



Nature
Investment
Facility

ANNUAL NARRATIVE REPORT



2024



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Executive Summary

The Nature Investment Facility (NIF) is a grant facility that aims to catalyse large-scale investment into the protection and restoration of at-risk ecosystems of global importance. The Facility focuses investments in Natural World Heritage Sites (WHS) and Biosphere Reserves, and the people that interact with them.

Established as a multi-partner trust fund between the United Nations Development Programme (UNDP), United Nations Capital Development Fund (UNCDF) and United Nations Educational, Scientific, Cultural Organization (UNESCO), the Facility is joined by its core donor Cartier for Nature and administered by the UN's Multi-Partner Trust Fund Office (MPTFO).

In 2024, the NIF focused on strengthening the foundations of the Facility by developing essential materials, including the Investment Plan and the Monitoring, Evaluations, and Learning (MEL) Framework.

These efforts played a key role in refining the Facility's Theory of Change, ensuring a clearer, more effective path toward achieving our conservation and sustainable development objectives. By solidifying these core components, the NIF enhanced its capacity to drive impactful investments.

2024 marked the first full year of implementation for the Kibira Forest Sanctuaries Programme in Burundi. To address interconnected and transnational root-causes of instability and nature loss in Burundi, this programme leverages blended finance to support joint peace and conservation interventions that protect high-value forests and remove barriers to sustainable development in the region. Notable impacts were seen through the operationalization of the Kibira Foundation, capacity building related to wildlife monitoring and park management, and drafting of the UNESCO Biosphere Reserve Nomination Forms.



Executive Summary

In addition to the Kibira Forest Sanctuaries Programme, the joint UNDP and UNESCO Tiger Landscapes Programme was approved for funding. The Programme will support the Tiger Landscape Investment Fund (TLIF), a transformative fund aimed at restoring biodiversity, addressing climate challenges, and fostering sustainable livelihoods in two critical tiger landscapes: Malaysia's Taman Negara and Thailand's Western Forest Complex. At its core, the TLIF aims to enable and catalyze investments that restore and protect tiger habitats, promote sustainable land use, and ensure the well-being of local communities.

Additional co-financing to build and scale the TLIF, EUR 13 million, was secured from the Government of Germany through UNDP. A portion of this co-financing will be utilized by UNCDF as guarantee capital to de-risk investments in nature-positive enterprises.

The NIF also made significant strides in developing a robust project pipeline and securing key co-financing opportunities. This demonstrates the concrete steps the Facility is taking to drive further action on ecosystem restoration and biodiversity conservation.

Through UNDP's Funding Window, USD 800,000 of co-financing was secured from Denmark, Luxembourg, and the Republic of Korea, to support foundational activities across three pipeline programmes in Costa Rica, Mexico and Botswana.

The NIF, supported by a diverse array of Indigenous, government and private sector stakeholders, actively engaged in global forums to drive the dialogue on nature investments and catalyzing meaningful action for a sustainable future.



Executive Summary

The Facility hosted side-events at UNESCO Headquarters, the UN's High Level Political Forum (HLPF), the 16th Convention on Biological Diversity's (CBD) Conference of Parties (COP), and the 16th Convention to Combat Desertification's (UNCCD) COP.

In addition to public events, the NIF hosted its first in-person Steering Committee (SC) Meeting. During the meeting, the SC approved the Facility's Investment Plan and a change of name from the "Nature Facility" to the "Nature Investment Facility". Of note, the official name of the Facility will be updated at the Multi-Partner Trust Fund Office in 2025 once amendments to the Facility's Terms of Reference are approved.

The NIF is well-positioned to expand its impact and grow its partnership with a diverse range of stakeholders. By aligning with businesses, governments, philanthropies, non-governmental organizations, and local communities, the Facility continues to seek and unlock new opportunities for nature-positive investments.

As the challenges of biodiversity loss, and climate change, continue to escalate, the Nature Investment Facility is committed to creating meaningful, long-term impacts toward a more sustainable and resilient planet.





Investment Plan

From Q4 2023 through Q2 2024, the Nature Investment Facility (NIF) developed its multi-year Investment Plan, including its Monitoring, Evaluation, and Learning (MEL) Framework. Through the development of the Investment Plan, and by gathering feedback from partners during virtual workshops and consultations, the Facility's Theory of Change was refined. This will ensure that the Facility will have a clearer, more

effective path toward achieving our conservation and sustainable development objectives.

