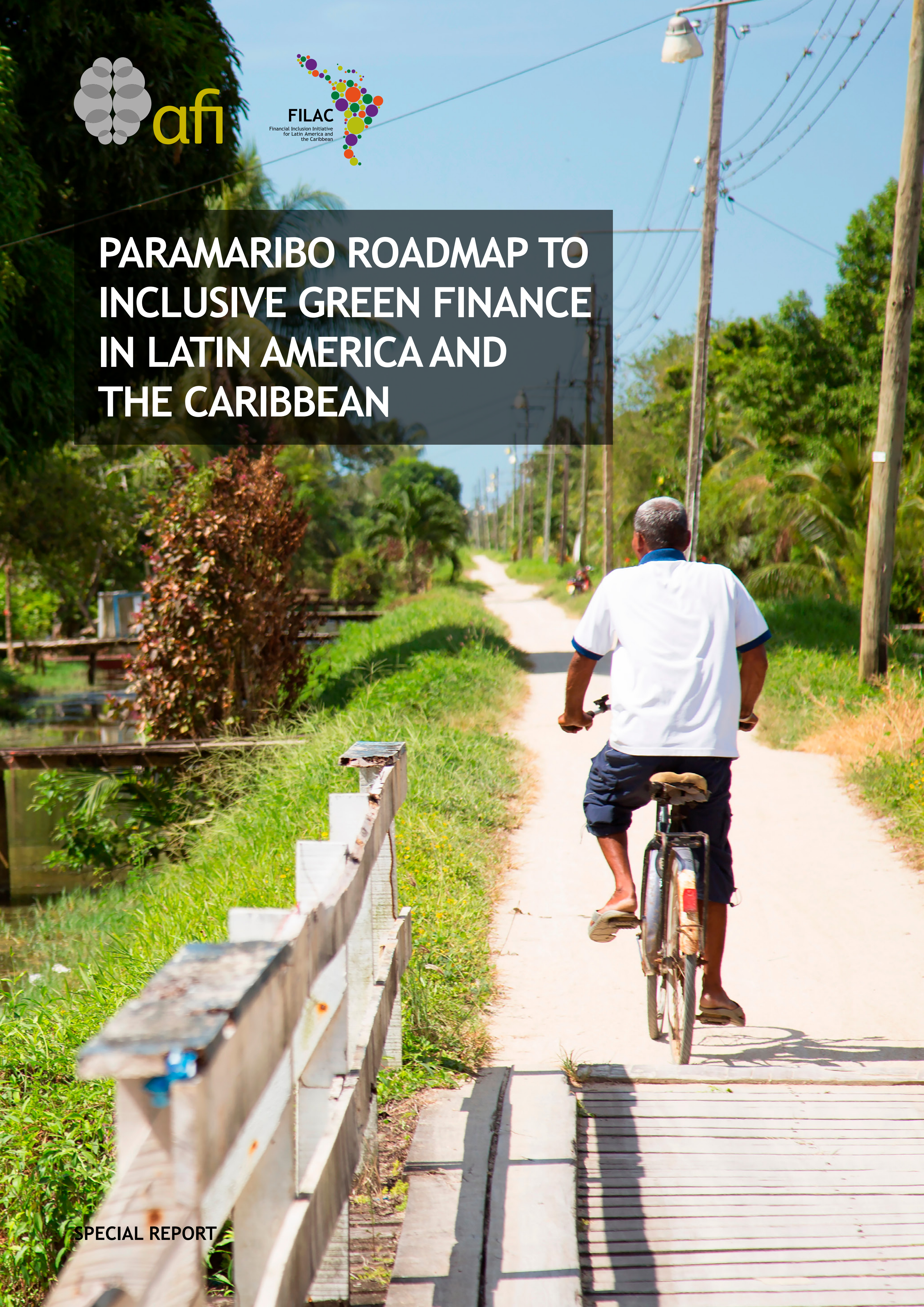

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FILAC
Financial Inclusion Initiative for Latin America and the Caribbean

PARAMARIBO ROADMAP TO INCLUSIVE GREEN FINANCE IN LATIN AMERICA AND THE CARIBBEAN

SPECIAL REPORT

CONTENTS

ACKNOWLEDGMENTS

This special report is a product of the Financial Inclusion Initiative for Latin America and the Caribbean (FILAC) and its members.

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We would like to thank AFI member institutions for generously

Cover: Man cycling home in Suriname (Dirk M. de Boer / Shutterstock).

SECTION 1

BACKGROUND OF THE PROPOPOSED REGIONAL ROADMAP

The Latin America and Caribbean (LAC) region is acutely vulnerable to climate change due to its geographical, socio-economic, and environmental characteristics. Climate vulnerability, defined as the susceptibility of natural and human systems to adverse climate impacts, is driven by high exposure to hazards like hurricanes, floods, droughts, landslides, and sea-level rise, coupled with varying levels of sensitivity and adaptive capacity.

