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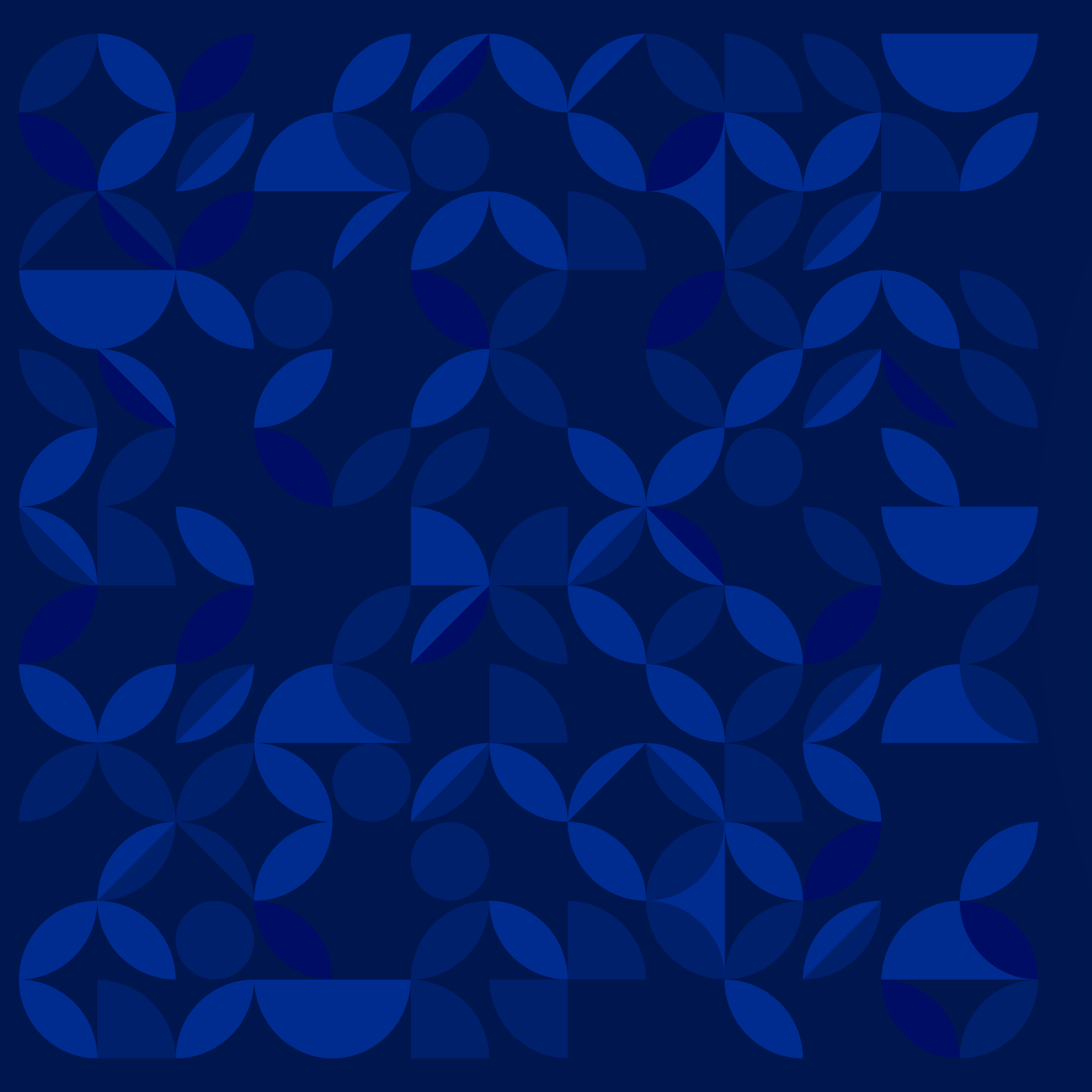

EDITOR'S NOTE –

Africa's Age of Agency

By Ron Derby

As many African nations that gained independence in the early 1950s mark their platinum jubilees, it is clear that the continent can no longer be regarded as a passenger in global affairs. This milestone arrives as Johannesburg prepares to host the B20 and G20, a symbolic convergence of business and government that affirms Africa's growing influence in shaping global outcomes.

The decade ahead will be defined by multipolarity, a world where power is dispersed rather than concentrated. The Global South is emerging as an equal voice in determining the course of global politics and economics. These reflections, captured in the pages that follow, speak to Standard Bank's conviction that Africa's future is one of agency, partnership, and shared prosperity.

When the capitals of Cairo, Accra and Conakry achieved independence in the early to mid-1950s, they stepped onto a global stage still shaped by the embers of World War II. An iron curtain had descended across Europe, dividing the world between East and West for nearly half a century. For these young African nations, the choices were stark, align with one side of the Cold War or attempt to chart a fragile non-aligned path. Their domestic politics often became the battleground for proxy wars, conflicts not of their own making.

The end of the Cold War ushered in a new period of political and economic renewal for the continent. The world, briefly, turned its gaze toward Africa with optimism. That optimism reached its height in December 2011, when The Economist's cover boldly declared, "Africa Rising." It was a moment that reflected real progress: six of the world's ten fastest-growing economies were African, and Sub-Saharan Africa was recording average annual GDP growth above 5%. What a time to be alive, as South Africa and Nigeria took up the mantle of the continent's great promise.

Yet, as this hope blossomed, the world itself was changing dramatically. The Arab Spring of 2011, the Eurozone debt crisis, and later Brexit in 2016 all signalled deep cracks in the post-war order. Many people in the United States, too, were becoming considerably more sceptical about globalisation. These turned out to be the first auguries of the much more multipolar world we now inhabit.

In a piece penned by Standard Bank's Chief Economist, Goolam Ballim, featured in this publication, he notes that the world now finds itself in "an era of profound structural transition. The post-war order that governed trade, capital and diplomacy for nearly eight decades is being quietly re-written." This shift is visible everywhere – in the rise of BRICS, in gold's ascent beyond USD4 000 per ounce, and in the way new technologies are redrawing the boundaries of work and production.

Amid such upheaval, what is most pleasing is that Africa's growth story remains intact, and, in many ways, more grounded than before. Without the tailwind of a Chinese-driven commodity boom, the continent's growth, projected by the IMF at 4% for 2025, compared to a global average of 2.7%, rests on the stronger foundations of a young and technologically enabled populace, a renewed commitment to regional integration through frameworks such as the African Continental Free Trade Area.

To that, I'd add the quiet resilience of its democracies. South Africa, for instance, is navigating coalition governance for the first time in its 30-year democracy. Across the continent, more young people are demanding transparency and inclusion; Africa's median age of 19 speaks to a generation that will define the next economic cycle.

There is a steadiness that comes with maturity not the exuberance of a boom, but the confidence of experience. Africa's story is no longer one of potential waiting to be unlocked, but of capacity being built, steadily and deliberately.

As this edition of our publication reflects, Standard Bank's role and indeed its purpose lies in supporting that transition: financing Africa's ambition, enabling its entrepreneurs, and connecting its markets to the world. This is our shared moment to act, to shape, and to lead together.

Africa no longer waits for permission to grow. It is, at last, writing the rules of its own prosperity.

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B20 Presidency

The B20 launch in Cape Town:

a moment of connection in a fractured world

By Sim Tshabalala
Chief Executive, Standard Bank Group and Chair of B20 Finance & Infrastructure Task Force

Setting the scene

My flight to Cape Town to attend the launch of the B20 landed on a Sunday evening, at around the same time as the flights from the US, Europe and the Gulf. Cape Town International managed the multi-lingual crowd with its usual efficiency. When I got to my hotel, the restaurant was filled with German and American voices. I don't speak German, unfortunately, but I did hear Americans discussing how much they were enjoying their dinner and some South African wine – and its remarkably low dollar price. They are right. South Africa is a highly competitive market, both for services like tourism and call centres, but also for industrial production.

A couple in the restaurant – from the UK, judging by their accents – were looking at property brochures. They should probably buy soon. Confidence in the Cape Town housing market is high. Prices have risen nearly 30% since the end of the pandemic. Quite clearly, nobody thinks they're going to be expropriated.

Of course, not all was rosy: the mountain forest had gotten too dry after another very hot summer, and the firefighting helicopters were buzzing between the mountain and the reservoirs. And – with terrible timing – South Africa's improving, but still fragile, power system was acting up, so there were a couple of blackouts. Even in Cape Town – Africa's glossiest city – some African realities are undeniable. These include the informal settlements – shanty towns, to speak plainly – which stretch for miles beyond the city, our increasing vulnerability to climate change, and our shortage of infrastructure.

Most of Africa's trends are positive. But we still have a lot to do.

What happened

Against this background, corporate South Africa – what locals call 'SA Inc' – came out in force to support and participate in the launch of South Africa's presidency of the B20. South Africa's theme for the year is 'Inclusive Growth and Prosperity through Global Cooperation'.

The launch was impeccably orchestrated by South Africa's apex business organisations, and SA Inc itself was represented by the Chairs and Chief Executives' of our largest businesses. The signal was unmistakable: the B20, and the broader G20 process, matter a great deal to us.

We were delighted to be joined at the launch by senior business and economic policy leaders from all over the world, including John Denton, Secretary General of the International Chamber of Commerce; Borge Brende, President of the World Economic Forum;

Susan Lund, Vice President of the International Finance Corporation, and Strive Masiyiwa, Africa's most influential and most charismatic ITC billionaire.

The good attendance is probably a tribute to the attractions of Cape Town, but it also reflects the strength and diversity of South Africa's trade and investment links, and the competitive excellence of our businesses. South Africa's largest export destinations are the United States, United Kingdom, China, Germany and India. Our largest import sources are Germany, India, the United States, China and Saudi Arabia.

Turning from trade to FDI, US companies with South African operations include Amazon, Citibank, Ford, General Electric, Google, IBM, JP Morgan, John Deere, Microsoft and Uber. European and Chinese corporations are equally well represented by permanent operations in South Africa. As these links indicate, and as Standard Bank's international clients will confirm, South Africa is a good place to do business, both in its own right and as Africa's commercial and financial hub.

For all these reasons, it is perhaps not surprising that, even in a tense and increasingly fractured world, the degree of unanimity at the B20 launch was remarkable. Speaker after speaker stood up for a rules-based international order, for trade that is both free and fair, and for a vision of capitalist enterprise that is fair, open and fiercely competitive – and is focused as much on the long term as it is on the quarterlies.

All the speakers agreed about something else too: **that this is the African century**.

In most of the rest of the world, trade barriers are getting higher, populations are aging – or even shrinking – and growth is slowing. But Africa is getting more united. Our working-age population is increasing. And our economies are growing fast and steadily. On top of that, Africa is abundantly blessed with all the resources needed both to power the current state of the global economy and to make the transition towards a lower-carbon world.

What's so important about a business meeting, anyway?

This is a good question. Given the flood of surprising news from the Global North, why should a business gathering way down at the tip of Africa matter?

Three reasons: first, the B20 and G20 are going to bring a lot of people to South Africa for the first time, and we are going to surprise many of them. As one European speaker said, "It's warm here, everything works; the government is stable and centrist; the people are so friendly and optimistic – and you all seem to like and respect each other." Of course, that's not always true about South Africa or Africa as a whole. But it is a lot truer than many people realise. The B20-G20 year – just by showing people what South Africa is really like – is going to attract a lot of investment.

Second, the B20 matters because it emphasises that the international business community actually does have many of the features of a community. Whatever our nationalities or industries, we agree far more than we differ, and our trade and investment relationships create a thick web of connections and mutual understandings. Politics may sometimes pull the world apart, but business remains a powerful voice for stability and for cooperation. By the looks of things, that voice may have to speak up louder over the next few years, and SA Inc is ready to play its part.

Finally – talking of voice – SA Inc is determined that this is going to be a truly African B20: one that clearly expresses our perspectives and our preferences. It's clear that the South African government feels the same way about the G20.

But the world should put caricatures and anxieties aside. Under South African leadership, the B20 and G20 processes may be a bit more colourful than some. But they will be carefully respectful of precedent and international law, rigorously fair, consultative and evidence-led, and will produce recommendations that any well-informed person can get behind.

Just to use the task force that I chair as an example: yes, we are going to take a hard look at how African risk – and developing country risk in general – is perceived and priced. We think there is already a great deal of solid evidence that African countries, and many other emerging markets, are paying more to borrow than they would if they were more accurately rated by the agencies and more correctly perceived by the international capital markets.

But, on our watch, this is not going to degenerate into a game of 'blame the agencies' or 'divorce the dollar'. We intend to go only where the empirical data leads. We will call for highly specific and very carefully designed improvements in the conduct of both agencies and borrowers. SA Inc will avoid exaggeration, emotional reasoning and political partisanship. We will be guided by the facts, by our deep commitments to upholding human dignity and to fairness (remember our history), and by our determination to be good and constructive global corporate citizens.

Room for disagreement

As several speakers, including from the B20 Secretariat, pointed out, there's a real risk that the B20 and G20 could degenerate into mere 'talk shops'. They're not wrong, but we have two answers.

First, that South Africa's B20 is not going to indulge in vague and windy declarations of general principle. All of our task forces will produce recommendations that can be implemented, measured and carried forward by the next B20 and G20 presidencies, who will be our good friends in the United States.

Second, we plead guilty as charged – the B20 is, no question, a forum for wide discussion. That's a big part of the point. Our task forces are going to be co-chaired by business leaders from New York to Beijing, from Johannesburg to London – and everywhere in between. We will be a living demonstration that the global community is still very much alive.

What's next?

Over the next six months, the B20 task forces will develop our recommendations to the G20. Then, from July onwards, we will advocate for these proposals at international, African and South African forums leading up to the B20 and G20 conferences to be held in Johannesburg in November.

In a volatile and fragmented world, this African B20 and G20 will be a point of light.

African infrastructure:

reframing global finance through South African G20 Presidency

By Lungisa Fuzile
Chief Executive for Africa Regions and Offshore, Standard Bank Group and Deputy Chair of B20 Finance & Infrastructure Task Force

When South Africa assumed the G20 Presidency from Brazil, we inherited both a responsibility and a rare opportunity. The task was not only to maintain the momentum generated under Brazil's leadership but also to inject the G20 agenda with distinctly African perspectives – reflecting our continent's priorities, challenges and vast potential.

We are determined to make this year's G20 a truly African moment not in isolation, but in partnership with the rest of the global community. This requires striking a careful balance: ensuring Africa's voice is amplified while continuing to build consensus among all G20 members.

From the outset, we have been focused on outcomes that matter. Our mission was to generate practical, implementable recommendations not just another set of pages for a report, but ideas that spark meaningful, long-term impact. And not just in Africa, but across the global South and beyond.

To that end, we undertook a process that was both inclusive and robust. The G20 finance and infrastructure taskforce brought together representatives from across Africa's diverse economic regions and drew participation from ten co-chairs representing different global regions, supported by more than 150 taskforce members. These experts and technocrats with deep experience in finance & infrastructure helped shape a collaborative, action-oriented agenda.

At the core of our work lies a fundamental truth: the challenges of finance and infrastructure are not exclusive to Africa; they are shared by many economies. However, Africa's need is arguably the most urgent. Transforming the continent demands bold investment in foundational infrastructure such as power, ports, rail, roads and digital connectivity. These are not luxuries. They are prerequisites for intra-African trade, integration into global markets, and sustained economic growth.

The African Development Bank estimates that to close the continent's infrastructure gap, Africa needs to invest more than R3 trillion (USD170 billion) annually. This figure represents far more than a financial challenge: it is a call for unprecedented collaboration. Because on this continent, partnership isn't optional. It is the foundation for any meaningful progress.

Africa is a region of immense potential. The AU's Agenda 2063 – *The Africa We Want* – outlines a vision of a peaceful, prosperous and integrated continent. A central pillar of that vision is Africa's youth. By 2030, Africans will make up 42% of the global youth population. Their dynamism and creativity will be critical in building new industries and solving age-old problems.

The continent also holds more than 60% of the world's uncultivated arable land, a remarkable resource that could enable Africa to become food secure and a net food exporter.

With agriculture already being Africa's largest employer, the opportunities for growth and food resilience are enormous.

