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USAID/Colombia

FY 2000 – FY 2005

Strategic Plan

May 26, 2000

Ambassador's Statement

Andres Pastrana's victory in the 1998 presidential race to succeed narco-corrupted ex-President Ernesto Samper prompted a fundamental change in the bilateral relationship between the United States and Colombia. Pastrana's commitment to end internal conflicts, strengthen democratic institutions, and combat narco-trafficking opened the door to unprecedented bilateral cooperation. USAID's role in the USG assistance began with commitments on human rights and alternative development made during Pastrana's state visit to Washington in October 1998, expanding its program in judicial reform to address broader challenges.

The fight against drugs remains the primary U.S. interest in Colombia. Colombians increasingly recognize that the narco-derived finances allow extra-legal groups (primarily guerrillas and paramilitaries) to arm themselves and continue acts which go against the state and international humanitarian law. However, a bilateral relationship that is exclusively "narcoticized" benefits neither side. The array of current factors – the new government; Colombia's economic recession; escalating attacks on human rights and democracy by the guerrillas, paramilitaries, and narco-traffickers; the GOC's pursuit of peace contacts with the insurgents; and local political institutions' own internal debilities -- all make it urgent and feasible for both Colombia and the USG to devote increased attention to other goals as well. The GOC's integrated "Plan Colombia", a three-year strategy to address the inter-connected network of Colombia's many challenges, does this. While overall U.S. support for Plan Colombia will stress the counter-drug effort, our assistance will also seek to strengthen democracy. Success in this effort will contribute to the counter-drug campaign, sustain democratic institutions, and diffuse economic benefits to all segments of the society.

Alternative development is gaining prominence as a component of counternarcotics strategy in Colombia, all the more so by being linked to social programs that are seen as essential to the long-term evolution of the peace process. USAID is already working with the GOC and farmer association to achieve voluntary abandonment of opium poppy, and in its strategic plan, will begin similar work on the abandonment of coca. Anti-drug gains will not endure without justice sector reforms, including judicial training, introduction of oral accusatory courts, civic support to justice reform, and greater citizen access to the justice system. USAID is prepared to expand its judicial program to introduce oral courts in a third of Colombian judicial circuits, to assist in the establishment of municipal "houses of justice" to serve the poor and displaced, and to increase the professional quality of the Colombian judiciary.

The Secretary of State has designated Colombia as one of just four nations worldwide that deserve special, high-level attention as "Democracy Opportunity Countries." Colombia is Latin America's oldest formal democracy, but this status is under threat from narco corruption, violence committed by insurgent and paramilitary groups, and internal governmental debilities. Colombia's egregious human rights scene both symptomizes and exacerbates this plight. The Embassy will remain unstintingly active in its advocacy

of democratic legitimacy and human rights, and relies on USAID to strengthen both governmental agencies and civil society organizations involved in reporting and monitoring human rights cases. Democratic institutions are the USG's essential allies in the fight against illegal drugs, and an important catalyst for peace. With regard to the GOC's attempts to carry on a peace dialogue with the guerrillas, there is no current plan for a direct U.S. role in the peace talks themselves. However, USAID plays an important role by assisting the mass of Colombians displaced from conflict zones across the country, working with the ICRC, UNHCR, et al, and making expert technical advice available to Colombians responsible for the peace process.

The above represents a new, greatly expanded set of activities that respond to U.S. interests in Colombia. The Pastrana Administration's willingness to recognize the interconnected nature of Colombia's many challenges allows the U.S. to offer the substantial assistance that is necessary to maintain Colombia as a stable democracy. I endorse the USAID strategic plan and welcome it as an important and timely component of the U.S. Government's initiative in Colombia.

A handwritten signature in black ink, appearing to read "Curtis Kamman", written over a horizontal line.

Curtis Kamman
U.S. Ambassador to Colombia

Table of Contents

<u><i>Section I: Environment and Rationale for Assistance</i></u>		1
A.	<u>U.S. Foreign Policy Interests and Goals</u>	2
B.	<u>Country Overview</u>	4
C.	<u>Donor Coordination</u>	11
D.	<u>Assumptions</u>	15
E.	<u>Issues</u>	16
<u>Summary USAID Strategy</u>		19
<u><i>Section II: Proposed Country Strategic Plan</i></u>		23
<u>Strategic Objective 1:</u>	<u>Promote More Responsive, Participatory, and Accountable Democracy</u>	24
<u>Strategic Objective 2:</u>	<u>Provide Economic and Social Alternatives to Illicit Crop Production</u>	39
<u>Strategic Objective 3:</u>	<u>Provide Economic and Social Opportunities for Vulnerable Groups, Particularly Internally Displaced Persons</u>	49
<u>Special Objective:</u>	<u>Provided Earthquake Reconstruction Assistance</u>	58
<u><i>Section III: Resource Requirements</i></u>		63
A.	<u>Introduction</u>	64
B.	<u>Program Requirements by Objective</u>	67
C.	<u>Organizational Chart</u>	68

Acronyms

ADR	Alternative Dispute Resolution
AIS	Colombian Association for Seismic Engineering
AUC	United Self-Defense Groups
CAF	Corporación Andina de Fomento
CN	Counter-Narcotics
CNP	Colombian National Police
CODHES	Consultoría para los Derechos Humanos y el Desplazamiento (Consultancy for Human Rights and Displacement)
CSJ	Superior Judicial Council
CSOs	Civil Society Organizations
ELN	National Liberation Army
ESF	Economic Support Fund
EU	European Union
FARC	Colombian Revolutionary Armed Forces
FOREC	Fund for Reconstruction of the Coffee Belt
GDP	Gross Domestic Product
GOC	Government of Colombia
HDRS	Human Daily Rations
ICBF	Colombian Institute for Family Well-being
ICRC	International Committee of the Red Cross
IDB	International Development Bank
IDPs	Internally Displaced Persons
IFIs	International Financial Institutions
IMF	International Monetary Fund
INC	International Narcotics Control
IR	Intermediate Result
MOD	Ministry of Development
MOI	Ministry of Interior
MPP	Mission Program Plan
MREs	Meals Ready to Eat
MT	Metric Tons
NGOs	Non-Governmental Organizations
OFDA	Office of Foreign Disaster Assistance
OYB	Operational Year Budget
PAHO	Pan-American Health Organization
PC	Plan Colombia
PLANTE	Plan Nacional de Desarrollo Alternativo (National Alternative Development Plan)
SO	Strategic Objective
SpO	Special Objective
TDY	Temporary Duty
UN	United Nations
UNDCP	United Nations Drug Control Program

UNHCR United Nations Humanitarian Committee of Refugees
UNICEF United Nations Children's Fund
USACE U.S. Army Corps of Engineers
USG United States Government

***Section I: Environment and
Rationale for Assistance***

This document presents the United States Agency for International Development (USAID) Country Development Strategy for Colombia for the period FY2000 to FY2005¹. It proposes that approximately \$510,000,000 be made available to Colombia during this period. These resources will be used to support high priority U.S. foreign policy goals as recently approved in the U.S. Mission Program Plan (MPP), to assist Colombia to achieve more participatory democracy and rule of law, and to provide increased social and economic opportunities for all Colombians.

A. U.S. Foreign Policy Interests and Goals

Colombia is the oldest formal democracy in Latin America. Yet, narcotics trafficking, guerrilla and paramilitary violence, human rights abuses, corruption, crime, and a lack of effective government presence in much of the countryside threaten Colombia's democracy, as well as specific U.S. national interests and foreign policy goals for democracy, humanitarian response, law enforcement, and regional peace and stability. Weak government institutions and a disempowered civil society have made it impossible for Colombia to redress these problems alone. To assist Colombia in its efforts to address these fundamental weaknesses, Secretary of State Albright declared Colombia -- together with Indonesia, Nigeria and the Ukraine -- as a democracy of prime concern for U.S. foreign policy.

Colombia is the origin of over eighty percent of the cocaine and sixty-two percent of the heroin consumed in the United States. In 1995 Colombia produced 51,000 hectares of coca with a potential production capacity of 230 metric tons. By 1999, over 120,000 hectares were in coca production and the yields per hectare were significantly greater. Combating narcotics production and trafficking is exacerbated by links to insurgent and paramilitary groups that derive a "tax" on the illicit drug production as the principal source of funding for their operations. Human rights human abuses by these groups are a daily occurrence. Weak justice sector institutions have led to a significant backlog of criminal cases awaiting trial and, more importantly, to high levels of judicial impunity. Endemic corruption is at the root of most democratic institutions of the Colombian government, which undermines their legitimacy and effectiveness. Finally, Colombia is an important U.S. economic partner whose economic viability is currently threatened. Last year, the economy contracted by more than five percent. Colombia's unemployment rate -- now over twenty percent -- is among the highest in the hemisphere. This recent economic trajectory has aggravated longstanding social and economic inequities. Combined, this scenario of significantly increased level of illegal drug production and trafficking, escalating civil conflict, weak and corrupt government institutions, negative economic growth and high unemployment gravely threaten Colombia's democratic, economic and social stability. Moreover, if left unrestrained, the situation poses a real threat to the stability of the region as a whole. Already, there have been insurgent and paramilitary incursions into neighboring countries -- Panama, Venezuela and Ecuador.

¹ While Mission recognizes that this period spans a total of six years, USAID/Colombia will not receive funding until very late in FY 2000. Thus, in terms of actual years to implement the proposed program, the plan essentially covers the five-year period from FY 2001-2005.

The proposed USAID strategy directly supports four goals outlined in the FY 2000-2002 Mission Program Plan (MPP): Illegal Drugs, Democracy, Mutual Understanding and Diplomacy. These are articulated in the MPP as follows:

- 1) ***Illegal Drugs:*** *Reduce the cocaine and heroin flowing from Colombia to the United States.*
- 2) ***Democracy:*** *Bolster Colombian democracy by: dealing frankly but constructively with the GOC on human rights; sponsoring local fora to promote discussion of civic values and readiness to address Colombia's conflicts; and helping to strengthen local political, judicial and legislative norms.*
- 3) ***Mutual Understanding:*** *Promote a long-term foundation of mutual understanding that will support a broader base of acceptance of U.S. positions on bilateral, regional and global issues.*
- 4) ***Diplomatic Activities:*** *Improve the effectiveness of USG relations with the GOC across a range of issues including environmental protection, humanitarian assistance, and counter-terrorism. Determine motives behind GOC positions on multilateral issues in order to better attain support of USG positions.*

Finally, the proposed strategy also dovetails with hemispheric objectives as outlined in the preliminary agenda for the next Summit of the Americas (slated for Quebec City in 2001). The core summit values of democracy, human rights, and economic development will be addressed in the agenda through the following objectives:

- 1) *The strengthening and deepening of democracy through working for free elections, fair judicial systems, free speech, transparency, and a better life for all of our citizens.*
- 2) *The strengthening of our economic systems to better include the rights of workers and families, through good governance, investment in the labor force and respect for human values in the economic sector.*
- 3) *The commitment to sustainable development through a stronger partnership between industry and environmental groups.*

Ultimately, by addressing the root economic and social causes of Colombia's crisis, USAID will contribute to the USG goal of strengthening Colombia's democracy, economy, and rule of law. The time for intervention is propitious. The GOC's Plan Colombia provides both an important initial strategy and essential resources for change. The GOC developed Plan Colombia in 1999 as an integrated effort to promote peace, combat the narcotics industry, revive the Colombian economy, and strengthen democracy and the role of the State. In addition, while the problems are escalating, Colombia does have important strengths that will assist the GOC's current efforts for change, most

prominently a strong constitutional framework for decentralized and participatory democracy. The USG through USAID will provide significant support for each of the GOC's component objectives. USAID's strategic assistance will both support the GOC and contribute to the national and regional stability of a democratic trading partner that is increasingly important to the United States, as well as support the important domestic goal of reducing illicit drugs in the United States.

B. Country Overview

Colombia is a profoundly troubled country at a critical juncture. The armed conflict has resulted in more than 35,000 deaths in the past decade and the forced displacement of over 1.1 million Colombians. An estimated 25,000 Colombians die annually as a result of political or random violence. Concurrently, in the past few years, illicit drug cultivation and trafficking have exploded contributing further to criminal violence. The internal armed conflict and extraordinarily high degree of both politically charged violence and common crime are a substantial threat to Colombia's democracy.

Compounding these criminal and political problems, Colombia's economic growth rate in the last year was negative for the first time in 40 years, pushing the unemployment rate up to over 20 percent. Meanwhile the government has been unable to meet these challenges, hampered most significantly by institutional weakness, corruption, and criminal impunity. As a consequence, the GOC's ability to ensure the rule of law, human rights, and democratic participation for all Colombians has been limited. Despite reforms, constitutional decentralization and serious attempts to broaden voting, citizens have little day-to-day input into decision-making or oversight. In addition, civil society organizations are not in a position to participate actively in the society. Citizen involvement through self-help, advocacy, and oversight, particularly in politically charged areas such as human rights is dangerous and limited. Ultimately private citizen groups, as well as public officials, find themselves under the threat of physical retribution by armed groups in society, curtailing their abilities to participate actively in a democratic culture.

Given these diverse and substantial problems confronting Colombia today, one of the most urgent issues is the need for peace. Peace is the cornerstone for a better future for Colombia. President Pastrana has made it one of the central goals of his administration; and the will for peace is salient among the Colombian populace. Pastrana inaugurated peace negotiations with the FARC in January of 1999, in part responding to the growing civil demand for peace.

However the obstacles to a brokered political resolution are substantial. The current insurgency in Colombia is multifaceted. The guerrillas, predominated by the FARC and ELN, are a significant presence in close to half of the country. It is estimated that the FARC receives over \$600 million a year through kidnappings, extorting money from foreign and domestic companies through a three- percent tax imposed on coca crops, and by providing protection to narco-traffickers. In addition, the FARC has de facto control

of a demilitarized zone comprised of five municipalities granted in November 1998 as a precondition for the peace negotiations. Well-financed and protected in their zone, the FARC is allegedly negotiating from a position of tactical strength, even though they do not have widespread public support. Similarly, in May 2000, the smaller ELN was granted their own demilitarized zone in exchange for their involvement in peace negotiations.

Despite continued threats and violence, the GOC remains committed to the peace process. In part, the GOC argues that the guerrillas are genuinely interested in peace, and that this commitment is exhibited by continued dialogue among the participants as well as by recent trips by FARC leaders to Europe to meet with foreign political and economic leaders. The GOC for its part maintains the premise that these guerrilla organizations must be treated as political entities. In spite of its military alliances, guerrilla tactics and strong Marxist-inspired ideological origins, the FARC movement is still recognized and dealt with by the GOC as a political movement with political, economic, and social aspirations. Similarly, the ELN traces its roots to the liberation theology of the 1960s and maintains a stature of a political movement. Yet, alongside their political, social, and economic aspirations, these two guerrilla groups are waging a deadly military battle against the Colombian government.

Continued guerrilla violence remains an overwhelming obstacle to peace, an obstacle that is furthered by the paramilitary's (United Self-Defense [groups] of Colombia or AUC) role in the struggle. As paramilitary forces use violence, murder, and terror to combat the insurgencies, not only do Colombian civilians continue to suffer but the peace process is also endangered. Specifically, the FARC and ELN reject the notion that the AUC be accorded political status comparable to their own and be brought into peace negotiations with the GOC.

The current civil conflict is violent, costly, and complicated. Yet, at this juncture, there is a chance for a negotiated peace in Colombia. As the cases of Northern Ireland, Guatemala, and El Salvador illustrate, peace can be brokered in the midst of escalating violence. The success of Colombia's peace process is one that is predicated on the will of the GOC and the guerrilla forces. Hopefully GOC, guerrilla, and paramilitary commitment will respond to the overwhelming mandate for peace coming from the populace. Foreign actors may provide support and/or mediation, but the outcome of the peace negotiations will not and can not be determined by US military or even financial intervention. The USG recognizes it has only a limited, supportive role in the Colombian peace process. Within this limited USG role, USAID will fund organizations that seek to provide contributions to Colombia's peace negotiations. Ultimately, the USG and USAID will contribute to the peace process by helping Colombia to build the foundations for peace by alleviating problems that feed violence and misery, and that are a part of the civil conflict.

The possibility of peace has become entangled with the drug war. Colombian narcotics traffickers through direct involvement or through protection taxes are providing substantial financial support to the warring factions, both guerrilla and paramilitary.

Beyond their tacit or direct role in the civil conflict, the narcotics industry also has contributed to the high level of violence and criminal activity in the country.

To reiterate, over the last five years, drug cultivation and processing has exploded in Colombia. In 1995, Colombia produced coca leaf on 51,000 hectares for a potential production of 230 MT of cocaine. In 1999, Colombia produced 120,000 hectares of coca for a total potential production of 520 MT. Most of the coca production in Colombia is located in the south in the Departments of Putumayo and Caqueta. In 1999, the CNP estimated that there was a total of 79,500 hectares of coca in these two Departments alone: 45,900 hectares in Putumayo and 33,600 hectares in Caqueta.

