

**Operational recommendations on alternative development; regional, interregional and international cooperation on development-oriented balanced drug control policy; addressing socioeconomic issues**  
**U.S. Contribution**

Alternative development is a fundamental pillar of the international strategy to control illicit drug crops, and programming should promote social integration and the rule of law; build trust between the community and the government; and promote peace, and the culture of legality. The international community should promote, within the framework of their national policies, programs, and actions, integral and sustainable alternative development initiatives, using the UN Guiding Principles on Alternative Development as a reference tool for best practices. As the international community explores opportunities for advancing alternative development initiatives, member states should seek further clarification from requesting host countries on what specific technical assistance would be beneficial to reducing illicit drug crop cultivation.

**Afghanistan**

- In October 2016, the United States provided funding support for two new alternative development projects to strengthen licit alternatives to poppy cultivation in Afghanistan.
- The “Strengthen and Diversify Licit Livelihoods through Alternative Development Interventions” project implemented by the UN Office on Drugs and Crime (UNODC) aims to strengthen and diversify licit livelihoods of small and marginalized farmers through alternative development methods. The project will support and strengthen selected value chains in production, processing, quality control, and market linkages across 13 target provinces.
- The “Community-Based Agriculture and Rural Development” – known as CBARD – project implemented by the UN Development Program (UNDP) aims to improve household income while reducing dependency on illicit poppy cultivation for selected communities in Farah and Badghis provinces,

the second and third highest poppy-cultivating provinces in Afghanistan in 2015 according to the UNODC. CBARD will improve the local production and marketing of high-value crops. The project will also develop and strengthen community-based agro-business infrastructures, such as irrigation, transportation, and storage facilities.

- These programs support U.S. counter narcotics objectives in Afghanistan by helping Afghans who rely on domestic agriculture for income generation and sustenance to find gainful economic alternatives to narcotics production.
- For example, the Kandahar Food Zone (KFZ) program helps rural farmers in Kandahar earn legitimate incomes by identifying and addressing the drivers of instability that lead to opium poppy cultivation at the community level and tailoring solutions to local needs. Through the Kandahar Food Zone (KFZ) program, the United States Government rehabilitates irrigation canals, establishes irrigation associations, develops standards and procedures for these associations, and supports vocational training in masonry, vegetable production and processing, mechanical maintenance, pre- and post-harvest marketing and management, greenhouse construction, and solar drying. To date, the United States Government has rehabilitated 218 km of irrigation canals, which increased availability of water for over 24,000 hectares of farmland, benefiting over 20,000 households. Since the program's inception in July 2013, the United States Government has provided alternative livelihood trainings to over 2,000 Kandahar residents.



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## FACT SHEET



# Consolidation and Enhanced Livelihoods Initiative – Central Region

## Background

The Consolidation and Enhanced Livelihoods Initiative - Central Region (CELI-Central) program is advancing the U.S. Embassy's Colombia Strategic Development Initiative (CSDI) in the framework of Colombia's National Territorial Reconstruction and Consolidation Plan (PNCRT) by deepening institutional presence in target rural areas. Operating under the name *Colombia Responde*, CELI-Central continues to engage strategic partners in the public and private sectors to design, implement and sustain an integrated rural development approach that combines social, economic, governance and social infrastructure interventions to build trust and advance development in conflict geography.

## QUICK FACT

**To date, USAID has committed \$69.2 million to 641 rural development activities via Colombia Responde, leveraging a total of \$215 million from the public and private sectors.**

## Integrated Rural Development Methodology

In FY2014, CELI-Central advanced and built upon its integrated rural development model for community-driven, socio-economic development, and strengthened its institutional and community capacities, in order to foster the social, political, and agro-economic conditions needed to take ownership of and sustain the project management process. USAID approved the first four fully integrated activity proposals (*fichas*) this year, which began the implementation of larger scale, regionally-based interventions. These interventions weave together *planes de nucleo* activities to ensure sustainability through enlarged, cross-cutting initiatives to enhance long-term institutional capacities in both public and private sectors. As the program enters its final stage, the focus is to empower and mobilize smallholder producer associations and increase private sector investment in rural communities to create economic opportunities for community stakeholders.

To date, a total of 69 organizations across four regions have been identified and assessed. Their main products are diverse and include cocoa, coffee, rubber, fruits and cattle-ranching. These various products will require tailored approaches, depending on their degree of development. CELI-Central's four *fichas* have a total USAID investment of \$13.4 million. This contribution supports strong organizational structures, the participative creation of strategic business plans, improved planning and marketing capacities and training to foster a generational shift. USAID invested \$27,334,318 in 41 new projects in FY2014.

