

Financing Nature-Positive Agriculture: What Public Development Banks Can Do

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Agri-PDB
Platform

Agri-PDB Platform is a joint initiative of IFAD and FIDA



Agenda



Why biodiversity matters for PDBs



What it means for PDBs to invest in biodiversity



Development Bank of Southern Africa (DBSA) Presentation



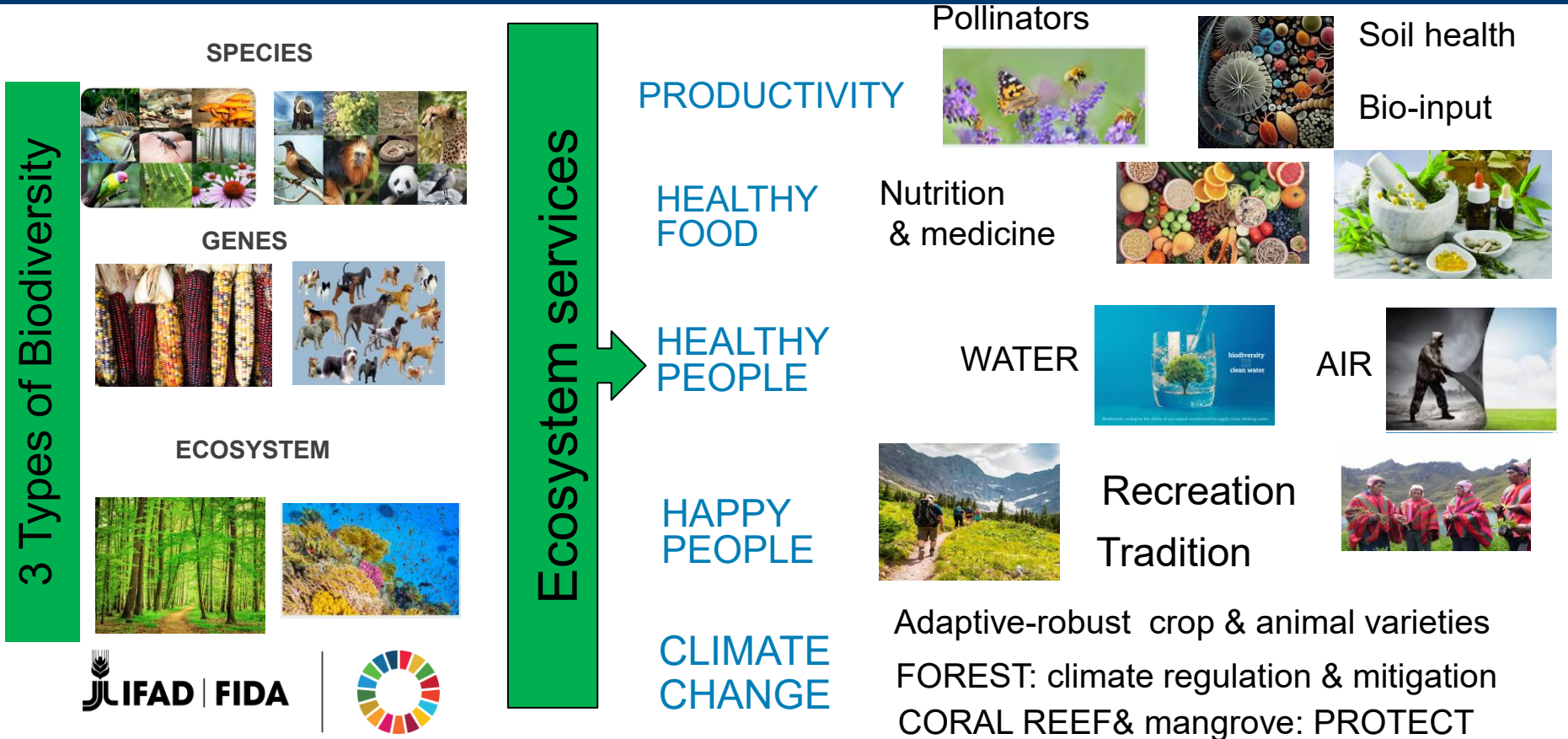
Brazilian Development Bank (BNDES) Presentation



