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Elements for a Country Platform for Climate and Development Investment in Mexico:

A CONTRIBUTION FROM CIVIL SOCIETY

Elements for a Country Platform for Climate and Development Investment in Mexico: a contribution from civil society

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Presentation

Iniciativa Climática de México (ICM) has prepared this document as a contribution to federal government decision-makers and as a tool for dissemination and awareness-raising on the importance of mobilizing and significantly scaling up various sources and instruments of climate finance. The timely implementation of the mitigation measures proposed by our country in the recent update of the Nationally Determined Contribution (NDC 3.0), presented by the Mexican government at COP30, will only be possible if a platform and a specific financing roadmap are developed to identify how these measures will be financed.

Financing is recognized as one of the most important enablers of climate action. In order to move forward in an orderly and transparent manner in channeling domestic and international resources for the implementation of the actions contained in countries' NDCs, developing *Country Platforms* for Climate and Development Investment have been proposed. As their name suggests, these platforms encompass investment plans that simultaneously address climate action and also aspects such as employment, poverty reduction, economic and social development, and with a focus on justice and equity.

Since its establishment in 2016, ICM has sought to contribute to the design and implementation of climate change policies and actions using a wide range of levers for action, within two priority lines of action. First, by operating as a Regional Climate Foundation that supports capacity building, studies, analysis, publications, and advocacy campaigns. As such, each year, ICM provides grants to around 30 organizations, and also supports selected government actors. Second, ICM acts as a think tank that produces its own analyses on complex issues that require knowledge and understanding of both technical aspects and public policy.

Among ICM's recent analyses and publications, "NDC from Civil Society" (2022) stands out and was published in the absence of a comprehensive official review of the mitigation opportunities that Mexico would implement to

comply with its NDC 2.0. Subsequently, in 2023, ICM published another highly relevant report, "Net Zero Emissions Trajectory 2060 from Civil Society", which was the first detailed analysis in Mexico to propose a route and a date for achieving carbon neutrality.

In the same spirit of bringing relevant issues on the international climate agenda to a broad national audience, including both decision-makers and members of civil society, ICM presents here: "Elements for a Country Platform for Climate and Development Investment for Mexico: a contribution from civil society."

We are certain that, building on the national efforts already made in terms of financing policies (sustainable taxonomy, issuance of green bonds, etc.), Mexico should follow in the footsteps of countries such as South Africa and Brazil, who have both envisioned and implemented the concept of Country Platforms. During COP30, more than a dozen additional countries will announce their desire to develop their own platforms linked to the fulfillment of new and more ambitious mitigation goals set out in their NDC 3.0.

Although Country Platforms were initially developed to address climate change and energy transition, experiences such as those in South Africa and Brazil show that they can also include biodiversity within their strategic frameworks by integrating ecosystem conservation and sustainable use of natural resources into national policies and investment plans. Similarly, Country Platforms could incorporate key policies and programs for adapting to the major impacts that climate change is already causing everywhere.

The *Green Climate Fund*, the *Global Environmental Facility*, and multilateral banks such as the World Bank and the Inter-American Bank have endorsed the concept of Country Platforms, and offered grants for technical assistance so that emerging countries such as Mexico can join this effort.

This support includes the resources necessary for the creation of task forces dedicated to the development and implementation of Country Platforms over the next few years.

The Mexican government headed by Dr. Claudia Sheinbaum will present a new and very ambitious NDC 3.0 at COP30, whose greatest challenge now lies in its timely implementation. We trust that this document will serve as an introduction to the topic and help a broad group of actors within and outside

the government to assess the advisability of accelerating the preparation of an Investment Platform that will accompany and facilitate the fulfillment of the goals announced in NDC 3.0. For its part, ICM will continue to provide technical and financial support to the various actors involved in the implementation of NDCs 2.0 and 3.0, including those institutions responsible for leading budgetary and financing efforts in the country.

Finally, ICM would like to thank a group of international leaders on Country Platforms for their generous advice and sharing of essential documentation: Ivan Tiago Machado Oliveira, Crispian Olver, Stefan Raubenheimer, Josue Tanaka, and Asger Garnak; as well as the *Children's Investment Fund Foundation* for its continued commitment and support to ICM in the preparation of this report.

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Content

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INICIATIVA CLIMÁTICA DE MÉXICO

Executive summary

Main benefits of a Country Platform

Mexico has ambitious goals for 2030, 2035, and 2050 related to climate, renewable energy, and energy justice, among other areas. Achieving these goals will require levels of financial investment that exceed the availability of domestic public finances. Mexico will therefore need to attract greater flows of international and private financing.

This document highlights the potential benefits that a Country Platform (CP) could offer Mexico in achieving its national goals in areas such as climate, renewable energy, and energy justice. It also outlines the steps necessary for its establishment.

CPs:

- Are mechanisms led by the national government, with the support of international donors who provide initial funding for their creation and additional resources for their implementation.
- Have the potential to attract large-scale national and international support and investment, in the order of tens of billions of dollars, for specific projects defined in accordance with national priorities and decisions, as well as resources to reduce the cost of financing projects.
- Improve internal coordination, both horizontally (between ministries, institutions, and decentralized agencies) and vertically (with subnational governments), as well as with key actors in the financing and implementation of a just transition.
- Enable the identification of potential public policy reforms that remove barriers to investment and create more favorable conditions for accelerating climate action.
- Promote private sector participation and the development of public-private partnerships in strategic areas. This is particularly relevant in the case of Mexico, where some measures in Plan Mexico could increase greenhouse gas (GHG) emissions, hindering the achievement of short- and long-term national GHG targets.
- Can ensure equitable access to resources, generate new job opportunities, and boost regional development.
- Can strengthen energy sovereignty and ensure compliance with the energy transition and clean energy penetration targets set out in the current administration's plans.

1. Introduction

Country Platforms (CPs) function as key coordination and implementation mechanisms to catalyze financing and technical support for national development priorities, whether climate, environmental, and/or social in nature [1]. A CP is a voluntary, country-led and country-designed process, and it is only in recent years that several of them have been launched (see section 3). The role of CPs in promoting collaboration and development in order to achieve a national strategic vision was recognized and supported by the G20 in 2020 [2], by the Presidency of COP28 of the United Nations Framework Convention on Climate Change (UNFCCC) in 2023 [3], and most recently in the communiqué from the "Finance for Development" Summit held in Seville in July 2025 [4].

A CP could play a key role in Mexico by attracting and leveraging greater flows of financing, both international and domestic, needed to achieve its goals, for example, in increasing the use of renewable energies. In addition, a CP would allow these investments to be directed toward the country's strategic priorities, ensuring that resources are aligned with the national sustainable development agenda. International experience demonstrates its potential: in South Africa, the creation of a CP attracted commitments of more than $12 billion from donors, while in Brazil, financing levels were even higher, exceeding $23 billion when private investment was included. In this sense, CPs are initiatives led by national governments that align national and international objectives and create conditions for increasing funding flows (public and private, international and national) that drive radical change in climate action [5]. In other words, a CP proposes a vision of how international cooperation for development and the fight against climate change could (or should) be organized at the national level to mobilize financing [6].

This document highlights the potential benefits that a CP could offer Mexico. The proposals gathered here are based on a review of the literature on experiences in the design, development, and implementation of CPs in other countries, and take as their starting point ICM's knowledge of climate finance, sustainable development, and climate action. The text refers mainly, to financing opportunities related to achieving Mexico's NDC; however, CPs can also address broader sustainable development goals, including social resilience, economic competitiveness, and just transition. The document is organized

into six sections. Sections 1 and 2 present the characteristics of CPs and the main lessons learned in their implementation. Sections 3 and 4 examine the estimated financing needs for NDC compliance by 2030, resource mobilization efforts to date, and the barriers that remain to attracting more capital. Finally, sections 5 and 6 analyze the potential of a CP in the Mexican context, propose possible governance guidelines, and suggest next steps for its development and implementation.

A CP is a fundamental instrument to allow for Mexico to have a more resilient, low-carbon, and socially just economy that also achieves other goals set by the federal government: for Mexico to meet its climate targets for the period 2035 [11] and reach net-zero emissions by 2050 [10].

2. Definition, objective, purpose, and principles of a Country Platform

There is no single or standardized definition of the term CP, precisely because its design must reflect the priorities of each country. However, its definition usually refers to a coordinated national effort to align and mobilize different sources of financing, both domestic and international [7].

