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# CONSOLIDATION AND ENHANCED LIVELIHOODS INITIATIVE – NORTHERN/ SOUTHERN REGIONS (CELI N/S)

## FINAL REPORT

October 31, 2017

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# CONSOLIDATION AND ENHANCED LIVELIHOODS INITIATIVE – NORTHERN/ SOUTHERN REGIONS (CELI N/S)

## FINAL REPORT

**Contract No. AID-514-C-12-00001**

**Cover photo:** CELI N/S benefitted 157,967 people in 19 conflict-affected municipalities in Antioquia, Bolívar, Córdoba, and Tumaco (Nariño). The photos on the cover show just a few program beneficiaries.

### DISCLAIMER

The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States government.



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# ACRONYMS

|           |   |
|-----------|---|
| CELI N/S  | Consolidation and Enhanced Livelihoods Initiative – Northern/Southern Regions |
| CLIN      | Cost Line Item Number   |
| DAILCD    | <i>Direccion para la Atención Integral para la Lucha Contra las Drogas</i>    |
| FARC      | Revolutionary Armed Forces of Colombia – People’s Army                        |
| FY        | Fiscal Year   |
| GLAC      | Local Savings and Loan Group  |
| HEVEANCOR | Latex Producers Association of Antioquia and Córdoba                          |
| JAC       | <i>Junta de Acción Comunal</i>  |
| UACT      | Administrative Unit for Territorial Consolidation                             |

# EXECUTIVE SUMMARY

From October 2011 through 2017, the Consolidation and Enhanced Livelihoods Initiative – Northern/Southern Regions (CELI N/S) supported the Government of Colombia’s efforts to improve governance, stimulate sustainable economic development, build social capital, and encourage licit lifestyles free from conflict and violence in 19 prioritized municipalities in Antioquia, Bolivar, Córdoba, and Tumaco (Nariño). The program was designed to support the government’s Colombia’s Administrative Unit for Territorial Consolidation (UACT) by implementing rapid-response activities aimed at building confidence in the state in remote, rural communities where it had lacked presence.

During its first year, CELI N/S, in collaboration with UACT, applied a community-centered methodology in which citizens identified and prioritized their needs for basic services. The program quickly mobilized by implementing a series of small-scale infrastructure projects, such as pedestrian bridges and multi-purpose athletic fields. Through these rapid-response interventions, trust was built with communities, paving the way for future interventions in program municipalities. Also during this initial phase, CELI N/S’s team strengthened relationships with municipal authorities by training their staff, members of *Juntas de Acción Comunal* (JACs)-- legally recognized neighborhood associations-- to advocate for the interests of their communities during the development of municipal development plans. This organic community-based approach was key to successful implementation and was flexible enough to respond to requests from the Colombian government for additional interventions.

Through an Activity Fund totaling \$55,121,008, including \$7.5 million for direct implementation activities and \$47,621,108 for grants, CELI N/S implemented 689 grant activities. The fund provided CELI N/S with the flexibility necessary to successfully implement activities under each component. For instance, the program invested a total of \$37.4 million in economic growth, the largest component in terms of investment size.

CELI N/S achieved important results across all components during six years of implementation. In the economic growth component, the program generated \$42,708,206 in sales of key agricultural and non-agricultural products. For example, it helped small coffee and cocoa producers sell their products on international markets for the first time, generating 1,201,796 in sales. In the social capital component, the program facilitated the creation of civil society networks in the Nudo de Paramillo region and Tumaco (Nariño) through which organizations could coordinate and advocate for their interests at the regional and national levels. In governance, CELI N/S forged broad-based relationships with departmental, municipal, ministerial, and decentralized government agencies that enabled continual progress in building confidence in the government. In infrastructure, CELI N/S supported 499 projects, including a major initiative to promote rural connectivity. Last, in response to the historic barrier to formalizing property in rural Colombia, the program supported the registration of 6,982 titles to mostly marginalized communities.



## SECTION I

# CONTRACT HIGHLIGHTS

CELI N/S was a key program in USAID/Colombia's country strategy. Following more than a decade of programming in alternative development, support for vulnerable populations, democracy and governance, and demobilization, USAID launched a new initiative in 2011 called the Colombia Strategic Development Initiative.

The initiative was based on the premise that minimum conditions of security for citizens and their human rights are prerequisites for sustainable socioeconomic and democratic development. Furthermore, it incorporated the following four key principles:

1. Strengthening state presence is crucial for program success.
2. More integrated and locally targeted programming in areas undergoing transition from conflict is essential to achieving sustained eradication and stabilization results.
3. Providing food security and short- and medium-term assistance is critical to eradication efforts.
4. Long-term, sustainable economic opportunities are crucial for irreversible consolidation.

In response, USAID established CELI N/S to support the Colombian government's effort to enhance state presence and economic development in conflict-affected regions. To achieve this objective, the program promoted improved conditions for governance, upgraded economic and social infrastructure, and strengthened social and economic development. At first, CELI N/S operated in 16 municipalities in the departments of Antioquia, Córdoba, and Nariño, which are characterized by high poverty levels and violence associated with guerrilla, paramilitary, criminal, and drug trafficking activities. In September 2016, USAID extended the program contract by one year and requested assistance in three additional municipalities, two in the department of Antioquia and a third in Bolívar.

Program activities initially emphasized immediate, short-term interventions to meet urgent economic and social needs in order to demonstrate government presence and help the target areas recover more quickly from the effects of conflict and eradication. As regions became more consolidated and the government re-established an initial presence, CELI N/S transitioned to support longer-term interventions such as sustainable livelihoods, the stabilization and reintegration/return of conflict-affected populations, improved governance, access to finance, and improved land rights.

CELI N/S operated principally through an Activity Fund comprised of a \$47,621,108 Grant Fund and \$7.5 million Direct Implementation Fund. By the end of the program, CELI N/S awarded 527 grants and executed 162 direct implementation activities. A key element of the grants program was to rely on local, grassroots organizations to

implement activities in rural territories, a process that came to be known as “learning by doing.” Instead of bringing in subcontractors and consultants from the main cities of the country, or abroad to achieve development goals, CELI N/S worked to strengthen regionally based organizations, many of them nascent or recently formed, so they were able to execute program activities themselves. Furthermore, CELI N/S emphasized co-financing and ultimately leveraged \$125,888,740 in public sector funds, \$81,430,331 in private sector funds — a leverage ratio of 1:2.73.

In the program’s fourth year, USAID approved a one-year no-cost extension, bringing the total period of performance to six years. The extension resulted from a series of converging factors, including the steep devaluation of the Colombian Peso, the needs of new municipal and departmental governments that were assuming office in early 2016, and support in advance of the signing of the peace agreement. The extension period focused on consolidating public-private partnerships in several key value chains, supporting the government in the postaccord period, promoting community-based models for infrastructure, particularly tertiary road maintenance and repair.

A decentralized technical approach gave the program much-needed flexibility useful for implementing activities in conflict-affected municipalities. By placing the onus on grassroots and producer organizations, CELI N/S helped establish networks that assist organizations in coordinating initiatives. Additionally, the implementation of an information system helps organizations monitor their progress while uploading information into the MONITOR information system. By closeout, CELI N/S had learned a great deal and achieved impressive results, which will be delineated further in this final report.

## SECTION 2

# REGIONAL AND NATIONAL CONTEXT

CELI N/S was implemented against a backdrop of a rapidly changing political, economic, and social context. Perhaps no other event was more significant than the signing of the peace agreement between the government and the Revolutionary Armed Forces of Colombia – People’s Army (FARC), the culmination of four years of negotiations that put an end to a 52-year conflict that claimed the 220,000 lives.

From the outset, the government’s consolidation strategy stemmed mainly from securing strategic corridors through sustained military operations and following up with rapid-response projects that would lead to the provision of basic needs and services in municipalities that had historically lacked state presence. To this end, the government created UACT, which CELI N/S supported in its first years of implementation. UACT employed a “traffic light” system, which categorized the risk for implementing program activities in prioritized municipalities and guided the geographic scope of the program’s intervention during its initial years.

Early in President Juan Manuel Santos’ first term (2010–2014), his relationship with former President Alvaro Uribe Velez ended due to ideological differences in relation to the peace talks with FARC, most of which were held behind closed doors in Havana, Cuba. The animosity between them underscored the regional and mayoral campaigns and elections that took place during program implementation. In 2016, Colombia held its first local and regional elections since negotiations with FARC began in November 2012. The elections took place without serious incidents, especially across the target municipalities of Antioquia, Córdoba, and Tumaco (Nariño). As new mayors and governors assumed their positions, the political landscape and territorial dynamics changed across the prioritized municipalities, presenting challenges and opportunities for project implementation. To address these, CELI N/S developed relationships with many newly elected officials to ensure a smooth transition and guarantee, at least to some degree, continuity with the interventions. As Fiscal Year (FY) 2014 came to a close, President Santos was reelected, which ushered in major advances in the Havana peace negotiations as the political and security dynamic constantly evolved.

Amid peace talks, the Colombian government sustained intensified military operations against the FARC, seeing it as a means to both weaken and drive the guerilla group to negotiations. Neither party ceased operations until a bilateral cease-fire was declared in August 2016; before this, however, the parties engaged in difficult and drawn out negotiation sessions that resulted in stalemates several times. Though many Colombians remained skeptical of the talks, others welcomed a peace agreement. Given the break in support of President Santos’ administration, President Uribe, through the *Centro*

*Democrático* party, became increasingly outspoken as the delegations settled time and again on each point of the peace agenda. Finally, on September 26, 2016, the government and FARC signed the peace agreement, ending the conflict.

With the peace agreement, security-related incidents dropped in many CELI N/S municipalities; however, other illegal armed groups, such as *bandas criminales* (“criminal bands,” known as BACRIM) and the National Liberation Army, increased actions to secure record-high coca production and drug trafficking routes amid increased armed forces operations to counter their influence and efforts to fill the power vacuum left by FARC. For instance, several FARC dissidents formed illegal groups and others joined existing criminal bands, including the *Clan del Golfo*, which declared an armed strike that instilled fear in CELI N/S municipalities in the Bajo Cauca and Northern Antioquia regions in March 2016. *Clan del Golfo* also announced *Plan Pistola* to encourage the assassination of police patrolmen and officers in retaliation for intensified operations by the Colombian National Police to counter its influence in the Nudo de Paramillo region.

In a plebiscite on October 2, 2016, Colombians voted against the peace agreement with FARC. Not only did the result generate widespread political uncertainty and further polarize the country, it also affected CELI N/S, making evident historical lack of state presence in remote rural areas. Despite the plebiscite’s result, the Constitutional Court approved the peace agreement, setting forth the establishment of a “Fast Track” mechanism that would enable Congressional approval for a transitional justice package known as the *Jurisdiccion Especial para la Paz*. Although the mechanism intended to expedite approval of this package was established, Colombian judicial and legal authorities have experienced significant delays in approving the legal framework for the implementation of the peace agreement.

Despite these delays, FARC continued its transition to peace. At first, the government established 22 *Zonas Veredales Transitorias de Normalización* in which former FARC combatants would demobilize, disarm, and begin the reintegration process. Under the supervision of United Nations observers, FARC completed its transition into the zones in February 2017. The government implemented the Pedagogy for Peace program in municipalities that would house these transition camps. In June 2017, FARC completed its disarmament by delivering 7,132 weapons to United Nations observers. During the same month, the Constitutional Court authorized six spokespersons to represent FARC in congressional sessions concerning the implementation of the peace agreement; however, the spokespersons will not be able to vote in congressional sessions. On September 1, 2017, FARC launched the *Fuerza Alternativa por la Reconciliación de la Nueva Colombia-Esperanza del Pueblo* (keeping the same acronym the guerilla group has had for years—FARC-EP), which slated its participation in parliamentary elections to be held in March 2018.

After significant delays, the government and the National Liberation Army agreed on a bilateral cessation of hostilities beginning October 1, 2017. Per the terms of the truce, the latter agreed to cease all attacks on infrastructure and stop kidnapping. President

Santos failed to get the National Liberation Army to meet his demands, causing significant delays in the negotiation schedule as of the time of this writing.

During the program's last two years of implementation, coca production skyrocketed to all-time highs. Historical lack of state presence and access to markets, and the influence of illegal armed groups affected the remote rural areas where CELI N/S implemented activities — but this also became an ideal environment for the program to assist the government by applying its community-centered methodology to counter the effects of increased production in prioritized municipalities. CELI N/S assisted the *Dirección para la Atención Integral para la Lucha Contra las Drogas* (DAILCD) with community-based interventions in Briceño (Antioquia), Montelíbano (Córdoba), and Santa Rosa del Sur (Bolívar).

In addition to regional and national political dynamics, several natural events influenced program implementation. With increased temperatures and drought resulting from El Niño and significant flooding during winter months, program activities were significantly affected in the Bajo Cauca region of Antioquia and Córdoba. A few agricultural initiatives were also affected. Additionally, several national and regional strikes, including those of transporters, farmers, and coca producers, affected implementation.

## SECTION 3

# CELI N/S COMMITTED INVESTMENT REPORT

It is important to note that CELI N/S activity funds are disbursed in Colombian pesos; therefore, fluctuations in the exchange rate make it difficult to compare performance across years in dollar terms. To facilitate this analysis, CELI N/S has applied a fixed peso-dollar exchange rate of 1,800:1 when converting locally denominated values for investment, leveraged funds, sales, and all other information pertaining to the program's monitoring and evaluation plan. This was the prevailing exchange rate during project startup and was fixed at that time.

One important consequence of using a fixed exchange rate methodology is that it appears that the program has exceeded the Activity Fund's \$55,121,008 ceiling by disbursing \$72,449,328. However, this higher figure is merely the result of using a fixed exchange rate that is far below the average prevailing exchange rate over the life of the project, and therefore does not reflect the actual amount invoiced to the U.S. government. Detailed financial performance based on invoices is presented in Section 7.

### **CELI N/S INVESTMENT REPORT BY YEAR AND LIFE OF PROJECT<sup>1</sup>**

This section provides information about the amount and type of committed project investment by region, component, and municipality during the fiscal year and over the life of the project (as shown in Exhibits 1-3 below).

As Exhibit 1 (next page) illustrates, CELI N/S prioritized the economic development component since project startup in 2011. Additionally, during the last two fiscal years, the economic development component increased relative to other components and represented 52 percent of cumulative investment. These yearly changes largely reflect shifts in the program's strategy. For example, the first fiscal year emphasized rapid-response activities, which explains the high percentage of investment to support social and economic infrastructure. During this fiscal year, for example, the economic development component received the highest level of investment, \$2.5 million. The social infrastructure component received an increased investment compared with FY 2016, corresponding to investments made to advance tertiary road projects.

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<sup>1</sup> The "other" category included in Exhibits 2 and 3 refer to investment that cannot be classified as part of a particular region or municipality. These "other" investments include activities that assisted in the elaboration of development plans in preparation of CELI N/S's potential expansion into Catatumbo and Putumayo; activities that supported UACT in Catatumbo and Putumayo; and/or other activities that benefit various municipalities, such as supporting Colombia's Land Restitution Unit and sponsoring a workshop in coordination with the government to share lessons learned from USAID programs. CELI N/S's intervention in Dabeiba, Remedios (Antioquia), and Santa Rosa del Sur (Bolívar) are also included in this category. The program's intervention in these municipalities was in response to a request from the Colombian government, made through the Office of the High Commissioner for Peace and the Office of the High Commissioner for Post-Conflict, Human Rights, and Security.

## EXHIBIT I. CELI N/S CUMULATIVE INVESTMENT BY YEAR & COMPONENT

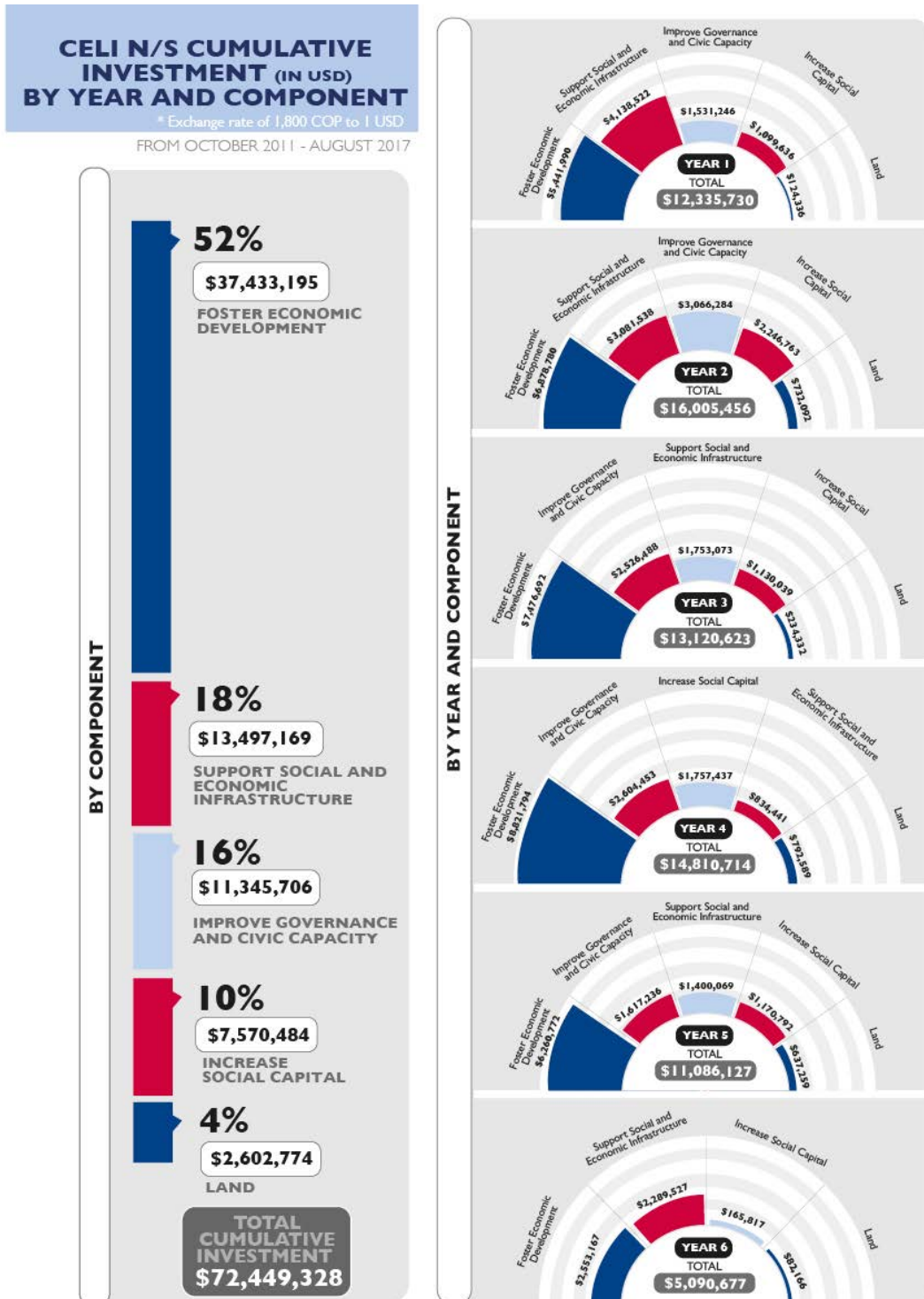


Exhibit 2 (next page) shows the distribution of CELI N/S investment by region and municipality during each fiscal year. The program's investment ratio largely responds to the distribution of nearly 800,000 residents that make up the target population. For example, 43 percent of the target population lives in the 10 prioritized municipalities of Antioquia and received 51 percent of CELI N/S cumulative investment. Similarly, 22 percent of the target population in Tumaco (Nariño) lives in this municipality and has received 20 percent of the cumulative investment. Last, 27 percent of cumulative funds have been invested in Córdoba, responding to 32 percent of the target population.

Exhibit 3 (p. 10) illustrates CELI N/S investment by municipality, which largely corresponds to the evolution of the program and strategy shifts. For example, during the fifth fiscal year, CELI N/S emphasized the implementation of infrastructure projects, strengthening the capacity of local partner organizations, support for value chains, and assisting government institutions in preparing for the implementation of the peace agreement with FARC. As a result, investment increased in municipalities, including in Valencia, Tierralta (Córdoba), Briceño, and Cáceres (Antioquia). In the final year of implementation, the majority of investment was made in Santa Rosa del Sur (Bolívar), Tierralta, Montelíbano (Córdoba), Ituango, and Dabeiba (Antioquia). This was in response to a request from the government, made through the Office of the High Commissioner for Peace and the Office of the High Commissioner for Post-Conflict, Human Rights, and Security.

