



FONDATION POUR LES ÉTUDES
ET RECHERCHES
SUR LE DÉVELOPPEMENT
INTERNATIONAL

Ferdi's agenda in francophone West and Central Africa:

**Research, influence, and capacity-building for effective and
sustainable development policies
2018-2019**

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General presentation

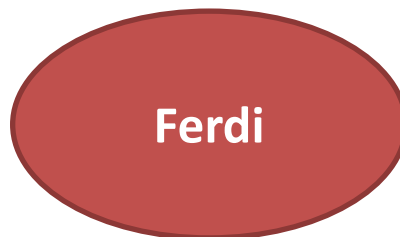
FERDI is an independent and not-for-profit think tank, labelled “reconnue d’utilité publique”.

It was created in 2003 by the Centre for Studies and Research on International Development (CERDI), a privileged scientific partner for FERDI.

Its primary objective is to influence international discussions and policies on major development issues, through 3 levers:

Research

Exchange of innovative ideas stemming from research in development economics



Capacity building

Support to design and implement inclusive and sustainable economic policies

Influence

Recommendations to international development decision-makers and partners

Activity organisation and funding schemes

Funding schemes

- IDGM / IDGM+ / I-site (fungible funding)
- Specific schemes (e.g. convention UEMOA)
- Private partnerships



Activities

- ✓ 9 programs > 18 sub-programs
 - 6 projects > 10 sub-projects
- ✓ 2 chairs
- ✓ 1 training center



Impact

Research
Influence
Capacity building

A 24 permanent staff team, a community of 60 development experts from various institutions and countries, and a worldwide network of CERDI alumni.

Ferdi is running **9 programs**:

1. International financing for development
- 2. Tax policies and internal financing for development**
- 3. Regional and international integration**
4. The 2030 agenda and the LDCs
5. Climate, sustainable energy, and development
6. Human capital
- 7. Peace security and development in the Sahel**
8. Agriculture and development
9. Linguistic, culture and development

Projects

... 2 Chairs:

- **The Chair Sahel**
- **The Chair “Digital Trust”**



1 observatory:

- The Sustainable Competitiveness Observatory (SCO)
<https://competitivite.ferdi.fr/en>



& 1 training centre:

- **The Institute for Advanced Studies in Sustainable Development (IHEDD)**



Key databases

- ✓ Build your own Economic Vulnerability Index
(<http://byind.ferdi.fr/en>)
- ✓ An Index of Physical Vulnerability to Climate Change
(<https://ferdi.fr/en/indicators/an-index-of-physical-vulnerability-to-climate-change>)
- ✓ **The Mining Tax database**
- ✓ **The State Commitment to Regional Integration Index (SCRII)**

Supporting the mobilization and efficient use of domestic resources as well as the development of tax and customs policies, their decentralization, and their role in the regional integration process.

Partners: CERDI, DGFIP, ICTD, WAEMU, CEMAC, IMF, CREDAF, ITC, Bank of France, Univ. of Manchester, Orange

Recent research

Publications (2018-2019) in ITPF, Journal of Math. Econ., Econ System, The World Econ., among others.

FERDI (with CERDI and ICTD) has created the first **legal and tax database** on the tax regime applied to industrial gold mines in 21 African countries since the 1980s.

FERDI and CERDI, with the support of Orange, have assessed the **tax burden on telecommunications companies** in 9 African countries, provided an inventory of the tax regimes applied to the telecommunications sector, and proposed tax policy scenarios.

FERDI and CERDI have conducted a novel **study on aid taxation**: Caldeira, E., Geourjon, A. M., & Rota-Graziosi, G. (2019). Taxing aid: the end of a paradox?. International Tax and Public Finance, 1-16.

FERDI and CERDI have defined a new **indicator of customs control effectiveness**, applied to Gabon, in Cariolle et al (2019) "Going beyond analysis of internal data to support customs modernization: A case study in Gabon", The World Economy, 42(6): 1850-1872.

Influence

FERDI has been mandated by the French MAE to support and structure its strategic thinking on the **mobilization of public domestic resources** in developing countries.

FERDI conducts studies for the WAEMU and the CEMAC commissions on the regional **harmonization of fiscal policies**, presented at the 2017 annual meeting of finance ministers of the Franc Zone.

