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ERADICATION AND SUBSTITUTION OF ILLICIT CROPS IN COLOMBIA: CHALLENGES FOR THE FUTURE EXECUTIVE REPORT



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ERADICATION AND SUBSTITUTION OF ILLICIT CROPS IN COLOMBIA: CHALLENGES FOR THE FUTURE



EXECUTIVE REPORT

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Jorge Azad Ayala

Introduction

Confronting the enormous expansion of coca cultivation in Colombia presents the Government of Colombia (GOC) and USAID with unprecedented challenges. USAID has actively supported GOC efforts to develop a coherent and effective response to this phenomenon, but at the same time wishes to take advantage of lessons learned from the Agency's past experience in other contexts. To that end, USAID commissioned this study to compare the alternative development program in Bolivia, where coca cultivation has largely been controlled and where cultivators have broadly adopted licit economic activities, with that of Colombia, where such efforts, while underway for many years, have been less successful. The objective of this study was to determine the current state of efforts to eradicate and substitute illicit crops in Colombia, and, through a comparison with the experience of the implementation of a crop substitution and alternative development program in Bolivia, describe a set of policies and programs that could have relevance for Colombia. The methodology used was qualitative, with documentary research and individual and group interviews being the tools prioritized for obtaining information.

The full study is divided into three sections. First, it presents a review of the growth of the coca economy during the last decades and of the efforts and measures carried out by the Colombian government and international cooperation agencies to contain and reduce its growth and extension. Second, through a consideration of specific questions relating to strategy and programming, the study draws on a comparison with the Bolivian experience to highlight the policies and actions that have contributed to the consolidation of the relative control that the Bolivian government has attained over the coca economy. In the third section, the team summarizes findings related to Colombia's efforts in eradicating and substituting illicit crops and offers a series of recommendations on issues of security, governance, popular participation, rural economy, and territorial control. This report provides a summary of the larger report, highlighting findings and recommendations.

Coca in Colombia

There are no legal coca crops in Colombia. To combat the spread of coca, eradication programs have been developed using aerial spraying and forced manual eradication, although in recent years the country has also implemented a voluntary substitution program through agreements between growers and the government, recently expanded in a subsidized manner based on the 2016 Peace Agreement with the Fuerzas Armadas Revolucionarias de Colombia (FARC).

Colombia undertook a vigorous program of aerial spraying of herbicides and manual forced coca eradication on the ground that, at its height in 2006, saw more than 170,000 hectares affected.¹ However, analyzing the dynamics of the coca cultivation and eradication reports for the period 2001 – 2015, we can infer that, despite the efforts made over the years, eradication alone has not been able to contain the increase in illicit crops.² The high rate of replacement or planting of new crops, exacerbated by the fact that there is no land registration process and cadaster³ of producers

¹ SIMCI, Monitoreo de territorios afectados por cultivos ilícitos 2016, p. 215

² Aerial spraying was ended in 2015.

³ Cadaster is defined as “an official register of the ownership, extent, and value of real property in a given area, used as a basis of taxation” (<http://www.dictionary.com/browse/cadaster?s=t>)

and production areas, undermines the planning over time for sustainable and effective eradication and for substitution programs.

The alternative development experience in Colombia began in 1985 with a coca crop substitution project in southern Cauca, which was expanded to northern Nariño in 1989. During this period, it was shown that the projects required a multi-sectoral approach, in which comprehensive rural development processes became the means for achieving the central objective of reducing illicit crops. Through the 1990's and into this century, the GOC, on its own and with the assistance of international donors, created a sequence of policy statements and programs, implemented by a range of different governmental agencies, that were designed to motivate coca producers to substitute coca for other crops or activities.

