

UNITED NATIONS DEVELOPMENT PROGRAMME



SUSTAINABLE FINANCE AT UNDP

TABLE OF CONTENTS

- FOREWORD BY ADMINISTRATOR 02
- FOREWORD BY DIRECTOR 03
- INTRODUCTION 04
- COUNTRIES WHERE UNDP WORKS ON SUSTAINABLE FINANCE 06
- BRIDGING THE FINANCING GAP 09
 - PRIVATE FINANCE 12
 - PUBLIC FINANCE 14
 - INSURANCE AND RISK FINANCE 18
 - SDG FINANCE ACADMEY 19
- REGIONAL HIGHLIGHTS 20
- GLOBAL LEADERSHIP 26

About UNDP

UNDP is the leading United Nations organization fighting to end the injustice of poverty, inequality, and climate change. Working with our broad network of experts and partners in 170 countries, we help nations to build integrated, lasting solutions for people and planet.

Learn more at undp.org or follow at [@UNDP](https://twitter.com/UNDP)

About the Sustainable Finance Hub

The UNDP Sustainable Finance Hub brings together UNDP’s financial expertise to harness public and private capital for the Sustainable Development Goals (SDGs), supporting governments, investors and businesses in reaching climate, social impact and sustainability targets. Its work drives systemic change towards a sustainable financial architecture that benefits people and the planet.

Find out more about its integrated services that ensure all finance is sustainable, at sdgfinance.undp.org or follow [@UNDP_SDGFinance](https://twitter.com/UNDP_SDGFinance)

The views expressed in this publication are those of the authors and do not necessarily represent those of the United Nations, including UNDP, or the UN Member States.

Copyright ©UNDP 2025. All rights reserved.

One United Nations Plaza, New York, NY 10017, USA.



BRIDGING THE FINANCING GAP

By using our expertise and funds to leverage financing for sustainable development – and advocating for our partners to do the same – UNDP is reshaping both the global development and financing landscapes.

[→ Read more on page 9](#)



REGIONAL HIGHLIGHTS

We work with governments, the private sector and other partners to promote investment in the SDGs across five continents.

[→ Read more on page 20](#)

FOREWORD BY ADMINISTRATOR

In 2015, the world united around the 2030 Agenda and its 17 Sustainable Development Goals (SDGs), a bold promise to end poverty, reduce inequalities, tackle climate change, and protect our shared planet. Yet, with less than five years remaining to meet the 2030 deadline, progress toward ending poverty is not happening fast enough, human development has slowed to a 35-year low while investors and subsidies continue to sustain fossil fuels. Meanwhile, the financial strain on developing nations is intensifying. Interest payments on debt now exceed 10 per cent of government revenue in 56 developing countries, siphoning funds away from critical sectors such as health and education. Tax revenues in many of these nations also often fall well below the critical 15–20 per cent of Gross Domestic Product (GDP) threshold needed to sustain essential public services. Compounding these challenges, Official Development Assistance (ODA) continues to lag behind the 0.7 per cent Gross National Income (GNI) target. Overall, the SDG financing gap in developing countries is estimated at \$4.3 trillion annually. This gap, however, is not just a challenge—it represents untapped opportunities to mobilize innovative investments, harness new partnerships, and unlock the transformative potential of the SDGs.

As part of the United Nations (UN) family, the United Nations Development Programme (UNDP), is advancing a multi-pronged approach to promote billions of dollars in investments towards the SDGs, Nationally Determined Contributions, and National Biodiversity Strategies and Action Plans. This includes working alongside countries to create national financing strategies that help countries mobilize and direct investments in the SDGs, built upon integrated national financing frameworks (INFFs). UNDP collaborates with a wide range of partners to support these country-led INFFs. As a result, 86 countries are currently embracing this approach and many of them are using this platform to launch their own groundbreaking financial instruments like green and blue bonds.

UNDP is partnering with governments to raise domestic revenues through thematic debt and budget reform, and to tackle illicit financial flows through initiatives like the UNDP-OECD Tax Inspectors Without Borders initiative. On the private sector front, the UNDP-led Africa Minigrids Programme

exemplifies our innovative de-risking approach, mobilizing new private sector investment in solar minigrids that aim to open up opportunities for millions of people while our innovative SDG Investor Maps are providing the private sector with actionable investment intelligence. UNDP is also cooperating with countries and finance institutions to create new pipelines of ‘bankable’ investments in sustainability-aligned startups. Notably, UNDP’s Insurance and Risk Finance Facility is collaborating with industry and governments to increase access to insurance, risk finance and investment solutions globally – aiming to provide millions of people with the much-needed means to recover and rebuild when disaster strikes. On the macro-level, UNDP continues to serve as Secretariat of the G20 Sustainable Finance Working Group while our in-depth analyses of the debt burden of developing countries have advanced the global conversation in this critical area including the need for new debt-relief measures and the reduction of excessively high borrowing costs.

This report illustrates how UNDP is currently on track toward our ‘moonshot’ of promoting \$1 trillion in public and private investment aligned with countries’ SDG priorities between 2022 to 2025. By serving as a catalytic conduit, UNDP has acted much like seed capital in a high-yield portfolio where each dollar invested in UNDP has promoted nearly \$60 in private and public investments in developing countries. Through strategic foresight, collaborative risk-sharing, and innovative partnerships, UNDP is transforming financing gaps into new opportunities for inclusive growth and resilience – ultimately helping to deliver life-changing benefits that can truly compound over time.



