Climate Action for Sustainable Development in Latin America: The Need for Multilateral Approaches

Acción climática para el desarrollo sostenible en América Latina: la necesidad de enfoques multilaterales

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Abstract
This article reviews multilateral financing mechanisms and political platforms to address deforestation and create sustainable development in the Amazon; they also expose challenges and limitations of the solutions that have been implemented. It is argued that multilateral approaches on technical cooperation and innovative financial mechanisms will be key to successful adaptation and resilience building in the region and the world.

Resumen
Este artículo analiza los mecanismos multilaterales de financiación y las plataformas políticas para hacer frente a la deforestación y crear un desarrollo sostenible en la Amazonía; también expone los retos y las limitaciones de las soluciones que se han aplicado. Se argumenta que los enfoques multilaterales sobre cooperación técnica y mecanismos financieros innovadores serán clave para el éxito de la adaptación y la creación de resiliencia en la región y en el mundo.

Keywords
Green multilateral architecture, mitigation, inclusive growth, Latin America, Amazon, cooperation, climate finance, COP

Palabras clave
Arquitectura multilateral verde, mitigación, crecimiento inclusivo, América Latina, Amazonía, cooperación, financiación climática, COP

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Mitigate, adapt, and increase resilience to accelerating climate change (including by curbing deforestation) are key to reinforce the foundations for sustainable growth and development as powerfully highlighted by the United Nations 2030 Agenda for Sustainable Development and the Framework Convention on Climate Change-Paris Agreement. Sustainable development has social, economic, and environmental dimensions, which are interrelated and must be advanced simultaneously to achieve durable progress on all fronts.[1]

This is particularly true for Latin America, given its high exposure and vulnerability to global warming in the context of little capacity to diversify economic models and widespread poverty and inequality.[2] The Inter-American Development Bank (IADB) estimates that by 2050 the cost of climate change-related damage in the region will amount to USD

[1] Luis Gomez-Echeverri, "Climate and Development: Enhancing Impact through Stronger Linkages in the Implementation of the Paris Agreement and the Sustainable Development Goals (SDGs)," in *Phil. Trans. R. Soc. A*, vol. 376, no. 2119, 20160444, May 2018, at *https://royalsocietypublishing.org/doi/10.1098/rsta.2016.0444* (date consulted: April 4, 2023).

[2] Hans-Otto Pörtner *et al*., (eds.), *Climate Change 2022: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*, Geneva, IPCC, 2022, at *https://report.ipcc.ch/ar6/wg2/IPCC_AR6_WGII_FullReport.pdf* (date consulted: April 4, 2023).

100 billion annually.[3] And one must also add the socio-economic costs (in terms of increased poverty and food insecurity as well as lost development and productivity gains) associated to the impact of heat extremes and changing precipitation patterns on the region's productive structure.

In a post COVID-19 context of much reduced fiscal firepower by Latin American countries,[4] and given both the impact and solutions to the climate crisis transcend national borders, multilateral approaches appear the only viable way forward. Effective regional (and international) frameworks and financial mechanisms are needed more than ever to deliver successful climate action. Reversing destruction and degradation in the Amazon rainforest is a case in point: not only because the biome stretches across nine countries (Brazil, Bolivia, Colombia, Ecuador, Guyana, Peru, Suriname, Venezuela and French Guiana) but also because of its importance in global climate mitigation and the urgency to create economic alternatives in a region plagued by high poverty and (environmental and other) crime with negative spillovers on regional stability.

While various multilateral financing mechanisms and political platforms to address deforestation and create sustainable development in the Amazon exist, a number of shortcomings have prevented their full success. Fresh thinking and solutions will be necessary to build on the current architecture and achieve significant progress.

Multilateral institutions and frameworks: the status quo

The multilateral governance architecture covering climate change mitigation policies in the Amazon region rests on two main pillars. The first is linked

[3] Estefanía Jiménez and Gloria Visconti, "A Transformative Approach: IDB and GCF Partnership for Climate Action in Latin America and the Caribbean," in IADB, February 2, 2023, at *https://blogs.iadb.org/sostenibilidad/en/a-transformative-approach-idb-and-gcf-partnership-for-climate-action-in-latin-america-and-the-caribbean-2/* (date consulted: April 4, 2023).