USAID Cooperation of the Past Decade

The greatest external support for the suppression of drug trafficking and for efforts to shift smallholders to licit crops came from the United States through Plan Colombia and subsequent efforts. In 2006, USAID created MIDAS (More Investment for Sustainable Alternative Development) and ADAM (Areas of Municipal-level Alternative Development) to improve the conditions of rural citizens through the implementation of productive projects; community participation; the development of public policies; and the strengthening of municipal governments. With a combined financing of more than \$370 million, the two projects could point to real successes in funds leveraged and jobs created, but the focus of project activities was not directly in zones of coca production, nor did these productive projects coordinate geographically with ongoing eradication efforts.⁴

More successful in directly affecting coca production was the USAID's Office of Transition Initiatives-funded Comprehensive Consolidation Plan carried out in six municipalities of La Macarena (Meta) between 2007 and 2011. The intervention demanded a sequential and coordinated effort by the Army, the National Police, and civil authorities with the goal that, once the transition was completed, State presence would be permanent. The implementation of the Plan saw an important reduction in coca cultivation in the region, accompanied by a decrease in the productivity of these crops. The extension of lands dedicated to coca in this region was reduced from 22,127 hectares in 2005 to 2,782 hectares in 2009.

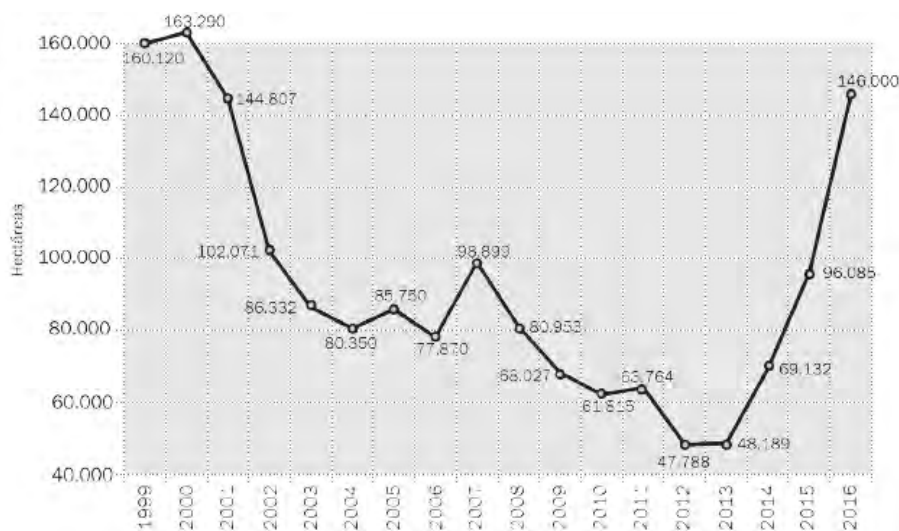
USAID, in its subsequent support for the GOC's National Plan for Territorial Consolidation after 2011, developed the Colombia Strategic Development Initiative (CSDI), with project activities that began after 2011 under three Colombia Enhanced Livelihood Initiative (CELI) projects. The CELI projects supported the GOC's Consolidation Unit established under the plan and worked on a broad range of rural development issues in about 40 municipalities characterized by illegal armed groups and illicit crops. However, these also had limited direct interaction with coca-growing communities in those zones. Projects were restricted, especially in the earlier years, from working with communities unless they were designated free of coca.

⁴ MIDAS, for example, worked in some 500 of the 1,100 municipalities in Colombia. (MSI, 2014. *Final Report: Post-Implementation Evaluation of the Programs More Investment In Sustainable Alternative Development [MIDAS] and Areas for Municipal-Level Alternative Development [ADAM]*).

Colombia experienced a significant reduction in coca production from 2007 to 2012 as this series of initiatives, programs and repressive measures was implemented. However, the trend underwent a dramatic reversal since 2013, as seen in the figure below.

Figure 1. Coca crops in Colombia (hectares), 2001 -2016

Source: Cruz et. al. 2017



The study corroborated data that attributes this significant increase to the following principal causes:

- the situation of poverty and marginalization in the villages and municipalities affected by illicit crops has not improved or has even been exacerbated, and coca production continues to offer, for many small producers, by far the best economic return on their labor;
- an anti-drug strategy has been adopted that has supported both crop fumigation and eradication as well as concrete development efforts with smallholder cultivators, but these efforts have not been coordinated in a single plan or conceived as synergistic approaches;
- due to ongoing conflict in rural areas as well as historical patterns in the distribution of power and resources between urban and rural, the State has only managed a weak presence in the territories affected by illicit crops;
- which, in sum, has meant that coordination and communication among the institutions responsible for implementing the different components of the fight against drugs has not been sufficiently robust.

