

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

COLOMBIA

**MIG-INTEGRATION: SUPPORT FOR THE MITIGATION OF EMPLOYMENT BARRIER FOR
MIGRANT POPULATION IN BOGOTA AND CALI**

(CO-G1068)

PROJECT DOCUMENT

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PROJECT SUMMARY		
Operation Type:	Investment Grants	
Sector:	SOCIAL INVESTMENT	
Subsector:	MIGRATION & MIGRANTS	
TC Taxonomy:	N/A	
Project Number under the Operational Support Taxonomy:	N/A	
Technical Responsible Unit:	SCL/MIG-Migration Unit	
Unit with Disbursement Responsibility (UDR):	CAN/CCO-Country Office Colombia	
Executing Agency:	Cuso International	
PROJECT OBJECTIVE		
<p>The general objective of the Investment Grant (IGR) is to support the Governments of Bogotá and Santiago de Cali in mitigating employment barriers faced by the migrant and host populations. The specific objectives are: (i) to assist the Government of Santiago de Cali in designing and scaling results-based financing (RBF) interventions for employment, while supporting the Government of Bogotá in implementing complementary strategies to overcome barriers to labor market participation, including the provision of enhanced employment services; and (ii) to promote knowledge management and monitoring program outcomes to ensure the sustainability and scalability.</p>		
FINANCIAL INFORMATION		
Financing Type	Fund	Amount in US\$
GRT - Grant	CCF - Canada Cooperation Framework ¹	698,000
Total IDB Financing		698,000
Counterpart Financing		0
Total Project Budget		698,000
Donors:	N/A	
Disbursement Period:	30 months	
Execution Period:	27 months	
ADDITIONAL FINANCIAL INFORMATION		
N/A		

¹ This is an individual operation under the MIG-INTEGRATION: Facility on Socio-Economic Integration of Refugees, Migrants, Returnees, and Host Community Members in Latin America and the Caribbean (RG-O1722).

I. JUSTIFICATION AND OBJECTIVE

- 1.1 **Diagnostic.** The migration of the Venezuelan population to Colombia stands out as one of the most significant migratory phenomena in Latin America in recent years. The influx of Venezuelans to Colombia has steadily increased since 2015, reaching a peak in 2019 when a massive migration occurred. According to data from Migración Colombia, of the 7.7 million Venezuelan refugees and migrants worldwide, 2.8 million (36%) have settled in Colombia, with many expressing a desire to remain in the country.
- 1.2 Since 2015, Colombia has undertaken several initiatives to manage migratory flows and ensure the protection and support of both migrant and host communities. Among these efforts are the introduction of the Special Permit to Stay (PEP), designed to regularize the migratory status of individuals, and the development of a public policy framework to address large-scale migratory flows, as outlined in CONPES 3950 of 2018. The country has also implemented measures to nationalize children born in Colombia to Venezuelan parents and adopted the Temporary Protection Statute for Venezuelan Migrants (ETPMV), which includes the issuance of the Temporary Protection Permit (PPT) with a 10-year validity under Decree 216 of 2021.
- 1.3 The PEP (valid until February 2023) and the PPT are recognized as valid documents for national health system affiliation. In addition, the government introduced a strategy to promote the integration of the Venezuelan migrant population as a development factor for the country, as outlined in CONPES 4100 of 2022. This strategy includes actions to improve access to public services, foster economic and socio-cultural integration, and strengthen institutional frameworks. Lastly, the PEP Tutor was adopted to facilitate support for parents, legal representatives, and guardians of children and adolescents already holding the PPT².
- 1.4 Furthermore, the National Development Plan 2022-2026 promotes the implementation of the Comprehensive Migration Policy, emphasizing institutional strengthening for providing services for the protection, care, and integration of the migrant population. Some of the strategies aim at offering employment programs to favor their economic integration.
- 1.5 **Economic integration of the migrant population in Colombia.** Different mechanisms and programs have been implemented for job training and entrepreneurship, as well as access to financial services and support for migrants' insertion into the formal labor market. According to the Venezuela Displacement Monitoring Report of the Regional Interagency Coordination Platform for Refugees and Migrants (R4V), as of December 2021, more than 100,000 migrants had benefited from employment and entrepreneurship programs in Colombia supported by different international cooperation organizations with a presence in Colombia. In addition, the Joint Response Plan for Refugees and Migrants from Venezuela

² However, to the date PEP-Tutor has not been implemented.

