



**MEDIUM-TERM STRATEGY**  
**2023-2027**



“Accelerating Progress for Greater Impact”



## African Legal Support Facility

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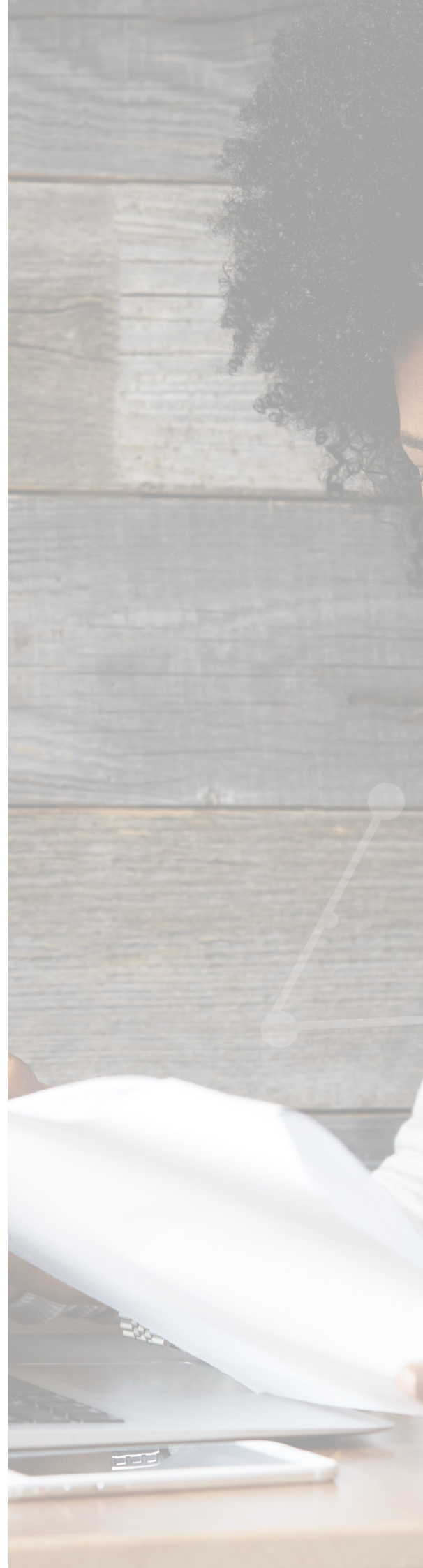
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A photograph of a man and a woman looking at a document together. The man is wearing glasses and a pink shirt, and the woman is wearing a white top. A network diagram with nodes and lines is overlaid on the bottom right of the image. A semi-transparent circle is positioned behind the text.

# African Legal Support Facility

Medium-Term Strategy  
**2023 - 2027**

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# Acronyms



AEO	African Economic Outlook
AfCFTA	African Continental Free Trade Area
AfDB	African Development Bank
ALSF	African Legal Support Facility
AMV	Africa Mining Vision
AU	African Union
CB	Capacity Building
COP	The UN Climate Change Conference of the Parties
COVID-19	Coronavirus Disease 2019
CSOs	Civil Society Organisations
DFIs	Development Finance Institutions
ESG	Environment, Social and (Good) Governance
EITI	Extractive Industry Transparency Initiative
FDI	Foreign Direct Investment
GC	Governing Council
GDP	Gross Domestic Product
HIPC	Highly Indebted Poor Countries
ICT	Information Communication Technology
IFF	Illicit Financial Flows
IMF	International Monetary Fund
KM	Knowledge Management
MB	Management Board
M&E	Monitoring and Evaluation
MEL	Monitoring, Evaluation, and Learning
MoU	Memorandum of Understanding
MTS	Medium Term Strategy
MW	Megawatts
NGOs	Non-governmental Organisations
PMF	Performance Measurement Framework
PPPs	Public-Private Partnerships
RAAA	Rapid Assistance and Assessment Allocation
RECs	Regional Economic Communities
RMCs	Regional Member Countries
SDGs	Sustainable Development Goals
SI	Strategic Intervention
SO	Strategic Objective
SP	Strategic Pillar
ToC	Theory of Change
TS	Transition States (countries where the main development challenge is fragility)
TSF	Transition Support Facility
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
USD	United States Dollars
WB	World Bank

# Foreword by the Chairman of the Governing Council



*Christopher Chalmers  
Chairperson of the ALSF Governing  
Council, Executive Director for  
Italy, Netherlands, & UK, African  
Development Bank Group*

The Medium-Term Strategy 2023-2027 (MTS) is notable among the strategic plans of the ALSF. It is the third in the series of medium-term strategies of the ALSF but the first since the mandate of the ALSF was extended by the Governing Council for a further 14 years from 2023 - 2036. In extending the term of the ALSF, the Governing Council acknowledged the remarkable successes of the Facility in its previous 14 years' existence and took note of the continued relevance of the Facility to African countries, as demonstrated by the Regional Member Countries' unanimous request for extension of the term of the ALSF in their High-Level Meeting held in Abidjan in February 2020.

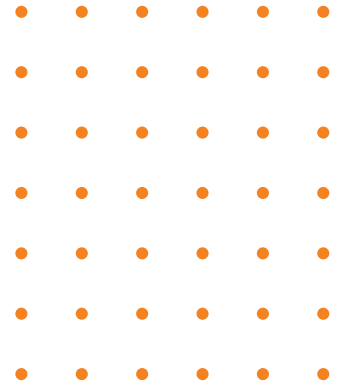
As the first strategic plan in the new term of the Facility, the MTS reinforces the choices of the last five years, building on lessons learnt and addressing existing and emerging challenges on the continent. More specifically, it is

an ambitious and forward-looking strategy that seeks to ensure the provision of immediate and relevant legal and technical capacity to the Regional Member Countries to enhance the impacts of sovereign commercial transactions while rapidly developing and expanding local capacities to maximise future opportunities and adequately respond to the challenges of tomorrow.

The MTS was developed through an extensive stakeholder consultation process which included the ALSF Governing Council, Management Board, management and staff, the Regional Member Countries, Donors, and other strategic and implementation partners. The consultations confirmed the need for enhanced legal capacity in Africa to promote fair and equitable transactions between African governments and investors and urged the utilisation of such capacity towards sustainable development ends. The respondents further required the ALSF to extend support to the Regional Member Countries in navigating and addressing the complexities in emerging issues such as COVID-19, illicit financial flows, climate change and the energy transition, and digitalisation. The MTS therefore integrates these critical issues as well as the traditional crosscutting issues (Environmental Social and Governance (ESG) and gender equality) in providing Advisory Services and Capacity Building support to the Regional Member Countries in respect of energy, natural resources and extractives, infrastructure PPPs, and public finance transactions and

investment disputes resolution.

Having laid out this elaborate plan to accelerate progress for greater impact, the ALSF counts on the support of the RMCs and its strategic and financial partners to ensure successful implementation of the MTS.





# Preface by the Director and Chief Executive Officer



*Olivier POGNON,  
Director and CEO*

Since its establishment in 2008, the ALSF's operations have grown significantly. More importantly, the growth in the Facility's operations have resulted in increased and enhanced support to African countries. By June 2022, the ALSF had provided advisory and capacity building support to more than 45 African countries. Altogether the outcomes of the projects undertaken during the previous MTS 2018 - 2022 include the negotiation of 65 fair and equitable contracts and transactions, and training of 12,533 African lawyers and public officials.

Other benefits derived from the ALSF's interventions include enhanced governance and environmentally sustainable projects, increased savings and revenues of African governments, increased private sector investments, contribution to about 8,225 MW of electricity generation capacity, and creation of about 392,322 direct and indirect jobs. An evaluation of the MTS 2013 - 2017 and the mid-term review of the MTS 2018 - 2022 underscored the good performance of the ALSF and

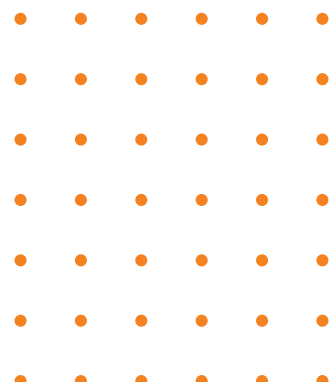
its continued relevance to the needs of RMCs and contributed to the extension of the term of the Facility for a further 14 years from 2023 - 2036.

This current MTS was developed after extensive consultations with the ALSF's stakeholders. The MTS recognises the remarkable growth of the ALSF and seeks to accelerate the progress made so far to maximise the development impacts of the ALSF's interventions. Thus, the MTS focuses on intensifying and expanding the achievements of the ALSF by improving the quality and volume of operations, strategically developing African legal capacity, and enhancing the benefits of the ALSF's interventions.

The MTS comprises 3 Strategic Pillars (SP): SP 1 - Advisory Services; SP 2 - Capacity Building, Knowledge Management, and Institutional Support; and SP 3 - Managing for Results. The Strategic Pillars are founded on various Strategic Objectives and Strategic Interventions which will be implemented towards achieving the ALSF vision of enhanced legal capacity for Africa's sustainable development. Under this MTS, SP 1 (Advisory Services) is expanded to encompass delivery of sustainable transactions, fair dispute resolution, and risk awareness for transactions. SP 2 (Capacity Building, Knowledge Management, and Institutional Support) is intended to reinforce the capacity building mandate of the ALSF and integrates a full range of activities required to ensure availability of knowledge resources, development of toolkits, and enhancement

of individual and institutional capacity. SP 3 (Managing for Results) highlights the internal institutional arrangements required to ensure effectiveness of the other strategic pillars, including effective oversight and feedback, enhanced subject matter expertise, improved partnerships, and communications. To enhance sustainability, the Strategic Interventions integrate an expanded list of crosscutting issues, and include Environment, Social and (Good) Governance (ESG), climate sustainability, gender and youth, IFFs, and digitalisation.

The previous strategic plans of the ALSF have ensured that the ALSF has established a strong foundation and track record of achievements and gained the respect and confidence of RMCs and other stakeholders. These attributes are critical for the successful implementation of the current MTS which will go a long way to support African countries and their peoples to develop and enhance critical legal and technical skills and obtain optimal benefits from sovereign transactions.



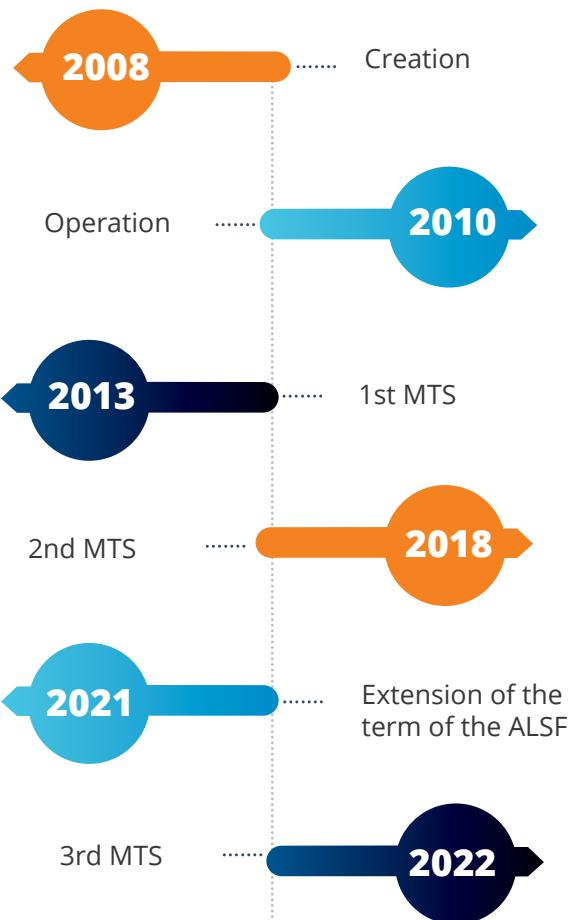
# 1. Introduction

## Purposes for Establishment of the ALSF

The African Legal Support Facility (ALSF or the Facility) was established by the African Development Bank on 22 December 2008. However, since 2003 African Ministers of Finance had been calling for an institution to assist African countries to address challenges arising from commercial creditor litigation (especially for Highly Indebted Poor Countries – HIPC) and negotiation of investment and commercial contracts. The disproportionate legal and technical capacity of African governments often resulted in poorly negotiated contracts with sub-optimal or little benefits or impairments such as increased sovereign debt and environmental liabilities. Thus, the ALSF was established as an international organisation to provide legal and technical assistance and capacity building to African governments engaged in commercial creditor litigation and negotiation of complex commercial transactions.

