

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**COLOMBIA**

**SUPPORT TO SOCIO-URBAN INTEGRATION OF MIGRANTS IN COLOMBIA**

**(CO-T1543)**

**TECHNICAL COOPERATION DOCUMENT**

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## TC Document

### I. Basic Information for TC

▪ Country/Region:	COLOMBIA
▪ TC Name:	Support to Socio-Urban Integration of Migrants in Colombia
▪ TC Number:	CO-T1543
▪ Team Leader/Members:	Rojas, Francisca Maria Magdalena (CSD/HUD) Team Leader; Granada Garces, Isabel Cristina, Alternate Team Leader; Detchou, Yannick Nanjib; Sobral De Elia, Mariana; Tres Viladomat, Joaquin (VPS/MIG); Adler, Veronica; Palacio Giraldo, Manuela; Zambrano-Barragan, Patricio Xavier; Avila, Francy Dianela; Gonzalez Herrera, Beatriz Maria; Guzman Osorio, Jessica (CSD/HUD); Crausaz Sarzosa, Ernesto Patricio (VPC/FMP); Florez Toro, Victoria Eugenia (ORP/REM); Gaviano, Andrea (VPS/ESG); Gil, Byungwoo (INE/WSA); Hillman, Eugenio F. (VPC/FMP); Jimenez Mosquera, Javier I. (LEG/SGO); Larreamendy Ricardo, Silvia Del Pilar (VPS/ESG).
▪ Taxonomy:	Operational Support
▪ Operation Supported by the TC:	CO-G1015; CO-L1155
▪ Date of TC Abstract authorization:	06 Dec 2019
▪ Beneficiary:	Republic of Colombia
▪ Executing Agency and contact name:	Empresa Nacional Promotora Del Desarrollo Territorial (Enterritorio)
▪ Donors providing funding:	Knowledge Partnership Korea Fund for Technology and Innovation(KPK)
▪ IDB Funding Requested:	US\$4,000,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	May 1 <sup>st</sup> 2020
▪ Types of consultants:	Individual consultants and consulting firms
▪ Prepared by Unit:	CSD/HUD-Housing & Urban Development
▪ Unit of Disbursement Responsibility:	CAN/CCO-Country Office Colombia
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Institutional capacity and rule of law; and Productivity and innovation

### II. Description of the Associated Loan

- 2.1 The complex economic, political, and humanitarian situation in Venezuela has forced at least 4.6 million people to flee the country, most of them since 2015. Colombia hosts many of these migrants, with over 1,771,237 people having crossed the border to remain in the country by the end of 2019, equivalent to 38% of total migrants from Venezuela and approximately 3.6% of Colombia's population. Data from *Migración Colombia*, the authority responsible for migration control, evidences that the increase in the migrant population has been rapid: 3,500% with respect to 2015, 26% between

June and December 2019 and 8.5% (114,334) during the last two months of 2019.<sup>1</sup> Fewer than half of these arrivals (754,085 or 42.5%) have regularized status as holders of non-expired visas and work permits.<sup>2</sup> Irregular migrants reach 57.5% of the total (1,017,152), with nearly 66% of them having entered Colombia without a passport or registration, a reflection of the difficulties faced in acquiring identity documents in Venezuela.<sup>3</sup> Although Colombia has been an open-door country to recent migration, guaranteeing people with regular and irregular status access to emergency medical care and education, access to long-term services like housing and social security remains restricted due to legal requirements and/or pre-established eligibility criteria of existing national programs.

- 2.2 Most migrants are concentrating in metropolitan areas (74%) and border cities (19%)<sup>4</sup> as they seek to access those opportunities provided by urban economies that would allow them to exercise a greater degree of self-sufficiency, like earning a living or obtaining an education.<sup>5</sup> The challenge for local governments has been to respond with limited resources to a sudden increase in population and growing demands on infrastructure and urban services, which compound pressures to meet the needs of local populations. But cities currently lack the financial resources and the adequate governance mechanisms at the local level to address the influx of newcomers:<sup>6</sup> for example, migrant-receiving cities like Cúcuta and Barranquilla do not have a formal municipal agency or established institutional protocols to address challenges derived from migration and the tools to coordinate sectorial efforts.<sup>7</sup> The Government of Colombia estimates that 0.26% to 0.41% of the Gross Domestic Product (GDP) will be needed to provide the basic services to migrants at the same level as the host population.<sup>8</sup>
- 2.3 In response to this challenge, the Government of Colombia established a multisector strategy to address the country's migration situation, set forth in the [CONPES Policy Document 3950](#) of November 2018. It recognizes specific impacts from migration on sectors such as health, education, housing, water and sanitation, and labor markets,

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<sup>1</sup> *Ministerio de Relaciones Exteriores de Colombia (2020). Infographic “venezolanos en Colombia”.*

<sup>2</sup> To date, there have been three waves of issuance of residence permits. The first one took place between August 3 and October 31, 2017 (Resolution 5797 of 2017 of Ministry of Foreign Affairs), the second one between February 6 and June 7, 2018 (Resolution 740 of 2018 of the Ministry of Foreign Affairs) and the third between August 2 and December 2 2018 (Decree 1288 of 2018). Beneficiaries of the last wave are the irregular migrants who are enrolled in the RAMV. CONPES 3950/2018. The Special Permanence Permit to Foster Formalization (*Permiso Especial de Permanencia para el Fomento de la Formalización PEPFF*) visa has been in effect since February 2020 and is available to migrants with formal job offers.

