

**Statement by H.E. Mahmoud Ali Youssouf**  
**Chairperson of the African Union Commission**  
**7th Mid-Year Coordination Meeting, Malabo –**  
**July 13, 2025**

Your Excellency João Lourenço, President of the Republic of Angola and current Chairperson of the African Union,

Your Excellency Teodoro Obiang Nguema Mbasogo, President of Equatorial Guinea and gracious host,

Excellencies, Heads of State and Government, Chairmen of Regional Economic

Communities and Regional Mechanisms,

Madam Deputy Chairperson of the Commission,

Commissioners,

President of Afreximbank,

Presidents, Executive Secretaries, Secretaries General of the Regional Economic Communities and Regional Mechanisms,

Secretary General of the AfCFTA,

All Protocol Observed

Ladies and gentlemen,

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In today's dynamically evolving international landscape, we are witnessing significant shifts. Major regional realignments, like the fast-expanding BRICS bloc, are pushing for reforms in global governance, while emerging economic corridors in other parts of the world are redirecting traditional trade flows. Europe, in parallel, is navigating its own transformation amid shifting global dynamics.

Against this backdrop, Africa is positioning itself strategically, opening up to deepen trade and investment partnerships with key global players. A central pillar of this is the continent's campaign for a permanent seat on the UN Security Council. Africa is not merely seeking integration into existing structures but is reshaping them strengthening its role in global diplomacy and markets, and asserting its voice in multilateral decision-making.

Africa is now a major actor on the world stage, holding approximately 50% of global manganese, 80% of platinum group metals, 47% of cobalt, as well as significant oil and energy transition

reserves. These strategic resources, together with expanding markets and growing diplomatic reach, position our continent as a vital pillar of the 21st-century global economy.

Traditional partners have increasingly fallen short of their commitments, with few Development Assistance Committee donors meeting the UN's 0.7% Gross National Income target and many pledges lacking real follow-through. In response, Africa is moving beyond aid dependency by actively reshaping global engagement—pursuing fair trade agreements, attracting industrial investments, and advancing technology transfer. Strengthening Africa's scientific and technological capabilities is a cornerstone of increasing local content and fuelling innovation.

For instance, by processing cotton domestically, Africa could capture up to \$6.2 billion in garment exports by 2026, while Ethiopia's coffee industry alone aims to reach \$5.5 billion in exports by 2025 through value-added roasting and branding. These opportunities illustrate the continent's potential to generate tens of billions in export revenues through fair trade.

Equally important, Africa's efforts to reduce the global carbon footprint require strong international cooperation, particularly through the fulfilment of

commitments and pledges by industrialized countries to support the continent's adaptation initiatives.

Support from traditional industrialized partners has declined substantially. Yet Africa has shown remarkable resilience: in 2023, FDI inflows reached \$52.6 billion, and in 2024, remittances topped \$95 billion, highlighting the transformative role of private capital, regional integration, and diaspora engagement. China alone invested \$71 billion between 2016 and 2020, and in 2024 Chinese FDI in Africa rose to \$15.2 billion, particularly in pharmaceuticals and food processing. We must build on these gains by deepening intra-African trade and resale of processed goods to bolster our economic fabric.

With focus and determination, Member States across Africa are mobilizing internal resources:

- **Eastern Africa (Kenya, Rwanda, Ethiopia):** Kenya's tax-to-GDP ratio reached 15.8% in mid-2024, collecting approximately KSh 1.243 trillion (~\$9 billion); Rwanda targeted 60% domestic financing of its 2024–25 budget.
- **Western Africa (Nigeria, Ghana):** Nigeria advanced diaspora bond projects, leveraging over \$600 million per month in remittances to strengthen foreign reserves beyond \$40 billion.

- **Southern Africa (South Africa, Botswana):** Export earnings are financing regional green energy projects; Botswana is developing the Jwaneng Solar Power Station, a 100 MW plant funded by Chinese and local investors.
- **Northern Africa (Morocco, Egypt, Algeria):** Domestic revenue now underpins industrial parks linked to AfCFTA; Egypt recorded \$23.7 billion in remittances through October 2024.
- **Central Africa (Cameroon, Gabon):** Nations have issued sovereign infrastructure bonds to fund energy and transport projects.

Several countries are shifting focus from raw material exports to semi-processed and processed goods for global markets. Zambia's copper processing, Morocco's phosphate fertilizers, Nigeria's cocoa products, and Ethiopia's textile mills demonstrate that Africa can compete with value-added exports. These success stories must become central to our economic renewal agenda.

Despite progress, illicit financial flows of \$88–100 billion annually continue to undermine our economies. We must strengthen tax regimes, enhance financial oversight, and reinforce domestic revenue systems to retain and reinvest these resources.

