



# Unlocking Private Finance For Nature

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# Blended Finance

- The private sector manages an estimated \$300 trillion in assets
- Investors want to play a larger role in “green” finance as part of a growing commitment to become “nature positive”
- Blended finance is the targeted use of concessional financing together with private finance in projects where actual or perceived risks are too high for private finance alone. By combining concessional and commercial financing, we can achieve acceptable risk/return profiles



# Mainstreaming Biodiversity Finance

## COFCO Sustainability Linked Loan (SLL)

- US\$ 2.3 billion
- Reduced interest rate for meeting sustainability targets for soy
- Goal to reduce deforestation and conversion in Amazon and Cerrado (2030)



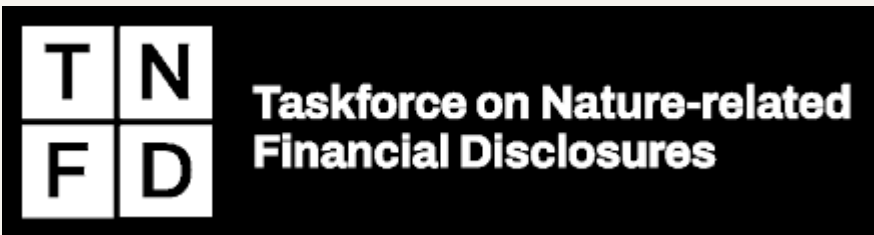
## Klabin Sustainability Linked Bond

- US\$ 500 million
- Release into the ecosystem of at least two types of indigenous species of animal threatened with extinction
- 25 bps penalty for not meeting targets by 2025



# Creating the Enabling Environment

Metrics, standardization, goals and targets, disclosure and transparency, credibility



Subsidy reform, policy coherence, positive incentives, enforcement and regulation



# The Global Biodiversity Framework Fund

- Landmark COP to adopt Kunming-Montreal Global Biodiversity Framework (GBF) with **4 goals, 23 targets**
- Establish **a dedicated and accessible fund in 2023** that can quickly mobilize and disburse new and additional resources **from all sources**, commensurate with the ambition of the GBF
- GEF requested to establish, in 2023, and until 2030 unless the COP decides otherwise, **a Special Trust Fund to support GBF implementation (GBF Fund)**

