CLIMATE FINANCE · LATIN AMERICA

Asia Moved First. Latin America Has More to Gain.

Tokenized climate finance is already working in Singapore and Hong Kong. Latin America's opportunities are larger, and still largely untapped.

Asia has shown the model works. Latin America has more to build it on.

Asia's financial centers have shown that tokenized climate assets can be issued, settled and serviced at institutional scale. Hong Kong has priced four rounds of digital green bonds, and Singapore's Climate Impact X is combining with a bank-backed settlement network that spans 14 registries.

Latin America's opportunity is broader. The region holds a large share of the world's carbon supply and forests, alongside a growing pipeline of clean energy and sustainable real estate. Its financing gap is wider, too, and that is where the opportunity lies.

LATIN AMERICA IN FOUR NUMBERS

$108B
climate finance in the region in 2024, double 2020 but flat since 2023

~60%
of the region's electricity from renewables, twice the global average

~25%
of emerging-market green bond issuance in 2024 came from the region

28%
of international private energy finance to emerging economies

Climate Policy Initiative: Latin America and Caribbean Landscape (Sept. 2026); Global Landscape 2025.

01 Asia moved first

Hong Kong's fourth digital green bond raised HK$20 billion in September 2026, the largest of its kind globally, with part of the settlement in tokenized bank deposits. The lesson for Latin America: institutions buy tokenized climate assets when the rails are regulated and the proof is built in.

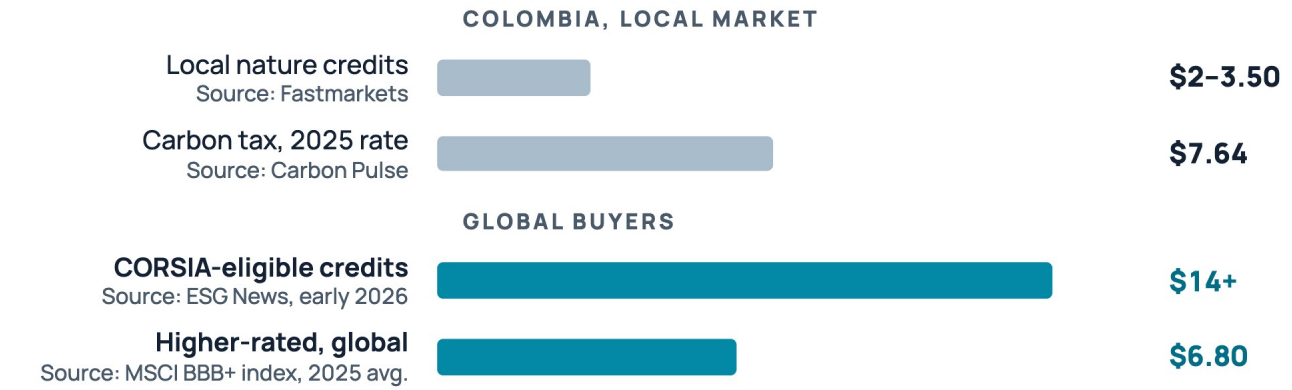
02 The larger opportunity is in Latin America

Latin American supply is abundant, but most of it sells locally at a discount. The value comes from proof and access to global buyers, which regulated tokenized structures can provide.

Where a Latin American ton sells matters as much as what it is

Price per ton of CO_2e, USD

Proof and eligibility set the price



Colombian firms can pay up to half their carbon tax with local credits, capping local demand near the tax rate. Figures come from different sources and periods; shown for scale, not as a price series.

THREE SIGNALS FROM THE REGION

Colombia
Firms can offset up to half their carbon tax with local credits, but oversupply keeps prices low.

Brazil
A regulated carbon market, created in 2024, treats credits traded in capital markets as securities.

Belém
COP30 put Latin America at the center of the $1.3 trillion climate finance roadmap.

AND THE OPPORTUNITY REACHES WELL BEYOND CARBON

Sustainable real estate
Rainwater capture, on-site solar and land preservation become verified data behind a raise, with carbon as a later layer.

Clean energy
Fractional solar and storage revenue lets investors own the yield while certificates track the clean power.

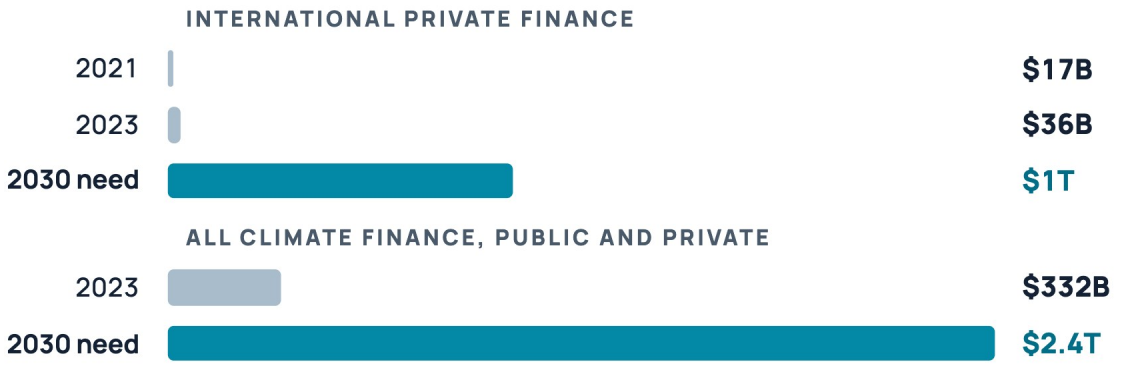
Adaptation and resilience
Adaptation is just 11% of the region's climate finance, about $12.5 billion in 2024, as climate risk to assets grows.

