



Press Release

Building bridges for climate action: Comparative Study paves the way for collaboration between Colombia and the European Union

BOGOTA, 17/07/2023, 12PM: Colombia's steadfast commitment to climate action has placed it at the forefront of sustainable development efforts in Latin America and the Caribbean (LAC). To further bolster these initiatives, the Climate Bonds Initiative and Ambire Global in the frame of the European Union Climate Dialogues (EUCDs) project funded by the European Union have undertaken a comprehensive comparison study between the [Colombian](#) and [European Union \(EU\)](#) Taxonomies. This study aims to identify synergies and align the two frameworks, fostering cooperation and facilitating effective implementation of climate action strategies.

The comparison focuses on key priorities outlined by the Colombian Climate Action Law, which outlines ambitious targets, including a 51% reduction in greenhouse gas emissions by 2030 compared to projected business-as-usual (BAU) scenarios, ultimately striving for carbon neutrality by 2050, in addition to the establishment of carbon budgets, and mitigation of net deforestation. By mapping these priorities against the European Union Taxonomy Regulation, the study aims to uncover synergies to facilitate joint efforts toward achieving climate goals. It seeks to streamline efforts and foster mutual understanding in implementing effective climate action measures, ultimately contributing to a more sustainable future.

The findings of the comparison study will serve as a valuable resource for policymakers, regulators, and stakeholders in both Colombia and the European Union. The insights gleaned from this analysis will aid in harmonizing taxonomies, enabling streamlined reporting, investment, and monitoring of climate-related activities. By aligning taxonomies, both regions can benefit from increased investment in sustainable projects, mobilizing resources toward a greener and more resilient future.

Key findings of the study:

- Both taxonomies have a **high degree of similarity**, with some exceptions that mainly respond to the regional context.
- Both taxonomies identify sectors and activities relevant to decarbonisation considering the **substantial contribution to climate change mitigation**.
- The analysis of technical screening criteria (TSC) of the economic activities was based on matching **51 economic activities of the Colombian Taxonomy** with **74 economic activities covered by the EU Taxonomy**.
- The overall results show that **TSC defined to the substantial contribution to climate change mitigation** are **very similar** for **47%** (24 activities) **of all matched**

economic activities. The sectors with the most similarities include **Energy** and **Manufacturing**.

The European Union and Climate Bonds Initiative remain committed to advancing climate action, fostering international collaboration, and promoting sustainable development. The completion of this study marks an important milestone in strengthening the ties between Colombia and the European Union, creating a solid foundation for joint efforts in combatting climate change.

Read the full study [here](#).

Andrés Felipe Sanchez, Head of Latin America, Climate Bonds Initiative

"In pursuing a greener future, let the Comparative Study of Taxonomies be our guiding light, illuminating synergies and forging alliances between continents. Together, we can transcend borders and cultivate sustainable bonds, paving the way for climate action across Latin America and beyond."

Manuel Fernández Quilez, European Union Delegation in Colombia

"Interoperability between the European Union and Colombia green finance taxonomies is a welcome development. At the heart of sustainable investment lies a taxonomy — a comprehensive classification system that guides investors towards environmentally and socially responsible choices. By embracing taxonomies and their interoperability, we can pave the way for greener and just transitions to make significant progress in achieving our global climate goals. The worldwide sustainable finance gap is more critical than ever, necessitating the mobilization of capital. Developing and aligning taxonomies and standards is crucial to redirect capital towards sustainable investments. These actions serve as the building blocks to increase transparency, foster investment, and attain the Paris Agreement goals."

Vishwas Vidyaranya, Managing Director, Ambire Global

"In building bridges for climate action and to reduce barriers for capital flows between the European Union and Colombia, this interoperability exercise between the two taxonomies is an important guide. Through a comprehensive comparison study, report identifies synergies that will facilitate joint efforts towards achieving ambitious climate goals. Harmonising taxonomies can pave the way for streamlined reporting, investment, and monitoring of climate-related activities, ultimately driving us towards a greener and more resilient future."

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About Climate Bonds Initiative: Climate Bonds Initiative is an international organization working to mobilize the largest capital market of all, the \$100 trillion bond market, for climate change solutions. It plays a pivotal role in shaping the future of sustainable finance, collaborating with governments, investors, and financial institutions worldwide. Visit www.climatebonds.net.

About European Union Climate Dialogues (EUCDs) project:

The Support to the European Union's Bilateral Relations with External Partners on Climate-related Policies and Investment (EUCDs) project implemented in 19 countries aims to facilitate the effective implementation of the Paris Agreement, the 2030 Agenda for Sustainable Development, and the national agendas of partner countries, particularly in the context of economic recovery from the Covid-19 pandemic crisis.

EUCDs fosters exchanges between the European Union and non-European Union major economies, focusing on climate policy options, expertise, success stories, and good practices, to drive policy shifts in partner countries.

About Ambire Global: Ambire is an innovative venture founded in 2020, providing consulting and digital solutions in sustainable finance, circular economy, and environmental engineering in more than 18 countries. It is headquartered in India and Colombia and is expanding its services globally to support the transition to a fair, equitable, carbon neutral world through efficient and customised solutions.