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INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Eighty-eighth Session
Rome, 13-14 September 2006

REPORT AND RECOMMENDATION OF THE PRESIDENT

TO THE EXECUTIVE BOARD ON A PROPOSED LOAN TO THE

REPUBLIC OF COLOMBIA

FOR THE

**RURAL MICROENTERPRISE ASSETS PROGRAMME:
CAPITALIZATION, TECHNICAL ASSISTANCE AND INVESTMENT SUPPORT**

For: Approval

Note to Executive Board Directors

This document is submitted for approval by the Executive Board.

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CURRENCY EQUIVALENTS

Currency unit	=	Colombian peso (Col\$)
US\$1.00	=	Col\$2,548.20
Col\$1.00	=	US\$0.00039

WEIGHTS AND MEASURES

1 kilogram (kg)	=	2.204 pounds (lb)
1 000 kg	=	1 metric tonne (t)
1 kilometre (km)	=	0.62 miles (mi)
1 metre (m)	=	1.09 yards (yd)
1 square metre (m ²)	=	10.76 square feet (ft ²)
1 acre (ac)	=	0.405 hectare (ha)
1 ha	=	2.47 ac

ABBREVIATIONS AND ACRONYMS

MADR	Ministry of Agriculture and Rural Development
M&E	monitoring and evaluation
NMU	national management unit
PADEMER	Rural Microenterprise Development Programme (IFAD programme currently under way in Colombia)

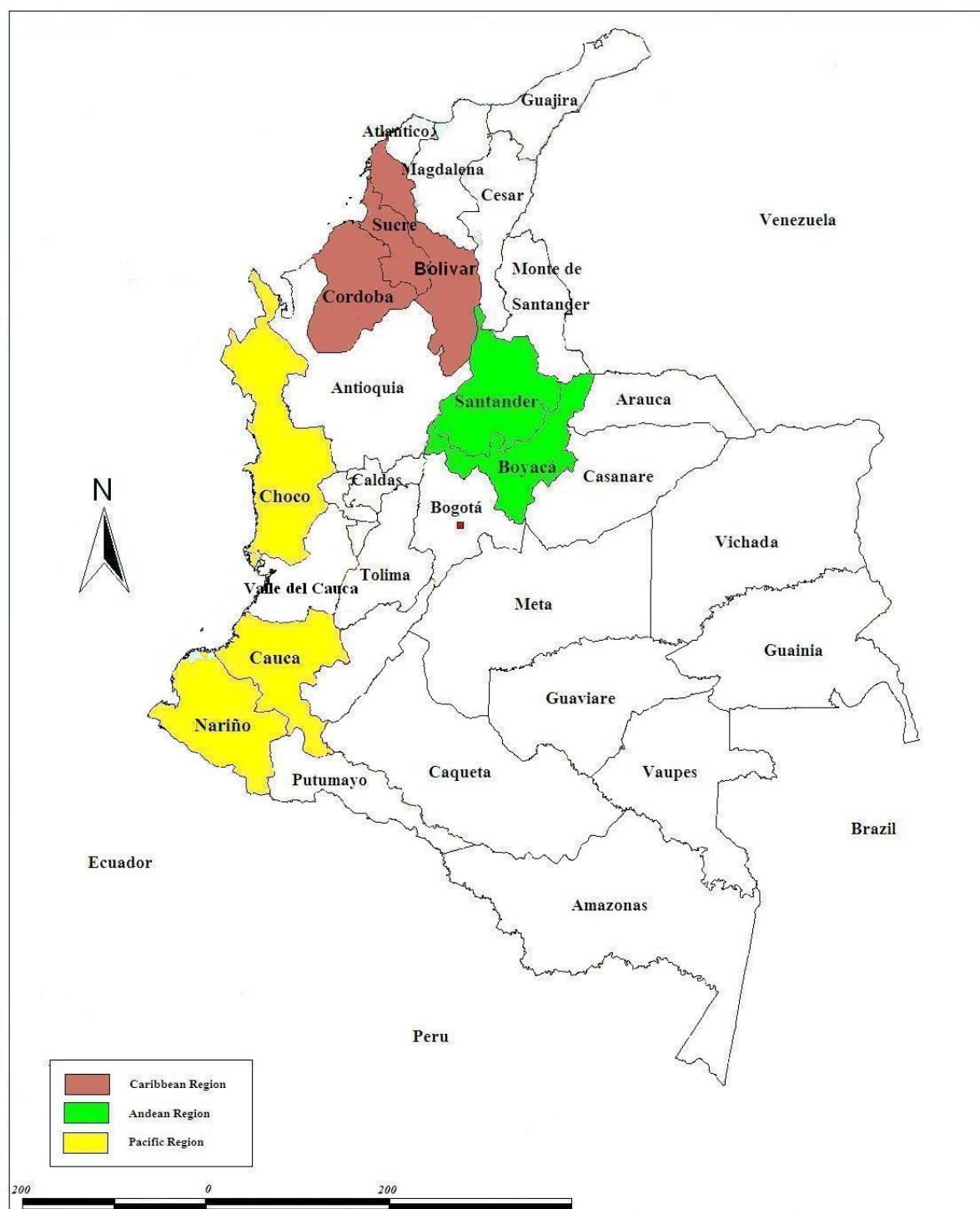
GOVERNMENT OF THE REPUBLIC OF COLOMBIA
Fiscal Year

1 January – 31 December

RECOMMENDATION FOR APPROVAL

The Executive Board is invited to approve the recommendation for the proposed loan to the Republic of Colombia for the Rural Microenterprise Assets Programme: Capitalization, Technical Assistance and Investment Support, as contained in paragraph 46.

MAP OF THE PROGRAMME AREA
Colombia



Source: IFAD

The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

REPUBLIC OF COLOMBIA

**RURAL MICROENTERPRISE ASSETS PROGRAMME:
CAPITALIZATION, TECHNICAL ASSISTANCE AND INVESTMENT SUPPORT**

LOAN SUMMARY

INITIATING INSTITUTION:	IFAD
BORROWER:	Republic of Colombia
EXECUTING AGENCY:	Ministry of Agriculture and Rural Development
TOTAL PROGRAMME COST:	US\$32.1 million
AMOUNT OF IFAD LOAN:	SDR 13.45 million (equivalent to approximately US\$20 million)
TERMS OF IFAD LOAN:	20 years, including a grace period of five years, with an interest rate of one half of the reference interest rate per annum, as determined by the Fund annually
COFINANCIERS:	None
CONTRIBUTION OF BORROWER:	US\$10 million
CONTRIBUTION OF BENEFICIARIES:	US\$2.1 million
APPRAISING INSTITUTION:	IFAD
COOPERATING INSTITUTION:	Andean Development Corporation ^a

^a During negotiations it was agreed that provisionally the Andean Development Corporation will be the cooperating institution. The Government will formally request IFAD to directly supervise the programme.

PROGRAMME BRIEF

Who are the poor? The programme will be implemented initially in small settlements in rural Colombia, specifically in the Departments of Bolívar, Córdoba and Sucre in the Caribbean Region and in the Departments of Boyacá and Santander in the Andean Region; it will later be extended to progressively include other poor municipalities in the Pacific Region (Departments of Cauca, Chocó and Nariño) and the remainder of the country, covering 714 municipalities. The programme will directly target – as individuals and as groups – rural, poor small-scale producers, peasants, microentrepreneurs and craftworkers who have scant access to resources but dynamic social, economic and cultural potential. The programme will attach high priority to women and youth and will reach 15% of rural households with unmet basic needs (32,000 households). There will be 128,000 direct beneficiaries, equally distributed among adults (males and females). The programme beneficiaries include 20,000 Afro-Colombians and 2,500 members of indigenous groups.

Why are they poor? Poverty in the programme area stems mainly from unequal access to various types of assets (human, social, financial, productive, physical and natural), which translates into a high level of generational transmission of poverty, affecting women and youth especially, with high rates of rural illiteracy, high dependency on wages, unskilled labour, higher unemployment than in the cities and more limited access to social services. Most programme area residents are direct victims of the violence that has afflicted the country for the past 40 years. In rural areas, women and youth (the programme's main target group), together with the indigenous and Afro-Colombian population, represent the most underprivileged social groups, with very limited access to and control over assets and resources. Consequently, these social groups are the ones most affected by poverty and insecurity.

What will the programme do for them? The programme aims to create, develop and increase the assets of the rural poor. It is a pilot initiative designed at the request of the Government to test new tools and mechanisms to benefit the rural poor. There are three components: (i) investment and asset enhancement of rural microenterprises; (ii) capacity-building and information for stakeholder linkages; and (iii) knowledge management and programme administration. The programme's main goal is to expand the access of poor women, youth and peasants to financial resources, technical assistance, knowledge, information and governance structures essential to the development of their rural microenterprises and markets. The tangible and intangible assets of the rural poor provide the starting point for a gradual process to overcome poverty and at the same time strengthen the social fabric and rebuild citizens' trust in the state.

How will beneficiaries participate in the programme? The programme's innovative approach is based on full participation by beneficiaries in: (i) defining their livelihood strategies and income opportunities; (ii) identifying their technical and microfinance service needs; (iii) creating local committees for allocating programme resources; (iv) signing agreements with the programme to manage financial resources without intermediation, and being accountable for those resources; (v) cofinancing their initiatives in an effective and progressive way; (vi) contributing to policy dialogue through the systematization and dissemination of their own knowledge and experiences; (vii) strengthening their organizations; and (viii) monitoring and evaluating the programme.

The underlying philosophy of the programme extends beyond the scope of a participatory project by aiming to empower the rural poor through their direct management of programme resources. By targeting rural women and youth, the programme will actively seek to ensure equity and create ownership of the programme.

**REPORT AND RECOMMENDATION OF THE PRESIDENT OF IFAD
TO THE EXECUTIVE BOARD ON A PROPOSED LOAN TO THE
REPUBLIC OF COLOMBIA
FOR THE
RURAL MICROENTERPRISE ASSETS PROGRAMME:
CAPITALIZATION, TECHNICAL ASSISTANCE AND INVESTMENT SUPPORT**

I submit the following report and recommendation on a proposed loan to the Republic of Colombia for SDR 13.45 million (equivalent to approximately US\$20 million) on intermediate terms to help finance the Rural Microenterprise Assets Programme: Capitalization, Technical Assistance and Investment Support. The loan will have a term of 20 years, including a grace period of five years, with an interest rate of one half of the reference interest rate per annum as determined by the Fund annually. It will be administered by the Andean Development Corporation as IFAD's cooperating institution.¹

PART I – THE ECONOMY, SECTORAL CONTEXT AND IFAD STRATEGY²

A. The Economy and Agricultural Sector

1. **Economic background.** Colombia is classified as a low- to middle-income country whose gross domestic product (GDP) per capita shrank from US\$2,411 in 1998 to US\$1,810 in 2003. The Colombian economy grew strongly until the mid-nineties. The economic policies and institutional reforms adopted in 1990 – such as liberalization, privatization, monetary reform and reform of the state – had adverse effects on several economic and social sectors. Among such effects are very high unemployment rates (particularly in rural areas), economic concentration, and a financial and banking crisis. Colombia will require sustained economic growth of 4% through 2010 to reduce poverty to the levels recorded in 1995.

