



Exploring an Australian Climate Finance Accelerator Platform

Facilitating finance into Australia's
climate transition

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Institute

The problem we want to solve

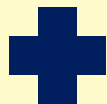
Australia is already being adversely impacted by climate change. As stated in the International Panel on Climate Change *Near Term Responses in a Changing Climate* report (AR6 Synthesis Report, 2023, 111), accelerating finance to support the world's climate transition, is now critical. Australia is a wealthy country. We have the finance. However, we are not connecting our different sources of finance, we are not aggregating opportunities sufficient to meet investor needs, and we must build our skills to enhance our blended finance capability. An Australian Climate Finance Aggregator Platform would be an additional engine for driving finance to support Australia's climate transition and grow our resilience.

The Solution

The Aggregator Platform described in this paper draws from the work of the Blended Finance for Climate Initiative at the Social Value Creation Institute at Melbourne Business School, University of Melbourne. Through a series of high-level roundtables across the sources of climate finance, followed by in depth consultations with key finance leaders, we have identified that establishing an Australian Climate Finance Accelerator Platform as cross sector climate finance infrastructure would address current barriers and accelerate finance into Australia and our region's climate transition. The Platform would have aggregation and blended finance capability and engage with well-respected and established fund managers across relevant asset classes. It would provide technical assistance, pipeline support, finance (modest co-investment where required) and aim to build capability across Australian climate investors.

Aggregating

Aggregating projects that on their own do not meet the investment mandates of institutional investors.



Blending

Facilitating the blending of different sources of finance to drive co-investment at early stage, building a track record, and scaling up.



Principles

Sharing capability; increasing efficiency; maximising the contribution of all sources of finance through their different roles (institutional, private, impact investors, specialist investment vehicles, other government & philanthropy); collaboration; exchanging knowledge.

1. A CLIMATE FINANCE AGGREGATOR: OVERVIEW

Through the Blended Finance for Climate Initiative (at SVCI MBS), we have been consulting with experts from each source of finance (institutional, private, impact investing, specialist investment vehicles, and philanthropy) to identify the barriers and solutions to mobilising more capital into climate related projects. Australia would benefit from an aggregation and blended finance platform to accelerate finance from all sources into Australia and our region's climate transition, addressing emissions reduction, industry transformation, adaptation, and resilience.

Blended finance approaches combine different sources of finance, with different risk, return, impact, time horizon, and legislative requirements, to enable capital to flow from start up through to scaling up. Blended finance is often used as a tool within development finance, but it is also relevant to a wealthy country such as Australia. Australia can be a leader in this space.

The concept of a Blended Finance for Climate Aggregator Fund or Platform was a recommendation of the third Roundtable hosted and facilitated by SVCI MBS, which brought together CDPQ (now La Caisse) one of Canada's leading pension funds with representatives of superannuation funds and other sources of finance. (See Roundtable Action below and on next page.) Superannuation funds are contributing to climate projects, but they are interested in doing more.

An Aggregator Fund or Platform would streamline the aggregation of smaller climate projects into scaled up projects or funds, which would better meet the investment risk, return and time horizon expectations of superannuation funds. This would include using blended finance approaches as required. Examples such as community batteries, which might require \$1 million each, could be combined to create a \$50m or \$100m investment opportunity, more at the scale of super fund investments. Current gaps in finance, such as early-stage clean tech projects that were not ready for venture capital, and innovative green industry projects, such as green steel plants, also require support. The Platform would actively look for climate finance gaps which could be addressed through aggregation and co-investment approaches.

SCALING UP CLIMATE FINANCE ROUNDTABLE ACTION 1

Action 1

A Blended Finance Climate Aggregator Fund (or other name) which helps accelerate institutional investment into scaled up opportunities in Australia's climate transition.

1.1 Increase access to large scale finance to support blended finance approaches

Impact Goal

An accessible market wide accelerator to enable institutional investors to participate in Australian blended finance climate transition opportunities efficiently and at an appropriate scale.

The solution

A Blended Finance Climate Aggregator Fund that is efficient, leverages and adds value to existing funds, and aggregates opportunities is required. The Fund will add institutional capital alongside the catalytic capital layers within a capital stack or provide investment where catalytic capital has enabled a track record and market to be demonstrated.

To meet the challenges discussed by CDPQ and Australian participants, the new Fund must have the following characteristics.

Aim for efficiency

1. Subject to more due diligence, explore whether the Fund can be hosted by existing investment vehicles within an aligned purpose such as one or more of the National Reconstruction Fund, the Future Fund, the Clean Energy Finance Corporation, or the Transition Accelerator.
2. Use standardized documentation wherever possible so that projects are able to fast track through legal and regulatory requirements.

