



## Renewable Energy Integration Program (REI)

**PROJECT TITLE: ENERGY TRANSITION SUPPORT PROGRAM**

**COUNTRY: COLOMBIA**

**MDB: IADB**

**Cover Page for Project/Program Approval Request<sup>[a]</sup>**

<b>Country/Region</b>	Colombia	<b>CIF Project ID#</b>	<b>Auto Generated by CCH</b>
<b>Project/Program Title (same as in CCH)</b>	ENERGY TRANSITION SUPPORT PROGRAM		
<b>Type of CIF Investment:</b>	<input checked="" type="checkbox"/> Public <input type="checkbox"/> Private		
<b>Sector/Focus/Pillar (Please select all that apply)</b>	<input checked="" type="checkbox"/> Energy System Infrastructure <input type="checkbox"/> Enabling Environment <input checked="" type="checkbox"/> Renewable Energy <input type="checkbox"/> Other ( _____ )		
<b>Technology (Please select all that apply)</b>	<input checked="" type="checkbox"/> Transmission infrastructure <input checked="" type="checkbox"/> Distribution infrastructure <input checked="" type="checkbox"/> Advanced Metering Infrastructure <input checked="" type="checkbox"/> Smart grids <input type="checkbox"/> Demand-Side Management <input checked="" type="checkbox"/> Capacity Building <input type="checkbox"/> Policy Dialogue <input type="checkbox"/> Cookstoves <input checked="" type="checkbox"/> Energy storage <input type="checkbox"/> Geothermal <input checked="" type="checkbox"/> Green Hydrogen <input type="checkbox"/> Hydropower <input type="checkbox"/> Mixed RE <input type="checkbox"/> Multiple <input checked="" type="checkbox"/> Solar <input checked="" type="checkbox"/> Vehicle technologies <input type="checkbox"/> Waste to Energy <input checked="" type="checkbox"/> Wind <input type="checkbox"/> Other ( _____ )		
<b>Project Lifetime (MDB Board/Management approval to project closure)</b>	5 years		
<b>Is this a private sector program composed of sub-projects?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>Financial Products, Terms and Amounts (same as CCH)</b>			
		<b>USD (million)</b>	<b>EUR (million)<sup>[b]</sup></b>
PPG (Project Preparation Grant)		0	
Grant		1.4	
MDB Project Implementation and Supervision Services (MPIS) <sup>1</sup>			
Public sector loan – Senior loan		66.5	
First loss guarantee			
Second loss guarantee			
Equity			
Senior loan			
Senior loan in local currency hedged			
Senior loan in local currency unhedged ( <b>EXCEPTIONAL REQUEST</b> )			
Subordinated debt/loan/ mezzanine instrument with income participation			
Subordinated debt/loan / mezzanine instrument with income participation local currency unhedged ( <b>EXCEPTIONAL REQUEST</b> )			

<sup>1</sup> MPIS - CIF Operational Modalities For New Strategic Programs [here](#)

Subordinated debt/loan /mezzanine instrument with convertible features		
'Convertible/contingent recovery' grant/loan/guarantee (loans convertible to grants or vice versa)		
Convertible Loans (convertible to equity only)		
For loans and guarantees – is this a revolving structure? <sup>[2]</sup> <input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>Specify local currency type here</b>		
Other (please specify)		
<b>Total</b>	67.9	
<b>Co-Financing</b>		
	<b>Please specify as appropriate</b>	<b>Amount (Million USD)</b>
<b>MDB 1</b>	IADB	72
<b>MDB 2 (if any)</b>		
<b>Government</b>		
<b>Private Sector (minimum expected)</b>		336
<b>Bilateral</b>		
<b>Others (please specify)</b>		
<b>Total Co-financing</b>		408
<b>Total Financing (Co-financing + CIF Funding)</b>		476.15
<b>Proportion of Total Financing for Adaptation</b>		
<b>Proportion of Total Financing for Mitigation <sup>[e]</sup></b>		
<b>CIF Financial Terms and Conditions Policy</b>	<a href="#">Link</a> Is this request in accordance with the CIF Financial Terms and Conditions Policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (if no, please specify detailed information under the justification section)	
<b>Justification (exceptional request) <sup>[c][d]</sup></b>		
N/A		
<b>Implementing MDB(s) (please enter full name, job title and email address)</b>		
MDB Headquarters-Focal Point:	Mariel Juarez – Climate Change Specialist - <a href="mailto:marielj@iadb.org">marielj@iadb.org</a> / Gloria Visconti - Climate Change Lead	
MDB Task Team Leader (TTL):	Alexandra Planas – Energy Operation Lead Specialist - <a href="mailto:alexapla@iadb.org">alexapla@iadb.org</a>	
<b>National Implementing Agency (please enter full name, job title and email address)</b>		
Country Focal Point/s	Financiera de Desarrollo Nacional (FDN).	

