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The World Bank

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IMPLEMENTATION COMPLETION AND RESULTS REPORT  
(IBRD-76190)

ON A

LOAN

IN THE AMOUNT OF US\$636.5 MILLION

TO THE

REPUBLIC OF COLOMBIA

FOR

SUPPORT FOR THE SECOND PHASE OF THE EXPANSION OF THE PROGRAM  
OF CONDITIONAL TRANSFERS-FAMILIAS EN ACCION PROJECT

June 29, 2012

Human Development Department  
Mexico and Colombia Country Management Unit  
Latin America and Caribbean Region

CURRENCY EQUIVALENTS  
(Exchange Rate Effective June 15, 2012)

Currency Unit = Colombia Peso  
COP 1,791.8 = US\$1

FISCAL YEAR  
January 1 – December 31

ABBREVIATIONS AND ACRONYMS

AAA	Advisory Services
CCT	Conditional Cash Transfer
CONPES	National Commission on Economic and Social Policy ( <i>Consejo Nacional de Política Económica y Social</i> )
CPS	Country Partnership Strategy
DAPR Social FIP	Administrative Department of the Presidential Office in charge of the <i>Acción</i> Investment Fund for Peace ( <i>Departamento Administrativo de la Presidencia de la República-Agencia Presidencial para Acción Social y Cooperación Internacional-Fondo de Inversión para la Paz-FIP</i> )
DNP	National Planning Department
FM	Financial Management
IADB	Inter – American Development Bank
ICR	Implementation Completion and result Report
IPP	Indigenous Peoples Plan
ISRs	Information Systems Renewal
MDGs	Millennium Development Goals
MIS	Management Information System
MSP	Ministry of Social Protection
NDP	National Development Plan
OPRC	Operational Procurement Review Committee
PAD	Project Appraisal Document
PDO	Project Development Objectives
SIPOD	Information System of Displaces Population+
SISBEN	System for the Selection of Programs' Beneficiaries ( <i>Sistema de Identificación de Potenciales Beneficiarios de Programas Sociales</i> )
TORs	Terms of References
WB	World Bank

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**COLOMBIA**  
**SUPPORT FOR THE SECOND PHASE OF THE EXPANSION OF THE**  
**PROGRAM OF CONDITIONAL TRANSFERS-*FAMILIAS EN ACCION***  
**PROJECT**

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<b>A. Basic Information</b>			
Country:	Colombia	Project Name:	Support for the Second Phase of the Expansion of the Program of Conditional Transfers- Familias en Acción Project
Project ID:	P101211	L/C/TF Number(s):	IBRD-76190
ICR Date:	06/29/2012	ICR Type:	Core ICR
Lending Instrument:	SIL	Borrower:	REPUBLIC OF COLOMBIA
Original Total Commitment:	USD 636.50M	Disbursed Amount:	USD 636.50M
Revised Amount:	USD 636.50M		
<b>Environmental Category: C</b>			
<b>Implementing Agencies:</b> DAPR-Accion Social-FIP, Presidency			
<b>Cofinanciers and Other External Partners:</b>			

<b>B. Key Dates</b>				
Process	Date	Process	Original Date	Revised / Actual Date(s)
Concept Review:	07/01/2008	Effectiveness:	02/04/2009	02/04/2009
Appraisal:	09/29/2008	Restructuring(s):		
Approval:	12/18/2008	Mid-term Review:		
		Closing:	12/31/2010	12/31/2011

<b>C. Ratings Summary</b>	
<b>C.1 Performance Rating by ICR</b>	
Outcomes:	Satisfactory
Risk to Development Outcome:	Low or Negligible
Bank Performance:	Moderately Satisfactory
Borrower Performance:	Satisfactory

<b>C.2 Detailed Ratings of Bank and Borrower Performance (by ICR)</b>			
Bank	Ratings	Borrower	Ratings
Quality at Entry:	Moderately Satisfactory	Government:	Satisfactory
Quality of Supervision:	Satisfactory	Implementing Agency/Agencies:	Satisfactory
<b>Overall Bank Performance:</b>	Moderately Satisfactory	<b>Overall Borrower Performance:</b>	Satisfactory

<b>C.3 Quality at Entry and Implementation Performance Indicators</b>			
<b>Implementation Performance</b>	<b>Indicators</b>	<b>QAG Assessments (if any)</b>	<b>Rating</b>
Potential Problem Project at any time (Yes/No):	No	Quality at Entry (QEA):	None
Problem Project at any time (Yes/No):	No	Quality of Supervision (QSA):	None
DO rating before Closing/Inactive status:	Satisfactory		

<b>D. Sector and Theme Codes</b>		
	<b>Original</b>	<b>Actual</b>
<b>Sector Code (as % of total Bank financing)</b>		
Health	33	33
Other social services	50	50
Primary education	9	9
Secondary education	8	8
<b>Theme Code (as % of total Bank financing)</b>		
Education for all	33	33
Nutrition and food security	17	17
Social safety nets	50	50

<b>E. Bank Staff</b>		
<b>Positions</b>	<b>At ICR</b>	<b>At Approval</b>
Vice President:	Hasan A. Tuluy	Pamela Cox
Country Director:	Gloria M. Grandolini	Axel van Trotsenburg
Sector Manager:	Mansoor Rashid	Helena G. Ribe
Project Team Leader:	Theresa Jones	Theresa Jones
ICR Team Leader:	Theresa Jones	
ICR Primary Author:	Theresa Jones	

## **F. Results Framework Analysis**

### **Project Development Objectives (from Project Appraisal Document)**

The proposed project would finance Colombia's conditional cash transfer (CCT) program, Familias, which was expanded during 2007 to cover about 1.7 million poor families (including about 250,000 displaced families). The principal project development objectives are:

- Complement the income of poor families with minors under 18 (SISBEN level 1 and the displaced)
- Promote human capital formation of poor children by increasing regular check-ups, including growth monitoring, and vaccinations and by increasing enrollment and school attendance (basic and/or secondary education)
- Strengthen program quality

**Revised Project Development Objectives (as approved by original approving authority)**

**(a) PDO Indicator(s)**

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
<b>Indicator 1 :</b>	Net change in household (1) total consumption; (2) food consumption; (3)protein consumption (milk, poultry and meat); and high quality food (fruits and vegetables). (3) and (4) measured by share who consume and number of days consumed, respectively			
Value quantitative or Qualitative)		No targets set.		(1)US\$20/mo*** (2)US\$6.75/mo* (3)12-16 percentage points depending on product (4).27-.49 days depending on product Achieved given positive net impact of program
Date achieved		12/30/2008		12/30/2011
Comments (incl. % achievement)	For ITT/TOT definitions see footnote 9. (1) US\$42/month ***TOT (2) US\$24/month*TOT (3) 15.4-21.3 TOT depending on product (4) .24-.49 days TOT depending on product For (3) and (4) significance varies depending on product Achieved			
<b>Indicator 2 :</b>	Net change in chronic malnutrition amongst children under 5			
Value quantitative or Qualitative)		No target set.		.215* on height for age z score
Date achieved		12/30/2008		12/30/2011
Comments (incl. % achievement)	Achieved given positive net impact of program. The z-score measures the degree to which a child's measurement deviate from what is expected for that child based on a reference population			

<b>Indicator 3 :</b> Net change in secondary school attendance				
Value quantitative or Qualitative)		No target set.		(1) 2-13.5 pp depending on gender, scheme and location**
Date achieved		12/30/2008		12/30/2011
Comments (incl. % achievement)	Results are reported from impact evaluation SISBEN census methodology. Achieved given positive net impact of program.			
<b>Indicator 4 :</b> Net change in drop-out in secondary school				
Value quantitative or Qualitative)		No target set.		Sample size not sufficient to measure.
Date achieved		12/30/2008		12/30/2011
Comments (incl. % achievement)	Sample size insufficient to judge whether program has positive net impact or not.			
<b>Indicator 5 :</b> Net change in use of preventive services according to the national protocols				
Value quantitative or Qualitative)		No target set.		11.8*** pp
Date achieved		12/30/2008		12/30/2011
Comments (incl. % achievement)	13.2 *** percentage points for TOT. Achieved given positive net impact of program.			
<b>Indicator 6 :</b> Net change in percentage of children aged 0-6 with complete DPT vaccination.				
Value quantitative or Qualitative)		No target set.		4.2*pp
Date achieved		12/30/2008		12/30/2011
Comments (incl. % achievement)	4.0*percentage points for TOT measure. Achieved given positive net impact of program.			
<b>Indicator 7 :</b>	Number of registered families as a percentage of number of families eligible (1)Overall (2)Small municipalities (<100,000 inhabitants) (3)Large municipalities (>100,000 inhabitants) (4)Indigenous			
Value quantitative or Qualitative)	(1)62.1% (2)68.0% (3)53.2% (4)90%	No target set.		(1)61.6% (2)63.6%/ (3)55.6% (4)66.9%
Date achieved	06/30/2008	12/30/2008		12/30/2011
Comments (incl. % achievement)	Partially achieved.			



<b>Indicator 8 :</b>	Control of responsibilities in health: number of families who comply in health, as percentage of total number of beneficiary families in health for (1) Total, (2) small municipalities, (3) large municipalities, and (4) urban centers			
Value quantitative or Qualitative)	(1) 91.7%	No target set.		(1) 70.8% (2) 79.3% (3) 66.3% (4) 56.5%
Date achieved	06/30/2008	12/30/2008		12/30/2011
Comments (incl. % achievement)	Data from 5th payment cycle in 2011 Given significant decline, not achieved.			
<b>Indicator 9 :</b>	Control of responsibilities in education: number of children who comply in education, as percentage of total number of beneficiary children for (1) Total (2) Small municipalities (3) Large municipalities (Urban centers)			
Value quantitative or Qualitative)	(1) 71.9% (6/08)	No target set.		(1)68.0% (2) 68.0% (3)64.6% (4)58.2%
Date achieved	06/30/2008	12/30/2008		10/31/2011
Comments (incl. % achievement)	Measured as share of all children participating in the program, so considers both children who are not enrolled in school and those who although enrolled are not meeting the attendance requirement.			

**(b) Intermediate Outcome Indicator(s)**

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
<b>Indicator 1 :</b>	Withdrawal: Number of families removed from the program (in previous year), by reason.			
Value (quantitative or Qualitative)	23,959	No target set.		153,092 • 45% non-payment for 3 cycles • 36% non-compliance with conditions • 19% children exceeded age li
Date achieved	06/30/2008	12/30/2008		12/30/2011
Comments (incl. % achievement)	Given demonstrated improvements in controls over beneficiary registry as shown by this indicator, judged to be achieved.			
<b>Indicator 2 :</b>	Training: Percentage of beneficiaries having received training from the program.			
Value (quantitative or Qualitative)	47.5	No target set.		38.5%
Date achieved	06/30/2008	12/30/2008		12/30/2011

Comments (incl. % achievement)	Organization of training events suspended before elections (outside of control of Program, so in spite of decline judged to be partially achieved.			
<b>Indicator 3 :</b>	Difficulties in process of control: Percentage of beneficiaries reporting difficulties, by type(1) health and (2) education			
Value (quantitative or Qualitative)	(1)1.7% (2) 1.1%	No target set.		(1)0.4% (2) 4.1%
Date achieved	06/30/2008	12/30/2008		12/30/2010
Comments (incl. % achievement)	Data comes from reports on periodic monitoring of how program procedures are implemented at the local level, not from the MIS, so annual data is not available. Given its availability and the use of indicator for monitoring, judged to be achieved.			
<b>Indicator 4 :</b>	Alerts in process of control: number of municipalities in yellow or red alert in health and education			
Value (quantitative or Qualitative)	121 municipalities	No target set.		120 municipalities
Date achieved	06/30/2008	12/30/2008		12/30/2011
Comments (incl. % achievement)	Given its availability and the use of indicator for monitoring, judged to be achieved.			
<b>Indicator 5 :</b>	Payment: Number of families paid, as a share of number of families complying with their responsibilities for (1)Total, (2)small municipalities, (3)large municipalities, and (4)urban centers.			
Value (quantitative or Qualitative)	94.58%(overall)	No target set.		98.0% 95.03% 98.1% 97.6%
Date achieved	06/30/2008	12/30/2008		12/30/2011
Comments (incl. % achievement)	Given improvement registered, judged to be achieved.			
<b>Indicator 6 :</b>	Alerts in process of payment: number of municipalities in yellow or red alert			
Value (quantitative or Qualitative)				
Date achieved				
Comments (incl. % achievement)	For each bimonthly payment cycle the program identified municipalities which showed unusual changes in the number or share of beneficiaries paid, although the system of red and yellow alerts was not used.			
<b>Indicator 7 :</b>	Complaints: (1)Number of complaints by type (2) Percentage of complaints addressed in less than 15 working days			
Value (quantitative or Qualitative)				(1)73.432 (2)92.6%
Date achieved				12/30/2011

Comments (incl. % achievement)	Given its availability and the use of indicator for monitoring, judged to be achieved.			
<b>Indicator 8 :</b>	% of municipalities and families verifying conditions by type of mechanism			
Value (quantitative or Qualitative)	Main mechanism in use is presentation by mothers of evidence of compliance			Precise data not available, but Program using to a greater extent other methods of verification, including comparisons of data bases by municipal representative of Program and entry of information on compliance.
Date achieved	06/30/2008			12/30/2011
Comments (incl. % achievement)	Partially achieved.			

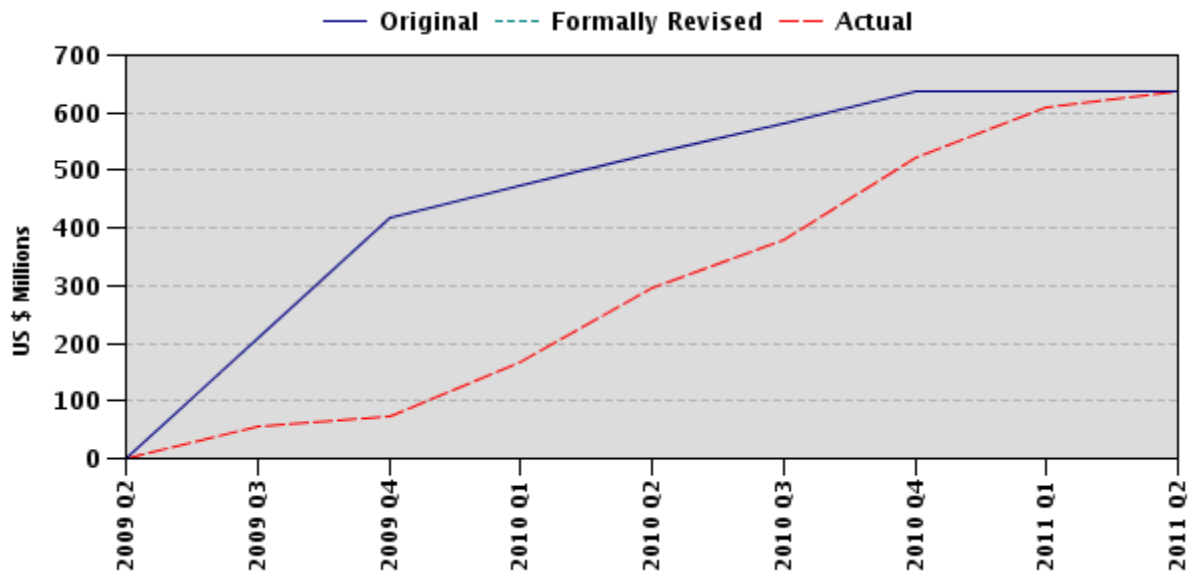
### G. Ratings of Project Performance in ISRs

No.	Date ISR Archived	DO	IP	Actual Disbursements (USD millions)
1	02/27/2009	Satisfactory	Satisfactory	0.00
2	11/11/2009	Satisfactory	Satisfactory	222.50
3	06/28/2010	Satisfactory	Satisfactory	523.70
4	12/18/2010	Satisfactory	Satisfactory	636.50

### H. Restructuring (if any)

Not Applicable

## I. Disbursement Profile



# 1. Project Context, Development Objectives and Design

## 1.1 Context at Appraisal

### A. Country and sector issues

At the time of appraisal in 2008, Colombia had benefited from sustained economic growth and a reduction in poverty for 5 years. By 2006, the poverty rate had fallen to 45 percent, compared to 55 percent in 2002 and the extreme poverty rate had dropped from 20 to 12 percent. Despite these improvements, regional, ethnic and gender disparities remained, particularly in rural areas and among female-headed households, indigenous people, Afro-Colombians, and displaced individuals. Nearly 30 percent of the indigenous population and 25 percent of Afro-Colombians were considered extremely poor. Moreover, it seemed likely that the rapid growth of 2007 would subside.

A national priority was assisting needy families to invest in the human capital of their children, particularly in education and health. School attendance had increased across all age groups, but Colombia still lagged behind Latin American averages. In rural areas, only 87 percent of children aged 7-11 attended school while rates dropped to 63 percent for 12-17 year olds. Sizeable gaps also existed between poorer and richer departments. According to the 2005 National Demographic and Health Survey, 10 percent of children under 5 in rural areas and 6 percent of those in urban areas suffered from global malnutrition (weight for age). There were also significant differences in rates between children in households in the lowest-ranked income group (11.6 percent) and those in the highest income group (3.2 percent).

*Familias en Acción* (hereafter referred as *Familias*) is a Conditional Cash Transfer (CCT) program which disburses cash transfers (grants) to families, conditional on compliance with certain requirements primarily related to ensuring that children are enrolled and attend school and also receive health check-ups. Since its start in 2001, the objectives and coverage of *Familias* have evolved. In 2005, positive findings from an impact evaluation<sup>1</sup> led to the first expansion of the program as well as a change in focus from preservation to the promotion of human capital. In the National Development Plan 2006-2010, *Familias* was a key element within the social promotion component of the social protection system and in the strategy to reduce extreme poverty – the Social Protection Network to Overcome Extreme Poverty (*Juntos*, now called *Unidos*). The role of *Familias* as both entry point and cornerstone for *Juntos* had important implications. A major expansion in coverage was needed to give all municipalities access to *Familias* and the authorities had to consider possible adjustments in its design so as to ensure its continued efficiency and effectiveness in a larger operational context.

