Analysis of the report on poverty in Colombia based on the Sustainable Development Goals to AFE Foundations

AFE, picture was taken in the in Marlo Santo Domingo Foundation's macro-project Villas de San Pablo
This analysis informs AFE Foundations of the main findings of the technical report presented on the 2nd of March 2016 by the National Administrative Statistics Department (DANE), ‘Monetary and Multidimensional Poverty in Colombia 2015’. The data from this report has a relationship with the Sustainable Development Goals (SDGs) and the work each AFE Foundation is doing at national or regional level.

This technical report shows the advancement of improvements in Colombian society regarding general and extreme monetary poverty and multidimensional poverty. The focus of sections of this report divides in national, rural and urban-heads and metropolitan, and a division by Colombian regions. The report shows a comparison with the data from the year 2014 and presents progress since the year 2010.

The structure of this analysis is as follows: first the definitions of concepts of poverty, extreme poverty and multidimensional poverty, secondly, a review of the concept of SDG 1 that refers to ‘End poverty in all its forms everywhere’, however, as the General Assembly of the United Nations mentions: ‘The Goals and objectives have an integrated and indivisible nature and conjure the three dimensions of sustainable development: economic, social and environmental’. Thus, working on one SDG means working on all of them, and that progress in one means progressing on them all. It is important to understand how other SDGs influence poverty, therefore, this is included in this analysis. We then analyse the results using the index of monetary and multidimensional poverty, being analyzed by area: rural, urban, and national or by region according to the definitions of DANE. Finally, we give recommendations to Foundations.

Maria Carolina Suarez Visbal  
Executive Director, Asociacion de Fundaciones Empresariales

Juan David Ferreira  
Report Writer, Asociacion de Fundaciones Empresariales

Jessica Russell  
Report Editor, SDG Philanthropy Platform

Roy Andraos  
Report Designer, SDG Philanthropy Platform
1. Concepts

The most important concepts discussed in DANE’s report about poverty in Colombia include poverty lines, extreme and general monetary poverty, multidimensional poverty and GINI coefficient, besides this, and given the focus that AFE and its member Foundations want, there will be an expansion on the SDG 1.

The poverty line is defined as ‘The minimum per capita monthly cost to acquire products from a basket of goods [alimentary or non-alimentary] that allows an adequate life quality in a determined place’. The poverty line has been updated with the IPC [Price Consumer Index], and for 2015 the minimum cost per capita was of $223,638 COP. On the other hand, the extreme poverty line is ‘The minimum per capita monthly cost to acquire only alimentary goods that allows for a subsistence level in a determined country’. The extreme poverty line in 2015 was $102,109 COP. The increase on the lines of poverty [5.6%] and extreme poverty [8.5%] in relation with 2014 reflect the inflation of the Colombian peso and the effect it has had on the poverty-stricken population in Colombia.

The GINI coefficient is a tool used to measure income inequality in a given population, and goes from 0 [no inequality] to 1 [extreme inequality], it is an important tool as it does not only measure national inequality but measures it in the different territories and cities in Colombia, displaying the areas with higher inequality levels.

The multidimensional poverty index [MPI] introduces the idea that poverty is not uniquely monetary, but that it also demonstrates a lack of access to several general services. “The MPI tallies according to five variables: the home’s educational conditions, the conditions of the child and youth, health, employment and access to public services and home conditions”. These five variables have 15 indicators, and to be multi-dimensionally poor there should be a deprivation on at least 33% of the indicators.

Finally, we believe it is necessary to share more information about SDG 1 which has as a target of ending poverty in all of its forms, everywhere. SDG 1 is the starting point of all other SDGs, interconnecting to a better education, ending inequality and hunger, creating resilient communities, promoting innovation and infrastructure, well-being, and economic growth, among other things. SDG 1 includes the following purposes defined by the United Nations:

- Eradicate extreme poverty [people who survive with less that USD $1.25 per day],
- Reducing to a half the men, women and children that live in all the forms of poverty, by 2030,
- Implementing at a national level the appropriate systems and measures of social protection for all,
- Guarantee that poor and vulnerable people have a right to access economic resources and basic services by 2030,
- From now until 2030, promote resilience among the poor, and people stricken by vulnerable situations,
- Guarantee a significant mobilization of resources from diverse sources, also through the improvement of development cooperation so that programs and polices geared towards ending all dimensions of poverty are implemented.