The objective of a CP is to drive sectoral or economic transformations that simultaneously respond to the country's development objectives and international commitments [7]. In terms of climate change, a CP seeks to provide a single focal point for channeling technical assistance and public and private financing in support of achieving goals, including the contribution of specific goals aligned with the Paris Agreement [8].

The purpose of CPs is to support the design and implementation of national strategies for, e.g., the fulfillment of NDCs and potentially also National Adaptation Plans (NAPs), as well as to mobilize funds for climate action and other social (e.g., energy justice) and environmental (e.g., biodiversity and conservation) issues. The design and implementation of a CP is achieved through a coordinated process led by the national government. The process brings together key investors, financiers, and other key actors to build a common understanding and a concerted strategy for the future [2]. This mechanism facilitates stakeholder participation, including potentially affected

communities and groups, and capacity building to support coordination among a wide range of actors. In this way, climate and development priorities are aligned, ensuring not only the coherence of national and subnational policies, but also that mitigation and adaptation actions integrate social and welfare considerations. Therefore, a CP is consolidated as a space for coordination between project developers, impacted and local communities, technology and capacity-building providers, financiers, and investors, ensuring a fair and inclusive transition process from its design.

An important premise is that this mechanism should be led by the country itself, based on a shared strategic vision, governed by common principles, and adapted to the specific national context. At the same time, CPs represent an agreement or pact between the country and its financiers, e.g., multilateral banks, governments (federal and subnational), international and national institutional investors, private banks, project promotion funds, and international companies interested in investing in Mexico. In practice, this means that CPs can mobilize different levels of support, sources of financing, and financial instruments from various international actors, based on shared interests, capacities, and priorities, thereby expanding access to sources of financing for the country. Therefore, a CP could increase the financial resources available to the government to address its priorities.

The literature [2,3,6,9] identifies a number of key principles for a CP to operate successfully, including:

- A clear vision of what the CP seeks to achieve.
- A robust political agreement between the government and its international partners, which provides additional financing, sets clear objectives, and defines the scope of support.
- Effective coordination mechanisms within the country, in some cases involving the entire government apparatus and in others a specific set of institutional actors, in order to facilitate public policy reforms and infrastructure investments in strategic sectors, leveraging international support and reducing the associated financial and transaction costs.
- A programmatic approach that allows for more integrated investment planning, aimed at achieving transformative goals and addressing any socioeconomic trade-offs that may arise.

- A broad financial mobilization strategy that makes strategic use of limited concessional resources, with the aim of scaling up investment from both the public and private sectors. At the same time, the CP can generate concrete products that facilitate this process, such as matchmaking platforms that connect priority projects with investors, development banks, and private actors, reducing transaction costs and accelerating the closing of financing gaps.
- The CP should be conceived as a living, evolving mechanism capable of adapting to changes in the national context, development priorities, and scientific evidence.

3. Lessons learned from international experience

International experiences show that CPs vary in their design, sectoral focus, governance mechanisms, and the magnitude of funds committed. The Appendix includes a table and a more extensive analysis of some relevant international experiences.

Based on a review of the literature [2,7,10–16], the following is a summary of the lessons learned in four areas and principles that seek to ensure the effectiveness and legitimacy of a CP.

- **Design and mandate:** It is essential that CPs be designed and implemented based on the country's own vision and reality (*country-owned*), with priorities and goals that come directly from the government and its institutions, aligned with development plans and international climate commitments. The sectoral scope and investment criteria should be based on national plans and goals (NDC, *Plan Mexico*, the National Development Plan [PND], long-term strategies, sectoral plans). When the CP is designed to "implement/execute" plans that have already been adopted, coordination and political traction generally increase (e.g., South Africa's *Just Energy Transition Plan Program - JETP* to meet its NDCs). Likewise, a clear framework is necessary to avoid parallel structures and duplication of responsibility and/or efforts. For this reason, it is necessary to define the objectives, sectors, issues, time horizons, and governance rules of the CP from the outset to avoid future friction.

- **Governance and participation:** A second principle is the need to define a clear governance structure, with political and technical coordination mechanisms that allow for the integration of different sectors and levels of government, while facilitating the integration of social, private, and international actors. High-level political leadership is needed, as well as a Technical Secretariat to ensure the implementation and monitoring of projects, and to establish deadlines, budgets, etc. Beyond high-level national leadership, subnational governments, the private sector, private and development banks, trade unions, academia, and civil society also need to be involved in decision-making from the design phase onwards to ensure legitimacy, identify bottlenecks, and give a voice to different groups to guarantee a just transition.
- **Finance and resource mobilization:** It is essential to ask specific international donors to make clear commitments to support resource mobilization. This can help mobilize significant levels of financing. At the same time, multisectoral programs with prioritization criteria and "one-stop shops" should be proposed to streamline permits and structuring (e.g., the *Bangladesh Climate Development Partnership - BCDP* combines investment portfolio, financial strategy, and facilitates project preparation).
- **Priority investment portfolio:** it is important that the CP's vision goes beyond individual projects and focuses on high-impact sectoral transformations, with transparent selection criteria and mechanisms that facilitate the preparation and financing of investments [7]. For example, Brazil has decided to focus their CP in projects that are more difficult to finance from the federal government, such as offshore wind generation. To this end, a well-articulated financial strategy was defined, whereby public and concessional resources facilitate the mobilization of private capital and the diversification of financing sources. Policy coherence is equally fundamental. In other words, regulatory, fiscal, and investment reforms must be aligned with the objectives of the CP, reducing barriers and transaction costs [2].
- **Wide-ranging actions to increase financial mobilization:** international experiences with the implementation of a CP suggest combining policy reforms, policy support loans, guarantees, concessional and market capital, and early financing for the preparation of projects that seek to attract private investment. It is also necessary to have a Management Unit for the administration of resources, procedures, and communications. Likewise, multilateral banks and climate funds have acted as anchors for

the implementation of risk mitigation structures (guarantees, subordinated tranches, mezzanine financing, and blended finance in general) and to attract private capital (cases of Egypt - *Nexus of Water, Food and Energy* and Brazil - *Brazil Climate and Ecological Transformation Platform (BIP)* with the participation of multilateral banks and financial networks). Clearly, previous experiences with CP show that initial financing packages tend to cover only a fraction of total needs. Therefore, it is necessary to highlight the financing gap from the outset, as well as the path for mobilizing additional resources (private, concessional, and non-concessional) to avoid unrealistic expectations.

- **Just transition and subnational participation:** for some sectors, it is also recommended to develop plans for labor retraining, local productive diversification, training, social protection, and community participation. These should be considered central components. At the same time, governments and municipalities must be involved from the design stage, not only to increase the *bankability* of local projects, but also to accelerate their implementation.
- **Verification and Monitoring:** Finally, the credibility of a CP depends on transparency and accountability, supported by monitoring and evaluation systems that measure not only financial flows, but also impacts on resilience, emissions reduction, and job creation. In addition, there is a need for social and territorial inclusion, integrating just transition measures that address distributional impacts and promote local socioeconomic development [17].

In conclusion, the experiences and lessons learned described in this document make clear the fundamental role of CPs in driving climate action aligned with national strategic objectives —by integrating public policies, capacity building, and large-scale mobilization of investments aimed at transforming key sectors of the economy— while also addressing social welfare objectives.

4. Financing and investment for NDC compliance

A major challenge facing CPs is to create the conditions for sectoral targets to be translated into visible and financeable investment projects. To this end, it is necessary to identify gaps, investment priorities, and opportunities for leveraging public, private, and international resources. The following section presents a

preliminary analysis of investment needs related to NDC compliance, describes available and potential sources of financing, and outlines progress in mobilizing sustainable financing.

4.1. Investment mobilization needs

Mexico will have to mobilize substantial investments to meet the targets set in its NDC for 2030 and 2035, its commitment to net-zero emissions by 2050, and in the *Plan Mexico*. This need is consistent with the internationally recognized principle of "common but differentiated responsibilities, according to respective capabilities", established in the UNFCCC (1992). Achieving these objectives, as well as other objectives related to the 2030 agenda, requires capital on a scale that significantly exceeds the capacity of public resources. It is therefore essential to attract private and international financing, as well as to take full advantage of available financing mechanisms.

This section presents a preliminary estimate of the investment needs for Mexico to comply with its current NDC (to 2030). These figures should be understood as approximations, subject to more detailed analysis in the context of the CP design and development process.

