



DRAFT JUNE 2, 2025

Side event during the 4th International Conference on Financing for Development

Private investment mobilization for Africa:

The need for an action plan to achieve objectives and standards of the FfD4 Outcome Document

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

Date: Wednesday July 2, 2025

Time: 16.30 – 18.00 (90 minutes)

A. Background and Rationale

Access to financing has been identified as a major constraint to development in Africa, including critical infrastructures. To ease this constraint, ECA, AUC and AUDA-NEPAD are supporting African countries with strategies to strengthen domestic resource mobilization, particularly through innovative finance and the development of financial markets. Equally important is an improved access to international capital markets notably through capacity building for improved sovereign credit ratings.

The mobilization of private investment through blended finance also responds to this imperative. The FfD4 Outcome Document (first draft) emphasizes the urgent need to mobilize private investment at scale, particularly through blended finance. It calls for alignment of international support with national priorities (Clause 10) and promotes standardization of financing models. This side event aims to advance a proposed action plan, co-led by African and OECD DAC countries, to realize these objectives in 2025–2026.

A central component of this plan is **PIDA** (Program for Infrastructure Development in Africa), Africa's flagship cross-border infrastructure initiative developed by AUC, AUDA-NEPAD, AfDB, and UNECA. PIDA presents over 70 high-impact projects in energy, transport, ICT, and water as a credible platform to attract private capital. UNECA is actively aligning PIDA corridors with investment-ready portfolios and blended finance instruments, helping de-risk projects and improve their attractiveness to investors.

Short- and medium-term mobilization is essential as Africa continues to face disproportionately high investment risk reflected in average sovereign ratings of “CCC+” versus “B+” in other developing regions. This perception deters private investors despite the continent's development potential.

To bridge this gap, strategic use of catalytic and concessional finance from development banks, philanthropies, and public sources is needed. This capital can absorb higher risk and enable projects that would otherwise not meet private investors' regulatory mandates.

The UN Economic Commission for Africa (ECA), established in 1958 as one of the UN's five regional commissions, promotes the economic and social development of its 54 member States, fosters intra-regional integration, and advances international cooperation for Africa's development. ECA's strength lies in its unique mandate to operate at both regional and subregional levels, bringing resources to bear on Africa's priorities. Within ECA, the **Finance and Domestic Resource Mobilization Section (FDRMS)** plays a pivotal role in supporting innovative financing strategies, strengthening capital markets, and promoting blended finance to help African countries achieve the goals of Agenda 2063 and the 2030 Agenda for Sustainable Development.

The **African Union Commission (AUC)** serves as the executive branch of the African Union (AU), responsible for implementing the AU's decisions, managing its day-to-day operations, and driving the continent's agenda for integration and development. Headquartered in Addis Ababa, Ethiopia, the Commission oversees various portfolios, including peace and security, political affairs, **infrastructure, and economic development**. Acting as the administrative and strategic arm of the Union, the AUC coordinates initiatives across member states, facilitates diplomacy, and advocates for Africa's collective interests on the global stage.

The **OECD Development Co-operation Directorate** is a key branch of the OECD that supports global efforts to advance sustainable development and reduce poverty, particularly in developing countries. It provides analysis, policy



guidance, and data to help donor countries and institutions enhance the effectiveness and impact of their development assistance. The DCD works closely with the Development Assistance Committee (DAC), facilitating dialogue and collaboration among member states, partner countries, and international organizations. Through its research and peer reviews, the Directorate promotes transparency, accountability, and innovation in development co-operation to ensure resources are used efficiently and align with global development goals, such as the Sustainable Development Goals (SDGs).

