

Sustainable financing for green skills building for a just & equitable climate transition

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OVERVIEW:

Africa is making significant progress toward a green economy transition, which presents unprecedented opportunities for sustainable growth and job creation on the continent. The "[Forecasting Green Jobs in Africa](#)" report projects that the green economy will generate over 3 million direct jobs by 2030. These green jobs could help tackle Africa's youth unemployment challenge and prepare the continent for the impending youthquake.

Africa's youth population, the largest in the world, is projected to exceed 830 million by 2050, with the continent's working-age population accounting for 86% of the global workforce increase that year. However, approximately 21.9% of youth in Sub-Saharan Africa are not engaged in employment, education, or training (NEET), underscoring the need to equip the workforce with green skills and innovative problem-solving abilities.

Even worse, public investment in skills and education is dwindling—African governments allocated only 3.7% of GDP to education in 2021, and donor disbursements to the sector have flatlined at around 10% in 2013, exposing a gap that can only be filled by the private sector.

This calls for urgent private sector investment in solving human capital problems to ensure a sustainable and equitable transition to a green economy, by investing in the skills in demand and addressing the potential skills mismatch.

OBJECTIVE

This session will focus on integrating a human capital development lens into capital mobilisation for an equitable and sustainable green transition. It will delve into the urgent need to invest in the development of green skills and secure commitment from strategic stakeholders to integrate green skills development in national and business priorities.

We will:

- Explore financing instruments that can be leveraged to mobilise capital to drive green skills development in Africa.
- Form an African coalition tasked with driving collaborative efforts by the private and public sectors to drive large-scale green skills programmes.
- Identify relevant strategies, policies and governance to support Africa's green skills labour markets.
- Through Thought Leadership and evidence, encourage African stakeholders to contribute a unified voice to global conversations regarding green skills and jobs.

EXPECTED OUTCOMES

- Increased awareness about the financing instruments that can be leveraged to mobilise capital for the green skills ecosystem.
- Focused collaborative efforts between the private and public sectors to drive large-scale green skilling programmes.
- Intentionality in developing strategies and policies to promote green skills development.
- A unified voice among African stakeholders to ensure that Africa's youth population and growing labour market are represented in global discussions about green skills and jobs.

EVENT DESCRIPTION

In alignment with the vision of ACS2, this event aims to highlight the necessity for Africa to mobilise finance to support a sustainable green transition by leveraging human capital development to build the continent's resilience and adaptive capacity. The green transition will impact jobs and skills demand as many could lose their jobs as Africa transitions to a green economy. The change will also require new skills, indicating a gap between green talent demand and supply. Globally, the green economy transition is projected to result in the loss of six million jobs in industries that heavily depend on carbon-based production. For instance, workers in the Mpumalanga coal belt (South Africa) face uncertainty about their future as the country moves towards renewable, clean energy. The green energy transition could leave approximately 91,000 people jobless.

This event seeks to highlight the opportunities for achieving a people-centred approach to ensuring an equitable and just transition. This includes drawing attention to several interconnected issues, such as employment and job creation, skills and education, and social adjustment.

As African nations invest in scalable technological solutions to meet their climate actions, there is a need to mobilise the private sector and build collaboration and partnerships among governments and different stakeholders to mobilise finance to invest in initiatives that will build a competent workforce to support the green transition.

It is also important to mention that Africa has not been well represented in global conversations happening in the ongoing Sustainable Business COP in the lead-up to COP30. FSD Africa has recently been invited to sit on the Green Skills & Job working group. Therefore, this event will aim to rally more African based stakeholders and establish a unified voice to drive Africa's green growth ambitions and establish its position in international discussions, such as COP30.