03 The capital gap is the opening

Private capital has to do most of the work. International private climate finance to emerging economies must grow 28-fold by 2030, and Deloitte finds that guarantees and first-loss tranches can cut the cost of capital by up to 25%.

Private capital has to grow 28x to close its share of the gap

Climate finance to emerging and developing economies, USD per year — **2030 need vs. 2023 flows**



KPMG and World Economic Forum, From Risk to Reward, 2025. About $1 trillion a year must come from international, mostly private, sources.

04 Clear value on both sides of the table

What project owners gain

1. **Capital before the credits exist**
   Offtakes fund build-out before issuance.
2. **A global investor base**
   Asian, US and European capital, not one lender.
3. **A lower blended cost of capital**
   A concessional partner takes first loss.
4. **Proof that travels**
   Ratings and monitoring data on the token.
5. **Programmable compliance**
   Eligibility and waterfalls coded in.

What investors gain

1. **Yield from real climate assets**
   Contracted project cash flows.
2. **Defined risk**
   Senior and first-loss positions are explicit.
3. **Access and fractions**
   Tickets sized for private wealth.
4. **A path to exit**
   Regulated transfer as markets mature.
5. **Verifiable impact**
   Audit-ready data for every report.

05 The model that wins

Most carbon tokenization has targeted the credit itself. The capital gap sits in financing future supply and owning the projects that create it.

ENVIRONMENTAL COMMODITY | SECURITY TOKENS

1 Retire

Tokenized credits

Buyer gets: Verified tons, audit-ready claims

Owner gets: Direct buyers, price discovery

2 Finance

Forward offtakes, credit streams

Investor gets: Contracted future tons or cash flows

Owner gets: Build capital before first issuance

3 Own

Project equity, blended tranches

Investor gets: Yield, upside and a defined risk position

Owner gets: Patient capital at a lower blended cost

Credit tokens are the commodity layer, where exchanges and bank networks are already building rails. The larger opening for Latin America is in the next two layers.

Security tokens are where the gap closes: a first-loss partner plus tokenized senior tranches. Deloitte estimates carbon markets could contribute up to $472 billion a year by 2035, if they become fully integrated globally.

06 What it takes to capture Latin America's opportunity

	CAPABILITY	WHAT IT DOES
01	**Custody and reconciliation**	Safekeep tokens and match each one to its registry record
02	**Asset servicing**	Distributions, waterfalls, investor reporting and impact data
03	**Settlement and liquidity**	Dollar settlement in tokenized cash, delivery versus payment
04	**Structuring and legal**	Security wrappers that fit US, EU and local rules, like Brazil's

PROOF IN PRACTICE: TOKENIZING THE DATA, NOT THE BOND

Under MAS's Project Guardian, Northern Trust, the National University of Singapore and UOB piloted tokenizing the reporting data of NUS's S$340 million green bond. A token on Northern Trust's Matrix Zenith platform holds the bond's environmental impact reporting data, so every investor gets the same verified record as the bond changes hands.

The same approach fits Latin America's green bonds, carbon projects and sustainable real estate, where verified reporting is what opens the door to international capital.

07 Why now, and what it takes to lead

The targets are set. At COP29, developed countries committed to $300 billion a year in climate finance by 2035, alongside a roadmap to scale total flows to developing economies to $1.3 trillion. The Bridgetown Initiative calls for $500 billion a year in private capital alone. Public money can't close that gap; structured private capital has to.

The market is maturing, too. CORSIA's first phase ends December 31, and Brazil and Colombia are writing carbon rules that reward verified supply. Climate Policy Initiative's new regional report names weak project aggregation and thin investment-ready pipelines among the main barriers, exactly what structured, data-rich vehicles address.

INVESTORS KNOW WHAT HOLDS THEM BACK. LEADERS WILL ANSWER EACH.

	THE CONCERN	THE LEADER'S ANSWER
01	**Country and currency risk**	Blended tranches, with guarantees coded into the waterfall
02	**Integrity and greenwashing**	CCP-labeled supply with monitoring data on each token
03	**Deals too small to fund**	Pooled, fractional vehicles for the "missing middle"
04	**Regulatory risk**	Securities law for financing; commodity rules for credits
05	**Illiquidity**	A regulated transfer path, with rules built into the token

> **Asia moved first on tokenized climate finance. Latin America has more to gain: more supply, more projects and a wider gap for private capital to close.**

PRIME LEDGER

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