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Decentralization in Colombia



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National Planning Development

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dnp.gov.co

Decentralization in Colombia



AGENDA

- I. Colombia-Generalities
- II. Public policy design in heterogeneous regions
- III. Decentralization process in Colombia
- IV. Opportunities



Descentralización en Colombia

I

AGENDA

Colombia-Generalities

I. Generalities

Territory

Location: North West of South
Surface: 2 129 748 km²

Territorial Entities – Territorial division

32 Departments

1102 municipalities



State

Government Type: Presidential

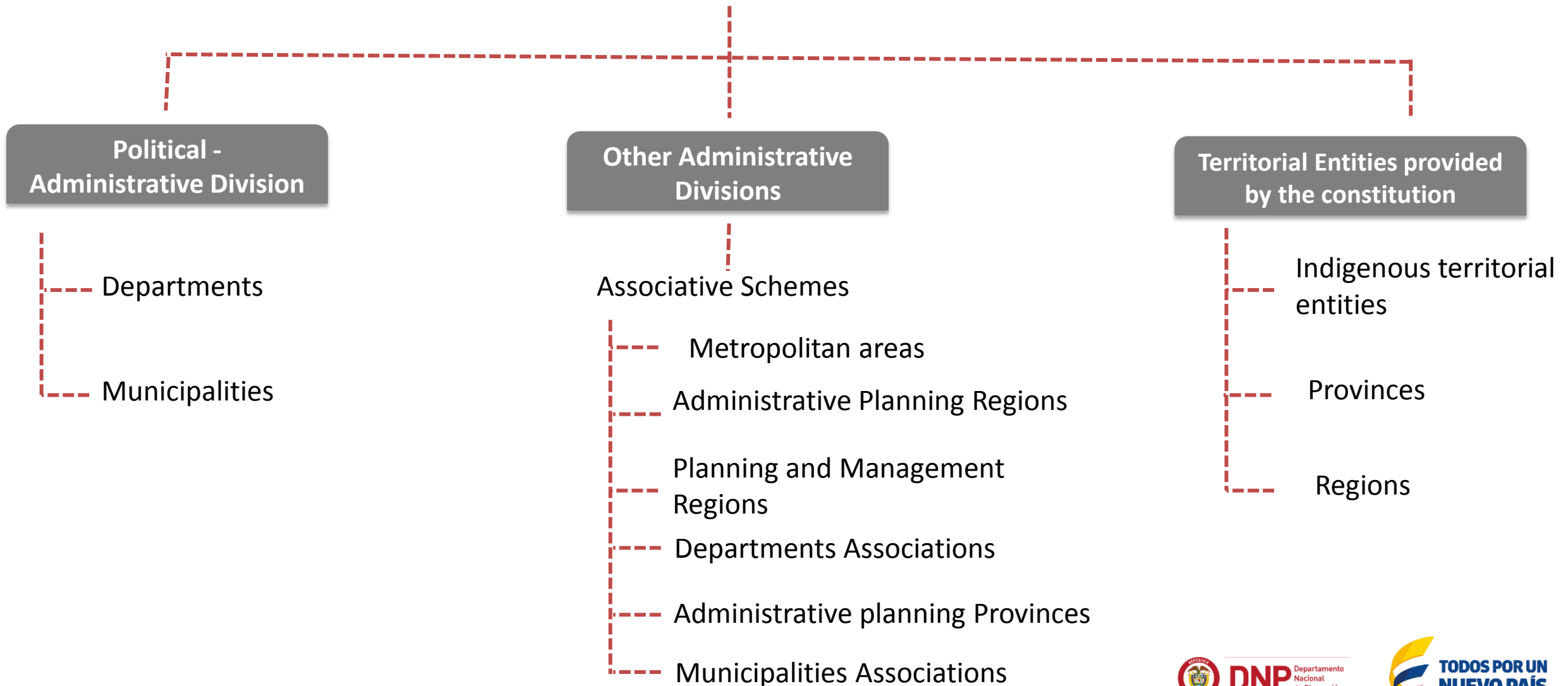
State: Unitary, decentralized, social, democratic

Population

47 million people

Ethnic Groups: Indigenous, Afro-Colombian, Raizales, Rom (Gypsies)

Colombian Territorial Organization



An aerial photograph of a city, likely Bogotá, Colombia, with a prominent red overlay. The image shows a dense urban landscape with various buildings, including a tall skyscraper on the left and a large, curved building in the center. A highway with multiple lanes is visible in the foreground. The sky is filled with clouds, and the overall color scheme is dominated by red and white.

