



**REMARKS BY MINISTER RONALD LAMOLA
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His Excellency, Mr Mohamed Salem Ould Merzoug, Minister for Foreign Affairs, Cooperation, and Mauritians Abroad of the Islamic Republic of Mauritania, and Chairperson of the African Union Executive Council

Your Excellences, Ministers from African Union Member States,

His Excellency, Chairperson of the AU Commission,
Her Excellency, Deputy Chairperson of the AU Commission,
Distinguished Commissioners and Heads of AU Agencies,
Esteemed Colleagues,
Ladies and gentlemen

In April 1906, one of Africa's great visionaries and sons, Dr Pixley ka Isaka Seme, spoke of the Regeneration of Africa, which he believed would usher the continent into a new era. In his own words, the regeneration of Africa would ensure that we embrace the diverse phases of a higher, complex existence. Dr Pixley ka Isaka Seme's optimism defied the then-dominant narrative of Africa as a dark continent.

There can be no doubt about Africa's prominence in the world today. Africa's economic outlook is positive, with projections showing the continent as the second fastest-growing region globally. Growth is expected to be 4.3% in 2025, driven by recovering key economies and the African Continental Free Trade Area (AfCFTA) initiatives, amongst other factors.

The African Continent is growing in global significance and has emerged as a strategic actor in world affairs. African countries, individually and collectively, confidently



assert their interests and demand their rightful place in global economic and political governance structures, notwithstanding our challenges.

South Africa's G20 Presidency is another significant step forward in Africa's aspiration to become a "*strong, united and influential global player and partner*".

We assumed the Presidency of the G20 on 1 December 2024, the first time in its history that an African country will preside over this august bloc of developing and developed countries, representing approximately 85% of the world's GDP, more than 75% of world trade and around two-thirds of the world's population.

Your Excellences, the G20 Presidency, whilst being a privilege and an honour, also comes with tremendous responsibility, more so given the challenging times confronting the world of nations

Growing structured and institutionalised global social inequality, the deteriorating living conditions of many worldwide, and the exceedingly harmful practice of unilateralism have resulted in a highly volatile and unpredictable world.

Your Excellences, the Global South faces severe inequality, marked by unpredictable and unsustainable financing for climate action, extreme vulnerability to pandemics and global health emergencies, and crippling debt that hampers developmental programs.

Our Presidency aims to champion solutions to the Global South's threats, particularly in Africa. Indeed, there are high expectations and a significant responsibility placed on South Africa to lead a progressive, inclusive, and development-oriented G20 Presidency.



The G20 is pivotal in driving global economic stability and development. It is crucial in realising significant global commitments like the Pact for the Future, the 2030 Agenda for Sustainable Development, and Africa's Agenda 2063.

Thus, South Africa spearheaded the campaign for the African Union's inclusion in the G20. We believe that a continent of over 1.3 billion people, a strategic player in the global economy, cannot be excluded from global political and economic frameworks, even informal ones like the G20.

This push for inclusion is vital, as membership of the G20 allows the African Union to amplify Africa's voice in global economic governance while ensuring that the development priorities of the African Continent and the Global South find expression firmly and permanently on the G20 agenda.

Despite contributing the least to climate change, Africa bears the brunt of its devastating effects, costing the continent up to 5% of its GDP.

This stark reality, highlighted by Mr Claver Gatete, United Nations Under-Secretary-General and Executive Secretary of ECA, underscores a glaring injustice: of the staggering \$10 trillion invested globally in clean energy from 2015 to 2022, Africa received a mere 2%.

This disparity is not just an oversight; it's a profound inequity that demands urgent redress.

Your Excellences,

In his February 2024 State of the Nation Address, His Excellency President Cyril Ramaphosa committed to placing Africa's development at the top of our G20 Presidency.



To this end, South Africa has actively engaged the African Union over the past year to share its experiences as a Member of the G20 and align the deliverables and priorities of our Presidency with those of the African Union.

We've tackled this task through informal and formal meetings in Brazil, virtual sessions, and a two-day visit to South Africa in October 2024, led by Commissioner Albert Muchanga, the AU's G20 Sherpa.