2. **The agricultural and rural sector.** During the 1970s and 1980s, the agricultural sector turned in a relatively satisfactory performance, with average growth of 4.5% and 2.7% respectively. That situation was overturned in the last decade (1990-2000), with negative average annual growth in agricultural GDP (minus 2.6%), owing mainly to the following factors: (i) high production costs; (ii) overly abrupt elimination of protectionist policies; (iii) insecurity and violence caused by an escalation in the armed conflict; and (iv) a severe drop in world prices for Colombia's export products. Some recovery has been witnessed in the agricultural sector since 2001, although new elements have to be taken into account, such as the signature of the Free Trade Agreement with the United States of America and its impact on the agricultural and rural sector, especially rural small-scale producers. Measures to reduce possible negative impacts need to be put in place in order to improve the competitiveness of rural enterprises and microenterprises.

3. **Rural poverty.** Poverty affects a large part of the Colombian population. Between 2002 and 2005, the national poverty and extreme poverty rates declined by close to 8 and 6 percentage points, respectively. In rural areas, poverty and extreme poverty showed a very slow decrease, and significant

¹ During negotiations it was agreed that provisionally the Andean Development Corporation will be the cooperating institution. The Government will formally request IFAD to directly supervise the programme.

² See Appendix I for additional information.

differences in the level of unmet basic needs persist across these areas. Since 2003, however, an upwards trend is observable, with 67% of the rural population living in poverty in 2004 and 68% in 2005. Extreme poverty remained unchanged in 2004 and 2005, affecting about 28% of the rural population.

4. The changes seen in recent years at the national level are indicative of some improvement, but serious problems persist in rural areas. The human development index for 2005³ places Colombia in 69th place, ranking it as a mid-range human development country and four points better than the previous year but five below its 2003 rank. Although the outlook for Colombia is positive under a broader view, human development for Colombians is lagging because of violence and serious social and economic inequalities.

5. **Gender and rural women.** Women account for 52% of Colombia's overall population, and 48% of the rural population. At the national level, the gender development index rose from 0.65 in 1985 to 0.78 in 2003. The gender empowerment index rose between 1997 and 2003 from 0.49 to 0.50. Despite this progress, marked inequalities persist, especially for rural women, notably: (i) women head 24% of all rural households; 57% of them have no land and 61% live below the poverty line; (ii) poverty affects more woman-headed households (56%) than households headed by men (52%); (iii) schooling among rural women aged 15 or more averages 4.1 years, compared with 8.7 years in urban areas; (iv) the rate of teenage pregnancy increased from 17% in 1995 to 19% in 2000; (v) domestic violence rates are high (of the 173 episodes per day in 1999, 81% of victims were women and children); (vi) unemployment among women reached 19% in 2000, four times higher than for men, and unemployment among young women topped 40%; (vii) earned income for rural women averages just 22% of the figure for men; and (viii) women's productive activities are more diversified than men's; they work in agriculture (30%), rural industries (13%), services (25%) and marketing (32%). Women's access to resources, however, is limited. Of the total disbursements by the Agrarian Bank between 1999 and 2000, 84% were for men and just 16% for women. Titles to vacant property were assigned more to men (44%) than to women (28%). Only 17% of rural women receive technical training, compared with 68% of men.

B. Lessons Learned from Previous IFAD Experience

6. IFAD has financed two operations in Colombia: (i) the Rural Development Project Arauca II, implemented from 1982 to 1989; and (ii) the Rural Microenterprise Development Programme, known by its acronym PADEMER, currently under implementation (1997-2007).

7. **Lessons learned.** The proposed programme has incorporated several relevant lessons arising from operations in Colombia, projects implemented in Peru and other IFAD-funded initiatives in the region over the past two decades. As a result, the following features have been incorporated into the proposed programme design:

A demand-driven approach with direct allocation of financial resources to programme beneficiaries, individually or collectively (to organized groups). A strategic element is the linkage between demand and the direct allocation of public funds to enable citizens to implement their own initiatives, contract the required technical services and develop their microenterprises.

Direct support to diversified and evolving livelihood strategies, using a resource-transfer methodology in order to improve the rural poor's access to assets and services, which is vital for the development of their markets and initiatives.

³ United Nations Development Programme (UNDP) human development index 2005.

Financing the undertakings of the rural poor. The poor need diversified financial services that facilitate the management of their own resources and risks. It is crucial that the poor be guaranteed permanent access to such services at the lowest possible transaction costs, which will entail strengthening financial markets. The programme will develop innovative financial services, stimulate money-saving services and life insurance schemes, and strengthen saving and credit cooperatives, and other financial intermediaries.

C. IFAD's Strategy for Collaboration with Colombia

8. **IFAD's strategy.** The programme is consistent with the IFAD regional strategy (2002)⁴ and the major strategic thrusts of the 2003 country strategic opportunities paper for Colombia: (i) development of markets for rural financial services; (ii) development of markets for specialized non-financial services; (iii) development of income-generating rural microenterprises; (iv) support for initiatives aimed at sustainable management of natural resources and land; and (v) development of social and economic corridors. It is also consistent with national poverty reduction strategies designed to eliminate gender inequality, achieve empowerment and social capital development, and ensure the supply of effective and innovative rural technical assistance and financial services, including access to savings mechanisms.

9. **Government policy.** The National Development Plan "Towards a Communitarian State 2002-2006" is built around the concept – central also to the programme – of a "communitarian state". This envisages the state at the service of the population, with citizens playing a fundamental role in defining, carrying out and monitoring public activities. Decentralization is the cornerstone of the community-based state, in recognition to the capabilities of regional entities and local actors. Within the National Development Plan, the strategy for "Social Management of Rural Colombia" offers a favourable scenario for IFAD interventions, particularly with regard to the following objectives: (i) providing incentives for agricultural and non-agricultural businesses; (ii) stimulating integration and synergy between rural areas and urban centres; (iii) consolidating rural grass-roots organizations and social capital; (iv) consolidating a productive and competitive rural sector, able to successfully access national and international markets and generate benefits for rural population; and (v) supporting the efficient functioning of financial markets for the rural population.

10. **International cooperation strategy of the Government.** In 2004, the Government presented its International Cooperation Strategy⁵ within the framework of the National Development Plan 2002-2006. Six priority areas were identified: (i) forestry, (ii) reincorporation into civilian life, (iii) productive and alternative development, (iv) strengthening of the social state of law and human rights, (v) regional peace and development programmes, and (vi) forced displacement and humanitarian assistance. The programme will work in the area of **regional peace and development programmes** in support of rural microentrepreneurial activities, focusing on women and young people and on citizen participation and recruitment prevention. In the area of **productive and alternative development**, IFAD will support microenterprises, promoting on- and off-farm activities, including services and product processing.

11. **Poverty eradication activities and related government programmes.** Poverty reduction is one of the main priorities in the Government's development plans. Under the National Development Plan 2002-2006 and with support from the Inter-American Development Bank, the Government is preparing a poverty reduction strategy to help the country achieve the Millennium Development Goals. The Agency for Social Action and International Cooperation (created in 2005 under the Office

⁴ IFAD Strategy for Poverty Reduction in Latin America and the Caribbean. Latin America and the Caribbean Division. Rome, March 2002.

⁵ International Cooperation Strategy. Office of the President of the Republic, Colombian International Cooperation Agency, Ministry of Foreign Affairs, 2004.

of the President of the Republic) coordinates poverty initiatives with national entities and the donor community. Most national poverty reduction programmes and projects are cofinanced by donors, such as the Inter-American Development Bank, the World Bank, the European Union, the Andean Development Corporation and the United Nations system. The bulk of investments goes to areas where the conflict has been especially intense. A significant group of bilateral donors (Canada, France, Germany, Japan, Spain, Sweden and the United Kingdom of Great Britain and Northern Ireland) support the country's peace efforts. In the rural sector, the Ministry of Agriculture and Rural Development is also actively engaged in the struggle against poverty.

12. **Programme rationale.** The lessons learned from the PADEMÉR programme, fieldwork and consultations with stakeholders show that the rural poor in Colombia have a set of tangible and intangible assets with great potential. The market value of these assets provides the foundation to initiate a gradual process of overcoming poverty, strengthening the social fabric and rebuilding citizens' trust in the state.

13. The rationale for the proposed programme is based on that potential and builds on IFAD's experience in the region, the lessons learned with the ongoing PADEMÉR programme, and the strategies implemented by the Government to reduce rural poverty. These aspects lie at the core of the programme design and comprise the following strategic axes: (i) articulation with public policies related to the Free Trade Agreement with the United States of America; (ii) livelihood strategies of the rural poor based on diversification of activities, with the programme working to develop opportunities for rural microentrepreneurs and increase the rural poor's assets base; (iii) local development with identity, based on a market approach and building the management skills of local and regional talent; (iv) a resource-transfer methodology that is based locally and organized regionally; (v) development of innovative pro-poor solutions, systematizing and sharing lessons learned and thus impacting policy design and fostering dialogue; (vi) a demand-driven approach with direct allocation of financial resources to beneficiaries, either individually or collectively in organized groups; (vii) resource mobilization and cofinancing by the beneficiaries themselves; (viii) urban-rural linkages and promotion of productive and/or commercial linkages; and (ix) gender equity, ethnicity and generational issues.

PART II – THE PROGRAMME

A. Programme Area and Target Group

14. **Programme area.** This nationwide programme will be executed in small units in rural areas. Priority will be given to departments and municipalities with a high density of poor families (including those affected by violence and displacement), starting with the Departments of Bolívar, Córdoba and Sucre in the Caribbean Region and the Departments of Boyacá and Santander in the Andean Region. The programme will expand progressively to the Departments of Cauca, Chocó and Nariño in the Pacific Region and then the remaining departments of the country. It will thus be implemented in 714 municipalities characterized by: (i) geographical and agro-ecological diversity; (ii) population density; (iii) cultural and socio-economic potential; (iv) rural-urban linkages; (v) presence of organizations of the rural poor, which are key to the social fabric; and (vi) presence of public and private institutions that can generate areas of synergy.

15. **Targeting mechanisms and target group.** The programme design is based on: (i) IFAD's targeting approaches; (ii) selection of municipalities with the highest density of poor families; (iii) eligibility criteria applied by the Government in selecting beneficiaries for social programmes; (iv) participation of potential beneficiaries in defining priorities with a gender perspective; and (v) annual assessments of the conflict situation in order to prioritize conflict-prevention and post-conflict zones.

16. As a result, comparatively poorer rural areas and target groups have been selected for the programme. The target group is composed of small-scale producers, peasants, microentrepreneurs and craftworkers who have scant access to resources but dynamic social, economic and cultural potential. Under a clearly proactive approach, the programme will focus on women and young people, based on a diagnostic assessment showing these groups to be among the country's most vulnerable but, at the same time, most dynamic sectors with asset potential. The programme explicitly includes indigenous and Afro-Colombian people living in the programme area.

17. It has been estimated that the programme will directly benefit 128,000 individuals with unmet basic needs, equally divided among females and males. Among the direct beneficiaries are included 20,000 Afro-Colombians and 2,500 members of indigenous groups. Programme beneficiaries are included in levels 1 and 2, of the System for Beneficiary Selection (SISBEN), a Colombian mechanism to target poor households.

