Decentralization in Colombia

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Decentralization in Colombia

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

**Territory**
- Location: North West of South
- Surface: 2 129 748 km²

**State**
- Government Type: Presidencial
- State: Unitary, decentralized, social, democratic

**Territorial Entities – Territorial division**
- 32 Departments
- 1102 municipalities

**Population**
- 47 million people
- **Ethnic Groups**: Indigenous, Afro-Colombian, Raizales, Rom (Gypsies)
I. Generalities

Colombian Territorial Organization

Political - Administrative Division
- Departments
- Municipalities

Other Administrative Divisions
- Associative Schemes
  - Metropolitan areas
  - Administrative Planning Regions
  - Planning and Management Regions
  - Departments Associations
  - Administrative planning Provinces
  - Municipalities Associations

Territorial Entities provided by the constitution
- Indigenous territorial entities
- Provinces
- Regions
II
AGENDA

DESIGNING DEVELOPMENT POLICY WITH HETEROGENEOUS REGIONS

Decentralization in Colombia
II. Designing development policy with heterogeneous regions. Regional gaps reduction strategy: main features

**Municipalities: 2014 Typology**

Based on income and population.

**Municipalities: National Development Plan Typology**

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

- 91% Typologies 5 and 6
- 0.5% 5 municipalities
- 6% 63 municipalities
- 14% 158 municipalities
- 24% 261 municipalities
- 27% 293 municipalities
- 19% 209 municipalities
- 10% 111 municipalities
II. Designing development policy with heterogeneous regions. Regional gaps reduction strategy: Planning Method

Gaps Reduction Strategy

1. Regions should make bigger efforts in order to reduce social inequalities, according to their development level.

2. Objective: to establish efficiency goals in each economic sector according to regional differentiated features.

Variables:
- **Education:**
  - Net Average Education Coverage.
  - High School Math state Test.
  - Literacy.
- **Health:**
  - Vaccination.
  - Child Mortality.
- **Publics Services:**
  - Water and sewerage coverage.
- **Housing**
  - Quantity/availability.
  - Quality.
II. Designing development policy with heterogeneous regions. Socioeconomic gaps reduction strategy: results

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

<table>
<thead>
<tr>
<th>Integrated Effort</th>
<th>Municipalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>108</td>
</tr>
<tr>
<td>Mid-High</td>
<td>551</td>
</tr>
<tr>
<td>Mid-Low</td>
<td>322</td>
</tr>
<tr>
<td>Low</td>
<td>121</td>
</tr>
<tr>
<td>Total</td>
<td>1102</td>
</tr>
</tbody>
</table>
II. Designing development policy with heterogeneous regions. Socioeconomic vs. infrastructure

<table>
<thead>
<tr>
<th>Socioeconomic Gaps</th>
<th>Efforts needed to reduce socioeconomic gaps</th>
<th>Infrastructure Gaps</th>
<th>Efforts needed to reduce infrastructure gaps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efforts needed to reduce socioeconomic gaps</td>
<td>High</td>
<td>Mid High</td>
<td>Mid Low</td>
</tr>
<tr>
<td>High</td>
<td>27</td>
<td>67</td>
<td>14</td>
</tr>
<tr>
<td>Mid High</td>
<td>57</td>
<td>275</td>
<td>212</td>
</tr>
<tr>
<td>Mid Low</td>
<td>14</td>
<td>82</td>
<td>180</td>
</tr>
<tr>
<td>Low</td>
<td>25</td>
<td>58</td>
<td>38</td>
</tr>
<tr>
<td>Total</td>
<td>98</td>
<td>449</td>
<td>464</td>
</tr>
</tbody>
</table>

- Socioeconomic Gaps:
  - Cobertura Educación
  - Pruebas Saber 11
  - Tasa de Analfabetismo
  - Cobertura Vacunación
  - Mortalidad Infantil
  - Generación Recursos propios

- Infrastructure Gaps:
  - Cobertura Acueducto
  - Déficit de Vivienda (Cualitativo y Cuantitativo)
  - Calidad vías (Terciarias y Secundarias)
  - Déficit Aulas Jornada Única
  - Demanda de usuarios IPS 1, 2 y 3 nivel
  - Vocación Agrícola del territorio
  - Alcantarillado
  - Riesgo Ambiental
  - Cobertura Energía Zona Resto

Effort Strategy:
- High
- Mid High
- Mid Low
- Low
II. Designing development policy with heterogeneous regions: Socioeconomic vs. integral efficiency index (planning)

