Locally led finance for nature

Estimating finance flows to local actors for conserving and restoring nature

Nicola Sorsby, Pia Treichel and Edward N Taylor

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Abbreviations

CBD	Convention on Biological Diversity
CBD COP17	United Nations Biodiversity Conference 2026
CRDF	Climate-Related Development Finance
CRS	Creditor Reporting System
FPIC	Free, prior and informed consent
GATC	Global Alliance of Territorial Communities
GBF	Global Biodiversity Framework
GBFF	Global Biodiversity Framework Fund
GCF	Green Climate Fund
GEF	Global Environment Facility
GEF IEO	GEF Independent Evaluation Office
IDA	International Development Agency
INA	Inclusive nature action
IPs	Indigenous Peoples
LCs	Local communities
LLA	Locally led adaptation
NGO	Nongovernmental organisation
ODA	Official development assistance
ODF	Official development financing
OECD	Organisation for Economic Co-operation and Development
OECD DAC	Organisation for Economic Co-operation and Development's Development Assistance Committee
OOF	Other official flows
TFFF	Tropical Forests Forever Facility
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
USAID	United States Agency for International Development

Summary

Biodiversity loss is one of the most urgent crises affecting our planet. Species extinction rates are higher than ever before in human history, with over a million plant and animal species expected to become extinct over the coming decades if no action is taken (IPBES, 2019). To address this problem, financial flows will need to be redirected and reconfigured to move our economic activities away from activities that harm nature (such as deforestation, agricultural expansion and mining), and towards activities that benefit and restore nature (such as conservation, agroforestry and agroecology). Nature finance is therefore essential to halt and reverse the biodiversity loss crisis.

The Global Biodiversity Framework (GBF) includes two ambitious targets on nature finance (Targets 18 and 19) that seek to close the US$700 billion biodiversity funding gap — including to raise US$200 billion of new finance per year and redirect US$500 billion of harmful subsidies per year by 2030. However, the existing funding vehicles established to channel this finance, such as the Global Biodiversity Framework Fund (GBFF) and the Cali Fund, have so far not delivered at the scale required. Furthermore, the targets lack attention to how much finance will reach the communities who live closest to nature around the world and who possess the best knowledge and skills to protect it, especially Indigenous Peoples (IPs) and local communities (LCs).

Crucially, for nature finance to meet the needs of these communities, be rights-based and be effective at halting and restoring nature, projects must be led by local actors rather than just implemented alongside them but designed externally. The principles for locally led adaptation (LLA) and the principles for inclusive nature action (INA) provide valuable frameworks to guide nature finance funders and policymakers on how to channel locally led finance. While these principles have received wide endorsement in policy spaces, evidence on how much nature finance actually aligns with these principles, and is locally led, is lacking.

In this report, we explore trends in international nature finance flows to estimate how much is implemented with local actors and how much is locally led. 'Locally led' and 'locally implemented' funding are considered here not as the same thing but as distinct concepts; funding can be implemented at the local level without being driven by the priorities of local actors or implemented by them directly. Locally implemented nature action is usually designed by external stakeholders rather than the communities themselves and so can still miss the mark in terms of meeting the needs of local actors and ensuring they have agency to design and implement projects in their own way. On the other hand, nature action that is locally led ensures local actors play a leading role in the design, implementation, decision making and governance of nature projects (see Box 3). This nuance is important for understanding the type of impact nature finance is able to effect. In a similar way, this report also offers reflections on the distinction between nature and climate finance that is made at the international policy level. For local actors, for whom the impacts and lived experiences of nature loss and climate change may be indistinguishable, focusing on the different categories of finance is artificial and often meaningless. Better outcomes can be achieved for both nature and climate if finance is ultimately locally led, supporting local priorities without artificial separations.

As well as eliciting the difference between locally implemented and locally led nature finance, we further distinguish between nature finance implemented with IPs and finance that is Indigenous led, given that conflating IPs with other local actors often obscures how little funding targets or reaches IPs specifically. Despite our efforts here, it is important to note that although 'locally led' is an advancement of 'locally implemented', it still does not adequately capture the full asks of IPs. Going beyond implementing or leading projects designed to take place within their territories, they instead ask for projects to actually support their own self-determined priorities in accordance with their own processes, needs and responsibilities to nature.

While efforts have been made previously to calculate the amount of funding reaching the local level, we did not find any existing studies that aimed to determine how much nature finance is locally led (as opposed to locally implemented, or targeting the local level in some way). This analysis uses a keyword search methodology adapted from a previous study by Treichel et al. in 2025 (see Box 1).

Box 1. Studies that informed this research

The study by Treichel et al. (2025) is foundational for this report; it in turn leant on the approaches by Soanes et al. in 2017 and Watkiss et al. in 2023.

Treichel et al. analysed flows of climate finance to the local level using the Organisation for Economic Co-operation and Development's Development Assistance Committee's (OECD DAC) Climate-Related Development Finance (CRDF) data and applied a keyword search methodology to funding tagged with the climate-related Rio markers. The Treichel et al. study found that 29% of the climate finance descriptions and titles include some reference to local implementation and 0.17% of finance mentions locally led climate action.

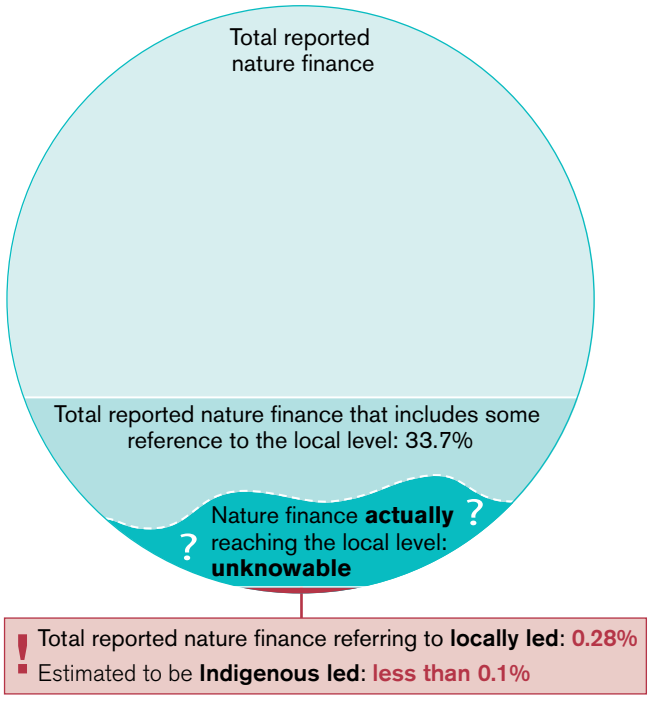
In this report, we adapt the methodology and apply it to the OECD DAC official development assistance (ODA) data marked with the Rio marker for biodiversity over 2011–2024.

Our key findings show that, of the ODA reported to the OECD DAC between 2011 and 2024 tagged for biodiversity:

- **33.7% of the funding line descriptions or titles include some reference to the local level, with only 0.28% referring to 'locally led',[1] and**
- **2.24% include some reference to 'Indigenous Peoples' or other related keywords, with only 0.001% referring to 'Indigenous led'.**

Figure 1 illustrates how small a proportion of overall nature finance even includes any mention of local implementation or local actors and how extremely tiny the proportion is that is locally or Indigenous led. It also demonstrates how data constraints limit our ability to accurately estimate total funding amounts flowing to local actors, which would fall somewhere in between.

Figure 1. The proportion of total reported nature finance including a mention of the local level or locally led



Source: Adapted from Treichel et al. (2025)

1 As outlined in the limitations section, the findings of this report will be presented as proportions rather than total values in dollars.

The findings are deeply concerning, as they indicate that even where money is spent at the local level, or there are benefits for local actors, over 99% of nature projects are still led by non-local actors. IPs and LCs who steward nature may still lack decision making power and agency over how funding is spent in their territories. While nature finance with some local implementation is increasing, the results reveal that almost 70% of all biodiversity funding included no reference to the local level at all.

Furthermore, within the nature finance that refers to local implementation, we found that only 2.89% mention the specific term 'Indigenous Peoples' and 6.64% mention any keywords related to 'Indigenous'. We can conclude, therefore, that most (more than 90%) local-level funding goes to non-Indigenous actors. The term 'Indigenous led' was only found six times in around 233,000 funding lines over 2011–2024, indicating that leadership of IPs is still barely recognised in nature finance. This suggests that the vast majority of finance implemented with IPs is still designed and led externally.

We also discuss how nature finance is delivered, including the sources of finance, the financial instruments used and the trends in commitment versus disbursement data (how much finance is 'committed' by donors through pledges or other agreements, versus how much is actually dispensed). The United States was found to be the second largest funder for projects using 'locally led' search terms. Since the vast majority of US funding over 2011–2024 was provided via the United States Agency for International Development (USAID), the withdrawal of USAID funding in 2025 means that we can reasonably expect to see funding for locally led nature action plummet from 2025 onwards. Preliminary data on 2025 figures from the OECD DAC suggests that overall, ODA has declined significantly from 2024, with many other funders also reducing their contributions (OECD, 2026). This can be expected to have a damaging impact on nature finance, including finance to the local level and finance that is either Indigenous or locally led.

The Global Environment Facility (GEF) — the primary multilateral fund delivering nature finance and host of the flagship financial mechanism of the Convention on Biological Diversity (CBD), the GBFF — was found to provide only 1.65% of total reported nature finance. However, there is a particular methodological challenge related to the way GEF funding is reported to the OECD DAC, which means this is likely an underestimate. It is too early to assess the impact of the GBFF on biodiversity or local-level funding since it only began operating in 2023 and disbursement data is not yet available via the OECD DAC data that we use as our source.

On the intersection between nature finance and climate finance, we argue that separating climate and nature finance streams matters for 'upstream' accounting discussions to track progress against the different goals of the Rio conventions[2] and to hold funders to account for their financial commitments to ensure funds are not double-counted. However, this separation can be actively harmful for its effectiveness 'downstream', since it can lead to projects being designed with limited scope, or worse, to the exclusion of the needs of key actors on the ground, in whose name such funding is provided in the first place. Efforts should be made in international policy to break down the siloes between nature and climate and streamline local-level finance for these issues under unified funding channels.

The report concludes with several recommendations for nature finance policymakers and funding bodies, as well as recommendations for further research. These include:

- More finance for nature needs to reach the local level and more needs to be locally led. Additionally, more finance for nature needs to reach IPs and be led by IPs.
- Specific indicators should be introduced to the OECD DAC and other reporting frameworks, such as the GBF monitoring framework and GEF indicators for the GBFF, to accurately measure how much finance reaches local actors and how much is locally led. Within the OECD DAC reporting, a first step would be to expand the existing channel of delivery codes to allow subcategories to clearly distinguish between local funding recipients based in funder countries from those in recipient countries. In addition, funders should engage in substantive dialogue with IPs to assess the extent to which projects are in line with the priorities of IPs and to explore the development of appropriate tracking mechanisms.