It is important to understand the value of SDG 1 and how poverty in Colombia relates to it, given that the SDGs will be the international community’s paradigm of development in the years to come. It is necessary that in the future SDGs become implemented in the measurement of poverty, especially the MPI as it shows a more open and less arbitrary definition of poverty.

Having defined these concepts, this is followed by an evaluation of the different poverty indicators that DANE has used to make its report, including the monetary poverty index and the inequality index.
2. Profiled Monetary Poverty

Monetary poverty has a direct relation with SDG 1, and also with SDG 8 [decent employment and economic growth] because if there are appropriate employment opportunities, a larger group of Colombians can overcome poverty or extreme poverty. In Colombia during 2015, there was a decline of 0.5% in monetary poverty (27.8%), this trend occurred at header-municipalities (24.1%), metropolitan (15.9%) and rural areas (40.3%) with declining rates of 0.5%, 0.5%, and 1.1% respectively. However, in spite of rural areas experiencing a decline of over 1% in the poverty index their situation remains uncertain. More than 40.3% of rural population continues to be monetarily poor in comparison to 27.8% of the national average or even more worrying if compared to the metropolitan average of 15.4%. This proves that despite rural poverty reducing double than metropolitan or header-municipalities, its numbers continue to be high. This data suggests an objective look to promote SDG 10, which mentions inequality, as is clear that in Colombia a wide gap between rural and urban areas persists.

On the other hand, in 2015 extreme poverty declined 0.2% at a national level (7.9%) and at header-municipalities (5.1%), nevertheless, it had an unchanged rate in rural (18%) and metropolitan (2.7%) areas. It is noteworthy how extreme poverty in rural areas is six times more than in metropolitan ones, this shows clearly that the private sector must assume an important role to reduce extreme rural poverty by seeking collaboration with the national or local government in rural development projects that assist in poverty eradication to inhabitants of rural areas. Consequently collectively contributing to eradicate rural poverty and assisting in closing inequality gaps among urban and rural areas in Colombia.

The DANE report presents the profiles of the households affected the most by monetary poverty. Again, this report shows the hardships that are present among rural inhabitants in Colombia. The report shows how poverty in each of the profiles (gender, age, educational level, employment situation, occupational position and social security) is worse at a rural level.

The report shows a marked inequality among households with male leadership and those with female leadership. The difference in monetary poverty between those two households show that nationally, female-led households are 4.7% poorer than male-led households, in header-municipalities a 6.6%, at rural areas 7.8% and at metropolitan areas 4.4%. This shows that besides closing the poverty gap, households with female leadership need extensive support to graduate from high poverty levels.

Female empowerment programs, especially those that support income generation, are needed in every region of the country to confront gender inequality. Female empowerment programs can be used to aim to achieve SDG 5, to ‘achieve gender equality and empower women and girls’ especially under target 5.a that mentions women’s equality of rights to economic resources. To close the gender gap, both public policy and AFE Foundation’s social projects must account for the vulnerable role that female household leaders have nationwide, intervene and solve the poverty problems they adduce.

The incidence of poverty according to household characteristics also presents a topic that contributes to gender inequality. In Colombia, the higher the number of children under-12 years old a household has, the monetarily poorer it is. Because of this, sexual and reproductive educative sessions must begin with males and females so that families are conscious on their planning based on their socioeconomic level. However, it is certain that in rural areas families tend to have more children due to the need for a large workforce, therefore it is necessary to create new economic and development supportive means that lure minors from work and consequently help families to understand the importance of children and youth education over work.
Colombia is experiencing a problem regarding education, although citizens have an ever-increasing access to tertiary education, people with college, technical or university educational levels have seen their poverty level increase, even with the numbers of educated people in extreme poverty increasing. Regarding monetary poverty, nationally, people with technical education have seen their poverty level increase by 0.6%, with a high 5.6% increase at rural level; additionally, poverty levels for those with a university education has increased 0.4% nationally, together with a steep 2.5% rise in rural areas. This demonstrates that while more people are receiving an education in Colombia, employment opportunities are not responding to this growth.

