Climate Solutions Partnership

Showcase Report 2020-2025

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Mangroves between Anakao and Androka, in the Mahafaly land and seascape, Southwestern Madagascar.
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Foreword

The Climate Solutions Partnership (CSP), established in collaboration with WWF and World Resources Institute (WRI), represented a five-year philanthropic commitment of US$100 million from HSBC. Recognising that the energy and land use sectors present significant opportunities for progress towards global climate and nature goals, the CSP focused its efforts on accelerating the transition to a resilient, net zero and nature-positive economy, particularly in Asia. In support of that transition, it also sought to equip stakeholders with the tools and insights needed to create a financial system that enables the transition.

Foreword continued

This report documents the key outcomes and impacts of the programme's work. The CSP demonstrated the viability of cross-sector partnership models toward a net zero and nature-positive transition. For example, numerous nature-based solutions (NbS) projects proved their financial viability through the CSP's flagship NbS Accelerator, including a coastal mangrove restoration project in Kenya. The project was made investment-ready through support of the NbS Accelerator and went on to secure US$1.1 million in early-stage investment, showcasing how NbS can deliver measurable environmental and economic benefits. Strong results also emerged in energy projects, including the successful use of renewable energy procurement models and power products, improvements to grid connectivity, deployment of traceability technologies, and the adoption of new policies and programmes for scaling renewable energy. Many CSP initiatives have attracted significant corporate interest and supported the shift of energy markets. For example, Indonesia's Green Energy-as-a-Service (GEAS) programme has facilitated commitments from the supply chain partners of large companies to collectively purchase 210GWh of green electricity annually.

In line with its goal of unlocking commercial financing for climate action, the CSP also focused on supporting the development of sustainable finance and supply chain decarbonisation solutions. Our work with Decathlon led to an aggregated Power Purchasing Agreement (PPA) in China, which enabled 14 small and medium-sized enterprise (SME) suppliers to access renewable energy from a 200MW offshore solar farm. In Indonesia, the introduction of the Hamurni app enhanced palm oil supply chain transparency, which allowed over 2,400 smallholder farmers to trace their harvests and improve plantation management practices.

These results show us the potential of partnerships to achieve meaningful outcomes for climate change mitigation and nature restoration. By harnessing the unique expertise of each partner organisation, the CSP developed and implemented innovative solutions, proving the importance of cross-sector collaboration, continuous learning and adaptability. The lessons learnt will hopefully provide valuable insights for future initiatives.

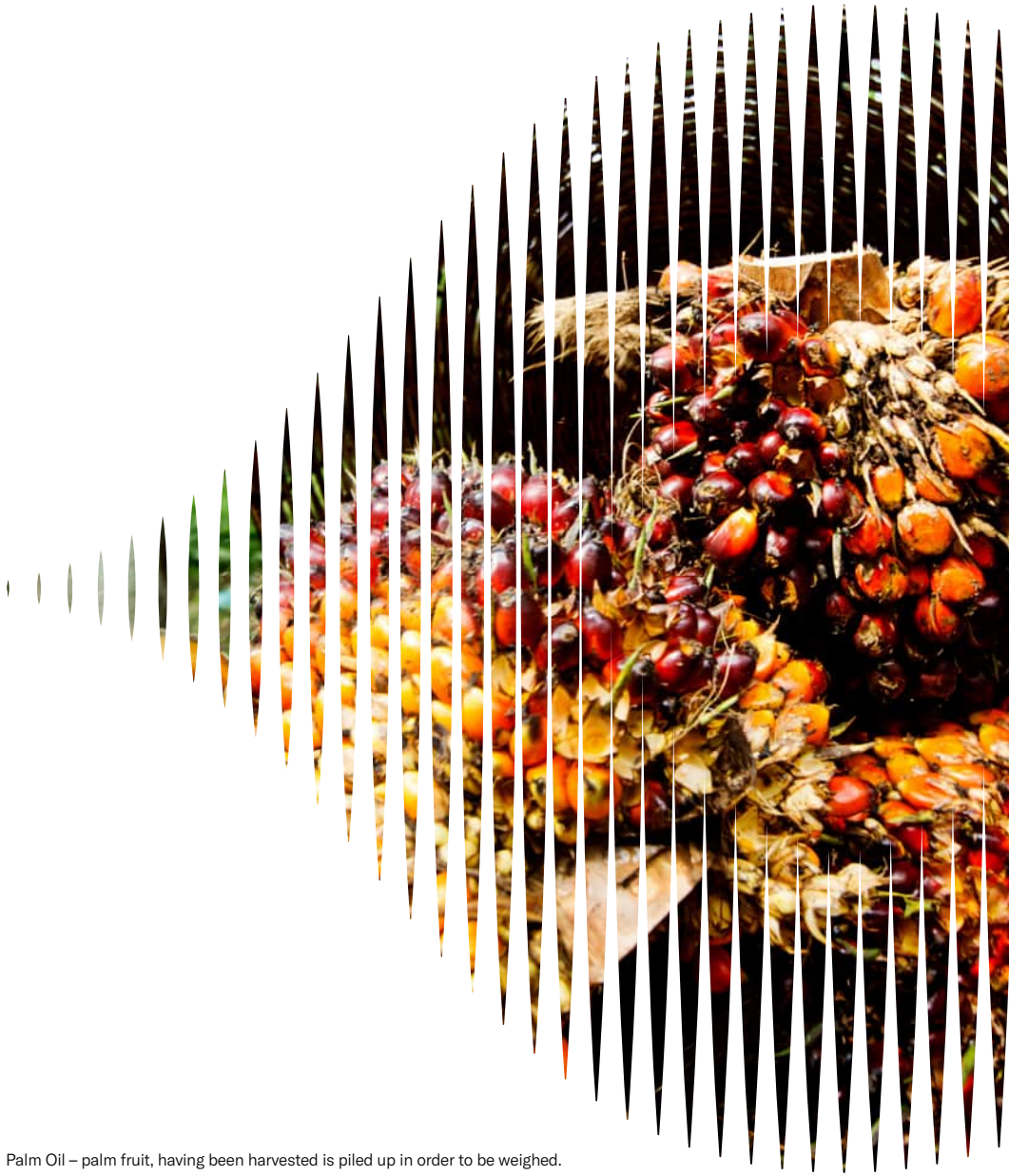
The partnership's achievements were made possible through the dedication and invaluable contributions of numerous individuals and organisations. The support and involvement of local partners, community members, government agencies and businesses have been particularly instrumental to achieving meaningful and sustainable outcomes. We extend our appreciation to all those who have contributed to the CSP's journey.

CSP has leveraged the respective strengths and expertise of financial institutions, private sector and non-profits, demonstrating the potential of taking a systems-led approach. It has established a strong foundation for future climate and nature action, and we hope the CSP's legacy will inspire other organisations involved in climate action projects to think broadly about systems change.

Julian Wentzel
Group Chief Sustainability Officer,
HSBC Holdings plc

Tanya Steele
Chief Executive Officer,
WWF-UK

Ani Dasgupta
President & Chief Executive Officer,
WRI



Palm Oil – palm fruit, having been harvested is piled up in order to be weighed.
© James Morgan / WWF-International

The Climate Solutions Partnership

Established through a US$100 million philanthropic commitment from HSBC and implemented in close collaboration with WWF and WRI, the CSP operated on the principle that transformative change requires a collaborative, multi-pronged strategy.

Our mission

The partnership aimed to demonstrate scale in climate innovation, renewables and nature-based solutions by unlocking barriers to accessing commercial financing. These solutions contributed to mitigating climate change, while also delivering gains for people and nature.

Our strategic focus areas

Energy transition

Help to accelerate the transition to a resilient, net-zero economy in Asia.

Goals and implementation areas

- Raise corporate and government ambition.
- Demonstrate efficient and renewable energy solutions in key markets.
- Grow low-carbon business and finance opportunities.

Nature

Help to accelerate the transition to a nature-positive economy.

Goals and implementation areas

- Advance deforestation and conversion-free (DCF) supply chains.
- Enable high-quality nature-based solutions (NbS) to scale.

Knowledge sharing

Drive a net zero, nature-positive financial system.

Goals and implementation areas

- Share knowledge through webinars, podcasts and guidebooks for non-governmental organisations (NGOs), communities and academics.
- Develop tools to help businesses and policy makers advance renewable energy and nature-based solutions.

Palm Oil – palm fruit, having been harvested is piled up in order to be weighed.
© James Morgan / WWF-International

Executive summary

In 2020, CSP partners – HSBC, WWF and WRI embarked on a five-year journey to contribute to climate action. The core focus areas included energy transition, nature-based solutions (NbS) and creating a platform to share insights and knowledge to drive impact across relevant sectors. Over the five years, the CSP's efforts influenced policy, supported innovation, and engaged and impacted diverse stakeholders across different regions and industries including Southeast Asia, Europe, the Middle East and Latin America, with projects spanning renewable energy, farming, textiles and apparel, sustainable supply chains and more.

Mangrove Restorers at Sisal, Yucatan.
© Asis Alcocer García

Executive summary continued

Energy transition

In its objective to help to accelerate the transition to a resilient, net-zero economy in Asia, the CSP supported the demonstration and adoption of renewable energy and energy-efficiency practices in multiple countries. In China, innovative renewable energy procurement models have driven emissions reductions and renewable energy investments. Projects in India under the CSP have improved livelihoods, reduced emissions and secured critical services through the installation of solar-powered milk chillers, rooftop solar panels in hospitals, and the piloting of an electric-powered ferry in rural communities. In Indonesia, the Green Energy-as-a-Service (GEAS) model unlocked new corporate investment in renewable energy, while biomass co-firing projects supported a cleaner industrial heat transition. In Vietnam, the CSP supported the approval of a landmark renewable energy regulation – a direct purchasing power agreement, or DPPA. Finally, the CSP mobilised over US$631 million for low-carbon energy solutions, engaged with hundreds of businesses on decarbonisation and supported the development of policies promoting renewable energy.[1]

Nature

To support acceleration of the transition to a global nature-positive economy, the CSP championed NbS by fostering a robust NbS marketplace and supporting projects from investment readiness to policy advocacy, particularly in Latin America and Southeast Asia. Six exemplar NbS projects were guided through the NbS Accelerator to reach investment readiness and are now collectively seeking US$24 million in investment outside of the CSP, to enable the protection, better management or restoration of over 100,000 hectares. Policy changes driven by the Landscape Policy Accelerator in El Salvador and Mexico have been incentivising nature-positive land use and unlocking new funding for restoration. These initiatives have improved the monitoring and measurement of NbS impacts, strengthened legal frameworks for landscape restoration and promoted stakeholder collaboration. The CSP also tackled deforestation in commodity supply chains, such as for palm oil, by promoting sustainable sourcing, enhancing supply chain transparency and empowering smallholder farmers. The Hamurni traceability app, with over 2,400 users tracing over 10,500 tonnes of fresh fruit bunches, is one example of action delivered in this space. In other areas, HSBC UK has donated £4 million to the UK's National Trust for the planting of two million trees, and a peatland restoration project in Malaysia has been protecting vital carbon sinks and biodiversity.[2]

Knowledge sharing

The CSP prioritised knowledge sharing and capacity building across its funded projects. Tools such as WWF's Environmental Crimes Financial Toolkit and greenhouse gas (GHG) inventory guidebook for Vietnam, and WRI's guidebooks – the Financial Sector Guidebook on Nature-based Solutions Investment and A Guidebook for Businesses on Nature – aimed to equip stakeholders with practical resources to tackle investment in nature. The CSP actively engaged governments, businesses and the financial sector, fostering dialogue and promoting best practices to advance a net zero, nature-positive finance system.