The causes of Colombia's illicit crop production are numerous and complex. At the root, Colombia's poorest and most remote farmers have not had opportunities to participate in the mainstream economy in a gainful manner. Illicit activities compensate for the lack of legitimate income alternatives. In addition, social and political alienation reinforces this economic marginalization of many families. With little effective government presence in many areas, Colombia's poorest families turn not only to illicit crop production, but to the tangible non-governmental authority in their areas -- guerrillas, paramilitaries and/or traffickers -- for assistance and protection.

The expansion of drug production and trafficking continues to cause serious economic, social, political, and environmental harm to Colombia. The links between the narco-traffickers and the insurgents have critically damaged civil government authority in the coca-growing regions (again predominantly in the south). A dearth of basic public services including education, health, judicial access and democratic processes has resulted. Additionally, legitimate economic growth has been greatly hindered by illicit production, perpetuating rural poverty. Finally, the increased illicit crop production has had detrimental environmental impact on Colombia's natural resource base. Cloud forest regions that line steep mountain slopes have been destroyed by the cultivation of poppy, while moist Amazon jungle has been cleared for coca production. Indigenous community reserves have been violated and parks and natural reserves have been cut over in the pursuit of illicit production.

The consequences of this environmental degradation are immense. Colombia is one of the top five "megadiversity" countries in the world. Encompassing a total surface area of nearly 1.15 million square kilometers (less than one percent of the landmass), Colombia is host to 15% of all known terrestrial species. The Colombia Amazon occupies over 35% of the country and is still covered almost exclusively with rain forests. It is extraordinary for its high bio-diversity as well as for the relative integrity of its ecosystems and indigenous communities, perhaps the most intact of all Amazonian regions in South America, due largely to the near absence of roads and the poor navigability along the river. In addition, nearly 60% of this region has already been legally declared as either indigenous reserves or protected areas. Furthermore, Colombia is home to the largest number of species of birds and amphibians in the world. However, limited environmental protection, poor public administration, illicit crop cultivation and the corresponding forced resettlement of indigenous communities, soil erosion and

rampant deforestation, all pose a significant threat to the ultimate survival of various ecosystem types and countless dependent species in Colombia.

Unfortunately, Colombia's precious environmental system is just one of several casualties of the civil conflict and the narcotics industry; Colombia's democratic system is also endangered. The GOC locked in battle with these two challenges - insurgents and narcotics - has been unable to sustain and expand a viable modern democratic culture based on the rule of law and social, political and economic access. Yet, Colombia, one of the oldest democracies in the hemisphere, does have the constitutional framework for participatory democracy. In 1991, a new constitution was ratified which sought to modernize the political system and enhance the rule of law. The new constitution reflected a growing national, as well regional, emphasis on democratic and electoral politics as a viable means of attaining power. The primary constitutional reforms included the opening up of the political system to permit participation by minority group interests, modernization and streamlining of the judicial system, a devolution of both power and resources to the regions, and legal limitations placed on the authority of the executive. Despite significant efforts by the constitutional assembly to promote a more democratic system, some of the mechanisms introduced have indeed proven ineffective or misguided.

The weakness of the democratic system has many manifestations in Colombia. The most salient materialization of the failure of Colombian democracy is in the smaller municipalities and rural areas that comprise the majority of the country. In these areas, democracy is faltering, in part, as we have seen, because this is where the actors in the drug industry and civil conflict predominate. In addition, however, institutional weakness, scarce or misappropriated resources, and poorly trained officials perpetuate government weakness in rural regions. As a consequence, the majority of Colombians have yet to see any tangible changes in their daily lives and have lost confidence in public institutions. The lack of community security and personal safety thwarts innovation and initiative by local officials, as well as civic participation in the government. In Colombia, the urgent challenge is to strengthen local democratic processes, specifically to establish effective and legitimate local governance.

Institutional weakness both in the smaller municipalities and larger cities has gravely impaired the rule of law in Colombia. The legal training of judges, prosecutors, and public defenders is often inadequate. As a consequence, there are an insufficient number of full-time, trained public defenders. Similarly, prosecutorial investigations suffer from a lack of training, technical facilities, and regulatory standards. Compounding these professional weaknesses, judicial trials are neither oral nor accusatory. Rather, the courts rely on a written, inquisitorial system, which results in slow movement once cases actually come to trial. As a whole, the judicial system is administratively inefficient, burdened by a large case backlog and undermined by intimidation and the prevailing climate of impunity from arrest and prosecution. The accused may be detained if the prosecutor deems it necessary; over half of the prison population -- some 21,000 people -- has not been sentenced for a crime. Finally, as a consequence of these institutional and procedural weaknesses, few Colombians have legitimate access to a fair judicial process.

Ultimately, this lack of credibility on the part of the Colombian judiciary has encouraged violence as a means of obtaining justice, while concurrently dissuading individuals from seeking legal redress for grievances, human right abuses, and other criminal violations. The Pastrana administration has taken strides to institute an accusatory system, highlighting the use of oral public trials, complemented with the implementation of multi-agency judicial centers designed to facilitate access to Colombians living in marginal areas. These actions underlie the administration's commitment to establish a more efficient, transparent, accessible, and fair judicial system.

Pervasive human rights abuses is one the most significant and alarming manifestations of Colombia's judicial weakness. Criminal impunity combined with rampant violence has created an environment in which vigilante justice and retribution has replaced legal recourse. As a consequence, the number of human rights abuses committed has escalated. Human Rights Watch estimated that in the first eleven months of 1998, Colombia suffered 145 massacres, 1,427 kidnappings, 24,241 homicides and 925 acts of terrorism.² The government's human rights record remains poor and Colombia suffers the worst political violence and most dire human rights situation in the entire Western Hemisphere. In addition, human rights workers are at significant risk and are unable to mount sustainable programs to monitor the human rights situation, to report on human rights violations, and to educate the population about their rights. Journalists, union leaders and civil society organizations personnel, who have been at the forefront of efforts to report on and eliminate human rights violations as well as build a national platform for peace, are often threatened and killed. Even government prosecutors and Ombudsman staff lack basic logistical and forensic equipment needed to investigate human rights cases and develop evidence in a timely manner. The majority of human rights violations come at the hands of insurgent and paramilitary groups. The Pastrana administration recently took measures to initiate structural reform and to organize GOC human rights efforts under a national program designed to strengthen judicial protection and to improve interagency coordination and implementation. Fundamental and positive changes have also been made to the judicial system in order to improve due process of law and to significantly reduce the number of reported human rights violations.

Another manifestation of Colombia's current democratic deficiency is rampant corruption within the GOC. Again, a lack of training, regulation, and oversight has weakened the institutional framework and contributed to a lack of transparency and capacity in the public sector. Widespread corruption and glaring inefficiencies on the side of the State have fostered civil society apathy and facilitated a lack of cooperation. Without adequate oversight or accountability, blatant abuses of power, inequitable allocation of resources, inefficient spending, and non-transparency in the decision-making process typify many GOC practices.

The GOC has recently developed a national anti-corruption strategy to ensure that transparency and accountability are ensured within all government entities. Representatives from the central government, sanction and control organisms, academia, the business sector and NGOs are currently participating in the planning and

² Quoted in *El Tiempo*, December 10, 1998.

implementation of the strategy. The GOC program has identified some of the leading issues that impede democratic consolidation and increased transparency, such as criminal impunity, narco-trafficking, violence, clientelism and weak institutional capacity. However, little progress has been made to reform a political climate that has been scarred by five decades of violence.

As Colombia faces these troubling political and judicial issues, the nation is handicapped by its struggling economy. Despite its reputation as a well-run economy, Colombia remains a country of serious economic distribution and participation problems. Indeed, while the country has made some progress in alleviating poverty, economic distribution remains problematical. Six million Colombians still live in absolute poverty. Fully fifty percent of the nation's income goes to only twenty percent of the population. Perhaps the worst in Latin America, some 10 percent of the population own 90 percent of the agricultural land. As petroleum resources and the cocaine economy are eliminated, Colombia faces serious issues of how to offset losses in these two giant export earners.

In the past year, the economic scenario has deteriorated. As a result of external market conditions and the deteriorating domestic situation, Colombia's economic growth has slowed, becoming negative in 1999 for the first time in 40 years. During 1998, the country was hit by a drop in oil and coffee prices, resulting in an estimated loss of 1.5 percent of GDP. In addition, the virtual closing of international credit markets to developing economies and the high cost of external credit have decreased the availability of external finance for both the public and private sectors. The economic decline was also a result of a diminution in foreign investment and capital flight brought on by the violence and general pessimism about the direction Colombia was going. The poor performance of the economy engenders unemployment and poverty, which in turn feeds the insurgencies and illicit drug cultivation by providing a desperate and willing workforce. To confront these economic issues, government austerity is needed. Yet, this is at a time when Colombia's need for greater social investment; employment generation, the war on illegal drug trafficking and cultivation, and the peace process all require drastically increased government attention and intervention.

Crippled by civil conflict, the narcotics industry, weakened democratic capacity, and a struggling economy, Colombia also currently faces a crisis of immense humanitarian proportions: the massive number of persons internally displaced by the violence or illicit crop eradication. The forced displacement of Colombia's population has increased, particularly since 1994, as a result of the intensifying armed conflict. In addition, combatants in Colombia's multi-faceted insurgency have come to use the expulsions of populations as an integral part of their strategies to position themselves territorially. As a result, Colombia's displaced population reached 739,000 people in the ten years preceding 1995. Between 1995 and 1998, the number of displaced persons was estimated to be between 380,000 and 746,000 for a total of well over 1 million and as many as 1.5 million by some estimates. Uprooted from their regions and stripped of their possessions, most displaced persons in Colombia, particularly after their initial three months of displacement, do not have access to the minimal level of social or economic services.

The GOC's technical, legal, institutional, and operational limitations have damaged its ability to effectively redress the situation of internally displaced persons. Some 19 agencies of government are involved in providing assistance to the displaced and there is no unified monitoring or coordinating system to define institutional responsibilities or accountability. In addition, the government has not developed a system to complement State activities through NGOs and international organizations that have considerable experience in this area. As a result, coordination between the State and NGOs is insufficient to the task. The humanitarian crisis represented by the thousands of internally displaced persons strains the social, economic, and political systems of Colombia. The failure to alleviate the situation of IDPs is symptomatic of the current failure of Colombia democracy in all its facets.

Plan Colombia

While the problems are immense, the GOC's Plan Colombia has provided a new framework for assessing the possibilities for change in Colombia. Plan Colombia builds upon the ongoing National Development Plan, which had placed strong emphasis on building social capital as a key to enabling Colombia to resolve its social conflict. Major elements of the first plan were government decentralization, improved access to public goods, universal access to education and health care, and gender equality. Substantially expanding the National Development Plan, President Pastrana unveiled Plan Colombia in October 1999. The Plan is an almost \$7.8 billion effort to address the fundamental causes of Colombia's civil war, justice and human rights abuses, poor economic performance, poverty and illicit drug production and trafficking.

Element 1: The Peace Process

The peace strategy of Plan Colombia rests on three specific goals: first, advances in the agreements already made between the GOC and the main guerrilla organizations to regard one another as legitimate agents in serious peace talks; second, attainment of partial agreement regarding the 12 point agenda prior to the end of President Pastrana's term; and third, making the agreements effective. In addition, there is recognition that civil society must also play a central role in the search for peace. Finally, the GOC strategy also seeks to develop an important role for the international community in both the diplomatic and financial areas and has set up the Peace Investment Fund as a channel for international assistance directly to the peace process to support projects for economic and social developments in the areas most affected by the armed conflict.

Element 2: Economic Reform

Plan Colombia's strategy for the country's economy is three-pronged: first, stabilizing the macro-economic environment, including elimination of imbalances, rationalization of the regional finances and privatizing remaining state holdings; second, promoting growth through trade and investment promotion policies; and, third, broadening the base of economic development through employment promotion, land reform and micro-enterprise development.

Element 3: Counter-Narcotics

Plan Colombia focuses its counter drug offensive on: first, air interdiction of aircraft coming from the sources of production (mostly in the South) to ports of departure in the north; second, marine and river interdiction of precursor chemicals into the areas of coca processing; third, enhancing the military's ability to provide security and intelligence for police operations; fourth, the destruction of processing infrastructure; fifth, the eradication of illicit crops; and sixth, alternative development.

Element 4: Reform of the Justice System and Protection of Human Rights

Plan Colombia aims at making Colombia's judicial system effective, transparent, accessible, and independent. First and foremost, Plan Colombia aims at reducing the impunity that narco-traffickers, human rights abusers and other serious criminals have. It will address prison reform, improved prosecution, more effective investigations and speedier trials and well as witness protection. Plan Colombia also places a special emphasis on the issue of human rights. The GOC will strengthen its efforts against impunity and weak reporting and early warning regarding human rights abuses. Additional efforts in investigation and prosecution will be undertaken in issues of corruption, money laundering, and counter-narcotics.

Element 5: Plan for Democratization and Social Development

Finally, Plan Colombia seeks to reduce the causes and manifestations of violence, progressively and systematically by strengthening civic participation and citizen awareness of issues. The strategy aims to ensure more accountability in local government, greater community involvement, and pressure to end abuses of human rights. As a result, Element 5 plays an important role in Plan Colombia, as it most directly addresses the issues of inclusion in the economic, political and social life of the country. Element 5 has four major focal points: first, assistance to victims of violence and the internally displaced; second, alternative development; third, environmental restoration and preservation; and, fourth, strengthening the roles of local communities and municipalities.

Plan Colombia provides a viable blueprint for change and peace. The Plan provides a well formulated strategy to address many of the country's problems at their roots. Its emphasis on effective governance, justice sector reforms, and social and economic development will be critical to its overarching goal of achieving peace and lasting social and economic stability.

C. Donor Coordination

IFI and other donor funding is supporting many of the same areas of focus as are USAID programs. IFI funding in particular will be critical to USAID activities at the municipal level related to local governance, alternative development and support to vulnerable groups, which seek to reestablish a GOC presence.

indigenous peoples, and rural infrastructure development. It also implements a \$87 million loan to assist the government in improving public resources allocated for agricultural research. UNDCP continues to implement its three-year, \$2.5 million project to strengthen implementation mechanisms of PLANTE. In 1999, UNDCP initiated a follow-on, \$6.1 million, three-year alternative development project in the Meta and Caquetá departments. The UN World Food Programme has contributed with a USD\$9 million food for work program. The United Kingdom's is currently implementing a \$800,000 activity dedicated to transferring agricultural technology to small farmers.

In terms of assistance to IDPs, the EU is implementing a total \$13 million humanitarian assistance effort, which includes psychological rehabilitation, agricultural development and resettlement.⁴ UNICEF has ongoing projects focused on children displaced by violence.

In the environment, the EU and several bilateral donors, Spain, Holland and Germany, devote considerable resources to environmental preservation, tropical forest management, and to the preservation of the Amazon region.

In earthquake reconstruction, the IDB made a \$20 million loan to the Colombian government's *Fund for Reconstruction of the Coffee Belt (FOREC)*. Specifically, this loan is used to finance goods and services necessary for provisional housing and the stabilization of damaged structures. The World Bank has contributed \$93.2 million in reformulated loans to support the reconstruction program, in addition to a new \$225 million emergency loan package for the rehabilitation of areas damaged by the earthquake. Bilateral donors include Germany, Morocco, China, Japan, and Jamaica, all of which delivered humanitarian assistance to earthquake victims.

⁴ Europa Press. "Colombia Recibirá Ayuda de Emergencia de la Unión Europea Por Valor de 6,5 Millones de Euros." April 17, 2000. 10:12 AM.

Other Donors⁵
(US\$000)

Area of Focus/Donor	IMF	IDB	WB	UN	Spain	Germany	Holland	Sweden	UK	EU
Democracy and Local Governance	0	79,000	264	0	0	1,900	0	0	0	10,165
Rule of Law and Human Rights	0	15,400	646	0	0	10,400	0	1,271	0	2,152
Peace/Civil Society Strengthening	0	0	1,129	0	167	0	0	1,417	0	19,730
Alternative Development	0	177,000	735	17,600	0	0	0	0	800	0
Economic Stabilization and Infrastructure	2,700,000	0	137,100	0	0	0	0	0	0	0
Internally Displaced Persons	0	0	0	797	0	0	0	0	0	14,382
Environment	0	0	0	0	1,046	0	14,875 ⁶	0	0	4,850
Earthquake Reconstruction	0	20,000	318,200	0	0	1,000	0	0	0	0
Totals⁷	2,700,000	291,400	458,074	18,397	1,213	13,300	14,875	2,688	800	51,279

⁵ Covers period from 1998 -- 2001

⁶ Includes IDB funding in the amount of \$6.9 million.