Added to this are the continent's critical mineral reserves, such as copper, cobalt, lithium, nickel and rare earth elements that are essential to the future of green energy, electric vehicles and digital infrastructure. Yet, these resources remain underutilised due to gaps in infrastructure and market access.

To unlock these opportunities, we must rethink project development and de-risk investment in Africa through more sophisticated, commercially viable financing models. Too often, Africa is seen as high-risk. But that perception is frequently overstated and sometimes simply wrong. We must correct this narrative, not only with facts, but through successful execution of meaningful projects.

Infrastructure isn't only about building roads and rail. It is also about connecting people to opportunity. The African Continental Free Trade Area (AfCFTA) is the most ambitious integration effort in our history. By reducing tariffs and trade barriers, the free trade deal could increase Africa's income by USD450 billion by 2035, but it will only succeed if we invest in the physical infrastructure that supports trade and innovation.

Of course, we cannot ignore the hard truths. There are real constraints – from inconsistent regulatory frameworks and limited project pipelines to capital flow challenges and fragmented execution capacity. Overcoming these constraints requires stronger coordination between governments, investors and multilaterals. It demands both political will and private sector leadership.

This is the context in which our G20 taskforce operates. Our recommendations are underpinned by the values of inclusivity, sustainability and long-term impact. These are not short-term fixes. They are a blueprint for building resilient systems that work for everyone. We have already started engaging stakeholders from policymakers to civil society to champion and implement these proposals.

But the work cannot end when our term as G20 Presidency concludes. In fact, this is just the beginning. Our objective is to embed these ideas within the broader ecosystem of global development so that long after the summit ends, their momentum continues.

Africa is ready to lead not only in its own development, but as a contributor to solving the world's most pressing challenges. With the right investment, the right partnerships, and the right vision, Africa can deliver solutions that benefit the global economy.

This is Africa's infrastructure moment, and South Africa's presidency is a rare chance to recast the continent's role in the world. We must seize it with **clarity**, **courage** and **conviction**.

The quiet march of multilateralism

By Goolam Ballim
Chief Economist, Standard Bank Group

As the global community approaches the close of another turbulent year, and the B20 and G20 summits draw near, the world finds itself in an era of profound structural transition. The post-war order that governed trade, capital and diplomacy for nearly eight decades is being quietly rewritten.

Gold's ascent beyond USD4 000 per ounce is emblematic of investors' search for certainty amid volatility. Meanwhile, the geography of global trade is being redrawn. Seven of the ten fastest-growing trade corridors now bypass the United States, pivoting instead toward Asia and the Middle East. This gradual but unmistakable shift signals the maturation of a multipolar global economy.

Amid such upheaval, Africa's growth narrative remains intact. The continent's real GDP is projected to expand more than 4 percent in both 2025 and 2026, compared with expected global growth of about 3 percent. Africa's performance may lack the exuberance of earlier commodity booms, yet it rests upon sturdier foundations: favourable demographics, technological diffusion and a renewed commitment to integration.

A new arc of opportunity

Earlier this year, I referred to a geographic arc of prosperity linking Africa, the Middle East and the Far East – a corridor of shared interest spanning capital, logistics, and diplomacy. This is not globalisation in its unbounded form, but a curated integration of trusted partners seeking reciprocal advantage.

With collective output approaching USD3 trillion, Africa now represents a credible investment jurisdiction, offering diversification and long-duration growth.

The *World Bank's Africa Pulse* (2024) notes that the continent's medium-term trajectory remains among the strongest globally, underpinned by urbanisation, infrastructure renewal and rising domestic consumption.

Structural drivers of growth

Africa's foremost comparative advantage lies in its demographic structure. More than 60 percent of Africans are under 25, making the continent the youngest region globally. By 2050, its working-age population is expected to increase by over 620 million people.

This youth dividend underwrites consumption growth, entrepreneurship and a digitally fluent workforce. The digital economy, already expanding at twice the global pace, is cultivating globally competitive firms in fintech, telecommunications and logistics. The fintech sector alone is projected to generate USD65 billion in revenue by 2030.

Technology's diffusion, particularly through AI, is deepening productivity. Mastercard estimates AI will contribute USD4.5 billion to African GDP this year – still modest, yet illustrative of the continent's absorptive capacity for frontier innovation.

Beyond human capital and technology, natural resources continue to anchor Africa's relevance. Gold and copper prices have strengthened, while the global race for rare-earth minerals, vital to renewable energy and digital industries, is intensifying. With China controlling roughly 90 percent of global rare-earth production, diversification through African supply chains has become an imperative for advanced economies.

Integration as catalyst

Economic integration remains the continent's most powerful engine of structural change. The African Continental Free Trade Area (AfCFTA), ratified by more than 48 states, is expected to raise collective income by USD450 billion by 2035 and increase intra-African trade by over 80 percent.

These gains will derive less from tariff reductions than from improved trade facilitation – harmonised customs, regulatory coherence, and cross-border infrastructure. The AfCFTA's true power lies in scale: a continental market of 1.4 billion consumers, increasingly urbanised and digitally connected. Integration, by enlarging market size and predictability, enhances Africa's appeal to long-term investors and global manufacturers seeking diversification.

South Africa's G20 Presidency and the re-calibration of risk

South Africa's G20 Presidency this year coincides with a pivotal moment for Africa's representation in global policy. Building on Brazil's prior focus on financial reform, South Africa has emphasised re-evaluating how African risk is priced and expanding access to affordable capital.

The B20, comprising over 900 international executives, has submitted recommendations advocating greater transparency in credit assessment, the expansion of blended-finance instruments, and institutional support for infrastructure delivery. The aim is to correct long-standing distortions that over-penalise African borrowers and constrain private investment.

In parallel, regional initiatives – from the Pan-African Payment and Settlement System to harmonised debt-management frameworks – are enhancing financial connectivity. Such reforms may appear technical, yet they are central to creating a viable ecosystem for sustained investment.

An investment proposition rooted in fundamentals

For institutional investors and corporates alike, Africa's investment case is defined by structural, not cyclical, drivers:

Growth premium

Output expanding one-and-a-half percentage points faster than the global average through 2030.

Demographic scale

The world's fastest-growing labour force, underpinning long-term demand.

Resource and supply-chain diversification

Africa's minerals and geography align with global decarbonisation and near-shoring trends.

Integration and reform momentum

The AfCFTA and regional policy harmonisation reduce fragmentation and improve investor confidence.

Emergent consumption

Middle-income households are expected to spend USD2.5 trillion annually by 2030.

These attributes must be weighed against persistent headwinds: elevated sovereign debt, infrastructure bottlenecks and governance inconsistencies. Yet the direction of travel is unmistakable, fiscal frameworks are strengthening, digital administration is improving, and macro-prudential management is becoming more orthodox. Africa's evolution is incremental, but increasingly irreversible.

A measured outlook

In a world characterised by slower global growth and intensifying geopolitical fragmentation, Africa offers rare macroeconomic dynamism and demographic vitality. Its trajectory will depend on maintaining policy discipline, accelerating infrastructure investment, and sustaining regional cooperation.

For international partners, the imperative is engagement grounded in realism: to structure financing prudently, to deepen local partnerships, and to approach the continent not as a frontier of conjecture but as a core pillar of global growth.

Integration and multilateral collaboration are not abstract aspirations – they are the practical scaffolding of Africa's rise. The continent's growth story, once treated as peripheral, now sits near the centre of the global economic recalibration.

For investors and policymakers willing to look beyond short-term volatility, Africa represents not a hopeful experiment but an emerging constant in an age of uncertainty.

Built on trust, powered by AI

By Margaret Nienaber
Chief Operating Officer, Standard Bank Group

Africa is entering a defining decade for its digital economy. With a growing, connected youth population and rising demand for financial access, the stage is set for transformation at unprecedented scale and speed. But this is no longer about technology alone. In the race to digitise, the real differentiator will be trust – and how we use it to convert innovation into long-term competitive advantage.

Artificial Intelligence is evolving faster than any previous technology. ChatGPT reached 800 million weekly users in just 17 months – something it took the internet over two decades to match. Time to scale has collapsed. And AI adoption has outpaced every prior product cycle, with usage spreading across industries, geographies and income groups in real time. In Africa, this wave meets a continent ready to leapfrog legacy systems. But readiness isn't enough. The winners will be those who act with discipline, responsibly rooted in trust.

AI is not just reshaping industries – it is redrawing lines of global influence.

As one Chief Technology Officer put it, this is our generation's space race. Countries like China and the USA are investing heavily in AI leadership, not just for economic gain, but for geopolitical positioning. In 2024, global tech giants spent over USD212 billion on AI infrastructure, while open-source ecosystems and sovereign AI models accelerated regional capabilities. Yet, emerging and developing economies – excluding China – account for 50% of the world's internet users but less than 10% of global data centre capacity, underscoring the deep infrastructure gap. For banks operating across borders, this matters. AI strategies can no longer be vendor-dependent or locally narrow. They must account for a shifting global landscape – balancing innovation with resilience, compliance with agility, and global scale with local trust.

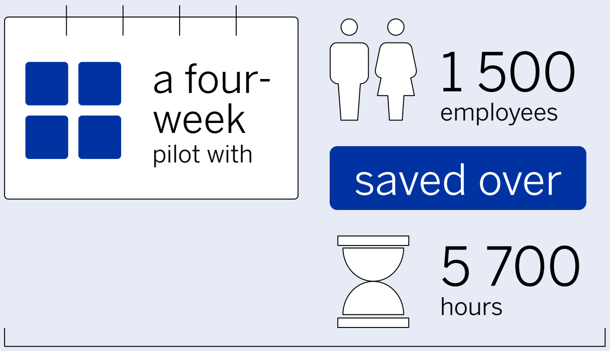
But with this power comes risk. The latest AI systems now outperform humans in tasks like academic testing and language understanding. A study done in March 2025 showed that 73% of testers could no longer distinguish AI responses from human ones. In a world where machines sound real and make decisions, trust becomes non-negotiable. Trust in the data, trust in the models, and most importantly, trust in the institution deploying them. Yet no matter how advanced AI becomes, it lacks what makes us truly human – judgement, empathy and moral discernment. As machines begin to mimic creativity and language, it is human oversight that ensures these systems reflect our values. As Jensen Huang, Chief Executive Officer of NVIDIA, reminds us: "AI won't replace humans, but it will replace humans who can't use AI". Our future depends not on resisting AI, but on learning how to lead it – responsibly, wisely and together.

This is where banks have a structural advantage. We are built on trust. Our entire licence to operate depends on it. That gives us a unique position in the AI era: while others chase novelty, we can lead on responsibility. The question is how we turn that trust into strategic value.

It starts with security and transparency. AI systems must be designed with safeguards from day one, not patched in later. That includes human oversight, clear explanations and auditability. Transparency and safety are not technical features alone. They are cultural imperatives. Human oversight must be built into every model, not just to audit performance but to preserve dignity, fairness and accountability in decision-making. Responsible AI demands that we design systems that people can question, challenge and understand – not just use.

At Standard Bank, we've taken a 'fast-follower' approach, learning from global pioneers but moving decisively only where value, risk and governance are well understood. We partner across regions, integrate multiple models, and avoid single-provider lock-in. This isn't just smart architecture. It's about future-proofing against uncertainty.

In our own environment,

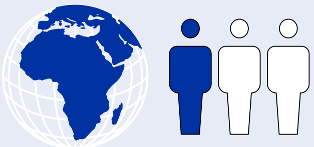


Time that is now being reinvested into higher-value client work.

At the same time, AI is changing how people work and learn. In the US, AI-related jobs grew 448% between 2018 and 2025, while non-AI IT jobs declined. This trend is accelerating across sectors. Skills like prompting, problem-framing and decision support are becoming essential. The greatest value of AI isn't in automation – it's in amplification. When routine is automated, our people can focus on the work only humans can do: having meaningful conversations with clients, solving ambiguous problems, and leading with purpose. This shift is not about productivity alone: it's about creating space for more human leadership at every level of the organisation.

This also means rethinking the client interface. In mobile-first markets like Africa, AI-powered conversational systems can unlock access for millions. Imagine replacing complex app navigation with a simple question: "Can I afford this loan?" or "What's my cash flow next week?". This is not science fiction – it's already happening in forward-thinking banks around the world. As AI becomes the first point of interaction, the importance of emotional intelligence only grows. People don't trust machines. They trust people who use machines wisely. The challenge is not just to make AI understandable, but to make it feel as if it's human-aware.

The economics of AI are entering a new phase. One defined by rising capital intensity and relentless demand for compute power. Training a single frontier model can now cost over USD100 million, with projections nearing USD10 billion for some models. Training is like teaching an AI everything it needs to know; inferencing is what happens every time it answers a question. Training happens once, but inferencing happens constantly – every time someone uses the AI. The cost of running models is in real time across billions of prompts and decisions. As unit costs fall, usage soars, creating a flywheel where lower costs drive more demand, and more demand drives rising total spend. This is driving massive pressure on infrastructure: data centres alone accounted for around 1.5% of global electricity consumption in 2024 – roughly equal to the entire usage of a country like Spain or Australia. This dynamic is reshaping cloud infrastructure, chip design and enterprise IT budgets, marking AI as one of the most compute- and resource intensive technologies in history.



Nowhere is the opportunity greater than in Africa.

By 2050, one in three young people globally will be African.

That demographic shift brings with it enormous potential – and an equally large responsibility. Banks that build trust today, invest in digital fluency, and design systems that are inclusive and human-centred will be the ones to serve and grow with this generation.

AI is reaching the same inflection point the internet did a generation ago – moving from experiment to essential infrastructure. Just as the internet became the backbone of communication, commerce and connection, AI is becoming the default layer for intelligence across systems, services and decisions. Within a few years, imagining a world without AI will feel as impossible as imagining one without the internet today. The genie is out of the bottle, and the global race is on – not just to use AI, but to shape its foundations, standards and values. For Africa, with its demographic advantage and growing talent base, this is a moment to lead, not follow – to help define the future, not just adopt it.

Africa's future will be digital, yes.
But it must also be human.

Using the shifting power to shape our prosperity:

Africa’s moment in a multipolar world

By Funeka Montjane
Chief Executive of Personal and Private Banking, Standard Bank Group

We are witnessing the birth of a much more multipolar world order. The global structures that have defined the world order since World War II are changing profoundly. Economies are grappling with reinvention in the face of technologies like generative AI that promise (or threaten) to redefine work itself. Long-standing hierarchies are being challenged and e old alliances are fraying under the weight of nationalism and protectionism.

For Africa, this is a moment to claim its place on the world stage – take the lead in shaping the world’s next chapter. If its governments act boldly and decisively, the continent could emerge as one of the defining powers of this new era.

Yet, much of the commentary surrounding these rapid geopolitical shifts, often unfolding at the speed of a social media post, continues to cast Africa as a mere pawn in a revived East-versus-West struggle, a tired trope that undersells our agency. What both governments and businesses must instead heed are the words of Ghana’s first president, Kwame Nkrumah, who said:

> *“We face neither East nor West; we face forward.”*

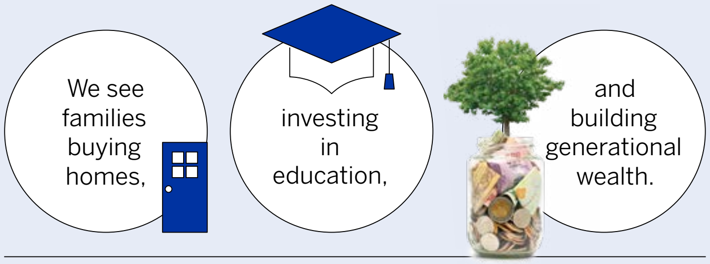
Facing forward means tackling the structural barriers that stifle innovation, integration, and wealth creation across the continent. This week, I am attending the Berlin Global Dialogue, where discussions will centre on multipolarity and on how a more distributed global power structure can open new doors for Africa.

While this is a welcome discussion, let’s be clear: we cannot unlock Africa’s wealth potential by looking outward alone. The hard truth is that to leverage this historic shift, where multiple centres of power now influence global affairs, we must first strengthen our governance systems and remove the barriers that that continue to hold many back.

