



**GREEN
BRIDGE
FACILITY**



KNOW YOUR TERRITORY (KYT)

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Collective challenges – such as shortcomings in land governance, insecurity, informality, illegality, and convoluted regulations – create an unfavorable business climate for advancing a green economy in the Amazon and other biomes where economic development and environmental preservation must be carefully balanced.

To tackle these barriers, the [Igarapé Institute](#) has launched the [Green Bridge Facility \(GBF\)](#), an impact-driven initiative designed to unlock responsible investment, accelerate Nature-based Solutions (NbS) enterprises and promote territorial prosperity in the short and long term. Through a territorial “de-risking” approach, GBF aims to lower operational, financial and reputational costs for responsible investors and high-integrity entrepreneurs. This enables them to “Know Your Territory,” “land” safely in selected areas and generate lasting, positive change for local communities across the Amazon and beyond.

What are territorial risks?

Territorial risks are systemic challenges rooted in a region’s environmental, social, security, economic, and institutional conditions. These risks go beyond individual property boundaries, involving broader dynamics that span from a project’s immediate area of influence to the municipality or even the state.

Territorial risks operate in two directions. From territory to project, local challenges can introduce unexpected costs and operational hurdles, such as crisis management, land regularization, or strained relations with local communities. From project to territory, new ventures may worsen existing vulnerabilities if not carefully managed.

Unaddressed territorial risks hinder sustainable development, maintaining a status quo marked by unlawful activities and environmental crime. However, when properly understood and mitigated, these risks can become opportunities, transforming complex landscapes into new hubs of the green economy.

Stages

1. Municipal-level territorial intelligence

This first stage evaluates how a municipality performs across factors that affect the viability of NbS ventures.

The GBF uses a proprietary Territorial Intelligence Platform to assess and compare municipalities based on six core dimensions:



2. Classification of territorial risks that can impact the enterprise

Building on the municipal analysis, GBF conducts a deeper dive into thematic areas to map and structure territorial risks. The resulting taxonomy helps identify the risks most commonly associated with NbS projects in complex territories.

Developing this taxonomy serves to:

Facilitate stakeholder communication through a standardized terminology; **Clarify** the nature, origin and potential impacts of risks to support targeted mitigation strategies; **Prioritize** critical risks to optimize resource allocation and strategic planning; **Monitor and manage** risks through ongoing process improvement; **Guarantee** transparency in risk management.

The GBF taxonomy is based on widely recognized standards that address the implementation of climate and nature-based solutions:

- ▶ Taskforce on Nature-related Financial Disclosures (TNFD)
- ▶ Verra: Climate, Community & Biodiversity Standards (CCB) e Verified Carbon Standard (VCS)
- ▶ Amazon Bonds (IDB and World Bank)
- ▶ Forest Stewardship Council International Generic Indicators (FSC IGI)
- ▶ European Sustainability Reporting Standards (ESRS)
- ▶ Financial Reporting Council do Reino Unido (UK FRC)
- ▶ Brazil NBS Alliance

Additionally, it incorporates requirements from international legislation, such as the EU Regulation on Deforestation-free Products (EUDR) and the UK Environment Act.

3. Territorial risk at the project level

In this final phase, GBF translates the risks identified in the taxonomy into measurable indicators, providing deeper insights into the relationship between enterprise and territory across the same six dimensions used for the municipal analysis. These indicators are developed through a combination of international standards and the Igarapé Institute's expertise in public security, climate security and institutional ecosystems.

The GBF's analysis stands out by going beyond traditional environmental and social responsibility requirements to incorporate factors often overlooked in standard due diligence. This systemic approach offers a comprehensive view of risks to address in mitigation planning and identifies opportunities for positive impact at the local level.

Data collection methods include:

- ▶ **Stakeholder mapping** to identify key actors, their positions regarding the project, and their networks;
- ▶ **Interviews and meetings** with project staff, community members, public officials, and other key informants;
- ▶ **Analysis of geospatial data;**
- ▶ **Review of land tenure documentation;**
- ▶ **Consultation of publicly available databases.**

Each indicator receives a risk score based on its potential impact to the enterprise. These scores are then combined to produce a comprehensive risk profile across all six dimensions that highlights critical areas and strengthens the overall risk analysis carried out by the entrepreneur or investor.

This project-level assessment supports ongoing monitoring of territorial risks, detection of misconduct, and regular evaluation of environmental and social performance. Together, these efforts underpin project sustainability and permanence, safeguard investor reputation, build trust and strengthen the enterprise's connection to the territory in which it is located.



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ABOUT US

The GBF is a gateway for high-integrity green ventures and sustainable development, incubated by the Igarapé Institute. Founded in 2011, the Institute is a Brazil-based, independent think-and-do tank with a global mission to promote data- and evidence-driven solutions to complex challenges. The Institute is women-led, with a team of 50 professionals across four countries and partnerships with over 100 organizations, including a New York-based 501(c)(3).

The Igarapé Institute developed the GBF to help structure projects, facilitate partnerships, and improve the business environment for climate and nature-based solutions, so that investments can materialize, thrive, and benefit both people and the planet.

For more information or to request an assessment using the GBF approach to territorial risk analysis, please contact:



greenbridgefacility.com



gbf@greenbridgefacility.com