According to the IPCC[1], these vulnerabilities are exacerbated by socio-economic inequities, disproportionately affecting low-income, indigenous, tribal, rural, and coastal communities with limited resources to adapt.

Key climate impacts in the LAC region include[2]:

- **Extreme Weather Events:** Countries like Haiti, Honduras, El Salvador, The Bahamas and the Dominican Republic face frequent and intense hurricanes, tropical storms, and floods, with 96% of populations in some areas reporting direct impacts. These events disrupt agriculture, infrastructure, and livelihoods, causing economic losses of 1-2.5% of GDP annually in countries like the Dominican Republic and El Salvador.
- **Sea-Level Rise and Coastal Erosion:** Low-lying coastal nations such as Suriname, The Bahamas and Peru, where 80-90% of populations reside, are at risk from flooding, salinization, and coastal infrastructure damage, threatening sectors like tourism, agriculture, and fisheries, as well as homes and businesses.
- **Agricultural Sensitivity:** Agriculture, a cornerstone of economies in Costa Rica, Honduras, Mexico, Jamaica, Paraguay and Peru, is highly vulnerable to shifting precipitation patterns, prolonged droughts, and heatwaves, impacting crops like coffee, maize, potatoes, quinoa, rice, and soy, and exacerbating food insecurity and rural livelihoods.
- **Socio-Economic Disparities:** Limited institutional capacity, poverty, and fragile infrastructure in countries like Haiti and El Salvador hinder effective adaptation, leaving rural and indigenous communities particularly exposed.
- **Ecosystem Degradation:** Deforestation in Haiti and glacial retreat in the Andes of Peru amplify vulnerability to flash floods and water scarcity, undermining resilience. Jamaica's biodiversity, including coral reefs and forests, is under threat from warming seas, ocean acidification, and habitat loss. Coral bleaching events have become more frequent, affecting marine life and fisheries. Likewise, mangrove forests and coral reefs, which are important to tourism and fisheries in The Bahamas, face threat from rising ocean temperatures and sea levels.
- **Transition Climate Risks:** In addition to physical climate threats, countries in the region are increasingly exposed to transition risks, including regulatory, technological, and market shifts driven by the global decarbonization agenda. For example, the European Union Deforestation Regulation (EUDR)[3], which came into effect in 2023, requires exporters of commodities like coffee, cocoa, soy, and timber to demonstrate full supply chain traceability and ensure that products are deforestation-free. This implies significant compliance costs and capacity needs, particularly for smallholder farmers and MSMEs in LAC countries, who may struggle to meet geolocation and due diligence requirements. The inability to comply could lead to market exclusion, loss of competitiveness, and financial risks for local producers. As such, integrating transition risk assessments into national financial and development strategies is vital to future-proof economies, enhance international market access, and support sustainable trade and investment practices.

1 IPCC Sixth Assessment Report. Climate Change 2022: Impacts, Adaptation and Vulnerability. Available at: https://www.ipcc.ch/report/ar6/wg2/

2 More detailed information in Annex I.

3 PwC (2024). "The EU Deforestation Regulation: Getting started now" Available at: https://www.pwc.com/gx/en/issues/esg/eu-deforestation-regulation.html#:~:text=The%20EUDR%20applies%20to%20an,rubber%20products%20such%20as%20tyres.

Despite proactive efforts—such as National Adaptation Plans in Costa Rica, El Salvador, Mexico, and Peru, and updated Nationally Determined Contributions (NDCs) targeting 20-35% emissions reductions by 2030—challenges persist. Limited adaptive capacity, data gaps, and governance constraints in countries like Suriname and Haiti impede progress. The Notre Dame Global Adaptation Initiative (ND-GAIN) Index highlights moderate to low readiness in many LAC nations, underscoring the need for targeted financial and regulatory interventions to support vulnerable populations and climate-sensitive sectors like agriculture, water, tourism, and infrastructure.

This roadmap complements FILAC's Regional Strategy and Workplan 2025-2026 by advancing inclusive green finance as a key component of financial inclusion in Latin America and the Caribbean. It builds on AFI's 2022 updated Sharm El-Sheikh Accord to integrate sustainability, resilience, and support for vulnerable populations. The roadmap also addresses member priorities such as green taxonomies, climate risk supervision, and coordinated policy development, strengthening regional cooperation and complementing existing initiatives.