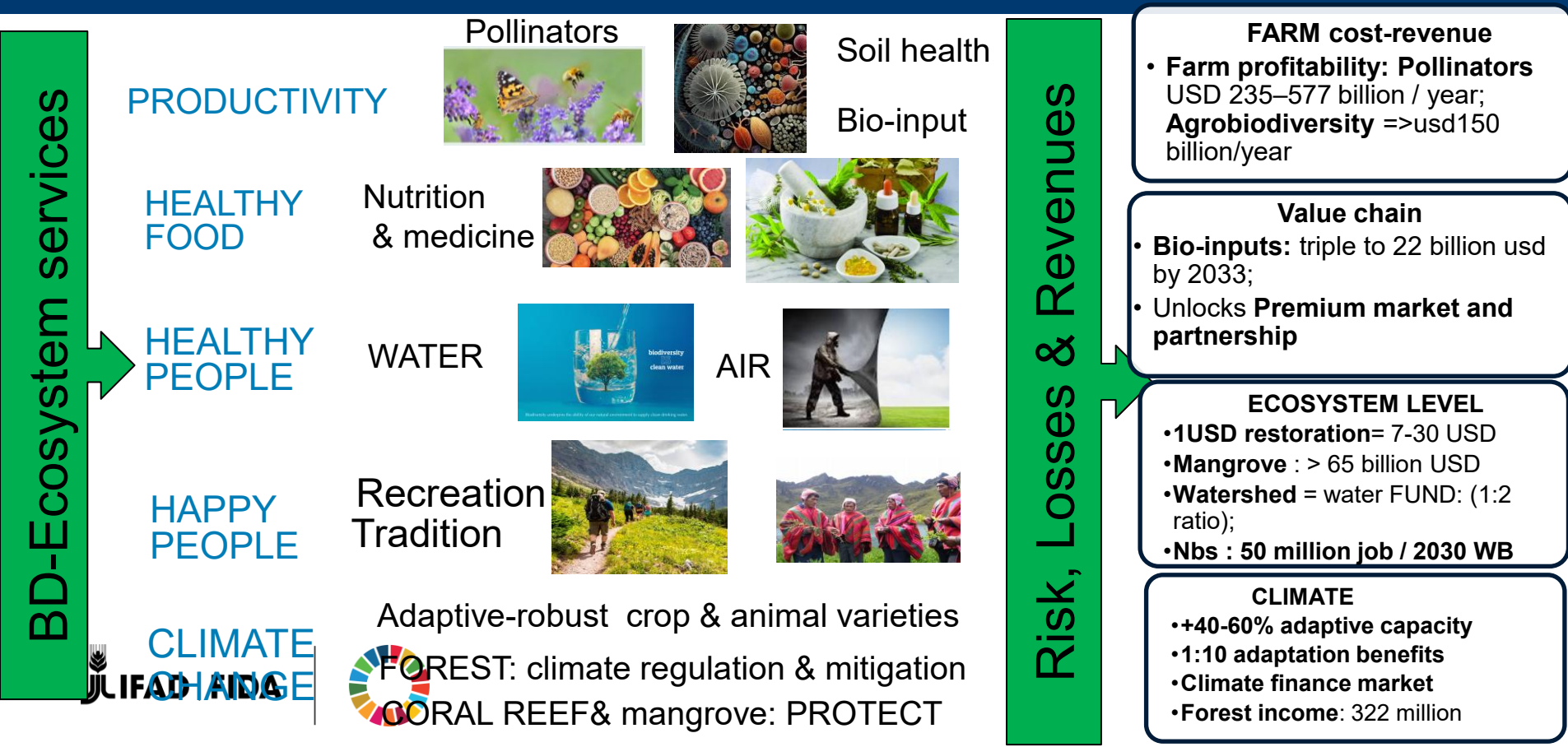
Q&A and wrap-up

WHAT IS BIODIVERSITY – NATURE POSITIVE?

