

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**COLOMBIA**

**PROGRAM TO DEVELOP TWENTY-FIRST CENTURY SKILLS AMONG  
COLOMBIAN ADOLESCENTS AND YOUTH**

**(CO-L1261)**

**LOAN PROPOSAL**

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## ABBREVIATIONS

CONPES	Consejo Nacional de Política Económica y Social [National Economic and Social Policy Council]
DANE	Departamento Administrativo Nacional de Estadística [National Administrative Department for Statistics]
DNP	Departamento Nacional de Planeación [National Planning Department]
ICB	International competitive bidding
ICBF	Instituto Colombiano de Bienestar Familiar [Colombian Family Welfare Institute]
ICFES	Colombian Institute for the Assessment of Education
NCB	National competitive bidding
OCI	Oficina de Control Interno [Internal Control Office]
PISA	Programme for International Student Assessment
PND	National Development Plan
SCCPC	Sistema de Compra y Contratación Pública de Colombia [Colombian Public Procurement System]
SENA	Servicio Nacional de Aprendizaje [National Training Agency]
SIIF	Sistema Integrado de Información Financiera [Integrated Financial Information System]
SIMS	Database of Labor Markets and Social Security Information System
UNDP	United Nations Development Programme

## PROJECT SUMMARY

### COLOMBIA PROGRAM TO DEVELOP TWENTY-FIRST CENTURY SKILLS AMONG COLOMBIAN ADOLESCENTS AND YOUTH (CO-L1261)

Financial Terms and Conditions				
Borrower:			Flexible Financing Facility <sup>(a)</sup>	
Republic of Colombia			Amortization period:	25 years
Executing agency:			Disbursement period:	4 years
Instituto Colombiano de Bienestar Familiar [Colombian Family Welfare Institute] (ICBF)			Grace period:	5.5 years <sup>(b)</sup>
			Interest rate:	LIBOR-based
Source	Amount (US\$)	%	Credit fee:	(c)
IDB (Ordinary Capital)	50,000,000	100	Inspection and supervision fee:	(c)
			Weighted average life:	14.75 years
Total	50,000,000	100	Approval currency:	U.S. dollar
Project at a Glance				
<b>Project objective/description:</b> The general objective of the project is to support Colombian adolescents and young people in developing the skills necessary to build and pursue their life plans and become agents of social and economic change. The specific objectives are: (i) to promote institutional strengthening and coordination with a view to consolidating youth policy; and (ii) to implement the Sacúdete strategy as a national program for helping young people and adolescents develop the skills necessary to successfully build and pursue their life plans.				
<b>Special contractual conditions precedent to the first disbursement of the loan:</b> (i) selection of a program management unit made up of staff with the technical backgrounds listed in the program Operating Regulations ( <a href="#">optional link 2</a> ) (paragraph 3.2); (ii) creation of the program steering committee in accordance with the terms and conditions set out in the program Operating Regulations (paragraph 3.4); and (iii) approval and entry into force of the program Operating Regulations in accordance with the terms and conditions previously agreed with the Bank (paragraph 3.5).				
<b>Special contractual clauses relating to execution:</b> See Annex B to the Environmental and Social Management Report.				
<b>Exceptions to Bank policies:</b> None				
Strategic Alignment				
<b>Challenges:</b> <sup>(d)</sup>	SI <input checked="" type="checkbox"/>	PI <input checked="" type="checkbox"/>	EI <input type="checkbox"/>	
<b>Crosscutting themes:</b> <sup>(e)</sup>	GD <input checked="" type="checkbox"/>	CC <input checked="" type="checkbox"/>	IC <input checked="" type="checkbox"/>	

<sup>(a)</sup> Under the terms of the Flexible Financing Facility (document FN-655-1), the borrower has the option of requesting changes to the amortization schedule, as well as currency, interest rate, and commodity conversions. The Bank will take operational and risk management considerations into account when reviewing such requests.

<sup>(b)</sup> Under the flexible repayment options of the Flexible Financing Facility, changes to the grace period are permitted provided that they do not entail any extension of the original weighted average life of the loan or the last payment date as documented in the loan contract.

<sup>(c)</sup> The credit fee and the inspection and supervision fee will be established periodically by the Board of Executive Directors as part of its review of the Bank's lending charges, in accordance with applicable policies.

<sup>(d)</sup> SI (Social Inclusion and Equality); PI (Productivity and Innovation); and EI (Economic Integration).

<sup>(e)</sup> GD (Gender Equality and Diversity); CC (Climate Change and Environmental Sustainability); and IC (Institutional Capacity and Rule of Law).

## I. DESCRIPTION AND RESULTS MONITORING

### A. Background, problem to be addressed, and rationale

- 1.1 Colombia has made substantial progress in recent decades in terms of access to education. Between 1995 and 2018, net preschool coverage rose from 38% to 77%, while coverage in primary, lower secondary, and upper secondary education increased from 85% to 96%, 47% to 76%, and 18% to 47%, respectively ([DANE, Ministry of Education](#)). Despite this, challenges in access to education remain that largely affect adolescents and young people. Firstly, there are inequities in access to secondary education: while net coverage in secondary education in 2018 was 82% for the highest income quintile, it was only 58% for the poorest quintile. Secondly, dropout rates are high: only 44 out of every 100 children entering the first year of education graduate with a high school diploma, while only one third of those graduating move straight on to higher education ([DNP, 2018](#)).
- 1.2 In addition to the problems of access and dropout rates, there are challenges in terms of skills development. Many young people completing secondary education have weaknesses in their cognitive skills. More than half of students failed to achieve satisfactory performance in the Saber 11<sup>1</sup> standardized test, with the situation worse in rural areas ([DNP, 2018](#)). There is also evidence of weaknesses in twenty-first century skills.<sup>2</sup> Tests under the Programme for International Student Assessment (PISA) show that one in seven students aged 15 experience difficulties in the area of collaborative problem-solving: in other words, they lack the ability to work in a team to resolve simple problems. This problem is greater in the case of low-income students, with Colombia exhibiting the largest gap in social skills between rich and poor students of any Latin American or Caribbean country participating in PISA ([Bos et al., 2017](#)). There is also evidence of weaknesses in citizenship skills among those leaving post-secondary education: 65% of students taking the “Saber Pro” standardized test performed in the lower range, while more than half of student responses to the “Saber Técnicos and Tecnólogos” standardized tests were incorrect ([ICFES, 2018](#)).
- 1.3 In the case of women, these weaknesses in skills manifest in different ways. Although women tend to have more years of education than men, their performance in the STEM skills (science, technology, engineering, and mathematics) is consistently worse. Boys’ scores in the PISA mathematics and science tests are significantly higher than those for girls ([Bos et al 2015](#)), while in the Saber 11 mathematics tests there is a marked difference in favor of boys each year ([Cobos et al., 2019](#)).
- 1.4 These difficulties in educational attainment lead to high levels of youth inactivity and unemployment that affect women in particular. In 2018, 14% of young people between 15 and 28 were neither studying, working, nor seeking work, while 22%

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<sup>1</sup> Saber 11 is the standardized test taken by all students upon completing secondary education. Testing is conducted in mathematics, critical reading, the natural and social sciences, citizenship, and English.

<sup>2</sup> The concept of twenty-first century skills and crosscutting skills are used interchangeably in the document. Crosscutting skills are life skills that are widely transferable across different areas and are not specific to any job, sector task, discipline, or occupation. These include digital skills, teamwork, communication, creativity, critical thinking, problem-solving, perseverance, resilience, tolerance, and empathy ([Mateo Diaz, 2019](#)).

were neither studying nor working ([SIMS](#)).<sup>3</sup> In the case of women, the figures were 23% and 31%, respectively. Youth unemployment rates have exceeded 19% in recent years, reaching 25% in the case of women ([SIMS](#)). Evidence shows that these problems of female educational attainment and inactivity are associated with the high incidence of teenage pregnancy, which affects 17.5% of women between 15 and 19 ([Novella et al., eds., 2018](#)) and rises to almost 30% in the two lowest income quintiles ([Bernal and Camacho, 2014](#)).

- 1.5 Difficulties with respect to educational attainment and skills formation among Colombian youth are the result of multiple factors ([CONPES 173 of 2014](#)). Firstly, there is a mismatch between the demand for skills in the labor market and those acquired by young people, partly linked to rapid technology transformation worldwide. Global trends intensify these challenges. The fast pace of technological change implies transformations in the world of work, such as the automation of many routine activities and the emergence of collaborative work, which require greater efforts in the area of skills formation ([Autor et al., 2003](#); [Mateo Diaz, 2019](#)). Secondly, there is a disconnect between the educational and professional aspirations of young people and the reality that they face. This is partly because many young people have limited information regarding educational and work opportunities and are unable to finance the direct and opportunity cost of full-time education. There is a disconnect between the educational and professional aspirations of young people and the reality that they face. According to the Millennials survey, in Bogota, 94% of students that have completed secondary education want to go on to post-secondary education—far above graduation rates ([Novella et al., 2018](#); [Mateo Diaz and Rucci, eds., 2019](#)). There is also a gender gap in expectations regarding the types of occupations that young people expect to work in, with a marked bias among boys in favor of STEM careers (science, technology, engineering, and mathematics) ([PISA, 2018](#)). In addition, youth unemployment and inactivity are accompanied by an increased likelihood of engaging in risk behaviors, such as drug and alcohol consumption ([Fundazioa, 2014](#); [Henkel, 2011](#); [Lee et al., 2015](#)), criminality ([Bourguignon et al., 2002](#)), and teenage pregnancy ([Bernal and Camacho, 2014](#)). Thirdly, few flexible training initiatives have limited coordination mechanisms ([Fundación Corona, 2020](#)).
- 1.6 These three factors are accompanied by others, such as weaknesses in vocational training and gaps in employer information on the skills of young people who lack experience or references. This operation focuses on the first three determinants. Adding to these difficulties is the current COVID-19 situation, which has seen a drop in economic activity, unemployment rates that are double those observed a year ago (20%), a sharp projected decline in GDP at the end of 2020, and associated macroeconomic imbalances.
- 1.7 The Colombian government has worked to increase educational integration and reduce youth inactivity. At the institutional level, various government actors have responsibilities in the sector, including the Presidential Youth Council, Colombian Family Welfare Institute (ICBF), National Training Agency (SENA), Ministry of Education, and Ministry of Labor. The most recent efforts, such as the one described below, have been led by the Presidential Youth Council, which is coordinating preparation of a new CONPES national policy document setting out an updated vision for this age group. The Council will also be responsible for

