

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK  
MULTILATERAL INVESTMENT FUND

**COLOMBIA**

**PRODUCTIVE EMPLOYMENT PROGRAM  
FOR PEOPLE WITH DISABILITIES**

**(CO-M1033)**

**DONORS MEMORANDUM**

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## **ABBREVIATIONS**

ANDI	Asociación Nacional de Empresarios de Colombia [National Business Association of Colombia]
AWP	Annual work plan
CSR	Corporate social responsibility
DANE	Departamento Administrativo Nacional de Estadística [National Statistics Department]
ESR	Environmental and Social Impact Review Secretariat
FSC	Fundación Saldarriaga Concha
NGO	Nongovernmental organization
SENA	Servicio Nacional de Aprendizaje [National Learning Service]
PMU	Program management unit
WHO	World Health Organization

# PRODUCTIVE EMPLOYMENT PROGRAM FOR PEOPLE WITH DISABILITIES (CO-M1033)

## I. EXECUTIVE SUMMARY

<b>Country:</b>	Colombia			
<b>Executing agency:</b>	Fundación Corona			
<b>Beneficiaries</b>	The direct beneficiaries of this program will be at least: (i) 500 people with permanent disabilities who will gain access to the job market or otherwise improve their employment prospects; (ii) 40 rehabilitation and training organizations that will receive strengthening; and (iii) 100 firms that employ people with disabilities, whose corporate image will be enhanced, among other benefits.			
<b>Objectives:</b>	The program’s general objective is to improve employment opportunities for people with disabilities, thereby contributing to their economic and social inclusion. Its purpose is to strengthen rehabilitation, training, and job placement services, so as to expand employment opportunities for people with disabilities.			
<b>Financing:</b>	MIF (nonreimbursable): <sup>1</sup>	US\$1,700,000		
	Local contribution:	<u>US\$1,530,000</u>		
	Total:	US\$3,230,000		
<b>Deadlines:</b>	Execution period: 48 months			
	Disbursement period: 54 months			
<b>Exceptions to Bank policy:</b>	The Bank will contract the auditing firm for the program. This consulting firm will conduct regular ex post reviews of procurement processes and supporting documentation for disbursement requests (see paragraph 5.7).			
<b>Special contractual clauses:</b>	As conditions precedent to the first disbursement: (i) the program director will be selected; (ii) the agreement will be signed with the funding partners (see paragraph 4.1); (iii) the agreement will be signed with the four regional partners (see paragraph 5.3); and (iv) the program Operating Regulations will enter into force.			

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<sup>1</sup> The MIF contribution includes US\$15,000 for strengthening of the executing agency so that it can adopt a results-based management model, and US\$8,618 for the Impact Evaluation Account.

**Social and environmental impact:**

This program has been classified as category “C” (ESR meeting of 7 January 2008).

**Coordination with other official development finance institutions:**

None.

## **II. BACKGROUND**

### **A. People with disabilities and lack of opportunities**

- 2.1 People with disabilities are among the poorest and most excluded from education, health, employment, and community participation worldwide.<sup>2</sup> Unemployment is one of the key problems facing this population group: some 70% of people with disabilities are unemployed or excluded from the work force.<sup>3</sup> The World Health Organization (WHO) calculates that roughly 50% of disabled people are of working age, but most do not work. Disability impacts not only the individuals directly affected, but those around them as well, especially their family. The person who looks after a disabled family member also has limited employment opportunities. This worsens the circumstances of health, housing, and access to education for members of the family unit, and serves to create more poverty.<sup>4</sup>

### **B. People with disabilities<sup>5</sup> in Colombia**

- 2.2 Historically, people with disabilities in Colombia have been protected by the State, their families, and providers of basic care to ensure their survival and rehabilitation. Nonetheless, this segment of the population still faces major barriers limiting their access to employment and income-earning opportunities, in comparison to other citizens.
- 2.3 According to the 2005 census, there were over 2.6 million people with some form of disability, representing 6.3% of the national population, equally distributed between genders.<sup>6</sup> Census data also show that most people with disabilities have scant resources, are not affiliated with any social security system; and over half

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<sup>2</sup> Inclusion International, 2006. *Hear our voices: A global report. People with an intellectual disability and their families speak out on poverty and exclusion.*

<sup>3</sup> International Disability Rights Monitor. Regional Report for the Americas.

