

Carbon and Nature Opportunities for Prosperity and Yield (CANOPY)



Project duration

Expected close date:
December 2026



Lead implementing partner



World Wide Fund for Nature
(WWF) Singapore



Consortium partners



Terraformation

Tri-Sector Associates,
Terraformation

Overview of the initiative

This project catalyses large-scale investment in high-integrity carbon projects by addressing systemic barriers to nature-positive finance across ASEAN. Building on WWF's Blue Ecosystem work, the project establishes a regional model for developing blue and green carbon project pipeline, designing blended finance structures, and ensuring meaningful participation of Micro, Small, and Medium Enterprises (MSMEs) in carbon markets.

As home to 42% of the world's mangroves, ASEAN region holds exceptional potential to deliver climate mitigation, protect biodiversity, strengthen coastal resilience, and improve local livelihoods. Many AMS have already integrated NbS within their climate strategies, creating a strong policy foundation for investment and regional collaboration. By aligning public ambition with private and philanthropic capital, ASEAN can unlock transformative restoration outcomes and deliver measurable benefits for both communities and ecosystems.

This project harnesses this opportunity by designing and piloting a blended finance carbon fund, establishing robust screening criteria and safeguards, and conducting feasibility studies to restore up to 3,000 hectares of priority ecosystems, including mangroves in Indonesia and the Philippines. These pilots will follow the standards of high-integrity, Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)-eligible carbon projects. It will strengthen MSMEs and project developers capacity to access carbon finance and use ASEAN platforms to support best-practice replication and regional policy alignment.

Key objectives

1. Establish and operationalise a Blended Finance Carbon Fund that mobilises at least three times public-private capital leverage, developed with ASEAN Member States and with active engagement of MSMEs and project developers.
2. Develop and pilot a regional model for high-integrity blue and adjacent green carbon projects, enabling the restoration of up to 3,000 hectares of natural ecosystems, such as mangroves and related coastal landscapes in the Philippines and Indonesia, generating CORSIA eligible carbon credits and creating a blueprint for replication across ASEAN.



Alignment with ASEAN vision, plan and priorities

The project directly supports ASEAN's strategic vision for a resilient, low-carbon, and inclusive economy by removing barriers to nature-positive finance and catalysing investment in high-integrity carbon markets. By establishing regional models for blue and green carbon development, blended finance, and MSME participation, the initiative operationalises ASEAN's commitments to green growth and sustainable finance under the ASEAN Economic Community (AEC) Strategic Plan 2026-2030.

Through the restoration of up to 3,000 hectares of forest and coastal ecosystems, the project strengthens climate resilience, enhances carbon sequestration, and supports sustainable

livelihoods - key priorities of the ASEAN Food, Agriculture, and Forestry Sectoral Plan 2026-2030. Integrating MSMEs into carbon markets further reinforces inclusive economic development and rural resilience.

The project also complements ASEAN's NbS framework by creating enabling conditions for NbS investment through robust safeguards, clear screening criteria, and Article 6-aligned finance mechanisms. By leveraging regional platforms for knowledge-sharing, replication and policy coherence, the project advances ASEAN's transboundary cooperation objectives and positions NbS as a scalable, high-integrity solution for climate action across Southeast Asia.

This project will be implemented in close partnership with the ASEAN Secretariat under the guidance of ASEAN Senior Officials on Forestry.

“The restoration of nature offers an immense opportunity for ASEAN to tackle climate change while improving livelihoods and protecting biodiversity. With support from the ASEAN-UK Green Transition Fund, CANOPY seeks to convert this potential into impact across the region.”

Rueban Manokara
Global Lead, Carbon Finance and Markets, WWF