B. Objectives and Scope

18. **Objectives and scope.** The programme's development objective is to increase the social, human, financial, physical and natural assets of small-scale entrepreneurs, especially women and young people, in rural poor areas of Colombia.

19. The specific objective is to increase the rural poor's access – through their microenterprise initiatives – to financial resources, technical assistance, knowledge, information and governance structures (local, regional and national) essential to the development of their microenterprises and markets. This will open the way for the simultaneous engagement and participation in policy dialogue and formulation of public policies related to economic integration and its impact on the rural poor.

C. Components

20. The programme will support the best initiatives put forward by the target groups through the following components:

21. **Component 1: Investment and asset enhancement of rural microenterprises.** This component has two subcomponents: (i) rural financial services, and (ii) rural technical services. Under the first subcomponent, the programme will expand rural microcredit access opportunities by facilitating access to savings services and collective life insurance schemes, providing training to financial intermediaries and operators and developing innovations in rural microfinance services. The second subcomponent will cofinance the preparation of profiles, business plans and entrepreneurial programmes, thus expanding market access opportunities.

22. **Component 2: Capacity-building and information for stakeholder linkages.** This component will cofinance activities aimed at improving the capacity of beneficiaries to manage programme strategies and operational modalities for using the financial and non-financial resources made available to them under the programme and increasing the competencies of local and regional service providers. The programme will also finance the creation of an information system for market development.

23. **Component 3: Knowledge management and programme administration.** This component lies at the core of the programme as, through it, knowledge and experiences will be identified and studied, and later systematized and widely disseminated. Activities foreseen will facilitate dialogue between local actors and different levels of government with the purpose of influencing, from the bottom up, policies and innovative public investment oriented towards overcoming poverty and inequality among the rural population. This component will be fed into by inputs generated by the other two components. Main activities include: (i) systematizing and tapping local entrepreneurship

knowledge and experiences as the basis for local development; (ii) generating and promoting public policies and instruments opening up democratic dialogues to further pro-poor policies and instruments; and (iii) programme management in a decentralized manner aimed at learning and testing innovative approaches. The programme will, at the same time, further innovations in terms of monitoring and evaluation, ensuring that the process involves the state and citizenry. Indicators to measure the increased value of assets will be determined to assess the impact of public investments and extract lessons that may influence public policy formulation.

D. Costs and Financing

24. The total programme cost is estimated at US\$32.1 million (including contingencies). Component 1 accounts for US\$23.8 million (78% of the base cost); component 2 for US\$2.1 million (7%); and component 3 for US\$4.8 million (15%). Contingencies are estimated in US\$1.4 million.

25. The programme provides for the direct transfer of financial resources to beneficiaries as a core strategy to empower the poor and support their microentrepreneurial initiatives. It is worth noting that, in the context of this strategy, a number of key features regarding cash transfers to cofinance community procurement of technical services are included, such as: (i) direct transfer to community organizations, involving approximately US\$16 million from the proceeds of the IFAD loan, equivalent to around 50% of total programme cost (including contingencies) and 80% of the IFAD loan; and (ii) a large cash matching contribution from beneficiaries, estimated at US\$2 million. Agreements will be negotiated and managed by beneficiary organizations with service providers selected by the communities themselves.

26. The Government will provide counterpart funding for an amount of approximately US\$10 million (or 31% of total cost), including US\$3.1 million for duties and taxes. Overall, beneficiaries will finance around US\$2.1 million (7%), while IFAD will provide a US\$20 million loan (62%), expected to be disbursed fully after more or less six years.

TABLE 1: SUMMARY OF PROGRAMME COSTS^a
(US\$'000)

Component	Local	Foreign	Total	% of Foreign Exchange	% of Base Costs
1. Investment and asset enhancement of rural microenterprises					
Rural financial services	4 771	-	4 771	-	16
Rural technical services	19 055	-	19 055	-	62
Subtotal	23 826	-	23 826	-	78
2. Capacity-building and information for stakeholder linkages	2 065	-	2065	-	7
3. Knowledge management and programme administration					
Knowledge management	981	-	981	-	3
Programme administration	3 646	147	3 793	4	12
Subtotal	4 627	147	4 774	3	15
Total base costs	30 518	147	30 665	-	100
Physical contingencies	-	-	-	-	-
Price contingencies	1 410	-	1 410	-	5
Total programme costs	31 928	147	32 075	-	105

^a Discrepancies in totals are due to rounding.

TABLE 2: FINANCING PLAN^a
(US\$'000)

Component	IFAD		Beneficiaries		Government		Total		Foreign Exchange	Local (Excl. Taxes)	Duties and Taxes
	Amt.	%	Amt.	%	Amt.	%	Amt.	%			
1. Investment and asset enhancement of rural microenterprises											
Rural financial services	1 281	26.1	108	2.2	2 255	56.7	4 912	15.3	-	4 912	-
Rural technical services	15 934	79.7	1 981	9.9	268	26.1	19 985	62.3	-	17 976	2 009
Subtotal	17 215	69.1	2 089	8.4	2 524	50.4	24 897	77.6	-	22 888	2 009
2. Capacity-building and information for stakeholder linkages	300	13.8	-	-	3 523	71.7	2 170	6.8	-	1 854	317
3. Knowledge management and programme administration											
Knowledge management	763	74.0	-	-	2 070	10.4	1 032	3.2	-	906	125
Programme administration	1 721	43.3	-	-	5 593	22.5	3 976	12.4	147	3 193	636
Subtotal	2 484	49.6	-	-	1 870	86.2	5 008	15.6	147	4 099	-
Total programme costs	20 000	62.4	2089	6.5	9 986	31.1	32 075	100.0	147	28 841	3 087

^a Discrepancies in totals are due to rounding.

E. Procurement, Disbursement, Accounts and Audits

27. **Procurement.** Procurement will be carried out in accordance with the IFAD procurement guidelines. The following methods may be used to select consultancy service providers: (i) quality- and cost-based selection; (ii) cost-based selection; (iii) consultant qualifications; (iv) least-cost selection; (v) selection under fixed budget; (vi) single-source selection. Individual consultants will be selected on the basis of their qualifications for the assignment. Short lists for consultancy services contracts estimated at less than US\$250,000 may consist solely of national consultants. The procurement plan will specify the methods to be applied for the procurement of goods and consulting services. The procurement plan for the first 18 months of implementation will be agreed upon before loan effectiveness and will be updated upon the establishment of the national management unit; it will be approved by IFAD as part of the first annual workplan and budget before the first withdrawal from the loan account.

28. **Disbursements.** The Government will open a special account in United States dollars at the Central Bank of Colombia. This account will be operated by the Ministry of Agriculture and Rural Development. Upon loan effectiveness and at the request of the borrower, IFAD will advance up to US\$1.25 million into the special account, which will be replenished in accordance with IFAD procedures. The Government will make budgetary allocations in respect of counterpart funds required for each fiscal year in accordance with annual workplans and budgets and will make them available to programme parties upon instructions of the Ministry of Agriculture. The programme operations manual will specify the procedures to transfer funds to implementing parties.

29. **Accounts and audits.** Programme accounts will be kept in accordance with international accounting standards. A financial statement audit will be carried out each year by Colombia's supreme audit institution or a private firm acceptable to IFAD. Audit reports will be submitted to IFAD not later than six months after the end of each fiscal year audited.

F. Organization and Management

30. **Programme management.** The programme will be implemented by the Ministry of Agriculture and Rural Development (MADR) through the Department of Rural Development, which will establish a national management unit (NMU) in the capital city of Bogotá. The NMU will be responsible for managing programme operations, administration and finances. It will operate with sufficient autonomy in order to: (i) ensure the direct transfer of funds to beneficiaries through banking mechanisms, without institutional intermediation, in accordance with the agreements entered into by the NMU and beneficiary organizations; (ii) manage loan and activities within the programme implementation structure, in accordance with the programme's implementation manual and annual workplans and budgets; and (iii) contract services and oversee decentralized programme implementation. The NMU will be staffed by seven professionals and administrative support staff recruited through an open and competitive process on the basis of an assessment of qualifications and experience relative to the job description for each post.

31. The institutional arrangements for programme execution will be those that permit an effective delegation and decentralization of the programme management decisions through the establishment of qualified committees. Proposals will be first evaluated at the local level (municipalities) and then at the regional level. The local evaluation committees, mainly composed of beneficiaries' representatives, will be responsible for the selection, prioritization and verification, in the field, of the proposals to be financed by the programme. The regional resource allocation committees will evaluate and select the best proposals emphasizing market feasibility and capacity to generate incremental assets for the beneficiaries. The regional resource allocation committees will be made up of five beneficiaries' representatives, one regional private entrepreneur, two MADR officials, and one NGO representative. Thematic specialists will also be invited to participate in the selection process.

32. A programme steering committee will be responsible for the political and strategic aspects of the programme. This committee will be made up of representatives of MADR, the National Planning Department, and beneficiaries' microenterprise associations. Upon invitation, IFAD and the cooperating institution may participate in the steering committee as observers.

33. **Beneficiary participation and gender balance.** The rural poor families and their microentrepreneurial initiatives will be the direct beneficiaries of the programme through their productive associations. Grass-roots microentrepreneurial organizations composed of women, peasants, small farmers, indigenous people, Afro-Colombians, craftworkers, local cultural groups, and migrant associations will have access to financial resources through competitions or other specific incentives. They will thus then be able to hire the necessary technical assistance services. Programme resources will be transferred to them without intermediation. On the basis of the diagnostic study by gender and age-group carried out in the priority areas, programme activities will focus on women and youth, and a positive discriminatory approach will be used in the three components.⁶

34. **Monitoring, evaluation and learning.** The programme's monitoring and evaluation (M&E) features reflect IFAD guidelines and the lessons learned from the PADEMER programme and other projects and programmes in the region. The accumulated experience gained through the Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of IFAD's Rural Poverty-Alleviation Projects in Latin America and the Caribbean (PREVAL) – Phase III has also been relevant. In addition, consideration was given to the Government's interest in having, in the future, detailed information on the assets and strategies of the rural poor and on the impact of public investment in rural areas. Accordingly, the guiding M&E principles will be: (i) establishment of a simple, manageable system geared towards generating relevant information on the programme's impact on the building and sustainability of the assets of the rural poor; (ii) local stakeholder ownership of system processes, instruments and products; (iii) design of different M&E products for various target audiences; (iv) transparency in the use of information and its public dissemination; and (v) establishment of local evaluation committees.

G. Economic Justification

35. **Beneficiaries.** Direct programme beneficiaries will total 32,000 families with unmet basic needs living in the rural areas of prioritized municipalities in the Caribbean and the Andean Regions. The programme will progressively include other poor municipalities in the country. The final selection combines criteria of high rural poverty with key opportunities to mobilize poor families and their associations. The programme will help build human, social, financial, physical and natural assets for 128,000 direct beneficiaries (males and females), who are poor, small-scale agricultural producers and microentrepreneurs. To attain benefits in terms of accumulated and/or high-value assets, the programme will broaden the access of the rural poor – mainly among women and young people – to financial resources, technical assistance, organizational capacity, knowledge and information crucial to development of markets, businesses and other undertakings of their choice.

