



INCLUSIVE GREEN FINANCE ROADMAP FOR THE BANCO DE MOÇAMBIQUE

Final Version

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Executive Summary

Mozambique is among the most climate-vulnerable countries in the world, with repeated floods, droughts, and cyclones threatening livelihoods, infrastructure, and macroeconomic stability. At the same time, the financial system faces challenges of low inclusion, limited long-term financing, and weak resilience to external shocks. The Inclusive Green Finance (IGF) Roadmap responds to this dual challenge by setting out a coherent framework for building a financial system that is climate-resilient, inclusive, and aligned with international best practices.

Box: What does “Inclusive” mean in Inclusive Green Finance?

Inclusive refers to products and policies that target MSMEs, women, rural communities, and youth who are disproportionately vulnerable to climate risks.

The roadmap is the product of diagnostic assessment, extensive stakeholder consultations, and international benchmarking. It highlights that current climate finance flows average only US\$160-200M annually against an estimated US\$16B required by 2030. To close this gap, the sequenced reform agenda focuses on priority enablers such as a national green taxonomy, disclosure rules, and sustainable bonds/blue finance instruments. The roadmap is organized across seven pillars, integrating climate and ESG considerations into regulation and supervision while expanding equitable access to green financial products for vulnerable communities and MSMEs

1. Climate Risk Supervision & Integration: integrate climate- and ESG risks into policy, supervision, and operational practices, including disclosures and stress testing.
2. Sustainable (Green, Blue etc...) Bonds & Credit: establish a sustainable bonds framework, pilot sovereign and corporate issuances, expand refinancing lines, and scale green credit products.
3. Institutional & Market Infrastructure: prepare and aggregate a green project pipeline, operationalize a Project Preparation Facility, and launch a National Green/Blue Investment Platform.
4. Capacity Building & Awareness: strengthen supervisory and market skills, institutionalize training, promote climate- and financial literacy, and address gender- and MSME financing gaps.
5. Policy & Coordination Platforms: formalize BdM’s role in coordination mechanisms, establish an Inclusive Green Finance Forum, and integrate IGF into the NFI framework.
6. Green Finance Data & Disclosure: mandate ISSB-aligned reporting, require verification for large FIs, and build a climate and sustainable finance dashboard linked to budget tagging.
7. Cross-Cutting & Innovation Measures: promote digital solutions, innovation sandboxes, gender-sensitive approaches, macroprudential integration, and independent evaluations.

The strategy follows a phased approach to ensure feasibility and sustained momentum. Short-term actions (0-2 years) establish the regulatory-, data- and institutional foundations. Medium-term actions (2-4 years) mobilize capital through bond markets, blended finance platforms, and green MSME lending. Long-term actions (4+ years) consolidate systemic resilience through macroprudential frameworks, expand regional integration, and position Mozambique as a regional leader in inclusive green finance.

The roadmap emphasizes proportionality, practicality, and alignment with international standards such as the ISSB, NGFS, and SBFN. Its success will depend on strong leadership from Banco de Moçambique, close collaboration with key ministries and other relevant government institutions, financial service providers, the private sector, and sustained support from development partners. By implementing this agenda, Mozambique can close its climate finance gap, broaden financial inclusion, and build a resilient financial system that underpins sustainable and inclusive growth.

1. Introduction and Strategic Vision

Context and Challenge

Mozambique ranks extremely high on global climate vulnerability indices, with exposure to cyclones, floods, droughts and significant coastal erosion, ranking among the most severe in Africa. Between 2016 and 2024, the country experienced multiple category 4-5 cyclones—including Idai (2019) and Freddy (2023)—causing combined economic losses exceeding US \$3 billion and displacing over 1.5 million people. Drought cycles occur now about every 3-4 years, reducing agricultural output and exacerbating rural poverty.¹

The country's 2,700 km coastline, its location within nine major river basins, and the dependence on rainfed agriculture (employing around 70% of the population) make these risks systemic. For rural communities, women, youth, and micro, small, and medium-sized enterprises (MSMEs)—which account for over 89% of enterprises—climate shocks are often life-changing events, wiping out their main income sources and assets in days.²

Despite these risks, Mozambique's financial sector has untapped potential to drive climate resilience and sustainable economic transformation. Yet structural barriers persist, including high public debt (94% of GDP, limiting fiscal space), shallow capital markets with limited institutional investors, and reliance on external concessional funding. The diagnostic also highlights persistent barriers.³

- **Regulatory Gaps** - Limited integration of climate and ESG risk into supervision and regulation. Nonetheless, BdM's Strategic Plan (2025-2030) already includes climate risk integration across monetary and macroprudential policy, providing a basis for roadmap actions.
- **Product Gaps** - almost none of the banks offer a dedicated green product; penetration of climate-risk insurance remains under 5% of households ; and overall demand for green products remains low, constrained by limited awareness, affordability barriers, and low consumer incentives.
- **Data Gaps** - No national climate finance taxonomy or dashboard to track green flows, and no systematic climate expenditure tagging mechanism in the government budget.
- **Coordination Gaps** - Fragmented institutional action across government, regulators, and donors.
- **Capital Market Gaps** - No domestic issuance of green, blue, or sustainability bonds to date although the preparation of a Sustainable Bonds Decree is already underway, laying the groundwork for pilot issuances.
- **Implementation Risks** - Limited institutional capacity, reliance on external technical assistance, and risk of digital exclusion for rural and vulnerable groups

Climate finance flows remain far below needs: between 2011-2018, Mozambique received approximately US \$1.3 billion in climate-related finance (around US \$160-200M/year),

¹ Drought Resilience Profile: Mozambique. 2020. CIWA Program / World Bank.

² World Bank Mozambique Country Climate and Development Report, 2022.

³ AFI/BdM Diagnostic Study on Inclusive Green Finance, 2025.

against an estimated US \$16.18 billion required by 2030 to meet its Nationally Determined Contributions (NDCs).⁴

Definition of Inclusive Green Finance

For the purposes of this roadmap, Inclusive Green Finance (IGF) is defined as:

“Policies, regulations, and market practices that simultaneously promote environmental sustainability and financial inclusion, enabling individuals, households, and businesses—particularly the underserved—to access and use financial services for climate adaptation, mitigation, and resilience.”

This definition includes also the “blue finance” and emphasizes two-way integration, “greening” finance and making green / blue finance accessible to those most exposed to climate risk.

Strategic Vision

The IGF Roadmap envisions a resilient, low-carbon, and inclusive financial system that supports adaptation, mitigation, and equitable access to green finance. This vision will be pursued through a data-driven approach, anchored in reliable taxonomies, disclosure frameworks, and dashboards to ensure evidence-based decision-making. The roadmap also distinguishes clearly between direct mandates, where BdM leads on regulation and supervision, and shared or indirect mandates, where BdM facilitates or co-leads with ministries, regulators, and market actors

The IGF Roadmap envisions a resilient, low-carbon, and inclusive financial system that:

- **Channels investment** into green and climate-resilient sectors aligned with Mozambique’s NDC and national strategies;
- **Expands equitable access** to affordable, well-designed financial products for underserved populations; enabling them to strengthen climate resilience and contribute to climate mitigation.”
- **Integrates climate and ESG considerations** systematically into financial regulation, supervision, and operational practices.

This vision is fully consistent with the Banco de Moçambique’s dual mandate of financial stability and inclusion⁵, and directly supports:

- **Financial Inclusion Strategy 2025-2031** - Green finance as a cross-cutting enabler;
- **Updated NDC (2021)** - Sectoral climate targets in renewable energy, agriculture, water, waste management and forestry;⁶

⁴ OECD-DAC Climate-Related Development Finance Database, 2024.

⁵ Banco de Moçambique. 2025. National Financial Inclusion Strategy (NFIS) 2025-2031.

⁶ Republic of Mozambique. 2021. Updated Nationally Determined Contribution (NDC). Ministry of Land and Environment.

- **National Climate Change Strategy** - Long-term adaptation and mitigation priorities.

The roadmap's ambition is to transform Mozambique's financial system into one that is:

- **Inclusive** - Serving especially the disadvantaged parts of the population, focusing on women, young entrepreneurs, rural communities, and MSMEs with tailored green finance solutions; supporting their transition to green practices while strengthening resilience to climate events.
- **Resilient** - Proactively managing climate-related financial risks to ensure systemic stability;
- **Green** - Allocating capital toward activities that are environmentally sustainable and climate-smart.

Core Challenges Addressed

The diagnostic study highlighted the structural, regulatory, and market constraints that currently limit Mozambique's ability to mobilize and deliver green and inclusive finance:

1. **High climate vulnerability** without adequate financial safety nets.⁷
2. **Low financial inclusion** among rural and vulnerable groups (~30-32% formal account ownership).⁸
3. **Nascent regulatory frameworks** for climate risk and ESG integration.
4. **Underdeveloped capital markets** for sustainable finance (no thematic bond issuances).
5. **Fragmented governance** and absence of climate finance data infrastructure.

The IGF Roadmap is specifically designed to address these barriers, strengthening the financial system's capacity to support climate resilience, environmental sustainability, and broad-based inclusion.

Objectives of the Roadmap

The IGF Roadmap defines clear high-level milestones and objectives, providing strategic guidance to integrate climate and ESG risks into financial regulation, expand the availability of inclusive green financial products, and strengthen the enabling infrastructure for sustainable finance. It further seeks to mobilize capital through blended finance and targeted incentives, enhance financial literacy and digital access, and position Mozambique's financial sector in line with global best practices, thereby reinforcing credibility and attracting sustainable investment.

⁷ World Bank. 2023. Mozambique Country Climate and Development Report (CCDR).

⁸ Banco de Moçambique. 2024. Annual Report.

Key objectives are:

1. Mainstream climate and ESG risk into regulation and supervision.
2. Expand the supply of inclusive green financial products for underserved markets, with a focus on women, youth, rural communities, and MSMEs who are most exposed to climate risks.
3. Build enabling infrastructure: national green taxonomy, climate finance dashboard, regulatory sandbox.
4. Mobilize capital through blended finance, guarantees, and public-private partnerships. These efforts will be complementary to the Ministry of Economy and Development's climate finance strategy currently under preparation, to ensure coherence and avoid duplication.
5. Strengthen financial literacy and digital access with a green and resilience focus.
6. Align with global best practices (SBFN, NGFS, ISSB, CBI) to enhance credibility and attract investment.

Guiding Principles

The IGF Roadmap is grounded in principles that ensure its relevance, inclusiveness, and long-term impact. These include proportionality in regulatory design, prioritization of underserved groups, integration of climate resilience in all financing, promotion of innovation through digital solutions, and evidence-based policymaking guided by robust data and continuous learning.

- **Proportionality** - Regulatory frameworks will match Mozambique's evolving institutional and market capacity.
- **Inclusion** - Underserved groups—especially women, young entrepreneurs, informal MSMEs, and rural populations—will be prioritized in product design and delivery.
- **Climate Resilience** - All green finance should contribute to both adaptation and mitigation, safeguarding livelihoods and ecosystems.
- **Systematic integration of climate and ESG considerations** - embedding climate and sustainability factors across financial regulation, supervision, and market operations, ensuring that resilience and sustainability become standard practice.
- **Innovation** - Digital finance, fintech, and mobile platforms will be leveraged to expand last-mile access.
- **Evidence-Based Policy** - Decisions will be guided by reliable data, monitored through KPIs, mitigated through strategies for data gaps and iteratively adjusted through robust MEL systems.

Alignment with international best practices and standards - ensuring policies and reporting frameworks are consistent with global benchmarks (e.g., ISSB, NGFS, SBFN), to increase credibility, comparability, and finance flows towards priority activities.

Roadmap Introduction Summary Overview

Section	Overview
Context & Challenge	Mozambique faces high climate vulnerability, with systemic risks to livelihoods and economic stability, but the financial sector has untapped potential to drive resilience.
Strategic Vision	A resilient, low-carbon, and inclusive financial system that supports adaptation, mitigation, and equitable access to green finance.
Objectives	Mainstream climate/ESG risk, expand green products, build enabling infrastructure, mobilize capital, and align with global best practices.
Guiding Principles	Principles: proportionality, inclusion, climate resilience, systemic climate/ESG integration, innovation, evidence-based policy and alignment with international best practices and standard.

