



Department for  
Energy Security  
& Net Zero

# Climate Finance Accelerator Evaluation

Case studies - Colombia



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# CFA evaluation case study reports - Colombia

## Introduction

This case study for Colombia provides an in-depth exemplar analysis of how the CFA has been implemented in selected partner countries. The longitudinal approach facilitates analysis of the CFA's progress in a country over time and enables us to assess the extent to which the CFA's success depends on context-specific factors. The final case study for Colombia is timed after three cohorts of projects (cohort 3 having been split into 3.1 and 3.2) have received CFA support. The analysis draws on the findings from the early stage (conducted between October 2021 and March 2022) and mid-term analysis (October 2022 to November 2023), as well as primary and secondary data collection for the final evaluation that took place between August and September 2024 consisting of seven interviews with various stakeholders and a survey of project proponents. Data collection activities are summarised in the table below.

### *Primary data collected*

**Table 1: Number of interviews per stakeholder type**

No. of interviews	Inception	Mid-term	Final
Project proponents	1	2	3
Financiers	1	2	2
Policymakers	1	1	0 <sup>1</sup>
Delivery partners	3	2	1
Embassy and DESNZ	2	1	1

**Table 2: Total number of survey respondents**

No. of survey respondents	Inception	Mid-term	Final
Project proponents	NA (Not conducted) <sup>2</sup>	6 out of 14 (43% response rate)	7 out of 20 (35% response rate)

<sup>1</sup> To note, the policymaker who was contacted as part of this final evaluation did not respond to the call for participation. This evidence gap was somewhat mitigated with the longitudinal PEA; however, policymakers' views would have strengthened the evidence base on questions related to relevance and sustainability.

<sup>2</sup> Please see technical annex for description of survey administration.

### *Secondary data collected*

The evaluation relied on a variety of secondary data sources gathered through desk research and documentation provided by the CFA programme. These included technical briefs developed by the programme for the energy, transport, and AFOLU (Agriculture, Forestry, and Other Land Use) sectors, as well as the “Climate Finance Landscape Mapping” report, a review of the descriptions of projects selected during each phase of the programme, and a general overview of the programme’s operations in Colombia. Other secondary data sources included publicly available information, including updates published by the National Planning Department (DNP) on the progress of the Climate Finance Corridor initiative. Macroeconomic reports on Colombia, such as the Medium-Term Fiscal Framework (Marco Fiscal de Mediano Plazo) issued by the Ministry of Finance and analyses published by the World Bank provided valuable insights into the country’s economic context and its implications for climate finance.

## Country context

This section provides an overview of the country context in Colombia, focusing on how the context has changed since the start of the programme evaluation in 2021.

### *Political context*

At the start of the evaluation, Colombia aimed to cut GHG emissions by 51% by 2030 and achieve carbon neutrality by 2050. There were presidential elections in 2022 which resulted in a change in government, but this did not entail substantial changes in Colombia’s climate policies and ambition. The new government pledged to protect forests, reduce emissions from deforestation, and make a sustainable energy transition away from oil investment and stop fracking. However, progress has been mixed. Delays in renewable energy, partly due to friction with private companies, and concerns about energy security following the halt on new hydrocarbon exploration, have created uncertainty. Economic constraints and slow growth present additional challenges to fully supporting climate initiatives..

### *Investment context*

At the early stage of CFA, the Delivery Partner (DP) reported key barriers existing within the sector, specifically low technical and financial capacity for project development as well as evident disconnect between projects and banks. By 2023, significant economic slowdown occurred in Colombia impacting key sectors relevant to these initiatives. Construction contracted, industrial production shrank, and unemployment rose. Interest rates rose substantially and access to credit decreased. While 2024 has seen partial stabilisation, with inflation decreasing and interest rates falling, economic dynamism remains weak, particularly in crucial areas like machinery and equipment investment. This poses a problem for scaling low-emission technologies. Private investment, vital for financing carbon projects, has seen only modest growth. Access to credit is a major hurdle, with low repayment rates and reduced bank lending capacity. Although there are early signs of improvement in credit trends, current conditions necessitate innovative financial mechanisms and public-private collaboration to bridge financing gaps for climate-focused initiatives.