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<sup>3</sup> The average rates in the other Andean countries were 15% and 18%, respectively.

coordinating implementation of the policy once approved. Meanwhile, the ICBF is also involved as the executing agency for the Sacúdete program. An important early step in efforts to improve education and labor integration was [CONPES 173 \(2014\)](#), through which the DNP issued policy guidelines aimed at creating opportunities for young people. Specifically, this sought to “implement strategies to ensure that young people can transition into the labor and production environment under conditions of quality, stability, and special protection where required.”

- 1.8 Numerous policies have also been implemented to reduce youth unemployment and labor informality. However, these have been insufficient to ensure satisfactory patterns of career advancement ([Ham, Maldonado, and Guzmán-Gutiérrez, 2019](#)). This is partly a result of the disconnected nature of the efforts. Recent analyses of labor policies in the country have all underlined the absence of a coherent regulatory strategy. Instead, the country has invested in the implementation of programs that are frequently uncoordinated ([Casas, Gonzalez-Velosa, and Melendez, 2018](#); [Ham, Maldonado, and Guzmán-Gutiérrez, 2019](#)).
- 1.9 The [National Development Plan \(PND\)](#) establishes new targets for reductions in youth unemployment, coverage in upper secondary and post-secondary education, access to grants and employability programs, and reductions in teenage pregnancy. These actions require strong interagency coordination. A new institutional framework is to be established to implement this vision, with the Presidential Youth Council playing a coordinating role based on the early childhood policy model. The ICBF has been designated the executing agency and will be responsible for implementation of the strategy in the regions. The Council’s capacity needs to be strengthened, and it faces the challenge of coordinating multiple stakeholders and actions with the national agenda for inclusive youth employment. Meanwhile, the ICBF will need to operate under a new institutional framework that expands its role in executing the strategy.
- 1.10 **Project strategy.** Consistent with these objectives, a CONPES National Youth Policy document is currently being processed under the leadership of the Council and is expected to be approved in early 2021. The objective of this policy document is to promote the integrated development of Colombia’s youth by resolving gaps in the services currently offered. The Sacúdete strategy is being implemented as part of this vision; it focuses on young people between 14 and 28 years of age nationwide that are both in and outside the education system, with emphasis on vulnerable areas and populations. The ICBF will be in charge of implementing this strategy in the field. The Sacúdete method consists of three phases: (i) Inspire, which offers vocational discovery and self-knowledge tools; (ii) Focus, which offers vocational training and orientation tools to help young people develop their life plans and ventures; and (iii) Transform, which provides information to young people on training, employability, and entrepreneurship opportunities and helps connect them with these ([optional link 9](#)).
- 1.11 Sacúdete is an innovative program similar to other flexible [international](#) initiatives that dynamically adjust the skills on offer and work with young people (both in and outside formal education systems) to reorient their educational and work pathways. These programs complement formal education, rather than replacing it. Their relevance has been increased by the current situation, as the COVID-19 crisis is



- having a dramatic impact on employment for young people,<sup>4</sup> and is undermining their chances of continuing with current education and training plans. The development of online training systems, the creation of learning platforms with curated content, and the opportunity for young people to access a validated skills certification system can all facilitate continuous learning processes that allow for reskilling and upskilling and facilitate integration into the labor market. The context of social crisis also underlines the importance of the training that Sacúdete provides in citizenship skills, as well as the program's promotion of youth initiatives in the areas of social entrepreneurship and civic and community organization.
- 1.12 To implement Sacúdete, physical spaces and technological infrastructure will be needed that allow regular assistance to be provided on a flexible schedule. The government has committed to provide 140 Sacúdete points nationally (PND, p. 415) and to this end is organizing the service based on a system of centers and hubs. Hubs are spaces that are part of the network but do not belong to the ICBF; instead, they make use of community spaces and do not offer the complete range of services. Centers are spaces belonging to the ICBF and must meet the following criteria: capacity for more than 200 participants, located in safe areas that are easily accessed by young people, availability of technological infrastructure, and accessible to students at any time of day. There is currently no infrastructure that can provide permanent premises for the program by meeting all of these conditions. There are centers in six departments: Magdalena, Antioquia, Choco, Buenaventura, Meta, and Putumayo. To date, Sacúdete has benefited more than 800 participants.
- 1.13 As Sacúdete has to be implemented in remote areas where the supply of services is limited (e.g. scattered rural settlements), and given also the need to address the challenges created by the health emergency, the ICBF plans to offer a mixed service consisting of two different modalities. In the first one, a virtual model with additional support, participants use a virtual platform to attend workshops and advisory sessions and receive ongoing support online from a team of professionals. In the second, a blended learning (B-Learning) model, workshops and advisory sessions are provided in person and are accompanied by virtual or remote activities. In both cases, virtual and in person, the participant will receive ongoing support from a team of professionals.
- 1.14 Sacúdete will operate in areas in which the local economy depends on maintaining ecosystems, and educational content will therefore include skills that support sustainable development (key technologies, responsible production and consumption, etc.). To facilitate access for adolescent mothers, existing infrastructure will be used in the ICBF's Child Development Centers (CDIs) to ensure that the children of the beneficiaries are taken care of and engaged in the same center. Support strategies will be implemented to ensure that young people pursue training in digital skills and entrepreneurship (paragraphs 1.30-1.32). To create youth employability and entrepreneurship opportunities in the Transforma phase, strategic partnerships will be developed with stakeholders belonging to the local and national ecosystems.
- 1.15 **Effectiveness of interventions.** Sacúdete interventions combine psychosocial care and training in soft skills with services aimed at orienting vulnerable youth and

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<sup>4</sup> Youth unemployment stood at 27% in the March-May quarter of 2020, compared with 18% in the same period of 2019.

- helping them to develop life plans. The objective is to increase integration into the economy (through salaried employment or entrepreneurship) and education (in particular, by reducing dropout rates at the secondary level). The model is consistent with abundant evidence underlining the importance of soft skills for career development (Heckman and Kautz, 2012), as well as evidence from Latin America that documents the difficulties experienced by young people in transitioning from school into the workplace due to inadequate soft skills (Bassi et al., 2011).
- 1.16 In terms of economic integration, international evidence shows that training in both technical and soft skills can improve career progression over the medium term, particularly in the event of a recession (Card et al., 2015). There is also robust evidence showing the positive impact on labor productivity of interventions focused exclusively on training in soft skills (Adhvaryu et al., 2018; Prada et al., 2019).
- 1.17 In terms of education objectives, there is promising evidence (particularly from the United States) surrounding interventions outside the school environment that help to improve students' behavior, discipline, and attendance, while reducing the risk of dropout (Sanchez Puerta et al., 2016). There is also evidence from interventions to support young women in developing countries, showing that training in soft skills improves well-being associated with access to education, results in standardized academic tests, and teenage pregnancy (Ashraf et al., 2020).
- 1.18 **Experience of other organizations.** The operation benefits from the experience of government entities in this area. In 2012, tender documents for the construction of regional youth observatories were published by the Presidential Youth Council ([Colombia Joven](#)), which also produced methodological tools for the implementation of the Regional Youth System. The ICBF has been involved in supporting adolescents through the Generaciones 2.0 program and through lines of activity aimed at preventing risk behavior. Decree 879 of 25 June 2020 created the Adolescence and Youth Department in the ICBF with the aim of expanding the agency's support for young people.
- 1.19 The Ministry of Education has been providing training in soft skills for young people in the school system and, recently, in rural areas. Meanwhile, the National Training Agency (SENA) is working to expand the amount of technical and vocational training that it offers to young people and adults. In the National Development Plan, SENA and the Ministry of Education committed to increase the supply of dual diplomas by 23%,<sup>5</sup> representing 650,000 young people in 2022 (PND, 2018-2022).
- 1.20 **Lessons learned.** This operation benefits from the wide range of experience accumulated by the IDB's social sector and IDB Lab through loan and technical operation operations to develop youth skills in Colombia and the region (for additional detail, see [optional link 10](#)). The design of Component 1 incorporates the following elements drawn from previous operations: (i) coordination between central and regional government bodies and between the labor and education sectors in support of skills policies (2834/OC-CO, 3029/OC-CO, and ATN/OC-16274-CO); and (ii) mechanisms to align skills policies with sector needs

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<sup>5</sup> Dual diplomas give secondary students countrywide the chance to receive SENA training during their final two years of schooling, allowing them to graduate with two qualifications: a high school diploma and a technical certificate that confirms they have a number of general and specific skills that are needed to either continue with technological programs or enter the labor market. See [Ministry of Education](#).

and the productivity strategy (2709/OC-CO, 4689/OC-PN, and ATN/OC-15890-CH).

