

2024



PAULSON INSTITUTE

THINK  
AND  
DO

Paulson Institute's Year in Review

## The Paulson Institute

Founded in 2011 by former Treasury Secretary Henry M. Paulson, Jr., the non-partisan Paulson Institute is based in Chicago with offices in Washington and Beijing. The Institute's diverse, multicultural staff brings deep experience to its work from the highest levels of business, government, conservation, policy, and research. The Paulson Institute is a non-partisan, independent, privately funded "think and do tank" not supported by or connected to any government.

We bring differentiated insights, trusted advisory, and pragmatic solutions to businesses, policymakers, and nonprofits on today's defining questions, issues, and trends.

Originally established with an emphasis on the US-China relationship, the Paulson Institute's work in more recent years has expanded its aperture to reflect the changing global order and its vast implications.

We do this through our research and analytical offerings, thought leadership, demonstration of best practices on the ground, capacity building, and joint efforts with partners to devise and implement appropriate courses of action. We offer the perspectives, instincts, and field-tested experience to put these changes into context through our people, our products, and our programming.

As a privately funded organization not connected to any government, we place a premium on our independence and credibility in everything we do. We believe that clarity and impartiality go a long way toward helping various stakeholders decipher rising uncertainty and increasing politicization while addressing the global challenges affecting us all.

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## LETTER FROM THE CHAIRMAN

Much has been said about 2024 being the year of elections, as more than half the world's population went to the polls. But while national elections—particularly the US presidential election—captured headlines, there were much deeper, structural shifts happening this year that will define our future for decades to come.

Today, we are living through an economic and technological realignment unlike anything in recent history. Supply chains are shifting. Industries are being reshaped by AI. The forces of nationalism and protectionism are sweeping across governments. And new pressures are forcing a rethink of how rapidly the world will be able to transition away from traditional energy sources.

As I look at the global macroeconomic landscape, I see storm clouds. There are extraordinarily high levels of national and private debt, giving governments much less fiscal capacity to respond to economic disruption. There is also a great disparity in economic performance among both developed and developing countries. These imbalances are creating—and are likely to create—even more serious economic and financial distress and disruptions.

At the same time, there are growing tensions between the United States and China, ongoing war in Ukraine, conflict in the Middle East, and rapid advances in cyber capabilities and military technology. This could very well be the most geopolitically fraught moment since the early Cold War.

Meanwhile, biodiversity loss and climate change continue to pose severe threats to human health and economic security. As ecosystems degrade, the risk of zoonotic disease increases. And as global temperatures rise, so too does the frequency of billion-dollar weather disasters—from floods and hurricanes to wildfires and droughts. The year ahead will present a new test for US-China

relations, as an intense presidential election in the United States stirs politics in both countries. Against this backdrop, it will be increasingly difficult—but essential—for both nations to define a framework that manages competition and avoids debilitating conflict.

In short, there is a great need to question old models and approaches to governance and policy. How can we better balance energy security with climate imperatives? What can be done to ensure that strategic competition does not tip into full-blown conflict? And how do we promote broad-based, sustainable growth in a world that is becoming increasingly protectionist?

These are not easy questions, and I don't pretend to have the answers. But I do know that it is more important than ever to have platforms for serious, fact-based analysis and to seek pragmatic solutions that can bridge divides—and that is precisely what we do at the Paulson Institute.

We are committed to providing clear-eyed, independent analysis that helps policymakers, business leaders, and global institutions navigate the complexities of economic, financial, and geopolitical change, with a focus on the US and China. Through our research, convenings, and partnerships, we work to advance sustainable growth and maintain global order in a rapidly evolving world.

None of this would be possible without the engagement and support of our partners and stakeholders. Thank you for being part of this important work. We look forward to continuing this effort together in the year ahead.

Sincerely,  
Hank Paulson

## LETTER FROM THE VICE CHAIRMAN & EXECUTIVE DIRECTOR



Looking back on 2024, I'm extremely proud of the high-quality research, influential commentary, and practical solutions that the Paulson Institute has advanced this year—all in the face of a rapidly evolving US-China relationship and a shifting set of national priorities.

This year, our Green Finance Center continued to promote solutions to advance the global green finance ecosystem. Our flagship report, *Fintech Facilitates the Sustainable Development of Green Finance in China*, was released at the 10th Annual Conference of the China Green Finance Committee and received well by global financial regulators. We participated in key conferences and events with AmCham China, PBOC, and the Park City Forum, among others. And we convened key stakeholders at the International Finance Forum, where discussions focused on the role of financial markets in supporting the transition to a low-carbon economy.

Our think tank, MacroPolo, continued to provide data-driven analysis on the economic and technological shifts redefining global power dynamics. Its updated Global AI Talent Tracker offered critical insights into how nations are competing for top AI talent, and its research explored the intersection of energy security, industrial policy, and the reshaping of US-China economic relations.

Our Conservation Program advanced innovative approaches to protecting biodiversity and financing nature conservation. We completed the *Strategy and Priority Actions for Wetland Conservation in the Yellow River Basin*, a major study that will guide conservation efforts in one of China's most ecologically important regions. Additionally, we launched a pioneering biodiversity credit pilot in Yunnan Province to explore how conservation finance

can generate measurable environmental and economic benefits. Our work with the Partnership of Biodiversity and Finance also expanded, engaging over 100 financial institutions in integrating biodiversity into investment decision-making.

The Paulson Prize for Sustainability continued to spotlight transformative solutions in climate and biodiversity. This year's winners—innovations in green shipping and biodiversity conservation—demonstrated how technology, finance, and policy can come together to drive sustainable progress at scale.

As we look ahead, the forces shaping the global economy will continue to accelerate. The Paulson Institute remains committed to helping leaders navigate this complexity with insight, pragmatism, and a focus on solutions that drive both economic and environmental progress.

We are grateful to our partners and supporters for their engagement, and we look forward to another year of impact and collaboration.

Sincerely,  
Deborah Lehr

# 2024 Timeline

## January

- PI co-organizes a workshop to release the results of the synchronized surveys of waterbirds and their habitats in the Yellow River Basin, as part of the Yellow River Wetlands Conservation Strategy and Action Plan Research Project.
- Deborah Lehr, Vice Chairman and Executive Director of the Paulson Institute, meets with the Mayor of Beijing and the President of the Chinese People's Association for Friendship with Foreign Countries (CPAFFC).

