International Development Finance Club

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CLIMATE POLICY INITIATIVE

IDFC GREEN FINANCE MAPPING REPORT 2026

Executive Summary

$1.5 trillion
in total green finance since 2019, surpassing State of Ambition 2021 pledge

$196 billion
in green finance in 2025

$14.2 billion
in biodiversity finance in 2025

Over 30%
of global public climate finance provided by IDFC members from 2019 to 2024

$138 billion (73%)
in IDFC climate finance flowed to or within non-OECD countries in 2025

73% of responding members increased their green finance
in 2025, showing continued potential for green finance globally



2025 IDFC Green Finance Commitments
November 2026

INTRODUCTION AND CONTEXT

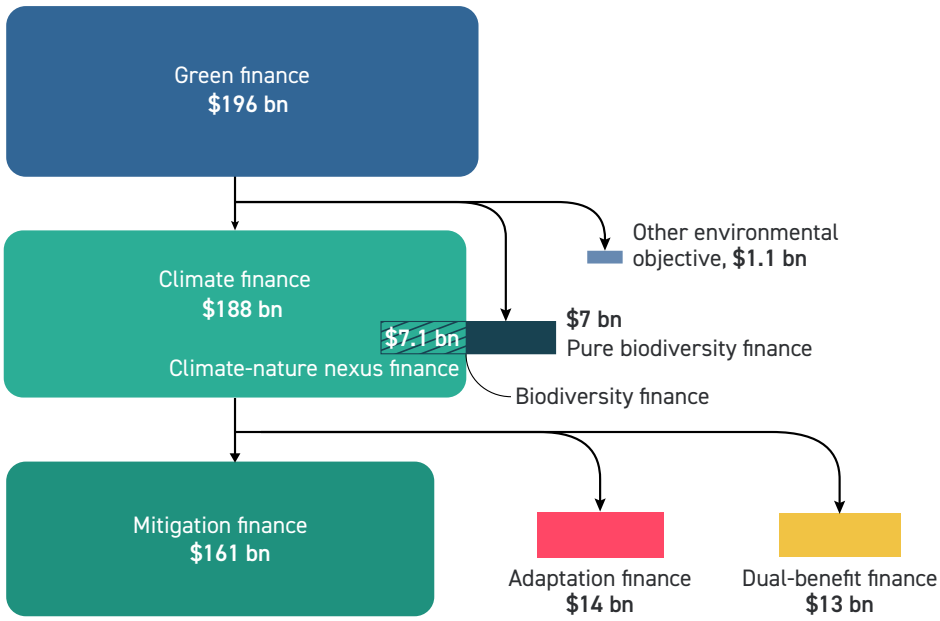
Since 2011, the International Development Finance Club (IDFC), a group of 27 national and regional development banks with over $4 trillion[1] in combined assets and annual commitments exceeding $1.2 trillion in 2025,[2] has conducted an annual mapping of member institutions' green finance[3] contributions.

IDFC members mobilized $1.5 trillion in cumulative green finance between 2019 and 2025, surpassing the Club's 2021 pledge to mobilize $1.3 trillion over this period.[4] This milestone reflects members' continued progress towards climate and broader environmental objectives. The Club has also worked to make green finance tracking more robust and consistent across members through a three-year capacity-building program (2023-2025) facilitated by the IDFC Climate Facility in partnership with Climate Policy Initiative. Despite this progress, reported biodiversity finance remains well below the Club's commitment to mobilize $100 billion over five years by 2027, with cumulative commitments of $49 billion since 2022.

In 2025, IDFC members reported $196 billion in total green finance commitments (see *Figure ES1*), a 14% increase from 2024 following two consecutive years of decline. This recovery is broad-based, with 16 of 22 responding members reporting increased green commitments. Participation in the IDFC's Green Finance Mapping survey declined slightly in 2025, with 22 institutions responding (compared to 23 in 2024), and seven reported biodiversity commitments.[5]

Four members accounted for 91% of the year-on-year increase in green finance commitments in 2025. KfW contributed 55% of the increase ($13 billion), primarily for mitigation, followed by CDB (19%) and JICA (9%), both supported by higher biodiversity commitments, and CAF (8%), through expanded international mitigation finance. This concentration reflects the scale of these institutions and their influence on Club-wide totals. However, growth was not confined to larger institutions. AFC, a considerably smaller member by total commitment almost doubled its commitments from $395 million to $755 million in 2025, accounting for a further 2% of the increase. Across the Club, overall

Figure ES1: IDFC green finance commitments in 2025 by theme ($ billion)



Green finance includes climate finance, biodiversity finance, and finance with other environmental objectives.

