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ANNEX I

to the Commission Implementing Decision on the financing of the annual action plan in favour of Colombia for 2023

Action Document for the Socioeconomic Integration of the Migrants in Colombia

ANNUAL PLAN

This document constitutes the annual work programme within the meaning of Article 110(2) of the Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

1. Title	Socioeconomic Integration of the Migrants in Colombia
CRIS/OPSYS business reference	CRIS number: NDICI LA/2021/043-804 – OPSYS: ACT-61633
Basic Act	Financed under the Neighbourhood, Development and International Cooperation Instrument (<u>NDICI-Global Europe</u>)
2. Team Europe Initiative	Yes Team Europe Initiative (TEI) Peace Colombia
3. Zone benefiting from the action	The action shall be carried out in Colombia
4. Programming document	Multi-annual Indicative Plan 2021-2027
5. Link with relevant MIP(s) objectives / expected results	Priority area 1 – Peace Specific Objective 2: address inequalities as root causes of violence and poverty
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	151 – Government and Civil Society general, including PFM and DRM, decentralisation, anti-corruption, Ombudsperson, Immigration, Human Rights, Ending Violence against women and girls. 160 – Other Social and Infrastructure services 321 – Industry
7. Sustainable Development Goals (SDGs)	Main SDG (1 only): SDG 10 Reduced inequality within and among countries Other significant SDGs (up to 9) and where appropriate, targets: SDG 1 End poverty in all its forms everywhere SDG 5 Achieve gender equality and empower all women and girls
8 a) DAC code(s)	15136 – Immigration – 40% 16020 - Employment creation – 30% 32130 - Small and medium-sized enterprises (SME) development – 30%

8 b) Main Delivery Channel	11001 Central Government 13000 Third Country Government (Delegated co-operation)			
9. Targets	<input checked="" type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital connectivity digital governance digital entrepreneurship digital skills/literacy digital services	YES <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	

		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity	YES <input type="checkbox"/>	NO <input type="checkbox"/>	
	energy	<input type="checkbox"/>	<input type="checkbox"/>	
	transport	<input type="checkbox"/>	<input type="checkbox"/>	
	health	<input type="checkbox"/>	<input type="checkbox"/>	
	education and research	<input type="checkbox"/>	<input type="checkbox"/>	
	Migration @ (methodology for tagging under development)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Reduction of Inequalities @ (methodology for marker and tagging under development)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line(s) (article, item): BGUE-B2023-14.020140-C1-INTPA Total estimated cost: EUR 11 500 000 Total amount of EU budget contribution EUR 10 000 000 and EUR 1 500 000 co-financing of which EUR 4 000 000 for budget support and EUR 7 500 000 for indirect management with an entrusted entity. This action may be co-financed by Member States. This action is part of the TEI Peace Colombia, to which France, Germany, Ireland, Italy, the Netherlands, Portugal, Spain, Sweden and the German development bank KfW contribute. The contribution in a Team Europe approach to migration is around EUR 150 million ¹ .			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Direct management through: Budget Support: Sector Reform Performance Contract Indirect management with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) as set out in section 4.4.1			

1.2 Summary of the Action

Colombia's recent response to migration has been recognised as an international example of solidarity. Its policy of welcoming and relaxing migration in the last years has placed the country at the forefront of the dialogue on migration in Latin America. The government of recently elected President, Gustavo Petro, received from his predecessor a well-developed policy and institutional framework for the care and integration of the Venezuelan migrant population, but its full implementation is still a work in progress.

President Petro seems to have a broader vision of the migration crisis, as he frames it within the concept of human mobility and within the government priorities for human security and social justice. In the same direction, the basis for the National Development Plan (2022-2026)² establishes that the government will promote "mechanisms to improve the quality of life of this population, based on dignity and respect for their rights, without xenophobia or

¹ Almost EUR 220 million including other humanitarian and regional contributions from the EU and countries such as Germany and the Netherlands which are not country-specific but for which Colombia is one of the main targets.

² Basis for the National Development Plan (2022-2026), https://colaboracion.dnp.gov.co/CDT/portalDNP/PND%202022/Bases-PND2022-2026_compilado-CEVC15-10-2022.pdf

discrimination, which will allow progress towards a fairer society, with better living conditions and economic security for all”.

Although migration flows from Venezuela may be decreasing compared to previous years and the economic situation in the neighbouring country shows modest signs of improvement, the reality is that Venezuelan migrants continue to enter the country. They already represent around 6% of the population in Colombia and most of them are young people willing to stay and build a new life. After their regularisation, a priority and a major challenge for the new government is their socio-economic integration.

The Action will address these challenges in support of public policy in the document from the National Council on Economic and Social Policy CONPES number 4100 “Strategy for the Integration of the Venezuelan Migrant Population as a Factor of Development for the Country”³. This policy aims to promote an institutional response to the social, economic, and cultural integration needs of the Venezuelan migrant population in order to materialise the contribution to the development and prosperity of the country.

The programme will focus on promoting income-generating opportunities for migrants and host communities through entrepreneurship and employment. This will be done by promoting sector policies coordination (trade, social inclusion and labour) at the national level and by partnering with local authorities, private sector, civil society and communities, to create green and decent employment and economic opportunities for men, women and marginalised groups such as people with disabilities and LGTBIQ+ population.

The programme is linked to Priority Area 1 – Peace and Specific Objective 2: Addressing inequalities as root causes of violence and poverty of the MIP (2021-2024). This Action is in line with the EU’s priorities and the Colombian government’s commitments towards achieving the Sustainable Development Goals (SDGs), particularly SDG 10 on reduced inequality, and SDG 1 on poverty and SDG 5 on gender equality. Colombia is committed to reducing multidimensional poverty to 8.4% and inequality, expressed in GINI, to 0.480 points by 2030.

The Action builds upon EU Budget Support programme “Green Economy” (a top-up to this action is foreseen with the budget support component) and an important number of regional projects in the Latin American region (LAC) and Team Europe initiatives underway supporting the attention and integration of migrants with a community-based approach.

The Action will also support Colombia’s commitments to gender equality, as outlined in the CONPES 4080 on gender equity. It will notably contribute to the realisation of the EU Gender Action Plan 2021-2025 GAP III, in particular to its thematic areas of engagement “Promoting economic and social rights and empowering girls and women”, and “Addressing the challenges of harnessing the opportunities offered by green transition and digital transformation”.

2 RATIONALE

2.1 Context

Colombia is a stable and likeminded democracy. As an upper middle-income country, it has a solid macroeconomic framework. It signed a trade agreement with the EU in 2013 and recently entered the OECD. The country has made great efforts to increase inclusion of vulnerable and marginalised people, create a better business environment and implement development oriented public policies and structural reforms; important challenges remain: very deep social inequalities; weak State presence in many rural areas; weak land governance; and corruption. In addition, the estimated 2.5 million Venezuelan migrants currently living in Colombia and their host communities need support to avoid xenophobia and excessive pressure on basic services, land and natural resources and to realise their full potential to contribute to the country’s inclusive growth.

EU relations with Colombia are close; they have recently gained a higher profile thanks to the signature of the *Memorandum of Understanding on an Agenda of enhanced political and sectoral dialogue and cooperation for the next decade* in September 2021 and the *Joint Declaration for a Dialogue on Environment, Climate Action and Sustainable Development*, signed in February 2022.

Despite the difficulties that President Duque’s government had to face in the area of public health (due to the Covid 19 crisis), the ensuing economic recession and social discontent, perhaps its main legacy will be to leave behind the ten-year Temporary Protection Status granted to Venezuelans, which has set a global example of solidarity.

³ CONPES 4100, July 2022 <https://colaboracion.dnp.gov.co/CDT/Conpes/Econ%C3%B3micos/4100.pdf>

Government efforts in the attention of migrants and refugees from Venezuela focused mainly on basic health, education, early childhood, shelter and protection. However, the stabilisation and integration of this population depends largely on their ability to make a sustainable living.

President Petro seems to have a broader vision of the migration crisis, as he frames it within the concept of human mobility and within the government priorities for human security and social justice. In the same direction, the Bases of the National Development Plan (2022-2026) establish that the government will promote “mechanisms to improve the quality of life of this population, based on dignity and respect for their rights, without xenophobia or discrimination, which will allow progress towards a fairer society, with better living conditions and economic security for all”. In practice, Petro has expressed his interest in maintaining the Temporary Protection Statute as an instrument for migrants not only to remain in the country, but also to have effective access to rights.

The EU launched a process of international support to the Venezuelan migration crisis starting with a Solidarity Conference in Brussels in October 2019, followed by a Pledging Conference in May 2020. Since the beginning of the crisis in 2018, the EU has provided more than EUR 300 million to support regional efforts through humanitarian, peace and development actions. Of this, EUR 56 million have gone to Colombia.

On the other hand, since 2016, the EU has been supporting the goals of the Industrial Policy through budget support with a significant emphasis on entrepreneurship and business development for vulnerable populations. More than 7,000 MSMEs were successfully assisted until 2019 by the sector budget support programme “Regional Competitiveness” (EUR 31.8 million). In 2021, a second phase of support to the sector materialised through the “Green Economy” programme (EUR 20 million), which, among others, seeks to promote employment and entrepreneurship for vulnerable populations, including migrants, Colombian returnees and host communities.

Budget support has proven to be a very effective instrument to help achieve national policy objectives and strengthen coordination between different sectors; this is essential to advance the implementation of the policy of Socio-economic Integration of the Migrant Population, which, due to its multidimensional character, is highly dependent on the resources of various sectors. At the same time, integration takes place at the local level; therefore, policies in this regard should respect the needs of local communities and migrants. The Comprehensive Migration Policy proposes a territorial and local development approach, which means that local authorities, locally rooted enterprises and CSOs are central to the effective socio-economic integration of the migrant population.

The EU has an important number of regional projects (LAC) underway supporting the integration of migrants in Colombian cities through blending operations and project type interventions aiming at promoting inclusive urban development with a community-based approach. These projects aim at addressing health, education, housing and income generation issues for the integration of the migrant populations and host communities while mobilising more than 250 million EUR in urban investments.