These trends are also present in the extreme poverty measurements, where there was a 2% increase of people with technical education in extreme poverty nationally, and with university education of 1.4%. This shows us that in Colombia there has been a failure interconnecting SDGs, as we see that even with the multiplicity of educative projects that AFE Foundations, public sector and other actors support and align to SDG 4 seeking to ‘Guarantee an inclusive and equitable education of quality and promote lifelong learning to all’, there has been a lack of positive change in SDG 1, in lowering poverty levels in educated citizens.

To end this trend, there must be an implementation of new inclusive employment opportunities supported by AFE Foundations capacitation programs in people with low resources or in considerable poverty levels that have decided to use education as a tool to grow in socioeconomic terms. Regrettably, education in Colombia is not working as an exit mechanism from poverty for most of the population, especially for those living in rural areas. Therefore there is a need to strengthen the link between decent formal employment and tertiary education in Colombia. The need to empower education rests on the possibility of it being able to offer a better future to the people who intend to receive it, and without achieving this possibility it will be very difficult for Colombia to interconnect the SDGs to guarantee the eradication of poverty and extreme poverty.
3. Multidimensional Poverty Index (MPI)

The multidimensional poverty index (MPI) is a broader way to measure the poverty levels in determined places, based on five different variables. The MPI encompasses a social thematic that deepens on the difficulties present in conditions of poverty. DANE uses MPI to make a variation average each year in three different areas: national, header/metropolitan and rural. According to the MPI index of the years 2014 and 2015, these three areas have seen an improvement in multidimensional poverty, which shows that the population has obtained more and better services at public level, enhancing the resources the population receives that relate to the MPI indicators.

<table>
<thead>
<tr>
<th>MPI Indicators</th>
<th>Sustainable Development Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational conditions of the household</td>
<td>SDG 4: Quality Education</td>
</tr>
<tr>
<td>Infant and Youth Conditions</td>
<td>SDG 3: Well-being and Health</td>
</tr>
<tr>
<td>Health</td>
<td>SDG 3: Well-being and Health</td>
</tr>
<tr>
<td>Employment</td>
<td>SDG 8: Decent employment and economic growth</td>
</tr>
<tr>
<td>Access to domiciliary public services and household conditions</td>
<td>SDG 11: Sustainable Cities and Communities</td>
</tr>
</tbody>
</table>

Table 1

As shown by Table 1, the indicators of MPI have a direct relationship of the SDGs given that the five indicators refer to a specific SDG. This proves the influence that SDGs 2 - 17 have in affecting SDG 1, and shows the importance of understanding poverty not in monetary terms but in the access people have to basic services that the SDG Agenda includes. Hence, by working for any SDG in a broader way there is an intention to solve all forms of poverty due to the indivisibility of the SDGs.

The MPI has improved at a national, rural and header/metropolitan level, which are the areas DANE focused in. Between 2014 and 2015 the IPM reduced by 1.7% nationally (20.2% in 2015), headers/metropolitan 1% (14.4% in 2015) and rurally 4.4% (20.2% in 2015). DANE considered the drop of MPI at the national and rural levels to be significant. It is important to see the efforts several actors are producing at a rural level; however it remains important to note that there is considerable work that is still needed given that multidimensional poverty in 2015 in rural areas was 2.8 times higher than in headers/metropolitan areas. This fact is another signifier of the inherent inequality existing in Colombia between these two areas, and shows concisely the problem of Colombia’s lack of decentralization in the public, private and social sectors. These sectors must begin to plan how to come together and provide a greater impact with their projects to translate the results to the rural sector and continue the implementation of current and future projects that deepen the efforts to eradicate multidimensional poverty.
3.1 Multidimensional Poverty Index by Region

DANE also provides the measurement of MPI progress at the regional level, dividing the country into 7 different regions: Caribbean, Bogota, Central, Oriental, Pacific and Valle Del Cauca. The MPI by regions is shown below in Table 2.