36. **Case study findings.** A financial and economic analysis of 14 case studies showed the following results under the programme scenario: (i) an increase in assets from US\$2,818 to US\$3,997 on average, or an increase of 41% over five years; (ii) an increase in the net income per respondent of 55% over five years, i.e. a rise from the pre-programme average of US\$891 to US\$1,376 afterwards; and (iii) the financial internal rate of return of investments will average 40% and the financial net present value will be positive. The economic models established that the programme should invest an average of US\$475 per beneficiary over five years. For the poorest respondents, the following observations will hold: (i) incremental income will increase by 40% to 50% in year 1 and then grow more slowly thereafter; (ii) labour-intensive activities yield a high financial internal rate of return; and

⁶ See Appendix VII.

(iii) assets will nearly double vis-à-vis the without-programme scenario. The programme design ensures that the poorest sectors will benefit more quickly and in greater proportion than the rest of the direct beneficiaries.

37. **Financial and economic analysis.** In a climate of economic, social and political stability, the programme will have a financial internal rate of return of 17.5% over the six-year implementation period. This calculation is based on the direct transfer of incentives through competitions, incremental income and savings incentives for direct beneficiaries. A discount factor of 12% was used. The economic net present value will be positive. Calculations run with a discount factor of 17% and 12% showed no change in the economic internal rate of return. With a discount factor of 7%, however, the economic net present value increases significantly. A discount factor of 17% yields a smaller change in the economic net present value.

H. Risks

38. This programme takes into account the critical situation faced by rural poor people living in the midst of armed conflict and the expressed desire of the Government to reduce this group's vulnerability to the consequences of such conflict. Although the programme was formulated and internally reviewed prior to the adoption of the IFAD Policy on Crisis Prevention and Recovery, its objectives clearly reflect concerns addressed by the policy, and the programme proposes appropriate measures to increase the resilience of rural communities to crisis situations.

39. Programme implementation will face a number of risks associated with the conflict prevailing in Colombia. In order to mitigate these risks, an annual assessment of the violence situation will be carried out, prioritizing zones of conflict prevention and of post-conflict. Implementation of the programme will incorporate lessons from the PADEMÉR programme, which showed that it is possible to implement rural development projects in Colombia by adopting the following measures: (i) identifying rural areas where the conflict is of low intensity; (ii) carrying out conflict assessments on a yearly basis, according to United Nations Development Programme guidelines, and formulating the annual workplan and budget accordingly; (iii) acting simultaneously with different types of movable assets, i.e. financial, human and social, to ensure that – in the event of an escalation of conflict – the investment made is not lost; and (iv) introducing a number of complementary mechanisms, such as smaller transfers of funds, systematic use of bank accounts, contracting of local staff, and social control by organizations of the rural poor. Such measures will ensure programme ownership by beneficiaries and act as a disincentive for irregular groups. PADEMÉR experience, successfully supporting more than 20,000 microentrepreneur families, confirms that risks can be mitigated when a project is focused on empowerment and adopts the direct transfer of funds and responsibilities approach, especially when beneficiaries define their demands, elaborate their strategies, select the implementation mechanisms and decide upon costs. Gender issues will be considered in all stages of the conflict and post-conflict planning processes.

40. In addition, the Free Trade Agreement with the United States of America opens up new opportunities for the rural sector, including for rural micro- and small enterprises. However, there are potential risks that might affect the economic development of important productive sectors, including rural and peasant small producers, with possible negative impacts on rural poverty. The programme will include a continuum analysis during its implementation, to reinforce those links that might benefit rural micro- and small enterprises, favouring productive reconversion with enough flexibility to mitigate possible negative impacts.

I. Environmental Impact

41. The analysis conducted during the appraisal mission showed that: (i) the programme will support the strategies of the rural poor to enhance their access to natural resource-related assets and

diminish possible negative impacts of microentrepreneurial initiatives; (ii) potential positive impacts of all component activities have been identified in terms of observing governmental environmental regulations. Accordingly, the programme is classified as a Category B.

J. Innovative Features

42. The programme will adopt four innovative features, already developed and evaluated in other IFAD projects in the region and recently incorporated into the ongoing PADEMÉR programme:

A strategy based on increasing income opportunities for rural poor families by developing microentrepreneurial activities and enhancing the assets of the poor. This intervention is based on asset accumulation rather than simply providing income. As the poor accumulate and build up their assets, they will be better placed to make family and group investments in production, enhance their individual negotiating skills, exert social influence, participate in political life, improve their self-esteem and protect themselves against risks.

A resource-transfer methodology based on competitive allocation arrangements, either through competitions or specific incentives (matching grants) that reward the effort made by individuals and their organizations.

Social control of resource allocation by the beneficiaries themselves. Competition topics and rules will be defined by the beneficiaries and their organizations. Their proposals will be rated, approved and audited by local resource allocation committees.

Proactive approach to women and young people, who are the country's most vulnerable groups but also hold the greatest potential (i.e. managing savings accounts and/or other financial instruments when tailored for them).

PART III – LEGAL INSTRUMENTS AND AUTHORITY

43. A loan agreement between the Republic of Colombia and IFAD will constitute the legal instrument for extending the proposed loan to the borrower. A summary of the important supplementary assurances included in the negotiated loan agreement is attached as an annex.

44. The Republic of Colombia is empowered under its laws to borrow from IFAD.

45. I am satisfied that the proposed loan will comply with the Agreement Establishing IFAD.

PART IV – RECOMMENDATION

46. I recommend that the Executive Board approve the proposed loan in terms of the following resolution:

RESOLVED: that the Fund shall make a loan to the Republic of Colombia in various currencies in an amount equivalent to thirteen million four hundred and fifty thousand special drawing rights (SDR 13,450,000) to mature on or prior to 15 September 2026 and to bear an interest rate of one half of the reference interest rate per annum as determined by the Fund annually, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

Lennart Båge
President

**SUMMARY OF IMPORTANT SUPPLEMENTARY ASSURANCES
INCLUDED IN THE NEGOTIATED LOAN AGREEMENT**

(Negotiations concluded on 7 September 2006)

1. **Programme account.** The Government of the Republic of Colombia (“the Government”) will indicate, through the lead programme agency (Ministry of Agriculture and Rural Development), to the Finance Ministry those accounts and beneficiaries that will receive resources – from the loan and from the counterpart contribution – necessary to carry out the programme.
2. **Counterpart funds.** The Government will make available to the lead programme agency, during the programme implementation period, counterpart funds from its own resources in a total amount of US\$10 million in accordance with customary procedures of the Government for development cooperation. The Government undertakes, through the lead programme agency, to allocate each year, under the general budget, the resources necessary to carry out the programme in accordance with the respective annual workplans and budgets.
3. **Programme implementation manual.** The lead programme agency will prepare the implementation manual within the two months following the date of effectiveness. The manual will cover such items as the following: modalities for implementing the programme components and subcomponents; programme organization; monitoring and evaluation arrangements, including annual results indicators; flow of funds to be made available to the programme parties; procurement, audits and accounting systems; reporting; rules and functions of the programme parties; and other matters as agreed by the parties. The manual will specify the functions of each of the operators, including those pertaining to the financial and technical management of the programme. The lead programme agency will present the manual to IFAD for comment and its no objection, and subsequently will approve it. If deemed necessary, the lead programme agency may propose amendments to the manual, said amendments becoming effective upon receipt of the no objection of IFAD.
4. **Participation of women and members of indigenous and Afro-Colombian populations.** The Government undertakes to ensure that women will be full participants and beneficiaries of all programme activities, ideally on a majority basis in each and all such activities. The Government will ensure the protection of the interests, assets and cultural specificities of Afro-Colombian and indigenous beneficiary populations during programme implementation and, to this end, will ensure that: (a) the Afro-Colombian and indigenous communities are adequately and fairly represented in programme activities; (b) the Afro-Colombian and indigenous beneficiary communities of the programme participate in local governance and policy dialogue; (c) the statements, agreements and/or conventions that the Government has ratified with regard to the protection of Afro-Colombian and indigenous beneficiary populations of the programme are respected; and (d) the programme does not lead to any usurpation or deterioration of territories traditionally occupied by Afro-Colombian and indigenous communities.
5. **Protection of resources.** The Government will take reasonable measures to ensure the observance of applicable legislation on the protection of water, woodlands and wildlife resources in the programme area. Similarly, the Government will take all measures within its control to ensure the sustainability of the programme without detriment to the environment.

6. Additional events of suspension

- (a) IFAD will suspend, in whole or in part, the right of the Government to request the withdrawal of funds from the loan account if the audit has not been conducted satisfactorily within the six months following the established date.
- (b) IFAD may suspend, in whole or in part, the right of the Government to request the withdrawal of funds from the loan account in the event that: (i) the programme director has been appointed or removed without the prior agreement of IFAD; (ii) IFAD has determined that the material benefits of the programme are not adequately reaching the target group or are benefiting persons other than the target group; (iii) the implementation manual, or any of its provisions, has been transferred, waived, suspended, revoked, amended or otherwise modified without the prior agreement of IFAD, and IFAD has determined that such transfer, waiver, suspension, revocation, amendment or modification has had, or is likely to have, a material adverse effect on the programme; and (iv) the lead programme agency has failed to honour any commitment and IFAD has determined that such failure has harmed or is likely to harm the programme.

7. **Conditions precedent to disbursement.** No withdrawals may be made until such time as: (a) IFAD has approved the annual workplan and budget for the first year of the programme; (b) IFAD has given its no objection to the implementation manual; and (c) the budgetary allocation for the first year of programme implementation has been approved pursuant to the legislation of the Government.

8. **Conditions for effectiveness.** The loan agreement will become effective upon fulfilment of the following conditions precedent:

- (a) the programme director has been duly appointed with the previous no objection of IFAD;
- (b) the national management unit has been duly established;
- (c) at least one local qualification committee and one regional resource-allocation committee have been duly established;
- (d) the special account has been duly opened;
- (e) the loan agreement has been duly signed, and the signature and performance thereof by the Government have been duly authorized by the necessary governmental action; and
- (f) the Government has presented to IFAD a legal opinion issued by the Finance Ministry.