That means African leaders and citizens alike must commit to building strong, transparent institutions that serve all citizens. And instead of dwelling on how a few economies benefitted from the unipolarity we are now leaving behind, we must look firmly ahead to a future defined by resilience, integration, and innovation. The new global landscape is not about choosing sides; it demands that we face forward, unified by a shared vision of progress.

Multipolarity offers immense opportunity, a wealth of potential partners across diverse economies. At the heart of these opportunities lies the expansion of wealth, but its promise will only be realised if our internal governance and financial systems enable wealth creation and distribution at all levels of society.

Africa's rising middle class already shows what is possible.



Yet this growth remains uneven and fragile. To build on it, we must extend financial inclusion and literacy far beyond the elite to include the millions of households operating within the informal economy.

Despite its name, the informal sector generates real value and sustains millions of livelihoods. In South Africa, it accounts for nearly 20% of all jobs; in other African countries, that figure exceeds 40%, sometimes even 90%. This is not shadow work, it is the economic lifeblood that fuels villages, cities, and cross-border trade.

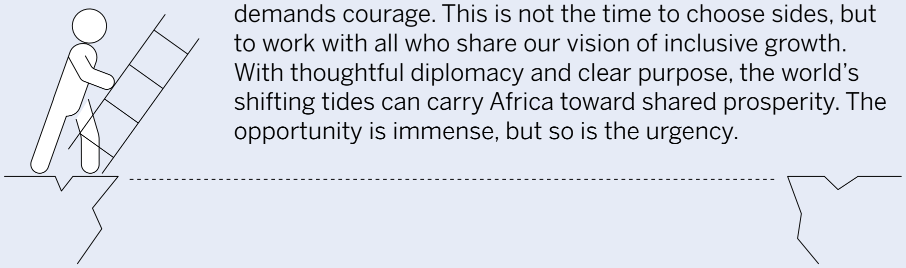
Research shows that while South Africa's informal businesses contribute R2.3 trillion to the economy, the sector is dominated by 'survivalist' enterprises marked by low and unstable incomes. It's yet to become a major engine of employment yet. But with the right kind of innovation, these networks of enterprise can become catalysts for inclusive growth. Those within this economy may not yet be major investors, but they are active consumers and aspirants, the foundation of Africa's next middle class. Financial institutions must learn to serve them better.

With its youthful population, digital dynamism and rising entrepreneurship, the real test for Africa now is to turn this demographic dividend into a tangible economic one, as China and India have done.

By leveraging technology, AI, and homegrown innovation, Africa can achieve inclusive growth.

To truly harness this moment, we must stop reacting to external forces and start setting our own agenda. That begins with reforming governance, holding leaders accountable, and taking ownership of our collective rise. Africa's future will not be determined by the rivalry of great powers but by our ability to govern with integrity, invest in our people, and build institutions that unlock the vast wealth within our borders.

Multipolarity offers us new room to manoeuvre, but it also demands courage. This is not the time to choose sides, but to work with all who share our vision of inclusive growth. With thoughtful diplomacy and clear purpose, the world's shifting tides can carry Africa toward shared prosperity. The opportunity is immense, but so is the urgency.



Through intentional collecting, institutions can build Africa's cultural legacy

By Dr Same Mdluli
Curator and Gallery Manager, Standard Bank Group

In a time of rapid change, questions of legacy have taken on new meaning. For African institutions, legacy cannot be measured only by financial growth or longevity. It must also reflect the values, ideas and creativity we choose to preserve and share. Increasingly, that work is being carried out through culture.

At Standard Bank, we view cultural investment as a strategic commitment rather than a symbolic gesture. For over forty years, our involvement in the arts has included awards, exhibitions, education programmes and festivals that connect creativity with opportunity. The launch of the Standard Bank Art Lab, situated at the Nelson Mandela Square in Sandton, marks a new phase in this journey. Conceived as both a physical and conceptual space, it creates room for collaboration, experimentation and public engagement. It continues the work of the Standard Bank Gallery in extending access to the arts and situating them as part of everyday life.

Art collecting, when approached with intention, is more than an act of ownership. It is a form of leadership that invites reflection on how we define value, identity and memory. Since African independence in the second half of the last century, collecting carries an additional responsibility: it becomes an act of recognition, ensuring that the artists and narratives shaping our world are not overlooked. For an institution, this practice helps shape both cultural and social imagination.

Corporate patronage is one of the ways a company expresses its values. It signals what an organisation stands for, and the kind of society it seeks to help build. At Standard Bank, the arts offer a way to engage more deeply with the communities we serve. Through our collection, we encounter new perspectives on inclusion, identity, innovation and sustainability. Through partnerships, we help make these ideas accessible to a wide audience, from young people entering creative careers to established leaders seeking new ways of thinking.

The Standard Bank African Art Collection (jointly owned with the University of the Witwatersrand) has grown over several decades into one of the most significant indigenous art collections on the continent. It is used for learning, research and public display. Earlier this year, works from the Standard Bank Corporate Art Collection were exhibited at the World Economic Forum in Davos, positioning African art as a key contributor to global dialogue. This kind of engagement reinforces the importance of cultural exchange and demonstrates how art can connect local experiences to international contexts.

However, visibility alone is not the goal. Access, education and participation are central to how we think about collecting. The Standard Bank Art Lab builds on this by creating an environment that bridges art, academia and technology. It aims to remove barriers between sectors and promote shared inquiry. In doing so, it becomes a model for how physical and conceptual space can serve as catalysts for cultural innovation.

Technology now plays an increasing role in how people experience art. Standard Bank piloted its first virtual exhibition during the Covid pandemic and expanded this in other exhibitions that followed, including a virtual experience of David Koloane's exhibition during that period. This was designed to extend access beyond the physical space. It also functions as an archive, ensuring that exhibitions can live online long after they close. In this way, digital platforms complement physical ones, widening engagement and preserving knowledge.

Institutional responsibility in the arts also means acknowledging context. Our location in Johannesburg's central business district is not a commercial space, but it connects the Standard Bank Gallery to the city's cultural and historical landmarks, from Gandhi Square to the Mining District, providing access to to art that is freely enjoyed by anyone valuing creativity. Alongside presenting major local and international exhibitions, it provides an important platform for young artists to reach broader audiences through the Standard Bank Young Artist Awards.

Cultural investment is often discussed in economic terms, but its deeper contribution lies in nurturing imagination, empathy and understanding. These are essential qualities in a world where the boundaries between culture, business and technology are constantly shifting. The most forward-thinking institutions recognise that the arts are not separate from progress; they are part of it.

To collect with purpose is to collect with care. It is a way of shaping continuity – ensuring that Africa's creative output is preserved, studied and shared with future generations. Through initiatives like the Art Lab and the continued work of the Gallery, Standard Bank remains committed to supporting spaces where creativity can thrive and where culture remains accessible to all.

For leaders and institutions alike, the question is not whether we can afford to invest in art, but whether we can afford not to.

The B20 moment is a convergence of promise and pressure for Africa

By Andrew Mashanda
Head of Africa Regions and Offshore at Business & Commercial Banking, Standard Bank Group

South Africa's presidency of the G20 this year gives Africa a rare opportunity to shape global economic priorities. While the country holds the presidency, this is a continental opportunity, a chance to advance a vision of Africa as an integrated, competitive and equal economic partner. The continent's financial and trade systems must be recalibrated to meet the scale of what lies ahead.

This was the spirit behind the second annual Standard Bank Africa Unlocked Conference, recently held in Cape Town under the theme *Business Shaping Africa's Tomorrow*. The platform brought together leaders from across the continent to identify the tools and partnerships required to deepen trade, scale SMEs and drive inclusive growth. These conversations are especially relevant in the G20 context, where the private sector must take a more active role in delivery.

Africa is the world's youngest continent, with around 70% of the population under the age of 35 and a median age below 20.

This demographic profile is a strategic asset, but only if we invest in financial inclusion systems that support meaningful enterprise and trade infrastructure.

The AfCFTA offers a continental framework to accelerate this shift. The World Bank estimates AfCFTA could grow Africa's GDP by USD450 billion by 2035 and lift nearly 100 million people out of poverty. But progress will depend on closing gaps in infrastructure, cross-border finance and market access. This is especially critical for small and medium-sized enterprises (SMEs), which generate more than 80% of employment across the continent.

Consider Africa's food systems. SMEs already move the majority of food across the continent, yet 55% – 60% of rural food is bought, not grown locally.

Meanwhile, Africa imports more than USD50 billion in food annually, including USD34 billion that could be produced locally.

Unlocking intra-African trade in agriculture will require a rethink of how finance, logistics and policy come together to support local production.

SMEs are central to Africa's global competitiveness. But their growth depends on deeper integration, shared digital infrastructure, trade interoperability, harmonised standards and the capital to expand beyond national borders. For Africa to move forward, its SMEs must be equipped to lead.

The G20 and the B20 are the right platforms to raise this. They allow Africa to reframe the global perception of its enterprise as essential. While the opportunity is clear, the concommitant posture required from the financial sector is just as clear.

Financial institutions must show up beyond borders. That means working across jurisdictions, enabling seamless trade finance, and building trust through deep local knowledge. It means funding deals while also enabling ecosystems. This is the posture we believe financial institutions must adopt to unlock the full potential of the AfCFTA and position Africa for long-term economic sovereignty.

Technology also plays a catalytic role. AI, digital payments and cross-border platforms can expand access, reduce friction and lower costs. However, scale without safeguards is risky, thus, Africa's digital acceleration must be matched by adequate investment in data security, cyber resilience and digital trust.

Today, just 16% of Africa's trade is intra-continental according to the United Nations Conference on Trade and Development (UNCTAD), and "over 50% of the continent's imports and exports are tied to just five economies, all outside of Africa. Meanwhile, only 16 of 54 African nations source more than 0.5% of intermediate goods regionally, missing critical opportunities for value-added trade and manufacturing".

These figures must improve. However, they will not rise without intentional collaboration across government, business and finance to dismantle the barriers that hold us back.

THE THEMES OF

Sustainability

Solidarity

Equality

for the G20 Summit to align with what the continent needs now.

However, it must not be lost on us that it is delivery that will determine whether this is a turning point for Africa to unlock its real economic growth potential or whether it is yet another missed opportunity.

South Africa's G20 Presidency:

a defining moment for Africa's economic future

By Zandile Makhoba
Economist & Lead Specialist of Research and Analytics, Liberty

As South Africa takes the global stage for the G20 Presidency, it has a rare opportunity to shape the agenda on one of Africa's most pressing challenges – employment. The continent's prosperity hinges on inclusive growth, yet millions of young people remain locked out of formal economic participation. This is not just an African issue but a global one. A thriving Africa means a more balanced world economy, reduced migration pressures, and stronger trade partnerships that benefit both developed and emerging markets.

With unemployment exceeding 31%, the highest among nations tracked by Bloomberg, South Africa's economic challenges are a stark reflection of the broader struggles facing the continent.

Young people make up 60% of Africa's population, yet the lack of employment opportunities threatens to turn a demographic dividend into a demographic disaster. South Africa's G20 leadership is set to ensure that employment is at the forefront of discussions.

While employment challenges are often framed as an emerging market issue, developed nations are not immune. The rapid advancement of AI is set to disrupt job markets globally, making it critical for both developed and developing economies to rethink labour market policies.

White-collar and blue-collar jobs alike are at risk, as automation reshapes industries at a pace that regulatory frameworks have yet to match.

For African economies, the challenge is twofold:

first,
to create enough jobs to absorb the growing working-age population, and

second,
to ensure that these jobs are future-proofed against technological disruption.

South Africa, with its acute joblessness crisis, must take the lead in pushing for a global conversation on employment strategies that incorporate innovation, digital transformation and sustainable growth. To achieve this, it may be worthwhile to combine labour and technology engagement groups in discussion as opposed to separating these engagements during the summit.

However, it should be noted that this conversation is taking place against an increasingly protectionist global backdrop.

Protectionist policies, particularly those championed by Donald Trump's administration, have heightened global economic tensions. The rise of nationalist policies in developed nations has made multilateralism more fragile, complicating efforts to create an equitable global trading system. Tariff wars, restrictive immigration policies, and trade imbalances have already disadvantaged emerging economies. Africa, deeply integrated into global markets, must navigate this environment carefully.

The US administration's protectionist stance could ultimately isolate the world's largest economy and disrupt global trade. African nations must seize this moment to push for fairer trade terms, particularly through the AfCFTA. This agreement, which aims to create the world's largest free trade area, has the potential to drive intra-African commerce, reduce dependence on external markets, and boost industrialisation.

With developing economies across Africa, Asia and Latin America now accounting for nearly 50% of global GDP, the time for a power rebalance is here.

Africa must leverage its position to negotiate better trade deals and investment opportunities that prioritise job creation, infrastructure development and technological advancement. South Africa, as G20 president, must push for debt restructuring and alternative funding models that support sustainable growth. Many African nations are burdened with debt denominated in hard currencies, leaving them vulnerable to external shocks and currency depreciation. Without innovative financial solutions, the continent's employment crisis will persist, fuelling migration and strengthening nationalist sentiments in Western nations.

Africa's economic growth must be underpinned by sustainability. Climate change is already disrupting food security, increasing the frequency of natural disasters, and exacerbating economic instability. Yet, Africa contributes minimally to global carbon emissions. There is broad recognition by developed nations that supporting Africa's sustainability efforts is not an act of goodwill but a necessary investment in global climate security. SA's hosting of the G20 is an opportunity to place the African climate issue at centre stage as a continent disproportionately weighted by climate disruptions, while being a pivotal contributor to the global green energy and green economies agenda.

For South Africa, 2025 will be a defining year in global diplomacy. The country has taken bold stances on international issues, including human rights violations and economic transformation. However, these moves come at a cost.

South Africa's commitment to transformation, diversity, equity and inclusion (DEI) may put it at odds with the Trump administration's policies. Additionally, diplomatic relations with major economies like China and Russia must be handled carefully, ensuring that South Africa maintains a non-aligned stance while advocating for Africa's broader economic interests.

The global economic order is shifting.

If Africa does not proactively shape its role, it risks being left behind. The continent must align with like-minded economies, leveraging collaborative bargaining power to demand more inclusive global governance and trade policies.

The G20 is not just a forum for dialogue –

it is a platform for action.

South Africa must champion a vision where


trade,


investment and


job creation

are interconnected, ensuring that the continent takes its rightful space in the global context.

African nations must present a united front, emphasising their economic significance, which is essential for global stability.

By prioritising employment, advocating for debt restructuring, pushing for fair trade policies, and leading the charge on sustainability, South Africa's presidency of the G20 can be a turning point for the continent.

The challenges are significant, but so are the opportunities.

South Africa's G20 Presidency:

a turning point for AfCFTA and Africa's economic influence

By Luthando Vuba
Executive Head of International Trade at Business & Commercial Banking, Standard Bank Group

South Africa's G20 Presidency marks a historic opportunity to reshape Africa's position in the global economy. At a time when trade, investment and economic policy are undergoing fundamental shifts, Africa must take a more assertive role in defining its own growth trajectory. The AfCFTA is central to this ambition, offering a blueprint for accelerating intra-African trade, strengthening regional supply chains, and unlocking the continent's industrial potential.

The challenge now is execution at scale and speed.

For too long, Africa has been seen through the lens of potential rather than impact. A decade ago, the continent was projected to grow at 5.4%, with increasing urbanisation and expanding regional trade. In reality, growth has averaged just 3%, intra-African trade remains low at 15%, and infrastructure investment falls short by over USD100 billion annually. These gaps highlight the urgent need for a new approach, one that prioritises delivery over discussion. South Africa's G20 leadership must be used as a platform to drive meaningful action that moves AfCFTA from ambition to tangible economic transformation.

Africa's economic strength lies in its ability to innovate and adapt.

The continent holds

These metals and minerals make Africa indispensable to the global energy transition.

Africa has the capacity to drive food security for the next century.

By 2050, one in four people globally will be African, with the continent contributing 800 million new workers to the global workforce. However, these advantages will only translate into real economic power if Africa invests in industrialisation, education and digital transformation at scale.