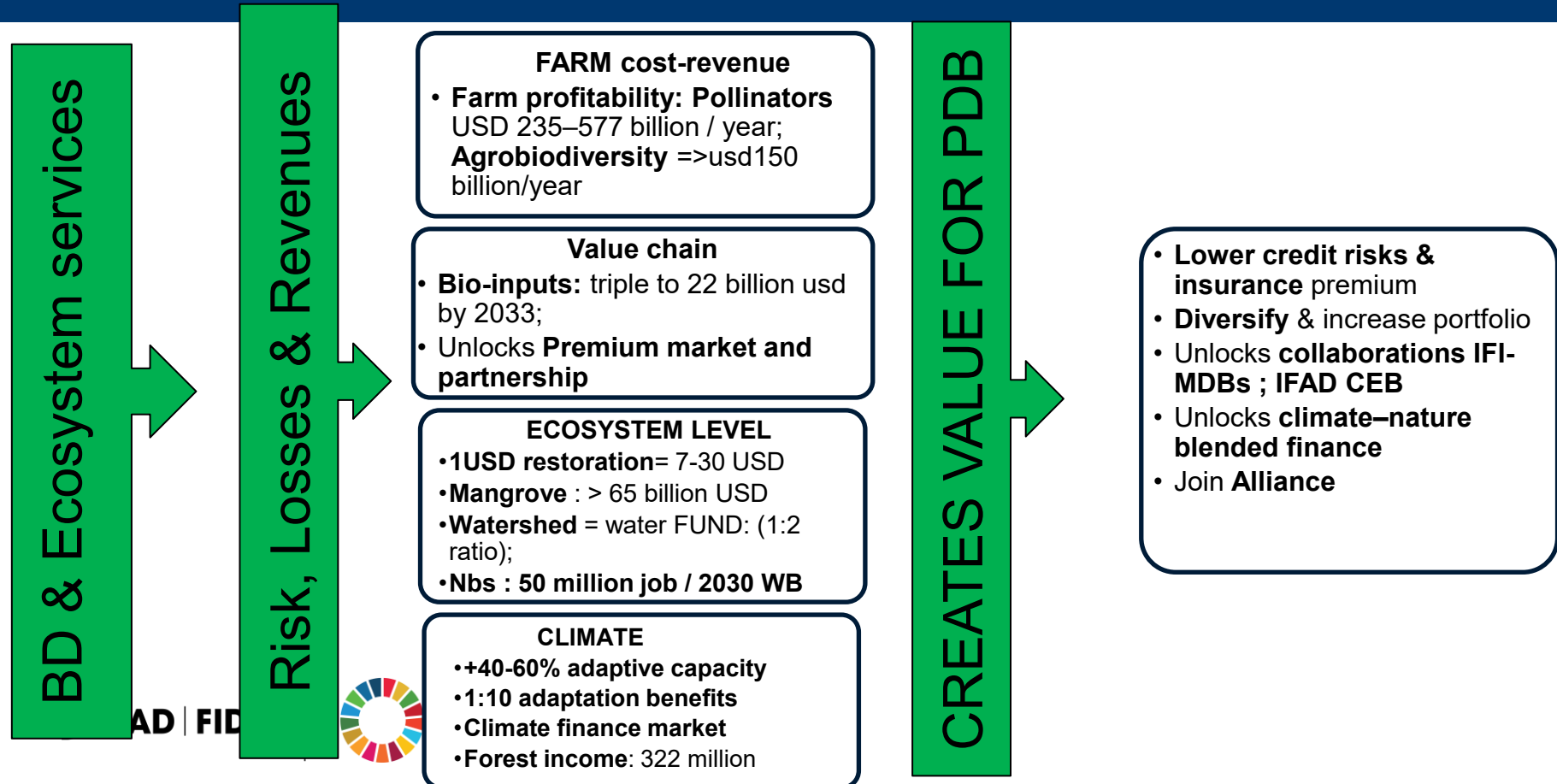
“NATURE POSITIVE” refers to protect, restore and well manage biodiversity, ecosystems and the services they provide (MDBs)



