

A path ahead - Lessons learned on Blended Finance: United Nations Multi-Partner Trust Fund for Sustaining Peace in Colombia

May 2020



Contents

UNMPTF governance setting, Terms and Acronyms	1
Project summary	3
Wins and Main learnings	5
To keep in mind and next steps	11
Annex 1: Selected projects	14

UNMPTF governance setting, Terms and Acronyms

UN MPTF Governance setting



United Nations Multi-Partner Trust Fund for Sustaining Peace in Colombia: a tripartite mechanism between Government, Donors, and UN, established in 2016 to support the implementation of the Peace Agreement with former guerrilla group FARC-EP. UNMPTF Colombia support projects to implement within 4 strategic areas: Stabilization in municipalities most affected by the conflict, Reintegration of ex-combatants, Transitional Justice and victims, and Communication. Up to date, the Fund has raised US\$ 150 million as assets under management and invested US\$ 120 million through 143 projects, implemented mainly by UN agencies or civil society organizations.

Technical Committee - TC: Governance setting of United Nations Multi-Partner Trust Fund for Sustaining Peace in Colombia which oversees, revises and provides advice to fund's Steering Committee for the different investment projects which are presented by Technical Secretariat and must have an alignment with fund's strategic areas and year basis roadmap.

Steering Committee - SC: Governance setting of United Nations Multi-Partner Trust Fund for Sustaining Peace in Colombia which provides ultimate decision concerning approval or dismissal of the recommended investment projects revised by fund's Technical Committee. Composed by 5 government members, 2 members of United Nations System, 3 country donors members rotating yearly basis, 1 representative from the private sector and 1 representative from civil society, and a representative of one of the 3 other mechanisms for sustaining peace existing in Colombia as observers.

Terms

Blended Finance: the strategic use of development finance for the mobilization of additional finance towards SDGs agenda in developing countries, degree of concessionality of finance may vary among public/public; public/private;

private/cooperation. The main objective to be catalytic via replicable projects by demonstrating and building functional larger markets to develop commercial capital.

Second-floor institution: an institution that does not have direct contact with clients, instead it makes its disbursements through intermediaries. Its activity is focused on channeling funds to consumers/enterprises through credit institutions/commercial banks.

Acronyms

CFP	Call for Proposals
KPI	Key Performance Indicator
LLC	Limited Liability Company
M&E	Monitoring and Evaluation
NGO	Non-Government Organization
ODA	Official Development Assistance
PBF	Peacebuilding Fund
PDET	Planes de Desarrollo con Enfoque Territorial - Focus Territorial Development Plans
SDG	Sustainable Development Goal
SPI	Social Progress Index
TA	Technical Assistance
TOR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme

Project summary

Background:

The UN's financing approach for SDGs, from "Funding to Financing", aims at establishing new partnerships for mobilizing private resources with innovative financing models, also using limited ODA's resources for leveraging investments (Blended Finance), and reaching locations where private actors would otherwise invest less or not at all.

In Colombia, there is a strong and direct correlation between development gap and conflict areas. Nearly 88% of 170 municipalities most affected by violence and conflict are located in rural and remote areas with small economic capacity, lack of access to quality public services and goods as well as a lack of quality education and coverage and deficient access to health services to end with high rates of informal employment and unemployment.

Therefore, Colombia has an historic opportunity to overcome violent conflict addressing its root causes by achieving SDGs across the country, and to sustain peace. To do this, it is necessary to accelerate private investments for the most fragile regions, to promote sustained and sustainable economic growth and social development.

Theory of change:

Historical gaps and inequalities that have fueled the conflict would be reduced by strengthening stabilization, sustaining peace in Colombia, and fostering actions to move towards the SDG agenda, under the following assumptions:

- The actual risk of impact investments in the most conflict-affected territories is reduced;
- Involvement and strengthening of the private sector efforts towards collective processes to sustain peace in Colombia;
- Resources for actual efforts for stabilization and sustainability of peace are increased;
- The quality of life of the rural population is improved by combining private resources and ODA.

Blended Finance an innovating financing alternative engaging the private sector towards SDG agenda

The approach: United Nations MPTF for Sustaining Peace in Colombia launched on April 2019 a CFP to invite private investors to leverage additional capital resources to match a USD \$2.1 million MPTF allocation to catalyze resources and financial services oriented to social impact investors, acceleration hubs and other private sector initiatives working alongside grass-roots agribusinesses at conflict affected municipalities (PDET), to facilitate sustainable growth and scale to meet the following objectives:

- Support peace stabilization by leveraging private investment with social impact, as well as providing returns to investors.
- Test innovative financing mechanisms for development.
- Enable investments that, due to their risks, would not have access to financial support.
- Promote PDETs municipalities by leveraging private resources through blended finance with public concessional resources.



