

# Completion Report

## SIDA Support of Research Based Innovative Cluster Development in Africa

Contribution nr 82030017

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November 29<sup>th</sup> 2011  
Lena Trojer, SICD  
Peter Chisawillo, PACF

## EXECUTIVE SUMMARY

PACF (Pan African Competitiveness Forum) is currently coordinating cluster development in Africa by applying a systematically designed process intended to accelerate the pace of establishment of cluster initiatives as foundations for innovation and knowledge based economic development in the continent.

The objectives of the Sida support to PACF and the Swedish partner SICD (Scandinavian Institute for Competitiveness and Development) have been successfully realised for this phase of PACF development and the development of clusters initiatives in the continent.

This completion report highlights the various program components, experiences and lessons learnt in implementing innovations and cluster based approaches to economic development in Africa.

The Sida support to the different program components can briefly be summarized as follows.

The 2nd PACF Annual Conference in Elmina, Ghana, 2010 was setting the PACF onto the path of growth. The theme for the conference was *Cluster Initiatives for African Economic Development and Sustainability*.

Cluster facilitator training was conducted in three countries with additional participation from the countries in brackets, namely in Nigeria (Gambia), Ghana (Senegal) and Kenya (Ethiopia). The training team included experts from both PACF and SICD. Before the training a Cluster Facilitators Training Program was jointly developed out of previous experiences in East Africa. The training program in 9 modules is aiming at providing African nations with a systematic methodology and approach to the development of cluster initiatives. The implementation of the cluster facilitator training has resulted in + 100 participants, Business Plans for 32 Cluster Initiatives, Host and principal organizations in place, Qualification processes established, PACF ownership of the organization of the training program process and PACF / SICD partnership established.

The support to the PACF secretariat, executive board and taskforce has consolidated activities in the continent by promoting the establishment and operationalization of regional chapters (ECOWAS, Eastern African), assisting in the establishment of national chapters, training of cluster facilitators, resources mobilisation, holding PACF annual conferences and enhancing linkages with SICD and other international organisations.

Resource mobilization has been fostered in the program and e.g. resulted in establishment of an African Cluster Development Foundation.

A research component has been created in the program. This component contributes with a research based understanding and practice of the development of innovative clusters and innovation systems and is the start of the International Graduate School on Innovation Systems, Clusters and Development.

## INTRODUCTION

### *Background*

African countries and other less developed nations in the world are increasingly focusing on strategies for sustainable economic development not only as a way of pulling their people from abject poverty but also making the countries meaningful and effective participants in the competitive global economy. There is general realisation, that the universal resource base approach, which utilises all the national and other supportive international resources for a national/regional economic development and competitiveness, provides for a viable platform for a shared vision and joint action for accelerated economic development and enhanced competitiveness. The platform fosters integration of knowledge, innovation, research, government, private sector and civil society as stakeholder components in the national prosperity agenda.

The integration of such actors cannot be taken for granted and needs organised interventions to firstly create a consensus on the conceptual framework and secondly plan and implement concrete activities at grassroots and institutional/national/regional/continental levels to marshal resources, support and involvement of each stakeholder as a necessary component of the “National Innovation System”. The main outcomes of such organised interventions are:

- The mainstreaming of cluster development in government, private sector and academia policies.
- The establishment and consolidation of effective national, regional and continental structures for coordinating and overseeing cluster development in their respective areas
- Established and improved linkages between research and society with business and government enhanced access to and utilisation of, the national and global knowledge pool
- Enhanced firm/farm level innovations through linkages between academia and clusters providing inputs to the national research agenda and utilising research outputs from academia
- A more streamlined National/Regional Innovation System.
- Enhanced international collaboration in research, innovation and knowledge exchange/sharing and in developing methodologies for operationalization of innovation based cluster development approaches in the continent.