2 The Rio conventions refer to the three separate UN conventions established in 1992 at the Rio Earth Summit to address the interconnected challenges of climate change, biodiversity loss and desertification. The three conventions are: the United Nations Framework Convention on Climate Change (UNFCCC), the Convention on Biological Diversity (CBD) and the UN Convention to Combat Desertification (UNCCD). See more here: https://unfccc.int/process-and-meetings/the-rio-conventions

- International policy debates should focus more attention on bilateral funding sources as they currently dominate the nature finance landscape. There is currently an over-emphasis on the multilateral funds, especially the GEF, in nature finance policy discussions, which diminishes the responsibility of funder countries, especially in terms of the provision of grant/concessional finance for nature.
- In response to the withdrawal of large amounts of USAID funding, all funders should increase their focus on delivering more locally led finance for nature. This is now needed more than ever and there is potential for small changes to have a significant impact.
- The GEF, as the key multilateral funder channelling funding to deliver the GBF targets, should focus on meeting the target of getting 20% of funds to IPs and LCs within the GBFF and apply this across its wider funding portfolio.
- The use of debt instruments for nature finance should be minimised. Where they are used, they should be designed in ways that ensure the finance reaches the local level and can be locally led. They must respect the rights and values of IPs and LCs, with full adherence to self-determination and free, prior and informed consent (FPIC) processes.
- Funder countries should collectively agree upon consistent reporting approaches to ensure transparent and consistent tracking of their funding commitments. Efforts should be made to streamline this process to avoid double counting and to reduce 'over-tagging' of projects with the Rio markers.
- Policy negotiations on finance within the CBD and United Nations Framework Convention on Climate Change (UNFCCC) should aim to channel nature and climate finance through joint funding streams to ensure finance addresses both issues holistically.

We urge parties to the CBD negotiations on resource mobilisation, financial mechanism and the monitoring framework to consider these recommendations and address them at the 2026 UN Biodiversity Conference (CBD COP17) and beyond.

1 Introduction

Biodiversity loss is one of the most urgent crises affecting our planet. Species extinction rates are higher than ever before in human history, with over a million plant and animal species expected to become extinct over the coming decades if no action is taken (IPBES, 2019). Many of the Earth's valuable ecosystems are at risk of collapse, with severe consequences for the natural resources we depend on to sustain human life. Without nature, the food, water and air we rely on will disappear. However, international funding to conserve these natural resources falls far short of what is needed and the extent to which the funding provided reaches local communities remains unverified.

The causes of biodiversity loss are complex and varied, ranging from overconsumption and extraction of natural resources, changes in land and sea use for agriculture and urbanisation, climate change, pollution, and invasive species (UNEP, 2023a). The solutions to these issues are similarly complex and require a multisectoral response. However, one thing that is clear is that financial flows will need to be redirected and reconfigured to move our economic activities away from activities that harm nature (such as deforestation, agricultural expansion and mining) and towards activities that benefit and restore nature (such as conservation, agroforestry and agroecology).

Nature finance is essential to halt and reverse the biodiversity loss crisis. In this report, we define 'nature finance' as finance that is beneficial for nature and biodiversity: the flow of funds from all sources to conserve biodiversity, ecosystems and species and support positive outcomes for people.[3] Nature finance is closely related to climate finance (which refers to finance for climate mitigation, adaptation and loss and damage), with many of the same funders and recipients used for international nature finance and international climate finance, often also using similar types of governance mechanisms to manage and track their flows. However, they can also be administered, implemented and sometimes generated differently because they relate to two different Rio conventions: CBD and UNFCCC. While most nature finance also has positive benefits for climate, the opposite is not always true. Nonetheless, we acknowledge that the distinction between 'nature finance' and 'climate finance' outside of international policy discussions can seem artificial — and often meaningless — for local communities experiencing the direct impacts of these issues. In this report, we explore trends in international nature finance flows and advocate for synergistic finance that addresses both nature and climate holistically.

1.1 The current state of nature finance policy and practice

The GBF (CBD, no date) is the global policy instrument that aims to address all aspects of biodiversity loss and achieve the vision of living in harmony with nature by 2050. It was adopted in December 2022 by parties to the CBD at CBD COP15. Within it, there are two ambitious targets on nature finance (Targets 18 and 19) that seek to close the US$700 billion biodiversity funding gap — including aiming to raise US$200 billion of new finance per year and redirect US$500 billion of harmful subsidies per year by 2030.

Several flagship funds for nature have been established since the agreement of the GBF, including the GBFF, the Cali Fund and the Tropical Forests Forever Facility (TFFF). However, pledges to these funds have remained far behind target so far: the latest contributions to the GBFF total US$383.96 million (World Bank, no date), the Cali Fund has received

3 See IIED's full definition of nature finance in the 2025–2030 nature finance strategy here: www.iied.org/22665iied

one donation of just US$1,000 (Chandrasekhar and Dwyer, 2025) and the TFFF has secured US$6.7 billion (Carla Ruas, 2025), less than a quarter of what is required to fully operationalise the fund. These contributions fall far short of the GBF target to raise US$200 billion per year for nature.

While raising new finance for nature is important, it is only half of the story. GBF commitments are focused on national levels, but biodiversity loss impacts are felt locally, especially by IPs and LCs. These are the people who steward nature globally and possess the best knowledge and skills to protect it. There is compelling evidence that nature is best conserved when it is managed by IPs and LCs, including local actors such as smallholder farmers and fishers and pastoralists (IPBES, 2019; Fa et al., 2020; Dawson et al., 2021; Dawson et al., 2024). Even more important than raising new finance, therefore, is to ensure that the finance we already have is reaching these groups; and any new finance raised will only be effective if it is channelled in the same way.

What is missing from the GBF targets is the aim to channel finance directly to IPs and LCs. The GBFF, Cali Fund and TFFF all include a target to direct 20% of their funding to IPs and LCs, but it is unclear how this is being implemented or monitored. Previous tracking studies have been unable to determine how much funding from the GEF reaches IPs and LCs (Sorsby et al., 2025). Furthermore, the targets do not specify that the funding must reach Indigenous or local organisations directly, meaning in many cases funding can pass to an international agency or nongovernmental organisation (NGO) and still fulfil the criteria provided that the project intends to deliver benefits for IPs and LCs. Clearer and more explicit targets to ensure that funding is put directly into the hands of Indigenous and local organisations and for them to have full control over allocation of resources and decision making, are still lacking.

1.2 Locally led nature action

Securing direct access to funding has been a key priority for IPs and LCs within global policy for many decades, both for nature and climate finance. The LLA principles were developed in 2021 in response to calls from the Least Developed Countries for international climate adaptation finance to reach the countries most vulnerable to climate change directly (IIED, no date-a). LLA principle 3 specifically calls for patient and predictable funding that can be accessed more easily (see Box 2). The LLA principles also call for decision making to be devolved to the lowest appropriate level (principle 1). This is a key distinction; for funding to be truly locally led, it must not only reach the local level, but local actors must also have agency to decide how funding is spent.

The LLA principles have gained traction in policy and have been endorsed by more than 150 organisations. LLA is now mentioned in the Global Goal on Adaptation and several multilateral funders have opened funding windows or adopted frameworks specifically designed to deliver LLA, including the Adaptation Fund and the Green Climate Fund. Nonetheless, the principles do not include a clear reference to protecting nature as a prerequisite to climate adaptation.

Box 2. Principles for locally led adaptation

1. Devolving decision making to the lowest appropriate level
2. Addressing structural inequalities faced by women, youth, children, disabled and displaced people, Indigenous Peoples and marginalised ethnic groups
3. Providing patient and predictable funding that can be accessed more easily
4. Investing in local capabilities to leave an institutional legacy
5. Building a robust understanding of climate risk and uncertainty
6. Flexible programming and learning
7. Ensuring transparency and accountability
8. Collaborative action and investment

In response to this, a new set of INA principles emerged in 2024 (IIED, no date-b), drawing on the LLA principles and the Shandia principles developed by the Global Alliance of Territorial Communities (no date). The INA principles include greater emphasis on the inclusion of IPs and gender-responsive, rights-based approaches and were developed specifically with locally led nature action in mind. INA principle 5 calls for direct, patient, flexible, predictable and accessible funding to reach IPs and LCs (see Box 3). They also call for devolving decision making and strengthening local leadership (principle 2), similarly to LLA.

Box 3. Principles for inclusive nature action

1. Recognise and respect rights
2. Devolve decision making and strengthen local leadership
3. Recognise and address structural and intersectional inequalities
4. Encourage flexible, adaptive biodiversity programming
5. Provide direct, patient, flexible, predictable and accessible funding
6. Recognise the mutual value of scientific and local and traditional knowledge
7. Promote collaborative and coherent action and investment
8. Safeguard local actors, beyond 'do no harm'

1.3 Locally led versus locally implemented

In this report, we consider 'locally led' funding as distinct from 'locally implemented' funding, or funding that is simply targeted towards the local level (see Box 4 for an explanation of what we mean by 'local' and related terms). For funding to be locally led, there must be evidence that it not only reaches local actors such as IPs and LCs, but that they are actively leading the project and have the authority to make decisions over funding allocations and project decisions. Only in this way can funding be in line with the LLA and INA principles.

In this report, we advocate for 'locally led nature action' and 'Indigenous-led nature action' over nature action that is only implemented with local actors or IPs. This is because IPs and LCs must lead the design and implementation of projects in order for nature finance to be rights-based and impactful, rather than just implementing projects that have been designed externally.

We acknowledge that neither 'locally led' nor 'Indigenous led' terms are able to fully capture the essence of what IPs have been asking for, which is for finance to support projects that are needed and wanted by communities, in line with their self-determined needs and priorities.

1.4 Existing work tracking nature finance

To date, several studies have attempted to quantify the amount of nature finance that is currently available globally. The 2020 Financing Nature Report estimated global conservation finance in 2019 at US$124 billion to US$143 billion and found an annual shortfall of US$711 billion in the amount needed to reverse the decline in biodiversity by 2030 (Deutz et al., 2020). The OECD Comprehensive Overview of Global Biodiversity Finance (2020) found that average global spending on biodiversity between 2015 and 2017 was between US$78 billion and US$91 billion per year, but governments spend five to six times more than this (approximately US$500 billion per year) on nature-harming activities (OECD, 2020). The State of Finance for Nature report series by the United Nations Environment Programme (UNEP) measures total finance flows to nature-based solutions, finding that in 2023 that these were roughly US$220 billion; a figure that is dwarfed by the amount of nature-harmful finance at a ratio of more than 30:1 (UNEP, 2026). The Biodiversity Finance Trends report by The Nature Conservancy analysed financial flows against the GBF targets and found that while overall finance for nature is increasing, we are still not on track to bridge the US$700 billion funding gap by 2030 (Biodiversity Finance Trends, 2025). Gonon et al. (2024) summarise the set of funding assessment studies published so far and call for a new approach that goes beyond quantification of nature finance to a wider reform of the financial system to improve access to finance for low- and middle-income countries and address socioeconomic and justice challenges.

Box 4. What do we mean by 'local'?

Earlier studies have defined 'local' institutions as both formal and informal organisations that operate at sub-national level (Soanes et al., 2021; Treichel et al., 2025; Patel, 2024). Local actors can therefore include:

- **Public entities:** subnational authorities and governments that are responsible for meeting local needs
- **Private entities:** formal and informal enterprises
- **Civil society:** community-based organisations, IPs organisations, local groups and social movements, and
- **Households and individuals:** those that share administrative units, a sense of community, locality or shocks and stresses.

Our definition of 'local' is similar to the OECD's working definition (OECD, 2024d), which includes actors who are based in and centred on local issues, subject to local laws and operating within the local context. While both our definition and the OECD's definition exclude international NGOs and their country offices, multilateral organisations and international private-sector organisations, a key distinction is that, unlike the OECD, our definition excludes national governments. We consider 'local' to imply communities or connected groups of people who are likely to have shared experiences of climate and nature impacts (Rahman et al., 2023).