Within **climate finance**:

- **Mitigation** investments in projects and programs that contribute to reducing or avoiding GHG emissions.
- **Adaptation**: investments that reduce the vulnerability of goods and persons to the effects of climate change.
- **Dual-benefit**: investments with elements of both mitigation and adaptation.

Biodiversity finance comprises flows to projects with the objective of protecting and/or sustainably managing biodiversity or nature.

Finance with other environmental objectives refers to finance for green projects that have no climate or biodiversity benefits (e.g. tackling dust pollution, reducing soil pollution, or improving waste management).

1 $=US dollar.

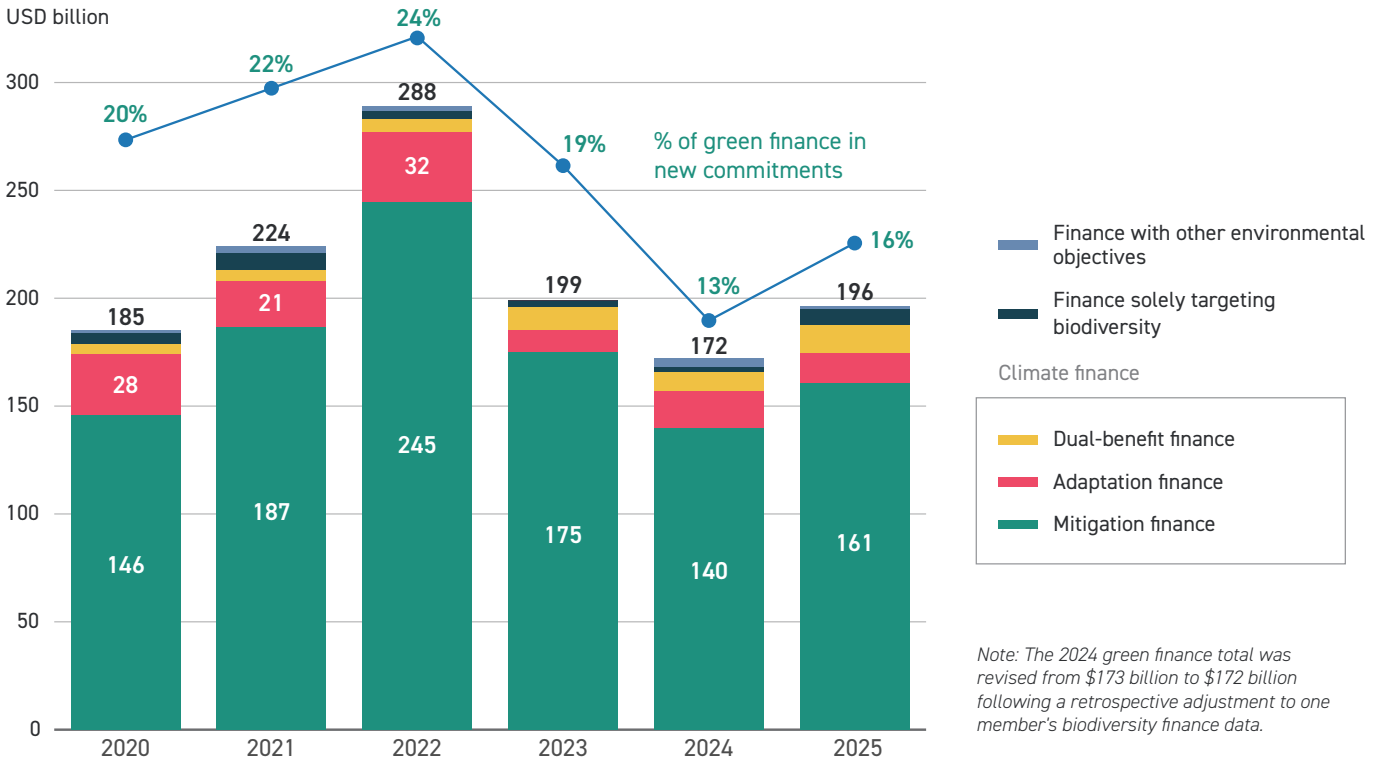
2 The figures reported in the Green Finance Mapping exercise represent financial commitments made during the tracking period. Commitments may refer to firm obligations resulting from board decisions on investment programs, the closure of financing contracts, or similar actions. The report includes only financial commitments from institutions financed through their own funds and excludes any external funds managed and/or implemented by these institutions.