Among the main European donors to migration are Germany, Spain, the Netherlands and Sweden, which, together with Ireland, Italy, Portugal, France, the Czech Republic, Austria and Denmark have a country-specific contribution of approximately EUR 150 million. All are coordinated within the framework of the migration sub-group of Team Europe Initiative Peace Colombia, which is currently led by the EU.

The Inter-Agency Group on Mixed Migration Flows (GIFMM) coordinates the response to the needs of refugees, migrants, Colombian returnees and host populations, in complementarity with the government. It is co-led by the United Nations High Commissioner for Refugees (UNHCR) and the International Organisation for Migration (IOM), and is composed of 68 members, including UN agencies, international and national NGOs, and members of the Colombian refugee movement as well as national NGOs, and members of the Red Cross Movement. Moreover, USAID/Colombia implements the Venezuelan Response and Integration (VRI) programme with a contribution of USD 160 million to strengthen governance capacity and expand economic opportunities for migrants and host communities.

Based on international experience and the results and lessons learned from past and current EU support following a Team Europe approach on the ground, private sector development and decent employment are among the most effective ways to achieve integration of the migrant population while helping to lift host communities out of poverty. To accelerate this process, a multilevel intervention that, on the one hand, strengthens sectoral policy coordination at national level and, on the other hand, integrates the efforts of local authorities, civil society and the private sector with a community-based and innovative approach is deemed necessary. And the policy priorities of the Colombian Government are oriented in this direction.

This Action is in line with the EU's priorities and the Colombian government's commitments towards achieving the Sustainable Development Goals (SDGs), particularly SDG 10 "Reduced Inequalities", SDG 1 "End Poverty" and SDG 5 "Gender Equality".

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that gender equality is a significant objective. In consideration of the EU's Gender Action Plan III, a special focus will be set on generating employment and economic opportunities for women, young people and LGBTI persons with multiple vulnerabilities, particularly regarding disabilities, to ensure their access to socio-economic inclusion through decent employment⁴ and entrepreneurship. The action is also in line with the EU Gender Strategy for Colombia (CLIP)⁵.

2.2 Problem Analysis

It is estimated that about 35%⁶ of the total number of people who left Venezuela since 2018 remained in Colombia (2.5 million); many of them will stay in the country for an extended period, if not permanently. Refugees and migrants are often perceived as a burden affecting the provision of public services, labour markets and fiscal stability. The pandemic, the subsequent economic crisis and social unrest in the country have added other layers of complexity to the situation. Nevertheless, international data shows that migration can benefit the development of host countries.

Colombia's open door and regularisation policies for migrants have set a global example of solidarity, by allowing Venezuelans to apply to a 10-year residence permit under the Temporary Protection Statute (TPS). So far, 1.6 million migrants and refugees have been granted temporary residence, which allows them to seek legal opportunities to secure sustainable livelihoods. This situation poses a double challenge for the country: on the one hand, the regularisation of this population is only the first step towards integration and its effectiveness depends to a large extent on their employability and the opportunities for business development. On the other hand, support for the estimated 2.6 million Venezuelan migrants currently living in Colombia must be balanced with support for host communities to avoid xenophobia and excessive pressure on basic services, land and natural resources.

The Government of Colombia (GoC) has developed a very relevant policy and regulatory framework, which includes the design of instruments such as the Comprehensive Migration Policy, the Temporary Protection Statute for Venezuelan Migrants and the Income Generation Strategy for the Venezuelan Migrant Population and Host Communities. In addition, a policy aimed at promoting the integration of the Venezuelan migrant population as a factor of development for the country (CONPES 4100) was recently approved.

The government's rapid and effective attention to the reality of migration has led to some positive results. For example, with the Temporary Protection Statute, the proportion of the population in an irregular situation fell from 60 per cent to 12 per cent. In addition, progress has been made in the field of health, such as attention to migrants who are not affiliated to the general social security health system and the vaccination programme. There have also been other advances in the field of education and in the care of migrant children and adolescents.

The recent political changes under the new government of President Petro point to the reestablishment of diplomatic ties, which was materialised with the reopening of the commercial border with Venezuela on 26 September, followed by the first official encounter with President of Venezuela, Nicolás Maduro, on 1 November.

These developments will affect the already strong dimensions of the pendular⁷ migration in the border zones related to the need of goods and social services (e.g., education and health). These novel impacts of mixed migration flows (pendular and conventional) require the adaptation and preparation of Colombian state institutions, particularly in border areas, to be able to cope with the expected increased migration flows and the corresponding systemic risks

⁴ The Colombian Ministry of Labour defines decent employment as fully respecting the dignity of the worker without any discrimination. It is also the ILO's objective to promote labour rights, foster decent work opportunities, improve social protection and strengthen dialogue in addressing work-related issues.

⁵ The Action contributes to the following thematic areas and specific thematic objectives of the CLIP: "Specific thematic objective 3: Women, men, girls and boys in all their diversity, who experience sexual and gender-based violence have increased access to essential services and protection. Area III: Promoting economic and social rights and empowering girls and women.

⁶ Estimated based on data from the "Plataforma Regional de Coordinación Interagencial para Refugiados y Migrantes de Venezuela". <https://www.r4v.info/es/refugiadosymigrantes>

⁷ Pendular migration is defined as the transit of citizens who reside in a border area and move regularly between the two countries, even registering several entries and exits per day, through a single Migration Control Post. This can be considered a temporary kind of migration with the purpose of working, supplying, and accessing basic services or others.

that could arise from this new situation. In addition, it is possible that a new dynamic of Venezuelan migrants returning to Venezuela could emerge. Moreover, of the 2.6 million registered Venezuelan migrants in the country, 1.6 million have already been approved for temporary protection, which will allow them access to formal employment and social services, requiring effective means for socio-economic integration.

Despite all the efforts, there are some major challenges in the implementation of migration policies and programmes mainly due to i) the absence of a unified institutional pathway and governance scheme for assistance and integration, ii) limitations in the supply of and comprehensive access to services for the migrant population, iii) enabling conditions to provide an adequate response, iv) limited local capacities and v) insufficient financing. The result is that the economic integration of the Venezuelan migrant population remains low⁸.

Integration of the migrant population takes place at the local level, so integration policies must respect the needs of local communities and migrants. A territorial and local development approach must ensure that local authorities, private sector, CSOs and host communities are key actors in the process. Migration has also a disproportional impact on women, adolescents and girls, who are more at risk of human trafficking, labour and sexual exploitation and other forms of Gender-Based Violence (GBV). Migrant women encounter an additional disadvantage associated with the disproportionate burden of care and domestic work. Discriminatory gender stereotypes, violence against women and trafficking of women and young people for sexual exploitation remain major problems in Colombia. Abuse and exploitation of those groups in vulnerable situation migrating from Venezuela has reached alarming levels.⁹ Furthermore, there are other groups in highly vulnerable situations among the migrant population such as LGBTI, persons with disabilities, older adults, and vulnerable young persons in working age in vulnerable situation (including non-accompanied persons), who need special assistance. In addition, it is deemed important to address these vulnerability factors in a sustainable manner and improve resilience among those groups.

The country is a signatory of several international conventions and treaties that establish its commitments to the human rights of men and women and to gender equality, such as International Covenant on Civil and Political Rights (ICCPR), International Covenant on Economic, Social and Cultural Rights (ICESCR), Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), Convention on the Rights of Persons with Disabilities (CRPD), Convention on the Rights of the Child (CRC), Convention for the Protection of all Persons from Enforced Disappearance (CED), International Convention on the Elimination of All Forms of Racial Discrimination (CERD), and International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (CMW). As a member of OAS, Colombia has signed the Additional Protocol to the American Convention on Human Rights in the Area of Economic, Social and Cultural Rights (“Protocol of San Salvador”), Inter-American Convention on the Prevention, Punishment and Eradication of Violence Against Women (“Convention of Belem do Pará”), Inter-American Convention on the Forced Disappearance of Persons, and Inter-American Convention on the Elimination of All Forms of Discrimination Against Persons with Disabilities.

Gender equality is reflected in the normative framework and in the National Development Plan 2018-2022 “Pact for Colombia, pact for equity” which, for the first time, includes a specific chapter on gender called “Pact for equity for women”. The commitment is also visible in the legislative mandate that implements the gender budget tracker, which seeks to link the measures established for public investment with annual impact reports on closing inequality gaps between women and men.¹⁰ Responsibility for gender issues lies with the Presidential Council for Women’s Equity (CEPM), which is attached to the Office of the Vice-President of the Republic, and the creation of the Ministry of Equality and Equity has been approved.

Finally, the socio-economic integration of migrant, refugee and returnee populations in their host communities is a complex multidimensional process. Therefore, it is important to seek an integrative approach so that aspects that significantly influence effective socioeconomic integration such as health, housing, psychosocial care, soft skills, among others, are taken into consideration.

⁸ According to information from the National Department of Statistics (DANE) as of February 2022, only 14,180 contributors to the Comprehensive Social Security System could be identified on the basis of the temporary protection permit document.

⁹ MIP 2021-2027 Colombia (europa.eu)

¹⁰ UNW, DANE, CPEM (2020). Mujeres y hombres: Brechas de género en Colombia (eclac.org)

Key stakeholders

The Ministry of Foreign Affairs has led the formulation of public policy for the integration of migrants and plays a leading role in its coordination. Migración Colombia, as the Colombian State's migration and foreigner's surveillance and control entity, will be a key actor.

For the budget support component, the Ministry of Trade, Industry and Tourism and Social Prosperity are key stakeholders. The Ministry and its affiliated entity Innpulsa implement the national entrepreneurship policy, which, in the framework of the ongoing budget support "Green Economy" is making progress to promote entrepreneurship among the migrant population. Social Prosperity promotes social inclusion policies and develops innovative mechanisms for the labour inclusion of vulnerable populations, which is supported by Colombia's National Training Service (SENA) for labour training and certification.

The Ministry of Labour, responsible for the Employment Agencies and the Technical Vocational Training Centres; the National Planning Department as responsible for the Colombian Observatory on Migration from Venezuela of the DNP (OMV) and for monitoring and evaluating the progress and impact of public policies

Finally local governments, the private sector and civil society organisations (including diaspora organisations), which play a key role in the implementation of policies, programmes and projects at the local level.