In particular, we recognise IPs as important rights holders for locally led action on nature and aim to distinguish activities led, directed and implemented by IPs from those at the general community level. In sum, we use the following definitions in this report to distinguish between the different types of 'local level' nature finance:

- **Nature action implemented with local actors:** biodiversity actions that involve community members as beneficiaries or that are implemented at the local level. This includes funding that targets a specific community, or is spent within that community, but is not necessarily driven by the priorities of local actors or implemented by them directly. Locally implemented nature action is usually designed by external stakeholders rather than the communities themselves.
- **Locally led nature action:** biodiversity actions that give decision-making power to the community in question and broadly align with the LLA and INA principles. Funding for locally led nature action would not only reach local actors directly, they would also play a leading role in the design, implementation, decision making and governance of nature projects.
- **Nature action implemented with IPs:** biodiversity actions that involve IPs as beneficiaries or are implemented with IPs. This includes funding that targets IPs, or is spent within their territories, but is not necessarily driven by their priorities or implemented by them directly. Nature action implemented with IPs is usually designed by external stakeholders rather than by Indigenous communities themselves.
- **Indigenous-led nature action:** biodiversity actions that give decision-making power to IPs and broadly align with the LLA and INA principles, including to respect self-determination, land rights and FPIC processes. Funding for Indigenous-led nature action would not only reach IPs directly, but they would also play a leading role in the design, implementation, decision making and governance of nature projects.

Fewer studies have aimed to quantify flows of nature finance reaching the local level. The Path to Scale funding dashboard is one existing initiative in this area that consolidates and presents data on funding available for IPs, LCs and Afro-descendant Peoples specifically for land tenure and forest guardianship (Path to Scale, no date). The State of Funding for Tenure Rights report complements this initiative and finds that funding for tenure rights is less than 1% of all climate aid (Rights and Resources Initiative and Rainforest Foundation Norway, 2025). The 2024 report 'Money well spent?' (Family Farmers for Climate Action, 2024) concluded that only around 14% of funding from the GEF and GCF is targeted at activities relevant to smallholder farmers, and a previous IIED study found that nature finance from the GEF is not effectively reaching local actors, IPs or LCs (Sorsby et al., 2025). The OECD Biodiversity and Development Finance report estimates the share of biodiversity-related official development financing (ODF) targeting IPs and LCs at 6% of OECD DAC members' total biodiversity-related ODF in 2022 (OECD, 2024a).

These existing studies offer a helpful foundation for our analysis. While efforts have been made previously to calculate the amount of funding reaching the local level, no existing study was found that aimed to determine how much nature finance is locally led (as opposed to locally implemented, or targeting the local level in some way). Our research is also focused on ODA — that is, on 'development aid' — rather than ODF. ODF goes beyond ODA and also includes non-concessional development resources and other official flows (OOF) that do not meet the criteria to be considered development aid, such as export credits or loans provided at market rates.

The present study aims to complement the existing research in this area by analysing the full set of development aid data from the OECD DAC tagged with the Rio marker for biodiversity to estimate (1) how much nature-focused ODA is reaching the local level and (2) how much nature-focused ODA is locally led. We also aim to estimate how much nature-focused ODA is going to IPs specifically, as important rights holders for local action on nature, and how much nature-focused ODA is Indigenous led. The study also offers some insights into nature finance reaching urban areas and the sources and types of nature finance, and offers reflections on the relationship between locally led nature finance and locally led climate finance.

This report builds directly on the methodology used by Treichel et al. in 2025. That study analysed the OECD DAC's CRDF data and found that 29% of climate finance includes some reference to local implementation and 0.17% of funding mentions locally led climate action. The actual amount of funding reaching the local level is unknowable from the data available. In this report, we adapt the methodology and apply it to the OECD DAC ODA data marked with the Rio marker for biodiversity.

We use a keyword search methodology adapted from similar prior studies (Treichel et al., 2025; OECD, 2024a; Sorsby et al., 2025). Crucially, we look only at ODA finance and not at other investments that are non-ODA. As a result, our findings are limited to OECD DAC member countries. For consistency with previous studies, we look at nature finance from 2011–2024 to observe trends over time. We also offer early insights into how locally led nature finance differs from locally led climate finance, as per the results found by Treichel et al. in 2025, noting the two studies are not directly comparable for reasons outlined in Section 3.3.2.

The remainder of this report is structured as follows: Section 2 outlines our methodology and limitations, Section 3 presents our results and a discussion of the findings and Section 4 presents recommendations for nature finance policymakers and funding bodies.

2

Methodology

This research applied a keyword search on all biodiversity-relevant ODA reported to the OECD DAC over 2011–2014. The approach replicates work already done on climate-related ODA, using an expanded set of nature-relevant keywords. We used simple coding via Python to help refine the very large datasets and run the search, and then Excel to undertake the analysis. Our research highlights some of the benefits and limitations of this approach.

The research involved two concurrent steps (outlined below) to generate an Excel spreadsheet of results that displays the number of keywords found in the titles and descriptions of funding lines reported to the OECD DAC as ODA. A third step was needed to refine the Excel output such that the figures more accurately reflect whether the funding lines in question were primarily about biodiversity and to exclude non-ODA; this Excel output was then analysed to create the research findings. To do this, we followed the same basic approach outlined by Treichel et al. in 2025 (see that publication's Appendix 1. Detailed methodology), which in turn leant on the approaches by Soanes et al. in 2017 and Watkiss et al. in 2023:

First, **we sourced and refined the best available dataset**. The OECD DAC does not produce an equivalent set of data for biodiversity projects to the CRDF dataset used in Treichel et al. (2025). OECD DAC colleagues helped to identify the most appropriate dataset for this purpose: the parquet-format dataset marked as 'CRS: Creditor Reporting System (flows)' within the ODA data available from the OECD Data Explorer (OECD, no date).

This dataset includes all development aid going back to 1973 and so is very large. Using Python, we reduced the parquet-formatted dataset to only include data from 2011 onwards and only that marked for biodiversity — in other words, only the rows marked with a '1' (significant) or a '2' (principal) in the biodiversity column (see more on this below). This produced a refined dataset on which to apply our keyword search.

Second, **we expanded, refined, tested and finalised our keyword search terms and associated search code**. To define our set of keywords, we used the keywords from Treichel et al. (2025) as a starting point. This list was supplemented with additional keywords relevant for nature and biodiversity finance, as well as keywords used in other pieces of biodiversity-finance focused work. These include the draft OECD DAC publication Biodiversity and Development Finance 2015–2023 (not yet published) and IIED's GEF-focused research report into funding estimates to IPs, LCs and women and girls (Sorsby et al., 2025), as well as the GEF Independent Evaluation Office (IEO)'s Evaluation of GEF Engagement with Indigenous Peoples (GEF IEO, 2018). The set of keywords, including the most appropriate French and Spanish equivalents (as the two other most commonly used reporting languages to the OECD DAC) and the ideal 'stem' words, were refined through testing. The final list of keywords across three languages — English, French and Spanish — is shown in Appendix 1.

We then updated the code to suit this new set of keywords and ran the keyword search code on the downloaded and refined dataset produced via step 1. The code produces an Excel file that replicates the columns used by the OECD DAC, with an additional column for each keyword. Each additional column displays the associated number of keywords found within the 'project title' and 'long_description' columns for that row. The code is available here: https://github.com/entaylor/RioMarkersKeywords.

This produced an Excel spreadsheet of around 233,000 funding lines covering the period 2011–2024 that were marked as either 'significant' or 'principal' for the biodiversity marker — in other words, with either a '1' or a '2' in the 'biodiversity' column. The Rio markers are a way for those reporting their funding to indicate the degree to which they align with each

of the three Rio conventions. They are designed to identify whether the Rio 'issue' in question — in this case, biodiversity — is the principal (primary) or a significant (secondary) objective of an activity, or if the activity does not target biodiversity at all (OECD, 2024b). Funding that is not principally or primarily for that purpose is then discounted to reflect that it is less directly relevant. Following the approach of the OECD DAC in their reporting on nature finance in their Biodiversity and Development Finance 2015–2022 publication (OECD, 2024a), we applied a 40% coefficient on data coded as having a significant biodiversity objective (using code 1) and a coefficient of 100% on data coded as having a principal biodiversity objective (using code 2). We applied 0% for funding not targeted or not screened.

Third, the Excel **output was then further refined** following Treichel et al.'s detailed methodology to apply funding coefficients based on the Rio marker and to exclude non-ODA:

- We applied the relevant Rio marker coefficients based on the score in the 'biodiversity' column to the 'usd_disbursement_defl' column (in other words, to funding disbursements). The resulting funding amounts were displayed in a new column called 'RESULTS (USD)'. To allow comparison between commitment and disbursement data (see Section 2.1, below), we repeated this step on the commitments data — we applied the relevant Rio marker coefficients based on the 'biodiversity' column to the 'usd_commitment_defl' column, with the results displayed in a new column called 'COMMITMENT RESULTS_USD'. Throughout this report, we use disbursement data as the default, but this additional step allows us to compare the two sets of funding amounts.
- Using the 'category' column, we excluded all non-ODA flow types (OOF, export credits, private philanthropic flows and so on), leaving only code 10 (ODA). In this research, we include all OECD DAC members as eligible contributor and recipient countries. Because the data was filtered to only include ODA flows, this meant we did not need to exclude any contributor or recipient countries from the dataset.
- Using the 'sector_code' column, we excluded any remaining non-ODA-relevant activities: General Budget Support (510), Action Relating to Debt (600), Administrative Costs of Donors (910), Refugees in Donor Countries (930) and Development Awareness (998).

The results in the new column 'RESULTS (USD)' were then analysed according to the various available categories of information and particularly in terms of the degree to which the frequency of keywords meant that the projects in question could be considered locally implemented or locally led.

Note that because each funding line can include more than one keyword, individual keyword funding totals cannot be added.

2.1 Assumptions

For the purposes of this research, we consider 'nature finance' to include both funding (that is, grants) and finance (in other words, debt instruments) that have been reported to the OECD DAC and marked with the Rio marker for biodiversity. We only consider ODA as it is the category of concessional development assistance that most people would call 'aid' (OECD, 2024b). We therefore do not include OOF or ODF.

In this research, we use the OECD DAC member categories to identify eligible contributor and recipient countries. This differs from most climate finance studies, including IIED's research into funding for LLA (Treichel et al., 2025), which use UNFCCC definitions of country categories. This means that all countries remaining after the 'category' filter was applied (to exclude non-ODA) are included. Note that the EU is an OECD DAC member and treated in the CRS and in this report as bilateral.

The CRS dataset includes both commitment and disbursement data. In this report, we examine disbursement data rather than commitment data — that is, we look at how much money OECD DAC members actually gave to countries in a given year, rather than how much they committed to countries in that year. Disbursement data seems a more accurate set of figures to use to answer the question of how much funding is reaching the local level, but commitment data is more commonly used in reporting (see, for example, OECD, 2020; OECD, 2024a) and so our figures may not be comparable to other reports. Disbursement data may be less smooth year-on-year, as it will reflect funding transmission issues within individual years that are masked by commitment data, but it is more accurate in that it only reflects funding that is actually disbursed; commitments that are made but not realised are not included. If commitments were always realised, disbursement data would follow very similar patterns to commitment data, with slight lags to reflect the time difference between commitments and implementation. As shown in our results section, this is often not the case and so we use disbursement data as our default.