3 Green finance encompasses climate finance, including mitigation, adaptation and dual-objective activities, as well as biodiversity finance and finance with other environmental objectives.

4 IDFC, 2021. IDFC State of Ambition. Available at: https://www.idfc.org/wp-content/uploads/2025/10/idfc-state-of-ambition-2021-final.pdf

5 A further four members have previously tracked biodiversity finance but were excluded from the count as they reported no biodiversity projects in 2025.

Figure ES2: IDFC green finance commitments 2020-2025 ($ billion)



Note: The 2024 green finance total was revised from $173 billion to $172 billion following a retrospective adjustment to one member's biodiversity finance data.

commitment volume is influenced by year-on-year investment variations, updates to internal tracking methodologies, shifts in domestic policy support, and changes in pipeline composition.

Globally, IDFC members provided over 30% of public climate finance from 2019 to 2024,[6] demonstrating members' driving role in the climate finance landscape. Cumulative climate finance commitments by IDFC members have exceeded $1.2 trillion between 2019 and 2024, demonstrating the Club's ability to deliver at scale. The ongoing integration of the 2023 Common Principles highlights members' commitment to rigorous climate finance tracking.[7]

KEY FINDINGS FROM THE 2025 DATA

- **IDFC members reported green finance commitments of $196 billion in 2025,** a 14% increase from 2024 (see *Figure ES2*).
- **In 2025, green finance represented 16% of total new commitments reported by IDFC members,[8]** which is lower than the average across the preceding five years (19%), but similar to the previous year's value (13%).
- **Climate finance accounted for 96% of total green finance (or $188 billion)**, matching the share in 2024.
  - **Mitigation finance continued to dominate at $161 billion in 2025**, representing 86% of climate finance and a 15% increase from $140 billion in 2024.
  - **Adaptation finance totaled $14 billion in 2025**, a 19% decrease from $17 billion in 2024. The number of members reporting adaptation finance fell for the second year running, from 15 in 2024 to 11 in 2025. Despite increases from JICA (127%) and CAF (54%), as well as smaller increases from other members, declines elsewhere offset them. Most of the decline was due to year-on-year reductions from other members (96% of the total decrease), while a small decline was driven by members reporting adaptation finance in 2024 but not in 2025 (4% of the total decrease).
  - **Dual-benefit finance totaled $13 billion in 2025**, a 41% increase from 2024. These flows represented

6 2024 is the latest year for which global climate finance estimates are available. Source: CPI, 2026. Global Landscape of Climate Finance 2026. Available at: https://glcf.climatepolicyinitiative.org/

7 See Section *Improving Green Finance Mapping Methodology* for more information

8 Total new commitments comprise all financing commitments reported by participating members, including green finance and commitments not classified as green under the GFM methodology.

7% of total climate finance, up slightly from 6% in 2024.

