

# DIRECTOR GREEN FINANCE TRANSACTION ACCELERATOR

## About the Organisation

**We work to reduce poverty by strengthening Africa’s financial markets.**

Based in Nairobi, FSD Africa was established in 2012 and is funded by FCDO. It has a team of just over 50 people, of whom 10 work in the investment arm, FSD Africa (Investments)(FSDAi).

FSD Africa is a specialist development agency set up to support breakthrough ideas to build and strengthen financial markets across sub-Saharan Africa. It works to reduce poverty by strengthening Africa’s financial markets. It does this by tackling the most intractable financial market challenges in Africa - including the lack of long-term finance, especially in local currency, and inadequate risk management capacity.

FSD Africa’s team of financial sector experts works alongside governments, business leaders, regulators, and policymakers to design and build ambitious programmes that make financial markets work better for everyone. Depending on the project, it can provide grants, investment capital, technical assistance, and market insights (e.g., through research) to ensure it achieves its objectives.

We focus our work where the need is greatest, and where we believe the potential for impact is the most significant. We have a specific mandate to invest in breakthrough, innovative ideas that we believe can have a transformative impact.

Of particular interest to FCDO and FSD Africa is the fact that while there is interest in financing green projects in Africa, these projects can be complex and, because the green investment market is relatively new, there aren’t yet the investment models that would make it easy for deal promoters to develop transactions that investors can respond to. As such, FSD Africa sees high potential in the idea of a Green Finance Transaction Accelerator that, through deal development activities, would help catalyse the flow of green investment capital to innovative projects, or financing structures, that would result in long-term positive environmental outcomes for the continent.

## The Opportunity

Following the recent announcement of changes to the UK development budget, FCDO has reaffirmed its support for FSD Africa as a regional financial market development programme and has invited FSD Africa to construct a new strategy around these areas:

- Capital Markets
- Green Finance
- Fintech and Financial Innovation

FSD Africa is, therefore, seeking applications for the position of Director, Green Finance Transaction Accelerator:

<b>JOB TITLE</b>	DIRECTOR, GREEN FINANCE TRANSACTION ACCELERATOR	
<b>PILLAR</b>	Green Finance Transaction Accelerator (GFTA)	
<b>REPORTING RELATIONSHIPS</b>	<b>Reports directly to:</b>	Chief Executive Officer, FSD Africa
	<b>Direct reports:</b>	Team structure to be decided & recruited

## About the Job

The Director, Green Finance Transaction Accelerator (GFTA) leads FSD Africa's market intervention pillar that aims to catalyse investment in Africa's green economy. The GFTA pillar is a new initiative for FSD Africa and, therefore, the Director will have the opportunity to shape strategy and develop a portfolio of innovative transactions.

Transactions will be developed to the point at which they are funded by the market (with or without the involvement of FSDAi) at which point it is expected that FSD Africa's economic interest will largely cease<sup>1</sup>.

### Success will be:

Success will be achieved when new projects attract financing (whether from FSDAi or external investors) and, at a systemic level, when asset classes start to emerge that the market finds easy to understand and subsidy is no longer needed to attract commercial capital. FSD Africa's aim is to shift green finance in Africa from something that is government or donor-driven, and often subsidised, to something that is market-driven.

### How it will be delivered:

The overall goal is to create financing structures or vehicles that are able to channel finance to underserved parts of the green economy, i.e. particular sub-sectors that are yet to see the emergence of an asset class that investors find easy to recognise:

- Green bonds are reasonably well understood and there is a good appreciation of the parameters of renewable energy transactions, e.g. wind farms. These are now able to attract commercial capital. But in less well-developed parts of the market (e.g. nature based solutions, resilience financing) there is a need for more experimentation - and donor funding can help bring transactions to market, either by subsidising technical assistance or by participating in blended finance solutions.
- We envisage the portfolio of transactions to include (i) capital market instruments (REITs, bonds, liquidity or guarantee facilities etc.) - listed or otherwise (ii) "direct" innovations - demonstration transactions that may be large (a public transport system, a blue bond) or small (a small nature-based solution), (iii) public/private elements to a greater or lesser extent
- Transactions are expected to involve complexity - e.g. financial modelling of a new type of transaction, involvement of multiple stakeholders (including community stakeholders), use of new instruments (e.g. carbon financing)

GFTA will use a range of instruments to achieve its objectives - grants and returnable grants, concessional debt etc. It is not expected that GFTA will hold on to transactions that it helps to create, and thus create a portfolio, but it may be appropriate to retain an economic interest in some circumstances.

