



Photo: Hanz Rippe for USAID/Colombia

## Invest for Climate (COLOMBIA)

The Invest for Climate program aims to mobilize investments from both the public and private sectors into projects that increase Colombia's resilience to climate change impacts and promote a sustainable, inclusive, and low-carbon economy.

Climate change is altering temperatures and weather patterns worldwide. In Colombia, despite robust policies, extreme weather events continue to affect the economy, the environment, and communities. USAID's Invest for Climate program aims to position Colombia as a global leader in climate finance, improving markets and financial systems to prioritize natural systems, climate risks, and emission management in their investment decisions. Invest for Climate is implemented from May 2024 to April 2029.

## GOALS:

Working with Cross Boundary and the Colombian firms MGM Innova and Econometría, Invest for Climate will promote the allocation of funds towards businesses and projects that are good for the climate, helping to reduce greenhouse gasses, protect the country's forests and ecosystems, promote clean energy, increase climate resilience, and strengthen local economies. The focus will be on high-impact regions and supporting vulnerable groups such as youth, women, LGBTQI+, migrants, and other marginalized communities.

## KEY COMPONENTS:

### INVEST IN CLIMATE-SMART PROJECTS:

Invest for Climate will partner with financial institutions to expand their offerings of financial products such as green loans and climate insurance. It will also develop innovative financial instruments like green and blue bonds, blended finance funds, and green guarantees to make climate investments more attractive.

### DEVELOP A STRONG PROJECT PORTFOLIO:

Invest for Climate will provide technical assistance and training to make projects in agriculture, forestry, forest protection, clean energy, and climate resilience viable and sustainable. It will prioritize marginalized communities to ensure inclusivity and sustainability. The Activity will connect businesses with financial institutions and offer advisory services on transactions.

### IMPROVE THE ENABLING ENVIRONMENT FOR CLIMATE INVESTMENT:

Invest for Climate will support the Colombian government in creating and implementing policies that promote the use of economic instruments such as carbon markets and sovereign green bonds. It will help modernize climate finance reporting systems to ensure transparency and accountability.

## EXPECTED RESULTS

- USD 450 million in climate finance mobilized or leveraged.
- USD 75 million in investment mobilized in climate-smart projects and businesses.
- At least 20 laws, policies, regulations, or standards enabling climate finance formally adopted, proposed, or implemented.
- At least 20 million tons of GHG emissions reduced, removed, or avoided through climate-smart projects and businesses.
- 30 institutions with enhanced capacity to address climate change.
- 750 accelerated projects and businesses or structured climate-smart projects.