UNIVERSITY OF CAMBRIDGE | CISL Cambridge Institute for Sustainability Leadership

The Business & Sustainability Programme Africa

Day 3

18 March 2025
Naivasha, Kenya

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3.1 Morning Syndicate Groups / Reflections – Organisational Focus

Susan Njoroge
CISL Fellow | Managing Director, Responsible Business Consulting | Programme Director of BSP Africa

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Morning Syndicate Groups

Organisational Focus

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3.2 Orientation: Roadmap and Reflections

Susan Njoroge
CISL Fellow | Managing Director, Responsible Business Consulting | Programme Director of BSP Africa

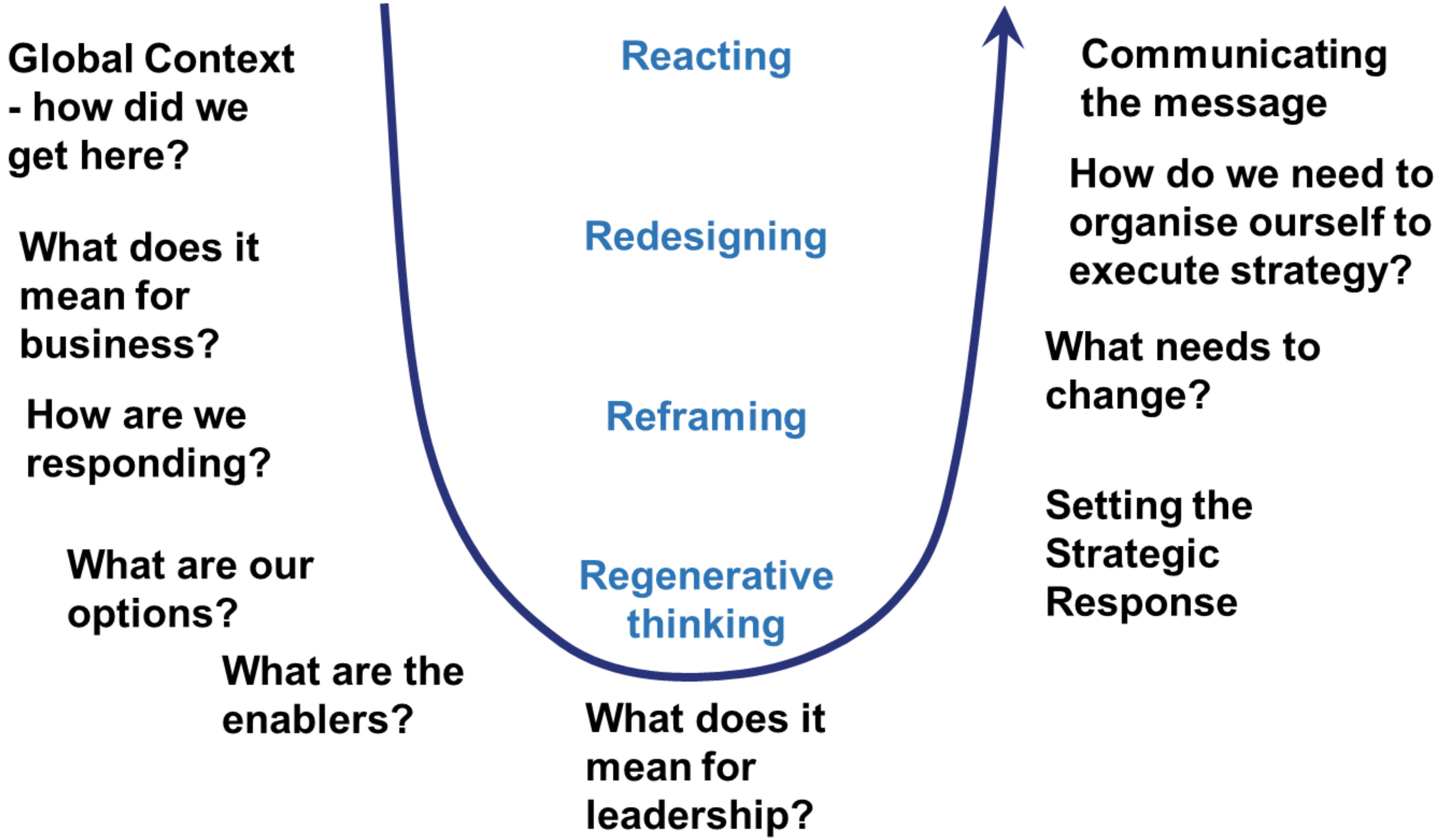
Reflection Exercise – Listening Pairs

- Envisage a truly sustainable version of your organisation.
- Think individually, listen; swap turns

Housekeeping

- Please put aside your devices – phones, laptops, tablets, etc.
- Journals/notebooks – ideas, reflections, write away
- Evaluations Day 2

Learning Journey



Source: U Theory - Otto Scharmer

Day 3 - Agenda

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Timings	Agenda
08.15 – 09.00	3.1 Morning syndicate groups - organisational focus
09.00 – 09.15	3.2 Orientation: roadmap and reflections
09.15 – 10.00	3.3: Transitioning to a new economic model – A Just and Sustainable Transition in Africa
10.00 – 11.00	3.4 The role of business in A Just and Sustainable Transition. Provoking business transformation in the Just Transition
11.00 – 11.30	Refreshment break
11.30 – 12.30	3.5a Financing the transition
12.30– 13.30	Lunch
13.30 – 14.30	3.5b Governing the Transition
14.30 – 15.30	3.6 The Big First Steps: Innovating Organisational Strategy & Purpose

Day 3 - Agenda

Timings	Agenda
15.30 – 16.00	Depart for Farm Tour
16.00 – 17.00	Farm Tour: Gorge Farm Naivasha
17.30 – 18.15	Free time
18.15 – 20.30	Gala Dinner (national/cultural attire)

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3.3: Transitioning to a new economic model – A Just and Sustainable Transition in Africa

Dr. Nadia S. Ouedraogo
Economic Affairs Officer, United Nations Economic Commission for Africa

OUTLINE

- **1. Introduction**
- **2. Context**

  Economic Dependency on Carbon-Intensive Sectors
  - Energy Access and Infrastructure Deficits
- **3. A just and sustainable transition framework for Africa**
- **4. The continent has untapped capability to attract investment for a JST……**
- **5….. But faces a wide funding gap in implementing its JST**
- **6. Emerging Financial Solutions Across Africa**
- ***7.* Key policy recommendations**
- **8. Conclusions**

INTRODUCTION

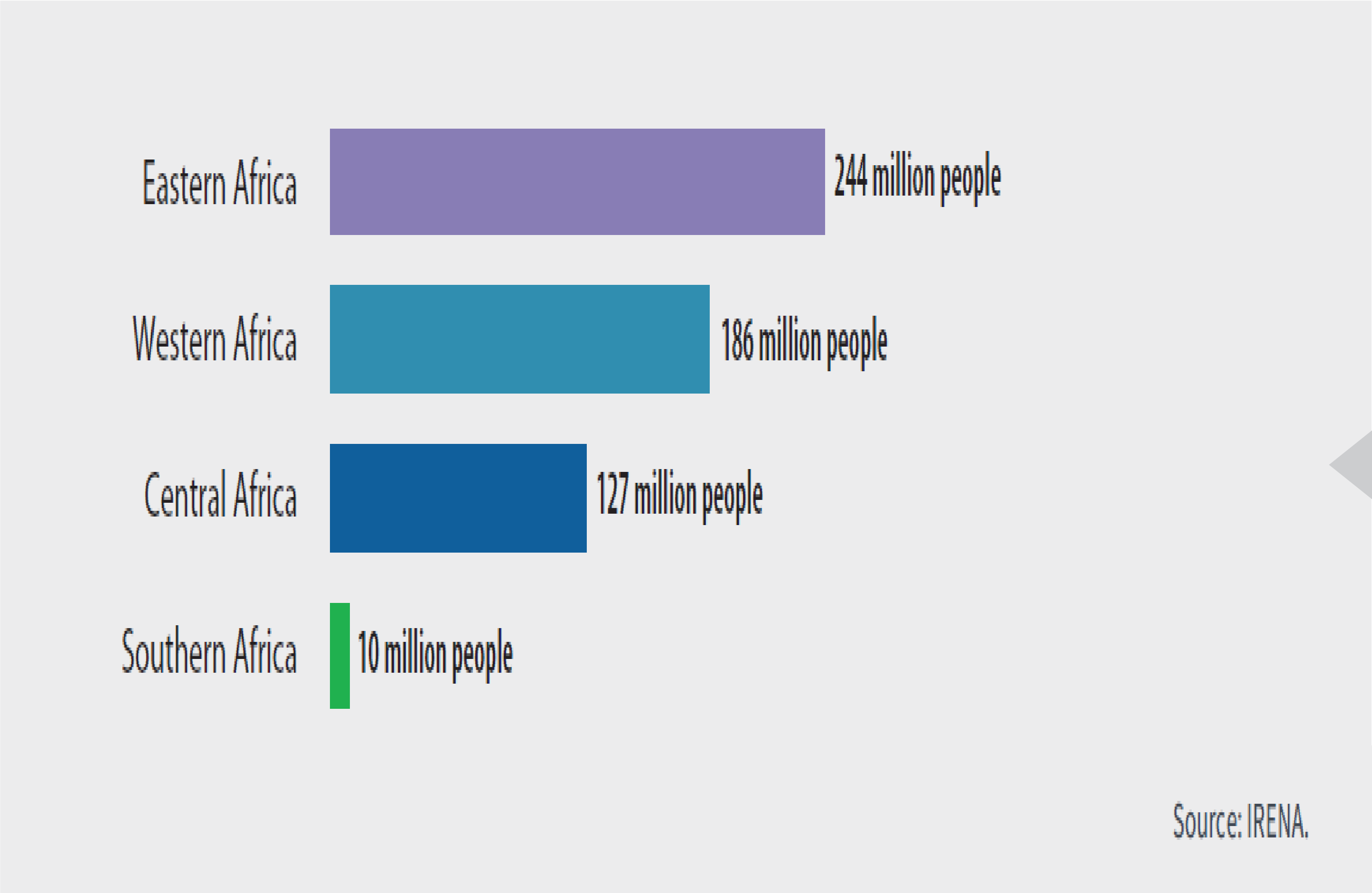
- Africa faces interconnected challenges of relatively low level of development, economic vulnerability, social inequality, and climate crises.
- **A Just and Sustainable Transition (JST)** focuses on achieving high and inclusive growth while transitioning to a low-carbon, climate-resilient economy.
- A JST is essential to meet targets outlined in the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want.

Context: Economic Dependency on Carbon-Intensive Sectors

The continent's economy depends on carbon-intensive industries. Transitioning away from these industries could lead to economic dislocation, job losses, and reduced government revenues, making it difficult for countries to maintain stability and fund public services.

Many countries in Africa have not yet fully industrialized and are still in the early stages of economic development.