Through a wide range of channels, the CSP shared knowledge and insights, from an HSBC WWF podcast series on sustainable energy that reached 420,000 people, to a webinar on tropical tree-cover data that drew 844 participants, and contributions to numerous climate and nature events over the five-year period. In the final year alone, the programme featured around 120 events with more than 6,000 attendees, over 70 webinars, about 350 media articles or podcasts, more than 20 television news features, and the production of around 60 reports, reaching over 600,000 people worldwide. These efforts have broadened the conversation around climate change, showcasing the impact of collaboration, innovation and investment in sustainable solutions.

Programme metrics*

US$635.4m

total finance unlocked, including public and private capital and leveraging of philanthropic and government funds.

7.81m tonnes

projected GHG emissions avoided or sequestered (cumulative), equivalent to the annual emissions from approximately 385,000 passenger vehicles.[3]

3,185

sustainable enterprises financed or supported.

128

communications and knowledge products developed.

36.5m

people impacted through CSP initiatives, from renewable energy access to ecosystem health. Includes farmers, patients and communities.

28

government policies supported, including policies that facilitate access to renewable energy.[4]

1,069

companies engaged and supported in their decarbonisation journey.

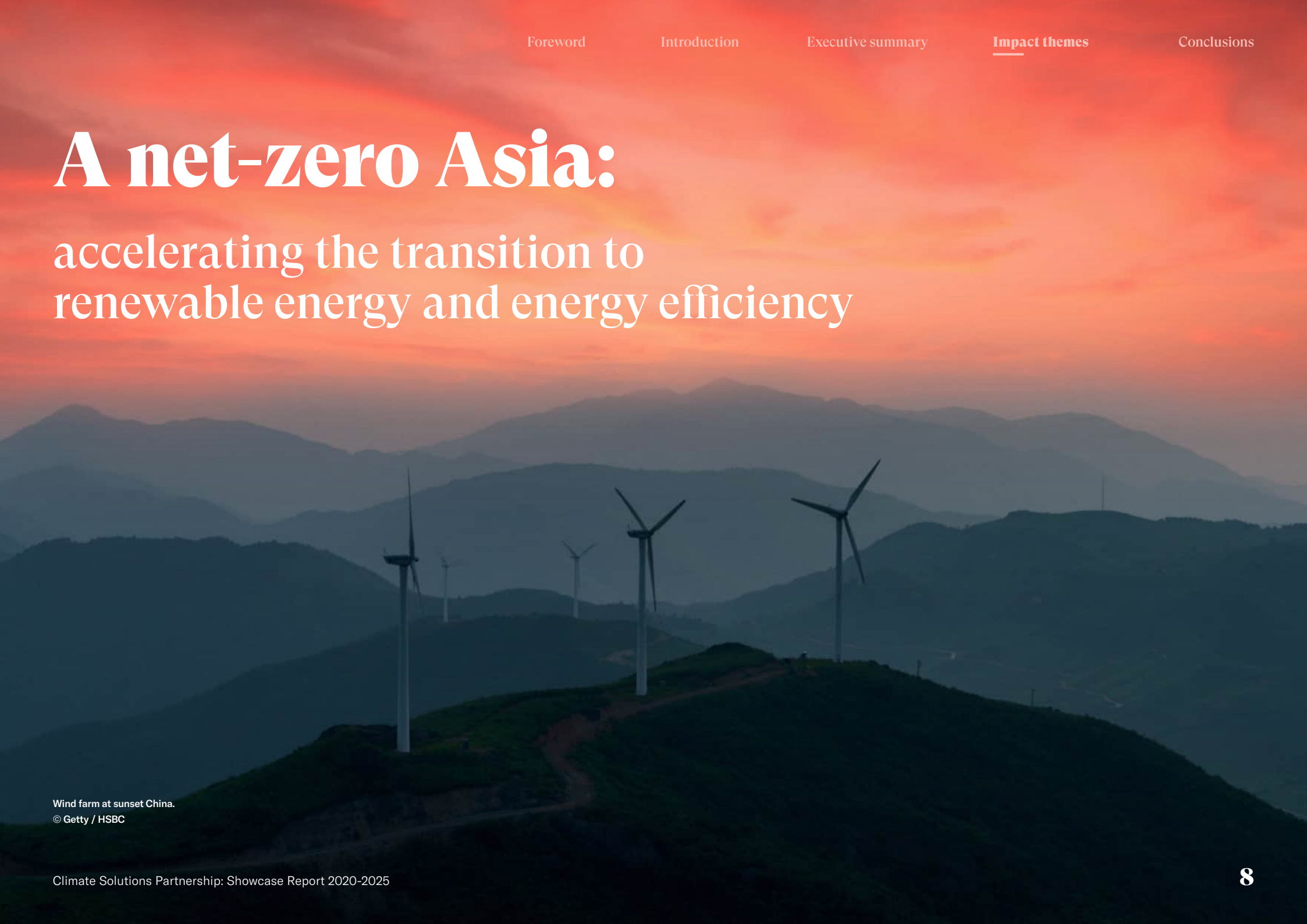
13m hectares

total area managed to maintain or improve biodiversity.

* Note: These metrics are through December 2024; final metrics will be updated after July 2025.

A net-zero Asia:

accelerating the transition to renewable energy and energy efficiency



Wind farm at sunset China.
© Getty / HSBC

WRI President Ani Dasgupta and Decathlon leaders connect on the ground in Zhejiang to explore sustainable supply chain practices.
© WRI China

Aggregating renewable energy demand to tackle Scope 3 emissions

Key challenge

Small and medium-sized enterprises (SMEs) in China, which accounted for 30% of global manufacturing output in 2021, often face significant challenges in accessing affordable renewable energy. Barriers include difficulties meeting corporate Scope 3 commitments, limited knowledge of renewable energy systems and reliance on annual contracts that hinder long-term procurement strategies. Additionally, the development of new renewable energy projects requires consolidated demand, which is difficult for individual SMEs to coordinate on their own.[5]

Approach and outcomes

To address these challenges, Decathlon, a global sporting goods retailer, partnered with WRI China to aggregate **the renewable energy demand of 14 of its SME suppliers** in Fujian province. This collaboration secured a single large-scale power purchasing agreement (PPA) with China General Nuclear Power Group (CGN) for a 200MW offshore solar farm. The US$190 million project will generate **260GWh of renewable electricity annually**, avoiding 200,000 tonnes of CO_2 emissions – equivalent to the annual emissions of approximately 35,000 homes in China.[6]

WRI China's deep understanding of power market regulations and negotiation strategies, combined with Decathlon's purchasing power, made it easier for SMEs to access renewable energy. The resulting multi-year PPA – an uncommon achievement in China's market, where annual contracts prevail – provides suppliers with more competitive rates while signalling robust demand for renewable energy. This model is now being scaled in more than a dozen provinces, including Jiangsu and Guangdong, and has attracted interest from major brands like Lenovo, Apple and Pepsi, showcasing its potential for cross-industry impact. By consolidating energy needs, Decathlon delivered a clear market signal to developers, **driving increased availability of renewable energy**.

This scalable approach shows how multinational corporations can drive supply chain decarbonisation through a model with potential for adoption across sectors. Financial institutions can enable replication by offering funding for similar projects, aiding the broader transition towards sustainable energy solutions.

> "Without the support of WRI China, Decathlon would not have been able to realise the ambitious supplier renewable energy aggregation project successfully. We look forward to our further cooperation on scaling the pilot into other provinces in China."

Qiu Jun
Decathlon Sustainable Development Manager

200MW
solar farm capacity.

200,000tCO$_2$
emissions avoided annually.

14 SME
suppliers benefiting from the procurement of renewable energy.

US$190m
invested in renewable energy development.

Empowering India's dairy sector with solar energy

Key challenge

India's dairy sector, which has the world's largest dairy herd, is a cornerstone of the nation's economy and a vital source of livelihood for millions of smallholder farmers.[7] However, the sector faces significant challenges in maintaining milk quality and reducing spoilage. Lack of access to reliable and affordable cooling solutions, particularly in rural areas, leads to spoilage and reduced income for farmers, especially for the women who often manage dairy activities.[8]

Approach and outcomes

WWF India's dairy cold chain workstream addressed this challenge by demonstrating innovative clean-technology solutions that enhance livelihoods, improve product quality and drive systemic change within the sector. The initiative promoted favourable policy adjustments, unlocked access to finance and empowered dairy cooperatives to adopt sustainable practices.

WWF India worked closely with dairy cooperatives and India's farmer producer organisations to install 851kW of solar-powered milk chillers across 20 districts in Gujarat, Uttar Pradesh and Rajasthan, with another 170kW under installation. These chillers offer a cost-effective way to preserve milk quality and extend its shelf life. **The installations benefited 22,550 dairy farmers (5,000 of whom are women), including members of 45 dairy cooperatives, chilling 55,000 litres of milk daily, and mobilised co-investments from dairy cooperatives worth over US$360,000 for decarbonising the dairy supply chain.**[9]

Policy advocacy has resulted in a 60% government subsidy on instant milk chillers, further incentivising adoption and supporting a more sustainable dairy sector. By providing reliable cooling, reducing energy costs and improving milk quality, the project empowers dairy farmers, enhances incomes and contributes to a more resilient dairy sector.[10]

851kW
solar-powered milk chillers installed.

10,000
dairy farmers benefiting.

170kW
additional renewable energy capacity under installation.

US$125K
co-invested by dairy cooperatives.

Townsfolk and dairy farmers gather for the inauguration of a newly installed instant milk chiller in Sirohi, Rajasthan.
© WWF India

Clean transport for the Sundarbans: an electric-powered ferry pilot scheme

Ferry operators are installing retrofittable electric propulsion units powered by energy-efficient lithium-ion battery packs.
© WWF-India

> "I am impressed by the huge environmental benefits of this conversion... WBPCB will promote such vessels in such eco-sensitive zones."
>
> **Kalyan Rudra**
> Chairman of the West Bengal Pollution Control Board

The introduction of a quieter, cleaner ferry service which benefits both human health and the delicate estuarine biodiversity.

600+
commuters served per day.

0.8tCO$_2$
emissions reduction in the trial period.

INR1.06 lakhs
(US$1,285) cost savings for boat operator over 84 days.

Key challenge

The Sundarbans, a UNESCO World Heritage Site in India, with an intricate network of deltaic waterways, lush forests and scattered islands, is a highly fragile ecosystem that sustains resilient communities, diverse flora and unique fauna. However, the area faces environmental challenges due to the reliance on diesel-powered ferries. While these ferries are essential for connectivity, they contribute to pollution, threatening both biodiversity and community health.

Approach and outcomes

To address this issue, WWF India piloted an electric-powered ferry by retrofitting an existing diesel vessel with an 8hp electric propulsion unit and a 6kWh lithium-ion battery pack.

This modification significantly reduced emissions and noise pollution while **providing transport for over 600 people daily** to schools, markets and healthcare facilities.

The shift to electric power lowered operating costs for the boat operator, demonstrating economic benefits alongside environmental gains. During the 84-day pilot period, CO_2 emissions were reduced by an estimated 0.8 tonnes – equivalent to the annual absorption of 40 trees.[11]

There are approximately 41 ferry routes in five blocks where WWF operates: Gosaba, Kultali, Patharpratima, Hingalganj, and Basanti. With at least two, some have three, ferry boats per route, **there is potential to electrify 100 boats**.

