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International Development Finance Club

CLIMATE POLICY INITIATIVE

IDFC GREEN FINANCE MAPPING

REPORT 2025

2024 IDFC Green Finance Commitments
November 2025

Supported by

IDFC GREEN FINANCE MAPPING REPORT 2025

Executive Summary

$1.9 trillion
in total green finance since 2015

$174 billion
in green finance in 2024

$167 billion
in climate finance in 2024

$8 billion
in biodiversity finance in 2024

Over 40%
of global public climate finance provided by IDFC members

The majority of members increased their green finance
showed continued potential for green finance globally

$125 billion
in climate finance flowed to or within non-OECD countries in 2024

2024 IDFC Green Finance Commitments
October 2025

EXECUTIVE SUMMARY

Since 2011, the International Development Finance Club (IDFC), a group of 27 national and regional development banks with over $4 trillion[1] in combined assets and annual commitments exceeding $1.3 trillion, has conducted an annual mapping of member institutions' green finance contributions.

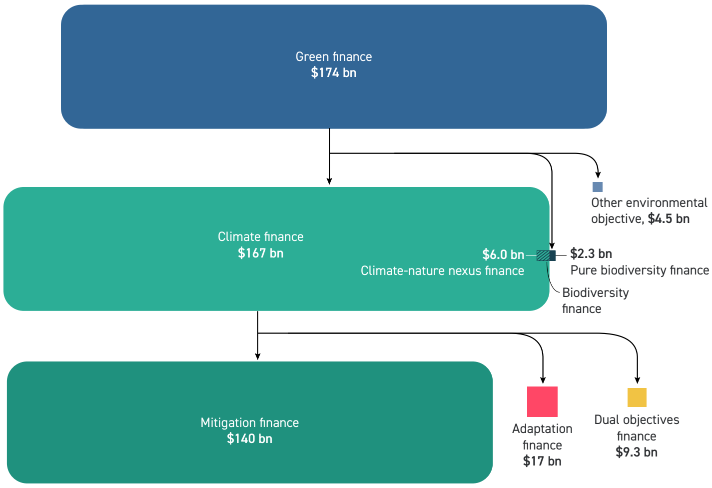
In 2024, IDFC members reported $174 billion in total green finance commitments. While the overall level decreased by 13% in 2024—due to changes by a few large reporting institutions—the majority of IDFC members continue to show increased engagement in green finance: 14 of the 23 members responding to survey increased their total green finance commitments. Participation in the IDFC's Green Finance Mapping survey remained steady in 2024, with 23 institutions responding and 8 of those reporting biodiversity commitments.[2]

The drop in total green finance—down 13% across the Club in 2024—is concentrated around a few members with larger portfolios. One large member's shift in investment priorities lowered its green share from 17% to 9%, reducing absolute green volumes. For another institution, lower government funding reduced its total commitments, although the green share of its financing held at 30% (above the IDFC average). Across the Club, changes were also driven by year-on-year investment variation, reduced credit demand due to higher interest rates, geopolitical tensions, and exchange-rate fluctuations.

Cumulative green finance commitments by IDFC members have surpassed $1.9 trillion since the signing of the Paris Agreement in 2015, demonstrating these public development banks' ability to deliver at scale. Together, over 40% of global public climate finance was provided by IDFC members from 2019 to 2023. The ongoing integration of updated and more conservative tracking methodologies highlights members' commitment to rigorous climate finance tracking.

IDFC members are showing progress toward attaining climate and broader environmental targets at the institution level. With $1.27 trillion in cumulative green finance commitments since 2019, the group is on track to mobilize $1.3 trillion between 2019 and 2025, as pledged in the IDFC State of Ambition (2021). The Club has further strengthened the robustness and consistency of its green finance tracking across its members, with a dedicated three-year capacity-building program (2023-2025) facilitated by the IDFC Climate Facility and implemented by the IDFC Secretariat in partnership with Climate Policy Initiative.

Figure ES1: IDFC green finance commitments in 2024 by theme



KEY FINDINGS IN THE 2024 DATA

- **IDFC members reported green finance commitments[3] of $174 billion in 2024, a 13% decrease from 2023** (see Figure ES2).
- **In 2024, green finance represented 13% of total new commitments reported by IDFC members, compared with shares ranging from 19% to 24% over the preceding four years.**
- **Climate finance—all** activities related to the mitigation of greenhouse gas (GHG) emissions, adaptation to climate change or dual objectives—**accounted for 96%**

1 $=US dollar.

2 An additional three members tracked biodiversity finance but were excluded from the count as they reported no biodiversity projects in 2024.

3 Green finance commitments include climate finance (mitigation, adaptation, and dual-objective), biodiversity finance, and finance with other environmental objectives.

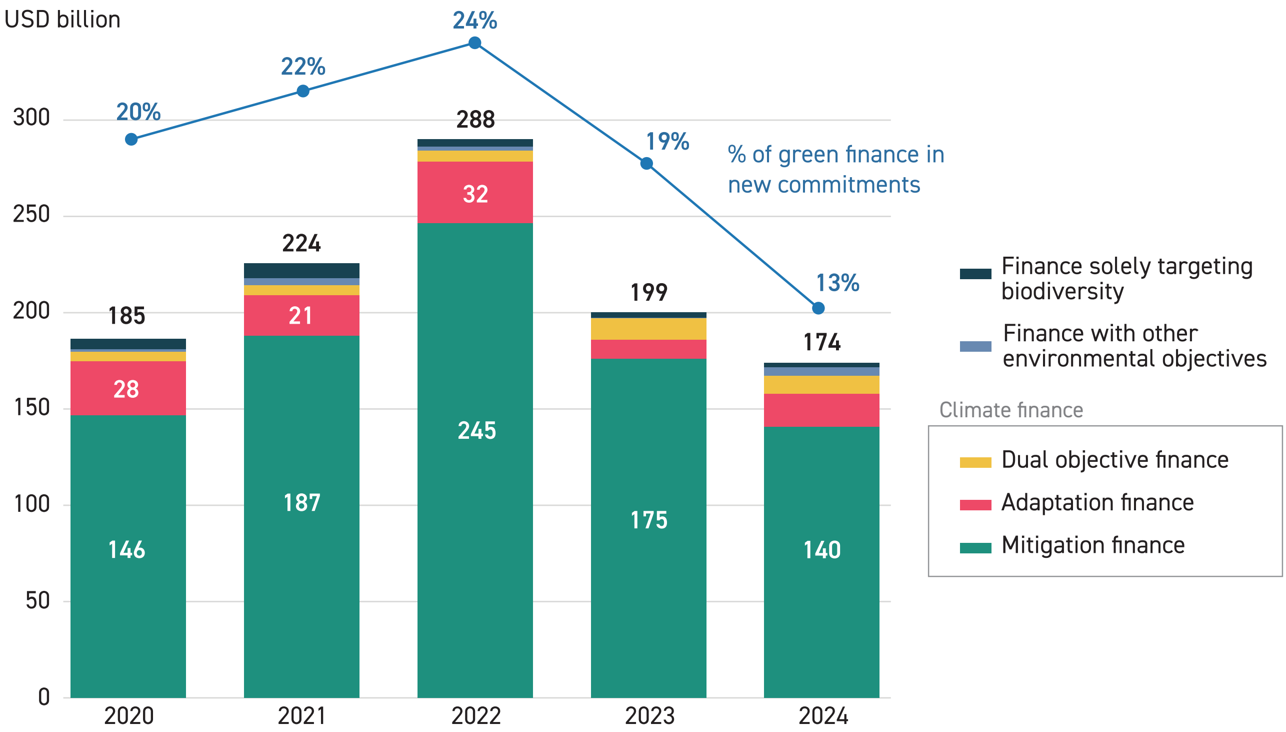
of total green finance (or $167 billion), on par with the share in 2023.

- Mitigation finance continued to dominate at $140 billion, representing 84% of climate finance, a slight decline from $175 billion in 2023.
- Adaptation finance totaled $17 billion in 2024, an increase of 64% from 2023. This growth was largely driven by members with larger portfolios, including the China Development Bank (CDB), which doubled its investments since 2023. Meanwhile, the number of survey respondents reporting adaptation finance fell by 20%, and only half of members reporting adaptation finance increased their commitments in 2024.
- Finance to projects supporting both mitigation and adaptation efforts—"dual-objective finance"—totaled $9 billion in 2024, a 15% decrease from 2023. These flows represented 6% of total climate finance, just consistent from 6% in 2023, indicating a proportional decline rather than a structural shift. Dual-benefit finance remains important for supporting adaptation objectives, underscoring the ongoing relevance of integrating both mitigation and adaptation considerations into climate commitments.

• **Finance for biodiversity projects rose in 2024 to reach $8 billion.** This includes finance for dedicated conservation activities as well as for water supply, wastewater treatment, and agriculture and natural resources management projects that deliver biodiversity benefits. While many members do not yet track biodiversity finance, several reported undertaking strategy development or piloting the IDFC biodiversity tool. These efforts are expected to support future increases in both the volume of biodiversity finance reported and the number of members tracking it.

• Additionally, IDFC members reported **$4 billion in financing for other environmental objectives, including projects** for the circular economy and reducing pollution.

Figure ES2: IDFC green finance commitments 2020-2024 ($ billion)[4]



4 Green finance commitments include climate finance (mitigation, adaptation, and dual-objective), biodiversity finance, and finance with other environmental objectives.

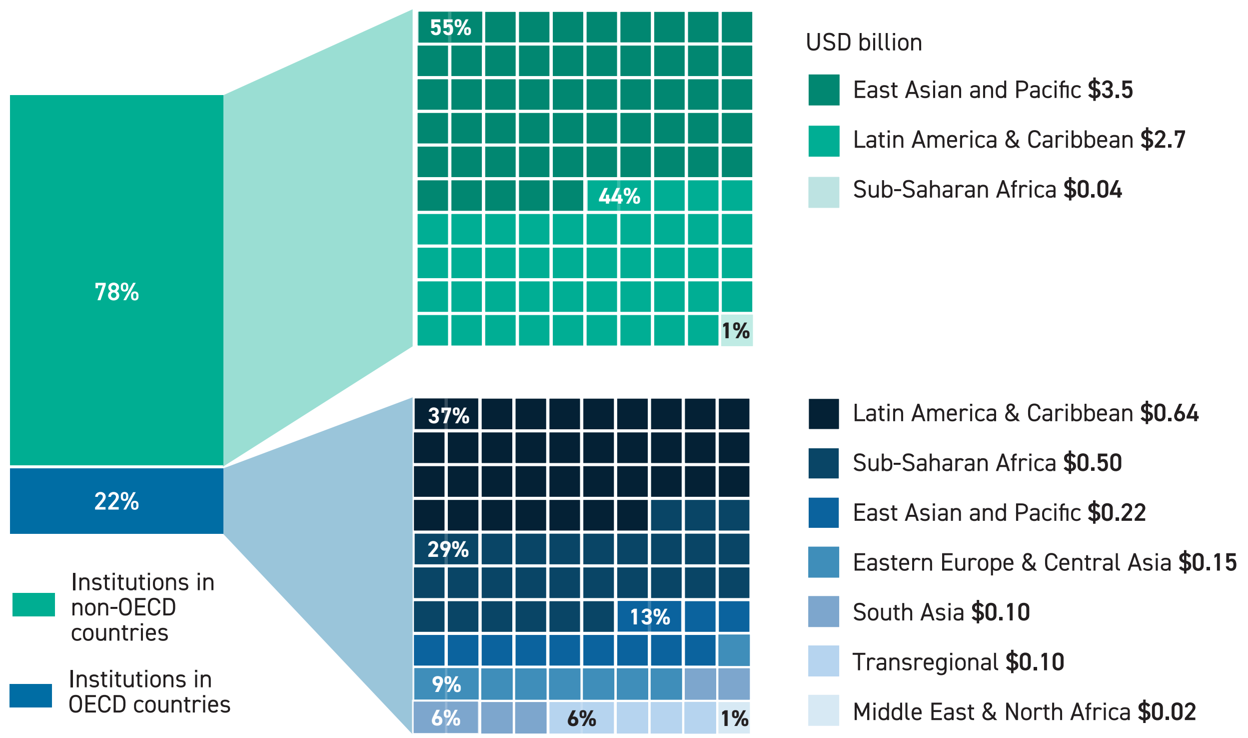
CLIMATE FINANCE IN 2024[5]

- **Sources of finance:** Institutions in non-OECD countries continued to commit the majority of IDFC climate finance. Totaling $115 billion, climate finance commitments from non-OECD-based institutions represented 72% of total climate finance in 2024 (see Figures 3 and 4). This trend is primarily driven by domestic commitments in China by the CDB.
- **Geographic destination:** East Asia and the Pacific remained the largest recipient of climate finance in 2024, accounting for 63% of the total (compared to 61% in 2023), largely driven by domestic flows in China. Western Europe was the second-largest recipient, with 17% of the total, followed by Latin America and the Caribbean (10%) (see Figure ES3).
  - IDFC members made 83% ($133 billion) of total climate finance commitments in their home countries, with the remaining 17% committed internationally. This represents a decline from the international share of 23% ($46 billion) in 2023.
  - Of the $27 billion in climate finance committed internationally in 2024, 44% ($12 billion) flowed from OECD-based institutions to non-OECD countries, down from 65% ($30 billion) in 2023 (see Figure ES3).

BIODIVERSITY FINANCE IN 2024

- Eight IDFC members reported on their investments in biodiversity, on par with the response rate in 2023. **A total of $8 billion in biodiversity finance was reported for 2024**, approximately the same level as of 2023, yet still about half of the annual average committed over 2020-2022.
- **Of these biodiversity finance commitments, 29% ($2.3 billion) went to projects solely targeting biodiversity**, and the remaining $5.6 billion was at the climate-nature nexus.
- **Sources of finance:** IDFC institutions based in non-OECD countries committed $6 billion in biodiversity finance, accounting for 78% of the total. IDFC institutions based in OECD countries committed $2 billion, or 22% of the total. This is consistent with 2023 biodiversity commitments.
- **Geographic destinations:** East Asia and the Pacific attracted 46% of biodiversity finance commitments in

Figure ES3: Climate finance commitments in 2024 by source of finance (OECD/non-OECD) and destination region



5 JICA data are included only in aggregate figures (total climate, biodiversity, and other environmental commitments). Disaggregated JICA data were unavailable at the time of analysis and are therefore excluded from more granular analysis, including the source of finance, geographic destination, and financing instrument.

2024 (or $4 billion), followed by Latin America and the Caribbean at 42% ($3 billion) (see Figure ES4).

- **Sectors:** The largest share of biodiversity finance (33%, or $3 billion) went to water preservation activities. Wastewater treatment and AFOLU, fisheries and natural resources projects followed as the second- and third-highest sectors for biodiversity finance, at $2 billion (20%) and $1 billion (18%), respectively.

IMPROVING GREEN FINANCE MAPPING METHODOLOGY

This analysis was completed based on responses to an IDFC survey, via which members self-reported their green finance commitments. The data was then checked for consistency and aggregated.

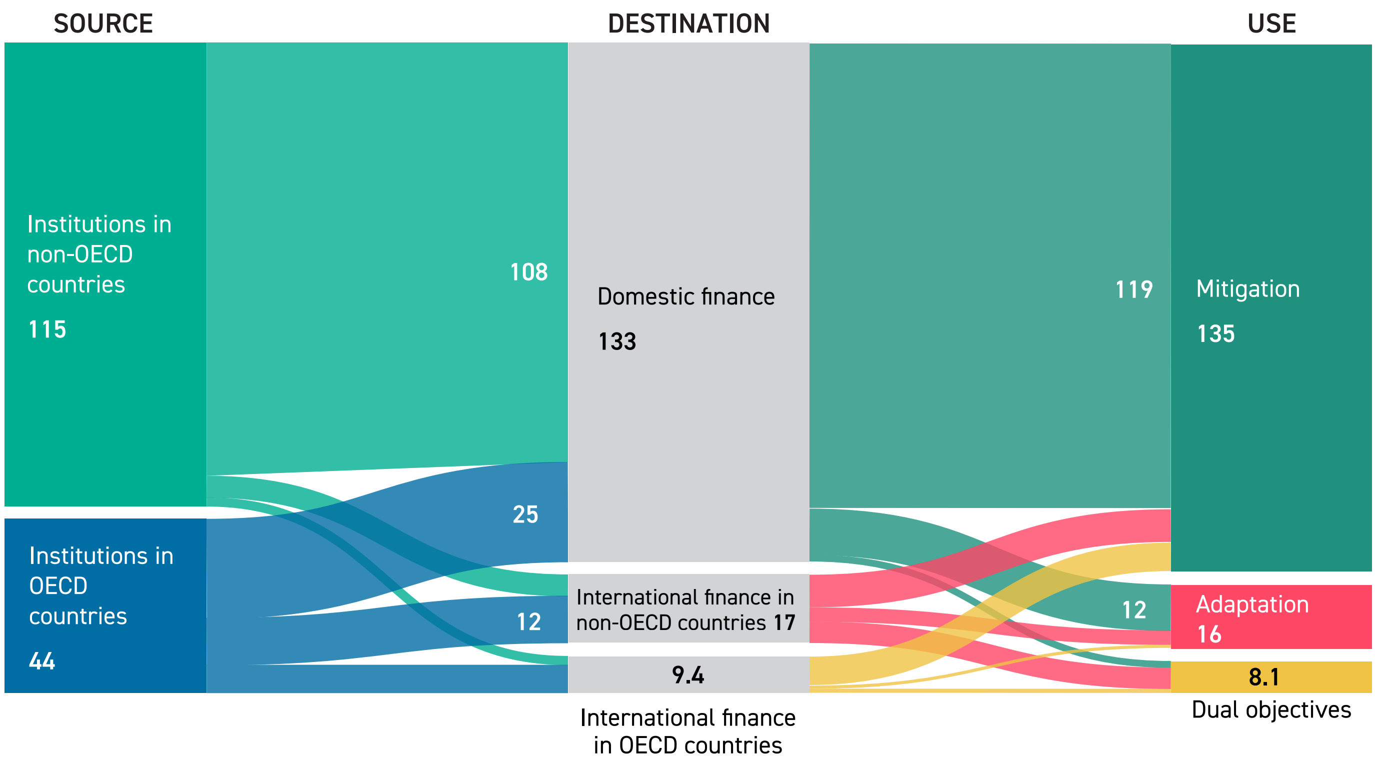
The IDFC survey uses the Joint Multilateral Development Banks (MDBs) and IDFC Common Principles for Climate Mitigation Finance Tracking (2023) and the Common Principles for Climate Change Adaptation Finance Tracking (2023). The list of reporting institutions and reporting coverage across all categories varies from year to year.

The Common Principles address uncertainty by following the principle of conservativeness, preferring to under-report climate finance rather than risk over-reporting. This principle particularly impacts the reporting of adaptation commitments.

Given the context-specific nature of adaptation activities, which makes it challenging to consistently identify and track relevant projects, taking a conservative approach to complex estimates of adaptation-relevant costs may result in lower reported sums.

For the fifth year, the 2024 GFM tracks biodiversity finance separately from other environmental finance. IDFC members may report on biodiversity finance at the project or aggregate level. Seven members have consistently reported biodiversity finance since tracking began in 2021, with an additional eighth member reporting biodiversity finance for 2024.

Figure ES4: Climate finance commitments in 2024 by source of finance (OECD/non-OECD) and destination (Domestic/International, $ billion)



6 Green finance commitments are defined as per IDFC Common Principles tracking methodologies.

Figure ES5: Biodiversity finance commitments in 2024 by source of finance (OECD/non-OECD) and end use ($ billion)

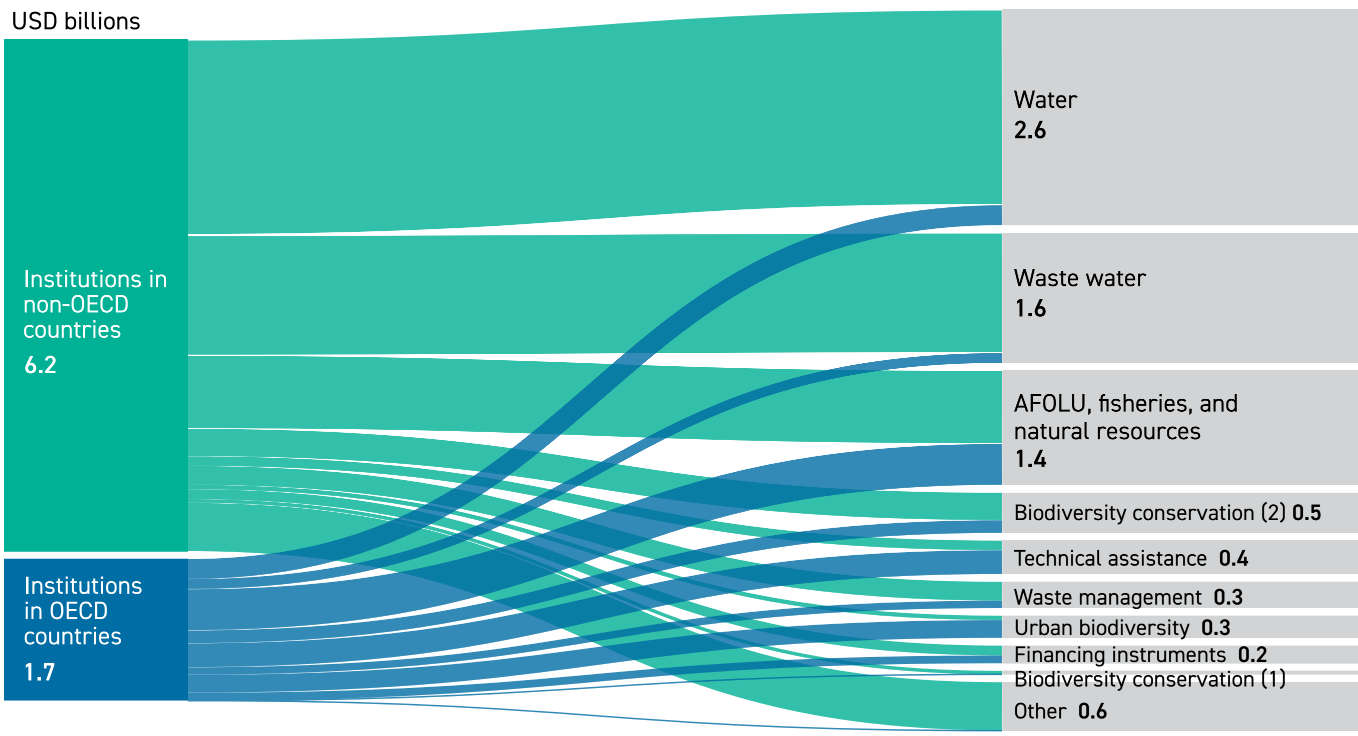
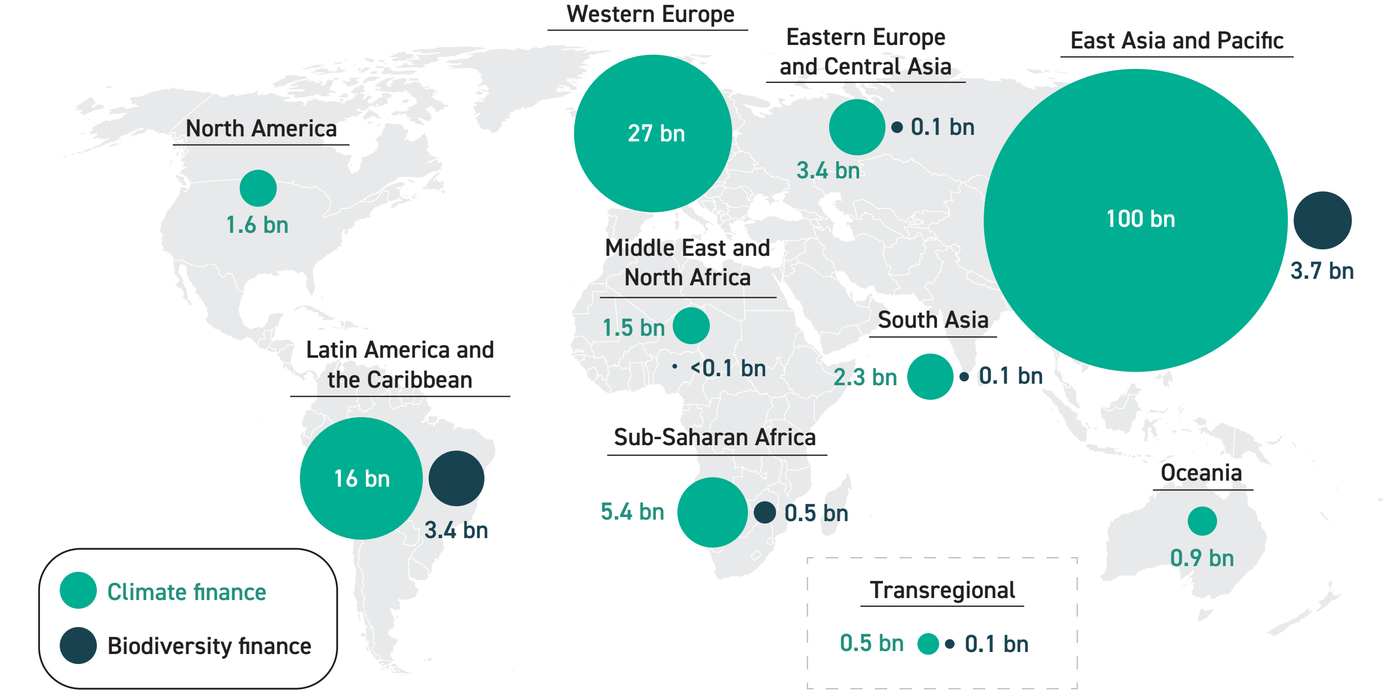


Figure 6: Regional distribution of climate and biodiversity finance in 2024[7]



7 Relative scales are shown for climate and biodiversity finance.

ABOUT THE IDFC

The IDFC, created in 2011, is a leading group of 27 national and regional development banks from all over the world. IDFC members have the unique function of supporting domestic policies while transferring international priorities into their own constituencies. IDFC members are aligned with and work together to implement the Sustainable Development Goals, the Paris Climate Agreement and the Kunming-Montreal Global Biodiversity Framework. Through the IDFC, and in close partnership with other development bank networks, members join forces as a platform to promote and leverage sustainable development investment worldwide.

The green finance mapping report exists to illustrate the contributions that IDFC members provide to green finance and climate finance therein. The reporting methodology is constantly improving, with the hope of furthering member efforts in tracking and reporting on green finance flows.

More information about the IDFC can be found at www.idfc.org. This year's green mapping report was prepared with the support of Climate Policy Initiative (www.climatepolicyinitiative.org).

IDFC MEMBERS

- Africa Finance Corporation (AFC)
- Agence Française de Développement (AFD)
- Banco Industrial y de Comercio Exterior (BICE)
- Bancóldex S.A.
- Banco Nacional de Desenvolvimento Econômico e Social (BNDES)
- Banque Ouest Africaine de Développement (BOAD)
- Black Sea Trade and Development Bank (BSTDB)
- Development bank of Latin America (CAF)
- Caisse de Dépôt et de Gestion (CDG)
- Cassa depositi e prestiti (CDP)
- Central American Bank for Economic Integration (BCIE/CABEI)
- China Development Bank (CDB)
- Corporación Financiera de Desarrollo S.A. (COFIDE)
- Croatian Bank for Reconstruction and Development (HBOR)
- Development Bank of Southern Africa (DBSA)
- The Eastern and Southern African Trade and Development Bank (TDB)
- Industrial Development Bank of Turkey (TSKB)
- Islamic Corporation for the Development of the Private Sector (ICD)
- *International Investment Bank (IIB)*
- Japan International Cooperation Agency (JICA)
- KfW Bankengruppe
- Korean Development Bank (KDB)
- Nacional Financiera (NAFIN)
- PT Sarana Multi Infrastruktur (PTSMI)
- Small Industries Development Bank of India (SIDBI)
- *State Development Corporation (VEB)*

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1. INTRODUCTION

The International Development Finance Club (IDFC), a coalition of 27 national and regional development banks, has played a leading role in channeling public development finance and climate finance for over a decade. The Club has provided an average of 40% of both international and domestic public climate finance flows each year between 2019 and 2023, demonstrating its structural role in mobilising capital for climate action and enabling investment in high-risk and underserved markets.