2.2 Limitations

There are five key limitations of using the OECD DAC data for our research:

- First, one consequence of only looking at ODA as reported via the OECD DAC is that we exclude other forms of international finance not categorised as development assistance. This means we do not include either private-sector or philanthropic funding, or other international finance covered by ODF, such as via non-concessional loans or export credits. This means our findings may differ from other reports that include ODF. This source of data is also not exhaustive and so will not include 'non-tagged' nature finance; it also cannot include other flows of nature finance not captured through OECD DAC reporting. The purpose of this report is to look at how much of the nature-focused development finance provided over the 2011–2024 period targets the local level or is locally or Indigenous led.
- Second, there are well-known limitations to the OECD DAC datasets, particularly around potential over-tagging of the Rio markers by funders — that is, funding lines being marked as relevant to the Rio treaties when, in fact, they are not (Hicks et al., 2008; Roberts and Weikmans, 2017; Wood and Leng, 2025). This issue has been especially well documented for climate; we assume the same tendency applies for biodiversity. This research did not attempt to validate the relevance of the funding marked with the Rio marker for biodiversity.
- Third, this over-tagging leads to questions about the overall accuracy of the OECD DAC data (Doshi and Garschagen, 2020; Weikmans et al., 2017). We also did not verify the funding values in the OECD DAC data — our focus is on the proportion of funding targeting the local level and for locally led nature action. For this purpose, the OECD DAC data provides a relatively robust dataset; but to verify estimates of the total quantity of funding provided, this data would need to be compared to other datasets, for example, from end recipients. This is beyond the scope of this work; throughout this report we use proportions rather than total funding amounts.
- Fourth, as outlined in the methodology section above, there is no biodiversity dataset equivalent to the CRDF dataset that was used in Treichel et al. (2025). This means that the findings of this research cannot be directly compared to that study. We do offer some high-level comparisons between the results in both studies, but they are observations on trends only and the different datasets used should be taken into account; the precise estimates cannot be compared. We have also compared how many biodiversity projects were also tagged with the climate Rio markers, since that speaks to the level of overlap between the two areas of work.
- Fifth, a further limitation is that the level of detail included in project descriptions in the OECD DAC dataset (which together with project titles made up our search fields) can vary enormously from a couple of words to several paragraphs; the suitability of using a keyword search on those descriptions obviously varies accordingly.

The keyword search approach also has some known limitations:

- It is an inherently crude approach, in which the use of various synonyms for 'local' acts as a proxy for funding reaching the local level. It is widely used (see above examples from the OECD DAC itself, from the GEF IEO and from IIED), but there are nevertheless well-known shortcomings. Prime among these is the issue of the proportion of the attribution, whereby this approach only allows for the allocation either of all of a funding line if synonyms appear, or none of a funding line if they are absent. This all-or-nothing allocation issue severely limits the accuracy of any estimations of total funding values made using keyword searches.
- It relies on the use of keywords as a proxy for implementation. This relies on a double substitution. First, if a concept or keyword is mentioned in an increasing number of funding lines, we take that to indicate an increase in funding for that concept or keyword. Second, we take an increase in funding to indicate an increase in effective and appropriate implementation. In practice, ideas come in and out of fashion within international aid. While the acceptance of ideas may well be demonstrated by increased reference to them, it is important that in this report, when we call for increases in funding for particular keywords — especially for locally led and Indigenous-led nature action — we are seeking an increase in the effective implementation of those concepts, rather than only for increases in funding, and certainly not only for an increase in the use of terminology.

- Selecting keywords to indicate 'local' is ambiguous and subjective and open to multiple interpretations of how 'local' is defined. As above, we significantly expanded and refined the keyword list from previous attempts — see Appendix 1 for a full list. For example, we expanded the search terms beyond 'locally led' and 'community led' used by Treichel et al. to also include 'Indigenous led' in this research, given the unique importance of IPs and LCs as nature stewards around the world. We also significantly expanded the French and Spanish translations of keywords to capture more of the reported funding. While this process of expanding and refining the keyword set has allowed us to improve our approach and increase the accuracy of our searching (as both missed data and the number of false positives should be significantly decreased), expanding the set of keywords does also open up further questions about how we define 'local'. For example, terms like 'gatherer', 'hunter', 'mother earth', 'peasant' and 'tenure' would not normally be considered synonyms for 'local' in regular conversation. However, project descriptions that include these terms are likely to be implemented at the local level. What this demonstrates is the complicated nature of what we mean by 'local' and the difficulties in accurately drawing a boundary around this definition. We have done multiple rounds of testing and review of the words selected, and of examining their use in project descriptions to eliminate words that yield too many false positives or are otherwise inappropriate, in line with our definition articulated in Box 4, but the philosophical question of what counts as local remains (see Jarillo and Barnett, 2021; Panelli and Welch, 2005).
- A key limitation of this research overall is that we have only performed quantitative analysis on the OECD DAC ODA data, but have not gathered inputs from funding recipients. Qualitative data from funding recipients would be needed to corroborate the degree to which funded activities genuinely involve local actors or are locally led. While this step is beyond the scope of the present study, we acknowledge that the findings can only represent a partial picture of where funding really ends up and how. Our methodology also cannot tell us anything about the lived experience of implementing nature finance at the local level, to what extent local actors are able to lead projects or to what extent projects are in line with, and designed to respond to, the self-determined needs and priorities of IPs and LCs.

As a result of these assumptions and limitations, the figures provided should be understood as indicative of funding priorities and proportions, rather than a definitive quantum of funding provided.

3

Results and discussion

This section presents the results of our keyword analysis of OECD DAC nature finance data, including detailed findings on how much nature-focused ODA is reaching the local level and how much nature-focused ODA is locally led. We also estimate how much nature-focused ODA is going to IPs, as important rights holders for local action on nature, and how much nature-focused ODA is Indigenous led.

3.1 Quantities of nature finance

Of the ODA reported to the OECD DAC between 2011 and 2024 tagged for biodiversity, we found that 33.7% includes some reference to the local level, with only 0.28% referring to 'locally led'.[4] We found that 2.24% includes some reference to 'Indigenous Peoples' or other related keywords, with only 0.001% referring to 'Indigenous led'.

Figure 1 in the summary illustrates how small a proportion of overall nature finance includes any mention of local implementation or local actors and how extremely tiny the proportion is that is locally or Indigenous led. It also demonstrates the impossibility of estimating how much actually reaches the local level using this data.

3.1.1 Nature finance that is locally led

Only 0.28% of total nature finance over 2011–2024 included 'locally led' and its related terms 'community led' and 'Indigenous led' (all three terms were searched for with and without hyphens). Even within nature finance that included terms that would indicate some local-level implementation, only 0.82% included 'locally led' or its related terms. This is an extremely low amount, which indicates that local-level implementation does not necessarily amount to a locally led project.

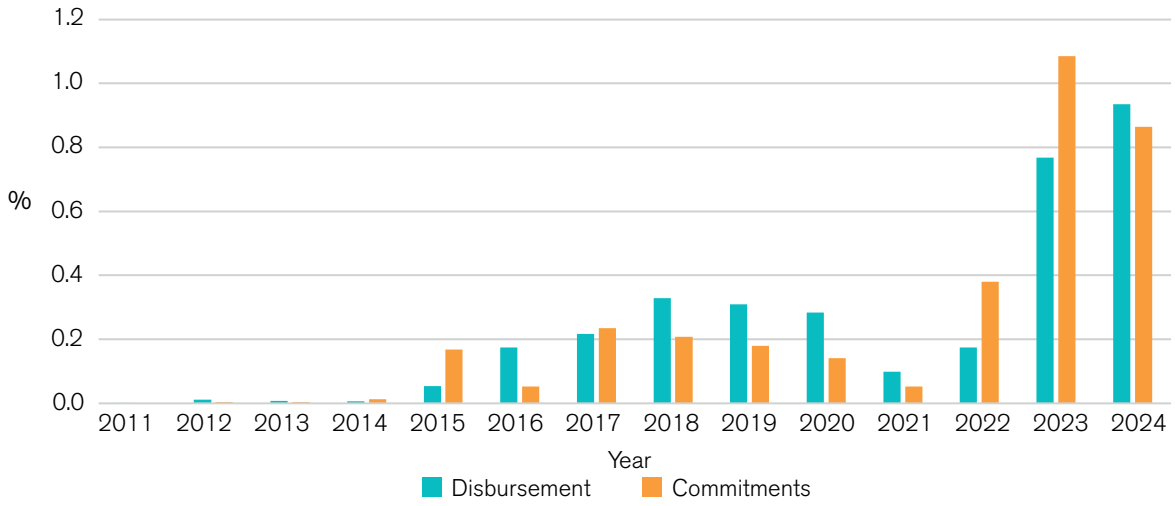
The results show variable use of these terms collectively over time, but with an uptick beginning from 2015 on and then a distinct and significant jump from 2023 on (see Figure 2). As outlined in the limitations section, in this report we use disbursement figures as the default. The commitment funding shows a similar trend, with the uptick beginning earlier, in 2022, reaching higher in 2023, but slowing in 2024.

The term 'community led' was used in nature finance descriptions as early as 2011 and was used in 54.2% of all funding lines that included any of the locally led search terms (making up only 0.15% of all nature finance). 'Locally led' doesn't appear until 2017, with increasing use since then. 'Locally led' was used in 46.5% of all funding lines that included any of the locally led search terms (making up 0.129% of all nature finance). 'Indigenous led' was only used in six out of the roughly 233,000 total reported nature finance lines — one or two funding lines each in 2019, 2021, 2023 and 2024 (making up only 0.001% of all nature finance). 'Indigenous led' only makes up a tiny fraction of all the locally led search terms, with 'locally led' and 'community led' accounting for over 99% of all references to nature finance with local leadership (see more on nature finance to IPs in Section 3.1.4). Note that more than one search term can be used in any one funding line, so these percentages may add up to more than 100%.

None of the 24 French and Spanish synonyms we tried for 'locally led' and 'Indigenous led' yielded any results.

4 As outlined in the limitations section above, the findings of this report will be presented as proportions rather than total values in dollars.

Figure 2. Proportion of nature finance using 'locally led' keywords over time



The surges in locally led terminology seen in Figure 2 could reflect advances in policy at these times, for example, the agreement of the GBF in 2022, which included a strong emphasis on the role of IPs and LCs in advancing biodiversity action. Furthermore, the launch of the LLA principles in 2021 brought locally led terminology into more common use in both climate and nature policy spheres.

While the increase in the use of locally led terms (and by association, projects that can be inferred to be locally led) is greater than the increase in funding for local implementation, the overall amount of projects that reference locally led action still remains tiny in comparison. This finding is deeply concerning, as it indicates that even where money is spent at the local level or where there are benefits for IPs and LCs, over 99% of nature projects are still led by non-local actors; IPs and LCs who steward nature still lack decision-making power and agency over how funding is spent in their territories.

We also looked at the proportion of funding that was marked as 'principal' for biodiversity, rather than 'significant'. The proportion for locally led biodiversity action marked as principal was 81.3%, much higher than for funding that targets the local level (58.3%) or total nature finance (59.8%). As outlined in the methods section above, projects should be marked as 'principal' against the biodiversity marker if the main purpose of the funding is to provide biodiversity benefits. The OECD suggests that the following question provides a good guide for how to apply the markers: Would the activity have been undertaken without this objective? (OECD, 2024c). If biodiversity is the main objective, it should be marked as 'principal'; if biodiversity objectives are important to the funding, but are not one of the principal reasons for undertaking the activity, it should be marked as 'significant'. Otherwise, it should be marked as 'not targeted'. So these figures show that funding that uses locally led terminology is much more likely to be marked as principally about biodiversity than funding that is not locally led.

There is also a surprisingly high proportion of projects marked as 'principal' for biodiversity that are also marked as 'principal' for the adaptation marker: 24% of local-level nature projects and 42% of locally led nature projects. This means that almost half of all the projects marked as locally led were reported to be explicitly about both nature and adaptation. While this may be evidence of the strong association between nature and adaptation actions as these are experienced on the ground, existing research suggests a tendency for 'over-tagging' of the Rio markers, whereby funders are inclined to report greater alignment with the markers than the reality (Weikmans et al., 2017; Wood and Leng, 2025), which may provide an alternative explanation.

All of the locally led disbursed funding was delivered using grants.

