

Concept Note

Project/Programme Title: Strengthening of the capacities and financial innovation of the Panaela producing Associations, to consolidate processes of technological reconversion based on the reduction of environmental impacts and mitigation of climate risk, promoting gender equity.

Country(ies): Colombia

National Designated Authority(ies) (NDA): Departamento Nacional de Planeación – DNP (Colombian National Planning Department)

Accredited Entity(ies) (AE):

Date of first submission/
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version number [YYYY-MM-DD] [V.0]



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Notes

- The maximum number of pages should **not exceed 12 pages**, excluding annexes. Proposals exceeding the prescribed length will not be assessed within the indicative service standard time of 30 days.
- As per the Information Disclosure Policy, the concept note, and additional documents provided to the Secretariat can be disclosed unless marked by the Accredited Entity(ies) (or NDAs) as confidential.
- The relevant National Designated Authority(ies) will be informed by the Secretariat of the concept note upon receipt.
- NDA can also submit the concept note directly with or without an identified accredited entity at this stage. In this case, they can leave blank the section related to the accredited entity. The Secretariat will inform the accredited entity(ies) nominated by the NDA, if any.
- Accredited Entities and/or NDAs are encouraged to submit a Concept Note before making a request for project preparation support from the Project Preparation Facility (PPF).
- Further information on GCF concept note preparation can be found on GCF website [Funding Projects Fine Print](#).

A. Project/Programme Summary (max. 1 page)			
A.1. Project or programme	<input type="checkbox"/> Project <input checked="" type="checkbox"/> Programme	A.2. Public or private sector	<input checked="" type="checkbox"/> Public sector <input checked="" type="checkbox"/> Private sector
A.3. Is the CN submitted in response to an RFP?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, specify the RFP: _____	A.4. Confidentiality¹	<input type="checkbox"/> Confidential <input checked="" type="checkbox"/> Not confidential
A.5. Indicate the result areas for the project/programme	<p>Mitigation: Reduced emissions from:</p> <input checked="" type="checkbox"/> Energy access and power generation <input type="checkbox"/> Low emission transport <input type="checkbox"/> Buildings, cities and industries and appliances <input checked="" type="checkbox"/> Forestry and land use <p>Adaptation: Increased resilience of:</p> <input checked="" type="checkbox"/> Most vulnerable people and communities <input type="checkbox"/> Health and well-being, and food and water security <input type="checkbox"/> Infrastructure and built environment <input type="checkbox"/> Ecosystem and ecosystem services		
A.6. Estimated mitigation impact (tCO₂eq over lifespan)	<p>3.47 kg of CO₂ per kg of panela produced. According to the panela NAMA at the national level, 1,500,000 tons of panela are produced annually, this yields an emission of 1,908,000 tons of CO₂ annually. The panela NAMA aims to reduce 60% of GHG emissions (1,145,000 tons of CO₂). However, within a more prudent estimate of successful 40% reduction (763,400 kg of CO₂) of GHG emissions annually in our country.</p> <p>According to WHO², GHGs can generate risks that affect human health such as:</p> <ol style="list-style-type: none"> 1. Health deterioration due to meteorological phenomena. 2. Health implications 3. Transmission of infectious diseases through food, water and air. <p>Loads of morbidity.</p>	A.7. Estimated adaptation impact (number of direct beneficiaries and % of population)	3% Population of Colombia, represented in 350,000 families
A.8. Indicative total project cost (GCF + co-finance)	Amount: USD <u>1.100.000</u>	A.9. Indicative GCF funding requested	Amount: _____ USD
A.10. Mark the type of financial instrument requested for the GCF funding	<input checked="" type="checkbox"/> Grant <input type="checkbox"/> Reimbursable grant <input type="checkbox"/> Guarantees <input type="checkbox"/> Equity <input type="checkbox"/> Subordinated loan <input type="checkbox"/> Senior Loan <input type="checkbox"/> Other: specify _____		
A.11. Estimated duration of project/programme:	a) disbursement period: 3 Years	A.12. Estimated project/ Programme lifespan	5 Years

¹ Concept notes (or sections of) not marked as confidential may be published in accordance with the Information. Disclosure Policy ([Decision B.12/35](#)) and the Review of the Initial Proposal Approval Process ([Decision B.17/18](#)).