### Additional Information

A strategy will be needed for this highly innovative venture and the Director GFTA will need, as an early priority, to develop a strategy that answers key questions such as deal size, sector focus, the balance between investment in financing structures and direct, demonstration transactions, partnerships, expected impact etc.

The majority of GFTA's work is expected to be carried out in FCDO priority countries including Kenya, Nigeria, Ghana, Ethiopia and Morocco, although some there is some latitude for working elsewhere and for doing transactions that are genuinely regional in nature. GFTA would be expected to engage with other FCDO-funded financial entities, including CDC and PIDG.

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<sup>1</sup> Although residual interests, such as warrants etc., might remain

The GFTA will work highly collaboratively with existing pillars of FSD Africa's work including Capital Markets, Risk & Resilience and FSD Africa (Investments), which are already active in doing green finance transactions. As such, establishing a mutually beneficial modus operandi will be vital. GFTA will also connect with the global green investment community (and green finance thinkers) in the major economies around the world, partnering with top class financial intermediaries to drive deal origination and execution.

FSD Africa has an interest in exploring ways in which GFTA might also catalyse other accelerator-like activities across Africa, thus igniting green investment activity in an indirect way. Partnership is seen as vital success factor.

It is also envisaged that GFTA will be a resource to the wider market system by publishing case studies and other research products.

The Director, GFTA, will build and lead a small team (expected to include investment analysts and managers); provide clarity of direction for the pillar and deliver a leadership style that results in staff engagement and effective performance.

Responsible for a budget of approximately £5-8m<sup>2</sup> over 5 years (running costs only - excludes project funding).

## **Key Responsibilities**

### **1. Thought Leadership & Strategy**

Act as a thought leader in the creation of financing structures or vehicles that are able to channel finance to underserved parts of the green economy; translate strategy into impactful operational plans and tactics.

### **2. Pipeline & Portfolio Development**

Provide strategic direction and oversight to the transacting process; ensuring that the pipeline evolves and results in a regular flow of transactions that get to market.

### **3. Investment Management**

Agree with the Board and FSDAi the protocols for managing residual investments in successfully completed transactions (if applicable). Where FSDAi invests in the transaction, FSDAi will manage the investment. Where FSDAi chooses not to invest in a transaction, it may be desirable for GFTA to collaborate with FSDAi to manage its ongoing interests, with respect to achieving the desired financial returns and ensuring overall risk management.

### **4. Financial Management**

Ensure sound financial management of GFTA by securing, managing and safeguarding programme finances; ensuring that the pillar achieves optimal financial efficiency, value for money and impact, all the while ensuring compliance with FSD Africa and donor policies.

### **5. Influencing & Communicating for Impact**

Clarify the ways in which achievement of FSD Africa's objectives depends upon influencing the mindset or behaviour of others (e.g. Investors, investees, policymakers, end-users & other stakeholders); lead the development, implementation, and results-measurement of an innovative Communications & Influencing plan for the pillar.

### **6. Team leadership**

Build and lead the GFTA team of staff and consultants in a manner that empowers them to add value to FSD Africa and deliver high standards of performance.

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<sup>2</sup> Estimate at this stage

<b>Key Internal Relationships:</b>	<b>Key External Relationships:</b>
<ul style="list-style-type: none"> <li>• FSD Africa Pillar Heads, including CIO and CFO</li> <li>• Board and Investment Committee</li> <li>• Operations team, e.g. procurement</li> </ul>	<ul style="list-style-type: none"> <li>• FCDO</li> <li>• Market intermediaries - corporate finance, private equity, DFIs - in Africa and globally</li> <li>• African policy makers and regulators</li> <li>• Potential co-funders (subject to need)</li> <li>• Researchers and consultants</li> </ul>

<b>FINANCIAL RESPONSIBILITIES</b>	
<p><b>Direct Control</b></p> <ul style="list-style-type: none"> <li>• Development of and adherence to an annual budget (living within budget but also delivering against disbursement targets)</li> <li>• Development of programme/project-level budgets</li> <li>• Oversight of implementing partner (grantees, contractors) budgets; approving payment requests</li> <li>• Financial accountability to grantors (i.e. co-funders of the pillar) where appropriate</li> <li>• Accounting for pillar expenses such as travel and training</li> </ul>	<p><b>Indirect Influence</b></p> <ul style="list-style-type: none"> <li>• FSD Africa's annual disbursement targets</li> <li>• FSD Africa's co-funding goals</li> <li>• FSD Africa's ability to secure follow-on funding from FCDO</li> </ul>