“The purposes for which the Facility is established are: (i) To provide legal advice and services to African countries in creditor litigation; (ii) To provide technical legal assistance to African countries to strengthen their legal expertise and negotiating capacity in matters pertaining to: (a) debt management and litigation; (b) natural resources and extractive industries management and contracting; (c) investment agreements; and (d) related commercial and business transactions, as the case may be; and (iii) To strengthen legal capacity building process in African countries.” - Article II (1) of the Treaty establishing the ALSF.

Since commencing operations in 2010, the Facility has been providing legal and technical advice and capacity building to its regional member countries (RMCs) in 5 main sectors – sovereign debt management, natural resources and extractives, energy, infrastructure Public-Private Partnerships (PPPs), and investment agreements and dispute resolution. The ALSF also develops and maintains related information resources to enhance RMCs’ knowledge and capacity. The interventions of the Facility promote fair, equitable, bankable, balanced, and sustainable transactions that deliver value to African countries while protecting their sovereign rights. The Facility has 60 members, comprising 53 countries (of which 49 African countries) and 7 international organisations, including the African Development Bank.<sup>1</sup>



1. As at June 2022.



# Achievements

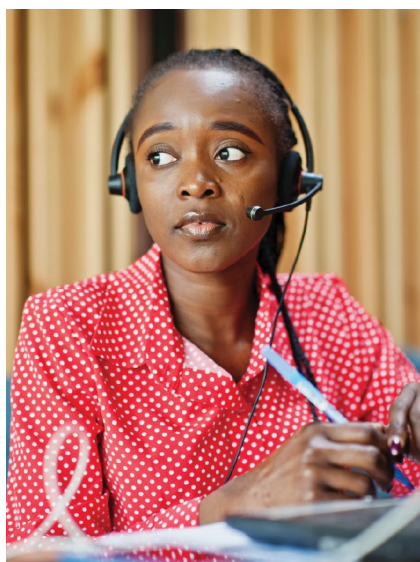
The ALSF is the foremost and only African institution providing legal support to African governments. The Facility has a robust governance structure that promotes transparency and accountability. The ALSF's efficient procurement and panel framework facilitates accessibility to a wide range of legal and technical experts and law firms as well as rapid and timely support for RMCs requesting legal assistance for various transactions. The ALSF involvement

in a project guarantees value for governments and investors, such as - balanced transactions, transparency, durability, efficient contract management, competitive transaction costs, and value for money.

To date, the Facility has disbursed about USD 103 million to support 292 projects in more than 45 African countries. Among others, these projects have led or contributed to - enhanced legal and technical

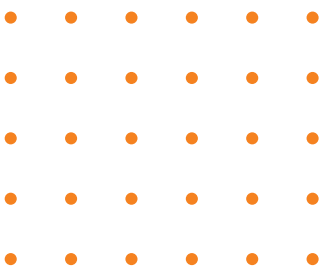
capacities of African countries; fair and balanced contracts; increased investments; rehabilitation and development of new infrastructure; increased power generation capacity, especially from clean energy sources; enhanced government revenues or savings; increased economic opportunities; creation of jobs; provision of basic services; and improvement in the lives of Africans generally.

Total Cumulative Budget	Total Projects	African Countries Supported	African Lawyers & Public officials Trained
<b>103</b> Million USD	<b>292</b>	<b>+45</b>	<b>+12,500</b>



## Key results of the ALSF's activities during the 2018-2022 MTS period

	Achievements	Indicators
<b>A. High quality legal advice and capacity building provided to African countries</b>	1. Number of agreements concluded with governments to negotiate complex commercial transactions and commercial creditor litigations	Baseline value: 12 (2018) Target value: 60 (2022) Actual value: 42 (2021)
	2. Number of African legal professionals and government officials trained on negotiation of complex commercial transactions or commercial creditor litigations	Baseline value: 5,000 (2018) Target value: 12,000 (2022) Actual value: 12,533 (2021)
	3. Partnerships/ sponsorships established with other capacity building programs and institutions within the continent	Baseline value: 23 (2018) Target value: 30 (2022) Actual value: 31 (2021)
	4. Number of legal professionals enrolled and mentored through the ALSF academy	Baseline value: 150 (2018) Target value: 1,000 (2022) Actual value: 1200 (2021)
<b>B. Enhanced Knowledge Management</b>	5. Number of knowledge products available and distributed	Baseline value: 6 (2018) Target value: 30 (2022) Actual value: 59 (2021)
	6. Number of followers/ users per year on ALSF social media and supported websites - AMLA, ALSF Academy, ALSF website	Baseline value: 526 on Twitter; 604 on LinkedIn (2019); 0 ALSF Academy registered users (2019)  Target value: 1,000 on Twitter; 1,000 on LinkedIn (2022); 5,000 on ALSF Academy (2022)  Actual value: twitter 758, LinkedIn 3210 (2021); ALSF website 11,115 (2022); ALSF Academy registered users 1,200 (2022)
	7. Number of webinars conducted	Baseline value: 0 (2018) Target value: 50 (2022) Actual value: 34 (2021)



	Achievements	Indicators
<p><b>C. Contribution to enhanced economic growth and sustainable inclusive development in African countries</b></p>	<p>8. Savings and enhanced revenues for African governments resulting from ALSF interventions</p>	<p>Baseline value: USD 926 million (2018) Target value: USD 20 Billion (2022) Actual value<sup>2</sup>: USD 14.8 Billion (2021)</p>
	<p>9. Increase of private sector investment resulting from ALSF interventions</p>	<p>Baseline value: USD 926 million (2018) Target value: USD 20 Billion (2022) Actual value: USD 21.9 Billion (2021)</p>
	<p>10. Increase in generation capacity from projects supported by the ALSF (MW)</p>	<p>Baseline value: 2,994 MW (2018) Target value: 6,000 MW (2022) Actual value: 8,225 MW (2021)</p>
	<p>11. Direct jobs and indirect jobs created by projects supported by ALSF</p>	<p>Baseline value: 162,900 (2018) Target value: 300,000 (2022) Actual value: 392,322 (2021)</p>
<p><b>D. Cross-cutting issues</b></p>	<p>12. Enhanced governance, social and environmental sustainability, and gender equality</p>	<p>Improved projects due diligence, environmental and social impact assessments, and public participation; review and improvement of legal and regulatory regimes; enhanced institutional capacities; review and improvement of contract terms; contract transparency, improved contract implementation; and contract management.</p>

2. Aggregated from projects where through ALSF interventions, the governments have been able to generate revenue or make savings for the governments (Guinea Bissau-China Exim-\$45 million Cameroon Eurobond-\$750 million, Senegal Eurobond-\$2.4 billion Gambia Sovereign-\$175m, Sudan Sovereign Debt:\$ 14.1 billion, Somali Debt-\$ 649 million, Zimbabwe commercial Creditor litigation: \$72 Million)





## Lessons Learned

The Facility has gained significant experience from implementing numerous projects under previous medium-term strategies, from which the lessons learned are relevant for improving support to RMCs. The lessons learned from the implementation of previous medium-term strategies include:

### Optimising Support for RMCs

The impacts of the COVID-19 pandemic highlighted the need for the ALSF to regularly review, streamline and adapt its processes to ensure efficiency in projects implementation. The use of cost-effective instruments at the initial stages of some projects, such as the ALSF's Rapid Assistance and Assessment Allocation (RAAA) tool, especially in Transition States, enabled a deeper and more progressive due diligence and phasing of projects. This also enabled the Facility to manage its financial resources efficiently as well as to assess the viability, bankability, risk balance, and debt sustainability of projects before making appropriate commitments.

### Building Trust

The ALSF has attained a deeper understanding of various African countries' unique needs and challenges through its close relationship with and extensive network within African governments. Thus, the ALSF is often the agent that propels or brings together governments and their sectoral agencies to act collectively, expeditiously, and responsibly in regard to important transactions. The confidence retained by RMCs in the ALSF as a trusted development partner empowers the ALSF to develop innovative methods and tools in the interest of RMCs.

### Specialisation

The ALSF has evolved from supporting a few requests in a limited number of sectors to providing more complete legal and technical support for various sovereign commercial transactions. These include transactions relating to sovereign debt, natural resources and extractives, power, infrastructure PPPs, and investment agreements and dispute resolution, as well as capacity building relating to these transactions. However, the increase and expansion in the Facility's service offerings required more efficient and effective implementation of its mandate to ensure that RMCs continued to be provided with high quality services. Accordingly, the ALSF developed and deployed a sectoral approach which involves the use of specialised teams and experts in its focus areas to provide the targeted services required by RMCs. The sectoral approach, which focuses on - sovereign debt, infrastructure PPPs, natural resources and extractives, energy, and investment agreements and dispute resolution - is facilitating greater specialisation within the ALSF as well as improving the quality and efficiency of projects and enhancing impacts.

### Leveraging Partnerships

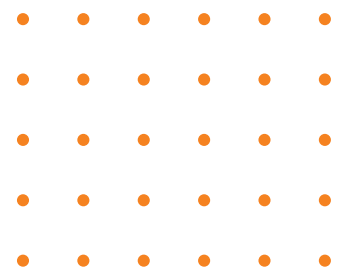
The partnerships that the Facility has established over time have been a key success factor in the effectiveness of its activities. However, as the ALSF has grown, the number of partners has increased. While the ALSF continues to collaborate with various partners, a more strategic and coordinated approach is required to ensure optimal and mutually beneficial outcomes for the ALSF, its partners, and RMCs. Going forward, the ALSF will develop a framework to identify relevant partners and to share resources efficiently to

provide support to RMCs. For instance, in the natural resources and extractives sector, the ALSF will strengthen its collaboration with the AfDB's African Natural Resources Centre of (ANRC), the CONNEX Support Unit, and the Columbia Centre for Sustainable Investments (CCSI) to ensure appropriate policy and regulatory frameworks and other technical capacities required to negotiate fair and sustainable contracts for African governments.

### Utilisation of African Law Firms

Over the course of the ALSF's existence, some progress has been made in utilising African law firms for ALSF's projects. While African law firms are increasingly better organised and expanding in scope and expertise and geographically, many governments are keen to retain similar law firms that advise their counterparties - which invariably are non-African international firms. But also, many African law firms are affiliated with non-African counterparts and are contributing significantly to major transactions on the continent. The ALSF recognises its pivotal role in enhancing the capacities of African law firms and progressively providing them with more opportunities for participating in key transactions that involve RMCs.





## Challenges

### Financial Sustainability

The ALSF has successfully mobilised more than USD 100 million from various donors for its operations since it was established. However, more financial resources are required to enable the Facility to continue supporting RMCs. Incidentally, requests from RMCs are increasing especially on account of the superior value of the ALSF's assistance and the recent extension of the term of the Facility.

On the other hand, the ALSF Risk Management Framework also highlights the significant risk of non-disbursement of donor funds and RMC defaults of contributions and repayment of loans. To overcome these challenges, the Facility has developed processes to sustain its projects pipeline and established practical mechanisms for contributions by RMCs and beneficiaries of ALSF support, as well as qualified private entities.<sup>3</sup> It is anticipated that these measures will begin yielding results in 3 to 5 years, as RMCs recover from the economic impacts of the COVID-19 pandemic. In the meantime, the Facility will intensify its resource mobilisation efforts, and venture to expand its pool of donors to raise the required funds for its operations. In the medium to long term, this will ensure successful RMCs projects to support RMCs' contributions.

### Political and Socio-Economic Uncertainties

The impact of global and local political incidents as well as unexpected events such as natural disasters, wars, pandemics, etc., on development is obvious and immense. Political instability, along with incidents that result in or exacerbate fragility in RMCs, affect the socio-economic development of RMCs and reverse any progress made

by some countries. This challenge is recognised in the ALSF's Risk Management Framework which accounts for political, legal, and regulatory risks, as well as external risks such as natural disasters, wars, epidemics, pandemics, and terrorism. In view of this, the ALSF would require significant resources to provide the legal and technical capacities needed to re-establish socio-economic progress. However, external political factors may affect the availability of resources for supporting RMCs.

