



Energy and infrastructure as the foundation of Africa's just transition

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In global forums, we have spent years debating the architecture of a just energy transition. The challenge now is not to broaden the conversation but to move to more decisive action and improve delivery.

For emerging and developing economies, including those in Africa, the transition requires affordable finance at scale, must be sequenced sensibly and anchored in credible private and public institutions. Otherwise, it risks becoming another aspiration that fails to reach the people and communities it is meant to serve.

At its core, a just transition represents a practical commitment: to decarbonise while expanding energy access and energy security, to protect the vulnerable and create opportunity, and to do so in ways that reinforce stability and inclusion. Achieving that balance calls for a sustained focus on fundamentals, sound policy, disciplined coordination, and an unwavering commitment to implementation that embraces intergenerational fairness and outlives any single economic or political cycle.

Delivering on this ambition depends on macroeconomic conditions that support long-term investment. Stable inflation, predictable fiscal frameworks and credible public finances are not peripheral issues; they are the foundation on which confidence and capital formation rest. In a world of constrained budgetary space and rising debt-service burdens, countries must make careful choices about where and how they deploy scarce resources. A stable macro framework remains one of the most effective enablers of growth because it anchors expectations and lowers risk premia.

That stability, in turn, provides the confidence investors need to finance the physical systems that underpin the transition itself. This is particularly relevant as many African countries face the dual challenge of mobilising domestic resources while accessing affordable external finance.

A credible and transparent policy environment remains the surest way to attract private investment into sectors that drive the transition, from renewable generation to logistics and digital infrastructure.

Reliable energy and modern infrastructure are central to Africa's growth story because they provide the physical and institutional scaffolding on which industrial transformation depends. Before any country can scale renewables or clean-technology manufacturing, it must strengthen the systems that make such expansion viable. Transmission, storage and cross-border interconnectors are the quiet enablers of progress.

They reduce costs, attract investment and turn climate ambition into tangible development. Modernising these networks will demand significant investment, supported by effective public-private collaboration. Sequencing is essential: grids, storage and regulatory frameworks must come first so that generation can follow. When the backbone is credible, finance flows more readily and the cost of capital declines.

Yet even with stronger systems, ambition falters without affordable capital. Emerging markets require about USD 1.6 trillion in clean-energy investment each year but receive well under USD 1 trillion. By the early 2030s, this figure will need to rise to as much as USD 2.8 trillion annually to stay aligned with a Paris-compatible

pathway. The causes of this gap are well known: high-risk premia, shallow local capital markets, and inconsistent policy signals. Blended finance, guarantees and local-currency instruments have a critical role to play as part of de-risking, but they work best when aligned with coherent national frameworks.

The Energy Mix and Just Transition Task Force has advocated country platforms that bring together policy, capital and capacity under transparent governance. When regulation is predictable and implementation disciplined, confidence follows, and finance rewards credibility.

Expanding supply remains a developmental imperative, given that more than 600 million people across the continent still live without electricity. A balanced energy mix that combines renewables with pragmatic transition fuels such as gas and biofuels remains essential for reliability. The transition must therefore be additive, combining increased generation, improved efficiency and modernised networks that can serve households and industry alike.

Energy and infrastructure are not only enablers of growth; they are catalysts for industrialisation and long-term competitiveness. Africa holds a substantial share of the world's critical minerals which are critical for the energy transition, yet captures limited value beyond extraction. With the right policies, this can change. By localising component production, investing in skills and integrating regionally, the continent can participate more fully in the emerging energy economy. Technology partnerships and open-innovation platforms can accelerate

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this process. The objective is not self-sufficiency, but strategic participation in global value chains where African economies can be dependable producers and partners.

Finance can mobilise projects, but inclusion ensures that progress is both equitable and enduring. Women, young people and small and medium enterprises must be active participants. Procurement frameworks, targeted finance and skills programmes can embed participation from the outset, and when inclusion is treated as an element of competitiveness rather than a social obligation, it strengthens both resilience and legitimacy.

Institutional credibility is what ties these elements together; it converts inclusion and policy into lasting investor trust. The task for Africa is to ensure that implementation remains steady across these cycles.

Equally important is the role of international cooperation. The success of the transition depends on mechanisms that channel finance, technology and expertise to where they can have the greatest impact. Initiatives such as the G20 Capital Adequacy Framework, multilateral development-bank reform and the scaling of guarantee facilities all aim to expand the pool of investable capital for developing markets. Africa must continue to shape these frameworks from a position of partnership, ensuring that the realities of our economies inform global decision-making.

Success will not be measured by communiqués or policy statements. It will be reflected in outcomes: megawatts connected, grids modernised, factories opened, and livelihoods improved. Each of these reflects progress from intent to implementation.

The B20 Energy Mix and Just Transition is championing a just energy system that is scalable, investable, and inclusive – one that empowers emerging markets to lead in the new energy economy. The global energy transition must deliver universal access, economic opportunity, and climate resilience – especially for emerging and developing economies (EMDEs). This means driving investment into flexible, technology-neutral systems that are tailored to national contexts and development goals.