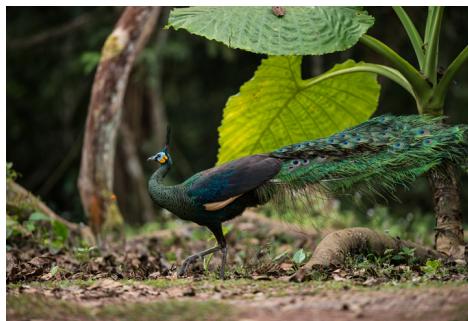


## July

- PI hosts the US-China Low-Carbon and Sustainable Cities Dialogue in Chicago with CPAFFC.
- PI co-hosts the 16th Global Carbon Pricing Conference on green global energy.
- Rahm Emanuel joins Hank Paulson on *Straight Talk*.

## February

- The Conservation team publishes the results of Water Birds and Habitat Surveys in the Yellow River Basin.

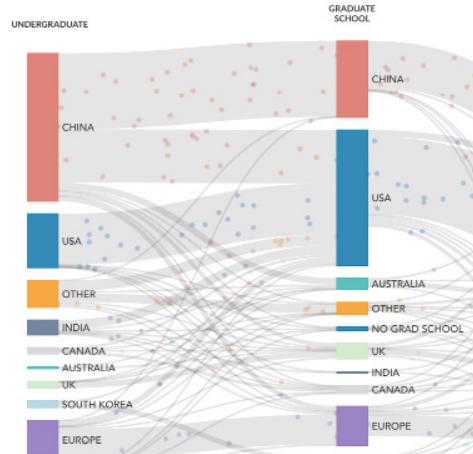


## August

- PI launches the planning phase for the Green Voluntary Emission Reduction (GVER) biodiversity credit pilot centered on the conservation of endangered green peafowl and the restoration of its habitats in Yunnan.

## March

- MacroPolo releases their annual Global AI Talent Tracker.



## September

- PI co-hosts the Symposium on Cities and Biodiversity: Aligning Cities with the Global Biodiversity Framework in Shenzhen and released *Insights for Cities on Biodiversity*.
- Deborah Lehr is interviewed on Bloomberg about China's trade policy and the impact on their domestic economy.
- The Green Finance Center releases the annual *Fintech Report*.

## April

- Chairman Hank Paulson speaks at Semafor's inaugural World Economy Summit.
- Damien Ma discusses the Global AI Talent Tracker in an appearance on Bloomberg's *Odd Lots* podcast.
- PI announces the 2024 Paulson Prize is open for applications.



## PBF 2024 REPORT ON THE DEVELOPMENT OF BIODIVERSITY AND FINANCE

## October

- MacroPolo launches redesigned website.
- PBF 2024 Report on the Development of Biodiversity and Finance*, coauthored by PI, is officially released at the UN Biodiversity Conference (COP16) in Cali, Columbia.

## May

- The Green Finance Center celebrates its sixth anniversary.



## November

- Deborah Lehr pens op-ed "Is Xi Jinping Undermining China's Path to Tech Superiority?" for *The Diplomat*.
- Hank Paulson delivers a keynote speech at the IFF Annual Meeting.
- The Green Finance Center chairs a panel on Green Finance and Sustainable Development: Pathways for Financial Support to a Green Economy
- PI signs MOU with the Shanghai Municipal Government to collaborate on enhancing Biodiversity Conservation and Climate Change Response resilience.

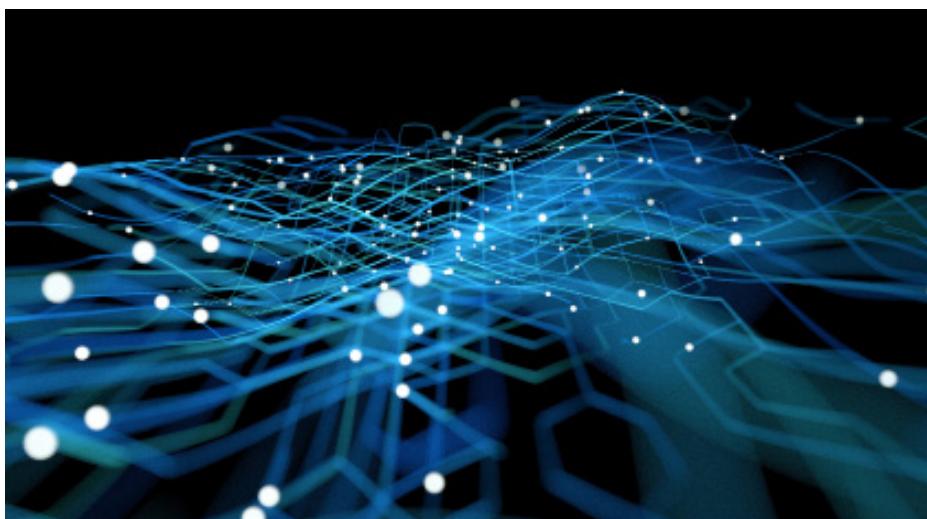
## June

- MacroPolo celebrates its seventh anniversary.



## December

- Dr. Simon Zadek joins the Paulson Institute as a Senior Fellow.
- PI awards the annual Paulson Prize for Sustainability in Green Innovation and Nature Stewardship categories.