This is the main thrust of the Sida support in this report<sup>29</sup>program: It is stated by FORSKSEK in initiating an evaluation of this program<sup>1</sup>: *“there has been increased attention to innovation systems and clusters. These concepts usually began in high-income countries to address the issues of economic growth and competitiveness. For the same reasons and also given the central importance of innovation to economic growth and to poverty reduction the same concepts are increasingly being studied and included in national growth and development strategies of low-income countries.”*

FORSKSEK also notes that applications in developing and low-income countries must take place under conditions very different from those in high-income countries. Further, the most recent Strategy for Sida’s support to research cooperation, 2010-2014, explains one of its objectives thus: *“opportunities for utilizing research as a tool of development are to be enhanced by such means as investment in innovation systems. The emphasis should be on support for fora and functions that facilitate exchanges of information between the research community, the business community and society at large”* (p.2). It adds that the objective of research capacity building in low-income countries is explicitly to be based on *“a systems*

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<sup>1</sup> The 2011 Sida Evaluation Report: “Innovation Systems and Cluster Initiatives: Strategic Evaluation of a Sida Portfolio”

*oriented approach to higher education, research and innovation” (p.3) and activities should focus on “ensuring that research has a greater impact on the fight against poverty as a result of cooperation between universities, public authorities, the business sector and civil society”.*

PACF is currently coordinating cluster development in Africa by applying a systematically designed process intended to accelerate the pace of establishment of cluster initiatives as foundations for innovation and knowledge based economic development in the continent. The involvement of key stakeholders in the triple helix, with a clear appreciation of each stakeholder’s role in realizing a shared vision, provides a new platform and perspective for development.

The 2011 Sida Evaluation Report: “Innovation Systems and Cluster Initiatives: Strategic Evaluation of a Sida Portfolio”, demonstrates the validity of the approach to cluster development as a stimulus for economic development, innovation and knowledge exchange.

The following **impacts** arising from the implementation of the program are beginning to emerge:

- Some cluster firms (*e.g. in the Sea-Weeds CI and the Morogoro Engineering CI*) have begun to earn more income from their activities as a result of clustering;
- Productivity (turn-over per employee) is already increasing rapidly in some cases (*e.g. in the Morogoro Engineering CI*);
- Some cluster firms (*eg. in the Morogoro Engineering CI*) have begun exporting their products to neighbouring countries;
- There are clear signs of enhanced innovativeness in most of the upgraded cluster initiatives;
- The need to protect the environment has become a key priority among cluster members who depend on either the natural resource base for their products or are among agriculturists;
- Some women cluster members feel empowered as being in a cluster has enabled them to earn more than before.

The objectives of the Sida support to PACF and SICD have been successfully realised for this phase of PACF development and the development of Clusters initiatives in the continent.

This completion report highlights the successes in the various program components, experiences and lessons learnt in implementing innovations and cluster based approaches to economic development in Africa. These lessons and experiences should assist in shaping the next generation of interventions by Sida, SICD and PACF for the development of cluster initiatives in Africa.

### *Objectives*

The objectives of the support as stated in the contract are as follows:

1. Consolidate the PACF through a conference, training courses in three countries and initial financial support to the PACF secretariat, executive board and taskforce.
2. Develop methods for expert support in innovation cluster development at BTH (BTH / SICD in cooperation with PACF, *an adding*).

In the achievements below these objectives are accounted for.

### *Review Meetings*

Concerning review meetings with the partners, specific forms have been developed. During the project time a number of telephone conferences have been conducted with follow up, planning and problem solving. Face to face review and planning meetings have been held at the PACF annual conferences in Elmina, Ghana 2010 and Entebbe, Uganda in February 2011. A specific review meeting was held at Nelson Mandela African Institute of Technology (NM AIST), Arusha, Tanzania, 19<sup>th</sup> September 2011 with the following persons attending  
Burton Mwamila, Chairperson PACF EB, VC, Professor  
Martha Stambuli-Niko, Personal Assistant to VC  
Liliane Joseph Pasape, Assistant Lecturer, Program director, Innovation  
Peter Chisawillo, PACF  
Omar Bakari, COSTECH  
Tomas Kjellqvist, SICD / BTH via gmailvideo part of the meeting  
Lena Trojer, Director SICD / BTH

According an agreement with Sida (decision Kjell Hayling 2011 01 24) the Completion Report must be delivered no later than December 1<sup>st</sup> 2011. This report has been produced jointly by SICD and PACF.

