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and Experts for North Africa**

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Statutory issues

**Report on the activities of the Subregional Office for North Africa
(October 2025–September 2026) and work programme for 2027****

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** The present document is being issued without formal editing.

Executive Summary

1. During October 2025–September 2026, the Subregional Office for North Africa (SRO-NA) focused on translating evidence and intergovernmental priorities into policy support, technical cooperation and regional dialogue. Its work was guided by recommendations of the fortieth session of the Intergovernmental Committee of Senior Officials and Experts for North Africa (ICSOE), while preparing the evidence base and accountability reporting for the forty-first session. Across the reporting period, the Office combined analytical work, advisory services, capacity-building and partnerships to strengthen financing for development, regional integration, productive transformation and the contribution of diaspora resources to sustainable development.
2. On financing for development, SRO-NA supported Egypt in finalizing its Medium-Term Debt Strategy (MTDS) 2026–2029 and Annual Borrowing Plan 2025–2026 and delivered a customized Debt Sustainability Analysis (DSA) tool to strengthen the analytical capacity of the Debt Management Unit. Regional peer learning was reinforced through the Second African Forum on Sovereign Finance, which brought together representatives from 18 African countries and expanded practical understanding of sustainable financing instruments, blended finance and sovereign risk management. On domestic resource mobilization, support to Egypt, Libya and the Sudan advanced tax-administration modernization, digital taxation and compliance. Tunisia, meanwhile, developed a green and sustainable finance strategy and a 2026–2028 implementation roadmap with ECA identified as a technical partner.
3. SRO-NA also strengthened frameworks for leveraging diaspora contributions and remittances. Under the Development Account programme on the Migration–Development Nexus, technical assistance in Egypt and Tunisia supported more effective policy, regulatory, institutional and financial arrangements for channeling remittances towards productive investment. In Tunisia, national toolkits with specific, measurable, achievable, relevant and time-bound (SMART) indicators were operationalized to help institutions integrate diaspora contributions into development planning and monitor reforms. Regional and global policy dialogue, including events at the Second World Summit for Social Development and the International Migration Review Forum (IMRF), increased the visibility of African approaches and strengthened South–South learning.
4. In support of inclusive and sustainable growth, SRO-NA helped Libya integrate green considerations into its African Continental Free Trade Area (AfCFTA) strategy and developed analytical and capacity-building support for implementation of the AfCFTA Digital Trade Protocol. A private-sector workshop in Egypt generated measurable knowledge gains among 93 participants, with 77 per cent reporting good or expert knowledge after the training and 96.6 per cent intending to apply the knowledge acquired. In Algeria, two ongoing technical-cooperation projects established analytical frameworks and survey instruments to address small and medium-sized enterprise (SME) financing constraints and the formalization of informal financial flows. SRO-NA also developed a methodology for the sustainable transition of agri-food SMEs and advanced a new workstream on resilient growth, including a report on the middle-income trap, a conceptual framework for resilient growth and a policy proposal for a climate debt haircut for Africa. A Development Account project will further strengthen the digital and financial capacities of women-owned micro-, small and medium-sized enterprises (MSMEs) in Egypt, Libya, Mauritania and Tunisia.
5. Delivery relied on cooperation across ECA divisions and subregional offices, Resident Coordinator Offices, United Nations entities, governments, development partners, academia and the private sector. These partnerships extended technical reach, enabled South–South learning and connected country-level support with regional and global policy processes. The reporting period also highlighted the need for sharper thematic prioritization, stronger strategic dialogue with member States and continued resource mobilization in a context of geopolitical uncertainty and tighter development financing. Overall, the portfolio shows a shift from stand-alone activities towards connected chains of results: evidence informing dialogue, dialogue shaping frameworks and reforms, and technical cooperation supporting implementation and institutional capacity.

I- Overview

6. The present report reviews the activities of the Subregional Office for North Africa (SRO-NA) of the Economic Commission for Africa (ECA) from October 2025 to September 2026. In line with its annual business plan, SRO-NA combined analytical work, policy advice, technical cooperation, capacity-building and intergovernmental dialogue to support member States in addressing key development priorities. The Office worked in close cooperation with national institutions, other ECA divisions and subregional offices, United Nations entities, development partners, academia and the private sector, while ensuring follow-up to the recommendations adopted at the fortieth session of the Intergovernmental Committee of Senior Officials and Experts for North Africa (ICSOE) and contributing to the implementation of the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want.

7. SRO-NA's work focused on three interconnected result areas: (a) strengthening evidence-based policies and institutional frameworks to leverage migrants' economic contributions and remittances for development; (b) supporting member States in mobilizing finance for sustainable development through stronger public debt management, sustainable finance, domestic resource mobilization and tax administration; and (c) accelerating inclusive and sustainable growth through productivity enhancement, economic diversification, small and medium-sized enterprise development, regional integration, digital trade and resilient growth.

