
Chairs' Conclusions

Africa Advisory Group

Washington, D.C.

23 April 2025

- 1 We, the members of the G20 Africa Advisory Group (AAG), held our first 2025 meeting on 23 April on the margins of the World Bank Group / International Monetary Fund Spring Meetings in Washington, D.C.. The meeting brought together eighteen G20 partners including two guest countries and nine African Compact with Africa (CwA) member countries as well as representatives from the World Bank Group (WBG), the International Monetary Fund (IMF), the African Development Bank (AfDB), the African Center for Economic Transformation (ACET), and S&P Global for a thematic input.

Accession of the Republic of Zambia to the CwA

- 2 At the AAG meeting, the Republic of Zambia, represented by H.E. Minister of Finance and Economic Planning Situmbeko Musokotwane, formally joined the CwA as fourteenth African member country following the presentation of its ambitious reform programme at the December 2024 AAG meeting as well as the subsequent approval by twelve out of thirteen African member countries (with one not having cast its vote). We congratulate the Republic of Zambia on joining the CwA and look forward to intensifying the collaboration with Zambia in the AAG as well as in the Compact Country Team. In this vein, we reiterate our openness to consider further applicants' reform programmes at the next meeting in the second half of 2025.
- 3 The South African G20 Presidency reiterated its intention, as also expressed in the Chair's Summary of the 1st G20 FMCBG meeting in Cape Town, to strengthen the CwA and increase its visibility during 2025 including through fostering G20 involvement and encouraging expansion in line with the Compact's original mandate of a country-led and owned initiative. We express our strong support to South Africa's ambition and look forward to further concrete steps in this regard over the course of 2025.

CwA 2.0 implementation

- 4 We thank ACET's independent advisory panel for the 2024 CwA Peer Review and the presentation of its main findings at the AAG. We acknowledge the scope for improving the CwA's impact in the future through stronger involvement of G20 members and their respective private sectors in CwA implementation, a revitalisation of Compact Country Teams in all African member countries including private sector participation, a continued focus of African member governments on key structural reforms to improve the investment climate, deepened technical assistance as well as targeted peer-to-peer learning opportunities by CwA implementing partners to African members, a more robust results measurement framework for CwA activities, and a more comprehensive communication strategy to increase awareness among all stakeholders about the CwA's potential and impact.

- 5 We thank the WBG and the AfDB for their presentations on the implementation of CwA 2.0 reforms agreed upon in 2023 as well as their reiteration of several success stories from the first CwA phase. We thank staff members of CwA implementing partners and Co-Chairs for the preparation of the draft CwA 2.0 Implementation Strategy Document, which was shared with AAG members on 7 April 2025, and AAG members for their comments and support to the CwA 2.0 implementation strategy. We look forward to the strategy's timely finalisation taking into account comments received. We recognise the particular emphasis in the AAG discussion on strengthening the involvement of the private sector in the CwA implementation as a unique feature of the initiative as well as the need to revitalise and empower Compact Country Teams as the central platform for the CwA to generate impact in member countries.
- 6 CwA 2.0 reforms and a further strengthening of the CwA are all the more important in the current challenging global economic environment. The urgent jobs challenge, particularly on the African continent, requires a strong focus on private sector-led economic growth and sustainable employment creation. Members also highlighted the need to improve and expand the pipeline of bankable projects that will support investment and address infrastructure challenges. We underscore the importance of the key tenets of CwA 2.0 reforms to deepen in-country technical assistance, further improve in-country partner coordination, and reach substantially stronger involvement of the G20 membership. We call
 - a. on African Compact members to continue on their respective reform paths,
 - b. on G20 partners to come forward with practical contributions to CwA 2.0 implementation based on the options outlined in the implementation strategy,
 - c. and on implementing partners to contribute effectively to the overall coordination and cohesion of the CwA next to targeted technical assistance, peer-to-peer learning activities, and analytical advisory work.

Members commended the additional contribution announced by Germany to the CwA Initiative. we encourage all G20 partners to consider providing some catalytic funding to implementing partners' CwA 2.0 activities including the WBG's proposal of deepened technical assistance. We support all proposals and already on-going work mentioned by G20 partners to strengthen links between the CwA and other existing bi- and multilateral initiatives aimed at increasing private investment in African CwA member countries.

Investment conditions including credit ratings

- 7 We thank the IMF for its presentation on macroeconomic conditions in CwA member countries, showcasing an upward revision in growth outcomes in CwA member countries from 3.6% to 3.9% in 2024 and a projected growth rate of 4.4% in 2025 compared with 3.4% in African non-CwA countries. We take note of the emphasis on increased risks to the outlook as well as fiscal positions stemming from policy uncertainty and market volatility as well as underlying conjunctural risks and structural impediments to growth. We thank the IMF for its strong support to CwA member countries and concur with its call to increase resilience through growth-enhancing reforms and investments as well as prudent fiscal policies.
- 8 We express thanks to S&P Global for sharing insights on the character, scope and limitations of rating actions, its Sovereign Issuer Credit Rating Framework, the rating prospects of African economies as well as their openness to engaging in further dialogue with CwA member countries including on the transparency of credit ratings.

- 9 We recognise that access to capital is critical for both public and private investment and support African members in their ambition to improve credit ratings as well as the African Union in its support to African members to lift growth prospects sustainably including through access to capital to achieve Agenda 2063 targets. We underscore the very strong synergies between the CwA reform pillars (macro stability including domestic resource mobilisation, business environment, and financial infrastructure) and the possibility to improve the access to capital.
- 10 We look forward to the outcomes of the work in the G20 Finance Track under the South African G20 Presidency on impediments to growth in African economies and will assess the implications of this work for CwA member countries following its conclusion.
- 11 In this context, we underscore the particular importance of open international trading relationships as a contributor to strong and sustainable growth. We look forward to further analysing the impact of progressive implementation of the African Continental Free Trade Area on growth and investment prospects in CwA member countries.
- 12 The AAG is scheduled to reconvene again in the second half of 2025. The format and exact date will be communicated in due course.