



The role of ECA in supporting Africa's Middle-Income Countries to Implement the FfD4 outcomes

Side event at the Fourth International Conference on Financing for Development

Date & time: Wednesday 2 July 2025, 12:30 -14:00 CET

Location: FIBES Sevilla Exhibition and Conference Centre, Sevilla, Spain

A. Background

Africa's middle-income countries (MICs) are a diverse group, with common goals in striving to reach sustainable development goals, improving well-being of their populations. In 2024, 31 out of 54 African countries were MICs. They have made significant strides in their development and contributions to the continent's economic and social progress. Nevertheless, today most African MICs struggle to reach the SDG targets, including SDG 1, eradicating poverty. In 2024 about 40% (almost 200 million people) of Africa's poor resided in MICs. When the fact that that extreme poverty in richer countries occurs at higher levels of income than in poor countries is considered, then about half of African MIC population lived in poverty in 2024. Within countries inequality constitutes another major challenge. Income inequality is particularly high in middle income countries in Southern Africa.

The middle-income trap is a key development challenge, including in Africa. Since the global financial crisis, only one African country (Seychelles) reached high-income status, but two (Equatorial Guinea, Mauritius) slipped back. The FfD4 Conference provides a timely opportunity to put the challenge on the agenda and bring African perspective to potential solutions.

With the livability of the planet threatened, fast, comprehensive, and far-reaching mitigation and adaptation measures are called for. To adopt them, African MICs will need to develop human capital and diffuse new technologies to support new sectors that can drive climate-resilient growth. At the same time, just and equitable green transition is critical. To achieve this, MICs must have access to concessional financing at scale alongside private funding.

The fairness and scale of flows of concessional finance to MICs have been a subject of major international policy debates. Large public debt burdens and debt repayment costs have eroded MICs' policy space. Yet the existing debt restructuring frameworks often exclude MICs. Africa MICs' access to climate-proofing and other critical investments is also constrained by the lack of concessional financing - due to their middle-income status.

This panel discussion at the FfD4 is an important opportunity to support the Africa's MICs in adjusting to new global reality. If African MICs prosper and overcome challenges linked to their middle-income status they will play critical role in contributing to multilateral cooperation and creating peaceful, prosperous, and integrated world.



B. Objectives

The purpose of this high-level side event is to discuss the main issues and challenges that African MICs face in their quest for affordable financing at scale, —particularly their limited eligibility for concessional finance, exclusion from international debt relief frameworks, and the impact of growing debt burdens on fiscal space and SDG progress. It will also explore policies, partnerships, and instruments that can help African MICs escape the middle-income trap, reduce inequality, and lead inclusive green transitions in light of the African MIC-specific expected outcomes of FfD4, and how the ECA could support the follow-up to these outcomes.

A summary of the side event will be made available after FfD4 for further discussion with Africa’s MICs, other UN partners and relevant stakeholders to coordinate actions towards the monitoring, follow up and implementation of the outcomes of FfD4.

C. Expected Outcomes

The expected outcomes of this discussion include:

- **Clearer understanding of Africa MICs’ financing needs**, including constrained access to concessional finance, limited inclusion in debt relief frameworks and climate vulnerability and how these affect their ability to achieve SDG and green transition objectives.
- **Actionable proposals, which are aligned** with FfD4 outcomes focusing on financing instruments, policy tools, and partnerships to support African MICs in overcoming the middle-income trap and implementing inclusive, climate-resilient development strategies.
- **Defined Role for ECA’s support to Africa’s MICs post-FfD4**, including technical assistance, regional dialogue facilitation, advocacy for equitable financing, and coordination of monitoring and implementation efforts with UN, regional and international partners.



Agenda

<i>The role of ECA in supporting Africa's Middle-Income Countries to Implement the FfD4 outcomes</i>	
12:30 -12:40 [10 mins]	<p>Opening Remarks</p> <p><i>Welcome Remarks</i></p> <ul style="list-style-type: none">• Mr. Claver Gatete, Executive Secretary, <i>United Nations Economic Commission for Africa</i>• H.E. Ms. Nadia Fettah, Minister of Economy and Finance, Kingdom of Morocco <p>Moderator</p> <ul style="list-style-type: none">▪ Dr. Hanan Morsy, Deputy Executive Secretary, <i>United Nations Economic Commission for Africa</i>
12:40-12:50 [10 mins]	<p>Context setting</p> <p>A brief presentation of the key findings of the report on “Overcoming Middle Income Trap and Achieving Sustainable Development in Africa”</p> <ul style="list-style-type: none">• Dr. Zuzana Schwidrowski, Director Macroeconomics, Finance and Governance Division, <i>United Nations Economic Commission for Africa</i>
12:50 - 13:50 [60 mins]	<p>Ministerial panel discussion</p> <p>Views from five Ministers, each from one of the Africa's sub-regions, on the main challenges and priorities for reforms of the GFA, and expected outcomes of FfD4 with Middle Income Countries, as well as UN ECA's role in supporting the implementation of such outcomes.</p> <ul style="list-style-type: none">• Minister of Finance of Zimbabwe – H.E. Mr. Mthuli Ncube• Minister of Finance, Kingdom of Morocco – H.E. Ms. Nadia Fettah• Minister of Finance and/or Economic Planning, West Africa• Minister of Finance and/or Economic Planning, Southern Africa <p>Open discussion</p>
13:50 - 14:00 [10 mins]	<p>Closing Remarks</p> <p>The way forward for the ECA in supporting Africa's implementation of the outcomes of FfD4 focused on MICs</p> <ul style="list-style-type: none">• UNECA Directors (MFGD, Climate, Technology, SROs)• Dr. Hanan Morsy, DES, <i>United Nations Economic Commission for Africa</i>