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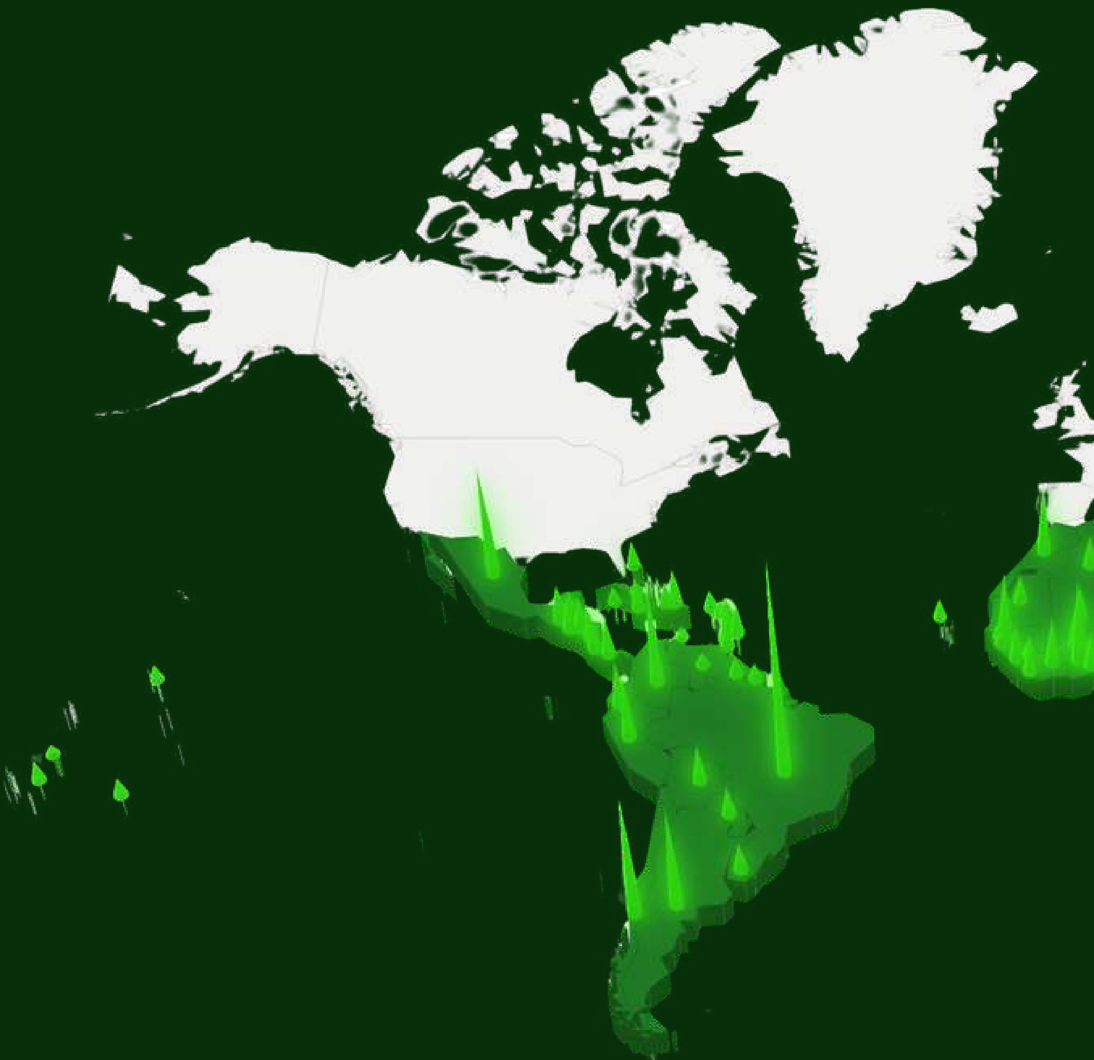
The 2026 Global South Climate Finance Report

A preview

We tracked 18,585 c
from 145 countries, t



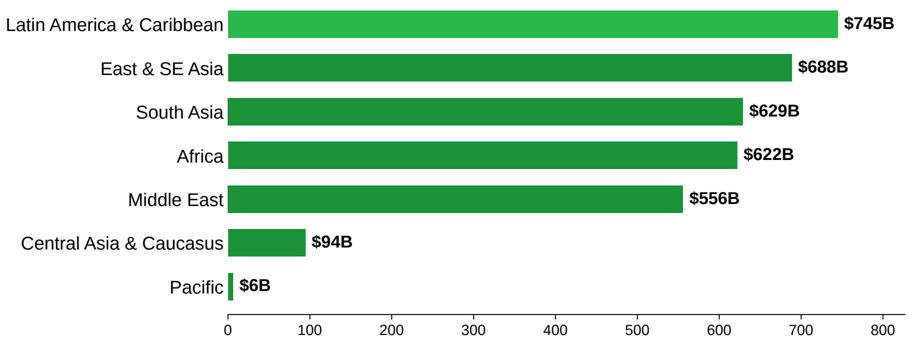
Here’s what

climate investments totalling $3.3 trillion.