Table 1[1] lists the most significant investment items and estimated values in the sectors where the greatest scale of resources and technological penetration are required to meet GHG emission reduction targets. These values were obtained from investment plans publicly presented by the current administration and supplemented with announcements and estimates from the private sector and civil society, as well as estimates from ICM. The calculation does not consider investments in adaptation, as there is little information on specific investment items. However, it should be noted that investments in adaptation are significant[2].

1. These estimates are not exhaustive, and we note that, despite investment announcements, funding sources are not yet guaranteed and gaps remain.
2. The UNEP *Adaptation Gap Report* suggests 0.5% of GDP for upper-middle-income countries [26]. On the other hand, former Finance Minister Ramírez de la O estimated these investments at USD 100 billion per year. These costs/investment amounts must be compared with those of inaction [27].

Table 1: Investments needed to meet 2030 climate targets (billions of US dollars).

Sector / Sub-sector	Announced investment (Plan Mexico and others)	Additional investment needed (estimated)	Comments
Grid-connected renewable electricity capacity	8.2	To be defined	Significant private investment is required in renewables and future electricity demand.
Strengthening of the National Transmission Grid (RNT) [17]	8.2	To be defined	Expansion of transmission is critical to integrating new renewable capacity.
Strengthening the National Distribution Network (RND)	3.6	To be defined	Necessary to improve efficiency and reduce distribution losses.
Batteries (energy storage)	2.4	10.3	Further definition of costs and investment scales is required.
Early retirement of coal plants	—	1	The cost reflects the early decommissioning of existing units.
Transportation – charging infrastructure for electric vehicles	—	0.7- 30	The range depends on the type of charger and its location.
Non-motorized infrastructure (bike lanes, active mobility)	—	1.1	Estimate taken from the RNC.
Compliance with Pemex emission reduction targets	—	10	Figure estimated by ICM based on Pemex's decarbonization commitments
Green hydrogen	27.7 [18]	1.8 [19]	Emerging area with high potential for attracting investment.
Forest regeneration	—	7.4	This is the estimated investment required for forest regeneration.

Taken together, the data in **Table 1** give an idea of the scale of the challenge: it will be necessary to significantly scale up private capital participation and establish innovative financing mechanisms to bridge the gaps and ensure compliance with the NDCs. In this regard, the CP is a strategic instrument for channeling resources and closing the gaps towards NDC compliance.

Impact of Plan Mexico on national GHG emissions

The Mexican government has established various targets for multiple sectors through *Plan Mexico*, with the intention of promoting equitable and sustainable development that favors shared prosperity [20].

Given that economic activities are often associated with GHG emissions, the implementation of *Plan Mexico* will have a direct impact on the increase or decrease in emissions. This impact is relatively easy to estimate for certain actions, such as increasing gas-dependent electricity generation capacity [21]. However, for some of the Plan's objectives, such as promoting national and regional content or strengthening scientific, technological, and innovative development, the effect on emissions is much more difficult to quantify [22].

Even so, it seems clear that several of the actions proposed in Plan Mexico could have mixed effects on GHG emissions. For example, although new roads could reduce travel times and, in some cases, decrease emissions due to greater vehicle efficiency, they could also encourage an increase in traffic and, with it, higher total emissions. Similarly, the expansion of natural gas-fired power generation could displace the use of fuel oil, a more carbon-intensive source, but it would still represent a significant source of emissions if it is not accompanied by an accelerated transition to renewable energies and we continue to use gas as a transition fuel [23]. Other examples include:

- The modernization and expansion of airports will strengthen Mexico as a tourist destination; however, it will increase emissions linked to international air transport.
- Increased domestic production of goods will improve the balance of payments, but it will also lead to higher industrial emissions.
- Finally, the boost to agricultural production will likely generate an increase in direct emissions from the sector and, indirectly, could cause changes in land use if forests are replaced by farmland.

If the country's sustainable development objectives and climate goals are not integrated into *Plan Mexico*, there is a risk of linking the value chains and industries of this important investment plan to a high-emission economy subject to physical and transition risks.

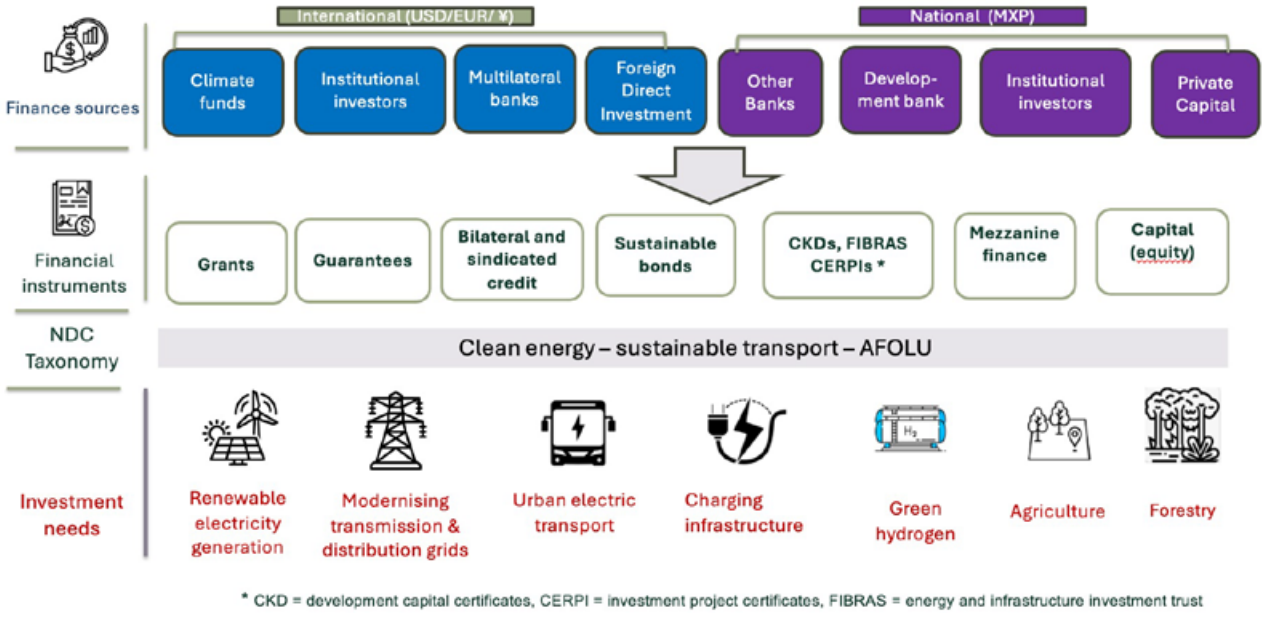
In this context, the creation of a CP represents a key mechanism for channeling and scaling investment toward strategic low-emission sectors. International experience shows that these platforms can attract significant volumes of financing in the tens of billions of dollars, earmarked for specific climate objectives. For this reason, ICM encourages the SHCP and other state institutions to seriously evaluate the development of such a mechanism for Mexico.

4.2. Diagnostics for mitigation: sources of financing and investment available for Mexico's NDC compliance

Mobilizing financial flows to comply with Mexico's NDCs will require resources from both the national financial system and international sources. Key financing actors include commercial banks, institutional investors, private funds, and development banks, segments with high investment potential, e.g., in energy projects linked to climate commitments. In particular, institutional investors have been instrumental in financing renewable energy and green infrastructure, thanks to their scale of capital and ability to absorb long-term investment horizons [51].

Likewise, stock exchanges are an important channel for channeling financing for sustainable infrastructure, offering financial instruments with solid governance, liquidity, and oversight mechanisms that are valued by investors. At the international level, foreign direct investment in greenfield projects and the role of multilateral banks, through entities such as IFC, IDB Invest, and CAF, which provide leverage and risk mitigation, stand out. Blended finance schemes are strategic instruments that allow these institutions to assume the riskiest tranches and generate more attractive conditions for private participation. **Figure 1** presents an overview of possible sources of financing:

Figure 1: Financial flows to achieve NDCs.



Source: authors.

4.3. Progress in mobilizing sustainable financing in Mexico

The Mexican Finance Ministry's (SHCP) sustainable finance mobilization strategy (EMFS in Spanish), published in 2023 [24], reveals a financing gap of 13.6 trillion pesos between 2023 and 2030. This is equivalent to mobilizing approximately 1.68 trillion pesos (USD 90 billion) per year to achieve the country's sustainable development goals. Since publication of the EMFS, the SHCP has promoted the development of strategic public policy components, seeking to close the financing gap.