⁷ Grand total equals \$3.6 billion

What Colombia Will Look Like in 2005

The USAID strategy will contribute to the achievement of the following results by the year 2005:

- The confidence of Colombians in their democratic institutions and processes will increase, both at the local and national levels. The political mechanisms of the government as well as the judiciary will be stronger, more effective, accountable and transparent.
- Efforts to strengthen local governance and civil society will be underway creating the foundation for more democratic practices, such as citizen involvement in local government.
- Respect for human rights and non-violent conflict resolution will be established and cultural values will be reflected in a corresponding decrease in human rights abuses.
- Colombia's illicit crop production will decline as a result of GOC/USG interdiction and eradication efforts in conjunction with a sustained alternative development program.

D. Assumptions

- Colombia will finance its own portion of "Plan Colombia", currently estimated at approximately \$4 billion.
- Colombia will secure financing for key elements of Plan Colombia from other donors and international financial institutions [estimated at \$1.7 billion]. This financing will focus on the economic and social development aspects of Plan Colombia.
- The GOC will commit itself to long-term sustainment of Plan Colombia, by augmenting its available national resources with additional resources from the international donor community.
- Colombia will continue to support aerial eradication operations.
- US-Colombia bilateral government relationships, in many areas, will expand as required, to facilitate U.S. support to Plan Colombia, especially in areas related to multilateral narcotics and related criminal investigations and prosecutions.
- The GOC will bear the political cost of expanding CN operations.
- The Colombian military will remain committed to expanding its participation in CN operations.

- The Colombian Military and CNP are committed to conducting truly joint CN operations.
- The GOC will remain committed to promoting and protecting human rights.
- The GOC will remain committed to eliminating any collusion between government security forces and illegal self-defense groups and will seriously pursue efforts to bring illegal self-defense groups to justice.
- U.S. assistance for FY2000 and FY2001 will total approximately \$1.5 to \$2 billion for support to Plan Colombia and additional regional CN initiatives. U.S. assistance will be slightly weighted toward CN, law enforcement, eradication and interdiction operations, providing overall balance to Plan Colombia, under the assumption that significant contributions from other donors will be directed toward social and humanitarian needs.
- USG assistance will not replace Colombian funding for current initiatives, nor will it substitute for the long term peace process.
- Global demand for Colombian-produced illegal drugs will not change drastically in the short-term. Nevertheless, the USG will continue aggressive demand reduction efforts.
- The regional political, military, economic and CN situation will not change dramatically enough to deter execution of Plan Colombia.

E. Issues

Issue 1: The Colombian economy could grow at substantially lesser rate than the 3% annual rate projected by the GOC. The austerity program imposed by the IMF on the central government budget is significantly reducing budget outlays. Will the Government of Colombia be able to finance its counterpart contributions to USAID activities?

Discussion: Individual project designs take into account the present and anticipated budget capacity of the counterpart institutions. Year-to-year counterpart contributions may be in salaries, commodities, or other services financed from governmental resources, and not from loans or grants from other donors. Long-term sustainability will become an issue if the economic recovery is slower than predicted. Project managers will closely monitor the contribution of counterpart agencies to ensure that annual commitments are met. Where success of an activity depends on the contribution of another donor, those contributions will also be monitored.

Issue 2: How will alternative development, local governance, and other programs work in areas where the GOC security forces cannot ensure the safety of the population? How

can the USAID program expect to have a significant effect on the range of problems in Colombia, where the areas are so large and the security so difficult?

Discussion: Trips into the field in Colombia confirm the situation seen in other countries, that local people will not participate in a USAID-financed activity if they perceive it as being too dangerous for them. The participation of local officials and farmers is prima facie evidence that there is a chance for program success. USAID intends to use Colombian staff for its field activities, and will limit the field presence of American citizens in accordance with guidance from the Regional Security Officer. Operating within their own culture, the Colombian staff can be expected to avoid unnecessary risk. Our programs will initially rely on travel by mayors and other officials to attend program meetings in departmental capitals.

New program efforts will admittedly be slow to start in the conflictive environment in most of our target municipalities. Once programs are perceived as beneficial and safe, the existing informal social network can be relied upon to bring people into contact with the project. Colombia is very large, but benefits from governmental and economic structures that until recently were able to maintain nationwide contact. More than 60% of the population lives in urban settings, and can be reached with local economies of scale. Transport and communication networks are generally good, although the highways and lesser roads are deteriorating from lack of maintenance. Deliberate damage to electrical lines, and more recently, to highway bridges, has been limited. Colombian systems functioned well in the past, and need to be reactivated rather than newly invented. Despite the challenges of work in the field, project results can be monitored in accordance with statutory requirements. Colombian personnel will be able to view the results of the project investment in infrastructure, and USAID will have the evidence of the dedication ceremony, which will be accompanied by photos and perhaps press coverage. There will be receipts for expenses that can be verified. For participation activities, there will be announcements of the event, reports of what happened, and lists of next steps to advance the process. In alternative development, local visits of U.S. and PLANTE staff will be confirmed against reports by CNP or other sources.

Issue 3: The program that is presented in the strategy is of a magnitude equal in obligation, expenditure, and results to a full service Mission rather than the model of a small Mission that depends on services from a Regional Center. Can the program succeed in the absence of adequate on-site administrative support?

Discussion: The Colombia program is presently supported from Lima, Peru, using the staffing requirements that were adequate for a \$9 million annual OYB. The Regional Center was staffed for this low OYB, but Colombia is now moving to a \$110 million OYB, thereby dramatically increasing the workload of the Regional Center. The support staff – controller, contracts office, executive office and legal advisor – are now insufficient to handle the workload generated by the massive Colombian program in addition to the demand of their other two client Missions. Further, the Colombia program is handled by email and telephone backed by an occasional TDY, resulting in a dramatic increase in lost time and productivity on account of communications difficulties and

ability to adapt to a rapidly evolving program. USAID Bogota should have, at minimum, a warranted Contracts Officer in residence.

Issue 4: Do the key groups in Colombian society and the Colombian Government have the political will and long-term staying power to build an inclusive, participatory society?

Discussion: Currently, yes. However, the proposed strategy is a long-term endeavor that will only be in the initial phases of implementation following these last two-years of the Pastrana Administration. Progress made in implementing Plan Colombia and the willingness of the next administration to continue these key reform efforts will, to a large extent, determine whether or not there will be continued civil society commitment and the necessary political will to achieve this and other intended goals. Based on these key considerations, this will continue to be an issue.

Summary USAID Strategy

In support of U.S. foreign policy goals and domestic drug abuse control, the proposed USAID strategic assistance to Colombia over the next five years will help the country build a participatory democracy and modern state, as well as reduce poverty, expand licit economic opportunities, combat human rights abuses, and ameliorate the fate of almost two million displaced persons. The strategy ties into Colombia's own strategy for peace and will assist Colombia to move into a new era of democratic stability, rule of law, and political, social, and economic inclusion. Taken together, these activities will not only provide a more inclusive society for all Colombians, but will also provide the essential foundations for peace. The problems confronting Colombia are daunting, but USAID believes that through these three closely integrated strategic objectives, we can provide significant assistance and resources for sustainable change. This strategy was developed in close coordination with our development partners and fully accounts for the needs and aspirations of USAID's customers.

The manifestations of Colombia's current crises – drug production and trafficking, violence, human rights abuses, forced displacements and crime – are all interrelated issues with common underpinnings. Fundamental are two major problems facing Colombia today: the inability of the State to fulfill its responsibilities, assure rights and provide basic services, and the lack of political, economic and social inclusiveness of the system. Thus the proposed Mission strategy is based on two global objectives:

- 1) **Help Colombians broaden the base of the country's economy and its growth strategy, and help marginalized groups to participate in, and benefit from, the fruits of economic growth and prosperity; and,**
- 2) **Help Colombians strengthen the capacity of their State to fulfill its fundamental responsibilities and to provide services in an effective, transparent, and participatory manner.**

Within these overriding objectives, USAID will support three closely integrated strategic objectives directly related to Agency goals and objectives:

SO1: Promote More Responsive, Participatory, and Accountable Democracy

SO2: Promote Economic and Social Alternatives to Illicit Crop Production

SO3: Provide Economic and Social Opportunities to Vulnerable Groups, particularly Internally Displaced Persons

Additionally, USAID will continue to provide targeted assistance to help the GOC to rebuild its highly productive coffee region following the devastating January 25, 1999, earthquake under its **SpO 2, "Provide Earthquake Reconstruction Assistance,"** which corresponds to the Agency's commitment to humanitarian assistance. USAID will also

continue to implement environmental and related child survival activities under the Enterprise for the Americas Initiative.

The Mission has developed its strategic framework in a holistic fashion, fully integrating all objectives while building upon the synergies among them. For example, the themes of citizen participation and local development inherent in our democracy objective (SO1) are woven throughout the framework and serve to reinforce the participatory mechanisms upon which the alternative development (SO2) and the assistance to internally displaced persons (SO3) activities are founded. Such an integrated approach will greatly increase the chances for permanent and lasting change. Pilot activities being developed by the GOC in Puerto Guzman, located in Colombia's southern department of Putumayo – where fully half of the country's coca is cultivated -- is a prime example of this approach. If successful, this pilot activity, which seeks to provide greater access by citizens to justice, increase participation in local governance, and promote viable alternative economic opportunities, while providing support to disadvantaged groups, will later be replicated on a nationwide scale.

Collectively, the proposed strategy, combined with those closely aligned efforts of the GOC, other agencies of the USG, and the international community, will help promote peace and remove the obstacles to participation in Colombia's future economic, political and social life.

In addition, several crosscutting themes provide the beacon for this strategy:

- It is critical for Colombia to build a more participatory democracy based on decentralization and greater support and inclusion of civil society actors. Beginning at the local level, municipal governments and community-based groups are the essential foundation for a renewed commitment, understanding and implementation of democratic values and practices. Significant development of the civil society sector is therefore essential for the development of practices and a culture that foster political, social, and economic inclusion.
- In order to attain the long-term goal of peace, Colombian society must develop a deeper understanding and commitment to human rights and non-violent means of dispute resolution. This requires both institutional strengthening of the Colombian judiciary as well as significant training in both international human rights standards and alternative methods of conflict resolution.
- In order to be effective and sustainable, Colombia's democratic institutions must be strengthened from the local to the national level. To ensure a long-term capacity and improve quality, these institutions must develop strong institutional, managerial, financial, and technical capacities to respond effectively to citizen input and needs. In part, this will require training and technical assistance for the institutions, as well as greater planning and coordination strategies among them.

- Reducing illicit coca and poppy production through alternative development strategies is vital to U.S. foreign and domestic policy goals. It is essential that licit economic opportunities be established and sustained through market development and infrastructure support.
- Many of Colombia's problems can be alleviated by focused and informed assistance. A significant number of the issues underlying the current crises will respond quickly and positively to assistance aimed at institutional strengthening, technical training, and professional and civil education.

USAID's integrated strategy will help Colombia strengthen its institutional commitment to a responsive and effective democracy, the rule of law, a strong and licit economy, and the social, economic and political incorporation of all its citizens. The strategy also addresses key gaps in other donor programs and concurrently builds Colombia's absorptive capacity to utilize donor resources and to sustain changes and assistance throughout society. Ultimately, USAID, while recognizing the weaknesses and problems in Colombia, believes that well-placed assistance both in the public and private sector can foster substantive and sustainable change. USAID's strategic assistance can provide opportunities for amelioration that do not currently exist. These opportunities can make a critical difference in helping Colombia to build a peaceful future and a participatory democracy based on the political, social, and economic inclusion of all of its citizens.

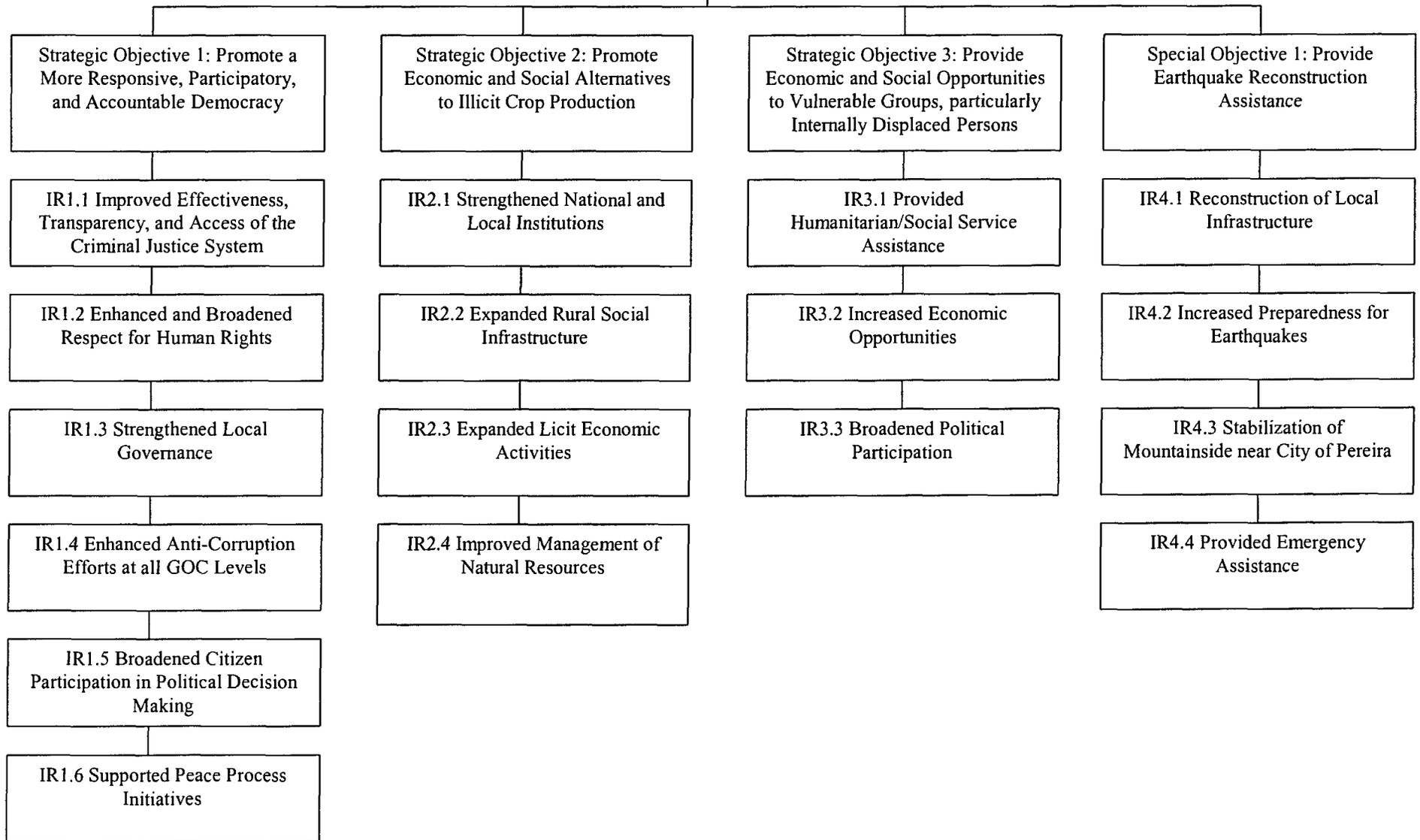
**Summary USAID/Colombia Budget
(US\$ Millions)**

Source	FY00⁸	FY00-01⁹	FY02	FY03	FY04	FY05	Total
ESF	4	4	50	50	50	50	208
INC	5	5	30	30	30	30	130
PC		172	0	0	0	0	172
Total	9	181	80	80	80	80	510

⁸ From core funding.

⁹ Core funding plus Plan Colombia supplemental.

**Promote Peace and Remove
Obstacles to Participation in
Colombia's Political, Economic, and
Social Life**



***Section II: Proposed Country
Strategic Plan***

Strategic Objective 1: Promote More Responsive, Participatory, and Accountable Democracy

The Problem

Colombia is Latin America's oldest constitutional, multiparty democracy. However, it is plagued by rampant violence and weak institutions. This uncertain climate, combined with the current economic recession, narco-trafficking and terrorism, has led to a virtual assault on democracy. These causes translate into impunity, corruption and inefficiency at all levels of government, lack of citizen confidence in systems designed to serve and protect them, breakdown of rule of law and civil order, constant state of intimidation and fear, human rights violations, amongst a myriad of other problems.

Colombia's human rights situation is in crisis and remains an area of serious concern. The statistics paint a gruesome picture. The GOC's National Ombudsman's Office received 18,479 human rights complaints during 1998. Political and extra-judicial killings claimed an estimated 2,000 to 3,000 citizens in 1999. There were 399 massacres (1,845 people) in 1999. Press reports state that an average of 68 persons are murdered each day in Colombia. More than 3,000 cases of forced disappearance have been reported formally to the authorities since 1977; very few have ever been resolved. Other human rights abuses include kidnapping, torture, arbitrary detention, noncompliance with international humanitarian law, and disrespect for civil and liberties and political rights. An increase in violence against women and children has also been reported in the last several years, especially in high conflict zones. Numerous Colombian NGOs, union leaders, human rights workers, community leaders and journalists live and work under constant threat. Some have been obliged to leave the country, while many others have been assassinated.