The Theory of Change (Figure 1) outlines the Facility's path from early design to ultimate impact. Investments will be made along three investment pathways to achieve nature-positive outcomes, incentivize private investment, and drive systems-level change:

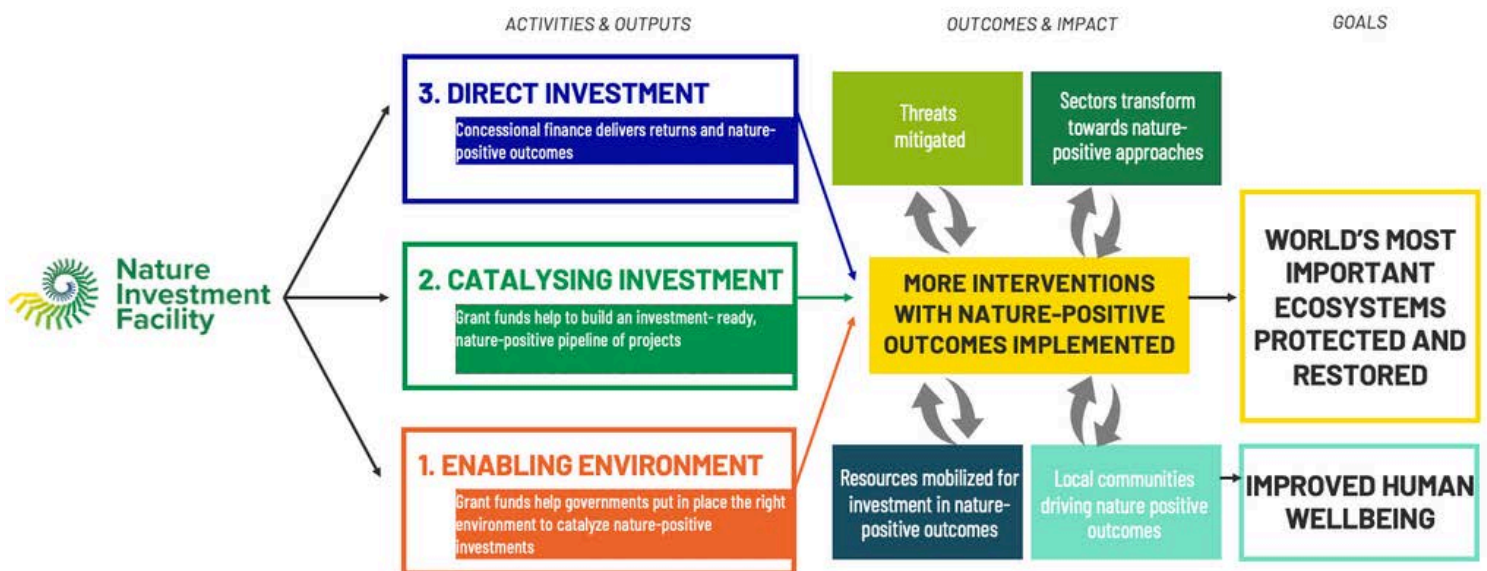


Figure 1: Displays the refined Theory of Change for the NIF.



Through the **enabling investment**, the Facility will strengthen policy, institutional, legal, and regulatory frameworks to create enabling environments for investment that deliver biodiversity impact as well as financial returns. The Facility will support national and local governments in priority countries, management authorities, the private sector, and other stakeholders to create conducive environments where both real and perceived risks are mitigated, allowing investors to invest with confidence.

Through the **catalysing investment**, and with the enabling environment in place, the Facility will deploy grants to develop a pipeline of investments and nature-based solutions that target drivers of ecosystem degradation and tip business sectors away from nature-negative practices. Opportunities for investment may include reforestation projects, sustainable agriculture, renewable energy, ecotourism, and biodiversity credits. The catalyzing investment pathway will ensure that projects are ready for commercial funding and investments.

Through **direct investment**, the Facility will provide concessional capital, like below-market loans and first loss guarantees, to unlock and de-risk investment in pipeline projects. Direct investments will be tied to strict return on investment policies to ensure the viability of each investment opportunity. Many businesses operating in WH Landscapes are Micro, Small, and Medium Enterprises (MSMEs). The Facility will target enterprises that have a viable business plan but need patient capital to invest in expansion or new methods to boost profits and attract private sector investment.

