

Unlocking Global Gateway investments in nature and the green economy

Brussels, July 7-10



Greening national public finance

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Overview

Greening PFM systems

1. Why?
2. Where are we?
3. What are the entry points?
4. How?



Greening PFM systems.

WHY?



Greening PFM systems. WHY? (1)

A macro-critical question

The 2024 natural disasters in figures

Worldwide, natural disasters caused losses of US\$ 320bn in 2024 (2023, adjusted for inflation: US\$ 268bn), of which around US\$ 140bn (US\$ 106bn) were insured. The overall losses and, even more so, the insured losses were considerably higher than the inflation-adjusted averages of the past ten and 30 years (total losses: US\$ 236/181bn; insured losses: US\$ 94/61bn). In terms of insured losses, it was the third most expensive year; in terms of total losses, 2024 ranks fifth on the cost scale since 1980.

Weather catastrophes were responsible for 93% of overall losses and 97% of insured losses. Around 11,000 people lost their lives as a result of natural disasters in 2024 – significantly fewer than the average.

Losses from non-peak perils such as floods, wildfires, and severe thunderstorms were yet again substantial, producing total losses of US\$ 136bn, of which around US\$ 67bn were insured. Although this was slightly below the figures from the previous year (US\$ 143bn, of which insured losses totalled a record US\$ 82bn), it was well above the average figures of the past ten years (inflation-adjusted US\$ 110bn/48bn). It is striking that, from a long-term perspective, non-peak perils are increasingly fuelling the trend of rising losses, while peak risks like tropical cyclones and earthquakes continue to be a source of loss volatility.

In 2024, tropical cyclones alone contributed US\$ 135bn to the total losses and US\$ 52bn to the insured losses. The majority of these losses were caused by major hurricanes in the USA (US\$ 105bn, of which US\$ 47bn were insured).

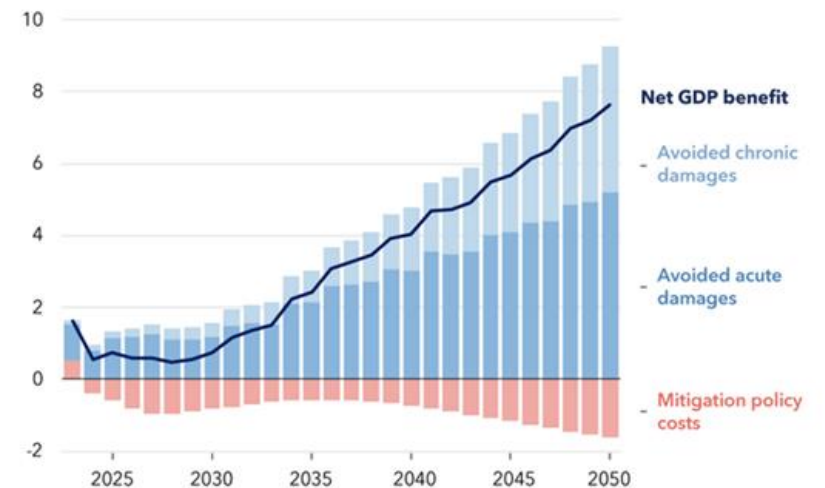
Source: munichre.com

but

Green returns

The economic benefits of accelerating the transition to a low-carbon economy vastly outweigh its cost.

World potential GDP benefit under net zero carbon emissions by 2050
(percent deviation from reference scenario)



Sources: NGFS (2023), Scenarios Portal; IIASA (2023), NGFS Phase 4 Scenario Explorer; and IMF staff calculations. Note: NiGEM model with REMIND-MAGPIE inputs. The reference scenario is the Current Policies scenario with no transition but physical risk.

IMF



Greening PFM systems. WHY? (2)

- ❑ NDCs, SDGs \leftrightarrow government policies (climate/environmental impact, direct or indirect)
- ❑ *Expenditure side*: national budget – a tool to achieve national policy objectives
- ❑ *Revenue side*: provides fiscal space for policy implementation, incentives for behavioural change

Green PFM is the integration of an environment/climate-friendly perspective into PFM practices, systems, and frameworks (especially the budget process) with the objective to support fiscal policies that are responsive to environmental and/or climate concerns.



Greening PFM systems. WHY? (3)



“... a greater use of green budgeting tools will help to redirect public investment, consumption and taxation to green priorities and away from harmful subsidies”



Principles: ‘Green and clean’ and ‘Good governance and transparency’

“The EU will use its various tools to improve conditions for attracting quality investments in partner countries. This will include [...] **Strengthening domestic resource mobilisation, public finance management and debt**



“27.h) We will promote the consideration of the environment, biodiversity, climate, disaster risk [...] in fiscal programming [...]. While respecting national sovereignty, options may include, but are not limited to, **green budgeting, taxation and fiscal rules, and taxes on environmental contamination and pollution.**”



**Greening PFM
systems.**

WHERE ARE WE?



Greening PFM systems

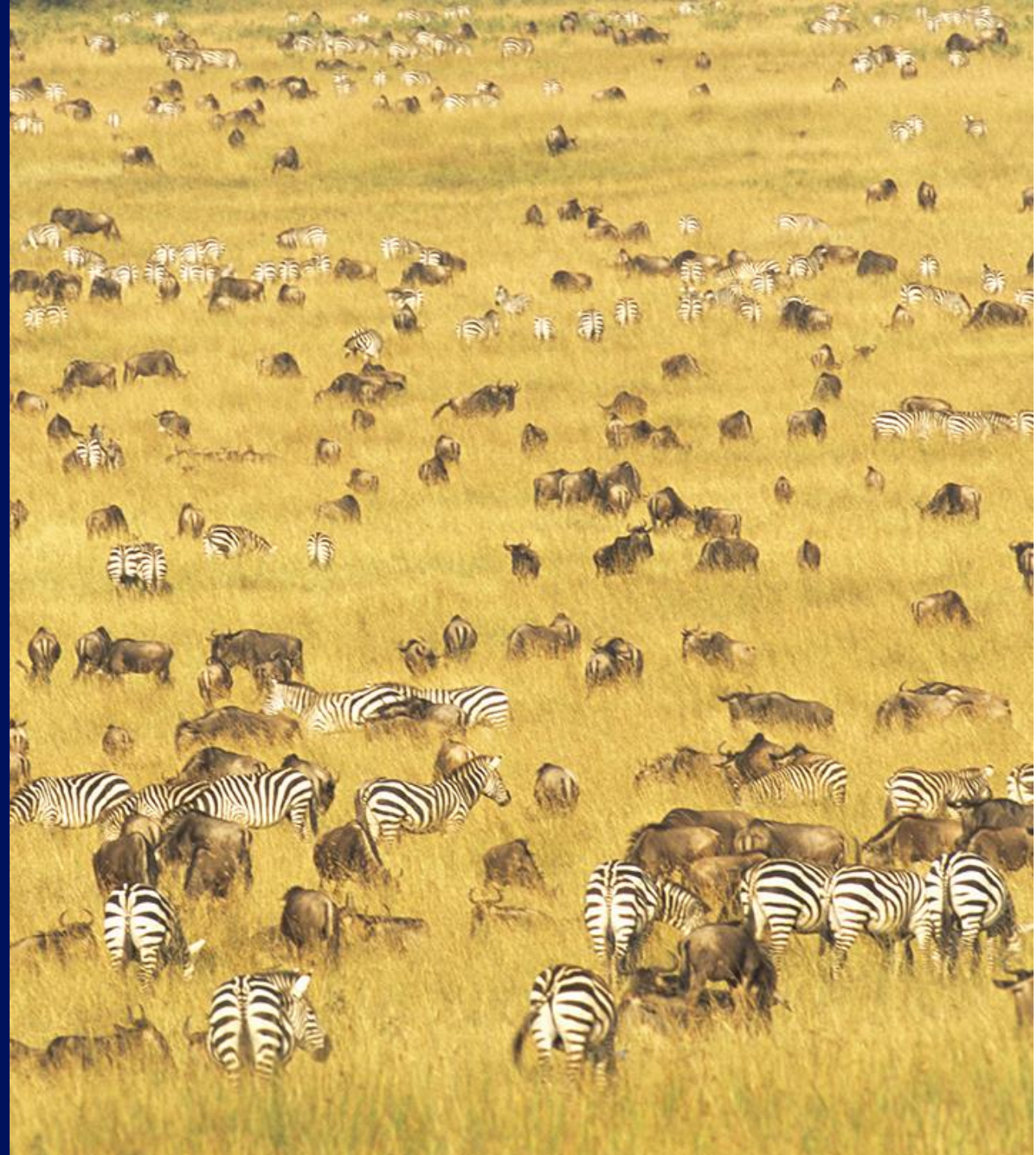
WHERE ARE WE?

- ❑ Green PFM practices remain nascent in most countries, including in advanced economies
- ❑ 60% of the OECD membership are not implementing any green budgeting (OECD, 2021)
- ❑ Green taxation is already relatively widespread. Over 70 non-OECD countries having some green taxation in place



**Greening PFM
systems.**

**WHAT ARE THE
ENTRY POINTS?**



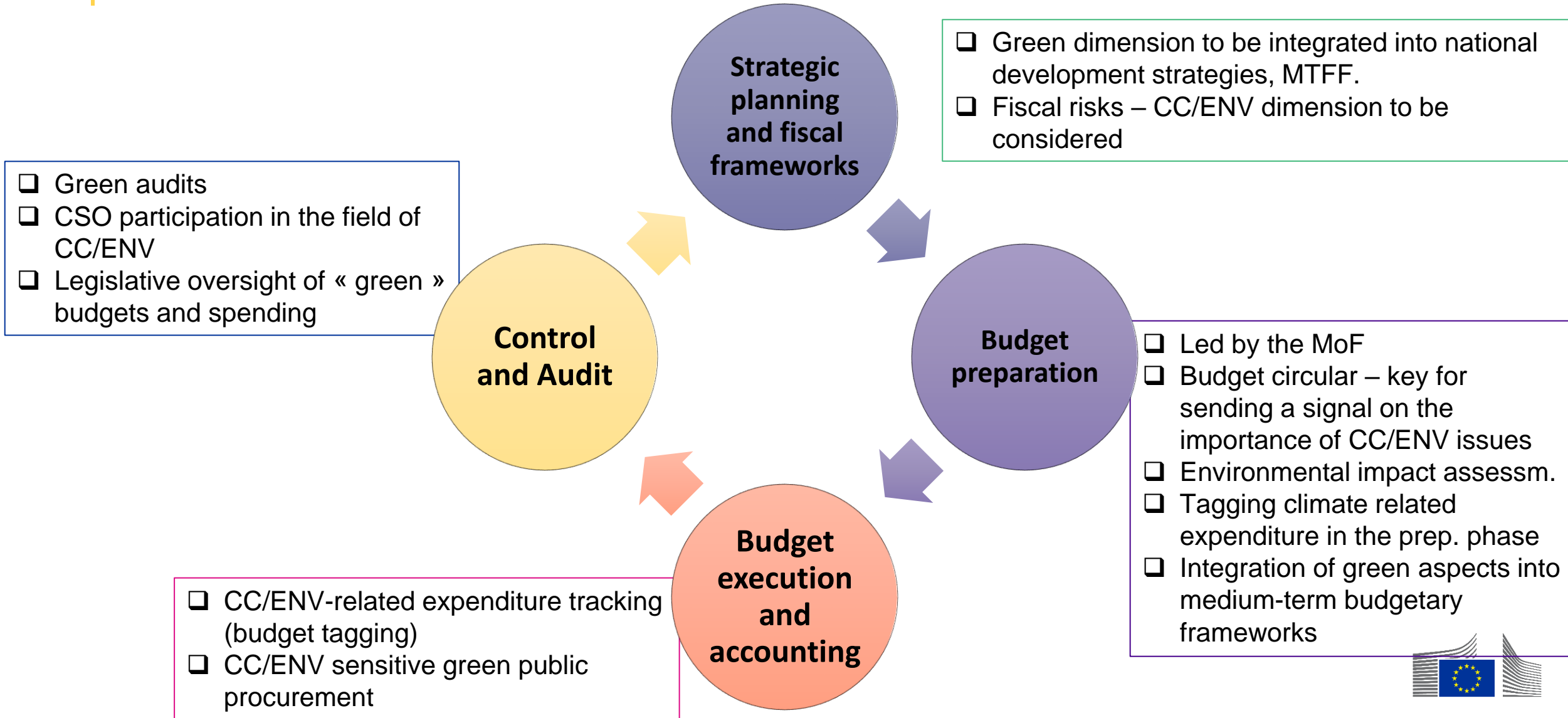
Greening PFM systems

WHAT ARE THE ENTRY POINTS?

