

Nature Investment Facility Annual Reporting

Project Details

<i>Project Name:</i>	Tiger Landscapes Investment Facility
<i>Project ID:</i>	00140973
<i>Country of Implementation:</i>	Thailand, Malaysia, Bhutan, Nepal
<i>Name of Implementing Partner(s):</i>	UNDP, UNCDF
<i>Project Start Date:</i>	2025 (Thailand, Malaysia) 2026 (Bhutan, Nepal)
<i>Project End Date:</i>	2029 (Thailand, Malaysia) 2030 (Bhutan, Nepal)
<i>Reporting Period:</i>	1 January 2025 – 31 December 2025
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Executive Summary

Tiger Landscapes Investment Facility (TLIF) will develop and finance Micro, Small, and Medium Enterprises (MSMEs) that conserve and restore tiger landscapes. TLIF was officially launched in June 2025. In 2025, TLIF completed scoping studies in Thailand and Malaysia. Each scoping study engaged over 30 stakeholders, receiving positive buy-in from government entities and identifying biodiversity financing gaps in MSME financing operations. TLIF developed a biodiversity-positive enterprises framework to map key sectors such as sustainable agriculture and value chains, ecotourism, forestry management, etc. Other progress includes identifying financial institution partners, launching value chain studies to map pipelines, and designing grant mechanisms for MSME development partners. Despite challenges such as long discussions with potential partner financial institutions, TLIF is on progress to formalize partnerships with identified financing partners, set up pipeline development support, and expand scale operations to new countries (Bhutan and Nepal) from 2026 onward.

Project Background

To reduce economic pressures that lead to ecosystem degradation and threaten biodiversity, the Tiger Landscape Investment Facility (TLIF) aims to develop investment-ready conservation-friendly Micro, Small, and Medium Enterprises (MSMEs) around tiger landscapes and mobilize financing for these MSMEs. The initiative is a collaboration between UNDP and UNCDF with support from the Tiger Conservation Coalition. In 2025, the name of the project changed from Tiger Landscapes Investment Fund to Tiger Landscapes

Investment Facility with the steering committee approval to better reflect the project's blended finance nature.

TLIF has two components: (i) Pipeline development technical facility to identify and strengthen bankability of MSMEs based on the eligible criteria agreed in each implementation country (led by UNDP); (ii) De-risking facility to provide guarantee and/or capitalization grant to local partner financial institutions to expand lending to target eligible MSMEs, which can be accompanied by technical assistance to partner financial institutions to incorporate biodiversity considerations into operations (led by UNCDF).

TLIF operates in four countries so far: Thailand, Malaysia, Bhutan, and Nepal. In 2025, TLIF Thailand and TLIF Malaysia started operationalization, while TLIF Bhutan and TLIF Nepal secured additional funding with pre-scoping studies.

Implementation Progress

Outcomes

Outcome I: National governments and financial institutions create enabling frameworks and have the capacity and internal processes for nature-positive investments

Through scoping studies in Thailand and Malaysia, TLIF engaged with relevant environment and finance government entities, as well as the main financial institutions. Most government stakeholders expressed interest and support for TLIF, while acknowledging that biodiversity finance is still a niche topic. None of the interviewed financial institutions has streamlined biodiversity processes, while some of the financial institutions expressed interest in scaling up biodiversity considerations despite ongoing efforts in climate. This is the starting point to build an enabling environment stakeholder network in the two countries and identify gaps. In the upcoming project operationalization phase, TLIF will deliver need-based technical assistance for partner financial institutions to improve institutional capacity for nature-positive investments.

Outcome II: The blended finance model for biodiversity is implemented and replication started in two countries

In addition to capital providers, TLIF also did demand side analysis in 2025. A framework of biodiversity-friendly eligibility criteria is designed to define conservation-friendly MSMEs. TLIF identified key business sectors such as regenerative agriculture, non-timber forest products, human-wildlife conflict mitigation, ecotourism, and biodiversity technology. This eligibility framework will serve as a foundation for MSMEs and financial institutions to pilot and scale up biodiversity-positive investments.

