Participatory Country Assistance Strategy in Colombia: A Case Study

Jairo Arboleda
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1. The Context

Social Participation in Colombia

Civil organizations in Colombia have a long tradition of involvement in public affairs. This involvement has been promoted and influenced by state, church, and business organizations. In effect, during the 1920s and 1930s, under the auspices of liberal governments, a variety of large-scale social movements emerged to promote the agrarian, labor union, and popular interests of large segments of the population. During the 1940s and 1950s, under the influence of the Conservative Party, important productive and business associations were created to neutralize the control of the state and to influence the economic policy of the government on behalf of business. These associations included the Colombian Association of Industrialists (ANDI), the Federations of Cattle Producers (FEDEGAN), the cotton manufacturers' group (FEDEALGODON), the metalworking industries' group (FEDEMETAL), and the Colombian Association of Small and Medium Industries (ACOPI).

In the 1960s, at the beginning of the National Front (a political deal to alternate power between the liberal and conservative parties), two very large nationwide grassroots movements were created: the National Association of Peasant Users (ANUC) and the Community Action Boards (JAC). Both organizations became political vehicles linking the state with the communities for either agrarian reforms or the creation of community infrastructure. This period was also characterized by the radicalization of the labor unions as a reaction to the closed and exclusive political system created by the National Front. Finally, during the 1970s and 1980s, influenced by the doctrine of plurality, inclusion, and social justice of Pope John XXIII and the Second Vatican Council, many popular organizations and nongovernmental organizations (NGOs) were created in order to promote social change and empower the poor and marginalized populations of urban and rural areas. At this time, several of the human rights NGOs, so active and important today, were established, as well as other sector-specific groups such as the Boards of Viviendistas (Juntas de Viviendistas), and the Solidarity Cooperatives.

These popular organizations were sponsored by religious orders, university and professional groups, international NGOs and charities, political parties, and local philanthropists. During this period some of the most influential and professional foundations were created, such as Corporación El Minuto de Dios, motivated by religious values, and others, such as Carvajal, Social, FES, Corona, Mario Santo Domingo, Compartir, by business
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concerns. These foundations undertook a variety of social, cultural, and economic programs in their respective areas of influence.

Despite this diversity, breadth, and density, Colombian civil organizations (which are estimated to number 120,000) do not constitute a homogeneous whole. Instead they show great heterogeneity in terms of organizational capacity, level of autonomy, resources, access to power circles, and ability to protect their interests and influence public affairs. In this respect, the composition of civil organizations reflects the diversity of interests and the stratification of the society at large. As a matter of fact, each segment of civil society, such as those of base organizations, labor unions, NGOs, and business associations, has its own agenda, and the history of their relationships with the state is also quite varied and diverse. For example, business associations have traditionally been close to the power elites because they are part of one of the powers. Business foundations command a great amount of access, although they maintain a serious commitment to the poor. Although they have much less influence, labor unions are powerful organizations capable of negotiating their interests in front of their public or private bosses. The media also constitute a power in Colombia, although they are regarded as hybrids that combine a private, moneymaking business with a private enterprise that is service oriented. Finally, base organizations, NGOs, and academic groups enjoy little power and are traditionally subordinated in the social conflict. Frequently, their demands are met with repression and violence.

Furthermore, as in other political and social dimensions, the centralized tradition of the country affects the relative influence of these organizations. It is clear that civil organizations are stronger and more influential in those areas where the state is also strong and better organized, which is usually the case in large and medium-size urban centers. Recent reports have found a correlation between the size and location of a municipality and the strength of its civil organizations.¹

The Constitution of 1991 might become the greatest achievement of civil society in the century. On one hand, it provided an opportunity for NGOs, foundations, and labor unions to mobilize around the election of members of the Constitutional Assembly as well as participate in the discussion of the new public charter. These groups elected several members to the Assembly. On the other hand, the Constitution provided a building block for the consolidation of an enabling environment for citizen participation by proposing a new societal paradigm based on participatory democracy. This enabling environment gives new impetus for organized groups of civil society to take a leading role in the definition of a new social contract that would create a more viable social and political system.

The constitutional mandate for a more open society—together with the instruments for citizen participation that it created, such as the plebiscite, the referendum, the legislative initiative, the recall of mandate, the national and territorial planning boards, among others—represents an enormous step toward the establishment of a strong, modern civil society in Colombia.

The mandate of the Constitution is evolving with the creation of important legislation in critical areas such as the environment (Law 99, 1993), rural development (Law 101, 1993), general education (Law 115, 1994), and citizen participation (Law 134, 1994). These legal frameworks created additional mechanisms for citizen and community participation specific to each sector. There is also draft legislation regarding the participation of nonprofit organizations in
public affairs and the rules for contractual arrangements with state agencies in a joint action by congressional leaders and organized nongovernmental groups. The contractual arrangements are a development of the Constitution that prohibits the direct transfer of state funds to nonprofit organizations but recommends instead that those organizations contract for services with the national or regional governments to implement their development plans.

Recent political, economic, and social developments in Colombia resulting from the intense political crisis of the last few years, as well as the intensification of social and armed conflicts, provided an opportunity for an increased presence of and influence by civil organizations. One may think that this new impetus is supported by the existing participatory environment. Examples of that presence are (a) the notorious increase in the number of people who vote in elections over the last five years; (b) the political involvement and oversight of public concerns during the crisis of the previous administration; (c) the Citizens’ Mandate for Peace, with the votes of 10 million citizens for a peace agenda and the Redepaz Network; (d) the establishment of the Permanent Assembly of Civil Society for Peace; (e) the process of peace negotiations with the Armed Revolutionary Forces of Colombia and the National Liberation Army.

In addition, one notable example of a recognized convening capacity of civil society is the role being played by the Colombian Confederation of NGOs during this decade. In the 1990s, the confederation established representative structures at the regional and national levels, resulting in a more united social force represented by over 2,500 member organizations committed to a prosperous, equitable, and peaceful civil society with increasing influence in public affairs. The confederation plays the role of promoter, liaison, convener, interlocutor, fund-raiser, lobbyist, and representative of the associated NGOs in front of private, public, and other nongovernmental organizations.

It is therefore likely that the long tradition; the density; the mixed experience; the facilitating normative environment; the intensification of the social, political, and economic conflicts; and the recently increased capacity and involvement of civil organizations may all become contributing factors in the establishment of a strong and modern civil society in Colombia.

**Participation and the World Bank**

One of the most significant developments in the World Bank within this decade has been an increased interest in participatory development. A key part of this renewed interest was the launching of a Bank-wide Learning Group on Participatory Development in December of 1990. The group was charged with examining the issue of participation and identifying challenges for the Bank in stepping up its efforts to support broad participation in its operations. The learning group’s work was influenced by many initiatives inside and outside the Bank. The experience of many NGOs around the world was of particular relevance.

The main conclusion of the report of the group is that there is significant evidence that participation can, in many circumstances, improve the quality, effectiveness, and sustainability of projects, and strengthen ownership and commitment of government and other stakeholders. Community participation strategies are found to be particularly important in reaching the poor. The report expands on the importance of participation for promoting client orientation and partnership in order to achieve better results on the ground, a conclusion that had been
set out as part of the new direction of the World Bank in another report, *Learning from the Past, Embracing the Future.*

Consequently, the Bank has adopted a long-term strategy for increased participation in its work. Some of the guidelines for this strategy, which entails bringing about a broad cultural change in the way business is conducted, include:

- Dialogue with borrower countries must start with efforts to understand, take into account, and, where appropriate, actively address the concerns and issues of stakeholders: governments, private interests, local leaders, any vulnerable group likely to be negatively affected, and local institutions.

- The degree to which community participation occurs will be an explicit focus of country dialogue and country assistance strategies. Bank support for development investments and economic and social policies will be defined in partnership with governments, reflecting, where relevant, their willingness to elicit and take into account inputs from those affected as well as other stakeholders.

- Analytical work (that is, economic and sector work, or ESW) will be more collaborative and will aim toward formulating policy or effecting change rather than toward producing a report.

- The Bank will support government efforts to promote a more enabling environment and institutional reforms for participatory development within client countries; it will also encourage and finance technical assistance and strengthen country mechanisms for involving the poor and other stakeholders in development interventions.

**The Dialogue between Colombia and the World Bank**

This context of a conducive environment for citizen participation in Colombia, a new policy of the World Bank on participatory development, coupled with a long tradition of goodwill, mutual respect, and productive dialogue between Colombia and the World Bank, provided a fertile ground for the initiative to conduct a participatory country assistance strategy (CAS). During the 1996 Annual Meetings, the Colombian authorities and the World Bank agreed to carry out the CAS exercise in a participatory manner. They agreed that the participatory process would be ample and would include consultations with national authorities, selected local governments, and representatives of civil society.

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**Notes:**


2. The Plan to Prepare the Country Assistance Strategy

Following the Annual Meetings, an intense and highly innovative process got underway. The initial step was to set up a working group made up of representatives of the Colombian core team in Washington, advisers of the Learning and Leadership Center, and staff of the resident mission, under the general coordination of the country team leader. The small team proposed and validated with the Colombian country team a series of four events among relevant stakeholders, thus making sure that the process would take into consideration their views, expectations, and concerns regarding the CAS for 1998-2000.

The four events were the following: (a) a two-day workshop for all members of the Colombian country team held in Washington on October 30-31, 1996; (b) a one-day workshop for top national government leaders and selected local government authorities held on November 16 in Bogotá; (c) a series of three half-day workshops for representatives of a broad spectrum of civil society, using Groupware technology,¹ held in Bogotá on December 2-3; and (d) a joint government–World Bank workshop with representatives of the two sides who had taken part in their respective previous workshops, held in Bogotá on December 6-7, 1996.

Workshop Models

The events of the country team and of the government were designed following this model: future-past-present. The look at the future is intended to identify the main challenges Colombia has to confront to achieve an adequate level of development. The look at the past is meant to analyze the background of the relationships between Colombia and the World Bank, identifying comparative advantages and areas where improvement is needed. Using this model, the workshop was to propose an action strategy that establishes where and how the Bank can best assist the country at the present.

The design of the workshops with members of civil society addressed three tasks: one, a look at the future to resolve the question of development challenges as in the previous events; two, the assessment of the role of several social actors regarding the challenges; and the comparative advantage of the Bank to assist the country in meeting those challenges.

The design of the joint workshop addressed three objectives: to prioritize the development challenges using the information produced by the three previous
events as the main input, define strategic objectives and the corresponding results for each of the priorities, and assess the consistency of the portfolio with the strategic objectives and identify new areas of activity. One of the tools used to establish a hierarchy among objectives and results was the logical framework, or logframe.²

Workshops one, two, and four were designed and facilitated by staff from the Learning and Leadership Center. The government workshop was jointly designed by the staff of the resident mission and a local consultant selected by the government, and it was facilitated by the consultant.

To follow up the joint workshop, a new working team was established, led by the deputy director of the National Planning Department (DNP) in conjunction with local staff of the resident mission to finalize the logframe exercise initiated. The working group had the task of refining the set of activities that needed to be pursued, continuing to assess the coherence of the pipeline with the strategic objectives, and proposing new activities. In addition, the group had to identify the risks involved and recommend ways of dealing with them, and identify indicators to be used as progress benchmarks. This working team kept in touch with government counterparts in Colombia as well as with members of the country team in Washington in an attempt to enhance the quality of the outcome, and ensure that it reflected the perspectives and analysis of all those concerned.

The process of constructing the new CAS for Colombia in this participatory manner lasted for about one year. The design of the process took place between July and September, the main workshops between October and December of 1996, the follow-up working group between January and April of 1997, and the preparation of the formal document between May and June.

The final discussion took place on July 16. The CAS was presented to the Board and adopted in October of 1997.

Notes:

1 Groupware, a computer-based system of consultation that allows individuals or very small groups to express their ideas and opinions, using a computer terminal linked to a central service. On a large screen, the ideas and opinions appear without identification of the source. The method is very efficient in that it allows the gathering of information from large numbers of people simultaneously, and the information generated can be organized in a variety of categories according to the objective desired. The anonymity of the process lets the ideas and opinions stand on their own merit, regardless of the source.

2 The logical framework is a tool for strategic planning based on three main concepts: cause-and-effect relationships, means and ends, and necessary and sufficient conditions. It was developed by the U.S. Agency for International Development in the late 1970s and is widely employed in project design by international organizations like the German Agency for Technical Cooperation, the United Nations Development Programme, and the World Bank.
3. The Implementation Experience

Figure 1 summarizes the main building blocks, the process, and the outcomes of the participatory CAS exercise. The main building blocks are:

- Economic and sector work activities, including a country poverty assessment study with the participation of academic groups, specialized NGOs, and national and regional governments. There were also studies of decentralization, public management, and the capacity of local governments carried out by research centers of regional universities, NGOs, and local consultants. Finally, there was a consultation with civil society representatives on the social dimensions of development, which was used as input for the report by the Task Group on Social Development, led in mid-1996 by the Latin America and the Caribbean regional vice president.

- The four workshops of the government, civil society, and the World Bank previously described, which provided the main forums for the identification of the six development challenges and priorities listed on the chart.

Following the joint government–World Bank workshop, an action plan for constructing the logical framework was put in place. During this process, there was an interactive exchange between the government and the Bank teams to build a matrix for each of the priority areas; it contained the following entries: summary diagnosis, strategic objectives, strategies and actions, results, progress benchmarks, and risks and assumptions.

The last step in the process was the agreement between the government and the Bank on a lending and technical assistance program for the period 1998–2000. The most important outcome of this last meeting was the joint commitment between Colombian authorities and Bank management to the implementation of the strategy.

The following is a full description of the elements for each of the four main events and of the follow-up activity to build the logical framework. Each section includes a brief description of the methodology used and a fuller account of the process and of the results. The annex for each section offers the detailed agenda, the exercises, and the instruments used in each of the workshops.

**The Country Team Workshop**

The objective of the event was to identify core elements of the country assistance strategy, taking into consideration the development priorities of the country as well as the comparative advantages of the World Bank. The twenty-four staff members participating in the workshop...
Figure 1. Participatory CAS in Colombia

Colombia CAS Preparation Process

Priorities

Government

World Bank

1. Violence/Peace
2. Human Development
3. Legitimacy and efficiency public institutions
4. Infrastructure services
5. Rural poverty
6. Environment

Action Plan

Government/WB/Other

- Strategic Objectives
- Risks/Assumptions
- Indicators
- Strategic Alliances

Program

Dialogue Agreement
Lending Program

- Approval by Board of Directors
- Follow-up Panel
- Alliances Strategy Participation
- Citizen Oversight

Civil Society

Poverty Assessment

Local Government Capacity Study

Studies on Decentralizations Public Management

Consultation Civil Society on Social Development

Know-how Studies by Civil Society
The Implementation Experience

represented the following sections: country operations, natural resource management and rural poverty, infrastructure, human and social development, public and private sector modernization, environment and urban development, resident mission, the executive director's office, the International Finance Corporation, and the office of the director (see annex 1 for a full list).

The process followed the three steps proposed in the model: looking at the future, the past, and the proposed action strategy. The methodology in each of the steps consisted of a combination of brief presentations by the facilitators, small-group work on specified tasks, and plenary discussions. The main objective of the first step was to identify, in a brainstorming session in each of four small groups, the main development challenges, organize them into clusters of themes, and establish an order of priority. The results of the group discussion were presented in a plenary session followed by a general discussion and a summary.

The Desired Future

The country team concluded that the following three themes constitute the priority challenges a CAS should include:

- **Reduction of urban and rural poverty.** The strategy adopted should deal with the existing asymmetries between the urban and rural sectors, and consequently it should emphasize the relief of rural poverty. This emphasis is a recognition of the fact that 70 percent of the poor live in rural areas. Furthermore, the approach to overcoming poverty must recognize its multidimensional character and result in the empowerment of the poor. Specific areas to be addressed include devising an adequate framework of incentives for the agricultural sector, provision of productive infrastructure and services in rural areas, and ensuring better quality of and access to social services.

- **Institutional development.** This theme has four major areas of emphasis: (a) deepening the decentralization process; (b) creating the capacity to move from conceptualization of programs and projects to implementation and results, (c) attacking corruption and "clientelism", (d) strengthening civil society by promoting greater participation by citizens in public affairs. Specific areas include consolidation of the decentralization process, improvement of public sector management, and promoting community participation.

The rich discussion in the plenary session provided an opportunity to present a variety of concerns regarding issues of priority and implementation, how to take advantage of current and future opportunities, and the role of the new Bank in the future of Colombia. However, two issues received a significant amount of attention from the country team. One is the prevalence and intensity of violence throughout the country. The group felt that this is one of the reasons why the growth of Colombia remains below its great potential. Violence has a direct impact on life expectancy, expenditures on
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defense, price distortions, and the general well-being of the population. The Bank, then, needs to work together with Colombians and with other organizations on the problem of dealing with violence as a high risk for all operations.