Tumaco (Nariño) being the outlier in Exhibit 3 (p. 10); CELI N/S investment there has always been consistently higher compared with other municipalities because it is the only project municipality in the Southern Region and, therefore, for reporting purposes is characterized as both a region and municipality. Exhibit 1 and Exhibits 2 and 3, which begin on the next page, detail CELI N/S committed investment by year and over the life of the project in distinct agricultural value chains (as shown in Exhibit 4, p. 11). To clarify, the cumulative funding committed in all 24 value chains for the 19 prioritized municipalities (an estimated \$30.4 million) differs from the value reported for the “foster economic development” component (an estimated \$37.4 million) shown in Exhibit 3. The difference is due to the fact that funds in the “foster economic development” component also include investment in financial services and other productive activities not directly associated with value chains.

## **CELI N/S AT A GLANCE<sup>2</sup>**

This section provides a summary of CELI N/S cumulative investment by year and municipality, public, and private leveraged, including additional details on the cumulative

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<sup>2</sup> In Exhibits 6-8, categories include a variety of public funding sources that have been truncated for graphing purposes. Specific funding sources are broken down in the following manner: local governments, which include the 16 municipal-level governments where CELI N/S operates and local hospitals — royalties include government revenue directed from oil, gas, coal, and gold concessions to municipalities; department-level governments, which include the governments of Antioquia and Nariño — royalties include government revenue directed from oil, gas, coal, and gold concessions to departments; public companies include municipal, departmental, and national public companies (e.g., ECOPETROL, the Corporation for the Development of Antioquia, *Empresa de Vivienda de Antioquia VIVA*, and *Aguas de Tumaco* in Nariño); national ministries and agencies include the Ministry of Agriculture and Rural Development; UACT; Colombian Foreign Trade Bank (*Banca de Oportunidades*); Rural Development Institute; Agustín Codazzi Geographic Institute; the DAILCD; the Ministry of Culture; the Ministry of National Defense; the Presidential Agency of International Cooperation; the Department for Social Prosperity; the Institute of Sports in Antioquia (a department-level organization); the Ministry of Transportation; the Ministry of Finance; the Ministry of Interior; and the Land Restitution Unit; educational institutions include public and private local, departmental, and national institutions (e.g., *Universidad de Antioquia*, *Universidad de Nariño*, the National Learning Service, Superior School of Public Administration, *Fundación Universitaria Católica del Norte*, *Universidad Católica de Oriente*, *ICESI Universidad*, *Universidad Pontificia*, and local schools).



number of projects supporting each component and the number and type of distinct organizations receiving grants (as shown in Exhibit 5 p. 12).

## EXHIBIT 2. CELI N/S CUMULATIVE INVESTMENT BY YEAR & REGION

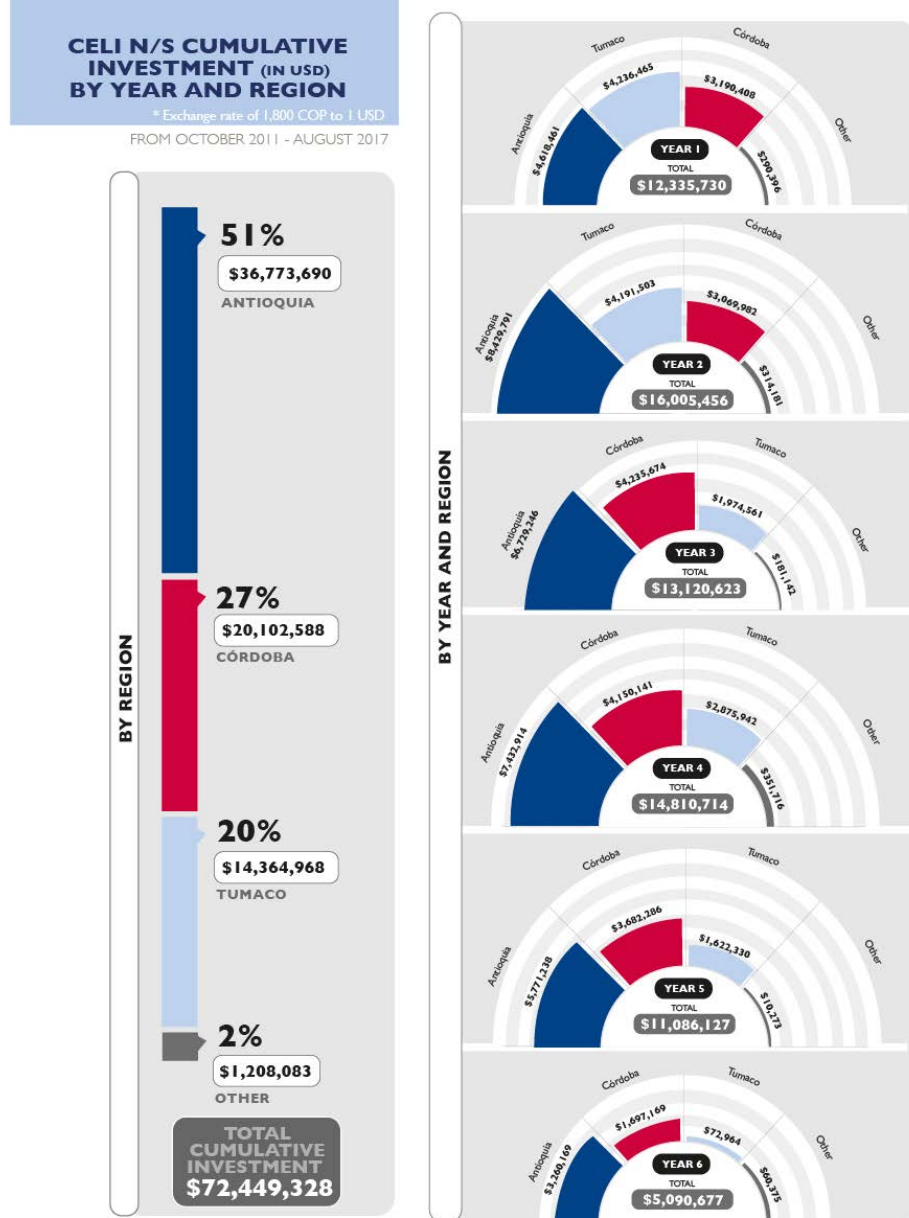
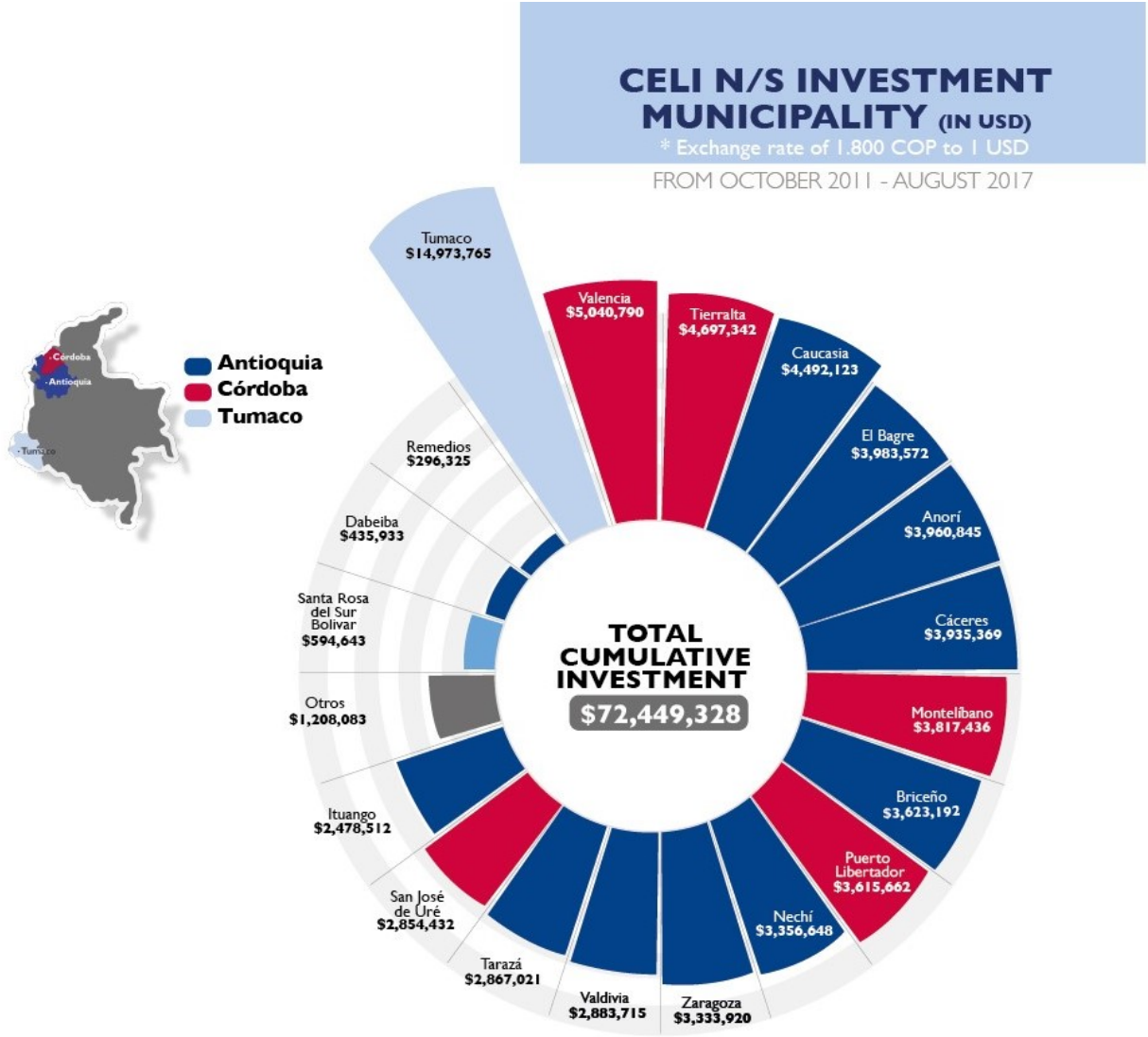
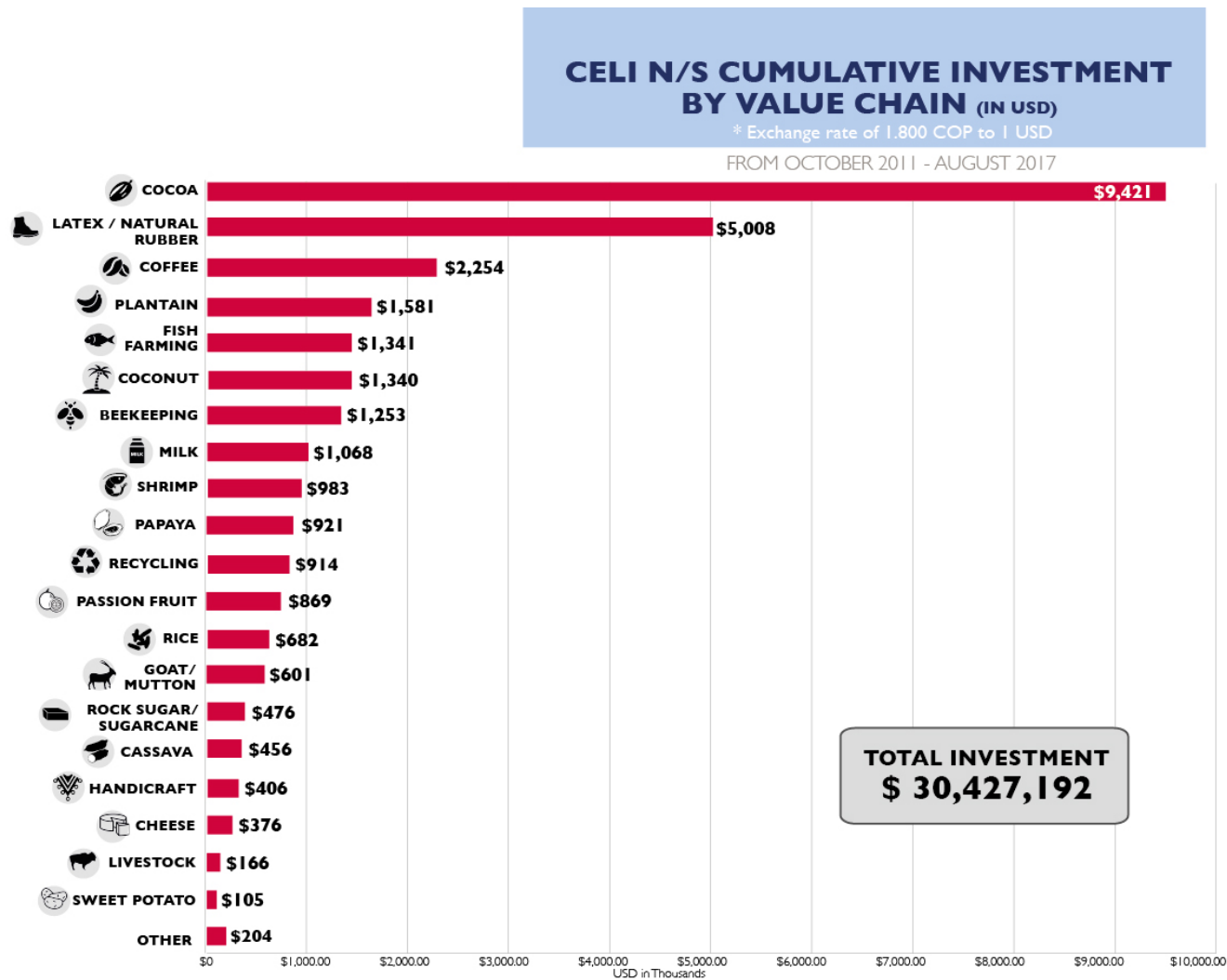


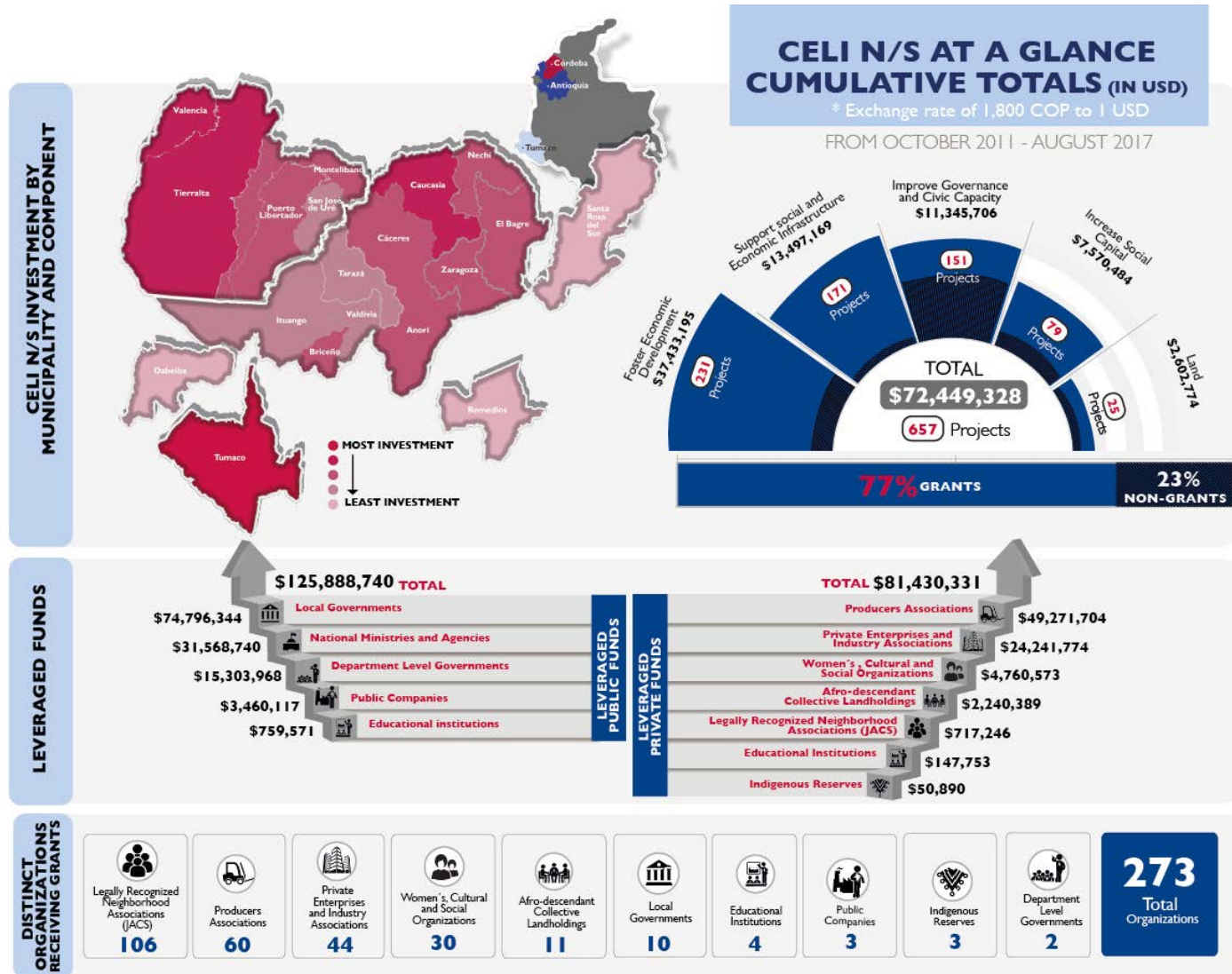
EXHIBIT 3. CELI N/S INVESTMENTS BY MUNICIPALITY



#### EXHIBIT 4. CELI N/S CUMULATIVE INVESTMENT BY VALUE CHAIN



## EXHIBIT 5. CELI N/S TOTAL CUMULATIVE INVESTMENT



## EXHIBIT 6. CELI N/S INTERVENTION IN ANTIOQUIA

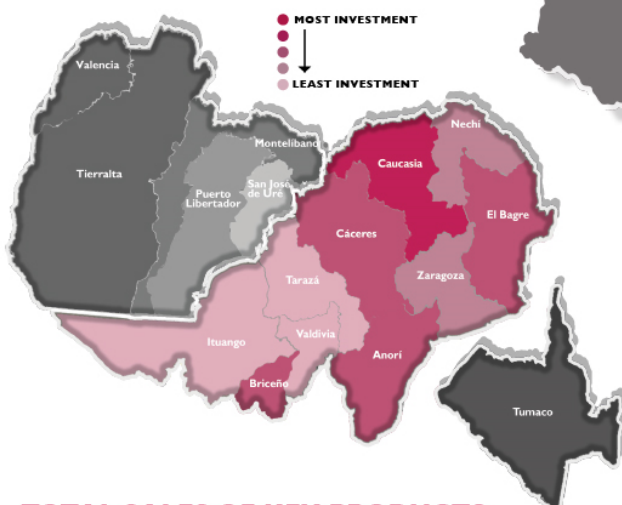


### CELI NORTH /SOUTH INTERVENTION IN ANTIOQUIA (IN USD)

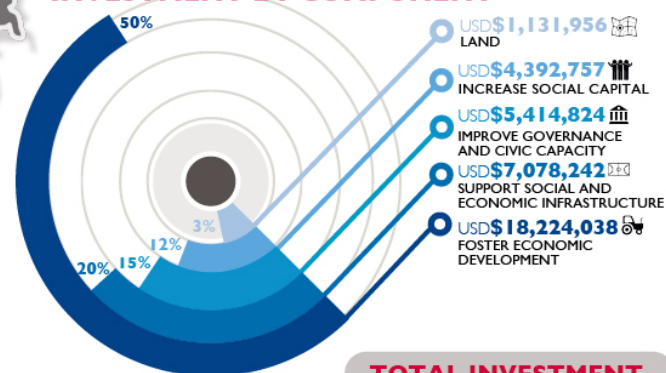
\*Exchange rate of 1.800COP to USD

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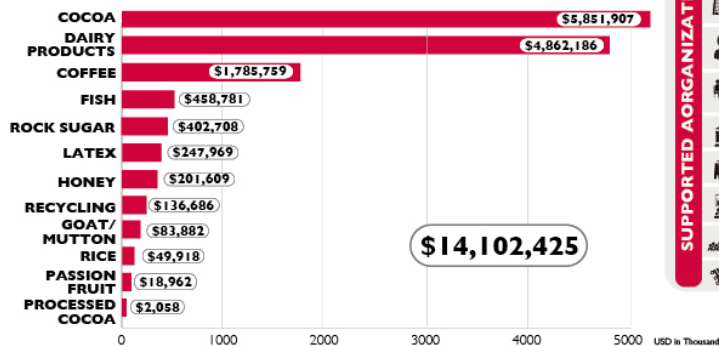
#### INVESTMENT IN ANTIOQUIA



