

# Cash Transfers and Social Protection



Interview with Rita Combariza Cruz, National Director of the *Familias en Acción* program,  
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In this interview Rita Combariza comments on the challenges facing the Colombian conditional cash transfer programme *Familias en Acción* – <http://www.accionsocial.gov.co> – in addressing its goal of incorporating the large cities. In particular, she discusses the difficulties in generating incentives for young students to finish their high school studies and the potential supply-side problems in the health sector.

**IPC:** Rita, Could you to talk a little about the main challenges that the program *Familias en Acción* has for next years.

**Rita Combariza Cruz:** After working for 7 years with the *Familias en Acción* program, of discussing and analyzing the results of the impact evaluation, especially the first results which were so favorable for the *Familias en Acción* program, and now that we have received the results of the follow-up evaluation, we have had some very deep discussions because the program has to take on the challenge that the National Government has issued to reach 1,500,000 families throughout the country. Previously we had supported about 700,000 families who had received at least one transfer payment during the seven years.

When we face this, there is a huge challenge which is to double the number of beneficiary families. Undoubtedly, this means that we have to consider the issue of large urban centers to look for poor and vulnerable families that belong to the level 1 of SISBEN<sup>1</sup> in Colombia and which are potential beneficiaries of the program: undoubtedly they must have children younger than 18 years old to be eligible. What we have done in small municipalities... it does work well in rural areas, and even with all the difficulties that can arise surrounding the execution of a program of this magnitude, but now with this new challenge, we have to take on the issues of urban poverty, the issues that have to do with all issues related to the operation of the program in large cities. And taking the program to a city like our country's capital, Bogotá, where we have 7,000,000 inhabitants, and achieving, for example, coverage for 100,000 or 150,000 families is a challenge. A challenge because of the magnitude, a challenge because of the very composition of the population, a challenge because the program has not had the experience of what it means to work in large urban centers.

Last year the program incorporated displaced families who lived in medium and large urban centers, but we have never really tackled the topic of Bogotá. Right now we are working with displaced families in Bogotá – 9,000 families, which is a significant number. This experience provides us with some ideas, some elements to look at and discuss what we are going to do if we take the program into this large city of Bogotá. That is one of the big challenges.

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<sup>1</sup>. The System for the Selection of Beneficiaries of Social Programs – SISBEN – is a multidimensional indicator of poverty, which classifies households into 6 categories. The level 1 is the poorest one.

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Another challenge is to assess whether the program's objectives truly lend themselves in some way to everything that a large city context entails. Actually, even the experience in Mexico - with *Oportunidades* - does not give us much of a viewpoint to consider regarding conditional cash transfers in large urban centers. With the discussions we have had, the seminars we have attended jointly with Brazil, for example, we still have not had a significant contribution that will help us see how we should tackle the problem of conditional cash transfers in large cities. Now we have to take this on. Working in large urban centers is a political decision of the National Government.

Last year we discussed a lot how to implement the conditional cash transfers in large cities. The first thing we would have to take into account was what target criteria we were going to apply in the medium and large urban centers. Undoubtedly, in order to go into this, you need to know the country, know the idiosyncrasies/composition of the medium and large cities, and not simply make up ad hoc classifications. This cannot be done with improvisation, either. Colombia has some very unique characteristics like any other countries in the world. We have a large city, Bogotá, and three other large cities: Baranquilla, Medellín, and Cali. But their composition, the very structure of the population is what differentiates them from each other. The country has observed a disorganized occupation of the urban spaces. The violence that has been created in the country drags an unknown amount of displaced families to the big cities, and impoverished people also migrate looking for better living conditions.

This happens in Medellín, in Cali and in Baranquilla, and in the medium sized cities that are more like large towns. The latter, however, are easily manageable and have not been as difficult for us. We proceeded to study the topic of targeting, and some very important studies were conducted, taking into account the number of families in these areas who potentially would fall into the level 1 of SISBEN, which is our target group. We did not have much difficulty with the targeting process. However, we have had difficulties with the provision of good health and education services. As the number of inhabitants increases in a city, the harder it is for us to guarantee a good supply of health and education services. For example, in the large cities, the problem is not space at the schools. We have other problems. And it is the same story in the medium sized cities as well. We do not have problems with space at the schools.

We have had difficulties with health services because the disorganization that surrounds the provision of services is enormous. This has made it very difficult for us to carry out the verification of the conditionalities in the cities where we started working last year with the displaced populations. Moreover, recreating in this setting the model in which mothers play a major role in the conditionality verification process is another challenge. The distances, the cost of transport, the very mobility of the families... one day they are in this area or this neighborhood, in the next month they have moved to some other place because it is a little cheaper than where they used to live... The poor population keeps moving from place to place. They go from north to south, from east to west, trying to lessen their cost of living. This implies that the children have to change schools as well as the place where they go to receive medical attention. This process does make it harder to use the processes that have been designed to verify whether a familiar is complying with the conditionalities or not.

