



THE EUROPEAN UNION TRUST FUND FOR COLOMBIA

STRATEGY DOCUMENT

1. Context

Conflict and negotiation

The violent armed conflict has afflicted Colombia for the past 50 years and has undermined economic and social progress, causing the death of over 200,000 people. It has also forced internal displacement of more than 5 million Colombians. The conflict has largely destroyed the country's social fabric, seriously impeded its economic development, and undermined the resilience of large parts of the population. Colombia's rural areas have been disproportionately affected by the violent conflict, and have suffered from illegal activities and violence. Delivery of public services in rural areas has been a challenge during these years of internal conflict. The peace negotiation process between the Government of Juan Manuel Santos and the 'Fuerzas Armadas Revolucionarias de Colombia – Ejército Popular' (FARC – EP) offers a unique opportunity to put an end to decades of violence. It has been structured in successive phases with the purpose of building confidence between the parties, yield an agreement, and look for ratification by the people. Its implementation has been conceived both as the final result of the process and the embodiment of long lasting peace. In this sense, peace will necessarily be the result of a sustained effort of implementation.

The Government's response

The Colombian Government has put in place a number of strategies to respond to the window of opportunity offered by the peace agreement. The National Development Plan, the Strategy for International Cooperation, institutional and financial arrangements established by the Colombian Government 'Colombia en Paz', and the short-term stabilisation strategy set out the timeframe and outline plans for the post conflict scenario. The overarching purpose is to match the commitments made in the Peace Agreement concluded on 26 September 2016 with the realities of the policymaking process, administrative procedures and timing, while allowing the integration of *ad hoc* mechanisms (special presidential attributions, national and

international funds, etc.). The result is a phased and coordinated process that commits the State under the guidance of the Ministry of Post-Conflict and the Presidency.

Implementation measures within this process have been broken down into different phases: an initial set of measures that have begun even before the conclusion of the Peace Agreement to increase the State's presence in the territories and build trust with affected communities. The rapid response phase (short-term, 18-24 months) aimed at offering early peace dividends and making apparent the change that a peaceful environment will bring about and the proper implementation of the Peace Agreement, which will spread over the short- and medium-term.

The EU response

The EU has shown continued political support to the Colombian peace process, including measures such as the appointment by the High Representative of the Union for Foreign Affairs and Security Policy of a Special Envoy, Mr Eamon Gilmore, in October 2015. The EU and several Member States stand ready to translate this commitment into operational terms and to support the Colombian Government in the short- and medium-term. Ongoing bilateral programmes¹, rapid response mechanisms such as the Instrument contributing to Stability and Peace² (IcSP), Member States upcoming bilateral strategies and the support offered through this post-emergency EU Trust Fund³ need to be deployed in a coordinated way so that the EU offers a comprehensive, timely, visible and efficient response to the Colombian needs and which is complementary to the other proposed multilateral initiatives⁴.

For more than a decade, support to Colombia has been focused on the root causes and consequences of the conflict. The EU and its Member States' assistance has helped to foster peacebuilding and economic and social development at the local level and have collectively gained strong legitimacy, trust and recognition as a key peacebuilding actor in Colombia.

Capitalising on this successful track-record, the establishment of a post-emergency EU Trust Fund is an essential element of the European response, which should help consolidate different efforts. It will ensure better coordination of actions with those participating in the EU Trust Fund and beyond, providing an efficient linkage of relief, rehabilitation and development activities (LRRD), and a more focused and joint-up response to Colombia's post-conflict needs, towards a more resilient and inclusive society over the longer term.

¹ Colombia Country Strategy Paper 2007-2013 (E/2007/484) and Colombia Multiannual Indicative Programme 2014-2017 (C(2014) 5704)

² Regulation (EU) No 230/2014 of the European Parliament and of the Council of 11 March 2014 establishing an instrument contributing to stability and peace

³ EU Trust Fund established on the basis of Commission decision C(2016) 1653 of 22.3.2016.

⁴ Multilateral funds such as the United Nations (UN), Inter-American Development Bank (IDB) and World Bank initiatives.

2. Objectives and areas of intervention

The EU Trust Fund's Constitutive Agreement⁵ defines the overall objective as “to support the implementation of the provisions established in the Peace Agreement between the Government of Colombia and the FARC and to accompany the Colombian population in overcoming the negative effects of the 50-year old internal armed conflict”.

To this end, the EU Trust Fund should respond to the needs of the Colombian Government as expressed in stabilisation plans for the post-conflict phase in the short- and medium-term, taking account of the developments on the ground and shifting needs. In this framework, the priorities outlined in these strategic orientations might need to be revised over time as the situation evolves.

