

STATEMENT

BY

**HIS EXCELLENCY JOHN MAHAMA, PRESIDENT OF THE REPUBLIC
OF GHANA**

DELIVERED AT THE

SIDE EVENT

**AFRICA AT THE FOREFRONT: MOBILIZING AFRICAN INVESTMENT
AND FINANCING FOR IMPLEMENTING AGENDA 2063**

16TH FEBRUARY 2025 | 07:30-09:15 EAT

**MULTIPURPOSE HALL, AFRICAN UNION COMMISSION
HEADQUARTERS**

Excellencies;

Representatives of the Diplomatic Community;

Representatives of Regional Economic Communities;

Leaders of the Alliance for the African Multilateral Financial Institutions;

Representatives of Pan-African Institutions;

Representatives of International Organizations;

Distinguished Ladies and Gentlemen.

Good morning.

I am honored to address this esteemed gathering as we convene to deliberate on a matter of paramount importance: mobilizing African investment and financing to realize the goals and aspirations of Agenda 2063.

Our collective vision for an integrated, prosperous, and peaceful Africa hinges on our ability to harness and deploy resources effectively.

***Excellencies,
Distinguished delegates***

Africa's economic journey has demonstrated resilience despite numerous challenges. In 2023, the continent experienced a slowdown, with real GDP growth declining to 3.1% from 4.1% in 2022.

However, projections suggest a recovery, with growth expected to increase to 3.7% in 2024 and 4.3% in 2025. This optimistic outlook highlights the inherent strength of our economies and the effectiveness of our policy interventions.

Despite these positive trends, we must confront the reality that our growth has not always translated into significant improvements in per capita income.

Structural transformation remains uneven, with many economies still reliant on low-productivity sectors.

Additionally, the continent continues to face challenges such as climate issues, geopolitical tensions, widening gaps in multilateralism, and diseases and pandemics that disrupt the positive growth path.

To achieve sustainable development, we envision that strategic investments in health, education, energy, technology, and infrastructure are essential.

However, the financing gap for these investments is substantial, estimated at approximately \$402 billion annually until 2030 in order to achieve the ambitious targets of Agenda 2063 and to meet the 2030 Sustainable Development Goals (SDGs).

This financing gap is not merely a statistic—it represents the unrealized potential of millions of Africans whose dreams for a better life depend on our ability to invest wisely in infrastructure, education, technology, and health.

Our challenge, therefore, is to mobilize domestic and African resources effectively, reducing our dependency on traditional external financing, and charting a path toward self-reliance and sustainable growth.

***Excellencies,
Distinguished delegates***

To address the financing gap, we must take a multifaceted approach. Domestic resource mobilization is crucial. By improving tax administration, combating illicit financial flows, and encouraging a culture of tax compliance, we can significantly increase our revenues.

We applaud the African Union Commission for its proactive role in providing capacity building to Member States at the continental level and advocating for fair and equitable international tax rules at global forums.

The ongoing work on the United Nations Framework Convention on International Tax Cooperation is a critical step towards eliminating base erosion and profit shifting, thus protecting our national revenues.

However, domestic efforts alone will not suffice.

It is projected that African countries need to increase their median tax-to-GDP ratio by about 13.2 percentage points—to 27.2% of GDP—to close the financing gap by 2030.

This highlights the need for additional innovative financial resources and reform of the global financial architecture to ensure equitable and inclusive distribution of resources.

***Excellencies,
Distinguished delegates***

The role of our African Multilateral Financial Institutions in financing sustainable development cannot be overemphasised.

These institutions are uniquely positioned to address significant trade, investment, and development gaps across the continent.

It is our responsibility to strengthen them to ensure they can effectively contribute to the continent's transformation and the realization of Agenda 2063.

The establishment of the Alliance of African Multilateral Financial Institutions (AAMFI), also known as the Africa Club, exemplifies our commitment to collaboration. This initiative strengthens the ability of these institutions to advance the interests of Member States in global finance and to advocate for home-grown solutions to the continent's development challenges.

The support of AAMFI should also be complemented by innovative initiatives aimed at fostering sustainable development.

Innovation is key to the continent's progress.

The launch of the African Virtual Investment Platform (AVIP) by the African Union Commission is a testament to this.

By aggregating comprehensive data on investments and related policies, this platform will provide the evidence based necessary for informed policy discussions and decision-making.

This platform is designed not only to attract investments but also to ensure that such investments are deployed in a manner that promotes sustainable development and inclusive growth.

***Excellencies,
Distinguished delegates***

Additionally, accelerating the implementation of the African Union Financial Institutions namely; African Central Bank, African Investment Bank, African Monetary Fund and Pan-African Stock Exchange is instrumental in fostering investment and financing for Agenda 2063.

By mobilizing resources, facilitating trade, and financing infrastructure projects, they can help reduce dependence on external aid and create a self-sustaining economic ecosystem.

The African Central Bank (ACB) aims to establish a single African currency, which will help reduce exchange rate risks and enhance investment flows across the continent.

I am pleased to inform that the Ministers of Finance and Central Bank Governors have endorsed the African Monetary Institute (AMI) through the Specialized Technical Committee on Finance, Monetary Affairs, Economic Planning, and Integration.

The AMI serves as a precursor to the ACB and will carry out essential preparatory work, including technical and legal assessments, as well as ensuring the implementation of macroeconomic convergence criteria.

AMI awaits further consideration and adoption by the Heads of State and Government through the AU Policy Organs. The Institute is expected to commence operation in 2026 and hosted in Abuja, Nigeria.

Similarly, the African Monetary Fund (AMF) supports macroeconomic stability, which is crucial for investors' confidence.

The African Investment Bank (AIB) is pivotal in funding infrastructure projects such as energy, transport, and ICT.

The Pan-African Stock Exchange (PASE) is envisioned to integrate capital markets, making it easier for businesses to raise capital.

This enhances liquidity, promotes intra-Africa investments, and provides alternative financing mechanisms for governments and the private sector.

Progress is being made toward the establishment of the Pan-African Stock Exchange, with the Commission and the African Securities Exchanges Association (ASEA) working on the Exchanges Linkage Project. This initiative aims to enhance liquidity and facilitate capital mobilization across African nations. We encourage more African stock exchanges to join this important project.

Strong political will and effective policy coordination are crucial for the successful implementation and overall impact of the African Union Financial Institutions.

The Republic of Ghana continues to champion and advocate for Member States to undertake the necessary procedure at the national level to expedite establishment of these institutions, recognizing their significance in promoting investment and financing for Agenda 2063.

***Excellencies,
Distinguished delegates***

While we have made significant strides, the journey ahead requires unwavering commitment. I call upon our governments, private sector, civil society, and development partners to renew their commitment to mobilizing resources for our continental development agenda.

Let us leverage our collective strengths, foster strategic partnerships, and champion innovative solutions to bridge the financing and investment gaps we face.

In conclusion, the Africa we aspire to—a continent that is integrated, prosperous, and peaceful is within our reach. By mobilizing our resources, reforming our financial systems, and investing in our people, we can turn the aspirations of Agenda 2063 into reality.

Thank you.