

SAFA Facility and Adaptation and Resilience Bonds: What is the potential for leveraging Bonds & the SAFA Facility based on your CAIP?

SAFA Facility - Scaling and Accelerating Financing for Adaptation, a joint initiative being developed by GGGI and the Adaptation Fund



Welcome and Introductions



Session Lead
Nicholas Taylor
Adaptation and Resilience Lead, GGGI

Session Agenda



Time	
13:30 to 13:40 (10 mins)	Welcome and Introductions
13:40 to 13:55 (10 mins)	Framing Presentations: Bond Development for Adaptation and Resilience Projects SAFA Facility Introduction
13:55 to 14:20 (30 mins)	Interactive Workshop <ul style="list-style-type: none">• Country Simulation Exercise: Design Scaling Pathways for your CAIP• Group Discussion
14:20 to 14:30 (10 mins)	Report back and Wrap up

Round-table Introductions

WHO WE ARE

The Global Green Growth Institute (GGGI) is a treaty-based international, inter-governmental organization dedicated to supporting and promoting strong, inclusive and sustainable economic growth in developing countries and emerging economies.



GOVERNANCE & LEADERSHIP

President & Council:

H.E. Ban Ki-moon

President of the Assembly & Chair of the Council, 8th Secretary-General of the United Nations



Assembly

The Assembly is the supreme governing body of GGGI, comprised of all GGGI Member States, led by the President of the Assembly (Ban Ki-moon).

Council

The Council is the executive organ of GGGI, led by the Council Chair (Ban Ki-moon) and two Vice-Chairs (Norway and Sri Lanka) in 2025.

The Council Members in 2025 are Australia, Indonesia, Korea (Republic of), Norway, United Arab Emirates, United Kingdom, Fiji, Senegal, Sri Lanka, Viet Nam, Zambia, Ban Ki-moon, Kate Hampton, James Fletcher, Yeonchul Yoo, and the Director-General of GGGI.

Secretariat Executives

Mr. Sang-Hyup Kim
Executive Director



Mr. Gerard O'Donoghue
Deputy Executive Director
for Green Finance and
Corporate Services

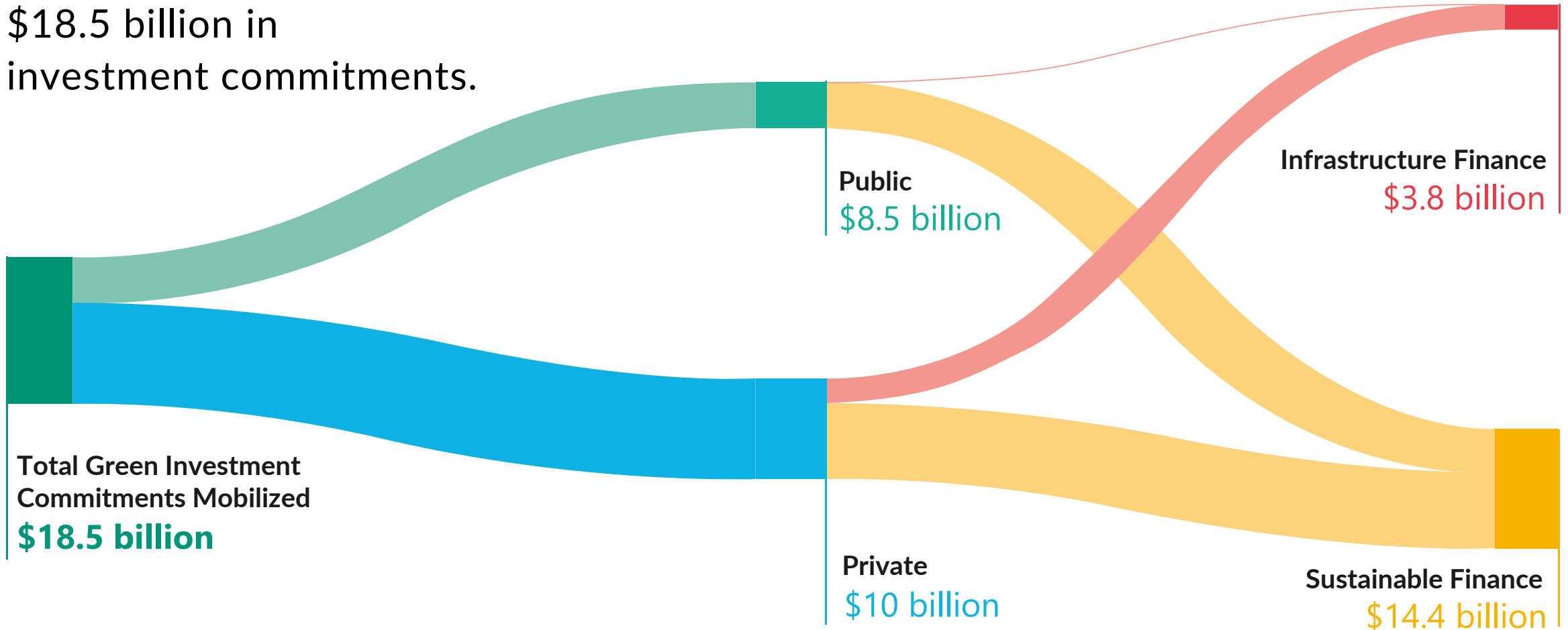


Dr. Mallé Fofana
Deputy Executive Director
and Head of the Directorate
for Green Growth
Implementation (DGGI)



RESULTS SINCE OUR INCEPTION

GGGI has secured
\$18.5 billion in
investment commitments.