INCLUSIVE GREEN FINANCE AS A RESPONSE

Inclusive Green Finance offers a strategic approach to address climate vulnerabilities in the region by integrating climate resilience and financial inclusion into national and regional financial systems. IGF prioritizes accessible financial products, such as green credit, microinsurance, and digital savings for vulnerable groups, enabling adaptation to climate shocks and supporting a just transition to low-carbon economies.

The Sharm El Sheikh Accord by the Alliance for Financial Inclusion (AFI) and initiatives by the Central American Council of Superintendents of Banks, Insurance Companies and Other Financial Institutions (Consejo Centroamericano de Superintendentes de Bancos, de Seguros y de Otras Instituciones Financieras, CCSBSO) provide a foundation for this roadmap, emphasizing regulatory alignment, ESG risk management, and regional cooperation.

This roadmap builds on these frameworks to foster resilient financial systems that mitigate climate risks, enhance adaptive capacity, and promote equitable access to green finance across the LAC region, aligning with global commitments like the Paris Agreement and Sustainable Development Goals (SDGs).

AFI SHARM EL SHEIKH ACCORD ON INCLUSIVE GREEN FINANCE (IGF)

The **Sharm El Sheikh Accord on Inclusive Green Finance**, updated in September 2022, is a shared commitment by members of the Alliance for Financial Inclusion (AFI) to tackle climate change while protecting the most vulnerable. Recognizing that climate shocks hit low-income communities the hardest, the Accord calls on financial policymakers to take action by weaving green and inclusive goals into national strategies, setting measurable targets, sharing knowledge, and using data and technology to guide smarter decisions.

It builds on global frameworks like the Paris Agreement and the SDGs, encouraging a just transition that leaves no one behind. Through this Accord, AFI members pledge to work together and raise their voices on the global stage to shape a more sustainable and resilient future for all.

Key Points:

- Concerns and Recognition: The accord expresses concern about the devastating effects of climate change on vulnerable populations' livelihoods, health, and prosperity. It acknowledges the risks climate change poses to financial stability and highlights the critical role of financial regulators in supporting national climate commitments and fostering a sustainable financial system.

- Alignment with Global Goals: It aligns financial inclusion policies with the 2030 Agenda for Sustainable Development and the Paris Agreement, emphasizing the use of IGF to enhance resilience and promote environmentally sustainable practices. The accord directly supports:

OTHER REGIONAL EFFORTS FOR A GREENER FINANCIAL SYSTEM

1. Central American Council of Superintendents of Banks, Insurance Companies and Other Financial Institutions (CCSBSO)[4]

Members: Regulatory authorities from Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, Colombia, and the Dominican Republic.

Objective:
To promote regional cooperation, information exchange, and technical harmonization among financial supervisors in Central America and the Caribbean. The Council focuses on enhancing supervisory practices, harmonizing ESG standards, and strengthening financial system resilience.

Key Activities:

- Signed a cooperation agreement with IFC, FMO, and Norfund to integrate environmental, social, and governance (ESG) risk management into financial supervision.
- Launched the first Regional Green Finance Taxonomy in Latin America and the Caribbean, promoting a unified language for green investments, and the development of national for Green Taxonomies for Honduras, El Salvador and Guatemala.
- Leads capacity-building initiatives, including the Green Banking Academy ESG training and social risk training from the Barcelona School of Management from the Pompeu Fabra University.
- Coordinates peer learning, stakeholder mapping, and roadmap development for sustainable finance implementation.
- Facilitates the creation of national and regional strategies for climate-resilient, inclusive financial systems.

2. Green Innovative Finance for Lac (GIF 4 LAC)[5]

Founded by: United Nations Development Programme (UNDP), with funding from the Embassy of Sweden through the Swedish International Development Cooperation Agency (SIDA).

Members and Reach: Engages over 20 countries across Latin America and the Caribbean, including governments, private sector actors, Indigenous Peoples, and civil society organizations.

Objective:
To accelerate green finance in the region by closing financing gaps, supporting climate and nature agendas, and promoting sustainable, inclusive development.

Main Activities:

- Developing investment roadmaps and linking green projects to potential funders.
- Strengthening institutional and regulatory frameworks for effective green finance.
- Enhancing financial sector capacity to manage environmental and social risks.
- Promoting voluntary carbon footprint programs with private sector involvement.
- Building methodologies that integrate climate, nature, and gender dimensions.
- Facilitating South-South collaboration and multi-stakeholder exchanges.
- Supporting Indigenous Peoples' participation in environmental finance decision-making.

Sowing the harvest of tomorrow, El Salvador. (JC Najera / Shutterstock).