The AfCFTA is the vehicle through which Africa can achieve greater economic independence, reduce external dependencies, and create new regional value chains. But trade liberalisation alone is not enough. Addressing the continent's infrastructure and logistics challenges, improving policy coordination and securing financing for large-scale industrial projects are critical to AfCFTA's success. This is where South Africa's G20 leadership can make an impact, by ensuring that Africa's trade and investment priorities are embedded in the global economic agenda.

The world can no longer afford to overlook Africa's economic potential. The continent's business leaders, policymakers and global investors must move beyond rhetoric and commit to pragmatic, outcome-driven solutions. South Africa's G20 Presidency, combined with AfCFTA's transformative potential, presents a rare opportunity to drive this agenda forward. The decisions made today will shape Africa's economic trajectory for decades to come.

This is not just a moment of leadership: it is a moment of collective responsibility.

The G20 Presidency as Africa's champion amid global protectionism and climate risks

By Tendani Mantshimuli
Economist and an Executive in Strategy Support and Governance, Liberty

Over the past decade, the world's leading nations under the umbrella of the G20 have met in emerging market countries a total of five times, or six if you count Turkey among those. Through the presidency of nations such as Brazil, they have all told the story of a rebalancing of the global economy in favour of the more populated and younger South, moving away from the northern climes that dominated the post-World War II era.

This year, South Africa has to take that mantle and continue where India left off in its presidency, championing the Global South and urging international bodies to be more inclusive. We must do this while also focusing on putting Africa's developmental agenda in the spotlight, a goal aided by the African Union (AU) now having a seat at the table.

The AU's inclusion hopefully paves the way for other African countries to have a seat in their own right at future summits.

While the South African economy is the smallest among the G20 economies, at about 0.6% of their GDPs, the country must use the stage afforded by hosting the summit to address Africa-specific issues like debt, inequality and sustainability. Africa seeks greater equality in decision-making processes and a stronger voice in global institutions.

It is critical that we find innovative solutions for Africa's high debt levels, which are often in hard currencies, and explore new funding models for much-needed infrastructure development. Public-private partnerships (PPPs) can attract investment and address some of the continent's infrastructure gaps. Africa must move beyond raw material exports and develop local industries to create jobs and reduce dependency on foreign markets.

If African and other developing economies do not grow enough to create job security for their people, Western nations will continue seeing illegal migration as people seek better opportunities.

A persistent challenge has been uniting African leaders on a single agenda, and this year is likely to be no different. We have often lacked a unified front, exacerbated by conflicts and varying levels of economic development, which has only undermined our global influence. The AU must foster greater unity and a shared vision to strengthen Africa's influence globally.

South Africa has a critical role in championing this agenda but must avoid being seen as dominating the continent's narrative. This will be difficult to navigate given how the country has been dragged into the headlines around its land reform and transformation policies by the new US administration.

Land reform policies, while crucial for addressing historical inequalities, have created uncertainty for foreign investors, particularly in sectors like mining and agriculture. Poor communication around the policy has led to misconceptions, with social media amplifying fears of mass land expropriation.

South Africa must balance its commitment to the policy, while maintaining investor confidence and economic stability.

While nationalist and protectionist policies have been on the rise, the Donald Trump-led US administration has escalated them to new levels. The spectre of escalating trade wars looms large, threatening global trade relationships built over decades. In such a world, South Africa should accelerate efforts to expand exports to other markets such as the EU, Africa (through the AfCFTA) and Asia, reducing reliance on the US. If Africa can negotiate as a bloc, it would help secure better trade partnerships outside the US.

The US's more aggressive stance on trade and diversity poses a significant challenge to this year's G20 theme: solidarity, equality and sustainable development. The recently appointed US foreign secretary has been critical of this theme, particularly regarding climate change and diversity, equality and inclusivity.

Africa faces disproportionate impacts from climate change, including droughts and floods, which threaten food security and migration patterns. Keeping climate change on the agenda, while anathema to the current US administration, is something other G20 members must appreciate, particularly as it affects migratory patterns.

Addressing climate change and economic inequality is crucial to reducing migration pressures on both Europe and the US.

Developed nations must support Africa's sustainability efforts to mitigate global climate risks and migration. Despite contributing minimally to global carbon emissions, Africa faces disproportionate climate change impacts, leading to economic instability and increased migration pressures. Without support from developed economies, African nations may struggle to implement necessary climate adaptation and mitigation strategies, exacerbating global climate risks and migration issues.

Equality, sustainable development and climate change are not just African or emerging market issues, as evidenced by wildfires and floods in Europe and the USA. Shying away from these issues does not make them disappear. The onus is on South Africa's G20 Presidency to keep these discussions going.

Standing firm on these principles aligns with South Africa's and the continent's long-term interests but may pose short-term economic challenges.

The world's second biggest economy is facing important economic challenges that are not easy to resolve

By Ndivhuho Netshitenzhe
Senior Economist, STANLIB

Over the past three decades, China's economic development was remarkable. Between 1990 and 2019, its real GDP growth averaged an impressive 9.3%, helped by market-oriented reforms, trade liberalisation and greater integration into global supply chains.

Unfortunately, the Chinese economy can no longer rely on industrial production, coupled with infrastructure investment-led growth. After decades of high performance, growth has slowed. It has averaged 4.7% since 2020, and is likely to slow further in the coming decade. Apart from the impact of the Covid-19 pandemic, China's traditional engines of growth have become unsustainable, creating imbalances and increased vulnerabilities that have now become headwinds to growth. Most of the established policy tools deployed by government to boost the economy have become blunt and relatively ineffective.

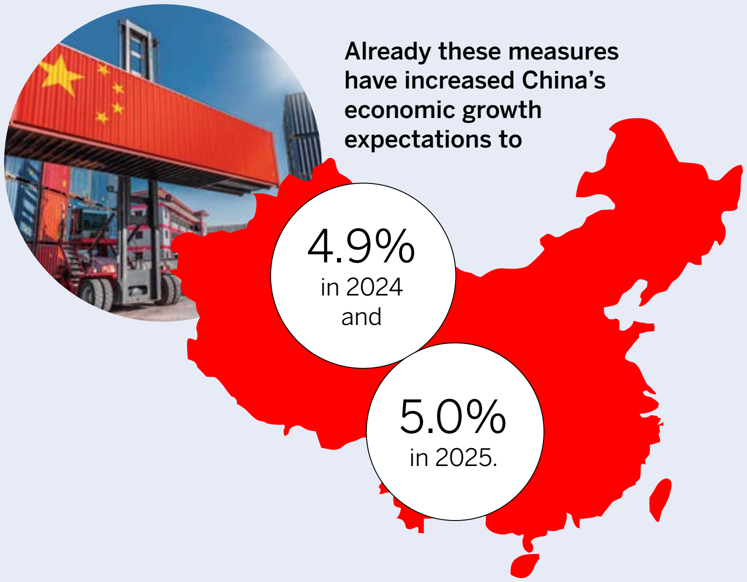
The Chinese economy can no longer rely on industrial production, coupled with infrastructure investment-led growth. It needs to more actively develop its services economy, while expanding household consumption.

China's recent economic performance has been lacklustre

Despite some resilience at the beginning of the year, China's economy has slowed markedly since June 2024, hurt by persistently weak domestic consumer demand, low confidence levels and an ongoing property slump. Given the progressively weaker level of economic activity, there are fears that China is facing deflationary pressures in the short term and may find itself in a similar situation to the Japanese economy in the 1990s.

The larger-than-expected slowdown in economic momentum has fuelled concerns that China's economic growth could miss its target of 5% this year. As a result, in September 2024, the People's Bank of China unveiled its biggest monetary policy relief package since the pandemic.

In early October 2024, the Chinese Minister of Finance outlined fiscal support measures aimed at mitigating local government debt risks, recapitalising state banks and helping the property sector.



Overall, however, the broader-than-expected measures are likely to have a limited impact on China's structural issues: a lack of domestic demand amid low confidence levels and industrial overcapacity. Still, the policy response from the authorities is a significant step in the right direction. It has boosted market confidence, and has provided ample liquidity for the real economy, placing the economy on a firmer footing in 2025.

China's economic slowdown negatively impacts the global economy

A weak domestic economy has made China reliant on strong overseas sales to meet its growth target. This is why Chinese exports have exhibited stronger growth this year, as manufacturers discount goods to clear spare capacity.

While these discounts are hurting profit margins (affecting equity returns) and fuelling trade tensions with the US and EU, falling prices have helped to drive down inflation rates worldwide, particularly in emerging markets that rely on shipments from China.

Since China is South Africa's biggest trade partner (accounting for almost 24% of our imports), we stand to benefit from the disinflationary influence of cheaper Chinese imports. This has already provided a helpful tailwind in bringing domestic consumer inflation down. At the same time, if the recent relief package helps boost China's economic growth in the short term, commodity exporters, including those in SA, could benefit from increased demand, particularly from higher investment spending.

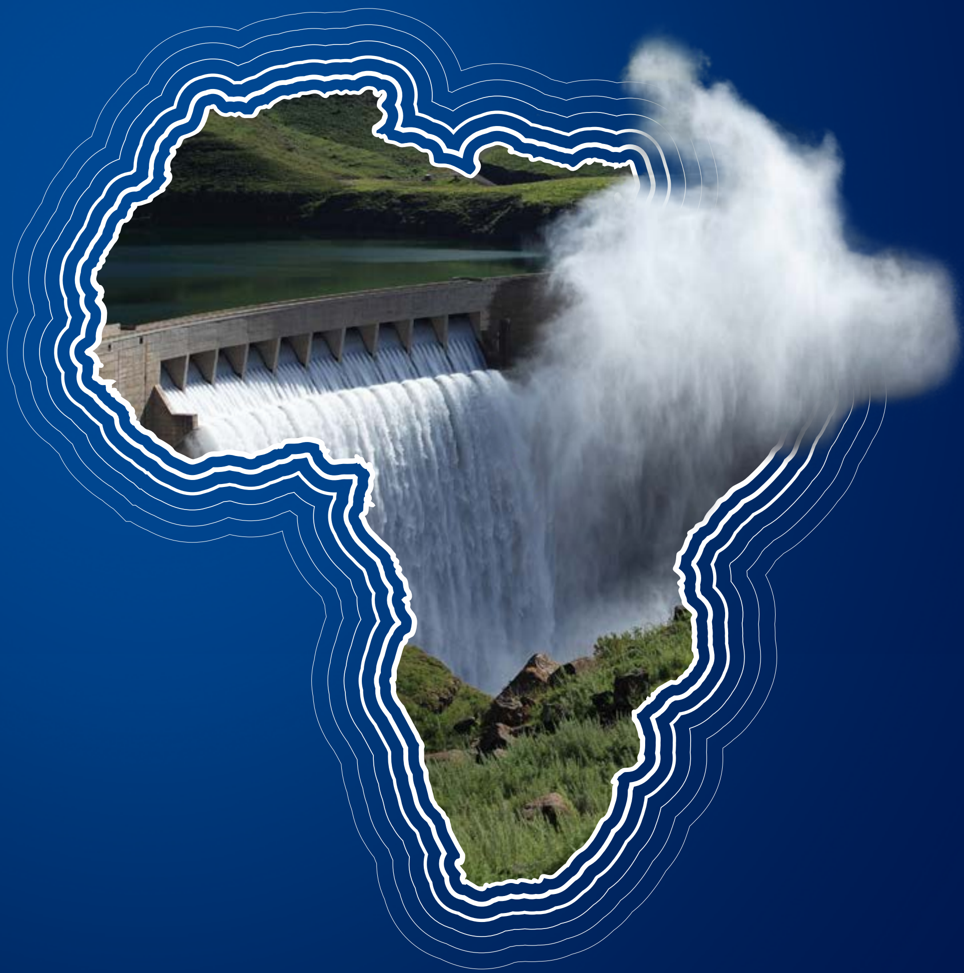
More needs to be done to boost consumer confidence and spending

Given persistent deflationary pressures and weak economic activity, the Chinese government is expected to continue its countercyclical monetary and fiscal policy. There is still room for further monetary policy easing, with policy rates likely to be cut further this year. More aggressive fiscal policy, especially from the central government, is arguably needed to support the demand side of the economy and get the recovery firmly on track. The Chinese government would need to spend up to RMB10 trillion over two years (around 8% of GDP) to fully reflate the economy, with the money going to households rather than infrastructure or industrial projects.

Other necessary measures to boost consumer confidence and household spending include better income distribution, better social security for the broader population (retirement and healthcare), dealing with the housing glut more effectively and finding ways to reduce industrial overcapacity without systemically increasing unemployment.

The Chinese government needs to now focus on further developing its service industry, as well as finding new and non-traditional tools to stimulate future economic growth. Without these measures, the Chinese economy will continue on the path of structural decline, even if the economy achieves its 5% growth target this year.

We believe Africa's growth must be built to last, which is why as Africa's largest bank by assets and the proud lead sponsor of the B20 Summit, we're driving inclusive transformation through infrastructure, enterprise and sustainable finance.



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2

Infrastructure financing projects

Harnessing the winds of change:

investment opportunities in Global Trade

By Johan Marnewick
Head of Fixed Income Private Markets, STANLIB Asset Management

In an increasingly interconnected world, the dynamics of global trade are shifting dramatically, presenting both challenges and opportunities for investors.

Historically, prevailing winds in earth's equatorial region, known as the trade winds or tropical easterlies, helped explorers and traders navigate new territories. Recently, however, the concept of free trade has become more contentious, as its potential to generate wealth is weaponised for political leverage.

As economists evaluate the impacts of these developments, particularly inflation and growth concerns, investors are meticulously charting their course to capitalise on new opportunities while avoiding potential pitfalls. This complexity is compounded by the rapid transformation of the global trade landscape, driven by technological advancements and sustainability concerns. Investors remain vigilant, ever eager to seize emerging trends.

South Africa’s G20 opportunity

This year, South Africa is hosting the G20, a pivotal moment for reassessing longstanding political and economic relationships, trade agreements, supply chains and economic policies. Against the backdrop of this shifting global trade environment, numerous investment opportunities await discovery.

One notable area is infrastructure development and trade logistics. The familiar refrain of PPPs has echoed across our African plains for some time, but there is a renewed urgency to invest and enhance economic capacity. As global trade relationships and routes evolve, new infrastructure projects are emerging to support changing supply chains. Countries investing in modern ports, airports and rail networks, such as India’s Sagarmala project and Africa’s AfCFTA-driven logistics hubs, present opportunities in construction, logistics technology and collaborative ventures.

The transition to green and sustainable trade

Another significant opportunity lies in the transition to green and sustainable trade investments. This transition is accelerating as governments commit to carbon neutrality and sustainable practices, while corporations seek more efficient and reliable energy sources. This shift is driving investments in renewable energy, solar, wind and hydrogen, and cultivating new trade relationships that could unlock innovative technologies to expedite this transition.

The rise of digital trade is dismantling old barriers and creating a truly global marketplace. This new era is transforming traditional commercial and financial practices, generating opportunities in cross-border e-commerce and financing solutions. These prospects are not confined to large multinational corporations; they extend to mid-cap firms, SMEs and even one-person start-ups. Investors are increasingly focused on e-commerce opportunities, including innovative fintech solutions that facilitate cross-border capital flows and seamless international payments.

Additionally, the global food production and supply chain is facing disruptions due to climate change, trade restrictions and shifting consumer preferences.

> Agri-tech innovations, such as precision farming, vertical farming and AI-driven crop management, present substantial opportunities for South Africa’s relatively sophisticated agricultural sector.

These innovations can also assist new and developing trade partners in addressing food security and environmental sustainability concerns. Other investment avenues in this sector include alternative protein production, leveraging our abundant natural resources, and regenerative agriculture practices, where South Africa stands out as a leader on the continent.

Re-evaluating supply chains

Companies worldwide are re-evaluating their supply chains to reduce reliance on a single country or region, such as China. This trend, known as reshoring (bringing manufacturing back to home countries) or nearshoring (moving production closer to consumer markets), is creating a wealth of investment opportunities. Emerging manufacturing hubs in countries like Vietnam and India are reaping the benefits of companies diversifying their supply chains.

