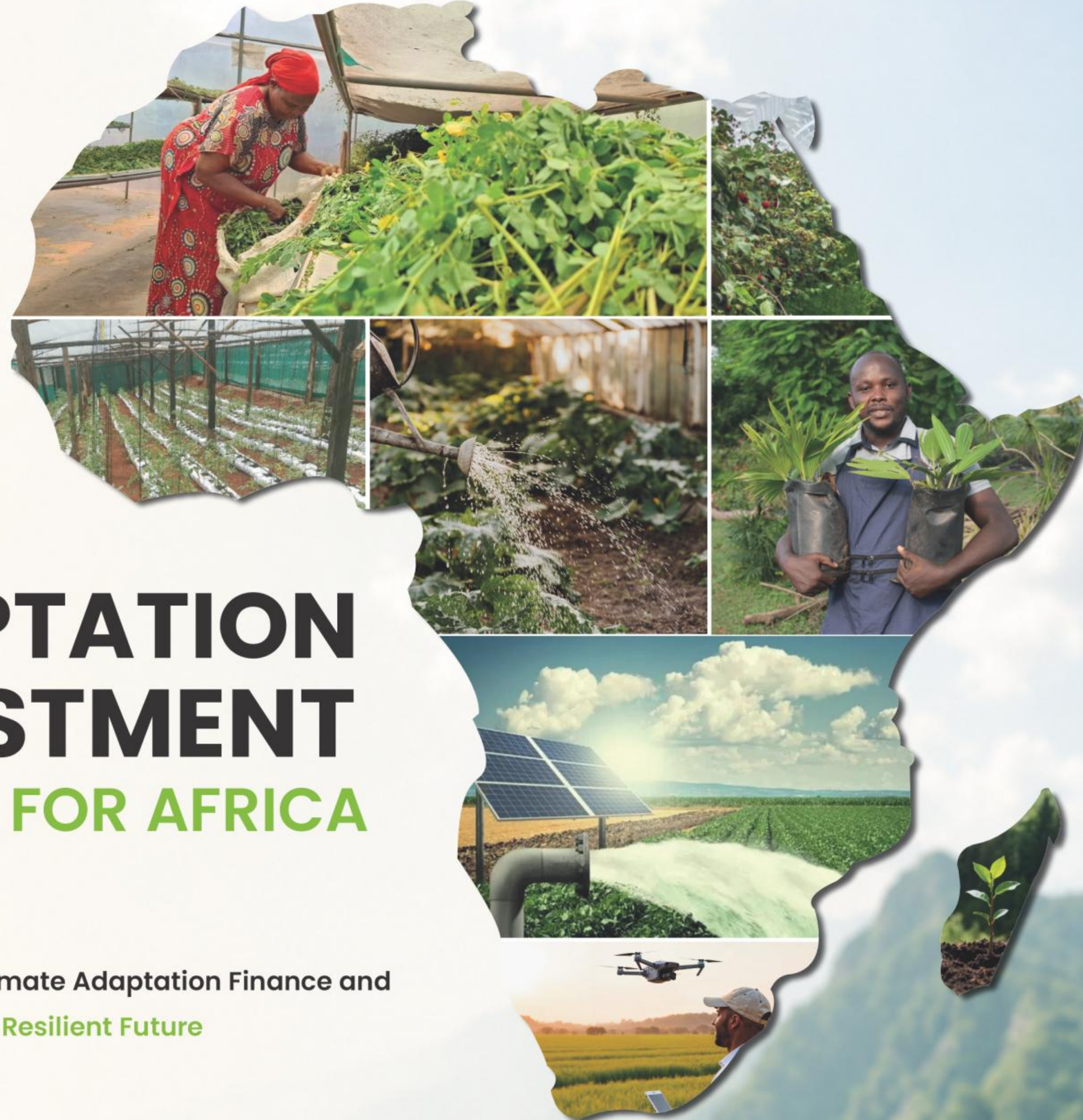
KENYA CLIMATE VENTURES KCV

AISA 2026
ACCELERATING CLIMATE ADAPTATION FINANCE



ADAPTATION INVESTMENT SUMMIT FOR AFRICA 2026

Accelerating Climate Adaptation Finance and innovation for a Resilient Future

Session Title:

