

POLICY HIGHLIGHTS

OECD Rural Policy Review Colombia 2022



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About this policy highlights

The policy highlights provide a summary of the preliminary findings and recommendations of the OECD Rural Policy Review of Colombia. This Review of Colombia is part of the OECD Rural reviews that have supported various OECD countries in addressing challenges and seizing opportunities through rural policies.

The official OECD Rural Policy Review of Colombia with final recommendations is available at <https://doi.org/10.1787/c26abeb4-en>. The six chapters of this review propose recommendations to i) strengthen Colombia's national policy framework for rural development, ii) improve transport and broadband connectivity as well as accessibility to quality education and health in rural Colombia., iii) enhance rural land management, with a particular focus on ethnic and environmental issues, and iv) improve the implementation process of Colombia's rural policy

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Introduction

Colombia has experienced remarkable economic growth, but regional inequalities remain high.

Over the last two decades, the country almost doubled the size of its economy and grew nearly three times faster than the OECD average between 2000 and 2021. This growth helped Colombia record the sixth-highest reduction in regional inequalities in gross domestic product (GDP) per capita among OECD countries between 2008 and 2020. However, despite this progress, regional income inequalities remain the highest across OECD countries in 2020, with rural areas recording the highest monetary and multidimensional poverty rates.

Colombian rural areas are undergoing profound transformations. Agriculture is gradually reducing its weight in the national and rural economy. Despite still employing most rural workers (62%), the sector's share of national GDP declined by more than half over the past decades, from 14% in 1995 to 6% in 2020. Rural communities are also facing the increasing impacts of climate change (floods and long dry seasons) as well as challenges to adapt to the digital transition.

Against this backdrop, rural policies have also evolved over the past years. New planning instruments were developed to align national plans to local interests (e.g. Territorial Pacts and Development Programs with a Territorial Approach) and the ongoing Integral Rural Reform (IRR) of the 2016 peace agreement has provided building blocks for a place-based approach to rural development, but still needs further advancement in its implementation.

Despite these improvements, Colombia's rural policy framework still applies a narrow vision to rural development, mainly focused on primary activities, social assistance and security, as a legacy of an urban-centred development policy. The rural policy approach is mainly sectoral, characterised by low levels of coordination among ministries that develop rural policies, fragmented implementation of rural strategies at the local level, and national policies that still associate rural with agricultural development.

Rural regions in Colombia have significant untapped opportunities for sustainable and inclusive growth. Their population is on average younger than the OECD and contains one of the most diverse ethnic mixes in South America. Colombia is the second most biodiverse country in the world and the sixth in terms of volume of freshwater. Its rural regions also provide fertile land, a variety of minerals and strong potential for wind and solar energy. The country's polycentric territorial structure and local value chains of both traditional sectors and emerging ones (eco/ethno tourism or bio and renewable energy) can leverage these assets and provide new income sources for rural communities.

However, several historical structural challenges have undermined development and well-being standards in rural Colombia. These challenges include high rates of informal land tenure and land concentration, unfinished land restitution processes, violence in rural communities, poor transport infrastructure and low access to quality broadband, healthcare and education. The lack of rural information (e.g. untitled public lands or tertiary roads) coupled with low civil society participation in rural policy and weak capacity of local governments represent additional bottlenecks for effective policy responses and implementation.

Addressing the cross-cutting challenges and mobilising the variety of assets in rural regions will require a broader rural policy framework with better inter-ministerial co-ordination to harmonise sectoral policies that can prioritise the main rural needs and better involve local actors in policy implementation. The country already has elements in place for this comprehensive approach, including the national sectoral plans set by the IRR and specific national policies to diversify the rural economy (e.g. sustainable tourism and energy transition) and support agriculture

competitiveness (National Agricultural Innovation System). The government has also established strategies to address pressing rural challenges, including the development of a land use information system (the Multipurpose Cadastre), the modernisation of the land restitution process and the elaboration of a national multimodal transport plan.

To attain greater well-being for rural communities and equal development opportunities across the country, the review identifies 15 recommendations structured around 3 key pillars:

- I. Creating a long-term and comprehensive national rural policy focused on people's well-being, that harmonises the IRR with sectoral economic policies;
- II. Prioritising actions on key bottlenecks for rural development, with better alignment of national policies to rural characteristics and greater financial and human capacity to ongoing initiatives
- III. Improving the design and implementation of rural policy, supported by an inter-ministerial coordination body for rural policy and greater involvement of rural communities in policy implementation

The OECD Rural Review of Colombia identifies 15 recommendations with 41 lines of action to help Colombia implement the former three key pillars and thus take advantage of its rural strengths, while promoting growth in the country. These recommendations require action from all levels of government and participation from the private sector and civil society.



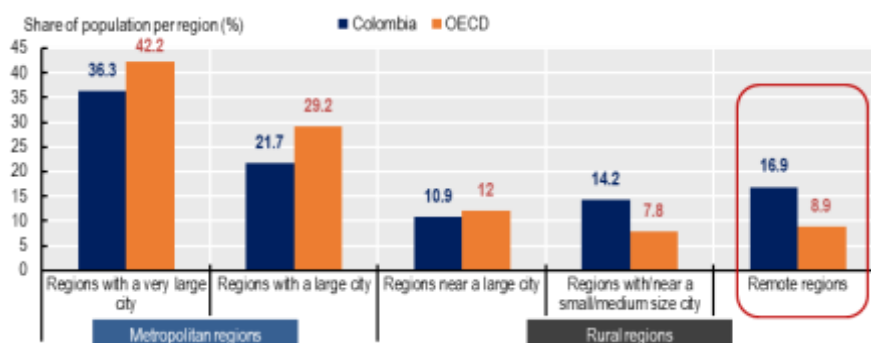
Colombia has an important share of population living in rural regions.