1. Legal framework
- 2. 4 stages of the budget cycle**
3. Beyond the budget cycle (state-owned enterprises, sub-national governments)
4. Green taxation, removal of the harmful subsidies
5. Dedicated national green funds

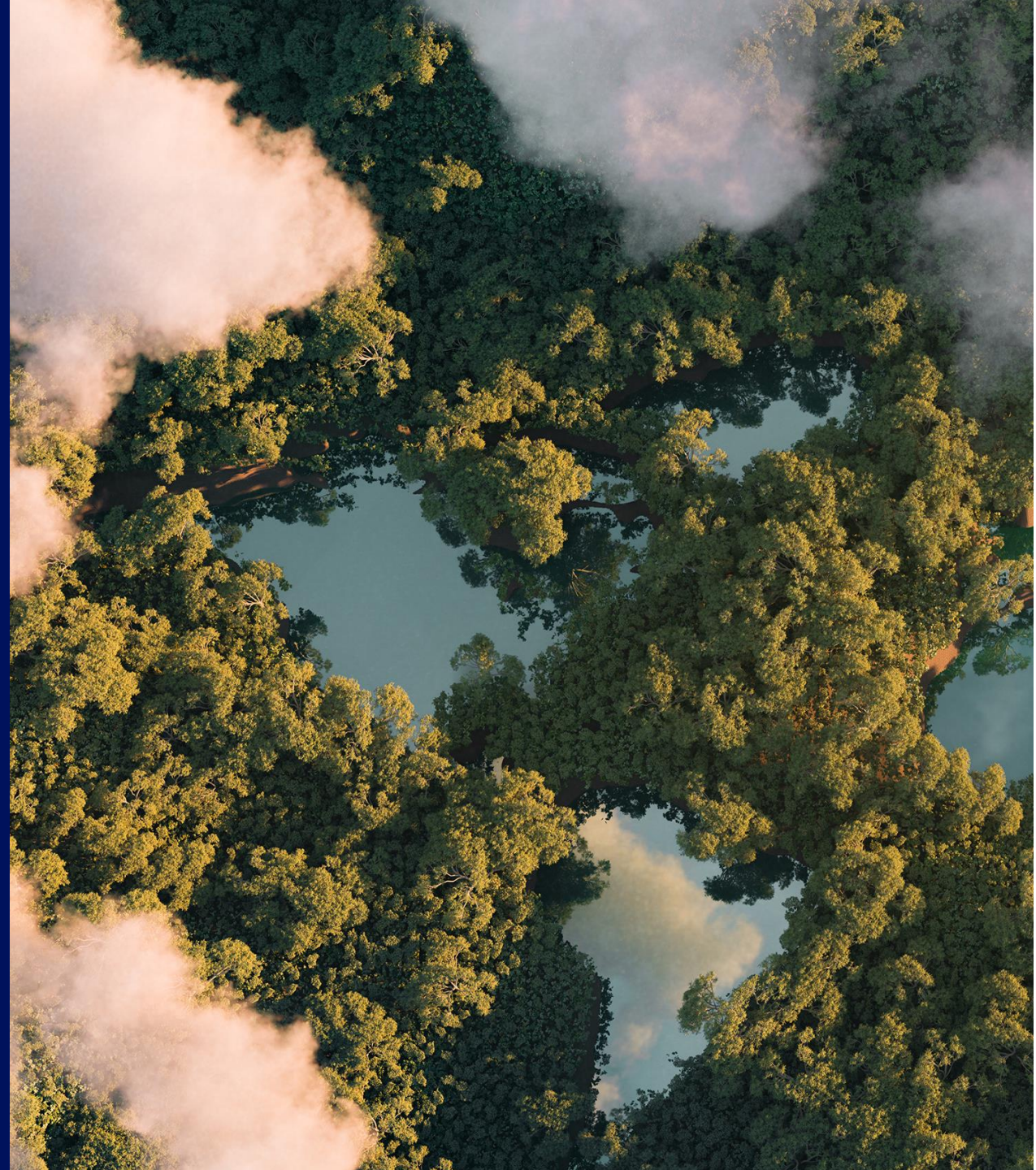


4 stages of the budget cycle



EU's support to greening PFM systems

HOW?



EU's support to greening PFM systems in partner countries. HOW?

- ❑ Policy dialogue
- ❑ Budget support
- ❑ Support/encourage the use of relevant diagnostic tools (e.g. PEFA climate, C-PIMA, MAPS Sustainable procurement module)
- ❑ Dedicated projects
- ❑ Working with international partners (WB, IMF, OECD, etc.);
 - Global Public Finance Partnership (IMF)
 - PFM-PP (IMF, financed by the EU)
 - IMF Regional Capacity Development Centres
 - Multi-donor Trust Funds (e.g. EUD Bhutan's work through WB PFM MDTF)



Budget support

- ❑ Direct financial transfer to the national treasury of a partner country to support sustainable development reforms.
- ❑ **But it is not just money!** Budget support has a number of entry points to support green reforms:
 - Policy dialogue
 - 4 general eligibility criteria (sectoral policy reforms, macro-fiscal stability, progress in PFM reform implementation and budget transparency)
 - Variable tranche indicators
 - Capacity building measures



Budget support promoting policy results



SDG 13

Bhutan – Resilience to the impacts of climate change

The EU contributed to constructing or renovating **close to 3 000 km** of irrigation channels



In Bhutan, EU budget support aims to reduce poverty by enhancing food self-sufficiency and improving rural livelihoods. The programme also seeks to build the country's resilience to the negative impacts of climate change by enhancing the sustainable management of natural resources.

With EU support, 2 765 hectares were afforested/reforested in 2018 and about 262 949 hectares of forest area were brought under sustainable management. Furthermore, 9 858 km of farm roads have been built, 2 996.5 km of irrigation channels constructed/renovated and 99 farmers groups and cooperatives registered, creating 584 employment opportunities.



SDG 13

Dominica – Building back better

By the end of 2019
1 568 houses

resilient to climate change were built or under construction



The EU supports the climate resilience and recovery plan of Dominica, which was created following the devastating Hurricane Maria in 2017. With the assistance of EU budget support, the climate resilience executive agency of Dominica is now operational.

A new construction legal code and its implementation plan were approved to enforce higher standards of climate resilience for the reconstruction/repairing of houses. By the end of 2019, the construction of over 500 new homes was complete, 1 068 houses were under construction and the procurement process for the construction of approximately 3 853 houses was ongoing.

In addition, 76 public buildings have been reconstructed/repaid/ upgraded since Hurricane Maria.

Finally, the total number of beneficiaries of social protection programmes for 2019/2020 reached 13 563, well above targets.



SDG 14

Cambodia – Increased patrolling of marine and inland fisheries

The EU helped provide **226 patrol boats and seven patrol vessels** for inland and marine fisheries inspection



In Cambodia, the EU supported marine conservation and compliance with laws and regulations in the fisheries sector. The project helped government authorities develop capacities and provided equipment with fast patrol vessels to effectively control and inspect inland and marine fisheries and prevent illegal marine fishing. The fisheries administration bought 20 large patrol boats and 206 smaller boats for inspectors and rangers of fishing communities in inland fisheries, along with two large patrol vessels and five small vessels for inspectors in marine fisheries. In addition, the EU funded five pickup trucks for inspections at marine fishing landing sites.

Increased patrolling has led to a reduction of illegal fishing activities and contributed to a more sustainable and inclusive growth in the fisheries sector.



SDG 15

Colombia – Sustainable development for peace and biodiversity

The EU contributed to the **rehabilitation and recovery of land and to local initiatives to overcome social and economic disadvantages**



EU budget support addressed the socioeconomic challenges of the regions previously affected by armed conflict.

The programme promoted conservation and sustainable management agreements between the authorities and the rural communities of protected areas. It also supported economic development and the reduction of both geographical and gender disparities.

Between 2016 and 2021, it contributed to the rehabilitation or recovery of nearly 28 000 hectares of forest. More than 300 local green businesses and 4 500 indigenous, peasant and vulnerable families benefited from EU support. This success encouraged the Colombian environment ministry to increase its financial support to national parks.



SDG 7

Vietnam – Sustainable energy transition

EU budget support has helped installed wind power capacity to increase by **more than seven times**.



In Vietnam, the EU is contributing to the energy transition for sustainable development.

Thanks to the EU's budget support, grid-connected wind-power installed capacity increased by more than seven times, and 700 km of extra-high-voltage power transmission lines (500 kV) were installed between 2020 and 2021. Additionally, 531 new energy managers and 82 new energy auditors were trained in 2022.



SDG 11

Tuvalu – Sustainable waste management

The EU helped Tuvalu to export **17 tonnes of baled aluminium cans** to external markets for recycling



The EU assisted Tuvalu in collecting, storing and exporting recyclable waste to external markets for recycling. The budget support programme helped Tuvalu to fund the construction of a recycling and transfer station, purchase the needed heavy equipment and adopt its first waste levy regulation in 2019.

In 2021, 17 tonnes of baled aluminium cans for recycling were exported for the first time from Tuvalu to South Korea. For a small island nation which cannot recycle such waste on its own territory, this is a significant first step and paves the way for future exports of other recyclable waste to external markets.

The EU also supported Tuvalu in waste prevention and the establishment of mechanisms for the sustainable financing of waste management. The budget support programme helped implement a waste levy, which yielded revenues of approximately EUR 165 000 from June 2020 to June 2021. With new items being added to the waste levy, this figure is expected to increase in the coming years.

Thank you

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Useful links:

- Webpage with [budget support guidelines](#)
- INTPA E1 [intranet page](#) with technical [e-notes](#) on [Green PFM](#) [Green taxation](#) [Green taxation and development](#) [Green Budgeting in the context of the Global Gateway](#)
- [Climate module of the Public Expenditure and Financial Accountability framework \(PEFA\)](#)
- [Methodology for Assessing Procurement Systems \(MAPS\)](#)
- [Climate-Public Investment Management Assessment \(C-PIMA\)](#)
- [IMF's Climate-Sensitive Management of Public Finances—"Green PFM"](#)
- IMF – [How to Make the Management of Public Finances Climate-Sensitive—"Green PFM"](#)
- Joint EU-IMF-OECD publication [Green Budgeting: Towards Common Principles](#)
- UNDP/IIED [Global Climate Public Finance Review](#)
- EC-GIZ [Navigating Green PFM: a reference guide](#)



Additional information and resources



Relevant diagnostic tools

With EU Support

PEFA Climate framework

PEFA secretariat

PFM system readiness to support and foster the implementation of government climate change policies.

PIMA climate change module (C-PIMA)

Lead: IMF

Key **public investment management** practices from the climate change perspective

MAPS Sustainable procurement module

MAPS secretariat (hosted at OECD)

Quality and performance of **public procurement systems** from social, economic and environmental point of view.