Africa is projected to grow by 4.3% in 2025, the world's second fastest region after Asia. The AfCFTA remains a cornerstone of this expansion, expected to boost intra-African trade by over 50% and generate an additional \$450 billion by 2035. Regional integration offers reliable, inclusive, and structural development unlike unpredictable aid.

The current level of external financing covering over 60% of AU operations and 77% of program funding highlights the need for a gradual and strategic re-orientation toward enhanced domestic resource mobilization. Member States are encouraged to consider instruments such as diaspora bonds, infrastructure bonds, import levies, and sovereign wealth frameworks as meaningful expressions of African solidarity, ownership, and financial autonomy.

While Africa has attracted strong external investment, our economic renewal will ultimately depend on generating and mobilizing resources from within.

- In 2022, total government revenues reached \$604 billion and are projected to rise to \$626 billion by 2025, approximately 19.3% of GDP, slightly above the 15% SDG threshold.
- However, challenges persist: low average tax-to-GDP ratios (16.5%), mounting debt servicing

costs (projected at \$74 billion in 2024), and underutilized domestic assets, including sovereign wealth and pension funds worth over \$300 billion.

To address these, it is essential to reform tax systems, combat illicit financial flows, and activate sovereign wealth and pension funds for developmental investment. Strengthening governance and transparency will be equally critical to unlocking the full potential of domestic resource mobilization.

Africa's economic renewal depends on the digitization of our economies. Studies show that digital investment can improve productivity by over 60% in key sectors. By scaling e-commerce platforms, digital payments, fintech solutions, and data-driven services, we can significantly amplify growth just as Rwanda, Kenya, Ghana, and Nigeria have demonstrated through digital transformation strategies.

I extend my heartfelt appreciation to the Executive Council for the adoption of the Skills Audit and Competency Assessment (SACA). This significant milestone marks a pivotal step toward enhancing the African Union's institutional capacity and ensuring that our operations are driven by merit and efficiency. By implementing SACA, we are not only



fostering a culture of accountability and professionalism within our institutions but also aligning our human resources with the strategic objectives of Agenda 2063. This initiative underscores our commitment to building a robust and dynamic Union that is equipped to address the challenges of the 21st century and to serve the aspirations of the African people effectively.

I would also like to take this opportunity to acknowledge two outstanding African leaders whose contributions have been instrumental in shaping the continent's development trajectory: Professor Benedict Okey Oramah, who has served as the President and Chairman of the Board of Directors of the African Export–Import Bank (Afreximbank), and Dr. Akinwumi A. Adesina, the outgoing President of the African Development Bank (AfDB). Both have demonstrated exceptional leadership and unwavering commitment to Africa's economic advancement. Under Professor Oramah's stewardship, Afreximbank has experienced remarkable growth, with its assets increasing from \$5 billion in 2015 to \$37 billion in 2023. His visionary leadership has been pivotal in driving initiatives that promote intra-African trade and economic integration. Similarly, Dr. Adesina's tenure at the AfDB has been marked by transformative reforms and strategic investments



aimed at enhancing infrastructure, food security, and sustainable development across the continent. As they conclude their terms, we express our profound gratitude for their tireless service and dedication. We wish them success in their future endeavors and look forward to continuing our collaboration with their successors, Dr. George Elombi and Dr. Sidi Oud Tah, to advance the goals of Agenda 2063.

The spirit of solidarity among African nations and our strategic partners remains a cornerstone of our collective progress. In a world characterized by complex challenges and opportunities, our unity and collaborative efforts are essential in achieving sustainable development and prosperity. The approval of a \$10 million allocation for the African Union Support Office in Somalia (AUSSOM) by the Executive Council is a testament to our commitment to supporting peace and stability across the continent. This investment not only reinforces our collective security framework but also demonstrates our resolve to address the root causes of conflicts and to promote long-term peace and development. As we continue to strengthen our partnerships, both within the continent and with external allies, let us remain steadfast in our dedication to the principles of mutual respect, shared responsibility, and collective action. Through such solidarity, we can

overcome challenges and build a prosperous future for all Africans.

I wish to extend our heartfelt thanks to H.E. President Teodoro Obiang Nguema Mbasogo, and to the Government and people of Equatorial Guinea, for the warm hospitality and exceptional support extended to us during this important gathering. We are also grateful to local authorities, host communities, and all those who have worked diligently behind the scenes ensuring our comfort and the overall success of this meeting. Your generosity exemplifies African solidarity within the ethos of Pan Africanism, and sets a strong tone for our deliberations.

Your Excellencies, this Coordination Meeting marks a turning point from ambition to achievement. Let our agendas be financed, our institutions accountable, and our mission unwavering. Together, we will build the Africa we envision: resilient, innovative, self-reliant, and globally significant.

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