Context: Energy Poverty and Infrastructure Deficits



RE at the center of energy systems and sustainability transition

- Av. electricity consumption in Africa is 500kWh per year, vs. 13,000 in North America; low CO_2 emissions

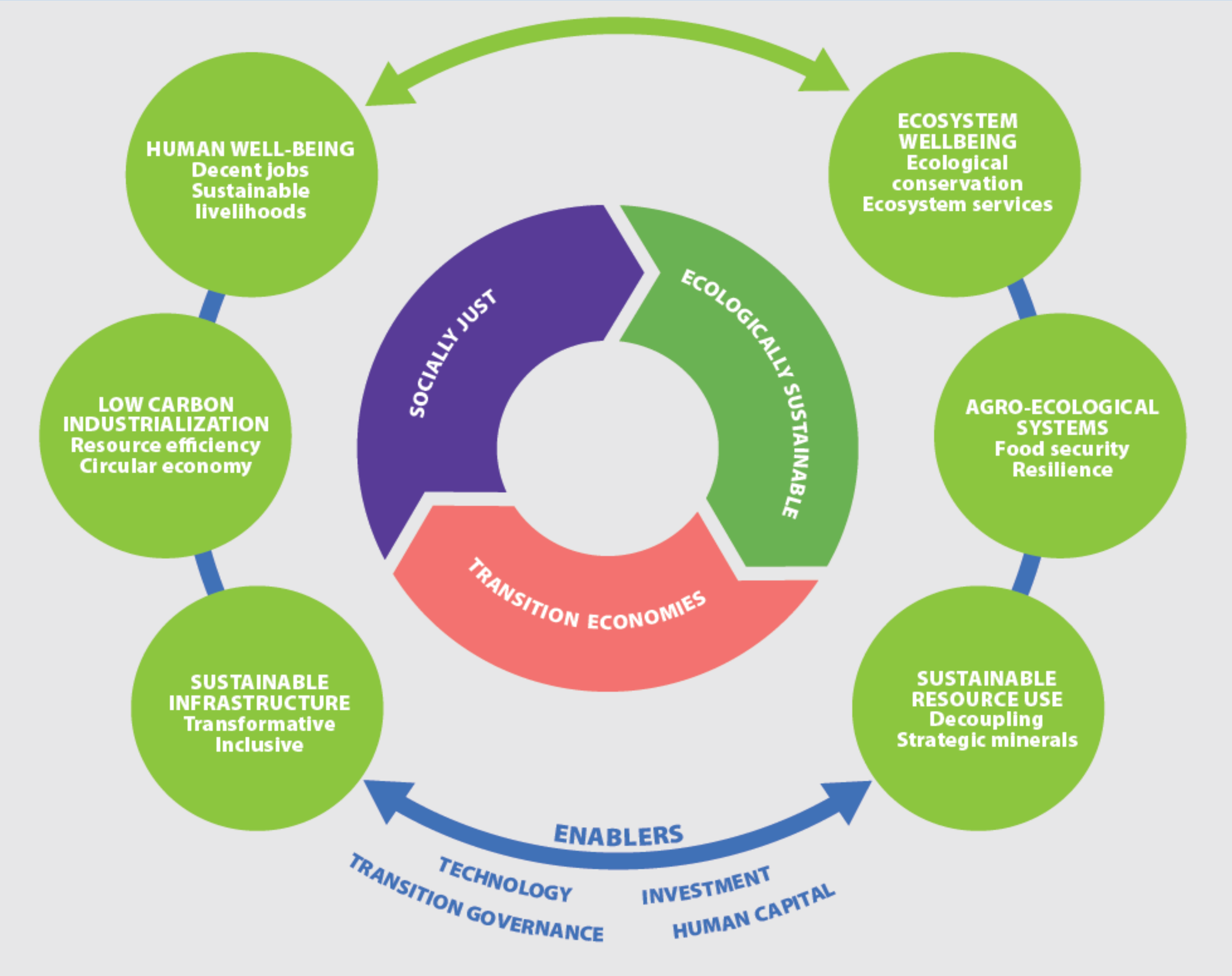
Just aspect: Africa's JET path must differ from other regions - Africa needs to balance decarbonization with closing energy gap.

Broadly, just transition strives for socially just world while disconnecting growth from rising levels of resource extraction and consumption.

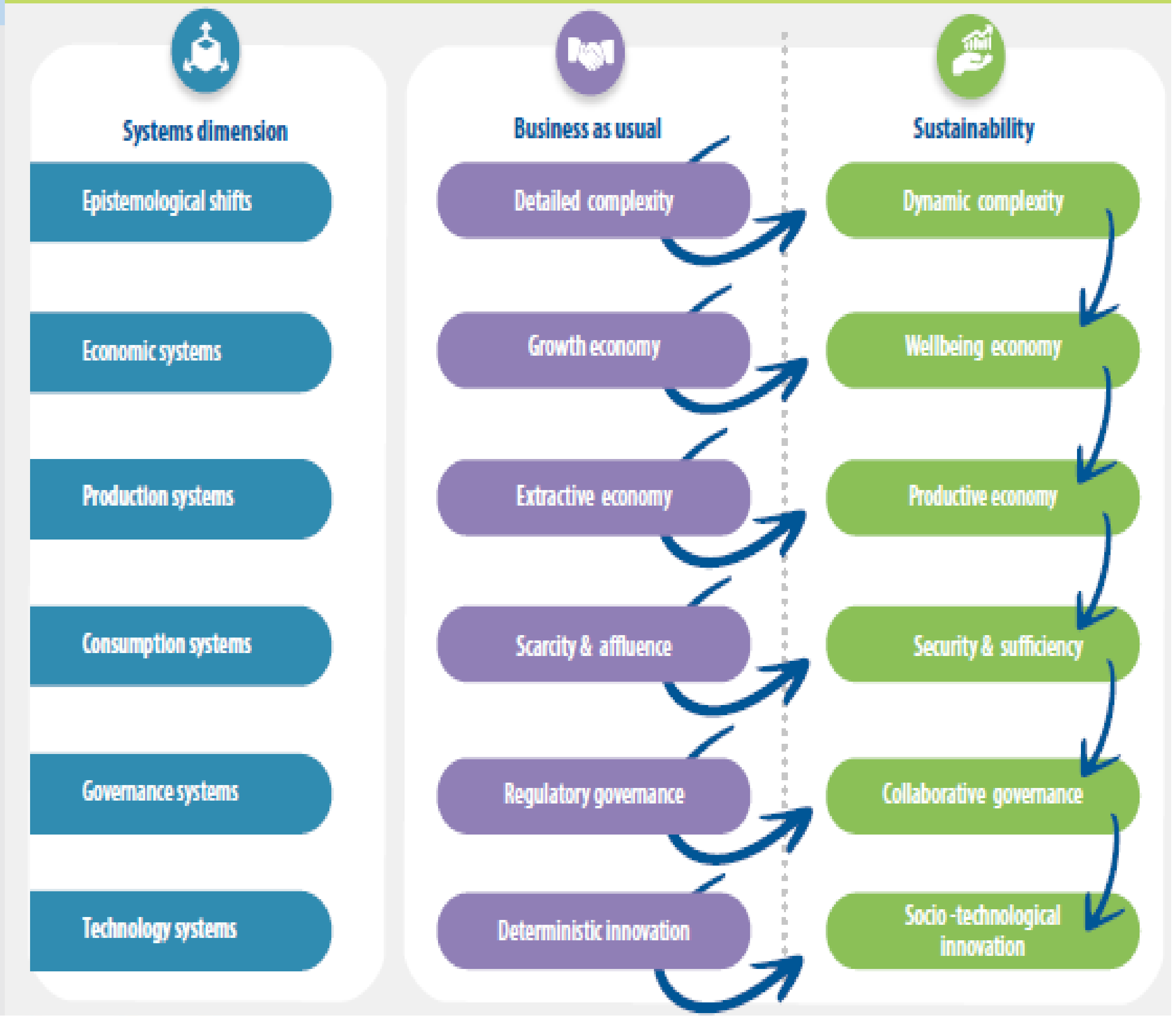
Also critical: securing a fair share in global value chains and creating decent jobs for growing youth populations.

A just and sustainable transition framework for Africa

Key dimensions of the framework for a just and sustainable transition in Africa



Main systemic shifts for a just and sustainable transition in Africa



Africa has the potential to leapfrog

Just Energy Transition

- 600 million people without access to electricity in 2021
- Gradual transition to renewable energy
- Effective social policies and economic diversifications

Shift to Collibratory Governance

- New governance infrastructure and governance based on collaboration and coordination
- Collaboration between different levels of government and institutions, civil society, private firms, and citizens

Levearge critical minerals

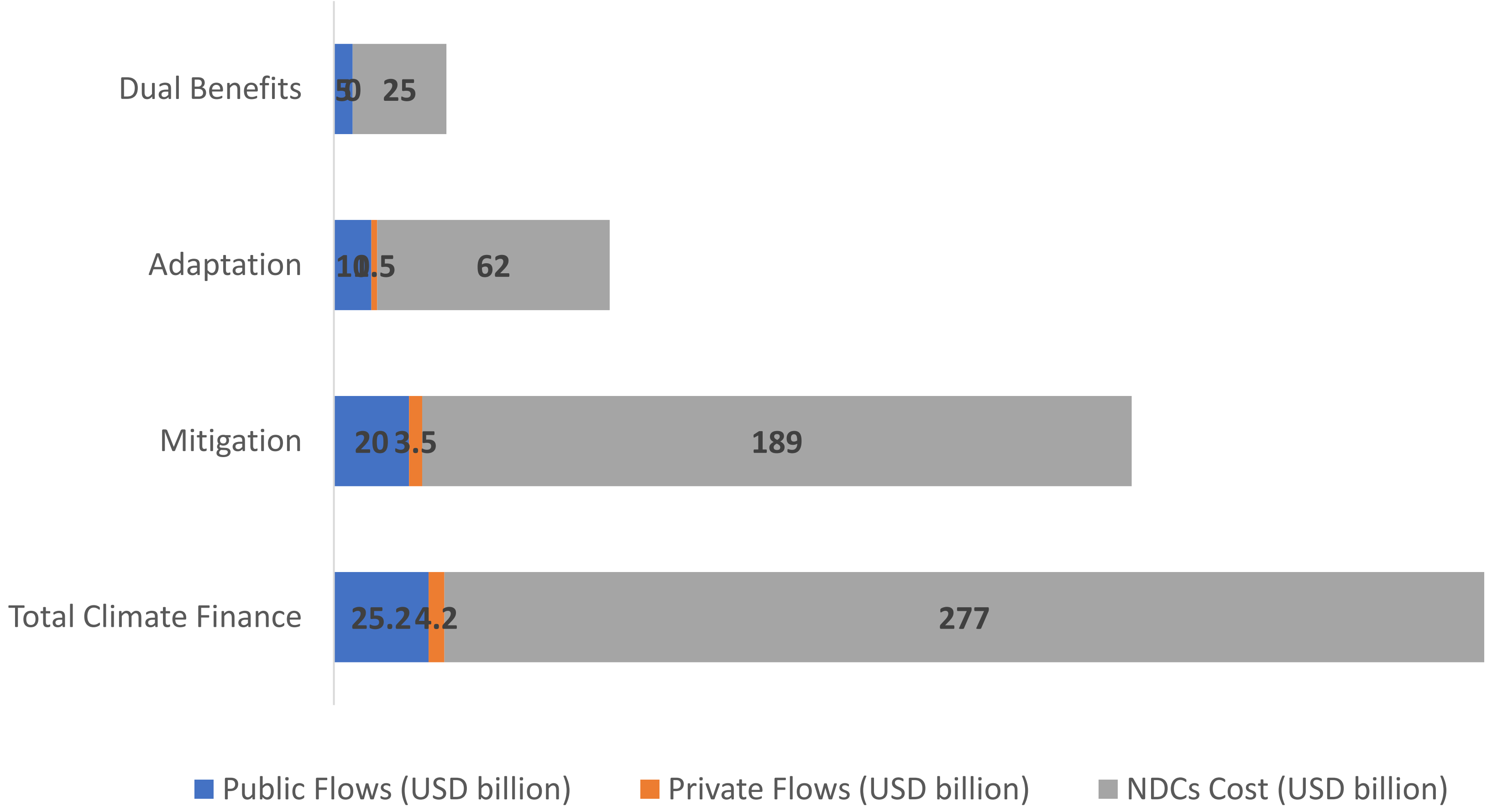
- Africa has 30% of the world’s critical mineral reserves
- Shift from raw critical-mineral exports to mid- or end-stage processing and value addition
- Build transformational infrastructure

Harness Frontier Technology

- The disruptive technologies bring major opportunities for JST in Africa via leapfrogging
- Dynamic innovation ecosystem that enables development and application of new disruptive technologies

Africa faces a wide funding gap in implementing its JST

Fig: Private and Public Climate Finance Flows vs. Total Cost by Climate Use



- Africa balances 49% mitigation, 39% adaptation, and 12% dual benefits in climate finance.
- Funding must increase: Adaptation by 6 times, and mitigation by 13 times to meet climate goals.

Africa faces a wide funding gap in implementing its JST

To close the funding gap, JST requires:

Underfunding and fragmentation of climate finance

- Enhanced private sector participation and innovative financing
- More involvement of the multilateral development banks
- Innovative national and subregional sustainable finance mechanisms
- Reforming the global financial architecture
- Adopting responsible investment

Emerging Financial Solutions Across Africa (cont.)

Blended Finance:

- Combines **public, private, and concessional funding** to de-risk high-risk sectors and green investments.
- **Reduces investment risks** for private capital by using public funding to absorb potential losses.
- **Crowds in private capital** for renewable energy, sustainable agriculture, and green infrastructure.
- Supports **small, innovative projects** like off-grid solar systems and climate-smart agriculture that face financing challenges.

