# **COLOMBIA**

## 1. Socio-economic and perceived impacts of the coronavirus (COVID-19) pandemic

Following years of socio-economic improvements in Colombia, the COVID-19 crisis has had a considerable impact in terms of economic performance and social conditions. Gross domestic product (GDP) growth declined by 6.8% annually in 2020. Based on the latest international comparable estimations, poverty increased by almost six percentage points in 2020, compared to a year earlier, to reach 37.5%, higher than the average in the Latin America and the Caribbean (LAC) region (30.9%). Extreme poverty in 2020 rose by four percentage points to reach 16.9% of the population, higher than the LAC average (10.0%). The crisis also affected the education system. Between March 2020 and May 2021, schools were fully closed for 23 weeks, less than in LAC (26 weeks) but higher than in Organisation for Economic Co-operation and Development (OECD) countries (15 weeks). This translated into hardship for students and families, as effective online learning was present in just 36.2% of schools. This figure is close to the LAC average (32.5%) but lower than the OECD average (54.1%). Colombia entered into the COVID-19 crisis with public expenditures on health (7.2% of GDP) higher than the LAC average (6.8%) but below the OECD average (8.8%). In 2020, 47.7% of people were satisfied with health services, down by more than seven percentage points in ten years. This figure is slightly lower than in LAC (48.2%) and considerably below the OECD average (70.7%). Regarding people's concerns with government's actions and according to international comparable data, in 2020, 78.7% of Colombians thought that the government was corrupt, slightly higher than in LAC (72.4%) and higher than the OECD average (58.8%).

#### 2. National and international co-operation initiatives aimed to build forward better

Colombia undertook bold and timely measures to mitigate the impact of the COVID-19 crisis on both households and enterprises. Concerning households, measures implemented were mainly based on cash transfers, to smooth households' consumption throughout the crisis. First, Colombia expanded a VAT compensation scheme. It was designed as a permanent public policy in the form of a bimonthly repayment of a fixed amount to the poorest 1 million households. Second, Colombia established a national programme for non-conditional monetary transfers (*Ingreso Solidario*) directed towards 3 million poor and vulnerable households that were not beneficiaries of any other national programme. Regarding firms, as a job-retention strategy, the government created national programmes (*Programa de Apoyo al Empleo Formal* and *Programa de Apoyo a la Prima*) to aid the country's enterprises by subsidising a share of their social security obligations.

Going forward, in 2020, Colombia launched an economic recovery plan to revitalise industry and promote job creation. In 2021, the national government announced the "Economic and Social Recovery Policy" establishing an investment equivalent to 12.5% of Colombia's GDP distributed in 5 commitments on: job creation; clean and sustainable growth; vulnerable households; rural areas and peace and legality; and health care.

Colombia's international co-operation projects both within and beyond the region during the pandemic were flexible and had continuity, despite the sudden challenges due to the crisis. Projects within LAC were based on sharing best practices and experiences with Honduras and Peru. Those with Honduras involved electronic certification and legalisation of documents and the promotion of green businesses through financial mechanisms. Those with Peru included the promotion of youth political participation and the strengthening of capacities of production systems in protected border zones. Beyond LAC, Colombia engaged in co-operation projects with various actors, focusing on the crisis and the most pressing needs. The projects included: enhancing capacities and access to comprehensive healthcare systems in rural areas (Health for peace: Strengthening communities); a proposal for territorial development in the Department of Chocó by the Spanish Agency of International Cooperation and Development (AECID); the development of low-cost mechanical ventilator prototypes, with assistance from the Inter-American Development Bank (INNspiraMed); and developing capacities to prevent violence against youth (Colombia-teaches-Colombia [Col-Col]). Last, within the framework of the last phase (2020-21) of the EUROsociAL+ co-operation programme with the European Union, support was granted to cope with COVID-19-related issues, while: i) strengthening Family Police Stations to support victims of gender-based violence; ii) implementing employability strategies for young people; and iii) supporting the response to the Venezuelan migration crisis, particularly regarding gender.