#### INVESTMENT BY COMPONENT



#### TOTAL SALES OF KEY PRODUCTS



|                          |   |    |
|--------------------------|---|----|
| SUPPORTED AORGANIZATIONS | LEGALLY RECOGNIZED NEIGHBORHOOD ASSOCIATIONS (JACS) | 69 |
|                          | PRODUCER ASSOCIATIONS                               | 30 |
|                          | PRIVATE ENTERPRISES AND INDUSTRY ASSOCIATIONS       | 22 |
|                          | WOMEN'S, CULTURAL, ADD SOCIAL ORGANIZATIONS         | 20 |
|                          | AFRO-DESCENDANT COLLECTIVE LANDHOLDINGS             | 4  |
|                          | LOCAL GOVERNMENTS                                   | 3  |
|                          | PUBLIC COMPANIES                                    | 2  |
|                          | EDUCATIONAL INSTITUTIONS                            | 2  |
|                          | DEPARTMENT LEVEL GOVERNMENTS                        | 1  |
|                          | INDIGENOUS RESERVE                                  | 1  |

#### TOTAL INVESTMENT

USD \$36,241,818

15392 BENEFITED FAMILIES

55% 45%

7045 JOBS CREATED

15 ECONOMIC VALUE CHAINS SUPPORTED

SUPPORTED HECTARES 5287

LEVERAGED PRIVATE FUNDS USD \$44,579,305

LEVERAGED PUBLIC FUNDS USD \$51,722,067

SALES \$21,958,284

KEY PRODUCTS \$14,102,425 USD

GOODS/SERVICES \$7,855,858 USD



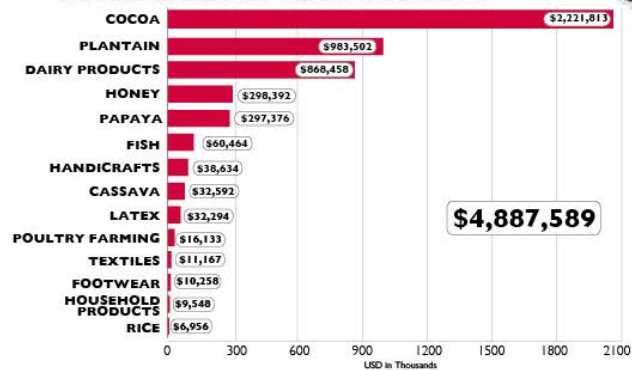
## EXHIBIT 7. CELI N/S INTERVENTION IN CÓRDOBA



### INVESTMENT IN CÓRDOBA



### TOTAL SALES OF KEY PRODUCTS

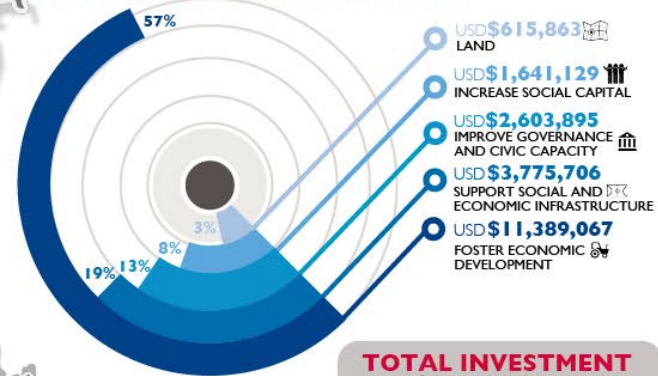


### CELI NORTH/SOUTH INTERVENTION IN CÓRDOBA (IN USD)

\*Exchange rate of 1.800 COP to 1 USD

FROM OCTOBER 2011 - AUGUST 2017

### INVESTMENT BY COMPONENT



### TOTAL INVESTMENT

USD \$20,025,661

**7450** BENEFITED FAMILIES

43% 57%

**3440** JOBS CREATED

**16** ECONOMIC VALUE CHAINS SUPPORTED

**SUPPORTED HECTARES** **4816**

LEVERAGED PRIVATE FUNDS USD \$15,364,205

LEVERAGED PUBLIC FUNDS USD \$33,320,187

**SALES** **\$7,533,593**

KEY PRODUCTS \$4,887,589 USD

GOODS/SERVICES \$2,646,003 USD

## EXHIBIT 8. CELI N/S INTERVENTION IN TUMACO

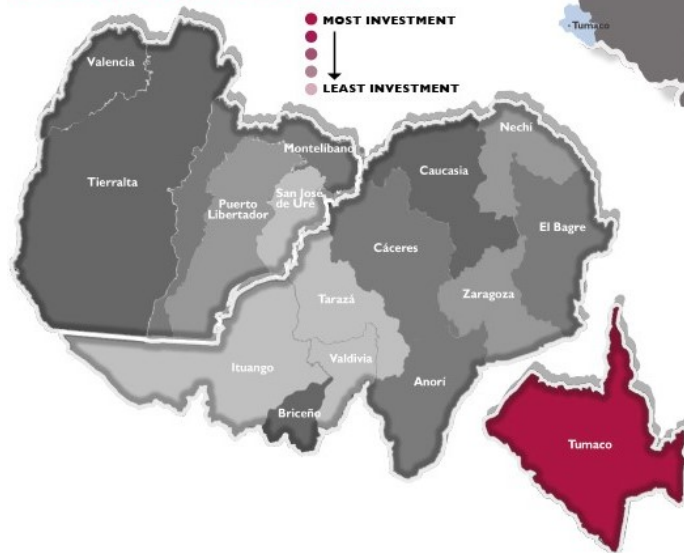


### CELI NORTH/SOUTH INTERVENTION IN **TUMACO** (IN USD)

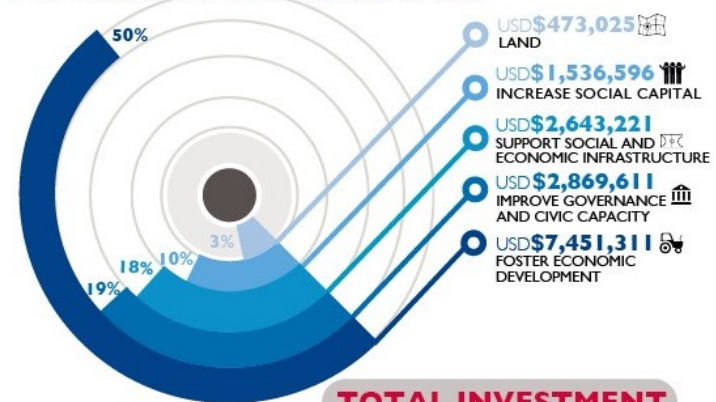
\* Exchange rate of 1.800 COP to 1 USD

FROM OCTOBER 2011 - AUGUST 2017

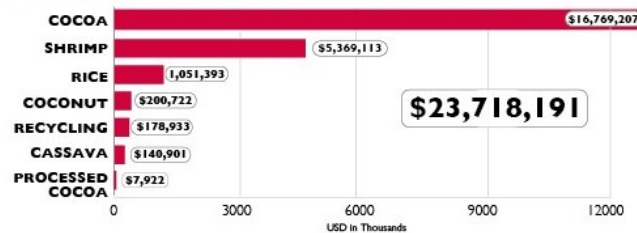
#### INVESTMENT IN TUMACO



#### INVESTMENT BY COMPONENT



#### TOTAL SALES OF KEY PRODUCTS



|                         |   |    |
|-------------------------|---|----|
| SUPPORTED ORGANIZATIONS | PRIVATE ENTERPRISES AND INDUSTRY ASSOCIATIONS       | 22 |
|                         | PRODUCERS ASSOCIATIONS                              | 10 |
|                         | AFRO-DESCENDANT COLLECTIVE LANDHOLDINGS             | 7  |
|                         | WOMEN'S, CULTURAL, AND SOCIAL ORGANIZATIONS         | 6  |
|                         | LEGALLY RECOGNIZED NEIGHBORHOOD ASSOCIATIONS (JACS) | 4  |
|                         | LOCAL GOVERNMENTS                                   | 2  |
|                         | EDUCATIONAL INSTITUTIONS                            | 2  |
|                         | DEPARTMENTAL LEVEL GOVERNMENTS                      | 1  |
|                         |   | 54 |
|                         |   |    |

#### TOTAL INVESTMENT

USD **\$14,973,765**

**5379** BENEFITED FAMILIES

**45%** **55%**

**2243**  
JOBS CREATED

**7** ECONOMIC  
VALUE CHAINS  
SUPPORTED

**SUPPORTED HECTARES** **4217**

LEVERAGED  
PRIVATE  
FUNDS  
USD  
**\$21,486,819**

LEVERAGED  
PUBLIC  
FUNDS  
USD  
**\$40,846,485**

**SALES** **\$24,301,362**

KEY PRODUCTS  
**\$23,718,191** USD

GOODS/SERVICES  
**\$583,171** USD

## SECTION 4

# COMPONENTS AND CROSSCUTTING INITIATIVES

## SUMMARY OF SIGNIFICANT EVENTS BY COMPONENT

### FOSTER ECONOMIC DEVELOPMENT

The following analysis provides a comprehensive assessment of the economic development component, including total CELI N/S investment in the component and sales of key products and services. As explained at the beginning of Section 3 (p. 6), values reflect an approximate exchange rate of 1,800 Colombian pesos to \$1.00.

Exhibit 9 (next page) illustrates cumulative totals of supported hectares by value chain, employment generated by value chain,<sup>3</sup> and benefited rural households by value chain. Exhibit 10 (pp. 18-19) details cumulative total sales of key products by program-supported organizations. Key products refer to tangible items produced by associations and organizations, including mostly agricultural products, and goods and services refer to actions taken by an organization to satisfy a client's need, such as providing a cleaning service or implementing a services contract for the municipality.

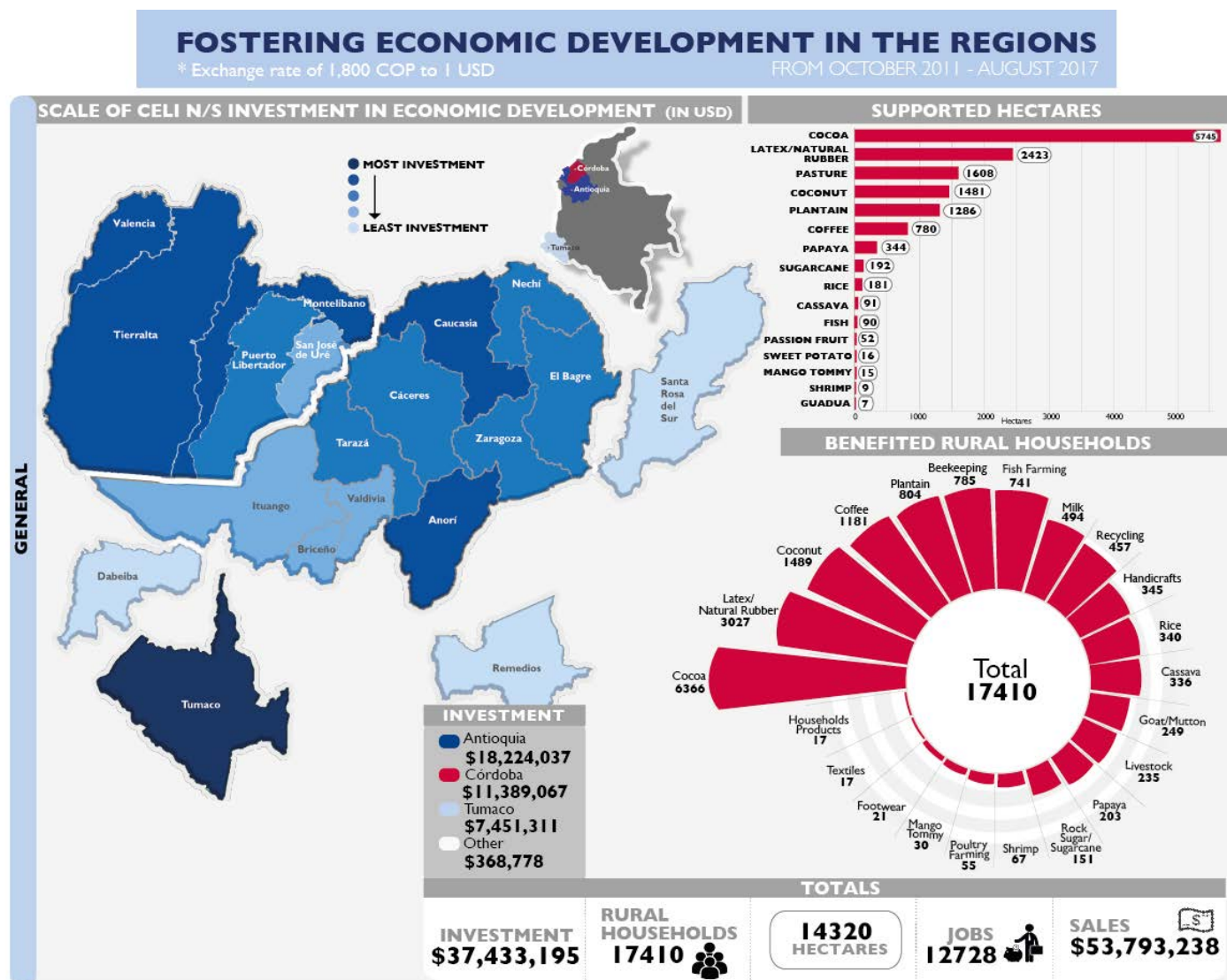
CELI N/S measures the incremental sales of key products and goods and services, as outlined by Indicator DOI-029. To measure incremental sales, the program must first establish a baseline value, which is determined by an organization's sales recorded one year before the intervention. Using the baseline value, CELI N/S then monitors and calculates the yearly sales of an organization to determine its incremental sales. To provide a more robust analysis, CELI N/S also calculates and illustrates the total sales of key products and services by organization. Total sales reflect the cumulative value of sales reported by each organization since the beginning of a program intervention. The total sales reported in Exhibit 10 include combined cumulative totals of key products and services, not incremental sales, as reported by Indicator DOI-029.

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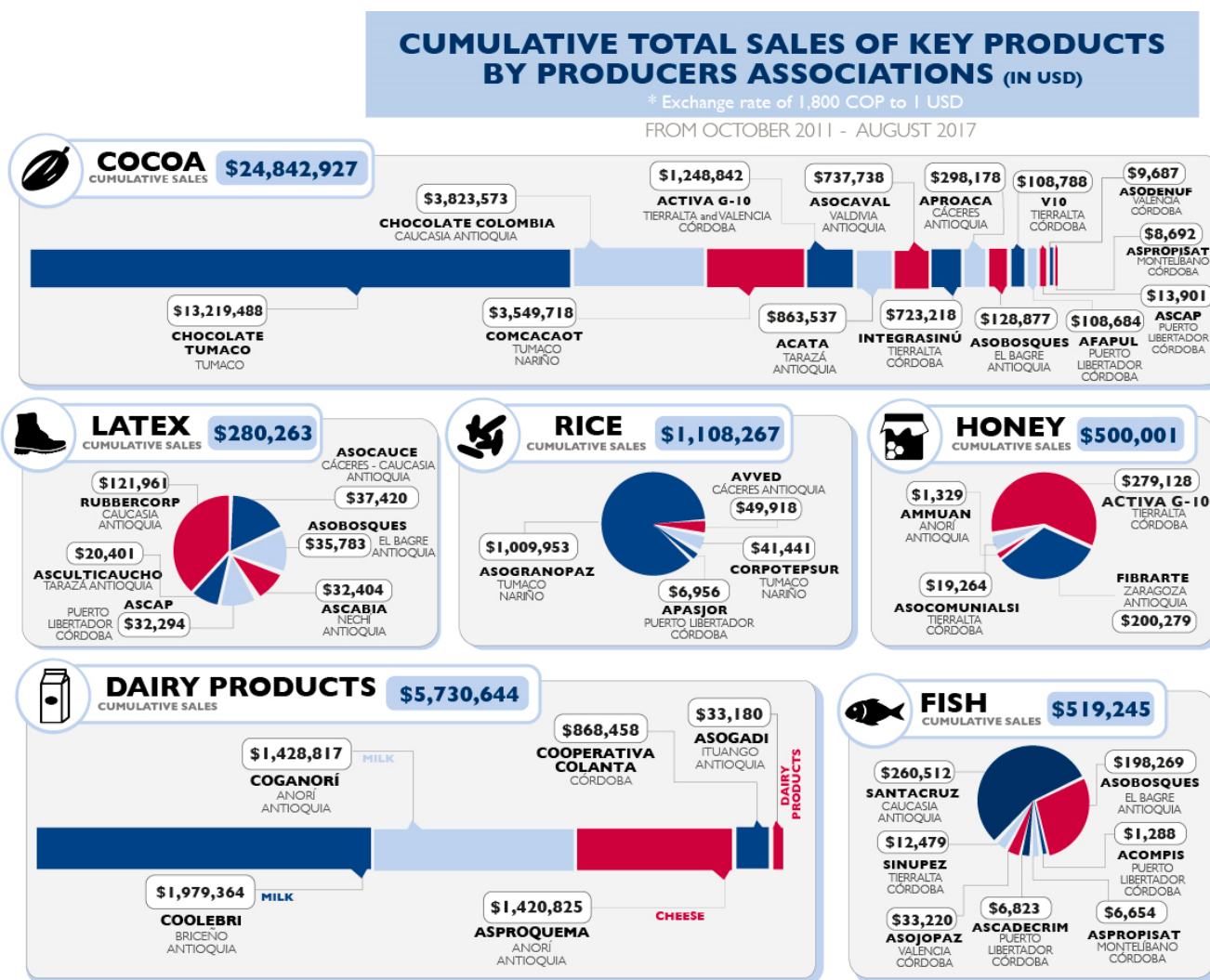
<sup>3</sup> Employment generation is measured by internal Indicator P-05, which is calculated using the full-time equivalency measurement. Both Colombia's National Administrative Department of Statistics and the U.S. Government Accountability Office use this measurement. It is defined as the total number hours worked divided by the maximum number of compensable hours in a full-time schedule as defined by law. For CELI N/S, the full-time equivalency measurement allows the conversion of part-time employment into the equivalence of full-time employment.