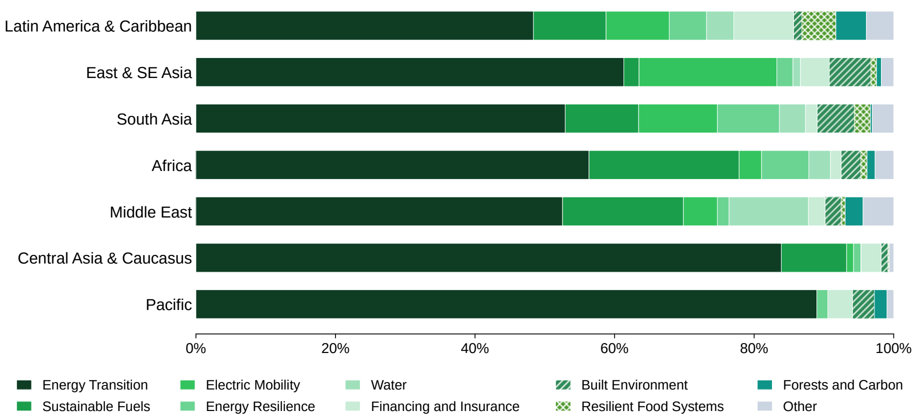
t we found.

Similar-sized regions, with very different compositions.

Latin America leads in private capital, Africa and Middle East are almost entirely public and blended finance. Energy Transition is the largest sector in every region. Latin America over-indexes on Forests & Carbon and Resilient Food Systems; while East & SE Asia leads on Electric Mobility; the Middle East on Water and Cooling and Africa on Sustainable Fuels.



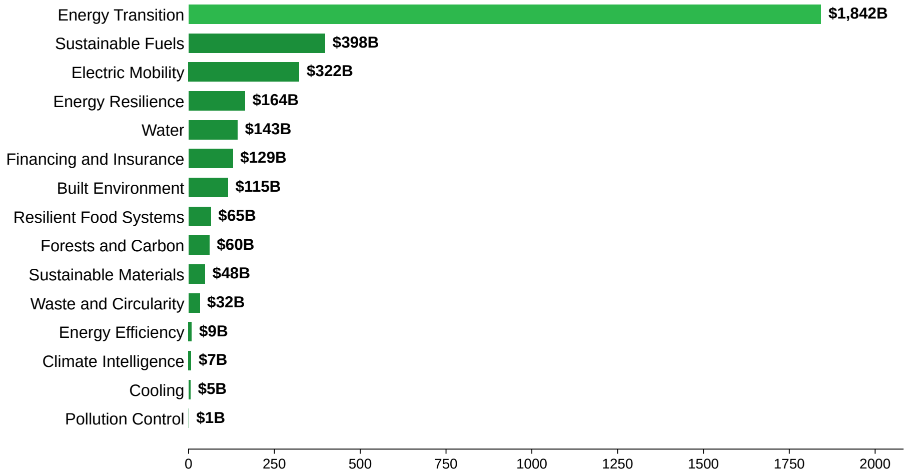
Capital by region ($B). ©Climake 2026



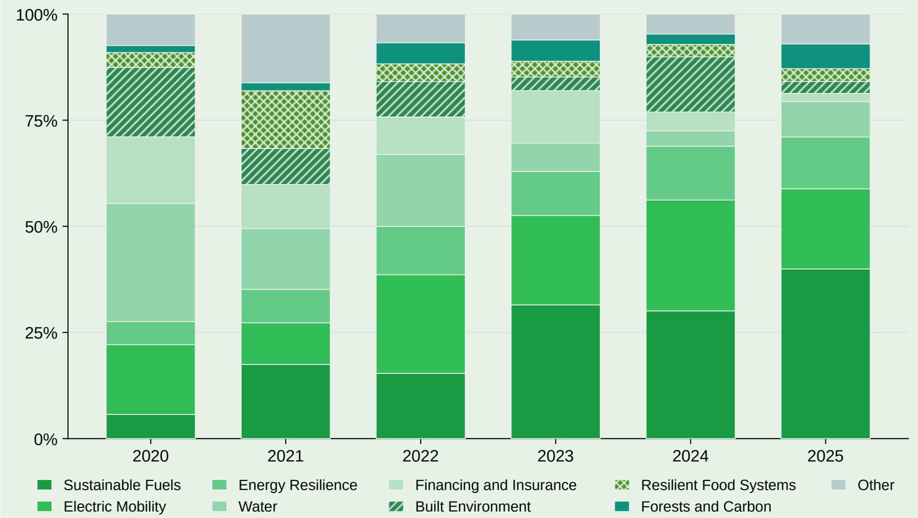
Sector mix of capital by region (share of each region's total). ©Climake 2026

Energy Transition leads, but the mix is broadening.

