



ACET

African Center
for Economic
Transformation

acetforafrica.org



Annual Report 2021

Transformation in a Generation

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The African Center for Economic Transformation (ACET) is a pan-African economic policy institute supporting Africa's long-term growth through transformation. We produce research, offer policy advice, and convene key stakeholders so that African countries are better positioned for smart, inclusive, and sustainable development. Based in Accra, Ghana, we have worked in nearly two dozen African countries since our founding in 2008.

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A NOTE FROM OUR PRESIDENT

2021 brought another year of uncertainty as COVID-19 continued to spread across the continent and around the world, impacting lives and economies. It forced us to face the reality that abrupt economic shocks can cause progress to stall—or reverse—as long as countries fail to build resilience. As Africa looks to build forward better, the transformation agenda is more crucial now than ever.

The pandemic has also shown us the urgent need for African collaboration and continental integration—and 2021 at ACET was all about integrating to transform. This was the focus of our latest African Transformation Report, which launched in July at ACET's third African Transformation Forum. The analysis in the report urges all policymakers and stakeholders to look beyond trade and consider how African countries can work together to tackle issues that transcend borders, such as managing climate risks, ensuring productive employment, and supporting digital innovation.

These priorities were woven through ACET's engagements in 2021. Starting in Ghana, we focused our efforts on COVID-19 recovery plans, identifying short- and long-term policies as people and businesses work to get back on their feet. This included our support to small and medium enterprises in Ghana and

beyond through our ACET Business Transform program. This annual report highlights those and other ways that our analysis, advice, and advocacy have made an impact.

Looking ahead, we will continue to focus on building resilience so that African communities do not suffer as acutely from climate and economic shocks, and to come together as one continent to advocate on a global level for an equal voice and equal access to the financial and physical resources necessary to move forward stronger.

ACET is incredibly fortunate to have a broad and dedicated network to champion this agenda. Our Transformation Leadership Panel (TLP) members have continued to step up as advocates on Africa's most pressing issues, helping keep long-term progress and transformation squarely on policymakers' agendas even while the immediate crisis of COVID-19 remains at the top of everyone's minds. TLP members are garnering stronger support for African institutions to provide the evidence, research, and technical assistance needed to underpin recovery plans, and I look forward to seeing those efforts bear fruit in the years to come.

I am of course grateful for the sound guidance of our Board of Directors, the collaboration and engagement with our partners, and the hard work and commitment of our staff, which continues to grow and diversify. We all look forward to continue working toward transformative, sustainable change for Africa's countries and people.

In this report, you will read about some of key our achievements in 2021, but you will also see the ways in which ACET is laying the groundwork for equally ambitious efforts in 2022 and beyond. Thank you for being part of this journey with us, and for Africa.

K.Y. Amoako

President and Founder, ACET

D



Diversification

E



Export competitiveness

P



Productivity increases

T



Technological upgrading

H



Human well-being

ABOUT ACET

We help deliver African economic transformation, which we define as growth with DEPTH, through a unique, integrated approach.



Vision

An economically transformed Africa within a generation.



Mission

To help government and the private sector deliver economic transformation that improves lives.

GROWTH WITH DEPTH

In our view, growth is not enough. Africa must also transform through diversified production, competitive exports, increased productivity, upgraded technology, and improved human well-being.

Growth with DEPTH is a framework developed by ACET that turns transformation from a concept into a practical policy agenda. We have used Growth with DEPTH to help Africa's public and private sectors address the policy and institutional barriers that hamper sustained growth.

While pursuing improvements in the macroeconomic and business environments, countries have to also take the following steps:

Diversification – Diversify their production and exports.

Export competitiveness – Become more competitive in global markets.

Productivity increases – Increase the productivity of farms, firms, and government offices.

Technology upgrades – Upgrade the technology they use throughout the economy.

Human well-being – Ultimately, growth should improve livelihoods by providing more productive jobs and higher incomes.

AN INTEGRATED APPROACH

We focus on the “how-to” of policy reform, going beyond the traditional role of a think tank to ensure our research is accessed by the right people at the right time to accelerate the transformation agenda.



Analysis

Informing Economic Transformation Policy

We provide thought leadership to help set the transformation agenda and inform policy through rigorous research and analysis. We study the drivers of economic transformation and identify and create roadmaps for the most promising pathways for countries to achieve growth with DEPTH. To do this, we draw insights from the existing knowledge base and from our own analysis.



Advice

Supporting Policymakers for Transformation

We bring leading transformation ideas and strategies directly to policymakers to support policy design and implementation. We provide policymakers with practical advice for designing and implementing sound strategies for transformation by bringing countries together to draw lessons and share knowledge across borders on issues of similar focus and by providing direct technical advice.



Advocacy

Galvanizing Action & Convening for Transformation

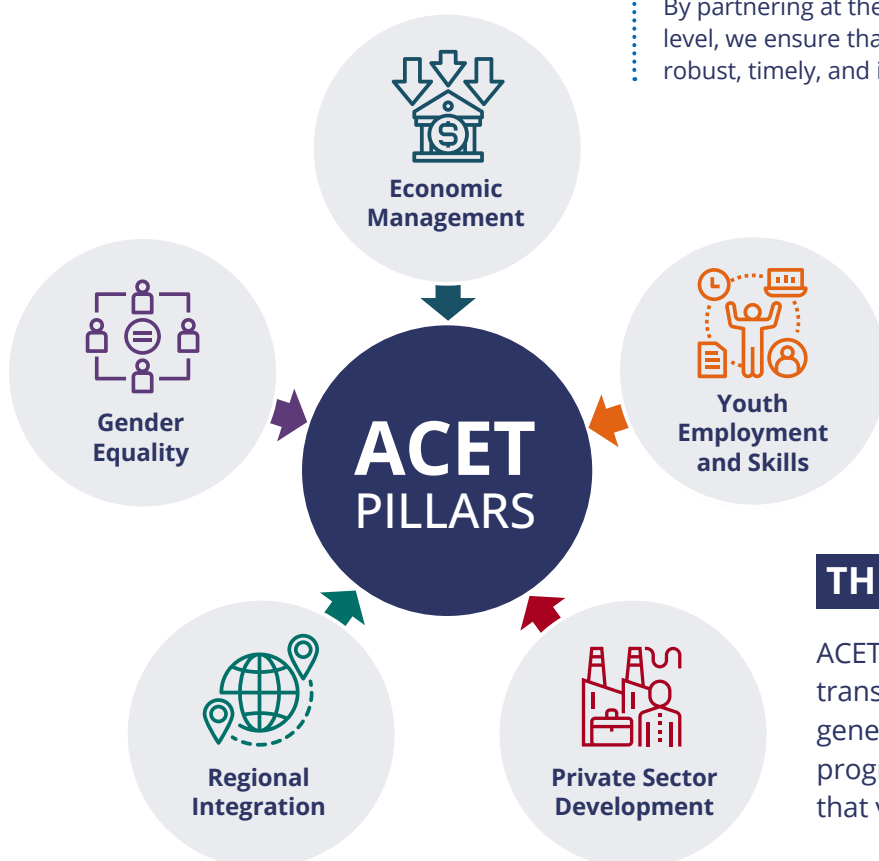
We galvanize action through advocacy, outreach, and convening for impact. We engage at three levels of policymaking – country, regional, and global—through a growing number of initiatives, partnerships, and platforms to impact the ways in which governments and development partners pursue transformation strategies. Each engagement is positioned with a view towards helping African leaders and policymakers design and implement policies and strategies that will support—and accelerate—economic transformation.



