How can insurance be an enabler to catalyse investment into nature-based projects?

Innovation Lab Workshop #1: Understanding the Landscape

- Understand the current role of insurance
- Identify where new product development is required

20 February 2024

Innovation Lab Workshop #2: Exploring Innovative Financing Models

- Jointly with bankers and investors
- Explore innovative financing models to accelerate investments into nature-based projects

27 March 2024

Innovation Lab Workshop #3: Crafting a Roadmap for Implementation

- Collaboratively craft a roadmap for implementing innovative financing models

25 June 2024

Innovation Lab #1 - Main outcome: six areas of focus

Collaborative Partnerships and Co-development
Insurance needs to work with banks and investment groups, to co-develop and structure insurance products. Leverage such alliances to share development costs
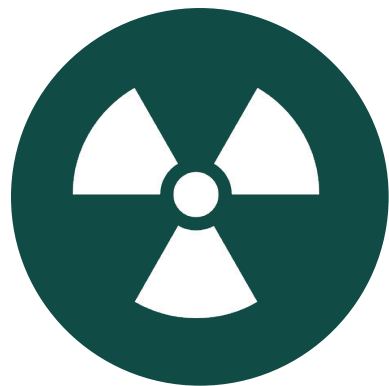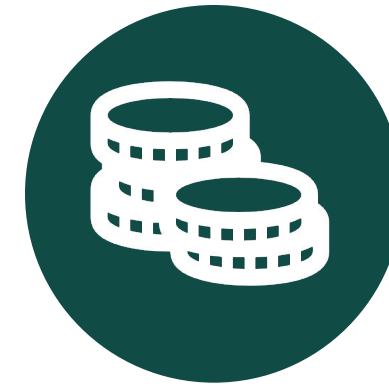
Risk Understanding and Mitigation
Need to enhance risk assessment capabilities to better understand the specific risks associated with *nature-based solutions* projects

Data Utilisation and Integration
Data are key to improving maps and geospatial risk models. Need to develop and/or use standards as part of *nature-based solutions* projects

Financial Innovation and Blended Finance
Innovations include de-risked bonds, insurance-linked securities, biodiversity credits. Blended finance can help mobilise public and private (commercial, philanthropic) capital

Value Assessment and Analysis
Need for cost-benefit analyses to quantify the economic and environmental value generated by *nature-based solutions* projects, thereby incentivising investments

Community Engagement and Empowerment
Need to understand local decision-making processes and financial motivations, to ensure project sustainability and success. Empower Indigenous Peoples and Local Communities (wealth of expertise)

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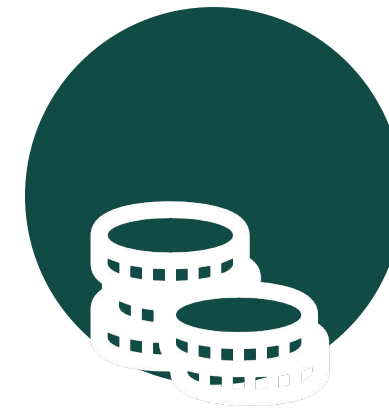
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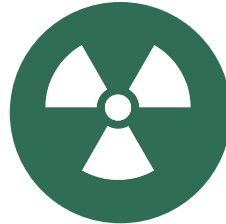
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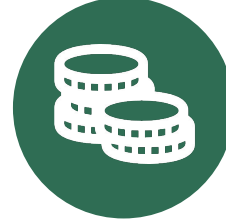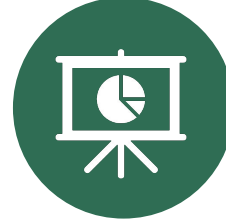
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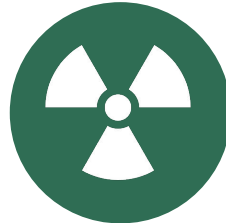
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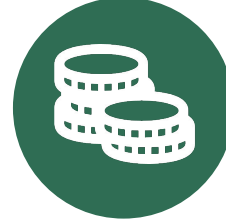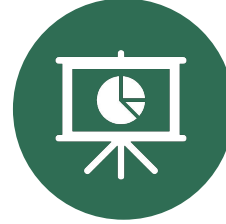
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Innovation Lab #2 - Main outcome

	What works well?	What doesn't work well?	What would you change?
Collaborative Partnerships and Co-development	Diverse expertise and resources	Transparency, scatter information and scalability	Standardisation and common objectives
Risk Understanding and Mitigation	Tailoring products and wider engagement	Quantifying nature and lack of examples	More landscape pilots and case studies
Data Utilisation and Integration	Standards and open-source data	Lack of coherent and structured data	Standardisation and engage with locals
Financial Innovation and Blended Finance	Biodiversity initiatives and stacked benefits	Lack of measurable and clear financial returns	Enhance transparency and credibility of emerging markets
Value Assessment and Analysis	Upfront investment by aggregating projects	Diverse views and lack of clear methodologies	Integrate nature's value into financial returns
Community Engagement and Empowerment	Involve local communities	Lack of understanding of insurance's value	Collaborate at all levels and stages of projects

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