Energy Transition absorbs $1.84 trillion - 55% of all climate capital. But Sustainable Fuels ($398B), Electric Mobility ($322B) and Energy Resilience are scaling rapidly from small bases.



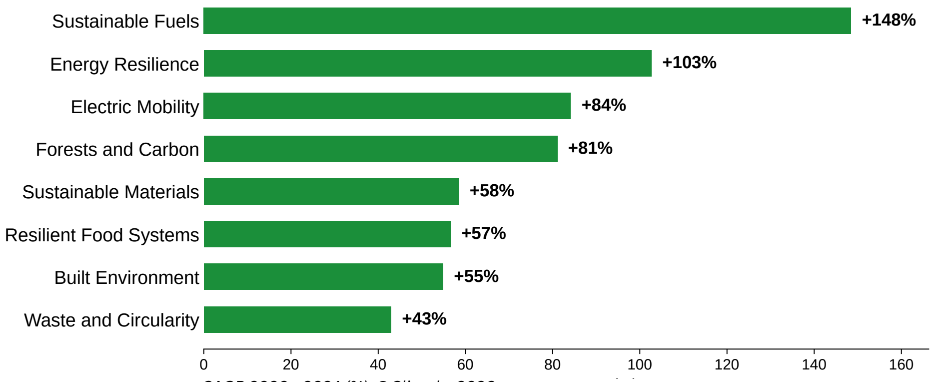
Climate investment by sector, 2020–2025 ($B) ©Climake 2026



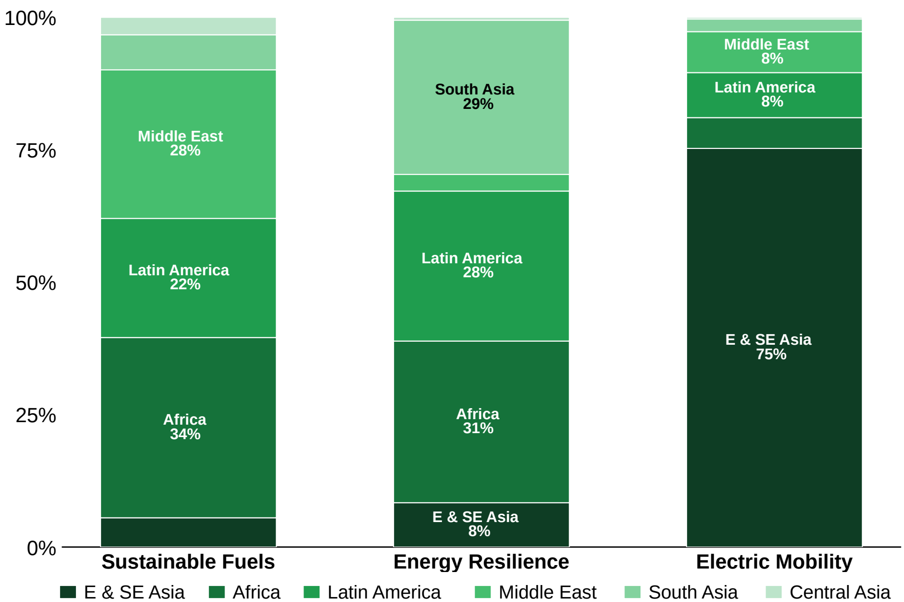
Sector share of all non–Energy Transition capital, by year (2020–25). ©Climake 2026

The fastest-growing sectors are also the newest ones.

Ranked by growth rate, the fastest-scaling sectors are not the largest, they are the newest. Sustainable Fuels (green hydrogen and ammonia) and Energy Resilience (storage and grid) lead, with Electric Mobility close behind, all doubling on average every year.



