

KEYNOTE ADDRESS

The Global Economy: Fragmentation, Integration, and Harnessing South-South Cooperation

Honorable Minister of Finance and Coordinating Minister of the Economy

G-24 Technical Group Meeting (TGM) • 2026

1

Welcome

This gathering is not a routine technical engagement

It is an opportunity to re-shape the development trajectory of the Global South at a time when global risks are converging faster than institutions can respond

2

The Context: Fragmentation vs. Integration

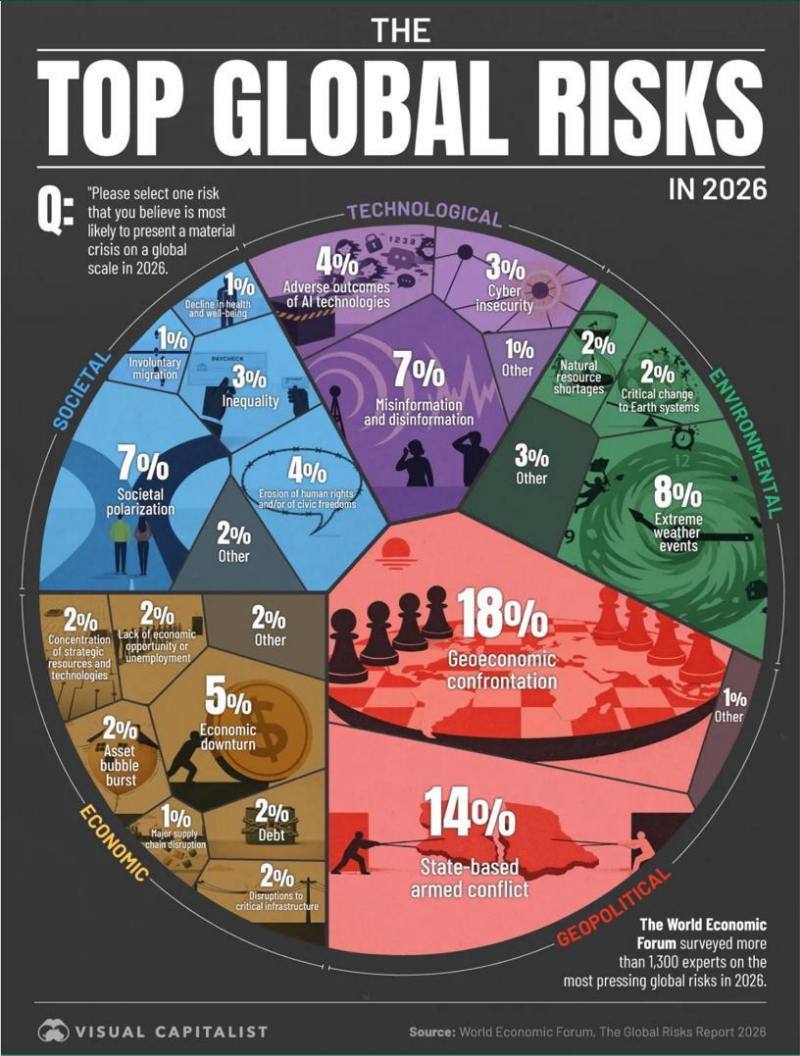
THE AGE OF COMPETITION

50% of global experts expect turbulence over the next 2 years

57% foresee continued instability over the next decade

Only 1% anticipate calm

This underscores a global environment defined by geopolitical rivalry, structural distrust, and weakening multilateral institutions



3 Macro-Critical Factors Deepening Goeconomic Fragmentation

#1 THREAT

Goeconomic Confrontation

Tariffs, sanctions, investment restrictions, and strategic decoupling identified as most likely crisis trigger

68%

Retreat of Multilateralism

Respondents expect a fragmented or multipolar world order

-2% GDP

High Cost to Global Output

Fragmentation could reduce global output by 2pp and shrink trade by 2.3%

3%

Africa's Marginal Position

Africa: 17% of world population but only 3% of global trade and 2.5% of global GDP