The progress made by the project has sparked interest from local authorities, including the West Bengal Pollution Control Board (WBPCB) and West Bengal Renewable Energy Development Authority (WBREDA). They are now exploring ways to convert around 100 ferry boats in the region through policies and government funds. If implemented, this intervention will have the capability **to reduce the usage of 82,000 litres of diesel** and 158 tonnes of CO_2 emissions every year, providing cleaner transport for more than 50,000 commuters in the Sundarbans region.

Powering Indonesia's growth with green energy: the GEAS model

Key challenge

Indonesia has significant renewable energy potential but faces complex barriers to renewable energy adoption including high upfront capital costs, regulatory complexities, and limited financing mechanisms. With its reliance on coal-fired power plants, the state-owned utility PLN has struggled to align its operations with Indonesia's commitments under the Paris Agreement, including achieving net-zero emissions by 2060. Meanwhile, multinational corporations operating in Indonesia, such as H&M and Adidas, face challenges sourcing renewable energy to meet their decarbonisation goals, while SMEs lack viable options to access green energy. These obstacles risk undermining Indonesia's competitiveness amidst the renewable energy transition.

Approach and outcomes

Under the CSP, **WRI Indonesia partnered with PLN** to develop the Green Energy-as-a-Service (GEAS) programme. This programme represents a significant step forward for Indonesia's energy economy, providing, for the first time, a clear and accessible pathway for companies to meet their renewable energy demand. One key component under GEAS is a new, bundled **Renewable Energy Certificate** (REC) product, which allows businesses to directly fund new renewable energy projects within PLN's 10-year development pipeline. These RECs enable companies to support additional renewable capacity on the grid while offsetting their emissions, even without on-site renewable installations. This transition also presents a significant economic opportunity for Indonesia, attracting foreign investment, creating new jobs in the renewable energy sector, and reducing reliance on imported fossil fuels. Furthermore, it contributes to improved air quality and public health by decreasing pollution from coal-fired power plants.

WRI experts helped shape GEAS to meet the needs of both SMEs and multinational corporations. By providing technical guidance, WRI ensured the programme's design and operationalisation catered to diverse business sizes and requirements. Through aggregating the voices of commercial and industrial buyers to demonstrate demand, WRI influenced PLN to expand its renewable energy offerings and integrate corporate demand into its planning. Building on the success of the initial REC programme, also supported by WRI, the GEAS programme aims to provide a more comprehensive and impactful solution for corporate renewable energy procurement.

The initial REC programme, which WRI helped launch and scale, has attracted over 1,600 customers, including high-profile adopters like H&M, resulting in 439 million tCO_2 emissions avoided. GEAS is now building on this foundation to provide a more direct link between corporate investment and new renewable energy projects and has already attracted companies like H&M Group, which, along with its suppliers, has committed to purchase 201GWh annually.[12,13]

Furthermore, this initiative has catalysed a cultural shift within PLN, reframing renewables from a perceived revenue threat to a growth opportunity. **GEAS is now a cornerstone of PLN's sustainability strategy**, positioning Indonesia as a leader in the sustainable energy transition. By making renewable energy more accessible to businesses of all sizes, PLN has enhanced Indonesia's appeal to environmentally conscious companies and advanced the country's progress towards a greener future.

1,600+

customers have invested in the original REC scheme, which WRI helped launch and scale.

439 $mtCO_2$

avoided through the REC scheme.

210GWh

renewable energy purchase agreement signed with supply chain partners of H&M.

Ongoing construction of a floating solar farm – an example of the innovative projects supported by the GEAS.
© WRI China

Co-firing for co-benefits: exploring a role for biomass in Indonesia's clean energy future

Key challenge

Industrial processes are responsible for approximately 75% of Indonesia's total GHG emissions. Most of these emissions come from industrial heat generation, which primarily relies on coal. Finding alternatives to coal is therefore critical for reducing emissions and achieving the country's climate goals.

Approach and outcomes

In response to this challenge, **WRI and WWF tested the use of biomass co-firing** as an alternative to coal in industrial boilers. This was done in collaboration with a textile supplier in Indonesia. During the trial, coal was entirely replaced with wood briquettes made from Cajuputi feedstock, a more sustainable and economically viable option compared to previously tested sawdust. The boiler successfully combusted 100% wood briquettes, producing six tonnes of steam per hour for textile processing.[14]

WRI conducted the trials and provided technical analysis, while WWF evaluated the environmental impact of various biomass feedstocks, ensuring the sustainability of the chosen material and assessed the financial requirements and cost implications of biomass conversion. Guidelines were developed to support the replication of this model across industries and they were assisted in scaling the use of biomass conversion based on scientific principles to achieve decarbonisation. WRI and WWF-Indonesia **worked with the Ministry of Energy and Mineral Resources** to develop policy recommendations that promote the use of solid waste biomass feedstock to mitigate emissions. These recommendations aim to help Indonesia's industrial and commercial sectors reduce GHG emissions while maintaining competitiveness.[15]

To complement the policy recommendations, WRI and WWF-Indonesia developed technical guidelines for implementing sustainable biomass conversion. These guidelines are designed to assist industries in scaling up the use of biomass conversion based on scientific principles to achieve decarbonisation. The development of clear guidelines and a focus on sustainable sourcing are important for ensuring the replicability and scalability of this model. **This initiative highlights a viable pathway toward cleaner industrial heat in Indonesia**, paving the way for a transition to sustainable biomass and contributing to the country's climate objectives.

> "When coal phase-out becomes our priority... WRI Indonesia's support becomes inestimably precious. And what I have appreciated most is the 'can-do' attitude from the team."
>
> **Anya Sapphira**
> Stakeholder Engagement and Public Affairs Lead, H&M Group Indonesia

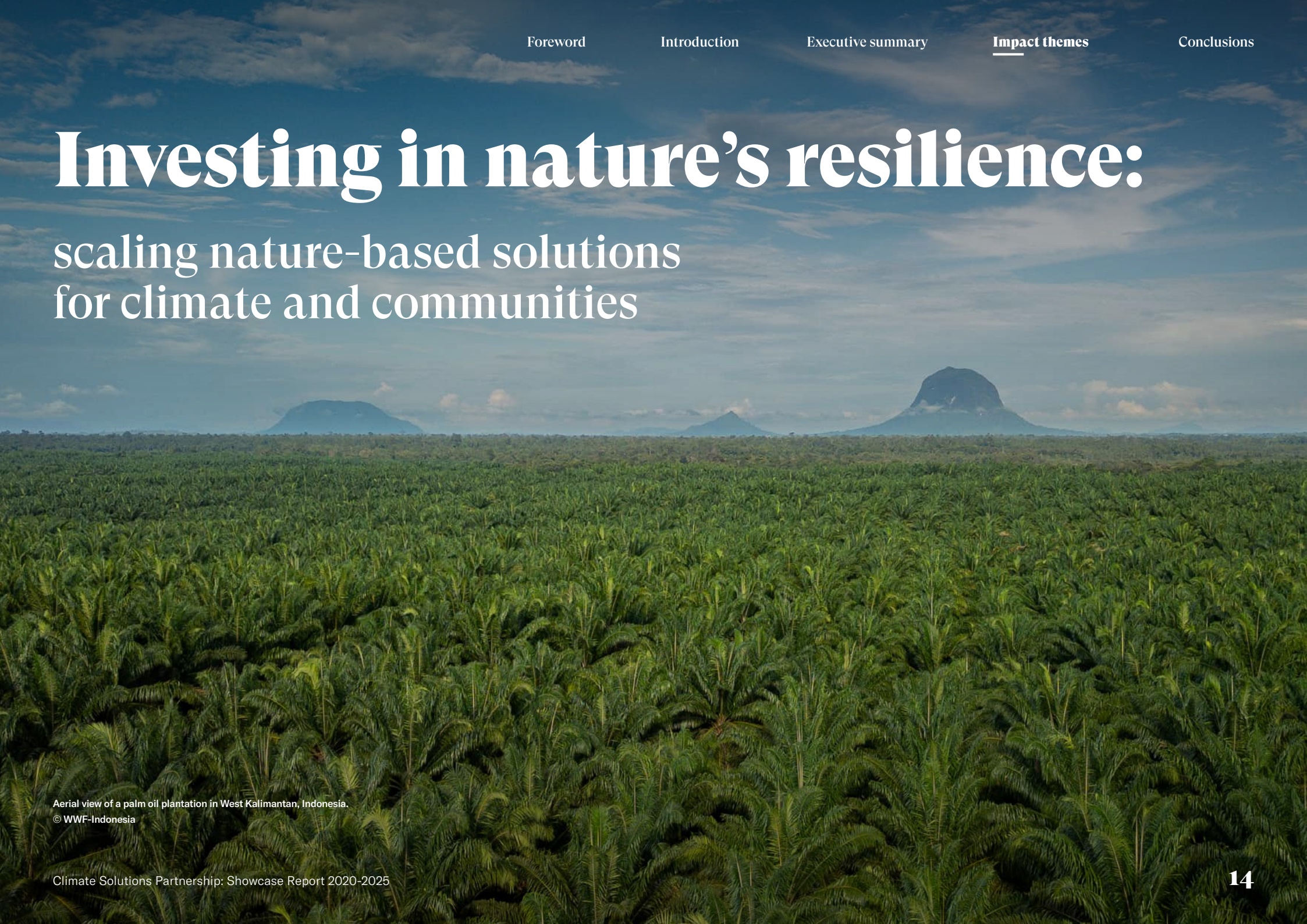
A boiler operator monitors biomass inputs as part of a renewable energy pilot at an apparels factory in Indonesia.
© WRI Indonesia

100%
coal replacement achieved in one boiler (with wood briquettes) since 2024 trial.

24.8tCO_2e
emissions saved during a 48-hour conversion trial.

Investing in nature's resilience:

scaling nature-based solutions for climate and communities



Aerial view of a palm oil plantation in West Kalimantan, Indonesia.
© WWF-Indonesia

Nurturing growth: the NbS Accelerator

Key challenge

Nature-based solutions (NbS) offer significant potential for addressing climate change, protecting biodiversity and enhancing human wellbeing. However, scaling the impact of NbS is often hindered by several challenges. These include a lack of clear standards for project design and implementation, difficulties in measuring and verifying outcomes, and limited investor understanding of the financial viability of NbS projects.

Approach and outcomes

To tackle these barriers, **WRI and WWF jointly launched the NbS Accelerator**, working on four levers to drive additional investment into nature. WWF focused on investment readiness and knowledge sharing, while WRI focused on policy incentives and metrics, verification and accountability.

WWF focused on providing technical assistance to a portfolio of NbS projects seeking investment readiness and on sharing insights on high-integrity, bankable NbS amongst project developers and finance audiences. This involved supporting high-quality project design, improving measurement and reporting, and fostering knowledge sharing among developers, investors and policymakers. These efforts aimed to reduce transaction costs, increase investor confidence and catalyse greater NbS activity.

Six projects were selected for the NbS Accelerator representing diverse ecosystems, from mangrove restoration in Kenya to agroforestry in Thailand and involving a wide range of revenue streams and finance types. These projects received technical support and grant funding, and sharing this experience is helping to inform the investment community on the process of becoming investment ready. Knowledge resources, including the Guide to TNFD for NbS Projects and the Insetting through NbS report, supported project alignment with investor frameworks and explored the role of NbS in addressing corporate supply chain impacts.