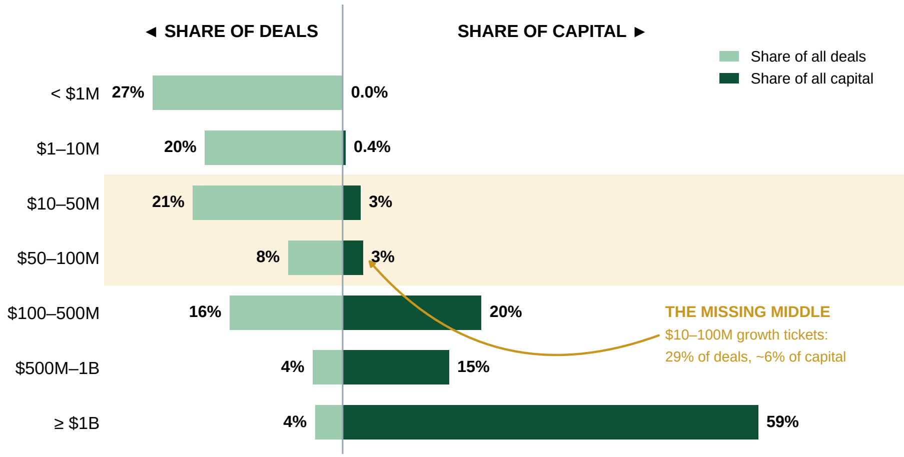
CAGR 2020 - 2024 (%) ©Climake 2026



Each region's share of 2020–24 growth in the three fastest-growing sectors. CAGR (%) ©Climake 2026

The funding market is a barbell with a missing middle.

A few hundred mega-deals account for most of the climate capital in the global south. The $10 - $100M band is the white space: the opportunity and the challenge. Companies graduating from early rounds need more places to turn to: the 'missing middle' will offer investors great returns.



Investment-size bands: share of all deals (left) vs share of all capital (right). ©Climake 2026

59% of all capital sits in the 727 deals sized at $1B or more	**47%** of all deals are under $10M - but this is just 0.4% of the capital	**6%** of capital reaches the $10 - 100M growth middle: 29% of deals

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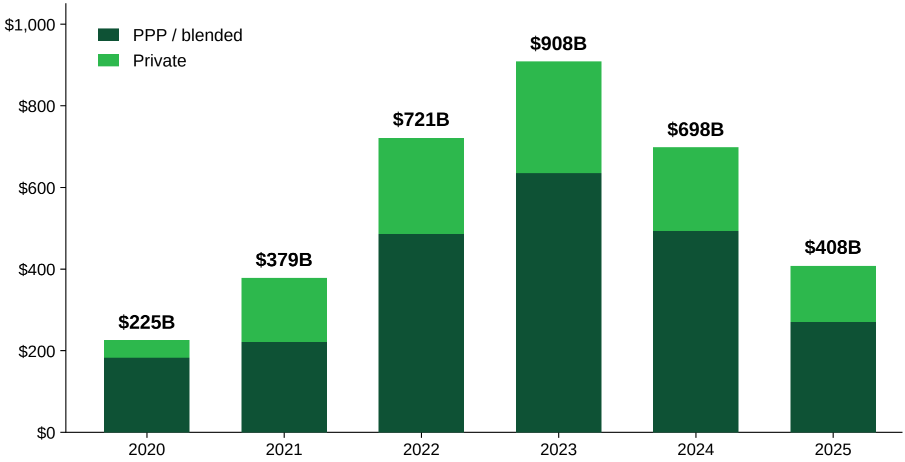
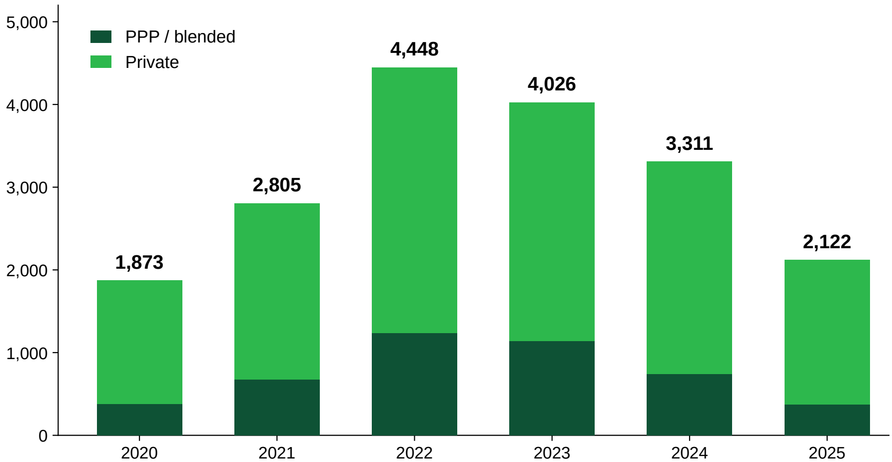
The market rapidly tripled, then cooled a bit.

Climate investment into the Global South climbed from $225B in 2020 to $908B in 2023, then eased to $400B+ in 2025, though this data likely has a lag. Check updated figures at climake.co. Global South investments are 30% of global climate financing: investments lag demand. Global South's clean energy investment need alone will be $2.2 - 2.8T a year by the early 2030s.