Achim Steiner
Administrator

United Nations Development Programme

FOREWORD BY DIRECTOR

In a world of abundance, scarcity persists where it should not. While our global economy has generated unprecedented wealth, billions still live without basic necessities like clean water, adequate food, quality education, and essential health care. This profound disconnect lies at the heart of our mission at UNDP’s Sustainable Finance Hub.

The issue is not a lack of resources. Global wealth exceeds US\$450 trillion, while the financing gap for achieving the Sustainable Development Goals (SDGs) stands at \$4.3 trillion annually – less than one percent of that wealth. What we face is a matter of priorities, systems, and political will.

While adequate levels of official development assistance (ODA) remain crucial for the poorest countries, our work at UNDP focuses on multiplying the impact of existing development resources. We operate at the intersection of finance and development, helping countries design systems that can attract and direct capital toward sustainable outcomes.

As fiscal pressures mount and sovereign debt rises, many countries face impossible choices between paying creditors and investing in their people. Schools go unbuilt, health systems remain fragile, and climate action is delayed, weakening the essential bond of trust between governments and the people they serve.

Our response to this challenge is both practical and transformative. We strengthen public finance through improved tax systems, sustainability-aligned budgets, and responsible debt management. Simultaneously, we work with private investors to integrate sustainability into their decision-making, ensuring capital delivers both returns and meaningful development outcomes.

This approach is yielding remarkable results. In 2024, every US\$1 of funding to UNDP was used to promote nearly US\$60 in public and private investments for sustainable development. Since 2022, our combined efforts with partners have helped to channel more than \$870 billion toward the SDGs, Nationally Determined Contributions (NDCs) under the Paris Agreement, and National Biodiversity Strategies and Action Plans (NBSAPs).

This report chronicles those efforts. Behind the numbers are stories of innovation and collaboration with ministries of finance, development banks, insurers, investors, and communities. Together, we’re proving what’s possible when global finance aligns with shared human and planetary goals.

But we are clear-eyed about the challenges ahead. Meeting the ambitions of the SDGs, the Paris Agreement, and the Global Biodiversity Framework will require more than policy change. It will require collective resolve and renewed multilateral action.

This work goes beyond balance sheets. It speaks to our values: justice, equity, and responsibility. A financial system that serves people and protects the planet isn’t a luxury. It is essential. And building it is one of the most urgent tasks of our time.



Thomas Beloe
Director

UNDP’s Sustainable Finance Hub

INTRODUCTION

The current financial system – emphasizing shareholder profits over social and environmental sustainability – has created vast inequalities and environmental degradation on a scale unseen in human history. The perfect storm of climate, economic and debt crisis has reached a tipping point as trust in governments and global institutions breaks down. The resulting fiscal crises, spiraling debt levels, opaque tax systems, and gaps between national budgets, and public expenditures necessitate an urgent rethink of global financial systems and the benefits they confer.

At the same time, governments and private-sector actors have made enormous progress adopting greener, socially equitable, and more sustainable practices. There is no going back to unsustainable financial models that concentrate wealth in the hands of a few while neglecting the majority of people and the ecosystems on which our lives depend.

UNDP is working with public and private partners to deliver financial returns that drive progress on the SDGs, reducing the risk – and maximizing the benefits – of investments in sustainable development.

RESHAPING THE DEVELOPMENT LANDSCAPE

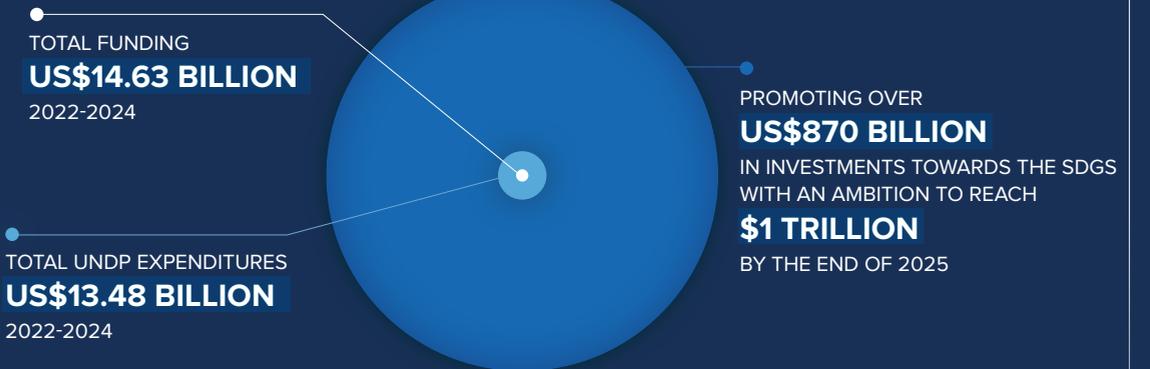
With our global reach and local presence, UNDP acts as a multiplier of development resources, catalysing every development dollar for maximum impact in more than 170 countries.

UNDP is reducing the risk of investing in developing economies by facilitating policies and institutions that promote transparency, rule

of law and accountability – fostering an enabling environment for capital to flow towards countries’ sustainability targets. UNDP is also partnering with governments and the insurance industry to expand insurance markets – scaling coverage to reach the most vulnerable communities and building capacity to manage financial risk.