Another issue of great concern for the team is the amount of time it is taking to achieve progress in the social sector. On paper, fostering the participation of the private sector seems a sound strategy to free up resources from infrastructure and invest them in nutrition, education, and health, but in reality this is not working as expected. The link between such a strategy and the combination of growth and poverty reduction does not seem to exist. In general, the Bank needs to make sure that its programs in Colombia produce better results in terms of poverty reduction and that such impact can be measured.

The last exercise of this first part asked the participants to describe what they would like to see happen in the future as a result of the collaboration between the Bank and Colombia. Using all the information generated by the small groups as well as by the plenary discussion, each member of the team had to create a press headline capturing what he or she would like to see by the year 2005. Here is a sample of them:

- World Bank-Colombian Alliance: significant achievement in social development.
- The Social Summit concludes that all regions of Colombia have been integrated into the development process.
- The World Bank helps Colombia become a world leader in decentralization.
- Magdalena Medio: a territory of peace.
- Colombia is graduated by the World Bank, given the great progress achieved, and the professionals of the World Bank team are reassigned to other countries.

A Look at the Past

In a plenary session, the group dealt with the experience of the members of the team in their work with the Colombian government. The following list describes such experience:

Successful Events in the Relationship:

- the ability to have a frank and open dialogue with government authorities has led to good results.
- there have been several joint studies and reports on poverty, the capacity of local governments, and decentralization.
- direct loans to territorial governments have been accepted as a pilot experience for operations in a decentralized framework.
- the Bank has credibility with the government, and it is considered a good partner with respect to the promotion of new initiatives.
- the Bank provides continuity and stability across administrations in sectoral investments.
- Colombians appreciate the know-how and technical assistance that come with the lending program.

Main Difficulties and Areas for Improvement:

- The good communication with the central policy level does not always translate into effective actions with line authorities of sectoral ministries.
- There is a lack of clear definition of priorities, both within the Bank and between the Bank and the country. This is particularly serious with respect to sectoral ministries because, among other reasons, high-ranking officials, especially in the social sector, are constantly being
rotated to other posts or leaving the administration.

- The Bank’s lending instruments and procedures are rigid, inflexible, and time-consuming, thus limiting its capacity to react to new situations.

- The relationships have been primarily with the central government, thus ignoring, on the one hand, the other two levels of government and, on the other, those who will do the implementation.

- The budget system in Colombia is complex and cumbersome. This creates a great dependency of the projects on the budget process, which results in great inefficiencies and serious delays in project implementation.

- Project design is distant from the real clients. The Bank needs to better assess who really benefits from growth.

The Action Strategy

This step consisted of two phases. This first entails a quick assessment of the similarities and differences between the priorities proposed for the future CAS and the previous lending program. The second involved determining the comparative advantages of the Bank regarding those priorities and areas in which it should improve.

Regarding the first phase, the country team concluded that:

- The proposed priorities are more directly focused on poverty reduction than in the previous CAS.

- The participatory process under way for its preparation provides a better chance to achieve the commitment of all interested parties.

- The treatment of rural-urban differences and of the issue of violence is more explicit.

The comparative advantages of the Bank are the following:

- The Bank’s global experience with decentralization and project implementation can be transferred to the country.

- The Bank can act as an agent for dissemination of best practices from other countries or for the identification of social agents promoting change and partnerships within the country.

- The Bank can provide continuity in an environment where key government officials are constantly rotating.

- The Bank has credibility and can influence decisionmaking.

Areas for improvement include:

- The simplification of instruments and procedures

- The promotion of more innovative interventions, which requires financing of pilot projects with a higher risk level

- Improving the skill mix to better respond to the emerging matrix structure

- Creating partnerships and strong alliances with other social actors

- Examining the reasons for the low success in achieving institutional objectives

- Working with the government to close the gap between conceptualization (policy and strategy) and implementation (results on the ground).
The Government Workshop

The authorities’ participation in the definition of the CAS was extremely proactive and constructive, and the top government officials were involved in the process. This involvement can be divided in four stages: (a) government team workshop, (b) joint Bank-government team workshop; (c) development of the CAS matrix, and (d) Bank-government discussion of the draft CAS.

The first stage of the process was intended to provide an opportunity for the government team to reach internal consensus regarding the two basic questions of the series of workshops: the developmental challenges of the country and the past and future roles of the Bank relative to Colombia. With these objectives, the Colombian government team participated in a one-day workshop on November 16, 1996. The workshop was attended by 32 top government officials (including six members of cabinet, five vice ministers, three heads of national institutions, two presidential counselors) and two leading local government heads (the governor of Antioquia and the mayor of Bogota). The list of participants appears in annex 2.

The process and results of this event were as follows:

Workshop Model and Methodology: The workshop model was the same as that for the Bank team: the desired future, a view of the past, and a proposed action strategy based on the previous two steps.

The methodology consisted of four exercises designed with the following goals:

- To identify the major challenges faced by Colombia in terms of its future development.
- To analyze the relations between multilateral cooperation agencies and Colombia, by identifying positive aspects and points for improvement, with specific reference to the World Bank.
- To define the vision of the nation for the year 2005 if the structure of World Bank assistance capitalizes on the comparative advantages of the Bank that may contribute to their achievement.
- In light of the comparative advantages of the World Bank, to identify the priority challenges on which the Bank’s assistance to Colombia should focus, and indicate how this is to be accomplished (see annex 2 for the detailed agenda and design of the group exercises).

The Desired Future

Development Challenges: The first exercise asked group members to identify the main development challenges that Colombia has to confront. Each participant writes down the four main challenges and then in the group, one by one, they present each of the items, which the facilitator writes on the flip chart, without repetition of items. At the end, by a voting procedure, each group member gives a mark to the key five challenges and all points are added up. The items with the most points are then presented in a plenary session as the results of the group.

When the results of all the groups were summarized, the participants agreed on the following challenges as national priorities:

- Peace, justice, impunity, coexistence among citizens, safety and security for citizens, and “denarcotization,” or reduction in the significance of the drug-trade.
- Improvement of human resources (education—in terms of quality and quantity—health, and nutrition)
- Modernization of the state:
  - Reduction of bureaucracy, decentralization, managerial capacity
  - Ethics in politics and political participation
- Physical infrastructure (particularly transportation and drinking water,) and reduction of poverty and inequality
- Internationalization and competitiveness
- Sustainable development with a regional focus.

There was full consensus among the groups that peace should be the first national priority, followed by the improvement of human resources, modernization of the state, infrastructure, and then the others.

A Look at the Past

Colombia–World Bank Relations: The second exercise asked participants to present their perceptions of the relationship between the Bank and the country, using drawing as a technique. Each group member made a graphic representation of his or her perceptions, then explained it to the other members of the group. Together, they had to decide which drawing they liked best and add new features, if desired. Once this was done, they wrote below the drawing in two columns three to five short sentences describing the positive aspects of the relationship on one side and the negative aspects on the other side. Then each group presented the drawing in a plenary session.

The results of the exercise, which sought to graphically portray relations between Colombia and the World Bank, were very revealing and added a touch of humor to the workshop. The metaphors used and their corresponding analysis are briefly commented upon in what follows.

The Taxi

This group illustrated its perception of relations between Colombia and multilateral cooperation organizations with the following simile (see figure 2): the World

Figure 2
Bank is a taxi and Colombia is the person who requires the service. Accepting a loan from the Bank is like riding a taxi during a traffic jam in Bogotá. Although the passenger is free to ride the taxi or not, it is the driver who decides whether to take him or not. The driver will accept the passenger only if the destination coincides with that of the driver, and the driver chooses the route. As soon as the passenger enters the taxi, the meter starts running, regardless of whether the taxi is stuck and cannot advance. The traffic jam represents the difficulties inherent to negotiating and starting projects. Sometimes the passenger is asked to leave the taxi. Simultaneously, other alternatives become available, such as the rapid trains representing the international capital markets, which travel at high speed, without as many obstacles and turns.

**The Divine Eye**

The World Bank is like a great divine seer who is in charge of granting credit and capital with great complexity, supervising and providing expensive technical assistance. It has serious communication problems (the broken line) with the recipient of its benefits—the state (see figure 4).

**The Wolf**

This group sees the World Bank as a wolf that is really a sheep inside (see figure 3). The initial impression is that of a tough animal with an aggressive attitude. As the relationship unfolds, the attitude becomes more positive. With sound arguments and a businesslike way of conducting the relationship on the part of the clients, the Bank becomes in reality a kind sheep with a positive attitude toward the country.
The Doctor

The World Bank is a doctor and Colombia is its patient, who is to follow this treatment:

**Diagnosis:** The doctor, who looks like an alien, wears very dark glasses, which don’t let him see his patient well, and also has very large antennas to hear everything. His tongue is very large and he sticks his quite long nose everywhere. He has a sphygmomanometer to continuously check his patient. His body is like that of the robot R2D2, with major technical features inside.

**Negotiations:**

This stage is like a large maze, and the treatment (resources) is hard to define. You are always inside the maze and there are many tests and twists and turns that one needs to overcome before the exit.
Execution: Many years later, the doctor is atop a large, solid bulldozer, pushing the patient, leaving behind many entities (the Ministry of National Education, the National Institute of Land Preparation, and so forth). The patient would like to rid himself of this treatment, which has many obstacles, and be rescued by someone (the private international financial market).

Evaluation: The graph represents a sports field with a soccer goal at one end and a basketball hoop at the other. The main conclusion is that the Bank and Colombia are convinced that they played a match, except one believes the game was soccer and the other one is convinced they played basketball. Therefore, they are not in agreement over the results and the way the other contestant played the game.
Comparative Advantages of the World Bank and Areas for Improvement: The result of comparing among the various groups the positive and negative aspects of the relationship was as follows:

There were several comparative advantages: (a) technical assistance at the start of projects, (b) access to worldwide knowledge and experience, (c) continuity that compensates for domestic instability caused by frequent changes in administration, (d) a culture of evaluation and follow-up, (e) a new approach that emphasizes client orientation to better respond to countries (for example, innovative lending schemes), (f) a role as a facilitator of institutional change, (g) medium-term planning, and (h) financial resources.

It is interesting to highlight the views of participants regarding technical assistance. The general feeling was that the technical assistance provided by the World Bank is important, has a high technical standard, and goes on during the preparation phase, but then it gradually fades away during implementation.

The capacity of the Bank to convene different parties is greatly valued, as is its ability to identify, mobilize, and disseminate information about experiences and knowledge obtained in multiple areas worldwide, which it can make available to its clients. The discipline required by the Bank's planning, assessment, and follow-up culture is also valued. The Bank's new approach of listening to the clients and other stakeholders in an effort to better meet their needs and expectations is greatly appreciated.

There were also several areas where improvement is needed: (a) reduction of mandatory conditions; (b) lack of flexibility, caused by centralized decisionmaking, and complex and lengthy processing and procedures; (c) creation of parallel structures (coordination or project units) and sometimes the de-institutionalization of government entities; (d) weak technical assistance during the implementation stage; (e) communication problems, especially as processes advance; (f) the creation of expectations that may be greater than results.

There was general agreement on the lengthy and complex procedures and rigidity of the Bank, as well as the high cost of its resources compared with the competitive conditions of the international financial market. Nevertheless, despite the need for serious improvement in those areas, it was felt that the global knowledge and experience, as well as the technical assistance that comes with the lending operations, continue to make of the World Bank a desirable partner for the country.

At the end of the exercise, participants praised the technique used, drawing, as highly innovative and effective. Its successful application indicates that it is very useful and appropriate, even with such a sophisticated and formal group of participants.

The Action Strategy

Violence and Peace: Peace is Colombia's number one development priority, as the four work groups agreed during the first task. Other challenges closely related to the achievement of peace include justice, impunity, peaceful coexistence, and the reduction of the significance of the drug trade.

There were two lines of thinking in the group regarding whether the World Bank should support the country in this challenge: The first followed a traditional approach and was advanced by group members who argued that the World Bank has neither experience nor know-how on the subject and that Colombia should
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Therefore refrain from asking for support in this area. Others called for an innovative approach, arguing that if the new World Bank has a clear client focus, the Bank should respond to this priority need for Colombia. They indicated that the World Bank has multiple comparative advantages, such as its capacity to identify and systematize the valuable experiences of other nations and its access and ability to call upon multiple experts in many fields, which would allow it to help Colombia find solutions. They emphasized that the Bank must develop learning skills to allow it to contribute to the joint construction of responses.

Furthermore, it was pointed out that the Bank has already taken steps in this direction through its support of projects such as the Regional Development and Peace Program for Magdalena Medio. The program seeks to establish agreements and foster the construction of a joint vision on the part of the local communities, the authorities, and other stakeholders, including the groups in conflict, through development pacts, regardless of ideological, political, and other differences.

An interesting elaboration of the argument in favor of World Bank support for Colombia in its priority objective is the following: Colombia should not necessarily be seen as the last nation to attain peace but rather as the first nation to develop a dangerous model of violence that may be followed by other nations, thus further endangering the world’s stability. The Bank must be more proactive than reactive on this issue and must anticipate helping Colombia put this crisis behind it. Bank help will thus prevent other nations from joining this model of increasing violence, which originated with guerrillas and drug traders who, against all odds and at any price, have become more and more powerful and who represent a clear and present danger to democracy.

Finally, how to address the analysis and design of solutions to the problem of violence was the subject of great debate, as would be expected. A traditional approach would be through activities that have an impact on the external determining factors of violence, such as education, health, social development, and infrastructure. An alternative approach is that of taking violence as a problem in itself, with its own causes and solutions. In other words, this would involve designing a specific and direct treatment to deal with violence, its causes, and its consequences.

The Improvement of Human Capital: Three groups concluded that improvement of human capital, with emphasis on education, is the second national priority. The fourth group also included education within its five priority challenges. Participants agreed that it is through education and training that human capital may be best improved.

Education is regarded in its broadest sense, not only focused on formal education but also comprising nonformal education, the formation of new attitudes on the part of citizens, education oriented to preparing people for a competitive environment, the identification of new kinds of intervention and incidence in social behavior, and so forth. The subject of quality in education was especially stressed.

Everyone indicated that support from the World Bank is beneficial to the country in this area, in terms of both its resources and its clear competitive advantages in this field. But where the group placed the greatest emphasis was on the capacity of the World Bank to become a catalyst for major innovations in education at the institutional level and, more important, in terms of teaching methods. Support must not be focused on improving the traditional ways but rather on identifying and applying innovative schemes and methods to continuously improve human capital.

Financing advanced education programs,
research and technological development, and citizen culture was considered relevant by one of the groups.

The Modernization of the State: Two lines of thinking arose regarding this challenge: the first approached it from an institutional viewpoint, and the second focused more from the political perspective. The first argued that there is an urgent need to modernize the state apparatus itself, by introducing the implementation of effective and efficient management approaches. The second analyzed the concept of political development, which is to be understood more as improving the credibility and transparency of political parties, reforming traditional parties, creating new and greater options for participation and expression, recovering political values and ethics, bringing about changes in political attitudes and commitment and the like than as institutional improvement.

At the end of the discussion, it was agreed to include both aspects, because institutional improvements should also take place with the new political attitude.

The role of the World Bank in this goal is unquestionable, and it was unanimously pointed out that, in light of the comparative advantages mentioned before, this must in fact be one of the areas in which the Bank should provide support to the country. Support for efficacy in the management of resources in the context of decentralization and transfer of international experiences in this field was considered to be especially relevant. In addition, there was a desire for support for improvements in processes involving the effective administration of justice and the installation of public information systems.

Infrastructure: Although they identified different priority levels, all groups pointed to infrastructure as a strategic objective for the nation, and once again there was consensus that the role of the World Bank in this issue would be fundamental. It is thought that the strategy must include aspects such as financial resources and guarantees; technical assistance for technical, financial, and environmental impact studies; and instruments that support private participation, concessions, titles, and ownership, pre- and postevaluations, strengthening capabilities for public and private contracting, universalizing contracting systems, and so forth.

Poverty and Environment: It must be mentioned that toward the end of the workshop there was concern over the fact that poverty and inequality were not included among the three main priorities. However, the group believed that in order to face these two challenges the crucial element was education, as education is a fundamental factor in reducing poverty and increasing equality. The subject of sustainable development with a regional emphasis was introduced in the plenary session, and its elaboration was delegated to the technical groups as a future task.