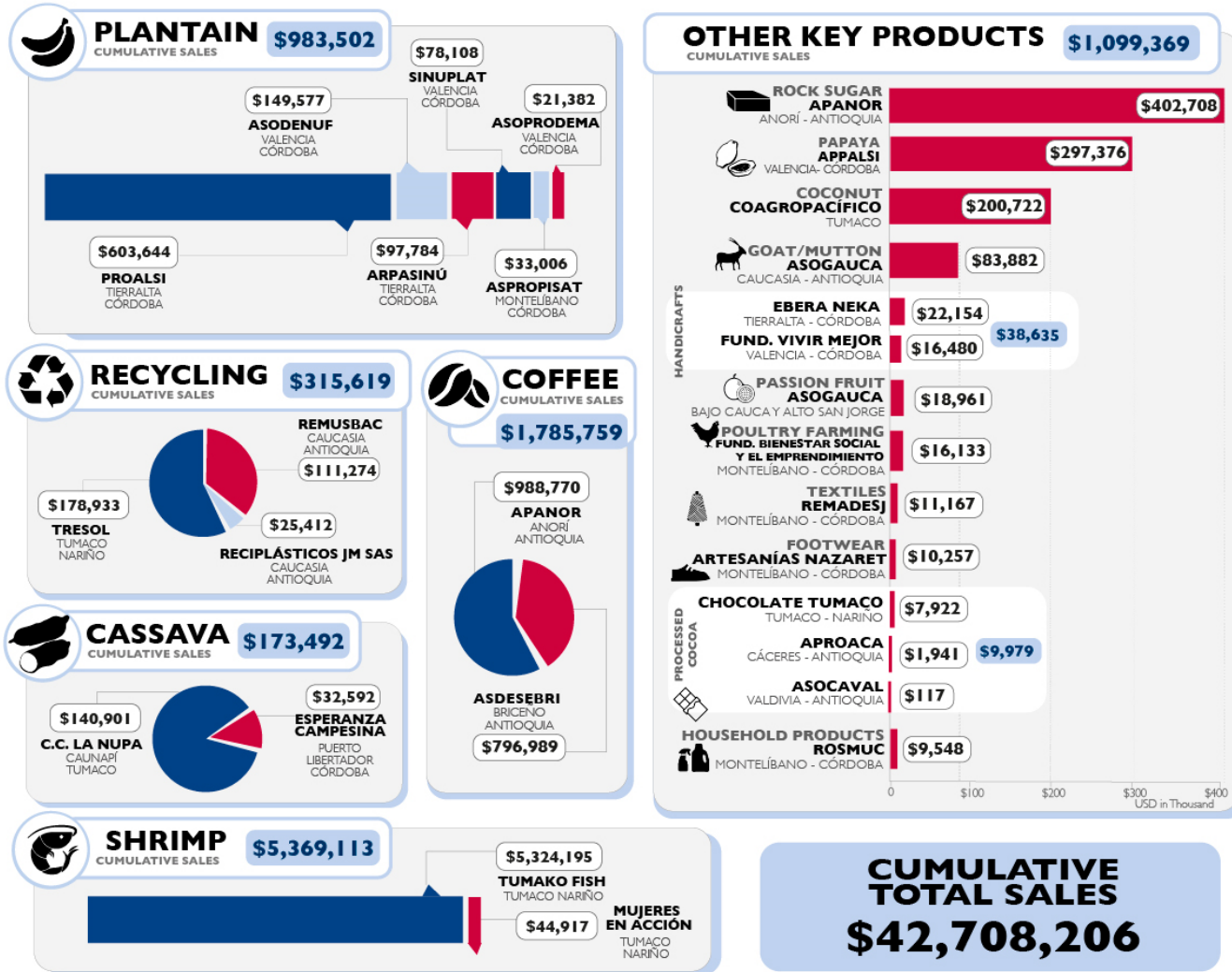
## EXHIBIT 9. SUPPORTED HECTARES, EMPLOYMENT GENERATED & BENEFITED RURAL HOUSEHOLDS BY VALUE CHAIN



## EXHIBIT 10. TOTAL SALES OF KEY PRODUCTS BY PROGRAM-SUPPORTED ORGANIZATIONS



# EXHIBIT 10 (CONTINUED)



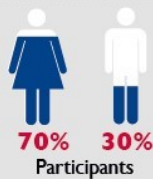
## EXHIBIT 11. ACCESS TO FINANCIAL SERVICES

### ACCESS TO FINANCIAL SERVICES

FROM OCTOBER 2011 - AUGUST 2017

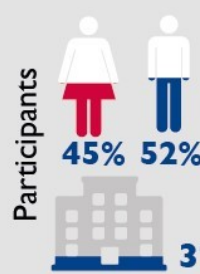
**2583 GLAC**  
LOCAL SAVINGS AND LOAN GROUPS

**45284**  
Beneficiaries



Savings  
**11,334,724**  
USD

**371** **BANK  
LOANS**

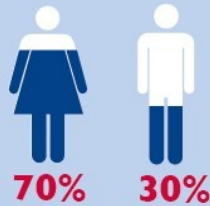


• BANCO AGRARIO  
• ICFundación  
• Cooperativa de Ahorro y  
Crédito Colanta AyC



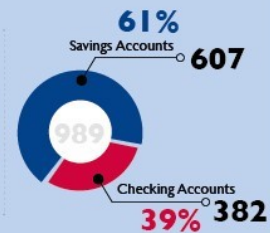
**1,484,616** USD  
Approved Loan Amount

**977**  
MICROINSURANCE



**989** **CHECKING AND  
SAVINGS BANK ACCOUNTS**

**595**  
Beneficiaries



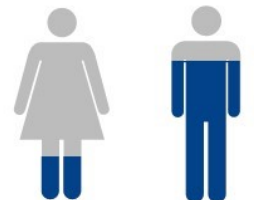
**15** **REVOLVING  
FUNDS**



• APANOR - Anorí  
• ASOVACAL - Valdivia  
• COOLEBRI - Briceño  
• ASPROQUEMA - Anorí  
• ASDESEBRI - Briceño  
• ACATA - Tarazá  
• PROALSI - Tierralta  
• FIBRARTE - Zaragoza  
• CHOCOLATE COLOMBIA - Cauca  
• APPALSI - Valencia  
• AFAPUL - Pto. Libertador  
• ASOPRODEMA - Valencia  
• ACTIVA G10 - Valencia y Tierralta  
• ASODENUF - Valencia  
• CHOCOTETUMACO - Tumaco

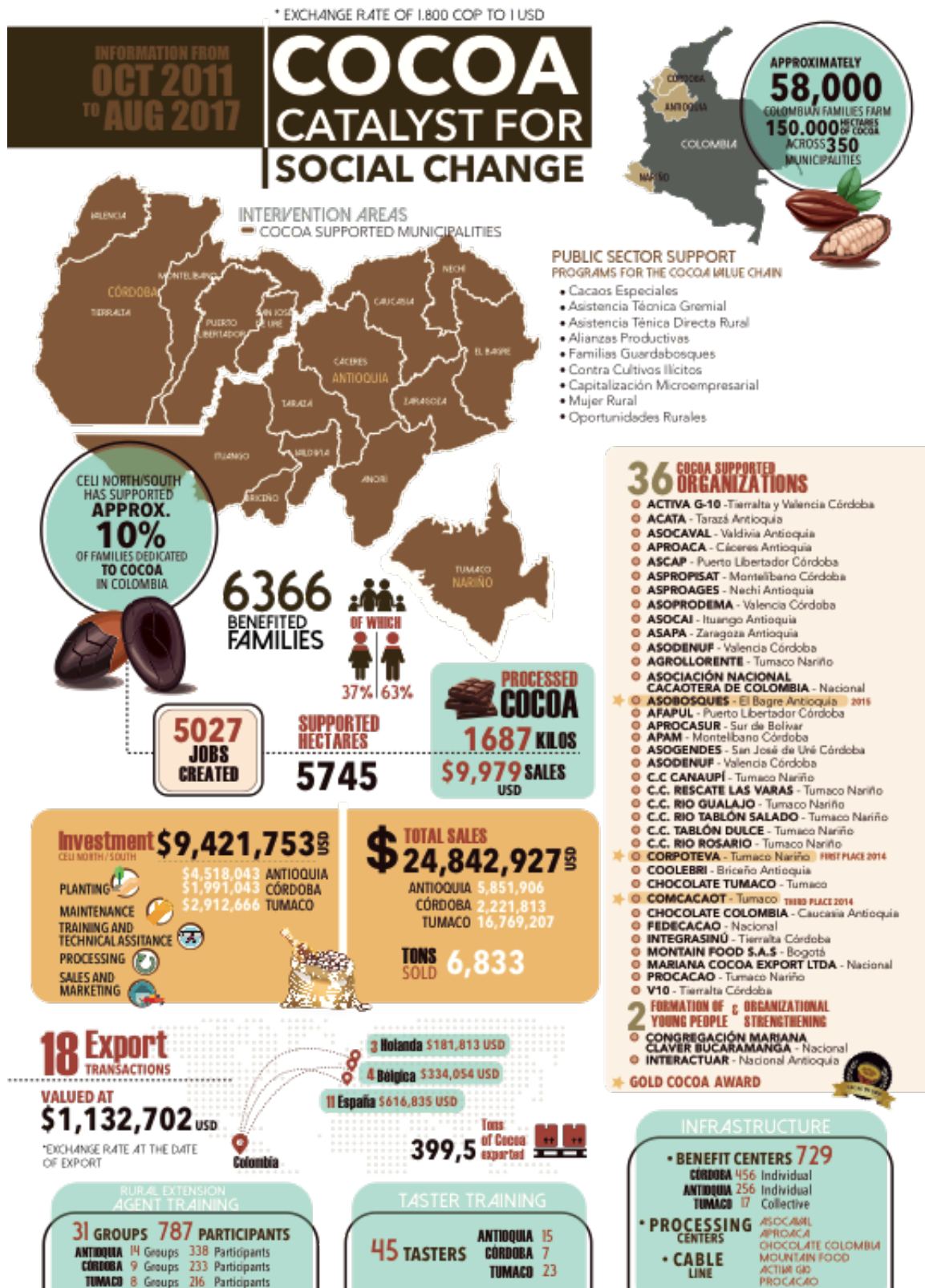


**1240**  
Beneficiaries





## EXHIBIT 12. COCOA: A STRATEGY FOR SUSTAINABLE ECONOMIC GROWTH



Below, we present summaries of CELI N/S's value chain interventions.

## COCOA

CELI N/S invested \$9,421,753 to strengthen the cocoa value chain, the program's largest investment in a single agricultural value chain. From the outset, CELI N/S focused on supporting rehabilitation of cocoa farms and providing producers with technical assistance. Subsequently, it strengthened the organizational, administrative, technical, and marketing capacity of cocoa-producing organizations in the Nudo de Paramillo region, such as ASOCAVAL in Valdivia (Antioquia) and CORPOTEVA in Tumaco (Nariño). Understanding that cocoa-producers lacked an organization through which they could negotiate with buyers directly, the program redirected its strategy toward creating cacao aggregators and second-tier organizations, including Chocolate Colombia, a group of 18 producer associations benefitting 3,102 families in the Nudo de Paramillo region, and Chocolate Tumaco, a group of nine entities benefitting more than 6,000 producers. CELI N/S helped Chocolate Colombia and Chocolate Tumaco form strategic alliances with Mariana Cocoa Export, an export firm that provided technical support to program-supported producers. Through the alliance, Chocolate Tumaco exported 224 tons of fine and flavored cocoa to buyers in Europe and has sold 3,939 tons of cocoa to the national market, with total sales of \$13,860,556. Chocolate Colombia has exported 250.5 tons of cocoa to Europe since 2015, representing total sales of \$582,170; in that same period, it has sold 1,091 tons of cocoa to the national market, with total sales of \$1,892,783.

CELI N/S also helped form a strategic alliance with Mountain Food, a Colombian chocolate manufacturer, which led to the establishment of a chocolate factory in the *corregimiento* of Llanos de Cuivá in Yarumal (Antioquia) capable of processing six tons of liquid chocolate and table chocolate every month.

### CHOCOLATE TUMACO HELPS IMPROVE THE LIVELIHOODS OF COCOA PRODUCERS IN TUMACO (NARIÑO)

For half a century, Casa Luker had been working in Tumaco, where the climate and topography are ideal for growing some of the world's finest varieties of cacao beans. In 2013, however, after multiple security-related challenges, including a direct threat of violence against a local manager, it ceased operations and left Tumaco. Working together, Casa Luker, the government of Colombia, and CELI N/S arrived at a solution: a partnership to support the creation of a new cacao aggregator based on local knowledge, significant trust, and robust community engagement. The new cooperative, Chocolate Tumaco, brought together seven *Consejos Comunitarios* (Afro-Colombian public landholdings) and two cacao producer organizations, benefitting more than 6,000 producers in the municipality. CELI N/S assisted Chocolate Tumaco in structuring its charter and corporate governance structure, bolstering its administrative, organizational, and technical capacity, specifically by creating a business plan and developing new market linkages and relationships with buyers. Additionally, the program trained the organizations behind Chocolate Tumaco in on-farm best practices for cacao production so they could work directly with current and future farmer suppliers to increase yields and quality. Casa Luker donated its abandoned infrastructure in Tumaco, including its offices and warehouse, to the new venture and provided Chocolate Tumaco with operating capital to purchase cocoa from associated producers. To date, Chocolate Tumaco has sold \$14,975,000 to national and international buyers.

## **RUBBER/LATEX**

Beginning in 2012, CELI N/S supported the rubber value chain by implementing a series of projects in Southern Córdoba and Northern Antioquia. First, it obtained support from the Ministry of Agriculture and Rural Development, UACT, and the respective governor's offices in an effort to increase the number of cultivated hectares in the region. During the initial stage of this intervention, the program helped train 1,660 producers in techniques for rubber tapping and establish rubber plantations. This initiative resulted in 2,422 hectares intervened, of which 545 were planted and 1,877 were prepared for production.

In September 2015, the Latex Producers Association of Antioquia and Córdoba, HEVEANCOR, announced the final results of its latex census, which CELI N/S sponsored. The association identified and registered nearly 6,320 hectares farmed by approximately 1,700 farmers in 13 municipalities of Antioquia and Córdoba. The census provided detailed information about the geographic distribution of latex and its current and estimated future production potential. It also provided private businesses and public institutions (e.g., the regional and local agriculture secretaries and HEVEANCOR) with data on the importance, scale, and market of latex production in the region.

CELI N/S also worked to establish a latex/rubber processing plant in the *vereda* of Santo Domingo in Cauca (Antioquia) that aggregates production from 1,660 families in the Nudo de Paramillo region. The plant will process raw rubber using a centrifuge to create latex that will be sold in domestic markets. Entre Rios, a rubber producing firm from Guatemala, provided technical assistance throughout the process, while HEVEANCOR provided the vacant lots on which the plant is being built. Production will begin in late 2017.

Last, the program supported ASCABIA, a rubber-producing organization, in building a training center in Nechí (Antioquia). The most important facility of its kind in the Nudo de Paramillo region, it has 110 hectares of rubber plantations and offers students courses to learn techniques for rubber production and tapping.

## **COFFEE**

CELI N/S launched its initiative to strengthen the coffee value chain in 2012 by supporting three coffee producers — APANOR in Anorí (Antioquia), COOLEBRI in Briceño, and ASOCAVAL in Valdivia — in establishing 75 hectares of cherry coffee for production. Ultimately, the program invested \$2,254,000 to provide different types of support to 780 hectares over the life of the project, expanding to include three other coffee producers, ASDESEBRI in Briceño and ASPROASIR and APROCANT in Ituango, to develop their organizational, administrative, and technical capacity. The program also supported the establishment of a wet mill in the *vereda* of El Retiro in Anorí, which benefits more than 327 producers in Anorí and producers in the neighboring municipalities of Amalfi and Guadalupe. CELI N/S provided the equipment to establish the mill including machinery, fermentation bins, and a laboratory to test the quality of samples. Before, coffee producers would use 32 liters of water to process one kilo of

coffee; now, they are able to process 1,500 kilos of cherry coffee per hour using one liter of water per kilo.

*Congregación Mariana* supported the training of 143 rural extension agents who will provide technical assistance to small coffee producers. CELI N/S also supported alliances with large buyers that distribute to national and international markets. For example, A. Laumayer & CIA exported 50 tons of coffee grown by CELI N/S-supported farmers, totaling \$69,094 in sales. The program also facilitated a strategic alliance with Starbucks Coffee Co., whose technical personnel trained producers from ASDESEBRI, APANOR, and APROCANT in sampling coffee harvests. By the end of its intervention in this value chain, CELI N/S benefitted 1,181 coffee-producing families in Northern Antioquia.

### **FRUITS AND TUBERS**

*Passion fruit.* In a region marred by illegal mining, CELI N/S supported ASOGAUCA, a cattle ranchers' association, to establish 50 hectares of passion fruit in Cauca (Antioquia). Through this initiative, ASOGAUCA established the crop and installed an irrigation system. Furthermore, CELI N/S worked with ASOGAUCA to strengthen its organizational and administrative capacity, and facilitated a partnership with FLP International, a fruit-trading firm, to purchase all of ASOGAUCA's production. Unfortunately, this initiative was set back by an extreme flooding event that destroyed approximately 60 percent of the crop; as a result, ASOGAUCA and FLP International are evaluating future interventions. During this intervention, ASOGAUCA sold 13 tons of coffee (\$18,961 in sales) and created 50 new jobs in the municipality.

*Coconut.* Coconut is one of the main agricultural crops produced in Tumaco. CELI N/S supported Agriculture Cooperative of the Pacific, a coconut producer group, by identifying business opportunities and helping form public-private strategic partnerships. It also strengthened the coconut value chain by helping producers form FEDECOCO, a new national organization that is able to advocate for producers' interests with the government through increased access to state-sponsored training. FEDECOCO has associated coconut-producing organizations from other departments (e.g., Valle del Cauca, Córdoba, and Antioquia) and made significant advances in eradicating the pest infestation that has plagued coconut palms in much of Tumaco.

*Yucca and batata.* Recognizing yucca's potential as an income-producing crop suitable to the region, CELI N/S supported *Esperanza Campesina* to conduct feasibility studies, strengthening its organizational, administrative, and technical capacity. The program also assisted *Esperanza Campesina* in establishing a yucca processing and packing center. The organization, which comprises 111 yucca-producing families, represents six organizations, and covers more than 91.5 hectares in Southern Córdoba, has sold more than 140 tons of yucca in regional and local markets for total sales of \$32,592.

In Montelíbano (Córdoba), CELI N/S partnered with *Corporación Agencia de Desarrollo Local Montelíbano San Jorge ADEL (ADEL Montelíbano San Jorge)*, in collaboration with strategic partner *Aldea Produce S.A.S.*, to provide technical support for *batata*



producers in establishing 16 hectares, the output of which will be exported to the United Kingdom and the Netherlands.

### **SHRIMP**

During the late 1990s, Tumaco was Colombia's most prosperous shrimp-producing municipality. However, the white spot and taura syndrome devastated the industry, with dramatic consequences for the local economy, including the loss of approximately 3,000 jobs and millions of dollars in revenue. To help revive a critical source of income for families in Tumaco, CELI N/S supported two women's shrimp-producing associations, *Mujeres en Acción* (21 women) and Marisol S.A.S, in improving artisanal methods of shrimp production. The program facilitated the construction of five pools for *Mujeres en Acción*, technical support and training for its members, and improving new business and marketing methods. *Mujeres en Acción* registered \$44,917 in sales as a result of this intervention.

In June 2015, CELI N/S redirected its intervention in this value chain by supporting Tumako Fish, a local shrimp producer. The program supported a public-private alliance that brought together Tumako Fish and ASMUDEPAZ, a small Afro-Colombian women's organization. The alliance supported the expansion of Tumako Fish's production and provided a stable source of semi-skilled labor to ASMUDEPAZ's 145 members. This employment opportunity allowed the member women to increase their incomes and meet their economic needs. Beyond a mere service provision arrangement, the women-led ASMUDEPAZ receives an equity stake in the enterprise, the profits of which will be dedicated to establishing a revolving fund to provide credit for its members. At the same time, CELI N/S assisted Tumako Fish in successfully upgrading 20 shrimp ponds to use a hyper-intensive production system, the first of their kind in Colombia, which has increased shrimp production per hectare by nearly 20 times. As a result, Tumako Fish currently has the capability to harvest 19.8 tons of shrimp every month. To date, Tumako Fish has invested \$932,412 of its own resources in this strategic alliance and has reported \$5,324,196 in sales.

### **MILK AND CHEESE**

Milk and cheese producers in Northern Antioquia and Southern Córdoba were often unable to guarantee the quality of their milk due to the artisanal methods and processes they used to collect and transport their products. Oftentimes, bacteria built up in the barrels of warm milk, which were transported on lengthy and arduous routes, causing their products to spoil.

To help overcome this barrier, CELI N/S facilitated a strategic alliance with *Cooperativa Lechera de Antioquia*, Colombia's largest milk-producing cooperative, and small-scale milk producers in the region to install 25 cooling tanks that enable producers to deposit their milk. The program assisted producers in purchasing the tanks, which were installed in *veredas* along *Cooperativa Lechera de Antioquia's* pick-up routes. Through CELI N/S assistance, milk producers in Southern Córdoba are now being paid an additional \$0.55 to \$0.63 per liter of cold milk and by June 2016 had sales of more than \$316,667. This

increase represents an additional monthly income of \$167 for 297 families in eight municipalities in Southern Córdoba: Valencia, Tierralta, Puerto Libertador, Montelíbano, San José de Uré, Buenavista, La Apartada, and Planeta Rica. In Anorí and Briceño (Antioquia), CELI N/S identified the potential for cattle ranchers to produce and sell cheese and milk products. In Anorí, the program provided technical assistance and training to ASPROQUEMA to improve the quality of these products, funded the construction of 67 cheese-processing casks, and helped form a strategic alliance with *Panadería la 96* in Medellín, to which it has sold 288 tons of products for \$1,420,825 in sales. In Briceño (Antioquia), CELI N/S supported 75 cheese and milk-producing families associated with COOLEBRI to improve their pastures and market their products in Santa Rosa de Osos (Antioquia).

