### COLOMBIA

# **COUNTRY STRATEGY**

(Effective as of 2009)

CIDA reviews all country strategies periodically and may revise them to reflect changing priorities or circumstances in countries.

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### 1. Country Development Context

#### **Current context:**

- Foreign policy priority and strategic ally for the Government of Canada in its engagement in
  the Americas. Foreign policy interests coherent with Colombia's priorities and an intensifying,
  multifaceted relationship: high-level political engagement; a frank dialogue on human rights; a
  rapidly growing economic relationship consolidated by the signing of the FTA (2008); bilateral
  consultations on security; and, increasing Canadian visibility on Corporate Social Responsibility
  (CSR).
- Lower middle-income country (US\$3250 GNI per capita World Bank), strategically located, endowed with wealth of natural resources, well-educated middle- and upper classes and a strong private sector.
- One of the oldest democracies of the region with solid democratic institutions, progressive laws, constitutional protection of minority rights, consistency of civilian control over the military, an active civil society and a party to all human rights treaties. The government has made a concerted effort to improve human rights and progress has been achieved. Nevertheless, challenges persist, particularly ongoing internal displacement..
- Relatively well performing Latin American economy as a result of recent strong minerals and
  oil and gas prices. Latest IMF projections indicate that Colombia's GDP growth will fall from 7.7
  per cent in 2007 to 3 per cent in 2009. Nevertheless, Colombia is relatively well equipped to
  respond to the economic crisis, due to sound macro- economic fundamentals, adequate fiscal
  reserves and a credible stimulus plan.
- **Produces over 90 per cent of its food requirements** and though no new food security issues have arisen, access to food is a perennial problem for vulnerable populations affected by conflict and displacement.
- **Decades long conflict,** fuelled by the illicit drug trade, continues to hinder development, against a backdrop of having the 2<sup>nd</sup> largest population of internally displaced people (IDP) in the world (3-4 million). Colombia is the country in the Americas most affected by landmines and explosive remnants of war. Illegal armed groups recruit boys and girls and engage in sexual and gender-based violence as a weapon of war.
- Despite economic growth persistent high-income inequality: shares the Latin American distinction of having the highest income inequality in the world (along with Sub-Saharan Africa). The richest 5th of Colombia's population controls 60 per cent of total income, while the poorest 5th receives just 2.5 per cent, contributing to persistent poverty, where 7.4 million people (16 per cent of the population) live on less than \$1.25/day, largely in rural areas, especially those affected by conflict.
- Children and youth are particularly affected by inequality and poverty in Colombia,
  exacerbated by the conflict and its consequences. Children and youth represent 57 per cent of
  the poor and 42 per cent of Colombia's total population of 44 million and suffer from multiple
  factors of vulnerability: ethnicity; internal displacement; live in remote, rural areas subject to
  conflict, with marginal social development; and, are targets of sexual exploitation and recruitment
  by illegal armed groups.
- **MDGs:** on track to meet education and gender equality goals nationally as a result of rapid development in urban centres where security has stabilized. However remote and rural regions are severely lagging; the same urban/rural split applies to eradication of extreme poverty / hunger, child mortality / maternal health where goals are achievable with additional efforts.

#### **Aid-effectiveness context**

- Colombia is a signatory to the Paris Declaration on Aid Effectiveness and coordinates development cooperation through a Presidential Agency, *Accion Social*.
- The top three donors (2007) to Colombia are: the United States (alternative development and governance); Spain (conflict prevention and human development); and the European

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- Commission (peace / stability and governance). Canada is ranked 7<sup>th</sup> overall but is second in children rights and protection.
- Canada contributes to coordination efforts in Colombia through the Group of 24 (G-24), a group
  of 24 countries and international institutions that have an ongoing and constructive dialogue with
  the Colombian government and civil society on issues of development, peace and human rights.