Concluding Remarks: The government's team rated the workshop as highly productive and extremely helpful in reaching consensus in matters that they seldom have opportunities to consider and discuss as a team. The results of the workshop were summarized as follows:

- A full agreement by government representatives on placing peace and coexistence as the main developmental challenges facing Colombia. This was followed by improving human capital, modernizing the state, improving physical infrastructure, reducing poverty, and promoting sustainable development.
- A call on the Bank to become effectively client oriented by responding to the
country’s developmental demands, even in those cases where it does not have specific comparative advantages in the field, by developing a learning capacity and transferring international experiences, and by improving its operational services to the country, providing more flexible, timely, and effective assistance.

Workshops with Civil Society Representatives

A distinctive feature of the CAS was to involve in its deliberations a broad representation of civil society. About 140 groups received invitations to participate in a series of workshops on December 2-3, 1996. (See annex 3 for the text of the workshop brochure, which has full information on the events.) The selection process of the people invited to the workshops was aimed at identifying key leaders of an ample spectrum of civil organizations whose opinions are highly respected, carry substantial weight, and transcend their respective organizations and can therefore be considered to reflect the prevailing views in Colombian civil society. The organizations invited ranged from community groups, NGOs, religious organizations, and workers’ unions to academia, media, politicians, and private sector associations. The workshops’ agenda was designed to define development priorities that could be utilized by the Bank and the government as inputs in the CAS discussions. A total of 50 leaders, representing broad segments of civil society, ultimately participated in three half-day workshops. Because invitees were given the choice of selecting the workshop they would attend, based on their schedule convenience, each workshop had a random mix of participants from all types of organizations.

There was an excellent response to the invitation from the NGO community, academia, private sector associations, and churches. Attendance was poor from labor unions, politicians, and media. The low response from these groups may be a reflection of limited familiarity with the Bank (in the case of unions), the burden on invitees of financing their respective transportation and subsistence expenses (a particular problem for low-income organizations and those outside Bogotá), and the long-term focus of the exercise (in the case of the media). Relative response by groups reflects also the Bank’s efforts in the last few years to reach out, efforts that have been heavily focused on NGOs and academia. It is also a clear signal for the need to continue strengthening our relationships with those groups that have not been targeted up to now as part of our efforts. (Annex 4 shows the full list of participants in each workshop.)

At the end of the consultation process, the Bank distributed to all invitees, the media, and other groups a report containing the conclusions reached in the workshops. Feedback about this report has been very positive, particularly from persons that could not attend the meetings. A series of meetings with representatives of civil society to discuss the outcome of the discussions with the government on the CAS are planned to take place after the process has been concluded. This will be a way to continue strengthening our links with civil society, since opportunities for collaboration derived from the assistance strategy are expected to be identified.

Workshop Model and Methodology

The workshop model followed in each session had the same elements of future and present as in the other events, but it asked about the relative roles of various actors—government, private sector, civil society, and multilateral organizations—regarding the development challenges. This question was asked, instead of assessing the relationship between Colombia and the World Bank,
under the assumption that most of the participants would not have the experience necessary to assess that relationship.

Given the diversity of participating groups and the need to make the consultation workshops as efficient as possible, the electronic system known as Groupware was used to facilitate the discussion and permit instant gathering of information. Each session began with an explanation of the process followed by the World Bank and the government of Colombia in preparing the CAS and a description of the role played by the consultations with civil society. Each session was organized in three phases, described as follows:

**Phase I. Brainstorming to Identify Key Issues**

Groups were asked the following questions: What are the main challenges Colombia faces in the coming years in its pursuit of greater economic and social development? Why do you think these challenges are important?

Working in groups of two or three persons, the participants in each session first exchanged ideas on two or three challenges to development. Their ideas were then entered into the computers provided for each small group. Challenges and issues were identified, and a brief explanation of their significance was added, using examples or considerations related to problems or limitations associated with them.

The list of challenges submitted by participants was reviewed in the large group session. This list was shown on a large screen in the front of the room, as well as on each computer screen. The list was reviewed, and an agreement was reached on repeat items to be eliminated and combined. Participants were able to view the comments as they considered their similarities and differences. Finally, the list was reviewed to decide if any major challenge had been omitted, so that it could be added.

**Phase II. Discussion in Small Groups on the Topics Identified**

Each small group was assigned two or three topics for analysis in greater depth. Instructions for this detailed examination were as follows:

1. Review prior comments on the topic and examine them for greater understanding. Write your comments directly on the computer.

2. Answer the following: Which of the following five actors should play an important role in the topic you were assigned, and why? National government, territorial government, private sector, civil society, multilateral agencies, particularly the World Bank?

3. Identify something innovative or surprising you may have learned today about the topic assigned to your group, and share it with all the participants.

In brief interventions in the plenary sessions, representatives from each group would share their perspective on what they had learned. A brief exchange of ideas on the topics of greatest interest ensued. Finally, participants were asked to review all the comments on each topic, especially those assigned to other groups, and record their reactions in the computer.

The anonymity that this system provided was very well received. In fact, the random combination of participants brought together at the same table individuals with diverse social, economic, and authority statuses. However, ideas appeared on the screen and nobody knew the source. Thus, the ideas stood on their own merit. Each
A participant could comment on any idea. However, nobody could erase any of the ideas expressed; all of them became part of the record.

**Phase III. Vote to Decide on the Order of Priorities**

This task consisted of prioritizing the perceptions of the most important needs for national development and the possible role of the World Bank. This was done in two separate voting sessions, which answered the following questions:

1. What are the most important issues for national development?

2. In which of these issues do multilateral organizations, particularly the World Bank, have a comparative advantage in providing assistance—whether they currently have this advantage or, in your view, should have it?

Based on voting results, an additional discussion was held on how the Bank could better respond to national priorities.

Finally, participants were asked the following question, to provide them with a final opportunity for recommendations for the joint workshop to be held on December 6 and 7: Assume you are advising a select group of Colombian government and World Bank officials who will be defining the strategy for assistance to Colombia during the next three years. What are your final recommendations? Please consider questions of procedure as well as content.

**The Desired Future**

The following is a brief description of the five principal challenges or national development priorities identified by the 50 civil society participants in the three sessions:

**Peace and Development:** A lack of harmony in the coexistence of citizens at the community level and the prevalence of violence were identified as the greatest obstacles to development in Colombia. This phenomenon comes at a high social cost and entails great risk for the preservation of democracy and the protection of the civil rights of the population. The challenge for society as a whole is that of ending the war and opening possibilities for development which can only be available within an atmosphere of peaceful coexistence.

- Colombia is in urgent need of a state policy in which the government, civil society, the private sector, the armed forces, and so forth participate together, and which clearly and persistently demonstrates leadership in the search for peace. There is concern over the fact that peace policies may be limited to obtaining security by essentially repressive means. This orientation tends to further weaken the social fabric among the poorest sectors of the population, especially in peasant communities.

- It was determined that the social construction of a public space—transforming the coexistence of citizens on the basis of communal values and collective goals for the common good—is a feasible strategy for peace. Certain basic conditions must be collectively met, however, in order to implement this strategy: job opportunities, real spaces for participation, and defeating corruption.

**Improving Education:** Improving the coverage and quality of education was seen as the most effective way of dealing with one of the major structural factors that create poverty in the nation: the lack of opportunities to acquire qualified knowledge, which is found in a large portion of the population. Implementing the decentralization process in education poses
serious problems, which have become obstacles to improvements in educational services. Advances regarding coverage are questionable as well.

Improving the quality of education requires several things: (a) recycling and retraining Colombian teachers to develop new pedagogical concepts and technologies with a clear inclination for participation; (b) demystifying traditional academic training and opening new spaces for technical and technological training; (c) an educational curriculum that conceives of individuals as whole beings, with clear values in favor of harmonious communal life and open to critical conceptions of knowledge (current training has led to diversification at all levels in a culture whose moral values support quick and easy solutions and place little emphasis on the value of work and social responsibility); and (d) educational contents must strive for a more cosmopolitan view of reality that will allow individuals to recognize the parameters and the international context in which they live.

Last, the need for a sound mechanism for funding higher education was considered, so that universities may deal with the challenge of improving their international competitiveness.

Economic Democracy: There is a strong consensus acknowledging the excessive concentration of the means of production, including key sectors such as finance and communications. This significantly limits opportunities for economic and social agents to develop their business potential and participate effectively in economic policy decisionmaking. Advancing toward an economic model that establishes harmonious development combining economic and social needs was seen as a priority. This model must contemplate broadening access to capital and technology by low-income sectors, which are currently at a clear disadvantage in terms of access to business opportunities.

Implementation of land reform and the promotion of a favorable environment for the development of the rural economy—which currently produces 70 percent of the products consumed in cities—were identified as critical objectives. One effective way of working against the high concentration of resources in few hands could be the creation of incentives for productive use of land, so that it is not simply hoarded as savings. Effective action in this area would mitigate the serious problem of displaced peasants.

In urban areas, the need to create a favorable environment for the development of micro- and small enterprises has become an effective means of creating opportunities for business development and employment. The lack of credit and lack of adequate levels of both business and technological training continue to inhibit the development of these sectors, which significantly contribute to social stability and to a reduction of violence.

Improvements in the Efficiency and Effectiveness of Justice: Improving the justice system was identified as a challenge in itself, as well as an element that is key to harmonious communal coexistence and peace. The struggle against violence and corruption, conflict management at both the personal and the social levels, respect for the basic human rights of Colombians, and the subjection of the diverse sectors of society to clear coexistence rules can be effectively and legitimately achieved only through a judiciary that decides on and settles conflicts in a timely and equitable manner while keeping the goal of the common good in sight.

The need for structural reform in the justice system was mentioned, starting with the
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Institutional structure: judicial careers and political "clientelism"; corporate structure, the legislative system, and the educational system that supports the preparation of judges. Increasing expenditures for justice without structural reform has led to greater inefficiency, with no clear improvements in efficacy. A key issue requiring a short term solution is the congestion experienced in judicial offices.

Increased participation of civil society in the field of justice has produced a significant impact on human rights. The contribution of civil society, however, must strengthen the role of the state as the only party responsible for ensuring the application of justice to each and every Colombian. All forms of private justice must be eradicated.

Preservation of Natural Resources and Biodiversity: A critical challenge to development consists in securing the sustainability of the natural base for economic growth. On this matter there was recognition of a lack of coordination between institutions or a lack of investment aimed at preserving the valuable natural resources and biodiversity of Colombia. In terms of the strategies required to make progress in this area, the following alternatives were considered: strengthening public and private institutions in charge of managing resources, creating strong alliances between private and public sectors, and promoting the internationalization of the issue while at the same time safeguarding national interests.

Emphasis was placed on the cross-cutting nature of the environment in terms of matters such as health, education, and technology, and the need to promote the ethics of preserving the environment by the use of incentives such as legislation by virtue of which polluters pay and the protecting party is eligible to receive cash awards.

In terms of activities, high priority was given to the need to make an inventory of the natural resources and biodiversity of the nation.

Role of Different Actors: Government, Private Sector, Civil Society, and Multilateral Organizations

Peace and Development: Making determined progress in this field requires the active participation of all actors mentioned, including the armed forces and armed insurgents. Exclusion of some of these groups, or an exaggerated, distorted participation by only one of them, could lead to failure to reach the goal of social coexistence. The role of multilateral organizations in this area was regarded as positive by some, in that they may serve as catalysts in processes leading to agreements on programs and their implementation. They may also serve as interlocutors that induce states to comply with their commitments. They may contribute with successful experiences in the international field as well. Other groups believed the traditional role played by institutions such as the World Bank offered no advantages for involvement in these predominantly domestic processes.

Improving Education: Workshop members stated that there was a need for clarity about the respective roles played by the national and territorial governments in education and added that the private sector and NGOs needed to play a more active role in terms of the goals of educational quality and innovation. Regarding the World Bank, workshop members stated that there was a need for incentives to innovate and adjust the structure of education to world trends, stressing national competitiveness at the international level.

Economic Democracy: The role of governments in this area must continue to be active, with the clear goal of reaching agreements with other sectors of society.
Both the private sector and civil society must adopt a more active role in meeting these goals. For its part, the World Bank must define programs that specifically promote these goals and develop instruments to control and evaluate the progress achieved.

Improving the Efficiency and Effectiveness of Justice: The role of civil society, especially that of NGOs in the area of human rights, has been highly significant. However, the fundamental challenge confronting the different social sectors is that of strengthening public justice and eradicating the varied systems of private justice that prevail in the nation. The contribution of multilateral agencies in this area should not be scattered and should contribute to the creation of a comprehensive strengthening program that includes all sectors of society.

Preservation of Natural Resources and Biodiversity: It is necessary that each actor assumes its own role in this area and contributes to the creation of initiatives for preservation. The national government should have a role as catalyst, as developer of the regulatory framework, and as a guide in relation to sustainable development. Civil society has a crucial role in developing ethical standards and citizen participation in this field. The private sector must regard the environment as a long-term ally. Territorial administrations must develop a sense of region, or a shared home environment. Multilateral agencies are to play a role in financing.

The Action Strategy

The challenges to development identified by civil society in which the World Bank offers competitive advantages are the areas of education, economic democracy, preservation of natural resources and biodiversity, and provision of infrastructure (this last item was mentioned as one of the most important priorities for development but failed to make it to the list of five). It was clear that many participants focused on the traditional comparative advantages of the Bank instead of looking for areas where the Bank may eventually contribute to the resolution of the most critical challenges faced by the nation.

Overall, it was found that among the six priority topics included in the lists prepared by each session, there was at least a 50 percent coincidence between perceived national priorities and the perceived advantages of the World Bank. The area with the most obvious differences between the two lists concerned the topics of violence and peace: these were always very high on the list of national priorities and very low in terms of comparative advantages. The civil society representatives in the three groups debated whether the World Bank has proven experience in this area and whether this affords it a comparative advantage. Given the general agreement on the need for peace in order to make significant progress in all the other development topics identified and discussed, it was thought that it would be convenient for the Bank to consider participating in this area, which is so relevant for Colombia. It was suggested that the Bank should consider developing a greater capacity to respond to the issues of violence and peace, which are primary concerns of civil society representatives.

Final Recommendations

Aside from the topics covered in previous sessions, and in response to the last question addressed to the groups, following are some of the general recommendations on the role of the Bank and the strategic planning process which is currently under way:

- The role of the World Bank as part of a strategic alliance focused on attaining the objectives listed does not have to be limited to a purely financial capacity. The possible role of the World Bank on the issue of peace is that of a catalyst.
which facilitates alliances of different public, private, and civil society sectors. In this sense the Bank's programs should focus on the comprehensive rehabilitation of populations that have suffered violence. This role would present a significant challenge to the Bank in terms of flexibility, openness, and efficiency.

- Adopting a strategy such as the one proposed implies emphasizing action by civil participation instead of through bureaucratic theory and practice. It would be necessary to develop procedures that facilitate timely and effective interaction between civil society and the public sector.

- A broad-based citizen consultation and citizen participation movement must be promoted, to determine social needs and the way in which they should be oriented. It is better for the Bank to focus on a few priority issues rather than to attempt to cover many topics without proper focusing. Participation of the Bank could cause the priorities identified to become part of the national agenda and have the continuity required to convert them into state policies, instead of only the policies of specific administrations.

- The detailed formulation and implementation of this strategy should contemplate the active participation of all social sectors. Opportunities for continued consultations with varied social sectors regarding implementation of this strategy should be created.

- For its part, the NGO community should adopt a long-term view, focusing on strategic objectives defined by society as a whole, and should continuously assess its achievements and operating costs.

The Joint Government–World Bank Workshop

The next step of the plan was a two-day joint workshop for representatives of the government and of the World Bank who had participated in their respective workshops. The objective of the event was to reach agreement between the World Bank and the government of Colombia about (a) the key components of the country assistance strategy, (b) the indicators of success for each component, and (c) the risk factors that might affect the strategy and ways of dealing with them. The results of each of the previous three workshops formed the point of departure for the process. The tool used to analyze the relative importance of each of the challenges, as well as the indicators and the risks, was the logical framework.

Methodology of the Workshop

The first activity of the workshop was a series of short presentations of the main results of each previous event: the Washington workshop and the workshops of the government and of civil society in Bogotá. After these presentations, during the two days of the workshop, three exercises were carried out with the following specific objectives:

- Establish a consensus between the Bank and the government on those challenges or strategic objectives to be supported by the World Bank, starting from the challenges identified in the previous three events

- Define the expected results for each of the strategic objectives agreed upon in the first exercise and specify the type of intervention expected with the support of the Bank
• Analyze the consistency of the existing lending and ESW program with the objectives and results defined in the previous two exercises, in order to identify existing activities that should be modified and new activities that should be required.

The three exercises were carried out through a combination of small-group activities, plenary sessions dealing with the results of each group, and general discussions and debates on critical items as deemed necessary by workshop participants. The overall climate of the activities was cordial and cooperative. It was relatively easy to reach agreement with respect to the six challenges the CAS should address, even though, as would be expected, some items required more debate than others.