Adaptation Planning and Finance



Note: as of September 2025, GGGI has supported 15 NAPs and adaptation planning in its member countries around the world.

Adaptation & Resilience Programs

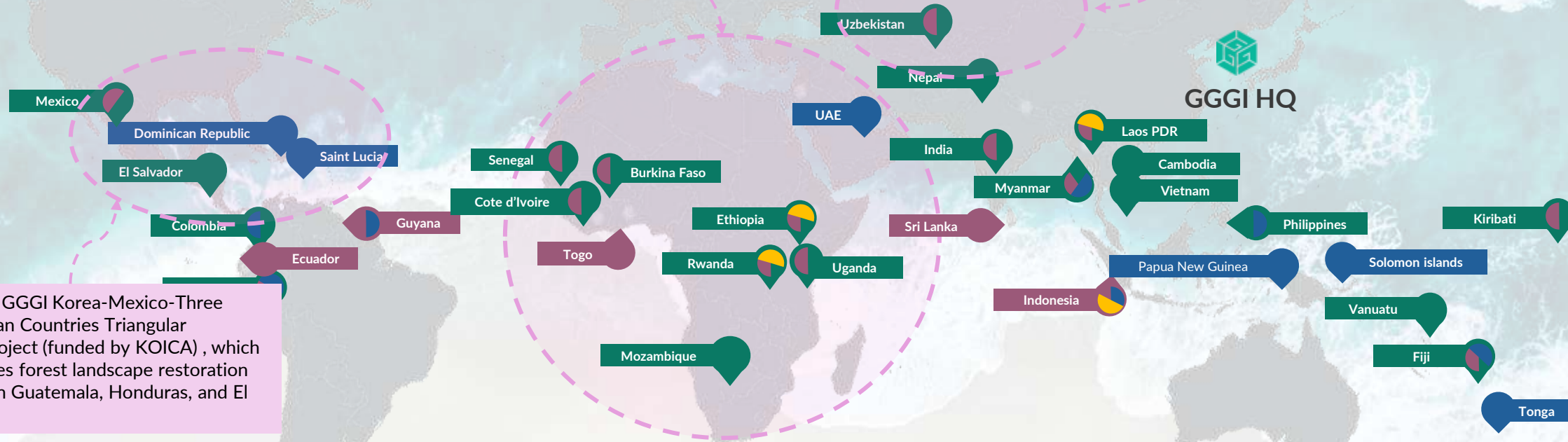


- Climate-Smart Agriculture (PS3)
- Sustainable Forestry (PS4)
- Coastal Resilience /Blue Economy (PS5)
- Urban Resilience

Africa and Middle East: SAFE (Scale-up Agriculture and Food systems for Economic development) Initiative: USD 10 billion PPP to improve food security, and combat impacts of climate change and rural livelihood vulnerability

Central Asia: Strengthening Climate Resilience through Introduction of Innovative Smart Techniques in Flood and Drought Management in Central Asia

Latin America: GGGI Korea-Mexico-Three Central American Countries Triangular Cooperation Project (funded by KOICA), which aims to enhance forest landscape restoration (FLR) capacity in Guatemala, Honduras, and El Salvador