Outputs

Thailand

1. **Scoping study:** Scoping study was completed in Q3 2025. Over 30 different stakeholders, including financial institutions, financial regulators, government departments, specialized agencies, service providers, conservation NGOs, local CSOs, producer groups, and enterprises, were interviewed.
 2. **Partner financial institution negotiation:** One key financial institution partner identified. Bilateral negotiation is ongoing regarding guarantee structuring and technical assistance needs. The negotiation is expected to be completed by Q2 2026.
 3. **Missing middle study:** A study to identify medium enterprises in value chains that have potential conservation impact was launched in Q4 2025. The study is planned to be completed by Q2 2026.
 4. **Low value grant for pipeline development:** A low value grant mechanism is designed to identify and support business support organizations, NGOs, and communities that develop conservation-friendly MSMEs around tiger landscapes. The call for applications is launched in Q1 2026.
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Malaysia

1. **Scoping study:** Scoping study and multi-stakeholder consultations completed in Malaysia in Q4 2025. The scoping study identified two potential partner financial institutions and several pipeline development NGOs in ecotourism, community enterprise development, and biodiversity conservation.
2. **Project design adaptation:** The scoping study found that Malaysia has well-functioning national guarantee mechanisms such as Credit Guarantee Corporation (CGC), and key stakeholders such as Ministry of Finance and Bank Negara Malaysia expressed the preference to build on current guarantees. Therefore, the project team is adapting the TLIF project design in Malaysia to better utilize existing national guarantee schemes. For example, providing capitalization grants to financial institutions for biodiversity integration.

Bhutan and Nepal

1. **Pre-scoping study:** Pre-scoping study completed in Bhutan. The pre-scoping study included consultation with 8 key stakeholders such as Department of Environment and Climate Change, Royal Monetary Authority, Bhutan Development Bank Limited, and Bhutan Trust Fund for Environmental Conservation. The pre-scoping study concluded that no comparable blended finance facility exists in Bhutan and there is a need for TLIF.
2. **Resource mobilization:** Additional funding from bilateral donors and philanthropies are mobilized to fund TLIF projects in Bhutan and Nepal. These two countries' operations will start in 2026.

Risks, Challenges & Adaptations

Scope definition: One of the most frequently asked questions by potential financial institutions partners is the scope of the eligible target MSMEs and geography. Although TLIF team has indicated that the scope is open for co-creation, potential FI partners usually do not provide revision comments but take it as reference. Therefore, TLIF needs to strike a balance between specificity and flexibility to ensure the scope delivers meaningful impact while allowing sufficient business opportunities. Now the team has developed a framework of major eligible sectors and adapted to each country based on scoping studies.

Lengthy FI discussion and negotiation process: Potential partner financial institutions take a long time to respond due to multiple reasons such as alternative priorities, internal alignment, holiday, approval process etc. It can take around 6 months to move from an introductory call to the facility-co design workshop, and there are more processes to go before formalizing the partnership. The project team is trying to have continuous communication with financial institutions to move the discussion forward. In addition, providing sufficient information and stating meeting expectations clearly prior to the meeting are also important.

Challenging to find suitable pipeline development partners: It is found that suitable pipeline development partners are very scarce. Available organizations' limitations include narrow landscape coverage, limited capacity, and insufficient connection with target biodiversity-positive enterprises. The team is exploring different ways such as open call for proposal, responsible party agreement, co-organization with partner financial institutions, and network consultation to identify suitable candidates in different landscapes.

Internal team change: Some internal personnel changes could lead to delays and information gaps in stakeholder engagement and project progress. The team's capacity gap is currently being shared among existing members while awaiting the onboarding of new personnel.

Opportunities

For the de-risking facility, TLIF Thailand and TLIF Malaysia will continue bilateral discussions with potential financial institution partners to finalize the partnership. Specifically in Malaysia, there is a possibility to

collaborate with Malaysian national credit guarantee schemes, depending on the interest of financial institutions and the CGC. The project team is coordinating with relevant stakeholders to proceed with this discussion.

For pipeline development, there is potential synergy to co-organize pipeline MSMEs' investment readiness strengthening, which can strongly connect pipeline development to financing. TLIF Thailand will assess low value grant candidates for pipeline development in Q2 2026.

TLIF activities will be expanded to Nepal and Bhutan in 2026. Scoping studies for these two countries are scheduled in Q2 2026, which will guide the facility design and partnership development in the later stage.

Communications & Press

In June 2025, TLIF was officially launched at the 4th International Conference on Financing for Development in Seville, Spain <https://www.undp.org/nature/press-releases/new-fund-launched-catalyze-us200-million-tiger-landscape-conservation>

TLIF has developed a brief of the project <https://www.undp.org/nature/publications/tiger-landscapes-investment-fund-brief> and a Thailand-tailored two-pager <https://www.undp.org/sites/g/files/zskgke326/files/2026-01/tlif-thailand-brochure.pdf>

UNDP Thailand published a blog to share TLIF and biodiversity financing opportunities for conservation-friendly MSMEs <https://www.undp.org/thailand/blog/making-biodiversity-finance-work-tiger-landscapes>

TLIF has been presented in several other events, including the 6th BIOFIN Global Conference in Chile in May 2025; Africa Regional Dialogue on Biodiversity Finance in Kigali, Rwanda, in June 2025; and UNDP's Portfolio Expansion Conference in September 2025