(RMRP) reported that more than 50,000 Venezuelan migrants received support for labor insertion and access to decent livelihoods

- 1.6 The unemployment rate of the migrant population with at most one year in the country went from 23% in 2022 to 21% in 2023; however, this remained higher than the national unemployment rate for 2023, which stood at 9.3%³. Migrants' occupational distribution reveals a concentration in self-employment -49%, 41% working as laborers or private employees, 4% as domestic employees, and 3% as day laborers. These occupations are primarily characterized by informality.⁴ Although regularization processes and the economic integration efforts of the migrant population contribute to reducing legal and administrative barriers to formal employment, those in regular status still face challenges in accessing and remaining in job opportunities.
- 1.7 Gender disparities are further exacerbated, as a joint study by the Inter-American Development Bank (IDB) and the United Nations Development Program (UNDP) found that migrant women tend to participate in the labor market at similar rates as women from host communities, while men—both migrants and locals—are significantly more likely to be employed, with a gap of over 30 percentage points compared to women⁵.
- 1.8 **Barriers to the employability of Venezuelan migrants in Colombia.** An analysis conducted by the Universidad de los Andes in 2023⁶ shows that among the main barriers to access to employment for the migrant population are: i) lack of knowledge of the identification documents that allow formal hiring, ii) difficulty in validating education degrees, iii) lacking work experience, iv) difficulty in accessing the financial system. Venezuelan migrants face additional challenges, such as adaptation to Colombian labor regulations, discrimination, and xenophobia⁷, which can limit employment opportunities for Venezuelan migrants, who are often relegated to informal and precarious jobs. A study by IOM formulates recommendations to address the problems faced by the migrant population in receiving cities, such as: i) raising public awareness of the positive aspects of migration to reduce acts of xenophobia; ii) strengthening communication and information on labor legislation for the migrant population; iii) promoting legal and human resources support programs for employers to make it easier for them to hire migrants; and v) facilitate certification or convalidation of educational degrees.
- 1.9 **Labor inclusion of the migrant population in Bogota and Cali.** At the sub-national level, Bogota and Cali have identified the need to continue making progress in guaranteeing rights and socio-economic integration of the migrant population. Bogotá is the city with the largest migrant population in the country,

³ DANE (2023). GEIH – Mercado Laboral.

⁴ Estudio sobre el mercado laboral a nivel local para migrantes en Colombia, 2023, Universidad de los Andes, Scalabrini International Migration Network.

⁵ ¿En qué situación están los migrantes en América Latina y el Caribe? mapeo de la integración socioeconómica

⁶ Estudio sobre el mercado laboral a nivel local para migrantes en Colombia, 2023, Universidad de los Andes, Scalabrini International Migration Network

⁷ Alto Comisionado de las Naciones Unidas para los Refugiados (ACNUR)

with 589,816 people reported by Migration Colombia⁸. Similarly, Cali, due to its geographic position, is one of the most recognized cities of reception and transit and is currently the fifth Colombian city with the largest migrant population, hosting 128,820 migrants.⁹ In line with their Development Plans, they have prioritized actions in economic inclusion of the population and placement in formal jobs.

- 1.10 The economic inclusion of migrants has been a challenge: according to the Economic Development Observatory, the migrant population in Bogotá *“has a 42.0 % higher probability of being informal and earns, on average, 39.7 % less than a national person.... [...] companies with foreign legal representatives created 4.6 % of formal companies and generated 10.8 % of employment in Bogotá between 2019 and 2022”*.¹⁰ Meanwhile, the Chamber of Commerce in Cali reports that 630 companies registered in the city have Venezuelan legal representatives. On the other hand, according to a study conducted by the Governor's Office of Valle and Javeriana University¹¹, criminal networks take advantage of the social vulnerability of the migrant population to integrate them into criminal chains. Thus, economic opportunity becomes a significant variable in reducing the risks of engaging in criminal activities and reducing discrimination.
- 1.11 In Bogotá, the employment rate is higher for the migrant population compared to the working population average (73.8% vs. 63.9%, respectively). However, the informality rate was significantly higher among the Venezuelan migrant population (64.5% vs. 33.5%)¹². In the case of Cali, in 2019, the unemployment rate of the population was 19.2%¹³ and According to the 2023 "Cali Cómo Vamos" report, the labor informality rate among the Venezuelan population in the city reached **52.3%**, compared to **23.6%** for the Colombian population. In both cities, there is a high degree of informality of the migrant population compared to locals, which makes it difficult to access and pay for social security services.
- 1.12 In this context, the Mayor's Office of Bogotá and the Mayor's Office of Santiago de Cali have prioritized initiatives to enhance **strategies to improve the labor inclusion of migrants** in their cities. These efforts include mechanisms such as results-based payment (RbP) programs in employment and strengthening its intervention model, including business management, barrier mitigation, and the execution of basic or specialized training programs, among others. Drawing on their prior experience executing RbP programs, these administrations seek to keep refining monitoring and evaluation mechanisms, as well as strengthen coordination