Overall process:

The Terms of Reference for the Call were written and developed to send as a direct invitation to participate in the process. Once proposals were received and pre-screening, the evaluation was executed in two thresholds through the UNMPTF Colombia governance setting, Technical, and Steering Committees. Members of both committees evaluated the proposals following criteria such as impact, profitability and sustainability among others. The trustworthiness of proponents was evaluated with Deloitte's assistance.

Results to date and next steps:

7 initiatives will receive funding from UNMPTF Colombia:

- Technical Assistance – TA: direct TA to strengthen three grass-roots agribusinesses.
 - Social impact fund investment: resources to support investment activities of a local social impact fund.
 - Credit lines viability: one via an interest rate subsidy and the other with a guarantee to cover an exchange rate – cross currency swap.
 - Seed capital: activities to support an innovative business model, including M&E activities and follow-up.
- Estimated funds leverage ratio is **1:7**, meaning that from each UNMPTF Colombia US dollar allocated selected private counterparts will invest in average 7 US dollars among selected investments.
 - Selected investments have already accomplished the legal structuring stage and disbursement of first resources is also on the way.
 - The implementation phase will also include the [Social Progress Index](#) – SPI measurement in collaboration with Avina Foundation. The data collected from the Index will help to provide a standard indicator on how these 7 investments are contributing to increase projects beneficiaries' wellbeing and as a final statement on how the selected investments are contributing towards peacebuilding and stabilization in Colombia's most conflicted areas.



“Projects are aligned with one or more SDGs

Funded projects*

Acumen: Acumen's investment in 3 agribusinesses with operation and presence in PDET municipalities within the framework of their Fund Investing for Peace.

Bancóldex: Launching of a special credit line available for 11 microfinance institutions to increase the productivity and resilience of small producers in rural areas through sustainable investments developed by the UN Environment (MEbA).

CorpoCampo: Resources to support the development of the project “El sueño del acaí” to strengthen the production and commercialization of Açaí in Putumayo.

IC Fundación: Strengthen of a second-floor cocoa association “Chocolate Colombia” located in the region of Nudo de Paramillo.

Incofin: Incofin loan to finance lending activities of “Cooperativa Contactar” to continue developing its microfinance business model in the south of the country.

Supracafé: Improvement of capacities, transformative innovation, and development of own brand of coffee for the Association of Women Coffee Producers of Cauca – AMUCC.

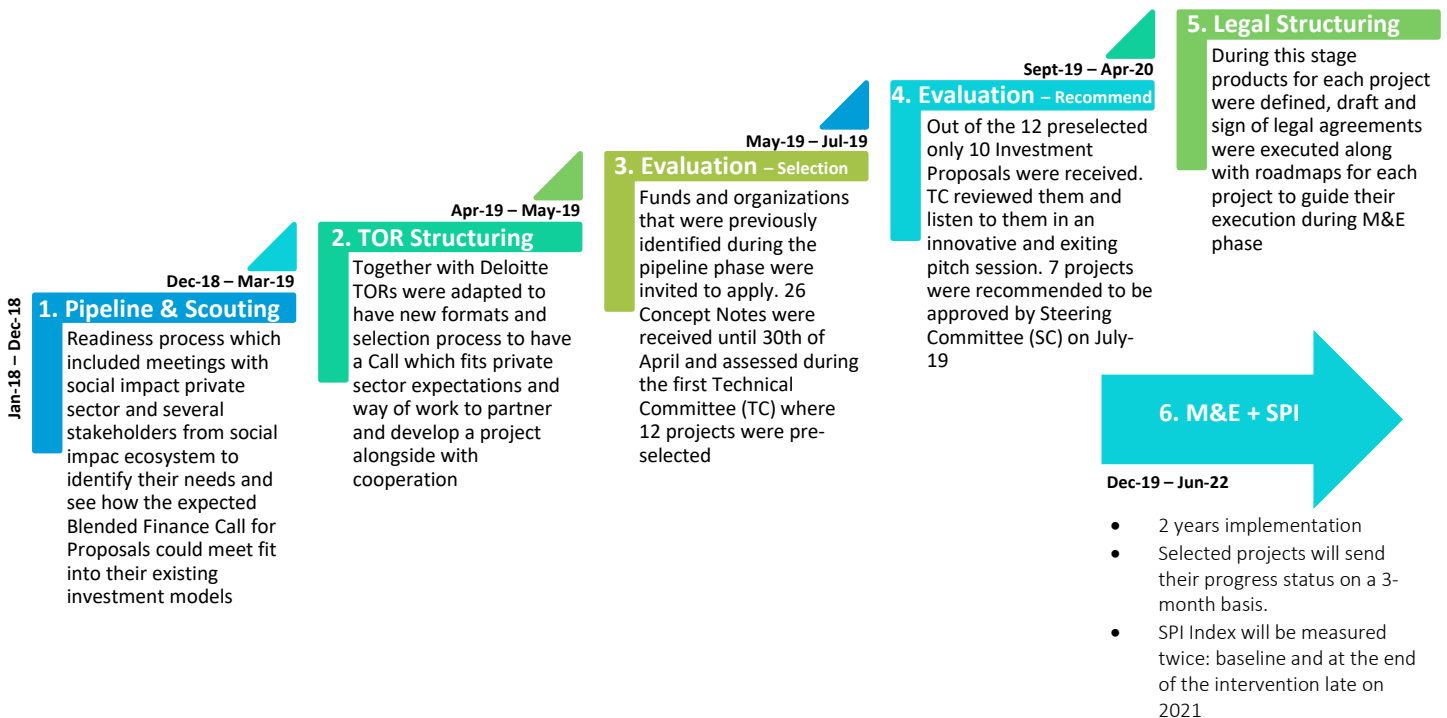
Wegrou / Mercy Corps: Caficultora 2.0: project lead by an alliance between a nonprofit foundation Mercy Corps and Wegrou a startup. This project will promote empowerment and connections for women coffee growers in El Tambo, Cauca region.