<sup>3</sup> World Bank (2018). *Migración desde Venezuela a Colombia: Impactos y Estrategia de Respuesta en el Corto y Mediano Plazo.*

<sup>4</sup> *Ministerio de Relaciones Exteriores de Colombia (2020). Infographic “Venezolanos en Colombia”.*

<sup>5</sup> Research on urban migrants in other regions, like Africa, show that urban areas present opportunities for economic self-sufficiency, yet despite this economic independence, living conditions are extremely difficult. See Campbell, E. 2006. Urban Refugees in Nairobi: Problems of Protection, Mechanisms of Survival, and Possibilities for Integration, *Journal of Refugee Studies*, Vol. 19, No.3 and [UNHCR Literature Review: Urban Refugees \(2009\)](#).

<sup>6</sup> The World Bank (2018) found that 8 cities with a great migrant inflow (Maicao, Riohacha, Arauca, Cúcuta, Villa del Rosario, Puerto Carreño, Bogotá and Barranquilla) do not have a municipal department or office for migrant assistance. Source: *Migración desde Venezuela a Colombia: Impactos y Estrategia de Respuesta en el Corto y Mediano Plazo.*

<sup>7</sup> Idem.

<sup>8</sup> *Migración desde Venezuela a Colombia: Impactos y Estrategia de Respuesta en el Corto y Mediano Plazo, Grupo Banco Mundial, 2018.*

and prioritizes the need to intervene in an integrated and coordinated way to address pre-existing development gaps exacerbated by migration flows.

- 2.4 The Government of Colombia requested the support of the Inter-American Development Bank (IDB) and its donors to implement its migrant support strategy by focusing on broader access to shelter, water and sanitation services, and the improvement of information systems to track the influx and integration process of migrants.<sup>9</sup> As response from the Bank, the loan operation “Fiscal and Public Investment Expenditure, Strengthening Program for Municipalities, their Decentralized Agencies, and Metropolitan Areas” (CO-L1155; 3596/OC-CO),<sup>10</sup> for US\$150 million, was identified as an adequate operational framework to address cities’ specific migrant-related challenges, so that by leveraging with non-reimbursable resources it could provide differential solutions to Colombian cities most affected by migration inflows.<sup>11</sup> In addition, the resources of this Technical Cooperation (TC) will be combined with the resources from the Investment Grant Operation (IGR) “Socio-Urban Integration of Migrants in Colombian Cities Program” (CO-G1015; GRT/ER-17925-CO), financed with non-reimbursable resources from the European Union’s Latin American Investment Facility (LAIF), which is also linked to the loan operation CO-L1155. The IGR CO-G1015, for €10,000,000, seeks to foster the urban integration process of migrants in at least five Colombian cities by strengthening the institutional capacity for migrant assistance in subnational entities, increase opportunities for economic integration in migrant-receiving communities, and facilitate access to affordable rental housing.<sup>12</sup>
- 2.5 At the time of design and implementation of the loan operation “Fiscal and Public Investment Expenditure Strengthening Program for Municipalities” (CO-L1155), migration was not yet on the agenda as a factor in the fiscal and urban management of Colombian subnational governments. However, within the existing operational framework, complementary funding would contribute to support improved fiscal and urban sustainability in migrant recipient municipalities and/or metropolitan areas by financing institutional strengthening and physical improvement projects that advance the effective integration of migrants and help equip local entities with the technical and financial resources required to develop integrated policies and management practices

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<sup>9</sup> In addition to this request, the Colombian Government requested investment operations in the areas of labor markets (CO-L1250; 4934/OC-CO), water and sanitation (CO-L1242) and health (CO-L1248). These programs include migrant and their host communities as their beneficiaries.

<sup>10</sup> CO-L1155 is the second operation under the “Multisector Conditional Credit Line for Investment Projects: Fiscal and Public Investment Expenditure Strengthening in Subnational Entities” (CCLIP - CO-X1018). This CCLIP was approved in 2014 for US\$600 million with a first operation (CO-L1133; 3392/OC-CO) for US\$100 million, and a third operation (CO-L1165; 3842/OC-CO) for US\$150 million.

<sup>11</sup> The components of the investment program CO-L1155 are: (i) Improvement of fiscal management, including the development and implementation of subnational performance monitoring systems; (ii) Urban development, to improve the provision of infrastructure and urban services through neighborhood improvement programs in low-income areas, including facilities and programs focused on the social integration of residents; and (iii) Improvement of utilities, to increase coverage of basic services.

<sup>12</sup> The European Commission approved the LAIF funds on October 18, 2019, and the Bank approved the IGR on 11 March 2020. The components of the IGR CO-G1015 are: (i) The implementation of the Performance-Based Management Systems (to be designed with this TC) in at least four subnational entities; (ii) The economic integration of young people in migrant receiving-neighborhoods through the construction or expansion of at least five Workshop Schools for training and apprenticeships in trades with real employment possibilities; and (iii) Access to affordable rental housing through the implementation of a housing rental assistance program and a Rental Guarantee Fund in at least one beneficiary city.

to facilitate migrants' access to basic infrastructure, quality shelter, and employment opportunities in migrant-receiving communities.