# 2. Priority Needs and Canada's Value-Added

- Colombia's decades-long conflict is a significant threat to the development of vulnerable populations and disproportionately affects children and youth, undermining their human rights, as well as their contribution to and benefit from economic growth.
- As it addresses this conflict, the Government of Colombia has requested donor support to its
  national development plans through its <u>International Cooperation Strategy (2007-10)</u>. Canada is
  responding to Colombia's priority needs of addressing Reconciliation / Governance and the Fight
  Against the World Drug Problem / Protection of the Environment through the following
  development objectives:
  - Economic Growth and Sustainability: crop diversification, corporate social responsibility, skills for employment;
  - Stability and Security Governance: displacement / humanitarian assistance, victims of violence, reintegration, eliminating the drug supply;
  - Governance: human rights, victims of violence.
- Canada's value added lies in the efficient whole-of-government approach adopted in the last 4 years. CIDA's initiatives in human / children and youth's rights in Colombia is an integral part of this approach. It complements DFAIT's GPSF/START's focus on peace building, stabilization and truth / justice, both programs aiming to mitigate the consequences of the conflict. Canada is also ideally placed to help Colombia toward more economic growth and prosperity through a FTA that will facilitate Canadian investments in the country's natural resources sector in a manner that is socially and environmentally sustainable.
- Canadian Foreign Policy: Canada's cooperation program in Colombia contributes to the Americas Strategy objectives of Democratic Governance (human / children and youth's rights), Prosperity (CSR and skills for employment) and Security (crop diversification and preventing children and youth from involvement in illicit activities and recruitment by illegal armed groups).
- **Equality between women and men:** Violence against women, especially the displaced, indigenous and Afro-Colombian, is severe. Illegal armed groups engage in sexual and gender-based violence as a weapon of war.
- **Environment:** Environmental resources include Colombia's rich biological diversity, the forests that sustain it, and hydraulic resources. Deforestation, soil, water and industrial contamination, the illicit drug industry, pollution, lack of waste and sewage management, blowing up of pipelines and laying of landmines, contribute to environmental degradation.

### 3. Strategic Direction

- The objective of the Colombia Country Strategy 2009 is to improve human rights and reduce the
  inequality and poverty of the most vulnerable, children and youth. As such, the Colombia program
  will focus on: <u>Children and Youth</u> (Human / Children and Youth's Rights and Basic Education),
  <u>Economic Growth</u> (Skills for Employment, CSR) and <u>Food Security</u> (Crop Diversification).
- CIDA's strategic direction has been informed by ongoing consultations with the Colombian government and civil society as well as donors and multilateral organizations, taking into consideration the established and improving relations between both countries.
- Supporting the development of Colombia's children and youth (42 per cent of Colombia's population) will reduce poverty and inequality, will break the cycle of violence that has slowed Colombia's development and will prepare future generations to better contribute to economic growth opportunities.
- Children and Youth: will support the rights of vulnerable populations with a focus on children
  and youth to help prevent their exposure to and involvement in violence, illicit activities and with

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- illegal armed groups. Programming will promote and protect children / youths' rights and increase access to early childhood education of up to 400,000 children.
- **Economic Growth:** will increase the participation of vulnerable populations in economic development, through market-driven Skills for Employment, effective CSR and trade related technical assistance (TRTA) linked to the Canada-Colombia free trade agreement.
- **Food Security:** will support crop diversification as an alternative to coca production for more than 20,000 women, men and youth in rural areas.
- **Equality between women and men:** programming will integrate a rights approach targeting the different challenges facing girls and women (especially the poor, displaced and reintegrated combatants) and by addressing sexual violence, often used as a weapon of war.
- **Environment:** agricultural projects will focus on ecological agriculture and environmental conservation. CSR projects will focus on helping communities benefit from extractive sector operations in a manner that is sustainable for the environment.

# 4. CIDA's Programming Plan

- Policy Dialogue: CIDA's policy dialogue with the Government of Colombia on the rights of children and youth reflect both governments recognition that Colombia's cycle of violence will not end without the development of 42 per cent of its population. Policy dialogue has strengthened the effectiveness of CIDA work on children and youth, notably by complementing a coordinated Canadian foreign policy effort to play a prominent role in the appropriate implementation of UNSC Resolution 1612 on children and armed conflict. Dialogue has also served as an effective entry point for dialogue on human rights issues more broadly; it is important for: strengthening Colombia's role as a strategic partner for Canada in the Americas as its human rights situation improves.
- Bilateral program will scale up annual budgets and continue toward a program target of focusing
  65 per cent on protecting the rights of children and youth. Such focus will make Canada the lead
  donor in children-focused programming in Colombia, displacing the United States. The Program
  will focus geographically in several critical rural areas, in particular the Department of Narino,
  characterized by high poverty and resurgent conflict.
- Inter American Program: Bilateral programming will be reinforced through the support provided
  to hemispheric institutions (OAS, PAHO, IACHR, IIN) to increase their own capacity and that of
  public institutions at the country level (human/children and youth rights, electoral and democratic
  processes, health, public accountability). Opportunities and benefits of increased trade and
  investment through Canada's trade agreements will be maximized through the provision of traderelated technical assistance (improved market access, CSR practices, production standards and
  regulatory frameworks).
- Multilateral and Global Partnerships Branch (MGPB): Colombia benefits from the core funding
  provided to multilateral institutions operating in Colombia, this includes organizations such at the
  IDB, UNDP, UNFPA and UNICEF. In addition in 2007-08, MGPB provided \$2.24M for Colombia
  through the Humanitarian Assistance, Peace and Security division for emergency relief and
  disaster response.
- Canadian Partnership Branch (CPB): In 2008-09, key partners working in Colombia, including
  Development and Peace, Canadian Executive Services Overseas and Save the Children Canada
  received \$1.6 million for conflict resolution, promotion of human rights, protecting indigenous
  rights and reintegration and education of child soldiers and those affected by conflict.
- Aid Effectiveness: Canada will continue to be actively involved in the Group of 24 for increased harmonization with other donors. CIDA coordinates its initiatives with Accion Social, the Presidential Agency responsible for development cooperation, and other donors to maximize their impact.