- 1.21 Component 2 includes the following design features based on lessons from previous operations: (i) tools for measuring socioemotional and cognitive skills in vulnerable youth (ATN/OC-14619-CO and ATN/CF-15763-CO); (ii) proposed curricular innovation for twenty-first century skills (ATN/CF-17594-CO, ATN/CF-18028-CO, ATN/EE-17443-CO, and ATN/OC-17442-CO); (iii) flexible training content to support the integration of vulnerable youth into the labor force (ATN/ME-15762-CO); (iv) training in digital skills relevant to the productive sector (3112/OC-TT); and (v) the incorporation of methods to eliminate explicit gender discrimination (ATN/MG-16890-RG). The program will also be coordinated with other loan operations currently being implemented, which include actions to certify skills with a view to integrating vulnerable populations into the labor force (4934/OC-CO and 4935/GR-CO) and the strengthening of secondary vocational education in rural areas (4902/OC-CO).
- 1.22 **Bank additionality.** The Bank has a proven track record in developing youth-oriented programs in the region. In the last two years, it has spearheaded the 21st Century Skills initiative, as part of which it recently published a report on transversal skills ([Mateo Diaz and Rucci, eds. 2019](#)) that served as an input for identifying effective interventions. The following factors led the Government of Colombia, Colombia Joven, and the ICBF to request the Bank's support in developing this program: (i) access to the support of a recognized external agency such as the IDB in implementing youth policies and coordinating them between both central and regional government bodies and with the private sector and civil society; (ii) technical support for design and implementation of this program in the context of a new policy (Sacúdete); (iii) greater sustainability of the policy and program through an investment project oriented exclusively toward adolescents and youth; (iv) support for the ICBF in consolidating an organizational structure that allows it to serve young people between 14 and 28 and coordinate the different actions in the field (the ICBF is being given new functions and a new structure); and (v) support for Colombia Joven and the ICBF in providing a response to elements of the PND 2018-2022 (specifically, targets relating to youth and implementation of the Sacúdete strategy).
- 1.23 **Strategic alignment.** The program is consistent with the second Update to the Institutional Strategy (document AB-3190-2) and is aligned with the challenges of (i) social inclusion and equality, as it reduces socioeconomic and regional gaps by expanding educational opportunities for low-income youth; and (ii) productivity and innovation, by developing the skills required by the productive sector. The program is also aligned with the crosscutting areas of: (i) gender equality and diversity, in that it expands educational and work opportunities that promote the economic empowerment of young women, as well as access among adolescent mothers by preventing teenage pregnancy and providing training in entrepreneurship, the STEM subjects, and digital skills; (ii) climate change and environmental sustainability ([optional link 5](#)), through the inclusion of sustainability and environmental skills in training content and [green building](#) measures in the construction of facilities; and (iii) institutional capacity and rule of law, by promoting interagency coordination in youth policies and transferring knowledge to regional governments with a view to building institutional capacity and ensuring that the initiatives are sustainable. It is estimated that 4.97% of the funds under this

operation will be invested in climate change mitigation and adaptation activities, based on the [multilateral development banks' joint methodology for tracking climate change financing](#). These funds contribute to the IDB Group's target of increasing financing for climate-change related projects to 30% of all approvals by the end of 2020 ([optional link 5](#)). In addition, the project will contribute to the Corporate Results Framework 2020-2023 (document GN-2727-12), through the indicator of the number of students benefited by education projects.

- 1.24 The operation is consistent with Dimension of Success 5 in the Education and Early Childhood Development Sector Framework Document (document GN-2708-5), according to which “all the children and young people acquire the necessary skills to be productive and contribute to society.” This dimension is aimed at addressing the challenge that “a high proportion of young people graduate without having the cognitive, socioemotional and interpersonal skills that are required to successfully join the labor market and society and that many of them do not work or study.” It is also consistent with Dimension of Success 1 in the Labor Sector Framework Document (document GN-2741-7), according to which “the region's citizens have more, and more equitable, opportunities to access formal jobs with better wage expectations.” To address this dimension of success, the document identifies the need to strengthen information and guidance mechanisms and school-work coordination for young people. In seeking to improve work and educational prospects for adolescent mothers, the operation is consistent with the two dimensions of success in the Gender and Diversity Sector Framework Document (document GN-2800-8): promoting gender equality and the empowerment of women and children, and promoting development with identity and social inclusion. It is also consistent with the Climate Change Sector Framework Document (document GN-2835-8), in that it includes both green building measures and actions to mainstream knowledge and skills with positive environmental and climate effects. (“Education For Sustainable Development” is one of the twenty-first century skills recognized by the United Nations Educational, Scientific, and Cultural Organization).
- 1.25 The program is consistent with the IDB Group's country strategy with Colombia 2019-2022 (document GN-2972), contributing to the strategic objective of “achieving quality education and prioritizing the most vulnerable sectors of the population” (which in turn falls within the strategic area of “increasing economic productivity”), and with the Strategy on Social Policy for Equity and Productivity (document GN-2588-4). At the country level, the operation is aligned with the National Development Plan 2018-2022 (PND 2018-2022, pp. 128-133; Article 209, Law 1955, 2019).
- 1.26 **Other donors.** In designing this operation, coordination was required with the United Nations Development Programme (UNDP) team, which led design and implementation of the initial pilot projects for Sacúdete. The UNDP was in charge of the first centers, in partnership with Ecopetrol, Dirty Kitchen, Bancolombia, and the Office of the High Commissioner for Peace. This program has been designed in close collaboration with the UNDP team in charge of the pilot phase, with a view to incorporating all of the lessons learned and making adjustments before scaling up (particularly in terms of orienting pedagogical processes, following the methodology, and strengthening the regional focus).

## **B. Objectives, components, and cost**

- 1.27 The general objective of the project is to support Colombian adolescents and young people in developing the skills necessary to build and pursue their life plans and become agents of social and economic change. The specific objectives are: (i) to promote institutional strengthening and coordination with a view to consolidating youth policy; and (ii) to implement the Sacúdete strategy as a national program for helping young people and adolescents develop the skills necessary to successfully build and pursue their life plans. These objectives will be achieved through the following components:
- 1.28 **Component 1: Coordination of national and regional youth policy (US\$870,000).** This component seeks to provide the ICBF and the Presidential Youth Council, or their representatives, with tools that allow them to consolidate youth policy through improved interagency coordination, more efficient resource management, and results monitoring. The following specific activities will be financed: (i) design and implementation of a regional coordination strategy for the National Youth Policy; (ii) compilation of a Youth Well-Being Index (a collection of minimum indicators relating to youth at the municipal, departmental, and national levels, and the design of subjective welfare indicators); (iii) implementation of subjective measurements of youth well-being in Colombia (four surveys based on representative samples at the national/departmental levels); (iv) design, implementation, and launch of a data visualization platform for youth well-being (with dashboards and tools allowing comparisons); and (v) support and maintenance for the aforementioned data visualization platform.
- 1.29 **Component 2: Support for design and implementation of the Sacúdete program (US\$45,291,263).** The aim is to support the development and implementation of the Sacúdete program in the regions using training methods that are aligned with the youth policy and strategy. Different intervention and service models have been developed based on the needs of the regions and the groups targeted, and the ICBF will hire operators for this purpose (nonprofit entities with a presence and experience in the department concerned). The contracts will be on a department-wide basis, consistent with political and administrative divisions and the ICBF's decentralized structure. Operators will be responsible for the following activities: promoting the program; registering, profiling, supporting, and monitoring participants; implementing the methodological phases of the Sacúdete program in accordance with the guidelines established by the ICBF; coordinating the supply of programs and building partnerships in the regions; and managing and operating the infrastructure (does not apply to the virtual model). A differentiated approach will be used in all of these activities (paragraphs 1.14 and 1.23). Contracts will be based on the number of young people targeted, and beneficiary attendance reports will be required for payment purposes. Payment will also be linked to fulfillment of the quality standards set out in the operating manual for the Generaciones Sacúdete program. To estimate the cost per young person, baskets of services have been determined for each model and an average value calculated (see the model contract in [optional link 6](#)).<sup>6</sup> The ICBF has considerable experience of procuring, managing, and supervising these types of contracts with operators, as they are also used for early childhood services provided through the centers.

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<sup>6</sup> Costs per participant by model: virtual, Col\$856,115; community spaces, Col\$974,930; own infrastructure, Col\$1,187,487.



