

Africa on the road to COP30: from Addis Ababa to Belém



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After careful optimism at COP27 and COP28, last year's COP29 delivered a more mixed bag

COP27 in Sharm El-Sheikh, Egypt (the 'African COP'), and COP28 in Dubai, United Arab Emirates, marked some progress towards a carbon-neutral future and climate equity: COP27ⁱ delivered the historic decision to set up a loss and damage fund scheduled to start payouts in 2026, while COP28 started a two-year work programme to operationalise the Global Goal on Adaptation (GGA), a crucial step for African countries for which adaptation is a much higher priority than mitigation.

Unfortunately, some of that momentum was lost last year at COP29 in Baku, Azerbaijan, dubbed the 'finance COP': while parties agreed on a New Collective Quantified Goal (NCQG), raised developed countries' climate finance contributions to \$300 billion and made a landmark decision on carbon market standards to trade CO₂ certificates, financial pledges remained far below the actual needs of developing countries and failed to reflect the 'polluter pays' principle.ⁱⁱ

Held weeks ahead of COP30, the second Africa Climate Summit confirmed Africa's role as a united actor willing to shape global climate negotiations

Following up on the first Africa Climate Summit (ACS), held just two years ago in Nairobi, the second edition of the ACS, held in Addis Ababa in early September 2025,ⁱⁱⁱ confirmed the continent's political commitment to its position in the global climate debate: reconcile climate and development, prioritise adaptation over mitigation, leverage Africa's green assets and leapfrog development through green industrialisation. The Addis Ababa summit saw the launch of the Africa Climate Innovation Compact (ACIC) and the African Climate Facility (ACF). Together, both initiatives aim to mobilise \$50 billion per year in catalytic finance to deliver 1,000 home-grown, African-led solutions that tackle climate challenges in energy, agriculture, water, transport and resilience by 2030.



I think we're going to be very surprised with how many solutions we have from the South to present in Belém.

*André Aranha Corrêa do Lago,
President of COP30, Paris Peace
Forum, November 2025*

From Addis Ababa to Belém: making Africa's case in the climate debate

Ahead of the upcoming COP30 in Belém, Brazil, this brief aims once again to restate Africa's specific case in the global climate debate, and the need to reconcile climate and development.^{iv}

Reaching the main objective of the African Union's (AU) Agenda 2063 Second Ten-Year Implementation Plan (STYIP, 2024-2033) – for every African country to achieve middle-income status through increased industrialisation – means unavoidable higher emissions.^v

In order to achieve this, Africa's case rests on four priorities:

- Ensuring a just transition and access to energy for all.
- Emphasising adaptation over mitigation, not just based on Africa's specific vulnerability, but also as a key opportunity for Africa to leapfrog former development models.
- Leveraging Africa's vast green assets and natural resources.
- Securing access to smarter climate finance mechanisms.

ⁱ Mo Ibrahim Foundation, December 2022, [COP27: taking stock of progress](#)

ⁱⁱ Mo Ibrahim Foundation, March 2025, [Latest COPs on climate change, desertification and biodiversity: key outcomes for Africa \(2024-2025\)](#)

ⁱⁱⁱ Mo Ibrahim Foundation, September 2025, [From Nairobi to Addis Ababa: taking stock of the 2023 Nairobi Declaration ahead of the second Africa Climate Summit](#)

^{iv} Mo Ibrahim Foundation, November 2023, [Africa on the road to COP28: reconciling climate and development](#)

^v Mo Ibrahim Foundation, November 2022, [Growth without emissions: is carbon needed for Africa's development goals & economic growth?](#)

Global climate goals must be reconciled with Africa's right to development for its people

Addis Ababa Declaration ¶8: Acknowledge that African countries, despite their low contribution to global greenhouse gas emissions, are the worst affected by the impacts of climate change and the least able to meet the costs of adaptation, resilience, sustainable development and mitigation.

Only five years away from the deadline to reach the Sustainable Development Goals (SDGs), only 6% of SDGs are on track to be met in Africa by 2030.¹

While African countries' annual gross domestic product (GDP) growth rates are among the world's highest, more than 70% of Africa's youth are holding insecure jobs² and 38% of the continent's population still lives below national poverty lines.³

Africa is uniquely positioned as the continent least responsible for climate change,^{vi} having only contributed about 3% of global historical greenhouse gas (GHG) emissions between 1850-2019 and about 11% of GHG emissions growth since 1990.⁴ Yet, 12 of the 20 most climate-vulnerable countries are on the continent.⁵

On one hand, meeting the main objective of the AU's Agenda 2063 STYIP (2024-2033) – for every African country to achieve middle-income status through increased industrialisation – means unavoidable higher emissions.

But on the other hand, as a low emitter and continent rich in green assets and committed to green industrialisation, Africa can play a crucial role in shaping a greener, climate-friendly global future.



The second Africa Climate Summit positioned the continent as a united actor capable of shaping global climate negotiations.

Prof. Carlos Lopes, COP30 Special Envoy for Africa, Project Syndicate, October 2025



Only 6% of SDGs are on track to be met in Africa by 2030



Launched in early 2024, the STYIP of the AU's Agenda 2063 aims to achieve middle-income status for all African countries

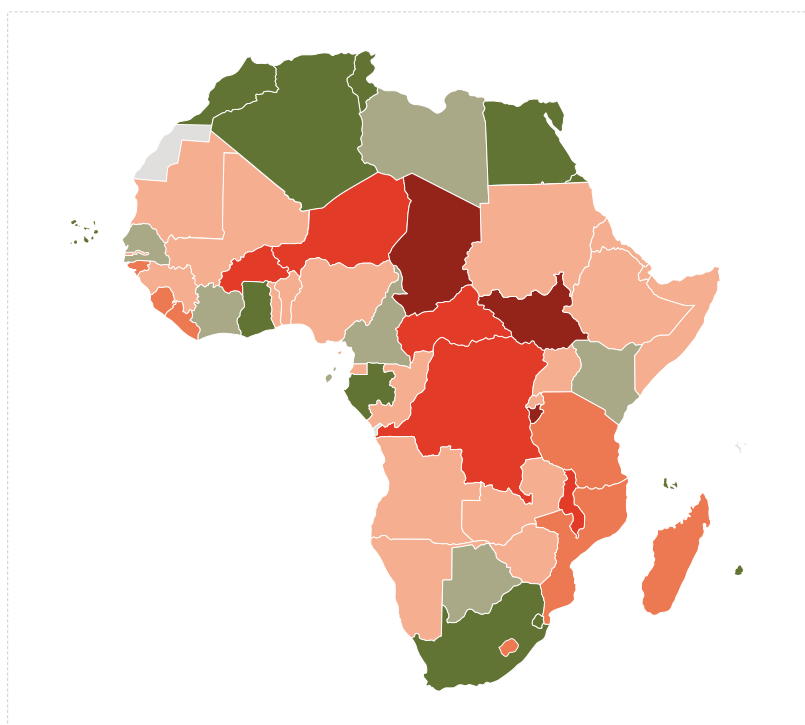
^{vi} Mo Ibrahim Foundation, October 2022, [The human face of the climate crisis in Africa: least responsible, most vulnerable](#)

Access to energy is still lacking for almost half the continent's population

Addis Ababa Declaration ¶47: Note with concern that despite accounting for an estimated 40% of the world's renewable energy resources, Africa still has more than 600 million people without access to electricity and over 1 billion lacking access to clean cooking which underlines the urgency of a just, inclusive and equitable energy transition.