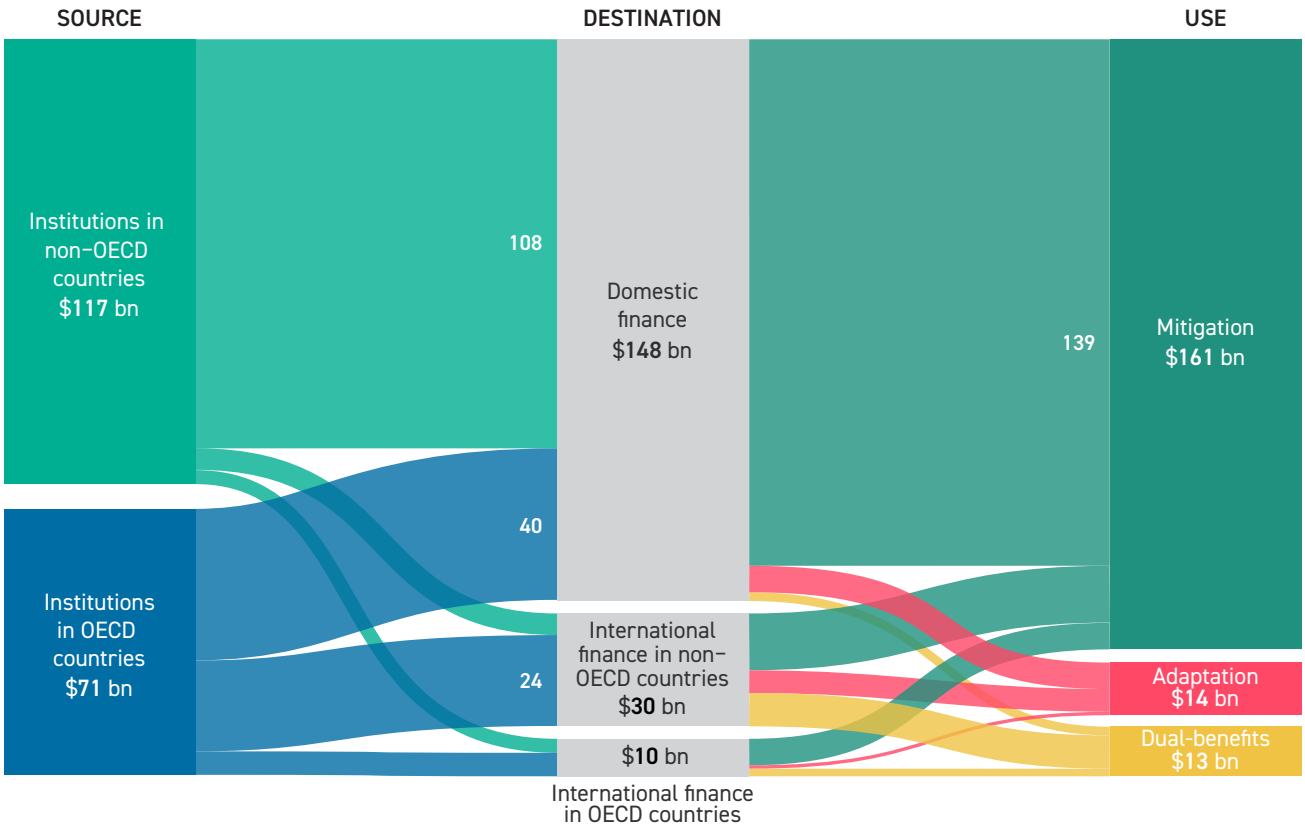
  - **Combined adaptation and dual-benefit commitments remained broadly stable at $27 billion in 2025**, compared with $26 billion in 2024 (a 2% increase), as the growth in dual-benefit finance offset the decline in adaptation-only finance.

- **Biodiversity finance rose from $8 billion in 2024 to $14.2 billion in 2025.** This includes finance for conservation as well as for water supply, wastewater treatment, and agriculture and natural resources management projects. Finance delivering both climate and biodiversity benefits (the **climate–nature nexus**) is included in both climate and biodiversity finance figures but excluded from aggregate green finance totals to avoid double counting. While biodiversity tracking remained limited, 12 members have adopted or are developing biodiversity strategies, which could support broader reporting and increased investment in the future.
- Additionally, IDFC members reported **$1.1 billion in financing for other environmental objectives,** including projects for sanitation and water and wastewater treatment (with no climate or biodiversity objectives).

CLIMATE FINANCE IN 2025

- **Sources of finance:** Institutions in non-OECD countries continued to commit most IDFC climate finance. Totaling $117 billion, climate finance commitments from non-OECD-based institutions represented 62% of total climate finance in 2025 (see *Figure ES3*). This trend is primarily driven by China's domestic commitments through CDB.
- **Geographic destination:** East Asia and the Pacific remained the largest recipient region of climate finance from Club members in 2025, accounting for 54% of the total (compared to 63% in 2024), followed by Western Europe (22%), and Latin America and the Caribbean (13%). Climate finance commitments to Sub-Saharan Africa increased 15% to $6.0 billion in 2025, but accounted for just 3% of the Club's total, unchanged from 2024 (see *Figure ES4*).
  - IDFC members made 79% ($148 billion) of their climate finance commitments in their home countries. The remaining 21% ($40 billion) was committed internationally, up from 17% ($27 billion) in 2024.
  - International climate finance commitments from OECD-based institutions to non-OECD-based institutions doubled to $24 billion in 2025, up from $12 billion in 2024. These commitments accounted

Figure ES3: Climate finance commitments in 2025 by source of finance (OECD/non-OECD), destination and use ($ billion)



for 61% of the Club's total international climate finance, up from 44% in 2024 (see *Figure ES3*).