<sup>2</sup> With a revolving structure, after the loan or guarantee matures, instead of returning the funds to the Trustee, the funds are redeployed as a new loan or guarantee.

**Brief Description of Project/Program (including objectives and expected outcomes)** <sup>[c][d]</sup>

The Trust Fund Committee (TFC) of the CIF's Strategic Climate Fund endorsed Colombia's Renewable Energy Integration (REI) Investment Plan (IP) on February 2nd, 2023. The decision provides Colombia with access to \$70 million in highly concessional capital to scale clean energy transmission solutions, advanced metering, and other efforts designed to make integrating variable renewable energy more flexible, cost-efficient, and resilient.

In line with Colombia's IP, the project "Energy Transition Support Program" aims to support the decarbonization of the country's economy by accelerating its ongoing clean and inclusive energy transition. This will be achieved by (i) reducing operational and technical barriers to the integration of renewable energy generation into the power grid, (ii) scaling up finance for renewable energy integration infrastructure, and (iii) building related public and private sector capacities. Specifically, this project will: (i) increase financing for both Non-Conventional Renewable Energy Sources (NCRES) projects in the National Interconnected System (NIS) and Non-Interconnected Zones (NIZ) as well as for the scaling up of enabling technologies for their deployment in line with sectoral decarbonization goals; (ii) strengthen the FDN's technical capacities for the identification, design and portfolio management of climate projects; and (iii) improve the FDN's climate Monitoring, Reporting and Verification (MRV) capabilities to contribute to national climate reporting efforts and support eventual green debt issuance.

The Energy Transition Support Program is structured in two main components:

**Component I. Financing for NCRE projects and technologies that promote NCRE integration- \$138.5 million (\$72 million IDB and \$66.5 million CIF-REI).** The FDN will use IDB and SCX-REI reimbursable financing, administered by the IDB, to provide financial support through direct loans and contingent loans to at least five eligible subprojects. The minimum amount for each subproject will be \$2.5 million and the types of projects that the FDN will be able to finance with these resources are: (i) NCRES solutions in the NIS and NIZ<sup>3</sup>, energy communities<sup>4</sup>, and energy storage<sup>5</sup>; (ii) production, handling, transportation and use of GH2; (iii) AMI deployment; (iv) solutions that provide flexibility to the NIS (transmission lines, distributed energy resources, among others); and (v) electromobility infrastructure and assets that increase the demand for NCRES<sup>6</sup> such as the acquisition of EVs (including buses, boats, or trucks) for (i) mass or integrated public transportation systems; (ii) private transportation services for companies or public service operators; (iii) individual passenger transportation (cabs); and (iv) cargo transportation.