Partnerships

Forging Partnerships for Transformation

We incorporate existing research, leverage regional and global expertise, and harness the growing interest in transformation strategies from other institutions and organizations. We partner with governments, foundations, and organizations whose goals for better jobs, improved livelihoods, and inclusive, sustainable growth align with our mission. By partnering at the local, regional, and international level, we ensure that our insights and ideas are robust, timely, and impactful.



THE 5 PILLARS

ACET’s vision is an economically transformed Africa within a generation. We have five strategic programs aligned with achieving that vision.



2021 HIGHLIGHTS CALENDAR



REPORTS & STUDIES



INSIGHTS & IDEAS



MEETINGS & EVENTS



PROGRAMS & WORKSHOPS

JANUARY – MARCH (1ST QUARTER)



We collaborated with the OECD Development Centre to identify areas that can speed up processes for preparing, funding, and implementing infrastructure projects in Africa. We presented our joint recommendations—adopting the “PIDA quality” label for projects and creating an African infrastructure community of practice—for discussion at the AU Heads of State summit.



To support the G20 Compact with Africa (CwA) countries, we published a jointly produced knowledge product with the UN Economic Commission for Africa on the fiscal risks of public-private partnerships.



We organized two COVID-19 recovery events, including one in collaboration with the World Bank titled “[Bringing Everyone Along: An Inclusive Recovery in Africa](#).”



CwA countries shared their COVID-19 experiences at a peer-learning workshop as part of the CwA Reform Partnership. We produced two reports on the topic: “[A Scan of COVID-19 Governance-Related Policy Actions](#)” and “[Responding to COVID-19: An Overview of Governance Issues](#).”



ACET President K.Y. Amoako was invited to serve as the moderator for the African Union’s online symposium marking the 20th anniversary of the landmark New Partnership for Africa’s Development (NEPAD).



Strengthening Evidence Use for Development Impact (SEDI) is a five-year program funded by the UK Foreign, Commonwealth and Development Office, designed to strengthen the use of evidence in policymaking in selected sectors in Ghana, Pakistan, and Uganda. We published the [Ghana SEDI report](#), which analyzes the political economy of policymaking and the evidence ecosystem.



Madame Ellen Johnson Sirleaf chaired a TLP meeting on Africa’s COVID-19 recovery. TLP members discussed priority areas of support from the African Development Bank (AfDB) and the critical role of local and national institutions.




Working in partnership with the Development and Economic Growth Research Programme (DEGRP) and ODI, we launched “[Essays on Innovation and Recovery in Africa](#),” a six-month series that explored the critical role of innovation in rebuilding economies after COVID-19. The essays looked at innovation from a thematic perspective, identifying areas in which innovation can contribute to effective responses and offering policy recommendations. Fifteen essays were published between March and August.


APRIL – JUNE (2ND QUARTER)




 We supported and participated in the High-Level Technical Meeting for Infrastructure Project Cycles ahead of the Summit on Financing African Economies.


 We examined good practices of blended finance in development finance institutions in three countries—Agence Française de Développement (AFD) in Senegal, Kreditanstalt für Wiederaufbau (KfW) in Tunisia, and the African Development Bank (AfDB) in Ethiopia—and published three related case studies.

 We shared a peer review note on the future of the CwA initiative at the G20 Africa Advisory Group meeting in April and reviewed the monitoring report for the CwA ministers and governors produced by the World Bank, IMF, and AfDB. The report provides an overview of macroeconomic and trade-related developments in the 12 CwA countries, as well as progress on the 2018 reform commitments.

 The TLP held a virtual conference on the roadmap to transformation through regional integration and discussed key aspects of the upcoming African Transformation Report (ATR), including policy priorities and recommendations and the relevance and impact of the ATR in the context of the African Continental Free Trade Area.

 We produced a policy brief for G20 Finance Ministers in collaboration with the OECD, Africa Growth Initiative, SAILA, Research and Information System for Developing Countries, and the BRICS Policy Center. An abstract of the brief, titled *G20 Support for Improved Infrastructure Project Cycles in Africa*, was presented at the Infrastructure Finance meetings of the T20 Inception conference.

 We presented *Pathways to Investment*, a seven-country study offering advice for the German government on the Reform Partnership, to the German Ministry of Development (BMZ), GIZ, the German Development Bank KfW, and staff from various German embassies in Africa.

 Working with the World Bank, we launched the COVID-19 Response Program, which provides research and analytic support to African governments to help ensure a strong economic rebound. As part of the program, an ACET Transformation Fellow was recruited to work directly with Ghana's Ministry of Finance to support the country's COVID-19 response.

JULY – SEPTEMBER (3RD QUARTER)


 On July 15, we convened the third [African Transformation Forum \(ATF\)](#). Participants from the government, private sector, civil society, and academia came together for a virtual dialogue on the ways countries can collaborate to remove barriers and address national priorities through regional solutions. More than 600 people in 47 countries participated across a variety of platforms.