The Investment Plan also includes an initial investment prioritisation model, while remaining open to unique opportunities which may arise in critical landscapes. The prioritisation process includes biological, financial, and socio-economic filters to support decision making by the NIF's Steering Committee.

Of note, the Theory of Change will be updated in the Fund's Terms of Reference in 2025.



Kibira Forest Sanctuaries Programme Burundi



As part of the Albertine Rift Montane Forests, the Kibira forest plays a fundamental role in the ecological functions of the region and supports one of the highest levels of biodiversity on the African continent.

The Kibira forest is one of Burundi's major nature assets in terms of its social, environmental, and economic ecosystem services. The decline of this forest will have a significant impact on the country's ambition to end poverty.

Without combined efforts with private sector and others key stakeholders, the country will lose the Kibira's biodiversity and associated socio-economic benefits. Specifically, the loss of biodiversity will have a significant impact on tourism opportunities due to the loss of key attractions such as chimpanzees. The degradation of nature assets and the loss of ecosystem services will also affect services that support different aspects of human well-being, including employment opportunities and agriculture productivity.



The NIF's Kibira Forests Sanctuaries Programme is supporting the design and implementation of tailored protected area interventions that prevent further degradation of the

forests and promote the wellbeing of local communities and Indigenous peoples. Key results from the NIF's Programme in 2024 include:

1 Operationalization of the Kibira Foundation

- The Kibira Foundation was established as a strategic co-management partner alongside OBPE (Office Burundais pour la Protection de l'Environnement, Burundian Environment Agency).
- A 10-year Payment for Ecosystem Services (PES) agreement was signed with Hydroneo, an Independent Power Producer of clean and sustainable electricity in Africa, bringing in US\$150,000 annually to the Foundation.
- The Foundation staff, including a technical advisor, are now in place to manage day-to-day operations.

2 Community Integration and Peacebuilding

- 17 Kibira Protection Committees (KPCs) were created in surrounding villages to improve park-community relations.
- A Cultural Center was established to preserve the Indigenous Batwa heritage, promote ecotourism, and support social cohesion.
- Trainings in storytelling, puppetry, and recycling-based crafts were conducted for community members.

3 Conservation and Biodiversity Monitoring

- A chimpanzee monitoring and habituation protocol was developed in collaboration with the Jane Goodall Institute.
- 12 trackers (50% women) were recruited and trained in Tanzania, with ongoing biomonitoring activities in the park.
- Over 1,000 individuals were sensitized on chimpanzee conservation during cultural events.



4 Infrastructure and Ranger Capacity

- OBPE's park operations were strengthened with:
 - Renovating 5 buildings including ranger housing, offices, and a canteen.
 - Training for 32 ecogardes in natural resource management.
 - Improving ranger welfare (e.g. meals, accommodations, etc.).

5 Forest Restoration and Land Rights

- A forest restoration strategy was formulated, identifying 227 ha of land for reforestation in degraded zones.
- Mapping and planning for Batwa land access was initiated, with safeguards to protect rights and avoid land speculation.

6 Institutional Capacity Building & Technical Assistance

- 35 participants trained across four technical modules, including:
 - UNESCO Man and Biosphere Programme, and Biosphere Reserve designation.
 - Seville Strategy and statutory framework of Biosphere Reserve.
 - Ecological restoration challenges and UNESCO's role.
 - Technical preparation and pre-filling of nomination forms.
- 4 technical missions conducted in Kibira National Park, focusing on:
 - Conservation status assessments.
 - Community engagement and stakeholder consultations.
 - Participatory zoning and mapping of core, buffer, and transition zones.
 - Identification and documentation of ecological pressures (e.g., mining, agriculture, dam zones).

7 UNESCO Nomination Proposal

- Drafting of Biosphere Reserve nomination forms and validated through:
 - Workshops in April–May and December 2024
 - Allocation of form sections to technical teams
 - Community-driven planning and input
- Progress made in defining management frameworks and nomination content.



Innovative Financing

The Kibira Forest Sanctuaries Programme is also supporting blended finance. The Kibira Foundation has been established under a 10-year co-management agreement with the government to execute projects in the landscape. The Kibira Foundation will be supported through a Payment for Ecosystem Services model with a downstream hydro-power plant.