Decentralization in Colombia

II

AGENDA

DESIGNING
DEVELOPMENT POLICY
WITH
HETEROGENEOUS
REGIONS

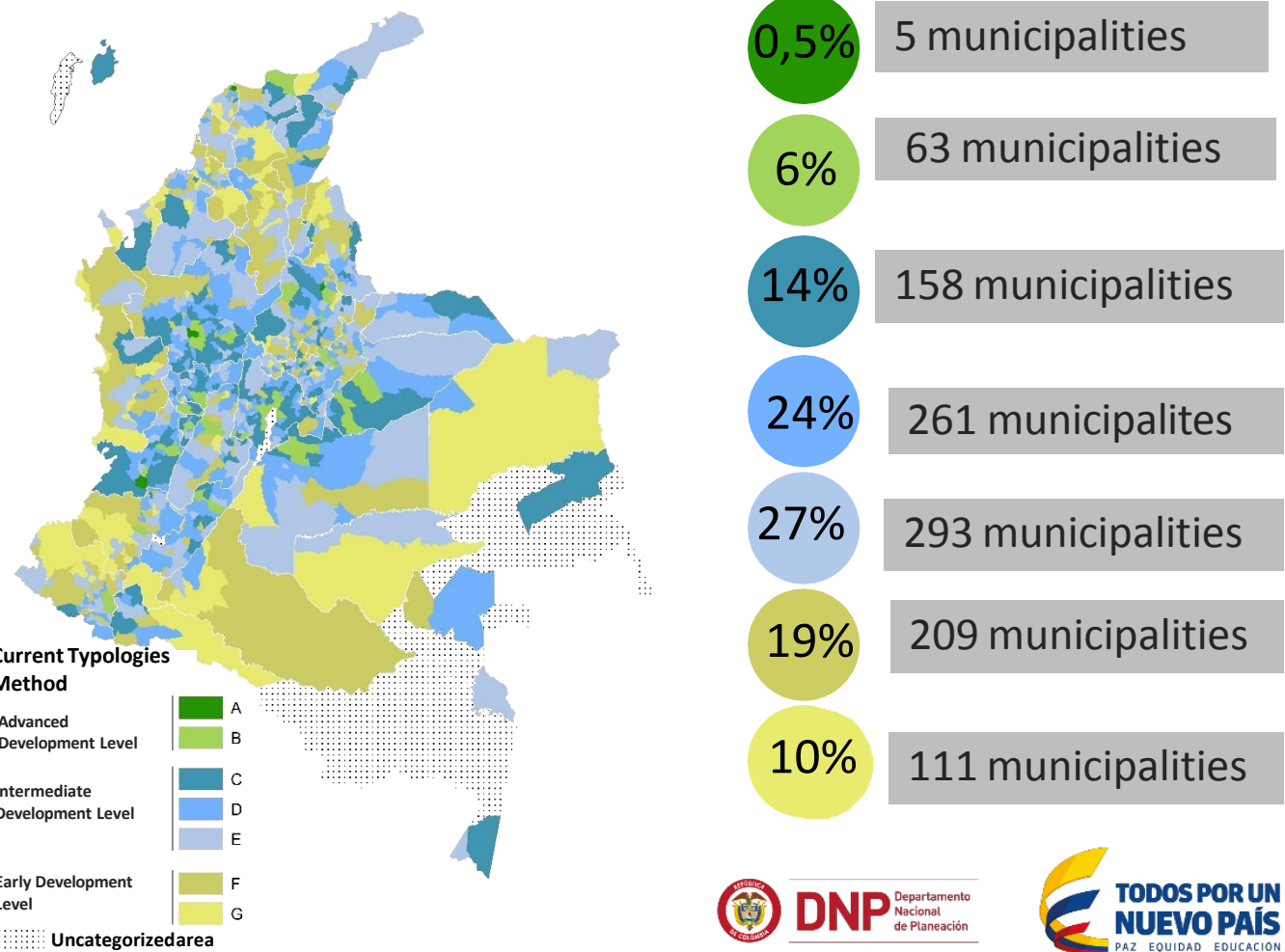
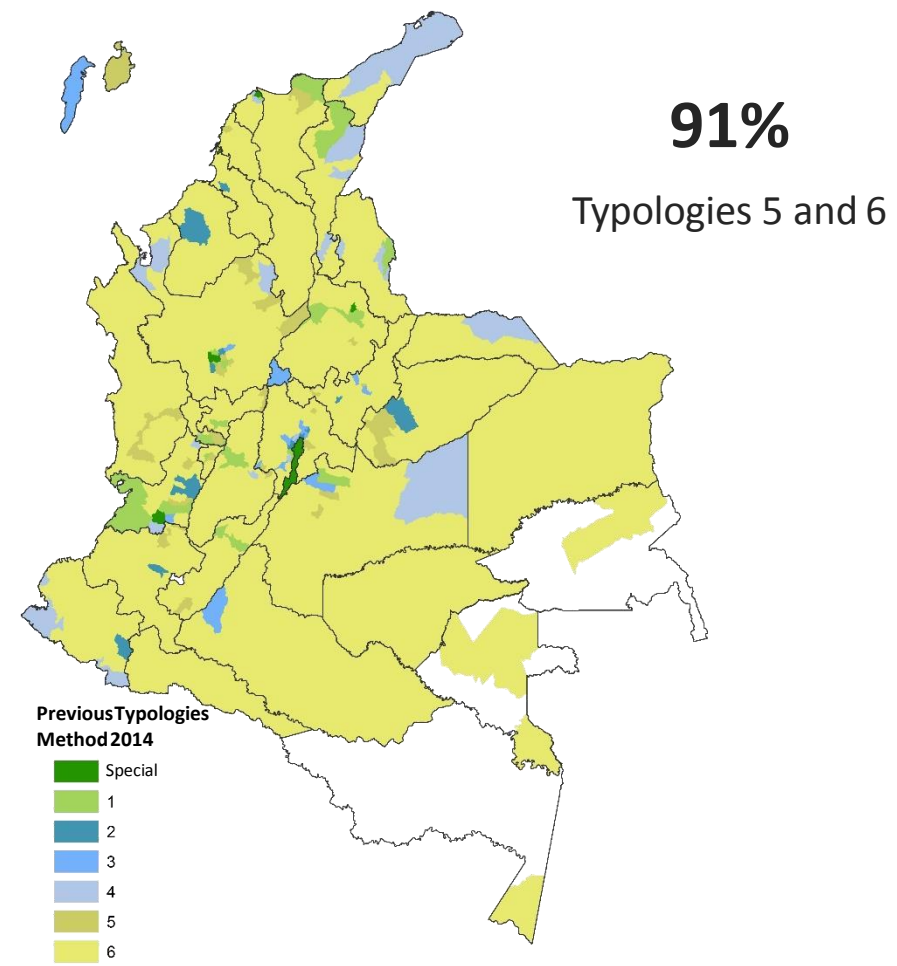
main features

Municipalities: 2014 Typology

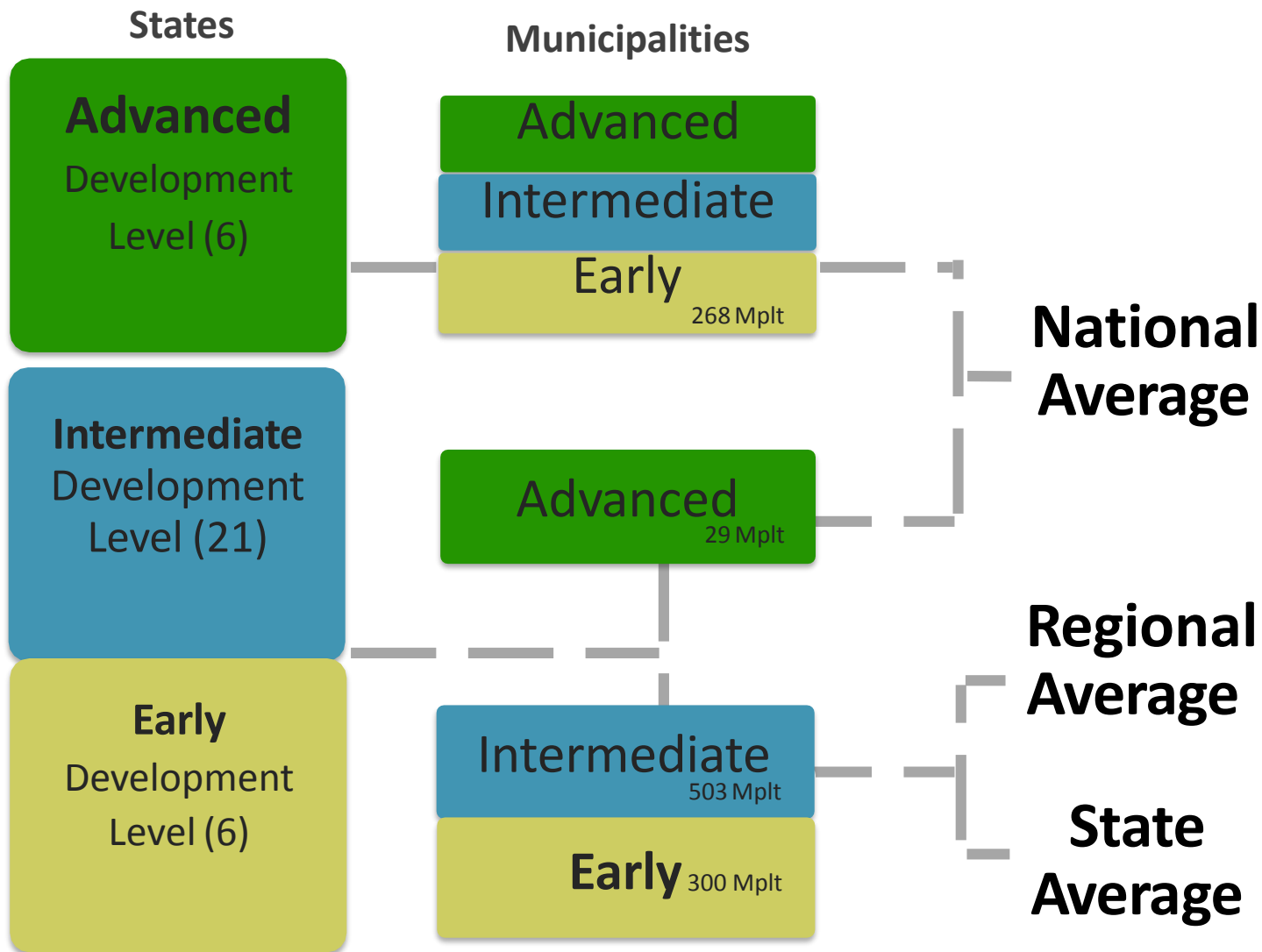
Based on income and population.

Municipalities: National Development Plan Typology

Based on 15 variables to allow a more complete comprehension of regional development.



II. Designing development policy with heterogeneous regions. Regional gaps reduction strategy: Planning Method



Gaps Reduction Strategy

1. Regions should make bigger efforts in order to reduce social inequalities, according to their development level.
2. Objective: to establish efficiency goals in each economic sector according to regional differentiated features.