GLOBAL CLIMATE FINANCE CONTEXT

Climate finance is essential for financial stability and resilient growth, as it helps mitigate physical and transition risks that exacerbate macroeconomic challenges and drive economic uncertainty. Climate investments also reduce future costs, mitigate losses and damages from extreme weather events, while supporting price stability and lowering risk premiums. These effects strengthen resilience in most times of high instability. Globally, nearly $8.6 trillion must be invested in mitigation solutions annually through 2050, of which at least $4.3 trillion is needed for emerging markets and developing economies (EMDEs).[8] EMDEs, excluding China, require an additional $240 billion for adaptation solutions, which is likely to increase as the impacts of climate change intensify.[9]

Global climate finance flows totaled $1.1 trillion in EMDEs and LDCs in 2023, of which $680 billion was in China alone.[10] While these vulnerable regions need a major step-up in climate finance updating previous estimates of investment requirements for climate action and setting out the action agenda to deliver the necessary finance for investment in emerging markets and developing countries,[11] capital costs constrain investment, suppress climate project pipelines and heighten systemic risks to investment.

Public finance dominates climate flows in EMDEs and LDCs, and IDFC members are pivotal in leveraging their local networks and expertise, concessional resources, and de-risking tools to mobilize private capital to fill investment gaps. Recent public funding cuts, for instance, the US's revocation of its International Climate Finance plan in early 2025, have heightened uncertainty around future public flows to EMDEs, making it more important than ever to ensure that available public finance is used effectively to reach underserved markets and mobilize private capital for climate objectives.[12]

IDFC FINANCE CONTEXT

At the end of 2024, IDFC members held over $4 trillion in assets and had extended more than $1.3 trillion in annual commitments within that year. In 2024, IDFC members recorded $174 billion in green finance commitments, making the Club one of the world's largest providers of both public development finance and climate finance. Moreover, IDFC members have demonstrated continued commitment to strengthening their climate ambition at the institutional level (see Box 2).

The Club's strength lies not only in its members' national mandates and local expertise, but also in their diversity. Spanning a range of economic and development contexts, IDFC members share the conviction that public development banks (PDBs) have a distinct catalytic role in advancing climate action. This diversity enables peer learning and the transfer of proven instruments, the co-development of standards, and coordinated advocacy—allowing locally grounded institutions to act together, even in a more fragmented world.

The IDFC's annual mapping of green finance commitments tracks its member institutions' progress on the Club's climate and biodiversity finance goals. This effort reinforces its core mission of mobilizing finance for sustainable development and climate and biodiversity action, aligning members' activities with the Paris Agreement, the Kunming-Montreal Global Biodiversity Framework, and the Sustainable Development Goals (SDGs).

The figure of $174 billion in 2024 marked a 13% decrease from 2023, stemming from changes by a few large reporting institutions shifting their investment priorities in response to a slowing global economy. However, the majority of IDFC members continued to increase their engagement in green finance. Some of the decrease also reflects reduced credit demand due to higher interest rates, decreased project activity resulting from geopolitical tensions, and year-on-year fluctuations in investment. Despite these challenges, 13 of the 23 members

8 Out of the $4.3 trillion, $2.6 trillion is estimated to be needed for EMDEs other than China.

9 Data for adaptation finance needs in China is not available.

10 Climate Policy Initiative, 2025. Global Landscape of Climate Finance 2025: EMDE Spotlight. Available at: https://www.climatepolicyinitiative.org/publication/global-landscape-of-climate-finance-2025-emde-spotlight/

11 IHELG, 2024. Raising ambition and accelerating delivery of climate finance: Third report of the Independent High-Level Expert Group on Climate Finance. Available at: https://www.lse.ac.uk/granthaminstitute/wp-content/uploads/2024/11/Raising-ambition-and-accelerating-delivery-of-climate-finance_Third-IHLEG-report.pdf

12 Carbon Brief, 2025. DeBriefed 14 March 2025: US's 'moral case for fossil fuels'; Rainforest felled for 'COP30 road'; Myanmar's energy crisis. Available at: https://www.carbonbrief.org/debriefed-14-march-2025-uss-moral-case-for-fossil-fuels-rainforest-felled-for-cop30-road-myanmars-energy-crisis/

responding to the mapping survey had increased their total green finance commitments in 2024.

Box 1 outlines recent developments within the Club and its ongoing commitment to climate action and sustainable development, while Table 1 presents examples of green finance initiatives undertaken by individual members.

Box 1: Recent IDFC developments

The IDFC has continued to strengthen its institutional capacity and expand its sustainable development approach while deepening collaboration both among Club members and with the broader development finance community. These efforts build on previous work to enhance tracking methodologies, broaden thematic coverage, and strengthen collective action on climate, biodiversity, and development priorities. Key developments include:

Capacity building on green finance tracking: The IDFC Climate Facility, in partnership with CPI, continued targeted capacity-building efforts initiated in 2023 to enhance members' technical capabilities in tracking and reporting climate finance. Recent efforts include:

1. Three technical workshops focused on the application of the Common Principles for mitigation, adaptation, and biodiversity finance. These workshops provide detailed technical guidance on tracking in these areas, [13] including applied examples and practical case studies, as well as peer exchange on best practices and common challenges.
2. An e-learning module comprising nine short training videos on green finance tracking methodologies.[14]
3. A three-day, in-person training on greenhouse gas (GHG) accounting and green finance instruments.

Progress toward SDG integration: The IDFC contributed to dialogues on Unlocking the Potential of Public Development Banks for Sustainable Development[15] and launched its Gender Finance Mapping 2022 and 2023 survey,[16] broadening the Club's approach to sustainable development and laying the groundwork to explore the potential disaggregation of green finance data by gender tagging in future Green Finance Mapping reports.

Strengthening collaboration within the Club and with other DFIs: The Coalition for Development (C4D) working group's review of collaboration shows an increase in co-financing activities among members and robust non-financial cooperation.[17] Externally, the IDFC co-launched the Making Finance Work for Climate coalition with UNEP FI and PRI, a major multi-stakeholder initiative that brings together coalitions representing over $300 trillion in financial assets to contribute to the UNFCCC's post-2025 climate finance processes and articulate joint recommendations for a transformational climate finance architecture.[18]

Global Financing Playbook: The Club developed the Global Financing Playbook in partnership with the Asia Infrastructure Investment Bank (AIIB) and UNDP as a practical tool to align finance flows with nationally determined development and climate priorities.[19]

Carbon credits working groups: The IDFC initiated working groups on carbon credits with an ambition to become a pioneer in this thematic area, reflecting the growing importance of carbon markets in achieving climate objectives and the Club's commitment to exploring innovative financing mechanisms.

13 CPI, 2024. International Development Finance Club (IDFC) Guidance for Tracking Green Finance. Available at: https://www.climatepolicyinitiative.org/publication/idfc-guidance-for-tracking-green-finance/

14 IDFC, 2025. The Common Principles: a new series of 9 e-learning videos. Available at: https://www.idfc.org/news/the-common-principles-a-new-series-of-9-e-learning-videos/

15 FiCS, 2025. FiCS' contribution for FfD4: Unlocking the potential of public development banks for sustainable development. Available at: https://www.financeincommon.org/sites/default/files/2025-02/RAPPORT%20FiCS%20-%20Confe%CC%81rence%20FfD%204%20-%20Digital%20Version.pdf

16 IDFC, 2024. Gender Finance Mapping 2022 & 2023. Available at: https://www.idfc.org/wp-content/uploads/2024/12/idfc-gender-finance-mapping-2022-2023-final.pdf

17 IDFC, 2025. Cooperation for Development (C4D) Annual Report 2024. Available at: https://www.idfc.org/wp-content/uploads/2025/02/c4d-annual-report-2024-vf-11-02-2025.pdf (idfc.org)

18 IDFC et al., 2024. Joint Contribution: Making Finance Work for Climate (14 November 2024). Available at: https://www.idfc.org/wp-content/uploads/2024/11/joint-contribution-making-finance-work-for-climate-final.pdf (idfc.org)

19 IDFC, UNDP & AIIB, 2025. Global Financing Playbook – Fostering Collaboration Across Finance and Development Institutions. Available at: https://www.idfc.org/wp-content/uploads/2025/06/global-financial-playbook-fostering-collaboration-across-finance-and-development-institutions.pdf (idfc.org)

Table 1: Highlighted green finance actions from IDFC members in 2024

IDFC member	Highlighted green finance action
African Finance Corporation (AFC)	The AFC secured a $30 million equity investment from the African Development Bank in December 2024 for innovative "green shares." The investment will catalyze funding for climate projects, including renewable energy in Djibouti and Egypt, aiming to bridge infrastructure financing gaps and boost Africa's climate resilience.[20]
Agence Française de Développement (AFD)	The AFD's new Planet (climate and nature) Roadmap was endorsed by its board in July 2025. This roadmap raises the AFD's qualitative ambition on climate and biodiversity, with a commitment to align its actions with the expectations of the Global Biodiversity Framework adopted at the COP15 on biodiversity, better integrate the challenges of a just transition and related vulnerabilities, and increase its share of financing dedicated to projects with transformational effects. Additionally, the AFD launched the Blue Carbon Facility to ensure the long-term preservation of marine ecosystems through three complementary areas: enhancing knowledge, integrating it into public policies, and testing new financing mechanisms.
Banco de Comercio Exterior de Colombia S.A. (Bancóldex)	Bancóldex was accredited by the Green Climate Fund (GCF) in March 2024, enabling access to concessional resources for climate projects in the amount of $50-250 million, supporting Colombia's goals of 51% emissions reductions by 2030 and carbon neutrality by 2050. Building on its track record of financing over 10,000 companies with $1.7 billion for climate projects over the past decade, the Colombian development bank can now leverage GCF technical assistance and financing to design new climate mitigation and adaptation solutions for micro-, small-, and medium-sized enterprises (MSMEs).[21]
Banco de Inversion y Comercio Exterior S.A. (BICE)	BICE partnered with the AFD and Global Factor in Mexico to develop a comprehensive sustainability strategy for 2023-2026, strengthening Argentina's development bank's environmental and social management systems. The project focused on designing a robust sustainability strategy, implementing tools, enhancing staff capabilities, and establishing monitoring and evaluation frameworks for transparent reporting. This initiative positions BICE as a leader in sustainable finance practices in Argentina, demonstrating the bank's commitment to responsible financial operations through strategic partnerships and capacity building.[22]
Brazilian Development Bank (BNDES)	BNDES has a central coordinating role in Brazil's climate transition efforts by serving as the Secretariat for the newly established Brazil Climate and Ecological Transformation Investment Platform (BIP). This initiative aims to scale up investments in ecological transformation across decarbonization, sustainable resource use, and improvements in quality of life. As the Platform's operational manager, BNDES coordinates implementation of Brazil's Ecological Transformation Plan and sectoral climate adaptation strategies, positioning the development bank as the primary financial vehicle for the country's systematic approach to climate and ecological transformation.[23]
West African Development Bank (BOAD)	BOAD secured $51.8 million in GCF funding for the Local Climate Adaptive Living Facility Plus (LoCAL+) in October 2024, targeting climate adaptation across 85+ local governments in Burkina Faso, Côte D'Ivoire, Mali, and Niger. The program builds local climate resilience capacities, integrates adaptation into municipal planning cycles, and develops innovative financing mechanisms for climate-responsive practices in the vulnerable Sahel region.[24]

20 AfDB, 2024. African Development Bank to make US $30 million equity investment in Africa Finance Corporation to catalyse climate action. Available at: https://www.afdb.org/en/news-and-events/press-releases/african-development-bank-make-30-million-equity-investment-africa-finance-corporation-catalyse-climate-action-79603

21 Bancóldex, 2024. Green Climate Fund approves Bancóldex accreditation to boost fight against climate change. Available at: https://www.bancoldex.com/en/noticias/green-climate-fund-approves-bancoldex-accreditation-boost-fight-against-climate-change

22 Global Factor, 2024. Global Factor boosts sustainable development for Banco de Inversión y Comercio Exterior (BICE) in Argentina. Available at: https://www.globalfactor.com/en/global-factor-boosts-sustainable-development-for-banco-de-inversion-y-comercio-exterior-bice-in-argentina/

23 Sustainability Online, 2025. Brazil's BNDES launches green economy investment fund initiative. Available at: https://sustainabilityonline.net/news/brazils-bndes-launches-green-economy-investment-fund-initiative/

24 GCF, 2024. Local Climate Adaptive Living Facility Plus (LoCAL+) – West Africa (Burkina Faso, Côte d'Ivoire, Mali and Niger). Available at: https://www.greenclimate.fund/print/node/18152

IDFC member	Highlighted green finance action
Development Bank of Rwanda (BRD)	The BRD partnered with the Rwanda Green Fund to launch Ireme Invest, Rwanda's Green Investment Facility, to support the country's $11 billion in climate investment needs. Through the Ireme Invest Circular Economy Programme, BRD offers up to RWF 60 million ($0.04 million) in grants to waste and circular economy entrepreneurs, selecting 30 businesses for incubation and providing 10 finalists with funding and investor connections to advance Rwanda's private sector climate transition.[25]
Black Sea Trade and Development Bank (BSTDB)	The BSTDB launched Phase 2 (2025–2026) of its Medium-Term Strategy and Business Plan at the end of 2024, thereby strengthening its focus on climate action following a period of reduced activity in earlier years. The bank plans to expand its climate finance, particularly in renewable energy, energy efficiency, recycling, and waste treatment, while piloting green credit lines and strengthening its partnerships. It will update its Environmental and Social Policy to restrict coal-related projects, define criteria for nuclear energy, and introduce GHG emissions reporting.[26]
Central American Bank for Economic Integration (CABEI)	In 2024, CABEI strengthened its environmental and climate finance portfolio by incorporating biodiversity tagging into its operations for the first time. The Bank launched the Lake Yojoa Sustainable Recovery Program in Honduras, a flagship initiative aimed at restoring freshwater ecosystems and reducing pollution through community-based management.[27] CABEI's 2025–2029 Institutional Strategy recognizes the "triple planetary crisis" of climate change, biodiversity loss and pollution as a central challenge for regional resilience. The Bank continued mobilizing external resources and issuing ESG bonds to scale up climate and nature-positive investments across its member countries, reaffirming its role as the region's leading source of sustainable development finance.[28]
Corporación Andina de Fomento (CAF)	CAF has taken major steps to promote innovative finance instruments for climate and biodiversity objectives, including concrete operations on Sustainability Linked Loans and Debt for Nature Swaps. Mexico was the first beneficiary of an innovative performance-linked financing mechanism with a $300 million Comprehensive Loan Linked to Climate and Social Objectives (PIVOCS). This mechanism rewards countries for ambitious climate and gender commitments while supporting CAF's positioning as Latin America's "green bank for sustainable and inclusive growth.[29]
China Development Bank (CDB)	The CDB issued sizable domestic green bonds in 2024 to fund low-carbon projects (clean energy, water, energy efficiency, pollution control), reinforcing its role in channeling long-term capital to China's green transition.[30]
Cassa Depositi e Prestiti (CDP)	The CDP published the 2025-2027 Strategic Plan in December 2024, which sets out four priorities that apply across all areas of the CDP Group's operations. One of these priorities is represented by Just Transition, that is, promoting climate change adaptation and mitigation measures and developing infrastructure for the energy transition and circular economy, while ensuring that the transition process is fair and inclusive. The Plan also sets out a new ambitious target in CDP International Development Cooperation, envisaging the mobilization of 5 billion euros in three years (2025-2027). In close collaboration with the other stakeholders of the Italian Cooperation System, financing to partner countries and technical assistance activities will be further strengthened, with a particular focus on Africa thanks to the full activation of available sources and instruments.[31]

25 IREME Invest, 2023. Ireme Invest Circular Economy Programme Information Note. Available at: https://iremeinvest.rw/wp-content/uploads/2023/09/Ireme_Invest_Circular_Economy_Programme_Information_Note.pdf

26 BSTDB, 2024. Medium-Term Strategy and Business Plan 2023-2026: Phase 2 (2025-2026). Approved by the Board of Governors 6 December 2024. Available at: https://www.bstdb.org/2024_12_06_Medium-Term_Strategy_and_Business_Plan_2023-2026_-_Phase_2.pdf

27 CABEI, 2024. CABEI will finance the comprehensive and sustainable recovery of the Lake Yojoa basin. Available at: https://www.bcie.org/en/news-and-media/news/article/cabei-will-finance-the-comprehensive-and-sustainable-recovery-of-the-lake-yojoa-basin/

28 CABEI (2025). Institutional Strategy 2025-2029. Available at: https://www.bcie.org/en/news-and-media/publications/publication/institutional-strategy-2025-2029/

29 CAF, 2024. CAF presenta en la COP29 su enfoque de ecosistemas estratégicos. Available at: https://www.caf.com/es/actualidad/noticias/caf-presenta-en-la-cop29-su-enfoque-de-ecosistemas-estrategicos/

30 NDRC, 2024. China Development Bank issues 1.7 billion USD of green bonds. Available at: https://eng.yidaiyilu.gov.cn/p/0NDF75NC.html

31 CDP, 2024. FOF Infrastrutture: nuovi investimenti per 75 mln a supporto della transizione energetica. Ingresso di altri 2 fondi pensione. Available at: https://www.cdp.it/sitointernet/page/it/fof_infrastrutture_nuovi_investimenti_per_75_mln_a_supporto_della-transizione-energetica-ingresso-di-altri-2-fondi-pensione?contentId=CSA49853

IDFC member	Highlighted green finance action
Development Bank of Southern Africa (DBSA)	The DBSA developed its Sustainable Finance Framework in 2024 and received independent verification through a Second Party Opinion from IBIS in March 2025. The bank is currently evaluating its project pipeline to identify eligible projects for its inaugural sustainability finance loan or bond issuance, marking DBSA's entry into the sustainable finance market with a verified framework ready for implementation.
Croatian Bank for Reconstruction and Development (HBOR)	The HBOR adopted its 2025-2029 Business Strategy, targeting at least €1 billion ($1.1 billion) in green transition finance to support Croatia's climate-neutrality goals by 2050. The bank will integrate environmental, social, and governance (ESG) risks into its operations while developing new financial products for environmental objectives, including climate mitigation, adaptation, and circular-economy projects. The HBOR plans to implement EU energy-efficiency instruments, expand sustainable finance guarantees, and monitor portfolio alignment with Paris Agreement targets, while strengthening partnerships to accelerate Croatia's low-carbon transition.[32]
Islamic Corporation for the Development of the Private Sector (ICD)	The ICD led strategic green investment initiatives in 2024, hosting a green hydrogen side event at its annual meeting and participating in COP29 to strengthen renewable energy pipelines across member countries. The bank facilitated stakeholder dialogue while announcing country-specific Islamic Development Bank (IsDB)/ICD financing packages that incorporated green energy components, demonstrating its leadership in sustainable finance and clean energy deployment through key capacity-building and market-shaping actions.[33]
Japan International Cooperation Agency (JICA)	JICA launched a pilot Climate Resilient Debt Clause program in November 2024, allowing 16 climate-vulnerable Pacific Island countries to defer loan repayments for up to two years following major natural disasters like cyclones and earthquakes. The innovative mechanism provides quick liquidity access during disasters to ease fiscal constraints while maintaining loan maturity terms, recognizing these countries' acute vulnerability to increasingly frequent climate shocks.[34]
KfW Group	German development bank KfW celebrated ten years of green bond issuance in 2024, becoming one of the world's largest issuers with a total volume of over €80 billion ($87 billion). The bank generated €12.2 billion ($13.3 billion) from green bonds in 2024, representing 16% of its total funding. KfW introduced a new Green Bond Framework in January 2024, expanding eligible categories to include "Biodiversity" and "Climate action campaign for companies," while enabling international financing allocation and identifying its first biodiversity projects.[35]
Nacional Financiera (NAFIN)	NAFIN launched Mexico's first Partnership for Energy Efficiency in Buildings, co-funding a project in late 2024, securing $100 million ($25 million from the GCF, $75 million from the AFD) to finance sustainable building practices. The program addresses Mexico's funding gap in the construction sector, where buildings account for approximately 20% of the country's national energy consumption and emissions. This initiative aims to accelerate the adoption of energy-efficient building techniques, reduce GHG emissions, and demonstrate how strategic partnerships can drive low-carbon construction transitions.[36]
PT Sarana Multi Infrastruktur (PT SMI)	Indonesia's PT SMI conducted a successful sustainable bond offering in 2024, raising IDR 3.7 trillion ($233 billion) with strong investor oversubscription. With its financing portfolio growing by over 80% in five years, PT SMI is leveraging strong investor confidence and strategic partnerships to support national infrastructure development and sustainable finance initiatives.[37]

32 HBOR, 2025. Business Strategy 2025–2029. Available at: https://www.hbor.hr/UserDocsImages/2025/01/HBOR%20Business%20Strategy%2025-2029.pdf?vel=1149593

33 ICD, 2024. ICD inspires positive change in green hydrogen revolution with successful annual meeting side-event. Available at: https://icd-ps.org/en/news/islamic-corporation-for-the-development-of-the-private-sector-icd-inspires-positive-change-in-green-hydrogen-revolution-with-successful-annual-meeting-side-event

34 Ministry of Finance, Japan, 2024. Official development assistance (ODA). Available at: https://www.mof.go.jp/english/policy/international_policy/oda/index.html

35 KfW, 2024. Business sector: Financial markets 2023. Available at: https://www.kfw.de/About-KfW/Reporting-Portal/Reporting-2023/Business-sector-financial-markets/index-2.html

36 PEEB, 2025. Innovative financing for sustainable buildings: first PEEB Cool project in Mexico! Available at: https://peeb.build/news/innovative-financing-for-sustainable-buildings-first-peeb-cool-project-in-mexico/

37 Persero (2024). Obligasi Berkelanjutan IV Sarana Multi Infrastruktur Tahap II Tahun 2024. Available at: https://www.ptsmi.co.id/continuous-public-offering-of-obligasi-berkelanjutan-iv-sarana-multi-infrastruktur-phase-ii-year-2024

IDFC member	Highlighted green finance action
Small Industries Development Bank of India (SIDBI)	SIDBI significantly scaled its green lending to MSMEs in FY2024, disbursing $1 billion in green loans to approximately 4,400 enterprises across over 100 industrial clusters. The Indian development bank's green portfolio grew 4.5 times through its End-to-End Energy Efficiency (4E) scheme and Green Finance Scheme, targeting energy-efficient machinery, renewable energy projects, and waste-to-value initiatives. These investments generated annual electricity savings of over 1.3 billion units, demonstrating SIDBI's commitment to mobilizing finance and technical assistance for micro and small enterprise green upgrades and GHG emission reductions.[38]
The Eastern and Southern African Trade and Development Bank (TDB)	TDB received a $300 million facility from the World Bank in February 2024 to support distributed renewable energy and clean cooking projects across Eastern and Southern Africa. As part of the World Bank's $5 billion ASCENT program, the facility will establish a Regional Energy Access Financing Platform, with the potential to provide electricity to five million people and clean cooking to one million people. TDB will provide direct lending and grants to private sector companies, particularly SMEs, supporting Africa's sustainable energy transition and poverty reduction efforts.[39]
Industrial Development Bank of Türkiye (TSKB)	The TSKB hosted the IDFC Steering Group Meeting in Istanbul in July 2024, the first time it has been held in Türkiye since the IDFC's founding at TSKB's headquarters in 2011. The meeting brought together development bank CEOs to advance sustainable development investments aligned with the UN SDGs and the Paris Climate Agreement. As a Steering Group member since 2019, TSKB co-chairs the Gender Equality Working Group and has developed roadmaps for climate finance, gender equality, and biodiversity initiatives while strengthening international cooperation on the SDGs.[40]

38 SIDBI, 2024. Business Performance – Annual Report 2023-24. Available at: https://www.sidbi.in/annualreport/AnnualReport202324/business-performance.php

39 World Bank, 2024. TDB and the World Bank to Accelerate Access to Sustainable and Clean Energy in Africa. Available at: https://www.worldbank.org/en/news/press-release/2024/02/12/tdb-and-the-world-bank-to-accelerate-access-to-sustainable-and-clean-energy-in-afe-africa

40 TSKB, 2024. TSKB hosted the International Development Finance Club (IDFC) Steering Group Meeting. Available at: https://www.tskb.com.tr/en/about-us/about-us/news/tskb-hosted-the-international-development-finance-club-idfc-steering-group-meeting?utm_source

GREEN FINANCE MAPPING 2025

The Green Finance Mapping (GFM) 2025 assesses the green finance commitments made by IDFC members in 2024. This year's report introduces several analytical enhancements to provide deeper insights into IDFC members' green finance activities, aiming to:

- **Explore green finance commitment beyond flows:** The GFM 2025 expands its scope to explore green finance commitments in a portfolio context (see Box 5, Figure 3), analyzing the share of green finance in members' total portfolios and assessing the Club's progress on its climate ambitions.
- **Strengthen the IDFC's position in the global climate finance landscape:** The report also assesses the Club's alignment with international trends, identifying distinctive areas where IDFC members demonstrate leadership, and highlighting sectors that present the greatest opportunities for accelerating future green finance commitments. This comparative analysis positions the Club's contributions within the broader context of global climate finance flows and strategic priorities.
- **Examine year-over-year changes:** This edition introduces a more sophisticated year-on-year analysis by adjusting for confounding factors such as new or reduced reporting members, exchange-rate fluctuations, and varying macroeconomic conditions across member institutions' operating environments. This methodological advancement, described in Box 4, enables more precise identification of the underlying drivers behind trends in green finance commitments.

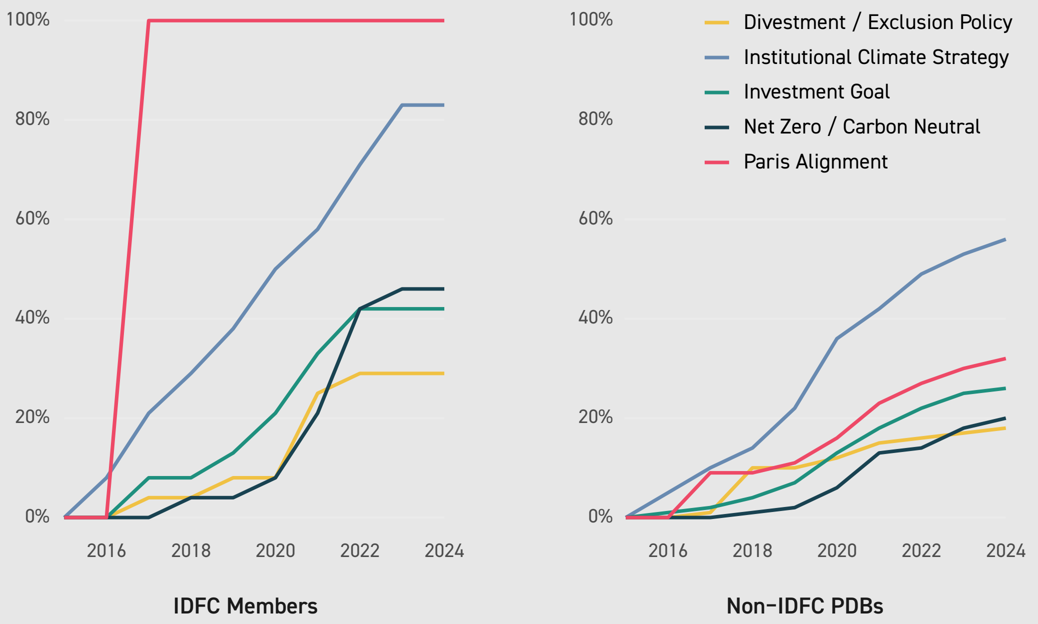
This report, prepared with the support of Climate Policy Initiative (CPI), presents the methodology and findings from 23 IDFC members who responded to the annual GFM survey, providing data for the 2024 calendar year. The report is structured as follows:

- Section 2 briefly outlines the methodology plus changes from previous methodology used to record IDFC members' green finance commitments.
- Section 3 presents GFM outcomes, including breakdowns by regional destination, financial instrument, sector of use, and sub-sectoral solutions.
- Section 4 explores IDFC members' role as PDBs across key climate-related topics, including carbon credits, country platforms, and transformational finance, in the context of implementing the Baku–Belém Roadmap.
- Section 5 summarizes trends, concludes the report, and outlines future directions.

