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How Africa is gearing up to build its political and financial sovereignty from within

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Is the wait over? At a time when multilateral spaces like the [G7] and the [OECD DAC] are discussing their raison d'être, when meetings organized by , as well as still dwell on how to truly balance the notion of "mutual partnerships" by mostly looking inward, African stakeholders reunited in Brazzaville (Republic of the Congo) last May for the African Development Bank's annual meetings under the theme "Mobilizing Africa's development financing at scale in a fragmented world" offered the stage for a continental dialogue on the contours of Africa's financial and political future. This blog post analyzes the issues of financial, economic, and trade sovereignty raised by regional and national African stakeholders.

The African Development Bank is leading the way on an African political consensus

In Brazzaville, Sidi Ould Tah passed the credibility test at his first annual meetings where his new strategic and financial paradigm for the continent got approved. The African Development Bank (AfDB) is now equipped with two strategic elements. First, the Board of governors officially endorsed the four cardinal points' vision which includes "unlocking Africa's capital power by boosting investment" and "rebuilding Africa's financial sovereignty by consolidating the continent's voice". Second, governors also officially adopted the 11 points of the Abidjan consensus including the New African Architecture for African Development (NAFAD). At a time when broader reforms at the international level are slow, NAFAD is meant to push it forward at the continental level to better suit the needs of African countries. Sidi Ould Tah repeatedly stressed how underused the AfDB and other Public Development Banks (PDBs) in Africa remain. 20% of PDBs are on the continent but they account for only 1% of total assets in the world (*vs* 80% for G20 countries), an imbalance that better connection and exchange of practice with the FICs network could address. NAFAD is meant to represent the process through which changes should be pursued, and the AfDB positioned itself as the institutional anchor and platform for the mobilization of diverse stakeholders around the needs of the continent. The African Development Fund, the concessional arm of the AfDB, also received further support from an African country, as Angola became the 25th African country to contribute, with €6.5million. The Bank now enjoys a form of political consensus and a strategic and institutional set up it did not have a year ago. Yet, Sidi Ould Tah also stressed how the nature and scale of needs require going beyond the development finance logic—which remains insufficient—as well as beyond the sole development banks to set up a broader financial architecture fit for the continent's ambition.

Pan-African financial institutions to turn domestic savings into transformative investments

One key message infused several discussions throughout the week: Africa needs more finance for its needs—around $400 billion per year—but the continent is also the place with $4 trillion of untapped "dormant" capital in the form of assets and savings held by insurance, pension funds, national deposit banks, and so on. Most of it however is invested abroad, in foreign financial markets, as these institutions—which do not always have a focus or mandate to invest in sustainable development related projects—also internalized real and perceived risks of investing on the continent. For example, AfDB's 2026 African Economic Outlook estimates that "Reallocating an additional 1% of pension fund assets each year to long-term domestic investments (infrastructure, housing, and climate projects) across the six largest African pension fund markets could mobilize a total of approximately $1,700 billion by 2050". For Africa, the challenge therefore becomes to turn existing domestic savings into productive investments. Such under or untapped sources of financing echo broader calls for different types of domestic resource mobilization and deepening of continent's internal market to outgrow its more traditional export oriented strategy.

Such transformation requires broader changes in the financial architecture that supports such investments for development. Meetings in Brazzaville shed light on a fragmented yet existing network of pan-African institutions. The African Trade and Investment Development Insurance (ATIDI) which is planned to expand its guarantee capacity to $10 billion was presented as offering one of the first concrete operational decisions of NAFAD. The AfDB announced a new investment of around $125 million, raising its stake from 3% to 14 %. This follows announcements by Germany ($32 million) and France (amount to be disclosed) to join 24 other African members as shareholders, and no American veto. It was also announced that ATIDI would expand its annual guarantee capacity too, further reinforcing its role to encourage institutional and private sector investment in riskier areas. The emphasis on an institution providing insurance and guarantees reflects a strategic attempt to provide more stability and establish robust channels through which pension funds, insurers and investors benefit from risk exposure management to participate more in development financing. It also positions the use of guarantees as one of the main instruments to tackle the high cost of capital the continent still faces.