Debt-for-Climate Swaps:

- Restructures or forgives external debt in exchange for commitments to **climate adaptation and mitigation**.
- Offers fiscal relief while increasing investment in **sustainable development and resilience**.
- Supports **biodiversity protection** and long-term environmental benefits.
- Successful examples, such as **Seychelles**, offer a dual solution to the **debt** and **climate crises**.

Emerging Financial Solutions Across Africa (cont.)

- **Carbon Credits:** Africa has significant potential, with $15 billion in annual revenue and 85 million jobs created at $50/tonne of carbon credit.
  - At $100/tonne, potential revenues rise to **$57 billion with 140 million jobs.**
  - Average carbon credit prices increased **by 72.5%, reaching $6.97/tonne in 2023.**
  - Buyers expect to pay $25-$30/tonne by 2030, driven by rising demand for quality credits and potential scarcity. The Voluntary Carbon Market is expected to grow 10-20 times, with demand surpassing supply, causing further price increases.
- **Sustainable Bonds/SDG Bonds**:
  - Broader project flexibility, addressing both **environmental** and **social goals**.
  - Align with the **UN Sustainable Development Goals (SDGs)**, tackling issues like **poverty**, **climate action**, **clean energy**, and **gender equality**.
  - Funds affordable housing, healthcare, and education, supporting vulnerable populations in the green transition.
- **Hybrid Bonds (Social and Green Bonds):**
  - Combine **green and social bonds** to fund projects with both **environmental** and **social impacts**.
  - Supports **climate-resilient infrastructure** and addresses **social inequalities** simultaneously.
  - Example: **Morocco** explores hybrid bonds to finance **renewable energy** and **affordable housing**.
  - Promoted by the **AfDB** following G20 calls for **innovative financing solutions**.

Key policy recommendations

- Strengthen strategies and policies for JSTs in Africa with national development plans
- Facilitate the key role of the private sector
- Balance growth and strategic public investment while maintaining fiscal sustainability
- Mobilize new financing and make smarter use of available financial resources .
- Establish a dedicated national mechanism for financing JSTs, backed by the national bank or treasury
- Support multilevel collaborative governance, human capital, and leapfrogging technologies essential for JSTs
- Build effective multi-stakeholder partnerships and coalitions at national, regional and global levels

Conclusion

A successful JST in Africa hinges on the ability to mobilize and allocate financing effectively.

JST in the energy sector (JET) requires balancing the need to close the energy gap while reducing carbon footprint.

Closing financing gaps requires partnerships across governments, international agencies, and the private sector.

With coordinated action, Africa can achieve a sustainable transition that ensures economic growth, social equity, and climate resilience.

ideas for a prosperous Africa

IdeastoAction

Thank You

THANKS

MERCI

Ideas to Action

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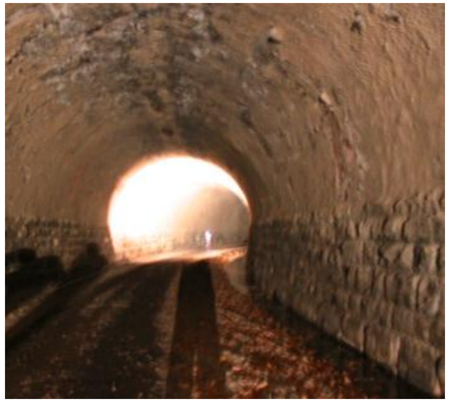
3.4 The role of business in A Just and Sustainable Transition. Provoking business transformation in the Just Transition

Pat Dwyer
Founder, The Purpose Business &
Senior Associate, CISL

3 logics – maturing from business-as-usual



Business As Usual +

Corporate Social Responsibility(CSR)

Enlightened Shareholder Value (ESV)

Purpose- Driven Organisations (PDO)

	BAU/ BAU + CSR	ESV	PDO
Description	Maximise profit / short-term financial interest	Maximise profit over time	Well-being delivered profitably
Relation to core business	Peripheral	Core	Core
View of stakeholders	Secondary	Considered and engaged	Intrinsic and core

https://www.bsigroup.com/en-GB/standards/pas-808/#:~:text=It%20gives%20guidance%20to%20governing,decisions%2C%20and%20how%20it%20acts.

Purpose: from fluff to function

love every drop anglianwater
KPMG
UK Government
JLL
bsi.

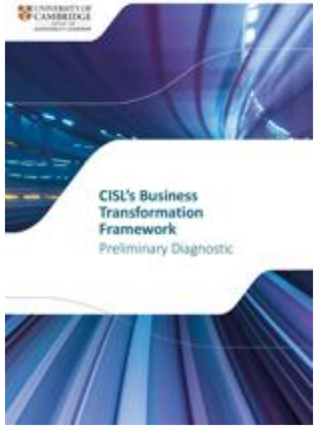
https://www.bsigroup.com/en-GB/standards/pas-808/#:~:text=It%20gives%20guidance%20to%20governing,decisions%2C%20and%20how%20it%20acts.

Figure 2 – Worldviews, principles and behaviours of a purpose-driven organization

Alliance for Action on Corporate Purpose (2023)
A framework and blueprint for businesses in Singapore

ISO 37000 Guidance for the Governance of Organizations

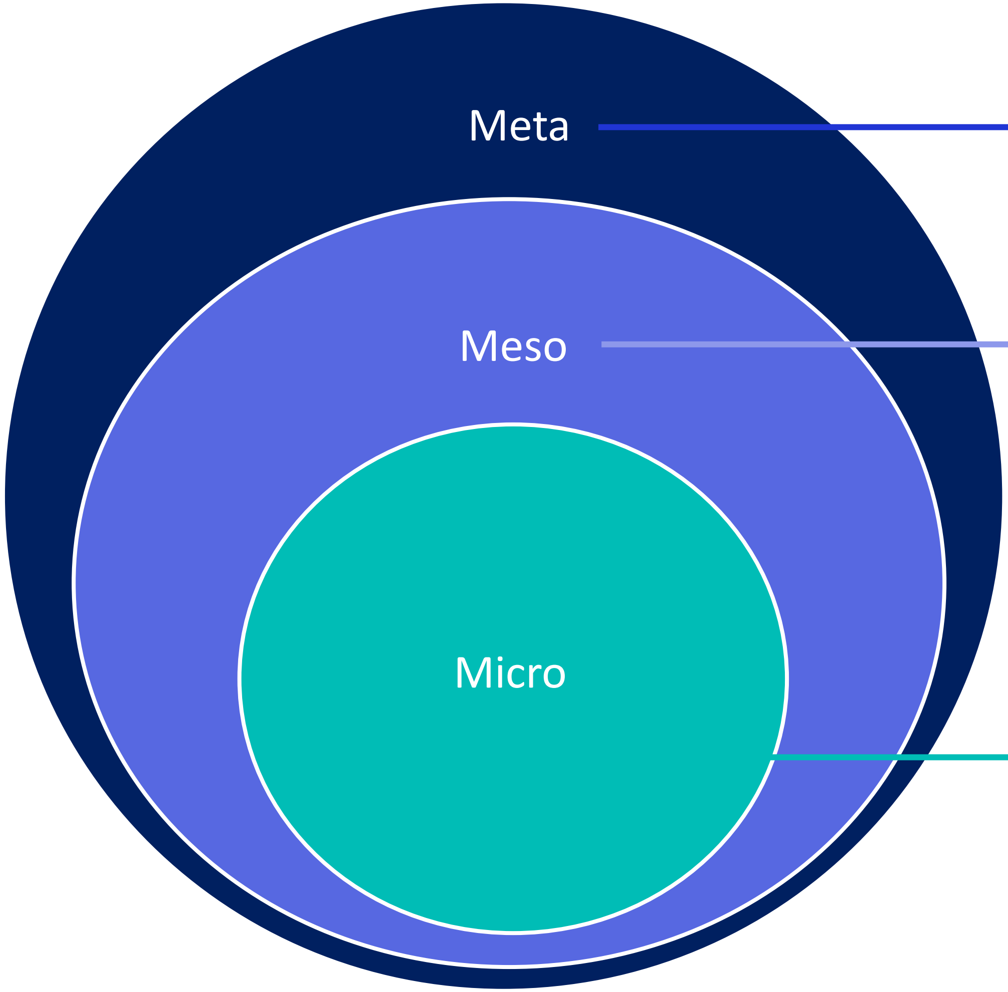
https://committee.iso.org/ISO_37000_Governance_published



https://www.cisl.cam.ac.uk/news-and-resources/publications/cisls-business-transformation-framework-preliminary-diagnostic

Situating purpose

Situating purpose



An organisation's reason to exist that is a unique, optimal strategic contribution to the long-term wellbeing of all people and planet.

"Producing profitable solutions to problems of people and planet. Never to profit from creating the problems in the first place."

Colin Mayer, CBE, Professor of Management Studies at Oxford, Former Dean of the Business School at Oxford

You.

The ingredients of Purpose

Articulating what you stand for

PROBLEM + ROLE + IMPACT = PURPOSE

The ingredients of Purpose

Articulating what you stand for

PROBLEM + ROLE + IMPACT = PURPOSE

What is your unique problem to solve?

What is the primary role you play in making an impact?

What distinct impact do you make in people's lives?

Olam: To reimagine global agriculture & food systems

To reimagine global agriculture & food systems

To create beauty that moves the world

Group work: In pairs

PROBLEM + ROLE + IMPACT = PURPOSE

What is your unique problem to solve?

What is the primary role you play in making an impact?

What distinct impact do you make in people's lives?

The role of business in A Just and Sustainable Transition. Provoking business transformation in the Just Transition

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Refreshment Break

Organisational Focus

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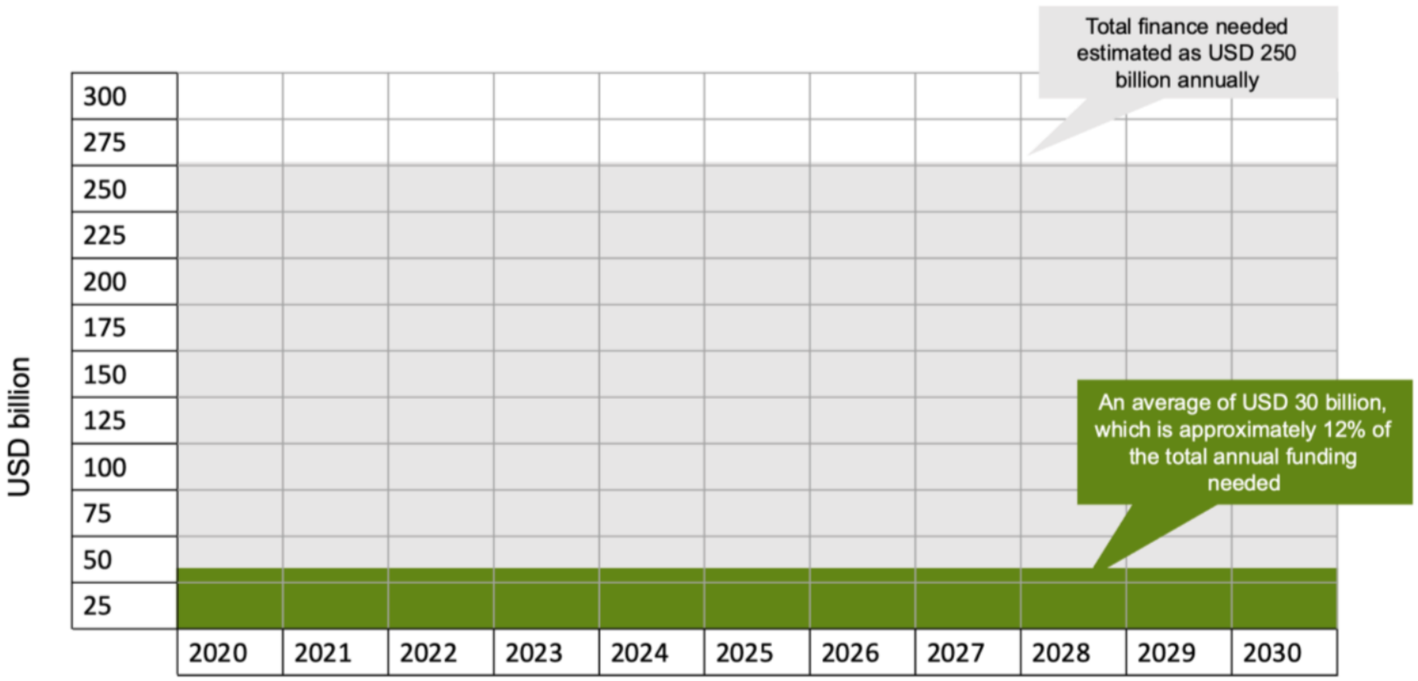
3.5a Financing the Transition

Stefan Raubenheimer | Cecilia Murai | William Nyaoke

Huge suppressed growth!