<table>
<thead>
<tr>
<th>Region</th>
<th>MPI</th>
<th>Change 2014/2015</th>
<th>Change 2010/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIGH</td>
<td>Pacific (33.8%)</td>
<td>-0.8</td>
<td>-8.9</td>
</tr>
<tr>
<td></td>
<td>Caribbean (31.2%)</td>
<td>-3.4</td>
<td>-14.3</td>
</tr>
<tr>
<td>MIDDLE</td>
<td>Central (22.1%)</td>
<td>-6.0</td>
<td>-9.1</td>
</tr>
<tr>
<td></td>
<td>Antioquia (18.7%)</td>
<td>-0.8</td>
<td>-9.9</td>
</tr>
<tr>
<td></td>
<td>Oriental (17.55)</td>
<td>-0.5</td>
<td>-11.1</td>
</tr>
<tr>
<td>LOW</td>
<td>Valle Del Cauca (15.7%)</td>
<td>0.0</td>
<td>-8.4</td>
</tr>
<tr>
<td></td>
<td>Bogotá (4.7%)</td>
<td>-0.7</td>
<td>-7.4</td>
</tr>
</tbody>
</table>

Table 2

This table helps in making an analysis of the multidimensional poverty across coastal regions. The Pacific region in spite of being an entrance and exit maritime port, does not see its potential reflected because of the poverty level of the inhabitants of the region, and while there has been a reduction in the level of multidimensional poverty this remains the highest at national level. The Caribbean region, which has an entrance and exit door to the Colombian economy, and is renown as an innovative and industrial region also sees a high level of multidimensional poverty, thus showing the marked inequalities present in the region. However, the Caribbean region has experienced a contribution from its growing economy to the reduction of multidimensional poverty of 3.4% between 2014 and 2015, and of a 14.3% reduction between years 2010-2015, this last decline is the largest among all the Colombian regions in these years.

The Colombian central region had a reduction of 6% in multidimensional poverty levels, the largest progress between years 2014 - 2015, this is explained by the fact that large amounts of social private investment coming from Bogota have had an intervention focusing on the neighboring departments of the Colombian capital. This trend must continue so the MPI in the Central region continues decreasing and can be closer to Bogota’s MPI levels in the future. This decline of the central region’s MPI is therefore a reflection of the spillover of social private investment in Bogota to its neighboring regions. As the most important urban area in the country, Bogota has had an important development regarding the reduction of multidimensional poverty between 2010 - 2015, halving MPI to what it was in 2010 (12.1% to 4.7%). This shows how Bogota has united efforts from public and private social investment and how they are responding to the requirements the city has as national capital, while also becoming a place that offers more possibilities to access public services to its citizens.

Other regions that have had a marked reduction of multidimensional poverty include Antioquia and Valle Del Cauca, both achieving a reduction of one-third of their MPI since 2010. These are places where the Colombian economy is booming, supporting a sustained economic growth in recent years, therefore it is noteworthy how the wealth produced in these regions has contributed to the shrinking of the MPI. Moreover, given the growth and the national presence of organizations from these regions, they have been able to respond to this success with social private investment to the improvement of life quality of the inhabitants in these regions, creating a unique kind of redistribution tackling the problem of multidimensional poverty.
3.2 Multidimensional Poverty Index by Household facing variable deprivation

3.2.1 National Level

DANE presented in their report an index of multidimensional poverty by variable, taking into account the 15 indicators that the MPI uses to produce its data.