Added to those factors are the contextual realities related to the peace negotiations with the FARC and the growth of criminal bands profiting from cocaine. In the former, guerrilla forces were reported to have urged small farmers in areas under their control to expand coca production as a future bargaining chip with the government. In the latter, the growth of criminal activity and

the strengthening of international criminal cartels has both forced and incentivized small producers to expand their coca cultivation.

With regard to the eradication of illicit crops, the study found a reduction in the net rate of illicit-crop eradication due to:

- the cessation of the aerial eradication (aerial spraying) program;
- a change in government policy that now prioritizes compensating voluntary substitution over forced eradication; and
- the absence both of a coca crop cadaster and registry, and of property titles in the regions that produce illicit crops, making it extremely difficult to closely track exact crop locations, replanting, and the expansion of plantations to new areas.

With regard to the substitution of illicit crops, the study found that there is no comprehensive rural development policy in the regions that produce illicit crops. Most of the municipalities in which illicit crops are produced are characterized by a high level of poverty and social marginality. The prevailing conditions of violence and the presence of armed groups and criminal bands prevent laying the groundwork for or consolidating lawful development processes, which necessarily require peaceful conditions and citizen and judicial security in order to prosper.

The Case of Bolivia

While recognizing significant contrasts in institutional structures, legal precedents, the history of social conflict, and, most importantly, the fact that Bolivia recognizes a limited legal market for coca leaf, the Bolivian experience may nevertheless yield useful lessons that can be adapted to the Colombian context.

In the Bolivian case, the State lost control and authority in the Tropics of Cochabamba (Chapare) region during the 1970s and 1980s. Areas devoted to illicit coca crops increased dramatically. Criminal groups linked to foreign cartels promoted the production and commercialization of cocaine base paste, which was sold daily even in public places within the view of, and with the tolerance of, local authorities.

In response to this situation, in 1988 the government promulgated the Law on the Regime Applicable to Coca and Controlled Substances (Law 1008). Once the law, conceived as a unified state policy, entered into force, the State began to combat drug trafficking and to regain control over the territory. The presence of the State in the region was strengthened through the establishment of military units that reinforced the presence of the National Police, the Public Ministry and the Judicial Branch, strengthening the rule of law in the implementation of interdiction activities and the eradication of illicit crops. Alongside these, the Regional Alternative Development Program (PDAR) of Cochabamba, an independent agency within the Ministry of Agriculture, was created with the objective of planning and implementing a comprehensive rural development program in charge of implementing programs and projects for economic and social development; the management, preservation and conservation of natural resources; institutional strengthening; and support for governance, democracy, and legal and citizen security.

It is important to note that the alternative development efforts were unified and coordinated in a single entity. The PDAR was responsible for coordinating all alternative development program and project units in the region, and reported directly to the Ministry of Agriculture. The PDAR also coordinated alternative development with the eradication and interdiction actions of the Vice Ministry of Social Defense, under the auspices of the Ministry of Government and the General Command of the Army of Bolivia. Further, to involve local actors, the PDAR coordinated development actions with departmental and municipal governments in the coca-growing regions of the Tropic of Cochabamba and Yungas de La Paz, as well as with the private sector and producer organizations (coca-grower unions, producer associations, etc.).

In parallel with the eradication of coca crops, projects with an immediate short-term impact were implemented in coordination with the communities supporting food security and the generation of income and jobs. Later, comprehensive medium- and long-term alternative development programs and projects were implemented, related to commercial crops, infrastructure to support production and marketing, road infrastructure (roads, bridges, etc.), social infrastructure (schools, training centers, hospitals, health centers, union offices, etc.), electric power and electrification. These projects were implemented on the basis of broad social participation and with departmental and municipal governments, producer organizations, and private companies

In practice, these approaches constituted a plan for the implementation of comprehensive and sustainable alternative development in the regions in which illicit coca crops existed. They required a coherent and sequenced program which is detailed in the study and included a strategy that led ultimately to the voluntary eradication of coca. In the Bolivian case, monetary compensation was temporary, based on a comprehensive cadastral and registration process, and was relatively quickly replaced with community incentives which were less subject to misapplication. Technical assistance to small farmers was a key component, though an essential prerequisite was sufficient agronomic research to determine the most appropriate vocation for agricultural lands. Nor was all assistance focused solely on agriculture production and marketing, since an important goal was to diversify economic activities.