Box 2: Tracking progress on climate ambition

IDFC members' climate ambition extends beyond financial commitments to encompass institutional policy frameworks, strategic targets, and operational mainstreaming measures that create enabling conditions for sustained growth in climate finance.[41] Figure 1 illustrates the evolution of IDFC members' climate ambition, offering insights into their institutional readiness and the policies that support the reported green investment flows. Drawing on both CPI's Public Development Bank (PDB) commitment tracking database[42] and the annual GFM survey, this analysis covers Paris alignment, mitigation targets, climate investment goals, and mainstreaming measures.

Figure 1: IDFC/PDBs' climate commitments



Despite a decrease in aggregate climate finance figures in 2024, IDFC members have demonstrated continued commitment to strengthening their climate ambition at the institutional level. Over the past five years, IDFC members have continued to adopt new or updated climate commitments. As of 2025, 13 members reported at least one time-bound climate target (e.g., net-zero), and six reported the implementation of core mainstreaming measures (e.g., coal exclusion lists). IDFC members consistently outperform global averages across all tracked dimensions, implying a higher likelihood of sustained growth in climate finance under a stronger enabling environment.

The strengthening of institutional climate ambition across IDFC members creates favorable conditions for accelerated climate finance deployment as global economic conditions stabilize. Within the network, peer learning, joint capacity building, and even competition foster more consistent ambition and make commitments more resilient to exogenous shocks—evidenced by IDFC banks with robust frameworks growing climate finance after COVID-19 while less ambitious peers pulled back.

Members with robust climate frameworks are better positioned to rapidly scale up their climate finance contributions as enabling environments improve, supporting the achievement of global climate finance goals and the transition to low-carbon, climate-resilient development pathways. Continued efforts to strengthen these frameworks will further enhance their capacity to mobilize finance and reinforce synergies with broader work on nature and environmental sustainability.

41 Financial commitments involve pledging or directing funds toward climate actions, while strategic targets define the organization's long-term climate objectives and direction.

42 The database covers 22 of 27 IDFC members — HBOR, BRD, and BICE are not included.

2. METHODOLOGY

The IDFC GFM report provides an overview of green finance commitments by IDFC members. Members report these commitments in the following categories:

I. **Climate finance** comprises flows for the mitigation of greenhouse gases (henceforth mitigation); adaptation to climate change; and projects that include elements of both mitigation and adaptation (referred to as dual-objective finance).

II. **Biodiversity finance** comprises flows to projects with the objective of protecting and/or sustainably managing biodiversity or nature. Biodiversity finance includes, for example, finance for water supply, wastewater treatment, biodiversity conservation, and waste management.

   - **In many cases, climate-related activities have biodiversity co-benefits, and vice versa.** For example, a forestry project may serve as a carbon sink and also include the protection and sustainable management of biodiverse ecosystems as a significant objective. In this report, finance that delivers both climate and biodiversity benefits is referred to as investments at the **climate-nature nexus**. For such investments, co-benefits are assigned a specific weighting depending on whether biodiversity was the principal objective or a significant objective.

III. **Finance with other environmental objectives** refers to finance for green projects that have no climate or biodiversity benefits, identified as such by the reporting institution. These may include projects that do not clearly integrate activities dedicated to biodiversity and nature-based solutions (e.g., projects tackling dust pollution). Such projects are considered green because they contribute to other environmental improvements, such as reducing soil pollution, improving waste management, or enhancing resource efficiency.

The GFM methodology has evolved to enhance transparency, comparability, consistency, and flexibility. The 2025 GFM survey draws on guidance from the Joint Multilateral Development Banks (MDBs) and the IDFC Common Principles for Climate Mitigation (updated in 2023) and Adaptation Finance Tracking (2023 version). In the absence of common principles for biodiversity finance, the survey employs the IDFC's in-house methodology, first developed for tracking biodiversity finance flows for the GFM 2021 and refined this reporting year following capacity-building work by the IDFC and CPI on improving green finance tracking across the Club.

Building on the established survey template, the 2025 survey introduces two major updates:

I. **Reporting on externally sourced funds under IDFC management:**[43] An external managed funds section has been added to the survey template. While the GFM total continues to reflect only IDFC members' balance-sheet financing, the mapping exercise now also provides visibility on external funds managed by members. As this is a first and transition year, members are asked to report on this based on their capacity to do so.

II. **Addition of qualitative fields**:

   i. Institutional green finance ambition/strategy/policy (see Box 2).

   ii. Institution-specific methodological nuances and barriers to project-level data (see Box 3).

   iii. Explanation for any increase/decrease in green finance commitments (see Box 4).

Further details of the GFM methodology are provided in Appendix 6.3.

This year's mapping is based on survey responses from 23 of the 27 IDFC members, including the newest member, the Development Bank of Rwanda (BRD), expanding the Club's presence in Africa.[44] Eight members reported biodiversity finance commitments,[45] and 15 provided full or partial project-level data, an increase from 12 in 2024. This sustained participation reflects the continued momentum from the IDFC Secretariat, IDFC Facility, and CPI's 2023–2025 capacity-building work (see Box 3).

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43 Externally managed funds refer to financing from third-party sources (rather than an institution's own balance sheet), where the institution is responsible for administering these funds, including disbursing them to projects or sub-borrowers, monitoring implementation, and reporting to the funders.

44 IDFC, 2024. The IDFC Annual Meeting took place in Washington, D.C. Available at: https://www.idfc.org/news/the-idfc-annual-meeting-took-place-in-washington-d-c/

45 An additional three members tracked biodiversity finance but, having reported no biodiversity projects in 2024, were excluded from the count.

Box 3: Barriers and recommendations to providing high-quality green finance data

Drawing on added qualitative fields in the 2025 survey, we identify two types of challenges: (i) provider-side challenges related to systems, capacity, and methodology that constrain what members can report. Each barrier is paired with a targeted fix, corresponding to Barriers 1 and 2; and (ii) analysis-side challenges that limit the insights we can draw from submitted data (e.g., insufficient granularity), corresponding to Barrier 3.

Barrier 1: Lack of regional disaggregation of commitments.
Some reported projects are labelled as "cross-country/region" because the available data cannot be further disaggregated at that level. Consequently, flows remain in cross-regional buckets, and EMDE/LDC (least-developed country) shares cannot be identified.

- Recommendation: Enhance internal data systems to allow tagging of projects by sector and country, even for multi-faceted programs.

Barrier 2: Methodology discrepancy.
Although IDFC members are committed to applying the Common Principles (CPs) when tracking, more than 35% of responding members also use internal methods that are not fully aligned with the CPs. This leads to varied scopes of green finance activities and principles. Below is a snapshot of other methodologies that members are applying, either in addition to or instead of the CPs:

  - OECD DAC (JICA)
  - Sustainable finance taxonomy, including BNDES Sustainable taxonomy, Sustainable Taxonomy of Mexico (NAFIN), EU sustainable finance taxonomy (TDB), CBI taxonomy (TDB), Colombia Green Taxonomy (Bancoldex), KfW green finance taxonomy
  - Africa's green minerals strategy, applying the AU critical minerals list as an additional classification reference (AFC)

- Recommendation: More efforts on capacity-building and creating buy-in from members are needed to align internal methodologies with the CPs.

Barrier 3: Lack of disaggregation on reported credit lines or intermediated finance flow.
When a member provides a line of credit to local banks or a loan to multiple sub-projects, it is often reported as one lump sum under "green finance." In such cases, it is difficult to ascertain the end use (e.g., how much of a credit line ultimately finances mitigation vs. adaptation projects).

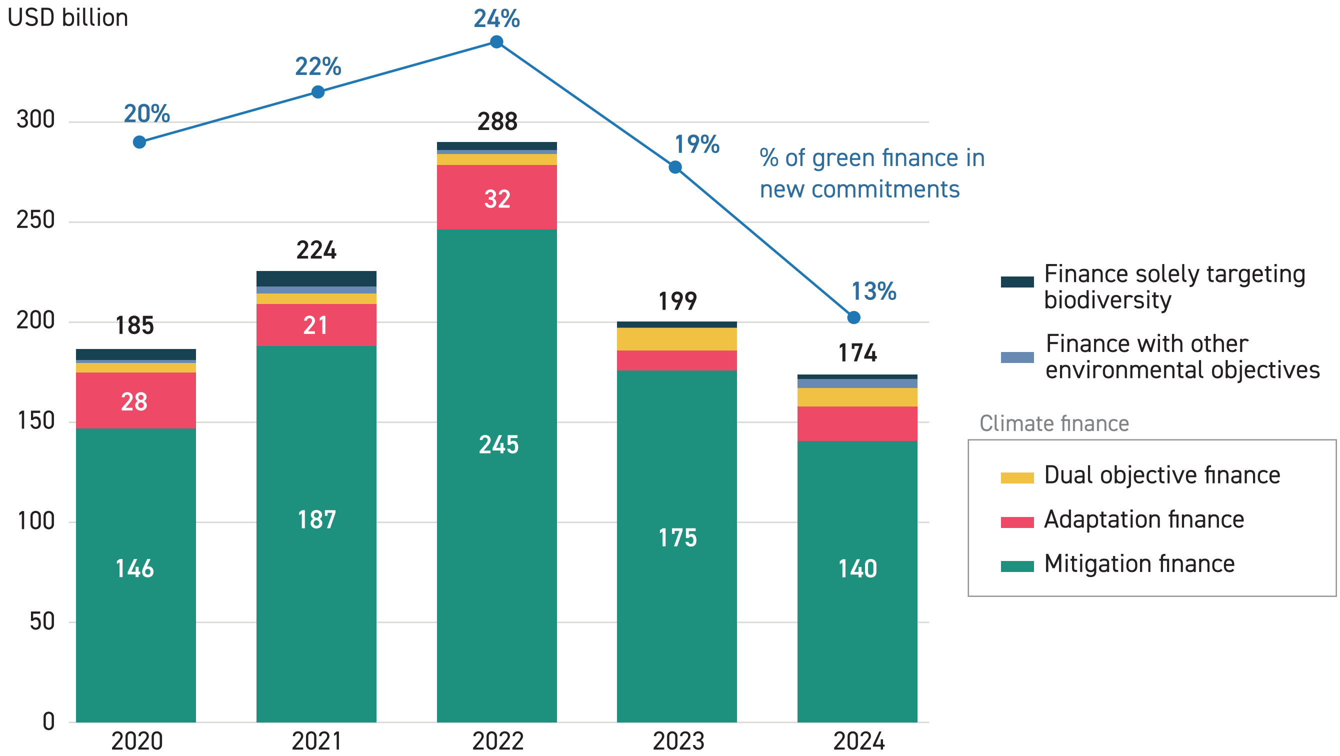
- Recommendation: Improve tracking of sub-project allocations for credit lines by requiring intermediaries to report how funds were used (e.g., green segment, sector), enabling clearer attribution across climate objectives.

3. GREEN FINANCE MAPPING OUTCOMES

IDFC members sustained substantial green finance efforts in 2024, committing $174 billion. This represents a major flow of public climate and biodiversity finance, even as it marks a 13% decrease from 2023 and a continued drop from the 2022 peak (see Figure 2).

Although overall commitments declined, 13[46] of the 23 GFM respondents increased new green finance commitments in 2024 by an average of 35%, indicating continued momentum among many members (see Table 2). The reduction in commitments by a few institutions with large portfolios has driven the overall decline. For example, a shift in investment priorities led to a 16% decrease in financing from the CDB, which is one of the IDFC's largest providers of green finance. In addition, lower government funding for some of KfW's programs constrained the bank's total lending even though the green share of its commitments remained above the IDFC average. Other reasons for the decline among members include year-on-year fluctuations in investment,[47] reduced credit amounts due to higher interest rates, geopolitical tensions, and exchange-rate fluctuations (see Box 4).

Figure 2: IDFC green finance commitments in 2020-2024



46 Members that increased their new green finance commitments in 2024 are: AFC, BRD, BNDES, BOAD, BSTDB, CAF, CDP, HBOR, ICD, NAFIN, PT SMI, TDB, and TSKB.

47 The tracking of annual financial commitments for the GFM may feature annual fluctuations in investment cycles, impacting year-on-year comparisons. For instance, high commitments in one year may be followed by lower commitments in the following year (and vice versa) as large projects are implemented and funds are disbursed.

Box 4: Understanding the trends

Total green finance commitments in 2024 decreased by 13% compared to 2023. The drivers behind year-on-year changes in reported green finance commitments are explored below, based on members' survey responses.

Upward drivers

- **Methodology changes** (driving commitments generally upward, with downward pressure in some cases): Adoption of more robust tracking systems and taxonomies enables members to identify climate and biodiversity activities more completely and apply eligibility criteria more consistently. While the overall effect of improved methodologies and more mature internal processes is typically to expand coverage and increase reported commitments over time, stricter criteria can exclude some activities previously treated as eligible (e.g., in the cases of Bancóldex; and CDB (biodiversity)), the overall effect of improved methodologies and more mature internal processes is typically to expand coverage and increase reported commitments over time.
- **Strengthened green finance strategy** (upward): Adoption of more ambitious strategies with quantified targets and dedicated mechanisms is typically followed by additional resources and operational measures to scale green-eligible activities, resulting in higher commitments. For example, CAF's green finance commitments increased by 59% in 2024 compared to 2023, supported by significant institutional efforts to channel resources into green-eligible activities and to reach and sustain its 40% target.

Downward drivers

- **Exchange rate fluctuations** (mostly downward): When commitments are denominated in local currency and converted into US dollars (the GFM reporting currency), depreciation lowers measured volumes. For example, about 40% of the CDB's year-on-year decrease in green finance commitments is attributable to RMB depreciation against the US dollar, as the rate moved from about RMB 6.7 to RMB 7.2 per $1.
- **Macroeconomic and geopolitical impacts** (downward).A contractionary macroeconomic environment and geopolitical tensions can significantly constrain the green finance commitments of IDFC members. Reduced government funding for some of its programs (e.g., for KfW) and heightened geopolitical risk (e.g., for BSTDB), lower available capital and slow project activity, while higher interest rates dampen credit demand (e.g., for Bancóldex and SIDBI).

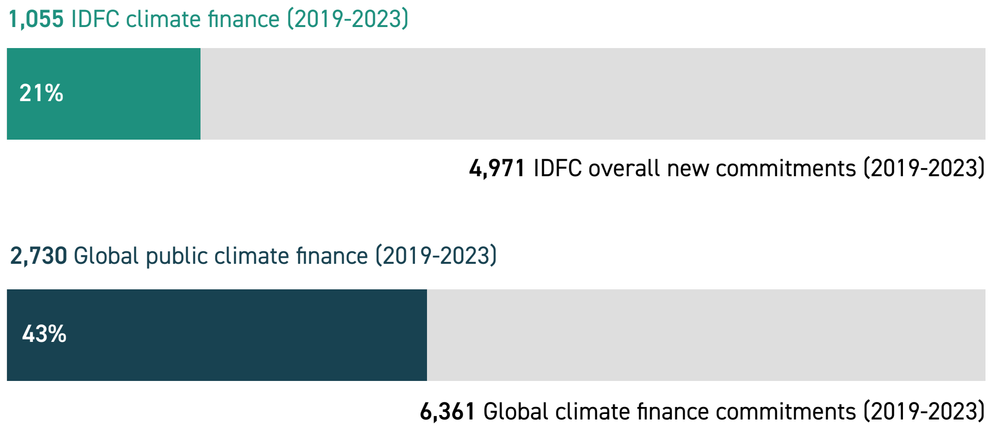
Mixed drivers

- **Cyclical nature of operations and annual fluctuations:** Large one-off initiatives can create year-to-year variability, sometimes lifting totals without indicating a persistent trend (e.g., for NAFIN Sustainable Fund; AFC Arise IIP). Because the GFM records commitments on an annual basis, the timing of investment cycles and disbursements can materially affect year-on-year comparisons; a year with major approvals may be followed by a quieter year as projects are implemented, and vice versa.

IDFC members represent one of the largest provider groups of public climate finance, contributing over 40% of the global 2019 to 2023, as shown in Figure 3.[48] Although the domestic share has decreased since 2019, as national governments and state-owned enterprises increased direct spending, the IDFC's share of international public climate finance has remained broadly stable at about 15% and is estimated to be 14% in 2024.

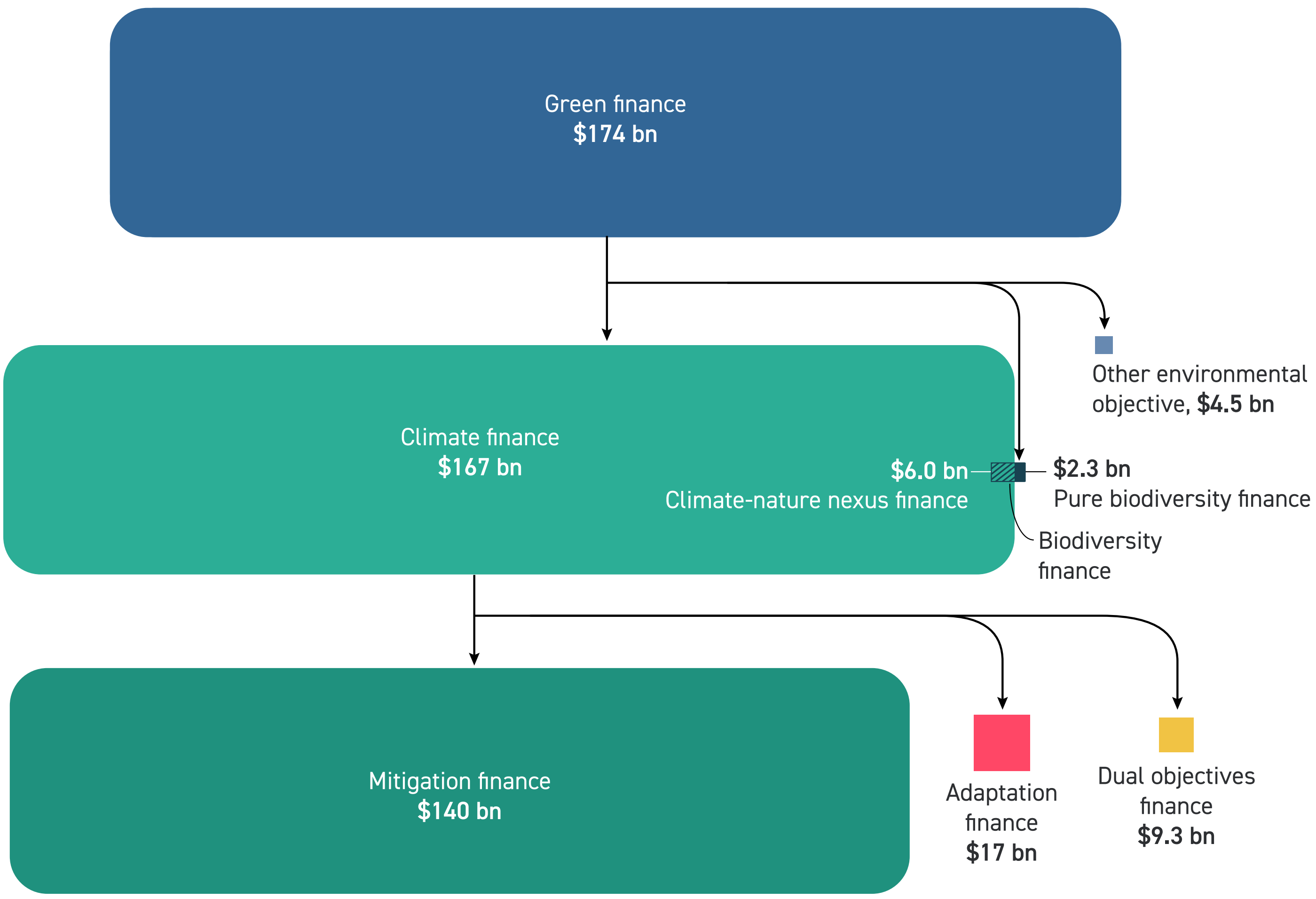
48 Global public climate finance flows are tracked by CPI's Global Landscape of Climate Finance 2025. Due to a data lag, the most recent available figures are for 2023.

Figure 3: IDFC climate finance in context ($ billion)



In 2024, green finance constituted 13% of the total new commitments by IDFC members (see Box 5). Of the $174 billion in new green commitments in 2024, climate finance accounted for 96%, totaling $167 billion, of which $6.0 billion was invested in the climate-nature nexus. An additional $2.3 billion was committed as finance solely targeting biodiversity objectives. Total biodiversity finance pledged by the IDFC in 2024, therefore, totaled $8.4 billion. Additionally, $4.5 billion was allocated to other environmental projects (see Figure 4).

Figure 4: IDFC green finance commitment by theme in 2024

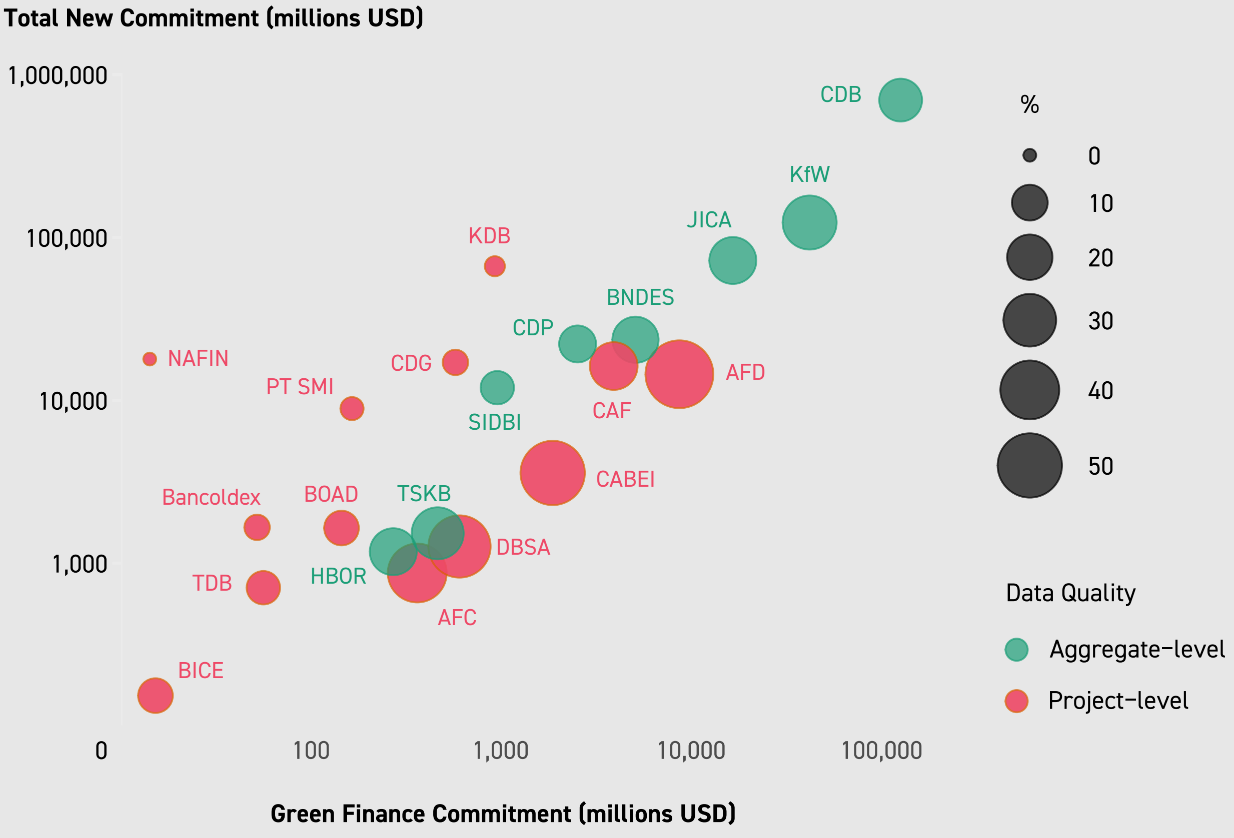


Box 5: Tracking progress by scale and share

Green finance can be assessed on two axes: scale (the absolute volume of green commitments) and share (green commitments as a percentage of total new commitments). Examining both dimensions at the institutional level mitigates size bias, so absolute flows dominated by a few large banks do not obscure the performance of other members or the degree to which green is prioritized within portfolios.

Over the past decade, total green finance flows from IDFC members have substantially expanded, but still remained roughly 20% of members' total new commitments from 2015 to 2023. While stable, this share still leaves room for growth. In 2024, the average green share was approximately 13%, underscoring the significant potential for further aligning portfolios with green finance commitments.

Figure 5: IDFC green finance scale vs share



Note: Data is log-scaled on both the x and y-axes.

At the bank level, progress is uneven. In 2024, 11 IDFC members dedicated over 30% of their financing to climate and biodiversity projects. The member with the highest share was BOAD (61%), followed by AFD (57%), TDB (48%), CABEI (45%), and CAF (41%). Several mid-sized to small banks demonstrate what a strong relative commitment looks like and serve as models for integrating green finance into their core strategies.

At the same time, other public finance providers are raising the bar. For example, the World Bank has committed to increasing climate finance from 35% to 45% of total lending in 2025, and the ADB is targeting 50% of total annual committed financing by 2030, suggesting that IDFC members can adopt more ambitious share targets.