## Public Private Partnerships (PPPs)

As CELI-Central continues to align with USAID's overarching country strategy, it takes advantage of the many added benefits of engaging in public-private partnerships. These benefits include increasing investments, gaining economies of scale in programming, production and marketing, sharing technical knowledge, gaining access to new or previously blocked markets, reducing costs of products, services, materials, and distribution, and increasing visibility and effectiveness of services. In 2014, USAID approved three public-private partnerships in the coffee, cocoa and rubber sectors within the four targeted regions, with a private sector investment of \$1.8 million.

## Social Development

Enhancing social capital by supporting local governments and creating a sense of community ownership of local decision-making processes ensures the effectiveness and sustainability of CELI-Central activities. Key results include:

- Implemented a pilot project to streamline and improve health care in local hospitals in Ataco, Tolima. Forty six volunteer health promoters, 70% of whom are women, are receiving training in key healthcare practices. Thus far the volunteers have visited and treated 1,251 households (made up of 3,806 residents). This activity will be replicated in the three additional target municipalities in Tolima. Carried out 210 small infrastructure improvements and donations for approximately \$5.4 million in order to meet immediate needs prioritized by communities during participatory workshops.

- Organized vacation camps during school breaks in Meta and Tolima, providing healthy recreational options for 6,800 children and youth categorized by the GOC as in imminent risk of recruitment.

### Economic Development

Integrating local production chains with broader markets and strengthening local producer associations improves the income and quality of life of small farmers and their families. Key results include:

- Advanced the implementation of 37 productive alliances to strengthen production chains and link rural producers to regional and national markets. As a result, the livelihoods of 1,506 households will be strengthened; to date, 703 households are actively participating in productive projects. The total value of these projects is \$21,765,124, of which USAID has committed 20%.
- Connected 300 small producers to dairy distributor Alquería's supply chain over the past five years, providing them with training in best practices and new technologies in dairy farming. Production increased from 3,000 liters of fresh milk per day to approximately 25,000 liters daily in the framework of an expanded cold storage network of seven collection facilities; the price paid per liter has increased by 20%.

### Good Governance

CELI-Central is collaborating with municipal and local institutions to establish citizen participation mechanisms, improve local governance capacities, and help them access to national resources. Key results include:

- Developed 291 proposals for infrastructure and productive projects totaling \$110,561,436 to be submitted to National Royalties System; 15 projects totaling \$5,228,597 have been approved so far.
- Trained 2,260 members of 549 local community boards (*Juntas de Accion Communal*; JACs) and 199 city councilmembers in Caquetá, Meta and Tolima.
- Supported the updates of 20 municipalities' Land Use Plans (*Planes de Ordenamiento Territorial*; POT/PBOT) across the four focal regions. These plans serve as a key planning and spending tool for the municipalities.
- Facilitated access to justice for victims across the focal area. In Cauca and Caquetá, municipal ombudsmen (*personerías*) are receiving training in how to properly attend to and receive the declarations of victims, provide psychosocial support, and uphold human rights and affirmative action, in order to connect community members to primary services such as health and education. This enables them to assert other important rights that they may have been unaware of or previously denied.

### Infrastructure

Rural communities frequently cite infrastructural development as a central need that not only improves connectivity in the focal consolidation areas, but also complements activities in other components and ensures the sustainability of advances. Key results include:

- Supported improvements to over 198 kilometers of roadways; over 90,503 people have benefitted from CELI-Central's infrastructure activities, including improved tertiary roads, bridges and sewage systems. Spearheaded the repair of 33 km of tertiary road in Union Peneya, Caquetá, connecting the municipality of La Montañita to the capital, Florencia, permitting local goods to reach regional markets and helping 11,946 residents to access goods and services.
- Coordinated the construction of a total of 62.6 km of medium voltage electric lines that were extended to eight rural schools in the municipality, in collaboration with the mayor of Cartagena del Chairá and its local public services company. This initiative benefits 341 students and 299 households who can connect to the network via minor adjustments to their homes.

### Land

Forced displacement and informal land tenancy are central causes of conflict and barriers to development in rural areas of Colombia; formalizing public property is a prerequisite to improving public infrastructure. Key results include:

- Currently implementing 19 land activities, contributing \$11.3 million and leveraging \$54.5 million in GOC funds.
- Established regional Restitution Unit offices in Meta, Tolima and Cauca, ensuring that the proper administrative systems are in place to streamline the resolution of a projected 900 restitution cases in Cauca, Meta and Tolima. Thus far, the program has supported 442 cases, of which 67 have been resolved.
- Provided technical assistance to Colombia's National Geography Institute (IGAC) to update the cadasters of 59,051 properties across regional offices in the four focal regions, far exceeding the goal of 23,800

properties. This information will determine municipalities' tax bases, help resolve disputes between landowners, and serve as an input for restitution processes.

