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Conflict Prevention and Reconstruction Unit

Social Development Department

Dissemination Notes

Colombia: Development and Peace In the Magdalena Medio Region

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The Program for Development and Peace in Magdalena Medio, supported by a Bank Learning and Innovation Loan, promotes a community-based participatory approach to development and peace in one of the most conflictive regions of Colombia. With a heavy emphasis on the strengthening of social capital and productive sub-projects, the Project offers important lessons on development interventions in conflict-affected regions.

A Vision for Development and Peace

Situated in the heart of Colombia, Magdalena Medio is one of the poorest and most violent parts of the country. The region is not a single political-administrative unit but is composed of 29 municipalities located in 4 Departments. Although very diverse, these 29 municipalities share some common characteristics such as proximity to the Magdalena River, the important role of the oil industry and a high level of armed conflict and violence. In fact, Magdalena Medio is a microcosm of the actors and issues underlying Colombia's armed conflict involving guerrillas, right-wing paramilitaries, and the army battling for control while the civilian population struggles to survive. The region contains great natural and productive wealth, but access to these assets and the income they generate is highly unequal, with 70 percent of the population of 811,000 living below the poverty line.

The Program for Development and Peace in Magdalena Medio originated with a proposal of the Catholic Diocese of Barrancabermeja to the national oil company (ECOPETROL) to find solutions to the persistent poverty and increasing violence in the region. The proposal of the Church was made to the Human Rights Commission of ECOPETROL, made up of company management and the company's labor union, perhaps the most powerful and influential union in the country. This was significant because, despite considerable differences between the management and union of ECOPETROL, they took this as a joint initiative. The union has continued to be a member of the Program's Advisory Committee.

The Program's guiding principles are the need to involve and reflect the concerns of all the region's citizens, and the belief that poverty and violence are complex, interrelated problems which must be tackled simultaneously. The Program, initiated in 1995 with a diagnostic process, embodies a long-term vision for community-led, comprehensive

development of the region to increase living standards and reduce violence by forging links between communities, NGOs, the business sector, various levels of government and, as appropriate, the armed actors.

A Focus on Learning and Innovation

The Program's vision is ambitious and dynamic involving an interactive process across two dimensions: (i) while building the program from the bottom up, to work at all levels—community, municipality, sub-region and region—and link them with national policies and institutions; and (ii) to put national policies into practice in the municipalities and region, and/or help define national policies and programs through local and regional actions. A flexible, continuous learning approach and a phased program were required to translate vision into action.

The Government obtained a \$5 million Learning and Innovation Loan (LIL) from the World Bank and \$1.25 million from the national oil company to finance the Magdalena Medio Regional Development Project which started in the fall of 1998. The Project's key learning objective was to test and refine a participatory methodology and operational approach to: (i) develop the capacity of the Consortium for Development and Peace Magdalena Medio (CDPMM), a non-governmental organization (NGO), as a change agent and program manager; (ii) strengthen citizen networks to build social capital and manage the program; and (iii) provide technical support and funding to community organizations to develop and implement projects they identified.

The Bank considered the project important, because it was one of the first lending operations in a new area of Bank assistance to Colombia, peace and development, identified by the Government and civil society as the number one development priority during the dialogue with the Bank on the 1997 Country Assistance Strategy. The project fit within the Government's strategy of supporting regional

and local initiatives to build social capital and address the root causes of violence, while pursuing efforts at the national level to initiate peace negotiations with armed groups.

An NGO as a Change Catalyst

The role of CDPMM in designing, leading and managing the project was of critical importance to its success. The region's characteristics made it unlikely that a participatory, community-led program could be effectively managed by the Government: central government presence was weak; the armed conflict generated mistrust, fear and polarization; municipalities were weak and controlled by interest groups including armed actors; and the intermediate level of government had a record of low attention to the municipalities covered by the Program. A key lesson, highlighted by the Government upon completion of the Project, was that regional development and building conditions for peace can be led by a non-public entity using public funds, an arrangement which provides flexibility to manage resources effectively and more fluid communication with communities.

Another important feature worth noting is the faith element of the approach. The proposal came from the Church and the Program is led by a Jesuit priest with a team from *Pastoral Social*, the social program of the Church in the region. Thus, the values of the Program—respect for life, putting the poor first and collective action, among others—are in line with those of the Church and its teachings.

What accounted for this success? CDPMM was an independent entity with high credibility among stakeholders because its staff acted with high integrity, commitment, and professionalism. Other critical strengths were: effective communication of the principles of the Program; ability to mobilize support and gain recognition; ability to promote alliances and attract public and private entities to the previously neglected region; openness to learning, including self and external performance evaluations; and ability to manage conflict-related risks.