As of June 2025, the investment-ready projects are collectively starting to seek US$24 million to fund their first-phase business plans. One of the projects had already secured early-stage investment of US$1,110,000 from outside the CSP, and more projects are expected to achieve their target investments in 2025. Furthermore, **WWF engaged over 1,200 people** through direct online engagement and training and presented at 28 events, including UN Conferences of the Parties (COP) on Climate Change and the UN Biodiversity Conference, to share best practices and build capacity within the NbS sector.[16]

Simultaneously, WRI contributed to the establishment of the infrastructure necessary for a thriving NbS marketplace through their NbS Policy Accelerator. This included standardising project design, improving measurement and reporting, and stimulating knowledge sharing among developers, investors, and policymakers. **WRI enhanced tools for measuring and monitoring NbS impacts**, such as new data on tropical tree cover change, has improved the monitoring of protection and restoration efforts including expanding the ability of regulatory authorities to ensure compliance with deforestation regulation, such as EU Deforestation Regulation (EUDR). WRI also expanded the Landscape Policy Accelerator to Latin America, assisting governments in developing policies that promote NbS investments. Notably, policy reforms in El Salvador and Mexico have unlocked funds from land development projects towards restoration, and a payment-for-ecosystem services scheme has influenced eight irrigation districts across five states in northern Mexico to commit to annual contributions for watershed conservation.

Seaweed is dried in Taytay, Palawan.
© WWF Philippine

Additionally, through the RE3CO initiative, WRI supported community-driven restoration, conservation and management of mangrove forests in Mexico. Local organisations are leading efforts on the ground in multiple regions, securing economic independence and numerous social benefits from their participation by increasing and diversifying job opportunities and reducing the gender wage gap.[17]

> "The WWF team have all been generous with their time, proactive in information exchange on relevant events, policy developments and ideas to help join up the dots and reduce blind spots. The NbS Accelerator has given the project the best chance of success."
>
> **Mr Glenn Anderson**
> Swallowtail Consulting for the Nature for Norwich project, UK

US$1.1m

early-stage investment from outside the CSP was secured by one project after receiving technical support for investment readiness from the NbS Accelerator.

5

policies developed to incentivise greater investment in NbS, including El Salvador's new Environmental Compensation Policy.

1,400

hectares restored, 4,800 hectares conserved across 10 sites in Mexico's mangrove habitats.

Cultivating transparency and transforming Asia's palm oil sector

Key challenge

The palm oil industry is a significant economic driver in Southeast Asia, yet it faces critical sustainability challenges including deforestation, habitat loss and maintaining the welfare of smallholder farmers. The most important producer markets (such as Indonesia and Malaysia), consumer markets (including China and India) and trading hub (Singapore) are in Asia, making the region central to transitioning this globally significant supply chain towards sustainable production, trade and consumption. To address this issue, **WWF's Asia Sustainable Palm Oil Links (ASPOL) programme** worked to transform the sector by promoting responsible sourcing, enhancing supply chain transparency and empowering smallholder farmers.

Approach and outcomes

ASPOL supported smallholders in achieving Roundtable on Sustainable Palm Oil (RSPO) certification, a globally recognised standard that ensures environmentally and socially responsible practices. This certification enhances market access for smallholders, enabling them to secure higher prices for sustainably produced palm oil. In addition, ASPOL collaborated with governments and businesses to strengthen policies and practices that promote deforestation-free palm oil, including through bilateral government exchanges, business performance tracking and scorecards, and sector convening.

In Sabah, Malaysia, ASPOL facilitated the development of an innovative cooperative model, which addresses high costs and technical barriers of certification faced by growers. By joining forces, members can access expertise and share certification expenses, reducing the financial burden. This initiative enabled 25 smallholders to achieve certification, with 95 more in progress.

In Indonesia, **ASPOL supported 357 smallholders** in obtaining RSPO certification as of January 2025.[18]

Enhancing supply chain transparency was another crucial focus. The Hamurni traceability app, developed as a part of ASPOL, enables local farmers in Indonesia to track their harvest from plantation to mill, providing valuable data on origin, production practices and environmental impact. By December 2024, 2,400 smallholders were registered with Hamurni. The app is free and inclusive, improving both market access and plantation management. It strengthens transparency and traceability, enabling buyers to verify the sustainability of their sourcing and supporting compliance with regulations such as the EUDR. Additionally, Hamurni aids smallholders in improving plantation management through access to information and training.

ASPOL engaged with traders, manufacturers and retailers to promote the uptake of sustainable palm oil. By collaborating with key players across the value chain, ASPOL aimed to create a market for sustainable palm oil, driving demand for responsibly sourced products and incentivising sustainable practices. ASPOL benchmarked traders, representing 90% of global palm oil trade, through its Trader Index, encouraging sustainable sourcing policies and improved transparency. In China and India, **consumer awareness campaigns reached over 34 million** people by December 2024, promoting the importance of choosing sustainable palm oil, and creating consumer pressure towards sustainable sourcing.

> "This not-for-profit cooperative model is a game changer... It's about collaboration and making a real impact."

Mr. Shim Nyuk Min
LKSS Chairman

2,400+
users of the Hamurni traceability app as of December 2024.

10,621t
fresh fruit bunches (FFB), the fruit from oil palm trees, traced through the Hamurni app.

90%
global palm oil trade represented by traders engaged by ASPOL.

Aerial view of the limit between palm oil plantation and the jungle in Central Kalimantan, Indonesia.
© Matthieu Paley / WWF

Navigating compliance: preparing Indonesia for deforestation-free palm oil under the EUDR

Key challenge

Indonesia's palm oil industry, contributing 4.5% of GDP and 54% of global exports, faces mounting pressure to eliminate deforestation from its supply chains under the EUDR. Compliance requires legal registration, traceability and sustainable practices – difficult tasks given that over 95% of the nation's 2.5 million smallholder farmers operate informally. Limited inter-ministerial coordination and data-sharing mechanisms further complicate efforts to monitor deforestation and align with international standards, jeopardising market access and sustainability.

Approach and outcomes

To address these challenges, WRI's Landscape Policy Accelerator, in partnership with WWF and other stakeholders, launched a comprehensive initiative to strengthen governance, promote traceability and formalise smallholder registration. Through peer-to-peer workshops, the Accelerator facilitated collaboration among government agencies, private sector leaders and smallholder farmers, consolidating efforts into a Joint Work Plan focused on two key deliverables: smallholder registration and the creation of a National Dashboard for Traceability and Data Exchange.

With WRI and WWF's support, the Indonesian government **initiated the registration of 2.5 million smallholder farmers, simplifying procedures, digitising processes and unlocking public funds**. Through inter-ministerial coordination and strengthening collaboration between agrarian and social forestry sectors, WRI created additional incentives for smallholders to register – including land title certification and access to social forestry permits. The coalition also opened participation for companies to register smallholders within their value chains in the digitised registration system. Initially targeting palm oil farmers, the programme expanded in 2024 to include cocoa and coffee farmers, with palm oil levy funds reallocated to support these additional sectors. Concurrently, the National Dashboard, launched in 2024, integrates farmer registration with supply chain traceability, enabling compliance with EUDR requirements.

WRI enhanced inter-ministerial coordination and facilitated knowledge-sharing through policy dialogues and capacity-building workshops. WWF contributed by strengthening farmer data collection and participating in technical committees. The initiative attracted collaborators such as GIZ (German Society for International Cooperation) and the Tropical Forest Alliance, bolstering preparations for the EUDR rollout.

These efforts have laid the groundwork for deforestation-free commodity production in Indonesia. By streamlining farmer registration, improving supply chain transparency and fostering multi-stakeholder alignment, the initiative supports Indonesia's compliance with international standards while promoting environmental conservation and long-term economic growth.

> "With the digital registration system, farmers not only get legal recognition, but also access to assistance like seeds, fertilisers and technical support. We want to ensure that social forestry farmers producing cocoa and coffee meet EUDR standards so they can remain competitive while protecting the environment."

Yanyan Ruchyansyah
Head of Forestry Services in Lampung province

6

peer-to-peer learning sessions held with government ministries, private sector and civil society organisations.

170,000

additional smallholders registered through the course of project implementation.

6

ministries engaged in policy dialogues on EUDR compliance.

4

decrees or ministry-level regulations accelerated to expand smallholder registration and strengthen the national data exchange platform.

Verifying smallholder land for registration in Riau, Indonesia.
© WRI Indonesia

Planting for the future: creating carbon-rich habitats with the National Trust

School children helping to plant trees on Pule Hill, Marsden Moor, West Yorkshire.
© National Trust Images / Paul Harris

£4m
donation from HSBC UK.

2m+
trees planted and established.

24
woodland creation locations supported.

1,656ha
wooded habitats.

79km
hedgerows established.

23,000
volunteering hours donated.

Key challenge

For the United Kingdom, like many other regions in the world, nature-based solutions (NbS) present unique opportunities to improve biodiversity and mitigate the impacts of climate change. Supported by HSBC UK through the CSP, the National Trust is creating woodland and carbon-rich habitats across England, Wales and Northern Ireland – part of its wider ambition to plant and establish 20 million trees by 2030.

Approach and outcomes

From September 2021 to March 2025, the HSBC UK and National Trust partnership **focused on expanding and restoring woodlands** to increase carbon sequestration, provide critical habitats and improve access to nature. A £4 million donation from HSBC UK facilitated the planting and establishment of over two million trees.

The programme has transformed 1,656 hectares into wooded habitats, planted 79 kilometres of hedgerow and supported woodland creation projects across 24 locations in England, Wales and Northern Ireland. In addition, CSP support helped the National Trust to **leverage over £12 million in additional matched funding for NbS**, with HSBC UK colleagues donating over 23,000 volunteering hours across 84 National Trust properties.

HSBC UK's support has also enabled the National Trust to trial innovative planting techniques and alternative methods of habitat creation and management. To highlight just a few examples from the partnership, this has included the creation of the first publicly accessible Forest Garden in Europe at Shugborough, Staffordshire, the establishment of a tree nursery in Northern Ireland, and the development of two new agroforestry schemes at Wimpole, which will create an eight kilometre nature corridor and demonstrate how improving carbon sequestration on farms can go hand in hand with increased productivity.[19]

This collaboration sought **to combine financial resources with practical conservation efforts**. The project's approach illustrates how NbS could contribute to climate change mitigation and biodiversity enhancement in the UK. Through these activities, CSP and its partners aimed to demonstrate effective strategies for habitat restoration, offering insights for similar initiatives focused on sustainability and environmental health.

> "Planting and establishing two million trees is no mean feat and it's an achievement made possible only with HSBC UK's continued generous support. But, of course, the story behind the numbers is what matters. Trees are an amazing weapon in the fight against climate change and biodiversity loss, and the benefits they bring to people cannot be overstated – they clean the air we breathe and provide spaces to relax, whilst helping us reconnect with the natural world."

John Deakin
Head of Trees and Woodland, National Trust

Restoring Malaysia's peatland gem: a collaborative effort for carbon and biodiversity

Key challenge

Malaysia's peatlands are vital ecosystems that provide carbon storage, water regulation and biodiversity support. However, these wetlands face threats from deforestation, unsustainable land management practices and peatland fires.

Approach and outcomes

To address these challenges, the Global Environment Centre (GEC), supported by the CSP, embarked on a project to restore degraded peatlands in the Raja Musa Forest Reserve. This long-term initiative highlights the importance of collaborative efforts in protecting critical carbon sinks and biodiversity hotspots.