Regional trade agreements are not a new phenomenon; examples include the AfCFTA and Southeast Asia’s ASEAN bloc. The billowing trade winds may well steer South Africa towards greater ‘South-to-South’ trade collaboration, unlocking new opportunities in Latin America, the Middle East and India. While trade among the Global South has historically been limited to primary market exports, such as agricultural products, raw materials or mining output, the rapid evolution of these economies has transformed many societies into sophisticated, high-value consumers and traders on the global stage.

A wealth of investment opportunities

The list of opportunities is extensive. The crux is that the changing global trade climate presents a wealth of investment prospects for those willing to explore emerging trends. From infrastructure to green energy, digital trade and technological advancements that permeate virtually all sectors of economic activity, investors who align their portfolios with these transformations can position themselves for long-term gains. By focusing on sectors that enhance supply chain resilience, sustainability and technological innovation, astute investors can weather the storms of global trade conflicts and capitalise on the next wave of global trade evolution.

Serving through finance:

incorporating justice, the missing link in global economic architecture

By Ameen Hassen
Head of Shari'ah Banking, Standard Bank South Africa

The G20 Interfaith Forum convened in Cape Town this August, and I joined the conversation from a different angle: a banker, but also as someone who works in what has broadly been categorised as 'faith-based finance'. The theme was *Ubuntu in Action* and discussions focused how we can pool together resources to support vulnerable communities. Being a Jubilee Year, there is also a call to unity, fairness and renewal.

In the breakaway session I participated in, the question at hand was clear: how can finance move beyond self-interest to become an instrument of service – how do we inculcate equity in the architecture of finance? The answer to this question calls on all of us to reimagine finance. To think about how it could be rebuilt to serve people and achieve a welfare society and not just generate profit.

Justice is the missing link

Every economic system we know is man-made and all of these systems and institutions aim at realising some human value or values. Capitalism is grounded in the value of freedom and socialism in the value of equality. The value of freedom in capitalism manifested itself through the concepts of the 'free enterprise' and the laissez-faire approach to markets. This gave immense growth to economies. However, it weakened the value of equality.

Thus, in what could be considered a knee-jerk reaction to this, scientific socialism (communism) emerged. The tragedy in this system is that on the other extreme, the value of freedom began to be removed from society. We learn from these two examples that emphasis on only one value to the exclusion of the other is detrimental. Faith traditions point to something to reconcile this dichotomy: justice.

Justice keeps freedom in check so that it does not oppress. It keeps equality in check so that it does not kill initiative.

In a just economy, people earn what they deserve. It creates an environment where individuals begin to function normally, without compulsion. This introduces a sense of normality, as each person possesses unique abilities, latent aptitudes and personal preferences. As a result, they have the freedom to explore and aspire to greatness according to their inherent capabilities. This, in turn, can steer the economy toward the proper utilisation of the natural forces of supply and demand.

In faith-based finance, wealth is seen as something owned by the Almighty, rather than something we possess absolutely. Because of this belief, we must strive to establish a practicable economic system to ensure that everyone receives what is rightfully due to them. It should also work to eradicate the concentration of wealth because just as a blood clot can cause harm and proper circulation is essential for health, the proper circulation of wealth is vital for a healthy economy.

Justice turns finance into service.
It shifts the question from
“What can I gain?” to “How can I help?”.

Right now, research shows that the Islamic finance sector holds around USD300 billion in surplus liquidity. Most of it is in the Gulf Cooperation Council (GCC) and Southeast Asia regions. It sits in sovereign wealth funds, pension reserves and deposits.

At the same time, many African nations, including South Africa, Nigeria, Kenya, Ghana, Uganda and Tanzania have medium-term fiscal deficits (based on IMF data). Their combined deficit numbers almost match this available surplus.

The opportunity is clear. Pair this capital with Africa’s needs. Use Shari’ah-compliant investments. Make them fair, asset-backed or based and accountable with clear ‘use of funds or proceeds’.

But there’s a hurdle. We need a middle ground between generating sufficient returns for owners of that capital and making it affordable to African countries. When South Africa entered the domestic Islamic capital markets in 2023, long-term pricing reached almost 12%. That is far higher than in developed markets. We need structures that offer fair returns and still serve development.

Serving through capital

The G20 has set big goals: disaster readiness, a just energy transition, and humanitarian response. These take money. But they also take the right kind of money.

Islamic finance fits well. By avoiding speculation and linking every deal to a real asset, its principles naturally align with the goal at hand. It shares risks equitably. It makes finance part of the real economy, not detached from it. It can redirect surplus funds to build power grids, finance clean energy or help communities recover from disaster. And still be accountable to those who invested the money in the first place.

Ubuntu says, “I am because we are”.

In finance, it means recognising that markets thrive when communities thrive, and that no one wins in the long-term if others are left behind.

Justice, rooted in faith and expressed through service, is the bridge we need. Africa can be the proving ground. We can show that capital can be a servant, not a master. The Jubilee Year asks us to move beyond earning to serving. If we answer that call, finance can do more than grow balance sheets.

It can grow hope.
Africa is our home, we drive her growth.

Managing investment opportunities and risks in African markets

By Derrick Msibi
Head of Asset Management, Standard Bank Group

"The reason that everybody likes planning is that nobody has to do anything", according to former California governor Jerry Brown. While numerous plans and commissions have been initiated to stimulate the South African economy and create jobs, the country remains in a low-growth rut. This stagnation is often attributed to internal bureaucratic inefficiencies, exacerbated by external economic factors, such as global market fluctuations and geopolitical tensions.

Investment managers looking to fulfil their fiduciary duty and meet their clients' needs for returns are increasingly diversifying into several exciting opportunities outside SA. The rest of Africa may not be considered an easy destination to do business, as evidenced by the ongoing retreat of a number of large multinationals and South African businesses. However, many African countries have a clear vision for their economic growth, with certain sectors and nations carving out niches that present formidable challenges to what SA can offer. For example, Mauritius has developed a strong financial sector, and Nairobi is emerging as a hub for information technology and innovation.

Adapting to global market changes

The economies in the Global South have grown from being primary product exporters and have evolved rapidly and become more sophisticated consumers and traders. The events of the last few years – and even the last few months – are creating a new and more promising landscape for private investors in Africa.

In the short term, global upheavals in longstanding trade relationships arising from policy shifts under US President Donald Trump, present a timely opportunity for the continent to reassess and redefine trade agreements, supply chains and economic policies. Currently, intra-African trade accounts for a dismal 15% of total trade, highlighting the need for improvement.

SA's presidency of the G20 this year offers a platform to engage with the global powers to address some of the continent's challenges and ensure that consolidated G20 initiatives prioritise investment in infrastructure. The B20 can be a catalyst for co-operation between the public and private sectors to make projects happen and find innovative funding solutions. For example, there are public-private partnerships in AfCFTA-driven logistics hubs, which present opportunities in construction, logistics technology and joint ventures.

In the longer term, the global transition to green and sustainable investments is accelerating, attracting investment towards opportunities in renewable energy and technologies that support this transition. Climate change is creating a need for agri-tech innovations such as precision farming, vertical farming and AI-driven crop management, as well as alternative protein production and regenerative agricultural practices. SA leads the continent in these areas, with other nations making significant progress.

How do we assess the opportunities?

There is no shortage of potential investment targets on the continent, and financial markets and systems are slowly evolving to address the needs of the private sector, rather than government and development finance institutions.

In Africa, our investment strategy focuses on both deep and liquid markets with diverse opportunities, and nascent markets, where we are restricted to government-issued instruments and non-market investments.

We aim to play a role in growing the capital markets in the African countries where we have chosen to invest.

Assessing investment opportunities in Africa demands a strategic and multidimensional approach, balancing economic potential against structural risks. Several critical factors shape the investment landscape, influencing both market stability and long-term returns.

Governance and regulatory frameworks remain paramount. Investors must operate within jurisdictions where legal systems are transparent, enforceable and aligned with global financial standards such as those established by the International Swaps and Derivatives Association (ISDA). A robust judicial infrastructure ensures recourse in the event of disputes, fostering investor confidence and safeguarding capital deployment.

Equally important is the presence of technical expertise and professional acumen. Markets require qualified custodians of securities and investment professionals who adhere to globally recognised standards, such as the Chartered Financial Analyst charter. Effective regulatory oversight necessitates competent authorities with expertise equal to, or exceeding, that of market participants. Encouragingly, Africa continues to benefit from the cyclical migration of skilled professionals to major financial hubs such as New York, London and Johannesburg, with many returning to their home markets, thereby enriching local expertise.

The sophistication of capital markets varies significantly across the continent. Fixed income instruments, predominantly government bonds, are well established, whereas equity markets remain in varying stages of development. Risks such as capital flow restrictions and foreign exchange shortages demand careful management, as they can impede liquidity and limit cross-border investment flexibility.

Diversification remains an essential pillar of risk mitigation. Investment managers must allocate assets strategically across multiple classes and currencies to insulate portfolios from macroeconomic volatility. While bond markets provide relative stability, African equities require further maturity to achieve broader institutional adoption. Additionally, currency diversification remains a vital tool against systemic financial shocks, as currency crises often affect multiple nations simultaneously despite distinct underlying causes.

The role of systems and technology in market infrastructure cannot be understated. Many African countries have integrated trading and supervisory platforms modelled after developed economies, yet localised adaptation is often necessary. Imported financial systems may not always align with the unique conditions of emerging economies, presenting affordability and implementation challenges. Ensuring access to robust technological frameworks will be instrumental in enhancing market efficiency.

All these risks are manageable but are nuanced and need close attention.

They are considerations worth taking to tap into the vast opportunities that are slowly emerging on the African continent.

Africa and the US:

why we took the conversation to Luanda

By Helmut Engelbrecht
Regional Chief Executive: Africa Regions, Standard Bank Group

In August 2025, Standard Bank joined the heads of state, ministers, business leaders and policymakers in Luanda, Angola, for the 2025 US-Africa Business Summit. This year's summit carried additional weight because it came at a time when Africa is taking centre stage in global economic governance.

At the end of 2025, Angola's neighbouring country, South Africa, is hosting the G20-B20 – the first time the G20 Presidency is being held by an African country. This milestone presents an unprecedented chance for the continent to articulate its priorities and influence the global policy agenda in a way that meaningfully reflects the needs and ambitions of our people.

What we achieved through the US-Africa Summit will help build the momentum that feeds directly into these broader global discussions. It is an opportunity to help shape an agenda that is fundamental to unlocking our prosperity and strengthening the continents place in the global economy.

Africa stands at a pivotal moment.

By 2050, our continent is projected to boast a GDP of around

USD16 trillion,

underpinned by the world's youngest, fastest-growing population.

Urbanisation is accelerating and technological adoption is surging. The promise is undeniable. Yet, we also know that potential alone does not automatically translate into shared prosperity or meaningful economic transformation. We need deliberate action, practical partnerships and smart investment to turn Africa's demographic dividend into tangible, inclusive growth.

That is why the conversations that took place in Luanda are so important – and why Standard Bank took an active role, bringing expertise from our pan-African operations and our New York office to the table. We contribute to real solutions, not just broad statements. Our teams engage in how to expand trade flows, close infrastructure gaps, deepen capital markets and foster digital innovation – all essential ingredients for building an Africa that thrives on its own terms.

The Corporate Council on Africa convened this summit under the theme *Pathways to Prosperity: A Shared Vision for US-Africa Partnership.*

It is a fitting call to action. The reality is that the United States of America and Africa have a tremendous opportunity to build a relationship defined by mutual benefit and co-investment rather than dependency. Since 2021, over USD18 billion in two-way trade and investment deals have been concluded between the US and 47 African countries, while the US private sector has contributed an additional USD8.6 billion.

These figures are encouraging, but there is much more we can accomplish together and among the focus areas must be advancing the AfCFTA.

The full implementation of the free trade agreement promises to create a single market of 1.3 billion people with a combined GDP of over USD3.4 trillion.

More importantly, it has the potential to double intra-African trade by 2035,

lift
30 million people
out of extreme poverty,

and **boost incomes** for an estimated
68 million people
across the continent.

This is not theory – it is a practical framework for building resilient African economies and ensuring that benefits of growth are more evenly spread.

Realising this potential, however, requires solving some longstanding challenges. Chief among these is Africa's persistent infrastructure deficit, which is estimated at about USD100 billion annually. Roads, ports, rail networks and power grids are the arteries of economic activity; without them, trade agreements remain words on paper rather than engines of real commerce. As Standard Bank, we have long championed regional projects that connect markets – like the Lobito Corridor, which links mineral-rich regions to global markets – and we continue to play a leading role in structuring blended finance that attracts global capital to African projects.

This is where partnerships matter deeply. No single government or institution can bridge this gap alone. Blended finance, public-private partnerships and innovative funding models are critical tools for mobilising capital at scale and ensuring that projects are bankable and sustainable over the long term.

In the energy space there is a great challenge and huge opportunity for our continent. Africa must navigate a complex path: we need to expand access to reliable, affordable energy to fuel industrialisation and improve livelihoods, while simultaneously aligning with global efforts to reduce carbon emissions. Standard Bank is committed to financing Africa's just transition, supporting renewable energy projects where viable, and investing in transitional energy sources like natural gas where they provide the most realistic route to cleaner growth.

Our role is not limited to funding alone. We see ourselves as a catalyst for partnerships that mobilise domestic resources, attract global investors and unlock policy reforms that make Africa an easier, more attractive place to do business. We believe strongly that banking must serve a developmental purpose, creating real economic opportunities for businesses and households alike.

As we head into the G20 and B20, we do so with a clear vision:

to use every opportunity to strengthen Africa's voice and to position our continent as a confident partner in the global economy.

It is not enough to simply meet. We must ensure that commitments lead to deals, that deals lead to projects, and that projects deliver jobs, income and better futures for millions of Africans.

Standard Bank has been part of Africa's story for more than 160 years. We have seen our economies navigate tough times and rise stronger. We know what is possible when vision, capital and collaboration come together. Now is the time to scale up what works, replicate success stories across borders, and unlock the full promise of Africa's single market.

As in Luanda, and in Johannesburg at the G20-B20, we have a chance to demonstrate that Africa's growth is not just an aspiration but a practical, investable reality – a story of resilience, innovation and partnership that can benefit not only Africans but the world at large.

We are ready to play our part.

Corporate venturing:

the essential art of making innovation count

By Jonathan Lamb

Executive: Head Channels & Partnerships, CIB Digital at Standard Bank Group

Legacy systems and traditional thinking cannot meet today's challenges. In financial services, the tension is particularly acute, and incremental change is not enough. What is needed is a structural shift that places innovation at the centre of how organisations think, operate and create value. And corporate venturing can do that.

At its core, corporate venturing is about deep, collaborative partnerships between established institutions and fast-moving innovators. This is not about symbolic innovation hubs or scattered startups bets; it is about choosing meaningful problems, backing serious solutions and committing the institutional muscle to make them work to solve big structural problems.

For most large, incumbent corporates, especially in financial services, this requires a shift in mindset. Traditional banks are wired for risk mitigation, governance and scale. None of these naturally align with early-stage experimentation. But in a corporate venturing model, those capabilities become strengths when paired with the agility and vision of entrepreneurial partners. The trick is creating a space where teams are empowered to try, test, fail and move quickly.

When approached in this way, corporate venturing allows financial institutions to expand their relevance beyond their core offerings, without losing focus. This opens new commercial opportunities and positions the institution as a proactive problem solver – especially when those problems sit at the intersection of finance, technology and society.

The partnership between the Standard Bank Corporate and Investment Banking's Digital OneHub team and Reunyte, a fintech venture designed to solve South Africa's unclaimed benefits crisis, is a case in point.

The financial sector in South Africa is sitting on
R90 billion
in unclaimed benefits – money owed to millions of people mainly from pension funds, dividends or insurance products.

The current system for locating beneficiaries is fragmented, manual, expensive and ineffective. Most people are not even aware they are owed anything; and when they are contacted, the process of claiming can often feel more like a fraud than a service, resulting in low benefit 'claim' rates.