Colombia is the second most populated country of South America, and the fifth largest in terms of land area across both Latin-America and OECD countries. Colombia is a unitary country divided administratively and politically into 33 divisions: 32 departments, which are governed from their respective capital cities, and a capital district, Bogotá.

While most population in Colombia live in metropolitan regions (57%), the country's share of population living in non-metropolitan regions (hereinafter rural regions) (42.1% by 2021) is slightly higher than the

OECD average (41.4%) and other OECD Latin-American countries- Mexico (34.7%) and Chile (30%). The OECD regional classification defines three types of rural regions based on the absence of Functional Urban Areas and access to them.¹ Rural regions in Colombia cover most of the municipalities in the country (89%).²

Figure 1. Colombia has high share of people in rural regions relative to OECD average



Note: OECD (TL3) regional classification. For Colombia, TL3 regions refer to provinces
Source: OECD estimations

Most of the rural population in Colombia locates within remote rural regions (16.9%), almost twice the level of concentration in these types of regions across

OECD (8.9%). Regions with/near a small/medium size city concrete the second greatest share of rural population (14.2%), also above the OECD average (Figure 1). In contrast, the share of people living in large metropolitan regions (e.g. Bogota) is still relatively below the figure across OECD countries.

This reveals a polycentric regional structure in Colombia, with regions with/near a small/medium-sized city across representing an asset for regional development, given their potential to unlock differentiated growth opportunities across urban poles based on synergies with their surrounding rural areas.

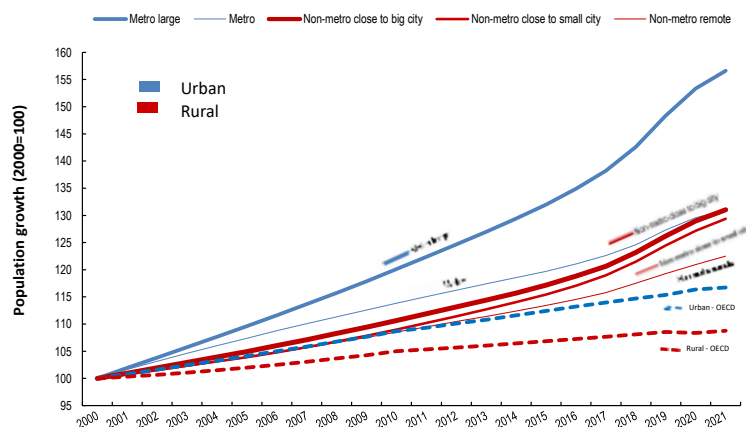
Rural regions keep growing, benefiting from a demographic bonus.

Colombia's population has grown in all regions (Figure 2). While large metropolitan regions (Bogota and Valle del Aburra among others) register the greatest population growth in the country (57% between 2000-21), Colombian rural regions have experienced higher population growth (28%) than the OECD average growth of both urban (13%) and rural (6%) regions. In recent years rural regions close/with a small city have registered similar population growth rates than metropolitan regions, which underlines the polycentric structure of the country

1 The OECD regional classification identifies non-metropolitan Colombian regions (provinces in Colombia) based on density, population thresholds and their level of accessibility to cities (understood as Functional Urban Areas-FUAs). This classification identifies two levels of geographic units within OECD countries: i) large regions (TL2), which represent the first administrative tier of subnational government that in the case of Colombia is Departments, and ii) small regions (TL3), which are provinces in the case of Colombia. Rural regions can include towns and small cities that do not belong to Functional Urban areas. Both levels of regions encompass the entire national territory

2 According to OECD classification, the share of Colombian population in rural regions is above the share reported by national classifications that are conducted at the municipal level: 30.4% of rural population in 2021 according to the Mission for the countryside and 24% according to the statistical definition of the DANE.

Figure 2. Population growth across regions, Colombia and OECD, 2000-21



Note: Metro refers to urban regions, rural to rural regions, according to OECD classification

Source: Data from OECD (2022), Regional Economy (database), https://stats.oecd.org/Index.aspx?DataSetCode=REGION_ECONOM#

Contrary to the trend of ageing population across OECD countries, Colombian rural regions benefit from a high share of young population (26% in 2021), far above the OECD average (17%) and other OECD Latin-American countries, like Chile (20%). This demographic structure is a bonus for rural regions as young people are a source of innovation and vitality for the community, and an important asset for future economic growth and regional attractiveness. Across rural regions, regions close to small cities have the highest share of young population in Colombia (27%), above the average for the same type of regions in Latin America (25%) and the OECD (16%).

While Colombia has a slightly greater proportion of women than men (95 men per 100 women), this proportion is smaller

in rural (99) than in urban regions (92). This figure is below the average of remote rural regions across OECD (98 men per 100 women). This phenomenon can be associated with **lower opportunities for education and formal work for women in rural economies**, which tend to be concentrated in care activities. In rural areas of Colombia, only 29.2% of the employed population is female, although they represent 46.8% of the rural population in working age. Overall, women account for 82% of work in the home, as well as 59% of unpaid domestic work, compared to only 18% and 41% for men, respectively.

