

J.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

Summary of USAID's Strategy and Program in Colombia for the period 2006 - 2008

USAID/Colombia's revised strategy for 2006 – 2008 embraces a more systematic and targeted approach that emphasizes prevention rather than a strategy where the presence of illicit crops was largely the sole criterion for defining the program's geographic focus. Program cohesion, geographic concentration, private sector participation, increased Colombian ownership and sustainability are the hallmarks of this new phase. USAID's overarching goal will be to achieve a "sustainable reduction in the production of illicit drugs and the promotion of peace in Colombia." This can only be achieved by expanding the presence and performance of the Colombian state in key geographic corridors of the country where the Government of Colombia (GOC) has succeeded in establishing relatively more stable security conditions.

The revised strategy consists of a strategic set of interrelated and mutually reinforcing programs and activities that will help remedy, on a sustainable basis, many of the root causes of Colombia's ills that gave rise to the dual threat of illegal narcotics and terrorism. Strengthening the Colombian state, reinvigorating the economy, and building social capital will considerably enhance overall prospects for achieving greater stability in the country and region.

Under its revised strategy, USAID/Colombia will significantly expand and broaden economic alternatives, largely through trade capacity building given the still untapped opportunities provided under the Andean Trade Preferences and Drug Enforcement Act (ATPDEA) and the expanded growth opportunities which would be provided by prospective bilateral and hemispheric free trade agreements. The program and strategy will also seek increased private sector investment in targeted growth corridors for the purpose of generating jobs, especially for youth. National level policy dialogue will serve as the foundation for these interventions in recognition of its importance to improving Colombia's global competitiveness, especially with regard to market development, transparency, fiscal stability, trade and investment policy, institutional reforms, and judicial and commercial law reform.

The strategy is comprised of three Strategic Objectives (SOs) that track relatively closely with the present strategy, although the SOs have been focused for greater coherence and sustainability.

The first SO, "Enhanced Democratic Governance," is concerned with enhancing democratic governance at the national and local levels (in targeted growth corridors) to extend the presence of an accountable, legitimate and just state, particularly to address the needs of traditionally underserved regions and populations. This will be accomplished through the continuation and consolidation of five comprehensive and inter-related programs that, combined, will address the

most critical challenges to strengthening the rule of law in Colombia. The Justice program will work to broaden access to legal services for millions of Colombians while also helping to implement the national level reforms necessary to make the Colombian judiciary more transparent, democratic, and effective. The Human Rights program will continue to prevent egregious human rights violations through various prevention and protection mechanisms such as the early warning system and will promote respect and awareness of human rights, particularly among vulnerable populations. The transparency and accountability program will reduce corruption by working to improve the efficiency and transparency in the use of public resources and by helping to strengthen internal controls. Finally, the Peace Initiative program will help mitigate conflict in the country by strengthening the capacity of the Office of the High Commissioner for Peace (HCP) to promote the peaceful resolution of Colombia's decades-old internal conflict. This program will also continue to support various peaceful coexistence programs implemented through the HCP, the Office of the First Lady and various civil society organizations.

The second SO, "Expanded Economic and Social Alternatives to Illicit Crop Production," works with the private sector to achieve a sustainable expansion of economic opportunities in a manner that provides viable alternatives to illicit crop production; works with municipal governments to help make local institutions more responsive and effective in responding to the needs of citizens; improves access to and the efficient operation of land markets; and facilitates sustainable, broadbased income and employment growth in strategically targeted areas of the country. This will be accomplished through market-driven, private sector-led alternative development in regions/subregions of the country under the influence of illicit agriculture that can effectively support economically viable and sustainable agricultural and other alternatives to illicit crop cultivation. This includes a complementary set of agribusiness, forestry and small and medium business development programs that will generate employment for both rural and urban families susceptible to involvement in illicit crop production and related activities. Equally important, and in order to ensure a national enabling environment that promotes sustainable alternative development, USAID will provide technical support for policy and institutional reforms which will allow the Colombian government to improve overall fiscal balance, efficiency and costeffectiveness in the provision of vital public goods and services (including critical infrastructure services). Within this overall policy context, USAID will also provide technical and financial support to facilitate the adaptation and effective implementation of reforms to promote trade/investment integration, financial market development, and land market operations.