The restoration efforts focused on re-establishing the natural hydrology of the peat swamp forest through canal blocking, promoting natural regeneration, and planting a diverse range of tree species selected to support the long-term health and resilience of the ecosystem. By restoring the natural environment, the project aimed to reduce GHG emissions from drained peatlands fires and create habitats for various species.[20] Through canal blocking, tree planting and **fire prevention measures, the initiative supports the forest's biodiversity and globally threatened wildlife**.

Collaboration was key to the project's success, bringing together government agencies, NGOs, local communities and other stakeholders to achieve shared goals. The restoration of the Raja Musa Forest Reserve not only contributes to Malaysia's climate change mitigation efforts but **also protects a unique biodiversity hotspot**. Through this initiative, the CSP and its partners have demonstrated the significant benefits of investing in peatland restoration, providing valuable lessons and best practices for similar initiatives in the region.

Forest tree planting activities at Empangan Jus in collaboration with Badan Kawal Selia Air Melaka (BKSA) and the Melaka State Government.
© Global Environment Centre

21,720+
volunteers participated in tree planting activities.

73,517
trees planted, including pioneer, high-quality and enrichment species.[21]

Nature-based solutions for catalysing a more resilient US food system

Key challenge

The Mississippi River Basin, a critical agricultural region in the US, faces significant environmental challenges, including water quality degradation, nutrient runoff and soil erosion. These issues threaten the ecosystem's long-term health and the sustainability of agricultural production.

Approach and outcomes

To address these challenges, the Midwest Row Crop Collaborative (MRCC), a partnership of leading companies and non-profits in the food and agriculture sectors, **worked to promote positive environmental change within the basin**. The MRCC fostered collaboration among diverse stakeholders, including farmers, food companies, retailers and conservation organisations, recognising that complex environmental issues require collective efforts.

The partnership focused on promoting sustainable agricultural practices aimed at improving water quality, reducing nutrient runoff and enhancing soil health. Key initiatives included encouraging the use of cover crops to prevent soil erosion and improve water infiltration, promoting reduced tillage practices to minimise soil disturbance, and implementing nutrient management plans to optimise fertiliser use and reduce runoff.

In addition to on-the-ground practices, the MRCC emphasised knowledge sharing and farmer engagement through workshops, field days and online resources. **This collaborative approach cultivated a shared understanding of the challenges and opportunities for sustainable agriculture, enabling the development and implementation of environmentally and economically viable solutions**.

Through these efforts, **the CSP and its partners highlighted the potential of nature-based solutions** to enhance the resilience of the US food system, contributing to improved environmental outcomes and sustainable agricultural practices in the Mississippi River Basin.[22]

237,000mt

net reduction of on-farm GHG emissions in the Midwest row crop supply chain (exceeded).

292,588ha

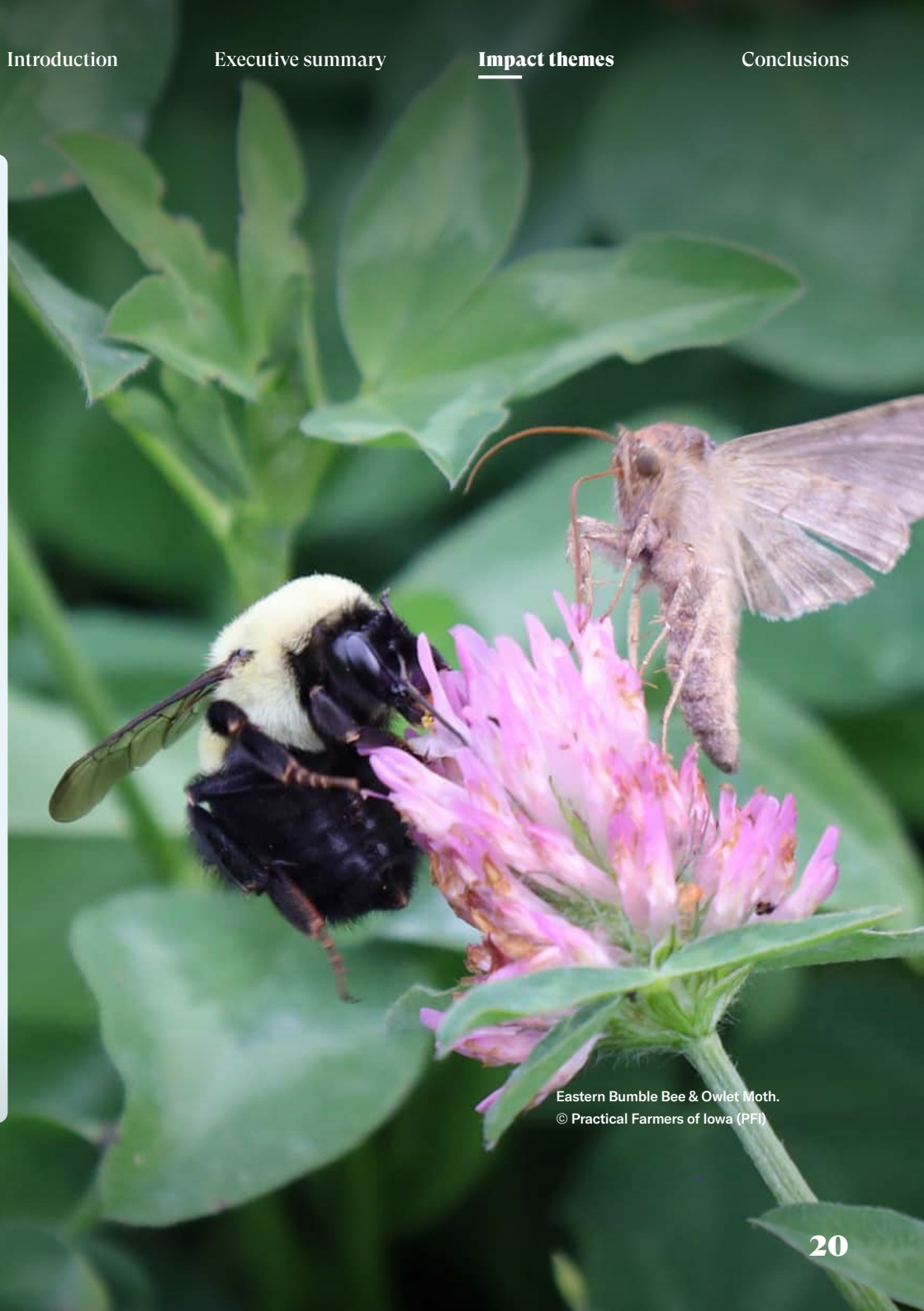
in the Midwest now with practices that support improved outcomes for soil health, GHGs, water quality and use, biodiversity or farmer livelihoods (exceeded).

2,650

farm operations supported in the transition to regenerative agriculture (n/a).

US$1,576,149

of private, philanthropic and public finance catalysed as a direct result of this collaboration. In one programme, producers also have access to US$4 million in USDA funding (adjusted).



Eastern Bumble Bee & Owlet Moth.
© Practical Farmers of Iowa (PFI)

Enhancing resilience of blue carbon and critical coastal ecosystems

Key challenge

Coastal ecosystems, including mangroves, seagrasses and saltmarshes, are essential for climate mitigation, biodiversity and human wellbeing. Despite their importance, these ecosystems face threats from urban development, pollution and climate change.

Approach and outcomes

To address the challenges facing United Arab Emirates (UAE) coastal ecosystems, Emirates Nature-WWF, in partnership with HSBC through the CSP, worked on the protection, restoration and management of mangroves, seagrasses and saltmarsh habitats. These nature-based solutions (NbS) are critical in enhancing the resilience of these blue carbon ecosystems, recognising their vital role in climate mitigation, biodiversity and community resilience, while creating co-benefits and economic opportunities for local businesses.

The project **focused on piloting and testing locally relevant and science-backed NbS**, including conservation of mangrove and associated coastal ecosystems, as well as enhancement of salt-tolerant coastal vegetation that can offer a sustainable and climate-resilient food solution. A notable achievement was the project's contribution to managing the Umm Al Quwain (UAQ) Mangrove Beach Reserve, encompassing a total footprint of 638 hectares, highlighting opportunities for nature interpretation and ecotourism.

The project aimed to showcase the positive impact and business case for NbS in the UAE with the vision to catalyse key partnerships, innovative financing mechanisms and enabling conditions to allow for financial sustainability and scalability. **The project explored various mechanisms to generate sustainable income streams**, such as blue carbon credits, ecotourism revenue sharing, and partnerships with the culinary and hospitality industry to boost demand for locally grown, sustainable food products, such as salicornia and other salt-tolerant plants. The project also catalysed engagement with four reputable, global ecotourism investors with an interest to expand their portfolio in the UAE by partnering with high quality ecotourism and nature conservation projects.

By securing US$910,000 in co-financing – an aggregate of philanthropic funding and pro bono services – the project expanded its scope to include additional mangrove restoration and monitoring activities, local community activations to raise awareness and providing recommendations for NbS integration into broader spatial and urban planning frameworks to safeguard healthy ecosystems, ensuring their long-term health and ecosystem provisioning.

Finally, the project contributed to UAE policies and plans such as the Nationally Determined Contributions (NDC) and the National Biodiversity Strategy and Action Plan (NBSAP) **with a key focus on nature and climate action integration** and the need for public-private partnerships. Leveraging key insights from the project, Emirates Nature-WWF co-developed with project partners UAE guidelines for mangrove restoration and provided recommendations that helped the UAQ government shape their Sustainable Blue Economy Strategy.

E-DNA activity at Umm al-Quwain in the United Arab Emirates.
© Crisp Arthouse

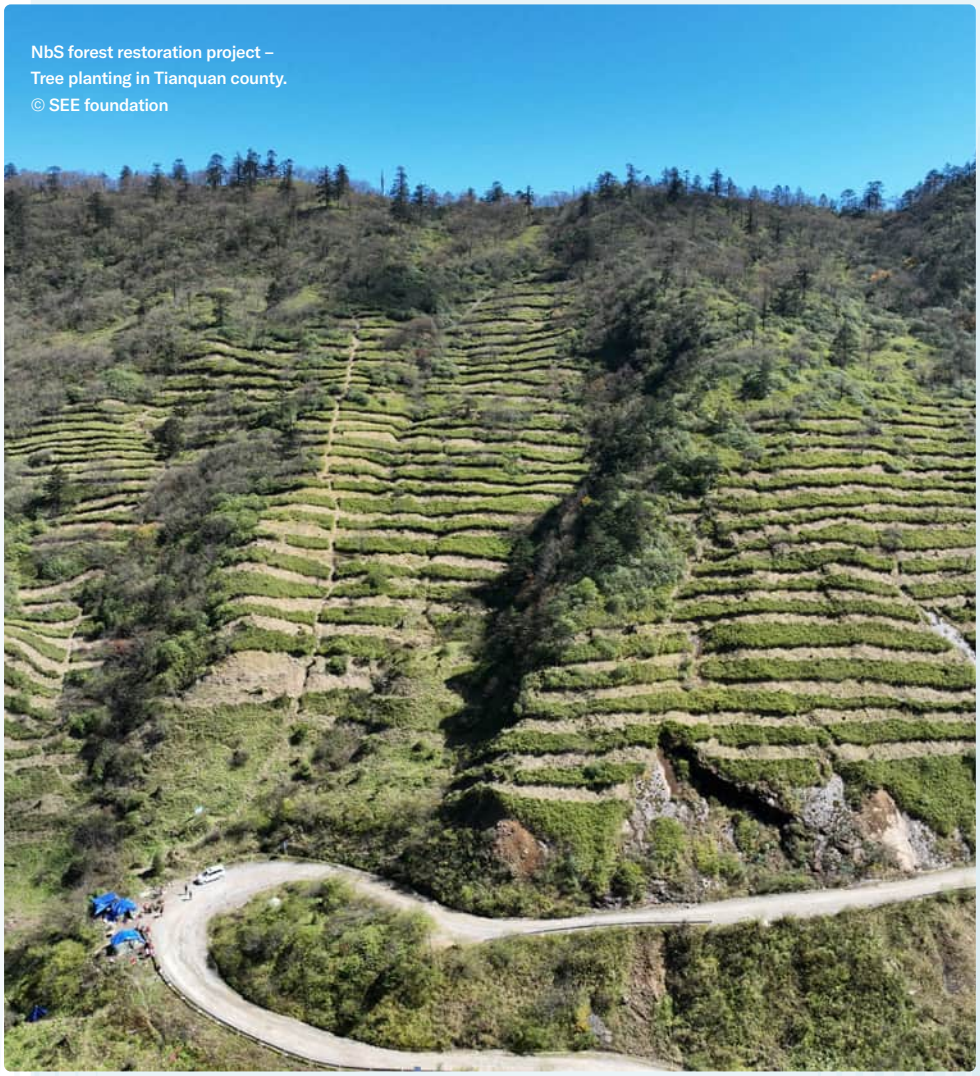
"Protecting and restoring coastal ecosystems is essential for laying a strong foundation to support sustainable economic opportunities."