2.3 Additional Areas of Assessment

2.3.1 Public Policy

Since 2010, Colombia has been facing migratory flows from Venezuela, which have intensified as a result of the political and economic crisis in the neighbouring country. The national government has taken great care to create and implement public policies aimed at the reception and integration of the migrant population. These policies have made migration more flexible and have helped the government to adapt its institutions and create coordination bodies for their due attention.

In November 2018, Policy CONPES 3950 "Strategy for Attention to Migration from Venezuela" was issued based on an initial assessment of the migratory phenomenon. It established the objectives of the reception and integration policies and the main government entities responsible for carrying them out. It also laid out the medium-term roadmap for the care of the Venezuelan migrant population. Since the adoption of this policy, the country has achieved significant progress in terms of the needs of the migrant population, medium-term integration and inter-institutional coordination. The implementation of the Temporary Protection Status (Decree 216/2021) allowed the regularisation of this population for a period of 10 years. The status facilitates the migrant population's access to basic health and education services, as well as being a fundamental milestone for their social, economic and cultural integration.

Despite the positive results and achievements of CONPES 3950, there was a clear need to deepen the policy intervention with a focus on long-term sustainable integration as a factor of development for the country and to ensure that the institutional response favours both the migrant and host communities. As a result, CONPES Policy 4100 "Strategy for the Integration of the Venezuelan Migrant Population as a Factor of Development for the Country" was approved in July 2022, with an implementation period of 10 years and an estimated indicative investment of 2.9 billion euros. This policy aims to create a 10-year roadmap to ensure the sustainability of the integration of the migrant population. Its main purpose is for migration to become a driver of development and growth for Colombia.

The monitoring of the material and financial implementation of the policy is done through the policy's Monitoring and Action Plan (MAP). This document indicates the institutions responsible for each action, their implementation periods, the resources needed and available to carry them out, and the importance of each action for the fulfilment of the overall policy objective. Its monitoring is planned on a semi-annual basis, starting its report in December 2022 and ending with the closing report with a cut-off date of December 31, 2032.

In September 2021, the Office for the Attention and Socioeconomic Integration of the Migrant Population (OASIMP) was established with the role of coordinating and supporting the competent bodies at the national and local levels for the socioeconomic and productive integration of migrants. This office made significant progress in terms of coordinating state intervention, as well as in the implementation of funds from different sources. With the support of the EU, this office coordinated the efforts with the Ministry of Trade, Industry and Tourism, Social Prosperity, the Ministry of Labour and the National Learning Service (SENA) to promote socio-economic integration programmes for migrants through entrepreneurship and employment. The Office also promoted the creation of the so-called

INTEGRATE integration centres as a strategy to promote a one-stop shop for migrants for their social and economic integration.

However, the OASIMP has been abolished by the new government and its functions and competencies will be absorbed by the Ministry of Foreign Affairs. For the time being, institutional arrangements are being adjusted within the government, but it is important to highlight the relevance of the Ministry of Foreign Affairs, which has been at the forefront of policy and institutional developments around the Comprehensive Migration Policy and the dialogue with the international community and donors, assuming command and leadership.

The Government of Colombia recognises that a unified institutional response, with clear objectives and a roadmap for action, is necessary to address the migration crisis. CONPES 4100 is a step towards the consolidation of inter-institutional coordination mechanisms that bring together institutions from different sectors to strengthen the nation's response capacity.

In addition, challenges ahead in terms of social, economic and cultural integration of migration need to be addressed in order to realise the contribution of migrants to the country's development and prosperity. This requires effective inter-agency and inter-sectoral work. CONPES 4100 aims to address these challenges and adapt the institutional response to new integration needs, while acknowledging the role of sustainable livelihoods of migrant populations and their host communities for an effective and successful integration.

Finally, this policy recognises the importance of implementing a differential approach to integration by strengthening the state's response capacity to prevent and address gender-based violence, sexual and labour exploitation and other gender-related inequalities.

The policy also states that for purposes of its compliance, the entities involved in its execution will prioritise, in accordance with the Medium-Term Expenditure Framework of the respective sector, sufficient resources to finance the activities under their responsibility as established in the policy Action and Monitoring Plan (PAS). The policy states that, in order to enable sustainable sources of financing, the National Development Plan (NDP) will carry out an analysis of possible mechanisms and sources of financing for the care and social and economic integration of the migrant population.

The tax reform being presented by the newly installed government foresees an increase in tax revenues of US\$25 billion (1.72% of GDP) by 2023. It is also expected that at least an additional US\$25 billion can be raised in the coming years by strengthening anti-evasion measures. In this scenario, the policy would find very favourable conditions to ensure sufficient resources from the general budget to finance the policy, taking into account President Petro's strong emphasis on social policies. However, for the policy implementation, agreements with other sectors such as the private sector and international cooperation will be necessary.

Policy CONPES 4100 has the appropriate legal framework, institutions, monitoring and evaluation systems and control mechanisms. It is relevant and coherent with other migration policies at the national and international level. Finally, there is strong political will to comply with its commitments. CONPES 4100 has a strong potential for impact given the positive results achieved by the Colombian government through previous policies. In addition, the involvement of numerous State entities shows the real commitment of the country to the socioeconomic integration of migrants. However, there are some challenges that would require further support for the full implementation of the objectives of CONPES 4100. In particular, the strengthening of the Office for the Attention and Socio-Economic Integration of the Migrant Population and its political backing by the new government is essential for the sectors to recognise its leadership and commit resources to meet the policy's goals. Moreover, greater financial predictability is important to reduce dependence on external funds; and improving coordination mechanisms and information systems between the entities involved at national and sub-national levels. USAID, Germany and the EU are among the main donors.

In conclusion, the policy is sufficiently relevant and credible for budget support contract objectives to be largely achieved. Therefore, the policy can be supported by the Commission with the proposed budget support contract.
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2.3.2 Macroeconomic Policy

The IMF approved in April 2022 a successor two-year arrangement for Colombia under the Flexible Credit Line (FCL) of about US\$9.8 billion. Colombia qualifies for the FCL by virtue of its very strong economic fundamentals and institutional policy frameworks and track record of implementing very strong policies.

With stronger-than-expected growth in 2021 (10.6%), fiscal deficits (8.2% of GDP) and public debt (64.6% of GDP) are declining faster than anticipated. After the COVID-19 pandemic, the fiscal framework has been reactivated (2022) with a new fiscal rule and debt anchor.

The rapid progression of the public debt ratio and the capacity for future policy adjustment have materialised in Colombia losing its investment grade status in 2021. Despite facing a challenging scenario, Colombia has demonstrated -from summer 2021- a solid capacity to support debt backstopped by a favourable interest-to-growth differential, a manageable debt-servicing burden, and a sound institutional framework.

Inflation continues rising, led by supply-side shocks in the context of strong demand. Higher inflation is expected to persist and will likely remain above the upper limit of the central bank's tolerance band (4%) throughout 2022. Inflation is projected at around 6¾ by end-2022. The Central Bank has already raised rates to 7.5% and will continue its upward cycle to bring the interest rate to 9.0%. These decisions aim at moderating economic growth to a sustainable pace in the medium term and reducing inflationary pressures.

The dynamism of domestic demand continues to put pressure on the external imbalance in 2022. The current account will close with a deficit of 5.3% of GDP. In 2023, the slowdown in domestic demand will favour a healthy adjustment of domestic demand to 4.5% of GDP. The fiscal imbalance will remain a challenge for the coming years.

The banking system entered the COVID-19 pandemic from a position of relative strength, and the authorities mounted a strong policy and support response. As a result, the financial system has weathered the pandemic relatively well so far.

External risks remain elevated. Key among them is uncertainty around the war in Ukraine, which can represent further volatility in financial and commodity markets. Rising and volatile international prices for food and energy could increase domestic inflationary pressures. Uncertainty around the pandemic also continues to cloud the outlook. To avoid that impact of these shocks on the Colombian economy could be amplified, the new government should ensure the sound macroeconomic policies to boost market confidence.

National employment continues to show a positive dynamism. About a quarter of jobs were lost at the height of the lockdowns. In December 2021, about 80 percent of job losses have been recovered. While informal employment is approaching pre-pandemic levels, the recovery in formal jobs has been more slowed. During the first semester of 2022, rising female employment has narrowed the gender employment gap. Youth employment and participation rates are still below levels seen before the pandemic. Overall, the labour force participation rate remains below pre-pandemic levels (59.3 percent compared to about 63.0 percent in December 2019).

The Colombia's President-elect Gustavo Petro has launched a new tax reform in 2022 that after tough debates at the congress, will manage to raise around EUR 16 billion during the four-year period - two times more revenue in taxes than the last attempt as such a reform did. This tax reform would be based on a progressive income tax, the elimination of business exemptions and tackling evasion.

Structural reforms can support the recovery and would set the foundation for sustainable and inclusive growth. The reduction of barriers to labour formality and to trade, the strengthening of competition, the expansion of social programmes to reduce poverty and inequality, the improvement of outcomes and equity in education as well as the extension of digital infrastructure to promote connectivity are key challenges for the new government.

In conclusion, the authorities are pursuing a stability-oriented macroeconomic policy and the eligibility criterion is met.

2.3.3 Public Financial Management

The latest Public Expenditure and Financial Accountability (PEFA) assessment for Colombia -carried out in 2015 - and the International Monetary Fund's (IMF) 2018 Fiscal Transparency Evaluation of Colombia show positive results in terms of robust macroeconomic and fiscal projections, budget credibility and transparency.

World Bank's 2021 Colombia Public Finance Review reaffirms the positive advancements in the credibility and sustainability of the country's fiscal policy over the past twenty years, as the result of strong institutions. As a result, the country ran one of the highest fiscal balances in Latin America, until the COVID-19 crisis hit.

However, there are still weaknesses related to the strategic allocation of resources, fragmentation of the budget information systems and delays in adapting budget and accounting regulations to international standards, efficient

delivery of public services, insufficient information on performance and weakness in medium-term budget planning, need to strengthen internal and external control and transparency of the procurement system.