Colombia has registered a remarkable economic growth, but regional inequalities remain high

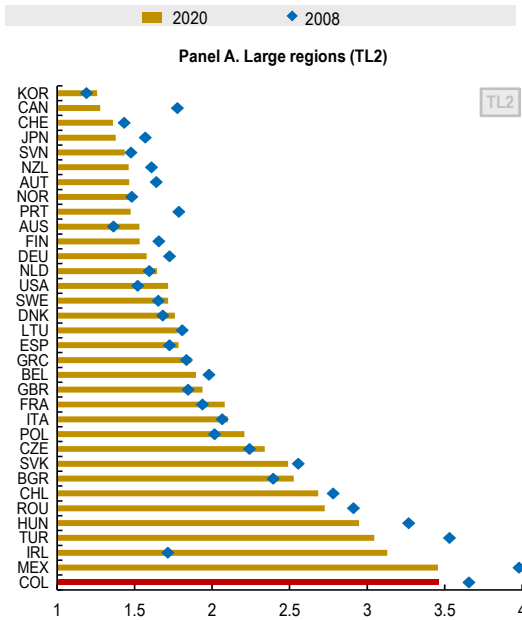
Colombia's economy has experienced an outstanding growth...

Over the last two decades, Colombia has enjoyed remarkable economic stability and growth. Indeed, Colombia's GDP growth rate averaged 3.8% per year during 2000 and 2020, almost doubling its economy (90.9% total GDP increase), far above the average economic growth in Latin-America (49.7%) and OECD average (36.0%). Economic growth has helped reduce unemployment (from 20% in 2000 to 13% in 2021) and income poverty rates (from 55% in 2000 to 39% in 2021).

Such economic growth has also helped reduce regional inequalities, placing Colombia as the sixth OECD country with greatest drop on regional inequality in terms of GDP per capita during 2008 and 2020. Since 2010 until 2021, income and multidimensional poverty in rural areas (-11.8 percentage points and -19.7 p.p, respectively) have reduced faster than in urban areas (1.8 p.p y -11.4 p.p, respectively). Colombia's economy has also recovered well from the COVID-19 crisis, with new social programmes helping the most vulnerable population weather the effects of the crisis and avoiding a greatest number of people falling into poverty. By 2022, Colombia is expected to register the greatest GDP growth across OECD countries (OECD, 2022^[4]).

... Yet regional inequalities and gaps between urban and rural remain high

Figure 3. Colombia registers the highest territorial inequality within OECD



Note: Ratio of the top 20% richest regions over the bottom 20% poorest regions, GDP per capita, 2008-2018

Source OECD (2022), Regional Database, https://stats.oecd.org/Index.aspx?DataSetCode=REGION_ECON

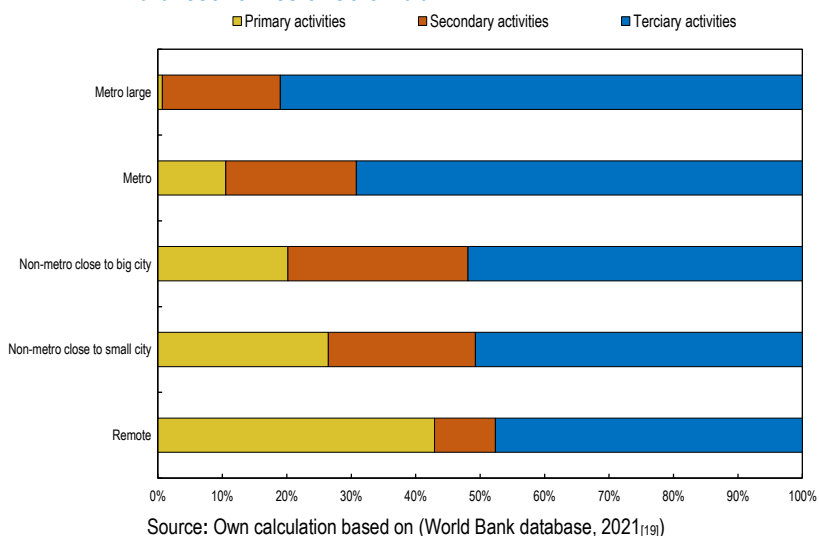
Colombia needs further efforts to better distribute economic growth across all regions. By 2020, the country recorded the highest GDP per capita gap between the richest and poorest regions across the OECD (Figure 3), with Bogotá having almost five times the GDP per capita of rural regions like Vaupés or Guainía. At a most granular level, rural areas, measured through DANE's classification, register higher levels of monetary poverty (44.6% in 2021) than urban areas (37.8%). Beyond GDP per capita inequality, urban-rural disparities are also evident in other dimensions of well-being, including educational outcomes, access to broadband connectivity labour and land informality and security, among others. Overall, rural areas register a much higher share people with multidimensional poverty (37.1% in 2020) than cities (12.5%)

For the next few years, the country must ensure that the economic slowdown does not translate into greater territorial inequality. The OECD projects Colombian GDP growth below 2% in 2023 and 2024

Reducing urban-rural inequalities in a country like Colombia is not only relevant to ensure equal growth opportunities and well-being for all regions, but also is a key engine to increase social cohesion and local cooperation.

Rural economy in Colombia is transitioning beyond agriculture and primary activities

Figure 4. Tertiary activities provide the greatest value-added in rural economies of Colombia



Colombia's rural economy has evolved from a mainly agricultural economy to more diversified economic activities. Over the last decades, the participation of agriculture in the national economy has decreased significantly, from 14% of the GDP in 1995 to 6% in 2020. This trend is common across OECD countries transitioning to higher income levels and diversifying in tertiary activities (OECD, 2014_[4]). Moreover, between 2015-2021, the employment growth rate in sectors like electricity gas, water and waste management (9.3% annual average), professional and scientific activities (2.9%) or transport and storage (2.3%), was far above the growth in agriculture (0.1% annual average) (DANE, 2022_[5]).

