



GLOBAL ALLIANCE OF SUBNATIONAL DEVELOPMENT BANKS

ALLIANCE OF SUBNATIONAL DEVELOPMENT BANKS IN LATIN AMERICA AND CARIBBEAN



AFRICAN ALLIANCE OF SUBNATIONAL DEVELOPMENT BANKS

29 April 2026 – Santa Marta, Colombia

**Joint Declaration**  
**Department of Social Prosperity – RIPESS – FMDV**  
Santa Marta Conference on the Transition Away from Fossil Fuels –  
24–29 April 2026

With the support of:  
Global Alliance of Subnational Development Banks  
MAFU Alliance of African Ministers for Urban Financing

**Territorial Alliance for a Just and Sovereign Transition: From Last-Mile Economies to a New Economic and Financial Architecture**

The transition away from fossil fuels has entered a decisive phase. The question is no longer whether we must act. The question is whether we are capable of transforming our economies, our financial systems, and our institutions quickly enough to generate credible alternatives that can replace fossil fuel-dependent revenues, jobs, and value chains. This is the true test of our collective credibility. Because the challenge we face is not only technological or financial. It is systemic. It is about how we organize the relationship between global ambition, national strategies, and the realities of the territories where the transition must be experienced, implemented, and owned by populations. For too long, climate finance has been structured in ways that concentrate impact upstream, while transformation happens downstream. For too long, territorial economies and local actors have been considered as endpoints rather than engines of the transition.

**This moment marks a turning point.**

The Santa Marta Conference represents a pioneering milestone from this perspective. It creates a space in which countries, institutions, grassroots movements, and all stakeholders can move beyond general commitments and advance toward identifying concrete implementation pathways. Bringing diverse actors together around a just, orderly, and effective transition opens new possibilities for cooperation, coordination, and collective action. It also reflects a growing recognition that the transition must be anchored in real economies, territorial dynamics, and inclusive implementation systems. The international community is now sending a clear and structuring signal.

**The Green Climate Fund’s Locally-Led Climate Action (LLCA) guidelines** have established that high-impact implementation must be grounded in **local ownership, decentralized decision-making, sustained strengthening of territorial capacities, and the direct participation of local and regional governments and communities**. Through its readiness mechanisms, the Green Climate Fund is actively contributing to structuring a new generation of financial architectures in which the localization of action becomes a central pillar of effectiveness.

**The Sevilla Commitment on Financing for Development** reinforces this transformation. It establishes localization as a structuring principle of financing, anchored on country-led and country-owned platforms, and highlights the central role of national and subnational development banks in channeling, structuring, and de-risking investments. This alliance is also embedded within the Financing for Development agenda and the demands for fiscal and debt justice, without which there is no fiscal space for a just transition nor for scaling these territorial architectures. It also recognizes the social and solidarity economy and its financial systems as essential components of a wider economic landscape, and calls for strengthening subnational financing as a key lever for



implementation. This shift reflects a deeper evolution in the international debate. What was once considered peripheral, localization of finance, last-mile economies, territorial systems, now emerges as a central pillar of transformation, a lever to accelerate implementation, mobilize economic opportunities, and build resilience. In this context, a clear and structuring reality emerges: **the transition will succeed through the combined action of local and regional governments, actors of the social and solidarity economy, and their financial intermediaries.**

Together, they form a **last-mile economic and financial implementation system:**

- Local and regional governments structure demand, regulate markets, organize public services, and guide territorial development pathways.
- Actors of the social, solidarity, popular, and community economy organize production, mobilize local capital, and ensure that generated value remains within communities.
- Subnational development banks and social and solidarity finance institutions provide the layer of financial intermediation that connects global capital, public resources, and citizen financing with those implementing the transition.

There are already large-scale models that can be reviewed and implemented. They are operational and transforming key sectors. The challenge now is to scale these solutions up and out, ensuring their dissemination without losing quality, inclusion, or balance. This requires structuring the system.

Large-scale models already exist that can be reviewed and implemented. They are up and running and are transforming key sectors. The challenge now is to scale these solutions upwards and outwards, ensuring their widespread adoption without compromising on quality, inclusivity or balance. This requires structuring the system.

**Country Platforms for Localizing Finance**, recognized in the *Sevilla Platform for Action* and the *Global Climate Action Agenda*, provide this strategic framework. Strengthened with a **territorial pillar for transition implementation**, they enable alignment between national ambition, international finance, and territorial investment systems.

Within this architecture, financial intermediation and project structuring are decisive. Subnational development banks and social and solidarity finance institutions enable financial flows to reach the last mile at scale. Permanent structures for preparation, aggregation, and financial structuring, FinHubs, transform dispersed initiatives into financeable portfolios. In this context, Colombia stands at the forefront of a new generation of transition leadership.

Through the alliance between Colombia's **Department for Social Prosperity (DPS)**, the **Intercontinental Network for the Promotion of the Social and Solidarity Economy (RIPESS)**, and the **Global Fund for Cities Development (FMDV)**, and in coordination with national institutions, local and regional governments, and financial actors, a concrete initiative is being advanced. Its objective is to develop, in complementarity with existing national frameworks, a **territorial implementation system** that embeds local realities, opportunities, and actors at the core of transition strategies.

