



Facility for Financing Resilient Human Development in Latin America and the Caribbean

Investment opportunities for the Private Sector

1. Conceptual Framework: Resilient Human Development

Development progress in Latin America and the Caribbean (LAC) is under pressure. Persistent structural challenges intersect with recurring and overlapping crisis, heightened uncertainty and multiple interlinked stressors – rapidly evolving technologies, deepening social fragmentation, and an increasingly changing climate, exposing profound vulnerabilities in the region’s development trajectory, challenging its ability to sustain and advance human development (UNDP 2025).

[UNDP’s Regional Human Development Report 2025](#) argues that reimagining development strategies with **resilience** at their core is an imperative for shaping a future in LAC where human development can be secured and sustainably advanced. It introduces the concept of **Resilient Human Development** to enable people to enjoy valuable lives in terms of capability and agency in such a way that the impact of critical pervasive shocks is prevented or mitigated; and, if adversity strikes, people, communities and markets can rebound and flourish again. This implies (i) preparing for the unknown, (ii) responding to adverse events, and (iii) rebuilding to recover and prosper (UNDP 2025).

- 1 in 3 people remains vulnerable to falling into poverty in the face of a crisis.
- LAC accounts for ¼ of the world’s climate disasters.
- Less than 2% of its GDP is invested in strengthening resilience.


2. LAC Facility for Financing Resilient Human Development

To turn vulnerability into progress, bold investments in resilience – including green infrastructure, digital public goods, inclusive insurance, and nature-based solutions – are required to reduce development risks, unlock innovation, and expand markets.

The [LAC Facility for Financing Resilient Human Development](#) is a multi-stakeholder strategic platform designed to bring together actors at all levels – multilateral and regional organizations, national and local governments, development banks, private sector actors, and civil society – under the common purpose of accelerating financing and investments to strengthen countries’ capacities to anticipate, adapt to, and respond to complex and interconnected crisis, transforming resilience from a reactive necessity into a proactive strategy for sustainable development.

3. A good business: the role of the private sector

The scale of risks—climate extremes, health crises, economic downturns, and technological disruptions—demands innovation, financing, and delivery mechanisms that leverage the capabilities of businesses, investors, and market actors (UNDP, 2025). Private capital, when aligned with development priorities, can de-risk systems, build



resilient infrastructure, expand inclusive financial services, and strengthen sustainable value chains. Investments in resilience are not only consistent with, but also catalytic for, the achievement of the Sustainable Development Goals (SDGs). They can reinforce national commitments under the Paris Agreement and Nationally Determined Contributions (NDCs), while operationalizing the “resilient human development”, ensuring that progress pathways remain inclusive, sustainable, and future proof.

Furthermore, advancing resilient human development is also good for business. It creates the enabling conditions for stable, predictable, and expanding markets. When households and communities have the capacity to withstand and recover from shocks, they sustain demand for goods and services instead of collapsing into distress sales or negative coping strategies. Resilience cushions purchasing power, supports creditworthiness, and keeps supply chains functioning, reducing volatility for firms. For investors, this means fewer disruptions, lower default risks, and more reliable long-term returns. For companies, it means a customer base that continues to participate in the market, innovate, and adapt even in uncertain times. In short, resilience is not only a social imperative—it is a business strategy that protects value today and unlocks opportunities for sustainable growth tomorrow.

4. Regional trends and sectoral insights

Resilience is multidimensional. To identify concrete investment opportunities, it is necessary to articulate resilience into distinct but interconnected entry points. Each entry point captures a sector through which resilient human development can be strengthened, identifying project classifications that can guide private sector engagement.

4.1 Climate/Environmental Entry Point

The capacity of socio-ecological systems to anticipate, absorb, adapt to, and recover from climate-related hazards and long-term environmental stressors is fundamental for resilience. It integrates adaptation and disaster risk reduction into development planning so that economic and social gains are not undermined by climate shocks. In the context of LAC, this includes hydrometeorological events such as hurricanes, floods, and droughts, as well as structural challenges like water scarcity and sea-level rise.