The internal armed conflict and narcotics trafficking are the central causes of violations of human rights and humanitarian law. Government security forces at times violate international humanitarian law and continue to commit serious human rights abuses, but their record is improving. Paramilitary groups and guerrillas commit the vast majority of serious abuses, including extra-judicial killings. They often specifically target civilians. Insurgent and paramilitary groups have ties to the drug production and trafficking. In some places, both groups collect war taxes, force citizens into their ranks, force small farmers to sow illicit crops, and regulate travel, commerce, and other activities. Paramilitary groups are attributed to having committed over 100 kidnappings in 1999. This compares to nearly 3,000 cases of kidnapping by the ELN and the PARC, who use this policy as a major source of revenue. At times the government security forces are reported to collaborate with paramilitary groups that commit abuses.

Impunity from arrest and prosecution is at the core of the country's human rights problems. The Colombian judicial system is administratively inefficient, burdened by a large case backlog and undermined by intimidation. It has suffered from a number of failings, including corruption and the perception that judicial decisions are negotiable,

insufficient resources, mediocrity of employees, subordination to political decision-making and high court and defense costs.

The civilian justice system was reorganized under the 1991 Constitution, which specifically provides for the right to due process. Judges determine the outcome of all trials under an inquisitorial system. The accused is presumed innocent until proven guilty and has the right to representation by counsel. Everything is processed in writing, contributing to the high level of inefficiency.

In August 1999, the Superior Judicial Council's administrative chamber reported that the civilian judiciary suffered from a backlog of 3,068,739 cases (including 604,506 penal cases), and that the number of outstanding arrest warrants was 338,000. In addition, 223,000 motions for cessation of judicial actions were before the Constitutional Court for its legally mandated review. Judges, defense attorneys and prosecutors have long be subjected to threats and acts of violence, particularly when dealing with cases involving members of the armed forces or of paramilitary, narcotics, and guerrilla organizations.

As a result, Colombians have little faith in their judicial system. About 63% of crimes go unreported, and 40% of all reported crimes go unpunished. The Ombudsman's office reports receipt of 1, 353 complaints of denial of the right to due legal process during 1998.

Nearly all GOC institutions suffer from similar problems of inefficient administration. In many cases, corruption has significantly impaired public sector effectiveness and credibility in Colombia. A lack of accountability and transparency exists at every level of government, from the national to the municipal level. The roots of this corruption are diverse, including weak institutional capacity, a lack of professional training, a pervasive sense of impunity, clientelism, and even narcotics trafficking and guerrilla violence. The ever-present element of corruption has damaged the credibility of the GOC and thus threatens the very foundation of a modern democracy – citizen trust in government. On the economic front, corruption has weakened the financial standing of the nation as a whole, interfering with its ability to attract and maintain foreign investment.

Corruption is particularly widespread in the public sector and hampers good governance. According to a 1999 study by the Anti-Corruption Institute of the University of Rosario, 67% of government contractors had paid bribes in the course of doing business with the government. A February 2000 study by the Corona Foundation on the level of corruption in government as perceived by the private sector found that on a scale of one to seven with one being totally dishonest, the highest score of any public entity was 4.87 with the majority of institutions falling below four. Finally, corruption appears to be on the rise. According to an index of perceived corruption in 1995, 75% of the countries sampled were ranked as less corruption than Colombia. By 1998, the index had risen to 88%.

Furthermore, local governments – where most of the interaction between the State and citizens does and should occur – generally have not been effective. A decade ago, the structure of the GOC was hierarchical and centralized. The 1991 Constitution and

subsequent laws provide one of the most advanced legal frameworks for decentralization to regional and local governments among Latin American countries with unitary governments. Despite these policy reforms, little has changed on the ground. Large segments of the population, particularly marginalized and rural communities, still do not have access to basic public services and are unable to exercise their rights. Weaknesses in departmental and municipal governments have impeded their ability to meet these needs. Most local government officials do not have the requisite knowledge and skills to effectively carry out their responsibilities. Municipal offices, particularly in rural and small municipalities, are generally under staffed and lack sufficient financial resources. Colombia's economic recession has depleted municipal budgets. In addition, municipal interaction with the central government depends largely on political relations and geographical proximity.

The internal armed conflict further complicates the situation at the local level. Where there has been a historic absence of the state in rural areas, guerrillas and paramilitary groups have stepped in to supplant absent institutions. The FARC and ELN, along with some other smaller groups, exercise a significant degree of influence and have initiated armed action in nearly 1,000 of the country's 1,085 municipalities. In some places, insurgent groups and paramilitaries are in control of local populations and government. Public officials are unable to do their jobs. Nearly half of all mayors have received death threats, with the most serious threats in the south. Another 25 mayors were assassinated between January 1998 and March 2000. Guerrillas damaged or destroyed the installations of 66 municipal governments between January and July of 1999 and kidnapped at least 50 mayors in the same year. As a consequence, many of Colombia's municipalities fail to maintain an effective level of government accountability and have little citizen participation in local governance. In those situations where some level of citizen participation is possible, many citizens do not know what opportunities for participation exist.

The foundations for democracy in Colombia are shaky, making the road to peace a difficult one. The prospect for peace has many obstacles to overcome. Guerrilla movements, predominantly the FARC and ELN, now operate with impunity in an estimated forty percent of the country. The attending political violence is coupled with an extremely high national crime rate including, in recent years, a significant increase in the production and exportation of cocaine, the extortion of rural communities, the murder of political and community leaders, and the highest kidnapping rate in the world. Guerrilla involvement in these criminal activities has compounded the political violence and further complicated political relations with the GOC. Recognizing an essential political component in these revolutionary movements, the Pastrana Administration has established the grounds for negotiations and a peace process in Colombia. While many obstacles to peace exist, the Pastrana Administration has provided the best opportunity in the past decade for a serious, broad-based peace process to take root in Colombia. President Pastrana has made attainment of a consolidated peace agreement with the guerrilla insurgency a central goal of his administration. Many civil society groups support these initiatives and are seeking an active role in the peace process.

Strategic Choices

The SO1 results framework addresses major deficiencies in Colombian democracy. Effective and sustained reform comes primarily from outside the formal system, based on demand from the citizenry, but also inside the formal system through the strengthening of democratic institutions that respond to the needs of citizens.

The participation of civil society will be emphasized in all programs, including, where appropriate and possible, its interaction with government. USAID has already begun fomenting participation through its justice and human rights program. At the same time, assistance will be directed to key GOC entities to improve and sustain institutional capacities at both the local and national levels. These must be sufficiently open and responsive to permit and encourage broad citizen participation in the events that affect their lives. This will be accomplished through open dialogue between the state and civil society, as well as coalition building.

Given the focus of USG assistance in Southern Colombia, particularly for the eradication of illicit crops, it will be vital to implement SO1 activities in coordination with other USAID programs. Start-up activities in the administration of justice, promotion and protection of human rights, strengthening of local governance and the prevention of corruption will be rapid and respond to the special political, social and economic situation in Putumayo and Caqueta.

The first two intermediate results (IRs) seek to complete a cycle that guarantees the fundamental rights of Colombia. As part of this process, citizens are informed of their rights, criminal cases reach the relevant authorities, prosecution is expedited where appropriate, and the justice system is able to bring conclusion to cases. The first IR will yield a criminal justice system that investigates crimes more effectively, provides appropriate defense to the accused, makes measured judgments about which cases to bring to trial versus which to mediate or to dismiss, then prosecutes and brings cases to conclusion more expeditiously. A more effective criminal justice system will also deploy alternative dispute resolution procedures and provides judicial services to the poor. In IR2, increased protection for human rights will also depend on improved knowledge of and respect for such rights, to be attained via educational efforts and the provision of security measures. The objective of these two programs is to yield a probability of detection and punishment sufficiently high that very few of those who might once have enjoyed impunity for political crimes will be tempted to use force against their fellow citizens, as well as increasing citizen confidence in the effectiveness of their justice system.

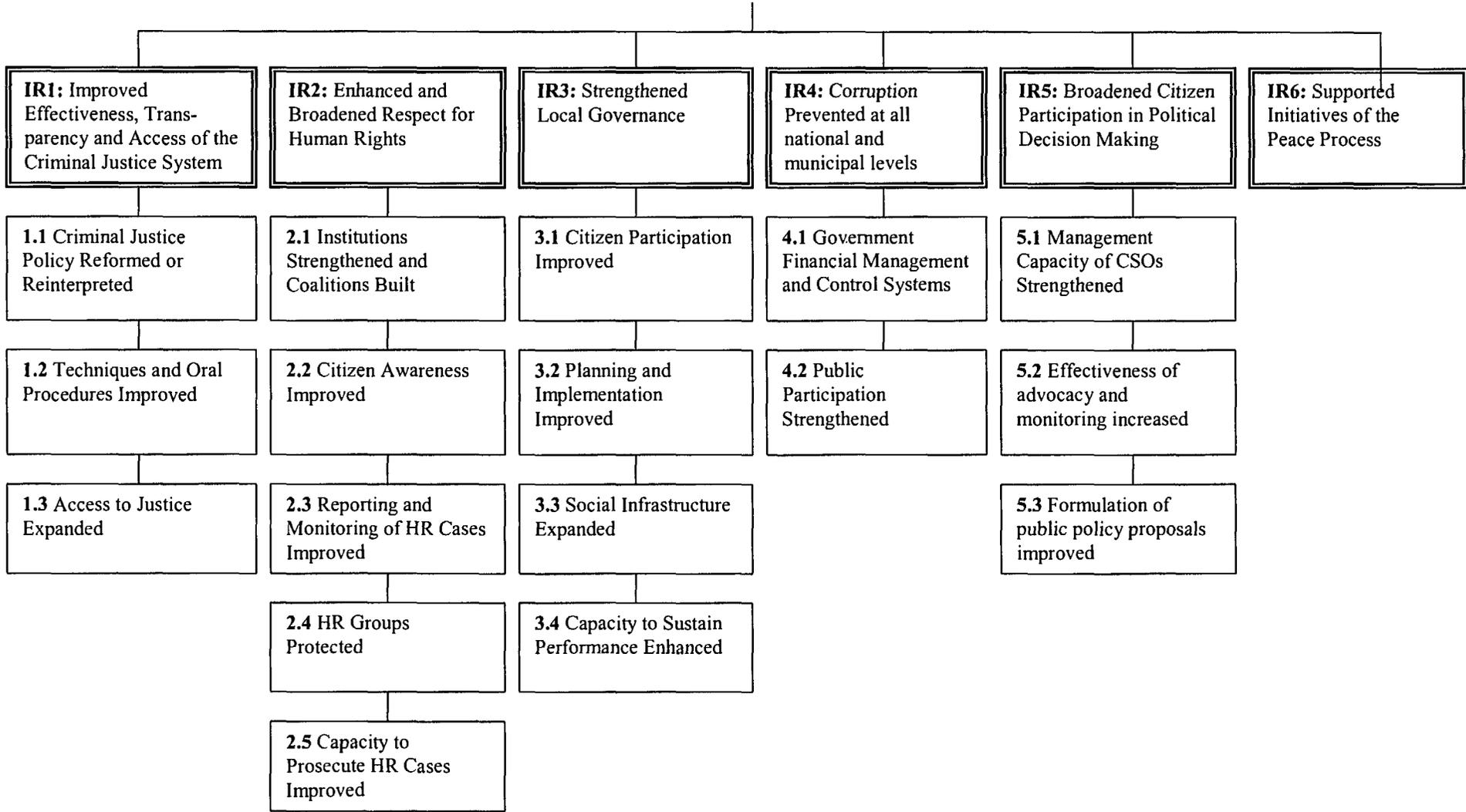
The following three IRs relate to political processes at the national, departmental and local levels. At the level of local government, civic actors will provide input via legally established forums and mechanisms in which local officials are expected to share information about budgetary resources and to engage citizens in developing and overseeing investments plans. In turn, local officials will be better equipped in sustainable municipal development, program and financial management and internal

control. At the departmental level, internal control will also be developed. Information sharing and coordination of planning for the delivery of services will be facilitated between departmental officials and their counterparts at the municipal level. At the central level, internal control and audit systems will be strengthened within the Ministries and other relevant GOC agencies. Decentralization will move beyond the legal framework to the practical processes. Progress at all levels should be reflected in greater participation and more positive evaluations of the political institutions by citizens, as Colombians become more involved in the political decisions that affect their lives.

Finally, the last IR will further the foundation for peace laid down by the other activities in SO1. By furthering an effective democracy, initiatives in support of the peace process will be able to take root in an environment that respects fundamental rights and includes all actors in good governance.

Strategic Framework: SO1

Strategic Objective 1: Promote More Responsive, Participatory, and Accountable Democracy



Intermediate Results

The following set of intermediate results are seen as a synergistic and mutually supportive set of initiatives that, taken together, will lead toward the achievement of USAID's SO1 -- Responsive, Participatory and Accountable Democracy. They do so by addressing both the issues of who participates, by seeking to involve those who have not participated effectively in the past, and by addressing the quality of responses given by government agencies. Through this approach, the motivation to participate in and support democratic institutions will be sustained, and the environment necessary for a firm and lasting peace will be cultivated.

Intermediate Result 1 Effectiveness, Transparency and Access of the Criminal Justice System Improved

Impunity before the law is at the core of the Colombia's inability to provide equal and impartial justice. These rule of law problems are caused by inadequate access to the formal justice system and inefficient institutions. The result is a large case backlog, intimidation from arrest and prosecution, corruption, and an absence of confidence by citizens in the justice system's ability to deal with serious crime and assist them in settling disputes. USAID will continue to collaborate with the Ministry of Justice, the Superior Judicial Council (CSJ), the Public Defender's Office, the Prosecutor General's Office, and the Attorney General's Office in the transition from an inquisitorial judicial system to an accusatorial one. USAID will also work with NGOs, universities, and other civil society actors in the identification of bottlenecks to progress, coalition building to address problems, and support of needed reforms in the judicial process. Finally, USAID will coordinate closely with related programs being carried out in the justice sector, particularly with the U.S. Department of Justice's Office of Professional Development and International Criminal Investigative Training Assistance Program.

1.1 Criminal Justice Policy Reformed or Reinterpreted. The Colombian legal framework is quite expansive. However, the courts continually change interpretations of norms and jurisprudence, thus creating empty judicial spaces and often a misinterpretation of laws. In collaboration with Colombian judicial institutions and through input from Colombian NGOs and universities, USAID will examine which procedures and norms are in need of reform or reinterpretation for the promotion of a fair and effective criminal justice system. As a first step, a revised criminal procedure code will be presented for possible enactment this year. (A previous proposal was rejected by President Pastrana in January 2000.) The new code would facilitate the transition of the Colombia judicial system to an accusatorial one, strengthen the use of oral trials, and support a greater respect of fundamental guarantees.

1.2 Modern Judicial Techniques and Oral Procedures Improved. In April 1998, the CSJ, the Ministry of Justice and USAID agreed to launch oral procedures on a pilot basis as the first step in demonstrating the value of accusatorial trials. The program aims to guarantee the conduct of judicial cases based on oral trials by creating appropriate

hearing rooms, training key actors in this system, and providing them with the necessary technical assistance, infrastructure, organization and other support. Oral trials increase access to justice, promote human rights and provide transparency to counter corruption. USAID plans to continue assistance to pave the way for significant expansion of the use of oral procedures in criminal courts. In support of this process, USAID is also supporting the creation of a permanent judicial training system, operated by the Rodrigo Lara Bonilla Judicial School, in accordance with the policies and under the direction of the CSJ. The School is being restructured, reoriented and adapted to provide systemized judicial training, including training on oral trial procedures. USAID has already trained 3,580 judges from all jurisdictions and helped the CSJ begin to institutionalize the judicial training school, where more than 100 judges and magistrates now teach on a voluntary basis. Assistance will focus on in-service training, improved curriculum, and evaluation of judicial performance.

1.3 Access to Justice Expanded. The 1991 Constitution established a new framework for the administration of justice in Colombia. It strengthens state entities and amplifies instruments and actions in the defense of fundamental rights. Despite this advancement, Colombia still encounters acute problems of access to justice and a congested caseload. Since 1991, the demand for justice services has increased by 50%, while the justice system continues to be inefficient. These circumstances, combined with a general lack of knowledge by the population on how the justice system operates and the distant locations of the relevant authorities, have intensified the lack of judicial credibility and the lack of a search for non-violent solutions to conflicts. Unfortunately, this situation most affects communities with the fewest economic resources that reside in marginalized urban areas and rural zones, where conflict and violence is most severe, and where crime rates are highest.

1.3.1 Protecting Defendants' Rights. Approximately 21,000 persons are detained in Colombian jails without having been sentenced for any crime. Many are unable to afford legal representation, so their cases continue indefinitely. The Public Defender envisages the expansion of the number of public defenders from 1,200 to 3,000 by 2003, and the location of new public defenders in priority areas around the country. USAID will strengthen the Public Defender's institutional base to improve its technical and management capacities and will support efforts by the Public Defender to establish a formal personnel base, form a training unit, and develop an information management system to track case status. USAID will also work with the Public Defender to address potential bottlenecks.