2. Structured Implementation Plan

The seven pillars of Mozambique's Inclusive Green Finance (IGF) Roadmap are structured to directly address the systemic barriers identified in the diagnostic study; while drawing on international best practices carefully adapted to Mozambique's socio-economic realities and institutional priorities.⁹ Together, these pillars provide a coherent framework that integrates regulatory reform, market development, and capacity building, ensuring that the financial sector is equipped for both supply-side readiness and demand-driven uptake of inclusive green finance.

The table below provides an overview of the implementation per pillar, with the full mapping to specific actions available in Annex 1 and 2.

Pillar	Code	Strategic Objective (with inclusivity dimension where relevant)	Scope (Mandate)
Climate Risk Supervision & Integration	S	Strengthen systemic financial stability and resilience by embedding climate and ESG risk management into prudential frameworks in line with NGFS guidance.	Direct - BdM leads on regulation, supervision, stress testing, proportionality.
Sustainable Investments (Green, Blue Bonds & Credit)	B	Mobilize domestic and international capital for low-carbon and climate-resilient investments, with a focus on inclusive access for MSMEs, women, and vulnerable groups.	Shared - BdM co-leads with MF, MPD, BVM, development partners.
Green Finance Data & Disclosure	D	Ensure transparency, comparability, and accountability of green finance flows via the establishment of taxonomy aligned reporting to guide policy and investor confidence.	Direct - BdM sets standards and disclosure requirements, dashboard in coordination with MEF.
Institutional & Market Infrastructure	I	Reduce transaction costs and enable scalable investment by creating a pipeline of bankable green projects, ensuring pipelines include socially inclusive projects benefiting women, rural communities, and informal enterprises.	Shared - BdM facilitates/sets standards; MEF/MPD and partners lead operations.
Capacity Building & Awareness	C	Equip regulators, financial institutions, and market actors with the knowledge and skills to design IGF solutions, institutionalization of training, closing low demand, gender and MSME financing gaps and promoting climate/financial literacy.	Mixed - Direct (BdM training); Shared (literacy & market skills with MEF, MoE, academia).
Policy & Coordination Platforms	P	Ensure coherence, avoid duplication, and strengthen cross-sector collaboration for green finance.	Shared - BdM co-leads under NFIC with MF, MPD, MTA, private sector.
Cross-Cutting & Innovation Measures	X	Drive innovation, inclusivity, and accountability while ensuring climate risks and consumer safeguards are systematically embedded, with gender-sensitive approaches and products tailored to the needs of vulnerable populations.	Mixed - Direct (digital finance, macroprudential integration, evaluation); Indirect (insurance with ISSM/market actors).

⁹ Alliance for Financial Inclusion. 2022. Inclusive Green Finance Policy Framework.

Rationale and Approach

The seven pillars of the IGF Roadmap are sequenced to build on each other in a phased and coherent manner. Foundational enablers – Pillar 1 (Climate & ESG Supervision)¹⁰, Pillar 3 (Data & Disclosure)¹¹, and Pillar 5 (Coordination & Institutional Ownership)¹² – are prioritized in the short term to establish the regulatory, informational, and governance base for action. These areas depend on inter-institutional coordination and, for complex tasks such as taxonomies and disclosure systems, strong technical support from development partners.

This prioritization reflects the diagnostic findings, which revealed significant gaps in the regulatory framework for climate and ESG risks, the absence of standardized and reliable data, and weak institutional coordination. Once these are in place, Mozambique can accelerate Pillar 2 (Sustainable Bonds & Green Credit Instruments)¹³ and Pillar 6 (Green Investment Pipeline Development)¹⁴ to mobilize capital and expand a bankable project pipeline.

Pillar 4 (Capacity Building & Awareness) runs across all phases to sustain skills, market readiness, and institutional capability. Finally, Pillar 7 (Cross-Cutting: Innovation, Inclusion, Insurance & M&E) ensures that gender, digital finance, consumer protection, disaster risk insurance, and monitoring mechanisms are embedded throughout, making the roadmap inclusive, resilient, and accountable.

Prioritization Metrics - For each pillar, the following factors determine sequencing and resource allocation:

1. **Cost** - Financial resources required for design, rollout, and maintenance;
2. **Impact** - Expected contribution to financial stability, resilience, and inclusion¹⁵;
3. **Mandate (direct, share, indirect)** - Extent to which the action falls within BdM's regulatory/supervisory scope;
4. **Feasibility** - Likelihood of implementation given current institutional capacity and stakeholder readiness;
5. **Complexity** - Technical and operational difficulty, including cross-agency coordination requirements.

By applying these metrics, BdM can allocate resources strategically, focus early wins on high impact/low-cost actions, and plan phased delivery of more complex reforms.¹⁶ Cost and complexity are considered as supporting factors, but impact and feasibility weigh more heavily in sequencing.

¹⁰ Network for Greening the Financial System (NGFS). *Guide for Supervisors: Integrating Climate-related and Environmental Risks into Prudential Supervision*. NGFS, 2020.

¹¹ International Sustainability Standards Board (ISSB). *IFRS S1 and IFRS S2 Sustainability Disclosure Standards*. IFRS Foundation, 2023.

¹² Sustainable Banking and Finance Network (SBFN). *Sustainable Finance Roadmap Toolkit*. International Finance Corporation (IFC), 2023.

¹³ Alliance for Financial Inclusion (AFI). *Inclusive Green Finance Policy Framework*. AFI, 2022.

¹⁴ World Bank & IMF. *Mozambique Country Climate and Development Report*. Washington, DC: World Bank, 2022.

¹⁵ see Annexes 3 and 4 for detailed metrics disaggregated by MSMEs, women, youth, and rural outreach.

¹⁶ Network for Greening the Financial System (NGFS). 2022. *Guide for Supervisors: Integrating Climate-Related and Environmental Risks*.

Timeline

Implementation of the IGF Roadmap is sequenced across **three phases** to ensure a smooth progression from foundational reforms to market maturity:

1. Short term (0-2 years) will establish enabling regulation, data systems, and governance platforms and initiate demand-side awareness campaigns. Timelines are indicative: complex reforms such as taxonomies and disclosure will begin with voluntary pilots and gradually move to mandatory adoption as capacity allows.
2. Medium term (2-4 years) will mobilize capital and expand the green investment pipeline while enhancing demand through targeted incentives;
3. Long term (4+ years) will scale advanced supervision, deepen capital markets, and integrate with regional and global sustainable finance platforms and sustain demand growth.

Phase	Timeframe	Primary Focus
Short Term	0-2 years	Establish foundational enablers: climate risk regulation, national green taxonomy design, climate finance data systems, and coordination platforms. Deliver early wins through quick-to-implement, high-impact actions and build initial demand through awareness efforts.
Medium Term	2-4 years	Mobilize capital through sustainable bonds, green credit lines, and blended finance. Expand the pipeline of bankable green projects and embed ESG practices across the financial sector while fostering demand with targeted financial incentives.
Long Term	4+ years	Consolidate gains by scaling advanced ESG supervision, deepening sustainable capital markets, and positioning Mozambique as a regional hub for inclusive green finance. Integrate national systems with regional and global platforms and maintain sustained demand growth.

Detailed Implementation Plan

The IGF Roadmap sets out clear high-level milestones and objectives to integrate climate and ESG risks into financial regulation, expand inclusive green financial products, and build the enabling infrastructure for sustainable finance. These milestones serve as strategic guidance for regulatory and market development, providing direction to stakeholders and ensuring alignment with national priorities and international good practices. Detailed technical specifications ('how, when, with what resources') will be developed in subsequent BdM regulations, circulars, and capacity-building programs, often with support from development partners.

Rather than prescribing detailed technical procedures, the roadmap establishes a flexible framework within which BdM will develop specific regulations, circulars, and supervisory tools, in consultation with stakeholders. This approach ensures the roadmap remains strategic, practical, and adaptable, offering clarity of direction while allowing space for technical design and institutional learning.

The table below outlines the detailed actions of the implementation plan, structured by timeframe (short-term), regulatory mandate (direct), and strategic importance (high priority). A more comprehensive mapping of actions by pillars and specific measures is provided in Annexes 1 and 2.

Pillar	Code	Action	Timeframe	Mandate	Priority	Scope	Cost / Impact / Feasibility
Climate Risk Supervision & Integration	S1	Finalize & publish CES Risk Regulation; integrate taxonomy; measure loan exposures; pilot stress tests	Short (0-2 yrs)	Direct	High	Direct	Low-Med Cost / High Impact / High Feasibility
	S2	Embed CES/ESG risk reviews into licensing, inspections, capital adequacy	Medium (2-4 yrs)	Direct	High	Direct	Med Cost / High Impact / Med Feasibility
	S3	Require scenario analysis & GHG portfolio disclosure from FIs	Medium (2-4 yrs)	Direct	High	Direct	Med Cost / High Impact / Med Feasibility
	S4	Establish macroprudential framework integrating climate & ESG scenarios	Long (4+ yrs)	Direct	Medium	Direct	High Cost / High Impact / Med Feasibility
Sustainable Investments (Green, Blue Bonds & Credit)	B1	Adopt Sustainable Bonds Decree & publish implementation guidance	Short (0-2 yrs)	Shared	High	Shared	Low-Med Cost / High Impact / High Feasibility
	B2	Pilot sovereign/SOE sustainable bond with independent evaluator	Short (0-2 yrs)	Shared	High	Shared	Med Cost / High Impact / Med Feasibility
	B3	Launch BdM refinancing incentives for green MSME loans	Medium (2-4 yrs)	Direct	Medium	Direct	Med-High Cost / High Impact /

Pillar	Code	Action	Timeframe	Mandate	Priority	Scope	Cost / Impact / Feasibility
							Med Feasibility
	B4	Expand sustainable bond issuance to corporates & banks; link to Project Facility	Medium (2-4 yrs)	Shared	High	Shared	Med Cost / High Impact / Med Feasibility
	B5	Position Mozambique as regional hub for thematic bonds (green, blue, resilience, cross-border)	Long (4+ yrs)	Shared	Low	Shared	High Cost / High Impact / Med Feasibility
	B6	Expand instruments to sustainability-linked and transition bonds	Long (4+ yrs)	Shared	Low	Shared	High Cost / Med Impact / Med Feasibility
Green Finance Data & Disclosure	D1	Mandate ISSB-aligned climate & ESG disclosures; templates; gender-disaggregated reporting	Short (0-2 yrs)	Direct	High	Direct	Low Cost / High Impact / High Feasibility
	D2	Require third-party verification of disclosures for large FIs	Short (0-2 yrs)	Direct	High	Direct	Low Cost / High Impact / Med Feasibility
	D3	Publish annual IGF Progress Report with outcomes	Medium (2-4 yrs)	Direct	High	Direct	Low Cost / High Impact / High Feasibility
	D4	Build Climate & Sustainable Finance Dashboard (integrated with MEF tagging)	Medium (2-4 yrs)	Shared	High	Shared	Med Cost / High Impact / High Feasibility
	D5	Integrate national	Long (4+ yrs)	Shared	Low	Shared	Low Cost / Med

Pillar	Code	Action	Timeframe	Mandate	Priority	Scope	Cost / Impact / Feasibility
		dashboard with SADC & SBFN platforms					Impact / High Feasibility
Institutional & Market Infrastructure	I1	Map national green project pipeline; define taxonomy-aligned eligibility criteria	Short (0-2 yrs)	Shared	High	Shared	Low Cost / High Impact / High Feasibility
	I2	Establish Green Project Preparation Facility (co-financed with donors)	Medium (2-4 yrs)	Shared	High	Shared	Med Cost / High Impact / High Feasibility
	I3	Aggregate MSME/agriculture portfolios into blended finance	Medium (2-4 yrs)	Shared	High	Shared	Med Cost / High Impact / High Feasibility
	I4	Create National Green/Blue Investment Platform (large-scale mobilization)	Long (4+ yrs)	Shared	Low	Shared	High Cost / High Impact / Med Feasibility
Capacity Building & Awareness	C1	Deliver targeted training (BdM supervisors, risk officers)	Short (0-2 yrs)	Direct	High	Direct	Low Cost / High Impact / High Feasibility
	C2	Institutionalize a “BdM Academy” with Green/ESG finance curriculum (training for entrepreneurs & facilitators)	Medium (2-4 yrs)	Direct	Medium	Direct	Med Cost / Med Impact / Med Feasibility
	C3	Establish Centre of Excellence for Green & Inclusive Finance	Long (4+ yrs)	Shared	Low	Shared	High Cost / High Impact / Med Feasibility