* Detailed information about each project can be found in Annex 1

Wins and Main learnings



The Call for Proposal (CFP) and evaluation process for funds allocation had the following stages:



With Deloitte’s credible inputs and support, UNMPTF Colombia has identified the following wins and main learnings up to date on both carried-out process and implemented stages:

Stage	Wins	Learnings
1. Pipeline and Scouting	<ul style="list-style-type: none"> • Strong commitment from UNMPTF Colombia Technical Secretariat to identify main actors of the private sector working in social impact endeavors and to engage them to be part of this Blended Finance initiative. At the same time, while doing the collection of potential pipeline projects, the existing UNMPTF Colombia database and network of relevant projects and implementors have increased consequently. • This CFP was an excellent opportunity to increase early engagement efforts towards advocacy for blended finance understanding and potential. It was also a good way to source potential projects of UN agencies and programs working already alongside the private sector. • After mapping and discussing with social impact investors and stakeholders working in Colombia for more than a decade. It was clear that a solution addressing the “missing middle”, those entrepreneurial projects which due to their lack of training, formal processes and standards and the incapacity to access traditional commercial financing, Blended Finance instruments were needed to help them to correct, and surpass that “missing” stage. 	<ul style="list-style-type: none"> • There is evidence of efforts and enthusiasm towards building a strong and cohesive social impact investment ecosystem and network in Colombia. Nonetheless, up to date, there is not an official association or entity gathering all these multistakeholders (such as private sector, foundations, civil society, etc.) which is working to achieve social impact, to map, relate and advocate with a common voice, objectives and beliefs for Colombia’s social impact investors and incumbents. • Although UNMPTF Technical Secretariat great efforts to anticipate and reach actors seeking to get involved and to participate on the CFP, some relevant actors who could have shown interest to participate or to promote the CFP among its network were left aside due to the unmet capacity of UNMPTF Technical Secretariat to cover all initiatives, and actors and because, as previously stated, there is not a unique impact investment association which could have served as a mainstream media alternative to promote the Call.
2. TOR Structuring	<ul style="list-style-type: none"> • A key element to denote from this stage was the capacity building and appraisal within UNMPTF Technical Secretariat to write and propose this Blended Finance CFP in a way that it fits private sector way of work and to engage them towards the development of peacebuilding initiatives, particularly when UNMPTF Technical Secretariat has been working since 2016 with CFP initiatives, funding a variety of projects which address 	<ul style="list-style-type: none"> • Eventhough UNMPTF Colombia Technical Secretariat effort to foster alliances of private initiatives and UN agencies and programs. Overall, from the proposals received, there was a lack of projects from UN agencies working alongside the private sector. It is important to develop among the UN system an early mapping exercise to identify businesses ready to scale, meaning those “missing middles” working under UN

directly UN system and civil society needs and interventions which differs big from private sector initiatives and criteria on how to develop a project and engage into partnerships.