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<sup>1</sup> *Primer Seguimiento de la evaluación de impacto del programa Familias en Acción*, carried out by the National Department of Planning through a contract with the Institute for Fiscal Studies, Econometria S.A, and *Sistemas Especializados de Información-SEI*.

## **B. Rationale for Bank assistance**

The project was the fourth World Bank loan supporting *Familias en Acción*. Since its inception in 2001, the Bank had provided technical assistance and financial resources to help strengthen the program, as well as supported Colombia's broader social protection system through a series of programmatic structural adjustment and development policy loans and a technical assistance project.<sup>2</sup> In addition to financing, it was intended that the project be a vehicle for continued technical cooperation and support for the program. The project would be complemented by a World Bank program of knowledge and convening services, Strengthening Social Protection in Colombia.

## **C. Higher level objectives to which the project contributed**

The World Bank Group's Country Partnership Strategy (CPS) for FY08-11 was based on Colombia's National Development Plan (NDP). It included five areas of concentration and collaboration, including sustained equitable growth, environment and natural resources management, good governance, poverty alleviation and equity of opportunity and peace. In the latter two areas, *Familias* and complementary non-lending technical assistance were key contributions to the eradication of extreme poverty, the reduction in regional inequality, strengthening the social safety net, and removing access barriers to education and health services in high conflict zones. The CPS stressed the importance of continuity with successful operations through second and third-generation projects. The project also contributed to Colombia's efforts to meet several Millennium Development Goals (MDGs) and its strategy to reduce extreme poverty (*Juntos*).

### **1.2 Original Project Development Objectives (PDO) and Key Indicators**

The project development objectives were: (a) complement the income of poor families with children; (b) promote human capital formation of poor children by increasing regular check-ups, for growth monitoring and other services, and by increasing enrollment and school attendance (basic and/or secondary education); and (c) strengthen program quality. Key performance indicators were the following:

- Net improvements in household total, food (including fruits and vegetables) and protein consumption.
- Net change in chronic malnutrition among children under 5.
- Net change in enrollment, attendance and drop-out in secondary schools.
- Net change in use of preventive health services according to national protocols.
- Net change in percentage of children age 0-6 with complete immunization package.

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<sup>2</sup> See ICR, No. 522, December 21, 2007, ICR No. 1332, December 18, 2009, and ICR No. 1829, June 29, 2011.

- Percentage of families who comply with the requirements for health check-ups for children by age, population and geographic groups.
- Percentage of families who comply with the school enrollment and attendance requirements, by age, population and geographic groups.
- Percentage of municipalities and families verifying the health and schooling requirements by type of mechanism.
- Percentage of families inscribed in the program who are paid, by geographic and population groups.

### **1.3 Revised PDO and Key Indicators**

There were no revisions to the PDOs or key indicators.

### **1.4 Main Beneficiaries**

The main beneficiaries were poor families with children below 18 years of age, particularly the children in those households. At the time of appraisal, the project was expected to finance transfers for roughly 1.5 million families, out of the 1.7 million families reached by the program after its second phase of expansion.

### **1.5 Original Components**

The project had one component - *Consolidation and Expansion of the Familias Program*. The project was to finance cash transfers (grants) to the participant families who complied with the conditions. These included: (a) assuring that children 0-6 (and in some cities 7-11) regularly visit health centers according to national protocols; and (b) assuring that children 7-17 years of age enroll in school and attend classes no less than 80 percent of the time. It was also intended that the project finance the bank commissions associated with delivering those payments and consultancy services and analytical studies.

As of 2007, the program began to operate in large cities (a pilot in Medellin, Soacha and Cali had been carried out earlier). Since the different socio-demographic and economic characteristics of large cities could affect the potential results of *Familias*, the NDP and the program reviewed the structure of conditions. In addition, the results of the impact evaluation which had been carried out for rural areas and small municipalities showed no program impact on primary school attendance in department capitals. Because the higher attendance rate for primary school in urban areas (93 percent in 2005) left little space to achieve a significant impact a decision was made to tailor the conditions to improve impact by focusing on the secondary level.

During the project, the program tested three different structures of transfers and conditions in urban areas. The changes were intended to reflect better the opportunity cost of secondary education in urban areas by raising the subsidy amount, particularly at levels where drop-out is a problem, in order to provide incentives for students to complete important grade levels. The main difference was that in two schemes (incremental) the value of the subsidy increased for higher grades, while in the other

scheme (savings), families received a “bonus” for completing certain grades (ninth and eleventh). Only the structure differs; the overall amount received by the family is the same.

## **1.6 Revised Components**

The project component was not revised during implementation.

## **1.7 Other significant changes**

In late 2008, the Government decided to further expand the coverage of *Familias*. The Program started to register new families in December 2008 prioritizing the departments and municipalities which had been most affected by the emergency caused by large scale fraudulent ponzi schemes in which numerous people had lost resources. In November 2008, the Government issued an Emergency Decree recognizing that special actions were needed to compensate the families affected, particularly low-income households. As a result of this expansion, the coverage of the program increased from 1.7 million families at the time of project appraisal to 2.7 million families by the end of 2009. The Government financed the expansion with national resources. A second significant change was that loan resources originally envisaged to finance bank commissions were reallocated to cash transfers. Details of these changes are described in Section 2.4. Bank management approved the reallocation on January 4, 2010.

## **2. Key Factors Affecting Implementation and Outcomes**

### **2.1 Project Preparation, Design and Quality at Entry**

Project preparation and design reflected sound analytical and operational analysis derived from the Bank’s prior involvement in the area of social protection in Colombia. Bank staff drew on the analytical work done for previous phases as well as lessons learned from the program after eight years of operations. The project was a logical extension designed to support adaptations of the program to urban areas and to areas with the largest social disparities such as indigenous communities, as well as improvements in quality. The program would also continue incorporating the eligible displaced population. Project design was informed by the results of a series of previous impact evaluations in rural areas (baseline and 2 follow-ups), as well as impact evaluations of similar interventions which were piloted in two large cities –Bogota and Medellin. These impact evaluations were managed by the Government through consultancy contracts, with technical and financial support from the World Bank and the Inter-American Development Bank (IADB). It made sense to test different structures of benefits in urban areas and to evaluate their results.

The Project Development Objectives focused on outcomes for which the operation could be held accountable. They were clear, realistic and important in the context of both the CPS and the NDP and responsive to Borrower priorities. The implementing agency, *Acción Social*, had sufficient capacity. IADB was a key partner of the Bank, continuing the history of joint support to *Familias*. The commitment of the Government to *Familias*



was clear. According to the National Development Plan 2006-2010, *Familias* was a key element in the social protection system. The *Consejo Nacional de Política Económica y Social* (CONPES) had approved the request of the Government to contract loans for up to US\$1.5 billion from the IADB and the Bank to finance the operation of *Familias* during 2007-2010.

The assessment of risks and the discussion of mitigation measures were comprehensive and focused primarily on potential weaknesses in the design and operational procedures of *Familias*. Most risk mitigation measures were incorporated into project supervision arrangements and the analytical support to be provided to the program during implementation. Risk mitigation measures worked effectively, and were particularly important given the expansion during late 2008-2009. In particular, the systems audit helped to identify the improvements which were needed in the management information system (MIS) of the *Familias* Program. It was carried out during 2008 by PriceWaterhouseCoopers in order to determine whether risk management, control, and governance processes over the MIS provided reasonable assurances that the security and confidentiality of data and information is appropriate and that the quality and integrity of the data processed ensures accurate and complete management reporting, among other topics.

Project design was not overly complex as it had only one component and responded to the Government's specific requests in terms of the financing package. The design of *Familias* was not overambitious and the program was able to carry out most of the innovations stated in the Project Appraisal Document (PAD). Project design and quality at entry is considered to be *satisfactory*.

## **2.2 Implementation**

Project implementation was generally satisfactory, particularly considering the significant expansion of the program which was not foreseen at the time of appraisal. The need of the Program to focus on the challenge of the expansion probably did delay to some extent the progress made on some quality improvements. In addition, the expansion necessitated a reformulation of the design and schedule for the impact evaluation, contributing to its delay and the need to extend the project by one year to December 31, 2011. An evaluation of operational aspects of the Program<sup>3</sup> showed that there were weaknesses in the communication to families of the different schemes of transfers and/or difficulties in understanding the somewhat complex structures of transfers. Even though knowledge increased between the baseline (2007) and the follow-up survey (2011), in the case of locations where the incremental scheme was implemented, only about one-third of the mothers knew that the transfer level increased according to grade level, while two-thirds of mothers responded that they did not know. A similar situation was found in localities where the "savings" scheme was implemented. Only four percent of mothers

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<sup>3</sup> *Evaluación del Programa Familias en Acción en Grandes Centros Urbanos, Informe Final, Centro Nacional de Consultoría, December 2011.*

knew that a bonus was received for passing 9<sup>th</sup> grade and enrolling in 10<sup>th</sup> grade, while nearly one-quarter of mothers knew that a bonus was received for graduating from secondary school. Again about two-thirds of mothers responded that they did not know. In spite of the lack of knowledge, administrative data show that between 70 percent and 86 percent of eligible students on average among all localities received the bonus, varying according to the type of bonus and the year. On the other hand, steady progress was made in reaching the goal for registration of eligible families in indigenous communities and the fact that the results of the systems audit were available early on permitted substantial progress to be made during project implementation.

### **2.3 Monitoring and Evaluation (M&E) Design, Implementation and Utilization**

**Design** is assessed as satisfactory. Monitoring indicators were selected based on the existing MIS of the program. A moderate shortcoming is that the proposed detailed breakdown of some indicators by type of population (SISBEN 1, displaced, indigenous, and small vs. large municipalities) was probably overly ambitious and proved difficult to implement in practice. An external impact evaluation was built into the project in order to evaluate the results for the different structures of benefits being tested in urban areas. The evaluation used a quasi-experimental design combine and included also a process evaluation and a qualitative assessment of knowledge and perceptions from different stakeholders. When the unanticipated expansion of the program made the initial design unfeasible, the Government responded, in consultation with the IADB and the Bank, by modifying the contracting process to request alternate designs. The program also contracted a third follow-up and analysis of the original evaluation which covered localities below 100,000 inhabitants, financed under the IADB project.

**Implementation** was satisfactory. The Strategy and Monitoring unit produced regular reports on compliance with conditions, status of families, complaints, payments, and the process of opening bank accounts for beneficiaries, which covered most of the indicators included in the results framework. The quality and completeness of the information improved and was an important input for decision-making by the program staff. As described in the PAD, an impact evaluation designed to measure the results of the different structures of education transfers being piloted in large cities was contracted to a local consultancy firm (*Centro Nacional de Consultoria*). The baseline survey was carried out in late 2007 (early 2008 in the case of Bogota) and the follow-up in February/March 2011. As explained above, implementation of the impact evaluation was affected by the decision to expand the program, and as a result suffered a delay of about a year and the methodology had to be revised. The final report was delivered at the end of 2011. While the results of this impact evaluation arrived too late to affect the implementation of the project, they are influencing decisions that are currently being taken by the Government of Colombia on the redesign of the program.

**M&E utilization** was also satisfactory. Data on monitoring indicators were used to organize remedial actions and local supervision visits as necessary. The results of the impact evaluation are being taken into account in the Government's redesign of the *Familias* Program which is currently underway.

## 2.4 Safeguard and Fiduciary Compliance

**Safeguards.** The project triggered the safeguard policy OP. 4.10 on Indigenous Peoples and an Indigenous Peoples Plan (IPP) was prepared and was the basis for consultations during project preparation. During implementation of the previous Social Safety Net Project (Lns. 7337 and 7433), the program carried out a pilot in indigenous communities, including consultations on the proposed strategy. Agreement was reached with the indigenous population and municipal authorities in 4 pilot communities on program implementation. The IPP described the main results of the pilot, discussed the modifications in the program to adapt to indigenous communities, and included measures designed to ensure that indigenous peoples received culturally appropriate social and economic benefits. As a result of the IPP, an Operational Manual for the indigenous population was prepared as an annex to the Operational Manual of the program. At the time of project appraisal, *Familias* had started to consult with indigenous communities in about 20 departments and had initiated preparatory work in 14 localities, and expected to register 70,000 indigenous families with 152,000 eligible children during the life of the project.

The program has made significant progress registering indigenous families who live in communities which were not registered for the targeting instrument (SISBEN)<sup>4</sup> and working with indigenous liaisons (*enlaces indígenas*), who are selected from among the participants in the program, to ensure that operational processes run as planned. The program has registered 78,161 indigenous families (as of the end of 2011), of which 71,997 families received benefits during 2011.<sup>5</sup> Between August 2009 and April 2010, the program conducted a process evaluation of its operations in indigenous communities.<sup>6</sup> The evaluation found that the program has effectively expanded among indigenous peoples taking into account their beliefs, cultural identity, and traditional values. The indigenous assemblies (*Asambleas Indígenas*), a gathering where participants openly discuss topics important to the community, were key to the process of registration of new beneficiaries. The evaluation found that the assemblies were the most important and efficient feature of the operational process of the program and differentiated the way it operated in these localities. Eligible families were selected in the assemblies using a process of self-targeting based on the criteria of the Program. In addition, it was common to resolve complaints and appeals in collective gatherings such as the assemblies or other internal discussions. The assemblies were also an effective

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<sup>4</sup> Indigenous families eligible for the program are registered in SISBEN enter the program under the usual procedures.

<sup>5</sup> This represents roughly 25 percent of the estimated 1,392,000 indigenous in Colombia, without considering the indigenous population who had registered in SISBEN and entered the program under the usual procedures.

<sup>6</sup> *Evaluación de Operaciones de los Proyectos Piloto del Programa Familias en Acción en Comunidades Indígenas (Centro Nacional de Consultoría, 30 abril 2010).*

mechanism to oversee the implementation of the program in these communities. The evaluation found that *Familias* has empowered female heads of households by providing them with extra income and by encouraging them to participate regularly in local assemblies. In addition, the program increased communication between mothers and linked them to local health and education services.

The evaluation found no evidence that the operation of the program had caused negative consequences on the traditional production systems or socio-cultural practices. On the contrary, the program had contributed to the strengthening of indigenous institutions, especially the indigenous councils and the institutions providing health services. On the other hand, neither the cultural pertinence nor the consistency with the objectives or other components of the *Familias* program were clear for some complementary activities undertaken such as activities related to food self-sufficiency. No analysis is available yet on the results and impact of the Program on human capital formation in indigenous communities.

**Fiduciary Issues.** The implementing agency (DAPR-*Acción Social*-FIP) complied with the Bank's fiduciary requirements in the area of financial management. Throughout implementation, FM performance was rated "moderately satisfactory." IFRs and annual financial audits were acceptable to the Bank and delivered in a timely manner. In the case of the latter, opinions were unqualified. Early during project implementation, at the request of both the Bank and the IADB, a systems audit was carried out, which provided useful advice to the implementing agency on how to improve the robustness and reliability of the MIS.

In the area of procurement, there were difficulties with the procurement process for banking services to handle the payment of the cash grants and open bank accounts for program participants. Although substantial interest was demonstrated at various information sessions, only one bidder presented a proposal, and the cost associated with this proposal was substantially higher than expected. Prior to responding to the request for no objection to the evaluation report and draft contract (sent by the Borrower December 1, 2008), the Regional Procurement Advisor instructed the project team to contact the banks which did not present bids to find out the reasons for their decision not to participate and to contract a market study to evaluate the "reasonableness" of the offer in the context of market conditions in Colombia. Given the size of the contract, the case was reviewed by the OPRC (April 29, 2009). In July 2009, the decision of the OPRC committee not to provide the Bank's no objection to the proposed award was communicated to project staff. In the meantime, the Borrower had proceeded to sign the contract. The Bank task team leader communicated to the Government the decision not to provide the no objection because the bidding lots had been grouped in a manner that had not generated the necessary competition to comply with the Bank's Procurement Guidelines. The fact that the Borrower had both negotiated with the bidder and signed the contract before having received the Bank's no objection were also contrary to Bank guidelines and closed off any other alternative for dealing with the bidding process. An audit of the process of the contracting of the process of paying the transfers and opening up bank accounts for the program participants, carried out by the program, showed that in

other respects the guidelines of the Bank had been followed. Subsequently, the Bank and the Government agreed that the resources which had been allocated to bank commissions would be reassigned to the category of cash grants. In response to an official request for this reallocation, the Bank management effected the change and informed the Government in January 2010.

## **2.5 Post-completion Operation/Next Phase**

*Familias* is broadly recognized as having contributed to improving the welfare of poor families in Colombia. After almost ten years of operations and with a new government recently elected, the authorities are in the process of re-assessing many of its key features. The new administration has decided to maintain the program at least at its current size, with a small expansion possible. A key step to institutionalize the program took place June 7, 2012, when a law was passed by the Congress and signed by the President which regulated the main aspects and functions of the program. In addition, the Government has made a decision to enroll any family in the *Red Unidos* who is eligible, but not a current participant of the program into *Familias*.

Two important changes will affect the next phase of implementation of *Familias*. The first is that on November 3, 2011, Decree 4155 transformed the implementing agency, *Acción Social*, into the Administrative Department for Social Prosperity, an important institutional change in the context of the Government's poverty reduction strategy. *Acción Social* was intended to be primarily an executing agency. The new Department has broader responsibilities as a rector over various components of the social protection system, including formulating and designing policies and programs. Unlike *Acción Social*, the new Department has the rank of a Ministry.

Second, for the first time since its inception, the operation of *Familias* will be funded almost entirely with national resources starting in 2012, once a small balance from the IADB loan is fully disbursed, mainly for studies. There are no plans for a follow-on World Bank loan to finance *Familias*. Already in 2011, the share of external financing had dropped from nearly sixty percent in 2010 to only seven percent. In the past some observers had expressed concern with the high share of external financing of the program, however, it does not seem to have prevented the Colombian authorities from financing it now entirely with national resources. In spite of the termination of external financing to cover the cash transfers, the program has requested to continue with the agenda of technical assistance that the Bank and IADB have jointly provided in recent years. The Bank has already held meetings with key officials in the new administration to discuss possible areas of support which would be included within ongoing programmatic knowledge and convening services.