WHY DOES IT MATTER FOR PDB?



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Agenda



Why biodiversity matters for PDBs



What it means for PDBs to invest in biodiversity



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Q&A and wrap-up

What do we mean by Nature Finance activities?

Activity groups

Reduction of the direct drivers of biodiversity loss

(land-use change, overexploitation, pollution, climate change, invasive species)

Restoration and conservation of biodiversity or ecosystem services

Design and implementation of policy, tools, or other sectoral instruments enabling

Activities + KMGBF Targets

- Agroecology + regen agric
- **Sustainable small-scale fisheries** practices
- Integrated Pest Management



- Reforestation and agroforestry with native species
- Wetland and watershed restoration
- Agrobiodiversity conservation



- Deforestation-free and biodiversity-certified value chains
- Payment for ecosystem services
- Repurposing harmful subsidies



Complexity level

Simple – easy wins to integrate into agric projects

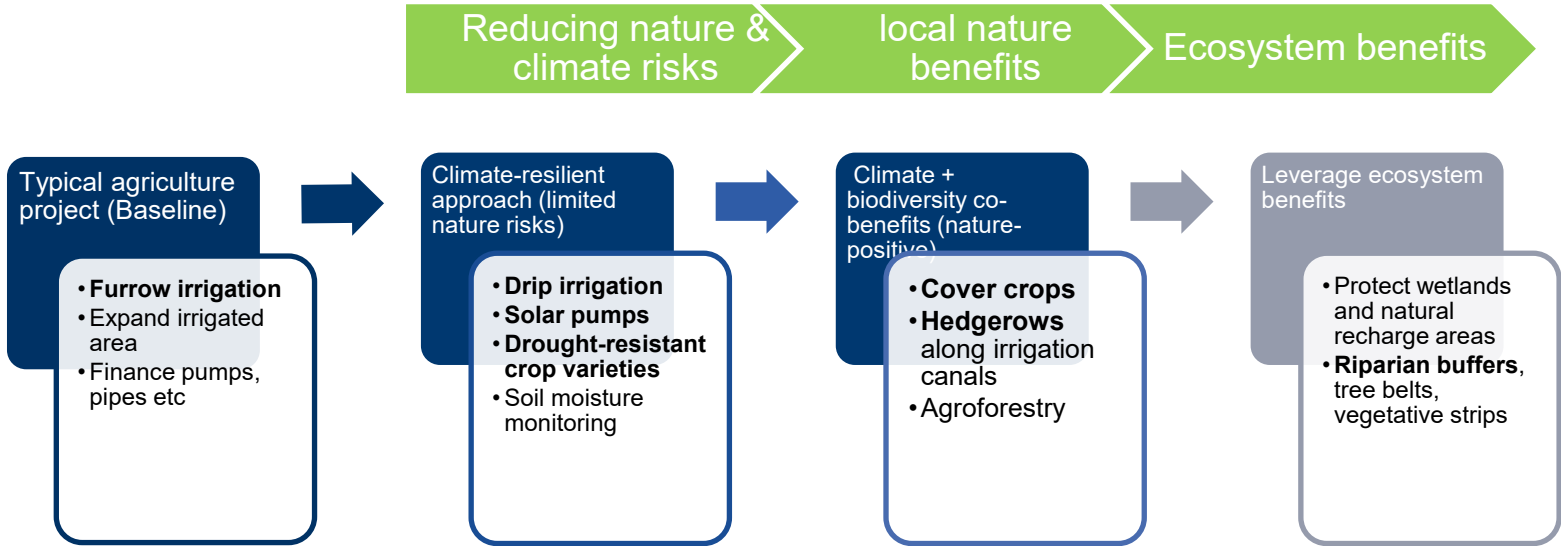
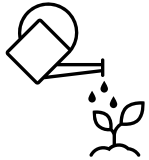
More complex – requires stronger systems and landscape partnerships