The NIF's USD 2.25M contribution is part of larger pool of grant capital (USD 8.5M), which will leverage USD 25M in investment from the African Development Bank and private investors. With this additional support, a blended finance model was developed to fund a Public-Private Partnership with Hydroneo for the Mpanda Hydropower Project. In 2024, an Environmental and Social Impact Assessment was completed, incorporating Free, Prior and Informed Consent principles to include Batwa voices. Additionally, a private operator was identified to redevelop bungalows and introduce tourism activities at the Kibira National Park. Plans for eco-lodges in the Teza sector are underway, pending a feasibility study.



Empowering Women

The Kibira Programme continues to prioritize gender equality and empower women:

- Women constitute 45 of 119 members in the Kibira Protection Committees.
- 2 women were elected to the Kibira Foundation Board.
- Women represent 60% of beneficiaries in alternative livelihood activities (mushroom and honey production).



Tiger Landscapes Programme Thailand & Malaysia



The tiger is far more than a single species. It is revered across and beyond its range, spanning belief systems, cultures and generations. It is an apex predator recognised as the ultimate indicator of the health of the ecosystems it inhabits.

Tiger landscapes are very diverse, ranging from dense rainforests to open grasslands and from snow-covered regions to coastal swamps. These landscapes support not just tigers and their prey, but also vast biodiversity and contribute to human well-being.

In April 2024, under the Royal Patronage of Her Majesty the Queen of Bhutan, Jetsun Pema Wangchuck, the conference on Sustainable Finance for Tiger Landscapes and the subsequent “Paro Statement” called for an additional \$1 billion in financing for tiger landscapes over the next 10 years. Recognizing that unlocking additional funding will require innovation and the exploration of non-traditional financing sources, the statement explicitly called for the development and capitalization of new financial mechanisms for tiger landscapes.



In 2024, the NIF approved a 5-year Tiger Landscapes Programme to support the development of the regional Tiger Landscape Investment Fund (TLIF), with initial investments centred around Taman Negara National Park (Malaysia) and Western Forest Complex (Thailand, including Thungyai-Huai Kha Khaeng Wildlife Sanctuaries World Heritage Site).

In several tiger landscapes, a lack of sustainable livelihoods and business opportunities are key drivers of not just the loss of tigers and biodiversity but also climate vulnerability and greenhouse gas emissions. Investments by TLIF in sustainable livelihoods and nature-positive businesses, such as eco-tourism, and community-based agribusinesses, would reduce threats to tigers and biodiversity, support their recovery, and strengthen the climate resilience of local communities and indigenous peoples.

The Environmental and Social Framework of the TLIF was drafted and has undergone discussions and consultations with several members of the Tiger Conservation Coalition. Feedback has also been received from experts from UNCDF, Global Fund for Coral Reefs (GFCR) and UNEP. The Environmental and Social Framework includes the eligibility criteria, Key Performance Indicators (KPIs) framework, Monitoring and Evaluation framework, social and environmental safeguards, and exclusion list.

The Terms of Reference of the TLIF has also been drafted and is undergoing consultation with several members of the Tiger Conservation Coalition and other relevant experts. The Terms of Reference and Environmental and Social Framework will be made public after the approval from the TLIF Steering Committee.

**€13 MILLION
SECURED IN
CO-FINANCING**

In 2024, the Government of Germany through its Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection (BMUV) provided a EUR 13 Million contribution through UNDP to build and scale the TLIF. A portion of this grant will be utilized by UNCDF as guarantee capital to de-risk investments in nature-positive enterprises.