UNDP’s Catalytic Role

For every US\$1 of funding received between 2022 and 2024, UNDP promoted nearly \$60 in public and private investments in sustainable development.¹



UNDP has contributed to leveraging:²

- Over **\$31 billion** through support for sustainable sovereign debt issuances
- More than **\$2 billion** in additional tax revenue by increasing countries’ tax audit capacity through Tax Inspectors Without Borders
- \$5 billion** in risk-capital commitments through insurance and risk finance

And aligning:

- Promoted the alignment of **\$380 billion** in private-sector investment through support for impact measurement and management
- Promoted the alignment of **\$430 billion** in public budgets through support for SDG budget policy and systems reforms

1. Based on data collected from UNDP Country Offices assessing their contributions to leveraging and aligning public and private capital for the SDGs and Nationally Determined Contributions (NDCs). UNDP funding and expenditure data available at <https://open.undp.org/donors>.

2. Definitions: Leverage – Generating new resources from public or private entities that are invested in the SDGs. Align – Generating enhanced impacts from existing sources of public and private finance for the SDGs. Contribute – UNDP provides support that, along with many factors, promotes investment in public and private finance for the SDGs.



COUNTRIES WHERE UNDP WORKS ON SUSTAINABLE FINANCE



+\$870 Billion

total investments that UNDP has promoted towards the SDGs between 2022 and 2024



100+ Countries

supported on sustainable finance

PUBLIC FINANCE



45 countries

supported to implement budget reforms aligned with the SDGs



\$30 billion

in thematic bonds issued with UNDP's support



\$2.3 billion

in additional tax revenue collected since 2015

PRIVATE FINANCE



697

investment opportunity areas mapped across 45+ countries

INTEGRATED NATIONAL FINANCE



86 countries

are developing an integrated national financing framework



16

financing strategies

operational at national or subnational government levels

SDG FINANCE ACADEMY



In-person training for more than

2000

people since 2022



5000

e-Learning Programme reach and counting

Disclaimer:

The designations employed and the presentation of material on this map do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations or UNDP concerning the legal status of any country, territory, city or area or its authorities, or concerning the delimitation of its frontiers or boundaries.



Find more data on sustainable finance at UNDP: sdgfinance.undp.org



All our efforts to promote investments in the SDGs are in partnership with governments, the private sector, financial institutions and other actors. This report highlights the progress made in this regard.

The Sustainable Finance Hub leads and coordinates UNDP's work on sustainable finance, and touches on all sectors where it operates. UNDP's goal is to maximize the impact of development funding using our expertise and partnerships – bringing the right actors to the table to unlock large-scale investments in sustainable development worldwide.

From supporting country-led integrated national financing frameworks to aligning taxation systems with the SDGs, providing global standards for private-sector investment and de-risking investments in sustainability, UNDP is leading the global push for a more sustainable financial architecture.

BRIDGING THE FINANCING GAP

In line with the Fourth International Conference on Financing for Development (FFD4) hosted by Spain in summer 2025, UNDP is leading an expanded agenda for change, involving governments, development and finance institutions in reforming the global sustainable finance architecture. This includes supporting the issuance of SDG-aligned bonds, channeling taxation to SDG investments, building bankable pipelines of SDG-linked projects (and measuring their impacts), and reducing the risk of SDG investments.

By using our expertise and funds to leverage financing for sustainable development – and advocating for our partners to do the same – UNDP is reshaping both the global development and financing landscapes. Through the G20 Sustainable Finance Working Group, the Task Force on Inequality and Social-related Financial Disclosures, and other global partnerships, we are working to solve some of the toughest challenges the world is facing right now.

PARTNERSHIPS WITH FINANCIAL INSTITUTIONS

UNDP's partnerships with financial institutions play a vital role that goes beyond financing. Besides collaborating with investors and insurers to de-risk investments in developing economies, UNDP and financial institutions work closely together to strengthen policy frameworks, provide technical advisory services, build institutional capacity, and create enabling environments for sustainable investment.

In addition to development finance institutions, UNDP works with commercial banks, institutional investors, the insurance industry, funds and regulators.

Partnerships for national financing strategies

International financial institutions are increasingly active in the effort to develop and implement national financing strategies. For example:



In Cabo Verde, UNDP has partnered with the European Union on the development of a national Open Data Portal. Capturing information on public budgets, revenue and debt, the portal will be used to align public spending with national sustainability targets, and ensure transparency of public-sector finance. The International Monetary Fund (IMF) provided support for drafting the legal framework.



With support from the IMF, UNDP is partnering with the United Nations Environment Programme and the United Nations Economic Commission for Africa to assist Gabon in its transition to a green economy. Combining UNDP's experience in climate action and the IMF's expertise in macroeconomic framework analysis, this partnership could become a model for the other countries.

THE ROLE OF INTEGRATED NATIONAL FINANCING FRAMEWORKS

The Addis Ababa Action Agenda committed United Nations Member States to enhance global economic governance towards a more inclusive and accessible international architecture for sustainable development. This agenda is built on the foundation of nationally owned sustainable development strategies, supported by integrated national financing frameworks.

These frameworks enable countries to strengthen financial planning and strategies for mobilizing both public and private finance. The bedrock of country-led efforts to finance their sustainable development, 86 countries are currently using this approach and more than 50 are implementing financing policy reforms shaped by their integrated national financing frameworks.

The 86 countries
using the approach have:



leveraged
\$16 billion
in new financing; and



aligned an additional
\$32 billion
with the SDGs.

Partnership with the United Nations Capital Development Fund (UNCDF)

UNDP and UNCDF work hand in hand to drive sustainable development by addressing policy and financial barriers that hinder investment in critical sectors.

While UNDP leads on de-risking sustainable investments, UNCDF deploys financial de-risking and blended finance solutions, leveraging its capital – including performance-based payments, guarantees, and catalytic capital – to unlock public and private investments in high-impact initiatives.