Background: Adaptation Finance Gap and A&R Bond as an Option

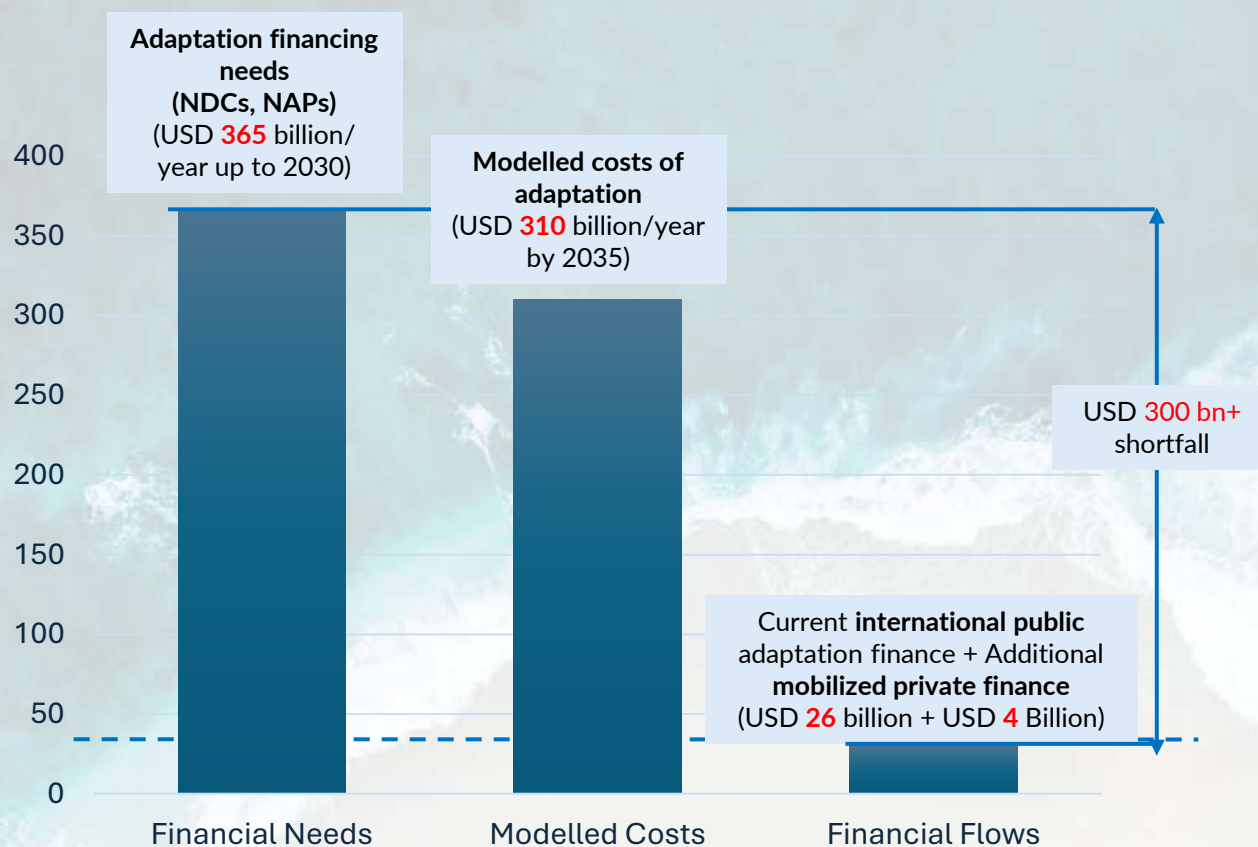


Figure 1: Comparison of adaptation financing needs, modelled costs and international public adaptation finance flows in developing countries (USD billion)

(Source: UNEP Adaptation Finance Gap Report, 2025)

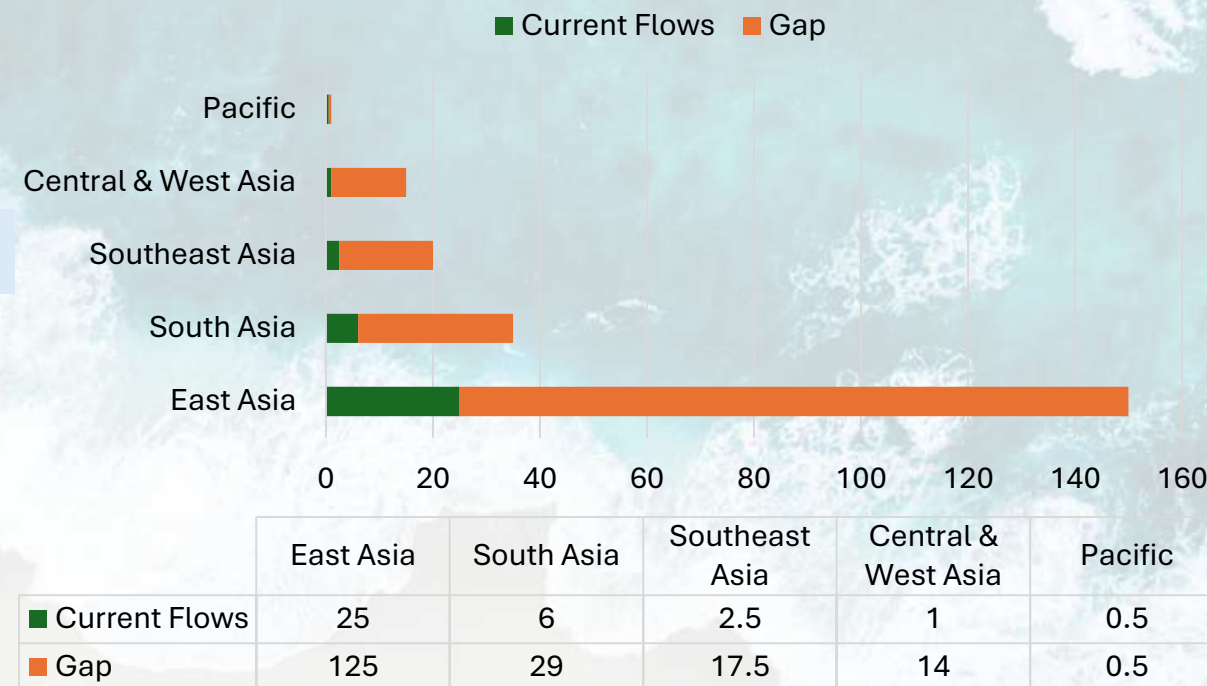


Figure 2: Adaptation finance flows and gaps (USD billion/year)