Finally, the third SO, "Support to Displaced Persons and Other Vulnerable Groups," will continue to focus on humanitarian assistance for persons displaced by the conflict, including former child-combatants. USAID support will continue to focus on healthcare, shelter, income generation activities, education, and psychosocial assistance. Logistical and planning assistance, including the development of a reliable monitoring and evaluation system to track progress for the reintegration of adult ex-combatants into civil society in support of the GOC's demobilization and reinsertion program, will continue to be provided.

The attached results framework shows the causal links among the expected results for the 2006-2008 period. Illustrative indicators are also attached. Implementation of the revised Strategic Plan will begin immediately, subject to resource availability.

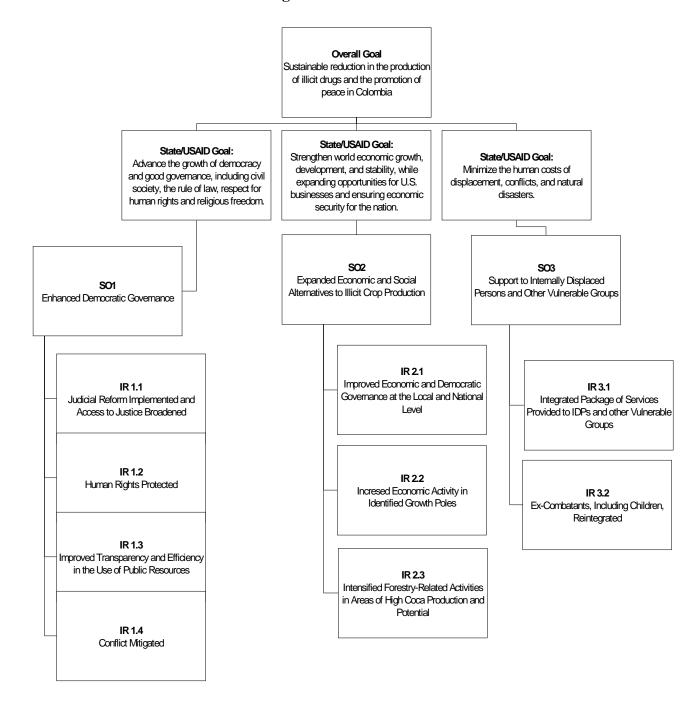
USAID/Colombia is well positioned to implement a comprehensive regional development approach in Colombia. Its current program strategy contains a number of critical program elements that can be incorporated into a regional framework. A recent GAO assessment of Plan Colombia highlighted the need for initiatives to be geographically focused, better coordinated, and sustainable. The strategy will provide the context for designing new programs to address these needs.

USAID's strategy is but one, albeit very significant, part of an integrated, overall USG effort to support Plan Colombia and help the country to prevail in its struggle against the illegal drug trade and lethal political violence. A wide array of USG specialized agencies are involved in this effort, working with Colombian counterparts in their respective areas of competence and responsibility. The ultimate impact of USAID's various programmatic interventions hinges not only on the political will and technical skill of key Colombian decision-makers and institutions, but also on the success of USAID's partner agencies in the USG. Aerial spraying to destroy continued illicit coca cultivation is one example of USAID's dependence on other USG agencies to carry out their assigned roles before its own programs can generate sustainable impact. Accordingly, USAID will continue to work closely and cooperatively with the other USG agencies working in Colombia, exploring opportunities for program synergies and efficiencies.