3.1.2 Nature finance to the local level

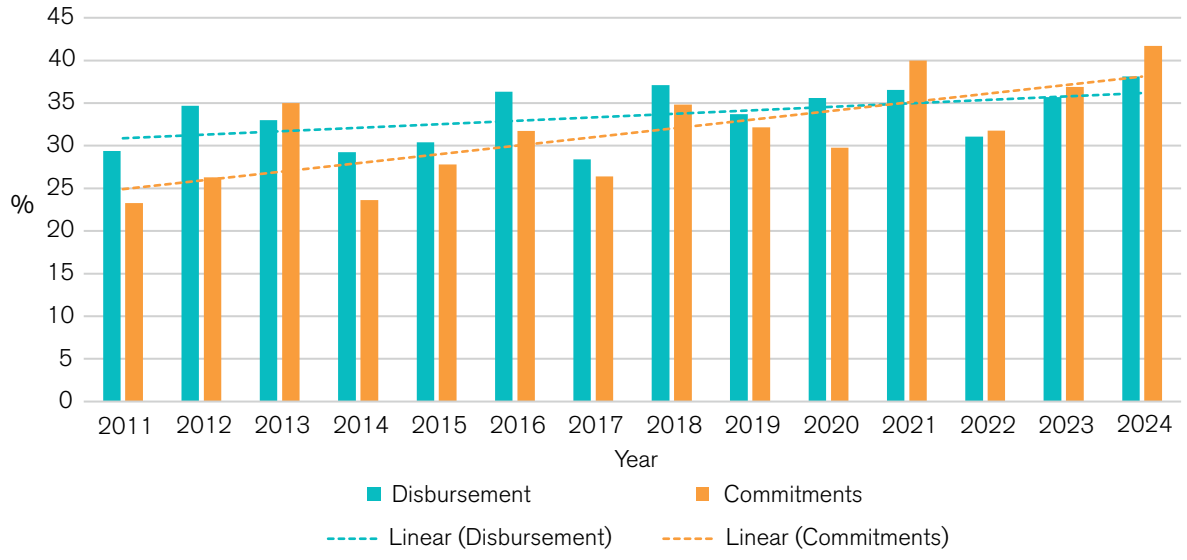
The proportion of nature finance targeting the local level (but not necessarily locally led) has been variable over time (see Figure 3). While the overall trend has been gently upward, there are large year-on-year differences and some backsliding over this timeframe. The overall upward trend in local-level funding allocation aligns closely with the welcome overall trend for increases in nature finance. While Figure 3 also shows clear yearly variations between both the commitment and disbursement data, there is no clear trend between commitments in one year and disbursements in the year or two that follow (as might be expected). However, the total proportion of nature finance with some local implementation is very close, with 33.7% of the disbursement funding and 32.2% for the commitment funding.

This is consistent with other studies that found that approximately 30% of GEF-7 biodiversity finance was targeted towards IPs and LCs (Sorsby et al., 2025). However, it differs from others, such as the OECD study that found that only 8% of OECD DAC members' biodiversity-related ODF was targeted towards IPs and LCs (OECD, forthcoming). This is likely because our study only looks at ODA, whereas the OECD study looked at ODF, which includes other types of finance, including non-concessional and private-sector finance. The overall upward trend is also consistent with the Path to Scale funding dashboard (Path to Scale, no date), which shows an approximate increase of US$500 million in total funding for IP, LC and Afro-descendant Peoples' tenure rights between 2011 and 2024. Our finding is also similar to that of Treichel et al. (2025), which found that approximately 29% of total reported climate finance included some reference to local implementation.

Despite these positive indications, the results reveal that over 70% of all funding for biodiversity is not targeted towards the local level at all. Given the critical importance of actions by local actors such as IPs and LCs in protecting and restoring biodiversity, this finding is concerning. Furthermore, there is no way to determine whether the funding corresponding to the projects that referred to local implementation actually reached local actors or organisations directly, or whether it was just directed at the local level by a national or international intermediary organisation and included an indirect benefit for local actors. In many cases, funders rely on intermediary organisations to build trust with local actors and take accountability for ensuring that funding reaches the local level. Implementation of funds via intermediaries in this way may account for why so little nature finance appears to reach the local level. Funders should be more transparent about their use of intermediaries and the roles they play, including whether or not they absorb funds that would otherwise go to local actors. Additional research to trace and track nature finance allocations from the recipient perspective to shed light on the role and degree of the use of intermediaries would be enormously valuable.

In summary, the total funding that includes a reference to local implementation does not necessarily mean that the funding reached, or even engaged, local actors. Furthermore, this locally implemented funding should not be conflated with funding that is locally led; locally led funding not only reaches local actors, but they are playing a leading role in the design, implementation, decision making and governance of funded nature projects.

Figure 3. Proportion of nature finance with some local implementation over time



3.1.3 Frequency of 'local level' keywords

In terms of the most commonly used 'local' search terms, 'communit*' was by far the most commonly used keyword, used in 10.24% of total nature finance. 'Local' (9.47%), 'rural' (7.15%) and 'farmer' (2.88%) were the next three most common. Note again that each funding line may contain more than one keyword, so these percentages cannot be added together.

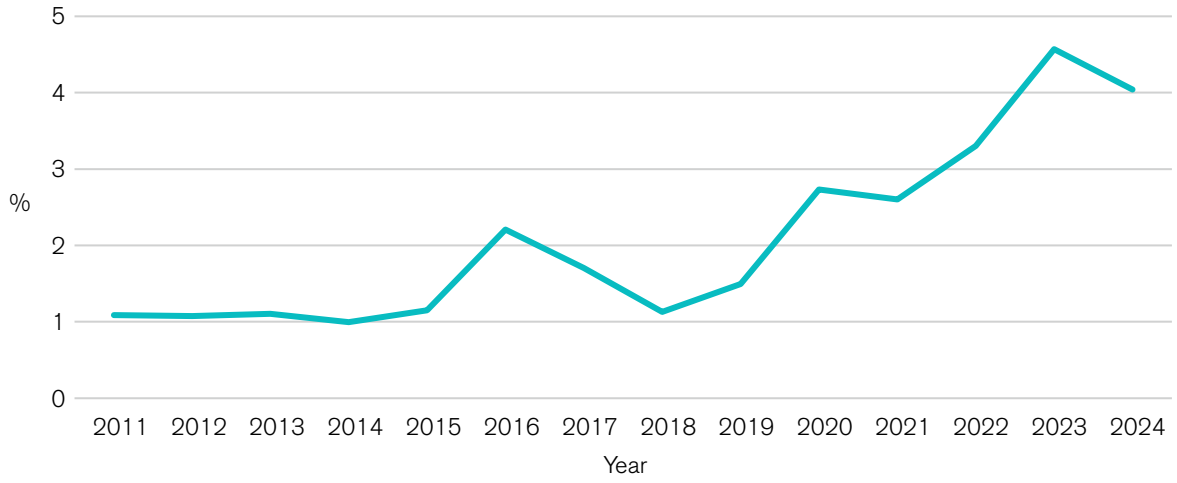
Comparison of highest frequency word use with highest funding amounts shows that although the top four keywords remain consistent regardless of which metric is used, for other words, there is considerable variation. For example, 'provinc*' is the keyword with the fifth highest amount of nature finance, but is only the eleventh most frequently used keyword overall. 'City' is the eighth highest in terms of the amount of nature finance, but is not in the top ten for frequency of use — it drops to sixteenth for both total number of matches and number of individual funding lines in which the word appears (a keyword may be used multiple times in any individual funding line). This suggests that for both of these keywords — 'city' and 'provinc*' — they are included in funding lines with higher value than the average. On the other hand, 'Indigen*' ranks more highly for keyword frequency (fifth in terms of both total matches and the total number of individual funding lines that it appears in) than it does for total amount of funding including this keyword (where it is seventh), suggesting this keyword is included in projects worth lower funding amounts. See the tables in Appendix 2 for details.

3.1.4 Nature finance to Indigenous Peoples

Finance that explicitly mentioned IPs was extremely limited. Funding lines that included the individual term 'Indigen*' received only 2.02% of all nature finance, while only 2.24% included any of the Indigenous-related keywords (for example, the French or Spanish equivalents).[5] This is much higher than the occurrence of the term 'Indigenous' in the climate data, which was found to be only 0.7% (Treichel et al., 2025). While this is unsurprising, given the stronger emphasis on the role of IPs in nature policy and practice, it is still shockingly low in both cases.

Funding focused on IPs has generally increased over time, both absolutely and as a proportion of total nature finance, with the trend increasing since 2019 (see Figure 4). However, even in the highest year, less than 5% of all nature finance made any mention of the word Indigenous or any of the many related keywords we searched for across the three languages.

Figure 4. Proportion of nature finance using 'Indigenous' keywords over time



This finding points to the importance of the distinction between IPs and LCs. It is crucial to distinguish between how much is reaching IPs specifically and separately to other types of local actors. Including IPs and LCs in the same analysis obscures a huge imbalance: we found that only 2.89% of the nature finance that refers to local implementation specifically mentions 'Indigenous Peoples' and 6.64% mentions any 'Indigenous' keywords. We can conclude therefore that most (more than 90%) local-level funding goes to non-Indigenous actors and IPs are still struggling to receive any nature finance, let alone have a leading role in projects financed in their territories.

5 Nature action with IPs was identified using the following keywords: aborig*, afrodescend*/afro-descend*, chief*, jef*/cacique*, chef*, First Nations, Primeras Nacion*, Premieres Nation*, FPIC, CPLI, CLIP, 'free, prior and informed consent', 'consentimiento previo, libre, e informado', 'consentement libre, informé, et préalable', ICCA*, Indigen*, indigèn*, autochtone*, tribe*, tribu, tribal*.

Furthermore, the term 'Indigenous led' was only found a handful of times in the data from 2019 to 2024, with the terms 'locally led' and 'community led' much more frequently used. The tiny fraction of projects found to include 'Indigenous led' as a search term indicates that IPs' leadership is still barely recognised in nature finance, with the vast majority of finance implemented with IPs still designed and led externally.

We acknowledge that neither 'locally led' nor 'Indigenous led' terms are able to fully capture the essence of what IPs have been asking for from international nature finance policy, which is for finance to support projects that are needed and wanted by communities, in line with their self-determined needs and priorities. Our analysis is not able to offer further insight into the extent to which projects are in line with the self-determined priorities of IPs and LCs; we use the 'Indigenous led' search term only as a proxy indicator to suggest how many projects may be being led by IPs, in line with the definitions described in Box 4.

3.1.5 Nature finance to (rural and) urban areas

The most frequently used of the urban-focused keywords were 'city' (1.8%), 'municipal' (1.42%) and 'urban' (1.24%). In total, urban synonyms were included in 5.82% of total nature finance.[6] Of that, 0.36% (or 0.02% of the total nature finance) is for those living in informal settlements or slums.[7] Urban keywords were in reasonably common use, but were out-used considerably by 'rural' and 'farmer' (see Section 3.1.3) as well as 'fisher' (2.18%), with 'smallholder' also used in 1.49%. In total, rural keywords were included in 13.5% of total nature finance.[8] This keyword frequency suggests (perhaps unsurprisingly) that nature finance has a much greater focus on rural areas and actors than urban areas.

This supports the observation that urban areas are not prioritised for nature finance and the misconception that cities are not important hotspots for biodiversity (Oke et al., 2021; Malcolm-McKay and Lucero, 2024; Ives et al., 2016). Funding for nature in cities is often directed towards nature-based solutions as measures to adapt to or mitigate climate impacts. However, nature investment in cities and urban planning should also focus on biodiversity conservation and restoration, given that urbanisation is a major driver of biodiversity loss (Li et al., 2022; Simkin et al., 2022). Our findings support the argument that more nature finance should be directed towards urban areas. Even nature-based solutions are underfunded in cities, with less than 0.3% of spending on urban infrastructure going to nature-based solutions in 2020 (UNEP, 2023b).