One of the key components of the Strategy is Mexico's Sustainable Taxonomy, also published in 2023 [25]. Its purpose is to clarify the characteristics of economic activities that are considered sustainable, thus offering greater certainty to investors regarding their alignment with the country's strategic objectives, e.g., related to environmental and social criteria. The taxonomy incorporates mitigation criteria aligned with the commitments established in Mexico's NDC 2.0, which will allow for clearer articulation of financing with the country's climate transition objectives.

There are still no studies that allow for the quantification of the total volume of financing aligned with the sustainable taxonomy in the country. Data from the first pilot exercise to analyze alignment with the taxonomy, carried out in 2024, reveal that only 3% of the 96 operations analyzed by the institutions participating in the pilot (from commercial banks, development banks, pension funds, insurance companies, investment funds, and issuers) fully comply with the criteria established by the taxonomy, while 13% are mostly aligned [26]. Although the results of the pilot do not disclose the monetary value of the transactions analyzed, the low percentage of alignment highlights the need to strengthen institutional and technical capacities to mobilize greater volumes of sustainable financing across the entire financial system.

A second important component of the Sustainable Financing Mobilization Strategy seeks to strengthen the role of development banks in promoting mobilization. It has designed programs and credit lines aimed at channeling investments toward strategic sectors aligned with the NDCs. **Table 2** includes representative examples of some of these financing lines promoted by development banks:

Table 2: Representative examples of sustainable financing programs from development banks.

Eco Credit NAFIN	- Long-term credit (up to 8 years) with an annual interest rate of up to 16% - Subsidy for energy diagnosis - Business eco-credit via FIDE
Geothermal energy – IDB/ NAFIN	- Financing for construction, modernization, and expansion (USD 54.3 million) - Non-reimbursable financing with contingent recovery (USD 51.5 million) - Technical cooperation grant (USD 2.8 million)
NAFIN Renewables Line	- Line funded by multilateral institutions: • IDB: USD 370 million • KfW: USD 118 million • EIB: USD 100 million
NAFIN Sustainable Fund	- Management of non-reimbursable resources - Financial management and institutional strengthening - Support throughout the project cycle (including contracting and consulting)

Source: authors based on [27,28].

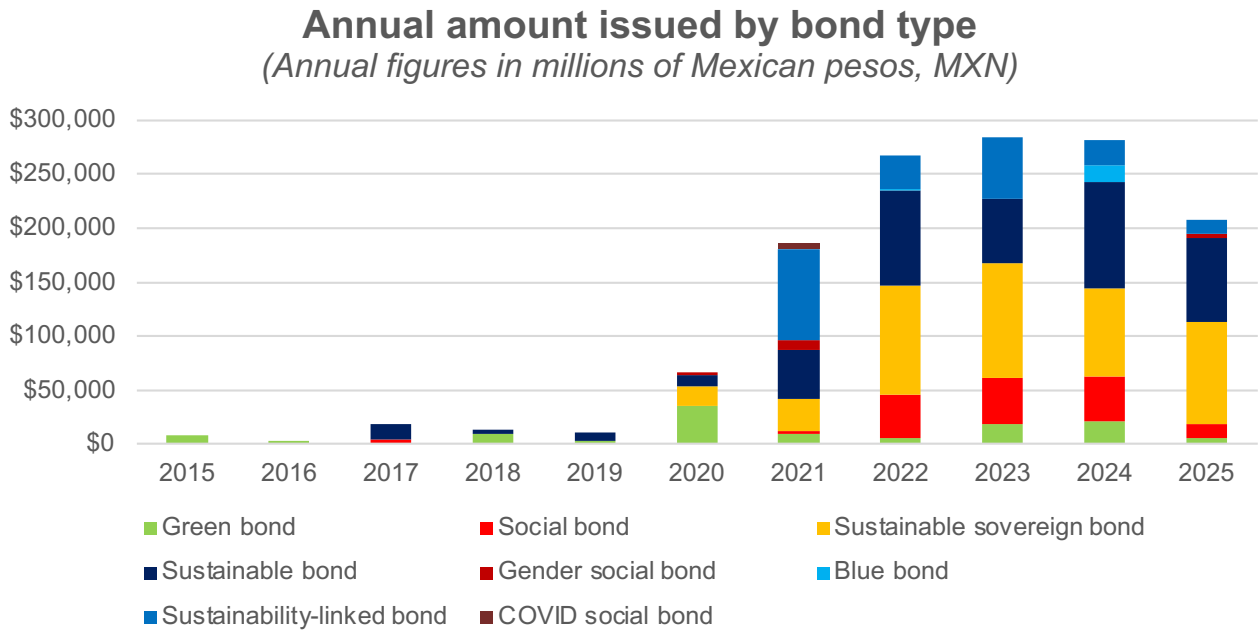
In addition, Banobras has promoted loans with preferential terms for sustainable infrastructure and projects related to gender, water, transportation, and energy efficiency [53]. FIRA has directed resources to sectors such as sustainable agriculture, renewable energy, and climate resilience, in addition to offering guarantees that reduce the risks of loans to rural producers [54].

Undoubtedly, these types of programs and instruments have a positive impact; however, the volume of resources committed is insufficient for Mexico to meet its climate and environmental objectives. In the context of a CP, these resources could be multiplied and leveraged through international cooperation commitments and the international community in general, reducing the cost and risk of financing.

Capital markets

Another component of the mobilization strategy promoted by the SHCP refers to the promotion of green and social financial instruments such as thematic bonds in capital markets. Based on these instruments, annual placements of around 240 billion pesos have been made between 2022 and 2024 (see **Figure 2**). A significant portion (more than 50%) of these placements have objectives aligned with mitigation goals [29].

Figure 2: Placements of labeled bonds in Mexico.



Source: authors based on [29].

In addition to labeled debt instruments, the Mexican market offers specialized equity instruments (such as Capital Development Certificates [CKD], Investment Project Certificates [CERPI], and Energy and Infrastructure Investment Trusts [FIBRA]), which have proven to be attractive vehicles for financing long-term infrastructure projects in strategic sectors such as energy, transportation, and urban infrastructure. These instruments allow institutional capital to be channeled into large-scale assets, while offering robust transparency, governance, and accountability frameworks that reduce risks for investors. **Table 3** presents illustrative examples of their application in sustainable projects.

Table 3: Examples of stock market instruments used for energy/infrastructure projects.

Instrument	Description	Advantages/Uses	Examples of transactions
CKD	Securities listed on the stock exchange that raise funds from institutional investors for long-term projects (infrastructure, energy, transportation).	Widely used for renewable energy projects despite high structuring costs.	*Thermion* (2017): placement on the Mexican Stock Exchange for solar projects, 810 MW installed.

Instrument	Description	Advantages/Uses	Examples of transactions
CERPI	Similar to CDCs but with lower structuring costs. They allow co-investment with multilateral and international funds, used in private equity.	Preferred structure for regulated private equity funds.	*Mexican Infrastructure Partners* (2018): issuance of 2.4 billion pesos in private equity, with a portfolio of 10,000 MWh (combined cycle and clean energy).
FIBRA E	Energy and infrastructure investment trusts. The funds are invested in shares of companies or specific projects in these sectors.	They allow investors to acquire rights to income from energy/infrastructure projects.	CFE Capital (2018): placement of approximately 1 billion pesos with guaranteed transmission collection rights.

Source: authors based on [30–33].

Foreign Direct Investment

In recent years, Mexico has maintained a significant flow of foreign direct investment (FDI), with a notable participation from the industrial and services sectors (see **Table 4**). A considerable proportion of this flow (more than 70% of the US$37 billion recorded in 2024 [35]) corresponds to the reinvestment of profits by foreign companies already established in the country, especially in the services sector. Part of the FDI is allocated to sectors relevant to a CP. On the other hand, since the regulatory reforms implemented in 2017, FDI in the renewable energy sector has shown a sustained decline [55]. Reversing this trend will be essential for Mexico to meet its NDC and energy transition goals.

Table 4: FDI by economic sector— —Millions of US dollars/percentage share.