Colombia's current tax system does not collect enough to finance the provision of services that can increase inclusive and sustainable economic growth. It is necessary to increase revenues to finance investments as well as to expand the social safety net to effectively reduce poverty and inequality, but also it is urgent to improve fiscal transparency and strengthen the tax administration authority (DIAN).

In 2020, the government approved the National Policy on Public Financial Information (CONPES 4008), which adopts a systemic vision of the PFM information system. In line with this policy, in March 2022, an Integrated Action Plan for PFM information system was approved with actions to be carried out between 2022 and 2029. Monitoring is done on a semi-annual basis, with a first report in December 2020 and the closing report as of 31 December 2029, for a total of 19 semi-annual reports over a period of 9 years.

Important progress has been made in terms of gender responsive budgeting and PFM system's responsiveness to environmental degradation and climate change. In 2022, Colombia approved its own green taxonomy and the first green bond auction was launched in September 2021, after having developed a complete framework for sovereign green bonds. In 2020, a gender budgetary marker was implemented to track spending on gender equality objectives in the annual budget. An annual report on gender public spending is annexed to the budget from 2021.

In July 2020, a trust fund of USD 250 million (IADB credit line) was approved to finance the national policy for the **Nation Administration Tax Authority (DIAN) Modernisation Programme**. The national policy aims at improving tax collection levels through the technological and organisational modernisation of DIAN. Colombia and the IMF undertook the first virtual TADAT evaluation in 2020¹¹. The TADAT evaluation report has not been yet published. However, it will be a positive input in the current process of reform of the Nation Administration Tax Authority (DIAN).

The EU Delegation considers essential to reinforce the dialogue with the Colombian government in three areas that show weaknesses and that are of special interest to the European Union, such as the public procurement system, where there is a potential for corruption, the efficient delivery of public services and the progressivity and efficiency of the tax system.

In conclusion, the public finance management reform strategy is sufficiently relevant and credible, including on domestic revenue mobilisation, and the eligibility criterion is met.

2.3.4 Transparency and Oversight of the Budget

The Delegation considers that there has been satisfactory progress in relation to the budget transparency eligibility condition. For the General Budget Law to enter into force, it has to be officially published by Congress and in the Official Journal. The budget can be consulted on the web page of the national publication office.

The 2021 OBI¹² and the IMF fiscal transparency evaluations carried out in 2017 have shown that Colombia continues to be a country with satisfactory levels of budget transparency. The country is above the world average in terms of budget transparency and the country's transparency score has improved compared to 2019 (OBI, 2021). According to the OBI 2021, Colombia has increased the availability and quality of budget information. For its part, the evaluation of Budget Transparency of the IMF indicates that Colombia has taken a significant leap forward in terms of building robust fiscal institutions, based on good transparency practices in recent years. The country continues providing a very good level of audit oversight and also an adequate legislative oversight during the planning stage of the budget cycle, but limited legislative oversight during the implementation stage.

Colombia however needs to reinforce citizen participation mechanisms in every stage of the budget process. In terms of public participation in the budget process, Colombia scores very low, 13 out of 100. Some improvements have been made in the past years, such as the establishment of e-consultations during budget implementation or public hearings related to the approval of the annual budget. However, to further strengthen public participation, Colombia should reinforce mechanisms to promote formal spaces in which meaningful dialogue between government and citizens can occur. In addition, members from the public or civil society organisations should be

¹¹ <https://soundcloud.com/user-447764551/colombia-first-virtual-tadat-evaluation>

¹² Open Budget Index

allowed to testify during hearings on the budget proposal prior to its approval or during hearings on the Audit Report.

In 2021, the government approved the **national policy guidelines for the implementation of an open government model** (CONPES 4070). These guidelines aim at consolidating and implementing an open State model that promotes better performance of the public administration. It includes five strategic objectives which will be applied from 2022 to 2025: 1. Strengthen the right of access to public information. 2. Promote the public integrity culture 3. Reinforce the fight against corruption and promote a culture of legality among public civil servants 4. Strengthen the shared responsibility between society and the State, promoting a joint solution of problems. 5. Promote innovation initiatives to citizen participation in public affairs.

Colombia joined the Extractive Industries Transparency Initiative (EITI) in 2014. On June 2018, the EITI Board agreed that Colombia had made satisfactory progress in implementing the 2016 EITI Standard. (<https://eiti.org/colombia>). Colombia's validation of the implementation of the 2019 EITI Standard commenced in October 2022.

To make further progress in transparency, the government could consider: (1) produce and publish the Mid-Year Review online in a timely manner and reinforce the comprehensiveness of the Pre-Budget Statement, the Year-End report and the audit report (2) Further use ICTs for citizen's engagement (3) Actively engage with vulnerable and underrepresented communities, either directly or through civil society organisations representing them (4) reinforce the legislative oversight over the audit Report and publish a report with their findings online.

The 2023 budget was adopted on 18 October 2022 and made publicly available on 29 November 2022, so the entry point remains met.

In conclusion, the relevant 2023 budget documentation has been published as such the entry point is met and continuous progress is noted.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The **Overall Objective** (Impact) of this action is to promote social cohesion while maintaining peace and economic growth.

The **Specific Objectives** (Outcomes) of this action are:

1. Improve the use of socio-economic integration services by the migrant population with equal opportunities for women.
2. More sustainable integration of the migrant population¹³ into local economies without leaving anyone behind.

One of the priority areas of the TEI Peace addresses the root causes of conflict and violence, prominently the structural forms of inequality, and ensure the economic inclusion of the most vulnerable populations, including Venezuelan migrants. This is to ensure that the "migration crisis" becomes an opportunity for the country and not a potential cause of destabilisation.

The **Outputs** to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are

- 1.1 contributing to Outcome 1 (or Specific Objective 1):

Induced output:

- 1.1.1 Improved quality and coverage of the provision of entrepreneurship development services for migrant and host communities.
- 1.1.2 Strengthened outcome-based commissioning policy instruments (ObCPI)¹⁰ for the

¹³ Throughout this document when referring to migrant population it is understood as migrants, refugees, asylum seekers, Colombian returnees, host communities and internally displaced people. Some results may have an emphasis on marginalised specific groups.

labour inclusion of the migrant population and host communities.

1.1.3 Increased women's economic participation and empowerment.

Direct output:

DO1) Additional fiscal space created by the transfer of funds;

DO2) Increased predictability of the disbursements of external funds;

DO3) Improved policy dialogue, coordination and capacity strengthening activities conducive to reforms;

DO4) Improved monitoring and reporting of reforms;

DO5) Reduced transaction costs of providing aid.

2.1 contributing to Outcome 2 (or Specific Objective 2):

2.1.1 Strengthened public support and management systems for the economic integration of migrant population at both the national and local level.

2.1.2 Enhanced access to job placement opportunities for migrants and host communities in cooperation with the private sector.

2.1.3 Improved skills of the migrant population and host communities in line with the labour market demand.

2.1.4 Strengthened integration of gender, disability and age differential approaches and integrated risk management in socio-economic integration strategies at the local level.

3.2 Indicative Activities

Activities relating to Output 1.1.1: Provide technical assistance to small businesses for their productive and commercial strengthening, access to financing, acquisition of productive assets.

Activities relating to Output 1.1.2: Complementary training, certification of labour competences, development of soft skills and labour intermediation.

Activities relating to Output 1.1.3: Mainstreaming gender equality in the instruments for promoting entrepreneurship and employment of vulnerable populations and ensuring a gender parity.

Activities relating to Output 2.1.1: Support the implementation of governmental and complementary civil-society measures for access of the migrant and host communities to critical infrastructure of the social welfare system (health, education, shelters, and others); create strategic alliances with public institutions, private sector and representatives, CSO and diaspora for the access of migrant and host communities to regularisation and to other enablers of economic and productive inclusion; Support the public management of climate risks and health effects of climate change in migrants and host communities.

Activities relating to Output 2.1.2: Promote labour and economic integration by fostering the demand for labour as well as supporting corresponding private sector initiatives targeting migrant, host and vulnerable communities (e.g. youth, women); support Venezuelan diaspora organisations and organisations of vulnerable communities (e.g. LGBTI, people with disabilities) to strengthen advocacy and self-support in terms of socioeconomic integration; identify and pilot innovative, environmentally sustainable (e.g., green jobs, digital jobs, "Twin Transition") and socially acceptable measures of socioeconomic integration of vulnerable migrant and host communities in cooperation with strategic partners of the public and private sector.

Activities relating to Output 2.1.3: Promote labour and economic integration by improving the employability of migrant and host population (improving the supply for the labour market and taking into account the demand); promote labour and economic integration by fostering and providing self-employment opportunities for migrant and host communities.

Activities relating to Output 2.1.4: Carry out advocacy activities and build capacities of civil society organisations, including the Venezuelan diaspora, for the socioeconomic integration of the most vulnerable migrant populations and host communities; Analyse, document and discuss emblematic cases on specific challenges, systemic risk factors

and resilient approaches for successful socioeconomic integration in different regions of the country (e.g. border area vs. inland) especially for vulnerable migrant and host community members (e.g. members of LGBTI community, women, people with disabilities), regarding public institutions services and critical infrastructure, private sector and individual capacities; adapted capacity building measures with public institutions, private sector and CSO on the socioeconomic integration of vulnerable host and migrant communities considering interdependencies and complexity of underlying risk factors in a multi-hazard environment.

3.3 Mainstreaming

Environmental Protection & Climate Change

Given the Action's objectives, which are not likely to produce significant negative impacts on the environment, it is not necessary to carry out a Strategic Environmental Assessment.

Gender equality and empowerment of women and girls

The Action is labelled as G1 as per OECD Gender DAC codes

This implies that the intervention will promote women increased participation and economic empowerment. This will be ensured by including disbursements associated to gender targets; support strategies that accelerate the use of social services by migrant women and girls; ensure that the design and implementation of initiatives take into account care alternatives (nurseries, care spaces) that guarantee women's participation; encourage access to credit for migrant women; support for the collection of gender-disaggregated data to monitor gender roles and activities in the sector; actions to ensure gender mainstreaming in the programmes' design. Finally, the Action will promote the access of women and LGBTI migrants to technical and professional training on equal terms with men and in non-traditional areas (i.e. avoiding the reinforcement of gender stereotypes). This will be done by promoting consultation with organisations representing rights of women, for which consultation with human rights organisations will be promoted.