8. Across these areas, SRO-NA increasingly linked analytical work and policy dialogue with country-level implementation. Support during the period contributed to the development and operationalization of national frameworks and tools on remittances and diaspora finance, strengthened debt-management and tax-administration capacities, supported Tunisia in developing a green and sustainable finance strategy, advanced implementation of the African Continental Free Trade Area (AfCFTA) and its Digital Trade Protocol, and strengthened private-sector readiness to access regional markets. The Office also expanded its work on small and medium-sized enterprise financing and formalization, sustainable transition and resilient growth, while promoting South–South cooperation and regional policy dialogue. These interventions were complemented by analytical work on socioeconomic trends, regional and international development agendas, the middle-income trap and the climate–debt nexus, providing member States with evidence and policy options to strengthen resilience, mobilize financing and advance structural transformation.

II- Main achievements

A- Strengthening evidence-based intergovernmental policy dialogue and accountability

A.1- Generating evidence for member States' policy dialogue

A.1.1- Subregional socioeconomic analysis and outlook

9. SRO-NA prepared the 2026 socioeconomic subregional profile, providing member States with an updated evidence base on economic and social developments across the seven North African countries. Growth is estimated at 4.6 per cent in 2025, compared with 1.1 per cent in 2024, and around 4 per cent in 2026, but remains exposed to financing pressures, energy and food prices and geopolitical tensions. The profile also identifies divergent fiscal and debt positions and persistent labour-market and social-protection challenges. It highlights diversification, stronger domestic resource mobilization and stronger fiscal, financial, external and social buffers as priorities. The findings will inform policy dialogue at the forty-first ICSOE and future ECA analytical and technical cooperation.

A.1.2- Monitoring regional and international development agendas

10. SRO-NA prepared the 2026 report on regional and international development agendas, focusing on Sustainable Development Goal (SDG) 17 and the means of implementation of the 2030 Agenda. North Africa remained Africa's highest-performing subregion on the SDG Index in 2026, with an average score of 64.8, but overall progress has stagnated. The report identifies persistent constraints in tax mobilization, debt sustainability, investment, technology transfer, digital capacity and statistical systems, while highlighting remittances and South–South cooperation as opportunities. It sets priorities

for tax administration, debt management, sustainable financing, digital infrastructure, AfCFTA implementation and statistical capacity and will inform dialogue at the forty-first ICSOE.

A.2- Supporting intergovernmental decision-making, accountability and follow-up

A.2.1- Consolidating and transmitting member States' policy recommendations

11. SRO-NA prepared the report of the fortieth ICSOE, held in Rabat from 11 to 13 November 2025 under the theme “Enhancing domestic resource mobilization through innovation and technology in North Africa.” Representatives of all seven North African ECA member States, regional organizations, United Nations entities, development partners, financial institutions and academia adopted recommendations covering domestic resource mobilization, debt sustainability, sustainable and climate finance, remittances, digital transformation, artificial intelligence, AfCFTA implementation, regional integration and use of national data. The report consolidated these priorities and transmitted them through ECA’s intergovernmental machinery, including presentation at the forty-fourth meeting of the Committee of Experts of the Conference of African Ministers of Finance, Planning and Economic Development in Tangier - Morocco in March 2026. This elevated North African priorities to continental policy dialogue and provided a reference framework for aligning SRO-NA’s analytical work, advisory services and technical cooperation during 2026.

A.2.2- Reporting on implementation and accountability to member States

12. SRO-NA prepared the present review of ECA activities in North Africa for October 2025–September 2026, consolidating achievements, technical cooperation, advisory services, capacity-building, analytical work, partnerships and follow-up to the recommendations of the fortieth ICSOE. The report covers financing for sustainable development, migration–development linkages and diaspora engagement, AfCFTA implementation and regional integration, SME development, economic diversification and resilience. It also documents collaboration with ECA headquarters divisions, other subregional offices, United Nations entities, development partners, national institutions, academia and the private sector. Presentation of the report at the forty-first ICSOE will provide member States with an accountability instrument for reviewing implementation, assessing responsiveness to agreed priorities and informing the orientation of SRO-NA’s future programme of work and technical cooperation.

B- Result Area 1: Developing evidence-based policies and actions that leverage migrants’ economic contributions

13. SRO-NA focused on turning remittances and diaspora contributions into more effective development finance by strengthening national frameworks, institutional capacities and tools for productive investment. Technical assistance and advisory services advanced in Egypt, Tunisia, Côte d’Ivoire, Ghana and Lesotho, producing diagnostics, reform priorities, validated frameworks, operational monitoring toolkits and stronger interinstitutional coordination.

B.1- Strengthening national policy, regulatory and financial frameworks for diaspora engagement and remittances

B.1.1- Strengthening migration-development links in Africa

14. Under the Development Account programme “Strengthening the Migration–Development Nexus in Africa” (2024–2028), SRO-NA supported Egypt, Tunisia, Comoros, Côte d’Ivoire, Ghana and Lesotho in strengthening policy, regulatory, institutional and financial arrangements for leveraging diaspora contributions and remittances. In Egypt, an advisory mission identified national priorities and institutional constraints and laid the groundwork for technical assistance to channel remittances towards productive investment, while participation by Mauritania, Tunisia and Ghana supported cross-country learning. In Tunisia, technical assistance supported implementation of the 2026–2030 national development plan, including reforms linked to the policy on remittances from Tunisians residing abroad and review of the 2016 investment law. In Lesotho, support led from assessment and consultation to validation of a legal, institutional and financial framework and adoption of a roadmap and policy-reform matrix. In Côte d’Ivoire, the assessment of the existing framework identified gaps and informed preparation of a national roadmap. Collectively, the programme moved participating countries from

diagnosis towards more operational frameworks and stronger national ownership, with an important cross-country learning dimension.