 As part of the ATF, we released the 2021 African Transformation Report, [*Integrating to Transform*](#), the third edition of our flagship publication. The report explores the critical need for African countries to work together beyond trade to tackle shared challenges, harness regional opportunities, and enable economies to scale—and in turn, accelerate Africa's economic transformation. *Integrating to Transform* was downloaded 6785 times in 2021 and received more than 4100 media mentions from various web and social media platforms.



 On July 14, Ellen Johnson-Sirleaf and K.Y. Amoako jointly published the op-ed [“Africa: Regional cooperation is crucial for the continent's growth”](#) in *The Africa Report* ahead of the ATF.

 We completed a [political economy analysis](#) in Ghana on the potential for the use of evidence in three sectors: economic development, public financial management, and health in Ghana. The project, titled “Strengthening Evidence Use for Policy Impact” (SEDI), focused on adaptive learning, gender, and social inclusion. We conducted the analysis for the UK's Foreign, Commonwealth & Development Office, through a consortium led by Oxford Policy Management and implemented in Ghana, Uganda, and Pakistan.

 We organized a workshop on evidence-informed policymaking to build the capacity of technical staff at Ghana's Ministry for Labor and Employment.


 In collaboration with the World Bank, we organized a technical workshop to review CwA progress and effectiveness and explore new reforms. Participants from CwA countries included Egypt, Ghana, Rwanda, South Africa, and Tunisia. Colleagues from G20 countries also attended, alongside participants from the AfDB, IFC, GIZ, and African Union Development Agency (AUDA-NEPAD).


 The European Think Tank Group published our [article on digital infrastructure](#) as part of the EU-AU Digitalization Project.

 As part of our new Private Sector Development program supported by the Think Africa Partnership (TAP), we launched [ACET Business Transform](#), an initiative in Ghana to help small and medium enterprises become investment-ready. Ten businesses joined the acceleration and incubation program, which we plan to replicate in other countries.


OCTOBER – DECEMBER (4TH QUARTER)


 Our background report on digital infrastructure helped inform the EU-AU dialogue on digitalization. The report examined the digital infrastructure cracks and investment gaps in the sector and provided recommendations for African governments, the international community, and the private sector.

 On November 15, we convened the webinar [“Climate Change: Securing Africa's Future”](#) to take a deep-dive into one of the core 2021 ATR themes. The webinar brought together key stakeholders, including youth leaders and representatives, for a discussion on how African leaders could collaborate to jointly address the continent's most pressing climate adaptation and mitigation challenges.

 In collaboration with the T20 Task Force 7, we produced a [set of policy briefs](#) and participated in the G20 hand-off meeting “Infrastructure Investment and Financing.”

 We analyzed how industrial innovation can accelerate investment in seven African Reform Partnership countries: Cote d’Ivoire, Ethiopia, Ghana, Morocco, Senegal, Togo, and Tunisia.


 With ODI, we undertook a multi-country case study on the activities and impacts of national development banks in Cote d’Ivoire, Ghana, Rwanda, and Tunisia. We convened validation workshops in Ghana and Rwanda and began preparing reports.


 We organized a virtual TLP meeting on November 24 to discuss how the IDA replenishment could be used to support African policy institutes in building their capacity and research to inform evidence-based policymaking.

 We examined innovative efforts to promote market development and strengthen market linkages between policy design and areas such as employment, skills development, youth leadership, and agro-processing. The project helped promote smallholder voices in policy dialogues. We completed two market linkages studies in Ghana and Kenya, and also convened national platforms in both countries.

 ACET Executive Vice President Mavis Owusu-Gyamfi discussed the importance of safeguarding jobs and livelihoods in Africa to ensure countries build forward better as part of the World Bank’s [“Resilient Recovery Series: Ensuring the Poorest Are Not Left Behind”](#) webinar.

 We helped countries identify best practices and policy recommendations at the peer learning event “Industrial Innovation Policy to Support Africa Economic Transformation.”

 We completed the second phase of our pilot research with the World University Services of Canada on the Beyond Zero Harm (BZH) project. The project’s objective is to connect local and regional practitioners of the BZH approach, support comparative learning, and provide recommendations for scaling up the project beyond the pilot countries.

 We completed a value chain analysis, industrial policy review, and SME ecosystem review in Ghana. We also published a three-part analysis on Ghana’s development of Sustainable Export Processing Zones (SEPZs) and convened a workshop and policy dialogue. Subsequently, the Ghana Free Zones Authority stated that our SEPZ analysis served as a key reference during a government policy review undertaken later in the year.





REGIONAL INTEGRATION

ATR 2021: INTEGRATING TO TRANSFORM

Background

Economic transformation is at the center of Africa's development agenda. But countries are not transforming. Data from the past two decades show the continent's performance on growth with DEPTH, ACET's measure of transformation progress, is weak, with trends moving in the wrong direction. Why? Because most African countries are working in isolation. Their ability to transform depends on integrated efforts to build synergies and allow economies to scale. So far, that has not happened. Using the African Continental Free Trade Area (AfCFTA), as a catalyst, countries have an opportunity to advance regional integration beyond trade to tackle shared challenges, harness regional opportunities, scale economies, and in turn accelerate transformation.

Our work

The third edition of our flagship African Transformation Report, *[Integrating to Transform](#)*, is an exploration of ways African countries can get back on a path to sustainable growth and fast-track the COVID-19 recovery process through enhanced economic and policy integration. Greater regional collaboration—especially through the delivery of regional public goods like transport corridors, free movement of people, and digital connectivity—will help remove barriers that have slowed progress in the past. Reframing regional collaboration as a mechanism for addressing national problems

is key to working across borders to jointly tackle issues that pose significant long-term challenges. *Integrating to Transform* focuses on three: climate, jobs, and technology.

The report shows that climate risks can be managed by implementing policies to promote climate-smart agriculture, sustain green and blue ecosystems, and scale up renewable energy. On jobs, Africa can reap the demographic dividend to spur growth by scaling up education and skills training, creating opportunities for productive employment, and accelerating the demographic transition. Finally, Africa can take advantage of the emerging global innovation landscape by formulating and implementing robust digital and innovation strategies and boosting investments in digital infrastructure and skills development. The report concludes with a note of caution: to achieve all these outcomes, dedicated and committed leadership is required at all levels.