To overcome or mitigate these challenges, the ALSF's support to RMCs will seek to propagate the relevant capacities as broadly as possible and to develop strong institutional capacities to withstand or manage such shocks. As well, in line with the Risk Management Framework, the ALSF will look to put in place a comprehensive due diligence framework that can address issues as and when they arise, undertake consensus building through routine engagement with stakeholders, and integrate good governance - including accountability and transparency systems - across all projects. The ALSF will also utilise its Management Information System (MIS) to facilitate the remote management and review of interventions that take place in countries that might be affected by such external risks.

### Measuring Impact

There are real and circumstantial indications of the contribution of legal and technical capacity to sustainable development. For instance, there is a correlation between enhanced fiscal provisions in contracts and increased revenues that are utilised for productive or development outcomes. But not all aspects of the ALSF's support lend themselves easily to the typical metrics

for measuring impact, such as facilitating collaboration between government agencies for negotiations, utilisation of knowledge products, and capacity building. The information obtained from enhanced methods of measuring impact is relevant for making the ALSF's services more responsive and improving support to RMCs, generally. Therefore, a robust Monitoring, Evaluation, and Learning (MEL) framework will be required to facilitate reporting on the linkages between ALSF activities, outcomes, and impacts. This will eliminate the risk of non-achievement of the ALSF's purpose of achieving enhanced legal capacity on the African continent. The ALSF Risk Management Framework captures this as a low strategic risk which will be mitigated by implementation of the MTS.

3. The ALSF's Private Entity Funding Framework adopted in 2019 allows the Facility to receive contributions from Private Entities subject to specified conditions and upon the approval of the Governing Council.



## Opportunities

### Increasing Demand for Existing Services and Emerging Priorities

The ALSF's comparative advantage is grounded in the fact that it was established because of a clear demand by African countries for a legal support facility of this nature, and it is the only African entity that addresses legal issues to support the delivery of complex commercial projects across the continent. However, over time, various entities have been established that provide similar services in one form or another – a further indication of the need for such services. In addition, there has also been a marked increase in the demand for the services provided by the ALSF and for capacities to address the emerging priorities on the continent, such as climate change and illicit financial flows. This presents an opportunity for enhanced coordination between the ALSF and other entities to expand the extent of the legal and technical capacity support that is provided to RMCs.

### Potential for Increased Collaboration with AfDB

The ALSF is hosted by the AfDB which is also its largest benefactor. This arrangement presents significant opportunities for win-win outcomes for the ALSF, the AfDB, and RMCs. Already, the support provided by the ALSF to Transition States enhances their readiness for large-scale investment projects financed by the AfDB and other DFIs, and hence increases the chances for successful projects and outcomes. Going forward, in closer liaison with the AfDB, the ALSF will increase its assistance to Transition States by providing legal and technical support for ensuring sustainable projects as well as strengthening capacities. The ALSF will also leverage the vast trove of information available through the AfDB as well as AfDB initiatives and financing to continue supporting cross-border projects and projects aimed at mitigating climate change and stopping illicit financial flows.

### Evolving Landscape of Technology and Knowledge Transfer

To take advantage of the opportunities for growth and industrialisation in an era of digitalisation, African countries must establish appropriate policies and develop relevant technical capacities to create and share in the global value chains of the emerging economy. Investments, negotiations, and projects will be facilitated or developed through mechanisms that utilise and rely on digital know-how and compliance. As a trusted development partner of African countries, the ALSF has a unique opportunity to support African countries to understand and utilise digital concepts to ensure maximum benefits under investment transactions and to avoid unfair treatment and exploitation, including through utilising digital technologies in collecting, verifying, analysing, publishing, negotiating, and reviewing contract terms, as well as training African legal professionals.

### Energy Transition and Climate Sustainability

As the world takes bold measures to combat climate change and transition to a low carbon economy through renewable resources, there will be increasing demand for energy transition minerals – which abound on the continent. This provides an opportunity for RMCs to not only adopt sustainable energy for their development but to also capitalise on the opportunities for industrialisation and maximising their share of global value chains based on these minerals. To ensure that Africa countries are not unduly disadvantaged, the ALSF will intensify its support to RMCs to negotiate a fair and equitable transition, and to develop appropriate regulatory frameworks and competent institutions to negotiate climate responsible contracts that are beneficial, fair, and balanced.

### Promoting transparency and sustainability of public finance

The impact of COVID-19 on African economies raises the spectre of debt distress, similar to the HIPC era for which the ALSF was established. But with the lessons learned from supporting countries with commercial creditor litigation and sovereign debt management, the ALSF is well positioned to assist governments to ensure sustainable management of their public finances. The ALSF support includes review of country financing arrangements, and relevant legislation and legal frameworks and, assessment of the potential impact of contingent liabilities and collateralized debt arrangements due to sub-national and state-owned entity debt. The ALSF also provides advisory support in relation to debt reconciliation, creditor outreach/engagement, debt reprofiling, and debt restructuring, and training to enhance debt management skills, and understanding of debt relief programmes. In the current economic climate, the ALSF will harness its resources to provide rapid support to avert financial crises and restore investor confidence. The ALSF will also emphasise transparency, accountability, and the Principles for Stable Capital Flows and Fair Debt Restructuring in Emerging Markets to ensure sustainable public financial management.

## 2. Global Developments Shaping ALSF Priorities

While the mandate of the ALSF is unambiguous, global developments often have an impact on African countries and may require the ALSF to calibrate or readjust its legal support to maximise development outcomes or benefits to RMCs. This chapter highlights recent global or continental developments that were taken into consideration in developing the priorities under the MTS.



### Persisting Legal and Technical Capacity Challenges

Capacity building has been considered the cornerstone for African development for the past six decades. However, most of the capacity support has been fragmented, focused on sector-specific capacity building approaches, and inadequately deployed. The World Bank has long underscored the importance of capacity building in Africa as a core objective of strengthening knowledge, while also emphasising the need to transform traditional capacity building tools to improve results.<sup>4</sup> Furthermore, the United Nations Department of Economic and Social Affairs highlights the importance of capacity building to promote the integration of the Sustainable Development Goals (SDGs) into national sustainable development planning frameworks.<sup>5</sup> More significantly, the ALSF's own achievements underscore the relevance of legal

capacity for addressing social and economic challenges in African countries. But persistent capacity challenges translate into organisational and institutional weaknesses, and negatively impact on the capacity to negotiate effectively, resulting in inequitable transactions and sub-optimal benefits for African countries.<sup>6</sup> Thus, legal capacity development that incorporates sound technical and practical skills development and sustainability principles is necessary to foster sustainable development

### Effects of COVID-19

The COVID-19 pandemic has caused a surge in public financing needs as governments stretch their limited resources to mitigate the socio-economic impacts of the pandemic. The AfDB African Economic Outlook 2021 estimated that in 2020, RMCs required additional gross financing of up to USD 154 billion to respond to the crisis.<sup>7</sup> This has had a large immediate direct impact on

government spending, budgetary balances, borrowing needs, and debt levels. Per the African Economic Outlook (AEO) 2022,<sup>8</sup> the surge in government financing needs due to the pandemic has also triggered an increased risk of external debt distress in Africa. Besides 28.7 million more Africans sliding into extreme poverty in 2021 relative to pre-COVID-19 projections, low vaccination rates on the continent could further constrain economic recovery and perpetuate the impacts of the pandemic. RMCs will therefore require highly specialised and practical skills to negotiate fair and favourable terms to keep their economies afloat. Apart from the impact on debt, COVID-19 has exposed the inadequacies and weaknesses of Africa's health infrastructure. Thus, significant resources are being directed towards developing appropriate health infrastructure across Africa.<sup>9</sup>

4. See: Capacity Building in Africa, World Bank Operations Evaluation Department, 2005.

5. See: Capacity Development related to SDG Goal 17 - Strengthen the means of implementation and revitalize the global partnership for sustainable development: <https://sdgs.un.org/topics/capacity-development>.

6. <https://www.law.ox.ac.uk/business-law-blog/blog/2018/04/creating-level-legal-playing-field-africa-evaluation-african-legal>.

7. AEO 2021 - From Debt Resolution to Growth: The Road Ahead for Africa, AfDB 2021 (<https://www.afdb.org/en/documents/african-economic-outlook-2021>).

8. AEO 2022 - Supporting Climate Resilience and a Just Energy Transition in Africa, AfDB 2022 (<https://www.afdb.org/en/documents/african-economic-outlook-2022>).

9. E.g., USD 3 billion will be invested in Africa's pharmaceutical industry over the next 10 year under the African Development Bank's Quality Health Infrastructure for Africa Strategy 2022-2030. See: <https://www.afdb.org/en/news-and-events/press-releases/african-development-bank-group-approves-historic-health-infrastructure-strategy-49610#:~:text=As%20part%20of%20its%20health,regional%20members%20through%20the%20pandemic>. See also: AEO 2022 which recommends increased investments in and prioritisation of critical healthcare systems and facilities to manage and respond to pandemics and epidemics.



## Fragility

Africa has witnessed a trend of political upheavals recently including in Burkina Faso, Ethiopia, Guinea, Mali, Niger, and Sudan. Incidences of war, violence, and political uncertainty are some of the occurrences that have created or exacerbated fragility in some RMCs, while also dampening economic activity and development. In 2020, 43 African countries recorded a rise in conflict related events.<sup>10</sup> Countries with high institutional and social fragility include countries that are facing long-term socio-economic crises, have poor transparency and government accountability, or suffer from weak institutional capacity.<sup>11</sup> Fragility strains RMC's ability to service debt promises and to attract sustainable investments as it creates uncertainty for potential lenders and investors. It also reverses economic and developmental gains made over time. The AfDB refers to countries where the main development challenge is fragility as Transition States and requires that development projects are structured through a fragility lens to enhance outcomes. The AfDB also provides funding to the ALSF to support Transition States through the Transition Support Facility (TSF).

## Sovereign Debt

In 2020, the average debt-to-GDP ratio in Africa was estimated at 71.4 percent.<sup>12</sup> Indications are that this is rising on account of increased commercial borrowing, increased government spending due to the COVID-19 pandemic, weak public finance management systems, security spending, high inflation, and weaknesses in revenue mobilisation. The AEO 2022 notes that critical initiatives such as the Debt Service Suspension Initiative (DSSI), the Common Framework, and the utilisation of the International Monetary Fund's Special Drawing Rights (SDRs) have not contributed sufficiently to eliminating debt vulnerabilities, especially in about 23 African countries. The main emerging risks to RMCs include the fast-growing interest expense as a share of revenue, rollover risks due to shorter debt maturities, a narrowing of the differential between real interest rate and growth, expanding contingent liabilities, debt collateralization with limited transparency and creditor litigation. To grow out of this debt in a sustainable manner, countries will need to improve the efficiency of debt-financed investments. This can be done by ensuring that debt is used to finance the most productive projects. There is also a need to strengthen the links between debt financing and growth returns for debt sustainability on the continent. The importance of sophisticated legal and technical capacity for the skillful negotiations required to offset the negative consequences and pursue sustainable public financial management cannot be overemphasised.

## Illicit Financial Flows

The 2020 United Nations Conference on Trade and Development (UNCTAD) report on Economic Development in Africa highlights tackling

illicit financial flows (IFFs) for sustainable development in Africa.<sup>13</sup> According to the report, IFFs are underpinned by unfair contracts that are largely characterised by practises such as tax avoidance schemes, under-invoicing of goods, and transboundary criminal activities including illegal markets, theft, terrorism funding and corruption. The threat of IFFs and other similar activities on the African continent has taken on even greater importance in light of the positive impact that combatting this phenomenon could have in alleviating the increasing debt burden that many countries on the continent are facing. The UNCTAD report estimates that African countries lose about USD 88.6 billion (about 3.7% of the continent's Gross Domestic Product) annually through IFFs, and that this capital flight is almost as much as the overall year-on-year inflows of Foreign Direct Investment (approximately USD 54 billion annually)<sup>14</sup> and official development assistance received (estimated at USD 48 billion annually). Addressing capital flight will halve the funding gap for the implementation of the SDGs in Africa.

10. Ibid., n7.

11. Fragility refers to a situation where a country has either (a) the weakest institutional and policy environment, based on a revised, harmonized WB/ADB/AfDB Country Policy and Institutional Assessment (CPIA) score that is below 3.0; or (b) the presence of a UN peacekeeping operation because this reflects a decision by the international community that a significant investment is needed to maintain peace and stability there; or (c) flight across borders of 2,000 or more per 100,000 population, who are internationally regarded as refugees in need of international protection as this signals a major political or security crisis. See: Revised Classification of Fragility and Conflict Situations for World Bank Group Engagement.