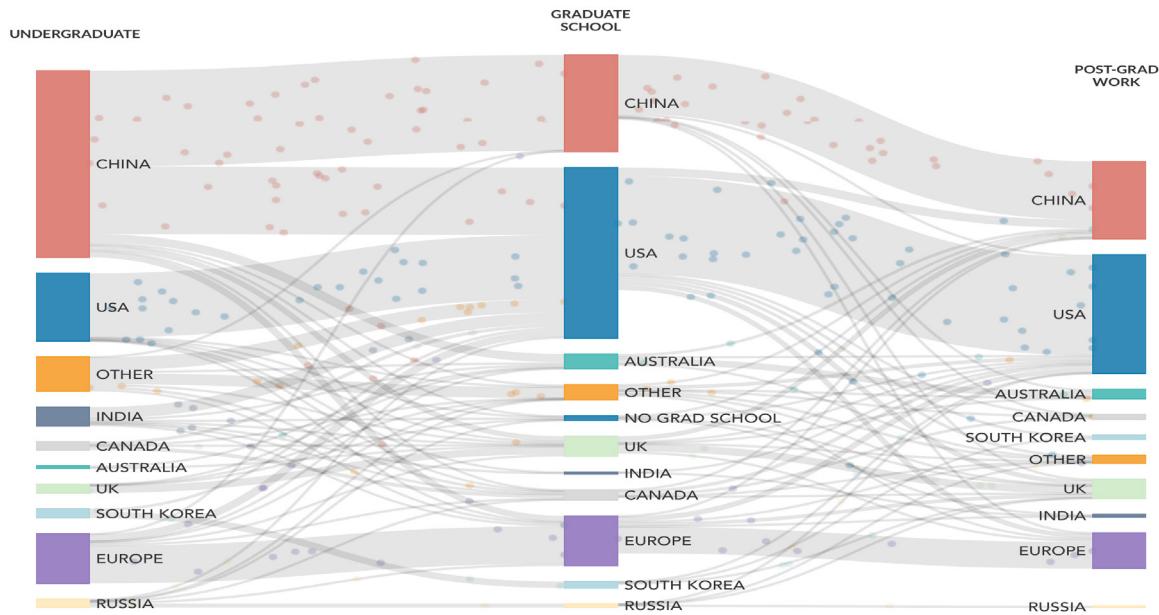


## MacroPolo

# Midwest Heritage, Global Vantage

MacroPolo is the Paulson Institute's think tank. Based in Chicago, its team of experts and creators provides incisive analysis, creative research products, and insightful multimedia and digital content. MacroPolo is bringing the think tank into the 21st century. The twin forces of digitization of the economy and the democratization of knowledge have created a new central challenge: content abundance. Overcoming that challenge requires research and content distribution to fundamentally adapt and diversify. What truly matter are valuable insights, deep and differentiated analysis, and the foresight to anticipate trends coming around the bend. This is why MacroPolo believes in: creating distinctive products that have a high insight to noise ratio; harnessing technology and data to build functional, beautiful, and accessible content; delivering consistently high-quality and forward-looking analysis and best-in-class research; and taking a design-centric approach to simplify complexity.

# Notable Projects



## The Global AI Talent Tracker 2.0

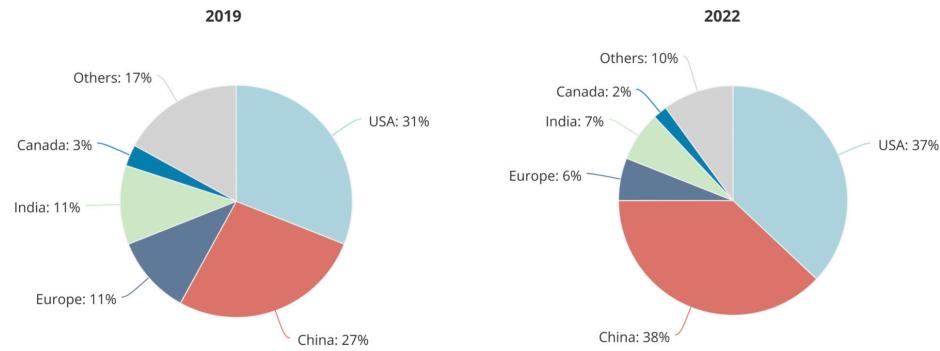
Since the launch of MacroPolo's talent tracker in 2020, artificial intelligence (AI) has taken the world by storm. Ostensible breakthroughs in large language models and machine learning methods, as well as staggering improvements in compute capabilities, have made the power and potential of AI demonstrably clear.

While companies and institutions are racing to monetize the power of AI, the prospect of its full potential is also giving pause to governments around the world. Much uncertainty centers on how to balance AI's power to solve a range of economic and social problems with curtailing the downsides of its potential.

But what's certain is that a large chunk of the tech world's capital and talent will be deployed toward bringing AI applications to the real world. If anything, the competition among countries in this arena will be fiercer than ever—and much of that competition will be over the indispensable input of an AI ecosystem: talent.

Talent also happens to be one of the most clearly quantifiable inputs, which is why MacroPolo is assessing the global balance and flow of top AI researchers and scientists. Now, after three years of a pandemic and amid geopolitical ructions, how has that balance of talent changed?

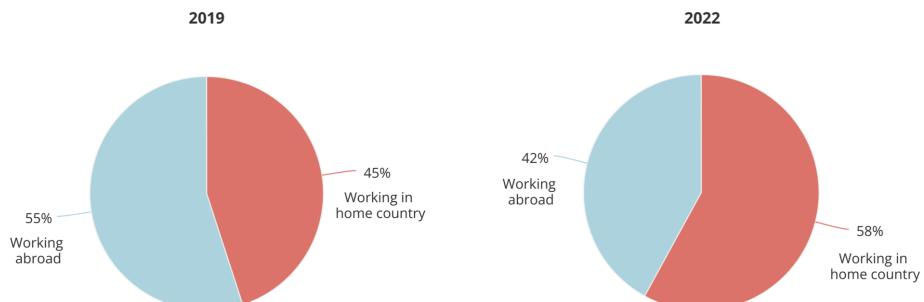
#### 4. Leading countries of origin of top-tier AI researchers (top ~20%) working in US institutions



To compare apples to apples, this 2023 update, like the previous version, uses the Neural Information Processing Systems conference (NeurIPS) as the sample. For its December 2022 conference, NeurIPS accepted a record-breaking 2,671 papers with an acceptance rate of 25.6%, compared with 1,428 papers and an acceptance rate of 21.6% in 2019.

While the conference has expanded in numbers, it is still considered one of the most selective AI conferences on record, meaning that it is a good proxy for the top-tier (top ~20%) of AI research talent. Rather than examining a broader slice of AI talent, MacroPolo chose to focus on the top-tier because it believes this cohort is the most likely to lead the way on research breakthroughs as well as on determining novel use cases in the commercial domain.