The Strategic Objectives

Table 1 presents the list of challenges and strategic objectives for Colombia’s development identified by the World Bank, the government, and civil society, which served as the point of departure for the first small-group exercise. Each small group was asked to identify and briefly define, out of the three lists, those objectives that should be supported by the World Bank. (See the agenda and design of group exercises in Annex 5.)

After each group presented its own list in order of priority, an interaction ensued to identify those items chosen by all of the groups on which there was a consensus. Five out of the six items that were selected by the plenary were present in each of the groups, although, in some cases, in a different order of priority. It became clear, once again, that the challenge of attaining greater coexistence and peace was the absolute first priority for all of the groups. This was the single item with the greatest degree of consensus. The second objective was that of better opportunities in education, also with a great degree of consensus, even though with some variation regarding educational levels. The tendency was to favor basic education for all, but some advocated better opportunities in secondary and specialized technological and scientific training. The next four items in order were improving institutional legitimacy and efficiency, improving infrastructure services, promoting sustainable development, and reducing poverty and inequality. The list below shows the six priority areas of strategic objectives agreed upon by the government and the World Bank.

**Priority Areas of CAS:**

- Peace
- Human development
- Legitimacy and efficiency of institutions
- Infrastructure
- Sustainable development
- Poverty and inequality

The interaction around these objectives was open and very rich, especially when participants presented their views regarding
the current situation and the desired interventions to produce significant changes. It is worth mentioning, in some detail, the views expressed with regard to the competitive advantage of the World Bank in the area of peace and the question of the legitimacy of the public institutions.

The World Bank and Peace: The issue of the extent to which the Bank has a competitive advantage in assisting Colombia in the area of peace was brought up again, as it had been during the previous workshops. Some participants argued that the conditions of violence and the achievement of peace were internal political issues of Colombia. As such, they said, the Bank should not get involved in them. Others argued that a distinction must be made between political negotiations with armed groups, on which the Bank may not have a comparative advantage, and the creation of conditions to achieve peace and development, on which its experience might be very relevant. In addition, current statistics were cited showing that the question of political violence (by guerrillas and paramilitary organizations) was a minority issue in terms of numbers, since the majority of violence (80 percent) occurs among citizens as a result of lack of tolerance. Therefore, themes such as how to fight organized forms of violence, or how to strengthen the justice system, or how to establish a dialogue with qualified international sources, are quite appropriate.

Furthermore, participants from the World Bank indicated that in the past, questions of conflict and violence were treated as risks factors for Bank operations and not as an objective of intervention. However, the Bank was changing its position and was open to consider other courses of action in this critical subject, provided the government defined an expected role for the World Bank. Toward this end, it was mentioned that the department of the Bank to which Colombia belongs had recently established a task force to look into the matter and develop a framework that could eventually be used to deal with issues of violence and peace in Colombia and other countries.

At the end, there was full agreement that, given those necessary distinctions, the Bank could effectively contribute to the creation of conditions for durable peace and development in two ways: as a catalyst of the international experience of others and through its own experience in various areas of the world, particularly regarding peaceful coexistence in postconflict interventions.

The Legitimacy of Public Institutions: This was also the subject of lively and substantive debate. Some government participants felt that the use of the term illegitimacy to refer to public institutions was inappropriate. They argued that institutions are legitimate to the extent that they are established in the Constitution or other laws and operate within given mandates and rules. Other participants, from the Bank and the government, particularly the representatives of regional governments, stated that the concept of legitimacy refers to respectability, efficacy, responsiveness to clients, and a modern structure and performance. In this respect, to the extent that institutions are not recognized and respected by citizens they have low legitimacy.

Their formal legality is not questioned. It is their performance. The group finally was satisfied with this explanation and agreed to define the strategic objective in terms of greater legitimacy.

The work of the first day ended with this discussion.

The Results for the Strategic Objectives

The activities of the second day centered on the results for the strategic objectives and on an assessment of the existing lending and
technical assistance program. Most of the work in the morning was done in a plenary session, which started with the presentation of the logical framework matrix and its main concepts, using transparencies and flip charts. The six priority areas were left at the purpose level of the matrix.

In a general discussion led by one of the facilitators, each of the small groups that worked in the exercises of the day before identified the key topics they had discussed under each of the main priority challenges. The listings below present a summary of the main topics agreed upon by the full group, stated as results expected for the CAS between 1998 and 2000.

**Peace:**
- Citizens with greater confidence in institutions of justice
- Citizens enjoying greater security, particularly in urban settings
- Cultural change under way toward a culture of peace and reconstruction of values
- Increased resolution of conflicts with community participation
- Citizens and authorities constructing a common language for an inclusive agenda for peace
- Public institutions with greater legitimacy.

**Human Development:**
- Greater coverage and better quality of education at all levels achieved
- Greater coverage and better quality of education for rural peasants achieved
- Institutions of higher education developing greater capacity to produce and disseminate knowledge
- Youth enjoying a better quality of life
- Increased access by poor children to more and better integral care
- Strengthened autonomy of the educational institutions (schools)
- Greater provision of health and nutrition services at national and regional levels.

**Legitimacy and Efficiency of Public Institutions:**
- Strengthened culture and practice of political participation in public affairs
- Existence of regulatory frameworks for role definition and efficiency incentives
- Public institutions becoming results oriented and under greater social control
- Citizens demonstrating greater trust and respect for public institutions and processes
- Enhanced participation of civil society in public matters
- Different levels of government exercising their competencies in a coherent and coordinated fashion.

**Infrastructure:**
- Increased infrastructure benefiting poor communities and integrating the country
- Greater participation of private sector in financing and developing public infrastructure
- Improved service delivery of urban public transport
- Efficiency costs achieved in energy service provision
- Improved quality, efficiency, and coverage of water and sanitation services
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- Reduction of costs for long-distance transport.

**Sustainable Development:**

- All sectors incorporating an environmental dimension and providing incentives for sustainable management
- Better environmental quality in urban centers
- Better protection of human life from environmental risks
- Environmentally sustainable projects promoting economic opportunities, especially for the poor.

**Poverty and Inequality:**

- Increased numbers of peasants with family farms
- Urban infrastructure improved in the poorest neighborhoods
- Poor sectors with greater access to sustainable housing with basic standards
- Wide access of micro- and small enterprises to productive support mechanisms
- Greater gender equity.

**The Consistency of the Portfolio with Proposed Strategic Objectives and Results**

The last exercise asked participants to analyze the consistency between the existing lending and technical assistance program and the identified strategic objectives and results. In groups of three people, using the matrix provided, group members examined each of the projects and technical assistance activities. If the project or activity contributed to an objective, they made a mark in the corresponding space. At the end of the exercise, group members had to place an asterisk in whichever column they thought required additional activities. In the plenary session, each project or activity was analyzed. If there was disagreement, the item was discussed until consensus was reached.

The exercise led to a preliminary identification of consistency and relevance of projects and technical assistance activities with the proposed objectives for the CAS. However, it had a serious limitation. The exercise required close familiarity with all the projects for the group to be able to make judgments; this was not the case with most of the participants. Therefore, the analysis could not be rigorous enough to lead to clear exclusions (projects or activities not consistent with new objectives) or to new activities. Nevertheless, the exercise revealed that in the area of peace and coexistence there was a clear need for additional activities, if the area was to receive the high level of priority that the government team attributed to it. (Annex 6 shows an example of relationship between objectives and projects.)

**Concluding Remarks:**

- The joint workshop achieved a significant advance in the identification of key themes and objectives to guide the policies of the country assistance strategy and also achieved advances in finding areas of agreement between the World Bank and the government of Colombia. Similarly, it allowed for greater familiarity among members of the two teams with respect to their views on substantive issues in a friendly and informal environment.

- The subject of peace and coexistence and how the CAS will contribute to it continued in the agenda of the government, as it had during the government's workshop. There was agreement about the need to identify...
projects and activities that would allow such a contribution, taking into consideration criteria like the present comparative advantage of the World Bank, its client orientation, and its capacity to generate additional advantages.

- The workshop did not advance enough in the establishment of priorities within each of the strategic objectives and results, or in indicators and risks for each of the objectives. The experience with the last exercise led to the conclusion that the more technical aspects of the construction of the logical framework constituted a task to be assigned to specialized technical teams familiar with each of the priority areas. It was, then, agreed that the exercise would continue, starting in the second half of December, 1996 under the leadership of the National Planning Department.

Construction of the Logical Framework

In a meeting on December 10, the government and the Bank agreed on an agenda for continuing the process. The detailed plan appears in annex 8. To follow up, a working team led by the deputy director of the DNP, in conjunction with the local staff of the resident mission, was charged with the task of finalizing the logframe for the CAS, which had been initiated during the joint workshop.

The team designed a process for the task in such a way that it allowed the treatment of each strategic objective with the direct involvement of the concerned sectoral ministries, the technical units of DNP, as well as the participation of other interested parties. This approach fulfilled two criteria: one, use the technical expertise required to assess the portfolio and define new activities, indicators, and risks; and two, build ownership of the CAS within the more permanent staff levels of public administration.

Based on the strategic areas defined in the joint workshop, as well as the corresponding results identified as targets under each one, the working groups did the following for each of them: (a) refined the statement of objectives and results to better conform with the methodology of the logframe; (b) established a priority order of the results of each strategic objective; (c) further elaborated the set of activities that needed to be pursued, by assessing the contribution of existing projects and proposing new activities; (d) identified the risks involved and ways of dealing with them; and (e) formulated indicators to be used as progress benchmarks. With this information, a logical framework matrix was developed for each area.

The initial phase of this work went from mid-December 1996 to January 21, 1997. The work was done in two steps. In step one, each working group refined the statements of objectives and results, gave an order of priority to the results, and identified which projects of the existing portfolio contributed to each of the results. In step two, a smaller group for each of the strategic objectives developed a preliminary list of indicators and identified potential risks for each level of the logframe. The output of this exercise appears in annex 7. This first draft of a logical matrix for each of the strategic areas was sent to the country team in Washington for review, comments, and proposed changes. This started an interactive process involving the government and World Bank teams in which the logical framework was constructed. The draft was reviewed by the different sector groups of the country team that specialized in each of the areas of the matrixes. Several of them wrote notes with questions, comments, and proposed changes. The comments dealt mainly with logic and indicators. In terms of logic, some
of the results or activities proposed were judged to be strategies or some strategies to be activities. In terms of indicators, some were considered too ambitious or beyond the potential impact of the proposed activity, and others were thought to be too difficult to measure. The proposed changes were incorporated into the matrices and sent back to the government teams for their review.

In addition, the new draft of the matrix prepared by the country team for each strategic objective presented a modified version of the logframe to facilitate a better understanding of the matrix. The changes were the following: (a) a new column with summary background and diagnosis statements pertaining to each proposed objective and strategy; the information for these statements came mainly from ESW on poverty, decentralization and public management, and government sector statistics; (b) combining strategies and actions in one column, which corresponds to the levels of results and activities in the original logframe; (c) a new column headed "instruments," which lists the projects and activities of the proposed CAS program.

The new draft was then reviewed by the government teams. There were some additional discussions between the working teams of the government and the Bank concerning sources of data for the diagnosis, logic, and formulations until agreement was reached in each area. The agreement also included the opening of the column on indicators or progress benchmarks into two: one with the indicators for the country and another with the benchmarks for the CAS program. It was understood that the targets for the country might include other policies or interventions but that those of the Bank would include only the proposed program for 1998-2000. Annex 7 presents the logframe matrix for each of the six strategic objectives as well as the agreed overall goal of the CAS: to attain sustainable development with continuous reduction of poverty and improvement of social conditions in an environment of peace.

The next step in the process was the upstream review of the proposed country assistance strategy framework by the regional vice president and his regional management team in early March 1997. The review document discussed the social, and political context and economic performance of Colombia, and the logframe matrices and proposed program constituted the key technical annex. Overall, the management team endorsed the proposed strategy framework and commended the staff for the work done, which demonstrated (a) strategic focus, (b) a significant consultative process, (c) realistic social and political assessment, and (d) clarity about International Finance Corporation (IFC) and Economic Development Institute (EDI) roles.

The main concerns were related to the possibly overambitious nature of the proposed program.

The main questions posed concerned: (a) the suggestion to expand the background information on economic performance and address the need for the country to correct fiscal imbalances; (b) the need to work closely with the IFC on developing long-term financial products and facilitate and support private sector participation in infrastructure financing; (c) the challenge and risks of undertaking complex and difficult issues such as violence, decentralized provision of social services, infrastructure financing, and judicial reform. The suggestions of points (a) and (b) were accepted. Regarding the comment on (c), it was concluded that to play the catalytic role the Bank was being required to take, it was necessary to confront and properly manage those higher risks. To do so, the Bank and the government of Colombia were required to identify a proper
mix of instruments consistent with allocated budgetary resources, once they evaluated the tradeoffs.

Finally, it was agreed to maintain a balanced blend of lending and nonlending services and small and large technical assistance projects. Although it was difficult to define the optimal composition of knowledge transfer, pilot operations, and large projects, the final strategy defined with the government for presentation to the Board offered a proper balance of them. A revised document incorporating the suggested changes was prepared and presented to the Executive Committee at the end of March. The committee agreed with the proposal. Then a detailed first draft of the country program and CAS document was prepared by the country team leader and discussed with the country team in several meetings, in April and May, including the staff of the resident mission through a telephone link.

Bank and Government of Colombia
Discussion of the Draft CAS

The last stage of the process was the discussion of the final draft with the government in a final meeting. This last meeting was delayed considerably because of the restructuring of the Bank under way at the time. The restructuring implied significant changes in the management teams of the region and of the country. The meeting with the government finally took place on July 16, 1997, in Bogotá. The session was designed as a vehicle for confirming the agreed-upon assistance strategy; prioritizing the specific program of activities through which the government and the Bank intend to attain the desired development objectives—taking into account the restrictions faced by the government (its borrowing strategy and fiscal constraints) and the Bank (budgetary and human resources)—and predefining the criteria or set of trigger points that would allow the Bank to move between different lending scenarios. (See annex 8 for full list of participants and the agenda.)

The session consisted of two activities: an account of the process followed between June 1996 and June 1997, and the presentation of the main features of the matrix for each strategic objective followed by a brief discussion. The minister of finance, on behalf of the country, and the newly appointed director of the department, on behalf of the World Bank, endorsed what had been prepared by the working teams, under the leadership of the resident representative and the country team leader.

The straightforward and friendly nature of this last meeting between the government and the World Bank was the best tribute to the serious and very productive consultative process undertaken by the working teams to prepare the 1998-2000 country assistance strategy framework and program for Colombia.

The final version of the CAS was drafted after this meeting, reviewed by the regional vice president and the Executive Committee in September, and approved by the Board of Directors in October 1997. Annex 9 presents the logframe matrix for each of the strategic areas of the CAS.
4. Lessons from the Experience

During the 1996 Annual Meetings, the Colombian authorities and the Bank agreed to carry out the CAS exercise in a participatory manner. The participatory process was ample and included consultations with national and selected local governments, and with representatives of civil society. As a result, an intense and highly innovative process was implemented. A major conclusion of this process is that rather than winding up as an isolated exercise to meet a requirement of the Bank’s business process, the construction of the CAS rapidly became an instrument for developing a new form of relationship among the Bank, the government of Colombia, and civil society that is conducive to dealing effectively with the main development challenges of the country.

The development of the CAS in Colombia was characterized by the high level of commitment and substantive contribution of the government in the various phases of the process, a constructive interaction with a wide range of civil society representatives, and the utilization of a distinctive methodology and innovative computerized technologies for purposes of organizing and conducting the CAS debates. Despite the already substantial achievements of the new participatory framework, which resulted in the identification of new challenges for the Bank’s assistance to Colombia, this is only a first step toward developing a new form of Bank participation in the country that is expected to become substantially more effective as it moves forward in support of the country’s development agenda.

This section outlines the main lessons derived from this yearlong experience, some of which might be useful for similar exercises in other countries.

Main Features of the Process

Planning: A carefully designed plan of action to carry out the collective construction of the country assistance strategy was a key element that contributed to its success. There was a rigorous plan and a flexible but disciplined fulfillment of its activities. Each main task had a clear objective, a method, sufficient time allocated, a person responsible, the needed resources, and a well-specified expected product.

Teamwork: Working together in an environment of open dialogue and democratic, responsible coordination was another feature contributing to the success of the exercise. The teams were organized in the following way: there was a core team, with the responsibility of carrying out the plan, formed by staff from the country team and the resident mission under the joint leadership of the country team leader and the resident representative. The
Lessons from the Experience

Washington-based country team was involved at every step of the process, beginning with the Bank’s workshop. During the construction of the logical framework and in the joint workshop, the Bank’s team made a commendable demonstration of working together toward common objectives. Similarly, the government teams worked very effectively during the government workshop and during the development of the matrices for each of the strategic areas. Finally, the follow-up to the joint workshop was done by a joint team of the DNP and the resident Board of Executive Directors—representing the totality of the Bank member countries—maintained the ultimate authority in approving the CAS.