Operate at scale

3. Aggregate investment opportunities into subfunds or other efficient investment vehicles so that opportunities are presented to superannuation funds at the scale they require, at least \$50 and preferable \$100 million.
4. Layer and partner with catalytic sources of finance to create investment opportunities that are attractive to the risk appetite, return expectations and time horizons of superannuation funds. Create opportunities that sit within existing asset classes, so they are easy for investors to understand.

Build and share blended finance capability

5. Superannuation funds contribute an agreed small percentage of funds (perhaps 0.25% of \$4.1 trillion being a \$102.5 million fund) to create a fast-track finance alongside philanthropy and government, which includes the ability to provide technical assistance for origination, aggregation and implementation.

Building on the insights of the Roundtable, SVCI MBS Enterprise Professor Catherine Brown OAM has undertaken a series of deep dive Chatham House Rules discussions with senior leaders from superannuation funds, institutional finance peak bodies and government specialist investment vehicles to test the concept of an Aggregator Fund or Platform. These discussions have supported the need for more aggregation and blending to create scaled up investor ready climate related projects. The concept of a specific fund has met with a range of views, hence the concept of a Platform, which would work with a range of established fund managers as well as providing technical assistance and building capability in blended finance and the commercialisation process across all sources of climate finance.

Superannuation funds are highly regulated. Their objective is: *to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way* (Section 5(1), Superannuation (Objective) Act 2024). APRA is required to conduct an annual performance test for superannuation products. Within this context, some superannuation funds manage Impact Funds focused on climate mitigation and/or adaptation, some include climate projects across or within particular asset classes, such as infrastructure or private equity.

Some have applied a universal ownership lens across their whole portfolio. They actively consider systemic risks such as the impact of climate change. In general, superannuation funds would consider opportunities generated by the Accelerator Platform, but they do not feel able to drive the work to establish an Aggregator Platform. Creating a Platform must be a collaborative effort.

The scale of the problem and the speed that Australia must transition its energy, transport, manufacturing and built environment sectors, and the parallel need to fund climate adaptation and resilience, mean much more investment is required. Deloitte Access Economics showed Australia's climate transition requires between \$7 and \$9 trillion dollars of capital between now and 2060 (*Net Zero Australia*).

Australia has once again experienced a summer affected by heatwaves, bushfires and floods. Findings of the Australian Climate Statement 2025 (Bureau of Meteorology Feb 2026) include, amongst others:

- *The national average maximum temperature was 1.48 °C above average, the equal fourth-warmest on record.*
- *Sea surface temperatures for the Australian region were the warmest on record for the second consecutive year, at 0.93 °C above the 1961–1990 average.*

Climate instability has become our new normal, which is a frightening recognition for the Australian community. To prevent further exacerbation of the effects of global warming (including ocean warming), Australia must rally all the sources of finance towards our climate transition.

Australia is a wealthy country. We have \$4.5 trillion held by superannuation funds (ASFI, 2025). We have \$51 billion held in the endowments of foundations (ACNC, 2023) and this is growing. At June 2025 impact investment products were valued at \$157 billion (Impact Investing Australia & CSI UNSW, 2025). The government investment vehicles, which include the Clean Energy Finance Corporation, the National Reconstruction Fund, the Australian Renewable Energy Agency, the Northern Australian Infrastructure Facility and Export Finance Australia, together manage more than \$60 billion in funds (AFR, Dec 10 2025 & Mandala Partners & IGCC, 2025).

The investment themes of a Climate Finance Platform should be broad and would include mitigation and adaptation and consider the need to increase resilience to climate impacts and to ensure a stable economy. *Working together to prevent and mitigate disasters through adaptation and resilience building would be a far more effective and efficient use of resources and promote significantly better outcomes for the community.* (AFSI submission to Climate Change Authority, September 2025)

A Climate Finance Aggregator Platform would be a bridge and a capability builder: enabling projects to be aggregated so that they are investable for institutional investors, especially superannuation funds. The Platform would be able to blend sources of finance and be a pipeline for projects seeking other sources of finance in their capital stack, for start-up, demonstrating a successful track record, or for scaling up large infrastructure projects.

We can respond to the climate challenge and accelerate finance into Australia and our Region's climate transition. Australia's environmental, economic and community wellbeing and stability depend on this. We note other initiatives to scale blended finance for climate supported by like-minded countries such as FAST P by Governments of Singapore and United Kingdom and SCALED by Governments of Germany, Canada, South Africa, United Kingdom and France (see page 3). Government has had an active leadership role in these Platforms.

2. PROPOSED PLATFORM OUTCOMES

1. Creation of a platform that acts as a climate finance project aggregator and blended finance connector, building Australia's capability and accelerating investment ready climate projects.