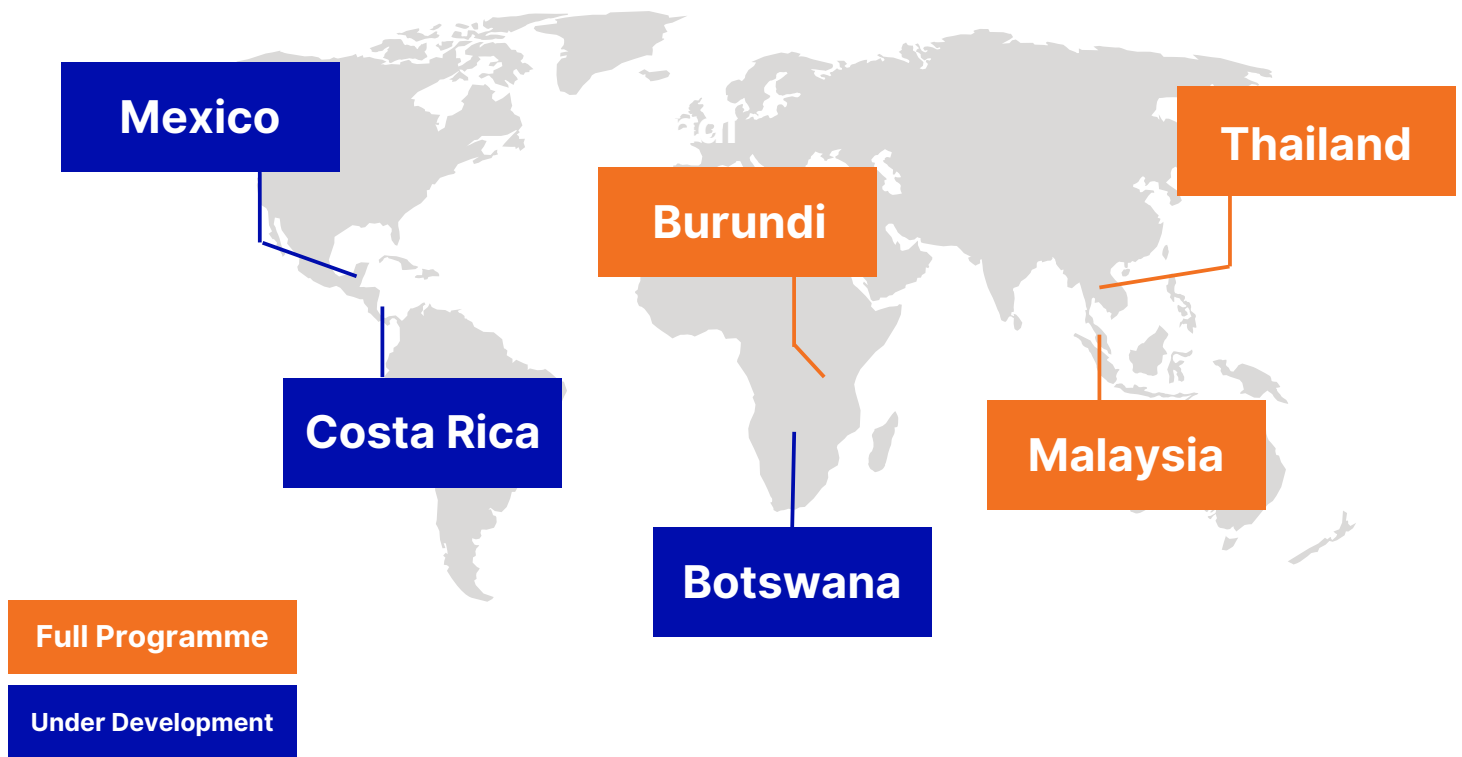


Figure 2: Displays NIF's programmes which are under development or being implemented

Programme Pipeline

A key focus of 2024 was refining and expanding the NIF's programme pipeline to align with its Theory of Change and investment priorities.

Through UNDP's Funding Window, USD 800,000 of co-financing was secured from Denmark, Luxembourg, and the Republic of Korea, to support foundational activities across three pipeline programmes in Costa Rica, Mexico and Botswana.



These pipeline programmes leverage existing efforts in each country while focusing on scaling impact and introducing innovative financial instruments to ensure sustainability.

Activities will be implemented by UNDP's Country Offices as well as technical advisors for UNDP's Biodiversity Finance Initiative (BIOFIN). The pipeline programmes include:

1 Nature-focused investments for the inclusive development of the Cubango-Okavango River Basin

The Botswana programme focuses on the Okavango River Basin, aiming to operationalize the Cubango-Okavango River Basin (CORB) framework and develop innovative funding mechanisms. The CORB supports an astounding variety and abundance of terrestrial and freshwater animal and plant life. A recent analysis proven that \$5-10Bn additional GDP can be generated for the basin only from the productive and conjunctive use of water for hydropower, irrigation, and associated sectors such as tourism. The NIF programme will support the operationalization of the CORB Fund in launching a first set of financial instruments.