Climate investment by year, Private vs PPP ($B). ©Climake 2026

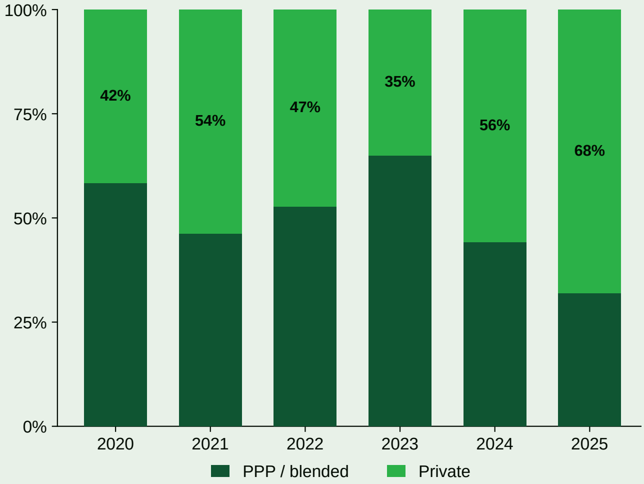


Number of investments by year ©Climake 2026

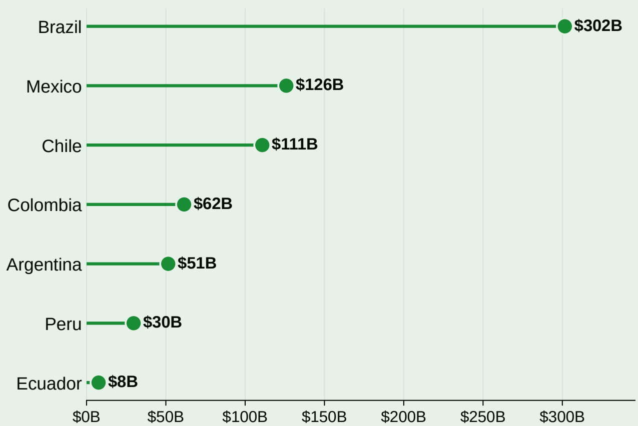
Regional Highlights

Latin America and Caribbean

The region has drawn $745B across 3,950 climate investments: $388B public and blended, $357B private. Brazil alone takes two-fifths of all the capital destined for the region.



Private vs public-blended share of capital by year ©Climake 2026



Top recipient countries by total capital. ©Climake 2026

$200m, Chile

Atlas, BESS del desierto: LatAm's first large-scale battery storage, financed by BNP Paribas and Crédit Agricole.

$184m, Argentina

Buquebus 'China Zorilla': Santander and IFC fund the world's largest electric ferry, on the Buenos Aires - Colonia route.

$70m, Colombia

World's 1st bio-diversity bond: Put together by BBVA and IFC to finance projects that address biodiversity loss.

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Regional Highlights

East and South East Asia

The region has drawn $688B across 2,184 climate investments: $500B public and blended, $189B private. Energy Transition dominates, while private money clusters heavily in Vietnam.

$194m, Malaysia

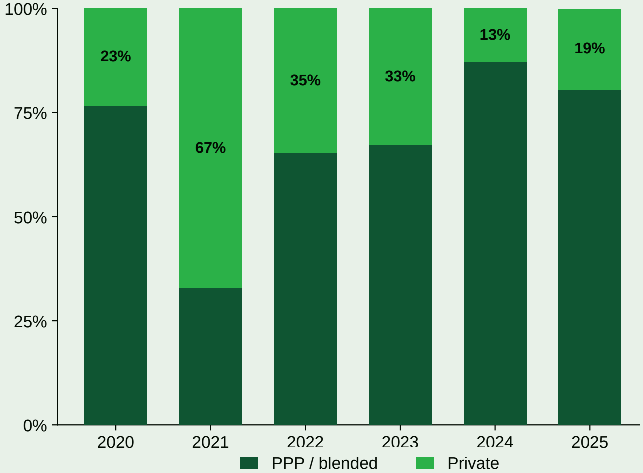
Perodua QV-E: Malaysia's first homegrown battery-electric vehicle, entirely funded by the national carmaker.

$70m, Vietnam

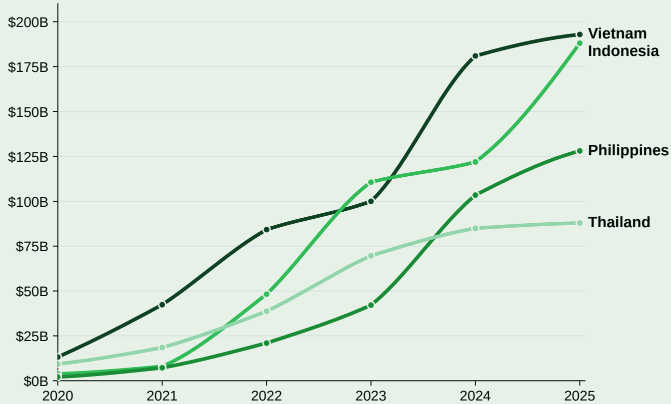
Techcoop: Debt + Equity Series A to digitize Vietnam's agri-supply chains and to support small-holder farmers.