<sup>4</sup> Instituto Universitario de Estudios Europeos, 2002. Green paper: *La accesibilidad en España* [Accessibility in Spain]. Diagnostic assessment and basis for a comprehensive plan to overcome barriers.

<sup>5</sup> For the purposes of this program, and according to the WHO definition, disability means “deficits, deficiencies, or alterations in bodily functions and/or structures, activity impairment, and restrictions on participation. It indicates the negative aspects of the interrelation between an individual (with a health condition) and his or her contextual factors.”

<sup>6</sup> Departamento Administrativo Nacional de Estadística (DANE). General Census 2005.

(1.4 million) are of working age (15-59 years). Access to education for this population segment is limited. Most disabled people live in situations of dependency, very few develop their potential, and they do not participate in social, educational, or productive activities.<sup>7</sup>

- 2.4 In terms of employment, only 13% of disabled people who can work, do so; and of these, 84% earn less than a minimum wage (DANE, 2002). The possible causes of unemployment include a lack of specialized institutions providing support services appropriate to the disabilities in question and to the needs of the job market.
- 2.5 Under the 1991 Constitution, Congress passed a number of laws that introduced the concept of rights and equity among citizens, along with incentives to promote the integration of people with disabilities. Nonetheless, the regulation and implementation of these laws is haphazard, and the real, substantive change necessary for this population group has not occurred.

### **C. Rehabilitation and social inclusion of disabled people in Colombia**

- 2.6 There are numerous rehabilitation institutions in Colombia, most created and supported by philanthropic individuals sensitive to this issue. Some of these institutions have been able to adapt to the new technologies and management know-how now available, but others lack the methodologies or financial resources either for training or for helping people with disabilities to find employment. A supply and demand study of rehabilitation services in Colombia showed that most disability support institutions surveyed fail to effectively integrate disabled people into society, and their rehabilitation services focus essentially on medical or functional aspects.<sup>8</sup> Rehabilitation institutions have serious weaknesses in terms of developing job opportunities or employability for this segment of the population. Moreover, no work is done in conjunction with other organizations, which means it is left to disabled people and their families to seek out services that will enable them to find income-earning opportunities, with no support of any kind or guarantee of service quality.
- 2.7 Certain pilot initiatives have created a more enabling environment for the underlying social and cultural changes needed to move toward the effective inclusion of disabled people in the workplace. Yet these efforts are scattered and uncoordinated, in public and private entities alike.

### **D. Efforts for inclusion of people with disabilities in Colombia**

- 2.8 The Presidential Council on Special Programs seeks, with Bank support,<sup>9</sup> to raise social awareness and promote community partnership and organization in the

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<sup>7</sup> According to DANE (2002), 40% of disabled people are illiterate, and just 13% attend some type of school.

<sup>8</sup> *Estudio Nacional de Necesidades, Oferta y Demanda de Servicios de Rehabilitación en Colombia* [National Needs, Supply, and Demand Study of Rehabilitation Services in Colombia]. Fundación Saldarriaga Concha, 2003. [http://www.discapacidad.gov.co/d\\_interes/estudiooferta.pdf](http://www.discapacidad.gov.co/d_interes/estudiooferta.pdf)

<sup>9</sup> Colombia. Support program for people with disabilities (CO-T0145).



municipios where it operates, and to set up social networks to support local budget resource allocations for access to health goods and services (wheelchairs, specific treatments, etc.) and support for education.

- 2.9 Likewise, the Office of the Vice Minister for Labor Affairs in the Ministry of Social Protection is developing policies for social and workforce inclusion of this population group. The National Learning Service (SENA) runs special programs and services at its main technical training centers in Colombia that promote training and labor market access for people with disabilities.
- 2.10 Fundación Saldarriaga Concha (FSC)<sup>10</sup> is a nonprofit nongovernmental social enterprise that contributes to equitable and solidarity-based social development in Colombia through economic, technical, and management support to nonprofits. Since 1973 it has supported over 126 rehabilitation and education institutions in the country. FSC supports and finances technical and financial assistance for these organizations with an approach based on civic rights and obligations, human dignity and integrity, and shared responsibility of the family, the State, and society. It currently represents disability organizations on the National Advisory Committee on Persons with Limitations.
- 2.11 Fundación Corona<sup>11</sup> is a nonprofit institution whose main mission is to promote equity and poverty reduction in Colombia by supporting and funding initiatives to strengthen the country's institutional capacity in four strategic social sectors: education, health, business development, and local and community development. In health, its aim is to improve the quality, relevance and coverage of health policies, institutions and programs, targeting problems affecting the most vulnerable members of society. Experience in this area is based largely on strengthening organizations that serve, protect, and improve the living conditions of these population groups. The business development area works to promote business culture as an incentive for productive employment, as well as higher family incomes in the formal sector, giving priority to population groups with fewer job opportunities. Over the last two years as part of the collective effort to develop this program, Fundación Corona has focused on disabled people, exploring and coordinating alternatives with the government and public and private entities to create better living conditions for them.

