

V20 – Galapagos Debt Conversion Case Study



Debt Conversions – How does it work?

Lower national debt in exchange for committing to protect nature or invest in climate mitigation / adaptation.

1. Buy back national debt at a discount.

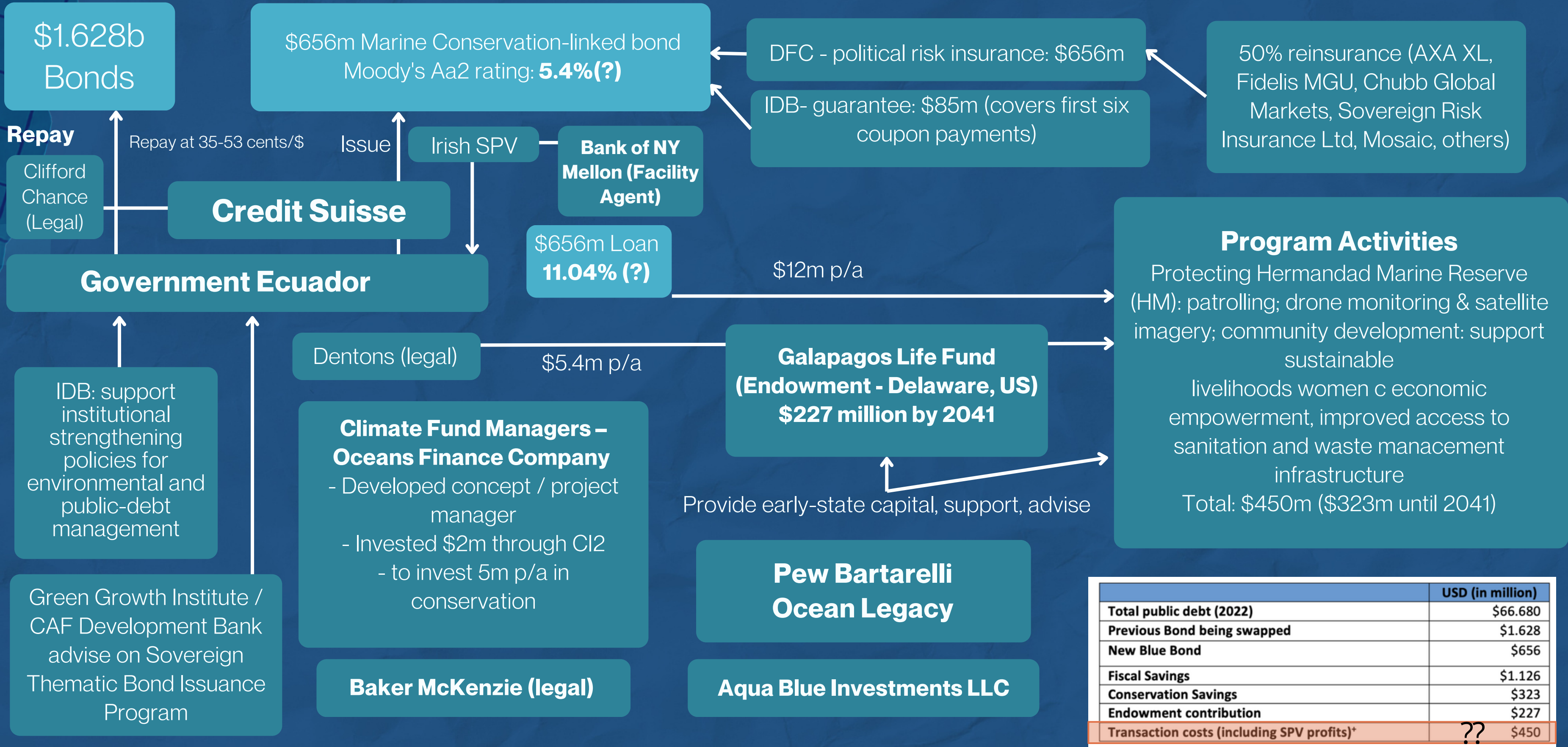
2. Issue new debt at favorable rates.

3. Invest the savings in nature / climate adaptation.

Galapagos numbers



Deal Structure



	USD (in million)
Total public debt (2022)	\$66.680
Previous Bond being swapped	\$1.628
New Blue Bond	\$656
Fiscal Savings	\$1.126
Conservation Savings	\$323
Endowment contribution	\$227
Transaction costs (including SPV profits)*	?? \$450



Learnings & Takeaways

Lower national debt in exchange for committing to protect nature or invest in climate mitigation / adaptation.