



Financial Mechanisms for Integrated Ecosystem Management in the Lancang-Mekong Region



International Ecosystem Management Partnership
国际生态系统管理伙伴计划



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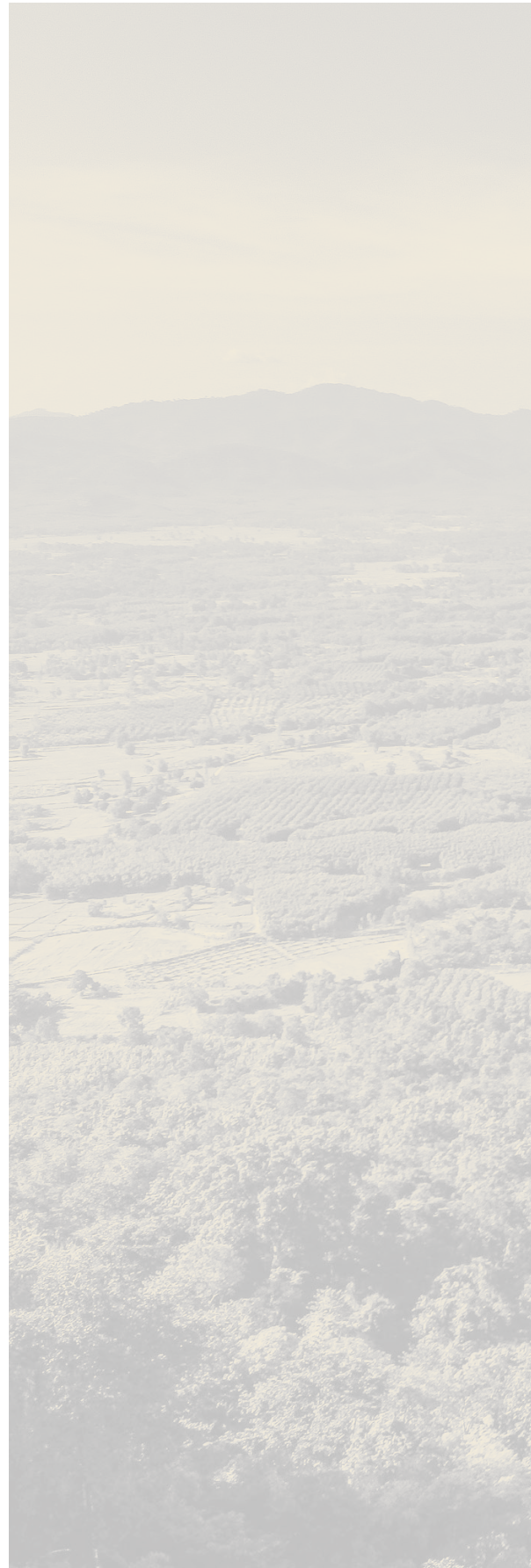
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ABBREVIATIONS

CBO	Community-based organization
CSO	Civil society organization
CSR	Corporate social responsibility
EbA	Ecosystem-based Adaptation
IGO	Intergovernmental organization
NGO	Non-governmental organization
NPO	Non-profit organization
ODA	Official development assistance
PES	Payments for Ecosystem Services
PPP	Public-private partnership
REDD+	Reducing Emissions from Deforestation and forest Degradation, plus the sustainable management of forests, and the conservation and enhancement of forest carbon stocks
SDGs	Sustainable Development Goals
UN	United Nations
UNEP	United Nations Environment Programme
VCM	Voluntary carbon market



TABLE OF CONTENTS

1.	<i>Introduction</i>	4
2.	<i>Financial mechanisms for integrated ecosystem management in the Lancang-Mekong Region</i>	6
2.1	Public Sector	6
	<i>Table 1: List of financial mechanisms from public sector for integrated ecosystem management in the Lancang-Mekong region</i>	7
2.2	Private Sector	18
	<i>Table 2: List of financial mechanisms from private sector for integrated ecosystem management in the Lancang-Mekong region</i>	18
2.3	Public-Private Partnership (PPP)	21
	<i>Table 3: List of financial mechanisms from PPPs for integrated ecosystem management in the Lancang-Mekong region</i>	21
3.	<i>Case studies of funding mechanisms implemented in the Lancang-Mekong Region</i>	28
3.1	Critical Ecosystem Partnership Fund (CEPF) --- an important instrument to protect the biodiversity hotspots	28
3.2	Banyan Tree Global Foundation (BTGF) - Greater Good Grant	29
3.3	Partnerships for Forests (P4F) – catalysing investments for sustainable forests and land use	31
3.4	Voluntary Carbon Market – unlocking vast amounts of private capital for nature-based solutions	31
4.	<i>Conclusion</i>	33
	<i>References</i>	34



1. Introduction

The 2030 Agenda for Sustainable Development recognises the importance of ecosystem management as critical to achieving the Sustainable Development Goals (SDGs) because healthy ecosystems are a foundation for food security, nutrition, access to water, climate change mitigation and adaptation, health of the rural poor and people worldwide, among others. Investments in ecosystem management generate a range of public and private benefits in terms of valued goods and services, such as clean water, agricultural pest control and flood risk reduction. Annually, around 12 million hectares of land are lost to degradation worldwide. Besides undermining the well-being of at least 3.2 billion people (40% of the world's population) (IPBES 2018), land degradation costs over 10% of annual global GDP in lost ecosystem services values being approximated to be US\$ 6.3–10.6 trillion a year (ELD Initiative 2015). It is estimated that every US\$ 1 spent on ecosystem restoration will bring between US\$ 3 and US\$ 75 of economic benefits from ecosystem goods and services (FAO 2017). The investments can make a significant contribution to the achievement of the SDGs and they can also yield significant economic returns for the recovery from the COVID-19 crisis and contribute to a more resilient economic, social, and ecological system. On the other hand, another study (TNC 2019) reveals that despite the world spending US\$ 124-143 billion annually on activities that benefit nature, it spends considerably more on activities that damage it. To reverse the decline in biodiversity by 2030, the same study suggests that a US\$ 722-967 billion annual financing gap must be closed to protect and restore nature.

Out of more than 300 million inhabitants in the

Lancang-Mekong region, the natural ecosystems not only are of critical importance to 200 million people in rural areas for food, water, energy and income but also contribute to 20%-55% of the region's wealth (GMS n.d.). Of the region's natural systems, the Lancang-Mekong River is arguably the most essential to supporting rural livelihoods and maintaining the functionality of associated ecosystems. Originating from China's Qinghai-Tibet Plateau, the river flows through other 5 countries, i.e. Myanmar, Lao PDR, Thailand, Cambodia and Vietnam, and finally into the South China Sea. Throughout the length of 4,880 km, it delivers numerous ecosystem goods and services to some of Southeast Asia's poorest people.

Regardless of their regional importance, the ecosystems of the Lancang-Mekong region face a large number of anthropogenic pressures that threaten their capacity to provide goods and services. The region has undergone extensive deforestation in past decades, which has reduced the supply of important ecosystem goods and services to poor communities. The region (excluding China) has lost about a third of its forest cover in 30 years, largely due to extensive agricultural expansion, unsustainable logging and infrastructure construction, and may lose another third by 2030 if the current trend continues (WWF 2018). With anticipated rises in the demand for electricity, land and water in Asia, on top of the complexities associated with managing transboundary water resources, ecosystem degradation is expected to continue across the region into the future to the detriment of the region's people. Given that the economies of the Lancang-Mekong countries are highly dependent on the goods and services provided by their forests, wetlands, farmlands, and other



ecosystems, along with exacerbated challenges brought by climate change, integrated ecosystem management has become an urgent task and all the countries recognise this fact, as reflected in regional cooperation such as the Lancang-Mekong Cooperation Mechanism (LMEC 2017). As such, the governments have provided funding on this topic, to various extents. Moreover, there are a number of funding sources that can finance activities related to integrated ecosystem management, including from private sector, as public funding alone will not meet the demand (UNEP 2021).

To guide potential project developers and

practitioners in the field related to integrated ecosystem management in seeking funding sources for their activities, this publication has an overall aim to present a compilation of existing mechanisms to finance integrated ecosystem management in the Lancang-Mekong region. At its core are the three comprehensive most-up-to-date lists, with essential details (overall descriptions and application guidelines), of relevant financial mechanisms applicable for the Lancang-Mekong region from the public sector, private sector and public-private partnership. Specific example of each type is also given in case studies, as well as key observations in the concluding chapter.



2. Financial mechanisms for integrated ecosystem management in the Lancang-Mekong Region

This chapter provides three lists (in three tables) of financial opportunities to fund integrated ecosystem management activities in the Lancang-Mekong region by the public sector, private sector and public-private partnership. The compilation process consisted of literature review and web search. Main sources of information are from various calls for proposal, newsletters, and relevant databases (including from the Global Forest Financing Facilitation Network¹) with the geographic scope limited to the six Lancang-Mekong countries. The topics covered in the lists mainly include ecosystem conservation and management, biodiversity conservation, forest landscape restoration, community forestry, agroforestry, soil and water conservation, Payments for Ecosystem Services (PES), Reducing Emissions from Deforestation and Forest Degradation (REDD+)² and Ecosystem-based Adaptation (EbA)³. The financing instruments mainly cover grant (including co-financing), loan and technical assistance. The lists provide brief description of each financial mechanism, its eligible countries, funding themes and application guidelines (including funding scale and duration, wherever the information is available).