Pillar	Code	Action	Timeframe	Mandate	Priority	Scope	Cost / Impact / Feasibility
Policy & Coordination Platforms	P1	Formalize BdM role in coordination platform; sign MoUs with ministries	Short (0-2 yrs)	Shared	High	Shared	Low Cost / High Impact / High Feasibility
	P2	Launch sector-specific working groups; host annual Green Finance Forum	Medium (2-4 yrs)	Shared	High	Shared	Low-Med Cost / High Impact / Med Feasibility
	P3	Institutionalize coordination platform under NFIC	Long (4+ yrs)	Shared	Medium	Shared	Low Cost / High Impact / High Feasibility
Cross-Cutting & Innovation Measures	X1	Launch green fintech/mobile pilots in BdM regulatory sandbox	Short (0-2 yrs)	Direct	High	Direct	Low Cost / High Impact / High Feasibility
	X2	Issue guidance on consumer protection in green finance (solar loans, safeguards)	Short (0-2 yrs)	Direct	Medium	Direct	Low Cost / Med Impact / High Feasibility
	X3	Define IGF KPIs incl. gender & inclusion metrics	Short (0-2 yrs)	Direct	High	Direct	Low Cost / High Impact / High Feasibility
	X4	Design insurance pilots (weather-indexed MSME/agri microinsurance)	Short (0-2 yrs)	Indirect	Medium	Indirect	Med Cost / Med Impact / Med Feasibility
	X5	Create consumer complaints dashboard for green products	Medium (2-4 yrs)	Direct	Medium	Direct	Low-Med Cost / Med Impact / Feasibility High
	X6	Set gender targets for	Medium (2-4 yrs)	Direct	High	Direct	Low Cost / High

Pillar	Code	Action	Timeframe	Mandate	Priority	Scope	Cost / Impact / Feasibility
		women-led MSMEs in green credit					Impact / High Feasibility
	X7	Enable digital interoperability for green credit/insurance (mobile money, scoring models)	Medium (2-4 yrs)	Shared	High	Shared	Med Cost / High Impact / High Feasibility
	X8	Introduce capital relief incentives for climate/disaster risk insurance	Medium (2-4 yrs)	Shared	Medium	Shared	Med Cost / Med Impact / Med Feasibility
	X9	Independent IGF impact evaluation every 5 years (structured M&E framework)	Long (4+ yrs)	Shared	Medium	Shared	Low-Med Cost / Med Impact / Med Feasibility
	X10	Develop regional reinsurance facility for disaster/climate risk pooling	Long (4+ yrs)	Indirect	Low	Indirect	High Cost / High Impact / Low Feasibility

Phase	Action	Code	BdM Mandate	Cost / Impact / Feasibility	Priority
Short-term (0-2 yrs)	Finalize & publish Climate & ESG Supervision (CES) Risk Regulation; integrate taxonomy; measure loan exposures; pilot stress tests	S1	Direct	Low-Med Cost / High Impact / High Feasibility	High
	Mandate ISSB-aligned climate & ESG disclosures; templates; gender-disaggregated reporting	D1	Direct	Low Cost / High Impact / High Feasibility	High
	Require third-party verification of disclosures for large FIs	D2	Direct	Low Cost / High Impact / Med Feasibility	High
	Deliver targeted training (BdM supervisors, risk officers) in parallel with regulation drafting, ensuring supervisory capacity evolves alongside new requirements.	C1	Direct	Low Cost / High Impact / High Feasibility	High

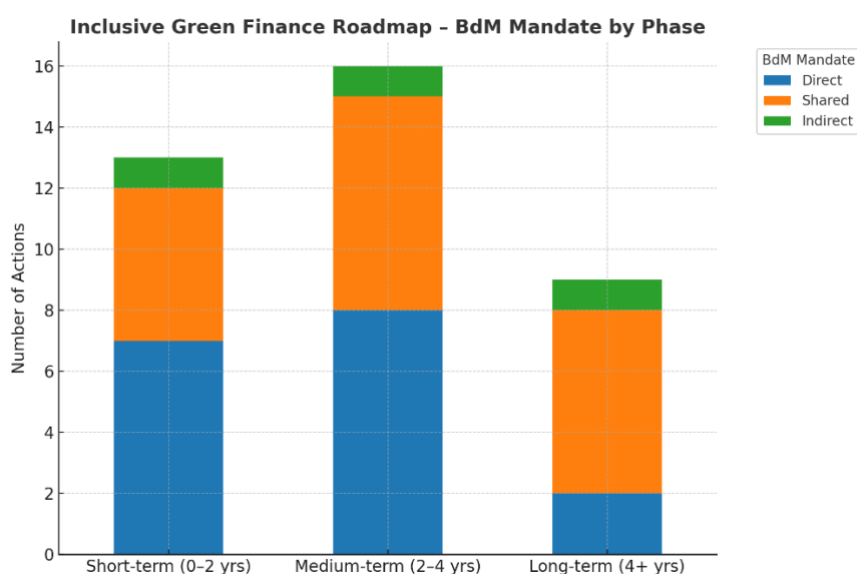
Phase	Action	Code	BdM Mandate	Cost / Impact / Feasibility	Priority
	Launch green fintech/mobile pilots in BdM regulatory sandbox	X1	Direct	Low Cost / High Impact / High Feasibility	High
	Issue guidance on consumer protection in green finance (solar loans, mis-selling safeguards)	X2	Direct	Low Cost / Med Impact / High Feasibility	Medium
	Define IGF KPIs incl. gender & inclusion metrics	X3	Direct	Low Cost / High Impact / High Feasibility	High
	Adopt Sustainable Bonds Decree & publish implementation guidance	B1	Shared	Low-Med Cost / High Impact / High Feasibility	High
	Pilot sovereign/SOE sustainable bond with independent evaluator	B2	Shared	Med Cost / High Impact / Med Feasibility	High
	Formalize BdM role in coordination platform; sign MoUs with ministries	P1	Shared	Low Cost / High Impact / High Feasibility	High
	Map national green project pipeline; define taxonomy-aligned eligibility criteria	I1	Shared	Low Cost / High Impact / High Feasibility	High
	Design insurance pilots (weather-indexed MSME/agri microinsurance) ¹⁷	X4	Indirect	Med Cost / Med Impact / Med Feasibility	Medium
Medium-term (2-4 yrs)	Embed CES/ESG risk reviews into licensing, inspections, capital adequacy	S2	Direct	Med Cost / High Impact / Med Feasibility	High
	Require scenario analysis & GHG portfolio disclosure from FIs	S3	Direct	Med Cost / High Impact / Med Feasibility	High
	Launch BdM refinancing incentives for green MSME loans, including tailored microcredit products for agriculture and rural enterprises	B3	Direct	Med-High Cost / High Impact / Med Feasibility	Medium
	Publish annual IGF Progress Report with outcomes	D3	Direct	Low Cost / High Impact / High Feasibility	High
	Institutionalize a “BdM Academy” with Green/ESG finance curriculum (training for entrepreneurs & facilitators)	C2	Direct	Med Cost / Med Impact / Med Feasibility	Medium

¹⁷ Demand-side stimulation measures, including literacy campaigns, consumer awareness initiatives, and incentive schemes for MSMEs, are integrated under Pillars C (Capacity), B (Refinancing), and X (Consumer protection, capital relief).”

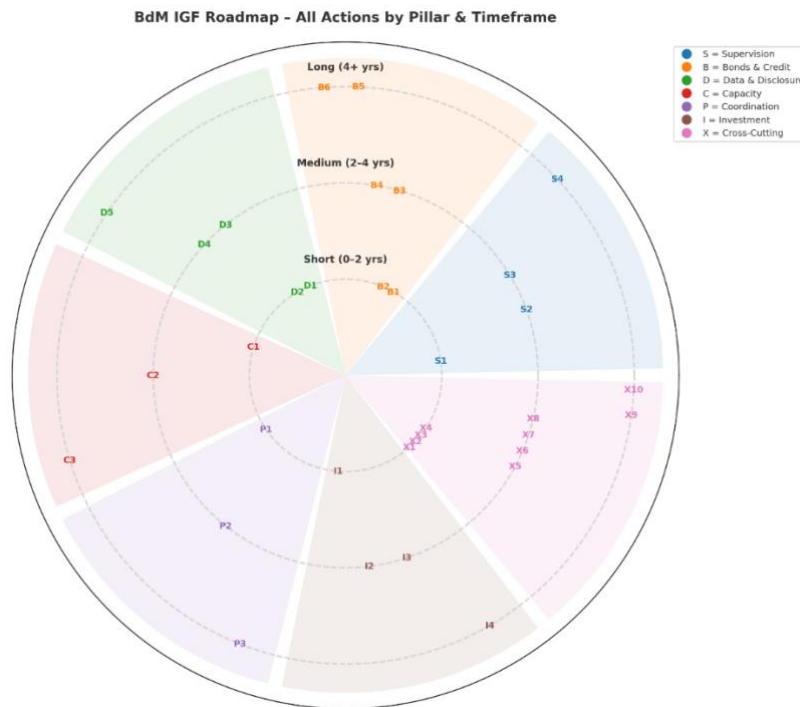
Phase	Action	Code	BdM Mandate	Cost / Impact / Feasibility	Priority
	Create consumer complaints dashboard for green products	X5	Direct	Low-Med Cost / Med Impact / Med Feasibility	Medium
	Set gender targets for women-led MSMEs in green credit	X6	Direct	Low Cost / High Impact / High Feasibility	High
	Operationalize the Sustainable Bonds Decree by expanding issuance to corporates & banks and linking to the Project Facility	B4	Shared	Med Cost / High Impact / Med Feasibility	High
	Build Climate & Sustainable Finance Dashboard (integrated with MPD/MF tagging)	D4	Shared	Med Cost / High Impact / Med Feasibility	High
	Launch sector-specific working groups; host annual Green Finance Forum	P2	Shared	Low-Med Cost / High Impact / Med Feasibility	High
	Establish Green Project Preparation Facility (co-financed with donors)	I2	Shared	Med Cost / High Impact / Med Feasibility	High
	Aggregate MSME/agriculture portfolios into blended finance	I3	Shared	Med Cost / High Impact / Med Feasibility	High
	Enable digital interoperability for green credit/insurance (mobile money, scoring models)	X7	Shared	Med Cost / High Impact / Med Feasibility	High
	Introduce capital relief incentives for climate/disaster risk insurance	X8	Shared	Med Cost / High Impact / Med Feasibility	Medium
Long-term (4+ yrs)	Establish macroprudential framework integrating climate & ESG scenarios	S4	Direct	High Cost / High Impact / Med Feasibility	Medium
	Position Mozambique as regional hub for thematic bonds (green, blue, resilience, cross-border...)	B5	Shared	High Cost / High Impact / Med Feasibility	Low
	Expand instruments to sustainability-linked and transition bonds	B6	Shared	High Cost / Med Impact / Med Feasibility	Low
	Integrate national dashboard with SADC & SBFN platforms	D5	Shared	Low Cost / Med Impact / High Feasibility	Low
	Institutionalize coordination platform under NFIC	P3	Shared	Low Cost / High Impact / High Feasibility	Medium

Phase	Action	Code	BdM Mandate	Cost / Impact / Feasibility	Priority
	Establish Centre of Excellence for Green & Inclusive Finance	C3	Shared	High Cost / High Impact / Med Feasibility	Low
	Create National Green Investment Platform (large-scale mobilization)	I4	Shared	High Cost / High Impact / Med Feasibility	Low
	Independent IGF impact evaluation every 5 years (structured M&E framework)	X9	Shared	Low-Med Cost / Med Impact / Med Feasibility	Medium
	Develop regional reinsurance facility for disaster/climate risk pooling	X10	Indirect	High Cost / High Impact / Low Feasibility	Low

The comprehensive list of codes and corresponding actions is presented in Annex 1. Annex 2 provides a comparative mapping of these action codes against best international practices to highlight alignment with global standards.



The chart shows how responsibilities are distributed across time: BdM's direct mandates in the short and medium term, while shared actions increase over the long term, with very few indirect tasks, highlighting BdM's central leadership role.



The wheel illustrates how specific actions (codes) are sequenced across pillars and time horizons, making it clear which reform areas—such as supervision, bonds, or cross-cutting innovation—are prioritized in the short, medium, and long term.

3. Impact Measurement Framework & Guiding Principles

Rationale

To ensure the IGF Roadmap delivers measurable results, BdM will anchor its implementation in a structured Impact Measurement and Evaluation (M&E) Framework. This framework will provide financial institutions, policymakers, and market actors with clear indicators for environmental, social, and economic impacts, enhancing accountability, transparency, and alignment with both national priorities and global standards.