APPENDIX I

COUNTRY DATA

COLOMBIA

Land area (km² thousand) 2003 1/	1 039	GNI per capita (USD) 2003 1/	1 810
Total population (million) 2003 1/	44.58	GDP per capita growth (annual %) 2003 1/	2.2
Population density (people per km²) 2003 1/	43	Inflation, consumer prices (annual %) 2003 1/	7
Local currency	Colombian Peso (COP)	Exchange rate: USD 1 =	COP ***2,558.12
Social Indicators		Economic Indicators	
Population (average annual population growth rate) 1997-2003 1/	1.8	GDP (USD million) 2003 1/	78 651
Crude birth rate (per thousand people) 2003 1/	22	Average annual rate of growth of GDP 1/ 1983-1993	4.3
Crude death rate (per thousand people) 2003 1/	6	1993-2003	1.7
Infant mortality rate (per thousand live births) 2003 1/	18	Sectoral distribution of GDP 2003 1/	
Life expectancy at birth (years) 2003 1/	72	% agriculture	12
Number of rural poor (million) (approximate) 1/	n/a	% industry	30
Poor as % of total rural population 1/	n/a	% manufacturing	14
Total labour force (million) 2003 1/	19.75	% services	58
Female labour force as % of total 2003 1/	40	Consumption 2003 1/	
Education		General government final consumption expenditure (as % of GDP)	21
School enrolment, primary (% gross) 2003 1/	110 a/	Household final consumption expenditure, etc. (as % of GDP)	65
Adult illiteracy rate (% age 15 and above) 2003 1/	8 a/	Gross domestic savings (as % of GDP)	14
Nutrition		Balance of Payments (USD million)	
Daily calorie supply per capita	n/a	Merchandise exports 2003 1/	12 671
Malnutrition prevalence, height for age (% of children under 5) 2003 2/	14 a/	Merchandise imports 2003 1/	13 892
Malnutrition prevalence, weight for age (% of children under 5) 2003 2/	7 a/	Balance of merchandise trade	-1 221
Health		Current account balances (USD million)	
Health expenditure, total (as % of GDP) 2003 1/	8 a/	before official transfers 2003 1/	-4 759
Physicians (per thousand people) 2003 1/	1 a/	after official transfers 2003 1/	-1 191
Population using improved water sources (%) 2002 2/	92	Foreign direct investment, net 2003 1/	1 746
Population with access to essential drugs (%) 2/	n/a	Government Finance	
Population using adequate sanitation facilities (%) 2002 2/	86	Cash surplus/deficit (as % of GDP) 2003 1/	-5
Agriculture and Food		Total expenditure (% of GDP) 2003 1/	n/a
Food imports (% of merchandise imports) 2003 1/	11	Total external debt (USD million) 2003 1/	32 980
Fertilizer consumption (hundreds of grams per ha of arable land) 2003 1/	3 016 a/	Present value of debt (as % of GNI) 2003 1/	47
Food production index (1999-01=100) 2003 1/	104	Total debt service (% of exports of goods and services) 2003 1/	44
Cereal yield (kg per ha) 2003 1/	3 485	Lending interest rate (%) 2003 1/	15
Land Use		Deposit interest rate (%) 2003 1/	8
Arable land as % of land area 2003 1/	2 a/		
Forest area as % of total land area 2003 1/	48 a/		
Irrigated land as % of cropland 2003 1/	23 a/		

a/ Data are for years or periods other than those specified.

1/ World Bank, *World Development Indicators* database CD ROM 2005

2/ UNDP, *Human Development Report*, 2005

PREVIOUS IFAD FINANCING IN COLOMBIA

Project/Programme Name	Initiating Institution	Cooperating Institution	Lending Terms	Board Approval	Loan Effectiveness	Current Closing Date	Loan/Grant Acronym	Currency	Approved Loan / Grant Amount	Disbursement (as % of approved amount)
Rural Development Project Arauca II	IDB	IDB	I	17 Dec 81	22 Sep 82	31 Jul 89	L - I - 87 - CO	SDR	6 800 000	89.3%
Rural Microenterprise Development Programme	IFAD	CAF	O	11 Sep 96	30 Jun 97	30 Jun 07	L - I - 426 - CO	SDR	11 000 000	77.0%

CAF = Andean Development Corporation
IDB = Inter-American Development Bank

I = intermediate
O = ordinary

LOGICAL FRAMEWORK

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Assumptions and Risks
<p>Development Objective</p> <p>Social, human, financial, physical and natural assets of poor, small-scale entrepreneurs, especially women and young people, in representative rural poor areas of Colombia increased</p>	<ul style="list-style-type: none"> • Tangible assets increased in quantity and value (41% over 5 years) for 32,000 households (RIMS) • Decrease in prevalence (%) of malnutrition (RIMS) • Gender equality indicators (MDG/RIMS indicators) • Empowerment indicators of microenterprise organizations 	<ul style="list-style-type: none"> • RIMS benchmark and impact survey • Gender development and empowerment index 	
<p>Programme Objective</p> <p>Rural poor, particularly women and young people, have – through their microenterprise initiatives – improved access to financial resources, technical assistance, knowledge and information and governance structures (local, regional, national) in representative rural poor areas of Colombia</p>	<ul style="list-style-type: none"> • 32,000 households with improved food security (15% of rural households with unmet basic needs) • 128,000 people receiving direct programme services (50% women and young people, 20,000 from Afro-Colombian villages and 2,500 from indigenous communities) • 24,000 households (50% women) have adopted technologies and skills connected to microenterprise development two years after completion of technical assistance, training, etc. • US\$17 million, transferred directly, is managed by beneficiaries and their organizations to cofinance their purchases of private technical services and supporting investments • Five pro-poor business instruments incorporated in rural business policies • 1,135 rural microenterprise organizations functioning after three years with improved business plans • 2,500 families with financial capital in savings accounts totalling US\$1 million 	<ul style="list-style-type: none"> • Agreements for financial resource management signed with grass-roots organizations • Programme accounting information and asset growth matrix • Agreements signed by beneficiaries with private providers of technical assistance • Banking statistics • Production and income surveys • Records of intermediate financial institutions (IFIs) concerning new pro-poor financial products 	<ul style="list-style-type: none"> • Democratic security in Colombia will increase • The financial system remains stable • National financial deregulation efforts will continue, reducing elements of financial repression • Pro-rural poor policy options maintained • Necessary fiscal backing will be maintained

3

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Assumptions and Risks
<p>Component 1: Investment and asset enhancement of rural microenterprises</p> <p>Output 1: Rural poor households have better access to improved financial services with innovative and diversified financing and saving strategies (savings, micro-leasing, remittance, life insurance, etc.)</p> <p>Output 2: Microenterprise organizations are strengthened to directly contract rural technical services with directly managed financial resources</p>	<ul style="list-style-type: none"> • Credit from IFIs for a total value of US\$2.25 million to microenterprise households • 1,135 microenterprise organizations served by technical service providers • 1,135 group bank accounts opened at formal IFIs • US\$3 million in counterpart funding contributed by beneficiaries' organizations and invested in technical assistance • US\$714,000 directly transferred to 2,500 young people (50% women) as matching grants for savings and investment in productive assets • 50 IFIs and/or credit unions diversify their financial products and services • 2,500 initial saving accounts opened with starting capital of US\$36 • 2,500 microenterprises with life insurance at a cost of US\$20 per year 	<ul style="list-style-type: none"> • Audited banking reporting systems (MIS) • Ex post monitoring with focus groups • Beneficiary and user satisfaction surveys • Audited accounts of programme and public agencies • On-site checks and external auditing 	<ul style="list-style-type: none"> • Availability of adequate technical assistance providers • Beneficiaries interested in purchasing technical assistance • Stable or rising deposit rates • IFIs interested in entering into diversified relationships with the low-income population market niche • Support and cofinancing from local actors • Subsidized credit will decrease
<p>Component 2: Capacity-building and information for stakeholder linkages</p> <p>Output 3: Entrepreneurial capabilities of rural poor and their organizations enhanced for smoother access to competitive markets</p>	<ul style="list-style-type: none"> • 24,000 households with improved capabilities • 90 service providers with improved capacities • 10,000 young people (50% women) trained in financing and saving strategies • 90 scholarships for total value of US\$180,000 for local service providers (50% for women) • 40 entrepreneurial innovation contests (talent contest) for a total value of US\$180,000 	<ul style="list-style-type: none"> • Records of assessment of technical assistant and training • Documentation of competitions • Reports of service providers 	

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Assumptions and Risks
<p>Component 3: Knowledge management and programme administration</p> <p>Output 4: Pro-poor knowledge management system based on monitoring results and learning by microenterprise organizations and their families established and functioning</p> <p>Output 5: Microenterprises and their organizations strengthened to participate proactively in pro-poor policies in the field of microenterprise development at the local, regional and national level</p>	<ul style="list-style-type: none"> • Local knowledge identified, systematized, developed and shared (48 cases of successful rural enterprises documented) • 96 studies, systematic organization actions, impact evaluations illustrating lessons learned and best practices in microenterprise development • Number of grass-roots organizations involved in dialogue and monitoring of public policies • Number of innovative experiences designed and implemented in various rural areas in Colombia • 48 prizes in 12 competitions of best practices at the organization, municipal or district level 	<ul style="list-style-type: none"> • Project M&E system and CD-ROMs published • Records of representative grass-roots organizations and government offices • Documented and disseminated policies • Satisfaction surveys • Press notes and articles published • Technical fact sheets available to legislators and politicians, public servants, local actors, mayors, journalists 	<ul style="list-style-type: none"> • Areas of synergy with other programmes established • Availability of national and regional actors to share experiences • Experienced rural knowledge management training agencies available

<p>Main Activities:</p> <p>Component 1: Investment and asset enhancement of rural microenterprises</p> <ul style="list-style-type: none"> • Administration and accumulation of monetary assets for productive investments • Mainstreaming into formal financial services market (promoting individual capitalization accounts), strengthening of savings and credit groups • Promote access to technical assistance services (business development) • Implementation of business ideas contests • Building up of greater efficiency and responsiveness of providers of financial and business development services • Design of improved micro-credit and saving products in local credit unions 	<p>Component 2: Capacity-building and information for stakeholder linkages</p> <ul style="list-style-type: none"> • Holding of cultural competitions (festivals, fairs, exhibits, etc.) • Preparation of catalogues, tourist brochures, denominations of origin, organic certification, etc. Training in markets, business, productive chains, etc. • Training in financial and contract management • Provide access to information (yellow pages, etc.), information and communication technologies • Promote access to technical assistance services (business development) 	<p>Component 3: Knowledge management and programme administration</p> <ul style="list-style-type: none"> • Gather and tap local knowledge and best practices; learn from various experiences: fairs, conferences, learning tours and internships • Advocacy: promote the project and consensus-based policies reflecting the views and practices of the rural poor as verified by experience • Generate consensus-based public policies and instruments • Establish and draw on forums for dialogue to disseminate pro-poor rural development practices • Research and experiment: implementation of concrete, focused, small research projects directly linked to the programme's methodological innovations • Ensure administrative and financial management of the programme, with a beneficiary-oriented M&E system
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RESULTS AND IMPACT MANAGEMENT SYSTEM (RIMS)

	Indicators		Base Line	Mid-term		Final		
Programme	Increase in productive assets	Percentage						
	% of prevalence of malnutrition	Percentage						
Components		Unit	First Year			Cumulative		
			Annual Workplan	Actual	% of Annual Workplan	Appraisal	Actual	% of Appraisal
Component 1: Investment and asset enhancement of rural microenterprises	<i>First-level indicators</i>							
	Individual microenterprises with credits	Number				2 500		
	Value of credits	US\$				2.25 million		
	Saving accounts	Number				2 500		
	Value of saving accounts	US\$				1 million		
	Life insurance	Number				2 500		
	Number of microenterprises organizations strengthened	Number				1 135		
	No of credit unions supported	Number				50		
	<i>Second-level indicators</i>							
Households have adopted microenterprise-related technologies and skills after 2 years	Number				24 000			
Financial operating mechanisms in operation after 3 years	Number				50			
Rural microenterprises in operation after 2 years	Number				1 135			
Component 2: Capacity-building and information for stakeholder linkages	<i>First-level indicators</i>							
	Training events/demonstrations rural enterprises	Number				1 162		
	Training events/demonstrations saving accounts	Number				100		
	Service providers with improved capacities	Number				90		
	<i>Second-level indicators</i>							
Number of service providers utilizing improved knowledge	Number				40			
Component 3: Knowledge management and programme administration	<i>First-level indicators</i>							
	Successful experiences of rural enterprises documented	Number				48		
	Lessons learned by rural enterprises	Number				96		
	Prices of competitions distributed	Number				48		
General	<i>General indicators</i>							
	People receiving direct programme services	Number				128 000		
	Households with improved food security	Number				32 000		
Transfer value to beneficiaries	US\$				23 000 000			

PROGRAMME COMPONENTS

1. The programme includes three components: (i) investment and asset enhancement of rural microenterprises; (ii) capacity-building and information for stakeholder linkages; and (iii) knowledge management and programme administration.