#### **E. Problem to be addressed**

- 2.12 Despite public and private efforts, rehabilitation institutions have been unsuccessful in making social inclusion of disabled people the norm, not the exception. This population segment remains excluded from society, living in a state of poverty, vulnerability and dependency. The main problems affecting this group include: (i) lack of accessible and integrated rehabilitation service offerings; (ii) lack of training for employment; (iii) no strong network of institutions and job

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<sup>10</sup> <http://www.saldarriagaconcha.org>

<sup>11</sup> <http://www.fundacioncorona.org.co>

opportunities; and (iv) prejudices and erroneous information on disabled people's job skills.

- 2.13 Inclusion of people with disabilities in working life is a valid solution to improve their income, quality of life and dignity as human beings. It also helps minimize the dependency burden, lowering costs for the State and society.

**F. The proposed program**

- 2.14 The proposed program would develop a productive employment model that combines vocational rehabilitation, job training, and intermediation services. This model will help people with disabilities to develop the basic job skills needed to find work and enhance their employment prospects, thereby contributing to their inclusion in society. The program is designed as a pilot project involving various firms, services, and social actors. The experience is expected to provide lessons on the most effective ways to employ people with disabilities.
- 2.15 The program seeks to meet the employment needs of participating firms that could be met by disabled people, so one of its first actions will be to identify those needs (demand). A network of NGOs will be formed and grown to develop a supply of training services. It is expected that firms and NGOs, working in coordination, will create opportunities for disabled people to find productive employment.
- 2.16 The program will also help rehabilitation institutions to sharpen their focus on employment inclusion and direct their assistance and technical capacities toward inclusion, so as to facilitate the comprehensive development of people with disabilities. The program also seeks to raise awareness among policymakers to ensure that laws uphold the rights of these citizens and provide the means to integrate them into society.
- 2.17 The program will benefit people with permanent disabilities over 15 years of age<sup>12</sup> living in Bogotá, Medellín, Cali, and Pereira. These four cities were chosen for the following reasons: (i) the existence of sufficient numbers of disabled people over 15 years of age to receive training and services to help them engage in productive employment; (ii) the existence of rehabilitation institutions for disabled people that have potential for capacity building in the area of job placement; (iii) the existence of industrial, commercial, farming and service enterprises with a commitment to creating jobs and employment opportunities for people with disabilities; (iv) the existence of job training centers of the National Learning Service (SENA); (v) the existence of a family assistance fund (caja de compensación familiar)<sup>13</sup> willing to participate as a regional partner (see paragraph 5.3); and (vi) the possibility that the

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<sup>12</sup> For those under 18, who are legally minors, the project focuses on providing training but not gainful employment. For all purposes, the project is based on the Colombian legal framework.

<sup>13</sup> Family assistance funds were created in 1954 as a result of a voluntary agreement between entrepreneurs and unions to lighten the economic burden of children for low-income workers. This gave rise in 1957 to creation of the family subsidy as an entitlement (see Annex XIV for further details).

knowledge and experience generated by the program in each city can yield lessons useful for later replications of the model in other cities where conditions are similar.

- 2.18 A group of businesses is already interested in participating in the program, stemming from the social awareness of their management teams and a commitment to corporate social responsibility (CSR) principles, which have made significant inroads in Colombia in recent years. Some of these businesses have already taken on disabled people as part of their CSR policy. These include Almacenes Home Center, Carrefour and several call centers. Moreover, several firms have expressed a willingness to consider hiring disabled people trained by this program, including: Grupo Corona, Hotel Gramalote, Proximity Colombia, Sodimac S.A., PC Box, Brandingdang, Fundación Sanitas, Manpower, Compu Greiff S.A., Inversiones y Construcciones 79 Ltda., Discovery Musical, Beauty Store Leomar Ltda., OMD, Centro Comercial Gran Estación, Calcuelect Ltda., and C.M.C Ltda.

