

# African Union's Relations with Global Players

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*The African Union has taken up more formidable challenges by joining the Group of Twenty (G20) in September 2023. It has struggled down the years to develop, since its creation, into a dynamic continental union with a resemblance of the European Union. Recent developments in global great power politics have come with complex challenges and opportunities for the African continent. Nevertheless, the AU views the emerging multipolar world as an opportunity to move up, with its unified voice on pertinent issues, unto a global stage.*

At the far end of the 18th summit, the African Union (AU) was finally granted the same status as the European Union (EU) at G20. This will strengthen the G20 and also strengthen the voice of the Global South. It is based on the group's collective consensus and incorporated into the final declaration, marks a new chapter for formulating new thinking and building confidence with G20 members.

Within the framework of the emerging new world order, the G20 Delhi declaration's language was neutrally positive, the most significant outcomes remain the inclusion of the African Union into the bloc. The summit declaration was termed "*people-centric, action-oriented and far-sighted*" reflecting a "*shared path for all*" ensuring that countries of the Global South are not left behind.

The G20 declaration noted that the inclusion of the African Union into the G20 will significantly contribute to addressing the global challenges.

"Africa plays an important role in the global economy. We commit to strengthen our ties with and support the African Union realise the aspirations under Agenda 2063. We also reiterate strong support to Africa, including through the G20 Compact with Africa and G20 Initiative on supporting industrialization in Africa and LDCs. We are supportive of further discussing the deepening of cooperation between the G20 and other regional partners," it read.

The step on AU's inclusion was a decade-long objective, a struggle for gaining a position on

global stage. It was, indeed, one of the significant milestone gestures and biggest achievements in the history of G20. Long before that, there were pleasant debates and discussions, as no key global leader raised criticisms and/or fierce objections to the proposal for a permanent seat be given to the AU.

“Thanks to the hard work of our team and your support, a consensus has been reached on the declaration from the G20 Heads of State and Government Summit in New Delhi,” Modi said, announcing the adoption of the declaration.

The contents of the joint communiqué from the G20, a group of the world’s largest economies to which the African Union was officially included as a permanent member for the first time in its history.

Current Chairman of the African Union, Comoros President Azali Assoumani thanked PM Modi for his initiative and efforts in making the African Union a permanent member of the G20. He shared his particular pleasure that this had occurred during India’s G20 Presidency, considering India’s role and links with Africa. Assoumani and Modi, with the almost the same message, highlighted India’s efforts to articulate the Voice of Global South and recalled the Voice of Global South Summit convened by India in January 2023.

According to reports, G20 was first formed in the wake of the financial crisis that swept through Southeast Asian economies in the late 1990s as a forum for finance ministers and central bank governors, then it was upgraded in 2007 to include heads of state and governments.

During and after the 2008 global financial crisis, the G20’s coordinated efforts helped tamp down panic and restore economic growth. The grouping comprises 19 countries cutting across continents and the European Union, representing around 85% of the world’s GDP. The G20 also invites non-member countries, including Bangladesh, Singapore, Spain and Nigeria, besides international organizations such as the United Nations, World Health Organization, the World Bank and the International Monetary Fund.

In comparative assessment within the complex geopolitical context of the debate over multilateral organizations reforms including that of the United Nations, BRICS (Brazil, Russia, India, China and South Africa) unwavering future projections, and for AU to set out its own critical role in strengthening strategic relations combined with mobilizing both external public and private finance for Africa’s development.

It is an established fact that Africa is India’s fourth largest trading partner. India exported US\$ 40 billion worth of goods to Africa, while importing US\$ 49 billion worth of goods from various African countries. India’s main exports to Africa are refined petroleum products and pharmaceuticals while Africa exports crude oil, gold, coal and other minerals to India.



Launch of the Global Biofuels Alliance at G20 New Delhi 2023 (Licensed under CC BY 2.5 ar)

China is the topmost trading partner. More than 3,000 Chinese enterprises have invested deeply in Africa, of which over 70% are private companies, says China's state-owned Global Times. At the same time, China has been modernizing the continent's agricultural, manufacturing and services sectors, upgrade its manufacturing and processing techniques, and create greater value-added, contributing significantly to the stability, development and prosperity of African countries.