Mozambique's experience shows that limited data, weak disclosure, and lack of standardized metrics hinder effective monitoring of green finance initiatives. Peer comparisons highlight that countries such as Kenya, Ghana, and South Africa advanced by adopting green taxonomies, climate risk disclosure mandates, and standardized reporting frameworks. Mozambique can leverage these lessons to introduce an impact-oriented supervisory and policy framework that will guide capital allocation, investor confidence, regulatory oversight, and address low demand for green finance products

The Impact Framework will track results across four dimensions: financial stability, inclusion, climate resilience, and consumer empowerment. Examples of indicators include: % of MSME loans with climate components, % of women/youth reached by IGF products, NPL ratios in climate-sensitive sectors, and penetration of climate risk insurance. The framework will be complemented by capacity-building for reporting institutions and a monitoring/revision cycle aligned with NFIS review processes (every 2 years). Detailed operational metrics and disaggregation are presented in Annex 3 (Dashboard) and Annex 4 (M&E Framework), ensuring consistency with the NFIS monitoring system.

Guiding Principles

The framework will be structured around the following principles:

1. Alignment with International Standards

- Adopt ISSB (S1/S2) for climate and sustainability reporting, building on the now-absorbed TCFD recommendations;
- Integrate NGFS supervisory guidance for climate risk;
- Use SBFN's impact framework to benchmark emerging market practices and indicators.

2. Proportionality and Inclusivity

- Apply requirements that are proportionate to institutional size and capacity;
- Ensure that reporting frameworks remain accessible for smaller banks, MFIs, and cooperatives, thereby supporting financial inclusion.

3. Clarity and Consistency

- Define taxonomy-aligned indicators (environmental, social, economic) that can be tracked across institutions;
- Use common templates for banks and insurers, reducing reporting burdens and enhancing comparability.

4. Transparency and Market Discipline

- Require public disclosure of selected impact indicators (e.g., green lending volumes, GHG avoided, number of women/MSMEs financed);
- Encourage voluntary adoption of sustainability reports (aligned with GRI/IFC Performance Standards) ahead of full regulatory rollout.

5. Progressive Implementation

- Phase in requirements over short, medium, and long term, beginning with qualitative reporting and pilot metrics, before moving toward quantitative, taxonomy-aligned disclosures and stress-testing indicators.

Suggested M&E Metrics

The monitoring framework distinguishes between high-level dashboard metrics and detailed sub-pillar indicators.

The dashboard consolidates progress into a limited set of strategic metrics that can be tracked by BdM management, policymakers, and stakeholders to provide a clear picture of systemic progress.

In contrast, the sub-pillar indicators offer a more granular view, directly linked to each action of the roadmap, and are intended for technical teams to track operational delivery.

This **two-tier approach** ensures that the roadmap remains both strategically focused and operationally actionable, aligning international good practice with Mozambique's institutional context.

High-Level Dashboard Metrics

The table below presents the M&E Dashboard for the IGF Roadmap, outlining suggested types of key metrics. It provides a high-level view of progress indicators that BdM and stakeholders can use to track systemic advancement in inclusive green finance.

The dashboard will consolidate data from FIs on green loans, savings, bonds, and insurance, including metrics on uptake/adoption rates by MSMEs, households, and vulnerable groups to monitor demand-side performance.

See also Annex 3 IGF Roadmap - Monitoring & Evaluation Dashboard which is outlining key metrics across each pillar with short-, medium-, and long-term milestones.

Pillar	Key Actions (Roadmap)	Proposed M&E Metrics	Type
S - Climate & ESG Supervision	Finalize Climate regulation; embed in licensing, inspections; macroprudential integration ¹⁸	• % of supervised FIs with climate risk frameworks • # of supervisory inspections including climate risks • Stress test results published • Share of loan portfolios assessed for physical/transition risks	Quantitative / Qualitative
B - Sustainable Bonds & Credit	Sustainable Bonds Decree; pilot issuances; expand to corporates/banks; green refinancing	• # and volume of sustainable bonds issued (USD) • % of issuance verified by independent evaluators • % growth of ESG-linked loans in total credit • Investor participation (domestic vs foreign)	Quantitative
D - Data & Disclosure	ISSB-aligned disclosures; BdM dashboard; third-party verification; integration with SADC/SBFN	• % of FIs publishing ISSB-aligned disclosures • # of institutions subject to third-party verification • Functionality & coverage of BdM dashboard (indicators, sectors, gender disaggregation) • Frequency of BdM Green Finance Reports and added dissemination methods beyond digital channels¹⁹	Quantitative / Qualitative
C - Capacity Building	BdM training; BdM Academy modules; Centre of Excellence	• # of BdM supervisors trained on ESG/climate • # of bank staff certified in green finance	Quantitative / Qualitative

¹⁸ BdM will integrate climate-related risk considerations into its macroprudential supervision framework, in line with its 2024-2026 Strategic Plan (Pillar 2: Financial Stability). This includes improving the financial stability assessment framework and establishing a regulatory framework for the financial system that explicitly accounts for climate risks. The expected outcome is enhanced systemic risk monitoring and supervisory capacity for climate resilience. See annex 7 Illustrative Climate-Risk Indicators for the Financial Stability Assessment Framework (FSAF)

¹⁹ F.e. disseminated through radio, community-based networks, and financial literacy programs to reach populations without access to digital channels.

Pillar	Key Actions (Roadmap)	Proposed M&E Metrics	Type
		# of workshops with private sector participation - Establishment of Centre of Excellence (yes/no)	
P - Coordination Platforms	BdM role in national climate finance platform; MoUs; Green Finance Forums	# of coordination meetings held annually # of MoUs signed with ministries - Frequency and quality of Green Finance Forums - Stakeholder satisfaction (survey-based)	Quantitative / Qualitative
I - Green Investment Pipeline	Mapping pipeline; project preparation facility; blended finance aggregation; national platform	# of bankable green projects identified \$ committed in project preparation facility % of blended finance portfolios mobilized \$ invested through National Green Investment Platform	Quantitative
X - Cross-Cutting (Innovation, Inclusion, Insurance, M&E)	Digital pilots; consumer protection; gender metrics; insurance; impact evaluation	# of fintech/insurtech pilots launched % of green credit reaching women-led MSMEs # of climate/disaster microinsurance products available % of complaints resolved via consumer dashboard - Publication of 5-year independent IGF evaluation	Quantitative / Qualitative

Sub-Pillars M&E Metrics

The table below details action-level monitoring indicators for each sub-pillar of the roadmap, linking every task to specific qualitative and quantitative metrics with reference from best practices. This provides BdM and stakeholders with an operational tool to track delivery of actions in a structured and accountable way.

For the complete operational roadmap with suggested milestones per metrics in the short, medium and long term, see IGF Roadmap - Operational M&E Annex by Sub-Pillar in Annex 4.

Code	Action	Proposed Metrics	Examples from Peers / Standards
S1	Finalize & publish CES Risk Regulation (incl. taxonomy)	- Regulation published (yes/no) # of banks complying with initial guidance	Nigeria CBN: 100% banks required to submit ESG risk reports by Yr 2
S2	Measure loan exposures to physical & transition risks	% of loan portfolios assessed # of institutions completing risk mapping	South Africa SARB: % exposure to climate-sensitive sectors published
S3	Pilot climate/ESG stress tests with top banks	# of banks in pilot - Stress test methodology published	Kenya CBK: pilot with 3 banks by Yr 2
S4	Embed ESG risk reviews into licensing/inspections	% of inspections incl. ESG - Supervisory manuals updated (yes/no)	Ghana BoG: ESG risk embedded into licensing
S5	Require scenario analysis & portfolio GHG disclosure	# of FIs publishing GHG portfolio data % coverage of financial system	NGFS: scenarios adopted in 40+ CBs
S6	Macroprudential integration of climate/ESG	# of macroprudential indicators integrated - Frequency of systemic risk reports incl. climate	ECB & Bank of England: systemic climate stress testing
B1	Adopt Sustainable Bonds Decree	- Decree adopted (yes/no) # of issuances under new regime	Egypt: sovereign green bond issued within 2 yrs of decree
B2	Pilot sovereign/SOE sustainable bond issuance	- Bond volume (\$) - Independent verification (yes/no)	Nigeria: NGN 15bi sovereign green bond
B3	Expand sustainable bond issuance to corporates/banks	# of corporate issuances % verified with 2nd-party opinions	South Africa: bank-led green bond frameworks

Code	Action	Proposed Metrics	Examples from Peers / Standards
B4	Issue guidance for ESG-linked loans & refinancing	% growth in ESG-linked loan volumes # of banks offering green loan products	Kenya: 3 banks launched ESG-linked SME credit
B5	BdM refinancing incentives for green MSMEs	- Volume of refinancing (\$) % increase in MSME green credit	Ghana: central bank green refinancing line
D1	Mandate ISSB-aligned disclosures	% of FIs publishing disclosures # of disclosures verified	ISSB IFRS S1/S2 standards adopted in 2024
D2	Third-party verification for large FIs	# of institutions verified % of assets under independent assurance	IFC: independent assurance recommended
D3	BdM Climate & Sustainable Finance Dashboard	- Dashboard launched (yes/no) # of indicators tracked % of institutions covered	Kenya: dashboard tracks green loan volumes
D4	Publish annual IGF progress report	- Report published (yes/no) # of indicators disclosed publicly	Ghana: annual ESG banking report
C1	Deliver training for supervisors/risk officers	# of staff trained % of staff providing positive quality feedback % of staff with certification	Nigeria: CBN certified ESG training modules
C2	BdM Academy ESG curriculum	- Modules integrated (yes/no) # of graduates trained annually	Kenya School of Monetary Studies: ESG modules
C3	Establish Centre of Excellence	- Centre operational (yes/no) # of regional partnerships signed	Ghana: ESG Finance Knowledge Hub
P1	BdM role in coordination platform	- BdM represented (yes/no) # of meetings per year	Kenya: National Green Finance Council
P2	MoUs with ministries	# of MoUs signed	Nigeria: MoUs between CBN &

Code	Action	Proposed Metrics	Examples from Peers / Standards
		Cross-sector initiatives launched	Ministry of Environment
P3	Annual Green Finance Forum	- Forum held (yes/no) # of participants	Ghana: Annual Sustainable Finance Forum
P4	Institutionalize platform under NFIC	NFIC mandate updated (yes/no)	Mozambique NFIS extension planned
I1	Green project pipeline mapping	# of projects mapped - Pipeline published (yes/no)	Rwanda: pipeline inventory published
I2	Green Project Preparation Facility	- Facility launched (yes/no) \$ committed	Ghana: Green project prep facility with AfDB
I3	Aggregate MSME/agri blended portfolios	# of portfolios aggregated \$ mobilized	Kenya: MSME green credit aggregation
I4	National Green Investment Platform	- Platform launched (yes/no) \$ invested annually	South Africa: Just Energy Transition platform
X1	Digital fintech/mobile pilots	# of pilots launched # of clients reached	Kenya: M-PESA green credit pilot
X2	Consumer protection in green finance	- Guidelines published (yes/no) # of complaints resolved	Nigeria: CBN consumer protection framework
X3	Define IGF KPIs incl. gender metrics	- KPIs published (yes/no) # tracked	SBFN: gender-disaggregated metrics
X4	Gender targets for women-led MSMEs	% of green loans to women-led MSMEs	Ghana: SME gender KPIs
X5	Climate/disaster microinsurance pilots	# of products launched # of beneficiaries covered	Kenya: Index-based weather insurance
X6	Capital relief incentives for insurance	- Incentive issued (yes/no) - Uptake by insurers	South Africa: solvency incentives
X7	Complaints dashboard for green products	- Dashboard launched (yes/no) # of complaints tracked	Nigeria: digital complaints tracking

Code	Action	Proposed Metrics	Examples from Peers / Standards
X8	Digital interoperability for credit/insurance	• APIs launched • # of institutions integrated	Kenya: mobile money credit scoring
X9	Independent IGF evaluation every 5 yrs	• Evaluation published (yes/no) • # of recommendations implemented	Ghana: external evaluation cycle
X10	5-yr M&E framework operational	• Framework operational (yes/no)	SBFN: independent review cycles

This table and operational annex complement the high-level dashboard metrics by linking each action to specific indicators.

Together, they provide BdM with a dual system: strategic oversight for senior management and detailed tracking for technical teams, ensuring accountability, coherence, and alignment with international best practices.