#### 7. Portion of top-tier AI researchers (top ~20%) working abroad vs. staying home

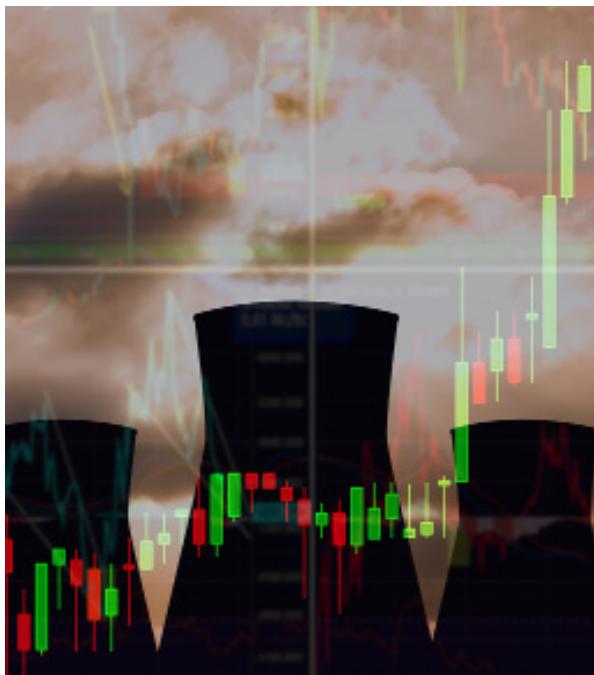




## Confronting the “Energy Transition Trilemma”

The current administration, Damien Ma (Managing Director, MacroPolo) argues, will have to grapple with one of this generation’s most consequential challenges: the energy transition. Decisions will shape whether progress accelerates, stalls, or slows slightly. A full reversal is unlikely since the energy shift ties to reindustrialization and competition with China. But achieving a secure, green, and affordable energy supply—the “Energy Transition Trilemma”—requires tough trade-offs.

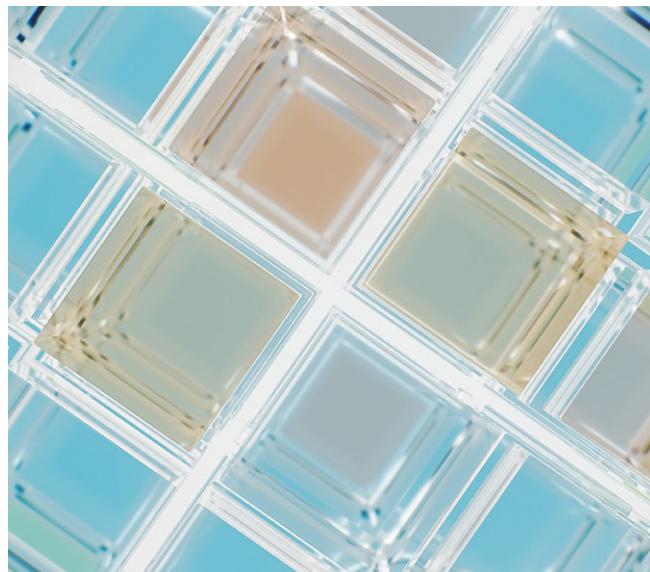
If security is the focus, the US must rely on domestic production and allies, but this may not meet green goals without China’s supply chain. Prioritizing green energy needs China for cost-effective solutions like cheap solar panels and EVs, but this option prevents US self-reliance. Without affordable options, adoption slows, delaying progress. And without breakthroughs in domestic capacity, the US risks a slower energy transition.



## Nuclear Renaissance: Can Business Model Innovation Lower Cost?

A key bottleneck of the nuclear industry is its unit economics. To lower cost, nuclear reactors need to become a volume business through standardization and scale. There are essentially two ways to do that: build much larger conventional nuclear plants with up to half a dozen reactors or build many small modular reactors (SMRs) that can provide distributed baseload power.

In this analysis, Amy Ouyang (Research Associate, MacroPolo) explores why SMRs, despite current challenges, might be the breakthrough the nuclear industry needs. From applying Fordism to nuclear reactor manufacturing to strong demand from the explosion of AI data centers, SMRs could pave the way for lowering cost.



## Autonomous Driving: The Future is Getting Closer

The promise of self-driving cars is tantalizing: potentially trillions in economic productivity gains, technological leadership, and a robotics revolution. This is where the next front of technological competition will take place, especially between the United States and China. The journey to full autonomous driving has been slower than expected because it is exceptionally difficult to achieve, both in terms of scaling and social adoption. However, it's now clear that there's a two-way race to master self-driving, with two competitors taking competing approaches. Whichever approach wins out—or reaches a "ChatGPT moment"—will go a long way toward establishing industry leadership.

In Part One of the series, AJ Cortese (Senior Research Associate, MacroPolo) unpacks the technology behind autonomous driving and some of its constraints. Parts 2 and 3 assess competing self-driving technologies' effects on the hardware supply chain and evaluate the geopolitical and competitive issues industry leaders face in and between the United States and China.

## The Technocracy: Making the MOST of Institutional Power to Advance China's Innovation

China's Central Science and Technology Commission (CSTC) is no ordinary policy group—it's a powerhouse with real authority to shape the country's innovation landscape. Now, the Ministry of Science and Technology (MOST) is acting as its executive arm—signaling Beijing is taking a technocratic approach to tightening control over research priorities and funding.