### *GESI context*

Colombia faces complex challenges regarding marginalisation and inequality, particularly affecting Afro-Colombian, Indigenous, Venezuelan migrant, and rural communities – especially women within these groups. While Colombia is considered to have one of the most comprehensive legal frameworks in the region for women's rights, marginalised groups experience significant barriers to essential services, economic opportunities, finance, land ownership, and political representation. In 2024, Colombia achieved a significant milestone in advancing Gender Equality and Social Inclusion (GESI) in environmental governance with the Constitutional Court's approval of the Escazú Agreement<sup>3</sup>; an international treaty signed by 25 Latin American and Caribbean nations.

### *Context of other programmes in the country*

Colombia's Climate Finance Corridor, conceived alongside the implementation of the CFA programme's pilot phase and officially launched in December 2022, is a key mechanism within the updated National Climate Finance Strategy. When the CFA programme started in Colombia, the Climate Finance Corridor was still in its early proposal stage. Today, the Climate Finance Corridor has an established format, staff, and procedures, including a comprehensive website.<sup>4</sup> It connects climate action projects with funding, overcomes financing barriers, and fosters investment. Focusing on five key sectors (energy, transport, conservation and AFOLU, trade/industry/tourism, and housing/water/sanitation), it uses a standardised tool to assess project alignment with national climate goals and funding sources.

The Corridor collaborates with various incubators and accelerators, including the CFA, to strengthen project viability. It also engages private companies in managing climate risks and promoting sustainable practices. Other incubators and accelerators include: Cleantech hub (private funding), Impacta (incubator of a university), and Connect (knowledge base, science-based projects, with support from Bogota's government, but with existing business model). These accelerators charge participants for the training and capacity building that they provide and have established business models. Their focus differs slightly from CFA in terms of sectors and project stages targeted; they focus less on climate change and GESI than CFA. The Climate Finance Corridor also includes the Catal1.5T Initiative, an international programme operating in Latin America and Western Africa that is funded by the Green Climate Fund and the German Ministry of Economic Cooperation and Development (BMZ), and offers pre-

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<sup>3</sup> This landmark decision reinforces the country's commitment to ensuring access to environmental information, public participation, and justice while protecting the rights of environmental defenders. By providing mechanisms to guarantee transparency and inclusivity, the agreement strengthens democratic practices, empowering traditionally marginalised groups, including women, Indigenous peoples, and rural communities to actively engage in environmental decision-making processes. The Escazú Agreement represents a crucial step toward fostering sustainable development through an equitable and participatory approach. To ensure the effective implementation of the Escazú Agreement, the Ministry of Environment and Sustainable Development has initiated strategic actions that embed GESI principles in its processes. For instance, the Ministry's "Alerta por mi ambiente" programme strengthens citizen participation and environmental governance, and the Reaction Protocol for protecting environmental defenders, many of whom are women and Indigenous leaders, underscores the government's commitment to safeguarding those at the frontline of environmental protection.

<sup>4</sup> See: <https://corredorfinanzasclima.dnp.gov.co>

acceleration and acceleration capacity building to project proponents, as well as training to other incubators and accelerators, and to financiers.

At the mid-term evaluation stage, the evaluation team identified that other Corridor accelerators, as well as a US-funded accelerator named the Climate Finance for Development Accelerator (CFDA), somewhat overlapped with CFA. Other programmes were identified as offering complementary technical assistance (at different project stages or for complementary activities): The UK PACT, MAPBIO (a UK PACT-funded programme), and the Non-Conventional Energy and Efficient Energy Management Fund.<sup>5</sup>

## The CFA in Colombia

The CFA in Colombia has supported 32 projects across three cohorts (including the pilot phase). Between 2019 and 2020 a pilot programme in Colombia selected a cohort of ten projects out of 60 proposals across the energy, transportation, and AFOLU sectors. This phase provided project proponents with tailored mentorship and fostered engagement with both public and private financing institutions. In May 2022, the first operational phase of the CFA launched in Colombia, selecting, in 2023, the second cohort of seven projects out of 83 submissions. The third cohort of projects was selected in 2023 (15 projects out of 144 submissions) and received support through 2024. Across the three cohorts, the CFA has supported diverse initiatives that address key sectors across energy, transportation, AFOLU, and waste management. The projects varied in size and readiness ranging from late-stage feasibility studies to implementation projects.