1.3.2 Casa de Justicia/Community-Based Legal Services. Through the Casas de Justicia, multi-agency "Houses of Justice", USAID offers judicial services to Colombians in poor neighborhoods. This methodology fosters the belief that justice is truly for everyone. Individuals, families and groups can look to the Casas to assist them in resolving conflict through mediation, promoting and protecting human rights, attending cases of family or other violence, conducting medical tests, attending civil cases, obtaining legal advice, and promoting community integration. The Casas are set up under an agreement between the Ministry of Justice and the participating municipality and are

staffed with a coordinator, prosecutors, public defenders, human rights promoters, mediation experts, social workers, police inspector, and representatives from the Legal Medical Institute, the Family Welfare Institute and the Office of the Family Commissioner. Volunteers from local universities and various NGOs also collaborate with the Casas. USAID has facilitated the establishment of nine Casas, as well as provided them with training and technical assistance in dispute resolution, mediation techniques, human rights, planning and management. USAID will establish and support another 20 Casas under the Plan Colombia response.

1.3.3 Resolution of Conflicts. USAID will work with GOC institutions, Colombian NGOs and educational institutions to develop and expand uses for alternative dispute resolution (ADR). USAID will also cooperate with the CSJ to provide training for judges in the use of mediation to resolve cases submitted to their courts. Colombian law requires judges to attempt mediation before considering cases for judicial adjudication, but it is not often attempted. ADR would provide a more rapid resolution of commonly occurring disputes, promote the maintenance of more cooperative relationships among parties who need to deal with each other on a regular basis, and lighten case loads in non-criminal courts.

Intermediate Result 2 Respect for Human Rights Enhanced and Broadened

Increases in the number and degree of serious human rights abuses in Colombia have reached crisis proportions. Underlying this alarming situation is the country's prolonged armed conflict, growing poverty, illegal narcotics industry, and lack of reforms or implementation of policies protecting fundamental rights and complying with international humanitarian law. Some of the key challenges confronting Colombians in improving human rights conditions in their country include: impunity from trial and punishment; lack of political commitment on the part of influential groups; lack of respect by armed groups for international humanitarian law; ineffective government agencies; diffuse actions by public and civil society actors; slow or ineffective investigation and prosecution; and inability to guarantee the safety of victims, investigators, witnesses and human rights workers.

2.1 Institutions Strengthened and Coalitions Built. The GOC institutions charged with promoting human rights in Colombia (the High Commissioner and National Ombudsman) are understaffed, lack adequate planning and implementation capacity, and coordinate sparsely with civil society on policy issues. In addition, collaboration and even simple coordination among public and private human rights organizations has not been common. USAID will focus efforts on organizational development to strengthen GOC institutions and civil society organizations. Coalition building among these groups will also be supported in order to make progress against the obstacles to improving the human rights situation in Colombia.

2.2 Citizen Awareness Improved. USAID will support the GOC High Commissioner for Human Rights, the National Ombudsman, and civil society organizations in efforts to

inform citizens of their rights, what to do in case of abuse, the official mechanisms for protection of human rights, and how to report and denounce abuses. Specifically USAID will continue to train public defenders, who are also responsible for human rights education. USAID will also continue to provide grants to Colombian NGOs for projects that prevent abuses or train personnel in handling potentially violent situations (e.g., mediation, conciliation, conflict resolution).

2.3 Human Rights Case Reporting and Monitoring Strengthened. USAID will focus on improving the systems currently being employed by the GOC and Colombian NGOs to report human rights abuses and monitor investigation and prosecution by the responsible government institutions. The specific objectives are to improve reporting of cases; ensure information is delivered to the relevant authorities; improve and maintain databases; and monitor the progress of cases. As a means of developing a national consensus on human rights, USAID will also help the Colombian NGOs to develop a network for information sharing and program coordination and to constructively engage the GOC in dialog leading on human rights issues.

2.4 Human Rights Workers Protected. One of the major impediments to reporting cases and investigating them is the fear of reprisal. Current protection programs do not always provide timely assistance and resources are very limited. USAID will improve the administration of protection programs and provide “soft” protection (e.g., safeguards, radio communication network, support for defenders forced into temporary exile) and “hard” protection (e.g. bullet-proof vests, armed vehicles). Activities under this component will provide increased protection to those individuals and groups faced with real or potential physical threats (e.g., investigators, public defenders, victims and witnesses to human rights abuses, journalists, and human rights workers and organizations).

2.5 Capacity to Prosecute Human Rights Cases Improved. USAID will assist the Human Rights Units of the Prosecutor General’s Office and the Attorney General’s Office to improve their performance in investigating, prosecuting and adjudicating criminal cases. Training and technical assistance, as well as basic equipment for logistical support, will be provided.

Intermediate Result 3 Strengthened Local Governance

Participative, transparent and effective local governance will underlie the success of other USAID initiatives: alternative development, assistance to internally displaced persons and anti-corruption efforts. USAID proposes to strengthen the capacity of approximately 100 municipal governments, mainly rural and small and medium sized. The activities under this program will crosscut the portfolio of all other USAID/Colombia programs and will help to coordinate and harmonize different program areas.

3.1 Citizen Participation Improved. Colombia’s 1991 Constitution and subsequent laws provide one of the most advanced legal frameworks for decentralization in Latin

America. However, citizen groups rarely participate in a significant manner in local decision-making. USAID will work within this rich legal framework to open or improve spaces for citizens in their municipality. Forums and legal mechanisms will be promoted to strengthen constituents' ability to help establish priorities, measure the accountability and transparency of municipal operations, and ensure the sustainability of municipal investments. Activities and actions will be tailored to the needs and demands of each individual municipality.

3.2 *Planning and Implementation Capacity of Local Officials Improved.* USAID will provide needed technical support and training to local government officials in order to improve their capacity to carry out municipal development. The assistance will be defined by the specific needs and demands of the target municipalities, with an emphasis on financial planning, priority-setting, implementation of projects, internal control, sustainability of investments, and inclusion of civil society in their development process. Better coordination between municipalities and departments will also be facilitated.

3.3 *Social Infrastructure Expanded.* USAID's experience shows that increased public participation and financial transparency also increase the capacity of the municipal government to manage funds for simple projects. The local governance program will include a fund to support social infrastructure (e.g., schools, health posts, community centers), according to local needs and demands. This component will serve as a practical mechanism for activities aimed at strengthening local governance on the part of citizens as well as local officials.

3.4 *Capacity to Sustain Quality of Municipality Performance Enhanced.* Turnover at the local level is inevitable – mayors and council board members are replaced by voters every three years; citizen participation groups continually encounter new members. In order for improvements in municipal governance to be replicated beyond those to be addressed by USAID or other donors and sustainable over time, Colombian institutions must assume strategic roles. Training and other technical assistance is a key input to addressing the management and leadership challenges facing sound local governance. USAID will establish an ongoing, sustainable mechanism, with civil society organizations (e.g., public administration schools, municipal associations, NGOs, universities) interested in good governance, to continue assistance to citizens and local officials throughout Colombia beyond the duration of the program.

Intermediate Result 4: Corruption at National and Municipal Levels Prevented

During the last few years, governments, their citizens, academics, and development practitioners have recognized corruption as a significant obstacle to social and economic development in Colombia. Colombia struggles with many of the same difficulties faced by other Latin America countries: weak public institutions that can't guarantee accountable and transparent use of public funds and some officials that view public office as their opportunity for personal gain. The democratic government has lost legitimacy in the eyes of its citizens as it is unable to provide basic services and security while multi-

million dollar corruption scandals, most recently involving the Congress, are plastered across headlines.

4.1 Government Financial Management and Control Systems Strengthened. USAID will focus on strengthening financial management and control systems (both social and administrative) within the GOC, at the national and local levels. Improvements in internal control and audit will necessarily affect external control and its audit approach. Finally, where corruption and administrative irregularities do occur, the GOC must have the capacity to investigate complaints raised by citizen groups. The objective here is that a long-term sustainable impact will result in decreases in the instances of corruption and an improved use of resources.

4.2 Public Participation in Oversight Strengthened. An educated and aware civil society provides a level of on-the-ground monitoring that is not possible with the limited resources of the national government. USAID will seek to increase citizen ability to access and use participatory mechanisms (such as informal citizen action groups as well as more organized NGOs engaged in anti-corruption activities) to oversee the use of public resources. To achieve its full impact, a strategy must be employed that requires an integrated approach working with the key government stakeholders and civil society.

Intermediate Result 5 Citizen Participation in Political Decision Making Broadened

For democratic government and good governance to be sustained, it must be demand driven. In most cases, citizens form groups, associations or other forms of non-governmental organizations in order to mobilize additional resources for their own self-help, effect change and exercise the citizen oversight needed of all governments. USAID has included in all programs strong components of civil society and non-governmental organizational strengthening. This section will guide activity decisions within other programs of the strategy. In addition, some activities may be needed which in of them themselves either enhance the Mission's ability to meet strategic or special objectives or the objective of greater inclusiveness and participation in public programs.

5.1 Management Capacity of CSOs Strengthened. Civil society organizations (CSOs) that seek to influence governmental policy decisions are, almost by definition, dependent on external support. Nevertheless, most international donors have not assisted these organizations in developing internal mechanisms, which would enable either the administration of larger budgets or even their long-term survival. Most groups have focused on responding to immediate political or policy goals, rather than strengthening and developing their institutions. USAID will contribute to the management capacity of the targeted CSOs by aiding in strategic planning, improving financial systems, and bettering fundraising skills. In this way, USAID's short-term assistance will help ensure sustainability in the medium- and long-term. Targeted CSOs will be selected in accordance with programs directly related to objectives and sub-objectives or the USAID strategy.

5.2 Effectiveness of CSOs in informing public debate, advocacy and monitoring of public policy issues increased. USAID has effectively supported civil society input into the national debate of judicial reform. This model and others will be replicated in other areas of policy reform. USAID will consider supporting a select number of CSOs that are involved in the formulation and/or promotion of policies that support USAID strategic objectives, as well as those organizations that will perform a monitoring function. Such monitoring will enable CSOs to develop a strategy for influencing public policy that includes an understanding of when and how they can most effectively intervene in decision-making processes, who the relevant political actors are they need to influence, and mechanisms for exercising such influence. It may also imply greater public education on issues in order to stimulate a critical mass of public support for their efforts. The peace process is the most pressing issue where civil society groups can be supported in their efforts to inform public debate, mobilize public opinion and assure that public will is communicated to national decision-makers. Other possible areas are increasing the role of women in public policy, education and public health.

5.3 Capacity of CSOs in formulation of public policy proposals improved. CSOs that advocate political or social reforms often do so without a full understanding of the policy framework or government entities that they seek to influence. In order to develop positions on their issues, USAID will support CSOs first to educate themselves on the pertinent issues, understand the scope of the government's responsibilities, and then be able to articulate a response that concretely supports a position or makes alternative proposals for reform.

Intermediate Result 6 Support Initiatives of the Peace Process

USAID will support initiatives that educate and foster further commitment to the establishment of peace in Colombia. In support of these initiatives, grants will be provided to a variety of US and Colombian institutions, including universities, NGOs and other civil society organizations, to undertake local research, workshops, conferences, training, operational projects and internships. These grants will be selected based primarily on practical support to the peace process and consistency with the USAID program objectives.

The Special Case of the South

USAID expects to provide training and logistical support for establishing a justice sector presence in Putumayo (e.g., district court, human rights and public defender personnel, prosecutors, investigators, *Casas de Justicia*), in coordination with the Ministry of Justice and other relevant GOC institutions. Through the *Casas*, NGOs and local groups, USAID will promote conflict resolution through ADR to extend access to informal settlements.

USAID will also assemble a task force of community and NGO leaders to improve citizen awareness and report and monitor human rights violations, in collaboration with

appropriate local government officials and officials to be assigned the southern departments by state entities. Protection measures will be allocated as needed and requested.

Finally, USAID will initiate local governance activities in those municipalities that express interest in the program and will participate in either alternative development activities or have significant numbers of internally displaced persons.

Achieving Results

Measuring achievement and developing indicators in the democracy sector is still evolving. It is particularly difficult to develop objective, quantifiable indicators that measure citizen participation and the improved effectiveness of government institutions. A variety of approaches may be appropriate in measuring the attainment of a more participatory and effective democracy on behalf of those previously most disenfranchised. Survey research can help indicate citizen perceptions of whether the objectives under SO1 have been attained, as well as citizen perceptions of the responsiveness of government institutions. However, objective indicators must also be employed. Similarly, the measurement of intermediate results should also entail both subjective perceptions by citizens and objective indicators. The following indicators will measure progress under the proposed strategic objective and intermediate results:

SO Level Indicators:

- 1) Increased favorable public opinion regarding their access to a more transparent and effective criminal justice system
- 2) Increased favorable public perception that their basic rights are being respected and protected
- 3) Percentage of citizens satisfied with their opportunities to participate in decision-making at all levels of government
- 4) Improved citizen perception regarding reduced levels of corruption at all levels of government
- 5) Percentage of citizens that are active members of at least one civil society organization

IR1: Improved Effectiveness, Transparency and Access of the Criminal Justice System

- 1) Norms and practices mandating oral procedures at trial stage institutionalized
- 2) Increased number of users attended at the houses of justice
- 3) Public Defender's Office strengthened organizationally and operatively

IR2 Enhanced and Broadened Respect for Human Rights

- 1) Percentage of reported human rights violations in which citizens have initiated action for resolution
- 2) Percentage of reported human rights cases resolved

- 3) Number of policies related to human rights and humanitarian policies effectively implemented by the GOC

IR3 Strengthened Local Governance

- 1) Citizen participation in forums and mechanisms that are directed towards public officials
- 2) Number of municipal officials effectively able to carry out their roles and responsibilities
- 3) Number of social infrastructure projects constructed or improved

IR4 Corruption Prevented at all national and municipal levels

- 1) Internal controls in 75% of targeted GOC agencies improved
- 2) Citizen's ability and desire to exercise oversight of the use of public resources improved by 50%

IR5 Broadened Citizen Participation in Political Decision Making

- 1) Number of public policy proposals proposed by civil society organizations
- 2) Number of public policy proposals with major input from civil society organizations
- 3) Number of civil society organizations not entirely dependent on international funding sources

IR6 Supported Initiatives of the Peace Process

- 1) Number of grants provided to civil society organizations

Strategic Objective 2: Provide Economic and Social Alternatives to Illicit Crop Production

The Problem

The causes of Colombia's illicit crop production are numerous and complex. At the root, Colombia's poorest and most remote farmers have not had opportunities to participate in the mainstream economy in a gainful manner. Agricultural research, extension, credit and land titling institutions have all failed to incorporate large numbers of Colombian farmers. Isolated farming communities do not have access to basic social services, such as schooling for their children, health systems, and potable water systems, which would enable a sustained rural development effort. Nor has the Colombian State been successful in extending national services or the rule of law in broad areas of Colombia. Security and safety are not assured. Guerrillas, paramilitaries and other criminal elements have all conspired to create organizations in neglected areas to promote the cultivation, processing and transportation of illegal drugs.

Eighty percent of all cocaine and up to one-third of all heroin consumed in the United States comes from Colombia. Over the last five years, illicit crop cultivation and processing has exploded in Colombia. In 1994, the country produced coca leaf on 40,000 hectares for a potential production of 180 MT of cocaine, while in 1999, the figure jumped to 120,000 hectares for a total potential production of 541 MT. Likewise, area of opium poppy production increased from 6,000 to 7,000 hectares from 1996 to 1999 with a present potential of 7.7 MT of heroin. Two-thirds of the country's coca production is located in the two southern departments of Putumayo and Caqueta. In 1999 the CNC estimates a total of 79,500 hectares of coca in these two departments: 45,900 hectares in Putumayo and 33,600 hectares in Caqueta.

It is estimated that small farmer coca plots of less than three hectares account for about one-third of nationwide coca cultivation, or 40,000 hectares. Most of the opium poppy is cultivated on small farm plots of less than one hectare that are located in mountainous areas that are not amenable to aerial eradication.

Most small farmers engage in illicit crop cultivation because it is the only crop that has a guaranteed market and provides a continuous income stream. Coca and poppy can be harvested from three to six times a year, and payment to the growers is made on-site and in cash. Any other agricultural product must be transported by the grower to market on a seasonal basis, and often goes unsold. Still, despite the certainty of the sale of these illicit crops, small producers barely manage to survive, partially due to the "protection" fees charged by the guerrilla and paramilitary forces.

Plantation-style coca farms today account for 80,000 hectares under production. These "plantations" use hired labor and modern methods similar to those employed on commercial tea plantations in other parts of the world. Many laborers are migrants from other areas of

Colombia, while the labor of indigenous peoples in areas within and surrounding their “reservations” is also significant.