$200m, Thailand

Indorama: The world's leading PET resin manufacturer raised a 7-year sustainability loan to expand PET recycling.



Private vs Public blended share of capital by year ©Climake 2026

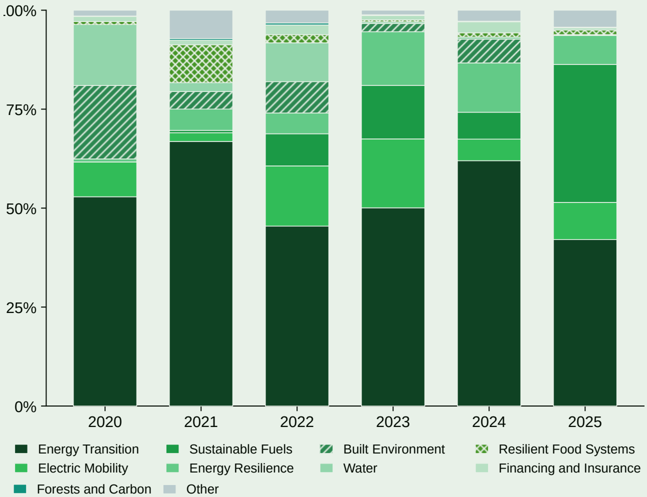


Cumulative investment in the four largest markets. © Climake 2026

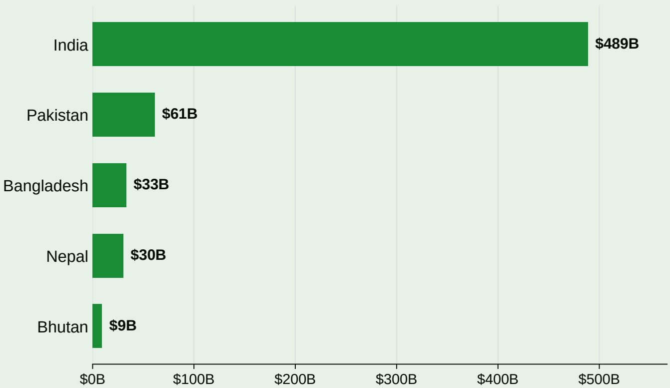
Regional Highlights

South Asia

The region has drawn $629B across 5,081 climate investments: $407B public and blended, $222B private. India accounts for 4/5th of the capital, and the deal count is the highest in the Global South.



Sector share of capital by year ©Climake 2026



Top recipient countries by total capital. ©Climake 2026

$110m, India

Atomberg: Series C investment in India's fastest growing energy efficient fans and home appliances company.

$100m, Bangladesh

Epic Group: Combined green loan and sustainability-linked loan for climate-smart garment manufacturing.

$86m, Pakistan

SAFCO: ADB-led consortium funding for first private sector Sustainable Air Fuel project in South Asia.

Regional Highlights

Africa

The region has drawn $622B across 4,548 climate investments - $485B public and blended, $136B private. The private share is the thinnest of all major regions.

$176m, Kenya

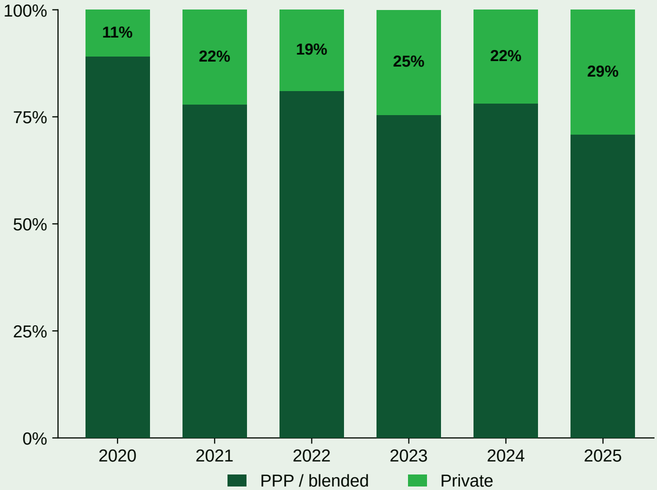
d.light: Securitization facility by African Frontier Capital to power PayGo financing for affordable off-grid solar products.

