



Annual REPORT 2019

Enhancing Economic Development
and **Inclusive Growth**

in Africa

AFRICAN LEGAL SUPPORT FACILITY



The African Legal Support Facility accepts contributions from Governments, Corporations, Foundations and other donors.

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List of Acronyms and Abbreviations

ABLFA	African Business Law Firms Association
AfAA	African Arbitration Association
ADF	African Development Fund
AFD	Agence Française de Développement
AfDB	African Development Bank
ALSF	African Legal Support Facility
AMLA	African Mining Legislation Atlas
AU	African Union
CABRI	Collaborative Africa Budget Reform Initiative
CIFAF	International Training Centre in Africa for Francophone Lawyers
CLDP	Commercial Law Development Program
DFID	Department for International Development
DRC	Democratic Republic of Congo
EALS	East Africa Law Society
EITI	Extractives Industries Transparency Initiative
ECNR	African Natural Resources Centre
GC	Governing Council
HIPCs	Highly Indebted Poor Countries
ICON	ICON-INSTITUT Public Sector GmbH
IFFs	Illicit Financial Flows
IMF	International Monetary Fund
IPP	Independent Power Project
IISD	International Institute for Sustainable Development
IsDB	Islamic Development Bank
MB	Management Board
MoU	Memorandum of Understanding
MTS	Medium-Term Strategy
MW	Megawatt
OECD	Organisation for Economic Cooperation and Development
OHADA	Organization for the Harmonization in Africa of Business Law
PPA	Power Purchase Agreement
PPP	Public-Private Partnership
RAAA	Rapid Assessment and Assistance Allocation
RMcs	Regional Member Countries
SADCLA	Southern African Development Community Lawyers Association
TSF	Transition Facility Fund
USA	United States of America
UNECA	United Nations Economic Commission for Africa
USAID	United States Agency for International Development
USD	United States Dollars



Management Board Members



**Dr. Gaston Kenfack
Douajni**
Chairperson



Ms. Nimatou D. Feliho
Member



Mr. Bruce Montador
Member



Mr. Mahomed Rafique
Member



Ms. Eva Jhala
Member



Mr. Stephen Karangizi
CEO & Ex-Officio
Member

Message from the Chairperson of the Governing Council

Africa must industrialize to fully capitalize on its rich endowments of natural resources and young population. One of the key factors retarding industrialization in Africa has been the insufficient stock of productive infrastructure especially in power, water, and transport services.

To help Africa respond to some of these challenges, the ALSF was established in 2008 and started operations in 2010. Over the first ten years of its operations, the ALSF has enhanced the legal and technical capacities of several African Governments, thereby allowing them to negotiate and conclude more equitable and sustainable commercial agreements that deliver maximum economic and development value to their countries and citizens. In so doing, the

ALSF is contributing, among other things, to the reduction of renegotiation risks, a factor important to the development of long-lived assets such as most infrastructure.



As 2019 Annual report shows, the assistance provided by the ALSF to African countries is helping to increase access to affordable, reliable sustainable energy; build other quality infrastructure; promote sustainable economic growth and create jobs, including for women, youth and other disadvantaged minorities.

As we start the next decade in operation, the value proposition of the ALSF is clearer than ever before. The interventions by the ALSF are leveling the legal playing field in Africa, for the long-term benefit of all parties. No doubt, many challenges still remain. Buoyed by the very encouraging results from the first ten years of operations, the ALSF looks to tackle these challenges guided by its medium-term strategic plan. The successful implementation of this strategic plan requires hard work, creativity and courage. It also requires continued strong support from ALSF partners.

In that regard, I would like to express my appreciation to the ALSF's financing partners—especially the African Development Bank, the European Commission, the Government of Belgium, the Ford Foundation, the Government of Canada, the Government of France, the Government of India, the Government of Germany, the Government of Guinea, the Government of Netherlands, the Government of Norway, UK, Department of International Development, United States of America International Development Agency, and Islamic Development Bank. Your continuous support is a strong vote of confidence in our mandate.

We look forward to a successful year ahead for the ALSF, our partners and participating states.

Charles O. Boamah,
Senior Vice President, African Development Bank,
Chairperson of the ALSF Governing Council

Message from the Director

I am pleased to submit this 2019 Annual Report, which looks back at yet another successful year. This year was marked by a significant increase in the demand for the Facility's services, expansion of membership, and strong growth in operations.

During 2019, the ALSF approved more than USD 15 million for 52 operations, exceeding the set target for the year by 45 percent. The ALSF also demonstrated high absorption rates, disbursing USD 13.5 million, representing an increase of 12.5 percent compared to 2018 levels. Improvements in quality at entry and streamlined business processes, including reducing the lag between approval and first disbursement, have been an important factor in our success.

Our interventions are increasingly gaining regional and international recognition. In 2019, two infrastructure projects supported by the ALSF won the 2018 IJ Global Awards. The Nachtigal Hydro Dam project in Cameroon won the African power sector transaction of the year and the Tiaba N'Diaye wind farm project in Senegal won the Wind African transaction of the year. Both projects will add more than 570 MW of clean energy at competitive tariffs to support industrial expansion, job creation, and economic growth in their respective countries.

This year, three RMCs (Mozambique, Uganda and Zimbabwe) ratified the agreement for the establishment of the ALSF in 2019, bringing to 26 the number of regional member countries that have so far ratified the ALSF Treaty. The ratifications, as well as the increase in demand for the ALSF's support represent the relevance and impact of our interventions and encourage us to persevere to achieve our goal of developing sustainable legal capacity in Africa.

The ALSF also consolidated and deepened its partnership with various strategic and financing partners to amplify its impact and enhance its efficiency in the utilization of its resources. In particular, the Facility embarked on an institutional development program with the support of KfW and received funding from the African Development Fund-Transition Support Facility to finance its projects in transition states. Through participation in a number of international events, such as the African Mining Indaba, the African Energy Forum, and the Africa Investment Forum, the ALSF raised its profile and created awareness of its role in assisting African countries to achieve sustainable development.

In sum, the ALSF continued to be dynamic, innovative, and responsive to the RMCs' needs in 2019, thanks to an energetic, enthusiastic, hardworking and competent team, and the constructive guidance of the ALSF Board and Governing Council. In a special way, on behalf of the ALSF, I would also like to express our profound gratitude and appreciation to Mr. Charles Boamah, the out-going Chairperson of the Governing Council for his excellent contribution and dedication to the Facility over the years.

Moving ahead, we look forward to the continued support and the vital contribution from our partners and various stakeholders as we fulfil our mandate in 2020.



Stephen Karangizi,
Director and CEO



Executive Summary

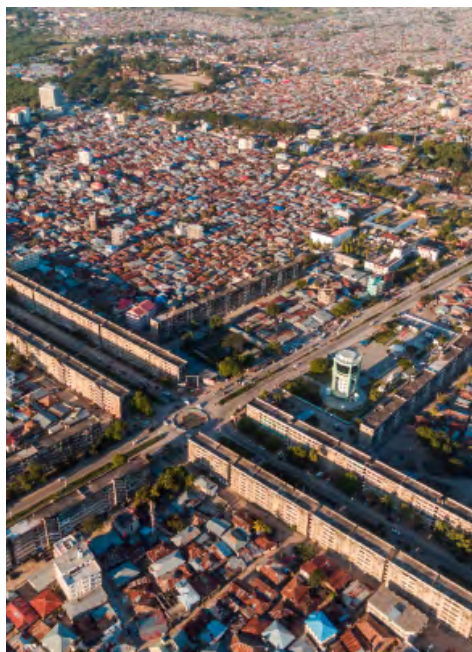


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The ALSF Operations

The distribution of the ALSF's project approvals during 2019 reflects the institution's adherence to its priority areas. In line with the current MTS, advisory services ranked first, with an approvals' allocation of USD 10.5 million (66 percent), followed by capacity building with USD 4.9 million (31 percent) then knowledge management activities were allocated USD 0.51 million (6 percent).

The Facility's total disbursements reached USD 13.5 million, surpassing the targets for 2019 by 12.5 percent. This strong performance is largely due to the continuous effort to improve quality of projects at entry and enhance project supervision and monitoring. The ALSF further streamlined its disbursement process through portfolio clean-ups and having constructive dialogue with our implementing agencies to address capacity constraints.



During 2019, the ALSF continued to implement its Medium-Term Strategy (MTS) (2018-2022). By focusing on the provision of advice and technical assistance to Regional Member Countries (RMCs) in matters pertaining to negotiating and building capacities in complex commercial transactions and developing, maintaining and disseminating relevant knowledge products and publications.

The ALSF project approvals in 2019 amounted to USD 15.9 million as opposed to USD 14.1 million recorded in the previous year, demonstrating an increase in demand for our services by the RMCs. This year, the ALSF also received over USD 10 million from AfBD's African Development Fund-Transition Support Facility and Norway to support its activities.



52 Operations
+3 from 2018

USD 10.5 million
Advisory Services



USD 4.9 million
Capacity Building
Activities

USD 0.5 million
Knowledge Management
Activities



Key Operational Achievements

2019

Eswatini

Supported the Kingdom of Eswatini's first competitive procurement process through the launch of a request for proposal for the procurement of 40MW of solar PV.

Gambia

Supported Gambia to launch its first competitive bidding round for oil blocks and to negotiate and grant a Petroleum Exploration and Production License for the A1 block to BP.

Rwanda

Supported Rwanda to negotiate and sign a Concession Agreement and a Power Purchase Agreement (PPA) with an investor, to develop a 56 Megawatts (MW) energy plant, worth USD 200 million on the shores of Lake Kivu.

Somalia

Provided the Federal Government of Somalia with legal advisory services and technical advice to renegotiate, revise and sign an amended concession agreement on the management and upgrade of the Mogadishu International Airport.

Regional

Developed a practical guide for public debt managers and others involved in public financial management in Africa.

Under the ALSF Academy initiative¹, the Facility in partnership with African Business Law Firms Association (ABFLA), conducted a training for African lawyers and government negotiators, to strengthen their skills in negotiating sustainable and equitable investment agreements for projects in the energy, mining, oil and gas sectors.

1. The academy's curriculum was co-developed by the ALSF, national and regional bar associations, including the Southern African Development Community Lawyers Association, the East African Law Society and the International Training Centre in Africa for Francophone Lawyers. The academy's capacity building initiative is also accessible virtually via a portal replete with learning tools and knowledge products from the ALSF and some of its partners.

Institutional Development and Corporate Management

Resource Mobilization: In 2019, the ALSF engaged with all existing and potential financing partners including African Development Bank (AfDB), Agence Française de Développement (AFD), Canada, European Union, Germany (KfW), Islamic Development Bank, Netherlands, Norway, United Kingdom and USAID/Power Africa.

Most notably, the ALSF team followed up with its existing financing partners to ensure that pledges set out by the respective donors are honoured in a timely manner. During the year, the ALSF received over USD 10 million from Norway and the AfDB's (African Development Fund-Transition Support Facility (ADF-TSF) to finance its projects in transitioning states.

The ALSF also revised the wording of its financial instruments to speed up their implementation in its newly established Management Information System (MIS) that is seamlessly linked to the Bank's SAP system. Similarly, the ALSF Management Board and Governing Council approved and endorsed respectively, the ALSF guidelines on direct funding from private entities. It is anticipated that all these activities will expand the sources of our funding and make the ALSF more financially sustainable.

Staff Development: In 2019, the ALSF continued to train its staff in order improve their knowledge, skills and competencies to enhance the quality of projects and outcomes. Specifically, the staff were trained to better understand and apply or use the ALSF's revised Operational Risk Matrix; the new Management Information System (MIS); Basecamp and Box web applications; the ALSF Style Guide, and the relevant Framework Agreements. The ALSF team members also participated in four training sessions in Monitoring & Evaluation; Project Cycle Management; and mainstreaming and monitoring and evaluation of cross cutting issues in ALSF operations. To improve the quality and delivery of our projects, the ALSF established internal sectoral clusters to: discuss and analyse pertinent issues; and to train staff and build internal capacities to better respond to our clients' needs.

Regulations Internal Guidelines and Manuals: During 2019, the ALSF revised and adopted its internal guidelines to enhance efficiency, accountability, and transparency. Specifically, the ALSF updated its operational guidelines and procurement manual to simplify the

procurement process; enhance the role of African law firms and lawyers; and improve efficiency by introducing Framework Agreements to be executed between ALSF and a panel of firms selected through a competitive process. In line with the implementation of the revised procurement manual, a new ALSF procurement system² was established and the selection of Panel "A" firms completed in July 2019. All the selected law firms submitted their respective signed Framework Agreements to the ALSF.

The ALSF developed the Policy and Guidelines for Private Entity Funding which were adopted by the Governing Council in June 2019. The ALSF also revised its financial instruments to align them with modalities of the Bank's Financial Department to speed up their implementation. With regard to human resources management, a revised internal grievance mechanism related to Staff Appeals was adopted. Upon consultation with the ALSF statutory organs, the Seconded National Experts program was instituted under guidelines and related Guidance Note approved by Directive in July 2019. Finally, the Charters of the Governing Council and Management Board are now available reflecting the rules and procedures of the Governing Council and Management Board and other matters.

Monitoring, Evaluation and Learning: During the period under review, the ALSF continued to strengthen the programme monitoring and reporting by operationalizing the revised M&E framework which includes systematic monitoring of ongoing and completed projects, results-based reporting as well as the integration of cross cutting activities into projects to enhance the quality of projects at entry. The ALSF also developed the Project Cycle Management (PCM) and Monitoring and Evaluation (M&E) manual describing the breakdown of activities and timeline for data collection, analysis and reporting, and relevant tools. The ALSF MIS is also under development with the aim of aggregating all project information and providing relevant analyses and summary results.

The summative evaluation of the 2013-2017 Medium Term Strategy was also conducted in 2019. The evaluation covered 16 projects, both country specific as well as regional, with a focus on relevance, effectiveness, efficiency, sustainability, and assessment of cross cutting themes where possible.

2. The new procurement system is a two-level process. Firstly, it will comprise of a global tender to establish a list of pre-selected law firms that form the ALSF Legal Panel and are eligible for being shortlisted and selected to undertake assignments required by the ALSF at project level. The Panels will be composed of two groups of law firms (Panel A with international expertise and Panel B with expertise in African jurisdictions). Panel A is organized in five separate lots, each of which covering specific industry expertise or sectors of intervention.