Strategic Choices

As stated previously, small farmer coca plots account for about 40,000 hectares of Colombia’s 120,000 hectares of coca. USAID’s Alternative Development program will focus on small farmers who choose to voluntarily eliminate their coca production in exchange for licit alternatives. The departments of Putumayo and Caqueta have been chosen as an initial focus because they contain the largest areas of coca production, have the most accelerated increases, and are part of the USG-assisted Southern Colombia Initiative. The region represents a clear example of the need to integrate alternative development, aerial eradication and interdiction to maximize the immediate and long-run counter-narcotics impact. The program will also target the two northern departments of Bolivar and Norte de Santander because of their rapid growth in coca production. During this last year, coca production increased from 2,800 to 4,100 hectares in Bolivar and from 2,800 to 8,000 hectares in Norte de Santander.

The alternative development program for coca areas will begin in the southernmost department of Putumayo, which contains the largest area dedicated to coca (almost 40 percent of the country’s total), then gradually move north into the departments of Caqueta, Bolivar, and Norte de Santander. If additional funding becomes available in later years, the coca elimination effort will be expanded to the eastern departments of Guaviare and Meta.

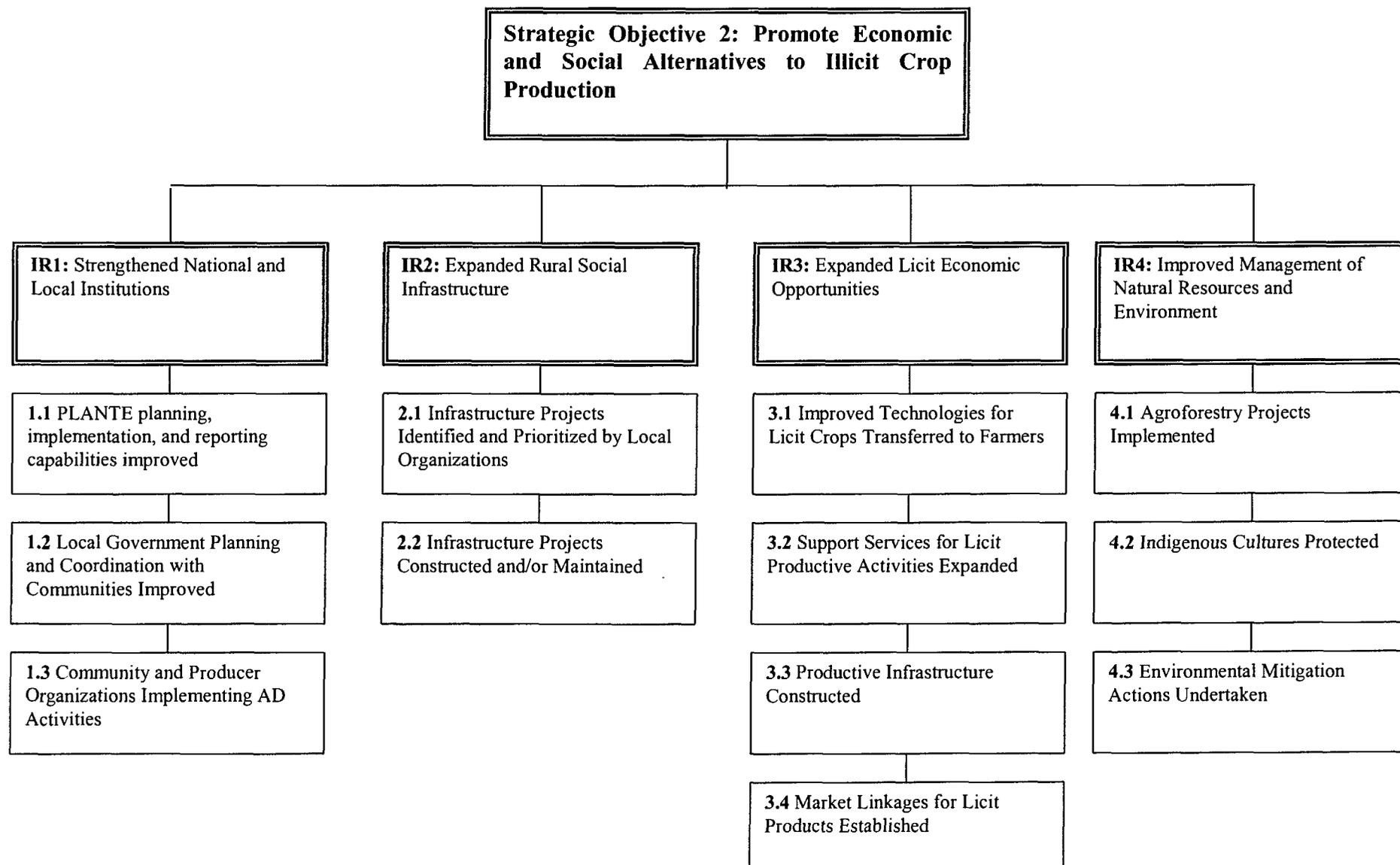
Alternative development activities in poppy growing areas will continue to consolidate efforts in 36 municipalities in the four southwestern, mountainous poppy-growing departments of Cauca, Huila, Tolima and Nariño.

USAID will base the design of its alternative development efforts in Colombia on its successful alternative development programs in Peru and Bolivia. Key lessons learned in these programs include:

- It is extremely difficult to advance alternative development in the absence of an effective parallel program of law enforcement and interdiction.
- Communities and local organizations must participate concretely and effectively with their local governments in promoting and planning for their own development. Effective, broad community participation provides a sense of ownership of development activities.
- Strong local governments that use effective participatory mechanisms are vital to long-term, sustained socio-economic development based on licit activities.
- In order to be economically and technically sustainable, programs should be designed as demand driven by the market.

- The lack of alternative income prospects, and productive and social infrastructure are disincentives to abandoning the drug economy. Agriculture and off-farm incomes both rely on infrastructure and basic services.
- Small farmers who take advantage of alternative development programs normally require intensive technical assistance, training and credit to establish profitable cultivation in the short run. Lack of formal land titles inhibits long-term sustainable investment and access to credit, both of which decrease the likelihood of success in an alternative development program in agriculture.

Strategic Framework: S02



Intermediate Results

Intermediate Result 1: Strengthened Public and Private National and Local Institutions

This Intermediate Result (IR) will focus on strengthening the capacity of various types and levels of organizations that will implement Colombia's alternative development program. These organizations include: the GOC's national alternative development agency, municipal governments, and a wide range of local community and producer organizations.

1.1 Strengthened National and Local Institutions. The National Plan for Alternative Development (PLANTE) was created on March 11, 1996, by Presidential Decree 472. This program--directly responsible to the Office of the President--is aimed at providing improved economic, social, institutional and environmental conditions to small producers of illicit crops who are predominantly campesinos, colonos and indigenous peoples. It works with communities, producer associations, and municipalities in the preparation and implementation of productive and social projects that create licit income generation opportunities, improve the quality of life, conserve the environment, and support ethnic and cultural values necessary for peaceful coexistence.

USAID initiated its strengthening of PLANTE in 1999, and will continue to provide technical assistance, training, and equipment to PLANTE throughout the Strategy period. USAID will make every effort to leverage complementary financing from other donors for the strengthening of PLANTE as well as other GOC agencies involved in alternative development efforts.

1.2 Local Government Planning and Coordination with Communities Improved. Activities aimed at increasing public participation in local government decision-making will be a key step in developing relationships in coca and poppy producing communities. USAID through PLANTE will provide support for facilitating effective community-government dialogue and enabling communities to prioritize, design and implement projects and activities to meet these needs, especially those related to basic social infrastructure. Improving local government financial management, budget transparency and local revenue generation will be undertaken by a parallel USAID program within its Democracy Strategic Objective.

1.3 Community and Producer Organizations Implementing AD Activities. Local producer and community organizations will be the focus of alternative development activities. Initially, these groups will be informed of the advantages of alternative development activities by PLANTE staff. In order to participate in PLANTE support programs, they will then be required to sign coca or poppy elimination agreements, specifying the number of hectares to be eliminated in exchange for PLANTE assistance in alternative productive and social activities. These agreements will normally be for periods of one to three years depending on the alternative activities to be implemented. These groups will receive a combination of support described in the following three IRs.

Intermediate Result 2: Improved Social Infrastructure

In addition to providing assistance for strengthening the community-local government dialogue and decision-making process, USAID will establish a fund to finance basic social infrastructure identified in these processes in coca areas, including schools, health centers, potable water and sanitation, and electrical connections.

In addition to financing the actual construction or rehabilitation of local infrastructure, limited funding will be provided for supporting the sustainability of these new/improved services and infrastructure. For instance, school improvement will include teaching materials and equipment.

Intermediate Result 3: Improved Licit Productive Opportunities

Former coca and poppy growers will be assisted in increasing licit, profitable agricultural/forestry/livestock production, processing and marketing. This IR is designed to introduce integrated production systems containing improved production and marketing technologies, promote diversification beyond traditional activities, and strengthen the involvement of participants in the economic chain from production through marketing. Activities under this IR can be grouped into the following categories:

- Market research to determine which crops would be most marketable and applied research on new crops to determine productivity, identify problems, etc.
- Extension of the most suitable technologies and practices in production, processing, and resource management to small farmers in order to increase their productivity and competitiveness;
- Basic productive infrastructure to facilitate specific production-related activities (e.g., processing plants, produce collection centers, roads and bridges);
- Credit for agricultural production, processing, marketing and related activities;
- Pre-investment activities to determine the pre-feasibility and feasibility of larger-scale productive enterprises and to design projects for optimum results for the business and community;
- Business organization and management techniques in the establishment and strengthening of producer and marketing associations, mixed capital enterprises and other business forms; and
- Promotion of linkages between producers' associations and industry-related private business entities to expand marketing options of productive projects.

In poppy growing areas, productive enterprises include cold-climate fruits, organic coffee, asparagus, dairy products, and potatoes and apples for processing. In coca growing areas, the rural productive enterprises may include dual-purpose livestock, natural rubber, cocoa, and palm hearts, with agro-forestry being an important complement (See IR 4). Several tropical crops (medicinal plants and tropical fruits such as “camu-camu”) have been identified as having commercial potential, but need to be validated and their market possibilities examined further. Another key activity is providing for family food security in the short term. This may involve “paying” participants during the first year for their labor in establishing commercial crops and by financing the production of food crops and management of fishponds for on-farm consumption.

In addition to the production of agricultural and livestock-related products, other forms of employment and businesses will be stimulated. As producer groups market more products, there will be a need for post-harvest selection and packaging, as well as the manufacturing of packing materials and transportation, leading to an increase in labor demand and local business activity. Also, the local construction and commerce sectors will benefit from the sustainable economic expansion created.

Intermediate Result 4: Improved Environmental Management

Most small coca and opium poppy farmers cultivate crops using practices that are not environmentally sustainable. For instance, crops are cultivated on steep slopes without the use of soil conservation measures to prevent soil erosion. Unless the environmental degradation caused by unsound farming practices and coca-processing activities is halted, the long-term sustainability of legal alternatives for employment in drug-producing areas will be severely jeopardized. Added to this, many areas in Colombia’s drug crop producing regions are totally unsuited for agriculture. Rainforests that contain very unique and biodiverse ecosystems and a number of indigenous communities cover a high percentage of these areas. The following activities will be undertaken under this IR:

4.1 Improved Management of Natural Resources and Environment. In many of Colombia’s drug-producing regions, the long-term success of alternative development is contingent on conservation of fragile soils by small farmers and proper management of natural resources. This Intermediate Result will promote sustainable production systems for alternative crops through the application of agroforestry systems that combine multiple crops, livestock, trees, and simple soil conservation practices. In agroforestry systems, farmers not only increase their farm’s ecological stability through the conservation of soils, but also increase financial stability through diversification. They are particularly suited to the financial and ecological conditions of small farms in remote tropical lowland regions. The agroforestry projects will be designed to provide farmers with technically sound solutions for a wide range of sites, geographic regions, crop mixtures, farmer preferences, and local, regional and national markets. These efforts will

help to prevent the encroachment of coca cultivation (or other types of agriculture) into these protected and ecologically sensitive areas.

4.2 *Indigenous Cultures Protected.* Indigenous peoples inhabit four of USAID's eight target departments. The coca and opium poppy boom has severely affected their cultures and populations. Ironically, though, the eradication of illicit crops may further negatively affect indigenous groups since, no longer able to survive by traditional means, many indigenous groups now depend for survival on income from illicit crop cultivation, either on their own communal properties or as day laborers in illicit crop plantations.

Strong bonds link indigenous peoples and the protection of large areas of natural forests, including national parks. A number of parks, forest preserves and indigenous reserves overlap, are adjacent, or are close to each other. The protection of indigenous territorial rights, therefore, frequently also results in the protection of parks. The 1991 Constitution, moreover, specifically permits only indigenous peoples to live inside national parks, making them natural allies against park invaders. Moreover, the indigenous traditional way of life does not stimulate deforestation as colonization does.

PLANTE's indigenous program assists indigenous groups throughout the country to gain secure legal title to their resguardos (reservations), maintain and restore their cultural traditions, improve their food security, and strengthen their local and regional organizations. The PLANTE indigenous program offers the best option for USAID to quickly support an effective program that would mitigate the negative impacts of alternative development (and spraying) on indigenous peoples. This intervention will complement the limited operations of the existing PLANTE program with indigenous peoples in selected alternative development municipalities.

4.3 *Environmental Mitigation Actions Undertaken*

Integrated Pest Management. Alternative agricultural crops will eventually require the use of agricultural pesticides. Effective, safe use of pesticides is thus an important condition for the success of production activities. Moreover, USAID environmental regulations require USAID to mitigate, control, and monitor the use of pesticides in its activities. USAID funds will finance integrated pest management training of producer groups in the use of pesticides, publish and distribute training guides, and monitor pesticide use in the production activities.

Infrastructure Mitigation. The social infrastructure component will finance the construction of schools, health centers, potable water and sewerage systems, and electrical connections. The productive component will finance the construction and improvement of roads and bridges. Such construction could cause direct negative environmental impacts. This intervention will strengthen and extend the scope of PLANTE's existing environmental monitoring systems to evaluate environmental impacts and design mitigation measures.

Other possible interventions could include: the establishment of a wood industry risk fund to finance forest management plans, improved wood processing machinery, and

strengthening/creating small-scale wood processing industries; and a coordinated cross-border environmental management program dealing with the need for mitigation actions arising from coca-related activities in southern Colombia and northern Ecuador. Actions could include protection of indigenous peoples, contraband movement of logs, and management of national parks.

The Special Case of the South

The southern departments of Putumayo and Caqueta currently contain approximately 80,000 hectares of coca cultivation, approximately two-thirds of the country's coca cultivation. Approximately 26,500 hectares (including 11,500 hectares in the demilitarized zone) are cultivated by small farmers who have average size coca plots of approximately 2.3 hectares interspersed with other legal crops. The remaining 53,500 hectares of coca are cultivated in plantation style plots of 5 to 30 hectares, using hired day laborers. In Putumayo, small farmer coca plots are located primarily in the six municipalities of Mocoa, Villa Garzon, Puerto Guzman, Puerto Asis, Puerto Caicedo and Orito. In Caqueta, most small farmer coca is located in the seven municipalities of Solano, Milan, San Jose de Fragua, Albania, Curilo, Valparaiso and Solita.

USAID's program will initially target coca cultivation in these two departments, involving an estimated 3,355 farm families living in areas where the Colombian National Police have no immediate plans for aerial spraying. The immediate alternative development effort will be initiated in the northwestern municipality of Puerto Guzman in the Putumayo department, with rapid expansion south into the remaining five Putumayo coca municipalities, and then into Caqueta.

USAID will finance the full range of alternative development activities discussed above in this target area. Close coordination between PLANTE and the Colombian National Police will be necessary to avoid aerial spraying of focus alternative development areas, as well as to implement a coordinated data collection and impact evaluation system. Security of alternative development areas is an important issue, as a large part of the target area is currently under the influence of guerillas, paramilitaries and narco-traffickers. No activities will be initiated in a specific area until the safety and security of alternative development workers and small farmers participating in the program can be assured.

In addition, alternative development activities in the South may be broadened to include non-agricultural activities such as vocational training, technical workshops, and food-for-work activities to assist families displaced by the spraying of coca crops in their transition to alternative productive activities.

Achieving Results

The following indicators will measure progress under the proposed strategic objective and intermediate results:

SO Level Indicators:

- 1) Reduced illicit crop production through licit economic and social opportunities
- 2) Farm families assisted no longer receiving income from illicit crops

IR 1: Strengthened national and local institutions

- 1) Community/farmer associations strengthened

IR 2: Expanded rural social infrastructure

- 1) Rural/social infrastructure projects implemented

IR 3: Expanded licit economic opportunities

- 1) Area of licit crops established through regional alternative development projects

IR 4: Improved management of natural resources and environmental

- 1) Hectares of national parks/reserves with illicit crop production placed under coca and poppy-free management plans

USAID will finance these four components in the coca growing areas, and three of the four in poppy areas, with the complementary rural social infrastructure being financed by PLANTE with Inter-American Development Bank resources.