This approach reflects a key lesson: transformation is more effective when national ambition is connected with territorial dynamics and when local actors are fully recognized as co-implementers and co-investors. It seeks to connect national vision, international resources, and local economic transformation, strengthening ownership, resilience, and effectiveness. It also contributes to promoting a broader approach for transition: in many territories, these last-mile economies are expressed through social, solidarity, popular, and community economies that sustain food systems, care, recycling, community energy, and other essential functions with low material and energy footprints. **These “economies for life”\*, care, and community well-being simultaneously create sustainable markets, open new investment opportunities, and reveal economic potential, yet remain largely undervalued in territories.**

This initiative is conceived as an open and collaborative effort. It invites governments, development banks, financial institutions, communities, and international partners to work jointly in building coherent implementation systems. Because the success of the transition will not depend solely on volumes of financing or political commitments. It will depend on our ability to organize systems that work. Systems that generate jobs. Systems that create alternatives. Systems that people can see, trust, and make their own. **This is the change we are driving. The alliance we are building is the global alliance for “economies for life”.**

*“At the Department for Social Prosperity, we know that the just transition is not decided solely at major summits, but in the local areas where people organise their daily lives. That is why we are committed to linking policies on productive inclusion and social protection with the grassroots, social, solidarity-based and community economies that*



*underpin food security, care, recycling and so many concrete transition solutions. Our commitment is clear: to place economies for life at the heart of development strategies, to create fiscal and political space so that public and climate investment reaches the last mile, and to build, together with communities, an economic and financial architecture that works for people and not the other way round.”* Mauricio Rodriguez, Director of DPS, Colombia.

*“Social, solidarity-based, popular grassroots and community economies are not the fringes of the transition; they are its living infrastructure. The problem is not a lack of local solutions; the problem is a lack of institutions and funding capable of supporting them. We do not want these economies to be exploited as cheap implementers, but rather recognised as co-architects of the transition. We also call for us not to forget, in this new climate exacerbated by war, that without fiscal and debt justice there is no real space for a just transition. The economies operating at the grassroots level are not the end of the chain: they are where the transition either becomes a reality or fails. Climate action cannot continue to overlook those who are already sustaining life.”* Sandra Moreno, Executive Secretary of RIPESS.

*“From the perspective of local and regional governments, the transition is not an abstraction, it is a concrete responsibility that plays out in territories. What we are building today, through Country Platforms for Localizing Finance, subnational development banks and FinHubs, and in close partnership with social and solidarity economy and finance actors, is an architecture capable of connecting global ambition with the realities of local, popular and community-based economies. This approach no longer belongs to the margins of the international debate; it is consolidating as a central pillar to make the transition possible, channel investments towards the real economy, and build systems that work for people. The recognition of social and solidarity economy and finance in the Sevilla Commitment confirms that they are indispensable to the transition, and that their full inclusion is now a requirement, not a choice.”* Carlos de Freitas, Executive Director, FMDV” Carlos de Freitas, Executive Director of FMDV

## References

The **Department for Social Prosperity (DPS)** leads policies on social inclusion and territorial resilience in Colombia.

**RIPESS, the Intercontinental Network for the Promotion of the Social and Solidarity Economy**, coordinates social and solidarity economy networks across five continents and in more than 75 countries worldwide.

The **FMDV, the Global Fund for Urban Development**, supports national, local and regional governments in accessing finance.

This initiative is supported by the **Global Alliance of Subnational Development Banks** (with over 90 members in Latin America, the Caribbean and Africa) and the **AMUF Alliance of African Ministers for Urban Financing** (representing 43 countries), both of which are active in recognising the structural role of territorial financial intermediation.

\* The vision of economies for life emerges from the convergence of social organisations, platforms for the social, solidarity-based, popular and community economy, and governments seeking to place life, well-being and sustainability at the heart of development. It is in line – among other processes – with the 2022–2026 National Development Plan “Colombia, a global power for life”. This approach, driven by alliances such as ECOOVIDA, brings together diverse economic expressions as pillars of a just, feminist and territorial transition. Within this alliance, economies for life are underpinned by three interdependent pillars: - A political decision to invest in territories and the commons. Commitments from governments and international partners to channel public, climate and development resources towards territorial projects that defend water, land, ecosystems and community fabrics, opening up space for new post-extractive economic trajectories. - Grassroots, solidarity-based and community organisations focused on just decarbonisation. Networks of grassroots, social and solidarity-based economies —cooperatives, associations, peasant, women’s and ethnic peoples’ organisations— that support fair production, processing and marketing, with a low material and energy footprint and concrete contributions to decarbonisation and social justice. - Solidarity-based associative networks between governments and organised communities. Agreements and collective actions between grassroots organisations, SSE platforms and public bodies that promote production, distribution, financing and care networks with a local impact, coordinating policies, financial instruments and community capacities.





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