By 2019, tertiary activities accounted for the largest value added of Colombia's rural regions (Figure 4). Among those, energy and public administration activities, like education and health, represents the greatest source of gross value added in rural regions (67%).³

Agriculture still employs the bulk of rural workforce, but faces historic structural barriers to boost productivity

Agriculture is still the major source of employment in rural economies. This sector employs about 62% of the rural workforce and accounts for 16.4% of workers in the country (around 3.9 million people), which is above Latin-American countries like Mexico (12.8%). Colombia is one of the world's top 5 producers of coffee and palm oil, and one of the world's top 10 producers of sugar cane, banana, pineapple and cocoa. After minerals and related materials, agricultural products represent the second highest export group in the country (20% of national exports in the last four years).⁴

Yet, agriculture productivity in Colombia remains below the national average and below other countries in Latin-America. Agricultural labour productivity was 59% below the national labour productivity in 2021, without significant change since 2005 (60%).⁵ The low productivity in agriculture is driven by a combination of factors:

- Some directly linked to agricultural sector and its structure, such as an atomised agricultural production made of family farming in small land areas (65% of agricultural production units operate in less than 4 hectares) and lack of basic goods and services for agricultural production (70% of Colombian farms do not use machines for their production process).
- And others related to cross-cutting challenges in rural area, including lack of infrastructure (e.g. roads, aqueduct, and sewerage), land informality or low education attainment.

Agriculture will remain an important source of income for some rural communities and relevant to raise well-being in the country (e.g. food security). Therefore, policies to improve the productivity of the agricultural sector are strategic for rurality, so they must go beyond an isolated sectorial approach and coordinate with strategies to solve the cross-cutting rural challenges.

Rural economies need to accelerate diversification to increase income opportunities

Diversifying the rural economy is essential not only to improve economic resilience but also to increase the income of farmers. As in many OECD countries, Colombian rural regions tend to be more specialised in fewer economic sectors (37.6% in terms of employees devoted to a single sector) than urban regions (24.9%). Farmers who can complement their incomes with off-farm activities are more resilient to external shocks and are more likely to meet sustainable living standard.

For example, in other OECD countries like United States, the vast majority of farm households now earn more money from off-farm employment or activities indirectly linked to the sector than they do from farming (Federal Reserve Bank of St. Louis, 2021^[11]). This is due to the existence of greater opportunities for these agricultural households to access labour markets in urban areas to mitigate

³ Value-added by type of activity and OECD regional classification in Colombia, 2019. Calculated as the aggregate value at the municipal level in millions of Colombian pesos, based on 2015, current prices. Tertiary activities include electricity, gas and water activities; commerce; repair of motor vehicles; transport; accommodation and food service; information and communication; financial and insurance; real estate activities; professional, scientific and technical activities; administrative and support service; public administration; education; health; arts and recreation; activities of individual households

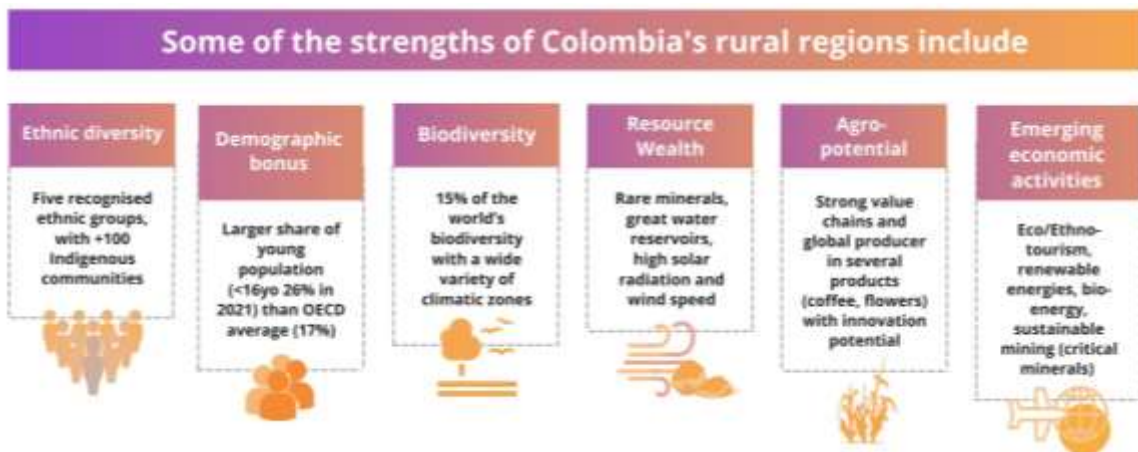
⁴ According to World Trade Organization product groups, based on SITC aggregation

⁵ Labour productivity is calculated as the value added of the sector per worker. Other most complete measure of productivity, the Total Factor Productivity (TFP), also reveals that the growth of Colombian agricultural productivity (0.6% between 2001 and 2016) is below the average of Latin-American countries (1.8%), (Parra-Peña, Puyana and Yepes Chica, 2021^[4])

negative effects during poor harvest seasons and the ability to create links between agriculture and other sectors, such as tourism or industry.

Rural regions represent a source of well-being and growth for Colombia, with a number of untapped development opportunities

Rural regions in Colombia are a key source of well-being and growth for the country, and of great environmental importance to the world, with a number of environmental, cultural and economic assets:



However, rural regions face historic structural challenges that prevent unlocking their potential and achieving greater national well-being.

Rural development policy has been historically associated to security, primary activities and social assistance (Machado, 1999^[13]; PNUD, 2011^[14]; World Bank, 2014^[15]; DNP, 2015^[16]). For many decades, the rapid urbanisation process in the country and the long internal conflict that mostly occurred in rural areas captured most of the policy agenda and priorities, preventing rural regions to mobilise their growth potential and give rise to new growth opportunities outside primary activities. The most important structural challenges for rural development in Colombia include:



Solving the cross-cutting problems of rural development requires a national rural policy with an inter-sectoral approach

Addressing the structural challenges in rural regions and mobilising their potential requires a comprehensive policy approach

Colombia needs to further clarify its rural policy

Colombia's national policy framework can improve differentiation between rural development to agricultural development, by clarifying the different uses of the concepts "agriculture", "rurality" or "countryside". This is the case of the National Development Plan (NDP) 2018-2022's strategy *Countryside with Progress: An alliance to boost the development and productivity of rural Colombia*. This national strategy aims to develop "rural Colombia", but five out of its seven measures focus on improving the conditions for the agricultural sector and are those that have attached monitoring indicators with the greatest budget.