Strategic Objective 3: **Provide Economic and Social Opportunities for Vulnerable Groups, Particularly Internally Displaced Persons**

The Problem

Forced displacement of Colombia's population has increased, particularly since 1994, as a result of the intensifying armed conflict. Combatants in Colombia's multi-faceted insurgency have come to use the expulsions of populations as an integral part of their strategies to position themselves territorially for either war or peace. This humanitarian crisis is compounded by current eradication efforts. As the Government of Colombia's seeks to eradicate coca in southern Colombia (Putumayo and Caquetá) large-scale displacement of the work force, particularly the coca pickers (or *raspachines*), is projected. Uprooted from their regions, stripped of their possessions, most displaced persons in Colombia, particularly after their initial three months of displacement, do not have access to the minimal level of social or economic services. In quantitative terms, Colombia's displaced population reached 739,000 people in the ten years preceding 1995. Between 1995 and 1998, more than 380,000 were displaced, for a total of well over 1.1 million and as high as 1.5 million by some estimates. This latter figure represents 2.5 percent of Colombia's total population. In addition, COHDES, the Colombian NGO, estimates that up to 540,000 people may be displaced during the next three years. Added to this may be an estimated 1,000-2,000 child combatants the FARC has indicated it plans to release from its ranks.

Colombia's ability to address the needs of its displaced population is hampered by numerous problems.

- The *Red de Solidaridad Social*, the Colombian Government entity charged with managing and coordinating policies and assistance programs to those displaced by violence, only recently assumed this responsibility. Red's ability to manage direct assistance programs is still developing and the need for such assistance outstrips its current capacity. Moreover, the Red's mandate does not cover persons and families who are displaced for reasons other than violence, such as families displaced by coca eradication or natural disaster.
- In addition to the Red, there are as many as 19 other Colombian Government agencies involved in providing assistance to the displaced. At this time, there is no united GOC system in place to provide monitoring and follow-up, nor is there an effective delineation of institutional responsibilities or accountability. (The Red currently lacks the power to convoke and orchestrate the other GOC agencies.) Not only is coordination missing within the GOC agencies, but also there is little coordination between the GOC and the experienced NGOs and international organizations. As a consequence, assistance efforts are duplicated in some areas and missing in other areas. And finally, many of these GOC agencies do not have implementation capacity in rural areas.

- Most of the municipalities that receive displaced populations also have limited capability and resources to deal with them. Furthermore, IDPs are not always a priority population, and in fact are often resented as an intrusion and further strain on struggling local communities.
- There is no national system for registration of displaced persons. The current GOC system, overseen by MOI, only includes people who voluntarily register. ICRC and the church groups carefully guard the anonymity of their beneficiaries to protect them from further guerrilla or paramilitary reprisals. As a consequence, it is impossible to determine the exact number of those displaced, evaluate the effectiveness of current assistance programs, or accurately estimate the number of IDPs who have returned to their homes or relocated.
- There is no effective system for early warning or to forestall possible future displacements, although the GOC's MOD has plans to establish such a system in 2000.
- Post-emergency assistance to IDPs is further complicated by the uncertainty of their status. Many IDPs do not know how long their displacement will last, or whether it will be permanent. The period of displacement depends on a number of factors, not least of which are security issues beyond the control of the IDP. For this reason, any response to their predicament needs to be flexible enough to accommodate change, inclusive enough to capture the changing opinions of IDPs with regard to their options, and agile enough to recognize and seize feasible opportunities as they present themselves.

Strategic Choices

In light of the growing number of displaced persons in conjunction with the current impediments to redressing the problem, USAID has a number of choices as it collaborates with the Government of Colombia and the international donor community. Specifically, an evaluation of the current obstacles to effective assistance indicates that the following types of support are needed:

- Emergency Assistance, to strengthen and support providers of emergency assistance, such as the Red, the ICRC and other local and international agencies.
- Social Services Assistance, to provide health, education and shelter assistance in a post-emergency situation. Specific activities may range from psycho-social counseling to assist the displaced (possibly including minor, ex-child guerilla combatants) in adjusting to their situation, to non-emergency registration and documentation services, as well as support for the provision of basic shelter.

- Transitional Assistance, to help IDPs lead productive lives while they are displaced. Such assistance would include support for adult literacy programs, employment training programs, and credit for the establishment of small-scale enterprises. In addition, municipalities that receive large numbers of displaced people need assistance to build and strengthen programs and services to these populations.
- Long Term Solutions to the IDP Problem, to promote policy changes and the development of organizational and institutional frameworks to assist the displaced. Civil society, municipalities, and the national government must all be involved in this development and strengthening process. Finally, an inclusive dialogue with IDP participation needs to be developed on the IDP situation. Issues that should be addressed range from resettlement and return, the development of early warning systems, and other proposals.

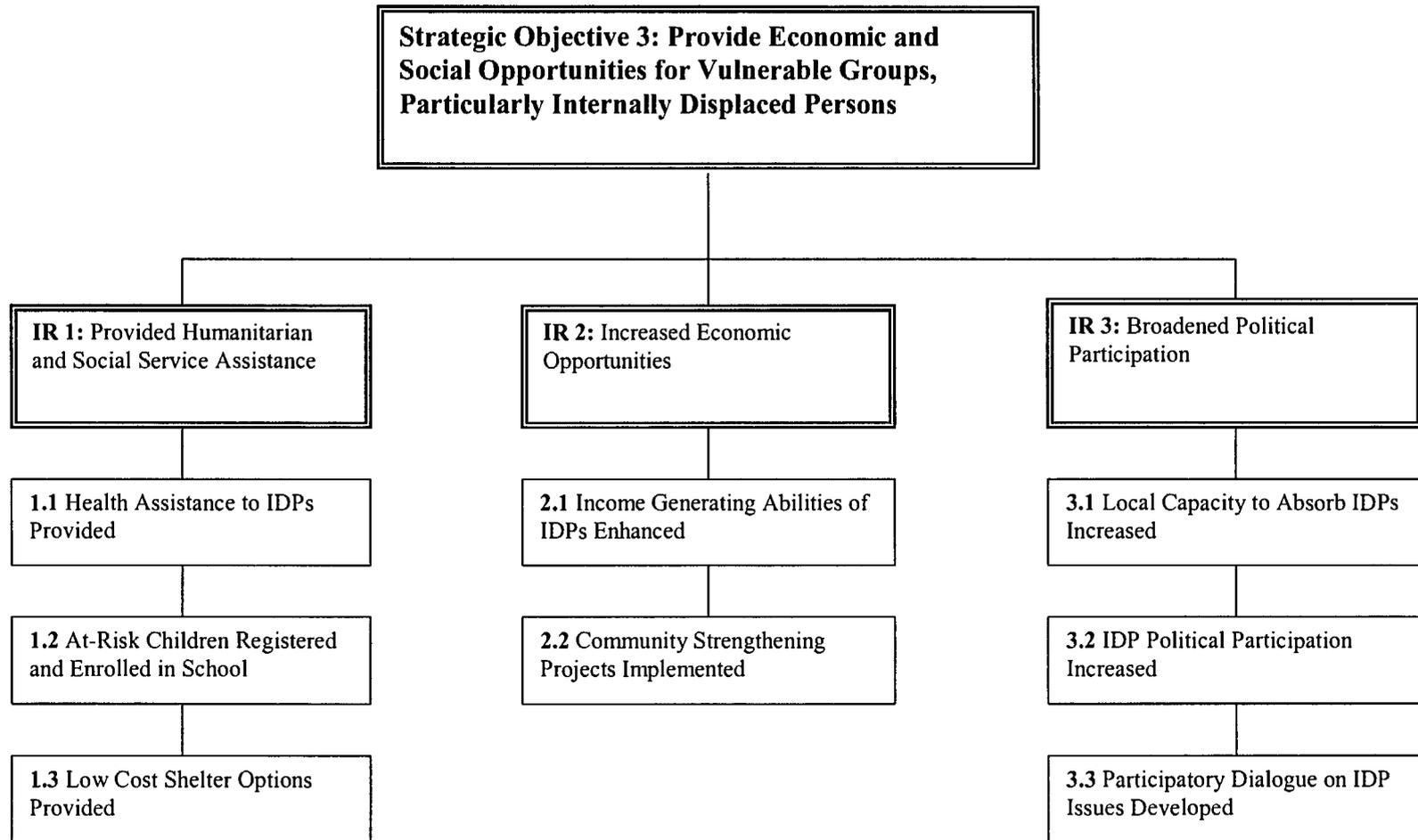
USAID has determined through an evaluation of its capabilities, planned resources, and the capabilities and plans of other donors that there is substantial donor commitment to emergency assistance for Colombian IDPs. For example, the U.S. Department of State and UNHCR plan to provide institution-strengthening assistance to the Red de Solidaridad and other organizations involved in providing emergency assistance to the displaced. The U.S. State Department will also support ICRC and UNHCR short-term programs to provide kitchen kits, basic household goods and 3 months' worth of food rations. The U.N. World Food Programme has approved a program to provide \$5 million in short-term food assistance to 227,000 IDPs over a two-year period; the program will be funded by BHR/FFP. Finally, the European Union also plans to provide \$6.2 million for emergency assistance. Together these international donors and other USG agencies will provide a significant contribution to emergency support.

As a consequence, USAID will focus its assistance on non-emergency support for IDPs, including social service, transitional, and long term concerns. Throughout the range of proposed activities, USAID will utilize a municipal-based approach, emphasizing the social, political, and economic incorporation of IDPs into mainstream Colombian society through programs and mechanisms at the municipal level. This approach will allow USAID to maximize the number of partners already established through complementary local initiatives in USAID's alternative development and municipal development activities. Ultimately, a local focus will reinforce the integrated approach of the strategic objectives and build on USAID's institutional strengths and partner network.

Many dynamic community-stabilizing initiatives are occurring at the local level initiated by individual leaders. An important part of USAID's municipal-based IDP strategy will be to support these local peace efforts and assist community-based development to prevent the displacement of local populations in vulnerable communities before they occur. USAID will also seek to stabilize the receptor communities, promote democratic participation, support basic services (such as health, education, justice) and provide greater stability through dialogue and the increased presence of international organizations in order to assist with the return or relocation of IDPs.

Since there are large numbers of IDPs spread throughout the country, USAID has identified eight priority zones: the south (Putumayo and Caquetá); Meta; Magdalena Media; Norte de Santander; the Atlantic States (northern Bolivar and Magdalena, Atlantico, and Cesar); Uraba (northern Antioquia and Córdoba); Chocó; and Valle del Cauca. Within these zones, USAID-funded projects will identify specific municipalities where the projects will be focused. Initially these will be mainly secondary cities where large numbers of IDPs are arriving either temporarily or permanently. Municipalities will be selected according to the number of IDPs, whether the security situation is conducive to medium and long-term assistance, local capacity, and the interest of local actors – in both government and civil society.

Strategic Framework: SO3



Intermediate Results

Intermediate Result 1: Humanitarian and Social Service Assistance Provided

The goal of this Intermediate Result is to ensure that IDPs receive essential social services when they are most vulnerable, during the period between the short-term assistance provided by the Red and their incorporation into Colombian society. In selected, priority regions, USAID will provide funding to local and international NGOs and international organizations to both provide services to IDPs and to strengthen the community infrastructure which assists the vulnerable populations. Within this vulnerable population, women and children will receive special attention due to their high numbers and special needs. In some evaluations women and girls comprise 59% of IDPs, women head 31% of displaced households, children under 18 comprise 55% of IDPs, and 40% of school-aged displaced children do not attend school. This IR will incorporate a range of activities, including:

1.1 Health assistance to IDPs provided. IDPs will receive special attention to fortify or maintain their physical, mental and reproductive health. In general, this assistance will comprise the provision of food, clothing, and medicine. For example, supplementary feeding programs may be established for at-risk children and other vulnerable populations (elderly, lactating/expectant mothers, single-parent families, etc.).

1.2 At-risk children registered and enrolled in school. The program will assist IDP children to enter local schools as the preferred option (strengthening the local systems as necessary to absorb the new students) or will establish temporary, informal education measures until such a time as the children can enter the mainstream GOC education system. Scholarship programs for at-risk children to attend boarding schools away from conflict zones (and potential recruitment by armed actors) will also be included.

1.3 Low-cost shelter options provided. When necessary, assistance will be provided to IDPs to assist them in obtaining low-cost short-term or semi-permanent shelter, preferably in coordination with other donors.

In the implementation of this IR, it will be critical to provide adequate security to the displaced populations to protect their lives and belongings and prevent further displacement. This is particularly important for young males, who are most often both the perpetrators and victims of violence, and special attention will also be given to incorporate them productively in program implementation.

Intermediate Result 2: Increased Economic Opportunities

Uprooted from their work and homes, IDPs also face the formidable challenge of providing for themselves and their families in a climate of scarce economic opportunities. USAID assistance to strengthen IDP economic incorporation can begin concurrently with the emergency assistance, and seek to increase the number and quality of economic

opportunities open to IDPs, as they either wait to return to their places of origin or as they seek to re-settle in new locations. Many of the IDPs may also have been involved in the narcotics economy, and this IR will work to provide viable alternatives to these illegal activities. Inadequate household income is also key to weaning IDPs from long-term dependence on publicly-funded social services, and helps break the cycle of despair and helplessness which often attends displacement.

2.1 Income generating abilities of IDPs enhanced. USAID will work to increase the ability of IDPs to integrate themselves into the licit economy. This capacity can be raised through vocational training and adult literacy classes. Small grants and loans can also provide necessary start-up capital for small businesses since many households have had to leave their possessions behind. Since many IDPs are at least partially integrated into their new communities, and since special attention exclusively to IDPs could create a social backlash against them by other vulnerable sectors of the community, these projects will be IDP-oriented and IDP-focused but not exclusive.

2.2 Community-strengthening projects incorporating IDPs implemented. Many of the communities that receive IDPs already suffer from weak infrastructure. The influx of IDPs further strains municipal systems. Through this component, USAID will assist these municipalities to expand and strengthen their social infrastructure, facilitating IDP incorporation and also strengthening the local systems. These activities can include improved potable water supply systems, extended sanitation infrastructure, erosion maintenance, construction or expansion of schools and health posts, and the hiring of additional teachers. These projects can also utilize food for work assistance or other mechanisms to provide on-the-job training for IDPs. These initiatives would then reinforce skill and vocational training goals to promote long-term IDP incorporation. Again, many of these activities will be designed to benefit the long-term inhabitants of a community in addition to the displaced to avoid eliciting negative reactions from receiving communities. In addition, this initiative will be closely coordinated with the local governance activities under the democracy strategic objective. This coordination will eliminate overlap while also strengthening the impact and sustainability of both assistance initiatives.

Intermediate Result 3: Broadened Political Participation

Many of the municipalities receiving IDPs lack the capacity to meet the needs of their own populations. This lack of capacity – and the resentment it generates both by and against IDPs – is one of the greatest impediments to the incorporation of IDPs into new communities and the free exercise of their political rights as Colombian citizens. USAID will provide technical assistance and support to host municipalities and to local non-governmental organizations to help them better assist IDPs incorporate into new communities. For example, USAID will support community-building activities that serve to incorporate IDPs into their new surroundings such as social communication campaigns and alternative dispute resolution to reduce the marginalization of IDPs. USAID will also work to increase participatory dialogue on IDP issues to support viable

long-term resolutions to IDP problems such as GOC programs for prevention/early warning programs and pilot activities by the Red to return people to their places of origin.

3.1 Local capacity to absorb IDPs increased. USAID programs to provide humanitarian assistance, social services, and support infrastructure improvements will enhance local capacity to absorb IDPs in a humane manner. Additionally, USAID will work with municipal government and civil society to strengthen their planning and implementation capacities with relation to IDP issues. Finally, USAID will support social communication campaigns and alternative dispute resolution workshops to help peacefully resolve political issues and social pressures generated by the presence of IDPs. By dissipating tensions, IDP incorporation into society will be eased and less stressful for both the IDP and the community.

3.2 IDP political participation increased. IDP political participation can originate in their involvement with IDP issues. IDPs will need to become involved in the planning and decision-making processes, and to participate both in local initiatives and in those supported by USAID via NGOs and international organizations. IDPs can provide citizen oversight to these activities while increasing their understanding of both their rights and obligations as new arrivals to communities.

3.3 Participatory dialogue on IDP issues developed. Informed national and local policy dialogue about IDPs and their situation will be necessary to arrive at appropriate and feasible solutions to their situation. USAID will foment participatory dialogue on how to permanently resolve the problems of the displaced. Land, for example, is essential for the resettlement of IDPs. IDPs have special, urgent land needs, which should be met via a special program to provide access and security for IDP land rights. The GOC can also be encouraged to elaborate a single effective mechanism for prevention of displacement through a mechanism to effectively marshal and mobilize agile resources to prevent displacement and provide security in zones of return. In two years, USAID will re-evaluate its program and determine what steps can and should be taken to provide additional permanent settlement alternatives for IDPs, security conditions permitting, and to prevent additional displacement in the future.