This would be sufficient as the first step for the interested practitioners to quickly screen through the lists for their potential financing opportunities, then to further look into details for each of them

through the website also provided in the lists. It should be noted that all the three lists are most up-to-date as of the time of research. However, certain information, for example funding themes and application requirements, are subject to change in the future. Therefore, it is advisable for the readers to refer to each of financial mechanism website when they prepare an application for funding. Moreover, although the publication attempts to cover as many as possible the available financial mechanisms, there are others not included in the lists. For example, some of the prominent international NGOs, e.g. World Wide Fund for Nature (WWF) and the International Union for Conservation of Nature (IUCN), occasionally provide relevant funding opportunities in the region.

2.1 Public Sector

The financial mechanisms included in Table 1 are mainly from foreign governments (e.g. France, Germany, Japan, Korea, United Kingdom) as both single- and multi-donor initiatives. They also cover financial programmes under international or intergovernmental organisations (e.g. ASAP under IFAD), multilateral financial mechanisms (e.g. GEF) and multilateral development banks (e.g. ADB), in which the funds are mostly contributed by various governments.

¹ Database on financing opportunities by UNFF Clearing House on Forest Financing

² REDD+: REDD stands for "Reducing Emissions from Deforestation and Forest Degradation". The "+" signifies the role of conservation, sustainable management of forests and enhancement of forest carbon stocks.

³ Ecosystem-based Adaptation (EbA) is defined as the use of biodiversity and ecosystem services as part of an overall adaptation strategy (Secretariat of the Convention on Biological Diversity 2009). Through EbA, adaptation to the adverse effects of climate change and resilience-building are achieved by managing existing natural resources in a sustainable manner, restoring ecosystems and ecosystem functions where they have been lost or degraded, and integrating these activities within broader efforts to improve livelihoods and human well-being.



Table 1: List of financial mechanisms from public sector for integrated ecosystem management in the Lancang-Mekong region

Name	Eligible Countries	Funding Themes	Description
1. Adaptation for Smallholder Agriculture Programme (ASAP)	IFAD developing Member States (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)	Agroforestry, Climate change, Community forestry, EbA	<p>ASAP was launched by the International Fund for Agricultural Development (IFAD) in 2012. It is the largest global climate adaptation programme for smallholder farmers, helping them to reduce poverty, increase yields and lower greenhouse gas emissions. The funded projects generally focus on empowering community-based groups, such as farmer associations, local cooperatives, women's groups or water user groups, to build their climate adaptive capacity. Its recipients include governments, civil society organisations (CSOs), NGOs, and research institutions.</p> <p>Application guidelines: ASAP applies the regular IFAD investment procedures. The process is not directly accessible by NGOs or CSOs, but rather through government entities. A results-based Country Strategic Opportunities Programme is required, highlighting climate change adaptation as a strategic decision for IFAD operations in a specific country. Please refer to https://www.ifad.org/en/project-design-and-management.</p> <p>Click here to learn more: https://www.ifad.org/en/asap</p>
2. Adaptation Fund	Developing countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)	Climate change adaptation, including EbA	<p>Set up under the UNFCCC and launched in 2007, the Adaptation Fund finances concrete climate change adaptation and resilience projects and programmes in developing countries that are vulnerable to the adverse effects of climate change and are Parties to the Kyoto Protocol. Initiatives are based on country needs, views and priorities, including those related to forests, urban development, food security, water management, agriculture, rural development, coastal zone management and disaster risk reduction. Only institutions accredited by the Adaptation Fund (i.e. Implementing Entities) can apply for funding.</p> <p>Application guidelines: Proposals must be submitted through an Implementing Entity (national, regional or multilateral). Endorsement is required by the Designated Authorities of the country in which the proposed activities would take place. Proposals are accepted three times a year.</p> <p>Click here to learn more: https://www.adaptation-fund.org/apply-funding/</p>



Name	Eligible Countries	Funding Themes	Description
<p>3. Asian Development Bank (ADB)</p>	<p>ADB developing member countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)</p>	<p>Biodiversity conservation, Forest conservation and management, Agroforestry, Private sector and industry, Water</p>	<p>Launched in 1966, ADB supports projects in developing member countries that create economic development impacts, delivered through both public and private sector operations, advisory services, and knowledge support. Projects are identified in partnership with developing member countries during strategic planning processes. ADB provides public sector financing, private sector financing, co-financing and others. <i>Its recipients include governments and businesses.</i></p> <p>Application guidelines: For <i>public sector</i> financing: ADB works with each member county to prepare medium-term development strategy and operational programme called country partnership strategy (CPS), in consultation with government and other in-country stakeholders including CSOs, NGOs, private sector. With CPS, ADB provides grants called project/programme preparatory technical assistance to help the government identify and prepare feasible projects. A loan agreement and draft proposal will be submitted to all parties involved for review. Once approved, ADB will assist in project implementation.</p> <p>For <i>private sector</i> financing: First, ADB will carry out preliminary fact finding on the project and the sponsors. A concept review paper is then submitted to the ADB Investment Committee. Once approved, a project team from ADB will conduct due diligence on the project, then prepare the appraisal report for the Final Review by the committee. Please refer to https://www.adb.org/what-we-do/private-sector-financing/applying-assistance</p> <p>Click here to learn more: https://www.adb.org/</p>
<p>4. ADB-Water Financing Partnership Facility (WFPF)</p>	<p>ADB developing member countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)</p>	<p>Water</p>	<p>WFPF was launched in 2006 to mobilise additional financial and knowledge resources from development partners for the implementation of the ADB's water financing programme. The focal areas of delivery include water as a sustainable resource, universal water and sanitation services, productive water in agriculture and the economy, and reduced water-related risks. The eligible activities are in two windows through three pillars: Project Support window through pillar 1 'Enhance project design and implementation'; and Programme Quality Support window through pillar 2 'Strengthen policies, institutions and regulations' and pillar 3 'Develop capacity and manage knowledge'. <i>Its recipients are only national governments.</i></p> <p>Application guidelines: The WFPF Steering Committee provides strategic direction for WFPF resources for projects. The ADB Water Sector Committee evaluates applications within 15 working days for technical assistance and grant component of loans and 7 working days for direct charges.</p> <p>Click here to learn more: https://www.adb.org/what-we-do/funds/water-financing-partnership-facility</p>



Name	Eligible Countries	Funding Themes	Description
<p>5. Asia-Pacific Network for Sustainable Forest Management and Rehabilitation (APFNet)</p>	<p>Asia-Pacific region (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)</p>	<p>Forest conservation and management, Climate change, Community forestry</p>	<p>APFNet was launched in 2008, aiming to advance sustainable forest management and rehabilitation in the Asia-Pacific region. Funding of a two to three-year project generally goes up to US\$ 500,000. The purpose is to enhance forest cover and improve forest quality, to promote multifunctional forests, to help mitigate and adapt to climate change, and to increase the socioeconomic benefits of forests in the region. Eligible projects are usually: 1) demonstration projects that showcase best practices in forest rehabilitation and management in a cost-effective manner; 2) research and policy development projects that enhance scientific forest-related knowledge or contribute to improving current forestry policies, strategies, and technologies; and 3) capacity building projects that concentrate on stakeholders' capacity enhancement including planning and decision making and implementation. <i>Its recipients include CSOs, businesses, academic institutes and international organizations.</i></p> <p>Application guidelines: Applications are accepted throughout the year. Concept note submitted before end of April will be appraised before the end of the year. Concept note submitted after end of April will be appraised the following year.</p> <p>Click here to learn more: https://www.apfnet.cn https://www.apfnet.cn/Projects-en/</p>
<p>6. Biodiverse Landscapes Fund (BLF)</p>	<p>Biodiverse landscapes including Lower Mekong (Cambodia, Lao PDR, Vietnam)</p>	<p>Biodiversity, Landscape restoration, Climate change</p>	<p>The UK's £100 million BLF helps biodiverse landscapes around the world to protect and restore biodiversity, reduce poverty, and reduce the impact of climate change. It addresses drivers of environmental degradation and supports national and local governments, park authorities and communities to achieve long-term sustainable management and use of natural resources. The fund will run from 2022 to 2029. Lower Mekong region is among the six priority landscapes. <i>Its recipients include NGOs, CSOs, private sector, United Nations agencies, multilateral organizations, and research institutions.</i></p> <p>Application guidelines: For each landscape, form a consortium and submit group application under a single 'lead delivery partner'. A diverse range of local and international delivery partners is expected. Apply on the Biodiverse Landscapes Fund application portal.</p> <p>Click here to learn more: https://www.gov.uk/guidance/biodiverse-landscapes-fund-how-to-apply</p>