"The Data are simple: the bulk of global investments in decarbonization and adaptation must be made in the South while half of the global savings are held by 58 million millionaires, mostly located in the global north. The challenge is to reorientate a share of these savings towards the South"
THIS IS THE TRANSITION WE SEEK TO ACHIEVE: IT IS "DEVELOPMENT ++"

Figure 1: Current finance flow shortfall for Africa



Source: (CPI; Guzmán et al., 2022)

La Rovere and Hourcade

But lots of headwinds!

Foreign direct investment (FDI) flows to Africa declined to $45 billion from the record set in 2021. They accounted for 3.5 per cent of global FDI.

Net flows are now OUT of Africa.

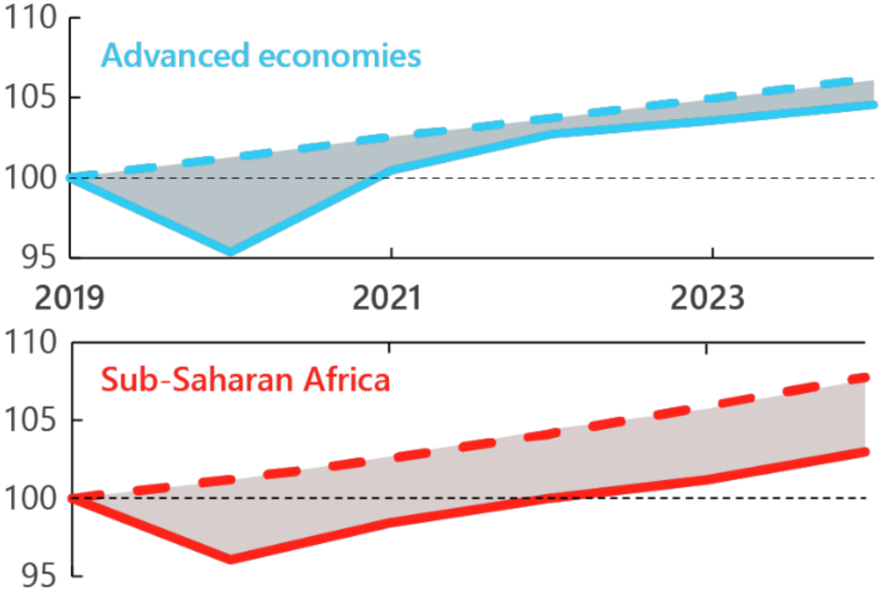
Concessional finance is decreasing fast; ODA flatlining in Africa

Africa needs to move from loan to leverage.

African countries need to present a new balance sheet to the world, derisk politics and economics, include commons and natural capital assets

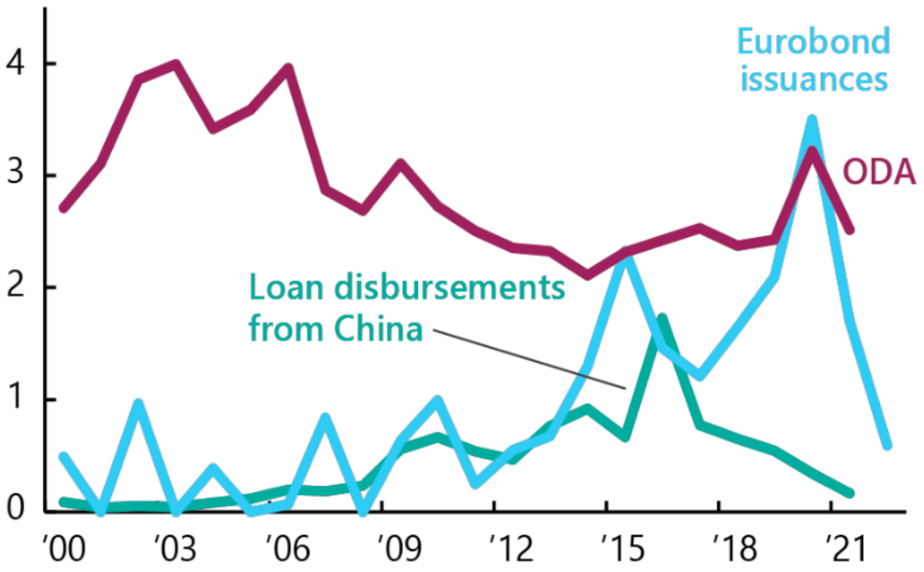
Africa not recovering….

Figure 1: Real GDP per capita, 2019 – 2024 (2019 = 100, dashed line indicates pre-crises trend)



Source: IMF, "The Big Funding Squeeze", 2023

Figure 2: SSA Sources of financing (percent of regional GDP)



Sources: IMF, "The Big Funding Squeeze", 2023

Figure 3: People living in countries with income per capita below 2019 levels (percent of SSA population)

Steps to be taken

- Concept of “interlocking balance sheets”
- Create fiscal headroom, improve rating
- Bring down cost of capital
- Value the unconventional assets in some way
- Derisk at all levels
- Insurance and sovereign guarantees

Climate element within development challenge

- **Adaptation investment is complex and tricky: no ROI, but rather an avoidance of future cost**
- **Loss & Damage**
- **Emissions avoidance**
- **Current emissions abatement**
- **Methane abatement**
- **Carbon removal**

Global Nature elements within the development challenge

- Protection of nature comes in many forms
- Nature commons just beginning to come onto the balance sheet
- May have huge potential eg coral reefs valued at $7tr globally pa
- Very challenging still but the first examples of links to concessional finance exist

Natural Capitals are sovereign assets

- Raw materials
- Minerals
- Land

- **In Africa, very short value chains; grow and extract, export**

- Can also be less tangible, but should be valued:
    - Youth
    - Skills
    - Sun, rivers, etc

African Finance Minsters are calling for:

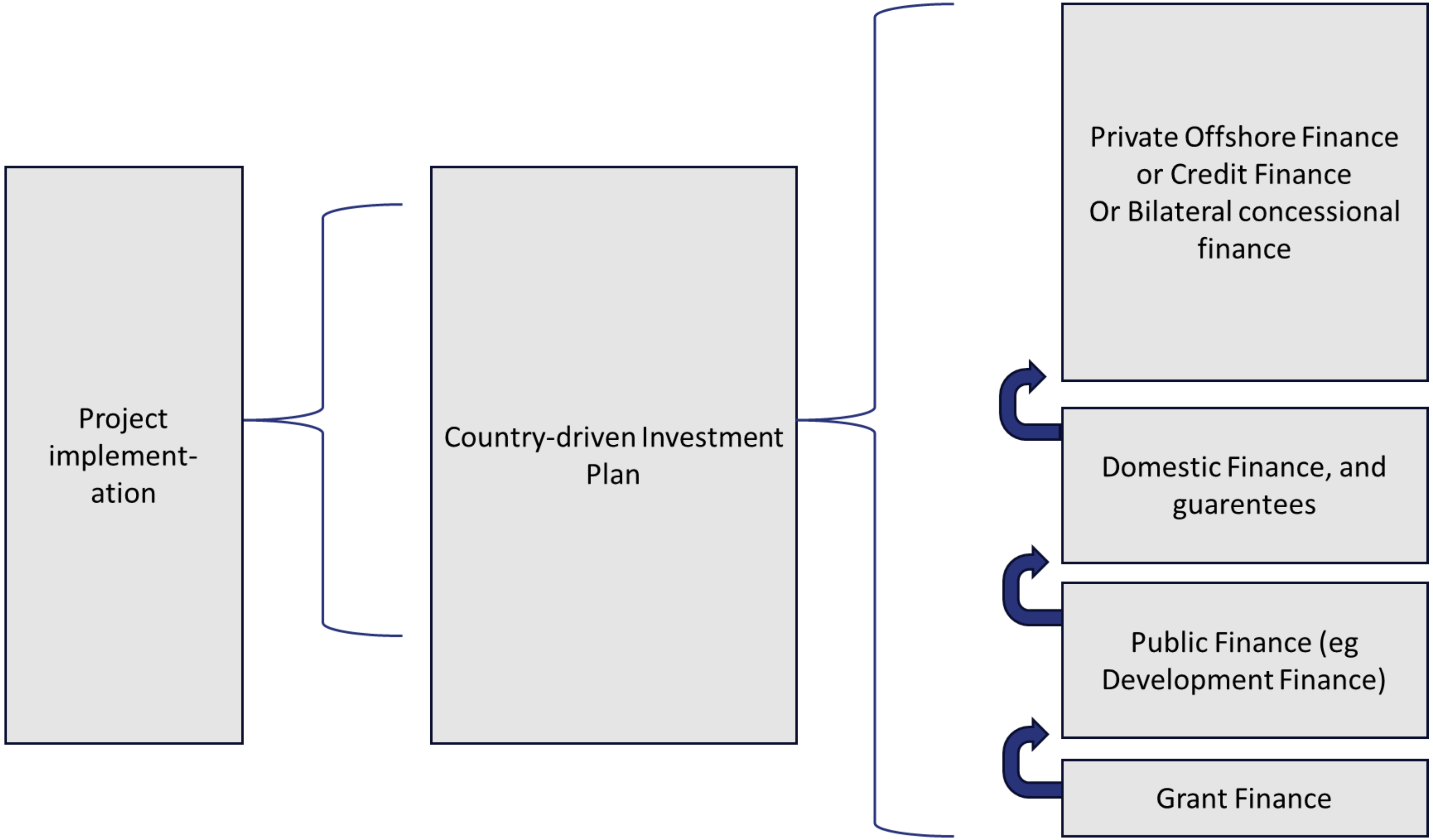
- *Increasing low-interest money available over the long-term,*
- *Re-channelling IMF SDRs to the African Development Bank,*
- *Sustaining the IMF's Poverty Reduction and Growth Trust with additional financing,*
- *Overhauling the Common Framework and finding a real solution to the debt crisis, and*
- *Confirming the African Union as a full member of the G20.*

African Centre for Economic Transformation

"This reflects a just and equitable solution – when the countries of Africa are asked to renounce on polluting development to deal with the current state of emergency on the planet it is only fair that as a counterpart the cost of adaptation to this should be shared equitably also. This is the essence of our advocacy."

Macky Sall, President of Senegal

The Capital Stack as a form of leverage of large-scale finance


Project implement-ation
Country-driven Investment Plan
Private Offshore Finance or Credit Finance Or Bilateral concessional finance
Domestic Finance, and guarentees
Public Finance (eg Development Finance)
Grant Finance

Fiscal space

The current debt crisis affecting Low Income and Lower-Middle Income Countries (LICS and LMICs) is both a debt and financing crisis:

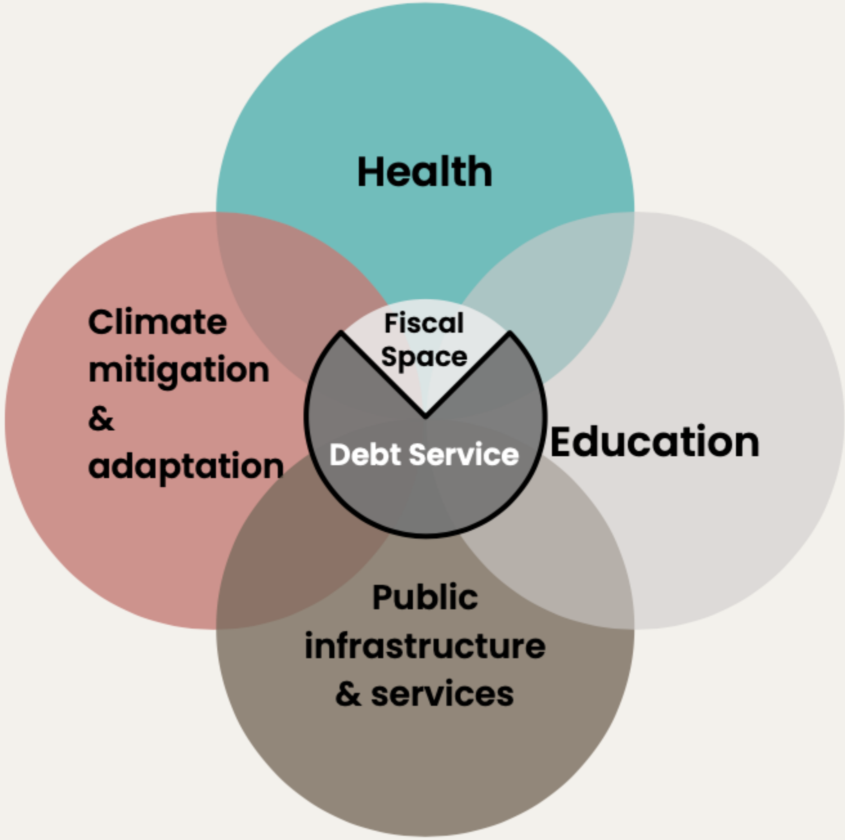
Existing, expensive debt loads

much of it borrowed from non-traditional bilateral lenders like China, Saudi Arabia, UAE, India (rather than traditional "Paris Club"/G7 lenders), and commercial lenders (banks and bondholders) in the mid-2000s. As these are coming due now, countries face difficult repayment walls and high debt service or refinancing costs.