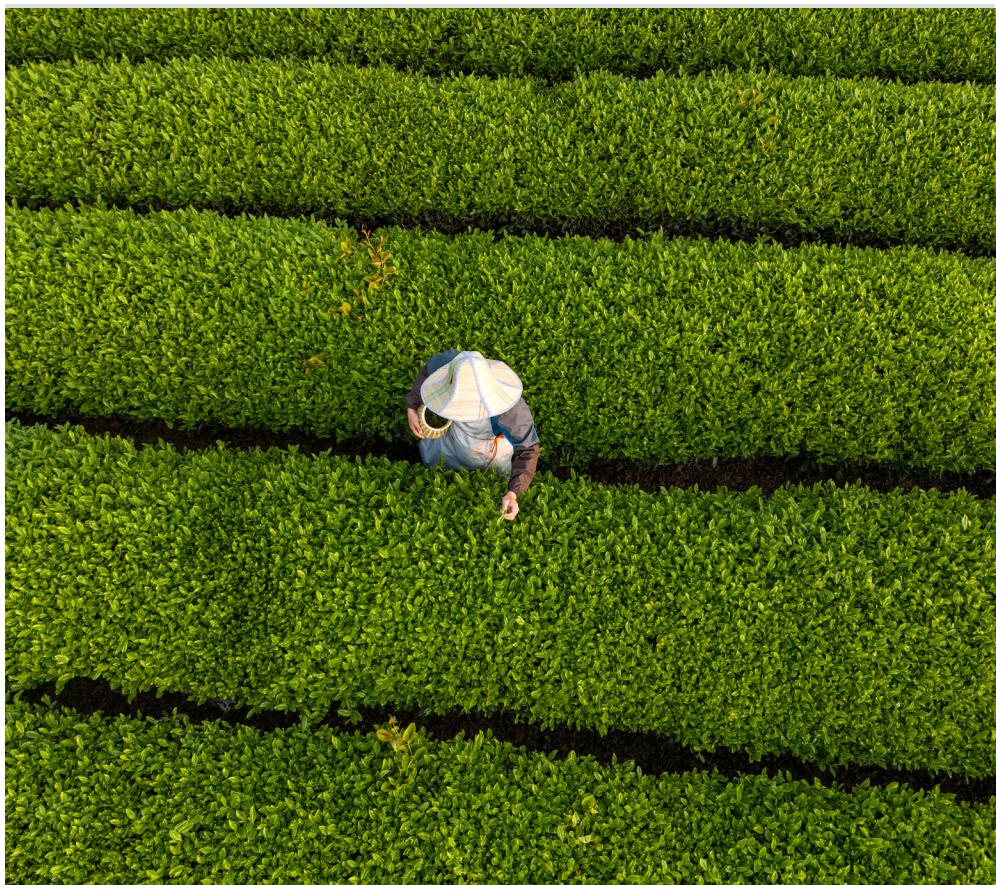
Led by Ding Xuexiang, a key Xi Jinping ally, the CSTC focuses on strengthening the "innovation chain" to speed up technology commercialization. However, more centralized control does not automatically guarantee better outcomes for Chinese innovation. According to Jackson Martin (Research Associate, MacroPolo), time will tell whether the CSTC can resolve the coordination problems that have plagued China's sci-tech bureaucracy for years.

## Green Finance Center

# Transitioning to a Low-Carbon Economy

The Green Finance Center, established in 2018, supports the greening of the financial system by moving green finance from a philanthropic niche to the mainstream of markets—with the recognition that China must be a key player in this movement. The Center houses the Institute’s efforts on green finance, including carbon markets development in China, starting the US-China Green Fund, and advising the 2016 G20 green finance study group. Building on these efforts and by focusing on three core areas—carbon markets, green finance, and fintech—the Center aims to promote market-driven solutions to foster a vibrant international green finance market through our thought leadership, advocacy, and expertise. The Center has established a significant body of work around carbon markets development in China, global sustainable finance, and the need to tackle biodiversity loss in financial markets.





## 2024 Green Finance Center Program Highlights



### Green Finance Center Flagship Publication: Fifth Report on *How Fintech Facilitates the Sustainable Development of Green Finance in China*

The Green Finance Center has released its fifth annual report, *Fintech Facilitates the Sustainable Development of Green Finance in China*. The report was presented at the 10th Annual Conference of the China Green Finance Committee in September 2024, where over 100 experts from more than 60 organizations in the green finance sector shared insights during the event.

As our research progresses and the report's influence grows, this series has garnered significant attention, including from China's key financial regulator, the People's Bank of China (PBOC). The successful cases of fintech driving green finance development in China are not only expected to gain traction domestically but also offer valuable insights for the global community, especially for emerging markets looking to integrate fintech with sustainable finance. In this context, the PBOC Research Bureau has incorporated this work into its 2024 sustainable finance research agenda and invited us to continue our research while supporting the work of the G20 Sustainable Finance Working Group.

The latest report reviews policy dynamics, market trends, and key cases from the past few years, focusing on five critical areas of green finance development:



In line with these areas, the report highlights five cases:





## Convening Power and Thought Leadership

Throughout the year, the Green Finance Center actively convened and advocated for promoting the development and collaboration of sustainable finance through international platforms and influential forums.

During the 21st Annual Conference of the International Finance Forum (IFF) in Hong Kong, Hank Paulson delivered a keynote speech highlighting the importance of US-China cooperation and outlined the challenges and reform directions for China's economic development. Hank stressed that the US and China share a common interest in global stability and must work together to address global challenges such as climate change, nuclear proliferation, and cyber security.

During the IFF's Annual Conference, Gracie Sun (Senior Advisor and Managing Director, Green Finance Center) moderated the session Green Finance and Sustainable Development: Pathways for Financial Support to a Green Economy. A panel of experts from international institutions, multilateral development banks and the private sector engaged in in-depth discussions and exchanges on the importance of establishing comparable disclosure standards globally and the need for reforms in multilateral development banks (MDBs).

During the 10th Annual Conference of the Green Finance Committee, PI joined officials and experts from the State Information Centre, Bank of China, AIIB and Neuberger Berman in a panel discussion on international green finance practices. PI emphasized that governments around the world should promote global sustainable finance by setting international standards and coordinating policies, creating a transparent and manageable policy environment for investors, attracting more green investment, and promoting global sustainable development.

As part of AmCham China's annual signature event on sustainability and corporate responsibility, PI participated in a roundtable discussion on how multinational corporate engagement can drive global climate action and China's green transition with senior management from private sectors and public institutions.