Component 1: Investment and asset enhancement of rural microenterprises

2. The objective of this component is, through better resource administration, to make more opportunities available for access to investment sources and instruments for the rural poor and their business initiatives, facilitated by better access to key markets for rural technical and financial services.

3. Activities will be organized in two subcomponents: (1) rural financial services, including the following activities: (i) expanding opportunities for access to rural microfinance; (ii) saving and social protection services; (iii) strengthening financial intermediaries and operators; and (iv) developing and validating new financial products; and (2) rural technical services, comprising the following activities: (i) local promotion and dissemination services; (ii) financing business and entrepreneurial development profiles and plans; and (iii) expanding opportunities for market access.

1. Rural financial services subcomponent

4. The purpose of this subcomponent is to ensure that the beneficiaries and their microenterprise undertakings, particularly those of young people and women, are included in the formal financial market, by providing incentives for their access to diversified financial services, backing their investments in assets and technical assistance services with direct transfers to their bank accounts.

Activity 1: Expanding opportunities for access to rural microfinance

5. The objective is to strengthen productive undertakings by rural microenterprises and meet the need for financing to develop the livelihood strategies of rural poor families by improving their access to microfinance services, including through participation by organizations of beneficiaries themselves and intermediary financial institutions. The rationale for this strategy lies in the need for rural families and microenterprises to leverage their asset acquisitions, encouraging more and better participation by intermediary institutions in providing microfinance services on terms responsive to the needs of the programme beneficiaries and promoting greater sector competitiveness.

Activity 2: Savings and group life insurance services

6. The programme seeks to improve access for beneficiaries to financial services by promoting saving strategies among rural young people, men and women to increase asset stability for rural poor families and microenterprises and lower their risk through group life insurance. The programme will support the opening and operation savings accounts at financial institutions chosen freely by beneficiaries, giving priority to young people, men and women taking part in microentrepreneurial initiatives to enable them to: (i) develop a savings culture and deal directly with formal banks; and (ii) invest in their family and business assets.

Activity 3: Training for financial intermediaries and operators

7. The main objective is to improve management capacity among the financial institutions of beneficiaries and financial intermediaries, by promoting: (i) increased business formalization of financial intermediaries and cooperatives in the sector, encouraging best practices; (ii) self-regulation strategies rewarding better performance to directly benefit the rural poor; (iii) greater capacity to leverage new financing to expand service coverage; (iv) improved capacity to manage, design, validate and disseminate investment; and (v) developing information systems to make the sector more competitive and transparent.

Activity 4: Development of innovations in rural microfinance services

8. The aim is to design, apply, evaluate and replicate new rural financial services to expand options available to fund the assets of rural families and microenterprises, helping to improve economies of scale, lowering transaction costs and improving conditions of access (interest rates, maturities, modalities, etc.). This activity will analyse and build in lessons learned in terms of new rural financial services in Colombia and elsewhere, adapting successful experiences and monitoring and disseminating their results to apply them on a large scale in the sector.

2. Rural technical services subcomponent

9. The aim is to enable microenterprise organizations to access financing to contract technical support services directly in order to better participate in rural goods and services markets by mobilizing their cofinancing contributions and expanding their income opportunities. Major activities will be: (i) cofinancing entrepreneurial programs and business plans and profiles; and (ii) expanding opportunities for market access.

Activity 1: Cofinancing of business programmes, business plans and profiles

10. The objective is to facilitate financing to give beneficiary associations access to technical services benefiting their business undertakings, based on needs identified by the microentrepreneurs themselves. Using a simple procedure, the beneficiaries will identify their business opportunities, technology and commercial needs and development level of their associations. According to the quality and depth of their associational background, the beneficiaries will draw up their demands for services using differentiated procedures based on the scale of their technical assistance requirements. The programme will organize rural technical services in three operating areas: (a) business profiles; (b) business plans; and (c) business programmes.

Activity 2: Expanding opportunities for market access

11. The objective is to promote access by rural microenterprises to new market opportunities relevant to their business strategies, through activities in local and regional dissemination, promotion and commercial negotiation. The programme will aggregate demand by rural microenterprises and identify and subcontract the organization of cross-cutting events (local, regional and national) to bring rural microenterprises into those production chains most relevant to their strategies for development in each territorial area.

Component 2: Capacity-building and information for stakeholder linkages

12. The component aim is to enable beneficiaries to access the knowledge and information they need to manage their business initiatives competitively, by improving their negotiations with local and regional providers of technical and financial services and individual men and women. The component

comprises the following activities: (1) building capacity and skills; and (2) market development information.

Activity 1: Building capacity and skills

13. The objective is to build capacity among beneficiaries to manage strategies, services and operating modalities for financial and non-financial resources facilitated by the programme and to improve the skills of local and regional service providers.

Activity 2: Market development information

14. The programme will cofinance, with local and regional talent and enterprises, the design and dissemination of information to improve the transparency of markets for rural financial services and technical services in support of rural microenterprises.

Component 3: Knowledge management and programme administration

15. The component's objective is to use decentralized management to enable association-based access by the rural poor to direct administration of public resources in support of their livelihood strategies and income-generating initiatives, and to improve their access to democratic dialogue with participation by relevant public and private stakeholders, in order to systematize and learn from their own experiences by contributing recommendations for the design of public policy in local, regional and national environments.

16. This first component contains two main activity clusters: (i) knowledge management, including monitoring and evaluation activities, and including mainly systematization, monitoring, evaluation and studies to contribute to the design of public policy while valuing the knowledge assets of beneficiary associations; and (ii) programme administration for human resources management, operation and administration through a specialized international agency. Major component activities are as follows: (i) systematization and development of local business experience and knowledge; (ii) development and promotion of public policies and instruments; (iii) monitoring and evaluation; and (iv) programme management.

Activity 1: Systematization and development of local business experience and knowledge

17. This activity will be directed to associations of rural microenterprises; local economic organizations; peasant, indigenous and Afro-Colombian associations; municipal governments; private development organizations and other public and private stakeholders involved in supporting business initiatives by the beneficiaries, either by providing technical services and/or by taking part in designing and planning actions and measures involving microenterprise activities by beneficiaries. This will enable: (i) drawing on and valuing local knowledge and best practices; (ii) learning from diversified experiences; and (iii) generating inputs for the analysis and development of public policy and instruments.

Activity 2: Development and promotion of public policies and instruments

18. This activity will promote consensus-based lessons, policies and instruments incorporating the views of beneficiaries, the NMU and key sector institutions, under innovative practices, among the various stakeholders – policy design professionals, public servants, politicians, the general public, and so on – with influence on the dissemination and appropriation of such public policies.

19. For policy design purposes, the programme will establish, in collaboration with local public and private institutions, forums for dialogue and exchange of experiences favouring business

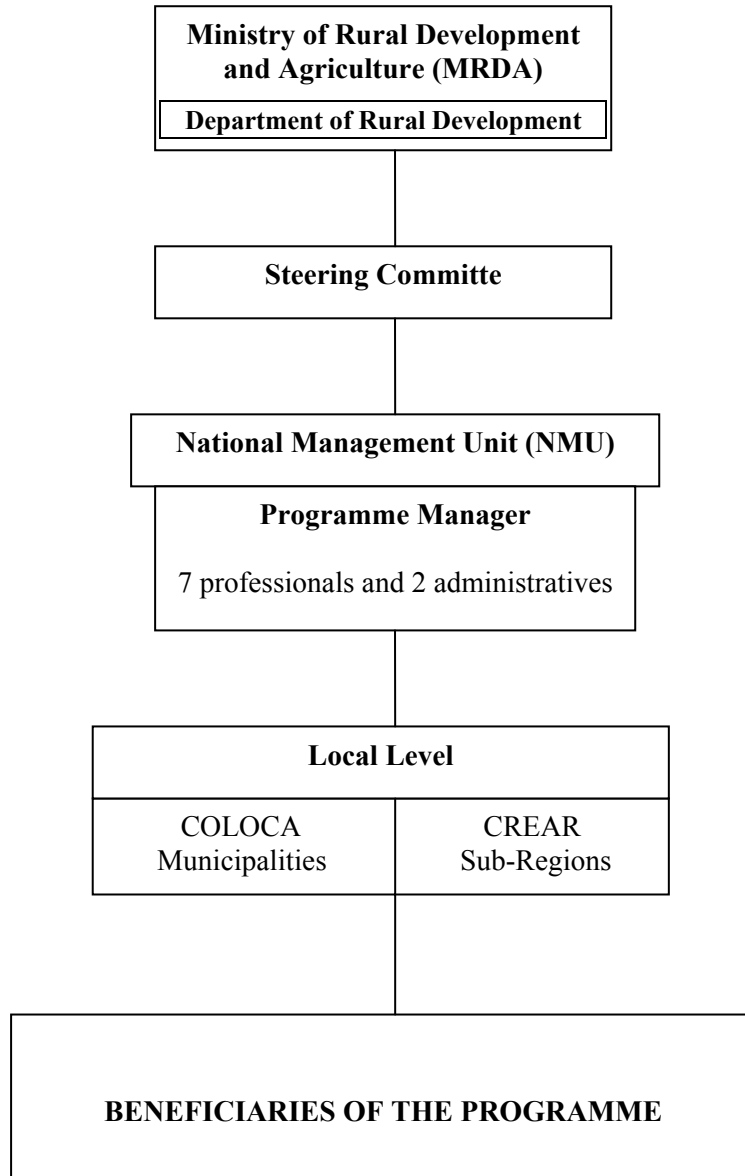
initiatives by the rural poor, calling on local and regional stakeholders with technical and political skills to improve the policy and regulatory framework for rural microenterprise.

20. Policy dialogue workshops will bring together the programme's beneficiary associations with national and departmental stakeholders with influence on decision-making (MADR, other ministries, funds, financial institutions, programmes and projects, research and training centres). At these workshops, in addition to presenting the results of systematization processes carried out, key strategies will be identified to improve conditions for production and market access for rural enterprises, especially with respect to regulations affecting their current performance. In addition to identifying the changes required and the entities responsible for them, the programme will collaborate on designing mechanisms for monitoring.

