

# Interview

## H.E. Albert Muchanga\*

H.E. Ambassador Albert Muchanga is serving his second mandate as the Commissioner for Economic Development, Tourism, Trade, Industry and Minerals at the African Union Commission (AUC). H.E. Commissioner Muchanga is also the Sherpa of the G20.

Previously, Ambassador Muchanga worked in the Zambian Civil Service at home and abroad, including as Permanent Secretary, Ambassador of Zambia to Brazil, Ambassador of Zambia to Ethiopia and Permanent Representative to the African Union and United Nations Economic Commission for Africa and as Deputy Executive Secretary of the Southern African Development Community (SADC).

**Development Cooperation Review (DCR): During India's presidency of the G20, the African Union was invited as a permanent member. As the African Union's Sherpa of the G20, Ambassador Albert Muchanga, what are the priorities of the African Union's agenda-both at the G20, within BRICS, and in other international fora such as the G7 and G77?**

**H.E. Albert Muchanga (AM):** Let me begin by saying that the African Union is most appreciative of the very broad-based support received from other members of the G20 for the African Union (AU) to become a permanent member under India's presidency in September 2023. We are grateful for that gesture and as soon as the permanent seat was awarded, we brought a number of issues to fellow member states. As we are an intergovernmental organisation, we are guided by the decisions of the members.

One of these issues agreed upon with the members and one of them concerns the modalities of the participation of the African Union in the G20. The African

Union is represented at the G20 summit by the country chairing that year (which varies, with countries rotating the chairing of the African Union each year) and by the chairperson of the African Union Commission (AUC), who oversees the AU's executive branch, and that the Sherpa should be the Commissioner of Economic Affairs. Their combined participation ensures that the AU's perspectives and interests are effectively represented in G20 discussions.

In this capacity, the Commissioner represents the AU in G20 ministerial meetings and working groups. The Commissioner can be accompanied by the administrators chairing the specific committees of the African Union. Finally, the expert groups are attended by the officers in the various departments of the African Union.

We established the priorities and one of them was to leverage our membership within the G20 to assist us with implementing the Agenda 2063, which is our development framework, as well as attain the UN Sustainable Development Goals and also

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**Interviewer:** Eleanor Legge-Bourke, Press Report House, UK

address the issues of food security, issues of the green transition, including energy, and issues of trade and investment, as well as issues of health, including the manufacturing of vaccines. So, these are the preliminary priorities, and we have been discussing them with South Africa as they preside over the G20 process this year.

Of course, a number of issues also emerge, one of which is the question of external debt. It was a prominent topic under the Brazilian G20 presidency and the issue of food security, which is aligned with us, and the energy transition. Those are very, very important.

There is also an ongoing activity, which is the G20 Compact with Africa. As we are in the G20 now, our focus is to bring in other African member states to be part of the Compact, of course, if they are willing to undertake the reforms as well as to assess whether the G20 membership is aligned with the Compact with Africa.

**DCR: As the African Union Commissioner for Economic Development, Tourism, Trade, Industry and Minerals, you have been overseeing these matters for a long period. Apart from the AU's priorities for the G20, what are the other priorities for Africa overall?**

**AM:** There are three issues which are of critical importance to Africa, and they are all interrelated. The first one is to position Africa to attain high rates of inclusive growth and sustainable development. When you look at the GNI per capita of Africa, especially south of the Sahara, even adjusted for inflation, it is more or less at the same level as it was

around the 1970s. Now with this state of affairs, it is not reducing poverty.

Realising this, even before the studies started coming out, one of my major focus areas in my mandate was to come up with the strategic framework for Inclusive growth and sustainable development. That report was presented to heads of state and government this February at the AU Assembly meeting. It aims to position a majority of African countries to attain 7 to 10 per cent annual growth rates in the next forty to fifty years.

The IMF also now emphasised the importance of high levels of inclusive growth and that we need to increase investments from 20 per cent of GDP to 40 per cent of GDP. That is why we are now trying to leverage the Compact with Africa, so that we initiate reforms across Africa towards helping attract investments. That comes against a background of the Africa Wealth Report 2024 that indicates that approximately 135,000 high-income individuals across Africa have a combined resource base of about USD 2.5 trillion which they are not able to invest on the continent because the environment is not conducive. You compare that to the USD 2.8 trillion that Africa needs to meet Nationally Determined contributions under the Paris Agreement. If we initiate those reforms, those funds are going to be mobilised. So, the number one priority is inclusive growth and sustainable development.

Priority number two is to de-fragment the African economy. We started with the African Continental Free Trade Area (AfCFTA) and when we

established the African Continental Free Trade Area, we had the complimentary protocols for the free movement of people, intellectual property rights, investment, and competition policy. All those are foundations for moving us towards a customs union. So, we need a level of economic integration so that we have a large market base, which will bring us to the third priority, which is the industrialisation of Africa. These are the priorities that we are pursuing at the African Union.

Now, when we tie that with the G20, it brings in another priority. And that is the issue of closer harmonisation of the policies of member states so that we're able to speak with one voice. Moving towards the customs union and also promoting macroeconomic convergence is going to make it possible to harmonise those policies.

**DCR: Thank you. How can Global South countries better position themselves within international organisations such as the United Nations, the IMF, the World Trade Organisation, etc., to advocate for more equitable development policies?**

**AM:** We've been working on it for quite some time. Within the G20, there's also the consultative meeting of the emerging and developing countries, where we try to come up with a common position, just like the G7 does within the context of the G20. Then, at the UN you have the group of 77 plus China. Now we move into the implementation of the pact of the future, and the emphasis is on multilateralism.