Need for new financing

whether creating a shorter-term liquidity crisis or larger insolvency crisis - **is combined with an acute need to attract substantial additional financing,** from multiple sources, for climate, social and development goals.

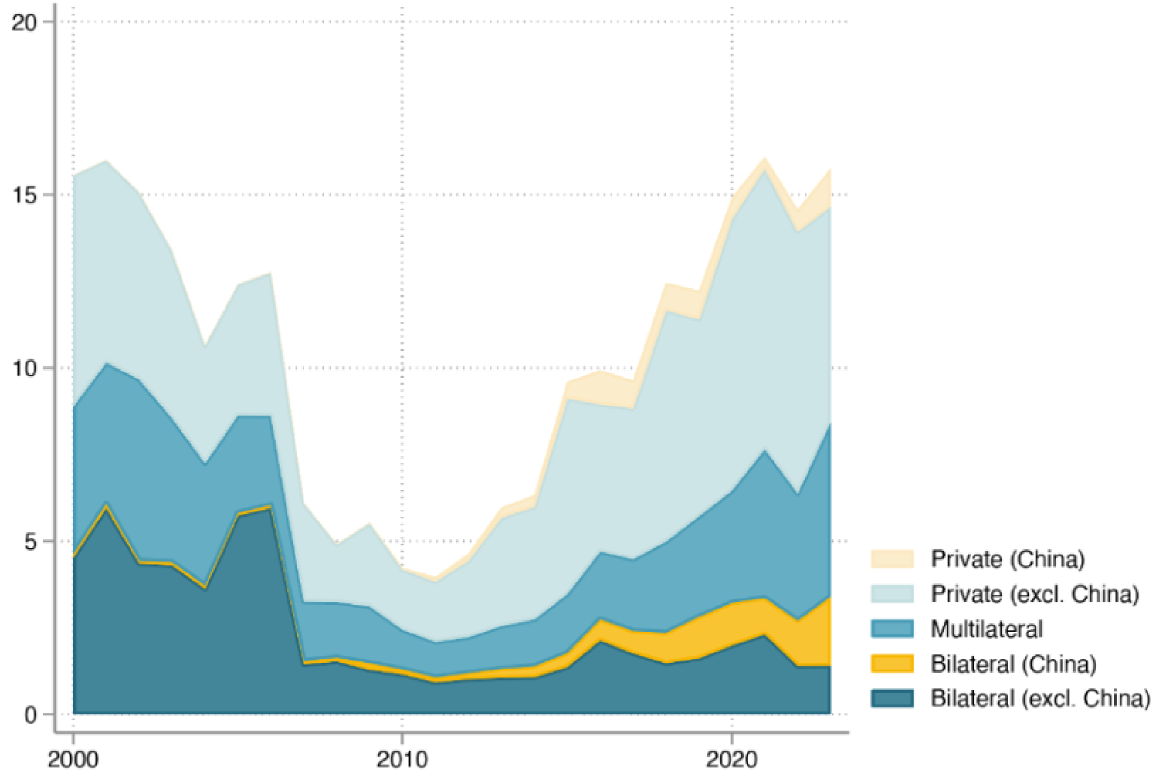
Lack of Fiscal space in LICs and LMICs due to high debt service costs means efforts to advance other priorities, be those climate mitigation and adaptation, health, education, gender, green industrialisation/ development are undermined.



Efforts to replenish International Development Association (IDA) are undermined if high debt levels are not addressed simultaneously.

Left unresolved, the debt crisis risks leaving LICs and LMICs behind at this transformative moment for world economy.

Figure 1: Total debt service by African countries, as a share of government revenues



Note: Data from the World Bank IDS and IMF WEO (with additional interpolation by Gethin, 2024)

Source: Crawfurd & Mitchell, Centre for Global Development, October 2024, Blog: Publish What You Lend

As debt service grows as a share of government revenues in LICs and LMICs, spending on health, education, nutrition infrastructure, gender, climate resilience is collapsing.

BOTTOM LINE

For programs in any of your priority areas to succeed, we need to make progress on addressing debt!

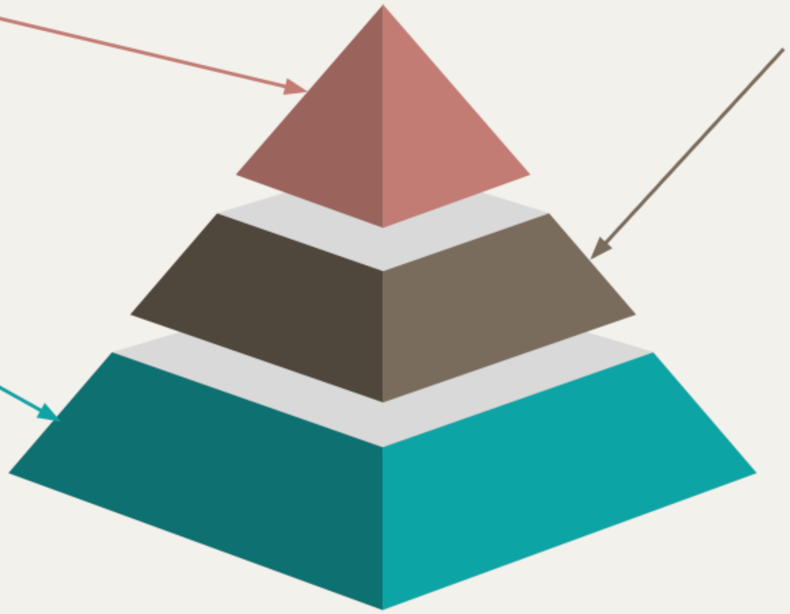
LIC/LMICs face different debt and fiscal challenges which require a combination of policy interventions: philanthropy can help accelerate the adoption of quick wins whilst setting the foundations for structural change

Reduce immediate debt burdens

- Support countries to **increase fiscal space**
- Develop, understand and implement **liquidity proposals to avoid country defaults**
- Explore **other strategic options** to reduce debt

Build supportive debt architecture

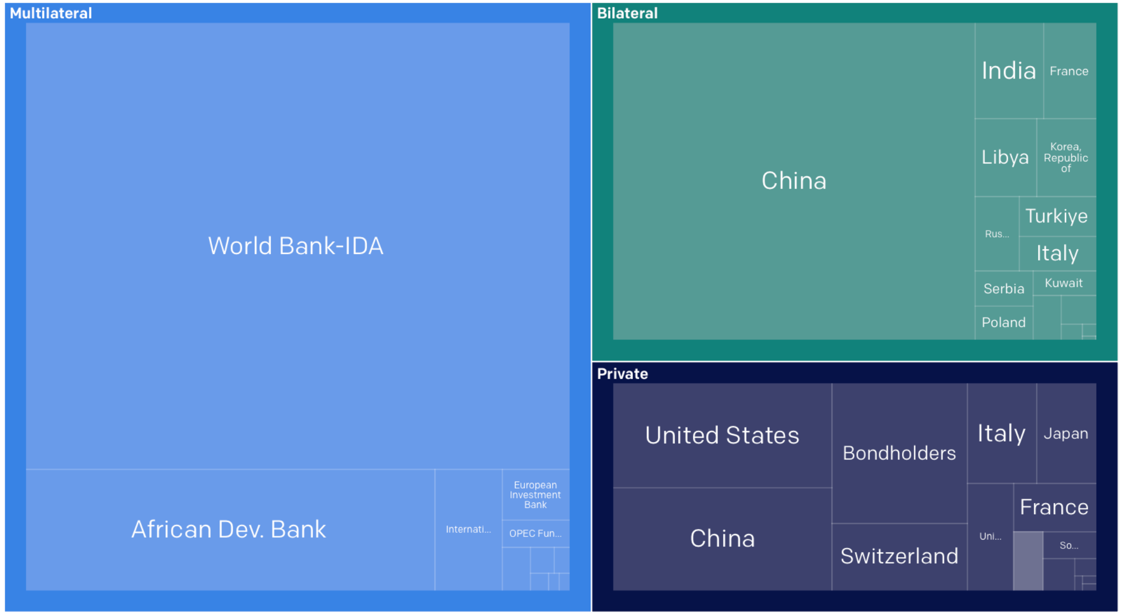
- Build more **robust debt restructuring mechanisms**
- **Improve debt management and advisory** – greater transparency, public buy-in, and oversight can boost debt sustainability
- **Access to short-term liquidity** to manage debt crises



Ensure better 'quality' financing is available at scale

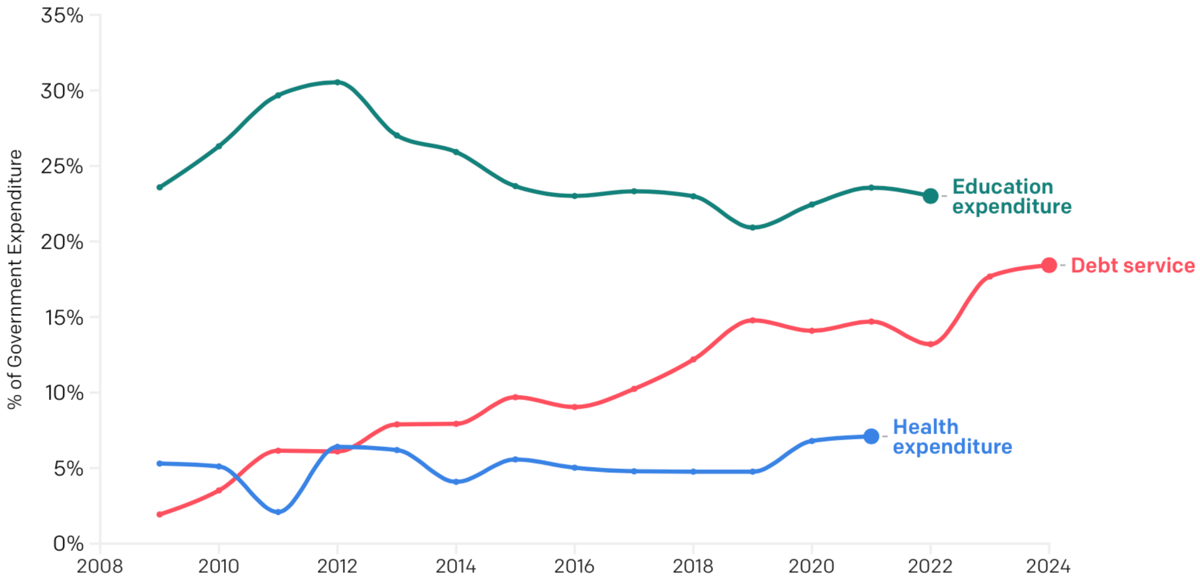
- **Address systemic issues** (i.e. DSAs, CRAs etc.)
- **Improve** LICs and LMICs' **access to bonds**
- **Support development of new financial solutions** to promote better borrowing and lending
- **Explore governance conditionalities** on guarantees to boost market confidence
- **Help countries become less reliant on external financing** by developing domestic capital