The dominance of 'rural' in the current nature finance data differs from the climate finance data studied by Treichel et al. in 2025; they found a much more even split between 'rural' and 'urban' for climate change. This suggests that there is a greater focus on urban areas in climate finance than in nature finance. Also significant is that despite the relatively low occurrence of 'urban' and related keywords, they are still used almost three times more frequently than the term 'Indigenous' and related keywords (2.24% for 'Indigenous' and related keywords and 5.82% for 'urban' and related keywords). Given how much more prominent the role of IPs is in nature policy and the relative marginalisation of urban issues, this finding is surprising and further reiterates that not nearly enough biodiversity finance is reaching IPs.

Finally, the amount of nature finance reaching slums or informal settlements is surprisingly small (0.02% of total nature finance) and only a fraction of the total nature finance targeting urban areas more broadly (5.82%). This could indicate that more nature finance which is reaching cities is going to urban greening projects in more affluent areas rather than to the most vulnerable people, who are more likely to rely directly on nature and natural resources to meet their basic needs. Further research would be needed to test this hypothesis, but what is clear is that the proportion of nature finance targeting cities' most vulnerable residents is incredibly low.

6 Funding for urban areas was identified using the following keywords: city/cities, ciudad/ciudades, ville*, civic*, civique*, informal settlement*, asentamiento* informal/asentamiento* precario, quartier* informel/campement* informel, municipal*, settlement*, asentamiento*, colonie*/établissement*, slum/slums/slumdwellers, barrio*, bidonville*/quartier pauvre, town*, pueblo*, urban*, urbain*, village*, aldea*.
7 Funding for informal settlements was identified by the following keywords: informal settlement*, asentamiento* informal/asentamiento* precario, quartier* informel/campement* informel, slum/slums/slumdwellers, barrio*, bidonville*/quartier pauvre.
8 Funding for rural actors and areas was identified using the following keywords: farmer, agriculteur*, agricultor*, fisher*, pescador*, pêche*, forester*, forestier/forestiers, guardabosque*, gatherer, recolector*, cueilleur*, herder*, pastor*, vaquero*, hunter*, cazador*, chasseur*, nomad*, nómad*, bucolique, peasant*, campesino*, paysan*, rural, smallholder*, petit proprietaire*, tenure*, tenencia*.

3.2 How nature finance is provided

3.2.1 Commitment versus disbursement data

As outlined in Section 2.1, in this report, we examine disbursement data rather than commitment data — that is, we look at how much money OECD DAC members actually gave to countries in a given year, rather than how much they committed to countries in that year. Here, we offer a reflection on the trends between commitment and disbursement data. In general, the commitment figures are higher than the disbursement figures, but follow the same broad trends in terms of the proportion targeting local and Indigenous nature actors or for locally or Indigenous-led nature action. Overall, of the finance reported by OECD DAC members between 2011 and 2024 tagged for biodiversity, we found that 32.2% of funding committed is targeting the local level compared to 33.7% for disbursed funding, and 0.28% of funding committed is locally led compared to 0.31% for disbursed funding. (See also figures 2 and 3.)

On average, the disbursement figures are only 83.5% of the commitment figures for all nature finance, while for nature finance with any 'local' keywords this proportion was marginally higher at 87.5%. On the other hand, the contrast between commitment and disbursement data is greater for locally led nature finance than for local-level nature finance. Only 75.1% of the level of funding committed to locally led nature action was disbursed over the study period. This is likely the result of locally led nature action seeing increased prominence in recent years, alongside the development of the INA principles. Because of the natural lag time between commitments and disbursements, the (slightly) increased recent commitments for locally led nature action therefore outweigh the historically very small disbursement amounts.

However, it is clear from the nature finance data more broadly that funding recorded in the commitment data does not always lead to actual disbursements. As such, we believe disbursement data is more accurate for estimating funding flows to the local level. This also points towards a need for funders to more consistently follow through on their funding commitments.

3.2.2 Sources of funding

In the OECD DAC data that we used, the non-bilateral (in other words, non-country) funders are called multilaterals. This category includes multilateral development banks such as the World Bank, Asian Development Bank or Inter-American Development Bank, as well as multilateral agencies like the Food and Agriculture Organization of the United Nations or the United Nations Development Programme, and funds such as the GEF or GCF. The overwhelming majority of the reported nature ODA targeting the local level was provided bilaterally (97.2%), with the rest provided by multilaterals. This is slightly higher than the 92.6% of total biodiversity finance provided bilaterally.

Note that the original CRS dataset also includes private philanthropies as funders. However, these funders were filtered out of our data during the third step outlined in the methodology, in which non-ODA sources were excluded. As outlined above, those steps mean that our research only considers ODA, which is distinct from ODF — ODF also includes things like private-sector instruments, non-concessional loans and other debt instruments that are not provided at rates concessional enough to be considered as development assistance. Because our research does not include these non-concessional instruments, our findings in terms of the proportion of finance provided by multilateral development banks (who use non-concessional instruments more frequently than other funders) may differ from other research that looks at ODF (such as OECD, 2024a). For instance, while our dataset includes the International Development Agency (IDA) (the arm of the World Bank that provides grants and highly concessional loans to the world's poorest countries), only including ODA means that no funding provided by the International Bank for Reconstruction and Development (which aims to reduce poverty in middle-income and creditworthy low-income countries through loans, guarantees and related risk management products) is included in our dataset.

The largest funders of nature projects using these 'locally led' search terms stand out — the UK (funding 42%) and the US (funding 35%), followed by the Netherlands (6%) and Ireland (4%). The Netherlands and the US were also some of the earliest adopters of this terminology, describing activities or projects as community led in 2012. Note that the vast majority of US funding over 2011–2024 was provided via USAID, so the withdrawal of USAID funding in 2025 means that we can reasonably expect to see funding for locally led nature action plummet from 2025 onwards. Preliminary data on 2025 figures from the OECD DAC suggests that overall ODA has declined significantly from 2024 (OECD, 2026), with many other funders also reducing their contributions. This can be expected to have a damaging impact on nature finance, including finance to the local level and that is Indigenous or locally led.

Only one funding line included the use of 'community led' (or any related search term) in 2011 — that was funded by Germany, who provided 1.4% of the total funding for locally led action over the study period. There was no obvious trend in the list of recipient countries.

These findings on the main sources of nature-focused ODA are significant as most policy attention for nature finance is geared towards the GEF as a key multilateral funder of biodiversity finance and the host of the GBFF. However, we found that only a fraction of biodiversity ODA is provided through the GEF and other multilateral funders. This is consistent with other studies from the OECD, which highlight that multilateral funds such as the GEF and GCF only account for around 7% of biodiversity-related development finance (OECD and Organisation internationale de la francophonie, 2026). While a focus on the GEF and other multilateral funders is important given their role in potentially channelling climate and biodiversity finance directly to local actors, this finding still points to a need to refocus attention more on reform of bilateral funding streams.

3.2.3 The GEF: a key funder of biodiversity action

The GEF provides 1.65% of all reported nature finance. This figure might seem low, given the prominence of the GEF in international discussions about nature finance and their role as hosts of the GBFF, but as noted above, only 7.4% of all nature ODA is provided by any multilateral agencies or banks. This means the GEF provides almost a quarter of all funding not provided by bilaterals, so it is a significant funder to study.

However, the GEF poses a particular methodological challenge to our research. It is clearly an important funder of biodiversity action, both through its regular programming and more recently through its management of the GBFF. However, GEF funding lines in the OECD DAC data typically contain little additional detail in the 'long_description' column besides the project title or a broad category such as 'Biodiversity' or 'CC STAR Allocation: IPs'. This provides far less detail and far fewer words for our keyword search to find potential matches, with our search then relying largely on project titles. Put another way, it makes it near impossible to know whether such funding lines target the local level or are locally led. This highlights the limitations of the keyword search approach — the OECD DAC data is self-reported by funders and contributors can determine the level of detail they provide. So while the following results for the GEF reflect lower than average 'local', 'locally led' and 'Indigenous led' action within nature finance, until and unless the reported GEF funding lines contain more details, these findings can be expected to be underestimates and the degree of that inaccuracy is not known.

- In that context, our research found that 13% of all GEF nature finance targets the local level. This local-level funding from the GEF makes up only 0.63% of all local-level funding. Note that the time period covered by our research (2011–2024) takes into account projects falling within the GEF-5 to GEF-8 replenishment phases.
- Only 0.58% of all GEF nature finance uses any 'Indigenous' keywords and only three GEF projects in the biodiversity data use 'locally led' or its related terms. There is a much larger Life Amazon project to be funded by the GEF Trust Fund in the commitment data — this constitutes 9.9% of all of the locally led commitment funding over the period studied and so would have a large impact if implemented (and therefore disbursed).
- The majority of GEF nature finance is provided via the GEF Trust Fund (62.9%) and GEF (general) (36.1%). The GBFF has not yet recorded any funding as delivered (in other words, disbursed), but there is a small amount listed across three projects, all in the 2024 commitment data. The GBFF only began operating in 2023, so unfortunately it is too early to assess the impact of the GBFF on biodiversity or local-level funding using OECD DAC data. Reports from the GEF itself indicate that the GBFF has surpassed its target to get 20% of funding to IPs and LCs (GEF, 2026), but this data is not yet available through the OECD DAC and therefore cannot be verified through our analysis. Similarly, there is no way currently to assess whether this GBFF funding is locally led or Indigenous led, rather than just targeting IPs and LCs as project beneficiaries.
- Also of note is that the GEF Trust Fund has a very large amount of nature finance reported as committed in 2023 and 2024 that is not yet reflected in disbursement data. If these commitments are realised, this would dramatically increase the amount of nature finance via the GEF: it would represent almost a four-fold increase in total nature finance and likewise for local-level nature finance from the GEF. However, the disbursement-to-commitment rate for the GEF is much lower than average, at only 25.2% across the total period, compared to more than 80% on average for all other sources of funding. This suggests that it is unlikely that these commitments will be realised in full.

Our findings reveal that less funding channelled through the GEF is targeted towards local actors than the overall trend in biodiversity finance and the number of projects targeting IPs is also lower than the average across the full portfolio of nature finance. This is especially concerning given the prominent role of the GEF in the CBD negotiations and policy, as hosts of the primary financial mechanism of the CBD, the GBFF. However, the very short descriptions provided by the GEF to the OECD means our findings for GEF funding — which are based on project descriptions and titles — are likely to be underestimates. More consistent reporting to OECD DAC by GEF and all other funders, including adding detail to the long descriptions, would be needed to determine more accurate comparisons between funders.

It also remains unclear whether the GBFF is performing differently to the wider GEF portfolio, since no GBFF funding has yet been reported to the OECD as disbursed. However, given the target to get 20% of funding from the GBFF to IPs and LCs, it will be important to observe a higher amount of estimated funding targeting local-level implementation and using synonyms for locally led.

No disbursement data has yet been recorded for the GEF-7 Inclusive Conservation Initiative, only commitment data, and no data at all is available for the GEF-8 Heart of Conservation Initiative.

3.2.4 Financial instruments for local-level nature finance

Just over 80% of nature finance targeting the local level over the study period was provided via grants, with the remaining 19.1% provided using debt instruments (loans or equity). This compares to 24.9% of total nature finance provided using debt — in other words, funding targeting the local level tends to use less debt than biodiversity finance in general. Both overall and for funding targeting the local level, use of debt is increasing, though year-on-year trends vary significantly (see figures 5 and 6).