Variables:

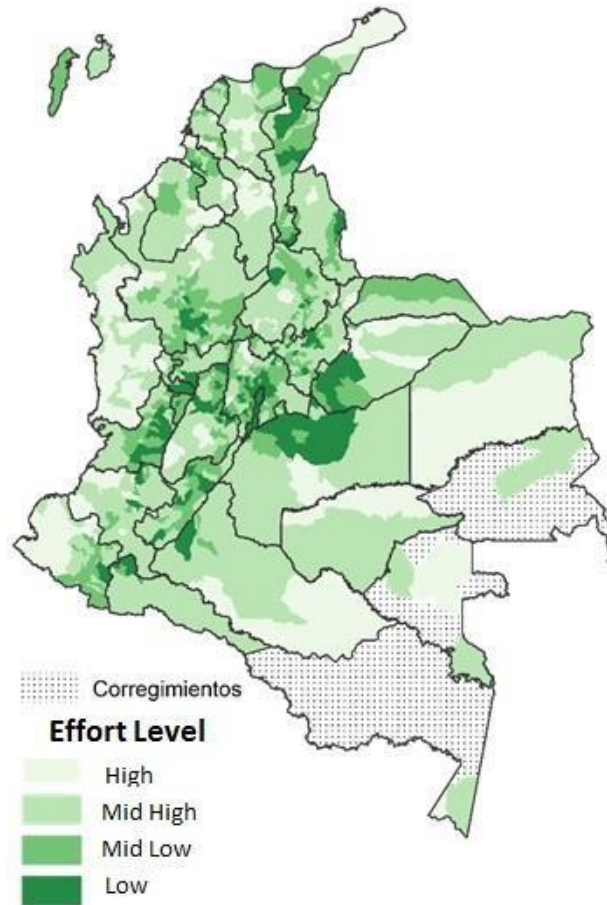
- **Education:**
 - Net Average Education Coverage.
 - High School Math state Test.
 - Literacy.
- **Health:**
 - Vaccination.
 - Child Mortality.
- **Publics Services:**
 - Water and sewerage coverage.
- **Housing**
 - Quantity/availability.
 - Quality.

II. Designing development policy with heterogeneous regions. Socioeconomic gaps reduction strategy: results

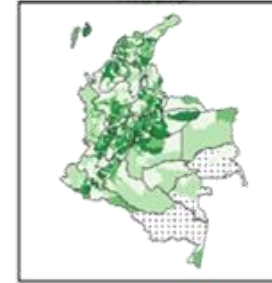
Integrated Effort Index - IEI:
Combines the efforts needed to reduce all sectoral 8 gaps.

| Integrated Effort | Municipalities |
|-------------------|----------------|
| <i>High</i> | 108 |
| <i>Mid-High</i> | 551 |
| <i>Mid-Low</i> | 322 |
| <i>Low</i> | 121 |
| Total | 1102 |