Name	Eligible Countries	Funding Themes	Description
<p>7. Climate Investment Funds (CIF)</p>	<p>Certain of developing and middle-income countries (including Cambodia, Lao PDR, Thailand, Vietnam)</p>	<p>Climate change, Forest management, Rural community</p>	<p>Launched in 2008, CIF is one of the world's largest and most ambitious multilateral climate finance mechanisms for developing countries seeking to shift to low carbon and climate resilient development and to accelerate climate action. The Fund emerged from recognition that climate change and development are inextricably intertwined, and that climate smart investment is needed at scale to deliver on the opportunities for green growth identified in the SDGs. CIF works exclusively with multilateral development banks as implementing agencies.</p> <p>Application guidelines: Not available There are 9 programmes under CIF, e.g. 'Accelerating Coal Transition Investment' and 'Nature, People and Climate Investment'. Each programme may announce a call for an expression of interest form, stating the detailed country selection process and application steps.</p> <p>click here to learn more: https://www.climateinvestmentfunds.org/about-cif</p>
<p>8. Critical Ecosystem Partnership Fund (CEPF)</p>	<p>Biodiversity Hotspots – including Indo-Burma (Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)</p>	<p>Biodiversity conservation</p>	<p>Launched in 2000, the CEPF stresses fundamental roles of biodiversity. By supporting the development of conservation strategies driven by local input, it seeks to protect biodiversity, build local conservation leadership and nurture sustainable development. The project scales are up to US\$ 40,000 (small grant, for project duration of 6-24 months) and up to US\$ 200,000 (large grant, for project duration of 12-30 months). To be considered for CEPF funding, a project must be located within a biodiversity hotspot where CEPF currently works. Its recipients include NGOs, private sector, and academic institutions.</p> <p>Application guidelines: The fund only accepts grant applications during open calls for proposals. During an open call, applicants are asked to submit a 'letter of inquiry', which is a brief explanation of their project idea. Open calls are posted on the page https://www.cepf.net/grants/open-calls-for-proposals.</p> <p>For large grant, applicants will submit their letter of inquiry online, via the online grants management system 'Conservation Grants'. Registration is needed for first-time users.</p> <p>For small grant, an offline template (available in all the languages specified in the call) for the letter will be provided. The application will be reviewed by CEPF's regional implementation team.</p> <p>Full proposals are only required for large grants application. If applicants' letter of inquiry is reviewed favourably, CEPF will invite applicants to submit a full proposal in Conservation Grants.</p> <p>Click here to learn more: https://www.cepf.net/</p>



Name	Eligible Countries	Funding Themes	Description
9. Darwin Initiative	Developing countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)	Biodiversity conservation, Climate change, Forest conservation and management	<p>Launched in 1992, it is a UK government grants scheme that helps protect biodiversity, the natural environment and the local communities that live alongside it in developing countries. The project scale varies by programmes: the Main programme (£100,000 - £600,000); the Extra (£600,000 - £5m); and the Capability & Capacity (£50,000 - £200,000). Projects focus on contributing towards reversing the increase in threats of extinction to the world's flora and fauna, halting the overall decline in biodiversity at the ecosystem level, species level, and/or genetic level. Selected projects have special focus on one or more of the following: building environmental knowledge, capacity building, research, and implementing international biodiversity agreements. <i>Its recipients include governments, businesses, NGOs/NPOs⁴ and research institutions.</i></p> <p>Application guidelines: Darwin Initiative announces open calls for applications to different schemes. Please refer to the Apply page https://www.darwininitiative.org.uk/apply/.</p> <p>Click here to learn more: https://www.darwininitiative.org.uk/</p>
10. Global Environment Facility (GEF)	Developing countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)	Agriculture, Food security, Climate change, EbA, Biodiversity, Forest, land and watershed management, Protected area management	<p>The GEF, launched in 1991, is the world's largest funder of biodiversity protection, nature restoration, pollution reduction and climate change response in developing countries. It serves as a financial mechanism to 5 conventions, i.e. Convention on Biological Diversity (CBD), United Nations Framework Convention on Climate Change (UNFCCC), Stockholm Convention on Persistent Organic Pollutants (POPs), UN Convention to Combat Desertification (UNCCD), and Minamata Convention on Mercury. <i>Funds are transferred through 18 GEF Agencies (who create project proposals and then manage these projects on the ground)</i> to partners (e.g., government agencies, CSOs, companies) to execute projects and programmes. GEF-8 (2022-2026) invests in 5 focal areas (i.e., biodiversity; climate change mitigation; land degradation; international waters; and chemicals & waste) as well as 11 integrated programmes (e.g., ecosystem restoration; food systems; sustainable cities; net-zero nature-positive accelerator; Amazon, Congo, and Critical Forest Biomes⁵). It also has global programmes, which includes Small Grants Programme (SGP).</p> <p>Application guidelines: GEF finances full-sized projects (> US\$ 2 million), medium-sized projects (≤ US\$ 2 million), enabling activities, and programmes. Eligibility criteria include eligible country; national priority; GEF priorities; financing; and participation.</p> <p>GEF Agencies lead the proposal preparation at the request of and in consultation with relevant country institutions, particularly the Operational Focal Point – who signs a Letter of Endorsement for project approval. Governments decide on the executing agency (governmental institutions, CSOs, companies, research institutions). For details, please refer to https://www.thegef.org/projects-operations/how-projects-work.</p> <p>The SGP is currently implemented by the UNDP, on behalf of the GEF partnership. The project scale is at an average of US\$ 25,000, and goes up to US\$ 50,000. <i>Applicants must be a CSO/CBO in an SGP participating country</i> and can directly contact the SGP National Coordinator to receive project application guidelines and forms. For details, please refer to https://sgp.undp.org/about-us-157/how-to-apply.html</p> <p>Click here to learn more: https://www.thegef.org/ https://sgp.undp.org</p>

⁴ Non-profit organization (NPO)

⁵ The Lancang-Mekong countries are also included, as part of the 'Indo-Malaya region' (see: https://www.thegef.org/sites/default/files/documents/2023-02/GEF8_Integrated_Programs_Briefs_2023_02.pdf)



Name	Eligible Countries	Funding Themes	Description
<p>11. Green Climate Fund (GCF)</p>	<p>Developing countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)</p>	<p>Climate change mitigation and adaptation, including nature-based solutions (e.g., EbA, REDD+)</p>	<p>The GCF, the largest global fund dedicated on climate change, was established in 2010 to serve the Financial Mechanism of the UNFCCC and the Paris Agreement with the overall mandate to support developing countries to raise and realise their Nationally Determined Contributions (NDC) ambitions towards low-emissions, climate-resilient pathways. The fund seeks to have an impact within eight mitigation and adaptation result areas, i.e., Health, food, and water security; Livelihoods of people and communities; Energy generation and access; Transport; Infrastructure and built environment; Ecosystems and ecosystem services; Buildings, cities, industries, and appliances; Forests and land use. To enable flexibility that facilitates green market creation, the GCF provides its financial support through a flexible combination of grant, concessional debt, guarantees or equity instruments to leverage blended finance and crowd-in private investment for climate action. Parts of its funds also help further mobilise financial flows from the private sector to compelling and profitable climate-smart investment opportunities. GCF resources can be accessed through the Accredited Entities, which can be private or public, non-governmental, sub-national, national, regional or international bodies, as long as they meet the standards of the Fund.</p> <p>Application guidelines: Funding proposals must be submitted by Accredited Entities and prepared in accordance with the requirements of the investment framework and results management framework. To ensure country ownership, no-objection letters from respective National Designated Authorities must be accompanied when the proposals are submitted to the GCF. Note that prior to the funding proposal development, it is encouraged for the Accredited Entities and National Designated Authorities to submit concept notes in order to offer an opportunity for the GCF to review and provide feedback on initial project/programme concepts.</p> <p>Project size (inclusive of co-financing): Micro (<US\$ 10 million), Small (US\$ 10–50 million), Medium (US\$ 50–250 million), Large (>US\$ 250 million)</p> <p>Click here to learn more: https://www.greenclimate.fund/projects/access-funding</p>
<p>12. Investment Fund for Developing Countries (IFU)</p>	<p>Developing countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)</p>	<p>Agroforestry, Soil and water conservation</p>	<p>IFU was launched in 1967 as an independent Danish government-owned fund offering risk capital to companies in developing countries and emerging markets. It invests with Danish trade and industry. The project scale goes up to DKK 350 million (US\$ 47million). IFU Investments are made on commercial terms in the form of equity and loans. The purpose is to contribute to the green transition, economic and social development in the investment countries and to support the realisation of the SDGs. Its recipients are businesses.</p> <p>Application guidelines: Not available</p> <p>Click here to learn more: https://www.ifu.dk/en/about-ifu/</p>



Name	Eligible Countries	Funding Themes	Description
13. International Climate Initiative (IKI)	ODA ⁶ -eligible countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)	Climate change adaptation and mitigation, Biodiversity conservation, REDD+	<p>IKI, launched in 2008, is an important part of the German government international climate finance commitment. It supports approaches in developing and emerging countries to implement and ambitiously develop the Nationally Determined Contributions (NDCs) anchored in the Paris Agreement. Many projects involve more than one funding area of mitigating greenhouse gas emissions, adapting to the impacts of climate change, conserving natural carbon sinks with a focus on REDD+, and conserving biological diversity.</p> <p>IKI announces two types of calls, i.e. the Thematic Call and the Country Call. Through the Thematic Call (€10-20 million, for project duration of up to 8 years), IKI addresses current challenges in climate action and biodiversity conservation. It is announced annually for bilateral, regional and global scope. For the Country Call (€12-15 million, for project duration of 5-7 years), IKI works only in IKI priority countries and the call is announced on an irregular basis. For both calls, its recipients include NGOs, businesses, universities/research institutions, and international/intergovernmental organizations (including development banks and UN agencies).</p> <p>IKI also has the Small Grants Programme that specifically enables smaller actors to participate in climate financing for their predominantly local solutions. Through annual selection procedure, it provides € 60,000 – 200,000 for 1-3 years. Its recipients are regional, national and local organisations based in ODA countries.</p> <p>Application guidelines: For both the Country Call and Thematic Call, the procedure is a two-step process, i.e., initial screening of concept notes by IKI - few of which based on their quality and funding available are invited to submit a detailed proposal. Upon evaluation and approval, project implementation begins.</p> <p>For IKI Small Grants, it provides funding within two components: 'International Calls' and 'Funding Institutions'. Please refer to the page for details https://iki-small-grants.de/funding-information/</p> <p>Click here to learn more: https://www.international-climate-initiative.com/en/find-funding/</p>

