Post-COP30: Actions and opportunities for financial institutions

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Contents

Executive summary

The 30th Conference of the Parties (COP30) marked the beginning of a potential pivot in global climate negotiations, moving from commitments to action. The summit underscored the growing demand for accountability and once again placed financial institutions at the heart of climate finance mobilization.

Notable outcomes included a new climate finance work program, a call to triple adaptation finance by 2035, and advancements in operationalizing carbon market rules under Article 6. The adjacent launch of the Tropical Forests Forever Facility, aiming to mobilize US$125b for forest protection, highlighted nature's critical role in climate action. Meanwhile, the Just Transition Mechanism signaled a new focus on embedding social equity within climate finance initiatives.

For the financial services sector, these developments present both challenges and opportunities. Institutions can explore closer alignment with climate risks and goals through the lens of the Action Agenda, innovate through products such as resilience-linked loans, biodiversity funds and climate risk insurance, and evaluate blended finance and country platforms as vehicles for climate co-investment.

COP30's emphasis on implementation and action creates space for financial institutions to shape solutions, manage emerging risks and capture growth opportunities as markets mature and sector transformation emerges.

Introduction

COP30 signaled a shift in the climate agenda as the narrative shifted from ambition to delivery. Held in Belém, Brazil – known as the gateway to the Amazon - the summit convened more than 56,000 participants from 193 countries and the EU against a backdrop of economic uncertainty and geopolitical tension.

Two issues stood out in discussion, and ultimately framed reaction to the agreement: the intersection of trade and climate — exemplified by proposals for border carbon adjustments and deforestation-free import rules — and the ongoing debate over fossil fuel phase-out, where the absence of a clear commitment drew criticism despite calls for a just transition.

Brazil's presidency set the tone with the COP30 Action Agenda, outlining 30 priority goals inspired by the spirit of "mutirão" (collective action). This agenda reflects a coordinated push to transform climate commitments into tangible results through voluntary coalitions to accelerate progress.

The follow-up to the first Global Stocktake (GST) from COP28 reinforced the urgency: despite more than 120 national transition plans or Nationally Determined Contributions (NDCs) being submitted, the world remains on track for 2.3–2.5°C of warming by 2100.

While the final COP30 text stopped short of mandating stronger NDCs, it introduced a dedicated work program under the United Nations Framework Convention on Climate Change (UNFCCC) to help countries design, implement and finance their NDCs — creating practical pathways for transformation.

Beyond NDCs, COP30 spotlighted issues with direct implications for financial services, including climate finance, adaptation and resilience, carbon markets, just transition and nature finance.

This report examines what was agreed or announced, why it matters and how financial institutions can lead in a rapidly evolving sustainability landscape.

1 Raising the ambition on climate finance

Climate finance – including the financial commitment from developed to developing countries for climate action – was central to COP30 negotiations. COP30 reinforced the need for scaled, predictable finance to meet global climate goals and accelerate resilience. The Baku-to-Belém roadmap brought forward inputs on practical ways finance could be scaled, and introduced a voluntary, pragmatic approach to achieving the US$300 billion annual public finance ambition agreed at COP29. It also outlined a vision to mobilize US$1.3t annually, including private finance and other non-public funding. Negotiations focused on rebuilding trust and unlocking pathways for private capital to flow, with the roadmap serving as a blueprint for action.

Adaptation finance – designed to help countries build resilience and adapt to climate impacts – also gained visibility. The United Nations Environment Programme (UNEP) estimates that developing nations face an annual adaptation funding gap of US$284b to US$339b. In response, the Global Goal on Adaptation (GGA) was agreed, setting an ambition to triple adaptation financing by 2035. To track progress, 59 global adaptation indicators were adopted, and a dedicated workstream will now develop guidance and operationalize these Belém Adaptation Indicators.

