

Colombia-UK PACT

Terms of Reference: Just Energy Transition

Grant value:

Up to £500,000 per project per UK financial year (April-March), up to a maximum of £1,000,000 over 23 months.

Project duration:

From 12 months up to 23 months. All projects are expected to start around May 2025 and can end no later than March 2027.

Deadline for submission of Full Proposal of shortlisted candidates:

23 January 2025 at 23:59 COT.

Apply through Call for Proposals web page:

Shortlisted candidates will be sent a link to apply via email.

What is UK PACT?

UK PACT (Partnering for Accelerated Climate Transitions) is funded by the UK Government through its International Climate Finance (ICF) portfolio. We work in partnership with official development assistance (ODA) eligible countries with high emissions reduction potential to support low-carbon development and clean growth transitions. UK PACT Country Programmes respond directly to priorities identified by partner governments and provide grants for capacity-building projects in priority areas.

The UK PACT Colombia Fund is looking to extend its support under the [UK-Colombia Partnership for Sustainable Growth](#) which aims to accelerate the reduction of greenhouse gas emissions and to promote sustainable, low-carbon and nature-positive development.

Since 2018 the programme has funded numerous activities in Colombia with a total value of approximately £24 million, in sectors such as sustainable livelihoods, energy, green finance, climate policy and sustainable mobility.

This Call for Proposals seeks to respond to request for technical assistance and capacity building to enable conditions for a Just Energy Transition (JET). It seeks to strengthen energy security and resilience through a diversified, cleaner energy matrix and a modernised electricity market, that contributes reducing greenhouse gas emissions, while improving the livelihoods of local communities impacted by the energy transition, fostering green job creation and economic diversification.



Why are we focusing on the Just Energy Transition in Colombia?

- In Colombia, the energy sector is the second-largest source of emissions after the AFOLU sector (agriculture, forestry, and other land uses). In 2018, it accounted for 30.7% of the country's total emissions (about 303 Mt CO₂ eq) [1]. This sector plays a significant role in the country's economy and is closely linked to both environmental and social factors.
- The exploration and production of fossil fuels are central to the national economy. About 70% of the primary energy consumption comes from fossil fuels and the participation of the mining-energy sector in the national GDP has fluctuated between 8% and 14% between 2005 and 2019[2].
- While a short-term increase in thermal power generation is anticipated due to reduced hydropower output from projected low rainfall until at least 2025, and coal remains a more cost-effective option, particularly in the event of natural gas shortages, the Government of Colombia (GoC) is committed to phasing out coal. This aligns with initiatives like the Powering Past Coal Alliance (PPCA), which are vital for addressing one of the primary contributors to climate change: coal combustion. Colombia is member of PPCA since 2023[3] and seeks to enable a just and effective transition towards a more sustainable energy future, in line with global emission reduction targets and ongoing efforts to mitigate climate change.
- In line with global needs, the country aims to gradually reduce emissions by moving away from a model reliant on oil, natural gas, and coal. The focus is on building a more diversified clean energy economy with increasing participation of renewable energy and enhanced electrification of end-use sectors, including transport. Although the country's contribution to global warming is low, Colombia is highly vulnerable to its effects. The updated NDC from 2020 sets an absolute emissions limit of 169 Mt CO₂e, equivalent to a 51% reduction in emissions by 2030 compared to the business as usual (BAU) scenario[4].
- Colombia has a low-carbon power sector thanks to the significant role of hydropower which accounts for about 63% of the national energy mix. Yet, thermal power plants, which burns fossil fuels, contribute approximately 30% of the electricity supply[5]. The national grid (SIN) has 18 active coal-fired power generation plants that represent 2,225 MW of installed capacity[6]. Non-conventional renewable power accounts for about 6% of the generation matrix[5]. About 80% of power generation in non-connected and widely impoverished areas, is based on diesel[7]. This reliance on fossil fuels has implications for the country's economic, environmental, and social sustainability.

[1] IDEAM, "Third Biennial Update Report on Climate Change". 2021.

[2] UPME, "National Energy Plan 2020-2050". 2020

[3] PPCA, "Powering Past Coal Alliance"

[4] MADS, "Official Documents Nationally Determined Contributions." Update of Colombia's Nationally Determined Contribution (NDC), 2020.

[5] XM, "Technical Parameters of the National Interconnected System - Installed capacity"

[6] XM, "Technical parameters of the National Interconnected System - Fuel type"

[7] IPSE, "National Monitoring Center".



Why are we focusing on the Just Energy Transition in Colombia?

- Diversifying the energy sector by investing in non-conventional renewable energy sources such as solar, wind, and biomass, will create a more resilient economy. This diversification will not only enhance energy security by reducing dependence on fossil fuels but also generate new economic opportunities, stimulate job creation, and foster technological innovation in the renewable energy sector. Yet, the country has faced some delays in renewable energy entry.
- The government of Colombia aims to implement a just and sustainable energy transition to ensure the country's energy security, improve access to energy, and take actions to achieve a 51% emission reduction compared to the projected emissions by 2030 in the reference scenario[4]. This transition is expected to focus on five key pillars: i) increased investments in clean energy and decarbonisation; ii) progressive substitution of fossil fuel demand; iii) increased energy efficiency; iv) improved regulations to accelerate clean energy generation, and v) enhanced industrialisation of the Colombian economy[8]. To build the roadmap for a JET, the Government of Colombia (GoC) has already developed key participatory frameworks, including the National Energy Transition Scenarios and the Subnational Energy Potential and Decarbonisation Opportunities. These frameworks provide a foundation for identifying the most viable pathways to decarbonisation and highlight regional energy potential, fostering localised approaches to clean energy generation[9][10].
- Colombia faces several challenges in realising its vision of a Just Energy Transition. Specifically, the following three problems have been identified by UK PACT in consultation with Government of Colombia counterparts: i) Limited expansion and deployment of large-scale renewable energy projects: while Colombia has significant potential for renewable energy, the current expansion and deployment of large-scale renewable projects are facing significant delays; ii) Misalignment of the electricity market with a diversified energy matrix: the existing electricity market structure does not adequately support the integration of a diversified energy mix that includes a larger share of non-conventional renewable energy. Market mechanisms and regulatory frameworks need to evolve to take in and incentivise renewable energy sources; iii) Lack of a comprehensive and inclusive strategy for phasing out coal-based power plants: there is a need for a clear and inclusive strategy to phase out coal-fired thermal power plants, considering the socioeconomic implications for communities and sectors that depend on coal production and consumption along the entire supply chain.