In the initial stages, the EU Trust Fund should prioritise areas of action that:

- can bring early peace dividends, notably to the most vulnerable conflict-affected populations,
- have a strategic character to maximise the chances of success of the peace process,
- can help prevent and manage new conflicts,
- may produce a positive impact on the respect of human rights, and
- where the experience and know-how of the EU, be it from the Commission or from the participating Member States, can bring an added value to the stabilisation efforts.

Based on the needs expressed by the Colombian Government taking into account the post-conflict context and on the areas defined in Annex I of the Constitutive Agreement, the EU Trust Fund will initially concentrate its action on the following priorities:

⁵ Constitutive Agreement concluded in Luxemburg between the European Commission and DE, ES, IE, IT, LT, NL,PT, SE, SK and UK on 17 October 2016

I. Support the comprehensive agricultural policy and stimulate economic activity and productivity in remote rural areas:

Inequality and poverty in remote and rural areas of Colombia are at the roots of the conflict. Creating improved conditions for inclusive growth at the rural level will be essential for fostering sustainable peace. This support will be put in place by means of interventions in the following areas:

I.1. Support to rural development projects with territorial approach. As agreed in the Peace Agreement, these projects represent the implementation mechanism transposing the Peace Agreement to the regional level. They foresee a consultation mechanism between national institutions and the regional and local level (institutions and civil society) and promote a bottom up approach for local economic development. The Government of Colombia has established a list of around 200 prioritised municipalities for the post-conflict phase, for which around 30-40 development plans⁶ are foreseen with a territorial focus and covering different sectors. *The EU Trust Fund could support the general design of rural development projects under these development plans and the implementation of a prioritised selection of them in specific geographical areas, in function of the Government's needs and in coordination with the Territorial Renewal Agency and other actors on the ground.*

I.2 Improve land tenure: An estimated two-thirds of lands in rural Colombia are held without titles. Increasing effort on land formalisation will provide legal certainty to legitimate owners, contribute to the formalisation of the rural economy, and facilitate the process of land restitution, thereby contributing to the restoration of the social fabric within rural communities. The Government has an ambitious ten-year target of issuing 500,000 titles to rural families covering four million hectares. In parallel, it has established a national restitution policy to overcome the decades of land dispossession. *Activities under the EU Trust Fund could support the Government's institutions in charge of formalisation of land titles, such as the 'Agencia de Tierras', created by Presidential Decree on 10 December 2015 and institutions supporting the restitution effort, such as the Restitution Unit. Special attention should be given to land titles ensuring long-term environmental sustainability and to the equal distribution of land titles to men and women.*

I.3 Support producer organisations including cooperatives: Farmer and producer associations in Colombia's conflict zones are weak or non-existent, and most farming is done by smallholders with little financial resources. *Activities under the EU Trust Fund could help rebuild and strengthen productive capacity in rural areas by promoting the organisation of farmers and enhancing producer associations. For example, this could take place through support to national programmes, fostering access to services and investments, aiming*

⁶ [NB: Any delay in the designing phase of these plans will not jeopardise the actions foreseen in the areas I.2 to I.7]

towards long-term sustainable livelihoods with equal opportunities for women and men. Moreover, the EU Trust Fund could explore initiatives fostering rural employment.

I.4 Enhance private and public initiatives in the rural sector: A sustainable rural economy requires strong private sector participation. Through the EU Trust Fund, private sector investment could be leveraged in targeted communities in order to enhance access to financial services for rural producers. Furthermore, mobilisation of public investment to improve and extend Colombia's rural transport and productive infrastructure (such as water and sanitation infrastructure, rural roads, etc.) will enhance a competitive rural sector. *Initiatives under the EU Trust Fund in this area will mainly be explored through blending activities with the European Investment Bank (EIB) and other European cooperation agencies and could for example enhance microfinance initiatives.*

I.5 Foster local sustainable development: In Colombia, agricultural production and other rural-based economic activities such as mining are challenged by different issues, for example the presence of illegal economies, including illicit crops, land dispossession, displaced people, social and environmental conflicts. At the same time, Colombia has extensive forest areas where the populations, in particular indigenous and Afro-Colombian communities, are among the poorest of the country. *In the context of rural development, the EU Trust Fund could support local sustainable development in selected conflict affected and environmentally sensitive areas by supporting the implementation of the national policy for "Green Growth". This policy promotes responsible use of biodiversity and ecosystems. Specific attention could be given to alternative development, the sustainable use of natural resources and respect for indigenous and afro-Colombian land rights, protection of their ecosystems in order to prevent the effect of climate change and natural disasters. Additionally, crop substitution could be considered in order to contribute to improved social structures and diminish the degradation of natural resources. The EU and the Colombian Government will ensure coordination with other donors to avoid any overlapping.*