Ethiopia

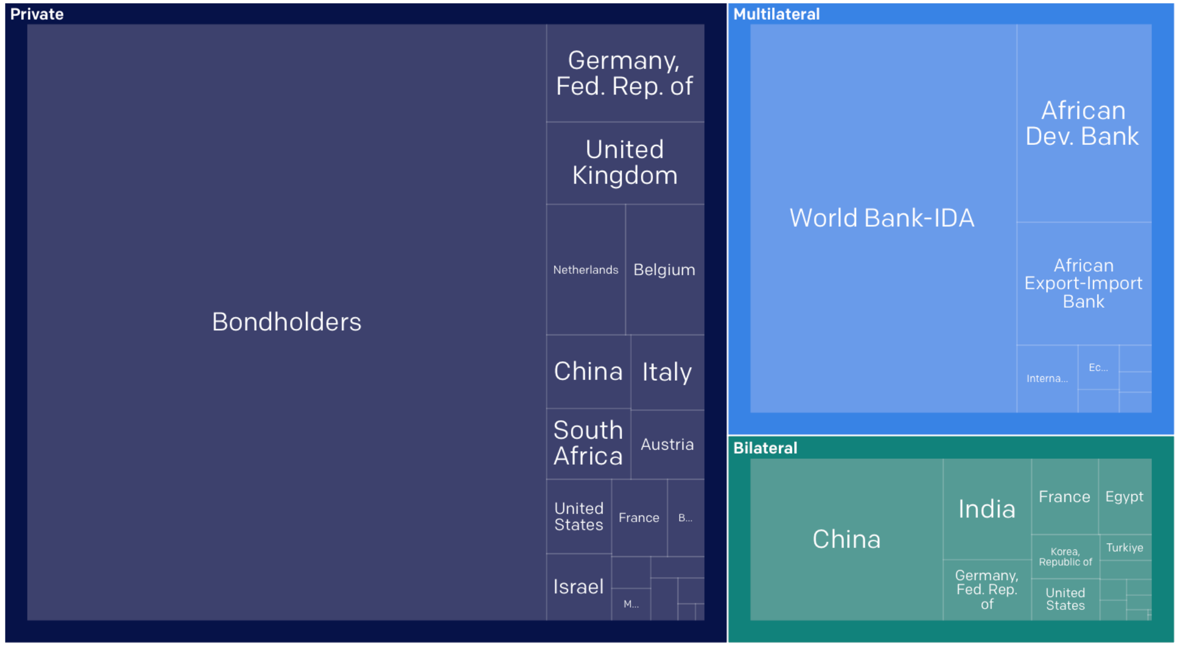


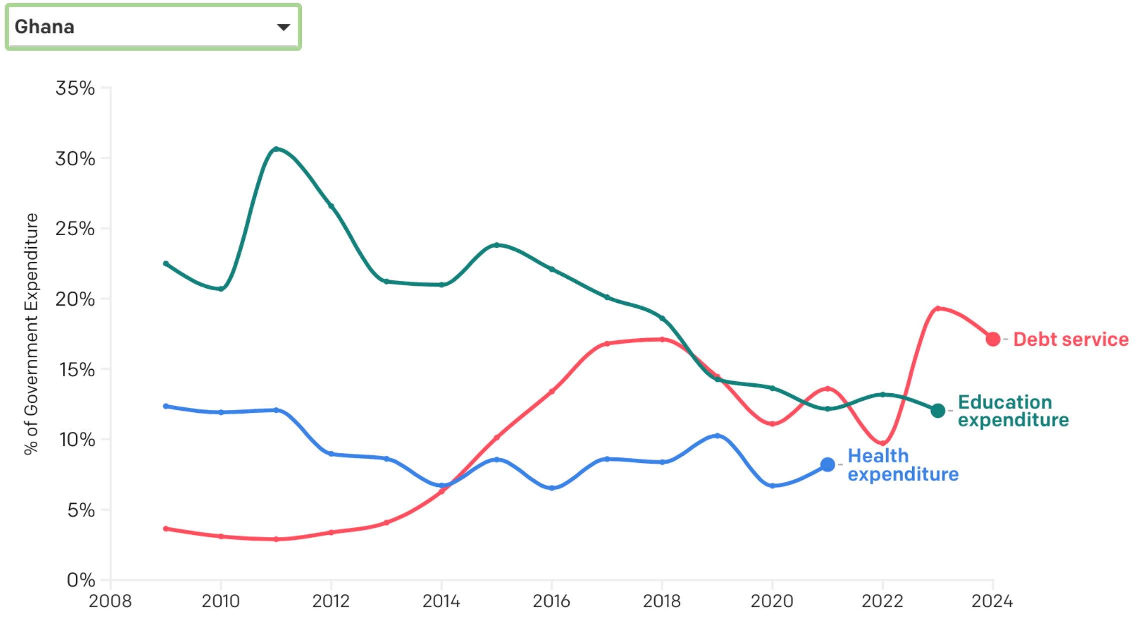
Sources International Debt Statistics (IDS) database

Ethiopia

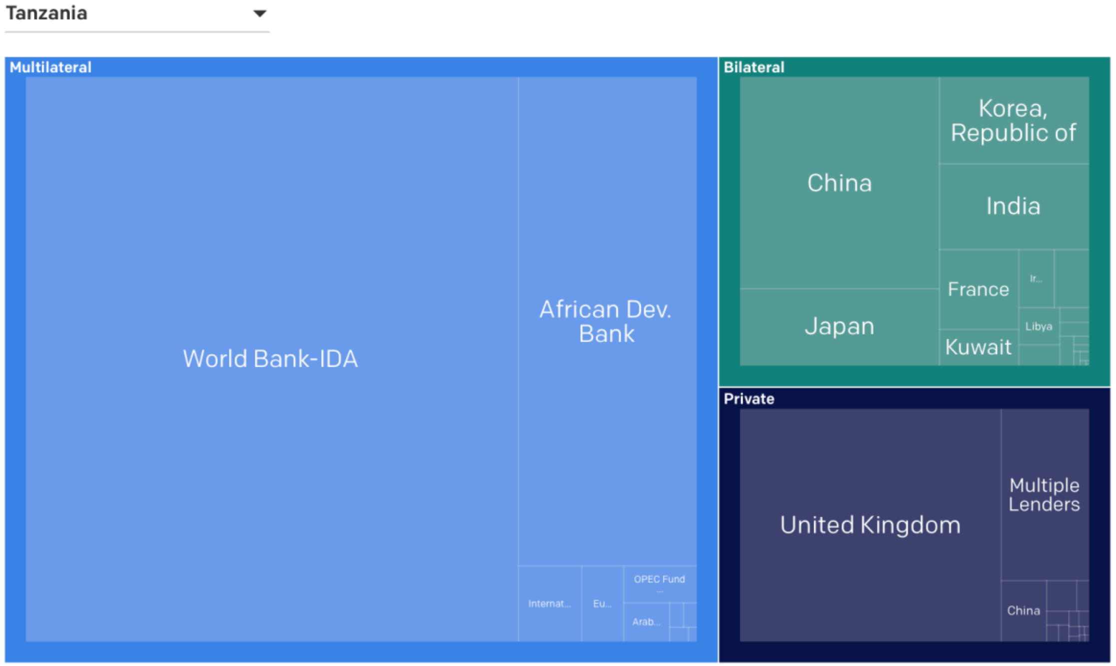


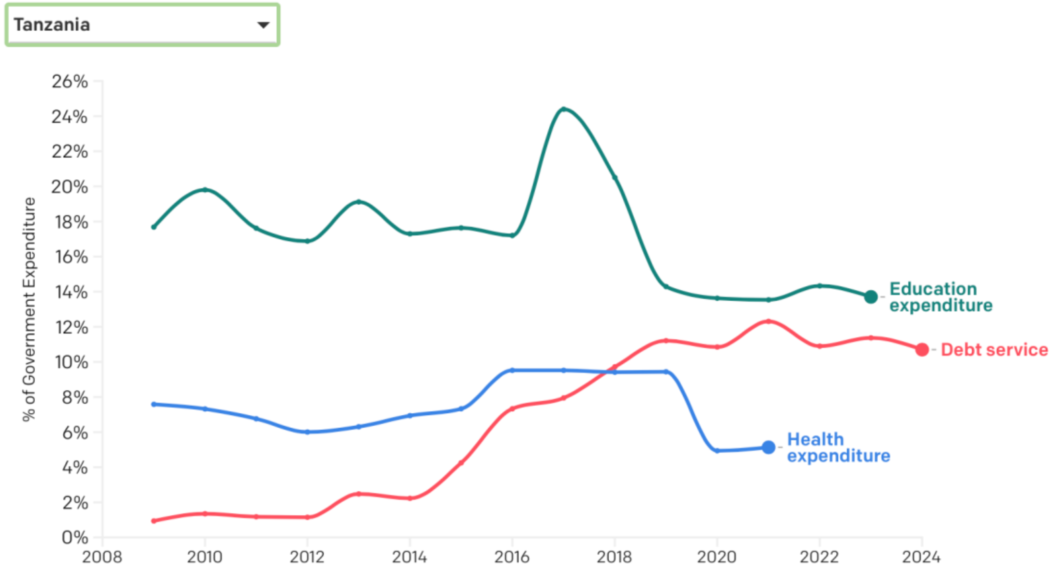
Ghana

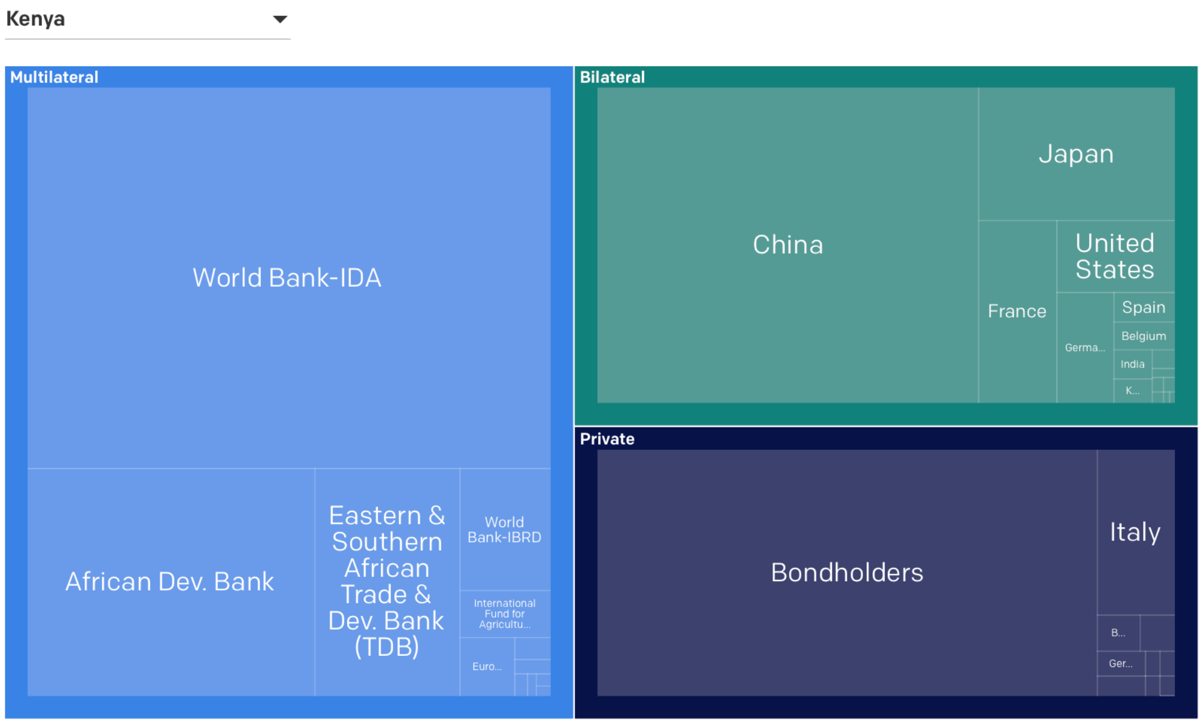


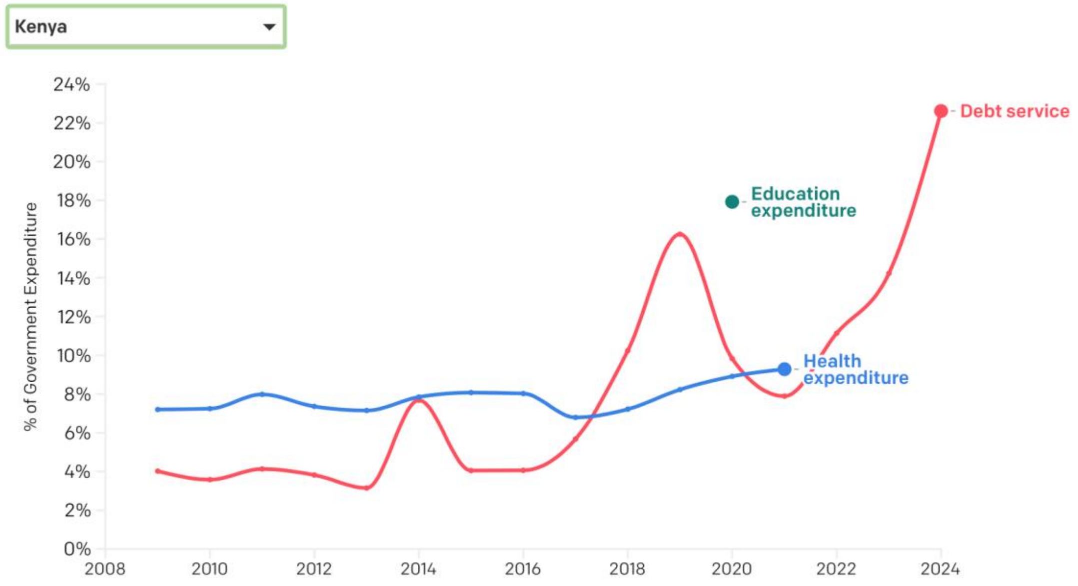


Sources [International Debt Statistics (IDS) database](#)