		Key indicators – Colombia¹					
Socio-environmental		Colombia		LAC <sup>2</sup>		OECD3	
	2019	2020	2019	2020	2019	2020	
Extreme poverty <sup>4</sup>	12.8 2019	16.9 2020	8.1 2019	10.0 2020	N/A 2019	N/A 2020	
Poverty <sup>5</sup>	31.7	37.5	26.8	30.9	N/A	N/A	
,	2009	2019	2009	2019	2009	2018	
ini index <sup>6</sup>	0.56	0.53	0.50	0.46	0.31	0.31	
istal population in informal bouseholds by quintile 20197	Bottom 20% 91.9	Top 20% 21.6	80ttom 20% 78.0	Top 20% 19.1	Bottom 20% N/A	Top 20% N/A	
otal population in informal households by quintile, 2018 <sup>7</sup>	2010	2017	2010	2017	2010	2017	
lealth expenditures <sup>8</sup>	6.3	7.2	6.5	6.8	8.1	8.8	
	2010	2017	2010	2017	2010	2017	
ut-of-pocket health expenditures <sup>9</sup>	20.9	16.3	35.6 03/2020-	34.1	20.2	20.6	
/eeks of full school closure <sup>10</sup>	2	23		26		15	
				2018			
ffective online learning <sup>11</sup>	36	36.2		32.5		54.1	
ffective online learning in disadvantaged schools <sup>11</sup>	27	27.6		2018 21.5		48.8	
	2009	2019	2009	2019	2009	2019	
hare of Internet users <sup>12</sup>	30.0	65.0	29.3	67.8	68.3	85.8	
umbar of children and committee 13	2015	2018	2015	2018	2015	2018	
umber of students per computer <sup>13</sup>	1.6 2010	1.1 2019	2.4 2010	1.6 2019	1.8 2010	1.1 2019	
Exposure to PM 2.5 <sup>14</sup>	25.7	22.5	18.1	18.0	15.7	13.9	
			2000				
change in intact forest landscape <sup>15</sup>	-1	-1.6		-8.8		-6.3	
ompetitiveness and innovation	Color	Colombia		LAC <sup>2</sup>		OECD3	
omponitionous and innovation	2009	2019	2009	2019	2009	2019	
abour productivity <sup>16</sup>	29.0	34.5	29. 3	26. 7	72. 2	70. 7	
	2009	2019	2009	2019	2009	2019	
igh-tech exports <sup>17</sup>	5.6 2009	9.1 2017	8.7 2009	8.3 2017	19.5 2009	17.9 2017	
&D expenditures¹8	0.2	0.2	0.4	0.4	2.4	2.5	
	2009	2017	2009	2017	2009	2017	
CT patents <sup>19</sup>	24	13	726	521	173 440	141 358	
itizens' perceptions and institutions	Color	Colombia		LAC <sup>2</sup>		OECD3	
	2009	2020	2009	2020	2009	2020	
itizens' perceptions of corruption in government <sup>20</sup>	77.7	78.7	72.0	72.4	67.5	58.8	
tizana' paraantiana of country governed in the interests of format	2009	2018	2009	2018	N/A	N/A	
itizens' perceptions of country governed in the interests of few <sup>21</sup>	62.4 2009	83.4 2020	64.8 2009	82.0 2020	N/A 2009	N/A 2020	
atisfaction with health care <sup>22</sup>	55.0	47.7	56.9	48.2	69.2	70.7	
	2009	2020	2009	2020	2009	2020	
atisfaction with water quality <sup>23</sup>	69.5	71.5	74.8	76.0	77.9	79.4	
% of people victim of criminality <sup>24</sup>	2010	2016 25.1	2010 19.6	2016	N/A N/A	N/A N/A	
of people vicini of criminanty	20.0	20.1	202		14/74	14/71	
ank in the Press Freedom Index <sup>25</sup>	13	134		82		36	
hanna in nalikinal nalayisakin 26	2	2.0		2009-18		NI /A	
hange in political polarisation <sup>26</sup>	3.	3.0		9.6 2019		N/A	
IGI index <sup>27</sup>	15	15.0		25.6		16.3	
iscal position	Color		2000		0E0		
otal tax revenues <sup>28</sup>	2009 18.8	2019	2009	2019	2009 31.6	2019 33.8	
	2009	2019	2009	2019	2009	2019	
Share of VAT in total revenues <sup>29</sup>	27.5	29.6	25.3	27.7	19.8	20.7	
	2009	2018	2009	2018	2009	2018	
Social expenditures <sup>30</sup> Sources, footnotes and technical details can be found at the end of the co	13.3	12.6	11.3	11.4	21.0	19.7	