In 2023, electrification across Africa sat at just over 40% of the population (compared to 91.6% globally), and about 623 million people across the continent were still lacking access to electricity.⁶

Lack of access to reliable energy is also a key challenge for businesses and critical infrastructure such as hospitals and schools, many of which continue to rely on generators.

African countries: share of population with access to electricity (2023)

Access to electricity is still lacking for over 620 million people living in Africa

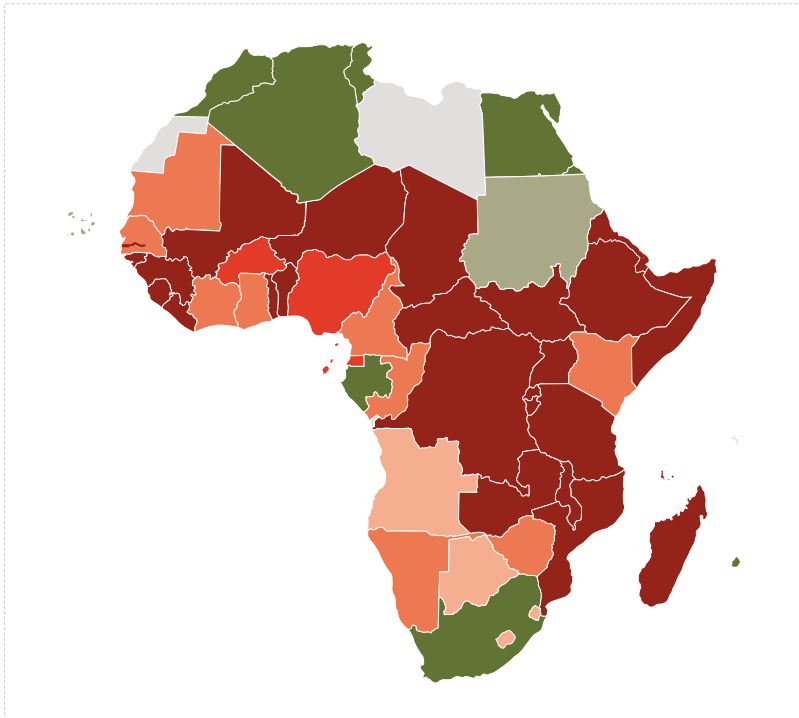
% access

- Over 85%
- 70-85%
- 50-70%
- 30-50%
- 15-30%
- Less than 15%
- No data

Source: MIF based on World Bank (2025a)

Access to clean cooking fuels is not just critical to mitigate GHG emissions and avoid further deforestation, but also a question of health. In 2023, only one third of the continental population had access to clean cooking fuels (compared to 74.1% globally). This means that access was still lacking for over one billion people.⁷

African countries: share of population with access to clean cooking fuels (2023)



Only one third of Africa's population has access to clean cooking fuels, and access is still lacking for over 1 billion people on the continent

% access

- Over 85%
- 70-85%
- 50-70%
- 30-50%
- 15-30%
- Less than 15%
- No data

Source: MIF based on WHO (2025)

“

I do not believe that in the next 25 years, we will have enough capacity to allow everybody to do a just transition purely on renewable energy. [...] People and the planet must never be separated.

H.E. Mia Mottley, Prime Minister of Barbados, Paris Peace Forum, November 2025

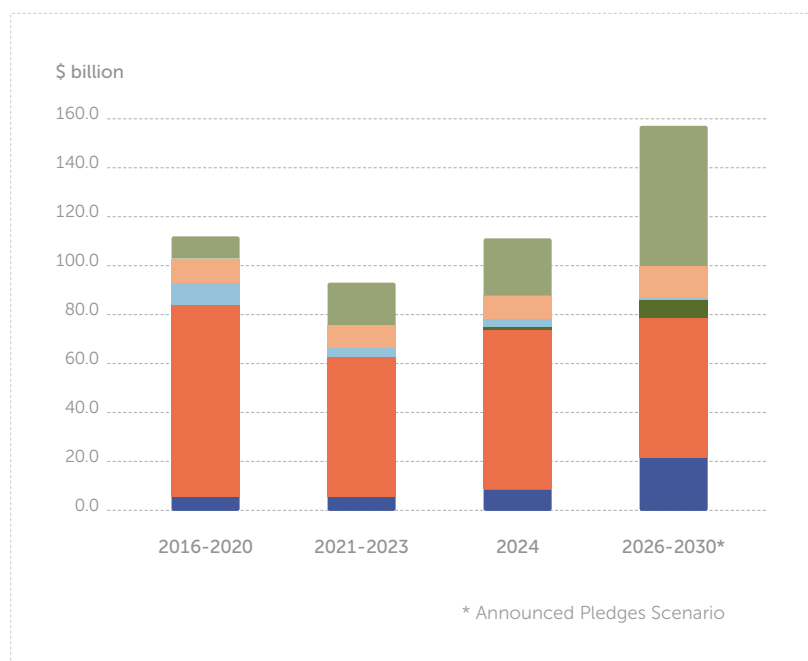
Renewable energy capacity is progressing in Africa, but it cannot immediately ensure energy access for all, and financing still lags behind

Addis Ababa Declaration §44: Reaffirm that Africa's exceptional potential in renewable energy makes the continent not only a key actor but a global leader in the just energy transition. With the collective ambition of reaching 300 GW of renewable energy capacity by 2030, Africa seeks to combine transition towards green industrialisation, job creation, universal access to energy and environmental protection.

Addis Ababa Declaration ¶48: Reiterate our calls to the developed countries to provide the necessary support and reforms to raise Africa's share of global renewable energy financing to at least 20% by 2030, up from the current 2%, thereby ensuring a fair, sustainable and beneficial global energy transition for all.