Collaboration, Partnership Building and Outreach

Strategic Partnerships: During 2019, the ALSF partnered with various bilateral and multilateral institutions including: AfDB, the World Bank Group, ADF, Columbia Center on Sustainable Investment, Extractives Industries Transparency Initiative, Commercial Law Development Program (US Commerce Department), Strathmore University in Kenya, Eduardo Mondlane University Mozambique, University of Kigali, Power Africa Initiative; Natural Resource Governance Institute, International Senior Lawyer, Project and Germany (through GIZ and KfW); East Africa Law Society (EALS); the Southern African Development Community Lawyers Association (SADCLA); and the International Training Centre in Africa for Francophone Lawyers (CIFAF), West African Institute for Financial and Economic Management, Macroeconomic and Financial Management Institute of Eastern and Southern Africa, the Collaborative Africa Budget Reform Initiative, and Geothermal Risk Mitigation Facility for Eastern Africa.

Furthermore, the Facility sponsored the African Business Law Firms Association (ABLFA) Conference; African Land Policy Conference, OHADA African Arbitration Conference, Africa Ministerial Forum at Mining Indaba; Africa Energy Forum; and CEO Utility Forum in 2019. Annex III summarizes the ALSF's strategic partnerships.

Additionally, with the assistance from KfW, the ALSF procured ICON-INSTITUT Public Sector GmbH (ICON) to strengthen its strategic planning, monitoring, human resources, financial sustainability, effectiveness and efficiency.

Over the year, ICON has supported the ALSF to:

- Develop the Management Information System;
- Develop a Seconded National Expert policy and program;
- Train staff in leadership, project cycle management, mainstreaming cross-cutting issues in the operations, enhance the operationalization of the monitoring and evaluation concepts and framework, and procurement; and
- Develop relevant documents and tools for the new procurement system.

ALSF Membership: During the year, Mozambique, Uganda and Zimbabwe ratified the Agreement establishing the ALSF, bringing the total number of ratifications to twenty-nine (29). Today, the total number of ALSF

members is 60 which includes 53 states and 7 International Organizations. In 2019, the ALSF team continued to follow up with a number of countries to complete their membership. Due to these efforts, Equatorial Guinea and Botswana have initiated the processes to join the ALSF. Angola is now at an advanced stage in their accession to the ALSF Agreement. See Annex IV for the complete list of signatories to the ALSF Agreement as of 31 December 2019.

Communication and Outreach: In 2019, the ALSF team attended and participated in a number of strategic events including: Mining Indaba; Africa Energy Forum; African Development Bank Group Annual meetings; Africa Energy Forum, and Africa Business Law Firms Association conference. The ALSF also undertook an official visit to KfW to share its role and highlight its achievements. These activities continued to raise the profile of the ALSF and increase the awareness of its services.



Chapter 1

Understanding the Work of the ALSF

Hosted by the African Development Bank, the ALSF is an international organization dedicated to fund and provide legal advice and technical assistance to Regional Member Countries (RMCs). Cumulatively, the ALSF has intervened in more than 45 RMCs, helping them to resolve issues in major natural-resource contracts, negotiate a variety of fair infrastructure and commercial deals and provide support to their defense against vulture funds.



Mandate

The goal of the Facility is to remove asymmetric technical capacities and level the field of legal expertise among parties to litigation and negotiations. The Facility provides advisory services to improve the negotiating capabilities of its member countries. It also strives to further development in Africa by removing obstacles to realizing the benefits of debt relief through its work in vulture fund litigation. Through all of its activities the Facility aims to build additional legal capacity on the continent.

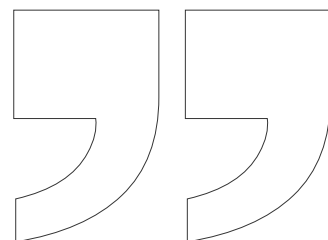
Mission

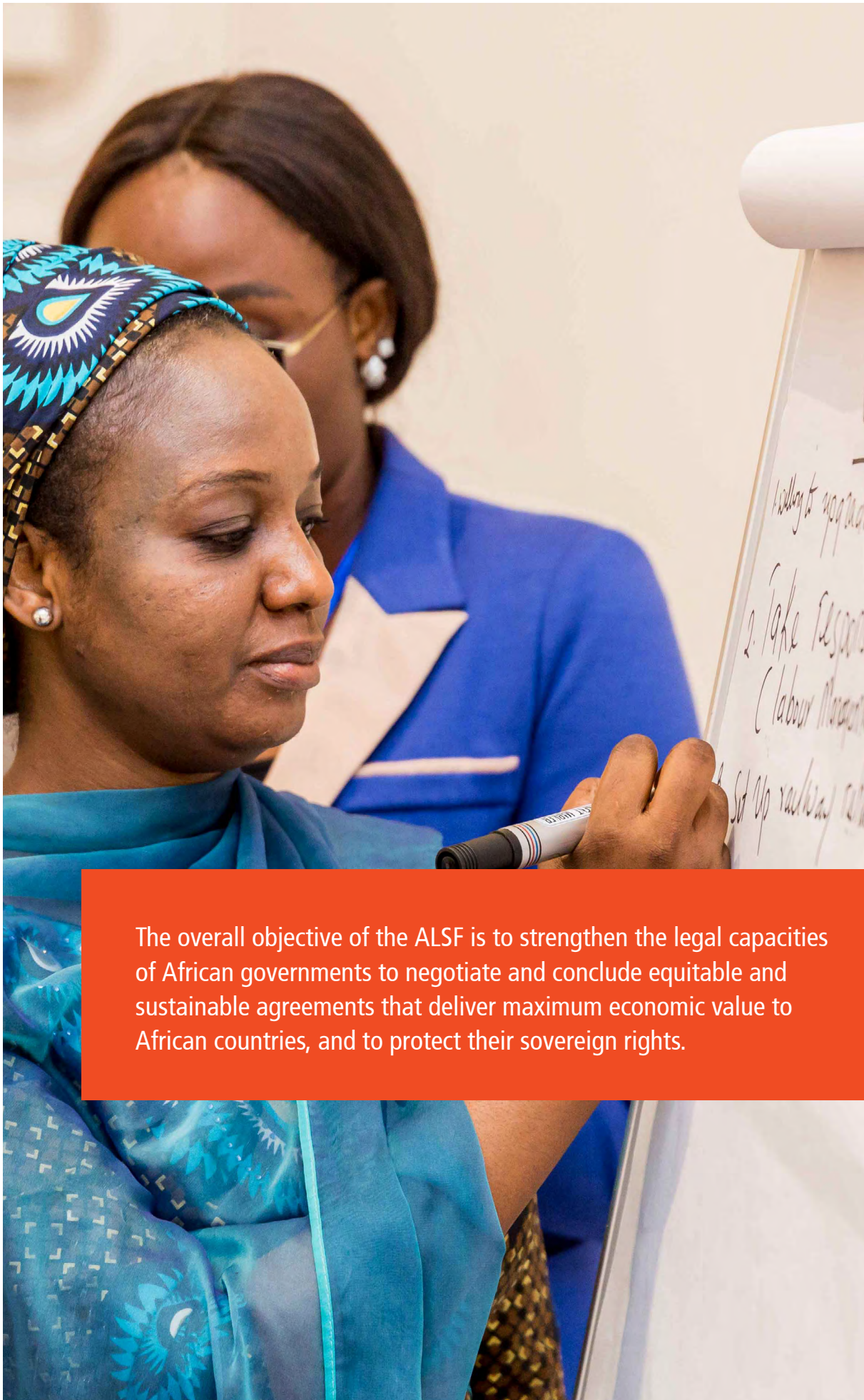
To provide legal advice and capacity building to African countries on complex commercial negotiations and related sovereign transactions and vulture fund litigation.

Values

The Facility is founded on the values of respect for the rule of law, equity, transparency, and good governance. These values are grounded on its “African character,” as the Facility is a partner of all African countries and respects the diversity of the continent. The staff of the Facility is committed to uphold ethics, accountability, excellence, professionalism, probity, and a team-working spirit.

*Achieving sustainable
legal capacity
for Africa*





The overall objective of the ALSF is to strengthen the legal capacities of African governments to negotiate and conclude equitable and sustainable agreements that deliver maximum economic value to African countries, and to protect their sovereign rights.

The ALSF Services



Capacity Building and Knowledge Management

Supporting the development of legal and technical capacities in Africa in the above-mentioned areas. Its capacity building model focuses on a real transfer of knowledge and skills development to nationals by means of workshops, conferences, and seminars. The ALSF also helps to develop, collect, and manage knowledge products including academic and legal materials, model documents, and other transaction-facilitation tools, databases of relevant precedent, curricula development, publications, and training platforms.

Commercial Creditor Litigation

Providing African countries with financial resources to obtain specialist legal assistance for the negotiation and settlement or litigation of creditor claims. The aim is to achieve equitable and sustainable creditor litigation outcomes to prevent debt distress in the respective African states.



Advisory Services

Helping African governments to strengthen their legal expertise and negotiating capacities, particularly in the areas of natural resources and extractive industries, investment agreements and Public Private Partnerships (PPPs), including large-scale infrastructure and other related complex commercial and business transactions, as well as sovereign debt transaction.

ALSF Key Highlights 2019



01 January

The Management Board approved the following projects:

- World Bank PPP Legal Resource Centre: A Grant for the Public-Private Partnerships Legal Resource Centre of the World Bank to create knowledge management products in the domain of infrastructure and Public-Private Partnerships.
- Djibouti Power: A Grant for advisory services and capacity building in the power sector.

02 February



The Facility organized and participated in high-level panel discussions on resource nationalism, tax and revenue management and the industrial revolution in the extractives sector in North and West Africa regions; and the extractives potentials in Southern Africa, at the 2019 Mining Indaba Conference.

03 March



The Management Board approved the following projects:

- ALSF Capacity-Building Project (ALSF Academy)- Level II: A Grant for capacity building and knowledge generation and management to build legal capacity for the regional member countries of the ALSF and to deepen their legal expertise and negotiating capacity.
- African Petroleum Legislation Atlas: A Grant for capacity building and knowledge generation and management in the oil and gas sector of selected countries (Congo, Ghana, Nigeria, and Chad) during the pilot phase of the project.
- Lesotho Mining: A Grant for advisory services and capacity building activities with respect to reviewing of mining agreements, of the draft Mining Legislation, the development of a sectoral Mining Toolkit and the organization of a capacity building workshop, the drafting and negotiation of complex wastewater management and infrastructure project agreements.
- Zimbabwe became the 27th Member State to ratify the ALSF Treaty.
- Uganda became the 28th Member State to ratify the ALSF Treaty.

04 April

The Management Board held its 27th meeting in Abidjan, Côte d'Ivoire.



05 May

The Management Board approved the following projects:

- Gabon PPP: A Grant for capacity building activities with respect to Public Private Partnership (PPP) training in the energy and water sectors.
- Madagascar Hydro Supplementary: A Grant for advisory services and capacity building activities with respect to the completion of the drafting and negotiation of the Madagascar Hydro Project concerning the structuring and negotiation of four (4) hydroelectric projects.
- AMLA Year 3: A Grant for capacity building and knowledge management activities conducted under the African Mining Legislation Atlas (AMLA) five (5) year Action Plan.
- Gambia Sovereign Debt: A Grant for capacity building activities related to sovereign debt.
- Sierra Leone Petroleum: A Grant for advisory services and capacity building activities related to the oil and gas sector.

06 June

The Management Board held its 28th meeting in Malabo, Equatorial Guinea.

The Management Board:

- Approved the Auditor's Report and Financial Statements as of December 2018.
- Approved the Annual Report 2018.
- Approved the Guidelines for Seconded National Experts
- Elected the Chairperson of the Board

The Governing Council held its 10th Annual Meeting in Malabo, Equatorial Guinea.

The Governing Council approved:

- The appointment of the members and alternate members of the Governing Council
- The appointment of 2 new members of the Management Board
- The Guidelines for the direct funding to projects from private entities



08 August

Mozambique became the 29th Member State to ratify the ALSF Treaty.

The Management Board approved the following projects:

- Liberia Fisheries: A Grant for capacity building activities related to the fisheries sector.
- Uganda Sovereign Debt: A Grant for capacity building activities related to the negotiation of sovereign debt contracts and public private partnership agreements and sovereign debt management.

The Management Board approved the following projects:

- AfDB's African Natural Resources Centre (ECNR) and Ford Foundation: Private funds provided by the Ford Foundation for a capacity-building workshop and a high-level policy dialogue for Small-Medium Enterprises in Kenya and Uganda.
- Ethiopia Extractives: A Grant for capacity building activities for officials of the Ministry of Mines, Petroleum, and Natural Gas to enhance their capacity in the management and governance of the mining and petroleum sector.
- Zimbabwe Sovereign Debt & PPP: A Grant for capacity building activities for its officials in the Ministry of Finance and Economic Development to enable them to manage sovereign debt, effectively negotiate and execute sovereign debt contracts and infrastructure/PPP agreements, and to achieve more favourable outcomes in the settlement of international investment dispute.
- Zimbabwe Extractives: A Grant for a capacity-building workshop in negotiation of extractives sector agreements for officials from the Ministry of Mines and Mining Development, Ministry of Finance and Economic Development, the Office of the Attorney General, and Members of Parliament.
- Botswana Power: A Grant to develop an IPP toolkit, negotiate project documents governing the solar PV project and coal bed methane project and capacity building activities.
- Gambia Oil: A Grant for advisory and capacity building services with respect to the development and implementation of a License Monitoring and Management Toolkit, the review of License Work-Programs, providing a legal technical hotline for a project determined period, and the alignment of legal and policy instruments in the petroleum sector.
- Lesotho Power: A Grant for advisory services in respect of the construction and operation of a 20 MW solar PV generation power plant and ancillary transmission infrastructure to connect the power plant to the grid and capacity building services to develop an IPP toolkit and organize four (4) training workshops for the government and local counsel.
- Zimbabwe Power: A Grant for advisory services for three (3) projects identified by the Government and capacity building to develop three (3) IPP toolkits for solar PV, hydropower, and thermal power technologies and organizing four (4) training workshops for the government and local counsel on issues related to the power sector, and on the use of the toolkits.





10 October

The ALSF officially launched its ALSF Academy Portal.



