



# Unlocking Finance for Climate Resilience and Sustainable Development in Africa

*28<sup>th</sup> April 2026*

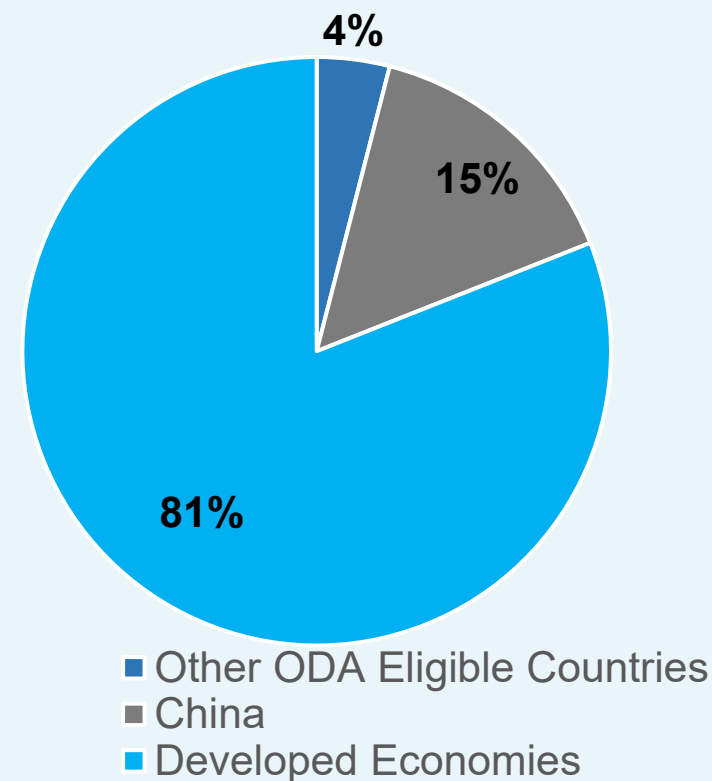
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# PERCEIVED AND REAL RISKS OF TRANSACTIONS IN AFRICA BEYOND FIDUCIARY AND REGULATORY LIMITS OF MOST INVESTORS

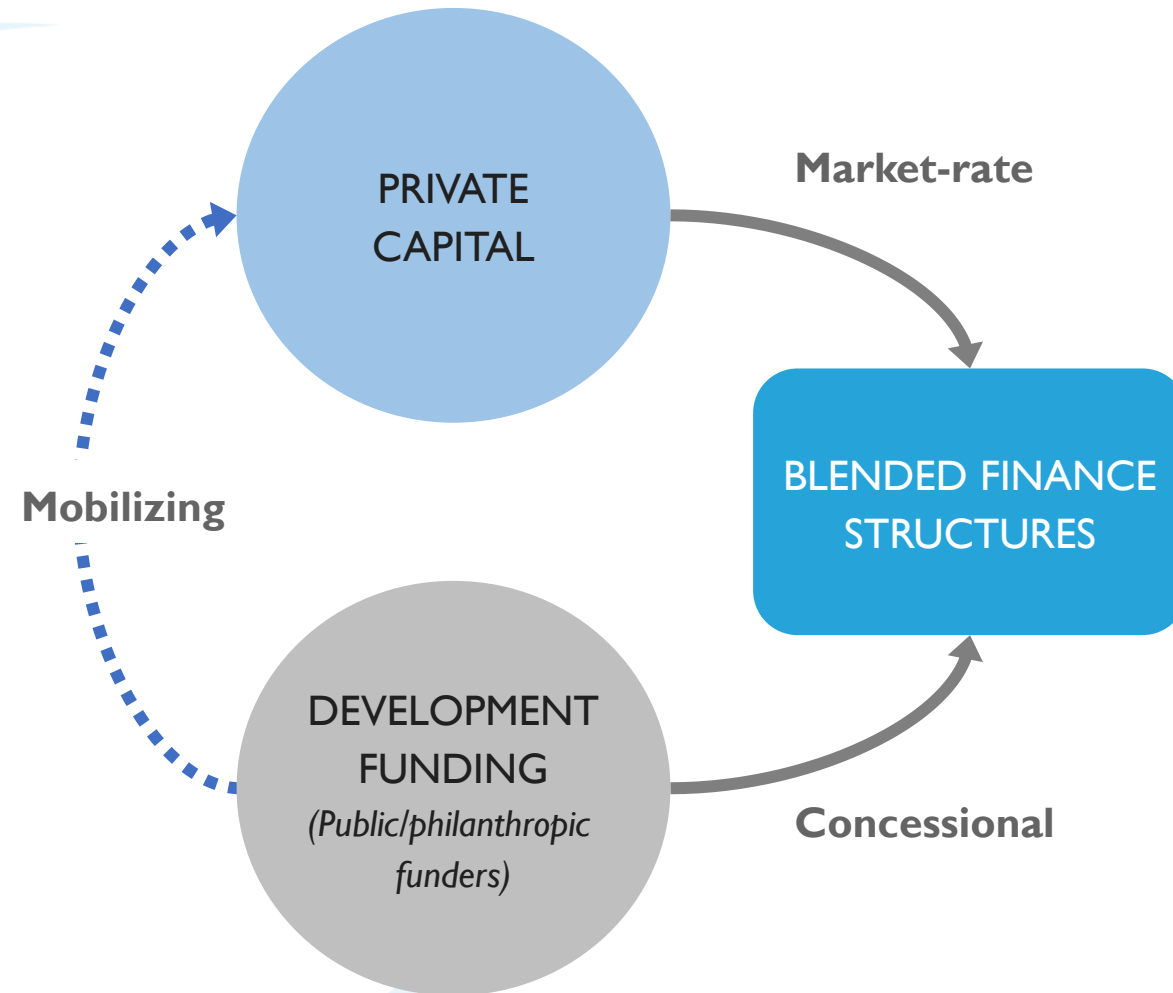
- **Global financial assets are estimated at \$482 trillion (Financial Stability Board)**
- **Only 4-5% invested/located in LICs and MICs (ex-China)**
- **Median sovereign risk of developing countries is “B-” “Highly Speculative”**
- **SDG Funding Gap in Africa is ~\$1.3-1.6 trillion; Total AUM of Pension funds, Insurance companies and Sovereign Wealth Funds in Africa; \$2.1 trillion**