This overlap between agriculture and rural policy also occurs across other policies. For example, the innovation policy for rural areas conducted by the Ministry of Agriculture and Rural Development is mainly focused on agricultural innovation. Moreover, national policies in Colombia (e.g. the Pact for Entrepreneurship) would also benefit from differentiating by type of territory to take into account particular characteristics such as access to broadband or level of education.

Rural development policy is a territorial policy targeting comprehensively the needs of a specific area to improve people's well-being, whereas agricultural policy is largely dominated by sector-based goals

The Ministry of Agriculture and Rural Development has led rural policy with an agricultural bias

MADR is the lead institution in charge of agricultural, fishing, forestry and rural development in Colombia. **Flagship policies of this ministry focused on addressing the main structural problems of farmers in Colombia.** They include the ongoing National Agricultural Innovation System, the Productive Alliances programme to help attain economies of scale among small farmers, the Contract Farming programme to reduce intermediaries in the sale of agricultural products and the Entrepreneurial Countryside programme to support entrepreneurship culture in the poorest rural municipalities. These programmes have increased the coverage of agricultural policy and the involvement of the private sector in the implementation.

Yet, MADR flagship programs could be strengthened with a long-term strategic vision, based on success indicators to measure medium-term results rather than coverage and on mechanisms to promote greater synergies among MADR programs and rural development programs implemented by other ministries. Likewise, the National Agricultural Innovation System still needs to be fully implemented (e.g. establishing the operational guidance and the system of monitoring).

The MADR needs to clarify its role in terms of co-ordination and design of rural policies to attain long-lasting outcomes in rural development. Despite MADR's mandate to lead and co-ordinate rural policy, most of the ministry's flagship and strategic programmes have focused on improving the

competitiveness of the agricultural sector, with less attention to other relevant areas of rural development. Beyond the work stream on rural women, land use management and actions of the Entrepreneurial Countryside programme, most of the strategies to achieve the goals of the ministry's 2018-2022 plan had an approach based on agriculture. For example, MADR's rural development objectives, such as increasing public goods or improving rural incomes, primarily targeted productive agricultural projects. Clarifying the scope of the ministry in rural policy would help mobilise synergies with different policies while improving the efficiency of resources for agricultural competitiveness.

Colombia already has policies and institutional mechanisms to adopt the inter-sectoral vision of rural development to improve rural well-being...

Colombia already has important elements to advance towards a comprehensive policy framework for rural development. The first point of the 2016 peace agreement, **the Integral Rural Reform (IRR)**, includes several elements of previous efforts to improve Colombian rural policy, such as the Rural Mission of 1997, the Rural Development Statute and the Mission Rural 2014.⁶

An innovative element of the IRR is the PDET, as a planning instrument that allows the communities most affected by violence define their development objectives and provides co-ordinated government interventions with a long-term vision. **Likewise, the creation of 16 sectoral national plans for rural development results in an important step to mainstream rural needs across different sectoral policies, covering several of the main priorities for rural communities** around infrastructure, education, social development or labour formalisation. The implementation of these sectoral national plans needs to be accelerated and co-ordinated with other productive plans in order to bring meaningful and sustainable rural development outcomes.

Along with the IRR, Colombia has a variety of national policies relevant to rural development that need to materialise. They include the innovation plan, the cultural tourism policy, the sustainable tourism policy and transport plans multimodal along with the energy transition and mining policy. The country also has mechanisms to strengthen co-ordination with and between subnational governments, including the OCAD (Collegiate Administration and Decision-making Bodies) or the Territorial Pacts (territorial planning instruments of voluntary agreement between levels of government).

A comprehensive rural policy should build on progress achieved so far

The success of the rural development in the country highly relies on a clear and long-term coordination between a the implementation of the 16 national sectoral plans of the IRR, and productive and transversal policies (e.g. tourism, renewable energy) to attain synergies and economies of scale. **At the same time, the comprehensive policy should leverage existing based-placed planning mechanisms**, like the PDETs, in a consistent way across all rural municipalities and stable in time to integrate the development goals set by each community and grant them certain flexibility in the policy implementation (e.g. by choosing local public partnerships).

Focus on some barriers for rural development

This section provides a summary of the most relevant findings to solve the structural challenges of rurality.

⁶ This Integral Rural Reform promotes a place-based approach to transform Colombian rural areas through four main pillars: i) improving the use and access to land, ii) establishing Special Development Programs with a Territorial Approach (PDET), iii) creating sectoral national plans to promote basic goods and services in rural regions, iv) ensuring food and nutritional security

Towards a better rural information system

The lack of consolidated information systems has led MADR productive programmes, as well as those of other ministries, to face challenges in reaching the appropriate rural beneficiaries and avoiding duplication of actions. Moreover, this issue has nourished a passive approach in the way official productive programmes are delivered, as they tend to rely on voluntary applications, creating inequalities among rural beneficiaries. In rural ecosystems with high inequalities of information and skills, voluntary programmes risk benefitting those producers with greater administrative capacities (e.g. to fill out documents) or networks to access information.