[4] The deployment of emergency stimulus programmes across the region resulted in a sharp increase in public debt levels. Debt level as a percentage of GDP for the region increased from 68% in 2019 to 77.4% in 2020 and it is forecast to hover around 70% in the medium term. See IMF, "World Economic Outlook Database, October 2022 Edition," at https://www.imf.org/en/Publications/WEO/weo-database/2022/October (date consulted: April 4, 2023).

to the region's involvement in the United Nations Framework Convention on Climate Change (UNFCC) processes and meetings, including the annual Conferences of the Parties (COP) and related agreements over the past three decades.[5] The Paris Agreement, signed at COP21 in 2015, was a notable landmark in this sense. It established a multilateral framework to reduce greenhouse gas (GHG) emissions to keep global warming below 2ºC of pre-industrial levels and preferably below 1.5ºC.[6] The Agreement required each Member State to outline, communicate and commit to Nationally Determined Contributions (NDC) as a way to lay the ground for a global transition to clean energies, sustainable infrastructure, and economic models (including agriculture and land management). The NDCs for Latin American countries target agriculture and changes in land use and forestry in particular, sectors which account for over 42% of greenhouse gas emissions in the region, compared to 18% globally.[7] They also seek to reduce deforestation, especially in the Amazon rainforest, as this is estimated to currently be the largest source of greenhouse emissions in Brazil, the region's largest GHG emitter and 6th in the world.[8] In this sense, Brazil's NDCs aim to reduce the country's GHG emission by 50% below 2005 levels in 2030 by curbing the footprint of its forestry, agricultural and livestock sectors while pursuing sustainable development and poverty reduction.[9]

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5 João Paulo Veiga and Miriam Garcia, "Latin America Climate Policy: An Analysis of the Nationally Determined Contributions (NDCs) from Argentina, Brazil, and Chile," in Giovanna França, Danilo Freire and Umberto Mignozzetti (eds.), *Natural Resources and Policy Choices in Latin America*, Rio de Janeiro, Fundação Konrad Adenauer, 2020, pp. 21-43, at *https://www.kas.de/documents/273477/11528153/Natural+Resources+and+Policy+Choices+in+Latin+America.pdf/01c5ad74-1d04-a0f7-1fef-19449cb189d2?version=1.0&t=1612290449786* (date consulted: April 4, 2023).

6 "The Paris Agreement. What is the Paris Agreement?," in United Nations Climate Change, at *https://unfccc.int/process-and-meetings/the-paris-agreement* (date consulted: April 4, 2023).

7 Alicia Bárcena *et al*., *Economics of Climate Change in Latin America and the Caribbean: A Graphic View*, Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2018, at *https://repositorio.cepal.org/bitstream/handle/11362/43889/1/S1800475_en.pdf* (date consulted: April 4, 2023).

8 As of 2019, according to the Climate Watch Data, "Historical GHG Emissions", at *https://www.climatewatchdata.org/ghg-emissions?end_year=2019&start_year=1990* (date consulted: April 4, 2023).

9 Federative Republic of Brazil, "Paris Agreement. Nationally Determined Contribution (NDC)," March 21, 2022, at *https://unfccc.int/sites/default/files/NDC/2022-06/Updated%20-%20First%20NDC%20-%20%20FINAL%20-%20PDF.pdf* (date consulted: April 4, 2023).

However, NDCs are not legally binding for countries, and their application depends on the adoption of domestic legislation which often lags international agreements. As a result, a plethora of other initiatives have been launched in recent years within the COPs framework to galvanise domestic action. These include: a commitment by over 100 countries (including Amazon's countries) to end deforestation by 2030 at COP26[10] in 2021 and the proposal by Colombian president Gustavo Petro to create a multilateral fund with Brazil and Venezuela to fight deforestation and spur inclusive local economic development in the Amazon at the most recent COPs.[11]

The second pillar of multilateral climate change governance has a more regional scope and rests on two regional cooperation frameworks. On one side, the Amazon Cooperation Treaty signed by Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, Suriname, and Venezuela in 1978 and the related Amazon Cooperation Treaty Organisation (ACTO), the only current intergovernmental organisation of the Amazonian countries, created in 2002. ACTO is headquartered in Brasilia and provides technical assistance and capabilities to its Member States to protect the Amazon biome, including through a cross-regional monitoring system, with the technical support of the Brazilian government.[12] On the other side, the Leticia Pact for the Amazon, which was signed by Bolivia, Brazil, Ecuador, Colombia, Guyana, Peru, and Suriname in 2019 to identify multilateral solutions to deforestation and tackle its root causes through exchanging best practices and operational capabilities.