Expected outcomes

- **Reduced human and economic losses from disasters** through early warning systems, preparedness, and adaptation measures (SDG 11.5; SDG 13.1).
- **Continuity of productive activities** in agriculture, industry, and services despite climate shocks, ensuring jobs and income stability (SDG 8.1; SDG 9.1).
- **Sustained food and water security** under changing climate conditions through resource efficiency, conservation, and ecosystem management (SDG 2.4; SDG 6.4).
- **Stronger adaptive capacity among vulnerable populations**, including women, rural households, and indigenous peoples, through inclusive adaptation strategies (SDG 10.2; SDG 13.b).

Project Classification – Subsectors

- **Climate-smart agriculture.** Investments in drought-resistant seeds, precision irrigation, and sustainable soil management to maintain agricultural productivity under climate stress. These measures reduce crop losses, stabilize farmer incomes, and secure food supplies.
- **Disaster risk reduction (DRR).** Construction of flood defenses, cyclone shelters, and firebreak systems supported by insurance mechanisms. DRR reduces the cost of disasters on public budgets and creates opportunities for insurance, engineering, and technology providers.

- **Ecosystem-based adaptation (EbA).** Restoration of mangroves, reefs, and watersheds to buffer climate impacts while generating co-benefits for fisheries, tourism, and carbon credits. EbA attracts blended finance through natural capital funds.
- **Climate-resilient infrastructure.** Elevation and reinforcement of roads, bridges, and drainage systems to withstand climate extremes, reducing reconstruction costs and service disruptions. Opportunities exist for PPPs and green bonds.
- **Community adaptation plans.** Locally led risk-management initiatives including relocation of households, community funds, and early-warning systems that empower vulnerable groups and attract philanthropic or concessional finance.

4.2 Human Capital Entry Point

Building resilience through human capital requires strengthening the capacity of individuals, households, and communities to maintain well-being, dignity, and agency despite shocks. It encompasses education, health, psychological stability, and social protection systems that enable people to withstand crises without irreversible losses.

Expected Outcomes

- **Households maintain adequate living standards** during crises without resorting to negative coping strategies such as reducing food intake or withdrawing children from school (SDG 1.5; SDG 8.5).
- **Livelihoods recover quickly and sustainably following shocks**, allowing households to rebuild income and avoid falling into poverty traps (SDG 8.3; SDG 8.5).
- **Continuity of education, nutrition, and social services during emergencies**, reducing intergenerational setbacks and ensuring children and vulnerable groups remain protected (SDG 4.1; SDG 2.1; SDG 3.8).
- **Improved perceptions of security, empowerment, and participation**, especially among marginalized populations, strengthening social cohesion and trust in institutions (SDG 16.7; SDG 10.2).

Project Classification – Subsectors

- **Education continuity and skill development.** Digital platforms, remote learning systems, and vocational retraining programs that ensure children and workers can maintain education and upskill even during crises. Technology and edtech firms play a central role.
- **Adaptive social protection.** Shock-responsive cash transfers, e-vouchers, and mobile-payment systems designed to scale automatically in emergencies. These instruments create entry points for fintech providers and impact investors.
- **Community empowerment and mutual aid.** Support for cooperatives, community savings groups, and emergency committees that strengthen grassroots responses. These models can be co-financed by municipalities, NGOs, and local private actors.
- **Mental health and psychosocial support.** Counseling services, hotlines, and mobile clinics to address trauma, especially after disasters or violence. Social enterprises and insurers can co-finance these services.
- **Inclusive decision-making in local governance.** Platforms and participatory mechanisms that give women, youth, and indigenous groups a role in resilience planning, creating legitimacy and ensuring equitable outcomes.

4.3 Health Entry Point

Resilience requires health systems, services, and communities that prevent, prepare for, respond to, and recover from crises while maintaining essential services. It encompasses infrastructure, supply chains, disease surveillance, and preparedness for climate-health interactions.