# ACHIEVEMENTS

## Objective 1

### 1.1. PACF 2<sup>nd</sup> Annual Conference, Elmina, Ghana, 2010

#### *Summary*

This Second PACF Annual Conference was generally aimed at setting the PACF onto the path of growth. The coordinating body of PACF-Ghana is The Science and Technology Policy Research Institute (STEPRI) headed by Dr George Essegbey. The content of the three-day conference largely consisted of knowledge exchange, competence building and experience sharing which were manifested in a series of plenary, parallel track, cluster market information sharing, networking and training sessions. The specific objectives of the conference were to:

- appraise progress made since the inauguration of the PACF in Addis Ababa in April 2008;
- create a platform for the exchange of knowledge and experience in enhancing competitiveness of enterprises;
- follow up on agreed strategies for impact in respective African countries.

The theme for the Conference was *Cluster Initiatives for African Economic Development and Sustainability*. Presentations on this theme were made in three main categories:

- Conceptual Papers;
- Country Reports;
- Participant Experiences and Lessons to Share.

Conference documents can be downloaded from [www.pacfnetwork.com/newsblog/?m=201005](http://www.pacfnetwork.com/newsblog/?m=201005)

It can be concluded that the Second Annual Conference of the PACF was a success. The participation included some 137 delegates. The organization of the conference was an effective collaboration of the NSC (National Steering Committee) and the PACF Executive Board. All the planned activities including the track sessions, exhibitions and conference tours were successfully done. Clearly the Second Annual Conference of the PACF has provided another foundation for the PACF to build on further.

After the conference, a Cluster Facilitation Workshop for the cluster leaders was conducted. It enhanced their skills to better manage and coordinate their clusters. They drew business plans, which have been submitted to PACF for funding. The Ghana Association of Textiles and Garments Cluster Initiative have successfully sourced some funds to implement their activities.

More interest has been noted even from clusters, which did not participate in the Conference e.g. Farmers Organisation Network of Ghana (FONG) and the Kola Nuts Cluster. This is evidence of more awareness of the benefits of clustering and better networking.

STEPRI has also collaborated with the GIMPA Business School and a German Business School to conduct some field study on clusters in Ghana. It was mainly spearheaded by a German post-graduate student with one of the Research Staff providing supervision. The study is yet to be concluded.

## **1.2. Training and implementation in Nigeria (Gambia), Ghana (Senegal) and Kenya (Ethiopia)**

### ***Summary***

- + 100 participants
- Business Plans (BPs) for 32 Cluster Initiatives (CIs)
- Host and principal organizations in place
- Qualification processes established – at different pace.
- PACF owns and organizes the TP process
- PACF / SICD partnership established

### **Nigeria and the Gambia:**

34 participants (3 from Gambia)

13 pilot CIs processed during training

Host organization: RMRDCI (Raw Materials Research and Development Council)

Principal organization: PACF Chapter Nigeria (chair Prof Bamiro)

Status: 6 BPs/CIs submitted to PACF chapter and reviewed by Training Team. 2 CIs recommended by Training Team (TT) if minor changes made, other 4 need major improvements.

The Training Course was successfully implemented with a good response from the participating organizations and participants. RMRDCI hosted the training in a good way. The PACF chapter of Nigeria is in charge of the refinement of the Business Plans of the Cluster Initiative and the decision of the first batch of seed financing (local and national).

The Cluster approach is fully mainstreamed in Government policies and the RMRDC is an effective anchor institution for Cluster development in Nigeria.

The National Steering Committee's follow up mechanism for Cluster Initiatives development process needs to be improved especially in setting feedback timelines and performance milestones.