Key developments outside official COP30 discussions

- **SME support:** Over 250 firms pledged to help small- and medium-sized enterprises (SMEs) decarbonize and expand access to climate finance.
- **Super Taxonomy:** Initiative to align over 60 national taxonomies into a common framework to unlock private capital for climate finance.
- **Country platforms:** 14 digital country platforms to turn country-level transition plans into portfolios of bankable projects with blended finance structures.
- **SB COP transaction hub:** New digital platform to fast-track climate and nature deals, uniting finance and governments.
- **Industrial Transition Accelerator (ITA):** US$140b pledged for 70 clean industry projects, accelerating decarbonization in hard-to-abate sectors.
- **Financial sector alignment:** The UNEP Finance Initiative and partners launched a global initiative to harmonize FS transition plans.
- **Insurance solutions:** By 2028, 24 organizations will offer insurance-backed products to de-risk climate investments, including regenerative agriculture.

Implications for financial services

COP30 signals growing momentum to mobilize private capital for climate finance. Existing mechanisms such as blended finance and guarantees could continue to create new investment channels. Leading firms are structuring layered capital stacks and portfolio guarantees to de-risk and finance climate projects in emerging markets, linking returns to measurable climate outcomes and using digital platforms to source and assess opportunities. They are also collaborating with public and philanthropic partners, focusing on sector-specific transition plans, and prioritizing transparency and standardized impact measurement to build investor confidence.

The definition of 59 adaptation indicators and the global commitment to triple adaptation finance create opportunities for financial institutions to innovate and expand offerings. Leading firms are developing resilience bonds and parametric insurance, while integrating resilience into risk frameworks and disclosures, in recognition of the link between climate risk and financial stability. Agreed indicators will ultimately enable integration into scenario analysis, climate stress testing and credit risk frameworks, supporting more robust and transparent management of adaptation across portfolios.

2 Scaling carbon markets

COP30 continued to reinforce the development of carbon markets, building on COP29's momentum to strengthen Article 6 for international trading. Marginal improvements were made to the Article 6 rulebook, and parties acknowledged inconsistencies in reporting carbon credit trades under Article 6.2, which governs country-to-country transactions.

The summit clarified reporting requirements for bilateral trades and finalized the carbon markets rulebook, establishing governance and standards essential for making credits a reliable bridge between voluntary and compliance markets.

Recent analysis by EY for a carbon market white paper projects that the market could reach US$1t annually, with countries potentially saving up to US$250b on their own transitions by 2030 through the use of credits.

Key COP30 outcomes

- **Bilateral trading:** 16 countries submitted plans for cross-border carbon credit transfers, with discussions focused on improving transparency and consistency to avoid double counting.
- **Carbon market rulebook:** The first emissions-reduction methodology for landfill gas projects was approved, alongside standards for project approvals and safeguards such as insurance or buffer systems to address reversal risk.

Key developments outside official COP30 discussions

- **Carbon market coordination:** 18 countries and the EU, representing 40% of global emissions, formed an open coalition to align carbon pricing and trading systems.
- **High-integrity carbon markets:** Eight countries backed a global standard to help ensure credible use of carbon credits, aiming to unlock US$50b annually for climate projects.

Implications for financial services

COP30's outcomes reinforce the role for both voluntary and compliance carbon markets. This includes scaling nature-based credits and creating opportunities for financial innovation, while simultaneously raising the bar for integrity and risk management.

Leading institutions are exploring ways to structure carbon credits and nature-based solutions – such as loans, funds and derivatives – and securitize carbon credit streams into asset-backed securities to attract institutional capital.

Partnerships with governments and infrastructure providers could support the creation of regulated carbon credit exchanges, offering more transparent price discovery.

Some insurers are developing solutions to address delivery and permanence risks, particularly for nature-based credits. Insurance, performance guarantees and parametric covers help de-risk projects and investments and enhance credit quality.

3 Embedding equity in climate action

COP30 spotlighted the social dimensions of climate action, emphasizing a "just transition" for workers and communities. While only about US$16b (3% of global climate finance) currently targets these needs, it was the first time a COP outcome included the just transition in the UN framework.