**Component II. Institutional strengthening (CIF-REI US\$1.4 million non-reimbursable).** This component is structured as an *investment grant* and will finance the following activities: (i) structuring of projects that can be financed with resources from the operation; (ii) strengthening of policies and plans, as well as execution of activities and actions aimed at promoting gender and diversity inclusion in the FDN and among its sub borrowers, which promote the employment and participation of women, people with disabilities and ethnic populations, as well as the prevention of gender violence in energy projects. Support will be provided for the design of an action plan for the implementation of the entity's Diversity, Equity and Inclusion Policy, the construction of guidelines and support for the design of gender, diversity and inclusion plans for energy subprojects that include lines aimed at labor inclusion of women and gender equity, prevention of Gender Based Violence, cultural adaptation for Indigenous and Afro-descendant populations and the inclusion of people with disabilities, as well as the development of capacity building pilots aimed at ethnic populations and women in areas of influence of the projects to be financed for the use of NCRES and training in areas of employability; (iii) cover *swap* costs for the conversion of CIF-REI resources to local currency; and (iv) the costs of two environmental and social specialists and a financial management specialist.

**Expected results.** The operation seeks to (i) reduce GHG emissions (TonCO<sub>2</sub>); (ii) increase installed capacity (MW) and generation (MWh) with NCRES; (iii) increase support infrastructure for the integration of NCRES (AMI, Substations, Networks, Batteries, etc); (iv) capital mobilization aligned with the common principles of climate finance; (v) promotion of social inclusion and closing of gender and diversity gaps; (vi) improvement of FDN

management instruments, including MRV/impact reporting and identification and planning of relevant project portfolios to achieve scale; and (vii) strengthening of FDN technical capacities. The Results Matrix (Annex I) summarizes the expected impacts, outcomes and outputs of the operation.

**Sub-borrowers and beneficiaries.** The sub borrowers of this operation will be promoters and developers (public, private, or mixed) of NCRES projects, transmission lines, GH2 projects, energy storage, distributed energy resources, AMI, and electromobility. The beneficiaries will be the end users of the electricity infrastructure incorporated into the system, such as industries, companies, commercial users, or households, who will also benefit from the service's safer and more diversified provision. In addition, the Colombian population will indirectly benefit from the positive externalities associated with the environmental and economic impacts of the operation, such as an increase in local income and reduced pollution, especially in poor geographic areas.

**Consistency with investment criteria (please refer to design document)<sup>7</sup> [c][d]**

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<sup>3</sup> If they are located in the SIN, they can only be financed with IDB CO resources.

<sup>4</sup> Projects in ZNI and Energy Communities will be able to cover the Colombian Amazon in order to close access gaps and promote the energy transition.

<sup>5</sup> At least 50% of the projects financed under this component must have a gender and diversity plan in line with the actions stipulated in Component II, and a minimum number of beneficiaries must be women and ethnic groups.

<sup>6</sup> This may include projects for the acquisition of electric vehicle (EV) fleets, rolling stock, and the deployment of EV charging infrastructure, electric projects and systems for mass passenger transportation, and other infrastructure such as stations, railways, rail yards, workshops, and other works related to the provision of these services.

<sup>7</sup> REI Design Document [here](#)