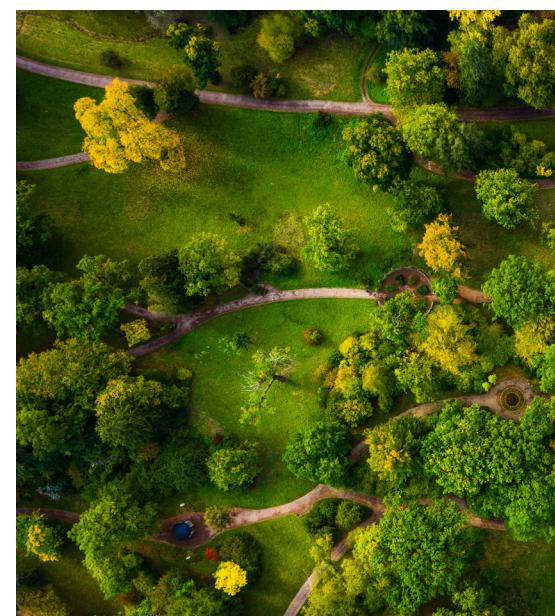
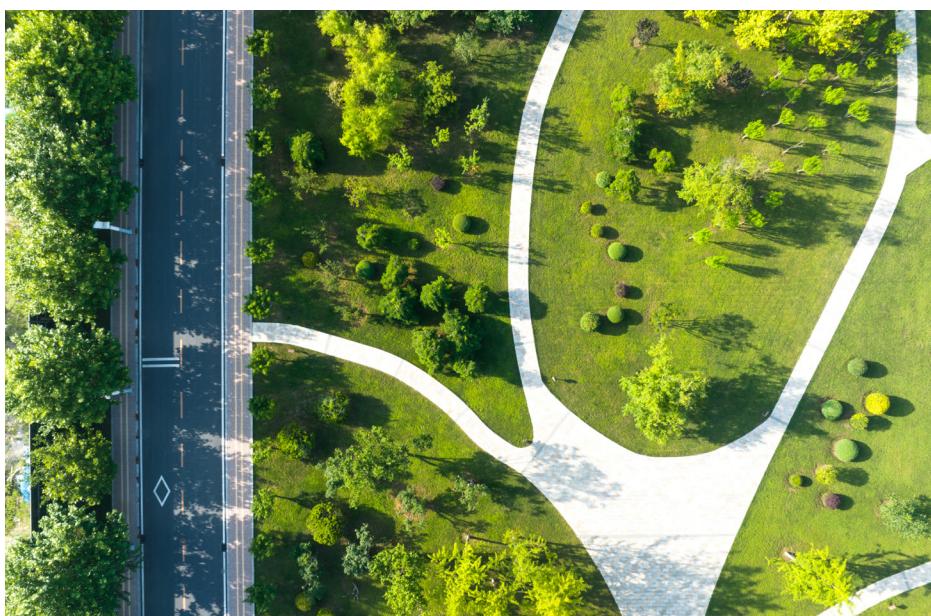
PI moderated a session at the PBOC's first Transition Finance Capacity Building Program, which attracted more than 200 participants from financial institutions nationwide. Keynote speeches were delivered by DG Wang Xin of the PBOC Research Bureau and Dr. Ma Jun. The Green Finance Center supported the event by inviting experts from HSBC and Standard Chartered to discuss the banks' Transition Finance frameworks and practices, where Gracie moderated the session and facilitated discussions among the participants.

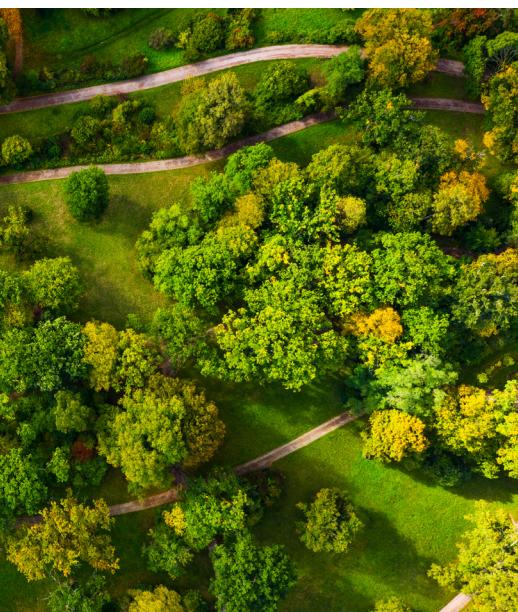
During the fourth Park City Forum in Chengdu, PI participated in a panel discussion on Urban Development Opportunities and Green Finance Cooperation, and highlighted the importance of international cooperation in sustainable finance, emphasizing that a transparent and predictable policy environment is essential to attract foreign capital flows.



### **Green Finance Working Group**

Partnering with IFF and Goldman Sachs, the Green Finance Center established the Green Finance Working Group (GFWG) in 2021. Throughout 2024, we have promoted topics prioritized by the Chinese government through various means and events, including CCER and transition finance.





## Conservation

# Safeguarding Natural Capital for a Sustainable Future

The Paulson Institute's Conservation Program tackles some of the most pressing nature conservation challenges facing China and the world. Our work focuses on three priority areas: wetland conservation and restoration, enhancement of national parks, and promotion of biodiversity finance. These efforts seek to safeguard globally significant wetlands, advance effective management of national parks, and drive public and private investment in nature conservation in China and beyond. Our work spans a broad spectrum of activities, from site-based pilots and capacity-building initiatives to policy research and advocacy at the local, national, and global levels. This integrated approach is crucial for informing and shaping more effective nature conservation policies and practices, including mobilizing financial resources to incentivize and scale up conservation actions.

In 2024, while continuing to make headway with our core priorities, we also broke new ground in emerging conservation frontiers, where innovative approaches to aligning biodiversity and climate change efforts and pioneering innovative biodiversity financing mechanisms and models are unlocking new possibilities.

# 2024 Conservation Program Highlights



## Outlining a Blueprint for Wetland Conservation and Restoration in the Yellow River Basin

Three years after launching our research on the *Strategy and Priority Actions for Wetland Conservation in the Yellow River Basin*, we are nearing completion of this critical study. This research aims to inform and guide the overall wetland conservation and restoration efforts in the basin.

