





## COLOMBIA COUNTRY PROFILE

The U.S. Agency for International Development (USAID) supports Colombian's transition to sustainable and inclusive peace.

#### **OVERVIEW**

USAID's commitment in Colombia stems from the instability, inequality and strife associated with the country's 50-year civil conflict. Although Colombia is characterized as a middle-income country, there are two Colombias. On one hand, there is a dynamic and sophisticated Colombia in a half-dozen urban centers, such as Bogota and Medellin. One the other hand, there is a poor, conflict-affected and neglected rural Colombia where USAID focuses its efforts.

Inequality in Colombia perpetuates conflict and fuels an illicit rural economy of drug trafficking, extortion, illegal mining, and other maladies. To address this issue and promote peace, the Government of Colombia (GOC) is actively working to redress the historic neglect of rural Colombia. It is doing this by increasing citizen security; expanding GOC institutions, basic public services, and infrastructure; increasing public and private investment; and promoting reconciliation among the conflict's victims and perpetrators. While donor contributions amount to 0.6 percent of GDP, Colombia looks to USAID – the country's largest bilateral donor – to strengthen its capacity to address development challenges. Thus, between 2014-2019 USAID will continue to be an important partner in Colombia with four overall objectives:

#### **OBJECTIVE I: INCREASE PRESENCE OF DEMOCRATIC INSTITUTIONS**

Strengthening the presence and performance of national and sub-national institutions in conflict-affected rural areas is essential to peace implementation. GOC institutions - particularly in these regions - face challenges to guarantee the democratic rights of citizens, administer justice transparently, invest public resources effectively, and deliver citizen-prioritized services, like health and education. Therefore, USAID

supports GOC efforts to increase institutional presence, foster a culture of respect for human rights, promote access to justice, increase public investment, and provide services to historically underserved and conflictive rural areas. USAID complements this work through partnerships with civil society to promote civic participation, responsive governance, and accountability.

The State's role is to protect the citizen rights and ensure access to justice. USAID coordinates closely with GOC institutions to prevent human rights violations, protect those under threat, investigate abuses, and defend the rights of minority groups. Likewise, USAID strengthens the ability of citizens to promote and defend their human rights and employ state and self-protection measures. USAID also supports GOC initiatives that expand access to justice by promoting alternative dispute resolution mechanisms and justice houses, as well as legal and other services for victims of gender-based violence and other crimes.

Expanding government services to reach citizens, especially marginalized populations in historically neglected areas, is a challenge. USAID supports efforts to focus public investment on traditionally marginalized areas and increase public sector transparency. For example, USAID is supporting the GOC to implement a billion-dollar royalties system that re-directs revenue generated from the country's natural resource wealth to underserved areas. USAID also supports greater collaboration between national, departmental and municipal governments to catalyze resources for strategic investments in conflictive areas. In carrying this out, USAID brings together civil society organizations, traditional authorities, public officials and the private sector to strengthen local governments' capacity to provide citizen services.

#### **OBJECTIVE 2: PROMOTE RECONCILIATION FOR VULNERABLE POPULATIONS**

Fifty years of conflict and violence have created a tragic legacy of nearly eight million victims, including over six million Colombians displaced from their communities and land. A critical step towards reconciliation was achieved in 2011 with the passage of Colombia's Victims and Land Restitution Law. This landmark legislation addresses the needs of conflict victims through comprehensive reparations, land restitution, truth-telling, and psychosocial support. USAID supports this transformative process by building the capacity of the GOC's Victims Unit as well as other key entities charged with delivering services, reparations, and transitional justice to victims, as mandated by Colombian law. USAID also supports civil society organizations that protect victims' rights.

USAID is advancing reconciliation in Colombia through a variety of strategies including: truth-telling; strengthening citizens' awareness about truth and reconciliation; and building public-private partnerships to advance reconciliation. For example, truth-telling offers victims a sense of closure and raises societal awareness of the pain of the conflict, helping ensure that history doesn't repeat itself. USAID is supporting the Center of Historical Memory to document the impacts of the conflict and strengthen society's commitment to ensuring Colombia does not return to a state of violence.

Ethnic communities represent up to one quarter of Colombia's population and have disproportionately suffered from the conflict. USAID partners with the GOC, civil society, and the private sector to promote the socio-economic inclusion of ethnic communities. USAID's assistance has resulted in 11,154 people receiving formal employment in over 1,500 private sector companies; the formalization of more than 250,000 hectares of collective lands; a 19 percent increase in estimated income of Afro-Colombian and indigenous families in priority areas; and the leveraging of \$17.4 million through public-private alliances.

To break down barriers that hinder access to education and job opportunities, USAID supports English-language and leadership training as well as graduate education opportunities for emerging Afro-Colombian

and Indigenous leaders. Through USAID support, 35 leaders have conducted their graduate studies in high-ranking US universities while 125 undergraduate students have benefited from English language and leadership training in Barranquilla, Cali, Cartagena, Medellin and Quibdó.

