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AU Commission emphasizes the need for coordinated policies at all levels for inclusive growth and sustainable development



Achieving the peaceful, united, prosperous, and powerful Africa We Want, under Agenda 2063, requires coordinated policies at all levels to drive inclusive growth and sustainable development. Despite various continental strategies and development plans, African economies have faced fluctuations in GDP growth rates, with challenges such as debt dynamics, COVID-19 impacts, weak governance, and infrastructure limitations. The African Continental Free Trade Agreement (AFCFTA) presents opportunities for growth, but misalignment of public policies hampers progress. The focus is to be on enhancing coordination between macroeconomic and sectoral policies to achieve sustained high economic performance and break the cycle of poverty.

Against this backdrop, the Department of Economic Development, Trade, Tourism, Industry and Minerals (ETTİM) of the African Union Commission (AUC) is hosting the 7th African Union Specialized Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration, under the theme “Enhancing Macroeconomic and sectoral policies coordination in Africa: challenges, opportunities and policy priorities for inclusive growth and sustainable development”, in Tunis, the Republic of Tunisia.

On behalf of H. E Mr. Moussa Faki Mahamat, the Chairperson of the AU Commission, H.E. Excellency Ambassador Albert M. Muchanga, African Union Commissioner for Economic Development, Trade, Tourism, Industry and Minerals, highlighted the challenges Africa faces, such as poverty, inequality, climate change, and the need for economic reform. Muchanga emphasized the importance of policy advisors and implementers in driving inclusive growth

and sustainable development in Africa through strategic reforms and economic management systems. Ambassador Albert Muchanga emphasized the importance of implementing the macroeconomic convergence criteria and working towards a single African currency. Muchanga also addressed the urgent need for Africa to respond to climate change and the issue of carbon market trading. “The challenge of climate change is getting worse, even after the December 2015 Paris Conference on Climate Change where 194 UN Member States agreed to cut greenhouse gases, the main driver of global warming and limit global temperature rises to 1.5C. Last year, was recorded as the warmest year since 1850 when records on global temperature started. We experienced a global temperature rise of 1.35C. The issue of climate change will become more important as the European Union and United States of America Carbon Border Adjustment Mechanism and Foreign Pollution Control Act come into effect,” said Ambassador Albert Muchanga.

The AU Commissioner Muchanga concluded by highlighting that strategic repositioning of African economies to achieve sustained growth indeed necessitates comprehensive policy reforms and coordinated efforts across various sectors.

H.E. Mme. Sihem Boughdiri Nemsia, the Minister for Finance of the Republic of Tunisia highlighted the importance of the theme of the STC. “This theme is of capital importance because one of the main weaknesses of our public policies relates to the disconnect between our macroeconomic and sectoral policies. Indeed, this lack of complementarity between our macroeconomic and sectoral policies leads to perverse effects which hinder the process of growth and structural transformation of our economies,” said the Minister.

The Minister underscored the importance of aligning macroeconomic and sectoral policies to promote economic growth and job creation in Africa. She called. She recognized the continent’s transformation and the role of coherent and complementary policies in consolidating this transformation. Finally, the Minister concluded by highlighting the need for resilience, solidarity, and good governance to achieve the goals of [Agenda 2063](#).

The Chair of the STC Bureau Mr. Abner Thulani, highlighted the African Union’s role in shaping the global agenda and advocating for reforms in the international financial architecture. “It is important that we find common positions on areas of mutual concerns such as the reform of the global financial architecture. It is not a secret that the current international financial system is not fit for purpose to resolve Africa’s development challenges and even deal with the current crises,” said Mr. Abner Thulani.

The Expert’s meeting, scheduled to conclude on 4th July, precedes the gathering of African ministers responsible for finance, economic planning, and integration, along with central bank governors. They will convene on 6th July 2024 to discuss matters concerning Africa’s development.

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