[8] MME, "[Ministry of Mines and Energy](#)," 15 April 2023.

[9] Ministry of Mines and Energy, "[National Energy Transition Scenarios](#)," 2023b.

[10] Ministry of Mines and Energy, "[Subnational Energy Potential and Decarbonization Opportunities](#)," 2023c.

This Call for Proposals seeks to support initiatives that effectively address these challenges, thereby facilitating Colombia's progress towards a just and sustainable energy transition. Successful proposals will receive funding to develop innovative solutions that promote the integration of non-conventional renewable energy in the national electricity system, transform electricity market dynamics, facilitate phasing-out coal, ensuring a fair transition for all stakeholders involved while ensuring the security and reliability of energy supply.



Funding priorities for Just Energy Transition in this Call for Proposals:

Following bespoke engagement with Government of Colombia (GoC) counterparts, non-government organisations (NGOs), civil society, and the private sector it is expected that projects under UK PACT contribute to the Just Energy Transition in three areas of intervention:

- 1.Support the expansion and deployment of large-scale non-conventional renewable energy projects:** Facilitate the integration of non-conventional renewable energy (NCRE) sources into Colombia's national electricity grid, advancing regional, territorial, national, and global climate objectives and supporting the transition to a low-carbon energy system.
- 2.Support the modernisation of the electricity market:** Support the development of a market framework that ensures the integration of non-conventional renewable energy into the system, enhancing flexibility, reliability, fairness and efficiency.
- 3.Support the just and equitable phasing out coal-fired power plants:** Assist in the systematic and just closure of coal-fired power plants, ensuring enough energy supplying, and a just transition by fostering a new socio-economic landscape that promotes the development of sustainable industries and creates new employment opportunities for affected communities throughout the coal supply chain.

The programme proposes to apply a multi-scale approach, awarding funding for a combination of projects that will operate at the national, subnational and/or local areas. When projects complement by working at multiple scales, greater potential for transformational change can be achieved.

Applicants may prioritise specific geographies for the intervention areas in alignment with national government priorities for the Just Energy Transition. In those cases, applicants are encouraged to target geographies that support the implementation of Just Energy Transition. Applicants should present a clear rationale for the selected prioritised geographies.

Projects are expected to work with key counterparts which could include but are not limited to:

- National and regional governments and public entities.
- Energy sector companies and industry guilds.
- Electricity market players such as market operator, power generators and utilities.
- Academia applied research centres and think tanks.
- Non-governmental organisations (NGOs).

An indicative list of key counterparts, as main recipients (beneficiaries) of the project's outputs, are suggested for each area of intervention in the tables below. Projects are expected to engage with relevant counterparts to effectively coordinate interventions and to adopt the project's outputs. Each proposal must specify who the key counterpart (s) for each project is.

The tables below outline more details and expectations for each intervention area, as well as illustrative activities that may be suited to achieve the desired outcomes. Applicants should consider these activities and outcomes when developing their proposal, but they can be re-designed and complemented by specific methodologies for implementation. Additional activities that fit the objectives of intervention areas are welcomed. Proposals should clearly state the methodology used to achieve the expected results.

To be eligible for funding, all projects must respond to at least one of the three specific intervention areas described below, include a clear plan to support the counterpart's implementation strategy, and have a clear long-term sustainability strategy.

Areas of intervention

Intervention area 1	Support the expansion and deployment of large-scale non-conventional renewable energy projects
Key suggested counterparts	<p>Main counterparts: Ministry of Mines and Energy (MME), Mining and Energy Planning Unit (UPME), National Agency for Environmental Licenses (ANLA), Regional Autonomous Corporations (CARs).</p> <p>Other counterparts: Energy and Gas Regulatory Commission (CREG), Ministry of Environmental and Sustainable Development (MADS), Ministry of Interior (MI), Renewable Energy Association (SER), utility companies, energy sector associations (SER COLOMBIA, ACOGEN, ANDEG, among others), National Training Service (SENA), Fund for Non-Conventional Energies and Efficient Energy Management – Fenoge.</p>
Main objectives	<ul style="list-style-type: none"> • Accelerate the implementation of large-scale renewable energy projects connected to the National Interconnected System, promoting a robust, competitive, sustainable and resilient energy sector. • Drive significant reductions in greenhouse gas emissions by enabling and scaling up large-scale sustainable non-conventional renewable energy projects, playing a key role in advancing global climate goals and accelerating the energy transition. • Promote enabling conditions of governance, regulation, capacity and accessing finance to deploy the use of non-conventional renewable energy in the electricity matrix. • Support sustainable economic national, regional, and territorial growth by promoting the widespread adoption of clean energy technologies and fostering the creation of green jobs, driving both economic development and environmental protection.

Illustrative scope of activities
(non-exhaustive)

- Support capacity building and inclusive dialogue methodologies to engage Indigenous Peoples, local communities (IPLCs), project developers, and national and local authorities throughout the planning, implementation, and operation phases of NCRE generation and transmission projects. This will involve fostering culturally sensitive communication, enhancing understanding of project benefits, addressing concerns over land use, livelihoods, and cultural impacts, and ensure active community participation in decision-making processes to build trust, reduce uncertainty, and minimise conflicts, aligning with social and environmental justice goals.
- Support the development of installed capacities in national and local authorities, communities, associations and other interested parties, for designing, implementing, monitoring and evaluating the impact of NCRE projects.
- Provide recommendations to Environmental Authorities to improve and optimise environmental impact assessments and environmental licensing processes for NCRE generation and transmission projects, reducing delays in project implementation.
- Design and implement green jobs training and placement programmes, in partnerships between NCRE developers, national and local governments, and educational/vocational training institutions, to provide skilled labour to meet the growing demand for green jobs in the NCRE sector, considering equal and inclusive opportunities and tailored to the needs of local communities.
- Facilitate financial matchmaking activities with local banks, multilateral banks, national, regional, territorial, and local authorities, as well as project developers, to improve access to funding for large scale NCRE projects for generation and transmission, as well as enhancing mutual understanding, building strategies to reduce perceived financial risks and promote collaboration between key stakeholders.
- Provide strategic recommendations to the Ministry of Mines and Energy to enhance coordination and align the efforts of key stakeholders involved in Colombia's Just Energy Transition, ensuring efficient collaboration, focused leadership, and comprehensive attention to relevant issues for decarbonisation of the energy matrix. Strong governance is essential for successfully achieving JET.