#### Technical notes

- 1. As best as possible, the table follows the key areas identified in Latin American Economic Outlook 2021: i) socio-environmental aspects; ii) economic competitiveness and innovation; iii) citizens' perceptions and institutions; and iv) fiscal position.
- 2. Latin America and the Caribbean (LAC) average is a simple average of the largest set of LAC countries for which data are available in the latest year.
- 3. Organisation for Economic Co-operation and Development (OECD) average is a simple average that includes all OECD member countries as of May 2021.
- 4. Data refer to the definition of extreme poverty as specified by the United Nations Economic Commission for Latin America and the Caribbean (ECLAC, 2021<sub>[1]</sub>), Social Panorama of Latin America 2020. <a href="www.cepal.org/sites/default/files/publication/files/46688/S2100149\_en.pdf">www.cepal.org/sites/default/files/publication/files/46688/S2100149\_en.pdf</a>. Data for 2020 refer to an estimate based on 2019 data, as specified in Annex I.A2 of (ECLAC, 2021). Projections are based on 2017 data for Chile, 2014 for Guatemala and 2018 for Mexico. Applying the same criteria as in previous LEO editions, data selection prioritizes comparability across LAC countries and shows the latest comparable data available at the report's publication date.
- 5. Data refer to the definition of poverty as specified by (ECLAC, 2021<sub>[1]</sub>), Social Panorama of Latin America 2020, <a href="www.cepal.org/sites/default/files/publication/files/46688/S2100149">www.cepal.org/sites/default/files/publication/files/46688/S2100149</a> en.pdf. Data for 2020 refer to an estimate based on 2019 data, as specified in Annex I.A2 of ECLAC (2021). Projections are based on 2017 data for Chile, 2014 for Guatemala and 2018 for Mexico. Applying the same criteria as in previous LEO editions, data selection prioritizes comparability across LAC countries and shows the latest comparable data available at the report's publication date.
- 6. Data for LAC from ECLAC, CEPALSTAT | Databases and Statistical Publications, <a href="https://cepalstat-prod.cepal.org/cepalstat/tabulador/ConsultaIntegrada.asp?idIndicador=3289&idioma=i">https://cepalstat-prod.cepal.org/cepalstat/tabulador/ConsultaIntegrada.asp?idIndicador=3289&idioma=i</a>. Data for Chile refer to 2017, instead of 2019, data for Guatemala refers to 2014.
- 7. Data for the OECD from OECD Income Distribution Database, <u>www.oecd.org/social/income-distribution-database.htm.</u>
- 8. Indicator provides the distribution of the total population living in informal households by quintile. An informal household has all of its workers in informal work. Quintiles are based on monthly total household consumption or income. The source of this indicator is the OECD Key Indicators of Informality based on Individuals and their Households database, <a href="https://stats.oecd.org/Index.aspx?DataSetCode=KIIBIH\_B5">https://stats.oecd.org/Index.aspx?DataSetCode=KIIBIH\_B5</a>.
- 9. Health expenditures as % of gross domestic product (GDP). Data from OECD (2020), Health at a Glance: Latin America and the Caribbean. Share of current expenditure on health. Data are from OECD (2020), Health at a Glance: Latin America and the Caribbean.
- 10. Data from UNESCO, https://en.unesco.org/covid19/educationresponse#schoolclosures.
- 11. Data from OECD et al. (2020), Latin American Economic Outlook 2020, <a href="www.oecd.org/publications/latin-american-economic-outlook-20725140.htm">www.oecd.org/publications/latin-american-economic-outlook-20725140.htm</a>.