Figure 5. Debt use within local-level finance

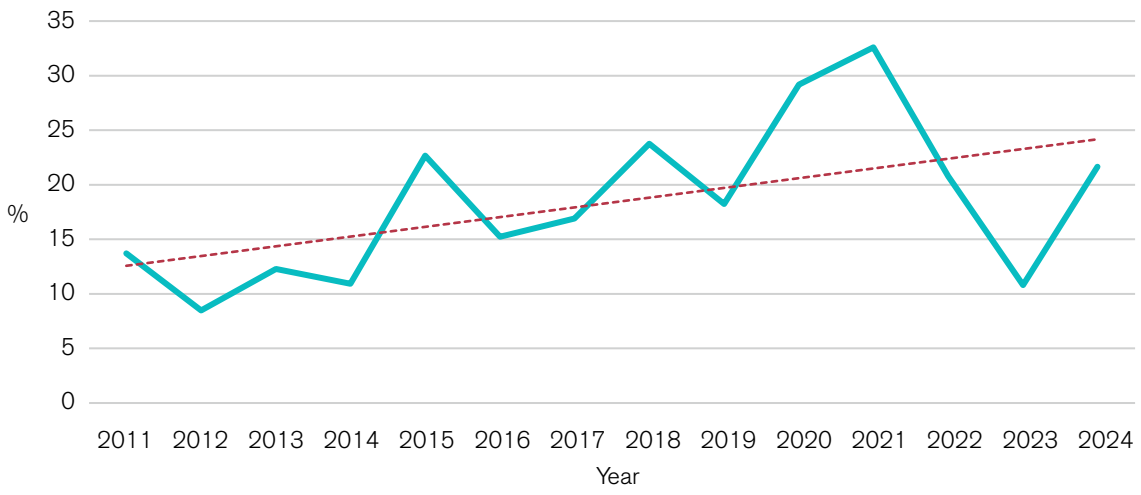
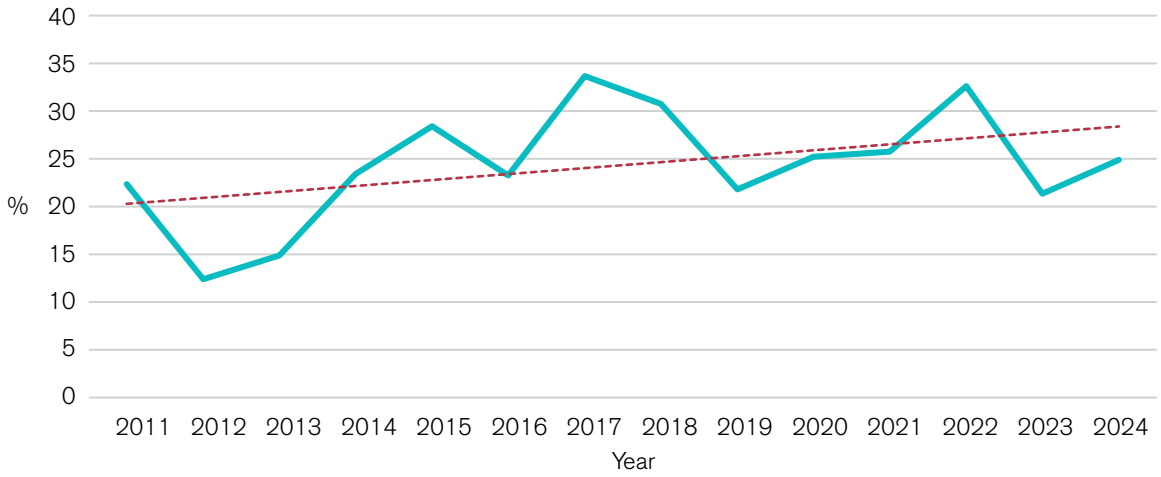


Figure 6. Debt use within overall nature finance



Funding for urban areas was more likely to use debt instruments than rural- or Indigenous-focused projects, with 7.11% of nature finance using 'urban' keywords using either loans or equity and only 0.41% using 'rural' keywords and 0.13% using 'Indigenous' keywords. No funding that included 'locally led' keywords used debt instruments at all.

Bilateral funders were more likely to use grants than multilaterals. Bilaterals used debt in 18.4% of nature ODA targeting the local level and in 22.2% of all nature ODA. For multilaterals, these figures were 44.5% for nature finance targeting the local level and 59.8% for all nature finance. In both cases, debt use was lower for funding that involved any 'local' keywords.

Particular funders demonstrate a much higher preference for debt instruments for nature finance than others. For example, 97.9% of all debt provided by bilaterals for nature finance was provided by just four countries: Canada, France, Germany and Japan. Between them, these four countries are significant funders of biodiversity finance, providing 44.2% of all bilateral funding for nature finance and 40.9% of all nature finance. However, almost half (49.1%) of all of the nature finance from these four countries is provided using debt and this proportion does not drop significantly for funding that includes any 'local' keywords (48.8%).

Within the multilaterals, the IDA (part of the World Bank, described in Section 3.2.2) is a significant funder of nature action, individually responsible for 5.03% of all reported nature finance in our dataset. IDA provided 82.5% of total nature finance via debt over the study period. While IDA's use of debt was significantly lower for funding that included any 'local' keywords (57.6%), this was still higher than the average for other multilaterals (44.5%). Note that in our dataset, while the category 'multilaterals' does include the multilateral development banks, it only includes ODA finance (so will exclude non-concessional lending). This category also includes other international development agencies (which do not provide loans at all).

Use of debt instruments in both climate and biodiversity finance is contested as they risk increasing the debt burdens of countries or communities that may lack the ability to repay loans, and force debtors to spend limited income repaying debts instead of investing in adaptation or nature conservation programmes that would improve their resilience and reduce the need for additional interventions in future (Patel, 2022; Dempsey et al., 2021). While some studies show that credit and loan mechanisms that are designed and managed at the local level do bring positive benefits to local communities and help generate more finance to protect nature (Karlan et al., 2017; Adegbite et al., 2022), such instruments often go against the beliefs and values of IPs as they attach economic value to nature and treat it as a tradable commodity, rather than a living system (Sullivan, 2013; Barlow, 2024; Sorsby et al., 2026). In this context, the increasing use of debt instruments for nature finance is troubling. It is also evident that when debt instruments are used, more focus needs to be placed on ensuring these instruments can reach the local level and be locally led, and that they can be designed and implemented in ways that respect the rights and values of IPs.

3.3 How nature finance is counted: comparisons with other markers and common challenges

3.3.1 Overlap with gender and other Rio markers

Of the nature finance that included related search terms for 'locally led', 76% were also marked with the OECD gender marker. While this is higher than the proportion of nature finance that targets the local level (of which only 61% was also marked with the gender marker), this means that almost a quarter of all biodiversity projects that are locally led are not tagged for gender, which is striking, given the explicit importance of gender in the INA principles.

In terms of the other Rio markers, only 10.9% of locally led funding tagged with the biodiversity marker had no other Rio marker tagged — in other words, almost 90% of locally led nature finance is tagged with more than one Rio marker. For local-level nature finance, this drops to 75.3%, while for nature finance more broadly, this is down to 61.6%. What this suggests is that nature finance that targets the local level, and especially that is locally led, is more likely to have co-benefits in the areas of the other Rio treaties than nature finance that does not.

In particular, 84.4% of the nature finance that included related search terms for locally led was also tagged with the climate adaptation marker, indicating a large degree of overlap between these two target areas. This was higher than for the markers for the other two Rio markers, with climate mitigation at 47.7% and desertification at 7.5%. In comparison, for biodiversity-tagged funding that targets the local level, 61.8% was also tagged for climate adaptation, 52% for climate

mitigation and 22.7% for desertification. In other words there is a much greater overlap between use of the adaptation and biodiversity markers for funding that includes locally led search terms than for funding that only includes local search terms. The overlap is similar for mitigation, but lower for desertification (for which far less funding is tagged overall).

3.3.2 High-level comparisons with the climate study

As outlined earlier in this report, our methodology and approach are adapted from that used by Treichel et al. in their 2025 study to estimate flows of funding for climate action to the local level. Despite the similarities in our methodology, the two studies are not directly comparable due to the differences between the two datasets and the more extensive and refined list of keywords used in this study. Nonetheless, the general trends in proportions for local actors and locally led action can be observed to be broadly consistent across both studies.

Treichel et al. (2025) found that approximately 29% of total reported climate finance included some reference to local implementation, whereas the present study finds 33.7% of total reported biodiversity finance includes some reference to local implementation. The exact amounts reaching the local level are unknowable in both cases since it is impossible to trace the full flow of finance from donors all the way to the local level using the OECD DAC dataset; there are also insufficient tracking and reporting mechanisms in place by donors themselves. Treichel et al. (2025) found that only 0.17% of total reported climate finance includes a reference to locally led climate action, whereas the present study finds 0.28% of total reported biodiversity finance includes a reference to locally led action. The biodiversity figures are marginally higher in both cases than those for the climate data, but the impact of the differences in datasets and keyword lists may affect the degree of difference. Nevertheless, the similarity in the trend across both types of finance is clear.

3.3.3 Considering the distinction between nature and climate finance

In order to assess flows of finance for nature, it is necessary to consider nature finance as separate from climate finance; they are treated differently within the OECD DAC data, with 'climate' and 'biodiversity' projects tagged under separate Rio markers and the relevant datasets for tracking flows also distinct. This distinction is important in the international policy context, as it allows progress against the different goals set under each of the conventions, as well as holding funders to account on their financial commitments and ensuring funds are not double-counted.

However, the distinction between climate finance and nature finance is problematic for many local-level actors, especially IPs and other local communities directly impacted by nature loss and climate change. The impacts on the livelihoods, rights, culture and knowledge of these communities are not affected by how we classify the source or type of finance used to counter those impacts. Moreover, effective and appropriate responses to nature loss will help achieve broader development goals, such as helping to make communities more resilient to the impacts of climate change. This overlap at the local level is also reflected in the degree of overlap between the biodiversity and adaptation Rio markers for locally led funding. Such co-benefits are not limited to adaptation; nature is also critical for many mitigation efforts/actions, for example, through sustainable forest management and protecting peatlands or mangroves.

Separating climate and nature finance streams therefore matters for 'upstream' accounting discussions, but can be actively harmful for its effectiveness 'downstream'. Focusing on how funding meets the needs of funders and their priorities (as determined by international metrics and markers) can lead projects to be designed with limited scope — for example, with only one Rio Convention 'benefit' in mind — without due regard for potential co-benefits and, in so doing, overlook easy additional wins. Worse, it can lead to the exclusion of the needs of key actors on the ground, in whose name such funding is provided in the first place. Efforts should be made in international policy to break down the siloes between nature and climate and streamline local-level finance for these issues under unified funding streams.