Laila Mostafa Abdullatif
Director General, Emirates Nature-WWF

200+
engagements with public and private sector including local communities.

638ha
of mangrove and coastal ecosystems managed; 2,790 hectares managed under fishing restrictions to protect coastal habitats and biodiversity (Umm Al Quwain).

US$910k
secured in co-financing – an aggregate of philanthropic funding and pro bono services.



NbS forest restoration project – Tree planting in Tianquan county.
© SEE foundation

Unlocking the potential of Chinese ecosystems: a multi-faceted approach

Key challenge

China's diverse ecosystems are crucial for global biodiversity and climate regulation but face increasing pressures from development and environmental degradation. To address these challenges, the SEE Foundation, supported by the CSP, has implemented a comprehensive strategy to restore and sustainably manage these vital natural resources.

Approach and outcomes

In the mountainous forests of Ya'an, **efforts have focused on improving habitats for giant pandas**. Through bamboo forest thinning and intercropping with native trees, the project directly enhanced 800,000 square metres of habitat and contributed to conserving an additional 10 million square metres. This initiative also involved planting more than 56,000 native trees across four sites, creating jobs and enhancing ecological value.

Along China's Zhanjiang coastline, the project concentrated on conserving and restoring mangrove wetlands. By partnering with local communities, the initiative restored almost 42,000 square metres of mangroves, cleared over 226,000 square metres of invasive species and trained over 1,000 individuals. These efforts created 67 jobs, improved ecosystem services for eight million people and strengthened climate resilience.

Inland, the project promoted NbS for freshwater wetland restoration across various industries. Pilot demonstrations showcased NbS' effectiveness in addressing algal blooms, invasive species and extreme weather. In Beijing, the project resolved algal bloom issues in water supplies, **ensuring safe drinking water for 20 million residents**. Additionally, it restored 125 hectares of wetlands and **13 kilometres of rivers**, earning industry recognition for its NbS technology.

Through these initiatives, the CSP and its partners demonstrated the potential of integrated approaches to enhance ecosystem health and resilience across China's diverse landscapes.[23]

41,846m²
mangrove forests restored.

125ha
freshwater wetlands restored.

67
mangrove-related jobs created.

Powering our wetlands project: NbS in Mai Po

Key challenge

The Mai Po Inner Deep Bay Ramsar Site in Hong Kong plays a crucial role in carbon sequestration, climate change mitigation and providing diverse habitats for migratory birds. However, these wetlands face challenges related to environmental degradation and habitat loss.

Approach and outcomes

To address these issues, WWF Hong Kong, supported by the CSP, **launched the Powering Our Wetlands project**. This initiative aims to enhance the site's contributions to carbon sequestration and biodiversity through innovative NbS.

The project encompasses four workstreams. The first focuses on enhancing carbon sequestration through mangrove protection and restoration including sharing best-practice aquaculture management strategies. The second workstream builds climate resilience by creating eco-fishponds, which generate new revenue streams for fishpond managers and contribute to wetland preservation. The third workstream explores sustainable uses for biomass cellulose extracted from invasive species, developing prototypes for environmental education purposes. The final workstream connects stakeholders through targeted training materials and public awareness campaigns.

Key achievements include increased understanding of NbS among stakeholders, scientific studies on carbon sequestration and the rehabilitation of 'gei wai' (shallow ponds found in mangrove sites) fishponds to reduce flood risk. A pilot floating solar photovoltaic system demonstrated financial feasibility, although bureaucratic processes and stakeholder conservatism have delayed large-scale implementation. **Despite this, the project engaged over 100 local community members, improved living conditions for eight households**, and involved HSBC volunteers in activities such as fish harvesting and mangrove planting. Through this initiative, the CSP and its partners demonstrated the potential of NbS to enhance ecosystem services and support community resilience in Mai Po.[24]

100+

Mai Po community members engaged in supporting NbS.

1,800+

mangrove seedlings planted.

Mai Po Wetlands.
© WWF-Hong Kong

Incentivising sustainable investments: Veracruz's environmental compensation programme

Key challenge

Veracruz is one of the most biodiverse states in Mexico. However, only approximately 7% of its primary ecosystems remain intact due to accelerated land use changes. As the state continued to urbanise and increase investment in infrastructure projects, it lacked targeted public policies and incentives to ensure sustainable development practices so that the economic growth of the state was no longer at the cost of further ecological degradation.

Approach and outcomes

WRI's Landscape Policy Accelerator team **worked with Mexico's State of Veracruz Ministry of Environment (SEDEMA)** to establish a new environmental compensation programme to incentivise a shift towards environmentally responsible investments in infrastructure projects. This new policy ensures that land use changes of pristine ecosystems are avoided and ecological impacts are minimised by disincentivising degradation. The new regulations also require adequate economic compensation for residual damage, resulting in an increase in funding to deploy restoration of degraded lands statewide. The guidelines for the new programme were enacted into law in November 2024 and contribute directly to disincentivising land degradation while incentivising conservation and high-quality restoration. This policy marks an important step to fostering sustainable land use behaviours and creates a source of public funding for landholders seeking to restore their land.

By increasing the cost of environmental harm and imposing more rigorous restoration standards, the revised mechanism will change the paradigm of degradation and **produce cascading benefits for people and the planet**. Higher compensation payments from developers will unlock more public funding for restoration, helping the state reach it's commitment and other climate goals.

The Landscape Policy Accelerator served as a catalyst for this change, creating the space for officials from the state of Veracruz to connect with peers from other countries and identify environmental compensations as a priority bottleneck. During a 2023 Policy Accelerator workshop, global experiences of environmental compensation programmes were shared, highlighting best practices and areas of opportunity for governments to improve their own programmes. This inspired Veracruz to act and WRI empowered leaders within SEDEMA to spearhead the process. To support them, WRI hired an expert consultant and began facilitating discussions with SEDEMA's core team, showcasing success cases and presenting solutions to various challenges. **WRI worked side-by-side with SEDEMA until the guidelines were finalised and enacted into law in November 2024** (just one year after the Policy Accelerator). WRI is continuing to support SEDEMA as it begins implementation and builds its capacity to monitor the programme's impact.

This achievement marks the second co-creation of an environmental compensation programme resulting from WRI's work on the Policy Accelerator over the last few years. The first was in El Salvador, which was part of the Policy Accelerator's 2022 cohort and launched its Environmental Compensation Programme in September of 2023. WRI will continue to promote this case among future cohorts of the Landscape Policy Accelerator, with the aim of inspiring other national and sub-national governments to improve their own compensation and incentive programmes and take tangible steps to accelerate restoration implementation within their borders.

Mexico s landscapes hold incredible ecological value – but face growing pressure.
© WRI Mexico

> "With support from WRI's Landscape Policy Accelerator, we created a new environmental offsets programme that discourages degradation, promotes preservation, rehabilitation, restoration and channels greater public resources toward conservation in Veracruz. This new policy marks an historic step towards sustainable land use and establishes a source of funding for those seeking to conserve and restore their lands."

Yureli García De La Cruz
Head, Department of Conservation and Restoration of Natural Resources, State Ministry of Environment

Policy enactment:
one new environmental compensation programme enacted into law in Veracruz in November 2024.

Sustainable land use:
disincentivises land degradation and incentivises conservation and high-quality restoration.

Funding for restoration:
creates a source of public funding for landholders seeking to restore their land.

Data-driven conservation: El Salvador's environmental compensation programme

Key challenge

El Salvador, while small, boasts a wealth of nature and biodiversity. However, its primary ecosystems have been heavily degraded over the last decade due to land use changes driven by urban growth and increased investments in tourism infrastructure, along with a lack of incentives to reduce environmental degradation caused by infrastructure development. To ensure further development does not come at the cost of its precious ecosystems, El Salvador needed to develop policy instruments and targeted incentives based on state-of-the-art data and rigorous criteria for the site selection and impact assessments of infrastructure projects. In addition, leaders needed cost efficient and objective data to assess where resources should be directed for conservation efforts.

Approach and outcomes

WRI's Landscape Policy Accelerator team worked with **the Ministry of Environment and Natural Resources (MARN) of El Salvador** to establish data-based guidelines for permitting infrastructure projects, including rigorous criteria for the site selection and impact assessments, compliance requirements around mitigation measures within project design and high-integrity compensation mechanisms for the residual environmental damage. The underlying data that was leveraged for this work included WRI's Tropical Tree Cover (TTC) dataset, developed through the CSP, which served as a foundational piece for the creation of the Environmental Compensation programme and helped determine which areas required additional incentives to meet its goals.

The Environmental Compensation programme was launched in 2023 and enacted into national law in 2024. **It motivated the creation of new incentive mechanisms for the conservation and restoration of ecosystems, as well as new strategies for sustainable land use planning**, resulting in the creation of a new Integral Valuation Unit within the Ministry to oversee these efforts. The guidelines for the new programme incentivise conservation and high-quality restoration and create a source of public funding for landholders looking to restore their land. The programme is increasing fairness and transparency in El Salvador's national environmental assessment process with the TTC change data as the monitoring and verification process for the mechanism.

The guidelines for the new Environmental Compensation programme disincentivise land degradation, while also incentivising conservation and high-quality restoration. This policy marks an important step to fostering sustainable land use and creates a source of public funding for landholders looking to restore their land.
A hallmark of the revised programme is its environmental equivalency scheme. This ensures that compensation funds from developers are reinvested into high-integrity restoration projects in equivalent ecosystems, resulting in a net positive gain in ecosystem services from all infrastructure projects nationwide. Additionally, the programme will increase fairness and transparency in El Salvador's national environmental assessment process by utilising standardised, data-driven indicators. By increasing the cost of environmental harm and imposing more rigorous restoration standards, the revised mechanism will change the paradigm of degradation and produce cascading benefits for people and the planet. Higher compensation payments from developers will unlock more funding for restoration, helping the country **reach its one million hectares restoration commitment** and other climate goals.

WRI's Landscape Policy Accelerator served as a catalyst for this change, as it created the space for officials from MARN to connect with peers from other countries and identify environmental compensations as a priority bottleneck. WRI also contributed substantial monetary inputs, staff time, and expertise to El Salvador's guideline revision process and worked with MARN's senior leadership to secure approval for the new policy.

