

Executive Summary

National Human Development Report

Colombia at Crossroads: Navigating Regional Divides and Embracing Opportunities



2024

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National Human Development Report



EXECUTIVE SUMMARY





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Prologue

Creating new development pathways

“People are the real wealth of a nation” (UNDP, 1990). The great wealth of Colombia lies in the diversity of its people, cultures and extraordinary biodiverse ecosystems. It has both Atlantic and Pacific coastlines and is home to the Chocó Biogeographical Region, rivers, tributaries and wetlands, biological corridors such as the jaguar corridor, the Amazon, and many other contrasting features, which make this country a literary inspiration.

The country has seen economic, social, political and environmental achievements and progress throughout the twenty-first century. However, significant inequalities have also persisted through the generations, hindering communities and whole regions from accessing the benefits of human development, limiting their ability to live a full life in dignity and freedom.

“Exclusion makes you unaware of aspects of development: the more excluded you are, the smaller your world becomes.” This is a quote from Velia Vidal, a writer from the Chocó region who has been named one of the hundred most influential and inspiring women in the world by the BBC. She is the voice of one of the most biodiverse and at the same time most troubled regions in Colombia.

The National Human Development Report 2024 (NHDR), Published in the 50th

anniversary of UNDP country office in Colombia, focuses on people and their regions, based on the premise that a priority issue in Colombia is its regions. Taking inspiration from the 2019 Global Report, it looks beyond income, averages and current situations. It seeks to comprehend the complex regional dynamics that inhibit people and their environments from achieving their potential.

We are talking about a regional divide that limit people’s ability to develop and use their capabilities. This divide is configured and reconfigured depending on the socio-economic landscape, the prevalence of conflict, ecosystem integrity and institutional capacity.

The potential and opportunities that someone can have in Antioquia – one of the 14 departments with a high level of human development – are very different from those of someone in La Guajira – one of the 17 departments with moderated levels of human development – and significantly different from those in, Vaupés – one of the two departments with the lowest levels of human development. Moreover, over the last decade, the disparities between these regions have become even greater.

The aim is not for Guainía to follow the same development pathway as Bogotá. The goal is for all regions, with their orographic, environmental, cultural and productive differences, to be able to provide their inhabitants with the opportunity to determine for themselves what it means to

live a good life and, for them to be able to pursue and achieve it. People should have this opportunity regardless of where they are born, live, their social status, their gender, their ethnicity, or their religious or political beliefs.

Beyond the revealing figures, measurements and trends it presents, this new report is an invitation to forge new human development pathways in harmony with nature. Human development is not something that can be brought to the regions; it requires working alongside the people and taking regions as living subjects, actively involving local institutions, and private, political, civic and community stakeholders.

Colombia is at a crucial crossroads. The country can either continue with a development model that excludes vast regions and depletes ecosystems and their biodiversity. Alternatively, it can take the opportunity to rethink alternative development pathways. These pathways are necessary for addressing the challenges of sustainable human development both now and in the future. Today, unlike previous generations, we know that the dividends of peace far outweigh the costs of war. We know that in a globalized world, a crisis in Ukraine can have an impact in Chocó. Climate change is not a dystopian future, but an alarming reality reflected in droughts, floods, heat waves, reduced agricultural productivity, and even problems related to

the quality of and access to water. These disasters are also occurring with greater intensity and frequency, disproportionately affecting those who have contributed least to causing them. With all this information, why should the country continue to rely on old development models that favor economic growth and industrialization at the expense of ecological integrity, equity or the well being—a value inherited from ethnic communities—instead of pursuing a more balanced approach?

It is time for Colombia to fully embrace the idea of convergent human development, where political, economic and social systems and contexts are not isolated and exclusive but maintain a close interdependence with each other and with both local and global biodiversity and ecosystems.

Why wait for exclusion to make “our world smaller”? This is the opportunity to take the lead, for Colombia to set a global example once again.

Sara Ferrer Olivella
Resident Representative of the
UNDP in Colombia

Acknowledgements

The creation of a Human Development Report is a collaborative effort that includes both formal and informal contributions from many individuals and institutions. The contents of this document may not fully reflect the wealth of ideas, interactions, and collaborations that have enriched this initiative.

