

# INCLUSIVE GREEN FINANCE

HELEN WALBEY

LEAD, GLOBAL PARTNERSHIPS,  
ALLIANCE FOR FINANCIAL INCLUSION (AFI)

26 FEBRUARY 2025



#afiWG

[www.afi-global.org](http://www.afi-global.org)

This is not an ADB material. The views expressed in this document are the views of the author/s and/or their organizations and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy and/or completeness of the material's contents, and accepts no responsibility for any direct or indirect consequence of their use or reliance, whether wholly or partially. Please feel free to contact the authors directly should you have queries.





# Impact of the AFI Network

1200+

Maya Declaration financial  
inclusion targets

920+

Policy changes

60%

Members' attribution of AFI's contribution to  
financial inclusion policy changes

Over

841Mil

Unbanked people brought into the  
formal financial system

# CLIMATE CHANGE AND FINANCIAL STABILITY

## Physical risks

Extreme weather  
events  
Slow-onset climate  
change

## Impact on:

Input costs  
Operating costs  
Revenues  
Supply chain  
Business  
interruption  
Timing

## Transition risks

Policy & Legal  
Technology  
Market  
Reputation

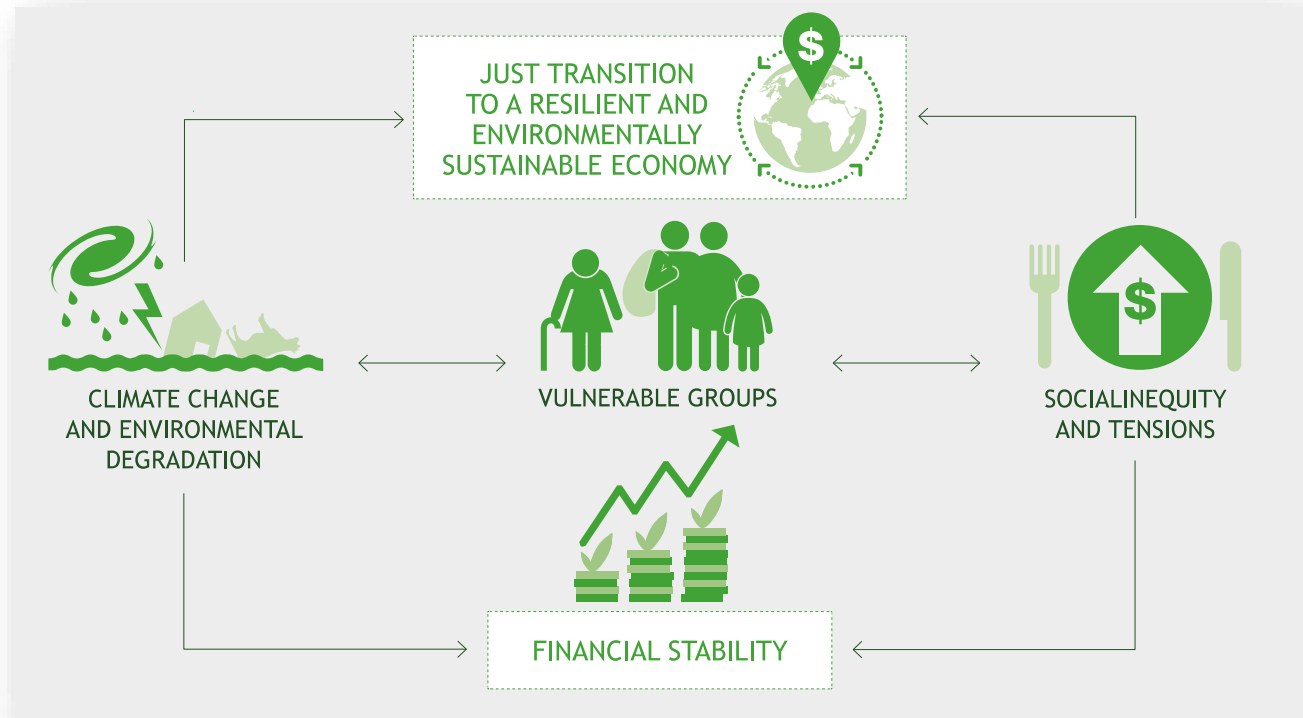


#afiWG

[www.afi-global.org](http://www.afi-global.org)