The CFA in Colombia was led by **PwC and E3**, who as delivery partners have implemented various **activities** to support the capacity building and needs of participants, including bootcamps, mentoring, and knowledge sharing sessions. These activities helped projects network, receive feedback, and learn about important aspects like gender inclusion. The programme also emphasised aligning with Colombia's NDC targets by adapting project selection and engaging with a wide range of financial institutions, including national and international development banks. As part of its long-term goals, the programme also aimed to establish a **sustainable CFA structure** in the country by identifying, selecting, and training a host institution that could continue the CFA process once UK government support ended. In 2021, the DP completed a study with the design of a technical secretariat that could host the CFA in the future. However, the process is currently stalled due to lack of funding and a suitable host institution willing to continue the process. This is further elaborated on in the findings.

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<sup>5</sup> The Non-Conventional Energy and Efficient Energy Management Fund (FENOGE) is a financial mechanism in Colombia dedicated to promoting, managing, and financing projects that enhance energy efficiency and the use of Non-Conventional Energy Sources (FNCE), particularly renewable ones. Regulated by the Ministry of Mines and Energy, FENOGE operates as an autonomous trust fund, facilitating investment through reimbursable and non-reimbursable resources. It supports initiatives such as small-scale self-generation, public lighting adaptation, energy audits, and the replacement of inefficient equipment. More information in [www.fenoge.gov.co](http://www.fenoge.gov.co)

## Findings

### Relevance

Overall, the CFA was very relevant in Colombia, evidenced by the fact that it was embedded in the Climate Finance Corridor, and by the high number of applications received in all four calls for proposals. The DP and the UK Embassy staff interviews highlighted the importance of being embedded in this national structure as it ensures local buy-in by government stakeholders and alignment with national policies and priorities, and it facilitates collaboration with other accelerators in the country. This alignment was also facilitated by the collaboration between the CFA (DP and UK Embassy) and the Department of National Planning (DNP).

*“The relationship that we have with our focal point at the DNP was very useful and facilitated the process. They saw the CFA’s added value and advised on things that needed improvement.” – Interviewee*

The CFA has continuously adapted its processes, including project selection criteria, capacity building, stakeholder engagement, and policy alignment, to better meet the needs of Colombian climate projects and national policy priorities. For example, improved channels to promote calls to reach a broader audience, improved clarity around GESI criteria for the last round of applications, improved project selection, and improved format of the bootcamp.

Project proponents found the capacity building received through CFA relevant. All of the survey respondents (7) agreed that the support provided by the CFA was tailored to their organisation's needs and 5 out of 7 agreed that the CFA provided the right package of support for their project. In interviews, participants highlighted as relevant: general capacity building on financial concepts, sessions on foreign exchange risk and how to analyse borrowing strategies in different currencies, and sessions on blended finance. One participant also mentioned as relevant the opportunity of receiving feedback on their project proposal, and another one highlighted as positive the soft skills acquired on time management and project presentation. Networking opportunities facilitated by the CFA were also highly valued by participants, allowing proponents to connect with both local and international investors and better understand financiers' expectations. These interactions also provided a platform to present proposals to potential investors. Project proponents provided **suggestions for how the support could be improved**, namely:

- Providing more support, over a longer timeframe, to develop their proposals before they present them to investors at the bootcamp. Some project proponents mentioned that they felt they did not have enough time to prepare good quality proposals and pitches. In interviews, a few explained that they would have liked to involve other colleagues or departments in preparing the presentation, and that ultimately, they were not fully comfortable with the quality of their presentation. Although they valued the experience of receiving constructive feedback from experts, they considered it crucial to have had more information beforehand about the format and requirements of the event.
- Providing post-programme support. Project proponents in the later cohorts described the CFA as more of a training than an accelerator. This was due to the fact capacity

building was positively received and financiers recognised the improvement in proposals when asked about such in interviews, yet post-CFA many projects became stagnant due to lack of funding opportunities or continuous support. Expanding the network of global investors and providing additional feedback loops after workshops could bridge this gap and enhance the programme's impact.