Key COP30 outcomes

- **Just Transition Work Programme (JTWP):** Implemented via the first ever global Just Transition mechanism, the Belém Action Mechanism, this voluntary platform supports communities and workers affected by the fossil fuel phase-down, mobilizes retraining finance, and encourages inclusive decision-making.
- **Belém Gender Action Plan (2026–2034):** Adopted to embed gender equality across climate policy through capacity-building, gender-balanced participation and funding for women-led solutions, referencing just transition principles.

Key developments outside official COP30 discussions

- **Climate information integrity:** 13 countries endorsed a declaration to fight climate disinformation, committing to accurate reporting, stronger media standards and funding for research, especially in developing countries.

Implications for financial services

Social inclusion is becoming an increasingly important consideration in climate finance strategies, even though it remains difficult to measure and commercially challenging. Leading institutions are beginning to develop policies and metrics to assess the social impact of their financing activities and are piloting products such as sustainability-linked loans and bonds with social clauses tied to outcomes like job creation or retraining.

Gender-responsive practices, highlighted in the Belém Gender Action Plan, may influence voluntary standards and regulatory frameworks over time, driving greater transparency on how institutions support inclusive climate action.

4 Elevating biodiversity and strengthening disclosure standards

COP30 reinforced nature's role in climate action and advanced efforts to harmonize sustainability reporting. The bioeconomy, valued at around USD$4t and projected to reach USD$30t by 2050, was a focal point for new initiatives linking biodiversity, finance and disclosure standards. The summit reaffirmed the 2030 zero-deforestation goal and introduced several voluntary frameworks to drive progress.

Key developments outside official COP30 discussions

- **Tropical Forests Forever Facility (TFFF):** Brazil launched a platform to mobilize US$125b for forest protection, endorsed by 53 countries, including 34 tropical forest nations.
- **Nature-related disclosures:** The International Sustainability Standards Board (ISSB) will develop a global standard by 2026, building on the Taskforce for Nature-related Financial Disclosures (TNFD) framework.
- **Bioeconomy initiative:** A three-year global initiative to create shared metrics, market frameworks and financing tools to help countries integrate nature-based industries.

Implications for financial services

The growing momentum around nature-related disclosures is shaping expectations and regulatory developments. EY's Global Nature Action Barometer 2025 found that while 93% of companies reference nature in public disclosures, only 23% align with TNFD recommendations in the financial sector. Despite these gaps, more than 85% of companies globally report against TNFD in some form, signaling accelerating progress.

Leading institutions are reviewing their sustainability strategies, exploring ways to embed biodiversity and nature considerations. They understand that climate and nature are intrinsically linked and are embedding this further into risk management, transition planning and product innovation – such as dedicated funds and credits for forest conservation.

The ISSB's forthcoming standard is expected to bring greater consistency and transparency to sustainability reporting, helping financial institutions respond to emerging regulatory requirements and capture opportunities in the expanding nature finance market.

Conclusion

COP30 signals a new era of action and integration in climate action, with financial services increasingly central to the transition. While progress was made in areas such as climate finance, carbon markets and nature-related disclosures, significant challenges remain – including the pace of fossil fuel phase-out and the need for stronger national commitments.

For financial services, the summit highlighted the importance of adapting risk frameworks, innovating products and preparing for evolving disclosure standards. EY's Long-Term Value and Corporate Governance Survey shows that 94% of European firms integrating sustainability into their business strategy believe it drives profitable growth while 43% report improved production innovation – reinforcing the link between sustainability and value creation.

As new mechanisms and standards emerge, institutions that remain agile and engaged will be better positioned to navigate uncertainty and capture opportunities as markets mature. The challenge and potential now lie in converting commitments into measurable outcomes that deliver real impact.

Contacts

Gill Lofts
EY Global Financial Services Sustainable Finance Leader
Ernst & Young LLP
E: glofts@uk.ey.com

Matt F. Handford
EY Financial Services Sustainability Leader
Ernst & Young LLP
E: matt.handford@ey.com

Contributors

Lina Viktoria Kilander
EY Financial Services Director
Ernst & Young LLP
E: lina.kilander@no.ey.com

Sophie Bönnelyche
EY Sustainable Finance Senior Consultant
Ernst & Young LLP
E: Sophie.bonnelyche@se.ey.com

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