Other

Public Environmental Expenditure Review (PEER)

Lead: WB

Government **resource allocations**, their efficiency and effectiveness in the context of environmental management framework and priorities. Identifies reforms needed

Climate Public Expenditures and Institutional Reviews (CPEIRs)

Lead: UNDP

Opportunities and constraints for integrating CC concerns within the national and sub-national **budget allocation and expenditure** process

Climate change financing frameworks (CCFF)

Lead: UNDP

Aligning a country's climate policy framework with its budgetary process and integrating climate finance into its existing PFM systems

Ongoing projects to support green PFM/DRM in partner countries

1. Green PFM project, INTPA.E1 (with GIZ)

- ❑ **Objective:** support selected countries in introducing green fiscal reforms, covering both revenue and spending
- ❑ **Countries of focus:** Cameroon, Rwanda, Benin, Ghana, Malawi, Namibia, Zambia (Sub-Saharan Africa); Mexico, Central American Integration System (SICA) (Central America), Peru (Latin America).
- ❑ **Project activities:** [Navigating Green PFM: a reference guide](#), methodology on designing green fiscal reforms, green PFM seminar in Kigali (Jan 2025), ongoing bespoke technical assistance (Ghana, Benin, Zambia)

2. Green PFM in South and South-East Asia, INTPA.C2 (with OECD)

- ❑ **Objective:** Improved integration of climate change, SDGs targets and gender mainstreaming in the budget cycle
- ❑ **Countries of focus:** Bangladesh, Bhutan, Cambodia, Indonesia, India, Laos, Malaysia, Maldives, Mongolia, Myanmar, Nepal, Pakistan, Philippines, Sri Lanka, Thailand, Vietnam.
- ❑ **Project activities:** in-person workshops, in-country knowledge sharing missions



Available support to green PFM/DRM through EU Programmes with the IMF (1)

Global Public Finance Partnership (GPFP–EU contribution EUR 15M in 2024-29)

- ❑ **Objective:** Strengthening fiscal institutions and supporting public finance reforms through a comprehensive approach, covering both revenue and spending
- ❑ **Beneficiaries:** Open to LICs, LMICs and a small number of UMICs. Priority given to fragile and conflict-affected states and to LICs.
- ❑ **Expected outputs:** countries are supported in (a) reforming their **public investment management** systems through Climate Public Investment Management assessments (CPIMA) and capacity development to follow up on recommendations; (b) reforming their **budgetary processes** through green PFM and climate budgeting, (c) integrating climate change issues into their **macro-fiscal frameworks**, (d) implementing **green taxation**, among others.
- ❑ **How to request for support:** Demand-driven programme - authorities send their requests to the GPFP Secretariat.



Available support to green PFM/DRM through EU Programmes with the IMF (2)

EU-IMF Public Finance Management-Partnership Programme phase 2 (PFM-PP2 – exclusively financed by the EU with EUR 8 mil. in 2024-29)

- ❑ **Objective:** Strengthening institutional capacity across core PFM and spending areas including improved fiscal policies and institutional frameworks to combat climate change and its impact. The program will provide tailored support based on IMF FAD's analysis of green PFM framework, and the CPIMA
- ❑ **Beneficiaries:** PFM-PP2 focuses on fragile and conflict-affected states (FCS), low-income countries (LICs), and lower-middle income countries (LMICs)
- ❑ **Expected outputs:** C-PIMA assessment and follow-up, PFM climate policy diagnostic, climate mitigation policy Strengthen effectiveness of management and reporting of climate related fiscal risks...
- ❑ **How to request for support:** Demand-driven programme



Available support to green PFM/DRM through INTPA's facilities

1. Greening facility (F2)

- ❑ **Objective:** improved integration of environment, biodiversity, climate change and Disaster Risk Reduction (EBCD) in EU supported policies, programmes and investments
- ❑ **Beneficiaries:** INTPA HQ, EUD staff
- ❑ **Expected outputs:** a dedicated PFM expert to review new programmes, action documents, fiches. Possibility of short-term missions to support EUDs in programme design.

2. Macro-fiscal facility (E1)

- ❑ **Objective:** To enhance INTPA's capacity to identify macroeconomic and fiscal challenges and support the design and implementation of appropriate macro-fiscal policies in partner countries
- ❑ **Beneficiaries:** Demand-driven support to INTPA HQ, EU Delegations and INTPA countries
- ❑ **Expected outputs:** analytical notes on selected issues, conferences, workshops, country missions
- ❑ **Contact:** Peter.KOVACS1@ec.europa.eu



National Forest Funds : unleashing their potential for forest finance

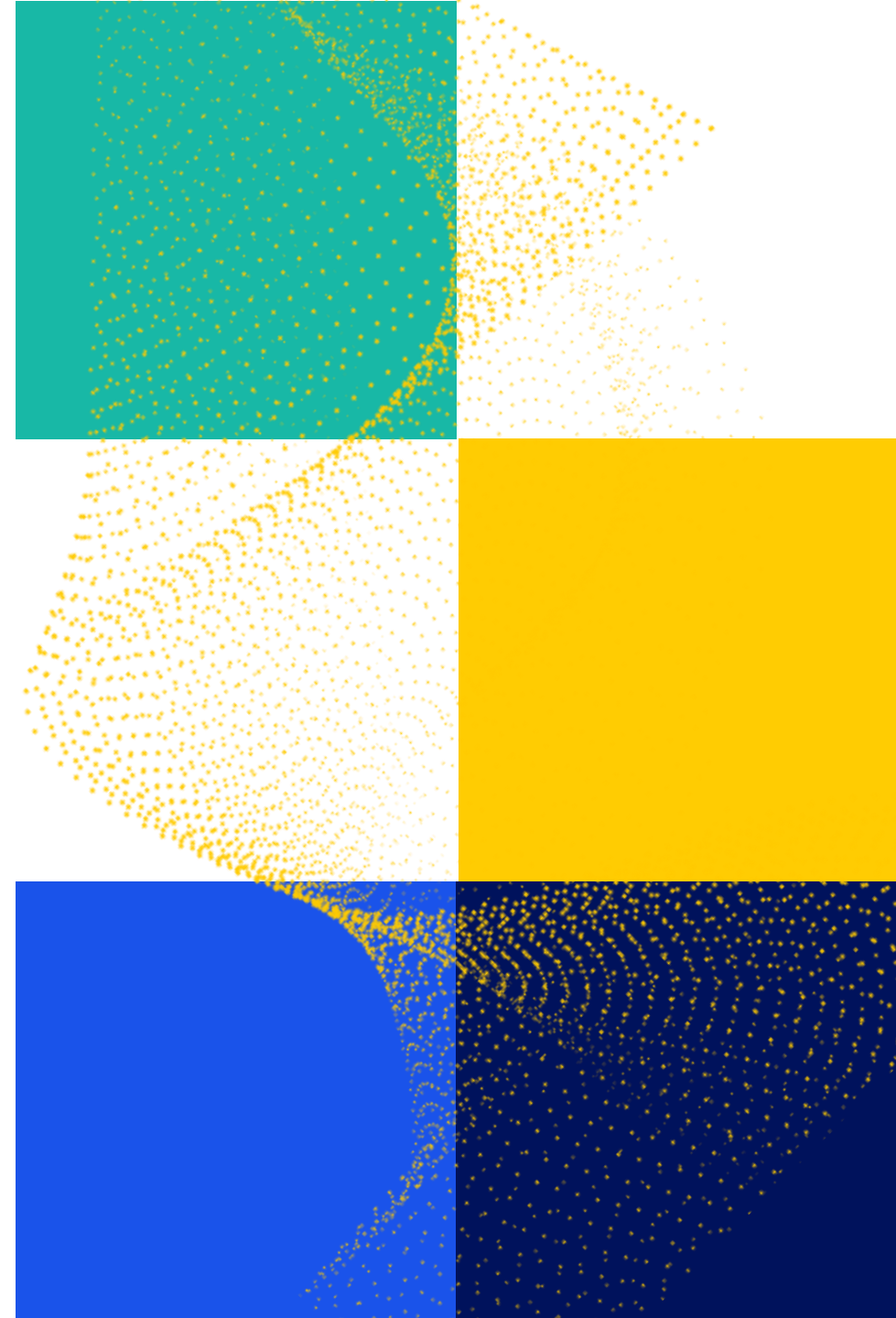
National Public Finance

Dr. Ludwig Liagre, Rio Impact / CIFOR-ICRAF consultant
Dr. Anja Gassner, CIFOR-ICRAF Europe Director



Agenda

- Quick overview of domestic forest finance solutions
- What are National forest funds and why are they important?
- Other domestic funds include Conservation Trust Funds
- Key principles underlying NFF capitalization
- Examples from the practice
- Reflections for innovative forest finance approaches



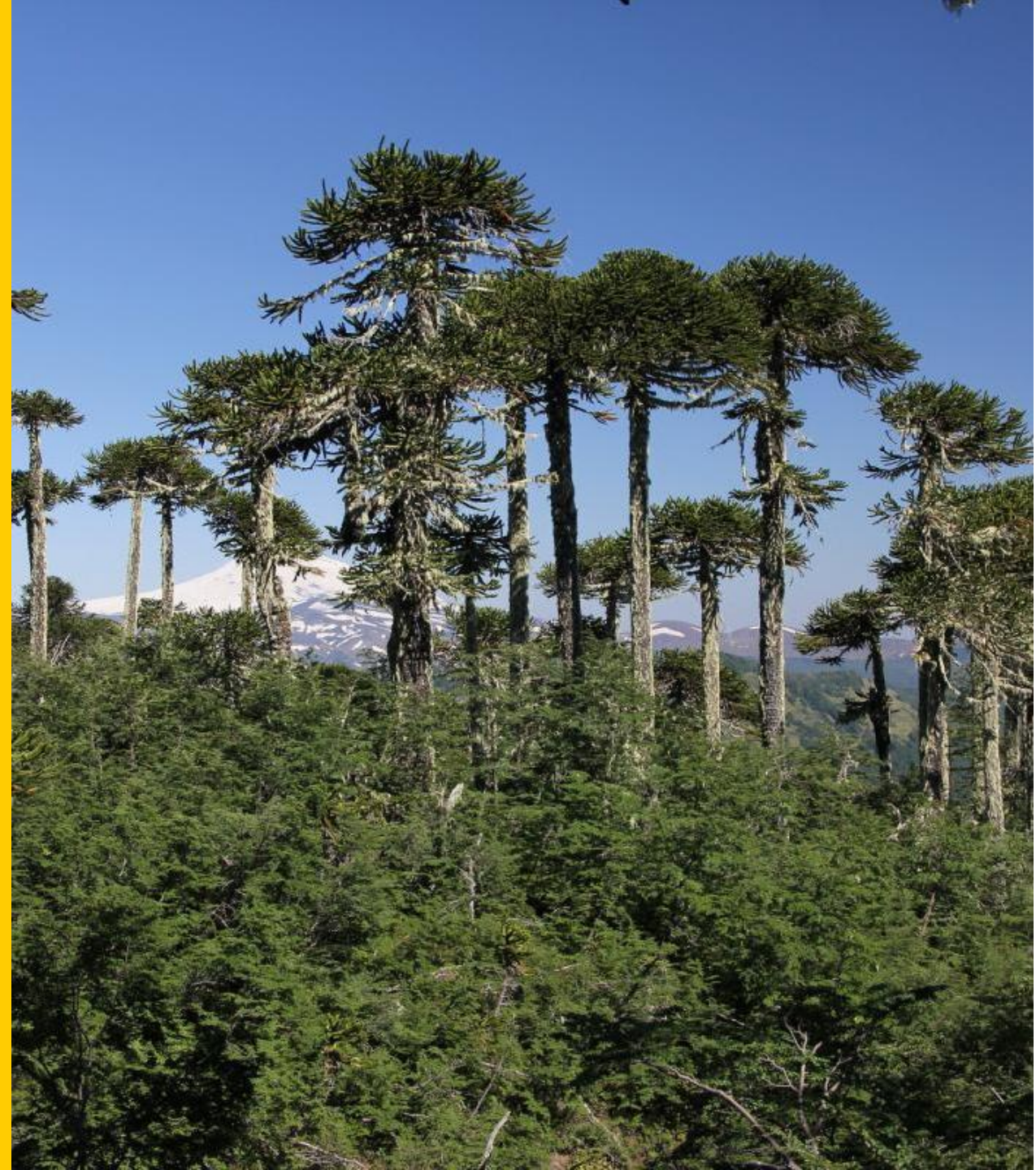
Quick overview of domestic public forest finance solutions