12. AEO 2022.

13. Economic Development in Africa Report 2020. Tackling Illicit Financial Flows for Sustainable Development in Africa. UNCTAD, 2020.

14. Ibid.



## Climate Change and Energy Transition

To avert climate change world leaders are expected to come forward with updated and more ambitious national climate plans to reduce global carbon emissions to net-zero by 2050. Further to the Paris Agreement, the latest Conference of Parties (COP26) held in Glasgow in 2021 emphasised mitigation, adaptation, finance, and collaboration, to deliver on climate goals, and acknowledged and committed to financing a just energy transition. Importantly, research from the New Climate Economy indicates that bold climate action could deliver at least USD 26 trillion in global economic benefits between 2018 and 2030. Investments in climate change solutions in general are also expected to generate over 65 million new low-carbon jobs by 2030, as well as an estimated USD 2.8 trillion in government revenues through subsidy reform and carbon pricing alone.<sup>15</sup> With appropriate policies, regulations, and capacities, African countries can mitigate the negative impacts of climate change and ensure a just energy transition, as well as achieve fair economic benefits from the global value chains based on the transition to a low carbon economy. RMCs will increasingly look to ensure that their existing and future commercial transactions are aligned to the priorities of this transition and that they have the appropriate legal and technical capacity to structure, negotiate, or renegotiate fair and equitable transactions or agreements, including for renewable energy projects, development of transition-based minerals and industries, development of sustainable infrastructure, and fair climate dispute resolution.

## Digitalisation

The world is witnessing rapid technological developments characterised by automation, big data, the internet of things, cyber-physical systems, cloud

computing, cognitive computing, smart industries, artificial intelligence, blockchain, etc. This has varied consequences for the global economy and commercial and business transactions. For instance, the Central African Republic and El Salvador have adopted a cryptocurrency (bitcoin) as an official currency, and many countries including the UK, Canada, US, South Africa, Morocco, Tunisia, Ghana, Kenya, and Rwanda are considering issuing central bank digital currencies. Countries such as Chile, Estonia, UK, Georgia, Singapore, and India are also using blockchain technology<sup>16</sup> on experimental or limited basis. In terms of impact, while some analysts contend that blockchain technology will exacerbate Illicit Financial Flows, UNCTAD's 2020 Economic Development in Africa Report notes that data infrastructure based on blockchain technology could enhance transparency of global trade logistics and global value chains and deter trade mis-invoicing.<sup>17</sup> As with mobile technologies, digitalisation also presents opportunities to leapfrog Africa's development. As observed by the UN Office of the Special Advisor on Africa, digital technologies are crucial for innovation, and require appropriate regulatory frameworks, directed investment in infrastructure, digital skills, and financing.<sup>18</sup> Additionally, innovation and digital technologies are fundamental to addressing the challenges facing Africa in the areas of food security, education, health, and energy.<sup>19</sup> Therefore, disregarding digitalisation and technological developments will be detrimental to Africa's development. African countries ought to be supported to keep abreast and understand the implications of new technologies and to develop effective regulatory frameworks and institutions and negotiate appropriate transactions to enhance the skills and innovation required to harness the benefits of digitalisation.

## The African Continental Free Trade Area

The African Continental Free Trade Area (AfCFTA) entered into force in May 2019, following the minimum ratification threshold of 22 African Union Member States. The operational phase of the agreement subsequently went into effect in July 2019. As of May 2022, 80% of the signatories to the Agreement had ratified it (43 out of 54 Member States). The agreement paves the way for promoting intra-regional trade amongst African countries and will provide access to a combined market of over 1.2 billion Africans with a combined GDP of US\$2.5 trillion. Among others, the benefits to African countries include export diversification, enhanced FDI, industrialisation, structural transformation of African economies, and expansion of the African economy to USD 29 trillion by 2050. Additional legal instruments (in the form of protocols) are to be negotiated to facilitate the realisation of the AfCFTA's objectives, including negotiations on intellectual property rights, investment, competition, and e-commerce. While the ALSF cannot provide legal support to one RMC against the other, the ALSF can support RMCs to develop their negotiation capacities and leverage the AfCFTA effectively in negotiating enhanced investment agreements with private investors.

15. Global commission on the Economy and Climate. 2018. *Unlocking the Inclusive Growth Story of the 21st Century: Accelerating Climate Action in Urgent Times*.

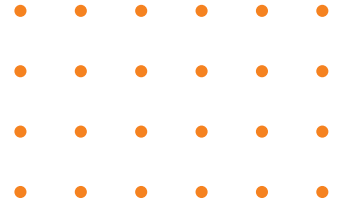
16. Blockchain is a decentralised ledger of transactions across a peer-to-peer network that enables participants to confirm transactions without a need for a central clearing authority. See: <https://www.pwc.com/us/en/industries/financial-services/fintech/bitcoin-blockchain-cryptocurrency.html>

17. *Tackling Illicit Financial Flows for Sustainable Development in Africa*, Economic Development in Africa Report, UNCTAD, 2020.

18. <https://www.un.org/osaa/news/covid-19-chance-leapfrog-africa%E2%80%99s-development-digitalization>

19. *Ibid.*





## 3. Medium-Term Strategy 2023 - 2027

### Accelerating Progress for Greater Impact

#### Rationale

The acceleration of the ALSF's achievements draws upon lessons learned by the ALSF in the implementation of previous strategic plans and takes into consideration current and anticipated global developments to ensure that the ALSF's interventions are continuing to make purposeful and sustained progression in achieving enhanced legal capacity on the African continent.

This necessarily requires a shift from merely focusing on the implementation of activities, to

- increasing the volume of operations carried out by the Facility while always focusing on the needs of RMCs;
- strategically addressing certain core aspects of the ALSF's mandate, and;
- demonstrating the attribution that these activities have on beneficiaries.

As such, the MTS seeks to intensify the pace and the depth of the ALSF's support to RMC governments to engender transformation and sustainability, through the sectoral approach, strategic partnerships, proactive and adaptable project implementation, and the promotion of African law firms.

The MTS also validates the value for RMCs and their counterparties that the ALSF support guarantees including - balanced transactions, transparency, durability, efficient contract management, competitive transaction costs, and value for money.

Ultimately, the legal capacities being developed through the Facility's interventions will ensure that government transactions are contributing to economic growth and prosperity as well as promoting environment and social sustainability - including the AfDB High 5s, the AU Agenda 2063 Aspirations, and the UN SDGs.



#### The ALSF Vision

Enhanced legal capacity for Africa's sustainable development

#### The ALSF Mission Statement

To provide legal advice and capacity building to African countries on complex commercial transactions and related sovereign activities, through the implementation of high-quality projects, development and management of robust knowledge resources, effective use and promotion of digitalisation, institutional strengthening, promotion of fair dispute resolution terms and mechanisms, and improved awareness of existing and emerging risks



#### The ALSF values

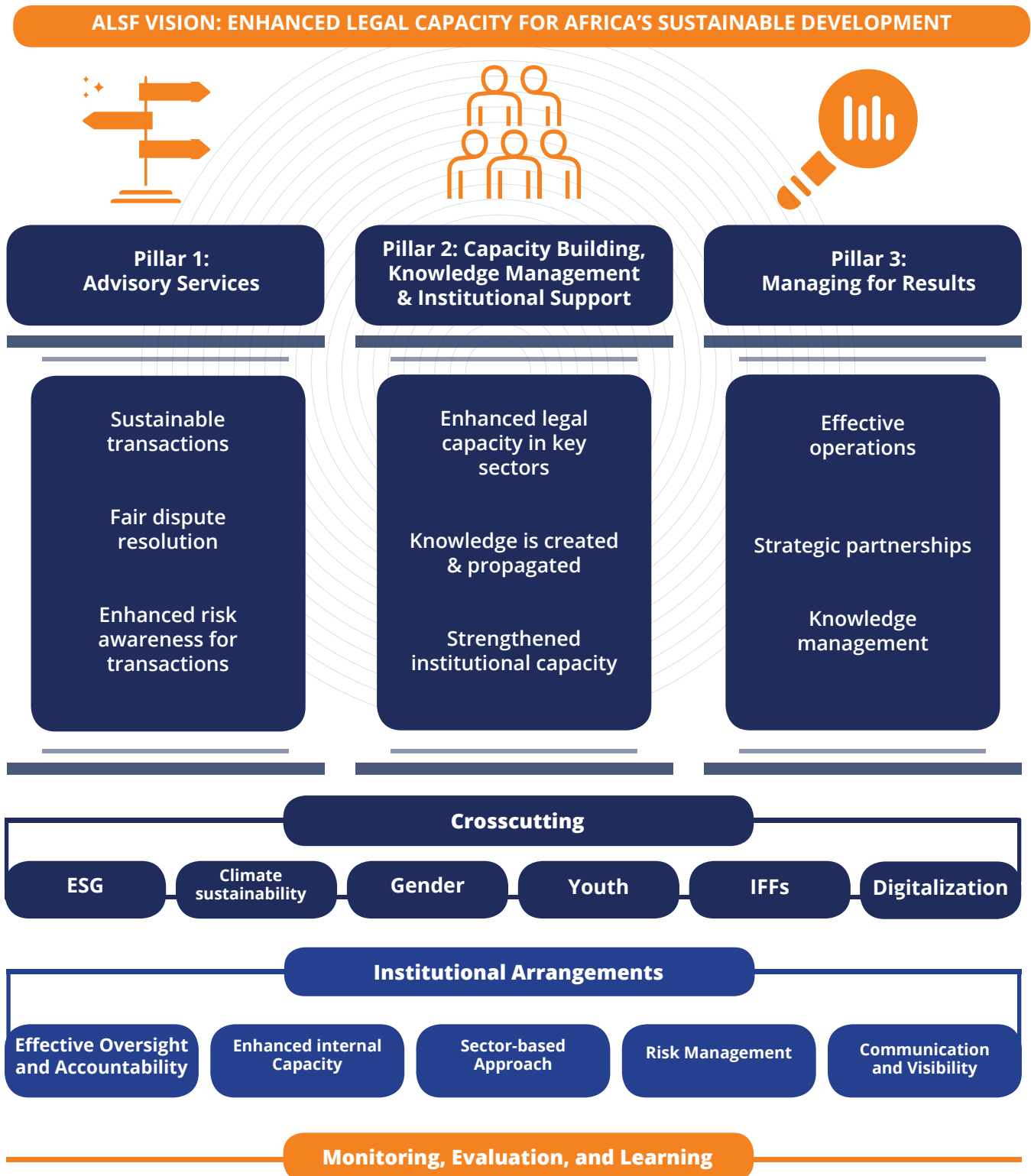
The ALSF is grounded on and fosters democratic values including - sovereignty, equity, good governance, rule of law, transparency, diversity, and excellence

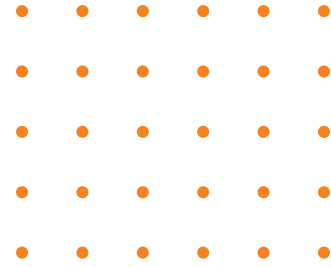




## Strategic Pillars, Objectives, and Interventions

The ALSF will achieve its vision of enhanced legal capacity for Africa’s sustainable development through 3 main Strategic Pillars - (1) Advisory Services, (2) Capacity Building, Knowledge Management, and Institutional Support, and (3) Managing for Results. Under each strategic pillar various Strategic Objectives and Strategic Interventions will be pursued. The relationship between the strategic pillars, objectives and interventions is illustrated below:





## Strategic Pillar 1 - Advisory Services



The ALSF will provide legal and technical advisory services related to a wide range of sovereign commercial transactions, which include negotiations and transactions relating to the ALSF's focus areas – natural resources and extractives, energy, infrastructure PPPs, and sovereign debt (to be re-designated as public finance). The Facility will continue to pursue a sector-based approach in the provision of its legal advisory services through a team of dedicated subject matter experts, a panel of leading specialised law firms, and a network of qualified legal practitioners and experts. To ensure that the legal advice provided to RMCs is of a high quality and suitable to the unique needs of RMCs, credible and up-to-date data and information will be sourced, maintained, and continuously analysed to inform the provision of legal advice to RMCs.