<p>Intermediate outcomes (non-exhaustive)</p>	<ul style="list-style-type: none"> • Designed governance structure for the JET, proposing roles, responsibilities, resources, goals and reporting mechanisms, and considering multistakeholder engagement, policy, regulation and financial mechanisms. • Skills enhanced of the IPLCs, project developers and government national and local authorities to have an inclusive and equitable planning, implementation, operation, management and maintenance of NCRE generation and/or transmission projects. • Government stakeholders design and adopt operational employment plans to stimulate local economies around renewable energy projects. These plans will focus on creating equal and inclusive job opportunities, advancing the deployment of renewable energy projects, and stimulating local business growth. • Adopted processes to streamline environmental licensing procedures for NCRE generation and transmission projects, including simplified application workflows, timelines, and enhanced coordination between regulatory agencies, promoting timely and efficient development of renewable energy generation and transmission projects.
<p>Illustrative outcomes (non-exhaustive)</p>	<ul style="list-style-type: none"> • Adoption of a governance structure that supports JET, featuring effective reporting mechanisms and incorporating multistakeholder engagement. • Reduced resolution time for consultation processes and the issuance of environmental licenses for sustainable NCRE generation projects and transmission lines. • Reduced perceived risk among financial institutions regarding investment in renewable energy projects, leading to increased funding opportunities. • Enhanced local economies around NCRE and increased offer of local equal and inclusive skilled labour to plan, implement and operate NCRE projects.

Areas of intervention

Intervention area 2	Support the modernisation of the electricity market
Key suggested counterparts	<p>Main counterparts: Energy and Gas Regulatory Commission (CREG); National Energy Planning Department (UPME); Ministry of Mines and Energy (MME); Centro Nacional de Despacho; (CND).</p> <p>Other counterparts: Utility companies, energy sector associations (SER COLOMBIA, ACOGEN, ANDEG among others), CIGRE (Large Electric Systems International Council), market operator -XM.</p>
Main objectives	<ul style="list-style-type: none"> • Facilitate the development and implementation of a modernised electricity market, ensuring the efficient integration of renewable energy sources and improved market flexibility. • Strengthen the market conditions to integrate a higher share of non-conventional renewable energy sources, such as wind and solar in the national electricity system. • Support to improve the flexibility of the energy system to handle the variability of renewable energy to ensure a reliable and resilient energy supply.
Illustrative scope of activities (non-exhaustive)	<p>This work is to be conducted considering the national framework for the 'modernisation of the wholesale energy market in Colombia' (Res. 143/2021 - CREG):</p> <ul style="list-style-type: none"> • Assess the potential impact and implications of introducing an intraday market as established in Res. 143/2021, including its effects on tariffs and competition, with consideration of the high concentration in Colombia's current electricity market. • Facilitate a comprehensive technical analysis of incorporating new technologies into Colombia's transmission networks (for example, Battery Energy Storage Systems -BESS, High Voltage Direct Current -HVDC, Flexible AC Transmission Systems -FACTS, and Dynamic Line Rating -DLR), and evaluate their impact on the electricity market and system performance. • Provide recommendations to develop market mechanisms such as intraday operations, ancillary services and reliability charge incentives, among others, considering the integration of advanced technologies into the electricity market and their impact on the electricity tariff.

- Assess the market update scheme (real time intervals) proposed in the Res. 143/2021 and provide recommendations for the most optimal scheme.
- Evaluate Colombia's optimal number of potential bidding zones to accelerate renewable power adoption at any scale by having electricity prices that rely on the region's resources.
- Provide qualitative and quantitative recommendations for regulatory aspects to modernise the electricity market, including required regulatory updates, streamlined procedures, and schemes that promote competition, innovation, and integration of advanced technologies. These recommendations should be grounded in data-driven insights, and supported by models and simulations, to ensure robust analysis of market dynamics and the impacts of proposed changes, thus enabling a more informed and efficient regulatory modernisation process.
- Provide technical assistance and recommendations for incentive and imbalance penalty schemes that take into account the unique characteristics of non-conventional renewable energy sources, such as solar and wind. These resources are variable and intermittent, requiring a tailored approach to ensure system reliability.
- Incorporate incentive compatibility features in the current reliability charge mechanism when reporting heat rate values. This should include optimal penalty mechanism that incentivises participants to reveal trustable values.
- Facilitate knowledge exchange sessions with countries that have successfully modernised their electricity market, preferably with those that have similar electricity matrix, such as a significant reliance on hydroelectric power and a growing integration of renewable energy sources like solar and wind.
- Facilitate policy dialogue between market participants, consultants, and authorities, through workshops, seminars, and technical forums aimed at driving the modernisation of the electricity market. These engagements will foster collaboration on regulatory reforms, strategic planning, and the integration of innovative solutions.
- Design and implement specialised trainings for stakeholders on the technical, regulatory, and economic aspects of integrating renewable energy generation into the national system and modernisation of the electricity market.

