

# A Green Future or Has Time Run Out?

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In the context of the Inter-American Development Bank (IDB) Assembly held on March 18th, 2021, the Bank president Mauricio Claver-Caron announced the creation of a fund for economic development in the Amazon. The Fund will have 20 million dollars in seed capital, contributed by the IDB, and will receive other contributions, including a 775 million dollar commitment from the United Nations' Green Climate Fund.<sup>1</sup> The Fund is expected to have a capital of approximately 1 billion dollars.<sup>2</sup>

After the Fund's creation was announced, there was a discussion with participation from different sectors. These included inter-governmental spokespeople, with participation from the Amazon Cooperation Treaty Organization (ACTO), the Green Climate Fund; the National Development Bank (BNDES) and Santander Bank represented the private sector; with participation from the NGOs Global Environmental Facility (GEF) and the Betty and Gordon Moore Foundation. There was no representation from sub-national governments or communities that inhabit Amazon cities and jungles.

The economic sector's position was dominant in the discussion, sustaining that the bio-economy will be the mechanism to stimulate investment and the execution of bio-businesses in the region. Among the projects that will be financed by the Fund are sustainable cattle ranching, investments in forests, the productive chains from the pharmaceutical sector and genetic resources as fields that are conducive to a coordination of interests. Even though indigenous peoples were mentioned, only the representative of philanthropic donors stressed that infrastructure investments must observe the Convention on Biological Diversity (CB) and ILO Convention 169 on Indigenous Peoples.

The IDB president indicated that investment “defines the financial and operational framework for next the five years in close coordination with the Amazon countries and the Amazon Cooperation Treaty Organization (ACTO).”<sup>3</sup> This inter-governmental apparatus will be a priority partner in this new alliance, even though its coordination role has not been outstanding. An example of this is its limited actions concerning the 2019 fires.

The Fund is part of implementing the Amazon Action Plan adopted in Madrid in December 2019, to develop the Leticia Pact which was promoted after the fires in the Amazon forests, propagated especially in Brazil and Bolivia. The Action Plan established the following areas:<sup>4</sup>

- **Area I: Reforestation, conservation, sustainable forest use and biodiversity, and the promotion of the bio-economy (Mandates 1, 5, 8, 9, and 10).**
- **Area II: Amazon security (Mandates 2, 3, and 4).**
- **Area III: Information and knowledge management and reporting (Mandates 6 and 7, 13 and 14).**
- **Area IV: Empowering women and indigenous peoples (Mandates 11 and 12).**
- **Area V: Financing and International Cooperation (Mandates 15 and 16).**

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[1] <https://www.dw.com/es/bid-anuncia-fondo-onu-de-usd-775-millones-para-desarrollo-de-la-amazon%C3%ADa/a-56946597>

[2] <https://www.larepublica.co/economia/vamos-a-tener-casi-us1000-millones-en-compromisos-de-donantes-para-el-fondo-3141718>

[3] <https://asambleabid2021.com/2021/03/bid-destina-usd-20-millones-para-el-desarrollo-economico-sostenible-del-amazonas/>

[4] [https://www.minambiente.gov.co/images/2019/PLAN\\_DE\\_ACCION\\_PACTO\\_DE\\_LETICIA\\_POR\\_LA\\_AMAZONIA.pdf](https://www.minambiente.gov.co/images/2019/PLAN_DE_ACCION_PACTO_DE_LETICIA_POR_LA_AMAZONIA.pdf)

**Area V includes the initiative to promote Funds for the Amazon's sustainable development and bio-economy, which will be administered by the IDB, with participation from the private sector. Participation from other Multilateral Banks and the European Union through Euroclima+ was proposed.**

In agreement with these areas, the Fund will focus on four priority areas: bio-economy, sustainable management of agriculture and cattle ranching, forests and human capital, and sustainable cities and infrastructure. Although the Fund was recently created, the Plan's implementation route uses credits and technical cooperation agreements that the countries have already begun to negotiate with the IDB.

For example, in Colombia, there have been advances in the project Promotion of Green Investment and the Bioeconomy for the Fight Against Deforestation,<sup>5</sup> which seeks to modernize public and private institutions so they can administer and promote a variety of financial mechanisms and incentives that support the sustainable management of biodiversity, conservation, and the sustainable use of forests nationally, including some Amazon territories such as Caquetá and Putumayo.

Other projects are focused on a digital strategy making it possible to confront deforestation and, at the same time, attract financing for the Amazon. This is the case of project Technology and Innovation to Close the Financial Gap in the Conservation of the Amazon River Basin Pilot Project Herencia Colombia,<sup>6</sup> which has the objective of helping to cover the deficit for conservation financing in the river basin by optimizing financing channels for projects in this region. These are digital platforms that make it possible to store intelligent data and tools in a single place and thus connect governments, investors, donors, and philanthropists with investment opportunities.

In the panel, the MOORE foundation shared some observations about the weaknesses in coordination between Amazon knowledge and the formulated development projects, the need to improve conditions in the Amazon's urban areas, and to improve the decision-making processes in infrastructure planning. Accordingly, they reiterated the call about the limited time to stop the growing destruction and degradation of the Amazon ecosystem.

**Ambiente y Sociedad** calls on the Colombian Government and IDB to guarantee the Fund's development and the implementation of other initiatives to protect the Amazon, respecting and guaranteeing transparency, access to information, and citizen participation for the communities that inhabit these territories, who have been and continue to be affected by the armed conflict. It is fundamental that these programs and investments effectively include local initiatives that already exist and are being implemented in the region, such as those that promote reforestation or sustainable local economies. The green future is not clear unless this is truly a sustainable fund and not just an effort to promote businesses. Let us remember that time is running out to stop the irreversible transformation of tropical forests.

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[5] <https://www.iadb.org/es/project/CO-G1025>

[6] <https://www.iadb.org/es/project/CO-T1601>