Human Rights

In the framework of bilateral policy dialogue with the Colombia, the EU will promote the integration of migration into national development planning and policy setting in participating sectors. A good understanding of the cross-cutting nature of human rights considerations is the basis for an effective mainstreaming of human rights consideration into migration policies, for which consultation with human rights organisations will be promoted.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D1. This implies that the socioeconomic integration of persons with disabilities will be particularly targeted by the project, with the participation of organisations representing rights of persons with disabilities.

Democracy

Integration of migrants is vital for social cohesion and economic development, and their participation constitutes a significant dimension of integration into a society. Depending on their status in the country, migrants have limited rights to political participation. In this sense, this action will promote the civil participation of migrants and their host communities as a way to build bridges to their host communities. The project will promote the participation of migrants' organisations, both in decision-making regarding public policies that affect them and in the implementation of measures for the integration of their constituencies.

Conflict sensitivity, peace and resilience

Migration can be a factor of conflict or a contributor to peace. This action is intended to help turn the "migration crisis" into an opportunity for the country rather than a potential cause of destabilisation. In order to contribute to social cohesion and reduce xenophobia, this action will work simultaneously with host communities for their economic inclusion. In the case that victims of the armed conflict in Colombia (including IDPs) are identified among host communities, a differential approach will be applied. Actions will be tailored taking into account that the regions affected by Venezuelan migration remain heavily marked by conflict and violence. In addition, special attention will be paid to the impacts of migration on indigenous territories in Colombia and, conversely, to the specific situation of indigenous peoples living on the Venezuela-Colombia border.

Disaster Risk Reduction

Migrants are more vulnerable to a disaster, as they may not be aware of the systemic and complex risks that might arise from their settlement in exposed areas. They may also experience greater vulnerability if their living conditions are below average, which leads to the configuration of new risk scenarios in the face of natural, socio-natural and anthropogenic hazards in these exposed areas. In addition, climate change and extreme weather events might damage critical infrastructure, raise operational costs for businesses and thus slow down or inhibit economic development in affected areas. This action will develop tools to assess the specific risk levels of the supported communities as well as the areas of their settlement, integrate capacity building for local governments to provide them with timely support and information regarding these existing scenarios and reduce fragility factors at the same time. This includes profound, evidence-based scenario planning for risks and uncertainties and provides opportunities for active participation of migrants in the decision-making processes for a risk informed development of the region.

3.4 Risks and Lessons Learnt

The 2022 Risk Management Framework presented an overall moderate risk; all categories represent a moderate risk except for the political system and corruption, which presents a substantial risk.

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
Global	The COVID-19 pandemic persists and restrictive mobilisation measures are in place at the local, national and international levels	Medium	High	<p>The aim is to schedule virtual activities alternating as much as possible with face-to-face activities, which are adapted to the needs of the program. Stakeholders (right holders, institutions, partners coordinate according to situation)</p> <p>Biosafety assessment for all our implementing partners included in the project.</p> <p>Review partners' current capacity to use virtual media and if necessary, provide additional technological resources and training</p>
Security	Deteriorating security conditions due to the presence of criminal gangs and armed groups, pursuing illegal economic activities and recruiting migrants and vulnerable locals.	Medium	Medium	<p>A continuous dialogue will be maintained with the national, regional, and local Government throughout the whole intervention and will be reinforced in case security situation worsens.</p> <p>The Action will cooperate with civil society and private partners that are recognised by the different stakeholders in the territories.</p>
Political	Shifting priorities of the new government	Medium	High	<p>Continued efforts will be made to ensure that existing good relations with implementing partners and national governments are maintained with newly appointed officials and civil servants.</p> <p>Conduct advocacy activities with the new government to demonstrate the effectiveness and impact of the Action so far, as well as impact expected from this additional contract.</p> <p>Regional cross-border perspectives and lessons learned from the Action will be systematised</p>

				and shared with the government of Colombia and in regional advocacy forums/ spaces.
Institutional	Structural weakness of public and community bodies at decentralised level	Medium	Medium	Support community and institutional strengthening activities through decentralised instruments for the sustainable development of local communities
Institutional	Possible conflicts of interest, tensions between stakeholders	Medium	Medium	The programme cycle, including the action design process, ensures meaningful and inclusive and accessible participation for all participants throughout the action. This is reflected in the proposed governance structure
Sectoral financing	Budget cuts and the consequences of oil price fluctuations, social mobilisations and their fiscal consequences, inflation and recession.	Medium	High	The Delegation, in the framework of the policy dialogue, will verify the institutional capacities and risks for implementation, carrying out advocacy actions with the Ministries to ensure adequate budgetary coverage for the proposed Action
Private sector and civil society involvement	Weak participatory mechanisms to ensure active representation of the private sector and civil society.	Low	Medium	The Program includes the active participation of the private sector to mobilise support and co-investments.
Gender equity	Perpetuating gender inequalities	Medium	High	Design of gender-focused actions for women's empowerment and gender transformative change, in line with the EU's GAP III. Formulation and implementation of a methodology to record information disaggregated by sex, as well as to make women's participation as agents of change in actions visible. Budget Support disbursements associated to gender participation included. Participation of women in all areas, especially in decision-making bodies.
TEI	Tensions between Team Europe Initiative members	Low	Medium	This action has been formulated in close consultation with EU member states and there exists overall consensus on its relevance. Regular meetings at HOMs and HOCs level take place in which update of programmes on the two TEIs is provided.
Social cohesion	Discrimination, stigmatisation and xenophobia	Medium	High	It is important that the programme promotes public communication based on facts and verifiable data, as well as other measures to prevent and address discrimination and stigmatisation such as working with a community-based approach that also benefits host communities.

Political risks	Political situation in Venezuela could provoke an even more massive outflow of refugees and migrants in the future.	Medium	Medium	<p>The humanitarian crisis of refugees and migrants from Venezuela has consequences for the entire Latin American region.</p> <p>An effective contribution to solving this crisis can only be part of a regional effort.</p>
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Lessons Learnt:

- From emergency response to infrastructure, and to livelihood-oriented projects' analysis found that benefits to host governments (e.g., capacity-building) and addressing host communities' needs (including service delivery and infrastructure) had a positive impact on project achievements.
- The use of technology in migration-focused programming has been especially relevant for strengthening local capacity. The integration of technology is deemed as an "enabler".
- Services for migrants need to be well-targeted to their needs and vulnerabilities within the host community context. When donor responses implemented gender-sensitive approaches more successfully, they mitigated barriers of participation and access that mothers and women encounter regarding employment programs and service delivery.
- There is a continuous need to improve Monitoring, Evaluation, Research, and Learning (MERL) systems.
- A strong success factor in economic integration has been the collaboration with the private sector through formalised collaboration agreements, such as Public-Private-Partnership initiatives, in order to create new additional jobs for migrants and vulnerable locals. This always includes the mobilisation of additional private sector funds and contributions with project funds.
- The implementation of the Action is an opportunity to reach out to the highest political level by providing ongoing direct and honest feedback from its work on the ground about potential bottlenecks, system failures or other barriers to socioeconomic integration. The advocacy approach actively involves national, regional and local authorities (for example through credit committees) and allows them to have ownership over the Action's successes and impacts.
- Groups in vulnerable situation such as members of the LGBTI community, migrant women, or survivors of GBV violence require specific support to succeed in socioeconomic integration, due to the additional barriers and multiple discriminations they often face. This relates for example to the importance of social support networks. Members of vulnerable groups trust and benefit specifically from support offered through their peers; e.g. migrant women are more likely to trust the guidance of other migrant women (e.g. through diaspora organisations).
- A strong focus on socioeconomic integration of migrant and host communities should (i) target at an individual level the improvement of relevant labour-market skills (while considering barriers and access for example to capacitation) and / or providing resources for self-employment / entrepreneurship; (ii) involving the private sector on a local and regional level to create demand in the labour market and provide opportunities for qualified individuals to enter the formal labour market; and (iii) working with public institutions from the local to the national level to ensure that the overall conditions for socioeconomic integration are provided (e.g. this applies to the strong nexus between timely regularisation of the migrant community as a necessary precondition for their successful integration into the formal labour market and the social welfare system).

3.5 The Intervention Logic

Following their regularisation, a priority and major challenge for the new government will be the socio-economic integration of migrants and host communities. The present Action has two complementary approaches: Specific Objective 1 will promote a top-down public policy approach, which will be made possible through a top-up to the ongoing budget support programme "Green Economy", of EUR 20 M, in its goals for socio-economic integration of migrant populations and host communities. Specific Objective 2 will be implemented with a territory-based approach, through indirect management with an entrusted entity from a Member State, with experience in the sector and with programmes in place to mobilise a rapid, effective, and flexible response based on local needs.

The first approach (Specific objective 1) aims to improve the use of socio-economic integration services by the migrant population with equal opportunities for women. To achieve this objective, coordination between the a) Trade,

Industry and Tourism, b) Social Inclusion and c) Labour sectors, is essential, so that they commit part of their specific sector policy objectives of business development and job creation to contribute to the socio-economic integration of migrants and host communities. To this end, the programme will improve the quality and coverage of public services for entrepreneurship development (Induced output 1.1.1), so that their design not only facilitates access but also responds to the specific needs of this population. In addition, outcome-based commissioning policy instruments (ObCPI) have proven to be innovative and effective social policy instruments, particularly in terms of job placement for vulnerable populations. Their strengthening (Induced output 1.1.2) will be essential to achieve a better public response to employment generation for migrant and host communities based on private sector needs and an attractive incentive system for policy operators. Finally, Induced output 1.1.3 will seek to incorporate a gender equity approach in sectoral policies, which seeks to ensure equal opportunities for women's economic empowerment.