Reunyte has completely rethought this model. Instead of tracing people using outdated records and ineffective cold calls, the Reunyte approach assumes that if an individual has ever owned a policy, been a pension fund member, or had a formal job, the chances are good they had a bank account. Leveraging this insight, Reunyte matches data from funds and policies with active, KYC-verified bank accounts to identify beneficiaries. Then, working through trusted platforms like the Standard Bank app, it notifies these individuals about the money they're owed. In many cases, people log in and discover unexpected funds already paid into their accounts.

This project is not a theoretical idea; it is already changing lives. In the first phase of the rollout, around 13 000 Standard Bank retail customers were successfully matched and are in the process of being paid.

The results exceeded expectations, both in terms of match rates and user engagement. People trusted the process thanks to the Standard Bank brand association, responded quickly and got paid.

For many, the payment amounts were around
R3 000.

Not life-changing money, but enough to buy groceries, cover school fees or afford the data they need to look for a job.

In other words, enough to make a difference.

That is what financial inclusion should look like in practice. It is not about creating new accounts or pushing new products. It's about removing friction, reducing barriers and giving people access to their money in a way that is simple and secure. As global conversations around inclusion and impact intensify, notably on the G20 and B20 agendas, corporate venturing models offer a way of turning these discussions into meaningful action.

Importantly, it is not just the beneficiaries who win. Pension funds and life assurers are under mounting regulatory pressure to act. Reunyte's model offers them a faster, scalable alternative to traditional tracing. It also builds goodwill at a time when financial trust is in short supply. Liberty was the first organisation to pilot the approach, and the success it has already achieved attests to these mutual benefits. In just five months, the Liberty unclaimed benefits fund traced 4 300 beneficiaries with R18 million in benefits now being processed for payment

Critically, this success did not happen in a lab. It happened because Standard Bank CIB has spent five years building a corporate venturing capability with a mandate to act quickly, the freedom to explore, and the courage to fail. Reunyte was not just a venture capital investment; it was built through real partnership – and it offers proof that corporate venturing done right creates space for institutions to deliver social impact without sacrificing financial sustainability.

Africa’s climate future demands bold thinking and action

By Luvuyo Masinda
Chief Executive, Corporate and Investment Banking, Standard Bank Group

The fifth Standard Bank Climate Summit, held on 9 September, convened at a time when the realities of climate change and energy poverty on the African continent are becoming increasingly stark. While the conversations at the event were meaningful, what they brought home is the fact that Africa needs more than debate and discussion; it needs bold action anchored in the lived realities of its people.

This reality is summed up in the lens through which most of us now view climate action in Africa, namely a just transition. While this phrase has become a fixture in global climate discussions, we need to remember that it is not just a slogan to be tossed around. It is a principle that must guide how we operate across the continent in the coming years.

With this in mind, it is worth breaking down the phrase ‘just transition’ into its different components. ‘Just’, in the context of climate action, means recognising Africa’s unique position. This is a region disproportionately affected by climate change, while at the same time home to over 600 million people who do not have access to reliable energy. It also means having a clear understanding that economic development and climate action cannot exist in silos. The continent’s future depends on how well we align these two imperatives.

Then, for Africa, transition means recognising that inclusive, transformative change needs to be deliberate and carefully managed. But also that it takes time. A truly just transition is not simply a binary shift from fossil fuels to renewables.

It is about building the capacity, infrastructure and policy frameworks needed to move forward without leaving anyone behind.

At Standard Bank, our understanding of these components of the just transition is the reason why we committed to mobilising over R450 billion **in sustainable finance between 2022 and 2028.**

Over R230 billion of that commitment was already mobilised by the end of our June this year. Last year, for every R1 lent to non-renewable power generation, we provided just under R6 to renewable power generation. We remain committed to the remaining investment in a way that channels this vital capital toward initiatives that are not only climate-smart but also socially inclusive and economically growth-oriented.

The fiscal condition of many African governments makes it essential that the private sector steps up in this way – not just with capital, but with affordable capital. Without affordable capital, there can be no just transition. That means backing transitional projects where renewables may not yet be viable. For some countries, natural gas remains a necessary bridge. In markets like Zambia, where hydro power has been disrupted by drought, there is a growing need to diversify energy sources. From Nigeria to Angola to Mozambique, gas-related projects are becoming vital steps in the journey to cleaner energy.

Of course, money alone will not solve the challenge. This was reflected at this year's summit, which deliberately expanded its focus from energy to include resilience and infrastructure. As extreme weather events grow more frequent, the need to adapt, rather than just mitigate, has become urgent. Some African nations are already spending up to 9% of their budgets responding to climate extremes, according to the World Meteorological Organization. This is unsustainable and reinforces the need to treat adaptation as a growth strategy.

The Standard Bank Climate Summit has never aimed for consensus. Our intention with this annual summit has always been to bring different voices into the same room, creating a platform on which governments, civil society, financiers, businesses and investors can engage – even if they do not always agree.

This year's summit saw some of the most diverse viewpoints to date – reflecting the complexity and urgency of the issues.

However, through all the debate, one clear message emerged: Africa cannot wait for others to lead; we must lead ourselves. Ultimately, the real test of our resolve to do this is not what was said at this latest summit; it is what we do next.

And based on the insights from the 2025 Standard Bank Climate summit, our next steps need to encompass **three key commitments:**

1

Double down on innovation
Develop financial instruments that address Africa's unique risk profile, including political and currency risk, and drive blended finance at scale.

2

Strengthen partnerships
Banks alone cannot finance this transition. We need multilateral institutions, DFIs and private sector investors to pull in the same direction.

3

Prioritise people
Every project, policy and financing decision must consider the human impact – from jobs to dignity to opportunity.

Africa's infrastructure crossroads:

why the time to build is now

By Derick De Zilva
Chief Executive, Standard New York Inc.

Africa is standing at a defining moment in its development journey. The continent's infrastructure deficit, long acknowledged but insufficiently addressed, has become a critical bottleneck to growth. As global trade structures are hastily reconfigured and economic alliances shift, the urgency to invest in Africa's infrastructure has never been greater.

The numbers are stark. As previously mentioned, Africa faces an annual infrastructure financing gap of USD100 billion, according to the African Development Bank. Most African countries spend less than 5% of GDP on infrastructure, which is well below the global average. This underinvestment is not just a missed opportunity; it is a structural constraint that limits Africa's ability to compete, integrate, and thrive in a rapidly changing global economy.

Yet, the potential is immense. Africa's GDP is approaching USD3 trillion, and its real growth is projected to outpace global averages over the medium to long term. This growth is underpinned by a youthful population, rapid digital innovation, and abundant natural resources. But without the roads, railways, ports, power grids and digital networks to connect people and markets, this potential will remain unrealised.

Infrastructure development is not just a development goal. It is an economic imperative. It is the foundation upon which inclusive growth, industrialisation, and regional integration must be built.

Across the continent, we are already seeing how infrastructure investment can transform economies. In East Africa, for example, investment in toll roads, energy projects and logistics corridors is improving connectivity, reducing costs, and stimulating local enterprise.

Rail is emerging as a particularly strategic priority. It is not only climate-smart but also economically vital.

South Africa alone requires over USD240 billion to restore and expand its rail network. Strategic partnerships that combine global expertise with local financing are already delivering results, and these are reducing emissions, lowering freight costs, and unlocking new trade corridors. For Africa's mining and logistics sectors, rail is not just a mode of transport; it is a lifeline.

Energy is another critical frontier. Africa's energy landscape is shifting from scarcity to sustainability. Mining companies are leading the charge, with over 15 800MW of renewable energy projects currently underway. To highlight this need and demand, just one South African financial institution is mobilising up to R300 billion (approximately USD16 billion) for sustainable finance by 2026. This is not just about powering homes and businesses. It is about enabling Africa's just energy transition and opening new markets for global clean technology.

Digital infrastructure, too, is essential. The pandemic underscored the importance of connectivity, but many parts of Africa remain digitally excluded. Roads, ports and broadband networks are the arteries of modern economies. Without them, Africa cannot fully participate in the Fourth Industrial Revolution or realise the promise of digital inclusion.

The scale of Africa's infrastructure challenge demands a new approach to financing and delivery. The importance of Africa's infrastructure challenge is underscored by its prominent discussion at the B20, the business voice of the G20, where advocacy is focused on accelerating the development of sustainable infrastructure. The Finance & Infrastructure Taskforce brings together more than 150 members and 10 co-chairs from every region of the world. The taskforce is working to expand the pool of investable infrastructure projects, improve access to capital by increasing the availability, effectiveness, and resilience of public, private, and philanthropic investment, and enhance the flow of funds between investors, infrastructure projects and the wider economy.

Success stories like Zambia's Ndola–Lusaka toll road show what is possible when the public and private sectors work together. But they also highlight the limits of domestic budgets and the need for greater institutional capacity. Africa needs not only capital but also the ability to plan, procure, and manage complex infrastructure projects. This is where development finance institutions, multilateral banks, and global investors must step up.

Projects need to be looked at more wholistically.

It's easy to say or even wish for a more enabling environment for infrastructure development. But it means supporting regulatory reform, promoting transparency, and building the capacity of governments and institutions to deliver. **It also means aligning infrastructure development with broader goals such as**

- climate resilience
- gender inclusion
- regional integration

The AfCFTA is one of the most ambitious economic projects in the world today, and more people should start to grasp its importance and possibilities. It creates a USD3.4 trillion market with 1.3 billion people and the potential to double intra-African trade by 2035. But trade agreements alone are not enough. Without the infrastructure to move goods, services, and people across borders, AfCFTA will remain an aspiration rather than a reality.

AfCFTA is Africa's NAFTA moment. Early movers, be it governments, investors or businesses, will shape the rules, reap the rewards, and build lasting influence. But none of this is possible without the physical and digital infrastructure to connect markets and enable commerce.

Africa is at a crossroads.

The decisions we make now will determine whether the continent becomes a global growth engine or remains on the margins of the global economy. The infrastructure gap is not just a challenge; it is an opportunity. It is a chance to build the roads, railways, power plants and data networks that will define Africa's future.

Driving a sustainable future:

time to prioritise adaptation and resilience as we address an evolving global climate

By Sasha Cook
Head of Sustainable Finance, Corporate & Investment Banking, Standard Bank Group

In recent times, we have seen a significant increase in natural hazards and volatility in weather patterns that have impacted different parts of the world. We in Africa have not been immune to the adverse impacts of a changing climate.

Entering the second half of the year offers a good opportunity to reflect on our ever-evolving climate and the need to talk more about how we are adapting to changes which are indisputable. Importantly, we need to talk about how we move forward in finding innovative financing solutions to build resilience in our communities.

According to the **Organization** *State of the Climate in Africa 2024* report, our continent has been, and will continue to be, disproportionately affected by climate change and the associated high costs required to fund essential climate adaptation and build resilience. The same report highlights that costs associated with climate change can be as much as 5% of African GDP and many are allocating up to 9% of their annual budgets to respond to climate extremes.

It is, therefore, essential that the public and private sectors shift their focus and prioritise adaptation and resilience, alongside mitigation. We need to continue to focus on climate mitigation projects in order to slow down or minimise negative impacts of climate change through, for example, enabling and funding cleaner energy sources and decarbonisation activities.

However, we equally need to consider how we reduce vulnerability to the negative impacts of climate change. This is what is referred to as climate adaptation finance and includes investments in climate smart agriculture, such as drought resistant crops or improved water management, investment in resilient infrastructure like flood defences and early warning systems, energy storage systems and the development of resilient buildings. Financing these activities improves resilience of economies and communities to floods, drought and other extreme weather events.

We have a collective and urgent responsibility to prioritise and find innovative ways to fund adaptation and integrate strategies that prepare us to be resilient.

This is a core part of my team's daily focus. I recently participated in two conferences held in Cape Town in June, the 2025 SADC Sustainable Finance Forum and a Group of 20 (G20) engagement on adaptation and resilience. Both of these forums made it clear that addressing climate-related impacts and specifically prioritising adaptation and resilience are both a moral and business imperative.

Based on various reports, including *the Emerging Economies Climate Report of 2023*, the business cost associated with climate change for Africa is undisputable. According to the above report, 79% of respondents said climate change is impacting their organisation today, up from 68% in 2022, with flooding, drought and heat noted as the top physical risks.

Business and finance need to invest in our assets, infrastructure and communities to ensure we can better withstand these risks. This is not, however, an easy call to action. There are many challenges that exist in scaling up financing for adaptation and resilience. These include, but are not limited to, a lack of clear revenue streams, insufficient and inaccurate data, a lack of expertise, limited resources in low-income countries to fund these projects, and the difficulty in accurately measuring and valuing the impact of these projects.

Thus, it is incumbent on players in the finance sector to develop solutions that can provide tangible solutions and meet business requirements. Among some of the newer thinking in addressing financing gaps are initiatives such as using revenue streams from carbon credits or from associated ecotourism to fund adaptation projects. Similarly, blended finance solutions are essential in bringing together multiple players with differing risk appetites and mandates to fund some of these critical projects that may not be commercially bankable on a standalone basis, and index based (parametric) insurance can be applied to mitigate physical risks.

In the famous words of W. Edwards Deming, “in God we trust. All others must bring data”. While adaptation is a relatively new concept for many governments, real economy firms and financial institutions, data will be a foundational building block for any adaptation strategy. Better data, modelling tools and geolocation data will be essential for comprehensive solutions.

Corporate and financial institutions have the potential to include adaptation considerations into strategy setting and targets, though this remains a nascent consideration. We will need a measure of boldness and visionary leadership to drive a step-change in conventional business considerations.

In pursuit of an integrated considered approach and to paraphrase a famous French philosopher, Voltaire, “We should not let perfect be the enemy of the good”. As most readers will know, South Africa holds the presidency of the G20 this year and is effectively using the global convening platform to drive key initiatives that make adaptation a norm rather than an exception.

At Standard Bank,
we believe in embracing a balanced approach in creating solutions to existential challenges.

This balance requires cross-societal responses that include the

private sector

public sector

civil society

to ensure a sustainable future.

In April this year, we announced a revised target to mobilise more than R450 billion of sustainable finance by 2028. As at end of 2024, we had already mobilised R177 billion, since 2022. Our green and social mobilisation sub-targets include adaptation and resilience financing activities such as basic infrastructure, essential services and biodiversity conservation in addition to sustainable farming.

We have also funded some of the largest battery energy storage system (BESS) projects across Africa, approximately R12 billion. BESS projects improve the resilience of the national grid and improve access to energy for communities.

Standard Bank has also published a target to finance more than R7 billion in climate smart agricultural practices by 2030, with more than R2 billion financed in 2024 alone. With almost 40% of land in Africa dedicated to agriculture, this sector is a critical custodian of our valuable natural habitat – which is a valuable asset requiring investment to drive adaptation and enhance resilience.

Multilateral organisations and forums also have a key role to play in driving systemic and behavioural changes. The scale of the challenge is too big for any one participant to solve alone. Gatherings like COP30, G20 and SADC Sustainable Finance Forum (among others) must serve as catalysts for innovation, action and target-setting.

It is crucial for African countries to make our voices heard in these forums, given the scale of the challenges faced by our continent.

We have the opportunity to make a lasting difference. We cannot fail to meet this challenge, lest we put future generations at risk.

As Africa's largest bank by assets and a proud B20 Summit sponsor, we're reimagining what sustainable growth means for Africa. Through innovative solutions, which include our partnership with Liberty TwoDegrees, our iconic property portfolio and an environmental leader in net-zero transformation in real estate: we're driving the shift toward a greener and smarter future for all.

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3

SMEs

Why South Africa's B20 Presidency matters for SME sustainability

By Manessah Alagbaoso
Head of Business Ecosystems & Sustainability at Business & Commercial Banking, Standard Bank Group

The world is at a crossroads: the global economy needs to grow but it is also under pressure to decarbonise. For Africa, the stakes are even higher. Climate shocks, low adaptive capacity to climate change, rising energy costs and fragile supply chains are reshaping markets, while SMEs, which make up 90% of businesses and contribute up to 80% of jobs on the continent, risk being left behind.