In 2024, together with partners, we completed the draft reports of *Key Waterbirds Habitats in the Yellow River Basin* and *Strategy and Priority Actions for Wetland Conservation in the Yellow River Basin*. These reports have been further enhanced with insights from multiple rounds of expert consultations. Our experts also drafted two chapters for the latter, namely *International Case Studies on Wetland Conservation and Restoration* and *International Mechanisms and Cases on Wetland Conservation and Restoration*. Drawing on the wealth of data and analysis of the research, we have developed the Key Recommendations for Policymakers. This high-level briefing document distills the reports' key findings and actionable policy recommendations. The key results from the first synchronized basin-wide waterbird censuses were also unveiled at a high-profile event on the eve of World Wetlands Day.

This project builds on the success of our *Blueprint of Coastal Wetland Conservation and Management in China*, a landmark initiative instrumental in catalyzing the country's ban on further commercial reclamation of coastal wetlands.

## **Advancing Bird Conservation**

In addition to focusing on coastal wetlands as vital habitats for migratory birds, PI explored new avenues to advance bird conservation. PI hosted an international workshop in Shenzhen to promote the concept and best practices of bird-friendly cities, highlighting how improved urban planning and management can help reduce bird collision and improve the quality of green spaces to support resident and migratory birds. The *Insights on Cities and Biodiversity*, released after this workshop, reinforced the need for the government, private sector, and civil society to join forces to make urban environments a safer and more welcoming place for birds and other wildlife. The Insights were presented to a broader international audience of city mayors and senior officials at a side event organized by ICLEI at UN CBD COP16 in Cali, Colombia.

PI also supported the countrywide Anti-Bird Collision Action Alliance in its effort to gather baseline data, conduct monitoring, and encourage citizen science participation. PI presented this critical issue at the 2nd Roundtable of Wetland City Mayors, co-organized by Ramsar Regional Center - East Asia and ICLEI. PI called for concerted action to build bird-friendly cities.

The Paulson Institute continued to provide technical support to the Regional Flyway Initiative, an expansive migratory bird conservation effort led by the Asian Development Bank. Our technical advice has helped enhance the design and implementation of the projects in Fujian province that promote coastal climate-resilient development, mangrove restoration, and biodiversity conservation, all of which ultimately benefit habitat protection for migratory birds.

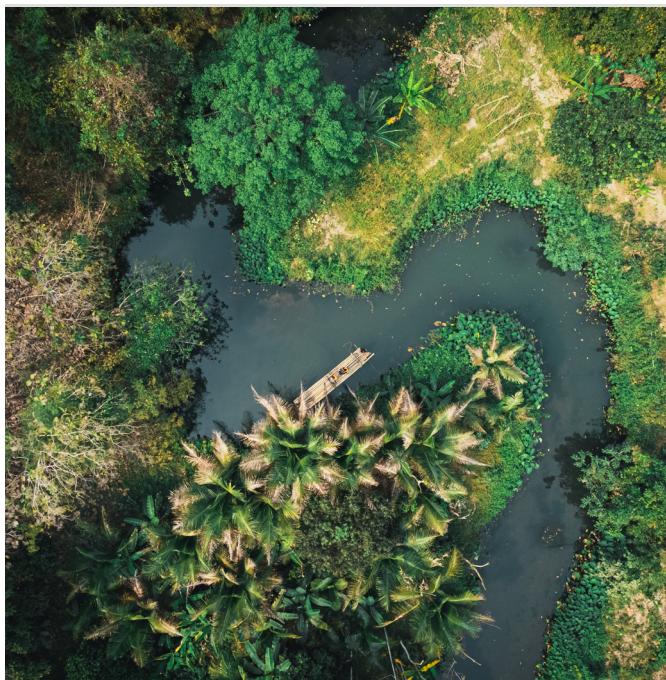
In addition, together with our partners, PI continued our on-the-ground conservation work in Wuyuanhe wetland in Hainan province to protect rare bee-eaters

## **Safeguarding Biodiversity in Cities**

Global megacities are increasingly at the forefront of combating the mounting challenges posed by climate change and ecological degradation. Yet, with their immense economic influence and trend-setting potential, they are uniquely positioned to lead the green transition by harmonizing social and economic development with nature conservation.

In 2024, the Paulson Institute achieved an important milestone in Shanghai, reaching a consensus with key local stakeholders—including government agencies, research institutes, and local NGOs—to launch a suite of pilot projects to make cities more biodiversity-friendly. PI signed an MOU with the Shanghai Bureau of Ecology and Environment to collaborate on enhancing the city's biodiversity conservation and climate resilience. Together, PI will jointly implement a series of projects and initiatives in the next five years, including introducing an updated biodiversity-friendly city indicator system, developing international case studies on climate resilience strategies and actions, strengthening biodiversity monitoring, improving urban green space management, and promoting bird-friendly policies and standards.

As these efforts unfold, PI hopes the best practices and lessons learned will serve as a model for other megacities on a quest for environmental and economic sustainability.



## Enhancing Biodiversity Conservation through New Financing Mechanisms and Models

To tackle the interconnected crises of climate change and biodiversity loss, it is crucial to align efforts aimed at mitigating both challenges and to expand financing for these initiatives. In cooperation with our local partners, PI has made significant progress in developing the Green Voluntary Emission Reduction (GVER) system, an initiative to integrate biodiversity into voluntary green carbon projects and trading systems to deliver carbon sequestration credits and co-benefits of biodiversity conservation and community development.

In 2024, the GVER team, with support from PI, completed the first set of five foundational technical standards and guidelines, laying the groundwork for the new GVER system. To ensure its robust scientific grounding, PI has lined up well-respected international experts to review and refine these technical documents to better align with mainstream international standards and requirements.

In addition, PI achieved several new milestones, such as introducing the innovative concept of biodiversity credit to China, compiling an updated synthesis report on international biodiversity credit markets, supporting the development of the GVER biodiversity credit methodology, and designing a pilot project based on the methodology to generate and trade biodiversity credits based on measurable conservation results. This pilot focuses on the conservation of the endangered green peafowl and restoration of its habitat in China's Yunnan province and aims to demonstrate how well-designed biodiversity credit projects can deliver ecological, economic, and social benefits, including mobilizing more financial resources to local communities, governments, and conservation organizations.