- 1.30 **Subcomponent 2.1: Methodology and operating model for the Sacúdete program.** As an innovative intervention with no parallels elsewhere in the region, the Sacúdete model will be improved and adjusted based on the evidence and experience generated during implementation of the successive phases. Financing will be provided for a specialized consultancy with the following objectives: organize the different methodological phases of the Sacúdete program based on a differentiated approach; examine how the B-Learning and virtual methodologies are working in practice; and propose any necessary corrections or adjustments to the three phases of the program or their contents. In addition, the ICBF will develop a strategy for coordinating the Sacúdete model with the Child Development Centers (CDIs) and adolescent pregnancy prevention and care services provided by the ICBF; it will also formulate strategies to support and encourage young people to attend training programs in entrepreneurship and technology subjects (with a focus on digital skills).
- 1.31 **Subcomponent 2.2: Operation of the virtual model.** The virtual operating model consists of a single modality. The operators hired by the ICBF will need to secure the participation of young people that meet program eligibility criteria (paragraph 1.37), taking into account the specific barriers to entry and continuation faced by women, and register them in the ICBF's information system and complete their profile. Specifically, financing will be provided to hire operators responsible for designing and implementing virtual training tools that will feed into the platform being developed. To ensure the availability of Internet connectivity—one of the most important elements in the strategy's pedagogic model—the project will promote a focus on adolescents and young people in households participating in the Ministry of Information and Communications Technologies' "Última Milla [Last Mile]" program. This will provide fixed line Internet connections at affordable rates to 276,000 strata 1 and 2 families in 163 municipios across 24 of the country's departments. These partnerships with the Ministry and service operators will allow these households to take advantage of the Sacúdete program's virtual modality.
- 1.32 **Subcomponent 2.3: Operation of the B-Learning model.** The operating model based on physical spaces has two modalities: (i) hubs, installed in community spaces that do not belong to the ICBF; and (ii) centers, installed in spaces with their own infrastructure. Specifically, financing will be provided for: (i) hiring operators for the Sacúdete hubs; and (ii) hiring operators for the Sacúdete centers.
- 1.33 **Component 3: Upgrading of infrastructure and equipping of Sacúdete centers (US\$2,331,065).** The aim is to support the adaptation of physical spaces in the municipal capitals in which the Sacúdete methodology will be applied. Green building measures will be used in the design and construction of the centers ([IDB, 2019](#)). To create efficiencies (compared with a scenario without initial infrastructure), the project will leverage the country's installed capacity and the existing infrastructure of different entities in the country without any loss to the expected level of regional coverage.
- 1.34 **Subcomponent 3.1: Upgrading of Sacúdete centers.** The interventions include the upgrading of 20 centers,<sup>7</sup> including Specialized Care Centers (CAE)<sup>8</sup> and Child

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<sup>7</sup> The average number of young people served by each center is 360. The specific centers will be selected during execution of the operation based on the criteria established in paragraph 1.37.

<sup>8</sup> Centers for young people or adolescents who have been sentenced to imprisonment by the judicial authorities and are not allowed to leave of their own accord.

Development Centers (CDIs).<sup>9</sup> The operation will finance: (i) an assessment of existing facilities; (ii) designs for the 20 facilities to be upgraded; (iii) upgrading works; (iv) audit and supervision of works; and (v) operations and maintenance for a three-year period. The designs for the upgrades will take into account the following criteria: universal and inclusive accessibility, efficient use of power and water, and the use of sustainable materials, as well as resilience to climate and seismic risks.

- 1.35 **Subcomponent 3.2: Equipping of Sacúdete centers. Sacúdete centers will be furnished and provided with technological equipment and services.** The following specific activities will be financed: (i) furnishings; and (ii) technological infrastructure (hardware and software).
- 1.36 **Administration, evaluation, and monitoring (US\$1,507,672).** This item will finance: (i) technical support to strengthen existing management teams in the executing agency; (ii) financial and concurrent audits; (iii) monitoring; and (iv) evaluations of program impact and processes.
- 1.37 **Targeting and beneficiaries.** The selection of locations for the centers will be based on the availability of premises identified by the ICBF (community or ICBF facilities). The centers targeted for upgrading must meet the following requirements: (i) not located in areas at risk of natural disasters such as floods, landslides, or earthquakes; (ii) compliant with the city or municipal capital's spatial plans; and (iii) access to electricity, water, sewage, and waste management services. The intervention will target 168,000 youths between 14 and 28 that satisfy certain eligibility criteria established by the ICBF, including the following: the criteria indicated in ICBF Resolution 490-2013 ([optional link 11](#)); victims of armed conflict; the extremely poor; those engaged in an administrative process for the reestablishment of rights (PARD) or who have been returned to their families; or those who have been through the Criminal Justice System for Adolescents (SRPA).

### C. Key results indicators

- 1.38 The general impact of the program will be measured through: (i) improvements in the crosscutting skills of adolescents and young people, measured in terms of standard deviations; and (ii) improvements in upper secondary graduation rates, measured in terms of percentage points. The following key results indicators will also be monitored: (i) design and implementation of the strategy for coordinating the National Youth Policy in the regions; (ii) 168,000 adolescents and young people benefited under the Sacúdete program; (iii) 4,000 individual and social ventures formulated; and (iv) 40 strategic partnerships created to support youth employability and entrepreneurship opportunities (Annex II). All indicators relating to adolescent and youth beneficiaries will be disaggregated by gender. Gender and climate change targets will also be supported (Annex II).
- 1.39 **Economic evaluation.** An ex ante economic analysis was performed for the program ([optional link 1](#)) using a cost-benefit methodology and a sensitivity analysis with three scenarios: baseline, pessimistic (weak achievement of targets, high unemployment and attrition), and optimistic (targets surpassed, unemployment and attrition reduced). For the 20-year baseline scenario, the analysis yielded an internal rate of return of 12.3%, demonstrating the program's

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<sup>9</sup> Centers providing an institutional service aimed at ensuring early childhood education, care, and nutrition for under 5 years of age.

economic viability. Implementation costs were taken into account in performing the cost-benefit analysis. The estimated benefits stem from two sources: (i) increased completion rates in upper secondary education, particularly among young people who had previously abandoned the education system (expressed as differences in income compared with individuals with incomplete upper secondary education, based on an earnings function by education level) (García-Suaza et al., 2009); and (ii) the development of crosscutting or twenty-first century skills among youth beneficiaries, translated into increased earnings (estimated based on similar education for work experiences) (Hanushek et al., 2015).

## II. FINANCING STRUCTURE AND MAIN RISKS

### A. Financing instruments

- 2.1 This operation will finance specific projects within a single sector program via a specific investment loan for US\$50 million from the Bank's Ordinary Capital. The executing agency plans to execute all program activities within a four-year period (see annualized information in [optional link 3](#)). The disbursement period is four years (as shown in Table II-2), consistent with the financing needs determined with the government. To facilitate program execution, support will be provided to the Council and ICBF teams by funding advance preparation of the bidding documents for the procurement processes with resources from ATN/OC-17995-CO.

Table II-1. Estimated program costs (US\$)

Components	IDB	%
<b>Component I. Coordination of national and regional youth policy</b>	<b>870,000</b>	<b>2%</b>
<b>Component II. Support for design and implementation of the Sacúdete program</b>	<b>45,291,263</b>	<b>90%</b>
Subcomponent 2.1. Methodology and operating model for the Sacúdete program	713,248	
Subcomponent 2.2. Operation of the virtual model	20,222,747	
Subcomponent 2.3. Operation of centers with infrastructure	24,355,268	
<b>Component III. Upgrading of infrastructure and equipping of Sacúdete centers</b>	<b>2,331,065</b>	<b>5%</b>
Subcomponent 3.1. Upgrading of Sacúdete centers	2,025,292	
Subcomponent 3.2. Equipping of Sacúdete centers	305,773	
<b>Administration, audit, evaluation, and monitoring</b>	<b>1,507,672</b>	<b>3%</b>
<b>Total</b>	<b>50,000,000</b>	<b>100%</b>

Table II-2. Tentative disbursement schedule (US\$)

Source	Year 1	Year 2	Year 3	Year 4	TOTAL
<b>IDB</b>	15,454,087	14,006,838	10,012,446	10,526,629	50,000,000
<b>%</b>	31%	28%	20%	21%	100%

\* 2021 is assumed to be Year 1, and 2024 is assumed to be Year 4.



## **B. Environmental and social risks**

- 2.2 The environmental and social impacts created by the planned infrastructure upgrading works under Component 3 will be localized, of short duration, and nonscalable, and can be mitigated by standard mitigation measures; accordingly, this operation has been classified as Category “B” pursuant to the Environment and Safeguards Compliance Policy (Operational Policy OP-703).
- 2.3 Given that the interventions to upgrade existing centers will take place in different locations and contexts, a strategic environmental and social evaluation and a strategic environmental and social management plan were prepared, setting out the types of actions that the ICBF will need to take to avoid or mitigate potential environmental and social risks from the operation, consistent with IDB safeguards and national and local legal frameworks.
- 2.4 From 31 July to 18 August, the ICBF carried out wide-ranging consultations with stakeholders. As in-person meetings were not possible due to the COVID-19 emergency, the consultations were conducted virtually. The ICBF issued invitations to 101 public and private sector entities and organizations, international cooperation agencies, and ICBF units. Responses were received from a total of 59 participants, with a total of 91 comments. The main concerns related to COVID-19 risks, universal accessibility, and the risks of exclusion for vulnerable populations. The participants expressed resounding support for the program. The report on the consultation process is available on the Bank’s website, together with the final versions of the strategic environmental and social evaluation and the strategic environmental and social management plan.

## **C. Fiduciary risks**

- 2.5 The Bank conducted an analysis of the ICBF’s current institutional capacity for executing the program. The analysis determined that the level of fiduciary risk is medium, consisting of probable delays in execution due to both a failure to promptly allocate budgetary funds and difficulties in carrying out procurement processes in a timely manner. The following institutional strengthening needs were identified: (i) increase fiduciary staff resources with experience in managing investment projects financed by multilateral lending agencies; (ii) train permanent staff in IDB policy requirements in the areas of financial reporting, procurement, and technical and administrative program management; (iii) develop capacity for carrying out procurement processes in accordance with Bank policies; and (iv) develop capacity for issuing financial reports required by the Bank in a timely and reliable manner and for processing disbursement requests.
- 2.6 The following measures are proposed to mitigate the identified risks: (i) formally adopt the fiduciary functions associated with development of the program in the executing agency as set out in the program Operating Regulations, through focal points designated by the General Secretariat; (ii) incorporate two full-time procurement specialists (one senior and one junior) into the program management unit, with experience in executing projects financed by the multilateral development banks, and, in the final quarter of 2020, begin the planning stage for all contracts prioritized for the first quarter of 2021; (iii) incorporate a financial specialist and an accountant with experience in executing projects financed by the multilateral development banks; and (iv) conduct training in IDB procurement and financial management policies and the Operating Regulations for focal staff in all of the ICBF units involved in executing the loan resources.