<table>
<thead>
<tr>
<th>Efforts needed to reduce socioeconomic gaps</th>
<th>Critical</th>
<th>Low</th>
<th>Mid</th>
<th>Salient</th>
<th>Satisfactory</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>10</td>
<td>22</td>
<td>35</td>
<td>36</td>
<td>5</td>
<td>108</td>
</tr>
<tr>
<td>Mid High</td>
<td>26</td>
<td>80</td>
<td>142</td>
<td>238</td>
<td>65</td>
<td>551</td>
</tr>
<tr>
<td>Mid Low</td>
<td>8</td>
<td>31</td>
<td>52</td>
<td>140</td>
<td>90</td>
<td>321</td>
</tr>
<tr>
<td>Low</td>
<td>6</td>
<td>14</td>
<td>39</td>
<td>62</td>
<td>121</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>44</td>
<td>139</td>
<td>243</td>
<td>453</td>
<td>222</td>
<td>1101</td>
</tr>
</tbody>
</table>

2 stories
1. Most municipalities are located in the satisfactory/salient levels and also require a mid-low/low effort to reduce socioeconomic gaps.
2. 138 municipalities with satisfactory efficient index levels also require high efforts to close socioeconomic gaps.
- Focus on **150 municipalities** with high violence incidence and high/mid-high effort to reduce economic gaps.

- Early victories can be achieved on **259 municipalities** with mid conflict incidence and mid high efforts to reduce economic gaps.
II. Designing development policy with heterogeneous regions. New typologies: Lessons and Opportunities

2. Sectoral investment:
3. Prioritization of municipalities to be included in technical assistance programs: Update 867 Land Use Plans.
5. Challenges and Opportunities:
   i. New typologies to differentiate municipalities’ institutional capacity to operate and execute programs are now exclusive to the national government.
   ii. It should be used for general public policy implementation.

   i. **Health**: Regional focus on project for amplifying immunization Vaccination Plan 2016–2010.
   ii. **Central Government Transfers**: Socioeconomic gap criteria to allocate resources from the National to the Subnational Governments.

   • **Infrastructure**: Socioeconomic gap criteria for co-founding levels for building and maintaining the local roads system.
Decentralization in Colombia
III. Decentralization Process in Colombia

What for?

- Improve efficiency in public spending
- Democratizing local life - Formal and effective political participation processes
- Strengthen Administrative, Fiscal and Territorial Autonomy
- Concrete responsibilities in the provision of services and allocation of resources that would perform better at other levels of government
- Optimize the use of goods and the provision of services according to territorial needs
- Improve social welfare
- Reduce regional inequality
III. Decentralization Process in Colombia

1968-1982
Fiscal: Delivery of fiscal resources
Admin: Capability Decentralization

1983-1990
Admin y Fiscal: Transfer of specific capacities to territories // i.e: Taxes
Political: Popular election of mayors

1991-1998
Admin y Fiscal: Decentralization of resources and capabilities
Political: Popular election of governors. Territorial land use planning

2002-2009
Fiscal: Consolidation of fiscal responsibilities
Political: Extension of periods for mayors and governors

2010-2014
Promotion of differentiated policies, territorial strategic plans and associative schemes

2014-2018
National Development Plan 2014-2018

Evolution of the Decentralization process in Colombia
Dimensions of the decentralization process in Colombia

- Capacities Delegation to territorial entities: Water, Education, Health, transportation and land use planning.

- Royalties general system (SGR)
- Participation General system (SGP)

- Popular election of mayors and governors
- National Planning System
Tools for the decentralization process in Colombia

OCAD and SGP

Budgetary distribution instances, based on technical evaluations

Territorial Associative Schemes and “contratos plan”

Development management mechanisms - new forms of territorial organization

National Planning Council

Management and investment control mechanism – new organization too promote participation
III. Decentralization Process in Colombia

Tools for the decentralization process in Colombia – Royalties General System

Before the reform 2011

Since the reform

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

All the departments have access to these resources

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

Fuente: Departamento Nacional de Planeación
III. Decentralization Process in Colombia

Tools for the decentralization process in Colombia – Royalties General System

Funds:
* Regional development and compensation fund
* Science and technology fund

OCAD – (Schools for administration and decisions)

Scoring Evaluation System

Project Management Index

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

**Resources could be use for:**
- Investment projects
- Operation spends of municipalities with 4a, 5a y typologies.
- Depth payment

*Cuando la tasa de crecimiento real de la economia sea superior al 4%
**1.8% adicional para educación.
### Tools for the decentralization process in Colombia – Territorial Association Scheme (TAS)