Going forward

ACET is taking recommendations from *Integrating to Transform* forward through planned advocacy engagements by the Transformation Leadership Panel (TLP); further work on the African Transformation Index (ATI), planned for 2022; a six-country study on strengthening education and learning systems for the future of work; and by seeking funding to establish a new agricultural portfolio to promote climate-smart agricultural solutions.



PRIVATE SECTOR DEVELOPMENT ACET BUSINESS TRANSFORM

Background

Transforming Africa within a generation requires a sustainable and competitive private sector. In many African countries, the local content and small and medium enterprise (SME) ecosystem is underdeveloped and characterized by limited investment, particularly patient capital. Combined with high barriers to entry into global supply chains and public policies that are not supportive enough, SMEs face severe constraints on their ability to scale. In Ghana, for example, the private sector continues to struggle despite business-friendly policies and initiatives by successive governments. In addition, Ghana SMEs usually lack good structure and must overcome weak regulatory regimes and insufficient and haphazard coordination among government agencies. Carefully considered, private sector-led initiatives anchored in sound analytics and practice can build up the ecosystem and enhance productivity, diversification, and export competitiveness.

Our work

ACET Business Transform (ABT) is a flagship project of our Private Sector Development (PSD) unit. As our response to the challenges in the local content SME ecosystem, the program functions as both an accelerator and incubator. ABT targets early- to growth-stage businesses that have a manufacturing or assembly component in their business models. In October 2021, the first cohort of

10 SMEs enrolled in the program. Since then, our technical partners have provided them with top-tier technical and managerial interventions, and several accomplished and well-connected business and global leaders have served as mentors and coaches for the CEOs. ABT also supports businesses with transaction advisory services to raise the right financing that matches their needs and their current stage of growth. Ultimately, ABT prepares SMEs for investment and supports their integration into competitive global value chains.

Going forward

To further strengthen our case for SME development around global and regional value chains, we aim to increase the number of countries where the ABT program can be replicated—starting with Rwanda and Liberia over the next few years. While expanding our work across Africa, we are also mapping out regional value chains around which synergies can be built to strengthen African markets and drive business growth, create jobs, and increase economic resilience. Other PSD projects include the Good Export Practices program, where we are working with 180 Ghanaian businesses to build and strengthen their ability to export with the African Continental Free Trade Area and beyond.





YOUTH EMPLOYMENT AND SKILLS STRENGTHENING EDUCATION AND LEARNING SYSTEMS

Background

Education is one of the main drivers of economic transformation. Governments need to emphasize skills by implementing high-quality and relevant learning throughout the education system to produce a workforce equipped to meet the demands of Africa's changing labor market. This need is particularly relevant in light of the Fourth Industrial Revolution (4IR), which encompasses the rapid evolution of robotics, artificial intelligence, 3D printing and additive manufacturing technology, and the internet-of-things. These new technologies lead to new business models, create remote or gig economy employment, and provide more jobs within the technology sector. Curricula tend not to reflect this changing nature of work, while teachers often lack adequate training and tools to provide young people with relevant skills.

Our Work

[Strengthening Education and Learning Systems to Deliver a 4IR-Ready Workforce](#) is a three-year, multi-country study undertaken to help address the obvious challenges that Africa faces in preparing its growing youth population for productive work—both now and in the future. The study examines access, quality, and relevance of education and identifies the skills that are most in demand in six African countries: Côte d'Ivoire, Ethiopia, Ghana, Niger, Rwanda,

and Uganda. Key findings include a significant skills mismatch between labor supply and demand, an underrepresentation of female teachers in STEM, a widening digital divide, and outdated training facilities and equipment that plague schools and TVET centers. The report makes numerous recommendations, including: improving access to high-quality and relevant digital skills, narrowing the disconnect between the curriculum content and skills demanded by employees, and strengthening linkages between the public and private sectors. The study also makes the case for practical applications tailored to locally relevant issues. For instance, by including agriculture modernization in curricula, countries such as Uganda and Ethiopia could protect against fragility and absorb large numbers of out-of-school youth into decent work.

Going forward

We will use *Strengthening Education and Learning Systems* as a foundational blueprint for further country-level engagement through the Pan-African Coalition for Transformation (PACT). PACT will serve as a platform to bring together key stakeholders concerned with policy development and implementation on issues of youth employment, gender, education, and the labor market in the six study countries plus Senegal. ACET is collaborating with partner institutions to oversee the full scope of program activities, aid resource mobilization, set the strategic direction, and build momentum for change.

ECONOMIC MANAGEMENT & GOVERNANCE STRENGTHENING THE USE OF EVIDENCE

Background

The way evidence is used to inform policymaking is profoundly linked to the functions, structures, and cultures of government. Research under the UK Foreign, Commonwealth & Development Office (FCDO) Building Capacity to Use Research (BCURE) program found that the generation and production of research alone often do not suffice to ensure evidence-based policy making. BCURE noted that lack of demand and use of available evidence frequently hampered the formulation of well-informed policies. Key constraints identified by the research team included political economy factors, accessibility of evidence, individual and organizational capacity, and incentives.

Our work

Drawing on these lessons and findings, we engaged in the Ghana Strengthening the Use of Evidence for Policy Impact (SEDI) project, which focused on three sectors: economic development, public financial management, and health. SEDI was funded by the FCDO with two main aims: first, to increase the use of robust evidence directly informing policy or program decisions by policymakers during policy design and implementation; and second, to increase the use of evidence in processes, systems, and the working culture in government decision-making structures. [Our analysis](#) found that while gaps remain in the generation and uptake of evidence in each sector, there

is a clear recognition of the importance of evidence-informed policymaking—and growing momentum toward achieving it. Ghana's executive leadership continues to drive policy decisions in all three sectors through political appointments and agenda setting. Although each of the three sectors has its own formalized structures and processes that drive policy formulation, only the health sector exhibited a close alignment between the formal structures and the realities of policymaking on the ground. Across all three sectors, political partisanship is increasing, including within several organizations that are nominally independent. This points to the significant challenge any program seeking to strengthen evidence use in Ghana will have in maintaining an objective reputation and overcoming trust and credibility challenges.

Going forward

While the SEDI project closed in 2021, we continue to support the generation and dissemination of evidence to enhance policy formulation and implementation, particularly through the initiatives under our Economic Management & Governance focus area. We help governments develop and implement transformation policies to strengthen the resilience of African economies to shocks, establish related fellowship programs, and participate in national and international consortiums to address challenges across areas including agriculture, infrastructure, governance, and financial inclusion.