- It was also important to design a simple and swift selection process where private investors could have a rapid response concerning the availability of resources. The collaboration with Deloitte allows this CFP to develop an Ad-hoc process to have a faster and innovative selection process, considering UNMPTF Colombia traditional governance setting.
- Team building and ability to achieve an interesting mix between what UNMPTF Colombia used to do during its traditional CFP and already funded projects and the expertise that a consulting company as Deloitte has provided due to its experience working alongside the private sector to meet and learn from their expectations and interests.

umbrella programmes and interventions which could have met CFP criteria and requirements.

- Overall, from the received proposals, 2 out of 28 were initiatives of privates working alongside UN agencies and programs. It could have been interesting in order to increase the interest to participate of this type of alliances to include into this Call TOR's a qualifying criterion giving specific incentives for entrepreneurial projects working together with UN agencies in PDET territories, and with a clear peacebuilding purpose.
- An approach to achieve a perfect private fit for the CFP, identifying key information to emphasize, and potential referrals to new projects, have been receiving early feedback and validation from private sector stakeholders, such as social impact investors. However, it was also important to also consider more commercial banks, chambers of commerce among other private lead foundations and entities.

3. Evaluation – Selection

From proponents' standpoint

- Appetite for the CFP was confirmed as nearly 47% of the direct invitations sent with the Call TOR's submitted a Concept Note to apply for resources for this innovative initiative from UNMPTF Colombia on how to develop and give viability with public resources to private held projects which aims for sustaining peace in Colombia.
- The amount of the leverage, minimum required was 1:1, would bring extra points. Among proposals submitted during this stage the relation was surprisingly above by 4 times (1:4). Even if additional leverage was consider during the selection process this proves that the private sector is eager to invest while receiving incentives from concessional finance and that innovative development finance instruments, such as

From proponents' standpoint

- Broadly, proponents were pleased with TOR received to present their investment projects and satisfied with the effort to adjust this CFP and selection process to their way of work and expectations. Nonetheless, there were some recommendations with regards to the time to prepare their documents. Also, by reviewing received initial Concept Notes, it was identified that projects struggle to chose among different blended finance investment instruments, and on how to justify the importance of the concessional finance needed.
- It was important to provide specific guidelines on how to include transversal approaches (human rights, sustainability, gender, social impact, etc.), the applicable

Blended Finance, can meet the requirement to finance “from billions to trillions” towards the achievement of SDG agenda.

From Technical Committee - TC standpoint

- Overall, engagement during this first TC was excellent, its members were collaborative and prepared to evaluate the submitted Concept Notes to select the best projects to continue into the next stage.
- Logistics and preparation of committees had also a remark note as UNMPTF Colombia’s Technical Secretariat team with the assistance of Deloitte consultancy services were crucial to prepare and set the environment before each TC, reason why it is possible to state that this aspect from projects’ evaluation stages was executed in a nearly flawless manner.

blended instrument and leverage ratio in a way that these features were clearly involved in each Concept Note submitted. These were relevant topics that should have been cover during socialization sessions to prepare proponents before the submission of their proposals to receive precise, and appealing initial Concept Notes during this stage.

From Technical Committee – TC standpoint

- After reviewing selected projects from first TC, analyzing overall performance and feedback on how its members assessed them. It was identified that the criteria chosen to qualify the accurate ones lacked on weight to give more importance to the criteria that was more relevant for the Call. To some extent this fact did not allow some promising projects to remain on the CFP selection process.
- TC members struggled the hardest identifying out of their assigned proposals which ones had the best quality of blended and its peacebuilding outcomes. It was identified that for this stage of the Call this information was not provided as accurate as desired by proponents, in a future opportunity, it is important to explain better to proponents how to adress these subjects accordingly, specially when asking to private sector counterparts to deal with issues as peacebuilding, gender analisis, victims and HHRR.

4. Evaluation – Recommend

From proponents’ standpoint

- All pre-selected projects present their investment proposals promptly. Validating its appetite for the CFP and their willingness to access to funding.
- Proponents were creative and pleased to have the opportunity to present their projects during the “Pitch session”. UNMPTF Technical Secretariat assist them on main criteria to present during this session and

From proponents’ standpoint

- To be able to strengthen the quality of the investment proposals received from pre-selected projects on the run on this stage and before submission dealine, UNMPTF Colombia Technical Secretariat should have provided customized advisory to proponents on how to address specific elements of the standard format provided, mainly:

provide a socialization session to explain further main requirements for this stage. This pitch session was an important moment of truth to interact directly with TC members, explain their projects, its impact and to answer TC members main questions and doubts.