### **III. BASIC OBJECTIVES AND COMPONENTS**

#### **A. Objectives**

- 3.1 The program's general objective is to improve employment opportunities for people with disabilities, thereby contributing to their economic and social inclusion. Its purpose is to create a model for workforce inclusion by coordinating and strengthening rehabilitation and training services for disabled people in partnership with the business sector.
- 3.2 The program has four components: (i) mobilization of the business sector; (ii) strengthening of rehabilitation institutions in job placement; (iii) training for workforce inclusion; and (iv) program coordination, awareness, and dissemination.

#### **B. Components and activities**

##### **Component 1: Mobilization of the business sector (MIF: US\$55,879; Local: US\$105,140)**

- 3.3 This component seeks to raise awareness among firms of the potential of disabled people and the possibility of involving them productively in their firms, with the corresponding benefits. It also seeks to bring businesses into contact with other stakeholders working in workforce inclusion of people with disabilities. The following activities are planned: (i) identify and analyze the barriers to workforce inclusion of people with disabilities (regulatory, cultural, access, etc.) and develop alternative solutions; (ii) raise awareness among firms and trade associations of the importance and relevance of workforce inclusion of people with disabilities, as part of their CSR strategy; (iii) select participating firms; (iv) identify possibilities and barriers to workforce inclusion of people with disabilities at each participating firm; (v) diagnose problems of access and inclusion at the firms, and promote adjustment plans; (vi) train staff at the firms to facilitate processes for the inclusion of people with disabilities; (vii) evaluate and classify job functions, conditions and needs, and determine the skills required; (viii) facilitate selection and hiring processes at the

firms; (ix) monitor and evaluate the work performance of the disabled people and the business situation; and (x) produce a manual dealing with fundamental issues and alternatives to be considered for workforce inclusion of people with disabilities.

**Component 2: Strengthening of rehabilitation institutions**  
**(MIF: US\$331,063; Local: US\$191,001)**

- 3.4 This component seeks to sharpen technical skills at rehabilitation service providers and enhance their social impact on workforce inclusion processes. For that purpose, a course in rehabilitation for workforce inclusion will be instituted, to better enable them to introduce into their rehabilitation processes an approach to workforce inclusion based on developing the potential of people with disabilities. Participating in this component will be rehabilitation institutions that possess the necessary organizational capacity (legally organized and operating in the formal sector, governance, technical and professional resources, etc.) to meet the challenge of workforce inclusion, where this component could generate benefits for the institution and its own beneficiaries.
- 3.5 The following activities are planned: (i) select rehabilitation service providers in the four cities; (ii) design instruments tailored to the nature and identified conditions of the disabled population; (iii) define general criteria for the services provided by rehabilitation institutions, to facilitate the workforce inclusion of people with disabilities; (iv) develop a course to strengthen rehabilitation oriented toward workforce inclusion; (v) train trainers to generate local capacity; (vi) strengthen rehabilitation institutions oriented toward workforce inclusion; and (vii) evaluate and adapt the course on the basis of outcomes.

**Component 3: Training for workforce inclusion**  
**(MIF: US\$412,097; Local: US\$775,659)**

- 3.6 This component seeks to create the conditions for training and effective workforce inclusion of people with disabilities. It will develop the knowledge and skills of disabled people, in conjunction with the strengthening work at the rehabilitation and placement organizations, on the basis of business demand. The following activities are planned: (i) select training providers and programs oriented toward workforce inclusion; (ii) review and adapt the selected training programs; (iii) train trainers in basic techniques for working with disabled people and in the adapted programs; (iv) conduct selection processes to admit people with disabilities to the selected training programs; (v) train the selected people with disabilities; and (vi) follow up and evaluate the training processes and adapt programs according to performance.

**Component 4: Program coordination, awareness, and dissemination**  
**(MIF: US\$291,522; Local: US\$117,789)**

- 3.7 This component seeks to coordinate the stakeholders involved in workforce inclusion; create awareness of the program among beneficiaries, participating entities, the business sector and society at large; and produce a guide to workforce

inclusion services. Coordination of stakeholders is a key program strategy that will create momentum for workforce inclusion of people with disabilities to carry on locally after the program has ended.