4 Available at: www.ccsbso.org
5 Available at: https://www.undp.org/sites/g/files/zskgke326/files/2025-04/gif4lac_onepager_english_small_1.pdf

SECTION 2

OVERARCHING PRINCIPLES

The roadmap is grounded in the following interrelated principles, which collectively guide the development and implementation of inclusive, resilient, and sustainable financial systems across Latin America and the Caribbean:

PRINCIPLE 1: EQUITY, INCLUSIVITY AND SOCIAL JUSTICE

Prioritize the design of inclusive green finance initiatives that are intentionally people-centered, addressing the specific needs of underserved and vulnerable groups—such as low-income households, women, youth, Indigenous Peoples, tribal and rural communities, MSMEs, and displaced populations. Ensuring equitable access to financial resources for both climate adaptation and mitigation is critical to achieving a just and sustainable transition that leaves no one behind.

PRINCIPLE 2: CLIMATE RESILIENCE THROUGH INNOVATION

Promote the development of financial instruments and digital solutions that are responsive to climate risks and enable continuous access to financial services, before, during, and after natural disasters. These tools should be tailored to the needs of vulnerable sectors, supporting their adaptive capacity and resilience. Priority should be given to solutions that finance sustainable and environmentally sound initiatives while aligning with national climate and development goals.

PRINCIPLE 3: STRENGHTENING RISK REDUCTION AND FINANCIAL PROTECTION

Ensure that financial systems proactively integrate inclusive risk reduction mechanisms to safeguard vulnerable communities and businesses from climate-related disasters. These mechanisms must be accessible, affordable, and tailored to the specific needs of at-risk populations, enabling a more secure and climate-resilient future for all.

PRINCIPLE 4: ENVIRONMENTAL AND FINANCIAL SUSTAINABILITY

Prioritize mobilize capital toward long-term mitigation and adaptation objectives, such as emissions reduction, nature-based solutions, and ecosystem restoration, while maintaining macroeconomic stability. Transparency and accountability are essential: robust ESG data systems and reporting standards are needed to track progress, prevent greenwashing, and support evidence-based policymaking.

PRINCIPLE 5: REGIONAL SOLIDARITY AND PROPORTIONALITY

Ensure that implementation efforts are anchored in solidarity, mutual support, and shared responsibility among countries. Leverage regional platforms to promote peer learning, policy harmonization, and collaborative action, particularly for nations with limited adaptive capacity. Advancing together through inclusive regional cooperation is essential to achieving collective goals in climate resilience and financial inclusion.

PRINCIPLE 6: POLICY COHERENCE AND REGULATORY ALIGNMENT

Ensure coherent policy and regulatory frameworks across national boundaries. Strengthening consistency among financial systems enhances the effectiveness, credibility, and scalability of inclusive green finance efforts. Harmonized standards, such as taxonomies, disclosure requirements, and supervisory practices are essential to mobilize capital, build investor confidence, and support coordinated regional action on climate and sustainability.

PRINCIPLE 7: PARTNERSHIPS, KNOWLEDGE SHARING AND CAPACITY BUILDING

Ensure that collaboration and knowledge exchange are prioritized through strong partnerships with financial institutions, civil society, academia, and international funders. Sharing tools, best practices, and technical expertise is essential to accelerate innovation, foster inclusive green finance, and strengthen institutional capacity across the region.

SECTION 3

ULTIMATE GOAL

The ultimate goal of this roadmap is to establish a regional framework for inclusive green finance that strengthens the resilience of individuals and enterprises across the region and to foster a just, inclusive, and sustainable green transition, placing particular emphasis on those most vulnerable to the impacts of climate change and help accelerate the transition toward inclusive, resilient, and sustainable financial systems across Latin America and the Caribbean by enabling access to climate-aligned financial services for vulnerable sectors, strengthening institutional capacity, and fostering regional cooperation to address climate-related risks. Specifically, it aims to:

- Strengthen Institutional Capacity and Peer Learning with the knowledge, tools, and platforms needed to implement IGF through regional training programs, diagnostics, and structured peer-to-peer exchanges tailored to national priorities and climate vulnerabilities.

- Develop and Operationalize Robust Regulatory and Supervisory Frameworks that align with international standards, enabling financial supervisors to identify and address systemic environmental and social risks.

- Expand Access to Climate-Responsive Financial Solutions that enhance their resilience to climate risks and enable their participation in low-carbon and sustainable sectors such as agriculture, energy, and tourism.

- Foster Regional Convergence and Public-Private Collaboration to ensure interoperability, and foster investment through strategic public-private partnerships, national multi-stakeholder platforms, and innovation pilots that crowd in finance for climate adaptation and mitigation.

- Promote Participatory and Consultative Processes to ensure the active involvement of stakeholders, including governments, private sector, civil society, and vulnerable communities, in the design, implementation, and monitoring of inclusive green finance policies and actions.

By prioritizing climate-vulnerable sectors and populations, the roadmap seeks to build resilient financial sectors that safeguard livelihoods, protect ecosystems, and ensure equitable economic stability across the LAC region.