I.6. Promote women's entrepreneurship: To empower women economically can have a conflict mitigating impact. Women are key drivers of economic growth and can play a positive role in how wealth is distributed by reinvesting a greater portion of the household income in the community. The Government of Colombia has put in place a National Gender Policy, which outlines strategies for female empowerment and gender equality. *Through the EU Trust Fund, and in the context of rural development, it is proposed to work closely with the Colombian institutions responsible for the implementation of this policy, especially in relation to improving women's access to capital and markets and building women's capacities and skills in selected conflict-affected areas. The EU and the Colombian Government will ensure coordination with other donors to avoid any overlapping.*

I.7. Support resilience in terms of protection, food security, and basic services: Vulnerable groups in most of the areas affected by the conflict are exposed to a variety of shocks and stresses, the consequences of violence, and suffer in many cases from the access to basic services. *The EU Trust Fund will mainstream risk management across programmes and support initiatives focused on reducing these risks by reinforcing community and local*

capacities on prevention, relief, and recovery, by enhancing food security, and by improving access to basic services. Indigenous peoples and afro-Colombians should be a target population priority. They are suffering from “double affectation or double vulnerability” by living in isolated rural areas, being victims of displacement and violence provoked by the conflict as well as victims of natural disasters.

II. In the context of rural development with a territorial approach, reinforce the State presence and restore the social fabric in remote and conflict affected areas

For the implementation of the Peace Agreement, the State will need to deliver social goods and services in territories where so far it has been absent. This will require social counterparts to provide the bottom-up approach necessary for a sustainable peace. The planned support will target both the strengthening of the local institutions and of civil society and interventions are foreseen in the following areas:

II.1. Complementary interventions to increase administrative capacities at municipal level in rural communities: Rural communities suffer disproportionately from the effects of limited State presence and poor service delivery. *Through the EU Trust Fund, it is proposed to support a selection of municipalities prioritised by the Government in their efforts to develop more efficient and more transparent planning, financial management and implementation capacities at subnational level including regional-departmental governments, municipalities, and ethnic authorities.*

II.2. Complementary interventions to increase civil participation in governance: An active civil society can contribute to the reconstruction of social cohesion and ensure civil oversight and control over the Government. *Activities under the EU Trust Fund could contribute to a reinforcement of civil participation at the regional, departmental, and local level through activities with civil society organisations, which will focus on decision-making and public investment at the local level.*

Additionally, the enhanced civil participation will be able to monitor the implementation of national initiatives at the local level. This will add legitimacy to the process and monitor the transparency in the use of resources in all post-conflict programmes.

II.3. Enhance women's resilience, protection, and political participation, (see I.6): In addition to support mentioned under I.6, and in the context of the rural reform, *activities under the EU Trust Fund could provide support to National Gender Policy. A particular emphasis should be put on the promotion of public policies to prevent violence against women in the territories. These policies should address both the situation of women victims of the conflict and new forms of violence against women that may arise in the post-conflict situation, lack of social security and access to public services and family protection.*

Furthermore, women's political participation and the role of women in public functions should be stimulated.

In complement to the delivery of the mentioned priority interventions under **I** and **II**, with a focus on policy support, the EU Trust Fund should also, exceptionally and in agreement with the Colombian Government, be able to intervene through **ad hoc interventions** on a needs basis on complementary aspects key to the success of priority interventions under **I** and **II**.

III. Support economic and social Reincorporation

The reincorporation process is a turning point for the ending of the conflict and peacebuilding, given that it enables the transition of the FARC members into civilian life after the laying down of arms process, thus providing the necessary guarantees for their inclusion at social, political and economic level.

The Peace Agreement establishes the creation of the National Reincorporation Council (NRC) composed of two (2) members of the Government and two (2) FARC-EP members. The NRC is mandated to define the guidelines and activities, establish the timeline and monitor the progress of the reincorporation process, according to the terms agreed with the National Government.

In the context of this priority, the Fund will promote the incorporation of principles such as **inclusion, differential approach, territorial approach and alignment with the NRC**, in the projects it will support and the technical assistance it will provide.

With regard to inclusion, the Fund will promote projects that foster both ex-combatants and neighbouring communities to jointly and comprehensively build a shared vision of local development which fosters reconciliation and the construction of the social fabric.

The differential approach seeks to ensure that projects take into account aspects such as gender (in accordance with the specific gender strategy for reincorporation), ethnic origin, socio-economic conditions, disability status and distinctive regional features.