In a complementary manner, Specific Objective 2 (territory-based) will focus on generating partnerships with local and national authorities, private sector, civil society and communities, to create green and decent employment and economic opportunities for disadvantaged groups¹⁴. This will further include members of the LGTBIQ+ community. This will be achieved by (i) supporting public institutions to ensure that migrants and host communities have access to social assistance, regularisation and other measures facilitating economic and productive inclusion (Outcome 2.1.1); (ii) supporting CSOs and identifying innovative ways with the private sector to promote labour and economic integration and local economic development (Outcome 2.1.2); (iii) enhancing employability through skills development and fostering self-employment opportunities (Outcome 2.1.3); (iv) developing the capacity of civil society organisations to apply gender, disability and age-differentiated approaches at local level (outcome 2.1.4).

Given that both national and territorial policies are implemented at the local level, the two proposed approaches will work in a complementary way. The aim is to respond to local needs with a territorial and community-based approach, whilst facilitating dialogue and coordination between local, regional and national actors; strengthen local capacities while drawing on national and local resources to adapt the response to the local context. The goal is to provide a more effective response to the integration of the migrant population by combining local solutions and sector policy response.

Implementation through budget support and indirect management with an entrusted entity will build on existing processes of response and care in prioritised areas, as well as allow for the use of flexible instruments that adapt to the migration flow dynamics, political priorities, and local conditions (e.g., existing industries with potential for further sustainable growth). This would include capacity-building of partner organisations and institutions (both at national and local levels), the provision of financial support to third parties and the promotion of a dialogue between local and national policies.

The development of partnerships to advance integration with the sequential logic of the triple nexus (humanitarian, development and peace) will be coordinated with Member States that have ongoing activities in humanitarian response and rehabilitation. The Spanish Agency for International Cooperation and Development (AECID) has also expressed the possibility of parallel co-financing in some of the prioritised regions and thematic areas of this Action. This possibility will be further explored during the next formulation phase.

The Action will contribute to climate action objectives. Priority will be given to ensuring that the economic sectors with which it coordinates are climate responsible and that economic opportunities in green and sustainable businesses and jobs are exploited. This could include, depending on the local economic context, cooperation with companies in the technology and digital industries, for example under the premise of the Twin-Transition (coordinated green and digital transition), companies active in recycling and reuse/saving of raw materials, environmentally responsible companies in the agricultural and food sector or companies dealing with public goods.

Policy dialogue will be a fundamental element of both components of the programme, in the case of specific objective 1 at the national level, and in the case of specific objective 2 with an emphasis on the local level and on the dialogue between the two levels. Among the issues preliminarily identified for policy dialogue are (i) the implications of the human mobility in policies for the integration of migrants and host communities; (ii) government strategies aimed at preventing discrimination and xenophobia within a framework of social cohesion; (iii) the unequal, violent and discriminatory social and economic environment faced by migrant women; (iv) the role of the private sector in making migration a factor of development for the country. (v) the role of local authorities, civil society and diaspora organisations.

Work will also be carried out to advise relevant partners in reducing the exposure of the migrant population and their host communities to climate risks, e.g. through piloting new approaches to climate-risk adaptation, creating necessary

¹⁴ Women, young people, people with disabilities, elderly.

evidence, response plans and overall capacities of relevant actors in the field. In addition, in line with the bottom-up and community-led approach, the capacities and knowledge of communities regarding environmental preservation and protection techniques, sustainable and resource-efficient economic practices as well as recycling will be strengthened.

3.6 Logical Framework Matrix

BUDGET SUPPORT MODALITY as reflected by the national/sector public policy supported (4 levels of results / indicators / Baselines / Targets / Source of Data - no activities)

Caveat: the indicators used in the LFM refer to the budget support intervention logic. They help monitoring the implementation of the programme in view of its objectives and later evaluate its contribution to country policy's achievements. The list of indicators below should not be understood as the list of indicators informing the disbursement of variable tranches and spelled out in the relevant part of the financing agreement signed with the partner country, although some indicators may be used for both purposes and will be marked accordingly.

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Project modality

At action level, the indicative logframe should have a maximum of 10 expected results (Impact/Outcome(s)/Output(s)).

It constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

Note: This programme has a double intervention modality, budget support will be used for outcome 1 and project modality for component 2. In the table below both intervention modalities have been integrated into one Logical Framework Matrix.

Results	Results chain (@): Main expected results (maximum 10)	Indicators (@): (at least one indicator per expected result)	Baselines (2022)	Targets (2026)	Sources of data	Assumptions
Indicative Impact	To promote social cohesion while maintaining peace and economic growth.	1 Ratio of income share of bottom 40%/top10% 2 Intentional homicides (per 100,000 people) by sex 3 Annual growth rate of real GDP per capita	1 N.A 0.12 (2021) 2 N.A 23 (2020) 3 N.A 9.4% (2021)	1 TBD 2 TBD 3 TBD	1 UNDP 2 World Bank data 3 World Bank data; Reports from the Ministry of Finance	<i>Not applicable</i>
Outcome 1 (Budget support)	1 Contributions have been made to improve the use of socio-economic integration services by the migrant population with equal opportunities for women.	1.1 Multidimensional index of socio-economic integration of migrant population 1.2 Education level of the migrant population disaggregated by sex 1.3 Number of practices aimed at removing barriers preventing women from market access, investment and business development (FPI RF) (GAP III indicator) 1.4 Number of measures aimed on social inclusion of persons with disabilities, such as social, employment, educational or housing and independent living related supports	1.1 N.A 5.3 (2021) 1.2 TBD 1.3 TBD 1.4 TBD	1.1 TBD 1.2 TBD 1.3 TBD 1.4 TBD	1.1 National Department of Planning, Migration Observatory 1.2 Statistics from DANE 1.3 Reports from the Presidential Advisory Office for Gender Equality and the Ministry of Trade, Industry and Tourism. 1.4 Reports from the Presidential Advisory Office for the Participation of Persons with Disabilities and Prosperidad Social	Not applicable for the budget support component
Outcome 2 (Indirect management with an entrusted entity)	2 The opportunities for a more sustainable integration of the migrant population and host communities into local economies have been improved without leaving no one behind (applying a gender, disability	2.1 Number of members of the migrant community and host community that were oriented, registered in and accessed the social welfare system. 2.2 Number of members of the migrant and host communities that successfully accessed employment (at least 50% women, 30% migrant community, 30% host community). 2.3 Number of start-ups created, X SMEs strengthened, for the migrant	2.1 0 2.2 672 2.3 358 start-ups, 701 SMEs 2.4 0 2.5 0 2.6 0	2.1 100.000. 2.2 2.172 (+1.500(of which formal jobs: 210) 2.3 658 (+300 start-ups) and 901 (+ 200 SMEs)	2.1 Reports and databases from public and partner institutions (e.g., grant recipients) 2.2 Reports and databases from public and partner institutions (e.g., grant recipients) 2.3 Reports and databases from public	The main success factors for successful and sustainable integration of migrant and host communities are (1) adequate public support systems and processes that create the conditions to facilitate the integration of the migrant and host communities, (2) demand and initiative of the private sector for additional labour force recruited from the migrant and host communities, (3) relevant skills, capacities and resources at an individual level, as well as a (4)

	and age differential approaches).	<p>and host communities (at least 50% women, 30% migrant community, 30% host community).</p> <p>2.4 Number of gender-responsive policies approved by partner government in the green economy sector (GAP III indicator).</p> <p>2.5 Number members of migrant and host communities capacitated in professional and soft skills relevant for the local or national labour market.</p> <p>2.6 Number of measures with public institutions, businesses and CSOs on the inclusion of vulnerable migrant and host communities (e.g., applying a gender, disability and age differential approaches)</p>		<p>2.42</p> <p>2.5 2.500 (see also 2.3.3 and 2.2.4)</p> <p>2.6 7</p>	<p>and partner institutions (e.g., grant recipients)</p> <p>2.4 Project documents, contracts, MoU, etc.</p> <p>2.5 Reports and databases from public and partner institutions (e.g., grant recipients)</p> <p>2.6 Project documents, contracts, MoU, etc.</p>	<p>transversal approach focusing on vulnerable members of those communities and supporting their integration.</p> <p>Ongoing readiness and openness of government institutions, the private sector and other relevant partners for the socioeconomic integration of the migrant and host communities.</p> <p>Socioeconomic integration in Colombia as a continued goal of the migrant community.</p> <p>There will be no sharp increase in xenophobia against the migrant community.</p> <p>Macro-conditions do not change in an unpredicted way (local, national and regional security, infrastructure, change of political priorities, phenomena of change of refugees and migration flows – such as a massive return to Venezuela; political and economic relations with Venezuela).</p> <p>The reestablishment of diplomatic ties and the reopening of the commercial border to Venezuela happens in a secure, controlled and gradual manner.</p> <p>Conditions do no change significantly regarding overall economic development, development of industries on a local and national level or demand in the labour market.</p>
Output 1 relating to Outcome 1	1.1 Improved quality and coverage of the provision of entrepreneurship development services for migrants and host communities.	1.1.1 Average percentage increase in sales of businesses of migrants, returnees and Colombians living in host communities that manage to improve their sales.	1.1.1 $\geq 7\%$	1.1.1 $\geq 7\%$	1.1.1 The results of the programmes will be reported in the Management Report of the Trade, Industry and Tourism Sector or in other sectoral public reports. .	Not applicable for the budget support component