Together, UNDP and UNCDF bridge the gap between policy ambition and investment for developing countries, building a more inclusive global finance ecosystem that drives investment in line with the SDGs, climate and biodiversity targets.



Integrated national financing frameworks move countries from crisis to long-term stability

Moving from crisis and fragility to resilience and sustainable development requires the ability to cope with immediate shocks while transforming structural inequalities that exacerbate instability. As of December 2024, more than 50 crisis or post-crisis countries had embarked on the integrated national financing framework process. For example, in Ethiopia, the Government used this process to identify challenges that could be turned into investment opportunities. This in turn raised financing partners' awareness of opportunities for long-term investment beyond immediate humanitarian assistance – building resilience, peace and prosperity.

PRIVATE FINANCE FOR THE SDGs

Private finance is essential to closing the \$4.3 trillion annual SDG financing gap. Yet mobilizing capital to meet sustainability targets requires more than just investment. It demands structural shifts in financial markets, innovative solutions, and stronger partnerships to ensure private capital delivers both financial returns and measurable sustainable development impact.

The private sector is a key driver of change. UNDP is helping to realize the vast potential of private finance for the SDGs by:



Leveraging and developing investment-ready opportunities aligned with the SDGs, facilitating the attraction of private capital;



Ensuring investments deliver both financial returns and positive social and environmental outcomes; and



Reducing barriers and risks for investors by strengthening policy frameworks for sustainable investments.

In its work across 170 countries, UNDP helps investors, businesses and policymakers align capital with the SDGs, remove barriers to investment, and create scalable financial solutions. Through market intelligence, investment facilitation, policy alignment, and impact assurance, UNDP is ensuring that private finance drives real, lasting change where it is needed most.

LEVERAGING PRIVATE FINANCE FOR THE SDGs

To promote private investment in the SDGs and other sustainability targets, UNDP provides investment intelligence and market insights, and connects investors with SDG-aligned investment opportunities. The SDG Investor Platform offers data-driven investment intelligence across 47 countries, helping investors identify market opportunities that generate both financial returns and measurable impact. As of 2024, 697 investment opportunity areas had been mapped – 207 in sub-Saharan Africa alone.

In addition to mapping opportunities, UNDP is driving real investments on the ground. The Pipeline Builder initiative, which has already leveraged \$15 million for SDG-aligned businesses in Nigeria, is now being scaled across Africa to connect private investors with impact-driven enterprises.

ALIGNING PRIVATE FINANCE WITH THE SDGs

Beyond mobilizing capital, UNDP ensures that private investments are aligned with the SDGs by providing practical tools and global standards that guide businesses and investors toward sustainable decision making.

The SDG Impact Standards serve as a best practice framework for integrating sustainability and impact measurement across private equity funds, enterprises and bond issuers, helping financial actors align their strategies with global development goals.

Partnering with the private sector to drive investments in sustainability

UNDP partnered with Thailand's Securities and Exchange Commission (SEC) to align the business practices of companies listed on Thailand's stock exchange – a total market capitalization of approximately \$559.2 billion (2024) – with the SDGs. Building on UNDP's SDG Impact Standards, the SEC issued a streamlined system for reporting on companies' sustainability impacts.

UNDP also joined forces with Mizuho Financial Group to expand sustainable financing solutions, including blended finance, that address developing economies' most pressing social and environmental challenges. These solutions contribute to Mizuho's target of raising \$700 billion in sustainable finance by 2030.

In 2024, UNDP and the International Organization for Standardization (ISO) launched the ISO/UNDP Guidelines for the SDGs, establishing a global benchmark for integrating sustainability into corporate strategies. Building on this, UNDP and ISO are developing the first-ever Management Systems Standard for the SDGs, providing a globally recognized approach to embedding the SDGs into corporate governance, risk management, and investment decision making.

STRENGTHENING BUSINESS INTEGRITY AND FINANCIAL ACCOUNTABILITY

For private finance to be truly sustainable, strong business integrity and accountability frameworks must be in place. UNDP's Business and Human Rights initiative ensures that private-sector engagement in sustainable finance is responsible, equitable and inclusive, working with governments and corporations to uphold ethical business practices. The UNDP-hosted Finance Against Slavery and Trafficking (FAST) initiative works with global financial institutions to eliminate modern slavery.

SCALING BLENDED FINANCE

To bridge financing gaps in high-impact sectors, UNDP is scaling blended finance solutions that reduce risk and attract private capital to climate, biodiversity, and sustainable energy initiatives. With support from Italy, the Platform for Investment Support and Technical Assistance (PISTA) aims to unlock \$500 million in blended finance for decarbonization and climate resilience.

UNDP has also entered into a partnership with the Italian development bank Cassa Depositi e Prestiti to unlock innovative financing solutions for climate action and other SDGs.

Through the Biodiversity Finance Initiative (BIOFIN) in 40 countries, UNDP is advancing nature-positive finance, mobilizing public and private capital for conservation and nature-based solutions. UNDP's sustainable energy portfolio, which includes 330 clean energy projects in 118 countries, is reducing investment barriers in renewables, energy access, and climate adaptation, making clean power more accessible and affordable in emerging markets.

North Macedonia: Working with partners to provide capital for green enterprises

Access to financing is one of the major challenges for small enterprises. Together with the European Bank for Reconstruction and Development, the International Organization on Migration, and the United Nations Economic Commission for Europe, UNDP established the Green Financing Facility, offering loans to small enterprises for investments in renewable energy. With an initial grant of \$7.8 million, the facility is expected to leverage \$38.7 million in private finance – a five-to-one ratio for every dollar invested.

PUBLIC FINANCE FOR THE SDGs

Domestic revenue mobilization is fundamental for enabling investments in health, education, and other development priorities – strengthening the social contract and building trust between citizens and governments. To reach the SDGs, developing countries need to mobilize financing through taxation reform, public budget reform, managing risks related to SDG investment, and issuing debt sustainably.

UNDP works with national governments in nearly 100 countries to put sustainable development at the centre of public finance – increasing public financing for SDG targets, including climate action, while creating an enabling environment for private investment in sustainable development. This support has led to more than \$2 billion in additional tax revenue collected and \$30 billion in bond issuances linked to sustainability targets.

Through its Climate Promise initiative, UNDP works with countries to reduce greenhouse gas emissions, including carbon pricing instruments that both bring in revenue and drive climate action. With partners such as the World Bank and the African Development Bank, UNDP has supported 15 countries across five regions with carbon pricing and carbon market frameworks – helping them to make good on their Paris Agreement commitments to halt the global climate rise to pre-industrial levels.

In addition, UNDP's 'Equanomics' initiative works to dismantle economic structures that generate and perpetuate gender inequality. This initiative was active in 20 countries in 2024 and aims to reach at least 30 countries by 2027 – shaping tax policies and public expenditures aimed at fostering gender equality.

Commitment to gender equality inspires trust in public institutions

The Gender Equality Seal is an internationally recognized certification demonstrating that institutions are putting gender equality commitments into practice. In the Dominican Republic, UNDP has been working with government ministries to integrate gender into core public policy and private sector decision-making processes, creating more gender-equal policies and inclusive investment initiatives. These efforts have raised awareness nationwide of gender-based inequalities and led to a significant increase in public procurement contracts awarded to women-led enterprises.



TAXATION

The Tax for SDGs initiative has supported 25 developing country governments in raising revenues and aligning tax policies with the SDGs. SDG taxation frameworks have been implemented in more than 20 countries, driving policy changes that align taxation with health, gender equality, climate and good governance.

From support with implementing health taxes in Zimbabwe to advancing carbon taxation in Egypt, Tax for SDGs is helping countries to build more efficient, transparent taxation systems aligned

with the SDGs. Taxation reform also provides a powerful incentive for investments in SDG 5 on gender equality. In 2024, UNDP hosted a global dialogue on public finance and tax for gender equality – bringing together representatives from ministries of finance and tax authorities, along with other experts – to guide governments in using taxation systems to create more gender-equal societies.

Digitalization is enhancing the efficiency and transparency of tax administration. In Armenia, UNDP supported the launch of the first Digital Forensic Lab, using advanced technology to combat tax evasion.

Tax Inspectors Without Borders

Tax Inspectors Without Borders, a partnership with the Organisation for Economic Cooperation and Development (OECD), supports countries in conducting tax audits and tackling tax evasion. Tax Inspectors Without Borders initiatives in 62 tax jurisdictions have helped developing countries generate an additional \$2.4 billion in tax revenue – a \$127 return for every dollar invested.



BONDS

Rising debt amplifies development challenges due to the costs of debt servicing and draws capital away from public expenditures. UNDP is scaling up its support to countries on debt instruments, including SDG, sustainability-linked, green and blue bonds, Islamic law-compliant Sukuks, and debt swaps aimed at increasing public funding for sustainable development without leading to debt crises.

This support includes the establishment of debt frameworks, governance mechanisms, and monitoring and evaluation frameworks. Engaging with more than 40 countries, UNDP has contributed to mobilizing nearly \$30 billion for financing environmental and social goals.

In December 2024, for example, Honduras issued its first-ever sustainable bond for \$700 million on international capital markets. UNDP was the main advisor to the Ministry of Finance in the process of preparing for issuance of this bond.

BUDGETING

UNDP supports more than 50 countries in aligning their budgets with the SDGs, including SDG budgeting reforms and budgeting for climate action, biodiversity conservation, and gender equality.

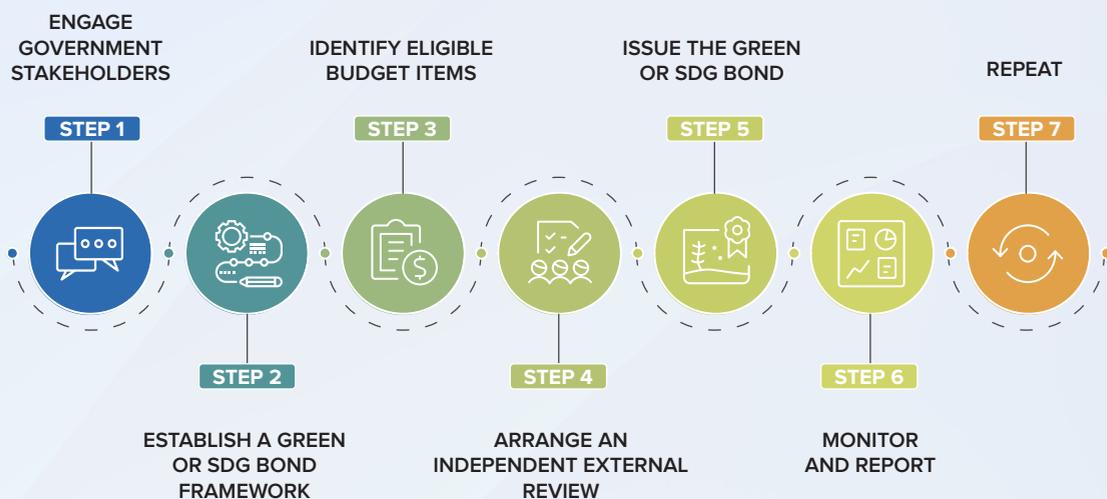
Budget policy reforms, from repurposing harmful subsidies to aligning policies with the SDGs, support countries in implementing national strategies while building resilience and reducing financial risk.