11 November

The Management Board approved:

- 2020 Work Plan & Budget and Financial Statements for the second and third quarter 2019.
- Organization of a High-Level Meeting of the ALSF and its Participating States and Organizations

The ALSF participated in the AfDB sponsored African Investment Forum (AIF) in Johannesburg, South Africa to increase awareness of its services

The ALSF attended the Law, Justice and Development Week at the World Bank Group Headquarters, Washing DC, USA

12 December

The ALSF held a Donors' meeting to share and discuss progress reports and results

Chapter 2

Enhancing African Legal and Technical Capacities

Overview of the ALSF Operations in 2019

By the end of 2019, the ALSF had approved a total of 52 new projects with a total value of USD 15.9 million. These comprised: 24 advisory projects; 18 capacity building projects, and 10 knowledge management projects. Similar to the previous year, in 2019, the ALSF approved an allocation of USD 100,000 for the Rapid Assessment and Assistance Allocation (RAAA) to: improve the quality of the ALSF portfolio of projects; increase the use of African lawyers by the ALSF; and enhance the responsiveness of the ALSF to transitioning states. This section briefly highlights the composition of these operations in 2019.

52
New
projects

24
Advisory
services

18
Capacity
building

10
Knowledge
management

Summary of Operations by Priority Areas

The ALSF operations in 2019 focused on supporting African states to negotiate better agreements, especially in major infrastructure projects and commercial business transactions. In terms of value, the bulk of the ALSF operations provided advisory services, which stood at USD 10.5 million, representing 66 percent of the approvals, followed by capacity building activities, which accounted for 31 percent (USD 4.9 million) and knowledge management that took up 3 percent (USD 0.51 million).

USD **10.5** Million
Advisory services

USD **4.9** Million
Capacity building
activities

USD **0.5** Million
Knowledge management
activities

Summary of Operations by Sector

As of 31 December 2019, the ALSF's sectoral composition was dominated by projects related to natural resources and extractives management which amounted to USD 6.4 million (40 percent); support to infrastructure-related interventions were worth USD 6.3 million (40 percent); operations solving sovereign debt related issues totalled USD 1.9 million (12 percent); and other projects including the ALSF Academy activities as well as interventions related to commercial and business transactions and arbitration amounted to USD 1.3 million (8 percent). In sum, the ALSF's operations largely focused on improving access to and quality of infrastructure and achieving greater benefits from extractive wealth in Africa.

40%
Extractives



40%
Infrastructure
and PPPs



12%
Debt Services

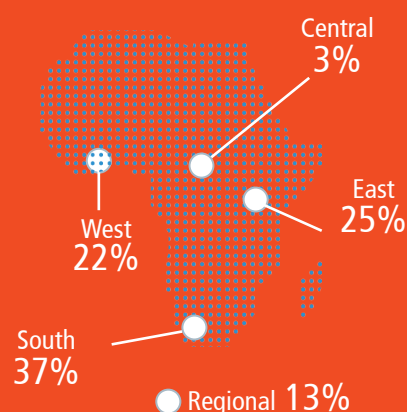


8%
Other



ALSF Operations by Sub-Region

By the end of 2019, the regional distribution of the ALSF resources approved was as follows: Countries in Southern Africa accounted for 37 percent of the Facility's resources; Countries in East Africa accounted for 25 percent; Countries in West Africa accounted for 22 percent; Countries in Central Africa accounted for 3 percent; and 13 percent of the resources were utilized for regional projects, i.e. projects involving more than one country.



ALSF as a Knowledge Broker

The ALSF focuses on real transfer of knowledge and skills development to African lawyers and government officials through customized workshops, seminars, and partnerships. Alongside this, the Facility also develops, collects, and manages knowledge products including practical handbooks, websites with precedents, curricula development, and training platforms.

In 2019, the ALSF's capacity building programs had trained over 700 professionals including key governments' officials, lawyers, targeted groups of professionals and civil society representatives involved in contract negotiation and creditor litigation across Africa. Over the years, the Facility has also developed more than 11 curricula in mining negotiations, investment treaties, production sharing agreements, loan agreements, power purchase agreements, public private partnerships. In parallel, the facility assisted in designing, developing and updating of the following websites, publications, Power Purchase Agreements handbooks³, and papers related to litigation and complex transactions. Below are some of our knowledge products updated and/or disseminated in 2019:

- African Mining Legislation Atlas – <http://www.a-mla.org>
- PPPLRC PPP Contract Database
- ResourceContracts.org –<http://www.resourcecontracts.org>
- Understanding Power Purchase Agreements-<http://goo.gl/hSH2E5>
- Understanding Power Project Financing
- Understanding Power Project Procurement
- Procuring Infrastructure PPP

In 2019, the ALSF developed and launched the Sovereign Debt Booksprint. This is a practical guide for public debt managers and others involved in public financial management in Africa. This handbook was developed to serve as an accessible, practical guide for public debt managers and others involved in public financial management in Africa. The handbook demystifies the complex concepts and terminology related to sovereign debt, and specifically discusses the technical, financial and

legal issues relating to debt instruments and the markets in which they are traded, as well as how public debt managers develop and implement strategies related to debt financing, tools and methods that can be employed to prevent debt distress, and significantly, what to do if a crisis occurs. The handbook advocates for early engagement of professional advisors to assist governments, not only in times of crisis, but also in the formulation of robust debt management systems, the establishment of processes and institutions and building capacity. With the knowledge provided through this publication, citizens and government officials can easily understand and question corrupt practices relating to the management of a country's financial resources and take steps to stop or prevent them.

The ALSF supported the translation of revised templates on the Sustainable Infrastructure Fund (SIF) Source Platform⁴. SIF is joint global initiative by Multilateral Development Banks (MDBs) and Private-Public Partners established in response to the G20 to address the global infrastructure gap and advancing the United Nations Sustainable Development Goals (SDGs) agenda, by delivering on well-prepared projects. Translating the templates on the platform led to uptake across the continent, with about seventy (70) projects having been developed or currently being developed using the tools provided by the platform. SIF has also indicated having received requests from four (4) African countries that would like to make use of the platform and receive appropriate training in utilizing the platform. In particular, three (3) francophone countries, Morocco, Côte d'Ivoire and Senegal have shown interest.

3. The ALSF partnered with U.S. Department of Commerce's Commercial Law Development Program (CLDP) and other institutions to develop the Understanding Power Purchase Agreement and Understanding Power Project Financing handbooks that African government officials are now using when negotiating project finance deals

4. SIF Source Platform is an advanced project preparation tool, which provides support to national and subnational governments and public agencies in improving infrastructure project bankability, quality and delivery, in increasing investment and crowding-in private finance, in strengthening their technical capacities and abilities to manage risks. Most of the issues addressed by SOURCE are highly relevant for our Regional Member States.

The ALSF Selected Capacity Building Events, 2019

Workshop on negotiating deals in key economic sectors

Accra, Ghana - January

50 participants

PPP Capacity Building Project Workshop

Abuja, Nigeria - May

32 participants

Workshop on support manual in the upstream oil activity sector

Antananarivo, Madagascar - July

29 participants

Capacity Building Workshop in the Oil sector

Lome, Togo - March

30 participants

Workshop on negotiating PPAs

Banjul, Gambia - August

15 participants

Capacity Building Workshop in the Mining sector

Asmara, Eritrea - April-May

30 participants

APMG PPP Certification Program – French Level 1

Antananarivo, Madagascar - July

35 participants

Capacity Building Workshop on IPPs and PPPs

Windhoek, Namibia - September

30 participants

Workshop in the mining sector

Niamey, Niger - November

25 participants

Seminar on negotiation of derivatives

Dakar, Senegal - May

10 participants

Workshop on the Negotiation of Port Concession Agreements

Dar Es Salam, Tanzania - May

10 participants

Utility CEO Forum

Cap, South Africa - May

36 participants

Workshop for Central African Republic Officials on Extractives Industries

Kigali, Rwanda - December

27 participants

Workshop in the power sector

Maseru, Lesotho - July

20 participants

OHADA Arbitration Conference

Abidjan, Côte d'Ivoire - October

150 participants

Regulator's Roundtable at the African Energy Forum

Lisbon, Portugal - June

20 participants

ALSF Academy Level 2 (EALS)

Kigali, Rwanda - November

150 participants

Workshop in the power sector

Gaborone, Botswana - July

20 participants

Capacity Building Seminar on PPP

Accra, Ghana - January

40 participants

Board Room Training for CEOs and Senior Executives of State-owned companies and companies with State participation

Kigali, Rwanda - October

20 participants





Areas of Special Emphasis

In 2019, the ALSF refined its monitoring and evaluation framework to simplify the existing tools, and ensure that cross cutting issues, including—gender, governance and environmental issues were adequately mainstreamed and evaluated in its operations. Most significantly, the ALSF prepared Project Cycle Management (PCM) and Monitoring and Evaluation Manuals to assist the responsible Task Managers, Legal Counsels and Management to improve the quality of project design, implementation and the delivery of results. These documents will guide and clarify the practical steps related to formulation, design, implementation, and evaluation of the ALSF operations.

Closing the Gender Gap



Gender parity is a prerequisite to achieving sustainable development and has a direct bearing on growth, competitiveness, and the future readiness of economies and business in Africa. This year, the ALSF continued to pursue a number of initiatives in RMCs, often in collaboration with other agencies, with the aim of enhancing the gender focus of its operations as well as that of its own institutional culture.

In 2019, the ALSF's support for the Africa Land Policy Conference organized by the ECNR, UNECA and the AUC brought together various stakeholders to discuss how to address land issues for development, and for a number of conference papers or knowledge products for better management of land issues and ensuring fair and improved outcomes for governments, including addressing crosscutting issues such as environment, gender

and governance. Similarly, the ALSF partnered with ECNR/Ford Foundation to train 80 participants from East African region in oil and gas sector, including on gender and environment issues.

Internally, the ALSF broadened its capacity building for gender mainstreaming, especially targeting task managers. This further equipped the staff to ensure that during the preparation of respective project Performance Measurement Frameworks, due-diligence, and implementation of the legal assistance, specific provisions or arrangements for gender equality considerations were included in the respective agreements and activities. Further to this, during the post-contract phase, the ALSF team checked for compliance to gender equity indicators.

Environment Sustainability

The ALSF continues to place a very high priority on helping RMCs mitigate any negative environmental effects. To this end, the ALSF ensures that environmental and social sustainability safeguards are incorporated in the ALSF supported negotiations and renegotiations. This will largely guarantee that Africa's future development can take place on a solid environmental footing.

Further to this, the ALSF partners with other institutions, such as the Bank's African Natural Resources Centre (ECNR) on capacity building efforts on environmental compliance and social safeguards to improve natural resource management, environmental protection of the natural resources and promote sustainable development in Africa. More specifically, in 2019, the ALSF supported Eswatini's 30MW Solar and Madagascar's 192 MW Sahofika Hydro projects which will contribute to low carbon development and the global climate change agenda.

Promoting the Development of International Arbitration

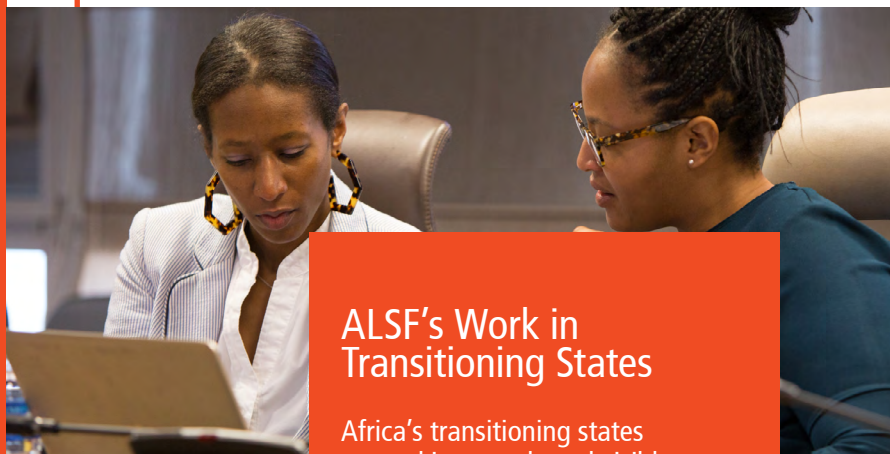
In 2019, the ALSF continued to support the African Arbitration Association (AfAA)⁵ to develop and disseminate institutional documents that will guide its efforts to expand its reach on the continent. Similarly, in June 2019, the ALSF sponsored a conference organized by the Organization for the Harmonization in Africa of Business Law (OHADA) zone member states. This event held on the occasion of the 20 years of OHADA arbitration, discussed factors that prevent effective development of arbitration and proposed concrete and practical solutions to address these challenges.

These interventions deeply align with the ALSF's objectives of advocating for arbitration in Africa; creating awareness campaigns to advance the use of arbitration; and building relevant capacities of RMCs on arbitration.

5. AfAA was created by the 71 arbitral institutions in Africa. It was founded for the purpose of promoting the development of international arbitration and other forms of international dispute resolution on the African continent

Building Capacity and Raising Awareness on Illicit Financial Flows (IFFs)

The ALSF is a member of the Consortium of stakeholders (including the H. E. Thabo Mbeki-led African Union Commission (AUC)/UNECA High Level Panel on IFFs and the AUC's Coalition for Dialogue on Africa, PALU, African Capacity Building Fund among others), and also continues to partner with the Extractive Industries Transparency Initiative (EITI) to discourage IFFs. The ALSF has also supported Bank initiatives in training African Parliamentarians in how to combat IFFs through adoption of appropriate legislation and strengthening of relevant state institutions.



ALSF's Work in Transitioning States

Africa's transitioning states are making steady and visible progress, with the ALSF providing support across a range of areas. In 2019, the ALSF approved 24 projects amounting to USD 8.9 million to these countries. These operations covered 11 transitioning states including: Central African Republic, Djibouti, The Gambia, Liberia, Madagascar, Mali, Niger, Sierra Leone, Somalia, Sudan, and Zimbabwe.

Our interventions in these countries will help rehabilitate infrastructure, develop economic opportunities, provide basic services and build the relevant capacities of governments and citizens.

Good Governance

The ALSF's work is underpinned by the respect of the rule of law, equity, transparency and good governance. Over the years, the ALSF has supported more than 20 countries in the negotiation of natural resources contracts, revision of laws and agreements, and adoption of model mining and petroleum agreements, which include provisions for enhancing transparency and accountability.