These acknowledgments are an effort to acknowledge, albeit imperfectly, those who have generously devoted their time and energy to the creation of this report. We extend a sincere apology to those who made significant contributions that, due to space or cohesion reasons, we could not explicitly include in the text.

We are confident that this report reflects the essence of the valuable contributions and insights from multiple disciplines, sectors and perspectives. The United Nations Development Programme in Colombia is firmly committed to providing independent analysis and fostering dialogue on new human development pathways in the country, with people and their regions at the forefront.

The writing, reflection and analysis process was made possible by the continual guidance and active participation of the members of the Advisory Board, to whom we extend our gratitude.

Members of the Advisory Board:

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Darío José Mejía Montalvo, Carolina Soto, Angela Penagos, María Victoria Llorente, Olga Lucía Acosta, Jennifer Pedraza, Juan Daniel Oviedo, Juan Camilo Restrepo, Mauricio Samper, Sergio Jaramillo, Erlendy Cuero Bravo, Adolfo Meisel, David Bojanini.

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Research and writing of the papers used to create this report:

Paper 1 - Human Development trends of the last decade; *Paper 2* - Perceptions and subjective well-being in Colombia: beyond traditional indicators; *Paper 3* - Effective access to justice for all; *Paper 4* - Education: Driver of Equality, Growth and Human Development, and; *Paper 5* - Principles of Human Development in Colombia.

The papers were based, in turn, on reference materials that allowed for the exploration of original hypotheses and concepts. These works are listed below.

Reference materials for the National Human Development Report:

1. *“Análisis y propuestas del sistema de aseguramiento de la calidad de la educación postmedia en Colombia”*, David Forero, Natalia Ariza Ramírez, y Alba Lorena Torres

2. *“Anatomía de la Concentración del Ingreso en Colombia”*, Eduardo Lora

3. *“Bienestar subjetivo y la satisfacción con la vida”*, Lina Martínez y Andrés Espada

4. *“Características socioeconómicas de los cultivadores de coca en Colombia: recomendaciones para una política de transformación territorial con enfoque étnico y ambiental”*, Eleonora Dávalos, Estefany Hernández, Lucas Marín Llanes, María Juliana Rubiano-Lizarazo y María Alejandra Vélez

5. *“El crecimiento y la productividad como política social”*, Roberto Angulo, Francisco Espinoza, Dalma Ariza y Carlos Felipe Reyes

6. *“Elementos para la construcción de un Modelo de Educación Posmedia de calidad, flexible e incluyente para Colombia”* Natalia Ariza Ramírez, Juliana Vernaza, José David Prieto.

7. *“Informalidad, productividad e inequidad. Un análisis desde el punto de vista de*

las firmas y los trabajadores”, Cristina Fernández

8. *“Actividad productiva y desigualdad en Colombia”*, Marcela Eslava y Andrés Felipe Soto.

9. *“Análisis de la formación para el trabajo en Colombia”*, Juan Camilo Chaparro y Alejandra Arteaga Arango.

10. *“Retornos a la educación superior en Colombia”*, Christian Posso y Pablo Uribe

11. *“Colombia’s just energy Transition. A People-Centred Cost Benefit Analysis”*, Paul Hasselbrinck, Samantha Piller, Daniela Quiroga, Meg Seck.

12. *“Qué ha pasado la última década en la política colombiana”*, Mónica Pachón

13. *“La dependencia del país y de los territorios de los hidrocarburos y el carbón en Colombia y la necesidad de la diversificación de las exportaciones y de la producción ante la transición energética”*, Astrid Martínez

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Executive Summary

Colombia at a Crossroads: Navigating Regional Divides and Embracing Opportunities

This 2024 Human Development Report is the third report in the 21st century in Colombia, aiming to continue contributing to human development research. The 2003 report, “El conflicto, callejón con salida” (Conflict, A Way Out), was ambitious and had foresight. It proposed that a path to peace in Colombia was possible and needed to be built with and by the regions. The 2011 report, “Colombia rural, razones para la esperanza” (Rural Colombia, Reasons for Hope), focused on the growing divide between rural and urban life, detached from their characteristic vocations, due to the prevalence of the conflict that was the subject of the preceding report.