**Gaps in follow-up activities may have hindered long-term relationships between project proponents and financiers after initial connections were made.** While initial workshops and the London event were successful in raising awareness and facilitating some relationships, the absence of sustained engagement and monitoring of supported projects limited the ability of the programme to facilitate deals between financiers and project proponents. Once a cycle has finished, following a final event, only limited follow-ups take place, primarily through informal 'keeping in touch' activities rather than a structured post-programme engagement. This means that the DP did not have information on whether projects obtained funding after CFA support ended. This, in turn, limited the DP's ability to understand impact of the CFA, and thus, made it difficult to provide evidence and make the programme attractive to potential funders and/or hosts for the CFA once UK support ends (see sub-section on sustainability for more information). Interviews indicate that the CFA is also **relevant for financiers**. The CFA was successful at engaging a broad range of **financial institutions**. The continued and active involvement of financial institutions (e.g. some training was delivered at financial institutions' premises) and senior officials within financial institutions underscores the sustained relevance of the CFA programme. Notably, entities such as development banks expressed their appreciation for the insights gained, citing the programme as an important platform for collaboration and capacity building. Financial institutions engaged in the CFA also acknowledged the programme's role in enhancing their understanding of climate finance mechanisms and integrating these into their organisational strategies.

### *Effectiveness*

This section assesses the effectiveness of the CFA at (a) bringing together the right mix of stakeholders and (b) providing appropriate capacity building.

**The CFA programme in Colombia has successfully engaged a wide range of stakeholders across the climate finance supply chain, including financiers, project proponents, and policymakers.** The programme's design prioritised collaboration among key actors through workshops, networking events, and mentorship activities, and evidence demonstrates effective involvement of stakeholders from various financial institutions and development banks. Most project proponents interviewed valued the connections made with financiers at the final event and 5 out of 7 survey respondents rated networking with in-country financiers as 'very important' for accessing finance and fostering connections, despite most of them not having found yet suitable investors for their project. Some of them also noted that key potential investors for them were not invited to the event (e.g., investors in specific sectors, international investors).

**The programme, however, faced challenges in securing broader financial participation, particularly from financiers specialising in early-stage development.** This limitation was most evident in the final evaluation, where it was noted that, while a wide range of financiers

were engaged, there is still room to better target financiers tailored to the needs of project proponents, which in turn could increase the number of deals made. Despite efforts to create networking opportunities and showcase projects, the CFA struggled to attract financiers with a focus on early-stage funding. For instance, in the second cohort, there were a large number of projects in the clean energy sector who might have benefited from connections with financiers specialised in this sector (e.g., investment funds and public funds specialised in renewable energy investments). One project proponent also noted that they expected to be connected with more international investors. The participant expected the CFA to attract impact investors and specialised funds from the UK and Europe, who could offer expertise or funding aligned with their projects. This expectation was not necessarily tied to the idea that international investors are inherently more likely to invest but rather to the assumption that CFA would leverage its international network to create such opportunities.

**Interviews with participants indicate that the CFA successfully provided participants with a deeper understanding of climate finance instruments, including financial modelling, risk assessment, and aligning projects with investor expectations.** Capacity-building sessions and mentorship enabled participants to refine their project proposals and make them more appealing to international financiers. For example, feedback on financial models and tailored guidance on pitch presentations were particularly valuable in helping participants align their projects with specific types of financing. Financial institutions interviewed observed “*a remarkable transformation in projects from their inception to completion*” and that CFA activities improved projects’ abilities to “*effectively sell and present their projects, as well as how to structure their business plans realistically*” (Financier, Colombia). Beyond the financial aspects, financiers also appreciated the focus on presentation skills, as it helped to ensure projects were understood and well received.

**The CFA has made progress in raising awareness and disseminating knowledge about blended finance, addressing relevant barriers.** Capacity-building sessions and bootcamps have helped project proponents and financial institutions understand and apply blended finance structures. Bootcamp sessions have been particularly impactful, providing tailored feedback from financial institutions and teaching proponents how to present key metrics, such as economic and environmental impacts, to potential investors.