As the project evolved, CDPMM developed a clearer understanding of how to effectively act as an agent of change. It complemented the existing knowledge and experience of local communities and entities involved in project activities, improving decisions and outcomes, while simultaneously empowering those involved. During the Project, CDPMM consolidated its operating and administrative structure which had previously been located in Bogota and quite informal. In 2000, it adjusted this structure, and initiated a further decentralization in response to concerns of participants and its staff who called for a more integrated operating structure

closer to beneficiaries and with more differentiation in line with different conditions in the 8 sub-regions.

Promoting Change through a Participatory Approach Focused on Communities and Municipalities

The Program is based on community and individual participation in the region's development. The starting point is recognition of the capacity and 'initial state' of the citizens including existing organizations and previous experience. From this base, CDPMM initiates the learning and capacity building of community organizations so that they are able to take charge of their own development.

The citizens' network began as a voluntary association of citizens and organizations (referred to as a *nucleo*) in each municipality. The *nucleo* would develop and promote agreement among stakeholders on a municipal proposal setting forth the municipality's long-term development priorities, and activities and investments to start addressing these priorities. By the end of the project, 23 *nucleos* were operating and *nucleo* members were increasingly involved in municipal decisions. The *nucleos* and municipal planning authorities were brought together in a regional participatory planning system. In addition, 10 networks organized spontaneously around common interests such as community radios, youth and producer associations.

The participatory methodology and operational model tested in the project proved effective in creating a longer-term vision for the region, strengthening human and social capital, mobilizing resources and attention for the region, and starting a community-led process to improve basic services and investment. The most striking achievement was the increase in human and social capital—23 *nucleos* and 147 organizations involving 8,625 persons internalized the vision and goals of the program.

Learning by Doing Focused on Investment

Project funding for community initiatives generated immediate interest of citizen groups who were anxious to take steps to improve their situation. An important element of the methodology was the belief that for small projects in isolated communities to generate significant development impact, they must be linked strategically to municipal, sub-regional and regional development priorities. The *nucleo*, municipal proposal, and regional planning system provided these strategic links. During the project, CDPMM refined the approach toward more complex productive projects covering several municipalities. It saw these projects as having potentially greater impact on the region's economic and social development by bringing together organizations in

several municipalities thus reinforcing the process of creating and strengthening social capital in the region.

Community and producer organizations carried out 67 investment projects, and were actively involved in an ambitious health program. Sixty projects were for productive activities (20 for rural production including agro-industrial projects, 8 for marketing, 14 for urban production and 18 related to fishing and the environment), with the remainder in education, institutional development, and peace/conflict resolution. Initially, it was expected that the Project would support relatively small and simple investment projects, with a focus on the social sectors. When CDPMM decided to support the development of more complex agro-industrial projects which involved producers in more than one municipality, it did not initially recognize that the development of such projects required a somewhat different process and level of attention than the smaller projects. However, CDPMM learned that more complex productive projects such as palm oil, with higher technical requirements, investment costs and risks, required in-depth and complete feasibility studies prior to the investment phase. CDPMM also needed to establish clearer criteria for deciding which projects merit support in the feasibility stage, and for determining its role in supporting those projects at the investment stage.

By the end of the Project and after some trial and error, CDPMM had developed a format for providing technical assistance that ensured the organization developing the project was in charge of the process and owned the results. The organization identified the assistance required, participated in preparing the terms of reference, and was actively involved in all stages of the feasibility study. CDPMM helped identify providers with the appropriate capacity and willingness to work in this manner, and supported the process with its staff. A good example was the feasibility study for the improvement of cacao production and marketing which was carried out with producer organizations in 3 municipalities. CDPMM identified technical assistance providers with the right capacity, willingness to work collaboratively with the producer organizations and accompanied the process with its own staff. It learned to apply a similar process when it provided technical assistance directly.

In addition, CDPMM used several innovative methods and tools to support productive projects, including benchmarking and analysis of economic circuits. The benchmarking methodology compared the production processes among producers, with other sub-regions in Magdalena Medio, the rest of the country and, in some cases, internationally. This helped producers better understand the context for their project (production chains, competitiveness),

and the technical options, profitability, sustainability and competitiveness of alternative approaches. To identify productive opportunities in urban areas, analyses of economic circuits (economic transactions in a particular locality, backward and forward linkages of each economic activity, production costs and efficiency of each activity) were undertaken.

The first external evaluation noted a tension and lack of sufficient integration between efforts by CDPMM to promote the participatory process to articulate a long-term vision of development led by the *nucleos*, and the preparation of investment sub-projects by organizations and communities. Although this is likely to remain a continuing tension in a program of this type, CDPMM decided to modify its approach to combine in one structure, at the regional and sub-regional level, the functions of promoting participation/community development and the preparation of investment projects. In this way, these tensions will be recognized and addressed more directly.

The Project demonstrated that the community-led process of transforming ideas into investment projects is more time-consuming and difficult than expected. During the two and a half years of the project, most of the 60 productive initiatives never fully entered the investment phase, because of the time required for the potential beneficiaries' learning process and the increasing complexity of the projects themselves. Although the process proved lengthier than originally envisaged, by the end of the Project CDPMM considered that 76 percent of the 67 projects (94 percent of the funding) either had good prospects or should be considered for continued funding if certain conditions were met.