From TC standpoint

- Among the 10 pre-selected projects there were different blended finance instruments to chose from, this represented a remarkable opportunity to create a balanced portfolio of investments and further on will contribute to having a broad range of investments to test the accuracy of the initiative and test its theory of change.
- UNMPTF Colombia TC decided to recommend for approval to fund’s ST a total of 7 projects considering different interventions and Blended Finance instruments. UNMPTF Technical Secretariat will manage an interesting mix of projects to monitor, follow-up and identify which instruments work better to meet the objectives of this blended finance initiative purpose and which are the most catalytic ones.
- The expected private leverage among the 7 chosen investments will meet a ratio of 1:7, meaning that for each dollar that UNMPTF Colombia will invest in each project private sector will convey 7 dollars.

- Human rights/ethics, social, and environmental transversal approaches, and activities and KPIs.
- Critical data on gender and peacebuilding.
- Blended finance instrument description and its importance.

- It was also important to provide proponents with tools, bibliography, or guidelines on how to relate SDGs transversely on components and activities of their pre-selected proposals (i.e. UNDP BcTA program, GRI standards, among others).

From TC standpoint

- Even though the scorecard for this stage was developed accurately learning from first TC findings and feedback. UNMPTF Colombia Technical Secretariat should have provided to committee members broader references in the two-pager designed to assess projects in a more informed and objective manner, these are the identified missing references:
 - Risk assessment of each project proposal.
 - Properly highlight each project value for money, and peacebuilding outcomes.
 - Recommendations on the quality of the Blended Finance instrument.
- Although UNMPTF Technical Secretariat provided a guideline to proponents on the main information to provide on each “pitch session” before members of TC, giving each project pitch presentation and format, some extended on some aspects, and avoid others, which compromised the opportunity to receive unbiased qualifications during TC assessment.

5. Legal structuring **From UNMPTF Colombia standpoint**

- During this phase it was a major achievement to identify the best way to

From proponent’s standpoint

- Selected projects describe this legal and administrative stage as the most

place UNMPTF Colombia as an investor on selected projects, this was possible by adding a special clause on works plans signed with each proponent which were bind to legal agreements signed whether it was a Responsible Party or Procurement. In this clause projects committed to identifying by the end of their interventions if they attain the expected results and provide a percentage of this return as a philanthropic donation to UNMPTF Colombia, if the fund is still active or otherwise as a direct donation to PBF the donor to this CFP initiative.

- Early engagement of heads and decision takers was vital for the understanding of the particularities of the UNMPTF Colombia CFP to navigate fluidly across UNDP existing legal structuring process. Especially when dealing with regional and above hierarchies due to the amount to allocate on each project which exceeded the USD \$150.000 local limit. Each selected project will receive USD \$300.000.
- Given the current characteristics of UNDP standard procurement process, UNMPTF Colombia and Deloitte have identified that a stand-alone financial facility is the ideal mechanism to catalyze funding, secure investment schedules and to achieve legal, administrative and financial efficiency to increase opportunities to work together and develop projects and partnerships with the private sector.

