# Summary of Outcomes from Country Platform Exchange

Cape Town, South Africa
24-25 February 2025

## Overview

The Development Bank of Southern Africa (DBSA), Just Energy Transition Project Management Unit (JET-PMU) and Presidential Climate Commission (PCC) convened the Country Platform (CP) Exchange on 24-25 February 2025 in Cape Town. The exchange brought together more than 130 representatives from developing country governments, international financial institutions, development banks, philanthropic organisations, private sector institutions, and civil society.

The exchange provided an opportunity to learn from experiences, share innovations, and explore how to adapt and scale CPs. The workshop addressed the key financial, institutional, and capacity challenges faced by CPs, while providing guidance on how to structure the role of financial partners, including public development banks, the private sector, and international institutions.

CPs were positioned as a central platform in the global climate finance and development agenda, culminating in the following recommendations for the Finance in Common Summit (FiCS) 2025, the G20 Sustainable Finance Working Group (SFWG), the 2025 Financing for Development (FfD) Conference, and COP30.

## Key Messages for Effective Country-Led Country Platforms

### Country Experiences

- CPs provide a structured mechanism for mobilising finance and driving systemic reforms to implement ambitious climate and development agendas.
- CPs serve as a bridge between national strategies and the global financial system, addressing challenges such as high capital costs in developing countries.
- A new generation of CPs is emerging, with multiple emerging economies, LDCs, and small island developing states expressing interest in models suited to their national contexts.
- CPs must be country-led, inclusive, and aligned with national development priorities and socio-economic plans.

Leadership

- High-level political commitment is crucial for driving systemic reform and creating an enabling environment for investment.
- Strong government leadership is essential to build whole-of-government and whole-of-society support, navigate complex financing structures, and secure international backing.
- Policy consistency and a strong commitment from government to sustainable growth and development are necessary to instill confidence in investors and stakeholders.

Inclusive Governance for Equitable Outcomes

- Inclusive CPs require multi-stakeholder engagement, including civil society, the private sector, labour, and local communities, that unlocks their respective capacities.
- Embedding just transition measures into project design helps address the impacts of climate transitions on workers and communities while building public and political support.
- Strong governance structures that promote transparency, accountability, and trust are essential for CP success.

Innovative Financial Structuring for Country Platforms

- CPs enable public and private, national and international finance to be brought together in a programmatic, efficient, and catalytic way to maximise impact and support climate-aligned economic development plans.
- CPs require effective financial structures that align public, private, and philanthropic funding behind investment priorities, ensuring different types of finance work together within the 'capital stack.'
- Blended finance models—leveraging concessional finance, de-risking, credit enhancements (e.g., guarantees), and FX risk management—are key to mobilising larger private sector investments.
- CPs should incorporate measures to strengthen a country's macro-fiscal position, including instruments like the IMF Resilience and Sustainability Trust and debt-for-climate swaps, to expand fiscal space for climate-aligned investments.
- Aggregating smaller-scale projects into investable portfolios through standardised, replicable structures can create asset classes and attract institutional capital.
- Creating portfolios of sectoral and / or infrastructure projects beyond the riskier early stages of project development, construction and operation, enables the participation of domestic and international fixed income investors (including pension funds).
- Early-stage financing for project preparation is critical to unlocking investments, ensuring sustainability, and moving projects to implementation.

Domestic Financing

- Mobilising domestic capital and financial markets and national development banks is crucial for CP success.
- In less developed countries, scarce grant and concessional capital coming from international sources must also contribute to the strengthening and deepening of domestic markets.

- Strengthening domestic fiscal space through structural reforms, including improved tax policies, subsidy reforms, and medium-term budget planning, supports CP sustainability.
- Effective measurement and monitoring of climate investments—including through budget tagging and tracking—are critical to CP effectiveness.
- Facilitating private sector mobilisation at the domestic level requires de-risking mechanisms and appropriate policy reforms.
- Developing the means to transfer assets into longer term savings and asset managed pools is seen as an important enabler of continued capacity to fund new projects and programmes.

### Global Financial Architecture

- The current global financial architecture constrains the aggregation and scaling up (including through blended finance mechanisms) of financing for country platforms and needs to be reformed.
- Elevated perception of risk and high capital costs in developing countries limit climate and development investment.
- Multilateral financial institutions (MDBs, DFIs, and Multilateral Climate Funds) must function more cohesively, streamlining and harmonising funding requirements to reduce fragmentation and transaction costs.
- CPs should be more integrated into international financial reform discussions (e.g., G20, FfD, MDB reforms) to help shape a more just and sustainable financial system.
- High debt burdens prevent investment in climate and development. Systematic approaches to debt management, restructuring, and fiscal reform provide the basis for successful CPs.
- Philanthropy can play a catalytic role in project preparation, building institutional capacity and providing quick-start funding.

### Moving from Planning to Implementation

- CPs must transition from planning to delivering concrete projects, sectoral portfolios and programmes, with clear implementation pathways.
- Structured mechanisms for early-stage finance and project readiness are essential, along with strong institutional, governance, and financial frameworks to absorb and deploy funding effectively.
- Agile secretariat capacity can support implementation, address challenges, and drive progress.
- Robust monitoring and evaluation frameworks must be in place to track CP performance and impact.
- CPs should remain flexible and adaptive, adjusting to evolving national priorities and global climate challenges. Proper sequencing of activities can strengthen policy environments and facilitate financial flows.
- An iterative, "learning by doing" approach enables progress without requiring a perfect framework from the start.

### International Momentum

- Sustaining momentum for CPs requires strong linkages between country-driven initiatives and global processes.

- CPs should feature prominently in international climate and finance summits to align with global climate and development goals.
- Regional and international cooperation is necessary to scale CPs and build a robust support system.
- Key upcoming events—such as the Finance in Commons Summit (FiCS) 2025, G20 Sustainable Finance Working Group (SFWG), the 2025 Financing for Development (FfD) Conference, and COP30—offer opportunities to advance CP discussions and secure commitments.
- Emerging CPs particularly in less-developed contexts and less-commercial sectors should be supported to sustain progress.
- A strong international support structure is essential to ensure effective implementation and integrate CP requirements into global financial reforms.

The Future of CPs: Expanding and Scaling Impact

- CPs must expand beyond energy transitions to drive industrial transformation and support sectors that integrate mitigation, resilience, and nature objectives, such as agriculture and water.
- The Baku to Belem Roadmap, led by Brazil, will position CPs as a key mechanism in global climate finance discussions leading to COP30.
- Regional cooperation and South-South collaboration are essential for sharing best practices, accelerating peer learning, and strengthening CP frameworks.
- CPs must move beyond incrementalism to deliver concrete actions, mobilise finance at scale, and drive transformative change in climate and development.
- For countries that are interested in developing CPs, there is a network ready to support—with funding, technical assistance, and a South-South community of practice.
- For the FiCS 2025, there are clear messages to:
    - Streamline processes: Reduce costs and administrative burdens by harmonising and standardising MDB requirements and processes.
    - Where domestic (national) development banks exist, these should be considered as the mechanism through which concessional finance and grant finance flows.
    - Domestic aggregation and blending should take place through a well-governed mechanism.
    - Ensure country leadership: MDB support should align with country needs and priorities at all stages of platform development.
    - Facilitate early-stage funding: Public development banks and philanthropies could establish a ‘sparkplug’ facility to provide quick-response, early-access funding for new country platforms.

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