4

The Debt and Fiscal Paradox

\$4–5 TRILLION

Annual SDG Financing Gap

>25%

of EMDEs have lost access
to international capital markets

>50%

of low-income countries are in
or approaching debt distress

Threatens investments in health,
education, infrastructure, and
climate resilience

5

Nigeria's Reform Journey

Lessons from the Frontline of Transformation

PHASE 1

Market Correction

Bold, politically difficult—but necessary—reforms aimed at restoring macroeconomic stability

PHASE 2

Stabilisation

Nigeria now stands at the threshold of consolidation, demanding resolve and discipline

PHASE 3

Growth Acceleration

Stabilize today, correct distortions, accelerate inclusive sustainable growth tomorrow

US\$20B

Shell investment commitment alongside other major inflows

- Global recognition of reform path
- Investor sentiment steadily recovering
- Significant capital commitments returning
- Enabling environment for inclusive growth

6 Investment-Led Growth & Domestic Resource Mobilization

FROM DEBT-DRIVEN TO INVESTMENT-LED GROWTH

7%

Medium-term growth target

30%

Investment-to-GDP ratio needed

- **Structured PPPs** Attracting private capital
- **Optimizing public assets** Leveraging existing resources
- **Bankable investments** De-risked opportunities

STRENGTHENING DOMESTIC RESOURCE MOBILIZATION

18%

Tax-to-GDP ratio target in the medium term

- Broad-based tax reforms
- Modernized tax law implementation
- Compliance and automation improvements
- National Single Window initiative

Aligned with G-24 priorities on tax cooperation, transparency, base erosion, and combating illicit financial flows

7

Harnessing South–South Cooperation

A Strategic Imperative

Trade & Investment Corridors

\$35T

Global trade projected for 2025

Value-added exports, logistics harmonization, and cross-border industrial clusters

Regional Integration & AfCFTA

AfCFTA

Continental Free Trade Area

Regional value chains in food systems, pharmaceuticals, digital services, and energy

Technology & Human Capital

1.2B

Young people entering labour force

Competing for only 400 million available jobs over the next 10–15 years

Innovation Models: Ethiopia's Industrial Parks • Morocco's Renewable Energy • Nigeria's Fintech Ecosystem

A Robust Reform Agenda: The Call to Action

01

Reforming Global Financial Architecture

Strengthen the Global Financial Safety Net at the IMF • Expand MDB concessional lending • Revise capital adequacy rules • Prioritize local-currency financing and digital payments

02

Ensuring Climate Finance Equity

Climate finance must be predictable, grant-based, and equitable
Avoiding further debt burdens on already-strained economies

03

Accelerating Digital Cooperation

Address cyber insecurity, AI vulnerabilities, and misinformation
Shared digital infrastructure: Agric-Connect, digitized PFM platforms

04

Mobilizing Innovative Finance

Blended finance • Green bonds • Sustainability-linked debt swaps
Unlock investments in climate adaptation, energy transition, digital infrastructure

05

Advancing Regional Value-Added Manufacturing

Industrial diversification • Logistics connectivity • Cross-border manufacturing zones
Reduce vulnerability to external shocks and deepen South–South supply chains

CONCLUSION

"Fragmentation is not inevitable, but navigating it requires strategic integration, renewed multilateralism, and a united Global South"

- **The 'Bangladesh Paradox':** Human capital—when supported by the right policies—can drive social transformation even amid economic headwinds.
- **Nigeria's approach:** Linking major infrastructure (Lagos–Calabar Highway, power sector reforms) to job creation and social development.
- **The era of waiting:** The era of waiting for trickle-down prosperity from the North has passed. The future belongs to regions that collaborate, innovate, and integrate with purpose.

"Together, the Global South can build an economy that is integrated by choice, resilient by design, and inclusive by nature."



Thank You

Hon. Minister of Finance and Coordinating Minister of the Economy