Expected Outcomes

- **Continuity of essential health services** such as maternal and childcare, emergency response, and chronic disease management during crises, reducing preventable deaths (SDG 3.8; SDG 3.d).
- **Rapid detection, containment, and response to outbreaks**, supported by effective surveillance and preparedness systems (SDG 3.3; SDG 3.d).
- **Reduced excess mortality and morbidity** during epidemics, disasters, and health emergencies through strengthened system capacity and emergency readiness (SDG 3.1; SDG 3.2).
- **Greater public confidence and trust in health institutions**, ensuring populations seek care and comply with public health measures (SDG 16.6).

Project Classification – Subsectors

- **Disaster-resilient hospitals and supply chains.** Investment in earthquake-resistant facilities, redundant energy systems, and stockpiling of essential medicines to ensure continuity of care. PPPs in infrastructure and logistics are central here.
- **Pandemic preparedness.** Early warning systems, laboratory capacity, and rapid response teams to prevent outbreaks from escalating. Private diagnostics and biotech firms are key partners.
- **Community health systems.** Training of community health promoters, development of mobile health apps, and primary care hubs that extend services to underserved populations. Opportunities exist for digital health startups and insurers.
- **Climate-health adaptation.** Interventions such as vector-control campaigns, cooling centers during heatwaves, and monitoring of air quality. Private actors in biotech, construction, and energy efficiency can co-invest.
- **Universal health coverage and financial protection.** Insurance schemes and affordable care models that reduce out-of-pocket expenses, backed by blended financing instruments.
- **Nutrition security and NCD prevention.** Programs that promote healthy diets, regulate processed foods, and encourage local food production, reducing chronic disease burdens and lowering systemic health costs. Food industries and social investors can support transitions.

4.4 Economic Entry Point

The ability of economies, sectors, and households to absorb, recover from, and reorganize in response to shocks while sustaining growth and livelihoods is another critical dimension of resilience. It combines macroeconomic stability with micro-level adaptability, ensuring that productivity, employment, and household welfare are not permanently eroded.

Expected Outcomes

- **Rapid recovery of GDP, employment, and productivity following shocks**, reducing the duration and severity of recessions (SDG 8.1; SDG 1.5).
- **Protection of vulnerable households and middle-class segments** from falling back into poverty due to crises (SDG 10.4; SDG 1.5).
- **Functionality of financial and market systems** even under stress, safeguarding access to credit, savings, and trade (SDG 8.10; SDG 9.3).
- **Economic transformation through diversification and innovation**, reducing dependence on volatile sectors and promoting sustainable competitiveness (SDG 8.2; SDG 9.2; SDG 12.2).

Project Classification – Subsectors

- **Diversification of industries and exports.** Development of new markets and value chains (e.g., renewable energy, agro-industries, digital services) that reduce dependence on volatile commodities. Opportunities include FDI and venture capital.
- **Financial inclusion and risk transfer.** Microfinance, mobile banking, and climate-risk insurance products that protect households and SMEs. Private banks, insurers, and fintech firms are critical actors.
- **Adaptive social protection linked to economic cycles.** Safety nets such as unemployment insurance and temporary wage subsidies that stabilize consumption during downturns. These can be co-financed through public–private insurance pools.
- **Fiscal stabilization funds and countercyclical instruments.** Sovereign wealth funds, green bonds, and hedging instruments to smooth fiscal shocks. Investors and international bond markets are essential.
- **SME resilience and supply chain risk management.** Targeted recovery credit lines, logistics reinforcement, and digital tools that allow SMEs to withstand disruptions. Private banks, logistics firms, and e-commerce platforms provide leverage.

4.5 Institutional Entry Point

The capacity of governance systems, institutions, and legal frameworks to remain functional, legitimate, and adaptive during crises is at the core of resilience. This requires institutions to have the capacity to ensure continuity of services, effective coordination, and trust between governments and citizens, even under adverse conditions.

