Call for Papers Emerging Markets Review

Innovative Finance for Climate Risk and Biodiversity Management in Emerging Markets

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Special Issue Information

Emerging markets face a dual challenge: they are disproportionately affected by the escalating impacts of climate change and biodiversity loss, while also holding the key to global sustainability due to their rich ecosystems and natural resources. These regions are home to critical biodiversity hotspots and provide essential ecosystem services, such as carbon sequestration, water filtration, and food security, yet they remain particularly vulnerable to climate-related shocks and financial instability.

The urgency to address these crises is amplified by the substantial biodiversity financing gap, estimated at $700 billion annually, which limits the ability to conserve ecosystems and transition towards sustainable practices (Deutz et al., 2020). Emerging markets must mobilize significant public and private capital to bridge this gap while balancing the demands of economic development and environmental protection (Joof et al., 2023). Despite the evident empirical gap, research focusing on the climate change risk effect on emerging markets is rather limited (Ho and Wong, 2023). This is particularly true when looking at the biodiversity loss effects in financial markets. This is an emerging topic in finance and a new area in sustainable finance (Flammer et al., 2025) that has yet to focus on emerging markets, partly due to the limits of its measurement and accountability (Garel et al., 2024).

This special issue seeks to address these gaps by exploring how financial mechanisms, regulatory frameworks, and innovative market solutions can address these challenges (Karolyi and Tobin-de la Puente, 2023; Cosma et al., 2023; Hutchinson and Lucey, 2024). Emphasis will be placed on the role of financial and non-financial institutions in incorporating biodiversity and climate risks into their strategic planning, enabling both positive economic outcomes and progress toward Sustainable Development Goals (SDGs).

We invite contributions that explore both practical and theoretical aspects of integrating financial innovation with biodiversity conservation and climate adaptation strategies in emerging markets. We aim to foster an interdisciplinary dialogue that provides actionable insights for scholars, policymakers, and practitioners.

Topics of interest include but are not limited to:

- **Climate Risk and Financial Stability**
  - Analyzing the impact of physical and transition risks on the stability of financial institutions and economic systems in emerging markets.
  - Examining how climate-related risks influence bank performance, lending growth, and loan pricing.
- **Biodiversity Finance**
  - Exploring the financing of biodiversity conservation, focusing on bridging the gap between private and public funding.
  - Assessing the role of financial instruments in supporting ecosystem integrity and mitigating biodiversity risks.
- **Green Financing Innovations**
  - Investigating the design and implementation of nature-based financial instruments, including green and sustainability-linked bonds.
- **Financial Mechanisms for Biodiversity and Climate Resilience**
  - Developing innovative instruments such as biodiversity credits, sustainability-linked bonds, and green loans tailored to emerging markets.
  - Case studies on the effectiveness of nature-based financial instruments, including the Rhino Bond and Blue Bonds, in bridging the biodiversity financing gap.
  - Evaluating the scalability of biodiversity finance solutions across industries with varying levels of biodiversity risk.
- **Intersections Between Biodiversity, Climate, and Economic Development**
  - Analyzing the compounded effects of biodiversity and climate risks on financial stability and economic growth in emerging markets.
  - Investigating synergies between biodiversity conservation and broader sustainable development goals, including poverty alleviation and gender equality.
- **Impact of Regulation and Policy**
  - Evaluating the effectiveness of emerging regulatory frameworks, such as Network for Greening the Financial System (GFS) and biodiversity-related disclosure requirements, in mobilizing green investments.
- **Interconnections Between Climate and Biodiversity Risks**
  - Studying the compounded effects of climate and biodiversity risks on financial systems and corporate strategies.
- **Emerging Market Perspectives**
  - Understanding unique challenges and opportunities in emerging markets, including pricing transition risks in syndicated loan markets and mobilizing green financing.
- **The Role of Central Banks and Supervisors**
  - Analyzing the role of central banks in integrating climate-related and biodiversity risks into financial stability monitoring and macroprudential policies.

Conference

Interested authors will have opportunity to present their work at the Darla Moore School of Business—Hitotsubashi University Eighth International Conference on Corporate Finance, scheduled for July 31–August 1, 2025, at Hitotsubashi University (2-1, Naka, Kunitachi, Tokyo, Japan). Submissions information is available at https://www.sba.hub.hit-

u.ac.jp/conf/form.html. Acceptance to the conference does not guarantee publication in *Emerging Markets Review*. Authors submitting to this *Emerging Markets Review* call for papers are NOT required to participate in the conference.

Submission Guidelines

Manuscripts should follow the journal's submission guidelines and formatting requirements. All submissions will undergo a rigorous peer-review process to ensure academic quality and relevance.

Important Dates: Submissions to *Emerging Markets Review* Special Issue will open on **August 31, 2025**, and close on **January 31, 2026**.

References

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