<table>
<thead>
<tr>
<th>TIPE</th>
<th>TERRITORIAL SCALE</th>
<th>PROS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipalities and departments associations</td>
<td>Entities with same territorial scale</td>
<td>Prestación y regulación de servicios, administración y gestión de obras públicas, planificación del territorio, transporte regional regulación del sector inmobiliario, autoridades ambientales regionales</td>
</tr>
<tr>
<td>Administrations and planning provinces PAP</td>
<td>Municipalities from the same department –sub region</td>
<td>Organizar la prestación de servicios públicos, ejecución de obras subregionales, realizar proyectos de integración regional, gestión ambiental desde la perspectiva departamental</td>
</tr>
<tr>
<td>Management and planning regions RPG</td>
<td>Municipalities from the same or different departments</td>
<td>Bancos de Proyectos regionales y planificadores de los fondos regionales</td>
</tr>
<tr>
<td>Administrative and planning regions RAP-E</td>
<td>Association between departments</td>
<td>Planificación y gestión del desarrollo económico, social y ambiental a nivel Supradepartamental</td>
</tr>
<tr>
<td>Environmental authorities associations</td>
<td>CAR</td>
<td>Diseño y ejecución de programas ambientales de tipo regional relacionados con la protección, conservación y la prevención del riesgo</td>
</tr>
<tr>
<td>Strategic alliances for economic development with border countries</td>
<td>Municipalities and/or departments</td>
<td>Construcción e implementación de modelos de desarrollo en zonas de frontera sobre la base de la articulación y la armonización con de los modelos de planificación, ordenamiento territorial y ambiental</td>
</tr>
</tbody>
</table>
### III. Decentralization Process in Colombia: Territorial Association Scheme (TAS)

<table>
<thead>
<tr>
<th>¿Para qué sirven?</th>
<th>Ejemplos</th>
<th>¿Quienes lo han hecho?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ejecución de proyectos a escala y de impacto regional</td>
<td>Vía Terciaria, Banco regional de maquinaria</td>
<td>ASOCENTRO- Asociación de municipios de Sabana Centro</td>
</tr>
<tr>
<td>Coordinación de temas estratégicos</td>
<td>Defensa jurídica del territorio, Alumbrado regional, Fortalecimiento Institucional a ET</td>
<td>Asomunicipios Asociación de municipios del Catatumbo, la provincia de Ocaña y el Sur del Cesar</td>
</tr>
<tr>
<td>Ordenamiento Territorial Regional</td>
<td>PMOT</td>
<td>Áreas Metropolitanas</td>
</tr>
<tr>
<td>Prestación y regulación de servicios públicos supramunicipales regionales</td>
<td>Transporte, autoridades ambientales.</td>
<td>Áreas Metropolitanas de Valle de Aburra y Bucaramanga</td>
</tr>
</tbody>
</table>
III. Decentralization Process in Colombia: Territorial Association Scheme (TAS)

TAS by Regions

- Caribe: 22
- Centro Oriente: 20
- Pacífico: 15
- Centro Sur: 12
- Llanos: 7
- Total: 94

Resources

- Public [PORCENTAJE]
- Private [PORCENTAJE]
- Other [PORCENTAJE]

Lines of action

- Social Development [PORCENTAJE]
- Conservation and Environmental Management [PORCENTAJE]
- Productive Development [PORCENTAJE]
- Fortalecimiento institucional [PORCENTAJE]
- Regional Planning [PORCENTAJE]
- Infrastructure [PORCENTAJE]
III. Decentralization Process in Colombia

Tools for the decentralization process in Colombia – plan contracts

1. Atrato – Gran Darién
   - Antioquia, Chocó y Córdoba
   - Main line of action: Decrease in extreme poverty
2. Boyacá
   - Department
   - Main line of action: Competitivity
3. Nariño
   - 14 municipalities in pacific coast
   - Main line of action: Sustainable Human Development
4. Sur del Tolima
   - 9 municipalities
   - Main line of action: Rural development and improve human wellbeing
5. Norte del Cauca
   - 13 municipalities
   - Main line of action: Competitivity
6. Arauca
   - 7 municipalities
   - Main line of action: Productivity and Competitivity
7. Santander
   - Department
   - Main line of action: Competitivity
### Tools for the decentralization process in Colombia – National planning system

#### Formulation and approval phase
- Government Program
- Territorial Development Plan
- Land use plan
- Medium term fiscal framework
- Integrated information system

#### Implementation phase
- Programs and projects bank
- Operation investment plan
- Indicative plan
- Action Plan
- Budget

#### Monitoring and evaluation phase
- Programs and projects evaluation
- Territorial management performance evaluation
- Public results to citizens

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**Citizen participation in territorial planning**

**National Planning System**
- National Planning Council
- Territorial Planning Council

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**III. Decentralization Process in Colombia**

- Tools for the decentralization process in Colombia – National planning system
III. Decentralization Process in Colombia

Expectativas y Oportunidades

- Nacional Desarrollo plan 2014-2018 Implementation
- OECD recommendations implementation
- Design and implementation of Border development models
- Territorial Land use Planning Organic Law implementation and regulation
- Regional Chapters
- Capability Delegation National Program
- Regional Agencies
- Expansion of plan contracts
- Planning, budgeting and multilevel governance
- Strengthening intermediate levels of government – Departments
- Territorial presence of national government
- Implementation of Border Integration Zones
- Formulation and implementation of binational agreements
- Territorial Land Use Planning General Policy
- Associative Scheme implementation and regulation (guidance)
- Modern Land use plans Program (POT modernos) URBAN- RURAL development
- Local capacity building
THANK YOU