COVID-19 INNOVATION & RECOVERY: IDEAS AND INSIGHTS TO BUILD FORWARD BETTER

The COVID-19 pandemic has led to severe socio-economic consequences in Africa. Even as countries continue to prioritize the immediate health and safety of citizens, government leaders and development partners are focused on Africa's economic recovery.

A strong and sustainable rebound after the crisis ends is critical to recapturing lost gains and keeping Africa on a transformation track.

Innovation lies at the heart of Africa's recovery. Digital technologies are mitigating economic losses across sectors by creating new jobs, diversifying production, boosting productivity, increasing access to finance, and revolutionizing health care. Through the effective use of big data, artificial intelligence, e-commerce, and more, African countries can emerge from the pandemic with more resilient economies, stronger public health systems, and more inclusive and equitable societies.

In a [special 15-part essay series](#) published over six months in 2021, policy experts and researchers from ACET and the Development and Economic Growth Research Programme (DEGRP), in partnership with ODI, explored the critical role of innovation in Africa's recovery from COVID-19. The essays looked at innovation from a thematic perspective, identifying areas in which innovation can contribute to effective responses and offering high-level policy recommendations.

In addition to the essays, we also published a discussion paper on [COVID-19 and governance in Africa](#). The paper identifies a few of the most prominent ways that the pandemic has both threatened and encouraged good governance practices in Africa. It is derived from key findings in two ACET research papers—[Reform Partnership Governance and COVID-19: Scan of COVID-19 governance-related policy actions](#) and [Responding to COVID-19: An overview of governance issues](#).



Lessons for a High-Quality Recovery in Africa

A strong recovery with sustained growth and resilience to future shocks starts by supporting innovation and economic transformation.

A Window of Opportunity for Digital Innovation

To help ensure a resilient recovery in lower-income countries, the development community should push for policies that bridge the digital divide.

Rethinking Agricultural Policy Approaches

Governments should act to support farmers and agricultural businesses through investments in goods and services and knowledge sharing.

A Focus on Climate-Smart Agriculture

Africa needs to use technological innovations to increase the productivity of smallholder farmers and build resilience to climate change.

Strengthening EU-AU Dialogue on Innovation

The pandemic highlighted the importance of Africa's digital economy, but comprehensive policies and systems are lacking. The EU can serve as a model.

FinTech: An Inclusive Pathway to Recovery

African countries can harness the potential of financial technology to increase financial inclusion and reduce long-standing inequalities exacerbated by COVID-19.

China, Innovation, and Productivity in Africa

Knowledge and technology transfers between Chinese and African firms could be a key contributor to economic recovery, but challenges stand in the way.

Keeping Transformation on Track for Emerging Industries

Sectors such as light manufacturing are crucial for transformation, but they were hit especially hard by the pandemic. How do they recover—and survive?

The Case for a New International Accord

To overcome challenges such as COVID-19, serious global efforts are needed to diffuse innovations and build technological capacity.

Emerging Lessons on AI-Enabled Health Care

With Africa's underfunded and ill-equipped health care systems forced to adapt to COVID-19, digital health innovation has boomed across the region.

Science Systems, COVID-19, and Agenda 2063

Countries have an opportunity to employ a systems approach to research, science, and innovation—and get closer to achieving the SDGs.

Challenges and Opportunities in the Innovation Ecosystem

Most African countries need agile frameworks that allow innovators to rapidly develop and deploy their new approaches.

Digital Technologies, Labor Markets, and Post-Crisis Recovery

The digital economy offers African countries a key pathway to recover lost GDP and generate jobs, but countries need to take a more proactive approach.

The Impact of Innovation on Youth Employment and Skills

The pandemic intensified the need to improve digital connectivity and use innovation to protect jobs and preserve continuity of education.

A More Inclusive Recovery for SMEs and the Informal Sector

Large enterprises used cutting-edge technologies and platforms to boost innovation amid the pandemic. Small and medium businesses need help to catch up.



ENGAGEMENT & OUTREACH

Whenever we embark on a new research project, convene a workshop, or host a forum, we always ask a critical question: *who will benefit, and how?* Our goal is to ensure that every knowledge product we produce and event we promote reaches the right people, at the right time.

Traditionally, our engagement has focused foremost on government leaders and policymakers, development partners, donors, and like-minded international organizations. And stakeholder feedback has told us that those who *know* ACET *value* ACET. However, we believe there's room to do more—to reach brand new audiences and to further engage existing ones.

In 2021, we set course on a new approach to expand our reach and improve our impact in several ways. To tailor our products to the needs of busy decision-makers by preparing shorter policy briefs in addition to full research reports. To make better use of compelling visuals and multimedia storytelling. To partner with local and regional media to open up new outlets for sharing our work. To increase collaboration with others—partners, think tanks, and academic institutions—to host more webinars, participate in more discussions, and promote more events.

Africa's development stakeholders—from cabinet ministers to civil society activists to traditional leaders—are more connected than ever. And they are younger and more engaged in the future of their continent than ever. We reached them with increasing success in 2021, but it was just the start.



ACET is finding new ways to reach out to all Africans, especially young people. We plan to create more channels for engagement and to take every opportunity to connect leaders across generations. We want to influence, support, and empower individuals to advocate for change, hold their governments accountable and take ownership of the transformation agenda.