**Distribution of \$482 Trillion of Global Financial Assets**



Source: Financial Stability Board Annual Report

# DEFINING BLENDED FINANCE



# FOUR COMPONENTS TO ACHIEVE SCALE (& DEBT SUSTAINABILITY)

Title	Description
<b>Scale Private Investment Mobilization Action Plan</b>	Development community, led by OECD DAC members, agree on Action Plan to mobilize private investment at scale aligned to debt sustainability, FfD4 Zero Draft, and COP29 NCQG. Align with developing countries.
<b>Standardized &amp; Simplified Private Investment Mobilization Models</b>	<p>The development community, developing countries and the private sector agree on [12] Standardized Private Investment Mobilization Models (PIMMs) as foundation for scale mobilization, based on an analytical assessment to efficiently <b>create investments meeting private investors' mandates (primarily through risk reduction)</b></p> <p>PIMMs designed to be implementable at single-country (Ghana), region (Africa), or all developing countries.</p>
<b>Network of Catalytic &amp; Concessional Funders</b>	<p>Catalytic and concessional funding (C&amp;C funding) at financial terms beyond (i) private sector and (ii) ability/willingness of MDBs &amp; bilateral DFIs (e.g., high risk and tolerance for expected losses)</p> <p>OECD DAC members establish a Network and Mobilization Secretariat, invite philanthropic foundations, and developing countries, and award C&amp;C funding to the best proposals/cases adhering to [12] PIMMs. Nordic-led Investment Mobilization Collaboration Alliance is the best example.</p>
<b>Development Finance Activities and Governance</b>	Development community agrees on activities and governance KPIs aligned with Action Plan. Applicable to OECD DAC members, MDBs, Bilateral DFIs, and PDBs

# SUMMARY OF 12 PRIVATE INVESTMENT MOBILIZATION MODELS

Darker shades of green expected to mobilize higher amounts

- Package of [12] PIMMS will mobilize primarily by reducing risk for private investors to within fiduciary mandates:

1. Increase project viability
2. Improve project-level investability
3. Improve portfolio-level investability (fund)
4. Mitigate currency risk for investors

- Both private sector and public sector investment

	Increase number of viable projects	Increase investability of projects	Increase investability at portfolio level	Develop Domestic Financial Sector	Mitigate FX risk
Public sector projects	PIMM1: Public Sector Project Preparation		PIMM9: Public Sector Blended Finance Debt Fund		
Private sector operations	PIMM2: Private Sector Project Development Funding	PIMM4: Value Chain Financing	PIMM10: Private Sector Blended Finance Debt Fund	PIMM3: Develop Domestic Financial Sector	PIMM12: Local Currency Solutions (to mitigate risk for investors, projects, borrowers and Developing Countries)
		PIMM8: Risk Sharing with Financial Intermediaries			
		PIMM5: Guarantees	PIMM11: Private Sector Blended Finance Equity Fund		
		PIMM6: Political Risk Insurance			
		PIMM7: Buyer / Off-taker mitigation			

# EXAMPLE - CLIMATE INVESTOR ONE

- Invests in **renewable energy projects** that serve 7 million individuals in emerging countries and avoid GHG emissions of 1.2 million tons of CO<sub>2</sub> equivalent
- Offers life-cycle support through **three funds** that are designed to address barriers specific to each stage
- Mobilizes private sector financing through **catalytic public sector funding**; investors and donors can participate in a fund and a tranche according to their risk-return profile
- Development Fund comprised of **non-repayable donor contributions** while Construction Fund has **first-loss tranche** (Tier I) that is capitalized by donor contributions
- Recently announced financial close at USD 850 million