This report takes inspiration from the two previous ones. It acknowledges that regional divides are not exclusively between rural and urban areas but also among the various regions that make up the country. These divides exist because the richness derived from the unique characteristics of each region and its people is not fully leveraged. The report is based on the premise that there are numerous and diverse development pathways, but no silver bullets or single solutions. It proposes that development should not be imposed from outside but

should come from the regions themselves and their inhabitants. This report aims to understand the divergent situations that reflect multidimensional inequalities. These inequalities result from attempts to emulate unbalanced models that are imposed, rather than being adapted or embraced. The opportunity lies in turning this approach around.

It is essential to begin by acknowledging Colombia’s achievements and progress in recent years. The country has made considerable strides in economic, social, political, and environmental matters in the twenty-first century. Macroeconomic stability has positioned Colombia as the country with the fewest economic shocks in the region, which disproportionately affect people in poverty and vulnerable circumstances. From a social perspective, there have been improvements in access to education and healthcare, although challenges persist regarding their quality and universality. Furthermore, Colombia’s leadership has been recognized internationally. The country has advanced the 2030 Agenda for Sustainable Development, given the world hope through its unwavering dedication to peacebuilding, and shown exemplary willingness to welcome migrants.

The concept of human development, which reflects individuals’ freedom to lead lives that they find fulfilling, is not easily measurable. One approach involves measuring the Human Development Index (HDI), which looks at education, healthcare

and income, as the fundamental elements that enable people to live a full, dignified and free life.

In this regard, the Human Development Index in Colombia has shown an upward trend over the past two decades. However, when disaggregating this index at the regional level, significant disparities between different regions become evident. These divergent trajectories reflect a regional divide in terms of human development, which has grown over time. The report analyzes regional aspects based on the available information for the departments, while acknowledging that divides may also exist within each department.

The report defines regional divides as the intersection of multiple challenges and a reflection of multidimensional inequalities. Productivity, the prevalence of conflict and violence, institutional capabilities, and the loss of ecosystem integrity are phenomena that feed into each other, perpetuating the divide between regions. The relationship with the land and nature, its link to illicit economies and ecosystem degradation, limited public investment, and disparities in the quality of education and healthcare throughout a lifetime all affect people's capabilities. These factors, along with a limited state presence, cause certain regions with low HDI to remain in vicious circles, leading them to regress over time. Meanwhile, regions with a medium HDI show neither improvement nor deterioration. Finally, regions with a high

HDI show upward and steady trajectories, widening the gap. Reducing these gaps in human development across regions is a major outstanding task for Colombia.

Low-income countries focus on addressing poverty. As income levels rise, inequality becomes a central issue. This report proposes two key concepts: sustainable human development and human productivity. Since Colombia still maintains a significant level of ecosystem integrity, it is ahead of most countries in finding a balance between economic growth and environmental sustainability. Sustainable human development serves as the foundation for progress towards human productivity. With this second concept, the report proposes a paradigm shift, focusing on initiating sustainable human development processes led by and within regions and their inhabitants. To reduce gaps in human development, it is necessary to unlock the economic, social, institutional, and relational potential of regions in harmony with the environment.

If human development involves improving capabilities and their utilization, human productivity aims to accelerate this process. It explores the use of capabilities from a systemic perspective, focusing on their relational application, meaning their interaction with multiple forms of organization. The three main forms are: i) with other individuals, from a societal perspective; ii) in economic activity, through some form of enterprise; and iii) in their role as part of the public service.

From this perspective, greater efficiency in improving and utilizing capabilities is directly related to greater efficiency in the provision of high-quality and accessible public goods and services, increased business competition and, finally, the strengthening of the social contract.

Effectively boosting human productivity involves understanding regional dynamics and working with regions in three interrelated and mutually reinforcing areas.

The opportunity to address Colombia's divides, which reflect multidimensional inequality, emerges not as a roadmap or master plan but as a proposal and a possibility to adapt the way things are done, comprising three essential elements. Firstly, from a social perspective: complex systems require managing the relationships that shape the social landscape. The starting point is valuing and acknowledging the role of individuals from a relational perspective, considering their multiple forms of organization and interactions. Trust, a dimension undermined by decades of conflict, is essential for accelerating human development. The 1991 Constitution, widely acclaimed and ahead of its time, is understood differently by various peoples and regions. The social contract in Colombia, the Multi-ethnic and Multicultural Rule of Law, has the opportunity to unlock its enormous potential in its constituent regions.

