

# Sustainable Finance Brief: New Assessment For Sustainable Bonds In The Amazon Region

July 7, 2025

This report does not constitute a rating action.

**S&P Global Ratings now offers an assessment of adherence to the Amazonia Bond Guidelines (ABGs), through its Second Party Opinions.** The Inter-American Development Bank and the World Bank published its guidelines for Amazonia Bonds in June 2025. The "Amazonia Bond" label can be used by issuers if financing is aligned to both the Green and Social Bond Principles and the ABGs.

## What's Happening

To label a green, social, or sustainable bond issuance as an Amazonia Bond, 100% of the proceeds must finance green or social projects located in the Amazon region. The ABG outlines project selection and evaluation requirements, including risk management procedures to mitigate environmental and social risks specific to the region. It also suggests impact indicators for post-issuance reporting. When requested, we will check whether a sustainable finance framework or transaction adheres to the requirements laid out in the ABG.

## Why It Matters

**As the world's largest tropical rainforest, the Amazon region is a prominent asset for global sustainability and nature financing.** As a result of deforestation and climate change, the rainforest is approaching an Earth system tipping point--the level up to which the rainforest can still self-repair and continue serving its ecological functions. Once degradation goes beyond the tipping point, the system may never be able to recover.

**The ABG aims to incentivize social investments in the Amazon region by providing entities with a detailed list of potential investment types, target populations, and risk management procedures.** With a total population of 47 million, and home to the largest Indigenous Peoples population in the world (2.2 million), the Amazon region is characterized by inadequate access to essential services such as education and sanitation, as well as land rights issues.

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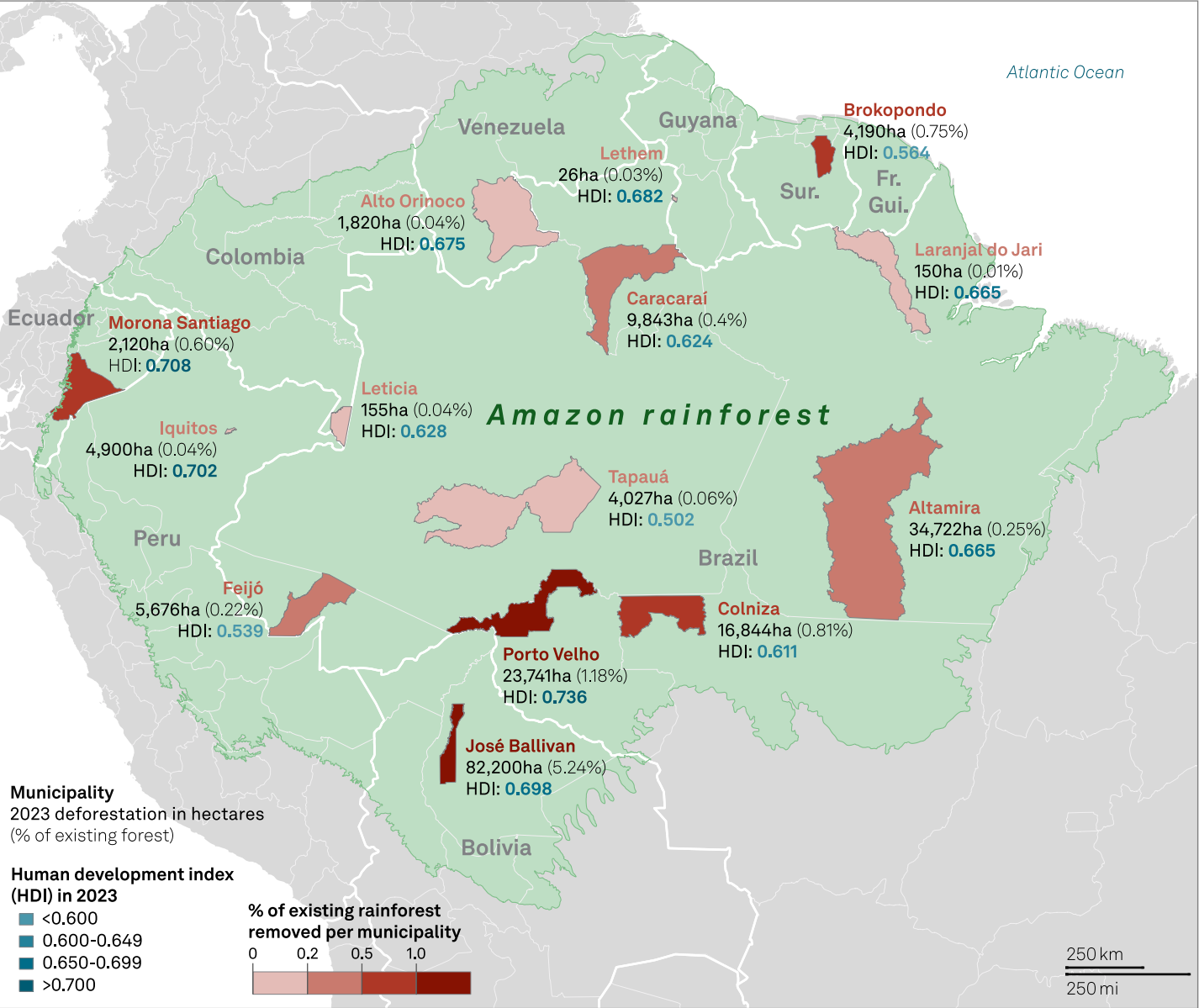
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Amazon rainforest: Nature and social risk exposure in relevant municipalities