According to the Policy Centre for the New South, China has twenty-five economic and trade cooperation zones with China have been created in sixteen African countries. With such initiatives, the Chinese footprint in Africa has grown to approximately 12% of Africa's industrial output—about US\$ 500 billion annually. As for the infrastructure sector, Chinese companies claim nearly 50% of Africa's contracted construction market.

In Johannesburg's 15th BRICS summit held in August, Xi Jinping said China would continue to support Africa in speaking with one voice on international affairs and continuously elevating its international standing. It has already assisted the construction of several signature Pan-African projects, including the new AU Conference Center and the Africa Center for Disease Control and Prevention.

In order to chart the course for practical cooperation in the next stage and partner with Africa to bring its integration and modernization into a fast track, on the sideline meeting with African leaders, Xi Jinping made three concrete proposals which include (i) China will launch the Initiative on Supporting Africa's Industrialization, (ii) China will launch the Plan for China Supporting Africa's Agricultural Modernization, and (iii) China will launch the Plan for China-Africa Cooperation on Talent Development.

United States and a number of European nations, as G20 members, have competitively been investing in Africa. Of course, reports (White House, Briefing Report, June 2023) show

that the United States has more than 800 two-way trade and investment deals across 47 African countries for a total estimated value of over US\$18 billion, and the U.S. private sector has investment deals in Africa valued at US\$8.6 billion. In fact, United States goods and services traded with Africa totaled US\$83.6 billion in 2021.

The European Union has pledged 150 billion euros (US\$170 billion) for investment in Africa as it seeks to gain influence on the continent and become its partner of choice. That compared with BRICS, during its late July summit held in Johannesburg, we further heard of the general perception amongst the BRICS nations that global trade and economics are too much synchronized to the Western powers, organised and lead by the United States.

From year to year, the BRICS members are increasing their potential. As was already mentioned, the five partner states, with a total population exceeding 3 billion, account for a greater share in global GDP than the so-called Group of Seven in terms of purchasing power parity. Over the past decade, BRICS group has doubled their investment in the global economy, and their total exports have reached 20 percent of the global total, according to reports.

Over the past decades, G20 members such as the United States and Canada, the EU with their unique geographic and economic conditions have attracted African citizens, Diaspora remittances which the World Bank and International Monetary Fund, estimated at US\$86 billion, supplements other finance sources for SMEs and women-owned businesses across Africa. After the New Delhi summit, it is however expected that G20 members will impact on the existing relationship between Diaspora businesses and SMEs there in the continent.

Besides that there are the traditional markets for some African products for which revenues are generated for their national budgets. The AU negotiating for removing barriers could collaborate to reach an entirely new level in the trade and corporate business relationship. These are aspects of the primary targets for the AU's G20 membership.

Policy analysts are discussing many questions about the key results of the historic India's G20 summit. But specifically for Africa, which is located in the Global South, it is the AU's ability to engage in useful negotiations, adopt admirable efforts at shifting policy towards practical development and, most importantly make assertive steps to portray its own economic outlook. It, therefore, explicitly means AU has to back away from discriminating rhetoric, fix an unshakeable wedge between geopolitical confrontation and cooperation. It has to determine its relations in the context of current complexities and contradictions around the world.

There is food for thought as we continue discussing the AU and its external relations. Kenya's President William Ruto, was not at the G20 summit, but at the gathering of Climate Change held in Nairobi, said Africa's youthfulness was "precisely the attribute that inspired African leaders to imagine a future where Africa steps onto the stage as an economic and industrial power, an effective and positive actor in the global arena".

African Union Commission Chairperson Moussa Faki Mahamat, has stressed the recognition of sustainable development gaps while consolidating the previous achievements and demonstrate genuine commitment to the reality of working together with the African continent, whose estimated population stands at 1.4 billion. Nevertheless, the point here again is that the collective African leaders must get down to their tasks of re-evaluating and addressing existing challenges across the continent of Africa.



In order to meet the sustainable development goals by 2030, UN Secretary-General António Guterres, have indicated several times in speeches that developed nations present a clear and credible roadmap for developing nations, formulate policies for accelerating actions to improve development needs in Africa. He has always maintained that these must be a fundamental interest for wealthy nations in the entire relations with, and adopting reform measures and proactive approach towards the least-developed nations.