⁶ The list of ODA Recipients shows all countries and territories eligible to receive official development assistance (ODA). These consist of all low and middle income countries based on gross national income (GNI) per capita as published by the World Bank, with the exception of G8 members, EU members, and countries with a firm date for entry into the EU. The list also includes all of the Least Developed Countries (LDCs) as defined by the United Nations. https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC_List_ODA_Recipients2018to2020_flows_En.pdf



Name	Eligible Countries	Funding Themes	Description
<p>14. International Tropical Timber Organization (ITTO)</p>	<p>ITTO member countries, (including Cambodia, China, Myanmar, Thailand and Vietnam)</p>	<p>Sustainable forest management, Forest law enforcement, governance and trade, Biodiversity conservation</p>	<p>Launched in 1983, ITTO is an action and field-oriented organisation. It promotes the sustainable management and conservation of tropical forests and the expansion and diversification of international trade in tropical timber from sustainably managed and legally harvested forests. <i>Its recipients are governments.</i></p> <p>Application guidelines: ITTO project proposals (funds from ITTO for small project: <US\$ 150,000 and for project: >US\$ 150,000) are developed by a proponent in an ITTO member country in consultation with the ITTO official contact point. A detailed project formulation manual lays out the required content and format for proposals. https://www.itto.int/direct/topics/topics_pdf_download/topics_id=3576&no=1&disp=inline</p> <p>Click here to learn more: https://www.itto.int/</p>
<p>15. Japan International Cooperation Agency (JICA)</p>	<p>Developing countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)</p>	<p>Community forestry, Biodiversity conservation, REDD+, Forest conservation and management</p>	<p>JICA was launched in 1974, aiming to contribute to the promotion of international cooperation as well as the sound development of Japanese and global economy by supporting the socioeconomic development, recovery or economic stability of developing regions. JICA provides cooperation on nature conservation in following areas: climate change measures through sustainable forestry management and ecosystem conservation; sustainable use of natural resources to improve livelihoods of vulnerable communities; conservation of biodiversity through management of protected areas and buffer zones. <i>Its recipients are mainly national governments, as well as intergovernmental (regional) organisations and UN agencies.</i></p> <p>Application guidelines: As a bilateral aid agency, JICA normally provides support to developing country partners through official request from the governments of recipient countries. At multilateral level, JICA cooperates directly with specific organisations.</p> <p>Click here to learn more: https://www.jica.go.jp/english/our_work/types_of_assistance/index.html</p>



Name	Eligible Countries	Funding Themes	Description
16. Korea International Cooperation Agency (KOICA)	Partner countries (including Cambodia, Lao PDR, Myanmar, Vietnam)	Agroforestry, Rural development, Forest conservation and management, Biodiversity conservation, Water	<p>Launched in 1991 by the Korean government, KOICA is a global development cooperation organization to realise global values and create mutual prosperity. Agriculture, Forestry and Fisheries is one of its five priorities. There is a wide range of sectors corresponding to the priorities; each sector has a mid-term strategy presenting its visions, objectives and major programmes. KOICA provides their grant aid support to government of partner countries.</p> <p>Through the Agriculture & Rural Development Mid-Term Strategy (2021-2025), KOICA invests in agricultural and rural development as well as conservation of natural resources and ecosystem against climate change. The major programmes include conservation of fishery and forestry resources, agrobiodiversity conservation, national strategy of forestry development, sustainable forestry management, etc.</p> <p>Through the Water Mid-Term Strategy (2021-2025), KOICA focuses on water in various sectors, including health, rural development, energy, and climate change response (in particular floods and droughts). Integrated Water Resources Management (IWRM) for river basins is among the major programmes.</p> <p>Application guidelines: KOICA's grant aid project is essentially based on the KOICA's priorities in the Country Partnership Strategy. Following the priority areas of each partner country, the partner country government's line ministries and agencies, in consultation with KOICA country office, may prepare the project concept paper and submit it through the official and diplomatic channels to their KOICA country office.</p> <p>Click here to learn more: https://www.koica.go.kr/sites/koica_en/index.do http://www.koica.go.kr/koica_en/3462/subview.do</p>
17. Multi-Partner Trust Fund for the UN Decade on Ecosystem Restoration 2021-2030	Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam	Ecosystem restoration	<p>The Multi-Partner Trust Fund (MPTF) was launched in 2021, with its primary aims to combat declining biodiversity, support livelihoods and green jobs, enhance natural resource bases, and help societies adapt to and mitigate climate change through restoration of terrestrial, freshwater and marine ecosystems globally. The Fund finances strategic interventions along the Flagship Initiatives of the UN Decade, and also supports collaboration and coordination with other existing Funds and Facilities. It specifically builds a global restoration movement that accelerates and upscales restoration initiatives. Implementing partners can be UNEP and FAO, other UN agencies and IGOs, NGOs, development financing institutions, etc.</p> <p>Application guidelines: Implementing partners need to be approved by Executive Board and accredited by MPTF Office. Implementing partners can initiate programming cycle (proposals to the Executive Board) if UNEP and FAO support the proposal.</p> <p>Click here to learn more: https://www.decadeonrestoration.org/multi-partner-trust-fund-un-decade</p>



Name	Eligible Countries	Funding Themes	Description
18. OPEC Fund for International Development	Developing countries other than the OPEC members (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)	Water, Agriculture	<p>The OPEC Fund was launched in 1976, dedicated to delivering socio-economic impact to low- and middle-income countries. It is a multilateral development finance institution, the only globally mandated development institution that provides financing from member countries to non-member countries. It finances a wide array of sectors, including agriculture, energy, health, transportation and water and sanitation, as well as other regional and global initiatives that address priority issues on the sustainable development agenda.</p> <p>Grant is one of the OPEC Fund's four financing facilities. Grantees can be government or non-government entity, including private sector, co-financing partners, research institutions, UN agencies and international NGOs. For non-government entity, evidence of government approval is required (e.g., letter from relevant government authority).</p> <p>Application guidelines: Grant applications can be submitted any time (but each applicant should not submit more than one application a year). The amount will vary according to the scope of the proposed grant activity/project. Normally, the OPEC Fund contributes not more than 50% of the total cost of the project, meaning at least an equal amount of co-finance is required. Applicants will submit project proposals using the form available on https://opecfund.org/what-we-offer/grants/grant-application.</p> <p>Click here to learn more: https://opecfund.org</p>
19. Global Partnership for Sustainable and Resilient Landscapes (PROGREEN)	Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam	Sustainable land use, Forest, Landscape management	<p>Launched in 2019, PROGREEN supports rural livelihood development and landscape restoration while tackling declining biodiversity, forest loss, and deteriorating land fertility. It is a Multi-Donor Trust Fund administered by the World Bank. The fund provides tools and knowledge, and focuses on three priority areas: 1) management of forests and land-based ecosystems; 2) management of land use changes from agriculture; 3) management of landscapes involving select sectors. There are two categories of activities: Country Programs and Knowledge Activities. Its recipients are governments.</p> <p>Country Programs represent grants to those countries where policy dialogue and commitment are already well advanced with operations, either on-going or planned.</p> <p>Knowledge Activities provide grants to those countries where engagement needs to be further developed and built through a combination of analytical products, technical assistance, policy dialogue and relationship building.</p> <p>Application guidelines: Not available</p> <p>Click here to learn more: https://www.progreen.info/</p>



Name	Eligible Countries	Funding Themes	Description
20. Restoration Seed Capital Facility (RSCF)	ODA-eligible countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)	Sustainable land use, Forest landscape restoration, Climate change, Biodiversity conservation	<p>Launched in 2020, the RSCF supports private investment in forest restoration projects in developing countries, contributing to climate adaptation and mitigation, biodiversity, and sustainable livelihoods. It aims to stimulate more private fund managers and investment advisors to set up new funds that focus on forest and landscape restoration, build strong pipelines, and make sure that more projects reach financial close. Its recipients are businesses.</p> <p>Application guidelines: RSCF provides co-financing of partner expenses (grant on partner-level). Interested entities are invited to submit a proposal once the Facility Agent has conducted a preliminary check of the eligibility for support. After proposal endorsement, the Facility Agent together with the Programme Management Unit proceeds to an on-site due diligence. After final approval, the Facility Agent starts contract and implementation begins.</p> <p>Click here to learn more: https://www.restorationfacility.org/</p>
21. US Fish and Wildlife Service (USFWS)	13 Asian elephant range state governments (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)	Biodiversity conservation	<p>USFWS is an agency of the United States Federal Government dedicated to the management of fish, wildlife, and natural habitats. The Wildlife Without Borders program and the International Wildlife Trade program promote conservation across the globe. USFWS serves as the implementing federal agency of the Asian Elephant Conservation Act (passed in 1977) and stewards the Asian Elephant Conservation Fund grants program. It supports projects that promote conservation of Asian elephants and their habitats. The fund award ranges from US\$ 50,000 to US\$ 500,000. Its recipients include individuals, multi-national secretariats, NPOs/NGOs, research institutions, US territorial governments, and Tribes and Tribal organisations.</p> <p>Application guidelines: Each grant program has a different Notice of Funding Availability and application deadline.</p> <p>All applicants submit applications through Grantsolutions.gov. Detailed guidance on how to prepare applications is provided in the Notice of Funding Availability available on Grants.gov and Grantsolutions.gov.</p> <p>Click here to learn more: https://www.fws.gov/program/asian-elephant-conservation-fund/about-us</p>



2.2 Private Sector

The financial mechanisms included in Table 2 cover mainly business investment, Corporate Social Responsibility (CSR) schemes and charitable foundations (including those from large corporations).