- **Financing instruments:** Climate finance was overwhelmingly provided as loans, totaling $175 billion or 93% of the total. This aligns with its 94% share in 2024. Non-concessional lending accounted for 65% of debt. Grant finance grew by 19% to $9.3 billion. The remaining $4 billion consisted of equity, guarantees, and other instruments.

BIODIVERSITY FINANCE IN 2025

- **Seven IDFC members reported on their investments in biodiversity**, down from eight in 2024. A total of $14.2 billion in biodiversity finance was reported for 2025, up 79% from 2024 levels ($8 billion). Growth was driven by domestic commitments from CDB, which more than doubled from $3.5 billion in 2024 to $7.2 billion in 2025.
- **Despite this progress, biodiversity finance reported by IDFC members remains well below the Club's commitment to mobilize $100 billion over five years by 2027, with cumulative commitments of $49 billion since 2022**. Closing this gap will require both more members tracking and reporting biodiversity finance and a significant scale-up of dedicated investment.
- **Of total biodiversity finance commitments, 50% ($7.0 billion) went to projects solely targeting biodiversity**, and the remaining $7.1 billion was for activities at the climate-nature nexus. Finance solely targeting biodiversity has grown sixfold from $1.2 billion in 2024, demonstrating continued support for biodiversity-specific finance among reporting members.
- **Sources of finance:** IDFC institutions based in non-OECD countries committed $10.6 billion in biodiversity finance, accounting for 75% of the total (see *Figure ES5*). IDFC institutions based in OECD countries committed $3.6 billion (25%). This distribution is consistent with 2024 biodiversity commitments.
- **Geographic destinations:** East Asia and the Pacific attracted 56% of biodiversity commitments in 2025 (or $7.9 billion), followed by Latin America and the Caribbean at 32% (or $4.6 billion). As in 2024, these two regions account for the large majority of total biodiversity finance (see *Figure ES4*).
- **Sectors:** The largest share of biodiversity finance (47%, or $6.7 billion) went to dedicated conservation activities, driven primarily by CDB. A further 15% ($2.1 billion) was classified as 'other', reflecting finance that could not be allocated to sector categories due to taxonomy differences. Agriculture, forestry, and other land use (AFOLU), fisheries, and natural resources projects followed as the next-largest recipient sector, receiving $1.5 billion (11%) of biodiversity finance.

