Delivery Associates

SOCIAL FINANCE

FROM COMMITMENT TO DELIVERY

Why government readiness determines where climate finance flows.

A perspective from Delivery Associates and Social Finance

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What it takes to build the capacity funders need to see

The past decade produced an extraordinary expansion of climate commitments. Capital was pledged, funds were established, national plans were written. And yet billions of dollars remain undisbursed, or deployed through arrangements so intermediated that sustained impact is hard to demonstrate. While the headlines focused on the dollars, the problem was never only about mobilizing more money – delivery capability must keep pace.

Delivery Associates (DA) and Social Finance have collectively supported dozens of governments globally — DA through implementation, Social Finance through results-based financing. What we keep finding is the same: the focus on mobilizing new funds or designing new instruments too often misses whether governments have the institutional capacity to steward complex, multi-actor investment over time, and whether they can deliver through local systems that will outlast any individual program. In this article, we focus on international public, philanthropic, and blended finance — and the public institutions and governance systems within countries that determine how such finance is prioritized, coordinated, and translated into sustained outcomes.

Capital mobilization and delivery readiness are not sequential problems – they are interconnected. Countries that can demonstrate genuine delivery capability — clear priorities, functioning coordination, credible oversight — have attracted more capital (see Figure 1). With public support for international finance fragile, the opportunity right now goes beyond pledges. The opportunity is to help countries build the capacity to deliver on their climate commitments where that capacity does not yet exist, and to reinforce it where it does.