4. Governance & Institutional Framework

Rationale

The successful implementation of the IGF Roadmap requires a governance framework that ensures clear leadership, effective coordination, and shared accountability across institutions. While BdM holds a direct mandate on prudential regulation, supervision, and financial market development, many enabling actions fall under shared or indirect mandates involving ministries, development agencies, private sector actors, and development partners.

Without structured governance, all suggested efforts risk fragmentation, duplication, and limited impact – challenges already highlighted in the diagnostic study and stakeholder consultations.

International best practice shows that countries that established multi-level governance frameworks (e.g., Brazil²⁰, Indonesia²¹, Nigeria, Morocco²²) were able to anchor central bank leadership in regulation and supervision while ensuring broader government ownership of green finance policies, investor confidence, and private sector mobilization.

The governance structure places Banco de Moçambique (BdM) at the center, leveraging its supervisory and regulatory authority. The roadmap distinguishes between direct mandates (where BdM leads), shared mandates (where BdM co-leads with line ministries), and indirect mandates (where BdM facilitates alignment). Governance will therefore rely on NFIC and inter-ministerial mechanisms, following peer examples. Concrete mechanisms - such as Nigeria's NFIC integration, Brazil's sustainable finance working group under its central bank, and Indonesia's inter-agency council linking the Ministry of Finance, OJK, and the central bank - are summarized in Annex 5.

Key Principles for Governance

The governance framework is guided by a set of principles and objectives designed to promote clarity, inclusiveness, and accountability. These principles ensure that BdM's leadership is exercised effectively while fostering collaboration and alignment with national priorities and international good practices.

- **Clarity of Roles:** Avoid duplication by explicitly mapping mandates.
- **Inclusiveness:** Ensure vulnerable groups, MSMEs, and women-led enterprises are represented.
- **Transparency & Accountability:** Publish annual progress reports.
- **Adaptability:** Periodic review of governance structure to incorporate emerging priorities (e.g., digital green finance, regional integration).

²⁰ Banco Central do Brasil / CMN. *Resolução CMN 4.943 and related ESG/Climate risk norms*. 2021

²¹ Otoritas Jasa Keuangan (OJK). *Sustainable Finance Roadmap Phase II (2021-2025)*.

²² Autorité Marocaine du Marché des Capitaux (AMMC). *Green/Social/Sustainability Bond Guidelines*. 2016-2018.

Proposed Governance Structure

The proposed structure sets out clear roles and responsibilities across BdM's direct, shared, and indirect mandates, while embedding collaboration with government, private sector, and civil society stakeholders.

1) Strategic Oversight – National Financial Inclusion Committee (NFIC)

Objective: Ensure inclusive green finance (IGF) is fully integrated into national financial inclusion policy and aligned with Mozambique's development and climate strategies.

Approach: Build on the NFIC's existing authority under ENIF 2025-2031, which explicitly brings green/sustainable finance into the financial inclusion agenda, and add IGF as a standing item for oversight and decision-making (targets, policies, and annual reviews).²³²⁴

Rationale and International Alignment: Countries that placed IGF under an existing, high-level national platform achieved faster alignment of fiscal, supervisory, and market actions, while avoiding duplication of committees.²⁵²⁶

2) Steering Mechanism – IGF Roadmap Steering Sub-Committee (under NFIC)

Objective: Translate high-level commitments into annual workplans and track delivery of BdM-led and shared actions.

Approach: Chair by BdM (financial stability, supervision)²⁷, co-lead with MF/MPD (fiscal, planning) and include MTA/Energy/Agriculture, BVM/AMB/insurers, and partners (AfDB, IFC/WB, FSDMoç, GIZ, Enabel).²⁸²⁹

Rationale and International Alignment: Peer central banks lead steering bodies that coordinate multi-agency delivery while keeping prudential supervision front-and-center.³⁰³¹³²

3) Technical Working Groups (TWGs) Aligned to the Seven Pillars (S, B, D, C, P, I, X)

Objective: Provide specialized technical expertise and pilot tools to operationalize each roadmap pillar.

Approach: TWGs chaired by the relevant BdM directorate (e.g., Supervision for Pillar S, Markets for B, Research/Stats for D, Academy for C), with participation from regulated

²³ ENIF 2025-2031 (Português). Governo de Moçambique / Comité Nacional de Inclusão Financeira, 2025.

²⁴ BdM IGF Roadmap Inception Report. Banco de Moçambique / AFI Programme, 2025.

²⁵ Sustainable Banking & Finance Network (SBFN). Sustainable Finance Roadmap Toolkit & Measurement Framework. IFC, 2023.

²⁶ Government of Mexico. Sustainable Finance Committee & Mexico Taxonomy Governance Documents, 2022.

²⁷ As per Organic Law (Law 1/92, Article 3), which establishes BdM's primary objectives as safeguarding monetary and financial stability and the sound functioning of the payment system.

²⁸ Ministry of Economy & Finance (MEF) / MPD. Climate Finance Strategy & Budget Tagging Notes (as referenced in the Diagnostic Study), 2024-2025.

²⁹ Mozambique Stock Exchange (BVM). Sustainable Bond Market Readiness Notes (as referenced in stakeholder inputs), 2024-2025.

³⁰ Banco Central do Brasil / CMN. Resolução CMN 4.943 (ESG/Climate Risk) and related norms, 2021.

³¹ Central Bank of Nigeria (CBN). Nigerian Sustainable Banking Principles - Stakeholder Implementation Platform, 2012-.

³² Bank of Ghana. Sustainable Banking Principles & Sector Guidance Notes, 2019-.

entities, FinTech's, academia, and CSOs; TWGs produce templates (e.g., stress-test models, taxonomy guidance, disclosure forms, bond frameworks) for NFIC approval.³³

Rationale and International Alignment: Supervisors that used pillar-linked TWGs moved faster from guidance to implementation and ensured proportionality for smaller institutions.³⁴³⁵

4) Private Sector & Civil Society Engagement – Annual Public-Private Green Finance Forum

Objective: Build buy-in, transparency, and market confidence by engaging banks, MSMEs, FinTech's, investors, and civil society.

Approach: BdM and MF/MPD co-host an annual forum to disclose progress (M&E dashboard), showcase verified pipelines and gather feedback; sector working sessions (e.g., agriculture, energy, digital) run alongside.

Rationale and International Alignment: Structured market engagement has accelerated issuance (bonds/loans), improved verification quality, and strengthened investor confidence in peer markets.³⁶³⁷

5) Independent Evaluation & Learning

Objective: Ensure accountability, adaptive learning, and alignment with international good practice.

Approach:

- Annual internal reviews conducted by BdM (Research & Supervision directorates), aligned with the M&E Dashboard, to track progress and enable timely course corrections.
- Independent external evaluations every three years (e.g., by AFI, IFC/SBFN, or academic partners), benchmarking Mozambique's progress against the metrics and progress made.
- Evaluation results to be reviewed by the IGF Roadmap Steering Sub-Committee and incorporated into annual workplans for continuous improvement.

Rationale and International Alignment: This dual-track model balances ownership and cost-efficiency with credibility and accountability and is implemented by many peers.³⁸³⁹

³³ IFRS Foundation / ISSB. IFRS S1 & IFRS S2 Sustainability-Related Disclosure Standards, 2023.

³⁴ European Central Bank (ECB). Guide on Climate-Related and Environmental Risks – Supervisory Expectations for Banks, 2020.

³⁵ European Central Bank (ECB). Guide on Climate-Related and Environmental Risks – Supervisory Expectations for Banks, 2020.

³⁶ ASEAN Capital Markets Forum. ASEAN Green, Social and Sustainability Bond Standards, 2018-2022.

³⁷ Kenya National Treasury / Capital Markets Authority. Green Bond Programme & Policy Guidance Note, 2019.

³⁸ Banco Central do Brasil / CMN. Resolução CMN 4.943 and related ESG/Climate risk norms. 2021.

³⁹ Central Bank of Nigeria. Nigerian Sustainable Banking Principles - Stakeholder Implementation Platform. 2012-. See also Sustainable Banking & Finance Network (SBFN). Measurement Framework & Country Progress Reports. IFC, 2023.

6) Role Mapping to BdM Mandates – Direct, Shared, Indirect

Objective: Clarify roles and avoid mandate creep by mapping governance tasks to BdM's responsibilities.

Approach:

- **Direct (BdM leads):** prudential rules and supervision (climate/ESG risk regulation, disclosures, stress testing), data standards, supervisory toolkits.
- **Shared (BdM co-leads):** sustainable bonds/credit market rules (with MF/BVM), national dashboard (with MF/MPD), IGF steering and TWGs, coordination platforms.
- **Indirect (BdM facilitates):** pipeline preparation facilities, insurance/reinsurance schemes, gender-inclusive MSME programs led by relevant ministries/market actors.⁴⁰⁴¹

Rationale and International Alignment: Role mapping ensures efficient use of resources, accelerates implementation, and reinforces BdM's leadership in areas where its mandate is strongest, while aligning with international best practices and comparable approaches adopted by peer central banks.

⁴⁰ AFI. Inclusive Green Finance (IGF) Framework & Capacity Building Resources, 2022-2024.

⁴¹ AFI BdM Diagnostic Study. Banco de Moçambique / AFI Programme, 2025.

5. Implementation Strategy & Policy Recommendations

This section sets out how Mozambique can operationalize Inclusive Green Finance (IGF) by translating the roadmap's seven pillars into a sequenced set of reforms and partnerships.

The strategy is phased: short-term actions build **foundations and credibility**, medium-term actions expand **capital mobilization and product innovation**, and long-term actions consolidate **resilience and scale integration** with regional/global markets.

1. Capacity-Building Initiatives (C1-C3)

Rationale: Without skilled supervisors, bankers and entrepreneurs, regulation and products will remain superficial. Capacity-building is the enabler for all other reforms.

Actions:

- C1 (Short): Deliver targeted training for BdM supervisors and risk officers on climate/ESG risk, stress-testing and disclosure, with sectoral toolkits.
- C2 (Medium): Institutionalize a BdM Academy curriculum on green and inclusive finance for banks, MFIs, and MSME intermediaries.
- C3 (Long): Establish a Centre of Excellence for Green & Inclusive Finance, building a regional talent and knowledge hub and fostering local knowledge production through research, case studies, and Mozambican best practices.

2. Policy Incentives & Regulatory Adjustments (S1-S4, D1-D2, B1)

Rationale: Proportional regulation and incentives create clarity and drive market uptake, while aligning Mozambique with international standards.

Actions:

- S1, D1-D2, B1 (Short): Finalize CES/ESG risk regulation, integrate taxonomy, require ISSB-aligned disclosures with proportional templates, introduce third-party verification for large FIs, and adopt a Sustainable Bonds Decree.
- S2-S3 (Medium): Embed CES/ESG risk reviews into licensing and inspections, require scenario analysis and GHG portfolio disclosure by financial institutions.
- S4 (Long): Establish a macroprudential framework integrating climate and ESG scenarios into systemic stability oversight.

3. Public-Private Partnerships & Blended Finance (B2-B6, I1-I4)

Rationale: Mozambique's climate financing needs cannot be met with public funds alone. Innovative partnerships and blended instruments are needed to de-risk projects and crowd in private capital.

Actions:

- B2, I1 (Short): Pilot Mozambique's first sovereign/SOE sustainable bond with independent verification and map a taxonomy-aligned national green project pipeline.
- B4, I2-I3 (Medium): Expand sustainable bond issuance to corporates and banks, establish a Green Project Preparation Facility, and aggregate MSME, agricultural loans and renewable energy access projects into blended portfolios. B3, B5-B6, I4 (Long): Scale BdM refinancing incentives for MSMEs, position Mozambique as a regional hub for thematic bonds, expand into sustainability-linked/transition bonds, and launch a National Green Investment Platform.

4. Stakeholder Engagement & Coordination (P1-P3, X6-X7)

Rationale: Coordination platforms and inclusive stakeholder engagement ensure that IGF reforms are aligned, transparent, and demand driven.

Actions:

- P1 (Short): Formalize BdM's role in national coordination platforms; sign MoUs with relevant ministries to integrate IGF into broader strategies.
- P2, X6-X7 (Medium): Launch sectoral working groups and the Annual Green Finance Forum; set gender targets for women-led MSMEs in green credit; and enable digital interoperability for green products.
- P3 (Long): Institutionalize IGF coordination under the NFIC to ensure long-term policy coherence. Alignment with ENIF 2025-2031 priorities is central, as detailed in Annex 5, to ensure coherence between IGF measures and national financial inclusion strategy.

