

2 RATIONALE

2.1 Context

2.1.1 Economic and political background

Colombia is a country of extremes: an OECD member with thriving economic opportunities concentrated in the main urban areas, a destination for nearly 3 million Venezuelan migrants in search of a better life, a country with one of the highest numbers of internally displaced people in the world (4.8 million as of 2022⁵) and one of the most severe food security problems in all of Latin America and the Caribbean⁶. Colombia has one of the highest levels of poverty, income inequality, and labour market informality in Latin America. More than 60% of workers have informal jobs and no access to social security benefits except health. In rural areas, access to resources, especially land, remains uneven and a major cause of conflict. If these structural challenges are not addressed, there is little hope of ending the decades-long conflict that has been affecting the country.

Despite progress on the policy side⁷, persistent gender equality gaps still limit equality and economic growth. The COVID-19 pandemic exacerbated existing inequalities in the country, with differential effects on certain demographic groups, the economic and social impact falling disproportionately upon women and girls. As in many OECD countries, these gaps continue to prevent women of diverse backgrounds from fully participating in economic, public and political life – a prerequisite for stronger and vibrant democracies, increased levels of trust in public institutions and sustainable and inclusive recovery⁸.

Since August 2022, Colombia has had a leftist government for the first time, a major political shift. The Government has adopted an ambitious National Development Plan (NDP) 2022-2026 that aims to position Colombia globally through key changes: securing food rights, optimising water-based planning, enhancing security, fostering a sustainable economy, and combating climate change. The NDP provides a sound basis for social reform and protection of the environment. The NDP establishes a clear commitment to women's human rights. The plan details the actions that demonstrate the commitment to the realisation of these rights in a cross-cutting manner and sets out a roadmap to achieve them⁹. The Government's biggest proposals - reforms targeting health, pensions, the labour system, and education - have faced stiff opposition in Congress from broad sectors of society and the opposition.

President Petro's political priorities (peace, environment, and social justice) coincide with those in the Multiannual Indicative Programme (MIP) 2021-2027 and Team Europe Initiatives: Peace and Environment.

Colombia recovered robustly from the shock of the pandemic, with GDP up by 10.7% in 2021 and 7.3% in 2022. In 2023, the Colombian economy grew 0.6%, well below the government projections. It feels negative economic repercussions of the Russian war against Ukraine, such as higher food and gasoline prices and fertiliser supply shortages. It also benefits from higher energy prices due to its coal, gas, and oil exports. GDP forecasts for 2025 hover around 1%, which would be insufficient to keep unemployment decreasing. This, combined with profound fiscal challenges and a complex social situation, put the country's growth at risk.

The Colombian economy has faced high inflationary pressures since the end of 2021. In particular, the Central Bank steadily increased its policy interest rate from 1.75% in September 2021 to 13.25% in September 2023. The closing inflation figure in 2023 was 9.38%, and the central bank began reducing

⁵ <https://www.internal-displacement.org/database/displacement-data>

⁶ No reliable data exist for Haiti and Venezuela

⁷ [As for its legislative frameworks, Colombia has enacted a number of laws addressing women's economic empowerment, their inclusion in the labour market, their political participation, public management with a gender equality approach \(UN Women, 2018\)\], as well as their reproductive rights](#)

⁸ [2. Gender equality in Colombia: A snapshot of gaps and opportunities | OECD Review of Gender Equality in Colombia | OECD iLibrary \(oecd-ilibrary.org\)](#)

⁹ [abc_mujeres_en_el_pnd.pdf \(unwomen.org\)](#)