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These things have to be dealt with on a day-by-day basis...We could not foresee these things because undoubtedly we would have to be in the field and working in order to detect all these situations that gave us some guidelines in order to create strategies that will let us, in the future, handle and operate the program well, and truly meet the objectives which are that the children go to the development centers, that they are vaccinated, that they go to the educational activities... which raises the issue of the teachers' trade union, which in our country is a tough one; but in some way we have something in common which are the children, and the health services in the large cities are very difficult to access for the populations we work with. Because there are the health centers, there are first, second, third, and fourth-class hospitals... There are health centers, but then a family goes in one health center and it is told to go to another one, and so on and so forth... the family starts to roam all over the city to find out where they will have services. That means that the offer is not guaranteed even if it exists, it is so disorganized... that is what I hear from many people who require this type of service, and this also makes the operation of the program more complex.

Now, another challenge is: What are we going to do with the young people? To whom are we going to give the transfer when we start the program? To the family? To the mother? Or to the son/daughter, or to the young people? We have taken a small opinion poll with some of the beneficiary families and the families say it is better if we give it to the mother. Then we can go on with the same discourse: the mother is the one who makes the best use of the resources because she uses them for the nutrition and education of the children. But on the other hand, there are others who say that it is better to give the transfer to the young student, because he/she has to take on the responsibility of their obligations as a student and as a citizen. The issue here is that, as I said before, the problem with school evasion is not related to the supply of education services, it is not due to the lack of space. The survey of the quality of life that was done in Colombia shows us that young people do not drop out of educational institutions due to a lack of space or the registration fee. The most important factor explaining school drop out is that young people prefer to work according to that survey. That gives us some guidelines to think what we are going to do about the transfer. And there are some operational aspects of the other programs, such as the famous incentives that we want give for the young people, differentiating them from the family transfer.

But for example, in Bogotá, the District Secretary of Education has a program of conditional subsidies ...of subsidies only actually, the subsidies are not conditional for high-school students. And they have set the same amount from sixth grade to eleventh grade. We think that it should be differentiated according to the grade. actually we already have another project in another city close to Bogotá where the subsidies are differentiated. If we look at the curve that we draw from evasion data, the huge fall in attendance/enrollment starts at the eighth grade. We concluded, well, we have to differentiate the transfers a little to see if that gives us some increase in school retention.

All of the aspects that we are looking at right now present us with the challenge that the *Familias en Acción* in Colombia should have the objectives very well tied to the building up of human capital directed towards the health and education of the young family members. But it also means that there is a segment of the population

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that remains out of reach, the young people who finish school and face unemployment queues in the big cities. And that brings consequences that in the majority of the world are well known: young people tied to a series of illicit activities that generate a considerable delinquency problem.

By discussing with the National Planning Department, with the District Secretary of Education, with experts in these issues, we have to reach a conclusion. What are we going to do with those that graduate? What we are going to do with those that graduate? what we are going to do with those that do not study because they prefer to get a job as soon as possible? And what we are going to do with the primary school students? This is important because the impact evaluations tell us that we should not enter into primary school... But those are all open questions... There is a part of the population that is being left out, and it is necessary that we cover the population in primary school. All of these things are aspects that we have to discuss and analyze, and we need to have an analysis that enables us to take a decision, as soon as possible, about what we are going to do with the conditional cash transfer programs in large cities, specifically in Bogotá, which is where we have the greatest problem.

This challenge has to be resolved at least before the end of the year. But the political decision of the National Government is that we have to go into the large cities, because we have a lot of problems in that area and it is important that the *Familias en Acción* program tackles the urban problem. On the other hand, we have the great challenge of what are we going to do with the population that we have between 0 and 12 years? Are we going to cover them with the nutrition subsidy as we planned to do from the beginning, should we increase a little bit the nutrition subsidy in large cities in order to cover the higher costs? These discussions are very complex. Is the subsidy to complement food expenses, or is it to complement education expenses? The answer cannot be found in the impact evaluation. the impact evaluation says that we have really made an impact in the program's objectives, that in the rural sector we impacted 12.7% and in the urban sector we only achieved 8.2%, this smaller impact has led some to think that we should not go into the large urban areas, but we will go.

We have to go! The important thing is to do it right. And the important thing is that technically we can support a subsidy that really meets the objectives that conditional cash transfers require, which is to contribute to food expenses and to contribute to young people staying in school, to be able to motivate this population a lot and to effectively build human capital, and, saying it again, it is not just stating that the objective is this one, but rather progressively integrating all projects that the National Government has related to the construction of a social protection network, *Juntos*. If we can do this, I think that we will have taken a very large step in the fight against poverty.

**IPC:** Thank you, Rita.

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