- Supported the formalization of 201 public and private properties, out of a projected 1,500 properties in Caquetá, Cauca and Tolima. This will clarify land ownership among private entities, and also permit municipalities to make much-needed improvements to schools and other public facilities.
- Spearheaded an ambitious \$13.4 million initiative to update, integrate and digitize the filing system of the National Rural Development Institute (INCODER). USAID is contributing \$4.2 million to this initiative through Colombia Responde.



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**COLOMBIA**

## FACT SHEET

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# Colombia Enhanced Livelihoods Initiative (CELI) – North/South

Through the Colombia Enhanced Livelihoods Initiative – North/South (CELI N/S), USAID provides support to the Government of Colombia's (GOC) effort to improve governance, stimulate sustainable economic development, and encourage licit lifestyles free from conflict and violence. CELI N/S supports ten municipalities in Northern Antioquia, five municipalities in Southern Córdoba, and the municipality of Tumaco in the department of Nariño. These municipalities' high poverty levels are attributed to the decades of violence associated with prevailing guerrilla, criminal, and narco-trafficking activities as well as the regions' physical isolation.

CELI N/S works closely with the GOC's Special Unit for Territorial Consolidation (UACT), which is responsible for orchestrating the effort to regain State presence in the Consolidation municipalities. The Program also works collectively with multiple GOC agencies and community and private sector stakeholders to create the conditions necessary to promote a sustainable state of peace and security. CELI N/S is implemented through the following components:

## COMPONENTS

### Improve Governance and Civic Capacity

Working in collaboration with municipal, departmental, and national authorities, CELI N/S helps municipal governments and local small farmer and other associations to access national and departmental government programs and resources to improve basic services, social and economic infrastructure, and productive activities. The effective use and application of these resources improves the livelihood of the local population and their perception of the interest and concern of the Colombian State. Weak state presence is seen as a major contributing factor to the growth of illegal activity, with the consequent violence and displacement of people, which has made Colombia a country with one of the world's highest prevalence of internally displaced persons.

A major CELI N/S activity is to strengthen these local governments to more effectively fulfill their roles, while at the same time building the capacity of local citizen's organizations and their ability to interact with municipal authorities. These include the municipal councils, the municipal rural development committee, the *Juntas de Acción Comunal* (legally recognized neighborhood associations - JACs), producer associations, and other civil society actors. Their role is to advocate for citizen's rights and needs, participate in municipal planning and budgeting, and exercise their legally sanctioned oversight functions of elected and other municipal officials. The objective is to strengthen legitimate leadership, build transparency and accountability, and improve the effectiveness of municipal services.

### Foster Economic Development

CELI N/S fosters private sector investment and partnerships with local, national, and international businesses to ensure licit economic development by strengthening small-scale producer associations, increasing access to technical and market services, improving productivity and quality, linking producers to stable domestic and international markets, and strengthening weak links along the value chain. Better access to credit and financial services ensures sustainable development over the long-term. CELI N/S also supports the efforts of municipal governments to qualify and apply for Ministry of Agriculture programs for productive investments, public/private partnerships, credit guarantees, irrigation and drainage systems and others. Strengthening the local and regional economies weakens interest in illegal crops and creates the conditions for continued investment. Local economic development in the 16

prioritized municipalities continues to be limited by weak private sector investment, which often leaves local products without access to lucrative and dependable markets.

### **Strengthen and Build Social Capital**

Permanent positive change in the 16 municipalities depends on the will and actions of the local population in rejecting or resisting illegality and violence, and embracing the actions and programs offered by the Colombian State to improve their livelihoods. CELI N/S supports a variety of programs that build the capacity of organized citizens to more fully participate in local decision-making, sponsor self-help initiatives, and reinforce values of good citizenship. These activities strengthen women's organizations, combat forced recruitment of youth by illegal armed groups, raise awareness of the dangers of child labor, build self-esteem and cultural identity, and improve channels of communication. This component of the program plays a critical role in helping to promote trust in the State and benefits of a licit lifestyle.

### **Support Economic Infrastructure**

Inadequate and sub-standard economic infrastructure is pervasive in the CELI N/S municipalities, but rather than simply building better infrastructure, the CELI N/S program empowers communities to help themselves, working with local residents on how to set priorities, design small infrastructure projects, engage the municipality, secure financial support, and implement these projects through local *Juntas de Acción Comunal* (JACs). CELI N/S, in conjunction with municipal governments, provides partial funding to repair river docks, maintain pedestrian bridges, and improve tertiary access roads, market centers, and others. The community, through the JACs, undertakes the management and implementation of the infrastructure projects and provides much of the labor, strengthening their capacity to represent and advance the interests and needs of the community. The benefits of greater economic connectivity and the empowerment of local populations to more fully participate in local planning and decision-making are critically important to ushering in peace and working toward a more economically secure future.