**The programme also guided participants in incorporating GESI principles into project designs.** Some project proponents and stakeholders believed this would make projects more appealing to international investors. While participants increased their awareness of these principles, particularly in working with indigenous communities or disadvantaged groups, applying standardised GESI metrics was challenging in contexts with traditional gender roles or indigenous governance structures. Regardless, project proponents valued it as they had not considered GESI prior in their projects and thought that some investors would value incorporating GESI principles. Despite these challenges, participants were able to develop gender action plans and policies that they could present to financiers alongside their financial proposals. However, a financial institution interviewed noted that, while GESI aspects may be a requirement or an expectation within a project, they are not necessarily a determining factor for financing.

**Tailored workshops and mentoring enabled participants to develop bankable proposals with clear financial models and effective presentation materials.** One of the standout strengths of the CFA was its focus on building the capacity of early-stage projects to create bankable proposals. The tailored workshops and mentoring helped proponents develop clear financial models, address risk factors, and create effective presentation materials such as one-pagers and pitch decks. Many participants reported significant improvements in their ability to present their projects' value propositions and demonstrate their bankability to potential investors.

**However, varying levels of project readiness limited the effectiveness of capacity-building efforts for some participants.** While some projects advanced from early-stage concepts to well-structured proposals, others were still not at a stage where they could effectively apply the lessons learned in the CFA workshops. This mismatch in readiness limited the overall effectiveness of the capacity-building efforts for some participants.

### *Impact*

This section covers three routes to impact: (a) CFA's impact in breaking down siloes between different actors in the climate finance supply chain, (b) CFA's impact in identifying changes in the enabling environment that could enhance the flow of climate finance, and (c) CFA's impact in enabling project proponents to develop more bankable projects. As explained above, the CFA generally brought together the right mix of stakeholders and it played a **positive role in fostering initial connections between some participants, but not all**. However, the survey of project proponents revealed that this experience was not shared across the board. Some project proponents noted that they were not able to connect with policymakers or investors through CFA. One project proponent interviewed mentioned that only one investor approached them at the final event to ask them about their project and that the event was not well set up to facilitate those connections. The connections made during CFA events were positive for some projects and led to longer-term benefits, such as being included in government-backed portfolios or funding discussions with financiers. However, other projects struggled to maintain momentum with financiers after initial engagements facilitated by CFA.

**With relation to the enabling environment, the CFA programme helped raise awareness and identify some gaps in the enabling environment for climate finance, but its impact on changing conditions was limited.** For instance, while the programme raised awareness among financiers (particularly local institutions) about the potential for aligning climate finance with local development goals, it did not lead to significant changes in attitudes and financiers' strategies. Findings suggest that creating systemic change requires more targeted efforts beyond raising awareness, including stronger institutional support and collaboration with policymakers.

**There is some evidence that CFA has helped projects in their fund-raising activity.** The DP identified six projects in Colombia that raised finance during or after CFA support, totalling USD 76 million.<sup>6</sup> Out of the seven respondents to the survey, one project proponent said that

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<sup>6</sup> Source: Climate Finance Accelerator Impact Report 2020-2024.

they had raised private finance after participating in CFA and three respondents said that they had signed Non-Disclosure Agreements (NDAs) with finance providers, indicating at least some interest among financiers to invest in these projects. Six projects had sought finance from multiple sources, but did not obtain it. The reasons were varied: lack of collateral (2), burdensome requirements from financiers (2), lack of knowledge from financiers to assess their proposal (1), sector being perceived as too risky (1), and negative macroeconomic conditions (1). In interviews, some participants also mentioned **limited access to relevant investors as a barrier. Despite the advancements improving project proposals, the lack of a sufficient number of financiers willing to engage with early-stage projects remained a significant obstacle.** Expanding outreach to financiers for early stages and strengthening post-event support could help overcome these challenges and ensure that the network created by CFA translates into tangible financial outcomes.