B.1.2- Leveraging migrants' economic contributions

15. SRO-NA contributed to strengthening regulatory, institutional and financial frameworks for channeling diaspora remittances towards productive investment, while promoting South–South learning and the transfer of relevant experience from North Africa to other African countries. Technical support helped participating countries identify policy and institutional gaps, translate diagnostic findings into reform priorities and move towards more operational frameworks for integrating diaspora contributions into national development planning. In Lesotho, this process resulted in the adoption of a Remittances–Investment National Framework and a matrix of policy reforms, supported by experience from Tunisia and Ghana. In Côte d'Ivoire, the assessment of the existing framework informed the preparation of a roadmap for regulatory and institutional reforms. Regional peer learning further enabled participating countries to compare approaches to mainstreaming diaspora finance, strengthening national ownership and supporting the shift from remittances primarily used for consumption towards their greater mobilization for productive investment and sustainable development.

B.1.3- Strengthening policy coordination and reform frameworks for productive use of remittances

16. SRO-NA strengthened national policy coordination and reform processes aimed at increasing the productive use of diaspora resources and remittances. In Egypt, a government-led policy dialogue with key national stakeholders helped assess progress, identify institutional constraints and define priority areas for future technical assistance to better channel the contribution of Egyptians living abroad towards productive investment. Peer learning with Tunisia, Mauritania and Ghana enriched the dialogue by bringing comparative reform experience into the national process. The same results-oriented approach was applied in Lesotho, where advisory services and consultations helped identify gaps in the institutional, financial and regulatory framework, clarify priority reforms and strengthen the role of the National Technical Working Group. Together, these interventions improved policy coordination, reinforced national ownership and provided a clearer technical basis for advancing reform frameworks that can better mobilize remittances and diaspora contributions for development.

B.2- Strengthening institutional capacities and interinstitutional coordination

B.2.1- Operationalizing national toolkits for integrating diaspora contributions and remittances into development planning

17. SRO-NA operationalized national toolkits for integrating diaspora contributions and remittances into development planning in Tunisia and Ghana and extended the approach through peer learning in Lesotho. The toolkits include SMART indicators that enable institutions to monitor reform matrices, identify bottlenecks and adjust implementation. In Tunisia, a December 2025 workshop trained 40 members of the National Technical Working Group to use the toolkit in monitoring implementation of the 2026–2030 national development plan. In Ghana, and Lesotho 146 participants were trained to apply the toolkit within development planning processes. These interventions moved the toolkits from analytical products to operational instruments for policy implementation, self-assessment, institutional coordination and South–South learning.

B.2.2- Strengthening interinstitutional coordination to integrate remittances into national development strategies

18. At a workshop organized by the International Organization for Migration (IOM) in Tunis in February 2026, SRO-NA shared experience on institutional coordination and on integrating remittances into Tunisia's 2026–2030 national development plan. The engagement connected ECA's technical assistance with a broader United Nations policy dialogue and strengthened interinstitutional coordination on how diaspora resources can be incorporated into national strategies and mobilized for sustainable development.

B.3- Knowledge, peer learning and global advocacy

B.3.1- Global policy dialogue on diaspora contributions and remittances – Second World Summit for Social Development

19. At the Second World Summit for Social Development in Qatar, SRO-NA organized a high-level side event with Tunisia and Ghana, with participation from Côte d'Ivoire, Comoros and IOM, attended by 80 representatives of governments and development partners. The dialogue positioned remittances as a resilient source of development finance and examined ways to institutionalize diaspora contributions through national planning frameworks, diaspora funds and skills-mobilization initiatives. It also highlighted financial innovation, including diaspora bonds, green finance and capital-market products, as mechanisms for shifting a greater share of remittance flows towards investment. The event increased the visibility of African policy approaches and reinforced cooperation among governments, United Nations entities and development partners.

B.3.2- Global and South–South policy dialogue – International Migration Review Forum

20. At the second International Migration Review Forum (IMRF) in New York, SRO-NA and the Governments of Tunisia and Ghana convened a high-level side event attended by 40 participants, including 27 women, with contributions from Jamaica, Zimbabwe, IOM, the Food and Agriculture Organization of the United Nations and the International Fund for Agricultural Development. The event enabled countries to exchange national experience on mainstreaming diaspora contributions and remittances into development agendas and generated practical recommendations for advancing the Global Compact for Migration. It strengthened South–South learning, raised the visibility of African priorities in global migration dialogue and expanded cooperation around the migration–development nexus.

C- Result Area 2: Members of ECA mobilize finance for sustainable development

21. SRO-NA responded to fiscal pressure and rising debt burdens through stronger public debt management and domestic resource mobilization. In Egypt, support produced strategic debt instruments and a customized analytical tool; in Sierra Leone, it strengthened the legal and institutional basis for domestic debt-market development. Tax work in Egypt, Libya and the Sudan focused on modernization, digitalization and compliance, while Tunisia developed an integrated green and sustainable finance strategy.