Moving to climate finance, which is a crucial enabler for successful mitigation efforts in the Amazon, although most of it has happened (and still does)

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[10] See Georgina Rannard and Francesca Gillett, "COP26: World Leaders Promise to End Deforestation by 2030," in BBC News, November 2, 2021, at *https://www.bbc.co.uk/news/science-environment-59088498* (date consulted: April 4, 2023).

[11] "Un frente común para salvar la selva amazónica planteó Presidente Petro en COP 27 de Egipto," in Ministerio de Relaciones Exteriores (Colombia), September 11, 2022, at *https://www.cancilleria.gov.co/newsroom/news/frente-comun-salvar-selva-amazonica-planteo-presidente-petro-cop-27-egipto* (date consulted: April 4, 2023).

[12] "Project Monitoring Forest Cover in the Amazon Region/Monitoring Deforestation, Forest Use and Changes in Land Use in the Pan-Amazon Forest," in Amazon Cooperation Treaty Organization (ACTO), at *http://otca.org/en/ctp_otca_projetos/monitoring-project-of-forest-cover-in-the-amazon-region-monitoring-of-deforestation-forest-use-and-changes-in-land-use-in-the-pan-amazon-forest/* (date consulted: April 4, 2023).

on a bilateral basis, a number of important multilateral mechanisms are in place.[13] The largest of those is currently the Amazon Fund, a financial initiative started by Germany and Norway in 2008—and managed by the Brazilian Development Bank (BNDES)—to raise donations to fight deforestation and promote sustainable practices in the Brazilian Amazon. As the first and largest REDD+ carbon credit fund globally, this initiative has received donations from Norway, Germany, and Petrobras with a cumulative pledge of USD 1.2 billion.

At the global level, the Global Environmental Facility (GEF), created as the financial mechanism of the UNFCC, has disbursed over USD 4 billion and mobilised from other sources almost USD 40 billion for climate mitigation projects in over 160 countries.[14] Other global funds have also been established within the COPs such as the Green Climate Fund at COP16.[15]

Multilateral development banks have more recently also started to play an important role. In 2015 the Amazon Sustainable Landscape Program (ASL), led by the World Bank (WB) with support of various multilateral organizations, including the World Wild Fund for Nature (WWF) and the United Nations Development Programme (UNDP), was approved by the GEF as a regional pilot to support biodiversity conservation, halt deforestation and improve local communities' livelihoods with over USD 700 million in financial resources.[16] The WB also approved a USD 1 billion loan to Colombia in 2022, the largest in the country's history, to fight climate change, including through mitigation projects. Similarly, it granted a USD 500 million loan to Brazil in 2022, through the bank's first sustainability-linked

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[13] Between 2013 and 2015 bilateral funding delivered 73% of total resources for projects in the Amazon rainforest in contrast to 13% from multilateral schemes. Ministry of Science, Technology and Innovations (MCTI), *Fourth National Communication of Brazil to the UNFCCC*, Brasilia, MCTI, 2020, p. 363, at *https://unfccc.int/sites/default/files/resource/4a%20Comunicacao%20Nacional.pdf* (date consulted: April 4, 2023).

[14] "Climate Change Mitigation," in Global Environment Facility (GEF), at *https://www.thegef.org/what-we-do/topics/climate-change-mitigation* (date consulted: April 4, 2023).

[15] "Introduction to Climate Finance," in United Nations Climate Change, at *https://unfccc.int/topics/introduction-to-climate-finance* (date consulted: April 4, 2023).

