Transition Finance Council

CITY OF LONDON | THE GLOBAL CITY

Sector Transition Plans: The Finance Playbook

High-level summary

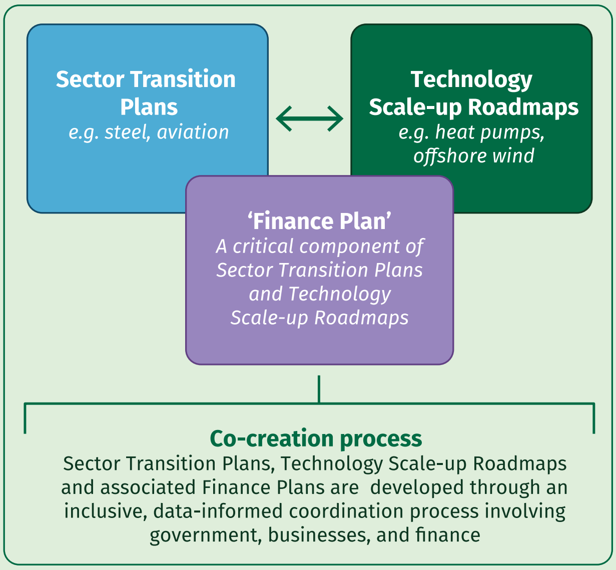
What is the Finance Playbook?

The Transition Finance Council was established to help the UK become a global financial hub for transition finance. One of its key outputs is the Finance Playbook. The Finance Playbook aims to be a practical, delivery-focussed, framework that can be adopted by businesses, finance and government to:

- provide a harmonised approach to investing across transition finance, and
- ensure that finance plans are at the heart of Sector Transition Plans and Technology Scale-Up Roadmaps from the outset, as shown in Figure 1.

Similar to how transition planning frameworks are being adopted by companies, the Transition Finance Council hopes that sectors and countries will look to the Finance Playbook on how to align priorities for transition finance for the future.

Figure 1: The essential components of the transition planning ecosystem.



Why is there a need for a Finance Playbook?

While there are many promising projects and plans to decarbonise industry, too few can secure the financing needed to make them a reality. Addressing this 'finance gap' is not only essential for emissions reduction, but also for economic growth, high-skilled job creation, and enhanced energy security and resilience. Whilst transition plans are being developed at pace, many are lacking a credible financial component and risk falling short. This Finance Playbook's practical framework ensures that finance is not an afterthought, but a core element of Sector Transition Plans, Technology Scale-Up Roadmaps, and policy design.

Objectives of the Finance Playbook

The Playbook has three clear objectives:

- Create an enabling environment for transition finance
- Support the raising and deployment of transition finance from diverse sources
- Inform national policymaking, business transition planning, and financing decisions.

Who should use the Finance Playbook?

- **Businesses:** to shape credible roadmaps, map financing requirements, and attract investment.
- **Financial institutions:** to identify and assess opportunities, inform capital allocation, and advocate for enabling policies.
- **Government:** to provide strategic oversight, embed finance into transition planning, and ensure coherence across policy frameworks.

What the Finance Playbook offers

- A sector-agnostic, practical, framework for creating credible, financeable transition plans.
- Guidance on co-creation processes, ensuring collaboration between businesses, finance, and government, as shown in Figure 2.
- Practical steps for designing finance plans that identify financing needs, dependencies, risks and opportunities across sectors and value chains.
- Insights from a literature review, industry roundtables, and a Call for Evidence.

Figure 2: Key design features of the co-creation process

1	**Mission-focussed**	Anchored by the mission to develop a sector transition plan or roadmap that will respond and contribute to national climate goals and mobilise transition finance
2	**Authoritative**	Strategic government oversight
3	**Independently convened**	Convened through an independent, neutral process
4	**Inclusive**	Involves actors from across the ecosystem (industry, finance, government, third sector) with expertise and agency in the transition
5	**Pre-competitive and conflict free**	Manages competition law and avoids lobbying and capture
6	**Well resourced and dynamically run**	Draws on dedicated resources and a mix of mission-relevant skillsets, and takes a dynamic, flexible approach
7	**Data driven**	Is informed by targeted, decision-useful data and information from across the ecosystem, including robust metrics
8	**Robustly governed and reviewed**	Operates transparently in accordance with best-practice governance and review processes
9	**Supports delivery**	Sets expectations for actors' contributions to implementation of the sector transition plan or roadmap, along with effective monitoring, reporting, and verification

Next steps for the Finance Playbook

The Council wants to socialise the Finance Playbook with the market to raise awareness of the importance of finance planning within transition planning, and get businesses, finance, and government to implement the framework. The Council will be releasing two sector-level implementation examples between November 2025 and March 2026 to demonstrate the practical use of the framework and encourage broader industry adoption.

Other work from the Transition Finance Council

The Council has also authored the Transition Finance Guidelines to support its agenda to scale transition finance, alongside the Finance Playbook. The Guidelines are a voluntary framework consisting of a set of 'Principles' and 'Factors' which aim to create common minimum expectations for users to confidently distinguish what is and what is not credible transition finance. These Guidelines, and their respective Implementation Guidance, will be released at COP30 for further consultation. The existing draft of the Guidelines can be found here. For further insights into the work the Council has delivered so far, please see the Mid-year progress report.