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FfD4 special edition: The key takeaways from four days in Sevilla

From June 30 to July 3, government heads, business leaders, and U.N. reps pushed new initiatives on debt, aid, and development finance — setting the norms, or at least, the hopes, for the next 10 years.

*By **Elissa Miolene** // 07 July 2025*

A scene during the Fourth International Conference on Financing for Development in Seville, Spain. Photo by: U.N.

The Fourth International Conference on Financing for Development, or FfD4, began amid one of the darkest moments for global development in decades.

Official development assistance is **expected to drop 17% in 2025 alone**. Countries are in an unprecedented debt crisis, with 3.4 billion people now living in countries that spend more on servicing their debt than they do on health or education. And halfway through the week, the agency that was once the world’s largest donor — the U.S. Agency for International Development — officially became a thing of the past.

But after four days of negotiations, conversations, and handshakes, the conference’s 15,000 attendees seemed to leave Sevilla, Spain, with a bit more hope than when they had arrived — and a sense that even in an almost unimaginable world, the sector hadn’t given up just yet.

“Am I hopeful about the results and what the outcome document will bring? Yes. I have to be hopeful,” said Maria Elena Agüero, the secretary-general of Club de Madrid, the largest forum of former democratic presidents and prime ministers. “We have to think in terms of what each of us individually and collectively can do to move this agenda forward.”

Multilateralism lives

The United States once contributed nearly 30% of the world’s official development assistance with just 0.2% of its gross national income. But this year, the country pulled sharply away from foreign assistance — not just dissolving USAID, but withdrawing from FfD4 entirely.

It was a blow for the Compromiso de Sevilla, or the Sevilla Commitment, the outcome document that negotiators had worked for months to come to an agreement on. Despite that, the United Nations said that some 50 government heads still showed up in Sevilla, braving more than 110 degrees Fahrenheit (43 degrees Celsius) heat to hammer out the way forward.

"We hope that they will find it [within themselves] to come back through the door," said Amina Mohammed, the deputy secretary-general of the U.N., speaking about the U.S. in a press briefing on Thursday. "But for the time being, we've got billions of people, and we have a number of countries, who are moving forward on this. That's what Sevilla has shown us: The show goes on."

It was a sentiment we heard over and over again at FfD4: The U.S. had drawn away, yes — but maybe, the rest of the world will draw closer as a result.

"There are empires that are dying in front of our eyes, like the U.S. — and there are others that are emerging," Martha Bekele, the founder of Addis Ababa-based DevTransform, told me on Thursday.

Bekele highlighted the role of China, which has increasingly stepped into countries that the U.S. has retreated from. But throughout the conference, other nations came to the fore too — many teaming up to explore driving the Sevilla Commitment toward action. Spain, for example, has become one of the few nations that are not just holding firm on aid spending, but increasing their share. New coalitions were formed: **Spain and Brazil, for example, announced a joint initiative** to promote the global taxation of the superrich, while eight nations — France, Kenya, Barbados, Spain, Somalia, Benin, Sierra Leone, and Antigua and Barbuda — launched a program to explore levies on premium aviation (think: private jets and business-class).

African nations are also growing louder, **leading the charge to create a U.N. tax convention** to make deliberations on the topic more inclusive, transparent, and cooperative; and celebrating the creation of a new borrower's club, one that will be hosted at the U.N. and help indebted nations confront the ever-mounting debt crisis.

And of course, there was the private sector, with dozens of business leaders, investors, and banking executives pouring onto Sevilla's cobblestone streets to talk about financing development and climate — even though over the past few months, headwinds from the U.S. have encouraged businesses to step away.

"That fact that we meet here, and have an outcome document that has been agreed by the international community — albeit with the absence of the U.S. this time — is an accomplishment," said Haje Schütte, the deputy director of the OECD Development Co-operation Directorate. "And it's obviously **a sign that multilateralism is still working**."

Background reading:

• Compromiso adopted, but what next?