— Maura Leary

Director of Communications





Downloads of key ACET publications and papers

| Publications | Downloads |
|---|----------------------------|
| COVID-19 essays | 18,241 (combined total) |
| ATR: Integrating to Transform | 8,736 |
| Reform Partnership governance and COVID-19 papers | 9,558 |



African Transformation Forum

| ATF | Views |
|---------------------------------------|-------|
| ATF webinar | 1,335 |
| ATF conference report | 3,259 |



Top viewed articles

| Articles | Views |
|--|-------|
| ACET Uses Artificial Intelligence to Predict Future African Infrastructure Needs | 1,840 |
| Digital for Development (D4D) or Innovation for Transformation (I4T)? | 1,601 |
| Education must be a crisis priority, not an afterthought | 1,347 |
| Ghana's Economic Outlook: Business, Trade and Economic Transformation | 789 |

All data is measured up until July 2022



24K

Fans



755

Followers



17K

Followers



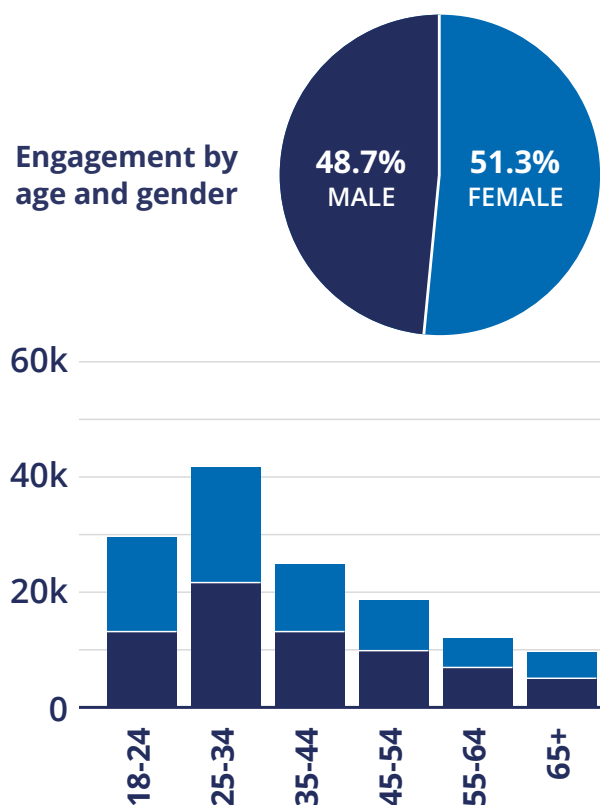
10K

Followers

What are the top countries by views

| Country | Views |
|----------------|--------|
| South Africa | 43,421 |
| Ghana | 41,245 |
| Nigeria | 29,048 |
| United States | 24,742 |
| United Kingdom | 16,924 |
| Kenya | 12,624 |
| Ethiopia | 7,207 |
| India | 5,563 |
| Uganda | 5,545 |
| Tanzania | 5,181 |

Engagement by age and gender



Highlight: African Transformation Forum

ACET convened the third African Transformation Forum (ATF2021) as a virtual event on July 15, 2021. The forum featured the launch of the 2021 African Transformation Report: Integrating to Transform, the latest edition of ACET's flagship publication. More than 600 people in 47 countries participated across a variety of platforms, including YouTube, Facebook Live, Twitter, and the ACET website.

ATF2021 offered highly committed and influential leaders in government, business, academia, and civil society an opportunity to engage on the ways that African countries—and all development stakeholders—can better collaborate to remove barriers to transformation progress and address national priorities, such as creating jobs and harnessing technology, through regional solutions.

Ghana Vice President Mahamudu Bawumia delivered the keynote address, underscoring the importance of the forum's theme. Opportunities to accelerate Africa's transformation in areas such as digitalization "can only be unlocked completely through integration and collaboration on shared challenges," he said.

Other special guests included Madam Ellen Johnson Sirleaf, former President of Liberia; Tito Mboweni, South Africa Finance Minister and chair of the ACET Board; Souleymane Diarrassouba, Cote d'Ivoire Minister of Trade and Industry; Reeta Roy, CEO of the Mastercard Foundation; Dolika Banda, former CEO, Africa Risk Capacity; and Hafez Ghanem, Regional Vice President for Eastern and Southern Africa at the World Bank.

Building on the success of the forum, ACET organized a follow-up webinar in November 2021 to discuss the critical need to jointly address Africa's most pressing climate adaptation and mitigation challenges—one of the key topics at ATF2021. Held in partnership with the African Union Development Agency-NEPAD, the event convened climate and policy experts, youth representatives, and other active stakeholders to continue—and deepen—the engagement started at ATF2021.



Comprehensive list of 2021 events

JANUARY 18: ACET and the Organisation for Economic Co-operation and Development (OECD) held a session on 21st century infrastructure during the 6th PIDA (Programme for the Infrastructure Development in Africa) Week

JANUARY 25: ACET and the Center for Global Development (CGD) co-hosted a panel discussion on domestic resource mobilization (DRM) in Africa to meet post-COVID-19 economic and social challenges.

JANUARY 28: ACET and GIZ organized a peer-learning workshop on good governance during COVID-19.

MARCH 15: ACET and the World Bank co-hosted the webinar “Bringing Everyone Along: An Inclusive COVID-19 Recovery in Africa.”

APRIL 19: ACET and CGD co-hosted a panel discussion on the gendered impacts of COVID-19 crisis and how to ensure women and girls are not left behind in the path to recovery in Africa.

APRIL 29: ACET held a validation workshop on public sector capacity development in Ghana.

MAY 19: ACET convened the webinar “Strengthening Education and Learning Systems to Deliver a 4IR-Ready Workforce.”

JUNE 16: ACET organized the virtual policy learning event “Smallholder Farmer Voices in Policy Discourse.”

JUNE 10: ACET’s Private Sector Development (PSD) team held a validation workshop and dialogue on promoting sustainable export processing zones in Ghana.

JUNE 10: ACET held a virtual workshop in partnership with the Open Society Initiative for West Africa (OSIWA), for a Senegal country study on barriers to women’s employment in the world of work.

JUNE 29: ACET hosted a virtual workshop in partnership with OSIWA for a Ghana country study on barriers to women’s employment in the world of work.

JULY 15: ACET convened the 2021 African Transformation Forum as a virtual event.

JULY 28: ACET and partner organizations convened a roundtable discussion on Ghana’s post-COVID-19 economic recovery and its alignment to the African Union Green Recovery Action Plan. This webinar forms part of a four-year project on Supporting Investment and Trade in Africa.

AUGUST 5: ACET and ODI organized a roundtable discussion on Kenya’s post-COVID-19 economic recovery and its alignment to the African Continental Free Trade Area.

SEPTEMBER 7: ACET and the World Bank organized a technical workshop with G20 Compact with Africa countries to review CwA progress and effectiveness and begin discussions on future country reforms.

SEPTEMBER 16: ACET’s PSD team held an orientation workshop for participants admitted into the first cohort of the ACET Business Transform (ABT) program.