Efforts to involve coca growers in supporting interdiction grew after 2006 and was enshrined in the 2017 General Coca Law under the rubric of “social control,” in which coca growers, who manage their assigned legal plots, have resisted the introduction of new cultivators or the expansion of neighbors’ plots, since these could challenge the status quo limits on production and risk their access to the legal market.

Findings and Recommendations

No single strategy will resolve the challenges of a transition to a licit economy and a territorial transformation away from involvement in the international drug trade. The following findings and recommendations for intervention in coca-growing areas will likely provide no surprises for those familiar with these challenges, yet nevertheless these, in combination, are the principal tools to support communities in concrete actions that can be pursued by the Colombian Government.

Findings and recommendations related to coca eradication include the following:

- Most of the villages and municipalities in which illicit crops are produced do not have infrastructure to support licit production (secondary and tertiary roads, electric power, collection centers, commercialization, etc.), shortcomings that prevent the move to development and consolidation of lawful production. Addressing these will make licit economic activities a viable replacement for coca.
- Success in the eradication of illicit crops requires addressing, and structurally overcoming, the conditions of poverty and marginality prevailing in the villages and municipalities affected by illicit crop plantations. Of the multiple tools available for this task (eradication, alternative development, prevention of consumption, etc.), the most important is alternative development.
- The anti-drug strategy should be implemented in the long term in a coordinated, balanced and sequential manner. Eradication processes should be preceded by short-term alternative development programs aimed at generating subsistence and food alternatives for the affected populations (food security crops, projects that will have an immediate impact on the generation of jobs and income), while medium- and long-term alternative development projects (social, economic, environmental, governance, etc.) for transforming the territories can then be implemented.
- It is possible to design an efficient forced manual eradication program that would reduce pressures to return to the former program of aerial spraying. Experiences in Bolivia and Peru have demonstrated the effectiveness of well-planned manual eradication methods that are properly assisted by satellite monitoring systems, with land verification and a registry and cadaster of growers and areas with illicit crops.
- The use of monetary incentives and/or economic compensation for the eradication and/or substitution of illicit crops is not recommended because of the perverse effects that they generate (for instance, they can provide resources for the replanting of illicit crops, divert monetary resources to illicit purposes, encourage the planting of new crops in other regions, etc.). This should only be used in the initial phase of a voluntary eradication process and with the sole purpose of generating acceptance, consensus and social peace.
- Horizontal and vertical coordination among all institutional, governmental and non-governmental actors responsible for carrying out the fight against drugs is an imperative and necessary condition for successful work.

Findings related to crop substitution and alternative development include the following:

Political and institutional aspects

- Colombia has not treated the development of a consistent national-level alternative development program as a long-term, centralized and coordinated effort. With new governments and new National Development Plans, new provisions and policies are introduced, and new agencies created, sometimes with functions that overlap.

- The lack of institutional coordination, in the present case between agencies responsible for eradication (voluntary reduction, obligatory eradication, and aerial fumigation) and those responsible for alternative development, creates miscommunication and disunity between national entities, which assume parallel or differentiated commitments in alternative development projects.
- Representative institutions of the national government have been absent from conflict regions, resulting in a lack of government intermediaries between peasant communities and international cooperation implementing units, sometimes requiring these latter to assume responsibilities of communication and facilitation outside their mandate.
- Some alternative development programs in Colombia in the past have focused their attention outside areas where illicit crops exist. Plan Colombia sometimes focused the execution of alternative development projects on regions with little presence of illicit crops (Office of the Comptroller General, Plan Colombia Evaluation Report I, August 2001).