## **3. Assessment of Outcomes**

### **3.1 Relevance of Objectives, Design and Implementation**

The Project's objectives, design and implementation were highly relevant and remain consistent with Colombia's development priorities and with current Bank country and

sector assistance strategies. This is clearly demonstrated by the Government's decision to expand the program to reach 2.7 million Colombian families (roughly 17 percent of the country's population) and to secure sufficient national financial resources for its operations in the upcoming years. The World Bank provided guidance and support throughout the expansion and consolidation of the program, especially in the strengthening of key operational processes. The project was complemented during implementation by a strong World Bank program of knowledge and convening services called Strengthening Social Protection in Colombia, which focused on providing technical assistance to the Government of Colombia in building a more effective, and inclusive social protection system through the *Red Juntos* and an expanded social insurance system.

### 3.2 Achievement of Project Development Objectives

Before moving to a discussion of the outcomes, it is worth noting that the resources provided through the World Bank loan were part of a larger program of assistance to the *Familias en Acción* program which included substantial resources from the IADB. For administrative simplicity, the Colombian government preferred to access financing consecutively from each institution, as opposed to parallel financing. Nevertheless, at their request the staff of both institutions worked together without distinguishing which loan was disbursing at the time or the stage of preparation of new financing. For that reason, the dates mentioned below (for example, related to the impact evaluation) should be seen in the context of the overall program, rather than this specific World Bank project (P101211).<sup>7</sup>

Achievement is discussed for each of the three project development objectives, focusing primarily on the results on the outcome indicators in the context of a program whose coverage exceeded expectations because of its expansion from 1.7 to 2.7 million families. There are two main sources for the data on outcome indicators. The first is the impact evaluation of the program in large cities which was carried out under a several contracts and was partially financed by the loan.<sup>8</sup> The baseline survey was done in late 2007 (early 2008 in the case of Bogotá) before the expansion of the program into large cities to test the different structures of benefits. The follow-up survey was done in early 2011. Following conventional practice, the estimates reported are intention-to-treat (ITT). The data sheet includes results for treatment on treated (TOT) in the comments section.<sup>9</sup>

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<sup>7</sup>Disbursements from Ln. 76190 began in early 2009 and were substantially completed by the end of 2010. The loan stayed open until end 2011 primarily in order to complete the urban impact evaluation. In 2011, the main source of external financing for the program was the IADB.

<sup>8</sup> *Evaluación del Programa Familias en Acción en Grandes Centros Urbanos, Central Nacional de Consultoría*, December 2011.

<sup>9</sup> The ITT estimate measures the impact of the treatment on the entire sub-sample eligible for treatment, relative to the entire sub-sample of eligible controls, this is on the entire sub-sample of

The evaluation was intended to cover both overall program impact and to compare the impacts of the alternative transfer schemes in large cities. Two important considerations need to be kept in mind to interpret the results of the impact evaluation. First, the control group is comprised of families who were not eligible to participate in the program because their scores on the targeting instrument were just above the cut-off, while the treatment group is comprised of those participants whose scores are just below the cut-off point. Thus, the effects which are reported in the impact evaluation are localized effects around the cut-off. Since international evidence suggests that the impacts of conditional cash transfer programs tend to be larger for poorer participants, these results should be treated as lower-bound estimates. Second, for several indicators, particularly in the case of education, where results were expected only for secondary students, for transition points (9th and 11<sup>th</sup> grade graduation), and for relatively rare occurrences (school drop-out), the sample was not sufficiently large for the relevant groups to be able to pick up changes of the likely magnitude.

In order to compensate for this problem, an alternate methodology was used, comparing education indicators contained within the administrative data for the targeting instrument (SISBEN) at two points in time (2006 and 2009). Instead of depending on the sample of households covered in the baseline and follow-up surveys, these registers are a census of the participants of the program. The treatment group is made up of the universe of all households eligible to participate in *Familias en Acción* who are just below the cut-off for eligibility, while the control group is comprised of households in Level 2 of SISBEN right about the cut-off for eligibility. The same comment made above about localized effects applies.

The second source of data which covers operational aspects comes from the program's MIS. Detailed figures are included in the Data Sheet. Because the project was extended until December 2011, figures are provided as of that date. Annex 2 contains data for 2009 and 2010 for most of these indicators. The sections below summarize the main results.

### ***(1) Complement the income of poor families with children***

The measures related to this objective were net improvements in household total, food and protein consumption amongst beneficiaries (particularly high quality food such as fruits and vegetables) in large cities, with data drawn from the comparisons between the control and treatment groups. No specific targets were set for these indicators nor those

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households that the program intended to assist; the TOT estimate measures impact of the treatment on the sum-sample of eligibles who were “actually” treated. The TOT impacts thus adjust for both treatment and participation and might present biased estimates of the impact the program would have on all eligible if the participation decision is driven by unobservable household characteristics correlated with the outcome of interest.

related to human capital formation of poor children (discussed in the section below) although comparisons can be made with the results for similar indicators in the impact evaluation for rural areas and for similar programs in other countries where such data exist. The impact evaluation shows positive impacts of the program on total and food spending. There were spending declines for both the control and treatment groups probably reflecting the decline in private consumption experienced in Colombia due to the effects of the 2008/09 global crisis, but the drop was significantly less for the treatment group. In the case of food consumption, the impact evaluation examines program impact using two measures - the percentage of children who consume specific food products and the frequency (number of days per week) of consumption. There is evidence of the positive impact of the program in increasing consumption of proteins and fruits and vegetables according to both measures, although for a broader set of products in the case of the former. **In view of the positive impact of the program on the four indicators related to consumption, the assessment is that this objective was achieved.**

*(2) Promote human capital formation of poor children by increasing regular check-ups, for growth monitoring, and other services, and by increasing enrollment and school attendance (basic and/or secondary education).*

There were four indicators related to this objective again with data drawn from the comparisons between the control and treatment groups from the impact evaluation covering both health and education. In the case of **health**, the program showed a positive impact on the treatment group for two measures. There was an increase of 0.215 standard deviations (Z score) in height for age for children under 5 as well as an increase of 8.4 percentage points in the share of children in the “normal” range in the height for age measure. The program also showed a positive impact on the use of preventive health services by children of 11.2 percentage points. The program also showed a positive effect of 4.2 percentage points on the share of children with the complete DPT vaccination. For both attendance at health services and the DPT vaccination there is a puzzling decline for both control and treatment groups.<sup>10</sup>

The other set of indicators relates to **education**. Given the issues related to the small sample size for the household survey based impact evaluation, the results reported in the data sheet are from the SISBEN census methodology. Positive results of the program are found for school attendance (an outcome indicator for the project) as well as for several other indicators. For attendance, increases are seen for program participants compared to the control group for all schemes and localities, ranging from 2 percentage points for boys in the savings scheme in Bogotá to 13.5 percentage points for boys in the incremental scheme. With the exception of Bogotá, results are higher for boys. Program participation also increases years of schooling attained by an average of a high of 0.5

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<sup>10</sup> The decline may be due to the fact that the age group analyzed includes older children (up to age 14 years), while the condition related to health check-ups applies only to children below 7. Also the protocols for health visits require much fewer visits for older children and most vaccinations take place at younger ages.



years in the case of the incremental scheme to 0.18 years in the case of Bogotá, with higher results for the 11-12 year old group. The share of students (11-16 at the baseline) with timely school progression increases from a range of 6 percentage points in the case of Bogotá to 10.3 percentage points for the incremental scheme. The program has a positive impact on 9<sup>th</sup> grade graduation rates ranging from about 6 percentage points in the case of the savings scheme in both Bogotá and other cities, to 9.2 percentage points in the incremental scheme. No results can be reported for secondary school drop-outs as this information is not included in the SISBEN.

The results (ITT) from the impact evaluation comparing the baseline and follow-up sample of treatment and control households show a positive impact only for graduation rates for 9<sup>th</sup> grade of 0.9 percentage points. A breakdown of these results by the type of transfer scheme shows a positive impact (1.3 percentage points) only for the incremental scheme. TOT estimates are somewhat stronger, showing positive impacts of program participation on years of schooling attained, 9<sup>th</sup> grade graduation rates, and one estimate of enrollment. **Based on the positive results for four indicators in the case of health and for indicators on attendance, school progression and 9<sup>th</sup> grade graduation rates in the case of education, the assessment is that the objective of promoting human capital formation of children was achieved. It is important to stress that for education, this judgment is based almost entirely on the SISBEN census methodology results. The survey results are much weaker, at least in part because of insufficient sample size. In addition, no impacts could be estimated for high school dropout or 11<sup>th</sup> grade graduation rates, although positive results had been expected.**

### *(3)- Strengthen program quality*

Three indicators are used to measure progress on strengthening program quality. The first indicator is the **take-up rate or the share of eligible families participating in the program**. At the time of project appraisal, there was concern that the take-up rate had dropped as the program had expanded more into urban areas. While some decline was to be expected in larger urban areas and was observed in other CCT programs in Latin America, it was expected that improvements in the registration process, as well as a move towards a more continuous registration process (instead of periodic “one shot” events) would help to raise participation rates, although no specific target was set. As it turned out, the overall take up rate remained virtually unchanged at 61.6 percent compared to the baseline figure of 62.1 percent and a move to a more continuous registration process was postponed. The speed of the expansion may have been one factor that worked against efforts to improve the participation rate of the program, although it could also be argued that maintaining the previous take-up rate in the face of an expansion of nearly 60 percent in the program can be considered reasonable performance. Compared to the baseline, there was a slight increase in the take-up rate for large municipalities, while the rate of participation dropped for small municipalities.

Analysis done in the context of the knowledge and convening services of the Bank showed that some gaps in the participation of the extreme poor could be addressed

through the outreach efforts of the *Red Unidos* and that higher pro-activity and commitment to the program by municipal authorities could raise take-up. Lack of information, the short time frame for gathering the necessary documentation, the high opportunity cost for the employed, and the cost of transportation were factors that affected take-up in large cities.<sup>11</sup> Some of these factors were echoed in the qualitative companion piece to the urban impact evaluation where work was carried out in Bogota. There was evidence of faulty information, lack of credibility, and the negative effects of long lines to register and travel distances. Encouraging, those interviewed thought that the 2009 registration process was better than earlier ones. These findings show the importance of incorporating more out-reach activities in the program, improving coordination mechanisms with the *Red Unidos*, and modifying the registration process, particularly moving towards a more continuous one. See Annex 2 for more discussion.

The other indicators measure the share of families complying with the health and education conditions. Although no specific targets were set, the implicit assumption is that compliance rates would improve to some extent given the planned efforts of the program to streamline verification processes. Of course, the major expansion of the Program changed the context for these indicators significantly. In the case of **health**, during 2009-2008 there was a slight decline (7 percent) in the share of families meeting the conditions in health (Annex 2 contains annual figures), but performance worsened substantially in 2011, falling from 91.7 percent at the baseline to only 70.8 percent. The reason for the sharp deterioration in 2011 is not clear. Performance in larger municipalities and particularly large cities was worse, implying that more efforts are needed to promote compliance in these areas. In the case of **education**, trends on compliance with the school attendance condition show a drop from the baseline figure of 71.9 percent of all school-aged children participating in the program to 66.8 percent in 2009 and to 64.2 percent in 2010. Efforts of the program in the area of school enrollment, improved the rate to 68 percent by 2011, although still below the baseline.

The intermediate outcome indicators were intended to monitor key operational procedures of the program relating to five specific areas (management of the beneficiary registry, training for program participants, quality of the verification process, efficiency of the payment process, and the effectiveness of control and accountability measures). Specific targets were not set for these indicators because it is difficult to consider all of the factors which may affect performance (positively and negatively). The purpose is rather to monitor the attention and management follow-up on important aspects of the program such as the beneficiary registry, key business processes, and the supporting MIS. Results are presented in the data sheet with annual figures for selected indicators available in Table 2.3 in Annex 2. The PAD also discusses several areas for which the project would support quality improvements in the program and challenges being faced by the program. Table 2.2 in Annex 2 summarizes the advances achieved. More broadly,

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<sup>11</sup>Studies in the US suggest that take up is enhanced by automatic or default enrollment and lowered by administrative barriers. Transaction costs are important. The take-up rate for the Temporary Assistance to Needy Families, comparable in some respects to *Familias en Acción*, is between 60-90 percent depending on the state.

the program was trying to develop an effective design for operating in both large cities and in low capacity localities and to develop a role within the *Red Unidos*.

Considering all of the evidence presented, performance on improving program quality was mixed, perhaps reflecting the challenges of operating an even larger program than was envisaged at the time of appraisal and the challenges of an expansion in urban areas. **The assessment is that the objective of improving program quality was partially achieved.** Substantial advances were made to improve the MIS, which also enabled progress to be made in several other areas. Better controls applied to the beneficiary registry are likely to have eliminated inclusion errors. But there was no progress in addressing exclusion errors, identified as the more critical issue in the PAD and institutional arrangements between the *Red Unidos* and *Familias* were problematic. In retrospect, a better alignment with the *Red Unidos* and its strategy of outreach to the extreme poor, might have enabled the program to make progress in this area, and indeed is now planned by the government.

The program was successful in streamlining verification procedures, but surprisingly this is not reflected in the trends on the share of families complying with the health and education conditions. Social accountability mechanisms are now stronger, standards have been raised, and monitoring improved. In order to address problems in low capacity areas, the program is increasing its involvement with the local health and education authorities. The program has increased its collaboration with health and education authorities at the national levels, a positive development. Challenges remain to develop an effective design for operating in large cities as compliance rates in these localities still lag substantially the average. It is still not clear to what extent the key strengths of the rural operational design – for example, the role of the *madre lideres* and the municipality – work equally well in large cities.

### 3.3 Efficiency

A new economic analysis to estimate the impact of the program on human capital accumulation and poverty reduction was not carried out during appraisal. Instead the PAD reviewed the results of the existing impact evaluation of *Familias* (and similar interventions), including a cost-benefit analysis. The expectation of positive results was based on earlier evidence from impact evaluations of the *Familias* program in rural areas and small municipalities, preliminary results in urban areas, and the decision of the program to modify the transfer structure to focus on improvements in secondary, not primary education. The updating of the monetization of the results in large cities as well as costs is well beyond the scope of this ICR (and was not envisaged in the PAD), but the results of the impact evaluation in large cities can be compared with the basis for the previous calculation of the benefits of the program.

In general, the evidence of performance on the indicators from the impact evaluation of the program in urban areas confirms those initial assumptions. The program had a substantial impact in education, concentrated as expected at the secondary school level. In addition, positive impacts are seen in reducing malnutrition and the prevalence of acute respiratory disease among the young children of beneficiary families and in

increasing the utilization of health services as well as vaccination coverage. Based on that evidence it seems likely that the conclusion that the program has a positive benefit cost ratio would generally hold for large cities even in the absence of precise calculations. The main aspects of program design and implementation that would have tended to reduce efficiency would be the 60 percent take-up rate, the lack of progress in reducing exclusion errors, the lack of knowledge of the majority of participants on the details of the “savings” modality of education transfers, as well as the declines (and the relatively low performance in large cities) in family compliance with health and education conditions.

### **3.4 Justification of Overall Outcome Rating**

Rating: *Satisfactory*

**The evidence from the impact evaluation shows that *Familias* improved consumption and human capital formation of children in large cities, achieving these two objectives. Outcomes on the third objective of improving program quality were partially achieved.** Performance on the outcome indicators related to compliance of participant families with the health and education conditions fell in spite of the program’s efforts to streamline the verification process. It is important to note that in the case of large cities, lower compliance does not appear to have been sufficient to eliminate the positive results on the final outcomes related to consumption and human capital formation. There was mixed performance in the areas identified for quality improvements in the PAD. Based on the achievements of the first two objectives and taking into account the major expansion not anticipated at the time the project was prepared, the overall outcome rating is judged **satisfactory**.

### **3.5 Overarching Themes, Other Outcomes and Impacts**

#### **(a) Poverty Impacts, Gender Aspects, and Social Development**

According to the results of the impact evaluation in large cities, *Familias* lowered extreme poverty rates as measured by income by 7.5 percentage points (significant at the 1 percent level). Similar to the trends previously discussed on consumption, the rates of extreme poverty rose for both the control and treatment groups, but less for the latter.<sup>12</sup>

#### **(b) Institutional Change/Strengthening**

The project contributed to improvements in the capacity of the National Coordination of the program within *Acción Social*, the agency responsible for the implementation of

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<sup>12</sup> Estimates for TOT effects are 9 pp (significant at the 1 percent level), with the treatment group showing a small decline in rates of extreme poverty in contrast to increases for the control group.

*Familias*. The technical assistance and support provided by the World Bank helped strengthen several areas and processes. *Familias* has developed a comprehensive operational structure supported by more robust mechanisms to run program processes. First, the program has improved the quality of information and tackled inconsistencies in the databases used for the registration of beneficiaries, SISBEN and SIPOD. Second, the MIS and the controls and accountability systems continued to be consolidated while incorporating new modules. For example, operational audits, spot checks, and a systems audit of the MIS were carried out and the information generated was used for program improvements. Third, during project implementation *Familias* managed the efforts to open personal bank accounts for nearly 86 percent of beneficiaries as a means to increase the financial inclusion of poor families. This is helping to reduce delays in the payment process as well as to increase transparency and lower transaction costs.

**(c) Other Unintended Outcomes and Impacts (positive or negative)**

During the over ten years of implementation of *Familias*, the government has strengthened processes and carried out a series of impact and other types of evaluation. Because of this experience, Colombia, in particular the National Coordination of the Program, has been an active participant and host of numerous south-south exchanges on CCT programs, some of which have been facilitated by the World Bank. These interchanges are likely to continue in the future.

**3.6 Summary of Findings of Beneficiary Survey and/or Stakeholder Workshops**

Not Applicable

**4. Assessment of Risk to Development Outcome**

Rating: Negligible to Low

*Familias* already has a proven record of contributing to poverty reduction and human capital formation. The program continues to play a central role in improving the safety net in Colombia and is generally well regarded by the population and local authorities. The risk to development outcome in the Project is negligible to low primarily because the impact evaluation for urban areas has confirmed the program's positive impact on the key outcome indicators. Government ownership and commitment are demonstrated by the fact that financing of *Familias* has been assured primarily through national resources since 2011. The new Government has indicated its intention to maintain the program, even considering a small expansion. At the same time, the program is going through a necessary re-design, including more effective integration of the program with the centerpiece of the current Government social promotion strategy – the *Red Juntos/Unidos*. The Bank provided technical assistance in this area and has been asked by the Government to continue providing advice.