Climate Adaptation and investing in Fragile Markets

Convened by:

CARE Denmark | Refugees Investment Network (RIN) | Micro Enterprise Support Programme Trust (MESPT) | Smart Regional Consultants (SRC) | Hydroponics Africa Limited (HAL) | World University of Canada (WUSC) | AV Ventures LLC | Kenya Climate Ventures

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Climate Adaptation and investing in Fragile Markets.

Investment pathways that build resilience in arid, semi-arid, humanitarian, fragile and frontier markets through context-appropriate enterprise models

Session 9: Concept Note

Venue: Victoria 1

Day 2: Time 11:45AM -13:00 PM.

Convening Partners	1. **CARE Denmark** 2. **Refugees Investment Network (RIN)** 3. **Micro Enterprise Support Programme Trust (MESPT)** 4. **Smart Regional Consultants (SRC)** 5. **Hydroponics Africa Limited (HAL)** 6. **World University of Canada (WUSC)** 7. **AV Ventures LLC** 8. **Kenya Climate Ventures**
Lead theme	Climate adaptation finance and enterprise resilience in fragile and displacement - affected markets
Geographic anchor	Kenya ASAL and refugee - hosting counties (Turkana / Kakuma, Garissa / Uganda / Dadaab), with transferable lessons across the Horn of Africa and frontier markets
Status	Working draft for joint refinement by the Convening Group

1. Executive Summary

Arid and semi-arid lands (ASAL) and the refugee-hosting characterized as fragile market sits at the sharp edge of three converging pressures. Climate shocks — recurrent drought punctuated by destructive floods — are intensifying in the very places least able to absorb them. Humanitarian financing, on which these economies have depended for decades, is contracting sharply as donor budgets tighten. And Kenya has chosen this moment to make a historic policy pivot through the Shirika Plan, launched in 2025, the country is moving away from encampment and aid-dependency toward integrated settlements in which refugees and host communities live, work and trade together which provides a clear pathway for private sector investments into the fragile markets.

Recent World Bank, UNHCR and CEGA evidence is unambiguous about what this transition requires. As aid shrinks, the difference between deeper poverty and genuine self-reliance comes down to one thing: jobs. And jobs, at the scale required, will not come from humanitarian budgets. They depend on crowding in private investment and on enterprises that can operate — and earn a return — in conditions that conventional capital still treats uninventable.

This is the gap the session addresses. Mainstream impact capital tends to assume a “rising tide” will reach displaced and ASAL populations; in practice, legal, market and perception barriers mean it rarely does without deliberate design. At the same time, grant-only models cannot be scaled and are no longer fiscally sustainable. The space in between — blended, risk-tolerant, well-targeted capital paired with enterprise models built for these conditions — is where resilience becomes investable rather than merely fundable.

Session 9 convenes the full value chain needed to close that gap: enterprises proving the model on the ground (HAL); local financial intermediation (MESPT; the Refugee-Lens Investing Network (RIN); and the humanitarian-development bridge and locally led adaptation lens (CARE Denmark), with market-systems insight from SRC and Kenya Climate Ventures (KCV) show casing blended finance approaches . Rather than restating the problem, the session is designed to surface concrete investment pathways — the instruments, enterprise archetypes and partnership structures that are already working, or could work, to build climate resilience in fragile markets at the speed these communities need.

2. Proposed Session Objective

To move the conversation on fragile and frontier markets from risk and reluctance toward practical investment pathways — identifying the capital structures, enterprise models and partnerships that can finance climate resilience in ASAL and displacement-affected economies and aligning them with Kenya's Shirika transition and locally-led adaptation in humanitarian contexts.