⁸ Migrantes venezolanos en Colombia de Migración Colombia, <https://public.tableau.com/app/profile/migraci.n.colombia/viz/MigrantesvenezolanosenColombia-Junio2024/MigrantesvenezolanosenColombia>

⁹ Migrantes venezolanos en Colombia de Migración Colombia, <https://public.tableau.com/app/profile/migraci.n.colombia/viz/MigrantesvenezolanosenColombia-Junio2024/MigrantesvenezolanosenColombia>

¹⁰ Alcaldía de Bogotá, 2023. Efectos económicos de la migración internacional en el mercado laboral y el tejido empresarial de Bogotá, Colombia.

¹¹ En-claves de paz, Universidad Javeriana, Gobernación del Valle, Valle Invencible, Observatorio de Paz del Valle

¹² Secretaria de desarrollo económico de Bogotá, Observatorio de desarrollo económico, Integración laboral de la población migrante venezolana en Bogotá, 2024

¹³ DANE, Gran Encuesta Integrada de Hogares, 2019

with the private sector, thereby improving the overall effectiveness of job placement efforts.

- 1.13 According to the Secretary of Economic Development of Bogota, three types of barriers hinder access to employment: individual, organizational, and environmental. These barriers manifest in several specific challenges, including: (i) insufficient economic resources to support job search activities and sustain employment; (ii) lack of identity documents, academic credentials, or work permits; (iii) deficiencies in technical skills; (iv) limited flexibilization of profiles; (v) persistent biases regarding job performance and job stability of women and migrants; (vi) the masculinization of certain roles and economic sectors; (vii) lack of awareness among organizations about the benefits of gender equality, and; (viii) insufficient social and interpersonal skills. Addressing these barriers is not only a matter of social inclusion but also an economic imperative. A study of the fiscal impact of Venezuelan migration in Colombia indicates that in a scenario of full regularization of migrants, the potential growth of tax revenues in Colombia would be 52%. In 2022 alone, the estimated tax revenue from Venezuelan migrants in Colombia was US\$529 million; with regularization and labor insertion programs, the revenue could increase to US\$804 million¹⁴.
- 1.14 **Request.** In response to these challenges and recognizing the opportunities and potential for the inclusion of the migrant population, the Mayor's Offices of Bogotá and Cali have made the economic and social integration of migrants a priority in their respective development plans. To advance their goals, they have sought support from the Bank to implement strategies that strengthen the economic inclusion of this population. Bogotá's government plan, *Bogotá Camina Segura 2024–2027*, includes 70 cross-cutting goals that emphasize fostering inclusion, including the creation of jobs and targeted hiring for women, youth, migrants, and other excluded populations (Article 96), which established the District Labor Formalization Plan with strategies for training and employment linkage (Article 100). Similarly, Cali is advancing its *Juntos por Cali* program, which within its strategy includes the creation of job opportunities and training for migrant women and local communities (Art. 1.2.1). In this context, both Municipalities have requested support from the Bank to continue these efforts through the mechanisms established between the Bank and the country, and as part of the annual dialogue between the Bank and Colombia, the operation has been selected to be process and approved.
- 1.15 **Objective.** The general objective of the Investment Grant (IGR) is to support the Governments of Bogotá and Santiago de Cali in mitigating employment barriers faced by the migrant and host populations. The specific objectives are: (i) to assist the Government of Santiago de Cali in designing and scaling results-based financing (RBF) interventions for employment, while supporting the Government of Bogotá in implementing complementary strategies to overcome barriers to labor market participation, including the provision of enhanced employment services; and (ii) to promote knowledge management and monitoring program outcomes to ensure the sustainability and scalability.