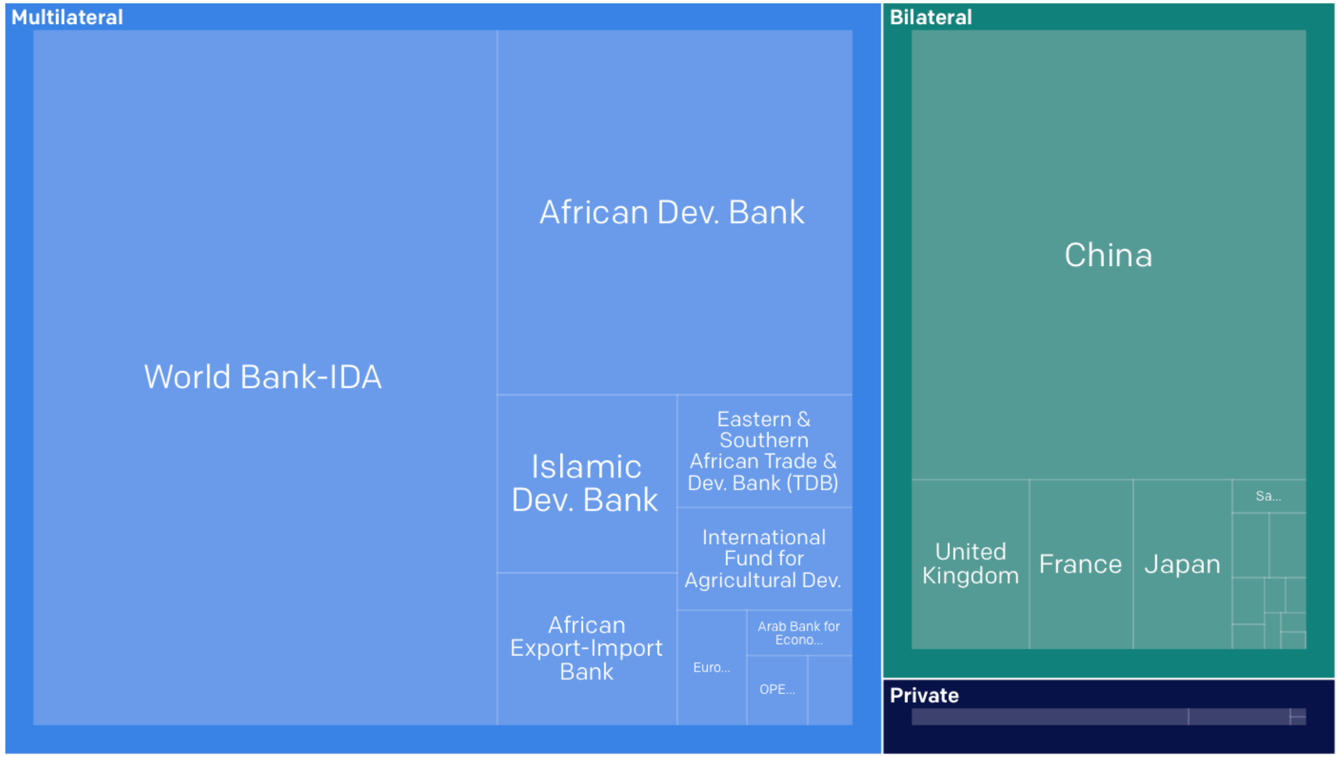

Tanzania
Multilateral
World Bank-IDA
African Dev. Bank
OPEC Fund
Internat...
Eu...
Arab...
Bilateral
China
Korea, Republic of
India
Japan
France
Kuwait
Libya
Private
United Kingdom
Multiple Lenders
China

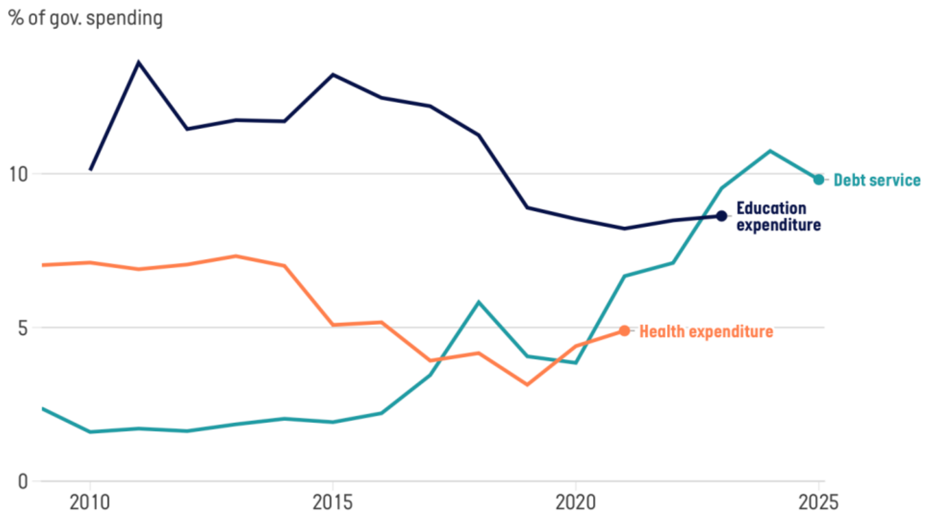

Tanzania
% of Government Expenditure
26%
24%
22%
20%
18%
16%
14%
12%
10%
8%
6%
4%
2%
0%
2008
2010
2012
2014
2016
2018
2020
2022
2024
Education expenditure
Debt service
Health expenditure


Kenya
Multilateral
World Bank-IDA
African Dev. Bank
Eastern & Southern African Trade & Dev. Bank (TDB)
World Bank-IBRD
International Fund for Agricultu...
Euro...
Bilateral
China
Japan
United States
France
Spain
Belgium
Germa...
India
K...
Private
Bondholders
Italy
B...
Ger...


Kenya
% of Government Expenditure
24%
22%
20%
18%
16%
14%
12%
10%
8%
6%
4%
2%
0%
2008
2010
2012
2014
2016
2018
2020
2022
2024
Debt service
Education expenditure
Health expenditure

Uganda


Multilateral
World Bank-IDA
African Dev. Bank
Islamic Dev. Bank
Eastern & Southern African Trade & Dev. Bank (TDB)
International Fund for Agricultural Dev.
African Export-Import Bank
Arab Bank for Econo...
Euro...
OPE...
Bilateral
China
United Kingdom
France
Japan
Sa...
Private


% of gov. spending
10
5
0
2010
2015
2020
2025
Debt service
Education expenditure
Health expenditure

New creative ways to tackle fiscal space

Instruments

- Debt swaps, eg South Africa (original) and Belize
- Pause clauses in bonds
- Blended stacks
- Altered Eurobonds
- Risk reduction and ratings improvements
- SLBs
- Sovereign guarantees
- And more….need for more capacity enhancement?

Management

- **Restructuring**
- **Forgiveness**
- **Swaps**

The Inter-American Development Bank (IDB) worked with Uruguay's Ministry of Economy and Finance (MEF) to prepare the framework for issuing its first sovereign bond with a price tied to sustainability indicators.

On October 20, Uruguay issued its first sustainability-linked bonds (SLB), with a step-down mechanism that is activated if it reaches certain environmental targets. The MEF's aim is to align the country's sovereign debt policy with its climate goals by issuing a bond that links the coupon to compliance with the climate and environmental goals that the country set in its first Naturally Determined Contribution (NDC) to the Paris Agreement.

The issue attracted 188 investors from Europe, Asia, the United States, and Latin America, of whom 21% are new holders of Uruguayan debt. Total demand for the bond was $3.96 billion, greatly exceeding the $1.5 billion Uruguay decided to issue. The yield spread between this bond and the US Treasury bond used as a benchmark is 170 basis points. If the bond's goals are met, its spread will narrow by up to 30 basis points.

After the successful issuance, the countries credit rose to its highest level in history.

Management

In October 2023, the World Bank approved a $350 million sustainability-linked loan for Uruguay, which is believed to be the first sustainability-linked loan deal involving a sovereign country.

The loan's financing costs are dependent on the country reducing the intensity of methane emissions from beef production by one percentage point or more above the levels to which Uruguay has committed in its nationally determined contributions (NDCs) as part of the Paris Agreement. Potential interest savings are $12m

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Lunch Break

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The Business & Sustainability Programme Africa

Day 3

18 March 2025
Naivasha, Kenya

3.5b Governing the Transition

Stefan Raubenheimer
Fellow, CISL and Director, Raubenheimer Climate Consulting

Governing the transition is an “all of society/economy” effort where all actors, particularly private sector leaders but also academics and technical advisories, collaborate with government to attract investment at scale with the particular focus to strengthen the country:

- To optimize its assets, at all levels
- To protect the commons and its natural capitals
- to be resilient in the face of the long climate overshoot

An Emerging Way to Package the Balance Sheet and Attract Scaled Investment

- Eminent Persons Group to G20 recommends that, with huge investments due in the South, a useful structure to manage this scale-up would be Country Platforms (2018)
- The G20 endorses the report (2019)
- South Africa announces the JETP at UNGA
- Others following: these are the first scaled ecological transition transactions at scale: Indonesia, Vietnam.
- As South Africa sets up a structure to transact the JETP, the CP endorsement gains support
- High level of current support from IDBs, and world leaders before and at WB annuals 2024

Definition

Country platforms are ‘voluntary country-level mechanisms, set out by governments and designed to foster collaboration among development partners, based on a shared strategic vision and priorities.’[3]