The Fund will adopt the territorial approach as one of its fundamental principles, since it enables the promotion and support of local initiatives that respond to the population's specific needs.

In addition to supporting economic activity and productivity and restoring the social fabric as previously mentioned under priorities I and II, the Trust Fund support could be implemented through interventions in the following areas:

III.1. Support to educational processes:

The Government has finished the socio-economic, educational and health census, on the basis of which initial plans for the care of the reincorporated population can be established. *Based on this first census and on other analyses, the Fund could support inclusive formal education processes (basic and secondary, technical and technological education), as well as education for work and human development that benefit ex-combatants as well as neighbouring populations. Additionally, the Fund could promote initiatives they are linked to productive projects, establishing alliances with the private sector and personal businesses.*

III.2. Attention to special physical and / or mental health conditions:

The Ministry of Health and Social Protection, in coordination with the Office of the High Commissioner for the Post-Conflict and the FARC, conducted the health census of the FARC members. This exercise has produced general information on the FARC members' health condition and has been the first step in their affiliation to the official health system processes. Health needs of the reincorporated population are multiple and represent a huge challenge for institutions and companies in charge of health services, taking into account the gaps and deficiencies that exist in the health sector in rural areas. *The Fund could accompany the priorities defined by the Ministry of Health and Social Protection jointly with the NRC. The objective is to provide a comprehensive and differential care, taking into account the particular features identified for this population (disability, mental health, psychosocial support, etc.), and considering also the limitations of the health system at the rural level. Priority shall be given to projects that promote the reconciliation and inclusion of the surrounding populations, in order to contribute to a health service on an equal basis for all.*

III.3. Support to Territorial Reincorporation Councils:

The NRC establishes Territorial Reincorporation Councils which are present at the municipal and departmental levels, to coordinate and promote reincorporation from a territorial perspective, enhancing trust between communities and ex-combatants. *The Fund could provide capacity building support to those entities in their constitution. It can help define priorities, develop tools, and install monitoring systems. The Fund will not finance the regular budget of the Territorial Reincorporation Councils.*

IV. Flexible support measures

In addition, there will be a need for **an early package of flexible support measures** to provide **key inputs and technical assistance** when required at various levels (legislative, implementing, etc.). This package should take advantage of the accumulated political experience of the EU and its Member States in other peace building processes and provide mechanisms to capitalise this experience.

3. Principles of intervention

The principles and criteria that will guide implementation of the general strategy are:

- 1) In line with the values of the European Union, **the promotion and protection of human rights** should serve as the primary guideline in order to contribute to the prevention and resolution of conflict. The EU supports the fundamental role that civil society and human rights' defenders have in ensuring peace and security, stability and prosperity. In the same line, attention for **green growth and gender** mentioned under I.5 and 1.6 of the strategy will be, whenever relevant, sought in all activities and should therefore be considered as crosscutting issues.
- 2) **A process to ensure strategic and efficient interventions, in tandem with political dialogue:** Strategies will be elaborated for each component in order to put the intervention into context. They will outline the particular challenges faced by each component as well as the objectives, priorities and activities that can be implemented in support of the main objective. Detailed operational frameworks will be developed during the identification phase and be presented to the Operational Committee. Political dialogue and in-field coordination, led collectively with EU Member States and the Colombian Government, will be essential to ensure local ownership.
- 3) An in-depth understanding of local contexts will enable an **evidence-based targeting of differing regions, beneficiaries and implementing partners**. This should allow greater precision in the adoption of decisions about where to make investments (areas affected by conflict or at increasing risk of conflict, forced displacement, trafficking or smuggling; areas lacking social services and opportunities), who should benefit from them (e.g. at-risk-youth, women, Afro-Colombian communities, indigenous communities, forcibly displaced persons), and with which implementing partners (local, national, regional or international) the objectives can best be advanced in the particular context.
- 4) **Local ownership** will facilitate dialogue and thereby foster cooperation under the EU Trust Fund. To ensure local ownership, projects should respond to the needs of both partner governments and communities alike, and allow them to participate in the different steps of the project design (from planning to implementation), while maintaining speed of delivery. **Effective dialogue and cooperation with relevant local, regional, and national organisations** is also necessary to ensure ownership.
- 5) **Comprehensive, integrated, and coordinated approach:** The root causes of instability, forced displacement, and violence are diverse, complex, and often interrelated. The actions of the EU Trust Fund will need to be comprehensive (covering, where relevant, political, socio economic, social, human rights and environmental dimensions), take into account all aspects related with minors'

education, youth entrepreneurship and gender (including positive discrimination for women and girls), environmental sustainability, as well as the needs of the most vulnerable populations such as rural, indigenous, Afro-Colombian communities, women and girls affected by the conflict and forcibly displaced. Joint work between the State and civil society by strengthening and broadening public spaces for interaction should be promoted in order to build confidence in the process.