As South Africa assumes the G20 Presidency and subsequently the presidency of B20 – the official business sector engagement group for the G20 that Standard Bank is a proud lead sponsor of, the country has a unique opportunity to shape the global sustainability agenda through Africa's lens. The timing could not be more fitting. Standard Bank recently launched its Sustainability Academy, a programme designed to help SMEs translate global climate goals into practical business action. The launch underscores a crucial point, that sustainabiity is a tangible reality for entrepreneurs who are trying to build resilient businesses in uncertain times.

SMEs are the lifeblood of African economies, but they are also highly exposed to the disruptions of climate change. The African Development Bank estimates that SMEs already face a USD330 billion annual financing gap, while many lack access to the capital needed to invest in greener technologies. Without intervention, these businesses risk exclusion from global supply chains that increasingly demand sustainability credentials.

Yet SMEs are also agile. Their ability to adopt innovations quickly makes them central to solutions such as renewable energy, carbon market and climate-smart agriculture. With the right support, they can simultaneously reduce emissions, cut costs and drive growth.

International commitments like the Paris Agreement and the UN Sustainable Development Goals often feel far removed from the day-to-day realities of small businesses managing cash flow, wages, and rising input costs.

Initiatives such as the Sustainability Academy demonstrate how to close that gap. By equipping SMEs with knowledge of sustainability, tools to measure their environmental footprint, improve resource efficiency, and unlock access to green finance, the academy shows that sustainability can be a driver of competitiveness rather than a compliance burden.

A small manufacturer that installs solar power cuts costs and also contributes to South Africa's Just Energy Transition. Farmers who adopt climate-smart agriculture increase yields while building resilience to droughts. Logistics SMEs embracing electric mobility help decarbonise regional trade routes. These are practical steps already available to African businesses.

Financing remains the biggest barrier. The University of Cambridge Institute for Sustainability Leadership (CISL) estimates that enabling SMEs globally to transition will require USD50 trillion in financing. Meanwhile, the OECD finds that SMEs struggle to access climate finance due to limited collateral, short credit histories and higher perceived risk. For African SMEs, the challenge is even greater.

This is where the G20 and B20 can be catalytic. By unlocking blended finance, climate-linked credit guarantees and concessional lending, this platform can ensure that sustainability is within reach for small businesses and large corporates.

South Africa's presidency offers a rare chance to position SMEs as central to the global sustainability transition. By showcasing models like the Sustainability Academy, South Africa can highlight Africa's innovation while pushing for global financing frameworks that reflect the realities of developing economies.

This presidency will influence international policy and set out a blueprint for how African SMEs, the real drivers of growth and jobs, can lead the transition to a greener, more resilient global economy.

EDITOR'S NOTE:

About the Standard Bank Sustainability Academy:

Standard Bank's **Sustainability Academy**, launched on 26 August 2025, is a free value-added learning platform for business and commercial clients across Africa. Developed in partnership with Microsoft, it provides training on sustainability and ESG principles, renewable energy, climate-smart agriculture, carbon markets, water and waste management, and e-mobility. The programme aims to help SMEs create awareness of their environmental and social impacts, enhance their knowledge of sustainable practices, and access tools that support their transition to low-carbon growth.

SOURCES

African Union – Second Africa Union Specialized Technical Committee On Trade, Industry & Minerals

Productive lending – filling the USD330 billion funding gap for African SMEs with compelling risk-adjusted returns

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Standard Bank Sustainability Academy

Africa's SMEs need more female fund managers to sustain the growth of the economy

By Lindeka Dzedze
Executive Head of Strategic Partnerships, Global Markets, Standard Bank Group

In Africa, SMEs play a significant part in shaping the backbone of the economy. It is estimated that, in South Africa, small and medium-sized enterprises make up 91% of formalised businesses, provide employment to about 60% of the labour force and total economic output accounts for roughly 34% of GDP.

These businesses are the core contributors to job creation, innovation, food security and poverty reduction across the continent. Their success or failure has a domino effect on the overall continent's GDP. According to the European Journal of Research and Reflection in Management Sciences, African SMEs 95% of all registered businesses in Africa are SMEs and they contribute about 50% to the total GDP of the sub-Saharan countries.

Unfortunately, reports have also revealed that the survival rate of these SMEs is at its lowest in Africa. This directly jeopardises the growth of the continent's economy. The question is, who are the core driver's entrepreneurship in the continent, and are they empowered to ensure the success of the sector?

The Global Entrepreneurship Monitor (GEM) 2016/17 Women's Report, reported that one in four (25.9%) women starts or manages a business. Women reinvest up to 90 percent of their income in education, health and nutrition, compared to 40 percent by their male counterparts. Despite this clear record of women's drive for entrepreneurship in Africa, female-only founding teams received 2.3% of global venture capital funding in 2024, which amounted to USD6.7 billion out of the total USD289 billion invested. A Mastercard Foundation report found that tackling systemic barriers to the participation of young women in Africa's workforce will drive an estimated USD287 billion to its economy by 2030, boosting GDP by 5%. The exclusion of women entrepreneurs, therefore, places the SME sector at a disadvantage; the effects thereof impact African economies and communities. This raises the questions of what is creating the gender gap in private equity in Africa, and how does it impact the success of the SME market in Africa?

Gender inclusivity in decision making.

According to a joint study by Oliver Wyman, RockCreek and International Finance Corporation titled *Moving toward gender balance in private equity and venture capital*, women manage less than 10% African Venture Capital and this contributes significantly to the imbalance in capital distribution. We need more gender diverse decision-makers to approve SME funding earmarked for women entrepreneurs. This is the Africa Women Impact Fund's (AWIF) core objective to position Female Asset Managers as key players in decision making in private investment.

The initiative is aimed at strengthening the economic empowerment and financial inclusion of women in Africa, by accelerating the growth and development of women fund managers on the continent.

Bridging the gender divide could potentially increase Africa's GDP by an estimated 10% by 2025, according to a recent McKenzie study. It starts with putting the funds in the correct hands if we are to truly increase the opportunity for African SMEs to succeed.

Fund investment beyond profit focus.

McKenzie also reported that SMEs supported by female investors have 15%–20% higher revenue growth than those funded by men. This is because female investors approach business investment looking beyond profits and focused into the impact and greater value of the investment.

There is evidence of increased positive impact when a female asset manager drives fund investment. Hedge funds managed by women have delivered returns twice as high as the average hedge fund, and female clients and female-founded companies have been shown to generate an average of 10% more revenue over a five-year period than male-founded companies.

Drive impact funding.

It has been observed that female asset managers are two times more likely to invest in women-led businesses which are usually excluded in traditional financing.

These findings highlight the pressing need for capital allocation that champions diversity, prioritises long-term development over short-term returns, and actively seeks to amplify the social and economic footprint of each investment. By channelling resources into female-led initiatives and supporting women asset managers, the continent stands to benefit from resilient SMEs that are better positioned for inclusive growth and transformative impact.

Female fund managers also have a greater focus on underserved business sectors like agriculture, retail, healthcare and fintech which are key economic drivers in Africa.

Skill sharing and mentorship.

One of the challenges that SMEs face is the lack of skills in business management. Truth is, understanding of the business opportunities does not suddenly present one with a skill to manage a business and the admin thereof.

Asset managers can support in this regard by guiding the entrepreneur and supporting them with additional support and training post the investment. This could be financial training, governance or business managements which empowers the entrepreneurs and sets up for success.

The role of an asset manager is essential for SMEs readiness for growth and building the business for future investment. It takes specific skills to position the business and operate in a way that is attractive to the investors. While the role is essential for businesses, having female asset managers is even more vital and impactful in driving the success of Africa's SMEs. This is due to their inclusive investment strategies, focus on impact investment and sustainable growth.

So, if you are an investor or investment influencer and are wondering where you would invest, explore partnering with a female fund manager as they can drive the success of the African economy by empowering and supporting SMEs in sectors that can contribute to the continent's sustainability.

Africa's full potential cannot be realised while women remain on the margins of economic participation. To truly unlock the continent's development, we must forge meaningful partnerships and actively invest in and scale solutions which advance women led businesses.

South Africa's G20 Presidency provides a strategic opportunity to spotlight women as the driving force of Africa's economic growth. In this spirit, and in alignment with the theme of South Africa's G20 Presidency – Solidarity, Equality and Sustainability – Standard Bank, in collaboration with the Department of Women, Youth and Persons with Disabilities, is preparing to host a landmark event: one that unites the African continent under a single banner of progress towards women's economic empowerment and inclusion.

Empowering SA's SMEs to navigate global tariffs while seizing growth opportunities

G20 OPPORTUNITY FOR SOUTH AFRICAN SMALL BUSINESSES

By Simone Cooper
Head of Business & Commercial Banking South Africa, Standard Bank Group

In business, risk and reward often go hand in hand. Most risks, whether operational, financial or strategic, can be planned for, strategically managed and even controlled. However, some appear without warning, shaped by global politics, trade decisions or shifts in sentiment, leaving businesses with little time to prepare. The recent introduction of US tariffs on South African exports is one such example, and a reminder of how quickly the global trade landscape can change, especially as South Africa leads the G20 and B20 this year to shape the global policy agenda.

Earlier this month (April 2025), US President, Donald Trump announced a sweeping set of tariffs on virtually all goods imported into the US. The move affects trade with countries across Asia, Europe, Latin America and Africa.

For South Africa in particular, the tariffs mark a significant shift in US trade policy, given the 30% levy on a wide range of South African goods and a 25% tariff on vehicle and auto component imports. These exports, supported under the African Growth and Opportunity Act (AGOA) contributed over USD2 billion in exports to the US in 2024.

Shortly thereafter, the US introduced a 90-day pause, temporarily lowering these tariffs to 10% for most countries, including South Africa. While this gives businesses a breather, it is still a small window to review plans, engage trade partners, and explore alternative options.

Locally, the vehicle industry is one of the most vulnerable to tariffs, with 64% of AGOA-supported exports going to the US in 2024. The metals and machinery sectors are also at risk, especially as recent Stats SA data shows little to no growth in export volumes. Adding to this concern is the growing uncertainty about whether South Africa will continue to benefit from AGOA beyond its expiry, late 2025. Discussions in the US about changing the eligibility rules make it even more important for local businesses to broaden their options and not rely too heavily on one trade agreement.

Agriculture is another area to watch.

In 2024, South Africa exported about USD538 million worth of farm goods to the US, with 72% of that falling under AGOA preferences. Citrus, macadamia nuts, grapes, raisins and wine make up most of the list. These exports have grown quickly over the last decade, with AGOA-supported goods growing at an average rate of 9.3% per year, compared to 3.5% for other global markets. But the citrus industry, which is now in its peak season, is especially vulnerable to price changes and shipping delays. Exporters will need to respond quickly and strengthen trade ties across Africa, the Middle East and Asia.

Our Group Chief Economist, Goolam Ballim, points out that these US tariff measures are part of a growing global trend of countries turning inward, which can undermine long-standing supply chains and strain global business ties. Businesses are encouraged to build flexibility into their operations and avoid putting all their focus on one market or trading partner.

Small and medium-sized businesses, especially those in food processing, logistics and manufacturing, will need more support to keep up with changing trade rules, particularly when previous trade deals are delayed or changed without warning.

All of this is happening while South Africa holds the G20 Presidency this year, giving the country a unique platform to push for fairer trade relations for developing markets. This G20 Presidency and its B20 forum present an opportunity to showcase African innovation, build stronger international ties, and advance the role of small businesses in growing the African economy.

Despite the global challenges, South Africa's small businesses can still unlock growth by reducing risks, exploring opportunities in new regions, and adjusting how they operate.

First,
expanding into more markets is essential. The AfCFTA, which brings together over 50 African countries, gives local businesses a strong alternative to global markets that may be harder to access or more uncertain.

Second,
building strong relationships with global partners remains key. For example, Standard Bank's collaboration with international players like the Industrial and Commercial Bank of China (ICBC) help open up new trade routes, better financing options and easier access to customers.

Third,
international banking services offered through Mauritius, Jersey and the Isle of Man for instance (some of the jurisdictions where Standard Bank exists), can offer a level of control over foreign currency, more secure transactions, and help businesses manage cash flow in unpredictable markets.

Lastly,
businesses will need to focus on quality and innovation. Low-cost exports alone will no longer be enough to stay competitive in markets where tariff protections are rising.

Even as there is a lot of uncertainty at the moment, the local economy remains relatively stable.

For example, South Africa's inflation eased to 2.7% year-on-year in March 2025 from 3.2% in February, offering businesses a more predictable environment for planning.

It's evident that the businesses that will fare better are those that move early, make confident decisions, and choose partners who understand what it takes to operate in fast-changing environments. Having the right banking partner, one that understands sector-specific dynamics, trade, forex markets and the specific challenges shaping domestic conditions, can make all the difference in turning possibilities into opportunities for the vibrant businesses that power Africa's economy.

Closing the gender finance gap to accelerate Africa's growth

By Naledzani Mosomane
Head of Enterprise & Supplier Development,
Business & Commercial Banking South Africa, Standard Bank Group

South Africa's Presidency of the G20 in 2025 and the work of the B20 business engagement group, could not be more timely. Both platforms have placed entrepreneurship and financial inclusion firmly on the agenda, creating a rare opportunity to address systemic barriers facing small businesses. The conclusion of the two-day Standard Bank Top Women Conference 2025 recently was a reminder that visibility matters, but that visibility must now translate into structural change, particularly for women entrepreneurs.

Entrepreneurship is never easy. Accessing finance, building markets, and navigating regulation are hurdles faced by all small and medium-sized businesses. Yet these challenges are often more pronounced for women. From a financial inclusion perspective, women are less active in formalised business activity and face persistent gaps in access to capital compared to men, with the global credit gap for women-owned SMEs estimated at between USD1.4 to USD1.7 trillion, according to the International Finance Corporation. The needs are highest in sub-Saharan Africa and East Asia.

Social realities also compound the issue: gender inequality in household and care responsibilities means women entrepreneurs often have to work harder than men to achieve outcomes that come more readily to their male counterparts. The result is that structural barriers weigh more heavily on women, even though they are addressing the same set of entrepreneurial challenges.

High collateral requirements, limited credit histories and persistent informality mean many women are unable to access affordable finance or integrate into supply chains. This is a social equity issue and an economic constraint that holds back growth, job creation, and competitiveness.

The B20's Finance & Infrastructure Task Force recently presented comprehensive recommendations to improve access to capital. While these recommendations address systemic challenges broadly, they hold particular promise for advancing women-led enterprises, which often face disproportionate barriers to funding.

The recommendations focus on de-risking investment environments through increased use of blended finance and innovative public-private philanthropic partnerships. They also emphasise the critical need for early-stage project preparation facilities that can transform promising ventures into investment-ready propositions. Additionally, the framework advocates for expanded public-private partnerships to broaden financing options and facilitate market entry opportunities. Robust performance indicators will ensure that inclusion commitments translate into measurable outcomes rather than remaining aspirational goals.

These recommendations echo what we see through Standard Bank's Enterprise and Supplier Development (ESD) programme. Over the past year, ESD has supported thousands of jobs, channelled funding to black-owned SMEs, and delivered targeted interventions for women entrepreneurs. Initiatives such as the Basali Development Programme have equipped women business owners with skills development and grant funding. Outcomes, detailed in our 2024 Report to Society, show that when women entrepreneurs access finance, skills and markets, they reinvest in families, communities and future growth.

There is ample research indicating that women entrepreneurs are less likely to default on loans than men, and that their reinvestment patterns amplify the developmental return on capital. Closing the gender finance gap would therefore unlock new growth markets, diversify supply chains, and accelerate Africa's integration into global trade.

The risk is inertia. Conferences and communiqués create visibility, but without measurable implementation, structural barriers will persist. This is why the B20's focus on KPIs is critical. Policymakers, financiers and corporates must now move beyond intent to action.

South Africa's G20 Presidency provides a rare chance to embed women's financial inclusion into global economic policy.