<p>Illustrative intermediate outcomes (non-exhaustive)</p>	<ul style="list-style-type: none"> • Skills enhanced of market participants and the public sector to actively engage on planning and implementation of a modernised electricity market. • Adopted recommendations and roadmap for regulatory and technical aspects to facilitate the modernisation of the electricity market. • Improved market mechanisms that promote the integration of renewable energy in the electricity system, contributing to a more flexible and resilient electricity market.
<p>Illustrative outcomes (non-exhaustive)</p>	<ul style="list-style-type: none"> • Enabled conditions to modernise the electricity market by addressing regulatory and technical aspects that impact the needs of the public and private sectors, as well as end users, including affordability and accessibility, and considering social, cultural and political contexts. • Strengthened coordination among market stakeholders to foster efficiency, transparency, and innovation in the electricity market, ensuring integration of renewable energy sources, improved system flexibility, and a more resilient energy infrastructure.



Areas of intervention

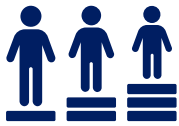
Intervention area 3	Support the just and equitable phasing out coal-fired thermal power plants
Key suggested counterparts	<p>Main counterparts: Ministry of Mines and Energy (MME); National Energy Planning Department (UPME); National Hydrocarbons Agency (ANH), Ministry of Labour; Ministry of Commerce, Industry and Tourism (MinCIT).</p> <p>Other counterparts: Coal-based power generators, research centres, utility companies, energy sector associations (SER COLOMBIA, ACOGEN, ANDEG among others) along with their respective members and affiliates, small energy producers, energy technology companies, industry associations (ANDI), regional, territorial, and local authorities, unions, and workers in the coal-fired thermal power plants value chain including miners.</p>
Main objectives	<ul style="list-style-type: none"> • Facilitate a well-planned and strategic phase-out of coal in Colombia's power generation sector, ensuring an effective transition towards cleaner energy alternatives. • Prepare national and local authorities, power generators and communities for a future in which coal is no longer a primary economic driver, fostering economic diversification and job creation in emerging sectors. • Create the necessary conditions for a successful transition, focusing on strengthening governance, and building capacities to facilitate the shift away from coal-based power generation. • Build a resilient economy by stimulating the growth of low-carbon industries, particularly in regions historically dependent on coal-fired power plants, enabling a smooth transition towards a more sustainable future.
Illustrative scope of activities (non-exhaustive)	<ul style="list-style-type: none"> • Support national and local planning for the closure of coal-fired power plants, including timelines, prioritisation criteria, and mitigation measures to minimise social and economic disruptions, considering an analysis on the related coal-based power plants value chain. • Technical assistance to national authorities for the design of a detailed incentive plan to support the closure of coal-based power plants, considering opportunities for its value chain.

Areas of intervention

	<ul style="list-style-type: none">• Assist local authorities in the identification of possible alternative uses for existing plant infrastructure, such as conversion to renewable energy facilities or industrial centres.• Provide technical assistance to conduct detailed impact assessments of coal-based power plants closures, examining the socio-economic and gender-based consequences across the entire coal supply chain, including job losses, local economies, and energy security, while identifying opportunities for diversification.• Assist national and local authorities in developing informed-community consultation and inclusive participation processes, to ensure that decisions about plant closures include the voices and concerns of affected communities in their diversity (gender, age, race, ethnicity) including those involved across the value chain.• Develop and support implementation of training programmes and capacity-building initiatives for national, regional, and local authorities, communities, and other stakeholders, to develop alternative economic opportunities to offset job losses from phasing out coal plants, considering all relevant stages of the value chain, as well as building skills aligned with the demand for green jobs in emerging industries. These programs should target young people, first-time job seekers, and workers transitioning from sectors affected by decarbonisation, such as those displaced by the closure of coal-based power plants and their supply chain.• Develop communication strategies to deliver accurate and transparent information to communities and related coal-based power plants supply chain about the impacts of the coal phase-out. Ensuring clarity on social, economic, and environmental effects while fostering inclusive and equitable community engagement and participation in the transition process.
Intermediate outcomes (non-exhaustive)	<ul style="list-style-type: none">• Enhanced awareness and understanding among local communities about the socio-economic and environmental impacts of coal plant closures, fostering engagement and active participation in the transition process.

	<ul style="list-style-type: none"> • Adoption of recommendations for an incentive framework to support coal phase-out, promoting the timely decommissioning of coal-based power plants, and offering incentives to accelerate the transition to cleaner energy sources. • Adoption of roadmaps to support the phase-out of coal and promote economic diversification in regions with active coal-based power plants. These roadmaps should address the entire coal supply chain prioritising the development of sustainable industries and creating employment opportunities to replace the jobs and revenue historically generated by coal-fired plants. • National and local authorities and communities begin to develop inclusive and just alternative economic opportunities to coal-related activities.
Illustrative outcomes (non-exhaustive)	<ul style="list-style-type: none"> • Enabled conditions for an inclusive and equitable planning and implementation of phasing-out coal in the power generation sector and on the development of alternative local economic opportunities.





The importance of considering gender equality, disability and social inclusion (GEDSI) in your application:

All projects are required to mainstream GEDSI within proposed activities, outputs, and outcomes. Proposals must consider GEDSI aspects of the Just Energy Transition sector as a key action area in enhancing the influence of and benefits for women, Indigenous people, local communities, and other vulnerable and marginalised groups.

Applying a GEDSI approach in the energy sector allows the identification of the conditions of inequality that affect women in terms of access to, use and control of energy resources. This analysis shows how women tend to be the primary energy users, either for their different productive tasks or their unpaid domestic work destined for the care of the family. Thus, a Just Energy Transition requires placing gender equality, disabilities and social inclusion (GEDSI) at the core of the interventions.

Having GEDSI-centred interventions will contribute to the transition to a low-carbon and resilient economy and fairer socio-economic development based on social and gender equity goals. Some of the challenges that projects should consider under this call for proposals include:

- Direct jobs generated by the energy sector are highly masculinised, and female participation is below the national average. For the electricity subsector, 29% of direct jobs are for women (Colombian Association of Electric Power Generators - ACOLGEN-). In the mining subsector, women represent 8.8% of direct jobs in industrial mining and over 70% in small-scale and artisanal mining¹¹. The International Renewable Energy Agency (IRENA) has indicated that including women is vital to ensure a new energy economy based on the broad set of women's skills, knowledge and talents. It highlights that energy poverty has a disproportionate effect on women.
- Women lack capacities to participate in skilled green jobs in the energy sector. Few women study technical programs such as industrial maintenance, instrumentation, automation, and industrial control, and careers such as civil, electrical, mechanical, and environmental engineering are required in the energy sector. In Colombia, in the engineering companies with the highest female participation (industrial and environmental), there is only one woman for every four men. In other engineering companies, female participation ranges between 7% and 18%.