### Pillar

# 01

## Strategic Objective 1: African Government Transactions are Sustainable

The ALSF will ensure that RMCs achieve sustainable transactions. Sustainable transactions are transactions that are fair and equitable as well as consistent with international standards relating to Environment, Social and (Good) Governance (ESG); climate sustainability; debt sustainability; and generally contribute to the SDGs. Such transactions are also balanced because they genuinely embed the interests of all stakeholders, and therefore minimise the risk of unwarranted changes which otherwise tend to erode trust and cause setbacks in economic progress.

### Strategic Interventions

The ALSF will undertake the following interventions or activities to achieve the above objective:

- Mobilise specialised law firms and teams of skilled legal practitioners, negotiators, and experts to support RMC transactions, including negotiations, investment agreements, project agreements, institutional advisory, tender processes, and creditor litigation.
- Provide legal and technical advice to RMCs in commercial transactions, including negotiations, investment agreements, project agreements, institutional advisory, tender processes, and creditor litigation.
- Advise RMCs on effective and sustainable contractual options.
- Utilise credible and up-to-date data and information to inform the provision of quality and practical legal advice to RMCs to ensure that transactions are fair and equitable to RMCs.
- Promote transactions that comply with international standards relating to ESG, transparency (EITI), climate sustainability, debt sustainability, anti-IFFs, and contribute to the SDGs.
- Promote transactions that comply with African standards and policies such as the Africa Mining Vision (AMV), the AfCFTA, AU Agenda 2063, AfDB High 5s, etc.
- Transfer knowledge and capacity to African lawyers and public sector officials through their active participation in ALSF projects (learning by doing).

## Pillar

## 01

**Strategic Objective 2: Fair Dispute Resolution Mechanisms are Accessible to RMCs**

The ALSF will ensure that fair dispute resolution processes and mechanisms are accessible to RMCs, especially for transactions previously supported by the ALSF. The ALSF will facilitate the establishment and strengthening of international and alternative dispute resolution mechanisms on the continent as well as contribute to enhancement of fair mechanisms and processes globally, to ensure that RMCs can access and obtain fair results from investor-state dispute settlement mechanisms.

**Strategic Interventions**

The ALSF will undertake the following interventions or activities to achieve the above objective:

- Provide legal advice to RMCs on investor-state dispute settlement terms and mechanisms in commercial transactions.
- Promote establishment and use of international and alternative dispute resolution mechanisms in Africa.
- Provide legal advice to RMCs involved in investor-state dispute settlement arising from transactions supported by the ALSF.
- Contribute to improvement of dispute resolution mechanisms and processes to ensure accessibility and fair and equitable outcomes for RMCs.

## Pillar

## 01

**Strategic Objective 3: Risk Awareness for Unsustainable Transactions is Improved for RMCs**

The ALSF will ensure thorough due diligence of projects to advise RMCs on the potential negative impacts of specific projects. This objective is informed by the outcomes of the utilisation of the ALSF's RAAA under the previous MTS, including swift identification and mitigation of risks. The ALSF will aim to highlight significant risks in projects, such as debt accumulation, IFFs, regulatory, and default risks in order to provide timely advice on risk mitigation or cancellation of a proposed project or transaction to avert or minimise negative impacts on RMCs.

**Strategic Interventions**

The ALSF will undertake the following interventions or activities to achieve the above objective:

- Conduct detailed and exhaustive due diligence on RMC requests and transactions.
- Highlight critical risks such as possibility of expensive default and sovereign debt accumulation, and advise RMCs on risk mitigation or cancellation of projects or transactions as applicable.
- Conduct due diligence missions to enhance participation and project preparation.
- Support RMCs, especially transition states, in addressing critical risk issues.

## Strategic Pillar 2 - Capacity Building, Knowledge Management and Institutional Support



The ALSF will develop relevant and constructive knowledge resources and pursue focused and mass dissemination of knowledge and skills to enhance individual and institutional capacities. A team of dedicated capacity building professionals will ensure that appropriate and innovative tools developed to produce the necessary knowledge materials and facilitate their dissemination. Additionally, given the correlation between human and institutional capacity, legal and technical support will be provided by the Facility or in collaboration with suitable partners to augment the efficiency of RMC institutions to undertake complex commercial transactions. The focus on capacity building is particularly important for Transition States to develop appropriate capacities and resilience to support investments and large-scale projects required to accelerate their development. The ALSF will also seek to increase the pool of African legal experts across multiple legal disciplines, especially the key sectors in which the ALSF operates (energy, natural resources and extractives, infrastructure PPPs, public finance, and investment agreements and dispute resolution) and develop and enhance skills required for managing emerging global developments such as climate change and the energy transition, digitalisation, and IFFs. Noting the ineffectiveness of narrowly focused capacity building, the ALSF's approach to capacity building will incorporate appropriate knowledge resources, tools, and training in any relevant subjects such as intellectual property, data analytics, and public engagement.

### Pillar

## 02

### Strategic Objective 1: Legal Capacity in Key Sectors is Enhanced

The ALSF will continue its use of a blended learning approach to deliver the required technical and practical skills training to lawyers on the continent, encompassing both traditional methods and on-the-job practical case assignment where applicable. Emphasis will be placed on the use of technology and innovative digital solutions to enhance learning experiences and skills.

### Strategic Interventions

The ALSF will undertake the following interventions or activities to achieve the above objective:

- Develop and utilise ALSF digital platforms such as ALSF Academy, the African Mining Legislation Atlas (AMLA), and the African Petroleum Legislation Atlas (APLA) to enhance legal and technical capacity of African lawyers, public sector officials, and civil society.
- Provide training on ALSF knowledge materials and relevant issues through traditional methods where applicable.
- Implement internship programmes such as the "Seconded Nationals Trainee Programme" approved by the ALSF Management Board and the Internal Legal Trainee Programme.
- Identify and enable training partners or champions within RMCs institutions to promote ALSF capacity building initiatives.
- Collaborate with relevant partners (government ministries, Offices of Attorneys-General, law associations, African law firms, and training institutions) to develop and deliver practical trainings based on the RMCs' experiences and ALSF's knowledge materials.
- Develop and disseminate transaction facilitation tools, including models, toolkits, and manuals to support RMCs in undertaking complex commercial transactions in the ALSF's focus areas and addressing crosscutting issues such as ESG, climate change and the energy transition, and IFFs.
- Provide training on contract management to improve performance and mitigate RMCs default.
- Continue collaboration with African law firms to develop bespoke training materials and provide trainings to RMCs.
- Maintain a database of African legal and technical experts and law firms to support Advisory Services.



## Pillar

## 02

**Strategic Objective 2: Knowledge is Created and Propagated**

The ALSF will ensure the development of knowledge materials in current and emerging areas that are relevant and useful for RMCs to understand and undertake complex commercial transactions. The knowledge created will be strategically disseminated to public sector lawyers and officials that require it immediately or in the short term to facilitate pending transactions, as well as generally to African lawyers, public sector officials, students, and civil society to enhance African publics' knowledge and appreciation of international investment and sovereign commercial transactions issues to promote transparency and accountability.

**Strategic Interventions**

The ALSF will undertake the following interventions or activities to achieve the above objective:

- Develop knowledge materials in the ALSF focus areas and on the crosscutting issues to support RMCs transactions.
- Operationalise the ALSF Knowledge Hub to compile knowledge resources and precedents accrued in the framework of past transactions across all RMCs and areas of intervention by the Facility.
- Utilise experiences and lessons learned from supporting RMCs as well as data from ALSF operations to develop knowledge materials and guidance for RMCs.
- Utilise technological and innovative systems for developing and propagating knowledge materials.
- Enhance the experience and utility of the ALSF Academy, such as strengthening the linkage between the ALSF Academy and its project-based capacity building and training activities to facilitate the development of practical skills in a targeted and coherent manner that is consistent with the demands of the RMCs.
- Continue and establish new partnerships with relevant government ministries, Offices of Attorneys-General, law associations, African law firms, and educational institutions to enhance collaboration to develop and propagate knowledge materials to support complex commercial transactions in traditional and emerging areas.

## Pillar

## 02

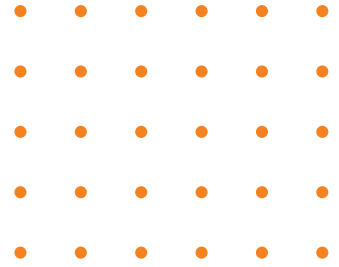
**Strategic Objective 3: Institutional Capacity is Strengthened**

A key lesson learned from the implementation of previous strategies is that strong institutions are critical for RMCs to consolidate and replicate any capacity provided by the ALSF. Accordingly, the ALSF will ensure that appropriate support is provided to RMC institutions to enhance any legal advisory or capacity building provided by the ALSF. Where applicable, such support may be provided by the ALSF or in collaboration with its partners in the form of legal and regulatory reviews, bills or legislation, secondment of technical experts, exchange programmes, support for extended trainings where necessary, etc.

**Strategic Interventions**

The ALSF will undertake the following interventions or activities to achieve the above objective:

- Provide support for continental efforts aimed at developing legal and regulatory frameworks, toolkits, model laws, and agreements, and manuals to strengthen RMC institutions.
- Support reporting by RMC institutions to enhance data collection and analyses to facilitate human and institutional capacity building.
- Facilitate the secondment of legal and technical experts to support institutional capacity of RMCs.
- Facilitate exchange of technical experts between RMC institutions to promote peer learning.
- Enhance the capacity of ALSF staff to identify institutional challenges and provide or facilitate relevant support.
- Facilitate the development of appropriate models and systems (e.g., financial models, environmental and social impact assessment (ESIA) frameworks, climate sustainability frameworks, etc.) to strengthen institutional decision-making relating to RMC transactions.



### Strategic Pillar 3 – Managing for Results



This Pillar ensures that the relevant operations and activities are carried out effectively to achieve the first two Pillars. The elevation to the status of a pillar is a testament to the growth of the ALSF and the need to enhance internal structures to enable the Facility to continue to deliver at the high level expected of it. To this end, the ALSF governance structure is deemed adequate to ensure effective oversight over the ALSF's management, processes, and procedures. This ensures accountability to all stakeholders, including RMCs, donors, partners, and staff, regarding the implementation of the MTS and efficient utilisation of the resources that have been mobilised. Additionally, under this MTS the ALSF will enhance its internal operations to ensure effective delivery of support to the RMCs; rationalize and pursue strategic partnerships to enhance the impact of its support to RMCs; and utilize knowledge resources to optimize delivery of support to RMCs. Ultimately, this pillar enhances the overall responsiveness of the Facility to the needs of its beneficiaries, while also enhancing buy-in, trust, and support from its stakeholders.

#### Pillar

# 03

### Strategic Objective 1: Effective Operations

For the ALSF to be able to execute its mandate in an efficient manner that utilises the resources under its management prudently, consistent monitoring and oversight is required. To facilitate this, it is necessary that the operational structure is fit-for-purpose, and the ALSF will ensure that this remains the case. The implementation of this MTS will be based on a full alignment of all ALSF key stakeholders (staff, institutional organs, RMCs, partners, and donors) on the requirements to deliver on the Facility's mandate including mobilization of adequate resources, an organizational structure that is responsive to the needs of RMCs, continuation and improvement of a sector-based approach, committed staff with adequate expertise, and effective use of technology to enhance results.

#### Strategic Interventions

The ALSF will undertake the following interventions or activities to achieve the above objective:

- Support staff development in line with emerging trends in the target areas.
- Improve organizational structure to enhance responsiveness to RMCs needs.
- Continue use of the Management Information System to enhance efficiency of ALSF projects.
- Innovate and adopt appropriate technologies to enhance effectiveness.
- Facilitate the sector-based approach.
- Implement the resource mobilization action plan.

## Pillar

## 03

**Strategic Objective 2: Strategic Partnerships**

The ALSF will review and streamline existing partnerships and develop new partnerships that will enhance the impact of its support to RMCs. The ALSF will seek to facilitate partnerships that ensure optimal benefits to the parties and RMCs. The ALSF will also ensure that it complies with its obligation under its partnership agreements.

**Strategic Interventions**

The ALSF will undertake the following interventions or activities to achieve the above objective:

- Develop and implement ALSF Partnerships Strategy/Approach to determine suitable partners to ensure win-win outcomes.
- Perform ALSF obligations under partnership agreements.

## Pillar

## 03

**Strategic Objective 3: Knowledge Management**

The ALSF will continue to utilize the lessons learned from its advisory and capacity building support and various evaluations to improve its internal organisation for delivery of support to RMCs. The Facility will also enhance its communication and visibility to highlight the achievements of the ALSF and its partners, enhance resource mobilization, and solicit constructive feedback.

