



## Five Years of Positive Impact in Colombia

Palladium Special Update - July 2023

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Palladium is a global impact firm with operations in 90 countries, including Colombia. Over the past five years, Palladium has been working with partners in the country to make a positive impact, contributing to a more prosperous and peaceful society. Our work is focused on better land use practices, child protection, and sustainable use of forests – which represent 50 percent of the country’s area and play a critical role in mitigating the impact of climate change in Colombia.


Palladium has gone far and wide to understand, support, and forge relationships in Colombia. We’ve worked through programs – such as Partnerships for Forests, Partnering for Accelerated Climate Transitions, and Data for Impact – and with organisations – such as Bamboo Capital Partners, the asset management arm of Palladium’s impact investing business, and the World Bank – to build trust among grantees, partners, suppliers, government, the private sector, and communities.

This update presents a snapshot of activities and results undertaken in Colombia, starting with a two-person team in 2018 and quickly branching out to a team of over 30. We look forward to five more years of transforming and sustaining the country’s natural and human capital through USAID’s \$51 million Colombia Sustainable Agriculture Activity, awarded to Palladium in February 2023.

# Partnering to Improve Land Use, Productivity, and Outcomes

Palladium has been working through the UK's [Partnerships for Forests](#) (P4F) since 2018 to transform and improve land use practices and improve productivity outcomes for rural communities, small producers, small and medium-sized enterprises, and different landowners. Impacts from locally founded organisations include the following:

- Planeta has scaled up and expanded its harvesting and processing of heart of palm and acai, selling to multiple clients, including Crepes & Waffles, one of the most important restaurant chains in Colombia.
- Ecoflora developed a business model for a regenerative value chain with cattle ranchers and smallholders to sell Jagua Blue to European clients. In 2023 Ecoflora received FDA approval for the natural blue powder used in food and cosmetics.
- Corpocampo was linked with Grupo AJE, a P4F partner in Peru, to develop an aguaje value chain and to start exporting acai pulp to Peru. Formal agreements include a non-deforestation component.
- Terrasos habitat banks gain income from non-timber forest products, tourism, and honey production. The company sells biodiversity credits to an increasing number of clients and investors interested in contributing to biodiversity protection in El Globo reserve, in alliance with EAFIT University, KPMG, and Climate Trade to verify credits.
- The Humboldt Institute, ANDI, and MADS collaborated with P4F on the creation and passage of Decree 690 (2021), which sets the framework to request a non-timber forest product permit in Colombia – an important step in adding value to standing forest.



Through the Naidiseros project, acai pulp production increased from 30 kilograms in 2018 to 70 tons in 2021.

Jagua fruit is behind the natural blue powder sold as Jagua Blue.



## P4F Program Impacts on Capital, Land, and Livelihoods

PROJECT	PRIVATE CAPITAL MOBILIZED	HECTARES UNDER SUSTAINABLE MANAGEMENT	FAMILIES BENEFITING
Naidiseros and Fondo Acción	£232,712	58,000	150
Planeta and Bioinnova	£78,387	29,300	86
Ecoflora	£1,565,930	4,222	103
Corpocampo	£190,151	2,996	170
Terrasos	£290,266	2,670	21



Processing Jagua Blue in Sabaneta, Antioquia.

## Adopting New Practices for Sustainable Livelihoods

Palladium is collaborating with Rare, under the UK government-funded Partnering for Accelerated Climate Transitions (UK PACT) program, to adopt new technology and practices to transform Colombia's agricultural sector in El Dorado and Granada, Meta. Taking a behavioral approach, the project has trained more than 820 cocoa farmers in climate-smart agricultural practices with an average adoption rate of 78 percent. Enhanced actions include composting, implementing fertilization plans, and using agroclimatic data. Through a two-way mobile platform, 2,900 additional farmers have received digital advice on regenerative agriculture and adaptation to climate change, supporting a digital transformation in the territory.

Also under UK Pact, Palladium managed and advised a project implemented by E3, that has paved the way for local communities who have historically suffered violence to have a sustainable livelihood from ecotourism. By joining biological sciences with tourism, communities in Las Quinchas, Boyacá have identified and incorporated bird species and useful plants for unique community-based tourism and gastronomic experiences. The community formally established a Tourism Committee and has built capacities to market and commercialise their products.