## Engaging Financial Institutions to Advance Biodiversity Conservation

In 2024, our engagement with the financial sector on biodiversity continues to gain momentum through the Partnership of Biodiversity and Finance (PBF), a global initiative co-initiated by the Paulson Institute and another 12 entities. Today, the partnership boasts 100 members, including multilateral and national development banks, commercial banks, corporations, research institutes, and NGOs, some of which are China-based.

This year, building on our previous effort to help create an online knowledge database that supports PBF members in integrating biodiversity into their business strategies and operations, PI contributed a key chapter to the *PBF 2024 Report on the Development of Biodiversity and Finance*, the partnership's flagship publication. In this chapter, drawing on recommendations from PI's report named *Financing Nature: Closing the Global Biodiversity Financing Gap*, PI made a compelling case for governments to use policy levers to incentivize financial institutions and investors to steer capital away from investments harmful to nature and increase financing for nature-positive projects. This report was officially released at the UN Biodiversity Conference (CBD COP16) in Cali, Columbia.

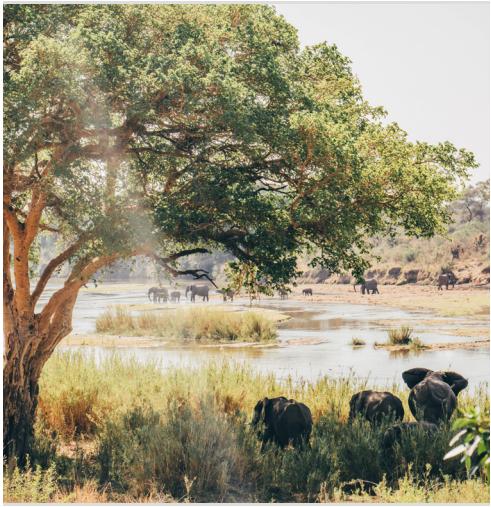
The Paulson Institute also developed the report *International Case Studies on Financing Mechanisms for Watershed Wetland Conservation and Restoration*, which was featured in the annual publication of the Research Group in Support of Biodiversity Finance—an initiative launched by the Green Finance Committee (GFC) of the China Society for Finance and Banking.



## Supporting National Park Management Capacity Building

In September 2024, PI worked with our partners Global Parks, the National Park Management Department of Thailand, and the Amata Foundation to conduct another training session for 80 mid-level managers from Thai national parks and five from Laos' national parks. This marked the third training for national park managers in the SE Asia region, following two previous highly successful sessions for the Thai national park superintendents. The curriculum and training modules we developed have paved the way for extending national park management capacity-building efforts to other regions, aligning with the Paulson Institute's expanding geographic scope.

In addition, PI continued to be engaged in and support the US-China exchanges and collaboration on capacity building for the Chinese national parks.



## Paulson Prize

# Inspiring a Sustainable Future

As the world confronts the dual crises of climate change and unprecedented biodiversity loss, there is no more critical time than now to recognize solutions that will heal our planet. This mission drives the Paulson Prize for Sustainability.

Initiated by the Paulson Institute in 2013 and co-organized with Tsinghua University since 2017, the Prize highlights innovative, scalable, and market-based solutions. These solutions serve as models not only for innovators in China but also for those around the world. Since its inception, the Prize has played a key role in advancing efforts to accelerate a global transition to a net-zero, nature-positive future.



# The Paulson Prize Notable Projects 2024

In 2024, the Paulson Prize received a record-breaking number of applications from 28 provinces, municipalities, and autonomous regions across China. These projects highlight transformative solutions to the interconnected challenges of climate change and biodiversity loss, demonstrating the power of innovation in addressing some of the most urgent global issues.

On December 18, the virtual award ceremony, held in conjunction with a symposium, brought together distinguished leaders and innovators from China and the international community to share their insights and experiences in sustainability, policy advocacy, and technological innovation. The event attracted significant attention, with 250,000 viewers via Yicai's online streaming platform and generating extensive media coverage.



## Green Innovation Winner

Targeting Net-zero Emissions for Maritime Industry: Key Technologies for Green Shipping offers a comprehensive solution for the green transformation of the shipping industry, paving the way for sustainable maritime practices.



## Nature Stewardship Winner

Beaver Family: A Modern Innovative Practice for Harmonious Coexistence Between Humans and Nature shows promise for inspiring other efforts to protect diverse species in ways that engage local communities and a broad universe of online participants.

## US-China Subnational Exchange Program

# Cross-National Dialogue

2024 US-China Low-Carbon & Sustainable Cities Dialogue

2024 中美省/州和城市绿色发展对话

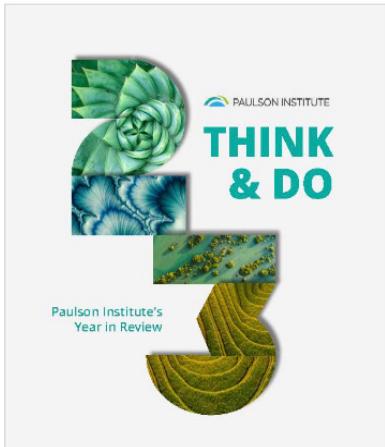


The project, conducted in partnership with the US government, aimed to establish a two-way exchange platform between US states and Chinese provinces and cities on sustainable governance, green transition, and eco-friendly development to contribute intellectual support to addressing global climate change and ecological crisis challenges.

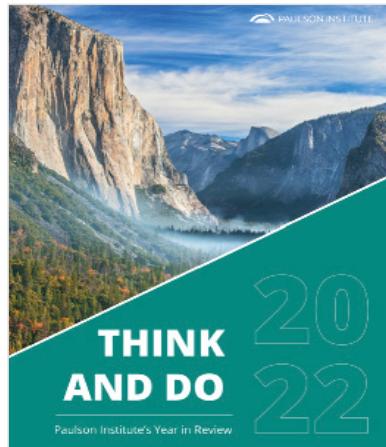
Partnering with the Chinese People's Association for Friendship with Foreign Countries (CPAFFC) and taking advantage of the existing network of the States/Provinces partnership and friendship cities between the US and China, we will jointly organize the US-China States/Provinces and Cities Green Development Dialogue and site visits in each other's cities.

## Reference

# Past Year In Reviews



2023



2022



2021



2020



2019

