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Euroclima

Building a Green and Just Transition with Latin America and the Caribbean

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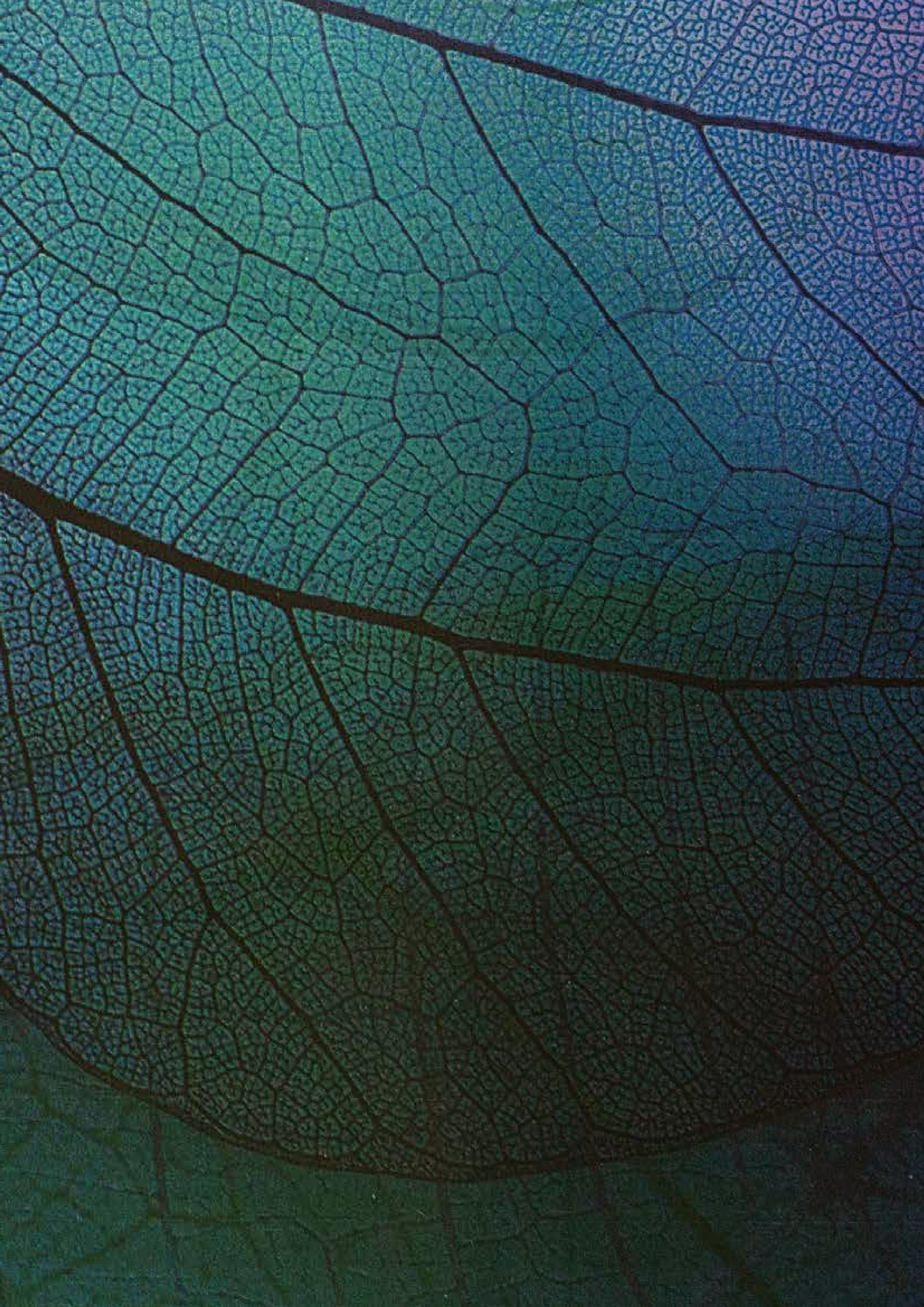
UN environment programme



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ABBREVIATIONS AND ACRONYMS

ACE: Action for Climate Empowerment

ACTO: Amazon Cooperation Treaty Organisation

ACD: (Spanish abbreviation) Zero Deforestation Agreements

AECID (Spanish abbreviation): Spanish Agency for International Development Cooperation

AEMET (Spanish abbreviation): Spanish State Meteorological Agency

AF: Adaptation Fund

AFD (French abbreviation): French Development Agency

AFOLU: Agriculture, Forestry and Land Uses

ArticuLAC: Public-Private Articulation for Climate Action

ASADAS (Spanish abbreviation): Communal Aqueduct Management Associations

BMZ (German abbreviation): Federal Ministry for Economic Cooperation and Development

CAEP: Climate Action Enhanced Package

CAF: Development Bank of Latin America

CAP: Country Action Plan

CC: Climate Change

CELAC: Community of Latin American and Caribbean States

CITMA (Spanish abbreviation): Ministry of Science, Technology and Environment (Cuba)

COP: United Nations Conference on Climate Change

COVID-19: Coronavirus 2019 disease

CPI: Carbon Pricing Instruments

CPL: Community of Practical Learning

DG INTPA: Directorate General for International Partnerships

DG: Directorate General

DGCCD: Directorate-General for Climate Change and Desertification (Peru)

DRR: Disaster Risk Reduction

DRM: Disaster Risk Management

EbA: Ecosystem-based adaptation

ECDBCAR (Spanish abbreviation): Colombia's Adaptive and Resilient Low-Carbon Development Strategy

ECLAC: Economic Commission for Latin America and the Caribbean

Eco-DRR: Ecosystem-based Disaster Risk Reduction

EE: Energy efficiency

EF: Expertise France

ENACE (Spanish abbreviation): National Strategy for Action for Climate Empowerment

ENDRCH (Spanish abbreviation): Honduras' National Strategy for Decarbonisation and Climate Resilience 2020-2050

ETS: Emissions Trading System

EU: European Union

EUD: Delegation of the European Union

Euroclima: Regional environmental sustainability and climate change programme for Latin America

EV: Electric Vehicles

FBE: Forest, Biodiversity and Environment

FAO: Food and Agriculture Organisation of the United Nations

FIAP (Spanish abbreviation): International and Ibero-American Foundation for Public Administration and Policy

GAP: Gender Action Plan

GCF: Green Climate Fund

GDP: Gross Domestic Product

GEF: Global Environment Facility

GGIA: Global Gateway Investment Agenda

GHG: Greenhouse gases

GIZ (German abbreviation): Deutsche Gesellschaft für Internationale Zusammenarbeit, GmbH

IA: Implementing Agencies

ICCC: Inter-Agency Committee on Climate Change

IDB: Inter-American Development Bank

IICA: Inter-American Institute for Cooperation on Agriculture

ILO: International Labour Organisation

IMF: International Monetary Fund

INAMHI (Spanish abbreviation): National Institute of Meteorology and Hydrology (Ecuador)

IPCC: Intergovernmental Panel on Climate Change

IWRM: Integrated Water Resource Management

LAC: Latin America and the Caribbean

LACCW: Latin American and Caribbean Climate Week

LAIF: Latin America Investment Facility

LCIPP: Local Communities and Indigenous Peoples Platform

LEDS LAC: Regional Platform for Latin America and the Caribbean for Low Emission and Resilient Development Strategies

LTS: Long-term climate strategy

LULUCF: Land Use, Land Use Change and Forestry

M&E: Monitoring and Evaluation

MAATE (Spanish abbreviation): Ministry of Environment, Water and Ecological Transition (Ecuador)

MADES (Spanish abbreviation): Ministry of Environment and Sustainable Development (Paraguay)

MADS (Spanish abbreviation): Ministry of Environment and Sustainable Development (Colombia)

MARENA (Spanish abbreviation): Ministry of Environment and Natural Resources (Nicaragua)

MARN (Spanish abbreviation): Ministry of Environment and Natural Resources (El Salvador)

MCM: Management Committee meeting

MiAmbiente (Spanish abbreviation): Ministry of Environment (Panama)

MIDEPLAN (Spanish abbreviation): Ministry of National Planning and Economic Policy

MINAE (Spanish abbreviation): Ministry of Environment and Energy (Costa Rica)

MINAM (Spanish abbreviation): Ministry of Environment (Peru)

MMA (Spanish abbreviation): Ministry of the Environment

MRV: Measurement, Reporting and Verification

NAMA: Nationally Appropriate Mitigation Action

NAP: National Adaptation Plan

NBSAP: National Biodiversity Strategies and Action Plan

NCBs: Non-Carbon Benefits

NDC: Nationally Determined Contributions

NFP: National Focal Point

NGOs: Non-Governmental Organisations

NSUMP: National Sustainable Urban Mobility Plan

NUMP: National Urban Mobility Policies

OECD: Organisation for Economic Co-operation and Development

ORA: (Spanish Abbreviation) Amazon Regional Observatory

OLADE: Latin American Energy Association

PDES (Spanish abbreviation): Bolivia's Economic and Social Development Plan 2021-2025

PNAyMCC (Spanish abbreviation): Argentina's National Climate Change Adaptation and Mitigation Plan 2030

PSC: Programme Steering Committee

PSU: Programme Support Unit

RECCCO: Regional Climate Change Committees

RVSPM (Spanish abbreviation): Wildlife Refuge Punta de Manabique

SARAS (Spanish abbreviation): Environmental and Social Risk Analysis System (Ecuador)

SCCDSI (Spanish abbreviation): Secretariat for Climate Change, Sustainable Development, and Innovation (Argentina)

SDGs: Sustainable Development Goals

SEMARNAT (Spanish abbreviation): Secretariat for the Environment and Natural Resources (Mexico)

SICA (Spanish abbreviation): Central American Integration System

SIF: Sustainable Infrastructure Foundation

SLOCAT: Sustainable Low Carbon Transport Partnership

SMEs: Small and medium-sized enterprises

SNIP: National Systems of Public Investment

SPC: Social Price of Carbon

SUDS: Sustainable Drainage Systems

SUMP: Sustainable Urban Mobility Plan

TA: Technical Assistance

TBC: To be confirmed

TCCW: Transport and Climate Change Week

UN: United Nations

UNDP: United Nations Development Programme

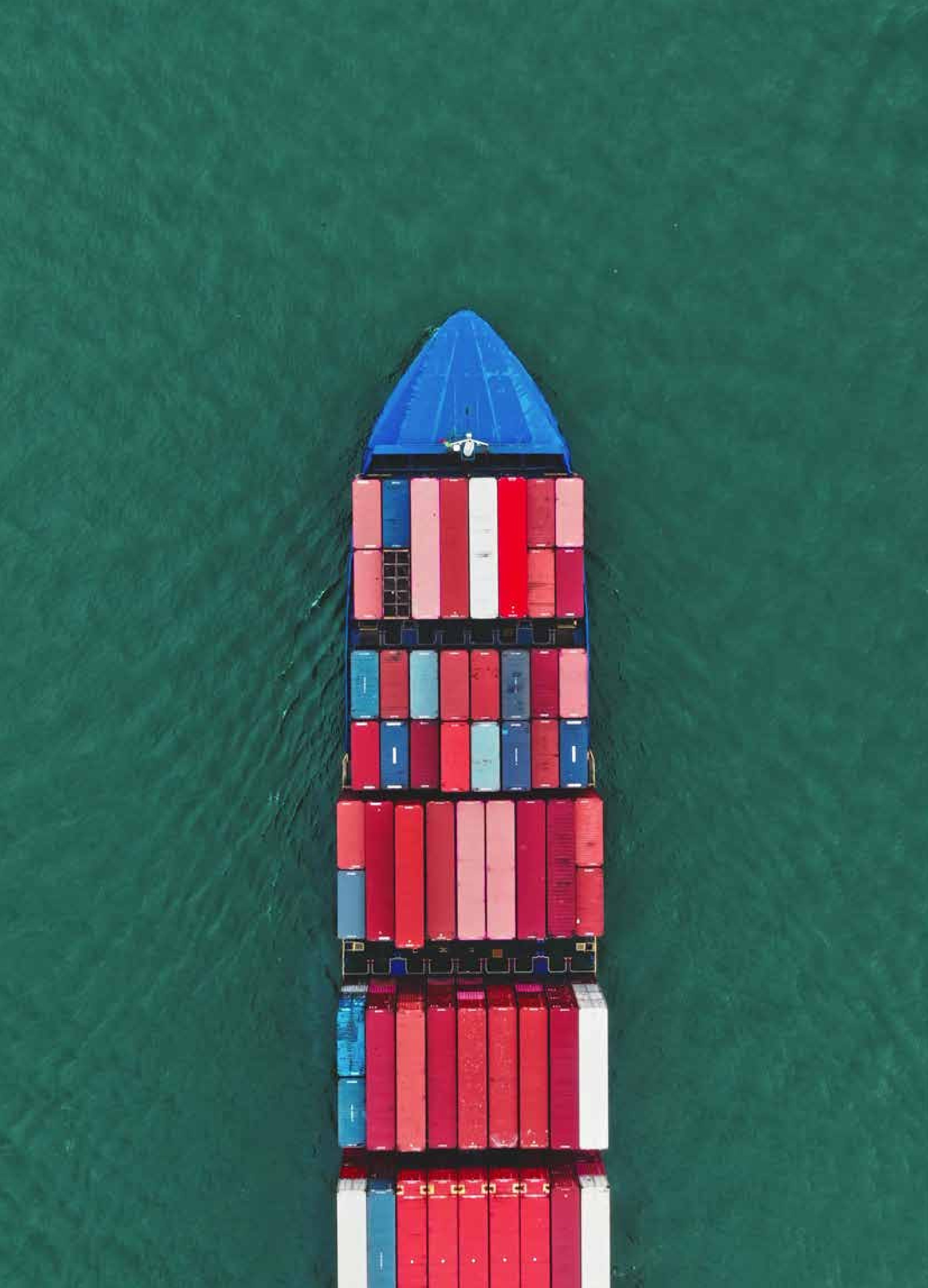
UNEP: United Nations Environment Programme

UNFCCC: United Nations Framework Convention on Climate Change

UNITEC: Central American Technological University

WMO: World Meteorological Organisation

WUF: World Urban Forum



EXECUTIVE SUMMARY

In 2025, Euroclima continued to consolidate its role as one of the European Union's main cooperation instruments for supporting the green and just transition in Latin America and the Caribbean. The programme operated in a regional context marked by political transitions, intensifying climate impacts, biodiversity loss, fiscal constraints and growing demand for investment-ready climate and environmental solutions. Against this background, Euroclima strengthened its contribution to EU–LAC cooperation by helping partner countries translate climate and biodiversity priorities into policies, capacities, technical studies, investment preparation and regional cooperation mechanisms aligned with the EU Global Gateway Strategy.

By the end of 2025, Euroclima had supported 365 interventions across 33 partner countries, 63 more than in 2024. The portfolio expanded most strongly in energy transition, including green hydrogen, which became the largest thematic area with 55 interventions. Other major areas of work included governance, policies, strategies and plans, with 49 interventions; sustainable mobility, with 47; biodiversity and ecosystems, with 45; and sustainable and climate finance, with 40. The growth of circular economy from one intervention in 2024 to eight in 2025 also indicates the emergence of this area as a distinct part of the programme's portfolio. Regional and multi-country actions remained important, with 97 interventions supporting cross-border learning, policy coordination and shared technical challenges, particularly in biodiversity, sustainable finance, energy transition, governance and bioeconomy.

The programme's strategic positioning evolved further during the year. Following the approval in 2024 of the additional EUR 55 million Euroclima Global Gateway phase for 2026–2028, 2025 became a transition year towards a more investment-oriented operating model. Euroclima's role is increasingly focused on creating the regulatory, institutional, technical and social conditions that allow sustainable investments to be designed, financed and implemented. This includes support to policy and regulatory frameworks, technical diagnostics, feasibility studies, business planning, climate-risk analysis, capacity development and regional dialogue platforms. In this sense, Euroclima acts as a policy enabler and technical cooperation arm for the EU–LAC Global Gateway Investment Agenda (GGIA).

Important results were achieved across the programme's thematic areas. In climate governance, Euroclima supported the implementation of NDCs, long-term strategies and territorial climate planning. Regional coordination advanced through the peer-to-peer dialogue on NDC implementation, which concluded in 2025 after facilitating 19 country exchanges and upgrading the regional NDC portal. At national and subnational levels, support contributed to regional climate action plans in Chile, territorial NDC implementation in Peru, fire management in Guatemala and early warning systems in Bolivia.

In energy transition and green hydrogen, Euroclima helped reduce market and investment risks through technical assistance, regulatory support and public–private dialogue. In Panama, support to electricity planning and grid regulation provided technical inputs for a potential EUR 300 million European Investment Bank loan. In the Caribbean, a photovoltaic hosting capacity study for six OECS member states and study tours on wind and marine energy helped strengthen regional readiness for renewable energy integration. The H2LAC platform also advanced EU–LAC cooperation on green hydrogen through dialogue sessions and training activities involving public and private stakeholders.

Euroclima's work on climate and sustainable finance focused on strengthening the enabling conditions for investment. A major achievement was the publication of the first edition of the Brazilian Sustainable Taxonomy in November 2025, following an inclusive process involving financial institutions, civil society and public-sector actors. In Mexico, a climate stress test helped financial institutions better understand exposure to physical and transition risks. In Colombia, technical assistance supported the development and piloting of a blended finance guide for biodiversity and climate adaptation. In Panama, a blue carbon feasibility study in the Gulf of Montijo generated evidence and a replicable multicriteria tool for assessing the viability of blue carbon projects.

In biodiversity, ecosystems and bioeconomy, Euroclima supported nature-positive development through actions linking conservation, livelihoods and sustainable value chains. In Brazil, initiatives strengthened community-based bioeconomy enterprises in cocoa and açaí value chains and improved policy instruments for socio-biodiversity products. In Costa Rica, the Biodiversidad 30x30 project incorporated gender and intercultural approaches into biological corridor management and supported ecosystem restoration in Indigenous territory. In the Amazon, regional cooperation continued to promote cross-border bioeconomy enterprises and assess mechanisms for supporting access to European markets.

In sustainable mobility, the programme helped partner countries move from policy ambition towards planning, pilot implementation and investment preparation. Results included support to Sustainable Urban Mobility Plans in Argentina, traffic calming and cycling infrastructure in Uruguay, the expansion of Guadalajara's MiBici public bicycle system in Mexico, and regulatory and institutional support for active and electric mobility in the Dominican Republic, Guyana, Colombia and Costa Rica. In Saint Lucia, Euroclima supported a feasibility study for a low-carbon ferry system, helping assess demand, technical options and future investment pathways.

Euroclima also advanced adaptation, resilience, water management and disaster risk reduction in highly exposed territories. In Uruguay, support for coastal adaptation generated preliminary designs for hybrid infrastructure solutions. In Honduras, work in the Goascorán basin completed 14 infrastructure projects related to water, waste, and disaster risk management and secured legal protection for six micro-watersheds. In Panama, support in Kusapín installed water harvesting systems in schools and strengthened the resilience of 119 farmers. In Guatemala, the Selegua River Basin Protection and Conservation Plan was developed through a participatory governance process and accompanied by capacity development for 128 municipal, institutional and civil society stakeholders.

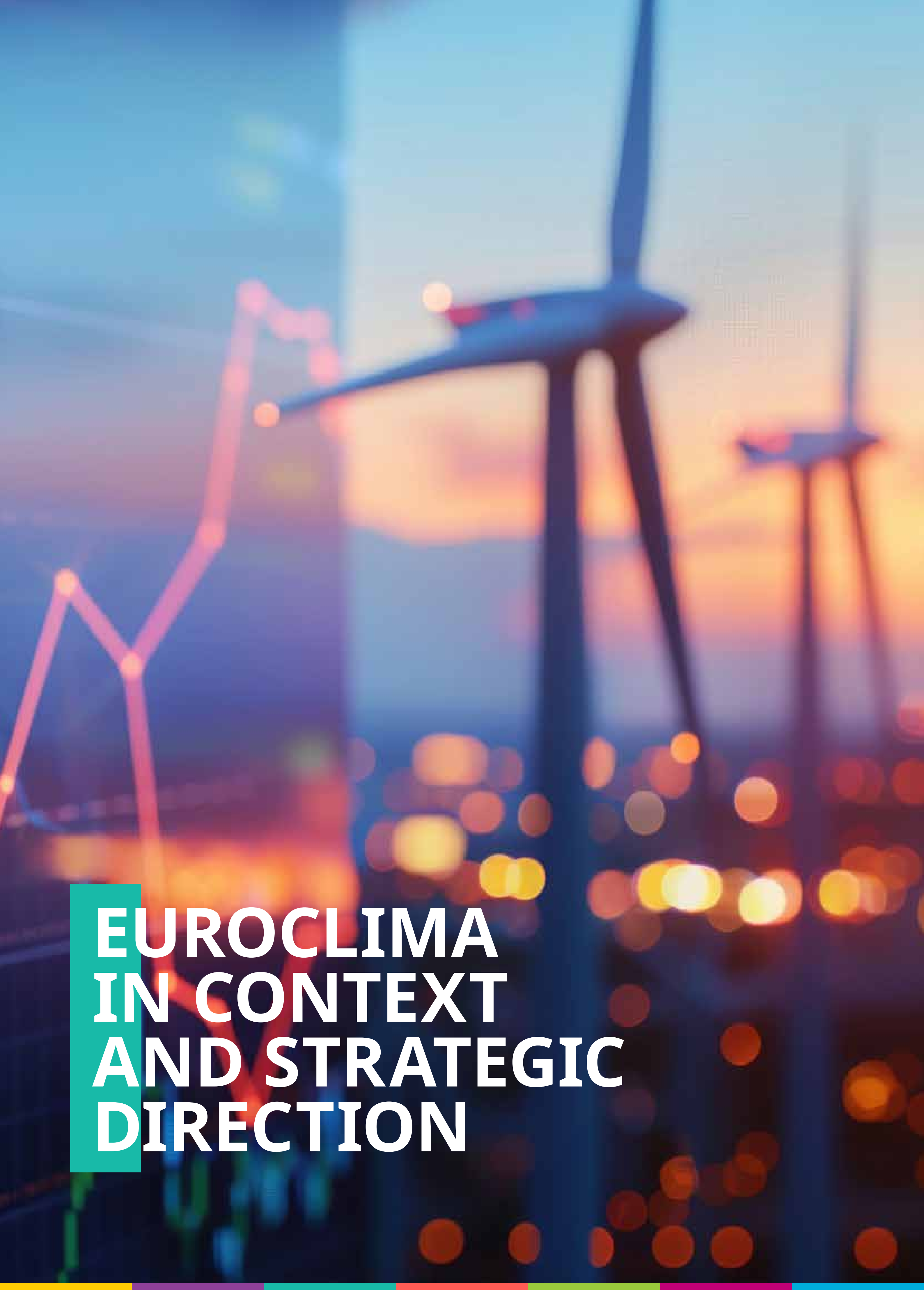
The just transition remained a central cross-cutting priority. In 2025, Euroclima supported the integration of gender and social inclusion into climate planning, technical tools and sectoral strategies. In Chile, the programme supported the world's first gender-focused study on the green hydrogen industry, generating new evidence on women's participation and gender gaps across the sector. In Uruguay, the Sustainable Livestock action revised its gender and youth plan and convened a national meeting of more than 260 women linked to the livestock sector. At the regional level, the UN Working Group on Gender and Environment, supported by Euroclima, concluded a study on gender equality and green employment across 19 countries, providing evidence to support women's participation in emerging green sectors.

Country engagement continued to provide the operational basis for aligning Euroclima support with partner priorities. In Latin America, most countries had already completed at least one round of Country Dialogue, with several moving into second rounds linked to updated policy priorities and investment-oriented agendas. In the Caribbean, where engagement is more recent, several countries progressed during 2025 from scoping and context analysis towards approved, drafted or operational action plans. The Country Dialogue experience now provides an important legacy for the transition towards the Euroclima Global Gateway phase, where new action identification will be increasingly embedded in broader EU bilateral dialogue and aligned with Global Gateway priorities.

Regional cooperation, partnerships and knowledge exchange remained essential to the programme's delivery model. Communities of practice and platforms such as SoMoS LAC, ArticuLAC and H2LAC supported peer learning, public–private dialogue and policy coordination. The 2025 Annual Meeting in Santo Domingo provided a platform for more than 30 countries to discuss Euroclima's evolving role under the theme "Strengthening the EU–LAC Partnership for a Green and Just Transition". Knowledge products, Capacity4Dev dissemination, webinars, training sessions and study tours also helped translate technical results into accessible evidence and learning for policymakers and practitioners.

Euroclima also contributed to finance leverage and investment mobilisation by helping improve the quality and credibility of investment pipelines, strengthening the readiness of public institutions and companies to access finance, and generating the technical evidence required by financiers and carbon market actors. In Colombia, support to project prioritisation and business acceleration helped assess a portfolio of 136 climate projects and engage 45 selected companies with financial institutions, with estimated investment needs of approximately COP 3 billion, equivalent to around EUR 0.67 million. In Ecuador, technical evidence on forest degradation contributed to enabling access to USD 30 million, equivalent to around EUR 25.6 million, from the LEAF Coalition. In Chile, support related to Article 6 of the Paris Agreement contributed to enabling conditions for 20 emission-reduction projects associated with approximately USD 1.4 billion, equivalent to around EUR 1.19 billion, in investment. Through platforms such as H2LAC and the Global Gateway Energy Talks in Brazil, Euroclima also helped reduce information asymmetries and build dialogue between governments, European companies, financial actors and potential investors.