Output 2 relating to Outcome 1	1.2 Outcome-based commissioning policy instruments (ObCPI) for the labour inclusion of the migrant population and host communities have been strengthened	1.2.1 Number of participants from migrant, returnee and Colombian population living in host communities placed in formal employment with a minimum retention of 3 to 6 months by gender	1.2.1 150	1.2.1 3300	1.2.1 The indicator will be reported in the annual management report of Social Prosperity and SENA (public report).	Not applicable for the budget support component
Output 3 relating to Outcome 1	1.3 Increased Women's economic participation and empowerment	1.3.1 No. of women assisted by programmes for strengthening entrepreneurial initiatives and for job placement	1.3.1 9622	1.3.1 19500	1.3.1 The indicator will be reported in the annual management report of the Ministry of Trade, Social Prosperity and SENA (public report).	Not applicable for the budget support component
Output 1 relating to Outcome 2	2.1 Public support and management systems for the economic integration of migrant population are strengthened at both the national and local level.	<p>2.1.1 Number of strategic alliances with public institutions, private sector and representatives, CSO and diaspora for the access of migrant and host communities to regularisation and the social welfare system developed with support of the EU-funded intervention.</p> <p>2.1.2 Number of measures supported by the EU funded intervention for public institutions for the access of migrant and host communities to regularisation and the social welfare system (e.g., through articulation with diaspora organisations).</p> <p>2.1.3 Number of measures to support public institutions in managing climate risks and health effects of climate change in host communities developed with support of the EU-funded intervention</p> <p>2.1.4 Number of migration management or forced displacement strategies or policies (a) developed/revised, or (b) under implementation with EU support (GERF 2.21)</p>	<p>2.1.1 0</p> <p>2.1.2 5</p> <p>2.1.3 0</p> <p>2.1.4 0</p> <p>2.1.5 121.129</p>	<p>2.1.1 12</p> <p>2.1.2 12 (+7)</p> <p>2.1.3 3</p> <p>2.1.4 7</p> <p>2.1.5 221.129 (+100.000)</p>	<p>2.1.1 Project documents, contracts, MoU, etc.</p> <p>2.1.2 Project documents, contracts, MoU, etc.</p> <p>2.1.3 Project documents, contracts, MoU, etc.</p> <p>2.1.4 Project documents, contracts, MoU, etc.</p> <p>2.1.5 Project documents, contracts, MoU, etc.</p>	<p>The new Government is continuing the positive approach to migration policy and socioeconomic integration of the migrant communities (including measures regarding pendular migration in border regions and returning Colombians).</p> <p>Political will exists to support opportunities for migrants to gain access to social welfare systems, formal labour markets, to reduce barriers to employment, and to facilitate framework conditions for initiating economic activities.</p> <p>There is political interest by the new government to provide access to regularised migrants to social services (e.g., health, education, housing, and others).</p> <p>Discrimination against Venezuelans does not prevent recruitment into formal labour market or inclusion into social welfare systems.</p>

		2.1.5 Number of Venezuelan refugees and migrants and individuals from their host communities directly benefiting from assistance funded by the EU (MIP Indicator)*				
Output 2 relating to Outcome 2	2.2. Job placement opportunities have been strengthened in cooperation with the private sector.	<p>2.2.1 Number of measures with the private sector to create demand and offer employment to migrant and host communities.</p> <p>2.2.2 Number of advocacy initiatives for the inclusion of migrant and host communities (with a specific focus on members of LGBTI community, women, people with disabilities) in cooperation with CSO and diaspora organisations.</p> <p>2.2.3 Number of innovative, environmentally sustainable (e.g. green jobs, digital jobs, “Twin Transition”) and socially acceptable measures for the socioeconomic integration of migrant and host communities have been piloted with strategic partners of the public and private sector with support of the EU-funded intervention</p> <p>2.2.4 Number of migrants, refugees, and internally displaced people or individuals from host communities protected or assisted with EU support (GERF 2.20)</p>	<p>2.2.1 14</p> <p>2.2.2 2</p> <p>2.2.3 0</p> <p>2.2.4 33.487</p>	<p>2.2.1 26 (+12)</p> <p>2.2.2 9 (+7: (4) with private sector and (3) with partners</p> <p>2.2.3 3</p> <p>2.2.4 at least 37.500 (+1.500 jobs and 300 start-ups, 200 SMEs, tbd) +2.500 protected persons (cf 2.5 and 2.3.3)</p>	<p>2.2.1 Project documents, contracts, MoU</p> <p>2.2.2 Cooperation agreement for advocacy initiatives</p> <p>2.2.3 Project documents, contracts, MoU</p> <p>2.2.4 Project documents, contracts, MoU</p>	<p>Companies and public institutions are willing to hire (vulnerable) members of the migrant and host communities.</p> <p>Legal security for the private sector.</p>
Output 3 relating to Outcome 2	2.3 The employability of the migrant population and host communities has been enhanced, thus improving access to the labour market.	<p>2.3.1 Number of cooperation agreements to foster SME and start-ups of members of the migrant and host communities with a focus on members of the LGBTI community, women, people with disabilities developed with support of the EU-funded intervention.</p> <p>2.3.2. Number of cooperation agreements for the capacitation and certification of migrant and host</p>	<p>2.3.1 8</p> <p>2.3.2 3</p> <p>2.3.3 2.398</p> <p>2.3.4 0</p>	<p>2.3.1 12 (+4)</p> <p>2.3.2 TBD 6 (+3)</p> <p>2.3.3 TBD+4.898 (+ 2.500)</p> <p>2.3.4 TBD 3</p>	<p>2.3.1 Project documents, contracts, MoU</p> <p>2.3.2 Project documents, contracts, MoU</p> <p>2.3.3 Project documents, contracts, MoU</p> <p>2.3.4 Project documents, contracts, MoU</p>	<p>Companies and public institutions are willing to hire (vulnerable) members of the migrant and host communities.</p> <p>Socioeconomic integration in Colombia as a continued goal of the migrant community.</p>

		<p>communities in professional and soft skills relevant for the labour market.</p> <p>2.3.3 Number of people directly benefiting from EU supported interventions that aim to reduce social and economic inequality (GERF 2.39)*</p> <p>2.3.4. Number of improvements in community and workspaces to provide infrastructure that allows for the mobilisation of persons with disabilities.</p>				
Output 4 relating to Outcome 2	<p>2.4 Gender, disability and age differential approaches and integrated climate risk management have been reinforced in socio-economic integration strategies at the local level.</p>	<p>2.4.1 Number of communication campaigns and social media actions have promoted the socioeconomic integration of vulnerable migrant and host communities (e.g., members of LGBTI community, women, people with disabilities) and climate risk management.</p> <p>2.4.2 Number of emblematic cases analysed, documented and discussed on specific challenges, systemic risks factors and resilient approaches for successful socioeconomic integration in different regions of the country (e.g. border area vs. inland), especially for vulnerable migrant and host community members (e.g. members of LGBTI community, women, people with disabilities) regarding public institutions services and capacities, critical infrastructure services, private sector.</p>	<p>2.4.1 0</p> <p>2.4.2 0</p>	<p>2.4.1 15</p> <p>2.4.2 4</p>	<p>2.4.1 Evidence from implementation of communication campaign materials (reports, photo documentation, videos, etc.)</p> <p>2.4.2 Reports and databases from partner institutions that received support through the Action.</p>	<p>The willingness of public institutions and companies to protect the rights of and integrate vulnerable groups, such as the LGBTI community, remains.</p>

* MIP Indicator

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the partner country.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation of the Budget Support Component

4.3.1 Rationale for the Amounts Allocated to Budget Support

The amount allocated for the budget support component is EUR 4,000,000, as a top-up to the budget support "Inclusive, Green and Competitive Economy" under decision LA/2020/042-948. This amount is based on a broad qualitative assessment of the following elements:

- Political and strategic priorities aiming at ensuring the integration of migrants and host communities as a development factor for Colombia.
- High public policy's implementation -past and present- track record and political will to put the socioeconomic integration of migrants and host communities at the forefront of the political agenda.
- Strong commitment from the Government to execute national budget resources (including EU budget support) in support of national public policies, development strategy and objectives, and to follow standard national budget procedures.
- Given the complexity of the Venezuelan migration crisis, the scale and number of institutions and actors involved, a budget support programme associated with an indirect management with an entrusted entity will ensure efficiency, cost-effectiveness, national and sub-national coordination and national ownership and impact.
- The response to the integration of migrants and host communities cannot wait, therefore the EU decides to make a top-up to the Green Economy budget support so that response measures can be quickly implemented by the national government.
- The results-based orientation of the country's development strategy, including strong monitoring systems.

The following disbursement calendar and profile proposed for the action is indicative. The actual disbursement calendar and profile will be set out in the financing agreement and may remain subject to change.

Tranche/year	Year N 2025 (reports to December 2024)	Year N + 1 2026 (reports to December 2025)	Year N + 2 2027 (reports to December 2026)	Total (M EUR)
	Q3	Q3	Q3	
Fixed Tranche	0	0	0	0
Variable Tranche	1	1.5	1.5	4.0
Total (M EUR)	1	1.5	1.5	4.0

4.3.2 Criteria for Disbursement of Budget Support

a) Conditions

The general conditions for disbursement of all tranches are as follows:

- Satisfactory progress in the implementation of the CONPES 4100 “Strategy for the Integration of the Venezuelan Migrant Population as a Factor of Development for the Country” and continued credibility and relevance thereof or of the subsequent policy.
- Maintenance of a credible and relevant stability-oriented macroeconomic policy or progress made towards restoring key balances.
- Satisfactory progress in the implementation of reforms to improve public financial management, including domestic revenue mobilisation, and continued relevance and credibility of the reform programme.
- Satisfactory progress with regard to the public availability of accessible, timely, comprehensive, and sound budgetary information.

b) The performance indicators for disbursement to be used for variable tranches may focus on the policy priorities that ensure to developed entrepreneurship and employment opportunities for the migrant population and host communities.

c) Modifications.

The chosen performance indicators and targets to be used for the disbursement of variable tranches will apply for the duration of the action. However, in duly justified cases, the partner country and the Commission may agree on changes to indicators or on upward/downward revisions of targets. Such changes shall be authorised in writing ex-ante, at the latest at the beginning of the period under review applicable to the indicators and targets.

In exceptional and/or duly justified cases, for instance where unexpected events, external shocks or changing circumstances have made the indicator or the target irrelevant and could not be anticipated, a variable tranche indicator may be waived. In these cases, the related amount could either be reallocated to the other indicators of the variable tranche the same year or be transferred to the next variable tranche the following year (in accordance with the original weighting of the indicators). It could also be decided to re-assess an indicator the following year against the original target, if there was a positive trend and the authorities did not reach the target because of factors beyond their control. The use of this provision shall be requested by the partner country and approved in writing by the Commission. The use of undisbursed funds may be re-allocated to other components of the programme.

d) Fundamental values

In case of a significant deterioration of fundamental values, budget support disbursements may be suspended, reduced or cancelled, in accordance with the relevant provisions of the financing agreement.