# INCLUSIVE GREEN FINANCE (IGF) - LINKING GREEN FINANCE AND FINANCIAL INCLUSION

The links between climate change and environmental degradation, vulnerable groups, social inequity and tensions, and financial stability



# SUPPORTING CLIMATE ACTION THROUGH FINANCIAL INCLUSION

IGF: ENABLING CLIMATE MITIGATION AND BUILDING RESILIENCE TO THE NEGATIVE IMPACTS OF CLIMATE CHANGE THROUGH FINANCIAL INCLUSION



## SAVINGS (ESPECIALLY FORMAL)

Buffer against cost increases, diversifying risks, assist in accessing credit, accelerate recovery and reconstruction



## CREDIT

Investment in low-carbon technologies, rebuilding and reconstruction, investments into more resilient housing and agriculture



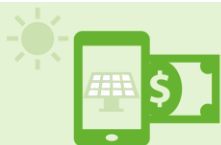
## INSURANCE

Safeguard against the effects of extreme weather events and gradual climate change



## PAYMENT SYSTEMS

Resilience in times of crisis, reconstruction and recovery, investments and buffer



## DIGITAL FINANCIAL SERVICES

Enabling the spread and use of savings, credit and insurance, as well as humanitarian assistance after extreme weather events



#afiWG

[www.afi-global.org](http://www.afi-global.org)

# THE 4P FRAMEWORK OF INCLUSIVE GREEN FINANCE

**PROMOTION** policies allow a government to create incentives for the private sector to offer financial services to qualified beneficiaries.



**PREVENTION** policies aim to avoid undesirable outcomes rather than addressing them after the fact.

## INCLUSIVE GREEN FINANCE

PROMOTION

PREVENTION

PROVISION

PROTECTION



**PROVISION** policies help a government ensure that financial services are provided to qualified beneficiaries, either directly by the government itself or by private sector fulfilling government mandate.

**PROTECTION** policies reduce financial risk by “socializing” potential losses through insurance or social payments, or by giving exceptional access to one’s own assets.



#afiWG

[www.afi-global.org](http://www.afi-global.org)

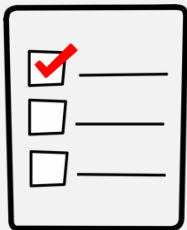


# From Theory to Practice



# PREPARING FOR IGF IMPLEMENTATION

## Policy Examples



Market-enabling policies  
and initiatives for IGF  
implementation

### Fiji and Vanuatu:

- Integrating IGF in the market demand side survey

### Papua New Guinea:


- Inclusive Green Finance Policy with green taxonomy

### Maldives:


- Green Finance Taxonomy




# IGF IN ADDRESSING CLIMATE VULNERABILITIES

Climate-related Risks	Policy Examples
 <p data-bbox="150 620 568 762">Typhoons and direct implications including floods and landslides</p>	<p data-bbox="633 361 871 401"><b>Philippines:</b></p> <ul data-bbox="633 412 1804 765" style="list-style-type: none"><li>- Updating of Business Continuity Management Guidelines to include disasters associated with natural hazards and pandemics</li><li>- Relaxation of KYC requirements and account opening and maintaining balances</li><li>- Use of digital payment infrastructure to facilitate social payments (G2P) and social aids from private groups.</li></ul>

# IGF IN ADDRESSING CLIMATE VULNERABILITIES

Climate-related Risks	Policy Examples
 <p data-bbox="144 616 569 764">Typhoons and direct implications including floods and landslides</p>	<p data-bbox="633 354 763 398">Nepal:</p> <ul data-bbox="633 409 1806 556" style="list-style-type: none"><li>- Refinancing facilities for subsidized loans to rebuild from floods and fires, modelled on a program that supported post-earthquake recovery and reconstruction</li></ul>

