

# A New Era of Public-Private Collaboration to Transform Markets for Sustainability: *An Evidence Base*



## The context

We are in a period of pronounced uncertainty and instability. Rapid transformations in the global energy system, supply chains, and natural ecosystems are underway. In 2024, global temperatures rose 1.5°C above the long-term norm for the first time, triggering severe climate impacts and disruption in global value chains. Extreme weather events in 2024 alone caused more than \$320 billion in losses.

Simultaneously, financial flows toward clean solutions have surged. Global investment in the energy transition reached \$2.1 trillion in 2024, nearly double that of fossil fuels. Many countries are racing to seize the upsides of this clean technology shift, including enhanced energy security, cleaner air, and green industrial growth. However, many products, services, and markets essential for sustainability transitions are not yet available at the scale or price required.

The challenge remains whether the global community can act swiftly and at scale to prevent climate change and nature loss from causing irreversible damage to social, ecological, and economic systems. In 2025, geopolitical fragmentation, social polarization, and rising inequality are undermining multilateralism and trust in institutions, making managed transitions that minimize societal and business impacts even more challenging.

But history shows that when governments, industries, academia, civil society and financial institutions align around shared goals, societies can innovate and reorganize rapidly. There is growing recognition that incentives are aligning to tackle sustainability challenges with the need for enabling environments that unlock investment and drive market creation, value and jobs. The stage is set for a new era of public-private cooperation.

## This report

WBCSD, in collaboration with BRAE, explored how businesses and governments can better organize and collaborate to build a resilient, secure, and sustainable future. Based on a rigorous discovery process through interviews and group dialogues with more than 50 leading experts, spread across six continents, we explore success factors, delivery mechanisms, and the role that organizations such as WBCSD can play in partnership with their stakeholders in business, government, finance and civil society.

# Summary Findings

The headline finding is that **new forms of institutional architecture are urgently needed at all scales - from landscape to national levels to trans-continentially in supply chains - to align government, business, finance and society around shared sustainability goals, problem-solve and drive coordinated action.** We highlight a set of five design imperatives to inform the development of new public-private collaborations and three opportunities for private sector actors in business and finance to engage in that arose through the research. These are not intended to be a formula or recipe, but represent raw materials for inspiration and design that can be re-mixed and adapted to build effective programmes.

## Design Imperatives



### 1. Align around clear missions

Anchor coordination to a clear mission that creates coherence among actors across the public, private and civil society sectors in pursuit of resilient, secure, sustainable outcomes. Private sector organizations and business associations can play a critical role in initiating and being proactive in advocating for, resourcing, and engaging in mission-driven collaborations.



### 2. Use trusted orchestrators to convene and facilitate

'Honest brokers' with a high degree of credibility and legitimacy with public, private and third sector actors are critical for effectively convening and delivering collaborations. The decision as to which organization/s will lead needs to consider which institutions have legitimacy to orchestrate in a given context.



### 3. Set up for success by tailoring governance to contexts and resourcing appropriately

Care is needed to shape the role of orchestrators to safeguard missions. Robust governance, transparency and accountability mechanisms linked to clear roles, inputs, outputs and outcomes are critical to ensure engagement, trust and adequate resourcing. Care should be taken to ensure compliance with antitrust rules and other legal requirements.



### 4. Build a new set of delivery-focused capabilities

Public-private cooperation requires a diverse range of skills including creative, technical, design and relationship capabilities geared for implementation of sustainable solutions.



### 5. Develop a full solution stack

Development and deployment of technological innovations is often limited by non-technology barriers, so an expansive view of innovation in the collaboration is required. This means developing a 'solution stack' – or suite of interacting solutions - that fully addresses the set of challenges being addressed.

## Private Sector Opportunities



### *i. High-quality value chain data to guide outcomes*

Increasing the availability of high-quality (location-based, verifiable) data in global supply chains can help design targeted effective missions that are tightly aligned with corporate and societal challenges. Mission-driven collaborations will need to develop an agile and responsive relationship with impact data as operating contexts become increasingly dynamic, facilitating constructive feedback and information exchange between actors as they implement, learn and adapt.



### *ii. Procurement collaboration to scale sustainable supply*

Private sector organizations can advocate for, and actively initiate, procurement initiatives focused on developing and scaling sustainable innovations through collaborations among buyers, suppliers, governments and funders. Developing mechanisms for structured policy engagement, de-risking investment in supply, and aggregating demand is particularly important.



### *iii. Facilitating transition finance in global supply chains*

Cross-sector fora that explore sustainable financing risks and opportunities associated with transitioning suppliers and their operating ecosystems are needed. Corporates can play a central role in bringing together technical and facilitative capabilities to target impact hotspots in their value chains and deploy sustainable finance mechanisms.

## Implications

Significant opportunities for transforming markets and scaling sustainable solutions remain out of reach when public, private, and third sectors operate in silos. By embracing cooperation with governments and a proactive, catalytic role in market development, corporations can actively influence the evolution of sustainable markets, securing competitive advantage, resilient supply chains and their future role.

Industry bodies and business membership organizations like WBCSD can act as orchestrators, intermediaries and 'bridge builders' between business, government and civil society. As multilateralism wanes the focus should be on targeted engagement with governments that have recognised the opportunities of clean and inclusive growth.

There are many challenges that need to be addressed to move forward. But these will be best addressed in practice – the priority is to get moving and grapple with real operating contexts. In future work, we will outline a new way of organizing that gathers public, business, finance and third sector actors to purposefully problem-solve together and deliver impact at scale that directly addresses the issues raised in this report.

## Authorship

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## About WBCSD

The World Business Council for Sustainable Development (WBCSD) is a global community of over 225 of the world's leading businesses driving systems transformation for a better world in which 9+ billion people can live well, within planetary boundaries, by mid-century. Together, we transform the systems we work in to limit the impact of the climate crisis, restore nature and tackle inequality.

We accelerate value chain transformation across key sectors and reshape the financial system to reward sustainable leadership and action through a lower cost of capital. Through the exchange of best practices, improving performance, accessing education, forming partnerships, and shaping the policy agenda, we drive progress in businesses and sharpen the accountability of their performance.

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## About BRAE

BRAE does strategy and innovation for climate and nature. We develop strategic approaches to change, operationalising innovations that ensure sectors and companies can thrive in a net zero, nature positive economy. We work with people to develop better ways of organising and implement game-changing solutions. We create fit-for-purpose processes and mechanisms designed to support an effective, equitable transition.

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