Expected Outcomes

- **Coordinated and timely crisis management** across government levels and sectors, minimizing disruption to essential services (SDG 16.6; SDG 11.b).
- **Continuity of policies and institutional learning** during and after crises, ensuring reforms are not reversed and lessons are applied (SDG 16.6; SDG 17.14).
- **Enhanced public trust in institutions** through transparency, accountability, and inclusive governance (SDG 16.7; SDG 16.6).
- **Inclusive decision-making processes** that integrate gender, youth, and minority perspectives in emergency and recovery planning (SDG 16.7; SDG 5.5).

Project Classification – Subsectors

- **National and local emergency management agencies.** Investment in command centers, data systems, and trained personnel for coordinated disaster response. ICT and telecom providers are strategic partners.
- **Public sector modernization and digital governance.** Deployment of e-government platforms, cloud services, and flexible civil service models to maintain service continuity. Opportunities for private IT and cybersecurity firms.
- **Decentralization and municipal strengthening.** Empowering municipalities with resources, training, and financing mechanisms to lead localized responses. This creates entry points for local PPPs and civic tech solutions.
- **Transparency, accountability, and anti-corruption systems.** Tools for open data, blockchain-based procurement, and civic oversight that reduce misuse of crisis funds. Tech startups and compliance firms can co-develop these systems.
- **Legal frameworks integrating resilience.** Embedding risk and resilience into fiscal rules, procurement guidelines, and planning processes to institutionalize preparedness. Private legal and advisory firms may support design.

4.6 Infrastructure Entry Point

Infrastructure is at the core of the ability of physical systems—including transport, energy, water and sanitation, telecommunications, and housing—to withstand, absorb, and recover from shocks while continuing to deliver essential services. In LAC, resilient infrastructure is essential to safeguard livelihoods, sustain competitiveness, and ensure inclusive access.

Expected Outcomes

- **Reduced physical and economic damage to infrastructure** from disasters, lowering repair costs and service disruptions (SDG 9.1; SDG 11.5).
- **Rapid restoration of energy, water, sanitation, and ICT services** after crises, minimizing economic and social disruption (SDG 9.1; SDG 11.b).
- **Universal access to essential services** including in rural and marginalized areas, contributing to equity and social cohesion (SDG 6.1; SDG 7.1).
- **Lower long-term infrastructure costs** through preventive maintenance, smart design, and durable construction (SDG 9.4; SDG 12.2).

Project Classification – Subsectors

- **Disaster- and climate-proofed infrastructure.** Schools, hospitals, and transport corridors built or retrofitted to withstand shocks. Investment opportunities include resilience bonds and insurance-linked securities.
- **Asset management and preventive maintenance.** Systems for lifecycle monitoring of bridges, energy plants, and water facilities that reduce long-term costs and service failures. Engineering firms and insurers are natural partners.

- **Smart and redundant systems.** Distributed generation, micro-grids, and backup ICT networks that guarantee continuity of services. Attracts investment from utilities, energy companies, and digital operators.
- **Secure and resilient digital infrastructure.** Data centers, broadband expansion, and cybersecurity measures that keep services functional during crises. Tech companies and telecoms can finance and manage.
- **Inclusive infrastructure services.** All-weather rural roads, climate-resilient sanitation, and off-grid energy solutions that extend access to marginalized areas, supported by PPPs and social impact investors.

5. Opportunities for private sector resilience investment

Resilience investment opportunities are defined as **initiatives that strengthen the capacity of systems, communities, and economies in LAC to anticipate, absorb, and recover from shocks while sustaining or improving human development outcomes.** This includes commercially viable ventures, market solutions, corporate innovations, and investment-ready pipelines. Resilience investment opportunities across LAC are identified combining top-down alignment with national policies, NDCs, and SDGs, and bottom-up opportunity identification, ensuring both strategic relevance and contextual applicability (UNDP, 2025).