2. Aggregation of local projects that are too small, too risky, too short term or too complicated to meet the investment expectations of Australian superannuation funds, including through applying blended finance approaches, to create investable projects at scale.

3. Increased efficiency of blended finance approaches through standardizing documents and transactions wherever possible

4. Increased finance from all sources supporting the climate transition, both mitigation and adaptation efforts, in Australia and our region. Sources include institutional investment, private capital, impact driven investment, special investment vehicles and philanthropy. Building stronger connections between investors with different risk, return and impact expectations to enable co-investment on critical climate projects, large and small.

5. Building Australia's expertise in designing and implementing blended finance approaches between two or more of government, impact driven or profit driven private capital, institutional capital and philanthropy.

If the Platform is developed further, detailed financial and impact modelling would be required to establish its structure and relevant return and impact objectives. The last page of this paper includes a high-level discussion of an organisational model as a 'strawman' to consider.

3. INTERNATIONAL EXAMPLES OF BLENDED FINANCE FOR CLIMATE PLATFORMS

Australia can draw from the experience of similar platforms aimed at accelerating climate finance. Governments are collaborating with private and public capital to leverage new finance into climate transitions, including mitigation and adaptation projects. There is an opportunity for Australia to lead an initiative, which also demonstrates the power of blended finance approaches in the context of a wealthy, developed country.

SCALED: Scaling Capital for Sustainable Development

SCALED is an initiative of the Governments of Germany, France, Canada, Denmark, United Kingdom and South Africa with La Caisse (formerly CDPQ) and Allianz SE. While this platform focuses on emerging and developing economies, the processes of catalysing public/ private investment through blended finance approaches is relevant to a developed country like Australia, especially given our deep financial resources. SCALED's aim and approach are set out here:

SCALED (formerly known as the Hamburg Sustainability Platform) is an international multi-stakeholder initiative with the aim to mobilise large-scale private investment as a contribution to closing the SDG finance gap. We aim to overcome structural challenges of blended finance, i.e., the catalytic use of public funding to leverage private capital for SDG investment.

Systemic solutions are needed to simplify and accelerate the cumbersome process of capital formation between multiple public and private investors. We are therefore working towards standardisation of blended finance requirements, vehicle types, and processes...SCALED will provide value for all blended finance participants, in particular private institutional investors (asset owners), donor governments, Development Finance Institutions (DFIs), Multilateral Development Banks (MDBs), philanthropies, and asset managers. (SCALED, 2025)

FAST-P: Financing Asia's Transition Partnership

Financing Asia's Transition Partnership (FAST -P) is an exciting initiative of the Governments of Singapore and United Kingdom led by the Monetary Authority of Singapore. Investors include Temasek and Export Finance Australia alongside other public and private investors. FAST – P aims to accelerate sustainable infrastructure across the region. It is using blended finance approaches to support low-carbon energy projects and innovative business models.

The UK and Singapore are working together to accelerate sustainable infrastructure and investment across the region. This includes supporting early-stage project development through joint technical assistance and encouraging private sector involvement, with a focus on practical solutions to help countries transition to cleaner energy...By actively participating in the FAST-P initiative, alongside Singapore and other international partners, the UK is helping to mobilise critical capital and close infrastructure financing gaps. (Monetary Authority of Singapore, July 2025)

IMCA: Investment Mobilisation Collaboration Alliance

Launched in 2023, the Investment Mobilisation Collaboration Alliance (IMCA) is a collaborative partnership between Denmark, Finland, Iceland, Norway and Sweden, together with the Danish DFI (IFU) and the Nordic Development Fund. It was launched at COP28 via its Blended Finance for Energy Transition and the Adaptation Finance Window capital raisings. It is successfully meeting its aim to *raise concessional catalytic donor financing to the scale of millions of USD and through this attract billions of USD from institutional and other private investors towards sustainable investments in emerging markets and developing economies (EMDEs).* (Secretary General, OECD, IMCA briefing paper)



4. AUSTRALIAN POLICY CONTEXT

An Australian Climate Finance Accelerator Platform responds to several current areas of policy work of the Australian Government. It has potential to add value to these policy initiatives.

Review of Specialist Investment Vehicles

Specialist investment vehicles (SIVs) established by Government to achieve certain public purposes including or specifically related to climate change impact include CEFC, the National Reconstruction Fund, ARENA, Northern Australia Infrastructure Fund and Export Finance Australia. DFAT through the Australian Climate Finance Partnership and other regional initiatives are also playing important roles in accelerating climate finance. SIVs play an extremely important catalytic role in, for example, renewable energy projects such as financed by the Clean Energy Finance Corporation. *The government expects SIVs to: deliver on both policy and commercial goals, including socio-economic, policy and financial outcomes.* (Treasury)

There are opportunities for SIVs to partner further with other sources of finance to expand their impact. Other sources include philanthropy, impact investment, private and institutional capital. An Australian Climate Finance Accelerator Platform could act as a connector between the Specialist Investment Vehicles and additional sources of co-investment. The Specialist Investment Vehicles are under review with submissions being made about how their role can be enhanced given our climate commitments and the current operating environment.

