

## **Noboa Administration Achieves Historic Debt Conversion, Saving (debt services) USD 800 Million by 2035 to Conserve the Amazon**

Quito, Ecuador. On the morning of Tuesday, January 17, from the Botanical Garden, President Daniel Noboa Azin announced a historic milestone: the first debt conversion dedicated to terrestrial and freshwater conservation in the Ecuadorian Amazon. This operation refinanced approximately USD 1.53 billion in global bonds through a USD 1 billion loan with improved terms, reducing debt service by more than USD 800 million by 2035. This initiative not only delivers financial benefits but also advances environmental objectives by channeling resources into the implementation of the Amazon Biocorridor Program (BCA) and its conservation initiatives, safeguarding one of the world's most biodiverse and vital ecosystems.

"It has been a year of challenges, but this is the right thing to do for the environment, the planet, and future generations. We had to make it work," stated President Noboa, while commending the ministerial team for achieving this debt conversion, which marks the official launch of the BCA Program.

Minister of Economy and Finance Juan Carlos Vega emphasized that this operation, conducted within a framework of responsible fiscal management, enabled the refinancing of approximately USD 1.53 billion in Ecuador's global bonds. "This mechanism not only strengthens our fiscal stability but also positions Ecuador as a pioneer in sustainable development," benefiting both present and future generations, he noted.

Moreover, the initiative secures around USD 460 million for sustainable projects that will benefit the Ecuadorian Amazon and its communities, representing the largest sum ever raised in such financial transactions. "With this initiative, we transform debt into hope and biodiversity into a legacy for humanity," Vega added.

This achievement was made possible with the support of organizations such as The Nature Conservancy (TNC), the U.S. International Development Finance Corporation (DFC), which provided USD 1 billion in political risk insurance; the Inter-American Development Bank (IDB), which issued a USD 155 million partial liquidity guarantee; and Bank of America, which served as the structuring agent for the new operation. The

Republic also received technical and legal advice from Hogan Lovells, Enosis Capital, Centerview Partners, and the Global Green Growth Institute.

Galo Medina, the representative of The Nature Conservancy Ecuador (TNC), described the BCA as a model for conservation and economic development, combining debt conversion with technical tools, public policies, and strategic planning. "This will be the first program focused on terrestrial and freshwater ecosystems, offering a comprehensive solution developed alongside indigenous peoples and local communities," he explained.

Diego Inclán, representing the National Institute of Biodiversity (Inabio), highlighted that the institute, which specializes in generating knowledge for informed decision-making, supported the BCA process through technical assistance and over 40 years of scientific research in the Amazon region. According to the studies conducted, the area is home to more than 10% of the world's known flora and fauna species. "Biodiversity must be the foundation of development, especially in a megadiverse country like ours," Inclán stressed.

The BCA aims to enhance the management of 4.6 million hectares of existing protected areas, safeguard an additional 1.8 million hectares of forests and wetlands, conserve 18,000 kilometers of rivers, and strengthen climate resilience. The funds generated by this debt conversion will be managed through the Amazon Biocorridor Fund. The program will receive an average of U\*SD 19 million annually over the next 17 years\*.

Inés Manzano, Minister of the Environment, Water, and Ecological Transition, stated that the BCA is an integrated management model that strategically addresses the significant environmental challenges of our time. "Our goal is to better manage natural resources, increase forest protection, enhance existing management systems, and work closely with communities to ensure the benefits reach them directly," she explained.

Through innovative financing and conservation mechanisms, this program places the Amazon at the heart of a transformative vision, protecting one of the planet's most biodiverse ecosystems while ensuring the long-term resilience of Ecuador, the Amazon region, and the world.

All information about the process and its progress will be available on the website [www.fondobiocorredoramazonico.org](http://www.fondobiocorredoramazonico.org)