



Editorial - Scaling Impact in a Time of Urgency

The past few months have marked a significant momentum for Catalytic. In November alone, we've announced our engagement in three transformative initiatives—the **Brazil E-Bus Credit Enhancement Fund, Mirova's Sustainable Land Use Strategy, and Canopy Trust**. Together, these initiatives represent over \$600 million in catalytic capital designed to mobilize billions more in private investment for climate action and sustainable development.

These announcements come at a pivotal juncture for blended finance. Convergence's latest report reveals that the market has proven it can do more with less. In 2023, despite a 45% drop in ODA flows to blended finance from 2021 levels, deal volumes reached record highs. Private sector investors contributed \$6.9 billion in 2024, surpassing DFI and MDB commercial capital for the second consecutive year. The question is no longer whether private capital can be mobilized at scale—it's how we accelerate and systematize that mobilization.

The Shift Toward Scale and Standardization

Our recent initiatives are shaping several emerging trends:

- First, the move toward larger, more ambitious deals. The median blended finance transaction size jumped from \$38 million to \$65 million in 2024. The Brazil E-Bus De-risking Fund, targeting deployment of over 1,700 electric buses with potential to mobilize \$500 million, exemplifies this scaled approach.
- Second, the strategic use of guarantees and risk-sharing mechanisms is gaining traction as discussed by David Albertani & Cristina Clopatofsky in their op-ed. De-risking facilities like the Brazil E-Bus Fund represent exactly the type of standardized, replicable model the market needs to efficiently deploy scarce concessional resources while maximizing private capital mobilization.
- Third, technical assistance (TA) has proven essential to building strong deal pipelines and ensuring investment success. Data shows that TA appeared in 16% of blended transactions in 2024, up from previous years. TA is particularly vital in nascent markets lacking bankable projects—precisely the context in which we're operating in Central Africa and sustainable land use.

The Opportunity in Crisis

As we argued in our editorial in our June newsletter, as development aid constricts, the rationale for stretching public money through blended finance only grows stronger.

The \$4 trillion annual SDG financing gap hasn't shrunk—if anything, it's widened. Yet the tools to address it exist. We've learned what works: first-loss guarantees that mobilize commercial lending, technical assistance that builds pipelines, junior equity

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that attracts senior capital, and catalytic investments that demonstrate viability in new markets.

What's needed now is not more innovation but disciplined execution—taking proven models and deploying them systematically across geographies and sectors. This requires coordination among donors, risk-taking by DFIs, patient capital from foundations, and standardized products that institutional investors can underwrite at scale.

Our Commitment

The three initiatives we've announced recently, together with our other existing initiatives represent more than individual transactions. They're part of a deliberate strategy to advance scalable, replicable models across critical sectors and regions. We're working to demonstrate that blended finance can deliver both market-rate returns and meaningful climate impact.

But we cannot do this alone. Closing the SDG financing gap requires the entire ecosystem—donors, DFIs, foundations, fund managers, and private investors—to work with unprecedented coordination and transparency. **The work ahead is urgent. The tools are proven. The capital exists. Now we must deploy it with the speed and scale that this moment demands.**