5. Monitoring, Evaluation & Accountability (D3-D5, X3, X9)

Rationale: Credible monitoring and evaluation ensure investor confidence and accountability while enabling adaptive policy learning.

Actions:

- X3 (Short): Define IGF KPIs with gender- and inclusion-disaggregated metrics.
- D3-D4 (Medium): Publish an Annual IGF Progress Report and operationalize a Green Finance Dashboard integrated with MPD/MF climate budget tagging.
- D5, X9 (Long): Integrate Mozambique's dashboard into SADC/SBFN platforms and conduct independent IGF evaluations every two years.

Phased implementation summary table

Phase	Timeline	Focus Areas	Key Actions (Codes)	Outcomes
Short Term	0-2 yrs	Build foundations	S1, D1-D2, B1, C1, I1, P1, X1-X3	CES/ESG risk regulation issued; ISSB disclosures begin ⁴² ; first Sustainable Bonds Decree adopted; supervisors trained; pipeline mapped; coordination platform formalized.
Medium Term	2-4 yrs	Mobilize capital & scale products	S2-S3, B2-B4, C2, I2-I3, P2, X5-X7	Sovereign and corporate sustainable bonds issued; BdM Academy curriculum running; Project Preparation Facility operational; blended MSME portfolios launched; Green Finance Forum institutionalized; gender & digital integration achieved.
Long Term	4+ yrs	Consolidate & lead regionally	S4, B3, B5-B6, D5, C3, I4, P3, X8-X10	Macroprudential climate framework; Mozambique positioned as regional bond hub; National Green Investment Platform mobilizes \$500M+ annually; Centre of Excellence operational; reinsurance facility explored; IGF fully embedded in BdM supervision.

⁴² Disclosure requirements will begin with voluntary pilots within 2 years, moving to mandatory adoption only as institutional capacity allows. This phased approach follows peer experiences in Kenya and South Africa.

6. Conclusion

Mozambique, currently the 12th least developed country of the world⁴³, for many years now rattled by economic slowdown, degradation of its infrastructure, political turmoil, islamistic insurgents in its northern territories, weak investor confidence and overall, heavily vulnerable to climate-change effects, stands at a pivotal moment.

The Inclusive Green Finance (IGF) Roadmap provides the Banco de Moçambique and its partners with a structured and actionable framework to address systemic climate risks, mobilize sustainable investment, and expand access to financial services that strengthen resilience for households, enterprises, and communities.

By sequencing reforms across short-, medium-, and long-term horizons, the roadmap ensures early wins, sustained momentum, and long-term institutional transformation.

The successful implementation of this roadmap will require strong commitment of its top governmental leaders and decisive leadership by BdM, coupled with close collaboration across government, financial institutions, the private sector, and development partners. Clear governance arrangements, robust monitoring and evaluation, and alignment with international standards will be critical to ensuring accountability and building market confidence, supported by a concrete action plan with tangible outcomes to enhance credibility

Delivering on this agenda is not only essential for safeguarding Mozambique's financial stability but also for positioning the financial sector as a driver of inclusive and sustainable growth, through strengthened institutional coordination, targeted capacity building, and engagement with strategic sectors

By following through on the commitments set out in this roadmap, Mozambique can aspire to become a regional leader in inclusive green finance, a long-term ambition to be realized gradually through concrete steps such as advancing climate risk supervision, piloting sustainable bond issuance, strengthening inter-institutional coordination catalyzing investment, protecting the most vulnerable, and securing a resilient financial system for generations to come while addressing capacity risks through strategic partnerships.

⁴³ <https://hdr.undp.org/data-center/human-development-index#/indicies/HDI>

International Alignment and Benchmarking

The roadmap's actions are aligned with international best practices, ensuring that Mozambique's reforms are both credible and feasible.

Benchmarking against peer countries highlights where Mozambique is already converging with global standards and where additional ambition can accelerate progress.

The table below summarizes selected measures per pillar, with the full benchmarking matrix available in Annex 7.

Pillar	Mozambique Measure (Example)	Peer Best Practice	Relevance for Mozambique
Climate Risk Supervision & Data	CES/ESG regulation & climate stress tests	Brazil & South Africa - central bank stress tests	Builds supervisory capacity and embeds climate risk into stability oversight.
Green Bonds & Credit	Sustainable Bonds Decree & pilot issuance	Nigeria - first sovereign green bond (2017)	Opens bond markets, builds credibility with investors.
Green Finance Data & Disclosure	ISSB-aligned reporting & dashboard	Ghana - taxonomy-linked reporting dashboard	Enhances transparency and attracts investment.
Institutional & Market Infrastructure	Green Project Preparation Facility	AfDB - Africa Green Finance Facility	Reduces transaction costs and builds a pipeline of bankable projects.
Capacity Building & Awareness	Green Finance Academy	Kenya - Bankers Association Sustainable Finance Curriculum	Institutionalizes training, ensures consistent ESG skills.
Policy & Coordination Platforms	National Sustainable Finance Forum	South Africa - Climate Risk Forum	Formal platform aligns regulators, banks, and private sector.
Cross-Cutting & Innovation	Regulatory sandbox for green fintech	Nigeria & Kenya - fintech sandboxes	Allows controlled testing of climate-smart products.

Full benchmarking across all actions is provided in Annex 2.

7. Annexes

Annex 1. Pillar Codes and Action Mapping Framework

The table below defines the codes used across the roadmap, linking each to its corresponding pillar and type of action for ease of reference throughout the implementation and monitoring framework.

Code	Meaning / Action
S1	Finalize & publish CES Risk Regulation; integrate taxonomy; measure loan exposures; pilot stress tests
S2	Embed CES/ESG risk reviews into licensing, inspections, capital adequacy
S3	Require scenario analysis & GHG portfolio disclosure from FIs
S4	Establish macroprudential framework integrating climate & ESG scenarios
B1	Adopt Sustainable Bonds Decree & publish implementation guidance
B2	Pilot sovereign/SOE sustainable bond with independent evaluator
B3	Launch BdM refinancing incentives for green MSME loans
B4	Expand sustainable bond issuance to corporates & banks; link to Project Facility
B5	Position Mozambique as regional hub for thematic bonds (green, blue, resilience, cross-border)
B6	Expand instruments to sustainability-linked and transition bonds
D1	Mandate ISSB-aligned climate & ESG disclosures; templates; gender-disaggregated reporting
D2	Require third-party verification of disclosures for large FIs
D3	Publish annual IGF Progress Report with outcomes
D4	Build Climate & Sustainable Finance Dashboard (integrated with MEF tagging)
D5	Integrate national dashboard with SADC & SBFN platforms
C1	Deliver targeted training (BdM supervisors, risk officers)
C2	Institutionalize BdM Academy green/ESG finance curriculum; train entrepreneurs & facilitators
C3	Establish Centre of Excellence for Green & Inclusive Finance
P1	Formalize BdM role in coordination platform; sign MoUs with ministries
P2	Launch sector-specific working groups; host annual Green Finance Forum
P3	Institutionalize coordination platform under NFIC
I1	Map national green project pipeline; define taxonomy-aligned eligibility criteria
I2	Establish Green Project Preparation Facility (co-financed with donors)
I3	Aggregate MSME/agriculture portfolios into blended finance
I4	Create National Green Investment Platform (large-scale mobilization)
X1	Launch green fintech/mobile pilots in BdM regulatory sandbox
X2	Issue guidance on consumer protection in green finance (solar loans, safeguards)
X3	Define IGF KPIs incl. gender & inclusion metrics
X4	Design insurance pilots (weather-indexed MSME/agri microinsurance)
X5	Create consumer complaints dashboard for green products

Code Meaning / Action

- X6** Set gender targets for women-led MSMEs in green credit
- X7** Enable digital interoperability for green credit/insurance (mobile money, scoring)
- X8** Introduce capital relief incentives for climate/disaster risk insurance
- X9** Independent IGF impact evaluation every 2 years (structured M&E framework)
- X10** Develop regional reinsurance facility for disaster/climate risk pooling

Inclusive Green Finance Roadmap (BdM) - Swimlane Chart with Action Codes

Climate & ESG Supervision (S)	S1	S2, S3	S4
Sustainable Bonds & Credit (B)	B1, B2	B3, B4	B5, B6
Data & Disclosure (D)	D1, D2	D3, D4	D5
Capacity Building (C)	C1	C2	C3
Coordination Platforms (P)	P1	P2	P3
Investment Pipeline (I)	I1	I2, I3	I4
Cross-Cutting: Gender, Digital, Insurance, M&E (X)	X1, X2, X3, X4	X5, X6, X7, X8	X9, X10
	Short-term (0-2 yrs)	Medium-term (2-4 yrs)	Long-term (4+ yrs)

Annex 2. Integrated Roadmap Pillars and Actions Mapped with International Best Practice References

The table below maps each roadmap pillar and its corresponding actions to relevant international best practices, providing BdM with clear reference points for aligning implementation with global standards and peer experiences.

Pillar Name	Code	Action (Roadmap Task)	Peer / International Best Practice Reference
Climate & ESG Supervision	S1	Finalize & publish CES Risk Regulation; integrate taxonomy; measure loan exposures; pilot stress tests	NGFS (2020) guide for supervisors; Brazil Central Bank climate risk regulation (2021)
Climate & ESG Supervision	S2	Embed CES/ESG risk reviews into licensing, inspections, capital adequacy	European Central Bank (ECB) supervisory expectations on climate risk (2020)
Climate & ESG Supervision	S3	Require scenario analysis & GHG portfolio disclosure from FIs	Bank of England CBES climate stress tests (2021); MAS Singapore climate disclosures
Climate & ESG Supervision	S4	Establish macroprudential framework integrating climate & ESG scenarios	NGFS systemic risk integration practices; Banco Central do Brasil macroprudential approach
Sustainable Bonds & Credit	B1	Adopt Sustainable Bonds Decree & publish implementation guidance	Nigeria SEC Green Bond Guidelines (2018); ASEAN Green Bond Standards
Sustainable Bonds & Credit	B2	Pilot sovereign/SOE sustainable bond with independent evaluator	Fiji sovereign green bond (2017); Egypt sovereign green bond (2020)
Sustainable Bonds & Credit	B3	Launch BdM refinancing incentives for green MSME loans	Bangladesh Bank refinance scheme for green products
Sustainable Bonds & Credit	B4	Expand sustainable bond issuance to corporates & banks; link to Project Facility	South Africa JSE sustainability-linked bonds (2022)
Sustainable Bonds & Credit	B5	Position Mozambique as regional hub for thematic bonds	Morocco's and Kenya's green bond market development
Sustainable Bonds & Credit	B6	Expand instruments to sustainability-linked and transition bonds	Chile sovereign sustainability-linked bond (2022)
Data & Disclosure	D1	Mandate ISSB-aligned climate & ESG disclosures; templates; gender-disaggregated reporting	IFRS S1/S2 (2023); South Africa Prudential Authority ESG disclosure requirements
Data & Disclosure	D2	Require third-party verification of disclosures for large FIs	Climate Bonds Initiative (CBI) verification standards

Pillar Name	Code	Action (Roadmap Task)	Peer / International Best Practice Reference
Data & Disclosure	D3	Publish annual IGF Progress Report with outcomes	Central Bank of Morocco annual sustainable finance reporting
Data & Disclosure	D4	Build Climate & Sustainable Finance Dashboard (integrated with MEF tagging)	Indonesia OJK Sustainable Finance Data Hub
Data & Disclosure	D5	Integrate national dashboard with SADC & SBFN platforms	SBFN peer benchmarking database
Capacity Building	C1	Deliver targeted training (BdM supervisors, risk officers)	AFI capacity building programs; Bangladesh Bank IGF training
Capacity Building	C2	Institutionalize BdM Academy green/ESG finance curriculum; train entrepreneurs & facilitators	Bank of Ghana sustainable banking training modules
Capacity Building	C3	Establish Centre of Excellence for Green & Inclusive Finance	Malaysia's Iclif Leadership & Governance Centre model
Coordination Platforms	P1	Formalize BdM role in coordination platform; sign MoUs with ministries	Kenya National Treasury-led Green Finance Platform
Coordination Platforms	P2	Launch sector-specific working groups; host annual Green Finance Forum	Nigeria Sustainable Banking Principles stakeholder forums
Coordination Platforms	P3	Institutionalize coordination platform under NFIC	Mexico's Inter-Ministerial Committee on Sustainable Finance
Investment Pipeline	I1	Map national green project pipeline; define taxonomy-aligned eligibility criteria	Egypt's green project pipeline database (2020)
Investment Pipeline	I2	Establish Green Project Preparation Facility (co-financed with donors)	South Africa's Green Outcomes Fund
Investment Pipeline	I3	Aggregate MSME/agriculture portfolios into blended finance	Rwanda's Green Fund (FONERWA) aggregation model
Investment Pipeline	I4	Create National Green Investment Platform (large-scale mobilization)	Indonesia's SDG Indonesia One blended finance platform
Cross-Cutting	X1	Launch green fintech/mobile pilots in BdM regulatory sandbox	Kenya mobile money & pay-as-you-go solar lending
Cross-Cutting	X2	Issue guidance on consumer protection in green finance	Uganda tiered consumer protection guidelines