- **Public budget allocations**
 - Government funding via ministries (e.g., environment, forestry)
 - Often supports forest conservation, restoration, and management
- **Environmental taxes & levies**
 - Taxes on forest products or activities (e.g. logging fees)
 - Revenues earmarked for sustainable forest programs
- **Subsidies (incl. repurposing harmful ones) & incentives**
 - Grants or tax breaks for reforestation, agroforestry, or conservation
 - Encourages private sector and community participation
- **Payments for Ecosystem Services (PES)**
 - Compensation to landowners for maintaining forest ecosystem functions
 - Example: watershed protection, carbon storage



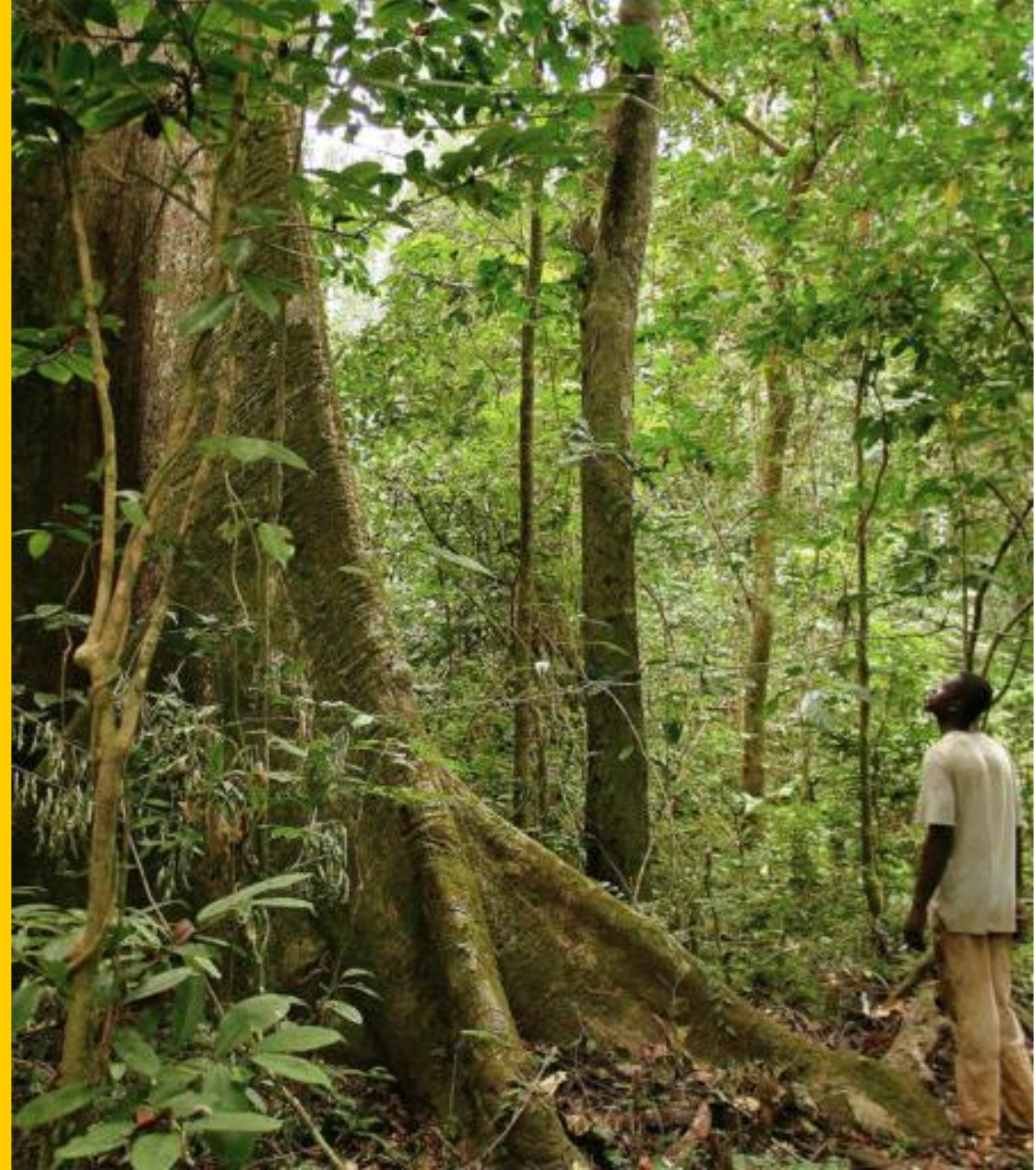
What are National Forest Funds?

- Matta/FAO (2015): “**dedicated financing mechanisms established with the main objective of supporting the conservation and sustainable use of forest resources**”.
- Common characteristic : **extra-budgetary funds**, so “they exist for more than a single government budget cycle” (R & L., 2001)
- FAO & GIZ (2013) considers that NFFs are different from commercial forestry funds which main objective is to provide returns to investors.
- Existing list of + 80 NFFs (FAO, 2015; Liagre, 2023)
- **NFF build on several domestic finance solutions (taxes and levies, PES, etc)**

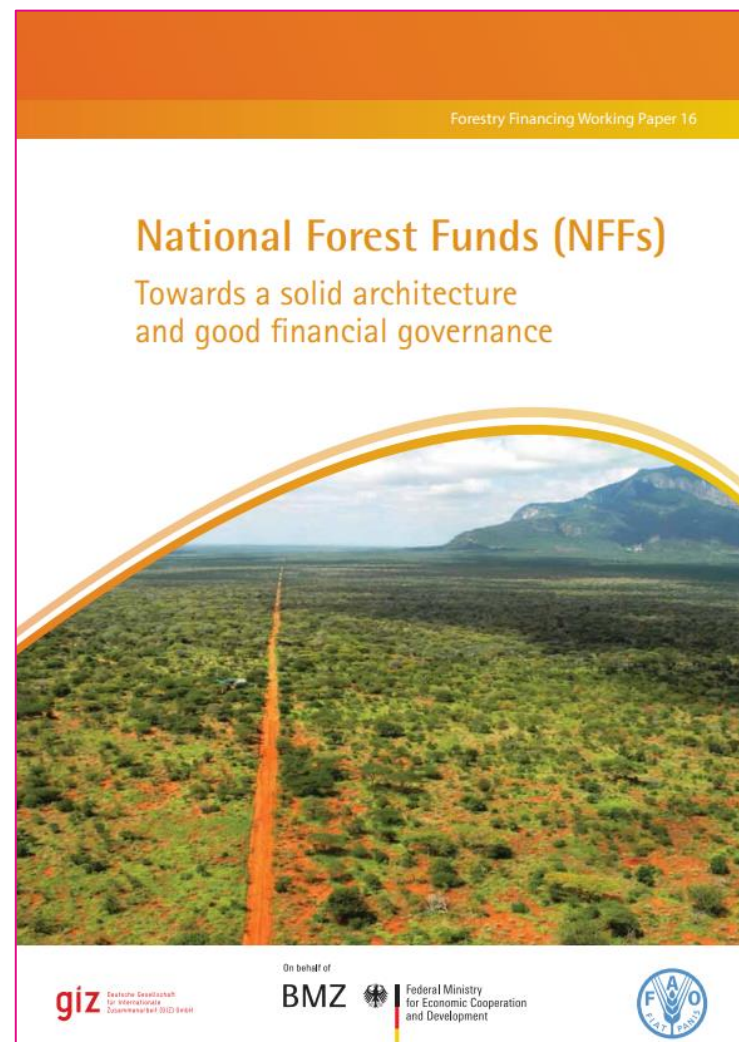


Why are they important?

- NFFs appear among the **priority financing instruments** in several countries from the FF assessment (among others):
 - Congo
 - DRC
 - Guyana
 - Gabon
 - Morocco
- When designed properly, they can mobilize a diversity of funding sources: **domestic, international, public, private**
- NFFs in developing countries “hold or manage an estimated US\$12–13 billion” (FAO, 2015).



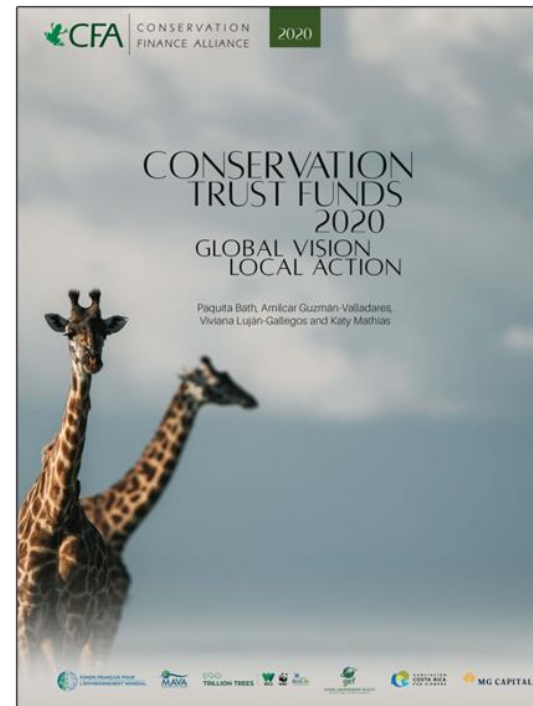
Limited literature on NFFs



Other domestic funds include Conservation Trust Funds

“CTFs are private, legally independent institutions that provide sustainable grant funding for biodiversity conservation. They often finance part of the long-term management costs of a country’s protected area (PA) system as well as conservation and sustainable development initiatives outside Pas (Conservation Finance Alliance, 2020)”

- **More than 100 existing CTFs** around the world (overlaps with NFFs)
- Around **40 new CTFs created between 2010 and 2020**, Africa, Asia, Latin America, and small island states in the Caribbean
- **CTF networks promotes knowledge sharing** and capacity strengthening. **CAFE** is the African CTF regional network, **REDLAC** the one for the LAC region, and **APNET** for Asia-Pacific