(Source: CPI Bridging the Adaptation Finance Gap in Asia, 2025)

Framing Presentation

Bond Development for Adaptation and Resilience Projects



Presenter
Kavitha Ravihansa Ariyabandu,
Sustainable Finance Officer, GGGI



Presenter
Michael Lee
Sustainable Finance Senior Officer, GGGI

Sustainable Finance Global Programs



Global Trust Fund
on Sustainable Finance Instruments

Mobilize financing to
close the NDC and
SDG gaps



GGBI
Global Green
Bond Initiative

Greening National and
International Capital
Markets to Close the NDC
and SDG Funding Gap

Funding
Partner



THE GOVERNMENT
OF THE GRAND DUCHY OF LUXEMBOURG



Focus

TA to support development
of SF policies, frameworks
and instruments

Transactional TA for
green and sustainable
bond issuances

Scope

Global

Global

Global Trust Fund's Portfolio

Global Trust Fund Program
Supported by: Government of Luxembourg



Mexico
Program: Acciona en Verde
Counterpart: Mexican Stock Exchange

Guatemala
Program: Three local thematic bonds
Counterpart: Guatemala Stock Exchange

Costa Rica
Program: Green Bond
Counterpart: Bank of Costa Rica

Dominican Republic
Program: Social Resilience Housing Loan
Dominican Republic
Counterpart: Three local financial institutions

Saint Lucia
Program: Saint Lucia Blue Bond
Counterpart: Government of Saint Lucia

Ecuador
Program: Green Bond/Social Loan
Counterpart: Development Bank of Ecuador

Peru
Program: COFIDE Social Bond
Sovereign Resilience Bond

Paraguay
Program: Sustainable Bond
Counterpart: Financiera Paraguaya Japonesa

Colombia
Program: Scaling-up Thematic Bond Markets in Developing Countries
Counterpart: Private sector

Cote d'Ivoire
Program: Capacity building for market participants/
Shelter Afrique Development Bank Issuance Support
Counterpart: Bourse Regionale Valeurs Mobilières (BRVM)/ShafDB

Namibia
Program: Namibia Green Bond Issuance
Counterpart: Energy Company

Benin
Program: Sovereign Green Bond/BOAD Titrisation
Social issuances Zaka
Counterpart: MoF/ BSIC

Nigeria, Kenya, Uganda and Tanzania
Program: Piloting thematic bond issuance to scale
access to off-grid solar projects
Counterpart: African Frontier Capital (AFC)

Jordan
Program: Catalysing National Thematic Bond
Market
Counterpart: Cities and Villages Development Bank

Kazakhstan
Project: Central Asia Green Bond Accelerator
Counterpart: Ministry of Finance

Uzbekistan
Program: Supporting sustainability bond market
Counterpart: State owned banks

Kyrgyzstan
Project: Green Bond Readiness Assessment
Counterpart: Ministry of Finance

Tajikistan
Project: Sovereign Green Bond
Counterpart: Ministry of Finance

Sri Lanka
Program: Green Bond Readiness/ Debt-for-Nature Swap
Counterpart: Government of Sri Lanka/ Private Sector

Mongolia
Project: Thematic Bond Issuances
Counterpart: Private Sector

Thailand
Program: Advancing Sovereign (Sustainability Linked Bond)
Counterpart: Government of Thailand

Lao PDR
Project: Accelerating Corporate Thematic Bond
Counterpart: Lao Securities

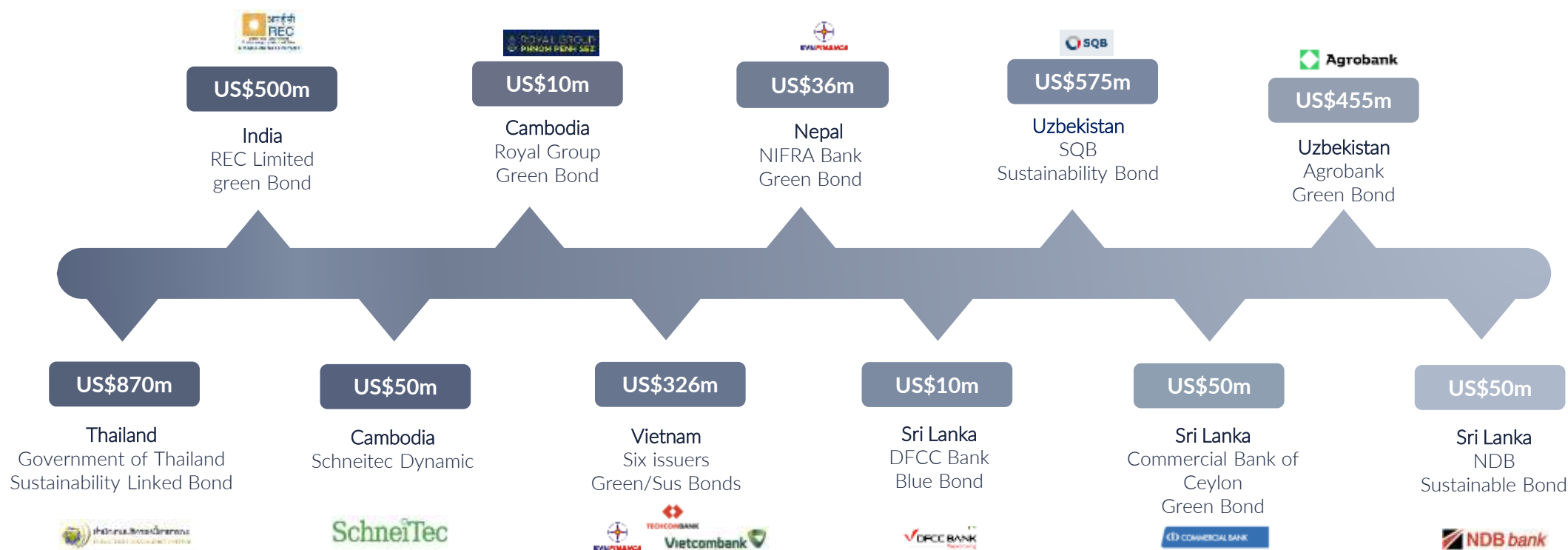
Cambodia
Project: Cambodia Sustainable Bond Accelerator
Counterpart: Ministry of Finance