### III. Objectives and Justification of the TC

- 3.1 **Impacts of Migration and Implications for Urban Areas.** The large and sudden migration flows are affecting various aspects of urban governance in Colombia. In the case of health, services provided to migrants grew by 203% in 2018,<sup>13</sup> and communicable diseases among migrants put pressure on the healthcare system while creating exposure risk for local populations. The rapid surge of migrants has also presented new challenges to Colombia's labor market given that the vast majority arrive in search of employment opportunities. Data from June 2019 indicated that 78% of migrants are of working age, ranging from 18 and 39 years old, with a slightly higher share of men (53%) than women (47%)<sup>14</sup> Studies show that immigrants are one of the most vulnerable groups within labor markets and recent data evidences that this group, which includes regular and irregular migrants, is experiencing substantial difficulties in accessing formal employment in Colombia.<sup>15</sup> Among the various barriers to employment opportunities is the difficulty in accessing information about vacancies. The lack of formal employment among the migrant population severely limits the possibilities for social integration.<sup>16</sup> Further, the lack of stable sources of labor income among this population puts major fiscal pressure on national and local governments to the extent that there is a greater need for humanitarian assistance and a lack of taxable income or contributions to social security.
- 3.2 **Access to housing.** Due to their irregular status and unreliable incomes, migrants are facing barriers to accessing quality shelter in Colombian cities with already tight housing markets.<sup>17</sup> The rapid influx of new residents is generating informal settlements in high-risk areas, increasing the spontaneous occupation of public spaces, and generating overcrowded housing conditions with consequences for public health, public safety and land and water contamination. The Great Integrated Household Survey (2017) estimates that 31% of migrant households suffer from housing deficits like overcrowding, lack of access to basic services, inadequate materials, and this increases to 37% when considering people who entered the country since 2017. Moreover 20% of the most recent wave of migrants live in temporary rooms and other types of precarious structures. These figures are far above Medellín's qualitative housing deficit of 6% (2017), equivalent to 52,761 households, or that of Barranquilla, which was 12% in 2019, equivalent to 31,612 households.<sup>18</sup> In the border city of

<sup>13</sup> This takes into account the total number of urgent care visits, hospital stays, outpatient consultations, and medical procedures.

<sup>14</sup> [Migración Colombia, Infografía](#). This report constitutes the most up-to-date source of information for migrants of working age as reports for the following months are not disaggregated by age.

<sup>15</sup> Eurostat (2016) Unemployment rates for the population aged 20-64, by place of birth and by sex; Swedish Public Employment Agency, 2017; Burdikova, A. et al (2018) Underemployment of immigrant women in Iceland: a case study. *Nordicum Mediterraneum* 13:1.

<sup>16</sup> For a review on the literature on the positive impact of jobs on social cohesion among diverse groups, see: *Jobs (2013)*, World Development Report, World Bank. Transmission mechanisms include the creation of social interactions, the reductions of stigmas, the management of social tensions and the creation of trust.

<sup>17</sup> Regularized migrants account for 53% of arrivals (742,390 people) and hold non-expired visas and work permits. Irregular migrants reach 47% of the total, with nearly 32% entering Colombia without a passport or registration (445,389 people) while another 15% have overstayed their visas (220,276 people). Data from December 2018 estimates that 350,000 Colombians who had emigrated to Venezuela have now returned to their country of origin.

<sup>18</sup> [Informe de Calidad de Vida de Medellín, 2018](#). Medellín Como Vamos.

Maicao, an assessment conducted by the United Nations High Commissioner for Refugees in February 2019 revealed that half of the 3,500 migrants interviewed were living in the streets or in informal settlements in and around the city.<sup>19</sup> A survey of Venezuelan migrants in five Colombian cities conducted in February 2019 reported that 64% of respondents in Medellín think it is difficult or very difficult to access housing and that 93.2% live in a shared rental. Further, 8 out of 10 of those surveyed live with two or more other people.<sup>20</sup> In Barranquilla, 72% of respondents found it difficult or very difficult to access housing, and over three-quarters of the women surveyed (76%) reported barriers to finding a place to live. These barriers include housing leases that require proof of income that duplicates the lease fee and co-signers with a property within the country, elements designed to give security to landlords but of difficult compliance for low-income people and those without formal employment.

- 3.3 Prior to the influx of migrants to Colombian cities, subnational entities already faced limitations in delivering services under their responsibility due to: (i) an absence of mechanisms and information systems for coordinating development plans with financial and investment programming; (ii) dependence on central government transfers, which represent more than 37% of subnational entities' total revenues;<sup>21</sup> (iii) low revenue collection levels, with average effective tax rates that are below nominal rates; and (iv) low public investment effectiveness, due to limited capacity for project design, execution, and evaluation.<sup>22</sup> Many cities also suffer from deficits in infrastructure and utilities, which have a negative impact on citizens' quality of life and on local development potential.<sup>23</sup> These challenges have been further strained by the sudden migratory phenomenon in Colombia.
- 3.4 **Korea Government experience and additionality.** Korea's experience in addressing the challenges of rapid urbanization has been identified as key in supporting Colombian cities' needs, especially those exacerbated by migration inflows. The Bank has collaborated with Korea in matters of urbanization for the TC "Lessons from Korea: Policy Recommendations for Rental Housing in Latin America" (ATN/KR-15068-RG) which recommended that: (i) a joint national-subnational approach is key; (ii) using existing urban frameworks for increasing rental housing supply is better than massive new developments; and (iii) innovative financing mechanisms are needed to overcome the challenge of limited government funds. Another TC, entitled Local Housing Solutions and Private Sector Involvement: Korean experience for LAC cities (ATN/KP-16688-RG), further explored these ideas in specific LAC cities. Additionally, the TC Knowledge Exchange and Research on Korean Experience with Infrastructure Services for Latin America and the Caribbean (ATN/OC15782-RG) is seeking to identify instances of Korea's use of technology to measure infrastructure efficiency, and disseminate lessons learned in view of applying them in Latin America. Learning from the Korean experience is valuable given that Korea tackled its own informal housing issues through the Joint Redevelopment Program (JRP), an urban renewal