## **Role Requirements**

### **Qualifications and Education**

- A quality bachelor's degree from a recognised learning institution
- Relevant further degree or professional qualifications are an advantage
- Fluent in written and spoken English

### **Essential Experience, Knowledge and Skills**

- A deal originator by temperament and experience - 7-10 years of transacting/raising capital/deal origination
- Ability to develop and communicate a compelling vision for how green investment fits into FSD Africa's vision of financing a sustainable future
- Having good networks across financial intermediaries and other stakeholders in Africa; well connected to the global DFI community and to mainstream investors
- A good understanding of how the full spectrum of finance providers relate to, and complement, each other (private sector asset managers at one end through DFIs to donors at the other) - and able to facilitate their involvement
- Highly collaborative by nature - hungry for success but a committed team player working for the success of his/her colleagues
- Significant experience in establishing and maintaining collaborative and trusted relationships with investors, investees, implementing partners, private sector players and government counterparts
- Demonstrated track record of rigorous project management skills and achievement of results - a finisher of tasks, not a process manager
- Ability to manage a project portfolio in GBP £5 - £8 million range

## **Desirable**

- Experience of working in a multi-cultural environment
- Languages: French, local African languages

## **Personal Characteristics**

### **Commitment & Drive for Results**

You have values and personal ambitions that are aligned with FSD Africa's goal to reduce poverty by strengthening Africa's financial markets. We're looking for someone with a desire to make a personal contribution towards financial market development so that the lives of poor people will be positively impacted. This passion will be exemplified by a track record of holding both self and others accountable for measurable high-quality, timely and cost-effective results. You can also demonstrate how you have supported others to achieve results by empowering and enabling, rather than micro-management.

### **Proactivity & Innovation**

You have a strong sense of personal ownership that leads to self-starting, taking initiative, developing vision, and driving change. We're looking for someone who is action-orientated and dynamic: tackling challenging situations with a 'can do' attitude, coming up with innovative ways of solving stubborn problems. So, you will have a track record of driving significant real-world change; displaying leadership by describing a desirable future state in inspiring language and then managing people, technology, systems, structures, and logistics in order to implement.

### **Effective Resource Management**

You can drive organisation success through effective and ethical use of resources; seeking to maximise the impact achieved from the deployment of physical, financial and people resources. FSD Africa has been entrusted with capital of over £100 million from FCDO and we are looking someone who has an innate concern to achieve Value for Money; wanting to see the maximum beneficial outcome as a result of any investment and feeling uncomfortable with waste and inefficiency. You can demonstrate a good 'head for business' and a track record of absolute integrity in the management of donor funds.

### **Relationship Building**

You initiate and maintain positive relationships with others - discerning and appreciating the values, concerns, or feelings of others - and you can draw others in to build an effective team. We're looking for someone with sophisticated interpersonal skills and an ability to observe and listen to others at a deep level; perhaps by reading body language or thinking deeply about the implications of what someone else has said. You will have a track record of eliciting the contributions of others, including those with divergent opinions, and accommodating the perspectives of others in planning and decision-making.

### **Communication & Influencing**

You deliberately adjust your behaviour in order to address the feelings, needs, or concerns of others; communicating clearly, confidently and appropriately to influence others. You will network strategically and build relationships of influence. We're looking for someone with the motivation and ability to influence others effectively - not by manipulating or dominating people, but by winning their genuine commitment. You will have a track record of driving change through collaboration and can demonstrate the self-discipline to choose effective strategies when interacting with others.

### **Thinking & Problem Analysis**

You think clearly and intentionally in order to understand issues, solve problems, and make good choices; with an ability to think conceptually and strategically in order to manage complexity. We're looking for someone with a sophisticated understanding of the market systems that we are

seeking to develop, who is able to see the big picture as well as grasping the minutiae of inter-related components. You will have a track record of hypothesizing and testing innovative theories of change and an excellent ability to conceptualise a framework for implementation and impact.

## **Learning & Resourcefulness**

You possess the personal resourcefulness to deal with difficult situations effectively and continually improve skills and knowledge; you role model a personal commitment to continuous professional development and promote a learning culture in your team. We're looking for someone who can manage their emotions well, remaining effective, open, and engaged, despite experiencing an internal emotional reaction. In particular, being able to face a challenging problem, or tough feedback, with a desire to learn, grow and improve; quickly adapting and applying new learning into the workplace. You will have a track record of empowering others by sharing information, resources, advice, and encouragement; you can demonstrate how you have helped others by coaching, giving performance feedback and facilitating problem solving.