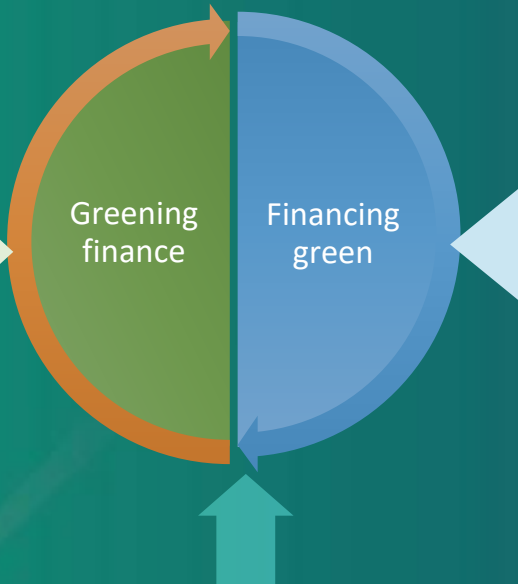


World Bank Group's contributions to scaling up finance for nature

WBG promotes integration of nature considerations into financial markets through:

- Development and dissemination of **sustainability data, green finance taxonomies and analytics** to support integration of nature into investment decisions, financial regulations, and risk assessments to align financial flows with the SDGs
- **Provision of technical assistance** to central banks, ministries of finance, financial regulators, and supervisors to assess risks and develop roadmaps for greening the financial sector
- **Convening stakeholders** and ensuring nature is integrated into work programs of **green finance networks** alongside climate change

1



WBG invests in and catalyzes investment in nature and its sustainable use in client countries through:

- **Loans and grants for conservation and restoration of natural capital assets**, such as forests, coasts, fisheries, and watersheds
- **Financing establishment of sustainable value chains** (e.g., timber, coffee), **addressing cross-sectoral drivers** of nature loss and integration of **nature-based solutions** that harness ecosystem services into planning and infrastructure
- **Building a pipeline of bankable nature-based projects**, through advisory work, project design, and co-financing (e.g., via blended finance, guarantees, and equity)
- **Developing new financial instruments** - pioneered thematic bonds, including green, blue, sukuk and **wildlife conservation bonds** connecting capital markets with projects

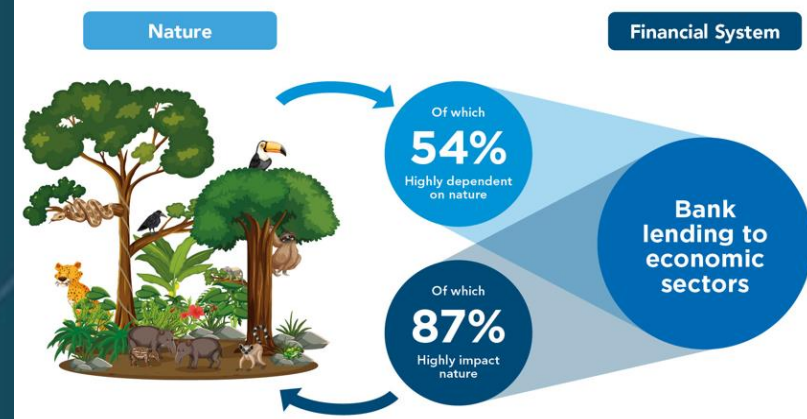
2

WBG supports creation of enabling conditions for investment in nature at scale through:

- **Development of markets for ecosystem services** (e.g., payments for ecosystem services), allowing landholders and communities sustainably managing watersheds, forests, and fisheries to generate cash flows
- **Institution- and capacity-building**, and creation of **governance** and **benefit-sharing** mechanisms for sustainable management of natural capital
- **Scaling up of natural capital accounting, decision-support tools, and research** that policymakers need to value nature and to **reform economic and sector policy**

3

1 Malaysia: How Central Banks can address nature-related risks



2 WB Rhino bond: \$150 million outcome-based bond



3 India: How afforestation and agroforestry development can be integrated into the CCDR

Policy	Ecosystem Service	Transmission channel in CGE Model
Afforestation & agroforestry development on barren lands	Carbon sequestration	Change in land use → change in total carbon stock → change in net emissions
	Erosion reduction	Improved nutrient retention translates → increased productivity in agriculture
	Crop pollination	Enhanced habitats → increased pollinator abundance → increased productivity of pollinator-dependent crops.