Nationally, in 2015 the five largest variables from these indicators that affect households with multidimensional poverty were: informal employment (74.5%), low educative achievement (48.2%), scholar lagging (29.5%), no health insurance (11.2%), and critical overcrowding (10.6%). The range of these variables demonstrates the need at national level to reinforce SDG 8: Decent work and economic growth, given that many people living in multidimensional poverty conditions have informal jobs. It is especially necessary to focus on point 8.8 of this SDG that mentions the protection of workers’ rights and the promotion of a safe working environment. Contributing to formalize employment connects with an improvement in SDG 3: Good health and well-being, and health insurance as it is covered by labor law in formal employment.

Likewise, it is relevant to mention how of these, four variables were the ones that had a larger reduction between 2014 and 2015. For example, scholar lagging declined by 2.5%, low academic achievement 2.5%, informal employment 2.3% and health insurance 1%. This shows that at a national level there is an intention to confront the biggest challenges that people under the MPI are considered to have; prioritizing the needs of poor people towards improving levels of education under SDG 4.

3.2.2 Municipalities and Metropolitan Areas

Households in municipalities and metropolitan areas in 2015 confront a deeper deprivation in the following variables: informal employment (70.1%), low academic achievement (39.2%), scholar lagging (27.3%), no health insurance (11.2%) and long-term unemployment (10.6%). These are the same variables that affect households at the national level. It is important to mention, that as in the national level, the variables that experienced a larger reduction between 2014-2015 were the highest ones, understanding that the actors in charge of resolving this situations have listened to the population and have commissioned improving this conditions; for example the reduction of informal employment was 2.6%, scholar lagging 2.5%, low academic achievement 2.5% and lack of health insurance a 1.3%, on the other hand long-term employment reduced a 0.2% however it was not significant data for DANE.

3.2.3 Rural Areas

In the rural areas the change in the priority variables is different from the national or municipal/metropolitan areas. In rural areas, the highest variables in 2015 included: informal employment (90.1%), low academic achievement (81.6%), scholar lagging (37.8%), no access to clean water (37.5%), and illiteracy and inadequate sewage system with 22.1% each. This data displays the importance and urgency of formalizing employment in rural Colombia and increasing the investment of rural education to all ages. Colombia, as a developing country with a growing economy should not allow a high illiteracy index, as it hinders deeply the social development of the country.

Moreover, the Colombian rural areas have the need of home improvement under the framework of SDG 11, as not being able to access clean water and having deficient sewage systems can lead to broad public health problems for rural inhabitants. Data demonstrates that the rural sector is in need of a deep intervention by the government, private, and social actors as the pretension of centralizing economic production and social development in the large metropolitan areas is a momentous plan, especially considering the economic growth potential the rural areas have due to the multiplicity of products produced in Colombian soil. In order to close the inequality gap, Colombia must start with closing it between the rural and metropolitan/municipal areas to foster stability and progress in both, besides, there is a need to close this gap in accordance with SDG 8, as in Colombia the most important challenge lies in the political, economic and social inclusion of rural inhabitants in poverty.
The most noteworthy variable reductions for the rural areas from 2014 - 2015 included: no access to clean water [4.3%], inadequate floor material [2.4%], scholar lagging [2.4%], illiteracy [2%] and low academic achievement [2%]. Again, there is an explicit interest from social actors to invest to improve the education level in the country and this is something that must be happening continuously to produce better opportunities to eradicate poverty through the creation of formal employment. Furthermore, it is clear that there is an intention from these same actors to improve the housing conditions of people in rural areas, as most of these communities are not sustainable or resilient but can be in the long term if there is support for them to improve rural household infrastructure that benefits the quality of life of rural families in Colombia.

3.2.4 Average of Variable Deprivation by Region

In relation to the measurement of the average number of deprivations among poor people by region, the DANE report realized a significant change between 2010-2015 and 2014-2015, presenting considerable results. Since 2010, all the regions have seen a decline in the proportion of deprivations of their poor citizens. The Caribbean and Oriental regions have experienced the largest declines, reducing the average number of deprivations by 2.3% and 2.2% respectively, while the Central and Pacific regions showed the least amount of progress, achieving only a decline of 0.6% and 0.2% respectively.