Although it was clear that the Project was effective in building a basis to improve incomes and living conditions in a difficult environment,¹ the original idea that it would be possible to move directly from the first LIL to a full 10-year investment program (with funding from a traditional Bank loan) proved overly optimistic and ambitious. It should be noted, however, that this was also due to the evolution of the armed conflict which has increased the complexity and risks of scaling up the program.

¹ In December 2001, the Program received Colombia's National Peace Prize. The Prize seeks to promote peace, humanitarian values, solidarity and understanding among Colombians. It is awarded by a jury of civil society representatives to an individual(s) or entity(ies) who have contributed to the establishment of development processes for local or regional peace leading to a solution to armed conflict. A year earlier, the French Government awarded the Program a Human Rights Prize for its work with communities in the main city covered by the Program (www.Fescol.org.co).

Monitoring and Evaluation

Early on it was recognized that a good monitoring, evaluation and learning system would be critical for such a program, especially given the need for continuous learning and community empowerment, as well as the uncertain project environment caused by the conflict. However, it proved more challenging and time consuming than expected to implement the system due to tensions between the technical aspects (quarterly reporting, development of baselines, questionnaire design, etc) and the pedagogical aspects of the system aiming to promote participatory monitoring and evaluation by communities. Lessons learned along the way include the need to ensure that the system is the responsibility of the entire organization, that it is understood and endorsed by staff in the organization, and that, from the start, the monitoring, evaluation and learning system is an integral part of the participatory methodology for developing the municipal proposals and investment project initiatives.

Two external evaluations of the Project were carried out by a reputable Colombian university research center. Although most of the findings built on or validated observations and findings of CDPMM's monitoring and evaluation unit and its staff, the external evaluations were very useful, especially because of the considerable strain on staff due to their heavy work load and the stress from operating in a violent and dangerous environment. The external evaluations provided a more objective and detached perspective; offered a structured moment and space for the CDPMM team, communities and donors to reflect and assess progress; and provided donors and the Government with an independent evaluation of progress and achievements.

Conclusions

The Project demonstrated the need for flexibility, continuous learning and close monitoring and analysis of the socio-political situation when promoting a participatory approach in such an environment. Substantial variation in the rate of implementation and development can be expected based on the different conditions in various parts of the region. Increasing the capacity of individuals and communities to take charge of their own development takes time, particularly for productive investment projects.

The Project contributed to the Government's strategic approach to development in conflictive regions including the concept of delegating implementation to a respected third party. The CDPMM has provided technical support to other entities who have initiated similar development programs in 9 other regions. The achievements

under the project also enhanced Colombia's image and its ability to raise funds to support the peace process. The key entities supporting the project—National Planning Department, oil company, UNDP and the Bank—learned to work together in partnership which resulted in a high degree of commitment and ownership of the project.

The Government, oil company and Bank agreed to continue support to the Program through a follow-up project approved in September 2001 (a second LIL and oil company funding totaling \$6.25 million), to be complemented by a \$14.0 million three-year European Union project approved in early 2002. The Second Magdalena Medio Regional Development Project responds to new learning challenges focusing on sustainability and mitigating risks by shifting the locus of decision making and leadership from CDPMM to local and regional institutions with communities continuing to play the lead role.

The Program is a long-term development effort which has demonstrated a high degree of commitment and ownership. Although, it cannot be expected to eliminate the armed conflict in the Magdalena Medio region, the Program and the first Project created conditions to facilitate a dialogue among contending parties, set in motion a process to help mitigate many of the underlying social and economic causes of conflict, and may provide a foundation for effective development interventions in an eventual post-conflict and reconstruction phase.

In terms of broader applicability, the operational model is not a cookie-cutter approach that can simply be copied elsewhere. There are a number of critical ingredients in the way the project and larger program are carried out, especially the commitment and dedication of CDPMM's staff, which are not easy to reproduce. Nonetheless, the Magdalena Medio approach offers useful lessons which, with appropriate adaptations, are likely to be relevant in other conflict settings.

CPR Unit

This Dissemination Note was prepared by Jairo Arboleda (LCCCO) and Elsie Garfield (LCSEER) and edited by the Conflict Prevention and Reconstruction (CPR) Unit. This note series is intended to disseminate good practice and key findings on conflict prevention and reconstruction. The series is edited by the CPR Unit in the Social Development Department of the Environmentally and Socially Sustainable Development Network of the World Bank. The views expressed in these notes are those of the authors and do not necessarily reflect the views of the World Bank Group, its Executive Directors, or the countries they represent. CPR Dissemination Notes are distributed widely to Bank staff and are also available on the CPR website (<http://www.worldbank.org/conflict>)