The SICD/PACF Training program with materials developed by the two institutions kick started in Nigeria for Nigeria and Gambia. The poor response in submitting Business Plans compared to the second training in Ghana could be a reflection of the Facilitators grasp of the concepts and requisite action required of them; NSC follow up as explained above or the trainers delivery (*reviewed and improved after the Abuja Training*)

The situation in Gambia attracts attention. In the absence of a PACF structure coordination of cluster development activities has been carried out by Ms Fatou Mboob Jaah (*A member of the PACF Executive Board*) without anchorage to any specific institution. Two business plans have been received and all needed improvements.

In the two countries there is no Cluster Initiative that has been evaluated on site and therefore none has been earmarked for seed funding.

### **Ghana and Senegal**

27 participants (3 from Senegal)

Host organization: STEPRI (The Science and Technology Policy Research Institute)

Principal organisation PACF Chapter Ghana (chair Mr Kusi)

11 CIs designed draft business plans as a result of training course (Sept 2010)

*Status and qualification process*

11 CIs BPs anchored and improved "at home" then submitted to PACF GH for first approval

11 BPs / CIs submitted to PACF and reviewed by Training team. Feed back directly to Mr Kusi (Feb 2011)

Status: 8 CIs prioritized by PACF and submitted to Training team for and recommended for seed funding

The Training Course was successfully implemented with a good response from the participating organizations and participants. STEPRI hosted the training in an excellent way.

The PACF National Steering Committee and general coordination of cluster Initiatives establishment and development under STEPRI has resulted in very positive developments in Ghana. It can be derived that the extent of involvement of the NSC in cluster development determines the performance of the Facilitators and the CI s in general.

The progress in Ghana has been impressive. The business plans have been refined and the activities in the action plan have been successfully implemented so far. In October 2011 Lena Trojer visited Ghana in order to follow up the progress of the 8 prioritized CI. In the report from the follow up, it was clarified that the actual CI:s had received national and other seed funding and were qualified for Sida part of seed financing. The process is harmed by Sida's redefinition of the seed money commitment and conditions (see below).

The Senegalese situation also attracts attention. The Business plan submitted was for enterprise development and not cluster development. On site discussions in Dakar with Mr Wade Ibrahima and Mr Bakhoum Babacar (June 2011) revealed that lack of coordination/communication between the initial training program coordinator (Mr Babacar) and Mr Wade (The Permanent Secretary in the Prime Ministers Office responsible for Cluster Development) derailed the Facilitator training program for Senegal and there is need to reexamine the Facilitator training and cluster initiatives development approach not only for Senegal but for the Francophone West Africa.

### **Kenya and Ethiopia**

45 participants (3 from Ethiopia)

Host organization: NESCC (National Economic and Social Council)

Principal organisation PACF Chapter Kenya (chair Mr K Kariuki)

7 CIs designed draft BPs as a result of training course (July 2011)

*Status*

Plan: Sept/Oct 2011 anchored BPs / CIs evaluated

Jan/Feb 2012 BPs / CIs for application for seed funding

The Training Course was successfully implemented with a good response from the participating organizations and participants. NESCC hosted the training in a good way. The training was successfully completed and the draft business plans well designed. The commitment of the Presidents Office to Cluster development is commendable especially in view of the fact that Kenya has a cluster development policy in place and the training provided Kenya with tools for implementation of such policy. The close link between PACF-Kenya and the Presidents Office is a key factor for success at the highest levels of Government decision making.



The trainers from SICD and PACF faced however problems due to Mr Kariukis behaviour. He did violate against the copyright of the training material, he acted fraudulently with invoices and transport charges. These corruption issues have been reported to Head of NESC by PACF and SICD. We referred in the letter to Sida's zero tolerance to corruption. So far, no response has been received from NESC nor from PACF Kenya and the chairman Mr Kariuki. We are not expecting feed back from the chairman of PACF Kenya in this matter.

December 5 2011, Dan Sjögren will visit Ethiopia in order to follow up the Ethiopian Shoe Cluster Initiative.