### **OTHER VALUE CHAINS**

*Rice.* CELI N/S supported ASOGRANOPAZ, a rice producers' organization in Tumaco (Nariño), to upgrade its warehouse and milling equipment to better meet technical standards required to sell white rice. The program also strengthened the organizational structure and accounting processes, and supported a strategic alliance with Merca Z, a local supermarket chain. Support to ASOGRANOPAZ also helped guarantee food security for the municipality, whose citizens consume rice daily as a staple food. To date, ASOGRANOPAZ has sold 708 tons of rice for sales of \$1,009,953.

*Beekeeping.* CELI N/S launched its intervention in the Bajo Cauca region by building upon past USAID initiatives designed to promote licit alternatives to illegal. The program supported the establishment of organizations to market honey and a processing plant in El Bagre with DISTRIAPICOLA, a beekeepers' firm in Caicedonia (Valle del Cauca), which advised on the technical aspects of the plant. The plant now processes nearly seven tons of honey monthly, representing sales of \$21,000 (\$3,000 per ton). CELI N/S also supported beekeepers' association FIBRARTE in strengthening its organizational, administrative, and technical capacity throughout the intervention. Furthermore, FIBRARTE distributed a floral calendar to help producers better plan honey production. CELI N/S also supported a study that details the microbiological origin of honey produced in 10 prioritized municipalities in Antioquia and Córdoba.

*Handmade artisanal goods.* CELI N/S worked with the Emberá Katío indigenous population in Tierralta (Córdoba) to help form a handicrafts association, *Asociación de Mujeres Artesanas Emberá Katío del Alto Sinú*, or Ebera Neka. The association produces handmade necklaces, bracelets, and earrings made from beads and metals such as bronze, silver, and gold, and based on traditional Emberá Katío designs. Through program assistance, Ebera Neka opened a headquarters, negotiated commercial agreements, and has participated in Colombia's most important fashion shows in Barranquilla, Medellín, and Bogotá, and the Cartagena and Sinú beauty pageants. CELI N/S assisted the association in signing commercial agreements to sell its products with three hotels in Montería (Córdoba) and handicrafts stores in Cartagena (Bolívar). Under the agreements, Ebera Neka committed to delivering 15 necklaces, bracelets, and earrings to each store every 45 days. To date, it has reported sales of \$22,154.

CELI N/S supported *Fundación Vivir Mejor*, in collaboration with *Artesanías de Colombia*, to help 11 artisanal handicraft-producing organizations in Valencia, Tierralta, Puerto Libertador, and Montelíbano (Córdoba) participate in *Expoartesanías* in Bogotá December 5–18, 2016. Similarly, CELI N/S facilitated meetings between *Fundación Vivir Mejor* and Jipijapa, a chain of stores owned by *Almacenes Éxito* that sells artisanal products, in which the attendees explored how to develop strategic partnerships that would enable the sales of handmade kitchen products made of coconut, calabash seeds, and beaded accessories made by 17 grassroots organizations in Southern Córdoba.

### **NON-AGRICULTURAL AND INDUSTRIAL INCOME**

Recognizing the business potential of the network of Local Savings and Loan Groups (GLACs), CELI N/S helped form alliances with international and national businesses, including MovilWay, a leading e-payment services company, two health and dental insurance companies, a cooking gas supplier, and an office supply business, to sell and distribute previously unavailable products and services to marginalized communities. These alliances resulted in \$2,175,058 in sales.

Through support of ASDESEBRI, CELI N/S helped establish the COFFEBRI coffee shop in Briceño (Antioquia). Additionally, the program supported ASDESBRI and APANOR in establishing 378 coffee-drying canopies (198 and 180, respectively) and provided equipment for milling and toasting cherry coffee.

In June 2016, CELI N/S supported *Fundación Vivir Mejor*, a women's organization, to launch *Como en Casa*, a bakery that sells dairy products, baked goods, and desserts in Valencia and Tierralta (Córdoba). Building upon GLAC structures implemented during the program, *Como en Casa* tapped into 15 GLACs in Valencia (Córdoba) to sell and distribute its baked goods, directly benefitting 250 people and creating 19 jobs in the municipality. The bakery now has average monthly sales of \$12,000 and recently added catering to its service line.

CELI N/S supported ASOMUCA, a women's association that represents 15 organizations in Cauca (Antioquia), in launching a catering service that is now capable of organizing events for as many as 200 people. Through program grants, ASOMUCA was able to improve its facilities and install equipment to develop its catering business and create a product line of frozen food snacks sold through GLACs in corner stores and to other women's organizations in neighboring municipalities.

CELI N/S supported LEL Juvenil in launching Rfresh, a bottled juice and flavored water brand made with tropical fruits. The program initially supported LEL Juvenil in strengthening its organizational, administrative, and business capacity, the latter through training courses delivered by Interactuar, a small-business consulting firm. LEL Juvenil signed agreements with *Asociación Mujeres de Corazón del Municipio de Valdivia* and a youth group in Cáceres called ASOFEEs that will provide the raw material and manual labor to produce the beverages. The program also assisted LEL Juvenil in establishing a

plant in Cauca (Antioquia) and provided a cooking kettle, pasteurizer, and pulping and filling machines. LEL Juvenil recently launched a marketing campaign to sell Rfresh in the Bajo Cauca region.

### ACCESS TO FINANCIAL SERVICES

Promoted by the Colombian government's financial inclusion policy, CELI N/S, implemented the GLAC model across the 18 prioritized municipalities of Antioquia, Córdoba, and Tumaco (Nariño) beginning in April 2013. Transcending its original purpose of stimulating savings and small loans in areas lacking in formal financial services, the GLAC program prompted small business creation, strengthened the social fabric in conflict-affected communities, and empowered women entrepreneurs and heads of households. (More than 70 percent of GLAC members were women.) In the words of one member, "Saving has secured the future of our children, improved trust and solidarity in the community, allowed us to realize our dreams, and ultimately strengthened our territory." CELI N/S established 2,583 GLACs with 45,284 members that generated \$11,374,728 in savings in conflict-affected municipalities.

### INFRASTRUCTURE

*Productive.* Producers in conflict-affected municipalities in Antioquia, Bolívar, Córdoba, and Tumaco (Antioquia) lacked the necessary productive infrastructure to produce high-quality products. For this reason, CELI N/S worked with cocoa, coffee, and papaya producers associations and others to establish processing centers and other infrastructure. In Antioquia, the program helped APANOR (Anorí) and ASDESEBRI (Briceño) establish 378 cherry coffee processing centers. In Córdoba, CELI N/S helped APPALSI, a papaya producers association, equip a packing house. It also worked with Chocolate Colombia and Chocolate Tumaco to establish 712 on-farm fermentation casques and 17 collective fermentation centers in *Consejos Comunitarios* (Afro-Colombian public landholdings) in Tumaco (Nariño). These infrastructure investments allowed beneficiaries to add value to their products and improve quality.

CELI N/S worked with the *Asociación de Desplazados Retornates de Mata de Maíz* to install 45 water irrigation systems and reservoirs in three *corregimientos* in Valencia (Córdoba), benefitting 679 producers. The reservoirs were installed to mitigate the effects of the dry season and provide irrigation to critical sources of subsistence and cash crops, such as cocoa and corn. Each reservoir covers an average 1.6 hectares, holds 1,400 cubic meters of rainwater, and can irrigate five hectares of land.

*Social infrastructure.* Exhibit 13 shows CELI N/S's infrastructure projects.

**EXHIBIT 13. INFRASTRUCTURE**

| CATEGORY                    | TYPE           | NUMBER COMPLETED |
|-----------------------------|----------------|------------------|
| Water Supply and Management | Water supplies | 10               |
|                             | Aqueduct       | 2                |
|                             | Sewage systems | 5                |

| CATEGORY                        | TYPE  | NUMBER COMPLETED |
|---------------------------------|---|------------------|
|                                 | Water reservoirs                                | 19               |
| School Repairs and Improvements | Cafeterias                                      | 5                |
|                                 | Repairs and maintenance                         | 69               |
| Rural Transportation            | Ferry   | 1                |
|                                 | Docks   | 3                |
|                                 | Vehicular and pedestrian bridges                | 9                |
|                                 | Riverine transport system                       | 2                |
|                                 | Tertiary roads                                  | 21               |
| Productive Infrastructure       | Rice warehouse                                  | 1                |
|                                 | Collecting centers                              | 2                |
|                                 | Recycling plant                                 | 1                |
|                                 | Shrimp farming pool                             | 1                |
|                                 | Rice processing center                          | 1                |
|                                 | Cheese processing centers                       | 67               |
|                                 | Sugar mills                                     | 11               |
| Community Infrastructure        | Community centers                               | 2                |
|                                 | Health centers                                  | 6                |
|                                 | Multi-purpose athletic facilities               | 56               |
|                                 | Electrical installments                         | 2                |
|                                 | Laundry stations                                | 4                |
| Home Improvements               | Repair and improvements to beneficiaries' homes | 199              |
| <b>TOTAL</b>                    |   | <b>499</b>       |

*Connectivity.* As part of CELI N/S's rapid response strategy, it implemented a series of small-works projects in the 19 conflict-affected municipalities in collaboration with JACs. Through these projects, JACs learned to manage budgets, prepare contracts, and oversee small infrastructure works. CELI N/S also generated valuable political capital with the local authorities and communities, which paved the way for future interventions. In total, the program helped JACs build 347 works, including docks, pedestrian bridges, and multi-purpose athletic fields.

CELI N/S supported Fundación Chocolate Tumaco, a foundation established through the producers' association that implements community-based projects, in establishing six cable lines in remote, rural *Consejos Comunitarios* (Afro-Colombian public landholdings) in Caunapí, Tablón Dulce, La Nupa, and Rescate Las Varas. The cable lines help producers transport their products in an efficient and less laborious way through difficult terrain, and will benefit 8,242 cocoa and plantain producers.

The program also brought together local government, community leaders, and producer organizations to form three public-private road maintenance companies in Valencia (Córdoba), Cáceres, and Briceño (Antioquia). The firms' structure was adapted from a

successful model that was previously implemented in Guatemala, Costa Rica, and Bolivia. Using a participatory methodology to maintain and repair tertiary roads, these organizations have facilitated rural connectivity to enable remote, rural communities to access basic needs and services and foster regional and local economic development. Administrative councils, established in each firm, make decisions democratically while the community provides manual labor for works. In Valencia (Córdoba), *Cooperativa Vial Comunitaria de Valencia* repaired 90 kilometers of tertiary road during the intervention. *Caminos, Puentes y Cauces* in Cáceres (Antioquia) has repaired 60 kilometers of roads, and *Cooperativa Vial y de Construcciones* in Briceño (Antioquia) has repaired 45 kilometers. As a result, 14,590 people benefitted from improvements to tertiary roads in these municipalities.

Many children in 32 remote rural communities surrounding the Urrá hydroelectric dam in Tierralta (Córdoba) were unable to attend school because they lacked safe and timely transportation. Through an investment by CELI N/S, the Office of the High Commissioner for Peace, and the Tierralta mayor's office, the JACs launched a new school transportation service in the *vereda* of El Limón and the *corregimiento* of Frasquillo. The \$99,490 investment enabled the purchase and equipping of 10 boats, which enable 473 children to reliably travel to their schools every day.

## **IMPROVE GOVERNANCE AND CIVIC CAPACITY**

CELI N/S has forged broad-based relationships with departmental, municipal, ministerial, and decentralized government agencies that have enabled continual progress toward reaching contract goals. Since startup in 2011, the program has committed \$11.3 million (16 percent of cumulative investment) to strengthen municipal and departmental governance and support Colombia's National Policy on Territorial Consolidation and Reconstruction. The short success stories below capture a variety of achievements that occurred during implementation.

### **GOVERNANCE**

#### **Municipal Development Plans**

In 2012 and 2016, CELI N/S worked with local *Consejos Municipales de Desarrollo Rural*, responsible for formulating municipal development plans, to help them more effectively fulfill their roles, particularly in incorporating the interests of communities and producer groups. A prime example was program support for the rollout of the Ministry of Agriculture and Rural Development's national Agrarian Pact (*Pacto Agrario*), a robust support package for the agricultural sector. CELI N/S worked with the ministry in Antioquia, Córdoba, and Tumaco (Nariño) to include small- and medium-scale producers in decision-making about local agrarian policy. This initiative prioritized much-needed government attention to agricultural sectors critically important to the development of licit economic activity in program municipalities, including cacao, natural rubber, rice, and coffee.

Central to CELI N/S's intervention under this initiative was working with grassroots and producer organizations in prioritized municipalities to help them better advocate for their interests as municipal councils formulated the most recent drafts of municipal development plans in 2016. In Antioquia and Córdoba, the program collaborated with *Red Nudo de Paramillo* and *ADEL Montelíbano San Jorge* to meet with community members to prioritize needs, which were later successfully included in each municipality's development plan.

### **Public Finance and Tax Statutes**

In an effort to help conflict-affected municipalities increase their resources, CELI N/S supported mayors' offices and finance secretaries in Antioquia and Tumaco (Nariño) to update and improve processes and tools used to administer tax statutes. Through this initiative, the program trained mayoral staff and informed communities on improved processes, which were approved by Municipal Councils in each municipality.

*Citizen participation.* Local authorities in the conflict-affected municipalities of Antioquia, Córdoba, and Tumaco (Nariño) often lack the capacity to carry out public policies targeting more vulnerable sectors of society, such as women and youth. For this reason, CELI N/S, in collaboration with the Ministry of Interior, supported LEL Juvenil in four municipalities of the Bajo Cauca (Antioquia) region to advocate for greater social and economic security, raise awareness about youth-based rights, and expand reproductive health and education to vulnerable and at-risk young boys and girls.

The program also assisted LEL Juvenil in formulating proposals to access public funding available through the Ministry of Health and Social Protection to promote reproductive health and education and to improve youth health policy. This activity resulted in 12 awards with a value of nearly \$55,000 to support a series of workshops informing young people about their rights, organizing sporting events, and coordinating community-wide movie nights to explore health issues affecting young people. These cultural, social, and sport activities have reached more than 3,200 young boys and 3,600 young girls in the Bajo Cauca region. Similar programs were also implemented in Tumaco (Nariño), where CELI N/S worked with local youth groups. As a result of these initiatives, youth and women in prioritized municipalities learned how to advocate for their interests with Municipal Councils.

### **Institutional Strengthening**

Beginning in 2012, CELI N/S supported the Colombian government's newly created UACT in the prioritized municipalities, providing technical, administrative, and logistical support for staff as offices were established. As such, the program assisted UACT in the implementation of rapid response projects in conflict zones. CELI N/S's implementation methodology centered on bringing communities together to prioritize their needs and implementing rapid response projects designed to build confidence in the government.

Since 2012, CELI N/S has supported local, regional, and national land authorities to overcome challenges given the lack of institutional municipal capacity to process land



formalization and titling cases. As part of its land strategy, the program helped establish Municipal Land Offices and install information management systems, and provided technical training in Valencia, Tierralta (Córdoba), El Bagre (Antioquia), and Tumaco (Nariño). These land offices are “one-stop shops” for citizens’ land formalization and related property registration services.

In Tumaco (Nariño), CELI N/S, in collaboration with the Ministry of Finance and Colombia’s Administrative Department of Civil Service, supported the mayor’s office in reforming its organizational structure. The restructuring helped the Tumaco (Nariño) mayor’s office comply with government staffing requirements.

Recognizing that JACs across the prioritized municipalities are vital partners for implementing rapid response projects, CELI N/S provided targeted assistance for these organizations through a series of projects that developed their organizational, administrative, managerial, and technical capacity. For instance, the program partnered with *Foro por Colombia* in Nariño, *LEL Juvenil*, in Antioquia, and *Agencia Red de Comunicaciones* in Córdoba to prepare JAC members for national elections held on April 24, 2016. Training sessions covered the importance of citizen participation, communal law, and the role of JACs in the municipal planning process. In turn, JACs helped develop action plans that represented the interests of their constituents; as a result, Municipal Councils approved municipal development plans that were developed with the active participation of JAC members in 16 CELI N/S municipalities. Additionally, the program worked with ASOCOMUNAL, an umbrella organization that groups JACs in each municipality, to strengthen their technical, organizational, and administrative capacity. CELI N/S helped 38 JACs in Briceño and Cáceres (Antioquia) develop *Planes Veredales de Desarrollo 2020* and internal action plans aimed at strengthening the organizations.

Following a request from the Colombian government, CELI N/S assisted the Office of the High Commissioner for Peace in implementing the Pedagogy for Peace program in 72 *veredas* in the municipalities of Remedios, Dabeiba, Ituango (Antioquia), and Tierralta (Córdoba, selected as FARC concentration zones). It facilitated *diálogos veredales* (dialogue sessions) during which representatives from the office discussed the concerns of community leaders about the effect of FARC concentration zones. Community representatives identified and communicated their development priorities to the government; these ranged from land titling, tertiary roads, sanitation, and potable water to electricity and improvements to schools and health centers.

With illicit coca production reaching historic highs, the government took action by creating the DAILCD, which leads illicit crop substitution interventions across the country. CELI N/S supported the DAILCD in implementing a pilot illicit crop substitution initiative in Santa Rosa del Sur (Bolívar) and other related efforts in Tumaco (Nariño). In Santa Rosa del Sur (Bolívar), CELI N/S targeted 100 farms in four *corregimientos*, which received technical assistance to replace coca with short-term crops, as well as cocoa and coffee. Through this initiative, coca producers eradicated 18 hectares of illicit crops. A separate pilot crop substitution initiative was launched in



Briceño (Antioquia), which helped coca-producing families launch honey-producing enterprises, establish GLACs, and train youth rural extension agents. In the Bajo Cauca region, a program consultant facilitated the signing of eradication agreements between coca producers organizations and local mayor's offices in Cáceres, Tarazá, Nechí, El Bagre, Valdivia (Antioquia), Montelíbano, and Puerto Libertador (Córdoba). In Tumaco (Nariño), CELI N/S supported the DAILCD in hiring 11 outreach agents to lead a public education campaign with residents in 25 veredas along the Tumaco-Pasto highway. The outreach campaign provided critical information to farmers about how to join the voluntary substitution program and the type of support they could expect from the government. The outreach agents also collected georeferenced information to establish a profile for each participating family.

## **STRENGTHEN AND BUILD SOCIAL CAPITAL**

CELI N/S invested nearly \$7.5 million, or 10 percent of total project investment, to support activities that build social capital through institutional strengthening. Although social capital activities absorbed comparatively fewer resources, they generated major impacts at the municipal level. The following short success stories capture a variety of achievements that occurred during implementation and place them in the context of the social capital component.

## **TECHNICAL AND VOCATIONAL TRAINING**

A pillar of CELI N/S's strategy was to develop local capacity by offering opportunities for technical and vocational training in the conflict-affected municipalities of Antioquia, Córdoba, and Tumaco (Nariño). The program formed strategic partnerships with the *Universidad de Antioquia*, *Universidad Católica del Norte*, and *Universidad del Rosario* to offer diploma programs in areas such as financial services, communications, and land titling and formalization. In August 2016, CELI N/S partnered with *Universidad del Rosario* to offer the Diploma in Communications and Local Media program in Antioquia and Córdoba. The program trained communications professionals and technicians in journalistic techniques and content creation. In a program offered by the *Universidad de Antioquia*, in collaboration with USAID's Rural Financial Services Initiative program *Bancompartir* and CELI N/S, 118 people enrolled in a financial services program offered in Caucasia, Yarumal (Antioquia), and Tumaco (Nariño) directed at training professionals for the growing local banking sector. *Universidad Católica del Norte* trained 180 leaders from seven grassroots organizations on how to initiate land formalization and titling processes in support of local government authorities. Upon graduation, students joined *Grupos de Gestores del Derecho a la Tierra y al Territorio*, which has become a civil society resource on land and property rights issues.

CELI N/S supported *Congregación Mariana* to train 2,267 rural extension agents who are mainly from remote areas and unable to access formal education. This was an opportunity for the agents to participate in a vocational training program focused on agricultural production techniques, agribusiness, organizational strengthening, and management of producer groups. The agents will serve as a focal point for agricultural

education efforts in the value chains that are most common in CELI N/S's targeted municipalities.

The program also partnered with Mariana Cocoa Export to train 45 cocoa tasters in Antioquia, Córdoba, and Tumaco (Nariño). Through the training, the tasters learned to differentiate cocoa based on its origin and evaluate beans, which allows them to categorize beans according to their quality and negotiate better prices.

In Puerto Libertador (Córdoba), recognizing the high demand for certified excavator and backhoe operators, CELI N/S partnered with Colombia's National Learning Service and GECELCA, the largest electrical energy generator on the country's Atlantic Coast, to train 429 new operators using a simulator.