## 5. Assessment of Bank and Borrower Performance

### 5.1 Bank Performance

#### (a) Bank Performance in Ensuring Quality at Entry

Rating: *Moderately Satisfactory*

The Bank's performance in ensuring quality at entry is considered moderately satisfactory for the following reasons. The Bank had long been involved in supporting the strengthening of the social protection system and other related areas in Colombia through a variety of instruments, including technical assistance, investment and development policy lending, and analytical work. Lessons from previous projects were considered and incorporated in the project design. During preparation, the Bank team was broad based, incorporating expertise from staff and consultants with experience in conditional cash transfers in the Latin America region. The project's design responded to the priorities of the Borrower in tackling poverty and inequality through an expanded *Familias* Program and strengthening its operational processes. The Bank advocated key objectives, including the improvement of the MIS and operational indicators. Project preparation and design satisfactorily addressed social development aspects, carrying out a social assessment and supporting the preparation of an IPP which would provide the basis for the expansion of the program into indigenous communities. Monitoring and evaluation arrangements built on the MIS in place and responded to the new challenge of operating in urban areas.

However, there was one moderate shortcoming, an oversight in the procurement analysis related to the contract for banking commissions. Although the Bank (and the IADB) provided the no objection to the bidding document, the estimated size of the contract (US\$44 million) was not taken into account, in part because the quotes were to be presented as unit costs per transfer. Given the estimated size of the contract, higher levels of authorization (Regional Procurement Advisor and OPRC) should have been involved earlier in the bidding process, according to Bank guidelines. In addition, the Bank underestimated the complications involved in this bidding process, particularly the implications of the regional grouping into different lots and the addition of the requirement to open bank accounts for all program participants. In retrospect, the Bank team should have enlisted specialist advice earlier in the process. Instead, specialist advice was only brought in after the bidding process had been concluded and it was necessary to do a market study.

#### (b) Quality of Supervision

Rating: *Satisfactory*

The Bank's performance during supervision is rated *satisfactory* for the following reasons. The Bank team carried out six supervision missions, all in coordination with the IADB. Regular financial management supervision was also carried out. ISRs were prepared regularly and were candid in bringing to the attention of management critical issues such as the decision of the Government to expand the program, difficulties with

the bidding process for banking services, the design and timing of the impact evaluation, and the need for improved coordination arrangements between *Juntos* and *Familias*. Since the performance of most of the outcome indicators were derived from the impact evaluation, ISR monitoring focused on the indicators (both outcome and intermediate) related to the operation of the program. Themes covered in the supervision missions included the process of program expansion, particularly in indigenous communities, improvements in the systems for verification and handling complaints, the results and follow-up of the system audit, the figures on compliance with education responsibilities, the process of *bancarización*, coordination with the health and education sectors, and the revised targeting instrument. At the request of the Borrower, the Bank devoted considerable resources to providing advice and recommendations on how to better integrate *Juntos* and *Familias* to help bring about a more sustainable and effective social promotion strategy.

**(c) Justification of Rating for Overall Bank Performance**

Rating: *Moderately Satisfactory*

Taking into account the two moderate shortcomings identified in the Bank's performance in ensuring quality at entry, overall Bank performance is rated *moderately satisfactory*.

**5.2 Borrower Performance**

**(a) Government Performance**

Rating: *Satisfactory*

The Borrower's performance is considered *satisfactory*, from preparation through completion. Government ownership and commitment to achieving the development objectives was demonstrated by the decision to expand further the program in 2009. Project objectives were closely aligned to the goals of the NDP (2006-2010). Discussions on the testing of different transfer schemes, the impact evaluation in urban areas, implication for the program of revisions in the targeting instrument and changes in the operational manual were closely coordinated between the Department of National Planning and *Acción Social*. Results from impact evaluations and other analyses were used for decision making. Although there were delays in the impact evaluation and the methodology had to be revised, in the end, an acceptable evaluation was carried out and delivered. One shortcoming was that in the context of the new administration which took office in 2011, decisions on how to integrate *Familias* better with *Juntos* (re-called *Unidos*) – the centerpiece of the social promotion strategy in the updated NDP (2010-2014) - lagged, as did measures to resolve the different approaches being proposed by different institutions and actors.

**(b) Implementing Agency or Agencies Performance**

Rating: *Satisfactory*

*Acción Social* through the National Coordination Unit of *Familias* was responsible for project implementation. The agency was highly committed to the objectives of *Familias* and key staff members were capable and stable in their positions. Consultations with stakeholders, primarily with mayors and indigenous communities, were on the whole satisfactory. The project was ready for implementation because it was already in operation. Disbursement performance was close to target. The closing date was extended by one year to December 31, 2011, primarily in order to carry out the follow-up survey and analysis for the impact evaluation. Fiduciary management is judged moderately satisfactory because the agency signed the contract for banking services before receiving the no objection of the Bank. Semi-annual reports on the program were received by the Bank as required and on a timely basis. During the project, the National Coordination Unit took several specific steps to improve the quality of the program such as making improvements in the MIS, following up on the recommendations of the systems audit, and better integrating the various modules. The National Coordination Unit also deepened its relationship with sectors such as education and health, particularly in municipalities with lagging performance. Agency handling of reimbursement requests was satisfactory. Monitoring information was used pro-actively to improve the program and follow-up with remedial measures in lagging areas. The agency maintained close working relations with both the IADB and the Bank.

**(c) Justification of Rating for Overall Borrower Performance**

Rating:

Overall Borrower Performance is considered *satisfactory* in view of the Government and the Implementing Agencies' performance.

**6. Lessons Learned**

- **A systems audit is useful for identifying areas that need to be improved in the MIS.** The results of the systems audit were available during the first year of project implementation. Its results were important in confirming the overall acceptable functioning of the MIS, and also in identifying several areas where improvement was needed. The results of this systems audit laid out the work plan for strengthening the MIS during project implementation. In addition, the program asked the same firm which had undertaken the systems audit to provide advice on the best way to integrate the different systems. In programs where the MIS is critical to operational procedures, carrying out a systems audit should be incorporated into fiduciary management.
- **Contracting for banking services needs to be informed by knowledge of the market.** Some of the problems that were encountered in procurement of banking services might have been avoided if more discussions had been held with the banking sector prior to preparing the bidding documents and launching the process. It turned out that the way the lots were organized reduced the possibility of competition, which was the goal of the process.



- **Good public communication of program rules is important.** The testing of the effectiveness of different transfer schemes was weakened by the fact that even after two years of implementation, most beneficiaries did not understand the structures and in particular did not understand that enrollment in 10<sup>th</sup> grade or graduation would result in the receipt of bonuses. This reduced the impact of the incentives. Public Information strategies should have been stronger and the Program should have taken actions to ensure that a larger share of beneficiaries understood the structure that applied to them.
- **Use of administrative data bases for impact evaluation are cost effective.** In addition to a methodology based on household survey of control and treatment groups, the impact evaluation also made creative use of the administrative data on the targeting instrument to measure impact on education outcomes. Having a larger data base enabled the analysis to identify effects which were not possible to measure using the smaller sample available in the household surveys. Another advantage is the low cost. The experience of this project is that administrative data bases should be considered for the purposes of monitoring and evaluation.
- **Design of sample for impact evaluation needs to be informed by expected effects.** The impact evaluation carried out under the project was limited by the fact that the size of the sample was not sufficient to measure several of the outcomes which were of particular interest in education. In retrospect, the sample could have been more purposively chosen to ensure that it included children of the ages of interest (in secondary school or who would enter secondary school soon). This problem was addressed partially by the use of administrative data for the targeting instrument (SISBEN).

## **7. Comments on Issues Raised by Borrower/Implementing Agencies/Partners**

### **(a) Borrower/implementing agencies**

In addition to preparing a completion report (See Annex 7), the Borrower made comments on the document drafted by Bank staff. These comments have been reflected in the document. In regards to the comment in Section 3.2 on exclusion errors, the Borrower responded that the Program continued to work to improve the accuracy of beneficiary identification and to minimize both inclusion and exclusion errors. These efforts include improvements in the targeting instrument (SISBEN) and the identification of the cut-off points in collaboration with DNP staff. It also has been decided to incorporate into the Program families who are in the Red Unidos, and are eligible, but not participating in *Familias*.

## Annex 1. Project Costs and Financing

### (a) Estimated and Actual Project Cost by Component (in USD million equivalent)

Components	Appraisal Estimate (USD millions)	Actual/Latest Estimate (USD millions)	Percentage of Appraisal
Consolidation and Expansion of the Familias Program.	2009-2010	2009-2011	
(a) Subsidies	731.2	2,153.3	295%
(b) Bank Commissions	44.2	337.8	764%
(c) Administrative costs	N/A	56.6	100%
(d) Impact ev., audit, studies	0.8	.9	113%
<b>Total Baseline Cost</b>	776.2	2,548.6	400%
Physical Contingencies	None	None	N/A
Price Contingencies	None	None	N/A
<b>Total Project Costs</b>	776.2	2,548.6	328%
<b>Total Financing Required</b>	776.2	2,548.6	328%

### (b) Estimated and Actual Financing (USD millions)

Source of Funds	Appraisal Estimate 2009-2010	Actual/Latest Estimate 2009-2011
Borrower		1,660.6
Colombian Institute for Family Welfare (ICBF)	139.7	209.3
Other		1,451.3
International Bank for Reconstruction and Development	636.5	636.5
Inter American Development Bank	N/A	251.5
Total	776.2	2548.6

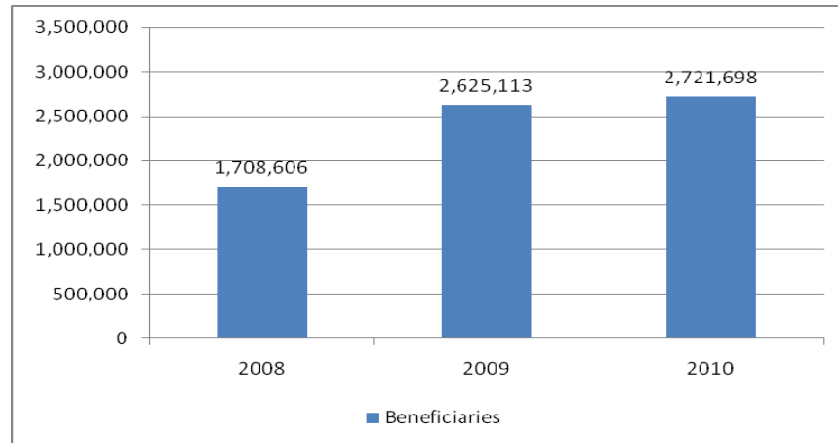
Note: At the request of the Borrower, the estimated financing from the Inter-American Development Bank was not included in the PAD because the figures had not been negotiated. The much higher than expected actual expenses in the area of subsidies reflect the expansion of the program during 2009 as well as the one year extension of the project. The higher than expected costs for bank commissions reflect the higher than expected amount received from the sole bidder and the extension of the project.

## **Annex 2. Outputs by Component**

The project had one component – Consolidation and Expansion of the *Familias en Acción* program. This annex contains additional detailed information on outputs in several areas: the expansion of the program, evidence on targeting performance, and details on progress on the improvements in program quality which were to be addressed by the project. This is followed by sections on the registration process (which relates to the proposed quality improvement of reducing exclusion errors) and the process of opening bank accounts for beneficiaries. This improvement was not described in the PAD, but was an important initiative of the program during project implementation. The annex concludes with a table which presents the results on the intermediate indicators for the project which focused on the functioning of several of the program's operating procedures, including the identification of beneficiaries who no longer were eligible for the program, the resolution of complaints, and the monitoring of performance of localities in managing the program.

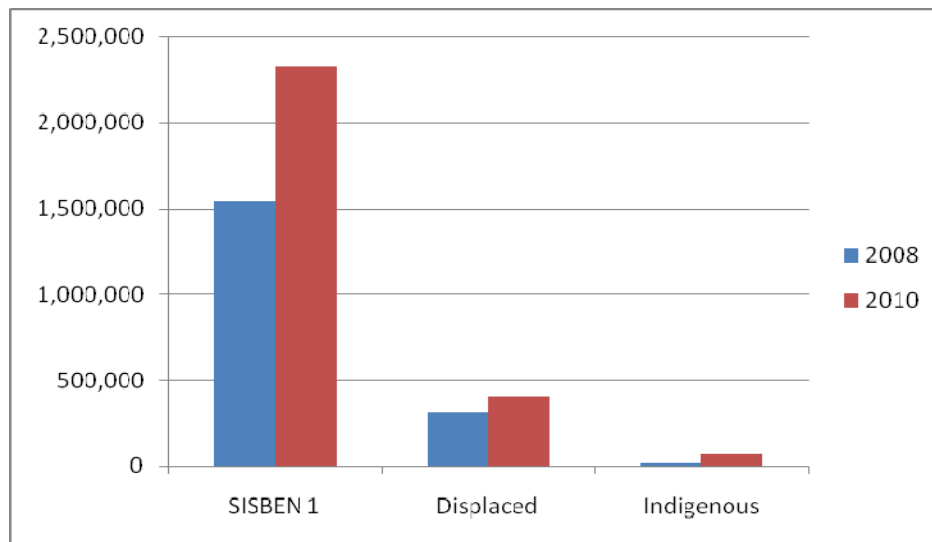
**Expansion of *Familias*.** During appraisal, the program covered roughly 1.7 million families. In late 2008, the Government decided to quickly expand the program by registering new SISBEN 1 families with the objective of reaching 3 million families. By early 2010 2.7 million households (including the displaced) were receiving benefits. This expansion of the program was much larger than what the Government and the Bank envisioned during project preparation. Registration was discontinued in 2010 and since then only displaced families can join the program at anytime. Presently 394,000 displaced families are part of the program (14 percent of the total). Figures 2.1 and 2.2 provide details on the trends in the growth of the program during the project, as well as the composition between different groups.

**Figure 2.1: Recent Expansion of *Familias en Acción***



Source: *Familias* program data. Includes SISBEN1, displaced, and indigenous families.

**Figure 2.2: Registration in *Familias en Acción*, by Groups**



Source: *Familias* program data, 2008-2010

**Targeting Performance.** The revised SISBEN targeting tool remained the main instrument used to identify new beneficiaries. Household data from 2008 confirmed that *Familias* is fairly effective in reaching poor households. Nearly 82 percent of beneficiaries are in the two lowest income quintiles and the percentage of families in the program falls increasingly for the highest quintiles. Nonetheless, the number of eligible families who are not receiving benefits is very high, that being the case for 58 percent of families with children aged 0-17 in the poorest income decile.

**Table 2.1: Distribution of Beneficiaries by Consumption Group**

		% of families receiving FA		
		Families with children 0-17		
Quintile	All	National	Urban	Rural
1	35	39	37	44
2	19	24	21	34
3	9	12	11	24
4	3	5	5	15
5	1	2	2	11

Source: Araujo and Beazley. “Caracterización de los beneficiarios de Familias en Acción”, based on ECV 2008.

Household surveys also reveal that coverage between regions varies greatly. While in the Orinoquia-Amazonia region 67 percent of families in the lowest quintile are in the program, in San Andres only 14 percent in the same income group receive benefits. One of the reasons that might explain the low coverage is that the relatively short registration process and the cost of participating, among other design features, operate as entry barriers for the poorest families.

**Strengthening program quality:** The PAD discusses several areas for which the project would support quality improvements in the program. The PAD also mentions several challenges being faced by the program during the time period covered by the project. The following table describes the advances achieved in these areas during project implementation and provides information to substantiate the rating on the third PDO to strengthen program quality.

**Table 2.2: Progress on Implementing Improvements in Program Quality and Addressing Challenges**

Area	Status as of December 31, 2011
Improve Management Information System	The findings of the systems audit were available during the first half of 2009. The report confirmed many strengths of the MIS, but also areas for improvement. Examples of the latter which were remedied by the Program included: strengthening the procedures and controls over data changes, including suing standard menu options; incorporating consistency and validation checks on information provided by participants such as ID numbers; improving the controls and monitoring of the response time for complaints; exploring ways to link the different data bases; automatizing the payment systems and linking with the complaints module for back payments; and

Area	Status as of December 31, 2011
	managing strictly the codes and passwords for entry to the system. Based on additional systems audit work requested by the Program, the different systems with the MIS have been linked, including the system for verification which previously had been outsourced.
Reduce both inclusion and exclusion errors	The program adapted the registration process to urban areas to increase take-up rates. A new web system was developed to replace the old manual registration process. This has helped reduce the average registration time. (See also section below on program participation)
Streamline verification of compliance with conditionalities	After the large expansion into urban areas, the program developed new mechanisms for the verification of conditionalities. This includes mass verification, certification cards, vouchers, and smart cards. <i>Familias</i> is also working on a new application that will register not only the assistance to health controls but also the type of services that beneficiaries receive at the health centers.
Improve channels for complaints and appeals	A new module was added to make automatic the adjustments to payments (credit or debit) based on the resolution of the complaint. The system improved related document management. Monitoring of the response time started. Efforts were also made to simplify the formats to make them easier to understand. In 2010 the program organized spot checks to determine problems and challenges in the operation of the complaints and appeals mechanisms.
Develop an Effective Design for Program Operation in Large Urban Areas	The MIS shows that the program was fairly successful in ensuring that eligible beneficiaries received their bonus with at least 70 percent coverage during 2008-2010. This has been a problem in other CCT programs. However, the communication strategy, particularly relating to the somewhat complicated structures, needs to be reinforced if the incentives are to work as designed. The registration process also needs to be re-thought to incorporate more out-reach and to make it easier for poor families to join the programs (see section below on program participation for more details).