The Global South, I think, is going to really emphasise the importance of building stronger coherence so that we speak with one voice in so far as the development of multilateralism is concerned.

In terms of numbers, there are more countries of the Global South, and in terms of demography, again, it is quite large, and in terms of natural resource base, again, it is quite large. So, there are assets that can really give us a voice in the multilateral system.

**DCR: Ambassador Albert Muchanga, are you also working with regional multi-governmental institutions such as the European Union or ASEAN?**

**AM:** That's why I have a cooperative arrangement with the European Union. We have a high-level dialogue on economic integration. We have not really linked up with ASEAN or Mercosur. We are in the process of linking up. When we established the African Continental Free Trade Area, our colleagues from South America and the Caribbean were very impressed with that achievement so there has been a process of exchange of information.

**DCR: How do you perceive the evolution of Africa's economic and social relations with other major regions of the world, including Asia, Latin America, and North America, as you have just mentioned?**

**AM:** Well, as we go into the green transition, the question of critical minerals or strategic minerals is going to arise. On

this matter, the position of Africa is that we should add value at the source so that we use this transition to generate more jobs for the young population. These are some of the issues that are going to emerge.

Of course, the other issue is that if we can create high-income employment opportunities within Africa, the process of illegal migration is going to minimise. So, it is in the interest of developed countries to really give us space for development to help minimise illegal migration.

Then, in the field of agriculture, Africa has adequate reserves of arable land, unlike in other parts of the world. So, in the future, Africa can emerge as the breadbasket of the world. Then when you also look at the issue of demography, we have the labour force, which will bring employment, and then the consumption is going to emerge - other countries can export their products to Africa. And we are going to emerge as a major global consumption hub.

**DCR: With regards to adding value at the source - Sustainable development shifting from an extractive model of development to a model that creates a clear linkage between all living beings and their habitat is deemed crucial for some global South superpowers, such as India. What are your priorities for sustainable development on the African continent, besides, of course, adding value at source?**

**AM:** There are a number of factors, one of which is the carbon trading. Right now, the experience is that for most of our member states, when they go into carbon

trading, they are under-served and under-priced, compared to what they are selling to the rest of the world. Now, that is going to sustain underdevelopment. I think the experience is that poverty is not conducive to sustainable development, so we need to avoid that. And of course, there's also the issue of energy. The experience in Africa is that because of climate change, if countries rely too much on hydro for electricity it cannot be sustainable. The water levels go down, and so power generation also gets affected. So, we need to utilise other opportunities like green hydrogen, solar energy and wind energy. These are some of the elements of sustainable development vis-a-vis the green transition.

**DCR: Given your deep understanding of the continent, you're very well positioned to discuss to the past, present and future agenda for Africa's economic situation. What dynamics are currently underway in Africa? What are the main challenges as well as the opportunities that you foresee in the mid-term?**

**AM:** I believe that the major challenge is that Africa has a young population and that population is increasing. Now, with that state of affairs, the duty of every policymaker is one - to educate those people, and two - to provide jobs for them so that they will have a decent livelihood. The formal employment sector, I think has proved to be inadequate. So, entrusting the young with startups is one way of ensuring that they can also emerge as the entrepreneurs and the generators of employment and opportunities. That is one challenge.

The other challenge, which we talked about earlier, is the fragmentation of the African economies as a result of their colonial history. So now we are de-fragmenting by creating a single African market, starting with the African Continental Free Trade Area (AfCFTA) and this is very, very important.

Then another one is at the global level. When you look at the sphere of trade and investment at the global level, there is a process of fragmentation, protectionism is emerging in various forms. So, we really need to ensure that the African economy is resilient in this process of global fragmentation. And that brings us back to the issue of continental economic integration.

**DCR: How would you describe the current landscape of development cooperation among countries in the Global South? In which ways does the Southern perspective of development differ from that of the North? You described the potential relations between different areas of the South, but apart from the potential, how is the situation at present in terms of cooperation between the countries of the South?**

**AM:** I think it is very dynamic. I can give you three examples: one is Africa with Indonesia – we have a cooperative framework; Africa with India also enjoys a cooperative framework; and the third would be Africa with China. So, through these, we have issues of trade and investments and loans being negotiated among the parties and also trade exchanges. I believe trade relations

among the countries of the South are deepening.

**DCR: I have a somewhat personal question for you. During your mandate, you have put in place a series of tools to understand what to do and also to understand the situation, including the African Development Dynamic Report, the Africa Forum, the Revenue Statistics. So, you have put in place a very useful army of tools. Do you see any additional tools that could further help your work in terms of analysing trends?**

**AM:** There were two tools underway. One is operating - We've got the African Trade Observatory, which is going to give us strategic information on trade flows across Africa and trade flows between Africa and the rest of the world.

Then, we are also establishing the African Virtual Investment platform where similar information related to investment is going to be made available on the internet, which will facilitate the discussion among countries on how to improve the environment.

Also, we are working on the African Peer Review Mechanism (APRM) to operationalise the African credit rating agencies so that it can assist us in really having a better assessment of the rating of African borrowers in the capital markets. I will be meeting with the chief executive of the African Peer Review Mechanism, to discuss the mechanism on how best to move forward the operationalisation of the African Credit rating agency. So, there are quite a number of tools emerging.