1. Enabling Investment: Operationalization of the CORB Fund

- Enhancing the capacity of the CORB Fund Secretariat, develop its operational tools, grant mechanism programme, fundraising and financial management program, communications strategy, gender/social action plan, and M&E

2. Catalysing Investment: Implementing grant projects & operationalize PES scheme

- Developing grants for nature-based solutions, land management and transboundary water projects. Parallel institutionalization of the PES scheme and early implementation

3. Direct Investment: Development of a loans and guarantees funding window

- UNCDF will provide catalytic support to the CORB Fund by establishing **two complementary financial windows: a loan instrument and a guarantee instrument**, both specifically earmarked for projects within the CORB Fund's pipeline.

Figure 3: Highlights how the Botswana programme will support the NIF's Theory of Change. The Direct Investment pathway would be in a Phase 2 of the programme.



2 Investing in the Sustainability and Connectivity of Yucatan Peninsula's World Heritage Site

The Mexico programme targets the Sian Ka'an and Calakmul World Heritage Sites and Biosphere Reserves, with the objective of driving a transformative shift in landscape management and biodiversity conservation across the Yucatan Peninsula. The programme also includes replication of Mexico's Subnational Biodiversity Finance Plans-implementation. The target beneficiaries for the programme include Indigenous Peoples and Local Communities, who will be supported in accessing catalytic investments and increasing women's participation in leadership roles.

1. Enabling Investment:

- Investing in creating an environment that is attractive for private investment into nature-positive outcomes, either at a national level or within the target landscape.
- Supporting consolidation of a Biodiversity Intelligence Unit at subnational level (including all sectors of government) and a Biodiversity Finance Plan

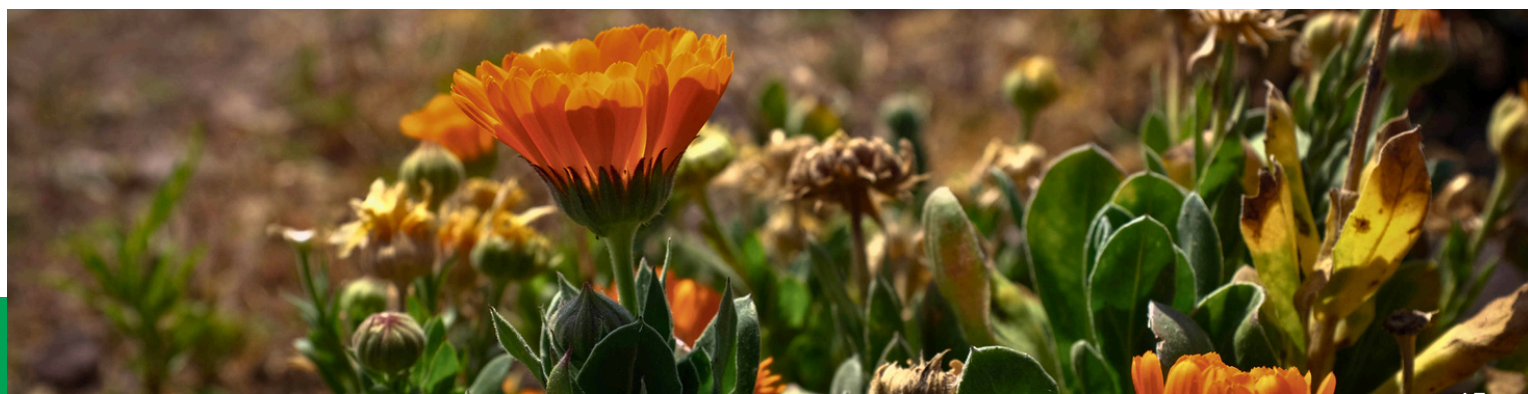
2. Catalysing Investment:

- Advancing the implementation of pilot projects in the corridor (e.g. carbon and biodiversity credits)
- Developing a project pipeline focused on nature-positive investments targeting the WHS and its corridor. The pipeline will comprehend fiscal, market, risk and regulatory financial mechanisms and will include public and private resources.

3. Direct Investment:

- Planned for a second phase of the project, it will foster Direct Investment through the creation and capitalization of derisking mechanisms such as guarantees, design-stage grants, technical assistance, concessional capital and insurance.

Figure 4: Highlights how the Mexico programme will support the NIF's Theory of Change. The Direct Investment pathway would be in a Phase 2 of the programme.