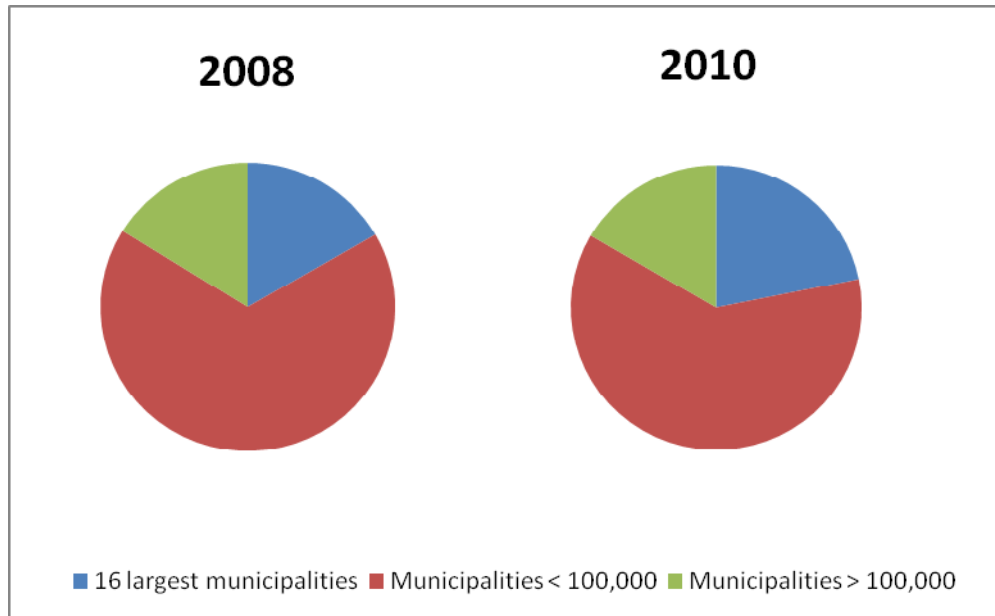
Area	Status as of December 31, 2011
Meet Demands of Operating Program in Low Capacity Localities	The program prioritized departments that showed a low level of compliance on various indicators during more than one period and organized meetings with the local authorities as well as representatives from the sectors involved in the operation of <i>Familias</i> . These “ <i>mesas temáticas</i> ” discussed, <i>inter alia</i> , the level of coverage of the program in the department, the local capacity of health and education services to respond to an increase in demand, and the operational rules.
Develop Role of <i>Familias</i> within the <i>Red Juntos</i> (now <i>Unidos</i> )	Little progress was made to align the two programs or to take advantage of potential synergies as had been envisaged at the time of project appraisal. In fact, in order to improve its coverage of the extreme poor, the <i>Red Unidos</i> moved from a strategy of using <i>Familias</i> as its entry point, to one of trying to reach extremely poor families who for some reason were not registered in <i>Familias</i> . However, these families did not receive the cash transfer associated with <i>Familias</i> . The Government has recently taken a decision that any eligible family in <i>Unidos</i> who is not a participant will be enrolled in <i>Familias</i> .

**Program Participation (take-up).** Registration by SISBEN 1 families has been low in municipalities with a population over 100,000, particularly in large cities, despite the efforts made to increase their participation. In 2009 take-up rates slightly increased in large urban areas, although it is still below participation in rural areas, which suggests that the program needs to address exclusion or type 1 errors.<sup>13</sup> In Bogotá, the take-up rate was only 28 percent. The following table presents the composition of beneficiaries in the program by size of municipality, showing that in spite of the expansion to larger municipalities, the program remains focused on smaller municipalities.

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<sup>13</sup> Type 1 errors occur if a truly eligible individual does not apply for benefits or if truly eligible individuals apply for benefits and are rejected.

**Figure 2.3: Beneficiaries, by Type of Municipality**



**Source:** *Familias* program data, 2008-2010

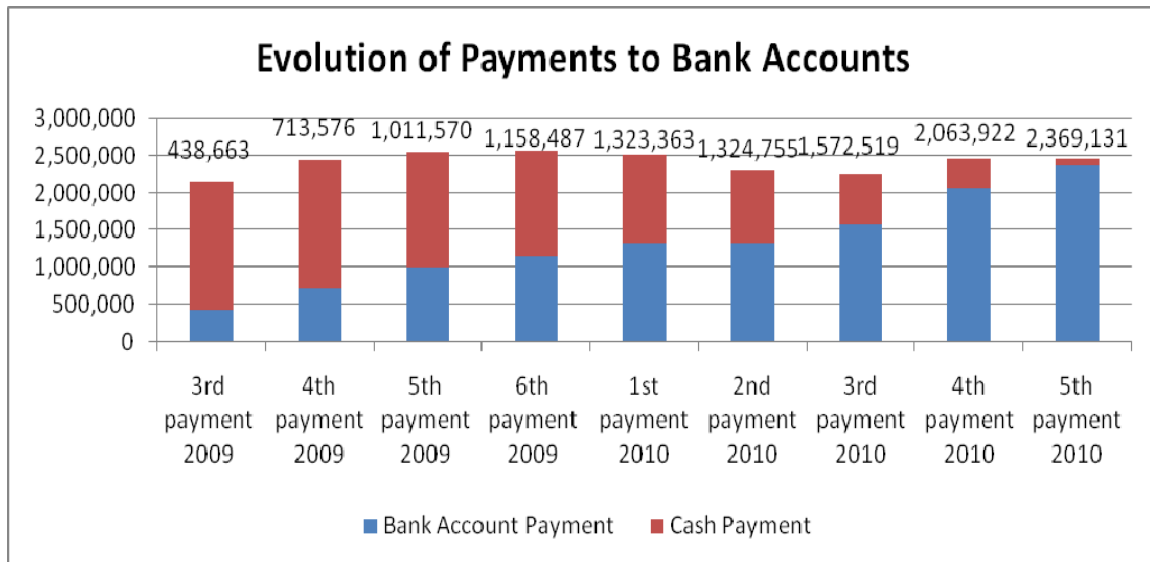
In 2009, *Familias* with the support of the World Bank, carried out a study on the registration rates in five urban areas. These five cities used a combination of different communication tools to reach families during the registration periods. Registration to the program ranged from 76.6 percent in Barranquilla to 30.0 percent in Manizales, a smaller urban area. One of the explanations for the high take-up in Barranquilla is that the municipality sent letters signed by the governor to each SISBEN 1 household informing of dates and times of registration. Among the reasons given by eligible families for not joining the program were the lack of information, the short time frame for gathering all the required documentation, the high opportunity cost for those employed, and the cost of transportation. The study offered several recommendations for increasing registration rates, namely: (i) developing guidelines for municipalities according to their size to improve logistics before and during registration periods; (ii) having longer registration periods and extending them to weekends; and (iii) having a follow-up registration period for those families that did not register during the first call.

**Bancarization.** In early 2009 the program started opening savings accounts to beneficiaries in order to improve the payments process and to increase poor families' access to financial services. As of the end of 2010, 2.3 million families were receiving their payments through a bank account, which accounts for over 90 percent of the households in the program. Over the next six months, *Familias* is looking to extend the opening of accounts to all beneficiaries, especially those living in 229 remote municipalities where the bancarization process has not arrived yet. The program is also offering training to mothers to improve their financial literacy and incentive savings. The benefits *Familias* expects to achieve through bancarization include: (a) substantially



reduce the time beneficiaries spend waiting to get paid in banks; (b) eliminate the refund of non-collected transfers to the treasury; (c) reduce risks in the financial process; and (d) improve security of the payment process; among others.

**Figure 2.4: Evolution of Payments to Bank Accounts**



Source: *Familias en Acción* (2011)

#### Performance on Intermediate Outcome Indicators

Table 2.3 provides information on the intermediate outcome indicators, which were intended to measure the program’s operational performance in several areas including the management of the beneficiary registry: (1), the organization of training for participants (2), the quality of the process of verifying compliance on the health and education conditions (3 and 4), the efficiency of the payments process (5 and 6), and the effectiveness of control and accountability mechanisms (7). A summary of the main trends and contributing factors appears follows for each topic.

**Management of Beneficiary Registry.** Improvements in the MIS discussed earlier supported a tighter control over the beneficiary registry, reflected in the higher number of families dropped from the program in 2011. Beginning in 2010, the program started undertaking a standard set of cross-checks with other data bases as well as internal consistency checks before making payments. In addition, consistent with national policy, the program insisted on the registration of ID numbers for children.

**Training for Program Participants.** As part of the program model, workshops are organized for the participants on different topics, including healthy practices, education, and early childhood development. Outcomes were significantly influenced by the timing of elections (municipal in 2010 and national in 2011) because in the run-up to the elections, no large gatherings are organized by the program. As result although was a

large increase in the share of participants receiving training relative to the baseline, there was a drop-off in the last two years of project implementation.

**Quality of the Verification Process.** Beneficiaries reporting problems with the verification process are low. At the level of municipalities, the program monitored performance in every payment cycle, identifying sets of municipalities which deviated from the norm in order to carry out remedial actions as necessary.

**Efficiency of the Payment Process.** The share of eligible families who actually received their payment dropped from the baseline levels in all localities initially, probably as a result of the rapid expansion of the program. However, thereafter performance increased and by the end of the project, rates of payment receipt were nearly 4 percent above the baseline figure. Several factors are likely to have contributed to the improvement, including the gradual move towards paying participants through bank accounts (see Figure 2.4) as well as the improvements in the MIS which included making the payment system a more automatic business process. An intermediate indicator of municipalities in red or yellow alert on the payment process was also included, but in practice, this was not part of the MIS. Instead for each payment cycle, the program identified localities with higher or lower than average changes in the value of payments and sought explications for the trend.

**Effectiveness of Control and Accountability Mechanisms.** Improvements were also made in the processes related to the handling of complaints. The control over documents was improved and more procedures more automatic. The program also tried to make these procedures more understand to the participants and simplified formats. There is also careful monitoring of the time period to provide an answer and the standard for response has been reduced from 30 to 15 days.

**Table 2.3: Annual Trends in Selected Indicators**

<b>Indicator</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Number of families who comply in health, as a percentage of the total number of families beneficiaries of the health transfer: (Total), (2) small municipalities, (3) large municipalities, and (4) large cities.	(1)85.5 (2) 77.0% (3)79.5% (4) 85.5%	(1)85.5% (2)90.9% (3)85.8% (4)73.9	(1)70.8% (2)79.3% (3)66.3% (4)56.5%
(1)Withdrawal: Number of families removed from the program and reason		143,669* <ul style="list-style-type: none"> <li>• 75% children exceed age limit</li> <li>• 10% for double inscription</li> <li>• 8%</li> </ul>	153,092 <ul style="list-style-type: none"> <li>• 45% non-payment for 3 cycles</li> <li>• 30% non-compliance with conditions</li> <li>• 19%</li> </ul>

Indicator	2009	2010	2011
		inscribed in 2 families	children exceed age limit
(2) Training: % of beneficiaries having received training from the Program (No. of Workshops)	102% (54,596)	43.0% (35,741)	38.5% (31,420)
(3) Difficulties in process of control (verification): % of beneficiaries reporting difficulties, by type <sup>14</sup> <ul style="list-style-type: none"> <li>• Health</li> <li>• Education</li> </ul>		0.4% 4.1%	
(4) Alerts in process of control: number of municipalities in yellow or red alert	120 municipalities	120 municipalities	120 municipalities
(5) Payment: Number of families paid, as a share of families complying with their responsibilities for (1) Total, (2) small <b>municipalities</b> , (3) large municipalities; and (4) large urban centers.	(1)90.9% (2)92.3% (3)90.2% (4)86.5%	93.9% 94.3% 93.6% 92.7%	98.0% 98.1% 97.6% 97.9%
(6) Alerts in process of payment: Number of municipalities in yellow or red alert	N/A	N/A	N/A
(7) Complaints <ul style="list-style-type: none"> <li>• Number</li> <li>• % addressed in less than 15 working days</li> </ul>	22,871	73,432 92.6%	35,094

\*Consolidated figures for 2007-2010. Between 2007-2010, program did not drop families for reasons of non-payment for 3 cycles nor for non-compliance with conditions because they did not believe operational procedures nor MIS sufficiently robust.

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<sup>14</sup> Information comes from reports of periodic monitoring of how the procedures of the program are working at the local level, not from the MIS, so not available on an annual basis.

**Table 2.4 Trends in Compliance with Education Conditions**

	% of Children Enrolled			% of Enrolled Meeting Condition			Adjusted % of Children Complying		
	2009	2010	2011	2009	2010	2011	2009	2010	2011
Small munis	77.3	70.9	72.1	92.9	95.3	94.3	71.8	67.6	68.0
Large munis	72.8	67.2	69.2	91.3	94.8	93.4	66.5	63.7	64.6
Large cities	79.5	71.1	62.8	87.3	93.9	92.6	69.4	66.8	58.2
Total	72.8	67.6	72.4	91.8	95.0	93.9	66.8	64.2	68.0

### **Annex 3. Economic and Financial Analysis**

The economic analysis draws on the results of the impact evaluation of *Familias* in large cities which was undertaken to assess the effects of the program in those localities on the main outcome indicators. The impact evaluation also included measurements for other results related to the main objectives of the program as well as other areas.

The main objectives of the program are to improve the living conditions and human capital investment of poor households. At the time of project appraisal, the expected beneficiaries of the program were nearly 4 million children living in 1.7 million poor households throughout Colombia. In fact nearly 5 million children benefited from the program given the expansion which took place mainly during 2009. The economic analysis is organized as follows. The first section compares the results of the impact evaluation for large cities with the impacts achieved by the program in rural areas and small municipalities. The analysis in the PAD discussed the factors that needed to be taken into account in order to extrapolate these results for the project. First, the results of the program in rural areas and small municipalities were achieved between 2002 and 2005. Since the time which had passed before the start of the project was relatively short, it was considered unlikely that major changes would have occurred that would change dramatically the direction of these effects. Second, international evidence suggests that CCTs have greater impacts (both on consumption and human capital development) for the poorest households. In this regard, *Familias* had maintained use of the targeting instrument SISBEN, and, in addition to highly urbanized areas (which are generally speaking not as poor as rural areas), it has incorporated municipalities in disadvantaged regions (the Pacific Coast, for example) and the Afro-Colombian and indigenous population, suggesting that these positive impacts should be sustained. The impact evaluation carried out during project implementation, however, covers only large cities. Third, in the case of education, impacts tend to be higher when the baseline enrollments are lower. Colombia took this into account for large urban areas by dropping the condition for primary education, and reallocating the resources to promote secondary education. Thus, it was expected to see results mainly for secondary education in large cities.

The PAD referred to evidence of likely results for urban areas from three sources: the preliminary results of a pilot carried out in Medellin; results from a program implemented in the city of Bogota, which included conditions relating to secondary education only; and the results of ex-ante simulations carried out by the IADB. All of these sources suggested that the operation of the program in large cities should have positive results, primarily on indicators related to secondary education.

Finally, the PAD also referred to the results of a detailed benefit-cost analysis which had been undertaken jointly in conjunction with a previous impact evaluation by the Institute of Fiscal Studies, *Econometria*, and *Sistemas Especializados de Informacion* (IFS et al, 2006). The analysis values benefits of the program through the increased future earnings that results from: (a) lowered incidence of underweight infants, (b) lowered incidence of malnutrition and child morbidity among children zero to six year old, and (c) increased

years of secondary schooling. The effects of *Familias* on these outcomes were derived from the impact evaluations in rural areas and were monetized using evidence from a variety of sources, discounted, and compared to costs.

The updating of the monetization of the results in large cities as well as costs is well beyond the scope of this ICR (and was not envisaged in the PAD), but the results of the impact evaluation in large cities can be compared with the basis for the previous calculation of the benefits of the program. In general, the evidence of performance on the indicators from the impact evaluation of the program in urban areas confirms those initial assumptions. The program had a substantial impact in education, concentrated as expected at the secondary school level. In addition, positive impacts are seen in reducing malnutrition and the prevalence of acute respiratory disease among the young children of beneficiary families and in increasing the utilization of health services as well as vaccination coverage. Based on that evidence it seems likely that the conclusion that the program has a positive benefit cost ratio would generally hold for large cities even in the absence of precise calculations.