C.1- Strengthening public debt management, financial markets and sustainable finance

C.1.1- Improving debt sustainability analysis and debt-management capacity in Egypt

22. SRO-NA delivered a customized DSA tool to Egypt's Ministry of Finance and trained the Debt Management Unit (DMU) to use scenario analysis, stress-testing and liability-management modules tailored to Egypt's debt profile. The intervention strengthened officials' autonomy in assessing debt sustainability and sensitivity to macroeconomic and financing shocks and improved the analytical basis for managing refinancing, interest-rate and exchange-rate risks. The tool complements earlier support to Egypt's borrowing plan and creates a practical platform for forward-looking debt management. Follow-up is expected to explore sustainable bond instruments with the DMU.

C.1.2- Regional capacity-building and peer learning on sovereign finance

23. In collaboration with Financial Sector Deepening Africa (FSD Africa), SRO-NA convened the Second African Forum on Sovereign Finance for representatives from ministries of finance, debt-management offices, multilateral institutions, investors, rating agencies, philanthropic organizations and technical partners from 18 African countries and beyond. Through plenary sessions, country discussions and peer learning, participants examined debt sustainability, investor relations, domestic capital markets, climate finance and reform of the international financial architecture. Debt-management officers strengthened their understanding of sustainability-linked bonds, green sukuk, debt-for-climate and debt-for-nature swaps and their possible use in refinancing and liability management. The Forum also connected public institutions with guarantee providers and philanthropic and multilateral partners around blended and concessional finance. Follow-up investor webinars will deepen market engagement and bring institutional-investor perspectives into future work.

C.1.3- Supporting sustainable finance strategies and instruments in Tunisia

24. SRO-NA supported Tunisia's Ministry of Economy and Planning and the Tunis Stock Exchange in developing a comprehensive green and sustainable finance strategy aligned with national

development priorities, the Sustainable Development Goals and the Paris Agreement. The strategy responds to economic fragility and climate pressures, including water scarcity, agricultural stress, rising temperatures and coastal erosion, and establishes strategic pillars, financing instruments, regulatory reforms and an implementation roadmap for 2026–2028. It therefore moves beyond a diagnostic by providing an actionable framework for mobilizing resources towards low-carbon and climate-resilient development. ECA is identified as a technical partner for several strategic axes and activities under the roadmap, creating a basis for continued support during implementation.

C.1.4- Strengthening national debt-management frameworks and institutional capacity

25. SRO-NA strengthened national debt-management frameworks through targeted advisory services that combined strategic planning, institutional development and capacity-building. In Egypt, support delivered with Global Sovereign Advisory enabled the Debt Management Unit (DMU) to finalize and publish the Medium-Term Debt Strategy (MTDS) 2026–2029 and the Annual Borrowing Plan 2025–2026, providing a clearer framework for managing debt composition, financing costs and refinancing, interest-rate and exchange-rate risks, while improving communication of the Government’s debt-management objectives. The same results-oriented approach was extended to Sierra Leone, where support to the Ministry of Finance strengthened the legal and institutional foundations of the domestic debt market, informed work on the Public Debt Management Bill, 2026, and improved the capacity of senior officials in sovereign risk and debt management. Together, these interventions strengthened national capacity to plan, manage and monitor public debt within more coherent strategic and institutional frameworks, while establishing a basis for continued technical assistance according to country priorities.

C.2- Strengthening domestic resource mobilization and tax administration

C.2.1- Enhancing tax resource mobilization in Egypt, Libya and Sudan

26. SRO-NA supported tax-administration modernization in Egypt, Libya and the Sudan through targeted technical assistance and capacity-building. In Libya, two workshops trained 30 officials to use the new online tax system and supported the introduction of online payments. In Egypt, sector-focused training addressed taxation of agriculture, construction, real estate and industrial activities and contributed to stronger compliance among large agricultural taxpayers. In the Sudan, a study tour to the Egyptian Tax Authority and subsequent training strengthened capacity in indirect tax administration. Across the broader reform period, Egypt recorded a 30 per cent increase in tax revenues in 2025/2026, while Libya advanced digital tax payments. The interventions strengthened technical capacity and provided a platform for continued support on audit practices, compliance and modernization.

C.2.2- Strengthening tax-administration capacity in Sudan through South–South cooperation

27. Fifteen Sudanese tax officers participated in a study tour on Egypt’s tax-administration modernization, followed by a five-day workshop on indirect taxation for another group of 15 officers. The programme combined exposure to strategic management, planning and Large Taxpayer Centres with practical training on value-added tax administration, monitoring and enforcement. Participants gained tools to improve compliance, broaden the tax base and strengthen revenue collection. The sequence illustrates how South–South cooperation can translate another country’s modernization experience into practical institutional learning adapted to Sudan’s needs.

C.2.3- Country-level tax-system modernization

C.2.3.1- Strengthening Egypt’s Tax System and Domestic Revenue Mobilization

28. SRO-NA completed a comprehensive report and policy brief documenting its 2023–2025 cooperation with the Egyptian Tax Authority. The two products capture lessons from 12 targeted technical-assistance workshops covering high-risk sectors, Large Taxpayer Centres, audit practices, compliance, financial reporting, cross-border risks and taxation of State-owned enterprises. The cooperation was associated with tangible reform results, including reduced tax disputes, particularly at Large Taxpayer Centre 2, and a doubling of tax contributions from publicly owned enterprises following Law No. 159 of 2023, which established equal tax treatment for public and private entities. The report provides the detailed analytical record, while the policy brief translates the evidence into concise lessons for decision makers. Follow-up will extend support to additional strategic sectors.