Several joint meetings with key stakeholders were held on the margins of the first G20 Sherpa Meeting in Sandton, Johannesburg. We continue to have meaningful discourse on locating Agenda 2063 at the heart of South Africa's G20 Presidency.

Your Excellencies, South Africa has adopted the theme of "**Solidarity, Equality and Sustainability**" for its G20 Presidency. Africa's positive growth outlook is dampened by downside risks, specifically rising levels of government debt and concerns about debt sustainability.

Managing debt means that governments cannot afford to fund healthcare, roads, schools, housing, and essential social security.

The African continent has long recognised the rehabilitative impact of debt on Africa's socio-economic development. A 1992 report by UNECA entitled "The Debt Burden of Developing Countries: The African Perspective" states that:

"A general consensus has, therefore, emerged between African debtor countries and their creditors that the external debt overhang is an albatross weighing heavily on African economies and thereby making it virtually impossible for them to attain sustainable development unless the burden is significantly reduced."



According to UNCTAD, Africa's creditor composition is also becoming more complex. In the past, multilateral or bilateral creditors, such as the Paris Club, held a large share of African debt. Today, the share of private creditors holding African debt has grown significantly faster in Africa than in any other developing region.

South Africa's G20 Presidency will build on G20 initiatives undertaken in recent years to advance sustainable solutions to tackle high structural deficits and liquidity challenges and extend debt relief to developing economies, with a particular emphasis on Africa.

This proposal seeks to align the international financial architecture with key development goals of the UN Agenda 2030 and AU Agenda 2063.

We'll ensure fair and transparent sovereign credit ratings and address high-risk premiums for developing economies. We support the establishment of the Africa Credit Rating Agency to make credit ratings more transparent, equitable, and reflective of Africa's economic realities.

Your Excellences, South Africa's G20 Presidency will champion **an elevated and broadened Compact with Africa (CWA) initiative**, which will be driven by Agenda 2063, and particularly, the Second Ten-Year Implementation Plan.

The Compact with Africa, co-chaired by South Africa and Germany, is designed to facilitate economic reforms across the continent and to attract investment from pools of private-sector funds in the global North.

Accelerated economic development is achievable when African countries, G20 partner countries, and international organisations work together to create a better environment for private investment and raise the standard of living for our people.

South Africa's G20 Presidency will continue to work with businesses and other stakeholders to unlock the global economy's full potential.



To this end, the South African Government has decided to convene a Compact with Africa Meeting in Addis Ababa during its presidency.

One of our strategic high-level deliverables is a review of the G20's work, **"The G20 after 20 years": A Reflection on Key Achievements and the Way Forward.**

This entails a high-level, qualitative assessment of progress against the G20's key commitments and targets since 2008.

The review will also examine ways to ensure that the G20 is fit for purpose and able to coordinate global responses to crises while addressing and managing the global economy's long-term structural challenges.

This is especially critical as the G20 moves into its second cycle, with the Presidency reverting to the United States in 2025.

Your Excellencies, the AU's six priorities for its participation in the G20 all find expression in South Africa's theme, high-level deliverables, and the priorities to be advanced in the various working groups under both the Sherpa and Finance Tracks.

Furthermore, South Africa's overall G20 theme and priorities align with our foreign policy, which is underpinned by our deep commitment to pan-Africanism and progressive international solidarity.

The G20 is not a substitute for delivering on the 2030 Agenda for Sustainable Development and other unfulfilled commitments or to replace existing international institutions and platforms.

Instead, the G20 is a platform to reinforce and add momentum to implementing what we have already agreed whilst also taking concrete steps towards addressing the remaining, new, and emerging threats to our collective future,



Your Excellences, our G20 Presidency has recently been beset by tectonic shifts in global affairs. Challenges to multilateralism, while evident for many years, have become a dominant reality that fundamentally alters global realities and relations.

Globally fair trade, inclusive economic prosperity, even-handed global governance and the entrenchment of the principle of multilateralism are fundamental to South Africa's vision for a more equal world economy.

Society can only truly develop and advance through partnership and collaboration.

These difficult times require we abandon all thoughts of self-preservation in favour of what is good for all.

I thank you.