- 3.8 The following activities are planned: (i) map supply and demand for the necessary services and jobs to employ people with disabilities; (ii) design and implement strategies to coordinate the workforce inclusion work of stakeholders in each region on behalf of people with disabilities (businesspeople, business associations, universities, SENA, professional risk managers, associations for disabled people, the media, etc.); (iii) establish mechanisms for stakeholder communication to make the model more accessible and sustainable; (iv) identify and document good practices for workforce inclusion of people with disabilities; (v) design and implement a program communication and dissemination strategy involving the media in each of the selected cities that clearly demonstrates the benefits of employing disabled people; (vi) participate in events hosted by other organizations, to reach new groups of stakeholders or related parties; (vii) propose relevant changes to laws and regulations to facilitate inclusion of people with disabilities in Colombia; and (viii) present the final program outcomes.

#### IV. COST AND FINANCING

- 4.1 The program's total budget is US\$3,230,000. Of that total, the MIF will contribute US\$1,700,000 in nonreimbursable resources, and US\$1,530,000 will be contributed as the local counterpart. The local counterpart contribution will be supplied in cash and in kind by Fundación Corona, Fundación Saldarriaga Concha, the National Learning Service (SENA) and Acción Social de la República (see the framework agreement for funding partners in Annex VIII).

	MIF	Local contribution	Total	%
1. Mobilization of the business sector	55,897	105,140	161,037	5.0
2. Strengthening of rehabilitation institutions	331,063	191,001	522,064	16.3
3. Training for workforce inclusion	412,097	775,659	1,187,756	37.0
4. Program coordination, awareness, and dissemination	291,522	117,789	409,312	12.8
5. Program management unit	373,319	243,727	617,045	19.2
6. Monitoring	--	96,000	96,000	3.0
7. Evaluations	45,000	--	45,000	1.4
8. Financial audits	25,000	--	25,000	0.8
9. Contingencies	142,484	684	143,168	4.5
<b>SUBTOTAL</b>	<b>1,676,382</b>	<b>1,530,000</b>	<b>3,206,382</b>	<b>100.0</b>
<b>Percentages</b>	<b>52%</b>	<b>48%</b>		
10. Results-based management	15,000	0	15,000	
11. Impact Evaluation Account	8,618	0	8,618	
<b>TOTAL</b>	<b>1,700,000</b>	<b>1,530,000</b>	<b>3,230,000</b>	

- 4.2 **Sustainability.** Program sustainability will be based on successfully creating a network of coordinated public and private organizations, working to provide comprehensive support to people with disabilities. It is also essential to engage a group of businesses that have included, and are willing to include, people with disabilities among their employees or within their value chain. This will create a demonstration effect to raise awareness at other firms of the opportunities for inclusion of disabled people as employees or business partners. A sustainability workshop will be held at least one year before the end of the program execution period, attended by MIF and executing agency representatives and others to be determined, to assess progress and identify what measures and actions are necessary to ensure continuity once program funding ends. The scope of the sustainability workshop will be agreed upon sufficiently in advance.

## **V. EXECUTING AGENCY AND MECHANISM**

### **A. Executing agency**

- 5.1 The program executing agency will be Fundación Corona, founded 45 years ago as an expression of the responsibility and commitment of the Echavarría Olózaga family to the country's social development. It is a private nonprofit organization whose mission is to promote equity and reduce poverty, focusing on four areas: health, education, local and community governance, and business development. Fundación Corona has worked previously with the MIF on two projects: the support program for private enterprise involvement in the subsidized health insurance plan in Colombia (ATN/MT-6498-CO), which was executed successfully; and the project for promotion of youth entrepreneurship in Colombia (ATN/MH-8618-CO), which is currently executing satisfactorily.

### **B. Execution mechanism**

- 5.2 Program execution will be supported by a program management unit (PMU), consisting of a program director, an accounting assistant, and a part-time accountant. The program director will have the following responsibilities: (i) plan, coordinate, supervise, and provide technical and administrative support for the activities necessary to complete the work plan and achieve the expected outcomes for the duration of the program; (ii) prepare annual work plans (AWPs); (iii) prepare terms of reference for, and identify, select, contract, and evaluate the performance of the external consultants participating in the project; and (iv) produce the six-monthly, midterm, and final reports on the program's technical and financial progress.