Data compiled April 2025.  
The Amazon rainforest spans significant portions of Bolivia, Brazil, Colombia, Ecuador, Peru, and Venezuela, as well as the entire land area of Guyana and Suriname. The Guidelines use the geospace defined by The Amazonian Network of Georeferenced Socio-Environmental Information (RAISG), which excludes the French Guiana. Sources: Global Forest Watch, Instituto Brasileiro de Geografia e Estatística, United Nations Programme Human Development Report and MapBiomas Project (Collection 9.0 of the Annual Series of Land Use and Land Cover Maps of Brazil).  
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**The ABG also aims to support projects that enhance the Amazon’s carbon sequestration while helping to reverse the trend of its biodiversity loss.** The rainforest plays a vital role in regulating the world’s climate and provides a habitat to 10% of the world’s known species (Instituto Sociedade População e Natureza). However, extensive deforestation and climate change have turned parts of the southeastern rainforest into a carbon emissions source rather than a sink (Gatti et al., 2021).

**Sewage collection and treatment are an example of a project type benefitting the rainforest.** Untreated sewage can contribute to biodiversity loss through water pollution and greenhouse gas emissions. [Concessionária de Saneamento do Amapá S.A.'s R\\$955 million green debentures](#)

[issuance](#) financed the expansion of wastewater treatment in the Brazilian Amazon state of Amapá.

## What Comes Next

We expect new financing opportunities for the region, especially with the upcoming climate COP30 to be hosted in the Brazilian Amazon in November 2025, along with the financial commitments made at biodiversity COP16. However, we anticipate that volumes of Amazonia bonds will depend on the availability at scale of viable projects.

### Background In Brief

An S&P Global Second Party Opinion (SPO) includes S&P Global Ratings' opinion on whether the documentation of a sustainable finance instrument, framework, or program, or a financing transaction aligns with certain third-party published sustainable finance principles. SPOs are not credit ratings, do not consider credit quality, and do not factor into our credit ratings.

## Related Research

### S&P Global Ratings research

- [Sustainable Finance Spotlight: Climate Transition Assessments And Second Party Opinions](#), March 25, 2025
- [Sustainable Bond Outlook 2025: Latin America Leading The Way For Nature Financing](#), March 10, 2025
- [Tipping Points Shrink The Sustainable Growth Playing Field](#), Sept. 16, 2024
- [Second Party Opinion: Concessionária de Saneamento do Amapá S.A.'s R\\$955 Million Green Debentures](#), Oct. 27, 2023
- [Natural Capital Valuation: An Incentive To Protect Nature?](#), Nov. 8, 2021

### Other research

Gatti, L.V., Basso, L.S., Miller, J.B. et al. Amazonia as a carbon source linked to deforestation and climate change. *Nature* 595, 388–393 (2021). <https://doi.org/10.1038/s41586-021-03629-6>

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