The Rainbow Waterfall and dishes using local sources attract ecotourism for sustainable livelihoods in Las Quinchas, Boyacá.

## Creating Digital Solutions for Child Protection Workers

Since 2022, through the USAID-funded Data for Impact project, Palladium has been working with the Colombian Institute of Family Welfare (ICBF) in Bogotá to improve its information systems for child protection. First, Palladium conducted user experience mapping, collected user stories, and developed interactive mock-ups to understand system usability issues experienced by frontline child protection workers. Then, Palladium conducted workshops where frontline workers could recommend solutions and provide feedback on proposed designs to improve the system.

Further, Palladium is working with ICBF to develop indicators to measure performance and outcomes related to child protection services. ICBF plans to measure key dimensions of wellbeing (e.g., health and education) for three years after the termination of protection services. The indicators are being developed through participatory workshops that include frontline child protection workers from within ICBF and outside the organisation to capture diverse views.



Participatory and collaborative workshops, held in Bogotá, ensure that system user needs are understood and met.

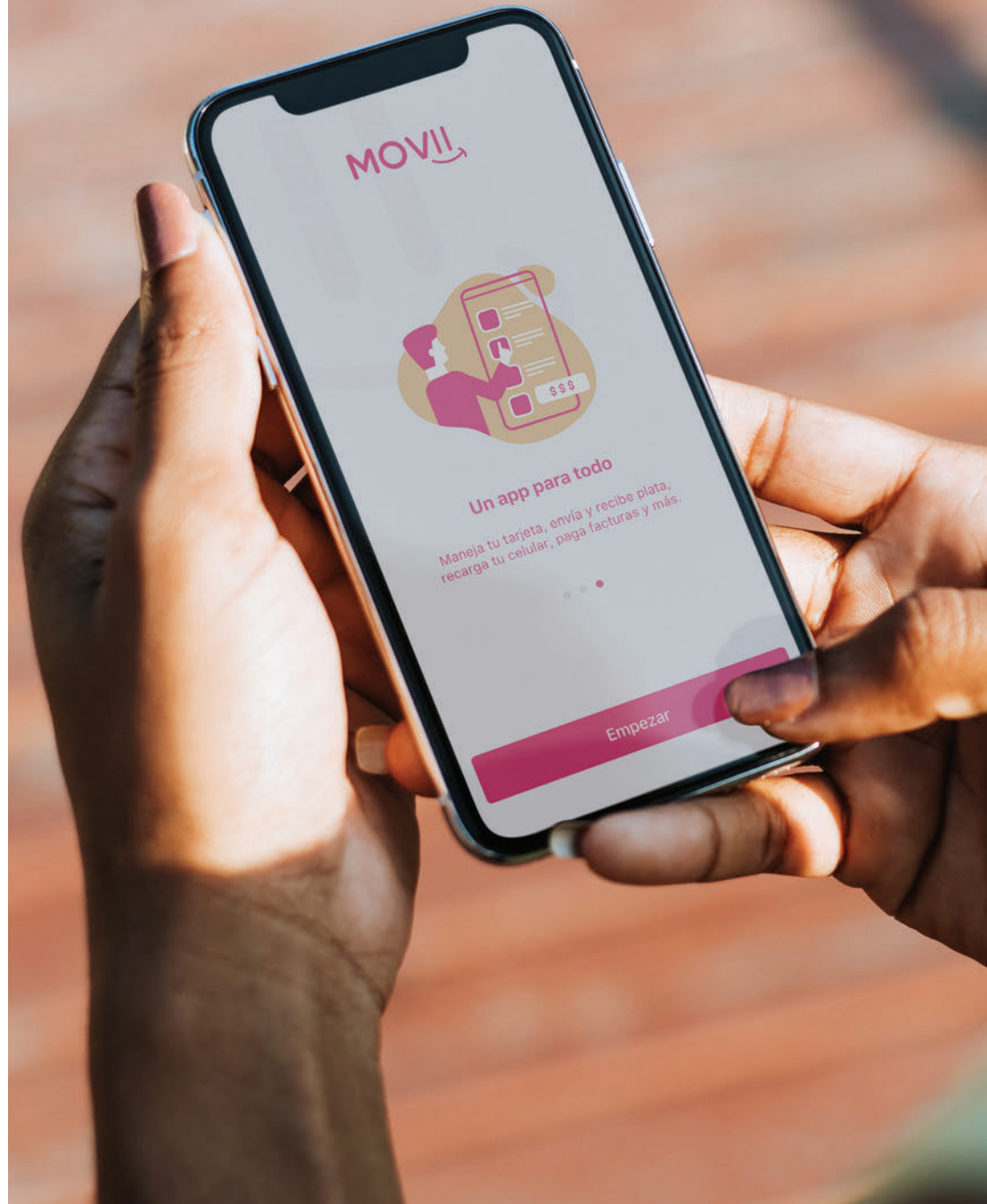
# Impact Investing through Bamboo Capital Partners