C.2.3.2- Modernizing Libya's Tax System

29. Through technical assistance, diagnostic work, workshops and South–South exchange with the Egyptian Tax Authority, SRO-NA supported Libya in shaping a more risk-based, sector-focused and compliance-driven tax-administration model. Senior officials were exposed to strategic planning, taxpayer segmentation, institutional restructuring, legislative reform, simpler procedures and modern information-technology systems. The intervention strengthened technical knowledge and supported the Libyan Tax Authority's transition towards a more modern and resilient administration, while creating a practical basis for continued reform dialogue and future technical cooperation.

C.2.4- Regional policy dialogue on domestic resource mobilization

30. An Expert Group Meeting during the fortieth ICSOE enabled North African administrations to exchange experience on tax reform, financial inclusion, remittances, formalization and digital revenue administration. Discussions covered e-filing, e-invoicing, digital payments, risk-based auditing and artificial intelligence-assisted fraud detection and reinforced a common message: digitalization should improve compliance, transparency and service delivery, while advanced technologies require reliable infrastructure, interoperable systems, quality data, sound governance and human oversight. Country experiences highlighted progress in Egypt, Libya and Mauritania and linked financial inclusion and formalization with broader domestic resource mobilization. The meeting produced consolidated policy recommendations on fiscal reform, digital and innovation infrastructure, data governance and fiscal transparency, providing a common reference for subsequent policy dialogue and technical cooperation.

D- Result Area 3: Members of ECA accelerate inclusive and sustainable growth through increased productivity, diversification and value addition

31. SRO-NA advanced a portfolio supporting trade integration, SME competitiveness, productive transformation and resilient growth. Work ranged from national AfCFTA implementation and digital-trade readiness to SME finance, formalization and sustainability. Analytical outputs were linked to operational follow-up in Libya, Egypt and Algeria, while new frameworks were developed for SME sustainability and resilient growth. The Office also secured USD 635,400 under Development Account Tranche 18 for women-owned MSMEs in four North African countries.

D.1- Advancing trade integration, digital trade and regional value chains

D.1.1- Supporting national AfCFTA implementation by developing a green component in Libya

32. SRO-NA supported Libya in developing a green component of its national AfCFTA strategy in collaboration with the Ministry of Trade. The component integrates environmental, climate and sustainability considerations into trade priorities while positioning the green transition as a driver of diversification, productive transformation, employment and competitiveness. As a result, Libya now has a more comprehensive AfCFTA implementation framework that reflects emerging sustainability requirements and provides a basis for helping the private sector identify opportunities in African markets. By linking trade integration with the green transition, the initiative strengthens the policy foundations for Libya's participation in regional value chains and offers a model for adapting national AfCFTA strategies to new economic and environmental conditions.

D.1.2- Strengthening the enabling environment for digital trade

D.1.2.1- Translating regional dialogue into actionable priorities for digital trade

33. The North Africa Development Forum brought together 100 representatives and experts from governments, the private sector, civil society, academia and international organizations to examine implementation of the AfCFTA Digital Trade Protocol. Participants converged on four enabling priorities: effective policy implementation, physical and digital infrastructure, human capital and inclusive digital ecosystems. Particular attention was given to data protection, secure payments, interoperable cross-border platforms, logistics and skills. SRO-NA subsequently translated the discussions into actionable recommendations in a report. The Forum therefore connected high-level policy dialogue with a practical framework for strengthening the conditions required for digital trade across North Africa.

D.1.2.2- Advancing national readiness for implementation of the AfCFTA Digital Trade Protocol

34. SRO-NA assessed the readiness of all seven North African AfCFTA members to implement and benefit from the Digital Trade Protocol. The policy report maps engagement with the Protocol and examines readiness across digital infrastructure, e-commerce and market access, digital payments, digital identity, and regulatory and legal frameworks. It identifies opportunities for intra-African digital services, stronger SME and start-up ecosystems, greater financial inclusion, upgrading of regional value chains and investment, while also highlighting uneven readiness, platform concentration and data-governance tensions. The resulting comparative evidence base and sequenced recommendations clarify the legislative alignment, institutional reforms and capacity-building needed to move from ratification to domestic implementation.

D.1.3- Strengthening private-sector participation in regional value chains in Egypt

35. A three-day workshop in Cairo strengthened 93 private-sector participants' ability to use AfCFTA rules, digital-trade instruments and market-intelligence tools to expand exports and integrate into African value chains. The training combined rules of origin, tariff and customs procedures, the Digital Trade Protocol and practical use of the AfCFTA e-Tariff Book, African Trade Observatory and non-tariff-barrier mechanisms. Results were measurable: before the workshop, 75 per cent of surveyed participants reported no or only basic AfCFTA knowledge; afterwards, 77 per cent assessed their knowledge as good or expert, and 96.6 per cent intended to apply the knowledge within six months. Five recommendations addressed private-sector awareness, digital tools, rules of origin, regional partnerships and trade finance. A complementary Development Account project will strengthen the digital capacity of women-owned MSMEs in Egypt.