Contrary to experiences in other countries, the process of consultation with civil society was extremely smooth and constructive. There was no challenge to the rules of the game proposed for the exercise. In fact, all civil society representatives welcomed the Bank and government initiative to seek their views and positions in such crucial matters. There was no indication by the participants that they perceived any ulterior motives behind the consultation, such as trying to legitimize the Bank’s or the government’s standing in the country. The only request arising from the workshops that would complement the current rules has been the demand for the establishment of some form of monitoring mechanism for the implementation of the CAS that would include civil society participation.

Inclusion: The process was characterized by an explicit effort to involve key stakeholders interested in Colombia: national and regional governments, representatives from eight segments of civil society (base organizations, unions, NGOs, churches, the media, business associations, political representatives, and academics), and the World Bank. There was always a legitimate and explicit effort to listen to everyone who had a contribution to make, within the constraints of the available time and resources.

Clear Rules: The rules of the game were defined and fulfilled. The plan of action included the identification and definition of roles and expectations, which were communicated in precise terms and always accepted by all stakeholders. The clarity of expectations was particularly critical for members of civil society, many of whom had no experience of working with the World Bank and, accordingly, none whatever with the preparation of a country assistance strategy.

The invitations sent to the 142 representatives of civil organizations defined, in no uncertain terms, the purpose and role that the government and the Bank had assigned to civil society in the process of developing the CAS. These were, mainly, to enrich our understanding of the critical development challenges facing Colombia and the relative roles of the various sectors in meeting them—including the Bank. It made very clear that the government and the Bank remained the principals in the process of defining the CAS, while, at the same time, both agreed about the importance of civil society’s contribution toward the definition of the assistance strategy. Moreover, it stated that the Bank’s Board of Executive Directors—representing the totality of the Bank member countries—maintained the ultimate authority in approving the CAS.

Methodology of the Events: Each of the workshops and follow-up work sessions had a specific design and methodology tailored to the nature of the objective and participants. A common feature of all of them was the opportunity for every participant in the various activities to directly express his or her point of view and ideas. The details of tasks and instructions of the exercises presented in the annexes show how this was done in the workshops of the
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country team, the government and the joint workshop. As mentioned earlier, the methodology of the consultation with civil society used Groupware as one of its tools: Groupware is designed to gather all the ideas available, provide anonymity to ensure that the ideas stand on their own merits, process the information quickly, and provide instant feedback.

The working sessions during the construction of the logical framework had also a method that allowed all those present to offer their input—first by collectively reviewing each of the ideas and statements, and second by individually reviewing copies of the materials produced after each session and commenting on them in writing. The comments and changes were then incorporated into a revised version of the documents and distributed, again, to all members of the teams.

Use of Experienced Facilitators: Experienced trainers and facilitators designed and conducted each event. A team from the Learning and Leadership Center (LLC) of the World Bank took the lead in the Washington workshop for the country team. A local independent consultant was hired to work with the resident mission in the design and conducted the workshop with the government. The presence of this consultant added transparency and objectivity to the exercise. The team of LLC that deals with Groupware was in charge of the workshops with civil society. A team formed by staff from the LLC, the resident mission and the local consultant took responsibility for the joint government–World Bank workshop. Finally, the deputy director of the National Planning Office, with the methodological support of a staff member from the resident mission, coordinated the sessions during the construction of the logical framework.

Main Outcomes

The participatory CAS in Colombia brought about several outcomes that are expected to make a contribution to the overall impact of the strategy in the reduction of poverty and violence and the creation of conditions for durable peace and development. The following are some of the most important outcomes:

- Six key development challenges received the highest level of consensus by the government and civil society. These were (a) the reduction of violence and the achievement of durable peace and development; (b) improvement of human capital, including education, health, and nutrition; (c) increasing the legitimacy and efficiency of public institutions; (d) improvement of physical infrastructure; (e) reduction of poverty, particularly in rural areas; and (f) increased environmental protection and sustainable development. The most important of these challenges is the reduction of violence and the achievement of durable peace and development.

- Several benefits from this exercise can already be foreseen. First, it has allowed a deeper understanding by the Bank of the main participants and interests involved in the Colombian developmental agenda. Second, it allowed officials and leaders to contribute to and share in the rationale and basic strategic considerations underpinning the Bank’s work in the country. Third, the proposed participation of civil organizations and other partners in the project cycle of new operations will increase their knowledge of and information about the new vision, values, and priorities of the World Bank, such as client orientation, excellence, partnership, results on the ground, and poverty reduction as the overall goal. Finally, all of the above provide a framework that facilitates—and reduces the transaction costs involved in—the process of building alliances with
government, cooperation agencies, and NGOs for the implementation of the agreed assistance strategy.

- Civil organizations and other partners are well represented in the CAS program for 1998-2000. In effect, some of the strategic objectives include strategies and actions pertaining to the role of civil society in the program, such as oversight committees (veedurias ciudadanas). Other objectives include the establishment of benchmarks indicating high levels of interaction among citizens, civil organizations, and the staff of public institutions. Similarly, the strategy of tripartite alliances of the public and the private and civil sectors has been introduced in several of the proposed operations of the program as an innovative approach to the inclusion of new social actors in development, particularly in the area of poverty reduction.

- The Bank views conflict and violence in Colombia as a part of a strategic objective rather than simply as a risk factor. A notable theme of the CAS process was that, up until the joint workshop, the Bank had dealt with violence and conflict in Colombia as a major constraint or risk to its operations rather than an area of intervention. As a result of the absolute consensus between civil society and the government regarding violence and social conflict as serious challenges for the development of the country, the World Bank agreed to incorporate this area into the CAS program as a strategic objective. Thus, the Bank accepted the request by the government and civil society to play a catalytic role in this area by focusing on and dealing with structural issues contributing to violence and social conflict. This significant change has had a positive impact on the image of the Bank, in terms of the coherence of its discourse regarding client orientation with its decisions and actions. Consequently, contributing to durable peace and development has become the overarching goal of the CAS program in Colombia.

Limitations

Utility and Limitations of the Logical Framework: A major analytical foundation of the Colombia CAS exercise has been the use of the logical framework methodology. The use of logframe has contributed substantially to the productivity of the CAS formulation process by providing all actors with a common language and a clear and shared framework for the type of process and results the participants—including civil society—should expect and work for. It provided a road map. Another major contribution of the logframe instrument is that it has made possible a fresh and comprehensive approach in defining the country strategy. The developmental needs of the country have been at center stage, rather than those derived from sectoral or bureaucratic pressures that blurred the real challenges and appropriate strategies. It is this fresh approach that has allowed the emergence of new forms and areas of potential Bank assistance, and this new course breaks with the rather mechanical strategic planning approaches of the past, which tended to preserve the same type of country assistance.

Despite the net clear advantages of using this analytical instrument, there have been some shortcomings worth acknowledging and addressing in a systematic manner. In the first place, at some stages the requirements of the methodology prevailed over the natural dynamic the group had developed. This was especially the case during the joint workshop. In hindsight, given the high-level decisionmaking capacity of the government team, the
workshop should have privileged those activities that had a higher strategic-decision content rather than focusing on exercises of a more technical nature. Thus, the decisionmaking versus technical role of the participants should drive the design of meetings rather than the methodological requirements and categories of the logical framework.

A second consideration is that because of the specific nature of the CAS exercise—strategic planning of an assistance program rather than of a discrete investment project—the rigorous implementation of the whole logframe should be qualified. The possibility of ensuring consistency between the higher categories of purpose and results and the specific activities is almost nil, because the latter are generally at a very rudimentary level of development. An alternative proposition would be to consider the higher logframe categories as normative—rather than logical—conditions for the development of the activities; that is, the higher categories would provide the basic parameters and objectives under which the lower categories would be developed as part of the normal process of development and implementation of the activities.

**Representation of Stakeholders:** We are convinced that the process of preparing the current Colombia CAS was a serious step forward in a participatory development effort. But it would not be appropriate to claim that the CAS was the result of a full people-based nationwide exercise. It was selective in terms of who participated in each of the three key types of events. In the case of the civil society workshops, we identified about 140 leaders reflecting the composition of civil organizations in Colombia; these were individuals generally recognized as representing their constituencies and able to make a critical but constructive contribution. We decided to take this option to make sure that participants would concentrate on the national challenges rather than on the agenda of each of the constituencies.

Nevertheless, the workshops may seem to be very oriented toward participants from Bogotá and toward those who are articulate and confident. This is a fair criticism. In the future, it might be possible to select people from different regions of the country and to hold focus group discussions with leaders of both urban and rural communities. Similarly, we need to be able to obtain the views of mayors from medium-size and small cities, town council members, extension workers, and other public as well as nongovernmental agents.

**Decisionmaking and Allocation of Resources:**

The methodology used in the various workshops allowed all participants, on an equal basis regardless of their status or rank, to express their views and to influence the decisions reached by the groups regarding the order of priorities of Colombia's development challenges. However, these participants did not have a hand in allocating actual or potential resources of the new lending or ESW program. And they were not directly involved in the last phase of the process, the construction of the logical framework. Some of the discussions and conclusions in which academics, NGO leaders, and local officials, among others, had participated were used as inputs for the preparation of the program. However, the limiting factors of costs, time, and logistics precluded fuller participation by, at least, the types of representatives that took part in the workshops.

Notwithstanding that, we expected a highly participatory approach in the preparation of the new operations that would then allow a greater degree of involvement of relevant stakeholders in the definition of components, activities, and the use of resources. As a matter of fact, four new operations—Magdalena Medio regional
Lessons from the Experience

development, youth development, rural enterprise zones, and rural education, as well as the ESW on violence and social capital—have all taken such an approach.

Follow-up Panel: Despite the fact that the CAS document resulting from the process continues to be the guiding framework for the relationship between the Bank and the government, the intention of creating a follow-up panel to monitor the implementation of the country assistance strategy with the participation of the government, civil society and the Bank has not crystallized until now. Nevertheless, we are currently engaged with the Permanent Assembly of Civil Society in an attempt to identify and pursue areas of interest to the Assembly that coincide with the strategic objectives of the CAS. In addition, we maintain -going relationships with the Colombian Confederation of NGOs around the CAS framework. The confederation, in turn, keeps close contact with the government regarding the business plans of the multilateral organizations. The follow-up panel, however, remains as a pending issue.

Major Challenges Ahead

The participatory CAS promotes a new form of business relationship between the country and the Bank that is focused on pursuing agreed-upon national priorities and specific results. The various activities the Bank would develop in Colombia in the near future would need to be consistent with, and contribute toward, those priorities and results.

There is a risk, however, that in the course of the CAS implementation, sectoral or regional pressures would deviate the authorities and Bank management from the priorities and results agreed upon. Thus, perceived urgencies would take precedence over the strategic priorities identified through this lengthy and productive consultative process. Also, changes in the financial or political environments, both internal and external, could create new demands or priorities. These risks are compounded by the recent change of administration in Colombia. There will be a legitimate claim by a new administration to change the relative weight of certain agreed priorities or add new ones that had not been originally contemplated. Some mechanisms for allowing flexibility and adjustments in the CAS that do not compromise the commitment of the parties to its key tenets should be worked out to avoid the risk of the CAS becoming irrelevant or outdated.

It is crucial for the success of this new form of strategic planning exercise that the parties assign the CAS a central role in the business relationship between Colombia and the Bank, including the selection and design of lending and nonlending activities and in assessing progress toward agreed results. Although the Bank is increasingly gearing up its business process to ensure the consistency of its operations with the CAS, governments will take some time in adjusting to this new form of operation. The adherence of the principal actors to the CAS would constitute also a key element to ensure the credibility and responsiveness of civil society to this new initiative. The development of some form of monitoring arrangement that would incorporate civil society in the process of reviewing progress in the CAS implementation seems critical—both as a way of mitigating the risks of deviation from the agreed course and of ensuring civil society’s strong commitment to this new business approach that the government of Colombia and the Bank are trying to put into place.

List of Participants

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<th>Name</th>
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<tr>
<td><strong>Country Operations 1 (LA3C1)</strong></td>
<td></td>
</tr>
<tr>
<td>Ernesto May</td>
<td>Country Team Leader</td>
</tr>
<tr>
<td>Marina Niforos</td>
<td>Country Officer</td>
</tr>
<tr>
<td>Harold Bedoya</td>
<td>Consultant</td>
</tr>
<tr>
<td><strong>Natural Resources Management and Rural Poverty (LA3NR)</strong></td>
<td></td>
</tr>
<tr>
<td>Elsie Garfield</td>
<td>Senior Agricultural Economist (P)</td>
</tr>
<tr>
<td>John Heath</td>
<td>Sector Economist (A)</td>
</tr>
<tr>
<td>Philip Hazelton</td>
<td>Natural Resource Management Specialist</td>
</tr>
<tr>
<td>Martien VanNieuwkoop</td>
<td>Natural Resource Economist</td>
</tr>
<tr>
<td><strong>Infrastructure (LA3IN)</strong></td>
<td></td>
</tr>
<tr>
<td>Jaime Port-Carreiro</td>
<td>Senior Energy Planner (P)</td>
</tr>
<tr>
<td>José L. Irigoyen</td>
<td>Senior Highway Engineer</td>
</tr>
<tr>
<td>Aurelio Menéndez</td>
<td>Transport Economist</td>
</tr>
<tr>
<td><strong>Human and Social Development Group (LASHD)</strong></td>
<td></td>
</tr>
<tr>
<td>Miriam Schneidman</td>
<td>Operations Officer (P)</td>
</tr>
<tr>
<td>Patricio Márquez</td>
<td>Health Specialist (A)</td>
</tr>
<tr>
<td>Joel Reyes</td>
<td>Consultant</td>
</tr>
<tr>
<td>Marco Mantovanelli</td>
<td>Consultant</td>
</tr>
<tr>
<td>Maria Elena Castro</td>
<td>Social Scientist (C)</td>
</tr>
<tr>
<td><strong>Public Sector and Private Sector (LA3PS)</strong></td>
<td></td>
</tr>
<tr>
<td>Andrés Jaime</td>
<td>Senior Operations Officer (P)</td>
</tr>
<tr>
<td>Herman Von Gersdorff</td>
<td>Senior Economist</td>
</tr>
<tr>
<td>Jit Gill</td>
<td>Long-term Consultant</td>
</tr>
<tr>
<td>Jyoti Shukla</td>
<td>Economist</td>
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</tbody>
</table>
Annex 1

Environment and Urban Development (LA3EU)

Eleotero Codato  
Teresa Serra  
Senior Urban Management Specialist  
Environment Specialist (A)

Resident Mission (LA3CO)

Felipe Saéz  
Jairo Arboleda  
Resident Representative  
Consultant

Environment Department

Pollution and Environment Economics Division (ENVPE)

Kirk E. Hamilton  
Consultant

Latin America and Caribbean Department
International Finance Corporation

Strategy and Coordination Division (CLAD3)

Bernard E. Sheahan  
Division Manager

Office of the Director (CLADR)

Rosalinda Quintanilla  
Economist

List of Participants

<table>
<thead>
<tr>
<th>Name</th>
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<tbody>
<tr>
<td><strong>Ministry of Finance and Public Credit</strong></td>
<td></td>
</tr>
<tr>
<td>Dr. José Antonio Ocampo</td>
<td>Minister</td>
</tr>
<tr>
<td>Dr. Leonardo Villar</td>
<td>Vice Minister</td>
</tr>
<tr>
<td>Dr. Clemente del Valle</td>
<td>Director, Public Credit</td>
</tr>
<tr>
<td>Dra. Angela de Rivera</td>
<td>Assistant, Public Credit</td>
</tr>
<tr>
<td>Dra. Alejandra Gutierrez</td>
<td>Assistant, Public Credit</td>
</tr>
<tr>
<td><strong>National Planning Department</strong></td>
<td></td>
</tr>
<tr>
<td>Dr. Juan Carlos Ramírez</td>
<td>Director</td>
</tr>
<tr>
<td>Dr. Arturo García</td>
<td>Deputy Director</td>
</tr>
<tr>
<td>Dr. Jesús Duarte</td>
<td>Chief, Social Development</td>
</tr>
<tr>
<td>Dr. Nestor Roa</td>
<td>Chief, Infrastructure</td>
</tr>
<tr>
<td>Dr. Alfredo Sarmiento</td>
<td>Chief, Social Mission</td>
</tr>
<tr>
<td>Dra. Ileana Kure</td>
<td>Chief, Decentralization</td>
</tr>
<tr>
<td>Dr. Alvaro Balcázar</td>
<td>Chief, Agrarian Unit</td>
</tr>
<tr>
<td>Dr. Alberto Maldonado</td>
<td>Chief, Urban Development</td>
</tr>
<tr>
<td>Dra. Claudia Salcedo</td>
<td>Chief, Public-Private Credit</td>
</tr>
<tr>
<td>Dra. Olga Lucía Jaramillo</td>
<td>Assistant, Public Credit</td>
</tr>
<tr>
<td>Dra. Adriana Guzmán</td>
<td>Assistant, Public Credit</td>
</tr>
<tr>
<td>Dr. Fabio Sánchez</td>
<td>Transport Unit</td>
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<tr>
<td>Dr. Manuel Francisco Tenorio</td>
<td>Transport Unit</td>
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<td><strong>Ministry of Transport</strong></td>
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<tr>
<td>Dr. Carlos Hernán López</td>
<td>Minister</td>
</tr>
<tr>
<td>Dr. Guillermo Gaviria</td>
<td>Director, INVIAS</td>
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<td><strong>Ministry of Mines and Energy</strong></td>
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<tr>
<td>Dr. Rodrigo Villamizar</td>
<td>Minister</td>
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<tr>
<td>Dr. Carlos Conte</td>
<td>Deputy Minister</td>
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</tbody>
</table>
Ministry of Education
Dr. Jaime Niño Minister