¹⁴ Estudio de impacto fiscal de la migración venezolana en Colombia: realidad vs. potencial. Konrad-Adenauer-Stiftung, OIM, CAVEX, FIP, Equilibrium2024

- 1.16 **Complementarity.** The Bank has played a pivotal role in advancing Colombia's efforts to implement results-based financing (RBF) mechanisms. Through the SIBs.CO initiative (CO-T1434), IDB-Lab, with technical and financial support from the Swiss State Secretariat for Economic Affairs (SECO), has supported the design and execution of RBF mechanisms to enhance employment outcomes. During the first phase of the initiative, implemented by Fundación Corona (2016–2023), SIBs.CO facilitated the execution of four social impact bonds (SIB): Empleado Futuro (2017–2018) in Bogotá, Cali, and Pereira; Progresión con Empleo (2019–2020) in Cali; and Creo Confama and Creo Inversor (2021–2022) in Antioquia. This phase also supported the design of the larger-scale performance-based contract (PBC) Bogotá Trabaja Pago por Resultados (2022–2023), which aimed to improve employment opportunities in Bogotá. The second phase of the initiative, MÁS Pago por Resultados (CO-T1734) (2023–ongoing), seeks to expand the application of RBF mechanisms to additional sectors. In 2024, MAS consolidated strategic alliances with public actors and launched new initiatives to strengthen their institutionalization in Colombia.
- 1.17 The IDB has also conducted impact, results, and process evaluations for these initiatives. In 2024, under the technical cooperation initiative “Institutional Strengthening and Results-Based Financing for Better Jobs in Bogotá”, supported by the Canada Cooperation Framework (CO-T1683), an evaluation of the processes and outcomes of the BT-PpR program was conducted¹⁵. By December 2023, the program served 51,433 individuals, of whom 62.8% were women and 2.58% migrants, despite the program not specifically targeting this demographic. Among the 50,560 participants between November 2022 and December 2023, 24.6% (12,438 individuals) who were previously unemployed gained formal employment within three months of completing the program. The evaluation also identified significant challenges. These included legal constraints stemming from public procurement regulations, modifications to the program’s design during implementation that reduced flexibility and excluded placement targets from contracts, and inadequately designed incentives for placement operators. Additionally, weak verification and information systems hindered timely eligibility verification and performance monitoring. These issues impeded the program’s ability to target vulnerable populations effectively and resulted in a mismatch between placement rates reported by operators (6.5%) and those calculated from administrative records, underscoring the administrative burdens linked to verification processes.
- 1.18 Accordingly, the project engages IDB Lab to capitalize on its recognized technical expertise in designing and implementing results-based financing (RBF) mechanisms. IDB Lab brings extensive experience in structuring innovative financing models that link payments to the achievement of measurable outcomes, particularly in the employment sector. By leveraging IDB Lab’s support, the project aims to strengthen the effectiveness, efficiency, and sustainability of interventions targeting migrant and vulnerable populations, while also contributing to the broader regional agenda of scaling up outcome-based approaches to social inclusion and labor market integration.