The ALSF has also developed a compendium of African mining laws and a guiding template (<https://www.a-mla.org/guidingtemplate>) for revising or drafting laws that promote good governance, including model clauses on anti-corruption, conflicts of interest, and anti-transfer pricing. In addition, the ALSF has in collaboration with other partners, developed a repository of publicly available oil, gas, and mining contracts (www.resourcescontracts.org) to improve contract transparency and accountability and reduce corruption.

ALSF Awards and Operational Achievements

The ALSF has cumulatively approved more than USD 90 million to support the provision of legal advice and technical assistance in the negotiation of complex commercial transactions, creditor litigation and other related sovereign transactions, especially in relation to the extractives infrastructure/Public-Private-Partnerships, and power sectors in Africa.

Some of these interventions are expected to be transformative. Related to this, on 21 March 2019, two infrastructure projects supported by the ALSF were recognized by the 2018 IJGlobal Awards.⁶ Specifically, the Nachtigal Hydro Dam project in Cameroon won the African power sector transaction of the year and the Tiaba N'Diaye wind farm project in Senegal won the Wind African transaction of the year. Both projects are expected to add a total of more than 570 MW in generation capacity. This will be clean and reliable power at competitive tariffs to support industrial expansion, job creation, and economic growth, benefiting especially the respective local communities.

6. The IJGlobal Awards celebrate the best-in-class transactions to have closed over the past calendar year, across the international infrastructure and energy sectors.

Key Results in 2019



Results	Anticipated results	Project level results	Sustainable Development Goal (SDG)
Impact 1: Enhanced economic Growth	Government Savings realised USD 175 Million	Gambia Sovereign: USD 175 million	SDG 17: Strengthen the means of implementation and revitalize the global partnership
Impact 1: Enhanced economic Growth	Government revenues from extractive USD 112 Million	<ul style="list-style-type: none"> Lesotho mining: USD 5.2 million Niger mining: USD 21 million Ethiopia extractives: USD 59 million Sierra Leone petroleum: USD 26 million Liberia fisheries: USD 700,000 	SDG 17: Strengthen the means of implementation and revitalize the global partnership SDG 9: Promote sustained economic growth, full and productive employment and decent work for all
Impact 2: Sustained Inclusive development	Direct, indirect and induced jobs created by projects supported by the ALSF: 48,090	<ul style="list-style-type: none"> Gambia Port: 1,490 Liberia fisheries: 37,000 Lesotho mining: 1,100 Niger mining: 800 Gambia toll road: 400 Madagascar hydro: 1,200 Lesotho Flour mills: 300 Somali Port: 5,300 	SDG 9: Promote sustained economic growth, full and productive employment and decent work for all
Impact 2: Sustained Inclusive development	Power production in Megawatts (MW) 1597	<ul style="list-style-type: none"> Botswana Power: 600 MW Lesotho Power: 20MW Zimbabwe power: 360 MW Eswatini Power: 40 MW Mali Solar: 50 MW Togo mini grids: 11 MW Congo Brazza hydro: 200MW Mauritius Dowa project: 44 MW Madagascar Hydro: 192 MW 	SDG 7: Ensure access to affordable, reliable and sustainable modern energy for all
Outcome 1: Enhanced economic growth in targeted sectors	Proportion of population Improved access to electricity: 1.6 million	<ul style="list-style-type: none"> Botswana Power: 435,500 Lesotho Power: 30,000 Eswatini Power: 811, 000 Mali Solar: 248,000 Togo mini grids: 45,000 	SDG 7: Ensure access to affordable, reliable and sustainable modern energy for all
Outcome 1: Enhanced economic growth in targeted sectors	Value of projects supported by sector- Extractives	USD 6.1 million	SDG 17: Strengthen the means of implementation and revitalize the global partnership
Outcome 1: Enhanced economic growth in targeted sectors	Value of projects supported by sector- Infrastructure	USD 1.5 million	SDG 17: Strengthen the means of implementation and revitalize the global partnership

Results	Anticipated results	Project level results	Sustainable Development Goal (SDG)
Outcome 1: Enhanced economic growth in targeted sectors	Increased foreign direct investment in targeted sectors: USD 345 million	<ul style="list-style-type: none"> Liberia fisheries: USD 21 million Zimbabwe: USD 25 million Mali Solar: USD 49 million 	SDG 9: Promote sustained economic growth, full and productive employment and decent work for all
Outcome 2: Increased socially responsible and environment-friendly investments/Fair commercial contracts/agreements in targeted sectors	Number of PPP contracts with specified and budgeted strategies to enhance gender, environment and rights of people living in areas where resources will be extracted or with respect to an infrastructure project	16	SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable
Outcome 2: Increased socially responsible and environment-friendly investments/Fair commercial contracts/agreements in targeted sectors	Countries with improved procurement system for complex tendering	15	SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable

Output level

Result level	Indicator	
Output 1: Capacity building provided to African countries	Number of African legal professionals, private sector and government officials trained on negotiation of complex commercial transactions or commercial creditor litigations disaggregated by gender	780
	Number of requests from fragile governments for support or follow-up support	26
	Partnerships established with other capacity programs or legal bar associations	12
Output 2: Knowledge products developed and disseminated	Number of legal knowledge products developed (model agreements, toolkits, etc.)	17
	Number of legal and related databases/ publications established/ updated	8
	Number of hits on ALSF websites and social media platforms - Twitter, LinkedIn, ALSF website	11,365
	Number of forums where ALSF participates in for publicity (to create awareness for its services)	5
Output 3: Improved performance of ALSF	Number of projects successfully implemented and closed	42
	Number of Projects with satisfactory gender, environmental/social risk mitigation measures	16
	Number of RMC who Contribute to the ALSF	1
	Number of projects where ALSF is providing support that promote generation of renewable energy	12
	Number of capacity building training that cover cross cutting issues	23

ALSF Notable Stories

2019



Tackling Sovereign Debt Issues

Gambia Sovereign Debt

In 2019, the ALSF provided capacity building assistance to the Republic of The Gambia within the framework of its negotiations with its creditors. The capacity building activities consisted of: (i) assisting the Government to identify debt relief solutions and developing and implementing a negotiation strategy with respect to its creditors; (ii) developing and assisting with the implementation of a restructuring plan and a media strategy in respect of The Gambia's debt relief efforts; and (iii) providing in-person capacity building training

to the members of The Gambia's debt management unit, synthesizing the key takeaways from the project and providing a baseline understanding of sovereign debt management from both legal and financial perspectives.

As a result of these ALSF interventions, several creditors agreed to restructure their claims to the Gambia. As of 31 December 2019, 70.1 percent of all participating creditors had either produced new debt schedules or agreed on a detailed loan-by-loan treatment of their Gambian debt profile. This achievement was an essential precondition to

the Gambia's ability to receive an Extended Credit Facility (ECF) from the IMF. The ECF is a key element for the country to be able to unlock a significant amount of concessional financing from international finance institutions which will ultimately assist the country in its effort to obtain debt sustainability and reach its developmental goals.



Senegal Eurobond

The ALSF provided legal and technical assistance to the Government of Senegal for a USD 2.4 billion currency swap hedging transaction. The ALSF also trained high-level government officials and civil servants on derivatives and currency risk hedging agreements.

The ALSF project is expected to reduce the risk and lower the

cost of debt—potentially saving Senegal millions of dollars, and in so doing support the debt sustainability efforts in the country. This intervention also facilitates the Government of Senegal's Plan Sénégal Émergent (PSE), designed to put the country on a path of growth and to eradicate poverty by 2035.

Extractives and Natural Resources

Lesotho Mining

The Government of Lesotho (GoL) is in the process of reviewing its mining-related laws and regulations to tighten the mining fiscal and regulatory regime. The authorities anticipate that this will also maximize the contribution of the extractives sector to the country's Gross Domestic Product. The proposed review will support institutional reforms, promote investments, and ensure that international standards are adhered to in terms of environmental protection, health and safety across the sector.

To support the Government of Lesotho, the ALSF reviewed two existing mining contracts to ensure conformity with the current and draft legislation and policies and issued a memorandum recommending the best course of action for the Government. This particular ALSF intervention prevented the GoL from renewing a mining lease of an existing investor due to unfair terms contained in the draft agreement, which would have been detrimental to the economy of the Kingdom of Lesotho.

Additionally, the ALSF provided continued support to the Government to strengthen its negotiation position with the same investors and in so doing secure the best outcome for the Kingdom of Lesotho. More specifically, the ALSF provided continued support to the GoL to

draft and negotiate a fair and sustainable Mining Lease Agreement and Shareholders Agreement with the investor to secure the best outcome for the Kingdom of Lesotho.

The drafting and negotiation process considered internationally recognised industry best practices. During the contract negotiations, the legal counsel obtained by the ALSF was able to negotiate more favourable contract terms for the GoL in relation to issues such as royalties, financing, local content, shareholders rights and corporate governance among others.



Togo Oil Project



The ALSF supported the Government of the Republic of Togo to: review legal and institutional framework of the hydrocarbon sector; review and analyze the existing contracts in the hydrocarbon sector; and train 20 of government officials in oil and gas contracts negotiations.



ResourceContracts.org

Since 2014, the ALSF has been supporting the Natural Resource Governance Institute (NRGI) in developing a website with a growing collection of publicly disclosed mining, oil and natural gas contracts that seeks to help resource-rich countries maximize public access to and better comprehension of their natural resource contracts. By the end of June 2019, the NRGI had published 671 new contract documents, of which 294 were from African countries.

Public-Private-Partnership Legal Resource Center (PPPLRC)

The ALSF provided a financial contribution to PPPLRC to carry out knowledge management activities in the area of PPPs, including fragile states. With more than 17 percent of site visitors from sub-Saharan Africa alone in 2019, the PPPLRC has demonstrated that it is a strategic partner in delivering ALSF's knowledge management and capacity building activities. This collaboration continues to focus on cross-cutting issues within PPPs. The project supports and develops knowledge management products related to PPPs and ensure that these products are delivered to the target audience. Over the next two years, the PPPLRC will continue to expand to address new themes as well as strengthen existing ones, including the launch of a new section on climate smart PPPs, which will examine the context underlying the need for climate smart PPPs (international climate agreements); and explore methods to address climate change.



Eritrea Mining

The ALSF assisted the State of Eritrea to: review the current model exploration and mining development agreements; review the current regulatory framework that apply to conducting mining activities in the State of Eritrea; issue a legislative review report and a sectorial mining toolkit to be used in negotiating mining agreements; and train 26 government officials on the current regulatory and sectoral mining negotiating toolkit for mining agreements.

Board Room Training

The ALSF organises the Board Room Training programme in partnership with CONNEX Support Unit. This year, with the support of officials from ECNR, the World Bank, UNECA, and NREGI, the ALSF trained 30 participants from across Africa in an executive roundtable for Chief Executive Officers and Senior Executives of State-Owned Companies and Companies with State Participation.

The participants were trained and exchanged experiences on resource nationalism, managing stakeholders effectively, promoting local content, linkages and value addition, prospects and challenges under the new African Continental Free Trade Area, and corporate governance of state-owned companies. The feedback received from the participants showed that they found the training to be highly relevant and rewarding and the connections made will further integration of the continent. Implementation of the skills gained by the participants will enhance the contribution of state-owned companies and companies with state participation to the economies of the respective countries.





Infrastructure and PPPs

Somalia Airport

The Federal Government of Somalia entered into an amended and restated Concession Agreement on the Management and Upgrade of the Aden Abdulle International Airport, Mogadishu with the private sector operator on 16 May 2019.

The ALSF supported the federal government with legal advisory services and technical advice during the renegotiation process to enable the government to successfully conclude an equitable and sustainable amended concession agreement.

The renegotiation of the airport concession agreement is a step in the right direction for Somalia in achieving fairer and more balanced commercial agreements that are in the best interest of the nation. The revised agreement also assists the country in meeting some of the structural benchmarks set by the IMF under its Staff Monitoring Program that aims to support Somalia in achieving debt relief.

The revised agreement represents a considerable improvement over the initial concession agreement signed with the Contractor and marks a significant step towards best practice on concession contracts.

Power sector

Eswatini Solar PV (Procurement for 40MW)

The ALSF supported the Kingdom of Eswatini's first competitive procurement process through the launch of a request for proposals for the procurement of 40MW of solar PV. The capacity for each solar PV plant will range between 5-15 MW and each project shall utilise proven ground mounted solar PV technology. It is envisioned that the final project signoff will be November 2020 with a set commercial operation date in September 2021.

Specifically, the ALSF has supported the Government in putting in place the key project documents to support Independent Power Producers (IPPs) whilst ensuring equitable terms for the Government. Pivotal to this objective has been the building of institutional capacity throughout each stage of the project. The procurement process has also attracted the interest of Development Financial Institutions such as the AfDB, the Development Bank of South Africa and the World Bank Group who are looking to support the project with credit enhancement instruments.

The project also included the development of an IPP procurement toolkit and the ALSF procured advisors on behalf of the Government to support the process of implementing the IPP procurement toolkit through a procurement committee. The procurement committee consists of representatives of each of the stakeholders within the power sector in Eswatini.



Madagascar Sahofika Hydro

The ALSF supported the Government of Madagascar to negotiate a concession agreement for the Sahofika hydroelectric project. The project 200MW project is estimated to cost 797 million. It will be located about 100 kilometers from Antananarivo, Madagascar.

With the support from the ALSF, the Government of Madagascar has chosen a consortium to undertake the technical studies, finance, construct, operate and maintain the future plant.

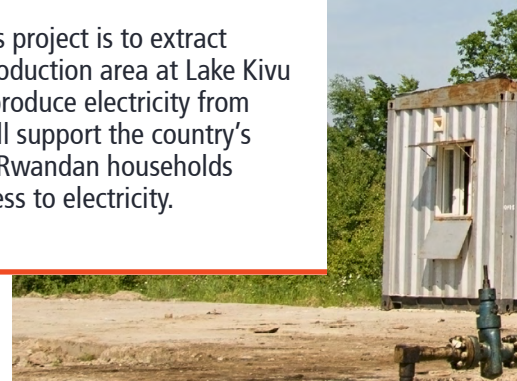
It expected that the project will boost the country's power generation, provide citizens with access to clean sustainable renewable energy and create jobs. All these will be key to promoting sustainable development and inclusive growth in Madagascar.

Rwanda Lake Kivu Energy Plant

The ALSF provided advisory services support to the Government of Rwanda to negotiate and sign a concession and a Power Purchase Agreement (PPA) with an investor, to develop an energy plant worth USD 200 million on the shores of Lake Kivu.