**Table 3.2: Comparison of Familias Impacts in Rural Areas and Large Cities**

<b>Objective/Indicator</b>	<b>Colombia (rural&lt;100,000)</b>	<b>Colombia (large cities)</b>
Consumption levels for poor households <ul style="list-style-type: none"> <li>• Impact on per capita consumption for the median household</li> <li>• Impact on total and food spending</li> </ul>	10%**	US\$20/mo US\$6.7/mo5
Human capital investment in children <ul style="list-style-type: none"> <li>• School enrollment and attendance (%pts)               <ul style="list-style-type: none"> <li>○ Age 8-13</li> <li>○ Age 14-17</li> <li>○ Ages 6-11 at baseline</li> </ul> </li> <li>• Child taken to growth and development monitoring (%pts.)               <ul style="list-style-type: none"> <li>○ &lt;24 months</li> <li>○ 24-48 months</li> <li>○ &gt;48 months</li> <li>○ 0-14 yrs</li> </ul> </li> </ul>	2.1** 5.6***  22.8*** 33.2***  1.5*	2-13.5**        11.8***

Objective/Indicator	Colombia (rural<100,000)	Colombia (large cities)
<ul style="list-style-type: none"> <li>• Compliance with DPT vaccination (%pts) <ul style="list-style-type: none"> <li>○ &lt;24 months</li> <li>○ 24-48 months</li> <li>○ &gt;48 months</li> <li>○ 0-14 yrs</li> </ul> </li> <li>• Height for age z score <ul style="list-style-type: none"> <li>○ &lt;24 months</li> <li>○ 24-48 months</li> <li>○ &gt;48 months</li> <li>○ &lt;60 months</li> </ul> </li> </ul> <p>*significant at 10% level  **significant at 5% level  ***significant at 1% level</p>	<p>8.9*</p> <p>3.5</p> <p>3.2</p> <p>.161*</p> <p>.011</p> <p>.012</p>	<p>4.2*</p> <p>.215*</p>

## Annex 4. Bank Lending and Implementation Support/Supervision Processes

### (a) Task Team members

Names	Title	Unit	Responsibility/ Specialty
<b>Lending</b>			
Juan Carlos Alvarez	Sr Counsel	LEGES	
Jairo A. Arboleda	Consultant	LCSSO	
Jorge C. Barrientos	Consultant	LCSHS- DPT	
Diana Isabel Cardenas	Social Protection Economist	LCSHS- DPT	
Aline Coudouel	Senior Economist	LCSHS- DPT	
Numa F. De Magalhaes	Senior Information Officer	MIGCO	
Jeannette Estupinan	Sr Financial Management Specialist	LCSFM	
Jose M. Martinez	Senior Procurement Specialist	LCSPT	
Maria Claudia Vasquez Alvarez	Consultant	LCSHS- DPT	
<b>Supervision/ICR</b>			
Francisco Ochoa	Consultant	LCSHS- DPT	
Patricia M. Bernedo	Senior Program Assistant	LCSHS- DPT	
Diana Isabel Cardenas	Social Protection Economist	LCSHS- DPT	
Aline Coudouel	Senior Economist	LCSHS- DPT	
Jeannette Estupinan	Sr Financial Management Specia	LCSFM	
Jose M. Martinez	Senior Procurement Specialist	LCSPT	

### b) Staff Time and Cost

Stage of Project Cycle	Staff Time and Cost (Bank Budget Only)	
	No. of staff weeks	USD Thousands (including travel and consultant costs)
<b>Lending</b>		
FY07	10.82	90.77
FY08	7.43	77.21
FY09	12.00	104.4
<b>Total:</b>	30.25	272.38
<b>Supervision/ICR</b>		
<b>FY09</b>	5.07	57.6
<b>FY10</b>	18.12	128.7



<b>FY11</b>	21.78	145.3
<b>FY12</b>	25.36	103.2
<b>Total:</b>	70.33	434.8

**Annex 5. Beneficiary Survey Results**  
**Annex 6. Stakeholder Workshop Report and Results**

N/A

## **Annex 7. Summary of Borrower's ICR and/or Comments on Draft ICR**

### **1. The main points made in the introduction of the Government's contribution to the ICR are:**

- Document 3472 (National Council of Economic and Social Policy) approving loans from the international financial institutions facilitated long-term collaboration with *Familias* and a mechanism of continuous assessment which provided important inputs for its transformation.
- When Ln. 7619 was signed the Program had new challenges: operations in large cities; coverage of all municipalities, including those with low capacity; and work with indigenous populations.
- The political context during implementation (2009-2011) was marked by the end of the Uribe administration and the first year of the Santos administration. The Uribe government gave an important impetus to the Program, deciding to expand it and to assist new groups (displaced and indigenous), and facilitating attention in emergencies during the 2010 winter crisis.
- For the Santos government *Familias* is an important strategy to reduce poverty. The goals of the National Development Plan (NDP) are to improve the targeting of social spending and to consolidate the Social Protection System so that it can contribute to strengthening and protecting the human capital and income of the poor. The government intends to strengthen the Program and has started to redesign *Familias* in order to reflect changes in poverty over the last decade, institutional changes, international experience with conditional cash transfer programs, and the need to harmonize with other proposals in the NDP.
- There was political support to make *Familias* a permanent program. In 2011 Congress considered a proposal “to regulate and embed in law the *Familias en Accion* Program, in order to avoid its disappearance, the elimination of the transfers, leaving the extremely poor without protection.” President Santos signed Law 1532 on June 7, 2012. The law defines *Familias* as a program of conditional cash transfers which complements the income of the poorest and most vulnerable families and places it under the Department for Social Prosperity. The Law contains guidelines for targeting, geographic coverage, types of subsidy, financing, verification and evaluation, responsibilities of local governments and allows a period of 6 months after its approval to define exit conditions.

### **2. The main points made on program design and implementation of the loan are:**

- Because of the good results (education, nutrition, and health) of the Program in municipalities of less than 100,000 inhabitants, expansion to large cities was considered. It was recognized that the attention to families in rural areas and in poor neighborhoods in large cities needed to be different. Also the impacts of the transfer might be less in urban areas because of the higher coverage of education and health services.
- In spite of the recommendations to enter large cities gradually, the program expanded nationally using a scheme of different transfer amounts for SISBEN I families in 16 cities. The transfer for primary school was dropped, substituting it

- with a nutrition subsidy for those 7-11 years (for non-recipient families of the nutrition subsidy for young children), and the transfer for secondary school was increased in order to reduce drop-outs in higher grades. There were two variations implemented: incremental and saving.
- The impact evaluation for large cities (2011) carried out by the National Consultancy Center found positive impacts on the number of years of schooling, enrollment rate, health insurance affiliation, and the share of children receiving the DPT vaccination as well as a reduction in acute respiratory infections. There was evidence of higher labor force participation among Program families. As was the case in the earlier evaluation in rural areas and for the displaced, there were positive results on household spending. Thanks to the Program, participant families increased their requests for credit from financial institutions as well as the approvals.
  - Other findings and recommendations from the impact evaluation of large cities included:
    - Families do not understand the transfer structure, so the Program should work to increase knowledge on this and other aspects.
    - The Program should work to increase the attendance of mothers at training workshops and to provide nutritional education in order to improve child growth and development.
    - The conditions of mothers in large cities needs to be taken into account more. Many work making attendance at the workshops difficult. Also the organization of workshops may not to be adjusted more in the context of large cities.
    - Training to use automatic banking terminals should be increased, as well as on financial literacy
    - The verification process needs to be streamlined and improved, including by unifying mechanisms in order to reduce the time and cost for mothers. Consideration should be given to giving more responsibility to older children to documenting verification.
    - The incremental transfer scheme is judged to be better than the savings scheme because of the constant competition that youth have with work opportunities.
    - There is a gap in pre-school attendance between the poor and the rest of the population.
    - Recommended additions to the Program are reproductive health workshops for adolescents as well as conditions related to education achievement. The Program should provide additional support to secondary school leavers to enable them to access further education.

**3. The main points made on sustainability and program redesign are the following:**

- In spite of the progress made to reduce poverty, it is not sufficient. Poverty rates are still high and Colombia is making slower progress than other countries in the region.
- Although economic growth will help the poor, it cannot be the only mechanism to reduce poverty and income inequality. There is an important role for programs

- targeted to the poor, one of which is conditional cash transfers, which provide incentives for human capital accumulation in order to promote social mobility, decrease income inequality and sustain poverty reduction. This scheme of redistribution plays a double role of reducing current poverty so that families can maintain a minimum consumption level as well as contributing to improving the conditions for future labor market insertion and incomes. Healthier and better educated youth should get better jobs in the formal sector, improve their earnings, have access to permanent social protection and escape poverty.
- The goal is to create a system of conditional cash transfers to accompany the life cycle of poor and vulnerable individuals, focusing on the stages of highest capital accumulation that generate capacities for higher productivity and better future connections to the formal labor market. The intention is to maintain the Program, as is reflected in the approval of Law 1532, converting it into public policy in order to sustain its impacts over the long term.
  - During the first half of 2012 the Directorate of Social Income of the Administrative Department of Social Prosperity worked to redesign the Program, taking into account the direction that conditional cash transfer programs are taking in the region and the priorities set out in the NDP. The proposed redesign includes the following, among others:
    - **Targeting (geographical and population).** The aim is to define more precisely the beneficiaries, starting from the objectives of the Program and trying to maximize the impact of the Program and the efficiency of social spending, and to minimize errors of inclusion and exclusion. The target population is families below the cut-off score using the revised SISBEN instrument, as well as the displaced, indigenous, and participants of the Red Unidos . Inclusion of the last group was recommended by the World Bank and the Inter-American Development Bank. Cut-off points were determined in collaboration with the National Planning Department.
    - **Human Capital Formation.** In the next phase, there will be transfers associated with health and nutrition and education with higher levels for secondary. In addition, the transition to primary school and first grade will be promoted. There will be a focus on early childhood development and nutrition in other ways. 4 pilots will test the impact of the Program in other areas, including children working in mines, handicapped, discouragement of adolescent pregnancy and improvements in nutrition quality. These initiatives take into account the recommendations of previous evaluations.
    - **Training.** Through links with another program, efforts will be made to promote training and the creation of competencies for employment for the youth in *Familias* who graduate from 11<sup>th</sup> grade and want to continue their studies. This initiative follows from recommendations in previous evaluations.
    - **Regional Focus:** There will be different subsidy levels depending on location, determined using the multidimensional poverty index with the goal of increasing the Program's geographic progressivity.

- Since the Program can count on high political and legal backing for its future operation, the decision has been taken that from now on national budget resources will finance the Program. The National Government would approve annually the resources to attend all of the families and its operation, in accordance with the medium term fiscal framework (Article 8-Law 1532).

**4. The main points made by the Government on factors which affected the operation of the Program during loan implementation are :**

- The expansion of coverage was not gradual as recommended in previous evaluations. This affected the possibility to carry out an impact evaluation to measure the results of the intervention on new populations and in some cases led to the contamination of samples in sites previously selected as control groups.
- Only one proposal was received for the bidding process to contract the payment of the transfer to families and the opening of banking accounts for them. The reasons other banks did not present proposals included that they were not interested in having poor families as clients and because the cost to cover isolated municipalities was high. Although the multilateral banks provided the no objection and authorization for negotiations and it was possible to renegotiate the bid without affecting the scope of work, the result did affect what had been planned and demonstrated a lack of knowledge on the supply of banking services.
- Although the differences between urban and rural areas, including the employment of mothers, costs of transportation, different forms of community organization among others, had been taken into account, they still affected the promotion strategies. For example, mothers could not dedicate time to attend workshops.
- Efforts were made to improve the verification system, making it more flexible to take into account different local situations. The expansion of new, more streamlined mechanisms for verification was an important challenge, given the distances, number of beneficiaries and dispersion of health centers and schools. Nevertheless, there continues to be evidence of difficulties, such as the lack of commitment on the part of health and education services, which means that the responsibility still falls on the Program and the participant. There have also been some issues with the verification of the authenticity of some documents. In the case of Bogota, the processes and operation of the Program need to be defined with the new administration.

**5. The main points made on the performance of the implementing agency are:**

- The Program was carried out in the context of the implementation of an Integrated Management System, with a focus on quality, including client satisfaction and improvements in procedures and processes. *Accion Social* received quality certifications in several areas.
- *Accion Social* had satisfactory performance on the use and supervision of resources, in addition to the development of a process of monitoring, supervision and evaluation. The Agency generated information on a continuous basis that enabled problems and inconsistencies to be detected. This included monitoring of

a statistically representative sample in the field (called spot checks), as well as administrative data which covered all municipalities in the Program.

- Over the last 3 years, the Program has financed an evaluation program covering new types of intervention in large cities (2011), effects on the displaced population (2008), and a process evaluation of operations in indigenous communities (2009). In the first half of 2012, the third round of monitoring for the impact evaluation in rural areas was completed.
- Over the last 3 years, the instruments of data collection, monitoring and supervision have been improved and evaluation results have been taken into account to improve the Program. Given The results of the impact evaluations as well as external financial audits, the Program has high credibility. Substantial efforts have been made to improve client services, including the contracting of a call center, help desk, and back office support.
- There are still areas to improve, such as the verification process, promotion efforts in large cities, the establishment of intersectoral commitments to improve the supply of services, and the continuation of the process of unifying the Program MIS (SIFA) and the verification information (SIRC) in order to improve security, administration, and response times.

**6. The main points made on the evaluation of the World Bank are:**

- Support of the multilateral banks was crucial. It meant that the necessary financial resources were always available when needed. Also the policies of the multilateral banks provided stronger backing for efficient and transparent resource use.
- The World Bank had a well-staffed team which provided technical assistance throughout project execution. The interaction of Bank and Program staff through continuous consultations and field visits helped decision making. Discussions with Bank staff offered new perspectives and contributed to the recognition and position which *Familias* has today.
- Bank policies influenced the selection of specific indicators and reporting requirements which contributed to and strengthened the monitoring system, as well as promoted rigorous standards. The contributions to the evaluation program were important for decision –making for converting it into a permanent technical instrument.

**7. The main points made in the section on lessons learned are:**

- Flexible processes are needed to take into account local conditions and differences in institutional behavior, especially during the process of expansion in coverage. The Program is not static and has to improve continuously to meet the needs of participants and be effective.
- Although direct payment was an effective mechanism, it created some problems for the families – long lines, travel costs, etc. This motivated the goal to open bank accounts for the participants. The Program proved it was possible to promote savings among poor families and that in spite of the high costs to reach isolated municipalities; it was possible to negotiate a lower rate without affecting the scope of work. For the bank which was awarded the contract, it was an

opportunity for growth and portfolio diversification. The current challenge is to increase the access to other financial services.

- The Program needs to improve information and communication channels with the families as well as strengthen training for municipalities.
- Because the Program is always competing with the incentives youth have to work, the incremental transfer scheme for secondary school is more effective to keep them in school. In addition, the Program should help them make links to higher education.
- Articulation needs to be strengthened between the Program and other government efforts such as the early childhood development strategy (*Cero a Siempre*), the strategy to eliminate the worst forms of child labor, and the *Red Unidos*, in order to consolidate the Social Protection System and to enable families exiting the Program to access a system which can help to consolidate human capital and formal and sustainable income generation.



## Completion Report of the Government in Spanish



### **Informe de cierre del Proyecto (IBRD-7619) PRESTATARIO GOBIERNO NACIONAL**

El documento CONPES 3472 de 2007 emitió concepto favorable a la nación para contratar empréstitos con la banca multilateral destinados a la financiación de la expansión de Familias en Acción. Esto permitió un acompañamiento de largo plazo por parte de la Banca Multilateral al programa, en el cual hizo aportes tanto en el diseño como en la ejecución y ayudo a consolidar un mecanismo de evaluación permanente que ha generado importantes insumos para su transformación.

La contratación del crédito BIRF -7619 se dio en el marco de nuevos retos que empezaba a asumir Familias en Acción, entre ellos el diseño e inicio de operación en grandes centros urbanos, la entrada masiva a todos los municipios del país, incluso a aquellos que contaban con una débil capacidad institucional, así como el inicio de atención con enfoque diferencial a población indígena.

Durante el período de ejecución del crédito (2009 – 2011) el contexto político estuvo enmarcado por la finalización del gobierno Uribe y el primer año de gobierno del presidente Santos. Durante el gobierno Uribe se dio un impulso importante al Programa, tomando la decisión de su expansión y la atención a nuevos tipos de población (población desplazada e indígena). El gobierno Uribe ofreció un respaldo importante al programa, tomando en cuenta los resultados que éste había tenido en municipios con menos de 100.000 habitantes y gracias a su flexibilidad que le permitía atender población con otro tipo de necesidades, como lo constituye la población en situación de desplazamiento; así como la contribución que podría brindar en la atención en situaciones de emergencia como lo constituyó la ola invernal del año 2010.

El gobierno Santos a su vez, consideró al programa Familias en Acción como uno de las estrategias principales en la lucha contra la pobreza y el logro de la Prosperidad para Todos. El Plan Nacional de Desarrollo, en el eje de Igualdad de Oportunidades, establece como desafíos el mejoramiento de la focalización del gasto social, la consolidación del Sistema de Protección Social que contribuya a fortalecer y proteger el capital humano y los ingresos de los hogares más pobres y vulnerables. Para el logro de este objetivo, la administración Santos se propuso el fortalecimiento del programa, para lo cual se dio inicio al rediseño de Familias en Acción, en aras de ajustarlo al cambio en el diagnóstico de pobreza que se viene dando en el país en la última década, a la evolución de las instituciones para la reducción de la pobreza, a las tendencias internacionales que se están

dando en materia de aplicación de transferencias condicionadas y armonizarlo con los demás objetivos propuestos en el Plan Nacional de Desarrollo.

Paralelo a esto, el contexto político ha sido cada vez más favorable a que Familias en Acción se convierta en un programa permanente, así durante el año 2011 hizo trámite en el Congreso de la República un proyecto de ley cuyo objetivo era: *“reglamentar y elevar a rango legal el Programa Familias en Acción, para con ello evitar que desaparezca del contexto nacional, ante cualquier contingencia lo que dejaría sin subsidios y sin este mecanismo de protección directa a la población más pobre”*.

La ley 1532, que fue sancionada por el señor Presidente de la República el pasado 7 de junio de 2012, y define a Familias en Acción como un programa de transferencias monetarias condicionadas que complementa el ingreso de las familias más pobres y vulnerables y establece que queda bajo la dirección del Departamento para la Prosperidad Social. La Ley da los lineamientos para la focalización, la cobertura geográfica, los tipos de subsidio, la financiación, la verificación y evaluación, las competencias de las entidades territoriales y da un plazo de 6 meses a partir de su aprobación para la definición de condiciones de salida.

A continuación, se presentan los aspectos más relevantes de la operación del programa en el período de ejecución del crédito, así como aprendizajes y consideraciones tenidos en cuenta en el rediseño del Programa e inicio de implementación de la Tercera Fase.

### **1. Aspectos de diseño y operación del programa implementados durante el período de ejecución del crédito e impactos encontrados.**

Los buenos resultados del Programa en municipios con menos de 100.000 habitantes contribuyó a plantear la posibilidad de ampliar la cobertura en grandes ciudades, las evaluaciones demostraban los buenos resultados en educación, nutrición y salud, no obstante advertían tomar con precaución estos resultados para una posible expansión, dado que el tratamiento a las familias SISBEN 1 en zonas rurales debía ser diferenciado a una familia residente de un barrio marginado de una ciudad<sup>15</sup>.

Se tomó en consideración la capacidad del subsidio para aumentar la tasa de asistencia escolar en área urbana, al conocer que la cobertura de servicios educativos era mayor en estas áreas; igualmente se consideró que la cobertura de los servicios de salud era superior, lo que hacía suponer que el programa podría no tener el efecto esperado.