> "Working with WRI has given us the opportunity to build useful tools for natural resource management in environmental assessment and gain knowledge to integrate policies that allow us to better target resources and be efficient in the application of ecosystem restoration."

Karla Posada
Director, Integral Evaluation Unit, MARN

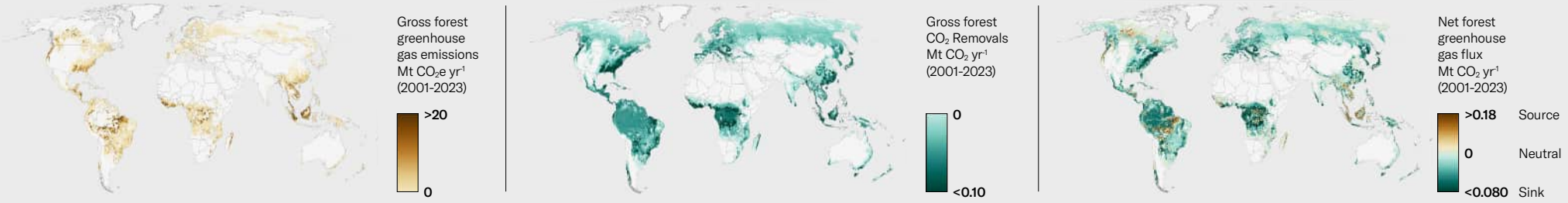
1

new policy established a framework of incentives and the creation of the Integral Evaluation Unit within the Ministry of Environment.

1

new open-source Tropical Tree Cover dataset published to help direct investment flows, such as compensation funds, into equivalent ecosystems.

Mountainous terrain mirroring the beauty and ecological value of El Salvador s own forested regions.
© WRI



High-resolution carbon flux data from Global Forest Watch supports forest carbon accounting efforts.
© WRI

Standardising land use emissions reporting to enhance conservation impact

Key challenge

As businesses and investors work to reduce their carbon footprints, measuring and reporting land use change emissions – particularly from deforestation – remains a critical challenge. The GHG Protocol's new Land Sector and Removals Standard (LSRS) provides companies with guidance for reporting Scope 1 and Scope 3 land use change-related emissions. However, inconsistencies in data selection and calculation methodologies have led to discrepancies, where companies sourcing from the same supply chains report vastly different emissions figures. This variation complicates corporate sustainability efforts, leading to inefficiencies, confusion and contradicting claims.

Approach and outcomes

To address this challenge, WRI is operationalising transparent, science-based carbon flux metrics aligned with the LSRS framework. **At the heart of this effort is the Forest Carbon Flux Data Initiative**, a groundbreaking dataset that provides the first globally consistent view of forest emissions and removals. Developed with CSP support, this initiative ensures that companies, policymakers and conservation groups have access to high-resolution, standardised data for assessing carbon fluxes in specific areas of interest.

The impact of the Forest Carbon Flux data has been transformative. A groundbreaking **partnership with UNESCO's World Heritage programme** exemplifies this, enabling the assessment of carbon fluxes within these irreplaceable sites. The data revealed a startling reality: ten out of 200 sites were, unexpectedly, net carbon sources. This revelation prompted immediate action, with site partners revising their fire management practices to mitigate these emissions.

The data's influence extends to the corporate sector as well. A report by Quantis with the World Cocoa Foundation recommended leveraging the Forest Carbon Flux data for accurate land-use change reporting, demonstrating a commitment to transparency and accountability. Furthermore, WRI is operationalising the GHG Protocol's Land Sector and Removals Guidance, incorporating the Forest Carbon Flux data as a cornerstone for best-practice GHG inventory reporting. This will provide companies with robust, data-driven methodologies for their land sector assessments.

Beyond traditional reporting, the data is empowering on-the-ground conservation efforts. Organisations like Rainforest Foundation are utilising the data, alongside patrol area metrics, to facilitate philanthropic investments to indigenous groups in Ecuador and Peru, rewarding their vital forest stewardship. In the Philippines, indigenous communities successfully leveraged the Forest Carbon Flux data to demonstrate their role as effective land stewards, contributing to the formal recognition of their ancestral lands by the government.

Finally, **the European Commission Joint Research Centre has recognised the data's critical importance by incorporating it into its land-use GHG flux data hub**, alongside official country GHG inventories and the Global Carbon Budget. This inclusion solidifies the data's position as a key resource for national-level policy decisions and carbon monitoring, demonstrating its significant impact on the global stage.

The Forest Carbon Flux data **has become a catalyst for informed action**, driving positive change across conservation, corporate sustainability and policy development.

> "We now have the most detailed picture to date of the vital role that forests in World Heritage sites play in mitigating climate change."

Tales Carvalho Resende
UNESCO World Heritage Centre

665+
citations of this data in external publications.

33+
policy document citations.

Amplifying impact through knowledge

Nature-based Solutions Accelerator showcase event in London, March 2025.
© Paul Rogers, WWF-UK

Equipping the financial sector to combat environmental crimes

Key challenge

Environmental crimes, including deforestation and wildlife trafficking, pose substantial threats to global biodiversity and sustainability efforts. In 2016, Interpol estimated the annual cost of these crimes to be approximately US$91–258 billion, a figure that is rising by 5–7% per year, which is two to three times the rate of growth of the global economy. Environmental crimes are intricately linked to financial crimes, such as money laundering and human rights violations. The presence of major knowledge gaps and vulnerabilities in the global financial system when handling the proceeds of environmental crimes makes financial institutions vulnerable to significant risks.

Approach and outcomes

To address these challenges, **WWF, together with financial crime specialist Themis**, developed the Environmental Crimes Financial Toolkit. This resource provides financial institutions with practical guidance and resources to effectively detect and monitor illicit activities related to environmental crimes, focusing initially on deforestation and land conversion, with plans to expand to other environmental crimes.

The toolkit offers a comprehensive typology of environmental offences, outlines red flags indicative of suspicious transactions and includes detailed sector-specific risk assessments. It promotes best practices for enhanced due diligence, robust customer screening and ongoing transaction monitoring. By implementing these measures, financial institutions can strengthen their compliance frameworks, safeguard their reputations and actively contribute to combating environmental crime.

A key objective of the toolkit is **to inform investment decisions and direct capital flows** toward environmentally sound activities, thereby fostering a climate-positive economic landscape. It also emphasises the importance of collaboration and information sharing among financial institutions, law enforcement agencies and other stakeholders.

Successfully co-designed and piloted with several financial institutions, the toolkit has demonstrated its practical value and effectiveness. Presented at prominent international forums, **it raises awareness within the financial sector** and related stakeholders about the critical link between environmental and financial crimes. WWF has committed to continuously updating the toolkit to reflect the evolving nature of environmental crimes and incorporate emerging best practices.[25]

Impact Highlights

October 2024
Toolkit launched

30,000 unique users
accessed the Toolkit platform

Support
from the Sustainable Markets (SMI) and Initiative Financial Services Taskforce (FSTF) members

Phase II
Plans to expand and develop the scope of the project for the next phase

Amazon rainforest fire and deforestation for soy planting, September 2020, Vilhena, Rondônia.
© WWF-Brazil / Andre Dib

Guiding businesses towards a low-carbon future in Vietnam

Key challenge

Vietnam's commitment to transitioning to a low-carbon economy hinges on significant private sector involvement to achieve its national climate goals. Reaching net-zero emissions by 2050 presents a substantial investment opportunity in both energy demand and supply. However, businesses often face challenges in effectively measuring and managing their GHG emissions.[26]

Approach and outcomes

To address these challenges, WWF, supported by the CSP, offered technical assistance to Vietnamese businesses **in creating GHG inventory reports** and developing pathways for reducing GHG emissions. These include a comprehensive Guidebook on GHG Inventories for Textile & Dyeing Sector and an engaging podcast series, both designed to facilitate understanding and action on emissions reduction.

The GHG inventory guidebook provides a step-by-step methodology aligned with the GHG Protocol, simplifying the process of GHG accounting for businesses. It **offers practical examples, tools and templates** to help companies establish baselines, track progress and identify opportunities for reducing emissions. By promoting awareness and encouraging target setting, the guidebook serves as a valuable resource for businesses aiming to contribute to national climate objectives.

Complementing the guidebook, the podcast series delivers engaging content on sustainable energy and emissions reduction. Featuring interviews with experts and success stories, it **reaches a broad audience**, promoting climate action and inspiring businesses to adopt best practices. The podcast has garnered significant attention, with over 152,000 listeners and a reach of 420,000 others through various platforms.

Through these initiatives, the CSP and its partners are providing practical solutions to empower Vietnamese businesses in their low-carbon transition, supporting decarbonisation efforts in the region.

> "The GHG report also provides us with a clear pathway to further reduce our carbon emissions... which is very useful for us in developing a more specific workplan."

Mr Nguyen Huy Co
Head of Environment Protection Section at Hailide (Viet Nam) Co., Ltd.

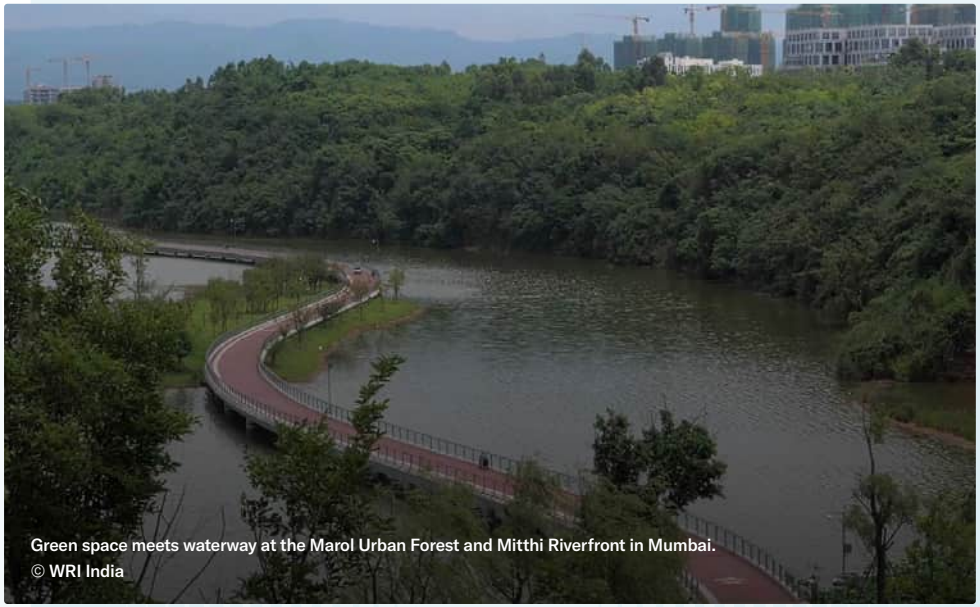
152,000+
podcast listeners on Spotify and Apple Podcast.

420,000
people reached by the podcast series.

10,000+
views of accompanying videos on YouTube.

Fisherman in small boat navigates park wetlands where fish are plentiful in Vietnam.
© WWF-US / Thomas Cristofoletti

From concrete to canopy: financing urban resilience in Mumbai



Green space meets waterway at the Marol Urban Forest and Mitthi Riverfront in Mumbai.
© WRI India

> "Previously, Marol was primarily an industrial area. The development of a biodiversity park will provide public facilities for nearby residents, help reduce heat and support groundwater recharge. It will enhance biodiversity while offering a recreational space for the community."