Key principles underlying NFF capitalization

Polluter-
degrader-
pays
principle

- Deforestation fines
- Penalties
- Carbon tax
- Biodiversity offsets
- etc

Beneficiary-
pays
principle

- Fees on ecotourism revenues
- Water fees
- PES payments
- etc





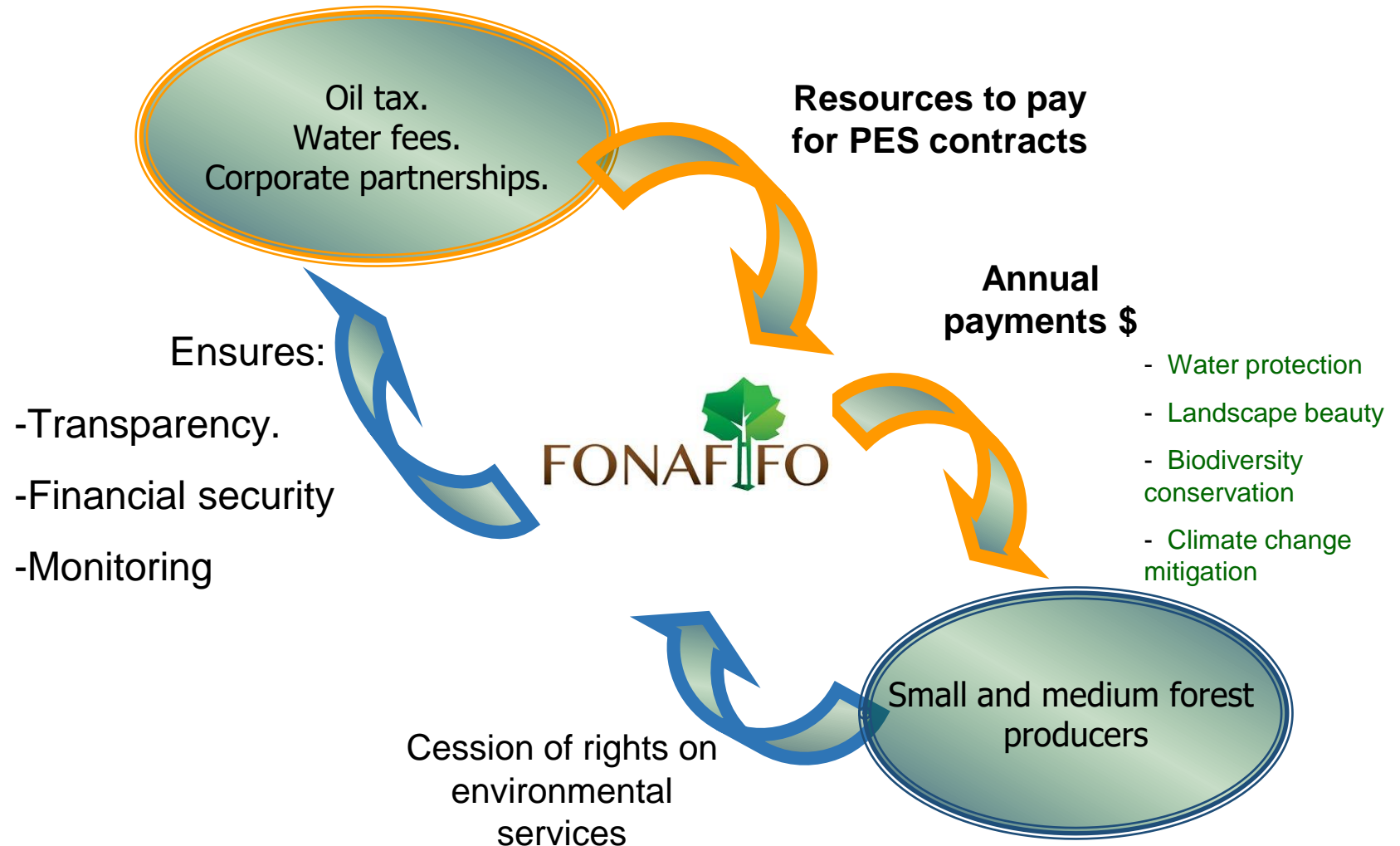
NFF domestic capitalization sources : examples

Fund	Source
National Forest Financing Fund (Costa Rica)	Fuel tax
Green Fund (Trinidad and Tobago)	Levy on general sales
Compensatory Afforestation Fund (India)	Compensation paid by forest-user agencies
Forest Fund (British Columbia, Canada)	Forest royalties
National Forest Fund (Croatia)	Timber sales
National Forest Fund (Morocco)	Tax on timber imports
Forest Fund (Mozambique)	Levy on forest concessions
Forest Development Fund (Zambia)	Forest licences/fees

Example 1: FONAFIFO, Costa Rica



Fund model – rewarding local landholders and local communities



Example 1: FONAFIFO, Costa Rica



FONAFIFO revenues



Revenue / PES spending (in 2019)	Amount (USD)	%
Oil tax	17,919,144	72.49%
Water tariff	2,294,680	9.28%
CSR partnerships	39,712.00	0.16%
Remainings (previous year)	4,468,068	18.07%
TOTAL (anual)	24,721,064	100%

Example 1: FONAFIFO, Costa Rica



PES modalities – spending/supply side



**Forest protection
for water
resources**

\$400 / ha in 5 years
\$80 / ha / year
2 ha min - 300 ha max



**Forest protection
for biodiversity
conservation**

\$375 / ha in en 5 years
\$75 / ha / year
2 ha min - 300 ha max



**Forest
protection**

\$320 / ha in 5 years
\$64 / ha / year
2 ha min - 300 ha max



**Natural
regeneration**

\$205 /ha in 5 years
20% per year
2 ha min - 300 ha max
Contracts for 5 years



Reforestation

\$980 /ha in 5 years
1-50%, 2 -20%, 3 -15%, 4 -10%, 5 -5%
1 ha min - 300 ha max
Contracts for 15 years



Agroforestry

\$1.3 /tree in 3 years
1- 65%, 2- 20%, 3-15%
350 trees min - 10.000 max
Contracts for 5 years

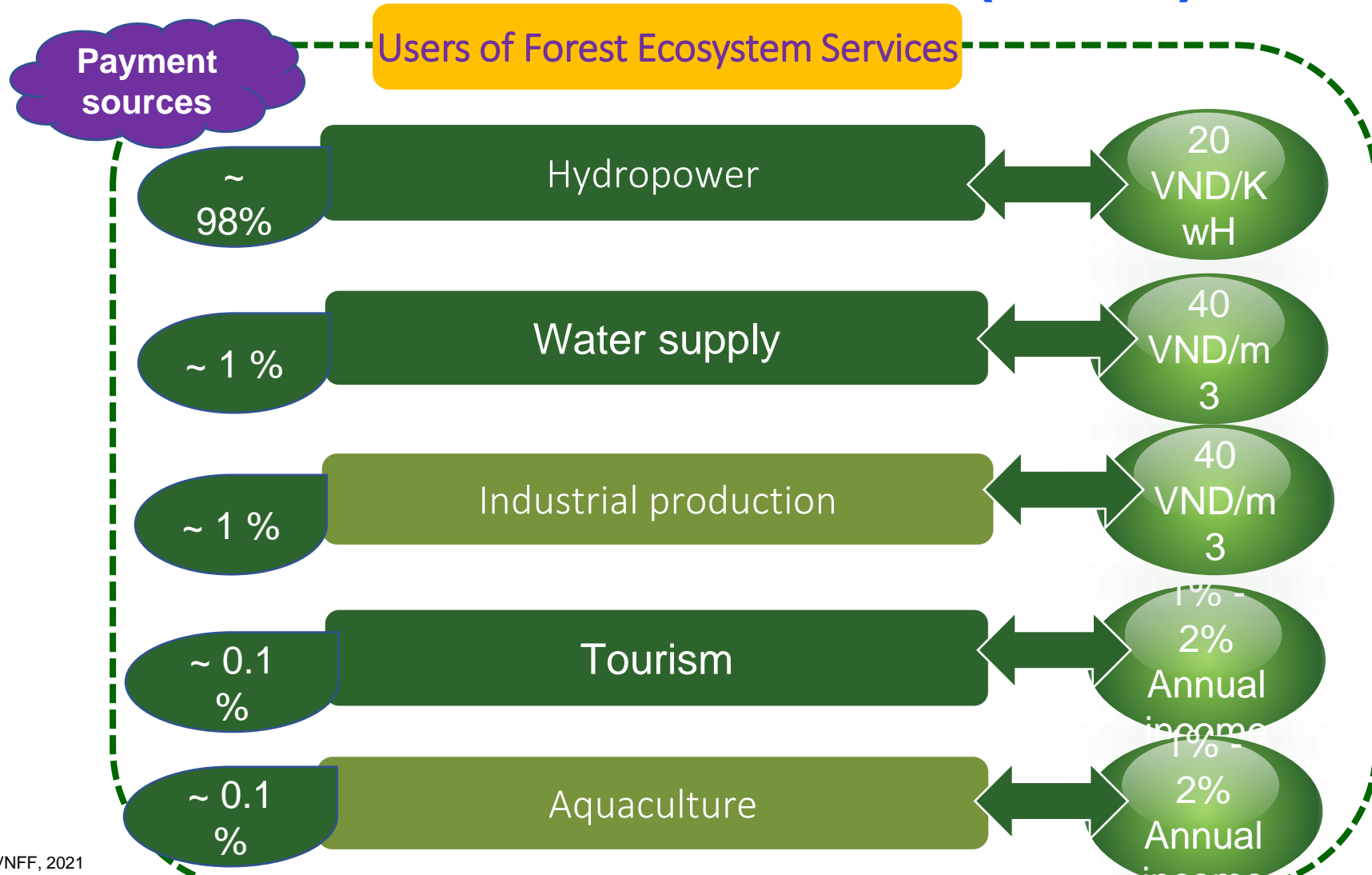
Example 2: Vietnam National Forest Fund (VNFF)



PES approach on the demand side

“Beneficiary-pay principle”

+100 M USD generated / year

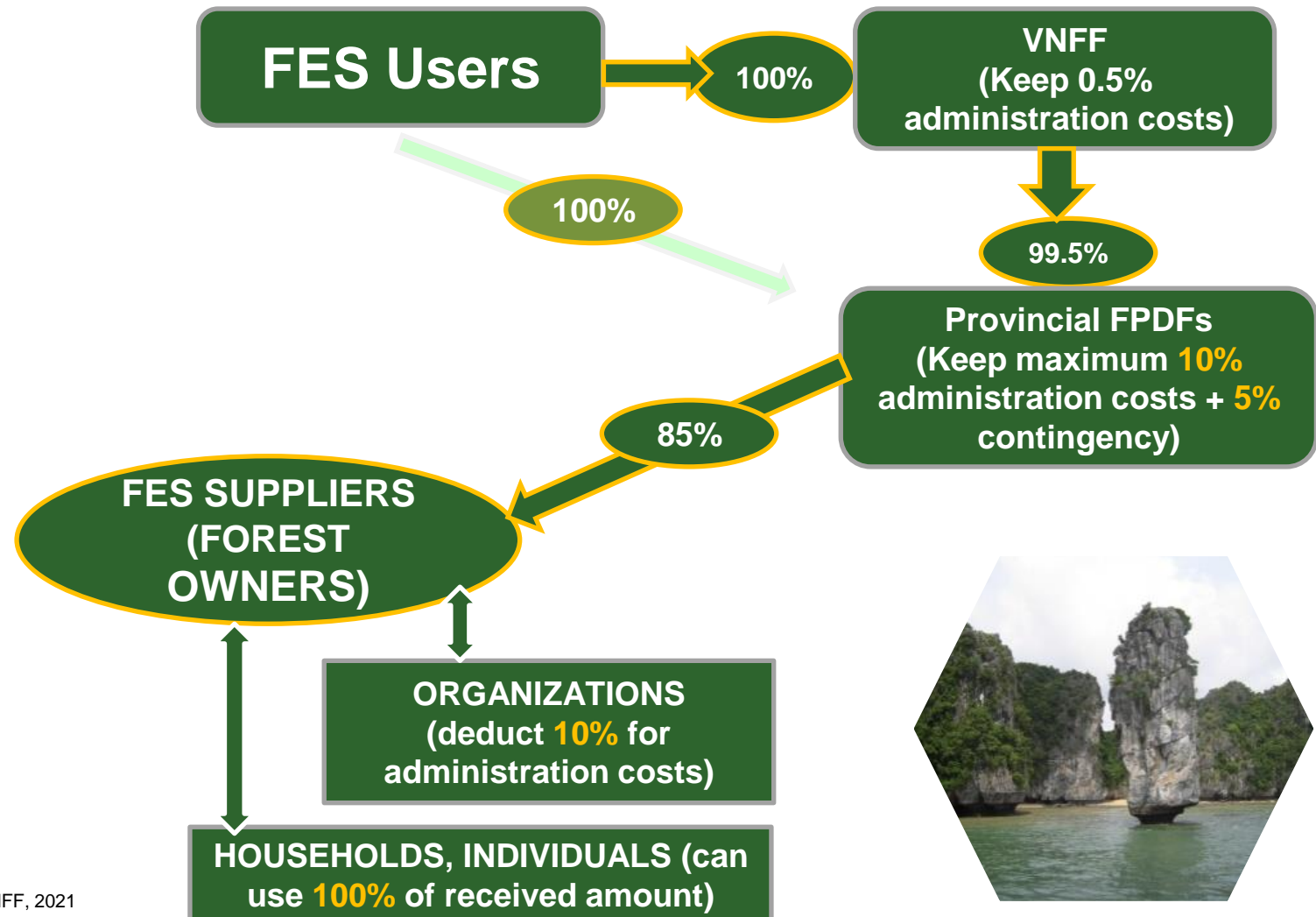


Example 2: Vietnam National Forest Fund (VNFF)



