

## Colombia

### First Programmatic Territorial Development, Development Policy Financing

#### Chair Summary\*

December 8, 2016

Executive Directors approved the proposed loan in the amount of EUR 716.5 million (US\$800 million equivalent) to the Republic of Colombia for the First Programmatic Territorial Development DPF on the terms and conditions set out in the President's memorandum.

Directors commended the Colombian authorities on the historical achievement of reaching and obtaining congressional approval for an agreement to end the more than 50 years of armed conflict with the FARC rebel group. They also noted Colombia's progress towards poverty reduction, highlighting the country's sound macroeconomic framework and performance, in the context of a challenging external environment.

Directors welcomed the objectives of the DPF to strengthen institutions for land management and territorial planning, and improve subnational financial management and investment prioritization. They noted these objectives are aligned with the World Bank Group's Colombia CPF, notably with respect to fostering balanced territorial development, and the post-conflict development agenda cross-cutting theme of "constructing the peace".

Directors noted the need to carefully manage fiscal policy implications to foster economic growth in the context of social and political stability following the peace agreement. They recognized the value of the Bank's Development Policy Lending instrument in supporting major reforms and supporting a post conflict situation especially in a Middle Income Country. They acknowledged the political and governance risks related to coordination between the different levels of government and called for strong mitigation measures to support integration and sustainability. Directors stressed the need for Bank monitoring of data and indicators with regards to land tenure, including tracking those allocated to women and minorities, in order to verify results. Relatedly, the collection of environmental and natural resource data, amongst other information, will help contribute to the Bank's knowledge and activities on environmental sustainability and climate impacts. They also called for close engagement with other development partners in order to ensure the success of the operation.

---

\* This summary is not an approved record