	b) repayment period, if applicable: N/A		
A.13. Is funding from the Project Preparation Facility requested? ³	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Other support received <input type="checkbox"/> If so, by who:	A.14. ESS category ⁴	<input type="checkbox"/> A or I-1 <input type="checkbox"/> B or I-2 <input checked="" type="checkbox"/> C or I-3
A.15. Is the CN aligned with your accreditation standard?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	A.16. Has the CN been shared with the NDA?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
A.17. AMA signed (if submitted by AE)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If no, specify the status of AMA negotiations and expected date of signing:	A.18. Is the CN included in the Entity Work Programme?	Yes <input type="checkbox"/> No <input type="checkbox"/>
A.19. Project/Programme rationale, objectives and approach of programme/project (max 100 words)	<p>Brief summary of the problem statement and climate rationale, objective and selected implementation approach, including the executing entity (ies) and other implementing partners.</p> <p>The project aims to strengthen capacities and financial innovation to consolidate processes of technological reconversion of the sugarcane panela value chain, in order to reduce the effects of climate change and generate, through innovation, new business and investment opportunities sustainable and access to the Colombian financial system as bridge to overcome gaps and the growth of a fundamental line of the Colombian rural economy. Similarly, parallel to all the phases of the program, to promote a gender perspective that contributes to strengthening gender equity, emphasizing the participation of women in everything concerning the productive and decision processes in the panela producing activity.</p>		

B. Project/Programme Information (max. 8 pages)

B.1. Context and baseline (max. 2 pages)

The sugarcane panela subsector represents an important line of the agricultural sector and the national economy, especially rural. Proof of this 1.5 million tons are produced nationwide annually⁵ (Colombia is the second largest producer in the world), production distributed in more than 250 thousand hectares⁶, mostly small production units (SPU), 176 municipalities⁷ and almost 70 thousand producers⁷ nationwide. These figures show the importance of sugarcane panela at a sociocultural and economic level. However, sustaining this level of production implies environmental impacts that are reflected in the production of greenhouse gases (GHG), inefficiency in the use of environmental resources and their indiscriminate exploitation.

At present, this subsector faces several challenges that involve technological reconversion, achieving healthy financial and environmental practices and advances in gender issues that generate the strengthening of the subsector. Which has been vulnerable to the crises presented at the environmental and commercial level, reducing its capacity for competitiveness, adaptation to climate change and improving the living conditions of the population.

In this sense, the project aims to develop financial capacities and innovations in order to solve specific problems of the sugarcane panela subsector such as: technological reconversion based on reducing the effects of climate change and generating, through innovation, new sustainable business and investment opportunities to overcome gaps and the growth of a fundamental line of the rural economy. Similarly, parallel to all phases of the project, promoting a gender perspective that contributes to strengthening gender equity.

Achieving this strengthening capacity impacts on:

³ See [here](#) for access to project preparation support request template and guidelines.

⁴ Refer to the Fund's environmental and social safeguards ([Decision B.07/02](#)).

⁵ School, F. (2018). *Análisis Sectorial Agropecuario*. Bogotá D.C.

⁶ School, F. (2018). *Análisis Sectorial Agropecuario*. Bogotá D.C.

⁷ School, F. (2018). *Análisis Sectorial Agropecuario*. Bogotá D.C.

1. The panela producing associations, by strengthening their financial and organizational capacities through the apprehension of innovative knowledge, as well as the approach of the use of tools and financial institutions.
2. The panela producing associations and through them on the producers, when they become aware of the environmental impact generated by their productive activity, the immediate need to mitigate these effects and the promotion of good environmental practices through voluntary improvement strategies.
3. The sector, upon reaching the technological reconversion that aims at a sustainable and profitable production, however, this conversion does not only go through the physical, but in the fact that the panela producing associations carry out a project and business strategies allowing their economic and environmental sustainability.
4. The associations, by promoting a gender perspective that considers and stimulates the participation of women within them and the productive chain of panela producing activity, considering their potential role in mitigating the vulnerabilities that certainly afflict them.