Spending process
of the VNFF

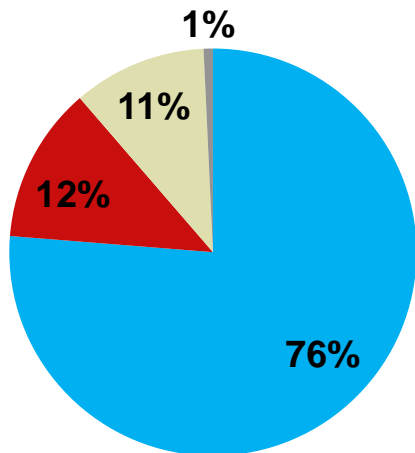
Decentralized
system



Example 3: Moroccan National Forest Fund



NFF income / financial resource
(indicative)



■ Tax on
imported
woods

Affectation of funds:

- 1)- **10%** in **research activities**
- 2)- **90%** in **A/R activities** (including the use of a **compensation mechanism**)

Modalities for 2)-

- Subvention « in kind » : 6000 plants/beneficiary/budgetary exercise
- Subvention (monetary) : 30% A/R costs (limited to 2500 MAD/ha, up to 5 millions MAD/beneficiary/budgetary exercise)
- Reforestation on collective lands in the framework of contracts (between HCEFLCD and the MI/Local collectivity directorate)
>> benefit-sharing : 50% NFF / 50% Collectivity

Example 3: Moroccan National Forest Fund



« Compensation pour mise en défens »

Ruled by law - March 21, 2002; Objective : combating overgrazing; fostering natural regeneration

➤ Calculation of opportunity cost for graziers
=cost of not being able to feed its cattle)compensation amount >> direct payment into the account of associations of farmers - approximately (tbc):

- 500 MAD/Ha (cork oak, cedar trees, pines)
- 700 MAD/Ha (argan trees)

➤ Minimum fenced area : 100 Ha (Argan) / 300 Ha (other tree species)

➤ Funds used for community projects and income generating activities

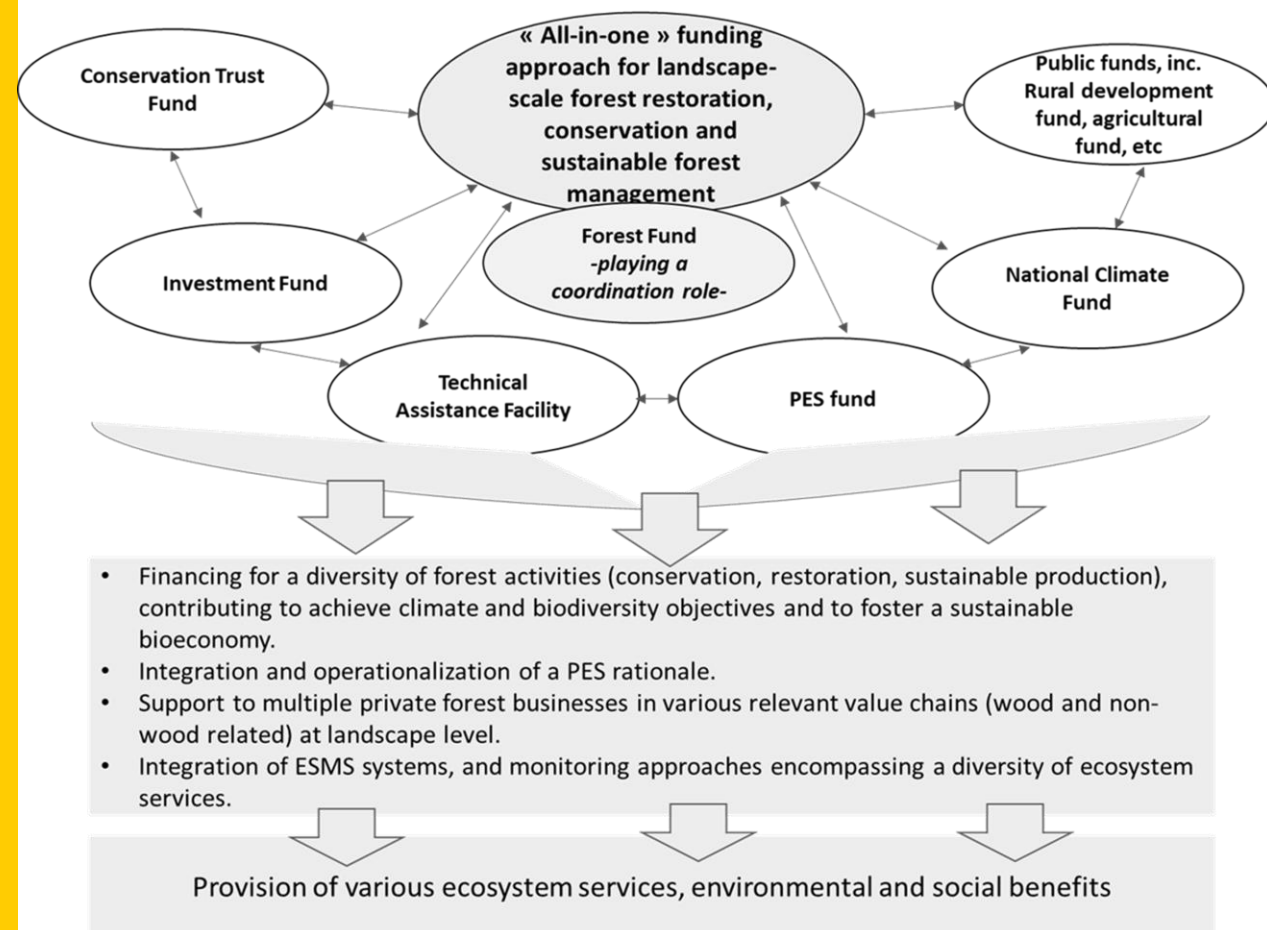


Food for thoughts

- Possible coordination role between domestic funds in view of landscape approaches
- Support to private sector investments: NFF could provide TA and preparation support for commercially-viable projects
- Sharing risks with other funding mechanism (Project preparation facilities, Impact funds, etc)
- Potential innovations: NFFs designed for private sector instruments (e.g. equity, concessional loans) – e.g. Forest Finance Revolving Fund Facility in Guyana



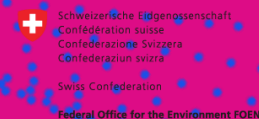
NFFs can be key allies in derisking strategies for increased private sector engagement in the forest investments





July 2025 Biodiversity Finance

Lessons from UNDP/BIOFIN



The story of BIOFIN

Back in 2012...

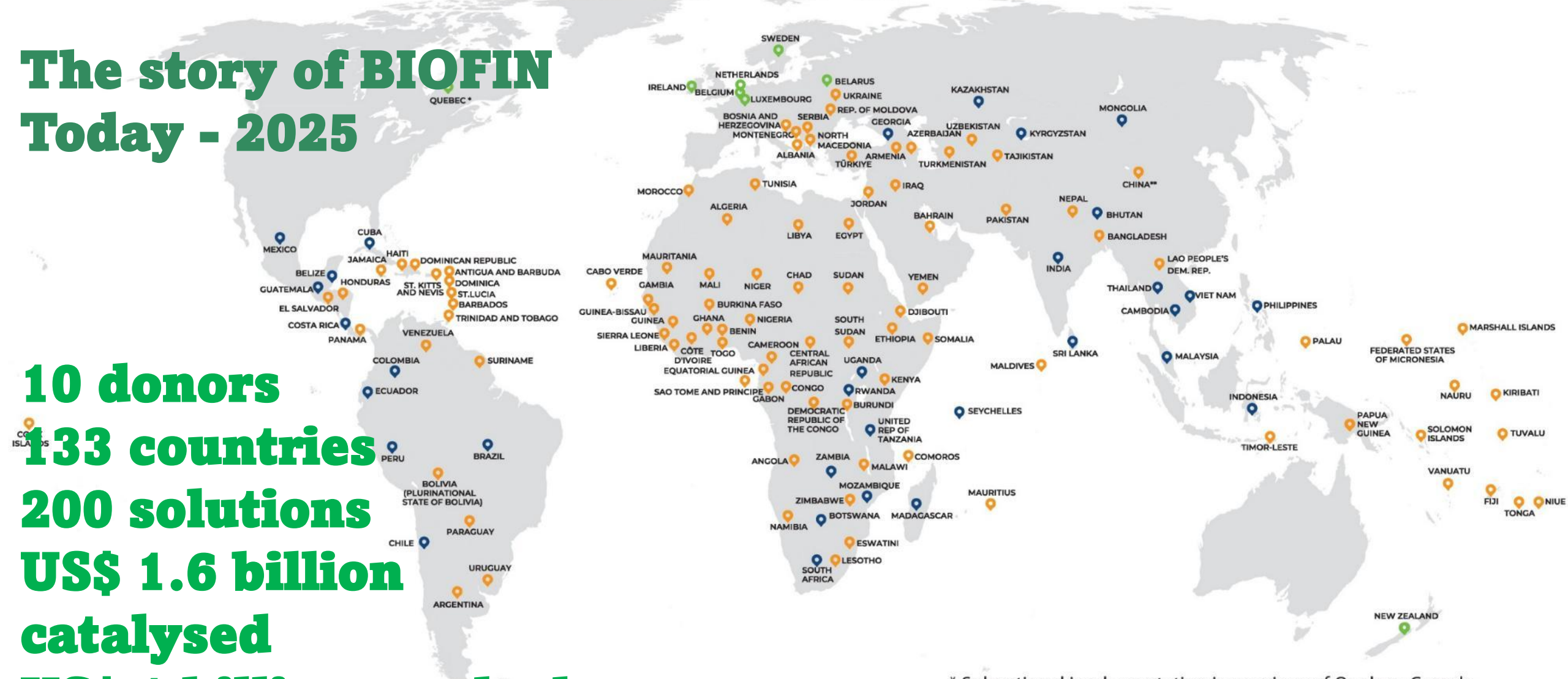


Funded by
the European Union



The story of BIOFIN Today - 2025

10 donors
133 countries
200 solutions
US\$ 1.6 billion
catalysed
US\$ 1 billion tracked
US\$ 10 billion potential



* Subnational implementation in province of Quebec, Canada

** Subnational implementation in Shanghai municipality and Shangdong province, China

 Implementation stage (UNDP)

 Design stage (UNDP)

 Design stage (other)

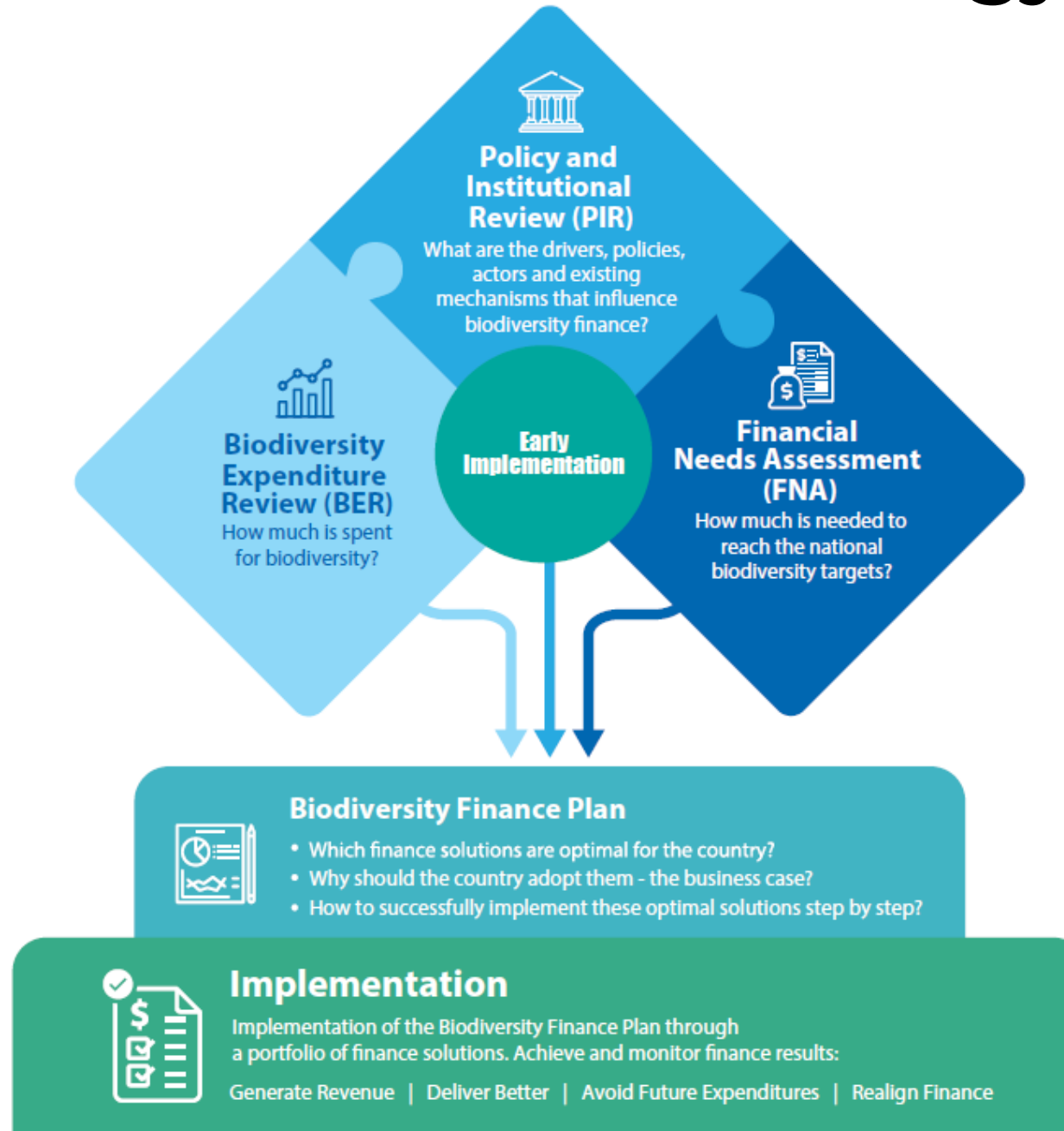
The BIOFIN Methodology

National Steering Committees

Ministries of Environment Finance, Planning and others

Choose & validate solutions

Bottom up



National Teams

National Experts

Embedded in government

Contribute to main policy discussions

National alliance of stakeholders

All countries

Ministry of Finance

Guatemala

Local Government

Academia

Mexico

Central Bank

Zambia

Finance sector

NGOs

Costa Rica

Development Banks

Sri Lanka

SMEs

Costa Rica

Indigenous people

All countries

Ministry of
Environment,
agriculture

Philippines

Fintech

Local communities

NATURE BONDS

CONSERVATION WILDLIFE PLATES

DEBT FOR NATURE SWAPS

ECOLOGICAL FISCAL TRANSFERS

TAX BREAKS/INCENTIVES

FINES/TAXES

RESULTS-BASED BUDGETING

ISLAMIC FINANCE

REPURPOSING SUBSIDIES

PROTECTED AREA/TOURISM FEES

PES

TAXONOMIES

PUBLIC SECTOR MAIN FOCUS

CATALOGUE OF FINANCE SOLUTIONS >150 Mechanisms

PRIVATE SECTOR MAIN FOCUS

IMPACT INVESTMENT/PIPELINE

FINTECH/GAMING APPS

INSURANCE

BIODIVERSITY CREDITS/OFFSETS

GREEN LOANS/CREDITS

CROWDFUNDING/REMITTANCES

CONSERVATION FUNDS

CERTIFICATION

CSR

LOTTERIES

DISCLOSURE FRAMEWORKS

CARBON CREDITS





BOTSWANA

Protected Area Revenues

5 National Parks





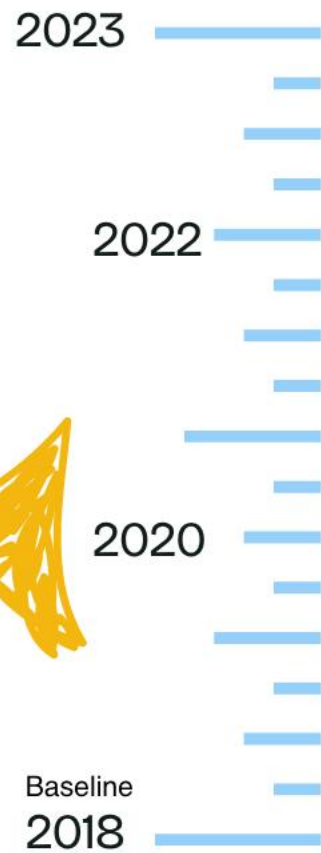
Kazakhstan

6.1 million hectares added to conservation



As of 2024, Kazakhstan designated 29 million hectares as protected areas, covering 10.77 percent of the country's land

Protected Area Budgets



\$70.3M

\$38.8M

\$27.5M

\$22.5M





Philippines

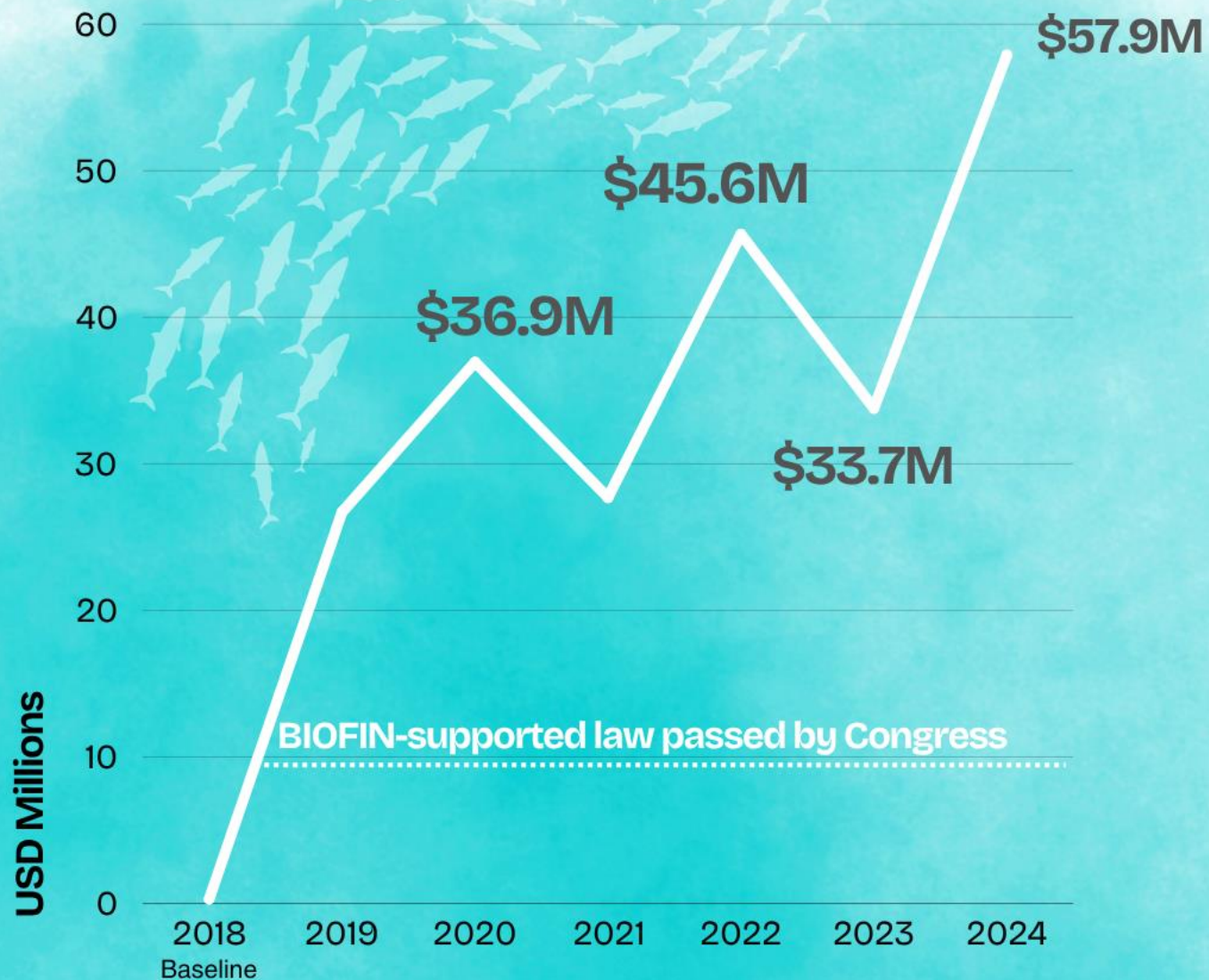
Expanded Protected Area Budgets

2018 Expanded NIPAS Act (supported by BIOFIN) significantly increased budget for protected areas

2024 Figures show 190-fold increase (compared to baseline), driven by legislative reform and continued investment advocacy by BIOFIN



Protected Area Budgets





Zambia

Private Sector led solutions



\$150m Raised through Corporate Green Bonds

Contributed to Zambia's first green bond framework, including support to regulators in shaping the 2019 Green Bond Guidelines.

Tax breaks in place for green bonds



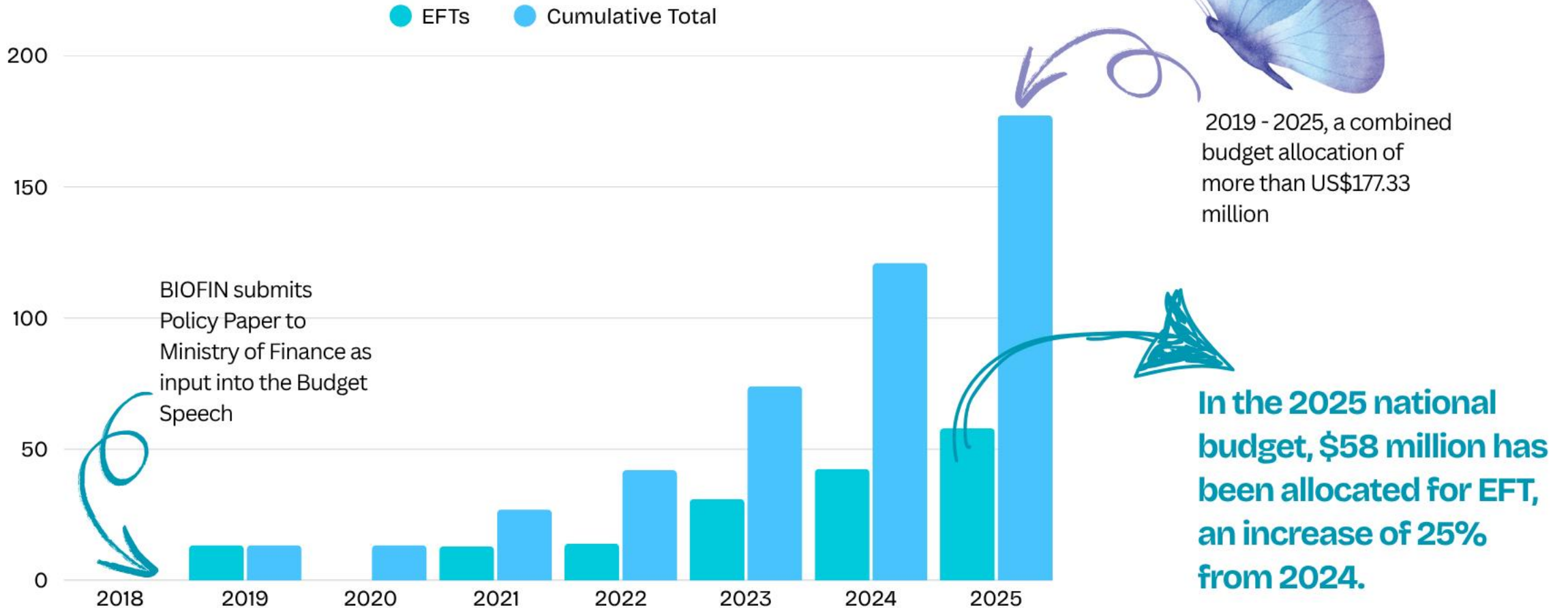
Target \$200m in Green Bonds





Malaysia

EFTs unlock US\$177.33 million for forest reserves and protected areas





What is it?