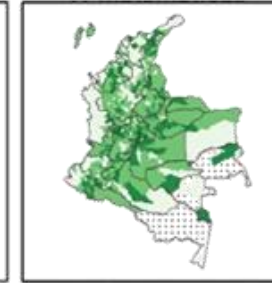
Integrated Effort Index



Average Education Coverage



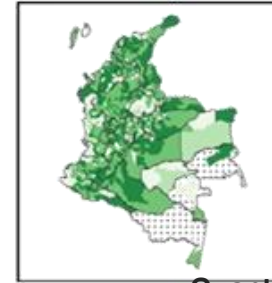
High School Math state Test marks



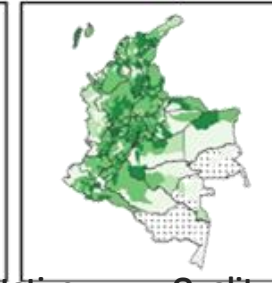
Literacy



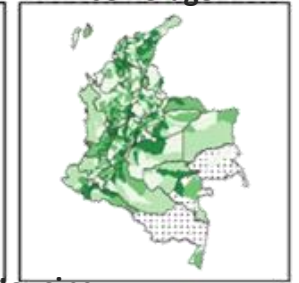
Vaccination



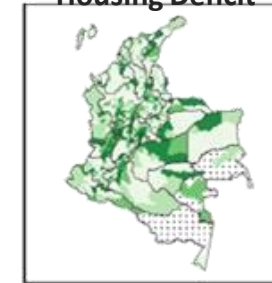
Child Mortality



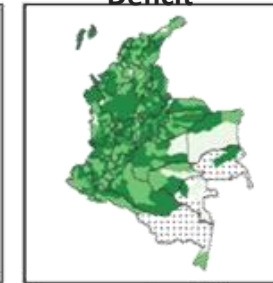
Water and sewerage



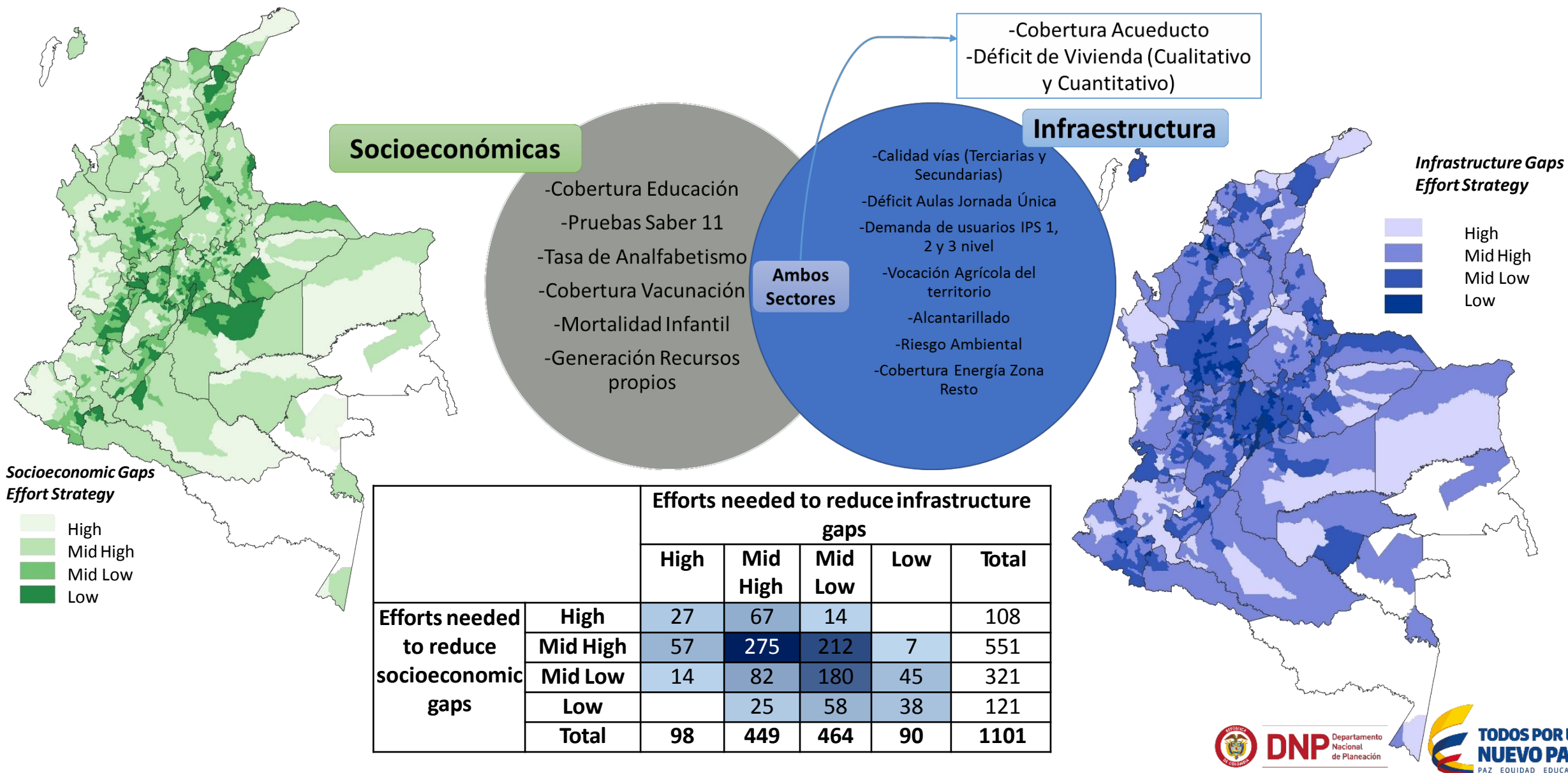
Quantitative Housing Deficit



Quality Housing Deficit



II. Designing development policy with heterogeneous regions. Socioeconomic vs. infrastructure



II. Designing development policy with heterogeneous regions: Socioeconomic vs. integral efficiency index (planning)

| | | Integral Efficiency Index | | | | | Total |
|--|----------|---------------------------|-----|-----|---------|--------------|-------|
| | | Critical | Low | Mid | Salient | Satisfactory | |
| Efforts needed to reduce socioeconomic gaps | High | 10 | 22 | 35 | 36 | 5 | 108 |
| | Mid High | 26 | 80 | 142 | 238 | 65 | 551 |
| | Mid Low | 8 | 31 | 52 | 140 | 90 | 321 |
| | Low | | 6 | 14 | 39 | 62 | 121 |
| | Total | 44 | 139 | 243 | 453 | 222 | 1101 |

Integral Efficiency Index

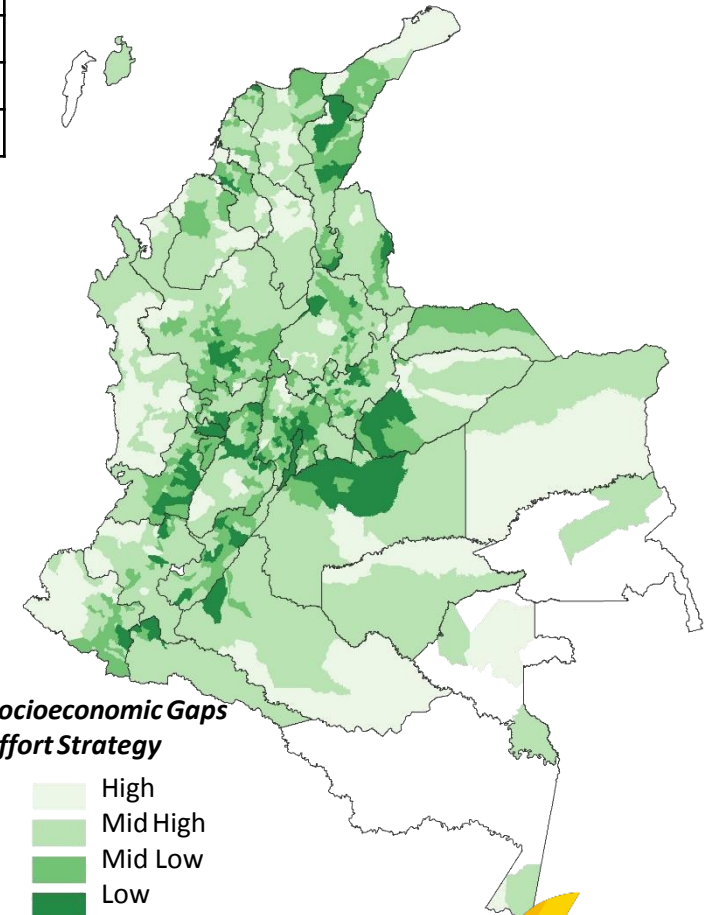
- Satisfactory
- Salient
- Mid
- Low
- Critical

138

331

2 stories

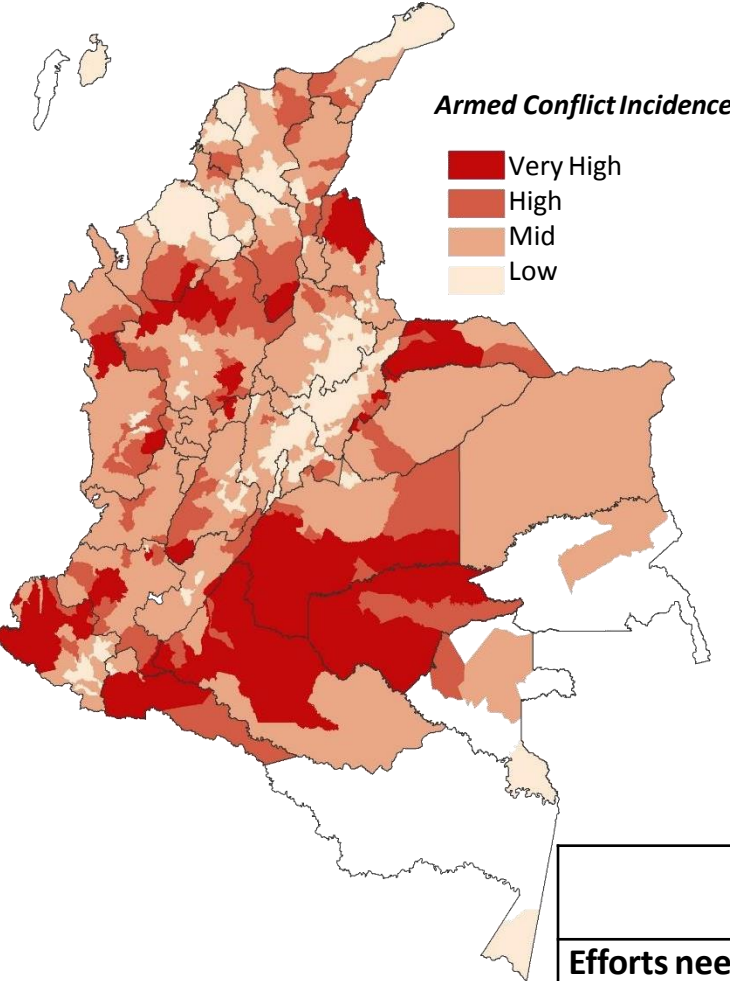
1. Most municipalities are located in the satisfactory/salient levels and also require a mid-low/low effort to reduce socioeconomic gaps.
2. 138 municipalities with satisfactory efficient index levels also require high efforts to close socioeconomic gaps.



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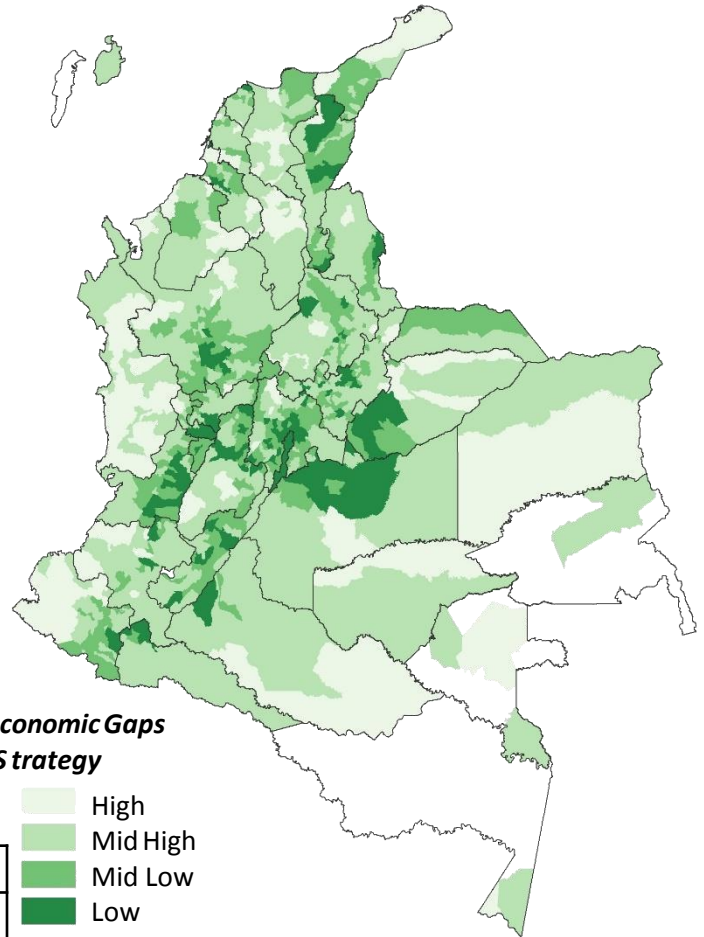


II. Designing development policy with heterogeneous regions: socioeconomic vs. armed conflict incidence



-Focus on **150 municipalities** with high violence incidence and high/mid-high effort to reduce economic gaps.