[16] GEF, *Amazon Sustainable Landscapes Program (ASL)*, Washington, D.C., GEF, 2019, at *https://www.thegef.org/sites/default/files/publications/wb_gef_asl_brochure_2019_en.pdf* (date consulted: April 4, 2023).

lending approach, to help the country meet its NDC goals and mobilise up to USD 1.4 billion in further private financing.[17]

The Development Bank of Latin America (CAF) and IADB have tended to operate in support of the existing regional governance frameworks. The former signed an agreement with ACTO for the establishment of the 'Resilient Economy-Amazon 2030' framework to promote joint actions for socioeconomic projects in the Amazon basin in line with its member countries' NDCs. The IADB, in turn, has provided USD 20 million as capital seed for projects that promote sustainable economic development as part of a 5-year initiative announced at the Second Presidential Summit of Leticia Pact for the Amazon.[18] Both organisations are also involved in climate finance initiatives, including IADB's participation in the USD 600 million Amazon Bioeconomy Fund[19] and CAF's pledges to allocate USD 25 billion to climate-related projects in Latin America and the Caribbean by 2026.[20]

Limitations to current multilateral solutions

Despite the multilateral frameworks and climate funding discussed above, the Amazon rainforest biome has shrunk by nearly 14% since the 1970s.[21] Deforestation rate in the Brazilian Amazon (which represents 60% of the

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17 The World Bank, "World Bank and Banco do Brasil Develop Innovative Climate Finance Solution," press release, December 22, 2022, at *https://www.worldbank.org/en/news/press-release/2022/12/22/banco-mundial-banco-do-brasil-desenvolvem-solucao-financiamento-climatico* (date consulted: April 4, 2023).

18 IBD, "IDB Launches Initiative for the Sustainable Development of the Amazon Region," press release, March 18, 2021, at *https://www.iadb.org/en/news/idb-launches-initiative-sustainable-development-amazon-region* (date consulted: April 4, 2023).

19 IBD, "GCF Approves the Establishment of Amazon Bioeconomy Fund to Partner with IDB Initiative," press release, October 8, 2021, at *https://www.iadb.org/en/news/gcf-approves-establishment-amazon-bioeconomy-fund-partner-idb-initiative* (date consulted: April 4, 2023).

20 Development Bank of Latin America (CAF), "CAF will Allocate USD 25 Billion to Boost Green Growth in the Next Five Years," November 8, 2021, at *https://www.caf.com/en/currently/news/2021/11/caf-will-allocate-usd-25-billion-to-boost-green-growth-in-the-next-five-years/* (date consulted: April 4, 2023).

21 Calculation as of 2017 according to data from Charlotte C. Smith *et al*., "Old-growth Forest Loss and Secondary Forest Recovery across Amazonian Countries", in *Environmental Re-*

total rainforest extension) saw an all-time high record in 1995 followed by a steady reduction. This declining trend reversed in 2015, with deforestation reaching a 15 year-record in 2021.[22] As a consequence, instead of capturing carbon dioxide the Amazon rainforest has now become a net emitter.[23] This is the result of a series of intertwined causes linked to a weakening state's absence in the area, extractive economic models, and limited sustainable income sources for local communities. Not to mention political will, which has been lacking especially under the administration of Jair Bolsonaro (2019-22).

The socio-economic isolation of the Amazon region has created a vicious cycle of poverty and environmental destruction, exacerbated by rising environmental crime. Extractive economic models focused on clearing land for cattle ranching and agriculture are the main drivers of deforestation. Despite its rich natural resources endowment, the Amazon region displays some of the highest poverty rates nationally, including in Brazil,[24] Colombia,[25] Ecuador,[26] and Peru.[27] In parallel, the expansion of illicit economies, most notably connected to drug trafficking, has further eroded the state reach and increased the incentives for local communities to engage

search Letters, no. 16, August 4, 2011, at *https://iopscience.iop.org/article/10.1088/1748-9326/ac1701* (date consulted: April 4, 2023).

22 Sarah Coe *et al.*, *Deforestation in the Amazon*, London, The House of Commons Library (CDP 2021/0219), December 2021, p. 4, at *https://researchbriefings.files.parliament.uk/documents/CDP-2021-0219/CDP-2021-0219.pdf* (date consulted: April 4, 2023).