Figure ES4: Regional distribution of climate and biodiversity finance in 2025

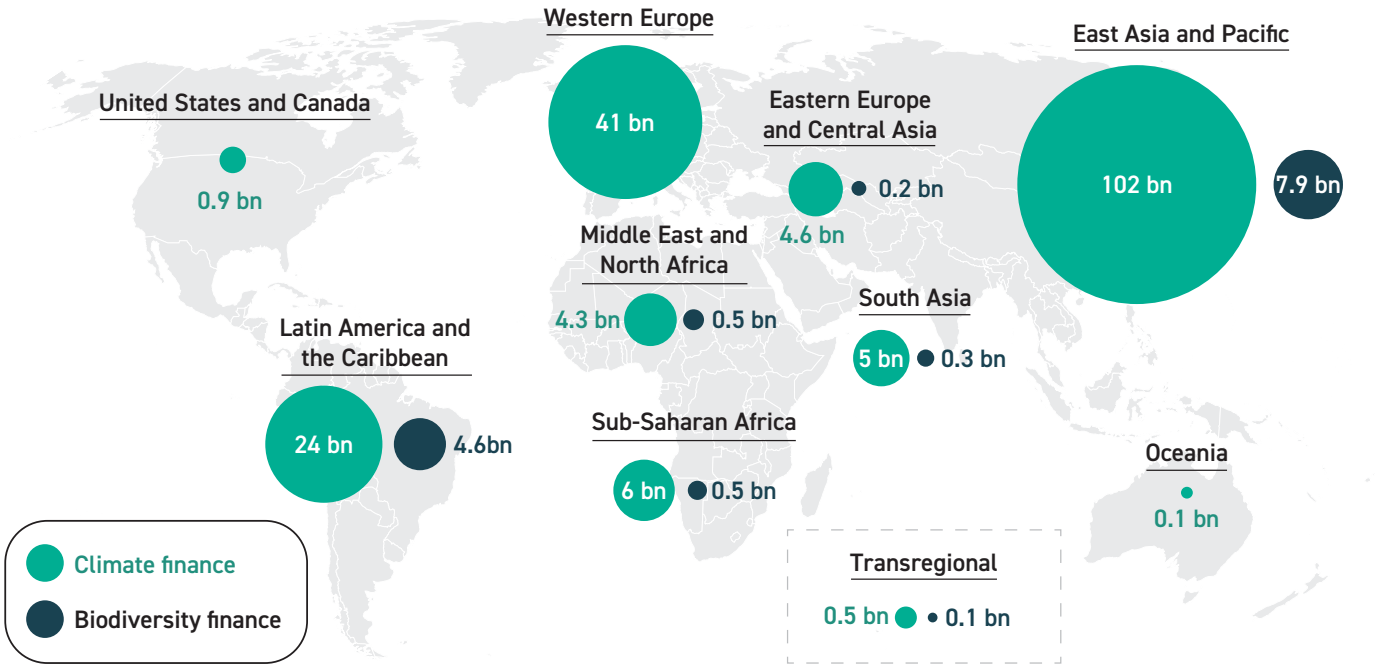
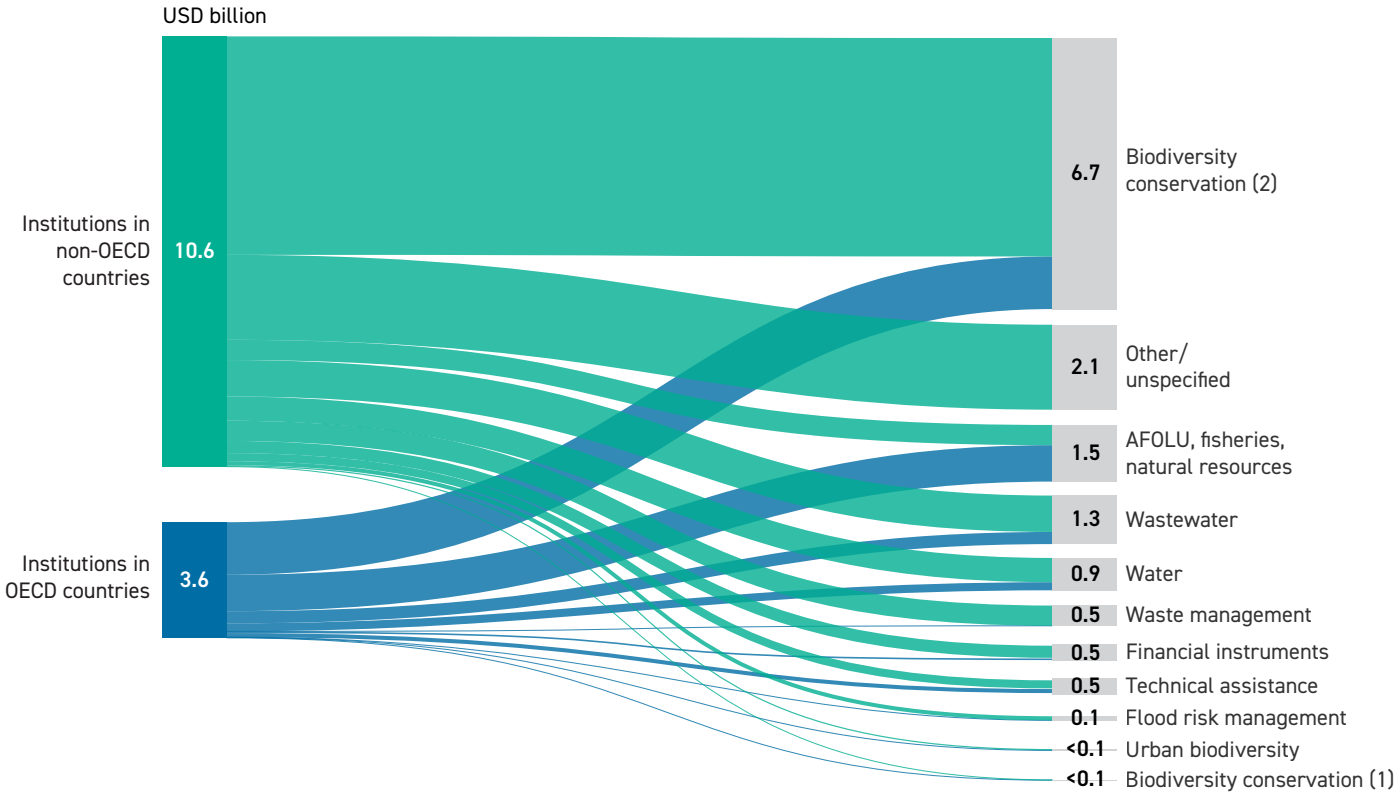