These initiatives must demonstrate **alignment with resilience priorities, potential to reduce systemic risks, clear development benefits, commercial viability, and readiness for blended finance** (UNDP, 2025).

Opportunity sources are multiple, but this document focuses on:

- **Global Gateway** (Team Europe). The EU’s global investment strategy that mobilizes public and private capital for sustainable, trusted infrastructure and value chains—prioritizing clean energy and industry, sustainable transport and ports, secure digital connectivity (e.g., BELLA II), and critical social infrastructure. It publishes region-specific pipelines and forms blended consortia with DFIs, export agencies, and private sponsors.
- **UNDP regional and country pipelines.** A curated set of green, inclusive-finance and resilience initiatives that typically sit inside UNDP programme documents or platforms (e.g., water funds, nature-based solutions, mobility, MSME/finance, governance/digital), with governments, utilities, or private operators as lead implementers.

Pipeline of projects

Each project considers the **risk timeline**, to determine if the initiative contributes to **prepare** (anticipatory capacity that reduces exposure and vulnerability), **respond** (surge capacity and agility that **maintain essential services** and protect lives/livelihoods during shocks) or **rebuild** (recovery pathways that restore and **improve** systems post-shock). It also specifies how the opportunity delivers resilience results **instruments** (market rules, finance, policy), **institutions** (organizations and norms), or **infrastructure** (physical, natural, digital assets).

Vida Manglar (Colombia) — blue carbon for climate & livelihoods.

A coastal restoration programme that protects and expands mangrove ecosystems to buffer storm surge, sequester carbon, and diversify community incomes through verified carbon/PES contracts. By treating **nature as infrastructure**, it strengthens **Climate/Environmental** and **economic** resilience while building community assets (**Social & Human** co-benefits). It primarily **prepares** (risk reduction) and rebuilds (post and works through **Instruments** (carbon/PES). Source: CAF

Blooming Roots (Colombia) — inclusive, climate-smart agrifood.

A portfolio approach to women-led MSMEs that finances post-harvest upgrades, irrigation, and traceability, coupled with technical assistance and market access. It targets **Climate** and **Economic** resilience with **Prepare/Respond** functions, using **Instruments** (credit/guarantees/SLLs) and complementary **Infrastructure** (productive assets). The result is steadier incomes, lower loss rates, and greener value chains attractive to buyers. Source: UNDP, Colombia

PTAR Canoas (Bogotá, Colombia) — metropolitan wastewater resilience.

A flagship WWTP that secures urban WASH continuity, cuts pollutant loads, and stabilizes downstream ecosystems. It anchors **Infrastructure** and **Health** resilience (utility governance/O&M) with **Respond/Rebuild** functions—keeping essential services running under stress and bouncing back quickly after shocks. Financing can combine PPP concessions with green bonds/loans and performance-based incentives for methane abatement. Source: Global Gateway.

Bogotá Metro Line 2 (Colombia) — mass-transit access and redundancy.

The line expands rapid transit capacity, improves air quality and safety, and hardens network redundancy for crisis operations. It advances **Infrastructure** and **Economic** resilience with **Respond/Rebuild** functions by maintaining mobility to jobs, care, and education when it matters most. PPP structures can integrate green/SLB features and targeted guarantees for construction and fleet. Source: Global Gateway.

Aguas Andinas Biofactories (Chile) — circular water utilities.

Wastewater-to-energy and resource-recovery assets that cut emissions and reduce OPEX while safeguarding service continuity. The model improves **Climate** resilience and supports **Infrastructure** learning (**Prepare**), financed via **Infrastructure** and **Instruments** such as SLL/SLB/green bonds and monetization of methane abatement and by-products. It is a replicable template for urban utilities. Source: UNDP pipeline (GIF4LAC)

Zero-Emission Public Transport, AMA (Paraguay) — clean fleets, healthier cities.