Secondly, the report proposes a paradigm shift in the way public affairs are understood

and managed. It suggests moving from an activity-based approach to a results-based approach, where the focus is not on the service provider but on the transformation that the citizens can experience. In other words, the focus is not on opening healthcare or education centers, but on improving the quality of healthcare and education provided to the population. Management is centered not on the inputs themselves, but on the results and the impacts these can produce.

Thirdly, labor productivity is an essential dimension, especially when considering the lifecycle approach and the challenge of providing universal access to quality educational systems in regions with a very challenging terrain and limited public investment, where micro-enterprises with limited market ties are common. Supporting productive units in transitioning towards competitive practices involves strengthening business, financial, and digital management, as well as improving market access. This effort is supported by opportunities derived from the country's unique characteristics and public investments in physical and digital infrastructure.

Human productivity, driven by a sustainable human development approach, can guide Colombia's regions, which are characterized by their mega-biodiversity and cultural diversity, to propose and forge development pathways. These pathways should not be based on applying obsolete and outdated approaches, as

has been done in the past, but instead on investments, technologies, research and business models that are cultural, green, digital and equitable.

This report is organized into five chapters, detailed below.

Chapter 1 “Colombia is making progress, but not achieving sustainable human development across all its regions.”

This chapter describes how national achievements and progress are not equitably distributed across the country’s different regions. It highlights that, while there is a global convergence in basic capabilities (income, healthcare, education) and a divergence in enhanced capabilities (quality of healthcare and education, access to technologies and resilience mechanisms for potential crises), Colombia does not show convergence in either.

Throughout the twenty-first century, there has been a significant improvement in the level of human development. In Colombia, the average years of schooling increased from 7.5 in 2011 to 8.9 in 2021, and the

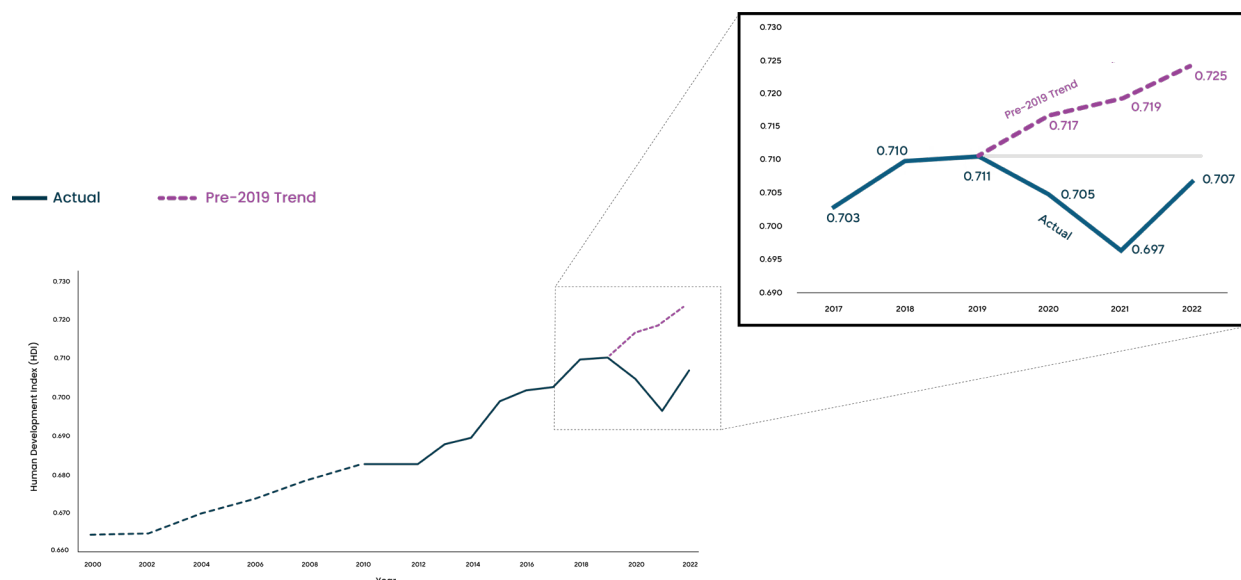
expected years of schooling increased from 14 in 2011 to 14.4 in 2021¹. Similarly, life expectancy at birth has experienced a positive and sustained increase², while income has risen by 20% over the same period. Over the period analyzed, Colombia has experienced an 11.9% growth in the HDI³ since the beginning of the century. This is an improvement that is 1.1 times higher than that observed in the group of benchmark countries in Latin America (Brazil, Argentina, Mexico, Chile and Peru). This data is relevant for the country as it indicates that public policies are moving in the right direction.