Table 2: Green finance commitments by IDFC members in 2023 and 2024 ($ million)

IDFC member location	Reporting member institutions in 2025	Green energy and mitigation		Adaptation		Both mitigation and adaptation		Other environment		Climate-nature nexus finance		Finance solely targeting biodiversity finance		Total green commitments		Share of total commitments	
		2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Asia and the Middle East	CDB	111,549	89,763	4,897	9,874					3524	3,333	2,138	124	118,584	99,761	17%	9%
	JICA	10,608	4,982	858	1,082	4,136	1,182	85	174	93	380	26	17	15,713	7,455	99%	63%
	KDB	894												894		1%	
	PT SMI	160	371		50									160	421	2%	20%
	ICD		66												66		10%
	SIDBI	921	849											921	849	8%	3%
	Sub-total	**124,131**	**91,050**	**5,756**	**9,924**	**4,136**		**85**		**3617**	**3,713**	**2,163**	**141**	**136,272**	**108,553**		
Europe	KfW	37,657	31,502	816	893	1,141	774		3,573	502	462	13	40	39,626	36,782	32%	30%
	AFD	1,636	2,051	1,485	1,310	5,128	4,444			1246	1,213	7	10	8,256	7,815	57%	53%
	CDP	2,383	1,448	39	965		162							2,422	2,575	11%	10%
	TSKB	439	519	10	18									449	537	29%	25%
	BSTDB		107				30								137	#N/A	34%
	HBOR	263					288							263	288	22%	36%
	Sub-total	**42,378**	**35,626**	**2,350**	**3,186**	**6,269**	**5,699**		**3,573**	**1748**	**1,675**	**20**	**50**	**51,017**	**48,134**		
Latin America and the Caribbean	CAF	2,035	2,540	1,023	1,365	85	1,067		683	2	559	598	488	3,742	6,142	23%	41%
	BNDES	4,792	4,982	34	536		1,101	26				12	1,612	4,864	8,231	21%	21%
	CABEI	700	240	607	577	487	194				63		17	1,794	1,028	50%	46%
	Bancoldex	43	38	1	1			7	6					51	45	3%	5%
	COFIDE													N.A.	N.A.	N.A.	N.A.
	BICE	15												15		9%	2%
	NAFIN	12	49									3		14	49	0%	2%
	Sub-total	**7,596**	**7,848**	**1,665**	**2,478**	**572**	**2,362**	**33**	**689**	**2**	**639**	**613**	**2,100**	**10,480**	**15,477**		
Africa	AFC	263	186	51	367							38	41	351	594	40%	31%
	DBSA	482	447	6	1		12	96	41					584	502	46%	31%
	TDB	55	129		19		75							55	223	8%	48%
	BOAD	53	35	88	148									141	184	9%	61%
	CDG			556										556		100%	
	BRD		4						17								37%
	Sub-total	**853**	**798**	**700**	**535**		**87**	**96**	**41**			**38**	**41**	**1,687**	**1,502**		
Total		**174,958**	**140,304**	**10,471**	**17,207**	**10,976**	**9,330**	**214**	**4,478**	**5,367**	**6,010**	**2,834**	**2,349**	**19,9454**	**173,684**		

3.1 CLIMATE FINANCE[49]

3.1.1 CLIMATE FINANCE COMMITMENTS BY OBJECTIVE

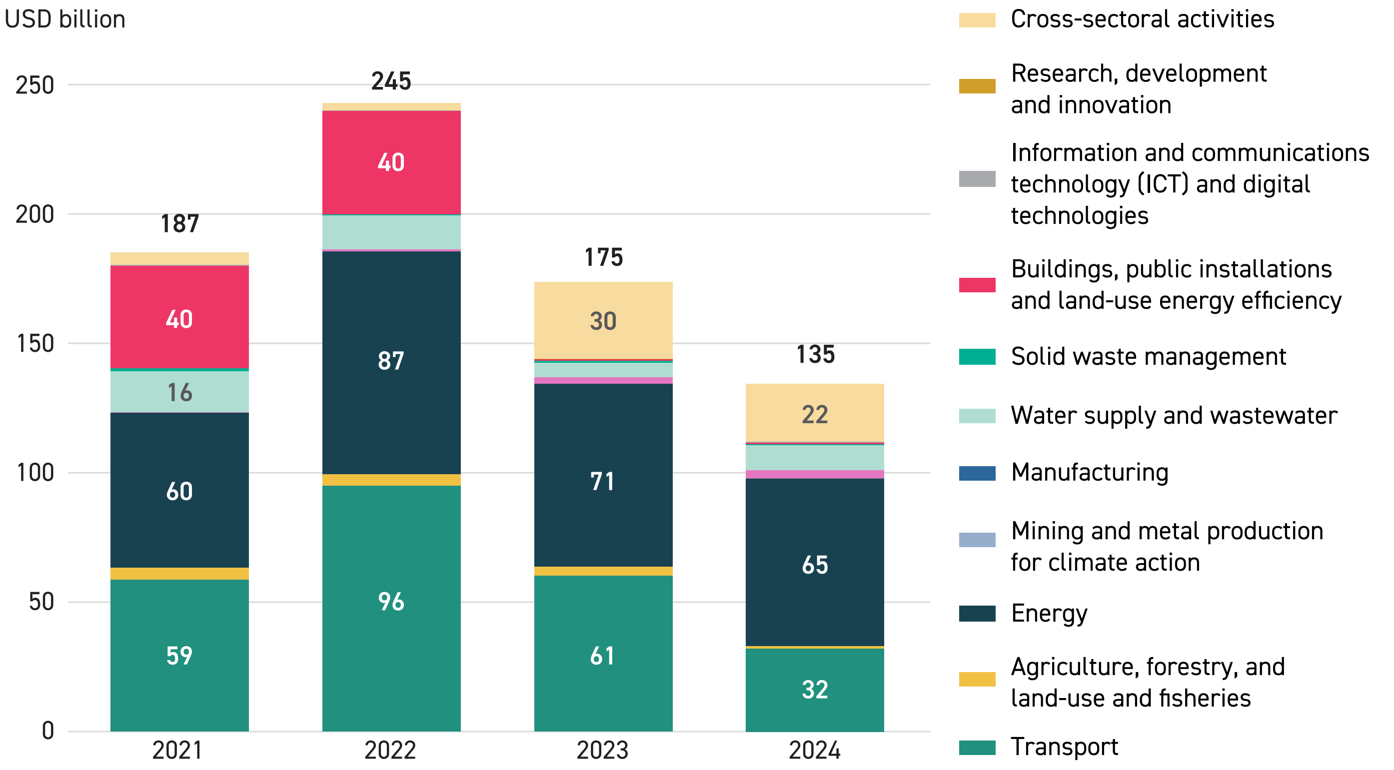
In line with global public finance trends, mitigation finance continued to dominate IDFC green finance commitments. Mitigation accounted for 85% of IDFC members' climate finance in 2024 and 82% of green finance commitments. Mitigation commitments decreased by 23% in 2024 compared to 2023, while adaptation commitments increased by 54%. IDFC members' adaptation commitments in 2024 accounted for 11% of climate finance and 10% of total green finance commitments. This represented a slight increase from 2023 and was consistent with global trends in public finance.

Mitigation

With $135 billion committed in 2024, mitigation finance aligns with IDFC commitments in 2022 and 2023 and is broadly proportionate with global climate finance flows for 2023.[50] Total mitigation commitments decreased by 23% from 2023 ($175 billion), continuing a downward trend that began in 2022. The 2024 decrease was primarily due to lower finance commitments in the transport sector, which is a trend-driving sector due to its weight in the mitigation commitments.

Mitigation finance remained concentrated in energy (48%, or $65 billion) and transport (24%, or $32 billion) (see Figure 6). Commitments to other sectors were comparatively small but showed some diversification: cross-sectoral activities increased to $22 billion,[51] becoming the third-largest category, while lower-carbon and efficient energy generation ($10 billion) and water and wastewater ($6 billion) saw moderate growth.

Figure 6: IDFC contribution to global annual climate finance flows by climate objective in 2021-2024[52,53]



49 JICA data are included only in aggregate figures (total climate, biodiversity, and other environmental commitments). Disaggregated JICA data were unavailable at the time of analysis and are therefore excluded from Sections 3.1 and 3.2.

50 Comprehensive data for global climate finance flows in 2024 is not yet available.

51 The increase in the share of commitments classified as "other and cross-sectoral" compared to the previous year is largely due to missing sectoral data from some institutions.

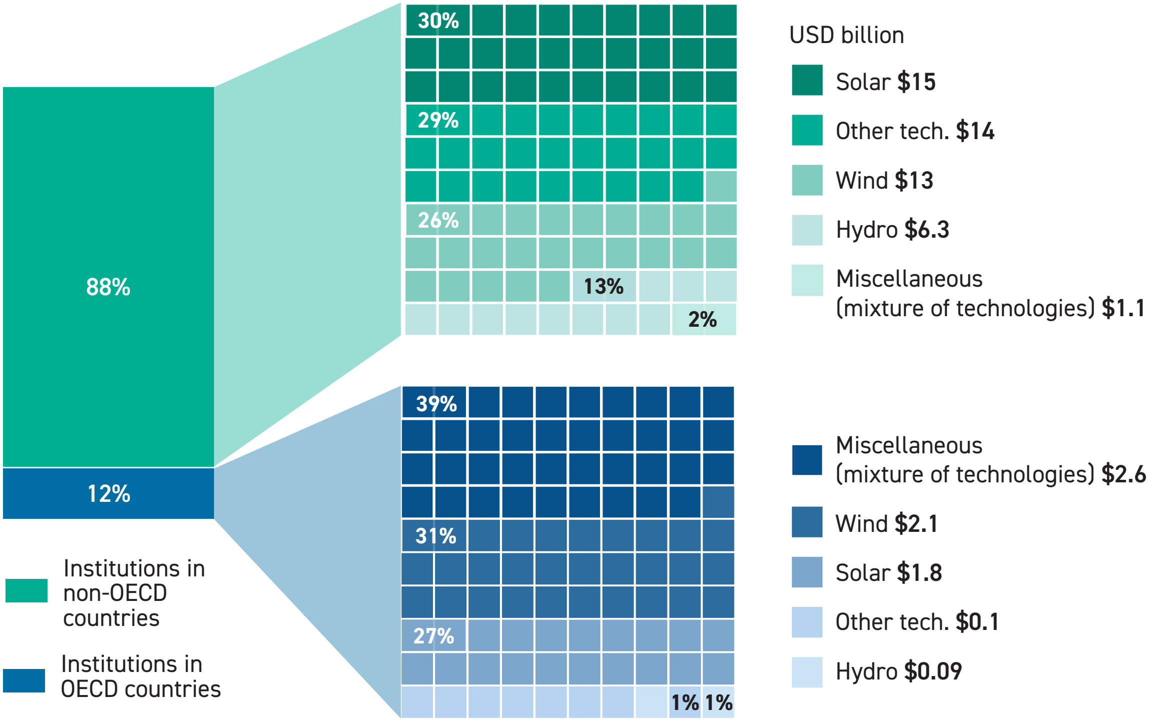
52 The sector classification was updated in 2021 with the release of the revised Common Principles for Mitigation Finance Tracking. To ensure consistency, the graphic includes only data from 2021–2024.

53 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

In 2024, non-OECD-based members provided the vast majority of IDFC mitigation finance commitments for renewables (88%; see Figure 7). This highlights the pivotal role of non-OECD institutions in promoting clean energy generation in emerging markets. Box 6 spotlights AFC, a non-OECD IDFC member that has been pivotal in scaling renewable energy.

OECD-based members contributed the remaining 12% of renewable energy finance. Similar to non-OECD members, the portfolios of OECD-based institutions for renewables were led by wind (31%) and solar (27%), with limited flows to bioenergy and hydro (each around 1%). However, the bulk of their commitments was reported for miscellaneous technologies ($2.6 billion, 39%).

Figure 7: Finance commitments to renewable energy, by technology and source (OECD-/non-OECD-based members) in 2024[54]



Box 6: Scaling Clean Power through PPPs—AFC's Cabeólica Project in Cabo Verde[55]

The AFC's investment in Cabeólica demonstrates how well-structured public-private partnerships (PPPs) can scale mitigation finance in small island states. It offers a replicable model for island and diesel-reliant grids across Africa to accelerate the energy transition.

Cabo Verde, an Atlantic archipelago with excellent wind potential, has long relied on expensive imported fossil fuels for electricity. In this context, and within a growing economy with one of sub-Saharan Africa's stronger credit profiles, the Cabeólica project was conceived of to replace "dirty" generation and support foreign exchange savings. Operational since 2011, the project developed, constructed, and now operates a 25.5 MW onshore wind portfolio (30 turbines) across four islands: Santiago (9.35 MW), São Vicente (5.95 MW), Sal (7.65 MW), and Boa Vista (2.55 MW).

It is the first commercial scale, privately financed wind PPP in sub-Saharan Africa and has been fully operational since 2012. The project now supplies around 15% of Cabo Verde's electricity and up to 55% on its most wind-powered island, having generated over 800,000 MWh of clean energy, avoided 500,000 tCO_2e, and displaced about 15 million liters of fuel annually. Cabeólica also achieved its first carbon credit sale in 2015 and ISO 9001/2 certification in 2020. Beyond emissions reductions, the project strengthens local economies and institutions. It sustains around 40 indirect jobs through local service contracts, invests in environmental preservation (CVE 6.8 million), and delivers renewable energy education to 4,800 students across the islands.

54 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

55 This information was obtained from AFC via 2025 GFM survey in August 2025.

Similar to the previous year, mitigation commitments remained low for other sectors in 2024, despite their significant mitigation potential. For instance, investments in agriculture, forestry, and other land uses (AFOLU) totaled only $980 million. This represents just 0.7% of mitigation commitments, even though the sector accounts for close to 25% of total mitigation potential by 2030.[56] Information and communications technology (ICT) and solid waste management also received low levels of commitment ($232 million and $384 million, respectively). Together, the eight least invested sectors[57] received 11% of total commitments in 2024 ($15 billion), up slightly from 7% in 2023 ($13 billion). This persistent underinvestment likely reflects limited project pipelines, tracking challenges, and perceived higher risks in these sectors, which make them less attractive to financiers.

Of the eight least-invested sectors, five saw increasing commitments in 2024 compared to 2023. This bucks the downward trend of larger sectors like energy and transport. In particular, the mining and metals sector received mitigation commitments in 2024, following its neglect in 2023 and 2022. The water and wastewater sector saw the highest increase in both absolute terms ($4 billion) and relative terms (70%) compared to 2023, but still remains below 2021 and 2022 levels.

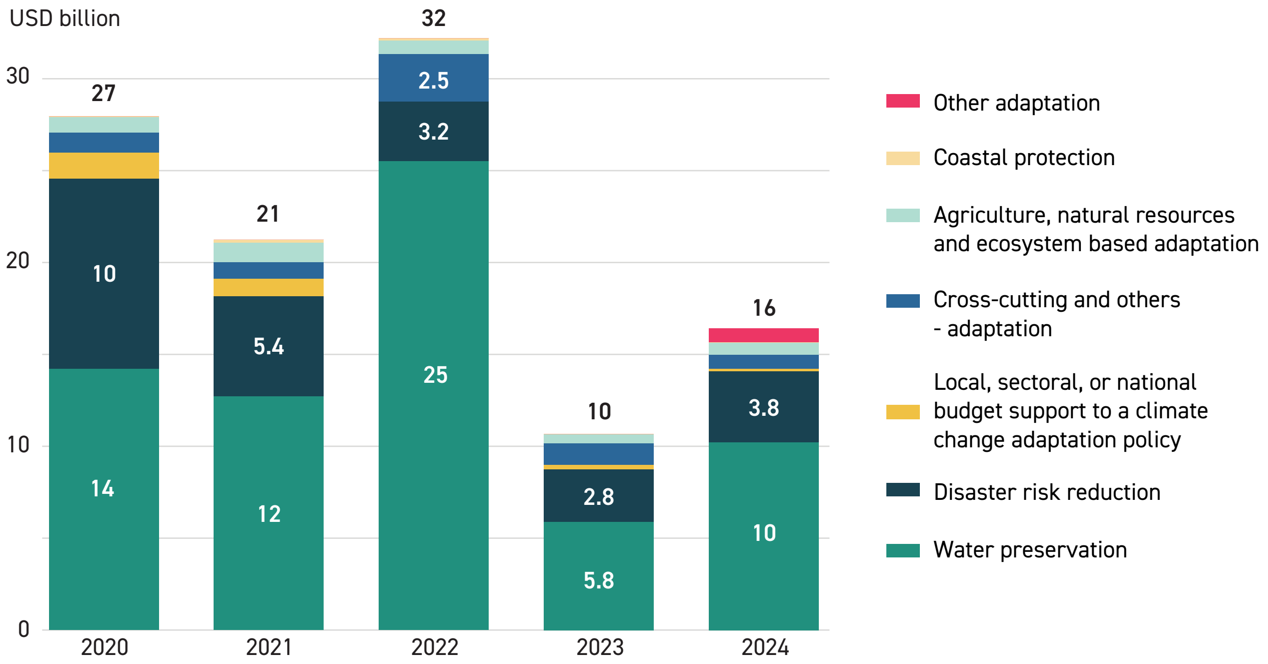
The distribution of commitments from IDFC members among sectors aligns with global climate finance trends,[58] with a focus on energy and transport. However, IDFC members allocated a higher share of their mitigation commitments to the water and wastewater, ICT, and industry sectors than the average across global providers.

Adaptation

IDFC adaptation commitments rebounded in 2024 but remained below their 2022 high. Adaptation commitments reached $16 billion, representing a 54% increase from 2023. This rebound was heavily influenced by one large contributor, while volumes across the membership as a whole have remained broadly stable over the past three years. Adaptation flows accounted for approximately 10% of IDFC's green finance in 2024.

Similar to previous years, adaptation commitments in 2024 primarily went to water preservation ($10 billion, or 62%) and other disaster risk reduction ($3.8 billion, or 24%) (see Figure 8). Both sectors saw increases in commitments, with water preservation rising 74% in 2023, driven by the CDB. Other disaster risk reduction saw a 36% increase from 2023 commitments, with the CDB accounting for 68% of that increase.

Figure 8: Adaptation finance commitments by subcategory in 2020-2024[59]



56 The mitigation potential figures are based on the Emission Gap Report 2024 (p48). It relies on a set of measures defined by UNEP for a +1.5°C scenario compared to current levels of emissions. This analysis underlines the significant role of the AFOLU sector in mitigating emissions (the second most important after the energy sector, which accounts for close to 40% of total mitigation potential).

57 These sectors are: mining and metal production for climate action; manufacturing; AFOLU; water and wastewater; solid waste management; buildings, public installations and end-use energy efficiency; ICT and digital technology; research, development and innovation.

58 The global climate investments mentioned in this paragraph are from the Global Landscape of Climate Finance for 2023 and are limited to the mitigation values. Therefore, they include the commitments made by IDFC members for 2023. The comparison is made here to give a sense of IDFC commitments relative to global values (all actors beyond IDFC members), but it is limited because it is based on investments from two distinct years.

59 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

Box 7: How IDFC members can help scale up private adaptation finance

Private adaptation finance must scale quickly, particularly in EMDEs, given their high vulnerability and limited availability of reliable risk assessment tools. IDFC members can help scale up private adaptation finance by:

- Increasing finance for robust climate information on hazards, exposures, and vulnerabilities.
- Leveraging concessional finance and technical assistance to build the capacity of domestic and regional private financial institutions, such as regional commercial banks, locally based pension funds, and regional insurers in EMDEs to evaluate and act on climate risks.[53]

The AFD's support to a subnational development bank in Southern Brazil provides a practical illustration of leveraging concessional finance and technical assistance to strengthen domestic and regional private financial institutions. The AFD is extending a €120 million ($130 million), 12-year non-sovereign credit line to Banco Regional de Desenvolvimento do Extremo Sul (BRDE) to finance sustainable sectoral investments and strengthen regional adaptation and disaster-response capacity. Complementing this, the AFD is also providing a grant to finance technical assistance to support the BRDE in implementing its sustainable banking strategy, aligned with its 2025–2028 action plan. The €120 million, 12-year non-sovereign loan aims to improve financing for sustainable investments and strengthen adaptation to extreme climate events in Southern Brazil. It supports the BRDE's capacity to provide financial instruments to municipalities and local businesses, enabling them to anticipate, mitigate, and respond to extreme climate events.

Agriculture, natural resources, and ecosystem-based adaptation remain relatively underfinanced. Only $650 million was committed for this area in 2024, despite its importance for economies and its high vulnerability to climate variability. The sector experienced a notable 31% increase in commitments compared to 2023, approaching the 2022 level of $710 million.

Looking ahead, strengthening adaptation finance will require not only maintaining public flows but also mobilizing private capital to address persistent investment gaps. As illustrated in Box 7, IDFC members can play a pivotal role in scaling up private adaptation finance by strengthening domestic financial institutions and leveraging concessional resources to mobilize private investment in climate resilience.

Dual-objective finance

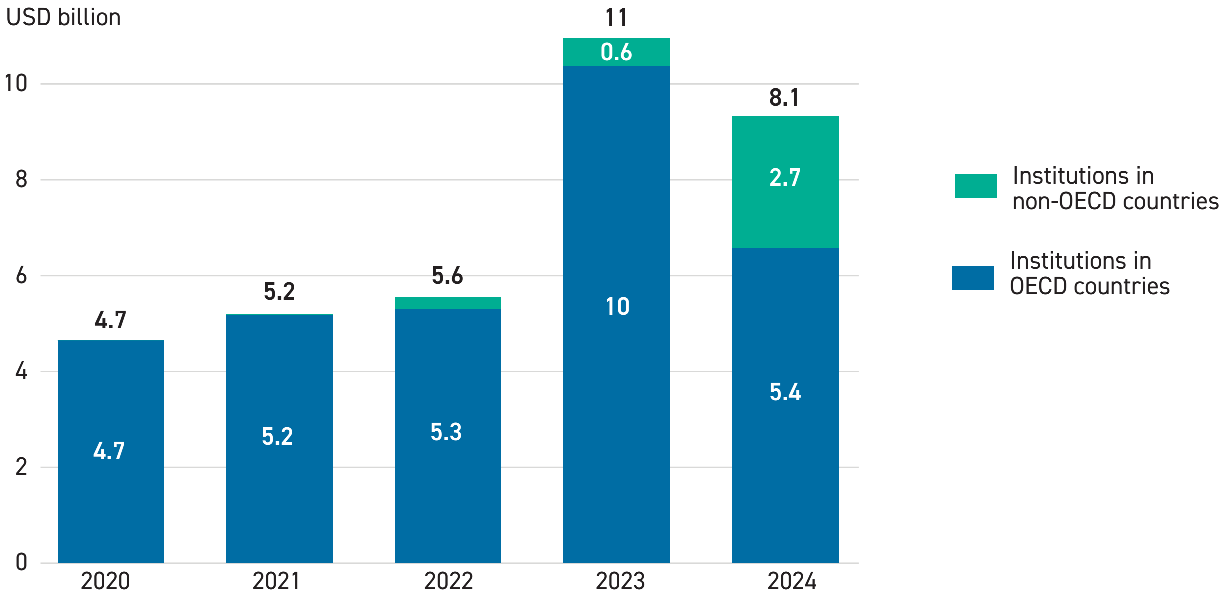
Finance targeting both mitigation and adaptation finance (dual objectives) totaled $8.1 billion in 2024. This represented a 27% decrease in absolute value from the previous year (see Figure 9), but maintained a 5% share of total green finance commitments. Despite the overall drop, several members increased their dual-objective commitments, signaling growing interest in integrated approaches that can deliver multiple benefits.

Most dual-objective commitments (64%) went to Latin America and the Caribbean and sub-Saharan Africa, mainly from OECD-based members. Latin America and the Caribbean accounted for $3.6 billion, and sub-Saharan Africa $1.6 billion.

Roughly two-thirds of dual-benefit commitments originated from OECD-based members overall. Most non-OECD institutions' dual-objective funding went to Latin America and the Caribbean, primarily through targeted programs implemented by a small number of institutions.

60 CPI, 2024. Tracking and Mobilizing Private Sector Climate Adaptation Finance. Available at: https://www.climatepolicyinitiative.org/wp-content/uploads/2024/09/Tracking-and-Mobilizing-Private-Sector-Climate-Adaptation-Finance-2024.pdf

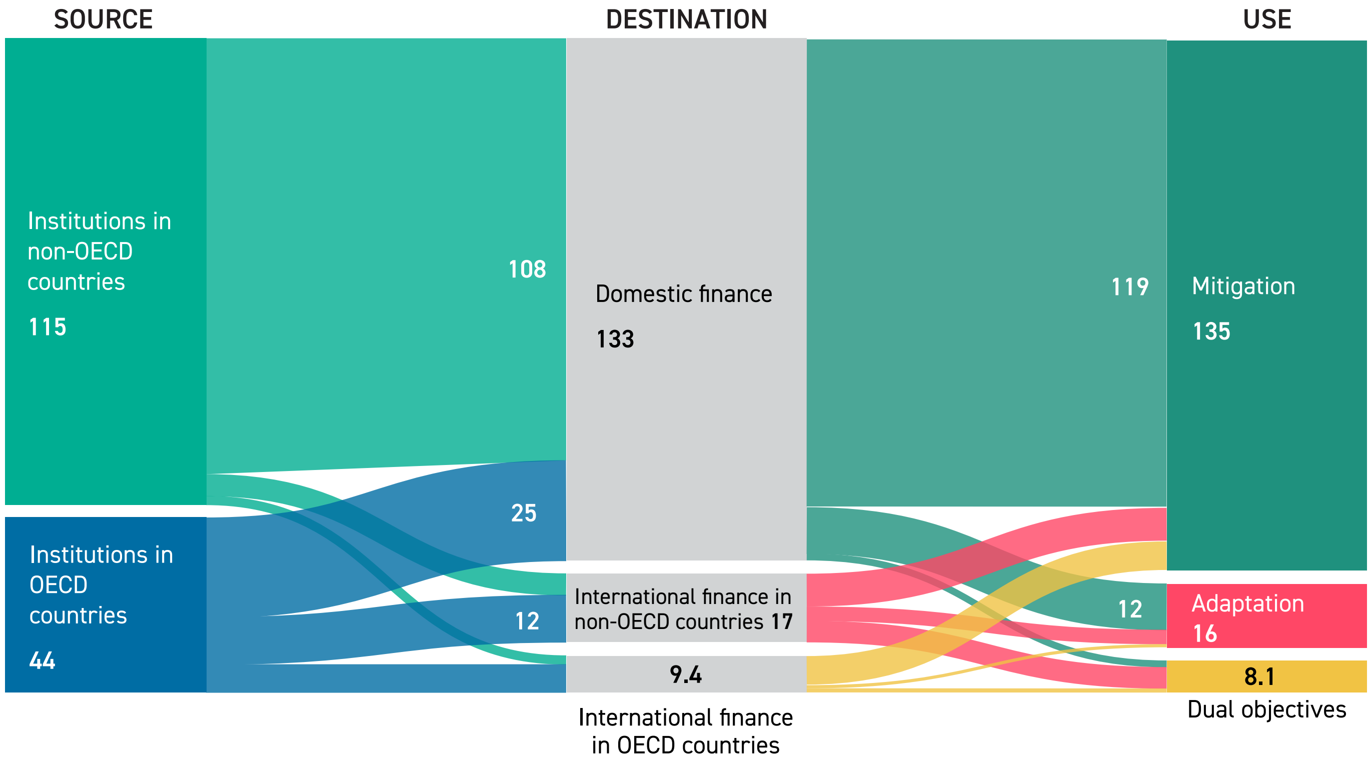
Figure 9: Dual-objective commitments by source (OECD/non-OECD IDFC members) in 2020-2024[61]



3.1.2 CLIMATE FINANCE COMMITMENTS BY SOURCE

Non-OECD-based institutions accounted for 72% of IDFC climate finance in 2024, totaling $115 billion (see Figure 10). This is largely driven by the CDB, which accounted for 86% of climate finance from non-OECD institutions. Even excluding the CDB, non-OECD-based institutions still contributed 26% of the total. Non-OECD members allocated 98% of their commitments within non-OECD countries in 2024. Again, this reflected the fact that 95% of commitments to non-OECD countries from non-OECD IDFC members are to home countries.

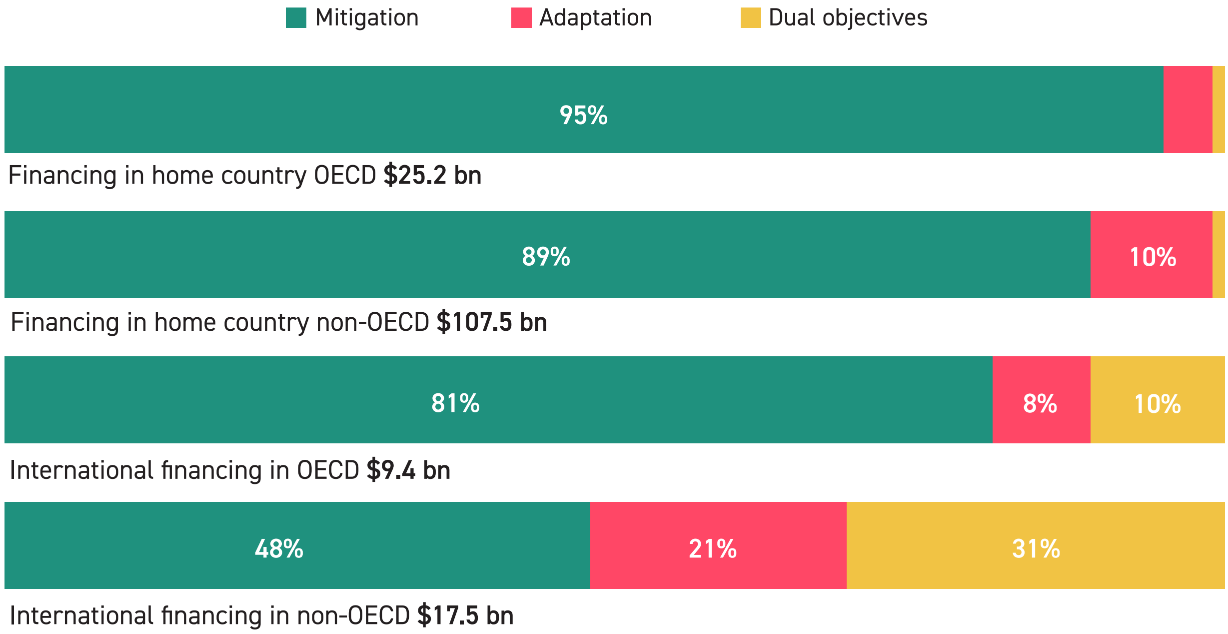
Figure 10: Distribution of climate finance commitments by source (OECD/non-OECD IDFC members) in 2024[62]



61 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

62 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

Figure 11: Climate finance commitments by source (OECD/non-OECD IDFC members) and destination in 2024[63]



OECD-based institutions accounted for the remaining $44 billion (28%) of total IDFC-climate finance in 2024 (see Figure 11). However, they accounted for 74% of the total if CDB commitments are excluded. OECD-based members directed 73% of their climate finance commitments to OECD countries. Of that figure, 78% was directed within their home countries.