**Strategic Interventions**

The ALSF will undertake the following interventions or activities to achieve the above objective:

- Generate relevant learning from advisory and capacity building support and evaluation reports.
- Develop and utilize knowledge resources to promote learning and enhance internal capacity to deliver ALSF mandate.
- Update and implement ALSF Communication Strategy.



## Crosscutting Issues

Despite the ALSF's focus areas, various other factors are critical for the realisation of its vision of enhanced legal capacity for Africa's sustainable development. These factors encompass governance issues such as public consultation, transparency, and accountability, as well as broader social development issues such as gender equity, youth employment, and environmental sustainability, that affect the fulfilment, efficiency, and effectiveness of the ALSF's interventions. Integration of crosscutting issues in the ALSF's interventions underscores and distinguishes the role that the ALSF plays in driving transformation and development in Africa. While enhanced legal capacity per se will contribute to Africa's economic development, integration of the crosscutting issues ensures that such development is optimal and sustainable and not at the expense of environmental, social, and human development. Accordingly, the following crosscutting issues will be mainstreamed in the ALSF's activities.

### Environmental, Social, and Governance Issues

The ALSF recognises the importance of ESG precepts to enhancing the sustainability of transactions and ensures that ESG considerations are identified, evaluated, and incorporated into transactions supported by the ALSF. The lessons learned from implementation of the previous strategies indicate that ESG principles must not only be considered in obvious circumstances. Thus, the ALSF will endeavour to develop more robust systems and tools to identify potential deficiencies in transparency, accountability, public participation, anti-corruption, and social and environmental sustainability

and intensify implementation of appropriate mitigation measures or improvements<sup>20</sup> to ensure sustainable transactions. Additionally, capacity building on ESG issues relating to sovereign commercial transactions will be intensified.

### Gender and Youth

The mainstreaming of gender issues across all the ALSF's internal and external activities remains a critical priority. In this regard, the ALSF will be guided by SDG 5 (gender equality), Aspiration 6 of the AU Agenda 2063,<sup>21</sup> and the AfDB Gender Strategy (2021-2025): Investing in Africa's women to accelerate inclusive growth. Pillar 2 of the AfDB Strategy seeks to accelerate employability and job creation for women through skills enhancement. Similarly, the mainstreaming of youth will be pursued through the alignment of the Facility's work with the AfDB's Jobs for Youth in Africa Strategy which promotes the integration of youth employment issues in AfDB strategies, leveraging PPPs to promote innovation that can enhance youth employment and mobilising investment to stimulate job creation for young people. The ALSF will ensure that gender and youth issues are properly incorporated into the provision of legal advisory services, capacity building, knowledge management, and institutional strengthening.

### IFFs

The ALSF has been involved in resolving IFFs issues in two main ways – (i) through continental and global policymaking and advocacy against IFFs (including participation in the Consortium to Stem IFFs from Africa which seeks to implement the recommendations of the African Union High-Level Panel on IFFs from Africa and the Common African Position on Asset Recovery (CAPAR) and has made representations to the UN FACTI Panel) and (ii) providing legal support to countries to execute

fair and equitable transactions that minimise the risk of IFFs, and to recover misappropriated sovereign assets. The ALSF will continue its collaboration with continental and global institutions to improve accountability, transparency, and integrity of the international financial system and intensify support for RMCs to reduce or stop IFFs, including through ensuring sustainable transactions and facilitating tracing and recovery of misappropriated assets

20. Such as Environmental and Social Impact Assessments, IFC Performance Standards, Extractive Industry Transparency Initiative (EITI), Global Forum on Transparency and Exchange of Information for Tax Purposes, CONNEX Code of Conduct, etc.

21. Aspiration 6 of Agenda 2063 reads: "An Africa Whose Development is people driven, relying on the potential offered by African People, especially its Women and Youth, and caring for Children"





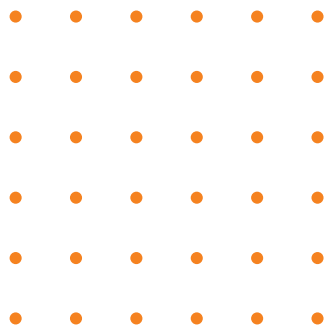


### Climate Sustainability

Under the previous MTS, the ALSF considered climate sustainability issues under environmental protection generally and required that transactions do not contribute to environmental damage or exacerbate climate change. Given the prominence of climate change issues in recent times, it is necessary to consider climate sustainability issues separately to ensure that adequate attention is dedicated to addressing this new and evolving concern, especially for African countries. For instance, African countries are concerned about the impacts of climate change on their economies and their very existence, achieving a fair and equitable transition, and obtaining a fair share of the benefits of the new climate economy. The ALSF will therefore seek to support African countries to develop and implement appropriate regulatory, institutional, and legal and technical capacities to achieve their climate goals in the key sectors of the ALSF. For example in energy (renewable energy projects), natural resources and extractives (sustainable carbon transactions and development of transition minerals), infrastructure PPPs (specific mitigation and adaptation projects or incorporation of adaptation and mitigation considerations in infrastructure projects), public finance (sustainable finance – including green and climate financing, debt for nature swaps, etc) and investment agreements and dispute resolution (definition of specific terms such as force majeure, provisioning for climate disputes arising out of contracts relating to transition, adaptation, or mitigation, etc.).

### Digitalisation

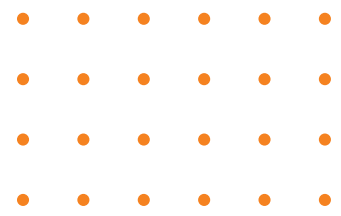
The ALSF already utilises technology to enhance its support to RMCs, including the development of the ALSF Academy digital platform to facilitate its capacity building activities, and the use of the MIS to enhance workflow, feedback, and operations generally. The ALSF will continue to develop innovative technology-based tools and improve its utilisation of technologies to enhance support to RMCs. As noted above, innovation and digital technologies have been identified as fundamental to addressing the challenges facing Africa, especially in the areas of agriculture and food security, education and capacity building, health, and energy. In view of the impacts of innovation and digital technologies on the key operational sectors of the ALSF, the ALSF will seek to mainstream digitalisation in its advisory and capacity building assistance to RMCs by supporting the development or improvement of appropriate regulatory frameworks, institutions, and capacities to promote innovation. The ALSF will also ensure that RMCs maximise the benefits of technology opportunities in investment or commercial transactions and eliminate or minimise any unfavourable or negative impacts of digitalisation.











## 4. Monitoring, Evaluation and Learning



The Monitoring, Evaluation and Learning (MEL) component of the MTS will be guided by a comprehensive results framework that will outline the pathway linking ALSF's vision, mission, and values with the ultimate goals of the strategy. An M&E plan will provide overall guiding principles for the implementation of M&E activities and will seek to anchor a culture of learning, inquiry, and critical reflection on achievements generated by the MTS.

### Theory of Change

The ALSF's Theory of Change (ToC) explains the result pathways that will culminate in the change sought through the implementation of strategic and impactful interventions aimed at achieving the ALSF's vision of "Enhanced legal capacity for Africa's sustainable development". (Annex A - Theory of Change).

### Logical Framework Requirements

The MTS recognizes the usefulness of a logical framework approach for managing results. (Annex B - Logical framework). Project documents and proposals will include a logical framework for presentation of results and specify major activities, outputs, outcomes, and impacts.

### Project Cycle Monitoring

Monitoring will be integrated into the entire project life cycle from project formulation stage through implementation up to project closure.

### Baselines and Targets

The due diligence stage will be used to collect from the RMCs information on baselines, milestones, targets, and benchmarks to measure progress over the implementation period.

### Performance Measurement Frameworks (PMF)

The PMF will track the achievement of developmental outcomes and outputs and will be annexed to the Letter of Agreement between the ALSF and a beneficiary RMC. Data from all project PMFs will be aggregated to update the ALSF results framework.

### Project Completion and Closure

Once a project has finalized its activities and disbursements, the task manager will draft a Project Closing Report (PCR) indicating overall results achieved; the problems encountered; the lessons learned; and the knowledge gained from project implementation.





### Evaluations

Evaluations will be conducted at regular intervals to generate information and data to enhance accountability, learning and provide information to support the results-based M&E framework. Formative evaluations at the onset of the MTS will assess how feasible the interventions will be and generate baseline information. A midterm evaluation or review will be conducted at the midpoint of the MTS implementation period (in 2025) to assess progress made towards the achievement of project developmental objectives while thematic evaluations will be conducted on need basis with focus on cross-cutting themes, or sector, or type of services provided. At the end of the MTS implementation period, an impact evaluation will be conducted to assess the long-term benefits to RMCs as a result

of the ALSF support. To the extent required, the ALSF will use consultants for this MEL exercise.

### Reporting Obligations for RMCs and Legal Counsel

The ALSF will require RMCs, legal counsel, and other implementing partners to provide necessary information, data, and reports to monitor performance and substance of the assistance provided. In turn the Facility will provide the necessary tools and capacity building to facilitate and verify reporting.

### Data Collection and Sources

The logical framework identifies sources of data to measure indicators and sets out how often data is collected. The main sources of data are ALSF's own database and reports from RMCs and law firms. ALSF may refer to data from other relevant sources such as the AfDB, World Bank,

IMF, UN, and other reputable independent sources for impact data.

### Management Information System

Indicators pertaining to project activities will be tracked through the MIS database which will be the primary source of information for reporting and will be updated on a quarterly basis.

### ALSF Level Reporting

ALSF will produce quarterly performance monitoring reports for internal performance tracking and decision making and annual reports to inform stakeholders on annual progress. Donor specific reports will be compiled in line with the provisions of MOUs to ensure accountability to donors. M&E gender considerations: Because gender issues can be a determining factor in the effectiveness of an intervention, the MTS will ensure that adequate gender considerations will be incorporated into the M&E Plan and M&E activities. Specifically, indicators that quantify participants and beneficiaries should be gender disaggregated. For evaluations, reasonable efforts will be made to incorporate gender dimensions into evaluation methodology.

### M&E for Learning

Task managers will benefit from periodic training to integrate M&E culture in Project implementation. Monitoring missions will provide opportunity for documentation of field stories which are published in the annual reports. Evaluation reports will also be shared with the entire team to promote learning.

## 5. Institutional Arrangements



To strengthen the institutional set up of the Facility to ensure achievement of the ALSF vision and the objectives under the MTS, a third Strategic Pillar that is internally focused (Managing for Results) has been included. The institutional arrangements that will be implemented for this purpose include effective oversight, enhanced internal capacity, sector-based operations, risk management, and communication and visibility.

### Effective Oversight and Accountability

The effective oversight of the activities of the ALSF will continue to fall under the purview of the ALSF Governing Council and Management Board, in accordance with their respective functions under the ALSF Treaty. The recent creation of the ALSF members' forum as a statutory event will provide another medium for dialogue and feedback to ensure continuous improvement in the support to RMCs. Accountability for the implementation of the MTS and the use of resources will therefore be ensured at a high

level by the statutory organs. At the management level, relevant policies and procedures, as well as annual independent financial audits, independent evaluation and annual reporting of results will be utilised to demonstrate accountability to relevant stakeholders. The ALSF will also execute its work plans and budgets responsibly and continuously improve the internal procurements system and administrative controls to optimize resources, ensure value for money, and gain efficiency in operations.

### Enhanced Internal Capacity

At the directorate level, the ALSF will adopt measures that enhance human resources and internal capacity to ensure effective development of a team of dedicated subject matter experts to carry out its mandate efficiently. There will be a greater degree of focus on ensuring higher levels of internal coordination and collaboration amongst team members, ensuring that potential synergies are fully harnessed for the benefit of the entire Facility.

The ALSF will also utilise and develop appropriate technologies to enhance the capacities and efficiency of staff, including through its MIS.

### Sector-Based Operations

The ALSF will continue to pursue a sector-based approach in the implementation of its projects. The sectors have evolved and been expanded and re-organised over time from those originally provided in the ALSF Treaty – debt management & creditor litigation, natural resources and extractives industries management and contracting, investment agreements, and related commercial and business transactions. Currently, the ALSF operations cover the major economic sectors of RMCs and will be enhanced as necessary to ensure effective support to RMCs. Also, a panel of leading specialised law firms, including especially African law firms, and a network of qualified legal practitioners and technical experts will be organised to support the delivery of high-quality services in the key sectors.