Ministry of Health
Dr. Guillermo Torres Deputy Minister

Ministry of Economic Development
Dr. Orlando Cabrales Minister

Ministry of Agriculture
Dr. Rafael Echeverry Deputy Minister

Findeter
Dr. Antonio Gómez Merlano Director

Ecopetrol
Dr. Félix Betancourt Adviser to President

Instituto de Fomento Industrial (IFI)
Dr. Gabriel Borrero Director

Local Government
Dr. Antanas Mockus Mayor of Bogotá District
Dr. Alvaro Uribe Governor, Antioquia

Presidential Advisers
Dr. Jorge Restrepo Economic Adviser
Dra. Isabel Martínez Adviser for Bogotá

Agenda and Group Exercises

Introduction

9:00 a.m. Introduction by Dr. José Antonio Ocampo, Minister of Treasury

9:10 a.m. New emphasis on the definition of the Bank’s country assistance strategy to Colombia. Dr. Felipe Saéz, resident representative of the World Bank in Colombia

9:20 a.m. Objectives of the workshop and agenda. Dra. Inés de Mosquera, workshop facilitator
**Process of the Workshop**

9:30 a.m.  Presentation of participants

10:00 a.m.  Identification of major challenges that Colombia has to face for its future development

10:45 a.m.  Coffee break

11:00 a.m.  Continuation (plenary session)

11:30 a.m.  Analysis of the relationship between multilateral cooperation entities and the country

1:00 p.m.  Lunch

2.15 p.m.  Vision of the country in the year 2005

3:00 p.m.  In view of the competitive advantages of the World Bank, identify the challenges on which the Bank’s assistance to Colombia will be focused.

4:00 p.m.  Coffee break

4:15 p.m.  Continuation (plenary session)

5:00 p.m.  Summary of workshop results and comments by participants

**Exercise No. 1**

Identification of major challenges that Colombia has to face for its future development—vital issues that should be dealt with as priorities (10:00 a.m.-10:45 a.m.; 10:45 a.m.-11:00 a.m. coffee break; 11:00 a.m.-11:30 a.m.)

- Individual work (10 minutes): Each participant writes down four major challenges faced by the country

- Group work (35 minutes):
  - Four groups—each group appoints a coordinator and spokesperson
  - Each participant reads and briefly explains one challenge *without repeating subjects.* Each participant will be given the opportunity to put forward his points.
  - The spokesperson writes each challenge on the blackboard and numbers it. A column should be reserved on the left to write down the number of votes

<table>
<thead>
<tr>
<th>Votes</th>
<th>Number</th>
<th>Challenge</th>
</tr>
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<td></td>
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</table>
Each participant, in silence, chooses and writes down the five most important challenges and gives each one five, four, three, two, or one points (the more important the challenge, the higher the number assigned). Each participant reads the challenge’s score to the spokesperson and briefly explains the selection. At the end, the points are added up and the challenges of the group are then selected and prioritized.

Coffee break (15 minutes)

Plenary session (30 minutes):

- Each spokesperson reads out the challenges of the group and indicates the five priorities with the corresponding scores. When reading the challenges, the spokesperson should indicate which of these have already been mentioned by previous groups.

- The facilitator, with the assistance of the group, groups the challenges by affinity. This procedure should reduce the number of challenges to approximately 12 to 15.

Result: The identification of 12 to 15 challenges or priority strategic objectives that the country should deal with in the future to reach desirable and growing levels of development.

Exercise No. 2

To analyze the relationship between multilateral cooperation agencies and the government. To identify positive aspects and points that could be improved. To establish which positive aspects apply to the World Bank (11:30 a.m.-1:00 p.m.)

Individual exercise (15 minutes):

- Each participant makes a graphic representation of the relationship between cooperation entities and the government (his personal opinion or what he has heard from third parties).

Group exercise (40 minutes):

- Each participant, one at a time, draws and explains to the group his graph and sticks it to the wall.

- Each participant puts a star against the graph of his choice; the one with the highest number of stars will be the graph of the group (Other aspects of other graphs may be added to the graph chosen.)

- The coordinator leads the discussion so that the group, in light of the graph chosen, may define five positive aspects of such a relationship (this may include aspects of other graphs) and five points that could be improved. The spokesperson will make the notes on the same page of the graph if there is space or, if not, on a different page.

- The coordinator asks the group, with relation to each aspect or advantage noted, if
this applies to the World Bank or not. Circle those that apply to the World Bank.

○ Plenary session (35 minutes):

- The spokesmen of the four groups explain their results.
- The facilitator groups together the positive aspects of the Bank.

Results: (a) The positive and valuable factors and those that may be improved in the relationship with cooperation entities were identified; and (b) The competitive advantages or strengths of the World Bank that are worth capitalizing on were established.

Exercise No. 3

To define a vision of the country in the year 2005 if World Bank assistance is structured so as to capitalize on those competitive advantages of the Bank that may assist in achieving the this vision.

○ Explanation of the workshop model (10 minutes)

○ Group exercise (20 minutes):

- Form groups of three persons with your two neighbors
- Imagine, from the perspective of the Bank’s assistance to the country that Colombia has overcome the challenges or met the strategic objectives identified in the morning. What would the results be? The group represents a journalist who is writing headlines about this new Colombia; each group should agree on the headlines, and not on the article, that reflect the achievement of the strategic objectives with the support of the World Bank.

○ Plenary session (15 minutes):

- The spokesperson of each group reads and briefly explains its headlines; the facilitator writes down the 10 headlines on the blackboard and tries to establish, with the assistance of the group, a tendency toward three or four major subjects.

Results: (a) To establish which concrete positive results may be contributed to Colombia by a World Bank assistance program oriented toward such strategic points in which its action could be more effective, given the Bank’s competitive advantages; and (b) To establish which aspects of such a vision of the future the Bank could contribute to in a more effective manner.

Exercise No. 4

In view of the competitive advantages of the World Bank, identify the three challenges or strategic objectives on which Bank assistance to Colombia should be focused. Indicate how these advantages should be incorporated into the bank assistance program. (3:00 p.m.-4:30 p.m.; 4:30 p.m. coffee).
Individual exercise (10 minutes):

- Each participant selects, from the 12 to 15 challenges identified in the morning, the three most important ones. These are the challenges that should be incorporated into the Bank's assistance program. Participants assign one, two, or three points to each challenge (the more important the challenge, the higher the number of points). The selection is of those challenges where the Bank can make a more effective contribution.

Group (35 minutes):

- Each one gives the scores to the spokesperson, the scores are added up, and the result is the position of the group with relation to the three priority challenges where the Bank should focus its assistance to Colombia.

- For each challenge identified, the group should specify three roles or functions where the Bank should assist Colombia.

- For each challenge identified, the group should establish three roles or functions in which the Bank should assist in order to overcome the challenge.

- The coordinator should lead the discussion so that the group may justify its choice and the role assigned to the Bank.

- The spokesperson should write down on three acetate sheets the three challenges with their corresponding functions to be presented at the plenary session.

Plenary session (45 minutes):

- The spokesperson explains the group's work.
- The participants may make their comments on the points put forward.

Result: The identification of three priority challenges for the World Bank's contribution to Colombia and the best ways to make such a contribution.
Annex 3. World Bank CAS—Consultation with Civil Society on Development Challenges

Content of Leaflet

The World Bank—with the consent of the Colombian government—makes an invitation to several representatives of civil society in connection with the preparation of the three-year assistance strategy to be provided by the World Bank to Colombia. The purposes of the invitation are:

- To enhance the understanding of the most important development challenges faced by the country in the medium term.
- To identify the roles of different social levels in overcoming Colombian development challenges.
- To identify possible World Bank roles in overcoming development challenges.

Invited Representatives

- Base organizations
- Labor unions
- Nongovernmental organizations
- Churches
- Communications media
- Business associations
- Political leaders
- Academics

Background to the Invitation

- The World Bank is seeking to achieve greater participation of all social classes in its development assistance activities.
- As part of its new orientation, the World Bank has opened the discussion of its three-year strategies to governments and civil societies.
- The executive board of the World Bank—which is made up of all member countries—has the final authority to determine the contents of the strategy. The purpose of the discussions with governments and civil societies is to ensure that such strategies meet their priorities and suit their interests.
- The assistance strategy process of the World Bank recognizes the preeminent role of the government in formulating and executing the country development strategy. However, both the Colombian government and the World Bank concur in stating that the contribution of the different sectors of civil society to the formulation of the assistance strategy is important.

Stages in the Assistance Strategy Formulation Process

- Workshop with the Colombia country team in which the strategic development objectives for Colombia were identified and to which the World Bank may contribute, given its competitive
advantages. This workshop took place in Washington on October 30-31, 1996.

- Workshop with the government, with the same objectives as the previous one, in which the economic authorities, sector ministries, national institutes, and regional governments participated. This was held in Bogotá on November 18, 1996.

- Consultation workshops with representatives of civil society in order to identify development priorities and the roles of the government and private and civil society sectors in the policies, plans, and programs to meet such priorities. This was held on December 2-3, 1996.

- A joint workshop to be attended by a select group of government and World Bank representatives in order to formulate, on the basis of the results of the previous steps, the country assistance strategy. This was held on December 5-6, 1996.

- Discussion and approval of the strategy by the executive directors of the World Bank during the second quarter of 1997.

**Methodology**

- Methodological principles:
  - Active participation
  - Anonymous nature (value of ideas and not of the persons or their positions)
  - Identification of consensus
  - Continuous and immediate feedback.

- Technological aspects:
  - Electronic processing of ideas and individual and group recommendations in order to speed up discussions and consensus through continuous feedback of information. This method allows an immediate production of results of the discussion and, in a very short time, the final report.

- Duration of and registration for workshops:
  - Three workshops of an approximate duration of three hours each will take place. Each participant may participate in accordance with his or her time availability:
    - **Workshop 1:** Monday, December 2, from 2:00 p.m. to 5:30 p.m.
    - **Workshop 2:** Tuesday, December 3, from 8:30 a.m. to 11:30 a.m.
    - **Workshop 3:** Tuesday, December 3, from 2:00 p.m. to 5:30 p.m.

- Emphasis is placed on continuous and punctual attendance.

- Places for participating in the workshops will be assigned in accordance with the order of registration.

- Deadline for registrations: November 27, 1996.

List of Participants

December 2, Afternoon

Dr. Edgar Reveiz
Dr. Jaime Arias
Dr. Silvio Mejía
Dr. Mario Aristizabal
Monsenor Jaime Prieto
Dr. Diego Pizano Salazar
Dr. Germán Duque Ayala
Dra. Caroline Shorten
Dr. Luis Carlos Ospina
Dr. Pedro Amaya
Dra. Carmén Martín
Dra. Inés de Brill
Dr. Galo Burbano
Dr. Julio César Uribe
Dr. César González

December 3, Morning

Mr. Orlando Sierra Hernández
Mr. Eduardo Vega Iglesias
Mr. Ignacio Franco
Mr. Rodrigo Escobar
Ms. Leonora Castaño
Father Rodrigo Sepúlveda
Ms. Alejandra Garcés
Ms. Juana María Unda Bernal
Mr. Carlos Lleras De La Fuente
Mr. Alfredo Fuentes
Ms. María Mercedes Cuéllar

Procomun
Senado De La República
Acic
Conconcreto S.A.
Barrancabermeja – Santander
Federación De Cafeteros
Senado De La República
Centro Col. De Filantropía
Universidad Del Valle
Instituto Ser
Cámara De Comercio Barranquilla
Confederación Col. Ong’S
Ascun
Ecofondo
Asociación Bancaria

La Patria Manizales—Caldas
Banco De La República
Pastoral Social
National Planning Council
ANMUCIC
Pastoral Social
Presencia Foundation
ASOCANÁ
Presencia Foundation
Corporation For Excellence In Justice
Estrategia Magazine
December 3, Morning (continuation)

Mr. Enrique Andrade  
Ms. María Cristina García  
Father Camilo Bernal  
Ms. Olga Restrepo Forero  
Ms. María Cristina Hernández  
Mr. José Leibovich  
Ms. Amalia Arango  
Ms. María Eugenia Avendaño  
Ms. María Emilia Correa  
Mr. Guillermo Esguerra  
Mr. Ramiro Santa  

Fundacion Social  
CINDE  
Minuto De Dios Corporation  
National University  
Mario Santodomingo Foundation  
CEDE, Universidad De Los Andes  
Actuar Antioquia Medellín—Antioquia  
Bogotá Chamber Of Commerce  
Colombian Business Council  
Colombian Philanthropy Center  
Hocol Foundation

December 3, Afternoon

Ms. Olga Lucía Toro  
Mr. Hernando Bernal  
Ms. Adriana Mejía  
Mr. Jaime Marulanda  
Father Francisco de Roux  
Mr. Luís Carlos Villegas  
Ms. Janeth Hernandez  
Ms. Maria Cristina Rojas  
Mr. Carlos Rondón  
Mr. Carlos Sandoval  
Ms. Angela María Robledo  
Dr. Ricardo Delgado  
Dra. Lina Fulladosa  

Colombian Philanthropy Center  
El Rosario University  
Small Enterprise Association  
Risaralda Coffee-Growers Corporation  
National Planning Council  
ANDI  
National Planning Council  
Javeriana University, Bogotá  
PARCOMUN  
Pedagogical and Technological University  
Colombia, Tunja  
Restrepo Barco Foundation  
CINDE  
ASOCOFLORES
Annex 5. World Bank CAS—Joint Government and World Bank, Workshop, Santafé de Bogotá

Purpose

For the World Bank and the government of Colombia to reach agreement on the following:

- Key components of the country assistance strategy (CAS)
- CAS success indicators
- Risk factors that could have a bearing on the success of the strategy, and how to deal with these.

The logical framework will be used as a working tool.

Agenda

December 6: 1.00 p.m. to 8.00 p.m.

1. Presentation of workshop results:
   - World Bank team in Washington, by Ernesto May
   - Government team in Bogotá, by Juan Carlos Ramírez
   - Consultations with civil society, by Jairo Arboleda.

2. Establishing the World Bank role in the light of Colombian development priorities.

   Coffee

3. Identification of and basic agreements on main CAS components.

4. Analysis of whether the main CAS components are consistent with the existing lending and technical assistance program:

   - Presentation by Marina Niforos.
   - Comments on the program.
   - Necessary adjustments to the program.
December 7: 9.00 a.m. to 6.00 p.m.

1. Summary of Day One.
2. Identifying risks that could affect key CAS components.

Coffee

3. Identifying risks that could affect successful World Bank involvement.
4. Identifying risks that could affect Colombian development targets.

Lunch

6. Introduction to the logical framework for the country assistance strategy.
7. Developing success indicators for the logical framework purpose level.

Coffee

8. Developing indicators for the logical framework results level.
9. Checking allocation of funds to the projected loan and technical assistance program.
10. Participants comments on workshop.
11. Closing of joint workshop.

Joint Workshop Exercises

12:00 n. Presentation of participants during lunch.
1:00 p.m. Introduction: Inés Mosquera
1:15 p.m. Presentation of workshop results:
    World Bank team in Washington, by Ernesto May
    Government team in Bogotá, by Juan Carlos Ramírez
    Consultations with civil society, by Jairo Arboleda

2:00 p.m. Exercise No. 1. World Bank-government consensus on Colombian strategic targets or goals that should have World Bank support.

