

PMIF Global Knowledge Forum 2022 – Madrid July 5-7, 2022

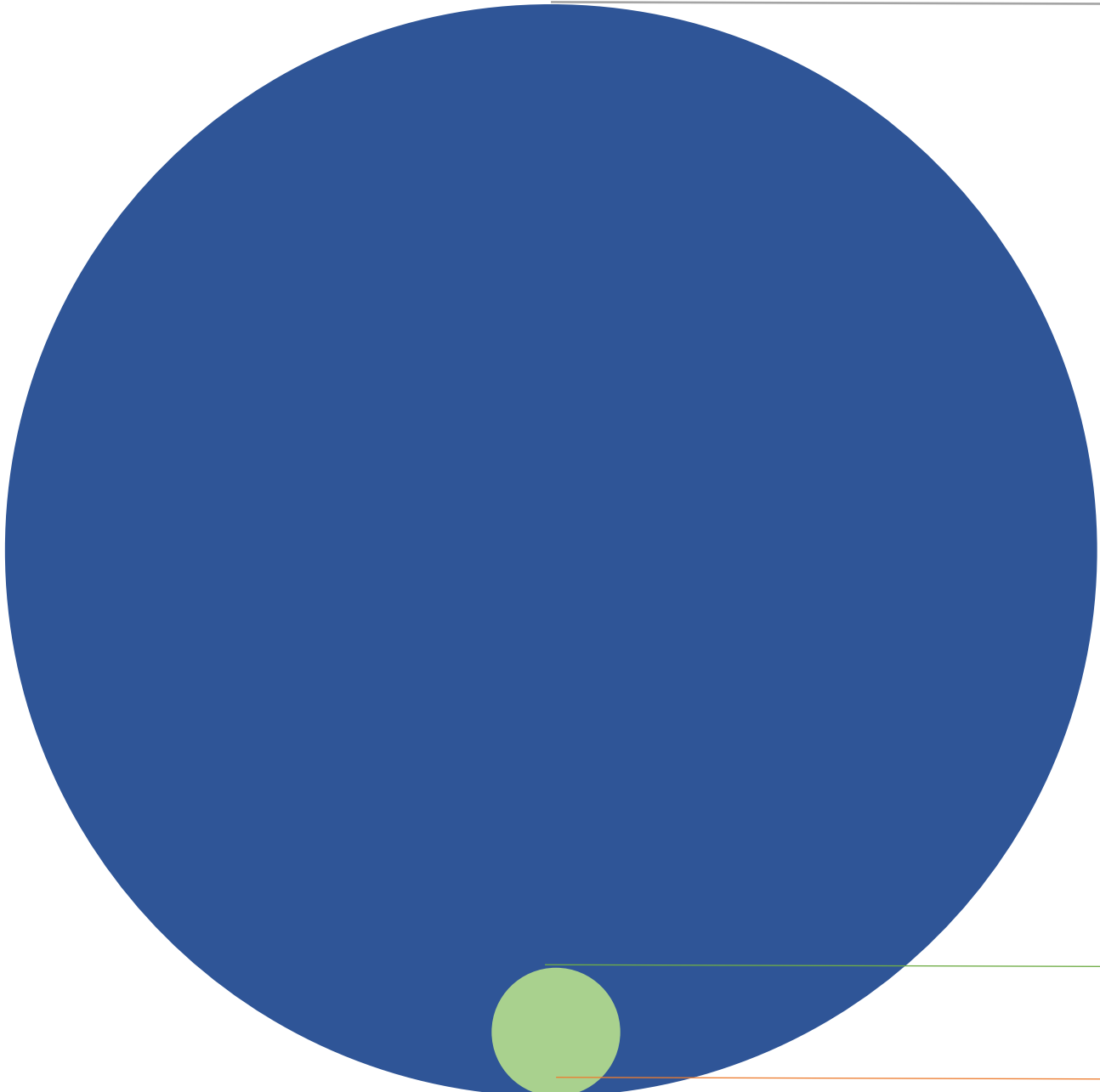
Mobilizing Private and Blended Finance to Scale Climate Solutions