The achievement of these goals in the sugarcane panela subsector, means articulation with national and international priorities that are essential to overcome the gaps. Likewise, this project, framed within the innovation pilot test in the agricultural sector of the Green-Asobancaria Protocol, establishes the possible public-private alliances that can meet specific Public Policy needs, take advantage of sustainable business opportunities and mitigate the climate footprint left by an agricultural subsector. Thus, the project is related to fundamental policies and laws for its development, such as the Decree of the National Climate Change System, Sisclima, the NAMA of the sugar cane panela subsector and Law 99 of 1993.

NAMA of technological and productive reconversion of the panela producing subsector: tends to support the reduction of 41.68 million tons of CO₂ through technological, productive reconversion and use of sub-products. This NAMA aims to make the panela business more profitable.

Decree of the National Climate Change System, Sisclima: This project responds to the requirements of this higher regulation, which will be monitored by the Financial Management Committee, an instance of inter-institutional coordination and public-private dialogue for climate finance issues.

Similarly, the project responds to a country framework with commitments established in international treaties such as the Declaration of Rio de Janeiro (1992), the United Nations Millennium Summit (2000) and the Johannesburg Earth Summit (2002), 2030 Agenda for Sustainable Development, which encourage countries to take action against climate change. Equally, there are international mechanisms such as the Green Climate Fund. (GCF) that emerges from the United Nations Framework Convention on climate change to help developing countries mitigate the effects of climate change.

This project is contemplated within the framework of the Green Protocol which the Pilot tests of Financial Innovation project is born, which responds to the green products and services strategy that seeks to generate innovative public-private collaboration schemes to meet specific financing needs and take advantage of sustainable investment opportunities. In this direction, the project involves three fundamental agents in achieving this objective: a) the government, which generates environments of legal viability and alignment of incentives; b) the financial sector, which develops innovative products and services to ensure capital availability; and c) the productive sector, which provides sustainable competitive goods and services with social benefits. Consequently, based on the Sectorial Action Plans (PAS) developed within the framework of the Colombian Low Carbon Development Strategy (ECDBC), the housing and construction, agriculture, industry, energy, transportation and water sectors were prioritized.

For this reason, the sugarcane panela subsector project focuses on generating these innovative collaboration schemes through the articulation of governmental, financial and productive mechanisms. From there it is explained that the project is directly related to the National Planning Directorate (DNP), Ministry of Environment and Sustainable Development, National Climate Change System (SISCLIMA) and the Nationally Appropriate Mitigation Action (NAMA), the Preparation Program for Access to the Green Climate Fund, associated producers and the banking sector based on strategies and objectives relevant to all these agents such as:

1. Generate guidelines and instruments to promote sustainable development through credit lines that promote the responsible use of natural resources and increase the competitive capacity of the country's agricultural sector.
2. Promote sustainable consumption of natural resources within the productive subsector of panela sugarcane.

3. Consider the environmental and social impacts that are generated in the value chain from the financed projects.

These recently presented scopes are essential for panela sugarcane, since they will help to overcome gaps that have taken root and deepened in the subsector. In addition, to strengthen the response capacity of the main agent: the associations, given the challenges presented by their activity. As well as, the possibility of presenting innovative proposals not only for the subsector, but also replicable for the entire agricultural sector.

The implementation of the project involves addressing several gaps at the environmental, technological, financial and gender perspectives.

The first gap, the environmental one: is that today the entire panela sugarcane transformation chain generates an environmental impact such as GHG emissions, burning of non-efficient fossil fuels, forest felling, dumping of contaminating liquids in water sources, among other. This gap will be covered from a perspective that guarantees joint work between the different agents: around the environmental implications generated by this productive model; emphasizing the need for technological reconversion, innovation and benefits of incorporating healthy environmental practices.

The second gap, technological: García et al cited in Ahumada (2015) describes a set of factors that explain the technological relegation of the panela producing subsector such as geographical dispersion of production, financial constraints of producers and lack of technical assistance. These factors will be approached from a perspective of: technological innovation does not depend only on a financial muscle capable of supporting an investment. It depends on the strengthening of a series of knowledge regarding management, information and planning that allow associations to rely on the financing tools provided by the different agents involved and to demonstrate the benefits of the transformation of technologies in relation to the mitigation of gaps.