<p>Potential for transformational change (Relevance (strategic alignment), systemic change, speed, scale, adaptive sustainability)</p>	<p>This program will help expand the FDN's financing offer to at least five JET-related projects, generating a catalytic effect and accelerating the decarbonization of the economy with a reduction of 200,000 tons of CO<sub>2</sub> emissions. It will enable it to provide competitive long-term financing that fits JET projects' investment and cash flow profile. It will also help the FDN prepare to access green debt markets, facilitating the financing of JET-related projects in the long term. It will also allow the FDN to play a demonstrative effect on itself and the whole financial system by taking risks and fostering innovative and transformational technologies as their commercial viability continues to improve. It will also help attract significant private-sector co-financing (at least a 1:6 ratio).</p> <p>The proposed financing will also help FDN-financed subprojects achieve long-term sustainability by adopting and maintaining higher environmental and social standards than those required by local legislation. This includes improvements in the company's labor, gender and diversity, and social and environmental policies, procedures, and overall management. Finally, this operation will enable FDN to improve its capacity to identify and design investment portfolios with a climate perspective and to improve climate MRV, which are relevant for advancing potential green debt issuance.</p>
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<p>Potential to enhance resilience to climate risks contribute to lower-emission and climate resilient development</p>	<p>In the 2020 <a href="#">Nationally Determined Contribution (NDC)</a>, Colombia committed to reducing its GHG emissions by 51% with respect to the projected 2030 scenario. Aligned with this national commitment, the Government of Colombia (GoC) has formulated the Just Energy Transition (JET) policy and has also committed to the following targets by 2030: (i) increase commercial NCRES electricity generation capacity by 6GW by 2026<sup>8</sup> and close to 20GW estimated by 2032<sup>9</sup> ; (ii) take advantage of the offshore wind resource with an installed capacity of 1GW<sup>10</sup> ; (iii) install 545MW of distributed generation through the promotion of energy communities<sup>11</sup> ; (iv) develop between 1- 3GW of installed GH2 electrolysis capacity<sup>12</sup> ; and (v) achieve 100% electric power coverage<sup>13</sup> . Regarding the electrification of the vehicle fleet, the GoC established goals for 2030 to incorporate 600,000 Electric Vehicles (EVs)<sup>14</sup> and the requirement that 20% of the total new fleet of the Strategic Public Transportation Systems, Integrated Public Transportation Systems, and Integrated Regional Transportation Systems be zero-emission technology.</p> <p>This CIF REI—IADB—FDN project aligns with these targets and, in general, with the country’s Climate goals by providing financing to investments in the following categories: a. NCRES solutions in the NIS and NIZ, energy communities, and energy storage; b. production, handling, transportation, and use of GH2. c. Smart metering deployment. d. Solutions that provide flexibility to the NIS (transmission lines, distributed energy resources, among others). e. Electromobility infrastructure and assets that increase the demand for NCRES.</p> <p>The Project aims to mitigate 200,000 tons of CO2eq emissions by providing this financial support. Furthermore, it provides a demonstrative effect that will develop capacities among the private, public, and financial sectors to foster investments in these types of innovative and transformational technologies.</p>
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<sup>8</sup> First-level indicators established in the [National Development Plan 2022-2026](#).

<sup>9</sup> Future capacity to 2032 ([UPME, 2023](#)).

<sup>10</sup> Under the high scenario considered in the [Roadmap for Offshore Wind Energy Deployment for Colombia](#).

<sup>11</sup> Definition of ([Decree 2236 of 2023](#)): "Users or potential users of energy services may build Energy Communities to generate, commercialize and/or efficiently use energy through the use of FNCER, renewable fuels and distributed energy resources. The Energy Communities may be formed by natural and/or legal persons. In the case of natural persons and self-government structures of Indigenous peoples and communities and peasant, black, Afro-Colombian, Raizal and Palenquero communities



<p>Financial effectiveness including (Value for money, mobilization potential)</p>	<p>NDBs are essential in mobilizing and channeling private investment in sustainable infrastructure and correcting market failures to facilitate investment in high-risk sectors. NDBs help governments promote greener economies and offer innovative financing solutions for infrastructure projects with terms tailored to the financial profile of low-carbon investments. In LAC, NDBs are key to infrastructure projects by providing long-term financing (on average 13 years, three years longer than private financing, and close to those of development agencies) in local currency (representing 81% of their total, outperforming the private sector (54%) and bilateral and multilateral organizations (31%), flexible repayment profiles and with specialized risk mitigation products, thus addressing specific market needs and helping to mobilize private investors.</p> <p>NDBs also play a crucial role in mobilizing capital through green debt markets, representing an attractive source of resources to finance climate-sensitive investments in the infrastructure sector. This allows climate-sensitive infrastructure investments to be catalyzed on a larger scale and potentially at a lower cost of financing.</p> <p>Finally, thanks to the concessional characteristics of CIF REI resources, the project is expected to mobilize USD 336 million from public and private capital sources (in addition to the USD 72 million from IDB's Ordinary Capital that will co-finance this project).</p>
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that are constituted as Energy Communities, they may be beneficiaries of public resources for the financing of investment, operation and maintenance of infrastructure, based on the targeting criteria defined by the MME. The infrastructure developed with public resources may be transferred free of charge to the Energy communities, under the conditions defined by the MME, in coordination with the competent entities".