Minesh Pimple
Deputy Municipal Commissioner, Environment Department

2–3°c
potential reduction in ambient air temperature and at least 5°C in land surface temperature.

150,000
litres of wastewater treated daily for forest irrigation.

Key challenge

As India's economic powerhouse, Mumbai faces the dual challenge of mitigating climate change and building urban resilience. The city's Climate Action Plan aims for net-zero emissions by 2050, emphasising urban, nature-based solutions (NbS) and green transportation. However, financing these interventions often encounters barriers due to perceived risks and the complexities of attracting private investment.

Approach and outcomes

WRI's Infrastructure Finance Accelerator is bridging the financing gap by developing blended finance solutions to attract private sector investment in sustainable urban projects. By combining public and private capital, the Accelerator reduces risks and ensures that interventions deliver both public and financial benefits. In Mumbai, the Accelerator is advancing two key projects: a biodiversity park and the electrification of public transport.

The proposed biodiversity park, Marol Urban Forest, integrates recreational and educational spaces with biodiversity restoration, urban cooling, wastewater treatment and flood resilience – critical in a city where extreme heat and flooding affect over 35% of the population. To bring this urban nature corridor to life, **the Accelerator designed a project preparation facility to raise US$1 million** in philanthropic capital, which will in turn unlock US$66 million in public and private investment. By engaging cross-sector stakeholders, the project builds public awareness of restoration benefits and sets the stage for greater support and investment in future urban NbS initiatives.

The Infrastructure Accelerator's public transport project aims to reduce emissions and improve air quality by transitioning Mumbai's taxi and auto-rickshaw fleets – responsible for 40% of the city's transport emissions – to electric vehicles (EVs). With traditional auto-rickshaws contributing heavily to the city's 4.56 million tCO_2e annually, replacing them with electric three-wheelers (e3Ws) **could cut up to one million tonnes of CO_2**. Despite their benefits, e3W adoption faces hurdles including high upfront costs, technology risks and expensive financing. To address this, WRI India surveyed drivers, assessed the EV ecosystem and designed a funding model tailored to Mumbai's challenges, such as limited charging infrastructure and tight operating schedules. The model highlights the critical role of Mumbai's municipal government in supporting EV adoption through driver training, demand aggregation and loan de-risking. WRI is also exploring how this model can be adapted for urban freight, with a full report submitted to HSBC to guide city and state officials in accelerating the EV transition.

These initiatives demonstrate how innovative financing can unlock private investment in sustainable urban solutions. By mitigating financial risks and proving the viability of projects, WRI's Infrastructure Finance Accelerator is helping Mumbai progress toward a greener, more climate-resilient future.

Guiding nature investment: new resources for finance and business leaders

Key challenge

Investment in nature is crucial to efforts to curb climate change, preserve biodiversity and advance sustainable development, yet financing remains far below what is needed to meet global 2030 targets. The annual financing gap for nature protection exceeds US$700 billion, while the private sector continues to spend US$5 trillion on nature-negative activities. Despite growing interest in nature and nature-based solutions, businesses and financial institutions face major implementation barriers including unclear investment pathways and a lack of supportive policy incentives.

Approach and outcomes

In response to this challenge, in the first half of 2025 WRI launched two new comprehensive guidebooks tailored to businesses and financial institutions, which aim to provide structured pathways and recommendations for integrating nature into organisational frameworks and investment strategies. Informed by deep stakeholder engagement, these resources will provide practical strategies to scale investment, reduce costs and ensure long-term returns.

The first resource, A Guidebook for Businesses on Nature, is aimed at companies that value the importance of nature but need guidance on where and how to begin. It provides practical guidance to support corporate decision-making processes for nature – on scaling positive actions within value chains, financing efforts beyond them and introducing a process for making these decisions. Drawing insights from surveys and interviews with more than 40 companies across various regions, the guidebook reviews existing corporate initiatives and identifies enabling factors and barriers to nature finance. Launched at an event at London Climate Week in 2025, the guidebook serves as a starting point for more in-depth collaboration with companies and the development of increasingly tailored guidance.

The second resource, the Financial Sector Guidebook on NbS Investment, targets asset managers in banks and financial institutions. It offers tools to unlock financing opportunities and promote tangible impacts on nature, climate and communities. This guide provides step-by-step instructions to identify and mitigate risks, **integrate NbS into net-zero strategies** and drive sustainable economic growth. It emphasises the dual role of financial institutions in mobilising capital and facilitating systemic change, thereby supporting multiple businesses in enhancing their NbS efforts. Launched in the Netherlands at an event with over 100 key stakeholders and project partners, the guidebook's webinars and web content have generated substantial engagement.

Together, the guidebooks support businesses and financiers to carry out responsible, fit-for-purpose investment in nature, **contributing to the transition towards a nature-positive economy** by providing clear investment pathways, highlighting first-mover advantages and strengthening accountability mechanisms.[27]

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companies surveyed and interviewed for the business guidebook.

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financial institutions and enabling organisations were consulted for the finance guidebook.

Restored mangrove forests in Campeche offer critical habitat and coastal protection.
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Conclusions

Building on the CSP's legacy and momentum

Over the past five years, the CSP has made meaningful progress in advancing climate solutions and promoting a nature-positive future across regions and sectors. From helping to accelerate the renewable energy transition in Asia, through engaging policymakers and developing tools for the financial sector, to scaling nature-based solutions globally – these achievements have been grounded in collaboration, adaptability and shared learning.

By harnessing the unique expertise of HSBC, WWF and WRI, the CSP has developed and implemented solutions that seek to address pressing environmental challenges. These initiatives have not only delivered measurable outcomes but also provided valuable insights and lessons learnt that can inform the work of similar organisations to drive climate action in the future.

A key learning from the CSP is that systemic change requires the combined efforts of a broad group of stakeholders including the public and private sectors, civil society, academia and local communities, working together at both local and global levels. As the world advances towards a net-zero future, the innovation, collaboration and ambition that have defined the CSP must be expanded and built upon. We hope the lessons and tools presented here serve as a valuable resource for other climate partnerships.

Although the initial five-year phase is concluding, the CSP's work is far from over. Several initiatives will continue beyond this core effort, catalysing further climate action and driving systemic change. As the partnership transitions into broader strategic endeavours, it is hoped that the legacy of the CSP will inspire and inform future climate action, carrying forward the CSP's mission to make climate solutions a commercial and scalable reality. Partnership-led and impact-driven efforts remain central to addressing the climate crisis.

Mangrove Restorers at Sisal, Yucatan.

Endnotes

1 WRI & WWF Joint Report 1 July 2022 to 30 June 2023; WRI & WWF Joint Report 1 July 2023 to December 31 2023.
2 Ibid.
3 Using a conversion factor of 4.6 metric tons of CO_2 equivalent per year for an average passenger vehicle (US Environmental Protection Agency – https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle#:~:text=typical%20passenger%20vehicle%3F-,A%20typical%20passenger%20vehicle%20emits%20about%204.6%20metric%20tons%20of,8%2C887%20grams%20of%20CO2)
4 Partner submitted document: CSP – Aims, Objectives & KPIs document.
5 Grantham Research Institute on Climate Change and the Environment. "China's role in accelerating the global energy transition through green supply chains and trade." Retrieved from LSE Grantham Institute.
6 IEA (2024), CO_2 Emissions in 2023: https://www.iea.org/reports/co2-emissions-in-2023
7 https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail?chartId=82987
8 WRI & WWF Joint Report 1 July 2022 to 30 June 2023.
9 WRI & WWF Joint Report 1 July 2024 to 30 June 2025.
10 CSP Report – Top Impact Stories.xlsx
11 The equivalence of 0.8 tonnes of CO_2 to the annual absorption of 40 trees is based on an average CO_2 absorption rate of approximately 0.02 tonnes per mature tree per year. Arbor Day Foundation, "The Value of Trees", states a mature tree can absorb over 48 pounds (approx. 0.0218 tonnes) of CO_2 annually. Available at: https://www.arborday.org/value
12 WRI & WWF Joint Report 2022 to 2023; WRI & WWF Joint Report 2023.
13 U.S. Environmental Protection Agency. "Greenhouse Gas Emissions from a Typical Passenger Vehicle." Retrieved from EPA Website.
14 Ibid.
15 Ibid.
16 WRI & WWF Joint Report 1 July 2022 to 30 June 2023; WRI & WWF Joint Report 1 July 2023 to December 31 2023.
17 https://www.wri.org/mangrove-guardians
18 WRI & WWF Joint Report 1 July 2022 to 30 June 2023.
19 WRI & WWF Joint Report 1 July 2022 to 30 June 2023 https://www.nationaltrust.org.uk/who-we-are/our-partners/record-hsbc-uk-donation-to-enable-mass-tree-planting
20 WRI & WWF Joint Report 1 July 2023 to 31 December 2023.
21 CSP Report – Top Impact Stories.xlsx.
22 WRI & WWF Joint Report 1 July 2023 to 31 December 2023.
23 Partner submitted document: CSP Case Study Questionnaire.
24 WRI & WWF Joint Report 1 July 2023 to 31 December 2023.
25 WRI & WWF Joint Report 1 July 2024 to 30 June 2025.
26 BloombergNEF, "Vietnam's 2050 Net-Zero Target Represents a US$2.4 Trillion Opportunity," January 8, 2025. https://about.bnef.com/blog/vietnams-2050-net-zero-target-represents-a-2-4-trillion-opportunity-bloombergnef/#:~:text=Vietnam's%202050%20Net%2DZero%20Target%20Represents%20a%20%242.4%20Trillion%20Opportunity%3A%20BloombergNEF,-January%208%2C%202025&text=Singapore%2C%20January%208%2C%202025%20–,warming%20to%20well%20below%202C.
27 Partner submitted document: WRI NbS Guidebooks – Background Info.

List of partners

Apparel Impact Institute
ASA (Action for Social Advancement)
BAIF Development Research Foundation
BAIF Institute for Sustainable Livelihoods and Development (BAIF Livelihoods)
Beijing Entrepreneur Environmental Protection Foundation
Business Environment Council (BEC)
CEPT Research & Development Foundation (CRDF)
Concern India Foundation
Deakin University – Blue Carbon Lab
Earth Security Group
Earthworm Foundation
Environmental Initiative – Midwest Corp Collaborative
Emirates Nature-WWF
Fideicomiso Probosque de Chapultepec
Forest for Life
Garden City Fund
Global Environment Centre
Habitat for Humanity Bangladesh
Habitat for Humanity India Trust
Hong Kong Council of Social Services (HKCSS)
International Union for Conservation of Nature
Imperial College
Lions Club of Quatre Bornes
MJA Climate & Energy
Mann Deshi Foundation
MaRS
National Trust for Scotland
National Trust UK
National University of Singapore (NUS)
Centre for Nature-based Climate Solutions (CNCS)
NPI
ONF
Reforestamos México A.C.
Rewilding Europe
SEE Foundation
Society for Development Alternatives
The American University in Cairo
The Catholic Health Association of India (CHAI)
The Nature Conservancy Australia
The Nature Conservation Society of Japan
The University of Hong Kong
Tsinghua University Education Foundation
United Nations Human Settlements Programme (UN-Habitat)
United Way of Hyderabad
University of Birmingham
Watershed Organisation Trust
Wild Bird Society of Taipei
WRI
WRI China
WRI India
WRI Indonesia
WRI Mexico
WWF-China
WWF-India
WWF-Indonesia
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