It is interesting to note the 2010-2015 comparison of the two regions with the higher average number of deprivations among its inhabitants in poverty: Caribbean and Pacific (both with 43.1% average of deprivations). While the Caribbean region has been able to reduce its deprivation average each year at different scales since 2010, the Pacific region has experimented fluctuations in the deprivation average. This portrays the difficulties experienced at the sociopolitical level in the Pacific region, hindering the intervention of social programs from the public sector and even more from the social and private investment sector, in comparison, the economic growth the Caribbean region has been experiencing and the institutional strength in its wealthier areas has had the effect of reducing the average deprivation among poor people since 2010.

In 2014-2015, only two regions managed to diminish their average number of deprivations from the last year [Oriental with 0.4% and Caribbean with 0.1%], while the regions of Bogota and Valle Del Cauca were the regions that experienced the largest increase in the deprivation average with 1.1% and 1.3% respectively. Looking at this data, different actors should not stop in their aim to eradicate poverty, knowing that every day more help and support is needed in order to achieve the SDGs and eradicate poverty.
4. Poverty, Extreme Poverty and GINI Coefficient

At the end of their report, DANE presented an annex on the change in poverty, extreme poverty and GINI coefficient in the 24 largest urban areas of the country. As expected, cities in the Caribbean and Pacific regions had the largest index in these three measurements.

The most unequal city regarding poverty and extreme poverty is the capital of Choco, Quibdo; this city is a microcosm of the issues faced in the wider Pacific region, starting from the disorganization and institutional weakness of the local council tarnished by corruption, and lack of interest to intervene from the Colombian state. This lack of attention in public institutions is affecting the development of private social investment projects from both international and domestic actors due to the institutional disorganization, and furthermore, because of the distrust that these actors have in the transparent functioning of the Mayor of Quibdo and the Department of Choco.

The government must begin to find development mechanisms that penetrate this region by promoting progress focused on strengthening the public institutions that generate confidence and promote economic and social investment in the territory, to generate resources that resolve the problems in education, hunger, well-being, and housing that inhabitants of Quibdo and Choco experience.

<table>
<thead>
<tr>
<th>City</th>
<th>Poverty Index (2015)</th>
<th>In regard to 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quibdo</td>
<td>50.2</td>
<td>Worsened</td>
</tr>
<tr>
<td>Riohacha</td>
<td>41.0</td>
<td>Improved</td>
</tr>
<tr>
<td>Cucuta</td>
<td>32.9</td>
<td>Improved</td>
</tr>
<tr>
<td>Florencia</td>
<td>32.6</td>
<td>Improved</td>
</tr>
<tr>
<td>Popayán</td>
<td>30.7</td>
<td>Improved</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>Extreme Poverty Index (2015)</th>
<th>In regard to 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quibdo</td>
<td>17.8</td>
<td>Worsened</td>
</tr>
<tr>
<td>Riohacha</td>
<td>12.7</td>
<td>Improved</td>
</tr>
<tr>
<td>Popayán</td>
<td>7.8</td>
<td>Improved</td>
</tr>
<tr>
<td>Cucuta</td>
<td>6.9</td>
<td>Worsened</td>
</tr>
<tr>
<td>Florencia</td>
<td>6.8</td>
<td>Improved</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>GINI Coefficient</th>
<th>In Regard to 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quibdó</td>
<td>0.528</td>
<td>Worsened</td>
</tr>
<tr>
<td>Riohacha</td>
<td>0.522</td>
<td>Worsened</td>
</tr>
<tr>
<td>Bogotá</td>
<td>0.498</td>
<td>Same</td>
</tr>
<tr>
<td>Popayán</td>
<td>0.496</td>
<td>Improved</td>
</tr>
<tr>
<td>Florencia</td>
<td>0.493</td>
<td>Same</td>
</tr>
</tbody>
</table>