Despite Africa's immense and mainly untapped renewable energy potential,^{vii} clean energy investments in the continent still account for only 2% of the world's total. In 2024, only 22% of the \$110 billion invested in energy in Africa went to clean and low-emissions supply, compared to 63% to fossil fuels, according to the International Energy Agency (IEA).⁸

Africa: energy investments (2016-2030)



Africa has among the world's largest renewable energy potential, but only accounts for 2% of global investments

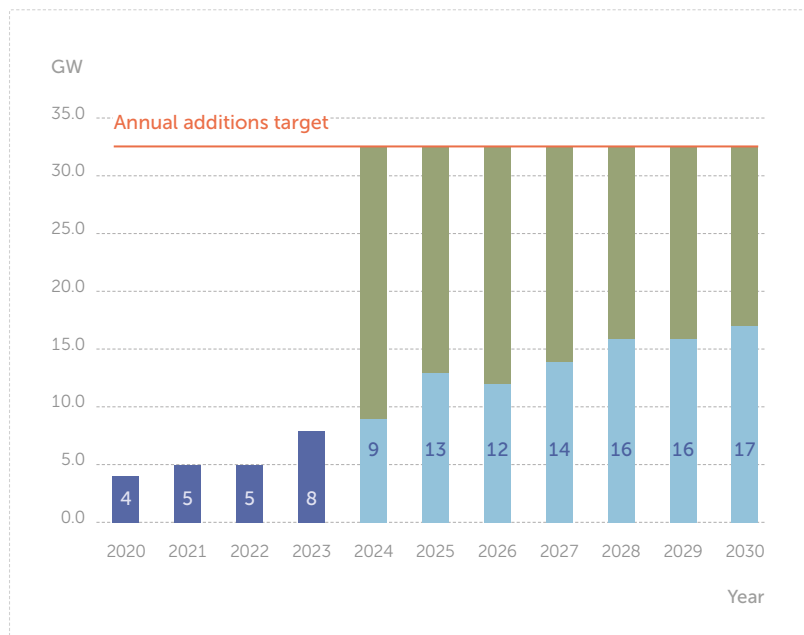
■ Low-emissions electricity
 ■ Grids & storage
 ■ Fossil fuel power
 ■ Clean supply
 ■ Fossil fuel supply
 ■ End-use

Source: MIF based on IEA (2024)

55.5% of Africa's own energy consumption already stems from renewables.⁹ Indeed, the continent has made remarkable progress in increasing renewable energy capacity, which stood at 72 GW in 2023 and is expected to reach 169 GW by 2030. But it still remains short of the target formulated by the AU of 300 GW by 2030.¹⁰

^{vii} Mo Ibrahim Foundation, September 2022, [Addressing Africa's energy deficit: climate change, renewables and gas](#)

Africa: renewable energy additions targets to meet 300 GW by 2030



Morocco, Namibia, Niger and South Africa together make up 1/5 of the world's discovered uranium reserves, adding potential for energy generation

■ Capacity additions
■ BloombergNEF wind & solar forecast
■ Capacity additions to reach 300 GW

Source: MIF based on BloombergNEF (2024)

CALL TO ACTION

Ensuring electrification across the continent and equitable access for all its citizens

Considerations for African governments:

- Prioritise investments in decentralised energy infrastructure and mini-grids.
- Ensure market size through swifter regional integration.
- Support social safety nets to protect vulnerable consumers from energy price shifts.
- Simplify permitting and land access for renewable projects.
- Encourage local manufacturing of solar panels, batteries, and green hydrogen components.
- Channel part of natural resource revenues (from oil, gas or minerals) into sovereign green transition funds.

Considerations for partners:

- Provide expertise and technology transfers, capacity-building support and skills partnerships, not just capital.
- Avoid imposing one-size-fits-all restrictions on African gas, while helping ensure gas use is transitional and aligned with net zero: shift focus on methane emissions reduction, transmission and distribution.

A measurable Global Goal on Adaptation is yet to be defined, and Africa's adaptation needs could be underestimated by a factor of two

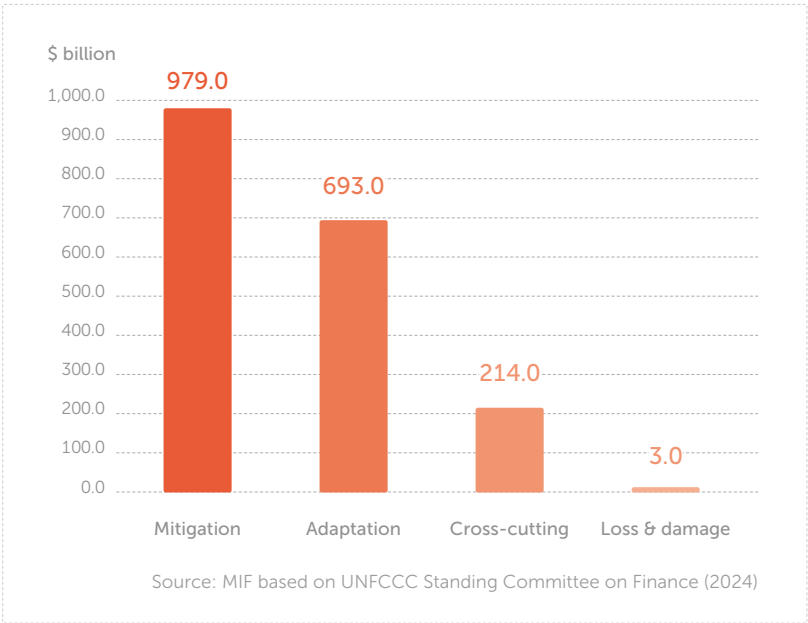
Addis Ababa Declaration ¶95: Emphasise that adaptation must be fully integrated into national development strategies, with climate risk institutionalised in planning, budgeting and infrastructure investment, to avoid maladaptation and ensure resilience gains are sustainable.

Addis Ababa Declaration ¶118: Developed countries to scale-up equitable, accessible and transparent adaptation finance in grant and grant-equivalent terms including through tripling the Glasgow Pact by 2030 from 2025 levels and in the context of implementing NCQG and the Baku to Belém Roadmap to \$1.3 trillion per year by 2035.