Show and distribute transparencies listing the goals defined by each of the three parties involved.

Groups. Divide into four groups and bring back a group position on Colombian goals that should have World Bank support (45 minutes). Each group should appoint a secretary.

2:45 p.m. Plenary Session. Each secretary explains his or her group’s results. The facilitator, with group support, defines a group position by bringing together related subjects.

3:30 p.m. Exercise No. 2. Identifying components of the recently defined goals on which World Bank support should focus, and specifying the results it is envisaged will be obtained with that support.
Groups. Divide into the same four groups. Each group is assigned two goals, and should identify components and results for these (45 minutes).

4:15 p.m. Coffee

4:30 p.m. Plenary Session. The secretary of each group explains the relevant results. The facilitator writes down the results on the board (15 minutes per group equals 60 minutes).

5:30 p.m. Analysis of whether the main CAS components are consistent with the existing loan and technical assistance program. Program presentation by Marina Niforos (15 minutes).

5:45 p.m. Exercise No. 3. Analyze whether the existing loan and technical assistance program is consistent with the goals and components identified.

Groups. Form a group with your two immediate neighbors. Using the relevant table, write down at the top the components identified, and then examine whether the project is consistent with one of these components. If it is, tick the corresponding column. At the end of the exercise, put asterisks in columns (components) where it is felt that additional activities should be included, or projects yet to be defined (30 minutes).

6:15 p.m. Plenary Session. The facilitator asks delegates one by one whether or not the projects are consistent with any of the components identified, and writes the results down on a transparency containing the same table. If there is any disagreement, the question is discussed until a consensus is reached on each project. The facilitator then asks which components should have asterisks placed against them to show that further action should be identified for inclusion in the program.

7:00 p.m. At the end, the facilitator and the group examine which projects are consistent with the objectives and which ones should be further examined to determine how to deal with them.
Annex 6. World Bank CAS—Consistency between Strategic Objectives and Existing Projects

HUMAN CAPITAL

**Proposed Objectives**
- Increased coverage & equality of education at all levels
  - Magdalena Medio Regional Development
  - Secondary Education Scholarship Program
  - Antioquia Education
  - Pasto Education

**Strengthened autonomy of educational institutions**
- Secondary Education Scholarship Program
  - Pasto Education

**Improved service delivery in nutrition and health in subnational governments**
- Municipal Health Systems I
  - Antioquia Education
  - Pasto Education

- Municipal Health Systems II
  - Pasto Education
Annex 7. World Bank CAS—Plan for Completion of Logical Framework

<table>
<thead>
<tr>
<th>Order</th>
<th>Actions</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Present to government results of the joint workshop</td>
<td>Jairo Arboleda</td>
</tr>
<tr>
<td>2</td>
<td>Analyze results as a whole to consolidate and eliminate redundancies, refine formulation, order of priority regarding expected assistance from the Bank. Cut or add.</td>
<td>Government</td>
</tr>
<tr>
<td>3</td>
<td>State purposes for each of six areas, based on results. State goal, based on purposes.</td>
<td>Government technical teams</td>
</tr>
<tr>
<td>4</td>
<td>Examine portfolio of projects in light of priorities, taking into consideration (a) the cost of exclusion, relevance to results, and adjustability.</td>
<td>Government and technical teams</td>
</tr>
<tr>
<td>5</td>
<td>Identify new activities for results that need them.</td>
<td>Government</td>
</tr>
<tr>
<td>6</td>
<td>Define risks, indicators, and means of verification for each result; following the guidelines of the logframe.</td>
<td>Government and J. Arboleda</td>
</tr>
<tr>
<td>7</td>
<td>Send output of steps 1 to 6 to all participants in the joint government–World Bank team.</td>
<td>Government and the World Bank</td>
</tr>
<tr>
<td>8</td>
<td>In two joint sessions, the joint team defines the risks for strategic objectives and goals; reviews risks identified by the government team regarding results, adjusting as needed; develops indicators for goals and strategic objectives; and reviews indicators developed by the government team. Adjust as needed.</td>
<td>Government and WB resident mission</td>
</tr>
<tr>
<td>9</td>
<td>Present to Bank headquarters the product of steps 1 through 8.</td>
<td>Felipe Sáez</td>
</tr>
<tr>
<td>10</td>
<td>Bank team reviews products of steps 1 through 8.</td>
<td>Country team</td>
</tr>
<tr>
<td>11</td>
<td>The Bank and the government discuss comments and proposed changes and come to agreement.</td>
<td>Ernesto May</td>
</tr>
<tr>
<td>12</td>
<td>Meeting of government and Bank teams participating in joint workshop of Dec. 6–7 to validate proposal of technical teams.</td>
<td>Government and the World Bank</td>
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</table>

Note: Some of the steps required several work sessions. In addition, team members worked individually to complete assignments.

Program

1:00 p.m. Lunch

2:30 p.m. Introduction:
Opening remarks by Treasury Minister Mr. José Antonio Ocampo and the
director of the World Bank Department for Venezuela, Colombia, and
Ecuador, Mr. Andrés Solimano.

2:45 p.m. Presentation of the agenda by Inés de Mosquera.

3:00 p.m. Country assistance strategy (CAS) process by Ernesto May.

3:10 p.m. Parameters for the exercise:
• Fiscal considerations, debt strategy, and the role of the multilaterals (WB/
  IDB): Clemente del Valle (10 minutes)
• World Bank budget considerations: Andrés Solimano (10 minutes)
• Portfolio improvement plan. Marina Niforos (15 minutes).

3:45 p.m. Summary of strategies in each area, discussion and priorities:
1. Reducing violence: Caroline Moser (10 minutes)
2. Human capital development: Constance Corbett (10 minutes)
3. Achieving Improvements in public sector legitimacy and efficiency: Felipe
  Sáez (10 minutes).

5:00 p.m. Coffee

5:15 p.m. Improving infrastructure services: Jayme Porto-Carreiro (10 minutes)
5. Sustainable development: Ernest May and Teresa Serra (10 minutes)
6. Reducing poverty and promoting rural development: Jairo Arboleda (10
  minutes).

6:30 p.m. Analysis of whether program and pipeline are consistent with priorities agreed
upon.
7:15 p.m. Establishing the mechanism for finalizing the CAS document in the light of conclusions drawn from the session.

7:25 p.m. Commitment by the parties to implement the strategy.

7:30 p.m. Close.

**List of Participants**

**Ministry of Finance and Public Credit**
- Dr. José Antonio Ocampo, Minister
- Dr. Gabriel Misas, Economic Adviser to President
- Dr. Eduardo Fernández, Vice Minister
- Dr. Joaquín Bernal, Technical Vice Minister
- Dr. Clemente del Valle, Director, Public Credit
- Dra. Viviana Lara, Deputy Director, Contracts Unit
- Dra. Elizabeth Currie, External Debt Rationalization
- Dra. Joaquin Bernal, Contract Unit Adviser
- Dra. Clemente del Valle, Contract Unit Adviser

**National Planning Department**
- Dra. Cecilia López, Director
- Dr. Arturo García, Deputy Director
- Dra. Claudia Salcedo Chief, External and Internal Credit
- Dra. Viviana Pérez Adviser, External and Internal Credit

**Ministry of Agriculture**
- Dr. Antonio Gómez Merlano, Minister

**Ministry of Education**
- Dra. Rosa de Lima Gallo, Technical Secretary

**Ministry of Development**
- Dr. Orlando Cabrales Martínez, Minister

**Ministry of Environment**
- Dr. Eduardo Verano de la Rosa, Task Manager, Environmentally and Socially Sustainable Development
- Teresa Serra, Task Manager, Infrastructure
- Jayme Porto-Carreiro, Strategic Coordination Manager, IFC
- Bernard Sheahan, Marina Niforos, Country Officer
- Mauricio Cuéllar, Local Consultant, Infrastructure
- Martha Laverde, Local Consultant, Human and Social Development
- Jairo Arboleda, Development and Participation Specialist, ESSD

Colombia—CAS Program Matrix

OVERARCHING DEVELOPMENT OBJECTIVE: Attain sustainable development with continuous reduction of poverty and improvement of social conditions in an environment of peace

STRATEGIC DEVELOPMENT OBJECTIVE: Promoting peace and development

<table>
<thead>
<tr>
<th>Diagnosis</th>
<th>Strategy/Actions</th>
<th>Progress Benchmarks</th>
<th>Instruments</th>
<th>Related Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colombia is one of the most violent countries in the world. In 1995 the homicides rate per 100,000 inhabitants was: 92, Colombia 20, Brazil 10, USA 5, Argentina 3, Chile</td>
<td>Develop a comprehensive intersectoral policy that includes first-priority sectoral initiatives whose overall impact may contribute to creating an environment conducive to civic coexistence and peace and to promote its implementation in a consistent and sustainable way. In areas where there is little presence of state institutions, a major initiative should consist of building of public institutions with a high degree of participation from the interested communities and civil society actors. Develop capacity to deal with conflict resolution through pacific means at the local level: (1) promote the use of alternative mechanisms in conflict resolution; (2) reduce elements of risk (such as alcohol or arms); (3) enhance personal safety and security; and (4) develop a dialogue among public agencies, the government, and civil society that fosters a concerted definition of an agenda for peace.</td>
<td>• Homicides decrease at a rate of 8 percent per year. • Abuse and interpersonal violence decrease at a rate of 10 percent per year. • Decrease of violent deaths, kidnappings, and disappearances of civilians associated with armed groups. • Alcoholism incidence decreases at a rate of 10 percent per year from the current level of 7 percent of the population level. • Arms possession decreases at an annual rate of 20 percent. • Instances of cases being resolved at local levels increases at a rate of 5 percent per year.</td>
<td>• Critical areas of policy (sectoral and social participation) identified through ESW and other lending services. • Progress in policy implementation. • Evidence of increased commitment of relevant social actors with peace and social coexistence policies. • Main cities experience solution of conflicts through alternative mechanisms. • Municipalities of Magdalena Medio experience the solution of conflicts through alternative mechanisms (justice houses, community peacemakers). • Number of training programs for alternative conflict resolution mechanisms in many regions of the country.</td>
<td>• ESW on peace and development strategy analyzes violence (98) • International conference on peace and development in Colombia (98) • Policy note on peace and development (98) • Development and Peace Project for the Magdalena Medio * (98) • Project to support public/private sector initiatives to reduce urban violence in Bogotá, Medellín, Cali, and Pereira (99) * • IDF to support creation of training center for alternative dispute resolution mechanisms (98)</td>
</tr>
</tbody>
</table>

Direct costs imposed on society by illegal activities (guerrilla warfare, narco-trafficking, homicides, and other crimes) are equivalent to 15 percent of GDP, one-third of which is related to public and private expenditures on security and justice.

Increased violence—80 percent of which is interpersonal and not related to organized crime or warfare—is estimated to have reduced the annual economic growth rate of Colombia by 2 percent during the 1980s.

Statistics on violence are not reliable.

Research and analytical work on violence in Colombian society is still incipient.

There is no integrated, coherent strategy at the state and civil society level for dealing with the phenomenon of generalized violence.

1 Progress benchmarks are differentiated between those pertaining to the country, and thus set by the authorities (first column), and those directly linked to the country assistance strategy being proposed by the Bank (second column).
**STRATEGIC DEVELOPMENT OBJECTIVE: Promoting peace and development**

<table>
<thead>
<tr>
<th>Diagnosis</th>
<th>Strategy/Actions</th>
<th>Progress Benchmarks</th>
<th>Instruments</th>
<th>Related Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impunity levels for violent crimes are estimated to be between 73 and</td>
<td>Support changes in cultural values and behavior with respect to violence and peace: (1) raise public</td>
<td><strong>Colombia</strong></td>
<td>IDF/JGF to study cultural aspects of violence and implement change strategy to recover social</td>
<td>Incorporate community participation in various projects (such as DRI, Plantes Project, Plan Pacifico, Education)</td>
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<td>95 percent, depending on the source. Impunity is linked to deficiencies of</td>
<td>awareness and reduce acceptance of the adverse consequences of violence on living standards, and (2)</td>
<td>increase confidence in institutional channels for conflict resolution.</td>
<td>awareness and control mechanisms (99)</td>
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<td>the judiciary/police system and to the slackening of social pressure in</td>
<td>increase confidence in institutional channels for conflict resolution.</td>
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<td>demanding compliance with the rules. There are 1,400 reported kidnappings</td>
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<td><strong>Colombia/IBRD</strong></td>
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<td>every year. A growing portion of the territory is subject to active dispute</td>
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<td>• New operations include specific activities that reinforce in a cross-sectoral manner the issue of peace and</td>
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<td>among guerrillas, right-wing armed groups, and military forces, with</td>
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<td>and civil coexistence in Colombia.</td>
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<td>limited state presence. Significant groups of civilians, mainly from the</td>
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<td>• Improvements in the public’s perception of the quality of justice.</td>
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<td>poor rural areas, are victims of generalized human rights violations. The</td>
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<td>• Decrease in the periods of processing before Colombian courts.</td>
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<td>number of persons displaced by violence in the rural areas is estimated to</td>
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<td>• People’s perception of the improvement of law and justice agencies has increased at a rate of 5 percent</td>
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<td>be about 1 million, mostly children and women.</td>
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<td>per year.</td>
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<td>There are over 3 million cases pending in the judicial system. In addition,</td>
<td>Strengthen the judicial system.</td>
<td>• Impunity rate decreased 6 percent per year.</td>
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<td>the high impunity rate has developed a lack of confidence in the judicial</td>
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<td>• Decrease in the periods of processing before Colombian courts.</td>
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<td>system as a whole. As a result, the public does not use the courts; instead</td>
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<td>• People’s perception of the improvement of law and justice agencies has increased at a rate of 5 percent</td>
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<td>using other means to resolve dispute. Whether it is a labor case or a civil</td>
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<td>per year.</td>
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<td>case, the issues between the two parties are often dealt with through</td>
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<td>violence. To deal with violence, it is critical to have a significant reform</td>
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<td>of the judiciary. There are several experiences worth reviewing in</td>
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<td>Colombia. For example, a mediation pilot showed that out of the 2,000 cases</td>
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<td>there was an 85 percent success rate in using mediation to resolve the</td>
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<td>dispute.</td>
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**Incorporate community participation in various projects (such as DRI, Plantes Project, Plan Pacifico, Education)**

**IDF/JGF to study cultural aspects of violence and implement change strategy to recover social awareness and control mechanisms (99)**

**Development of schemes to be included in various projects to promote community partnership and support the values and taboos change with respect to violence and peace (for example, education, health, youth, Colombian Institute of Family Welfare, natural resource management, land reform)**

**Project to strengthen the judicial system (00)**

**Administration of justice reform project (impl.)**
## Strategic Development Objective: Sustainable Development

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<td>Colombia</td>
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<td><strong>Macroeconomic Stability: Basis for greater sustainable economic growth</strong></td>
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| Colombia’s competent macroeconomic management is best evidenced by its enviable growth record during the 1980s. During the so called lost decade in Latin America, Colombia maintained an average annual growth rate of 3.5 percent. Economic growth was positive in every year during the decade. The main threat to macroeconomic stability is related to a weakening fiscal position—with the NFPS shifting from a surplus of 0.5 percent of GDP in 1991 to a deficit of 2.9 percent of GDP in 1996. The recent deterioration in economic performance—with slower economic growth, increased inflationary pressures, and widening current account deficits—is a warning sign of the difficulties that could lie ahead if this macroeconomic imbalance remains unchecked. | Eliminate existing macroeconomic imbalances to attain a higher long-term growth path by addressing, head on, the structural causes of the fiscal deficit: (1) containing pressures related to the decentralization process; (2) reversing the accumulation of unfunded liabilities of the social security system; (3) managing the oil stabilization fund to attain the long-term benefits from expected oil revenues; (4) eliminating untargeted subsidies in the provision of social and infrastructure services; (5) curtailing the increase in judiciary and defense outlays while improving the cost-effectiveness of these activities; (6) attaining greater participation of the private sector in infrastructure financing to provide space for social expenditures; and (7) streamlining the budgetary process to promote effectiveness and efficiency in the implementation of government programs. | • Define framework to eliminate the deficit of the nonfinancial public sector<br>• Follow path to increase economic growth above 5 percent per year, with continuous reduction in inflation and current account deficits below 4 percent of GDP | • ESW Private Savings (97), further dissemination<br>• ESW Reforming the Decentralization Law (96), further dissemination<br>• ESW Paving the Way for a Results-Oriented Public Sector (97), further dissemination<br>• ESW on Accelerated Growth with Lower Inflation (98)<br>• International conference on growth and inflation (98)<br>• Informal ESW and Policy Note on Growth and Inflation (98)<br>• Informal ESW and Policy Note on the Implementation of Fiscal Decentralization (98)<br>• ESW and technical assistance on Budget and Civil Service Reform (98-99)<br>• ESW on Social Security Reform (99)<br>• Joint biannual consultations with the IMF (98-00)<br>• Open policy dialogue (98-00)<br>• EDI Regional Seminar on Capital Inflows and Macroeconomic Management<br>• EDI Regional Seminar on Macroeconomics and Management of Shocks<br>• Adjustment Loan to support decentralization process (99)<br>• Adjustment Loan to support reform of the social security system (99)| • ESW Labor Study (97)<br>• ESW Strategy for Business Devt. (97)<br>• ESW Social Costs of Macroeconomic Fluctuations (97)<br>• ESW Savings: Companies, Central Govt., Territorial Ent., Households<br>• Tech. Coop. Institutional Strengthening of Savings and Loans Cooperatives (impl.)<br>• Strengthening of Competition Mechanisms (impl.)<br>• Pr. Increase of Labor Productivity (impl.)
### Macroeconomic Stability: Basis for greater sustainable economic growth