The third gap, gender perspective: the rural sector has an evident gender inequality because women have less economic autonomy and weight in decisions than the male population, reproduction of traditional patterns of gender roles and less chance of obtaining an economic credit, among others. This gap will be approached from a promotion and encourage to the participation of women in decision-making instances; support participation of the panela producing association in projects that take rural women into consideration; provide special support to the participating women members.

Finally, the fourth gap, financial: the panela sugarcane subsector has as its main vulnerabilities: sensitivity to external shocks, direct short-term subsidies that have not had the expected impact on the sector, lack of knowledge of the financial offer by the associations, and the procedures to access credits to financial institutions. This is partly due to a perception of producers' lack of confidence towards the formal financial sector, as well as the lack of knowledge by the financial entities about the value chain, the cycle and the operability of the panela producing subsector. Therefore, the gap will be approached from a perspective that allows focusing efforts on project formation with a financial focus, that is, associations that recognize the benefits of generating alliances with financial institutions and other international financing mechanisms.

What market will the project be operating in?

This project seeks that, through the strengthening of capacities and financial innovation for technological reconversion based on the mitigation of the climate change effects with a gender perspective, it will cause a better market positioning of the panela sugarcane national and internationally. Since, the project aims to generate long-term sustainable business and investment projects, which, being environmentally sustainable, more efficient and producers of social fabric, the participating associations can position their products, not only from a level that contributes to the economic competitiveness, but also the contribution of the quality of life improvement.

In the same way, the pilot test allowed us to see how the panela sugar cane market is and the current state of the associations, compare to this. The pilot allowed to recognize different modes related to the market, since, some of them already export, while others have buyers of significant quantities and others commercialize in traditional markets. In this sense, the project aims to strengthen the relationship between the associations with existing markets, as well as with the potential markets on which their production and commercialization can influence according to their development phase.

Describe the expected set of components/outputs and subcomponents/activities to address the above barriers identified that will lead to the expected outcomes.

This project for the strengthening of financial capacities to consolidate processes of technological reconversion of the value chain of the panela sugarcane, depending on the reduction of the effects of climate change is divided into six phases of realization, which involve a constant feedback process and flexibility. Its main feature is the ability to adapt to different territories, social groups and economic activities on which it can develop. Thus, the first of these is the **Gap study** focused on geographical and cultural regions. The gaps for this project context mean obstacles that separate the individual and / or collective from a desired state, that is, the difficulty in approaching aspects such as: non-access to the financial system, technological backwardness, lack of environmental awareness and equity of gender. The above, seeking to improve their quality of life and possibilities of achieving sustainable business. Therefore, in a first point of the project the identification of the gaps that affect the population group of interest is given, this is not only to clarify the main gaps with regional focus, but also to see the potential and particularities of each differentiated population group.

Based on this diagnosis, the second phase arises, **training programs**, which consist of workshops based on strengthening financial, technical, environmental management and management actions with a gender perspective. These are adapted according to the productive activity to be carried out and their approach suggests that the population involved participate and learn in a didactic way by simulating those situations always present in their reality. Like this, the objective of the training program is for the population to produce a project which they can present to a financial and / or other entity, where they report a diagnosis of their association, certain goals and strategies to achieve them. Finally, these training programs provide relevant information in qualitative and quantitative matters.

The third phase, **projects**, is a product from the planning training program. To reach this stage the association is already clear about its diagnosis (current situation), goals and how to achieve them. This project must be characterized by its economic and environmental sustainability. For this, it goes previously during the training program through dialogues that include the different agents involved, which may be financial, governmental, NGOs and other entities that are part of the workshop.

The fourth phase, **credits**, consists in making use of the workshops main resource, the projects. These objectives that arise within the possible and ideas of potential growth, are those that come to be presented to financial institutions and organizations such as the Green Climate Fund, to obtain support and economic injection through a credit. For this reason, during the development of the training programs, one of the aspects that deepens the most is credit and financing lines as a tool for organizing and guaranteeing sustainability.

During the pilot test development, the financial advice of the banks involved was fundamental, thanks to the support they carried out during the project creation process, since the associations found a strategic ally in capacity strengthening, support and creation of proposals for their productive activity. Similarly, the banking entities had an approach to the reality of the panela producing associations that allowed them to analyze their strengths, weaknesses and potentialities.