OECD-based members prioritized adaptation and dual-benefit solutions more in their finance for non-OECD countries than in their home jurisdictions/regions. Of their $10 billion in climate finance commitments to n on-OECD countries, 15% was for adaptation and 38% for dual objectives. By contrast, these members dedicated 10% of their commitments to adaptation and 5% to dual benefits across all countries.

Non-OECD countries remained the main destination for mitigation finance, accounting for 77%. This was driven by non-OECD IDFC members, which made 74% of all mitigation commitments. Both OECD- and non-OECD-based members direct roughly 95% of their mitigation finance to countries within their own group. This reflects the significant share of commitments being made to home countries (88% of mitigation commitments).

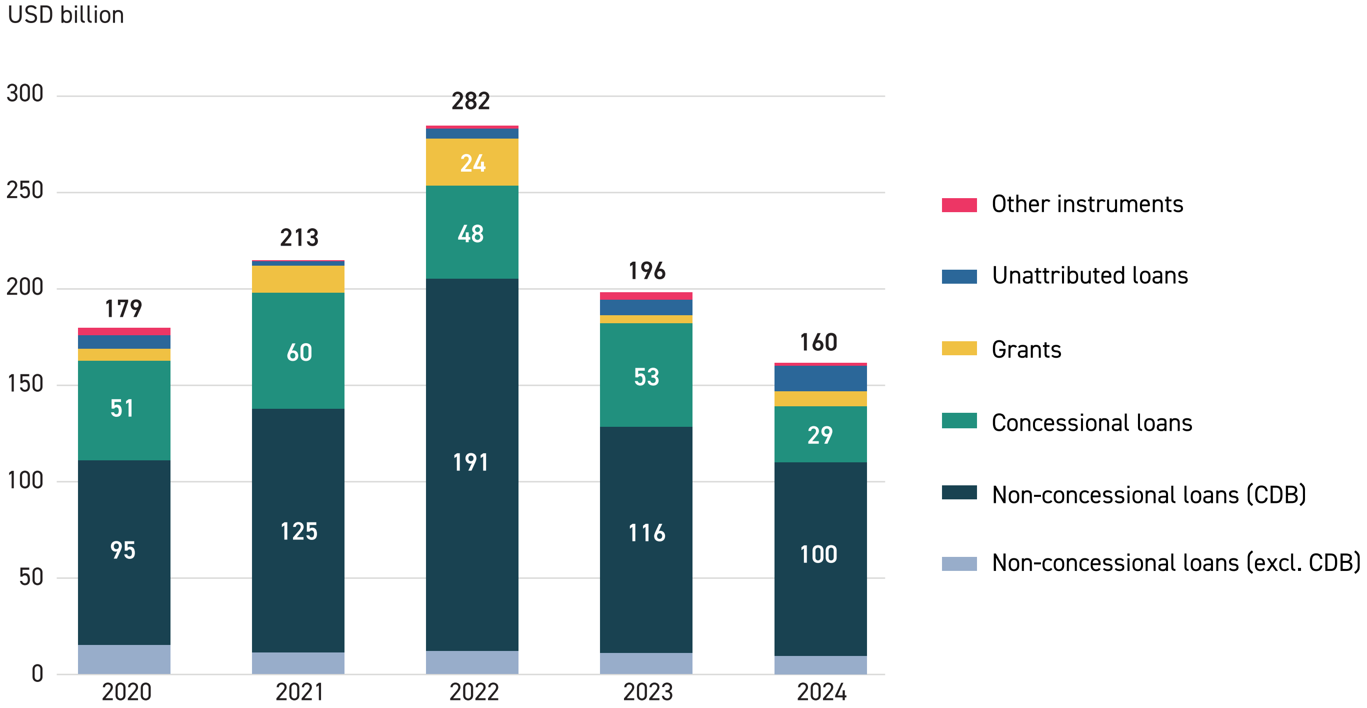
IDFC members' commitments to adaptation mainly involve home-country finance (73%) (see Figure 11). However, OECD-based IDFC members' domestic commitments represent just 34% of total adaptation, and the rest of the commitments are made to non-OECD countries. The global dominance of domestic commitments stems from non-OECD members, which directed 82% of their adaptation finance to their home countries, and a major share in 2024.

3.1.3 CLIMATE FINANCE COMMITMENTS BY INSTRUMENT TYPE

As in previous years, IDFC members primarily used loans to channel climate finance, accounting for $151 billion or 94% of climate finance (see Figure 12). Concessional loans totaled $29 billion, while non-concessional loans amounted to $118 billion, with concessional lending representing approximately 20% of total financing in 2024. This marks a continued decline in the share of non-concessional lending—from 58% in 2022 to just 20% in 2024. Non-concessional loans dominated mitigation finance ($94.8 billion of $130 billion in total loans), while concessional lending accounted for $25 billion. In adaptation, concessional loans played a relatively greater role—$1.3 billion of the $14.4 billion in total loans. Concessional finance continues to be more prevalent in adaptation-related activities, whereas mitigation remains largely supported through market-rate lending.

63 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

Figure 12: Climate finance commitments by instrument type in 2020-2024[64]



Although concessional finance within IDFC members' climate commitments decreased, it remained well above its 7% share of global climate flows. However, the use of concessional instruments varied widely across members, accounting for 61% of total commitments among OECD-based members but only 2% for non-OECD members. As a result, 91% of all concessional finance originated from OECD institutions. Nevertheless, four non-OECD members provided more than 80% of their climate finance as concessional loans, and 15 almost exclusively provided concessional loans.

Grant commitments doubled in volume in 2024 from 2023, although the share remained limited to 5% of total climate finance commitments. This increase is driven by one member that doubled its grant use in absolute terms compared to 2023 (totaling 17% of its commitments in 2024). Additionally, another member mobilized 30% of its commitments as grants in 2024, following mobilizations of less than 1% as grants in 2023 and 2022.

However, a 58% decrease in concessional loans meant that concessional finance as a whole almost halved in 2024 compared to 2023. Concessional finance accounted for 19% of climate commitments in 2024, down from 29% in 2023. This drop may result from a lack of granularity in 2024, as the share of reported loan commitments classified as unspecified rose to 13% from 4% in 2023.

Following a surge in 2023, equity volumes declined by 92% in 2024. As a result, equity's share of total IDFC climate commitments decreased by 81% year-over-year. IDFC members could seize an opportunity to strategically re-engage in equity provision, targeting it to crowd in private capital, reduce risk for early-stage projects, and complement concessional debt in underserved sectors and regions where pipeline quality and risk appetite align.

64 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

Box 8: Spotlighting innovative financial instruments from members

IDFC members, as PDBs with specific policy mandates and generally higher risk tolerance than other financial actors, have a unique capacity to support innovative financial instruments, with an emphasis on de-risking and scaling up green projects across the regions in which they work. Three innovative instruments developed recently by IDFC members include:

- **CAF's Sustainability-linked sovereign lending and debt-for-nature swaps:** In March 2024, CAF approved an Integral Loan Linked to Climate and Social Objectives (PIVOCS) for Mexico ($300 million), linking loan conditions to measurable progress on climate action and gender equality, thereby reducing financing costs when targets are met. In parallel, CAF has supported sovereign debt-for-nature structures, including El Salvador's $1 billion Lempa River swap backed by DFC political-risk insurance and a CAF $200 million standby letter of credit, with savings earmarked for watershed conservation.[58]
- **NAFIN's Sustainable Fund:** A fiduciary mechanism that receives and disburses non-reimbursable resources (e.g., donor grants) to public programs aligned with Mexico's sustainability agenda. It is used to channel resources to initiatives such as the Sustainable Transport financing program (including taxi-fleet renewal with KfW co-funding) and the "Territorios Productivos Sostenibles (TPS)" landscape-management project implemented with federal partners.
- **SIDBI 's Partial Risk Sharing Facility for Energy Efficiency (PRSF):** A guarantee program that provides partial credit guarantees to participating financial institutions for ESCO-implemented energy-efficiency projects, thereby lowering perceived risk and encouraging private capital investment. The facility totals $43 million ($37 million risk-sharing; $6 million technical assistance); as of mid-2023, it had supported 67 subprojects, mobilized approximately $105 million, achieved 351 GWh/year in energy savings, and avoided 270,000 tCO_2/year.

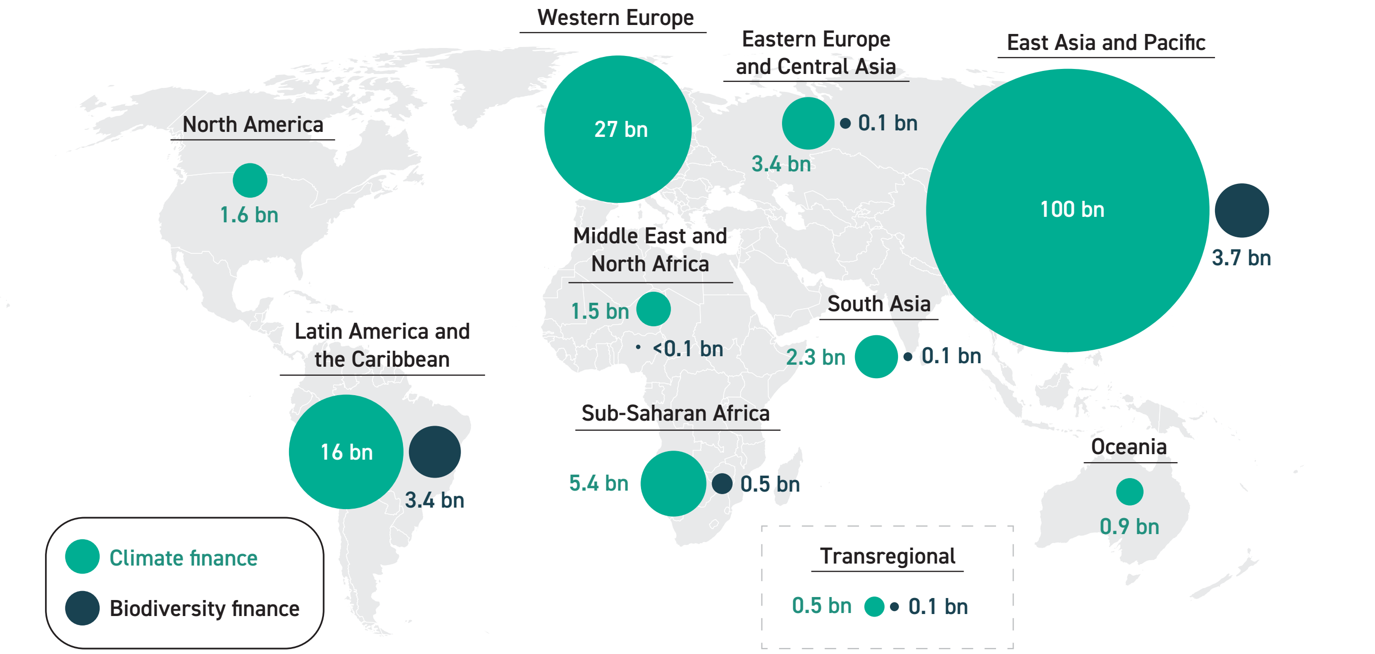
3.1.4 CLIMATE FINANCE COMMITMENTS BY GEOGRAPHIC DESTINATION[66]

East Asia and the Pacific remained the leading destination for IDFC climate finance in 2024, followed by Western Europe and Latin America and the Caribbean. Total commitments to East Asia and the Pacific reached $100 billion (63%), driven almost entirely by the CDB, which accounted for 98% of the region's total. Western Europe followed with $27 billion (17%), while Latin America and the Caribbean ranked third with $16 billion (10%) (see Figure 13). These three regions together represented 90% of total IDFC climate finance in 2024.

65 CAF, 2025. Debt swap for the Lempa River: a milestone and model for the world. Available at: https://www.caf.com/traducciones/traducciones_en/debt-swap-for-the-lempa-river-a-milestone-and-model-for-the-world/

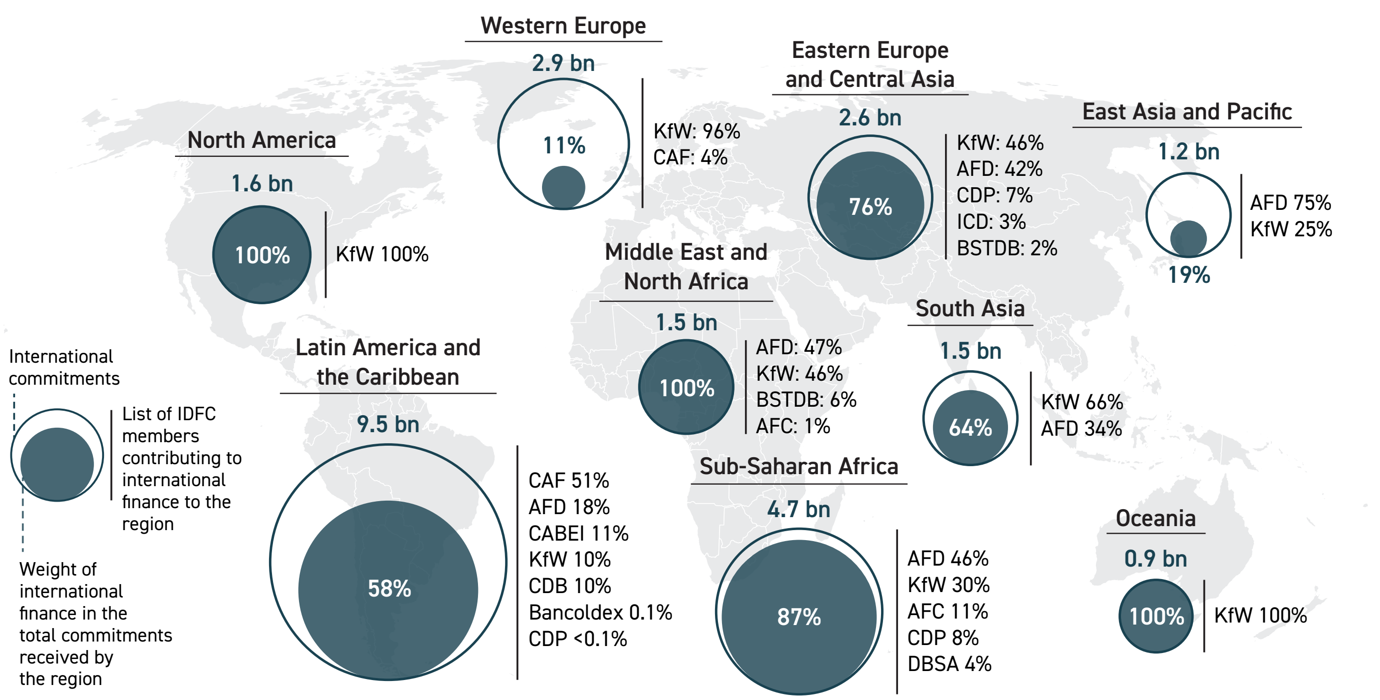
66 The geographical breakdown used in this section is the one detailed in the methodology Section 6.3, Table B3. Commitments from the AFD to French territories outside of Western Europe are counted as commitments to the region affiliated to the territory, but are classified as financing to the home country. This is to reflect the commitments made to territories with needs and characteristics specific to their region, while considering the preferred relationship between AFD and those territories, even when outside of Metropolitan France.

Figure 13: Climate finance and biodiversity commitments by geographic destination in 2024[67]



These patterns reflect members' focus on their home regions: 71% of institutions primarily finance their home country, and 86% commit most of their climate resources to their own region (see Figure 14). This concentration reflects member mandates and risk management as much as opportunity: institutions are accountable to domestic shareholders, face lower due diligence and monitoring costs in familiar legal and policy environments, and can mobilize co-financing through established local partners. Meanwhile, regions often exhibit comparable climate and infrastructure profiles; therefore, there is more opportunity to mainstream replicable projects pipeline and strengthen knowledge sharing.

Figure 14: International climate finance by region, IDFC members in 2024[68]



67 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

68 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

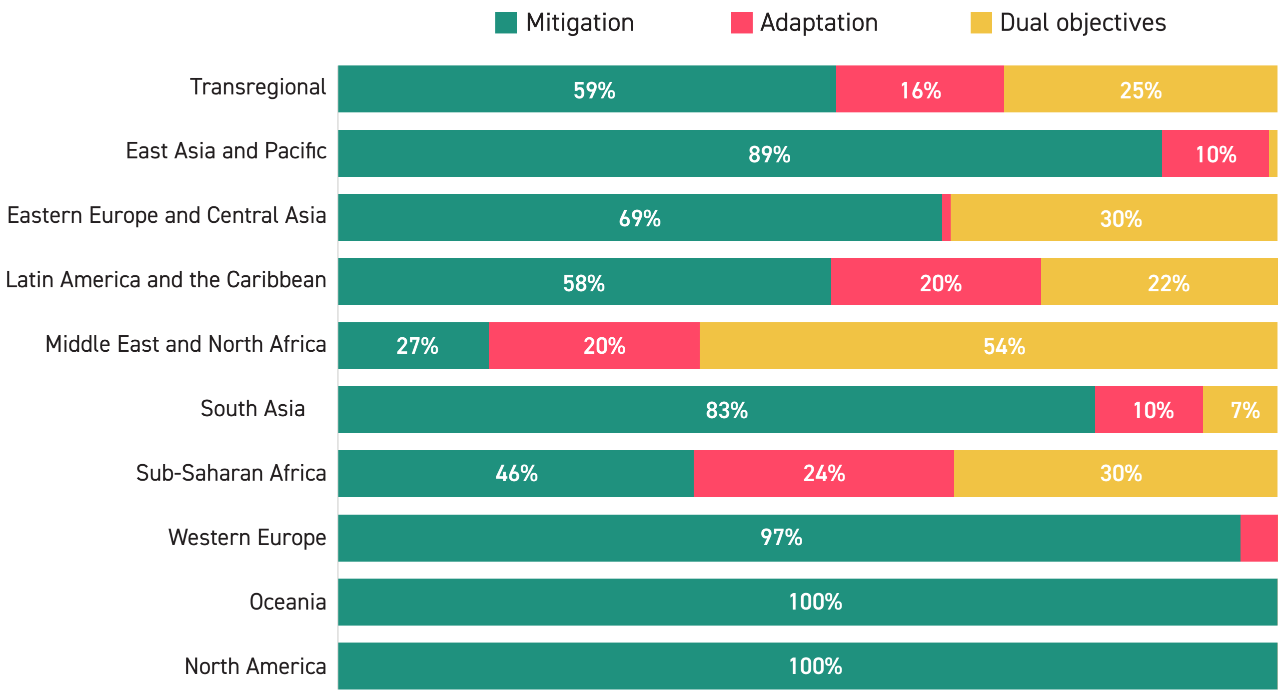
Latin America and the Caribbean illustrated both reach and balance in IDFC financing. The region had the broadest funding base, with 12 out of 23 members providing commitments (see Figure 14). OECD-based members accounted for 18% of commitments, and non-OECD institutions for 82%, with a balance between home (42%) and international (58%) finance. Domestic commitments totaled $7 billion (the third-highest among regions), while international flows reached $9.5 billion, representing 35% of all international finance. The region was also the second-largest destination for external funding, accounting for 38% of international flows, reflecting its growing attractiveness for diversified climate investment.

Sub-Saharan Africa remained underfunded, despite its vulnerability to climate change and its diverse source base. Commitments totaled $5.4 billion (3.4%), provided by eight members with a 74/26 OECD/non-OECD split. The region attracted 17% of all international finance, underscoring the need to mobilize further external capital. Sub-Saharan Africa–based members committed $1.4 billion, with 47% of the funds remaining in their home countries and 99% of cross-border flows circulating within the region, signaling robust South–South cooperation and opportunities for replicating project models adapted to local conditions. The region also received $4 billion from institutions outside Africa (23% of all cross-regional finance), making it the top recipient of external flows, even as overall volumes remained modest.

Across regions, mitigation continued to dominate IDFC climate finance, though the relative balance between climate objectives varied significantly (see Figure 15). Mitigation accounted for the majority of commitments in nearly all regions, exceeding 90% in Oceania, North America, and Western Europe, and reaching 96% in China. However, several regions displayed more diversified portfolios: Sub-Saharan Africa, the Middle East and North Africa, and South Asia each dedicated a notable share to dual-objective finance (34%, 34%, and 18% respectively), while adaptation reached its highest regional shares in sub-Saharan Africa (17%), East Asia and the Pacific excluding the CDB (13%), and Eastern Europe and Central Asia (5%). These patterns suggest that while mitigation remains the primary focus across the IDFC, members are increasingly channeling resources toward integrated, resilience-oriented investments in regions with the highest climate vulnerability.

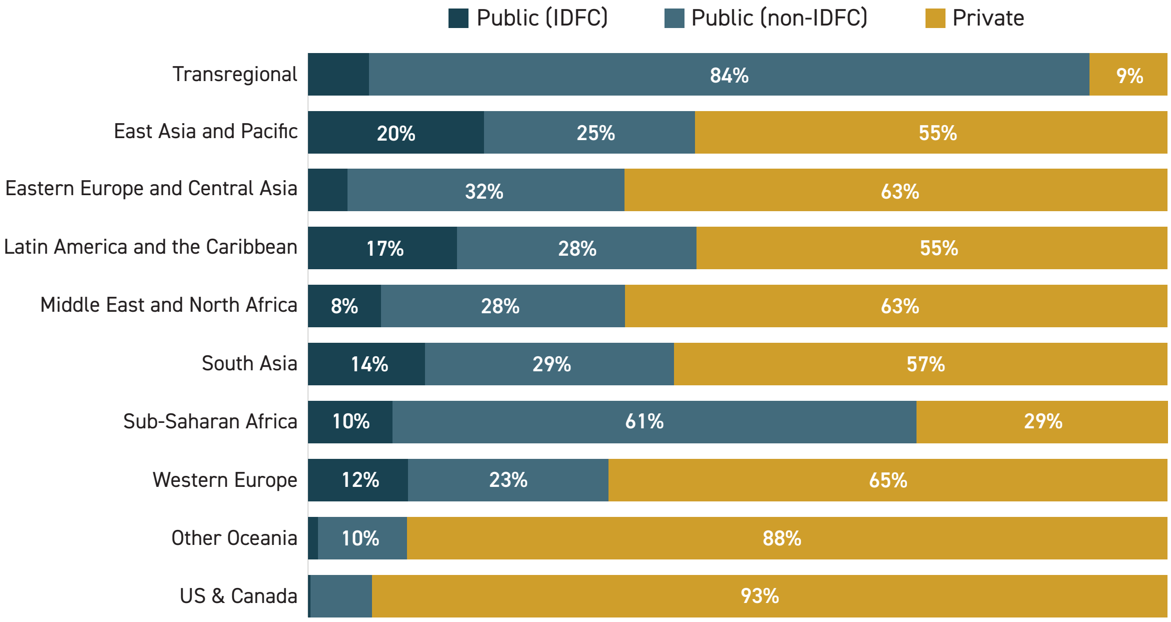
Several regions continue to rely heavily on public sources, but see a modest role for IDFC institutions. As shown in Figure 16, IDFC finance represented 12% of public finance in Eastern Europe and Central Asia in 2022 and 2023 (4% of total finance including private flows), 10% in MENA (3% of total), and 7% in South Asia (3% of total). Sub-Saharan Africa relied mostly on public finance globally in 2023 (66% of its total flows), with IDFC accounting for 16% of public finance, underscoring the importance of sustained support from PDBs in bridging investment gaps.

Figure 15: IDFC climate finance commitments by geographic destination and climate objective in 2024[69]



69 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

Figure 16: Global annual average climate finance flows in 2022/23 by public and private sources



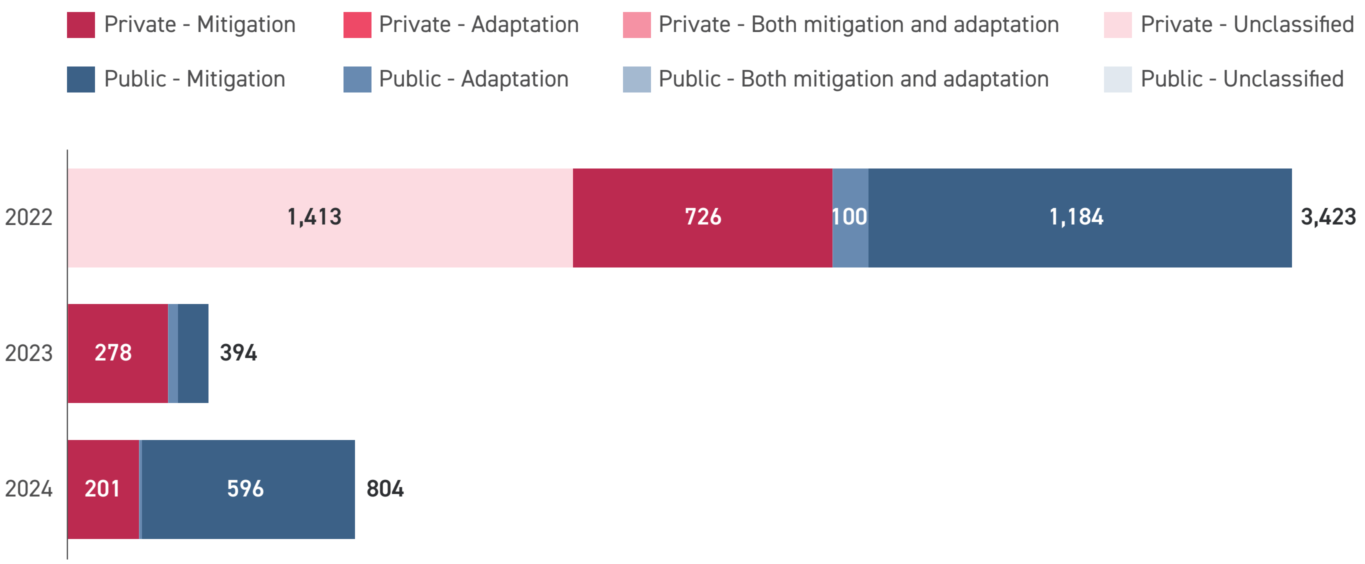
3.1.5 MOBILIZED PRIVATE FINANCE

Tracking private finance mobilization remains a gap across members, hindered by inconsistent methodologies, limited data granularity and confidentiality barriers.[70]

In total, three institutions tracked and reported private finance mobilized in 2024, all of them reporting exclusively for mitigation. The volume of climate finance driven by the IDFC and private actors co-financing reached $603 million, equivalent to 0.4% of the total climate commitments from IDFC members (see Figure 17). This figure constitutes a significant increase compared to a low in 2023 of $282 million, but it remains below historical data. This increase is driven by the 20% growth of private finance mobilized by TSKB since 2023, and BSTDB's ability to leverage $382 million, 94% of which was in the buildings sector.

In total, 99% of co-financing was directed toward mitigation and 1% to adaptation, almost exclusively through loans (36% concessional and 64% non-concessional). Within mitigation, the three sectors that received the most private co-financing were buildings (61%), energy (27%) and industry (8%).