A pesar de las recomendaciones de entrar de manera gradual a grandes ciudades, se dio inicio a la expansión bajo un esquema diferenciado de montos para el pago de subsidios. El programa diseñó diferentes modalidades de pago para las familias nivel 1 del SISBEN

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<sup>15</sup> Ver: Acción Social; DNP. (2010). El Camino Recorrido. Diez Años Familias en Acción. Bogotá. p. 337

en 16 ciudades. De tal forma se decidió eliminar el subsidio de primaria y sustituir este subsidio por una versión revisada del subsidio de nutrición para niños entre 7 a 11 años, el cual sería excluyente al subsidio de nutrición de 0 a 7 años. Así mismo, se modificaron los montos del subsidio en secundaria con el objetivo de reducir la deserción escolar en los últimos grados de secundaria. Se implementaron dos esquemas denominados incremental y de ahorro, el primero consistía en aplicar un monto diferenciado incremental en el subsidio de educación de acuerdo con el grado escolar en secundaria buscando cubrir el costo de oportunidad en que incurren los estudiantes al seguir estudiando y no salir a trabajar. El esquema de ahorro consistía en la entrega de un incentivo en el momento en que el estudiante aprobara noveno grado y se matriculara en décimo y para cada estudiante que se graduara de grado once con el objetivo de incentivar la permanencia hasta la culminación del ciclo escolar de básica y media.

Los municipios se clasificaron teniendo en cuenta diferencias socioeconómicas y demográficas, los cuales fueron organizados en los siguientes grupos: esquema tradicional, los que hicieron parte de la prueba piloto de centros urbanos, ciudades bajo el esquema incremental y ciudades bajo el esquema de ahorro.

En la evaluación de Grandes Centros Urbanos (2011), desarrollada por el Centro Nacional de Consultoría, se encontraron impactos positivos en el aumento de número de años de educación aprobados, aumento en la tasa de matrícula escolar, la afiliación al Sistema General de Seguridad Social en Salud SGSSS y en el aumento del porcentaje de niños que recibe vacunación contra DPT (difteria, tosferina y tétanos). También se encuentra que el programa Familias en Acción Urbano (FeA-U) genera un impacto positivo en la disminución de la incidencia de Infección Respiratoria Aguda (IRA). Se ratifica la necesidad de la educación nutricional como enfoque integral articulado a la oferta del Programa Familias en Acción.

En la evaluación se evidencia que existe una mayor tasa de ocupación en los hogares beneficiarios del programa, siendo menores las tasas de desempleo e inactividad. En concordancia con lo encontrado en la evaluación de otras modalidades del programa, como Familias en Acción Tradicional y Familias en Acción para Población Desplazada, se encuentra que FeA-U tiene impactos positivos sobre el gasto total del hogar, al generar un incremento de \$74.606 del gasto total.

Los hallazgos en bancarización son muy positivos, gracias a FeA-U dentro de la población beneficiaria aumentó tanto la solicitud de crédito a entidades financieras como su índice de aprobación. La mejora en el acceso a crédito podría deberse a que gracias al componente de bancarización del programa, los hogares tienen una cuenta de ahorros con la cual presentarse ante un banco. Esto les da cierto respaldo para solicitar crédito en entidades financieras. Asimismo, el hecho de contar con el subsidio se puede constituir en un respaldo para que las entidades financieras aprueben créditos a los beneficiarios.

## Otros hallazgos y recomendaciones de la evaluación<sup>16</sup>:

- No hay conocimiento por parte de las familias cómo funciona el subsidio en grandes centros. En relación con lo hallado en la evaluación cualitativa, se recomienda que el programa mejore el conocimiento sobre los siguientes aspectos: a cuánto asciende el subsidio, cuándo se recibe, cómo interponer quejas y reclamos y cómo utilizar los servicios bancarios.
- Familias en Acción debe hacer mucho énfasis en mejorar la asistencia de las madres a los encuentros de cuidado. Esto con el fin de reforzar todos los temas de salud y nutrición que son fundamentales en el crecimiento y desarrollo de los niños.
- Se debe tener en cuenta el perfil de las madres de zona urbana al momento de considerar el componente de promoción, un porcentaje importante de éstas trabaja, lo que puede dificultar su asistencia a los encuentros. Asimismo, en ciudades grandes e intermedias la oferta social maneja otro tipo de espacios con objetivos similares a los de los EC; éstos pueden convertirse en sustitutos de dichos encuentros.
- Es recomendable incrementar la capacitación sobre el uso de cajero electrónico de modo que las madres beneficiarias puedan aprovecharlas de manera efectiva.
- Sería muy importante agilizar y mejorar el proceso de certificación de compromisos, se recomienda unificar los procedimientos de verificación de compromisos, de tal manera que las madres titulares no tengan que invertir tanto tiempo y dinero en el proceso.
- Sobre las madres también cae el peso de los compromisos de verificación y no sobre los adolescentes. El programa Familias en Acción debe comenzar a concebir formas en que los jóvenes sean corresponsables de estos compromisos.
- La modalidad incremental supera en varios factores a la de ahorro, la principal razón para que esto suceda es que el programa siempre estará compitiendo contra los incentivos que tienen los jóvenes para salir a trabajar, ganar independencia, ayudar en el hogar, etc.; y en la medida que el subsidio sea más alto esta lucha se zanjará a favor de la educación. Es claro que el programa Familias en Acción urbano debe transitar hacia la modalidad incremental, cubrir niños desde los 11 años, edad donde comienza a ser crítica la deserción y se da la transición primaria-secundaria. También es fundamental que el valor del subsidio se

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<sup>16</sup> Ver: Centro Nacional de Consultoría. (2011). Evaluación del Programa de Familias en Acción en Grandes Centros Urbanos. Bogotá.

aumente en todos los tramos escolares con el objeto de reducir el costo de oportunidad del trabajo –de ahí que la modalidad incremental sea la de mayores impactos.

- A partir de los tres años de edad se abre una brecha educativa cuando los niños de los estratos más pobres no asisten a educación preescolar. Según la encuesta de calidad de vida de 2008, la cobertura escolar para niños entre 3 y 4 años del quintil 5 llega al 72% mientras que para el quintil 1 es de 48%.
- Se recomienda mejorar la educación financiera que el programa ofrece, de modo que las madres beneficiarias se sientan seguras a la hora de realizar transacciones a través del cajero automático.
- Es necesario reforzar la educación nutricional como parte integral del Programa Familias en Acción, debido a que aunque los resultados muestran incremento en la compra de alimentos, no siempre se optimiza ni la variedad ni la frecuencia de consumo para tener impactos mayores en el estado nutricional.
- Para controlar el riesgo latente de embarazo adolescente en la población beneficiaria del programa, se sugiere exigir como condicionalidad, la asistencia de jóvenes mayores de 12 años a actividades educativas relacionadas con la educación sexual. En este sentido, al menos una vez al año se deberían implementar talleres en los que se les instruya sobre una concepción integral de la sexualidad, dándoles a conocer temas relacionados con los derechos sexuales y reproductivos y se les explique el uso de métodos anticonceptivos y las consecuencias de un embarazo temprano. Los incentivos en el diseño de los programas de transferencias condicionadas pueden jugar un papel importante en los impactos que estos programas tengan sobre el embarazo adolescente. En tal sentido, se recomienda pensar en establecer alguna condicionalidad relacionada con el logro escolar para entregar el subsidio. Esta condicionalidad puede ser similar a la establecida en el *Subsidio Educativo Condicionado a la Asistencia Escolar* de la Secretaría de Educación de Bogotá. En este esquema una parte del subsidio se entrega cada dos meses, y la otra sólo se entrega si el beneficiario aprueba el año lectivo. Esto tendría efectos positivos sobre el logro escolar y ayudaría a controlar el riesgo latente sobre embarazo adolescente.
- Si bien el programa cumple adecuadamente la mayor parte de sus objetivos el futuro de estas familias sigue siendo incierto, débil, delicado -por decir lo mínimo- y las oportunidades laborales escasas, restringidas y de muy baja calidad. Por consiguiente, la movilidad social es restringida y la eficiencia de la política redistributiva casi nula. Por lo tanto, se propone: i) que el programa acompañe a aquellos jóvenes que completen sus estudios de secundaria para que puedan acceder a la educación postsecundaria; ii) que puedan acceder a créditos del ICETEX a tasas subsidiadas y iii) se les dé un subsidio condicionado para sostenimiento.

Estos resultados, así como los preliminares de la evaluación correspondiente al Tercer Seguimiento en municipios con menos de 100.000 habitantes (se anexa un breve resumen de las conclusiones del Tercer Seguimiento en municipios con menos de 100.000 habitantes, la cual fue finalizada en mayo de 2012), constituyeron un insumo importante durante el proceso de rediseño del programa.

## **2. Perspectiva de sostenibilidad y algunas consideraciones del rediseño:**

Debe tenerse en cuenta que aunque Colombia ha registrado avances en materia de reducción de la pobreza, dichos resultados aún no son suficientes, considerando el alto porcentaje de la población que todavía se encuentra en situación de pobreza y pobreza extrema, y que el ritmo de caída de estos indicadores es lento comparado con los países de la región.

Aunque el crecimiento económico (canal indirecto de reducción de pobreza) que ha venido presentando el país podrá tener un impacto sobre dicha reducción, éste no puede ser el único mecanismo para generar efectos certeros en la disminución de la desigualdad del ingreso y reducción sostenida de la pobreza. Otra de las medidas en búsqueda de dicho objetivo es el direccionamiento de recursos hacia las familias más pobres y vulnerables. Una de las estrategias que se han implementado en varias regiones del mundo y en Colombia en vía de la redistribución del gasto público ha sido la entrega de transferencias condicionadas, por medio de las cuales se generan incentivos adecuados para estimular la acumulación de capital humano, que en el futuro permitan la movilidad social, la disminución en la desigualdad del ingreso y reducción sostenida de la pobreza.

Este esquema de redistribución juega un doble papel, de un lado constituye una transferencia directa en el presente, que complementa el ingreso de las familias para que mantengan un nivel de consumo y sigan en el proceso de formación de capital, y de otro lado, contribuye a mejorar las condiciones de inserción en el mercado laboral y a aumentar el ingreso en el futuro. Jóvenes más sanos y con mayor nivel de educación obtendrán mejores empleos en el sector formal, mejorarán su ingreso, tendrán protección permanente y saldrán de la pobreza.

La apuesta es crear un sistema de transferencias condicionadas el cual acompañe el ciclo de vida de las personas pobres y vulnerables, en este momento apuntando primordialmente a las etapas del ciclo de vida en donde se realiza la mayor acumulación de capital humano y se generan capacidades para mayor productividad y vinculación laboral en el sector formal en el futuro. La intención de darle sostenibilidad al programa se ve reflejada en la reciente aprobación de la Ley 1532 de 2012, que como ya se mencionó busca “blindar” a Familias en Acción para convertirlo en una política de Estado que permita mantener sus impactos en el largo plazo.

En dicha vía, la Dirección de Ingreso Social del Departamento Administrativo para la Prosperidad Social enfocó gran parte de sus esfuerzos durante el primer semestre de 2012 en el rediseño del Programa. Este rediseño se sustenta en tendencias internacionales hacia donde se están dirigiendo las transferencias monetarias condicionadas en los países

latinoamericanos y en respuesta a las directrices impartidas por el Plan Nacional de Desarrollo 2010- 2014 “Prosperidad para Todos”.

La propuesta de rediseño del Programa tiene en cuenta, entre otros, los siguientes aspectos:

**Focalización, territorial y poblacional:** se busca garantizar mayor precisión para identificar a los beneficiarios. Esta identificación debe partir de los objetivos del programa buscando maximizar el impacto sobre la población seleccionada, una mayor eficiencia del gasto social y minimizar los errores de inclusión y de exclusión.

La población objetivo del programa corresponde a familias con puntaje SISBEN III inferior al punto de corte definido por el programa, en situación de desplazamiento, indígenas, y pertenecientes a la Red UNIDOS. El programa en coordinación con el DNP, realizó los análisis para determinar los puntos de corte en el SISBEN III, con los cuales se identificará y seleccionará a la población potencialmente beneficiaria.

Tuvo en cuenta la recomendación de vincular dentro de la focalización a la población UNIDOS que fuese elegible y que no estuviese vinculada a Familias en Acción, en aras de disminuir los errores de exclusión.

**Formación de Capital Humano:** entrega de transferencias monetarias para salud y nutrición y educación de manera incremental en secundaria. A partir de la tercera fase se incluirá transición y primero de primaria. Se hará énfasis en el desarrollo infantil temprano y en la nutrición.. También se pondrán en marcha 4 pilotos para analizar el impacto que puede tener el programa para atender otro tipo de necesidades de la población beneficiaria:

- **Desincentivo al trabajo infantil en minas:** Entrega de subsidio monetario a la familia condicionado a que el menor no trabaje y realice otras actividades.
- **Atención a familias con personas con discapacidad:** Entrega de subsidio monetario al cuidador o a la persona con discapacidad.
- **Desestímulo al embarazo adolescente:** aumento del subsidio monetario en educación a las niñas, condicionado a que reciban educación sexual y apoyo en el desarrollo de un proyecto de vida.
- **Mejorar la calidad de la nutrición:** subsidio monetario condicionado a la asistencia a capacitaciones en nutrición y en resultados en talla y peso de los niños

Tuvo en cuenta las recomendaciones de las evaluaciones frente a que el programa debería transitar hacia la ampliación del esquema incremental en educación secundaria, una mayor atención en la etapa de primera infancia a través del pago de subsidio en transición, la necesidad de hacer énfasis en mejoramiento de la calidad de la nutrición y el pilotaje sobre cómo el Programa podría contribuir en la disminución del embarazo adolescente.

**Formación para el trabajo:** por medio del Programa Ingreso para la Prosperidad Social se buscará promover la formación de capacidades y habilidades para el trabajo de los jóvenes del programa Familias en Acción que se gradúan de 11 grado, y deseen continuar su formación titulada.

Tuvo en cuenta las recomendaciones de las evaluaciones frente a la necesidad de “tender un puente” con la educación superior de los jóvenes que terminan el ciclo de formación secundaria. Así los jóvenes graduados recibirán un apoyo para que continúen con la formación titulada.

**Enfoque regional:** diferenciación de los subsidios entre centros urbanos y municipios pobres, definidos a partir del Índice de Pobreza Multidimensional con el fin de incrementar la progresividad geográfica del programa.

En el presente contexto, donde el programa cuenta con un alto respaldo político y legal para su operación en el futuro, se ha tomado la decisión que la financiación en adelante sea asumida con recursos del presupuesto nacional, para lo cual el Gobierno Nacional propenderá por proveer anualmente los recursos para atender los pagos de la totalidad de las familias y la operación, de acuerdo al marco fiscal de mediano plazo (Art 8 – Ley 1532 de 2012).

### **3. Factores que afectaron la operación del programa durante el período de ejecución del crédito**

- El proceso de ampliación de cobertura no se llevó a cabo de manera gradual, tal y como lo recomendaron las evaluaciones, lo cual afectó la posibilidad de hacer una evaluación minuciosa sobre los efectos que estas intervenciones podrían tener sobre las nuevas poblaciones beneficiarias. La falta de gradualidad en la entrada tuvo implicaciones en la evaluación de impacto, lo cual derivó en contaminación de la muestra en municipios piloto como Bogotá y Soacha; adicionalmente a que algunos de los resultados de la evaluación de los piloto, como fue el caso de Medellín, fueron obtenidos con posterioridad a la expansión.
- En el proceso licitatorio para la contratación de la firma encargada de ofrecer el servicio de pago de los subsidios enmarcado en la apertura de cuentas de ahorro, se recibió solamente una propuesta, correspondiente a la Unión Temporal Bancoagrario de Colombia y Assenda SA. La razón por la cual otros bancos no presentaron ofertas fue que “las familias pobres no son su objeto de negocio” y porque los costos para llegar a municipios muy apartados era muy alto. Si bien la banca multilateral emitió concepto de no objeción y la correspondiente autorización para llevar a cabo las negociaciones, y se logró ajustar la oferta sin afectar los objetivos y el alcance de la contratación, esto afectó lo planeado



inicialmente y evidenció el desconocimiento que se tenía de la oferta de servicios del sector bancario.

- Si bien en el marco del diseño del programa en zonas urbanas se tuvo en cuenta la diferenciación de las dinámicas entre áreas rurales y urbanas en temas como las distancias, la ocupación de las madres, costos de transporte, otras formas de organización comunitaria, entre otras; en la implementación del programa dichas diferencias tuvieron un impacto importante en el desarrollo de las estrategias de promoción, como por ejemplo en el tiempo en que las madres pueden dedicar a la asistencia a los encuentros de cuidado.
- Se ha buscado el perfeccionamiento del proceso de verificación de compromisos, buscando su flexibilización y ajuste teniendo en cuenta las diversas realidades locales, para lo cual se diseñó una estrategia con diferentes modalidades para la verificación. La expansión fue un reto importante en el marco de la verificación, por la gran magnitud de beneficiarios, las grandes distancias, el número y dispersión de instituciones de salud y educación y tiempos de desplazamiento. No obstante, continúan evidenciándose dificultades importantes como por ejemplo, todavía el compromiso por parte de algunas instituciones de educación y salud es insuficiente, de tal manera que la responsabilidad sigue recayendo sobre el Programa, y se han presentado dificultades en algunos casos en la verificación de autenticidad de documentos; y en el caso particular de Bogotá, hace falta definir más claramente los lineamientos y revisar la operatividad del programa con la nueva administración distrital.

#### **4. Evaluación de desempeño ACCIÓN SOCIAL – Departamento para la Prosperidad Social**

La ejecución del proyecto (2008 a 2011) estuvo a cargo de la Agencia Presidencial para la Acción Social y la Cooperación Internacional, ACCIÓN SOCIAL, bajo parámetros de eficiencia en la utilización de los recursos, el máximo cumplimiento de las metas propuestas, la satisfacción de los beneficiarios de los subsidios y la armonización y coordinación con otras políticas de gobierno.

El programa ha enmarcado sus actividades en la implementación del Sistema de Gestión Integral, de acuerdo con el eje de calidad, se ha enfocado en aumentar la satisfacción al cliente y en mejorar el desempeño de los procesos, en el eje de seguridad y salud ocupacional, se ha preocupado por brindar adecuadas condiciones de trabajo y en gestionar los riesgos tanto para los colaboradores, como para los beneficiarios que asisten a las diversas actividades, como también se viene trabajando en el eje ambiental y en el eje de seguridad de la información. Por el cumplimiento de estos estándares, la entidad recibió las certificaciones correspondientes.