Capacity building

Materials: FERDI published a methodological guide on tax expenditure assessment.

Training: Training on tax expenditure assessment in Douala (2019), macro-simulation and forecasting in Conakry (2018), on general equilibrium modelling in Bamako (2018), and through *e-learning* since 2019.

Administration support: Tax administration reform and tax expenditure assessment in Conakry (2018, 2019).

Events organisation: Workshop on tax expenditures assessment organised with CREDAF and the WEAMU Commission (2019), Conference “Foreign exchange policy and sustainable development in low-income countries” organised with Bank of France and AFD (2019) , partner of CREDAF for its General Assembly in Port-au-Prince (2018).

Regional and international integration

Since its creation, FERDI, with CERDI, has been involved in partnership with the WAEMU and CEMAC Commissions on regional integration issues in the Franc Zone. FERDI has also analysed the effects of trade policies on developing countries, and has developed various trade-related indicators.

Partners: CERDI, WAEMU, CEMAC.

Research

Publications (2018-2019) in the JPE, The World Econ., World Trade Review, Journal of Urb. Econ. among others.

Elaboration of a **State Commitment to Regional Integration Index** (SCRII), applied to the Franc Zone.

Various research reports and notes, focused on **key intervention areas for the integration of Franc Zone**: multilateral supervision, hard and soft transport infrastructures, telecommunications, electricity access, trade facilitation, trade and employment, and competitiveness.

Influence

FERDI conducts studies for the WAEMU and the CEMAC Commissions on the **regional coordination of fiscal policies**, presented at the 2017 annual meeting of finance ministers of the Franc Zone countries.

The WAEMU Commission **has integrated the SCRII** in its regional integration monitoring mechanism.

The CEMAC Council of Ministers **adopted the reform of the multilateral surveillance system** recommended by FERDI.

FERDI helped the CEMAC Commission building a **recovery plan** addressing the significant macro and financial imbalances faced by the CEMAC following the decline in oil prices. This plan served as a basis for CEMAC member states negotiation with the IMF, and its implementation is backed by Ferdi.

FERDI proposed a regional **budget allocation mechanism** to the African Development Bank.

Capacity building

Materials: FERDI published a methodological note on Trade Facilitation Agreement follow-up in the WAEMU, a methodological guide for the computation of the State Commitment to Regional Integration Index (SCRII).

Training: Training of WAEMU staff on SCRII computation in Ouagadougou and Clermont-Ferrand (2019), Training of CEMAC staff on tax expenditures in Douala (2019)

Administration support: Reinforcement of WAEMU's statistical production and collection apparatus (2015-2018)

Events organisation: Regional workshop on the sanction mechanism for violations of multilateral surveillance rules in Douala (2019), Restitution workshop of the WAEMU-FERDI research partnership (2019), workshop on tax expenditures in Abidjan (2019).

The Chair Sahel of FERDI, created in 2018 and hosted in WEAMU HQ in Ouagadougou, aims to influence the decisions of public and private actors in their action to overcome the continuing Sahel crisis, and to promote sustainable development in the region.

Partners: CERDI, WAEMU, G5 Sahel, Monaco Government, AFD

Governance

Tertius Zongo, former Prime Minister of Burkina Faso and Senior Fellow of FERDI, is the Director of the Chair in Ouagadougou. He leads the team of African experts mobilized for this purpose.

Scope & objectives

The Chair Sahel is **a multi-sector project** (education, rural development, health, governance/institutions) aimed at:

- ✓ Analysing financial flows for development in the Sahel and their impact on public funding in Sahelian countries
- ✓ Learning from the successes and failures of development actions
- ✓ Developing methods for rapid evaluation of projects and programs
- ✓ Training courses for public and private Sahelian actors, international cooperation agents, and African researchers.

Outputs/Influence

Methodological workshop on the study on security expenditures and their crowding-out effects on the financing of development spending in the G5 Sahel countries (2019)

Signature of an agreement the Permanent Secretary of the G5 Sahel to carry out a study on security expenditures and their crowding out effects on development expenditures (2019).