In Focus Region : Africa

State and trends of climate finance in Africa : Sizing the challenge

\$ 2,8 tr NDCs implementation

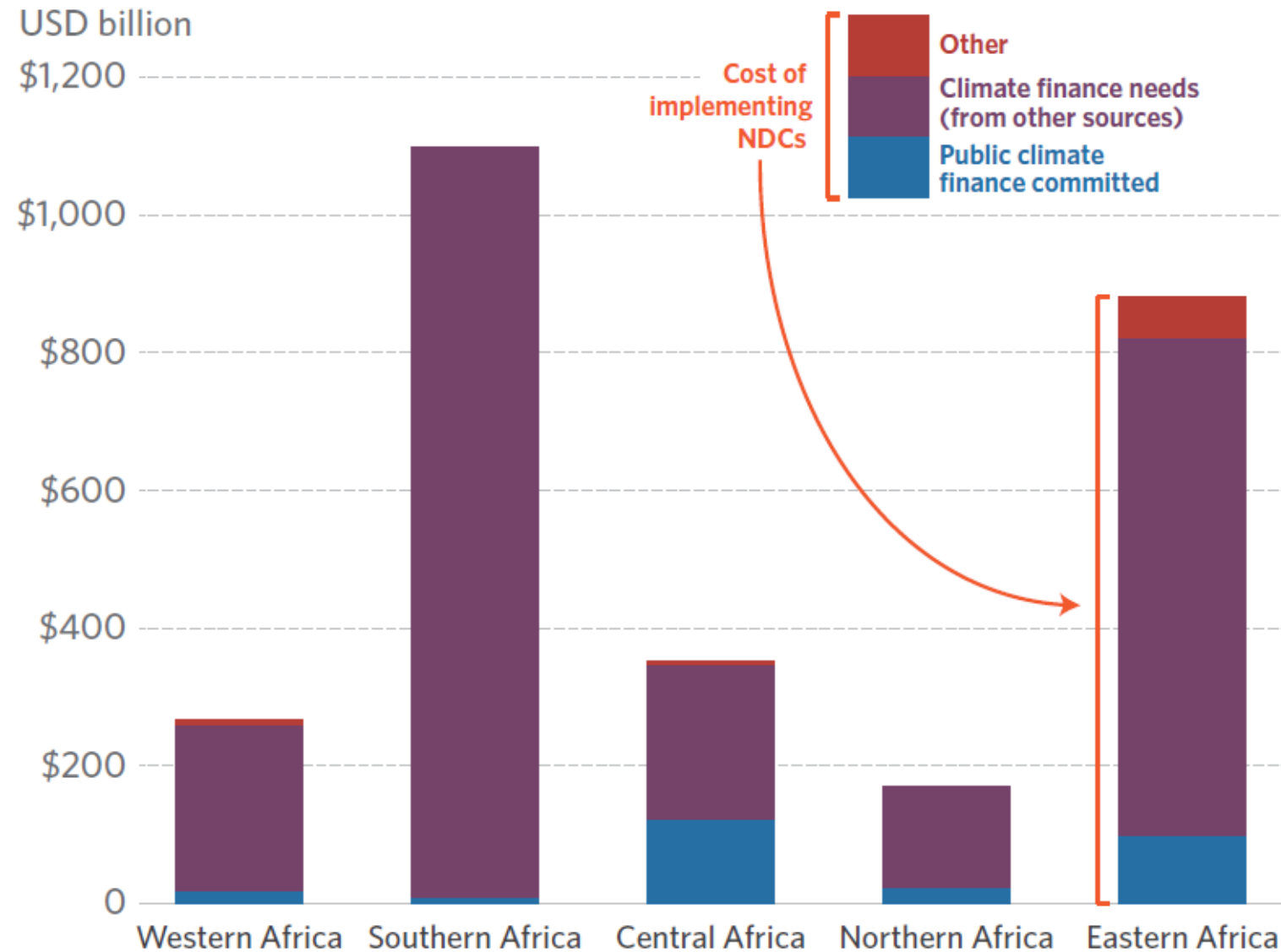


\$ 331 bn Estimated Adaptation needs

\$ 20 bn 2021 Climate Finance Africa

Private capital will make the most of the needed climate finance

Figure 2: Cost of implementing NDCs (2020-2030), USD billion



Delivering climate finance to SMEs



Delivering climate finance to SMEs : challenges and opportunities

How do we increase the share of climate finance received to support the investments needs of the most vulnerable region to climate change?

How local financial institutions will access climate finance?

How local Commercial Banks will catalyse private finance to expand access to affordable capital to SMEs?

How do we efficiently allocate risk to promote investment in needed sectors?