### **Assist in Land Formalization and Restitution Programs**

Lack of clear land tenure in primarily rural areas is a significant problem, leaving small farmers unprotected and discouraging private sector investment. Problems include vague and illegally obtained titles, forced sales, lack of formal registration, ill-defined collective ownership, forced expulsions and seizures. An important dimension of the CELI N/S program involves support for a variety of local, departmental, and national institutions that deal with land tenure issues such as CORANTIOQUIA, IGAC, the Land Restitution Unit, and municipal councils. Legal land ownership, especially in rural areas, is a vital first step in expanding municipal assets and providing for greater investment, more access to credit, and sustained economic development.





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## ALTERNATIVE DEVELOPMENT

USAID/Peru's Alternative Development (AD) program is a key component of the U.S. and Government of Peru's (GOP) comprehensive counternarcotics strategy. The program promotes licit livelihoods in former coca-growing regions and helps to sustain coca reduction achieved through eradication programs.

The AD program employs an integrated approach that includes both economic incentives and social cohesion activities. Communities that agree to remain coca-free, receive USAID and GOP support tailored to each community's priorities and needs. Assistance includes planting new licit crops; improving the productivity of existing cacao, coffee, and banana trees; increasing farmers' access to financial services; strengthening the capacity of producer associations and cooperatives; facilitating access to local and international markets; and upgrading community infrastructure, among others. Activities also aim to promote women's well-being, gender equity, and the empowerment of youth. Past experience illustrates the impact of this integrated strategy: in communities where AD has followed eradication, coca cultivation has been reduced by 90 percent. In communities that received either AD without eradication, or eradication without AD, no substantial reduction in coca cultivation has been recorded.



## OUR WORK

### PROGRAM BENEFITS EXPAND

USAID has assisted 31,744 families from 1,500 communities across four regions of Peru. Through USAID's support, farmers have planted 19,000 new hectares of cacao and coffee and improved the productivity of their existing licit crops.

### SALES GROW

USAID has strengthened local producer associations and cooperatives by increasing membership, expanding the amount of licit crops processed and sold via these organizations, and providing customized technical assistance on business administration and marketing strategies. As a result, in 2015, USAID helped generate \$34.0 million in sales of licit crops, along with the equivalent of 18,500 full-time jobs.

### CREDIT REACHES THE POOR

USAID is backing a multi-bank Development Credit Authority (DCA) loan guarantee to stimulate lending in AD areas. Supporting rural financial services providers, the DCA will unlock \$54 million in private sector finance and offer new credit products that link AD farmers with formal financial institutions for the first time. USAID also provided financial literacy training to more than 2,000 people in 2015 and will expand this assistance to reach 5,000 women over the next two years.

### LOCAL GOVERNANCE EXPANDS

In 2015, USAID trained 88 municipal leaders to improve their budgeting and project oversight skills. USAID also trained 385 community leaders on how to create participatory development plans that helped them access over \$2 million to support their local development priorities.

### PARTNERING WITH THE PRIVATE SECTOR

USAID leveraged \$13.5 million from the private sector to jointly plant over 11,000 hectares of "fine and aromatic" cacao with farmers and assisted 21 cooperatives and more than 260 small producer groups in finding local and international buyers for their crops.

## IMPORTANT OUTCOMES

AD assistance has supported hundreds of communities to declare that they will no longer produce coca. Over the last three years in the Monzon Valley, a combination of coca eradication and alternative development has contributed to a decrease in coca production from 10,534 hectares to 393 hectares. In 2015, more than 2,500 hectares of cacao and coffee have been planted and education and health services have improved. In addition, three new police stations have been installed, and the private sector is investing in new hydroelectric facilities, financial institutions, and in purchasing cacao and coffee produced in the region.

To consolidate the gains achieved in the San Martin and Huanuco Regions, USAID will continue to emphasize alliances with the private sector and transfer activities to national, regional, and local government entities, farmer associations, and other local actors. Meanwhile, the program will redeploy resources to newly eradicated areas in other regions. This model is also now being implemented in Ucayali, where new communities continue to sign coca non-replanting agreements. Continued programming seeks to include marginalized populations, such as women and girls, persons with disabilities, at-risk youth, and indigenous groups in order to enhance their ability to participate more fully as actors in their own development.



Over the last six years, USAID has helped plant more than 31,000 hectares of cacao in former coca growing regions of Peru.

PHOTO CREDIT USAID/PERU



USAID assists cacao farmers to improve productivity and post-harvest processing of their crops.

PHOTO CREDIT USAID/PERU



Community leaders use local media to advocate for licit livelihoods in areas such as the Monzon Valley, a former bastion of violence and drug trafficking.

PHOTO CREDIT USAID/PERU

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