Tables 3 & 4

The city of Riohacha, Guajira is another example of how state disorganization at a local and departmental level has a negative effect on poverty and inequality levels. Riohacha has experienced several public turbulences in recent years, provoked by high corruption levels that have hindered the development of the city. With Quibdo, Riohacha has a high inequality index, far higher than the rest of the cities measured nationally. While Quibdo worsened on these three indicators, Riohacha did not do better as it only improved general poverty but worsened in extreme poverty and inequality. The conclusion from these measurements is that urgent attention to the needs of Choco and Guajira is required.
In table 5 regarding the GINI coefficient, Bogota’s metric causes concern. Despite Bogota having educative and housing projects with both private and public investment, Bogota is becoming two different cities separated by wealth and poverty, where the city has not been able to respond to the challenges of internal displacement, causing a large equality gap in the city. Statistics show that these internally-displaced migrants prefer to stay in the city, as they find better opportunities there compared to the rural areas where they used to live. Bogota must improve its planning strategies of inequality reduction, local public administrations and social private investment have an important role in localizing and promoting the SDG agenda, especially SDG 1, given that closing gaps requires governmental, private, social and local cooperation.

Foundations’ impact in poverty reduction in accordance to the guidelines of SDG 1

Following the framework of the Sustainable Development Goals, we note what was said in The Addis Ababa Action Agenda of the Third International Conference on Financing for Development about the role of philanthropy in local and global development:

“We welcome the rapid growth of philanthropic giving and the significant financial and non-financial contribution philanthropists have made toward achieving our common goals.”[UN, 2015]

According to this, and what has been demonstrated in this report, is that poverty in Colombia continues a sustained reduction process and this is owed, in large part, to the work that foundations have done at the national and territorial level.

A positive economic trend in Colombia has contributed to the empowerment of various foundations thanks to the donations and resources they receive as a product of the economic growth, this has assisted corporate, family and independent foundations the possibility of having an ever-increasing presence in the general development of Colombian society. This development can be described as multidimensional, given that foundations undertake heterogeneous tasks that improve the quality of life of Colombia’s vulnerable population. With foundations contributing in collaboration with public and international actors, this strengthens the effort to reduce poverty in Colombia. Foundations provide experience with field knowledge, technology and specialization as part of the partnerships framed in SDG 17 and as mentioned as the Addis Ababa Action Agenda where they “welcome efforts to increase cooperation between philanthropic actors, governments and other development stakeholders” (UN, 2015).

The heterogeneity of tasks and projects promoted by foundations has been the cornerstone of development and poverty eradication in several regions of Colombia. The regional concentration of some foundations has contributed to close the social and economic gap that is present in some of the most unequal regions in the country. AFE Foundations, for example, work continuously to improve quality of life in various communities through the generation of prospective mechanisms so these communities and its individuals acquire self-sustainable skills. The role of AFE Foundations lies in more than helping, but in generating autonomous development for the future.
Childhood and adolescence are relevant topics for philanthropy actors in Colombia, because of this, in the framework of SDG 2, 3 and 4 there are foundations that dedicate their efforts to achieve food security in crucial childhood stages and end infant malnutrition. Furthermore, there are foundations focused in promoting quality education through resource contributions or scholar attendance programs among others, all these efforts have improved the conditions of the young and vulnerable in areas of health and education, therefore providing better opportunities in the future.

The above-mentioned shows how foundations have contributed to the reduction of multidimensional poverty, by implementing projects that commit to the achievement of SDG 1 by being focused on generating resilience in vulnerable populations through self-sustainability. Colombian foundations have a major role to play in the development and progress of the rural sector, as this needs special support in the eve of prospective peace agreement. The outreach and knowledge of foundations can come together to generate a collectivity that produces social and economic prosperity in the rural sector in Colombia.

AFE Foundations have had an important role to play in poverty reduction in the rural sector through their programs on community support, income generation through economic linkages with urban areas, public service access and the collaboration in building concordant infrastructure for health, sanitation and education for vulnerable rural population. Social-private investment in Colombia must continue with its efforts to have a deeper impact in the future to demonstrate the role of Colombian philanthropy in poverty reduction.