Looking ahead to 2026–2028, Euroclima will enter a new phase centred on investment readiness, policy convergence and institutional strengthening under the Global Gateway framework. This transition creates opportunities to strengthen Euroclima's role as a bridge between climate ambition and sustainable investment, while requiring continued attention to institutional coordination, political ownership, social inclusion, environmental safeguards and learning across the programme.



EUROCLIMA IN CONTEXT AND STRATEGIC DIRECTION

1 · EUROCLIMA IN CONTEXT AND STRATEGIC DIRECTION

1.1 REGIONAL CONTEXT

1.1.1 POLITICAL LANDSCAPE AND ELECTIONS IN 2025

Political transitions and electoral cycles shaped the regional landscape throughout 2025. In Uruguay, a new administration took office after the general elections, leading to a complete restructuring of technical teams and a redefinition of national priorities in line with the incoming government's agenda[1]. In the Dominican Republic, President Abinader began his second term with a strong focus on accelerating economic growth and attracting foreign direct investment[2]. Meanwhile, several countries started preparing for upcoming political transitions. Costa Rica launched high-level preparations for its February 2026 elections, while the Bahamas, Belize, and Cuba also began organising for general elections scheduled for the following year[3].

In parts of the Caribbean and Central America, political instability and institutional fragility remained major concerns. Haiti continued to face a severe security crisis, with armed gangs controlling nearly 85% of the Port-au-Prince metropolitan area. As a result, the Transitional Presidential Council postponed the country's long-awaited general elections until August 2026. In Cuba, political tensions persisted amid major power grid failures and renewed diplomatic friction following statements from the U.S. executive branch regarding the island's status[4].

Frequent leadership changes and ministerial reshuffling also created difficulties for institutional continuity across the region. In Trinidad and Tobago, changes in ministerial responsibilities temporarily disrupted cooperation initiatives, while St. Vincent and the Grenadines underwent its own leadership transition after national elections[5]. These shifts often led to the replacement of Euroclima National Focal Points, the implementation of temporary administrative measures, and changes in sectoral priorities.

Despite these internal and political challenges, countries in the region sought to preserve a coordinated diplomatic approach through the IV Summit of the Community of Latin American and Caribbean States (CELAC) and the European Union, held in Santa Marta, Colombia, on 9–10 November 2025. The summit concluded with a joint declaration reaffirming commitments to political dialogue, human rights, social justice, regional security, and cooperation against organised crime. Ultimately, the political dynamics of 2025 underscored a broader regional struggle to maintain stable public agendas in the face of shifting geopolitical influences and persistent institutional turnover.

1 FIAP's Annual Report 2025
2 Expertise France's Annual Report 2025
3 UNDP's Annual Report 2025
4 Expertise France's Annual Report 2025
5 Expertise France's Annual Report 2025

1.1.2 CLIMATE IMPACTS AND VULNERABILITIES

In 2025, LAC countries continued to face growing environmental pressures linked to climate change, biodiversity loss, and pollution. The year was marked by record global temperatures and increasingly frequent extreme weather events that caused major human, economic, and environmental losses across the region. What were once considered isolated events have now become a recurring reality, with prolonged droughts, severe floods, large-scale forest fires, and accelerated glacier retreat affecting many countries. These impacts are placing additional strain on key sectors such as agriculture, infrastructure, water management, and food security, while deepening existing social and economic vulnerabilities[6].

Rural communities and agricultural workers remain particularly exposed due to structural weaknesses in labour markets and limited social protection systems. At the same time, rising temperatures and rapid urbanisation are driving higher demand for cooling and energy consumption, creating additional pressure on energy systems and increasing the risk of continued dependence on carbon-intensive solutions[7].

The Caribbean Small Island Developing States (SIDS) remain among the most vulnerable countries in the region. Their geographic isolation, limited domestic markets, and high exposure to climate hazards make disaster recovery especially difficult. In 2025, Hurricane Melissa caused severe damage in Jamaica, requiring an estimated recovery package of USD 6.7 billion[8], following the major destruction caused by Hurricane Beryl in Grenada in late 2024.

Climate-related disasters are also intensifying fiscal pressures across the region, as governments are repeatedly required to rebuild infrastructure and restore livelihoods after major events. The broader socio-economic and just transition implications of these pressures are discussed in the dedicated section 1.1.5 below.

1.1.3 BIODIVERSITY AND ECOSYSTEM PRESSURES

The LAC region is home to extraordinary biodiversity, including globally important ecosystems such as the Amazon, where deforestation and resource extraction continue to drive land degradation. Across the region, governments are facing the complex challenge of balancing the exploitation of critical raw materials (CRM) needed for the global energy transition with the growing need to promote more sustainable and nature-positive economic models[9].

Coastal and marine ecosystems, which are central to the region's tourism industry and local livelihoods, are also under increasing pressure from pollution, coastal erosion, and sedimentation. In the Caribbean, the persistent spread of invasive sargassum is disrupting marine biodiversity and harming coastal economies[10]. At the same time, low-lying coastal areas in countries such as Guyana and

6 AECID's Annual Report 2025
7 Expertise France's Annual Report 2025
8 GIZ's Annual Report 2025
9 GIZ's Annual Report 2025
10 GIZ's Annual Report 2025

Suriname are experiencing saltwater intrusion into freshwater aquifers, threatening water security and forcing changes in agricultural practices[11].

Efforts to manage and protect natural resources are often complicated by fragmented biodiversity data and limited interoperability between national information systems. More broadly, the continued degradation of ecosystems is contributing to greater food and energy insecurity across the region, with the strongest impacts falling on Indigenous communities, women, and low-income populations who depend most directly on healthy ecosystems for their livelihoods and resilience.

In response, there is growing recognition across the region that natural capital is one of LAC's greatest assets, encouraging greater attention to nature-positive approaches such as regenerative tourism and the protection of mangroves and coral reefs. The policy and programme implications of this trend are addressed in the sections on regional policy dynamics (1.1.7) and nature, biodiversity and bioeconomy (1.1.3).

1.1.4 ENERGY TRANSITION

By the end of 2025, Latin America and the Caribbean remained one of the regions best positioned to advance the global energy transition, due to its abundant renewable resources, relatively clean electricity mix, significant reserves of critical minerals and growing policy commitment to decarbonisation. The International Energy Agency (IEA) describes the region as having one of the cleanest electricity mixes in the world, supported by a long history of hydropower development and increasing deployment of wind, solar and other renewable technologies[12]. IRENA's latest renewable

11 UNDP's Annual Report 2025

12 International Energy Agency (2023) 'Latin America Energy Outlook 2023'. OECD. Available at: https://doi.org/10.1787/fd3a6daa-en.

capacity statistics, published in 2025, confirm the continued expansion of renewable power capacity across the previous decade, with data up to the end of 2024 providing the latest consolidated evidence on installed renewable capacity by country and technology[13].

The most recent regional evidence indicates that this transition accelerated during 2025. OLADE's Latin America and the Caribbean Energy Outlook 2025[14], published in December 2025, reports that renewable power generation capacity increased by 7% during the year and that 67% of electricity available in the region came from clean sources. Wind and solar played a particularly important role, representing 61% of new installed capacity in 2025 and increasing their output by 19% compared with the previous year. These trends point to a gradual diversification of a power system historically dominated by hydropower, while reinforcing the region's strategic potential in renewable electricity, green hydrogen, industrial decarbonisation and low-carbon value chains.

Electrification also advanced in 2025, although from uneven starting points across countries. Final electricity consumption increased by 3.7% and per-capita electricity consumption by 2.6%, reflecting the growing role of electricity in economic activity and decarbonisation pathways. Energy storage also began to gain greater relevance, with installed battery capacity reaching 1.7 GW, an important development for managing variability from wind and solar generation. In the transport sector, electric mobility expanded rapidly: the number of electrified light-duty vehicles in circulation grew by 851% between 2022 and 2025, while sales increased by 52% in 2025 alone[15].

Despite these advances, the transition remains incomplete and faces important structural constraints. OLADE[16] identifies the need for more robust, resilient, interconnected and responsive power systems, while its long-term scenario indicates that an accelerated decarbonisation pathway would require installed power generation capacity to triple by 2050, alongside around 80 GW of battery storage and nearly USD 1.5 trillion in investment, most of it in renewable capacity[17]. The IEA's World Energy Investment 2025 similarly underlines the importance of investment flows, financing conditions, risk allocation and development finance institutions in shaping energy transitions, including in Latin America and the Caribbean[18]. The region therefore enters the next phase of the transition with clear comparative advantages, but also with substantial needs in transmission infrastructure, storage, regulatory stability, regional integration, electrification of end uses, access to finance and social inclusion.

The Caribbean presents a distinct energy-transition profile within the wider LAC region.

13 IRENA (2025) 'Renewable capacity statistics 2025'. International Renewable Energy Agency. Available at: https://www.irena.org/Publications/2025/Mar/Renewable-capacity-statistics-2025.

14 OLADE (2025) 'December 2025 Latin America and the Caribbean Energy Outlook 2025', *OLACDE*, 29 December 2025. Available at: https://www.olade.org/en/editoriales/december-2025-latin-america-and-the-caribbean-energy-outlook-2025/

15 *Ibid.*

16 Since 2025, GIZ Euroclima has been working with OLACDE to support the strengthening of interconnection.

17 *Ibid.*

18 International Energy Agency (2025) 'World Energy Investment 2025'. IEA. Available at: https://www.iea.org/reports/world-energy-investment-2025

While many Caribbean countries have strong renewable energy potential, particularly in solar, wind, geothermal, marine energy and, in some cases, green hydrogen, their energy systems remain highly dependent on imported fossil fuels. This dependence contributes to high electricity costs, exposure to international fuel-price volatility and persistent energy-security risks, while small market size and limited grid flexibility can make renewable integration more complex. The transition is therefore closely linked to broader resilience and development priorities, including reducing import dependence, improving grid reliability, expanding distributed renewable energy, mobilising affordable finance and strengthening regional cooperation. These issues are particularly relevant for Small Island Developing States, where energy transition investments must also respond to climate vulnerability, disaster risk and fiscal constraints. In this context, Caribbean energy transition priorities include renewable generation, battery storage, resilient grids, clean transport, energy efficiency and decentralised solutions for remote or vulnerable communities.

Energy access and social inclusion remain essential dimensions of the transition. Although the region performs comparatively well in electricity access, more than 16 million people in Latin America and the Caribbean still lacked access to electricity in 2025, particularly in remote, rural and Indigenous territories[19]. The global SDG 7 tracking framework also underlines that universal access to affordable, reliable, sustainable and modern energy remains central to poverty reduction, health, education and gender equality. For this reason, the region's energy transition is not only a matter of increasing renewable capacity, but also of ensuring that clean energy systems are reliable, affordable, inclusive and aligned with broader development objectives.

1.1.5 MACROECONOMIC CONTEXT AND FINANCE GAP

The macroeconomic context in the LAC region in 2025 continues to be shaped by weak growth, fiscal constraints, and growing exposure to external shocks, all of which are widening the region's climate finance gap. Over the past decade, the region has experienced what many describe as a "lost decade," with average annual growth reaching only 1.2%[20]. Although economic activity recovered somewhat in 2024, growth in 2025 is expected to remain modest at around 2.2%, with significant differences across countries[21]. While economies such as Guyana continue to benefit from rapid oil-driven expansion, many others remain constrained by weak domestic demand, low investment levels, and persistent labour market challenges.

At the same time, governments across the region face severe fiscal limitations that restrict their ability to finance social protection systems, climate adaptation, and biodiversity conservation. High debt levels remain a major concern, particularly in Caribbean countries, where repeated climate-related disasters have increased reconstruction and recovery costs.

19 Malleret, C. (2025) '"A future on our terms": how community energy is lighting up Latin America', The Guardian, 8 May. Available at: https://www.theguardian.com/global-development/2025/may/08/latin-america-community-energy-indigenous-lighting-electricity-solar-pollution-diesel-just-transition

20 Expertise France's Annual Report 2025

21 Expertise France's Annual Report 2025

Debt-to-GDP ratios have reached around 70% in countries such as Jamaica[22], reinforcing the importance of international cooperation and concessional finance to bridge the gap between climate planning and implementation. These pressures are compounded by structural vulnerabilities, including high levels of informality, dependence on commodity exports, and exposure to fluctuations in global food and fuel prices.

In this context, mobilising alternative and private sources of capital beyond traditional public finance has become increasingly important. Weak investment levels continue to limit economic dynamism, highlighting the need for clearer regulatory frameworks and improved financial transparency. Financial institutions are also becoming more aware of climate-related risks, with stress-testing exercises in countries such as Mexico showing significant exposure of financial portfolios to physical climate impacts under current policy trajectories[23]. At the same time, countries such as Brazil and Panama are advancing carbon markets and sustainable finance taxonomies to guide investment toward low-carbon and nature-positive activities. Overall, regional policy discussions in 2025 emphasise that without a substantial scale-up in climate finance and stronger investment pipelines, LAC will remain highly vulnerable to intensifying climate and environmental shocks.

1.1.6 SOCIO-ECONOMIC VULNERABILITIES AND JUST TRANSITION CHALLENGES

By the end of 2025, Latin America and the Caribbean continued to face a complex combination of socio-economic vulnerabilities that shaped both climate exposure and the prospects for a just transition. The 2025 edition of ECLAC's Social Panorama of Latin America and the Caribbean[24] framed the region as being caught in a trap of high inequality, low social mobility and weak social cohesion. According to the latest data reported by ECLAC, monetary poverty fell to 25.5% of the population in 2024, its lowest level in the comparable series, but still affected around 160 million people, while extreme poverty remained at 9.8%. Income distribution also remained highly unequal, with the richest 10% receiving 34.2% of total income and the poorest 10% only 1.7%.

These vulnerabilities were reinforced by a constrained economic and labour-market context. ECLAC's Economic Survey of Latin America and the Caribbean 2025[25] warned that the region needed to increase resource mobilisation to avoid a third "lost decade", while 2025 growth projections remained modest, at around 2.2%, with only a slight increase expected for 2026. Low growth, weak investment and limited fiscal space reduce the capacity of governments to expand social protection, finance adaptation and

22 GIZ's Annual Report 2025

23 Euroclima's Annual Summary 2025

24 CEPAL (2026) 'Social Panorama of Latin America and the Caribbean, 2025. How to escape the trap of high inequality, low social mobility and weak social cohesion'. CEPAL. Available at: https://www.cepal.org/en/publications/90009-social-panorama-latin-america-and-caribbean-2025-how-escape-trap-high-inequality.

25 CEPAL (August) 'Economic Survey of Latin America and the Caribbean, 2025: resource mobilization to finance development. Executive summary'. CEPAL. Available at: https://www.cepal.org/en/publications/82264-economic-survey-latin-america-and-caribbean-2025-resource-mobilization-finance

support workers and territories affected by the transition. Labour informality remained a central constraint: regional estimates indicate that almost half of employment in Latin America and the Caribbean is informal, leaving many workers with limited access to labour rights, social security, pensions and health protection[26].

Gender inequality and care responsibilities remained central challenges in the just transition. In 2025, the adoption of the Tlatelolco Commitment at the XVI Regional Conference on Women in Latin America and the Caribbean[27] launched a regional Decade of Action for substantive gender equality and the care society, recognising care as a right and a shared responsibility among households, communities, enterprises and the State. This agenda is directly relevant to climate and economic transition, as unpaid and poorly recognised care work continues to restrict women's economic autonomy, access to decent work and participation in emerging green sectors.

Climate impacts further compound these social vulnerabilities. UNICEF reported that the severe drought in the Amazon affected more than 420,000 children in Brazil, Colombia and Peru, disrupting access to water, food, schools and health services, with remote and Indigenous communities particularly exposed[28]. Such impacts illustrate how climate shocks interact with poverty, territorial isolation, gender inequality, weak service provision and limited social protection. In this context, the just transition agenda in Latin America and the Caribbean is not only a matter of decarbonisation or green investment, but of ensuring that climate and biodiversity action reduces structural inequalities, protects vulnerable groups, and creates decent, resilient and inclusive development pathways.

1.1.7 REGIONAL POLICY DYNAMICS

The regional policy landscape in 2025 has been marked by a phase of strategic consolidation, with climate action increasingly moving from the margins of political discourse to the core of national governance and economic planning. In line with broader global trends, the LAC region is positioning itself as a key driver of investment readiness, policy alignment, and institutional strengthening[29]. A central regional priority has been narrowing the gap between climate planning and implementation, as countries transition from technically driven project pipelines toward politically led strategies that emphasise a fair and inclusive green transition.

A defining moment of the year was the UN Framework Convention on Climate Change (UNFCCC) COP30 in Belém do Pará, Brazil, the first UN climate conference hosted in the Amazon region. The summit elevated forests, land restoration, and the bioeconomy to the centre of global climate discussions, highlighting their importance for both mitigation and sustainable development in tropical economies. One of

26 Barón, G.M.R. (2026) *Informalidad laboral en América Latina y el Caribe*, *El País América*. Available at: https://elpais.com/america/opinion/2026-04-19/informalidad-laboral-en-america-latina-y-el-caribe.html

27 UN Women (2025) 'Tlatelolco Commitment'. UN Women. Available at: https://lac.unwomen.org/en/digital-library/publications/2025/08/compromiso-de-tlatelolco#view.

28 UNICEF (2024) *Over 420,000 children affected by record-breaking drought in the Amazon region*, *UNICEF*. Available at: https://www.unicef.org/press-releases/over-420000-children-affected-record-breaking-drought-amazon-region

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the most significant outcomes was the "Belém Package," which included a commitment to triple global adaptation finance by 2035. This decision was especially important for LAC countries, which remain highly vulnerable to climate impacts despite contributing relatively little to historical global emissions. Although COP30 was widely framed as the "COP of implementation" due to its focus on finance mobilisation and practical action, negotiations also exposed persistent geopolitical divisions, particularly regarding the absence of a binding agreement on fossil fuel phase-out.

At the regional level, the IV EU–CELAC Summit in Santa Marta, Colombia, reaffirmed commitments to an inclusive ecological transition and strengthened cooperation on sustainable investment[30]. National policy agendas have increasingly focused on aligning Nationally Determined Contributions (NDCs) with National Biodiversity Strategies and Action Plans (NBSAPs), an approach strongly promoted during COP16 of the UN Convention on Biological Diversity (CBD) in Colombia to ensure coherence between climate and biodiversity objectives. Across the region, countries are preparing updated NDC 3.0 targets for 2035, with several incorporating innovative sectors into their climate commitments. Costa Rica, for example, integrated district cooling technologies into its updated NDC to reduce emissions in the industrial and service sectors[31]. In the Caribbean, CARICOM and the OECS advanced coordinated climate action through updated NDCs emphasising methane reduction, waste management, and electricity grid modernisation, while countries such as Grenada and Saint Lucia committed to cutting waste-sector emissions by 20% by 2030[32].

Overall, these developments reflect a broader regional commitment to a just transition grounded in the principles of the Escazu Agreement, emphasising transparency, public participation and human rights in environmental governance. The financing instruments associated with this agenda are addressed in the section on climate and sustainable finance (2.4.3).

1.2 EUROCLIMA WITHIN EU–LAC COOPERATION AND GLOBAL GATEWAY

1.2.1 A KEY EU COOPERATION INSTRUMENT FOR THE GREEN AND JUST TRANSITION

Against the backdrop described above — marked by political transitions, increasing climate vulnerability, biodiversity loss, fiscal constraints and a widening climate finance gap — Euroclima has continued to play a central role as one of the European Union's main cooperation instruments for advancing a green and just transition in Latin America and the Caribbean. Since its creation in 2010, the programme has evolved into a key mechanism for EU–LAC cooperation on climate and sustainability, aligning its objectives with global commitments such as the Paris Agreement while responding to regional priorities. Over this period, Euroclima has engaged 33 partner countries and supported more than 360 interventions, with a total EU contribution of

30 GIZ's Annual Report 2025

31 UNDP's Annual Report 2025

32 GIZ's Annual Report 2025

€277 million for the period 2017–2028. In June 2024, the European Commission approved an additional €55 million for a new phase, "Euroclima Global Gateway", to be implemented from 2026 to 2028, marking a further shift towards supporting the enabling environment for the EU–LAC Global Gateway Investment Agenda (GGIA).

This evolution reflects the changing nature of EU external action in the region. Euroclima has progressively expanded from policy dialogue, capacity development and technical assistance towards a more explicit role in connecting climate ambition with investment implementation. The programme supports partner countries in strengthening the policies, institutions, regulatory frameworks, data systems and coordination mechanisms required to transform climate and biodiversity priorities into investable, scalable and inclusive actions. This role is highly relevant in a context where LAC countries face intensified climate impacts and rising investment needs, while constrained fiscal space limits their capacity to finance adaptation, resilience and low-carbon development from public budgets alone.

1.2.2 ENABLING THE EU–LAC GLOBAL GATEWAY INVESTMENT AGENDA

Within the Global Gateway framework, Euroclima primarily serves as a catalyst for investment readiness, policy convergence, and institutional strengthening. Its interventions help align climate action with Global Gateway priorities, create enabling conditions for investment, prepare and de-risk investment pipelines, facilitate dialogue and partnerships, and promote social inclusion and a just transition. The programme therefore complements the investment orientation of GGIA by addressing the upstream conditions required for sustainable investments to be effectively designed, financed, implemented and sustained.

This contribution is reflected across several areas of work. First, Euroclima supports partner governments in designing and operationalising policies, strategies, and regulatory frameworks aligned with low-carbon, resilient, and just transition pathways, including national energy transition plans, sustainable mobility frameworks, adaptation and mitigation strategies, hydrogen strategies, climate-resilient sectoral plans, and standards for sustainable infrastructure. Second, it strengthens institutional and technical capacities, including through MRV systems, integrated monitoring platforms, training, knowledge exchange and interinstitutional coordination mechanisms that improve evidence-based planning and reduce investment risk. Third, it helps prepare and de-risk future investments through pre-feasibility studies, pilot demonstrations, financing models, business planning and bankable project documentation.

Euroclima can therefore be understood as the technical cooperation arm and policy enabler of the GGIA in Latin America and the Caribbean. Its added value lies in translating broad strategic ambitions into locally grounded action by building institutional and policy foundations, preparing projects aligned with Global Gateway priorities, and strengthening the regional cooperation needed for a coherent investment landscape. Many Global Gateway investments depend on enabling conditions that extend beyond the availability of finance, including clear regulatory frameworks, credible data, institutional ownership, inclusive planning processes, social legitimacy, and the technical capacity to manage complex climate-related investments.

1.2.3 DELIVERING THROUGH THE TEAM EUROPE APPROACH

The programme gives concrete expression to the Team Europe approach. Euroclima is implemented as a joint effort between the European Union, EU Member States' cooperation agencies, and UN agencies, in partnership with financial institutions, regional organisations, and partner countries. This architecture allows the programme to combine policy dialogue, technical cooperation, knowledge exchange and links to finance within a single cooperation platform. In particular, the involvement of EU Member State agencies and institutions, such as the European Investment Bank, helps connect technical assistance to the mobilisation of public and private resources, while country and regional dialogues ensure that support remains anchored in partner-defined priorities.

The Team Europe dimension is also reflected in the programme's ability to operate across different levels of cooperation. At the country level, Euroclima supports national priorities and policy processes within the EU bilateral dialogues, including through the identification of GGIA-aligned actions and Country Windows. At the regional and multi-country levels, it promotes exchanges, communities of practice, and cooperation platforms that help countries address shared challenges, disseminate good practices, and create the conditions for regional-scale investments. As of December 2025, Euroclima had supported 55 multi-country interventions and 41 regional interventions, implemented by a team of agencies from EU Member States and the UN, covering themes such as sustainable finance, biodiversity and ecosystems, governance, energy transition, transparency, sustainable mobility and disaster risk management.

1.2.4 POSITIONING CLIMATE AND BIODIVERSITY ACTION AS INVESTMENT PRIORITIES

Euroclima's positioning within the climate and biodiversity agenda is both thematic and strategic. Thematically, the programme focuses on the key sectors driving the region's green and just transition, namely; energy transition and green hydrogen, sustainable mobility, water management, biodiversity and ecosystems, circular economy, sustainable and climate finance, bioeconomy and sustainable food production.

Across all areas of intervention, the programme integrates the following crosscutting priorities: governance, transparency, gender equality and social inclusion, Action for Climate Empowerment and human rights. This broad thematic coverage reflects the interconnected of climate, biodiversity and development challenges in the region.

Beyond its thematic scope, Euroclima serves as an instrument of EU-LAC partnership on green and just transition. The programme translates shared political commitments into practical cooperation by connecting policy dialogue, technical assistance and investment-oriented approaches across sectors that are central to both regional priorities and EU's external climate agenda. In doing so, Euroclima contributes not only to environmental and climate objectives, but also to the strengthening the broader strategic partnership between the EU and LAC.

Strategically, Euroclima supports the LAC region in strengthening the link between climate action, biodiversity protection and sustainable investment. This aligns with the growing regional emphasis on natural capital, adaptation finance and implementation-oriented climate action described in the regional context above, while the specific sectoral contributions are presented in the thematic results in section 2.4.

Euroclima's contribution to EU–LAC cooperation is therefore reflected not only in the scale of its portfolio, but also in the cooperation model it advances. The programme combines long-term policy engagement with practical support for implementation; links national ownership with bi-regional priorities; and promotes partnerships that extend beyond traditional public cooperation by involving financial institutions, private-sector actors, regional platforms, civil society, and vulnerable groups. In a regional context marked by changing political and institutional contexts, this convening and continuity role has increasingly enabled the EU and LAC partners to sustain dialogue, maintain technical momentum and progressively move from plans and commitments towards investment-ready, socially inclusive and environmentally robust solutions.

1.3 STRATEGIC DIRECTION AND OUTLOOK

Building on the strategic role described in the previous section, the Euroclima Global Gateway phase (2026-2028) marks a significant evolution in the programme's operating model. During 2025, Euroclima entered a transition period to align its cooperation mechanisms with a more strategic and investment-oriented approach under the EU-LAC GGIA.

Under this new phase, particular emphasis is placed on regulatory and institutional frameworks, investment readiness and the preparation of actions that can support larger-scale sustainable investment. Concrete examples of this approach are presented in the thematic results (2.4) and investment-readiness (2.3 and 2.6) sections of the report. The transition entails several operational and strategic considerations that require continued attention and proactive management.

In some contexts, the methodological shift has initially slowed programming and decision-making processes as institutions adapt to new approaches, coordination mechanisms, and investment frameworks (AECID). To address this, implementing agencies continue to strengthen coordination practices, promote institutional learning, and support capacity-building efforts to facilitate smoother adaptation and more efficient implementation over time.

Political and leadership transitions in partner countries may also influence sectoral priorities and affect institutional continuity (GIZ). However, the programme's strong emphasis on long-term partnerships, policy dialogue, and alignment with national development priorities helps maintain engagement and reinforces resilience across changing political contexts.

Reputational considerations are particularly relevant in sensitive sectors such as raw materials and energy, where investments may generate social or environmental concerns if not carefully managed. In response, the programme places strong emphasis on continuous stakeholder dialogue, transparency, and the application of robust environmental and social safeguards to support sustainable and inclusive outcomes.

Overall, these challenges highlight the importance of sustained partnership, policy dialogue, and institutional learning to support an effective and responsible implementation of the new cooperation approach.

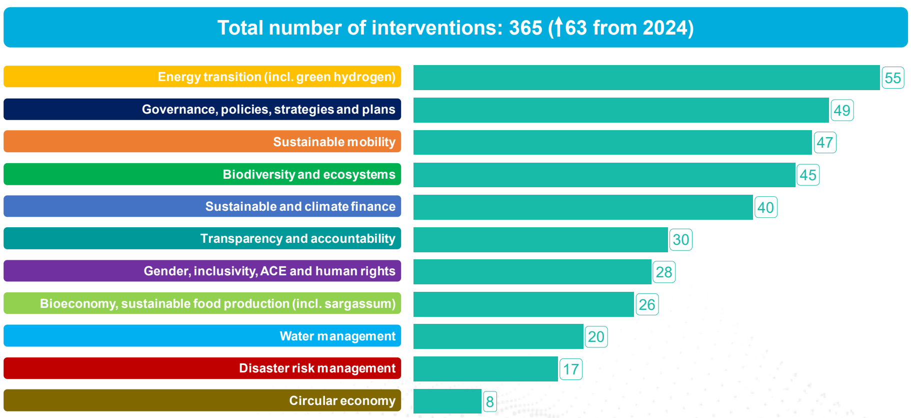
RESULTS AND PERFORMANCE IN 2025

2 · RESULTS AND PERFORMANCE IN 2025

2.1 PORTFOLIO OVERVIEW

By the end of 2025, Euroclima had supported a total of 365 interventions across Latin America and the Caribbean, 63 more than in 2024. This represents a significant expansion of the portfolio, reflecting both the consolidation of established areas of work and the progressive alignment of the programme with the EU–LAC Global Gateway Investment Agenda, particularly in sectors linked to the green and just transition.

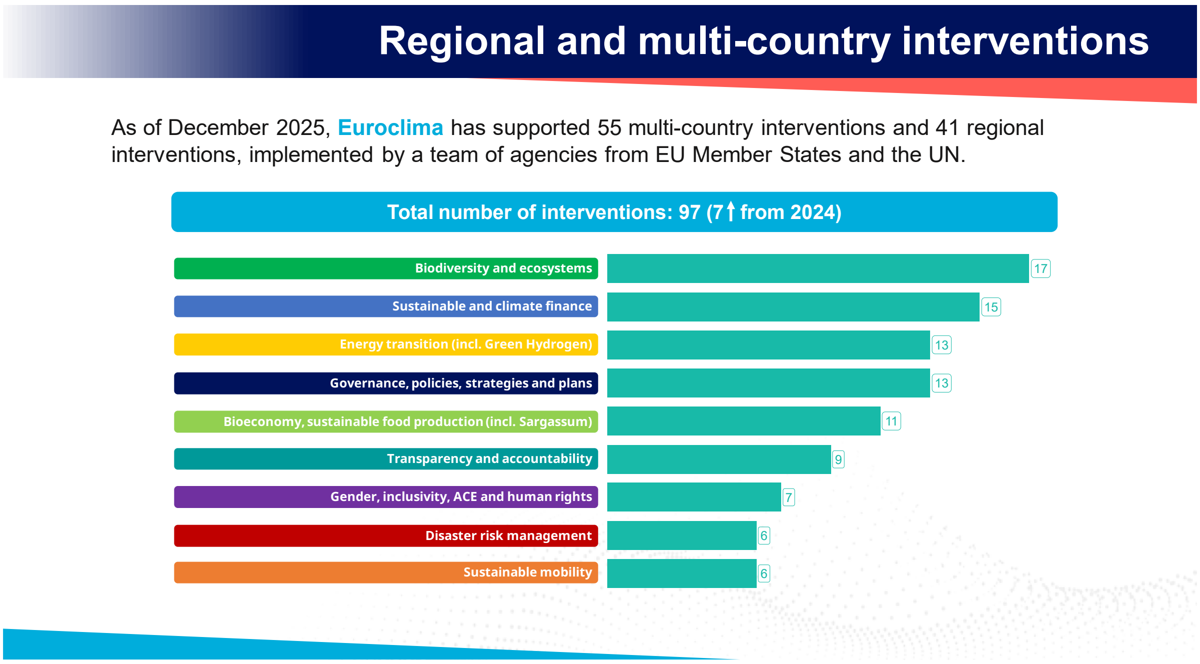
Interventions by priority theme



The most notable year-on-year change was the strong increase in interventions related to energy transition, including green hydrogen, which rose from 33 interventions in 2024 to 55 in 2025. This made energy transition the largest thematic area in the portfolio, reflecting the growing strategic relevance of renewable energy, energy efficiency, grid modernisation, green hydrogen and related enabling conditions across the region. Sustainable and climate finance also expanded substantially, from 30 to 40 interventions, confirming the increasing importance of sustainable finance frameworks, climate-risk analysis, carbon pricing, taxonomies and the preparation of investment-ready initiatives.

Governance, policies, strategies and plans remained one of the main areas of support, increasing from 46 interventions in 2024 to 49 in 2025. Although no longer the largest category, it continued to represent a core function of Euroclima's work, particularly in strengthening the regulatory, institutional and planning frameworks needed to advance climate and environmental action. Sustainable mobility also continued to grow, rising from 42 to 47 interventions, while biodiversity and ecosystems increased from 38 to 45 interventions, reflecting continued demand for support related to low-carbon transport, ecosystem protection, restoration and nature-based solutions.

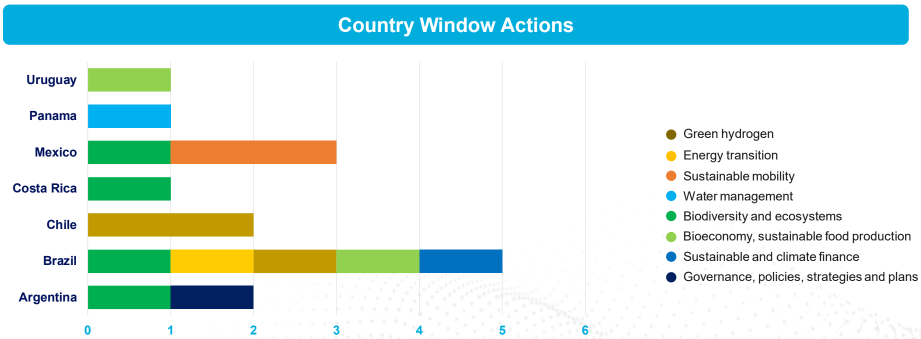
Other thematic areas also showed gradual expansion. Bioeconomy and sustainable food production, including sargassum-related work, increased from 22 to 26 interventions; water management from 16 to 20; and disaster risk management from 14 to 17. Circular economy, although still the smallest thematic area, grew from one intervention in 2024 to eight in 2025, indicating its emergence as a distinct area of programme support. Transparency and accountability remained stable at 30 interventions, while gender, inclusivity, Action for Climate Empowerment and human rights recorded a slight decrease from 29 to 28 interventions linked to a thematic recategorization. This does not necessarily indicate a reduced focus on inclusion, as gender and social inclusion are also increasingly mainstreamed across interventions classified under other priority themes.



Regional and multi-country actions continued to form an important part of Euroclima's implementation model. As of December 2025, the programme had supported 97 regional and multi-country interventions, seven more than in 2024. These interventions were concentrated mainly in biodiversity and ecosystems and sustainable and climate finance, with 17 and 15 interventions respectively. Energy transition, including green hydrogen, and governance, policies, strategies and plans each accounted for 13 interventions, followed by bioeconomy and sustainable food production, including sargassum, with 11. Other areas of regional and multi-country work included transparency and accountability, with 9 interventions; gender, inclusivity, Action for Climate Empowerment and human rights, with 7; and disaster risk management and sustainable mobility, with 6 each. Compared with 2024, the most visible thematic changes were the increase in regional and multi-country energy transition actions, from 7 to 13, and the continued concentration of this part of the portfolio in biodiversity, sustainable finance and governance-related areas.

Country Windows

Euroclima includes additional financing through "Country Windows" for Team Europe Initiatives related to the Green and Just Transition in countries with a limited or no EU Multiannual Indicative Programme, i.e., **Argentina, Brazil, Chile, Costa Rica, Mexico, Panama, and Uruguay**. Currently, the Programme supports **15 Country Window actions** spanning central themes such as green hydrogen, sustainable mobility, green finance, water security, biodiversity, and bioeconomy.



The portfolio also continued to include additional financing through Country Windows for Team Europe Initiatives related to the green and just transition in countries with a limited or no EU Multiannual Indicative Programme. By the end of 2025, Euroclima supported 15 Country Window actions across Argentina, Brazil, Chile, Costa Rica, Mexico, Panama and Uruguay. These actions covered central themes such as green hydrogen, sustainable mobility, green finance, water security, biodiversity and bioeconomy, helping to connect country-level priorities with broader EU–LAC cooperation and investment objectives.

Overall, the 2025 portfolio shows a programme that is both broader in scale and more clearly oriented towards sectors aligned with the GGIA and high potential for investment mobilisation. The strongest growth occurred in energy transition, sustainable finance, biodiversity and circular economy, while governance and sustainable mobility remained central pillars of the programme. At the same time, the stability of transparency and accountability, together with the mainstreaming of gender and inclusion across other themes, suggests a gradual shift from thematic expansion alone towards a more integrated portfolio that combines policy, finance, technical assistance and investment-readiness functions.

2.2 KEY RESULTS

2.2.1 CLIMATE GOVERNANCE, POLICIES AND PLANNING

In 2025, Euroclima's support to climate governance, policy and planning focused on strengthening the institutional and technical conditions needed to implement national and territorial climate commitments. Across the region, the main priority remained aligning NDCs, LTSs and related planning instruments with practical implementation on the ground.

Regional coordination advanced significantly through the Euroclima action "Peer-to-peer dialogue to enhance NDC implementation", which concluded in December 2025. The initiative facilitated 19 country exchanges and upgraded the NDC portal with real-time indicators tracking progress on NDC 3.0 and Biennial Transparency Reports throughout the region. Guatemala also strengthened its national climate agenda through the "National Circular Economy Strategy", completed in July 2025, which produced a roadmap and practical guidelines for municipal waste management.

Important progress was also made in territorial and subnational planning. In Chile, the action supporting the development of Regional Climate Action Plans (PARCC) for Antofagasta and Magallanes concluded in January 2025 after successfully validating final draft plans through extensive public consultations. Peru finalised two major governance initiatives: the "Implementation of the NDC with a territorial approach" and a sector-focused project that delivered eight regional implementation plans for agriculture and irrigation by December 2025. Together, these initiatives strengthened the institutional capacity of local governments to manage increasingly complex climate portfolios.

Climate risk governance also became more institutionalised during the year. Guatemala's "National Fire Management Strategy" finalised in January 2025, established a multi-institutional Technical Fire Table along with internal regulations for regional fire management. In Bolivia, the project "Strengthening risk management and adaptation to climate change in the agricultural sector" created a Municipal Early Warning Service (SMAT) model that has since been incorporated into municipal laws and budget frameworks. Guatemala additionally completed the development of a guide for Sectoral Adaptation Plans (PSACC), providing a technical framework to support coordinated multi-sector adaptation responses.

CLIMATE STRESS TEST IN THE FINANCIAL SYSTEM

Country: Mexico (2022-2025)

Background

The pilot project analysed exposure to climate risks for the Mexican financial sector. It was led by the Central Bank, supported by CEPAL, GIZ and AFD. It aimed to identify needs for strengthening the capacities of financial institutions (FI) on the identification and analysis of climate risks (physical and transition) using advanced climate models (CLIMRISK and GCAM).

ECLAC support, framed within Euroclima, was focused on the technical assistance to develop the four scenarios used in the exercise and training sessions for the FI staff to understand the methodologies behind the scenarios.

Results achieved

The pilot revealed significant exposure to both physical and transition climate risks across participating institutions. For example, in the "current policies" scenario, 20% to 60% of the aggregated portfolio is exposed to significant physical risks, projected to exceed 80% by 2100. The greatest transition risk for banks is concentrated in the fossil fuels sector, with significant impacts also observed in energy-intensive sectors and transportation. All FI are now conscious that financial regulators care about climate-related financial risks and the possibility exists on the regulators' horizon that the "climate stress test" will be required. FI are already introducing some climate criteria in their lending and other operations that are modifying the risk-adjusted return assessment of investments in favour of green investments, giving more opportunities for investments like the ones promoted by the Global Gateway.

2.2.2 ENERGY TRANSITION AND GREEN HYDROGEN

The programme's support to the energy transition and green hydrogen sector in the LAC region focused on reducing risks in clean energy markets through stronger regulatory frameworks, technical capacity building, and high-level public-private dialogue. Below is a summary of Euroclima's contribution to energy transition advancements in LAC countries.

Green hydrogen emerged as a key pillar of industrial decarbonisation across the region. Chile demonstrated leadership in this area by publishing the world's first study on gender gaps in the green hydrogen industry in June 2025. The study established an important benchmark for a just transition by identifying structural barriers related to leadership opportunities and workforce training in the sector. At the same time, Brazil institutionalised its "Global Gateway Energy Talks," a recurring

forum that brings together European companies and Brazilian authorities to address investment barriers and technical standards for low-carbon fuels. In Panama, efforts focused on preparing the labour market for future demand: a comprehensive study completed in April 2025 identified the technical skills and qualification gaps needed to support implementation of the country's national hydrogen strategy.

The wider energy transition also advanced through major efforts to modernise electricity grids and support the integration of renewable energy. In Panama, technical assistance for updating the National Interconnected System Expansion Plan and the national grid code provided the technical basis for a potential €300 million loan from the European Investment Bank (EIB). In the Caribbean, high electricity costs and dependence on imported fuels accelerated interest in decentralised renewable energy solutions. As part of this effort, Euroclima supported a PV Hosting Capacity Study for six OECS member states to assess the limits of solar integration into national grids. Caribbean stakeholders also participated in Wind and Marine Energy Study Tours to Europe in April and June 2025, creating direct connections with European technology providers and investors while promoting cross-regional learning.

Practical implementation and energy efficiency initiatives also reached important milestones during the year. In Ecuador, the "Living Lab" for sustainable construction in the Galapagos concluded in February 2025 after successfully validating sustainable building standards through rehabilitated pilot sites. Argentina similarly completed its project on energy-efficient municipal buildings in April 2025, including the inauguration of eight pilot projects across different municipalities. In Cuba, the "3xE" project advanced energy efficiency in public buildings and supported the deployment of electric vehicle fleets, with construction activities completed by December 2025. Looking ahead, the regional District Cooling project entered its preparatory phase in early 2025. The initiative aims to transform the commercial air conditioning sector in Costa Rica, Jamaica, and the Dominican Republic by 2029. Together, these initiatives help bridge the gap between high-level climate policy and practical, scalable solutions for a low-carbon future.

GLOBAL GATEWAY STUDY TOURS ON WIND AND MARINE ENERGY – CARIBBEAN REGIONAL

Countries: Antigua and Barbuda, The Bahamas, Barbados, Grenada, Guyana, Dominican Republic, Trinidad & Tobago, OECS, CCREEE (2025)

Background

The high cost of electricity and dependence on imported fossil fuels make an energy transition crucial in the Caribbean. In this context, Expertise France, through the Euroclima Caribbean program and as part of the Global Gateway Investment Agenda, organised two study visits to Europe:

- April 2025: on wind energy, in line with the annual WindEurope event in Copenhagen, Denmark.
- June 2025: on marine renewable energy, with site visits to the Canary Islands and participation in the Seanergy forum in Paris, France.

These visits aimed to showcase proven European solutions to Caribbean decision-makers and facilitate partnerships and investments in the region.

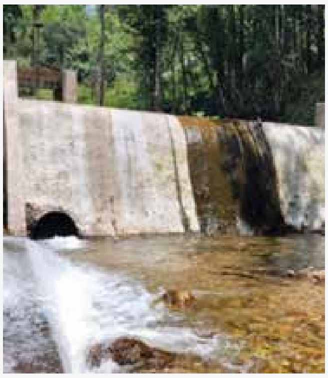
Results achieved

- Strengthened understanding of regulatory frameworks for wind energy projects.
- Established contacts with the Danish and Irish governments and European companies: Blue Water Shipping, Liftra, KK Wind Solutions, ENABL, Dynamica Ropes, Siemens Gamesa, Enercon, Vestas.
- Interest expressed by Enercon and Voltalia in responding to the upcoming AO in Barbados.
- Initiated a closer collaboration on marine energy between the Bahamas and the Ocean Platform of the Canaries, PLOCAN.
- Initiated a closer collaboration on wind energy development between Cuba and the Canary Islands Institute of Technology (ITC), leading to a partnership agreement.

ENERGY ACCESS AS ENABLING INFRASTRUCTURE FOR DEVELOPMENT AND INVESTMENT (OPALACA COMMUNITY GRID)

Country: Honduras (2024-2026)

Background



The Puca Opalaca community-based autonomous energy project was implemented within the framework of operationalising Honduras' Long-Term Strategy and its Decarbonisation and Climate Resilience agenda. The initiative aimed to promote the comprehensive and sustainable development of the Lenca communities of Plan de Barrios and Zapotillo, in the indigenous municipality of San Francisco de Opalaca (department of Intibucá), by ensuring access to clean and reliable energy. Through the installation of a mini-hydropower system grounded in an ecosystem conservation approach and the resilience of river basins and protected areas, the project strengthened local capacities and contributed to the protection of surrounding ecosystems. The system has an installed capacity of 60 kW and is expected to connect 207 households, as well as two chapels, two educational centres and one community centre. It is important to highlight that the infrastructure support provided included the supply and installation of the water conveyance pipeline from the dam to the powerhouse, the construction of the powerhouse itself, and the installation of the electricity distribution network from the powerhouse to the community centre.

Results achieved

- A governance platform was established and is fully operational, enabling effective coordination, decision-making and the long-term management of the initiative.
- The mini-hydropower generation system has been developed and is fully functional, with an installed capacity of 50–70 kW, ensuring a stable supply of clean energy for 207 households, as well as two chapels, two educational centres and one community centre.
- Local governance structures have been strengthened, promoting community leadership, participation and accountability mechanisms.
- Communities have strengthened their capacities in key areas such as local management, administration, and the operation and maintenance of the energy system, ensuring local ownership and the sustainability of the project.
- A business plan has been developed to ensure the financial and operational sustainability of the initiative over time.
- Productive activities and local enterprises linked to the use of energy have been identified, with the potential to generate income and employment within the communities.
- The project has contributed concretely to the operationalisation of Honduras' Decarbonisation and Climate Resilience Strategy, establishing itself as a replicable model for community-based energy solutions in indigenous territories.

2.2.3 CLIMATE AND SUSTAINABLE FINANCE FRAMEWORKS

Against the climate finance gap described in section 1.1.5, Euroclima's support to climate and sustainable finance in 2025 focused on strengthening enabling environments, improving financial-sector readiness and preparing investment-oriented solutions aligned with the GGIA, and climate and biodiversity objectives.

One of the year's most important achievements was the publication of the first edition of the Brazilian Sustainable Taxonomy in November 2025. The initiative, launched in April 2023, established a science-based classification system through a Federal Decree to help direct EU and private-sector capital toward climate and social projects. The process was notably inclusive, incorporating more than 2,860 contributions from financial institutions and civil society during the public consultation phase.

Panama advanced its exploration of blue carbon finance through a Euroclima-supported feasibility study in the Gulf of Montijo. The study assessed the potential for developing blue carbon projects by analysing carbon sequestration potential, ecological and socio-economic co-benefits, financial viability, legal conditions, and the involvement of local communities. It also developed a multicriteria analysis tool aligned with international standards for projects seeking social and environmental co-benefits. The assessment confirmed the area's high blue carbon potential, while also identifying constraints related to additionality, given low deforestation rates and existing protection status, as well as pressures from chemical pollution, coastal erosion and sedimentation. Beyond Panama, the methodology offers a replicable approach for assessing the bankability and sustainability of blue carbon projects in other countries and contexts.

At the regional level, a separate initiative focused on modelling macroeconomic scenarios related to the financial system's dependence on nature also concluded in late 2025, generating critical data to support long-term fiscal planning.

In the Caribbean, attention increasingly turned to the technical implementation of global climate finance mechanisms, especially those related to Loss and Damage funding. This regional financing context is described in section 1.1; the examples below focus on Euroclima-supported contributions.

Regional cooperation on climate finance also deepened throughout 2025. The Regional Climate Finance Initiative focused on improving access to EU financial instruments and organised training programmes on green bonds in partnership with the Latin American Alliance of Financial Institutions (ALIDE). In parallel, the ArticuLAC Community of Practice entered a new phase dedicated specifically to mobilising private investment for climate action. Finally, a project aimed at strengthening enabling conditions for carbon pricing was launched in September 2025 to support regional learning on emissions trading systems and carbon market strategies. Together, these initiatives help bridge the gap between national climate planning and large-scale implementation.

ALIGNING FINANCE AND BIODIVERSITY: A STRATEGIC MATCH

Country: Colombia (2024-2026)

Background

The Colombian Banking and Financial Institutions Association (Asobancaria) seeks to promote the development of blended finance instruments within the Colombian financial system, in order to increase financing for productive projects focused on restoration, adaptation and the resilience of biodiverse ecosystems, leveraged through alternative risk models and catalytic capital. To this end, Asobancaria is advancing the National Biodiversity and Adaptation System (SINBA).

Results achieved

- Synergy and coordination with the IKI Interface project of German Development Cooperation to provide comprehensive and complementary support to the counterpart.
- Technical assistance for the development of the "Blended Finance Guide for Biodiversity and Climate Change Adaptation for the Colombian Financial Sector".
- Implementation of the Guide through three pilot cases with Banco Agrario, Banco de Bogotá and FINAGRO to finance adaptation and biodiversity.
- Capacity development for the use of this Guide, which promotes blended finance so that the financial sector can enable financing for adaptation and biodiversity projects aligned with the country's climate and biodiversity priorities

BRAZILIAN SUSTAINABLE TAXONOMY (BST)

Country: Brazil (2023-2025)

Background

The development of Brazil's Sustainable Finance Taxonomy (TSB) directly supports the GGIA by fostering EU-LAC cooperation on sustainable finance. By providing a science-based classification system aligned with international standards, the TSB promotes interoperability with the EU taxonomy, strengthens policy coherence, and helps channel EU and private capital toward climate, environmental, and social projects—advancing GGIA's goals of sustainable, resilient, and inclusive economic development in the region.

Results achieved

- The first edition of the Brazilian Sustainable Taxonomy (TSB) was published in November 2025. Decree nº 12.705/2025, signed by President Lula and Finance Minister Haddad on 31 October, establishes the TSB as a public policy instrument of Brazil's Ecological Transformation Plan.
- The TSB provides a robust, science-based classification system that enables the alignment and scaling of investments toward Brazil's climate, environmental, and social priorities. Its launch represents the successful outcome of an unprecedented, highly rigorous, and inclusive multi-stakeholder process led by the Brazilian Ministry of Finance. Its creation involved an unprecedented, multi-stakeholder effort: 350 representatives from 63 organisations contributed over 500 hours of technical discussions and 2,860 public consultation inputs.
- By establishing the TSB as the normative reference, Decree nº 12.705/2025 provides a basis for key policy instruments such as labelled financial products, sustainability disclosure requirements, fiscal incentives, public investment programs, and the monitoring of sustainable financial flows. As a result, the TSB now serves as a foundational framework to mobilise capital at scale (e.g. Minimum Safeguards for the 3rd auction of EconInvest), enhance policy coherence (e.g. National Public Procurement Strategy and National), and accelerate Brazil's transition toward a more sustainable, resilient, and inclusive economy.

2.2.4 NATURE, BIODIVERSITY AND BIOECONOMY

Building on the biodiversity and natural capital context described in section 1.1, Euroclima's nature, biodiversity and bioeconomy work in 2025 focused on translating this agenda into concrete national and regional actions.

This vision was translated into concrete national and regional actions throughout 2025. In Brazil, two major initiatives concluded successfully in December. One focused on strengthening the competitiveness of the bioeconomy by connecting innovative startups with community-based businesses in the cocoa and açaí value chains. The second restructured the minimum price policy for socio-biodiversity products under the "SocioBio Mais" programme, improving market access for Indigenous peoples and traditional producers. Together, these initiatives strengthened communication between government institutions and forest communities while increasing political support for sustainable local development. In Costa Rica, the "Biodiversidad 30x30" project continued advancing by incorporating gender and intercultural approaches into biological corridor management and supporting ecosystem restoration in the Indigenous Boruca territory.

At the same time, innovative financial and technical tools helped connect biodiversity conservation with economic implementation. The region completed specialised studies in June 2025 on biodiversity data interoperability in Peru and Ecuador. These studies are expected to strengthen evidence-based territorial planning and contribute to the development of a National Biological Diversity Base.

Regional cooperation also expanded to address transboundary ecosystems and emerging environmental challenges. In the Amazon, a cross-border bioeconomy initiative involving Colombia, Ecuador, and Peru continued advancing sustainable enterprises while building a coordinated regional network. In the Caribbean, attention is increasingly focused on regenerative tourism and the economic use of sargassum. Major hotel chains in the Dominican Republic and the Bahamas began integrating reef restoration fee systems to finance coral nursery projects and coastal ecosystem recovery. Together with knowledge initiatives such as the virtual exhibition "For a More Than Human World," these efforts illustrate how the region is transforming its natural assets into the foundation of a fairer, more resilient green transition.

IMPLEMENTATION OF A BLUE CARBON MARKET FEASIBILITY STUDY

Country: Panama (2023-2025)

Background

Marine and coastal ecosystems, such as mangroves and seagrass meadows, have great potential for carbon capture and biodiversity protection, and both contribute to climate change mitigation and adaptation.

In this context, Panama seeks to harness this potential through blue carbon projects. However, these projects must meet technical requirements and benefit the most vulnerable populations.

This is why the government of Panama sought support and technical assistance from the Euroclima Program. More precisely, it requested the conduction of a feasibility study in the Gulf of Montijo that would assess the different aspects of a blue carbon project, including the carbon absorption, social and environmental co-benefits, the involvement of local communities, and the strengthening of national capacities through a 'learning by doing' approach.

Results achieved

- The study was conducted in 2024 in order to assess the potential for developing blue carbon projects in the Gulf of Montijo.
- It included the design of a multicriteria analysis tool covering legal, socio-economic (for local communities), ecological and financial aspects, taking into account international standards which certify projects seeking social and environmental co-benefits
- The Action made possible the assessment of carbon and other important factors related to ecological, social, financial and economic variables that affect the viability of a blue carbon project.
- The analysis led to the following key findings:
- High blue carbon potential (great carbon sink), but low deforestation rate and existing protection pose challenges to demonstrate the project's additionality.
- Ecosystem under high pressure from other threats, in particular chemical pollution, coastal erosion or sedimentation
- Potential of the multicriteria analysis tool created to be used in other contexts/countries.

2.2.5 SUSTAINABLE MOBILITY

In 2025, Euroclima's sustainable mobility portfolio supported partner countries in moving from policy ambition towards practical planning, investment preparation and early implementation. The actions show a strong emphasis on urban mobility planning, active mobility, electromobility, public transport improvement and the enabling conditions needed for low-carbon transport systems. Across Latin America and the Caribbean, support combined technical assistance, feasibility studies, regulatory advice, capacity development and pilot initiatives, with a common focus on safer, more inclusive and climate-aligned mobility.

A first area of progress was the strengthening of planning instruments. In Argentina, Euroclima supported tools and methodologies for Sustainable Urban Mobility Plans, including training for cities, initial mobility plan outlines and methodological guidance for future studies. In Uruguay, the programme helped implement pilots linked to the National Sustainable Urban Mobility Policy, including school routes, traffic calming and cycling infrastructure. In Mexico, support to the Guadalajara Metropolitan Area contributed to the expansion and improvement of the MiBici public bicycle system, with feasibility studies completed and public investment approved for a first phase, including electric bicycles and charging stations.

The portfolio also advanced active mobility, public transport and urban transformation. In the Dominican Republic, Euroclima supported INTRANT in defining sustainable mobility projects, preparing concept notes for financeable initiatives, and developing regulatory and capacity-building activities on active and electric mobility. In Cuba, the Galiano Axis pilot in Havana promoted tactical urbanism and urban corridor transformation, while in Peru, support focused on improving the organisation, safety and efficiency of smaller-vehicle transport in Piura.

Electromobility represented another important area of work. In Colombia, Euroclima supported analysis of business models and capacities for the national automotive and battery industry. In Guyana, the programme contributed to the development of e-mobility regulation, while in the Dominican Republic, it supported the creation of infrastructure, legal and institutional conditions for the transition of public vehicle fleets towards electric and hybrid units. In Costa Rica, new support began for the electrification of special transport services, including school, worker and tourism transport.

In the Caribbean, Euroclima addressed island-specific mobility challenges through a feasibility study for a low-carbon ferry system in Saint Lucia, assessing demand, technical options, operational issues and future investment pathways. At the regional level, the Community of Practice on Urban Mobility continued to facilitate exchange, technical guidance and peer learning across countries.

Overall, the 2025 sustainable mobility portfolio demonstrates Euroclima's role in preparing the foundations for investment-ready, inclusive and climate-aligned transport systems. Results were strongest where technical assistance was connected to national or local policy priorities, interinstitutional coordination and financing pathways.

COMPREHENSIVE FEASIBILITY STUDY OF A FERRY SYSTEM IN SAINT LUCIA

Country: Saint Luca (2025-2026)

Background

Aligned with the Global Gateway Investment Agenda, this initiative prepares a structured investment project aimed at attracting potential European investors. The study will help develop innovative sea connections between Saint Lucia cities in an integrated manner, offering services that complement existing transport, reduce road congestion, and assess vessels' technologies to support sustainable maritime transport and lower environmental impact.

Results achieved

- **Pathway toward an implementable, low-carbon ferry system for Saint Lucia.** The proposed primary route of operation will connect key locations in Saint Lucia, including Castries, Rodney Bay and Vieux Fort.
- The study follows a structured, step-by-step approach, progressing from data collection and stakeholder engagement to transport diagnostics, demand and vessel assessments, and finally financial, economic and environmental analysis. Each phase builds on the previous one, ensuring coherence and rigor, and laying a robust foundation to support future investment decisions. The study also includes an evaluation of propulsion options (electric, hybrid, or other alternatives).
- In 2025, a diagnostic mission was conducted, enabling the identification of key technical, operational and institutional issues. Building on these findings, stakeholder presentation and consultation workshops are scheduled in March 2026 to discuss the results and define the next steps.

MIBICI GUADALAJARA

Country: Mexico (2023-2026)

Background

MiBici Mexico was conceived as a public bicycle initiative with a focus on gender and social inclusion, proposed as a structural reform of mobility to improve accessibility for women and vulnerable populations. The first milestone was the updating of the Public Bicycle Master Plan, under a gender-sensitive framework, incorporating criteria of safety, accessibility, and women's travel patterns. This instrument repositioned the system as a strategic component of metropolitan mobility policy.

The process was supported by technical assistance from the Mexican institutions AMIM and IMEPLAN.

Results achieved

Starting in the planning phase, specific deliverables were structured to mobilise public-private investment through technical assistance to AMIM and IMEPLAN.

- Integration of a gender-sensitive approach into metropolitan bicycle planning.
- Approval of an updated Master Plan, aligned with inclusion and climate objectives.
- Design of a scalable business model for the expansion of the system.
- Mobilisation of public and private investment for the first phase of electrification.
- Development of innovative financing mechanisms for future expansions.
- Strengthening of the institutional capacities of AMIM and IMEPLAN.
- This approach enabled the Jalisco government and private partners to commit investment in a first phase of transformation, including the transition to electric bicycles.

2.2.6 CIRCULAR ECONOMY

In 2025, Euroclima's circular economy portfolio remained an emerging but strategically relevant area of support, with a strong focus on enabling conditions, diagnostics, planning instruments and early-stage investment preparation. Rather than representing a fully consolidated results portfolio, the actions identified so far show a sector still largely in development. The portfolio nevertheless points to a clear direction of travel: strengthening waste management systems, identifying circular value chains, and preparing the technical and institutional basis for future investments aligned with the green and just transition.

The most advanced result was achieved in Guatemala, where Euroclima supported the completion of the National Circular Economy Strategy. The action contributed to the development of a diagnostic of opportunities and challenges, the formulation of a roadmap for the transition towards a circular economy, and the preparation of guidelines for the reduction, recovery and reuse of solid waste by municipalities and the private sector. The process also included dialogue and exchange activities, as well as an inclusive training programme that reached more than 80 people. This provides Guatemala with a stronger policy and technical basis for gradually integrating circular economy principles into waste management and wider sustainability planning.

In Latin America, other actions focused mainly on project preparation and enabling frameworks. In Argentina, support was directed towards the preparation of technical, social, environmental and climate studies required to access international financing for the closure of open dumps and the development of an urban solid waste treatment and recycling centre in the Alto Valle del Río Negro. In Chile, a new action under the second Country Action Plan was still in programming at the end of 2025, aiming to support subnational climate investment projects linked to municipal climate change plans, with a particular focus on circular economy and integrated waste management. These actions suggest a growing connection between circular economy, subnational planning and investment readiness, although most results are still expected in future reporting periods.

In Brazil, Euroclima also contributed to resource-efficiency and industrial decarbonisation agendas that are relevant to circular economy principles. Support to the green economy agenda included studies on biomass use and the substitution of fossil fuels in the cement sector, providing new evidence to inform business and public policy decisions. In parallel, support to Brazil's Sustainable Finance Taxonomy helped establish a broader framework for directing finance towards sustainable economic activities, including sectors relevant to ecological transformation.

In the Caribbean, the circular economy portfolio was mainly in the preparation stage by the end of 2025. In Dominica, three planned actions aim to strengthen national recycling infrastructure through a resilient recycling shed, targeted equipment procurement, and a market study on value-added products such as recycled plastic tiles, construction materials, and crushed glass. In Jamaica and Suriname, planned actions point towards future work on integrated waste management and waste characterisation. A related multi-country Caribbean action also assessed the potential productive use of industrial organic waste and sargassum for biogas or composting in the Dominican Republic, Barbados, Saint Lucia and Grenada, helping to generate foundational information on feedstock availability, market potential, costs and risks.

Overall, the circular economy portfolio in 2025 should be understood primarily as a pipeline-building and enabling portfolio. Its most concrete reported result was the completion of Guatemala's national strategy and associated roadmap, while other actions focused on feasibility, diagnostics, regulatory and market studies, and the design of future waste and recycling interventions. The available evidence therefore supports a cautious narrative: Euroclima is helping lay the groundwork for circular economy investments and policy development, but most of the portfolio had not yet reached the stage of implementation results by the end of 2025.

2.2.7 ADAPTATION, RESILIENCE, WATER MANAGEMENT AND DISASTER RISK

In 2025, Euroclima's support to adaptation, resilience, water management and disaster risk management focused on moving from planning towards the technical and financial implementation of resilience measures, particularly in territories highly exposed to climate impacts.

Several important initiatives reached major milestones during 2025. In Uruguay, the action supporting the implementation of adaptation measures in coastal zones concluded in June 2025. The initiative developed preliminary designs for hybrid infrastructure solutions that combine conventional engineering with nature-based approaches across six pilot sites, while also establishing permanent coordination mechanisms between the Ministry of Environment and local governments. In Honduras, the action for sustainable water resource management in the Goascorán basin concluded in May 2025 after completing 14 infrastructure works related to water, waste, and disaster risk management. The initiative also secured the legal protection of six micro-watersheds to preserve critical ecosystem services.

Nature-based Solutions (NbS) and local adaptation projects also achieved measurable results in several countries. In Panama, the action aimed at reducing vulnerability in the Kusapín district concluded in May 2025. The initiative installed water harvesting systems in schools, strengthened the climate resilience of 119 farmers through specialised agricultural techniques, and established a municipal monitoring committee to support long-term sustainability. In Colombia, the project focused on scaling up NbS in marine and coastal ecosystems reached full technical implementation in September 2025, completing key channel restoration and revegetation activities across 22 strategic socio-ecosystems to help reduce disaster risks.

Institutional capacity and financial resilience also advanced through improved modelling and risk assessment tools. In Panama, the "Resilient Basins" action, scheduled for completion in December 2025, produced 10 climate risk assessments and three hydrological models that will serve as a technical foundation for future green investments in water security. Meanwhile, Dominica completed its first geothermal-backed microgrid in 2025, helping ensure that essential services such as rural health clinics remain operational during national grid failures. Despite severe climate events, including the destruction caused by Hurricane Melissa in Jamaica in November 2025, the region continued advancing resilient infrastructure and investment-ready adaptation projects, helping bridge the gap between national planning and practical implementation.

MONITORING OF THE STRATEGIC PLANNING OF THE SOLEGUA RIVER BASIN FOR SUSTAINABLE MANAGEMENT IN THE DEPARTMENT OF HUEHUETENANGO

Country: Guatemala (2025)

Background

The Solegua River basin is of high importance due to the ecosystem services it provides to more than 400,000 inhabitants across the 21 municipalities that make up the basin. In this context, strategic basin planning is essential, particularly given the absence of such an instrument in the area. This initiative was designed to expand and deepen the work carried out under the "Urban Waters in the Valle Marquense" project, previously supported by EUROCLIMA in the upper part of the Naranjo River basin, building on lessons learned and accumulated good practices, and scaling up actions to promote the conservation, protection, and integrated and sustainable management of water resources.

Results achieved

- the project developed a watershed planning instrument specifically for the area: the "Selegua River Basin Protection and Conservation Plan." The planning process was carried out within a governance framework, in close collaboration with key stakeholders in the basin territory, including departmental and municipal authorities, governmental and nongovernmental institutions, representatives from various universities, and members of organised civil society. In addition, the project succeeded in strengthening the capacities of members of the basin technical committee and
- municipal staff through the diploma course "Integrated Watershed Management with an Emphasis on the Development of Micro-watershed Management Plans," with the participation of 94 men and 34 women, for a total of 128 participants, primarily municipal, institutional, and NGO technical staff.

2.2.8 JUST TRANSITION

In 2025, Euroclima's just transition work focused on translating the socio-economic and inclusion challenges described in section 1.1.6 into practical measures on gender equality, social inclusion and a Rights-Based Approach.

One of the year's most important achievements was the integration of gender and social inclusion targets into national climate planning frameworks. The programme supported the incorporation of specific gender objectives into climate strategies in countries such as Peru, Ecuador, and Colombia. In Peru, an action supporting the energy sector's alignment with national climate goals concluded in July 2025 after successfully doubling the participation of women in technical diagnostic teams and consultancy groups through mandatory gender criteria in hiring processes. In Mexico, the MiBici Guadalajara initiative finalised an important update to its Public Bicycle Master Plan, incorporating new safety and accessibility measures designed to improve mobility for women and vulnerable populations. This effort repositioned non-motorised transport as a strategic component of metropolitan planning and helped lay the foundation for future investments in sustainable urban infrastructure.

The programme's impact was also reflected in stronger participation benchmarks and higher levels of engagement. In Uruguay, the Sustainable Livestock action revised and updated its gender and youth plan in 2025, establishing minimum participation criteria of 30% women and 20% youth across training activities and participatory spaces. The measure aims to strengthen the involvement and influence of women and young people in sustainable livestock systems. The same action reached a major milestone in 2025 by convening a national meeting of more than 260 women linked to the livestock sector. Together with other inputs generated under the gender plan, this helped inform a new capacity-strengthening programme, developed with support from ANEP, structured around good practices and sustainability, organisational strengthening with a gender and generational approach, and the integration of sustainability and climate resilience into agrarian technical education. At the regional level, the UN Regional Working Group on Gender and Environment, supported by Euroclima, concluded a major initiative in August 2025 with the publication of a comprehensive study on gender equality and green employment across 19 countries. The study provides a critical evidence base to support women's participation in strategic sectors such as renewable energy.

The types of interventions implemented during the year increasingly focused on mainstreaming equity into technical tools and strengthening institutional capacity. This included the development of instruments such as the Gender Mainstreaming Planner and initiatives like "Gender Coffees," designed to build internal expertise among technical teams. In Argentina, an action focused on rural and Indigenous women and climate justice concluded in June 2025 after establishing a permanent Climate Justice Library and launching a formal university diploma programme aimed at preserving and promoting traditional knowledge.

These efforts were further reinforced through the Action for Climate Empowerment (ACE) agenda. Honduras finalised its National ACE Strategy following a participatory process that included 16 workshops and engaged hundreds of citizens, helping ensure that long-term climate planning is grounded in public awareness, education, and inclusion. Around the same time, Argentina completed a transparency initiative that integrated the National Climate Change Information System (SNICC) into a centralised platform and produced specialised studies on sea-level rise and adaptation in the health sector.

Together, these initiatives strengthened the social foundations required for a just transition across the region by improving participation, access to information and institutional capacity in climate-related processes.

CHILE DELIVERED THE WORLD'S FIRST GENDER-FOCUSED STUDY SPECIFICALLY ADDRESSING THE GREEN HYDROGEN INDUSTRY, SETTING AN INTERNATIONAL BENCHMARK FOR A JUST AND INCLUSIVE ENERGY TRANSITION

Country: Chile (2024-2026)

Background

In April 2024, the Chilean Ministry of Energy published the Green

Hydrogen Action Plan 2023–2030, which operationalises the national strategy through short- and medium-term measures, including specific gender-related actions. The development of this new industry represents an opportunity to advance gender equality and promote the inclusion of women as a key condition for sustainable development. However, moving in this direction required addressing a critical information gap. In this context, the study aims to characterise women's labour force participation and identify gender gaps across the value chain of the green hydrogen industry.

Results achieved

- The study generated unprecedented quantitative and qualitative evidence, including surveys of more than 90 companies across the green hydrogen ecosystem, 76 women working in the sector, and 20 interviews with key stakeholders from the public sector, private industry, and academia. The analysis identified structural gender gaps in employment, leadership, training pathways, and working conditions. Beyond the diagnosis, the process catalysed the creation of gender roundtables and intersectoral dialogue spaces, strengthening public–private coordination and positioning gender equality as a strategic pillar of Chile's green hydrogen development.

2.3 REGIONAL COOPERATION, PARTNERSHIPS AND KNOWLEDGE

In 2025, regional cooperation, strategic partnerships and knowledge exchange helped connect Euroclima's country and thematic work with wider EU-LAC cooperation priorities. This section focuses on the platforms, partnerships and multi-country actions that supported peer learning, policy coordination and investment readiness (refer to Annex 1 for a list of all regional platforms).

Communities of practice continued to play an important role in fostering peer learning, technical exchange and policy coordination across LAC in 2025. The SoMoS LAC community for sustainable mobility expanded to 5,000 members representing 535 organisations and delivered more than 60 workshops alongside 65 follow-up meetings to support action plans. Webinars and technical training sessions helped capture and share lessons learned, including discussions on sustainable finance involving more than 1,745 participants. Its work focused on transport digitalisation, gender and social inclusion, active mobility, public transport, freight transport and financing. Among its most notable outputs was the development of an interactive regional map showcasing initiatives that promote gender-responsive sustainable mobility. Similarly, the ArticuLAC community entered a new phase focused on mobilising private investment for climate action, facilitating dialogue between governments and European private sector actors to align climate cooperation priorities with investment opportunities. These platforms have enabled knowledge generated in specific contexts, such as urban mobility initiatives in Mexico, to inform infrastructure planning and investment decisions elsewhere in the region.

Regional platforms also played a growing role in supporting the development of emerging green markets. The H2LAC platform continued to strengthen dialogue between public and private stakeholders from both regions on regulatory frameworks, certification systems and investment opportunities related to green hydrogen and sustainable aviation fuels. During 2025, the platform expanded its work to include discussions on port readiness for zero-emission maritime operations and the integration of European private sector actors into regional value chains. In the Amazon region, cooperation under the Leticia Pact and the Amazon Cooperation Treaty Organisation advanced cross-border collaboration among Colombia, Ecuador and Peru to strengthen sustainable enterprises and assess the feasibility of a transboundary coordination mechanism to support bioeconomy businesses seeking access to European markets.

Multi-country actions generated important technical foundations for future investments, particularly in the Caribbean. A photovoltaic hosting capacity study was undertaken for six member states of the Organisation of Eastern Caribbean States (OECS) to assess the technical potential for integrating higher shares of renewable energy into national electricity systems. Efforts to address sargassum accumulation also progressed through studies examining opportunities to convert organic waste into energy and other valuable products. Additional regional initiatives supported the development of carbon pricing instruments in Mexico and Brazil, knowledge-sharing on district cooling solutions in Costa Rica, Jamaica and

the Dominican Republic, and study visits to Europe that connected Caribbean decision-makers with providers of wind and marine energy technologies.

Programme-wide publications, communication products and Capacity4Dev dissemination are addressed in the Community engagement and Knowledge Sharing section (4.3).

Strategic partnerships with regional organisations and international financial institutions remained essential for addressing financing gaps and preparing investment pipelines. Collaboration with the European Investment Bank (EIB) was particularly important, with Euroclima supporting the technical studies and environmental and social assessments required for projects to meet due diligence standards and access financing. Partnerships with regional financial institutions and networks advanced capacity building on green bonds, sustainable finance taxonomies and innovative financing mechanisms. In the Caribbean, cooperation between CARICOM and the OECS supported progress on Loss and Damage financing mechanisms and the establishment of national climate funds, while interest continued to grow in resilience bonds and debt-for-nature approaches as tools to strengthen climate resilience and fiscal sustainability.

The 2025 Euroclima Annual Meeting, held in Santo Domingo from 10 to 12 March under the theme 'Strengthening the EU-LAC Partnership for a Green and Just Transition', provided an opportunity for representatives from more than 30 countries to review progress and discuss the programme's evolving role. It also offered a platform to connect country priorities, regional cooperation and investment-oriented programming. Examples presented during the event illustrated how priorities agreed at the EU-LAC Summit have translated into concrete initiatives, including regional electricity market integration in Central America and sustainable infrastructure development in the Caribbean.

Taken together, these regional platforms, partnerships and multi-country actions strengthened the institutional foundations for cooperation across LAC and supported the investment-readiness role described in section 1.2.

H2V DIALOGUES (H2LAC AND GGIA DIALOGUES IN BRAZIL)

Country: Regional and Brazil (2024-2026)

Background

Dialogue between public and private stakeholders is a key enabler for the development of new clean energy markets, as it helps align expectations, clarify regulatory frameworks and identify and reduce information asymmetries that hinder investment. These platforms make it possible to assess risks, build trust and shape shared agendas among governments, industry and financiers.

This approach is reflected in the dialogues promoted by the regional H2LAC platform, as well as in the series of private sector energy dialogues in Brazil—the "Global Gateway Energy Talks"—which are laying the groundwork for the deployment of investments in strategic priority areas.

Results achieved

- Both initiatives seek to strengthen the EU–LAC bi-regional ecosystem in order to facilitate the development of energy projects and investments, particularly in green hydrogen and its derivatives, by combining public–private coordination and articulation, knowledge generation, and capacity building.
- At the regional level, H2LAC organised two distinct dialogue cycles: one with its partner network (public sector institutions, academia, European chambers of commerce, and private sector actors through associations), and another exclusively with private sector companies, structured around themes such as governance, permitting, social impact, investment, financing, demand, market development and infrastructure. Both dialogue streams enabled the identification of shared needs, including coordinated regulatory frameworks, access to financing for DevEx, and incentives to stimulate local demand, among others.
- In Brazil, the process translated into concrete sectoral intelligence and the institutionalisation of the "Global Gateway Energy Talks" as a structured dialogue platform bringing together European companies, Brazilian authorities and European Commission services. During the Action, four editions were organised (three in person and one virtual), convening more than 15 European energy companies to address investment opportunities and challenges, regulatory frameworks and certification issues in areas such as green hydrogen, sustainable aviation fuels (SAF) and green steel.

2.4 FINANCE LEVERAGE AND INVESTMENT MOBILISATION

In 2025, Euroclima's contribution to finance leverage and investment mobilisation was still emerging, but several actions already showed how technical cooperation can help move climate and biodiversity priorities closer to financing. The evidence available for this section is selective rather than exhaustive, as investment mobilisation was not yet a formal programme-wide reporting category in 2025 and will become more prominent in the Euroclima Global Gateway phase. The examples reported by GIZ, ECLAC and Expertise France nevertheless illustrate the programme's added value in creating the enabling conditions for investment: improving project pipelines, strengthening financial-sector readiness, generating data and methodologies required by financiers, and connecting public and private actors with potential sources of capital.

A first area of contribution was the strengthening of climate project pipelines and the preparation of companies and public institutions to access finance. In Colombia, through technical assistance implemented by Expertise France, Euroclima supported work with the Ministry of Environment and Sustainable Development and the National Planning Department to improve the identification, prioritisation and preparation of climate projects for financing. This included the development and application of a project prioritisation methodology to assess a portfolio of 136 projects in sectors such as environment, agriculture, energy and transport. While 124 projects passed the initial screening stages, only 10 advanced to the final prioritisation phase, highlighting the importance of stronger project preparation, technical information and financial structuring to meet the expectations of financial institutions.

The same line of work was complemented through the Climate Finance Corridor, which supported companies seeking to structure climate projects and access public, private and international financing sources. Two Business Acceleration Cycles involved 92 companies, of which 57 were pre-selected for further analysis. A subsequent consultation confirmed the interest of 34 companies in continuing the process, while 28 submitted updated financial and sustainability information for assessment. The analysis showed that 18 companies had developed five-year financial projections, 13 projects had reached the technical feasibility stage, and 26 companies were willing to report environmental performance indicators to potential financiers. This helped classify projects according to their level of maturity and identify remaining gaps in financial structuring, ESG compliance, monitoring systems and climate impact reporting.

Private-sector mobilisation was further strengthened through the second cycle of the Ciclo de Impulso Empresarial, implemented by Euroclima with support from Bancóldex and under the leadership of Colombia's National Planning Department. The cycle selected 45 companies from 259 eligible applications, following a total of 277 applications, demonstrating strong private-sector demand for climate-related support. The selected companies came from 14 departments and represented a diverse set of enterprises, including micro, small, medium-sized and large companies. Their sectoral profile was concentrated mainly in AFOLU, energy, trade, industry, tourism and transport. The estimated investment needs of the selected companies amounted to approximately COP 3 billion, equivalent to around EUR 0.67 million. The Business Roundtable held in Bogotá in October

2025 enabled 36 companies to engage directly with financial institutions, development banks, impact funds and international cooperation programmes through 154 business meetings. Of these meetings, 95 resulted in concrete follow-up steps, such as additional information-sharing or new meetings, while 100 identified short-, medium- or long-term financing opportunities.

A second area of contribution was the development of data, methodologies and evidence that can unlock access to climate and nature finance. In Ecuador, through technical assistance implemented by Expertise France, Euroclima supported the Ministry of Environment, Water and Ecological Transition in strengthening the knowledge base and enabling conditions needed to align economic development with climate and biodiversity objectives. The action, implemented as part of Ecuador's Country Action Plan, contributed to the Global Gateway Investment Agenda and the EU–Ecuador Forest Partnership by generating strategic data and tools for sustainable land-use management, biodiversity conservation and nature-based economic opportunities.

A key achievement in Ecuador was the development of the first nationwide assessment of forest degradation. By going beyond traditional deforestation monitoring, the study analysed the condition of forest ecosystems across the country and assessed their contribution to greenhouse gas emissions. The environmental analysis was complemented by an assessment of the socio-economic impacts of forest degradation, helping identify both the risks posed to Ecuador's economy and the opportunities for investment in sustainable and nature-positive activities. The data and methodologies developed through Euroclima contributed to creating the conditions that enabled Ecuador to access USD 30 million, equivalent to around EUR 25.6 million, in public-private funding from the LEAF Coalition to support forest conservation and sustainable development efforts. This example illustrates how technical evidence, institutional capacity and digital data can become practical enablers of climate and biodiversity finance.

A third area of contribution concerned the incorporation of economic instruments into public investment and carbon market frameworks. Through technical assistance implemented by ECLAC, Euroclima helped countries integrate climate considerations into national public investment systems through work on the social price of carbon. Participating countries reported that the inclusion of a social price of carbon in public investment evaluation systems facilitated access to climate finance. In the Dominican Republic, the integration of the social price of carbon was reported as a relevant condition for accessing green bonds for low-carbon transport. Costa Rica similarly reported that the incorporation of this instrument into the investment evaluation system facilitated access to climate finance. In Peru and Chile, the social price of carbon was incorporated into the list of social prices used in public investment evaluation systems, strengthening the capacity of public authorities to reflect climate externalities in investment decisions.

In Chile, technical assistance implemented by Euroclima (through ECLAC) on Article 6 of the Paris Agreement and the definition of prioritised typologies of emission-reduction projects also contributed to creating enabling conditions for carbon market-related investment. This work supported the approval of 20 projects associated with approximately USD 1.4 billion, equivalent to around EUR 1.19 billion, in investment through bilateral agreements with countries such as Switzerland, Singapore and Japan. While these investments should not be attributed solely to Euroclima, the action shows how technical assistance can help partner countries define project typologies, strengthen institutional readiness and improve the conditions for accessing international carbon market opportunities.

A fourth area of contribution was the mobilisation of public-private dialogue around emerging green investment opportunities. Through technical assistance implemented by GIZ, Euroclima supported regional and country-level dialogue platforms that helped align public and private actors around investment conditions in strategic sectors, particularly energy transition and green hydrogen. At regional level, the H2LAC platform organised dialogue cycles with its partner network and with private-sector companies on issues such as governance, permitting, social impact, investment, financing, demand, market development and infrastructure. In Brazil, the Global Gateway Energy Talks were institutionalised as a structured dialogue platform bringing together European companies, Brazilian authorities and European Commission services. Four editions were organised, convening more than 15 European energy companies to discuss investment opportunities and challenges, regulatory frameworks and certification issues in areas such as green hydrogen, sustainable aviation fuels and green steel. These dialogue spaces did not in themselves constitute finance mobilisation, but they helped reduce information asymmetries, clarify investment barriers and build shared agendas between governments, industry and potential investors.

Taken together, these examples show that Euroclima's contribution to finance leverage in 2025 was primarily indirect but strategically important. The programme helped improve the quality and credibility of investment pipelines, supported companies and public institutions in understanding financing requirements, generated data and methodologies needed by investors and carbon market actors, and created dialogue spaces between project promoters and financiers. These results are consistent with the programme's evolving role under Global Gateway: not as a direct infrastructure financier, but as a technical cooperation mechanism that helps transform climate and biodiversity priorities into financeable, better-prepared and more credible investment opportunities.

FROM ELECTRICAL PLANNING TO INVESTMENT

Country: Panama (2024-2026)

Background

The Global Gateway Investment Agenda (GGIA) identifies energy transition as a strategic investment area in Panama, aimed at strengthening the resilience of the electricity system and accelerating the integration of renewable energy. Within this framework, this action on energy has supported the NDC and assisted the SNE in updating the renewable generation forecasting system and the grid code, essential tools for ensuring operational stability in the face of increased renewable energy penetration. Simultaneously, technical assistance has been provided to ETESA in updating the National Interconnected System Expansion Plan (2025–2028 and 2029–2038) and in a study on grid capacity and renewable energy penetration potential, identifying necessary short-term reinforcements and strategic projects. This technical basis, under the GGIA approach, has enabled progress in structuring a potential loan of up to €300 million from the EIB to improve transmission infrastructure, with support from EUROCLIMA/FIAP in aligning environmental, social, and technical standards, thus facilitating the transition from strategic planning to structural and bankable investments.

Results achieved

STRATEGIC PLANNING

PESIN 2025–2028 & 2029–2038 National Interconnected System Expansion Plan updated, with ETESA.

TECHNICAL DIAGNOSIS

Study on Network Capacity and Renewable Energy Penetration Potential
Bottlenecks and areas requiring reinforcement identified

REGULATORY AND ENVIRONMENTAL FRAMEWORK

Alignment with EIB Environmental, Social and Technical Standards

INVESTMENT PREPARATION

Structuring of a possible EIB loan in the prioritisation of projects

COUNTRY ENGAGEMENT

3 · COUNTRY ENGAGEMENT

3.1 COUNTRY ENGAGEMENT RESULTS IN 2025

Country Dialogues remained a central mechanism for aligning Euroclima support with partner country priorities in 2025. They provided a structured space for engagement among national counterparts, EU Delegations, INTPA and implementing agencies, helping translate national climate and environmental priorities into concrete action plans and targeted technical cooperation. The detailed status of each Country Dialogue as of 31 December 2025 is presented in Annex 1.

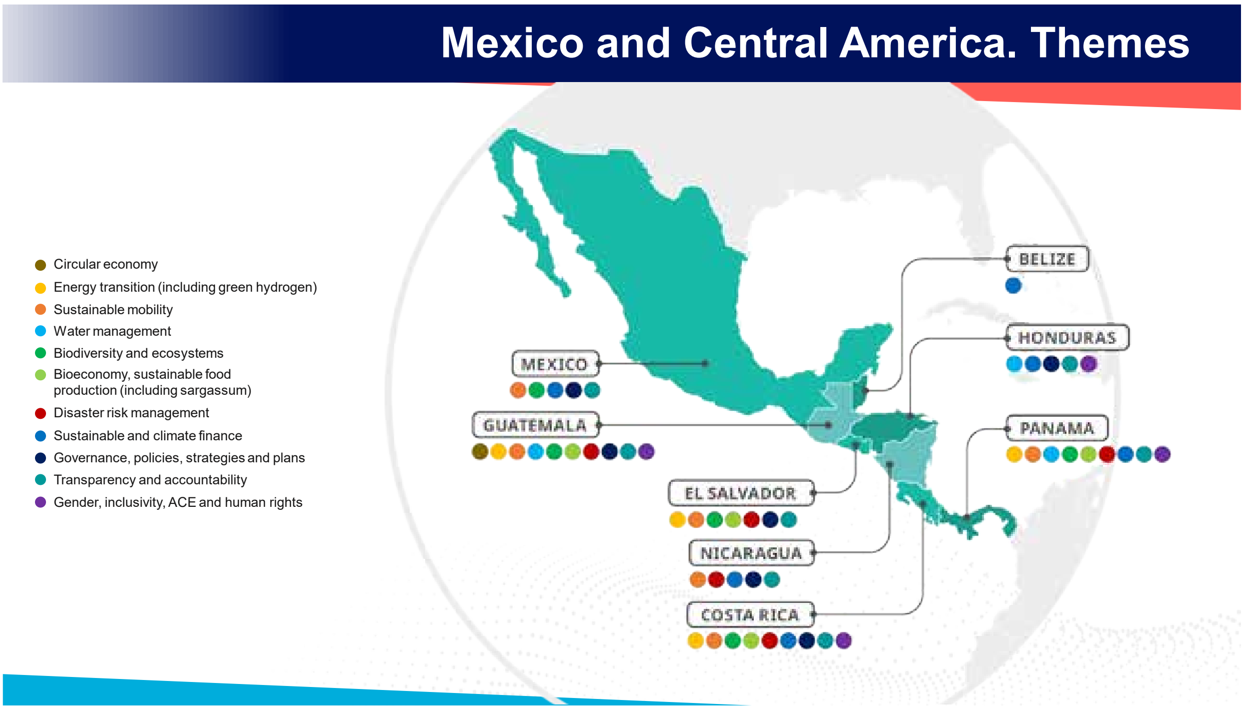
In Latin America, the Country Dialogue process is generally mature and consolidated. Most countries have already completed at least one round of dialogue and have approved Country Action Plans that are either under implementation or nearing completion. In several cases, countries have moved into second rounds of dialogue, reflecting both the continuity of the process and the evolving focus of Euroclima's support in response to policy priorities, new government agendas and the EU–LAC Global Gateway Investment Agenda. These second-round processes have increasingly focused on areas such as sustainable finance, energy transition, green hydrogen, biodiversity, bioeconomy, circular economy, sustainable mobility, territorial climate action and climate governance.

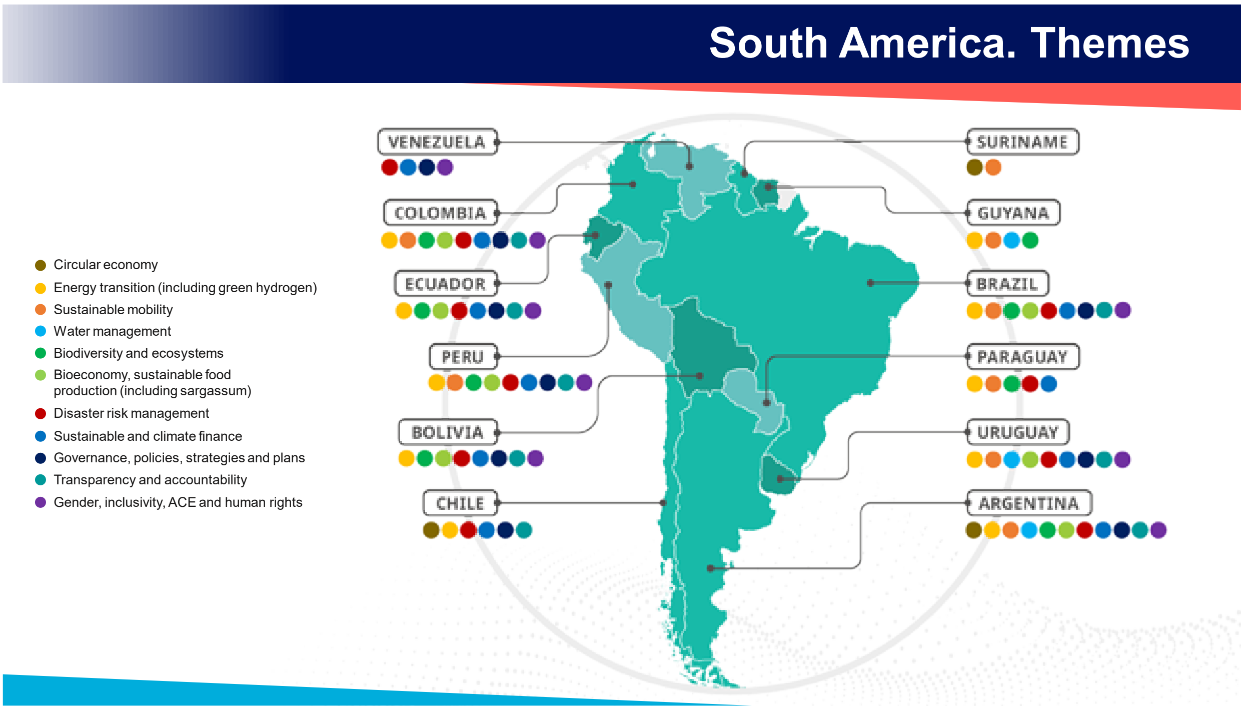
The Latin American portfolio illustrates the value of Country Dialogues as a flexible mechanism for adapting cooperation to evolving national contexts. In countries such as Argentina, Brazil, Chile, Colombia, Costa Rica, Peru and Bolivia, the dialogue process has supported the development or renewal of action plans with updated national climate strategies, sectoral priorities and investment-oriented agendas. At the same time, progress has not been uniform across countries. While most Latin American countries have active or previously approved action plans, the level of engagement varies. By the end of 2025, no Country Dialogue had been initiated in Venezuela, while Nicaragua had engaged with the programme, but did not have an active set of identified actions as reflected in the annexed status table.

In the Caribbean, the Country Dialogue process is more recent and remains in a dynamic stage of consolidation. Several countries submitted formal requests between 2022 and 2025, and many dialogues progressed during 2025, progressing from scoping and country context analysis to the definition, approval, or early implementation of Country Action Plans. The process has been particularly relevant for identifying country-specific and multi-country responses in Small Island Developing States, where climate vulnerability, disaster recovery needs, energy security, water resilience and access to finance remain pressing priorities.

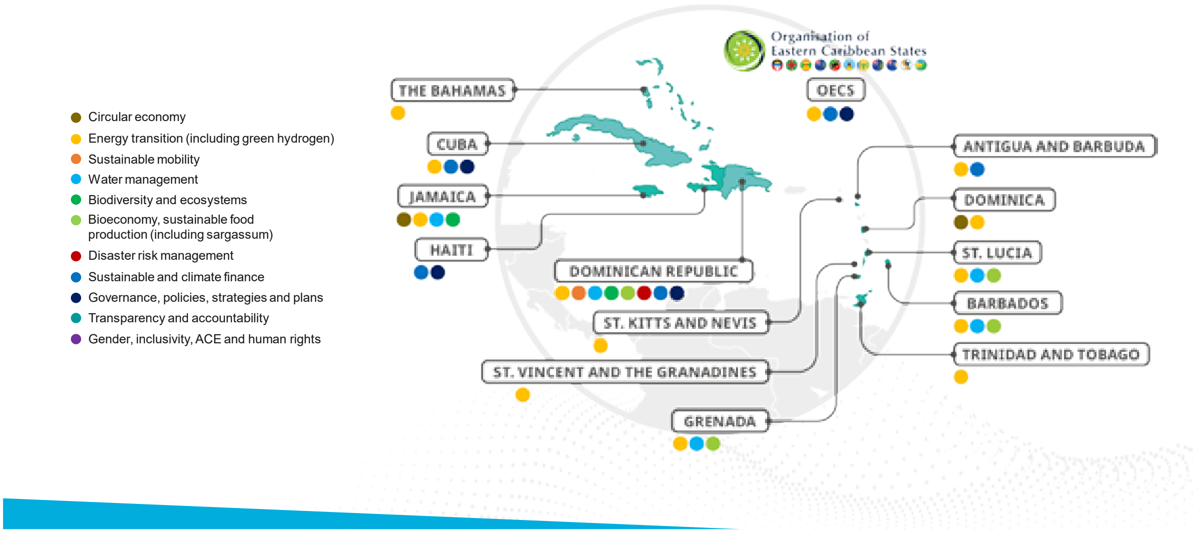
The Caribbean dialogues show a strong emphasis on practical, investment-oriented and resilience-focused areas of support. Key areas include marine and wave energy feasibility studies, renewable energy and grid-related initiatives, climate finance and fiduciary systems, circular economy and waste management, resilient water supply, sustainable mobility, ecosystem restoration, sargassum management and support to regional institutions such as the OECS. By the end of 2025, several countries, including Antigua and Barbuda, Dominica, Grenada, Saint Lucia, Saint Kitts and Nevis, Guyana, Jamaica and the Dominican Republic, had progressed to approved, drafted or operational action. In contrast, Barbados, Saint Vincent and the Grenadines, Trinidad and Tobago and Haiti, the process remained either at an earlier stage, pending formalisation, or showing more limited progress.

The figures below provide an overview of Euroclima's thematic engagement across LAC countries as of 31 December 2025.





Caribbean. Themes



Across both regions, the 2025 experience confirms the value of the Country Dialogues as a foundation for more strategic EU engagement at the country level. Rather than serving only as a Euroclima-specific planning mechanism, they helped structure a shared understanding of national priorities, institutional entry points, potential investment areas and areas for technical cooperation. This has created a solid basis for the transition, from 2026 onwards, integrating into the broader EU bilateral dialogues as the main framework for identifying new actions (see section 3.2).

The experience gained through the Country Dialogue process therefore constitutes an important legacy for the programme. It supported national ownership, strengthened coordination among Team Europe actors and generated a pipeline of priorities that can inform future EU bilateral engagement. The post-2025 identification approach is described in the following section.

3.2 EVOLUTION OF THE COUNTRY ENGAGEMENT APPROACH

After 2025, with the start of the Euroclima Global Gateway phase, the programme will move from the traditional Country Dialogue model towards a broader identification approach embedded in EU bilateral dialogue and aligned with Global Gateway priorities. This will be operationalised through a new Country Action Definition Mechanism.

The updated methodology follows a structured process that begins with a preliminary identification of Global Gateway-aligned country priorities. Implementing agencies then provide technical and operational support to develop a coordinated "Team Europe offer" aligned with both national climate policies, including NDCs, and Global Gateway objectives. These proposals undergo internal programme validation and consultation with national counterparts to ensure political relevance and alignment with national development priorities. The result is a portfolio of country action designed to support implementation-ready and investment-oriented initiatives.

This approach is intended to strengthen Euroclima's role in creating the regulatory, institutional and technical conditions for sustainable investment, including through pre-feasibility studies, technical diagnostics and business planning support.

COMMUNITY ENGAGEMENT AND KNOWLEDGE SHARING

4 · COMMUNITY ENGAGEMENT AND KNOWLEDGE SHARING

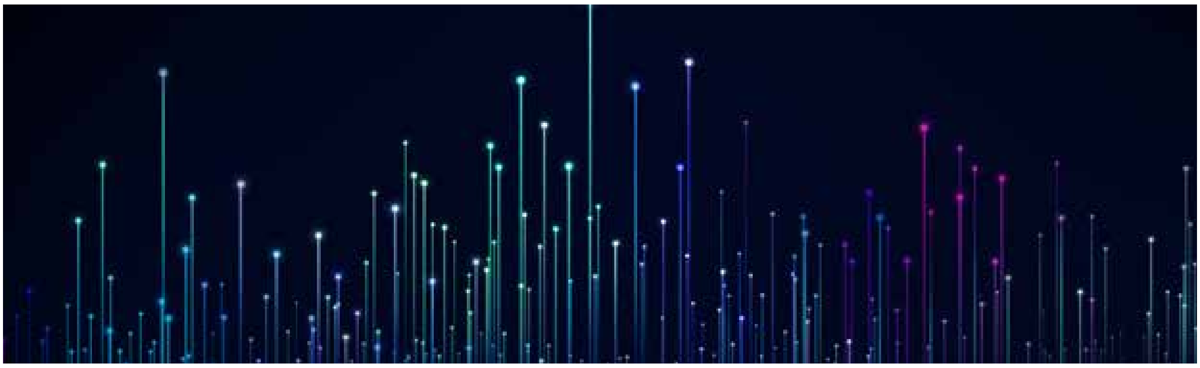
In 2025, Euroclima strengthened community engagement and knowledge sharing as programme functions that translate technical results into accessible evidence, lessons learned and programme-relevant information.

4.1 KNOWLEDGE PRODUCTS SUPPORTING PROGRAMME PRIORITIES

During the year, Euroclima produced and disseminated a wide range of specialised publications and knowledge materials. At the regional level, key outputs included the flagship publication Voices of Women Leading the Green and Just Transition in Latin America and the Caribbean and the study Mapping of Private Sector Climate Funding Sources in LAC.

Several sectors also generated targeted knowledge products. In green hydrogen, reports developed in Chile addressed regional experiences, technological needs for research and innovation, and community perceptions of the green hydrogen industry. In biodiversity and ecosystems, Costa Rica produced methodological guides on gender equality and interculturality in biological corridors, as well as conceptual frameworks for ecological restoration. In bioeconomy and finance, the AFD Group published policy briefs and analytical notes on the Amazon bioeconomy and blue carbon, while FIAP released a strategic gender study on green jobs and inclusive development. In Brazil, GIZ documented approaches to connect start-ups with community-based bioeconomy enterprises.

Together, these products helped make programme results more accessible, reusable and relevant for stakeholders working on climate action, sustainable investment and inclusive development.



4.2 DISSEMINATION AND LEARNING THROUGH DIGITAL AND PARTICIPATORY SPACES

Capacity4dev became Euroclima's main platform for sharing programme materials, including documents, videos and other resources, in line with European Commission standards. This helped centralise access to information and support structured sharing across the region.

Knowledge sharing was also reinforced through webinars, training sessions, study tours and exchanges linked to the regional platforms described in section 2.3.

These activities supported peer learning and helped connect technical experience with policy and investment discussions.

4.3 COMMUNICATION AND ENGAGEMENT ALIGNED WITH GLOBAL GATEWAY

In 2025, Euroclima's communication and engagement efforts focused on supporting programme implementation, ensuring coherence in the information shared with stakeholders, and facilitating the dissemination of results, learning and exchange opportunities in line with programme objectives and Global Gateway priorities.

This included operational communication materials, visual assets and thematic content linked to programme activities, such as Biodiversidad 30x30 in Costa Rica, the International Day for Disaster Risk Reduction and Energy Efficiency Day. Live closing events, interviews, and press releases were also used to document and share information about activities in Guatemala, Costa Rica, and Bolivia.

The programme also adapted to the updated EU communication guidelines, including replacing the former logo and adopting a new visual identity, which required additional coordination to ensure consistency across materials. High-level forums such as COP30 offered opportunities to document and exchange programme results and lessons learned in relevant spaces within the Global Gateway framework.

ANNEX

ANNEX. COUNTRY DIALOGUE AND REGIONAL ACTIONS UPDATES IN 2025

In this Annex, we include brief summaries of the status of each Country Dialogue and the main regional actions as of 31 December 2025.

EUROCLIMA IN EACH COUNTRY

(Status updated to 31/12/2025)

ANTIGUA AND BARBUDA
ARGENTINA
THE BAHAMAS
BARBADOS
BELIZE
BOLIVIA
BRAZIL
CHILE
COLOMBIA
COSTA RICA
CUBA
DOMINICA
DOMINICAN REPUBLIC
ECUADOR
EL SALVADOR
GRENADA
GUATEMALA
GUYANA
HAITI
HONDURAS
JAMAICA
MEXICO
NICARAGUA
PANAMA
PARAGUAY
PERU
SAINT KITTS AND NEVIS
SAINT LUCIA
SAINT VINCENT AND THE GRENADINES
SURINAME
URUGUAY
VENEZUELA
ORGANISATION OF EASTERN CARIBBEAN STATES (OECS)

EUROCLIMA IN THE REGIONAL CONTEXT

(Status updated to 31/12/2025)

ArticuLAC
Carbon Markets and Transparency
Carbon pricing
Climate Scenarios for Central America
Climate-related and nature-related financial risks
Community of Practice on Urban Mobility
Feminist voices of women leading the green and just transition in LAC
Green fiscal policies
H2 LAC
Macroeconomic modelling
Peer-to-Peer Dialogue
Regional Climate Finance Initiative
Regional Gender Group (Forum of Ministers of Environment LAC)
Social Price of Carbon
Support to the Amazon Cooperation Treaty Organisation (ACTO)
Support to the Leticia Pact
Sustainable Finance Frameworks

EUROCLIMA IN EACH COUNTRY

(Status updated to 31/12/2025)

ANTIGUA AND BARBUDA

Facilitating agencies

UNDP

Summary of progress up to 31/12/2025

- Initial discussions in March 2025 to support a wind turbine project that was started, but engagement with the company stalled. In a discussion on alternative support, two areas were prioritised: (1) assessments on marine energy feasibility and (2) assistance to reform and strengthen a national sustainable financing mechanism to be ready for international finance.
- The Antigua & Barbuda Climate Finance CAP for strengthening and reform activities was prepared with the country and received approval by the MC on 9th Dec 2025. The marine energy feasibility studies were included in a MultiCountry Action Plan on Marine/Wave Energy, which was approved by MC on 29th Dec 2025.

Actions identified (implementing agency)

- Climate Finance CAP. (UNDP):
  - **Action 1:** Climate finance and fiduciary systems reform and strengthening.
  - Followup meeting with GovAB planned for Q1 2026 to begin implementation.
- Marine/Wave Energy M-CAP. (UNDP):
  - **Action 1:** Inception planning and site selection. (EUROCLIMA TA)
  - **Action 2:** Marine energy resource mapping and feasibility study for wave energy deployment.
  - **Action 3:** Strengthening marine energy transition in the Caribbean.
  - **Action 4:** Development of investment strategy/ roadmap. (EUROCLIMA TA)
  - Planning meetings will begin in Q1 2026.

ARGENTINA

Facilitating agencies
GIZ
Summary of progress up to 31/12/2025
• The second Country Action Plan, approved in 2024, is being implemented.
Actions identified (implementing agency)
• First Round Action Plan ◦ **Action 1:** Development of Local Sustainable Urban Mobility Plans. (GIZ and AFD) ◦ **Action 2:** National Action Strategy for Climate Empowerment in the Argentine Republic. (EnACE) (FIAP) ◦ **Action 3:** Policy scenarios for a just energy transition. (GIZ with FIAP and ECLAC) ◦ **Action 4:** Detailed Design for the Environmental Centre and Technical Closure of Open-Air Landfills in Tornquist. (AFD) ◦ **Action 5:** "Rural and Indigenous Women for Climate Justice in the Post-Pandemic World", which is awaiting a formal response from the Programme. (AFD/ECLAC) • Second Round Action Plan: ◦ **Action 1:** Institutional strengthening and development of tools for accessing international funds for environmental and climate action. (GIZ and AFD) ◦ **Action 2:** Strengthening and implementation of national actions and strategies for environmental and climate action. (FIAP) ◦ **Action 3:** Support for the territorialisation of environmental action with a focus on climate change adaptation. (EF, FIAP, AECID) ◦ **Action 4:** Promoting the valuation of ecosystem services and climate planning with a focus on adaptation in National Protected Areas. (EF and GIZ) ◦ **Action 5:** Support for meeting the PNAyMCC target of having 80 cities with sustainable mobility plans by 2030. (GIZ)

BAHAMAS

Facilitating agencies

Expertise France

Summary of progress up to 31/12/2025

- Country request received: 07/07/2024
- EUD response letter sent: 07/26/2024
- CAP validation: May 2025

Actions identified (implementing agency)

- Marine energy feasibility study: currently being defined

BARBADOS

Facilitating agencies

UNDP

Summary of progress up to 31/12/2025

- Country request not yet received.
- First consultations took place in January 2025.
- EUD explored the option of expanding an ongoing initiative with the Barbados Water Authority to improve operational efficiency and reduce non-revenue water, with prioritised support for the phased development of district metered areas. However, the draft water sector CAP did not receive country approval. Interest in marine energy technologies eventually led to Barbados being included in a Multi-Country Action Plan on Marine/Wave Energy to undertake various feasibility assessments. The Marine/Wave Energy M-CAP was approved by the MC on 29th Dec 2025.

Actions identified (implementing agency)

- Marine/Wave Energy M-CAP (UNDP):
  - **Action 1:** Inception planning and site selection. (EUROCLIMA TA)
  - **Action 2:** Marine energy resource mapping and feasibility study for wave energy deployment.
  - **Action 3:** Strengthening marine energy transition in the Caribbean.
  - **Action 4:** Development of investment strategy/ roadmap. (EUROCLIMA TA)
- Planning meetings will begin in Q1 2026.

BELIZE

Facilitating agencies
UNDP, EF, GIZ

Summary of progress up to 31/12/2025

- In January 2023, a country request was made, as Belize expressed its interest in Euroclima. In September, the Euroclima concept note, based on the country's request, was further developed.
- A participatory multi-stakeholder workshop was organised jointly by the NFP and the EUD to precisely define the priority support needs of Belize, October 2-6, 2023.
- Further tailored virtual working group sessions will be undertaken in February 2025. Virtual meetings with Gov Belize took place to better understand capacity-building needs from the country.

Actions identified (implementing agency)

Action 2 and 3

- **EF:** is currently constructing together with the EUD, the World Bank and the government of Belize an adequate support that could be formalised by feasibility studies on projects that would emit carbon credits.
- **GIZ:**
  - **BZE-Action 2:3:** Develop training programs, knowledge transfers at all levels (national to local) and foster peer-to-peer exchanges. GIZ will take over the Capacity Building activities on carbon markets in Belize (100.000€). This would involve Training programs developed and conducted in consideration of capacity needs identified by country counterparts, ensuring knowledge transfers at all levels (national to local) and fostering peer-to-peer exchanges.
- Feb 16 to 20, 2026 - Delegation Trip to Chile was conducted.
- **UNDP:**
  - **Action 1:** Work to prepare a Climate Change and Carbon Market policy began and will be ongoing into 2026. Awareness activities are expected to begin in Q1 2026.
- Activity on the M&E system will begin in 2026, immediately following the conclusion of the policy.

BOLIVIA

Facilitating agencies

GIZ

Summary of progress up to 31/12/2025

- In the first quarter of 2025, the second round of the Country Dialogue will begin. The EU has identified the following priority topics, which must be validated with the NFP:
  - Green finance (including carbon markets).
  - New forest policy (including fire prevention)..
  - Energy transition / renewable energies: wind, solar (photovoltaic), hydrogen.
- Following a process of political and technical dialogue – which took place between March and July 2025, both within the programme itself and with sectoral partners in the country and the National Focal Point (NFP) based at the Vice-Ministry of Planning – action sheets were drawn up for each priority area and a first draft of the Bolivia-Euroclima Action Plan 2025–2026 was prepared, which was submitted to the PFN for review and validation, before being presented to the Euroclima Management Committee for approval.
- The Bolivia Euroclima 2025–2026 Action Plan was approved on 12 September. It includes the following actions: (1) Green finance (implemented by GIZ together with EF); (2) energy transition (implemented by AECID); and (3) new forestry policy and strengthening of cooperation between the EU and Bolivia on forestry matters (implemented by AECID, EF and FIAP). The agencies are already coordinating with their counter-parts to begin implementation. It is worth noting that in November 2025, a new government took office, with which the necessary coordination was carried out through the DUE to present the newly approved Action Plan, ensure continuity of support and verify any necessary adjustments.

Actions identified (implementing agency)

- First Action Plan:
  - **Action 1:** Long-term, territorial climate planning. (FIAP, AECID, AFD)
  - **Action 2:** Enabling conditions for climate finance. (GIZ and AFD)
  - **Action 3:** Architecture of the Mother Earth and Climate Change Monitoring System and Forest MRV. (FIAP and AFD)
  - **Action 4:** Consolidation of initiatives for integrated and sustainable forest management. (EF and AFD)
  - **Action 5:** Strengthening risk management and adaptation to climate change in the agricultural sector. (GIZ and AECID)
- Second Action Plan:
  - **Action 1:** Bioeconomy in the Amazon.
  - **Action 2:** Climate resilience in Rio Grande do Sul.
  - **Action 3:** Decarbonisation in Industry.

BRAZIL

Facilitating agencies

GIZ

Summary of progress up to 31/12/2025

- A new round of the Country Dialogue commenced in the first half of 2024, with thematic priorities including bioeconomy, resilience, and decarbonization. An alignment analysis document was developed in accordance with national policy, which was reviewed and validated by the NFP. Working sessions were organised and facilitated for each theme, with the participation of INTPA, the EU Delegation, the NFP, national institutions (ministries), and Euroclima implementing agencies. After discussions, the Country Action Plan 2025-2026 was approved in July 2025.

Actions identified (implementing agency)

- Action Plan – First Round
  - **Action 1:** Strengthening the governance of environmental agencies in the Amazon in relation to sustainable forest management. (EF)
  - **Action 2:** "No-till farming system": the basis for sustainable agriculture. (EF)
  - **Action 3:** "Energy Big Push 2.0" – Driving innovation for a sustainable energy transition in Brazil. (ECLAC and GIZ)
  - **Action 4:** Sustainable use of energy infrastructure in cities and the energy transition. (GIZ)
  - **Action 5:** Accelerating the implementation of sustainable urban mobility projects in Brazilian cities. (GIZ)
  - **Action 6:** Sustainable Economy Project for Brazil – New Brazilian Strategy for Sustainable Development. (GIZ and FIAP)
  - **Action 7:** Promoting sustainable business models to develop a forest-based bioeconomy in the Legal Amazon, supporting the transition to a low-carbon economy within the framework of the New Green Amazon Project. (GIZ)
  - **Action 8:** Innovative risk management tools to increase the resilience of small-scale producers in Brazil's agricultural sector. (GIZ)
  - **Action 9:** Developing a national and regional strategy for the development and adoption of sustainable technologies. (ECLAC)
  - **Action 10:** Restoration of native vegetation on indigenous lands. (EF)
- Action Plan – Second Round
  - **Action 1:** Bioeconomy in the Amazon. (EF and GIZ)
  - **Action 2:** Climate resilience in Rio Grande do Sul. (AECID, EF, FIAP)
  - **Action 3:** Decarbonisation in Industry. (GIZ)

CHILE

Facilitating agencies
GIZ

Summary of progress up to 31/12/2025

- The second round of the Chile-Euroclima country dialogue concluded on 25 April with the approval of the Chile-Euroclima Action Plan 2025–2026; this plan includes actions in three thematic areas that were defined by the implementing agencies and their counterparts in the country, with support from the DUE and INTPA:
  - **1.** Support for the implementation of the Environmentally Sustainable Taxonomy (Ministry of Finance/UNEP).
  - **2.** Climate finance with three components: the first, support for a Subnational Climate Finance Acceleration Roadmap (ConectaClima) (Ministry of the Environment/FIAP); the second, support for the operationalisation of Article 6 of the Paris Agreement and the definition of prioritised types of emission reduction projects (Ministry of the Environment/ECLAC); and the third, to promote climate investment in Chile in accordance with a sustainable and circular model (Ministry of the Environment/AECID);
  - **3.** Planning for shared-use logistics and port development to boost the green hydrogen and derivatives industry in the Antofagasta region (Ministry of Transport and Telecommunicications/FIAP).
- The official launch of the Action Plan took place in June 2025.

Actions identified (implementing agency)

- First Action Plan:
  - **Action 1:** Develop Regional Climate Change Action Plans (PARCC) for Antofagasta and Magallanes. (FIAP)
  - **Action 2:** Design Green Hydrogen (H2v) Measures tailored to each PARCC and aligned with the National Green Hydrogen Strategy. (GIZ, with technical support from ECLAC)
  - **Action 3:** Incorporate Financing Strategies for PARCC Implementation and integrate private sector climate action. (GIZ, with technical support from ECLAC; AECID)
  - **Action 4:** Use and Enhance ARClim Platforms and integrate data from Copernicus and the Climate Change Observatory in the development of the PARCCs. (FIAP)
- Second Action Plan:
  - **Action 1:** Support for the implementation of the Environmentally Sustainable Taxonomy. (Ministry of Finance/UNEP) €217,068.
  - **Action 2:** Climate Finance comprising three components:
    - the first, support for a Subnational Climate Finance Acceleration Pathway. (ConectaClima) (Ministry of the Environment/FIAP)
    - the second, support for the operationalisation of Article 6 of the Paris Agreement and the definition of prioritised types of emission reduction projects .(Ministry of the Environment/ECLAC)
    - the third to promote climate investment in Chile in accordance with a sustainable and circular model. (Ministry of the Environment/AECID)
  - **Action 3:** Planning for shared-use logistics and port development to boost the green hydrogen and derivatives industry in the Antofagasta region. (Ministry of Transport and Telecommunications/FIAP)

COLOMBIA

Facilitating agencies
GIZ

Summary of progress up to 31/12/2025

- Considering the new political context in Colombia and the change of national authorities, a new round of Country Dialogue began in April 2023. Sebastián Carranza assumed the role of Director of Climate Change and National Focal Point (NFP) for the Programme in Colombia. Three priority themes were selected based on thematic roundtables held with key stakeholders: governance, energy transition/electromobility, and biodiversity. The PAP was approved in February 2024.

Actions identified (implementing agency)

- First Round Action Plan
  - **Action 1:** Support for the management and implementation of commitments and the structuring of a reporting system to verify compliance with zero-deforestation agreements signed for the cocoa, meat, milk, and palm oil supply chains. (Expertise France)
  - **Action 2:** Generate actions to achieve deforestation control targets in the Amazon region and contribute efforts toward national climate change goals. (Expertise France)
  - **Action 3:** Development of regulations on energy efficiency for light vehicles and vehicle labelling. (FIAP, ECLAC)
  - **Action 4:** National Active Mobility Strategy. (GIZ)
  - **Action 5:** Energy management in the industrial sector as a strategy for improved energy performance and sector competitiveness, contributing to mitigation objectives adopted in Colombia's NDC. (GIZ)
  - **Action 6:** Support for the formulation of a long-term sectoral program on energy efficiency in demand management in industry, aimed at fostering innovation and productive transition aligned with NDC projections on mitigation and adaptation. (GIZ)
  - **Action 7:** Strengthen Colombia's integrated climate change management instruments within the environmental sector under the implementation of the law and the Climate Change Policy, as part of the commitments to the NDC and the long-term 2050 Paris Agreement Strategy. (Expertise France)
  - **Action 8:** Scaling nature-based solutions, mainly those oriented to Eco-RRD, to improve resilience in Colombia's marine coastal socio-ecosystems. (FIAP, AECID)
  - **Action 9:** Support for the Colombian Strategy for Low Carbon Adapted and Resilient Development (ECDBCAR) for short-, medium-, and long-term devel-opment planning, to decouple green-house gas emissions growth from national economic growth. (FIAP)
- Second Round Action Plan
  - **Action 1:** Strengthening Climate Governance in Colombia. (GIZ, Expertise France, FIAP)
  - **Action 2:** Contribution to Colombia's energy transition (Electromobility). (GIZ)
  - **Action 3:** Strengthening the Biodiversity Agenda in Colombia. (AECID, Expertise France, GIZ)

COSTA RICA

Facilitating agencies
GIZ, FIAP

Summary of progress up to 31/12/2025

- In April 2024, the new round of country dialogue began. By mutual agreement between the EU and the NFPs, three thematic priorities were established for this new round. The first thematic working sessions took place in September, and the first draft action fiches were submitted in November. In December 2024, agencies were asked to position themselves within the agreed fiches along with the final budgets. The agreed thematic priorities are:
    - Sustainable mobility / electromobility. (GIZ, FIAP)
    - Sustainable finance. (Expertise France/AFD and GIZ)
    - Sustainable agro-landscapes. (Expertise France, AECID, FIAP)
    - The first two actions were approved in July 2025. The agro-landscape action was approved in November 2025.

Actions identified (implementing agency)

- First Round Action Plan
    - **Action 1:** Proposal for the implementation of the National Strategy for Climate Empowerment that Costa Rica is currently developing. (FIAP)
    - **Action 2:** Capacity strengthening for the implementation of Costa Rica's National Adaptation Policy at the subnational level. (AECID and Expertise France)
    - **Action 3:** Increase involvement, participation, and ambition of the private sector in climate action. (GIZ)
    - **Action 4:** Strengthening institutional capacities to promote and encourage organic agricultural and livestock production in Costa Rica with a gender and vulnerability approach. (FIAP)
    - **Action 5:** Evaluation of the National Adaptation Policy. (FIAP)
- Second Round Action Plan
    - **Action 1:** Promotion of Sustainable Mobility in Costa Rica. (GIZ and FIAP)
    - **Action 2:** Diversification of financing sources for environmental and climate investments. (Expertise France / AFD and GIZ)
    - **Action 3:** Diversification of funding sources for environmental and climate investments. (EF and GIZ)

CUBA

Facilitating agencies
FIAP, EF

Summary of progress up to 31/12/2025

- The definition of the actions to be supported in phase 2 of the support in Cuba has started with a first session in January 2025. An exploratory mission was carried out by Expertise France in order to identify activities to be supported in the new phase. An exploratory mission by FIAP is planned for the end of March 2025.
- The preparation of a CAP is planned for the end of March / beginning of April 2025.

Actions identified (implementing agency)

- **Project:** Integration of the Climate Dimension into Territorial Planning
  - Establish a methodology for comprehensive management and effective implementation of the State Plan to Address Climate Change at the territorial level (considering provincial and municipal levels), as part of the local development strategy. (FIAP)
  - Integrate adaptation and mitigation measures (short, medium, and long term) that promote climate change resilience at the territorial level and foster a low-emission development approach. (ECLAC/GIZ)
  - Develop a monitoring system for the collection and processing of information, including indicators that allow measuring progress at the territorial level and evaluating low-emission development. (FIAP)
  - Evaluate the portfolio of municipal projects to incorporate the climate variable, under different financial schemes that allow implementing actions with concrete proposals. (GIZ)
  - Establish a virtual platform that facilitates decision-making processes and encourages the participation of key actors and sectors in building resilient and low-emission municipal development. (FIAP)
  - Develop a territorial training program to strengthen capacities in managing the climate dimension within strategies and development plans that promote resilience and improve economic and social living conditions in the context of a low-emission economy. (GIZ)
  - Phase 2: Potential actions include: support for the energy transition (wind power, the grid, etc.), energy efficiency (support for the transition of high-energy-consumption users), microgrids in remote areas, and financial mechanisms to fund the energy transition.

DOMINICA

Facilitating agencies
UNDP, GIZ
Summary of progress up to 31/12/2025
• Discussions were ongoing to identify and agree on actions. EUD engagement with the Ministry for Fisheries highlighted potential activities around supporting the implementation of the Sperm Whale Reserve Bill, which was expected to pass into legislation in 2025, and in particular for structuring and setting up the sustainable financing mechanism. UNDP prepared the Marine Conservation and Biodiversity Protection CAP.
Actions identified (implementing agency)
• **Action 1:** ReShed: To design and construct a hurricane- and earthquake-resistant recycling shed at the Fond Cole landfill in Dominica that will serve as a central hub for solid waste sorting, storage, and pre-processing—thereby strengthening national waste management infrastructure, supporting the transition to a circular economy. (Duration: 15 Feb 2026 to 22 Jan 2027) • **Action 2:** Market Study to support investment opportunities: To conduct a comprehensive market study that identifies, analyses, and validates investment and commercialization opportunities for value-added products (e.g., recycled plastic tiles, construction materials) and crushed glass in Dominica, the wider Caribbean region, and selected European markets. This study aims to inform strategic partnerships, market entry approaches, and private sector engagement aligned with circular economy principles and Dominica's national resilience agenda. (Duration: Feb 2026 to March 2027) • **Action 3:** Strengthening Recycling through Targeted Equipment Procurement: To procure, deliver, and install essential equipment to support Dominica's national recycling infrastructure, enabling improved material recovery, processing, and market readiness of recyclable products.

DOMINICAN REPUBLIC

Facilitating agencies
GIZ, AECID, FIAP, EF
Summary of progress up to 31/12/2025
• The second Multi-Stakeholder Workshop was held in January 2024, finalising the actions for the four identified priority areas: sustainable mobility, green finance, water, and sargassum. Official Launch of the CAP in April 2024. Implementing agencies have initiated the implementation of the actions with stakeholder consultations, design of a logical framework, etc. • Implementing agencies are implementing the activities foreseen under the CAP and logical frameworks.
Actions identified (implementing agency)
• **Action 1.1:** Transformation of the public vehicle fleet to electric/hybrid units. (GIZ + FIAP) • **Action 1.2:** Promote the use of non-motorised mobility as an alternative mode of transportation. (FIAP) • **Action 2.1:** Strengthen the capacities of the financial and/or productive sectors on climate change issues. (EF) • **Action 2.2:** Develop a diagnosis and create incentives for the development of green financing. (GIZ) • **Action 3.1:** Improve water re-charge in the Grande del Medio sub-basin, impacting an area of 68,912.9 hectares. (AECID) • **Action 3.2:** Build institutional capacities on water issues and promote public-private partnerships. (AECID) • **Action 4.1:** Creation of the Comprehensive Sargassum Management System. (AECID + GIZ) • **Action 5.1:** Development and Implementation of the Comprehensive Sargassum Management System. (AECID + GIZ)

ECUADOR

Facilitating agencies
GIZ, FIAP

Summary of progress up to 31/12/2025
• During 2025, the Country DialogueDP in Ecuador did not make significant progress. On the one hand, the implementing organisations (GIZ and FIAP) were awaiting official confirmation and communication from the EU regarding the priority areas for Ecuador under the Global Gateway, in order to assess the capacity of the implementing agencies and jointly plan the next steps for the Country DialogueDP. On the other hand, it is worth noting that presidential elections were held in Ecuador in April 2025, and Mr Daniel Noboa was re-elected as President of Ecuador. Among the first measures taken by his new government was a restructuring of public institutions (ministries), notably the merger/transformation of MAATE into the current Ministry of Environment and Energy (MAE). • In December 2025, DUE and INTPA informed the FAs that the themes for Ecuador under Euroclima GG would be Energy and Water; consequently, work is underway within the programme to plan the next steps for identifying support for the country during 2026.

Actions identified (implementing agency)
• **Action 1:** Energy Efficiency Component of the NDC. (GIZ) • **Action 2:** Strengthening of the National Institute of Meteorology and Hydrology. (FIAP, AECID, ECLAC) • **Action 3:** Risk for the 6 sectors prioritised for adaptation in the National Climate Change Strategy (specifically for the water heritage sector). (FIAP, AECID, ECLAC) • **Action 4:** Agriculture Component of the NDC. (Expertise France) • **Action 5:** LULUCF Component of the NDC (guidelines associated with "Strengthening the research in the forestry sector that contributes to the management of climate change". (Expertise France) • **Action 6:** Complement the automation of the calculation of the emission factor of the National Interconnected System (SNI). (FIAP) • **Action 7:** Prepare the proposal document for Ecuador's Climate Change Law. (FIAP)

EL SALVADOR

Facilitating agencies
FIAP
Summary of progress up to 31/12/2025
• In El Salvador, a strategic dialogue is underway with the DUE and the national government on energy, mobility and transport sectors identified by the EU as priorities in the bilateral relationship. • Discussions have begun with AECID and FIAP as pre-selected agencies. Both are on the same page regarding the San Salvador light rail system, where it is envisaged that they will act as shadow operators. Additionally, FIAP is making progress on providing specific support to the Regional Electricity Market by strengthening ETESAL's capabilities.
Actions identified (implementing agency)
• **Action 1:** Formulation of the Long-Term Low-Carbon and Climate-Resilient Development Strategy. (FIAP) • **Action 2:** Strengthening the regulatory and normative framework for the implementation of the NDC. (FIAP) • **Action 3:** Support for the formulation of the Livestock NAMA. (AECID) • **Action 4:** Development of regionalised climate scenarios. (FIAP)

GRENADA

Facilitating agencies

GIZ, UNDP

Summary of progress up to 31/12/2025

- EUD and GovGD further dialogues identified energy as a key thematic area, with actions especially geared towards 100% renewable energy for Carriacou and Petite Martinique; however identified actions were not identified. Eventually, GovGD expressed interest in marine energy and agreed to participate in the Multi-Country Action Plan on Marine/ Wave Energy. UNDP included Grenada in the MCAP, which received MC approval on 29th Dec 2025.

Actions identified (implementing agency)

- **Action 1:** Resilient water supply for Carriacou.
- GIZ: GIZ will implement one overall action in Grenada, as approved by the MCM on Dec 9, 2025. This is called the RESCAP project-(Renewable Energy Support for Small Cottage Industries and Agro-Processors). The objective is to enhance the productivity, competitiveness, and sustainability of small cottage industries and agro-processors in Grenada, Carriacou and Petite Martinique by providing affordable renewable energy solutions that reduce operational costs, and increase energy security and resilience.
- Marine/Wave Energy MCAP (UNDP):
    - **Action 1:** Inception planning and site selection. (EUROCLIMA TA)
    - **Action 2:** Marine energy resource mapping and feasibility study for wave energy deployment.
    - **Action 3:** Strengthening marine energy transition in the Caribbean.
    - **Action 4:** Development of investment strategy/ roadmap. (EUROCLIMA TA)
- Planning meetings will begin in Q1 2026.
- Action - installation of desalinisation unit in Cariacou (EF): ongoing, objective to end in Dec 2026.

GUATEMALA

Facilitating agencies
FIAP
Summary of progress up to 31/12/2025
• Throughout 2025, the DUE in Guatemala has focused its work with the public administration on three priority areas: the circular economy in the Motagua basin, strengthening value chains in Petén, and support for carbon markets. • To date, an initial initiative has been selected with a clear focus on supporting the private sector, in which AECID, Expertise France and FIAP have expressed an interest in participating.
Actions identified (implementing agency)
• **Action 1:** Support for the implementation of the National Fire Management Strategy. (FIAP) • **Action 2:** Support for the design and implementation of the climate information system for the agricultural sector. (FIAP) • **Action 3:** Support for the design and implementation of the Measurement, Reporting and Verification system for the climate goals of the Energy Sector. (FIAP) - Completed • **Action 4:** - Support for the formulation of strategies to integrate the circular economy approach into municipal plans for the comprehensive management of solid waste. (FIAP) • **Action 5:** Support for the systematisation, dissemination and implementation of the Gender and Climate Change Action Plan. (FIAP) • **Action 6:** Expansion/deepening of the work of Urban Waters with a basin approach for the Protection and integrated and sustainable management of the upper part of the Naranjo River basin and the basins of Lake Atitlán and the Selegua River. (AECID) • **Action 7:** Support for the implementation of the strategic plan for the Punta de Manabique Wildlife Refuge-RVSPM (Guatemala) and Cuyamel-Omoa (Honduras) Sustainable Biological Corridor. (EF) • **Action 8:** Continuation of support for community forest concessions, a successful model for sustainable management of forests and biodiversity. (EF)

GUYANA

Facilitating agencies

GIZ, EF

Summary of progress up to 31/12/2025

- The Country Action Plan was approved by Guyana (10/06/2024) and by the Management Committee of Euroclima on 11th July 2024. A follow-up meeting was organised on 10th October 2024 to give updates regarding the implementation of the actions.
- Actions and foreseen activities are being implemented.

Actions identified (implementing agency)

- **Action 1:** Rehabilitate mined-out areas to provide ecosystem services and economic opportunities to local communities. (Expertise France)
- **Action 2:** Support GWI's preparation to meet future water demand. (Expertise France)
- **Action 3.1:** Guyana in incorporating renewable energy in its energy mix – PV Microgrid Hinterland- Provide electricity to at least one (1) village in the Hinterland. (GIZ)
- **Action 3.2:** Wind Energy Sensitisation. (Expertise France)
- **Action 4:** Development of Electric Mobility Requirements. (GIZ)

HAITI

Facilitating agencies

EF

Summary of progress up to 31/12/2025

- The Country Action Plan was approved in October 2025.

Actions identified (implementing agency)

- **Action 1:** Roadmap on carbon strategies for mangroves.
- **Action 2:** Simplified register and authorisation procedure for access to carbon markets.
- **Action 3:** Financing models for restoring mangroves.

HONDURAS

Facilitating agencies
GIZ, FIAP

Summary of progress up to 31/12/2025
• The second round of the Country Dialogue took place in the second half of 2022. SERNA, as the NFP, designated Mr Francisco Salinas as responsible for this process. As a result, a Country Action Plan was developed and approved by both parties in February 2023. Currently, the actions are under implementation.

Actions identified (implementing agency)

- **Action 1:** Sustainable management of water resources with a focus on resilience and climate financial inclusion in the Goascorán river basin.
  - Component 1.1. Strengthening governance, capacities and regulatory instruments for the comprehensive management of water resources and disaster risk in the selected sites (Territorial approach Basin/Sub-basin) - AECID.
  - Component 1.2. Design and implementation of pilot projects for sustainable water resource management, including the design and development of green infrastructure for the harvesting, storage and use of water for multiple uses. - EF.
  - Component 1.3. Design and structuring of financial mechanisms and instruments for the sustainable management of water resources in the selected micro-basins. GIZ.
- **Action 2:** Design and Implementation of the National Environmental and Climate Information System (SINIAC) - FIAP.
- **Action 3:** Preparation of the Action Strategy for Climate Empowerment in Honduras. - FIAP.
- **Action 4:** Support for the institutionalisation and operationalisation of the National Strategy for Decarbonization and Climate Resilience of Honduras (ENDRCH). - GIZ & FIAP.

JAMAICA

Facilitating agencies

EF, GIZ, UNDP

Summary of progress up to 31/12/2025

- The Country Action Plan was approved on 28 January 2025; each Implementing Agencies are currently working on TORs and/or the implementation of activities foreseen under the CAP and logical frameworks.
- Energy: Support consultancies for the energy sector reform in Jamaica are almost starting. These consultancies consist of hiring one international and a local experts that are going to lead the process through policy analysis and recommendations. The hiring process of the local expert is being finalised.
- GIZ has reached a grant agreement with CARILEC to support the Jamaican restoration efforts after Hurricane Maria through the Caribbean Disaster Assistance Programme. This involves covering the transportation costs of line workers on their way to Jamaica from different utilities across the Caribbean, as well as facilitating the shipping/lending of heavy machinery to the Jamaican utility.

Actions identified (implementing agency)

- **Action 1:** Support to Greening and resilience to climate change of the city and its people. in line with Jamaica's National Biodiversity Strategies and Action Plan Including nature-based solutions.
    - Procurement of a suitably qualified firm to undertake technical scoping for site selection is ongoing - applicants were assessed, and highest ranked team selected, contracting is now proceeding. The government was given the option to pivot to support the areas affected during Hurricane Melissa, but it was eventually agreed that activities would remain in the Kingston area.
- **Action 2:** Waste management: Perform Social Impact Assessment and Update Environmental Impact Assessment (previously performed for DBJ) on the Riverton Disposal Site to develop a Sustainable Integrated Waste Management Strategy and Costed Action Plan, Public Private Partnership (PPP) project.
- **Action 3:** PPP Capacity Building to the National Water Commission (NWC).
    - Initial discussion with EUD Jamaica, NWC and internal expert to define the contours of support and ToR to be prepared.
- **Action 4:** Green transition of the port of Kingston: Conducting an environmental and social impact study on the drainage of Newport West - the Port of Kingston, Jamaica.
    - Ongoing discussion with EUD Jamaica, Jamaica Shipping Association and consultancy firm on the environmental and social study and ToR to be prepared and launched asap.
- **Action 5:** Energy sector: Support implementation of roadmap based on Policy dialogue on energy, in order to accelerate the transition to Renewable energy and reinforce the resilience of the country to climate change.

MEXICO

Facilitating agencies
GIZ

Summary of progress up to 31/12/2025

- The second round of CD began in January 2025, but did not make much progress as SEMARNAT prioritised updating its NDC. Talks resumed in December 2025. The main topic is the circular economy. Initially, support for the Tula circular economy park was proposed; however, this will not go ahead. As an alternative, support for a BasuraCero awareness campaign, to be implemented by EF, is being considered. As a second priority, the clean-up of the River Tula has been prioritised, which will be implemented by AECID.

Actions identified (implementing agency)

- First round action plan:
  - **Action 1:** Integration of ecological, territorial and urban development programmes in a single instrument. (AECID).
  - **Action 2:** Strengthening capacities for monitoring land use changes and estimating GHG emissions from the land sector in the Protected Natural Areas of the states of Chiapas and the Yucatan Peninsula (Campeche, Quintana Roo and Yucatan). (FIAP).
  - **Action 3:** Analysis of the contribution of Nature-based Climate Action Solutions (NACS) to the implementation of Mexico's climate objectives. (FIAP).
  - **Action 4:** Strengthening capacities and guidelines for access to climate financing for small community implementers of climate change adaptation measures to contribute to Mexico's Nationally Determined Contribution (NDC) updated to 2020 in the context of the Euroclima Programme. (AFD).
- Second round action plan: to be confirmed.

NICARAGUA

Facilitating agencies
FIAP
Summary of progress up to 31/12/2025
• The Ministry of Environment and Natural Resources (MARENA) requested support from EUROCLIMA in the following areas: future climate scenarios, capacity building for the implementation of NDCs and the national policy on climate change adaptation and mitigation; development of planning instruments, strategies, and plans with a climate focus; and operationalization of a technical table for Monitoring, Reporting, and Verification (MRV) of Nicaragua's National Climate Response System in support of the national adaptation and mitigation policy. During 2021, technical follow-up meetings were held, led by the European Union Delegation. As of the close of this report, no concrete actions have been identified within the context of the country dialogue.
Actions identified (implementing agency)
• N/A

PANAMA

Facilitating agencies
FIAP
Summary of progress up to 31/12/2025
• The second round of country dialogue, initiated in 2023, concluded in April 2024 with the Country Action Plan containing a total of 3 actions implemented jointly by EF, AECID, GIZ, and FIAP. In March, a government change occurred, resulting in a change of the focal point and personnel designated to work with EUROCLIMA. The work dynamics have been recovering during the last months of 2024, with expectations for greater implementation progress in 2025. • Expertise France, AECID, GIZ and FIAP are continuing to implement the interventions set out in the CAP. This implementation has generated new strategic opportunities, such as the establishment of maritime corridors linked to the hydrogen-related work led by GIZ, and support for ETESA and the SNE in structuring and facilitating loan operations with the EIB in the field of electricity transmission. • These synergies represent the kind of results that the DUE considers a priority for continuity under the new contract. In parallel, the Climate Finance Action and the Panama Canal Action continue to be implemented.

Actions identified (implementing agency)
• Action Plan First Round: ○ **Action 1:** Develop the Low-Carbon Economic and Social Development Strategy of the Republic of Panama up to 2050 (FIAP). ○ **Action 2:** Establish the Regulatory Framework for the distribution of blue carbon benefits within the context of the National Carbon Market (FIAP). ○ **Action 3:** Develop the National Climate Empowerment Strategy with a gender, intergenerational, and human rights approach, towards a low-carbon and resilient society (FIAP). ○ **Action 4:** Update and expand the Climate Transparency Platform to monitor the progress of the country's climate commitments (FIAP). ○ **Action 5:** Develop integrated actions for the design and implementation of Nature-Based Solutions within the framework of commitments established in Panama's first NDC (FIAP). ○ **Action 6:** Promote sustainable and resilient local economies in strategic sectors of Panama's first NDC, facilitating innovations in urban/rural environments. Increase capacities for climate risk reduction and resilience in human settlements (AECID). ○ **Action 7:** Promote the conservation, sustainable use, and restoration of marine and coastal ecosystems in the Republic of Panama for the valorisation of blue carbon (EF). ○ **Action 8:** Support the establishment of the "Reduce Your Footprint" (RTH) Program – Agro Products (GIZ). ○ **Action 9:** Strategy for Human Capital Development related to the hydrogen economy in alignment with the National Green Hydrogen Strategy and its derivatives in Panama (GIZ and FIAP). • Action Plan Second Round: ○ **Action 1:** Climate finance (EF/FIAP) - RE1: Alignment of financial flows in the public sector. - RE2: Strengthened capacities for the implementation of the sustainable taxonomy and the Climate Risk guide for the private financial system at the national level. - RE3: Developed and accessible carbon markets. ○ **Action 2:** Adaptation in the Canal Watershed (AECID/EF/FIAP) - RE1: Development of a pilot Nature-Based Solutions project in the Panama Canal Watershed. - RE2: Climate change impacts assessed through 2050 climate scenarios on the value of agricultural lands in the Indio and Bayano River watershed using high-resolution imagery via the Copernicus platform. ○ **Action 3:** Energy transition (AECID/FIAP/GIZ) - RE1: Proposed national system for forecasting photovoltaic and wind power generation accepted; institutional capacities strengthened for implementation. - RE2: Updated the Republic of Panama's Grid Code. - RE3: Support for the implementation of the Universal Access Strategy (ENACU). - RE4: Studies and conclusions presented for long-term energy planning of the national electrical grid.

PARAGUAY

Facilitating agencies

FIAP

Summary of progress up to 31/12/2025

- Paraguay is continuing with the implementation of the actions set out in the approved CAP. The climate finance action proposed by GIZ has been completed.
- As for the joint action by FIAP and Expertise France on wetland conservation, Outcome 1, implemented by FIAP, has made progress in strengthening the legal framework and in the exchange of experiences. For its part, Expertise France is reviewing and readjusting the work initially planned in light of the priorities defined by the new MADES administration.

Actions identified (implementing agency)

- **Action 1:** Formulation of the Action Plan and implementation of pilot actions for the protection of wetlands and the restoration of forests protecting waterways (EF and FIAP).
- **Action 2:** Strengthening capacities and tools for the revitalisation of the market for environmental services certificates (GIZ).

PERU

Facilitating agencies

GIZ, FIAP

Summary of progress up to 31/12/2025

- In September 2024, the MCM approved the incorporation of a new action in Peru focused on the transport sector. In addition, in May 2025, a new initiative on climate finance will be incorporated into the Peru-Euroclima Action Plan, building on the initiative “Support for the implementation of the Climate Finance Strategy” from the first Action Plan, which will be implemented through GIZ.

Actions identified (implementing agency)

- First Round Action Plan:
  - **Action 1:** Institutional Strengthening of the National Climate Change Commission (FIAP).
  - **Action 2:** Contribute to the implementation process of the NDC with a territorial focus (GIZ).
  - **Action 3:** Support for the Comprehensive Climate Finance Strategy (GIZ).
  - **Action 4:** Support to the Executive Branch in issuing an action plan to prevent and address forced migration caused by the effects of climate change (FIAP).
- Second Round Action Plan:
  - **Action 1:** Development of a national and subnational action plan for implementing NDC measures in the agricultural and irrigation sector (GIZ).
  - **Action 2:** Support to the Environment Sector in fulfilling the NDC mitigation component (Expertise France).
  - **Action 3:** Support to the Energy Sector in fulfilling the NDC mitigation component (GIZ).
  - **Action 4:** Study of the energy potential of biomass in Peru (AECID).
  - **Action 5:** Support for the implementation and capacity building of the System for Monitoring Adaptation and Mitigation Measures to contribute to Peru’s reporting and compliance with commitments under the UNFCCC (FIAP).
  - **Action 6:** Development of public transportation management strategies for formal and informal small vehicle transport in the city of Piura, Peru.
  - **Action 7:** Support for the implementation of the Climate Finance Strategy.

SAINT KITTS AND NEVIS

Facilitating agencies
UNDP

Summary of progress up to 31/12/2025

- Country request received in May 2025.
- CAP was drafted and captures work in the energy sector that was already being discussed between the Government of St Kitts & Nevis and the Italian consortium, Greening the Islands (GTI), to partially cover activities aimed at supporting the country's 100% RE transition. CAP was approved by MC in October 2025. Given that UNDP is unable to do direct contracting, the government's Ministry for Energy will be assessed and sub-contracted to carry out the activities. They will, in turn, contract GTI on the basis of a current signed MoU. Activities expected to kick off in Q1 2026.

Actions identified (implementing agency)

- **Action 1:** Implementation of the 100% Renewable Energy Islands Initiative (100% RESII).
- **Action 2:** Development of a Detailed Roadmap and Energy Transition Report.
- **Action 3:** Grid Modernisation and Infrastructure Development.
- **Action 4 (non-EUROCLIMA):** Capacity Building for Renewable Energy Transition (World Bank Implementation).

SAINT LUCIA

Facilitating agencies

GIZ, EF

Summary of progress up to 31/12/2025

- Country request received on March 2, 2023.
- Response sent on July 17, 2023.
- Country assessment included in the draft regional assessment.
- Scoping mission/meeting conducted in November 29 (incl. key stakeholders meeting).
- Country Action Plan approved by the Management Committee.
- **Action 1:1 (05 Nov 2024):** First Implementation Meeting to discuss Microgrid implementation in more detail (31 October 2024); site visit to be conducted, and further definition of scoping of this action. A site visit with energy experts took place in January 2025.

Actions identified (implementing agency)

- **Action 1:** Solar Micro Grid Demonstration Project (GIZ and UNDP)
    - 1.1 Employment of Renewable Energy microgrids at two (2) public schools located in the district of Dennery, namely the Dennery Infant School and Dennery Primary School.
    - 1.2 Capacity Building and Regulatory Advice.
    - 1.3 Presentation by UNDP- Implementation of Energy Efficiency Measures.
- **Action 2 / EF:** Terms of Reference for the feasibility study for a ferry approved by the government and EUD Barbados. Action currently being rolled out - end May 2026 approx.
    - 1.1 Tender is in process, 1.2. ToT will take place in March 2026, and the awareness campaign and communication strategy is in process, 1.3. rainwater harvesting feasibility in process.

SAINT VINCENT AND THE GRENADINES

Facilitating agencies
GIZ, UNDP
Summary of progress up to 31/12/2025
• In 2025, engagement with NFP and the Energy Ministry resulted in interest in being part of the multi-country marine energy feasibility study. St Vincent & the Grenadines was therefore included in a Multi-Country Action Plan on Marine/Wave Energy, which was approved by MC on 29th Dec 2025, and will be implemented by UNDP. Discussions are also ongoing on a potential CAP on the Circular Economy.
Actions identified (implementing agency)

• **Action 1 (GIZ):** Electricity Supply Act Update (Policy & Drafting Instructions).
• **Action 2 (GIZ):** Enhancement of Renewable Energy Capacity for the Bequia Desalination Plant- To expand the existing renewable energy capacity of the Bequia desalination plant (by 50kW) to further reduce electricity costs and improve water affordability for consumers.
• Marine/Wave Energy - CAP multi-country (UNDP):
  ◦ **Action 1:** Inception planning and site selection (EUROCLIMA TA).
  ◦ **Action 2:** Marine energy resource mapping and feasibility study for wave energy deployment.
  ◦ **Action 3:** Strengthening marine energy transition in the Caribbean.
  ◦ **Action 4:** Development of investment strategy/ roadmap (EUROCLIMA TA).
• Planning meetings will begin in Q1 2026.
• [Proposed Action] Circular Economy CAP (UNDP):
  ◦ **Action 1:** Circular Economy Feasibility Study and Investment Roadmap for Integrated Waste Management in St. Vincent & the Grenadines.

SURINAME

Facilitating agencies
EF, GIZ
Summary of progress up to 31/12/2025
• Virtual scoping mission realised the week of the 24th of February 2025. Additional meetings are requested with the NFP to better define the identified actions. • The Management Committee has approved the implementation for Suriname by GIZ, and to our knowledge, EF has gone back into dialogue regarding the actions to be done.
Actions identified (implementing agency)
• Two sectoral areas: e-mobility and waste management.

TRINIDAD AND TOBAGO

Facilitating agencies
EF, UNDP
Summary of progress up to 31/12/2025
• The Country Action Plan was validated in September 2025.
Actions identified (implementing agency)
• UNDP - Acceleration of wind power development (Determine land areas for wind project development). • EF – Strengthening of the national grid for renewable energy integration. • Perform transmission system analysis (Upgrade grid codes).

URUGUAY

Facilitating agencies

FIAP

Summary of progress up to 31/12/2025

- The second round of the country dialogue was approved in October 2024. The approved actions continue the Euroclima programme in Uruguay with four actions related to Water, Mobility, Action for Climate Empowerment (ACE), and NDC Reporting. The national-level launch of the Action Plan is pending and scheduled for March 2025.
- The implementation of Uruguay's Action Plan has continued across the defined priority areas: the Water Action in the Santa Lucía River basin, carried out by AECID; the update of the NDCs; the review of the ENACE; and the sustainable mobility component linked to the decarbonisation of the logistics chain, implemented by FIAP.

Actions identified (implementing agency)

- First Round Action Plan:
  - **Action 1:** Long-term strategy for low greenhouse gas emissions and climate-resilient development (FIAP with ECLAC).
  - **Action 2:** Development of the Climate Empowerment Action Strategy Uruguay 2050 (FIAP) – Completed.
  - **Action 3:** Sustainable urban mobility plans (GIZ).
  - **Action 4:** Implementation of concrete mitigation measures in transport within the framework of the Sustainable Urban Mobility Policy (GIZ).
  - **Action 5:** National Climate Change Adaptation Plan for the Health Sector (FIAP) – Completed.
  - **Action 6:** National Climate Change Adaptation Plan for the coastal zone (AECID).
  - Sustainable Livestock Country Window (FIAP).
- Second Round Action Plan:
  - **Action 1:** Sustainable Mobility
    - **RE1:** Strengthened capacities of the Interinstitutional Commission on Sustainable Mobility for planning the Sustainable Urban Mobility Policy (GIZ).
    - **RE2:** Implementation of 3 Sustainable Mobility pilots in different departments of the country (AECID).
    - **RE3:** Improved planning for decarbonising the logistics and transport chain in the meat sector (FIAP).
  - **Action 2:** Climate Empowerment (ACE) (FIAP)
    - **RE1:** Assess social perception of climate change impacts and responses, including adolescents and youth, addressed in ENACE.
    - **RE2:** Dissemination and outreach of the National Strategy for Climate Empowerment within the framework of the Youth Network for Climate Justice.

- **Action 3:** Integrated Water Resources Management (AECID)
    - **RE1:** Implement basin plans for integrated water management, promoting sustainable management and water risk management (droughts and floods), considering variability, climate change, and the human right to access potable water and sanitation.
- **Action 4:** NDC Compliance (FIAP)
    - **RE1:** Improved baseline data collection system to be used for designing locally appropriate adaptation measures and monitoring the effectiveness of implemented adaptation strategies.
    - **RE2:** Enhanced socioeconomic information on climate change-related impacts, including losses and damages as well as maladaptation, to analyse the costs of not adapting.

VENEZUELA

Facilitating agencies
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Summary of progress up to 31/12/2025
• No Country Dialogue has been initiated.
Actions identified (implementing agency)
• N/A

ORGANISATION OF EASTERN CARIBBEAN STATES (OECS)

Facilitating agencies

GIZ, TA

Summary of progress up to 31/12/2025

- In 2025, it was decided that the Non-Renewable Water (NRW) Study would be implemented through the Euroclima Technical Assistance facility. A procurement process has been launched, and contracting arrangements are underway, with implementation expected to commence in Q1 2026. Missions to the six OECS Member States are planned under the leadership of the OECS Commission, and the consultancy is expected to be completed by August 2026.
- The GIZ-Smart E Europe Study Tour has been conducted. The GIZ Photovoltaic (PV) Hosting Capacity Study has commenced.
- Support will be rendered for climate finance training and the NDC Investment Forum scheduled for March 2025. (Completed)
- A project kick-off was held in October 2024 for the "Evaluation of the Productive Use of Industrial Organic Waste and Sargassum through Biogas Technology of Composting" (Biogas and Compost Study), involving multiple countries: the Dominican Republic, Barbados, Saint Lucia, and Grenada. A multi-country mission was conducted in January 2025. The draft report of the study was submitted on December 31, 2025. (Completed)

Actions identified (implementing agency)

- Two regional missions to the six OECS Member States will be conducted to gather data and engage with national water utilities in support of the NRW Study.
- GIZ- Smart E Europe Study Tour. (Completed)
- GIZ- Project Kick-off on Oct 22, 2024, for "Evaluation of the Productive Use of Industrial Organic Waste and Sargassum through Biogas Technology of Composting" (Biogas and Compost Study)- Multi-country - Dominican Republic, Barbados, Saint Lucia, and Grenada.
- Portfolio and Plan of Action finalised, Regional Climate Finance training completed in March 2025, exploring options for climate finance and the tourism sector. (Completed)

EUROCLIMA IN THE REGIONAL CONTEXT

(Status updated to 31/12/2025)

Main regional actions' updates (non-exhaustive list)

ARTICULAC

Facilitating agencies
GIZ
Summary of progress up to 31/12/2025

- ArticuLAC is the Community of Practice on Public-Private Partnerships for Climate Action in Latin America and the Caribbean, supported by the Euroclima Programme through GIZ, the LEDS LAC Regional Platform and the INCAE Business School. Since 2018, ArticuLAC has brought together representatives from public, private and civil society organisations across the LAC region, who participate in peer-learning activities and access technical assistance, with the aim of promoting and facilitating the alignment of public and private climate strategies and actions.
- The current phase (November 2024–October 2026) focuses on mobilising private finance and investment aligned with climate and sustainable development objectives, in line with the European Union's GGIA. The current members (approx. 50) were selected through an open call in 2024 — which was also open to participants from previous phases — and subsequently by invitation. Representatives from 15 countries are currently participating: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Paraguay, Peru and Uruguay. The working language is primarily Spanish. The main activities carried out during 2025 were:
  - Members-only: to date, 9 out of 16 online peer-learning sessions and virtual training courses have been held, along with 1 out of 2 in-person workshops in Costa Rica, which are helping to build trust in peer-to-peer exchanges.
  - Technical assistance: ongoing support for 4 national teams in public-private coordination processes to promote specific private investments aligned with climate objectives; support for 5 organisations in preparing concept notes for private or public-private investment projects (2 nearly completed, 1 in the initial phase, 2 to be defined).
  - Dissemination and exchange: open webinars and the development of 2 out of 4 knowledge products with the participation of COP members.

CARBON MARKETS AND TRANSPARENCY

Facilitating agencies

UNEP

Summary of progress up to 31/12/2025

- In 2025, the Regional Carbon Market Observatory for Latin America and the Caribbean, a joint initiative of UNEP, the UNFCCC Regional Collaboration Centres, and CCAP, consolidated its role as a key hub for carbon market data, policy guidance, and capacity-building. The Observatory established streamlined governance and expanded its research scope, launched a website and virtual library, and developed over 180 indicators to monitor carbon market progress, prioritising five categories aligned with the Forum of Ministers of Environment of LAC. It strengthened regional visibility through participation in major events—including Red Carbono LatAm, the Latin America Climate Summit, the Mexico Carbon Forum, and the XXIV LAC Environment Ministers' Meeting—while advancing strategic partnerships. Knowledge and capacity-building outputs included the educational video series "5 Minutes on Carbon Markets" and the self-paced course "Carbon Markets: From Zero to Expert", alongside the development of version 2.0 of the Transparency Pathway Report assessing Enhanced Transparency Framework compliance in 20 countries, with publication scheduled for early 2026.

CARBON PRICING

Facilitating agencies

ECLAC

Summary of progress up to 31/12/2025

- In collaboration with Carbon Pricing of the Americas (CPA), the UNFCCC Regional Collaboration Centre for Latin America, the World Bank, and the International Climate Action Partnership (ICAP), two editions of the training course on carbon pricing and Article 6 and the REDiCAP regional dialogue were held: from July 22 to 26, 2024, in Santiago, Chile, and from May 19 to 22, 2025, in Panama City, Panama.
- In March 2025, support was provided to the European Union Delegation to Chile and the European Commission Task Force for International Carbon Pricing and Markets Diplomacy in organising the conference "*Carbon Pricing Landscapes, Economic Impact, and Options for Chile.*"
- The 2024 publication "Economic Policy and Climate Change: Carbon Pricing in Latin America and the Caribbean" is available in Spanish and in English.
- The 2025 publication "Overview of carbon pricing policies in Latin America and the Caribbean, 2025: an analysis of their effectiveness and guidelines for implementation" is available in Spanish and English.

CLIMATE SCENARIOS FOR CENTRAL AMERICA

Facilitating agencies
FIAP
Summary of progress up to 31/12/2025
• This action has generated climate change projections using the same methodology for six Central American countries, in line with the IPCC's recommendations. In the first phase, the CMIP5 models were used, and in the second phase, the CMIP6 models were used. Under the technical coordination of the Spanish State Meteorological Agency and with a peer-to-peer approach, progress has been made from the training of personnel from the meteorological services of the 6 countries in scenario generation methodologies, to the creation of a technical working group at the regional level (12 people) that collaboratively develops scenarios for the region, while continuing to strengthen their capacities. In turn, a web viewer has been developed, allowing users to consult and download the information. To facilitate the use of information by different users and sectors to plan adaptation measures and resilient investments, numerous workshops and events have been organised (more than 500 participants) that have allowed the identification of indices of special interest for specific sectors (agriculture and water resources).

CLIMATE-RELATED AND NATURE-RELATED FINANCIAL RISKS

Facilitating agencies
UNEP
Summary of progress up to 31/12/2025
• In 2025, work advanced on the deliverables of the Climate Stress Testing Workshop for Central Banks, held in Mexico City in late 2024 under the Climate Financial Risk Centre, a joint initiative of CEMLA, UNEP, and the European Commission. The workshop strengthened the capacity of analysts from ten LAC central banks to assess climate-related financial risks through hands-on application of climate stresstesting models, analysing both physical and transition risks under multiple scenarios. Delivered by leading experts Professor Irene Monasterolo (Utrecht University) and Professor Stefano Battiston (University of Zurich), the program combined theoretical sessions with pilot exercises and introduced the use of Copernicus climate data to enhance analytical rigour. Participants are preparing policy papers summarising institutional use cases, which—subject to peer review—will be published in a special issue of the Latin American Journal of Central Banking. The workshop has reinforced the adoption of climate stress testing as a practical tool for financial supervision, risk management, and monitoring the macroeconomic impacts of climate change across the region.

COMMUNITY OF PRACTICE ON URBAN MOBILITY

Facilitating agencies
GIZ
Summary of progress up to 31/12/2025
• The community of practice has been implementing the action plans of the five thematic groups – gender, digitalisation, active mobility, public transport and NDCs – under the leadership of the partner organisations and with technical support from Euroclima. In this context, various activities and events have been organised, notably: an in-person event in Bogotá, coorganised with the Colombian Ministry of Transport and the Chilean Metropolitan Public Transport Board, attended by 120 female gender experts, and a visit to the La Rolita workshop, an interactive map compiling best practices in gender and transport, a series of exchanges (4 themes with 3 sessions each) using a mentoring approach on NDC topics, a series of 3 thematic webinars on safe school environments, and a guide on peak-and-plate schemes as a mechanism for demand management and public transport funding. Currently in development are a guide on public transport financing, paratransit, the economic benefits of active mobility, and Transport-Oriented Development. • In addition to the above, monthly meetings have been held with the Steering Committee (comprising national and sub-national governments and partner multilateral organisations), during which, alongside updates and decisions regarding the Community of Practice, relevant progress on mobility in each country has been shared. The LinkedIn channel has grown by around 10%, reaching approximately 5,000 users. • The effective networking and building of synergies with various GIZ projects in LAC through the leadership of one of the thematic groups (Public Transport), as well as the development of in-person and virtual activities, has been key to achieving a wider reach for the activities and engaging more people in the network. It is important to highlight as a distinguishing feature of SoMoS LAC the fact that it is a demand-driven community of practice, that is, one focused on the real needs of its members, as it is they who have developed the action plans and are monitoring the completion of tasks; this is a characteristic emphasised by members and one that sets this community of practice apart from other similar initiatives.

FEMINIST VOICES OF WOMEN LEADING THE GREEN AND JUST TRANSITION IN LAC

Facilitating agencies
GIZ
Summary of progress up to 31/12/2025
• Euroclima started this initiative, led by GIZ, in July 2024 to disseminate a publication in Portuguese, English and Spanish that compiles the voices of 25 women leaders in climate and environmental action in the region to visualise the role of women in the green and just transition and provide recommendations based on their experience and knowledge. To this end, women leaders in the region were first mapped, and interviews were conducted to hear their views. The publication was presented in two instances, first in collaboration with the ANEAS of Mexico, with a focus on water and later, in collaboration with MPower Brazil, with a focus on energy.

GREEN FISCAL POLICIES

Facilitating agencies
ECLAC

Summary of progress up to 31/12/2025

- Between 2020 and 2021, support was provided to the Chilean Ministry of the Environment in measuring and valuing the economic costs of inaction on climate change, incorporating the impacts on the Agriculture, Drinking Water, Biodiversity and Tourism, Energy, Mining, Fisheries and Aquaculture, Ports and Beaches, and Health sectors. In 2023, the study "Costs of Inaction on Climate Change in Chile: A Synthesis" was published, enabling the Chilean government to fulfil one of its Nationally Determined Contribution (NDC) commitments and contributing to the discussions of the Climate Change Law, which was debated and approved in Congress. This law sets the goal of making the country carbon neutral and climate-resilient by 2050.
- Support was also provided to the Council of Ministers of Finance of Central America, Panama, and the Dominican Republic (COSEFIN) in developing a diagnostic assessment and participating in public policy discussions on the use of green fiscal instruments to address climate change. In 2021, the study "Experiences in Fiscal Policy with Environmental Content in Countries of the Central American Integration System (SICA)/COSEFIN and Public Policy Recommendations" was published.
- As part of the green taxation initiatives that contribute to achieving the Nationally Determined Contributions (NDCs), the technical documents "Analysis of Opportunities for the Introduction of Fiscal Instruments to Incentivise the Decarbonization of the Waste Management Sector in Costa Rica" and "Economic, Distributive, and Environmental Effects of Eliminating Exemptions from the Single Tax on Fuels" were published.
- In April 2024, within the framework of the Sustainable Development Forum, the side event "Financing for Sustainable Development in Latin America and the Caribbean" was held in Santiago, Chile, coorganised with the Global Green Fiscal Policy Network and GIZ. It was geared toward public finance and taxation professionals and sought to promote the adoption and use of fiscal policies for sustainability and economic resilience in Latin America and the Caribbean. The sessions focused on debt and public budgeting; Carbon pricing and the border adjustment mechanism (CBAM); and nature finance.

H2 LAC

Facilitating agencies
GIZ

Summary of progress up to 31/12/2025
• In 2025, H2LAC advanced green hydrogen development through the strategic engagement of key stakeholders. A dialogue cycle held between September and November convened more than 30 partner institutions from 11 countries and more than 60 private sector representatives from eight countries, identifying shared gaps and priorities for scaling the sector. Those findings were published in January 2026. In October, H2LAC organised the biregional dialogue "Towards a Green Maritime Transport Corridor in Latin America" in Panama City, bringing together more than 80 representatives from Panama, Colombia, and the European Union to advance maritime decarbonization through sustainable fuels. H2LAC also facilitated regional technical exchange through webinars that convened more than 800 stakeholders, covering topics including the Global Hydrogen Review 2025 with the IEA, Bolivia's Hydrogen Strategy, sustainable aviation fuels with the PtX Hub and Agora Verkehrswende, and European import regulations with the H4D Partnership and the World Bank. In December, H2LAC hosted an invite-only technical briefing on the EU Hydrogen Certification Framework, featuring introductory remarks from DG ENER and presentations by ISCC, CertifHy, and REDcert on their EU-recognised certification schemes and their practical implications for Latin American and Caribbean projects seeking access to the European market. • In parallel, H2LAC delivered two regional training programs: in March, 44 professionals from the public and private sectors received training on green hydrogen project financing; and in October, 41 professionals were trained on maritime transport and alternative fuels, building on a Train of Trainer course organised by the PtX Hub and IMO in London, to strengthen regional capacity for maritime decarbonization.

MACROECONOMIC MODELLING

Facilitating agencies
ECLAC

Summary of progress up to 31/12/2025

- This initiative promotes the development of analytical tools to understand the risks and opportunities of climate change from a macroeconomic perspective, thereby improving the design of public policies.
- Technical support has been provided to the Bank of Mexico (Banxico) in the creation and adaptation of modelling tools for prospective scenarios of the macroeconomic impacts of climate change. Four specific scenarios have been developed with adjustments that reflect the Mexican economy, which has been instrumental in Banxico's inclusion of modelling as an evaluation tool in the Sustainable Finance Committee (CFS).
- Based on Mexico's experience, with Banxico as a leading example, technical support for the Central Banks of the Central American Monetary Council (CMCA) began in 2024. As part of this process, the workshop "Analysis of the Risk Arising from Climate Change and Nature Loss" was held in Mexico in June 2024, and the virtual workshop "Estimation of the First Damage Function Arising from Climate Change for the Central America, Panama, and Dominican Republic Region" took place between October and December 2024. As of June 2025, the dashboard “Estimating the Economic Impact of Climate Change for the Countries of Central America, Panama, and the Dominican Republic” (https://impactosclimaticoscapard.shinyapps.io/App_impactos_climaticos_CAPARD/) has been completed. At the end of 2025, the virtual training course “Estimating the Impacts of Climate Events on Inflation” was held, and a new tool is being developed to measure the inflationary impact of climate events in CAPARD countries.
- Technical support is also being provided to the Council of Ministers of Finance of Central America, Panama, and the Dominican Republic (COSEFIN) for incorporating climate change considerations into their macroeconomic analysis. This support involves generating information on the physical impacts of climate change and quantifying their economic impacts. A workshop on the use of the ClimRisk model in COSEFIN countries was held in July 2024.
- Since 2025, technical assistance has been provided to the Brazilian Ministry of Finance to quantify the effects of implementing each of the three phases of the CBAM on its international trade with the EU, using input-output analysis and econometric techniques.
- Regarding dialogue forums, in June 2024, the Coalition for Capacities in Climate Action (C3A) organised the high-level conference "Navigating the Just Climate Transition in a Context of Low Macroeconomic Growth: The Role of Finance Ministries" in Brazil, with representatives from finance ministries and central banks of several countries in the region.
- In the area of nature, in mid-May 2024, ECLAC supported the organisation of and participated in the conference "Biodiversity and Nature-based Solutions: An Opportunity for the Financial Sector," organised by the Bank of Mexico and the Ministry of Finance and Public Credit in Mexico City. In 2025, support was initiated for the Superintendency of Colombia in the development of capacities and analytical tools to assess how financing activities within the Financial System in Colombia affect biodiversity and ecosystem services, and to determine the exposure of the financial system to financial risks derived from the loss of biodiversity.

PEER-TO-PEER DIALOGUE

Facilitating agencies
ECLAC

Summary of progress up to 31/12/2025

- The initiative has organised two versions of the Peer Dialogue (2018 and 2020), where countries have shared experiences in implementing their NDCs, contributing to their progress in the region. Additionally, in October 2024, within the framework of the LEDS LAC Regional Workshop, the plenary session "Dialogue between Ministries of Finance and Ministries of Environment" was organised in conjunction with the IDB.
- Nineteen exchanges between countries have been implemented, based on identified needs and strengths to support concrete progress on the NDCs. The study "Progress in Climate Action in Latin America: Nationally Determined Contributions to 2019" has been published, and contributions were made to the LEDSenLAC reports for 2019, 2022, and 2025. Two digital tools have been developed: ndc-lac.org (2020), a dynamic and interactive website that offers information on progress in the implementation and updating of the LAC NDCs, and NDC-LAC Exchanges: Marketplace (2022), an innovative tool to facilitate the exchange of experiences and lessons learned among countries. In 2023, the NDC-LAC digital tool was updated with new information and translated into English. In 2024, the tool included a new set of quarterly updated indicators, including the presentation of NDC 3.0 and the BTRs. During 2025, work was carried out to gather information for a new update of the LEDSenLAC 2025 report and the NDC-LAC tool.
- Since the beginning of 2025, GIZ has not contributed financially to the Peer-to-Peer Dialogue initiative, and its participation is limited to the Steering Committee of ndc-lac.org. Exchanges of experiences between countries, meanwhile, will be promoted as part of the actions identified in the Country Action Plans in order to align these exchanges with the objectives of the respective action.

REGIONAL CLIMATE FINANCE INITIATIVE

Facilitating agencies
GIZ
Summary of progress up to 31/12/2025
• The regional action now focuses on cooperation with ALIDE. Since 2024, we have continuously expanded our cooperation with ALIDE. At the general meetings in 2024 and 2025, in Brazil and the Dominican Republic, we had the opportunity to help shape the programme with two thematic workshops on climate finance and green hydrogen. In the last quarter of 2025, we began discussions with ALIDE on continuing the cooperation. One result is the proposal to establish and support a working group of interested banks with the provisional title Working Group on Sustainability and Climate Change. This initiative seeks to provide opportunities to increase the mobilisation of climate finance and strengthen technical capacities in the formulation of bankable climate projects and innovative financial instruments. The Working Group on Sustainability and Climate Change has been designed to bring together development banks from Latin America and the Caribbean that are members of ALIDE, as well as technical and financial cooperation agencies and other strategic partners. It aims to share experiences, promote collaboration and mutual learning, and ultimately increase access to climate investments in the region. The virtual kick-off meeting is scheduled to take place on 3 March.

REGIONAL GENDER GROUP (FORUM OF MINISTERS OF ENVIRONMENT LAC)

Facilitating agencies
FIAP
Summary of progress up to 31/12/2025
• Between December 2023 and June 2024, regarding the regional gender activity led by FIAP in its support and institutional strengthening of the Regional Working Group on Gender and Environment (GTGA) of the Forum of Ministers of LAC; The activities that have been carried out are as follows: the Second Meeting of the participants of the Regional Working Group on Gender and Environment was held - 22 participants from 18 countries attended, with Bolivia and Argentina absent from the Meeting. Among the main results is the institutional strengthening of the GTGA, which promotes South-South cooperation and biregional cooperation (EU-LAC) through exchanges of experiences on issues related to gender, environment, and climate change. At the II Meeting, the Gender Mandates and Action Plans of the Multilateral Environmental Agreements (MEAs) were presented, including the Gender Plan of the Convention on Biological Diversity, the Gender Action Plan of the United Nations Convention to Combat Desertification, and the Gender Mandates in the Escazú Agreement. Likewise, the formulation of opportunities in gender and environment from a regional perspective was carried out. Experiences of applying the gender approach in actions under implementation in the Euroclima Programme were presented, as were experiences from the 18 countries present on gender mainstreaming in climate and/or environmental public policies. In addition, work was done on the description and formulation of Terms of Reference for the hiring of an expert team in Just Energy Transition (TEJ) and green employability with a gender focus in 14 LAC countries; the tender is already about to be published to proceed with the hiring of a consulting team. The study is expected to be completed by March/April 2025.

SOCIAL PRICE OF CARBON

Facilitating agencies
ECLAC
Summary of progress up to 31/12/2025
• ECLAC implements the regional initiative on the use of the Social Price of Carbon (SCP) in the evaluation of public investments in Latin America and the Caribbean. As of December 2025, technical assistance was being provided to the National Public Investment Systems (SNIP for acronym in Spanish) of 12 countries, at varying stages of progress: Guatemala, El Salvador, Mexico, and Ecuador were in Phase 1 (estimating their SCP in coordination with national authorities); Chile, Nicaragua, Honduras, Panama, and Paraguay have completed both Phase 1 and Phase 2 (training courses on estimating and using SCP in public investment evaluation and developing guides and tools); Costa Rica, Peru, and the Dominican Republic have completed the first two phases and have begun Phase 3 (support in implementing SCP in selected projects). SCP estimates for Chile, Costa Rica, Peru, and the Dominican Republic have been published. • Additionally, studies simulating the social cost of carbon have been carried out and published (i) in the infrastructure sector in selected Latin American countries, (ii) in railway infrastructure and comparison between modes of transport in selected LAC countries and (iii) in the public transport sector of LAC.

SUPPORT TO THE AMAZON COOPERATION TREATY ORGANISATION (ACTO)

Facilitating agencies
GIZ
Summary of progress up to 31/12/2025
• Between 2022 and 2024, Euroclima supported ACTO in establishing the Amazon Regional Platform for Indigenous Peoples and Climate Change. This Platform was conceived as a space to promote the exchange of knowledge, experiences and good practices between Indigenous Peoples and ACTO member states; and to strengthen the capacity of Indigenous Peoples to participate in the global climate agenda. As part of this initiative, six national meetings were held between Indigenous organisations and government authorities from Bolivia, Brazil, Colombia, Ecuador, Peru and Suriname; as well as two international events in Brasília (2023) and Santa Cruz (2024), where guidelines were discussed to ensure the platform functions as an equal space for coordination between government authorities and Indigenous representatives. National assessments were also carried out for the eight member countries of the Amazonian Transit Commission (OTCA), highlighting the vulnerabilities of Indigenous Peoples and their territories in the face of climate change. Furthermore, databases on the Indigenous population and maps of their territories, overlaid with climate vulnerabilities, were developed to be hosted by the Amazonian Regional Observatory (ORA). This data is accompanied by a protocol for the management of indigenous data for use by ACTO, which analyses the potential impacts on the use of the information. Finally, the Amazon Regional Strategy on Indigenous Peoples and Climate Change was drawn up to guide the Platform's actions, in line with the Strategic Agenda for Amazon Cooperation (AECA), the Belém Declaration, and the Paris Agreement. The actions of this initiative have been pioneering in bringing together representatives of ACTO member countries and indigenous representatives at the regional level to discuss strategies for tackling climate change in indigenous territories and the work of the Amazon Regional Platform in this cause.

SUPPORT TO THE LETICIA PACT (COLOMBIA, ECUADOR, PERU)

Facilitating agencies
GIZ

Summary of progress up to 31/12/2025

- Between 2022 and early 2025, the EUROCLIMA Programme supported the governments of Colombia, Ecuador and Peru in implementing the Leticia Pact Action Plan for the Amazon. This plan provides a framework for action to address the causes of deforestation and forest degradation, promoting conservation, biodiversity management and the sustainable development of the Amazon biome. GIZ, together with the environment ministries of these countries, implemented measures to strengthen and/or update public management tools relating to i) capacity building for Amazonian enterprises, ii) the application of restoration methodologies in degraded areas, and iii) improving interoperability between information systems and public databases that manage biodiversity data.
- With regard to strengthening Amazonian enterprises, the needs of small businesses were analysed to improve market opportunities. In Colombia, this included the design of a pre-feasibility project for the scaling up of Amazonian green businesses. In Peru and Ecuador, training events were held for public officials and enterprise leaders to align with national regulations on the bioeconomy. In Colombia, this involved designing a pre-feasibility study for scaling up green businesses in the Amazon. In Peru and Ecuador, training sessions were held for public officials and business leaders to ensure alignment with national bioeconomy regulations. Regarding the restoration of degraded areas, for Colombia, a proposal was designed for the restoration of degraded areas with a community-based and participatory approach involving indigenous and Afro-descendant populations and the active participation of women, within the framework of the 2022–2026 National Development Plan. In Ecuador, a methodology was developed to identify potential areas for restoration within the territory of the Kichwa People of Rukullacta (PKR), following the guidelines of the National Forest Restoration Plan 2019–2030. In Peru, maps of terrestrial ecosystems and degraded areas in the Loreto region were designed. These maps, approved by Regional Ordinance in 2024, enable the Regional Government of Loreto to mobilise public investment funds to implement restoration measures. With regard to interoperability for biodiversity information management, in all three countries, the technical, legal and IT conditions of public bodies managing biodiversity data were analysed to strengthen their capacity to share information efficiently and in a standardised manner. Based on the gaps identified, the national biodiversity catalogues of the environment ministries in Ecuador and Peru were updated.

SUSTAINABLE FINANCE FRAMEWORKS

Facilitating agencies
UNEP
Summary of progress up to 31/12/2025

- UNEP is supporting member states in the Latin America and Caribbean (LAC) region in establishing appropriate frameworks to channel capital flows toward the investments needed for the region's Green Transition. This intervention aims to create an enabling environment for sustainable finance, aligned with international and EU best practices, to direct private capital flows toward the investments required for the Green Transition in LAC.
- In 2025, UNEP made significant strides in advancing sustainable finance frameworks across Latin America and the Caribbean. At the regional level, the LAC Taxonomy Common Framework, focused on biodiversity objectives, reached its finalisation stage, providing countries with a globally aligned model and practical guidance for developing national taxonomies, with publication expected in early 2026.
- At the national level, UNEP supported Panama in advancing multi-sector taxonomy pilots across banking, issuers, and insurance, covering seven banks, three bond issuers, and three insurers. Key achievements included delivering banking alignment results, developing sectoral implementation guides, progressing a digital taxonomy tool with the Ministry of Environment, and advancing carbon target setting, climate risk integration, and legal alignment to support long-term adoption. In Costa Rica, implementation of the Sustainable Finance Taxonomy (TFS-CR) expanded, with GCF Readiness funding extended to scale pilots to 12 financial institutions across regulated markets. The asset manager pilot was completed, diagnostics and recommendations delivered to intermediaries, preparations advanced for an insurance pilot, and a second taxonomy phase incorporating biodiversity began, in close coordination with supervisory authorities. Brazil finalised and officially launched the first edition of the Brazilian Sustainable Taxonomy (BST), publishing all sectoral technical annexes and establishing the BST through federal decree, while initiating preparations for piloting and a second edition in 2026. In Chile, support was initiated to implement the pilot phase of the Chilean Sustainable Finance Taxonomy (T-MAS) in the financial sector, strengthening the banking sector's capacities and advancing towards a roadmap that will enable the future binding implementation of the T-MAS, aligned with other sustainable finance policies and national and international experiences. In Guatemala, UNEP strengthened sustainable bond transparency, with the Post-Issuance Report for the Sustainable (ESG) Bond finalised, approved, presented to authorities, and prepared for publication in Spanish and English. Targeted missions, capacity-building activities, and the Post-Issuance Second Party Opinion (SPO) issued by Moody's were published on the Ministry of Public Finance website by the end of December 2025.

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