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| Appropriate financial instruments do not exist for domestic infrastructure financing in debt and equity markets. National government agencies that provide infrastructure financing (in the form of credit or cofinancing) do not promote policies consistent with the objectives of regulatory frameworks. In the specific case of PES and Fidetour, financing decisions are based principally on the merits of the projects to be financed, without adequate analysis of the institutional and financial sustainability of the beneficiary entity. This leads to a phenomenon whereby the financing acts as an incentive to defer needed adjustment measures in those entities in Colombia. | Strengthen financial sector, reducing Colombia's high financial intermediation cost and providing greater access to credit (in particular for SMEs). Deepen savings through continued reform of contractual savings institutions. | • Increase access to capital through both the financial sector and capital markets <br> • Reduce financial intermediation costs | • Financial market development TA (impl.) <br> • Advisory assistance for conversion of public financial agencies to promote private participation in infrastructure <br> • Private Sector Infrastructure Facility (98) <br> • IFC: Investments to promote private sector participation having "demonstration effects" (for example, in the water or the roads sectors) <br> • IFC: Promote the development of financial markets:  
  ⇒ Bond underwriting facility  
  ⇒ Support for securitization and credit enhancement mechanisms  
  ⇒ Partnership or investment in financial agencies to develop market maker industry  
  ⇒ Support for private pension funds  
  • IFC: Credit lines for SMEs  
  • IFC: Support for transfer of know-how for leasing industry (impl.) | • SMEs Financing (impl.) |
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<td>Colombia’s critical environmental problems are: (1) inadequate management of natural resources (deforestation, loss of biodiversity, endangered strategic ecosystems, soil degradation, water use conflicts, highly polluted rivers, canals, and wetlands); and (2) (air and water) pollution and environmental risks (floods, earthquakes, industrial accidents) in urban centers (resulting from rapid urbanization, increased industrialization, and inadequate management of urban transport).</td>
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<th>Strategy/Actions</th>
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<tr>
<td>Improve management of natural resources, conservation of major strategic ecosystems, and environmental management in urban centers, including protecting human life and health from risks deriving from environmental degradation or landslide, earthquake, and other natural disasters.</td>
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<th>Progress Indicators</th>
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<tr>
<td>Colombia</td>
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<tr>
<td>• Increase conservation of principal strategic ecosystems</td>
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<td>• Decrease in rate of deforestation for selected strategic ecosystems</td>
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<td>• Increase by 15 percent strategic information for conservation and biodiversity use</td>
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<tr>
<td>• Enact National Forestry Action Plan and Forestry Sanate (1998)</td>
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<td>• Prepare Pacific ecological zoning (95)</td>
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<td>• Revise Urban Environmental TA Strategy of Ministry of Environment (98)</td>
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<td>• Prepare and implement urban environmental strategies and action plans (UEAPs) for Bogotá, Cali, Medellín, and Barranquilla (UEAPs 98; implementation according to agreed timetables)</td>
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<td>• Prepare UEAPs for 10 to 12 midsized cities (00)</td>
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<th>Related Activities</th>
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| • Technical assistance (TA) and investment operations targeted to rural areas: | • Natural Resources Management I, including pilot projects environmentally and economically sustainable in strategic areas of violence and poverty (national parks, peasant reservations, buffer zones) (00) | • Centro Forestal Las Gavistas (impl.) | • National Research Project on the use and conservation of biodiversity (00)
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<tr>
<td>The poverty–environmental degradation relationship has not been sufficiently taken into account in public initiatives to deal with environmental problems.</td>
<td>Target pollution control efforts to areas with potentially higher impact on health and quality of life for poor populations. Promote productive employment opportunities for the poor through environmentally sustainable projects (for example, in forestry, extraction activities, management of protected areas, fishing, solid waste collection, and recycling).</td>
<td>• Reduction in number of people living on inappropriate urban land • Increase in coverage and efficiency of water supply, sewage, and waste collection services • Increase in number of beneficiaries of productive initiatives (land reform, campesino reservations, and so on) • Reduction in level of environmental degradation in ecosystems where pilot projects are carried out</td>
<td>TA and investment operations targeted to rural areas: • Natural Resources Management (impl.) • Agricultural Technology (impl.) • Land Reform (98) • Magdalena Medio Program (98) * • Natural Resources Management II (00), including environmentally and economically sustainable pilot initiatives in strategic areas of violence and poverty (national parks, peasant reservations) *</td>
<td>• Center For Cleaner Production (impl.) • Improved Environ. Quality and Pollution Control (water treatment plants, clean production), with emphasis on cooperation with the private sector (99) • Titling and Registry Modern. (97) • Cartagena Water (98) • Aqueduct of Pereira (98)</td>
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<td>The state has not fully taken into account environmental costs and benefits in formulating economic and sector policies, especially in connection with key production sectors (for example, energy, mining, industry, agriculture) and public services.</td>
<td>Taking into account cost-effectiveness concepts, build environmental considerations into key production sectors and the provision of public services.</td>
<td>• Increase (public and private) environmental investment as a percentage of GDP • Lower water and energy consumption per unit of value added for key production sectors • Increase number of firms in compliance with environmental standards • Increase number of firms certified in accordance with ISO 14000 standards</td>
<td>• Prepare regulations on user fees and pollution charges for water (98) and air (99)</td>
<td>• All investment projects with potential environmental impact must include actions to prevent, minimize, mitigate, or compensate for such impact, subject to cost-effectiveness criteria • Study to set up accounting frameworks and monitoring and evaluation guidelines to facilitate cost-effectiveness analysis of investment in environmental programs for key sectors (related to budget system reform) (98) • Sector study to assess results of public sector environmental management programs (99) • Study on inclusion of environmental variables in tariffs for public services</td>
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<td>Significant progress has been made in recent years in setting up a national environmental management system (SINA). However, work is still needed to make the SINA operate effectively, as a decentralized system with strong input from local communities and the private sector.</td>
<td>Improve capacity of environmental management authorities (EMAs) and seek opportunities for partnerships with other government agencies and the private sector, NGOs, and academia.</td>
<td>• EMAs with licensing, monitoring, evaluation, and enforcement systems fully operative • Increase in number of partnerships in natural resources management programs (such as parks) • Introduction of industrial pollution monitoring and enforcement systems in the four cities with over 1 million inhabitants, based on Community participation and public disclosure of information</td>
<td>• Revise Environment Ministry’s Urban Environment Technical Assistance Strategy (98) • Prepare and implement urban environmental strategies and action plans (UEAPs) for Bogotá, Cali, Medellín, and Barranquilla (UEAPs) (98) • Prepare and implement environmental training and education plans for the four cities with more than 1 million inhabitants (98) • Set up industrial pollution monitoring and enforcement systems in Bogotá, Cali, Medellín, and Barranquilla, including public disclosure of information and community participation</td>
<td>TA and investment operations targeted to rural areas: • Natural resource management (impl.) TA and investment operations targeted to urban centers: • Urban environmental management TA (impl.) • TA operation for EMAs, departments, and municipalities on land use planning, with emphasis on natural disaster preparedness (00) • Pr. National Research for Conservation of Biodiversity (00) • Las Gavitas Forest Center (impl.)</td>
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<td>Environmental interventions have been focused mainly on dealing with the impact of specific projects; weaknesses exist in the consideration of environmental issues in the formulation of local, sector, and subnational strategies.</td>
<td>Development of strategic partnerships with production sectors, public services, ministries, sector and subnational agencies to implement the environmental agenda in priority areas (for example, rational use of natural resources in public services and clean production policies in industry).</td>
<td>• Environmental considerations built into General Development Plan and sector and subnational planning • Expansion of Environment Ministry’s sectoral committees to cover key production sectors (such as energy, mining, industry, agriculture) and public services</td>
<td>• Prepare and implement urban environmental strategies and action plans (UEAPs) for Bogotá, Cali, Medellín, and Barranquilla (98) • Prepare UEAPs for 10 to 12 mid-sized cities (00)</td>
<td>Development of schemes to be included in various projects to promote strategic partnerships with the private and public sectors and support a coordinated implementation of the environmental agenda • Cooperation b/w private and public sector for pollution control (impl.) • Paper industry (impl.)</td>
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<td><strong>EDUCATION</strong></td>
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<td>With primary education enrollment rate close to 80 percent and secondary education at 50 percent, Colombia is far away from its constitutional mandate of providing universal basic education up to age 15 (ninth grade).</td>
<td>Ensure participation of all Colombians in economic, political, and social development to guarantee peace, democracy, and competitiveness in the global economy through: (1) <strong>Basic and secondary education:</strong> Expand access and improve quality of education within a decentralized framework, ensuring the transfer of responsibility for provision to the municipal level and strengthening the normative, technical assistance, and evaluative functions at departmental and national levels necessary to complement and support development of municipal capacity; strengthening development of school autonomy in management with educational quality; and encouraging and supporting community and private sector participation. Particular attention to be paid to the needs of rural education. (2) <strong>Higher education:</strong> Strengthen competitiveness, efficiency, and equity. (3) <strong>All levels:</strong> Strengthen resource transfer mechanisms to achieve equity and efficiency.</td>
<td><strong>Colombia</strong></td>
<td>Two percent increase in primary education enrollment rates at the national level, and 5 percent increase in rural areas by the year 2000, both related directly to our interventions.</td>
<td>Informal ESW-Policy Note on Education to New Administration (98)</td>
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<td>Primary education enrollment in the rural areas is 66 percent compared with 89 percent in the urban areas. Of every 100 students entering primary school, only 30 reach ninth grade, with less than one-quarter completing without repetition—reflecting the very low internal efficiency of the system.</td>
<td><strong>Colombia/Bank</strong></td>
<td>Annual average increase of 1.5 percent at the national level in secondary education enrollment rates.</td>
<td>Issues and lessons learned from the implementation of decentralization in the education sector: EDI &quot;Learning with Lending&quot; (98)</td>
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<td>Compared with other countries in Latin America, Colombia shows low spending per student at the primary and secondary level—only Bolivia, El Salvador, and Paraguay spend less. In relative terms, Colombia spends about 12 times more on higher education than on primary (the highest ratio in the region with the exception of Brazil and Paraguay).</td>
<td><strong>IBRD/IFC/EDI</strong></td>
<td>One percent annual average increase in global education enrollment rates in the department of Antioquia and in the municipality of Pasto.</td>
<td>IDF grant for analysis of issues of financing, efficiency and equity in higher education.</td>
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<td>Municipalities and overall:</td>
<td><strong>IDB</strong></td>
<td>In schools participating in projects, academic achievement test results improve by 10 percent.</td>
<td>Primary Education II (impl.)</td>
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<td>Secondary Education (impl.)</td>
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<td>Antioquia Education (98)</td>
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<td>Pasto Education (98)</td>
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<td>Rural Education (99)</td>
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<td>Local Government Education Credit Line (00)</td>
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<td>Magdalena Medio Program (98)</td>
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### STRATEGIC DEVELOPMENT OBJECTIVE: Developing human capital

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<td>The death rate of young men and women, age 15–24, is equal to the death rate of adults age 25–59, (that is, 27 percent of total); 76 percent of deaths among youth is caused by homicide. In 1993, 51 percent of victims of violence were youth, while only 16 percent of perpetrators were youth. More than 23 percent of youth, age 12–24, do not study or work; 53 percent do not have access to secondary education; and only 33 percent of youth, age 15–19, have work. Unemployment rate among youth is twice as high as the national average.</td>
<td><strong>Youth development:</strong> (1) Increase the quality of life of youth; (2) improve access to education and health services; (3) support employment assistance venues; and (4) increase sociopolitical participation.</td>
<td>• Homicide rates among youth decreased by 15 percent&lt;br&gt; • Employment opportunities for youth increased&lt;br&gt; • Health indicators for at-risk youth improved (incidence of drug usage and alcoholism reduced)</td>
<td>• Youth Development (99)&lt;br&gt; • Agriculture Technology (impl.)&lt;br&gt; • Magdalena Medio (98)</td>
<td>• Social Safety I (impl.)&lt;br&gt; • Promotion of Youth Health&lt;br&gt; • Social Safety Net II (99)&lt;br&gt; • Agriculture Technology (99)</td>
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<td>Despite significant progress in the increased coverage of services for children under the age of seven, deficiencies in the coverage and quality of the services still persist, particularly for the poor.</td>
<td>Improve system of integrated early childhood care and education services, especially for the poor.</td>
<td>• Increased number of community welfare homes that pay special attention to the psychosocial development of the child&lt;br&gt; • Increased number of municipalities that share the management of Colombian Institute of Family Welfare services</td>
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| The low capacity to generate knowledge and technological know-how contributes to the country's weakness in responding effectively to the socioeconomic demands of a globalized and interdependent world. | **Technology challenge:** Increase capacity to generate knowledge, develop technological skills, and utilize technologies to enhance education at all levels. | • Productivity through technical advancement increased. | • National policy for education technology strengthened and lessons collected from existing initiatives. | • EDI's Regional Seminar: "Distance Education in Developing Countries" (98)<br> • EDI's World Link<br> • IDF Grant to support Technology Development (98) | • Colciencias III (impl.)
### STRATEGIC DEVELOPMENT OBJECTIVE: Developing human capital

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<td><strong>HEALTH</strong></td>
<td>Insurance challenge: Expand the affiliation and coverage of health insurance among the poor.</td>
<td>• Affiliation of poor to the subsidized health insurance scheme, from 5.9 million (out of 12 million total) poor in March 1997 to 10.8 million, or 90 percent of the total, in 2000.</td>
<td>• EDI Regional Seminar: &quot;Networks, Technology and Distance Learning for Health Sector Reform and Population Policy&quot; (98)</td>
<td>• Hospital Management Modernization (impl.)</td>
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<td>Epidemiological challenge: Improve the quality of health and nutrition services, with particular attention to the municipal level.</td>
<td>• During the period 1997–2000, a reduction in maternal mortality by 4 percent, starting around 100 per 100,000.</td>
<td>• EDI Regional Seminar: &quot;Flagship Program on Health Sector Reform and Sustainable Financing&quot; (98)</td>
<td>• Health Sector Reform (impl.)</td>
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<td>Institutional challenge: In line with Law 100, strengthen the health system's institutions, organization, financing, human resources, services development, and delivery.</td>
<td>• Number of municipalities that have been certified (that is, entitled to manage autonomously central government financial transfers), increases from 131 out of 1,061 municipalities in March 1997 to 950, or 90 percent of the total, in 2000.</td>
<td>• EDI Regional Seminar: &quot;Integrated Approaches to reproductive Health and Population Planning&quot; (98)</td>
<td>• Social Safety Net (impl.)</td>
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<td>• Increased number of hospitals and other public health facilities converted into semi-autonomous or autonomous units: among primary care facilities, from 283 out of 732 facilities in 1997 to 585, or 80 percent of the total, in 2000; and among secondary and tertiary facilities, from 120 out of 141 in 1997 to 141, or 100 percent of the total, in 2000.</td>
<td>• Municipal Health I (impl.)</td>
<td>• TA for the Creation and Management of Health Units (Empresas Solidarias de Salud) (impl.)</td>
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<td>• Increased number of municipalities that have been certified (entitled to manage autonomously central government financial transfers): an additional 236 in 1997, 247 in 1998, and 165 in 1999.</td>
<td>• Municipal Health II (99)</td>
<td>• Social Safety Net II (99)</td>
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<td>• Increased number of hospitals and other public health facilities converted into semi-autonomous or autonomous units: an additional 100 in 1997 and 109 in 1998.</td>
<td>• Magdalena Medio Program (98)</td>
<td>• Health Infrastructure (99)</td>
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SOCIAL DEVELOPMENT
Environmentally and Socially Sustainable Development Network
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433 USA

Fax: 202-522-3247
E-mail: sdpublications@worldbank.org