4.3.3 Budget Support Details

The amount allocated for the budget support component is as a top up of EUR 4,000,000 to ongoing sector reform performance contract “Inclusive, Green and Competitive Economy” under decision LA/2020/042-948, with three variable tranches for a total amount of EUR 4,000,000 to be paid according to sector policy performance and targets achievement.

Budget support is provided as direct untargeted budget support to the national treasury. The crediting of the euro transfers disbursed into COP (Colombian pesos) will be undertaken at the appropriate exchange rates in line with the relevant provisions of the financing agreement.

4.4 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

4.4.1 Indirect Management with an entrusted entity

A part of this action may be implemented in indirect management with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) under the modality of indirect management with an entrusted entity. The implementation entails specific objective 2, which seeks to improve opportunities for successful and sustainable integration of the migrant population into local economies without leaving anyone behind.

The selection took place on the basis of the following criteria:

- Important track record in terms of support and attention to the migrant population in Colombia.
- Presence in critical areas of the country in response to the migration crisis.
- Good knowledge of the territorial context in migration areas and a good relationship with national and local stakeholders.
- Co-financing capacity.

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

4.4.2 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5 Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Third-party contribution, in currency identified
Budget support ¹⁵ - cf. section 4.3	4 000 000	N/A
Implementation modalities – cf. section 4.4		
Specific objective 2: To improve the opportunities for successful and sustainable integration of the migrant population ¹⁶ into local economies without leaving anyone behind, composed of:		
Indirect management with an entrusted entity: GIZ cf. section 4.4.1	6 000 000	1 500 000 ¹⁷
Totals	10 000 000	TBD

4.6 Organisational Set-up and Responsibilities

The Action proposes to set up a structured sector policy dialogue at technical, strategic and policy levels.

¹⁵ The amount allocated for the budget support component is EUR 4,000,000, as a top up to the budget support “Inclusive, Green and Competitive Economy” under decision LA/2020/042-948.

¹⁶ Throughout this document when referring to migrant population it is understood as migrants, refugees, asylum seekers, Colombian returnees, host communities and internally displaced people. Some results may have an emphasis on marginalised groups.

¹⁷ A contribution of at least 20% of the total value has been confirmed.

For the budget support component, dialogue will be led by the EU Head of Delegation, with the Ministers of (i) External Relations, (ii) Trade and (iii) with Prosperidad Social. Through high level political dialogue, stakeholders will reinforce their firm commitment to peace, fundamental values, human rights, gender equality and participation and inclusion of women, youth and all ethnic communities as well as to international goals (SDGs, Paris Agreement, etc.).

The HoD and the Ministers will chair at least two high level political dialogues per year involving the international community (HoM level), the national government (ministries, agency directors) and civil society in order to discuss sector policy challenges, financing mechanisms, and resources mobilisation and policy implementation progress.

A Steering Committee will be set up with the following tasks:

- Analyse overall progress in policy implementation, particularly the achievement of the budget support targets
- Submit periodical and ad hoc reports to the EU Delegation and the Government of Colombia on the progress and fulfilment of targets.
- Revise the Technical Committee's reports.
- Ensure an adequate implementation of the indirect management with an entrusted entity modality.
- Foster the harmonisation and complementarity of the programme with other ongoing projects in the sector from international cooperation agencies and development banks.

A Budget Support Technical Committee will ensure – through at least 3 sessions per year- technical follow-up of indicators and targets; supervision of results implementation; risk and mitigation measures identification; production, revision and presentation of reports; prepare disbursement requests and follow up; donor coordination, communication and visibility and; timely decisions to ensure a global satisfactory implementation. This Committee will be composed by the technical staff from the following institutions: Ministry of Trade, Industry and Tourism, Ministry of External Relations, Prosperidad Social and SENA, the Presidential Cooperation Agency and the Delegation of the European Union. In order to ensure coordination with Specific Objective 2, the GIZ project coordinator will participate on a permanent basis. Representatives of member states, other cooperation agencies involved in the sector and relevant public institutions, civil society and private sector partners may be invited.

For the indirect management with an entrusted entity component, the implementing entity will be responsible for day to day operations of the action. Considering the wide array of support to this matter from different actors from the public, civil society, private sectors and other donors, strong coordination will be a key trait of this action. A Project Steering Committee (PSC), including representatives of the implementing entity, governmental institutions and the EU delegation shall convene once every six months to receive an update of the implementation of the activities and decide on actions of strategic nature if necessary. Member States and like-minded donors who support the integration of migrants in the country will also form part of the steering committee and other interested partners may be invited to take part as observers. Additionally, when convened, the technical committee of TEI peace will be informed about the progress of the action to ensure proper coordination with Member States and like-minded donors.

The implementing entity would be acting as technical secretary of the PSC and will organise information videoconferences with the EU Delegation. Close coordination, communication and information will be maintained with the EU. In addition, as part of the communication strategy, the organisation of events, important meetings or invitations to the respective Head of EU Delegation or senior officials, etc. will be announced and communicated in advance to the Delegation. This good practice will allow improved coordination between the implementing entity and the EU as partners in this action and will contribute to generating interest and awareness among the different relevant stakeholders in Europe, beyond the immediate area of intervention.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

4.7 Pre-conditions

NA

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partners' responsibilities. To this aim, the implementing partners shall establish a permanent internal, technical and financial monitoring systems for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Monitoring of the budget support component

The statistical and monitoring systems as well as the quality of official data in the policy field covered have been assessed. This assessment has fed into the design of the action as follows:

In view of the need to have access to sectoral and cross-sectoral information as evidence for decision-making in migration management, specific tools were developed for the tracking and monitoring information on migration. These include the Colombian Observatory on Migration from Venezuela under the National Department of Planning (DNP); the National Observatory on Migration and Health of the Ministry of Health and Social Protection.; DNP's Multidimensional Integration Index for Migrants from Venezuela (IMI); and systems, such as the Integrated Migrant Population Information System (SIEM). These tools allow for public consultation of aggregated migration data and at the same time generate analyses and reports for the construction and monitoring of programmes and strategies to address and integrate the migrant population.

Both CONPES policy 3950 and the Comprehensive Migration Policy draw attention to the need to collect, process, analyse and evaluate information that allows for the characterisation of the Venezuelan migrant population as an essential element for the design, formulation, implementation, monitoring and evaluation of the public policy. To this end, Conpes 4100 foresees that the Administrative Department of the Presidency will design, implement and monitor an intersectoral coordination strategy for social and cultural integration of the Venezuelan migrant population. For this purpose, resources are available from the complementary support of the Green Economy budget support, which will be available by the end of 2022.

Monitoring of the indirect management with an entrusted entity component

A results-based monitoring system will be established by the implementing entity to generate data on the progress of the indirect management with an entrusted entity component of the action on a regular basis. Data will be used for programme steering as well as for progress reporting. All monitoring activities and plans will be shared with the EU in order to strengthen joint monitoring efforts. The basis for the monitoring system is the action's logframe with its underlying indicators for specific objectives and outputs under the indirect management with an entrusted entity component (Specific Objective / Outcome 2 and Outputs 2.1–2.4). The logframe will be used as a management tool to measure progress on impact, outcome and outputs, allowing for adjustments and revisions at the output, activity and indicator level in order to effectively achieve the expected Specific Objective / Outcome 2.

Monitoring will take both financial and technical aspects into consideration. Technical monitoring is related to the impact of the programme at the level of the objective indicators, as well output indicators. Financial monitoring records the degree of financial execution as planned, globally and annually. The implementing entity will monitor financial management based on its own pillar-assessed quality standards and ensure consistency between technical implementation and financial execution.

Monitoring contributes to the action by doing the following:

- Implement corrective or alternative measures according to indicators.
- Adjust how funds should be distributed in all activities, support in decision-making.

- Collect information that can be used in the evaluation process and for reporting purposes.

Information on monitoring activities can also be disseminated to different groups outside the programme (e.g. Grupo Interagencial para los Flujos Migratorios Mixtos in Colombia; Team Europe Initiative Peace Colombia).

The implementing entity will design a monitoring system that establishes the main technical elements that will allow progress to be tracked in relation to the fulfilment of the Specific Objective / Outcome 2, Outputs 2.1-2.4 and related indicators in the three countries. The following elements have been identified:

- Logical Framework Matrix of the action: objectives, outcomes, indicators, baselines, goals, sources of verification.
- Interpretative analysis of indicators: a basic document with a common understanding of what the achievement of the indicator would mean.
- Construction of baselines: in order to know the starting point of the action in relation to the information required by the indicator.
- Disaggregation of the information based on the groups prioritised in the Action's design.

Likewise, all monitoring and reporting shall assess how the action is considering the principle of gender equality, human rights-based approach, and rights of persons with disabilities including inclusion and diversity indicators shall be disaggregated at least by sex and disability.

5.2 Evaluation

Having regard to the importance of the action, a final evaluation will be carried out for this action or its components contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that it is a new policy, as well as novel institutional and implementation arrangements that need to show verifiable results in the short term.

The evaluation of this action may be performed individually or through a joint strategic evaluation of budget support operations carried out with the partner country, other budget support providers and relevant stakeholders.

The Commission shall inform the implementing partner at least 1 month in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination¹⁸. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

In addition, all evaluations shall assess to what extent the action is taking into account the human rights-based approach as well as how it contributes to gender equality and women's empowerment and disability inclusion. Expertise on human rights, disability and gender equality will be ensured in the evaluation teams.

The financing of the evaluation may be covered by another measure constituting a Financing Decision.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

¹⁸ See best [practice of evaluation dissemination](#)

In line with the 2022 “[Communicating and Raising EU Visibility: Guidance for External Actions](#)”, it will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union’s support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, duty bearers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

Appendix 1 REPORTING IN OPSYS

A Primary Intervention (project/programme) is a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

Articulating Actions or Contracts according to an expected chain of results and therefore allowing them to ensure efficient monitoring and reporting of performance;

Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e., audits, evaluations);

Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention chosen can be modified (directly in OPSYS) and the modification does not constitute an amendment of the action document.

Contract level		
<input checked="" type="checkbox"/>	Single Contract 1	Sector Reform Performance Contract
<input checked="" type="checkbox"/>	Single Contract 2	Indirect management with an entrusted entity