Consideramos que la entidad tuvo una adecuada gestión en el uso y seguimiento a los recursos, además del desarrollo de un proceso de monitoreo, seguimiento y evaluación; a partir del cual se generó información de manera permanente y permitió la detección de

alarmas y posibles inconsistencias. Así se emprendieron acciones para el seguimiento interno y externo muestral, mediante el seguimiento interno se generó información permanente sobre la totalidad de los municipios y el cubrimiento a las familias, mediante el seguimiento externo muestral se verificó la transparencia en la entrega de los subsidios, para lo cual una firma externa verificaba en campo la exactitud de la información reportada, esto se hacía a través de una muestra estadísticamente representativa, esta metodología es denominada spot checks.

Adicionalmente, en los últimos tres años, el Programa afianzó el esquema de evaluación, se llevó a cabo un proceso de análisis de sus nuevos tipos de intervención, en 2008 finalizó la evaluación de Familias en Acción desplazados, se desarrolló el piloto de grandes centros, en 2009 se puso en marcha la evaluación de operaciones del esquema de atención a población indígena, durante 2011 se desarrolló y finalizó la evaluación de operaciones y de impacto de grandes centros y durante el primer semestre de 2012, se finalizó el tercer seguimiento en municipios con menos de 100.000 habitantes.

Estos últimos años se ha trabajado en afinar los instrumentos de recolección, monitoreo y seguimiento, los resultados de las evaluaciones han sido altamente consideradas para el fortalecimiento y mejoramiento del programa; los resultados de las evaluaciones como de las auditorías externas implementadas han generado alta credibilidad frente a las acciones desarrolladas para el buen funcionamiento del Programa, adicionalmente, se han intensificado los esfuerzos por prestar una mejor atención a los beneficiarios, a través de la Gerencia de Servicios y Soluciones – GERESS, se contrató un outsourcing para atención telefónica, mesa de ayuda y back office que brinda al Programa este soporte para agilizar la atención, sin costo alguno para el beneficiario.

Lo anterior no representa la inexistencia de aspectos claves donde deben realizarse ajustes o se debe profundizar, como el citado proceso de verificación y algunos planteamientos de la promoción en grandes centros, el establecimiento de compromisos intersectoriales para alcanzar la suficiencia de la oferta social, continuar con el proceso de unificación SIFA – SIRC para mejorar la seguridad, administración, comunicación y tiempos de respuesta, entre otros.

## **5. Evaluación de desempeño del Banco Mundial**

El apoyo de la banca multilateral para el desarrollo del Programa ha sido crucial de una parte, permitió contar con los recursos necesarios para cumplir con todas las metas trazadas y no incumplirle a las familias, recursos que estuvieron disponibles con oportunidad. Gracias a las políticas de la Banca se obtuvo un mayor respaldo frente a la ejecución eficiente y transparente de los recursos.

El Banco Mundial dispuso de un completo equipo que proporcionó asistencia técnica a lo largo de toda la ejecución del crédito. La interacción entre los funcionarios de la representación del Banco y los asesores del Programa, a través de consultas permanentes y visitas a campo, ayudó a la toma de decisiones. Las discusiones enriquecedoras con

este equipo ofrecieron nuevas perspectivas y contribuyeron al reconocimiento y posicionamiento con el que cuenta hoy Familias en Acción.

Las políticas del Banco implicaban la determinación de ciertos indicadores, tipos de reporte e informes, que alimentaron y fortalecieron el sistema de seguimiento del programa y le ofreció alta rigurosidad, así como el esquema de evaluación fue uno de los más importantes aportes para la toma de decisiones, convirtiéndose en una herramienta técnica institucionalizada.

## **6. Lecciones aprendidas**

- La necesidad de flexibilización de los procesos teniendo en cuenta las realidades locales, las dinámicas propias de las regiones, las diferencias en los comportamientos institucionales, especialmente ante procesos de expansión de cobertura tanto geográfica como poblacional. Debe tenerse en cuenta que el Programa no es estático y debe mejorarse continuamente para cubrir las necesidades de los beneficiarios y ser más efectivo.
- Aunque el pago de subsidios mediante giros bancarios fue un mecanismo efectivo, persistían algunos problemas para las familias, como las largas filas y la congestión; esto llevó a repensar el mecanismo de pago y dar inicio a uno de los procesos más ambiciosos en materia de bancarización. De tal manera, el programa abrió una nueva puerta y comprobó que era posible fomentar el ahorro al interior de las familias más pobres y vulnerables y que a pesar de las dificultades en términos de los costos que implicaba llegar a lugares apartados, fue posible acordar una tarifa sin afectar los objetivos. Para la banca fue una oportunidad de crecimiento y diversificación de su portafolio. El reto del Gobierno Nacional se encuentra en aumentar el acceso a otros servicios financieros.
- El programa requiere profundizar los canales de información y comunicación que tiene con las familias beneficiarias, debe explorar nuevos mecanismos para que las familias obtengan mayor información sobre cómo operan los subsidios, así como profundizar la capacitación de los enlaces municipales.
- El programa siempre estará compitiendo con los incentivos que tienen los jóvenes para salir a trabajar y generar mayores ingresos en el hogar, por tanto el esquema incremental en secundaria resulta más efectivo para la permanencia de los menores en el sistema escolar. Adicionalmente, el Programa debe tender puentes hacia la educación superior, para continuar con el esfuerzo y la inversión que se realiza al lograr que los jóvenes completen el ciclo escolar.
- El Programa debe buscar mayor articulación con otros esfuerzos de gobierno, tales como la estrategia de Cero a Siempre, la Estrategia Nacional para Prevenir y Erradicar las peores formas de Trabajo Infantil, la Red UNIDOS, entre otros. Esto bajo el entendido de la necesidad de consolidar el Sistema de Protección Social y para que en el momento de la salida del Programa, las familias estén inmersas en

este sistema que ayude en la consolidación del capital humano y en la generación de ingresos de manera formal y sostenible.

## ***ANEXO N° 1 – Conclusiones Evaluación Impactos de largo plazo del Programa Familias en Acción en municipios de menos de 100 mil habitantes en los aspectos claves del desarrollo del capital humano***

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*Y la asesoría del*



Los impactos en la evaluación se examinan en dos niveles distintos. Por un lado, los más directamente relacionados con el Programa (nutrición, salud y educación) que en conjunto apuntan a al tema del capital humano; por otro lado, aquellos en los cuales se proyecta el capital humano y dependen no solo de lo que haga el Programa sino de las condiciones del entorno (mercado laboral, bienestar), así como aquellos que se traducen en efectos no esperados del Programa (dependencia del subsidio, fecundidad y bancarización).

El Programa tiene efectos importantes sobre la acumulación de capital humano en el largo plazo (antropometría y educación), los cuales a su vez se reflejan en diferencias en el proceso de aprendizaje (desarrollo cognitivo), generando impactos en variables donde esos desarrollos de capacidades son fundamentales (graduación de bachillerato) y llega a reflejarse en algunas variables asociadas al mercado laboral. También se encontraron efectos en variables sobre las cuales el Programa no tenía el propósito de impactar (acceso a la bancarización). En conjunto, se tienen impactos positivos y recomendaciones de ajuste en la dirección de reorientar los subsidios hacia donde se generen mayores aportes para romper barreras de acceso y al mayor desarrollo del capital humano.

En primer lugar se tienen los impactos en variables directamente relacionadas con la acumulación de capital humano, en municipios con exposición temprana al Programa. Se registra una disminución en la probabilidad de tener baja talla para la edad o ser desnutrido crónico para los niños de 9 a 15 años en zona rural; para los niños entre 13 y 17 años se encuentra una disminución en la edad de ingreso a la escuela en zona urbana, y se advierten mejoras en la progresión escolar (grado por la edad, probabilidad de graduación) para adolescentes entre 18 y 26 años en zona rural.

Así, en variables que reflejan el aprovechamiento del desarrollo de esas mayores capacidades, hay un incremento de las habilidades cognitivas de los niños entre 12 y 17 años, reflejada en el puntaje del test de matemáticas.

La acumulación de capital humano se proyecta en un aumento en la probabilidad de tener un empleo formal para las mujeres entre 18 y 26 años en zona rural. Sin embargo, es

posible que todavía no se alcance a evidenciar las mejoras en productividad y el bienestar, pues muchos de los beneficiarios aún son menores y no han salido al mercado laboral a generar ingresos.

A la par de lo anteriormente mencionado, diez años después de haber comenzado la implementación del Programa, se presentan las siguientes situaciones de alerta: i) La tasa de asistencia escolar en secundaria continúa siendo baja para niños entre 15 y 17 años (entre el 80-60%); ii) Es posible que el Programa esté generando un incentivo perverso a repetir años en la escuela, probablemente en los años finales, para mantener el subsidio por un periodo adicional; iii) Los adolescentes que salen del Programa encuentran grandes dificultades para vincularse al mercado laboral. Esto es particularmente crítico para las mujeres, quienes presentan tasas de desempleo superiores al 60%; iv) Se registra un aumento en la probabilidad de que los menores entre 9 y 12 años tengan exceso de peso (sobrepeso u obesidad) en zona rural.

En cuanto a los efectos de mediano o corto plazo, los resultados son menos contundentes. Están limitados a una población más pequeña ubicada en el límite entre el nivel de Sisben 1 y 2, donde no se incluyen los más pobres, población para la cual los impactos tienden a ser mayores. A pesar de estas limitaciones, se encuentra que el Programa contribuye a una disminución del riesgo de estar en condición de inseguridad alimentaria y está asociado con incrementos en el uso de servicios odontológicos y la adquisición de conocimientos sobre el manejo de la EDA (a través de los Encuentros de Cuidado). Entre los efectos no esperados se halla que el recibir el Programa Familias en Acción permite a los hogares en zona rural acceder más fácilmente a crédito formal.

Por último, no se encuentran resultados significativos en las mediciones de dependencia del subsidio y tasas de natalidad, temas que han sido debatidos extensiva y controversialmente, y que se relacionan con las transferencias de dinero condicionadas, específicamente con FA.

### ***Recomendaciones***

Con base en los resultados arrojados, se presentan planteamientos y recomendaciones en torno a las condiciones futuras del Programa, teniendo en cuenta el momento estratégico por el que atraviesa el mismo, en el que está previsto su rediseño, en el marco de la nueva estructura del Departamento para la Prosperidad Social (DPS).

#### **Cambiar la estructura de los subsidios para educación**

- Modificar la estructura del subsidio de educación, reduciendo el subsidio en educación primaria (donde se tienen coberturas que llegan casi al universo) y aumentándolo para secundaria, con el propósito de generar mayores incentivos de permanencia de los jóvenes en educación media. Este tipo de estrategia puede ser particularmente apropiada en áreas urbanas donde las oportunidades en el mercado laboral puedan ser especialmente tentadoras para los jóvenes. Existen estudios (Todd,

P.; Wolpin, K. (2008) y Attanasio, O.; Meghir, C.; Santiago, A. (2012)) que han simulado cambios de este tipo al programa PROGRESA en México; en ellos se muestra que la misma cantidad de dinero utilizado de manera diferente puede generar mayores efectos en la asistencia a educación secundaria. En Colombia, estrategias alternativas de incentivos a la matriculación en educación secundaria se han experimentado en grandes ciudades. Desde luego hay que tener precauciones. En particular, se deben considerar los siguientes puntos:

- a. Es posible que el subsidio para educación primaria tenga efectos adicionales, muy distintos a la estimulación de la asistencia. Por ejemplo, puede ser que el subsidio permita a los hogares lograr mejores resultados nutricionales o simplemente juegue una función importante de redistribución.
- b. El riesgo de eliminar totalmente el subsidio de educación primaria es que el Programa puede perder contacto con algunos hogares por algún tiempo.
- c. Pueden existir áreas (en especial pequeñas áreas aisladas rurales) en donde el subsidio a educación primaria aún pueda jugar un papel importante, en cuyo caso se debería continuar utilizándolo.
- d. El subsidio en educación primaria sin lugar a dudas tuvo un efecto positivo en la matriculación temprana, que a su vez se relaciona con progreso escolar, especialmente en las áreas rurales; este efecto es importante y en esa medida es conveniente buscar un incentivo que lo mantenga.

#### Diferenciar subsidios en áreas

En la medida que se encontraron efectos diferenciales por zonas (rural y cabeceras municipales), hacer que ciertos apoyos específicos también lo sean. La evidencia muestra la efectividad limitada del Programa en zona urbana, por lo que valdría la pena rediseñar el Programa en las áreas urbanas. Se conoce, por trabajos previos, que FA experimentó con estructuras de subsidios alternas en ciudades grandes, que pueden ser útiles al respecto. Los mejores resultados estuvieron relacionados con un esquema de pagos incrementales con el grado, que evitaba el abandono en puntos críticos de la carrera escolar (el cambio de primaria a secundaria básica, y de básica a secundaria media) (Centro Nacional de Consultoría, 2011).

#### Mejorar la calidad de los servicios

- No está claro si los beneficiarios obtienen servicios de calidad adecuada. Vale la pena realizar un diagnóstico de la calidad de los colegios y centros de salud utilizados por los beneficiarios de FA y, de acuerdo con los resultados, considerar una intervención para mejorar la calidad.

#### Articular FA con otros programas sociales

- Existen aún retos importantes que el Programa, dado su diseño y objetivos, no puede pretender abarcar (calidad de servicios sociales, retención escolar para adolescentes, desempleo juvenil, etc.) y debe buscar articularse con otros programas del Gobierno, para poder enfrentarlos. FA puede desempeñar un papel importante (por ejemplo,

como punto de entrada al sistema de protección social) pero debe articularse de manera más cercana con otras intervenciones. El programa Red Unidos, que tiene como uno de sus objetivos la coordinación y focalización de la oferta de servicios a los pobres, puede ser la columna vertebral para este proceso de articulación de políticas.

### Innovaciones dentro de FA

- *Primera Infancia:* Los apoyos en nutrición en los primeros años marcan diferencias que se mantienen en el tiempo. Por tanto estos son apoyos que deben conservarse. Incluso podrían complementarse con programas como los de estimulación temprana, según se deriva de evaluaciones paralelas que se han desarrollado<sup>17</sup>. Se puede utilizar el capital social en las madres líderes de FA para implementar, a través de ellas, otros programas de primera infancia.
- *Créditos para educación terciaria:* Hay una demanda de productos financieros que puedan ser focalizados para acceder a la educación terciaria. En este nivel las limitaciones económicas pueden ser muy relevantes para los colombianos más pobres. En el análisis cualitativo se evidencian posibles cambios en las familias en relación con las expectativas que ellas tienen sobre los hijos. Es necesario por tanto construir un horizonte más amplio de futuro, donde los jóvenes tengan cabida con sus proyectos luego de haber terminado el ciclo escolar. Valdría la pena explorar estrategias ya sea para incluir un componente adicional a FA o disminuir el subsidio en estudios en de primaria para usarlos en educación terciaria (con las precauciones ya anotadas). Sin embargo, para suplir la demanda, es necesario que se incremente la oferta de educación terciaria en el país, en especial en zonas rurales
- *Bancarización:* La inclusión financiera de los pobres contribuye a ganarle a la pobreza. El Programa ya ha experimentado en tratar de aumentar la participación de sus beneficiarios en el sector financiero formal. Hay evidencia de que en este aspecto el Programa ha tenido impacto. Se debe utilizar la infraestructura del Programa para traer mayor inclusión financiera. Por un lado se puede reemplazar las cuentas de ahorro requeridas para el pago de los subsidios por cuentas de capitalización y con esto fomentar un mayor ahorro. De otra parte, y con el ánimo de reducir la deserción en los últimos años de secundaria, se puede abrir cuentas de ahorro a los jóvenes donde se ahorre una parte del subsidio de secundaria para estudios superiores o inversiones en proyectos productivos a futuro. En Bogotá se tiene alguna experiencia relevante con el *Subsidio Condicionado a la Asistencia Escolar*.

### Hacer obligatorios los Encuentros de Cuidado

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<sup>17</sup> El impacto de un piloto de estimulación basado en el trabajo seminal de Sally Grantham-McGregor, en el cual, en visitas a los hogares a niños pequeños y a sus madres (o cuidador principal), se trabaja un currículo bien estructurado que incluye una cantidad de actividades de juego y la utilización de diferentes materiales de aprendizaje, con la participación de las madres líderes de FA para realizar las visitas, evidencia la importancia de la estimulación (presentado en Bogotá el 26 de Marzo del 2012)



- No solo el subsidio de nutrición es importante para mejorar la adquisición de alimentos en el hogar. Se deben fomentar mejores hábitos alimentarios para que la cantidad se reemplace con calidad de alimentos. En este sentido, se debería pensar en la obligatoriedad de la asistencia a los Encuentros de Cuidado y hacer partícipes a algunos de los integrantes de la familia (adolescentes, por ejemplo), al igual que reforzar las temáticas incluidas en estos, no solo relacionadas con la parte logística del Programa sino con los diferentes aspectos de salud, nutrición, actividad física, educación sexual, etc. que permitan tomar mejores decisiones y por ende, mejorar la calidad de salud y nutrición en general. Al respecto, en las capacitaciones es importante separar lo que significa “no tener hambre” de lo que significa “alimentarse bien”. Una cosa es tener hambre y saciarla con alimentos baratos inadecuados, y otra cosa es no tener plata y creer que los alimentos saludables no se pueden comprar porque son los más caros.

**Annex 8. Comments of Cofinanciers and Other Partners/Stakeholders**

N/A

## **Annex 9. List of Supporting Documents**

1. *Evaluación de Operaciones de los Proyectos Piloto del Programa Familias en Acción en Comunidades Indígenas (Centro Nacional de Consultoría, 30 abril 2010).*
2. *Evaluación del Programa Familias en Acción en Grandes Centros Urbanos, Centro Nacional de Consultoría (Bogotá, December 2011)*
3. *Subsidios Diferenciados - Esquemas Ahorro e Incremental Estado y Avance (Unidad de Dirección Estratégico y Monitoreo, Familias en Acción, Noviembre de 2011)*
4. *Guía Para la Verificación de Compromisos Generalidades (Familias en Acción, 2011)*
5. *Informes de Estado y Avance (Cada Semestre 2009-2011)*
6. *Ley 1532, 7 de junio, 2012*
7. *Familias en Acción 10 años después: que impactos, que cambios, que futuro, by Orazio Attanasio, Arturo Gracia, Luca Pelleramo y Olga Lucía Romero, Abril 2012.*