The importance of considering gender equality, disability and social inclusion (GEDSI) in your application:

- Women are absent from the spaces where decisions are made about the energy sector's resources, risks and benefits. The reasons why women bear a greater share of the impacts of coal mine and thermal power plant closures are rooted in gender roles and relations in coal mining communities. Because the industry has traditionally employed only a handful of women directly, they are unable to access decision-making positions. The discourse around the coal phaseout and the policies accompanying it focuses on the predominantly male miners employed in the industry, while the impact on women and their role in the transition remains mostly invisible.

Specific interventions under UK PACT should promote equality and inclusion of vulnerable groups, aiming to address energy access and use inequalities and provide green and just economic opportunities to territories reliant on fossil fuels. Some of the elements which may be relevant to include in a project proposal are – indicative examples only:

- Environmental and social risk impact assessment: carry out an environmental and social risk impact assessment, including quantitative assessments where possible, to determine both negative and positive impacts (e.g., on local economy and livelihoods, employment and labour conditions, gendered impacts on health and safety).
- Social dialogue and stakeholder engagement plan: Social dialogue with unions, employers, and the government, and stakeholder engagement with communities, international organisations, academia, and civil society (including the youth), can cultivate public support, integrate local perspectives, promote innovative ideas from diverse stakeholders, and facilitate the creation of sustainable, culturally appropriate, and feasible coal phase-out plans, for example.
- Worker and community transition plan: An organisation could address the risks and impacts identified in the environmental and social assessment with a plan to mitigate the adverse effects on male and female job seekers. Actions can include retraining, re-employment and education, and regional reinvestment to promote long-term economic resilience and growth for the surrounding communities.
- Identify and enable the transition's social opportunities: A public policy recommendation can also be shaped to deliver positive social impacts for a diversity of community groups. Public programmes can engage with financial institutions to seize opportunities, such as creating green jobs with decent work and eradicating energy and fuel poverty.



The importance of considering gender equality, disability and social inclusion (GEDSI) in your application:

The UK PACT will score all projects using GEDSI selection criteria to ensure they address the needs and vulnerabilities of women and marginalised groups in Colombia. Proposals are strongly encouraged to consider GEDSI-sensible indicators and sex-disaggregated data in the monitoring results framework, from activities to outcomes.

In addition, all UK PACT projects in this sector should embed GEDSI as a cross-cutting element from the start, particularly considering territorial inequalities (rural areas, local communities, and post-conflict regions) and racial and ethnic inequalities (Afro-Colombian populations and Indigenous peoples).

It is recommended that GEDSI components be supported by technical and financial resources over the project's duration whenever they are included in activities (e.g., workshops, policy recommendations, etc.).

Applicants are encouraged to review UK PACT's GEDSI Guidance when developing their proposals.





Key counterparts

Each proposal must specify who the key counterpart (s) for each project is, as main recipients (beneficiaries) of the project's outputs. Key counterparts should be amongst those listed in the tables above, depending on the specific intervention area. Other counterparts and key stakeholders can be included as deemed relevant and should be well justified in the proposal.

Applicants are encouraged to engage with key counterparts as early as possible. Proposals should clearly articulate plans for engaging key counterparts during delivery and indicate any engagement that was carried out to prepare the project proposal. The strength of plans for counterpart engagement during delivery and an approach to ensuring the uptake of project results will be assessed as part of the selection process.

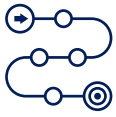


Budget and funding availability

We will support projects with grants valued at no more than £500,000 per financial year, with a maximum of £1,000,000 total budget over 23 months in duration, subject to annual budget review. We encourage proposals that leverage co-financing from other institutions, organisations, or donors to amplify the scope of the project's impact. Match funding from the implementing partners is also welcomed in the proposals but is not a requirement.

Please note:

- Applicants can submit only one application per area of intervention.
- Applicants can submit more than one proposal, as long as there is no more than one application that includes the same area of intervention. Each proposal will be assessed independently.
- Applicants can address multiple intervention areas under a single proposal.



Duration of projects

Applicants should propose projects of 12 to 23 months in duration as relevant to the intervention. All projects are expected to have a start date in May 2025 can end no later than 31 March 2027.

All proposals must clearly indicate the outputs to be achieved in the first year and demonstrate how they would achieve **impact** within one year (even those that could be continued for two).

For projects beyond 12 months, applicants should set out how they could build on the first year of their project, while remaining flexible and adaptive. Project continuity will be determined based on a performance evaluation every 12 months.

UK PACT reserves the right to ask clarification questions or to ask for amendments after the initial proposals have been reviewed. In some cases, UK PACT might also suggest that applicants work closely together or form consortia where projects are working to achieve similar objectives and/or where consolidation into a larger programme approach would be beneficial over a longer period. Applicants should be prepared to respond to and discuss these requests.

For more information on what is eligible for funding, please refer to the Applicant Handbook (see **Relevant documents** section).



Important things to consider in your application

Clear rationale:

Each applicant is expected to establish a strong rationale for each intervention. Each rationale must present a clear and concise analysis of the context (including, if it is appropriate, GEDSI aspects) and demonstrate how it fits within the strategic alignment and funding priorities for this call for proposals, as well as the wider objectives of the UK PACT programme. In addition, state-of-the-art solutions to problems/barriers should be outlined and then clearly explained through the proposal description and annexes.

Distinctive and realistic pathways for impact:

Applicants must use the Theory of Change form, as well as the proposal format as best as possible, to connect in a clear and concise manner the expected activities and outputs to outcomes and impact. Realistic and concrete pathways to achieve outcomes and impacts must be clearly identified. These would need to be GEDSI sensitive whenever it is possible.