3 Costa Rica's Bioeconomy Impact Accelerator

A Bioeconomy Impact Accelerator has been conceptualized, focusing on the Talamanca range in Costa Rica. The programme will develop an Investment Readiness Strategy for investible, nature positive bioeconomy projects in La Amistad National Park-Biosphere Reserve World Heritage Site Corridor. The target beneficiaries are micro, small and medium enterprises' (SME) led by local communities and indigenous people in Tourism, Agriculture, Agroforestry-Silvopastoral systems, circular economy biomass, etc. These activities build upon previous BIOFIN programmes and includes a strong emphasis on gender equality as a core component.

1. Enabling Investment:

- Develop an institutional strategy for the National Institute for Rural Development (INDER) for green innovation and nature+ entrepreneurship.
- Support the ideation stage and preparatory steps of new bioeconomy projects.
- Building capacities to apply lean startup methodology for new business ideas, and solving bottlenecks to facilitate rural communities and indigenous peoples to access financial resources.

2. Catalysing Investment:

- Consolidation and scale up of Raices Indigenous Program blended finance Development Bank System funded to focus on readiness for unsecured debt mechanism.
- Ideation Program that aims to identify new business opportunities to incorporate organic waste and wastewater generated by private enterprises as raw materials for new bioprocesses.

3. Direct Investment:

- Implement acceleration Program for bioeconomy private projects that require acceleration (equity and risk capital) to grow, ensuring both positive impact on people and nature and benefits sharing.
- UNCDF could potentially support de risking in blended finance scheme.

Figure 5: Highlights how the Costa Rica programme will support the NIF's Theory of Change. The Direct Investment pathway would be in a Phase 2 of the programme.