The Project is expected to generate an additional 56 Megawatts (MW) of electricity for the country—significantly contributing to the country's efforts to increase its installed power generation capacity by 291MW by 2024.

The main objective of this project is to extract methane gas from the production area at Lake Kivu and enable the plant to produce electricity from the methane gas. This will support the country's efforts to ensure that all Rwandan households and businesses have access to electricity.



ALSF Academy

In 2019, the ALSF Academy, the ALSF's umbrella capacity building initiative, completed its first year of operations. The key focus for this first year was the development and launch of the ALSF Academy's introductory level (Level 1) program, to begin the ALSF Academy Accreditation process, to launch the ALSF Academy Capacity Building Portal and to develop strategic partnerships to assist with the ALSF Academy's activities.





The ALSF Academy Introductory Level (Level 1) Program

The ALSF Academy Introductory Level (Level 1) Program. The introductory level courses were delivered both in-person through regional workshops and online through the ALSF Academy Capacity Building Portal. The inaugural ALSF Academy in-person introductory level workshop was held in Kigali, Rwanda from 15 October to 20 October 2018 for English speaking African lawyers. This workshop was organized in collaboration with the ALSF Academy's partners the East Africa Law Society (EALS) and the Southern African Development Community Lawyers Association (SADCLA). The second ALSF Academy in-person introductory level workshop was held in Cotonou, Benin, from 5 November to 10 November 2018 for French speaking African lawyers. This second workshop was organized in collaboration with the ALSF Academy's partner the International Training Centre in Africa for Francophone Lawyers (CIFAF). The third ALSF Academy in-person introductory level workshop was held in Accra, Ghana, from 14 to 15 February 2019, for lead negotiators from African governments. This workshop was organized in collaboration with the African Business Law Firms Association (ABLFA).

These workshops brought together legal practitioners involved in complex commercial transactions as well as African government representatives across the African Continent. The workshops each focused on the introductory level concepts related to the ALSF's key sectors as well as personal and professional development.

Each of the above-noted in-person training courses was highly interactive. Trainers and participants remained engaged throughout each session, sharing their knowledge, thoughts and experiences related to the various subjects presented. Generally, participants found the training very useful and insightful; indeed many have since noted that the training has positively impacted their legal practices.

The above courses were also separately filmed such that they may be placed on the ALSF Academy Capacity Building Portal to be made available as e-learning to a wider audience. These e-learning courses each include a question and answer section to ensure that the learning objectives for each course have been achieved by participants, as well as comprehensive course handbooks on each subject. It will be key to promoting sustainable development and inclusive growth in Madagascar.



The ALSF Academy Accreditation Process

This process was designed to support international and regional organizations, African governments, bar associations and law societies, by defining a set of criteria and standards, coordinating peer reviews, conducting a review of teachers' credentials, participating in the development of external training programs and formally recognizing high-quality trainings that meet certain standards. During 2019, the standards upon which the ALSF Academy Accreditation process was based were expanded. The elaborated version of the standards was used to form the first draft of the ALSF Academy Accreditation policies and procedures. Also, in 2019, the structure for the Accreditation Committee, consisting of key regional actors and academics who will assist in the finalization of the policies and procedures and the implementation of the accreditation process, was developed.



The ALSF Academy Capacity Building Portal

From October to December 2018, 96 e-learning course modules were delivered by the course development teams for the ALSF Academy introductory level (Level 1) program and filmed by the ALSF. These e-learning courses have been added to the ALSF Academy Capacity Building Portal, which launched in October 2019. The portal currently has 140 active users.

In addition to hosting all of the e-training courses for the ALSF Academy program, the site hosts resources such as articles, template and model agreements, and links to relevant sites. This structure has allowed the ALSF to provide training on an ongoing and sustainable manner, updating knowledge as necessary.

Africa Land Policy Conference

In addition to being, a natural resource itself, land is the basis on which other extractives and natural resources transactions are founded, including mining, oil and gas, agriculture and even infrastructure projects. Sound land policies and laws are therefore a sine qua non for ensuring sustainable development as they address relevant issues such as governance, environmental, social, and economic issues and enhance fairness and durability of land-based project contracts. In 2019, the ALSF supported the ECNR, the United Nations Economic Commission on Africa (UNECA) and the African Union Commission (AUC) in their biennial conference on land policy in Africa by funding research and development of papers on land policy and governance.

The papers constitute knowledge products that will contribute to development of sound laws and policies as well as to the training of lawyers for better management of land issues, improvement in the quality of investments, fairer commercial negotiations, mitigation of risks of disputes, balanced agreements and outcomes for African Governments. Ultimately, this will enhance the quality of projects supported by the Facility. The papers supported by the Facility were among others presented at a conference held in Abidjan in November on the theme "Winning the fight against Corruption in the Land Sector: Sustainable Pathway for Africa's Transformation".

This project was undertaken within the framework of broader collaboration between the ALSF and ECNR to extend their collective reach and optimise the impact of their interventions.

Chapter 3

Institutional Development and Corporate Management

Resource Mobilization: This year marks the second full year of implementing our Medium Strategy for 2018 to 2022. In 2019, the ALSF maintained reform to enhance result-oriented operational efficiency and increase the capacity to respond rapidly to demand in accordance with its operational priorities.

The ALSF is primarily supported by voluntary contributions from states and international organizations. In 2019, the ALSF continued to make every effort to expand its resource base. Over the year, the ALSF followed up with its existing financing partners to ensure that pledges set out by the respective donors are honoured in a timely manner. Through these interactions, the ALSF received the final disbursement amounting to nearly USD 10.7 million from Norway and the AfDB's ADF-TSF to finance its projects in transitioning states on the continent.

To guide its resource mobilization efforts, the ALSF developed a Resource Mobilization Action Plan, prepared and disseminated its Donors' toolkits highlighting ALSF's interventions and their results, and also held an informal meeting with its RMCs to encourage them to make financial contributions.

During the year 2019, the Management Board and Governing Council approved and endorsed respectively, the ALSF guidelines on direct funding from private entities. The ALSF also revised the wording of reimbursable financing instruments to speed up their implementation in its newly established Management Information System (MIS) that is seamlessly linked to the Bank's SAP system. It anticipated that all these activities will expand the sources of our funding and make the ALSF more financially sustainable.



The ALSF
received
usd **10.7 million**

ALSF Contributions Received (USD millions), 2010-2019

Donors	Years		
	2010-2018	2019	Total
African Development Bank	15.21		15.21
African Development Fund	12.29	9.58	21.87
Belgium	0.78	-	0.78
BOAD	0.20	-	0.20
Canada	8.40	-	8.40
ECOWAS Bank for Investment and Development (EBID)	0.05	-	0.05
The Ford Foundation	0.30	-	0.30
France	5.00	-	5.00
Germany – (Through KfW)*	8.29	-	8.29
Guinea Republic	0.05	-	0.05
Islamic Development Bank	1.00	-	1.00
Netherlands	11.8	-	11.8
Norway	6.05	1.10	7.15
United Kingdom	9.05	-	9.05
USAID	3.00	-	3.00
World Bank	0.05	-	0.05
TOTAL	81.52	10.69	92.20



ALSF Contributions Held in Trust by the AfDB (USD millions), 2010-2019

Donors	Years	
	2010-2019	
France	0.70	
India	0.76	
European Union	5.44	
TOTAL	6.90	



Staff Development: In 2019, the ALSF continued to train its staff in order to improve their knowledge, skills and competencies to enhance its efficiency and effectiveness in delivering on their assignments. Over the year, the staff have been trained to better understand the ALSF's Guide Style; the revised Operational Risk Matrix; the new Management Information System (MIS); and the Basecamp and Box web applications.

The ALSF staff also participated in the sectoral in-house training which strengthened their skills in developing and analyzing relevant Framework Agreements. To improve the quality and delivery of our projects, the ALSF established internal sectoral clusters

to discuss and analyse pertinent issues; and to train staff and build internal capacities to better respond to our clients' needs. Finally, the team members also attended four Monitoring & Evaluation; Project Cycle Management; and mainstreaming and monitoring and evaluation of cross cutting issues in ALSF operations training sessions.

Further to this, with the guidance and support of the ICON Leadership Training Expert, the ALSF team carried out a team working dynamics assessment and team building exercise. The expert made proposals for additional activities, particularly the implementation of a Leadership Development Program and related coaching sessions.

Regulations and Internal Guidelines: To enhance efficiency, accountability, inclusion, ownership and transparency among staff, management and other relevant stakeholders, in 2019, the ALSF revised and adopted its operational guidelines. The operational guidelines were revised to simplify the financial instruments of the facility and align them with agreed modalities with the Financial Department of the AfDB. The ALSF also updated its operational guidelines and procurement manual to simplify the procurement process, enhance the role of African firms and improve the efficiency by introducing Framework Agreements between ALSF and firms selected through the procurement process.

With regards to the implementation of the revised procurement manual, a new ALSF procurement system⁷ has been established. In July 2019, the ALSF Operations team completed the selection of Panel A firms. All the selected law firms have submitted the signed Framework Agreements to the ALSF.

The Facility negotiated with the selected firms to apply the same model Framework Agreement to all firms. This will ease our operations as the same terms will apply to all

firms. Among the terms agreed are the following: The Facility will be vested with the copyrights and other Intellectual Property rights of any material or work product financed by the ALSF; the arbitral seat of the agreement is in Africa (Mauritius); international commercial law (not English law) applies; the Facility's code of conduct largely applies thus ensuring uniform obligations across all projects. Finally, and more importantly, in the context of the negotiation of the letters of engagement, very favorable terms have been secured for the African Governments.

The ALSF also developed and adopted the Private Entity Funding Framework and Seconded National Experts and related Guidance Note. In terms of human resources, a revised Internal grievance mechanism related to Staff Appeals was adopted and began the process of developing the ALSF Staff Manual.

7. The new procurement system is a two-level process. Firstly, it comprises of a global tender to establish a list of pre-selected law firms that form the ALSF Legal Panel and are eligible for being shortlisted and selected to undertake assignments required by the ALSF at project level. The Panels will be composed of two groups of law firms (Panel A with international expertise and Panel B with expertise in African jurisdictions). Panel A is organized in five separate lots, each of which covering specific industry expertise or sectors of intervention.



Communication and Outreach:

By the end of 2019, the ALSF had carried out a number of activities including production and publication of 9 Monthly News Bulletins; 15 Press Releases; 14 Media Advisories and updated its website. The Facility had also prepared and disseminated new communications products including: 2018 ALSF Annual Report; ALSF Donors Toolkits (in three languages—English, French and Portuguese); the Compendium of Rules and By-laws of the ALSF; Roll-ups, creation of new LinkedIn page; and remained active on Twitter and Facebook. This has contributed to increasing the visibility of the institution.

In close collaboration with ICON, the ALSF is developing a comprehensive communication strategy to systematically and significantly increase its visibility in partner countries, existing and potential financing partners and other various stakeholders.

Monitoring and Evaluation and Learning:

During the year under review, ALSF through the support of its donors embarked on activities to strengthen the documentation of results and reporting with a view of meeting stakeholder expectations and recommendation. Experts mobilized through the KfW/ICON advisory support were brought on board in the first quarter of the year to develop strategies of integrating cross cutting issues into ALSF activities. The experts developed relevant crosscutting indicators to capture results related to gender, environment, social protection and good governance as well as an orientation paper describing the roadmap for embedding cross cutting issues into the operations of the ALSF. Related to this, fourteen (14) ALSF task managers were trained on the integration of crosscutting issues and the inclusion of M&E indicators into each performance monitoring framework that accompanies a project proposal. A Management Information System (MIS) was developed to centralize the facility's data repositories and make it easier to access documents. The system provides a searchable M&E database, as well as data on operations, institutional and financial affairs.

The M&E team in an effort to improve the reporting of results, revised the data collection tools specifically the Performance Measurement Framework template to provide measurable indicators at output, outcome and impact level with baselines and targets that will provide a basis for the measurement of the results from ALSF activities. Eighteen (18) new

projects prepared in the year had the new PMFs integrated into their project proposals. An update of the ALSF risk matrix was also done and a risk monitoring team is now in place, led by the director's advisor in collaboration with the M&E team. The risk matrix will be reviewed biannually and a report of the same will be shared internally for the team to track progress and follow up on any mitigation strategies

As part of the capacity building efforts to strengthen ALSF M&E and reporting, a Project Cycle Management manual that includes a reporting schedule as well as reporting templates was developed and is in use to ensure periodic reporting to donors, Management Board and Governing Council. The M&E team revamped the methodology of monitoring project performance and conducted monitoring for seven projects in 2019.

In addition, the ALSF undertook its first summative evaluation to assess the impact of the 2013-2017 MTS with regards to efficiency, effectiveness, relevance as well as sustainability of the strategy. Where possible, the evaluation assessed the level the projects had integrated cross cutting issues of gender, governance, environment as well as social protection. The evaluation covered 16 projects representing all the regions, pillars and sectors that the ALSF supports. The findings from the evaluation will be instrumental in providing evidence for the justification to extend the tenure of the ALSF post 2022.