<sup>12</sup> In accordance with the provisions of the [Hydrogen Roadmap in Colombia](#).

<sup>13</sup> Goal established the [CONPES 3918 of 2018](#) that defines the "Strategy for the Implementation of the SDGs in Colombia".

<sup>14</sup> According to the [PEN 2020-2050](#), it is estimated that by 2025, 10% of the total number of vehicles purchased for public transportation will be electric.

Implementation potential	<p>FDN will be the borrower and Execution Agency of the operation. The Republic of Colombia will be the guarantor of the borrower's obligations. FDN complies with the eligibility requirements of the Bank's Eligible Borrower Policy (OP-301). FDN is a financial entity focused on Colombia's infrastructure, formed as a mixed-economy joint stock company linked to the Ministry of Finance and Public Credit. The majority shareholder of FND is the Colombian State through Grupo Bicentenario, with 73.37% of the shares.<sup>15</sup> FDN has a legal personality and its own equity. The Colombian Financial Superintendency supervises FDN, is a member of the Colombian Securities Market Self-Regulator and is subject to the fiscal control exercised by the Office of the Comptroller General of the Republic. FDN has the organizational structure and personnel necessary to manage infrastructure projects and has extensive experience executing loans with other bilateral and multilateral banks.</p>
Gender equality and social inclusion impact	<p>The program is articulated with the IDB Group's Gender and Diversity Action Plan 2022-2025 (GN-3116-1) in two of its priority thematic areas: improving human capital and improving economic opportunities for women and diverse groups by promoting the participation of women and Persons with Disabilities (PWD) in the jobs to be generated, the promotion of contexts free of gender violence, the training of women and ethnic population in the use of NCRES, as well as the possibility of financing projects in territories with Indigenous and Afro-descendant population</p>
Development impact potential	<p>The project will contribute to i) reducing Poverty and Inequality by democratizing and increasing access to energy in rural and dispersed territories; ii) addressing Climate Change development goals by financing projects that boost the integration of renewable energy, helping to diversify the country's matrix and mitigate GHG emissions.</p>

<sup>15</sup> Grupo Bicentenario is 99.99% owned by the Colombian Ministry of Finance and Public Credit (MinHacienda, 2021).

## Social Inclusion and Stakeholder Engagement<sup>[c][d]</sup>

This project will be implemented by the FDN. The IDB is providing support and its experience in the design and development of this project, as well as in the bidding and coordination processes with the various actors involved, like the Ministry of Mines and Energy, the Ministry of Finance, and the National Planning Department. During implementation, a working group will be established to monitor and evaluate the progress of the planned activities and financing of subprojects and to ensure a dialogue with other interested public and private actors.

## Gender Considerations<sup>[c][d]</sup>

### Gender Analysis

(Please insert the text from the project document on the analysis of gaps in access to services, markets and jobs by women in relation to the project sectors)

Colombia presents gender and diversity challenges in providing electricity services, employment generation and equity conditions in the sector and energy use. In terms of access to energy, the lack of access to energy sources particularly affects women as they are often responsible for household energy resources, increasing their workload and posing risks to their health<sup>16</sup>. Regarding the use of NCREs, the baseline diagnosis of the Just Energy Transition - JET of the Government of Colombia<sup>17</sup> highlights the need to recognize women's specific uses of energy and their role in electrification, given that they are overrepresented among populations that do not have access to energy and have the role of providing and managing care and energy in households. It also states that it is necessary to promote the education of civil society and communities (including ethnic communities) on JET. For Colombia to successfully advance in its JET, it is essential to have a diverse and highly qualified workforce, representing women and diverse populations under principles of equity. However, in the country, there is a high labor segregation in the energy sector, where, according to an IDB study, only 33% of sectoral employment is occupied by women compared to 67% in the case of men. This is related to a lower number of women in areas related to the sector, such as STEM,<sup>18</sup> and may also be associated with unfavorable environments for women with the presence of violence or discrimination.