Activity 3: Programme administration

21. Programme administration will focus on the following objectives: (i) decentralize implementation by mobilizing local and regional service providers; (ii) include innovative management modalities including information technologies to facilitate a constant flow of information (Internet applications, updated information available to beneficiaries on the status of their applications, e-training, electronic funds transfers, etc.); (iii) analyse the programme's progress and results to develop and design measures and recommendations at the various policy management levels involved in promoting rural microenterprise; and (iv) provide ongoing training and upgrading for the technical team to ensure effective implementation of the programme's strategies, including gender, ethnicity and age equity.

ORGANIZATIONAL CHART



MATRIZ DE GÉNERO

Diagnóstico (pobreza y dinamismo económico, social y cultural) ¹	Enfoques y mecanismos propuestos en el programa	Resultados esperados
<p><u>Activos humanos</u></p> <ul style="list-style-type: none"> ▪ <i>Jefatura de hogar</i>: 28% de los hogares tienen jefatura femenina (2000, dato subestimado considerando los efectos del desplazamiento y el rol económico/social de las mujeres) ▪ <i>Migración</i>: afecta mayormente a las mujeres jóvenes (26 % de emigrantes v/s 18 % de los hombres). La principal causa de migración es la violencia. ▪ <i>Desplazamiento</i>: en el 35% del total de hogares desplazados por la violencia, la mujer es cabeza de familia. Sobre 170 000 personas desplazadas, el 70 % son mujeres y niños; 42 % de hogares desplazados son jefaturizados por mujeres. ▪ <i>Violencia familiar</i>: a nivel nacional, altos índices sobre todo en las mujeres entre los 18 y 35 años (<i>Embarazos adolescentes</i> en mujeres de 13 o 14 años). ▪ <i>Discriminación en el acceso a la educación, oportunidades de empleo y remuneración</i>. ▪ <i>Acceso a capacitación y asistencia técnica</i>. A nivel nacional: sobre el total de la capacitación técnica impartida a nivel rural, sólo el 17 % llega a las mujeres. ▪ <i>Vinculación con la cultura</i>. Las mujeres desarrollan diferentes iniciativas económicas que ponen en valor sus conocimientos y prácticas tradicionales; muestran un alto sentido ciudadano para con el lugar de origen. <p><u>Activos sociales</u></p> <ul style="list-style-type: none"> ▪ <i>Organizaciones sociales y económicas femeninas</i>. Existe una participación cercana al 50% de mujeres en asociaciones microempresariales. a) Microempresas familiares (formalizadas o no) que agrupan a mujeres de distinta generación pertenecientes al núcleo familiar (fuertes por eficiencia social y económica, creatividad, oportunidad en los negocios). b) Organizaciones vinculadas al Estado: oficinas de las mujeres rurales en las secretarías departamentales de agricultura (débiles por 	<p><u>Enfoque del programa</u></p> <ul style="list-style-type: none"> ▪ <i>Relación con las políticas de Estado</i>. <ul style="list-style-type: none"> - La propuesta del programa ha tomado en cuenta las <i>Políticas Mujeres Constructoras de Paz y Desarrollo</i> de la Consejería para la Equidad de Género del GdC en el marco de la <i>Promoción del Manejo del Campo</i> del Plan Nacional de Desarrollo (PND). Éstas plantean que las mujeres, adultas, jóvenes y niñas tengan un mayor acceso a los recursos, la propiedad, el poder y la autonomía en las decisiones sobre sus bienes, con una focalización en las mujeres rurales. El programa aportaría a introducir nuevos conceptos y validar mecanismos de inversión pública con enfoque de género en el ámbito de las entidades públicas competentes (MADR, DNP, ministerios sectoriales, fondos, entidades financieras y otros) y reforzando los aprendizajes y lecciones obtenidos en el Programa PADEMER donde las mujeres lograron una participación cercana al 50%. - La focalización de los grupos-objetivo del programa, y particularmente de las mujeres, refleja una política del GdC y se basará en el SISBEN (niveles 1 y 2) para identificar los mayores niveles de pobreza. Se considerarían no sólo las jefas de hogar sino el conjunto de mujeres mayores de 15 años diferenciadas por criterios ocupacionales, económicos, generacionales, étnicos y relativos a la situación familiar. ▪ <i>Relación con los programas de inversión pública</i>. <ul style="list-style-type: none"> - El programa establecería relaciones de coordinación y complementariedad con el Estado y la Cooperación Internacional en áreas temáticas y territoriales afines que privilegien el enfoque de género - Tales relaciones se basarían en: (i) una complementariedad en cuanto a tipo de inversiones ; (ii) los servicios financieros; - Se buscarían complementariedades en lo que concierne a inversiones en la valorización del patrimonio cultural tangible 	<p><u>Universo del grupo-objetivo directo del programa</u> (en 150 municipios): 128 000 beneficiarios directos (mujeres y varones adultos). Se incluyen también en similar proporción de hombres y mujeres, 20 000 beneficiarios de los pueblos afro descendientes y 2 500 de los pueblos indígenas. Todos ellos son microempresarios, pequeños productores agropecuarios, o combinan diferentes estrategias de vida.</p> <p><u>Criterios y dimensionamiento del grupo objetivo de mujeres</u> (50% del total de beneficiarios):</p> <ul style="list-style-type: none"> ▪ Criterio ocupacional (pequeñas productoras agropecuarias: 21 000; microempresarias: 30 000; combinación de estrategias: 12 000) <p><u>Beneficiarios (número y tipo) por componente</u></p> <p>CI: Inversiones y Capitalización en los Activos de las Microempresas Rurales</p> <p>A1: Ampliación a oportunidades de acceso a microcrédito</p> <ul style="list-style-type: none"> ▪ 1 750 mujeres con microcrédito; 1200 hombres adultos y 550 jóvenes adultos. ▪ 2 500 mujeres en movilización del ahorro rural; 1500 hombres adultos y 1 000

¹ El criterio de pobreza y el criterio de dinamismo económico, social y cultural se utilizaron para la selección de los grupos-objetivo del programa. Al respecto ver la sección IV del informe principal.

Diagnóstico (pobreza y dinamismo económico, social y cultural) ¹	Enfoques y mecanismos propuestos en el programa	Resultados esperados
<p>la ausencia de políticas de género comunes al sector)</p> <p>c) Organizaciones impulsadas por programas sociales: clubes de amas de casa rurales pertenecientes a la Asociación Nacional de Amas de Casa; centros de madres comunitarias integrantes de la Asociación Nacional de Madres Comunitarias (débiles por estar focalizadas en sectores parciales de mujeres; dependientes de la ayuda externa asistencial)</p> <p>d) Organizaciones de reivindicación de los derechos de las mujeres rurales: afiliadas departamentales de la ANMUCIC (débiles por persecución política; dependencia de la Cooperación Internacional; rol de intermediación poco eficiente hacia las mujeres de base en iniciativas económicas)</p> <p>e) Asociación de artesanas y otros grupos productivos (criadoras de chanchos y pollos, vendedoras de pescados, floreras, areperas, entre muchos otros) (mayor grado de desarrollo si su origen ha sido autónomo sin intermediación de ONGs y otras instituciones)</p> <p>f) Grupos que se asocian para vender servicios a los municipios (las “escobitas”, las “jardineras”) (grado de desarrollo variable: dependencia de los recursos de la alcaldía; interés en el mejoramiento ambiental, económico y social)</p> <ul style="list-style-type: none"> ▪ <i>Organizaciones mixtas.</i> En los grupos productivos y culturales (sobre todo en Caribe) las mujeres participan activamente. Lo hacen menos en las cooperativas, gremios (empresas comunitarias y comités campesinos afiliados a la ANUC) y en las JAC ▪ <i>Grados de participación femenina:</i> (iii) menor participación de las campesinas respecto a las microempresarias y las mujeres ocupadas en actividades extraprediales ▪ <i>Características generales de las organizaciones sociales femeninas o mixtas con participación femenina:</i> (i) el debilitamiento de las organizaciones por el conflicto armado está siendo enfrentado por las redes sociales informales basadas en la confianza recíproca y por el crecimiento de las organizaciones productivas y culturales; (ii) escasa formalización las organizaciones femeninas. <p>Activos financieros</p> <ul style="list-style-type: none"> ▪ En 2003 a nivel nacional, del total de los créditos sólo el 26% fueron créditos colocados a mujeres. Para el Banco Agrario entre 	<p>e intangible en el área de cobertura; con ACIDI en relación con las iniciativas del Fondo de Equidad; con la Cooperación de los Países Bajos para el manejo de recursos naturales en área indígenas</p> <ul style="list-style-type: none"> ▪ <i>Enfoque hacia los activos.</i> Al plantearse una estrategia basada en los activos de los pobres se superaría una lógica basada sólo en ingresos. La acumulación de activos permitiría enfocar de manera más sistémica e integral los diferentes roles que las mujeres cumplen (en la producción, reproducción y gestión) permitiendo incrementar su capacidad de negociación personal, la influencia social, la participación política (activos inmateriales: capital humano y autoestima, capital social) y protegerse mejor de los riesgos asociados a la violencia de las zonas rurales del país. Simultáneamente se acompañarían también las estrategias de hombres adultos y jóvenes en el marco del fortalecimiento del tejido social local ▪ <i>Enfoque de potencialidad.</i> Se reconoce el nivel de desamparo y pobreza que afecta particularmente a las mujeres rurales. Sin embargo también se ha identificado su gran dinamismo personal, económico y humano que las convierte en sujetos con múltiples potencialidades y estrategias que requieren, para ser desarrolladas, de acciones positivas explícitas por parte del Estado ▪ <i>Enfoque de demanda.</i> Con base en los resultados del sondeo local y las consultas públicas, además de la experiencia del PADEMER se ha identificado una sólida capacidad de las mujeres del área de cobertura para identificar sus negocios, emprendimientos y sueños de vida ▪ <i>Transferencias directas de recursos financieros.</i> El programa actuaría a través de diversos incentivos públicos (recursos para la capitalización, la contratación de servicios y el acceso a la información en forma de premios o de ahorro bonificado) transferidos sin intermediación institucional, a través de contratos ▪ <i>El derecho a soñar y cambiar.</i> El enfoque relativo a los activos, el de demandas y el de transferencia directa de recursos implicarían que las mujeres puedan orientar sus estrategias no sólo a obtener mayores ingresos sino a tratar de concretizar sus 	<p>jóvenes adultos</p> <ul style="list-style-type: none"> ▪ 1 200 mujeres con microseguros <p><i>A2: acceso a servicios de asistencia técnica:</i></p> <ul style="list-style-type: none"> ▪ 22 000 mujeres, 6 300 hombres jóvenes y 15 000 hombres adultos); <p><i>A3: Tres eventos locales, regionales y nacionales</i></p> <ul style="list-style-type: none"> ▪ 1 300 mujeres capacitadas en gestión financiera <p>CII: Capacidades e Información para la Articulación de Actores Locales.</p> <ul style="list-style-type: none"> ▪ A1: 1 200 mujeres capacitadas ▪ A2: 1 800 mujeres que participan en los concursos de talentos ▪ A3: 2 500 mujeres acceden a sociedades y alianzas empresariales <p>CIII: Gestión del Conocimiento y Gerencia del Programa</p> <ul style="list-style-type: none"> ▪ Sistematización y valorización de conocimientos (1 500 mujeres, 500 hombres jóvenes y 1 000 hombres adultos) <p>Beneficios</p> <p>Programa en conjunto</p> <ul style="list-style-type: none"> ▪ Acrecentamiento de los activos humanos, sociales, financieros, físicos y naturales de los grupos objetivo establecidos <p>CI: Inversiones y Capitalización en los Activos de las Microempresas Rurales</p> <ul style="list-style-type: none"> ▪ Mujeres con activos financieros