A structured transition to e-buses with aggregated procurement, depots/charging, and upgraded O&M. It delivers **Infrastructure** and **Climate** resilience with **Respond/Rebuild** functions (cleaner air, reliable mobility, safer operations). With **instruments** like Risk-sharing (first-loss guarantees), concessional lines, and **infrastructure** like fleet-level SLBs crowd in operator and OEM capital. Source: UNDP pipeline (GIF4LAC)

Guandu—Water & Flora Producers (Brazil) — watershed security for Rio.

A basin programme that restores priority micro-basins and pays land stewards for verified hydrological services, governed by a multi-actor fund. It enhances **Climate** and **Institutional** resilience with **Prepare** functions, financed through **Instruments** like PES and green debt lines. The outcome is lower treatment costs and more reliable supply for a mega-city. Source: Global Gateway.

Pipiripau—Water Producer (Brazil) — soil and water conservation.

Targeted conservation investments in the Federal District that reduce erosion, increase infiltration, and stabilize seasonal flows. The project's **Prepare** functions build **Climate/Environmental, health** and **Infrastructure** resilience via **Infrastructure** (nature) and **Institutions** (basin governance), underpinned by PES contracts and utility co-finance. Source: UNDP pipeline.

São Paulo Water Production Program (ANA, Brazil) — safeguarding PCJ basins.

A long-running, committee-led program that protects springs, reduces sediment loads, and secures supply through PES, restoration, and farm practices. It improves **Infrastructure** and **Climate** resilience with **Prepare/Respond** functions, financed through instruments like corporate memberships, basin funds, and grants with revolving reinvestment mechanisms. Source: Global Gateway.

Energy Parks & Green Shipping Corridors (Ceará, Brazil) — decarbonizing trade.

Port-anchored clean-energy hubs and shipping corridors that aggregate RE production, green fuels, and maritime offtake. They boost **Infrastructure** and **Climate** resilience with **Prepare/Respond** functions and operate through Instruments (offtake/CfDs, guarantees) that crowd in large-scale private investment. The corridors model is scalable along Atlantic routes. Source: Global Gateway.

Sustainable Pulp & Forestry (Paraguay) — climate-smart industry.

An integrated pipeline (plantations + mills + certified chains) that stabilizes supply, lifts rural incomes, and reduces land-use pressures. It strengthens **Economic** and **Climate/Environmental** resilience with **Prepare/Rebuild** functions and blends **Instruments** (long-tenor credit, SLL/SLB) with enabling Infrastructure. Source: Global Gateway.

Expansion of Jorge Chávez International Airport (Peru) — resilient connectivity.

A core air-logistics expansion that adds redundancy, safety, and emergency response capacity, protecting supply-chain continuity and national connectivity. It advances **Infrastructure** and **Economic** resilience with **Prepare/Respond** functions. Concession finance can include green/SLB features and resilience retrofits backed by concessional windows. Source: Global Gateway.

AquaFondo (Peru) — Lima Water Fund.

A multi-partner fund financing Andean NbS in the Chillón–Rímac–Lurín headwaters, improving Lima’s water security. It combines **Climate** with **Institutions** (governance and funding rules) under **Prepare** functions; revenue comes from corporate memberships, **MERESE**, and grants, blended for scale and permanence. Source: UNDP pipeline Give4LAC

BELLA II — EU–LAC Digital Alliance (Andean + Central America) — backbone for services & MSMEs.

Cross-border fiber/backbone and data-infrastructure that underpin resilient public services, research, and MSME digitalization. It fortifies **Economic** and **Infrastructure** resilience with **Rebuild** function continuity and redundancy for essential services—while enabling last-mile private investment. Source: Global Gateway.

H2R Global Financing (Chile) — bankability for hydrogen.

A facility-style framework that standardizes contracts, de-risks first-of-a-kind projects, and anchors offtake for green H₂/RE. It works through **Instruments** (guarantees, first-loss, SLL/SLB, CfDs) to deliver **Prepare** functions for **Economic** and **infrastructure** resilience, creating a scalable pipeline across hubs and corridors. Source: Global Gateway.