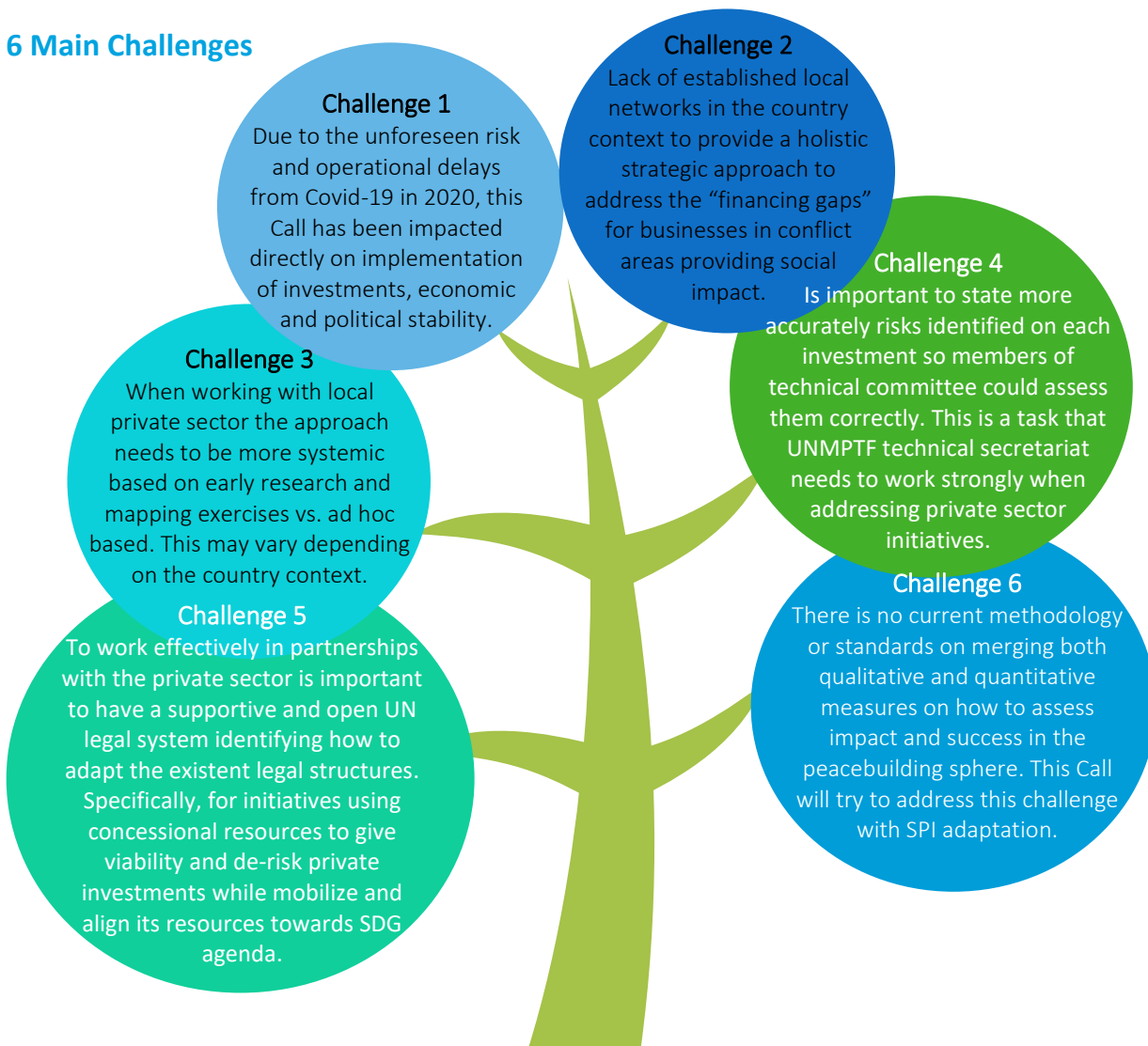
challenging one, particularly as some selected projects were lacking on experience on how to work upon cooperation and specifically on how to face UNDP legal protocols: following audit requirements for purchases, contracts, financial control, etc. This because within selected projects to invest UNMPTF Colombia is dealing with projects where working teams are small or are venturing due to this CFP. Somehow it is important to let proponents know some of these post-legal requirements from TOR structuring.

From UNMPTF Colombia standpoint

- For this Call, UNDP Colombia acts as UNMPTF Colombia's managing agent for its private sector window. The legal agreements signed with selected projects, especially those that must be signed with Limited Liability Companies - LLCs, it was a major challenge to identify among the range of agreements and legal guidelines of UNDP which could fit in a position of a partnership.
- Once identified that there was not an exact legal match. The agreements signed with private entities needed to follow UNDP procurement process. The importance to develop among the UN System new and specific legal agreements which can materialize partnerships with privates was identified, specifically when the counterpart is also investing resources on the project to be develop and where activities and constraints does not follow all the specifications of a contractual agreement. Reason why, some of the legal agreements signed with private sector, needed to be explain further on additional documents such as the work plan, following indications from Investment Proposal documents or even accepting counterpart legal risks identified.

- Again, due to UNDP Colombia acts as the managing agent for UNMPTF. It was necessary to adapt the legal structuring process for the investments for this CFP out of the existing procedures and guidelines of UNDP. It could have been interesting, from the innovative standpoint of the Call, to identify new arrangements and documents to legalize the particularities of the approved investments that includes: interest rate subsidy, cross currency swap mitigation and investment in a Social Impact Fund portfolio.

6 Main Challenges



5 Key findings and Conclusions

1 Working on partnerships for collaborative development initiatives: working alongside actors with knowledge and experience on working with the private sector, such as Deloitte, was vital for the accomplishments of this Call until this point. Making possible to achieve its innovative character within the UN System and adapting it to the needs and way of working of the private sector during its interventions to assess their impact and eligibility.

2 Private sector interest on Blended Finance: the private sector interest in participating in this type of initiatives was ratified, along with the capacity to mobilize additional financial resources with an impact on development and sustainability. With this Call resources will be leveraged at a ratio of 1:7 while linking the private sector on its contribution and commitment toward SDGs.

3 Private advocacy towards UN agenda: to ensure the quality of projects received and their advocacy towards UN approaches on human rights, peacebuilding, development, gender, and sustainability. It was important to design a toolkit on how to address these subjects on their Investment Proposals and how to develop on private lead projects the awareness that viable economic investments well executed on conflict areas brings to peace and stability.

