

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	COLOMBIA/CAN - Andean Group
▪ TC Name:	Sustainable and green infrastructure regulations and standards in Colombia
▪ TC Number:	CO-T1681
▪ Team Leader/Members:	SANDOVAL, JOSE MANUEL (CSD/CCS) Team Leader; CRUZ MORENO, PAULA (INE/TSP) Alternate Team Leader; FANNY BERTOSSI (INE/TSP); BAUTISTA MARTINEZ, OLGA LUCIA (CSD/RND); ACEVEDO CALLE, DANIELA (LEG/SGO); PLANAS MARTI, MARIA ALEXANDRA (INE/ENE); GOMEZ, JUAN CARLOS (CSD/CCS)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	06 Jul 2022
▪ Beneficiary:	Autoridad Nacional de Licencias Ambientales y Agencia Nacional de Infraestructura
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$600,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	CSD/CCS - Climate Change
▪ Unit of Disbursement Responsibility:	CAN/CCO - Country Office Colombia
▪ TC included in Country Strategy:	No
▪ TC included in CPD:	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Institutional capacity and rule of law; Environmental sustainability

II. Objective and Justification

- 2.1 The objective of this technical cooperation (TC) is to advance the development of regulations and standards for sustainable infrastructure within the transport and energy sectors in Colombia, with a view to consolidating enabling environments for the deployment of private sector investments that aim at climate change mitigation and adaptation goals.
- 2.2 In the past years, Colombia has made significant advances in the promotion and deployment of sustainable infrastructure both in the transport and energy sector. Regarding the energy sector, the government of Colombia has advanced in the consolidation of a policy framework with two important laws (Law 1715 of 2014 and Law 2099 of 2021) to promote low carbon energy projects in Colombia, aiming at increasing the participation of renewables in the energy sector and reducing carbon emissions. More recently (2022) the Ministry of Energy launched the offshore wind roadmap to attract foreign investment in the sector. In regard to the transportation sector, the National Planning Department issued CONPES 4060 which approved a Sustainable Infrastructure Policy for the development of projects under the 5th Generation of PPP initiatives for transport which set up the guidelines and the actions required for the increasing the sustainability standards in the sector.
- 2.3 These policy tools abovementioned have identified the need to further develop tools, methodologies, and regulations to ensure that the climate change and

sustainability criteria are appropriately incorporated in the project cycle of the transport PPP and the non-conventional renewable energy projects. The UK Sustainable Infrastructure Program (UKSIP) through its technical assistance window is capacity to provide the funding to support the government of Colombia, specifically ANI and ANLA.

III. Description of Activities and Outputs

- 3.1 **Component 1. Technical inputs for the development of environmental regulations for offshore wind and other renewable energies projects.** This component will finance: (i) technical studies to identify and assess environmental impacts of renewable energies; (ii) preparation of inputs for technical and regulatory standards; and (iii) strengthening capacities of ANLA to monitor (positive and negative) environmental impacts of renewable projects.
- 3.2 **Component 2. Strengthening the policy framework for sustainable infrastructure and finance for transport PPPs.** This component will finance the development of guidelines for green infrastructure in transport PPPs led by the ANI. The focus will be on environmental and social sustainability of infrastructure projects, including the definition of economic valuation of non-marketable goods, in accordance with priorities established by CONPES 4060.

IV. Budget

Indicative Budget (US\$)

Activity/Component	IDB/Fund Funding	Total Funding
Technical inputs for the development of environmental regulations for offshore wind and other renewable energies projects.	400,000	400,000
Strengthening the policy framework for sustainable infrastructure and finance for transport PPPs	200,000	200,000
Total	600,000	600,000

V. Executing Agency and Execution Structure

- 5.1 The IDB will act as the Executing Agency, given the request of the government. The IDB Country Office will be responsible for the supervision and implementation of the resources. The execution of the TC will be led by the Climate Change and Sustainability Division (CSD/CCS) in close coordination with the relevant divisions of the Bank such as Transport (INE/TSP) and Energy (INE/ENE).
- 5.2 The IDB will execute the operation given its ability to leverage its extensive network of internal and external subject-matter experts and well-established relationships with involved stakeholders. The project will leverage synergies and complementary with other DB operations.
- 5.3 Regarding procurement, the Bank will contract individual consultants, consulting firms, and consulting services in accordance with the Bank's current procurement policies and procedures.

VI. Project Risks and Issues

- 6.1 Challenges in the availability and capacity of government counterparts to provide feedback during the development of the different outputs, and thus ensure

ownership and relevance to the context and needs of the country. To mitigate this risk, a work plan will be agreed upon with government stakeholders specifying timeframes and roles from all parties involved.

- 6.2 Changing political context since a new administration is taking office in August 2022, which might shift priorities. Nevertheless, the upcoming President has expressed a full commitment to the climate change agenda and has stated that will be attaching substantive relevance to climate change in its national development plan. IDB will work closely with the new administration to get their buy-in in this activity and ensure a smooth transition.

VII. Environmental and Social Classification

- 7.1 The ESG classification for this operation is “undefined”.