While the government has undertaken strategies to address the rural information through different institutional actions (e.g. MADR's National Unified Rural Agricultural Information System [SNUIRA], the Multipurpose Cadastre [*Catastro Multipropósito*] or My Rural Registry), all of these information programmes still need to achieve interoperability to provide integrated rural information for policy making. A bottleneck for the interoperability of rural information is the regulatory limits that government agencies face in sharing collected information in a common system. Other OECD countries have implemented socio-economic information systems at the territorial level (Chile and Italy) or created rural observatories (European Union). Chile, for example, has additionally established a commission to make the definition of rurality consistent across government levels

Strengthening infrastructure projects for tertiary roads and multimodal transport

In recent years, the Colombian government has increased the investment to improve and expand transport infrastructure in the country but the level of investment will need to be sustained to close the historic rural connectivity gap. The investment in recent years (3% of GDP in 2019-21) has doubled the average trends during the last decade (1.9% in 2010-20), but it is still below average investments rates across other middle-income countries in East Asia and the Pacific (5.7%).

Particularly, while investments in primary roads have progressed, the challenge to expand and improve secondary and tertiary roads remains. Regional and municipal governments are mainly responsible for these roads but many lack financial and human capacity, which leads to transport infrastructure projects without technical criteria and low-quality solutions. Moreover, information on the number of tertiary roads remains scarce.

The national government needs to help advance some of the projects on secondary and tertiary roads. To this end, the government can accelerate the Colombia Rural project by ensuring sustained and diversified funding (e.g. with Work for Taxes scheme, royalties) and going beyond the voluntary applications approach to actively reach poor municipalities with co-financing solutions. Colombia's diverse and difficult geography also requires accelerating the development of other modes of transport (railway and fluvial) to free up space on roads and improve the mobility of people and goods. For this, the country needs to advance the implementation of the Intermodal Transport Master Plan (PMTI). Moreover, strengthening the regional transport secretaries as well as redirecting existing maintenance co-operatives across the country to work on tertiary and rural roads can play a decisive role in improving the quality of tertiary roads

Broadband connectivity in rural areas needs to improve in coverage and quality

The Colombian government has put in place important initiatives over the years to extend and improve broadband connectivity in rural areas, including co-funding a fibre backbone (Azteca network) and developing programmes to deploy free public broadband access points in rural areas (Zonas Digitales and the Centros Digitales). However, these programmes need to be carefully reviewed to improve their

impact. The Azteca fibre network, for example, only reaches the centre of municipalities, with no coverage in the closer surroundings and the last-mile, leaving many households and businesses unconnected. The programmes of free public broadband access have faced major continuity challenges and lacked territorial prioritisation (e.g. the 5 regions with the lowest share of connected homes were not included in the first phase of the initiative that built out the Zonas Digitales). Importantly, these programmes are not a substitute to connect businesses and people directly through fixed and mobile broadband subscriptions. Reliable high-quality connectivity is needed to ensure that rural communities can benefit from access to advanced digital services (e.g. telemedicine) or new technologies (e.g. drones, 3D printers, artificial intelligence). Community networks and small operators have also an important role to play to increase broadband access in rural areas.

In Colombia, subnational governments should lower barriers imposed locally to deploy communication infrastructure. Some of these barriers include the lack of clarity regarding land-use restrictions or requests for additional approval procedures. Moreover, Colombia should spur competition in the mobile communication services market, given the dominance of one actor in this market (Claro), and further recognise that mobile coverage increasingly requires extensive fibre deployment. Especially with respect to 5G deployment at national level, it is indispensable to deploy fibre deeper into mobile backbone networks and to lay fibre to mobile cells in order to offload mobile traffic into fixed networks. Furthermore, the country should promote more flexibility for experimentation in rural areas. Finally, overall taxation and sectoral fees should be revised and lowered, to the extent possible, as they are comparatively high relative to other OECD countries and can hamper a broad adoption of communication services.

Improving rural access to quality education and healthcare 🎓

Colombia has progressed in the provision of education and health in rural areas, especially when it comes to coverage of primary services. This has also been the case of other services such as water and electricity, which have experienced important progress over the last years.



National plans to improve rural service delivery are in the right direction but need to be accelerated, with sufficient financial and human capacity and a more comprehensive approach. Infrastructural barriers (e.g. underequipped medical centres and schools or limited electricity), lack of transport and violence contribute to lower access to education and healthcare in rural areas and hampers attraction and retention of skilled service professionals.

Despite the official programmes to improve access to education (e.g. Special Plan for Rural Education [PEER] or Todos a aprender programme), education policies and initiatives have relevant areas for improvement. The rural focus in education strategies

and policies is still limited, partly due to the centralisation of decision-making, the weak alignment to local contexts and the low involvement of local actors in policy design and implementation. Moreover, the country needs to better link the academic offer with the needs of rural economies and clarify communication and co-ordination for educational strategies to use digitalisation as a partner for education provision.

In terms of rural health, the government has expanded the coverage of the subsidiary regimen throughout the population and designed the National Rural Health Plan (NRHP) (2021-31). These efforts need to be reinforced by increasing flexibility in healthcare services (e.g. mobile health units or

rural health promoters), better tailoring national health policies to rural characteristics (e.g. in terms of payment capacity of rural communities) and accelerating the adoption of telemedicine. Moreover, co-operation of health programmes with other policies and areas is essential to attain economies of scale and ensure better healthcare quality, especially in primary health and prevention programmes. For example, the implementation of the NRHP can be better co-ordinated with education policies, particularly the Special Admissions Programme (PAES), and infrastructure projects in sanitation

Further efforts are needed on land restitution and formalisation

The National Development Plan and the IRR contain important diagnostics and pathways for tenure security and the reduction of conflicts in the countryside. Land restitution and distribution policies are fundamental to addressing the high levels of rural poverty, violence and deforestation in the country. The policy of adjudication of untitled public lands (*baldíos*) is a key instrument that has to be accompanied by the facilitation of land formalisation. These land policies cannot be seen as an isolated strategy for rural well-being, and their success relies on complementarities with other rural policies (e.g. infrastructure, access to services and support to support to the productive reconversion of land).