Indonesia
Project: Sustainability Sukuk/ Post Issuance
reporting
Counterpart: BSI/ Ministry of Finance

GGGI Asia Transaction Spotlight



\$2.5 B issuances in Asia since 2021 – Across all Funding Partners



Partners



Donors & Funding Partners



Technical Support Across the Full Bond Issuance Journey



Who We Support: Sovereigns · Quasi-Sovereigns (national development banks, state-owned enterprises, municipal governments) · Private Entities (corporates and financial institutions)

Policy & Capacity Support



Enhanced Ecosystem

Guidelines, policy frameworks, and market development initiatives — including partnerships with stock exchanges and banking associations.



Capacity Building

Strengthening institutional capacity on thematic bonds for issuers and other relevant stakeholders through training and workshops.

Thematic Bond Technical Assistance

Pre-Issuance

- Issuers Needs Assessment
- Development of thematic bond framework aligned with international standards
- Obtain Second Party Opinion (cost covered by GGGI)
- Identification of eligible investment and project pipeline
- Structural and technical parameters of issuance, such as guarantees
- Engagement with investors
- Outreach and marketing

Issuance

- Organize non-deal roadshows
- Screening and prioritization of underlying pipeline
- Prepare marketing and investor materials
- Identify outreach and visibility opportunities

Post-Issuance

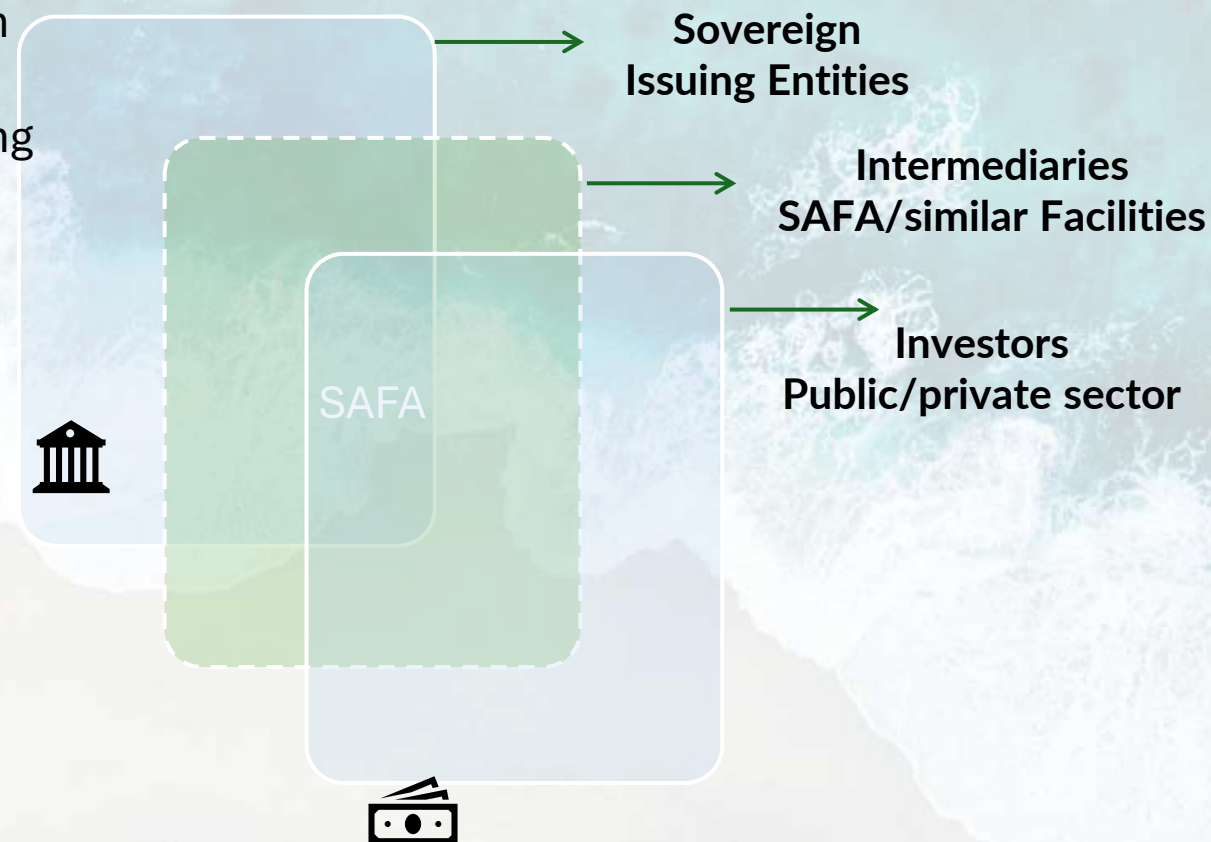
- Developing first annual Impact and Allocation report
- Third-party verification of first impact report (cost covered by GGGI)
- Quantification of environmental & social impacts
- Identify outreach opportunities to showcase issuance impact