For Africa and other low emitters, adaptation (i.e. adjustments in social, economic and ecological systems to respond to climate change effects) is of greater relevance than mitigation, i.e. the curtailing of GHG emissions. Yet, of the \$1.6-\$1.9 trillion in climate finance needs reported in African countries' Nationally Determined Contributions (NDCs), the majority is assigned to mitigation.¹¹

These figures are likely underestimations as \$1.6-\$1.9 trillion are only the costed needs (57% of total), and most of the remaining uncostered needs relate to adaptation.^{viii} Also, damages from climate change could occur faster and stronger than estimated at the time of NDC submissions.¹²

Africa: costed needs by type as reported in NDC submissions (2024)*



\$1.6-\$1.9 trillion are needed to achieve Africa's NDCs, with just over half of needs costed

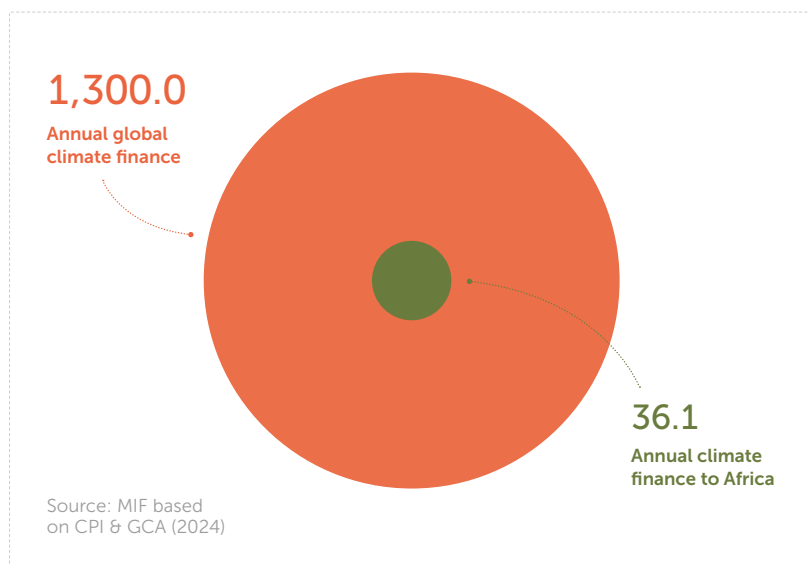
^{viii} Mo Ibrahim Foundation, 2024 Forum Report chapter one, [Assessing the needs](#) and 2025 Forum Report introduction, [Setting the scene](#)

* Highest extrapolated estimate; NDCs are usually reported with a timeframe of 5-10 years.

Central to the negotiations around adaptation has been the difficulty of defining and tracking progress in enhancing adaptive capacities and resilience. COP30 is expected to deliver an outcome of the two-year UAE-Belém work programme which aims at defining the GGA with measurable indicators.¹³

Worldwide climate finance commitments by public, private, international and domestic providers reported an annual average of \$1.3 trillion in 2021/22. Of these, Africa only received \$36.1 billion (2.8%), of which 36% or \$13 billion were earmarked for adaptation – lagging way behind the continent's actual needs.¹⁴

Africa & world: share of climate finance (\$ billion) (2021/2022)



Many of the uncostered needs relate to adaptation, leading to a large underestimation of climate finance needed in Africa

Adaptation is not just about addressing vulnerability, it is also critical for green industrialisation

Adaptation must not be seen through just a humanitarian lens. Adaptation must be integrated from the outset in green industrialisation policies, in building cities and infrastructures required by an ever-growing population. Investment in climate-resilient infrastructures, climate-resilient cities and climate-resilient agriculture will generate jobs for young people and demonstrate Africa's ability to leapfrog.

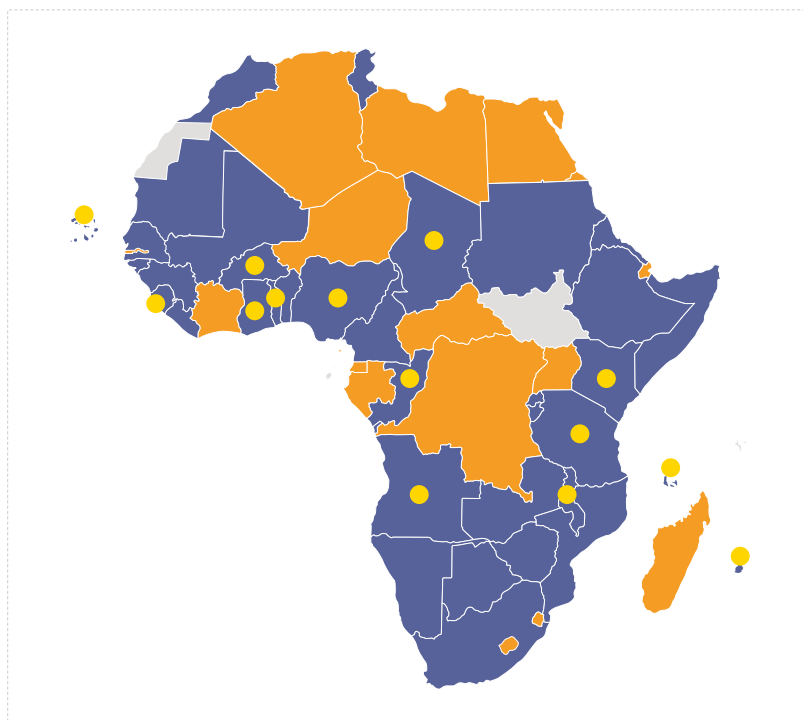
Nature-based Solutions are part of many African countries' NDCs, yet adaptation at large is under-prioritised in implementation plans

Addis Ababa Declaration §71: Emphasise that the continent is most vulnerable to climate shocks yet rich in biodiversity and affirm our determination to advance NbS that are rooted in African realities.

Addis Ababa Declaration §73: Advocate for the creation of a continental NbS knowledge platform to track progress, share best practices and promote research and innovation in ecosystem-based adaptation and mitigation strategies.

Due to their high population density, cities are hotspots for pollution, diseases and natural disasters. Nature-based Solutions (NbS) use innovative designs such as forested catchments, urban wetlands and farms, mangroves and tree-shaded walking paths to build climate-resilient cities. While the majority of African countries mention using NbS in their NDCs, only 15 African countries had actually developed implementation plans including NbS in 2024.¹⁵

African countries: existence of Nature-based Solutions in NDCs (2024)



NbS are critical in adapting to climate change and building resilient cities, but only 15 African countries recognise this in national implementation plans

- NbS in NDCs
- No NbS in NDCs
- NbS in implementation
- No data

Source: MIF based on Kiribou et al. (2024)

CALL TO ACTION

Ensuring that adaptation receives the necessary support and is perceived as key to any green development

Considerations for African governments:

- Integrate adaptation targets into national development and budget plans, not just environmental policies.
- Support community-based adaptation programs in agriculture, water management and disaster risk reduction.
- Promote participatory adaptation, i.e. projects co-designed with women, youth and indigenous communities.