#### **D. Other risks and key issues**

- 2.7 **Governance.** With Decree 879 of 25 June 2020, a new structure has been approved for the ICBF that responds to its new responsibilities for execution of the Sacúdete strategy ([optional link 9](#)). Other risks of a high or medium level were identified during the process of preparing and analyzing the program, relating mainly to: (i) weaknesses in the effectiveness of program administration; and (ii) delays and repetition of processes due to the use of a rigid and efficient operating model. To mitigate the first risk, the following actions are proposed: (i) create a steering committee to monitor the fulfillment of objectives and ensure the coordinated management of technical, financial, and administrative issues; (ii) create a program management unit, attached to the Department for Adolescence and Youth and overseen by the program's administrative management; and (iii) incorporate a program coordinator and monitoring specialist into the program management unit. To mitigate the second risk, the following actions are proposed: (i) prepare, adopt, and disseminate program Operating Regulations; and (ii) train and provide ongoing support to the members of the program management unit and other relevant staff in fiduciary management policies and requirements in IDB-financed projects.
- 2.8 **Sustainability.** The following measures will help to ensure the sustainability of the operation: (i) strategic alignment and grounding in the government policies and commitments set out in the National Development Plan 2018-2022; (ii) status as part of a much broader investment plan in which the government (through various ministries) is financing centers with its own resources, with contributions from the private sector and entities such as Ecopetrol; and (iii) the government is working on a decreasing funding mechanism in which existing funds will be gradually reallocated and the ICBF's budget will be expanded to absorb the new priorities included in the National Youth Policy (as reflected in the CONPES document currently being processed).

### **III. IMPLEMENTATION AND MANAGEMENT PLAN**

#### **A. Summary of implementation arrangements**

- 3.1 **Borrower and executing agency.** The borrower will be the Republic of Colombia, and the executing agency will be the Instituto Colombiano de Bienestar Familiar [Colombian Family Welfare Institute] (ICBF) ([optional link 4](#)). The ICBF will be responsible for the following program functions: coordination, planning and monitoring, technical and administrative management, procurement, and financial administration.<sup>10</sup>
- 3.2 Within the ICBF, program execution will be the responsibility of the Adolescence and Youth Department, which will have a head of division who will be in charge of leading implementation of the Sacúdete program in the regions. This division will be responsible for the program management unit, which will have formal status once the program Operating Regulations is approved by the program steering committee. The program management unit will comprise: (i) a program coordinator

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<sup>10</sup> The operation builds on the lessons learned from the early childhood program and makes use of existing infrastructure in the regions, as well as interagency coordination mechanisms at all levels (national, subnational, private sector, and civil society organizations), as reflected in the program Operating Regulations.

- responsible for administrative management of the program; (ii) a monitoring specialist who will help to consolidate information, develop planning tools, and generate reports; (iii) a financial specialist and an accountant who will work in coordination with the Financial Department; and (iv) two procurement specialists who will work in coordination with the Procurement Department. In addition, and during the first year of program execution, the program management unit will have three infrastructure specialists who will work on Component 3 activities in coordination with the Administrative Department. All program management unit staff will work full time on the program. The infrastructure, financial, and procurement specialists will also work within a matrix management structure, reporting directly to the program coordinator and, functionally, to the General Secretariat. In accordance with the actions specified to mitigate the identified risks, creation of the program management unit is critical to the success of the program; therefore, **selection of a program management unit made up of staff with the technical backgrounds listed in the program Operating Regulations will be a condition precedent to the first disbursement** ([optional link 2](#)).
- 3.3 The Program Management Office is a management mechanism aimed at increasing control, improving coordination, and ensuring timely decision-making in implementation of the Sacúdete strategy. It is led by the sector department responsible for executing the program and will convene a meeting of division heads and coordinators twice per month to make tactical decisions regarding the following: technical, financial, and administrative issues; positioning and relationships with interest groups; monitoring of execution and results achieved; and knowledge management. The Program Management Office will present reports to the program steering committee, including ones that describe progress made under the program, the next milestones in the technical, financial, and administrative areas, and an analysis of risks and their respective mitigation measures, as established in the program Operating Regulations.
- 3.4 The program steering committee will be the consultative body responsible for monitoring the fulfillment of program objectives and providing strategic orientation. It will meet every six months. It will be created by a resolution of the executing agency and will be composed of the ICBF Director General, Deputy Director General, General Secretary, Director of Planning and Management Control (or representatives), the Director for Adolescence and Youth, the Division Head for Adolescence and Youth Program Operations, and the Program Coordinator. It will be chaired by the Director General (or representative), and technical support to the Committee will be provided by the Program Coordinator. Providing visibility for the program and ensuring the support and commitment of the entire management team are critical factors for mitigating the identified risks and ensuring the program's success. Accordingly, **the creation of the program steering committee in accordance with the terms and conditions set out in the program Operating Regulations will be a condition precedent to the first disbursement** ([optional link 2](#)).
- 3.5 **Program Operating Regulations.** The program Operating Regulations describes the execution strategy for the operation and includes: (i) the organizational arrangements for the program; (ii) the technical and operational arrangements for its execution; (iii) arrangements for the programming, monitoring, and evaluation of results; (iv) environmental, social, and occupational health provisions; and (v) guidelines for financial, audit, and procurement processes. The program

Operating Regulations will also set out the functions of the ICBF units involved. **The approval and entry into force of the program Operating Regulations in accordance with the terms and conditions previously agreed with the Bank will be a condition precedent to the first disbursement** ([optional link 2](#)).

- 3.6 **Procurement.** Procurement financed in whole or in part with proceeds from the Bank loan will be undertaken in accordance with the Policies for the Procurement of Works and Goods Financed by the IDB (document GN-2349-15) and the Policies for the Selection and Contracting of Consultants Financed by the IDB (document GN-2350-15), or those policies in effect at the time of project execution. The procurement plan ([required link 4](#)) lists the planned procurements.
- 3.7 **Disbursements.** Disbursements will be made in the form of advances of funds reflecting the program's actual liquidity needs over a maximum period of six months. Supporting documentation for advances will be provided pursuant to the provisions of the Financial Management Guidelines for IDB-financed Projects (OP-273-12) or the guidelines in effect at the time of program execution. Consistent with this policy, in order for the ICBF to obtain an advance of funds, it must provide documentation for at least 80% of the cumulative balance pending documentation. In addition to cash flow projections, disbursement requests must be accompanied by a special account reconciliation statement and details of the implementation status of technical and fiduciary performance commitments. For the purposes of documentation of expenditures, the exchange rate used will be the same one used to convert the funds disbursed in U.S. dollars into Colombian pesos (i.e. the "monetization rate"). Documentation review will be carried out on an ex post basis.
- 3.8 **Audit.** For the duration of the original disbursement period and any extension thereof, and within 120 days of the end of each fiscal year, the program financial statements will be audited annually by an independent audit firm acceptable to the Bank. The last audited financial statement will be presented within 120 days of the date stipulated for final disbursement, in accordance with the procedures and terms of reference previously agreed with the Bank.

## **B. Summary of results monitoring arrangements**

- 3.9 **Monitoring arrangements.** As executing agency for the program, the ICBF will be responsible for monitoring each component and consolidating said information for submission to the Bank every six months. The monitoring systems established by the ICBF and described in the monitoring and evaluation plan will be used to collect the data needed to monitor progress toward outputs and outcomes under the operation ([required link 2](#)). Monitoring will be based on the multiyear execution plan, the annual work plan ([required link 1](#)), the results matrix (Annex II), the procurement plan ([required link 4](#)), financial plans, audited financial statements, semiannual progress reports, and the interim or process evaluation planned for the end of Year 2 of execution.
- 3.10 **Results evaluation arrangements.** To measure the impact of program implementation on the academic and economic life of adolescents and young people, a study will be conducted to measure changes in upper secondary graduation rates among adolescents and youth, as well as their acquisition of the crosscutting or twenty-first century skills that the program will work to develop (a virtual platform will be used to gather this data). Three evaluation designs are proposed (with before and after measurements), depending on how the control

group sample is obtained. An experimental design will be used if the number of young people interested in participating in Sacúdete is high, in which case the treatment and control groups will be randomized based on the names of the young people interested. A quasiexperimental design will be used if the demand among young people for participating in Sacúdete is not high; in this case, the control group will be made up of young people with similar characteristics and contexts to those of the beneficiaries. Lastly, a nonexperimental design will be used if creating a control group proves impossible; in this case, program results will be compared based on the intervention modalities in the Sacúdete model (virtual and B-Learning). The monitoring and evaluation plan ([required link 2](#)) describes the proposed evaluation methods for each of these three scenarios.