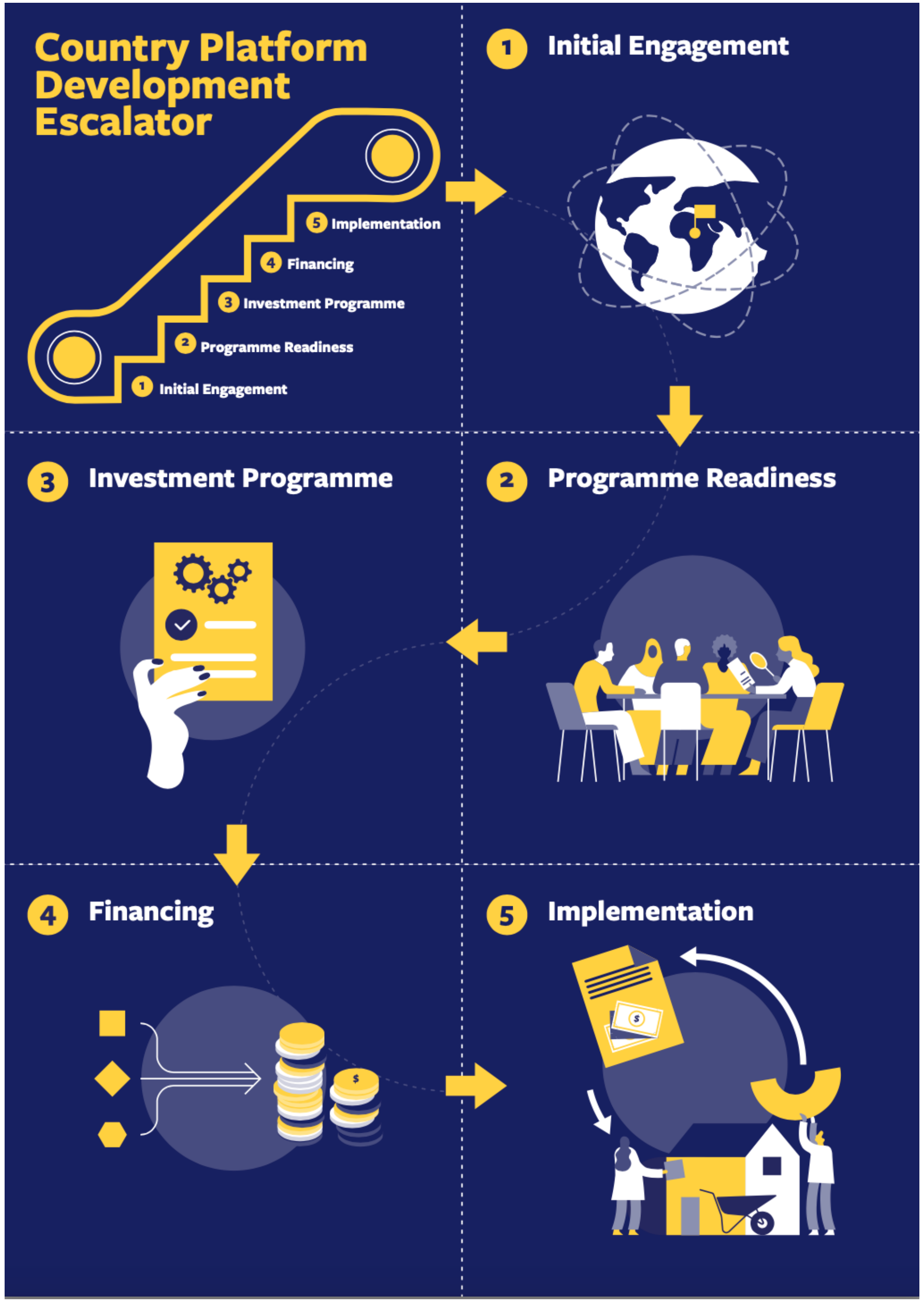
Principles

While ‘no one size fits all,’ with each platform reflecting specific country circumstances, some common principles can be highlighted. The ‘G20 Reference Framework for Effective Country Platforms’[4] identified voluntary principles including that country platforms should be **country-owned and -led** instruments for sustainable development; designed and implemented in line with **national priorities**; adapted to local context and needs; should **mobilise** a wide range of development partners and improve **coordination** among partners; and should monitor progress for **impact**.

Furthermore, the input paper on country platforms prepared for the Task Force for the Global Mobilisation against Climate Change during the Brazilian G20 Presidency highlighted three important design and implementation principles: strong **country ownership**; high **connectivity** with financing sources; and **flexibility** to adapt to goals, country context and evolving circumstances.[5]

Benefits

- **Achievement of a country's own priorities** through political agreement and ownership.
- **Integration** of policy, investment and capacity building activity.
- Enhanced **financial mobilisation** from both public and private sources with high external visibility.
- Improved **collaboration and coordination** both within country and among external partners to scale up finance.
- Clear and transparent **link between finance and impact**.



Country Platform Development Escalator
5 Implementation
4 Financing
3 Investment Programme
2 Programme Readiness
1 Initial Engagement
1 Initial Engagement
3 Investment Programme
2 Programme Readiness
4 Financing
5 Implementation

Stage 1: Initial Engagement

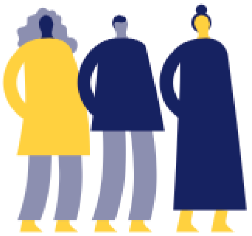
Consolidating early country interest in taking a country platform approach to achieve specific national priority climate and development objective.

Institutional Structure

- High level, cross-government intention and engagement underpinning initial country platform development.
- Dedicated team within government, possibly backed up with capacity from external supporters to form initial institutional base for country platform development.

Tasks and technical work

- High level government consideration of country platform approach to address priority goal emerging from national plans such as LTS, NDC, NAP, economic sector transformation plan – defining country platform purpose and motive.
- Initial dialogue involving government, civil society and business stakeholders.
- Initial dialogue with prospective country platform financing partners.
- High level country platform outline including: stated goal, expected benefits, indicative benchmarks and intermediary milestones, estimated financing requirement, political economy overview and stakeholder mapping.
- Definition of tasks and technical work for stage 2.



Stakeholders

- Government leadership.
- Sectoral ministries and institutions.
- National development bank and MDBs.
- Key sectoral players.
- Key community organisations active in potential platform area.
- Funders of initial country platform formulation.

Financing sources

- Early stage quick response funding to provide country support for initial country platform engagement, including technical advisors and early engagement with community of practice.
- Gauging appetite of potential funders to assess platform resource mobilisation outlook.
- National government resources including dedicated staff.

4

Stage 2: Programme Readiness

Setting the organisational, policy and technical underpinning of the platform.

Institutional Structure

- Specific government structure providing clear leadership.
- Technical working groups, including local institutions and external experts where needed.
- Partner organisations (NDB, MDBs etc) may set up dedicated structures.

Tasks and technical work

- Set robust political agreement for country platform development and implementation.
- Institutional structure readiness, including allocation of responsibilities for planning and decision-making, and set-up of workstream(s) to achieve platform goals – embedding workstream in legal framework to enhance platform robustness, if needed.
- Agreement between government and international partners on platform goal and indicative finance engagement.
- Technical readiness work including:
  - transition plan supporting country platform goal
  - identification of existing barriers to platform goal
  - economic modelling and fiscal/debt aspects
  - policy reform to support platform objectives
  - analysis to prioritise and sequence programme milestones, including possible trigger projects
  - political economy analysis for stakeholders and just transition.
  - identification of types of financing.
- Stakeholder readiness: civil society, sector players and prospective local and external financing partners interested in country platform.

Stakeholders

- Ministry of finance and sectoral ministries.
- Funding partners for programme readiness stage.
- Engage range of technical experts including civil society, business and academia.
- Prospective international and institutional partners.

Financing sources

- Country platform preparation funding, including GCF Readiness and other multilateral and bilateral funds.
- Government resources.
- Philanthropy.

5

Stage 3: Investment Programme

Formulation of the investment programme reflecting scale and sequencing of projects to achieve platform goal.

Institutional Structure

Specific platform structures to build on existing institutional base from stage 2. Examples may include:

- A national task force with an inter-ministerial committee to maintain government leadership and oversight.
- A coordination structure, like a platform secretariat, to coordinate across different platform functions including leadership and oversight, technical working groups, finance partners and project developers. This may be hosted within a ministry, NDB, or other national institution, funded either through government resources or partner funds.

Tasks and technical work

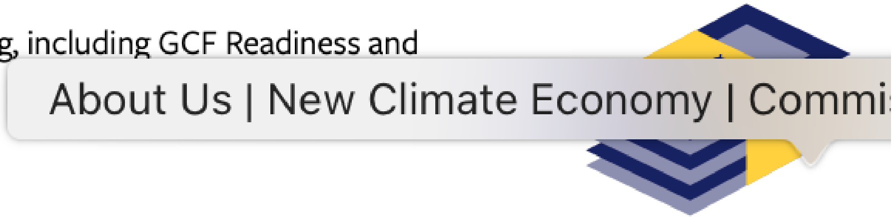
- Detailed investment planning including project pipeline development and sequencing of projects to achieve stated platform goals.
- Detailed project preparation.
- Ensure just transition activities are planned and costed in.
- Financing strategy including identification of public and private investment opportunities, systemic reform and innovative finance approaches.

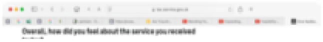
Stakeholders

- Ministry of finance and sectoral ministries.
- Institutional support partners such as MDBs and NDBs.
- Civil society and private sector included in formal working groups to provide inputs to investment plan.
- Technical assistance providers.
- Potential financing partners.

Financing sources

- Country platform preparation funding, including GCF Readiness and other multilateral and bilateral funds.
- Government resources.
- Philanthropy.





Stage 4: Financing

Mobilisation of financing from public and private, local and external financing sources to build the country platform capital stack.

Institutional Structure

- Platform institutional structure to play key role in linking individual projects with financing partners.
- Formal mechanisms can be set up to support this function, such as the matchmaking Funding Platform in the South African JETP.

Tasks and technical work

- Packaging and promotion of platform investment opportunities including financial structuring and coordination with national treasury functions.
- Convening of financing sources to support country platform investment programme and capital stack. Many financial partners should already be involved from earlier stages including private finance, international public finance partners or development banks.
- Access to concessional finance and grant use optimisation.
- Development of blended finance instruments to enhance terms of finance, derisking and scale of private finance mobilisation.

Stakeholders

- Ministry of finance and sectoral ministries and organisations.
- Public and private organisations involved in project development and implementation.
- Public and private finance institutions (see financing sources).
- Civil society for just transition financing.

Financing sources

- Mobilisation of country platform finance with relative share of public, concessional, grant and private finance varying according to country, sector and project type.
- Domestic local currency finance including public sources, private banks/ markets and public development banks
- External finance including MDBs, bilateral PDBs, private finance and climate funds.

7

Stage 5: Implementation

Translation of investment plan into set of implemented projects, policies and capacity building activities leading to platform outcomes and impact.

Institutional Structure

- Institutional structure including the set of organisations involved in coordinating and managing implementation of platform components such as line departments in the public sector.
- Dedicated transparent monitoring and reporting mechanisms to track implementation progress and assess impact.

Tasks and technical work

- Implementation of platform components including projects, policies and capacity building activities.
- Sustain political alignment and support.
- Disbursement of funds by individual financing sources.
- Civil society ongoing engagement across implementation cycle.
- Monitoring, evaluation, reporting through institutional structure, including benchmark tracking towards platform goals.
- Possible South-South cooperation to support other countries interested in establishing their own platforms.
- Capacity-building among partners for projects with slower starts.

Stakeholders

- Country implementing agencies.
- Private sector entities.
- Financing institutions.
- Technical assistance providers.
- Civil society in affected communities.

Financing sources

- Domestic public finance.
- External concessional finance.
- MDBs and PDBs.
- Domestic and external private finance.
- Platform institutional structure funded through government own resources, MDB/NDB support, philanthropy.

8

Just to order our thoughts and plan carefully

1. larger economies, driven by climate risk, markets and cost to reduce ghgs and transition; with JT challenges; JETps (eg South Africa)
2. economies with hydrocarbon stocks; often funding debt this way, but with little beneficiation (eg Senegal, Angola, Algeria)
3. economies with large portion of population with no access to electricity; often fiscally challenged, few off takers (all)
4. economies with large infrastructure deficits, and building in resilience; often fiscally challenged; just beginning to understand climate risks (all)
5. economies with large natural and human capital not on the balance sheet, eg forests, blue assets, mangroves, youth; often fiscally challenged
6. small economies with existential risk to climate events, almost always in fiscal difficulty

- Already launched: South Africa, Senegal, Egypt, Madagascar
- Coming soon, possibly: Tanzania
- Talking seriously: Nigeria, Ethiopia, Malawi, Zambia, Ghana, Uganda, Morrocco, Rwanda
- Talking: Benin, Namibia, Botswana, Lesotho, Congo, Cote d'Ivoire, E Guinea, Kenya, Togo, Niger, Mauritania, B Faso, Tunisia

Think about the prevalence of archetypes in each....

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3.6 The Big First Steps: Innovating Organisational Strategy & Purpose

Agnes Kariuki | Bertha Mvati | Nushin Ghassmi | Edward Morrison

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The Big First Steps: Innovating Organisational Strategy & Purpose

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Farm Visit

Gorge Farm