Considerations for partners:

- Double adaptation finance to reach at least 50% of total climate finance flows, as agreed under the Paris Agreement.
- Increase grant-based rather than debt-based adaptation funding, especially for Least Developed Countries (LDCs) or countries in debt distress.

Africa owns some of the largest mineral reserves in the world, among them critical materials for the global green transition^{ix}

Addis Ababa Declaration §58: Recognise the urgent need to ensure reliable, responsible, diversified, resilient, fair, sustainable and just supply chains of green minerals that are key for the development of zero- and low-emission energy technologies, energy security and resilience of energy supply chains, to guarantee value addition and economic diversification in resource-rich countries, while fully preserving sovereign rights over their mineral resources.

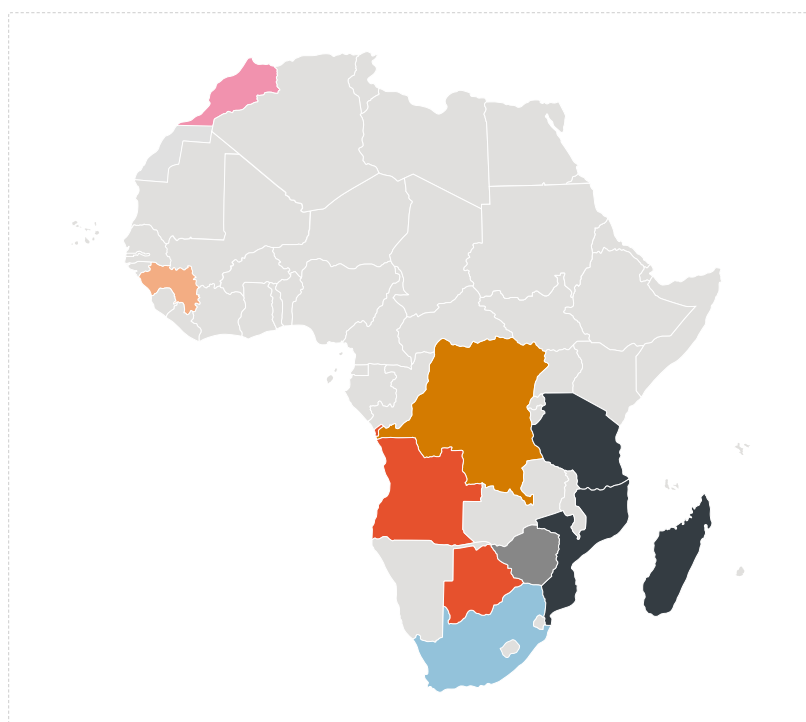
Addis Ababa Declaration §7: Repositioning Africa to strive to be a global hub for low-carbon manufacturing and green intra-Africa trade, leveraging frameworks like the AfCFTA.

African countries hold large reserves of the world's most in-demand minerals, many of them identified as critical raw materials. In 2023, South Africa, DR Congo and Zimbabwe respectively hosted the largest global palladium (77.8%), cobalt (54.5%) and chromium (45%) reserves.¹⁶

It is key to pivot from a development model based on raw commodities exports to value addition to ensure local transformation. This is the only way to ensure that Africa's green assets primarily benefit the continent's own development.

^{ix} Mo Ibrahim Foundation, November 2022, [Africa's critical minerals: Africa at the heart of a low-carbon future](#)

Selected African countries: selected mineral reserves (2023)



12 African countries are home to at least 5% or more of global critical mineral reserves

>5% of world reserves

- Bauxite
- Chromium
- Cobalt
- Graphite
- Diamond (industrial)
- Phosphate rock
- Platinum-Group Metals (Palladium content)

Source: MIF based on USGS (2023)

By 2029, Africa's rare earths (a set of 17 metallic elements that are critical to high-tech consumer products such as mobile phones, computers, electric and hybrid vehicles as well as aerospace and defence guidance systems) could make up 9% of global supply, coming from Angola, Tanzania and South Africa.¹⁷

Africa's CO₂-sinking capacities could provide a new revenue stream through carbon markets*

Addis Ababa Declaration §9: Recognise the important role of forests in Africa, particularly the Congo Basin rainforest, in regulating global climate change.

Addis Ababa Declaration §37: Welcome the operationalisation of Art. 6 of the Paris Agreement, emphasising the need to expand high-integrity carbon markets, ensure a mandatory fair price floor to guarantee value for host countries, sustain environmental and social integrity, and establish robust benefit-sharing mechanisms that prioritise local communities and ensure transparency.

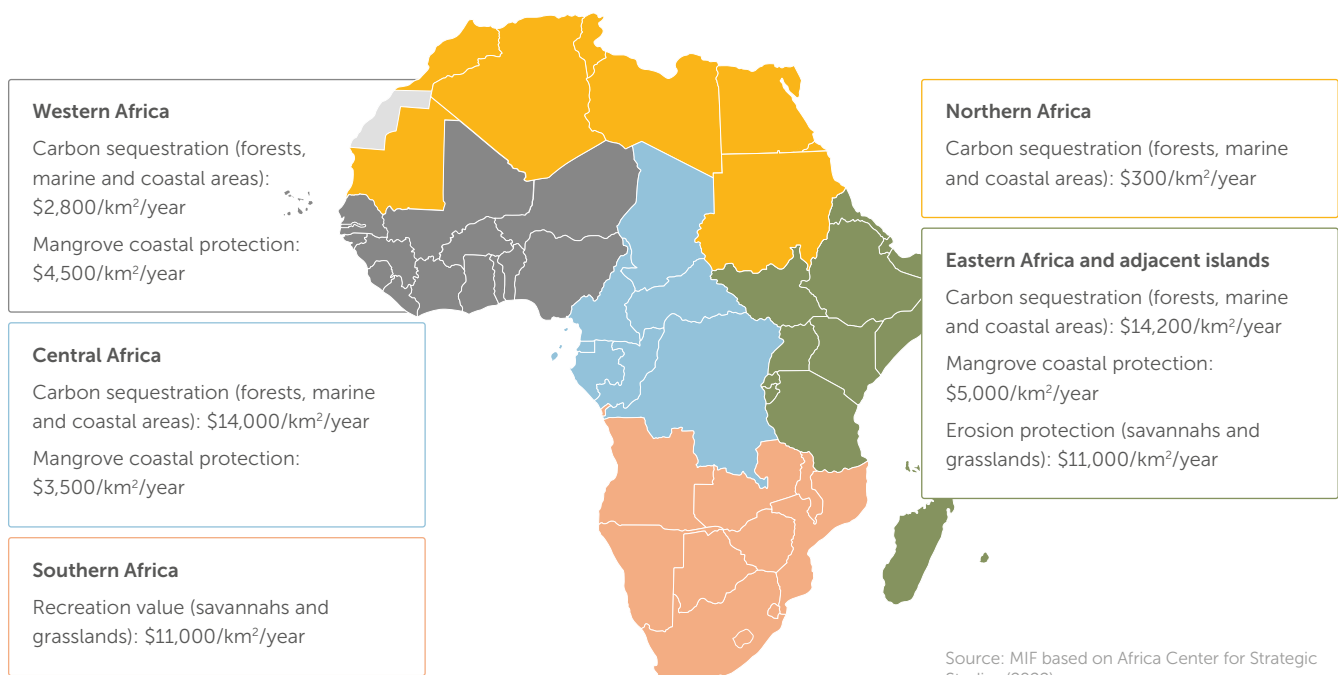
* Mo Ibrahim Foundation, November 2022, [Africa's green & blue wealth: the continent's central role in a global low-carbon future](#) and 2025 Forum Report chapter two, [Monetising Africa's natural assets](#)