3.3.4 Using OECD DAC categories

While the OECD DAC provides the most extensive dataset for tracking flows of development aid finance, there are some shortcomings specific to tracking local flows (see Section 2.2 on limitations). Chief among these is the lack of an inbuilt indicator that distinguishes local from non-local flows.[9]

The OECD DAC data does include a category titled 'channel of delivery'. This describes the initial recipient of funding — there may be other recipients further along the delivery chain, but this category reflects the first recipient to receive the reported funding. Unfortunately, this category doesn't easily allow for tracking of local-level recipients. This is partly because local recipients may well not be the initial recipients of funding but are further along the funding chain, and also because the categories are not well suited to reflecting our definitions of 'local' (outlined in Box 4). For example, some categories (such as the one for universities and think tanks) do not distinguish between actors based in recipient countries and those in the funder countries. So this data is particularly limited in what it can reveal. The following categories would include local actors (though some would obviously also include local actors within funder countries, who we would exclude from our accounting):

- 12002: local governments in recipient countries
- 23000: developing country-based NGO
- 30000, 31000 and 32000: public–private partnerships and networks
- 51000: university, college, research institute or think-tank
- 62000: private sector in recipient country

Funding channelled to this set of recipients — in other words, delivered directly to subnational actor types within both funder and recipient countries — accounted for only 6.6% of all reported nature finance. That does not align with our keyword search findings, which explore local actors based in recipient countries, for which this figure is 33.7%. Further, there was limited overlap between the funding lines found through these two approaches, with just under half of the funding lines using the above channel of delivery codes using any of our local keywords. This suggests that — despite their potential — the channel of delivery categories are not currently a useful mechanism for estimating flows to local actors. Treichel et al. (2025) similarly explored the channel of delivery as a means to explore first-order funding recipients and made recommendations for improving this reporting element to allow users to distinguish between funding recipients that are based in funder countries from funding recipients based in recipient countries, and thereby allow clearer analysis of funding flows. We reiterate those recommendations.

9 As outlined in Box 4, our definition of local differs from the OECD DAC's in one important way: we consider 'local' to be sub-national and so exclude national governments from lists of local actors.

4

Conclusions and recommendations

Our analysis reveals that only a tiny proportion of total reported nature finance is Indigenous or locally led. A lack of dedicated mechanisms to track funding to the local level limits the ability to accurately estimate total funding amounts for local actors; however, the keyword search approach reveals that proportions for local and Indigenous actors remain shockingly low. More efforts are needed to improve both the quantity and quality of nature finance for IPs and LCs.

Overall, the results of the study show that locally led finance for nature is still lagging far behind where it needs to be to meet global policy commitments and deliver on the LLA and INA principles, which are gaining increasing traction from local and international stakeholders in nature and climate finance policy negotiations. Not only does the quantity of nature finance going to IPs and LCs need to increase, but more attention also needs to be paid to ensuring that IPs and LCs lead throughout the design, implementation, decision making and governance of projects.

Furthermore, formal mechanisms to consistently track funding reaching the local level are lacking. There are currently no appropriate indicators for local-level engagement or processes to maintain transparency over funding flows within the key reporting frameworks for donors, such as the OECD DAC. Keyword search methodology, despite its many limitations, is therefore the best tool currently available for tracking these trends. Similarly, the OECD dataset and the Rio marker system remain the best available resources to monitor overall nature finance flows, despite their critiques. There is a clear need for more studies backed by on-the-ground data from funding recipients to complement the tracking that is done on data provided by the funders.

Based on these findings, we present the following recommendations for nature finance policymakers and funding bodies, as well as recommendations for further research. We urge parties to the CBD negotiations on resource mobilisation, financial mechanism and the monitoring framework to consider these recommendations and address them at CBD COP17 and beyond.

Recommendations on the quantity of nature finance:

- More finance for nature needs to reach the local level, and more needs to be locally led. Additionally, more finance for nature needs to reach IPs and be led by IPs. This is critically important given the unique role of IPs in conserving and restoring nature.
- Specific indicators should be introduced to the OECD DAC and other reporting frameworks, such as the GBF monitoring framework and GEF indicators applied to the GBFF, to accurately measure how much finance reaches local actors and how much is locally led. Within the OECD DAC reporting, a first step would be to expand the existing channel of delivery codes to allow subcategories to clearly distinguish between local funding recipients based in funder countries from those in recipient countries. In addition, funders should engage in substantive dialogue with IPs to assess the extent to which projects are in line with the priorities of IPs and to explore the development of appropriate tracking mechanisms.

- More finance for nature should be directed towards urban areas to fund nature-based solution projects and conserve natural biodiversity in cities. Further research is needed to determine why finance for nature in cities is not reaching the most vulnerable communities and slum dwellers.

Recommendations on how nature finance is delivered:

- Increases in commitments should theoretically result in increased disbursements, yet our data shows this is often not the case. As such, studies to estimate funding reaching end users should focus on disbursement data rather than commitment data.
- Moreover, each of the above recommendations highlights the importance of increasing the amount of finance reaching local actors — this should not mean merely increasing the use of local or locally led keywords in descriptions of finance, but for increases to translate to actual differences on the ground. To that end, future research should aim to compare nature finance contributions reported by funders to actual nature finance received by end-user recipients, both in terms of verifying the quantity of funding provided, and assessing the quality of finance and the lived experiences of communities and local people who receive it.
- The use of debt instruments for nature finance should be minimised. Where they are used, they should be designed in ways that ensure that the finance reaches the local level and can be locally led. They must respect the rights and values of IPs and LCs, with full adherence to self-determination and FPIC processes.
- International policy debates should pay greater attention to bilateral funding sources, which currently dominate the nature finance landscape — there is currently an over-reliance on the multilateral funds, especially the GEF, in nature finance policy discussions, which diminishes the responsibility of funder countries, especially in terms of the provision of grant/concessional finance for nature.
- Following the withdrawal of USAID funding, all funders should increase their focus on delivering more locally led finance for nature. This is now needed more than ever, and there is potential for small changes to have a significant impact.
- All funders, including the GEF, should improve reporting practices to the OECD DAC to be consistent and allow for cross-comparisons.
- The GEF, as the key multilateral funder channelling ODA to deliver the GBF targets, should focus on meeting the target of getting 20% of funds to IPs and LCs within the GBFF, and apply this across its wider funding portfolio.

Recommendations for both nature and climate finance:

- Funder countries should collectively agree upon consistent reporting approaches to ensure transparent and consistent tracking of their funding commitments. Efforts should be made to streamline this reporting to avoid double counting and reduce 'over-tagging' of projects using the Rio markers.
- Policy negotiations on finance within the UNFCCC and CBD should aim to break down the siloes between nature and climate finance, and streamline local-level finance for these issues under unified funding streams.
- OECD DAC members should update their CRS reporting system such that the 'channel of delivery' indicator could be used to track funding to the local level. This would rely on an appropriate definition of what counts as 'local', which should exclude both regional and national-level actors.

Appendix 1. Keywords used

List of all keywords searched for (* indicates wildcard):

aborig*

afrodescend*/afro-descend*

ancestral*

artisanal*, artesanal*

biocultural*, bioculturel*

city/cities, ciudad/ciudades, ville*

civic*, civique*

chief*, jef*/cacique*, chef*

communau*, comunit*/comunid*, communit*

cooperativ*

customary, consuetudinario, coutumier

descentrali*, décentrali*

farmer*, agriculteur*, agricultor*

First Nations, Primeras Nacion*, Premieres Nation*

fisher*, pescador*, pêche*

forester*, forestier/ forestiers, guardabosque*

FPIC, CPLI, CLIP

'free, prior and informed consent', 'consentimiento previo, libre, e informado', 'consentement libre, informé, et préalable'

gatherer*, recolector*, cueilleur*

grassroot*

herder*, pastor*, vaquero*

hunter*, cazador*, chasseur*

home/homes, hogar*, maison*/domicile*

household*, foyer*, casa/casas

ICCA*

indigen*, indigèn*, autochtone*

informal settlement*, asentamiento* informal/asentamiento* precario, quartier* informel/campement* informel

ILK

IPLC*/IP&LC*

land rights, derechos territoriales, droits fonciers

local*

mother earth, madre tierra, terre nourricière

municipal*

nomad*, nómad*

bucolique

peasant*, campesino*, paysan*

provinc*

rural*

self-determination, autodétermination, autodeterminacion, libre determinacion

settlement*, asentamiento*, colonie*/ établillesement*

slum/slums/slumdwellers, barrio*, bidonville*/ quartier pauvre

smallholder*, petit proprietaire*

SME/SMEs, PME*

subnacion*, subnation*, infranational

tenure*, tenencia*

territorial

town*, pueblo*

tribal*

tribe*, tribu

urban*, urbain*

village*, aldea*

community.led

dirigé par la communauté

dirigée par la communauté

dirigés par la communauté

dirigées par la communauté

liderado a nivel comunitario

liderada a nivel comunitario

liderados a nivel comunitario

lideradas a nivel comunitario

dirigido a nivel comunitario

dirigida a nivel comunitario

dirigidos a nivel comunitario

dirigidas a nivel comunitario

Indigenous.led

dirigé par les autochtones

dirigée par les autochtones

dirigés par les autochtones

dirigées par les autochthones

liderado por indígenas/liderado por pueblos indígenas

liderada por indígenas/liderada por pueblos indígenas

liderados por indígenas/liderados por pueblos indígenas

lideradas por indígenas/lideradas por pueblos indígenas

dirigido por indígenas/dirigido por pueblos indígenas

dirigida por indígenas/dirigida por pueblos indígenas

dirigidos por indígenas/dirigidos por pueblos indígenas

dirigidas por indígenas/dirigidas por pueblos indígenas

locally.led

dirigé localement

dirigée localement

dirigés localement

dirigées localement

liderado localmente/liderado a nivel local

liderada localmente/liderada a nivel local

liderados localmente/liderados a nivel local

lideradas localmente/lideradas a nivel local

dirigido localmente/dirigido a nivel local

dirigida localmente/dirigida a nivel local

dirigidos localmente/dirigidos a nivel local

dirigidas localmente/dirigidas a nivel local

Appendix 2. Most frequently used keywords

Table A1. Top 10 keywords in terms of total value of associated funding (found by adding the value of all funding lines in which this word appears)

Keyword	Number of individual lines	Total matches	Percentage of total biodiversity funding
communit	39,529	70,022	10.24%
local	32,075	56,405	9.47%
rural	19,864	33,938	7.15%
farmer	10,999	19,918	2.88%
provinc	4,800	7,227	2.50%
fisher	6,555	14,201	2.18%
indigen	8,440	17,142	2.02%
city	2,337	3,750	1.80%
household	4,453	6,703	1.61%
smallholder	4,110	5,900	1.49%

Table A2. Top 10 keywords in terms of total frequency of use (in other words, the total number of matches)

Keyword	Number of individual lines	Total matches	Percentage of total biodiversity funding
communit	39,529	70,022	10.24%
local	32,075	56,405	9.47%
rural	19,864	33,938	7.15%
farmer	10,999	19,918	2.88%
indigen	8,440	17,142	2.02%
fisher	6,555	14,201	2.18%
communau	5,768	10,503	0.90%
comunit	4,192	8,631	0.29%
municipal	4,383	7,570	1.42%
urban	3,937	7,540	1.24%

Table A3. Top 10 keywords in terms of number of distinct funding lines it is included in

Keyword	Number of individual lines	Total matches	Percentage of total biodiversity funding
communit	39,529	70,022	10.24%
local	32,075	56,405	9.47%
rural	19,864	33,938	7.15%
farmer	10,999	19,918	2.88%
indigen	8,440	17,142	2.02%
fisher	6,555	14,201	2.18%
communau	5,768	10,503	0.90%
provinc	4,800	7,227	2.50%
household	4,453	6,703	1.61%
municipal	4,383	7,570	1.42%

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Knowledge Products

Research Report
October 2026

Biodiversity; Climate change

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Nature finance, biodiversity and conservation, Indigenous Peoples, local communities, local-level finance

Nature finance is essential to halt and reverse biodiversity loss — one of the most urgent crises affecting our planet. There is compelling evidence that nature is best conserved when it is managed by Indigenous Peoples and local communities, including local actors such as smallholder farmers, fishers and pastoralists. Local actors must therefore have leadership over how projects are implemented and funds are spent in their territories. However, evidence on how much nature finance is reaching the local level or is locally led is lacking. This report uses a keyword search methodology to explore trends in international nature finance flows and estimate how much is implemented with local actors, and how much is locally led. We also estimate how much of this finance is reaching Indigenous Peoples and is Indigenous led.

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