Interventions should achieve desired outcomes by addressing gaps and challenges through a targeted menu of expected outputs, namely but not exclusively to capacity building, adoption of recommendations, network establishment or strengthening, knowledge products, communication products and applications or tools to access funds.

Applicants must also propose a set of indicators to measure results at all levels to demonstrate impact, as well as setting targets for each indicator per year. These would need to be GEDSI sensitive whenever it is possible.

Clear potential for adoption, scalability, replicability:

In line with a clear Theory of Change and a strong rationale, it is expected from applicants to prioritise interventions that will result in counterpart uptake (accepting, using, and integrating UKPACT outputs) and with concrete potential to be scaled and replicated at sector and national level.

Project workplan:

All workplans must be clear and realistic with well described activities and outputs both in the proposal and annexes. Applicants are encouraged to include an inception phase of maximum three months within the overall project workplan, during which any additional engagements with key counterparts will be carried out, deliverables confirmed and theory of change finalised. At the end of this period, a revised workplan may be required, including any additional requests by the UK PACT team.

Government engagement:

As a demand-led programme, the UK PACT Colombia Country Programme aims to align its support with Colombia's existing national and regional plans and policies towards a low-carbon economy. Interventions should answer to GoC priorities, but we are interested in seeing direct implementation and impact at various levels.

Applicants are advised to refer to these policies, which include amongst others:

- Resolution CREG 101 044/2024. Calculation of Firm Energy for Reliability Charge (ENFICC) for solar photovoltaic plants when only secondary information is used.
- Resolution MME 40042/ 2024. Modification of the Commercial Operation Date (FPO) and guarantees for generation, cogeneration, self-generation projects, long-term energy supply contracts, and battery energy storage.
- Decree 852/2024. Amends the competencies for granting environmental licenses for the exploration and use of virtually polluting alternative energy sources.
- Resolution CREG 101 046/2024. Supplementary alternatives for the transfer of Firm Energy Obligations for plants under construction.
- Resolution CREG 101 007/2023. Regulation of the methodology for determining firm energy for the reliability charge of solar plants, and other provisions.
- Resolution CREG 101 006/2023. Regulation of the methodology for determining firm energy for the reliability charge of wind plants, and other provisions.
- Law 2294/ 2023. National Development Plan 2022 - 2026.
- Decree 1580/ 2022- Regulation of FONENERGÍA Fund
- Resolution MME 40271/ 2022. Amendments to the Operational Manual of FENOGE.
- Resolution CREG 143/ 2021. Commercial rules for the Wholesale Energy Market in the National Interconnected System, which are part of the Operational Regulations.
- Law 2099 /2021. Energy transition law.
- Law 2169/2021. Law of Climate Action
- Law 2036/2020. Law promoting the participation of territorial entities in Non-Conventional Renewable Energy (NCRE) projects.
- Law 1931/2018. Establish guidelines for integrating climate change management into public and private decision-making, coordinating efforts between the national, departmental, municipal, and environmental authorities.
- Law 1844 of 2017/Adoption of the Paris Agreement
- Decree 1076/2015. Regulation of environmental licenses for projects, works, or activities that have an environmental impact.
- Law 1715/2014. Renewable Energy Law: Regulates the integration of non-conventional renewable energies into the National Energy System.
- Resolution CREG 180/2014. Methodology of Energy commercialization
- Resolution CREG 119/2007. Components of the electricity tariff
- Resolution CREG 071/2006. Remuneration Methodology of the confidence tariff (Cargo por Confiabilidad)
- Resolution 24/1995. Rules of the commercial aspects of the electricity wholesale market.
- Resolution CREG 025/1995. Technical Rules of the system and grid normative
- Law 142/1994. Law on public utility services.
- Law 143/1994. Law governing the electric sector.



What is the application process?

The application process is structured in two stages:

Stage one: through a Call for Expressions of Interest (EOI) under which we will assess the applicants' operational and technical capacity to implement the type of projects requested. Applicants must provide at least one clear reference for having successfully delivered and managed a similar project over the last 5 years in the areas of intervention to be implemented. If applying in a consortium, only the lead organisation needs to submit the Expressions of Interest on behalf of the consortium partners. Applicants selected following this first stage will then be invited to submit a full proposal with corresponding annexes as per the conditions and requirements outlined in this document. All Expressions of Interest must be submitted via the link on the Call for Proposals web page.

Stage two: the assessment of the submitted Expressions of Interest will result in a shortlist consisting of a limited number of organisations. Shortlisted organisations will then be invited to submit a full proposal. The deadline for submission of the full proposal will be on 17 January 2025. All applications for this call must be submitted via the link on the Call for Proposals web page.



What is the timeline for selection?

Stage	Date
1. Market engagement event	8 Oct 2024
2. Launch of ToRs and open call for Expressions of Interest (Eols)	9 Oct 2024
3. Deadline to submit clarification questions	18 Oct 2024 17:00 COT/ 22:00 UTC
4. Deadline to submit Expressions of Interest	15 Nov 2024
5. Shortlisted applicants invited to submit full proposal	Week of 2 Dec 2024
6. Deadline for shortlisted applicants to submit full proposals	23 January 2025, 23:59 COT
7. Applicants notified of project selection	Feb - Mar 2025
8. Due diligence, co-creation and contracting	Mar - Apr 2025
9. Projects start	May 2025

What are the eligibility criteria?

	Eligibility criteria
Applicant	<ul style="list-style-type: none">• Profit and non-profit organisations can apply, on a not-for-profit basis. If applying as a consortium, the consortium lead can either be a non-profit or a for-profit organisation.• Public entities, government agencies and/or departments (including sub-national governments) are not eligible to apply either as a lead organisation or partner in a consortium.• Both local and international organisations are eligible to apply individually for this Call for Proposals*.• All consortia must have at least one local partner. The local organisation does not need to be the consortium lead. A local partner is defined as an organisation that operates in Colombia under a National Register of Legal Entities and includes NGOs, companies of different sizes (large or SMEs), grassroot organisations and community associations, among others.• Applicants must demonstrate capacities to successfully deliver at least one of the areas of interventions and must provide one clear reference of having successfully delivered a similar project over the last 5 years.
Project	<ul style="list-style-type: none">• Proposals must respond to the strategic priorities outlined in these terms of reference.• Budgets must not include capital expenditure or tangible assets.• The value of projects must not exceed £500,000 per financial year (April-March), with a maximum of £1,000,000 total budget over 23 months total period of performance.