### *Sustainability*

The long-term embedding of the CFA programme in Colombia faces several sustainability challenges, primarily due to a lack of strong interest and perceived value among potential stakeholders. No institution has shown sufficient commitment to hosting the CFA programme, which is crucial for ensuring its continuity beyond UK government support. Overall, the CFA programme has made strides towards sustainable climate finance processes. The pilot phase successfully demonstrated appetite for a CFA-like instrument to enhance climate finance flows for projects aligned with Colombia's NDC goals, sparking interest among stakeholders such as the DNP and development banks. The pilot's outcomes, including recommendations for the permanent establishment of the CFA, led to an evolving dialogue about integrating the CFA approach into Colombia's broader sustainable finance framework. Indeed, the development of a business plan which includes the design of an initial roadmap for the CFA's operation has provided a foundation for continued collaboration with stakeholders and the development of a governance structure (involving technical and steering committees) marks considerable progress toward the establishment of a potential long-term CFA process. Despite initial successes, the continued presence and engagement in the CFA process following HMG support are uncertain due to multiple challenges that can be summarised as follows:

- **Lack of a host entity:** While the Colombian government and financial institutions have expressed willingness to support the creation of a sustainable CFA model, efforts to secure funding for a technical secretariat and committees, as well as to identify a host institution to house the accelerator, are still ongoing. While options were explored (including with financial institutions and universities), no entity has yet committed to hosting the programme. Similarly, discussions with the Colombian government—specifically the DNP—did not lead to a viable solution. In the opinion of the evaluators, this may be because the DNP do not prioritise it enough to make the investment as there are other similar initiatives within the Climate Finance Corridor.
- **Nascent business model and information gaps:** There is insufficient information so far about the outcomes of projects supported by the CFA programme, i.e. deals signed, and volume of finance raised, which makes it difficult for financial institutions to assess the programme's effectiveness and potential benefits. While a business plan was

developed and proposals made to financial institutions, they are concerned about the high investment cost and lack of tangible and direct benefits

- Competition between banks: The open nature of the programme, which allows multiple financial institutions to participate, presents a challenge. Financial institutions question why they should finance a programme that benefits others without a clear exclusive advantage.
- Operational challenges such as brand ownership: With the CFA brand belonging to the UK government this is creating governance transfer obstacles. Providing greater flexibility to restructure the programme for the long term embedding of the CFA—including its name—could facilitate its adoption by local institutions.

### *Coherence*

**The CFA programme in Colombia demonstrated efforts to complement other donor initiatives and foster synergies with both regional and national programmes, avoiding duplication and enhancing the impact of its activities.** At the regional level, CFA has engaged in cross-country collaborations with CFA programmes in Mexico and Peru, showcasing successful projects to a broad audience of investors and financial institutions at an event. This initiative aimed at expanding the network of potential investors for the broader region, illustrating the programme's intention to foster regional coherence and shared learning. At the national level, the UK Embassy pro-actively made efforts to integrate CFA activities with other UK-funded programmes in Colombia to create synergies across initiatives, such as the Climate Finance Leadership Initiative (CFLI) and the UK PACT. The CFA also coordinated with other accelerators in the country through its participation in the Climate Finance Corridor. The Delivery Partner reported participating in regular meetings with other accelerators to explore synergies and collaboration in pipeline development.

### *Efficiency*

**The CFA programme in Colombia delivered high-quality capacity-building activities and stakeholder engagement within its allocated budget, demonstrating an ability to make the most of its resources and delivering value for money by effectively managing its resources to meet its objectives.** Stakeholders, particularly the UK Embassy, have praised the programme for maintaining high standards in its activities and events such as the use of appropriate venues within budgetary constraints. According to the UK Embassy, these decisions ensured the credibility and attractiveness of the programme without exceeding reasonable expenditure norms for similar initiatives. The delivery partners, PwC and E3, played a crucial role by leveraging their expertise and networks navigating Colombia's financial and political ecosystem to enhance the programme's impact. The delivery partners have been commended for their commitment, often exceeding contractual obligations to deliver value. **However, budgetary constraints exist, including time limitations and limited resources that delivery partners could dedicate to programme activities.** These constraints sometimes prevented the delivery of additional support or follow-up activities that might have strengthened outcomes, such as post-programme monitoring of project progress or extended mentoring for participants. Regardless, the delivery partners' flexibility and responsiveness to feedback have ensured the programme's continued effectiveness in meeting objectives.