This relationship between panela producing associations and other agents, especially in the banking sector, gave an important lesson to work within the framework of the project, since the credit lines were initially designed for green projects, however, the workshops showed that the needs of the panela producing associations, as well as those from the subsector, not only revolve around these projects, but the figure of sustainable credit that involves a wider range of activities and opportunities is manifested. In this process of "recognition" business and investment ideas emerged such as leasing credit for machinery, technology and other needs relevant to the production and marketing of panela sugarcane. Therefore, this discovery enhances the capacity of impact, sustainability and replicability of the project.

The next phase consists in the **execution** of the credits. One of the objectives is that the associations within the pilot tests of financial innovation obtain the approval of their projects, therefore, access to financing lines. These credits would be subject to constant monitoring and evaluation through associations and financial institutions.

These short, medium- and long-term credits must yield a series of results which are measured as **impacts**. That is to say, through mechanisms of evaluation and monitoring of the credits and the population involved current situation, changes from an initial situation (diagnosis) to the final results can be measured. These results will be socialized among all project participants in a national node where the experience of those who participated in the project will be collected.

B.3. Expected project results aligned with the GCF investment criteria (max. 3 pages)

This project has been designed with the aim of giving continuity to the execution of the fourth phase of the pilot tests of financial innovation in the agricultural sector. This is a breakthrough in the country's climate change management, as financial innovation pilot tests are a development mechanism by the Colombian banking sector to align their activities and products with the promotion of sustainable development. In addition, these pilot tests are part of the Green Protocol, which also are part of the National Climate Change System (SISCLIMA), which is the articulating and guiding system for climate change management in the country. Thus, the accompanying success of the pilot test of financial innovation for the panela sugarcane subsector suggested that the project has the capacity to replicate in a broader context, enhancing the impact and its results, after a prudent time of execution and the important articulation of agents in the financial, government and among others. This will strengthen a process where results are evidenced through sustainable credits in order to generate benefits:

1. Environmental: Reducing the emission of gases, that is, the sector's ecological footprint.
2. Social: Strengthening the social fabric and improving the people's quality of life.
3. Financial: Strengthening the financial sector, through knowledge of the value chain on which it impacts and training in horizontal and effective interaction with panela producing associations.
4. Technological: Reaching technological reconversion, with the participation of 800 associations, which impacts at least 50% of the sugar cane mills of its associates.

Paradigm shift:

It is sought to generate a paradigm shift in the face of strengthening capacities and financial innovation, not only understood as a series of functional knowledge to the producer and their respective association, but also in the generation of projects where the called components in this document intersect (financial, technological, environmental reconversion and gender perspective). Project components related with the different governmental entities, international mechanisms and financial entities, reflecting a series of impacts at an economic, environmental, technological-infrastructure level and gender perspective.

To measure this impact, evaluation and monitoring strategies were created that include an evaluation tool.

In this way, the financial strengthening and innovation project aims to have 800 direct participant associations to be impacted by the project. This throughout 160 innovation tables set up in territories chosen strategically to implement the training program and in which associate producers, banking representatives and related government institutions would sit. These territories would be called regional nodes, which would be concentrated in more than twelve panela producing departments distributed around the country, and then concentrated in a large **national Node** that establishes the approach, scale and strategies for panela production to become a consolidated business in national and international markets, with country identity, contributing to other lines of the economy, becoming a reference for other subsectors of the country's agricultural sector.

Project financing is achieved through the interaction of three financing channels. The first one of each panela producing association, the result of its commercial management; the second one, the access to resources of social and environmental funds product of its new environmental policy, and the third one, the access to credits in the offer by the financial sector and supported in schemes of financial sustainability.

Furthermore, there is a principle of gradualness and sequentiality in the credits obtained, associated with the priorities resulting in the value chain, which make it possible, regardless the size of the association, which these can execute their projects in reasonable times.

The project will consider the expected impacts of the particular projects developed by each of the panela producing associations, in the dimensions of adaptation and mitigation of climate change, technological reconversion achieved and gender perspective implemented throughout the development of their project. These impacts will be measured through achievement indicators and an evaluation tool will be applied to verify the desired gap closure.

This methodology and its results will allow documenting the monitoring of the projects, maintaining control of the investment, verifying the impact on the decrease of greenhouse gases, as well as establishing maps by regions, municipalities and panela producing departments for each variable monitored.