Outreach, Partnerships and Knowledge Sharing

What is Scaling and Accelerating Finance for Adaptation (SAFA) Facility?

Why was it developed?

- SAFA is an adaptation and resilience finance facility that leverages GGGI's position as a trusted advisor embedded in government and the Adaptation Fund's global in-country track record in financing and shaping adaptation programs.
- It aims to blend and crowd in private finance by leveraging existing sources of adaptation and resilience finance, while maintaining country and community leadership
- SAFA's overarching goal **is to blend and scale, grant-based, concessional and private finance backed investments in adaptation in least developed and emerging economies.**
- As one of its phase 1 activities, the Facility will explore a sequenced and systems based approach to scaling, which hypothesizes that Bonds can of **better value, and of a more meaningful scale, if the UoPs are designed with spatial and temporal co-benefits in mind.**



Scaling and Accelerating Finance for Adaptation: Overview (as of August 2026)



Supporting governments from within to make tailored resilience investment choices.



Outcome 1:
Knowledge and Partnership Building

Establishing the conceptual and institutional basis for the facility.



Outcome 2:
Best-Practice Standards and Methodologies

What works: leveraging best practice “products” from AF for scaling and integration into existing portfolios.



Outcome 3:
Resilience Financing Instruments and Architecture

Building programmatic approaches, financing tools that blend and scale.



Outcome 4:
Country Project and Programme Development

Development of systems based aggregation, leveraging priorities from NAPs, NDCs, CAIPs.

Phase One (2026~2027)

Partnership Building and Strategy Testing and Scale Up

Background:

Adaptation Finance Gap and A&R Bond as an Option

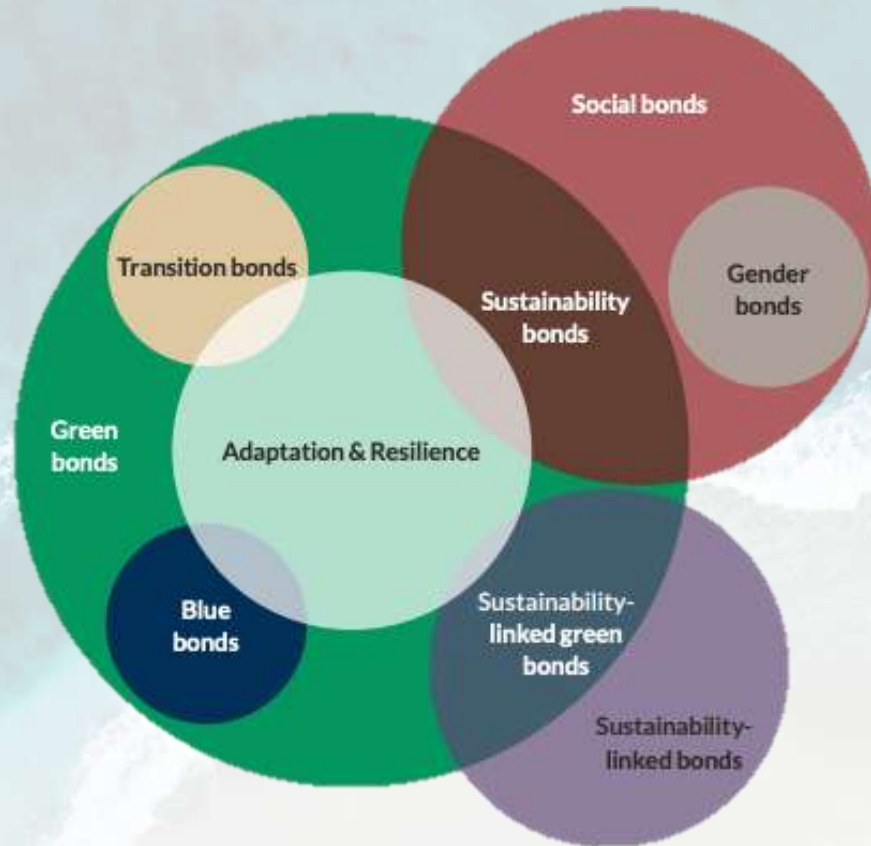


Figure: Where A&R Sits In The GSSS Bond Landscape

(Source: BMI, AIIB & Amundi, Market Study Trends & Opportunities In The Adaptation & Resilience Bonds Universe)