Ultimately, the goal is to strengthen the resilience of individuals and enterprises across the region and to foster a just, inclusive, and sustainable green transition, placing particular emphasis on those most vulnerable to the impacts of climate change.

A woman harvesting eggplant, Honduras (Vivid Imagery / Shutterstock).

SECTION 4

STRATEGIC OBJECTIVES AND ACTIONS

The strategic objectives and actions in this roadmap are built on FILAC's Regional Strategy, which emphasizes visibility, collaboration, and innovation in financial inclusion across Latin America and the Caribbean.

The focus on integrating climate resilience and sustainability into financial systems by promoting regional cooperation, capacity building, and regulatory alignment. This comprehensive approach ensures coherence and synergy in addressing key challenges such as climate vulnerabilities, regulatory alignment, and financial inclusion, while promoting scalable solutions that support both mitigation and adaptation efforts across diverse national contexts. The roadmap aims to support vulnerable groups' participation in sustainable development and advance the region's transition to resilient, inclusive, and green financial ecosystems.

This roadmap aims to strengthen regional collaboration by advancing inclusive, climate-resilient financial systems that ensure access to financial services for vulnerable populations, helping them build resilience to climate impacts. Additionally, to enable their participation in both mitigation and adaptation efforts, the financial sector must offer tailored products oriented to support sustainable and environmentally friendly initiatives while aligning with national sustainability goals.

The strategic objectives outlined adopt a comprehensive approach that integrates other regional approaches, particularly in regulatory alignment, ESG risk supervision, and institutional capacity-building. Each objective includes actions tailored to the region's challenges, such as extreme weather, agricultural sensitivity, and socio-economic disparities.

The roadmap is specifically designed to complement existing regional initiatives, avoiding duplication of efforts while building on them strategically. Proposed actions, such as developing regional supervisory guidelines and organizing peer learning workshops, aim to reinforce ongoing efforts to promote consistent and coordinated ESG supervision across Central America, offering a scalable model for the broader Latin American and Caribbean region.

STRATEGIC OBJECTIVE 1: STRENGTHEN INSTITUTIONAL AND TECHNICAL CAPACITY

Purpose: Build national and regional capacity for regulators, financial institutions, and ecosystem actors to implement IGF effectively.

Key Actions:

- Expand regional training programs on key IGF and climate risk topics and empower stakeholders through structured peer-to-peer learning and knowledge exchanges. These activities can be facilitated through AFI's platforms or other regional cooperation channels.
- Countries are encouraged to engage in peer support initiatives sharing insights, tools, and experiences through formal peer learning sessions or bilateral exchanges.
- Promote regional collaboration and knowledge exchange through workshops, peer learning, regional coffee chats, and thematic working groups focused on innovation, adaptation finance, and regulatory supervision. These efforts should prioritize country-led approaches and facilitate dialogue on topics such as taxonomy governance, supervisory practices, and solutions that reduce barriers to accessing finance, ensuring alignment with national priorities for resilience and mitigation.
- Promote collaborative diagnostics on the demand, supply, and enabling environment for IGF in each country.
- Map existing and potential technical assistance and financing partners to support roadmap implementation

STRATEGIC OBJECTIVE 2: DEVELOP AND IMPLEMENT A COHERENT REGULATORY AND SUPERVISORY FRAMEWORK FOR IGF AND ESG RISK MANAGEMENT

Purpose: Build the capacity of financial supervisors and institutions to identify, assess, and conduct environmental, social, and governance (ESG) risk management.

Key Actions:

- Develop and disseminate national and regional ESG supervisory guidelines and climate risk management guidelines, aligned with international standards and global initiatives.
- Implement climate stress testing tools and exposure assessments in supervised entities.
- Promote the adoption of inclusive ESG indicators to track financial access and impact in climate-sensitive sectors.
- Advance the use of gender-sensitive and geo-referenced data to inform decision-making and increase resilience.

STRATEGIC OBJECTIVE 3: STRENGTHEN CLIMATE RESILIENCE AND ADAPTIVE CAPACITY THROUGH INCLUSIVE GREEN FINANCE

Purpose: Ensure that financial services are accessible to vulnerable and underserved populations supporting their resilience and enabling their participation in the transition to low-carbon economies.