However, land distribution, restitution and formalisation policies and, in general, the implementation of the pillar of access to land in the RRI face important challenges to advance at greater speed. There is a pressing need to improve levels of information on the status and quality of lands, and efforts to solve conflicts arising from informal occupation. For example, the government does not know the share of its untitled public land (*baldíos*) and its occupation status, which is meant to be distributed in the land adjudication process. Because of that, the constitution of the Land Fund has remained incomplete. The *Catastro Multipropósito* can be a powerful tool to provide the right information on land parcels and thus contribute to land formalisation and distribution processes but its implementation needs to be strengthened.

With greater clarity on the autonomy of ethnic groups

Lack of clarity on the territorial autonomy of ethnic groups creates socio-territorial conflicts and hampers local cooperation to attain common development goals. While the programmes that allow registered Indigenous reserves to execute their own resources (e.g. in education or health) are an important step towards autonomy, the issue of Indigenous Territorial Entities is yet to be fully addressed in the legal framework. The reallocation of occupants of ancestral lands and the lack of binding agreements to settle land claims in definitive are structural problems affecting land constitution processes.

To mitigate this problem, it is necessary, among other actions, to strengthen the multi-ethnic dialogue tables for consensual decision-making in land claims, by establishing binding mechanisms that reduce the possibilities of leaving the table without an agreement (the example of Canada may be a guide for Colombia). The Decentralization Mission will be decisive in improving said multilevel coordination with the ethnic communities

Environment conservation with stronger involvement of local communities in land use management.

Deforestation, illegal mining and timber extraction create socio-territorial conflicts and push Colombia away from climate change mitigation efforts. Seventy-one percent of protected natural areas in Colombia are linked to ethnic groups and 99% of Indigenous lands capture more carbon than they emit. Incentivising a widespread use of payment for ecosystem services (PES) can generate economic opportunities in rural areas while ensuring an adequate level of environmental protection. Socialising the advantages of PES and simplifying their adoption may generate stronger adoption for nature

conservation. Government has also the scope to leverage traditional land management practices of Indigenous groups and Afro-Colombian populations to preserve biodiversity, water resources and soil quality. Such practices can be associated with income-generation opportunities to alleviate poverty levels and foster Indigenous development

Greater coordination to improve rural policy implementation

An inter-ministerial structure will help coordinate design and implement rural development policies at national and local level.

Colombia would benefit from an inter-ministerial mechanism or institution to coordinate the comprehensive rural policy and the policies relevant for rural development. Colombia's sectorial approach relevant for rural development currently consists of independent actions taken at different ministries, where each ministry can design and implement rural related policies (tourism, mining) without consulting the MADR or any other coordinating body. While seven sectoral bodies of advisory and co-ordination intend to support the coordinating role of MADR (e.g. the National Council for Agrarian Reform and Peasant Rural Development or Superior Council of Administration for Land Restitution), these committees have little convening power and lack binding participation. In addition, national agencies struggle to coordinate interventions at the subnational level among them or with non-governmental organisations.

Likewise, there is not a clear mechanism in Colombia to coordinate and integrate the 16 sectorial national plans of the IRR amongst them and with other policy domains (e.g. entrepreneurship national policy). Moreover, there is a variety of planning instruments associated to specific objectives for rural development (Rural, Economic and Social Development Zones- ZIDRES, the Peasant Reserve Zones, Plans for Social Management of Rural Property or the PEDTs), without a public policy to promote an integrated vision of development. National and regional coordination of rural development policies is a cornerstone to address fragmentation and duplication and attain goals with economies of scale. Inter-ministerial committees coordinating rural policy in Chile and Finland can be a guide for Colombia (Box 1).

Given the cross-cutting nature of rural development, the rural national policy should be coordinated with an inter-sectorial approach.

Box 1. Inter-ministerial coordination mechanism of rural policy in OECD countries

Many OECD countries have established inter-ministerial committees or council to design and coordinate implementation of rural related policies across the government. These coordination mechanisms are framed under a single national rural policy that sets the guidelines and gathers the vision of local communities.

- **Finland** institutionalised its national rural policy since 2000. The country's rural policy consists of two parts: i) national cross sectoral rural policy linked to regional policy and ii) EU co-funded rural development.

Coordination: Finland set by law the Rural Policy Council (MANE) as an inter-ministerial body that manages rural policy. This Council is hosted within the Ministry of Agriculture and Forestry, where the Secretary General works. The council has 34 members (representatives of 8

ministries, regional government, as well as organisations and associations). Its chair is the Minister of Agriculture and Forestry, and its vice-chair the Minister of Economic Affairs

- **Chile** established the National Rural Development Policy (PNDR) in 2020 to provide a framework to coordinate actors and policies that affect the development of rural areas.