23 Luciana V. Gatti et al., "Amazonia as a Carbon Source Linked to Deforestation and Climate Change," in *Nature*, no. 595, pp, 388-393, July 14, 2021, at *https://www.nature.com/articles/s41586-021-03629-6* (date consulted: April 4, 2023).

24 "Mapa da Nova Pobreza," in FGV Social, July 2020, at *https://cps.fgv.br/MapaNovaPobreza* (date consulted: April 4, 2023).

25 United Nations Development Programme (UNDP), "Pobreza regional en Colombia", at *https://www.undp.org/es/colombia/discursos/pobreza-regional-en-colombia* (date consulted: April 4, 2023).

26 Coordinación General de Estudios y Datos de Inclusión, "Pobreza y desigualdad. Tasa de pobreza por ingresos," in infoMIES, at *https://info.inclusion.gob.ec/index.php/caracterizacion-poblacion-objetivo-ancusrext/pobreza-y-desigualdad-ancusrext/tasa-de-pobreza-por-ingresos-ancusrext* (date consulted: April 4, 2023).

27 Instituto Nacional de Estadística e Informática, "Pobreza," at *https://m.inei.gob.pe/estadisticas/indice-tematico/poverty/* (date consulted: April 4, 2023).

in criminal activities that further undermine the rainforest (including illegal mining and logging). For example, between 2020 and 2021, the homicide rate in Brazil's Amazonas state rose by 58%[28] as the latter's strategic position for drug-trafficking became an increasing focus of contestation for criminal groups. Deforestation also increased by a staggering 50%.[29] In a similar vein, the Colombian Amazon region, also a crucial region for coca production and transportation. In a similar vein, the Colombian Amazon region, also a crucial region for coca production and transportation, accounted for 65% of the country's deforested land in 2021, a 3.2 percentage point increase since the previous year.[30]

Against this backdrop, the increasing efforts of multilateral climate cooperation in the region face two important challenges. The first one gravitates around financial constraints. At COP26, more than USD 12 billion was pledged by 12 developed countries to protect the global forests, including the Amazon, with projects to halt and reverse deforestation and place the indigenous communities at the centre of their implementation.[31] However to this day less than one fourth of the total pledges was delivered. The shortage of financial resources limits country capacity to deliver on national commitments to halt deforestation. Moreover, and crucially, it prevents the adoption of strategies and actions to develop sustainable

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28 Own calculation using data from "As mortes violentas mês a mês no país," in Monitor da Violencia, March 1, 2023, at *https://especiais.g1.globo.com/monitor-da-violencia/2018/mortes-violentas-no-brasil/#/dados-mensais-2021?mes_2021=consolidado&estado=AM&crime=Todos%20os%20crimes%20violentos* (date consulted: April 4, 2023).

29 Calculation for calendar year from August 2020 to July 2021. "Desmatamento na Amazônia chega a 10.781 km² nos últimos 12 meses, o maior em 15 anos," in Imazon, August 17, 2022, at *https://imazon.org.br/imprensa/desmatamento-na-amazonia-chega-a-10-781-km%C2%B2-nos-ultimos-12-meses-maior-area-em-15-anos/* (date consulted: April 4, 2023).

30 Instituto de Hidrología, Meteorología y Estudios Ambientales (IDEAM), and Ministerio de Ambiente y Desarrollo Sostenible, "Actualización de cifras de monitoreo de la superficie de bosque – Año 2021", at *http://documentacion.ideam.gov.co/openbiblio/bvirtual/023983/023983.pdf* (date consulted: April 4, 2023).

31 Department for Environment, Food & Rural Affairs, Foreign, Commonwealth & Development Office, Department for Business, Energy & Industrial Strategy, and Cabinet Office, "$12 billion Donor Support to Halt and Reverse Forest Loss and Protect Land Rights," press release, November 2, 2021, at *https://www.gov.uk/government/news/12-billion-donor-support-to-halt-and-reverse-forest-loss-and-protect-land-rights* (date consulted: April 4, 2023).

economic alternatives for local communities, without which the vicious cycle of environmental degradation cannot be broken.