• A borrowers' club takes shape and pause clauses gain traction

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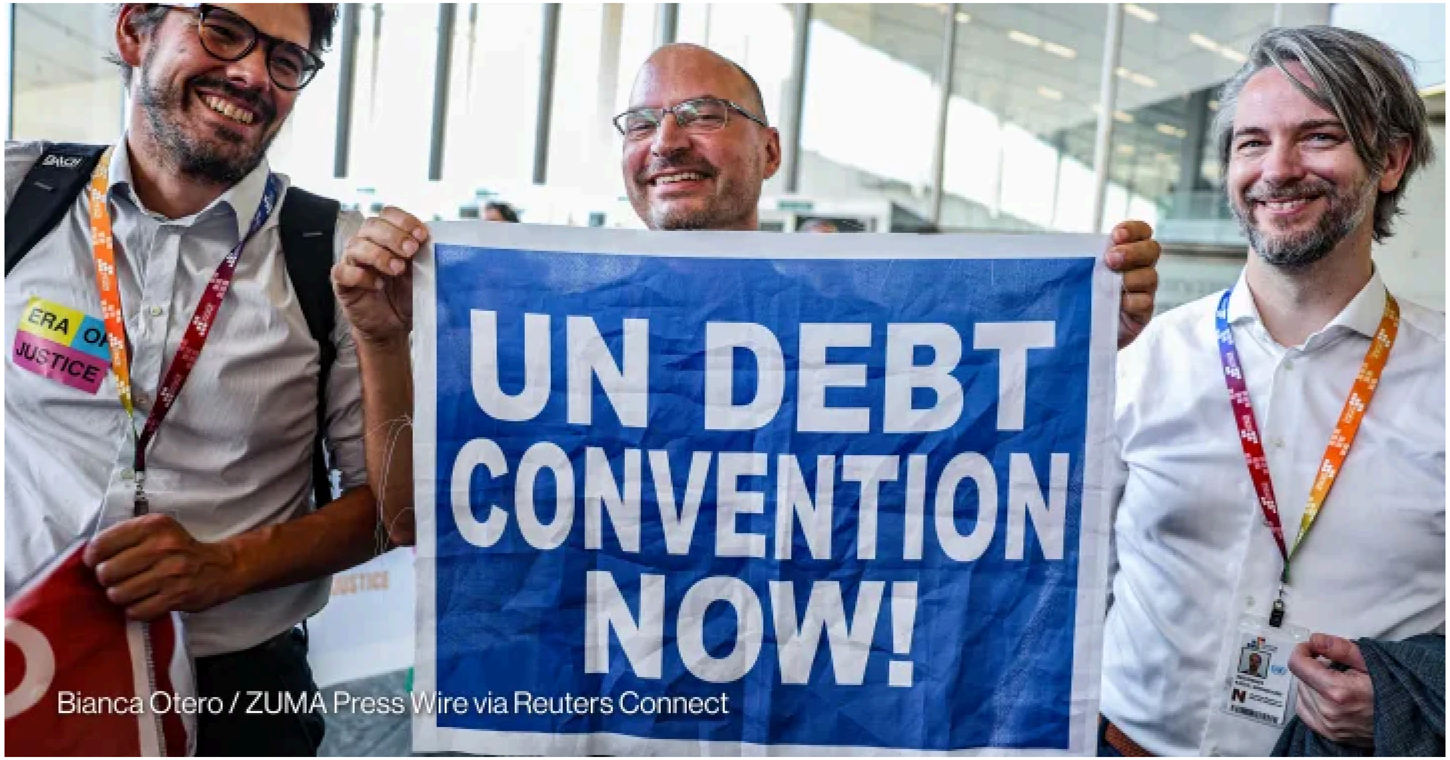
- How Spain delivered consensus at FfD4 as multilateralism feels the strain



Delegates and civil society supporters at the FfD4 summit hold a banner calling for a U.N. Debt Convention. Photo by: Bianca Otero / ZUMA Press Wire via Reuters Connect

Not defaulting on development

The biggest topic of conversation at FfD4 was debt and the borrowing that's driven countries across the global south into a crippling crisis. Today, 61 low- and middle-income countries spend **more than 10% of their revenue on their interest payments**, according to the U.N. Trade and Development, or UNCTAD — a sum that subtracts cash from public services and drives countries further into poverty.

As mentioned above, **a borrower's club will now be created to help indebted countries** confront the issue — to share experiences, receive technical and legal advice, and promote responsible borrowing and lending practices. It's being hailed as **one of the most critical outcomes of the Sevilla Commitment** and will be coordinated through a U.N. secretariat and with support from the Spanish government.

There were other solutions that emerged too. **Italy launched a debt-for-development swap program**, which aims to convert €230 million of debt obligations in African countries to investments in development projects; parallel to that, Spain and the World Bank created **a Debt Swaps for Development Hub,** which the duo hopes will help enhance collaboration of the practice.

There was also the launch of a so-called **Debt Pause Clause Alliance** — essentially, a commitment from Canada, France, Spain, the United Kingdom, and five multilateral development banks to include pause clauses in their lending. The hope is that by doing so, borrowers — including the Inter-American Development Bank, the European Investment Bank, the African Development Bank, the Asian Development Bank, and the Development Bank of Latin America and the Caribbean — will be more likely to suspend debt service payments during crises.

"**We wanted Sevilla to be about action**, and to translate those words into specific and concrete initiatives to increase available financing and provide debt relief where it's needed," said Carlos Cuerpo, Spain's minister of economy, at a press briefing on Thursday. **"We do not want to default on development."**

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Demand meets supply

The FIBES conference center — a sprawling exhibition hall on Sevilla's eastern city limits — was packed with business leaders during FfD4, with the private sector putting on its own series of events that blended into the official program.