- Early victories can be achieved on **259 municipalities** with mid conflict incidence and mid high efforts to reduce economic gaps.



150 **405**

| | | Armed Conflict Incidence | | | | Total |
|---|----------|--------------------------|------|-----|-----|-------|
| | | Very High | High | Mid | Low | |
| Efforts needed to reduce socioeconomic gaps | High | 16 | 14 | 46 | 32 | 108 |
| | Mid High | 56 | 64 | 259 | 172 | 551 |
| | Mid Low | 9 | 27 | 169 | 116 | 321 |
| | Low | | 1 | 76 | 44 | 121 |
| | Total | | 81 | 106 | 550 | 364 |

II .Designing development policy with heterogeneous regions. new typologies: Lessons and Opportunities

1. Targeted regional goals in National Development Plan 2014- 2018.
2. Sectoral investment:
3. Prioritization of municipalities to be included in technical assistance programs: Update 867 Land Use Plans.
5. Challenges and Opportunities:
 - i. New typologies to differentiate municipalities' institutional capacity to operate and execute programs are now exclusive to the national government.
 - ii. It should be used for general public policy implementation.
 - i. *Health*: Regional focus on project for amplifying immunization Vaccination Plan 2016– 2010.
 - ii. *Central Government Transfers*: Socioeconomic gap criteria to allocate resources from the National to the Subnational Governments.
 - *Infrastructure*: Socioeconomic gap criteria for co-founding levels for building and
 - maintaining the local roads system.

An aerial photograph of a city, likely Bogotá, Colombia, with a red color overlay. The image shows a dense urban area with various buildings, including a prominent skyscraper on the left and a large, curved building in the center. The background features rolling hills under a cloudy sky.