Table 2: List of financial mechanisms from private sector for integrated ecosystem management in the Lancang-Mekong region

Name	Recipient Countries	Funding Themes	Description
1. Banyan Tree Global Foundation (BTGF)	Countries where Banyan Tree Hotels and Resorts operate (including China, Thailand, Vietnam)	Climate change, Biodiversity conservation	<p>Launched in 2009, BTGF is an associate of Banyan Tree Holdings Limited. The Company's triple bottom line of economic, social and environmental success helps direct sustainable development by inspiring associates, guests and partners to take a wider consideration encompassing a long-term view when making business decisions. The project scales can go up to US\$ 10,000.</p> <p>BTGF introduced their Greater Good Grant (GGG) scheme in 2020 to finance community and environment projects that contribute to the SDGs. BTGF will not consider grant requests from government representatives; but they may be included as project partners to ensure project success. <i>Its recipients include individuals with organisation affiliation, organisations and NGOs.</i></p> <p>Application guidelines: Generally, BTGF opens the funding call in June every year. The submission deadline is midnight Singapore time on 30th September for project fund release in January the following year. To apply, submit the project form (the BTGF GGG application form and BTGF GGG application data and budget form, available online) along with all supporting documentation. Proposals shall be evaluated on merit and scored against a rubric based on suitability and alignment, capacity to implement, risk and finance.</p> <p>Click here to learn more: https://www.banyantreeglobalfoundation.com/greater-good-grants/</p>
2. Bezos Earth Fund	Global	Biodiversity conservation, Climate change, Sustainable landscapes	<p>The Bezos Earth Fund was launched in 2020 by a commitment from Jeff Bezos to be disbursed as grants within the current decade to fight climate change and protect nature. Its Nature Solutions program in particular advances initiatives that protect, restore, and sustainably manage ecosystems. In general, its work focuses on barriers and opportunities to advance key transformations, such as basic or applied technical research, on-the-ground action, de-risking investment, designing policy change, or in coalition building, advocacy, or political action. The project scale ranges between US\$ 1-100 million. <i>Its recipients are governments, NGOs, colleges, universities, and academic institutions.</i></p> <p>Application guidelines: The Bezos Earth Fund has a team of professionals that prepare proposals for funding. They do not accept unsolicited project proposals.</p> <p>Click here to learn more: https://www.bezosearthfund.org/</p>



Name	Recipient Countries	Funding Themes	Description
3. Christensen Fund	Global	Biodiversity conservation, Agrobiodiversity, Community forestry	<p>The Christensen Fund is a private foundation launched in 1957 to support indigenous peoples in advancing their inherent rights (to their land, territories, resources, and sovereign systems of governance), dignity, and self-determination. Since 2003, the focus of their work has been biocultural diversity. The project scale ranges up to US\$ 300,000. Its recipients are governments, NGOs/NPOs, and businesses.</p> <p>Application guidelines: The Christensen Fund occasionally issues open calls for proposals, which are announced publicly. Check their website and social media for any current calls.</p> <p>Click here to learn more: https://www.christensenfund.org/</p>
4. David and Lucile Packard Foundation -The Conservation and Science Program	Global	Forest conservation and management, Biodiversity conservation, Sustainable land use	<p>Launched in 1964, the Foundation is committed to the need for a shared understanding and definitions of Diversity, Equity, Inclusion, Justice and Belonging. The Conservation and Science Program of the Foundation invests in actions and ideas that conserve and restore ecosystems while enhancing human well-being. Within the specific initiative of Agriculture, Livelihoods, and Conservation (ACL), the program aims to protect forests and biodiversity while enhancing livelihoods in regions where tropical forest loss is connected with smallholder agriculture. It supports NPOs/NGOs through interventions that are pro-smallholder and promote sustainable development at local level while preserving critical ecosystems and ecosystem services at regional level.</p> <p>Application guidelines: Grant seekers are advised to first review the relevant grant strategies. Short description of ideas for funding requests is then welcomed to submit on this webpage https://www.packard.org/grants-and-investments-for-grantseekers/. Moreover, the Foundation also has specific request for proposals, e.g. the ACL Networking and Knowledge Sharing in 2022 (grant amount US\$ 200,000 to US\$ 500,000 for up to 2 years).</p> <p>Click here to learn more: https://www.packard.org/</p>
5. FAMAE	Global	Forest conservation and management, Forest landscape restoration, Climate change, Biodiversity conservation, Water	<p>FAMAE is an independent family foundation that supports innovation in the field of environment. The foundation organizes every year an International Challenge (competition) to help inventors to create simple and innovative solutions that fight against climate change everywhere in the world, around waste, water, food, habitat, energy and mobility. A FAMAE Challenge award is up to €1,000,000. Its recipients include individuals, research institutions, and governmental, regional or local organisations.</p> <p>Application guidelines: Based on each Challenge call, applicants submit the application form and additional information, if any. FAMAE, the Sponsor Team, and the Jury will select the projects. The chosen candidates will interact with the Sponsor Team and the Jury through online or offline Q&A sessions. The Nominees may be invited to present their project during the final stage of the competition, which will bring together FAMAE, the Jury of the competition, the Sponsor Team.</p> <p>Click here to learn more: https://www.famae.earth/en/home</p>



Name	Recipient Countries	Funding Themes	Description
6. New Island Capital	Global	Community forestry, Forest conservation and management, Rural development	<p>New Island Capital was launched in 2006 to support a new paradigm of business and investment that prioritises benefits to local communities and the environment while seeking strong financial performance. It provides tailored financing solutions to operating businesses, financial intermediaries, and other groups. It focuses on commercial scale, growing companies, providing private credit, private equity, and project finance as well as investing in farms, forests, and real estate. Its recipients are businesses.</p> <p>Application guidelines: New Island Capital supports growth-stage companies that can transact above US\$ 5 million. It has an open inquiry process and welcomes ideas from companies regarding opportunities to partner in areas of mutual interest.</p> <p>Click here to learn more: https://www.newislandcap.com/</p>
7. The Roddenberry Foundation (TRF)	Global	Forest landscape restoration, Forest conservation and management, Biodiversity conservation, Climate change	<p>TRF supports innovative thinking, original ideas, and extraordinary people who can change the world. Among its four major initiatives, the following two may apply to forest-related initiatives: the Prize and The Catalyst Fund.</p> <p>The Roddenberry Prize is a US\$ 1.5 million global competition. It supports early-stage ventures that leverage scientific breakthroughs or emerging technologies that hold the promise for a better future. The focus fields are: Education, Science, Environment, and Humanity. The award is US\$ 100,000 - US\$ 1,000,000.</p> <p>The Roddenberry Catalyst Fund supports early-stage ideas and projects that have potential to radically reframe existing problems, surface untapped innovations, and disrupt how and by whom to make the world a better place. The project scale is between US\$ 2,500 and US\$ 15,000.</p> <p>Application guidelines: The Roddenberry Prize: Participation is by nomination only, which can be done online. Eligible nominees submit a Letter of Intent via online portal on a rolling basis (by mid-September for 2022). A select number of applicants will be invited to submit a second round application for the final decision.</p> <p>The Catalyst Fund: Applications are accepted year-round. The fund supports projects from individuals, teams, non-profits, or social enterprises.</p> <p>Click here to learn more: https://roddenberryfoundation.org/</p>



2.3 Public-Private Partnership (PPP)

The financial mechanisms included in Table 3 are largely partnerships between government agencies (including development banks) or intergovernmental organisations and business sector.