Figure 1

Where governance is stronger, climate finance tends to be higher

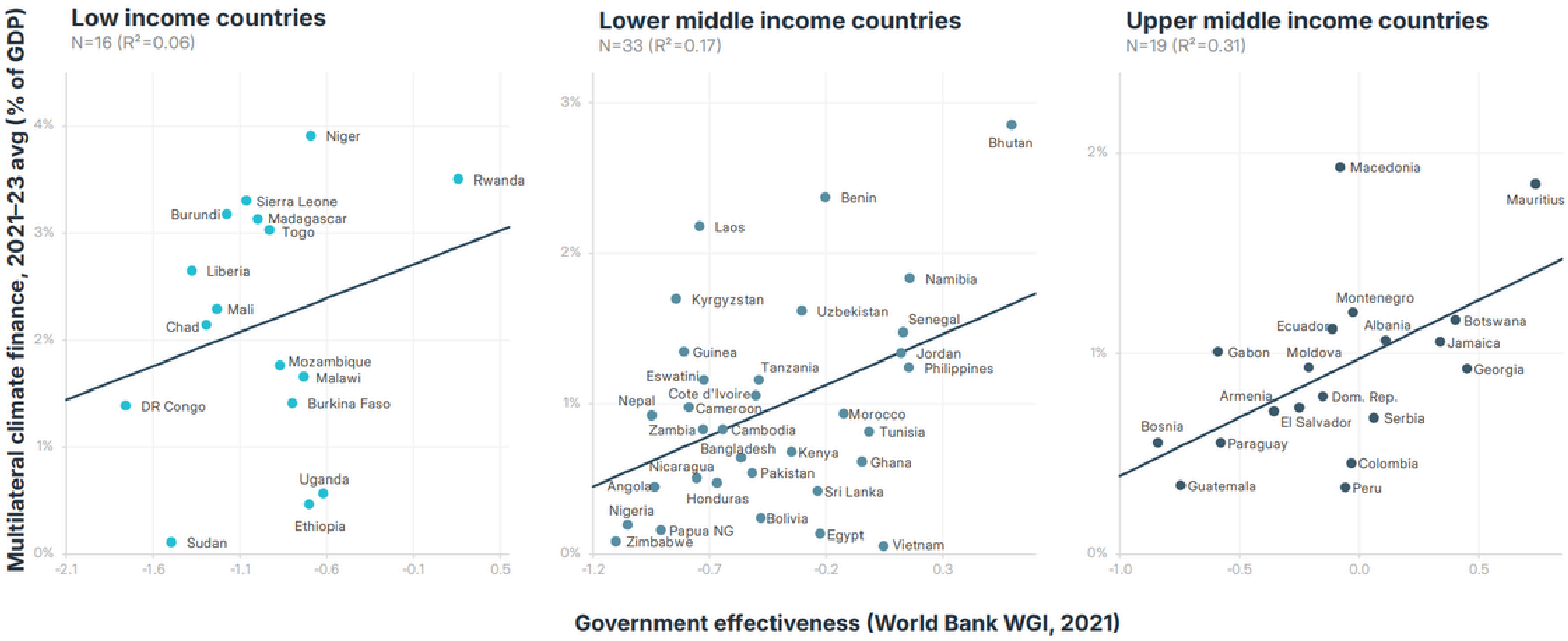

Exhibit: Multilateral climate finance (average annual international public climate finance, 2021–23, as % of GDP) plotted against World Bank WGI Government Effectiveness score (2021) across low- and middle-income countries, by income group. Across all three groups, stronger governance is generally associated with higher multilateral climate finance relative to economic size, with relationship strengthening as income level rises. Fragile and conflict-affected states, small island economies where GDP size inflates the ratio, and countries with near-zero or sanctions-affected finance are excluded.

Delivery systems are national assets

While delivery capacity matters across all areas of policy implementation, the economic transition required for decarbonization is particularly demanding. The scale of coordination required — across ministries, funders, private actors, and time horizons — demands that capacity in full measure.

The governments that demonstrate genuine delivery capability should attract larger flows and retain funder confidence when things get hard. Investment readiness means coherent national systems that can attract capital, use it well, and sustain the results.

The structures that allow strategy to become delivery — clear decision rights, cross-ministry coordination mechanisms, escalation routines that surface problems before they compound, and leadership at the system level — are not administrative details. In the context of climate, where investments span ministries, time horizons, and actors with different mandates, they are the precondition for everything else. Without them, even well-designed plans stall. With them, governments can absorb capital, adapt when conditions change, and sustain results beyond any individual program.

We have seen that governments need four things working at once: decision-making that lasts, delivery capability, external coordination, and the ability to adapt as implementation unfolds.

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Four conditions of investment readiness

1. Clear strategy with a specific implementation plan

Governments whose priorities are unclear are unlikely to deliver well on them. And without a credible view of what a country is actually trying to do, in what order, and why, capital is less likely to follow.

Most countries have Nationally Determined Contributions (NDCs), but a Climate Policy Initiative analysis[1] found that only a handful of the most recent NDCs included a clear implementation plan.

Morocco shows what sustained investment in planning specificity can unlock. Its 2021 NDC specified 55 mitigation measures,[2] each with quantified emissions reduction potential and cost estimates — a level of detail that gave funders something concrete to align with. The results followed. The World Bank deployed a Program-for-Results instrument directly linked to NDC implementation,[3] with the Asian Infrastructure Investment Bank (AIIB) co-financing an additional $200 million.[4] Climate Watch Data now projects Morocco on track to meet its unconditional 2030 target.[5] In 2025, its national budget was formally aligned to its NDC commitments for the first time, giving the government and its partners clarity on financing gaps across the full spending cycle.

That level of specificity does more than attract capital — it creates the decision rights and budget alignment that allow a government to coordinate actors, resolve trade-offs, and stay on course when implementation gets hard.

The same logic holds at portfolio level across regions. The Asian Development Bank (ADB) has recognized that building delivery-ready institutional pipelines is critical to portfolio quality.[6] Co-financing extended to 40% of ADB's projects in 2024, with the strongest recipients — India, Cambodia, and Nepal — distinguished less by ambition than by institutional pipeline quality.[7]

2. Delivery capability

Climate delivery is more demanding than most. The stakeholder landscape alone — donors, multilateral development banks, national ministries, energy regulators, private investors, and local implementers — is rarely matched in other sectors. Coordination across ministries, clear lines of authority, routines for surfacing and resolving problems early: none of this is glamorous. All of it determines whether a complex, multi-year initiative stays on track.

The examples that follow come from different contexts, but they share a common thread: governments that built the internal machinery to deliver were governments that could implement their plans and achieve results.