SEPTEMBER 28: ACET and ODI organized a workshop on the developmental activities and impacts of national development banks, with a focus on Ghana.

OCTOBER 1: During the World Trade Organization public forum, ACET, ODI, UN Economic Commission for Africa, and the United Kingdom held a session on “Trade Beyond COVID-19: Building Resilience.”

OCTOBER 14: ACET organized a virtual policy learning event on removing barriers to women’s employment in the world of work in Ghana and Senegal.

OCTOBER 19: ACET’s PSD team held a validation workshop on “The Political Economy of National Development Banks—Ghana Case Study.”

OCTOBER 21: ACET and the International Organization for Migration hosted a panel session during the YouthConnekt Africa Summit.

NOVEMBER 8: ACET organized a networking cocktail social to mark the official launch of the ABT program.

NOVEMBER 15: ACET and AUDA-NEPAD convened the webinar “Climate Change: Securing Africa’s Future” as a follow-up to the African Transformation Forum.

TRANSFORMATION LEADERSHIP PANEL

The Transformation Leadership Panel (TLP), established by ACET in 2019, is a body of 17 eminent figures from Africa and around the world united by a shared vision and mission: to influence, support, and advise leaders on critical and necessary actions to achieve transformative change in Africa by 2030. The Panel is chaired by former Liberian President Ellen Johnson Sirleaf.

The TLP believes that heightened leadership and elevated action hold the key to turning challenges into opportunities that support Africa's long-term transformation agenda. Driven by the overarching objective of promoting gender parity in leadership across all sectors of African society, the panel works towards three goals:

Increase collaboration among development partners and institutions

In 2021, the TLP invited leaders from a diverse group of African and international organizations to join the three virtual TLP meetings. In March, African Development Bank (AfDB) President Akinwumi A. Adesina hosted a special meeting with the TLP, where he announced that the AfDB intends to increase its engagement with African policy institutes. Following TLP discussions in May on ways to strengthen the role of African institutions and think tanks in building capacity, Ellen Johnson Sirleaf and K.Y. Amoako met with Axel van Trotsenburg of the World Bank in July to discuss IDA funding for institutional capacity building.

Galvanize action among leaders and policymakers on Africa's transformation

In March, the TLP organized a meeting to discuss ways to advance Africa's COVID-19 recovery. AfDB President Adesina outlined the bank's priority areas of recovery support and highlighted the importance of local and national institutions in Africa's development. In November, members explored ways in which the International Development Association's replenishment could be used to support African policy institutes in building their capacity and research to inform evidence-based policymaking.



Advocate for Africa on the global stage

Throughout the year, the TLP collaborated with ACET and other panel members to advocate for global financial systems to help countries navigate recovery from COVID-19. The G7, G20, and other relevant bodies were lobbied for the fulfillment of the debt relief programs promised to enable countries to make appropriate investments during the pandemic. The TLP also helped amplify the messages of the 2021 African Transformation Report Integrating to Transform during a group discussion at the ATF2021 in July. In the lead-up to the forum, Ellen Johnson-Sirleaf and K.Y. Amoako wrote a joint op-ed “Africa: Regional cooperation is crucial for the continent’s growth,” which was published in [The Africa Report](#).

Transformation Leadership Panel (TLP)



Ellen Johnson Sirleaf
Former President, Liberia (TLP Chair)



Charles Boamah
Former Senior Vice President, AfDB



K.Y. Amoako
Founder and President, ACET



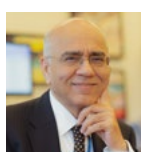
Reeta Roy
President and CEO, Mastercard Foundation



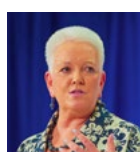
Vera Songwe
Executive Secretary, ECA



Hafez Ghanem
Vice President, Africa Region, World Bank



Masood Ahmed
Center for Global Development



Gayle Smith,
President and CEO, ONE Campaign



Dolika Banda,
Former CEO, Africa Risk Capacity



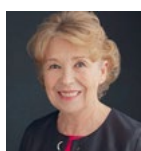
Ibrahim Mayaki
Former Prime Minister, Niger; CEO, AUDA-NEPAD



Acha Leke
Chair, Africa Region, McKinsey & Company



Bineta Diop
Special Envoy on Women, Peace and Security, African Union



Ann Cotton
Founder, CAMFED International



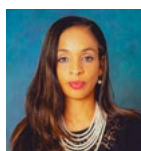
Agnes Kalibata
President, AGRA



Stefano Manservigi
Former Director-General, DEVCO, European Commission



James Mwangi
Managing Director and CEO, Equity Group Holdings



Ndidi Nwuneli
Co-founder and Managing Partner, Sahel Capital



Read more about the TLP here

ACET AT WORK

As the world adjusted to new ways of operating in a post-COVID-19 environment in 2021, so did ACET. We embraced change that touched every facet of the organization, from our physical space to our work processes to our digital preparedness. We ended the year more ready than ever to continue to support and grow our staff and increase our operational efficiency and impact.

Relocation: new surroundings

In early 2021, the government of Ghana moved forward with plans to build a national cathedral. As ACET's home office in Accra—on a space provided to the organization as part of its host country agreement with Ghana—was located on land allocated for the cathedral, we had to relocate. The ongoing COVID-19 pandemic complicated the move, but we found new offices in Abelemkpe, Accra, and managed the transition smoothly.

Remote work: new processes

In prioritizing the safety of all staff, ACET management decided to implement remote work while closing down the Accra office space in March 2020. The intention was to monitor the spread of the virus and return only when it was safe to reopen. The total shutdown period lasted far longer than expected—approximately 13 months and stretching well into 2021. Even then, the return to in-person work moved at a measured pace, and not all staff returned at the same time.

Despite the challenge of distance, our remote working system proved to be highly effective. Our staff responded well to the new process that had to be put in place, keeping projects on track and even increasing efficiency. We instituted monthly staff meetings via Zoom to ensure everyone remained aligned with the organization's goals and deliverables while also maintaining a level of social interaction and team engagement. As in-person work resumed, ACET diligently enforced all COVID-19 safety protocols, including physical distancing and mandatory masking when staff members were in the office.

HR: new policies

ACET's Human Resource team continued to strengthen the organization's policies and procedures to ensure a strong, collaborative, and supportive work environment. The team completed extensive revisions to the staff handbook, travel policy, remuneration policy, and performance appraisal policy during 2021. It also finalized new anti-corruption and safeguarding/child protection policies.

