

NATURE SOLUTIONS FINANCE HUB

Instruments at a Glance



Examples

Restoring Brazil's Public Lands—Brazil's Flona do Bom Futuro restoration concession (Rondônia) and the Triunfo do Xingu Environmental Protection Area (Pará) are pioneering PPP models for restoring degraded public lands in the Amazon.

Bandai Hills (Ghana)—The Bandai Hills Bamboo Reforestation Project is restoring 7,818 hectares (ha) of degraded forest lands within the Ashanti Region of Ghana, West Africa. EcoPlanet Bamboo operates the PPP with the Government of Ghana.

Seychelles Debt for Climate (DFC) swap—The Seychelles' debt-for-nature swap redirected national debt payments into marine conservation projects.

The **Debt-for-Nature Conversions** have scaled and evolved: Ecuador's \$650M swap (2023), the largest to date, generating \$323M for Galápagos conservation over 18.5 years.

The **Katingan Mentaya Project**—a 149,800 ha peatland conservation initiative in Indonesia.

Panna Afforestation Project—a 20,000 ha afforestation project in Madhya Pradesh, India, planting over 11 million native trees, with Microsoft as anchor investor and buyer.

&GreenFund—\$174M fund, concessional capital in junior tranche de-risking private investment in tropical agriculture. Protected 155,000 ha by 2023.

The **Mirova Natural Capital Fund** combines public, private, and philanthropic capital to invest in NbS globally.

Rationale

PPPs allow governments to delegate large-scale nature restoration projects from coastal protection to watershed resilience to the private sector under structured contracts that share risks and costs between public and private partners.

Investment grants and concessional financing can be used to bridge the viability gap where ecosystem service revenues (e.g., PES, Carbon credits) do not fully cover restoration costs.

Debt-for-nature conversions involve restructuring a country's debt in exchange for commitments to finance conservation projects.

International financial institutions may provide guarantees for new debt offerings and concessional finance to retire more expensive commercial debt, allowing nature-positive projects to be financed through the resulting debt service savings.

Carbon and nature credit markets are mechanisms that assign a financial value to environmental outcomes, enabling companies, governments or individuals to fund conservation or emissions reduction activities in support of climate and ESG commitments.

Investment grants and philanthropic capital can support project development, certification, and monitoring processes, while private capital is mobilized through the sale of nature credits.

Impact investment funds seek both financial returns and measurable environmental or social impact, making them ideal for long-term naturepositive investments.

Investment grants, philanthropic capital or concessional financing can be used to set up or de-risk these funds, while private and institutional investors are attracted by the dual return profile.

Public-Private Partnerships (PPPs)

Debt Conversions

Carbon/Nature Credits

Investment and Structured Funds

Innovative Financing for Nature-Positive Investments

Outcome-Based Bonds

Outcome-based bonds operate on a Pay-for-Performance (P4P) principle where investor returns are tied to verified ecological results, and capital is only rewarded when conservation milestones are met. This transfers performance risk from governments and donors to private investors.

Sustainability-Linked Bonds

Sustainability-Linked Loans (SLL)/ Sustainability-Linked Bonds (SLB) offer businesses and governments financial incentives to meet specific sustainability performance targets. The interest rates on these loans decrease or increase depending on whether the borrower achieves key environmental outcomes.

Concessional loans or guarantees from public sources, investment grants or philanthropic capital can be used to further reduce borrowing costs, providing a favorable framework for nature-positive investments.

Green and Blue Bonds

Thematic bonds (Green & Blue) are debt instruments where proceeds are dedicated exclusively to projects with environmental benefits. Green bonds for climate and nature and blue bonds as a sub-category focusing on oceans. Backed by globally recognized standards and strong investor demand they offer a credible, accessible pathway to mobilize private capital for nature, with transparent reporting ensuring measurable impact.

Asia and the Pacific has led blue bond innovation since 2020 with [Bank of China \(2020\)](#), [ADB's blue bond program \(2021\)](#), and [Indonesia's Sovereign Blue Samurai \(2023\)](#).

Note: The instruments in this flyer are tools that are emerging globally and their inclusion reflects their relevance and potential for scaling nature-positive investment across Asia and the Pacific. In this poster, "\$" refers to United States dollars.

Examples

Rhino Bond—first outcome-based bond linking investor returns to verified black rhino population growth in South Africa.

Amazon Reforestation Linked Bond (2024)—\$225M 9-year principal-protected bond with variable coupon linked to Carbon Removal Units.

Republic of Chile (2022)—\$2B 20-year sovereign SLB, the first sovereign SLB globally, with 12.5–25 bps step-up on missed GHG and renewable energy KPIs.

Olam International—Olam International secured Asia's first SLL in 2018—a \$500M facility structured by ING Bank and DBS, with KPIs linked to deforestation free value chains and sustainable land-use.

AC Energy Green Bond (Philippines, 2019)—The \$410M AC Energy green bond in 2019 was a landmark & certified issuance financing renewable energy projects across Southeast Asia.

Seychelles Blue Bond (2018)—The world's first sovereign blue bond (\$15M) for sustainable fisheries and marine conservation, setting a replicable model for small island developing states.