Specifically, the session will:

1. Reframe ASAL, humanitarian and refugee-hosting markets as investable with the right instruments — not as perpetual grant recipients.
2. Surface and compare context-appropriate enterprise models that have demonstrated commercial and resilience returns in these settings.
3. Map the de-risking toolkit — first loss, guarantees, concessional and patient debt, results-based finance, local-currency and FX cover — and how to match instrument to risk without over-subsidizing or distorting local markets.
4. Connect the capital continuum, from grant and blended capital through local intermediaries to commercial and DFI investment, so that promising models are not stranded between pilot and scale.
5. Generate actionable next steps — pipeline ideas, co-investment intentions, or a follow-on working group — that feed into the Shirika private-sector agenda and partners' own portfolios.

3. Session Delivery Methodology

The session is designed to be evidence-led, deal-grounded and solutions-oriented — deliberately avoiding another round of problem diagnosis. The proposed approach moves the room from a shared diagnosis to a shared map of what to finance and how:

i. Frame (brief): a tight scene-setter establishing the three converging pressures — climate, the financing cliff, and the Shirika transition — and the central investability question.
ii. Ground in evidence: a short anchor case from the field (HAL's contract-farming and water work in Turkana West / Kakuma) used to make the abstract concrete — what an investable resilience enterprise looks like in an ASAL refugee-hosting context.
iii. Walk the capital stack: a moderated exchange across the panel that follows a single, realistic deal through the financing chain — enterprise, local intermediary, impact fund, blended/DFI capital, and the humanitarian-development bridge — exposing where capital flows and where it sticks.

iv. Open the room: structured audience interaction (targeted questions or small-group prompts) rather than open Q&A, to capture instruments and examples from other geographies and investors.
v. Synthesize: a rapporteur consolidates the discussion into a short set of investment pathways and recommendations, captured live and shared after the session.

Conduct: Chatham House Rule for the candid portions of the finance discussion, with a circulated pre-read (this concept notes in final form) so panelists arrive aligned and the limited session time is spent on solutions, not background.

4. Strategic Framing Question

> *As humanitarian financing contracts and Kenya's Shirika Plan stakes its success on private investment, what capital structures and enterprise models can make climate resilience in arid, fragile and refugee-hosting markets genuinely investable — at the speed and scale these communities now need?*

Supporting questions to keep the discussion concrete:

- Which enterprise models have proven they can build resilience and earn a return in ASAL and displacement settings — and what do they have in common?
- What does the right blend of capital look like at each stage, and who should carry which risk?
- What must the Shirika Plan, county governments and DFIs put in place for private capital to follow?

5. Key Discussion Themes

Six themes structure the session, moving from the problem to the financing solution to what scale requires:

Theme	Focus
1. The financing cliff and the investability gap	Why shrinking aid, intensifying climate shocks and the Shirika transition make a new capital logic urgent — and why "rising tide" investment does not automatically reach displaced or ASAL populations without deliberate design.
2. Enterprise models that work in fragile contexts	What distinguishes models that succeed in ASAL and refugee-hosting settings: climate- and water-smart technology, asset-right footprints, embedded technical assistance, contract-farming and offtake structures, and refugee–host inclusive employment and sourcing.
3. Blended finance and the de-risking toolkit	Matching instruments to real risk — first loss, guarantees, concessional and patient debt, results-based finance, local-currency cover — in ways that crowd in commercial capital without over-subsidizing or distorting local markets.

4. The capital continuum	Connecting grant and blended capital, local intermediaries (MESPT), DFIs and the humanitarian–development bridge (CARE Denmark, RIN) so models are not stranded between pilot and scale.
5. Policy and ecosystem enablers	The Shirika Plan and Refugees Act 2021, county-led municipalization in Turkana and Garissa, land and tenure, and the persistent data and impact-measurement gap that holds investors back.
6. From proof to scale and replication	What moves a model from donor-funded proof of concept to an investable, replicable enterprise — across sites, counties and borders in the Horn of Africa and beyond.