$100m, Benin

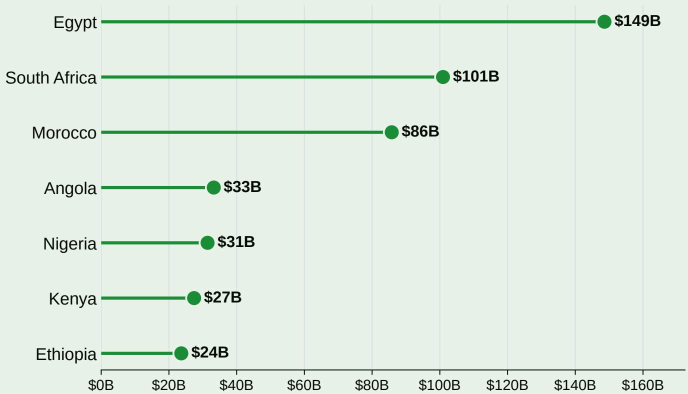
Spiro: Africa's largest-ever e-mobility raise for a battery-swapping network, led by Afreximbank's FEDA.

$83m, Senegal

Sococim: Green loan to drive decarbonization of cement manufacturing via solar, RDF and process efficiencies.



Private vs public-blended share of capital by year ©Climake 2026

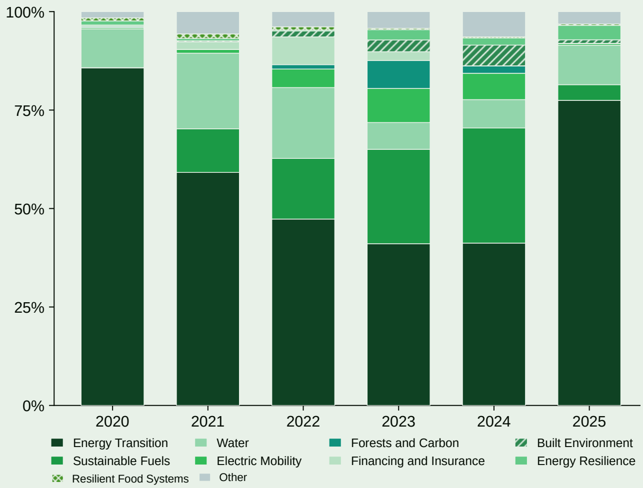


Top recipient countries by total capital. © Climake 2026

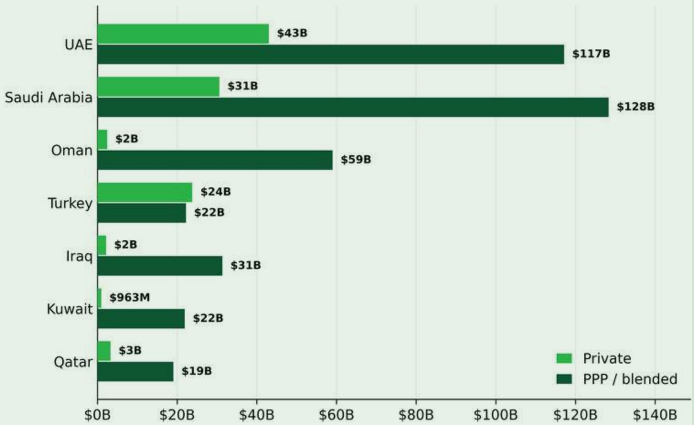
Regional Highlights

Middle East

The region has drawn $556B across 2,328 climate investments — $427B public and blended, $128B private. The UAE and Saudi Arabia together hold well over half the capital.



Sector share of capital by year ©Climake 2026



Private vs public-blended capital: recipient markets ($B). ©Climake 2026

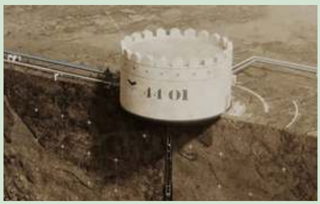
$30m, UAE

Tenderd: Series A raise for an AI platform that reduces emissions in heavy industries like construction and logistics.

$50m, Israel

Beewise: Series D raise for an autonomous beehive technology company that protects bee populations.

$37m, Oman



44.01: Series A funding to scale 44.01's Carbon Dioxide-To-Stone mineralization technology.

Regional Highlights

Central Asia & the Caucasus

The region has drawn $94B across 375 climate investments — $77B public and blended, $18B private. Led by Uzbekistan, where development banks are funding renewables and green hydrogen.