USAID also promotes the reintegration of ex-combatants back into society, as well as the rehabilitation of former child soldiers. Since 2006, USAID has supported the Colombian Agency for Reintegration (ACR) in the successful reintegration of demobilized or deserted ex-combatants from illegal armed groups. This includes provision of psychosocial services, formal education, vocational training, income generation assistance, and health care support. With USAID assistance, more than 15,000 ex-combatants have successfully completed the reintegration process.

USAID supports Colombian institutions in responding to the basic needs (health, education, security, stable family environment) of disengaged child soldiers while strengthening the GOC's prevention of recruitment activities and campaigns. Since 2001, USAID's assistance has helped the Colombian government attend to almost 6,000 disengaged children and has reached almost 250,000 at-risk children in recruitment prevention activities. A USAID-supported prevention strategy was rolled out in 30 municipalities classified as high risk by the GOC, and USAID continues preventing recruitment by increasing economic and education opportunities as well as monitoring at risk children and youth.

Throughout all programming, USAID is working to prevent gender-based violence, incorporate a gender approach, and promote the inclusion of people with disabilities.

### **OBJECTIVE 3: IMPROVE CONDITIONS FOR INCLUSIVE RURAL ECONOMIC GROWTH**

Effectively transitioning towards a sustainable and inclusive peace requires that Colombia address long standing socio-economic inequities while improving the licit rural economy. Although Colombia's GDP per capita grew by 29 percent between 2010 and 2015, rural areas, especially those devastated by conflict, have not shared in this prosperity. While the percentage of rural citizens living below the poverty line (US \$1.90/day) decreased by 19 percent over this same period, in 2015, roughly 40 percent of rural Colombians still lived in extreme poverty. Providing legal economic opportunities for disadvantaged rural Colombians is a key part of USAID's strategy for addressing the challenge of rising coca cultivation.

Improving livelihoods by encouraging a diversified rural economy is a long-term and challenging endeavor, one that will take at least a generation and extraordinary GOC and private sector commitment. USAID is committed to helping the GOC create the preconditions for a vibrant rural economy with actions in four broad areas.

First, USAID encourages greater public and private investment in the rural sector. For example, USAID is strengthening the capacity of local governments and community groups to advocate for and manage Colombian public funds for productive infrastructure projects, including roads. Through public-private partnerships that connect private firms with small producers and ethnic communities, USAID assists the rural population to access higher paying markets for local products.

Second, USAID ensures that producer associations, a lynchpin of the rural economy, are better able to provide services and benefits to their members (e.g., smallholder farmers). For example, USAID supports

producer associations in the coffee, cacao and rubber sectors by helping them find markets and negotiate with large buyers. As these producer associations grow, they are increasingly able to provide extension services to members, helping farmers escape poverty and the trap of illicit crop production. USAID efforts build the capacity and sustainability of such associations.

Third, USAID increases financial inclusion in Colombia's rural economy. By improving rural financial services, USAID is promoting the inclusion of those that have historically been excluded from accessing financial resources, a precondition for making productivity-enhancing investments. In addition, USAID has helped establish several investment funds that are focused on financing high-potential firms in Colombia's rural economic sector. Financial inclusion is also being promoted through the Development Credit Authority (DCA) mechanism, by which USAID is incentivizing financial institutions to expand their operations into rural, conflict-affected areas.

Finally, USAID works through key GOC institutions to return land to its rightful owners and grant land titles, including collective titles for indigenous and Afro-Colombian communities. USAID's assistance is helping to modernize the cadaster system, permitting the GOC to maintain accurate land ownership and titling information, a prerequisite to guaranteeing citizen's property rights.

# OBJECTIVE 4: STRENGTHEN ENVIRONMENTAL RESILIENCY AND LOW-EMISSIONS DEVELOPMENT

Sustainable environmental management is critical to protecting Colombia's economic future. Colombia is one of the most biodiverse countries in the world, and its natural systems provide water and energy that contribute to economic productivity. For example, 30 percent of Colombia's water comes from the country's fragile *paramo* ecosystem. In addition, approximately 40 percent of Colombia's territory is covered with natural forest, giving the country a tremendous capacity to store carbon and capture significant development investment from the nascent carbon market. USAID activities focus on improving natural resource management, including forest and watershed management, to reduce threats to biodiversity. USAID efforts to strengthen the capacity of GOC institutions to protect biodiversity, foster stakeholder participation in community-based conservation, and introduce best environmental practices, especially for mining and fisheries, among other productive systems.

The failure of the Colombian state to control vast swaths of resource-rich Amazonian forest, inter-Andean valleys, and Pacific lowlands has been a driver of conflict. Without the state engaged in sound environmental management, illegal armed groups are able to exert control in these areas, the majority of which are located in Afro-Colombian and indigenous territories. Improved GOC capacity to administer these biodiverse areas will reduce their use for illicit purposes (e.g. illegal gold mining).

Colombia's economic future also hinges on reducing vulnerability to changing climate patterns. The 2010-2011 flooding in the Magdalena watershed displaced approximately two million people and caused \$2.6 billion in damage. As such, USAID assists Colombia to reduce poverty while protecting the environment. For example, USAID supports GOC efforts to create incentives for public sector entities to reduce their overall level of carbon emissions, while contributing to improved local livelihoods. USAID also builds resilience to anticipated climate impacts by diversifying local economies and improving water management.