Seeking complementarities necessarily implies looking beyond the development paradigm and discussions also looked into the trade dimension. The African continent faces a well-known paradox: it contains an immense wealth of resources that everyone wants a share of, yet it stagnates at around 3% of global trade. The collective agreement to further develop trade on the continent is there with the African Continental Free Trade Area which remains to be implemented. Africa 50 also promoted in Brazzaville its African-owned investment platform to develop public-private partnerships (PPPs) to bring capital in specific sectors such as transport or energy. But beyond the impetus to further strengthen regional markets, African leaders also called to change the way some of these projects and operations are structured. Returns on investments for example remain in local currencies yet reimbursements are made in foreign currencies. This creates difficulties which are also addressed more broadly by African stakeholders, be it through the creation of an African credit rating agency or through the African borrowers' club.

Africa is also set to lead on the development-finance-climate nexus with the upcoming Climate COP32 organized in Ethiopia, the first ever to be held in a least developed country. A more coherent, affordable and predictable architecture is required to identify opportunities on the continent, not just vulnerabilities. Kenya showed the way in organizing the first Africa Climate summit in 2023, followed by Ethiopia in 2025. The pan-African Forum of Finance Ministers for Climate Action launched in 2025 and co-chaired by Congo-Brazzaville and Zambia provide a useful platform to build proactive economic and climate resilience rather than emergency spending.

The continent is therefore not short of institutions and mechanisms to leverage more home-grown financing while playing a bigger role at the global stage. As a system, the consolidation of its financial sovereignty, understood as both a question of available resources and ability to define its own priorities at the continental level may represent an opportunity to shift the power imbalance and form the basis for a more stable domestic environment in an uncertain world.

The challenge of accountability and continental inclusiveness

To be truly transformative, greater financial firepower should be closely linked to effective accountability mechanisms. This was repeated in Brazzaville, yet the contours on how to make it happen remained fuzzy, especially in the presence of some Heads of State whose political record on such matter is not immaculate. Three levels of tensions were implicit:

- The regional-national dynamic: while fostering continental scale transformation and the mobilization of pan-African institutions, including the AfDB chief, the promotion of national agendas still came powerfully through. Heads of State are competing for funds from the same institutions they want to invest in on a more continental scale. Promoting deeper collaboration and integration necessarily implies giving up a bit of national control for the greater continental good which may not always be taken for granted.
- The dynamic for change is likely to be led by a handful of African countries first, which are already well positioned in terms of access to political and financial resources. The vision and system promoted by the AfDB and associated institutions should anticipate building up to embark other lesser equipped countries at the risk of reinforcing a two-gear system, leaving the poorest ones behind. This is where the articulation between the development and investment-oriented agenda becomes critical so that transformation really happens at continental scale and remains inclusive. Recent rejections (for example in Ghana) or renegotiations (as in Zimbabwe & Mali) of unfair bilateral deals provide some level of encouragement on that front.
- Accountability and inclusiveness should not only apply to development and finance stakeholders, including private ones if they are to contribute to sustainable transformation; but also for citizens who remain the ultimate impact targets. The mobilization of financing at scale, and potential shift towards renewed models of development (be it private-sector or industrialization-led for example) should ultimately serve basic needs of citizens at the national level. Recent upheavals, including in Kenya again right after the Africa Forward Summit, repeatedly highlight the need to take the political economy of a country into consideration for successful implementation. Accountability mechanisms at the national and regional levels represent options to secure a form of democratic space in a changing political and economic environment.

Meetings in Brazzaville resolutely put African institutions and actors in the driving seat, while the US and Europeans are still trying to sort themselves out. This is paving the way for a new dynamic focused on mobilizing regional and national forces to make them all instruments of African solidarity. The continent has some assets; they need to be scaled up and to rely on a more stable financial architecture which is in the making and should further be consolidated at different stages leading to COP32 in Addis Ababa in 2027.

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