Key Findings and Recommendation of the Summative Evaluation of the ALSF MTS (2013-2017)

Evaluation Criteria	Key Findings	Key Recommendations	Status/Action Taken
Relevance	<ul style="list-style-type: none"> Highly relevant with strong processes aligned to the MTS and beneficiary needs 	<ul style="list-style-type: none"> Fully operationalize the economic impact goals and maximisation objectives contained in the MTS (2018-2022) at all levels (project proposals, M&E systems, reporting to donors, etc.) 	<ul style="list-style-type: none"> Strengthening M&E system Defined all indicators at all levels in proposals Producing a more comprehensive results section in the Annual reports
Effectiveness	<ul style="list-style-type: none"> Related interventions resulted in reduction in vulture fund litigation cases and pay-outs for advisory services contributing to equitable concessions and fair commercial contracts Contributed to improved access to specialised knowledge on concessions across Africa 	<ul style="list-style-type: none"> At the Facility level, annual work plans should measure results related to outcomes of the Intervention Logic that is monitored and reported annually.) At the project level, focus should be placed on setting targets at the outcome level 	<ul style="list-style-type: none"> Enhance Project Measurement Framework with defined baselines and targets Closely monitoring the reporting from legal firms Training task managers
Efficiency	<ul style="list-style-type: none"> Satisfactory use of resources to reach outputs Enjoys a positive perception among stakeholders for its professional and responsive approach, and adequate project delivery backed by strong governance structures 	<ul style="list-style-type: none"> Assess and improve the business model to reach budget targets set out in work plans Develop the most appropriate forward-looking procurement / disbursement plans Define, develop and monitor a Value for Money strategy 	<ul style="list-style-type: none"> Extensive consultations continue to determine appropriate way forward
Impact and Sustainability	<ul style="list-style-type: none"> Largely depends on donor funding. The approved financial instruments presented an element of sustainability Most projects were completed or are still ongoing, hence assessing sustainability was generally challenging 	<ul style="list-style-type: none"> Closely monitor the implementation of new financial instruments to determine financial sustainability Strengthen strategic approach to capacity building projects through Diversification of staff to include more trainers 	<ul style="list-style-type: none"> Uptake of financing instruments is increasing and closely monitored Recruited a legal officer with capacity building skills to support the implementation of the ALSF virtual Academy
Cross cutting issues	<ul style="list-style-type: none"> Sufficiently accounted for environmental sustainability in project implementation Limited gender considerations in project design and implementation, with improvements towards the end 	<ul style="list-style-type: none"> Undertake project audits to ascertain continued integration of cross cutting issues in projects Focus on more measurable activities with regards to cross cutting issues e.g. capacity building module in the ALSF academy 	<ul style="list-style-type: none"> Developing a cross cutting module for integration into ALSF Academy

Chapter 4

Collaboration, Partnership building and Outreach

Strategic Partnerships: During 2019, the ALSF partnered with various bilateral and multilateral institutions including: African Development Bank, the World Bank Group, Agence Française de Développement, Columbia Center on Sustainable Investment, Extractives Industries Transparency Initiative, Commercial Law Development Program (US Commerce Department), Strathmore University in Kenya, Eduardo Mondlane University Mozambique, University of Kigali, Power Africa Initiative; Natural Resource Governance Institute (NRGI), International Senior Lawyer, Project and Germany (through GIZ and KfW); East Africa Law Society (EALS); the Southern African Development Community Lawyers Association (SADCLA); and the International Training Centre in Africa for Francophone Lawyers (CIFAF), West African Institute for Financial and Economic Management, Macroeconomic and Financial Management Institute of Eastern and Southern Africa, the Collaborative Africa Budget Reform Initiative, and Geothermal Risk Mitigation Facility for Eastern Africa.

In 2019, the ALSF collaborated with a new partner, African Energy and Minerals Management Initiative in Uganda, and began negotiating Memoranda of Understanding with the following institutions:

- International Institute for Sustainable Development;
- The Centre for Energy Petroleum and Mineral Law and Policy Extractives Hub, University of Dundee;
- The Columbia Center on Sustainable Investment;
- The Organisation Internationale de la Francophonie.

Furthermore, the Facility sponsored the African Business Law Firms Association (ABLFA) Conference; African Land Policy Conference, Africa Ministerial Forum at Mining Indaba; Africa Energy Forum ; AfDB sponsored AIF and CEO Utility Forum in 2019. Annex IV summarizes the ALSF's strategic partnerships.

Additionally, with the assistance from KfW, the ALSF procured ICON-INSTITUT Public Sector GmbH (ICON) to strengthen its strategic planning, monitoring, human resources, financial sustainability, effectiveness and efficiency. This year, ICON has supported the ALSF to:

- Develop the Management Information System;
- Develop a Seconded National Expert policy and program;
- Train staff in leadership, project cycle management, mainstreaming cross-cutting issues in the operations, enhance the operationalization of the monitoring and evaluation concepts and framework, and procurement; and
- Develop relevant documents and tools for the new procurement system.

In 2019, the ALSF also attended and participated in a number of strategic events including: Mining Indaba; Africa Energy Forum; African Development Bank Group Annual meetings; Africa Energy Forum, and Africa Business Law Firms Association. The ALSF also undertook an official visit to KfW to share its role and highlight its achievements. These activities continued to raise the profile of the ALSF and increase the awareness of its services.

ALSF Membership: During the year, Mozambique, Uganda and Zimbabwe ratified the Agreement establishing the ALSF, bringing the total number of ratifications to twenty-nine (29). Today, the total number of ALSF members is 60 which includes 53 states and 7 International Organizations. In 2019, the ALSF team continued to follow up with a number of countries to complete their membership. Due to these efforts Equatorial Guinea and Botswana have initiated conversations to join the ALSF. More so, Angola is at an advanced stage in their accession to the ALSF Agreement. See Annex IV for the complete list of signatories to the ALSF Agreement as of 31 December 2019.



Chapter 5

Financial Status

In accordance with the General Regulations of the ALSF and with the assistance of the Financial Control Department of the AfDB, the 2019 Draft Financial statements have been prepared. The independent auditors report on the financial statements of the ALSF were approved and endorsed Management Board and Governing Council respectively.

The ALSF has an ongoing responsibility and commitment to ensure maximum efficiency of its financial resources. As in previous years, the ALSF focused on a high-level budgetary discipline and effective cost controls.

The highlights of the Facility's financial performance in 2019 include the following:

Total Contributions Received



The total contributions received for the year ended December 31, 2019 amounted to USD over 10.6 million compared to USD 7.6 million for 2018. The cumulative contributions for 2019 and 2018 amounted to USD 92.2 million and USD 81.5 million.

Total Disbursements



The total disbursements made for the year ended December 31, 2019 amounted to USD 13.6 compared to nearly USD 11.5 million in 2018. The cumulative disbursement for 2019 amounted to USD 69.6 million as opposed to USD 56.1 million in 2018. This represents an increase of 18.2 percent compared to 2018 annual disbursements.

A summary of the primary financial statements of the ALSF for the year ended December 31, 2019 is shown below.

Statement of Financial Transactions for Years Ended 2018/2019 (usd)

	Years	
	2019	2018
Contributions		
Contribution Received	10,671,560	7,624,285
Net Income and Translation Gains	564,187	248,694
Disbursements	13,585,084	11,473,864
Surplus/Deficit	(2,400,559)	(3,600,855)



Statement of Commitment as at December 31, 2019

	Years	
	2019	2018
Total Cumulative Funds Available	94,783,456	83,547,709
Cumulative Commitments*	(92,707,945)	(76,748,949)
Total Funds Available for Commitment	2,075,511	6,798,760

**Including ongoing activities and project support component disbursements*

Statement of Financial Position as at December 31, 2019

	Years	
	2019	2018
Contributions		
Contribution Received	92,191,064	81,519,504
Net Income and Translation Gain	2,592,392	2,028,205
Total funds available	94,783,456	83,547,708
Disbursements	(69,638,763)	(56,053,679)
Net funds Available	25,144,693	27,494,030
Represented By		
Cash and Cash Equivalents	25,888,308	23,752,112
Net Amount Receivable (payable)	(743,615)	3,741,918
Net Funds Balance	25,144,693	27,494,030



Chapter 6

Governing Council, Management Board, Director and Staff

The Governing Council (GC) is the supreme body of the Facility with responsibility for managing the entire organization. Its functions include determining and approving policy, appointing the Management Board, authorizing replenishments of resources, and appointing external auditors. The Governing Council is made up of twelve (12) members and 12 alternate members who represent the Facility's constituencies of member states, the Bank, and other international organizations as follows:

- AfDB Participating States: Five Members and five Alternate Members representing the Regional Member States of the AfDB which are also ALSF participating states
- OECD: Four Members and four Alternate Members representing the Member States of the OECD which are also ALSF participating states

- Non-OECD: One Member and one Alternate Member representing non-OECD Member States which are also ALSF participating states

- Other international organizations: One Member and one Alternate Member representing other international organizations which are parties to the ALSF Agreement

- African Development Bank: One Member and one Alternate Member representing the AfDB.
- The Members and Alternate Members of the Governing Council are each appointed for a period of two years and a list of the current representatives showing their constituencies is in Annex IV.

The Management Board (MB) is responsible for the efficient and effective conduct of all the operations of the ALSF. This includes approving the annual budgets and annual work programs, issuing by-laws, rules and regulations, and making decisions necessary

to ensure the efficient and effective operations of the Facility. The Management Board also appoints the Director of the ALSF. The Management Board is composed of five members who serve in their personal capacity and are appointed by the Governing council for a non-renewable term of three years.



During 2019, the ALSF Governing Council (GC) and Management Board (MB) continued to exercise their oversight and strategic direction relating to various operations, policies and strategies of the Facility. Related to this, the ALSF MB and GC also reviewed the status of two approved pilot projects funded by Ford Foundation. From this experience, the Board and Governing Council considered and adopted the ALSF guidelines for direct funding from private entities. These guidelines will promote good governance principles such as integrity and independence, accountability and transparency, and confidentiality.

Governing Council Activities in 2019:

The ALSF successfully hosted two Governing Council (GC) meetings. The first meeting was informal to review and refine the statutory documents in advance of the formal deliberations. The second was 10th Annual Meeting of the ALSF Governing Council that was held on 11th June 2019. This meeting discussed, refined, approved and endorsed relevant working documents of the ALSF. These mainly focused on the revising and updating of internal guidelines to enhance efficiency, accountability, compliance with the best practices; and ensuring financial sustainability of the institution.

The GC also appointed two new Board members for a three-year period, beginning 30 June 2019 to 29 June 2022. Finally, Council members also elected the new members and alternate members of the Governing Council (2019-2021). Details of the current members of the Governing Council and Management Board are attached in Annex V.

Management Board Activities:

The ALSF Management Board held three formal meetings. During its 27th formal meeting, the Board reviewed the progress on projects' implementation; the 2018 Draft Annual Report and Financial Statements; updates on the revision and implementation of the reimbursable Financing Instruments; and the ALSF operational guidelines.

The second meeting of the year was the 28th ALSF Management Board meeting on the 10th June 2019 in Malabo, Equatorial Guinea. This meeting reviewed the progress on projects' implementation; considered and approved the 2018 Draft Annual

Report and Financial Statements; the implementation to the Financing Instruments; and the revised regulations and internal guidelines.

The final meeting of the Management Board which was held on 26 November 2019 considered and approved the Budget and Work Plan for 2020. During this meeting, Board members reviewed and considered the ALSF Financial Statements for the second and third quarter for 2019; and discussed the progress report on projects' implementation; project outliers and exceptions report; proposal concerning organizational restructuring; updates on AfDB Internal Audit Report; Draft policy and guidelines for the recruitment of the Director; and the updates on the Summative Evaluation of the ALSF Medium Term Strategy (2013-2017).

By the end of 31 December 2019, the ALSF Management Board members had also approved 23 new projects to help African countries build legal capacities in negotiation of complex commercial transactions in the natural resources and infrastructure development sectors. In addition, the Board appointed a new chairperson of the Management Board.

Director and Staff: The ALSF had a total of 36 staff members by the end of December 2019. To support its increasing work load, the ALSF recruited seven (7) new legal counsels; one (1) communication officer and one (1) Finance Support Officer in 2019.

In 2019, the ALSF worked closely with ICON to develop the guidelines for the Seconded National Expert (SNE) Initiative. This initiative is in the pilot phase, and part of its



aim is to develop national legal capacities of the African countries. To date, under this arrangement, the Facility is hosting a young lawyer from Somalia to carry out relevant research and benefit from the high level professionalism and experience of the ALSF staff. Under the same program, an intern from Cameroon was selected to join the ALSF to learn about the work of the Facility and gain relevant skills.

The staff of the ALSF, led by its Director and CEO, is composed of lawyers and other professionals. The table presents summary of the ALSF's staff complement by the end of 2019.



23 new projects to help African countries build legal capacities in negotiation of complex commercial transactions in the natural resources and infrastructure development sectors

The ALSF

Staff by the end of 2019

	Name	Function
Director and Front Office	Mr. Stephen Karangizi	Director and Chief Executive Officer
	Ms. Imen Mejai	Director's Assistant
	Mr. Charles Afeku	Advisor to the Director
	Ms. Maureen Omiti	Monitoring and Evaluation Expert
	Mr. Sassire Napo	Monitoring and Evaluation Assistant
	Mr. Franck Tella	Finance Specialist
	Ms. Regine Yao	Finance Assistant
Institutional Division	Ms. Carmen Freire Da Costa	Corporate Secretary and Head of the Institutional team
	Ms. Mukazi Kayitenkore	Senior Legal Counsel Institutional
	Ms. Eva Kabundu	Senior Legal Counsel Institutional
	Mr. Francis Omesa	Legal Counsel
	Mr. Timothy Wasswa Kabugo	Resource Mobilization Officer
	Ms. Eve Ehoura	Communication Officer
	Ms. Nnenna Nwokolo	Corporate Support Officer
	Mr. Christian Tanoh	Assistant Institutional Team
Operations Division	Ms. Maude Vallée	Chief Legal Counsel & Head of Operations
	Mr. Thierno Olory-Togbé	Principal Legal Counsel
	Mr. Gadi Taj Ndahumba	Head of Power Unit
	Ms. Toyin Ojo	Senior Legal Counsel
	Ms. Nicole Kears	Senior Legal Counsel and Knowledge Learning Expert
	Ms. Nnewuoghor Okhai-Akhigbe	Senior Legal Counsel
	Ms. Mariam Mohammed	Senior Legal Counsel
	Ms. Haruperi Rudo Mumbengegwi	Legal Counsel
	Mr. Reason Abajuo	Legal Counsel
	Ms. Manuela Dieng	Legal Counsel
	Mr. Abdoul Karim Kabélé Camara	Legal Counsel
	Mr. Rajneesh Seeras	Legal Counsel
	Ms. Rita Madeira	Legal Counsel
	Ms. Shaina Salman	Legal Counsel
	Mr. Joël Sanon	Legal Counsel
	Ms. Primah Atugonza	Legal Counsel
	Ms. Noellie Gah	AML Secretariat – Legal Consultant
	Ms. Mariame Bah	AML Secretariat – Legal Consultant
	Mr. Mohamed Stevens	APLA- Legal Consultant
	Ms. Nancy Ampiah	Secretary Operations Team
	Ms. Yvette Tidolé Derou	Secretary Operations Team
	Ms. Roseline Adou-Abodo	Secretary Operations Team

Chapter 7

Looking Ahead

Despite the achievements in 2019, several challenges remain, which are being addressed as the ALSF moves forward. Improvements in disbursement volumes, overall portfolio performance, project cycle and procurement processes still require close monitoring. The average lapse of time from approval to effectiveness for first disbursement and from approval to first disbursement needs to be reduced at a faster pace. To further improve portfolio performance and efficiency in project cycle processes, the ALSF is implementing a phased approach. Time-bound action plans have been developed to address the implementation challenges for each project.