<sup>16</sup> According to the CIF in *Building Gender into Climate Finance: ADB Experience with the Climate Investment Funds* (CIF and ADB, 2016), p. 18.

<sup>17</sup> Base diagnosis for the JET (MME, 2024).

<sup>18</sup> According to the (Observatorio Colombiano de las Mujeres, 2021) in Colombia only 17% of the female university population is studying a STEM career, compared to 30% of men.

<p><b>Gender Activities</b>  (Please insert the text describing gender-specific activities included in the project)</p>	<ul style="list-style-type: none"> <li>• Design an action plan for the implementation of the entity's Diversity, Equity and Inclusion Policy,</li> <li>• The construction of guidelines and support for the design of gender, diversity and inclusion plans for energy subprojects that include lines aimed at gender equity, prevention of Gender Based Violence, cultural adaptation for Indigenous and Afro-descendant populations and the inclusion of people with disabilities,</li> <li>• Development of capacity-building pilots aimed at ethnic populations and women in areas of influence of the projects to be financed for the use of NCRES and training in areas of employability</li> </ul>
<p><b>Gender Indicators</b>  (Please insert the text on selected gender specific indicators, including annual targets. from the Project Log Frame that the project is committing to report on)</p>	<ul style="list-style-type: none"> <li>• Diversity Policy Action Plan; Equity and Inclusion in Implementation at the FDN: 1</li> <li>• Funded subprojects that have a gender, diversity and inclusion plan designed and approved for implementation: 3</li> <li>• Pilot training for women in the technical aspects of renewable energies, associated areas of employability and efficient and productive use of energy designed and implemented: 1</li> </ul>

<p><b>Just Transition Analysis</b></p>	<p>As of January 2024, Colombia had an installed electricity generation capacity of 19,919MW, based 66.3% in hydroelectric, 30.1% in thermoelectric operated with fossil fuels (mainly natural gas, followed by coal and liquid fuels), 2.5% in solar photovoltaic, 1% in biomass, and 0.1% in wind<sup>19</sup>. In the last five years, progress was made in contracting generation projects with NCRES, allocating 7,300MW of new capacity through auctions held since 2019<sup>20</sup>, which seeks to guarantee energy demand in the medium term. This includes the recently concluded <a href="#">Reliability Charge Auction of 2024</a>, effective 2027 and 2028, where 4,441MW of new solar plants and 48MW of thermal plants with biomass were allocated in firm energy obligations. It is important to note that despite these projects being assigned in different auctions, there are significant delays in their materialization<sup>21</sup>. The National Interconnected System (NIS) has 29,446Km of transmission lines that interconnect 340<sup>22</sup> power generation plants with consumption centers, serving approximately 13.5 million users. The Colectora transmission line, currently under construction, will be key to evacuating close to 1GW of generation from La Guajira and is expected to be operational in 2026. However, connecting this new renewable generation capacity requires significant transmission investments, especially in regions where wind and solar resources are concentrated. In the Non-Interconnected Zones (NIZ),<sup>23</sup> an additional 309,211 users are served with local generation solutions of 324MW of installed capacity, mainly through diesel (81.2%) and only 18.8% renewable<sup>24</sup>. In terms of expanding electricity coverage, between 2017 and June 2023<sup>25</sup>, the GoC managed to connect about 241,749 new users, mainly through electrification projects with NCRES and the decree on the model of energy communities was issued<sup>26</sup>, but there are still about 486,637 homes identified at the geo-referenced level that do not have access to energy<sup>27</sup>. In terms of transport electrification, between 2018 and 2022, the country increased the number of EVs registered in the Single National Traffic Registry from 2,165 to 6,134 units, respectively. A fleet of 1,589 electric buses is in operation, mainly concentrated in Bogota, Medellin, and Cali. However, the country is still far from reaching the goal of 600,000 EVs by 2030.</p>
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<sup>19</sup> Effective capacity by generation type ([PARATEC.XM](#)).

<sup>20</sup> Wind and solar projects with capacity allocation resulting from firm energy auctions or long-term capacity auctions.