# IGF IN ADDRESSING CLIMATE VULNERABILITIES

Climate-related Risks	Policy Examples
 <p>Cyclones and direct implications including floods</p>	<p><b>Fiji:</b></p> <ul style="list-style-type: none"><li>- Establishment of the Disaster Rehabilitation and Containment Facility (DRCF)</li><li>- Use of mobile money for social payments</li></ul> <p><b>Fiji, Papua New Guinea, Samoa, Vanuatu</b></p> <ul style="list-style-type: none"><li>- Parametric insurance (ongoing development)</li></ul>

# IGF IN ADDRESSING CLIMATE VULNERABILITIES

## Climate-related Risks



Droughts

## Policy Examples

### Nigeria:

- Established the Anchor Borrower's Program to link smallholder farmers with large-scale processors
- Subsidies to incentivize bank lending to smallholder farmers facing climate risks
- Established the Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL)



# AFI's IGF JOURNEY



IGF: POLICIES AND REGULATION THAT AIM AT ENABLING MITIGATION AND BUILDING RESILIENCE TO THE NEGATIVE IMPACTS OF CLIMATE CHANGE AND ENVIRONMENTAL DEGRADATION THROUGH FINANCIAL INCLUSION

HOW HAVE AFI MEMBERS RISEN TO THE CHALLENGE OF CLIMATE CHANGE?



2015

AFI GPF in Maputo. First discussions on how financial inclusion can build resilience and enable mitigation.

2017

AFI members endorse Sharm el Sheikh Accord on Financial Inclusion, Climate Change & Green Finance

2018

Nadi Action Agenda endorsed at first financial inclusion conference

2018

First Maya Declaration on inclusive green finance

2019

4Ps of inclusive green finance inform national and global climate efforts

2019

Launch of the Inclusive Green Finance (IGF) Working Group

2020

Development of 8 additional IGF knowledge products

2021

Increase in IGF policy changes and several in-country trainings held

2022

Update of the Sharm El Sheikh Accord at the 2022 Global Policy Forum in Dead Sea, Jordan

2023

Focus on in-country implementation projects and ensuring IGF development on the ground

2023

IGF identified as the 2nd priority amongst AFI members

2024

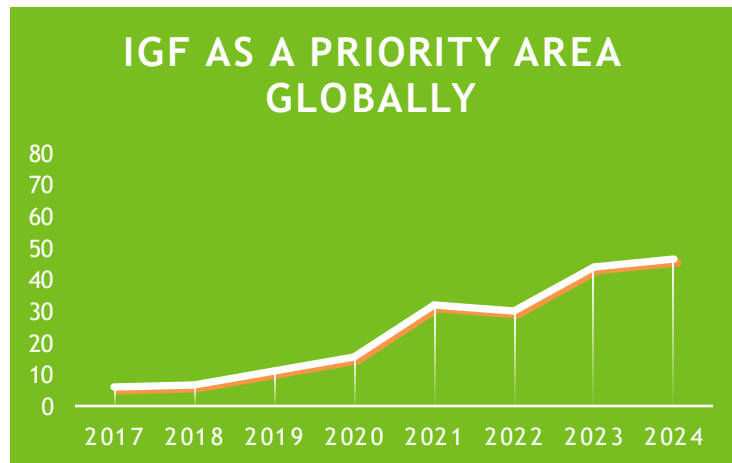
Next phase of IGF, focusing on impact in-country and global advocacy



#afiWG

www.afi-global.org

# WHERE ARE WE RIGHT NOW?



**27** (15)

Policy  
Changes



**19**

MDCs



**67**

IGFWG Member  
Institutions



**60**

IGFWG Member  
Countries



**14**

Knowledge  
Products



**448**

Regulators  
trained



**12**

ICI grants



**11**

ICI TS



afi

#afiWG

[www.afi-global.org](http://www.afi-global.org)