**Non-local organisations are eligible to apply as solo applicants; however, it is strongly encouraged that they form a consortium with a local organisation.*

What are the eligibility criteria?

	Eligibility criteria
Application	<ul style="list-style-type: none">• Applications must be coherent and legible.• All relevant sections must be completed.• Expressions of Interest and Full Proposal applications must be submitted in English.• All applications should be submitted before the deadline. No applications will be considered after this point.• Organisations or consortium members should not directly contact the British Embassy between the opening of the Call for Proposals and the application deadline to speak about the Call for Proposals. Organisations will have time to read the terms of reference and bring all enquiries to the “Market Engagement Event” or send them by email to colombia@ukpact.co.uk until 18 October 2024 at 17:00 COT / 22:00 UTC. We will not receive additional enquiries after this date.

What are the selection criteria?

Area	Description	Conditions	Weighting
Eligibility	Must be an eligible organisation (s)	<p>As stated in the previous table:</p> <ul style="list-style-type: none"> Profit and non-profit organisations can apply. If applying as a consortium, the consortium lead can either be a non-profit or a for-profit organisation. Government agencies and/or departments (including sub-national governments) are not eligible to apply either as a lead organisation or partner in a consortium. Both local and international organisations are eligible to apply individually for this Call for Proposals*. All consortia must have at least one local partner. The local organisation does not need to be the consortium lead. A local partner is defined as an organisation that operates in Colombia under a National Register of Legal Entities and includes NGOs, companies of different sizes (large or SMEs), grass-root organisations and community associations, among others. Applicants must demonstrate capacities to successfully deliver at least one of the areas of interventions and must provide one clear reference of having successfully delivered a similar project over the last 5 years. 	Pass/Fail
Technical capacities	Must be an organisation with proven experience in Colombia and in the areas of intervention	<ul style="list-style-type: none"> Applicants are required to demonstrate strong capacities to successfully deliver in at least one of the areas of interventions: <ul style="list-style-type: none"> Support the expansion and deployment of large-scale non-conventional renewable energy projects. Support the modernisation of the electricity market. Support the just and equitable phasing out coal-fired thermal power plants Applicants must demonstrate proven knowledge and expertise in the energy sector in Colombia, along with the capacity to effectively engage with key counterparts. If applying as a consortium, the applicant must list all consortium members, define their roles, and explain how their collective expertise and technical capacities will contribute to the proposal's success. Applicants must provide one clear project reference from the last 5 years, that demonstrates successful delivery of a similar project. This reference should highlight technical capacities in the intervention areas being applied to, including GEDSI integration, engagement with counterparts and demonstrated impact. For consortiums, the project reference can come from any partner. 	70%

What are the selection criteria?

Area	Description	Conditions	Weighting
		<ul style="list-style-type: none"> Applicants must submit at least one document as evidence of project delivery, impact, completion and budget execution (in charge of the applicant organisation). Acceptable forms of evidence include: <ul style="list-style-type: none"> Certification of project implementation, describing achievements and budget. Reference letters from funders and counterparts (beneficiaries). Final project report showing budget and impact. Project website that clearly specifying outcomes and budget. 	
Project and financial management capacities	Financial and project management capacities: must be an organisation with proven experience to deliver successfully projects with large budgets from international donors and securing transparency and value for money	<ul style="list-style-type: none"> Applicants are required to demonstrate their capacity to manage the overall project lifecycle, including planning, execution, and monitoring. Applicants must demonstrate financial capacities to manage large budgets from international donors and secure value for money. The lead organisation must submit a reference project from the last 5 years delivered in Colombia that provides evidence of sound project and financial management. If applying in a consortium, the reference project used for the project and financial management assessment must have been delivered by the Lead organisation. Reference projects should have a budget above GBP 300.000 in total and a minimum of one year of implementation (from start to closure). This reference project can be the same project submitted for technical capacities, if compliant with the above. 	30%

**Non-local organisations are eligible to apply as solo applicants; however, it is strongly encouraged that they form a consortium with a local organisation.*

How do we score each criterion for the Expression of Interest?

Score	
3 (Excellent)	Demonstrates strong capacities to deliver in one or more intervention areas, providing detailed, robust evidence of expertise, delivery, and impact, supported by significant reference projects. The organisation and/or consortium partners show extensive knowledge and a proven track record in Colombia's energy sector, with strong relationships and engagement with key counterparts. GEDSI principles are well integrated across reference projects, with clear capacity to implement them effectively. Reference projects provide documented evidence of impact, sound financial management, and successful delivery. The lead organisation and partners demonstrate complementary expertise, deep collaboration and clear roles. Sufficient information is provided to give high confidence in the organisation's ability to deliver the project both technically and financially.
2 (Satisfactory)	Demonstrates some relevant capacities but lacks depth or specificity. The applicant shows a fair level of expertise in the energy sector, but with limited experience in the three intervention areas. GEDSI expertise is somewhat mentioned in the organisational capacities and project of reference, but it is unclear or insufficient. Provides reference projects but lacks strong evidence of impact, financial management or comprehensive delivery of results.
1 (Unsatisfactory)	Poor demonstration of technical experience in the intervention areas and just energy transition. Generally, an unsatisfactory and a low level of quality information and evidence, leading to low confidence in the capacities to successfully deliver the project technically and/or financially. Weak reference project or unrelated references.
0 (Fail)	Fails to demonstrate capacities or relevant experience in the intervention areas and/or in project and financial management. Does not present a reference project or supporting evidence.

Please keep in mind that you must not submit any technical/ financial proposals at the first-stage EOI.

If you expect to present multiple proposals, you will need to submit an individual EOI for each one.