One submission is recommending increasing the risk appetite of SIVs so that they are not duplicating other sources of finance, for example institutional or private capital (*Optimising Australians Specialist Investment Vehicles for the Net Zero Journey*, Mandala Partners & Investor Group on Climate Change, Dec2025). The Government will be considering these matters.

Productivity

An Australian Climate Finance Accelerator Platform could act as a driver to accelerate climate finance. It should connect across the sources of finance. It should actively find projects which are more investable through aggregation (for example, community or precinct battery projects) or where current finance gaps exist (for example innovative clean tech projects requiring support from start up to commercialisation). It would encourage innovative project development and blended finance approaches. Most importantly from a productivity perspective, it would develop and share standardised legal documents and financial models to make transactions using blended finance approaches more efficient and replicable.

COP 31 Commitments

A Platform also responds to the commitment to increase climate finance agreed at COP30. The Platform aligns with the recommendation to develop national investment platforms to assist in climate finance for transition, and for adaptation and resilience:

COP30 also saw the launch of the new Country Platforms Hub under the Green Climate Fund Readiness Programme, alongside announcements by 13 countries and one region to develop national investment platforms to better align climate and development finance with national priorities... What will really matter is whether these platforms are designed in a genuinely country-driven, inclusive and well-co-ordinated way, and are embedded in strong national planning and governance systems. If done well and with sufficient long-term political backing, country platforms can become a powerful tool to translate global ambition into real, scalable investment and impact on the ground. (Foundations 20 Platform, Dec 2025)

The opportunity for increased partnerships between public, private and philanthropic investors is recognised internationally, with more initiatives being developed.



5. AUSTRALIAN CLIMATE FINANCE ACCELERATOR PLATFORM

Note: Initial high-level 'strawman' summary for further discussion and development with key stakeholders and experts.

INVESTMENT ACTIVITIES

- Initiating and supporting co-investment opportunities within sectors and across the broad field of climate finance (government SIVs, philanthropy, impact driven investment, profit driven private investment, institutional investment, and others).
- Ensuring a pipeline of investable projects at start up, building a track record, and scaling up stages. Working with a set of well respected, established fund managers across asset classes, which raise and hold funds.
- Modest fund for co-investment and capacity building but main role is to activate and connect existing private, SIVs and institutional capital.
- Acting with agility to find investors with appropriate risk, return and potentially impact objectives to fill current financing gaps.
- Increasing efficiencies to reducing time to project commencement. Developing standardised documents to support deals using blended finance approaches to increase efficiency and transparency. Supporting the development of investment products that mainstream blended finance approaches.
- Connecting with ASIC's Innovation Hub & SIVs. Connect with Investor Frontdoor as relevant. Connect with peak bodies to engage investors.

INVESTMENT AREAS

- Opportunities in all asset classes
- Priorities to reflect the Net Zero Fund priorities (see extract below), PLUS community clean energy transition & also include climate resilience (disaster response, health impacts of climate change) and adaptation (food & agriculture, climate safe housing, and urban design...) activities.
- Net Zero Fund: support large industrial facilities seeking to decarbonise, including investing in the technologies and capital infrastructure required to transition to lower emissions or more productive processes; and support scale up of manufacturing renewable and low emissions technologies.

CAPACITY BUILDING	• Acting as a leader to build capability and connections between sources of climate finance. • Capability to join blended finance opportunities across a capital stack or across a project's development stages. • Capability in taking a business idea to fulfilling its purpose and meeting a demand for product or services i.e. product market fit, commercialisation. • Sharing progress on projects seeking and obtaining finance to generate momentum and confidence in the blended finance investor universe.
LEGAL STRUCTURE	• To increase efficiency and maintain trust, housed with an existing entity with relevant expertise, if possible, for example IFM. • AFSL licence to enable provision of finance structuring and investment advice.
GOVERNANCE	• Board (of incorporated entity) or Advisory Board (if existing organisation) which includes representatives from across the sources of finance such as CEFC, NRF, IGCC, ASFI, PA, IIA/FGII & private capital. Government role to be determined.
STAFFING	• CEO with demonstrated experience in blended finance in large and smaller transactions, preferably in several investment areas. A deep understanding of innovation balanced with risk management. Leading a team with commitment to innovative finance and creative solutions to replicate the approaches demonstrated at SCALED, FAST-P, IMG and so on. Small team will have knowledge of impact measurement and monitoring, and public reporting. Liaison with fund managers.

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