Key Actions:

- Promote the integration of IGF into National Financial Inclusion Strategies (NFIS) with explicit adaptation and mitigation goals and integrate green elements in demand side surveys to capture vulnerabilities and coping mechanisms of households.
- Design and scale climate-responsive financial instruments, with a focus on digital platforms that enhance access and affordability. Prioritize solutions such as parametric insurance for farmers in the agriculture sector and targeted credit lines that support climate adaptation and low-carbon transitions in key sectors, including sustainable tourism and resilient infrastructure.
- Support financial institutions in developing products tailored to climate-exposed groups, incorporating climate risk assessments for droughts, floods, and hurricanes, with a focus on rural farmers, indigenous people and coastal communities.
- Develop and adopt IGF indicators to measure both outreach and impact in climate-exposed communities.
- Integrate risk-reduction strategies into financial services targeting climate-exposed groups by incorporating tools such as geospatial risk analysis into credit assessments and lending practices, enhancing resilience and informed decision-making.

STRATEGIC OBJECTIVE 4: ADVANCE THE REGIONAL ADOPTION AND HARMONIZATION OF GREEN TAXONOMIES

Purpose: Enable countries to develop and implement consistent, interoperable green taxonomies that classify sustainable and inclusive financial activities, aligned with regional standards and national priorities.

Key Actions:

- Develop and share regional methodological guidance to support the design and adoption of green taxonomies within financial systems.
- Provide targeted technical assistance for customizing and implementing national taxonomies, ensuring alignment with regional and international frameworks.
- Design practical tools for financial institutions to assess climate-related risks in their portfolios, guide green product development, and enhance disclosure and reporting practices.
- Promote the use of regional benchmarks and metrics to measure taxonomy-aligned activities and impacts, supporting comparability and transparency in financial sector disclosures.

STRATEGIC OBJECTIVE 5: PROMOTE PUBLIC-PRIVATE PARTNERSHIPS AND ECOSYSTEM ENGAGEMENT

Purpose: Catalyze investment and collaboration among regulators, the private sector, civil society, and development partners to scale inclusive green finance (IGF) solutions and accelerate climate resilience across the region.

Key Actions:

- Conduct a comprehensive stakeholder mapping to identify and engage key actors, including public institutions, private sector players, civil society organizations, and community-based groups.
- Mobilize technical assistance and financial resources by leveraging regional and international development partners, multilateral funds, and private investors aligned with national climate priorities.
- Establish national multi-stakeholder coordination platforms to foster dialogue, define roles, and align public-private efforts in advancing IGF agendas.
- Launch a regional IGF Accelerator for MSMEs to facilitate access to green finance, capacity-building, and technical assistance tailored to sustainable business models.
- Facilitate private sector involvement in climate-aligned investments, with a focus on high-impact sectors such as agriculture, renewable energy, affordable housing, and resilient infrastructure.
- Promote joint public-private innovation pilots, such as digital green savings products, sustainable microcredit schemes, and inclusive insurance solutions to test and scale transformative IGF models.

SECTION 5

EXPECTED OUTCOMES AND INDICATORS

STRATEGIC OBJECTIVE 1: STRENGTHEN INSTITUTIONAL AND TECHNICAL CAPACITY

Expected Outcomes

1. Enhanced capacity of financial regulators and institutions to understand, implement, and supervise IGF initiatives.

2. Increased regional collaboration and peer learning across supervisory authorities in Latin America and the Caribbean.

3. Wider access to technical knowledge and tools that support the integration of IGF into financial systems.

4. Greater alignment of IGF implementation with national and regional priorities, supported by shared diagnostics and advisory support.

Indicators

- Indicator 1: Participation in regional IGF training or knowledge exchange activities
- Indicator 2: Existence of dedicated departments, internal focal points or working groups on IGF or ESG supervision
- Indicator 3: Number of collaborative activities conducted with other regulators or regional bodies
- Indicator 4: Number of national policies, frameworks, or financial instruments developed or adapted to align with country priorities and goals.

STRATEGIC OBJECTIVE 2: DEVELOP AND IMPLEMENT A COHERENT REGULATORY AND SUPERVISORY FRAMEWORK FOR IGF AND ESG RISK MANAGEMENT

Expected Outcomes

1. Improved regulatory clarity on ESG and climate-related risks for supervised entities.

2. Progressive integration of climate and ESG considerations into financial sector oversight.

3. Enhanced supervisory capacity to assess and manage environmental and social risks using existing supervisory tools and data systems.

4. Better risk awareness and resilience among financial institutions operating in climate-vulnerable sectors.

Indicators

- Indicator 1: Number of supervised entities applying ESG/climate risk guidelines
- Indicator 2: Number of supervised entities reporting basic ESG/climate exposure data
- Indicator 3: Number of supervisory staff trained on ESG and climate risk topics
- Indicator 4: Number of publications of supervisory guidelines or frameworks on ESG/climate risk by national regulators or supervisors.