Finally, as mentioned by the Action Agenda of Addis Ababa, philanthropic actors are acknowledged in their “flexibility and capacity for innovation and taking risks” (ONU, 2015). Foundations have capabilities in technology, experience and innovation, and can use these capabilities to contribute to the SDGs through the eradication of poverty, advancement of rural development and the end of inequality.
5. Recommendations

After analyzing DANE’s bulletin, there are several recommendations that could be made to private-social investment institutions on their role on eradicating poverty in all its forms -

- A proper wage for proper labor is necessary to achieve a good quality of life, far from poverty lines. Through this private-social investment, organizations can promote programs and projects that enable people to obtain decent employment under the SDG 8 targets.

- Rural areas in Colombia show noticeable problems, as in this area poverty problems are broader and deeper than elsewhere in the country. The organizations of social-private investment should understand how their projects can improve the socio-economic quality of life of rural inhabitants. Not only agricultural development is necessary, but there is a need to invest in education [SDG 4], employment opportunities and capacitation [SDG 8] and suitable household support [SDG 11]. The multiplicity of problems found in this region cultivates the idea of collective action from the various actors [SDG 17] to improve the social, economic and political inclusion of rural Colombia.

- Colombia is in a crucial juncture with the peace agreements and the special focus they have in the development of the rural sector. Working to improve these regions will help to create a new conceptualization of the meaning of rurality starting by promoting new rural development opportunities generated from the support of private sector and private social investment together with national and local governments, guided by peace and an inclusive agenda.

- There is a need to close the existing gaps in Colombia, particularly those between rural and urban areas, female-led and male-led households and in cities. Poverty in Colombia will not cease to exist as long as there is no solution for the issues involving SDG 5 and 10. In Colombia, inequality is an obstacle given the discrepancies of access to official institutions, economic and technologic resources, high levels of education and tolerance between people from different backgrounds.

Generating projects that solve these issues is essential to reducing poverty in Colombia, and closing the inequality gaps in the country and among its regions. The construction of a new future under a framework of peace depends on promoting the commitment of institutions with the citizens, of appreciating arts and creativity as economic and educative sources, organizing to preserve the environment, encouraging dignified dialogue among communities, generating inclusive economies and technologies that collaborate to academic development for all ages in Colombia and that favors youth as the bearer of the future of Colombia. Following these lines, as already AFE Foundations do and must continue to do, will act to achieve a more inclusive country with high development far from the shadow of poverty. The collectivity among public and social private investment organizations, which AFE Foundations are part of, is the best route towards progress and achieving the SDG, this is why these organizations in Colombia must turn their ideas into collective projects that are not competitive but complementary, bringing positive results to the wider Colombian population from all backgrounds.

- Understanding that the Pacific region requires the intervention from social public and private actors, as the region stagnates in an institutional crisis (as data about Quibdo and Popayan shows), preventing various actors to reach their vulnerable populations. Social actors must advocate to the government to intercede to strengthen the local institutions in these regions, regulated by transparency and generating trust so private social investment can yield results in these territories.

- Along with this, it is evident that the Caribbean region, although experiencing grievances in Riohacha and Guajira, has begun to display a sustainable growth in the improvement of eradicating poverty among its inhabitants. Private social investment organizations should continue this sustained path, which along with economic growth has achieved a reduction of poverty in the region continuously since 2010.
6. Conclusions

As shown by this synopsis, Colombia’s pathway to poverty reduction is good, however, there are still challenges that must confronted. Inequality and rural under-development in Colombia show the need for structuring sustained social programs that close gaps and activate socioeconomic development.

There is an important need that poverty reduction programs contributing to reach the SDGs, work collectively through the collaboration of private social investment actors from different backgrounds and governmental institutions at the local and national level. The main challenge lies in the strengthening of public institutions in Colombia, that allow for a greater impact of social private investment and generates confidence so that international actors enter the country with projects aimed at promoting the socio-economic and educative development of the poverty stricken population in Colombia.

Sources:


URL of the Report: