



IADB-RG-T4297

Promoting improved climate change governance through the  
implementation of nature-based solutions in Latin America and the  
Caribbean



# Early Warning System

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## Quick Facts

Financial Institutions	Inter-American Development Bank (IADB)
Status	Proposed
Bank Risk Rating	U
Borrower	Regional
Sectors	Climate and Environment, Law and Government, Technical Cooperation
Investment Type(s)	Grant
Investment Amount (USD)	\$ 3.75 million
Project Cost (USD)	\$ 3.75 million



## Project Description

According to the Bank's website, the project will foster the enabling conditions that will help governments increase private sector participation and unlock new and diverse funding streams for NBS as well as scale up the co-benefits to contribute to climate change mitigation and adaptation and reach their SDG and NDC goals by helping countries to:

1. Incorporate NBS into planning and policies to make identifying high-value, feasible NBS a routine part of project preparation, creating a pipeline of investment-ready NBS projects.
2. Integrate NBS into familiar financing models, like biodiversity bonds, biodiversity offsets or land-based financing mechanisms, to meet the minimum investment thresholds, lower transaction costs through project aggregation, and increase investor acceptance of and familiarity with NBS.
3. Increase ease and efficiency of identifying eligible NBS projects in government budgets to integrate innovative financial mechanisms (e.g. green bonds, blended finance).
4. Increase certainty and consistency of cash flows to increase investor confidence in repayment.
5. Increase monetization of NBS. Monetizing the value of NBS co-benefits can provide additional revenue streams (such as carbon credits or payment for ecosystem services) to support the financial and commercial viability of NBS.
6. Demonstrate performance metrics and proof of concept. Ongoing performance monitoring and evaluations are needed to verify that expectations are met and provide proof of concept to investors.



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## Investment Description

- Inter-American Development Bank (IADB)



## Contact Information

No contact information provided at the time of disclosure.

### ACCOUNTABILITY MECHANISM OF IADB

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IIC)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IIC is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to [MICI@iadb.org](mailto:MICI@iadb.org). You can learn more about the MICI and how to file a complaint at <http://www.iadb.org/en/mici/mici,1752.html> (in English) or <http://www.iadb.org/es/mici/mici,1752.html> (Spanish).