<sup>19</sup> UNHCR "[Venezuelans living in the streets find safety at the new reception centre in Colombia](#)", April, 2019

<sup>20</sup> *Observatorio del Proyecto Migración Venezuela*, November 2019, "[Avances de la integración de los migrantes venezolanos en Medellín](#)" and "[Avances de la integración de los migrantes venezolanos en Barranquilla](#)."

<sup>21</sup> [Fiscal Feasibility Report for Departments and Capital Cities](#). Colombia's Ministry of Finance and Public Credit 2018.

<sup>22</sup> In 2018, only 48% of total allocated royalty resources were executed according to [Colombia's General Comptroller's Office \(2019\)](#).

<sup>23</sup> See Loan Proposal [CO-L1155](#) pg. 5 and the 16 action plans prepared by Colombian cities under the IDBs [Emerging and Sustainable Cities Initiative](#).



strategy introduced in 1984 that replaced informal settlements and delivered over a million housing units.

- 3.5 **Objective:** This TC seeks to support Colombian cities in their process of managing and planning for migrant integration with a focus on service delivery, access to housing, and urban development scenarios for future growth. This objective complements the associated investment grant's (CO-G1015) objective of fostering the urban integration process of migrants, and is aligned with the loan operation's (CO-L1155) general purpose and its components, focused on contributing to the improvement of fiscal and urban sustainability in five cities through the financing of institutional strengthening and physical investment projects.
- 3.6 **Beneficiary cities:** Due to the significance of their migrant inflows, the following cities and/or metropolitan areas have been prioritized by Colombia's Border Management Unit: (i) Medellín and Rionegro; (ii) Cúcuta and Villa del Rosario; (iii) Riohacha and Maicao; and (iv) Barranquilla.<sup>24</sup> Other cities with at least 2% of its total population composed of migrants could also be included as migration dynamics evolve in Colombia.
- 3.7 **Strategic Alignment:** The program is consistent with the second Update to the Institutional Strategy (AB-3190-2) that identifies migration as an emerging development challenge. Specifically, it is aligned with the development challenges of (i) Social Inclusion and Equality by developing the institutional mechanisms for cities to integrate migrants and address the corresponding challenges faced by recipient communities through inclusive scenario- and infrastructure planning and urban management instruments, including the piloting of innovative solutions for affordable housing; and (ii) Productivity and Innovation, by supporting novel solutions to integrate migrants and host communities and providing data-based mechanisms to improve planning, management and service delivery by subnational entities. The TC is aligned with the cross-cutting theme area of Institutional Capacity and Rule of Law by providing Performance-Based Management (PBM) Tools to subnational territorial entities to track and prioritize interventions benefiting migrants and their host communities. Additionally, it contributes to the IDB Group Corporate Results Framework 2020-2023 (GN-2727-12) through the following Development Results Indicators: beneficiaries of initiatives that support migrants and their host communities; beneficiaries of enhanced disaster and climate change resilience; and agencies with strengthened digital technology and managerial capacity. This operation is consistent with the [IDB Migration Initiative](#)<sup>25</sup> objective to advance development projects that address issues faced by migrants and their host communities by expanding access to citizen, basic and social services, and economic opportunities.
- 3.8 **Alignment with the Knowledge Partnership Korea Fund for Technology and Innovation.** This operation is aligned with the Knowledge Partnership Korea Fund for Technology and Innovation (KPK) objectives as it focuses on using information technology solutions and analytical work to establish urban growth policy priorities, and innovation-related pilots and training initiatives to increase municipalities' capacity to manage and plan for housing, infrastructure and urban growth. Moreover, the

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<sup>24</sup> [Cities Profiles](#): These cities coincide with the beneficiary entities of operations CO-G1015 (GTR/ER-15925-CO); CO-L1155 (3596/OC-CO), and CO-L1133 (3392/OC-CO).

<sup>25</sup> Aligned with GN-2947-1 "Proposal for Expanding the Scope of the IDB Grant Facility to Support Countries with Large and Sudden Intraregional migration Inflows and Operational Guidelines".

intended beneficiaries of this TC align with those of the KPK, namely governments (national and subnational) and local communities.