¹⁵ <https://www.repository.fedesarrollo.org.co/handle/11445/4664>

- 1.19 **Strategic Alignment.** The IGR aligns with the IDB Group's institutional strategy, *Transforming in Scale and Impact* (CA-631), by contributing to the reduction of poverty and inequality and improving basic services to enhance the quality of life for migrants in Colombia. It is consistent with the operational focus areas of (i) **gender equality**, by applying a gender- and age-differentiated approach. This includes providing services that address gender-based violence, family planning, and maternal health referrals. Additionally, it involves designing training plans to respond to risks, particularly in cases of violence against women, and addressing the sexual and reproductive health rights of migrant and host women. Prevention and response protocols will be activated in coordination with local entities to ensure effective supports; (ii) **institutional capacity** and the rule of law by strengthening the institutional capacity of the economic development secretaries of the Bogotá and Cali mayor's offices, improving mechanisms for migrant job placement in host cities and the articulation of the inter-institutional offer for a comprehensive range of services. (iii) **social protection and human capital development**, by promoting placement in high quality jobs that facilitate access to social security.
- 1.20 Additionally, the IGR is aligned with the strategic objective of promoting greater inclusion of women, indigenous peoples, Afro-descendants, population with disabilities, LGBTQ+, and migrants and reducing GBV from an intersectional approach included in the **IDB Group's Colombia Country Strategy**. The IGR is also consistent with the **Sector Framework of the Migration Unit**, through informing decision-making for the socioeconomic integration of the migrant population, the provision of services in communities with a high concentration of migrant population and the protection of people in transit and strengthening institutional capacity in Colombia as a country of origin, transit, and destination.
- 1.21 Likewise, the operation is aligned with the Canada Framework and the Country Strategy for Colombia 2024-2027 (GN-3238-3), through the following strategic objectives: a) increase quality and access to health services through new operations focused on primary and digital health care, and b) promote social inclusion of diverse population groups and reduce gender-based violence, and with the Social Protection and Poverty Sector Framework Document (GN-2784-12). It is also aligned with the Sectoral Framework (GN-2800-13), gender and diversity.
- 1.22 **Donor.** This is an individual operation under the MIG-INTEGRATION: Facility on Socio-Economic Integration of Refugees, Migrants, Returnees, and Host Community Members in Latin America and the Caribbean (RG-O1722).

II. COMPONENTS

- 2.1 **Component 1. Mitigation of employment barriers and promotion of job placement. (US\$576.000).** This component focuses on addressing employment challenges faced by migrants and vulnerable populations in Bogotá and Cali. In both cities, job vacancies will be identified within companies, beneficiaries will be selected, and private sector partners will be trained in the integration of the migrant population. Each city will adopt two differentiated approaches. In Santiago de Cali, the project will implement a results-based financing (RBF) intervention. In Bogotá, the focus will be on developing complementary strategies to mitigate employment barriers, ensuring better access to job opportunities. A gender and diverse focus are embedded throughout, with tailored support for specific groups to promote equitable labor market participation. Activities for each city include
- 2.2 **For Bogota:**
- 2.2.1 Job opportunities mapping for migrants and host populations: Characterization of labor demand and establishing partnerships with employers whose hiring needs align with the profiles of the target populations. The activity also aims to identify and address potential biases and challenges associated with integrating migrants into the workforce, adopting a practical approach to fostering employer participation and aligning labor supply with demand.
- 2.2.2 Barrier mitigation program design and activation: Designing and implementing a barrier mitigation program to address structural and situational obstacles that limit access and retention to employment for migrants and host populations. A dedicated fund will be established to support tailored interventions aimed at overcoming these barriers. Companies, in partnership with the District Employment Agency, will be able to submit proposals to grant funding to eligible candidates for specific vacancies, enabling targeted support to address individual needs.
- 2.2.3 Psychosocial support program for job retention: Implementing a psychosocial accompaniment program led by the executing agency under the guidance of the Secretary of Economic Development. This program will provide follow-up support to workers before and during their initial 60 days of employment, ensuring a smooth transition into the workforce and promoting job retention
- 2.3 **For Santiago de Cali:**
- 2.3.1 Update and strengthening the results-based financing (RBF) employment program of the Santiago de Cali to address employment access and retention barriers for migrant population in the city, with a focus on women.
- 2.3.2 Strengthening formal labor recruitment processes, including labor intermediation services to support both migrant and host populations in navigating formal recruitment processes.
- 2.3.3 Enhancing company assistance strategies to facilitate formal recruitment processes for migrants and host population by supporting companies in adopting inclusive hiring practices and improving workforce integration. As part of this effort,

the project will seek to integrate the migrant population into the textile sector, which has a high demand for workers.