Together with the Network of Women from Bajo Cauca, UACT, the Department of Antioquia's Comptroller's Office (*Contraloría General de Antioquia*), and the Superior School of Public Administration, CELI N/S supported training in public oversight for more than 160 local leaders. Participants learned about the structure and functions of the national and sub-national governments, particularly at the municipal level. As a result, they are better able to participate in *veedurías* and other oversight mechanisms.

## COMMUNICATIONS

Communities in the 19 conflict-affected municipalities of Antioquia, Bolívar, Córdoba, and Tumaco (Nariño) often lacked a news outlet that focused on local issues. Recognizing this, CELI N/S supported the launch of 24 communications collectives, mainly a mixture of self-taught and professional journalists, photographers, and graphic designers. It provided training on journalistic techniques and writing, radio broadcasting, television production, and social media, and provided essential audio-visual equipment.

This initiative sparked the creation of two communications agencies, *Agencia Red Comunicaciones Nudo de Paramillo* and *Agencia Comunicaciones del Pacífico*, which offer a variety of services to government and private institutions, and has formed important alliances with the government's *Radio Television Nacional de Colombia*, *Teleantioquia*, *Telepacífico*, *Radio Cadena Nacional*, and *Agencia EFE*, an international media outlet. Caucasias-based "NP Noticias," a local weekly news show, attracts more than 50,000 weekly readers on its website and has 30,000 followers on Facebook. *Agencia Red Comunicaciones del Nudo de Paramillo* and *Agencia de Comunicaciones del Pacífico* have registered sales of \$628,393 since they were created in 2014.

In prioritized municipalities, community radio stations play a critical role in renewing a communities' perception of itself and a vehicle through which social fabric can be repaired after years of armed conflict. CELI N/S supported more than 50 community leaders from two Emberá Katío indigenous reserves to work with Colombia's Presidential Program for the Elimination of Anti-Personnel Landmines to produce communications products in their native language, including a radio program to inform local populations about ways to mitigate risk in areas in proximity to landmines. In Anorí (Antioquia), CELI N/S brought together more than 20 community stakeholders and partners, including the municipal government, producers associations, women's

organizations, and other local entities and organizations to re-launch a community radio station, *Anorí Estéreo*. This assistance enabled *Anorí Estéreo* to form a strategic alliance with *Empresas Públicas de Medellín*, which led to more than \$15,000 in sales. Additionally, CELI N/S worked with ASOCOMUNAL, the JACs association, to upgrade outdated radio, audio, computer, and other equipment, and improve its organizational and administrative capacity. Also, with its extensive network of nearly 20 communications collectives, *Red Nudo de Paramillo* created “Voces en Red,” a radio program broadcast on 12 stations in the region that airs positive news stories about local populations, peace, and improving livelihoods in conflict-affected municipalities. In Valencia (Córdoba), CELI N/S helped *SR Stereo* install a 200-volt transmitter, four antennas, and a 100-foot tower. Now, the station will reach all the *veredas* and *corregimientos* in Tierralta and Valencia (Córdoba) and 90 percent of Anitoquia’s Urabá region. Among these communities is the *vereda* of El Gallo, which was designated as a FARC transition zone.

### **SOCIAL AND PRODUCTIVE NETWORKS**

Networks have proven critical to empowering grassroots organizations, giving them a stronger voice when interacting with local governments, providing a measure of protection from politicized interests, and serving as a counterweight to illicit groups in the region. CELI N/S supported the launch of *Red Nudo de Paramillo*, which comprises nearly 120 community-based organizations, including small producers associations, women’s organizations, and indigenous associations, from the 15 conflict-affected municipalities of Antioquia and Córdoba. Since its creation, it has led information exchanges, leveraged economies of scale, and advocated for its members’ interests. In Tumaco (Nariño), CELI N/S supported the creation of *Asociación Multiactiva Voces del Pacífico*, a network of 65 civil society and producer organizations, that will help them share information, production systems, and techniques, and advocate for their interests to local and regional government in a coordinated manner.

The program also supported the creation of productive networks, which are just as important as social networks. For example, *Red SINUPEZ* is a fish farmers association in Valencia (Córdoba) with 215 producers representing 12 organizations. With 57 hectares of ponds, which have the potential to produce nearly 1,000 tons of native and exotic fish yearly, and a newly established fish laboratory, this association is positioning itself as a regional leader capable of meeting local and regional market demands. Similarly, CELI N/S supported the creation of *RED SINUPLAT*, a network of 330 plantain producers representing six organizations and covering 400 hectares in Valencia, Tierralta, and Montelíbano (Córdoba). This group has formed strategic alliances with Del Monte, which has led to the export of 167 tons of plantains for sales of \$59,029. Through program assistance, *RED SINUPLAT* has helped producers obtain training on agricultural best practices and establish irrigation systems. Additionally, it now has a plantain processing center, which helps producers sell higher-quality products.

Another productive network, *ADEL Montelíbano San Jorge*, has 15 public and private organizations that manage, lead, and coordinate projects, and facilitate forming strategic alliances that promote development, progress and creates jobs.

Taking advantage of heightened interest in the 2014 World Cup and school being out of session, CELI N/S, in collaboration with UACT, supported the Cauca's mayor's office and ASOCOMUNAL to hold the "Cauca Soccer Tournament for Peace," a three-week community youth soccer tournament that brought together neighbors and families, including 300 boys and girls between the ages of 8 and 14. ASOCOMUNAL and 20 associated JACs sponsored the tournament, which aimed to keep kids off the streets during the school break and bring residents together around common interests.

## **CROSSCUTTING INITIATIVES**

### **INTEGRATING GENDER CONSIDERATIONS AND VULNERABLE POPULATIONS**

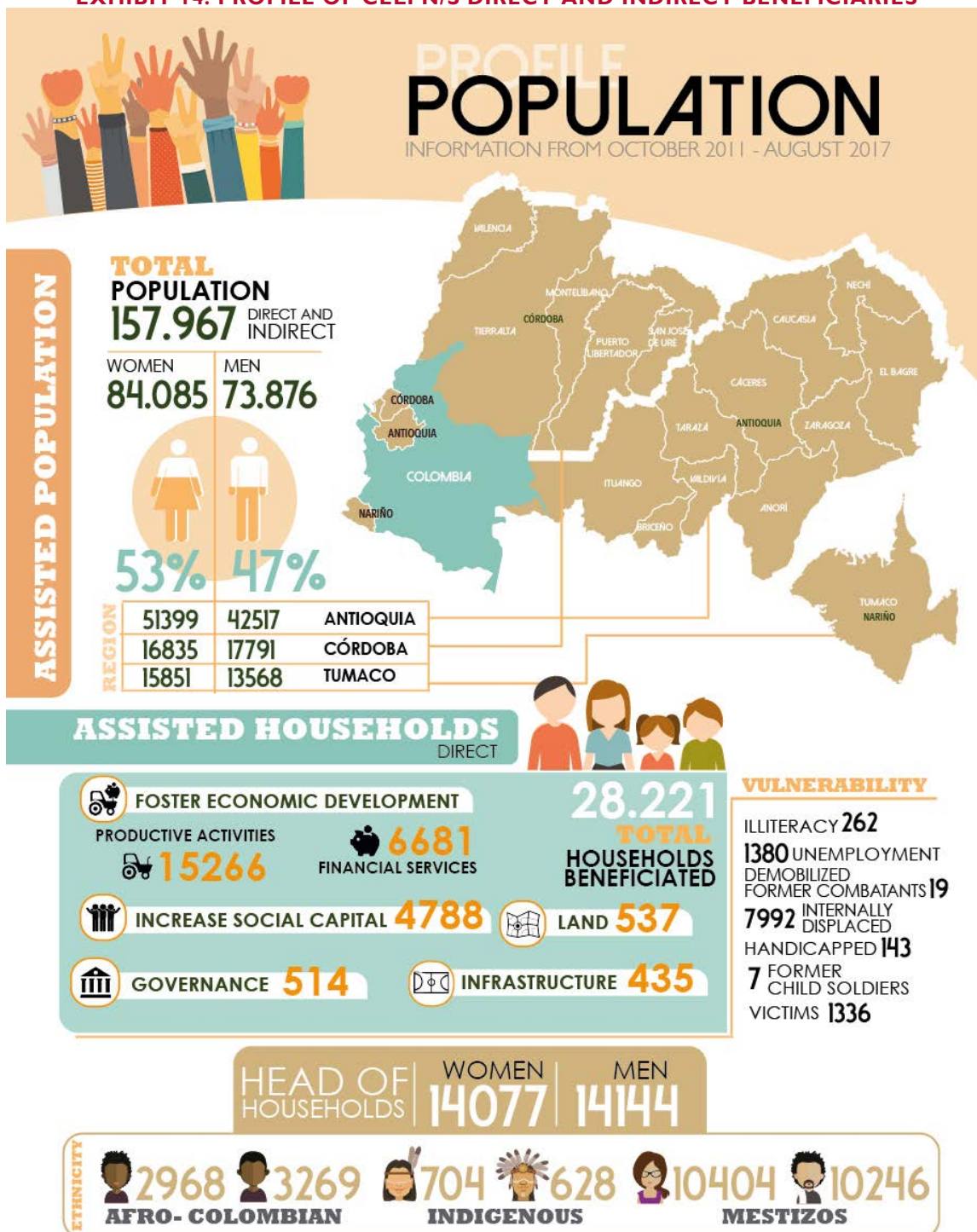
Over the course of the project, CELI N/S benefitted 157,967 people, including 84,085 women and girls, who account for 53 percent of program beneficiaries. Of the 28,221 households profiled by CELI N/S, 14,077 were headed by women and 14,144 were headed by men. While gender was mainstreamed into many of the program's activities (e.g., support to GLACs, land titling, and recycling), there were also interventions that specifically addressed gender issues, such as campaigns against gender-based violence and regional celebrations of International Women's Day.

Below, we highlight a few program achievements and place them in the context of the gender and vulnerable populations crosscutting initiative. Exhibit 14 on the next page shows a profile of the program's direct and indirect beneficiaries.

CELI N/S sponsored campaigns against gender violence in 2014, 2015, and 2016, all of which were led by young journalists and community advocates who used radio, television, cinema, local press, and social media to promote women's empowerment and local leadership and to discuss gender-based violence. For example, communications collectives in Bajo Cauca used regular programming on community radio stations to spotlight news about women entrepreneurs and leadership in urban and rural communities. Other activities included forums led by women's organizations to discuss women's rights in Colombia and workshops covering topics such as family planning, health, and wellness education. In Tumaco, youth-based communications collective *Notiparche* showcased women's leadership achievements and raised awareness about gender-based violence.

For International Women's Day, CELI N/S supported local organizations in holding celebrations in several prioritized municipalities. The organizations held non-violent marches, facilitated discussions on gender equity, exhibited posters highlighting international women leaders and their struggles to achieve gender equity, and participated in radio broadcasts. The program also supported a series of community-led activities, including documentary and cinema screenings to spark discussions on gender equity and equality, jingles, videos to raise awareness about the work of local actors in promoting women's rights, and radio and television programming to highlight women leadership across 16 of 18 conflict-affected municipalities of Antioquia, Córdoba, and Tumaco (Nariño).

EXHIBIT 14. PROFILE OF CELI N/S DIRECT AND INDIRECT BENEFICIARIES



Within the social capital and economic development components, CELI N/S supported the organizational development of several women's organizations, such as Network of Women from Bajo Cauca, ASOMUCA, and *Fundación Vivir Mejor*. To foster their



financial sustainability, CELI N/S helped them launch income-generation initiatives, such as *Panadería Bripan* in Briceño, *Como en Casa* in Valencia, ASMUDEPAZ in Tumaco (see p. 25-27), and Ebera Neka, in designing, managing, and selling artisanal accessories for women in niche markets.

## **ASSIST IN LAND LEGALIZATION AND RESTITUTION**

After experiencing initial difficulties in the land component, mostly due to a disconnect between the national and local level offices of the main entities responsible for overseeing land formalization and restitution, CELI N/S made significant achievements in this component by the end of the program. In the early years of implementation, CELI N/S supported the land restitution process by training regional staff in the administrative processes and documentation required to bring cases to land judges.

As the program progressed, more emphasis was directed toward land formalization, primarily focused on the following three areas:

1. Establishing municipal land offices
2. Strengthening community-based organizations to provide leadership in issues related to land
3. Facilitating the land-titling process of public and private properties located in urban areas.

The program supported the establishment of municipal land offices in El Bagre, Valencia, Tierralta, and Tumaco, which were set up to provide a critically important link between national and local institutions that deal with land tenure issues and coordinate with national and department personnel to assist with land titling, legalization of public municipal property, and supporting municipal land-use planning.

To enhance knowledge of land tenure issues and the titling process in the regions, CELI N/S supported 180 members of seven grassroots organizations in obtaining diplomas in land formalization and titling, in collaboration with Universidad Católica del Norte. Upon graduation, students were included in *Grupos de Gestores del Derecho a la Tierra y al Territorio* (or GDT, for its acronym in Spanish), which helped advance land titling in the CELI municipalities.

Finally, CELI N/S achieved significant results in facilitating land-titling of public and private properties located in municipal centers by training technical personnel, surveying properties, and funding equipment necessary to carry out the titling process. Results stemming from this initiative are due in large part from legal support and processing of land titles by the Notary and Registry Superintendent and the *Oficina de Registro de Instrumentos Públicos*. By the end of the program, CELI N/S supported the titling of 6,982 properties, mostly to low-income and marginalized populations that were living precariously.

## ENVIRONMENTAL

The program's approach to environmental activities emphasized educating beneficiaries on sustainable environmental practices while adhering to Colombian and USAID environmental regulations. CELI N/S worked in the following areas:

*Public education.* The environmental team led field activities and training to promote environmental sustainability in all interventions. Beneficiaries were trained in Colombian and USAID regulations, not only to ensure compliance but also to understand the harmful effects these regulations are designed to mitigate. Through this work, beneficiary organizations were encouraged to develop their own environmental policies.

*Implementing environmental management plans.* The majority of CELI N/S activities required environmental management plans per federal regulations. The environmental team trained each beneficiary organization to apply the mitigation measures required by the plans. For example, they trained farmers on alternative methods to control pests affecting coconut plantations in Tumaco (Nariño)-- ones that do not use harmful chemicals prohibited by USAID's Pesticide Evaluation Report and Safer Use Action Plan. They also monitored tertiary road interventions to ensure that soil removal and safety regulations adhered to Colombian and USAID environmental regulations, and deployed water treatment systems to treat residual wastewater from plants the project supported (e.g., papaya, rubber, and coffee plants).

*Value chain support.* CELI N/S promoted processes that incorporate sustainable environmental practices such as UTZ certification. Chocolate Colombia and Chocolate Tumaco saw an opportunity in obtaining this certification, in that it enhanced their sustainability and opened new markets.

*Support for recycling enterprises.* CELI N/S supported the recycling of solid waste, a sector that encompasses both income generation and environmental considerations. In Tumaco, Bajo Cauca, and the municipality of Valencia (Córdoba), the program invested \$913,887 in four organizations, resulting in the sale 2,487 tons of recycled material (e.g., metal, carton, glass, and plastic) valued at \$315,619. The entire process, including collection, classification, selection, storage, and sales of the material, takes place in the territories. Network of Women from Bajo Cauca, the implementing organization in Bajo Cauca, has undertaken an important enhancement to reduce operating costs and ensure it is profitable and sustainable. These activities served a dual purpose: They promoted environmental awareness and the benefits of recycling and created employment for women in the municipalities. At the same time, *Fundación Vivir Mejor*, the implementing organization in Valencia, worked with the municipality to launch a youth-led environmental program called *Jóvenes Guardianes del Medio Ambiente* (Youth Environmental Protectors), which holds community public education campaigns about the importance of recycling and training on how and what to recycle.



## Section 5

# MONITORING AND EVALUATION

CELI N/S received USAID/Colombia approval for 689 grants, representing \$72.4 million in committed USAID funds.<sup>4</sup> However, 32 activities were cancelled since startup, leaving 657 activities in either the ongoing or completed phases as shown in Exhibit 16. Exhibit 15 shows the grants approved during FY 2017.

**EXHIBIT 15. ACTIVITIES APPROVED DURING FY 2017 (OCTOBER-AUGUST)**

| PROGRAMMATIC COMPONENT                     | GRANTS    | NON-GRANTS | AMOUNT (PESOS)         | AMOUNT (\$)        |
|--|-----------|------------|------------------------|--------------------|
| Foster Economic Development                | 15        | 0          | \$4,595,701,112        | \$2,553,167        |
| Support Social and Economic Infrastructure | 10        | 0          | 4,121,149,483          | \$2,289,527        |
| Increase Social Capital                    | 2         | 0          | \$298,470,000          | \$165,817          |
| Land                                       | 1         | 0          | 147,898,000            | \$82,166           |
| <b>TOTAL</b>                               | <b>28</b> | <b>0</b>   | <b>\$9,163,218,595</b> | <b>\$5,090,677</b> |

**EXHIBIT 16. STATUS OF ALL CELI N/S ACTIVITIES AS OF AUGUST 30, 2017**

| PROGRAMMATIC COMPONENT                     | ONGOING  | COMPLETED  | CANCELLED | TOTAL      |
|--|----------|------------|-----------|------------|
| <b>Antioquia</b>                           | <b>3</b> | <b>342</b> | <b>17</b> | <b>362</b> |
| Foster Economic Development                | 1        | 116        | 6         | 123        |
| Improve Governance and Civic Capacity      | 1        | 77         | 2         | 80         |
| Increase Social Capital                    |          | 52         | 2         | 54         |
| Land                                       |          | 10         | 1         | 11         |
| Support Social and Economic Infrastructure | 1        | 87         | 6         | 93         |
| <b>Córdoba</b>                             | <b>1</b> | <b>156</b> | <b>5</b>  | <b>162</b> |
| Foster Economic Development                |          | 60         |           | 60         |
| Improve Governance and Civic Capacity      |          | 26         | 2         | 28         |
| Increase Social Capital                    |          | 12         | 2         | 14         |
| Land                                       |          | 8          |           | 8          |
| Support Social and Economic Infrastructure | 1        | 50         | 1         | 52         |
| <b>Tumaco</b>                              |          | <b>155</b> | <b>10</b> | <b>165</b> |

<sup>4</sup> The values reported in this section reflect an approximate exchange rate of 1,800 Colombian pesos to \$1.00.

| PROGRAMMATIC COMPONENT                     | ONGOING  | COMPLETED  | CANCELLED | TOTAL      |
|--|----------|------------|-----------|------------|
| Foster Economic Development                |          | 54         | 8         | 62         |
| Improve Governance and Civic Capacity      |          | 47         |           | 47         |
| Increase Social Capital                    |          | 15         |           | 15         |
| Land                                       |          | 7          | 1         | 8          |
| Support Social and Economic Infrastructure |          | 32         | 1         | 33         |
| <b>TOTAL GENERAL</b>                       | <b>4</b> | <b>653</b> | <b>32</b> | <b>689</b> |

Exhibits 17 and 18 display quarterly and cumulative committed funds and disbursements by component and funding source. These exhibits illustrate the total value of CELI N/S funding committed, including counterparts, compared with the total value of CELI N/S funding disbursed, including from counterparts. Committed public counterpart and executed public funding differ substantially, given that executed funds include those that are ultimately leveraged but not considered in the original budget of activities. Private committed and executed funding include the total values reported for Indicators DOI-032a, DOI-032b, and DOI-042.