#### IV. Description of activities/components and budget

- 4.1 **Component 1: Subnational PBM System (US\$770,000).** This component will support the design of a single window performance-based management (PBM) system, which includes a Migrant Assistance Model (MAM), as a single window to assist migrants in accessing urban services and advance the integration and regularization process through streamlined procedures at the subnational government level. The system will employ technology and data to set goals, engage stakeholders, track resources and progress, generating an integrated approach for migrant assistance and service delivery.<sup>26</sup> Principal activities include: (i) the baseline and diagnostic studies of existing management systems and processes used by subnational governments to support migrant integration; and (ii) the design of the single window MAM and PBM systems to assist migrants. These products will be inputs for the implementation of the CO-G1015 program.
- 4.2 **Component 2: Plans for Urban Expansion and Innovative Housing Pilots for Migrant Receiving Cities (US\$2,065,500).** This component will finance: (i) the design of investment plans for selected cities using assessments of migrant impact on housing and urban infrastructure demand as a key criterion for developing sustainable scenarios and strategies for urban growth, as well as identifying project pipelines and financing solutions to respond to the demand for urban services and infrastructure, serving as technical inputs for local and metropolitan master plans; (ii) the design and piloting of innovative, incremental housing solutions and housing improvement approaches in migrant-receiving neighborhoods; and (iii) training on innovative financial tools to improve access to affordable housing. The incremental housing design pilots and housing improvement approaches will be evaluated for scalability and replicability in urban areas that have the capacity to accommodate new residents and whose residents can complete and expand such houses over time with their own resources.<sup>27</sup>
- 4.3 **Component 3: Feasibility Studies for Public Utilities and Capacity Building (US\$964,500).** This component will finance: (i) public infrastructure pre-feasibility and feasibility studies to improve and expand access to basic services like water, sewer, drainage and electricity; (ii) the design of an apprenticeship program on sustainable building techniques;<sup>28</sup> and (iii) workshops, publications and study tours for knowledge sharing.

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<sup>26</sup> The PBM system will be employed to improve service delivery for all constituents.

<sup>27</sup> Given that the activities under this component require specific knowledge drawn from the Korean urban development experience, these activities will be conducted in close collaboration with the Korea Research Institute for Human Settlement and Korea Institute of Civil Engineering and Building Technology. The Bank subscribed a [Memorandum of Understanding](#) with the Korea Research Institute for Human Settlements (KRIHS) in 2017 to facilitate collaboration and joint activities in areas related to urban and regional development, urban management, land and housing, local economic development, urban environment, smart cities, and the IDB's Cities Lab. In 2019 the Bank also hosted the Korea Institute of Civil Engineering and Building Technology (KICT) for knowledge sharing on innovative housing solutions, without a formal partnership arrangement.

<sup>28</sup> When aligned with local demand, the Workshop Schools to be established through the complementary IGR CO-G1015 resources, could include programs on sustainable construction and incremental housing techniques.



- 4.4 **Administrative costs (US\$200,000).** Costs related to the implementation of program activities, including the establishment of a Project Management Team (PMT) within the executing agency (EA). Program administrative costs will be shared with those of the associated IGR CO-G1015 for the 3-year period of execution (¶2.4).
- 4.5 **Expected results.** This TC is expected to produce the following results: (i) the design of a PBM system, including a MAM, to support local governments in advancing migrants' socio-urban integration; (ii) comprehensive investment plans for selected cities; (iii) design and implementation of incremental housing pilot projects, (iv) feasibility studies for public utilities and infrastructure; (v) training on affordable housing financing, incremental housing solutions, and general exchanges of knowledge between stakeholders; (vi) an apprenticeship program to be used by the Workshop Schools in selected cities; and (vii) exchange of urban development knowledge between Korea and Colombia.
- 4.6 **Budget.** The total budget of the TC is US\$4,000,000 to be financed by the Knowledge Partnership Korea Fund for Technology and Innovation (KPK).<sup>29</sup>

**Indicative Budget (US\$)**

Activity/Component	Description	Total Funding
1.Subnational PBM System	<ul style="list-style-type: none"> <li>Baseline and diagnostic studies of existing management systems utilized by subnational governments to support migrant integration</li> <li>The design of the single window PBM system and MAM</li> </ul>	<b>770,000</b>
2.Plans for Urban Expansion and Innovative Housing Pilots for Migrant Receiving Cities	<ul style="list-style-type: none"> <li>Comprehensive investment plans, scenario-planning and strategies for urban growth</li> <li>Training about innovative financial tools for affordable housing</li> <li>Incremental housing pilots in migrant receiving communities</li> <li>Housing improvement approaches for community rehabilitation</li> </ul>	<b>2,065,500</b>
3.Feasibility Studies for Public Utilities & Capacity Building	<ul style="list-style-type: none"> <li>Public infrastructure feasibility studies</li> <li>An apprenticeship on sustainable construction techniques</li> <li>Workshops and study tours for knowledge sharing</li> </ul>	<b>964,500</b>
<b>Administrative costs</b>		<b>200,000</b>
<b>Total</b>		<b>4,000,000</b>

- 4.7 **Additionality.** The project will draw from Korea's experience in developing management tools and plans for [smart cities](#), using advanced analytics to understand migrant dynamics and incorporating insights into spatial planning. Previous work by the Korean Government on flexible housing solutions will enrich urban design plans where subnational entities can incorporate notions of temporality and flux.

## V. Executing agency and execution structure

- 5.1 To guarantee a strong technical coordination between this TC and the IGR CO-G1015 operation, the EA for both will be the Empresa Nacional Promotora del Desarrollo Territorial (ENTerritorio). A complete institutional capacity evaluation of ENTerritorio, formerly FONADE, was performed for the "Program for the Adoption and Implementation of a Rural-Urban Multipurpose Cadastre" (CO-L1164; 4856/OC-CO) and concluded that it has the capacities and resources to manage IDB-financed

<sup>29</sup> Up to 25% of the TC's resources will be utilized for the procurement of goods.

programs. The institutional capacity analysis was updated in January 2020 by the project team and ratified this conclusion. ENTerritorio is the technical agency of the National Planning Department (*Departamento Nacional de Planeación – DNP*) created through Decree 495/2019 to support municipalities and departments in the construction of strategic projects with high social impact. ENTerritorio has previous experience with similar programs, having successfully co-executed the Citizen Service Efficiency Project (CO-L1102; 3154/OC-CO-1) and the World Bank-financed Program to Strengthen Territorial Entities (P123879/8320-CO).

- 5.2 ENTerritorio will have overall fiduciary responsibility for implementation of the TC through a PMT within its Project Development Management Unit (*Subgerencia de Desarrollo de Proyectos*). It will sign Collaboration Agreements with beneficiary municipalities and other subnational entities to enable implementation of TC activities, including terms related to ensuring participation from local entities on technical inputs, required permitting, and maintenance and operation of investments.
- 5.3 This TC will be overseen by the same Steering Committee (SC)<sup>30</sup> as the CO-G1015 operation with the purpose of providing strategic direction and support to the EA, and guiding program goals with the beneficiary agencies. ENTerritorio will present approved annual project implementation plans and goals to be achieved to the SC and provide quarterly updates on the achievement of those implementation plans.
- 5.4 **Procurement.** The EA of this TC will procure goods, works, services, and consulting services pursuant to the Policies for the Procurement of Goods and Works Financed by the Inter-American Development Bank (document GN-2349-15), the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (document GN-2350-15), the Guide for the Acceptance of the Use of Country Procurement Systems (document GN-2538-13), and other internal Bank procedures. The Procurement Plan includes three single source selection consultancies to draw on the exceptional worth of the Korean experience in smart cities, sustainable building techniques, and spatial planning and its relevance to this program's activities.<sup>31</sup> These consultancies involve: (i) a strategic study to inform the design of the PBM and MAM based on Korean cases of smart urban management and applied technologies, as part of Component 1; (ii) technical and strategic support for the design of urban plans, including the training program on innovative financial tools for affordable housing, to be based on Korean experiences; and (iii) the design of an apprenticeship program on sustainable building techniques for the Workshop Schools, as part of Component 2. Consultancies (i) and (iii) will involve the Korea Institute of Civil Engineering and Building Technology (KICT) due to its leading role in providing local governments in Korea with intelligent information technologies to resolve urban problems and advance data-driven decision-making, including the evaluation and monitoring of urban facilities and services, as well as experience supporting the public and private sectors with research, training and implementation of innovative technologies for sustainable, zero-energy building construction.<sup>32</sup> Consultancy (ii) will be carried out by the Korea Research Institute for Human Settlements (KRIHS) due to

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<sup>30</sup> To be comprised of at least one member of the European Commission delegation in Colombia, at least one delegate of the KPK, and a representative of the Presidency of the Republic of Colombia.

<sup>31</sup> The justification for the single-source selection is consistent with GN-2350-15, paragraph 3.11 case (d) where a firm has experience of exceptional worth for the assignment.

<sup>32</sup> KICT supports the Korean Government and private sector with solutions generated through its Smart Cities Research Center, Department of Living and Built Environment Research, Construction Technology Safety Department, Department of Construction Policy Research, among others. [The 9th Joint Seminar between KICT and RIOH.](#)

its leading role in territorial development, supporting Korean national and subnational governments to establish/manage land use, housing, and urban/rural management strategies, particularly under conditions of rapid population growth, making it a strategic partner to support the urban strategies and financial tools to be developed for migrant-receiving cities in Colombia. The EA and the SC will guide these consultancies to guarantee that the tools and strategies are tailored to local contexts and subnational technical and institutional capacities.

- 5.5 **Financial Management.** Program financial management will be carried out in accordance with the Bank Guide OP-273-12 and complementary operational guides, using the EA's processes and systems.

## **VI. Major issues**

- 6.1 The overall risk analysis for the TC identified the following risks: (i) coordination challenges during implementation between this TC and the IGR CO-G1015, whose EA is ENTerritorio, and the loan operation CO-L1155, whose EA is FINDETER; (ii) difficulty identifying suitable local counterparts for implementation due to governance gaps for migrant support in the beneficiary municipalities; and (iii) the EA's limited experience applying the Bank's procurement policies, producing possible initial delays in execution. The first two risks will be mitigated by: (i) the implementation of the SC to promote dialogue between stakeholders to guide interventions to be funded through the TC and IGR CO-G1015, seeking complementarity with the portfolio of loan operation CO-L1155; and (ii) institutional capacity assessments to identify appropriate local counterparts and areas of reinforcement through technical assistance. The last risk will be mitigated by (i) incorporating an experienced procurement specialist to the PMT; (ii) providing specific fiduciary training to the members of the PMT and the EA personnel to be involved in project procurement; and (iii) providing advice and close fiduciary support during the first year of execution.

## **VII. Exceptions to Bank policy**

- 7.1 No exceptions to Bank policies has been identified.

## **VIII. Environmental and Social Strategy**

- 8.1 In accordance with the Environment and Safeguards Compliance Policy (Operational Policy OP-703), the present TC is categorized as Category "B", consistent with the related IGR CO-G1015, for which the Strategic Environmental and Social Assessment ([SESA](#)) was developed. The foreseen studies and the TC shall be consistent with the SESA's requirements. (See [Safeguards Policy Filter Report](#) and the [Safeguard Screening Form](#)).