1 However, Colombia still lags significantly behind the average of selected Latin American nations, indicating that greater efforts are needed to achieve optimal and faster results in both basic and enhanced capacities. Specifically, the country faces considerable challenges regarding access to, quality and relevance of services, and these disparities particularly affect the most vulnerable population and those living in rural areas.

2 Although the average annual growth was lower in this period than in the 2000s, and also fell below that of countries with high human development and the global average, it was higher than the Latin American average in the years prior to the pandemic.

3 The HDI integrates three key dimensions of human development: a long and healthy life; access to the necessary knowledge for people to make free and informed decisions about the life they wish to lead; and having the economic capacity to achieve their goals.

Evolution of the Human Development Index (HDI) in Colombia (2000-2022)



Source: UNDP Colombia.

However, the positive trend in the HDI was interrupted in 2020-2021, when there was a setback due to the impact of the pandemic. This phenomenon occurred worldwide. Although the trend has now improved, the country has not yet managed to fully recover to the 2019 levels.

The report calculates HDI by department for the period 2010-2022. Colombia's 32 departments and Bogotá show, in general, a positive trend in HDI during the aforementioned period. However, multiple trajectories can be seen that demonstrate highly diverse regional dynamics in terms of human development.

Three distinct pathways can be identified: high, medium, and low. A total of 14

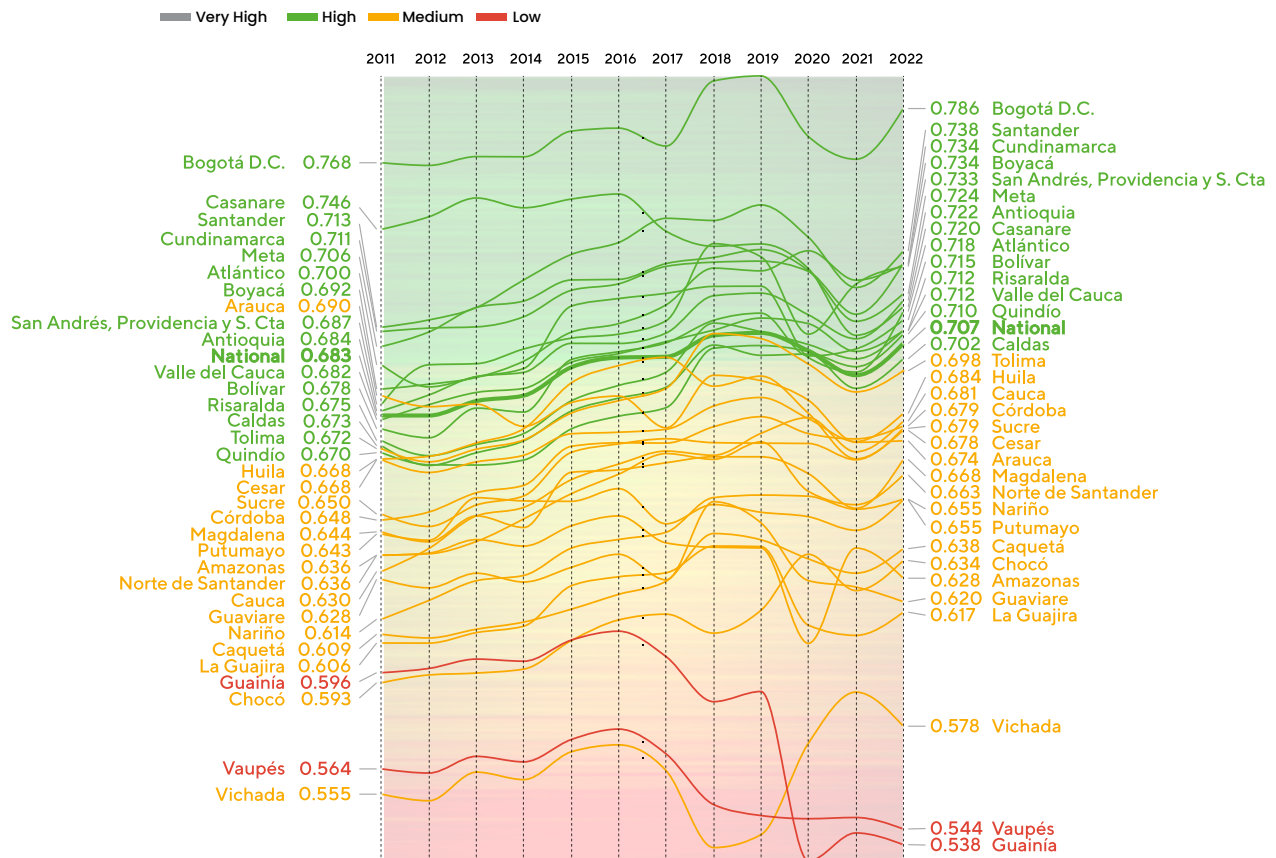
departments, including Bogotá, have a high level of human development and show a positive trend. They also show progress in the three dimensions that the Human Development Index considers: education, health, and income. On the other hand, 17 departments have a medium level of human development, where progress has been limited or no significant changes are evident. In these cases, the progress made is offset by setbacks in other areas. Finally, the two departments with low human development exhibit a downward trajectory.