Africa is the green lung of the world and boasts huge biodiversity assets: one sixth of the world's plant species, one quarter of the world's 36 biodiversity hotspots and one sixth of the world's remaining forests.¹⁸

Africa's forests, most notably the Congo Basin forests in Central Africa, absorb 600 Mt of CO₂ each year,¹⁹ more than any other forest in the world. Peatlands and mangroves are other important carbon repositories, with the former holding over 35,000 Mt of carbon across Africa.²⁰

Africa's forests alone sequester around 600 Mt of CO₂ each year and remain the world's largest carbon sink

African regions: biodiversity value and carbon sequestration (2022)



Source: MIF based on Africa Center for Strategic Studies (2022)

COP29 reached a landmark agreement on carbon credits and emission trading, presenting a huge financial opportunity for Africa. Different projections show that global carbon markets could reach \$15-\$100 billion by 2030. While demand for African carbon credits grew about 11% in 2024, the continent still accounts for only 16% of the global carbon market.²¹

Operationalisation of Art. 6.2 of the Paris Agreement allows international carbon trading towards countries' NDCs

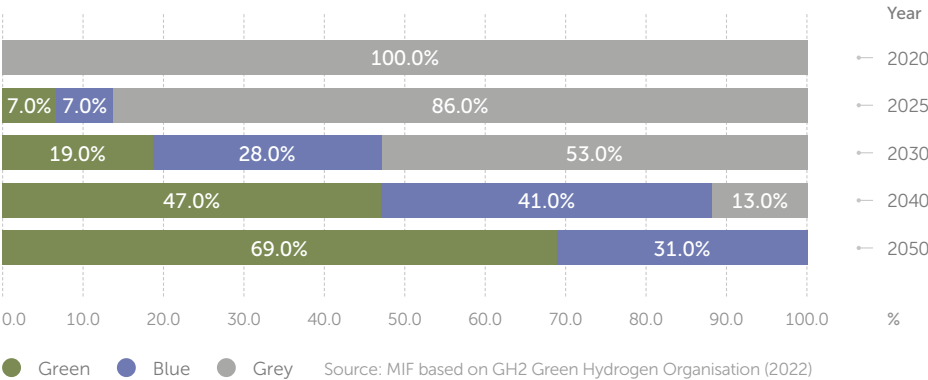
While still in its infancy, Africa's green hydrogen industry is growing

As the world increasingly prioritises decarbonisation, global hydrogen demand could grow sevenfold by 2050. While still in its infancy, it is estimated that the African green hydrogen industry could produce up to 50 Mt per year by 2035, at a price of only €2 per kg, highly competitive with oil prices.²²

However, the significant water content of green hydrogen production might become an issue and will need to be carefully monitored.

Launched in 2022, the Africa Green Hydrogen Alliance aims to produce 30-60 Mt of green hydrogen by 2050, and could do so at a price competitive with oil

World: demand for hydrogen by source (2020-2050)



CALL TO ACTION

Ensuring the fair and equitable use of Africa's vast green assets, supporting a global green transition while ensuring domestic prosperity

Considerations for African governments:

- Move from raw mineral exports to local processing and manufacturing in critical green materials, e.g. supported through sovereign funds mainly based on oil and gas revenues.
- Harmonise regional regulations through the AfCFTA to enable cross-border value chains.
- Build a strong continental carbon organisation, governed and regulated by the continent, ensuring the quality of projects, the fairness of prices and rechannelling revenues towards local green development.
- Create special economic zones or green industrial parks powered by renewables to support downstream industries.

Considerations for partners:

- Support local transformation in Africa through technology transfer and skills training.
- Avoid replicating extractive models and ensure benefit-sharing and transparency, e.g. through agreements on minimum taxes for multinational enterprises (MNEs) and anti-profit shifting frameworks.
- Ensure Africa's carbon credit potential does not just supply cheap offsets for external actors' emissions.
- Consider the relevant remuneration of conservation efforts through green assets – biodiversity, forests, oceans.

PRIORITY 4: MOBILISING SMARTER CLIMATE FINANCE

The \$100 billion annual goal set in 2009 was only reached for the first time in 2022, two years after its deadline

Addis Ababa Declaration §115: Developed countries to scale up quality and accessibility of climate finance, particularly adaptation finance, delivered primarily in the form of grants and grant-equivalent terms in the context of implementing the NCQG and the target of \$1.3 trillion per year by 2035, as well as finance under Art. 9.1 of the Paris Agreement. Access procedures must be simplified and responsive to Africa's specific circumstances, including those of vulnerable African countries.

Addis Ababa Declaration §28: Welcome the Baku to Belém roadmap to \$1.3 trillion as a step towards closing the finance gap, emphasising the importance of scaled-up, grant based and concessional finance for Africa's adaptation and loss damage needs.

The \$100 billion annual climate finance for developing countries goal, set at COP15 in Copenhagen in 2009, was only reached for the first time in 2022, two years after the 2020 deadline.

