

Bancóldex and AFD Strengthen Commitment to Sustainable Development in Colombia



- *The agreement between the two entities includes financing for climate change mitigation and adaptation, economic and social development, strengthening gender equality practices, and support for small and medium-sized enterprises (SMEs), among other actions.*
- *With this partnership, Bancóldex reaffirms its commitment to the Paris Agreement and the 2030 Agenda, positioning itself as a leader in the financing of sustainable business projects in Colombia.*

Cartagena, Colombia – September 5, 2023 – Bancóldex, Colombia’s development bank, and the Agence Française de Développement (AFD), signed a memorandum of understanding (MoU) today at the World Summit of Development Banks (FiCS 2023) in Cartagena, Colombia. This MoU marks a significant milestone in cooperation between development banks to promote sustainable development.

The MoU, signed by Bancóldex President Javier Díaz Fajardo and AFD CEO Rémy Rioux, establishes a framework for cooperation in key areas, including: Capacity building and financing for climate change mitigation and adaptation, Economic and social development, Strengthening gender equality practices, and Supporting small and medium-sized enterprises (SMEs)

The document outlines a roadmap based on knowledge and experience sharing, including training for officials and professionals from both institutions. This will help to design new financial and non-financial instruments that facilitate the mobilization of financial flows to contribute to the achievement of the Sustainable Development Goals (SDGs) in Colombia.

The partnership reaffirms Bancóldex's commitment to align with the Paris Agreement and adopt strategies to address the urgent challenges of achieving the 2030 Agenda, positioning itself as a leader in the financing of sustainable business projects, incorporating best practices that allow for the management of environmental, social, and climate risks, both physical and transition, in the Bank's credit operations.

"With the signing of this MoU, Bancóldex and AFD consolidate a cooperative relationship that is not new, but rather the product of several years of joint work with a common purpose that has yielded very important results," highlighted Bancóldex President Javier Díaz Fajardo.

Bancóldex has included tools in its portfolio such as special credit lines for the financing of green projects for more than COP 1.6 trillion to 10,000 companies in the past six years. Additionally, it has launched credit lines to promote women's participation in the business fabric that have benefited more than 220,000 entrepreneurs with more than COP 1.7 trillion in favorable loans, and in 2022 alone, it achieved a record financing of SMEs, mobilizing around COP 5 trillion to finance more than 170,000 entrepreneurs.

"I am delighted that Bancoldex and AFD Group join forces on the 4th edition of the Finance in Common Summit, as public development banks committed to achieving 2030 Agenda and the Paris Agreement. This partnership will reinforce our mutual capacity to invest in projects supporting climate change mitigation and adaptation, promoting gender equality, and fostering entrepreneurship, among other initiatives" said Remy Rioux.

About Bancóldex: Bancóldex is Colombia's development bank. It promotes sustainable business development and strengthens competitiveness through financing, investment via venture capital funds, and business support programs.

About AFD: The Agence Française de Développement (AFD) is the development bank of the French state. It is a public financial institution that promotes development aid and environmental protection policies. AFD finances, supports, and accelerates transitions to a more just and sustainable world.