Regional divides are the result of a complex configuration of diverse regional dynamics. Multiple layers of inequality can be seen that intertwine and exacerbate each other.

The regional divide is so significant that the difference between the region with the highest HDI (Bogotá) and the department

with the lowest HDI (Guainía) increased to 0.25 points between 2010 and 2022.

Evolution of the HDI at the departmental level in Colombia (2011-2022)

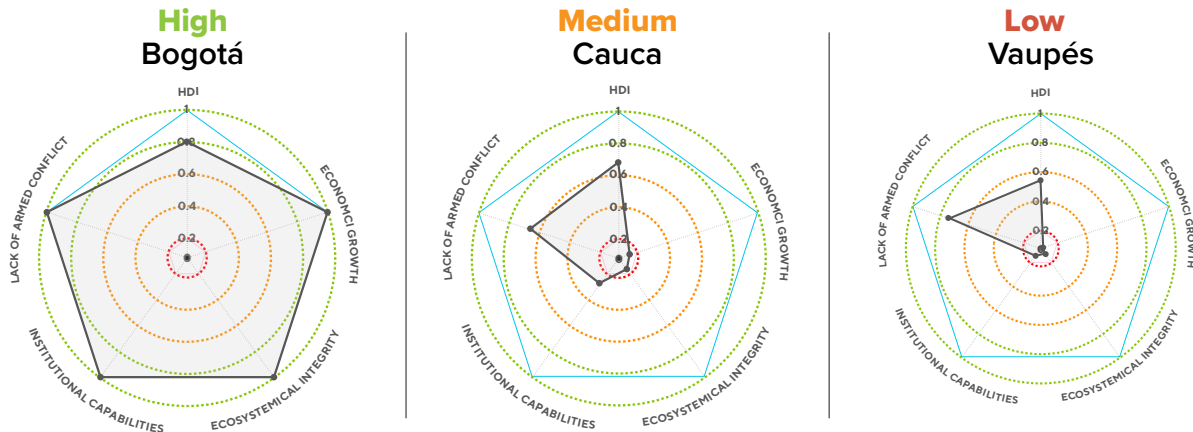


Source: UNDP Colombia.

A comprehensive analysis of these dynamics and the diverse paths of human development in different regions reveals the interdependence of and connections between institutional capacity, economic growth, ecosystem integrity, and the presence of armed conflict and new forms of violence. The systemic combination

of these dimensions makes it possible to understand what factors may be influencing the process of human development in the regions. In particular, the lack of a strong institutional capacity in certain regions limits access to basic services such as healthcare, education and security, which directly affects the population's quality of life.