# ON-GOING IGF INITIATIVES IN 2025



IGF Working Group  
(IGFWG): 22-25 April



IGF Public/Private  
Dialogue at Spring  
Meetings



Global Policy  
Forum: September



IGF Conference and  
IGF Global Compact



On-going capacity  
building and in-country  
trainings



In-country  
implementation support

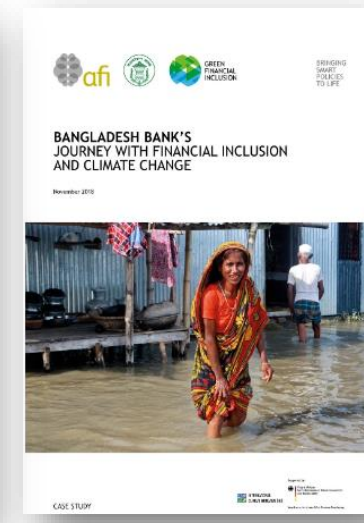
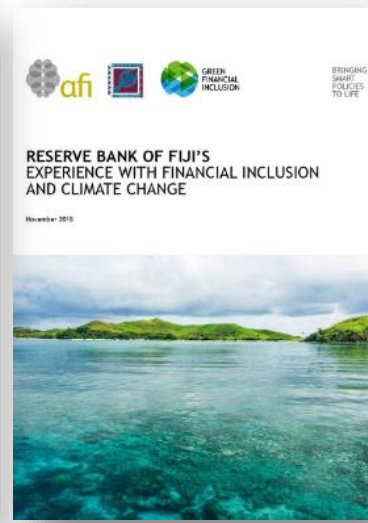
# THANK YOU

#afiGlobal [www.afi-global.org](http://www.afi-global.org)

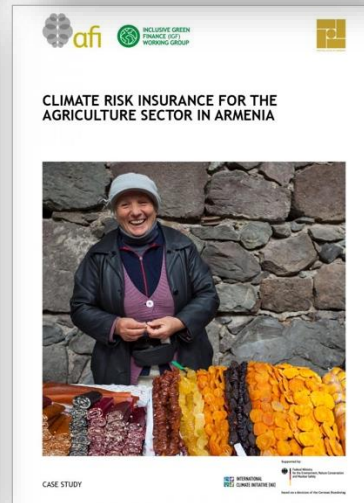




# IGF & IGFWG PUBLICATIONS

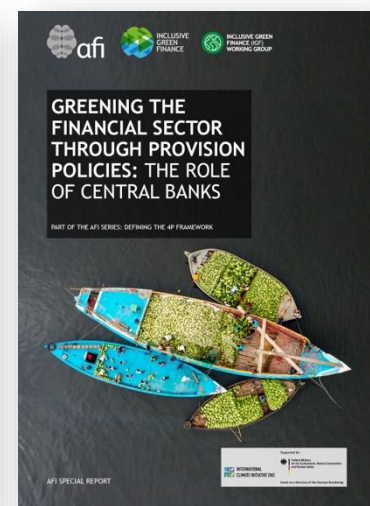
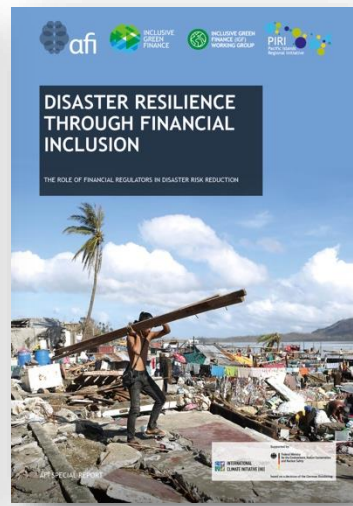
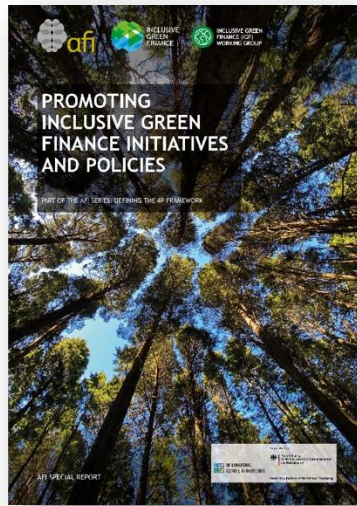


English  
French  
Spanish



English  
French  
Spanish

# IGF & IGFWG PUBLICATIONS





# IGF & IGFWG PUBLICATIONS