This assessment requires measuring instruments, laboratory analysis in various regions of the country, setting up a permanent monitoring network of the transformation that is being achieved throughout the development of the panela producing associations' projects.

B.4. Engagement among the NDA, AE, and/or other relevant stakeholders in the country (max ½ page)

Please describe how engagement among the NDA, AE and/or other relevant stakeholders in the country has taken place and what further engagement will be undertaken as the concept is developed into a funding proposal.

The designated national authority (NDA) for the Colombian case is the National Planning Department (DNP). Asobancaria, on the other hand, assists as a representative of the banking and financial sector institutions of Colombia and will be responsible for generating the spaces for consultation between public and private sector institutions. The stakeholders are from other government institutions (Ministry of Agriculture and Rural Development, Ministry of Environment and Sustainable Development) financial entities (banks involved in the development of the project), the panela producing associations and other agricultural sectors that can implement strategies through replication used in the project development. These agents are in the project because the intention is **to generate innovative public-private collaboration schemes that address specific public policy needs and at the same time awaken sustainable business and investment opportunities financially, environmentally and socially.**

C. Indicative Financing/Cost Information (max. 3 pages)

C.1. Financing by components (max ½ page)

Please provide an estimate of the total cost per component/output and disaggregate by source of financing.

Component / Output	Indicative cost (USD)	GCF financing		Co-financing		
		Amount (USD)	Financial Instrument	Amount (USD)	Financial Instrument	Name of Institutions
Gap study by region	60.500					
Training program	294.500					
Project elaboration	155.000					
Strengthening of the financing offer and monitoring of credits granted	182.000					
Project execution monitoring	238.000					
Impacts assessment	170.000					
Indicative total cost (USD)	1.100.000					

For private sector proposal, provide an overview (diagram) of the proposed financing structure.

C.2. Justification of GCF funding request (max. 1 page)

Explain why the Project/ Programme requires GCF funding, i.e. explaining why this is not financed by the public and/ or private sector(s) of the country.

The Green Climate Fund emerges at the United Nations Framework Convention as an international mechanism for developing countries to constitute climate change adaptation and mitigation practices. In this context, the panela sugarcane subsector and therefore its product; panela, which is an important line of the rural economy generates a considerable environmental footprint due to the emission of toxic gases into the atmosphere, pollution of water sources and logging of natural forest. Similarly, the cultivation and processing

of panela sugarcane and its derivatives, occurs in a context of family economies that are vulnerable to the effects of climate change and the constant changes that the price of panela has in the market.

At this point, the need arises to involve different agents such as multilateral banking, commercial banking, state banks, Finagro, Findeter, government entities among others. This to create an understanding of the agribusiness business and its operation by the financial sector to become more flexible and adapt to the dynamics of this activity, **understanding the context** will facilitate the processes of project financing and access to final beneficiaries, which are the Producers of this subsector. Similarly, along with the awareness of banks is the training of associations in order to understand the importance and benefits of associativity and its financial, technical and administrative management.

In this process, the resources provided by the GCF (Green Climate Fund) are essential to encourage the participation and commitment of the agents involved in order to mitigate the effects of climate change, as well as generate investment business sustainable to help overcome social, gender, economic, technological and environmental gaps that impede the development of the rural sector in the country.

C.3. Sustainability and replicability of the project (exit strategy) (max. 1 page)

Please explain how the project/programme sustainability will be ensured in the long run and how this will be monitored, after the project/programme is implemented with support from the GCF and other sources.

Sustainability and replicability are two fundamental terms for the project framework. Since, sustainability ensures that the long-term project is maintained and its results too. Therefore, that the different phases of the project are aimed at the agents involved going through capacity-building programs where they recognize their gaps and propose a project, which will interrelate with the other participating agents in order to generate a sustainable project and logical according to their real situation. That is, a project that is an attractive object of business and strategic alliances between the public-private sector.

Likewise, a guarantee for its sustainability is the training of the other agents such as financial institutions, so that they become familiar with the characteristics and needs of the panela producing subsector, this in order to strengthen the financing mechanisms proposed for the panela producing associations.

Equally, the project construction process by the association is constant and progressive and is subjected to evaluation and monitoring processes. These processes are characterized by contacting associations to offer support and know the progress and impact of their projects, as well as the impact of the financing mechanisms used, given the constant dialogue with financial institutions.