Figure 17: Co-finance mobilized for climate projects in 2024 by source and category[71]



70 IDFC, 2024. Green Finance Mapping Report 2024. Available at: www.idfc.org/wp-content/uploads/2024/11/idfc-gfm-2024.pdf

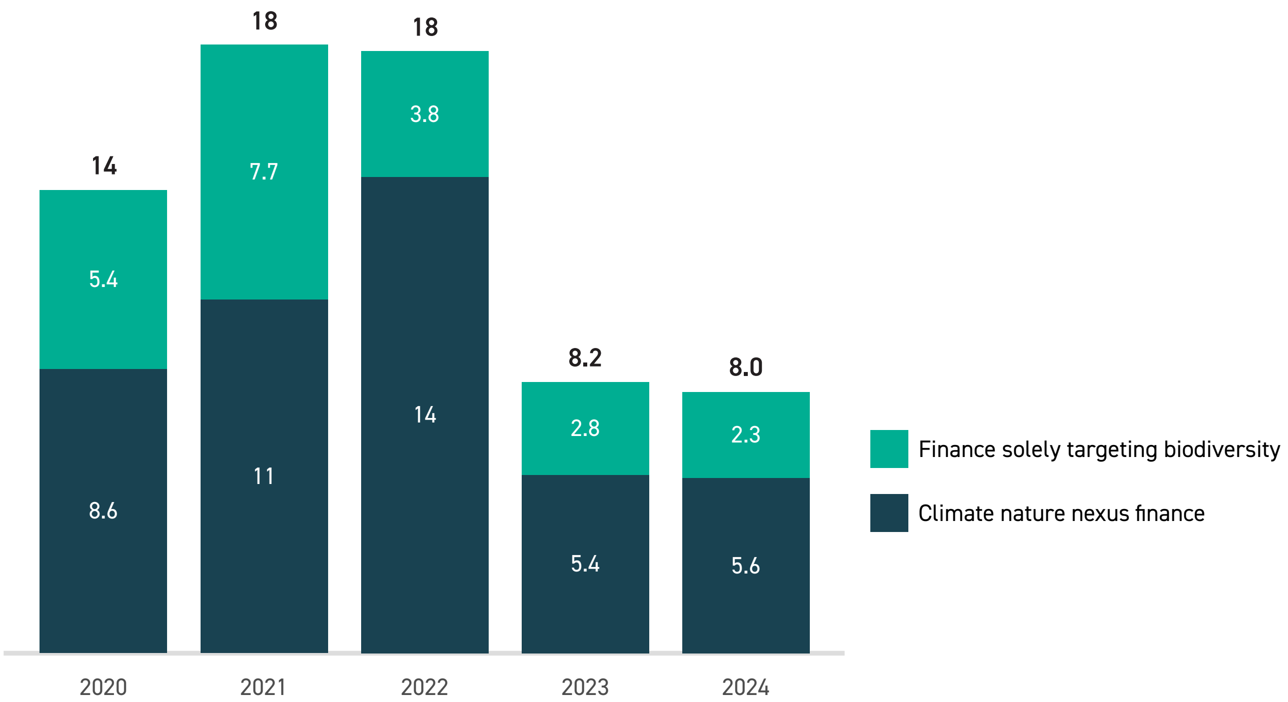
71 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

3.2 BIODIVERSITY FINANCE

This year marks the fifth year of GFM tracking financial commitments for projects with biodiversity benefits, covering investments at the climate-nature nexus and those solely targeting biodiversity objectives. As in 2023, eight IDFC institutions[72] reported on biodiversity finance, totaling $8 billion in 2024, consisting of $5.6 billion invested at the climate-nature nexus and $2.3 billion solely targeting biodiversity objectives (see Figure 18). This indicates a slight increase in total biodiversity investment of approximately 2% ($35 million) compared to 2023.

IDFC members continued to strengthen their institutional focus on biodiversity finance by developing biodiversity strategies and policies, as well as enhancing their tracking and reporting capacities (see Appendix 6.6). These efforts are expected to underpin a gradual rise in biodiversity finance over time. Box 9 spotlights CABEI, which reported its first official contribution to biodiversity in 2024, and presents its institutional approach to expanding biodiversity finance.

Figure 18: Biodiversity finance commitments in 2020-2024 ($ billion)



72 Eleven members are now tracking biodiversity finance, including the AFD, AFC, BNDES, BOAD, CABEI, CAF, CDB, DBSA, JICA, KfW, and NAFIN. BOAD, DBSA, and NAFIN did not record biodiversity commitments in 2024; therefore, only eight members reported.

Box 9: CABEI - Scaling up biodiversity finance

CABEI reported its first official contribution to biodiversity finance in 2024, marking a significant step forward in structuring and tracking biodiversity-related investments. With strengthened institutional commitment to biodiversity, the Bank expects to increase its biodiversity finance in the coming years as part of its broader environmental and climate agenda.

CABEI's biodiversity finance strategy is framed under its Environmental and Social Policy, aligned with international standards and the SDGs (notably SDG 15), and is operationalized at two levels: (i) the Environmental and Social Strategy (ESS) 2020–2024 and (ii) the Institutional Strategy 2025–2029. In parallel, a new Sustainability Policy is under preparation with a dedicated performance standard (ND6) on the protection and restoration of biodiversity.

- ESS 2020–2024: The ESS embeds biodiversity across its results framework through sustainability indicators (e.g., LE1-IS2), while complementary strategic lines target external resource mobilization, strategic alliances, institutional strengthening, and environment and social risk management to support delivery and measurement.[73]
- Institutional Strategy 2025–2029: Under the Positive Impact Pillar, CABEI sets a strategic objective to protect natural capital, explicitly including biodiversity, and acknowledges regional pressures (deforestation, fires, unsustainable natural-resource management), prioritizing actions to preserve ecosystems and their services.[74]

CABEI has also set clear targets and policy actions to mobilize domestic and international resources for biodiversity and related sustainability sectors.

- CABEI has committed to allocating 10% of its annual financings to biodiversity conservation and management each year through 2024. In addition, the bank will mobilize at least 25% of sustainability-sector resources from external sources annually (LE2-I1) and issue at least one green or social bond per year to finance eligible projects (LE2-I2).
- CABEI will build new partnerships with public, private, multilateral, and civil-society counterparts at least two per year to align project development and financing for environmental and social initiatives, including biodiversity (LE3-I1).

CABEI's first biodiversity-tagged operation was the "Lake Yojoa Sustainable Recovery Program" in Honduras, aimed at protecting a critical freshwater ecosystem and surrounding natural habitats. The operation integrates biodiversity restoration, pollution reduction, and community-based conservation measures to strengthen local environmental management and ecosystem resilience.

73 CABEI, 2022. Environmental and Social Strategy 2020-2024. Available at: https://www.bcie.org/fileadmin/bcie/english/files/Environmental_and_Social_Strategy_2020-2024_english_-_2.pdf

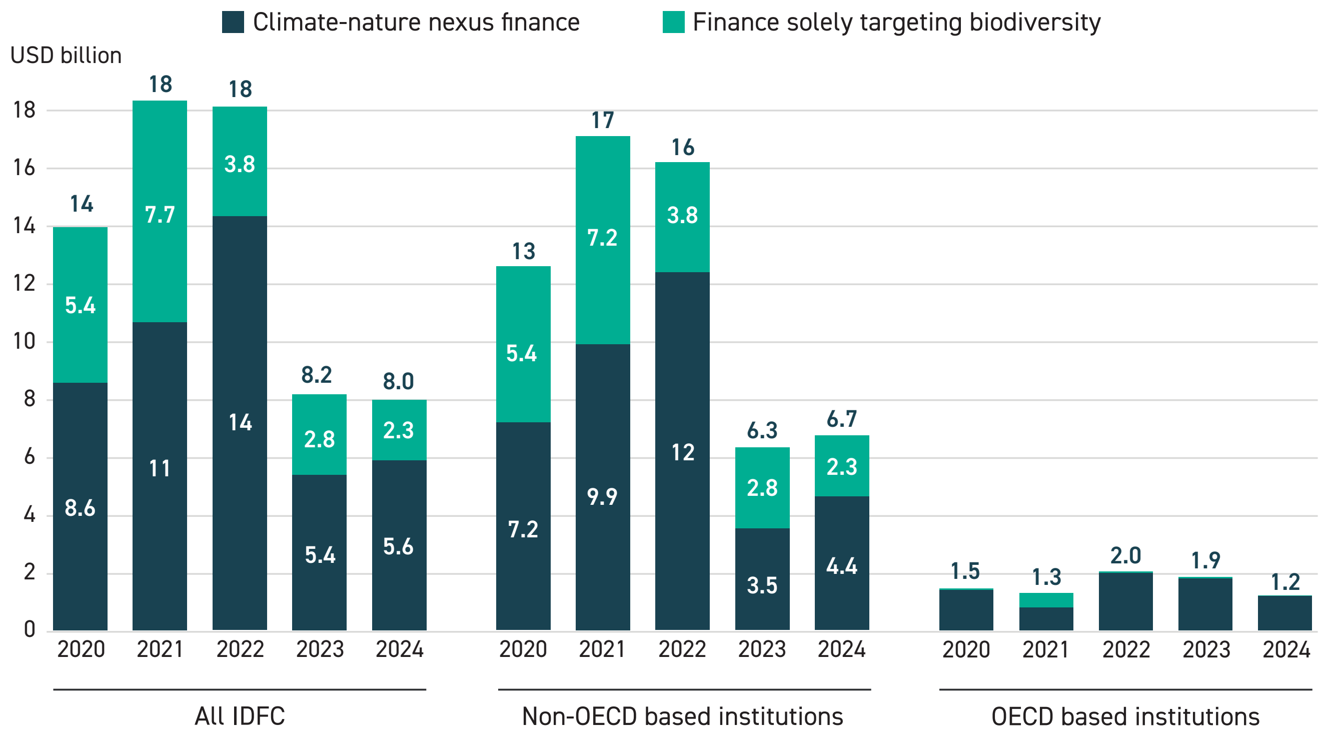
74 CABEI, 2025. Institutional Strategy 2025-2029. Available at: https://www.bcie.org/en/news-and-media/publications/publication/institutional-strategy-2025-2029

3.2.1 BIODIVERSITY FINANCE BY SOURCE

Reporting institutions based in non-OECD countries (i.e., the AFC, BNDES, CABEI, CAF, and CDB) provided the majority of tracked biodiversity finance in 2024, contributing $6.7 billion (85% of total biodiversity finance). OECD-based institution (AFD) committed the remaining $1.2 billion (15%) (see Figure 19). Since tracking began, non-OECD-based institutions have consistently provided the largest share of biodiversity finance reported in GFM.

Finance at the climate-nature nexus shows material year-to-year variation, particularly among non-OECD institutions: the nexus share rose from 57% (2020) to 58% (2021) and 77% (2022), then declined to 56% (2023) and 65% (2024). These movements likely reflect methodological and classification differences, underscoring the need for a more consistent approach to tracking. Given the multiple co-benefits and financing efficiencies of nature-positive climate action, IDFC members should pursue net-zero, nature-positive development trajectories that advance both the Paris Agreement and the Kunming–Montreal Global Biodiversity Framework. To that end, members should explicitly and transparently tag flows and projects that qualify for both nature-positive and climate (mitigation or adaptation) finance, using harmonized criteria and standardized MRV to ensure comparability across years and institutions.[75]

Figure 19: Biodiversity finance commitments by source (OECD/non-OECD) with breakdown by nexus/solely biodiversity 2020-2024[76]



75 World Bank, 2024. A Common Approach to Measuring Climate Results. Available at: https://www.worldbank.org/en/topic/climatechange/publication/common-approach-to-measuring-climate-results

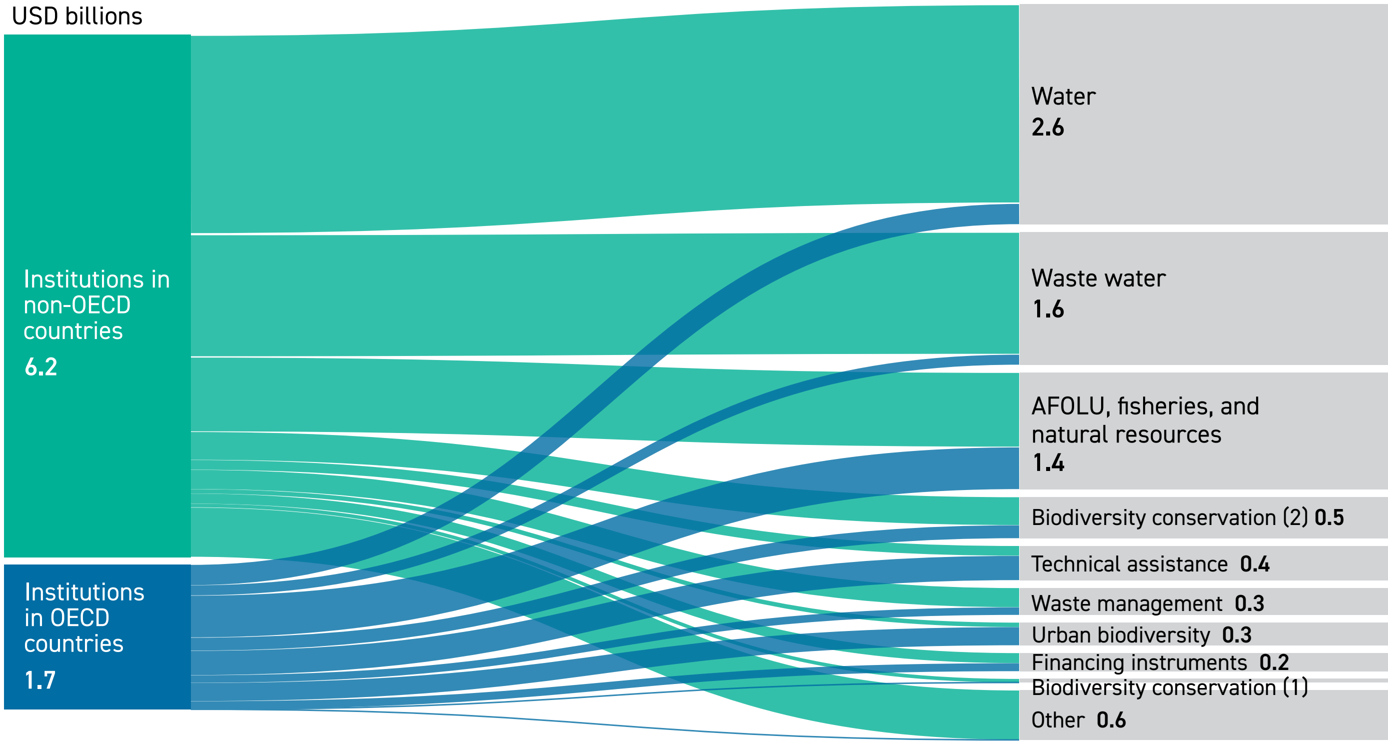
76 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

3.2.2 BIODIVERSITY FINANCE BY SECTOR

Across all IDFC institutions, water management again accounted for the highest share of biodiversity finance in 2024: $2.6 billion (33% of total biodiversity commitments) (see Figure 20). This includes investments in the development of water supply systems that protect the biodiversity of the affected ecosystems through sustainable management of water resources and sanitation. Non-OECD-based institutions provided $2.4 billion of biodiversity finance for water, while OECD-based institutions provided $245 million.

Other major sector uses in 2024 were wastewater treatment ($1.6 billion; 20%) and AFOLU, fisheries and natural resources ($1.4 billion; 18%). Compared with 2023, when urban biodiversity and wastewater were the second- and third-largest categories, 2024 shows a rotation toward AFOLU (and continued strength in wastewater), with urban biodiversity representing $273 million (3%) overall.

Figure 20 Biodiversity finance flows by source (OECD/non-OECD IDFC members) and sector in 2024[77]

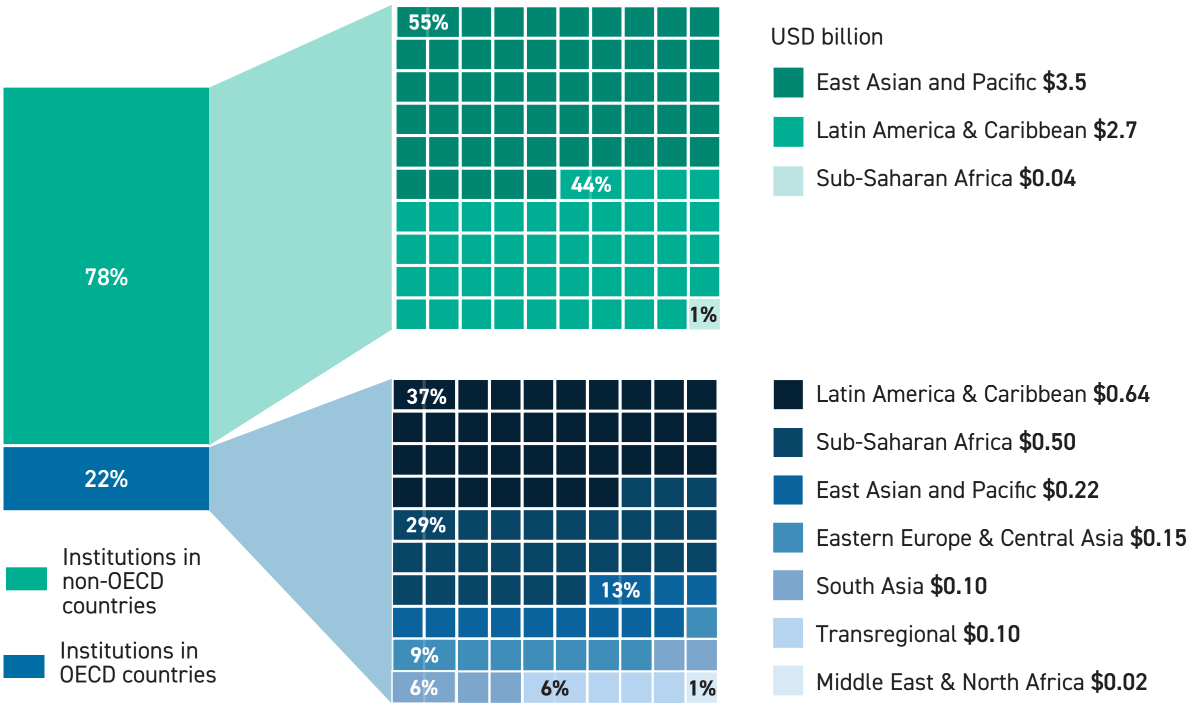


3.2.3 BIODIVERSITY FINANCE BY GEOGRAPHIC DESTINATION

OECD-based institutions continued to commit biodiversity finance primarily in non-OECD countries. In 2024, the largest share of OECD-sourced biodiversity finance was raised within or went to Latin America and the Caribbean at 37% ($638 million), followed by sub-Saharan Africa at 29% ($502 million), and East Asia and the Pacific at 13% ($216 million). Latin America and the Caribbean and sub-Saharan Africa were also the top destinations for OECD-based biodiversity commitments in 2023 (44% and 23%, respectively) (see Figure 21).

77 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

Figure 21: Biodiversity finance flows by source (OECD/non-OECD IDFC members) and geographic destination in 2024[78]



For non-OECD-based institutions, the regional picture broadened in 2024 (see Figure 21). While East Asia and the Pacific remained the top destination at 55% ($3.5 billion), Latin America and the Caribbean rose to a substantial 44% ($2.7 billion), with a smaller share going to sub-Saharan Africa (1%). This contrasts with 2023, when non-OECD flows went almost exclusively to East Asia and the Pacific (90%), with the remainder allocated to Latin America and the Caribbean (10%). This shift likely reflects stronger pipeline development and deployment by Latin American PDBs and regional actors, with financing directed to water and wastewater infrastructure, landscape and AFOLU programs, and urban nature initiatives that deliver biodiversity and climate co-benefits.

3.3 OPPORTUNITIES FOR TARGETING SCARCE RESOURCES

With climate finance under pressure and resources scarce, opportunities now lie in allocating limited resources to the most in need and high-potential areas, and in better understanding the outcomes of green finance commitments.

I. TARGET LIMITED RESOURCES TO WHERE THEY ARE MOST NEEDED.

Several sectors face significant gaps between climate finance needs and current flows. For example, AFOLU and fisheries and the industry sector have exceptionally high mitigation potential, yet are among the least funded. The water and wastewater sector depends heavily on public finance, creating widening shortfalls as that support declines. At the same time, private capital is growing in selected areas, signaling opportunities for targeted de-risking and pipeline development.

AFOLU and fisheries

Global context in 2023: This sector faces the highest relative gap, with global investment needs exceeding current flows by 64 times, while also holding the second-highest mitigation potential among the sectors identified by UNEP's Emissions Gap report.[79] AFOLU and fisheries received just 2% of the $1.9 trillion invested in climate finance in 2023. Notably, the sector experienced the highest growth in private climate flows in 2023 compared to 2022 (+89%), signaling market interest in emerging opportunities.[80]

IDFC GFM: In 2024, IDFC's climate commitments accounted for just 4% of the global total, underscoring the room for scaling up. Club members can convert rising market

78 The Figure excludes JICA for which disaggregated data was not available at the time of the analysis.

79 UNEP, Emissions Gap Report 2024, p. 48 on mitigation potential of energy, AFOLU, buildings, transport, and industry.

80 CPI, 2025. Top-down climate finance needs. Available at: https://www.climatepolicyinitiative.org/publication/top-down-climate-finance-needs/

interest into bankable deals by developing de-risk projects, building investment pipelines, and establishing mechanisms that can help scale this nascent private capital to meet the sector's immense needs.

Water and wastewater

Global context in 2023: The water and wastewater sector depends on public finance for 74% of investments, yet experienced a 9% reduction in overall climate finance in 2023. Despite private finance growing substantially (+85% in 2023), it remains insufficient to offset the 22% decline in public support, leaving the sector underfinanced.

IDFC GFM: IDFC members committed $19.6 billion ($9.6 billion for mitigation and $10 billion for adaptation), representing a 72% increase from 2023 to 2024. IDFC members are uniquely positioned to prioritize utility-anchored PPP programs that pair policy/creditworthiness reforms with KPI-linked grants and viability-gap funding, plus local-currency long-tenor finance and standardized transaction preparation—so sub-sovereign utilities can deliver repeatable, scalable water and wastewater upgrades.[81]

Industry

Global context in 2023: The industry sector also has high mitigation potential but faces the second-highest relative financing gap globally, with investment needs exceeding current flows by 24 times,[82] highlighting an urgent need for scaled-up financial commitments. The industry sector received just 1% of global climate finance in 2023 ($28 billion).

IDFC GFM: IDFC members committed $3 billion in 2024, representing 24% of global public finance to the sector. The low investment levels indicate significant barriers to mobilizing private capital for industrial decarbonization projects. Nonetheless, 2024 marked substantial growth, albeit from a low base, with a 39% increase from 2023 and a 266% increase from 2022. By sustaining this growing momentum, IDFC members can help to unlock the sector's exceptional mitigation potential through targeted financing instruments that address technology risks and enable industrial transformation at scale.

II. TRACK GREEN FINANCE RESULTS.

IDFC members are well placed to leverage scarce concessional resources to shift markets and systems. Creating a stronger evidence base on outcomes can help ensure that limited funds are targeted where they catalyze the greatest change.

The Club can play an important role in the global conversation on climate-finance quality by:

- Building consensus and convergence in results measurement across public providers;
- Encouraging a mindset shift to track not only project outcomes but also market effects and system changes; and[83]
- Operationalizing a common results template and indicator set anchored in the Joint MDB Common Approach to Measuring Climate Results.

81 Water Finance Coalition, 2025. Public Development Banks' Investments in Water and Sanitation (2021–2023). Available at: https://www.waterfinancecoalition.org/_files/ugd/396d29_a63ec1db01c242109f9a5d4d7c223713.pdf

82 CPI, 2025. Top-down climate finance needs. Available at: https://www.climatepolicyinitiative.org/publication/top-down-climate-finance-needs/

83 CPI, 2025. Understanding the Quality of Climate Finance. Available at: https://www.climatepolicyinitiative.org/wp-content/uploads/2025/07/Understanding-the-Quality-of-Climate-Finance.pdf

4. PUBLIC DEVELOPMENT BANKS AND THE BAKU-TO-BELÉM ROADMAP

At COP29, countries agreed on a new collective climate finance goal (NCQG)—mobilizing at least $1.3 trillion per year in international climate finance by 2035 to support developing countries' climate action.[84] In turn, the so-called "Baku–to–Belém Roadmap" was launched, which is intended to offer a blueprint for scaling up climate finance to the level articulated in the NCQG over the next decade. The Roadmap aims to build out a compelling investment case, with associated action items, for climate action rooted in national economic development. It will outline practical strategies for: reforming the multilateral financial system; expanding and improving access to concessional climate finance; creating country platforms and the domestic capacity needed to attract sustainable investments; developing innovative financial instruments for private capital mobilization; and strengthening the regulatory frameworks needed for climate finance to flow.[85]

PDBs are expected to play a crucial bridging role in the implementation of the Baku-to-Belém Roadmap. They are uniquely positioned to connect international resources with domestic priorities, leveraging their public mandates and local presence to translate global climate goals into on-the-ground investments. As highlighted during COP29 discussions, the ongoing reform of the international financial architecture is putting PDBs in the spotlight as key players in mobilizing and channeling resources toward a just transition aligned with each country's specific context and needs.[86]

Within the PDB ecosystem, the IDFC stands out for its scale and local grounding. With a combined asset base of around $4 trillion and annual commitments exceeding $800 billion (IDFC, 2024), the IDFC represents one of the largest pools of public climate financiers outside the multilateral system. IDFC members are publicly owned institutions with development mandates and national/regional presence, which aligns them closely with their countries' policy priorities and development plans. This local anchoring means IDFC members possess on-the-ground networks and intimate knowledge of domestic markets (from municipal authorities and utilities to local businesses and communities). Moreover, IDFC banks can serve as a critical bridge between global and local finance. They are able to absorb and on-lend funds from MDBs or multilateral climate funds in cases where individual projects or borrowers are too small or risky for those international actors to reach directly.[87]

The remainder of this chapter examines how PDBs, and the IDFC in particular, are translating the Roadmap's priorities into action, focusing on three key areas in particular where IDFC and its members are making important contributions: (1) implementing Article 6 carbon market mechanisms; (2) leveraging "country platform" approaches to mobilize investment; and (3) defining and operationalizing transformational finance. These areas correspond to the Roadmap's emphasis on innovative financing mechanisms, stronger domestic investment frameworks, and the use of public finance to yield transformational outcomes.

Implementing Article 6: carbon markets and PDB support

Article 6 mechanisms allow countries (and the private sector) to trade emissions reductions, effectively generating carbon credits that finance mitigation projects. The Baku–Belém Roadmap highlights robust carbon markets as a way to unlock additional finance for decarbonization, and it calls for building the infrastructure for credible trading systems.[88] PDBs are expected to be key enablers by providing the financial and technical support needed to get Article 6 transactions off the ground. Action areas include, among others: supporting countries in elaborating robust NDCs, referring to Article 6 as additional mitigation efforts; establishing measurement, reporting, and verification (MRV) systems; and offering upfront capital for emissions-reduction projects or risk-sharing schemes for private sector investments. PDBs would also be able to guarantee high environmental and social integrity standards for these projects, which should show additionality in terms of emissions reductions, as well as co-benefits (for instance, yielding biodiversity or social benefits).