Economic sector	2021		2022		2023		2024	
Agriculture	169	0.5	284	0.8	334	0.9	351	0.9
Extractive industries	4,846	14.4	1,781	4.9	3,493	9.6	1,525	4.1
Manufacturing industry	15,271	45.5	15,402	42.4	18,270	50.1	18,161	48.3
Trade	1,925	5.7	1,306	3.6	1,342	3.7	3,625	9.6
Services	11,329	33.8	17,552	48.3	13,043	35.8	13,952	37.1
Total	**33,541**	**100**	**36,324**	**100**	**36,481**	**100**	**37,613**	**100.0**

Source: authors, based on [34].

Private financing mobilized through official financing interventions (ODA)

Finally, it is important to highlight international efforts to mobilize private financing for sustainable development. In this regard, the OECD provides a useful reference [35], as it regularly monitors private financing that has been mobilized specifically through public interventions in official development financing, although this represents only a fraction of total global private financing.

The data (see **Table 5**) show that the energy sector can mobilize significant resources, while other sectors that could be included in CP (e.g., industry and communications) have considerably lower levels of mobilization.

Table 5: Private financing mobilized through official development interventions. Millions of US dollars (constant prices).

	2020	2021	2022	2023
By type of financier				
Bilateral	78	63	110	20
Multilateral	516	403	409	1,517
	594	**466**	**519**	**1,537**
By leverage mechanism				
Credit lines	–	96	110	–
Direct investments in companies	375	169	363	54
Guarantees	–	–	–	1,297
Share in collective investment vehicles	5	–	–	–
Simple co-financing	136	3	0	7
Syndicated loans	77	199	46	180
	594	**466**	**519**	**1,537**
By Sector (most relevant)				
Energy	446	332	39	203
Banking and Financial Services	8	96	120	1,174
Mining and Construction Industry	121	34	29	85
Communications	–	–	323	–
Others	18	4	8	75
Total	**594**	**466**	**519**	**1,537**

Source: authors based on [45].

According to OECD data, global mobilization of private financing to developing countries through official incentives totaled $60 billion in 2023 [50] (vs. $1.537 billion for Mexico, or 3% of the total), and has continued to increase in recent years.

This type of mobilization is particularly relevant in the context of a CP, as it demonstrates the potential of public and multilateral instruments to attract private capital to strategic sectors. During the CP design phase, it will be key to understand which mechanisms have proven most effective (such as guarantees, direct investment, or credit lines) in order to orient the financial architecture of the CP toward more efficient and scalable co-financing schemes, reinforcing its role as a catalyst for sustainable investments.

In conclusion, although Mexico has made progress in developing financial instruments and regulatory frameworks geared toward sustainability, the resources mobilized to date remain insufficient to meet the investment needs associated with its climate and development goals. Furthermore, existing mechanisms still show limited coordination with the needs of the subnational territories and lack a clear goal regarding how they contribute to sustainable development objectives. Institutional fragmentation and the lack of alignment between public and private investment make it difficult to direct financing toward a coherent and planned transition. In this sense, the development of a CP would not only allow for the mobilization of more resources, but also strategically align them with national priorities and send clear signals to investors toward a low-carbon economy.

5. Analysis of barriers and opportunities

This section analyzes the main constraints that restrict the mobilization of resources and presents examples of solutions at the level of financial structuring and adjustments to public policies and regulatory frameworks. These examples are particularly relevant in the context of a CP, whose purpose would be to become a strategic mechanism for strengthening inter-institutional coordination, optimizing the use of public resources, and catalyzing greater private sector participation in the country's climate transition.

5.1. Main financial barriers to investment

Below is a non-exhaustive analysis of the main barriers to investment in Mexico. Once the government has defined the priority sectors for CP, it will be possible to examine these barriers in greater depth and express them more precisely in terms of specific investment needs.

Like most developing countries, Mexico faces a number of challenges in attracting capital to renewable energy and sustainable infrastructure projects. This type of investment is conditioned by a set of risks, including uncertainty and regulatory barriers, macroeconomic and exchange rate risks, and exposure to demand risks, which are particularly relevant in contexts of concentration on a dominant buyer such as the Federal Electricity Commission (CFE) [46]. Furthermore, there are still significant gaps in project preparation and the structuring of bankable portfolios, along with risks associated with the technical and technological execution of new infrastructure projects [47].

These risks affect the cost of capital for projects, which can often be twice as high as that faced by companies in developed countries, such as those in the European Union, the United States, or Japan [48]. In the case of debt financing, higher interest rates represent a constraint for long-term projects (such as strengthening the electricity transmission network), since in this type of project the value of interest in proportion to capital increases significantly.

Below (see **Table 6**) are some of the risks identified as possible amplifiers of the cost of capital:

Table 6: Summary of the main risks identified by investors in developing countries.

Category	Description
Related to public policies and regulations	Uncertainty and changes in regulations and public policies, uncertain legal environment (e.g., judicial reform)
Macroeconomic (including exchange rate risk)	Currency depreciation, interest rate increases and/or risk premium, inflation.
Related to the structure of financial flows (e.g., renewable energies)	High concentration of investment in initial CAPEX
Related to contracts and counterparties	Creditworthiness of the buyer (private or sovereign); banking of the PPA contract; demand risk
Related to project execution and operation	Lack of bankable projects, high transaction costs, lack of transparency/governance of projects
Technological and climate risks	Delays in permits and execution, social risks, technological risks

Source: own elaboration based on [46,47].

5.2. Opportunities for mobilization and financial risk reduction

To mitigate the risks that increase the cost of capital, multiple financial mechanisms and structures have been designed to reduce their impact and improve the bankability of projects. Among the most notable solutions are [51]:

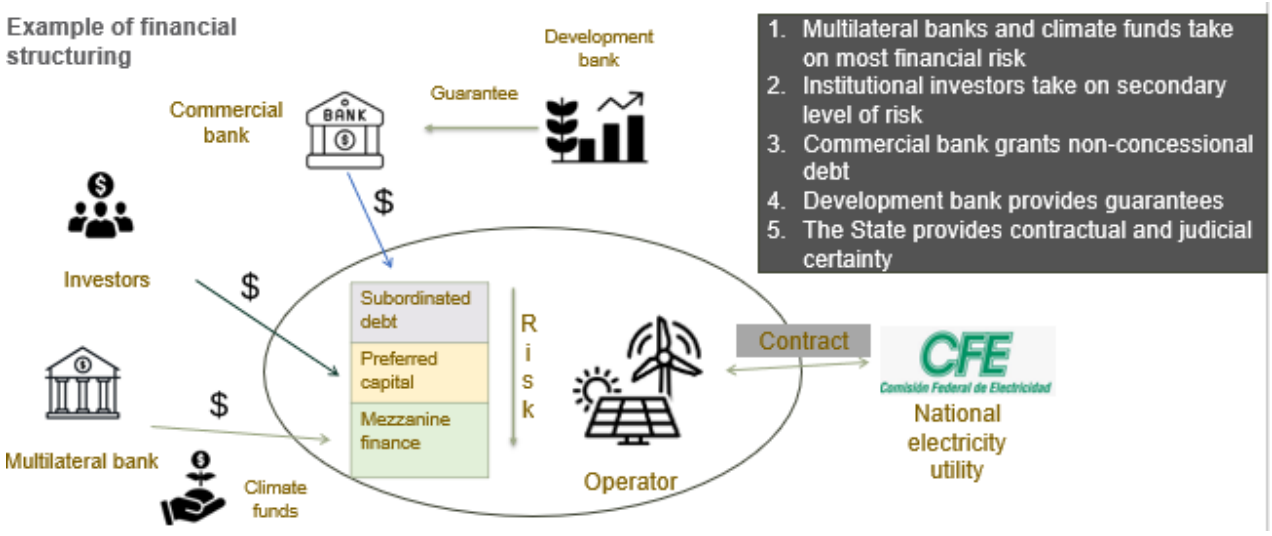
- Risk hedging mechanisms: exchange rate insurance, hedging against variations in input and product prices, and payment guarantees backed by multilateral agencies or development banks. [49]
- Partial risk guarantees: offered by multilateral or development institutions, covering political, regulatory, or contractual default risks.
- Syndicated financing and project finance structures: these allow risks to be distributed among multiple creditors and incorporate more flexible risk allocation clauses.
- Blended finance schemes: where multilateral and development banks assume the highest risk tranches (junior or subordinated), creating more attractive conditions for private investor participation.