A second, maybe less evident, challenge relates to the increasingly fragmented landscape of political agreements and frameworks. Over the past decade, a wave of disjointed initiates and overlapping goals has further undermined climate action: for example, the focus of the Leticia Pact on efficiently tackling wildfires risks overlapping with the ACTO's technical mission. Fragmentation has also been driven by regional political circumstances and increasing polarisation. The diplomatic isolation of Venezuela of recent times has excluded the country from cooperation in the Leticia Pact while Bolsonaro's stance on environmental protection not only undermined Brazil's NDCs but also the important role the country plays within ACTO.

The way forward: designing effective green multilateral solutions for inclusive growth

The increased urgency to address deforestation in the Amazon as a way to bolster regional and climate security points to the need for fresh thinking on how to better leverage and build on the existing 'green' multilateral architecture for more climate impact and as a foundation for more sustainable growth in the region.

The current circumstances appear conducive to the above for several reasons. To start with, the coronavirus pandemic dramatically highlighted the entrenched, widespread inequalities not addressed by the prevailing development model in the region as a major factor of vulnerability. In doing so, it made a compelling case for the need to design more sustainable development paradigms, with inclusive growth at their core. Addressing vulnerability and inadequate resilience to climate change will have to be part of the solution.

Moreover, the growing momentum for climate action globally and the important role the Amazon plays in global climate security could be leveraged by countries in the region to secure more international financial and technical assistance.

Last but not least, the current political backdrop in countries with an important stake on the Amazon, including Brazil and Colombia, bodes well

for climate action moving to the centre of national agendas and for a regional common approach and stance on the matter. The latter point is especially promising given the little ability traditionally displayed by regional leaders to articulate common positions in the global arena. Environmental protection, addressing the impact of climate change and the need for an energy transition feature prominently in the discourse of recently elected presidents in Brazil, Colombia, and Chile, which also share an ambition to transition their countries to a more inclusive growth model.[32]

The confluence of the above domestic and global factors should provide impetus for new solutions, especially on the financing front, which is one of the main challenges for successful climate action as discussed above.[33] Here more effective multilateral and multi-stakeholders approaches should be explored, building on private, public and blended sources of funding, with multilateral financial institutions and development banks playing a pivotal role in ensuring good governance and oversight.

Some interesting ideas have been recently floated to mobilise climate finance while ensuring climate justice. Petro's call for a debt for nature swap and Barbadian prime minister Mia Mottley's 'Bridgetown agenda' are notable examples of the above. The proposals try to address the enormous financial challenges climate-vulnerable countries in the Global South encounter in adopting climate mitigation measures in the context of very limited resources, especially after the Coronavirus pandemic. Petro's debt for nature swap would entail cancelling or reducing external debts

[32] This will likely also lead to more climate funding and support from like-minded developed countries, as a side effect. Indeed, Norway and Germany have announced they will unlock USD 1 billion in funding pledged to the Amazon Fund which had been frozen since 2019. The United Kingdom. and the United States. has also offered to contribute to it. See Joe Lo, "Biden Promises to 'Work with Congress' to Fund Amazon Protection," in Climate Home News, February 13, 2023, at *https://www.climatechangenews.com/2023/02/13/biden-promises-work-with-congress-fund-amazon-protection-brazil-us/* (date consulted: April 4, 2023).

[33] According to the OECD, developed countries have fallen short from mobilising USD 100 billion annually for climate finance by 2020 as per their commitment in COP15 in 2009. Although climate finance has been on an upward trend since 2016, it reached only USD 83.3 billion in 2020. Also, its composition appears skewed towards bilateral and multilateral public, with little and stagnant private finance mobilised. See OECD, "Climate Finance and the USD 100 Billion Goal," in OECD Climate Change, at *https://www.oecd.org/climate-change/finance-usd-100-billion-goal/* (date consulted: April 4, 2023).

for countries in the Amazon to free up resources that could then be invested in green projects. This would also help generating more sustainable economic models and alternative sources of revenue for local population, with positive externalities on curbing environmental crime and creating inclusive growth. The 'Bridgetown agenda' in turn lays down an ambitious vision for a new climate-proof international financial architecture whose burden would be more equally shared among developed and developing (climate-vulnerable) countries. At the core of the new financial system there would be a climate mitigation trust, initially comprising USD 650 billion in special drawing rights released by the International Monetary Fund (IMF) which would then stimulate private investment up to USD 2 trillion. Climate justice would also be ensured by grants for loss and damage (funded by a 2% tax on fossil fuels exports), concessional loans for adaptation to climate-vulnerable countries and natural disaster clauses for all bank loans.[34]