### **Required Annexes**

- Annex I                      Results Matrix
- Annex II                     Procurement Plan

### **Required Electronic Links (REL)**

- REL#1                      [Request from the client](#)
- REL#2                      [Terms of Reference for activities/components to be procured](#)



## Results Matrix

### Outcomes

**Outcome:** [1 To support Colombian cities in their process of managing and planning for migrant integration with a focus on access to housing, and urban development scenarios for future growth.](#)

CRF Indicator

### Outputs: Annual Physical and Financial Progress

1 Subnational PBM System						Physical Progress						Financial Progress						Theme Fund Flags			
Outputs	Output Description	Unit of Measure	Baseline	Baseline Year	Means of verification	2020	2021	2022	2023	EOP	2020	2021	2022	2023	EOP	Institutional Development	KPK				
1.1 Diagnostics and assessments completed	PBM System: baseline and diagnostic studies of subnational management systems and processes used for migrant support	Diagnostics (#)	0	2020	EA monitoring reports	P	0	4	0	0	4	P	14000	356000	0				0	370000	
						P(a)	0	4	0	0	0	4	P(a)	0	0				0	0	0
						A						A									
1.2 Management information systems (MIS) designed	Design of the single window PBM system and MAM module for implementation in subnational agencies	Systems (#)	0	2020	EA monitoring reports	P	0	1	0	0	1	P	0	400000	0	0	400000				
						P(a)	0	1	0	0	0	1	P(a)	0	0	0	0	0			
						A						A									
2 Plans for Urban Expansion and Innovative Housing Pilots for Migrant Receiving Cities						Physical Progress						Financial Progress						Theme Fund Flags			
Outputs	Output Description	Unit of Measure	Baseline	Baseline Year	Means of verification	2020	2021	2022	2023	EOP	2020	2021	2022	2023	EOP	Sustainable Infrastructure	KPK				
2.1 Investment master plans designed	Municipal master plans for densification and expansion, includes participatory sessions with stakeholders, plan development and dissemination	Plans (#)	0	2020	EA monitoring reports	P	0	4	0	0	4	P	180000	720000	0				0	900000	
						P(a)	0	4	0	0	0	4	P(a)	0	0				0	0	0
						A						A									
2.2 Institutions trained	Training in affordable housing financing will be carried out through 7 workshops in beneficiary cities (estimate participation of 20 people per workshop)	Institutions (#)	0	2020	EA monitoring reports	P	0	2	5	0	7	P	16550	66200	66200	16550	165500				
						P(a)	0	2	5	0	7	P(a)	0	0	0	0	0				
						A						A									
2.3 Architectural/structural design completed	Development of technical design documents for incremental housing and housing improvement pilots in migrant-receiving cities	Designs (#)	0	2020	EA monitoring reports	P	0	30	0	0	30	P	0	270000	0	0	270000				
						P(a)	0	30	0	0	30	P(a)	0	0	0	0	0				
						A						A									
2.4 Housing pilots implemented	Structures built or improved (#)	0	2020	EA monitoring reports	P	0	0	30	0	30	P	0	230000	500000	0	730000					
					P(a)	0	0	30	0	30	P(a)	0	0	0	0	0					
					A						A										
3 Feasibility Studies for Public Utilities and Capacity Building						Physical Progress						Financial Progress						Theme Fund Flags			
Outputs	Output Description	Unit of Measure	Baseline	Baseline Year	Means of verification	2020	2021	2022	2023	EOP	2020	2021	2022	2023	EOP	Sustainable Cities	KPK				
3.1 Municipal sectors with public infrastructure feasibility studies		Sectors of a city (ie. neighborhoods) (#)	0	2020	EA monitoring reports	P	0	12	13	0	25	P	0	360000	440000				0	800000	
						P(a)	0	12	13	0	25	P(a)	0	0	0				0	0	
						A						A									
3.2 Apprenticeship program designed		Programs (#)	0	2020	EA monitoring reports	P	0	1	0	0	1	P	20000	80000	0	0	100000				
						P(a)	0	1	0	0	1	P(a)	0	0	0	0	0				
						A						A									
3.3 Workshops organized	Knowledge sharing workshops to disseminate program lessons and experiences with Colombian cities receiving migratory flows	Workshops (#)	0	2020	EA monitoring reports	P	0	0	2	0	2	P	0	0	64500	0	64500				
						P(a)	0	0	2	0	2	P(a)	0	0	0	0	0				
						A						A									

### Other Cost

Operational Costs

### Total Cost

	2020	2021	2022	2023	Cost
P	\$16,666.00	\$66,667.00	\$66,667.00	\$50,000.00	\$200,000.00
P(a)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
A					

	2020	2021	2022	2023	Total Cost
P	\$247,216.00	\$2,548,867.00	\$1,137,367.00	\$66,550.00	\$4,000,000.00
P(a)					
A					