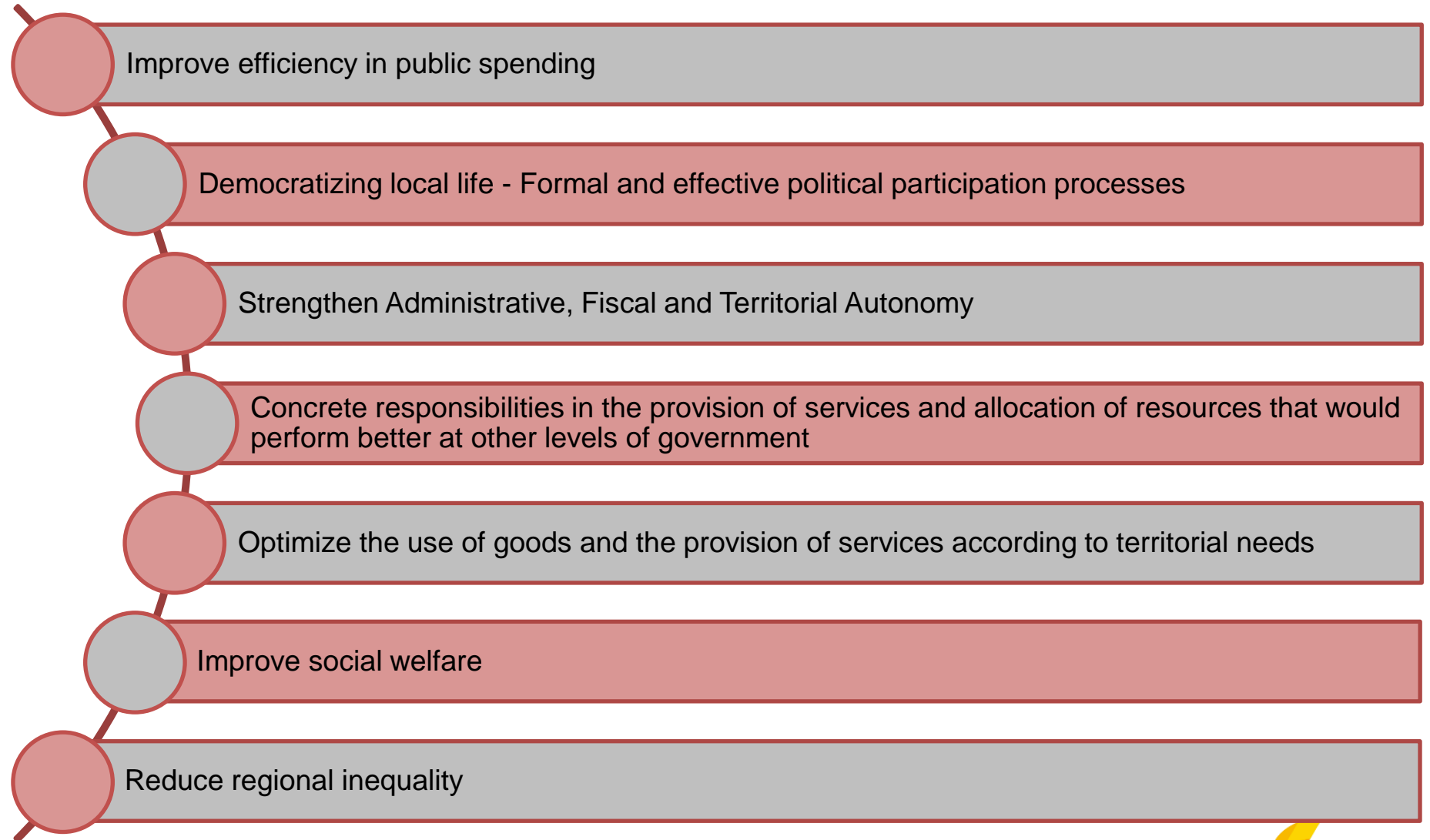
Decentralization in Colombia

III

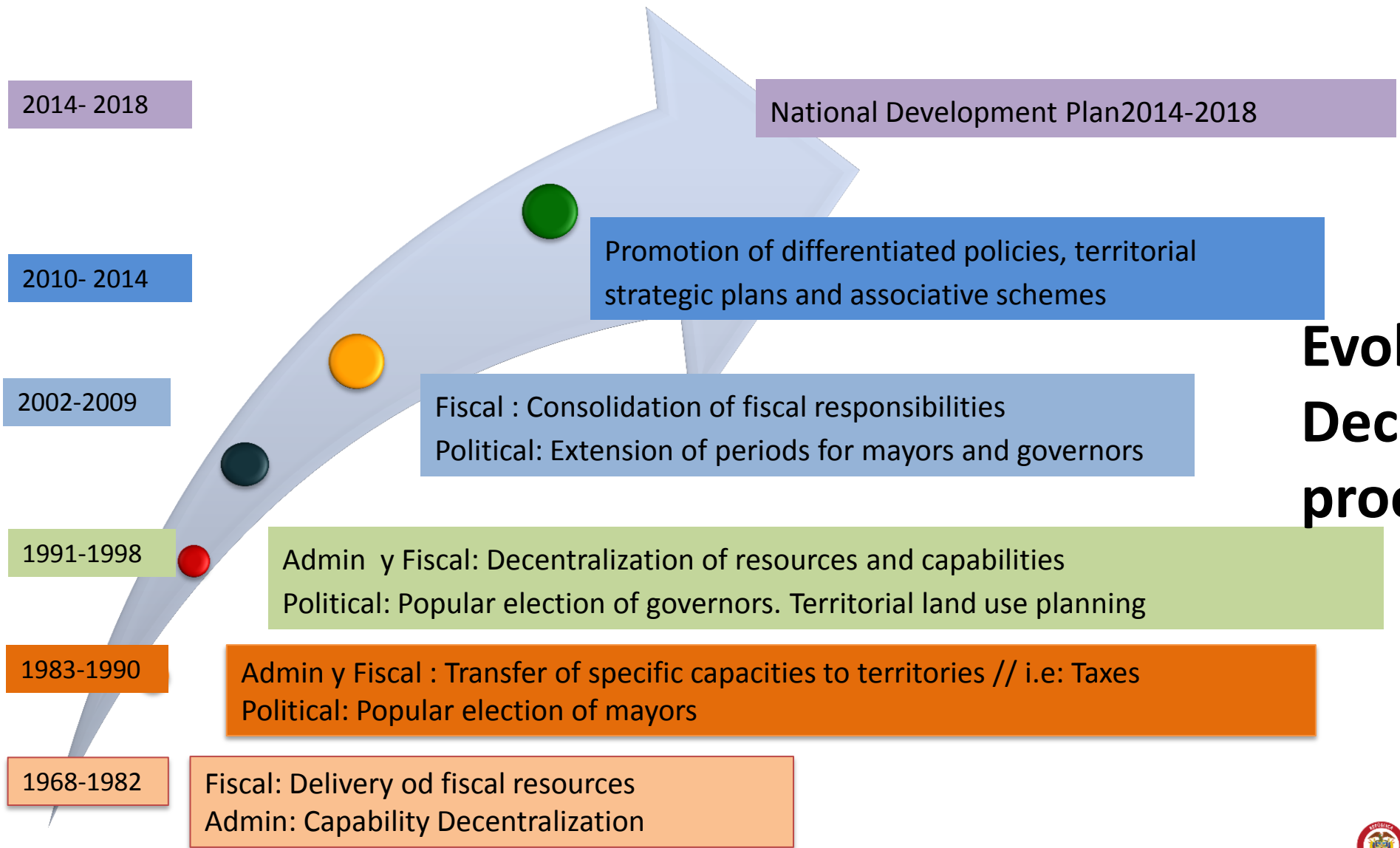
AGENDA

Decentralization process
in Colombia

What for?

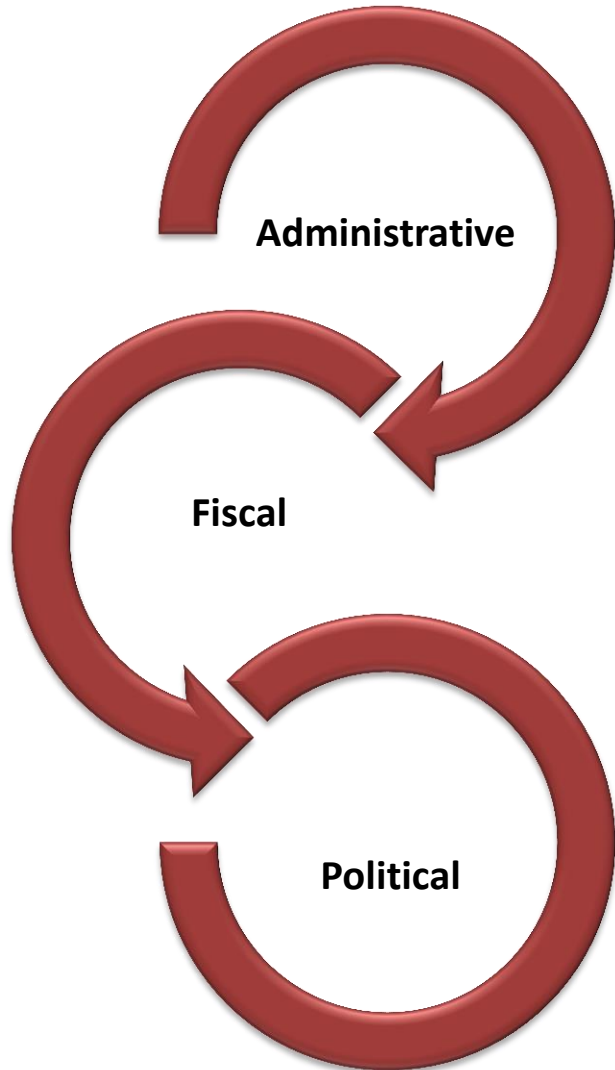


III. Decentralization Process in Colombia



Evolution of the Decentralization process in Colombia

Dimensions of the decentralization process in Colombia

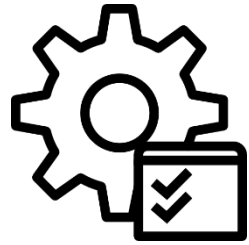


- Capacities Delegation to territorial entities: Water, Education, Health, transportation and land use planning.
- Royalties general system (SGR)
- Participation General system (SGP)

- Popular election of mayors and governors
- National Planning System

III. Decentralization Process in Colombia

Tools for the decentralization process in Colombia



OCAD and SGP



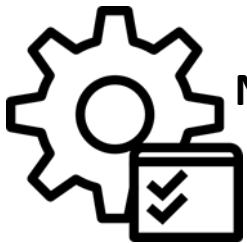
Budgetary distribution instances, based on technical evaluations



Territorial Associative Schemes and "contratos plan"



Development management mechanisms - new forms of territorial organization



National Planning Council




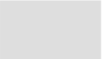
Management and investment control mechanism – new organization too promote participation

III. Decentralization Process in Colombia

Tools for the decentralization process in Colombia – Royalties General System

Before the reform 2011



-  Municipios con recursos de regalías para inversión
-  Municipios sin regalías para inversión

80 % of the resources were concentrated in 9 departments - **(17% of national population)**

Since the reform



All the departments have access to these resources

Through the SGR reform, the country went from 522 municipalities receiving royalties for investment to 1,089

III. Decentralization Process in Colombia

Tools for the decentralization process in Colombia – Royalties General System



Funds:

- *Regional development and compensation fund
- *Science and technology fund



OCAD – (Schools for administration and decisions)



Scoring Evaluation System



Project Management Index

CONTROL MONITORING AND EVALUATION SYSTEM

III. Decentralization Process in Colombia

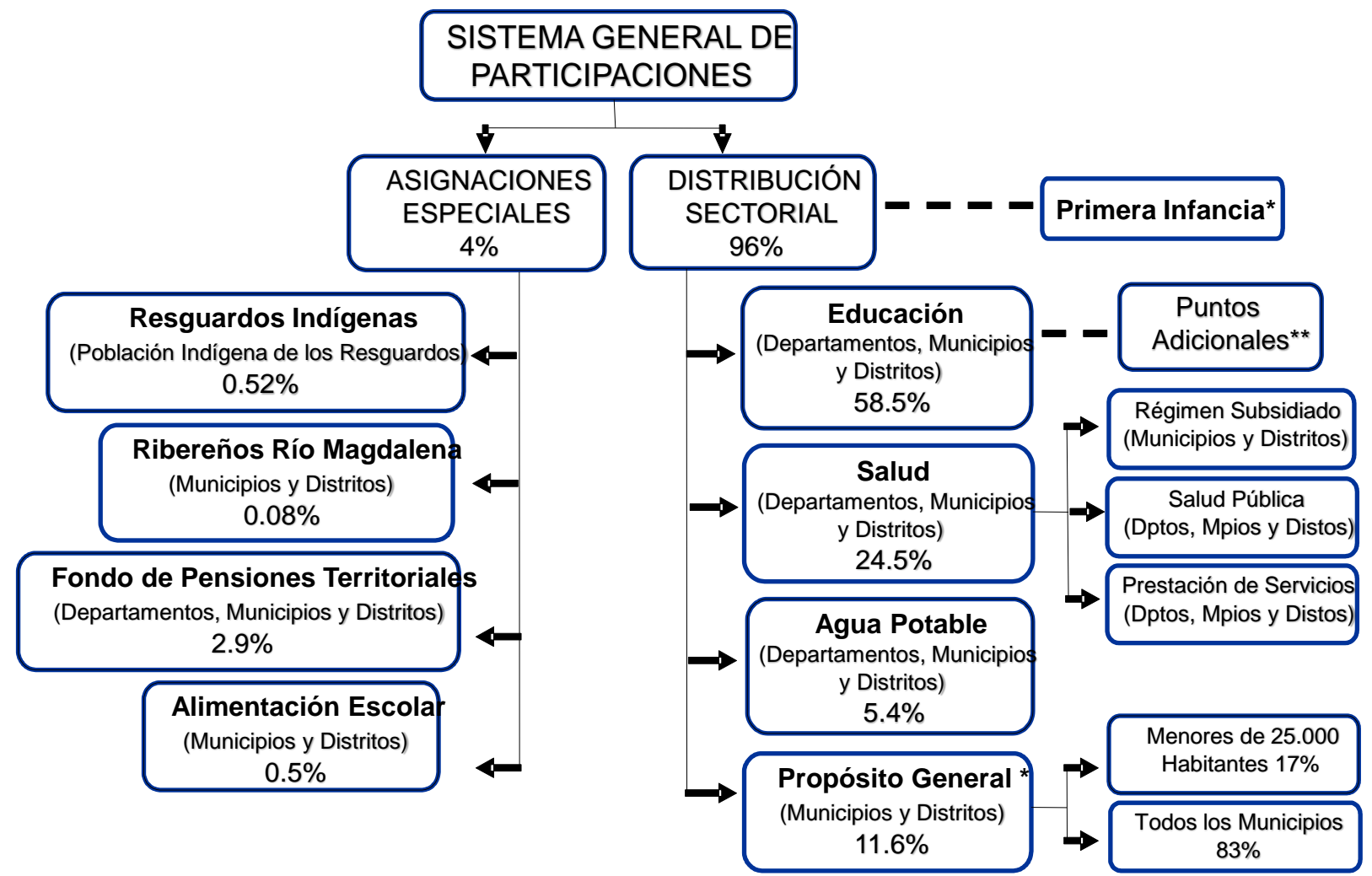
Tools for the decentralization process in Colombia – General Participation System

Resources

- Come from national revenues
- Are directly transfer to departments, districts, municipalities y and indigenous territories
- Have specific destination to Education, Health, Water and General purposes.

Resources could be use for:

- Investment projects
- Operation spends of municipalities with 4a, 5a y typologies.
- **Depth payment**



*Cuando la tasa de crecimiento real de la economía sea superior al 4%

**1.8% adicional para educación.

III. El proceso de descentralización en Colombia

Tools for the decentralization process in Colombia – Territorial Association Scheme (TAS)

| TIPS OF ASSOCIATIONS AND THEIR FUNCIONALITY | | |
|--|---|--|
| TIPE | TERRITORIAL SCALE | PROS |
| Municipalities and departments associations | Entities with same territorial scale | Prestación y regulación de servicios, administración y gestión de obras públicas, planificación del territorio, transporte regional regulación del sector inmobiliario, autoridades ambientales regionales |
| Administrations and planning provinces PAP | Municipalities from the same department –sub region | Organizar la prestación de servicios públicos, ejecución de obras subregionales, realizar proyectos de integración regional, gestión ambiental desde la perspectiva departamental |
| Management and planning regions RPG | Municipalities from the same or different departments | Bancos de Proyectos regionales y planificadores de los fondos regionales |
| Administrative and planning regions RAP-E | Association between departments | Planificación y gestión del desarrollo económico, social y ambiental a nivel Suprdepartamental |
| Environmental authorities associations | CAR | Diseño y ejecución de programas ambientales de tipo regional relacionados con la protección, conservación y la prevención del riesgo |
| Strategic alliances for economic development with border countries | Municipalities and/or departments | Construcción e implementación de modelos de desarrollo en zonas de frontera sobre la base de la articulación y la armonización con de los modelos de planificación, ordenamiento territorial y ambiental |

III. Decentralization Process in Colombia: Territorial Association Scheme (TAS)

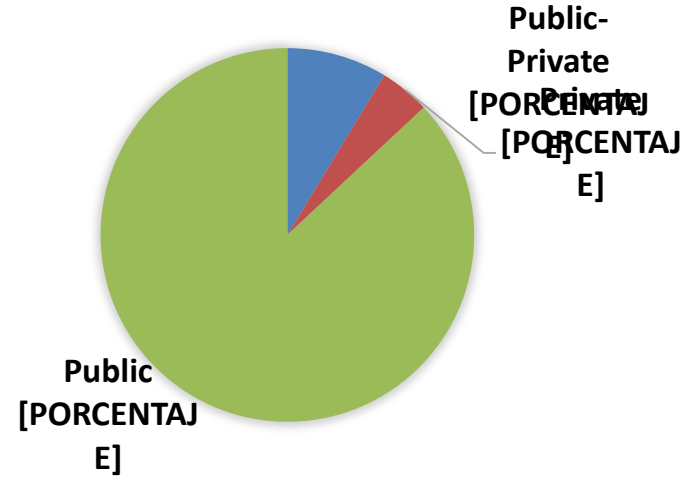
| ¿Para qué sirven? | Ejemplos | ¿Quienes lo han hecho? |
|---|---|--|
| Ejecución de proyectos a escala y de impacto regional | Vía Terciaria, Banco regional de maquinaria | ASOCENTRO- Asociación de municipios de Sabana Centro |
| Coordinación de temas estratégicos | Defensa jurídica del territorio, Alumbrado regional, Fortalecimiento Institucional a ET | Asomunicipios Asociación de municipios del Catatumbo, la provincia de Ocaña y el Sur del Cesar |
| Ordenamiento Territorial Regional | PMOT | Áreas Metropolitanas |
| Prestación y regulación de servicios públicos supramunicipales regionales | Transporte, autoridades ambientales. | Áreas Metropolitanas de Valle de Aburra y Bucaramanga |