We spoke with several of those representing firms, such as Standard Chartered, J.P. Morgan, and Boston Consulting Group, and what we heard was this: **The private sector is here to invest**. And if that means the development model looks, feels, and ultimately becomes a little different that might not be such a bad thing.

"Let's be real here. We've now got this demise, if not, significant erosion of the development assistance opportunities," John Denton, the secretary-general of the International Chamber of Commerce, told me on Tuesday. "[The development sector's] economic models for growth have been based, quite significantly, on development assistance. That's not there anymore, so what is going to replace it? **Our argument is that it needs to be private sector-led economic development**."

Throughout the conference, that idea was being pushed by both the public and private sectors alike. Six countries — Canada, Denmark, France, Germany, South Africa, and the U.K. — teamed up with financial institutions to create a new blended finance platform to push such efforts forward, while the **Inter-American Development Bank launched a program called FX EDGE**, one that's hoping to **increase local currency lending** by providing a "toolbox" for multilateral development banks.

"We're a commercial operation, so it is in the context of business," said Marisa Drew, the chief sustainability officer for Standard Chartered Bank. "But we also believe that if we do this right, we can both make a commercial return and also have a very serious impact, a positive impact."

On the first day of the conference, the FfD4 business steering committee published a communique reaffirming its commitment to development financing, stating that **businesses would be "accelerating the mobilization of private finance,"** through sustainable investment, blended finance, and the advancement of innovative instruments like social bonds and impact funds.

Of course, the private sector can't do everything — there has to be a return, making the private sector's reach into the most vulnerable contexts more than difficult, and the perception that emerging economies are high-risk continues to be a major investment barrier. While the volume of **blended finance deals is trending upward** — 123 deals closed at $18.3 billion in 2024 **— it's still far below the trillions called for** during the last FfD conference in 2015.

Despite that, the private sector was willing to engage, and many told us that in and of itself, that was something to be optimistic about.

"Coming together to have these conversations is only a good thing," said Lucy Heintz, the head of energy infrastructure at Actis, an investment firm focused on sustainable infrastructure. "Whether it results in side commitments or an enormous array of new initiatives, I think it's the coming together that keeps the conversation alive and continues to reinforce cooperation and collaboration in a very deliberate way."

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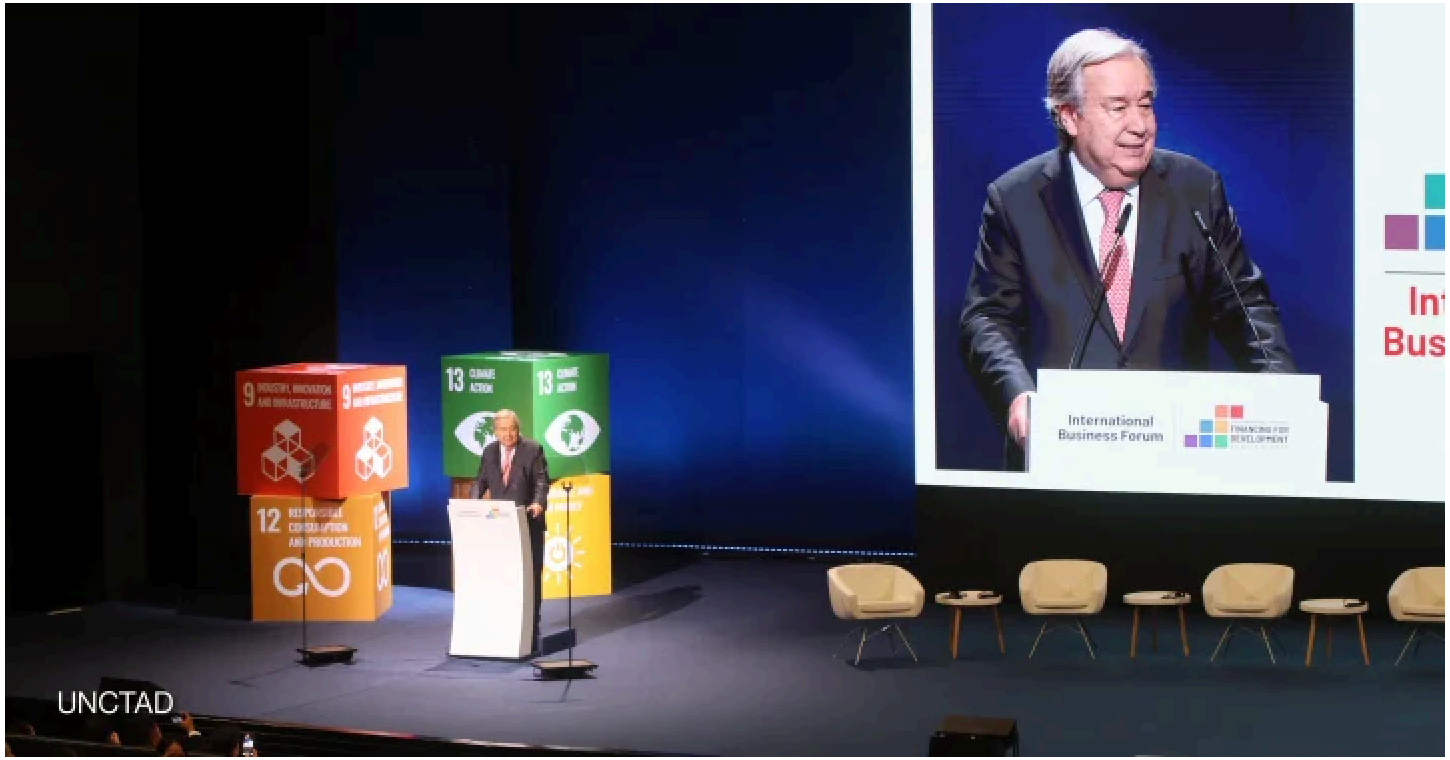