Pillar Name	Code	Action (Roadmap Task)	Peer / International Best Practice Reference
Cross-Cutting	X3	Define IGF KPIs incl. gender & inclusion metrics	AFI Inclusive Green Finance Framework
Cross-Cutting	X4	Design insurance pilots (weather-indexed MSME/agri microinsurance)	Kenya's ACRE Africa insurance schemes
Cross-Cutting	X5	Create consumer complaints dashboard for green products	India's RBI Ombudsman framework (adapted to green finance)
Cross-Cutting	X6	Set gender targets for women-led MSMEs in green credit	Bank of Zambia gender finance KPIs
Cross-Cutting	X7	Enable digital interoperability for green credit/insurance	Philippines BSP digital finance strategy (linking fintech & green)
Cross-Cutting	X8	Introduce capital relief incentives for climate/disaster risk insurance	Bangladesh Bank prudential incentives for green lending
Cross-Cutting	X9	Independent IGF impact evaluation every 2 years	Mexico and Indonesia periodic sustainable finance evaluations
Cross-Cutting	X10	Develop regional reinsurance facility for disaster/climate risk pooling	African Risk Capacity (ARC) insurance pool

Annex 3. IGF Roadmap - Monitoring & Evaluation Dashboard

The table below presents key indicators and milestones for each roadmap pillar, serving as a practical dashboard for BdM to track progress across the short, medium, and long term.

Pillar	Metric	Type	Short-term (0-2 yrs)	Medium-term (2-4 yrs)	Long-term (4+ yrs)
S - Climate & ESG Supervision	% of FIs with climate/ESG risk frameworks	Quant	30% of FIs adopt CES frameworks	60% of FIs adopt and report annually	100% of FIs comply and disclose
	# of supervisory inspections incl. ESG	Quant	Pilot ESG risk inspection (2-3 banks)	ESG integrated in all inspections	ESG part of systemic risk supervision
	Stress test results published	Qual	Pilot stress test results published	Sector-wide results integrated into BdM supervision	Annual publication in BdM Financial Stability Report
B - Sustainable Bonds & Credit	# / Volume of sustainable bonds issued	Quant	1-2 pilot issuances	USD 100m cumulative issuance	Position Mozambique as regional hub
	% ESG-linked loans in total credit	Quant	Baseline mapping complete	+5% of total lending	+15% of total lending
D - Data & Disclosure	% of FIs publishing ISSB-aligned disclosures	Quant	Top 5 banks publish reports	All banks publish reports	All FIs publish, BdM dashboard consolidates
	BdM Green Finance Dashboard	Qual	Prototype with 3-4 indicators	Full national rollout with 10+ indicators	Integrated into SADC/SBFN regional platforms
C - Capacity Building	# of BdM supervisors trained	Quant	20 staff trained	50 staff trained	100 staff trained
	Centre of Excellence operational	Qual	Feasibility study completed	Centre launched with 3-4 programmes	Fully functional, with regional partnerships
P - Coordination Platforms	# of coordination meetings annually	Quant	2 meetings held	4 meetings per year	Platform institutionalized
	MoUs signed with ministries	Quant	2 MoUs signed	4 MoUs signed	Permanent integration under NFIC

Pillar	Metric	Type	Short-term (0-2 yrs)	Medium-term (2-4 yrs)	Long-term (4+ yrs)
I - Green Investment Pipeline	# of bankable projects identified	Quant	10 projects mapped	50 projects mapped	100+ projects mapped
	\$ mobilized through investment platform	Quant	USD 20m mobilized	USD 100m mobilized	USD 500m+ mobilized
X - Cross-Cutting	% green credit to women-led MSMEs	Quant	Baseline established	+10% of total green credit	+25% of total green credit
	# climate/disaster insurance products	Quant	1-2 pilots	5 products	10+ products
	Independent IGF evaluation	Qual	Evaluation framework designed	First evaluation cycle completed	Recurring every 2 years

Annex 4. IGF Roadmap - Operational M&E Annex by Sub-Pillar

The table below presents the Operational Monitoring and Evaluation Annex, mapping each roadmap action (S1-X10) to measurable indicators and phased milestones, providing BdM with a structured tool to track implementation over the short, medium, and long term.

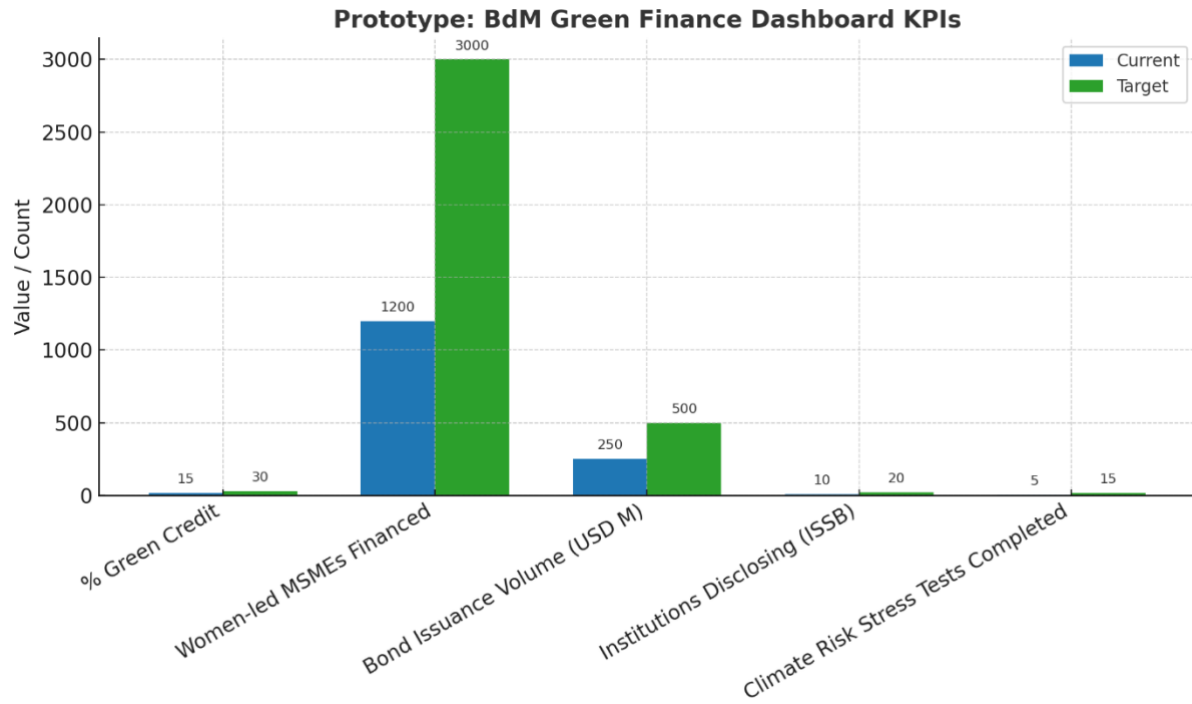
Code	Action	Metric	Short-term (0-2 yrs)	Medium-term (2-4 yrs)	Long-term (4+ yrs)
S1	Finalize & publish CES Risk Regulation (incl. taxonomy)	Regulation published; # of banks applying taxonomy	Regulation finalized and published	50% of banks adopt CES risk frameworks	All supervised institutions fully compliant
S2	Measure loan exposures to physical & transition risks	% of portfolios assessed; # of banks reporting	Loan exposure mapping completed for top 5 banks	Portfolio-level disclosures expanded to sector	Full coverage across all FIs
S3	Pilot climate/ESG stress tests with top banks	# of banks participating; methodology	Pilot with 2-3 banks	Expanded to top 10 banks	Annual systemic stress tests integrated
S4	Embed ESG risk reviews into licensing/inspections	% of inspections incl. ESG	ESG added to licensing templates	ESG risk integrated into all supervisory inspections	Fully institutionalized as supervisory standard
S5	Require scenario analysis & portfolio GHG disclosure	% of banks reporting; alignment with NGFS	Guidance issued for scenario analysis	60% of banks publish portfolio-level GHG data	100% adoption and BdM publishes consolidated data
S6	Macroprudential integration of climate/ESG	# of macroprudential indicators incl. ESG	Feasibility study conducted	Pilot macroprudential indicators developed	ESG indicators embedded into systemic risk framework
B1	Adopt Sustainable Bonds Decree	Legal adoption; # of issuances	Decree adopted and published	Early issuances under new decree	Sustainable bonds normalized as financing instrument
B2	Pilot sovereign/SOE sustainable bond issuance	Volume; 2nd-party verification	First pilot bond issued	At least 2 more bonds issued	Sustainable bonds become regular debt issuance tool
B3	Expand sustainable bond issuance to corporates/banks	# of issuances; % verified	Awareness raised; 1-2 corporate pilots	10 corporate/bank issuances	Sustainable bond market active and liquid

Code	Action	Metric	Short-term (0-2 yrs)	Medium-term (2-4 yrs)	Long-term (4+ yrs)
B4	Issue guidance for ESG-linked loans & refinancing	% of green loan growth	Guidelines issued	ESG loan products launched at 5 banks	ESG-linked loans ≥15% of credit market
B5	BdM refinancing incentives for green MSMEs	\$ refinanced; % credit to MSMEs	Feasibility designed	BdM refinancing line operational	Scaled refinancing with prudential incentives
D1	Mandate ISSB-aligned disclosures	% of FIs disclosing	Top 5 banks publish reports	All banks publish reports	All FIs disclosing and BdM consolidates
D2	Third-party verification for large FIs	% verified; assurance framework	BdM issues guidance on assurance	Top 10 banks audited	Independent verification across 80% of assets
D3	BdM Climate & Sustainable Finance Dashboard	Dashboard functionality	Prototype launched	National dashboard live with 10+ indicators	Integrated with SADC/SBFN regional dashboards
D4	Publish annual IGF progress report	Report status	First progress report issued	Annual reporting institutionalized	BdM publishes regular IGF reports as part of FSR
C1	Deliver training for supervisors/risk officers	# trained; % certified	20 staff trained	50 staff trained	100 staff trained, certified ESG supervisors
C2	BdM Academy ESG curriculum	Curriculum status	Draft curriculum designed	Modules institutionalized in BdM Academy	Regular graduates trained; regional recognition
C3	Establish Centre of Excellence	Centre status; # partnerships	Feasibility completed	Centre launched	Fully operational with 5+ international partners
P1	BdM role in coordination platform	BdM seat confirmed	BdM represented	BdM chairs at least 1 working group	BdM leadership institutionalized under NFIC
P2	MoUs with ministries	# signed	2 MoUs signed	4 MoUs signed	MoUs renewed; joint programs operational
P3	Annual Green Finance Forum	Forum held	First forum convened	Annual forum institutionalized	Forum becomes national fixture