Multilateral banks and climate funds play a key role in reducing project risk through blended finance structures. By agreeing to finance the riskiest tranches of projects, multilateral banks make it feasible for private investors to enter the market. These institutions can help reduce investment risk and increase returns for private investors. In addition, they can provide technical assistance to reduce implementation risks and improve policies, regulatory environments, and government capacity.

In this regard, a Mexican CP will seek to encourage the participation of international financial organizations in mobilizing both international public and private sources of financing. Such participation has the potential to create conditions for the involvement of institutional investors (such as pension funds) in this type of strategic project.

Through the financial structuring of projects, credit risks can be segregated among different types of investors or financiers. This makes it possible to attract different types of investors to the same project. **Figure 3** below shows the combined financing structure, which has the capacity to attract large-scale financing. This is a theoretical example for illustrative purposes.

Figure 3: Example of a combined project structure

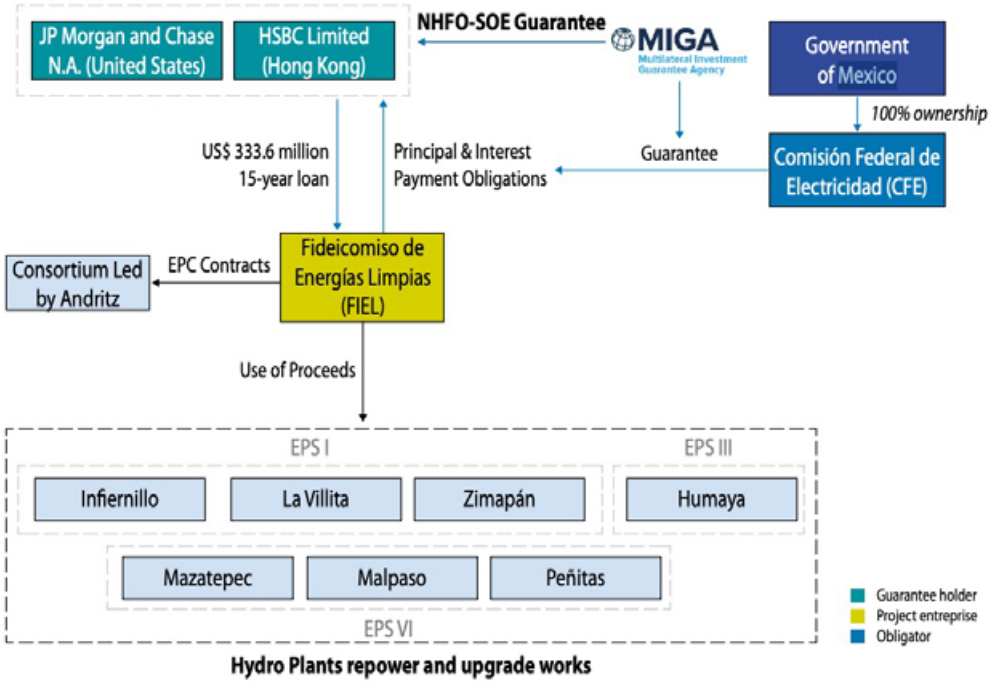


Source: authors.

This example shows how the coordinated participation of six actors makes it possible to simultaneously mobilize capital and reduce its average cost for the project operator. Each participant assumes a different level of risk: multilateral banks and climate funds absorb the riskiest tranches, private investors participate at intermediate levels, and commercial banks provide debt backed by development bank guarantees. The government, through the CFE and the regulatory framework, provides contractual and legal certainty.

A second example of risk mitigation, this time related to an actual market transaction, is the loan negotiated by CFE, which was guaranteed by MIGA [36] (World Bank) for 15 years, for $536 million, granted to the Clean Energy Trust (a special purpose vehicle created by the CFE) (see **Figure 4)**. In this case, it was an innovative guarantee, as it does not cover political risk or performance risk state-owned enterprise. Experience shows that multilateral backing can catalyze private investment in sectors where political, regulatory, and contractual risks limit market appetite.

Figure 4: Example roles of different actors in a project in Mexico.



Source: [36].

Likewise, the creation of a Special Purpose Vehicle improved transparency and the channeling of resources toward clean energy projects, while the active participation of the State and CFE provided institutional credibility and contractual certainty, reducing CFE's actual and perceived risk. This allowed CFE to access long-term financing in dollars on more favorable terms.

While the blended finance structures outlined in these examples offer significant potential for reducing risk and attracting private capital, they are also characterized by their complexity, involving multiple actors with different mandates and levels of risk tolerance. In this context, a CP could not only facilitate the mobilization of resources on a large scale, but also provide an institutional space to integrate risk instruments, blended finance, and public policy priorities around the country's climate and sustainable development goals.

In summary, through the CP, it will be possible to achieve:

1. An expansion of commitments from multilateral banks, climate funds, and international cooperation to:
   a. Significantly increase the (grant-based and other) resources granted for the development and initial phase of projects.

b. Increase the volume of resources allocated to credit guarantees.
c. Increase guarantee commitments to the public sector (MIGA).
d. Increase financing lines for project structuring, including mezzanine financing from multilateral banks, especially during the initial phase of projects.

2. Leverage investments through capital markets to:
   a. Obtain investment commitments in sovereign-labeled debt issues from institutional funds aligned with the climate agenda (e.g., Norwegian Sovereign Wealth Fund).

3. Generate investment structures that allow resources from institutional investors to be channeled into activities aligned with NDCs.

The CP will not only facilitate large-scale resource mobilization, but will also provide an institutional space to integrate risk instruments, blended finance, and public policy priorities around the country's climate goals.

5.3. Mitigation of risks/barriers related to public policies

In addition to the financial barriers described above, the general policy framework and specific sector regulations can also drive or limit investment levels in certain activities. This is particularly relevant for investments that could form part of a CP for Mexico, such as the expansion of renewable electricity generation, the strengthening of transmission and distribution networks, or the development of public transport infrastructure. Therefore, potential investors need a stable and predictable policy framework that allows them to accurately assess the potential benefits and risks of making specific investments. Such a framework may include [37]:

- Medium- and long-term national mitigation targets (e.g., the goal of achieving net-zero GHG emissions by 2050).
- Investment and competition policies (including relative treatment of domestic and foreign investors, and between the public and private sectors).
- Investment promotion policies (such as subsidy levels for renewable energy and fossil fuels, or tax incentives for specific types of investment).
- Governance (e.g., in electricity market regulation).

Mexico has recently made significant progress toward its climate policy ambitions. In particular, since the federal government's announcement of its adoption of a net-zero GHG emissions target for 2050 [38]. In addition, Mexico has set ambitious renewable energy integration targets and developed preliminary mitigation targets for 2035, included in the draft NDC 3.0. These targets send a clear signal about the country's "direction and progress," which may help attract more private investment.

Similarly, the electricity sector regulations published in October 2025 [39] establish that electricity system planning "must consider," among other aspects, "*consistency with the National Development Plan, the Sectoral Energy Program, the National Energy Transition Strategy, and the Plan for Energy Transition and Sustainable Energy Use," as well as "the promotion of energy justice* [39]."

The current administration has repeatedly emphasized the importance of private investment in achieving national clean energy goals and financing the strengthening of the electricity grid [39]. However, significant barriers remain that limit the expansion of private investment in climate mitigation activities. In the case of the electricity sector, one of the main challenges is the considerable delays in the expansion of the transmission grid [40], which hinders the connection of new power plants, including those using renewable energy [41]. In this context, streamlining the processes for connecting new generation capacity, particularly that requiring high capital investment, to consumers would be key to increasing the private sector's confidence and interest in financing new electricity infrastructure. Reducing delays, or even the perception of risk associated with them, would significantly improve the attractiveness of investing in new generation capacity.

6. Conclusions: Towards a Country Platform for Mexico

6.1. Possible governance structure for a Country Platform for Mexico

The development of a CP for Mexico will most likely require institutional changes.

A CP serves the purpose of financing medium- and long-term priorities, such as the transition to net-zero GHG emissions. Consequently, a CP will, by definition, be in operation beyond a single six-year presidential term and, therefore, the governance of a CP must be designed in such a way as to ensure continuity in its implementation. To this end, it is necessary to create stable institutional structures and a decision-making framework that sends a consistent signal over time to potential investors. In other words, a CP does not depend exclusively on the president or a specific administration, but is sustained throughout its life cycle by a Management Unit with a trans-presidential mandate and national legitimacy. This is similar to the model that South Africa implemented in its JETP [15].