D.2- Strengthening SMEs, entrepreneurship and productive transformation

D.2.1- Improving SMEs' access to finance in Algeria

36. SRO-NA advanced a technical-cooperation project with Algeria's Ministry of Finance and the Resident Coordinator's Office to identify practical measures for improving SME access to finance, particularly for manufacturing and agribusiness. An analytical framework covering both demand- and supply-side constraints was completed, and a survey instrument for 500 SMEs was prepared. Consultations with firms, financial institutions and experts identified early barriers including weak financial and managerial structuring, limited reliable information, collateral constraints, information asymmetries and banking incentives favouring lower-risk activities. Although the project is still under implementation, these results have already created a more structured evidence base for policy dialogue. The next phase will complete the SME survey and banking and institutional assessments, integrate findings into prioritized recommendations and validate reforms with national stakeholders.

D.2.2- Supporting enterprise formalization and financial inclusion in Algeria

37. At the Government's request, SRO-NA developed an analytical framework for progressively integrating informal financial flows into Algeria's formal banking system. Rather than treating informality simply as cash outside banks, the framework examines economic, institutional and behavioural drivers and differentiates among self-employed workers, micro-enterprises, informal employees and registered firms concealing activity. A survey of 300 firms, qualitative interviews and stakeholder consultations are being used to map these mechanisms and associated flows. The work has already broadened policy dialogue by linking formalization with financial inclusion, taxation, access to finance and markets, business support, digitalization, compliance and institutional coordination. The next phase will consolidate the diagnostic, co-develop a policy roadmap and validate measures with national stakeholders, with possible piloting from 2027 subject to government request and resources.

D.2.3- Strengthening entrepreneurship and its contribution to inclusive growth

38. SRO-NA documented how enterprise creation alone does not automatically generate sustained economic growth in North Africa, through a policy paper covering 1990–2024. The analysis shows a weak countercyclical long-run relationship and a short-run pattern in which the impact of entrepreneurship becomes positive after a lag, suggesting that enterprises need time and supportive conditions to mature, improve productivity and diffuse innovation. It also highlights the prevalence of necessity-driven, low-productivity self-employment and structural constraints related to informality, skills and productivity. At the same time, a stable long-term relationship between business development and growth reinforces the importance of enterprise development when supported by appropriate

institutions and policies. The findings support a shift from simply increasing enterprise numbers towards improving quality, productivity, formalization and technology use.

D.2.4- Supporting the sustainable and resilient transition of SMEs

39. SRO-NA developed the conceptual architecture of a methodology for the sustainable and resilient transition of agri-food SMEs in Algeria, Tunisia and Senegal. The framework combines socio-ecological systems analysis, resilience assessment, scenarios, a Theory of Change, sequencing of transformations, policy-option assessment and adaptive pathways. Its added value is to connect diagnosis of present sustainability gaps with long-term objectives and policy choices rather than treating sustainability as a one-off assessment. The approach is designed to incorporate existing national tools while offering a common structure adaptable to different contexts. Although it has not yet been field-tested, it provides a practical basis for national dialogue on SME transition. The next phase will finalize the framework and tools, seek national ownership and test the methodology in the three countries in 2027, using implementation experience to refine the approach.

D.3- Building resilient growth and structural transformation pathways

D.3.1- Revisiting structural transformation in middle-income countries

40. SRO-NA completed and disseminated “Revisiting the Middle-Income Trap amid Emerging Global Challenges”, updating the debate on middle-income development considering climate change, rapid technological change driven by artificial intelligence and geoeconomic fragmentation. The report argues that sustained convergence increasingly depends not only on productivity and structural transformation but also on resilient productive systems, domestic technological and innovation capabilities and institutions able to adapt to uncertainty. Country cases illustrate how these pressures interact with different development trajectories and help identify reform priorities for productive transformation and long-term growth. Dissemination of the report provided policymakers and ECA teams with an updated evidence base and positioned resilience as a central theme for SRO-NA’s subsequent analytical and technical-cooperation agenda.

D.3.2- Developing a conceptual and methodological framework for resilient growth

41. Building on the middle-income report, SRO-NA developed the foundations of a framework that assesses how productive, social, fiscal, technological, institutional and ecological components of a growth model respond to shocks and long-term pressures. The approach first identifies how growth is generated and then evaluates the absorptive, adaptive and transformative capacities of its underlying foundations. This enables economic transformation, inclusion and environmental sustainability to be considered within a single analytical framework and opens the way to modelling approaches capable of capturing nonlinear feedbacks and systemic risk. The next phase will complete the methodology, test it through technical and policy dialogue with member States and translate it into practical policy pathways, advisory services and possible country-level projects.

D.3.3- Developing innovative policy responses at the intersection of climate and finance

42. Given North Africa’s high exposure to climate risks and the growing fiscal pressures associated with adaptation, resilience and climate-related losses, SRO-NA developed a policy paper exploring the case for a climate debt haircut for Africa, building on ECA’s broader work on debt sustainability, climate vulnerability and fiscal space. The proposed approach links potential debt relief to climate vulnerability, expected income losses and adaptation costs. The paper frames high indebtedness and climate exposure as a mutually reinforcing climate–debt trap: shocks weaken growth and public revenues while increasing adaptation and reconstruction needs and borrowing costs. It therefore treats debt relief as a climate and sustainable-development instrument, not solely as a response to insolvency. The proposal examines eligibility, debt coverage, haircut size, conditionality, burden-sharing and institutional arrangements and argues that fiscal space created by relief should support nationally owned transition strategies. The next step is to engage member States and African negotiators, refine the design around African priorities and explore avenues for advancing the concept in discussions on debt, climate finance and reform of the global financial architecture.