Ethiopia does not yet have a PACF structure to oversee the implementation of the one business plan from Ethiopia. Individuals, who have been coordinating the program in Ethiopia, should utilise this opportunity as a nucleus for the establishment of more cluster initiatives and vitalising the PACF chapter in Ethiopia.

### *Lessons learned*

#### **• Continuous support and monitoring**

An important lesson is that the development process needs to be funded in all stages, from development to implementation. The funding needs to cover visits to each participating country. It is vital to monitor and support the implementation of the program and the initiatives including meetings and visits to the PACF national chapter, the national host organisation for the program (for example STEPRI in Ghana) and each of the cluster initiative. This has been possible in Ghana and has provided a better framework for the implementation and the further work, both at the national level and for the initiatives. It included also a better monitoring and coaching to the individual initiatives, based on their business plans.

#### **• Seed funding of approved CI.**

During 2010 the issue of seed funding was discussed with Sida staff. The experiences of Sida seed funding model of CI in Tanzania and Uganda are very good. The seed money was used for facilitation of CI and the Sida support in this respect provided targeted money with a huge spin off effect. These experiences were useful to develop an improve seed money mechanism. A condition of local and national funding of minimum 5000 USD (in cash or in kind) was introduced. Precise criteria for Sida funding was developed and approved by Sida staff during 2010. When the SICD trainers reported to Sida on the progress of Training Program August 2011 and the upcoming need for seed money from Sida, the Sida staff redefined the financial commitment to an "idea". The Sida staff recommended PACF to design an application with a broader scope and a focus on development of methodology. This change has complicated the relationship with actual Chapters of PACF and delayed the process. The requested application is developed and to be submitted shortly.

### 1.3. PACF secretariat, executive board and taskforce

- I. The PACF secretariat coordinated the implementation of the PACF work plan and specific activities financed through the current contract. In the period of the contract PACF has registered great success in consolidating its activities in the continent by promoting the establishment and operationalization of Regional Chapters (ECOWAS, Eastern African), assisting in the establishment of National Chapters, Training of Cluster Facilitators, Resources mobilisation for the 1000 Cluster Fires Competitions, Holding PACF Annual conferences and enhancing linkages with SICD and other International organisations.
- II. Executive Board Meetings
  - a. Accra Ghana: 2Dec 2009
    - i. Preparations for the Elmina PACF 2<sup>nd</sup> Conference. The meeting evaluated the preparations for the Elmina PACF 2<sup>nd</sup> Conference, received reports on the preparations and gave guidance as appropriate. The result of this meeting was expedited resources remittance and focused activities implementation with closer EB follow-up, which led to the successful holding of the 2<sup>nd</sup> Annual conference
    - ii. Preliminary planning for the training of Cluster Facilitators
    - iii. Resolved to strategize to establish the Southern Africa Regional Chapter. The lack of a focal country in Southern Africa to spearhead a Regional Chapter shifted EB priority to the consolidation of the already established ECOWAS and Eastern African Chapters.
  - b. Elmina Ghana: 16 Feb 2010
    - i. The Elmina EB meeting continued to operationalize the PACF Instrument by reconstituting the Executive Board and Council and providing it with a three years mandate.
    - ii. The EB also resolved to formalise collaboration with TCI through a Memorandum of Understanding. TCI has agreed to all provisions of the MOU except reciprocal Board membership in each organisation. This is yet to be resolved. However, TCI has continued to elect one member from Africa to its Board and currently it is expected that at the TCI Conference in New Zealand, Prof. Peter Onuwalu Chairman of PACF-Nigeria will replace Prof. Barnabas Nawangwe in the TCI Board.
  - c. Entebbe: 3<sup>rd</sup> Annual Conference 1,2,3 Feb 2011
    - i. The Entebbe EB meeting presented to the Council recommendations for enhanced collaboration between PACF and SICD in resources mobilisation through the Establishment of African Cluster Development Foundation (ACDF). The Board also made recommendations to the Council on Hosting of PACF Annual Conferences and presented a report on the successful cluster facilitator training conducted in Nigeria and Ghana for Nigeria, Gambia, Ghana and Senegal.
    - ii. The meeting also resolved on the “1000 Cluster Fires Competitions” Document and the PACF Fund Raising Strategy.
- III. Coordination of Training
  - a) Report of Training annexed The EB coordinated the activities leading to very successful Cluster Facilitator training programs in Nigeria, Ghana and Kenya. The coordination also involved the initial stages of training materials preparations with a two days session in Elmina, Ghana and later a four days’ workshop in

