

INFORMATION & COMMUNICATION DIRECTORATE

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With 21 African countries either at high risk or in Debt Distress, Continental Leaders Unite to Demand Reform & Equitable Systems

The African Union's first Debt Conference took place from 12th-14th May, in Lomé, Togo, bringing together Heads of State, senior policymakers, financial experts, and



international partners to engage in high-level dialogue on Africa's debt challenges and long-term sustainability. Against the backdrop of rising debt vulnerabilities across the continent, the three-day conference served as a platform for African leaders to articulate a unified, forward-looking vision for responsible borrowing, enhanced transparency, and equitable global financial cooperation.

In his opening keynote address, H.E. Faure Essozimna Gnassingbé, President of Council of the Togolese Republic, described Africa's debt situation as a pressing structural challenge and called for a more inclusive and context-sensitive approach to global debt governance. "We must ask ourselves what truly constitutes sustainable debt," he said. "Many African countries face competing pressures—servicing debt while addressing health, education, and security needs. Without peace, there can be no development. It is imperative that our debt frameworks reflect these realities."

Delivering remarks via video, H.E. Hakainde Hichilema, President of the Republic of Zambia, emphasized the importance of transparency and sound governance in restoring investor confidence. "Africa must assert its voice in global financial discussions. We need reforms that acknowledge our unique economic trajectories and support sustainable growth," he said.

The President of Ghana, H.E. John Dramani Mahama, added his voice to the call for reform, urging African countries to engage as a collective in reshaping global financial norms. "Credit rating methodologies must evolve to reflect the structural progress and reform potential of African economies—not merely penalize volatility we did not create," he noted.

Speaking on behalf of the AUC Chairperson, [H.E. Moses Vilakati, Ag. AUC Commissioner for Economic Development, Trade, Tourism, Industry and Minerals](#), underscored the significance of the conference in forging an African Common Position on Debt. "This is a pivotal moment for the continent," he said. "We must build robust national frameworks for debt management, enhance transparency, and ensure all borrowing supports transformative and inclusive development."

The conference programme offered an in-depth examination of the continent's debt landscape through a series of high-level panels and technical discussions.

The main sessions, "Africa's Public Debt Management Agenda in Restoring and Safeguarding Debt Sustainability," explored the growing fiscal pressures from limited market access and rising debt servicing costs. Panelists emphasized the need for urgent liquidity support and targeted investments aligned with Agenda 2063 to bolster economic resilience.

The session on "G20 Common Framework and the Current Debt Conundrum in Africa" questioned whether existing global debt mechanisms are fit for purpose. Drawing on lessons from past initiatives like Heavily Indebted Poor Countries Initiative (HIPC) and Debt Service Suspension Initiative (DSSI), participants debated whether a new, Africa-specific debt relief framework is needed to address current structural debt challenges and free up fiscal space for development.

On the domestic front, the panel on "Sound Debt Management Practices and Public Debt Sustainability in Africa" reviewed post-pandemic borrowing trends and called for more rigorous public debt oversight, improved fiscal discipline, and institutional capacity to restore long-term sustainability.

In the panel titled "Legislative Oversight and Accountability in Public Debt," parliamentarians and governance experts stressed the critical role of parliaments in authorizing borrowing, ensuring transparency, and holding governments accountable—elements seen as essential in preventing opaque and unsustainable debt accumulation.

The panel on "Enhancing Credit Ratings in Africa" focused on addressing perceived biases in global credit rating methodologies. Discussions also explored the upcoming African Credit Rating Agency and how it could improve Africa's representation in global capital markets, strengthen domestic rating systems, and support investor confidence.

A technical presentation by the Association of African Central Banks offered valuable insights into debt dynamics across the continent, while the session on "Innovative Debt Financing" explored blended finance models, green bonds, and other emerging instruments to bridge Africa's development financing gap, which exceeds \$200 billion annually.

The panel on "Pan-African Financial Institutions" spotlighted the role of AU-mandated institutions like the African Monetary Fund, African Central Bank, and African Investment Bank in enhancing regional financial stability and integration. Panelists also discussed the African Financing Stability Mechanism and the Pan-African Credit Rating Agency as tools to strengthen the continent's financial sovereignty.

As the conference progressed into its second day, discussions turned toward "Debt Transparency and Accountability," highlighting the importance of accessible debt data, stronger legal frameworks, and the role of civil society in driving public engagement and fiscal accountability.

The final day will feature sessions on international collaboration for capacity development, emphasizing the need for coordinated support from multilateral

institutions, donors, and regional bodies to bolster African debt management institutions.

Throughout the conference, a clear message has emerged - The continent is ready to lead—championing reform, demanding fairness, and building resilient systems that align with its aspirations under Agenda 2063. [Read and download the AU Debt Conference Declaration](#)

Missed the opening session? [Watch it here](#) to catch the insights that set the tone for this timely discussion.

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