4 Adaptation and flexibility: this Call was a very innovative one for UN agencies and programs working in Colombia from its conception and throughout all its stages. The main challenge was to achieve a prompt and efficient legal structuring process due the type of companies implementing and receiving resources out of selected investments. After all processes and justifications carried out, an opportunity to develop new alternatives and to identify new mechanisms to close agreements with these types of entities was identified. It is importante to work on new legal structures which reflect the nature of the interventions and its objectives specially when dealing with agreements which aims to develop projects and implement financial instruments under the principles of Blended Finance.

5 UN widespread for private partnerships: it is imperative to start to inform and raise awareness among the UN system about the main challenges and changes needed to facilitate new financial mechanisms. Particularly when there is an increasing perception that a Blended Finance approach could represent the future of concessional finance and ODA within Cooperation to empower countries, communities and private sector about their process towards development and on how to build together new instruments and dynamics with social impact and for SDGs achievement.

To keep in mind and next steps

To keep in mind

- Increase capacity for early outreach of stakeholders to explore and consolidate more formal connections and pipeline for potential partnerships with entrepreneurship centers, impact investing associations, and incubators.
- Assign concrete incentives and expectations over financial returns, investment schedules and payback times.
- Work closely with UN regional and global offices to timely deploy the committed resources.
- Deploy impact measurement and innovative tools to capture social impact data easily and accurately.
- Implement stakeholder engagement sessions to define a social impact and peacebuilding M&E scope and timelines.

Next steps

Implementation stage:

- During this stage UNMPTF Colombia's main objective will focus on gather strong and powerful results.
- It will be a key aspect on this stage the mentoring and guiding which UNMPTF will provide to the selected investments on how to develop and present those meaningful results.

M&E and Social Progress Index measurement:

- During the 2-year implementation, selected projects will provide quarterly and annual reports through UNMPTF existing mechanisms and guidelines. Nonetheless, M&E existing platform was adapted to capture relevant information on each project KPIs, execution progress, as well as managerial learnings and key activities on sustainable development topics i.e. gender, peacebuilding, environmental management, human rights, SDGs alignment, among others.
- Thanks to Social Progress Index measurement and adaptation, which was identified and chosen due to its innovative way to approach impact. This Index will provide a standard measurement among investments which will allow to have a quality and professional external insight on how the beneficiaries of the selected investments are moving forward towards progress and well-being.

Results disclosure:

- UNMPTF Colombia is engaged and hopeful on the results that this CFP will provide to set an initial standard on how cooperation and private sector working together can produce bigger impacts and accelerate innovative solutions aiming to reduce the historical gaps and inequalities that have fueled Colombia's conflict particularities.
- Important to denote that there is budget allocation on travel and expenses to share learnings from this initiative and disclosure its expected appealing results.



Overall, across the UN system and stakeholders there is a good vibe and expectations regarding the results and innovative nature of the initiative to set a precedent at the UN level.



Annex 1: Selected projects

This annex contains detailed information on projects funded by the UNMPTF Colombia Blended Finance initiative

Acumen – Investing for Peace Fund



Project Profile

Acumen's investment in agro-businesses with operations in PDET municipalities within the framework of the Investing for Peace Fund. Acumen will provide patient capital to establish and strengthen these businesses; will provide strategic consulting, TA, and post-investment support. The investment opportunities will be all in for-profit companies promoted by associations of regional producers or local entrepreneurs with great social impact.

Blended Finance Instrument

Junior equity on proposed companies to consolidate Acumen's peace fund portfolio.

PDTE Municipalities

Quibdó, Medio Atrato, Bojayá, Vigía del Fuerte, Campamento, Anorí, Yarumal Angostura, San Roque.

Potential investments - regions: Choco, Antioquia, Nariño

Key Facts

Sector: Agriculture

Products: sugar cane, paddy rice




Beneficiary entities:

- Asprodema
- Asogrepaca

SDG Aligment:






Bancóldex – Climate adaption special credit line



Project Profile

Launching a special credit line available for 11 microfinance institutions to increase the productivity and resilience of small producers in rural areas through sustainable investments developed by the UN Environment (MEbA). Promoting rural development of farmers in PDET municipalities.

Blended Finance Instrument

Funds will be used by Bancóldex to blend in the special loan line as an interest subsidy, this means that line will be launched at an attractive interest rate that the financial intermediaries will be keen to demand.

PDTE Municipalities

The 11 microfinance institutios have presence in more than 50 PDET municipalities, mainly Colombia's north, south and center regions.