Human Development Pathways



Source: IDEAM (2023), Colombian National Planning Department (2022), DANE (2023).

Development cannot be driven from outside the regions, but rather it is achieved with people, institutions, communities and organizations, from within the region. Institutional capacities are essential for promoting the social, economic, cultural and environmental transformations necessary to advance human development in the regions. Institutions and communities are strengthened by expanding people’s capabilities. As people gain access to healthcare, education, and livelihood opportunities, and thus increase their participation in planning, resolution and management in their region, development happens.

Chapter 2 “Inequality and Productivity: A Complex Relationship.” This chapter analyzes the relevance of inequality for human development in Colombia. Inequalities are inherited and worsen over a lifetime, leading to vicious cycles of low productivity and limited economic

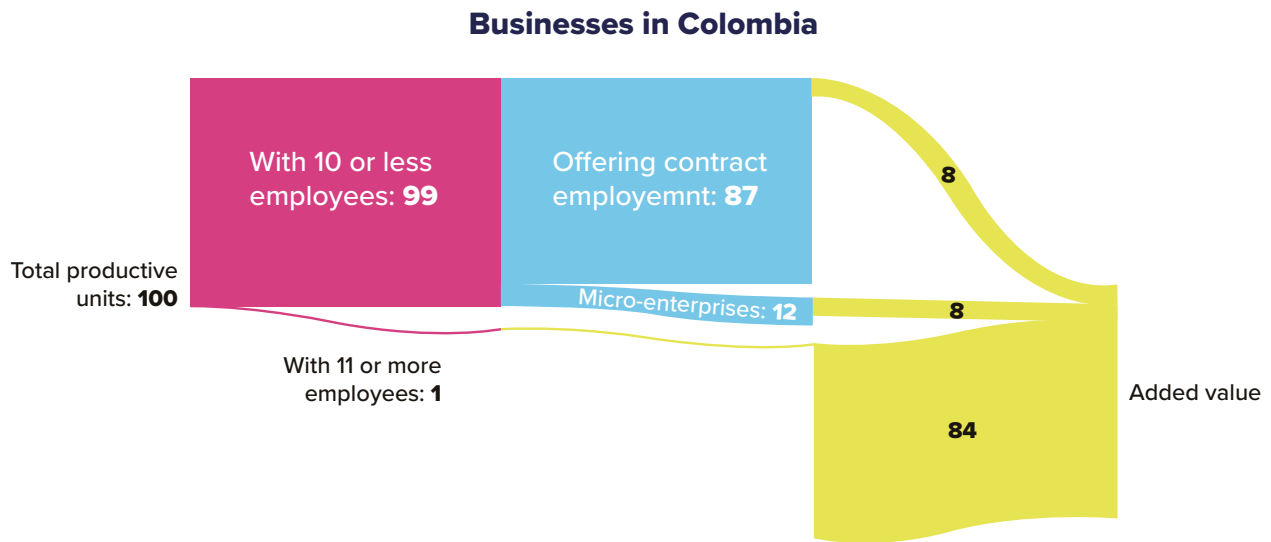
growth in the regions. This chapter examines how inequalities influence the development of individual capabilities and the distribution of opportunities among people, establishing their relationship to human productivity. It is widely known that Colombia is one of the most unequal countries in the world and that it loses 25% of its HDI when adjusted for inequality. This is a key aspect to consider in understanding the discrepancies in human development in the country. In particular, the disparity in skills and opportunities means that some people are able to fully reach their potential and achieve their goals, while others see their aspirations thwarted.

Colombia faces significant challenges in terms of the access to, quality and pertinence of education, from early childhood services to higher education. This is especially true in regions with lower levels of human development and in vulnerable populations, such as rural and

Indigenous communities, as well as those of African descent and those living in poverty. These educational disparities result in varying skill levels among individuals entering the labor market, which leads to significant inequalities in access to quality jobs.

Thus, inequality in educational attainment leads to unequal access to job opportunities in Colombia and, consequently, correlates with income disparity in society. Access to formal employment is closely linked to the quality of the educational pathway, and this correlation is associated with the level of income that the person can earn.