#### EXHIBIT 17. TOTAL VALUE OF COMMITTED FUND AND DISBURSEMENTS BY COMPONENT AND FUNDING SOURCE, JULY-AUGUST 2017

TOTAL VALUE OF COMMITTED FUND AND DISBURSEMENTS BY COMPONENT AND FUNDING SOURCE; July 2017 - August 2017

| QUARTERLY FY2017-QIII                      |             | Committed July 2017- August 2017 |                            |                             |                | Executed July 2017-August 2017 |                            |                             |                |
|--|-------------|----------------------------------|----------------------------|-----------------------------|----------------|--------------------------------|----------------------------|-----------------------------|----------------|
| COMPONENT                                  | #Activities | CELI NS funding                  | Counterpart Public funding | Counterpart Private funding | TOTAL          | CELI NS funding                | Counterpart Public funding | Counterpart Private funding | TOTAL          |
| Foster Economic Development                | 0           | \$0                              | \$0                        | \$0                         | \$0            | \$194,114.17                   | \$0                        | \$865,849.54                | \$1,059,963.71 |
| Improve Governance and Civic Capacity      | 0           | \$0                              | \$0                        | \$0                         | \$0            | \$30,863.30                    | \$0                        | \$1,255.56                  | \$32,118.85    |
| Increase Social Capital                    | 0           | \$0                              | \$0                        | \$0                         | \$0            | \$0.00                         | \$0                        | \$1,122.22                  | \$1,122.22     |
| Land                                       | 0           | \$0                              | \$0                        | \$0                         | \$0            | \$2,413.79                     | \$0                        | \$0                         | \$2,413.79     |
| Support Social and Economic Infrastructure | 2           | \$726,069.44                     | \$466,960.89               | \$0.00                      | \$1,193,030.33 | \$134,596.05                   | \$71,344.70                | \$3,224.70                  | \$209,165.46   |
| Total USD                                  | 2           | \$726,069.44                     | \$466,960.89               | \$0.00                      | \$1,193,030.33 | \$361,987.31                   | \$71,344.70                | \$871,452.02                | \$1,304,784.04 |

#### EXHIBIT 18. TOTAL VALUE OF COMMITTED FUND AND DISBURSEMENTS BY COMPONENT AND FUNDING SOURCE, OCTOBER 2011-AUGUST 30, 2017

TOTAL VALUE OF COMMITTED FUND AND DISBURSEMENTS BY COMPONENT AND FUNDING SOURCE; October 2011 - August 2017

| Cumulative life of Project                 |             | Committed October 2011-August 30, 2017 |                            |                             |                  | Executed October 2011-August 30, 2017 |                            |                             |                  |
|--|-------------|--|----------------------------|-----------------------------|------------------|---------------------------------------|----------------------------|-----------------------------|------------------|
| COMPONENT                                  | #Activities | CELI NS funding                        | Counterpart Public funding | Counterpart Private funding | TOTAL            | CELI NS funding                       | Counterpart Public funding | Counterpart Private funding | TOTAL            |
| Foster Economic Development                | 231         | \$37,433,194.89                        | \$23,371,369.07            | \$62,733,038.47             | \$123,537,602.43 | \$28,057,466.30                       | \$31,915,280.36            | \$73,016,366.05             | \$132,989,112.71 |
| Improve Governance and Civic Capacity      | 151         | \$11,345,706.08                        | \$15,607,049.69            | \$610,793.37                | \$27,563,549.14  | \$8,649,523.43                        | \$78,267,058.01            | \$4,879,076.09              | \$91,795,657.53  |
| Increase Social Capital                    | 79          | \$7,570,483.61                         | \$2,656,439.32             | \$1,311,491.08              | \$11,538,414.01  | \$5,937,615.46                        | \$3,118,160.01             | \$2,351,141.10              | \$11,406,916.57  |
| Land                                       | 25          | \$2,602,774.15                         | \$1,613,426.32             | \$125,839.98                | \$4,342,040.45   | \$1,904,097.08                        | \$1,980,325.55             | \$127,266.88                | \$4,011,689.50   |
| Support Social and Economic Infrastructure | 171         | \$13,497,169.38                        | \$9,987,443.95             | \$856,779.30                | \$24,341,392.63  | \$10,789,150.27                       | \$10,607,915.72            | \$1,056,480.49              | \$22,453,546.48  |
| Total USD                                  | 657         | \$72,449,328.11                        | \$53,235,728.35            | \$65,637,942.20             | \$191,322,998.66 | \$55,337,852.54                       | \$125,888,739.66           | \$81,430,330.60             | \$262,656,922.79 |

Exhibit 19 (pp. 44-45) illustrates CELI N/S indicator progress, but it is important to make a few clarifications regarding the measurement of the following indicators:

- **DOI-(003, 009):** The “in process” status in column FY 2015-Q4 refers to the indicators’ annual measurement, which is expected to be reported in FY 2015.
- **DOI-004:** The “in process” status in column FY 2015-Q4 refers to the indicator’s annual measurement, which is expected to be reported in FY 2015. Additionally, the

“in process” status in column FY 2013 and FY 2014 refers to data awaiting to be updated in the monitoring system.

- **DOI-(005,013,024,028):** The “in process” status in column FY 2013, FY 2014, and FY 2015 refers to the indicators’ biennial measurement, which is expected to be reported during FY 2015.
- **DOI-038:** The “pending” status in each column refers to data pending update in the monitoring system. Additionally, the target reflected in Exhibit 19 refers to a combined target for all the CELIs.

## EXHIBIT 19. CELI N/S INDICATOR PROGRESS REPORT

CELI NS- Indicator Progress Report

| #  | Indicator   | Type of Indicator | Data Source | FY2012                     | FY2013                      | FY2014                               | FY2015                              | FY2016                             | FY2017                              | Cumulative Progress To Date Target (LOP) | Cumulative Progress To Date (%) |
|----|---|-------------------|-------------|----------------------------|-----------------------------|--------------------------------------|-------------------------------------|------------------------------------|-------------------------------------|--|---------------------------------|
|    |   |                   |             | Total Fiscal Year I Target | Total Fiscal Year II Target | Total Fiscal Year III To Date Target | Total Fiscal Year IV To Date Target | Total Fiscal Year V To Date Target | Total Fiscal Year VI To Date Target |  |                                 |
| 1  | DOI-003 Number of coca hectares in CELI municipalities.   | Contractual       | USAID       | 9,442                      | 8495                        | In Process                           | In Process                          | In Process                         | In Process                          | 8,495                                    | 87,63%                          |
|    |   |                   |             | 12,402                     | 9,200                       |                                      | 8,400                               | 7,560                              | 0                                   | 7,560                                    |                                 |
| 2  | DOI-004 Public social services municipal index  | Contractual       | USAID       | 52,4                       | In Process                  | In Process                           | In Process                          | In Process                         | In Process                          | 52,4                                     | 69,87%                          |
|    |   |                   |             | 49                         | 55                          | 62                                   | 69                                  | 75                                 | 0                                   | 75                                       |                                 |
| 3  | DOI-005 Average household income in CELI municipalities.  | Contractual       | USAID       | \$ 447.200                 | In Process                  | In Process                           | In Process                          | In Process                         | In Process                          | \$ 447.200                               | 98,77%                          |
|    |   |                   |             | \$ 418.300                 | \$ 0                        | \$ 0                                 | \$ 443.900                          | \$ 452.780                         | \$ 0                                | \$ 452.780                               |                                 |
| 4  | DOI-006 Public funds leveraged in CELI zones attributable to USG Interventions  | Contractual       | CELI N/S    | USD 118.156                | USD 23.933.200              | USD 59.392.727                       | USD 7.494.086                       | USD 28.561.467                     | USD 6.389.104                       | USD 125.888.739                          | 108,52%                         |
|    |   |                   |             | USD 11.600.000             | USD 17.400.000              | USD 23.200.000                       | USD 29.000.000                      | USD 34.800.000                     | USD 0                               | USD 116.000.000                          |                                 |
| 5  | DOI-008 Number of rapid impact projects implemented by USG implementers   | Contractual       | CELI N/S    | 95                         | 19                          | 38                                   | 148                                 | 140                                | 104                                 | 544                                      | 120,62%                         |
|    |   |                   |             | 95                         | 19                          | 38                                   | 148                                 | 132                                | 19                                  | 451                                      |                                 |
| 6  | DOI-009 Municipal own-source income (Million COP)   | Contractual       | USAID       | \$ 58.922,00               | \$ 58.855,00                | In Process                           | In Process                          | In Process                         | In Process                          | \$ 58.855                                | 110,20%                         |
|    |   |                   |             | \$ 49.525                  | \$ 50.510                   | \$ 51.525                            | \$ 52.556                           | \$ 53.409                          | \$ 0                                | \$ 53.409                                |                                 |
| 7  | DOI-010 Number of strategic national social programs implemented in CELI zones  | Contractual       | CELI N/S    | 4                          | 6                           | 5                                    | 7                                   | 2                                  | 2                                   | 26                                       | 236,36%                         |
|    |   |                   |             | 7                          | 1                           | 1                                    | 1                                   | 1                                  | 0                                   | 11                                       |                                 |
| 8  | DOI-011 Number and percentage of people benefitted by national social programs implemented in CELI municipalities.                                      | Contractual       | CELI N/S    | 3.505                      | 52.406                      | 31.704                               | 24.846                              | 7.350                              | 1.412                               | 121.223                                  | 269,38%                         |
|    |   |                   |             | 11.250                     | 16.875                      | 16.875                               | 0                                   | 0                                  | 0                                   | 45.000                                   |                                 |
| 9  | DOI-012 Number of beneficiaries receiving improved infrastructure services  | Contractual       | CELI N/S    | 0                          | 152.252                     | 19.765                               | 14.182                              | 4.573                              | 32.521                              | 223.293                                  | 212,66%                         |
|    |   |                   |             | 30.000                     | 50.000                      | 15.000                               | 10.000                              | 0                                  | 0                                   | 105.000                                  |                                 |
| 10 | DOI-013 Governance capacity index   | Contractual       | USAID       | 41,39                      | In Process                  | In Process                           | In Process                          | In Process                         | In Process                          | 41,4                                     | 71,61%                          |
|    |   |                   |             | 37,8                       | 0,0                         | 0,0                                  | 52,8                                | 57,8                               | 0,0                                 | 57,8                                     |                                 |
| 11 | DOI-024 Social Capital Index  | Contractual       | USAID       | 23,08                      | In Process                  | In Process                           | In Process                          | In Process                         | In Process                          | 23,08                                    | 55,75%                          |
|    |   |                   |             | 21,4                       | 0                           | 0                                    | 36,4                                | 41,4                               | 0                                   | 41,4                                     |                                 |
| 12 | DOI-025 Number of CSO members supported by USG assistance   | Contractual       | CELI N/S    | 0                          | 0                           | 5081                                 | 2180                                | 1464                               | 555                                 | 9280                                     | 309,33%                         |
|    |   |                   |             | 300                        | 450                         | 600                                  | 750                                 | 900                                | 0                                   | 3000                                     |                                 |
| 13 | DOI-026a Change in Index of Organizational Capacity (ICO) of CSOs supported by USG assistance   | Contractual       | CELI N/S    | 0                          | 50,00%                      | 0,00%                                | 0,00%                               | 0,00%                              | 0,00%                               | 50,00%                                   | 166,67%                         |
|    |   |                   |             | 30%                        | 30%                         | 0%                                   | 0%                                  | 0%                                 | 0%                                  | 30%                                      |                                 |
|    | DOI-026b Index of Organizational Capacity (ICO) of CSOs supported by USG assistance   | Contractual       | CELI N/S    | 0                          | 0                           | 69,1                                 | 63,3                                | 68,3                               | 65,67                               | 65,67                                    | 109,45%                         |
|    |   |                   |             | 0                          | 0                           | 55                                   | 60                                  | 0                                  | 0                                   | 60                                       |                                 |
| 14 | DOI-028 Level of accountability in CELI municipalities  | Contractual       | USAID       | 23,5                       | In Process                  | In Process                           | In Process                          | In Process                         | In Process                          | 23,5                                     | 52,93%                          |
|    |   |                   |             | 24,4                       | 0,0                         | 0,0                                  | 39,4                                | 44,4                               | 0,0                                 | 44,4                                     |                                 |
| 15 | DOI-029 Value of incremental sales of key supported products and Services in CELI zones   | Contractual       | CELI N/S    | 0                          | USD 130.237                 | USD 6.996.129                        | USD 6.424.697                       | USD 6.375.529                      | USD 8.117.356                       | USD 28.043.949                           | 108,53%                         |
|    |   |                   |             | 0                          | USD 130.237                 | USD 6.996.129                        | USD 6.424.697                       | USD 7.284.720                      | USD 5.004.217                       | USD 25.840.000                           |                                 |
| 16 | DOI-030 Number of strategic rural and economic development programs with territorial approach implemented in CELI municipalities                        | Contractual       | CELI N/S    | 0                          | 4                           | 10                                   | 2                                   | 1                                  | 2                                   | 19                                       | 100,00%                         |
|    |   |                   |             | 0                          | 4                           | 10                                   | 2                                   | 2                                  | 1                                   | 19                                       |                                 |
| 17 | DOI-031 Number of people benefitted by strategic rural and economic development programs with territorial approach, implemented in CELI municipalities. | Contractual       | CELI N/S    | 0                          | 3.372                       | 18.007                               | 13.100                              | 2.153                              | 3.600                               | 40.232                                   | 106,01%                         |
|    |   |                   |             | 6.900                      | 10.350                      | 13.800                               | 5.400                               | 1.500                              | 0                                   | 37.950                                   |                                 |
| 18 | DOI-032a Private sector funds leveraged in CELI zones attributable to USG Interventions   | Contractual       | CELI N/S    | USD 236.826                | USD 7.272.101               | USD 15.876.577                       | USD 10.254.796                      | USD 6.417.307                      | USD 1.200.559                       | USD 41.258.167                           | 187,54%                         |
|    |   |                   |             | USD 2.000.000              | USD 7.000.000               | USD 13.000.000                       | USD 0                               | USD 0                              | USD 0                               | USD 22.000.000                           |                                 |
|    | DOI-032b Private sector funds leveraged in CELI zones attributable to USG Interventions   | Contractual       | CELI N/S    | USD 0                      | USD 0                       | USD 0                                | USD 7.562.668                       | USD 3.228.580                      | USD 6.300.610                       | USD 17.091.858                           | 131,03%                         |
|    |   |                   |             | USD 0                      | USD 0                       | USD 0                                | USD 7.562.668                       | USD 3.359.388                      | USD 2.121.944                       | USD 13.044.000                           |                                 |
| 19 | DOI-033a Number of private-public alliances formed  | Contractual       | CELI N/S    | 9                          | 4                           | 46                                   | 1                                   | 2                                  | 0                                   | 62                                       | 688,89%                         |
|    |   |                   |             | 4                          | 5                           | 0                                    | 0                                   | 0                                  | 0                                   | 9  |                                 |
|    | DOI-033b Number of private-public partnerships formed   | Contractual       | CELI N/S    | 0                          | 0                           | 0                                    | 2                                   | 12                                 | 3                                   | 17                                       | 121,43%                         |
|    |   |                   |             | 0                          | 0                           | 0                                    | 2                                   | 10                                 | 2                                   | 14                                       |                                 |
| 20 | DOI-034 Number of rural households benefiting directly from USG interventions   | Contractual       | CELI N/S    | 142                        | 6390                        | 9447                                 | 5.245                               | 4.182                              | 2.815                               | 28.221                                   | 156,78%                         |
|    |   |                   |             | 2.000                      | 4.000                       | 5.000                                | 5.000                               | 2.000                              | 0                                   | 18.000                                   |                                 |
| 21 | DOI-035 Number of people with a new financial product from a local financial institution.   | Contractual       | CELI N/S    | 0                          | 0                           | 12291                                | 15.660                              | 9.903                              | 7.802                               | 45.656                                   | 175,78%                         |
|    |   |                   |             | 1.066                      | 6.473                       | 9.217                                | 7.374                               | 1.844                              | 0                                   | 25.974                                   |                                 |

**CELI NS- Indicator Progress Report**

| #  | Indicator   | Type of Indicator | Data Source | FY2012                     | FY2013                      | FY2014                               | FY2015                              | FY2016                             | FY2017                              | Cumulative Progress To Date Target (LOP) | Cumulative Progress To Date (%) |
|----|---|-------------------|-------------|----------------------------|-----------------------------|--------------------------------------|-------------------------------------|------------------------------------|-------------------------------------|--|---------------------------------|
|    |   |                   |             | Total Fiscal Year I Target | Total Fiscal Year II Target | Total Fiscal Year III To Date Target | Total Fiscal Year IV To Date Target | Total Fiscal Year V To Date Target | Total Fiscal Year VI To Date Target |  |                                 |
| 22 | DOI-036 Total value of CELI projects approved (USD million)   | Contractual       | CELI N/S    | 0                          | USD 76.797.175              | USD 47.977.748                       | USD 38.565.912                      | USD 17.833.754                     | USD 10.148.409                      | USD 191.322.998                          | 99,08%                          |
|    |   |                   |             | USD 49.400.000             | USD 35.700.000              | USD 38.000.000                       | USD 39.200.000                      | USD 30.800.000                     | USD 0                               | USD 193.100.000                          |                                 |
| 23 | DOI-037 Total value of CELI projects completed (USD million)  | Contractual       | CELI N/S    | 0                          | USD 47.634.900              | USD 88.329.178                       | USD 37.805.121                      | USD 59.213.195                     | USD 29.674.528                      | USD 262.656.922                          | 152,09%                         |
|    |   |                   |             | USD 2.700.000              | USD 44.000.000              | USD 38.000.000                       | USD 44.000.000                      | USD 44.000.000                     | USD 0                               | USD 172.700.000                          |                                 |
| 24 | DOI-038 Total public investment in consolidation zones (USD million) Target reflects a combined target for all the CELIs. | Contractual       | USAID       | Pending                    | Pending                     | Pending                              | Pending                             | Pending                            | Pending                             | Pending                                  | 0,00%                           |
|    |   |                   |             | USD 968.000.000            | USD 366.000.000             | USD 291.000.000                      | USD 425.000.000                     | USD 0                              | USD 0                               | USD 2.050.000.000                        |                                 |
| 25 | DOI-039 Number of properties in cadaster formation or cadaster update processes supported in CELI municipalities.         | Contractual       | CELI N/S    | 0                          | 0                           | 40140                                | 0                                   | 0                                  | 0                                   | 40.140                                   | 401,40%                         |
|    |   |                   |             | 0                          | 0                           | 0                                    | 5.000                               | 5.000                              | 0                                   | 10.000                                   |                                 |
| 26 | DOI-040 Number of formalization cases supported in CELI municipalities  | Contractual       | CELI N/S    | 0                          | 0                           | 474                                  | 154                                 | 1757                               | 4597                                | 6982                                     | 268,54%                         |
|    |   |                   |             | 0                          | 400                         | 1.700                                | 500                                 | 0                                  | 0                                   | 2.600                                    |                                 |
| 27 | DOI-041 Number of restitution cases supported in CELI municipalities  | Contractual       | CELI N/S    | 0                          | 0                           | 1074                                 | 0                                   | 0                                  | 0                                   | 1074                                     | 358,00%                         |
|    |   |                   |             | 0                          | 100                         | 100                                  | 100                                 | 0                                  | 0                                   | 300                                      |                                 |
| 28 | DOI-042 Community funds leveraged in CELI zones attributable to USG interventions (USD Million)                           | Contractual       | CELI N/S    | USD 0                      | USD 0                       | USD 0                                | USD 2.657.434                       | USD 11.396.101                     | USD 9.026.771                       | USD 23.080.305                           | 1154,02%                        |
|    |   |                   |             | USD 0                      | USD 0                       | USD 0                                | USD 1.500.000                       | USD 500.000                        | USD 0                               | USD 2.000.000                            |                                 |

| # | Indicator  | Type of Indicator | Data Source | FY2012                     | FY2013                      | FY2014                               | FY2015                              | FY2016                             | FY2017                              | Cumulative Progress To Date Target (LOP) | Cumulative Progress To Date (%) |
|---|--|-------------------|-------------|----------------------------|-----------------------------|--------------------------------------|-------------------------------------|------------------------------------|-------------------------------------|--|---------------------------------|
|   |  |                   |             | Total Fiscal Year I Target | Total Fiscal Year II Target | Total Fiscal Year III To Date Target | Total Fiscal Year IV To Date Target | Total Fiscal Year V To Date Target | Total Fiscal Year VI To Date Target |  |                                 |
| 1 | P-01 Number of hectares of licit crops supported by the project.   | Non Contractual   | CELI N/S    | 0                          | 2458                        | 3648                                 | 3691                                | 3199                               | 1324                                | 14321                                    | 242,72%                         |
|   |  |                   |             | 300                        | 1.800                       | 1.700                                | 1.550                               | 550                                | 0                                   | 5.900                                    |                                 |
| 2 | P-02 Amount of funds provided to the Unidad Administrativa para la Consolidación Territorial (UAECT) to facilitate the achievement of the objectives of the project. | Non Contractual   | CELI N/S    | USD 85.048                 | USD 49.734                  | USD 0                                | USD 0                               | USD 0                              | USD 87.173                          | USD 221.955                              | 159,81%                         |
|   |  |                   |             | 77.777                     | 61.111                      | 0                                    | 0                                   | 0                                  | 0                                   | 138.888                                  |                                 |
| 3 | P-03 Number of institutional strengthening activities supported in CSDI zones.   | Non Contractual   | CELI N/S    | 17                         | 33                          | 6                                    | 20                                  | 41                                 | 57                                  | 174                                      | 248,57%                         |
|   |  |                   |             | 26                         | 30                          | 14                                   | 0                                   | 0                                  | 0                                   | 70                                       |                                 |
| 4 | P-04 Number of social organizations participating in citizen and community participation spaces supported by the USG.  | Non Contractual   | CELI N/S    | 13                         | 212                         | 367                                  | 136                                 | 294                                | 194                                 | 1216                                     | 657,30%                         |
|   |  |                   |             | 40                         | 80                          | 30                                   | 20                                  | 15                                 | 0                                   | 185                                      |                                 |
| 5 | P-05 Number of permanent jobs created.   | Non Contractual   | CELI N/S    | 0                          | 1940                        | 3415                                 | 2773                                | 2394                               | 2207                                | 12728                                    | 385,71%                         |
|   |  |                   |             | 80                         | 820                         | 1.050                                | 950                                 | 400                                | 0                                   | 3.300                                    |                                 |
| 6 | P-06 Number of people assisted and / or linked to activities project   | Non Contractual   | CELI N/S    | 20.606                     | 285.665                     | 161.851                              | 145.118                             | 68.320                             | 93.450                              | 775.010                                  | 316,33%                         |
|   |  |                   |             | 20.500                     | 145.000                     | 45.000                               | 26.000                              | 8.500                              | 0                                   | 245.000                                  |                                 |
| 7 | DOI-007 Number of rapid impact projects implemented by the GoC   | Non Contractual   | CELI N/S    | 0                          | 56                          | 100                                  | 0                                   | 0                                  | 0                                   | 156                                      | 97,50%                          |
|   |  |                   |             | 10                         | 40                          | 30                                   | 40                                  | 0                                  | 0                                   | 160                                      |                                 |

## SECTION 6

# LESSONS LEARNED AND PROBLEMS ENCOUNTERED

CELI N/S applied many of the lessons learned from previous USAID programs in Colombia, such as Areas for Municipal-Level Alternative Development and More Investment for Alternative Development, building upon them to respond to the fast-paced context in the targeted municipalities. Through innovations in decentralized technical implementation and decision-making, deployment of an information system to provide critical up-to-date data, and more streamlined communications and contracts procedures, the program enhanced its responsiveness, effectiveness, and overall results.