In forthcoming years, there will be new partnership between the G20 members and the AU, for this matter, that of Africa. Most of the European Union members already have large investment in Africa. It implies that there will be further enormous contributions to the development of relations on diverse ways in different spheres, especially those directed at economic growth in the continent.

Today the African Union and other regional and sub regional organizations across the continent have undoubtedly embark on their transformative pathways to play significant roles in international affairs. AU's G20 membership now illustrates new doors to multifaceted opportunities, empowers it to pursue passions for forging new cooperation that will ultimately contribute to the betterment and the achievement of the SDGs.



Prime Minister Narendra Modi officially announced the African Union's (AU) permanent membership in the Group of 20, the world's largest economies. Source: [Adda 24/7](#)

With G20, the AU has to set new goals and tasks for the further development of cooperation in diverse areas: politics, security, the economy, science and technology, culture and humanitarian spheres. The G20 could continue to engage in exploring the African Continental Free Trade (AfCFTA), a policy signed by African States to make the continent a single market. As well-known, the United States and African public and private sector leaders, are seriously reviewing how to strengthen the economic partnerships within the framework of the African Growth and Opportunity Act (AGOA).

Arguably with G20, the AU has to effectively and largely address the Sustainable Development Goals (SDGs). It has act systemic action and further be instrumental in

implementing the African Union's strategic document, Agenda-2063. As an integrated continental organization, it has to represent Africa with a dynamic force in the global arena. Reminding finally that at G20, the AU has the same status as the European (EU).

Unlike the European Union, African Union has so much headaches arising from members' national politics which invariably determine the level of economic development. It is interesting to note that nearly African States are plagued by divergent interests and, more or less, some internal tensions. The AU has the worth of experience in spearheading its collective agenda such as the AfCFTA. So the AU has to remain indispensable for G20 diplomacy, take multifaceted initiatives including mutually beneficial bilateral and multilateral partnerships. Without this, its G20 membership will only be a decorative ornament and a badge on the chest, as it has already been speculating inside Africa.

It is time for admirable rhetoric to be backed by calculated robust actions. Consolidating the new full-fledged membership by joining the G20 has widely appreciated and applauded, but it is necessary to begin exploring diverse opportunities this status offers the entire Africa. It should not only be engagement in geopolitical balance at the high-table but be viewed as a new window for prioritizing large-scale development in spite of the sharp incompatibility in approach and methods.

"We cannot let geopolitical issues sequester the G20 agenda of discussions. We need peace and cooperation, so have no interest in a divided G20," Brazilian President Luiz Inácio Lula da Silva said in remarks. ((India Briefing, September 10). It is becoming more and more influential in the world as a growing power. By seizing this opportunity, India can strengthen its leadership and play a more active role in shaping the global agenda.

The key economic takeaway from the two-day G20 summit, which wrapped up on September 10 in New Delhi, was the declaration of *the importance of maintaining a "multilateral" approach to solving global problems*, from food security to climate regulation, including a call to fully factor in the unique economic development characteristics of each nation.

The G20 leaders also underscored the need to maintain an open trade system and fight protectionism. The G20 final statement, which was unanimously supported by all members, warned of the risks of a global economic slowdown and a reversal of progress toward "sustainable" development goals, despite the geopolitical differences.

Indian Prime Minister Narendra Modi wrapped up the G20 summit that played down on geopolitical confrontations and divisions. India, the host, pressed members to agree a common statements, which finally showed a huge and successful G20 under the leadership of Narendra Modi. Probably the most intriguing views that it was, indeed, a major opportunity for India – to a considerable degree it raised its profile on the world stage.

During its term, India held more than 200 meetings across some 50 cities involving ministers, officials and civil society, leading up to a marquee summit in New Delhi in September 2023. The G20 does not have a permanent secretariat, and one member takes over the presidency each year to steer the grouping's agenda that is split into two tracks – one led by finance ministers and another by emissaries of leaders of member countries. After India, Brazil will take over the presidency of the G20, and to be followed by South Africa in 2025.

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