These wide-ranging reforms enhance transparency, accountability, and public participation, building the trust of citizens in governments, and strengthening the social contract. This is particularly important in contexts of crisis and fragility.

Armenia, Belarus, Colombia, Haryana State in India, North Macedonia, Sri Lanka, Ukraine and Uzbekistan have all implemented budget reforms focused on all or the majority of the SDGs. Panama and Mongolia are currently piloting SDG-aligned budgeting.

UNDP'S SUPPORT TO BOND ISSUANCE

Seven Steps to Readiness



As a result:



The Indian State of Haryana aligned its budget with the SDGs. Using SDG budget tools and systems, the state government approved **\$3 billion** for the SDGs in 2024



In Bangladesh, UNDP supported making climate change a core part of budget documentation, contributing **\$1.4 billion** in financing from the IMF and demonstrating how integrated public finance approaches can attract international financing

Better than Cash Alliance: Financial inclusion through digital payments

Since 2024, UNDP has hosted the Better than Cash Alliance, a partnership of governments, companies and international organizations committed to accelerating the transition from cash to digital payments in order to advance the SDGs. Responsible digital payments facilitate access to funds, goods and services, advance gender equality, and improve healthcare delivery and food security. In 2024, the Alliance helped to advance the digitalization of payments in agriculture value chains in Colombia, Ethiopia, Ghana, Guatemala, Indonesia and Malawi, and facilitated the launch of a national digital health payments initiative in Ethiopia.

INSURANCE AND RISK FINANCE

Insurance is a powerful driver of economic growth. It helps governments, households, and businesses manage risks, and absorbs the financial impact when these risks turn into shocks. Insurance also powers innovation and has a critical role to play in de-risking the trillions of dollars of investments needed for the net-zero transition.

UNDP is active in 39 countries, where it uses insurance and risk transfer to increase the financial resilience of communities, businesses, nature, and food systems.

We work with the world's largest insurers to build financial resilience to climate risks in 20 countries, and co-chair the Insurance Development Forum (a public-private partnership bringing together the insurance industry and international organizations). With commitments of up to \$5 billion in risk capital, it is estimated that 64 million people could benefit.

As a result:



\$20 billion

in economic costs averted after UNDP secured insurance coverage for a mission to recover 1 million barrels of oil from the cargo ship FSO Safer, preventing it from spilling into the Red Sea.



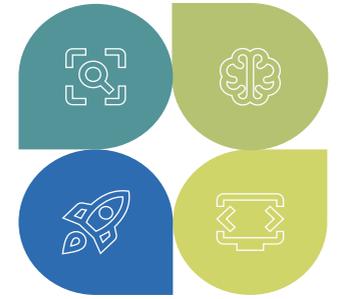
UNDP and private partner Generali Insurance developed a small and medium-sized enterprise

Loss Prevention Framework

and launched an insurance innovation challenge for small and medium-sized enterprises.

UNDP is also part of the Global Takaful Alliance to Build Financial Resilience, a new public-private initiative seeking to enhance the financial resilience of 100 million people by 2030 through Takaful – a risk-management solution compliant with Islamic Law.

SDG FINANCE ACADEMY



The SDG Finance Academy shares UNDP's expertise on financing the SDGs with finance and development practitioners worldwide.

Since 2022, the Academy has provided in-person training to more than 2,000 development and finance practitioners. Its open access e-Learning Programme has reached more than 5,000 online learners with an average satisfaction score of 9.1 out of 10.



2000+

in-person participants



5000+

e-learning participants



9.1

out of 10, average rating for Introductory e-Learning course

In 2024, Academy launched its 12th free online course on sustainable finance for climate and energy, and the introductory course on sustainable finance was translated into all six United Nations languages. In 2024, the Academy also collaborated with UNDP's Crisis Bureau to develop a new curriculum on sustainable finance in crisis and fragile contexts. The first cohort was trained in early 2025.

Complementing its training, the Academy supports colleagues with targeted expertise in sustainable finance. In 2024, nearly 300 newly vetted experts in sustainable finance were added to UNDP's ExpRes Roster across 15 sustainable finance sub-profiles – ready to deploy wherever needed to assist countries in financing their sustainability goals.



REGIONAL HIGHLIGHTS



AFRICA

The SDG financing gap for Africa is estimated at \$1.3 trillion per year. While there are many opportunities to promote investment in the SDGs in this region, they require risk reduction and public support.

UNDP contributes to financing national sustainability targets through the Africa Sustainable Finance Hub. The 2024 Africa Investment Insights Report, Third Edition highlighted market intelligence from 16 SDG Investor Maps across the region, identifying 207 investment opportunities in 11 sectors – 130 of which have the potential to contribute to

climate action. The timbuktoo initiative is bringing together governments, investors, corporates, and universities across Africa to spark the continent's startup ecosystem.

The Africa Minigrids Program is advancing clean energy access and boosting rural economies in 21 sub-Saharan African countries by fostering private-sector investment in solar minigrids. Through the Italy-UNDP Energy Partnership, UNDP is working with Italy's Government to establish a pipeline of viable clean energy investments in seven African countries.