Key Facts

Sector: Microfinance

Product: Agri-credit line



Beneficiaries:

11 microfinance institutions giving access with this special line to nearly 4.000 farmers and small agri-producers

SDG Aligment:













CorpoCampo – The Açai Berry dream



Project Profile

Resources to support the development of the project “The açai berry dream” to strengthen the production and commercialization of Açai in Putumayo, linking CorpoCampo with peasants and former combatants in the region.

Blended Finance Instrument

Typical TA project funds to be used mainly in seeds, fertilizers, and TA implementation for short term crops meanwhile Açai berry starts its production stage.

PDTE Municipalities

Orito, Villa Garzón, Puerto Asís y Puerto Guzmán

Region: Putumayo

Key Facts

Sector: Agriculture

Product: açai berry



Beneficiaries:

300 Putumayo farmers selling açai berry directly to CorpoCampo

SDG Aligment:



IC Fundación – Investment in Chocolate Colombia



Project Profile

Strengthen of a second-floor cocoa association “Chocolate Colombia” located in Colombia’s Nudo de Paramillo region. Resources will be allocated to achieve Fairtrade certification of related associations and for machinery acquisition and improvement of capacity to ameliorate value-added production at association cocoa transformation facility, providing a legal livelihood alternative for cocoa producers in this region largely affected by violence.

Blended Finance Instrument

Typical TA project, funds will be used to finance personnel, travels, machinery acquisition, and procedures to achieve a Fairtrade certificate for Chocolate Colombia associates.

PDTE Municipalities

Valencia, Tarazá, Cáceres, Valdivia, El Bagre, Zaragoza, Yarumal, Puerto libertador, Montelíbano, Santa Rosa del Sur y Chigorodó

Regions: Bolívar, Cordoba, Antioquia

Key Facts

Sector: Agriculture

Products: cocoa



Beneficiaries:

500 associates from 6 associations affiliated to Chocolate Colombia

SDG Aligment:



Incofin – Credit to Contactar



Project Profile

Incofin loan to finance lending activities of “Cooperativa Contactar” to continue developing its microfinance business model in the south of the country. The resources of this loan will be disbursed among PDET municipalities, where Contactar has presence and influence, promoting the reduction of the historical financial gap and access to financial services in remote regions of the country.

Blended Finance Instrument

Funds will be used by Incofin to acquire a cross-currency swap guarantee to maintain fix interest rate of the credit to be paid in COP every 6 months while the loan will be issued in USD. Without this currency risk solution loan from Incofin to Contactar will not be profitable.

PDTE Municipalities

Contactar has branches in 7 PDET municipalities: Piendamó, Santander de Quilichao, Mocoa, Orito, Puerto Asis, Villagarzón and Chaparral, with the goal to expand its network of branches in PDET municipalities thanks to loan provided.

Regions: Putumayo, Tolima, Cauca

Key Facts

Sector: Microfinance

Product: Agri-credit line



Beneficiaries:

Contactar giving credit access to nearly 4.200 agriculture and farmers.

SDG Aligment:



Supracafé – Transformative innovation and special coffee market access for peace in Cauca region



Project Profile

Improvement of capacities, transformative innovation, and development of own brand of coffee for the Association of Women Coffee Producers of Cauca - AMUCC, developing of profitable and legal economic alternatives for young women and ex-combatants in Cauca region.

Blended Finance Instrument

50% of funds for TA, other 50% for creating the rotary fund for the women association to pre-finance coffee harvest.

PDTE Municipalities

Cajibío, Caldono, El Tambo, Morales, Piendamó.

Region: Cauca

Key Facts

Sector: Agriculture

Product: Coffee



Beneficiaries:

400 women coffee growers from AMUCC

SDG Aligment:



Wegrou and Mercy Corps – Caficultora2.0



Project Profile

Project lead by an alliance between a nonprofit foundation Mercy Corps and Wegrou a startup. The project will promote empowerment and connections for women coffee growers in El Tambo, Cauca region who will be selling directly their special coffee brand within international clients through a connecting platform. This entrepreneurial endeavor will contribute to the resilience of female household heads in this municipality.

Blended Finance Instrument

50% of funds will be allocated for Mercy Corps M&E, the other 50% of funds could be considered as first loss capital/junior equity to develop Wegrou business model.

PDTE Municipalities

El Tambo

Region: Cauca

Key Facts

Sector: Agriculture

Product: Coffee



Beneficiaries:

50 women coffee growers from Caficauca

SDG Alignment:



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the “Deloitte organization”) serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 312,000 people make an impact that matters at www.deloitte.com.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms or their related entities (collectively, the “Deloitte network”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2020. For information, contact Deloitte Touche Tohmatsu Limited.