- **Rapid growth of the global green bond market.**
 - Market capitalization reached USD 2.9 trillion in 2024, nearly six times the 2018 level, underscoring its growing role in mobilizing climate finance.
- **Despite the rapid growth of GSS bonds, A&R has benefited only marginally.**
 - Bonds with adaptation as one of their UoPs have accounted for an average of 20% of total labelled bond issuance since 2020, with USD 230 billion raised in 2025. (GGGI, 2026)
 - Water is a primary driver of adaptation spending and accounts for 90% of A&R UoPs.
- **Some example:**
 - Ecuador Sovereign Bond: USD 100 million, 2026
 - Fiji Sovereign Green Bond: FJD 100 million (~USD 50 million) , 2017
 - TOKYO Resilience Bond, EUR 300 million, 2025
 - EBRD Climate Resilience Bond, USD 700 million
 - AIIB Climate Adaptation Bond , AUD 500 million +EUR 1000 million , 2026

Connecting SAFA with GGGI's Bond Support



Challenges of Integrating A&R into Bond Use of Proceeds:



Lack of standardized valuation:

No standardized approach to valuing and monetizing A&R benefits, coupled with limited stable, resilience-related revenue streams.



Definitional and classification gaps:

Inconsistent definitions across taxonomies and disclosure frameworks can leave adaptation investments subsumed under mitigation categories or unlabelled.



Small scale of adaptation projects:

Many adaptation projects are relatively small in scale due to the need for local ownership, limiting their suitability for bond financing.



Limited government capacity:

Limited government awareness and capacity to leverage green and sustainability-linked bonds to address A&R financing needs.

Additional Services Being Explored through SAFA x GTF



Who We Support: Sovereigns · Quasi-Sovereigns (national development banks, state-owned enterprises, municipal governments) · Private Entities (corporates and financial institutions)

Policy & Capacity Support



Enhanced Ecosystem

Guidelines, policy frameworks, and market development initiatives — including partnerships with stock exchanges and banking associations.



Capacity Building

Strengthening institutional capacity on thematic bonds for issuers and other relevant stakeholders through training and workshops.

Thematic Bond Technical Assistance

Pre-Issuance

- Issuers Needs Assessment
- Development of thematic bond framework aligned with international standards
- Obtain Second Party Opinion (cost covered by GGGI)
- **Identification of adaptation and resilience systems level packaging and portfolio co-benefit opportunities**
- **Climate Risk and Vulnerability Assessment informed prioritization**
- Structural and technical parameters of issuance, such as guarantees
- Engagement with investors
- Outreach and marketing

Issuance

- Organize non-deal roadshows
- **Screening and prioritization of underlying pipeline focusing on climate risk, and on systems opportunities for scaling.**
- Prepare marketing and investor materials
- Identify outreach and visibility opportunities