### Mainstreaming crosscutting issues

The crosscutting issues noted above will be mainstreamed into the ALSF's operations. Thus, the crosscutting issues will be appropriately integrated into the ALSF's processes, operational guidelines, manuals, and due diligence forms to ensure that adequate consideration is given to such issues to enhance the impacts of the ALSF's interventions and their contribution to sustainable development.

### Risk Management

Risk management is necessary to identify potential problems before they occur so that appropriate measures may be planned or deployed to avoid the risks, minimise their impacts, or develop mechanisms to cope with the risks. An effective risk management framework enhances efficiency and organisational performance. The implementation of the MTS may be adversely affected by known and unforeseen threats. However, the threats or risks can be avoided or mitigated effectively by planning accordingly. Therefore, the ALSF will utilize and update its risk management framework to periodically assess possible risks and take precautionary measures to manage and mitigate potential threats in good time to prevent failure of implementation of the MTS.

### Communication and visibility

The ALSF will review and update its communication strategy to enhance effective communication and visibility to support the implementation of the MTS and resource mobilisation, as well as to acknowledge the generosity of its benefactors.

**Energy:** Including power generation, infrastructure, storage, distribution and transmission, hydrogen, petroleum midstream and downstream.

**Infrastructure PPPs:** Including agriculture infrastructure, dry ports, social infrastructure (health, education, housing), transportation infrastructure, water & sanitation, ICT, and other infrastructure structured under the PPP model, Excludes energy infrastructure.

**Dispute Resolution:** Including Investor-State Dispute Settlement (including arbitration and mediation) based on prior ALSF support or generally in the ALSF's key sectors.

**Natural Resources & Extractives:** Including agriculture, blue economy, forestry, land, minerals & mining petroleum upstream including exploration & production, and water subsectors.

**Public Finance:** Including debt contracting and issuance; debt risk reduction/hedging support; debt management; debt reconciliation; restructuring/

refinancing/reprofiling; creditor engagement/negotiation; debt relief/forgiveness; contingent liability accounting/risk management; debt dispute resolution assessment/strategy; sovereign assets recovery, creditor engagement & negotiation, vulture funds & abusive creditor litigation.

The services provided by the ALSF in relation to the above sectors and transactions will include:

**Advisory Services:** Including legal and technical advice, transaction advisory, due diligence advisory, negotiation support, support for tender processes, and dispute resolution assessment and support.

**Capacity Building:** Including knowledge management, and generation, and institutional support (knowledge databases, skills training, secondment of legal and technical experts, extended training where necessary, manuals, guides, regulatory reviews and frameworks, transaction facilitation tools, including toolkits, model documents, template agreements, etc.).







## 6. Conclusion

For this current MTS period a number of emerging priorities and opportunities have been identified that must increasingly be taken into consideration by the continent as the world transitions out of the COVID-19 pandemic era and into a new state of flux and uncertainty, including climate change and the energy transition, rapid technological changes, and more imminently, a food crisis in Africa accelerated by the Russia-Ukraine conflict.<sup>22</sup> These continental and global developments will be supported through increased service offerings and innovative products and approaches, in addition to the ALSF's traditional services which strengthen RMCs' capacity and enhance their resilience against future crises.

Experience has shown that the ALSF's ability to positively respond to RMCs' needs is largely dependent on its financial capabilities. By the end of the 2018-2022 MTS, the ALSF had raised sufficient resources to deploy financial support to its member countries in a sound manner, despite the shocks caused by the COVID-19 pandemic. In the renewed term of the Facility and specifically under this current MTS 2023-2027, the Facility will continue to communicate transparently and effectively on its results, and consistently reach out to its existing and prospective financial partners to mobilise adequate resources to support its interventions for the benefit of African governments and their peoples.

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22.. <https://www.hrw.org/news/2022/04/28/ukraine/russia-war-continues-africa-food-crisis-looms#:~:text=In%20West%20Africa%20and%20Middle,of%20the%20Covid%2D19%20pandemic>

# ANNEXES





# I. Theory of Change

The ALSF's Theory of Change (ToC) explains the result pathways that will culminate in the change sought through the implementation of strategic and impactful interventions aimed at achieving the ALSF's Vision, namely: **Enhanced legal capacity for Africa's sustainable development.**

The theory of change describes how activities that are carried out by the Facility will produce outputs that in turn contribute towards the planned outcomes to achieve the goals at the impact level. The inputs that will be employed in the context of the ALSF include:

- **Financial Resources:** Mobilised from grants, repayable instruments, and private entity funding.
- **Human Resources:** which include ALSF staff, ALSF Management, the Management Board, the Governing Council, key experts mobilised from leading law firms, and various implementation partners; and
- **Material Resources:** which include the provision of office space, as well as technological and other additional equipment.

Once these resources have been mobilised and deployed, various activities will then be carried out. These activities are grouped around broad categories. The change envisaged through the ToC will come about through three pillars:

## Pillar 1 – Advisory Services

It is expected that the advisory services provided by the Facility will be through high-quality legal representation and advice (output level). These advisory services and their use by RMCs will result

in a series of contractual options that are effective and sustainable (output level). These outputs will contribute towards ensuring that African government transactions are sustainable in the long run (outcome level). High quality legal representation and advice will also, in the long run, lead to fair dispute resolution mechanisms which are more accessible to RMCs, who will be in a position to identify and use such avenues to advance their interests (outcome level). As well, the ALSF's quality advisory services will encourage investments that comply with African policy standards, as reflected in the Africa Mining Vision or the AfCFTA, or ESG norms reflected in international instruments (output level).

These outputs will contribute to RMC transactions that are more sustainable at the outcome level. Under Pillar 1, it is also foreseen that the ALSF will engage in robust due diligence activities and comprehensively use the Rapid Assistance and Assessment Allocation tool, which will result in due diligence and critical risk reports being produced (output level), and in the long run, this will contribute to an improvement in awareness of the risks of unsustainable transactions by RMCs.

## Pillar 2 – Capacity Building, Knowledge Management and Institutional Support

The Facility will undertake various training and capacity building initiatives, which should lead to a pool of trained lawyers and government officials who are conversant with issues related to complex commercial transactions (output level). These capacity building initiatives will also be directed at the RMC institutions at the output level. Taken together, these outputs will result in legal capacity in Africa

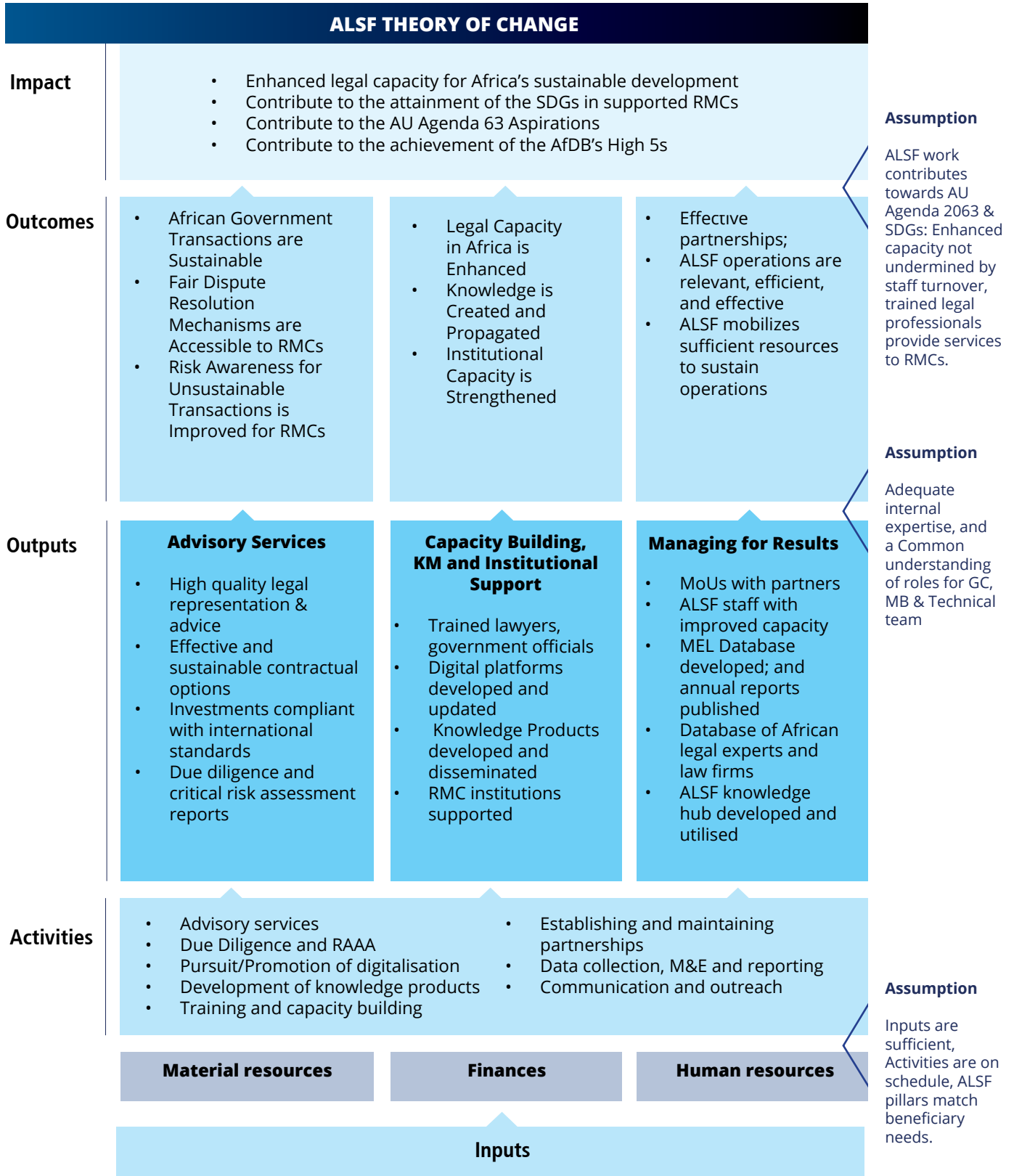
being enhanced and institutional capacity being strengthened in the long run (outcome level). As well the continuous development of knowledge products through digital platforms, and the dissemination thereof to stakeholders, will result in Africa's legal capacity being enhanced and also ensure that knowledge is created and propagated throughout the continent (outcome level).

## Pillar 3 – Managing for results

It is foreseen that the ALSF will put in place measures to attract new partners and maintain existing relationships with partners; this will lead to MoUs being signed or renewed at the output level. Over a prolonged period of time, the Facility will be strengthened through sustained effective partnerships (outcome level). Through training and capacity building, the capabilities of ALSF staff will improve (output level). Over time (coupled with communication and outreach activities) this will lead to effective interaction and visibility with stakeholders, which also engenders stronger partnerships that can result in mobilisation of resources (outcome level). As the ALSF staff capacities are improved, then over time, the Facility's operations will also become more efficient and effective (outcome level). ALSF operations will also become increasingly relevant, efficient, and effective (outcome) as the Facility undertakes M&E and reporting activities that contribute to an up-to-date MEL database and reports that can be used to reflectively improve the modus operandi of the entity (output).



Taken together, if all the outcomes are realised, as the necessary preconditions that need to be met, then the ALSF should, in the long run, contribute to Enhanced legal capacity for Africa's sustainable development (which manifests itself at the impact level). Simultaneously, the realisation of the aforementioned outcomes, will contribute to other related impacts that speak to RMC development, such as the attainment of SDGs, the aspirations of the AU Agenda 2063, and the AfDB's High 5s.