FERDI and Be-Ys have joined forces in 2019 to study, analyse, understand, and formulate recommendations to promote the digital transformation of African economies.

Partners: CERDI, BE-Ys, Tufts Univ, Janngo.

Governance

The Chair is **co-headed by Jenny Aker**, Pr. of Development Economics at Tuft University (Boston), and **Fatoumata Ba**, African Entrepreneur, Co-founder of Jumia and CEO of Janngo.

The Chair is **funded by Be-Ys**, a French international group with expertise in the management and protection of your identities and personal data.

Scope & objectives

The objective of FERDI's Digital Trust Chair is to propose a range of technological solutions which can be implemented to meet the needs, expectations, and economic interests of West-African countries.

The Chair Digital Trust is **a multi-sector project** (banking and finance, agriculture, education, health, private sector development, employment) aimed at providing mass access to essential services (education, health, etc), improving SMEs' access to markets and financing (SMEs represent 98% of businesses in Côte d'Ivoire), and supporting direct and indirect job creation

The Chair Digital Trust is implementing a research-based action plan articulated around three areas of interventions: Digital and **public service provision**, digital and **financial inclusion**, digital and **SMEs development**.

The Institute for Advanced Studies in Sustainable Development (IHEDD)

IHEDD is the training institute of the Laboratory of Excellence (Labex) IDGM+ "Initiative for Development and Global Governance" led by FERDI in conjunction with the Institute for Sustainable Development and International Relations (IDDRI) and the CERDI.

Partners: CERDI-UCA, IDDRI, Region Rhone-Alpes-Auvergne,

Mission

IHEDD mobilises international experts from North and South, comprising academics, senior officials, leaders from major international, regional and national organisations, and development practitioners.

Various training formats:

- ✓ **short cycles** (one to two weeks) leading to the award of the "Certificate of Advanced Studies in Sustainable Development";
- ✓ **long cycles** of several months preparing for the award of specialised diplomas, and in partnership with the University of Clermont Auvergne, masters degrees;
- ✓ **tailor-made seminars** in day or half-day formats.

Selected trainings

- ✓ Strengthening health systems and policies to control infectious diseases (Ouagadougou, 2019)
- ✓ Tax expenditures (Douala, 2019)
- ✓ Modernization and transformation of agriculture: Technology adoption and impact assessment (Dakar, 2018)

The State Commitment to Regional Integration Index (SCRII)

Since 2015, FERDI has been developing, with the WAEMU, a new index to measure the commitment of its member states to the regional integration process.

<https://ferdi.fr/en/indicators/an-index-of-states-commitment-to-the-regional-integration-process>

The diagnosis is **focused on the decision-making process** of public authorities, which allows removing the influence of factors independent of their degree of commitment on the results of integration policies.

This composite index is based **on indicators measuring the transposition and application of 94 official community texts** by member states, split between 4 dimensions of regional integration:

- ✓ Trade integration (26 texts)
- ✓ Fiscal and financial integration (15 texts)
- ✓ Sectorial integration (40 texts)
- ✓ Human integration (13 texts)

The Gold-Mining Tax database

Ferdi, with CERDI and ICTD, has developed a database of tax and legal information for the gold-mining sector in French-speaking and English-speaking Africa.

<https://fiscalite-miniere.ferdi.fr/en>

The tools provided make it possible to:

- ✓ understand the characteristics of mining taxation,
- ✓ know the changes in mining taxation,
- ✓ compare the mining taxation between African countries,
- ✓ compare mining taxation between projects in the same country,
- ✓ assess the sharing of the mineral resource rent between states and investors.

7-min video presentation of the database and associated website:

https://www.youtube.com/watch?time_continue=30&v=1FgHn0syZOE&feature=emb_logo

The database comprises:

- ✓ an inventory of taxes, duties and duties (bases, rates, exemptions),
- ✓ ... during the research and operation phase of an industrial gold project,
- ✓ ... in 21 countries from 1980 to 2018,
- ✓ ... by linking each tax data to its legal source.

A model for the mining rent sharing:

- ✓ a cash flow model,
- ✓ in order to calculate the average effective tax rate,
- ✓ for 3 representative African mines,
- ✓ in 21 countries from 1990 to 2018.



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Thank you for your attention