Figure ES5: Biodiversity finance commitments in 2025 by source (OECD/non-OECD) and end use



Note: Biodiversity conservation (1) refers to projects where biodiversity is a significant objective (OECD DAC Marker 1), while biodiversity conservation (2) refers to projects where biodiversity is the principal objective (OECD DAC Marker 2).

BUILDING ON PROGRESS: PRIORITIES FOR THE CLUB

Despite significant progress towards its collective ambitions, several priorities remain for the Club to strengthen its contribution to global climate and biodiversity goals. Between 2019 and 2025, IDFC members committed a cumulative $1.5 trillion in green finance, surpassing the Club's 2021 pledge to mobilize $1.3 trillion over this period. Building on this milestone, four areas offer opportunities for members to deepen their impact and address persistent financing gaps:

- **Strengthening country-led and urban climate investment:** Members are well placed to translate national and urban climate priorities into investable projects, connecting governments with domestic and international finance. Existing member-led platforms and initiatives such as NUCA provide opportunities to scale these approaches.
- **Mobilizing private capital:** Members can use their local expertise, project preparation capabilities and risk-sharing instruments to attract private investment into sectors and markets that commercial finance would otherwise struggle to reach. Harmonised tracking would help demonstrate this catalytic role.
- **Strengthening biodiversity finance and integrating climate–nature objectives:** Despite recent growth, cumulative biodiversity commitments of $49 billion since 2022 remain well below the Club's $100 billion target by 2027. Closing this gap requires stronger institutional commitments, improved reporting and greater efforts to translate growing recognition of climate-nature synergies into increased nexus finance.
- **Scaling adaptation and resilience finance:** Combined adaptation and dual-benefit commitments remained broadly stable at $27 billion in 2025, accounting for 14% of climate finance. While growing dual-benefit finance highlights opportunities to integrate resilience into mitigation investments, it cannot fully replace dedicated adaptation finance. Members should scale dedicated adaptation investment alongside dual-benefit activities, particularly where resilience benefits are substantial but commercial returns are limited.

IMPROVING THE 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). Reporting institutions and coverage across categories vary from year to year.

The *Common Principles* facilitate robust reporting by following the principle of conservativeness, preferring to under-report rather than over-report climate finance commitments. This principle particularly impacts the reporting of adaptation commitments. Because adaptation activities are context-specific and hard to identify and track consistently, a conservative approach to complex estimates of adaptation-relevant costs may result in lower reported sums.

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 Finance Mapping report was prepared with the support of Climate Policy Initiative (www.climatepolicyinitiative.org).

IDFC MEMBERS

Africa

- Africa Finance Corporation (AFC)
- Banque Ouest Africaine de Développement (BOAD)
- Caisse de Dépôt et de Gestion (CDG)
- Development Bank of Rwanda (BRD)
- Development Bank of Southern Africa (DBSA)
- The Eastern and Southern African Trade and Development Bank (TDB)

Asia and the Middle East

- China Development Bank (CDB)
- Islamic Corporation for the Development of the Private Sector (ICD)
- Japan International Cooperation Agency (JICA)
- Korean Development Bank (KDB)
- PT Sarana Multi Infrastruktur (PTSMI)
- Small Industries Development Bank of India (SIDBI)

Europe

- Agence Française de Développement (AFD)
- Black Sea Trade and Development Bank (BSTDB)
- Cassa depositi e prestiti (CDP)
- Croatian Bank for Reconstruction and Development (HBOR)
- KfW Bankengruppe
- Industrial Development Bank of Turkey (TSKB)
- *International Investment Bank (IIB)*
- *State Development Corporation (VEB)*

Latin America and the Caribbean

- Banco Industrial y de Comercio Exterior (BICE)
- Bancoldex S.A.
- Banco Nacional de Desenvolvimento Econômico e Social (BNDES)
- Central American Bank for Economic Integration (BCIE/CABEI)
- Corporación Financiera de Desarrollo S.A. (COFIDE)
- Development Bank of Latin America (CAF)
- Nacional Financiera (Nafin)