

Report Number: ICRR11964

1. Project Data:	Date Posted: 11/30/2004				
PROJ ID: P079060			Appraisal	Actual	
Project Name	SIMPLIFIED ICR - Colombia Programmatic Labor Reform And Social Structural Adjustment Loan	Project Costs (US\$M)	200	200	
Country	Colombia	Loan/Credit (US\$M)	200	200	
Sector(s):	N/A	Cofinancing (US\$M)			
L/C Number:	L7193				
		Board Approval (FY)		4	
Partners involved :		Closing Date	03/31/2004	03/31/2004	
Prepared by:	Reviewed by:	Group Manager:	Group:		
Elliott Hurwitz	Laurie Effron	Kyle Peters	OEDCR		

2. Project Objectives and Components

a. Objectives

Overall Objectives: (a) Increase employment; (b) raise human capital formation; (c) strengthen social protection. To be achieved by, 1. supporting reform of GOC labor regulations; 2. implementing Law 715 to increase decentralization of education and health services; and 3. developing integrated, more efficient social protection system.

b. Components

Specific Objectives by Component

- A. Institution of effective authority to develop a comprehensive social risk management system to protect the poor and vulnerable against the threats and consequences of illness, unemployment, poverty and economic volatility
- B. Greater access of poor children to Colombian Institute for Family Welfare (ICBF) Assistance and prevention programs through establishment of an explicit targeting policy.
- C. Achievement of at least 95% coverage rate of 0-5 year old children by 2006 for the Expanded Program of Immunization (PAI).
- D. Advances in health system reform, expanding insurance coverage of the poor, reducing subsidies to public hospitals, and ensuring quality of services of health insurers and care providers.
- E. Implementation of labor and training reform to reduce difference between employers' hiring /training cost and workers' acceptable wage, while improving the social protection of vulnerable workers.
- F. Acceleration of educational reforms to enhance access to basic and secondary schools.
- G. Greater transparency and social control of social programs through greater participatory oversight by citizens and by periodic evaluation.
- c. Comments on Project Cost, Financing and Dates

3. Achievement of Relevant Objectives:

- A. Ministry of Social Protection merged ministries of Labor and Health and also put under its authority autonomous agencies funded by earmarked payroll taxes.
- B. GOC improved access of poor children to ICBF assistance and prevention programs, and established policy targeting poorest children (see sec 4).
- C. PAI immunization coverage was significantly increased (sec 4).
- D. Further progress was achieved in implementation of health reform (Law 100/93): coverage of new affiliates was increased (sec 4); implementation of strict ceiling, with specified exceptions, to continuing subsidies to public hospitals; compliance with the agreed Hospital Restructuring Plan; increased proportion of hospitals licensed according to regulatory decrees.
- E. Law 789 was passed and related regulations were promulgated . These reduce the cost of employing hard-to-employ groups, make the training system more flexible, and expand the pool of apprentices that can be hired
- F. Educational reforms included an increase in enrollment of 500,000 students and a increase of 1.6 in the student-teacher ratio from 2002 to 2004. Also, a requirement was implemented for 90% of 9th grade teachers

requiring the evaluation of teacher performance and student learning.

G. Progress in transparency was achieved by requiring regular impact evaluation of social programs and evidence that a more transparent model is being utilized in accordance with guidance provided by the National Planning Department.

4. Significant Outcomes/Impacts:

- By December, 2003, 322,000 children were reached by ICBF programs, exceeding project target of 300,000
- PAI immunization coverage rate of 90-95% for key immunizations was reached by December, 2003 (meeting project targets), with sufficient funding to make it likely that expected rate of 95% can be reached by 2006
- Health insurance coverage was extended to 500,000 new affiliates (exceeding project benchmark of 300,000)
- Number of National Training Program (SENA) graduates rose 50% from 2002 to 2003 (meeting benchmark)
- From 2002 to 2004, the number of basic and secondary school students increased by 500,000 and the student-teacher ratio increased by 1.6 (exceeding project benchmark)

5. Significant Shortcomings (including non-compliance with safeguard policies):

There were no significant shortcomings

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Highly Satisfactory	The project achieved or exceeded all relevant objectives with no significant shortcomings.
Institutional Dev .:	Substantial	Substantial	
Sustainability:	Likely	Likely	
Bank Performance :	Satisfactory	Satisfactory	
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR:		Satisfactory	

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

- Joint Bank-GOC analytical work on training, health, and education issues helped establish a consensus that facilitated project progress
- Project focus on monitoring key outcomes permitted inclusion of a broader range of sectors than would otherwise have been possible

8. Assessment Recommended? O Yes No

9. Comments on Quality of ICR:

The ICR provides excellent detail on the outputs and outcomes associated with the project. The succinctness of the ICR and its focus on outcomes makes it more compelling.