Development Effectiveness Matrix		
Summary		CO-L1261
I. Corporate and Country Priorities		
1. IDB Development Objectives		
Development Challenges & Cross-cutting Themes	<div>-Social Inclusion and Equality</div> <div>-Productivity and Innovation</div> <div>-Gender Equality and Diversity</div> <div>-Climate Change and Environmental Sustainability</div> <div>-Institutional Capacity and the Rule of Law</div>	
Country Development Results Indicators	<div>-Students benefited by education projects (#)*</div> <div>-Women beneficiaries of economic empowerment initiatives (#)*</div>	
2. Country Development Objectives		
Country Strategy Results Matrix	GN-2972	Economic productivity. Improve the quality of education
Country Program Results Matrix		The intervention is not included in the 2020 Operational Program.
Relevance of this project to country development challenges (If not aligned to country strategy or country program)		
II. Development Outcomes - Evaluability		Evaluable
3. Evidence-based Assessment & Solution		9.6
3.1 Program Diagnosis		2.6
3.2 Proposed Interventions or Solutions		4.0
3.3 Results Matrix Quality		3.0
4. Ex ante Economic Analysis		9.0
4.1 Program has an ERR/NPV, or key outcomes identified for CEA		3.0
4.2 Identified and Quantified Benefits and Costs		3.0
4.3 Reasonable Assumptions		1.0
4.4 Sensitivity Analysis		2.0
4.5 Consistency with results matrix		0.0
5. Monitoring and Evaluation		7.6
5.1 Monitoring Mechanisms		2.2
5.2 Evaluation Plan		5.5
III. Risks & Mitigation Monitoring Matrix		
Overall risks rate = magnitude of risks*likelihood		Medium
Identified risks have been rated for magnitude and likelihood		Yes
Mitigation measures have been identified for major risks		Yes
Mitigation measures have indicators for tracking their implementation		Yes
Environmental & social risk classification		B
IV. IDB's Role - Additionality		
The project relies on the use of country systems		
Fiduciary (VPC/FMP Criteria)	Yes	Financial Management: Budget, Treasury, Accounting and Reporting.  Procurement: Information System, Price Comparison, Contracting Individual Consultant.
Non-Fiduciary	Yes	Strategic Planning National System, Monitoring and Evaluation National System, Statistics National System, Environmental Assessment National System.
The IDB's involvement promotes additional improvements of the intended beneficiaries and/or public sector entity in the following dimensions:		
Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project	Yes	CO-T1559, CO-T1576

Note: (\*) Indicates contribution to the corresponding CRF's Country Development Results Indicator.

#### Evaluability Assessment Note:

The main objective of the operation is to support Colombian adolescents and youth to develop the necessary abilities to graduate and later participate in the labor market. To achieve this objective, the proposal defines two specific areas in which the project will intervene. The first area of intervention focuses on promoting municipal and departmental coordination to promote youth public policy. The second area of intervention focuses on expanding coverage of the Sacudete model. The project proposes three components out of which the first one is associated to the first intervention area, and the second and third are associated to the second intervention area.

The project proposal diagnoses only 71 percent of youth between 17 and 28 year-olds finalize secondary education (ECV, 2018) and that more than half of students do not achieve a satisfactory performance in the knowledge test Saber 11 (DNP, 2018). The project identifies gaps in institutional coordination (Fundación Corona, 2020) and restrictions students face to access the Sacudete program as centers exist in only 6 departments (PND, 2019).

The economic analysis estimates a net present value of US\$1.2 million and an internal rate of return of 12 percent. The analysis assumes benefits derived from returns to education when beneficiaries participate in the labor market. The costs include US\$50 million which account for the total of the project funds. The analysis includes a sensitivity analysis and concludes that the profitability of the project is robust to variation on its effectiveness.

Monitoring is based on multiple instruments which allow ICBF and DNP to verify output delivery. The ex post evaluation proposes an experimental evaluation to identify the effects of the Sacudete program on the skill development in youth. Evaluability points are deducted due limitations in the methodology associated to evaluate project results on indicators associated to specific objectives.

There are six identified risks, and all are classified as medium or low. The risk matrix lists mitigation actions for each risk.

## RESULTS MATRIX

<b>Project Objective</b>	<p>The general objective of the project is to support Colombian adolescents and young people in developing the skills necessary to build and pursue their life plans and become agents of social and economic change.</p> <p>The specific objectives are: (i) to promote institutional strengthening and coordination with a view to consolidating youth policy; and (ii) to implement the Sacúdete strategy as a national program for helping youth and adolescents develop the skills necessary to successfully build and pursue their life plans.</p>
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### GENERAL DEVELOPMENT OBJECTIVE

Indicators	Unit of measurement	Baseline	Baseline year	Expected year achieved	Final target	Means of verification	Comments
<b>General development objective:</b> Support Colombian adolescents and young people in developing the skills necessary to build and pursue their life plans and become agents of social and economic change							
Difference in test scores <sup>1</sup> between young people and adolescents participating and not participating in Sacúdete (in standard deviations) <sup>2</sup>	Standard deviation	0	2021	2024	.15	ICBF information system Cuéntame <sup>3</sup>	Differentiated monitoring, consistent with national regulations <sup>4</sup>
Difference in the percentage of secondary graduates between young people and adolescents participating and not participating in Sacúdete <sup>5</sup>	Percentage points	0	2021	2024	5	ICBF information system Cuéntame	Differentiated monitoring. <sup>6</sup>

<sup>1</sup> Digital skills (Korea Education and Research Information Service tool, 2019), entrepreneurship (Entrepreneurial Mindset Profile (EMP) tool, Davis et al., 2015; Entrepreneurial Mindset Index (EMI), Gold & Rodríguez, 2017), creativity (Torrance Tests of Creative Thinking (TTCT), Torrance, 2000), collaboration (Notari & Baumgartner, 2010), perseverance (Short Grit Scale, Duckworth, 2009), and leadership (Leadership Skills Inventory, Karnes & Chauvin, 1985).

<sup>2</sup> The target for this indicator is based on coefficients of variation with respect to average performance in Colombia's PISA tests (2006-2018), which have ranged between .10 and .20 (absolute values).

<sup>3</sup> This information system is already in operation and is aimed at supporting the management and collection of information on services offered by the ICBF across the country. The timely entry of data into the information system is part of the ICBF's process of providing services to the population, allowing it to identify beneficiaries that—due to their vulnerable status—require priority access to services. The data will be generated through the IDB's skills evaluation platform.

<sup>4</sup> The differentiated approach includes the monitoring of gender. Although the indicator is not dependent on sex, physical features, or ethnic or cultural background, this information will be recorded in compliance with "equity in diversity" measures in national regulations.

<sup>5</sup> Graduation from secondary school is established as the proportion of young people between the ages of 17 and 28 who have completed secondary education. The ECV shows an increase in this indicator of 8 percentage points between 2010 and 2015 for the nationwide total.

<sup>6</sup> The differentiated approach includes the monitoring of gender.

### SPECIFIC OBJECTIVES

Indicators	Unit of measurement	Baseline	Baseline year	Year 1	Year 2	Year 3	Year 4	Final target	Means of verification	Comments <sup>2</sup>
<b>Specific Objective 1:</b> To promote institutional strengthening and coordination with a view to consolidating youth policy										
Strategy for coordinating the National Youth Policy in the regions designed and implemented	Document	0	2020	1	1	1	1	1	Departmental and municipal secretariat websites	Implementation of the policy will be verified through changes in the guidelines adopted in subnational governments' policies.
<b>Specific Objective 2:</b> To implement the Sacúdete strategy as a national program for helping youth and adolescents develop the skills necessary to successfully build and pursue their life plans.										
Young people who have benefited from the Sacúdete program	Number of young people	60,000	2020	50,000	50,000	34,000	34,000	168,000	ICBF information system Cuéntame	Differentiated monitoring. <sup>7</sup> Benefits are associated with learning on the part of the young people.
Individual and social ventures formulated <sup>8</sup>	Ventures	0	2020	1,000	1,000	1,000	1,000	4,000	ICBF information system Cuéntame	Differentiated monitoring. In this indicator, "formulated" means having taken concrete actions (defining a project, applying for student grants or business loans).
Strategic partnerships <sup>9</sup> with public and private entities to support employability and entrepreneurship opportunities for the young people who are enrolled	Partnerships	0	2020	10	10	10	10	40	ICBF information system Cuéntame	Contracts, agreements, memorandums of understanding, and statements of intent signed with the ICBF.

<sup>7</sup> The differentiated approach includes the monitoring of gender.

<sup>8</sup> The definition of "venture" here is not the traditional one included in the business literature. In other words, the term is not limited only to initiatives in which a young person invests capital to obtain a financial return. Instead, the word should be understood in a wider sense, encompassing initiatives in which a young person undertakes concrete actions and assumes risk in order to pursue a long-term objective that may yield individual and social economic returns. This broader definition includes initiatives associated with education, labor, business, or social projects.

<sup>9</sup> Strategic partnerships refer to partnerships between the ICBF and at least one public or private entity to support employment (apprenticeships) or entrepreneurship (mentoring, scholarships, or business loans), creating opportunities in the regions.