III- Special initiatives, interaction with Headquarters divisions, and partnerships

A- Special initiatives and cross-cutting policy platforms

A.1- Regional dialogue on sovereign finance and debt sustainability

43. The Second African Forum on Sovereign Finance connected governments, debt-management offices, financial institutions, investors and technical partners around debt sustainability, sustainable finance and reform of the international financial architecture. Its partnership model combined government demand, specialist expertise and cross-country learning and created a platform for continued engagement with investors and financing partners.

A.2- Regional dialogue on digital transformation, trade and AfCFTA implementation

44. The North Africa Development Forum linked SRO-NA's Digital Trade Protocol analysis with national AfCFTA implementation and private-sector capacity-building. Participation by governments, academia, the private sector and international organizations helped translate analytical findings into shared regional priorities on infrastructure, regulation, skills and digital ecosystems.

A.3- World event on Unlocking the Potential of Remittances and Diaspora Contributions for Social Development in Africa - Second World Summit for Social Development

45. At the Second World Summit for Social Development, SRO-NA's side event with Tunisia and Ghana brought African experience on remittances and diaspora engagement into a global policy process and linked national reform experience with international discussion on alternative development finance and financial innovation.

A.4- Global and South–South dialogue on diaspora contributions and remittances - The second International Migration Review Forum in New - York

46. The IMRF side event extended SRO-NA's migration-development work into global and South–South dialogue, connecting country-level technical assistance with international exchange on implementation of the Global Compact for Migration.

B- Partnerships

B.1- Other divisions and subregional offices of the Economic Commission for Africa

47. Inter-office collaboration expanded SRO-NA's reach and technical depth. The Migration–Development Nexus programme involved the ECA Subregional Offices for East, West and Southern Africa, while headquarters divisions contributed specialized expertise to migration, debt, sustainable-finance and AfCFTA work. This enabled cross-subregional peer learning without duplicating capacities.

B.2- United Nations system and Resident Coordinator Offices

48. Resident Coordinator Offices and United Nations entities supported country ownership and coherence under a coordinated United Nations approach, including work on SME finance and informal financial flows in Algeria and diaspora engagement in Tunisia. IOM and other United Nations entities also contributed to global migration events, connecting country-level technical work with wider United Nations policy processes.

B.3- Development partners, financial institutions and technical partners

49. Technical partners strengthened delivery through specialist expertise and financing networks. Global Sovereign Advisory supported debt work in Egypt and Sierra Leone; FSD Africa and other partners contributed to sovereign-finance dialogue; and Algerian financial institutions and experts informed SME-finance and informal-flow diagnostics.

B.4- National institutions, academia and private-sector institutions

50. Partnerships with ministries, tax and debt authorities, universities and private-sector actors linked analysis with implementation. These relationships supported debt, tax and AfCFTA activities and helped ensure that recommendations reflected national priorities, implementation constraints and market realities.

IV- Implementation of the recommendations of the previous ICSOE

51. Throughout the reporting period, SRO-NA's work was guided by the recommendations adopted at the fortieth ICSOE. The results described above respond through analytical work, technical assistance, advisory services, capacity-building and policy dialogue. To avoid duplicating the detailed evidence already presented in section II, the following paragraphs summarize the principal contribution to each recommendation.

a) To continue to assist its members in strengthening domestic resource mobilization through the modernization of tax systems, digital transformation, the improved management of the public finances, the promotion of financial inclusion and greater efficiency in the use and allocation of public resources.

52. SRO-NA supported tax modernization in Egypt, Libya and the Sudan and advanced work in Algeria on SME finance and formalizing informal financial flows, strengthening digital administration, compliance and financial inclusion.

b) To help its members with managing and controlling their debt levels, reducing their debt burden and ensuring debt sustainability.

53. Support to Egypt produced the MTDS 2026–2029, Annual Borrowing Plan and a customized DSA tool, complemented by regional peer learning through the Second African Forum on Sovereign Finance.

c) To assist its members in developing integrated sustainable finance strategies that enhance their capacity to mobilize alternative resources, including climate finance to raise additional funds.

54. SRO-NA supported Tunisia's green and sustainable finance strategy, promoted sustainable financing instruments through the sovereign-finance forum and developed a climate debt haircut proposal for Africa.

d) To strengthen South-South cooperation, share best practices and experiences, and use innovative digital technologies to support domestic resource mobilization.

55. Sudanese and Libyan tax officials learned from Egypt's modernization experience, while the domestic resource mobilization (DRM) Expert Group Meeting promoted regional exchange on digital tax administration, artificial intelligence (AI)-assisted tools and financial inclusion.

e) To enhance institutional capacity to improve tax administration, broaden the tax base to support tax justice, control tax burden levels, integrate the informal sector into the formal economy and reduce illicit financial flows.

56. Tax-capacity support in Egypt, Libya and the Sudan was complemented by Algeria's project on formalizing informal financial flows, which is developing an evidence-based roadmap on inclusion, taxation and formalization.

f) To assist its members in adopting innovations and modern digital technologies to diversify their economies, expand the role of private enterprise, raise productivity levels and develop regional trade, thereby ensuring higher employment rates, sustainable macroeconomic growth and enhanced regional integration.

57. SRO-NA advanced digital trade through the North Africa Development Forum, an AfCFTA Digital Trade Protocol report and private-sector capacity-building in Egypt, alongside a Development Account project for women-owned MSMEs.

g) To continue to support its members in developing appropriate financial frameworks and innovative financing tools to enable them to make the best possible use of remittances and diaspora contributions for financing national development and investment and for achieving the Sustainable Development Goals.

58. SRO-NA supported Tunisia and Egypt in strengthening frameworks for diaspora contributions and remittances, including reforms embedded in Tunisia's 2026–2030 development plan and advisory dialogue on productive investment in Egypt.

h) To continue to support its members in accelerating the implementation of the 2030 Agenda and Agenda 2063, including through the preparation and application of national strategies for implementing the Agreement Establishing the African Continental Free Trade Area and enhancing regional integration.

59. SRO-NA supported AfCFTA implementation through Libya's green strategy component, a regional Digital Trade Protocol assessment, the North Africa Development Forum and private-sector capacity-building in Egypt.

i) To assist its members in providing and creating the necessary digital environment to improve data quality and enhance data-sharing, which includes developing the capacity of North African States in the field of artificial intelligence.

60. No dedicated activity addressed national data systems or AI capacity-building; related issues were covered indirectly through policy dialogue on digital trade and AI-assisted tax administration.

j) To support African States in their ongoing campaign for reform of the global financial system, to enable greater representation of such States in the decision-making bodies of international financial institutions and to increase their access to the resources needed for achieving sustainable development.

61. The sovereign-finance forum and climate debt haircut proposal supported African dialogue on reforming the international financial architecture and improving access to sustainable and concessional finance.

k) To continue to support its members in capacity-building programmes for private and public institutions in the areas of governance, access to finance, in particular green finance, digitalization and the use of modern technology.

62. Capacity-building covered SME finance in Algeria, digital trade and AfCFTA use in Egypt, tax and debt management in several countries and sustainable-finance instruments through regional peer learning.

l) To support African States in integrating the informal sector into the formal sector, by conducting strategic studies and by facilitating the exchange of best practices in the field.

63. In Algeria, SRO-NA is combining a firm survey, interviews and consultations to diagnose informal financial flows and develop a policy roadmap linking formalization, finance, taxation and institutional coordination.

m) To urge international financial institutions and credit rating agencies to reform their current debt sustainability assessment standards and models to give greater consideration to the needs of climate finance and sustainable development.

64. Regional sovereign-finance dialogue brought together debt authorities, multilateral institutions and rating agencies, while the climate debt haircut paper argues for integrating climate vulnerability and adaptation costs into debt considerations.

n) To launch initiatives aimed at developing new financing instruments that rely on domestic resources to fund cross-border partnerships between its members.

65. No dedicated cross-border domestic-financing instrument was completed. Related work on domestic resource mobilization, sustainable finance and SME financing provides an analytical basis for future initiatives.

o) To prioritize the use of national data, where available, and work to update existing data.

66. SRO-NA systematically used national data and country consultations in socioeconomic analysis, SME and informality assessments, debt work and migration-development diagnostics; no separate statistical-system project was implemented.

V- Challenges and lessons learned

67. SRO-NA operated amid political transitions, security concerns, migration pressures, regional tensions and climate vulnerabilities that can delay implementation and constrain cross-border cooperation. These conditions reinforced the value of adaptable technical assistance, country ownership and the Office's convening role. A key lesson is that regional initiatives are most effective when anchored in concrete national demand, peer learning and implementation-oriented partnerships.

68. The newly established Inclusive Growth and Sustainable Development (IGSD) team faced a broad mandate with limited resources, reinforcing the need for a sharper thematic focus. Sustainable transition and resilience have emerged as the main direction, but stronger strategic dialogue with member States is needed to refine priorities, avoid duplication and align support with demand. Limited response to initial consultations also points to the need for more effective engagement mechanisms. Greater selectivity and clearer positioning should strengthen partnerships and resource mobilization in a context of declining development assistance.

Appendix A: List of Acronyms

AfCFTA	African Continental Free Trade Area
AI	Artificial intelligence
DMU	Debt Management Unit
DRM	Domestic resource mobilization
DSA	Debt Sustainability Analysis
ECA	Economic Commission for Africa
FSD Africa	Financial Sector Deepening Africa
ICSOE	Intergovernmental Committee of Senior Officials and Experts for North Africa
IGSD	Inclusive Growth and Sustainable Development
IMRF	International Migration Review Forum
IOM	International Organization for Migration
MSME	Micro-, small and medium-sized enterprise
MTDS	Medium-Term Debt Strategy
SDG	Sustainable Development Goal
SMART	Specific, measurable, achievable, relevant and time-bound
SME	Small and medium-sized enterprise
SRO-NA	Subregional Office for North Africa
SRO-WA	Subregional Office for West Africa
USD	United States dollar

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