UNDP and UNCDF: Working together in Kenya on financing and business support for cold storage

UNDP, the United Nations Capital Development Fund (UNCDF) and Mitigation Action Facility are leveraging their complementary expertise to drive the adoption of solar-powered cold storage in Kenya, integrating blended finance with technical assistance to create more sustainable value chains for agricultural products.

UNDP will lead a EUR 6.7 million initiative to build capacity, provide policy support and raise awareness among farmers and service providers. UNCDF will manage a EUR 16.6 million blended finance component that includes concessional loans, guarantees, and risk-reduction mechanisms to attract private-sector investment.

This partnership is set to leverage more than 2.5 times the private sector investment, create 1,200 jobs and benefit 60,000 farmers and their households.



ARAB STATES

The Arab States region is home to a dynamic financial sector with more than \$4.5 trillion in capital and a predominantly young population. However, much of this wealth remains underutilized, and access to financing for green and SDG-aligned investments is limited – particularly for small and medium-sized enterprises that have potential to drive innovation and generate employment.

The Green Finance Platform, spearheaded by UNDP, was established to address these challenges by mobilizing capital toward green and inclusive growth. The Platform focuses on unlocking finance for green

small enterprises by tackling barriers such as weak enabling environments, limited financial instruments, and high perceived risks.

At the heart of the Green Finance Platform is a strong commitment to impact. Every transaction is guided by rigorous measurement to ensure meaningful contributions to the SDGs. To enhance the attractiveness of green investments, the Platform also offers de-risking tools – including portfolio guarantees and blended finance solutions – designed to catalyze private-sector engagement and scale up sustainable investments across the region.

Building Resilience to Climate Risks in Jordan

The agriculture sector is a major employer of women in Jordan. For most women in rural agricultural communities, the idea of insurance remains foreign. However, climate change is increasing the risks faced by farmers in Jordan – one of the world’s most water-scarce countries.

UNDP has been working with these farmers to increase their understanding of climate change and financial protection tools such as insurance. The Inclusive Insurance and Risk Financing Project is working with the Government to strengthen the role of the national Agricultural Risk Management Fund and the implementation of Jordan’s new Takaful Law – making Takaful solutions more widely accessible. (Takaful is a form of insurance in accordance with Islamic Law.)

By working at both the institutional and community levels, UNDP is closing the financial protection gap for hundreds of thousands of people working in Jordan’s agriculture sector.

ASIA AND THE PACIFIC

Though it features some of the world’s fastest-growing economies, the Asia-Pacific region requires an enabling environment for inclusive long-term growth. UNDP works with a range of public and private partners in the region, from supporting an SDG-aligned sovereign bond issuance in Thailand to an SDG Finance Academy for Pakistan’s Government (which is now being considered for rollout to sub-national governments).

UNDP’s private-sector work in the region includes a partnership with Mizuho Financial Group – which merged Japan’s three largest banks – to address the region’s SDG investment gap by aligning Mizuho’s investment portfolio with the SDGs and measuring the positive impacts. UNDP’s partnership with Mizuho followed an announcement that Mizuho intends to raise \$700 billion in sustainable finance by 2030.

The SDG Venture Scaler was launched in 2024 to promote investment in sustainable development in Southeast Asia. This initiative focuses on supporting growth-stage enterprises in Indonesia, the Philippines, and Viet Nam whose business models are aligned with targets on climate action, education, and healthcare.

In the Pacific Islands, UNDP has been instrumental in incubating businesses focused on a green and blue economy. Projects like the Global Fund for Coral Reefs, the Blue Accelerator Grant Scheme, and the Drua Innovation Small Grants Scheme have leveraged \$15.8 million from the private sector for entrepreneurial innovation. Through the Vaka Pasifika Project, UNDP is driving inclusive governance and making the most of investment opportunities in Pacific economies through public finance reform.

Climate Finance Network

The Climate Finance Network is UNDP’s flagship climate finance initiative in the Asia-Pacific region. Bringing together a wide range of stakeholders including ministries of finance, regulators, development partners, the private sector, and civil society to mobilize and manage climate finance effectively. The network’s core areas of impact include:

- ★ Climate change aligned budgeting and planning
- ★ Access to international climate change finance
- ★ Tax and innovative climate change finance
- ★ Climate finance for gender equality and social inclusion
- ★ Transparency and accountability of climate change finance
- ★ Modelling climate impacts on economic growth, key sectors and equity



EUROPE AND CENTRAL ASIA

While poverty has declined in this region in recent years, economic growth has been uneven. In 2024, UNDP developed a regional compact on financing for sustainable development that concentrates expertise and leverages resources towards financing for development.

In Serbia, UNDP's support in developing an SDG Investor Map helped to facilitate private investment of more than EUR 2 million in the country's green energy transition. UNDP also supported the creation of a digital forensic lab in Armenia. In Montenegro, UNDP hosted an

SDG Finance Academy for the Western Balkans, fostering cooperation among governments, the private sector, and international financial institutions in the region.

In line with Uzbekistan's integrated national financing framework, UNDP is working through the \$100 million Women's Empowerment Initiative to provide women entrepreneurs with loans from commercial banks while training these financial institutions to nurture green-focused, women-owned small businesses.