- 2.4 **Component 2: Program administration and knowledge management. (US\$33.500).** This component seeks to promote knowledge management in the cities of Bogota and Santiago de Cali and inter-institutional coordination to allow learning from experience and promote replication and scalability in other cities. This will be carried out by a process of systematization and dissemination of the results of the project, and the impact of actions implemented. Specifically, the component will finance: (i) individual consultants for the cities of Bogota and Cali, who will be in charge of coordinating inter-institutional management and inter-administrative coordination between secretaries and local authorities to ensure the proper implementation of the Project; and (ii) an individual consultant to conduct the systematization of the program to ensure the transfer of information between the two districts and opportunities for replicability to other cities. The evaluation and outcomes measurement of the Project to ensure the exchange of information between the two districts and opportunities for replicability to other cities, as well as the financial audit service to ensure the proper execution of resources.
- 2.5 For the implementation of activities, professionals from various disciplines with knowledge in labor will be hired through fixed-term employment contracts. These profiles are described in the terms of reference attached to this document.
- 2.6 **Expected Results.** The expected results of the project include: (i) 48% of the beneficiaries are placed in formal employment, (ii) 70% of whom remain employed for at least three months, and (iii) the adoption of 6 inclusive employment practices or policies by companies or institutions. At least 50% of the beneficiaries are migrants in regular condition, with priority in women and LGBTQ.
- 2.7 **Beneficiaries.** The beneficiaries of this operation are the cities of Bogotá and Santiago de Cali, including both migrants and host communities residing in these areas.

III. BUDGET

- 3.1 The Department of Foreign Affairs Canada (DFTAD) has committed US\$698,000 to this project. Resources of this project have been received from the Department of Foreign Affairs Canada (DFTAD) through a Project Specific Grant (PSG). A PSG is administered by the Bank according to the "Report on COFABS, Ad-Hocs and CLFGS and a Proposal to Unify Them as Project Specific Grants (PSGs)" (Document SC-114). As contemplated in these procedures, the commitment by the Department of Foreign Affairs Canada (DFTAD) has been established through a separate Administration Agreement (Facility RG-O1722). Under such an agreement, the resources for this project will be administered by the Bank.

Budget	
Component/Activity	Total (IDB/CCF)
Component 1. Mitigation of employment barriers and promotion of job placement.	576.000
1.1 Implementation of the program to mitigate barriers to access employment for the migrant population and host communities in Bogotá.	269.500
1.2 Implementation of the program to mitigate barriers to access employment for the migrant population and host communities in Cali.	269.500
1.3 Communication, Dissemination and Evaluation	37.000
Component 2. Program administration and knowledge management	33.500
Management and auditoria	88.500
TOTAL	698.000

IV. EXECUTION STRUCTURE

- 4.1 **The Beneficiary as Executing Agency.** At the express request of the beneficiaries, CUSO International will act as Executing Agency.
- 4.2 **Institutional Capacity.** CUSO International will handle executing the project, which focuses on labor inclusion and the implementation of targeted actions based on the technical needs found by the economic development secretaries. It will handle the overall management of the project, including financial administration, procurement, and the execution of work packages and activities by Inter-American Development Bank (IDB) policies and procedures. The agency will ensure the efficient use of resources, the prompt implementation of project components, and the achievement of results as defined in the project design, while supporting compliance with applicable fiduciary, environmental, and social standards.
- 4.3 With extensive experience in employability programs across the region, CUSO has successfully developed and implemented initiatives in key cities like Bogotá and Cali. These programs have prioritized fostering skills development, job placement, and economic empowerment, particularly for vulnerable populations such as youth, women, and displaced individuals. CUSO International's expertise lies in building partnerships with government agencies, private sector stakeholders, and community organizations to create tailored solutions that address local labor market demands. Its proven methodologies combine vocational training, mentorship, and access to employment opportunities, ensuring sustainable and inclusive economic growth.
- 4.4 CUSO International will also serve as the administrator of the program, overseeing key elements such as management, inter-institutional coordination, and monitoring of program execution. To ensure the efficient use of resources, the IDB conducted a comprehensive [institutional and fiduciary capacity assessment](#) of CUSO International, which confirmed its ability to effectively implement the operation