- Arusha, Tanzania.
- b) Training material was developed and used in Abuja for Nigeria + Gambia
  - c) The material was upgraded and used in Accra for Ghana + Senegal
  - d) Further improvement was made to the material and used in Nairobi for Kenya + Ethiopia
  - e) A total of 106 cluster facilitators were trained in the six countries (Nigeria-31, Gambia-3, Ghana-24, Senegal-3, Kenya 42, Ethiopia-3)
  - f) 32 Cluster Initiatives are to be established from this training program (Nigeria-12, Gambia-2, Ghana-10, Senegal-1, Kenya-6, Ethiopia-1)
  - g) Ghana and Nigeria have submitted business plans for their cluster Initiatives. Ghana has already had their clusters evaluated both by the NSC and SICD and are ready to receive seed funding for the best performing 8 cluster Initiatives.
- IV. Preparation of ACDF constitution  
Draft constitution annexed
- V. Follow up on Regional/National Chapters
- a. Senegal (Note to Mr Ibrahim Wade annexed)
  - b. Ethiopia (Note to Yaregal annexed)
  - c. ECOWAS Regional Conference 21-22 Oct 2011 (presentations annexed)
- VI. PACF Conferences Organisation.
- a. Kampala: Preparation of Entebbe Conference 10<sup>th</sup> January 2011 Secretariat
  - b. Preparations for the 4<sup>th</sup> Conference: download conference announcement at [www.pacfnetwork.com](http://www.pacfnetwork.com)

## Objective 2

### 2.1. Development of Cluster Facilitators Training Program (TP)

#### *Summary*

“The overall objective is to provide African Nations with a systematic methodology and approach to the development of cluster initiatives.”

- The methodology covers the complete development process, from kick start of pilot initiatives to sustainable platforms and provide a complete process support.
- Evidence driven – African cases and experiences
- Promote teams of African trainers and networks of facilitators
- Building capacity and competence in PACF to scale up TP to 1000 Fires Program
- Build capacity in SICD for collaborative provision of interventions in developing Cluster Initiatives in Africa and extend the experience across the globe

#### *Aim*

The aim of the PACF Training Program (TP) is to

- provide PACF national chapters with a training of facilitators in Cluster development and Innovation in participating countries and to start/restart pilot cluster initiatives
- use African knowledge, experiences and cases on cluster development and innovation \* To build a team of African facilitators and experts on cluster development and innovation who can independently execute training
- develop a 2<sup>nd</sup> generation of TP in partnership between PACF and SICD
- introduce TP into six new African Countries to ignite the process of 1000 fires,

#### *Development Process*

The development of TP was done by a team consisting of Eng Peter Chisawillo, Dr Flower Msuya and Mr Sosthenes Sambua from Tanzania, Dr Yasin Ziraba from Uganda, Mr Peter Kempinsky and Mr Dan Sjögren from Sweden. The team was gathered on three occasions:

- One day workshop after the PACF conference in Elmina, Ghana, February 19
- Two day workshop in Arusha, May 7-8
- Preparatory workshop in Abuja, Nigeria October 2

In between those occasions, the main communication tool was e-mail.

The results of the development process are Clusterpedia (annexed) free to use and published on the web and a fully developed TP manual (annexed).