This in order to take advantage of the solidity of the Colombian financial system, added to the interest that this sector has in the country's agricultural development and to the growing supply of financing in response to the growing demand for financial services, in the regions where it is produced, processes and commercializes the panela sugarcane. For this reason, the project seeks to guarantee access to sustainable credit, because the pilot testing showed a wide range of business opportunities in which associations develop and where they can generate the structuring of projects conducive to mitigation and adaptability to climate change, which will have the condition of being financially sustainable. Projects that meet these conditions will be subject to credit from Colombian financial institutions.

Finally, replicability is guaranteed through the creation of a methodology and a flexible pedagogical scheme for diverse cultural sites and dynamics, which has the capacity to adapt to different economic sectors, especially in the agricultural one. Since, these respond to variables that are relevant to the framework of innovation in financial practices, strengthening of financial capacities, gender perspective and mitigating the effects of climate change. As well as in the emphasis, around the importance of socialization between agents of what happened in the project during the training programs and the national node.

In the national node, it is planned to collect the experience from 160 of the 800 panela producing associations involved in the project. These 160 associations would participate as success stories, as they are expected to be a clear example of the strengthening of financial capacities, success of sustainable credits, technological reconversion, mitigation of environmental impacts and gender equity, being representatives of the different regions covered by the 160 tables of financial innovation during the project development; This does not mean that there will only be tangible results on these 160 associations, since it is prone to the impact on reality of all participating associations.

Expected Impacts:

Financial impacts

1. Number of investment projects arose in the project.
2. New lines of innovation that emerged as a result of the project development.
3. Economic amount of approved credits.
4. Number of associations linked to the financial system.
5. Number of associates and associations covered by the project.
6. Involvement of other business figures as marketers.

Environmental

1. Reduction in the percentage of emissions of CO2 particles into the atmosphere.
2. Mitigation of pollution of water resources from freshwater.
3. Reduction of forest logging to supply the burner.
4. Inclusion of environmental policies in the statutes of the associations.
5. Use of clean technologies.
6. Clean production practices.

Technological

1. Implementation of machinery that adapts to the productive and commercial needs of the association.
2. Agricultural practices - agroecological models for degraded soils restoration-
3. Plan efficient land use, land adaptation, social and rural land planning according to the functions proposed by UPRA (Rural Agricultural Planning Unit of the Ministry of Agriculture)
4. More environmentally sustainable technologies in economic and environmental matters.
5. Innovative production and marketing practices.
6. More efficient infrastructure that meets the goals proposed in the project by the associations.

Gender perspective

1. Participation of women in associations and pana production. This implies that the statutes promote the participation of women in the administrative order of the association, the commercialization and production processes.
2. Consolidate women's leadership within associations.
3. Promote gender equity by making visible the inequalities that exist between men and women, as well as the potentialities that both possess.
4. Provide special support to projects led by women and women's associations.
5. New statutory policies on gender.

Legal framework

Promote the legal consolidation of the participating pana producing associations through knowledge, dissemination of this. As well as, the positive and negative consequences depending on the situation of the association regarding this issue.

D. Supporting documents submitted (OPTIONAL)

- Map indicating the location of the project/programme
- Diagram of the theory of change
- Economic and financial model with key assumptions and potential stressed scenarios
- Pre-feasibility study
- Evaluation report of previous project
- Results of environmental and social risk screening

Self-awareness check boxes

Are you aware that the full Funding Proposal and Annexes will require these documents? Yes No

- Feasibility Study
- Environmental and social impact assessment or environmental and social management framework
- Stakeholder consultations at national and project level implementation including with indigenous people if relevant
- Gender assessment and action plan
- Operations and maintenance plan if relevant
- Loan or grant operation manual as appropriate
- Co-financing commitment letters

Are you aware that a funding proposal from an accredited entity without a signed AMA will be reviewed but not sent to the Board for consideration? Yes No

Bibliography

Ahumada, J. (2015). Efectos de la tecnología utilizada en la producción panelera en las transformaciones ambientales de la Hoya del Río Suarez. Universidad Nacional de Colombia. Recuperado de <http://www.bdigital.unal.edu.co/52647/1/80120672.2015.pdf>