To date, the IDFC has actively advanced work on Article 6 implementation, both collectively and at the level of

84 UNFCCC, 2024. Baku to Belém Roadmap to $1.3 trillion: launch of scaling-up climate finance goal. Available at: https://unfccc.int/topics/climate-finance/workstreams/baku-to-belem-roadmap-to-13t

85 CPI, 2025. Advancing the Baku-to-Belém Climate Finance Roadmap. Available at: https://www.climatepolicyinitiative.org/wp-content/uploads/2025/05/Advancing-the-Baku-to-Belem-Climate-Finance-Roadmap.pdf

86 IDFC, 2024. COP29 IDFC: The IDFC Pavilion at COP29 – Week 1 (12–15 Nov) & Week 2 (17–21 Nov). Available at: https://www.idfc.org/cop29idfc/

87 WRI, 2025. National Development Banks Can Do More to Help Drive Countries' Green Transformations. Available at: https://www.wri.org/insights/national-development-banks-climate-finance

88 IETA, 2025. "Baku to Belém Roadmap to 1.3 T" – Submission on behalf of business voice on carbon markets. Available at: https://unfccc.int/sites/default/files/resource/IETA_Baku2Belem_Roadmap.pdf

individual members. During COP29 in Baku, the IDFC Climate Facility co-hosted panels on operationalizing carbon credit mechanisms, during which members shared practical experiences in setting up trading frameworks.[89] Indeed, several IDFC members are located in countries or regions that have committed to engaging with the international carbon credit market; for example, the European Commission recently indicated that its 2040 climate target would include provisions to use high-quality international carbon credits.[90] Moreover, several IDFC members are located in countries or regions where the potential for eligible projects is high. BNDES, for example, already has a track record of directly purchasing carbon credits and investing in projects that rely on carbon credit sales to generate revenue. In 2024, it financed a private-sector reforestation project—via the Arc of Restoration program—which relied on carbon credit revenues.[91] Overall, despite the challenges and complexities inherent to this financing mechanism, carbon markets are a viable option for financing climate action and PDBs, including IDFC members, which have an essential role to play in enabling the growth of high-integrity markets in their country or region of operation.

Leveraging Country Platforms to mobilize investment

A country platform is a country-led investment framework that coordinates various funding sources (public, private, domestic, international) around a coherent national program or transition plan. By working through country platforms, climate finance can be deployed in a more programmatic, coordinated, and context-specific manner, rather than through isolated projects.[92] PDBs are expected to be central to this approach, as they can anchor these platforms domestically and help attract diverse investors. Instruments such as guarantees and local currency credit lines, which NDBs are well-positioned to offer, have been highlighted as critical tools to catalyze private investment through country platforms (AFD, 2025). Indeed, the Global Guarantee Platform,[93] an initiative led by FiCS and the IDFC alongside the Multilateral Investment Guarantee Agency (MIGA) of the World Bank Group, is particularly relevant as a platform that will equip national and regional development banks with scalable guarantee instruments in order to facilitate the flow of private capital into climate- and SDG-aligned investments.[94]

Moreover, the Global Financing Playbook—a joint initiative between FiCS, IDFC, AIIB, and UNDP—outlines four key pillars of action to operationalize country-led priorities, one of which focuses specifically on embedding impact measurement and management into investment decisions, with a view towards maximizing sustainability outcomes per dollar invested.[95] To this end, the Playbook emphasizes the need for and importance of establishing standardized impact frameworks and clear impact metrics, with increased data sharing to monitor progress and improve collective action.[96]

Some IDFC members have already played leading roles in developing country platforms. An example is the Just Energy Transition Partnership (JETP) in South Africa, one of the earliest and most developed country platforms focused on shifting from coal to clean energy. To support the enabling environment for this plan, two IDFC member institutions (AFD and KfW) came together at COP27 to extend EUR 600 million in concessional policy-based loans to South Africa's National Treasury (UK Government, 2022). These low-interest loans were intended to facilitate critical energy sector reforms identified in the JETP. At the same time, DBSA has been instrumental in the JETP's implementation, acting as a financial intermediary and project originator within the country platform. Additionally, in Brazil, BNDES has played a leading role in advancing the country's Ecological Transformation Investment Platform, which aims to connect viable projects with financing for nature-based climate solutions, industry, mobility, and energy (CPI, 2025). Moving forward, BNDES will serve as the Platform's Secretariat, overseeing its day-to-day operations (GFI, 2025). Looking ahead, additional country platforms are expected to be launched in the near-term,[97] reinforcing the need to demonstrate tangible progress and measurable outcomes among existing initiatives.

89 IDFC, 2024. COP29 IDFC: The IDFC Pavilion at COP29 – Week 1 (12–15 Nov) & Week 2 (17–21 Nov). Available at: https://www.idfc.org/cop29idfc/

90 European University Institute, 2024. Carbon markets under Article 6 of the Paris Agreement. Available at: https://fsr.eui.eu/carbon-markets-under-article-6-of-the-paris-agreement/

91 CPI, 2025. Role of Public Development Banks in Supporting Domestic Carbon Markets. Available at: https://www.climatepolicyinitiative.org/wp-content/uploads/2025/03/Role-of-Public-Development-Banks-in-Supporting-Domestic-Carbon-Markets.pdf

92 CPI, 2024. Country-Sector Platforms. Available at: https://compass.climatepolicyinitiative.org/themes/country-platforms/country-sector-platforms

93 Pilot transactions are expected from 2026.

94 UNFCCC, 2024. BB1.3 T – FiCS & IDFC. Available at: https://unfccc.int/sites/default/files/resource/BB1.3T_FiCS_IDFC.pdf

95 IDFC, 2025. Global Financing Playbook – Fostering Collaboration Across Finance and Development Institutions. Available at: https://www.idfc.org/wp-content/uploads/2025/06/global-financial-playbook-fostering-collaboration-across-finance-and-development-institutions.pdf

96 IDFC, 2025. Global Financing Playbook – Fostering Collaboration Across Finance and Development Institutions. Available at: https://www.idfc.org/wp-content/uploads/2025/06/global-financial-playbook-fostering-collaboration-across-finance-and-development-institutions.pdf

97 CGD, 2025. Platforms that Perform: Helping the Next Generation of Country Platforms Deliver. Available at: https://www.cgdev.org/blog/platforms-perform-helping-next-generation-country-platform-deliver.

Toward transformational finance: from projects to systemic impact

Achieving the climate goals embedded in the Baku–Belém Roadmap will require not just more investment, but smarter and more transformative uses of finance. PDBs, especially international and regional ones, are seen as crucial agents of change in delivering transformational finance. PDBs can go beyond traditional project lending and utilize their instruments and expertise to drive broader shifts, effectively triggering systemic changes that enable a redirection of all financial flows—public and private—to align with low-carbon and climate-resilient development.[98] They can help shape policies, pioneer new financing models, and coordinate across stakeholders to tackle structural barriers.

At COP29, a broad coalition of financial actors was launched to advance this agenda. The "Making Finance Work for Climate" Coalition, co-led by IDFC, the Finance in Common (FiCS) network, UNEP Finance Initiative, the Principles for Responsible Investment (PRI), and the Mainstreaming Climate Initiative, among others, advocates for an efficient use of climate finance to drive transformation. The Coalition came together in Baku to push for integrating principles of transformational finance into the post-2025 climate finance framework.[99]

In the lead-up to COP30, the GCF has joined the discussions. The coalition emphasizes that it is essential to ensure finance is deployed strategically and efficiently to accelerate low-carbon, climate-resilient development. It seeks to characterize (under a shared framework of principles) and subsequently maximize transformational finance; that is, finance with systemic and/or catalytic effects in the context of implementing the objectives of the Paris Agreement. In doing so, the Coalition sends a strong signal to PDBs (international and national), helping them to realize their optimal role as "agents of change" in support of whole-of-economy transformations. Nonetheless, achieving this will also require strengthening capacity for long-term, climate-resilient, and low-carbon planning at the country level, along with identifying country-level transition risks. Here, key actors like the vertical climate and environmental funds, which offer readiness support—including the GCF—can play an essential supporting role.

98 FiCS, 2025. FiCS' contribution for FfD4: Unlocking the potential of public development banks for sustainable development. Available at: https://www.financeincommon.org/sites/default/files/2025-02/RAPPORT%20FiCS%20-%20Confe%CC%81rence%20FfD%204%20-%20Digital%20Version.pdf

99 IDFC, 2024.Major Global Financial Coalition Unites on Transformative Climate Finance Agenda at COP29. Available at: https://www.idfc.org/wp-content/uploads/2024/11/press-release-making-finance-work-for-climate-final-clean.pdf

5. CONCLUSION

In 2024, IDFC members recorded $174 billion in green finance commitments, a 13% decrease from the previous year. This reflects tighter macroeconomic conditions, exchange-rate effects, and shifts at a few large institutions. Yet, momentum broadened beneath the headline figures: over 60% of reporting members (14 institutions) increased their green commitments, and adaptation rebounded strongly, rising 54% year-on-year. However, mitigation finance fell by 23%. Meanwhile, IDFC members have continued to strengthen their climate ambition at the institutional level. Over the past five years, Club members have adopted new or updated climate commitments. As of 2024, 14 members reported at least one time-bound climate target (e.g., a net-zero commitment), and seven reported implementing core mainstreaming measures (e.g., coal exclusion lists), suggesting a higher likelihood of sustained growth in climate finance under a stronger enabling environment.

The IDFC continues to play a pivotal role in the global green finance landscape. As one of the largest groupings of national and regional PDBs, members provided over 40% of global public climate finance from 2019 to 2023, and about 14% of international public climate finance in 2024, underscoring the Club's systemic weight and reach. With more than $4 trillion in assets and over $1.3 trillion in annual commitments in 2024, the IDFC's national mandates and local presence position members to channel capital where private finance is scarce, while improving tracking quality (including increased project-level reporting) strengthens credibility and comparability. Maintaining this role and raising ambition where possible will be essential to close the investment gaps, particularly in underserved markets.

With economic growth under pressure and resources scarce, the priority is to direct limited public finance to the most underfunded areas and to sharpen the link between monetary values and measurable results. Three areas stand out: AFOLU and fisheries (which is vital for agrifood systems) require strong derisking to unlock private investment; water and wastewater rely on public finance and benefit from blended solutions that protect essential services; while industry offers large mitigation potential but needs targeted instruments to hasten technology adoption. Moreover, members are encouraged to mainstream results measurement, using clear indicators and consistent assessment, and work with other public providers toward common definitions and metrics that link financial inputs to outcomes.

Additionally, the Baku–to–Belém Roadmap, anchored by the new collective quantitative goal to mobilize at least $1.3 trillion per year by 2035 in international climate finance for developing countries, places PDBs at the center of the scale-up of climate finance. The IDFC and its members are already translating this agenda into action by: (i) operationalizing Article 6 on carbon markets (e.g., Brazil's ProFloresta+ combining sovereign demand with PDB lending); (ii) anchoring country platforms to mobilize investment (e.g., South Africa's JETP supported by AFD, KfW and DBSA); and (iii) advancing transformational finance through coalitions such as Making Finance Work for Climate. Leveraging scale, local knowledge, and peer coordination, the IDFC can convert Roadmap priorities into bankable programs that mobilize private capital and deliver systemic impact aligned with resilient, low-carbon development.

6. APPENDIX

6.1 IDFC OECD MEMBER ORGANISATIONS

REGION	ORGANISATION
Europe	Agence Française de Développement (AFD), France
	Black Sea Trade and Development Bank (BSTDB), Greece
	Cassa Depositi e Prestiti (CDP), Italy
	Industrial Development Bank of Türkiye (TSKB), Türkiye
	KfW Bankengruppe, Germany
Central and South America	Nacional Financiera (NAFIN), Mexico
	Bancoldex S.A., Colombia
Asia and MENA	The Korea Development Bank (KDB), South Korea
	Japan International Cooperation Agency (JICA), Japan

6.2 IDFC NON-OECD MEMBER ORGANISATIONS

REGION	ORGANISATION
Europe	Croatian Bank for Reconstruction and Development (HBOR), Croatia
Central and South America	Banco de Inversion y Comercio Exterior S.A. (BICE), Argentina
	Banco Nacional de Desenvolvimento Econômico e Social (BNDES), Brazil
	Central American Bank for Economic Integration (BCIE/CABEI), Honduras
	Corporación Financiera de Desarrollo S.A. (COFIDE), Peru
	Development Bank of Latin America (CAF), Peru
Africa	Banque Ouest Africaine de Développement (BOAD), Togo
	Rwanda Development Bank (BRD)
	Caisse de Dépôt et de Gestion (CDG), Morocco
	Development Bank of Southern Africa (DBSA), South Africa
	The Trade and Development Bank (TDB), Burundi
	Africa Finance Corporation (AFC)
Asia and MENA	China Development Bank (CDB), China
	PT Sarana Multi Infrastruktur (Persero) (PT SMI), Indonesia
	Small Industries Development Bank of India (SIDBI), India
	Islamic Corporation for the Development of the Private Sector (ICD), Saudi Arabia

6.3 METHODOLOGY

DEFINITIONS AND TERMINOLOGY

With no standardized and internationally agreed-upon definitions for green and climate finance, this methodology provides working definitions for both the terminologies. Green finance is a broad term that can refer to financial investments flowing into sustainable development projects and initiatives, environmental products, and policies that encourage the development of a more sustainable economy. Green finance includes: (i) climate finance; (ii) biodiversity finance (including, for example, for water supply, wastewater treatment, biodiversity conservation and waste management); and (iii) finance for other environmental objectives, that is, finance for all those activities that have no climate and biodiversity co-benefits.

Within climate finance, mitigation financial flows refer to investments in projects and programs that contribute to reducing or avoiding GHG emissions, whereas adaptation financial flows refer to investments that contribute to reducing the vulnerability of goods and persons to the effects of climate change. Thus, for the purposes of the mapping exercise, green finance is split into five separate categories/themes:

- Mitigation
- Adaptation
- Dual objectives (projects with both mitigation and adaptation elements)
- Biodiversity
- Other environmental objectives

To provide accurate and comparable data for this mapping exercise, a consistent categorization of mitigation and adaptation activities was agreed to by IDFC members, taking into consideration the outcomes of the MDBs-IDFC Common Principles for Climate Finance Tracking. Since 2024, IDFC members have further agreed on a categorization of biodiversity activities. The mapping exercise adopted a two-step approach based on:

- A global definition of mitigation, adaptation, and biodiversity projects. A list of definitions is provided in Table A1.
- A core list of project categories that were consensually accepted by all IDFC members as projects that typically contribute to tackling climate change. A list of project categories is provided in Table D1.

The categories were adopted from the 2011 IDFC GFM methodology and updated in accordance with the MDBs-IDFC Common Principles for Climate Finance Tracking. As there are significant challenges to unambiguously attributing specific investments to only one of the four themes, it was decided to split each theme into separate subcategories with clear project activity examples. The category on green energy and mitigation was also disaggregated further into sub-subcategories, based on the developed MDBs-IDFC Common Principles for Climate Mitigation Finance Tracking. This approach also helps to avoid double-counting of projects. Additional details on the themes, subcategories, and sub-subcategories are provided in Table D. In those cases where IDFC members did not have, or refrained from providing, subcategory information, non-attributed data were provided.

In 2021, MDBs and IDFC agreed and released new *Common Principles for Climate Mitigation Finance Tracking*, which were subsequently updated in 2023. The new Common Principles take into account new mitigation activities in line with the structural changes required for the Paris Agreement. Since 2015, the MDBs and IDFC have been tracking their adaptation finance through the application of a joint methodology. In 2022, the joint adaptation methodology was updated by the MDB Group, which IDFC then adopted a year later as the *Common Principles for Climate Change Adaptation Finance Tracking* (2023). The new Adaptation Common Principles adopt a more conservative approach to identifying and quantifying adaptation finance. Most IDFC members are still preparing to implement the updated methodology. These newly released Common Principles will be reflected in future iterations of the GFM exercise and reporting requirements. Similarly, the methodology for tracking biodiversity finance will be further enhanced to integrate any relevant developments from the UN Biodiversity Conference (COP16) regarding the Post-2020 Global Biodiversity Framework.

In this study, the data provided are for financial flows committed in 2024, in the form of, inter alia, loans (concessional and non-concessional), grants, guarantees, equity, and mezzanine finance. A definition of financial instruments is provided in Table B2. New commitments refer to financial commitments signed or approved by the board of the reporting institution during 2024. Cross-financial flows between IDFC banks are minimal in the green financing area and hence are not accounted for in the assessment.

Table A3 shows the regional grouping used for the analysis of green finance flows in this report, and Table A4 provides a definition of private sector co-financing.

Table A1. Definition of Categories/Themes

BIODIVERSITY		**SOURCE**
Definition	An activity will be classified as biodiversity-related (score Principal or Significant) if it promotes at least one of the three objectives of the Convention on Biological Diversity (CBD): (1) the conservation of biodiversity, (2) sustainable use of its components (ecosystems, species or genetic resources), or (3) fair and equitable sharing of the benefits of the utilization of genetic resource.	OECD DAC (2018)
CLIMATE-CHANGE MITIGATION		**SOURCE**
Definition	An activity will be classified as related to climate change mitigation if it promotes "efforts to reduce or limit GHG emissions or enhance GHG sequestration". Reporting according to the Principles does not imply evidence of climate change impacts and any inclusion of climate change impacts is not a substitute for project-specific theoretical and/or quantitative evidence of GHG emission mitigation; projects seeking to demonstrate climate change impacts should do so through project-specific data	MDBs-IDFC Common Principles for Climate Mitigation Finance Tracking V2
Criteria for Eligibility	Where data are unavailable, any uncertainty is to be overcome following the principle of conservativeness where climate finance is preferred to be under-reported rather than over-reported • The Principles are activity-based as they focus on the type of activity to be executed, and not on its purpose, the origin of the financial resources, or its actual results. The list of activities eligible under these principles are illustrated in Table 1. • Project reporting is ex-ante project implementation at board approval or financial commitment. • Climate finance tracking is independent of GHG accounting reporting in the absence of a joint GHG methodology. • The Principles require mitigation activities to be disaggregated from non-mitigation activities as far as reasonably possible. If such disaggregation is needed and not possible using project specific data, a more qualitative/experience-based assessment can be used to identify the proportion of the project that covers climate mitigation activities, consistent with the conservativeness principle. This is applicable to all categories, but of particular significance for energy efficiency projects. • Mitigation activities or projects can consist of a stand-alone project, multiple stand-alone projects under a larger programme, a component of a stand-alone project, or a programme financed through a financial intermediary. • In fossil fuel combustion sectors (transport, and energy production and use), the methodology recognizes the importance of long-term structural changes, such as the energy production shift to renewable energy technologies, and the modal shift to low-carbon modes of transport. Consequently, for renewable energy and transport projects ensuring modal shift, both new and retrofit projects are included. In energy efficiency, however, the methodology acknowledges that drawing the boundary between increasing production and reducing emissions per unit of output is difficult. Consequently, greenfield energy efficiency investments are included only in few cases when they enable preventing a long-term lock-in in high carbon infrastructure, and, for the case of energy efficiency investments in existing facilities, it is required that old technologies are replaced well before the end of their lifetime, and new technologies are substantially more efficient than the replaced technologies. Alternatively, it is required that new technologies or processes are substantially more efficient than those normally used in greenfield projects. • The methodology assumes that care will be taken to identify cases when projects do not mitigate emissions due to their specific circumstances.	MDBs-IDFC Common Principles for Climate Mitigation Finance Tracking V2
CLIMATE-CHANGE ADAPTATION		**SOURCE**
Definition	Adaptation finance tracking relates to tracking the finance for activities that address current and expected effects of climate change, where such effects are material for the context of those activities. Adaptation finance tracking may relate to activities consisting of stand-alone projects, multiple projects under larger programmes, or project components, sub-components or elements, including those financed through financial intermediaries.	IDFC-MDBs Common principles for climate change adaptation

Criteria for Eligibility	Adaptation finance tracking process consists of the following key steps: • Setting out the context of risks, vulnerabilities and impacts related to climate variability and climate change; • Stating the intent to address the identified risks, vulnerabilities and impacts in project documentation; • Demonstrating a direct link between the identified risks, vulnerabilities and impacts, and the financed activities. Adaptation finance tracking requires adaptation activities to be disaggregated from non-adaptation activities as far as reasonably possible. If disaggregation is not possible using project specific data, a more qualitative or experience-based assessment can be used to identify the proportion of the project that covers climate change adaptation activities. In consistence with the principle of conservativeness, climate finance is underreported rather than over-reported in this case.	IDFC-MDBs Common principles for climate change adaptation

Table A2. Definition of Instruments

INSTRUMENT	DEFINITION
Loans	A loan is a debt evidenced by a note that specifies, among other things, the principal amount, interest rate, and date of repayment.
...of which concessional loans	Loans which are extended on terms substantially more generous than market loans. The concessionality is achieved either through interest rates below those available on the market or by longer pay back periods or a combination of these.
...of which non-concessional loans	Loans with regular market conditions.
Grants	Grants are transfers made in cash, goods, or services for which no repayment is required.
Other Instruments includes	
Guarantee	Formal assurance that liabilities of a debtor will be met if the debtor fails to settle the debt.
Equity	A stock or any other security representing an ownership interest.

Table A3. Definition of Regions (adapted from the World Bank)

EAST ASIA AND THE PACIFIC	EASTERN EUROPE AND CENTRAL ASIA	LATIN AMERICA AND THE CARIBBEAN	MIDDLE EAST AND NORTH AFRICA	SOUTH ASIA
American Samoa	Albania	Antigua and Barbuda	Algeria	Afghanistan
Cambodia	Armenia	Argentina	Djibouti	Bangladesh
China	Azerbaijan	Belize	Egypt, Arab Rep.	Bhutan
Fiji	Belarus	Bolivia	Iran, Islamic Rep.	India
Indonesia	Bosnia and Herzegovina	Brazil	Iraq	Maldives
Kiribati	Georgia	Chile	Jordan	Nepal
Korea, Dem. Rep.	Kazakhstan	Colombia	Lebanon	Pakistan
Lao PDR	Kosovo	Costa Rica	Libya	Sri Lanka
Malaysia	Kyrgyz Republic	Cuba	Morocco	
Marshall Islands	Macedonia, FYR	Dominica	Syrian Arab Republic	
Micronesia, Fed. Sts	Moldova	Dominican Republic	Tunisia	
Mongolia	Montenegro	Ecuador	West Bank and Gaza	
Myanmar	Russian Federation	El Salvador	Yemen, Rep.	
Palau	Serbia	Grenada		
Papua New Guinea	Tajikistan	Guatemala		
Philippines	Türkiye	Guyana		

EAST ASIA AND THE PACIFIC	EASTERN EUROPE AND CENTRAL ASIA	LATIN AMERICA AND THE CARIBBEAN	MIDDLE EAST AND NORTH AFRICA	SOUTH ASIA
Samoa	Turkmenistan	Haiti		
Singapore	Ukraine	Honduras		
Solomon Islands				
Thailand	Uzbekistan	Jamaica		
Timor-Leste		Mexico		
Tuvalu		Nicaragua		
Tonga		Panama		
Vanuatu		Paraguay		
Vietnam		Peru		
		St. Lucia		
		St. Vincent and the Grenadines		
		Suriname		
		Uruguay		
		Venezuela, RB		

SUB-SAHARAN AFRICA		EU	Others
Angola	Mauritania	Austria	Trans-regional Include funds that are channelled to more than one region and/or that are channelled through multilateral climate funds.
Benin	Mauritius	Belgium	
Botswana	Mozambique	Bulgaria	
Burkina Faso	Namibia	Cyprus	Australia
Burundi	Niger	Czech Republic	Canada
Cameroon	Nigeria	Denmark	Japan
Cabo Verde	Rwanda	Estonia	United States
Central African Republic	São Tomé and Principe	Finland	United Kingdom
Chad	Senegal	France	Norway
Comoros	Seychelles	Germany	
Congo, Dem. Rep.	Sierra Leone	Greece	
Congo, Rep	Somalia	Hungary	
Côte d'Ivoire	South Africa	Ireland	
Eritrea	South Sudan	Italy	
Ethiopia	Sudan	Latvia	
Gabon	Swaziland	Lithuania	
Gambia, The	Tanzania	Luxembourg	
Ghana	Togo	Malta	
Guinea	Uganda	Netherlands	
Guinea-	Zambia	Poland	
Bissau	Zimbabwe	Portugal	
Kenya		Romania	
Lesotho		Slovakia	
Liberia		Slovenia	
Madagascar		Spain	
Malawi		Sweden	
Mali			

Table A4. Definition of Private Sector Co-financing

Definition	The asset financed is in private ownership (>= 50%) ("private investment") AND/OR the financial contribution comes from a private sector actor ("private capital")	DFI climate finance questionnaire
Criteria for Eligibility	Loans by private sector actors mobilised by IDFC member loans Loans by private sector actors mobilised by IDFC member equity positions Loans by private sector actor mobilised by IDFC member guarantees Equity from private sector mobilised by IDFC member loans Equity from the private sector actor mobilised by IDFC member equity positions Loans by private sector actor mobilised by IDFC member grants (e.g., to cover costs of a renewable energy feed-in law or premium or CO2-certificates in the CDM) Equity from private sector actor mobilised by IDFC member grants (e.g., to cover costs of a renewable energy feed-in law or premium or CO2-certificates in the CDM) Loans to the private sector generated by the revolving use of credit lines or green funds (subtract original loan to avoid double counting) Loans and equity mobilised from the private sector in other ways under Public-Private-Partnerships (PPP)	
Sampling vs. complete coverage	It is acceptable to derive representative mobilisation factors (e.g., 1.5 for revolving credit lines to banks or 1.5 for equity in project finance) for homogenous fractions of the portfolio based on a representative subset of projects.	
Several public sector actors are involved	Allocate mobilised investment on a pro-rata basis to different public financiers independent of the specific instruments applied.	

Table A5. Definition of Climate Policies

Definition	Specific climate strategy that the institution acts upon	IDFC Green Finance Mapping
Specifications	Environment rate: rate that shows the proportion of commitments regarding environmental topics compared to total commitments Climate guidelines for new projects (like ESG standards): inclusion of environmental, social and governance criteria/guidelines/policies in investment analysis and decision processes	

PROCESS

As in previous years, mapping is conducted in three stages:

i. **Collecting data on commitments using a survey template filled out by member institutions.** All commitments were reported in U.S. dollars, which institutions converted using BIS exchange rate data where required.[100] Detailed guidelines were provided to IDFC members on the categorization of projects and the use of this template, including standardized definitions of regions, categories, and instruments, as well as lists of eligible projects and methodologies for estimating private finance mobilization. Specific guidelines for the biodiversity component of the survey are further detailed in Section 2.1.

ii. **Checking the data and verifying the reliability and consistency of reporting.** Institutions were encouraged to note and report any deviations from the guidelines, and inconsistencies were identified and corrected. In cases of uncertainty, the reported estimates are conservative, following a preference for under-reporting rather than over-reporting green finance.

iii. **Analysing the cleaned dataset and presenting findings at aggregate and entity levels.** Commitments by individual institutions were published for the first time in the 2017 GFM exercise. This edition primarily analyzes the Club's commitments over the last five years for which data is available (2019-2023).

100 Average annual exchange rates were drawn from the BIS Data Portal (BIS, 2025).

The 2024 GFM is based on survey responses from 23 out of 26 IDFC members, the best participation rate so far.[101],[102] Out of these, eight institutions reported financial commitments to biodiversity in 2023, the most to date. There was one institution that reported its green finance commitments for the first time in the past five years, CDG. Annual fluctuations in the number of reporting institutions and in coverage across green finance activities inevitably affect year-to-year comparisons.

Another new and important component of the 2024 GFM exercise was the shift towards better reporting and increased transparency through the provision of project-level data. Indeed, high-quality project-level data is the gold standard for green finance tracking, ensuring finance is accurately classified (whether climate, biodiversity or green more generally) while also facilitating deeper, more meaningful analysis of flows. Eleven members were able to fully report project-level data this year, while an additional member partially reported on key projects in their portfolio, in addition to fully reporting aggregate data. The hope is that IDFC members will continue to make progress on this front so that all members will eventually have the ability and resources to provide granular data for the GFM, ensuring high levels of transparency and credibility behind IDFC's green finance numbers.

BIODIVERSITY FINANCE TRACKING

The methodology used to track biodiversity finance flows builds upon prior work of IDFC in the report "Benchmarking report on Biodiversity Practices of Development Banks" (IDFC, 2020b) and the study on "Testing of Reporting Methodologies on Biodiversity Finance" (Belvaux, 2020). It is based on the OECD approach using the Common Reporting Standard (CRS) codes and the Rio Markers rating system.

This is the fourth year that biodiversity is included in the GFM survey as a separate dedicated section. In previous years, IDFC members could report on biodiversity as a sub-category of the 'Other Environment' category. Building on the work done in 2021, IDFC members can once again report their financial flows targeting biodiversity, either as a principal objective or as a significant objective (or co-benefit) of interventions addressing climate or other environmental issues. Members could report biodiversity-relevant finance at the project or aggregate level.