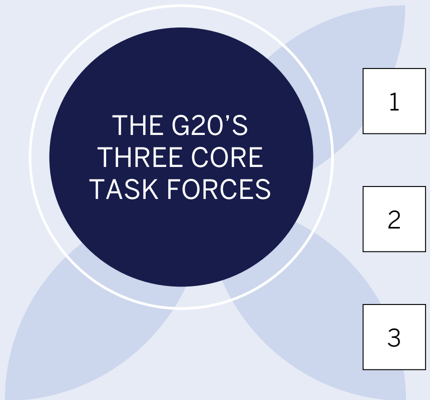
Beyond the rhetorical, this task is practical as it adjust risk models, reform procurement, scale blended finance and measure outcomes. Not if, but when we succeed, the continent will empower its women entrepreneurs and strengthen its competitiveness in global markets.

Africa's agricultural opportunity in G20 can never be understated

By Brendan Jones
Head of Agriculture for Business and Commercial Banking, Standard Bank South Africa

Amid heightened uncertainty in global trade and geopolitical relations, South Africa's presidency of the Group of Twenty (G20), which began in December 2024 and runs until November 2025, presents a pivotal opportunity. This moment enables African countries to bring agriculture, and its broader economic role, into global conversations that shape development policy, climate adaptation and trade integration.

Africa's presidency of the G20 arrives at a time when the continent faces the dual pressure of ensuring food security for a rapidly growing population while remaining globally competitive



1. Inclusive socioeconomic development
2. Food security
3. AI, data governance and innovation for sustainable development

align closely with the priorities facing Africa's agricultural sector today.

Africa holds approximately 64% of the world's remaining arable land and a growing, youthful workforce. These are core assets. Yet, the region remains food insecure. According to the FAO (2024), the prevalence of undernourishment in Africa has risen from 16% in 2015 to 20.4% in 2023. This trend contrasts with declines in Latin America and stagnation in Asia. Contributing factors include extreme weather, lingering post-Covid disruptions, conflicts and sharp increases in the relative price of food.

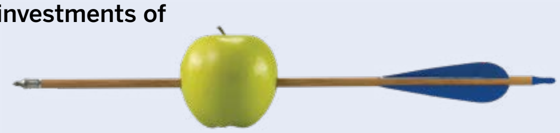
While ongoing efforts to enhance food security are underway, they often fail to address local needs and priorities. The G20 Presidency provides a platform to reframe Africa's agricultural development strategy to focus on productivity, sustainability and inclusivity. It also offers a space for multilateral partnerships to rethink how finance, innovation, and policy intersect to support agricultural transformation.

Africa's participation in the Fourth Industrial Revolution (4IR) is particularly promising. Unlike past industrial eras, Africa has the opportunity to leapfrog into modern agricultural systems through technologies such as artificial intelligence, precision farming, and digital marketplaces. The AfCFTA provides a valuable framework to integrate these technologies and promote intra-African trade in agricultural goods.

However, adoption is not without its hurdles. Digital infrastructure, skill gaps and financing mechanisms must be addressed. Ensuring that rural smallholder farmers benefit from digital agriculture requires coordinated support from governments, financiers and the private sector.

Public–private partnerships play an instrumental role in driving scalable, sustainable progress. From aggregators to banks and rural service providers, multi-stakeholder collaboration enables the mobilisation of expertise and resources where they are needed most. Financial institutions, for example, can work with value chain players to improve market access, extend financing, and incentivise technology adoption at farm level.

To further support this agenda, the FAO (2024) notes that targeted investments of



USD52 billion annually from 2015 to 2030 could reduce undernourishment rates to 10% in Eastern and Central Africa, and to 5% in other regions.

These projections are possible when public and private resources are effectively aligned to close yield gaps and climate-proof the sector.

There is also a need to reallocate existing public spending across extension services, seed and fertiliser support, mechanisation, irrigation, and rural infrastructure, not just increase spending. When done strategically, this approach maximises GDP from agri-food systems, reduces rural poverty, and supports healthier diets without placing further strain on national budgets.

Africa's agricultural story must be told, not as one of challenge but as of one of potential.

The G20 Presidency is an opportunity to position African agriculture as an investable, transformational engine of economic growth. With the right partnerships in place, from government policy coordination to innovative financing and cross-border trade facilitation, the sector can deliver both resilience and inclusive prosperity.

The B20 moment Africa's SMEs cannot afford to miss

By Bill Blackie
Chief Executive Officer, Business and Commercial Bank, Standard Bank Group

In September, Johannesburg hosted the Global SME Finance Forum 2025, a sideline event of South Africa's B20 Presidency. The conversations on these platforms have been centred on how the cost of capital for African SMEs remains too high. Unless financing becomes more affordable, accessible and better matched to entrepreneurs' realities, the continent's growth story will not achieve its full potential.

A major factor in the high cost of capital is how global risk models overestimate risk in Africa due to limited data availability compared to developed economies. Increasing proximity by having rating agencies and investors engage more directly with African businesses can lead to fairer risk assessments. This improved understanding can reduce risk premiums and thus lower capital costs.

Africa's SMEs face additional challenges that result in a higher cost of capital, which inhibit the continent's economic growth potential. This issue extends beyond high interest rates to include hidden frictions such as compliance delays, currency volatility and fragmented trade systems that increase the effective cost of doing business. Addressing these invisible costs alongside lending rates is crucial in enabling African entrepreneurs to compete globally on fairer terms.

Operating across 54 countries with diverse currencies, legal systems and regulations adds complexity and risk for SMEs. Regional harmonisation efforts, such as regulatory alignment and tariff reductions in East Africa along with technological innovation and access have facilitated easier cross-border trade. Expanding such integration and technology driven access continent-wide would enhance SME competitiveness and efficiency. Standard Bank provides support through its Africa-China Import Proposition and by offering finance and trade solutions to help businesses overcome trade barriers and realise the continent's ambitions. This includes trade corridor solutions, support for intra-African trade, and facilitating access to global markets to drive economic growth and job creation.

Access to broader supply chains and export markets is vital for SME growth. Export readiness programs and trade corridors help entrepreneurs scale by connecting them to the broader global and regional markets, particularly in Asia and Africa. Standard Bank's strategic partnership with the Industrial and Commercial Bank of China puts us in a unique position to deal in Chinese Renminbi, enabling businesses to make and receive RMB payments for trade settlements.

Family-owned and medium-sized businesses are the backbone of growth in developed economies. They, however, remain underserved in Africa. Family businesses face liquidity and risk management challenges. Providing tools to hedge against currency devaluation and volatility along with the right support and advice to help them on their journey to achieve the proper corporate structures is critical to protect these enterprises from external shocks.

Another key challenge faced by SME's remains a one-size-fits-all approach in accessing capital.

Finance must be tailored to the SME lifecycle with the appropriate capital facilities being available dependent on the stage of evolution of each entity. Too often SME's struggle to scale up due to a mismatch between the requirements of the founders/business owners and the capital providers. Start-ups require flexible working capital; scaling firms need longer-term funding for expansion while export-ready businesses benefit from risk mitigation tools like guarantees and foreign exchange solutions. Without such tailored finance, SMEs remain vulnerable to shocks and struggle to build sustainable businesses.

Solutions, such as BizFlex, a first-of-its-kind loan that is designed to adapt to the business' financial circumstances and match loan repayments with revenue generation through its unique 'pay as you earn' repayment structure, enable businesses to access funding appropriate to their cashflow and needs.

Supporting SMEs must go beyond financial products to include capacity development. Many exceptional business owners and entrepreneurs are required to have a broad set of expertise that do not relate to the core requirements of their businesses to scale and grow their business. This leads to them being stretched too thin and losing focus on the one thing that had made them successful, a razor-sharp focus on scaling their business. The appropriate capacity and support to deal with these additional requirements in an efficient manner may well be a significant turning point in the growth of several SMEs. Standard Bank views specialised, product and industry specific value-added solutions and advice that allows business owners to focus on the core of their business as a critical enabler to growing and scaling SME's.

Women-owned SMEs, despite strong performance, remain underfunded. True inclusion requires mentoring, procurement integration and policies to dismantle entry barriers. When women entrepreneurs succeed, positive impacts multiply across families and communities.

Sustainability is now essential, with over R450 billion targeted for sustainable finance mobilisation between 2022 and 2028. The recently launched Sustainability Academy equips SMEs with skills to measure environmental footprints, improve resource efficiency, and access green finance. Early integration of sustainability practices positions SMEs for future market access and growth.

Africa's domestic capital pools, especially in South Africa, represent an underutilised resource. Banks, insurers and pension funds could play a larger role in funding infrastructure and enterprise growth, thereby reducing overall capital costs. Mobilising these resources alongside fairer risk ratings and regional integration can create favourable conditions for SME development.

African entrepreneurs are ambitious and innovative but require affordable, appropriately structured capital, predictable regulatory environments, and ecosystems that reduce friction. The G20-B20 presidency offers a platform to translate global commitments into impactful reforms. Lowering both visible and hidden costs, aligning finance with business lifecycles, and investing in capabilities, inclusion, and sustainability will transform SME statistics into tangible growth and foster a more inclusive, resilient Africa.

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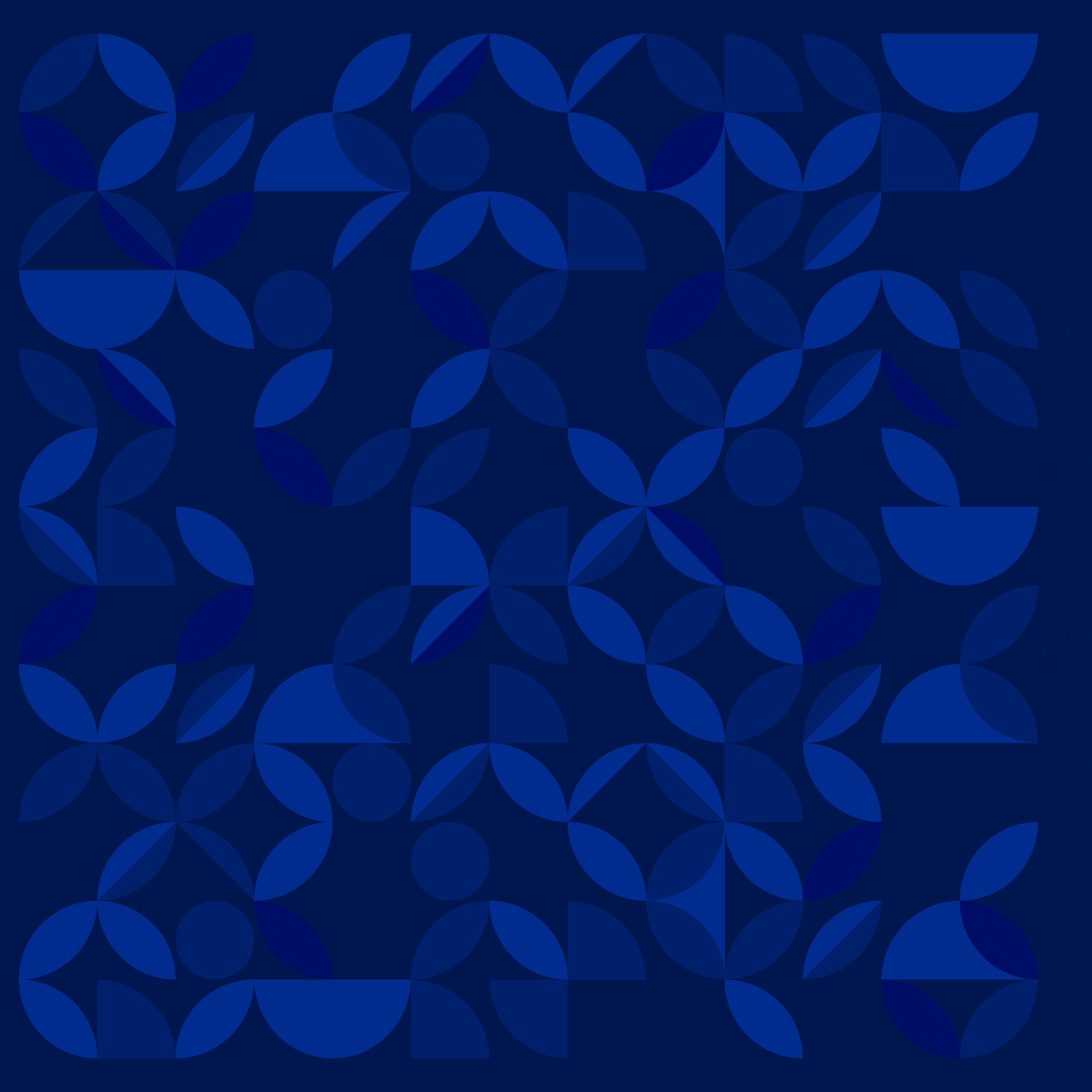

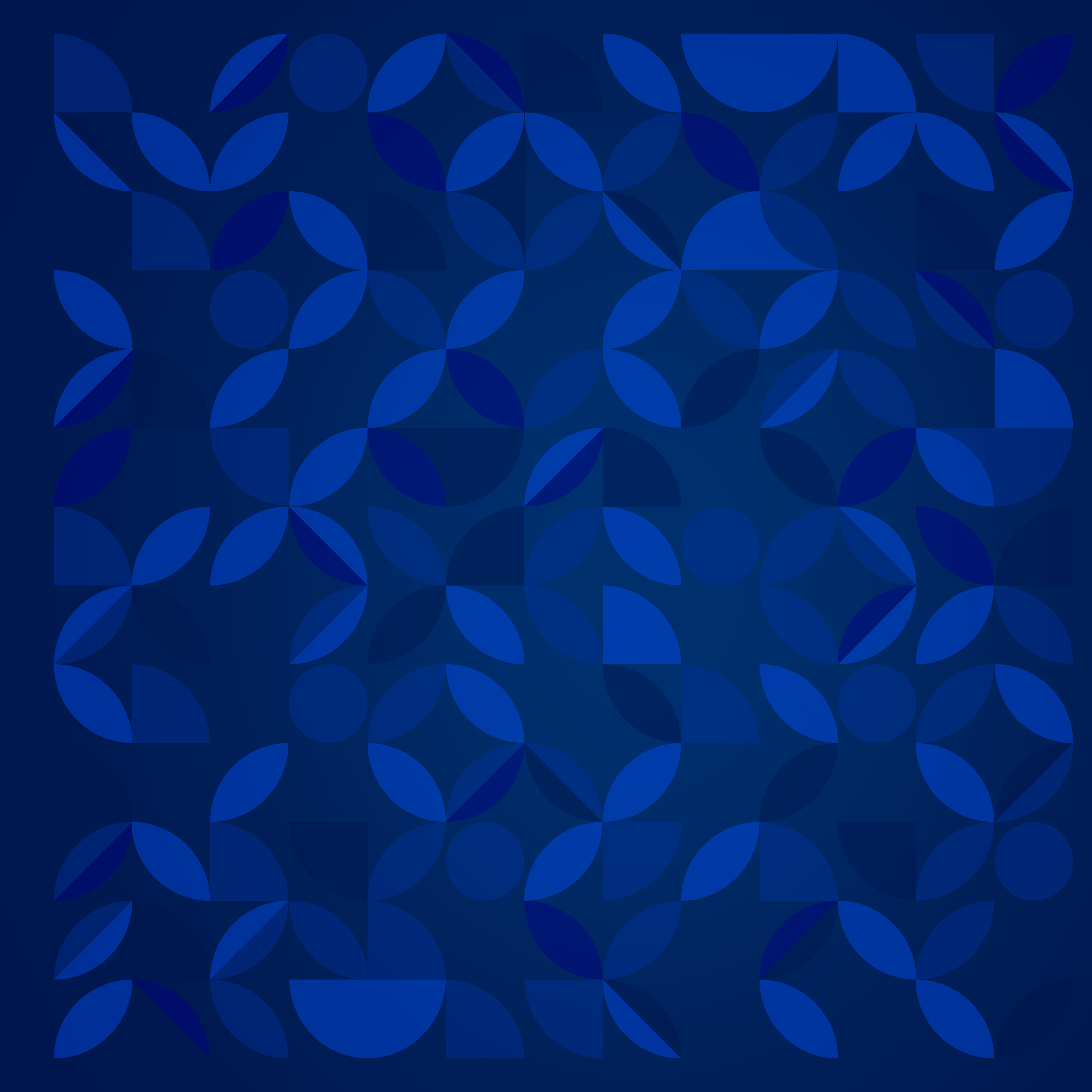

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