Diagnóstico (pobreza y dinamismo económico, social y cultural)¹	Enfoques y mecanismos propuestos en el programa	Resultados esperados
<p>1999 y 2000, sólo el 16 % fue para mujeres (84 % para hombres)</p> <ul style="list-style-type: none"> El salario promedio de las mujeres rurales empleadas como jornaleras llega al 22 % del ingreso de los hombres (menos de 1 USD/día para la mano de obra no especializada; USD 1,40 para la especializada. Las mujeres aceptan pagos en especie para complementar su salario en efectivo). <p><u>Aunque también existen diferencias entre las mujeres microempresarias, las empresas gerenciadas por mujeres tienden a ser más pequeñas en relación con las gerenciadas por hombres, a desempeñarse más en el comercio y muy poco en la manufactura en la cual los hombres son mayoría, y enfrentan mayores dificultades para el acceso a servicios.</u></p> <p>Activos físicos</p> <ul style="list-style-type: none"> Efectos negativos del desplazamiento: las mujeres pierden sus viviendas, enseres, muebles e infraestructura para la producción (establos, galpones para pollos, conejos y chanchos, pequeñas infraestructuras de acceso al riego, herramientas y otros) Tierra (referentes jurídicos: Ley agraria 160 de 1994; Ley 30 de 1998: prioridad a jefas de hogar; orientación hacia mujeres desprotegidas/pobres; obligación de titulación conjunta para las parejas. Buen ejemplo de la normativa resultante de la coalición entre entes estatales y una organización políticamente fuerte de mujeres campesinas –ANMUCIC) La titulación de tierra a nivel nacional indica que para el 2001 se titularon 44% de hombres, parejas 28% y mujeres 27%. Sin embargo se muestra una paradoja: Colombia tiene una de las legislaciones más avanzadas en términos de acceso de las mujeres a la tierra y, al mismo tiempo, ésta no sólo no es cumplida por omisión u oposición directa (por parte de funcionarios, líderes y campesinos varones) sino que los derechos básicos son atropellados por latifundistas, ganaderos y narcotraficantes. A nivel nacional existe 1,1 millones de familias pequeñas propietarias y 1,3 (el 54%) son familias campesinas sin tierra. Las mujeres sufren aún más que los varones los atropellos debidos a la concentración de tierras del país 	<p>propios sueños, incluyendo aquéllos que implican el derecho a vivir sin violencia, a trabajar en mejores condiciones, tener tiempo libre, viajar, asociarse, conocer, tomar decisiones en la vida pública y privada, gozar de la cultura, entre muchos otros. Sueños de ciudadanas en democracia que recuperan confianza en el Estado y en sus propias organizaciones sociales.</p> <p>Mecanismos del programa</p> <p>En el Componente de Inversiones y Capitalización de los Activos de las Microempresas Rurales</p> <ul style="list-style-type: none"> Inserción en el mercado formal de servicios financieros focalizados en las mujeres Desarrollo de microempresas de las mujeres, en sus propias organizaciones femeninas o mixtas Contratación de servicios de asistencia técnica (que incluyen también giras, rutas de aprendizaje y pasantías) para superar los cuellos de botella de los emprendimientos de las mujeres Bajo demanda, mejoramiento del entorno económico, comercial y ambiental de los negocios a través de tecnología de información y comunicación, y pequeñas infraestructuras y obras. <p>En el Componente de Capacidades e Información para la Articulación de Actores Locales</p> <ul style="list-style-type: none"> Participación activa de las mujeres en concursos de talentos Capacitación de las mujeres para gestión del ahorro (relaciones con el sistema formal de servicios financieros, manejo de presupuestos familiares o empresariales) Acceso de las mujeres a servicios de información económica, cultural y social útil para mejorar sus negocios Incentivos a instituciones financieras formales para atender a clientela rural pobre, y particularmente a las mujeres, con productos adecuados a sus necesidades Actualización de los proveedores individuales de servicios para atender a mujeres. 	<p>incrementados a través de la inserción en el mercado formal de servicios financieros y un mejor manejo del ahorro, y el acceso a servicios privados de asistencia técnica</p> <ul style="list-style-type: none"> Mujeres con activos físicos y naturales incrementados al superar cuellos de botella en sus negocios y emprendimientos, y acceder a un entorno favorable para el desarrollo de los mismos Mujeres con activos humanos y sociales incrementados al potenciar sus fortalezas organizativas y culturales, y consolidar la autoestima personal a través del ejercicio de sus derechos de ciudadanas <p>CII: Capacidades e Información para la Articulación de Actores Locales</p> <ul style="list-style-type: none"> Mujeres con activos humanos incrementados al recibir capacitación focalizada al desarrollo de sus negocios y a la mejor administración de sus activos monetarios, y al impulsar iniciativas culturales que contribuyen a fortalecer su identidad Mujeres con activos sociales incrementados al estimularse la articulación entre actores, oferentes y demandantes, y al fortalecer el tejido social local. Estos beneficios tendrían consecuencias en el incremento de sus activos físicos y financieros. <p>CIII: Gestión del Conocimiento y Gerencia del Programa</p> <ul style="list-style-type: none"> Mujeres con activos humanos incrementados al sistematizar su propio

Diagnóstico (pobreza y dinamismo económico, social y cultural)¹	Enfoques y mecanismos propuestos en el programa	Resultados esperados
<p>▪ Patrones comunes: (i) acceso inequitativo; (ii) alta inseguridad jurídica; (iii) expulsión.</p> <p>Activos naturales</p> <ul style="list-style-type: none"> ▪ Disminución del área cultivada destinada a la subsistencia (pequeños predios normalmente a cargo de mujeres) ▪ Agotamiento de los recursos naturales utilizados en las artesanías y otros procesos de transformación (hojas de palma, crin de caballos y otros) ▪ Conservación de conocimientos y prácticas tradicionales ligados al manejo de recursos naturales locales y a emprendimientos liderados por mujeres (producción de alimentos y comidas típicas, artesanías, turismo). <p>Estrategias de vida de las mujeres</p> <ul style="list-style-type: none"> ▪ Combinación e integración de distintas estrategias económicas ▪ Desarrollo de negocio a nivel familiar mayormente con integración intergeneracional (abuelas, madres e hijas) y a veces intergénero ▪ Búsqueda de nuevas ocupaciones orientadas al mercado que valoricen los conocimientos tradicionales, y la cultura local ▪ Disponibilidad a invertir en los negocios propios y contratar servicios técnicos, pagando una parte de los mismos ▪ Ahorro informal y acceso a prestamistas locales ▪ Inversión en la educación de los hijos y, en algunos casos, en la propia (p. e.j. varias mujeres terminan el colegio después de los 40 años, estudiando con sus hijos) ▪ Participación en organizaciones sociales de base y en redes informales basadas en la confianza y la reciprocidad ▪ Aprovechamiento de recursos naturales locales sobre bases de mayor sostenibilidad. <p>Demandas de las mujeres</p> <ul style="list-style-type: none"> ▪ Ser consideradas ciudadanas dignas y no objetos de beneficencia pública y asistencia social ▪ Incentivar la creatividad e independencia de muchas mujeres rurales ▪ Facilitar el ahorro (disponibilidad de dinero propio para desarrollar sus negocios, invertir en la educación de los hijos y la propia, disminuir riesgos de distinta naturaleza) 	<p>En el Componente de Gestión del Conocimiento y Gerencia del Programa</p> <ul style="list-style-type: none"> ▪ Promoción y difusión del programa orientado a la población femenina ▪ Participación de las mujeres en los concursos y sistematizaciones del conocimiento y la experiencia para identificar, valorizar y transmitir sus saberes, y reforzar su identidad y su sentido de pertenencia como ciudadanas ▪ Visualización del rol de las mujeres rurales, sus demandas y sus buenas prácticas en los Talleres del Diálogo de Políticas respecto a la formulación e implementación de las políticas públicas ▪ Visualización del rol de las mujeres rurales, sus demandas más inmediatas en las experiencias empresariales ▪ Gestión del programa orientada a la innovación y el aprendizaje en los aspectos que vinculan el enfoque de género versus los activos de los pobres y sus estrategias para salir de la pobreza ▪ Inserción en la gestión de mecanismos que apoyarían la incorporación de la dimensión de género: (i) presupuesto explícitamente asignado a iniciativas de mujeres o lideradas por ellas; (ii) selección del personal en base a conocimiento, experiencia y actitud positiva frente a la dimensión de género (a incluirse en los TdRs y los criterios para los concursos de mérito); (iii) incorporación de facilitadores, mujeres y hombres, pertenecientes al mismo estrato social de los beneficiarios/as con conocimiento del área y facilidad de contactos con ellos/as; (iv) capacitación del personal en el manejo del enfoque de género durante la ejecución; (v) asesorías técnicas especializadas puntuales; (vi) S&E con indicadores desagregados de género y orientados a identificar los impactos en los activos de las mujeres frente a otros sectores del grupo objetivo y los montos de inversiones canalizadas a ellas ▪ Establecimiento en el área del programa de los CLAROS como mecanismos de asignación de recursos por los propios beneficiarios. En los CLAROS estarían representadas las organizaciones de mujeres de las dos áreas del programa al inicio. 	<p>conocimiento y acceder al conocimiento de sus pares, al valorizarlo e incorporarlo en sus emprendimientos</p> <ul style="list-style-type: none"> ▪ Mujeres con activos sociales incrementados al difundir los conocimientos puestos en valor, al ejercer mejor sus derechos democráticos a través de sus organizaciones sociales y al influir en los tomadores de decisiones en función del diseño y la implementación de políticas e inversiones públicas pro-pobre, y en particular a favor de las mujeres rurales pobres. Estas inversiones podrían influir a su vez en el acrecentamiento de los activos físicos, financieros y naturales de las mujeres

Diagnóstico (pobreza y dinamismo económico, social y cultural)¹	Enfoques y mecanismos propuestos en el programa	Resultados esperados
<ul style="list-style-type: none"> ▪ Poner en valor los productos y los servicios distintivos existentes en las veredas y los corregimientos (negocios culturales con sello propio) ▪ Acceder a servicios de apoyo técnico (sobre todo con especialistas locales conocidos) para mejorar sus negocios y llegar mejor a sus mercados ▪ Conocer experiencias de negocios exitosas ▪ Obtener obras y bienes públicos locales que faciliten los negocios ▪ Fortalecer las redes de solidaridad local para una mejor interlocución con las instituciones públicas y privadas, visualizando las demandas de las mujeres y sus familias. 		