<sup>21</sup> The main barriers identified for the materialization of these projects include environmental licenses, prior consultations, regulatory and tax changes, and project financing issues.

<p><b>Just Transition Activities</b></p>	<p>The FDN will use IADB and CIF's resources to provide financial support through direct loans and contingent loans to at least five eligible subprojects. The types of projects that the FDN will be able to finance with these resources are:</p> <ul style="list-style-type: none"> <li>a. NCRES solutions in the NIS and NIZ, energy communities, and energy storage.</li> <li>b. Production, handling, transportation and use of GH2;</li> <li>c. Smart metering deployment.</li> <li>d. Solutions that provide flexibility to the NIS (transmission lines, distributed energy resources, among others).</li> <li>e. Electromobility infrastructure and assets that increase the demand for NCRESs such as the acquisition of EVs (including buses, boats, or trucks) for (i) mass or integrated public transportation systems; (ii) private transportation services for companies or public service operators; (iii) individual passenger transportation (cabs); and (iv) cargo transportation.</li> </ul> <p>In addition, this component will finance training and the strengthening of the FDN's green portfolio management and climate MRV systems, in order to meet the specific objectives and indicators required by the IDB CLIMA pilot mechanism, in accordance with the two priority areas of intervention identified in the FDN - IDB CLIMA Roadmap Proposal, namely: new sustainable business line and strengthening of the teams with climate MRV tasks.</p>
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<sup>22</sup> [Sinergox, XM.](#)

<sup>23</sup> [CREG, 2023.](#)

<sup>24</sup> According to data reported by IPSE, as of December 2023 ([IPSE, 2023](#)).

<sup>25</sup> According to the [MME Accountability Report, 2023](#).

<sup>26</sup> [Decree 2236 of 2023 of the MME.](#)

<sup>27</sup> According to UPME's Indicative Plan for the Expansion of Electric Power Coverage 2019-2023 ([PIEC 20192023](#)).

<b>Just Transition Indicators</b>	<ul style="list-style-type: none"> <li>• GHG emissions reduced or avoided through the subprojects financed by the operation: 200,000 tons CO<sub>2</sub>eq</li> <li>• Installed Capacity of NCRE: 125 MW in the NIS, 5 MW in the NIZ</li> <li>• Renewable energy production (NIS/NIZ) as a result of projects financed by the operation (cumulative): 256,000</li> <li>• Number of monitoring and control systems installed in NIZ: 6,000</li> <li>• Number of program beneficiaries in NIZ: 24,000 of which 10,800 are women and 9,600 ethnic populations</li> <li>• Jobs created – direct and indirect: 500 direct and 100 indirect</li> </ul>
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<b>Expected Results (M&amp;R)</b>	
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<b>Project/Program Timeline</b>	
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Expected MDB Board Approval date <sup>[d]</sup>	11 <sup>th</sup> September 2024
Expected project closure date <sup>[d]</sup>	n/a
Expected lifetime of project results in years (including beyond project closure)	

<b>REI Core Indicators</b>	<b>Project-Defined Indicators/Targets</b>
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*Please identify which of the indicators below are relevant to the project proposal, list the corresponding project-defined indicator(s), and report all targets, including disaggregated targets. (See the [REI Program Monitoring and Reporting Toolkit](#) for additional guidance.)<sup>[e]</sup>*

<b>REI 1:</b> GHG emissions reduced or avoided (mt CO <sub>2</sub> eq)	
<i>Direct - Annual</i>	
<i>Indirect - Annual</i>	
<i>TOTAL - ANNUAL</i>	
<i>Direct - Cumulative Lifetime</i>	
<i>Indirect - Cumulative Lifetime</i>	
<i>TOTAL - CUMULATIVE LIFETIME</i>	200,000