Code	Action	Metric	Short-term (0-2 yrs)	Medium-term (2-4 yrs)	Long-term (4+ yrs)
P4	Institutionalize platform under NFIC	NFIC updated	Initial NFIC discussions	Mandate expanded to include green finance	Platform fully integrated under NFIC
I1	Green project pipeline mapping	# projects identified	10 projects mapped	50 projects mapped	100+ projects mapped
I2	Green Project Preparation Facility	Facility status	Facility designed and financed	Operational, supports 10 projects	Scaled, linked to investment platform
I3	Aggregate MSME/agri blended portfolios	# portfolios; \$ mobilized	Pilot aggregation designed	At least 3 blended portfolios operational	Blended portfolios scaled to national level
I4	National Green Investment Platform	Platform status; \$ invested	Feasibility conducted	Platform launched with USD 100m	USD 500m+ annual investment mobilized
X1	Digital fintech/mobile pilots	# pilots; clients reached	1-2 pilots launched	5 pilots operational	Digital green finance mainstreamed
X2	Consumer protection in green finance	Guidelines; # complaints resolved	Guidelines issued	Complaints dashboard operational	Consumer protection fully institutionalized
X3	Define IGF KPIs incl. gender metrics	KPI framework	KPIs published	Monitoring framework operational	KPIs fully embedded into BdM reports
X4	Gender targets for women-led MSMEs	% green loans to women-led MSMEs	Baseline identified	+10% increase	+25% allocation sustained
X5	Climate/disaster microinsurance pilots	# products; beneficiaries	1-2 pilots launched	5 products launched	10+ products available
X6	Capital relief incentives for insurance	Incentives issued	Design completed	Incentives launched	Insurers actively using incentives
X7	Complaints dashboard for green products	Dashboard status	Prototype launched	Full rollout	Institutionalized across BdM
X8	Digital interoperability for credit/insurance	APIs; institutions connected	Pilot API launched	5 institutions connected	National interoperability achieved

Code	Action	Metric	Short-term (0-2 yrs)	Medium-term (2-4 yrs)	Long-term (4+ yrs)
X9	Independent IGF evaluation	Evaluation published	Framework designed	First evaluation completed	Recurring evaluation every 2 yrs
X10	5-yr M&E framework operational	Framework status	Draft framework prepared	Framework fully operational	Evaluations and reporting sustained

Annex 5: Green Finance Dashboard KPIs Illustration



Annex 6: International and Best Practices Benchmarking

Pillar / Action Area	Proposed Measure	Peer Best Practice Example	Rationale for Mozambique
1. Climate Risk Supervision & Data (Pillars 1 & 3)	National Green Taxonomy & ISSB-aligned Disclosure	South Africa - Green Taxonomy (2022); Kenya - Green Finance Taxonomy (2025)	Provides clarity for investors, aligns Mozambique with global markets, reduces greenwashing.
	Green Prudential Incentives (e.g., lower risk weights, BdM green refinancing)	Bangladesh - Central Bank refinance scheme for green lending	Incentivizes banks to extend credit to MSMEs and smallholders in climate-vulnerable sectors.
	Climate Risk Simulation Labs	Brazil & South Africa - central banks piloted climate stress tests in stability reports	Enables BdM and banks to “learn by doing” stress testing with low upfront cost.
2. Green Bonds & Credit (Pillar 2)	Sustainable Bonds Framework (Decree + pilot)	Nigeria - First sovereign green bond in Africa (2017)	Builds investor confidence and establishes Mozambique in regional bond markets.
	Green Credit Guarantee Fund	Brazil - FGI Guarantee Fund for MSMEs	De-risks lending to small borrowers, addressing MSME financing barriers.
	Green Savings & Eco-Cards	European banks - biodegradable cards with reforestation-linked savings	Mobilizes consumer participation, linking inclusion with climate awareness.
3. Institutional & Market Infrastructure (Pillar 4)	Green Project Preparation Facility	AfDB - Africa Green Finance Facility	Reduces transaction costs and builds a bankable pipeline where preparation capacity is weak.
	Blended Finance Platforms	Kenya - Green Bond Program (2019)	Mobilizes private capital by pooling concessional and commercial funds for green projects.
	Mobile Money-Climate Nexus (solar loans, micro-insurance)	Kenya - M-Kopa pay-as-you-go solar	Scales last-mile solutions for rural communities through existing mobile penetration.
	Blue Finance Innovation (blue bonds, debt-for-nature swaps)	Seychelles - First sovereign blue bond (2018)	Leverages Mozambique’s coastline and fisheries for sustainable financing while easing debt pressure.

Pillar / Action Area	Proposed Measure	Peer Best Practice Example	Rationale for Mozambique
4. Capacity Building & Awareness (Pillar 5)	Regulator Capacity Hub (BdM Sustainable Finance Unit)	Egypt - Regional Center for Sustainable Finance (FRA)	Permanent hub to anchor supervision and training, reducing reliance on ad-hoc donor projects.
	Green Finance Academy (training for banks/MFIs)	Kenya - Bankers Association Sustainable Finance Curriculum (2015)	Institutionalized training builds consistent ESG/green skills across the financial system.
	Green Talent Pipeline	Mauritius - Sustainable Finance scholarships with universities	Ensures a pipeline of green finance professionals, addressing long-term skills gaps.
	Financial + Climate Literacy Campaigns	Philippines - BSP disaster resilience financial literacy	Enhances adoption of products and resilience among vulnerable groups.
5. Policy & Coordination Platforms (Pillar 6)	National Sustainable Finance Forum	South Africa - Climate Risk Forum	Provides a formal platform to align regulators, banks, and private sector, reducing fragmentation.
	Provincial Green Finance Hubs	Ghana - Regional SME/finance hubs	Decentralizes access, ensuring rural MSMEs and cooperatives are not excluded.
6. Awareness & Transparency (Link to Pillar 3 & 5)	Green Finance Dashboard (BdM + MEF)	Ghana - Taxonomy-linked reporting dashboard	Improves transparency, enabling harmonized data for supervision and investor reporting.
7. Cross-Cutting & Innovation (Pillar 7)	Regulatory Sandbox for Green Fintech	Nigeria & Kenya - Fintech regulatory sandboxes	Allows controlled testing of climate-smart products (solar loans, carbon credits).
	Green Procurement & Anchor Demand	EU - Green Public Procurement mandates	Public procurement stimulates demand for green MSMEs, crowding in finance.
	Climate-Linked Monetary Tools	China - PBoC's green collateral framework	Positions BdM at the frontier of central banking, aligning liquidity tools with sustainability goals.
	Community Resilience Funds	UNCDF - MERCIM+ Mozambique local resilience funds	Builds on existing pilots, channeling liquidity rapidly to vulnerable districts after disasters.

Annex 7: Illustrative Climate-Risk Indicators for the Financial Stability Assessment Framework (FSAF)

In alignment with BdM's Strategic Plan 2024-2026 (Pillar 2: Financial Stability), the roadmap introduces a set of illustrative indicators to integrate climate-related financial risks into the Financial Stability Assessment Framework (FSAF). These indicators will support BdM's ongoing work to enhance systemic risk monitoring, stress testing, and prudential oversight. Data will be collected through existing supervisory reporting channels and climate-risk templates developed with technical partners, and results will be disclosed periodically through BdM's Financial Stability Report and roadmap progress updates.

Dimension	Indicator	Purpose / Interpretation	Frequency
Exposure	% of total bank lending to <i>climate-sensitive sectors</i> (agriculture, fisheries, energy, transport, real estate)	Identifies systemic exposure to physical and transition risks	Annual
	% of loan portfolio located in <i>high-hazard geographic zones</i> (flood, cyclone, drought)	Maps physical-risk concentration by region	Annual
	Share of financial assets in <i>carbon-intensive industries</i>	Measures exposure to transition-risk sectors	Annual
Resilience	% of financial institutions conducting <i>climate-risk stress tests or scenario analysis</i>	Tracks adoption of supervisory expectations	Annual
	% of FIs with board-approved <i>climate-risk management policies</i>	Gauges governance readiness	Annual
	Existence of <i>climate-risk data templates</i> integrated in BdM's supervisory reporting (yes/no)	Verifies structural integration of climate data	Once
Systemic Impact	Change in <i>NPL ratios</i> in climate-sensitive sectors	Early sign of climate shocks affecting portfolio quality	Semi-annual
	Estimated <i>credit losses under climate stress scenarios</i> (% of total capital)	Quantifies potential systemic losses	Biennial
	# of <i>macroprudential policy measures</i> adopted to address climate risks (e.g., buffers, exposure limits)	Captures supervisory response to systemic risk	Annual

Annex 8: Acronyms

- **AFI** - Alliance for Financial Inclusion
- **AMB** - Associação Moçambicana de Bancos (Mozambique Bankers Association)
- **ASEAN** - Association of Southeast Asian Nations
- **BdM** - Banco de Moçambique
- **BVM** - Bolsa de Valores de Moçambique (Mozambique Stock Exchange)
- **CBES** - Climate Biennial Exploratory Scenario (Bank of England)
- **CBI** - Climate Bonds Initiative
- **CES** - Climate & ESG Supervision
- **CMN** - Conselho Monetário Nacional (Brazil)
- **CSO** - Civil Society Organization
- **DFI** - Development Finance Institution
- **ECB** - European Central Bank
- **EIB** - European Investment Bank
- **ENIF** - Estratégia Nacional de Inclusão Financeira (National Financial Inclusion Strategy)
- **ESG** - Environmental, Social, and Governance
- **FSD Moç** - Financial Sector Deepening Mozambique
- **GHG** - Greenhouse Gas
- **GRI** - Global Reporting Initiative
- **ICMA** - International Capital Market Association
- **IFC** - International Finance Corporation
- **IGF** - Inclusive Green Finance
- **INGC** - Instituto Nacional de Gestão de Calamidades (National Disaster Management Institute)
- **IPP** - Independent Power Producer
- **ISSM** - Instituto de Supervisão de Seguros de Moçambique (Insurance Supervisor)
- **ISSB** - International Sustainability Standards Board
- **KPI** - Key Performance Indicator
- **MAS** - Monetary Authority of Singapore
- **M&E** - Monitoring and Evaluation
- **MFI** - Microfinance Institution
- **MoE** - Ministry of Education
- **MoF / MF** - Ministry of Finance
- **MPD** - Ministry of Economy and Development (Ministério da Economia e Desenvolvimento)
- **MSME** - Micro, Small, and Medium Enterprise
- **NBFI** - Non-Bank Financial Institution
- **NDC** - Nationally Determined Contribution
- **NFIC** - National Financial Inclusion Committee
- **NGFS** - Network for Greening the Financial System
- **OECD** - Organisation for Economic Co-operation and Development
- **PBoC** - People's Bank of China
- **PPP** - Public-Private Partnership
- **RBI** - Reserve Bank of India
- **SADC** - Southern African Development Community
- **SBP** - State Bank of Pakistan
- **SBFN** - Sustainable Banking and Finance Network
- **SDG** - Sustainable Development Goal
- **SME** - Small and Medium Enterprise

- **SOE** - State-Owned Enterprise
- **TCFD** - Task Force on Climate-related Financial Disclosures
- **ToC** - Theory of Change
- **TWG** - Technical Working Group
- **UNCDF** - United Nations Capital Development Fund
- **UNDP** - United Nations Development Programme
- **UNEP FI** - United Nations Environment Programme Finance Initiative
- **WB** - World Bank

Note on Annexes 2 and 6:

Annex 2 and Annex 6 serve distinct but complementary purposes in the roadmap. Annex 2 provides a detailed action-to-best practice mapping, linking each roadmap action (codes S1-X10) with specific international standards and peer experiences to guide technical implementation.

By contrast, Annex 6 offers a broader international benchmarking overview, comparing Mozambique's roadmap to systemic approaches adopted by peers such as South Africa, Kenya, Nigeria, Egypt, Rwanda, and Ghana.

Together, these annexes ensure that the roadmap is both operationally aligned with global standards and strategically positioned within regional and international best practices, strengthening its credibility and feasibility.

Feature	Annex 2 - Integrated Roadmap Pillars & Actions with Best Practices	Annex 6 - International and Best Practices Benchmarking
Purpose	Demonstrates how each <i>specific roadmap action</i> (codes S1-X10) aligns with international standards or peer examples.	Provides a broader, country-level benchmarking of sustainable finance frameworks, highlighting systemic lessons.
Structure	Matrix/table format: Pillar → Code → Action → International Reference.	Comparative narrative + tables: Peer countries (e.g., South Africa, Kenya, Nigeria, Egypt, Rwanda, Ghana) → their frameworks → relevance for Mozambique.
Level of Detail	Action-by-action alignment (granular).	Country/system-wide comparison (strategic, aggregated).
Focus	Operational implementation: which global tool or precedent supports each roadmap step.	Strategic positioning: how Mozambique compares with peers and what lessons can be drawn.
Use Case	For BdM technical teams: ensures each roadmap action is backed by a credible precedent, reducing design risk.	For policymakers and donors: demonstrates international alignment, builds confidence, and positions Mozambique regionally.
Output	Implementation reference tool, linked to roadmap codes.	Benchmarking narrative + summary tables of country experiences.
Complementarity	Micro-level (task-specific) validation.	Macro-level (system-wide) comparison. Both combined ensure actions are credible and strategically aligned.

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