- 4.5 **Eligibility Criteria to Select Beneficiaries.** The identification of beneficiaries will be guided by a data-driven and transparent targeting approach, aimed at prioritizing individuals in conditions of high socioeconomic vulnerability and with limited access to formal employment opportunities. The process will leverage existing social registries and local information systems to ensure consistency with national targeting frameworks and municipal inclusion strategies.
- 4.6 Beneficiaries will be required to meet the following eligibility criteria:
- 4.6.1 **Be of legal age**, ensuring the inclusion of individuals within productive age ranges.
 - 4.6.2 **Hold a valid identification document**, such as a National ID Card (CC), Temporary Protection Permit (PPT), or Foreigner ID Card (CE), to confirm identity and legal or migratory status.
 - 4.6.3 **Be classified in Groups A or B of SISBÉN IV**, prioritizing households identified as living in poverty or extreme poverty according to Colombia's official targeting system.
 - 4.6.4 **Reside in the city of implementation or its metropolitan area**, ensuring territorial alignment with local employment and social inclusion programs.
- 4.7 In **Cali**, an added eligibility criterion will apply: **registration in the Municipal Labor Vulnerability Index**, developed by the Mayor's Office of Cali, which finds individuals with the highest barriers to entering the formal labor market and supports the city's local prioritization mechanisms.
- 4.8 Complementarily, the program will conduct **cross-checks with national and local databases**, including the **ADRES registry** (currently under validation), to prevent duplication, confirm data consistency, and enhance monitoring and accountability mechanisms.
- 4.9 The overall identification process will combine administrative data verification with the interoperability of information systems (SISBÉN, ADRES, municipal registries, and the Labor Vulnerability Index in Cali). This approach will ensure a goal, transparent, and fair selection process, consistent with the principles of efficiency, inclusion, and territorial relevance promoted by the program and by the Government of Colombia.
- 4.10 **Conditions Prior to First Disbursement.** No special conditions were foreseen prior to the first disbursement.
- 4.11 **Procurement.** The execution and disbursement period will be 36 months. The activities to be executed under this operation have been included in the Procurement Plan, and will be carried out by the Executing Agency in accordance with the Policies for the procurement of goods and works financed by the Inter-American Development Bank (GN-2349-15, Appendix 4: Policies for Procurement with Private Sector) and the Policies for the selection and contracting of consultants financed by the Inter-American Development Bank (GN-2350-15, Appendix 4:

Policies for Procurement with Private Sector).¹⁶, the Guide for Acceptance and Use of Country Procurement Systems (GN-2538-35), and other internal Bank procedures. The Bank procurement supervision will preferably be ex-post, as agreed in the Procurement Plan. Additionally, a Procurement Plan for the first 18 months of implementation will be agreed upon, which may be updated if there are substantial changes. Any proposed revisions to the Procurement Plan must be agreed upon and approved by the Bank.

4.12 Execution and Disbursement Period.

4.13 **Reimbursement of Expenses.** No reimbursement of expenses is foreseen.

4.14 **Financial Management.** Program financial management will be carried out by Bank Guide OP-273-12 and complementary operational guides, using the EA processes and systems. The EA will be responsible for conducting final audited financial statements, which will be submitted within 90 days after the final disbursement date of the Program. The audit firm must be hired within 180 days of the date of first disbursement and present an interim report within 15 months of the same date. In addition, the EA must provide unaudited special purpose financial reports no later than March 30 of each year.

4.15 **Monitoring, Reporting, and Supervision.** In terms of the supervision of this IGR, under the direction of both the team leader and the alternate team leader, the project team will be responsible for guiding and overseeing the execution of the operation. The project will be monitored and evaluated by Bank requirements and through the Results Matrix. Moreover, the EA will be responsible for conducting final audited financial statements, which will be submitted within 90 days after the final disbursement date of the Program. The EA will send to the Bank semi-annual progress reports presented within thirty (30) days after the end of the corresponding semester

4.16 These reports will serve as the primary input for the project team responsible for preparing and submitting project reports to the donor, as well as for carrying out all other activities and deliverables related to project implementation, as agreed upon in the Administration Agreement.

4.17 **Evaluation.** In addition, as part of the program, midterm and final evaluations of results will be required.

4.18 **Origination and Reporting to Donors.** The project team will be responsible for the preparation and submission to the donor of the project reporting, in compliance with the stipulations of the Administration Agreement.

¹⁶ The annual and multi-year execution schedule will be presented by the executing unit, according to its contracting processes and considering the results matrix, at the beginning of execution.