Table 3: List of financial mechanisms from PPPs for integrated ecosystem management in the Lancang-Mekong region

Name	Recipient Countries	Funding Themes	Description
1. AFD-Proparco	Global	Agroforestry, Climate change	<p>Launched in 1977, Proparco is a subsidiary of Agence Française de Développement (AFD) dedicated to private sector. It seeks to partner projects in key development sectors: infrastructure (with a specific focus on renewable energy), agribusiness, financial institutions, healthcare and education, etc. It provides funding and support to both businesses and financial institutions across Africa, Asia, Latin America and the Middle East.</p> <p>Application guidelines: Not available</p> <p>Click here to learn more: http://www.proparco.fr</p>
2. AGR13 Fund	Middle income and lower income countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)	Forest landscape restoration, Sustainable land use, Forest conservation & management, Agroforestry	<p>AGR13 Fund was launched in 2017 through a partnership between UNEP and Rabobank, with the aim to unlock at least US\$ 1 billion towards deforestation-free, sustainable agriculture and land use. This partnership has expanded to include the Dutch development bank (FMO) and IDH - The Sustainable Trade Initiative. Eligible projects should focus at least on the objectives for forest protection and reforestation or on sustainable agriculture, and in addition always contribute to improved rural livelihoods. Each investment by the Fund will be in the range of US\$ 3 to 15 million to enable projects from US\$ 5 to 50 million. Its recipients include governments, NGOs and businesses.</p> <p>Application guidelines: Not available</p> <p>Click here to learn more: https://agri3.com</p>
3. &Green Fund	Lao PDR, Vietnam	Agriculture, Forestry	<p>&Green is a foundation established in the Netherlands in 2017 to finance the delinking of major commodity supply chains from deforestation in a way that is commercially viable and replicable. It focuses on the tropical forests and peatlands in need of protection and the commodity sectors active in those valuable ecosystems, i.e., beef (livestock), palm oil, soy and forestry (including rubber). The Fund's strategy is to support agri-commodity businesses that empower communities, protect forests and optimise production to drive transformational change of global supply chains. As an investment fund, it provides patient, long-term financial support. With this greater flexibility, it makes the clients' businesses more attractive for global capital markets to allocate the significant investments required to address deforestation.</p> <p>Application guidelines: The Fund provides US\$ 5 million to US\$ 30 million in long term (5-15 year) credit or guarantees. Prospective clients are businesses that are directly or indirectly involved in production of the target commodities in the Approved Jurisdictions (currently within 10 countries). Potential projects are sourced directly and through supply chain actors, financial institutions and investor networks to invest in the Approved Jurisdictions.</p> <p>Click here to learn more: https://www.andgreen.fund/how-we-invest/#</p>



Name	Recipient Countries	Funding Themes	Description
4. Finnfund	Developing countries (including Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam)	Forestry, Agriculture	<p>Finnfund is a Finnish development financier, which invests in businesses that solve global development challenges. It gets its funding from the State of Finland and the private capital markets, as well as retained earnings from its investments. It provides companies operating in developing countries with long-term risk-financing and expertise required for sustainable investment. Finnfund puts special emphasis on sectors critical to sustainable development, such as clean energy, sustainable forestry, sustainable agriculture and financial services; it invests in other projects as well. It only targets privately owned businesses in developing countries.</p> <p>Application guidelines: Applicants first contact Finnfund’s investment team and then present a project plan. The appropriate contact can be found here: https://www.finnfund.fi/en/investing/looking-for-an-investor/. The Fund will assess the project based on Finnfund’s basic environmental, social and governance standards.</p> <p>Development impact assessment is required before the investment decision and during the entire life cycle of the investment.</p> <p>Investment decision is taken by the Executive of Board and made usually within 3 to 4 months from first contact.</p> <p>Click here to learn more: https://www.finnfund.fi/en/</p>
5. Forest Carbon Partnership Facility (FCPF)	Selected developing countries (including Cambodia, Lao PDR, Thailand, Vietnam)	REDD+, Climate change, Sustainable land use, Forest conservation and management	<p>Launched in 2008, FCPF is a global partnership of governments, businesses, civil society, and indigenous peoples’ organisations. It focuses on reducing emissions from deforestation and forest degradation, forest carbon stock conservation, sustainable management of forests, and enhancement of forest carbon stocks in developing countries - activities commonly referred to as REDD+. The FCPF has two funding mechanisms—the Readiness Fund and the Carbon Fund – to governments.</p> <p>The Readiness Fund helps countries set up the building blocks to implement REDD+. This includes designing national REDD+ strategies, developing reference emission levels, designing measurement, reporting, and verification systems, as well as setting up national REDD+ management arrangements, including proper environmental and social safeguards.</p> <p>The Carbon Fund pilots results-based payments to countries that have advanced through REDD+ readiness and implementation and have achieved verifiable emission reductions in their forest and broader land use sectors. The participant countries with significant progress in their REDD+ readiness endeavours may be selected to participate in the Carbon Fund.</p> <p>Application guidelines: Partner countries submit a Readiness Plan Idea Note to the FCPF and then prepare their Readiness Plan, which is a framework to define a clear approach, budget and schedule to undertake REDD+ activities.</p> <p>The FCPF’s governing body reviews and assesses Readiness Plans and decides on the allocation of FCPF grants to countries.</p> <p>It is critical that governments set up participatory mechanisms to ensure that indigenous peoples and other forest dwellers are meaningfully consulted during the formulation and implementation of Readiness Plans and REDD+ Strategies, and that they benefit from capacity building and future financial incentives.</p> <p>Click here to learn more: https://www.forestcarbonpartnership.org/</p>



Name	Recipient Countries	Funding Themes	Description
6. IDH-Tropical Timber program	China, Thailand, Vietnam	Forest management	<p>The Sustainable Trade Initiative (IDH) is a foundation that works with businesses, financiers, governments and civil society to realise sustainable trade in global value chains. The IDH Tropical Timber program promotes the use of sustainable tropical timber. It aims to increase the uptake of Sustainable Forest Management timber products by 150,000 m³. It also works towards preventing deforestation, improving smallholder and community livelihoods, and ensuring supply security for businesses. <i>Its recipients are companies.</i></p> <p>IDH co-finances testing (and analysing) new sustainable business models in sectors and landscapes. A strict rule is that companies need to cover at least 50% of the costs. It only co-funds innovative approaches that have a strong social and environmental added value; it does not fund business as usual, and their investments must stretch the public good agenda of companies.</p> <p>In the area of tropical forest and agriculture, projects are typically required to protect 4 ha of forest for every 1 ha of production land, equating to over 5 million hectares of tropical forest under protection. The Fund expects to provide mainly long-term (5-15 years) debt.</p> <p>Application guidelines: IDH occasionally announces calls for proposals in the news section of their website.</p> <p>Click here to learn more: https://www.idhsustainabletrade.com/sectors/tropical-timber/; https://www.idhsustainabletrade.com/?s=call+for+proposals</p>
7. KfW Development Bank	Certain of developing and emerging economies (including Cambodia, China, Lao PDR, Vietnam)	Biodiversity conservation, Forest conservation and management, Sustainable land use	<p>KfW Development Bank was launched in 1948, committed to improving economic, social and environmental living conditions across the globe on behalf of the Federal Republic of Germany and the federal states. It supports partner countries and stakeholders to set up and manage protected areas, strengthen wildfire prevention mechanisms, introduce controls against illegal deforestation, restore forest landscapes, support land titles, as well as municipal and communal forest and wildlife management. It also promotes deforestation-free supply chains. <i>Its recipients are governments.</i></p> <p>Application guidelines: Governments of the partner countries propose projects and programmes. The respective country's development strategies and structures form the basis. KfW reviews projects and programmes whether they are developmentally sound and eligible for promotion. If selected, KfW's experts assist the partners and support the projects throughout their entire duration.</p> <p>Click here to learn more: https://www.kfw.de/kfw.de-2.html</p>



Name	Recipient Countries	Funding Themes	Description
8. Land Degradation Neutrality Fund (LDN)	Developing countries	Sustainable land use, Agroforestry, Regenerative and sustainable agriculture, Sustainable forestry on degraded lands	<p>The LDN was co-promoted in 2017 by Mirova and the United Nations Convention to Combat Desertification. It is structured as a blended finance fund, pooling resources from both public and private investors committed to the goal of stopping land degradation. It provides long-term debt and equity financing (investment ticket size US\$ 5-20 million) to support solutions that are not readily available in the market, providing finance and strategic benefits. <i>Its recipients include (S)MEs and larger private companies, as well as local banks and other financial intermediaries.</i></p> <p>Application guidelines: Project developers will be asked to provide written materials using a 'Project Information Form' template. Then, an in-depth analysis of all aspects of the project, including commercial, governance, risk, etc. will be taken.</p> <p>If the first Investment Committee approves the deal as presented, a due diligence process will be conducted. Then, the second Investment Committee will review all the information presented and make decisions on investment.</p> <p>Projects that are close to being investible may apply for project preparedness grants. Guidance for project developers can be found on Mirova website here: https://www.mirova.com/sites/default/files/2020-08/Guidance%20for%20project%20developers.pdf</p> <p>Click here to learn more: https://www.mirova.com/en/invest/natural-capital</p>
9. Nature+ Accelerator Fund	Developing countries	Ecosystem restoration and conservation; Smallholder production systems and sustainable agriculture	<p>The Nature+ Accelerator Fund was launched in 2020 by IUCN and partners to drive investment to nature-based solutions. The Fund offers investment capital to nature-based solutions projects with high potential for growth and positive conservation impacts, mainly in emerging markets. The fund is complemented by technical assistance and capacity building offered to project developers to help them maximise the environmental, social and financial potential and identify and secure complementary and follow-on funding. Projects with an early-stage concept may request between US\$ 100,000-200,000, and projects that have a proof-of-concept can receive between US\$ 1-2 million. Successful projects looking for follow-on funding to scale-up will receive up to US\$ 5 million. <i>Its recipients are businesses.</i></p> <p>Application guidelines: Not available</p> <p>Click here to learn more: https://www.iucn.org/news/nature-based-solutions/202011/nature-accelerator-fund-ready-investors</p>