In the Bahamas, DA has worked alongside government for eight years, building delivery capability, including a focus on disaster preparedness. The interventions were not complicated: monthly meetings with the Prime Minister, structured around a forward-looking calendar ahead of hurricane season, clear indicators, a focused set of essential functions, and investments in training through the National Youth Guard. But what they created is a system that holds attention over time, making it possible for government and external partners to align resources quickly when needed. One official put it plainly: "for the first time in more than 20 years... [I was] called to a meeting on natural disasters without a hurricane having occurred."

That shift from reactive to proactive is the clearest signal that a delivery system is working. In Rwanda, DA worked alongside government to establish a central delivery function for large, cross-cutting programs spanning hydropower, irrigation, agriculture. Structured routines surface bottlenecks early. Escalation mechanisms bring systemic issues — procurement constraints, budgeting conflicts — to Cabinet level. The approach is being adopted across multiple ministries. For communities depending on these programs, that consistency matters: it is the difference between an irrigation scheme that stalls mid-construction and one that gets finished and maintained.

The same shift from outputs to outcomes is visible at the national program level. In South Africa, the Jobs Fund and the Presidential Youth Employment Initiative have moved away from input-based program management toward coordinating training providers, employers, and intermediaries around shared employment outcomes. That required building mechanisms to track participant progression, link funding to results, and adjust program design based on performance data. When a government manages toward outcomes rather than outputs, it can unlock delivery across the ecosystem.

> ***For the first time in more than 20 years... [I was] called to a meeting on natural disasters without a hurricane having occurred.***

3. External coordination and delivery

Climate investments rarely succeed through a single government ministry or a single funder. They depend on a government's ability to coordinate public, private, philanthropic, and multilateral actors around shared outcomes — while managing the fragmentation that naturally emerges when those actors arrive with different mandates. Without that coordination capability, even well-funded initiatives stall, or efforts remain parallel rather than reinforcing, and the system never adds up to more than its parts.

Initiatives such as Just Energy Transition Partnerships (JETPs)[8] have made this challenge explicit. They combine large-scale finance with country-led transition plans and explicit social objectives — but their effectiveness depends entirely on whether the government can coordinate the actors around it, not just convene them. In practice, that means aligning donors, multilateral development banks, national ministries, energy regulators, private investors, and local implementers around a shared delivery system — often simultaneously, often with competing timelines and incentives. Mobilizing finance and building a delivery system capable of using it are related challenges. Delivery readiness is what makes the difference between capital that performs and capital that stalls.

Brazil has built one of the more coherent national coordination architectures in climate finance bringing together multilateral development banks, bilateral donors, private investors, and domestic institutions.[9] The Amazon Fund[10] pools international contributions and channels them through national systems, providing a structured way to align external funding with domestic priorities. Eco Invest Brasil[11] builds on this by mobilizing foreign private capital through de-risking mechanisms that create clearer entry points for investors. What makes these mechanisms work is not their design on paper but the government's capacity to shape how actors operate within a shared system — ensuring that resources flow toward national priorities rather than around them.

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When Instituto Clima e Sociedade's (iCS) Subnational and Legislative Climate Policy specialists worked with DA and Brazilian state governments to develop a Climate Readiness diagnostic, the same gap was visible at the state level: not a lack of ambition, but a lack of clarity on where to begin. The diagnostic provided a shared prioritization framework, and states moved from fragmented activity to concrete, sequenced action — producing industrial carbon measurement frameworks, renewable energy investment plans, and green certification initiatives across multiple states. The cost of the diagnostic was a fraction of what it unlocked.

Governments that build this coordination capability in one domain can draw on it in others. In Colombia, the Outcomes Fund for Education Results (OFFER)[12] brings together international agencies, private foundations, and government around shared priorities, with formal decision-making structures that keep all parties aligned around results rather than activities. The coordination challenge OFFER addresses is not particular to education. It is the same challenge that climate finance platforms require of every government they work with. As more platforms emerge, the capacity to engage with them on national terms — rather than being shaped by them — becomes a defining capability.

4. Adaptive problem-solving skills

Funders don't pull back because a program hits problems. They pull back because they can't see the problems, or because they don't believe the system will address them. Risk is manageable when it's visible.