## OUTPUTS

Outputs	Unit of measurement	Base-line	Baseline year	Year 1	Year 2	Year 3	Year 4	Final target <sup>1</sup>	Means of verification	Comments
<b>COMPONENT #1: Coordination of national and regional youth policy</b>										
National Youth Policy document published	Document	0	2020	1	0	0	0	1	National Economic and Social Policy Council (CONPES), National Planning Department (DNP)	
<b>COMPONENT #2: Support for design and implementation of the Sacúdete program</b>										
Methodological phases of the Sacúdete model document published	Document	0	2020	0	0	0	1	1	Information system Cuéntame, ICBF	The document describes the technical aspects and operating model of the Sacúdete program.
Virtual courses activated on the platform	Virtual courses	0	2020	15	15	15	15	60	Learning platform, DAPRE	Activation will be verified with registration of the first student on the platform with all of the design elements, mechanisms, and tools for virtual or remote training.
Sacúdete centers in operation	Centers	6	2020	0	20	0	0	26	Semiannual progress report, ICBF	A center is deemed to be in operation when it has: (a) operators (actively seeking, registering, and profiling beneficiaries) for the different implementation modalities offered under the Sacúdete model; and (b) in-person and virtual training tools for said modality.

Outputs	Unit of measurement	Base-line	Baseline year	Year 1	Year 2	Year 3	Year 4	Final target <sup>1</sup>	Means of verification	Comments
Sacúdete hubs in operation	Hubs	0	2020	50	36	20	20	126	Contract with the operator, ICBF	Differentiated monitoring. "In operation" is defined as a physical space with an operator contracted. Hubs activated in a given year do not necessarily remain active in subsequent years. Annual reporting activities will cover hubs activated for the first time.
<b>COMPONENT #3: Upgrading of infrastructure and equipping of Sacúdete centers</b>										
Sacúdete centers upgraded	Centers	6	2020	20	0	0	0	26	Certificates of receipt approved, ICBF	For a center to be considered upgraded, it should have spaces adapted for use in workshops and activities, medical supplies, universal and inclusive accessibility, efficient use of power and water, use of sustainable materials, and resilience to climate and seismic risks.
Sacúdete centers equipped with furnishings and technological equipment and services	Centers	6	2020	0	20	0	0	26	Certificates of receipt approved, ICBF	For a center to be considered equipped, it must have furnishings, connectivity, and technological equipment (computer, printer).

## **FIDUCIARY AGREEMENTS AND REQUIREMENTS**

**Country:** Colombia

**Project number:** CO-L1261

**Name:** Program to Develop Twenty-first Century Skills Among Colombian Adolescents and Youth

**Executing agency:** Instituto Colombiano de Bienestar Familiar [Colombian Family Welfare Institute] (ICBF)

**Fiduciary team:** Patricio Crausaz and Eugenio Hillman (VPC/FMP)

### **I. EXECUTIVE SUMMARY**

- 1.1 The borrower will be the Republic of Colombia, and the executing agency will be the Instituto Colombiano de Bienestar Familiar (ICBF).
- 1.2 The following tools were used to evaluate the ICBF's fiduciary management capacity: (i) the Institutional Capacity Assessment Platform (ICAP); (ii) an analysis of key project execution support processes; and (iii) an assessment of fiduciary risks. The evaluation focused mainly on the units that will participate in the programming, execution, and monitoring of the loan funds.
- 1.3 The evaluation concluded that development of the ICBF's institutional capacities is of a medium level and that project execution is subject to a medium level of risk. The following measures are recommended to mitigate risks: (i) create a program management unit attached to the Division for Adolescence and Youth Program Operations and overseen by the program's administrative management; (ii) appoint a Program Coordinator reporting directly to the Head of Division for Adolescence and Youth Program Operations and incorporate him/her into the program management unit with exclusive dedication to the program; and (iii) incorporate specialists in the areas of finance, accounting, procurement, and monitoring into the program management unit. The program management unit will receive full support from the relevant functional departments of the executing agency.
- 1.4 Financial management of the loan funds will be performed using the Integrated Financial Information System (SIIF-Nación), which includes modules for the following: the budgetary programming of funds leveraged by investment projects; the administration of appropriations set out in the legislation and the annual budget decree; and the management of payment transactions, accounting, and reporting on the execution of funds. Colombia's public financial management system is a mature system that performs well in most areas. In addition, the rules governing the public procurement system are satisfactory and consistent with internationally accepted practices; its use has been accepted by the Bank.

- 1.5 The program does not include any counterpart or retroactive financing, nor any funding from other multilateral agencies.

## **II. FIDUCIARY CONTEXT OF THE EXECUTING AGENCY**

- 2.1 The ICBF will be accountable to the Bank for technical and fiduciary execution of the program and will implement it through the new Youth and Adolescence Department, the creation of which was recently approved by the executing agency's board of directors.
- 2.2 The ICBF is a decentralized public body with independent legal status, administrative autonomy, and its own assets. It was created under Law 75 of 1968 and reorganized under the provisions of Law 7 of 1979 and associated Regulatory Decree 2,388 of 1979. Pursuant to Decree 4156 of 2011, it is attached to the Administrative Department for Social Prosperity. The entity's mandate is to support integrated prevention and protection services in early childhood, childhood, and adolescence and promote the well-being of families in Colombia, caring in particular for those facing threats, inobservance, or violations of their rights. It operates 33 regional offices and 214 district centers across the country.
- 2.3 Its current organizational structure is established by Decree 879 of 2020. The crosscutting support departments for fiduciary management belong to the General Secretariat and include the Financial Management, Procurement, Supply, and Administrative Departments. The Directorate General also houses the Offices of Internal Control, Quality Assurance, Cooperation and Agreements, and Legal Counsel, among others. On the technical front, in addition to the Adolescence and Youth Department, the Directorate of Planning and Management Control, Directorate of Information and Technology, Regional Directorates, and District Centers will all be involved in program execution.
- 2.4 Although the ICBF has the organizational structure, budget, and technical and fiduciary staff needed to support program execution, there is a weakness that could undermine effective management of the required activities. The risk analysis revealed an organizational culture that is focused on regulatory compliance, which encourages a silo mentality, and a rigid and inefficient operating model. These factors may lead to delays and the repetition of processes during the launch and consolidation of the new services in the Sacúdete centers.
- 2.5 In terms of strengths, the ICBF has made progress toward consolidating an integrated management system, which has been well defined, disseminated, and generally adopted. The executing agency's previous experience in executing similar projects facilitates the mitigation of risks associated with the decentralization of financial management and procurement processes, as well as the management of relations with interest groups at the subnational level. Lessons learned from implementation of the Integrated Early Childhood Care (AIPI) policy have been incorporated, strengthening the supervision of the operators that will be responsible for delivering the different services. However, the ICBF currently lacks the fiduciary experience and capacity necessary to manage financial management and procurement processes using Bank policies, and the reliability of its information flows on execution is low.

### **III. FIDUCIARY RISK EVALUATION AND MITIGATION ACTIONS**

- 3.1 The Bank conducted an analysis of the ICBF's current institutional capacity for executing the program. The analysis determined that the level of fiduciary risk is medium, consisting of probable delays in execution due to both a failure to promptly allocate budgetary funds and difficulties in carrying out procurement processes in a timely manner.
- 3.2 The following institutional strengthening needs were identified: (i) increase fiduciary staff resources with experience in managing investment projects financed by multilateral lending agencies; (ii) train permanent staff in IDB policy requirements in the areas of financial reporting, procurement, and technical and administrative program management; (iii) develop capacity for carrying out procurement processes in accordance with Bank policies; and (iv) develop capacity for issuing financial reports required by the Bank in a timely and reliable manner and for processing disbursement requests.
- 3.3 The following measures are proposed to mitigate the identified risks: (i) formally adopt the fiduciary functions associated with development of the program in the executing agency as set out in the program Operating Regulations, through focal points designated by the General Secretariat; (ii) incorporate two full-time procurement specialists (one senior and one junior) into the program management unit, with experience in executing projects financed by the multilateral development banks, and, in the final quarter of 2020, begin the planning stage for all contracts prioritized for the first quarter of 2021; (iii) incorporate a financial specialist and an accountant with experience in executing projects financed by the multilateral development banks; and (iv) conduct training in IDB procurement and financial management policies and the Operating Regulations for focal staff in all of the ICBF units involved in executing the loan resources.

### **IV. CONSIDERATIONS FOR THE SPECIAL PROVISIONS OF THE CONTRACT**

- 4.1 The ICBF will create a program management unit made up of staff with the technical and fiduciary backgrounds listed in the program Operating Regulations.
- 4.2 The ICBF will submit documentation of its expenditures using the same exchange rate used to convert the funds disbursed in U.S. dollars into Colombian pesos (the "monetization rate").
- 4.3 Once the loan contract has been signed, the ICBF will request that the Ministry of Finance and Public Credit create a subexecuting unit for the earmarked funds in SIIF Nación II and that it disaggregate the investment budget into the relevant categories, linking them to the investment categories set out in the cost and financing table included in the sole annex to the loan contract (classified by component and distribution of resources).
- 4.4 Each year, the ICBF will submit the annual work plan, procurement plan, and cash flow and disbursement projections for Year T of the program by 30 April of Year T-1, to the Bank's satisfaction. For the first year of program execution, it will also submit the annual procurement plan referred to in Article 2.2.1.1.1.4.1 of Decree 1082 of 2015.

- 4.5 To obtain a new advance of funds, the ICBF must provide documentation for at least 80% of the cumulative balance pending documentation.
- 4.6 Each year, and until the operation is completed, the ICBF will submit the financial statements for the program audited by an independent audit firm. The latter will be selected and contracted in accordance with Bank policies (where possible for the entire contractual execution period), pursuant to the procedures and terms of reference previously agreed upon with the Bank.