Bamboo Capital Partners, the asset management arm of Palladium's impact investing business, provides financing solutions to businesses in emerging markets serving the needs of low- and middle-income populations, thus catalysing lasting impact. Bamboo bridges the gap between seed- and growth-stage funding through a full suite of finance options – from debt to equity – which are activated unilaterally or through strategic partnerships. Bamboo operates in banking, microfinance, clean energy, agriculture, and tech venture capital for impact around the world, with regional offices in Bogota, Nairobi, and Singapore.

Bamboo has invested in the following companies in Colombia:

- **Banco W, a microfinance Bank in Cali with a focus on women entrepreneurs.** Alongside other impact investors, Bamboo made an equity investment as a minority shareholder in 2012. In 2022, Bamboo sold its shares to Fundación WWB Colombia, the main shareholder of the bank. Bamboo's focus was to incentivise the financial inclusion of underserved women in the country and improve their access to credit.
- **Moviired, a fintech company with a focus on cash-in, cash-out transactions.** Alongside IFC and Agrega Partners, Bamboo made an equity investment in 2015, focusing on promoting the use of technology to improve financial inclusion of the country's underserved population. Movii, a subsidiary company of Moviired, was selected as one of the companies to provide COVID-19-related financial subsidies using the company's technological platform.
- **UNI2, a non-banking microfinance institution focused on vehicle financing and microfinance in rural areas.** Bamboo provided a debt facility in 2022 to expand a portfolio of credits with new agriculture product offerings and increase access to finance for clients in Cali, one of the biggest cities in the country.

Movii customers can use an app to buy services and perform cash-in, cash-out transactions.



# Assessing the Potential of Promising Non-timber Forest Products in the Orinoquía Region

Palladium is working for the World Bank with Fondo Accion and Amplo to carry out an assessment of opportunities and challenges associated with the development of non-timber forest products (NTFP) value chains in the four departments of the Orinoquía Region (Meta, Arauca, Casanare, and Vichada). Together the consortium is identifying the NTFPs – such as nuts and oil seeds – with the greatest commercial potential through primary and secondary research and consultation with local stakeholders; developing a detailed value chain and market prospects analysis for prioritised NTFPs; and making recommendations on necessary institutional and policy changes as well as pathways to create an enabling business ecosystem for the development of NTFP value chains in the region. The knowledge generated through this project will improve the ability of the World Bank to design effective lending operations and will also provide relevant advice to the government of Colombia and other key actors on how the commercialisation of selected NTFPs can be promoted in ways that contribute to the low carbon development of the region. 🌱



Cacaoy nuts being processed for production of cosmetics in Tacay's plant in San Martín, Meta.



Palladium is a global impact firm, working at the intersection of social and environmental impact and commercial growth. For nearly 60 years, we've been helping our clients to see the world as interconnected – by formulating strategies, building partnerships, mobilising capital, and implementing programs that have a lasting social, environmental, and financial impact. We simply call this “positive impact.”

We work with corporations, governments, investors, communities, and civil society. With a global network operating in over 90 countries, Palladium is in the business of making the world a better place.

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