Given that the CP takes a comprehensive approach, its governance must include both national authorities and state representatives, ensuring that implementation reflects territorial diversity and the particular priorities and needs of different regions of the country. This component is key to preventing the mechanism from being perceived as a centralized instrument. This approach, in turn, can strengthen local ownership of investment projects facilitated by the platform. Beyond government actors (federal and subnational), the CP must have a structure that fits within a participatory governance framework [6]. In other words, the CP must incorporate the private sector, national and international banks, multilateral development agencies, civil society, local communities, indigenous peoples, academia, trade unions, and youth. This diversity of actors not only increases the legitimacy of the mechanism, but also ensures that projects are socially just, financially viable, and technically sound.

The institutional design of the CP can be organized at different levels and may require the establishment of new processes, institutions, and/or units to facilitate coordination and channel investments. A promising way forward could be to establish:

- A Steering Committee, responsible for guiding strategic decisions and ensuring consistency with national objectives;

- A Management Unit, which provides technical and administrative continuity to the process;
- A Technical Secretariat to coordinate policy reforms, prioritization criteria, and transparency instruments;
- Sectoral working groups bringing together experts, national and international banks, civil society, and industry to identify and potentially "unlock" specific investment barriers. In addition, supporting partners, ranging from NGOs to academic institutions and public opinion leaders, can contribute technical expertise and support in project design, and
- A group of financial actors including, but not limited to, multilateral development banks, international financial institutions, national development banks, and private banks, whose role is to mobilize resources, design innovative financial instruments, and ensure that capital flows are directed toward the strategic priorities of the CP.

In summary, this governance model allows the CP to be perceived not only as a financial instrument, but also as an institutional mechanism that promotes social welfare and functions in the long term.

In terms of transparency, ICM proposes a mechanism similar to that of South Africa (*Funding Platform and Grants and Investments Registers*) [42,43] that can be adapted to Mexico, taking into account its national circumstances. In other words, a public monitoring and reporting system could be implemented to record the resources mobilized from national and international, public and private sources, broken down by sector, amount, source, purpose, and implementing entity. In addition, reporting standards could be aligned with international practices on transparency in climate finance, such as the guidelines of the World Bank and the Green Climate Fund [44].

6.2. Next steps

In order to implement a CP for Mexico, next steps are needed from a variety of actors including the presidency, national and subnational administrations, national development banks and other financiers, civil society organisations. These steps encompass political decisions, development of CP-related institutions and processes, and technical inputs and assessments that support decision-making.

Political decisions and actions

- Reach consensus with the federal and subnational governments and other decision-makers on the objectives, sectors, targets, and areas of investment that the CP will prioritize, ensuring their alignment with the NDC, the Sustainable Finance Mobilization Strategy, the PND, and *Plan Mexico*.

Agree on the appropriate timing for the public announcement of the CP, as well as potential international financing partners that could participate in its design, composition, and implementation. It is also necessary to name the CP according to the country's needs, as other actors have done; however, this can only be defined once the CP's approach has been defined.

- Contact potential international funding sources to gauge their interest in contributing to the establishment of the Mexican CP.

Institutional and process development

- Define the institutional architecture of the CP, including its coordination structure, as well as the roles and responsibilities of the main actors (e.g., the Steering Committee and Management Unit) and entities (such as the SHCP), in order to ensure the efficient functioning of the platform.
- Agree on key issues such as financing priorities; how to collect and evaluate investment proposals; and criteria for incorporating social, environmental, and climate justice considerations into decision-making processes.
- Define a timetable for the development and implementation of the various components of the CP.
- Develop and organize national, subnational, and sectoral workshops, as well as other forums for exchange with various stakeholders, in order to gather information and ideas for the CP and, in turn, disseminate its progress and objectives among the relevant actors in this mechanism.

Technical inputs

- Refine the estimate of investment needs by sector, considering the new NDC for 2035, and quantify the financing gaps towards 2030 and 2035, integrating information from development banks, the private sector, and multilateral organizations.
- Identify promising financial instruments and structures that can encourage greater investment in the CP's priority areas.

- Develop a comprehensive resource mobilization plan.
- Identify possible institutional gaps for the implementation of the CP (e.g., a financial matchmaking platform, project evaluation criteria and processes, etc.).
- Evaluate public policy and regulatory frameworks in key sectors to identify any adjustments that would be needed to incentivize further private investment.
- Conduct a qualitative analysis through interviews with national actors and those responsible for the CP in operation in other countries, in order to gather lessons learned, good practices, and governance models applicable to the Mexican context.
- Develop, in close collaboration with the SHCP and other federal actors, a roadmap for the implementation of the Mexican CP (defining what should be established, by whom, and within what timeframes).
- Estimate, in conjunction with experts from other circles (e.g., trade associations, civil society organizations, academia, etc.), the financial requirements necessary to meet the CP's objectives by 2035.
- Implement capacity-building and information-sharing processes within the government (e.g., through workshops or brief policy notes) that systematize lessons learned from CP implementation in other countries.
- Develop detailed proposals on the institutional structure of the Mexican CP, including strategies to address potential institutional or process gaps.
- Convene a meeting with key national actors (ministries and financial organizations, including national, international, and development banks) to discuss the CP proposal before its official announcement.

Medium term (before the end of 2026, or as defined by the SHCP)

- Conduct, together with other experts, assessments of potential public policy barriers that limit investment in the sectors or subsectors covered by the CP, and propose reforms to reduce or eliminate such barriers.
- Assess financial gaps and obstacles in specific sectors and develop a resource mobilization plan that proposes concrete mechanisms to overcome them.
- Analyze the different types of financial instruments that could be implemented to encourage greater investment in activities covered by the CP, considering the differences between subsectors.

- Develop proposals for national mechanisms for dialogue, coordination, and participation that integrate key priorities, such as biodiversity or just transition, into the implementation of the CP.
- Support the SHCP in organizing workshops with government agencies, subnational governments, financial institutions, and civil society organizations, with the aim of clarifying how the CP can contribute to the achievement of their goals.

Long term (from 2027, or as defined by the SHCP):

- In collaboration with the SHCP, conduct an evaluation of the functioning of the CP, identifying the need for institutional, process, or operational adjustments, and propose the necessary measures to strengthen its effectiveness.

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Appendix

Brazil's Climate and Ecological Transformation Investment Platform (BIP)

The BIP is an initiative of the Brazilian government to expand investments in ecological transformation, promote decarbonization, sustainable use of resources, and improve the quality of life of Brazilians. The BIP is led by the Ministry of Finance, together with the Ministries of Environment and Climate Change, Development, Industry, Trade and Services, and Mines and Energy. The National Bank for Economic and Social Development (BNDES) plays a key role as the Secretariat, managing day-to-day operations.

The BIP has three priority objectives and scopes, which can be summarized as follows: i) to support the Ecological Transformation Plan and other transition and adaptation plans in key sectors (see sectors below); ii) to mobilize public and private capital, integrate existing initiatives, and optimize investments for a just transition; and iii) to create a global, multisectoral forum for public-private collaboration. To achieve these objectives, Brazil's BIP focuses on three priority areas:

1. Nature-based solutions and bioeconomy: restoration and sustainable management of native vegetation, reduction of deforestation, regenerative agriculture, waste management, biotechnology, and biofuels.
2. Industry and mobility: decarbonization of steel, aluminum, and cement; electric urban mobility; low-emission hydrogen; green fertilizers; energy efficiency; strategic minerals.
3. Energy: resilient renewable systems for isolated areas, smart grids, offshore wind, sustainable fuels, low-emission hydrogen, energy efficiency, and strategic minerals.

The BIP operates through a governance structure that is divided into three areas: Steering Committee: led by the four ministries, with coordination by the Ministry of Finance; Secretariat (BNDES): administration, project management, and liaison with financial institutions; and Working Groups and Support Partners: to be defined.

South Africa: *Just Energy Transition Investment Plan* (JET IP)

South Africa's JETP (2023 – 2027) defines the investments needed to meet climate commitments, drive economic growth, and ensure a transition away from coal. The plan mobilizes large-scale investments to meet the climate commitments made in the NDC, while driving economic growth, creating quality jobs, and protecting the most vulnerable communities.