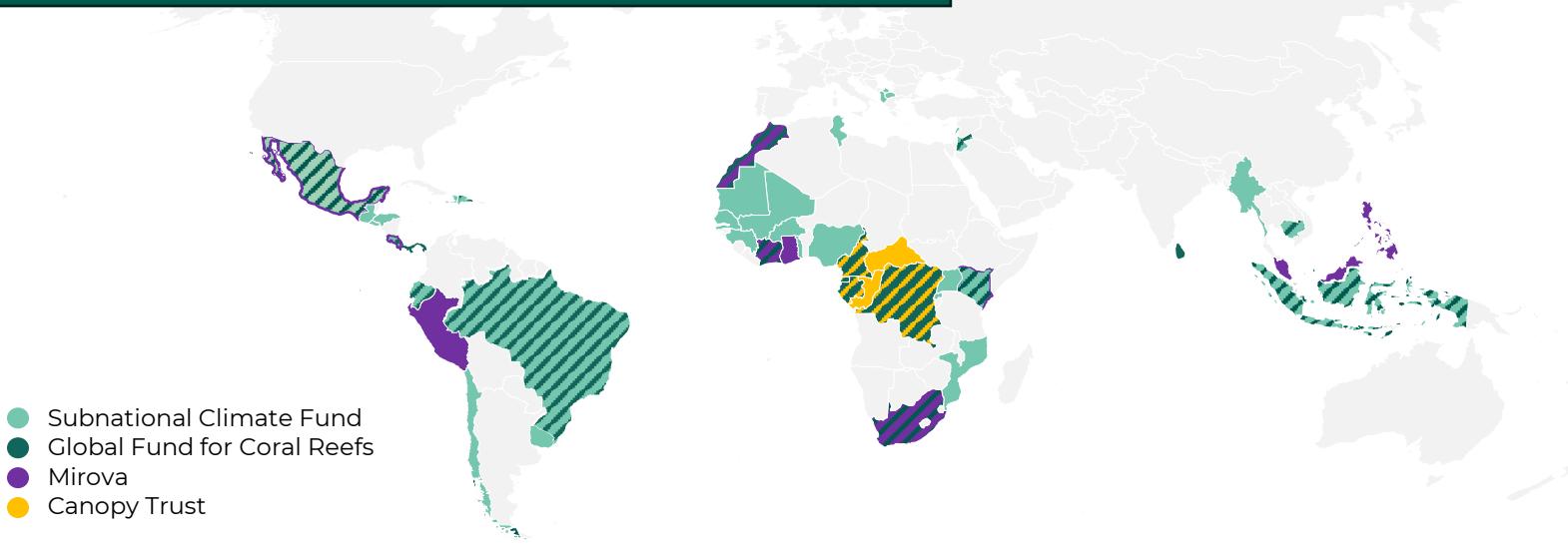
New Initiatives

Catalytic to lead Mirova's latest Technical Assistance Facility dedicated to Sustainable Land Use

Early November, Mirova [announced new investors to its Sustainable Land Use Strategy](#) in order to deploy public and concessional resources to mitigate investment risk and draw in substantially larger volumes of private capital. Its tiered structure accommodates a broad spectrum of investors—from family offices to large institutional players—seeking exposure to natural-capital opportunities. In light of intensifying physical risks, especially within food systems and supply chains, the strategy directs financing toward resilient, low-carbon agricultural and forestry production as well as associated processing activities.

Catalytic has been selected to lead the dedicated Technical Assistance Facility (TAF) to support portfolio companies in enhancing their environmental, social, and climate performance, thereby maximizing the impact and bankability of the fund's investment.

Countries covered by our Technical Assistance programs



Canopy Trust



Canopy Trust was officially launched on the 17th of November in Belem, Brazil. The governments of Belgium, Germany and Norway, as well as the Central African Forest Initiative (CAFI) [announced their collective commitment of USD 93 million](#).



Members of donors and recipients' delegations met at the DRC pavilion, including H.E. Andreas Bjelland Eriksen, Minister of Climate and Environment, Norway and H.E. Marie Nyange Ndambo, Minister of Environment, Sustainable Development and New Climate Economy, Democratic Republic of Congo.

Currently, there are more than **40 projects in the pipeline and 4 have already been approved to receive technical assistance in DRC:**

- i) a network of high yield charcoal retorts and cassava industrial hubs,
- ii) a sustainable charcoal production unit incorporating a heat recovery unit for cassava;
- iii) a sustainable agriculture integrated value chain initiative,
- iv) a LPG micro-refilling platform providing alternative to wood fuel for communities.



Makilo Zacky, Faja Lobi discusses Faja Lobi's reforestation and sustainable charcoal project.

Reminder: The [submission platform](#) is open and we review projects on an on-going basis.

Follow-Canopy Trust on [Linkedin](#)



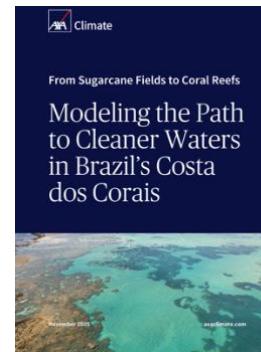
Global Fund for Coral Reefs (GFCR)



The mandate won by Catalytic is currently providing technical assistance for two projects invested by Pegasus:

Agrion:

Catalytic has supported Agrion fertilizers in the context of the GFCR. We commissioned [a study](#) led by Axa Climate to explore how shifting toward biofertilizers in sugarcane production could influence — and potentially reduce — nutrient losses into the Costa dos Corais Marine Protected Area (MPA), the largest coastal MPA in Brazil and a critical reef system in the South Atlantic.



Parley:

Parley Maldives, with financing from Catalytic, is making significant progress on waste management and sustainability across 6 islands of the Gaafu Alifu atoll. The organization has introduced compactors for better waste segregation, is expanding their school AIR program to 158 schools to engage students in recycling awareness and is partnering with three resorts to create a sustainable agriculture model where locally grown, pesticide-free produce will be purchased to reduce imports. Since the Maldives lacks recycling facilities, Parley exports plastic to Germany and Taiwan for processing, including a partnership with Bank of Maldives to create upcycled ocean plastic credit cards. Training programs are underway to teach communities in the targeted atolls waste segregation and composting techniques; the first agriculture training took place in November. Parley is also collaborating with the Asian Development Bank and World Bank to extend these initiatives to underserved islands, working toward a self-sustaining closed-loop system that integrates waste management with local agricultural development.