The Special Case of the South

In the South, USAID will provide assistance to municipalities that receive large populations of displaced person as a result of coca eradication and medium term assistance that will consist of many of the activities listed in the IRs above, as well as alternative development assistance for farmers who choose to grow licit crops. It is estimated that some 10,000 people in Southern Colombia will be displaced by coca eradication, including *raspachines* and other migrant workers involved in the cultivation and processing of illicit crops.

Achieving Results

The following indicators will measure progress under the proposed strategic objective and intermediate results:

SO Level Indicators:

- 1) Percentage of disadvantaged groups, including IDPs, that believe they are better off as a result of increased employment and income opportunities
- 2) Percentage of disadvantaged groups, including IDP, with access to basic social services
- 3) Percentage of disadvantaged groups, including IDPs, satisfied with their opportunities to participate in decision making at all levels of government

IR1: Provided Humanitarian and Social Service Assistance

- 1) Recipients of humanitarian assistance: food, medicine, shelters, and clothing
- 2) At-risk children registered and enrolled in school

IR2 Increased Economic Opportunities

- 1) Municipal strengthening projects incorporating IDPs
- 2) Beneficiaries of vocational training programs
- 3) Beneficiaries of loans/grants to IDPs
- 4) Participants in food for work programs

IR3 Broadened Political Participation

- 1) Municipal political projects incorporating IDPs
- 2) Citizen oversight committees for IDPs targeting IDP issues
- 3) Workshops, seminars, and public information campaigns promoting public dialogue on IDPs

Special Objective: Provide Earthquake Reconstruction Assistance

The Problem

On January 25, 1999, a 6.0 magnitude earthquake hit Colombia with its epicenter in the Quindio Department. The earthquake affected 28 municipalities, leaving some 37,000 families homeless. More than a thousand people were killed and approximately 8,000 were injured.

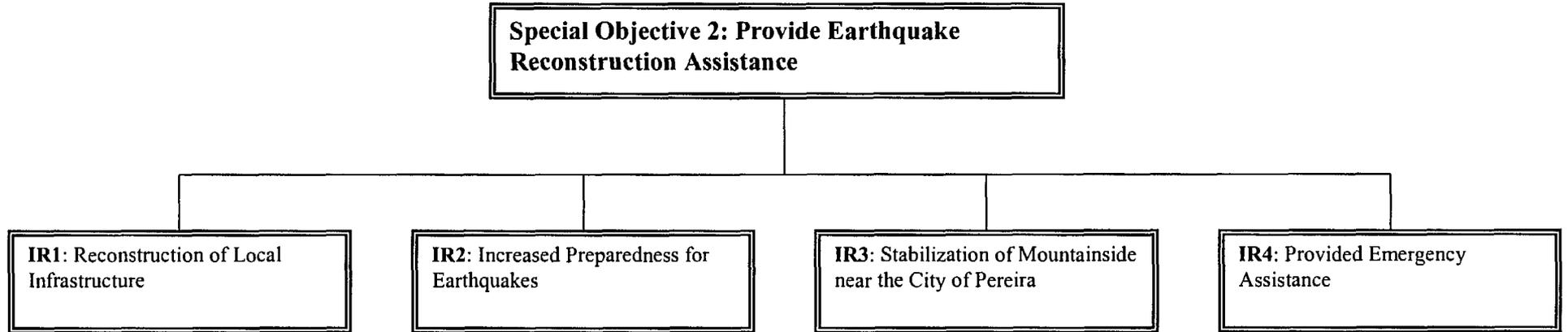
Under USAID/Colombia's Special Objective 2 (SpO2), "Provide Earthquake Reconstruction Assistance, the Mission will provide short-, medium- and long-term assistance to mitigate the damaging effects of the earthquake and to assist the GOC to develop appropriate policies that will reduce the risks of damage from future earthquakes.

The methodology used will focus on mitigation (defined by USAID/OFDA as leaving behind models, policies and educational as well as practical, hands-on experience in, for example, the use of appropriate technologies and local materials and adherence to seismo-resistant codes) that will permit greater preparedness in the future for responding to such natural disasters. USAID assistance will emphasize partnerships with local stakeholders in the target geographical area and will encourage the development of public/private partnerships that will expand employment and income generating opportunities, are community-based, have a synergistic relationship with activities of other donors in the region, and that will achieve rapid, lasting results.

USAID's assistance will focus on the poorest victims of the earthquake, those who, at the time of the earthquake, were renting in the city of Armenia. Assistance will focus on providing the affected families with access to shelter or a serviced lot through partnerships between NGOs with a long-standing history of low-income shelter and community infrastructure delivery in Latin America and existing Colombian NGOs and community organizations already operating in the area.

Assessments of infrastructure damage have been underway since the earthquake, including Asociacion Colombiana de Ingenieria Sismica (AIS), Carvajal Foundation, the Fondo para la Reconstruccion del Eje Cafetero (FOREC), Municipal authorities and several universities. USAID's program will use those assessments but will also supplement them where needed.

Strategic Framework: SpO2



Intermediate Results

IR 1: Reconstruction of Local Infrastructure

USAID is in the process of designing and implementing a reconstruction program to aid earthquake victims in the Armenia area and its adjacent communities. The primary objectives of the USAID emergency assistance will be to: 1) support indigenous institutions in delivering shelter and basic infrastructure services to low income earthquake victims; 2) leave behind sustainable models of delivery which require public and private sector participation, as well as a sustainable investment finance model.

USAID/Colombia assistance will be strongly focused on the restoration of adequate permanent shelter to approximately 2,600 of the region's poorest families, out of the total estimated 6,000 poor families who lost their homes. These homes will be built using a "sites and services" approach, in which most of the construction will be done by the families themselves

IR 2: Increased Preparedness for Earthquakes

Workshops on Appropriate Construction with Local Materials

USAID/OFDA will fund a program through the Colombian Association of Seismic Engineers that will take advantage of recent experience in appropriate earthquake-resistant uses of local construction materials in three ways. First, the program will work to assure that appropriate uses of local materials become part of existing norms and regulations in the Colombian Building Code. Second, these experiences would focus on developing prototype structures that utilize local materials. Finally, the program will develop workshops to teach appropriate construction and maintenance techniques to communities and builders using local materials.

Materials Banks for the Construction of Community Homes

Throughout the affected area, many schools, community centers, and other important community buildings suffered serious damage. To help meet the need for construction of materials, USAID/OFDA will work with the Foundation for Higher Education (FES) to create a "Materials Bank". The bank will include basic construction materials such as zinc sheets for roofing, wood and possibly cement. Materials will be provided in exchange for transportation and labor provided by the beneficiaries. Designs for structures will conform to earthquake-resistant guidance and prototypes developed through the USAID/OFDA supported activities of the Colombian Association of Seismic Engineers and where possible, participants will attend workshops on appropriate construction with local materials.

Construction of "Community Homes"

The Colombian Institute of Family Well Being (ICBF) funds a variety of programs aimed at supporting the physical, psychological and social development of children under seven years of age who live in extreme poverty. These programs worked through neighborhood

women who provided childcare within their homes. Many of these women lost their homes in the earthquake and, thus, the ICBF programs have been unable to operate. To reestablish these important programs, USAID will contract the services of a local NGC that will in turn contract local builders to reconstruct these "Community Homes". The homes will provide a clean, dignified and appropriate space that will permit ICBF's interrupted children's programs to resume.

IR 3: Stabilization of a mountainside near city of Pereira

As a direct result of the January 25 earthquake, landslides throughout the region occurred, the most serious just outside the city of Pereira, immediately adjacent to its water supply intake system. An assessment of the damages caused by this landslide was carried-out in May 26-29, 1999, by a four-person team of experts from the U.S. Army Corps of Engineers (USACE), consisting of a detailed field investigation. This investigation (Phase I) led to recommendations and appropriate actions to be developed under Phases II (planning and construction specifications) and III (construction supervision and administration). Phases I and II were implemented immediately to substantially reduce the risk of damage and/or destruction of the Pereira water supply intake structure from further landslides and other earth movements through the design, evaluation, and construction of a combination of methods to achieve slope stability and problem avoidance.

IR 4: Provide Emergency Assistance

The day following the earthquake, on January 26, U.S. Ambassador to Colombia, Curtis Kamman, declared a disaster, setting in motion the USG response and an initial \$25,000 allotment. This same day, USAID/OFDA deployed a 62-person Miami-Dade County, Florida Search and Rescue Team along with 56,000 pounds of Search and Rescue equipment. That team worked in coordination with the Colombian Red Cross and remained in Armenia through January 30, when the Search and Rescue phase ended. USAID/OFDA provided a total of \$125,000 to the USAID/Colombia Mission to support the local purchase, rental and transportation of relief supplies and equipment. USAID/OFDA also provided \$250,000 to the Pan-American Health Organization (PAHO) in support of earthquake-related health activities. Between January 26-February 4, 1999, USAID/OFDA airlifted 600 rolls of plastic sheeting, 8,000 polyester blankets, 165 cases of MREs (12 MREs per case), 1,980 gallons of bottled water, and 8,460 pre-packaged daily food rations (Humanitarian Daily Rations – HDRs) to the earthquake-affected area. The rolls of plastic sheeting were used to support a variety of initiatives identified by the USAID/OFDA assessment team in Armenia, including construction of temporary shelter units for families, construction of community kitchens, construction of temporary facilities for the Fire Stations destroyed in the earthquake, and reconstruction of pre-existing day care centers.

Achieving Results

The following indicators will measure progress under the proposed strategic objective and intermediate results:

SO Level Indicators:

- 1) Support to local institutions in delivering shelter and basic infrastructure services to low income earthquake victims provided
- 2) Sustainable delivery models (requiring public and private sector participation) established
- 3) Sustainable investment finance model established

IR 1: Reconstruction of Local Infrastructure

- 1) Low-income homes built

IR 2: Increased Preparedness for Earthquakes

- 1) Prototype structures using local materials developed and integrated into existing norms and regulations of Colombian building code
- 2) Community homes built
- 3) Materials bank established
- 4) Social infrastructure reconstructed materials bank

IR 3: Stabilization of a mountainside near city of Pereira

- 1) Mountainside threatening city of Pereira aqueduct stabilized

IR 4: Provide Emergency Assistance

- 1) Emergency assistance provided

Section III: Resource Requirements

A. Introduction

To achieve the above results, USAID/Colombia will require \$510 million over the five-year plan period in ESF, INC and Plan Colombia funding, as shown in the summary table below. Of this amount, roughly \$277 million will support alternative development activities, \$144 democracy and peace, and \$83 million in support of internally displaced persons. \$6 million will support banking sector reform through a 632b Agreement with the Treasury Department. These funding levels are justified in Section II of the Strategic Plan document in each of the respective strategic objective presentations.

FY 2002, of which \$30 million is in international narcotics control funds (INC) and \$50 million in ESF, in order to continue to support the GOC's Plan for Peace, Prosperity, and the Strengthening of the State. These funds are additional to the amount that is expected to be appropriated in the Plan Colombia supplemental for FY 2000 and FY 2001 and are necessary to achieve the strategic objectives in democracy, alternative development, and displaced persons. The Mission's request is based on U.S. foreign policy priorities as expressed in Plan Colombia and the U.S. Mission Performance Plan (MPP) and is consistent with the strategic plan for FY 2000 to FY 2005 that the Mission will be submitting for Washington approval in June 2000 as an unattached annex to this R4.

Funding under the Mission's Democracy SO, "Promote more responsive, participatory, and accountable democracy" will support activities under six intermediate results dealing judicial reform, human rights, anti-corruption, governance, civil society, and peace. USAID will continue to work closely with the key justice sector institutions to improve the effectiveness of the criminal justice system through technical assistance to these institutions and training of judges, prosecutors and public defenders. USAID will also expand the very successful Casas de Justicia program, especially in those areas where alternative development activities are implemented and as part of an overall effort to reestablish a GOC presence in rural areas. In the area of human rights, USAID will strengthen Colombian human rights governmental and non-governmental organizations. USAID will help fight corruption by focusing on preventive measures, such as auditing, internal management controls, and citizen oversight. Local governance will focus on increasing citizen participation in local decision making and by improving the capacity of local officials to adequately planning and implement productive and social infrastructure projects. USAID will increase the capacity of civil society organizations in advocacy and monitoring of public policy issues, and will improve their management skills. The Mission will support initiatives that foster the GOC's and civil society's commitment to peace.

Funding in support of the Mission's Alternative Development SO, "Promote Economic and Social Alternatives to Illicit Crop Production" will encourage small farmers to voluntarily abandon the cultivation of illicit crops, substituting these for viable, licit alternative crops, livestock production or forestry activities. Toward this end, the program will improve licit income opportunities through market research, production technologies, agricultural credit, business management, and linkages with producers' associations. The program will also promote environmental management through the use

of sustainable production systems for alternative crops, protection of indigenous peoples territorial rights, integrated pest management, and the construction of potable water and sewage systems in the alternative development zones. Other assistance will strengthen the capacity of local organizations essential to the success of the alternative development program to establish a social infrastructure fund for the construction of schools and health centers, and other social infrastructure.

Under its SO 3, "Provide Economic and Social Opportunities to Vulnerable Groups, particularly Internally Displaced Persons" USAID/Colombia will help to ensure that displaced persons receive adequate health assistance, can enroll their children in schools, obtain low-cost shelters, and are presented with reasonable employment and income generating opportunities. USAID will also help communities deal with the influx of displaced persons, support the political rights of the displaced, and facilitate their integration into new communities or their place of origin.

OE Requirements

USAID/Colombia will require an average of \$3.3 million per year over the FY 2000-2005 Plan period, for a total of \$19.7 million. The amount shown for FY 2000 includes funding for the move to a building off the U.S. Embassy compound. Thereafter, figures have been straight-lined at the projected FY 2002 level, and include rent on the new USAID-leased facility and the funding required to maintain the proposed fifty-person staff that will be on board by the end of FY 2000. The proposed request level represents only a two-fold increase in OE levels over the previous year, while the program budget has increased nearly ten-fold. The Mission believes that this is the minimum level required to maintain a medium sized mission of fifty. It should be noted that the Mission has program-funded all staff assigned to program implementation. Therefore, this request level considers funding for OE designated positions only. A summary table is shown below with the actual fiscal year estimates:

**OE Funding Requirements
(\$000)**

Source	FY00	FY01	FY02	FY03	FY04	FY05	Total
OE	3,375	3,100	3,257	3,300	3,300	3,300	19,650

Workforce Requirements

To implement such an ambitious program, while upholding Mission fiduciary responsibilities, USAID will require a minimum workforce of 50 full-time employees, which will remain constant over the five-year Plan period. During FY 2000, the Ambassador approved an increase of two additional USDHs, including a General Development Officer and a Democracy Officer, who will be on board prior to the end of FY 2000. In addition, the Ambassador has approved a total of 11 USPSCs and 34 FSNs, for a total staff of 49. To bring the staff to 50, USAID/Colombia will request approval for a fifth USDH employee beginning in FY 2001. Mission proposes that a full-time

USDH Contracts Officer be added to the staff in view of the magnitude of the proposed program and OE budgets. If approved, this would require an additional roughly \$100,000 per year in OE.

B. Program Requirements by Objective

**Required Program Resources
(US\$ Millions)**

Objective	FY00 ¹⁰	FY00-01 ¹¹	FY02	FY03	FY04	FY05	Total
SO1 – Promote a More Responsive, Participatory, and Accountable Democracy							
ESF	4	4	19	19.5	19.5	19.5	77.5
INC	0	0	0	0	0	0	0
Plan Colombia	0	58.5	0				58.5
Sub-Total – SO1	4	62.5	19	19.5	19.5	19.5	136
SO2 – Promote Economic and Social Alternatives to Illicit Crop							
ESF	0	0	16	16	16	16	64
INC	5	5	30	30	30	30	130
Plan Colombia	0	87	0	0	0	0	87
Sub-Total – SO2	5	92	45	45	45	45	277
SO3 – Provide Economic and Social Opportunities to Vulnerable Groups, Particularly Internally Displaced Persons							
ESF	0	0	15	14.5	14.5	14.5	58.5
INC	0	0	0	0	0	0	0
Plan Colombia	0	24.5	0	0	0	0	24.5
Sub-Total – SO3	0	24.5	15	14.5	14.5	14.5	83
SpO2 – Provide Earthquake Reconstruction Assistance							
ESF	0	0	0	0	0	0	0
INC	0	0	0	0	0	0	0
Plan Colombia	0	0	0	0	0	0	0
Sub-Total SpO2	0	0	0	0	0	0	0
Banking Reform (Transfer to Treasury)	0	2	1	1	1	1	6
Total	9	181	80	80	80	80	510

¹⁰ From core funding.

¹¹ Core funding plus Plan Colombia supplemental.