Enhanced digitalization

In 2021, ACET progressed in implementing its digital transformation initiatives, including upgrading laptops (eleventh generation), in-house servers, and printers. ACET also provided internet and data access while staff worked remotely and upgraded cloud computing, including telephony services. The organization further enhanced its virtual conferencing hardware, including projecting screens and software systems. Additionally, ACET began the process of building institutional software for improved project management, accounting, and human resource systems.



CATHERINE EVANS-TOTOE



RICHMOND COMMODORE



FREDERICA YAWSON



GEORGE BOATENG



ROBERTO J. TIBANA



MONA IDDRISU

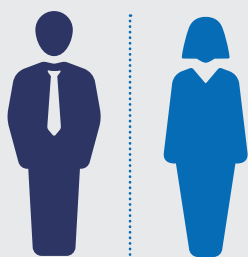


JOHN ASAFU-ADJAYE



LAWRENCINA ADAMS

STAFF

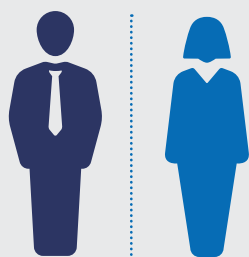


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COUNTRIES

Ghana,
Mozambique, US,
UK, Canada,
South Africa,
Germany

TRANSFORMATION FELLOWS

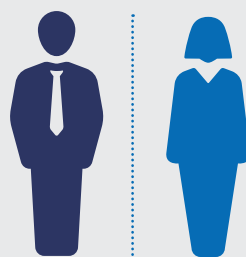


3 3

COUNTRIES

Ghana,
Côte d'Ivoire

CONSULTANTS



36 12

COUNTRIES

Canada,
Côte d'Ivoire, US,
France, Ghana,
Mozambique, UK,
Nigeria, Rwanda,
South Africa, UAE,
Tunisia, Uganda

CONSULTANCY FIRMS



13

COUNTRIES

Ghana, US, UAE

ACET AT WORK



ACET is a growing organization that is constantly adjusting and adapting to new circumstances—or new world realities. This requires a flexible and agile team whose work is underpinned by robust strategies and systems.

— Daniel Y. Nti
Chief Operating Officer



FINANCIAL OVERVIEW

Funding requirements

ACET has a current annual budget of USD5M, which is expected grow to \$10 million by 2027. Given current demand, we expect to grow programming by approximately 10 percent per annum through 2027. The exact allocation across our operating and technical pillars will depend upon specific demand, country conditions, and global developments.

2021 funding sources

| Core Grants from Institutions | US\$ |
|---|------------------|
| World Bank – Think Africa Partnership (TAP) | 1,841,467 |
| Mastercard Foundation | 1,046,135 |
| Government of the Netherlands | 499,980 |
| Open Society Foundations | 450,000 |
| Gates Foundation | 99,900 |
| Government of Denmark | 91,110 |
| Subtotal | 4,028,592 |
| Restricted Grants from Institutions | US\$ |
| German Development Institute | 243,936 |
| University of Geneva | 171,948 |
| Center for Economic and Policy Research | 116,658 |
| Oxford Policy Management | 103,623 |
| Other Incomes | 83,997 |
| Buenos Aires Interdisciplinary Institute of Political Economy | 63,104 |
| Palladium | 62,517 |
| Open Society Initiative for West Africa | 60,000 |
| World University Service of Canada | 58,964 |
| ODI | 26,320 |
| Federal Ministry for Economic Cooperation and Development – BMZ (Germany) | 25,569 |
| ONE Campaign | 20,000 |
| Equal International Ltd. | 7,577 |
| South African Institute for International Affairs | 1,052 |
| Subtotal | 1,045,264 |
| Total | 5,073,857 |

Accountability and transparency

We continue to improve on standards of accountability and transparency. Our financial statements over the years, including the current 2021 statement, have been confirmed by our auditors as true and fair. Our funders regularly review our financial procedures and internal control mechanisms provide recommendations for improvement.

LESSONS LEARNED

2021 was a year dedicated to redrawing the map and redefining familiar spaces. We launched our new strategy focused on five key pillars and anchored in our understanding of economic transformation as growth with DEPTH.

As we—along with the rest of the world—slowly got used to a new reality in the second year of the COVID-19 crisis, we faced momentous challenges but also embraced new opportunities for renewal and improvement as we learned some fundamental lessons.

One important lesson was the need to invest even more in our institutional capacity. Enhancing internal and administrative operations freed up time and resources for technical staff and management to focus on deliverables and strategy. Improving efficiency has also had multiple knock-on effects, improving both our final deliverables and the ability to maintain and expand our partnerships with other think tanks and funders.

We also reaffirmed the importance of strong partnerships. After more than a decade of collaboration, we continue to deepen our policy engagement partnerships to systematically engage with other African policy institutes and organizations to share our policy engagement model. We are deepening our learning partnerships in the areas of economic policy and governance, youth employment and skills, agriculture, digital innovation, SME development, and regional integration to help accelerate economic transformation in Africa.

The frail and volatile global economic developments of the last years have underlined the importance of stable and reliable funding. Without it, we cannot develop and implement long-term visions and partnership plans—which harms our ability to be a trusted, long-term partner.

And with our growing portfolio came the need for a wider set of expertise and skills, which can only be met through an expansion of our networks of experts and consultants and external resource pools. We discovered the need to strengthen our outreach systems and practices, and form closer linkages with senior experts in key technical areas.

The final lesson we learned is the need to better capture our impact and results by improving our ability to tailor analysis, advice, and advocacy to multiple audiences and purposes. In this pursuit, we are closely examining projects that successfully capitalized on multiple new opportunities.



ACET is an African-led, African-driven economic policy institute based in Ghana, but with a global reach. We are committed to working with young people, national governments, businesses, and advocates to transform Africa within a generation. To make that happen, we are continually striving to become a more flexible, innovative, and collaborative organization—and to apply the valuable lessons of the past few years to strengthen our efforts to secure the well-being of every single African now and in the future.

— Mavis Owusu-Gyamfi, Executive Vice President





ACET African Center
for Economic
Transformation

Annual Report

— 2021 —



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