Name	Recipient Countries	Funding Themes	Description
10. Partnerships for Forests	Certain countries in Africa, South America and Asia (including Cambodia, Lao PDR, Myanmar, Thailand, Vietnam)	Sustainable land use, Forest conservation, Agriculture	<p>Partnerships for Forests, funded by UK Foreign Commonwealth and Development Office, catalyses investments in which the private sector, public sector and communities can achieve shared value from sustainable forests and sustainable land use. It supports the development of Forest Partnerships. A partnership could, for example, be a large-scale deal between government, smallholders and private sector companies that reforests degraded land to mixed forest and generates benefits for all partners. Its recipients include NGOs/ NPOs, cooperatives, businesses, research institutes and civil society or CBOs.</p> <p>Application guidelines: The programme always seeks for new ideas for partnerships, enabling conditions project or a demand-side project. The ideas can be sent through the form available on https://partnershipsforforests.com/submit-a-proposal/</p> <p>Click here to learn more: https://partnershipsforforests.com/</p>
11. Rainforest Trust	Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam	Wildlife Protection, Protected Area	<p>Launched in 1988, Rainforest Trust is a US-based non-profit environmental organization with a scope of preserving critical habitats around the globe. It purchases and protects the most threatened tropical lands, saving endangered wildlife through partnerships and community engagement. It works on four types of protected area, including Private Reserves, National Park, Community Forest, and Indigenous Land Titling. Its recipients include local partners, local communities and committed conservationists.</p> <p>Application guidelines: Project grant application criteria include: clear focus on creating a new or expansion of existing protected area(s); having endorsement from stakeholders (particularly local communities); the proposed sites not currently under protected status; etc.</p> <p>Application process:</p> <ul style="list-style-type: none"> - complete a short eligibility questionnaire online, to become a partner - complete and submit a concept note. - complete and submit an application <p>There is no deadline for submitting applications for Rapid Feasibility Awards (average US\$ 5,000 to encourage conservationists and researchers to evaluate important potential sites for creating new Protected Areas) but the deadlines for Protected Area Full Awards are February 1, June 1 and November 1 of each calendar year.</p> <p>Click here to learn more: https://www.rainforesttrust.org https://www.rainforesttrust.org/get-involved/apply-for-funding/</p>



Name	Recipient Countries	Funding Themes	Description
12. SEED	Global	Climate change, Forest landscape restoration, Forest conservation and management, Biodiversity conservation	<p>SEED was launched in 2002 by UNEP, UNDP and IUCN as a global partnership for action on sustainable development and green economy on the basis that the promotion of social and environmental entrepreneurship is pivotal for environmentally friendly and socially inclusive development and poverty reduction.</p> <p>It offers Enterprise Support programmes and Ecosystem Building programmes. The former aims to strategise, optimise and award achievements in eco-inclusive entrepreneurship. The latter fortifies a global network of local business development service providers and offers platforms for coordination between key stakeholders at all levels. Its facilitation generates policy, financing and collaboration instruments that multiply the social, environmental and economic impacts of entrepreneurship. <i>Its recipients are enterprises.</i></p> <p>Application guidelines: All SEED Grants are advertised via the SEED Platform https://www.seed.uno/meet-us. The Enterprise Support programme is currently limited to Thailand.</p> <p>Click here to learn more: https://www.seed.uno/</p>
13. Subnational Climate Finance (SCF)	Cambodia, Myanmar	Climate-smart infrastructure, Nature-based Solutions	<p>The SCF is a global blended finance initiative to develop mid-size climate resilient infrastructure and nature-based solutions. <i>It partners mainly with subnational authorities</i> to identify and implement the projects, financed with a blend of concessional and conventional capital, along with Technical Assistance grants that help mitigate risk and ensure financial and environmental goals are achieved. This transformative finance model is designed to attract public and private investment and to deliver certified climate and Sustainable Development impacts and nature-based solutions. The initiative consists of 'SCF Fund', an investment fund of mid-sized infrastructure projects, and 'SCF Technical Assistance', a grant-funded dedicated to technical assistance facility.</p> <p>Application guidelines: The initiative invests in mid-sized (US\$ 5-75 million) infrastructure projects, including sustainable energy, waste and sanitation, regenerative agriculture, and nature-based climate solutions, e.g., agroforestry.</p> <p>See the full list of criteria for proposal preparation and application process here: https://www.subnational.finance/project-submission/</p> <p>Click here to learn more: https://www.subnational.finance</p>



Name	Recipient Countries	Funding Themes	Description
14. USAID Green Invest Asia	Cambodia, Lao PDR, Thailand, Vietnam	Sustainable agriculture and forestry	<p>USAID Green Invest Asia is a facility of the United States Agency for International Development (USAID). By connecting investors and financial institutions seeking profitable as well as environmentally and socially friendly land use businesses, it helps agriculture and forestry companies in Southeast Asia to improve their sustainable, low-emission commodity production, and to de-risk lending through improving clients' environmental risk management. Initial focus has been on rice, rubber, timber, coffee, coconut and cacao.</p> <p>It supports mid-growth agriculture and forestry companies with the following services:</p> <ul style="list-style-type: none"> • Prepare companies for investment • Capital matchmaking • Carbon services • Certification compliance • Gender-lens and business advisory • Environmental and operations management <p>Application guidelines: Companies must demonstrate a commitment to sustainable business and land use practices in order to receive technical assistance and business support from USAID Green Invest Asia. Fill out the initial questions for further instructions: https://greeninvestasia.com/application/</p> <p>Click here to learn more: https://greeninvestasia.com</p>



3. Case studies of funding mechanisms implemented in the Lancang-Mekong Region

To guide the readers, particularly the prospective financial support seekers, with ideas on some of the funding mechanisms, this chapter provides examples of each type of the financial mechanisms in the three tables of Chapter 2. The Critical Ecosystem Partnership Fund (CEPF) shows how the multi-donor instrument provides support to protect biodiversity in the Indo-Burma Hotspot. The Banyan Tree Global Foundation (BTGF) gives example of how a

multinational tourism corporate provides funding for community and environment projects that contribute to the SDGs. The Partnerships for Forests (P4F) shows how partnerships can catalyse investment in forests and sustainable land use. Lastly, the voluntary carbon market case gives brief explanation on this growing financial model for nature-based solutions for climate change mitigation, particular REDD+, with successful example from Cambodia.

3.1 Critical Ecosystem Partnership Fund (CEPF) --- an important instrument to protect the biodiversity hotspots

“Biodiversity Hotspots” are areas which are both biologically rich and at high risk for destruction. Worldwide, there are 36 areas which are qualified as hotspots with the two following criteria (1) irreplaceable: with a high percentage of endemic plants (at least 1,500 vascular plants as endemics), and (2) threatened (having lost at least 70% of its original natural vegetation) (CI n.d.). These 36 biodiversity hotspots are also home to around 2 billion people, including some of the world’s poorest and those highly dependent on healthy ecosystems for their well-being and livelihoods. Moreover, the hotspots provide vital ecosystem services for people, such as pollination, clean water, and climate regulation. Therefore, conservation in the hotspots helps to promote sustainable management of critical natural resources and support economic growth.

The Critical Ecosystem Partnership Fund (CEPF) was established in 2000 as a joint initiative of Agence Française de Développement, Conservation International, the European Union, the Global Environment Facility, the Government of Japan and the World Bank. It aims to protect biodiversity, build long-term local conservation leadership and nurture sustainable development. The CEPF provides grants to non-profit, academic/research and private

sector organizations that are working to protect the biodiversity hotspots and improve human well-being. There are 2 types of grants, i.e. US\$ 20,000-50,000 for small grant and US\$ 150,000-500,000 for large grant.

Currently, the CEPF is investing in 10 hotspots – including the Indo-Burma, which comprises all non-marine parts of Cambodia, Lao PDR, Myanmar, Thailand and Vietnam, plus parts of southern China (i.e., Hainan Island, southern parts of Yunnan, Guangxi and Guangdong provinces, and Hong Kong and Macau Special Administrative Regions). It is the largest hotspot and with more population than any other 35 hotspots. It is also ranked in the top 10 hotspots for irreplaceability and in top 5 for threat, with only 5% of its natural habitat remains in pristine condition (CEPF 2020). The CEPF began investment in the Indo-Burma Hotspot in 2008, since when there have been two phases of investment (phase 1 in 2008-2013 and phase 2 in 2013-2020). Priorities of the CEPF’s investment in the Indo-Burma Biodiversity Hotspot include:

- (1) Safeguard priority globally threatened species by mitigating major threats,
- (2) Mitigate zoonotic disease risks by reducing illegal trade and consumption of and threats to wildlife,



- (3) Empower local communities to engage in conservation and management of priority sites,
- (4) Demonstrate scalable approaches for integrating biodiversity and ecosystem services into development planning in the priority corridors,
- (5) Strengthen the capacity of civil society to work on

biodiversity, communities and livelihoods at regional, national, local and grassroots levels, and
 (6) Provide strategic leadership and effective coordination of conservation investment through a regional implementation team.



Ceremony before the release of 150 endangered Asian giant softshell turtle hatchlings into the Mekong River in Cambodia (© Eng Mengey/WCS; source: <https://www.cepf.net/grants/how-to-apply>)

3.2 Banyan Tree Global Foundation (BTGF) - Greater Good Grant

With the underlying challenge that “Areas of high biodiversity may provide a foundation for tourism, and consequently we must act as stewards to safeguard and promote a healthy, resilient and sustainable environment”⁷, Banyan Tree applies a strategic and science-based approach to conservation to engage and educate stakeholders and develop stewardship. Building on their commitment to sustainable development, annual grants are offered to individuals or organisations that align with the BTGF global framework within a local context to support measureable impact and progress towards larger regional or global frameworks such as the SDGs to help people and

the planet.