The successful implementation of our activities in the years ahead will continue to enhance the capacities of African countries to negotiate and conclude equitable and sustainable commercial transactions and address the challenges of creditor litigation. However, the ALSF recognizes possible risks and challenges in delivering our future work activities.

The table below highlights perceived and real risks and the proposed mitigating measures to these challenges.

Perceived Risks/ challenges	Level of Risk	Mitigating Measures
Mobilizing adequate resources to meet the anticipated high demand from the countries of non-fragile situations	Medium	Intensify discussions with existing and potential financing partners; successfully implement the loan instruments; and encourage financial participation through contributions from African states to sustainably expand its resource base.
Low levels of demand for ALSF services in the creditor litigation	High	Engage with RMCs and other partners to create awareness and increase the demand in strategic sectors and regions that currently have low demand for the ALSF services.
Sustainably building a pipeline with relevant projects in transitioning states	Low	Continue to identify and find creative and flexible project approval and implementation processes for the operations in transitioning states
Effectively communicating the ALSF brand	Low	Develop and implement a robust communication strategy
Possible stumbling blocks outside the control of the ALSF such as conflict, economic and social influences particularly when dealing with fragile situations	Medium	Closely work with other partners to find create ways of helping the countries in such situations

Moving ahead, our interventions will be closely aligned with the UN Sustainable Development Goals and the African Union 2063 Agenda to help transform the continent and lift millions out of poverty in Africa.

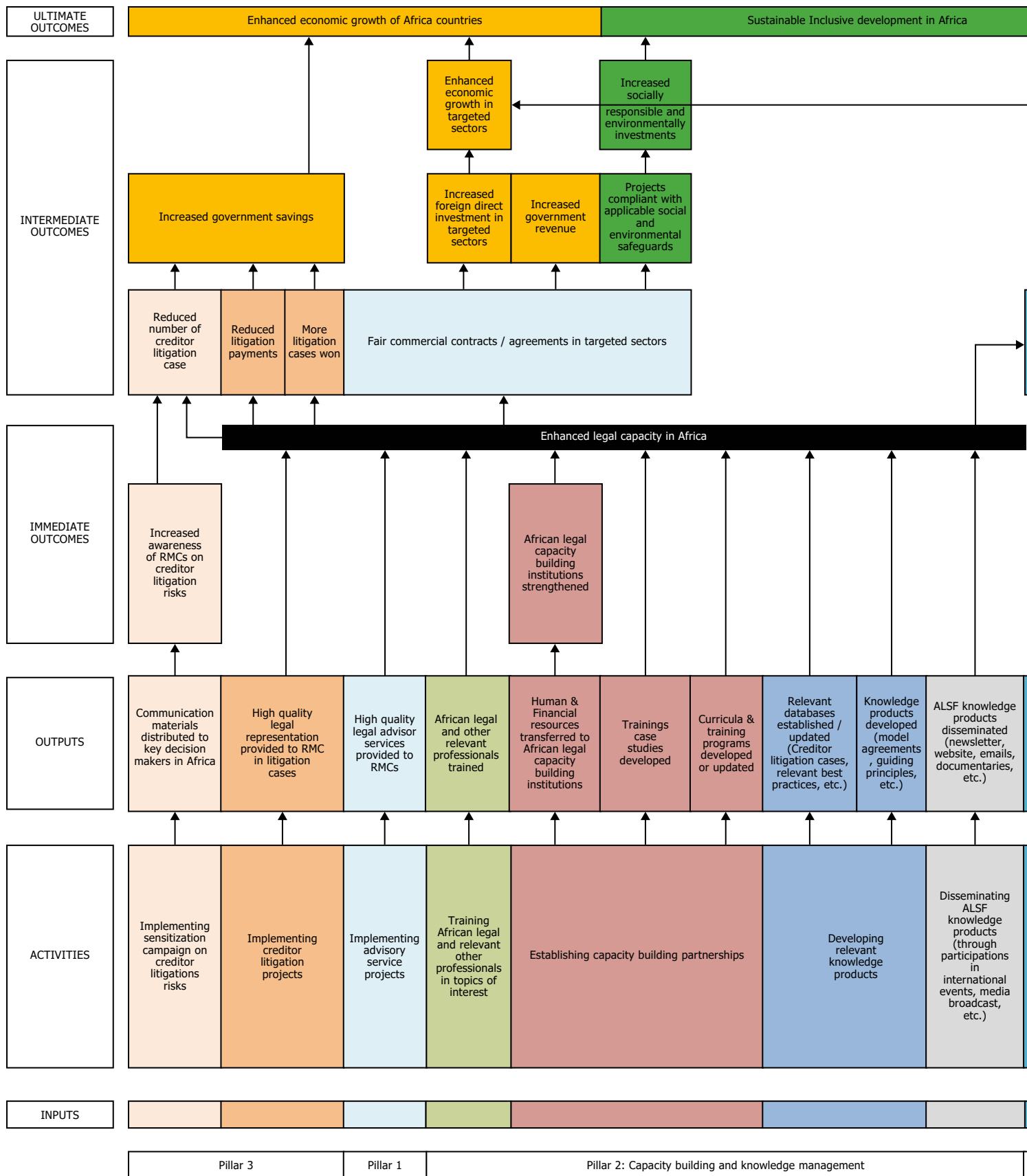


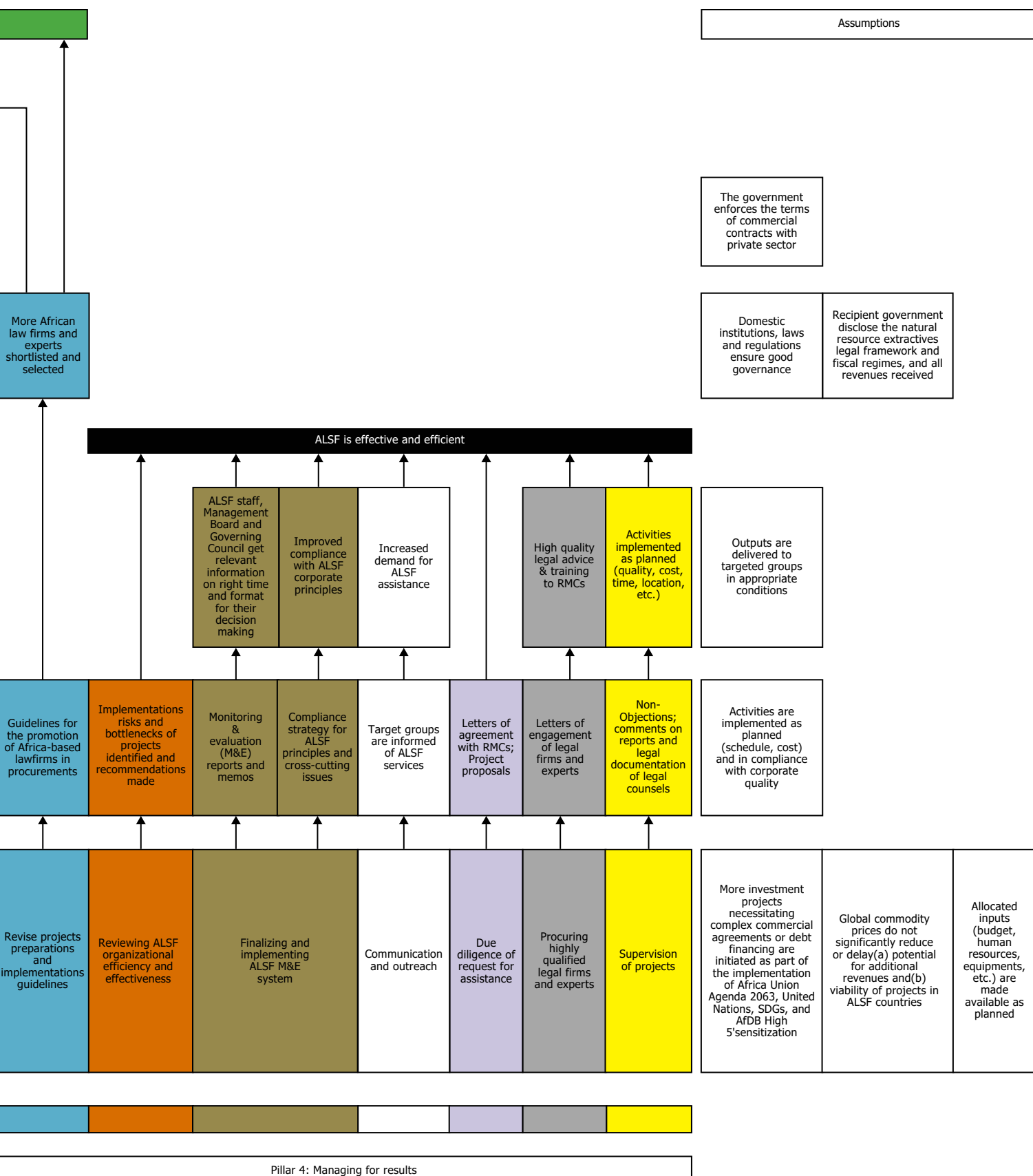


A n n e x e s

Annex I:

ALSF Logic Model





Source: ALSF Medium Term Strategy (2018-2022)

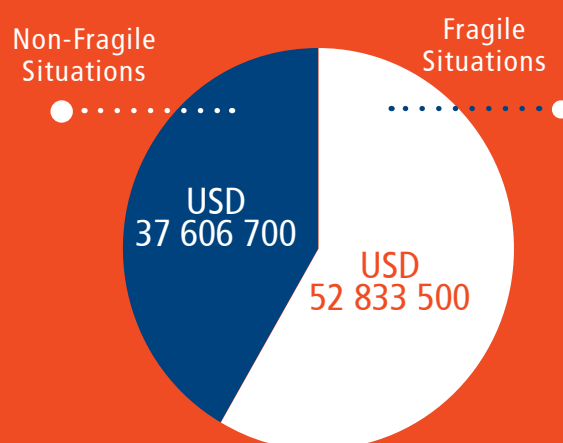
Annex II: Historical Overview of the ALSF Operations

By the end of 2019, the ALSF had cumulatively approved USD 90.4 million for 256 operations in more than 45 African countries. The graphs below indicate the evolution of the operations and the historical distribution of the ALSF's operations by priority areas, sector and country categorization.

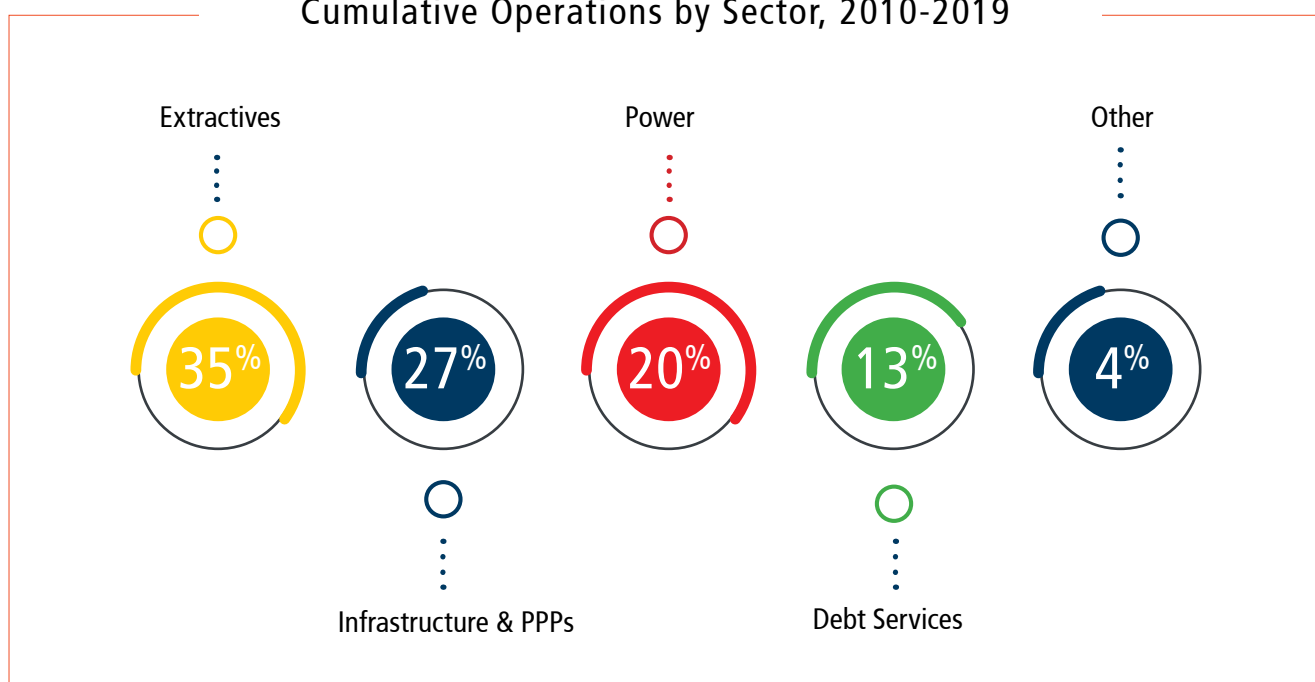
Cumulative Operations
by Priority Areas, 2010-2019



Cumulative Operations by Countries
on Initial Priority List of Countries
in Fragile Situations, 2010-2019