At COP29 in Baku in 2024, a New Collective Quantified Goal (NCQG) was decided: scaling-up climate finance for developing countries from all public and private sources to at least \$1.3 trillion per year by 2035, including \$300 billion directly from developed countries. While this triples the initial amount set in 2009, it still remains vastly below developing countries actual needs,^{xi} estimated at \$455–\$548 billion per year until 2030.²³

First requested in 1991, the Fund for Responding to Loss and Damage was finalised at COP29, but pledges remain way off needs

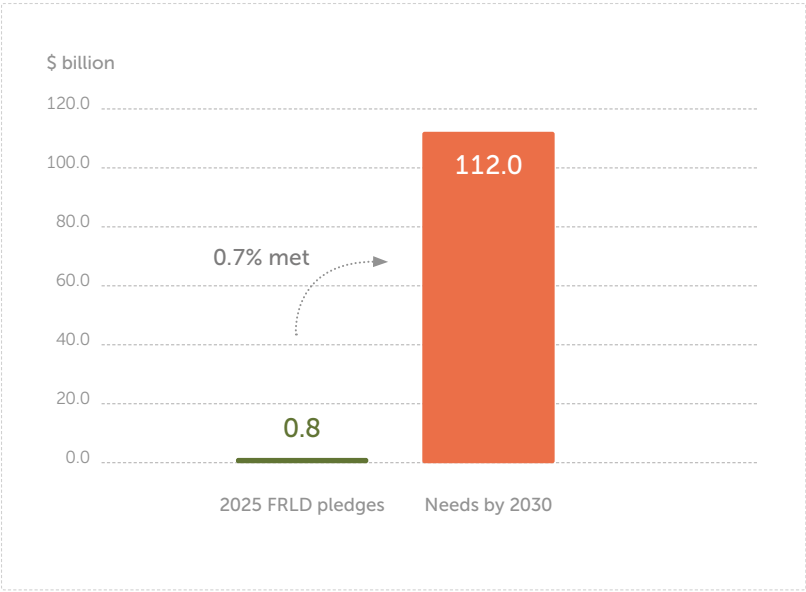
Addis Ababa Declaration §100: Urge the operationalisation of the FRLD to ensure simplified, direct access for LDCs and SIDs to address economic and non-economic losses, with a specific window for slow-onset events and climate-induced mobility.

^{xi} Mo Ibrahim Foundation, 2024 Forum Report chapter one, [Assessing the needs](#) and 2025 Forum Report introduction, [Setting the scene](#)

The setup of a loss and damage fund was first requested by the Alliance of Small Island States on behalf of Vanuatu in 1991,²⁴ and was finalised at COP29 in 2024. To date, pledges to the Fund for Responding to Loss and Damage (FRLD) from 27 contributors total only \$768.4 million.²⁵ This amounts to less than one quarter of what African countries estimated they need for loss and damage in their latest NDC submissions.

Further research suggests that sub-Saharan Africa alone could face up to \$112 billion in climate-related damages by 2030, of which FRLD contributions amount to less than 1%.²⁶

2025 FRLD pledges & sub-Saharan Africa's total loss and damage needs by 2030



Payouts from the FRLD to affected countries are supposed to start in 2026

Source: MIF based on Markandya & González-Eguino (2019) and UNFCCC (2025)

International cooperation and minimum taxes are key to prevent profit shifting and retain Africa’s revenue streams^{xii}

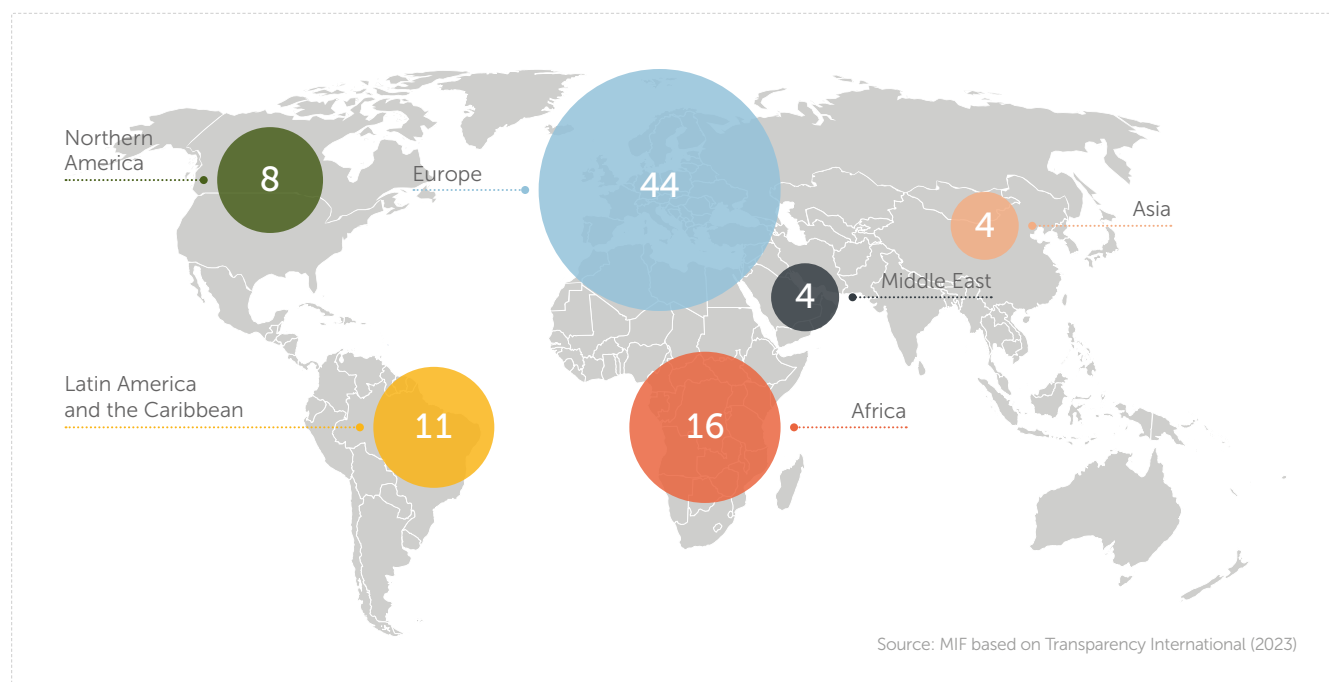
Addis Ababa Declaration ¶24: Take note of the 4th International Conference on Financing for Development, that addresses the current and emerging financing challenges to address gaps in debt architecture, reform of international financial architecture, and process for an international tax convention.