<b>REI 2:</b> Installed capacity of variable renewable energy available to the grid (MW)		125
	<i>Direct</i>	
	<i>Indirect</i>	
	<b>TOTAL</b>	125
<b>REI 3:</b> Annual renewable energy output (MWh per year)	<ul style="list-style-type: none"> <li>• 2026: 10,000</li> <li>• 2027: 45,000</li> <li>• 2028: 195,000</li> <li>• 2029: 271,000</li> </ul>	
	<i>Direct</i>	
	<i>Indirect</i>	
	<b>TOTAL</b>	271,000
<b>REI 4:</b> Increase in available grid services and improvements (#)		
	<i>Please identify all sub-indicators (add lines if needed)</i>	<ul style="list-style-type: none"> <li>• Number of advanced monitoring and control systems installed (AMI): 6,000</li> <li>• Number of energy storage systems installed: 1</li> </ul>
	<b>TOTAL</b>	6,001
<b>REI 5:</b> Number of policies, regulations, codes, or standards related to renewable energy integration that have been amended or adopted		n/a
<b>REI 6:</b> Volume of co-finance leveraged (\$)	USD 406 million in total, from which (leverage ratio 1:6):	
	<ul style="list-style-type: none"> <li>• USD 72 million from IADB</li> <li>• USD 336 million from third parties</li> </ul>	
<b>REI 7:</b> Number of Female and Male, businesses, and community services benefiting from improved access to electricity and/or other modern energy services		
	<i>Male</i>	13,200
	<i>Female</i>	10,800
	<i>Businesses</i>	
	<i>Female-Owned Businesses</i>	
	<i>Community Services</i>	
	<b>TOTAL</b>	24,000
<b>REI 8:</b> Reduced total energy system costs (\$ per year)		
<b>REI 9:</b> Number of innovative businesses, entrepreneurs, technologies, and other ventures demonstrating a strengthened climate-responsive business model		
	<i>Businesses</i>	
	<i>Entrepreneurs</i>	
	<i>Technologies</i>	
	<i>Other Ventures (please specify)</i>	



<b>GESP 1:</b> Energy rating of storage systems installed (MWh)	3.5
<b>GESP 2:</b> Power rating of storage systems installed (MW)	
<b>REI Co-Benefit Indicators</b>	<b>Project-Defined Indicators/Targets</b>
<i>Please identify one or more expected co-benefit indicators–i.e., other social, economic, environmental benefits beyond the REI core indicators–that the project will track and report.</i>	
<b>REI Co-Benefit 1:</b> Jobs created – direct or indirect disaggregated by male/female)	
<i>Direct – Male</i>	500 in total: 375 male, 125 female
<i>Direct – Female</i>	
<i>Indirect – Male</i>	100 in total: 75 male, 25 female
<i>Indirect – Female</i>	
TOTAL	600
<b>REI Co-Benefit 2:</b> Just transition	
<b>REI Co-Benefit 3:</b> Policy and planning coherence	
<b>Other REI-Co Benefit:</b> <i>(Please specify)</i>	<ul style="list-style-type: none"> <li>• Women trained in areas of employability associated with renewable energies through a training pilot: 50</li> </ul>
<b>REI Optional Indicators</b>	<b>Project-Defined Indicators/Targets</b>
<i>Please specify any optional REI indicators that the project will track (see the REI M&amp;R Toolkit for more information).</i>	<ul style="list-style-type: none"> <li>• Number of projects financed: 5</li> <li>• Funded pre-investment studies: 4</li> <li>• Training pilot for indigenous and Afro-descendant people in the use of renewable energy designed and implemented: 1</li> <li>• Diversity Policy Action Plan; Equity and Inclusion in Implementation at the FDN: 1</li> <li>• Funded subprojects that have a gender, diversity and inclusion plan designed and approved for implementation: 3</li> <li>• Percentage (%) of the FDN portfolio measured in number of projects aligned with the country's green taxonomy: 20.7%</li> <li>• Percentage of FDN portfolio projects reported annually under Task Force on Climate-Related Financial Disclosures (TCFD) standards: 60%</li> </ul>
<b><i>Please also submit the full project results framework to the CIF Secretariat upon MDB Board approval of the project.</i></b>	
<b>Expected Date of MDB Approval</b>	11 <sup>th</sup> September 2024
<b>Additional Details (to Members)</b>	

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