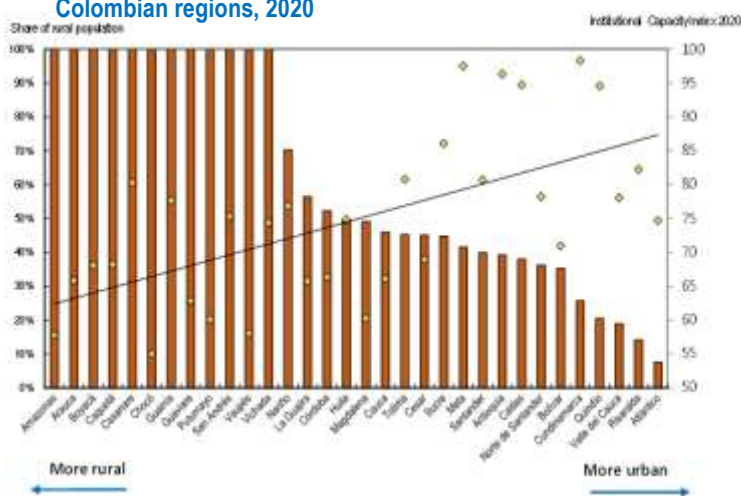
Coordination: The Inter-ministerial Commission for City, Housing and Territory (COMICIVYT) is the main institution responsible for implementing and updating each 10 years the PNDR. This Commission is made up of 13 Ministries and the General Secretariat of the Presidency. The Executive Secretariat of the PNDR is in the Ministry of Agriculture, which must provide technical and administrative support for the coordination of its implementation

Continuity and accountability: In 2021, the country set the National Council for Rural Development as presidential advisory council to oversee the implementation of PNDR, ensuring its continuity and execution as well as provide advice on the rural focus of sectorial policies. This Council is composed by 30 members from public, private and civil society.

Local governments need to become better partners for rural policy implementation

A rural development framework that is sustainable over the medium to long term needs to foment bottom-up development actions led by local interests with support and guidance from national government. Without strong and cooperative local governments, there are no partners for the government to work with. Colombia's subnational governments (SNG) are the main providers of public services (e.g. education 31% of total subnational government budget).

Figure 5. Institutional Capacity Index by degree of rurality in Colombian regions, 2020



national policy framework. Moreover, Colombia's Decentralisation Mission will be key to defining actions that improve the capacity of local governments.

Civil society can be a stronger partner in rural policy implementation

Effective rural development policy requires more than coordinated government action to make it effective. Effectively engaging local actors with rural policy can allow communities to play an active role in economic development.

Indicators of citizen participation in policy formation reveal that regions with a higher degree of rurality still face greater difficulty in integrating citizens in the policymaking process (DNP, 2021^[22]). While this can be explained by the communication challenges in some regions and the reduced staff capacity in rural governments to promote participation mechanisms, it also reveals a lack of incentives, trust and capacities in the communities to demand their participation in the definition of policies and monitor their implementation

A first step to make rural communities effective partners in local economic development is to build their community capital, supporting businesses and social initiatives, promoting their participation in planning, investment or program monitoring decisions (e.g. participatory budgeting). Moreover, the fragmentation of productive and social programmes delivered to rural communities makes it difficult for beneficiaries to identify the most suitable programme and connect with the right agency. Simplifying the access to national and regional programmes for rural beneficiaries (e.g. regional one-stop-shop offices of national programmes) can ease civil society's accountability to and involvement with rural policy.



Recommendations: A framework for action for rural development in Colombia

This review identifies a framework for action across three pillars proving 15 recommendations to help Colombia improve well-being in rural communities, while unlocking new growth opportunities and increase effective implementation.

Framework for action to mobilise rural potential and improve well-being in Colombia

Developing a comprehensive national rural policy that focuses on raising people's well-being

1. **Ensure policies across all levels of government make use of a consistent rural definition** that recognises diversity of rural areas and acknowledge urban-rural linkages (e.g. the rural Mission definition)
2. **Establish an integrated rural information system** by accelerating the rural information projects that are underway
3. **Create a comprehensive national rural policy that focuses on the well-being of people and takes a cross-sectoral approach to rural development.** This policy should harmonize the Integral Rural Reform with other productive and transversal policies for rural development. The experience of Chile and Finland can be a guide for Colombia...

Prioritising key enabling factors for rural development to ensure lasting policy outcomes and mobilise the rural potential.

4. **Strengthen the implementation of transport projects**, prioritizing the connection of rural regions to the primary network and multimodal transport solutions, and increasing co-financing and partnership models for tertiary roads
5. **Ensure the provision of high-quality broadband access in rural regions at affordable prices**, by providing legal certainty, reducing the burden of administrative procedures and fees, increasing transparency, amplifying the impact of current policies, leveraging mobile services and further involving local actors.
6. **Enhance access to education and health in rural communities** by accelerating implementation of sectorial national plans with rural focus, reinforcing flexibility of national programmes, and further supporting uptake of digital services and training for service professionals
7. **Strengthen policies of land distribution, restitution and formalisation**, by prioritising financial and human resources to solve information gaps related to land, facilitating conditions to register the land and improving co-ordination efforts across spatial planning instruments to enabling the most adequate use of rural lands.
8. **Clarify the level of autonomy and land constitution to ethnic groups** to boost social cohesion by simplifying processes and strengthening consensual decision-making in land claims
9. **Enhance law enforcement and involvement of local communities on land use management** to fight deforestation and promote environmental restoration

Improving the design and implementation of rural policy, supported by an inter ministerial co ordination body for rural policy

10. **Create or adapt an inter-ministerial coordination institution to implement the comprehensive national rural policy**, with a presidential mandate to harmonise and monitor the different policies for rural development
11. **Foment bottom-up planning instruments to identified local priorities across all types of rural regions**, extending and improving existing coordination and planning instruments at the subnational level, including the articulation of PDET with other coordination mechanisms.
12. **Reduce the complexity in the delivery of rural policies** by creating a one-stop shop or similar mechanism at the regional level to deliver different policies for rural development
13. **Expand staff and financial capacity building strategies for regional and municipal governments**, with a differentiated approach
14. **Enhance community capital** to strengthen involvement of civil society and private sector in rural policy and increase accountability and trust
15. **Promote formation of urban-rural partnerships** to attain cost-effective investments and economies of scale in local projects

The detailed sub-recommendations can be found in the official document at: [Rural Policy Review of Colombia 2022 | en | OECD](#)

recommendations can be find

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