It is estimated that Africa loses around \$90 billion a year to illicit financial flows (IFFs)²⁷ and lost around \$55 billion to corporate tax exemptions between 2015-2022.²⁸ Enablers of IFFs from and to Africa are found around the world, with the majority located in Europe.²⁹

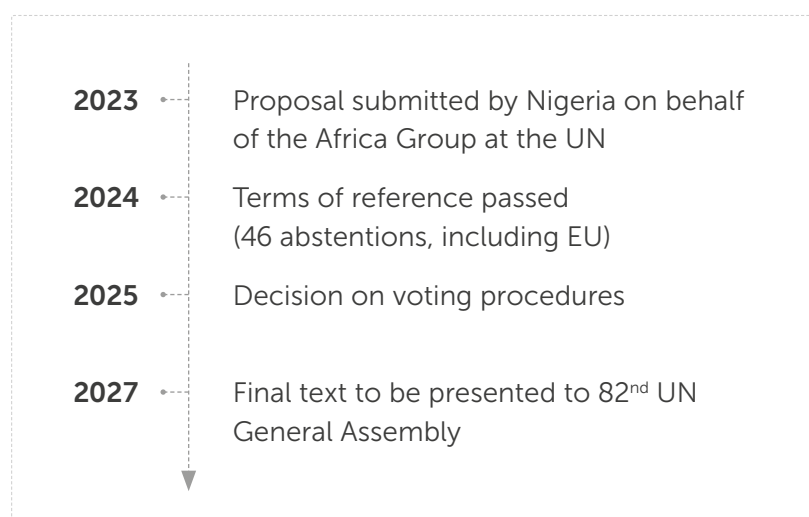
^{xii} Mo Ibrahim Foundation, 2024 Forum Report chapter two, [External resources: better money, rather than just more money](#), 2025 Forum Report chapter one, [Maximising domestic financial resources](#) and October 2025 data story [Reforming the global debt architecture](#)

In 2023, Nigeria on behalf of the Africa Group at the UN submitted a proposal for a UN Framework Convention on International Tax Cooperation. Its terms are currently being negotiated, with considerable hesitation from EU member states.³⁰ A final convention text is expected at the 82nd Session of the UN General Assembly in 2027.³¹

World regions: number & location of enablers of IFFs from Africa (2023)



UN Framework Convention on International Tax Cooperation



African countries are estimated to lose around \$90 billion annually to IFFs, more than ODA received

Progress on a UN Tax Convention is moving slowly, with considerable hesitation from EU member states

To combat profit-shifting, i.e. underreporting and moving profits generated in one country to a tax haven, 140 countries have to date joined the OECD/ G20 BEPS framework which proposes the reallocation of profits generated by multi-national enterprises to market jurisdictions and a global minimum tax rate of 15%. While presenting an important step forward, African governments still consider the 15% rate insufficient to prevent profit-shifting out of Africa and have instead proposed a minimum tax rate of 20%.³²

The current multilateral system does not meet Africa's development and climate finance needs

Addis Ababa Declaration §36: Call for the accelerated reform of MDBs to ensure they are fit for purpose in the age of climate change and that they increase their concessional finance, lower the cost of borrowing for developing countries, and, in particular, African countries, and reform their governance structures to improve African representation. We urge MDBs to scale up their investments in climate-resilient and green projects.

Africa's 2023 (latest year available) external public debt sits at \$690 billion – almost 25% of continental GDP.³³ In 2025, 20 of the 38 African low-income countries are in or at high risk of debt distress,³⁴ partly due to the way IMF lending and the international financial architecture works.

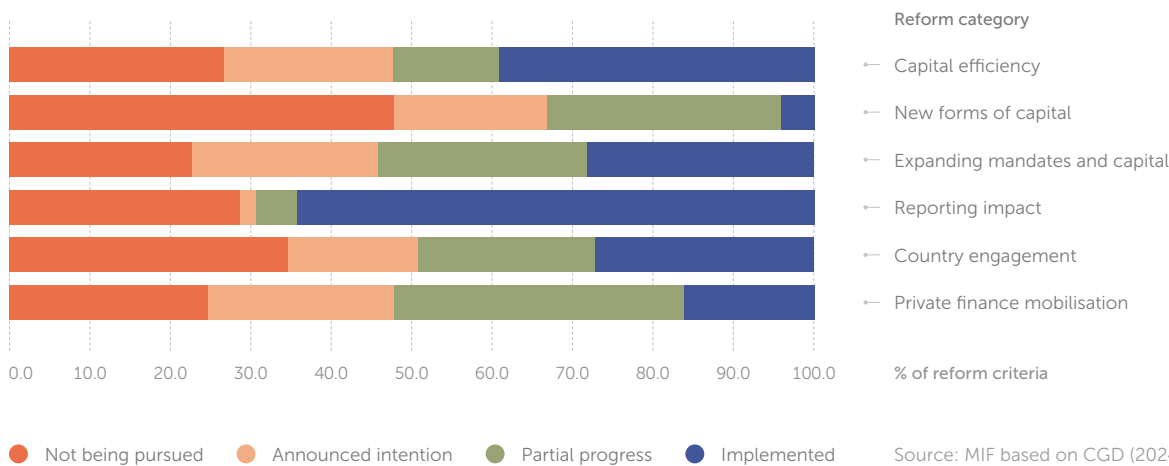
Outdated and ineffective processes and mechanisms continue to hinder Africa's ability to secure the concessional finance it needs. Even with a third African seat on the IMF Executive Board, African countries together hold only 6.5% of total voting rights – less than any other world region, and only slightly more than some individual countries.³⁵

Over the last three years, multilateral development banks (MDBs) have started reform processes to better respond to the needs of developing countries. Full implementation ranges from 5% to 64% across reform types. While the African Development Bank and World Bank Group record over two thirds of reforms (69%) as in progress or implemented, at EIB Global, the development finance arm of the European Investment Bank, two thirds (67%) of reforms are currently not being pursued.³⁶

Africa's external public debt amounts to almost 25% of continental GDP

Full or partial MDB reform agenda implementation ranges from 69% at AfDB and World Bank Group to only 15% at EIB Global

Selected MDBs: progress across reform categories (2024)*



* MDBs assessed include AfDB, ADB, AIIB, EBRD, EIB Global, IDBG and WBG.

CALL TO ACTION

Fully re-boot the 80-year old Bretton Woods system to ensure it is fit for current purpose

Considerations for African governments:

- Support a stronger credit environment and attract more private capital by working on sovereign credit ratings through data sharing and stronger governance, rule of law, regulatory frameworks, stability and convertibility of currencies and the development of local capital markets.
- Introduce the originate-to-distribute financial model within African development finance institutions.

Considerations for partners:

- Give greater decision-making power to African countries at the IMF and World Bank governance structures, considering for example including population size as an additional variable to determine IMF quotas.
- Work with the IMF and central banks to facilitate the on-lending of Special Drawing Rights (SDRs).
- Increase blended finance, de-risking tools, and project bankability to crowd in private capital and to increase investment opportunities.
- Recognise preferred creditor status for African financial institutions.
- Increase grant-based financing, rather than loans which further increase the debt burden.
- Streamline processes for faster loan approvals and disbursements.
- Decentralise IMF operations by relocating senior management to regional hubs.
- Suspend debt service immediately for all countries applying to the G20 Common Framework for Debt Treatment and expand eligibility to include middle-income countries.

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