Advanced – requires high institutional capacity and strategic alignment

Pathways from climate to nature positive AND climate

Example activity

Irrigation & Water management



Levels of biodiversity integration for PDBs



Advanced

**Financing Green - scale
nature-positive
investment**



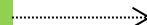
Incentives for PDBs

- Access to GEF/GCF funds
- New products & markets
- Support to national climate & biodiversity goals



Foundation

**Greening finance -
reducing harm to
biodiversity**



- Risk reduction & compliance
- Eligibility for IFI co-financing

Greening finance - reducing harm to biodiversity

Processes to reduce harm

- Exclusion Lists & Minimum Conditions
- Spatial Screening Before Lending
- Managing Risk Through Intermediaries
- Improve Monitoring, MRV & Transparency
- Strengthen Safeguards & ESMS

Legend: ■ *Easier to introduce* ■ *Moderate effort* ■ *Requires deeper institutional change*



SECAP biodiversity conservation screening questions*

Would the project potentially involve or lead to:

1. Conversion or degradation of biodiversity, habitats (including modified habitat, natural habitat and critical natural habitat) and/or ecosystems and ecosystem services?
2. Activities involving habitats that are legally protected, officially proposed for protection or recognized as protected by traditional local communities and/or authoritative sources (e.g. national park, The Nature Conservancy, indigenous community conserved area, etc.)?

Financing green - nature-positive investments

Client Transition Pathways (Who to Support)

- **Inclusion first:** Indigenous Peoples, youth & women producers
- **SMEs & cooperatives:** agroecology and NBS pilot credit lines
- **Large borrowers:** agri-processors & exporters
- **Bio-economy innovators:** bio-fertilisers, biopesticides, low-impact technologies

Financing Instruments (How to Finance)

- **Easy:** dedicated green credit lines, preferential loan terms
- **Medium:** partial credit guarantees for SMEs
- **Advanced:** blended finance vehicles with concessional tranches

Financing green - How can PDBs finance the transition

PDBs can act as system integrators, working with partners to enable nature-positive and climate-resilient rural investment through*:

1. BUILDING – Pipeline

- Aggregate farmer & cooperative demand
- Standardise simple, scalable project models

2. BLENDING – Public–private finance partnerships

- Partner with IFIs to mobilise climate–nature funds
- Use guarantees, concessional tranches to de-risk
- Leverage climate/biodiversity credits

3. BUNDLING – Integrated service delivery partnerships

- Combine TA, digital tools, infrastructure & market access
- Coordinate ministries, NGOs, agribusiness and insurers.