- 5.3 The family assistance funds<sup>14</sup> will serve as regional partners in each of the regions where the program is executed. These will have the following responsibilities: (i) provide institutional support to the program in their areas and serve as strategic local resources for the program; (ii) facilitate program development through their leadership and ability to marshal support in the region; and (iii) lead the Regional Technical Committees in their respective cities (see paragraph 5.4); and (iv) serve on the program Steering Committee (see paragraph 5.4). More specifically, the regional partners will have these further responsibilities: (i) participate in the selection of local coordinators; (ii) provide premises for the local coordinators to work, and administrative and logistical support for them to effectively conduct their activities; (iii) promote institutional support for the program among the entities and enterprises of their region; (iv) support dissemination of the program's processes and outcomes through their communication channels; and (v) help steer the program by serving on the regional technical committees (see paragraph 5.4).
- 5.4 A program Steering Committee will be the decision-making body responsible for strategic direction of the program. It will comprise the executing agency (Fundación Corona), Fundación Saldarriaga Concha, SENA, the regional partners, Asociación Nacional de Empresarios de Colombia [National Business Association of Colombia] (ANDI),<sup>15</sup> and other entities able to contribute knowledge and strategic guidance for the program. Regional technical committees are also planned as program advisory bodies in each of the four regions (Bogotá, Medellín, Cali, and Pereira). In addition to the regional partners, these committees will comprise the program director and local coordinator, and other entities able to contribute knowledge and strategic guidance for the program, to be selected by the regional partners and the Steering Committee, such as local industrial associations, business associations or boards of trade, regional units of SENA and ANDI, representatives of businesses, rehabilitation institutions, and training participants and/or foundations for the disabled.
- 5.5 **Execution period and revolving fund.** The program will have an execution period of 48 months, and a disbursement period of 54 months. The Bank will establish a revolving fund of up to 20% of the total approved MIF contribution, to be managed in a separate account. Project disbursement will be contingent upon the achievement of milestones, which will be included in the Operating Regulations (Annex III) along with their means of verification. Achievement of milestones does not exempt the executing agency from the responsibility to meet the program objectives. The executing agency can ask the Bank to modify these milestones, provided that the deadline has not passed. The milestones may be rescheduled during the annual planning process for the following period. The disbursement

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<sup>14</sup> Caja de Compensación Familiar (Comfenalco) in Medellín; Caja de Compensación Familiar (CAFAM) in Bogotá; Caja de Compensación Familiar de Risaralda (Comfamiliar) in Pereira; and Caja de Compensación Familiar del Valle del Cauca (Camfandi) in Cali. (See Annex XV for the corresponding letters of interest).

<sup>15</sup> <http://www.andi.com.co>

- arrangements will reflect the program's expenditure needs, based on activities planned for a given time period, which may include the deadline for one or more milestones.
- 5.6 The executing agency will report to the Bank every six months on the status of resources allocated, with reference to the budget items established in the program design phase. The executing agency will manage these budget items properly and track the costs of the program and its activities, so that audited financial statements can be delivered in due time and manner. Two audits of the program financial statements will be performed: the first, once 50% of the resources have been disbursed, and the second at the end of program execution.
- 5.7 **Procurement.** The procurement procedures followed by the executing agency will adhere to the Bank's policies for the procurement of goods and services and for the contracting of consulting services (documents GN-2349-7 and GN-2350-7), the MIF guidelines on results-based management of April 2008 (see Annex X), and the MIF procurement guidelines of June 2008 (see Annex XI). Because the institutional risk of the executing agency in relation to procurement was assessed as moderate, the program procurements will be subject to ex ante review for the initial contracts, with the possibility of opting later for ex post review. The Bank/MIF will also use program resources to contract a consulting engagement to provide the required fiduciary support and training for the executing agency. The procedures must ensure transparent and competitive processes at the least cost. The executing agency will also facilitate periodic review by the Bank of expense vouchers and consultant contracting processes conducted in accordance with Bank policies. Annex XII contains the first program Procurement Plan for the expected consulting engagements with individual consultants. The executing agency will update the Procurement Plan at least once a year.
- 5.8 The application of ex post review of procurements and disbursement requests may be modified by the MIF on the basis of the reports of reviews and institutional assessments conducted subsequently during program execution.