The geographical scope is within countries where Banyan Tree Hotels and Resorts operate, which currently only China, Thailand and Vietnam are eligible for the Lancang-Mekong region. There are six focal areas that the BTGF Greater Good Grant funds, in which three of them are under “Our Environment” category. These are as follows:

- Biodiversity & Conservation: improve understanding, conservation and management of species and habitats.
- Resource Use & Waste Management: tackle cradle to grave lifecycle of resources that benefit

⁷ <https://www.banyantreeglobalfoundation.com/biodiversity-environment/>



community, business and the environment.

- Climate Change & Resilience: elucidate global change and develop resilience in natural and human systems.

Other guideline includes the demonstrated need and urgency; ability to leverage local, regional and national partnerships necessary to deliver measurable impact; and being scalable with clear evaluation of success.

The grant is provided up to US\$ 10,000 and can cover reasonable costs of travel, freight, consumables and incidentals for project expenses of maximum one year. Proposals shall be evaluated on merit and scored against a criteria based on suitability and alignment, capacity to implement, risk and finance.



Environmental awareness initiative in Thailand (Photo: Banyan Tree Group)⁸

⁸ <https://www.optionstheedge.com/topic/people/8-ngos-receive-banyan-tree%E2%80%99s-inaugural-greater-good-grants>



3.3 Partnerships for Forests (P4F) – catalysing investments for sustainable forests and land use

The P4F provides grant and technical assistance to propose alternatives to business as usual in the land use and forestry sector to generate investment ready proposals that should address deforestation and drivers of land use change. It supports the private sector (proponent) to develop projects in partnerships with the public sector and people – the communities that depend on forests – to deliver on deforestation-free commitments and improve livelihoods in four global hotspot regions for deforestation and forest degradation – including Southeast Asia.

By creating market-ready ‘Forest Partnerships’ that offer an attractive balance of risks and benefits for the private sector, public sector and communities, the P4F aims to mobilise significant investment, mainly from the private sector. It also supports demand side measures that strengthen demand for sustainable commodities and activities to create the right enabling conditions for sustainable investment. Its projects work across all forest landscape types and entire value chain. The commodities include, but not limited to, rubber, coffee, timber, oil palm, cocoa, soy, cattle, and non-timber forest products.

In Southeast Asia, the P4F supports partners who aim to create value from standing forests through sustainable means. It supports partnerships between private investors, local communities and the public sector that are focused both on sustainable forests and agricultural activities, as well as long-term profitability. Potential areas include:

- Reduced impact logging, non-timber forest products or payments for ecosystem services;
- Rehabilitation and regeneration of forests and peatland for long-term sustainable use; and
- Deforestation-free commodity chains.

The P4F provides a combination of grants and technical assistance to help selected partnerships move towards commercial scale-up. Grants provided normally range from £10,000 to £1 million, with required matched funding of at least 25%. The programme is designed to be flexible. For those having an idea for a project, a short proposal can be submitted through a form on its website. However, calls for concepts may also be targeted towards certain commodity chains or areas of opportunity with the eligibility and selection criteria specific for that call.

3.4 Voluntary Carbon Market – unlocking vast amounts of private capital for nature-based solutions

As an increasingly growing mechanism for climate change mitigation (BCG 2023; VCM 2021), the voluntary carbon market (VCM) allows businesses, investors, governments and NGOs to voluntarily purchase verified emissions reductions in the form of carbon credits. One tradable carbon credit represents one metric tonne of verified emissions (carbon dioxide or the equivalent amount of a

different greenhouse gas) mitigation. The carbon credits can be purchased from projects that work on sequestration (or removal) of carbon dioxide and reduction (or avoidance) of further emissions.

For both types of projects, the nature-based solutions – protecting and restoring forests, grasslands and wetlands – have been gaining more



interest in recent years. According to the Voluntary Carbon Markets report (Ecosystem Marketplace 2022), the VCM grew in value towards US\$2 Billion in 2021, quadrupling in market value from 2020 driven mainly by an acceleration of nature-based solutions trading volume and higher prices. Therefore, the VCM is a crucial tool to unlock the full potential of nature-based solutions, which have traditionally been under-funded and undervalued in climate change mitigation.

Among the nature-based solutions for climate change mitigation, REDD+ is a financing model developed under the UNFCCC to reduce greenhouse gas emissions from deforestation and forest degradation in developing countries (GCF 2018). REDD+ aims to address the objectives to protect both forest and climate as well as to allow for payments to developing countries through selling carbon credits in the VCM.

In the Lancang-Mekong region, thus far Cambodia is the only country that has sold carbon credits in the

global VCM, where the buyers include Disney, Shell, and Gucci (Bunthoeurn 2022; Xinhua 2022). Since 2016, Cambodia has implemented three REDD+ projects at Keo Seima Wildlife Sanctuary, Southern Cardamom National Park, and Prey Lang Wildlife Sanctuary. The three projects cover an area of 1.27 million ha. Altogether the sale of carbon credits has generated revenue of almost US\$ 12 million, all of which has been further allocated to conservation of natural resources and local community development (Dara 2022). Those projects are led by the Ministry of Environment with support from Wildlife Conservation Society (WCS) Cambodia, Wildlife Alliance and other partners. REDD+ is recognised as central to the mitigation targets set by Cambodia and the country expects the forest sector to become a significant carbon sink by 2050 (UNDP 2022). Out of the country's protected areas of 7.3 million ha (41% of the total land area), Cambodia plans to further avail 1.19 million ha as carbon credit supply. This will bring up the total area for REDD+ project to almost one-third of the country's total land under conservation status (Chandara 2022).



Women's participation in forest management and conservation (Photo: Cambodia REDD+ Programme)⁹

⁹<https://cambodia-redd.org/mainstreaming-gender-in-forest-conservation-and-management-efforts.html>



4. Conclusion

As one of the world's fastest growing regions, the Lancang-Mekong region has witnessed rapid economic growth during the past few decades, resulting in increased prosperity. However, much of the economic development has flourished at the expense of natural environment, notably large infrastructure (e.g. for energy and transportation) and agricultural encroachment. As the countries in the region still aim to further develop or improve those basic physical structures for the well-being of citizen as well as to keep their status as the world's top producers and exporters of certain agricultural commodities, further destruction of ecosystems could be inevitable. Therefore, it is critical to also invest in integrated ecosystem management so that the vital ecosystem services can still continue to benefit millions of people in the region.

This publication compiles in total 42 financial mechanisms that fund activities related to integrated ecosystem management in the Lancang-Mekong region. These cover 21 mechanisms from public sector, 7 from private sector and 14 under public-private partnerships. Among these, several financial mechanisms have continued to provide support for more than one decade and there are also new ones started in the past few years. The majority are, not surprisingly, the public sector, including foreign governments, intergovernmental/international organisations and multilateral development banks. This is generally because the countries in the region are all developing countries and even half of them are Least Developed Countries. Moreover, the typical form of support is grant, sometimes together with technical assistance. However, encouragingly private sector and PPP increasingly join force in recent years and even not only as part of their CSR schemes but, for many cases, also for sustainable profitability. While traditional topics, e.g. biodiversity conservation and forest restoration, dominate, more recently 'hot' topics such as sustainable value chain and nature-based solutions for climate change are also included, resulting in a wider scope of funding. Lastly, as a key ingredient in project financing, engagement of local communities is always highlighted, particularly the indigenous peoples, implying the importance of local ownership for project sustainability. For some financial mechanisms, scope of the funds is derived from consultation with local stakeholders. Gender issue is another important consideration as many financial mechanisms promote the role of women in the planning till implementation stages.

Looking ahead, the landmark Global Biodiversity Framework, adopted at the UN Convention on Biological Diversity's 15th Conference of Parties at the end of 2022, also calls for a considerable increase in resources from all sources - public and private - to finance biodiversity-related actions that will be implemented through the parties' updated national biodiversity strategies and action plans. This is promisingly expected to involve more the private sector and financial institutions to integrate biodiversity and ecosystem management in their business. However, for the case of transboundary ecosystem management, engagement of private sector may still remain a challenge as those investments would require to be in compliance with different jurisdictions. Nevertheless, there are other growing opportunities to support ecosystem management activities, e.g. crowdfunding (including donation-based crowdfunding platform such as Taejai, which includes forest conservation projects in Thailand), green supply chains and green bonds. As a long-term strategy, sustainable investment by the private sector should be promoted, for instance, through mainstreaming of sustainable forest management into national and international investment policies (e.g. by the governments and finance institutions) as well as replacing subsidies for destructive agricultural practices with deforestation free incentives (UN DESA 2020; World Bank 2020), in which in the Lancang-Mekong region those crops include rubber, corn and sugar (WWF n.d.; Benedikter 2018). This could be done through, for example, a PES scheme, one-off grants or loans to promote conversion to organic farming activities or agricultural practices that preserve biodiversity and environmentally sensitive land (WWF 2015). Lastly, as there are more and more efforts to simultaneously tackle the dual crises of climate change and nature loss, the VCM can offer new financial opportunities to mobilise much needed investments in other Lancang-Mekong countries – following the success in Cambodia – to bring in financial incentive for the country to protect and enhance their forest in order to attract the carbon credits buyers.



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Financial Mechanisms for Integrated Ecosystem Management in the Lancang-Mekong Region



International Ecosystem Management Partnership
国际生态系统管理伙伴计划



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