- *First Tourism Incubator mobilizing to fill finance void for indigenous entrepreneurs NBSAP goal 63*

Results?

- **USD \$ 1.5 mobilized** to date blending finance sources from Development Bank System Funds for innovation (US 600k), Ministry of Labor (USD \$ 514), Learning Institute (Technical Assistance)
- 3 generations of indigenous entrepreneurs; 28 approved projects benefiting 68 people (67% women)
- Total of 2101 people benefited 53% women in general
- 1,891 ha of forest under sustainable use



Private Sector

- TNFD/Central Banks Risk Assessment
- Biodiversity Credit Alliance
- Nature and Insurance
- Nature Bonds
- Nature Investment Facility
- Tiger Landscapes Investment Fund
- Enabling environment/National Investment Platform/Pipelin



Nature and infrastructure

- Mitigation hierarchy
- Strategic Environmental Assessment
- Environmental Impact Assessment
- Biodiversity Offsets
- Renewable energy mitigation/compensation
- Investments in nature-based infrastructure





Innovative Finance



Jaguar Insurance

World-first Jaguar Insurance launched in Misiones, Argentina.



NFT Art Auction

NFT campaign titled "Art for Nature" has raised US\$5,368 to date.



Gaming for Good

The "Animal Town" mobile gaming app has attracted almost 20,000 gamers



Digital Wallets

GCash app that allows users to plant real trees by performing eco-friendly actions.



The **open source** insurance product can be scaled across Latin America, where jaguar landscapes contribute up to **US\$4 trillion** in ecosystem services



Sukuk Bonds

investment of Indonesia's Sukuk of US\$2.8 million has now fully materialized



Crowdfunding

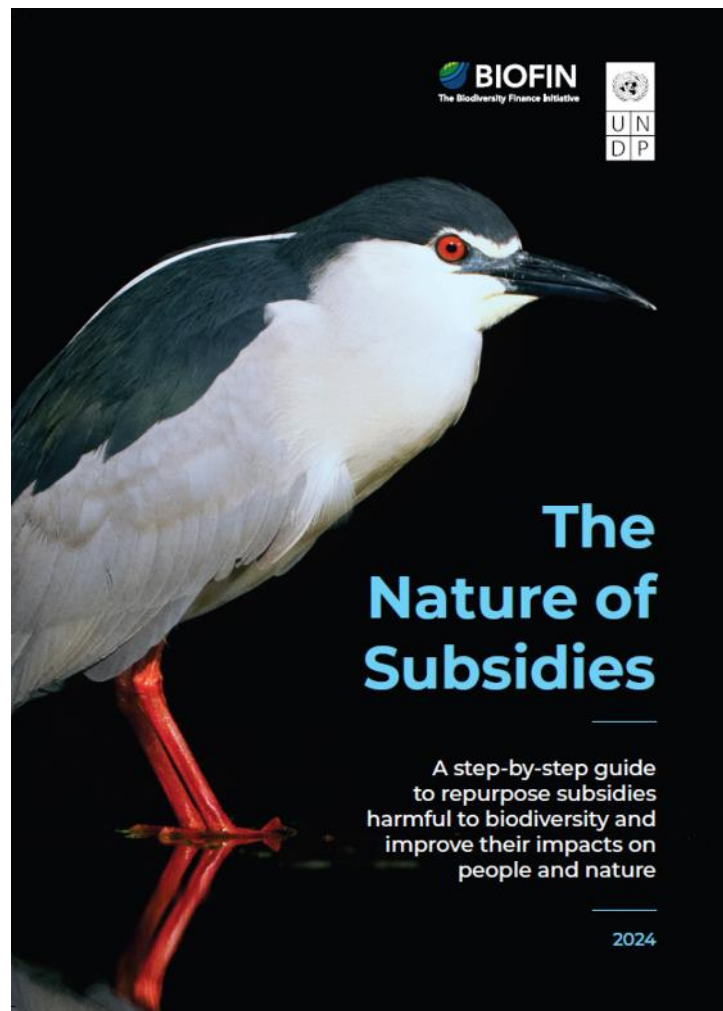
In Costa Rica, \$1.8 million raised to restore a forest and generate hundreds of green jobs



Digital Transformation

In Rwanda, a digital platform now used to levy and manage environmental fines

Repurposing subsidies



Three step process

- 1) Screening
- 2) Repurposing plan
- 3) Redesigning priority subsidies

Preliminary inventory of harmful subsidies

> 100 countries

Four types of scenarios

- 1) Phasing out
- 2) Reducing
- 3) Greening
- 4) Repurposing



Colombia



Greening the Agriculture Credit System

In six years



LOSS OF FOREST AREA



3.7 TIMES THE SIZE OF BOGOTA LINKED TO AGRICULTURE EXPANSION



BIOFIN DEVELOPS HARMFUL SUBSIDIES' ASSESSMENT IN COLOMBIA

2022

FINAGRO RECOGNIZES "UNINTENDED EFFECTS ON BIODIVERSITY LOSS OF THEIR AGRICULTURAL CREDIT SYSTEM"



PATHWAY TO GREENING THE AGRICULTURAL CREDITS SYSTEM

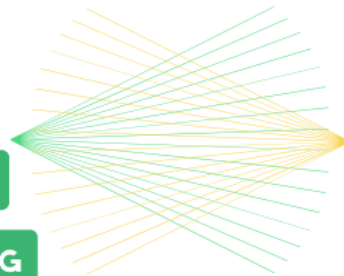
PARTNERSHIP LAUNCHED

TRACKING TOOL

CREDIT INCENTIVES

GEO-LOCALIZATION

FINANCIAL MODELLING



Non-Timber Products

Coffee

Cocoa

Yuca

Rice

Livestock

GREENING US\$1.93B OF FINAGRO CREDITS

20%

2024

Target: 2025-26

\$9.9 BILLION

GREENING 100% OF FINAGRO CREDITS SYSTEM



ECUADOR

Green Credits for Small and Medium Enterprises



August 2024

\$804m

Green Loans Disbursed

2030

7X Growth

\$108m

2022

Partnership
with 78 Credit
Unions



50%+ loans to
women-led
businesses

Eco-agriculture Renewable Energy

Green Buildings



THAILAND

Repurposing Harmful Subsidies



2021  BIOFIN study on **subsidies** and ecological impacts of sea wall

2023  Landmark Cabinet decision orders walls **removed**



2025-6
**Expenditures in
Sea walls US\$ 0**

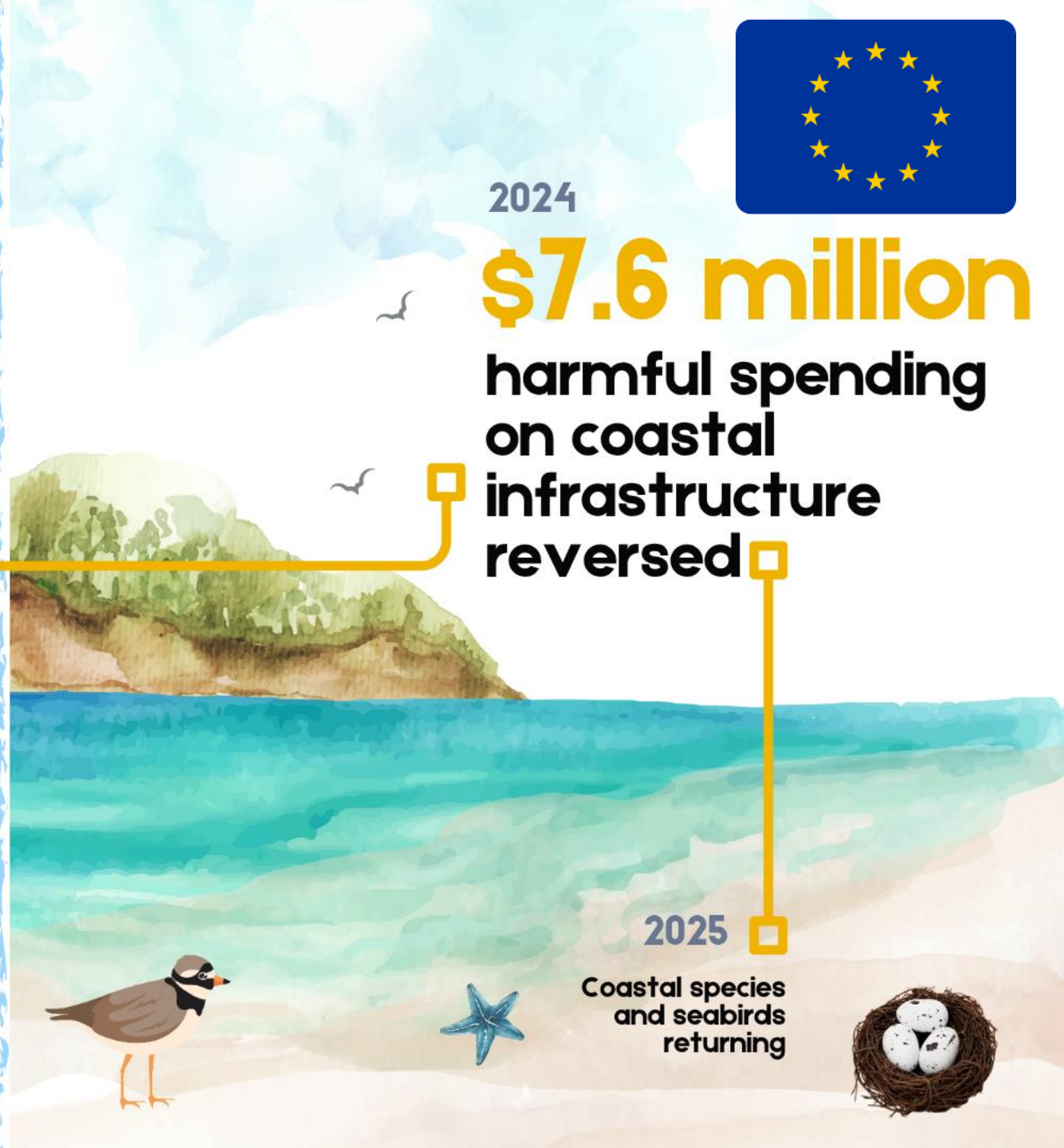


2024

\$7.6 million
harmful spending
on coastal
infrastructure
reversed

2025 

Coastal species
and seabirds
returning



Many thanks for your attention

