1. Introduction

To achieve the ambitious targets of the Paris Agreement by 2030, global climate investment requirements are estimated at approximately USD 6.3–6.7 trillion annually, with emerging markets and developing economies (EMDEs) requiring approximately USD 2.3–2.5 trillion per year. Zambia, as part of this global effort, has committed to significant financial investments to support its climate goals.

Zambia's financial needs for climate adaptation and mitigation have been outlined in various national frameworks, including the Nationally Determined Contribution (NDC), National Adaptation Plan (NAP), and National Green Growth Strategy (NGGS). The revised NDC (2023) estimates Zambia's funding requirements for climate adaptation and mitigation at approximately USD 17.2 billion, a significant revision from the initial USD 50 billion estimated in 2022.

The National Adaptation Plan (NAP), launched with support from the Green Climate Fund, highlights key sectors requiring investment, including agriculture, water, energy, and health. The NGGS, launched in 2024, outlines an ambitious roadmap for transitioning Zambia towards a green economy by 2030, emphasizing resilient growth, resource efficiency, natural capital enhancement, and inclusivity. The strategy allocates an estimated USD 1.1 billion to agricultural resilience and USD 3.8 billion to renewable energy development.

This concept note highlights how financial sector regulators, cooperating partners and industry associations can guide the sector toward more resilient and inclusive sustainable finance (ISF) systems.

1.1. THE GREEN FINANCE MAINSTREAMING WORKING GROUP (GFMWG)

The Green Finance Mainstreaming Working Group (GFMWG) was established in 2021 as a collaborative initiative under a tripartite Memorandum of Understanding (MoU) signed by Zambia's three financial sector regulators: the Bank of Zambia (BoZ), the Pensions and Insurance Authority (PIA), and the Securities and Exchange Commission (SEC). This initiative was designed to harmonize efforts and drive the integration of green finance principles within the Zambian financial sector.

Recognizing the critical role of finance in addressing environmental, social, and climate-related challenges, the GFMWG was formed to spearhead strategic interventions that facilitate the development of a robust green finance market in Zambia.

The primary objective of the GFMWG is to provide strategic recommendations on financing mechanisms, risk management practices, and policy frameworks that support both public and private sector investment in sustainable initiatives. These efforts are aligned with Zambia's broader environmental, social, and climate-action goals, aiming to unlock sustainable capital flows that drive green economic growth.

In addition to fostering green finance, the GFMWG emphasizes the interconnectedness of biodiversity conservation and climate change mitigation and adaptation. By creating enabling financial mechanisms and regulatory frameworks, the working group seeks to leverage finance more effectively, ensuring that investments contribute to long-term environmental sustainability and resilience against climate-related risks.

1.2. OBJECTIVE: Mainstream green finance in the Zambian financial landscape

1.3. SCOPE INCLUDES SUPPORTING:

1.3.1. Zambia's Green Growth Strategies
1.3.2. Green Finance Investments, Resource Mobilization and Financing
1.3.3. Mitigating Climate and Nature -related financial risks
1.3.4. Green Finance Products

1.4. MEMBERSHIP

Key members of the GFMWG include:
Bank of Zambia
Securities and Exchange Commission
Pension as insurance Authority
Ministry of Finance and National Planning
Ministry of Green Economy and Environment
Ministry of Lands And Natural Resources
Zambia Institute of Chartered Accountants
World-Wide Fund – Zambia
Prospero Zambia Limited
United Nations Development Programme – Biodiversity Finance Initiative

Under the oversight of BoZ, PIA, and SEC, the GFMWG has ensured regulatory frameworks have been established to facilitate the issuance and availability of green bonds, green loans, and climate-related insurance products as outlined below:

1.5. KEY FINANCE SOLUTIONS AND PROJECTS

1.5.1. Green Bonds & Sustainable Finance Instruments (Led by SEC)

The Securities and Exchange Commission (SEC) is spearheading efforts to develop a robust framework for green bonds and other sustainable finance instruments in Zambia. These initiatives aim to create an enabling environment for capital markets to support climate-friendly investments. By aligning with international best practices, Zambia seeks to attract both domestic and foreign investment into green projects, thereby promoting long-term sustainable economic growth.

1.5.2. Green Loans & Credit Facilities (Led by BoZ)

The Bank of Zambia (BoZ) is working towards expanding access to green loans and climate-friendly credit facilities. These financial products offer preferential lending terms, such as lower interest rates and extended repayment periods, for projects that contribute to environmental sustainability. By integrating green finance into traditional banking, BoZ aims to incentivize businesses and individuals to invest in renewable energy, energy-efficient technologies, and climate-resilient agriculture.

1.5.3. Green Insurance Products (Led by PIA)

The Pensions and Insurance Authority (PIA) is leading efforts to expand green insurance solutions that help mitigate climate-related risks. One key initiative is the promotion of weather index insurance, which provides financial protection to farmers affected by climate variability, such as droughts and floods. This innovative insurance model ensures that payouts are triggered based on predefined weather conditions, reducing delays in financial support and enhancing resilience among vulnerable communities.

1.6. **THE COMMUNITY OF PRACTICE (COP)** has been proposed as a sub-group, network of stakeholders, other than those in the GFMWG, intended to support and offer expertise and technical guidance to the GFMWG focusing on its approved workstreams and promote information sharing among its members.

The GFMWG aims to foster collaboration and innovation in green finance by promoting sustainability and environmental responsibility across financial markets.