## **V. AGREEMENTS AND REQUIREMENTS FOR PROCUREMENT EXECUTION**

- 5.1 **Procurement of works, goods, and nonconsulting services.** Contracts involving works, goods, and nonconsulting services will be executed in accordance with document GN-2349-15 or any subsequent updates thereof. Contracts subject to international competitive bidding (ICB) will be carried out using the standard bidding documents issued by the Bank. Contracts subject to national competitive bidding (NCB) will be carried out using national bidding documents agreed with the Bank. The review of technical specifications for contracts during preparation of the selection processes is the responsibility of the program sector specialist.
- 5.2 **Selection and contracting of consultants.** Contracts for consulting services under the program will be executed in accordance with document GN-2350-15 and the standard request for proposals agreed upon with the Bank. The sector specialist is responsible for reviewing the terms of reference for consulting contracts.
- 5.3 **Selection of individual consultants:** In accordance with document GN-2350-15 or any subsequent updates thereof.
- 5.4 **Recurring expenses:** Recurring expenses required for operation of the program during the implementation phase may be financed with loan proceeds, subject to their inclusion in the annual work plan approved by the Bank. These will be executed in accordance with the executing agency's administrative procedures.
- 5.5 **Use of country procurement systems.** The country procurement system approved by the Bank, the Colombian Public Procurement System (SCCPC), may be used for the following procurement processes:
- Public works contracts in amounts below the threshold established by the Bank for application of the international competitive bidding method for works.
  - Contracts for goods and nonconsulting services in amounts below the threshold established by the Bank for application of the international competitive bidding method.
  - Contracts with consulting firms in amounts below the threshold established by the Bank for the inclusion of international consultants in shortlists.
  - Individual consulting contracts.
- 5.6 Any system or subsystem that is subsequently approved will be applicable to the operation. The procurement plan for the operation and its updates will indicate which contracts will be executed using approved country systems.

- 5.7 Regarding use of the SCCPC in Bank-financed operations, the following specific provisions and their regulations will not apply: (i) the submission of procurement protests (the SCCPC measures that prevent these are excluded), and (ii) direct contracting as described in the SCCPC.
- 5.8 **Threshold amounts by selection method.** The threshold amounts for determining the selection methods applicable to the project, as well as obligations with respect to ex post review, international advertising, and inclusion in short lists, are presented in the following tables:

**Table 1. Table of thresholds (US\$)**

Works		Goods		Consulting services	
ICB	NCB (complex works) **	ICB	NCB (uncommon goods) **	International advertising, consulting	Shortlist No nationality restrictions
Greater than or equal to 10,000,000	350,000 to 10,000,000	Greater than or equal to 1,000,000	50,000 to 1,000,000	Greater than or equal to 200,000	Less than or equal to 500,000

\*\* In the case of simple works and common goods in amounts below the threshold for ICB, the shopping method may be used.

\*\* In the case of complex works or uncommon goods in amounts below the threshold for NCB, the shopping method may be used.

**Table 2. Table of thresholds for ex post review (US\$)**

Threshold for ex post review***		
Works	Goods	Consulting services
10,000,000	1,000,000	200,000

\*\*\* Ex post review is subject to the provisions of document GN-2349-15.

- 5.9 **Main procurements.** Procurement transactions for the first 12 months are set out in the procurement plan, which is included as a mandatory annex to the Proposal for Operations Development. The contracts for the operators of Sacúdete hubs will be executed using the ICBF procurement method known as the Régimen Especial de Aporte [Special Contribution Regime]. Under this method, contracting relies on a database of providers that are verified and authorized to provide public family welfare services. The ICBF method is an established market practice for the private sector that is acceptable to the Bank pursuant to Appendix 4 to document GN-2349-15.
- 5.10 **Procurement supervision.** Unless the project team stipulates otherwise, and except in the case of direct contracts (which will always be subject to ex ante supervision by the Bank), the procurement of goods, services, and consulting services will be subject to ex ante supervision. Ex post reviews will be carried out at least every 12 months as part of the financial audit of the project.
- 5.11 **Records and files.** The ICBF will keep full physical and digitized documentation for procurement processes in the active files and information systems that support its contract management process. The documentation for each procurement transaction will be managed in accordance with the executing agency's document management guidelines.

## VI. FINANCIAL MANAGEMENT AGREEMENTS AND REQUIREMENTS

- 6.1 Program financial management will be conducted pursuant to the requirements of Operational Policy OP-273-12 (or subsequent updates thereof) and its associated guidelines, and the SIIF Nación II system will be used.
- 6.2 **Programming and budget.** The loan proceeds will be included in the central government budget appropriation for the ICBF, and their execution will be controlled using the SIIF Nación II system. Each year, the program management unit will estimate the amount of fiscal space required based on the annual work plan, procurement plan, and projected outlays, subject to the Bank's no objection to these documents. The Program Manager will request that this space be included in the budget submission prepared by the ICBF General Secretariat, in keeping with the country's budget calendar.
- 6.3 **Accounting and information systems.** The ICBF will maintain program accounts using the SIIF Nación II accounting module. Accounts will be prepared on an accrual basis, consistent with the accounting rules issued by the General Accounting Office. The special-purpose program financial statements required by the IDB will be prepared on a cash basis and will be automatically and directly generated by the SIIF. The program management unit will be directly accountable for accurate program financial management and accounting; in discharging its responsibilities, however, it will be supported by and will work together and in coordination with the ICBF's Financial Department.
- 6.4 **Disbursements and cash flow.** For the purposes of program cash flow management, the ICBF will open a special foreign currency account in the name of the program in Banco de la República (the central bank), to be used exclusively for loan resources. The executing agency may operate a designated account in Colombian pesos for the purposes of payments to local contractors and suppliers under the program. The Bank will disburse loan funds in the form of advances of funds for the execution of planned activities and procurement transactions over periods of up to six months, without prejudice to any different period that may be agreed. The projections for cash flow and disbursements prepared by each executing agency will be consistent with annual work plans and procurement plans that have received the Bank's no objection, and will cover a rolling time horizon of at least 12 months. For the purposes of documentation (authentication) of expenditures financed from advanced funds, the exchange rate used will be the same one used to convert the funds disbursed in U.S. dollars into Colombian pesos (i.e. the "monetization rate"). Documentation review will be carried out on an ex post basis.
- 6.5 **Internal control and internal audit.** The ICBF has an Internal Control Office (OCI). The internal control system is based on the provisions of Law 87 of 1993 and Decree 1083 of 2015, as well as the Standard Internal Control Model (MECI) described in the Operating Manual for the Integrated Planning and Management Model (MIPG). The principles of self-regulation, self-management, self-control, and continuous improvement apply. The ICBF also has risk maps for each of the processes included in the Quality Management System (SGC). The ICBF's internal control structures are consistent with the standards issued by COSO/INTOSAI (Committee of Sponsoring Organizations of the Treadway Commission/International Organization



- of Supreme Audit Institutions). The OCI is responsible for independent evaluation of the internal control system using the Internal Audit tool, which is used to audit processes and verify their proper management (i.e. implementation as planned); it also provides support for improvement plans for the internal audit function and those proposed by the Comptroller General of the Republic. It is suggested that the OCI provide ongoing advice and support to the officials responsible for the different execution processes under the program, and that it include specific audits of the operation's execution in its annual work program.
- 6.6 **External control and reports.** Special-purpose financial statements and expenditure eligibility under the program will be audited annually by an independent private audit firm acceptable to the Bank. The firm will be contracted by the ICBF in accordance with the terms of reference and standard request for proposals agreed upon with the Bank. Audit services will be financed using loan proceeds. External audit reports for the program will be sent to the Bank within a maximum of 120 days following the end of each fiscal year and the date of final disbursement, or within a different period agreed upon by the parties. If, within the execution period, the Comptroller General is declared eligible to audit IDB-financed projects, that entity may be considered as a potential auditor for this operation. Audited program financial statements will be published in the Bank's systems pursuant to its current information access and disclosure policy.
- 6.7 **Financial supervision plan.** The Bank's financial specialist will conduct at least one annual on-site review and desk reviews of the audited financial statements or any other financial report prepared by the program management unit, including disbursement requests and their annexes. The auditor will conduct selective tests to verify that funds have been executed in accordance with Bank policies and the conditions stipulated in the program Operating Regulations. Fiduciary supervision visits relating to financial management will include both verification of the fiduciary arrangements used for program administration and monitoring of the implementation of recommendations issued by the independent audit firm, where applicable.
- 6.8 **Execution mechanism.** The borrower will be the Republic of Colombia and the executing agency will be the ICBF. Program-related expenditure will be the responsibility of the management official appointed by the ICBF Director General in accordance with the executing agency's current policies. The ICBF will create a program management unit that will be responsible for operational, financial, and administrative management of the program. A program management unit will also be created with staff dedicated exclusively to the management and execution of the objectives, targets, and activities set out in the loan contract and strategic and operational documents for the program. This program management unit will consist, at a minimum, of the following: a program coordinator, one senior and one junior procurement specialist, a financial specialist, an accountant, and a monitoring specialist. It may also include technical managers to supervise implementation of the operation's components, as well as a minimum administrative support staff.
- 6.9 Project governance within the ICBF will be supported by the existing institutional structures. The program Operating Regulations will stipulate the functions and responsibilities of each of the entities and units involved and those of their staff, as well as coordination mechanisms and information flows for the project.

- 6.10 **Other financial management agreements and requirements.** Apart from the foregoing, there are no other agreements. Nonetheless, the fiduciary agreements and requirements included in this Annex may be adjusted in response to developments in program execution, the results of monitoring reports for the operation, and the updated risk analyses and institutional capacity assessments prepared during program execution.