Attachments:

- A. Result Framework
- B. Illustrative Indicators

USAID/Colombia Strategic Results Framework: FY 2004-2008



ILLUSTRATIVE INDICATORS

SO1 (514-007): "Enhanced Democratic Governance"

- Percent of citizens surveyed nationally who have respect for Colombian political institutions.
- Percent of citizens surveyed nationally who are satisfied with the form with which democracy functions in Colombia.

Intermediate Result 1.1: Judicial Reform Implemented and Access to Justice Broadened

- Country score in the World Bank Institute's Rule of Law index.
- Percent of citizens surveyed nationally who think that the Colombian judicial system guarantees a just result to the legal process.
- Number of cases handled by the Casas de Justicia.

Intermediate Result 1.2: Human Rights Protected

- U.S Dept. of State Annual Human Rights report.
- Percentage of alerts issued through the Early Warning System that are responded to by Colombian authorities.
- Number of threatened individuals provided "hard" and "soft" protection.

Intermediate Result 1.3: Improved Transparency and Efficiency in the Use of Public Resources

- Country score in the World Bank Institute's Voice and Accountability Index.
- Country score in the World Bank Institute's Control of Corruption index.
- Percent of citizens surveyed nationally who think, based on their personal experience, that corruption among public officials is very widespread.
- Number of GOC entities with standardized internal control procedures.
- Percent of GOC entities utilizing government online technologies in procurement, public information and services.
- Number and percent of target municipalities that comply with fiscal and debt management performance standards set by the national government.

Intermediate Result 1.4: Conflict Mitigated

- Annual Conflict Assessments.
- Number and percentage of child combatants demobilized and reintegrated.
- Number and percentage of all combatants demobilized and reintegrated.
- Number of individuals served through *Centros de Convivencia*.

SO2 (514-008): "Expanded Economic and Social Alternatives to Illicit Crop Production"

- Full and effective implementation of a FTA with the U.S.
- Colombia meets all sixteen MCA criteria.
- Hectares of licit crops established through alternative development projects.

Intermediate Result 2.1: Improved Economic and Democratic Governance at the Local and National Level

- Reduction in days to register/operationalize a business in targeted secondary cities and towns and at the national level.
- Establishment and effective implementation of an improved legal/regulatory regime for investment which stabilizes the contractual rights of private investors.
- Average increase in Colombian exports to the U.S. of at least 10% annually.
- Percentage increase in issuance of land titles for small holders in targeted rural areas.
- Percent of citizens surveyed in target municipalities who rate local government performance as good as or better than the previous year.
- Number and percent of target municipalities with completed social infrastructure projects involving community participation mechanisms.
- Number and percentage of targeted municipalities that have an increase of 50% or more in fiscal revenues.
- Number and percentage of target municipalities which comply with fiscal and debt management performance standards set by the national government.

Intermediate Result 2.2: Increased Economic Activity in Identified Growth Poles

- Percentage increase in new jobs in the licit economy of targeted secondary cities and towns
- Percentage increase in new business incorporations in targeted secondary cities and towns.
- Number of infrastructure projects completed in identified growth poles.

Intermediate Result 2.3: Intensified Forestry-Related Activities in Areas of High Coca Production and Potential

- Improved management of 140,000 hectares of natural forests.
- Establishment of 11,000 hectares of agro forestry and 15,000 hectares of industrial plantations.
- Percentage increase in efficiency along the forestry productive chain as measured by increased incomes for beneficiaries and improved market opportunities for wood products.
- National and regional level forestry associations empowered, resulting in the identification of solutions to forestry constraints and improved financial support systems in place.

SO3 (514-009): "Support to Internally Displaced Persons and Other Vulnerable Groups"

• Number of IDPs and other vulnerable people assisted.

Intermediate Result 3.1: Integrated Package of Services Provided to IDPs and other Vulnerable Groups

- Number of IDPs returned voluntarily to their communities of origin.
- Number of jobs created for IDPs.

Intermediate Result 3.2: Ex-Combatants, Including Children, Reintegrated

• Number of former child combatants reintegrated into society.