts to short-circuit the process may lead to the design of sub-standard results frameworks, making it challenging to assess the effectiveness of the projects.

General comments to the evaluation

The MFA warmly welcomes the evaluation of the results of the Africa Commission. The Africa Commission, when presenting its final report in May 2009 contained ten policy recommendations and five concrete initiatives aimed at unleashing the potential for Africa's youth. An objective which only seems even more relevant today.

The MFA is pleased to notice the findings of the evaluation when it comes to the concrete results achieved through the initiatives born from the Africa Commission. Beyond the concrete results delivered the evaluation also highlights the innovative and sustainable nature of several of the initiatives. Especially the African Guarantee Fund, which provides guarantees for banks and financial institutions to provide credit for small and medium sized enterprises, and the Sustainable Energy Fund for Africa, administered through the African Development Bank, are deemed innovative and of great potential, in part due to their ability to attract funding from other donors as well as private sector capital.

The MFA also takes due note of the more mixed findings when it comes to the effect of the Africa Commission on the international debate on the role of development aid. While the ten policy recommendations were in line with the increased international focus on developing the private sector and mobilising financing beyond development aid, it is difficult to argue that the debate was directly affected by the work done in the Commission. On the other hand there seems to be considerable influence on the Danish debate as well as the allocation of funds towards private sector development.

Comments to the lessons learned

Key lesson 1: Strategy for follow-up on policy recommendations.

The MFA welcomes the recommendation to develop comprehensive plans for follow-up on political recommendations such as the ones created in The Africa Commission.

We also note that the Africa Commission was intended to identify concrete initiatives to target youth unemployment and that the ten policy recommendations were greatly aligned with the international development agenda at the time which was transitioning towards a greater focus on private sector development.

⁴ <http://amg.um.dk/en/Technical-guidelines/guidelines-for-programmes-and-projects>

⁵ A 2006 Technical Note also provides significant guidance on the monitoring of projects and programmes. It stresses the need for programme design to include the formulation of clear indicators – with an initial benchmark starting point and a clear target - at all levels of the programme/project (impact, outcome, and output. See also “Danish Development Cooperation in a Results Perspective: Danida's Framework for Managing for Development Results 2011-2014”, July 2011

It should furthermore be noted that the members of the Commission participated on an invitational and voluntary basis to influence an international policy agenda and that an operational road-map for the participants was not envisaged in the Commission design.

Key lesson 2: Ensure political ownership.

MFA notices that political ownership of the policy recommendations as well as the concrete initiatives was thought into the very design of The Africa Commission. This is for instance reflected in the composition of members in the Commission, the fact that the Commission followed up with a progress report one year after the final report was presented and the fact that “the Africa Commission has not been dissolved [in May 2010] but continues as a virtual body⁶”. In terms of the concrete initiatives, for instance, Dr. Kaberuka – then President of the African Development Bank – was part of the official launch of the African Guarantee Fund.

Nevertheless MFA fully acknowledges the recommendation to not delegate responsibility for ensuring political ownership and follow-up to e.g. a secretariat. This important dialogue is the raison d’être of the MFA and is among the cornerstones of the work carried out by the Embassies.

We also find it important to note that several of the concrete initiatives are still progressing (such as the African Guarantee Fund and the Sustainable Energy Fund for Africa), which have ensured institutional ownership.

Key lesson 3: Secure solid results frameworks.

MFA takes due notice of the reminder to always utilize the resources and guidelines available.

The Danish development cooperation has repeatedly been nominated as world leading. This is in part due to the strong set of guidelines for design, monitoring and follow-up on projects and programmes.

These guidelines should of course be followed when designing new initiatives, which we also believe they were in the five (six) concrete initiatives launched following the Africa Commission. However, as also noted in the report some of the initiatives were very innovative and hence all dimensions of the standard guidelines were not necessarily applicable.

⁶ Chairman of the Africa Commission, Lars Løkke Rasmussen, in “Growth and Employment: Visions at work – Progress report of the Africa Commission”, July 2010