- 12. Data from International Telecommunication Union (2020), <a href="www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx">www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx</a>.
- 13. Data from OECD et al. (2020), Latin American Economic Outlook 2020, <a href="www.oecd.org/publications/latin-american-economic-outlook-20725140.htm">www.oecd.org/publications/latin-american-economic-outlook-20725140.htm</a>.
- 14. µg/m³. Data refer to population exposure to more than 10 micrograms/m³ and are expressed as annual averages. Data from OECD, <a href="https://data.oecd.org/air/air-pollution-exposure.htm">https://data.oecd.org/air/air-pollution-exposure.htm</a>.
- 15. Data from OECD, https://stats.oecd.org/Index.aspx?DataSetCode=INTACT\_FOREST\_LANDSCAPES.
- 16. Output per employed person as % of United States 2019 output per person employed. Data from the Conference Board, <a href="https://conference-board.org/data/economydatabase/total-economy-database-productivity">https://conference-board.org/data/economydatabase/total-economy-database-productivity</a>
- 17. High-technology exports as % of manufactured exports. Data from The World Bank, <a href="https://data.worldbank.org/indicator/TX.VAL.TECH.MF.ZS">https://data.worldbank.org/indicator/TX.VAL.TECH.MF.ZS</a>.
- 18. Research and development expenditure as % of GDP. Data from The World Bank, <a href="https://data.worldbank.org/indicator/GB.XPD.RSDV.GD.ZS">https://data.worldbank.org/indicator/GB.XPD.RSDV.GD.ZS</a>.
- 19. IP5 Patent families. Data from OECD, <a href="https://stats.oecd.org/Index.aspx?DataSetCode=PATS\_IPC">https://stats.oecd.org/Index.aspx?DataSetCode=PATS\_IPC</a>.
- 20. Percentage of people who think that the government is corrupt. "Is corruption widespread throughout the government in (this country), or not?" Data from Gallup 2021.
- 21. Percentage of people who think that the country is governed in the interests of few. "En términos generales ¿diría usted que (país) está gobernado por unos cuantos grupos poderosos en su propio beneficio, o que está gobernado para el bien de todo el pueblo?" Data from Latinobarómetro, 2020.
- 22. Percentage of people who think that the health care is of good quality. "In your city of area where you live, are you satisfied or dissatisfied with the availability of quality health care?" Data from Gallup 2021.

- 23. Percentage of people who think that the water is of good quality. "In your city or area where you live, are you satisfied or dissatisfied with the quality of water?" Data from Gallup 2021.
- 24. Percentage of people who are victim of criminality, "have you been a victim of any type of crime in the past 12 months?" Data from Latin American Public Opinion Project, <a href="www.vanderbilt.edu/lapop/data-access.php">www.vanderbilt.edu/lapop/data-access.php</a>.
- 25. Data from RFS, Reporters without Borders, https://rsf.org/en/ranking\_table.
- 26. Percentage of people who declare being left or right on a 1-10 scale (1=left, 10 = right). "In politics, it is normal to refer to left and right. On a scale where 0 is the left and 10 is the right, where would you place yourself?" Data from Latinobarómetro. 2020.
- 27. Data from OECD, www.genderindex.org/ranking/.
- 28. Revenues as % of GDP. Data from OECD et al. (2021), Revenue Statistics in Latin America and the Caribbean (2021).
- 29. Value added taxes as % of total revenues. Data from OECD et al. (2021), Revenue Statistics in Latin America and the Caribbean (2021).
- 30. Social protection expenditures as % of GDP. Data from OECD and ECLAC.

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