### 2.2. Resource mobilization

During the project period the close partnership between PACF and SICD has resulted in an agreement of consolidating collaboration between SICD and PACF. This agreement is decided upon by the PACF council. The agreement is annexed. One main activity in the agreement is

joint resource mobilisation via the African Cluster Development Foundation (ACDF). The joint development of this foundation started in Entebbe, February 2011, continued with meeting in Arusha September 2011 and is ongoing with creation of instruments and activity plans. Meanwhile the PACF chapters – with PACF-EA and PACF-ECOWAS most evolved – mobilize national resources.

Each national PACF chapter is mobilizing resources, which details cannot be listed unless a thorough study is made. A recent co-funding study (annexed) is made in Ghana October 2011 showing different types of resources in cash as well as in kind from Government as well as from private sector. The study mentioned is estimating a national resource mobilization of more than 88 000 USD for the development of 9 prioritized cluster initiatives. Other examples of resource mobilization is Uganda Government allocating 950 000 000 UGX during 5 years start 2011 for a Innovation Systems and Clusters Program handled by PACF-Uganda.

From the Swedish side resources added to this project reported comes from VINNOVA, BTH and AAK (AarhusKarlshamn AB, AAK refines vegetable oils for specialised products). A collaboration between AAK and Sheanut clusters in Ghana is developing.

### **2.3. Research component**

Along the project time an increasing demand and need of a research component was expressed not the least from some cluster facilitators. One research component identified is PhD training. This component contributes with a research based understanding and practice of the development of innovative clusters and innovation systems and became the start of the International Graduate School on Innovation Systems, Clusters and Development with the following objectives.

Develop research based understanding and practice of innovative clusters and innovation systems and thus contribute to social/economic sustainability.

Give PhD students international experiences and benchmarking possibilities within the core knowledge field of the graduate school as well as networking possibilities of value for future carrier.

At the moment the Graduate school has 3 PhD students, 2 associated and 3 incoming. Two licentiate theses have been delivered. A consortium of universities in Europe and Africa is under construction and a ‘summer school’ planned to take place in Arusha, Nelson Mandela African Institute of Science and Technology first half of 2012, see Annex 2.g.

## AUDIT

The budget consists of 2 parts – PACF and PACF/SICD. A revision of the use of the budget lines within the total budget frame was approved by Sida December 2010.

Three audit reports are delivered in the report

- one for budget line 1 in the contract / PACF 2<sup>nd</sup> Annual Conference, Elmina, Ghana, 2010, annex 3.b.
- one for the budget lines 2-6 and partly 9 - 11 / PACF secretariat, annex 3.c.
- one for budget lines 7 – 12 / SICD (partly 9 – 11), annex 3.d.

A summary of which audit belongs to which budget line is annexed (3.a.). Because of additional resources from VINNOVA and BTH, part of the deficit on the PACF result (see audit report 3.c.) has been covered by transfer of the SICD budget.

## ANNEXES

- 1.a. 2<sup>nd</sup> PACF Annual Conference, program
- 1.b. 2<sup>nd</sup> PACF Annual Conference, Report
- 1.c. Post Conference Communication from EB Chair of PACF
- 1.d. TP report - Training course in Nigeria including participants from Gambia, Ghana including participants from Senegal Kenya including participants from Ethiopia
- 1.e. EB meetings
- 1.f. Outputs from the one-day PACF-Secretariat's Mission to Uganda
- 1.g. Draft constitution ACDF
- 1.h. PACF Senegal
- 1.i. PACF Ethiopia
- 1.j. ECOWAS Regional Conference
  
- 2.a. Clusterpedia on Cluster Development
- 2.b. TP manual, module 0 – 8 ppt
- 2.c. Agreement of consolidating collaboration between SICD and PACF
- 2.d. Note of Appreciation to SICD
- 2.e. PACF fundraising document
- 2.f. Ghana resource mobilization
- 2.g. International Summer School ISCD
  
- 3.a. Summary of auditing
- 3.b. Audit report STEPRI/James Quagraine & Co
- 3.c. Audit report Ndamallya & Company, Arusha, I+II
- 3.d. Audit report KPMG