

## **Report to Congress**

Rural Development Strategy of the Government of Colombia

Submitted to the Congress by the U.S. Agency for International Development  
Pursuant to House Report 109-152 accompanying the Foreign Operations, Export  
Financing, and Related Programs Appropriations Act, 2006  
(P.L. 109-102)

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Prepared by the U.S. Agency for International Development

# REPORT ON THE RURAL DEVELOPMENT STRATEGY OF THE GOVERNMENT OF COLOMBIA

## Introduction

House Report 109-152 accompanying the Foreign Operations, Export Financing and Related Programs Appropriations Act, 2006, (P.L. 109-152) states:

“The Committee directs USAID to report back to the Committee no later than 60 days after enactment of this Act what detailed steps the Government of Colombia is taking to develop a comprehensive rural development strategy.”

## The Rural Development Strategy of the Government of Colombia

Colombia already has a relatively robust rural development strategy in place. To achieve the objective of promoting and financing rural development and food security, the Government of Colombia’s agricultural policy is guided by the principles of equity, competitiveness, sustainability, and decentralization.

The rural development strategy, therefore, focuses on the reestablishment and improvement of agricultural production. The strategy will lead to a more competitive agricultural sector, capable of generating rural employment through combined public and private efforts. The latter will result in the community’s ability to respond in a competitive and timely manner to national and international market signals.

In order for Colombia to achieve a strong and competitive agricultural sector, national agricultural production will have to be modernized, the integration of national markets improved, transaction costs reduced, commercial operations supported and producers incomes increased. Similarly, improved access to social services and productive resources is critical so that the most vulnerable populations can improve their incomes to satisfy their needs and improve their living conditions.

The Government of Colombia’s Rural Development Strategy focuses on the following primary areas:

- 1) Employment Generation: This component generates employment by focusing on a broader rural development perspective based on the expansion of more competitive crops such as rubber, African palm, cacao and others.
- 2) Increased Competitiveness: Within specific agricultural production zones, this component focuses on the promotion of competitive, value-added products with strong national and/or international markets. The competitiveness of agricultural activities will improve by expanding access to sustainable agricultural finance, promoting public and

private investment in the agricultural sector; and through the innovation and application of appropriate technology that reduce transaction costs and improve labor productivity at all levels of the value chain. This competitiveness approach, along with a focus on environmentally sustainable production, will increase the value of Colombian products. The value added aspect will in turn, improve access to national and international markets, while at the same time protect the long-term sustainability of the Colombian agricultural sector.

3) High Social Impact Activities: This component supports initiatives with broad social impact such as high-yielding cassava production, and sustainable production of long-term income crops such as fruits, African palm and cacao. This also supports the promotion of freshwater fisheries; and initiatives to improve access to updated technical assistance, farm machinery and sustainable rural financial services.