V. POTENTIAL RISKS

- 5.1 The identified risks include a lack of coordination between district secretaries and involved entities, which will be addressed by hiring an operator and local coordinators to ease inter-agency collaboration and ensure the achievement of project outcomes. Another risk pertains to the sustainability of service provision after the project concludes. To mitigate this, the project will strengthen programs aligned with local development plans, contributing to long-term goals and reinforcing existing initiatives set up by the majores' offices.
- 5.2 **Intellectual Property.** The nature of the activities and products to be developed to fulfill the goal of this technical cooperation is specific to the conditions of the Beneficiary. For this reason, it is convenient that the Bank assigns the Beneficiary with the ownership of the intellectual property rights of the products resulting from the execution of the IGR, guaranteeing a mechanism for their adequate use by the Bank. In this sense, the Beneficiary shall be the owner and holder of all intellectual property rights, including copyrights without limitation, and/or associated with all products to be developed within the framework of this aid. In any case, the Beneficiary shall grant the Bank a license for use, free of charge. The team will coordinate with LEG the specific terms to legally secure the respective assignment of rights and corresponding license.

VI. EXCEPTIONS TO BANK POLICIES

- 6.1 No exceptions to Bank policies are contemplated.

VII. ENVIRONMENTAL AND SOCIAL RISKS

- 7.1 Based on the available information provided, the operation has been classified as Environmental and Social Impact Category (ESIC) "C" as it is expected to cause minimal or no negative environmental or social impacts.
- 7.2 The project has no environmental and social impacts and/or risks; therefore, no Environmental and Social Assessment (ESA) or Environmental and Social Impact Assessment (ESIA) process will be conducted for the project during preparation. Also, there are no contextual risks associated with the project. CUSO International, as an executing agency, has a proven track record of respecting and protecting the fundamental principles and rights of workers and compliance with national employment and labor laws.
- 7.3 It is expected that during execution, CUSO International, in coordination with the mechanisms already in place in both Districts, will implement activities and promote comply with ESPS 1, ESPS 2 and ESPS 10.

ESPS1	Given the low-risk nature of the project, CUSO will follow applicable national environmental and social regulations and align its actions with ESPS 1. CUSO will also promote gender equity, respect for human rights, and the inclusion of vulnerable populations, as vulnerable migrants, while keeping transparent stakeholder engagement processes throughout the project lifecycle.
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ESPS 2	<p>The execution of the operation, through CUSO as executing agency, will follow Colombian labor regulations, including the mandatory implementation of the Occupational Health and Safety Management System (SG-SST), as set up by Law 1562 of 2012, Decree 1072 of 2015, and related regulations. Throughout the execution of the project, the organization will ensure safe and healthy working conditions for all personnel involved, adopting all necessary measures to prevent occupational risks, and promoting a culture of well-being and respect for labor rights in line with national standards.</p>
ESPS 10	<p>It is expected that during execution, CUSO, in coordination with the District Economic Development Secretaries, will implement a mechanism for inquiries and complaints about the processes within the scope of the operation, using their own existing complaint and grievance mechanisms:</p> <p>Secretariat of Economic Development of Bogotá Mechanisms</p> <p>In Bogotá, the District Secretary of Economic Development Mechanisms (Secretaría Distrital de Desarrollo Económico) the mechanisms aimed to ensure transparency, efficiency, and citizen participation in public management will be the ones that are already in place: Citizen Service Line: +57 (601) 3693777 (Mon–Fri 7:00 a.m.–4:30pm); Email contact: Complaints can be sent to: contactenos@desarrolloeconomico.gov.co; On-site: Carrera 13 No 27 – 00, (Mon–Fri 7:00 a.m. – 4:30 p.m)</p> <p>Cali – District Secretary of Economic Development Mechanisms. Santiago de Cali has also developed mechanisms for citizens to submit petitions, complaints, claims, suggestions, and reports (PQRSD). the mechanisms are: Citizen Service Line: +57 (602) 8879020 (Mon–Fri 8:00 a.m.–4:30pm); Email contact: Complaints can be sent to: contactenos@cali.gov.co; On-site: Avenida 2 Norte #10 – 70, (Mon–Fri 8:00 a.m. – 4:30 p.m)</p> <p>CUSO International Mechanisms. Digital Platform https://www.clearviewconnects.com/#/ 24/7</p>

REQUIRED ANNEXES:

- Annex I: Request from Client
- Annex II: Results Matrix
- Annex III: Terms of Reference
- Annex IV: Procurement Plan