Below, we present the main lessons distilled in CELI N/S's last strategic review.

### TECHNICAL APPROACH

- Regional program implementation requires balanced multi-disciplinary teams, which comprise a mix of experienced and young professionals. This allows for promotion from within the program and opportunities for the staff's professional growth.
- A key to successful program implementation is striking the right balance between decentralized operations and fostering effective communications with centralized support units.
- A flexible approach is key for successful program implementation. Staff must understand that events can curtail intended interventions and that the program team must respond effectively. Designing mechanisms that enable flexibility is key. For example, Cost Line Item Number (CLIN) 2 enabled rapid response, support to organizations, and flexibility.
- Building trust with stakeholders at the outset of the program is key. CELI N/S invested a significant amount of effort establishing relationships and building a shared vision with national-level counterparts, mayors, and community groups. This investment resulted in enduring relationships, fluid information flow, a high level of collaboration, and interventions that were highly tailored to community priorities.
- Utilizing a “learning by doing” methodology, CELI N/S empowered grassroots organizations to strengthen themselves while implementing grants activities. Instead of simply disbursing program resources aimed at organizational strengthening, CELI N/S employed the organizations in implementing the productive agricultural projects, infrastructure works, and social activities that aligned with the program's technical focus. This methodology built organizational capacity by teaching grassroots organizations how to responsibly execute CELI N/S funds while taking a leadership role in their communities.



## **MONITORING AND EVALUATION**

- CELI N/S employed a dynamic, web-based information system (Results Management System) that compiled real time data from all of its field activities. The system allowed the project to generate data for reports, ad-hoc requests, and analyses that informed decision-making.
- Internal processes should be established to ensure that timely, accurate, and verifiable information is received from the field.
- CELI N/S invested in training grassroots and producer organizations to input data into the monitoring and evaluation system. This had the benefit of leveraging empowering beneficiaries to take ownership and responsibility for their activity's implementation.

## **ENVIRONMENTAL**

- By integrating environmental awareness into technical assistance for grassroots and producer organizations, CELI N/S promoted behavior change with respect to harmful practices, such as burning fields, unlicensed cutting of timber, and using chemical-based fertilizers.
- As with monitoring and evaluation information, beneficiaries were empowered to input data on progress toward their environmental management plans. This served a dual purpose: motivating communities to prioritize environmental awareness and reducing the program's workload. Instead of preparing the reports, CELI N/S oversaw overall environmental compliance, provided training, and audited the data included in quarterly monitoring reports.

## **COMMUNICATIONS**

- By working through networks, local media outlets and communication collectives became a vehicle through which communities in conflict-affected municipalities were empowered to change mindsets and mend the social fabric. CELI N/S supported a campaign to promote positive messages about developments in the target municipalities and fight misinformation and politicized news.
- Strategic alliances with government institutions and national media outlets became important in contributing to larger national initiatives, such as peacebuilding.
- A field-based information flow, originating from regional communications coordinators located in regional offices, provided valuable first-hand information (e.g., text, photographs, and video) that was used to develop reports and ad-hoc requests.

## **GRANTS AND CONTRACTS**

- The majority of CELI N/S grants were fixed-amount awards. Instead of using a small number of deliverables as milestones for payment, the program employed activity operational plans. This mechanism establishes a list of milestones, including hard

deliverables and accomplishments (e.g., meetings) required to achieve the overall result of the activity. Each milestone is assigned a percentage, and the achievement of a set percentage triggers a payment. This methodology establishes a transparent, verifiable, and clear mechanism for payment against results while allowing for a measure of flexibility.

- The creation of a standard set of templates, forms, and checklists streamlined processes and facilitated efficient grant management.
- Through a methodology based on learning, doing, and deciding, operational and supervisory committees learned about rules and procedures complying with grants rules and regulations.

## **PROBLEMS ENCOUNTERED**

- From the outset, UACT was the program's natural interlocutor. However, during implementation the government disbanded the unit due to changes in policy, leaving CELI N/S without a direct interlocutor. As a result, CELI N/S transitioned to managing more complex institutional relationships with newly formed government agencies, such as the *Agencia de Renovación Territorial*, the *Agencia de Desarrollo Rural*, the *Agencia Nacional de Tierras*, and the DAILCD.
- Public institutions were at times slow in co-financing CELI N/S activities and initiatives, which created difficulties for implementing organizations in meeting their leveraging targets.
- Changes in regional and municipal administrations presented a challenge for implementation, as program staff had to develop new relationships and train officials on CELI N/S activities. This slowed the pace of implementation at different times throughout the program.
- Changing security situations in prioritized municipalities required permanent efforts by security personnel to monitor new alliances among armed illegal groups that could affect program staff and implementation.

## SECTION 7

# FINANCIAL PERFORMANCE

Per contract modification No. 9, the total contract ceiling for CELI N/S is \$94,470,250, including a \$55,121,008 Activity Fund (\$7.5 million for direct implementation activities and \$47,621,108 for grants). Per that modification, the contract was fully obligated, with funds scheduled to last through the end of the project on October 10, 2017.

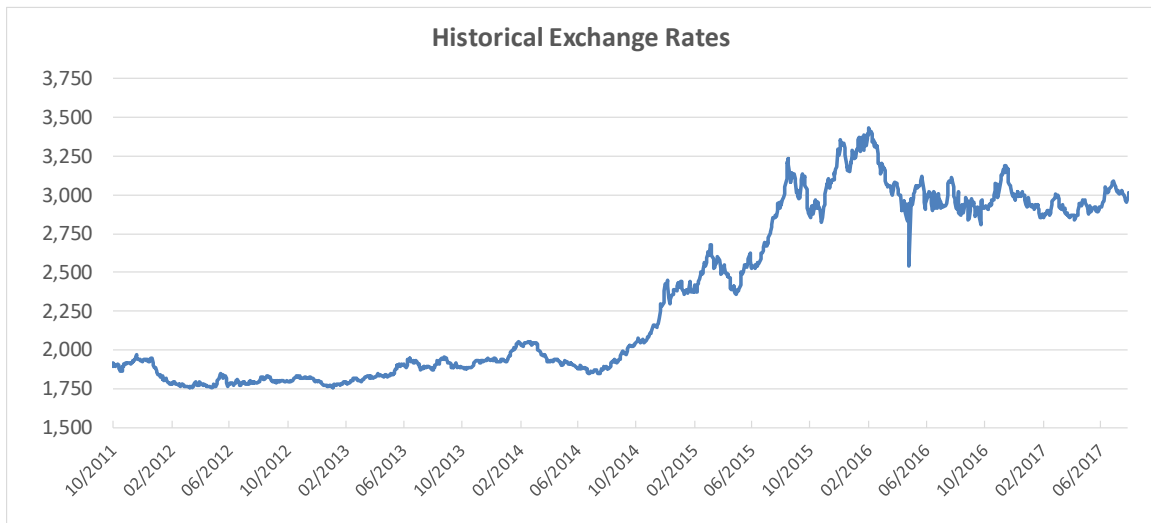
As indicated in Exhibit 20, cumulative expenditures through the end of September 2017 stand at \$ 93,554,040, or 99 percent of the total contract ceiling. Of total cumulative expenditures, \$37.9 million correspond to expenses under CLIN1 (operational cost plus general and administrative and fee on grants), \$8.16 million under CLIN2 (disbursements for direct implementation activities plus associated general and administrative and fee), and \$ 47.49 million under CLIN3 (disbursements to grantees).

**EXHIBIT 20. BUDGET EXPENDITURES AND BALANCE AS OF SEPTEMBER 30, 2017**

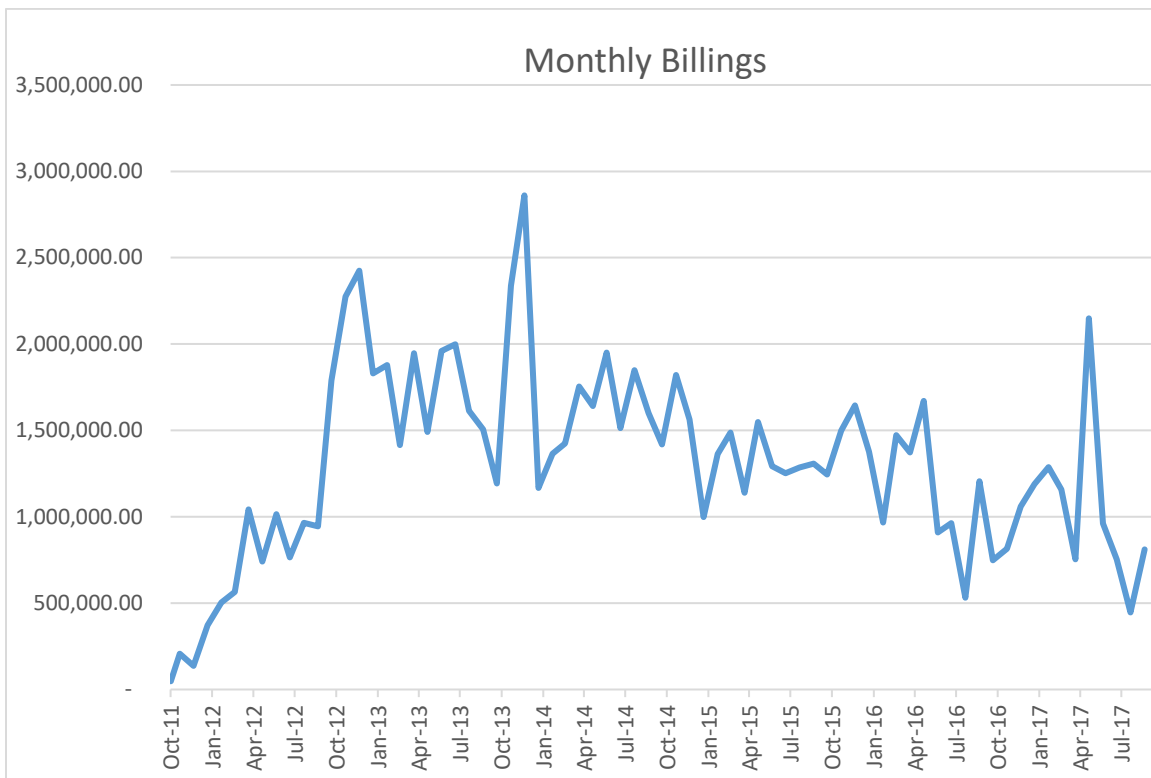
| BUDGET ITEM                                      | BUDGET PER MOD. NO. 9 | EXPENDITURES THROUGH SEPTEMBER 30, 2017 | BALANCE     |
|--|-----------------------|---|-------------|
| CLIN 1: Operational                              | \$38,600,967          | \$ 37,907,110                           | \$693,857   |
| CLIN 2: Activity Fund, no letter of credit       | \$8,248,275           | \$ 8,157,084                            | \$ 91,190   |
| CLIN 3: Activity Fund, letter of credit (Grants) | \$47,621,008          | \$ 47,489,864                           | \$ 131,144  |
| TOTAL  | \$94,470,250          | \$93,554,040                            | \$916,210/3 |
| PERCENTAGE                                       |                       | 99%                                     | 1%          |

The exchange rate had a significant impact on expenditures over the life of the project. As illustrated in Exhibit 21 on the next page, the exchange rate began to significantly depreciate in the beginning of 2015. As a result, monthly billings began to decline, and the program ultimately realized significant savings that allowed a one-year extension with minimal additional funding. Monthly billings averaged approximately \$1.3 million over the life of the project. As illustrated in Exhibit 22 (next page), monthly billings declined somewhat in the second half of implementation, mostly due to the significant depreciation of the peso.

## EXHIBIT 21. HISTORICAL EXCHANGE RATES



## EXHIBIT 22. MONTHLY BILLING



## GRANTS AND CONTRACTS

Over six years of implementation, CELI N/S approved 689 activities, 527 of which were grants and 162 were non-grant activities. The latter are activities directly implemented by the program but financed from the Activity Fund. During Year I (2012), CELI N/S approved 206 grants, the majority of which were for rapid response activities in infrastructure. As illustrated in Exhibit 23, the economic development component had more activities than the other components.

**EXHIBIT 23. CELI N/S ACTIVITIES BY COMPONENT**

| PROGRAMMATIC COMPONENT                     | CANCELLED | COMPLETED  | TOTAL      |
|--|-----------|------------|------------|
| Foster economic development                | 14        | 231        | 245        |
| Improve governance and civic capacity      | 4         | 151        | 155        |
| Increase social capital                    | 4         | 79         | 83         |
| Land                                       | 2         | 25         | 27         |
| Support social and economic infrastructure | 8         | 171        | 179        |
| <b>TOTAL</b>                               | <b>32</b> | <b>642</b> | <b>689</b> |

Exhibit 24 presents the number of grant and non-grant activities awarded by year. Activities were awarded in pesos, and the dollar value was fixed to allow for comparison across years. It is important to note that the actual dollar value of awarded grants is lower than indicated due to the depreciation of the peso beginning at the start of 2015.

**EXHIBIT 24. NUMBER OF GRANT AND NON-GRANT AWARDED ACTIVITIES**

| TYPE                             | YEAR         | AMOUNT     | VALUE (PESOS)            | VALUE \$<br>(\$1=1,800 PESOS) |
|----------------------------------|--------------|------------|--------------------------|-------------------------------|
| Non-grants                       | 2012         | 84         | \$3,772,802,431          | \$2,096,001                   |
|                                  | 2013         | 34         | \$5,228,654,168          | \$2,904,808                   |
|                                  | 2014         | 19         | \$3,623,617,201          | \$2,013,121                   |
|                                  | 2015         | 14         | \$1,239,495,173          | \$688,608                     |
|                                  | 2016         | 11         | \$2,554,984,600          | \$1,413,880                   |
|                                  | 2017         | 0          | —                        | —                             |
|                                  | <b>TOTAL</b> | <b>162</b> | <b>\$16,409,553,573</b>  | <b>\$9,116,419</b>            |
| Grants                           | 2012         | 206        | \$29,271,001,961         | \$16,261,668                  |
|                                  | 2013         | 113        | \$22,194,361,278         | \$12,330,201                  |
|                                  | 2014         | 54         | \$14,729,949,993         | \$8,183,306                   |
|                                  | 2015         | 82         | \$25,238,539,204         | \$14,021,411                  |
|                                  | 2016         | 43         | \$17,494,479,980         | \$9,719,155                   |
|                                  | 2017         | 29         | \$10,929,067,695         | \$6,071,704                   |
|                                  | <b>TOTAL</b> | <b>527</b> | <b>\$119,857,400,021</b> | <b>\$66,587,444</b>           |
| <b>TOTAL ACTIVITIES APPROVED</b> |              | <b>689</b> | <b>\$136,266,953,594</b> | <b>\$75,703,863</b>           |

Another important point is that 2014 was a shorter period due to a change in the way CELI N/S classified its program years. Initially, it was aligned along calendar years; however, in 2014, CELI N/S and USAID decided to align with the U.S. government's fiscal year calendar. As a result, the 2014 program year began in January 2014 and ended on September 30, 2014, which is reflected in lower-than-normal award figures.

Exhibit 25 presents the regional distribution of grant and non-grant awards. With the most municipalities, Antioquia received the largest number awards.

#### EXHIBIT 25. REGIONAL DISTRIBUTION OF GRANT AND NON-GRANT AWARDS

| GRANTS       |                               |
|--------------|-------------------------------|
| Region       | Number of Approved Activities |
| Antioquia    | 272                           |
| Córdoba      | 135                           |
| Nariño       | 120                           |
| Antioquia    | 527                           |
| <b>TOTAL</b> | 272                           |

| NON-GRANTS   |                               |
|--------------|-------------------------------|
| Region       | Number of Approved Activities |
| Antioquia    | 87                            |
| Córdoba      | 30                            |
| Nariño       | 45                            |
| Antioquia    | 87                            |
| <b>TOTAL</b> | 162                           |



# ANNEX A. PROJECT PURPOSE

Through CELI N/S, USAID provided support to the Colombian government's effort to improve governance, stimulate sustainable economic development, and encourage licit lifestyles free from conflict and violence. CELI N/S supported 12 municipalities<sup>5</sup> in Antioquia, five municipalities<sup>6</sup> in Southern Córdoba, the municipality of Tumaco in the department of Nariño, and the municipality of Santa Rosa del Sur in the department of Bolívar. High poverty levels in these municipalities are attributed to the decades of violence associated with prevailing guerrilla, criminal, and narco-trafficking activities, as well as the regions' physical isolation.

Initially, CELI N/S worked closely with UACT, the Colombian government body responsible for orchestrating the effort to regain state presence in the designated "Consolidation" municipalities. It also worked collectively with multiple government agencies and community and private sector stakeholders to create the conditions necessary to promote a sustainable state of peace and security.

CELI N/S was implemented through the following programmatic components and crosscutting initiatives: improved governance and civic capacity; strengthen and build social capital; foster economic development; and support economic infrastructure. The program also carried out activities in three crosscutting areas: environmental awareness and sensitivity, gender equity, and legal land ownership.

Projects supported in the programmatic components were the outcome of a broad-based consultative process involving all relevant local municipal and community stakeholders, and reflected the interests and priorities of the local population. Most grants were awarded to local community organizations and producers associations for the implementation of activities, such as basic infrastructure, food security, agricultural production and marketing, and organizational development and strengthening. All grants were implemented on a co-funding basis, with counterpart resources provided by local and department governments, national governmental agencies, the private sector, and the beneficiary communities.

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<sup>5</sup> The Department (province) of Antioquia is divided into two regions with 12 prioritized municipalities. The first, Northern Antioquia, has four target municipalities (Anorí, Ituango, Briceño, and Valdivia); the second, Bajo Cauca, has six prioritized municipalities (El Bague, Tarazá, Cáceres, Caucasia, Nechí, and Zaragoza). However, Dabeiba in Northwest Antioquia, and Remedios in Northeast Antioquia, were added to CELI N/S's intervention per request of the Colombian government.

<sup>6</sup> The Department of Córdoba has into two regions with five prioritized municipalities. Alto San Jorge has three target municipalities (Montelíbano, San José de Uré, and Puerto Libertador), and Alto Sinú has two (Tierralta and Valencia).



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