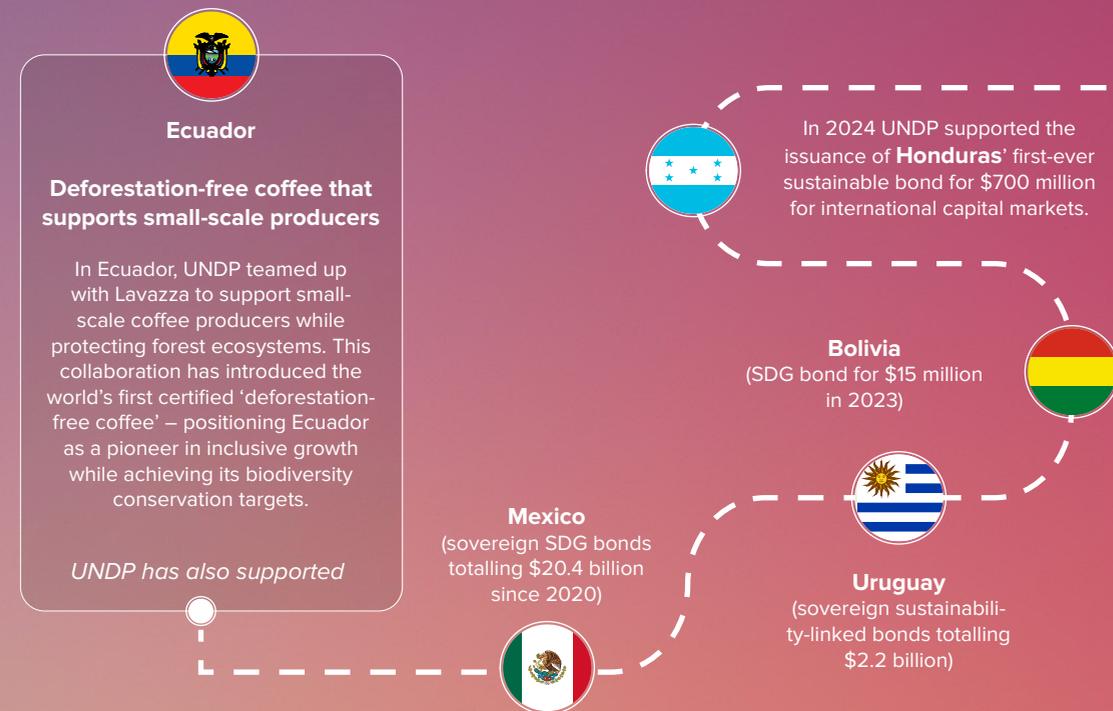
Sustainable finance is instrumental for resilience and recovery in Ukraine

Amidst ongoing conflict, UNDP has been instrumental in Ukraine's recovery, promoting democratic governance, inclusive growth, and environmental sustainability. A 2024 development finance assessment generated valuable insights into the need for development financing and highlighted opportunities to strengthen collaboration. Based on the evidence gathered, UNDP supported the Government in developing new indicators for SDG financing. Once approved, they will be mandatory, aligning national policies with the SDGs and enabling tracking of budget allocations for SDG-related public investments.

LATIN AMERICA AND THE CARIBBEAN

Latin America and the Caribbean face a financing gap of \$158 billion to achieve the SDGs by 2030. However, the region is seeing rapid growth in

sustainable financing solutions like SDG-linked bonds, which raised \$29.6 billion in 2023.



UNDP has also incorporated sustainable finance principles agreed to by the G20 into its work with finance and development institutions in the region, developing a common framework

for sustainable finance taxonomies that enables diverse actors to work together in driving capital towards sustainable development.

Colombia's integrated national financing framework boosts domestic resource mobilization

With UNDP's support, Colombia's Government developed an integrated national financing framework aligned with national sustainability targets, and partnered with Tax Inspectors Without Borders to curb illicit financial flows. UNDP is now working with the Government on bringing together public and private partners to promote investments in conflict-affected areas through blended finance, and extending credit to small enterprises. Working with the Government and other partners through the integrated national financing framework process has expanded UNDP's influence within previously unexplored sectors, including climate-smart agriculture, insurance and risk financing, and Colombia's digital transformation.

GLOBAL LEADERSHIP

With its partners, UNDP is working to minimize the inequalities, debt burden, and climate impacts that exacerbate conflict and destroy ecosystems. On the road to 2030, UNDP is looking beyond its \$1 trillion ambition to mobilize financing for the SDGs, Nationally Determined Contributions and National Biodiversity Strategies and Action Plans.

Our experts are catalysing official development assistance by bringing in new sources of financing, including from the private sector, de-risking these investments, and creating enabling policy environments for sustainable investments to bear fruit.

We are also sharing this knowledge through the SDG Finance Academy – empowering governments, financial institutions and other partners, so that we can together bring the enormous pool of global wealth to finance sustainable development in emerging markets.

Building trust in governance through transparent and accountable public finance – and creating an enabling environment for private investment – are essential for building peace, resilience, and equality while protecting the natural resources upon which all life depends.

Across all UNDP's areas of work, we have stepped up our efforts to mobilize long-term investments in good governance, resilience and peacebuilding in crisis and fragile contexts, facilitating a just transition to green energy and supporting public finance systems that benefit all.

Through global partnerships such as the G20 Sustainable Finance Working Group, the Financial Centres for Sustainability (FC4S), and the Sustainable Insurance Forum, we are engaging with a range of actors to find workable solutions for countries to finance their sustainability targets.

UNDP commits to foster deeper collaboration among global partners through international policy forums such as FFD4, towards a sustainable finance architecture that leaves no one behind.





United Nations Development Programme

One United Nations Plaza
New York, NY 10017

sdgfinance.undp.org