Security and territorial issues

- Areas with illicit crops lack security. Illegal armed groups (paramilitaries, criminal bands, armed groups of drug traffickers) related to drug trafficking activity intimidate the population and undermine the implementation of development actions.
- Consequently, the daily lives of peasant, Afro-descendant and indigenous communities in various rural conflict areas are marked by economic, social, cultural and political conflict and violence in the midst of illegal armed groups with specific economic interests and which do not hesitate to use their weapons to impose their will for their private benefit, supported by their occupation and control of territories.
- The land on which coca is cultivated is in many cases not owned by the peasants. In some indigenous territories, lands have been taken by armed groups to cultivate coca, and the presence of the State is very weak in most of the villages with illicit crops.
- Most coca farmers regularly occupy *baldíos* (vacant state-owned land). They do not own their own land. The precarious condition of land tenure rights has become a barrier to small growers' access to financing sources or State support. Because the peasants do not own land, they do not make investments and are not involved in market dynamics.
- In terms of local institutions, governance in the conflict areas has been lacking and in some cases fragile or nearly nonexistent. The provision of public goods and services has been limited, and citizen participation meager.
- The introduction of new crops and best agricultural practices has been hampered due to the lack of the corresponding technical, economic and environmental feasibility studies. Specific knowledge about the best and most appropriate use of land in most conflict areas is unknown.

Recommendations

Among the range of policy changes and concrete actions to be considered, the following stand out:

Political and administrative aspects

- The anti-drug trafficking policy should be continued as an ongoing State Policy, not as a policy that is modified with each change of government.⁵ It is essential to have a consistent and cross-governmental legal and institutional framework for effectively fighting against drug-trafficking and for the transformation of the coca economy. The establishment of a single authority for coordinating the fight against drug trafficking is essential. The fight against drug trafficking should be pursued with a comprehensive vision (that is, control of supply and demand). There can be no anti-drug fight without the net eradication of coca crops.
- The implementation of an alternative development program should be all-embracing and sustainable (VIMDESALT, 2004), and should be developed in a participatory manner (Figure 9), with a comprehensive rural development vision (including not only agriculture but also other economic activities appropriate for rural areas), and phased into short-, medium-, and long-term implementation horizons (productive chains).

COMPREHENSIVE, PARTICIPATORY AND SUSTAINABLE ALTERNATIVE DEVELOPMENT			
Economic Development	Social Development	Management of Natural Resources and the Environment	Institutional Development, Democracy and Governance
IN A CONTEXT COORDINATED WITH THE POLICIES FOR THE FIGHT AGAINST THE PRODUCTION, ILLICIT TRAFFICKING AND ABUSE OF DRUGS			

Security and territorial issues

- Alternative development is impossible without security. As is the case in non-conflict areas, the State should occupy the entire territory of the country on a permanent basis. The central government should do everything possible, within a framework of protecting human rights, to ensure social peace. This implies that, for conflict areas, police and

⁵ A state policy would be reflected in an internally coherent framework of institutional and legal structures that would support a consistent change process over time, minimally subject to alteration with changes of governments. This would avoid the continual restructuring of special agencies and initiatives in which changing policies have little time to effect fundamental transformations at the territorial level.

armed forces must be in control of security and must ensure the population freedom of movement, freedom from intimidation, physical integrity, and a basic recourse to justice institutions.

- The justice system needs to develop capacities to manage the land restitution proceedings in the regions, as well as the agrarian processes for the clarification of ownership which will very likely arise in the post-conflict context.⁶
- Rural property titles should be issued and a cadaster process implemented in 100% of the conflict zones,⁷ a prerequisite for effective voluntary crop substitution programs.
- The government should ensure support for the preparation of Land Use Plans (PLUS), Territorial Zoning Plans (POT), and Environmental Management Plans, and create or strengthen the agencies that will implement them.
- The emergence of previously latent conflicts related to land tenure and use is very possible. The government and the judicial branch should be prepared to resolve the high levels of informal land tenure, complete the titling and clarification processes, and expand the limits of Community Councils and Indigenous Reservations, as well as to prevent and manage land tenure conflicts between tenant farmers and social movements. The government's prevention and management of these conflicts should be accompanied by dialogue with regional actors for the construction of an inclusive local and regional development policy.
- The expansion of the agricultural frontier based on the effort to continue to expand coca production should be halted and the formalization of land ownership rights promoted. Except in the case of National Natural Parks (where the GOC must negotiate the removal of the intruding populations), conditions, incentives and capacities should be created to enable the occupants of these territories to formalize their tenure and develop productive or environmental services activities that, in addition to being profitable, are compatible with existing environmental management categories.
- Government should implement Rural Road Construction and Maintenance Units in the regions that are responsible for opening secondary and tertiary roads, bridges, gutters, sewers and other facilities, for their interconnection with the main highways. These Rural Road Units could later become part of the municipal governments or operate as independent organizations.