This half day event will serve as a key opportunity to showcase the collective work and individual contributions of the Working Group members, highlighting the green finance projects and initiatives they are undertaking. The event will bring together stakeholders from various sectors, including financial institutions, policymakers, investors, and environmental experts, to engage in meaningful conversations on how green finance can drive positive environmental and economic impacts.

2. Event Objective

The primary objectives of the Green Finance Market Engagement Event are as follows:

- **Highlight Collective Achievements**: Showcase the projects undertaken by the Green Finance Mainstreaming Working Group members, emphasizing their shared commitment to sustainable finance.
- **Institutional Contributions**: Present specific green finance initiatives and achievements from individual institutions, demonstrating how they are advancing green finance practices within their respective organizations and sectors.

- **Networking and Collaboration**: Provide a platform for stakeholders to network, collaborate, and discuss opportunities for future partnerships and joint ventures in green finance.
- **Promote Knowledge Sharing**: Facilitate the exchange of best practices, challenges, and lessons learned in the green finance space to accelerate the transition to sustainable and responsible finance.
- **Engage Policymakers and Investors**: Discuss the role of public and private sectors in supporting green finance, with a focus on creating an enabling environment for sustainable investments.

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3. Target Audience

The event will be attended by a diverse group of stakeholders, including:

- **Financial Institutions**: Banks, investment firms, insurance companies, and asset managers involved in or interested in green finance initiatives.
- **Government Representatives & Policymakers**: Key individuals responsible for shaping green finance policies and regulations.
- **Investors**: Institutional and private investors looking for opportunities in sustainable finance.
- **Green Finance Experts**: Environmental consultants, researchers, and sustainability advocates.
- **NGOs & International Organizations**: Entities focused on environmental sustainability and climate change.
- **Industry Leaders**: CEOs, CFOs, and decision-makers in sectors related to finance, environment, and sustainability.

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4. Event Format & Structure

The half day event will consist of various formats to facilitate engagement, including:

- **Welcome Address & Keynote Speakers**: Inspirational talks from renowned experts in green finance, discussing the importance of sustainability in financial markets and the role of the Green Finance Mainstreaming Working Group.
- **Project Presentations**: A series of presentations showcasing the collective initiatives of the GFMWG, along with case studies of specific projects from individual institutions. This will include:
    - Green Loans – BOZ
    - Green Bonds & Sustainable Finance Instruments - SEC

    - Green Insurance – PIA

      30 minutes each

- **Panel Discussions**: ***Sustainable Finance: Scaling Green Investments***: Expert panels on critical topics such as the future of green finance, overcoming barriers to sustainable investments, and policy implications.
    a. **Set of panelists from MoFNP, WWF, Prospero, ZiCA**
- **Networking Sessions**: Opportunities for participants to meet one-on-one, discuss collaboration opportunities, and exchange ideas.
- **Interactive Q&A Sessions**: Allow the audience to engage with presenters and panelists to dive deeper into specific aspects of green finance.

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5. Expected Outcomes

- **Increased Awareness**: Raise awareness about the importance of green finance and its potential for driving positive environmental and economic change.
- **Strengthened Partnerships**: Foster new partnerships between financial institutions, government bodies, and other stakeholders to advance green finance initiatives.
- **Accelerated Adoption of Sustainable Finance Practices**: Encourage more institutions to adopt green finance practices by showcasing the successful initiatives of working group members.
- **Policy Advocacy**: Generate valuable insights and recommendations that can be shared with policymakers to support the development of more robust green finance regulations and incentives.

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6. Sponsorship & Partnerships

The event will seek strategic sponsorship from leading financial institutions, government agencies, and environmental organizations to help fund and promote the event.

Partnerships will also be explored with media outlets, think tanks, and other relevant organizations to maximize the event's reach and impact.

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7. Call to Action

The transition to a sustainable and resilient financial system requires the collective commitment of all stakeholders. **Financial institutions**—including banks, investment firms, insurance companies, and asset managers—are encouraged to integrate green finance into their portfolios by developing innovative products such as green loans, bonds, and insurance solutions. By aligning their investment strategies with sustainability goals, financial institutions can play a pivotal role in funding Zambia's green growth agenda.

Government representatives and policymakers are urged to strengthen regulatory frameworks and policy incentives that support sustainable finance. By fostering an enabling environment, policymakers can accelerate green investment flows and drive Zambia's transition toward a low-carbon economy. **Institutional and private investors** should explore the opportunities presented by green bonds and sustainable finance instruments, ensuring that capital is directed toward projects that yield both financial and environmental returns.

Green finance experts, NGOs, and international organizations are invited to provide technical expertise, capacity-building support, and advocacy to enhance green finance adoption. Their contributions will be instrumental in shaping industry best practices and raising awareness of climate-related financial risks. Similarly, **industry leaders and corporate decision-makers** should champion sustainability initiatives within their organizations, embedding environmental, social, and governance (ESG) considerations into their business strategies.

The **Green Finance Market Engagement Event** presents a unique opportunity for all stakeholders to collaborate, share insights, and drive actionable solutions for scaling up sustainable finance. We invite you to participate actively—whether through knowledge-sharing, investment, policy support, or partnership development. Together, we can mobilize resources, unlock new green finance opportunities, and build a more sustainable and resilient financial future for Zambia.

8. Conclusion:

The Green Finance Market Engagement Event will serve as a platform to demonstrate the collective achievements of the Green Finance Mainstreaming Working Group, highlight the green finance projects being undertaken by individual institutions, and stimulate meaningful discussions on advancing sustainable finance. By bringing together key stakeholders, the event aims to accelerate the transition to a more sustainable and responsible financial system, benefiting both the environment and the economy.