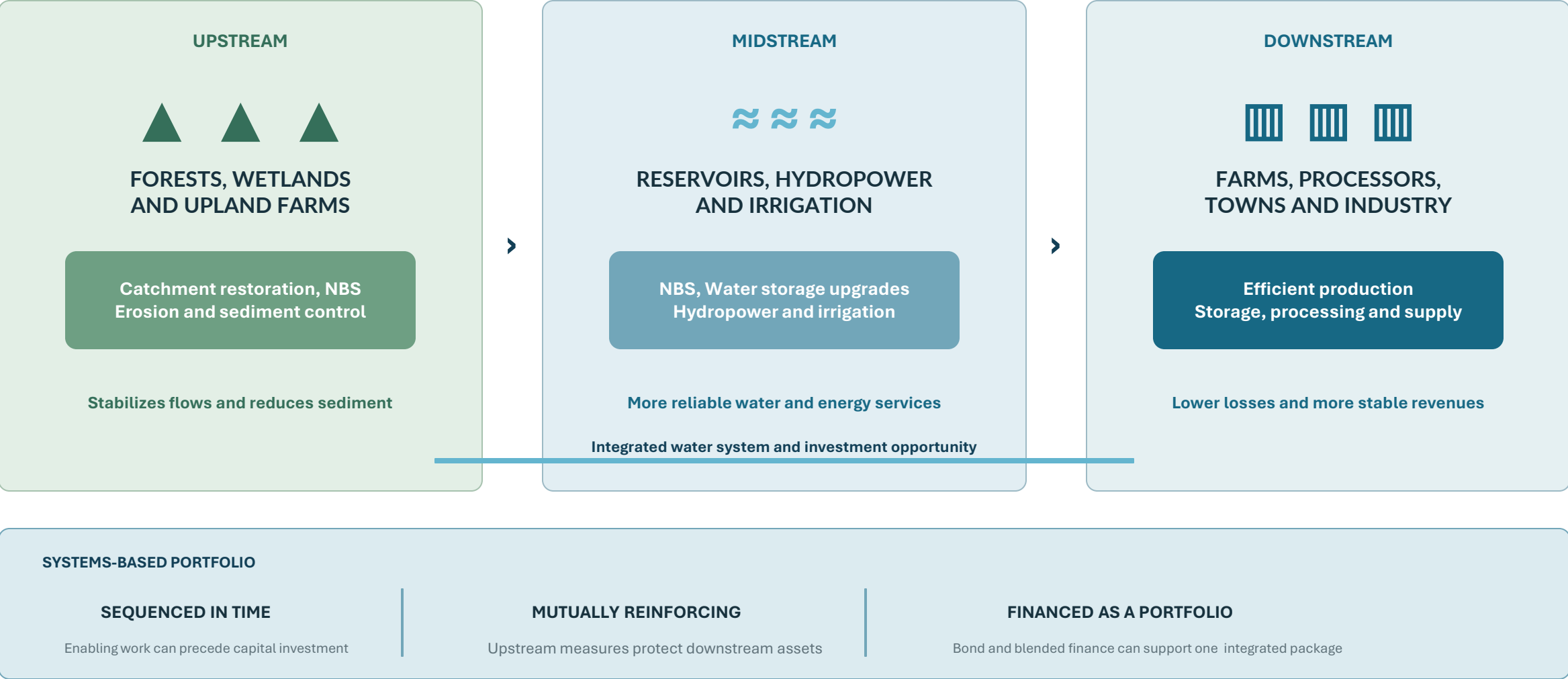
Post-Issuance

- Developing first annual Impact and Allocation report
- Third-party verification of first impact report (cost covered by GGGI)
- Identify outreach opportunities to showcase issuance impact
- **Design and implement reporting frameworks which align with adaptation and resilience outcomes.**

Outreach, Partnerships and Knowledge Sharing

CAIP Portfolios/Packages > Systems based Investments.

A river-basin portfolio links upstream, midstream and downstream investments that share climate risks and benefits.



Geographic connections provide the rationale for selecting, sequencing and reporting the projects together.

Country Simulation Exercise:

Design Scaling Pathways for your CAIP

Step 1: Present your CAIP briefly; Choose a Sector and Package to elaborate/explore further.

Step 2: Do you want to explore Bonds or other scaling methods?

Pathway 1: EXPLORE BONDS

Issuer and repayment are credible, with an investment pipeline that has sufficient scale or aggregation potential.

Discussion focus

How could the investments form an eligible bond portfolio, and what preparation or risk support would issuance require?

Pathway 2: EXPLORE OTHER FINANCING APPROACHES AND BLENDING

The fiscal context or scope of the CAIP does not allow for Bonds to be considered

Discussion focus

How can grants, public and concessional finance, guarantees or preparation support build a larger package and a possible later bond pathway?

Select one investment programme or a connected group of projects from your CAIP.

COUNTRY _____

1

The What: THE INVESTMENT

What could be financed at greater scale?

Programme / package

What is included

Indicative value

2

The Who: THE FINANCING HOME

Who would own, deliver or raise finance for it?

Lead institution

Potential issuer / borrower

Current stage

3

POTENTIAL BOND PATHWAY

Could eligible expenditure sit within a sovereign, municipal, development bank, utility or corporate bond?

Possible route

Repayment basis

Initial view

☐ Promising ☐ Maybe ☐ Unclear

4

BLENDING AND PREPARATION

What would help move the programme forward?

Support needed

☐ Preparation ☐ Grant ☐ Concessional finance

Risk support

☐ Guarantee ☐ FX support ☐ Other

Critical gap

TABLE EXCHANGE

2 minutes per country

What could you borrow from another country’s approach?

Which countries could use a shared structure or preparation facility?

ONE NEXT STEP

Select one investment programme or connected group of projects from your CAIP. COUNTRY _____

1 THE OPPORTUNITY

What could achieve greater scale if developed together?

Programme / package

What is included

Indicative value

2 THE SYSTEM CASE

Why could these investments work better as one or across interconnected packages?

Shared climate risk

How projects connect

Scale or benefit gained

3 THE FINANCING MIX NOW

Which forms of finance fit the different needs of the package?

Funding options

- ☐ Grant / public budget
- ☐ Concessional finance
- ☐ Guarantee
- ☐ Private or project finance

Revenue / repayment

Main financing gap

4 THE PATHWAY TO SCALE

What needs to happen before larger-scale or bond finance?

Preparation needed

Lead institution

First financing step

Future bond potential

- ☐ Possible later
- ☐ Unclear
- ☐ Unlikely

TABLE EXCHANGE

2 minutes per country

What could you borrow from another country’s approach?

Could countries share a programme, facility or preparation approach?

ONE NEXT STEP