### **Mini project case study: Colanta's CooperAction – The Right Path for Sustainable Livestock**

**Overview of the project:** Colanta, Colombia's largest agricultural cooperative, launched 'CooperAction: The Right Path for Sustainable Livestock' to promote and transition towards sustainable livestock practices across 64,000 hectares in 13 departments in the Andean and Caribbean regions. Aiming to plant 3,200 hectares of dispersed trees, protect water sources, and improve farmer livelihoods while promoting sustainable practices in milk and meat production, the project required \$10 million in innovative financing.

**Participation in the CFA:** Colanta joined the CFA programme to explore blended finance solutions, initially relying on non-reimbursable funds. The programme provided them with insights into blended finance, integrating grants, concessional loans, and commercial financing, including via tailored mentorship and a pitch event with key financiers and policymakers. Challenges included limited preparation time for the high-stakes presentation.

**Impact of participating in the CFA:** Participation significantly enhanced Colanta's climate finance understanding, helping them conceptualise a blended financing model and identify potential funding sources. This led to positive feedback from embassies. The programme fostered interdisciplinary collaboration within Colanta and sharpening their approach to integrating ESG aspects into their project. Colanta received an offer from Dutch investment funds focused on deforestation-free supply chains but due to exchange risks was not able to accept the offer. As a result, the project restructured to seek non-reimbursable resources. Currently, they are still looking for further financing.

**Lessons learned:** Colanta's experience highlighted the need for preparation for high-stakes engagements and improved financial modelling. The programme emphasised the growing role of financial institutions in sustainability and the need for detailed socio-environmental data from producers (to support GESI analysis), which Colanta has since incorporated. Despite funding challenges, Colanta remains committed to its sustainable goals and continues seeking financing opportunities informed by their CFA experience.

## **Conclusions**

The CFA provided effective capacity building to project proponents, enhancing their capacity to structure and present investment-ready proposals. Through training and workshops, participants gained expertise in financial modelling, risk assessment, and the integration of GESI principles. Participants reported improved abilities to present projects to potential financiers. However, the programme also revealed varying levels of project readiness, highlighting the need for tailored capacity-building approaches to maximise impact. In its convening function, the CFA was successful at engaging project proponents, financiers and policymakers; however, the format of the events limited somewhat those connections.

Participants also noted limited involvement of international financiers and financiers specialising in early-stage funding.

The impact of the CFA in mobilising resources for projects is not immediate and requires time to mature. The projects supported by the CFA faced obstacles to raise finance that were external to the programme (lack of collateral, context of high interest rates and low access to finance). There is also evidence of some projects signing NDAs and obtaining funding after participating in CFA.

Last, the CFA faced challenges in embedding the process in the country in the long term. Securing a permanent host organisation, obtaining consistent financial resources, and implementing robust follow-up mechanisms proved difficult. A barrier noted by financial institutions was the lack of data on outcomes achieved by the CFA, in terms of deals made and volume of finance raised by the projects. These organisational challenges hindered the programme's integration into Colombia's long-term climate finance framework.

## Recommendations

- **Focusing on project readiness levels and providing more targeted post-programme support could enhance long-term impact.** To improve, capacity-building efforts should be tailored to specific sectors, while targeting project proponents who are further along in the development process could help ensure that the training provided is more relevant and impactful. Expanding post-programme support such as connecting participants to a wider network of investors, could significantly enhance the practical application of the skills learned during the workshops, although this would also need resources from the programme. In addition, more focused guidance on business plans and legal requirements for financing could further strengthen the programme's effectiveness for early-stage projects.
- **If the programme continues funding CFA in Colombia, it would be beneficial to assess its relevance and added value in relation to other existing incubators and accelerators in the country, particularly those that are also embedded in the Climate Finance Corridor.** Linked to this, the CFA could explore the option of using an existing accelerator as the CFA host.
- **Enhancing project proponents' capacity to navigate external funding barriers could further improve the programme's effectiveness and outcomes.** While factors such as high interest rates, currency devaluation, rising costs, political risks, and limited access to international financiers are beyond the CFA's control, the programme could provide more targeted guidance on financial structuring strategies, risk mitigation approaches, and investor engagement techniques to help projects better adapt to these challenges.

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