## VI. MONITORING AND EVALUATION

- 6.1 The MIF, at its office in Colombia, will be responsible for program monitoring and supervision, oversight of compliance with contractual clauses, processing of disbursement requests, and acceptance of audited financial statements. The PMU will prepare an AWP each year and submit it for consideration. It will also prepare and submit project status reports (PSRs) to the Bank within 30 days after the end of each semester, and a final report within 90 days after the last disbursement, highlighting results achieved, project sustainability, and lessons learned. These reports will follow a format previously agreed upon with the MIF and will contain information on progress toward the program objectives, milestones met, and outcomes and their contribution to achieving the program objectives as stated in the logical framework and the AWP.



- 6.2 Two evaluations will be performed: midterm and final. The midterm evaluation will be conducted once 50% of the program resources have been disbursed, or halfway through the execution period, whichever occurs first. This evaluation will address at least: (i) the number of participating firms and the level of interest and general participation of the private sector; (ii) the interest and demand to participate in the program shown by other rehabilitation institutions; (iii) beneficiaries' satisfaction with the training courses; and (iv) the impact of awareness-raising and training events measured by the number of training events held.
- 6.3 The final evaluation will be performed when program execution is complete, or once 95% of the resources have been disbursed. This evaluation will address the following, in addition to the quantitative and qualitative indicators used in the midterm review: (i) documentation of the experience through a workforce inclusion model designed, implemented and validated in the four regions of the country where the program was implemented; (ii) the maturity of the network of regional organizations that develop and promote coordination among regional and national stakeholders and services, to facilitate workforce inclusion of people with disabilities; (iii) progress made and obstacles encountered by firms that develop the strategy and add people with disabilities to their workforce; (iv) the level of improvement in rehabilitation institutions in expanding and orienting their rehabilitation services toward developing attitudes and skills among disabled people that lead to their subsequent employment; and (v) analysis of a sample of disabled people who have found work through the program.
- 6.4 Three months before the end of the execution period, a closing workshop will be held to jointly assess the outcomes achieved and identify ways to make the actions sustainable.

## **VII. BENEFITS AND RISKS**

### **A. Benefits**

- 7.1 This program aims to expand new job opportunities for people with disabilities. The employment of people with disabilities is a valid way to improve their income, quality of life and social inclusion. Apart from benefiting disabled people themselves, the program's focus on social and workforce inclusion of this population group will also benefit society at large by making these individuals productive and contributing members of society.
- 7.2 The fact that the program will work with businesses to find jobs for people with disabilities will have a positive impact on the implementation of CSR strategies, improving the conditions of employment at the firms (more motivation, less turnover and absenteeism, etc.), enhancing their reputation, and helping to meet legal obligations related to the hiring of people with disabilities.
- 7.3 The strengthening of training and rehabilitation centers for disabled people will make the services they provide more effective. The program will also help raise

awareness in society of the barriers to inclusion faced by people with disabilities, the disadvantages and consequences for them and their families and for society at large, and the importance of achieving their economic and social inclusion.

**B. Risks**

- 7.4 There are two main risks to the program. The first is that the necessary level of receptivity and interest among firms to hire disabled people may not be found. Mitigating factor: This risk is mitigated by obtaining letters of commitment from several firms already interested in participating in the program, and by including a variety of activities to raise awareness and help firms place disabled people within their organizations. The second risk concerns the receptivity of providers of training and rehabilitation services for disabled people to participation in the program. Mitigating factor: This risk is mitigated by the institutional contact that Fundación Saldarriaga Concha has had with these providers.

**VIII. ENVIRONMENTAL AND SOCIAL IMPACT**

- 8.1 Given the nature of the proposed program, no environmental impacts are anticipated. Positive social impacts are expected, since the program focuses on creating job opportunities for people with disabilities, enhancing their social inclusion. The strengthening of rehabilitation institutions will help raise awareness of the inclusion obstacles facing people with disabilities. Given the heterogeneous nature of the disabled community, indicators of disability types, sex and ethnic origin will be included, to ensure inclusion. If any segment is underrepresented, the executing agency will endeavor to resolve the situation.
- 8.2 This program has been classified as category “C,” and was cleared by the Environmental and Social Impact Review Secretariat (ESR) on 7 January 2008.