Convergence Blended Finance was established in Addis Ababa in 2015 at FfD3 as a not-for-profit center of expertise for good practice blended finance that mobilizes private investment to SDG and climate investment in Developing Countries. Convergence is a global network and platform dedicated to increasing private sector investment in emerging and developing markets through blended finance solutions. The organization provides market intelligence, data, and case studies, as well as funding and matchmaking services to connect investors with high-impact opportunities. Convergence plays a pivotal role in scaling blended finance by supporting innovation, knowledge sharing, and collaboration among development finance institutions, donors, investors, and implementers to unlock capital for achieving the Sustainable Development Goals (SDGs). With financing from the Gates Foundation and the Governments of Finland, France, Luxembourg and Switzerland, Convergence is advancing the *Scale Private Investment Mobilization Project* to identify how to mobilize private investment at scale (e.g., \$500+ billion annually) by identifying a set of standardized and replicable private investment mobilization models for how public sector funds can be used most effectively and efficiently to create investments that have acceptable risk and risk-return that meet private investors' fiduciary and regulatory investment obligations to allow them to invest in markets with higher risk.

UNECA, AUC, OECD DCD and Convergence and other partners are considering the establishment of an alliance / coalition of OECD DAC Member countries, Developing Countries and other partners, to advance an action plan to achieve the private investment mobilization objectives of the FFD4 Outcome Document, including fit-for-purpose solutions for Africa. If agreed, this effort would likely be presented as an initiative under the **Sevilla Platform of Action** – to be determined by June 5.

B. Objectives

This side event will explore how Africa can scale private investment mobilization through blended finance. It will:

1. Identify fit-for-purpose solutions aligned with the FfD4 Outcome Document and Agenda 2063.
2. Showcase successful models and instruments, including PIDA-linked opportunities.
3. Initiate dialogue on an action plan under the Sevilla Platform for Action to be launched in 2025.

Expected Outcomes:

- Identify a framework to develop an action plan to mobilize private investment at scale to achieve mobilization objectives and standards of the ffd4 Outcome Document
- Discuss a timeline to develop the action plan in 2025-26, achieve endorsement from a coalition of countries and organizations in 2026 and being implementing in 2026
- Raise awareness of the critical need to deploy some public sector resources to reduce investment risk in Developing Countries to create investments that meet the fiduciary and regulatory mandates of investors – mobilizing them to invest in Developing Countries
- Raise political commitment to scale private investment for the SDGs in Developing Countries Africa.
- Illustrate potential content of an action plan including simplified mobilization models for mobilizing private investment with real-world examples
- Build support for an Initiative under the Sevilla Platform for Action.

Target Audience

The event targets (i) primarily Developed, African and Developing Countries government officials from ministries of international development, finance, planning, private sector development and investment and (ii) secondarily (a) central banks and financial sector regulators, (b) development finance institutions and multilateral development banks, (c) donor

governments and bilateral agencies involved in blended and concessional finance, (d) institutional investors and private asset managers, (e) representatives from regional economic communities, (f) UN agencies and international organizations engaged in financing for development as well as (g) think tanks, research institutions, philanthropic foundations, and civil society actors focused on sustainable development and financial accountability.

DRAFT PROGRAMME FOR SIDE EVENT

Draft Agenda and Speakers (All TBC)

13:00 – 13:15	Opening Remarks on importance to develop an action plan to mobilize private investment to achieve ffd4 Outcome Document objective and standards - quantity and quality <ul style="list-style-type: none"> • UN ECA Executive Secretary Claver Gatete • OECD DAC Chair Carsten Staur
13:15 – 13:25	Keynote address <ul style="list-style-type: none"> • AUC Commissioner for Economic Affairs- H.E. Dr. Anthony Mothae
13:25 – 13:40	Presentation of possible framework to develop action plan <ul style="list-style-type: none"> • Chief Executive Officer Joan Larrea or Managing Director Chris Clubb, Convergence
13:40 – 14:10	High-level panel discussion <ul style="list-style-type: none"> • Two Prime Minister or Ministers of Developing Countries – Africa and non-Africa • Minister of Finance for Zambia- Dr. Situmbeko Musokotwane • Minister(s) from Government of Sweden and/or Finland • Mark Suzman, CEO of Gates Foundation • Private sector representative (African member of GISD Alliance, such as Standard Chartered Bank African subsidiary) <p>Moderator: <i>ECOSOC President, Ambassador Bob Rae</i></p>
14:10 – 14:25	Open dialogue with audience
14:25 – 14:30	Way forward & closing remarks UN ECA Executive Secretary, OECD DAC Chair and Convergence CEO

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