CRF Indicator

Standard Output Indicator

PROCUREMENT PLAN FOR NON-REIMBURSABLE TECHNICAL COOPERATIONS										
Country: Colombia					Executing agency: ENTerritorio					Public or private sector: Public
Project number: CO-T1543					Title of Project: Support to Socio-Urban Integration of Migrants in Colombia					
Period covered by the plan: 36 months										
Threshold for ex post review of procurements: n/a				Goods and services (in US\$):		\$794,500.00		Consulting services(in US\$):		\$3,005,500.00
Item No.	Ref. AWP	Description (1)	Estimated contract cost (US\$)	Procurement Method (2)	Review of procurement (ex-ante or ex-post) (3)	Source of financing and percentage		Estimated date of start of the contract	Technical review by the PTL (4)	Comments
						IDB %	Local/other %			
1		CONSULTING SERVICES								
Component 1										
	1.1	Consultancy for (i) baseline and diagnostic studies of existing management systems and processes used by subnational governments to support migrant integration and for (ii) the design of the Performance Based Management (PBM) System and Migrant Assistance Model (MAM).	700,000	QCBS	ex-post	100		I Q 2021		
	1.1.1	Consultancy for strategic support of the design of the Performance Based Management System (PBM) and Migrant Assistance Model (MAM), based on Korea's cases and applied technologies.	70,000	SSS	ex-ante	100		IV Q 2020		Contract with the Korea Institute of Civil Engineering and Building Technology (KICT) due to its leading role in providing local governments in Korea with intelligent information technologies to resolve urban problems and advance data-driven decision-making, including the evaluation and monitoring of urban facilities and services
Component 2										
	1.2	Consultancies for comprehensive Investment Plans for sustainable densification and/or expansion.	900,000	QCBS	ex-post	100		IV Q 2020		
	1.2.1	Consultancy for strategic support the design of comprehensive investment plans, includes training program on innovative financial tools for affordable housing, based on Korea's cases.	165,500	SSS	ex-ante	100		IV Q 2020		Korea Research Institute for Human Settlements (KRIHS) due to its leading role in territorial development, supporting Korean national and subnational governments to establish/manage land use, housing, and urban/rural management strategies, particularly under conditions of rapid population growth, making it a strategic partner to support the urban strategies and financial tools to be developed for migrant-receiving cities in
	1.3	Consultancy for the design of strategies for innovative, incremental housing solutions and housing improvement approaches	270,000	QCBS	ex-post	100		I Q 2021		
Component 3										
	1.4	Consultancy for public infrastructure feasibility or pre-feasibility studies required for improving neighborhood habitability, consolidation and urban expansion.	800,000	QCBS	ex-post	100		II Q 2021		
	1.5	Consultancy for the design of an apprenticeship program in alliance with Colombia's "Workshop Schools" on sustainable construction techniques- Includes Korea Expertise.	100,000	SSS	ex-ante	100		IV Q 2020		Contract with the KICT due to its experience supporting the public and private sectors with research, training and implementation of innovative technologies for sustainable, zero-energy building construction
2		NON CONSULTING SERVICES								
Component 3										
	2.1	Workshops, publications and study tours for knowledge sharing	64,500	PC	ex-post	100		IV Q 2022		
3		GOODS								
Component 2										
	3.1	Implementation of aprox 30 incremental housing pilots and improvements.	730,000	QCBS	ex-post	100		II Q 2021		Procurement of goods represents 18% of the total budget.
4		OPERATING EXPENSES	200,000							
Total			4,000,000	Prepared by: TL				Date: March 5th 2020		

(1) Grouping together of similar procurement is recommended, such as computer hardware, publications, travel, etc. If there are a number of similar individual contracts to be executed at different times, they can be grouped together under a single heading, with an explanation in the comments column indicating the average individual amount and the period during which the contract would be executed. For example: an export promotion project that includes travel to participate in fairs would have an item called "airfare for fairs", an estimated total value of US\$5,000, and an explanation in the Comments column: "This is for approximately four different airfares to participate in fairs in the region in years X and X1".

(2) **Goods and works:** CB: Competitive bidding; PC: Price comparison; DC: Direct contracting.

(2) **Consulting firms:** CQS: Selection Based on the Consultants' Qualifications; QCBS: Quality and cost-based selection; LCS: Least Cost Selection; FBS: Selection under a Fixed Budget; SSS: Single Source Selection; QBS: Quality Based selection.

(2) **Individual consultants:** IICQ: International Individual Consultant Selection Based on Qualifications; SSS: Single Source Selection.

(3) **Ex ante/ex post review:** In general, depending on the institutional capacity and level of risk associated with the procurement, ex post review is the standard modality. Ex ante review can be specified for critical or complex process.

(4) **Technical review:** The PTL will use this column to define those procurement he/she considers "critical"or "complex"that require ex ante review of the terms of reference, technical specifications, reports, outputs, or other items.

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-\_\_\_/20

Colombia. Nonreimbursable Technical Cooperation ATN/KK-\_\_\_\_-CO  
Support to Socio-Urban Integration of Migrants in Colombia

The Board of Executive Directors

RESOLVES:

1. That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, as Administrator of the Knowledge Partnership Korea Fund for Technology and Innovation, to enter into such agreement or agreements as may be necessary, and to adopt such other measures as may be pertinent for the execution of the project referred to in document AT-\_\_\_\_, with respect to a nonreimbursable technical cooperation for the Support to Socio-Urban Integration of Migrants in Colombia.
2. That up to the equivalent of US\$4,000,000 is authorized for the purposes of this resolution, chargeable to the resources of the Knowledge Partnership Korea Fund for Technology and Innovation.
3. That the above-mentioned sum is to be provided on a nonreimbursable basis.

(Adopted on \_\_\_\_ 2020