U.N. Secretary-General António Guterres delivers a speech during the FfD4 summit. Photo by: UNCTAD

What comes next

The world is less than five years from the deadline of the U.N. Sustainable Development Goals, and more than a $4 trillion annual financing gap from meeting them. The Sevilla Commitment attempted to map out a way to get there, while the Sevilla Platform for Action — a string of more than 100 initiatives launched throughout the conference — aimed to bring that map to reality.

Both the document and the Sevilla Platform for Action, which conference attendees lovingly referred to as “the spa,” went far beyond debt relief. **Many of the measures centered on taxation**, which is often viewed as an untapped resource for low- and middle-income countries. **Africa alone could gain nearly $89 billion annually by curbing illicit financial flows**, according to UNCTAD, and the week saw repeated calls for more to be done to support countries with domestic resource mobilization.

The Sevilla Commitment, for one, called for donor nations to **“at least double” their support for countries aiming to increase their tax-to-GDP ratios**, especially those trying to boost them to at least 15%. The Sevilla Platform for Action, for another, announced the creation of several coalitions and platforms focusing on similar work, one of which was led by a diverse cast of characters: Gambia, Germany, Madagascar, Norway, and the European Union.

“There’s growing traction around [progressive] taxation because I think it’s the obvious choice,” said Amitabh Behar, the executive director of Oxfam International, speaking at Casa Devex on Monday.

Behar noted that while **the Sevilla Commitment didn’t go as far as it could have on tax**, FfD4 is just one of several international events to focus on the topic this year — and most expect that South Africa, as the host of the G20, will make taxation a core issue of the group’s summit in November.

“I think we have **a much more diverse international cooperation landscape**, with providers from the global south taking an increasingly important role,” said the OECD’s Schutte. “I think there’s huge potential to obviously scale that, and a need to work even closer together.”

Climate also came to the fore — especially when it came to the private sector. Despite the U.S. pullback on climate, environment, and the energy transition, many companies highlighted their investment in just those areas. And as Sevilla roasted in the heat, the words of the commitment were not unnoticed.

“We are falling short in tackling climate change,” the document states, calling for the scale-up of debt swaps to support climate and nature and stressing “the urgency of enhancing ambition for climate action” through the U.N. Framework Convention on Climate Change and the Paris Agreement.

As a result, climate-infused initiatives spilled from the Sevilla Platform for Action: South Africa, Egypt, and several U.N. entities launched an initiative to scale up country platforms for climate financing; the U.N. Economic Commission for Africa **announced a “MACRA” initiative**, which aims to boost domestic resource mobilization through green tax policies and other mechanisms.

“It’s not whether I think there will be action or not,” said Club de Madrid’s Agüero. “There has to be action.”

So, will any of those initiatives — or the commitments made in the Compromiso de Sevilla — come to fruition? Only the coming weeks, months, and years will tell. We’ll see you next decade when the fifth FfD convenes. Until then, adios!

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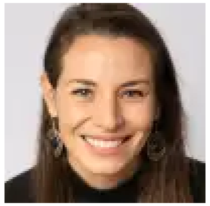

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Elissa Miolene reports on USAID and the U.S. government at Devex. She previously covered education at The San Jose Mercury News, and has written for outlets like The Wall Street Journal, San Francisco Chronicle, Washingtonian magazine, among others. Before shifting to journalism, Elissa led communications for humanitarian agencies in the United States, East Africa, and South Asia.