## II. Indicative Logical Framework

	Results Chain	Key Performance Indicators	Unit	Baseline <sup>1</sup> (2021)	Target (2023-2027)	Source of verification
<b>IMPACT</b>						
<b>Impact</b>	<b>Enhanced legal capacity for Africa's sustainable development</b>	Number of RMC governments, legal practitioners and institutions independently carrying out complex commercial transactions.	#	TBD	-	<ul style="list-style-type: none"> <li>Partner Report</li> <li>ALSF Annual Reports</li> <li>Mid-Term Review</li> <li>Summative Evaluation</li> <li>RMC National Statistics</li> <li>Annual stakeholder outcome survey</li> </ul>
		Estimated savings and revenues for governments resulting from ALSF interventions	USD	14.8 Billion	-	
		Amount of private sector investment generated in countries where ALSF is providing support	USD	21.9 Billion	-	
<b>Pillar 1: Advisory Services</b>						
	Results Chain	Key Performance Indicators	Unit	Baseline <sup>1</sup>	Target	Sources of verification
<b>Outcome</b>	<b>Outcome 1.1: Enhanced African Government Transactions which are Sustainable</b>	Number of ALSF supported contract negotiations that achieve greater financial benefit both investors and Regional Member Countries (royalty rates, development fees, taxes, debt reduced/restructured)	#	57	200	<ul style="list-style-type: none"> <li>ALSF Annual Reports</li> <li>ALSF M&amp;E Reports</li> <li>Annual stakeholder outcome survey</li> </ul>
		Number of ALSF supported contract that enhance employment and economic opportunities	#	TBD with baseline survey	No Targets (Project dependant)	
		Number of ALSF supported contracts that include good governance, gender, social protection, climate, or environment sensitive strategies.	#	8225	No Targets (Project dependant)	
		Renewable and non-renewable energy generated by projects supported by the ALSF in MW	MW	TBD with <sup>2</sup> baseline survey	To be projected <sup>3</sup> from baseline data	
		Number of ALSF supported contracts that provide long-term access to public health and utility services	#	TBD with baseline survey	No Targets (Project dependant)	

1. Baseline aggregated from results as at 2021

2. Baseline data not available, Baseline survey at the beginning of MTS will be conducted to establish realistic baseline data

3. Where indicator is new projections for targets will be made based on baseline data

Pillar 1: Advisory Services						
	Results Chain	Key Performance Indicators	Unit	Baseline <sup>1</sup> (2021)	Target (2023-2027)	Sources of verification
Outcome	Outcome 1.1: Enhanced African Government Transactions which are Sustainable	Number of ALSF supported contracts that prevent corruption and encourage transparent procurement	#	TBD with baseline survey	No Targets (Project dependant)	<ul style="list-style-type: none"> <li>ALSF Annual Reports</li> <li>ALSF M&amp;E Reports</li> <li>Annual stakeholder outcome survey</li> </ul>
		Number / value of contracts negotiated where trained legal professionals/ government officials participate in negotiations	#	TBD with baseline survey	To be projected from baseline data	
Outcome	Outcome 1.2: Fair Dispute Resolution Mechanisms are Accessible to RMCs	Number of commercial/ investment disputes that ALSF has provided advisory services	#	TBD with baseline survey	No Targets (Project dependant)	<ul style="list-style-type: none"> <li>ALSF Annual Reports</li> <li>Project closure reports</li> <li>ALSF M&amp;E reports</li> </ul>
Outcome	Outcome 1.3: Risk Awareness for Unsustainable Transactions is Improved for RMCs	Percentage of ALSF projects that reach financial close	%	TBD with baseline survey	At least 50%	<ul style="list-style-type: none"> <li>ALSF Annual Reports</li> <li>Project closure reports</li> <li>ALSF M&amp;E reports</li> </ul>
		Percentage of ALSF projects in breach or dispute	%	TBD with baseline survey	Less than 10%	
Pillar 2: Capacity Building, Knowledge Management and Enhancement of Institutional Efficiency						
	Results Chain	Key Performance Indicators	Unit	Baseline <sup>1</sup> (2021)	Target (2023-2027)	Sources of verification
Outcome	Outcome 2.1: Enhanced legal capacity in Africa	Percentage of trained African lawyers and government officials reporting enhanced capacity in complex contract negotiation and related dispute resolution	%	90%	90%	<ul style="list-style-type: none"> <li>Project Closing Reports, training evaluations</li> <li>Surveys/ Interviews with government actors</li> <li>Media reports</li> <li>ALSF M&amp;E reports, Mid-term reviews, Summative Evaluations</li> </ul>
		Number of African lawyers and government officials capacitated by the ALSF in-person	#	12,533 (cumulated)	1,000 (Annually)	
		Number of African lawyers and government officials capacitated by the ALSF on-line	#	1,200 (Cumulated)	2,000 (Annually)	
Outcome	Outcome 2.2: Knowledge is created and propagated	Number of users accessing knowledge products established or supported by the ALSF	#	12,000 (Cumulative)	5,000 (Annually)	<ul style="list-style-type: none"> <li>ALSF Annual Reports</li> <li>ALSF M&amp;E reports</li> <li>Google/ statistics</li> </ul>
		Number of knowledge products developed and distributed	#	N/A	10 (Annually)	<ul style="list-style-type: none"> <li>ALSF Annual Reports</li> <li>ALSF M&amp;E reports</li> <li>Knowledge products</li> </ul>

2. Baseline data not available, Baseline survey at the beginning of MTS will be conducted to establish realistic baseline data

3. Where indicator is new projections for targets will be made based on baseline data



### Pillar 2: Capacity Building, Knowledge Management and Enhancement of Institutional Efficiency

	Results Chain	Key Performance Indicators	Unit	Baseline <sup>1</sup> (2021)	Target (2023-2027)	Sources of verification
Outcome	Outcome 2.3: Institutional Capacity is Strengthened	Percentage of beneficiary institutions reporting enhanced capacity in complex contract negotiations/management for themselves or their members	%	TBD with baseline survey	80%	<ul style="list-style-type: none"> <li>Interviews with RMC actors</li> <li>ALSF M&amp;E system, Mid-term reviews, End term Evaluations</li> </ul>
		Number of beneficiary institutions capacitated in complex contract negotiations/management and related institutional matters	#	n/a	10 (Annually)	<ul style="list-style-type: none"> <li>Interviews with RMC actors, Bar associations and relevant organizations</li> </ul>

### Pillar 3: Managing for Results - Transversal Measurement

	Results Chain	Key Performance Indicators	Unit	Baseline <sup>1</sup> (2021)	Target (2023-2027)	Sources of verification
Outcome	Outcome 3.1: ALSF operations are enhanced and effective	Percentage of successfully implemented and completed projects	%	TBD with baseline survey	To be projected from baseline data	<ul style="list-style-type: none"> <li>ALSF Annual Reports</li> </ul>
		ALSF efficiency, effectiveness and relevance rated as highly satisfactory in evaluations	Rating	Satisfactory	Highly satisfactory	<ul style="list-style-type: none"> <li>Evaluation Reports</li> </ul>
Outcome	Outcome 3.2 Enhanced communication and integration of cross-cutting issues	Number of projects/ sponsorships or forums that ALSF implements or participates in collaboration with other partners	#	TBD with baseline survey	To be projected from baseline data	<ul style="list-style-type: none"> <li>ALSF Annual reports</li> </ul>
Outcome	Outcome 3.3 Knowledge management is enhanced	ALSF donor toolkits developed and circulated annually	#	Number	TBD with baseline survey	<ul style="list-style-type: none"> <li>Annual Stakeholder Survey</li> </ul>
		ALSF annual reports published and circulated considered informative by stakeholders	#	Number	TBD with baseline survey	<ul style="list-style-type: none"> <li>Annual Stakeholder Survey</li> <li>Annual reports</li> </ul>
		Findings of Midterm and end term evaluations disseminated to stakeholders considered useful	#	Number	TBD with baseline survey	<ul style="list-style-type: none"> <li>Annual Stakeholder Survey</li> <li>Evaluation Reports</li> </ul>
		ALSF knowledge hub developed and utilised by stakeholders	#	Number	TBD with baseline survey	<ul style="list-style-type: none"> <li>Annual Stakeholder Survey</li> <li>ALSF statistics</li> </ul>

## III. Funding Requirements and Resource Mobilization Action Plan

### Funding Requirements

To accelerate the delivery of the new strategy, the ALSF will require about USD 107 million over the 5-year period of the MTS. The ALSF will commit about 90 percent of these resources towards costs arising from or associated with implementation of the Strategic Pillars. About 10 percent of the resources would be utilised to manage the programmes. To raise the required funds, the ALSF will implement a Resource Mobilization Action Plan as described below.

DESCRIPTION	ESTIMATED ANNUAL BUDGETS					
	2023	2024	2025	2026	2027	2023-2027
<b>Project Direct Costs</b>	(14.01)	(15.18)	(16.44)	(17.79)	(19.23)	(82.65)
<b>Project Shared Costs</b>	(2.80)	(2.80)	(2.80)	(2.80)	(2.80)	(14.00)
<b>Total Operational Costs</b>	<b>(16.81)</b>	<b>(17.98)</b>	<b>(19.24)</b>	<b>(20.59)</b>	<b>(22.03)</b>	<b>(96.65)</b>
<b>Staffing and Administration</b>	<b>(2.00)</b>	<b>(2.00)</b>	<b>(2.00)</b>	<b>(2.00)</b>	<b>(2.00)</b>	<b>(10.00)</b>
<b>Total Program Requirements</b>	<b>(18.81)</b>	<b>(19.98)</b>	<b>(21.24)</b>	<b>(22.59)</b>	<b>(24.03)</b>	<b>(106.66)</b>
<b>(%) Administrative Costs to Total Program Requirements</b>	10.63%	10.01%	9.41%	8.85%	8.32%	9.38%

### Proposed Resource Mobilization Action Plan

The ALSF Resource Mobilization Action Plan will guide the resource mobilisation efforts. The plan focuses on specific tasks to be accomplished to ensure that funding is available for the implementation of the ALSF MTS 2023-2027. The ALSF's approach will involve establishing the foundational elements needed for focused resource mobilization. Specifically, the ALSF will:

#### Create a robust communication function

The ALSF will enhance its communication and information flow in the following ways:

- Develop a basic information package to help address information gaps and improve awareness about its existence and the impact of its interventions;
- Undertake a donor mapping and identify their respective priorities and subsequently compile and share a comprehensive package of information adopted to donor audiences;
- Develop donor profiles and proposal templates;
- Work with the AfDB HQ and its field offices to share important information with our partners and clients;
- Optimise the use of various media to disseminate information, including the ALSF official website, printed materials, and social media;
- Regularly confirm through media intelligence that our communication reaches the target audience.



### Expand the base of traditional and non-traditional donors

The ALSF will undertake more intense and targeted marketing of its activities and comparative advantages to broaden its base of financiers. Accordingly, the Facility will intensify its engagement with (i) RMCs for contributions, as achieved with Guinea and The Gambia; (ii) the private sector, including public-private partnerships and foundations to contribute to the implementation of its mandate. In sum, the ALSF will undertake the following actions to deepen relations with existing donors, and also diversify its donor base to attract new funding streams:

- **Retain existing financing partners:** The ALSF will continue to consult and work with our existing partners, placing emphasis on our interventions, and, highlighting the results generated, and shared achievements.
- **Engage RMCs to make financial contributions:** Sustain engagements and explore various options and approaches to encourage RMCs to make voluntary contributions to the ALSF.
- **Build partnerships with the private sector:** Establish practical options for the private sector to financially contribute to the ALSF operations.
- **Strengthen dialogue with philanthropic foundations:** Review and scale up the engagement with foundations to support the work of the ALSF.

### Utilise the ALSF reimbursable financing instruments

The ALSF will fully implement the approved ALSF Financing Instruments, namely – Grants with Cost-Sharing Arrangement, Grants with Contribution Commitment, and Loans to recover some of the costs incurred in supporting RMCs, especially in economic or profitable projects, and to supplement the resources available to support more RMCs. In the long run, it is expected that these instruments will create a revolving funding mechanism for operations and potentially reduce dependence on donor funding.

### Follow Up on Outstanding Donor Pledges

The ALSF will focus on ensuring pledges set out by the respective donors are honoured by providing the necessary prerequisites for disbursements by the donors.

### Innovative funding strategies

The ALSF recognises that there are competing needs for donor funding. But there are also opportunities to include legal support in existing bilateral or multilateral funding arrangements between RMCs and donors to ensure successful projects. The ALSF will seek to develop appropriate strategies to enable donors fund relevant projects under existing donor programmes.

### Review and appropriately improve partner reporting systems

The ALSF currently prepares and submits donor performance reports to assist our financing partners to better account for their contributions to the Facility. The ALSF will remain engaged and constructively consult with its donors to improve on the donor reporting systems.

### Improve the visibility and public recognition of our funding partners

The ALSF will share information with other stakeholders and our donors about the impacts of the work they fund including more visual and narrative reporting.

### Review the implementation of the Action Plan

This implementation plan will be assessed periodically by the ALSF Senior Management Team based on the results achieved against set targets.

# IV. The ALSF and Its Stakeholders



**Legend**

- Primary beneficiaries
- Strategic & Financial Partners
- Other stakeholders and Interested Parties