- 6) **Do no harm:** The EU Trust Fund will take a **conflict-sensitive approach** to designing, implementing and evaluating interventions funded through the EU Trust Fund. This involves minimising the unintended consequences of the development intervention on conflict situations, i.e. ‘avoiding harm’ and maximising the development contribution to peace and stability.
- 7) Strong **research and analysis** is central to understanding the context and ensuring that interventions have a positive impact. This aspiration is reflected in the EU commitment to fund research and analysis through the EU Trust Fund, and to use joint analysis between the relevant EU institutions, Member States, and relevant partners. Past and future best practices, lessons learnt and capacities developed as part of relevant projects and programmes in the peacebuilding field (e.g. the Peace Laboratories, Peace, and Development Programmes) should be analysed, when relevant, and integrated into the EU Trust Fund’s new programmes enabling evidence-based targeting of differing regions, beneficiaries and implementing partners. It will be essential to promote strong exchange of methodologies and experiences with the aim to contribute towards sustainable actions. **Knowledge management** will also to be taken into account throughout the development and implementation programmes. Special consideration should be given to ensuring that research and analyses are based on gender principles.
- 8) **Complementarity with and subsidiarity to EU instruments and tools and/or interventions by other donors:** The EU Trust Fund will cover the gaps, both in geographic and in thematic terms, not covered by other means or by other development partners (including EU Member States) and multilateral funds such as the United Nations (UN), Inter-American Development Bank (IDB) and World Bank initiatives, and will need to ensure complementarity with key instruments such as the Country Strategy Paper 2014-2017, the Instrument contributing to Stability and Peace, the European Instrument for Democracy and Human Rights, the European Investment Bank and EU Member States’ interventions. In order to assure complementarity with other funds and mechanisms, representatives of the aforementioned initiatives may be invited to participate in the EU Trust Fund Board established under the Constitutive Agreement (Article 5).
- 9) **Anti-Corruption:** The EU Trust Fund will integrate anti-corruption measures and analyses of corruption in order to ensure interventions developed aim of diminishing the risk of increased corruption in the target societies. Special emphasis will be given to the development of local institutions and natural resources.

- 10) **Specific legal requirements of the various sources of financing (“notional approach”)**: The EU Trust Fund will include funds from a number of EU budget lines, EU Member States, and other partners. For the EU contributions, the European Commission will ensure that the specific requirements of the relevant legal bases will be respected, based on a “notional approach” (including, for example, the requirements regarding official development assistance (ODA) eligibility under the Development Cooperation Instrument⁷). In cases where a beneficiary country or regional organisation has agreed to the transfer of funds covered by existing programming documents (national or regional indicative programmes) into the EU Trust Fund, the scope and objectives of the original programming provisions will be respected while taking into account the specific objectives of the EU Trust Fund.
- 11) **Resilience, risk management, linking relief, rehabilitation, and development (LRRD)**: Considering the exposure to violence and the variety of hazards faced in conflict-affected areas, initiatives supported by the EU Trust Fund will systematically include an analysis of the risk and likely consequences. When relevant and feasible, measures will be considered to mitigate these risks and/or increase the capacities of benefited communities to prevent, face, and recover from potential events related to man-made or natural hazards.⁸ To the extent possible, actions should link with and build upon good practices and trust built by humanitarian actors having worked/working in conflict affected areas.
- 12) **Communication and visibility** will contribute towards strengthening cultural changes (culture of peace and tolerance) towards more inclusive, democratic, and peaceful resolution of conflicts, reconciliation between former adversaries, and promotion of peaceful coexistence. A joint strategy of visibility between the Government of Colombia and the EU should be agreed upon to ensure the support of the EU to the Colombian trust and state-building exercise in conflict-affected territories.
- 13) **Ascertain transparency and accountability** to guarantee that the public resources are used in an efficient and effective manner; that information is open and available as well as clear and precise regarding what is being realised with the public funds. **This requires a strong system of monitoring and evaluation based on clear targets and indicators to follow-up and present tangible results and impacts.** Additionally, ensuring the reinforcement of the national accountability system and the promotion of the monitoring role of the civil society and media outlets is desirable.

⁷ Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014

⁸ Communication No 586/2012 from the Commission to the European Parliament and the Council “The EU approach to Resilience”