Cumulative Operations by Sector, 2010-2019



Annex III: Summary of the ALSF's Strategic Partnerships

Bilateral Partners	Collaboration
Department for International Development of the United Kingdom (DFID)	DFID's £ 6.3 million is targeted at: <ol style="list-style-type: none"> 1. Expanding legal assistance to African Governments to negotiate 10-12 additional extractive deals and infrastructure projects related to major oil, gas mining and related infrastructure projects (especially energy and transport) 2. Expanding training provision for African lawyers and legal specialists 3. Upgrading the ALSF's monitoring and evaluation framework to be clearer about its own results and improve the evidence 4. based reporting for the development impacts of high-quality legal assistance 5. Driving improvements to the value for money from contracts with world-class law firms
Government of Canada	Global Affairs Canada's CAD 10 million is targeted at: <ol style="list-style-type: none"> 1. Improving African countries' legal capacity to negotiate complex agreements related to extractive resources and related infrastructure, and 2. Capacity building in above ALSF focal areas
Government of Germany <ul style="list-style-type: none"> • GIZ • KfW Group 	The Government of Germany's 9 million Euros is targeted at: <ol style="list-style-type: none"> 1. Strengthening legal capacities of African governments to negotiate complex contracts in the extractives industry, infrastructure development and public private partnerships 2. Facilitating implementation of the Code of Conduct of the G7 CONNEX Initiative 3. Strengthening ALSF's internal strategic planning and monitoring and evaluation activities
Government of India	Supporting PPP Advisory Services in selected countries
European Commission	The European Commission's 5 million is targeted at: <ol style="list-style-type: none"> 1. Supporting the activities of the ALSF Medium Strategy (2018-2022). More specifically, the EC funds will assist Africa states to conclude balanced and sustainable agreements in the extractives industry, infrastructure, PPPs and agriculture
The Kingdom of Netherlands	Ministry of Foreign Affairs, Netherland's 5 million is targeted at: <ol style="list-style-type: none"> 1. Assisting African governments in the negotiation of complex commercial transactions relating to the extractive industries, infrastructure, and commercial debt 2. Assisting African governments in commercial disputes relating to vulture funds, and 3. Capacity building for African lawyers (both government and private) in above areas
Government of Norway	Royal Norwegian Ministry of Foreign Affairs' NK 30 million is targeted at: <ol style="list-style-type: none"> 1. Improving African governments capacity to respond to and manage external commercial litigation 2. Improving Africa's legal capacity to negotiate complex agreements in particular related extractive resources, infrastructure and debt, and 3. Coordinating capacity building directed towards African member countries in the ALSF focal areas
Power Africa Initiative/ United States Agency for International Development (USAID)	<ol style="list-style-type: none"> 1. USAID's USD 3 million is targeted at supporting and strengthening the ALSF so that it can serve as the primary source for the retention of competent legal counsel for resource constrained African countries especially with respect to negotiation of power projects 2. Potential collaboration with Real Clear Infra to develop technology for gathering and analyzing vast data on prior projects for use in creating products to assist in benchmarking terms and conditions, accelerate procurement, improve risk management, and help create data backbone for a liquid market for infrastructure loans.

Multilateral Partners	Collaboration
African Development Fund (ADF)	<ol style="list-style-type: none"> 1. Financing partner 2. Joint implementation of selected projects/programs
Islamic Development Bank	<p>IsDB's USD 1 million is targeted at:</p> <ol style="list-style-type: none"> 1. Legal capacity building 2. Negotiation of complex commercial transactions in the field of infrastructure, mining and natural resources 3. Private sector development and promotion of investments in the above areas
World Bank and the West African Development Bank	Cooperating on matters relating to PPPs
African Development Bank Group (AfDB)	<ol style="list-style-type: none"> 1. Founding and Hosting Institution. 2. Cooperating to ensure adequate know-how and logistics, as well as operational efficiency, particularly in terms of access to relevant networks throughout Africa, and to move further towards common development goals 3. Partners with various entities including departments and units within the Bank to facilitate selected projects and programs
African Natural Resources Centre (ECNR), AfDB	<ol style="list-style-type: none"> 1. Collaboration on projects in the natural resources and extractives sector, including advisory and capacity building projects in Ethiopia, Ghana, Somalia, Namibia, Eritrea, Niger, and Zimbabwe. 2. Joint sponsorship and participation in Mining Indaba 3. Development of Africa Petroleum Legislation Atlas 4. Collaboration on organizing and delivering a high level forum on addressing transfer pricing in the extractives sector at 2020 AfDB Annual meetings.
African Water Facility	<ol style="list-style-type: none"> 1. Jointly implementing a major water supply project between Ghana and Togo 2. Consultation on possible projects.
United Nations Economic Commission for Africa and the African Union	<ol style="list-style-type: none"> 1. Discussion in joint implementation (African Minerals Development Center) of the African Mining Vision - capacity building program on contract negotiations in the extractive resource industry with the Facility 2. Joint Implementation of the High-Level Report on Illicit Financial Flows (Mbeki report)
World Bank (Public Private Infrastructure Advisory Facility)	Cooperation in capacity building for the ALSF Public Private Partnership (PPP) program
World Bank (Legal Vice Presidency)	<ol style="list-style-type: none"> 1. Cooperation on the African Mining Legislation Atlas (AMLA) 2. Cooperation on development of a knowledge product – Regulatory Framework Review for Digital Technologies and the Changing Nature of Work in Africa's Mining Sector
World Bank (PPPIRC – Public Private Partnership Infrastructure Resource Center)	Cooperation on the PPPIRC database of PPP precedents and guidelines.
Africa Finance Corporation	Cooperation on identification of potential areas of assistance on behalf of governments
G7 CONNEX	<ol style="list-style-type: none"> 1. Cooperation to provide RMCs with extended and concrete expertise for negotiating complex commercial contracts, especially in the extractive sector and helping governments to generate substantial revenues from their resources 2. Collaboration in delivering the board room training programme and provision of technical expertise for ALSF projects where required

Other Partners	Collaboration
African Institute for International Law	Capacity Building and Networking possibilities
Africa Arbitration Association (AfAA)	Capacity building and networking possibilities Development of an Africa Arbitration Legislation Atlas
Centre International de Formation en Afrique des Avocats Francophones	Capacity Building and Networking possibilities
Columbia Center on Sustainable Investment	Capacity Building and Networking possibilities
Extractives Industries Transparency Initiative	Capacity Building and Networking possibilities
East African Law Society	Capacity Building and Networking possibilities
International Senior Lawyers Programme	Capacity Building and Networking possibilities
International Lawyers for Africa	Capacity Building and Networking possibilities
Pan-African Lawyers Union	Capacity Building and Networking possibilities
SADC Lawyers Association	Capacity Building and Networking possibilities
University of Cape Town, Strathmore University in Kenya, Eduardo Mondlane University Mozambique, University of Kigali, and other African Universities	Capacity Building and Networking possibilities
Natural Resource Governance Institute and Columbia Center on Sustainable Investment	Partnering to develop and maintain selected knowledge products
West African Institute for Financial and Economic Management	Partnering to develop and maintain selected knowledge products
Macroeconomic and Financial Management Institute of Eastern and Southern Africa	Partnering to develop and maintain selected knowledge products
The Collaborative Africa Budget Reform Initiative	Partnering to develop and maintain selected knowledge products
Geothermal Risk Mitigation Facility for Eastern Africa	Partnering to develop and maintain selected knowledge products

Annex IV: Signatories to the Agreement for the Establishment of the ALSF, 31 December 2019

	States/Organizations	Date of Signature	Date of Admission
1	Belgium	25/09/2008	
2	Benin	31/12/2008	
3	Brazil	18/08/2008	
4	Burundi	15/09/2008	
5	Burkina Faso	24/09/2008	01/07/2009
6	Cameroon	15/04/2009	31/05/2018
7	Cape Verde	05/03/2015	
8	Central African Republic	14/05/2009	
9	Chad	08/09/2008	14/11/2009
10	Comoros	25/10/2013	14/04/2014
11	Congo	09/12/2008	18/06/2009
12	Côte d'Ivoire	16/09/2008	
13	Democratic Republic of Congo	22/08/2008	
14	Djibouti	10/09/2008	11/12/2008
15	Egypt	05/08/2010	12/02/2014
16	Eritrea	20/12/2016	04/01/2017
17	Eswatini	06/12/2013	
18	Ethiopia	15/08/2008	02/12/2008
19	France	11/02/2013	04/04/2015
20	Gabon	13/10/2008	
21	Gambia	10/09/2008	23/08/2012
22	Ghana	10/06/2013	
23	Guinea	31/10/2008	01/06/2016
24	Guinea Bissau	12/09/2008	19/09/2008
25	Kenya	07/11/2008	
26	Lesotho	16/05/2014	
27	Liberia	12/12/2008	
28	Libya	25/08/2008	
29	Madagascar	05/09/2008	25/11/2008
30	Malawi	12/08/2008	

States/Organizations		Date of Signature	Date of Admission
31	Mali	15/12/2008	16/10/2009
32	Mauritania	14/05/2009	
33	Mauritius	22/08/2012	21/11/2012
34	Morocco	14/01/2011	28/06/2013
35	Mozambique	16/09/2008	
36	The Netherlands	26/03/2010	18/11/2011
37	Niger	13/05/2009	09/12/2014
38	Nigeria	31/07/2009	
39	Rwanda	08/08/2008	25/01/2011
40	São Tomé et Príncipe	08/08/2012	
41	Senegal	25/08/2008	28/11/2008
42	Seychelles	25/06/2009	
43	Sierra Leone	20/12/2008	15/05/2012
44	Somalia	18/02/2013	
45	Sudan	25/06/2009	
46	Sudan South	25/05/2012	
47	Tanzania	16/06/2009	
48	Togo	08/09/2008	04/11/2008
49	Tunisia	24/06/2009	24/12/2010
50	Uganda	29/07/2008	
51	United Kingdom	17/12/2009	11/12/2014
52	Zambia	02/12/2008	22/12/2008
53	Zimbabwe	14/10/2008	
Organizations		Date of Signature	Date of Admission
54	African Development Bank (AfDB)	10/02/2009	NA
55	Africa Finance Corporation	01/08/2014	NA
56	African Union (AU)	23/08/2010	NA
57	Islamic Development Bank (IsDB)	11/06/2013	NA
58	The ECOWAS Bank for Investment and Development (EBID)	30/10/2012	NA
59	West African Development Bank (BOAD)	05/04/2011	NA
60	Organization for the Harmonization in Africa of Business Law (OHADA)	23/06/2009	NA

Annex V: Composition of the Governing Council and Management Board Members

Members of the Governing Council, 2019-2021

States/Institutions	Electoral College		Name of Representatives
Ghana	RMCs of the AfDB	West	Mrs. Mangowa Ghanney
Rwanda	RMCs of the AfDB	Central	Mr. Rugeri Nkusi Christian
Mauritius	RMCs of the AfDB	South	Mr. Gerard Pascal Bussier
Somalia	RMCs of the AfDB	East	HE Abdirahman D. Beileh
Egypt	RMCs of the AfDB	North	Mr. Khaled Seliman
Islamic Development Bank (ISDB)	International Organization		Dr. Mansur Adetokunbo Noibi
African Development Bank	AfDB		Mr. Charles Boamah
Belgium	OECD		Mr. Denis Dubuisson
France	OECD		Mr. Dominique Lebastard
Netherlands	OECD		Mr. Pim De Keizer
United Kingdom	OECD		Mr. Paul Simister
Brazil	Non-OECD		Mr. Rafael Ranieri

Alternate Members of the Governing Council, 2019-2021

States/Institutions	Electoral College		Name of Representatives
Liberia	RMCs of the AfDB	West	Vacant
Cameroon	RMCs of the AfDB	Central	Mr. Valentin Lah Kouatou
Zambia	RMCs of the AfDB	South	Mr. Jacob Mkandawire
Uganda	RMCs of the AfDB	East	Mr. Christopher Gashirabake
Tunisia	RMCs of the AfDB	North	Mrs. Sonia Zouaoui
Organization for the Harmonization in Africa of Business Law			Dr. Boubakar Sidiki Diarrah

Current Members of the Management Board

Gaston Kenfack Douajni

He is the Director of Legislation at the Ministry of Justice in Cameroon. He holds a Doctorate in International Economic Law from the University of Paris I (Pantheon Sorbonne) obtained in 2005, a Certificate on Trade, Negotiations and Settlement of Trade Disputes from the Kennedy School of Government, Harvard University (USA) (2004). He is the Editor of the "Revue Camerounaise de l'Arbitrage", the President of the Association for the Promotion of Arbitration in Africa and the Chairman of the 49th Session of United Nations Commission on international Trade Law. He also teaches in different universities around the world.

Eva Jhala

An accomplished lawyer, currently managing a large law firm in Zambia. She has extensive experience in private practice. Notably, Mrs. Jhala was also Permanent Secretary of the Ministry of Justice in Zambia and she has a good knowledge and understanding of ongoing needs of African lawyers.

Nimatou D. Feliho

She is currently the General Counsel of the West African Development Bank (BOAD) which is member of the ALSF, and previously served on the Governing Council of the ALSF. She is knowledgeable about the Facility and has vast experience in international financing.

Rafique Mahomed

Mr. Mahomed is currently the Chief Executive Officer at Mozambique Celular and Mozambique Telecom. He is a former AfDB Board member who has represented Angola, Mozambique, Namibia and Zimbabwe, and who has previously served as a member of the ALSF's Governing Council. His addition to the Management Board confers a wealth of maritime law, banking, investment, and tourism experience onto the Facility's Board.

As the Board provides operational guidance to the ALSF's staff, Mr. Mahomed's diverse experience as cabinet member of the Mozambique government, as the Director General of the Mozambique Investment Promotion Center, and as a member of the Board of Directors of Standard Bank in Mozambique, will prove to be an asset to the Board.

Bruce Montador

Mr. Montador is very familiar with the work of the AfDB and the ALSF, as he was the Executive Director representing Canada, China, Korea and Kuwait at the AfDB from 2007 to 2011, the period when the ALSF was set up. Prior to that, he was Vice-President, Multilateral Programs at the Canadian International Development Agency, and thus responsible for Canada's relations with the AfDB, and before that as General Director, International Trade and Finance at the Canadian Department of Finance, he was the Alternate Governor for Canada of the AfDB (and the other regional development banks). Currently, in addition to his work with the ALSF, Mr. Montador is Chair of the Africa Study Group of the National Capital Branch of the Canadian International Council and Board member and Treasurer of CODE, a Canadian NGO promoting literacy and children's book publishing in Africa.

Stephen Karangizi, Ex-officio Member

He has been the Director of the ALSF since October 2011. He is responsible for the day-to-day administration of the Facility and oversees all the Facility's projects including in the infrastructure, extractives, and energy sectors and sovereign debt management and litigation, as well as projects related to investment agreements and commercial and business transactions. He also acts as the legal representation of the institution.



Annex VI: Current Financing Partners



AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
DE DEVELOPPEMENT

Co-funded by
the European Union



Global Affairs
Canada

Affaires mondiales
Canada



Government of India



KFW



Ministry of Foreign Affairs
of the Netherlands



NORWEGIAN MINISTRY
OF FOREIGN AFFAIRS