$65m, Uzbekistan

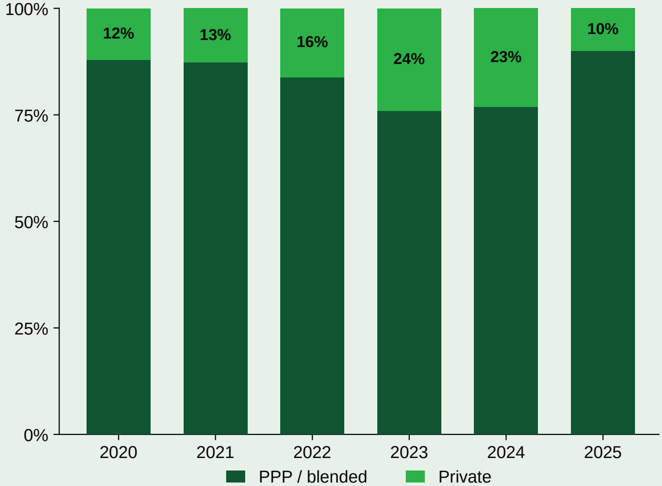
Acwa Power AKS: Central Asia's first green-hydrogen plant for fertilizer decarbonization.

$25m, Kazakhstan

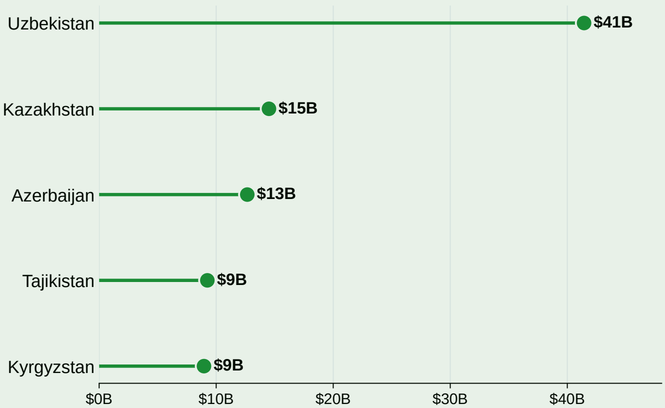
KazFoodProducts: Investment in food processing capacities to boost agribusiness and strengthen food supply chains.

$52m, Armenia

Masdar Ayg-1: Armenia's largest solar plant, developed by UAE's Masdar with backing from EBRD and Clean Technology Fund.



Private vs public-blended share of capital by year ©Climake 2026

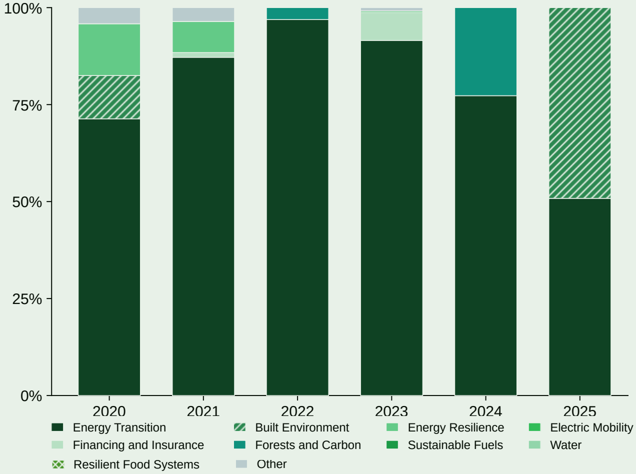


Top recipient countries by total capital ($B) © Climake 2026

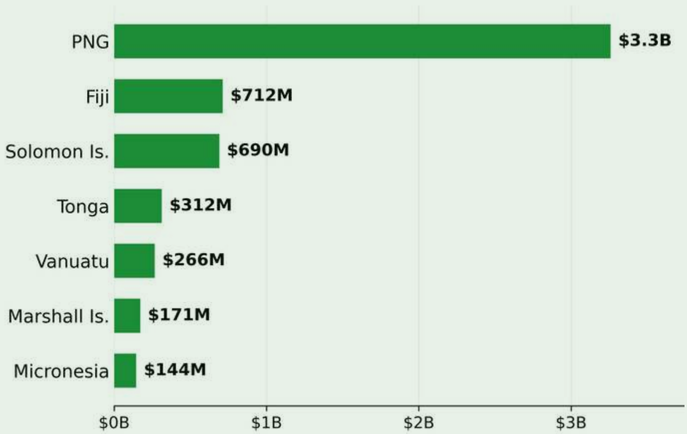
Regional Highlights

Pacific

The region has drawn $6B across 119 climate investments, almost entirely public financed. The smallest market in the Global South, where donor-backed solar systems are now evolving to private power producers.



Sector share of capital by year ©Climake 2026



Top recipient countries by total capital ($B). ©Climake 2026

$33m, Palau

Palau Solar + Storage: Palau's first utility-scale solar-plus-storage plant, backed by Australia's AIFFP.

$3m, Samoa

Sun Pacific Energy Funding to Samoa's first Independent Power Producer to expand its solar capacity.

$15m, Vanuatu

REnew Pacific: Off-grid solar / water pumping for 40 health centers; power for 80,000 folks.

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