The agreed financial commitments total more than USD 12.8 billion. The categories with the most granular information are as follows: (i) public policy loans: USD 2.491 billion; (ii) commercial and capital debt: USD 1.934 billion; and

(iii) guarantees: USD 100 million. It is important to note that South Africa requires approximately USD 98.7 billion to meet its objectives. In other words, this means that the current commitments represent only a fraction of the total financing required, and additional resources are expected to be mobilized through private investment and other financial mechanisms. International cooperation has played a key role in these resources. For example, the World Bank approved a $1.5 billion loan to promote structural reforms in energy and transport, improve energy security, and introduce competition in key sectors. The World Bank also supported Eskom's Energy Justice Transition Project (EJETP), providing USD 497 million to decommission a coal-fired power plant and replace it with renewable energy, promoting community job retraining. In turn, the African Development Bank (AfDB) granted a loan of USD 474.6 million to support the Infrastructure Governance and Green Growth Program. In addition, the AfDB provided a USD 1 billion guarantee together with the United Kingdom for renewable energy projects, the electricity grid, electric vehicles, and social support in regions such as Mpumalanga.

In the case of this JETIP, five areas of investment have been prioritized, namely: i) a just transition in the Mpumalanga region, which is traditionally dependent on coal; (ii) the adoption of electric vehicles; (iii) promoting the adoption, use, and export of green hydrogen; (iv) boosting capacity development to meet the demands of new energy sectors; and (v) strengthening the capacity of municipalities to manage and maintain modern and sustainable energy infrastructure.

With regard to the electricity sector, the JETP has prioritized energy infrastructure, for example through the strengthening of transmission and distribution networks (led by Eskom (the South African state-owned electricity utility) and local authorities. At the same time, they seek to increase renewable generation through more active private sector participation. To facilitate the implementation of these and other low-carbon energy projects, a "one-stop shop" was created as a centralized institutional mechanism designed to coordinate, streamline, and facilitate renewable energy projects and support small and medium-sized enterprises in installing renewable energy. As mentioned, the plan envisages the phasing out and early closure of several coal- fired power stations. This strategy seeks to reduce Eskom's total coal-fired generation capacity from approximately 38.8 GW in 2021 to 29.3 GW in 2030. This strategy represents a technical and economic challenge, but given South Africa's focus on justice, it has a primarily social perspective. This is because it is estimated that around 90,000 workers in the coal sector could be affected by the closure of these plants. Therefore, the JETP includes measures to mitigate these impacts, such as job retraining programs, the development of new green industries, and the strengthening of electrical infrastructure to ensure an equitable and sustainable transition.

Colombia: Energy Transition and Biodiversity Plan.

Colombia's strategy involves an investment of around US$40 billion and seeks to reduce fiscal dependence on oil and gas, which currently account for around 50% of its exports. Colombia has begun talks with the United Kingdom, Germany, Canada, the European Union, and the Inter-American Development Bank to act as the main donors and financiers for the implementation of this mechanism. The aim of these talks is to consolidate a donor roundtable that will enable resources to be mobilized through a mixed financing scheme combining public and private capital.

The investment portfolio, which amounts to $40 billion, is distributed across different strategic areas. The largest portion, $14.5 billion, will be allocated to the energy transition and the expansion of renewable energies beyond hydroelectricity, giving priority to solar and wind systems. Another $8.5 billion will be allocated to the restoration and conservation of ecosystems; $4 billion to promoting nature tourism; $3.5 billion to promoting sustainable agriculture; $4 billion to climate change adaptation measures; and $1 billion to institutional strengthening.

The plan is committed to placing nature and biodiversity at the center of the strategy, with projects that combine ecotourism, sustainable agriculture, and ecosystem restoration. In addition, it explicitly contemplates the transition from coal to clean energy, including the gradual closure of plants and infrastructure and the retraining of more than 130,000 workers.

Bangladesh Climate Change and Development Platform (BCDP)

Launched in 2023, the BCDP is a joint initiative of the Government of Bangladesh and a coalition of international partners, led by the Asian Development Bank (ADB), the World Bank, the Asian Infrastructure Investment Bank (AIIB), European partners (EU, EIB, AFD), Japan, the United Kingdom, and the Green Climate Fund (GCF). The platform coordinates around USD 8 billion for climate action (mitigation and adaptation).

As one of the countries most vulnerable to climate change, Bangladesh seeks to implement its *Mujib Climate Prosperity Plan 2022* through three main areas of work: i) generating a priority portfolio of mitigation and adaptation projects (resilient infrastructure, renewable energy, agriculture, and urban resilience); ii) developing an integrated financing strategy to align each project with public, private, or cooperative sources; and iii) generating project preparation mechanisms to strengthen their viability and attract investment.

For the implementation and development of the BCDP, reforms had to be made in four main areas: i) integrating risks and green criteria into fiscal planning, public investment, and government procurement; ii) promoting local climate action and financing for disaster risk management;

iii) reduce emissions and air pollution, improve water and sanitation efficiency, and update green bond policies; iv) implement climate stress tests in banks and strengthen climate risk management in the financial sector.

It should be noted that the BCDP is not limited to channeling financing, but also seeks to institutionalize resilience in public policy and the economy, facilitating conditions to attract greater private investment and strengthen climate action (mitigation and adaptation).

Egypt: The Nexus of Water, Food, and Energy (NWFE)

The NWFE is a nationally owned and led mechanism for coordinating and ing national and international actors and financing, and has been expanded to include a transport pillar (NWFE+). The platform has been managed under the supervision of the Egyptian government, ensuring that it integrates the country's key priorities: water and food (adaptation) and energy, in line with the National Climate Change Strategy.

In the second and third phases of the platform, MDBs have taken on a leadership role in both coordination and implementation: three of the four pillars have a regional development bank as a strategic partner—the African Development Bank (AfDB) for water, the EBRD for energy, and the European Investment Bank (EIB) for transport. The fourth pillar is led by a UN agency, the International Fund for Agricultural Development, for food. Indeed, MDBs are the largest public funders of the NWFE: of the $3.4 billion in international public funding committed so far, approximately $2.7 billion comes from the EIB and the EBRD.

Table 7: Approaches, actors, and governance of country platforms for climate action. Source, authors, compiled based on [2,7,10–16].

Country	Approach and main actors	Governance	Funds committed
Brasil – BIP	Led by the Ministry of Finance with the Ministry of Environment, Industry, Mines, and Energy; BNDES acts as Secretariat. This CP focuses on nature/ bioeconomy (restoration, biofuels, regenerative agriculture), industry and mobility (steel, cement, electric mobility, hydrogen), and energy (renewables, offshore wind, smart grids).	Ministerial steering committee, BNDES Secretariat, and thematic working groups.	No fixed amount; seeks to mobilize national and international public-private investment.
South Africa – JET IP	Just transition plan (2023–2027) to replace coal and diversify the economy. Actors: government, Eskom, WB, AfDB, UK, EU. Sectors: coal phase- out, electric vehicles, green hydrogen, electricity grids, job training.	Government–partner coordination committee; "one-stop shop" for renewable projects.	USD 12.8 billion committed; however, ~USD 98.7 billion is needed for South Africa to meet its climate goals.

Country	Approach and main actors	Governance	Funds committed
Colombia – Energy Transition and Biodiversity Plan	Strategy to reduce oil dependence and put biodiversity at the center of the economy. Actors: Ministry of Environment, Presidency, IDB, partners from countries such as the UK, Germany, Canada, EU. Sectors: energy transition, ecosystem restoration, sustainable agriculture, nature tourism, adaptation, coal phase-out with job retraining (130,000 workers).	Donor roundtable under construction to consolidate public-private financing.	USD 40 billion (14.5 energy transition; 8.5 restoration; 4 tourism; 3.5 agriculture; 4 adaptation; 1 institutional).
Bangladesh – BCDP	Co-ownership between the government and international partners (ADB, WB, AIIB, EU, Japan, UK, GCF). Implements the *Mujib Climate Prosperity Plan*: resilient infrastructure, renewables, agriculture, urban resilience.	Fiscal and financial reforms, climate stress tests in banks, mechanisms to attract private investment.	USD 8 billion committed.
Egypt – NWFE (+)	National platform linking water, food, energy, and transport. Actors: government with MDBs (AfDB– water, EBRD–energy, EIB–transport, IFAD– food). Focus: water and energy adaptation, energy transition.	Shared governance between government and multilateral banks depending on the sector.	USD 3.4 billion (2.7 from EIB and EBRD).

Elements for a Country Platform for Climate and Development Investment in Mexico:

A CONTRIBUTION FROM CIVIL SOCIETY