We anticipate a high volume of EOIs. However, due to available funding, **only a limited number of qualified organisations will be shortlisted to present a full proposal**. Our selection process at the EOI stage will prioritise applicants based on the criteria outlined above, using a comparative evaluation of the applicants that demonstrate the required capacities.

Please note that only applicants shortlisted after the EOI stage will be invited to submit a full proposal, along with the required annexes. Please use the online application form linked via our Call for Proposals web page to submit your Expression of Interest.

Stage 2: Selection Criteria for Full Proposals submitted by shortlisted applicants
Please note, full proposals are to be submitted only by shortlisted organisations invited to apply (based on their EOI submission)

	Heading	Criteria description	Weighting
Technical (70%)	Impact	The applicant clearly articulates how the project will specifically help the counterpart, sector and other stakeholders achieving the expected outcomes and ultimately accelerate a Just Energy Transition scenario in Colombia. The applicant provides a clear impact pathway (Project ToC Application Form) showing how their outputs will lead to the outcomes required for transformational change and identifies opportunities for replication / scaling up of activities.	20
	Project description, approach, and workplan	<p>The applicant clearly articulates how the project will deliver the expected outputs and outcomes and lays out a technically robust methodology, including activities and workplan.</p> <p>The applicant sets up a clear project justification/rationale and sound plan for engaging with key counterparts during delivery to ensure uptake of project outputs.</p> <p>Applicants must detail their intended methodology to address the gaps, as well as a proposed roadmap and timeline for overcoming them with counterparts.</p>	20
	Gender equality, disability and social inclusion - GEDSI	The applicant clearly identifies how the project could - both positively and negatively – socially, culturally and economically benefit women and men in their diversity (race, age), indigenous people, local communities, peace signatories under the process of reincorporation and other under-represented groups. For example, addressing issues such as accessibility (isolated communities and people with disabilities); access to services (youths, women, discriminated populations); employment opportunities; purchasing power, gender-focused product development etc.	15
	Knowledge, skills, experience, and team structure	<p>The proposed project team has relevant knowledge and experience in the subject area and has the skills in place to deliver the project. This includes knowledge, skills, and experience in the specific area of intervention. The proposal responds to technical assistance/capacity building, and public-private sectors implementation. The core skills, experience and knowledge required to deliver all elements of the project that have been outlined (including GEDSI) within the ToR are covered, and the team is well-structured and available to mobilise quickly.</p> <p>To ensure effective knowledge transfer and capacity building, applicants must demonstrate a strong understanding of Colombia's priorities and delivery context, as well as bringing the relevant expertise required.</p>	15

Area	Heading	Criteria description	Weighting
Project Management (20%)	Project management	The proposal outlines a clear plan for mobilising the project quickly and effectively. There is a robust project management mechanism to ensure activities stay on track, on budget, and that project results are delivered. This must include collating and submitting evidence of activities, outputs and reporting project progress to UK PACT. The applicant provides a clear plan for managing consortia where applicable.	15
	Risk management	The applicant has clearly outlined the key risks associated to delivery with clear plans for mitigating these and an understanding of the likelihood and impact of each. This includes risks associated with GEDSI sensitive impacts (i.e., vulnerable and marginalised groups) and changing political contexts.	5
Financial (10%)	Budget and Value for Money	The budget is clearly linked to activities and outputs, with appropriate allocation of time and resources, and costs that appear reasonable for the activities proposed (considering GEDSI integration activities too), including sufficient allocation for project management, reporting and data collection (to allow for close coordination with UK PACT). The application provides confidence that the project will represent good value for money, including FCDO's Four Es (economy, efficiency, effectiveness, and equity). The Four Es are detailed in the Applicant Handbook.	10



How do we score each criterion for the full proposal?

Score	
5 (Excellent)	The proposal clearly demonstrates added value and potential for impact. The applicant shows an expert understanding of the context, problems, and suggested intervention. Relevant, accurate, innovative solutions are clearly explained. The level of detail and quality of information provides the highest degree of confidence in the ability to deliver. GEDSI is part of the activities, outputs and outcomes of the project.
4 (Very Good)	Demonstrates a very good understanding of the topic relating to delivery of the project. Responses are relevantly tailored to the context in most aspects. There is sufficient detail and quality of information to give a strong level of confidence that they will deliver. GEDSI is part of key activities and outputs of the project.
3 (Good)	Demonstrates a good understanding of the topic relating to the delivery of the project. Responses are reasonably tailored to the context for many of the aspects. There is a good level of detail and quality to give a good level of confidence that they will deliver. GEDSI is part of key activities and outputs of the project.
2 (Satisfactory)	Demonstrates a satisfactory understanding of the topic relating to delivery of the project. Some appetite to tailor to context where required. Provides a limited level of detail and the quality of information provided gives only some level of confidence that they will be able to deliver satisfactorily. GEDSI integration is limited or insignificant.
1 (Unsatisfactory)	Demonstrates a poor understanding of the topic relating to delivery of the project. Poor tailoring to the context where this is required. Generally, an unsatisfactory and a low level of quality information and detail, leading to a low level of confidence that they will deliver. Poor level of GEDSI integration.
0 (Fail)	Failure to address the material requirements of the project. No tailoring of responses to meet the context. No quality responses providing no confidence that they will deliver. No GEDSI aspects considered.



What to do if you have questions?

Applicants should read this Terms of Reference together with the Applicant Handbook and other guidance documents for all the details on how to apply for stage one of this CfP. Eligible organisations will be shortlisted and invited to proceed to stage two, where they will be able to submit a full proposal. Further questions on this Call for Proposals can be addressed to: colombia@ukpact.co.uk.

Relevant documents (for a full proposal)

- CfP Terms of Reference
- Applicant handbook
- Project proposal template
- Budget and workplan template
- Project Theory of Change form
- Project risk and issue register template
- UK PACT's GEDSI Guidance
- Risk management guide for applicants

These will be made available to you if invited to submit a full proposal.

UK PACT

UK Partnering for Accelerated Climate Transitions (UK PACT) is a programme funded by the UK Government. UK PACT supports countries that strive to overcome barriers to clean growth and have high emissions reduction potential to accelerate their climate change mitigation efforts.