**Framework adapted from IFAD Brief: Family Farming 2.0: A Paradigm Shift for Investment*

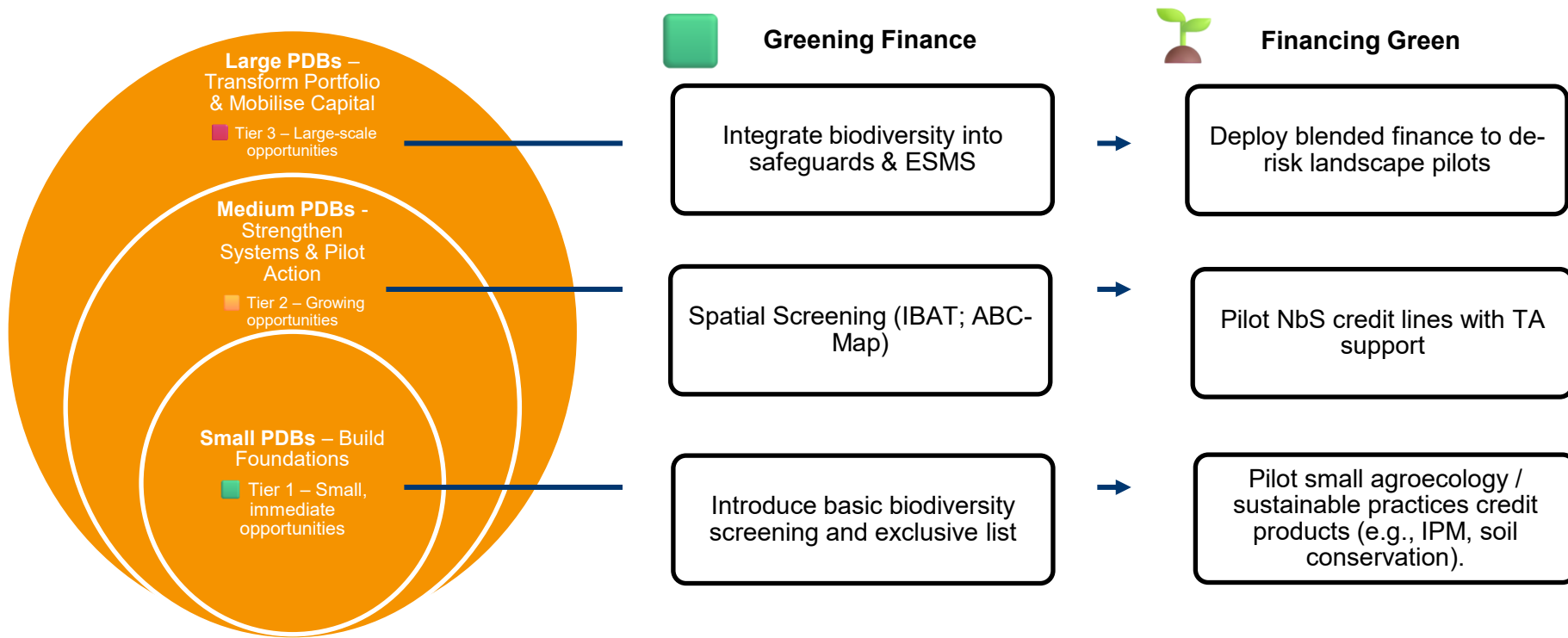
NABARD – UPNRM (with KfW & GIZ) case study

- **Finance:** €52M loans + €5.3M
- **Focus:** watershed restoration, agroforestry,
- **Concessional capital:** de-risked lending to farmer groups & community institutions
- **TA grants:** project prep, business planning, capacity building



Recap

Key opportunities for Public Development Banks – Tiered approach



References

Source / Report

WWF – “Public Development Banks and Biodiversity”

WWF International – “Banking on Nature-Positive” (2024)

IFAD – “Family Farming 2.0: A Paradigm Shift for Investment”

MDBs – “Common Principles for Tracking Nature-Positive Finance”

Kunming–Montreal Global Biodiversity Framework (GBF 2022)

Agence Française de Développement (AFD) – Nature & Biodiversity 2023 Report

Brief Description & Link

[Analysis of how PDBs can align finance with the post-2020 biodiversity agenda.](#)

[Report exploring how public and commercial banks can shift toward nature-positive finance.](#)

[Policy framework on investing in sustainable, inclusive family farming.](#)

[Guidance for tracking and reporting “nature-positive” financial flows across multilateral development banks.](#)

[Global agreement setting biodiversity conservation and restoration targets.](#)

[Example of a development bank’s biodiversity finance commitments and tracking methods.](#)