⁶ Recent research (Muñoz-Mora, "Role of land property rights in the war on illicit crops: Evidence from Colombia," *World Development* 103 (2018):268-283) reinforces the strength of the conclusion that strengthening land rights can reduce pressures for producing coca.

⁷ However, it is to be recognized that there are two important categories of lands with coca production in Colombia where the recommendation of the importance of cadaster and land titling will not apply under current law: in indigenous *resguardos* and in AfroColombian *consejos comunitarios*, where lands are held communally.

Institutional aspects

- Consistent with GOC efforts to implement the Planes de Desarrollo con Enfoque Territorial (PDET), communities should be mobilized to participate in the design, planning, execution, and monitoring of the projects and initiatives adopted in each territory so that there is local appropriation for their sustainability.
- Interventions to enable local administrations to implement anti-corruption procedures should continue. It is recommended that support be given to accountability processes and the publication of reports on the municipalities' websites.
- Initiatives should be undertaken that channel the wealth and diversity of existing social organizations, by strengthening capacities for the direct participation of communities and such groups as women, young people, disabled persons, and Afro-descendants, etc. (VIMDESALT, 2004).
- The conditions of governance should be fostered by increasing the presence of State institutions and their provision of public goods and services. This includes; strengthening the capacities of municipal authorities and citizens in the exercise of social and political control and expanding access to the justice system.

International cooperation issues

International cooperators could limit their support to budget support for national-level entities for the anti-drug effort. However, experience has shown that frequent changes that may take place in the focus, policies and strategies in the anti-drug fight as a result of changes in administrations, along with problems linked to bureaucratic inertia, the centralization of decision making, corruption, and the geographic isolation of the drug-producing regions (among other causes) have greatly limited the achievement of the objectives, goals, and commitments undertaken in the fight against drugs.

In this scenario, international cooperators should take on a more flexible role, reflecting the local situations and the ongoing national and international contexts in which actors and funders of the plans, programs and projects supporting the fight against drugs find themselves.

If weaknesses, gaps or leadership and coordination problems are identified in the implementation of anti-drug policies, the following actions are recommended:

- Improve coordination within the various anti-drug agencies in the country fighting illicit activities;
- Prioritize intervention areas based on social, economic (budgetary), geographical, political, and security criteria, trying to focus interventions in the regions most affected by crime;
- Design integrated interventions (social, economic, environmental, democracy, governance, etc.) within the international cooperation agencies themselves;
- Maximize efforts to coordinate, synergize and articulate government agendas with those of the international cooperation entities;

- Look for synergies with other aid agencies (FAO, UNODC, etc.), in order to achieve greater efficiency and effectiveness in the interventions;
- Improve the coordination and involvement of the departmental and municipal governments in the programs and projects of alternative development and substitution of illicit crops;
- Fund organizational and institutional strengthening projects aimed at national, departmental and municipal entities, linked to the control and fight against drugs;
- Make available and share information to improve the effectiveness and efficiency of the national bodies responsible for the fight against drugs and illicit drugs.

Production issues

- It is indispensable to acquire knowledge about the territory through detailed studies of the areas that include such variables for developing productive systems as determining what specific agroecological innovations may be best suited to the regions; distinguishing areas with greater vulnerability to deforestation; areas in which the agricultural frontier is advancing; areas of greater ecosystem potential; and socioeconomic and cultural factors that provide solid bases for making decisions, executing projects and prioritizing areas with greater vulnerability.
- In Bolivia, the consolidation of credit permitted the different financial entities (banks, cooperatives, non-profit organizations, etc.) to develop credit programs in the coca producing areas of the Cochabamba tropics and the Yungas of La Paz, promoting the creation and development of new productive undertakings and services (such as agricultural services, packing and processing services to export alternative development products, gastronomy, tourism, artisanry, etc.). Rural credit must be a principal component in an alternative development program.
- Technical assistance should ensure the connectivity of alternative products with markets through:
 - ✓ Creating and strengthening of solidarity economies,
 - ✓ Improving infrastructure to support production (collection, transformation, and marketing centers),
 - ✓ Establishing relationships with public and private companies as fundamental links in the marketing chain, and
 - ✓ Entrepreneurship training focused on diversification, innovation and enrichment of the value chains of alternative products.