Only positive contributions to biodiversity, also known as 'net gains', are tracked as biodiversity finance. Compliance with 'do no significant harm principles' and contributions to achieve neutrality or to mitigate environmental risks when undertaking projects[103] were not counted to follow the principle of conservativeness. The GFM survey template leaves room for IDFC members to report qualitative information on best practices or specific procedures related to net gains.

As stated by the OECD Development Assistance Committee (DAC), to be relevant for biodiversity, an activity should comply with at least one of the following eligibility criteria:

- Conservation or enhancement of ecosystems, species or genetic resources, and/or enhancement of the sustainability of their use, through *in-situ* or *ex-situ* measures, or the restoration of existing damages; or

- Integration of biodiversity and ecosystem services concerns within recipient countries' development objectives, economic decision-making and sectoral policies, through measures such as institution building, capacity development, strengthening the regulatory and policy frameworks, research, technology transfer, knowledge management and stakeholder engagement; or

- Elimination, phasing out or reform of incentives, including subsidies, harmful to biodiversity *and* provision of positive incentives for the conservation and sustainable use of biodiversity; or

- Maintenance of genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species; or

- Fair and equitable sharing of the benefits arising from the utilization of genetic resources, including by appropriate access to these resources and by appropriate transfer of relevant technologies, as agreed internationally; or

101 The 23 respondents for 2023 data included AFD, AFC, Bancoldex, BICE ,BNDES, BOAD, BSTDB, CABEI, CAF, CDB, CDG, CDP, DBSA, HBOR, ICD, JICA ,KDB, KfW, NAFIN, PT SMI, SIDBI, TDB, TSKB. Additionally, AFC, AFD, BNDES, CAF, CDB, JICA, KfW and NAFIN also reported their biodiversity finance commitments. There were 22 respondents on 2022 data (7 respondents for biodiversity), 20 respondents on 2021 data, 21 respondents on 2020 data, 22 respondents for 2019, 17 respondents for 2018, 18 respondents for 2017, and 20 respondents for 2016 and 2015.

102 KfW reports its GFM data partially based on their national green financing reporting methodology.

103 As defined by environmental safeguards published by ADB (2021), AFD (2018) and IFC (2021).

- Developing countries' efforts to meet their obligations under the Convention on Biological Diversity (CBD).

A comprehensive list of activities eligible to classify as biodiversity finance is included in Table D.1.nnAccording to the OECD DAC Marking scoring logic, the level of biodiversity relevance is indicated by a DAC Marker 1 or 2:

- **DAC Marker 2** indicates that the project has been undertaken specifically to contribute positively to biodiversity (principal objective).
- **DAC Marker 1** indicates that elements of the project contribute positively to biodiversity (significant objective).

Drawing on the DAC approach, the GFM weights finance for projects which are primarily dedicated to biodiversity conservation – "Biodiversity Conservation (2) – as 100% of their value (principal objective). "Biodiversity Conservation (1) projects, along with projects in other sectoral categories which have biodiversity benefits, are weighted as 30% of total financing,[104] or at the internal rate used by the reporting member institution if one is provided (significant objective/ co-benefit).

It should be noted that this methodology is not widely used yet: only eight out of the 26 IDFC members reported biodiversity finance in 2024. Common principles for biodiversity finance tracking, as they exist for climate finance, still need to be established in coherence with the post-2020 Global Biodiversity Framework, which outlines an ambitious plan to halt and reverse biodiversity loss to achieve a nature-positive world by 2030. While providing a first picture for tracking biodiversity investment, the methodology presented here could be refined to better reflect the Convention on Biological Diversity (CBD) goals (i.e., protection, restoration, integrated spatial management, governance, sustainable management of natural resources, and reduction of local pressures). So far, the flat rate applied to all projects marked as "DAC 1" does not allow for distinguishing between different levels of biodiversity relevance in eligible projects.

ELIGIBLE PROJECTS

Disaggregated data was collected as shown in Table D1 below. IDFC members were asked to disaggregate their financial commitments to: (i) mitigation of GHG emissions; (ii) adaptation to climate change; and (iii) biodiversity by sub-sector and activity, wherever possible.

104 30% was used as a conservative approach for mainstreaming biodiversity into climate projects, rather than the 40% more typically used/recommended by OECD guidance.

Eligible Project Categories (based on MDBs-IDFC Common Principles, 2021)

Category	Description and relevant CRS code	Maximum weight (%)	Examples of projects and activities
Biodiversity			
AFOLU, fisheries, and natural resources	312. Forestry projects include activities such as forest management, reforestation and rehabilitation of forestry, forestry policies, research and education activities that are likely to include biodiversity concerns as their **significant** objective. Some activities (such as monocrop commercial afforestation) might have negative impact on biodiversity and the marker shall be awarded on a case-by-case basis.	30 or internal rate equivalent to DAC1	Facilitate reforms to address the governance, policy and market failures that cause and sustain illegal logging and associated trade. International conferences to enhance readiness on climate change response in the forestry sector and promote capacity building at the regional level.
	43040. Rural development that includes active protection for ecosystems, promotes biodiversity or improves access to the benefits of biodiversity and ecosystem services, would score 1 if biodiversity is a **significant** component.	30 or internal rate equivalent to DAC1	Integrated rural development and nature conservation.
	311. Agriculture activities are inherently linked to biodiversity conservation, sustainable use of its components and utilisation of genetic resources. Activities in this category can have both a positive or negative effect on biodiversity (e.g., sustainable agriculture vs. large monocultures) and can be scored against the biodiversity marker only if their **significant** objective is to contribute to the above-mentioned goals.	30 or internal rate equivalent to DAC1	The project aims at increased food security, preservation of bio-diversity and increase the income of small scale farmers by focusing on organic agricultural production. Integrated management of Rice Yellow Mottle Virus (RYMV) in lowland ecosystem.
	52010. Food aid and food security programmes can include biodiversity components, particularly when dealing with access and improvement of subsistence agriculture, most likely with score 1.	30 or internal rate equivalent to DAC1	Increase and improve food security and poverty reduction in Africa by adapting climate-smart agricultural technologies and strengthening the implementation of relevant national policies and programmes.
	313. Projects in the fishery sector will qualify against biodiversity if they promote a sustainable use of the resource, applying ecosystem-based approaches. Projects to avoid overfishing, and recovery plans and measures for depleted species will also qualify. Sustainability of fisheries entails that they have no significant adverse impacts on threatened species and vulnerable ecosystems and the impacts of fisheries on stocks, species and ecosystems are within safe ecological limits.	30 or internal rate equivalent to DAC1	Integration of biological diversity concerns into promotion of sustainable marine, coastal and inland fishing.
Water	14040. River basins' development activities could impact significantly the ecosystems. If they include biodiversity protection or sustainable use of its components among other objectives, they can be scored 1.	30 or internal rate equivalent to DAC1	Integration of biological diversity concerns into integrated watershed, catchment and river basin protection and management.
	14015. Water resources conservation is a key element to prevent environmental degradation and the loss of biodiversity. These activities, including data collection, usage of quantitative and qualitative data on water resources; creation and sharing of water knowledge; conservation and rehabilitation of inland surface waters (rivers, lakes etc.), ground water and coastal waters; prevention of water contamination, would be eligible for score 1 if biodiversity is mainstreamed among other goals.	30 or internal rate equivalent to DAC1	Improvement of livelihoods by reducing water pollution through environmental protection, conservation and recovery of natural resources (water and soil)
	1402X and 1403X. Water supply activities, particularly large ones, can have a strong impact on the circulation of surface and underground water and could thus impact biodiversity. The activities that include biodiversity concerns among their objectives would score 1.	30 or internal rate equivalent to DAC1	Development of water supply systems that protect the biodiversity of the affected ecosystems through sustainable management of water resources.
Waste water	1402X and 1403X. Sanitation activities could avoid or reduce the pollution of water ecosystems and thus protect their biodiversity. They most likely include biodiversity concerns as a significant objective among others.	30 or internal rate equivalent to DAC1	Sanitation and waste management activities that contribute to protecting biodiversity by avoiding pollution.

Category	Description and relevant CRS code	Maximum weight (%)	Examples of projects and activities
Waste management	14050. Waste, especially hazardous waste, can have a profoundly negative impact on biodiversity. Waste management projects that aim to prevent or remove wastes that can harm the environment and biodiversity would score [1].	30 or internal rate equivalent to DAC1	Developing a model of green municipality integrating solid waste and natural resource management practices.
Biodiversity/ conservation (DAC Marker 1)	41050. Flood prevention activities can contribute to biodiversity protection or sustainable use of ecosystems, avoiding the damages of flooding, including sea water intrusion and prevention of sea level rise. These activities are most likely to have biodiversity as a significant objective (score 1) but can also be marked as principal (score 2) if sufficient justification is available	30 or internal rate equivalent to DAC1	Protecting the coastal regions from the negative consequences of climate change (especially coastal erosion), through ecological and economical rehabilitation and protection measures
	730. Reconstruction relief and rehabilitation activities in the aftermath of a disaster can include biodiversity concerns in their activities and be eligible to be marked as such.	30 or internal rate equivalent to DAC1	Relief activities including rehabilitation of ecosystem in a coastal zone affected by oil spillage.
Biodiversity Conservation (DAC Marker 2)	41030. Including natural reserves and actions in the surrounding areas; other measures to protect endangered or vulnerable species and their habitats (e.g. wetlands preservation).	100	Maintain and improve waterfowl habitat for migratory species. The purpose of this project is to improve the protection of chimpanzees and other large mammals in the remaining forest blocks of the region.
	410. General environmental protection activities include environmental policy and administrative management, protection of terrestrial and marine areas, research and education. These activities are likely to have a positive impact on biodiversity and to address the objectives of the CBD. They can be marked for biodiversity as a principal objective after a case-by-case evaluation.	100	Sustainable management of the biodiversity in protected areas and forests. Conserve biodiversity and manage natural resources in ways that maintain their long-term viability and preserve their potential to meet the needs of present and future generations. Activities include combating illegal and corrupt exploitation of natural resources and the control of invasive species.
Urban Biodiversity	43030. Urban development and management: Integrated urban development projects can include measures to assure environmental sustainability and protection of the biodiversity in their activities, most likely as a significant objective.	30 or internal rate equivalent to DAC1	Capacity building for local municipalities to implement urban planning activities that include an ecological, sustainable, socially balanced and efficient steering of use of land. Project activities could range from local development and urban management; urban infrastructure and services; municipal finances; urban environmental management; urban development and planning; urban renewal and urban housing; land information systems.
	320. Projects in this category cover a wide range of activities that typically do not contribute to the objectives of the CBD. The ones that are more likely to be linked to biodiversity are Agro Industries (32161) and, in specific cases, Small and medium-sized enterprises (SME) development (32130). If they include an ecosystem or biodiversity component, they would score 1.	30 or internal rate equivalent to DAC1	Reduction of fluid and air pollutants from industry. Contribute towards the development of sustainable production and consumption practices in the rattan/ timber value chains that promotes responsible exploitation of the resource and protection of the environment.

Category	Description and relevant CRS code	Maximum weight (%)	Examples of projects and activities
Support to national, regional or local policy, through technical assistance or policy lending	110. The inclusion of biodiversity topics into wider educational programmes is eligible to be marked with the score 1.	30 or internal rate equivalent to DAC1	Mainstreaming of biodiversity themes into teaching, research, training and knowledge sharing activities.
	14010. Water sector policy and administrative management and 14081 Education and training in water supply and sanitation. Water sector policy and governance, including legislation, regulation, planning and management of projects, together with institutional capacity development and training activities, could have a strong impact on biodiversity. These activities would be eligible for score 1 if they include biodiversity among other goals.	30 or internal rate equivalent to DAC1	Community Driven Watershed Management for Climate Change Adaptation: Individuals, families and rural and urban communities actively involved in the management and implementation of the climate change adaptation agenda of their watershed, with knowledge about climate change and disaster risk reduction, with values and skills for protecting forests, soil, water, and biodiversity.
	410. General environmental protection activities include environmental policy and administrative management, protection of terrestrial and marine areas, research and education. These activities are likely to have a positive impact on biodiversity and to address the objectives of the CBD. They can be marked for biodiversity as a significant objective after a case-by-case evaluation.	30 or internal rate equivalent to DAC1	The project aims to provide technical and managerial tools for proper land use planning that protects the environment and promotes the improvement of income generating activities. Developing Agroforestry (agriculture and forestry technologies) to create more integrated, diverse, productive, profitable, healthy, and sustainable land-use systems.
Financing instruments	240. Banking and financial services Activities that support the banking and financial sector can be marked as biodiversity-related if they include activities such as biodiversity mainstreaming in investment projects (score 1).	30 or internal rate equivalent to DAC1	Support microfinance institutions to offer a new agricultural product which has been developed to support sustainable and environmentally friendly rural enterprises.

Category	Subcategory	Activities
'Other Environment'	Any other climate-related activities that do not fit the above descriptions	

6.4 DATA TABLES

MITIGATION	$ BILLIONS IN 2019	$ BILLIONS IN 2020
Transport	81.9	56
Renewable energy	35.1	35.1
Energy efficiency	26	40.2
Lower-carbon and efficient energy generation	5.1	2.9
Agriculture, forestry, and land-use	4.8	6.3
Cross-cutting issues	1.9	4
Miscellaneous and others—green energy and mitigation	5.2	0.4
Waste and wastewater	1.2	1.6
Unattributed	2.4	-
TOTAL	**163.5**	**146.4**

GREEN ENERGY AND MITIGATION OF GHG EMISSIONS	$ BILLIONS IN 2021	$ BILLIONS IN 2022	$ BILLIONS IN 2023	$ BILLIONS IN 2024[105]
Energy	60.2	86.7	71.3	65.2
Mining and metal production for climate action	0.0	0.0	0.0	0.3
Manufacturing	0.2	0.9	2.5	3.1
Agriculture, forestry and land-use and fisheries	4.8	4.4	3.4	1.0
Water supply and Wastewater	16.0	13.1	5.6	9.6
Solid waste management	1.2	0.3	0.8	0.4
Transport	59.1	95.8	60.8	32.3
Buildings, public installations and end-use energy efficiency	39.8	40.4	0.8	0.7
Information and communications technology (ICT) and digital technologies	0.5	0.2	0.0	0.2
Research, development and innovation	0.0	0.0	0.1	0.2
Cross-sectoral activities	4.8	2.9	29.8	22.4
TOTAL	**186.6**	**244.7**	**175.0**	**135.3**[106]

ADAPTATION TO CLIMATE CHANGE	$ BILLONS IN 2019	$ BILLIONS IN 2020	$ BILLIONS IN 2021	$ BILLIONS IN 2022	$ BILLIONS IN 2023	$ BILLIONS IN 2024[107]
Water preservation	11.2	14	12.5	25.1	5.8	10.0
Agriculture, natural resources and ecosystem-based adaptation	0.9	0.8	1.04	0.7	2.8	0.6
Other disaster risk reduction	6	10.2	5.4	3.2	0.3	3.8
Miscellaneous and others - Adaptation	0.5	1.1	0.9	2.5	1.1	0.1
Local, sectoral, or national budget support to a climate change adaptation policy	0.1	1.4	0.9	0.0	0.5	0.1
Coastal protection	0.03	0.05	0.16	0.13	0.0	0.0
TOTAL	**19.3**	**27.5**	**20.9**	**31.6**	**10.5**	**16.3**[108]

PROJECTS WITH ELEMENTS OF BOTH MITIGATION AND ADAPTATION	$ BILLONS IN 2019	$ BILLONS IN 2020	$ BILLONS IN 2021	$ BILLONS IN 2022	$ BILLONS IN 2023	$ BILLONS IN 2024
TOTAL	**3.9**	**4.7**	**5.2**	**5.6**	**11.0**	**9.3**

OTHER ENVIRONMENTAL OBJECTIVES	$ BILLONS IN 2020	$ BILLIONS IN 2021	$ BILLONS IN 2022	$ BILLONS IN 2023	$ BILLONS IN 2024
TOTAL	**1.4**	**3.5**	**2.0**	**0.2**	**4.5**

Note: from 2020, other environmental objectives was only tracked at the aggregated level.

BIODIVERSITY (double-counted and non-double-counted, total)	$ BILLIONS IN 2020	$ BILLIONS IN 2021	$ BILLIONS IN 2022
Agriculture and natural resources	2.1	1.34	1.6
Water preservation	3.4	2.9	7.3
Water supply	1.6	1.9	2.0
Waste water treatment	2.3	4.9	4.0
Industrial pollution control	-	-	0.3

105 JICA is not included in sectoral values for Mitigation.

106 TOTAL Mitigation including JICA commitments reaches $140 billion.

107 JICA is not included in the sectoral values for Adaptation.

108 TOTAL Adaptation including JICA commitments reaches $17.3 billion.

BIODIVERSITY (double-counted and non-double-counted, total)	$ BILLIONS IN 2020	$ BILLIONS IN 2021	$ BILLIONS IN 2022
Waste management	0.8	1.0	0.3
Biodiversity conservation (1)	1.2	0.5	0.55
Biodiversity conservation (2)	1.8	5.1	2.0
Support to national, regional or local policy, through technical assistance or policy lending	0.3	0.35	0.03
Financing instruments	0.6	0.4	0.11
TOTAL	**14.1**	**18.4**	**18.2**

BIODIVERSITY (double-counted and non-double-counted, total)	$ BILLIONS IN 2023	$ BILLIONS IN 2024[109]
AFOLU, fisheries, and natural resources	0.7	1.4
Water	2.7	2.6
Waste water	1.5	1.6
Waste management	0.4	0.3
Biodiversity conservation (1)	0.2	0.0
Biodiversity conservation (2)	0.3	0.5
Urban biodiversity	1.5	0.3
Support to national, regional or local policy, through technical assistance or policy lending	0.3	0.4
Financing instruments	0.2	0.2
Other/Unspecified	0.5	0.6
TOTAL	**8.2**	**8.0**[110]

Note: Biodiversity finance was not tracked in the years prior to 2020.

6.5 INDEX OF ACRONYMS

ADB	Asian Development Bank
AFC	Africa Finance Corporation
AFD	Agence Française de Développement
AfDB	African Development Bank
Bancoldex	Banco de Comercio Exterior de Colombia
BICE	Banco de Inversión y Comercio Exterior S.A
BNDES	Brazilian Development Bank
BOAD	Banque Ouest Africain de Développement
BRD	Development Bank of Rwanda
BSTDB	Black Sea Trade and Development Bank
CABEI	Central American Bank for Economic Integration
CAF	Development Bank of Latin America
CBD	Convention on Biological Diversity
CCA	Climate Change Adaptation
CDB	China Development Bank
CDG	Caisse de Dépôt et de Gestion

109 JICA not included in the sectoral values for Biodiversity.

110 TOTAL Biodiversity including JICA commitments reaches $ 8.4 billions.

CDP	Cassa Depositi e Prestiti
CEPF	Critical Ecosystem Partnership Fund
CFF	Climate Finance Facility
COFIDE	Corporación Financiera de Desarrollo S.A.
CRS	Common Reporting Standard
MDB-IDFC Common Principles	Common Principles for Climate Mitigation as well Climate Change Adaptation Finance Tracking, jointly developed by MDBs and IDFC
COP	Conference of Parties
CPI	Climate Policy Initiative
DBSA	Development Bank of Southern Africa
DMMP	Disaster Management Master Plan
DREAM	Disaster Resilience Enhancement and Management
DRR	Disaster-risk Reduction
GBF	Global biodiversity framework
GCF	Green Climate Fund
GEF	Global Environment Facility
GHG	greenhouse gases
HBOR	Croatian Bank for Reconstruction and Development
ICD	Islamic Corporation for the Development of the Private Sector
IEB	Indonesia Exim Bank
IDFC	International Development Finance IDFC
IFC	International Finance Corporation
IIB	International Investment Bank
JICA	Japan International Cooperation Agency
KFW	Kreditanstalt für Wiederaufbau
KDB	Korean Development Bank
MDB	Multilateral Development Bank
NAFIN	Nacional Financiera S.N.C
NDC	Nationally Determined Contributions
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OECD-DAC	Organisation for Economic Cooperation Development Assistance Committee
PDB	Public Development Bank
PT SMI	PT Sarana Multi Infrastruktur (Persero)
RKP	Indonesia's Government Work Plan
RPJMN	Indonesia's National Medium-Term Development Plan
SDG	Sustainable Development Goal
SEI	Stockholm Environment Institute
SIDBI	Small Industries Development Bank of India
TDB	Trade and Development Bank
TSKB	Industrial Development Bank of Turkey
VEB	Vnesheconombank

6.6 BIODIVERSITY FINANCE STOCKTAKE

The IDFC GFM has tracked biodiversity finance since 2021. The IDFC's biodiversity tracking methodology builds on its Benchmarking report on Biodiversity Practices of Development Banks (IDFC, 2020a) and Testing of Reporting Methodologies on Biodiversity Finance (Belvaux, 2020). The IDFC methodology for tracking biodiversity-relevant finance uses the OECD's Creditor Reporting System (CRS) codes and the Rio Markers rating system (IDFC, 2022).

Since tracking began in 2021, only seven IDFC members have consistently reported biodiversity finance in the GFM, with eight members reporting in 2025. A total of $67 billion in biodiversity commitments has been made by IDFC members from 2020 to 2025, of which $45 billion also has climate co-benefits (climate-nature nexus finance). Although collective commitments are absent in the current biodiversity finance tracking methodologies, both the IDFC and the MDB group are actively addressing this gap by improving methodologies and encouraging members to increase, track, and report biodiversity commitments.

In 2023, IDFC members were asked to complete a survey on their respective progress toward achieving the objectives of the (2021) *State of Ambition*. The survey covered several topics, including institutional strategies on biodiversity. The GFM survey also asked members to report qualitative information on their institutional biodiversity policies and strategies. Among the 15 respondents to the *State of Ambition* survey, six have reported biodiversity finance since tracking began in 2021 (AFC, AFD, BNDES, CAF, JICA, KfW).

Promoting ecosystem-based adaptation and nature-based solutions, with an emphasis on forest conservation and reforestation, is one of the 8 key commitments made by IDFC members in the State of Ambition; however, progress has been limited, with biodiversity finance dropping to an all-time low in 2023 (see Section 3.2).

The 2023 *State of Ambition* progress update also noted that a few members have an explicit biodiversity strategy but adhere to the 'do no significant harm' principles, and that tracking biodiversity finance is still in its early stages, if not non-existent. Eight members provided information on their institutional biodiversity policies, strategies, objectives and initiatives in the 2024 and 2025 GFM survey, summarized below.

Member	Biodiversity Policies or Strategies	Biodiversity Objective(s) or Initiatives.
AFD	AFD aligns its activity with the Kunming-Montreal Global Biodiversity Framework (GBF) objectives. AFD is also an early adopter of the TNFD framework	AFD aims to commit EUR 1 billion in 100% nature-positive finance by 2025
BNDES	BNDES is currently developing a biodiversity strategy, which will launch at COP16 in Cali.	BNDES's biodiversity action focuses on restoration of biomes with non-replenishable resources. The following programs and initiatives: 1) the Arch Restoration Initiative, launched at aims to restore 6 million hectares of forest in the Amazon by 2030 2) the Floresta Viva Initiative, which is forecasted to devote R$500 million for the ecological restoration of other Brazilian terrestrial biomes. BNDES will provide 50% finance for this initiative 3) BNDES will provide R$32 million to Brazilian marine spatial planning and R$60 million for coral restoration (with partner resources).
BOAD	BOAD has launched a process to put in place a "Biodiversity Strategy" aimed at integrating biodiversity into its activities. As part of this process, a biodiversity working group has been set up, bringing together representatives from various operational departments, which is working to increase awareness and understanding of biodiversity issues within the Bank, as well as the new biodiversity reporting requirements defined within the IDFC.	A roadmap to have a biodiversity related policy is currently ongoing, with the aim of defining specific targets, exclusion criteria and a reporting framework. This strategy will lead to the development of specific procedures for each business sector, as well as the development of a pipeline of pro-biodiversity projects.

Member	Biodiversity Policies or Strategies	Biodiversity Objective(s) or Initiatives.
CABEI	CABEI articulates a biodiversity strategy at the institutional level through its Environmental and Social Strategy (ESS) 2020–2024 and the Institutional Strategy 2025–2029. The ESS explicitly identifies "Biodiversity management, marine coastal strips, and sustainable tourism" as one of its 10 prioritized sectors, supporting initiatives for biodiversity conservation, ecosystem restoration, sustainable forest management, and marine-coastal livelihoods. It includes financing, strategic partnerships, and risk management actions to support environmental sustainability. Furtheremore, the Institutional Strategy 2025–2029 incorporates biodiversity under its Positive Impact Pillar, with a strategic objective to protect natural capital, explicitly including "biodiversity protection", alongside climate change adaptation and mitigation. Additionally, the Strategy highlights the region's rich biodiversity and threats from deforestation, fires, and unsustainable natural resourses manegement, emphasizing the need for action to preserve ecosystems and their services.	CABEI's biodiversity-finance target appears in its Environmental and Social Strategy 2020–2024, where in Table 4, Level 2 Sustainability Indicator LE1-IS2 sets that 10 % of annual operations each year from 2020 through 2024 must support initiatives promoting biodiversity conservation and management—including protected areas, ecosystem restoration, sustainable forest management and sustainable tourism infrastructure.
CDP	Although CDP does not yet have a strategy dedicated to biodiversity, biodiversity considerations are incorporated into its Agrifood, Wood and Paper industries policy, aligning with international strategies like the EU Biodiversity Strategy for 2030. CDP therefore aims to protect endangered species, foster biodiversity-friendly practices, and support activities considered environmentally sustainable according to EU Taxonomy. CDP welcomes counterparties with biodiversity monitoring systems and reporting practices, while excluding those involved in activities that threaten endangered species or significantly deteriorate protected areas.	
DSBA	DSBA has a draft biodiversity strategy, and aligns with IDFC's position statement on biodiversity.	
KfW	KfW applies the same sector guidelines to biodiversity as climate, and is in the process of developing a comprehensive group-wide Biodiversity Strategy called "BioSFer". A KfW position paper will be published by September 2025.	At the UN General Assembly in New York in September 2022 German Chancelor Scholz has announced to increase the public German funding towards biodiversity reaching $1.5 billion annually in 2025. In addition, a new objective for KfW Development Bank (Financial Cooperation) is that as from 2025 25% of all Climate Finance has to be biodiversity-related (with a OECD DAC Marker 1 or 2)
PT SMI	While no specific biodiversity strategy has been developed yet, PT SMI is conducting studies and mitigates risks related to the environment and social aspects of the Company's business activities, which include risks and/or impacts on biodiversity. PT SMI has updated its policy related to the management of environmental and social risks in its business activities through the inauguration of the Environmental and Social Protection Guidelines in 2020. The sixth safeguard includes "Biodiversity Conservation and Natural Resource Management"	PT SMI prioritizes the implementation of a comprehensive monitoring program to ensure compliance with environmental regulations in all its business activities. This involves close collaboration with project owners and implementers, aiming to ensure the effectiveness of environmental management programs and the adoption of environmentally friendly operational practices through various operational procedure systems. The program is designed with the following objectives, which includes Reduction and utilization of B3 and non-B3 waste and protection of biodiversity.
TSKB	TSKB is a signatory of IDFC Biodiversity Declaration which was announced in IDFC Finance in Common Summit in 2020. TSKB is a also member of the IDFC Biodiversity Working Group, which intends to introduce the conceptual foundations for understanding the role of biodiversity among financial institutions. TSKB has a list of excluded activities that are not to be financed, included as an annex of the TSKB Sustainability Policy, which defines TSKB's restrictions on the protection of biodiversity resources.	TSKB aims to maintain the ratio of climate and environment focused SDG-linked loans which includes SDG 14 and 15, in its loan portfolio at 60% and above by the end of 2030.

While members are increasingly incorporating biodiversity considerations into their investment strategies, tracked biodiversity finance remains low across the Club. Considering the many climate co-benefits nature-positive investments can have, ambition should be increased to accelerate biodiversity finance amongst members.