STRATEGIC OBJECTIVE 3: STRENGTHEN CLIMATE RESILIENCE AND ADAPTIVE CAPACITY THROUGH INCLUSIVE GREEN FINANCE

Expected Outcomes

1. Greater integration of climate and inclusion objectives into national financial inclusion and regulatory frameworks.

2. Improved access to tailored financial products for populations vulnerable to climate change (e.g. MSMEs, women, smallholder farmers).

3. Increased capacity of financial institutions to assess and address climate risks in product development and delivery.

4. Strengthened data systems to track the outreach and effectiveness of green financial services.

Indicators

- Indicator 1: Integration of IGF in National Financial Inclusion Strategies (NFIS)
- Indicator 2: Number of green financial products or financial products oriented to support sustainable and environmentally friendly projects (measured at ecosystem level; regulators may support monitoring according to their institutional mandate).
- Indicator 3: Uptake of green financial services (adapted to each institution's role and responsibilities; may be measured directly by providers, with supervisory authorities supporting where relevant).

STRATEGIC OBJECTIVE 4: ADVANCE THE REGIONAL ADOPTION AND HARMONIZATION OF GREEN TAXONOMIES

Expected Outcomes

1. Progressive adoption of the Regional Green Finance Taxonomy by national regulatory and supervisory authorities.

2. Improved regulatory alignment and interoperability of green taxonomies across Latin America and the Caribbean.

3. Enhanced capacity of financial institutions to classify, report, and track green and inclusive finance using consistent standards.

4. Greater data collection, consistency and transparency for ESG and climate-related financial disclosures in the region.

Indicators

- Indicator 1: Adoption or pilot use of the Regional Green Finance Taxonomy
- Indicator 2: Availability of national guidance or tools to support taxonomy implementation
- Indicator 3: Number of financial institutions reporting green activities

STRATEGIC OBJECTIVE 5: PROMOTE PUBLIC-PRIVATE PARTNERSHIPS AND ECOSYSTEM ENGAGEMENT

Expected Outcomes

1. Stronger coordination among public, private, and civil society actors involved in IGF implementation.

2. Increased mobilization of financial and technical resources to scale green financial solutions, particularly for MSMEs and climate-vulnerable sectors.

3. Enhanced ecosystem-wide innovation and

partnership building, leading to more inclusive and scalable green finance models.

4. Clearer roles and collaboration frameworks amongecosystem actors to support IGF development.

Indicators

- Indicator 1: Completion of a national IGF stakeholder mapping
- Indicator 2: Existence of a national or regional IGF multi-stakeholder coordination platform with roles clearly defined in national IGF plans
- Indicator 3: Number of joint IGF initiatives or pilots supported by regulators and private sector actors

SECTION 6

MONITORING AND REPORTING

The AFI Financial Inclusion Initiative for Latin America and the Caribbean (FILAC) will lead the monitoring and reporting of activities outlined in this roadmap.

Progress and developments will be regularly reviewed during scheduled meetings, with support from regional experts of the AFI Inclusive Green Finance Working Group.

Peruvian family plowing the land close to the Moray Inca Terraces, near Maras, in the Sacred Valley, Peru. (TLF Images / Shutterstock).

ANNEX

NATIONAL DETERMINED CONTRIBUTIONS (NDCS)

The following summaries provide a focused overview of key climate commitments under the Paris Agreement. They highlight each country's mitigation and adaptation goals, priority sectors, and significant targets, drawing from the most recent Nationally Determined Contributions (NDCs) submitted to the United Nations Framework Convention on Climate Change (UNFCCC) NDC Registry. These summaries offer a clear snapshot of national priorities and ambitions, reflecting official data and underscoring efforts to advance climate action globally.