The two proposals build on solutions already tested, but with a view of substantially scaling them up (Petro's idea notably)[35] and/or embedding them in a coherent blueprint of climate-proof development (the 'Bridgetown agenda'). Moreover, their implementation plan hinges on multilateral

[34] For more information on Petro's debt for nature swap see Sebastian Rodriguez, "Colombia's New President Calls for Debt Swap to Protect the Amazon," in Climate Home News, August 10, 2022, at *https://www.climatechangenews.com/2022/08/10/colombias-new-president-debt-swap-protect-amazon-rainforest/* (date consulted: April 4, 2023). For details on the 'Bridgetown agenda' see: Ministry of Foreign Affairs and Foreign Trade. Barbados, "The 2022 Bridgetown Initiative," September 23, 2022, at *https://www.foreign.gov.bb/the-2022-barbados-agenda/* (date consulted: April 4, 2023). See also: Ashish Ghadiali, "Could Barbados Blueprint be a Marshall Plan for the Climate Crisis?," *The Guadian*, November 9, 2022, at *https://www.theguardian.com/environment/2022/nov/09/leaders-urged-to-reform-finance-to-aid-the-poorest-hit-by-the-climate-crisis* (date consulted: April 4, 2023) and Mengdi Yue and Christoph Nedopil Wang, "Bridgetown Initiative: A Transformation of Development Finance System for Improved Climate Adaptation and Resilience in Emerging Economies?," in Green Finance & Development Center, December 18, 2022, at *https://greenfdc.org/bridgetown-initiative-a-transformation-of-development-finance-system-for-improved-climate-adaptation-and-resilience-in-emerging-economies/* (date consulted: April 4, 2023).

[35] For a brief history of debt for nature swaps completed until now, see Clare Baldwin, Marc Jones and Simon Jessop, "Bankers Bet Billions on New Wave of Debt-for-Nature Deals," in Reuters, November 17, 2022, at *https://www.reuters.com/business/cop/bankers-bet-billions-new-wave-debt-for-nature-deals-2022-11-17/* (date consulted: April 4, 2023).

and multi-sector efforts notably with respect to finance sources and vehicles. They also envisage an important role for multilateral financial institutions (including the IMF but also the IADB and CAF), as a source of funding but also as a broader orchestrator and catalyst for climate finance through the provision of blended financing vehicles (wich reduce the risk profile for private capital), technical assistance and institutional capacity building and helping developing local currency bond markets among others.[36] This is happening already, but the two proposals push for it to happen on a much more systematic and large scale.

Multilateral approaches on technical cooperation and knowledge exchange will also be key for successful adaptation and building resilience in the Amazon, the region and globally. The current 'green' political alignment in the region will likely provide impetus to efforts in this sense.

Finally, and on a more general note, a shared stance on environmental issues will support Amazon countries' clout in multilateral mechanisms and negotiations including COPs, hopefully yielding better outcomes for the latter than going it alone. The above could also apply to coalitions of like-minded leaders facing similar climate issues across the Global South. Brazilian president Luiz Inacio Lula da Silva's call for an 'OPEC for rainforests' at COP27 in November 2022 could be a promising step in this sense. It envisages a strategic alliance of Brazil, Indonesia, and the Democratic Republic of Congo (jointly accounting for 52% of the world's primary tropical forests) on conservation and finance issues.[37]

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[36] See Bo Li, Fabio Natalucci and Prasad Ananthakrishnan, "How Blended Finance Can Support Climate Transition in Emerging and Developing Economies," in IMF Blog, November 15, 2022, at *https://www.imf.org/en/Blogs/Articles/2022/11/15/how-blended-finance-can-support-climate-transition-in-emerging-and-developing-economies* (date consulted: April 4, 2023).

[37] Patrick Greenfield,"Brazil, Indonesia and DRC in talks to form 'Opec of rainforests'", at *https://www.theguardian.com/environment/2022/nov/05/brazil-indonesia-drc-cop27-conservation-opec-rainforests-aoe* (date consulted: April 4, 2023).