III. Decentralization Process in Colombia: Territorial Association Scheme (TAS)

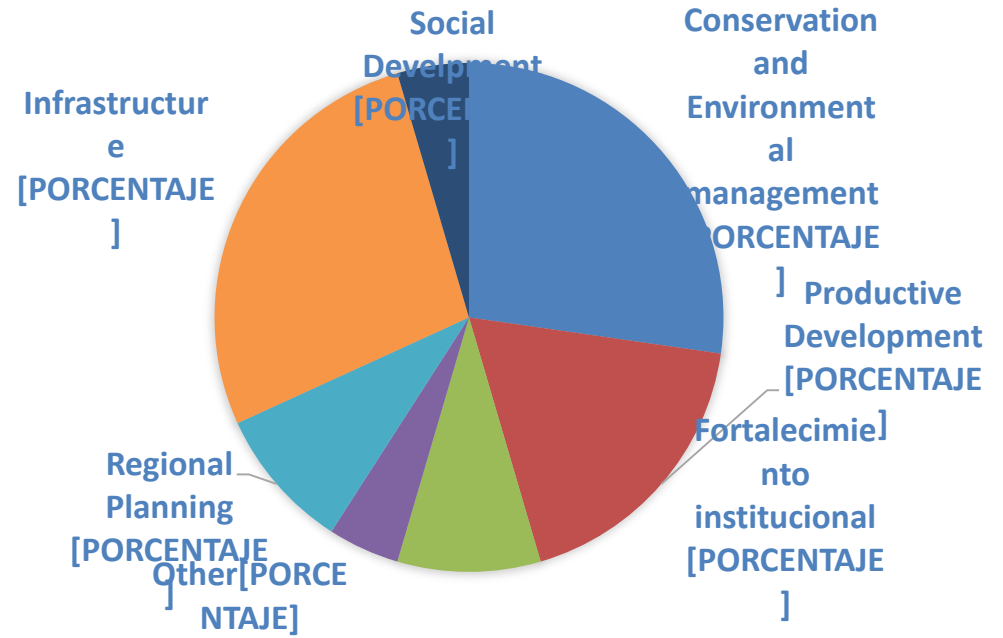
TAS by Regions



Resources



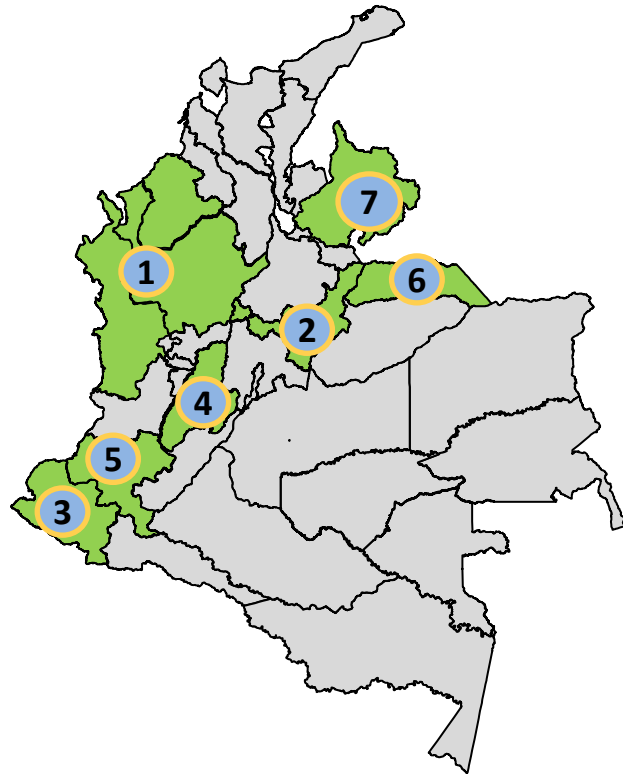
Lines of action



*DNP

III. Decentralization Process in Colombia

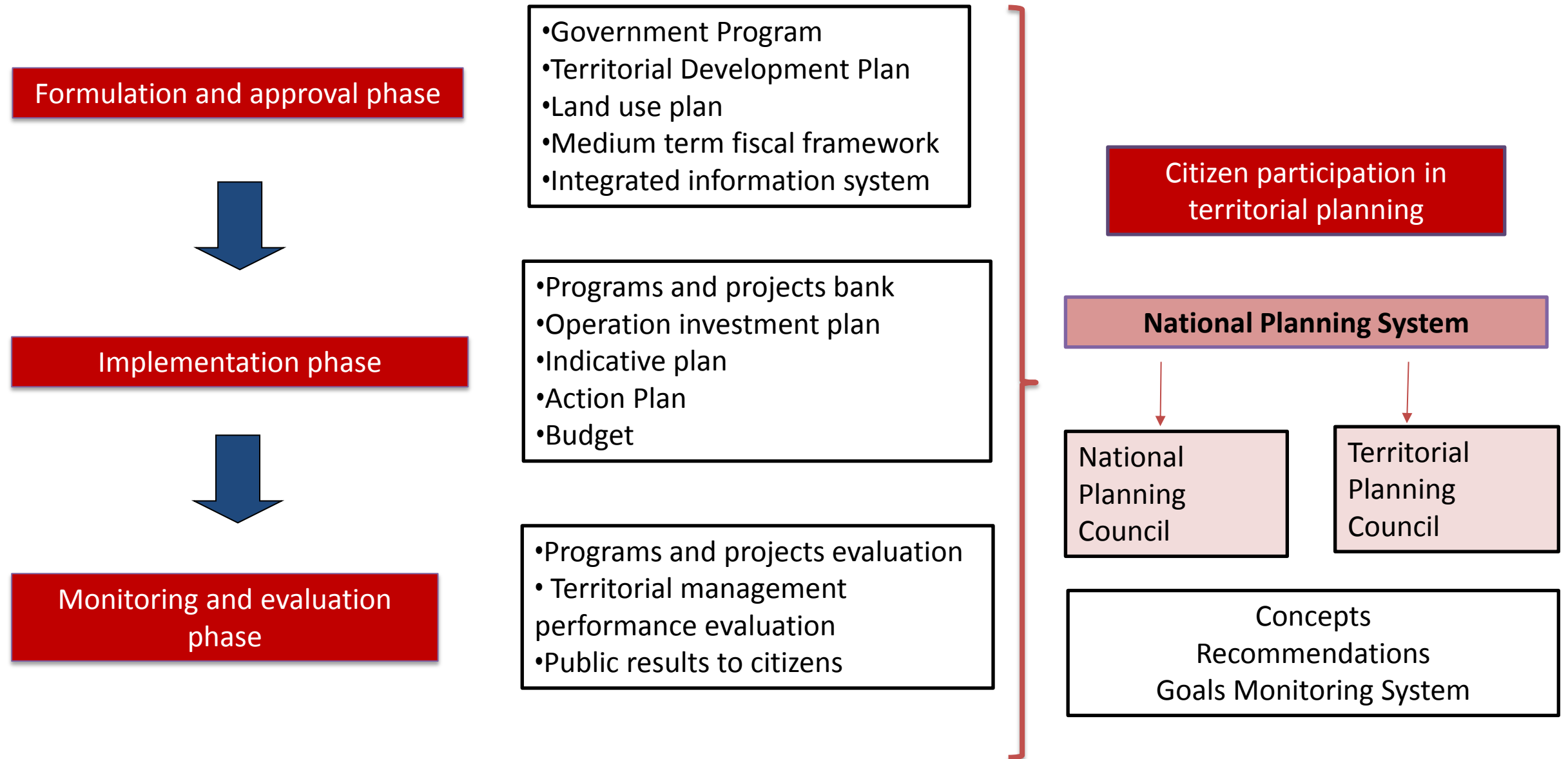
Tools for the decentralization process in Colombia – plan contracts



| | Contrato Plan | | Main line of action |
|------|-----------------------------|------------------------------------|--|
| 1. > | Atrato – Gran Darién | Antioquia, Chocó y Córdoba | Decrease in extreme poverty |
| 2. > | Boyacá | Department | Competitiveness |
| 3. > | Nariño | 14 municipalities in pacific coast | Sustainable Human Development |
| 4. > | Sur del Tolima | 9 municipalities | Rural development and improve human wellbeing |
| 5. > | Norte del Cauca | 13 municipalities | Competitiveness |
| 6. > | Arauca | 7 municipalities | Productivity and Competitiveness |
| 7. > | Santander | Department | Competitiveness |

III. Decentralization Process in Colombia

Tools for the decentralization process in Colombia – National planning system



III. Decentralization Process in Colombia

Expectativas y Oportunidades



National Development plan 2014-2018
Implementation



- ✓ Regional Chapters
- ✓ Capability Delegation National Program
- ✓ Regional Agencies
- ✓ Expansion of plan contracts



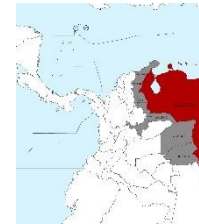
OECD recommendations
implementation



- ✓ Planning, budgeting and multilevel governance
- ✓ Strengthening intermediate levels of government – Departments
- ✓ Territorial presence of national government



Design and implementation of Border
development models



- ✓ Implementation of Border Integration Zones
- ✓ Formulation and implementation of binational agreements



Territorial Land use Planning
Organic Law implementation
and regulation



- ✓ Territorial Land Use Planning General Policy
- ✓ Associative Scheme implementation and regulation (guidance)
- ✓ Modern Land use plans Program (POT modernos) URBAN- RURAL development
- ✓ Local capacity building



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THANK YOU



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