Increase the financing supply to local commercial banks

Mobilize external and domestic resources

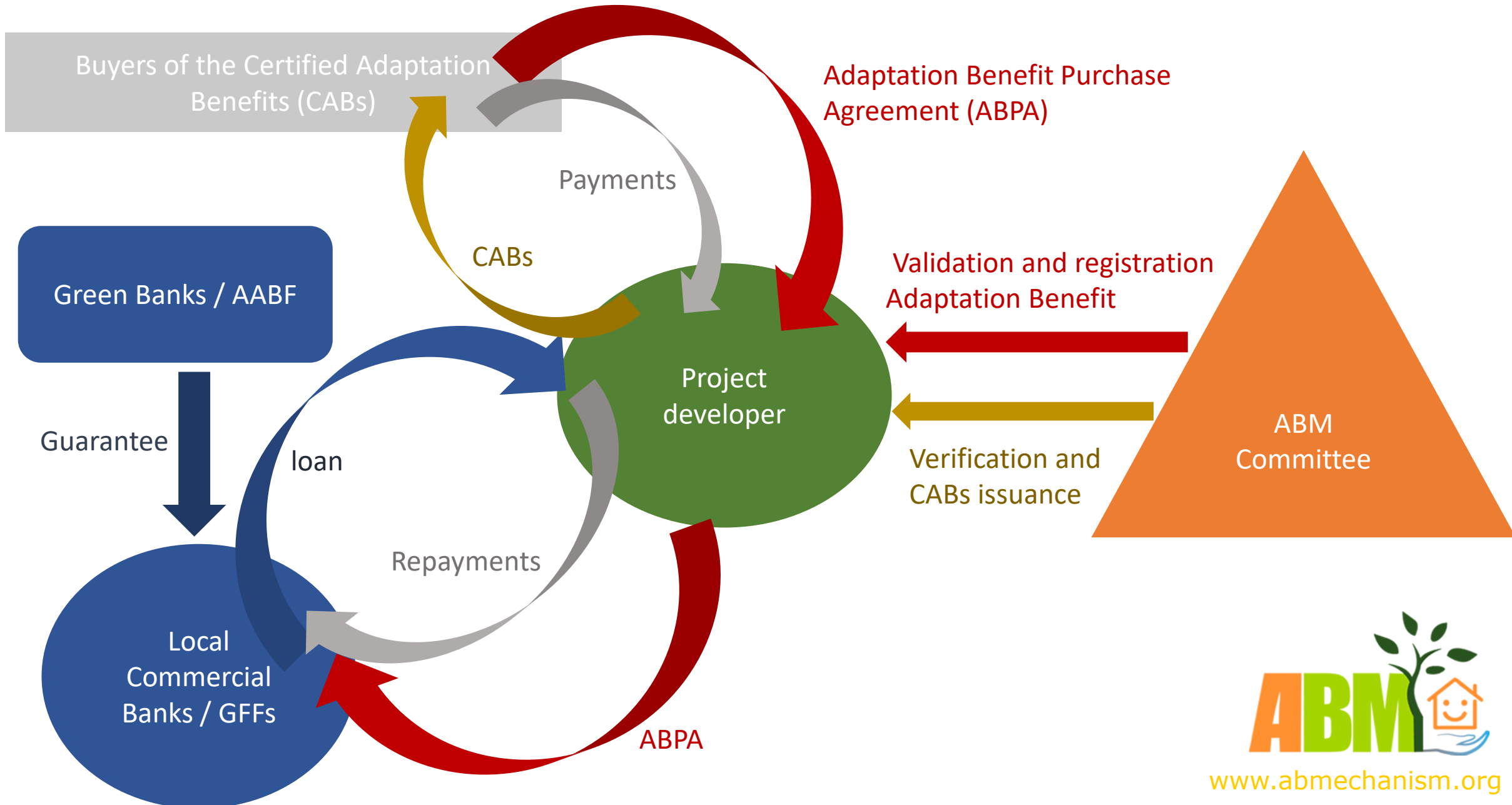
Local Green
Finance
Facilities

Use of Blended Finance

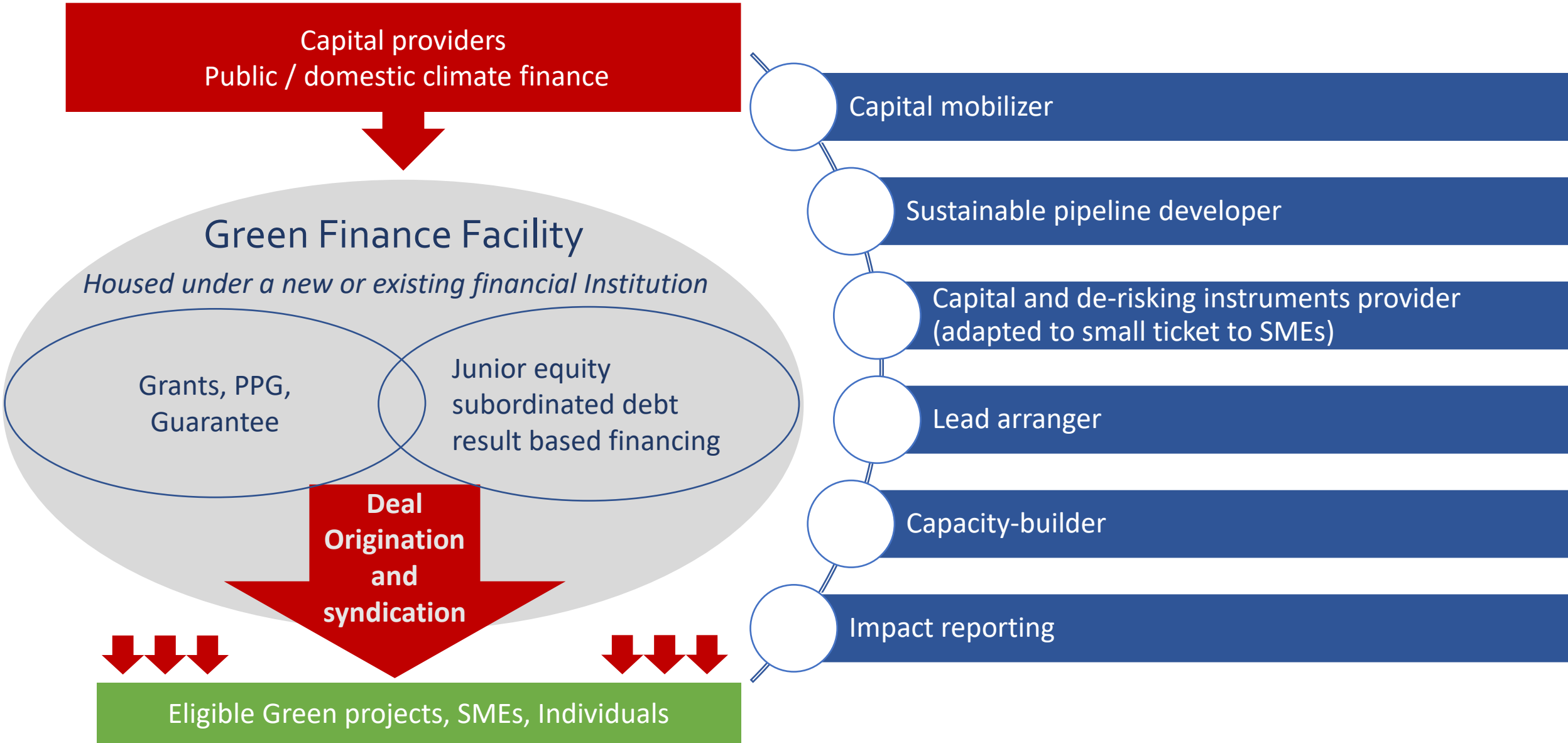
Provision of de-risking mechanism

Adaptation
Benefit
Mechanism

How to fund adaptation : The Adaptation Benefit Mechanism (ABM)

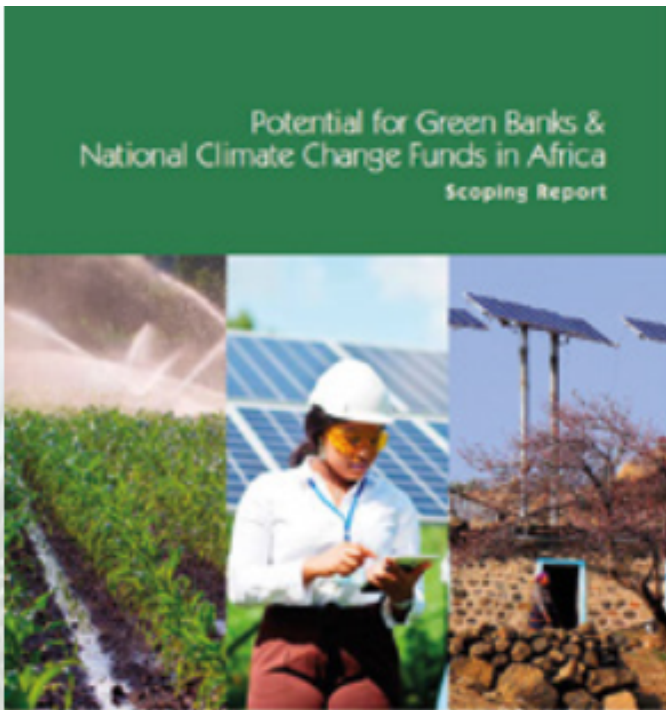


Avenues to leverage private finance : the local Green Finance Institution



The African Green Finance Facility Initiative (AGFFI)

AGFFI's Objective: Increase climate finance mobilized for a climate-resilient, green and sustainable growth in Africa by the creation of an **ecosystem of local Green Finance Facilities.**



Developed with the support of the
Climate Investment Funds



2019 : Joint AfDB-CIF Scoping study on the potential for Green Banks in Africa.

AGFFI Strategic Activities

- Technical Assistance (set-up, pipeline, Capacity building, RM strategy)
- GFF Capitalization
- Enabling financial instruments

A dedicated funded vehicle :
The African Green Finance Facility Fund
(AG₃F)



AFRICAN
GREEN
FINANCE
FACILITY
FUND

Conclusion

MDBs, DFIs, bilateral and multilateral organisations, Donors as well as private institutions have a **critical role to play** in improving access to market, access to finance, support clean technologies, innovative approaches and instruments.

At the AfDB we are supporting the development of clear actionable solutions which can be replicated in different regions. We are here to **partner with other institutions** to leverage this full set of solutions for a speed, efficient and large climate action delivery.

Thank you for your attention