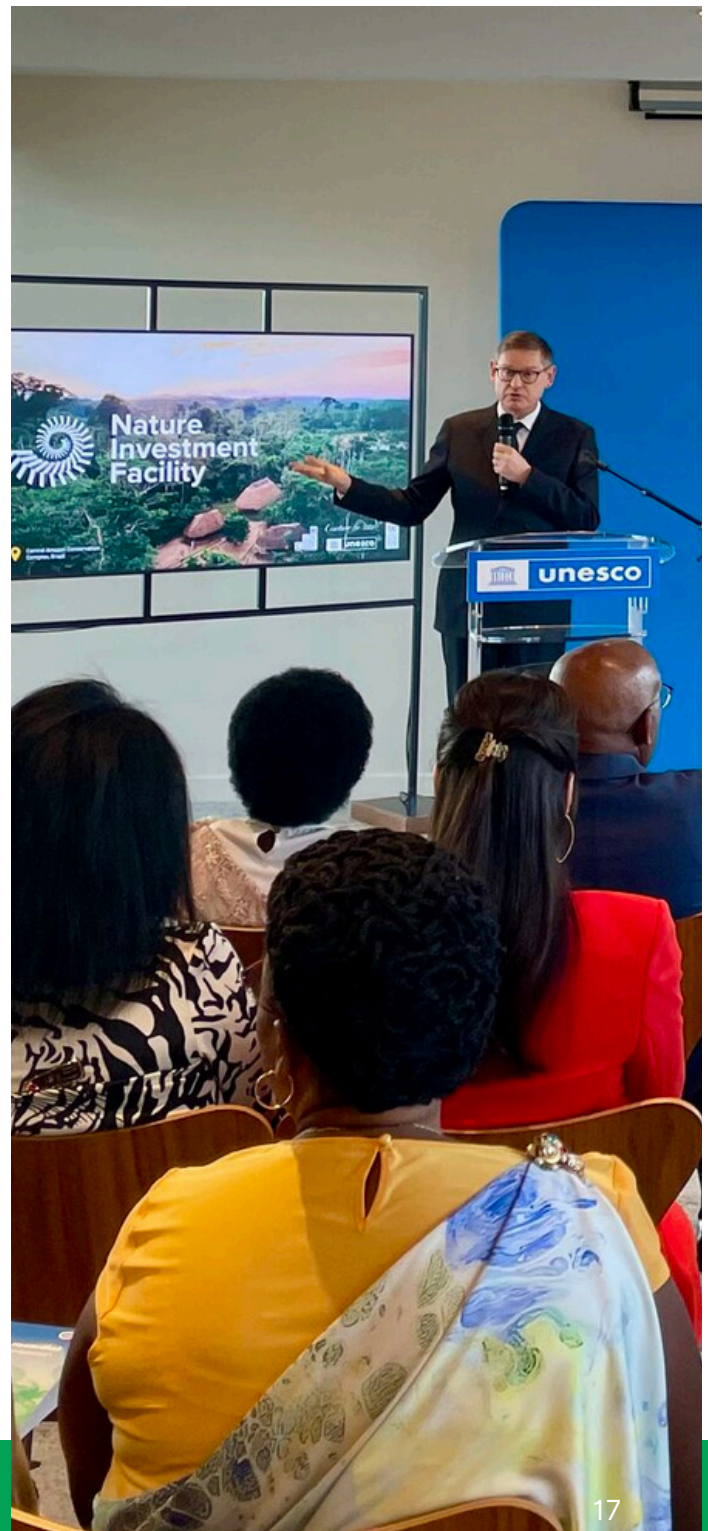




Governance

The NIF held its first in-person Steering Committee (SC) meeting in June 2024. The multi-day meeting was hosted by UNESCO at their headquarters in Paris, France. During this meeting, the Investment Plan and Monitoring, Evaluation, and Learning (MEL) Framework were formally endorsed alongside the Resource Mobilization Strategy with the understanding that it remains a living document subject to regular updates and amendments.

The SC also approved a change of name from “Nature Facility” to “**Nature Investment Facility**” to better reflect the investment potential of the Facility. This name change, along with the refined Theory of Change, will be reflected in a 2025 amendment to the Facility’s Terms of Reference (which originally established the Facility as a Multi-Partner Trust Fund, MPTF). As such, the Financial Report from the MPTF Office in 2024 will reflect the original name, “Nature Facility”.





Global Engagement

In 2024, the Facility engaged with policymakers, private sector leaders, and development organizations to promote the importance of financial mobilization for conservation and sustainable development.

Throughout the year, the NIF hosted side-events at global forums to increase awareness of the Facility and its role in mobilizing finance for nature:



UNESCO High-Level Reception Paris, France

Hosted in collaboration with founding partners, this event introduced the NIF to a global audience, engaging private sector leaders, philanthropic champions, and government representatives in discussions on scaling nature investments.

UN's High-Level Political Forum, New York City, United States

In partnership with the Governments of Andorra and France, the Facility organized a side event at the UN Headquarters in New York, emphasizing the role of nature finance in achieving Sustainable Development Goal 17 (Partnerships) and fostering multi-stakeholder collaborations.





CBD COP 16 **Cali, Colombia**

The NIF facilitated a dedicated session at the Convention on Biological Diversity (CBD) COP 16, addressing biodiversity finance and the urgent need to mobilize private sector capital to implement the Global Biodiversity Framework.

UNCCD COP 16 **Riyadh, Saudi Arabia**

As part of a panel discussion during the UN's Convention to Combat Desertification (UNCCD) COP 16, the NIF highlighted innovative financing mechanisms for sustainable land restoration and biodiversity conservation, emphasizing support for World Heritage Sites and Biosphere Reserves.



Digital Communication

In June 2024, the NIF launched its LinkedIn platform, which has since gained over 1,000 followers, with posts reaching over 15,000 members and gaining 25,000 impressions.

LinkedIn has proven to be a vital tool for engaging stakeholders, disseminating key updates, and building a community around nature investments. Analysis of LinkedIn engagement has provided valuable insights into Facility's audience demographics. The majority of followers come from business development (17.2%) and consulting (13.1%), with strong representation from environmental services (30.3%) and non-profit organizations (16.4%).



Partner With Us

The Nature Investment Facility is well-positioned to expand its impact and grow its partnership with a diverse range of stakeholders. By aligning with businesses, governments, philanthropies, non-governmental organizations, and local communities, the Facility continues to seek and unlock new opportunities for nature-positive investments. These partnerships will help mobilize necessary financial resources, foster innovative solutions, and scale up successful projects.

As the challenges of biodiversity loss, and climate change, continue to escalate, the Nature Investment Facility is committed to creating meaningful, long-term impacts toward a more sustainable and resilient planet.



LinkedIn

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Website

<https://www.undp.org/nature/our-flagship-initiatives/nature-investment-facility>



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Photographs included in this report are courtesy of Kibira Foundation, Gaurav Gupta, UNDP Costa Rica, UNDP Mexico, UNDP Malaysia, UNDP Rwanda, and UNDP Bhutan.



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Cartier for Nature



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