Country	Summary of NDCs
Costa Rica	Costa Rica's updated NDC (2020) aims for carbon neutrality by 2050, with a 2030 target to reduce emissions by 25% below 2012 levels (9.11 $MtCO_2$ net). It emphasizes decarbonization in energy, transport, agriculture, and waste, alongside resilience in biodiversity and infrastructure. Key actions include renewable energy expansion (98% of electricity already renewable), reforestation, and climate-smart agriculture. Adaptation focuses on coastal zones, health, and water management, with strong public-private partnerships.
Dominican Republic	The Dominican Republic's updated NDC (2020) commits to a 27% emissions reduction by 2030 compared to 2010 levels, with 20% unconditional and 7% conditional on external support. Priority sectors include energy (renewable energy transition), transport, and waste. Adaptation targets enhance resilience in water, agriculture, and tourism, addressing hurricane and drought risks. The NDC emphasizes gender equality and private sector involvement.
El Salvador	El Salvador's updated NDC (2021) sets a goal to reduce emissions by 22% by 2030 relative to a business-as-usual scenario (BAU), focusing on energy, agriculture, and waste. It includes unconditional targets for renewable energy (60% by 2030) and conditional targets for reforestation and sustainable transport. Adaptation priorities address water scarcity, food security, and urban resilience, with emphasis on vulnerable communities. The start of the NDC 3.0 process update from El Salvador is expected to be delivered before COP30 in Brazil. One of the key points in the process will be to incorporate high-impact climate policies, actions and measures, which are national initiatives that help reduce pollution or better prepare for adverse climate effects.
Haiti	Haiti's updated NDC (2021) aims for a 30% emissions reduction by 2030 compared to a BAU scenario, with 10% unconditional and 20% conditional. Key mitigation actions target energy (solar and hydro expansion), agriculture, and reforestation (26% forest cover by 2030). Adaptation focuses on disaster risk management, coastal protection, and food security, critical given Haiti's extreme vulnerability to hurricanes and droughts.
Honduras	Honduras's updated Nationally Determined Contribution (NDC), submitted in 2021, targets a 16% reduction in greenhouse gas emissions by 2030 (excluding LULUCF) compared to the business-as-usual scenario, along with sectoral non-GHG targets. By 2030, Honduras also commits to restoring 1.3 million hectares of forest landscapes and reducing household firewood consumption by 39%. The NDC outlines adaptation priorities across key sectors, including agriculture, biodiversity and ecosystems, infrastructure, and water, and places a strong emphasis on social inclusion, particularly gender equality, youth, and Indigenous and Afro-Honduran communities.

Country	Summary of NDCs
Jamaica	Jamaica's 2020 Nationally Determined Contribution (NDC) commits to reducing greenhouse gas emissions by 25.4% unconditionally and up to 28.5% with international support by 2030, relative to a business-as-usual scenario. The updated NDC expands its scope to include the land use, land use change, and forestry (LULUCF) sector alongside energy, aiming to enhance forest conservation and reforestation efforts. Adaptation measures focus on agriculture, water, health, and coastal resilience, reflecting Jamaica's vulnerability as a Small Island Developing State. The NDC also emphasizes gender equity and inclusiveness in its implementation strategies.
Mexico	Mexico's 2022 NDC commits to a 35% emissions reduction by 2030 below BAU (22% unconditional, 13% conditional), focusing on energy (40% renewables), transport, and industry. Adaptation targets water security, agriculture, and urban resilience, with emphasis on social inclusion and disaster risk reduction.
Paraguay	Paraguay's updated NDC (2021) commits to a 20% emissions reduction by 2030 compared to BAU, split equally between unconditional and conditional targets. Mitigation focuses on agriculture, forestry (maintaining 25% forest cover), and energy (hydropower dominance). Adaptation targets flood and drought resilience, water management, and rural livelihoods, with emphasis on sustainable land use.
Peru	Peru's updated NDC (2020) targets a 30% emissions reduction by 2030 below BAU (20% unconditional, 10% conditional on international support), focusing on energy, transport, land use, and forestry. It aims for 63% renewable energy and zero deforestation by 2030. Adaptation priorities include water security (and responses to glacial retreat mitigation), agriculture, and biodiversity, with citizen campaigns to reduce carbon footprints.
Suriname	Suriname's updated NDC (2021) pledges to maintain low emissions, aiming for 29% emissions reduction by 2030 below 2010 levels, largely through forestry (preserving 93% forest cover) and renewable energy (35% by 2030). Adaptation focuses on coastal protection, agriculture, and infrastructure resilience against sea level rise and flooding, with conditional financing needs.
The Bahamas	The Bahamas' updated NDC (November 2022), pledges a 30% reduction of greenhouse gases emissions by 2030 compared to business as usual and reaching at least 30% of renewable energy in its energy mix by 2030, having 35% electric and 15% hybrid vehicle purchases by 2030, addressing the issue of loss and damage as part of the UNFCCC and seeking to establish a baseline on non-economic and social loss and damage. Adaptation and resilience areas include: Agriculture, Biodiversity, Cross-sectoral, Energy, Fisheries, Forests, Health, Human settlements, Infrastructure, Transport, Water resources.

The countries in this region have submitted updated NDCs reflecting ambitious mitigation and adaptation commitments aligned with the Paris Agreement. Emission reduction targets range from 20% to 35% below business-as-usual or historical levels by 2030, with many countries distinguishing unconditional and conditional pledges depending on international support.

Priority mitigation sectors include renewable energy expansion, forestry conservation and reforestation, sustainable agriculture, and waste management. **Adaptation efforts** focus on enhancing resilience in vulnerable sectors such as water resources, agriculture, coastal zones, and disaster risk management, with special attention to protecting biodiversity, vulnerable communities, and critical infrastructure. Several NDCs also highlight cross-cutting themes like gender equality, social inclusion, and private sector engagement, underscoring the region's integrated approach to climate action.

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