6. Format (for discussion)

Three formats are on the table for the working group to weigh:

Option	Strengths	Trade-offs
Flagship plenary	Maximum visibility; signals the theme's importance to the whole Summit.	Hard to go deep; risks high-level statements over actionable detail; less candour on real deal economics.
Leadership roundtable (recommended)	Senior, decision-capable participants; candid finance discussion; high chance of concrete commitments and follow-on.	Smaller audience; needs disciplined moderation and a clear pre-read to deliver.
Thematic dialogue	Room for depth and a working-group feel; good for surfacing examples and instruments.	Lower external profile; outcomes may stay analytical unless deliberately steered to commitments.

Recommendation: a 105-minute **moderate Thematic dialogue.** A moderated thematic dialogue fits a solutions-focused session whose value depends on candour about deal economics and on participants who can actually move capital or policy.

Indicative run of show (105 minutes):

Program Segment		Name of the Speaker/ panelist	105 Minute	Delivery/Area of focus.
Welcoming	Session Moderator	Alpha Gitau	5 Minutes	Session opening by the Moderator; Setting the ground rules.
Setting the scene	Refuge Investment Network	Alex Theran	20 Minutes	Providing the framing in refugee and fragile markets Investments. Giving the context of shrinking aid and need for leveraging on private sector led investments.

				Highlight refugee investing taxonomies.
Anchor Field Case	Hydroponics Africa Limited	Dr. Peter Chege	10 Minutes.	Show casing the solution offered by Hydroponics farming. Lessons learnt and a case for scale.
	Galool Development Organization [GALDO]	Abdule Mohamed Osman	10 Minutes.	Refugees led business supporting local youth employment initiative through smart farming and solid waste collection.
Moderated Dialogue	Smart Regional consultants. (SRC)	Bonano badia	50 Minutes.	The financing cliff and the investability gap. Based on experience in business development support what are the gaps? What solutions have been there before and what can work?
	World University Service of Canada (WUSC)	Daniel Matoke		Enterprise models that work in fragile contexts.
	Refugee Investment Network (RIN)	Alex Theran		Policy and ecosystem enablers
	Micro Enterprise support programme Trust (MESPT)	Doreen Kinoti.		The capital continuum, Connecting grant and blended capital, local intermediaries
	Av_Ventures Ltd	Ronald Musundi		Blended finance and the de-risking toolkit, Matching instruments to real risk — first loss, guarantees, concessional and patient debt, results-based finance, local-currency cover.
	Kenya Climate Ventures	Charles Nyadero		
Audience Q&A	Alpha Gitau		10	Moderator Opens the floor for direct questions from attendees, ensuring a high energy engagement.
Wrap up & Commitments	Helena Lassen (CareDenMark).		5 Mins	Wrap of the session/ Synthesis of investment pathways

7. Outcomes

The session is judged as a success not by the quality of the discussion alone, but by what leaves the room. Target outcomes:

- **Shared framing.** A shared Fragile Markets Investment Pathways map — a concise, jointly owned framing of how resilience is financed in ASAL and displacement settings, suitable for circulation after the Summit.
- **Deal archetypes.** Two to three investable enterprise archetypes identified, with the capital structure each would need to scale.
- **A commitment.** At least one concrete intention to explore co-investment, a shared pipeline, or technical assistance among the convening partners and wider participants.
- **Policy linkage.** Inputs that feed directly into the Shirika Plan private-sector window and county-level (Turkana / Garissa) investment planning.

- **Recommendations.** A short set of recommendations for DFIs and blended-finance providers on how to deploy explicit, well-targeted capital into these markets.
- **Continuation.** Agreement, if there is appetite, to form a follow-on working group or coalition to carry the pathways forward.