#### • Programming Modalities:

- Fewer and larger projects, through contribution agreements with known and credible Canadian, international and local institutions with expertise in children's rights and protection and private sector development and through multilateral organizations with CIDA funding earmarked and identified for activities in CIDA's sectoral and geographic areas of focus.
- Engaging private sector expertise in support of private sector development.

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- Ongoing consultations with Colombian authorities, civil society and private sector in the development of specific initiatives.
- Progress to full decentralization by 2012/13 to 'hub-and-spoke' model for South America, for strengthened program delivery, effective use of resources and accountability for results.
- Continuing to seek coherence and alignment with MGPB and CPB.

## Recommended aid budget:

2009-10: \$15M2010-11: \$16M2011-12: \$18M

#### 5. Results and Risks Identification

#### Results:

The Colombia Program ultimate outcome is to improve human rights and reduce the inequality and poverty of the most vulnerable, with a focus on children and youth.

### Children and Youth: Children's Rights and Access to Education

#### **EXPECTED Intermediate Outcomes:**

• Increased protection and promotion of the rights of the most vulnerable groups in Colombia, with a particular focus on children and youth.

# **EXPECTED Immediate Outcomes and Outputs:**

- 32 Departments of the Government of Colombia incorporate child rights programming, along with the required budgetary resources, in their Development Plans.
- Up to 66,000 vulnerable children and youth in rural areas have increased learning results, conflict resolution/peace-building and life skills.
- 70 per cent of all adolescents demobilized from armed groups have access to family-based reintegration services.
- Policies and programs developed by the government respond to the needs of up to 165,000 children/youth affected by internal displacement, human rights violations and landmines.
- Up to 400,000 children have increased access to early childhood education.

### **Economic Growth: Skills for Employment and Corporate Social Responsibility**

#### **EXPECTED Intermediate Outcomes:**

• Increased participation of the most vulnerable groups to sustainable and equitable social and economic development of their communities.

### **EXPECTED Immediate Outcomes and Outputs:**

- Skills training programs meet the needs of industry using a competency-based approach.
- Improved access to training for technical and vocational skills for marginalized and young persons.
- Improved access to jobs in the local market for marginalized and young persons.
- Strengthened understanding and constructive implementation of the extractive industry's CSR obligations by local / regional governments and their populations.
- Community-level sustainable social and economic development projects implemented through partnerships with extractive firms, local / regional governments and NGOs.
- Increased capacity of local / regional governments to plan and manage sustainable development projects and to execute their responsibilities to provide for the betterment of their citizens.
- Improved collaboration and dialogue among extractive sector stakeholders.

### **Food Security: Crop Diversification**

### **EXPECTED Intermediate Outcomes:**

Increased agricultural production and productivity while strengthening the value-chain.

# **EXPECTED Immediate Outcomes and Outputs:**

- Increased agricultural productivity and crop diversification as an alternative to coca production for more than 20,000 women, men and youth in rural areas.
- Strengthened capacity for 15,000 women, men and youth to engage in small-scale transformation and commercialization of agricultural products.

#### Risks:

A risk ranking for the Colombia Program has been completed in 2008 and the Risk Assessment Profile will be finalized in 2009-2010. Among key risks:

<u>Socio-political, stability/security, economic, conflict and governance:</u> Security risks as a consequence of the armed conflict: while urban areas have been secured by Colombian armed forces, rural areas, where CIDA's programs are focused, continue to suffer from insecurity and conflict with a weakened, but continuing presence of illegal armed group (FARC & ELN guerilla fighters, emerging paramilitary groups, and narco-trafficking networks). The risk is that projects are slowed and/or stalled by fears for the safety of project beneficiaries or staff. <u>Mitigation:</u> CIDA's partners (UN, Canadian or Colombian civil society) are selected for their strong experience in conflict zones / geographical presence, which allows them to continue operating in a volatile setting while managing risks and continuing to produce tangible results.