The World Bank's Program-for-Results[13] instrument is built on this logic: link financing to results, rely on country systems, trust that credible oversight makes risk manageable. Where governments can demonstrate that credibility, funder engagement shifts from front-loaded controls to genuine adaptive partnership.

In Cameroon, Social Finance supported a Development Impact Bond to pilot Kangaroo Mother Care across 10 public hospitals, working with the Ministry of Public Health to build the delivery infrastructure, data systems, and clinical routines needed to function at scale. That investment in operational understanding paid off. In 2025, Cameroon's National Strategy on Reproductive, Maternal, Child, Adolescent, and Nutrition Health 2025–2030 explicitly named Kangaroo Mother Care as a priority intervention for reducing neonatal mortality. A time-limited pilot, grounded in delivery data gathered with government, became the evidence base for a national commitment. The logic applies anywhere funders and governments are trying to move from pilots to sustained delivery at scale.

The same dynamic played out at portfolio scale. When DA introduced a results-based management system across the Lives and Livelihoods Fund (LLF) portfolio in 13 African countries, performance became visible across partners and risk became legible. What shifted funder behavior was simply being able to see what was happening. The LLF's results framework, aligned to the UN Sustainable Development Goals, has since positioned it to contribute an additional $2 billion to global development efforts.

That is what adaptive problem-solving looks like in practice: not the absence of risk, but a system that makes risk legible enough to manage.

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What funders can do

Funders across this landscape — multilateral funds, blended finance vehicles, bilateral agencies, foundations — face versions of the same question: how do you deploy capital in ways that actually perform? The conditions in this paper point toward a common answer. The governments worth investing in are not necessarily the ones with the boldest targets. They are the ones with the systems to follow through. And where those systems are weak, the most catalytic investment a funder can make is often upstream of the project itself. Three shifts would make the biggest difference.

Invest in what makes everything else work

A government without delivery capability will underperform regardless of how well the project is designed. The diagnostic work comes first. As the iCS Climate Readiness experience showed, the cost of investing in that foundation tends to be a fraction of what it unlocks.

See the system, manage the risk

Risk management should reinforce country systems and focus on outcomes. Parallel systems fragment accountability and pull capacity away from the national institutions that need to strengthen over time. When leaders and funders can see where implementation is progressing and where it is stuck, risk becomes something to manage rather than guard against from the start — which is what the LLF experience demonstrated at scale.

Manage the whole, not the parts

Individual projects, however well-designed, do not add up to a system. Scaling climate investment means thinking about how investments relate to each other — whether they reinforce the same national priorities, whether they are sequenced in an order that makes sense, whether the platforms being engaged are worth the coordination cost.

Most multi-partner platforms have fallen short. The ones that work tend to channel finance through national institutions rather than around them, and keep government in the directing role. That role requires more than presence at the table. It requires leadership that drives toward outcomes, addresses roadblocks as they surface, and sustains pace when the coalition loses momentum. Where that condition is absent, the platform becomes another coordination burden for the government it is meant to support.

This is still an area where the field is learning. More transparency about what has and has not worked would help — both for partnership design and for governments deciding which models to enter.

The governments that attract the next wave of climate finance will be the ones that can show they know how to deliver.

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End notes

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About Delivery Associates

Delivery Associates (DA) is a global social impact consultancy that helps governments and social impact organizations turn ambitious goals into real-world results. Founded in 2012, DA has grown to more than 300 colleagues across over 40 countries, working alongside partners through every phase of strategy, implementation, and evaluation to deliver progress that lasts. DA's approach is grounded in Deliverology®, a proven methodology for helping organizations achieve meaningful, sustained outcomes for the people they serve.

About Social Finance

Social Finance is a global non-profit organization that helps governments, philanthropies, donors, investors, and social purpose organizations achieve better social and environmental outcomes through innovative finance. Since 2007, we have worked with partners across more than 50 countries to design and scale approaches that improve how capital is deployed to address social challenges. Best known for pioneering the first Impact Bond in 2010, Social Finance combines expertise in outcomes-based and blended finance, strategy, market development, and implementation to help organizations align funding with results. Working across sectors including health, education, livelihoods, climate, and energy access, we support partners to mobilize resources, strengthen systems, and deliver lasting impact for the communities they serve.

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