Catalytic Cities



Launch of a USD 80 million E-bus fund in Brazil

On the 5th of November, Bloomberg Philanthropies, BTG Pactual, and the The Mitigation Action Facility officially [launched the Brazil E-Bus Credit Risk Enhancement Fund](#) at the COP30 Local Leaders Forum.

Sponsored by Bloomberg Philanthropies, Catalytic Finance Foundation has supported the fund's development helping shape a blended finance structure designed to mobilize up to EUR 450 million in its first phase and deploy more than 1,700 electric buses across Brazilian cities.



Cristina Clopatofsky, program Manager, Catalytic Cities, attended the COP30 Local Leaders Forum in Rio.

Later the same day, [Michael Bloomberg committed to support Subnational Climate Leadership](#) and announced a significant role for Catalytic Finance Foundation. Our role will be to expand municipal capacity, improve access to technical assistance, and connect cities to financing.

David Albertani and Cristina Clopatofsky co-wrote an [op-ed on Guarantees](#) based on their experience with the e-bus guarantee fund.. It reflects on Catalytic's work designing guarantee mechanisms that address real market needs, attract private financiers, and ultimately reduce emissions where it matters most: on the ground.

For more information, please visit:

<https://www.catalyticfinance.org/catalytic-cities>

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Subnational Climate Fund (SCF)



As a reminder, Catalytic manages the SCF Technical Assistance Facility, which combines pipeline development, capacity building and SDGs Impact identification, measurement, management and maximisation.

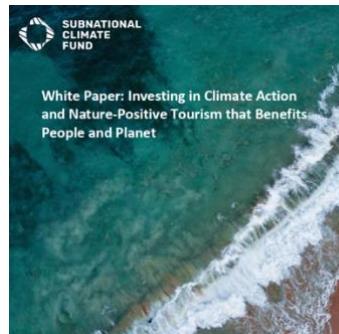
Technical Assistance Facility

In the last quarter, 2 new Technical Assistance (TA) grants were approved for:

- Feasibility Study and Environmental Impact Study for a leading Digital Agriculture Marketplace and Cold-Chain Fulfilment company in West Africa
- Pre-feasibility Study and ES Study to strengthen Agri Waste Transformation to High-Value Products in Costa Rica

Spotlight on Sustainable Tourism

On September 27 (World Tourism Day), SCF published a [white paper on the benefits of climate and nature - positive tourism](#). The report was written in support of the Glasgow Declaration Initiative on Climate Action in Tourism which is led by UN Tourism. [Read More](#)



Number of studies supported by SCF Technical Assistance Grants

112 Studies

approved since inception

52

Projects supported to date

USD 28 million



The SCF works in **42 countries** in Asia-Pacific, Latin America, the Caribbean, the Mediterranean, and Africa

Project Submission

Our [project submission](#) platform is open, and we review projects on an on-going basis.



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Team update

We would like to welcome **Lisa-Xuan Tran** as our communication specialist. Lisa already worked with us at the beginning of the year to support One Ocean Finance.



She is now back to lead SCF communication and support the team as needed.

We would like to welcome **Karim Saleh**, our latest intern. Karim is pursuing a Master's in International and Development Studies at the Graduate Institute in Geneva.



At Catalytic, he supports the Subnational Climate Fund and the broader team with reviewing projects and analysis.

Events

ISWA World Congress

Catalytic's Deputy CEO, Jiao Tang, was invited to speak on the plenary about financing methane reduction from waste management. Sharing the panel with high-level representatives from the World Bank, IFC, CAF, IDB-Invest, and Veolia, Jiao shared Catalytic's work and vision on creating innovative, blended-finance solutions to incentivise capital investing in waste management infrastructure in developing countries with the goal of significantly reducing methane emission, a much more potent GHG than CO2 in the short term. She stressed the importance of creating instruments and policies that enable bankable business models for waste infrastructure operations. The financing solution that Catalytic is designing for waste management is part of the mandate of Catalytic Cities. Jiao wrote an [op-ed](#) on the topic of financing on the operational expenses of waste infrastructure.



Pre-COP Events in São Paulo

The week prior to the start of the COP saw a lively array of private sector led events taken place in São Paulo. Catalytic's Deputy CEO, Jiao Tang, attended a variety of private meetings and public events, exchanging with peers and partners in the areas of Catalytic's work and building knowledge and collaboration. These connections, including with DFIs, IFIs, investment fund managers, public and private investors, donor countries and philanthropies, who demonstrate an unwavering commitment towards climate and SDG impact investment engaging the private sector, are essential for fostering joint effort to fast track multiplying climate and impact finance.



Shaping the Future of Climate Finance in Brazil, hosted by Climate Policy Initiative

Africa Venture Philanthropy Alliance

Early November, David Albertani joined the **Building Bridges** investor delegation that attended the **Africa Venture Philanthropy Alliance (AVPA)** conference. Discussions emphasised how innovative finance, catalytic capital and stronger public-private collaboration can unlock investment where financial returns and positive impact align.



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