One of the unique features of businesses in Colombia is that the majority (99%) are economic entities with fewer than 10 workers, i.e., micro-enterprises, with 87% of their workers being self-employed. These micro-enterprises employ 65% of the population, and typically offer informal jobs with low wages and a low contribution to the country's added value, representing only 16%. This reflects an inefficient match between people's skills and jobs. In this context, the correlation with the economic outcomes expected from these economic units is evident: low added value and low productivity.



Source: Fernández 2023, reference materials for the NHDR 2024.

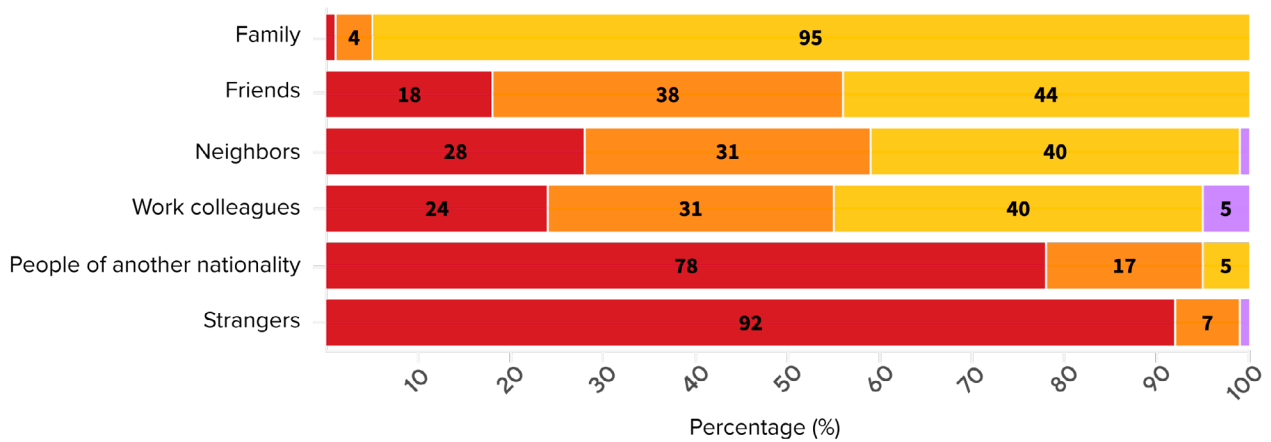
The significant inequalities that compound throughout a lifetime prevent people in Colombia from reaching their full potential. The OECD once referred to this phenomenon as the Marie Curies and

Einsteins that society misses out on. These numerous inequalities fuel social tensions and divisions, making it difficult to build a country that fosters collective growth.

This situation can lead to an increase in poverty or the emergence of barriers to social mobility, fueling social tensions

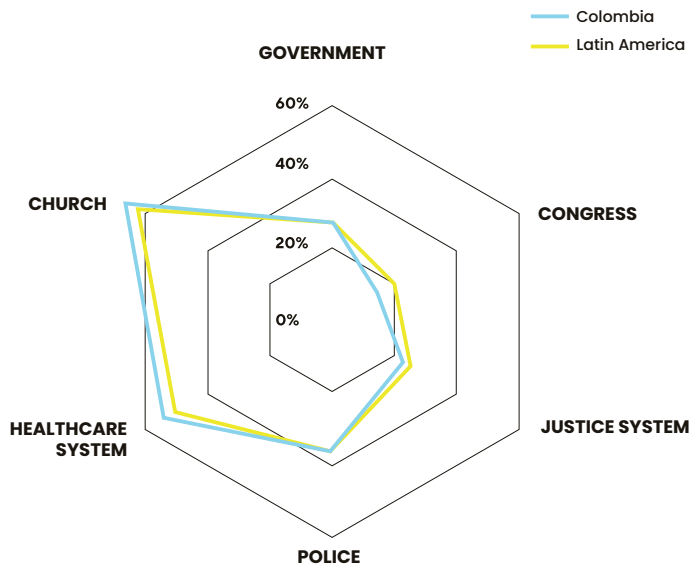
and divisions and causing widespread discontent, which can lead to mistrust and obstacles in the building of social capital.

Percentage of survey respondents by level of trust in different groups of people in Colombia (2022)



Source: UNDP Colombia using data from Pulso Social Survey (DANE, 2023).

Institutional Trust in Colombia and Latin America (2020)



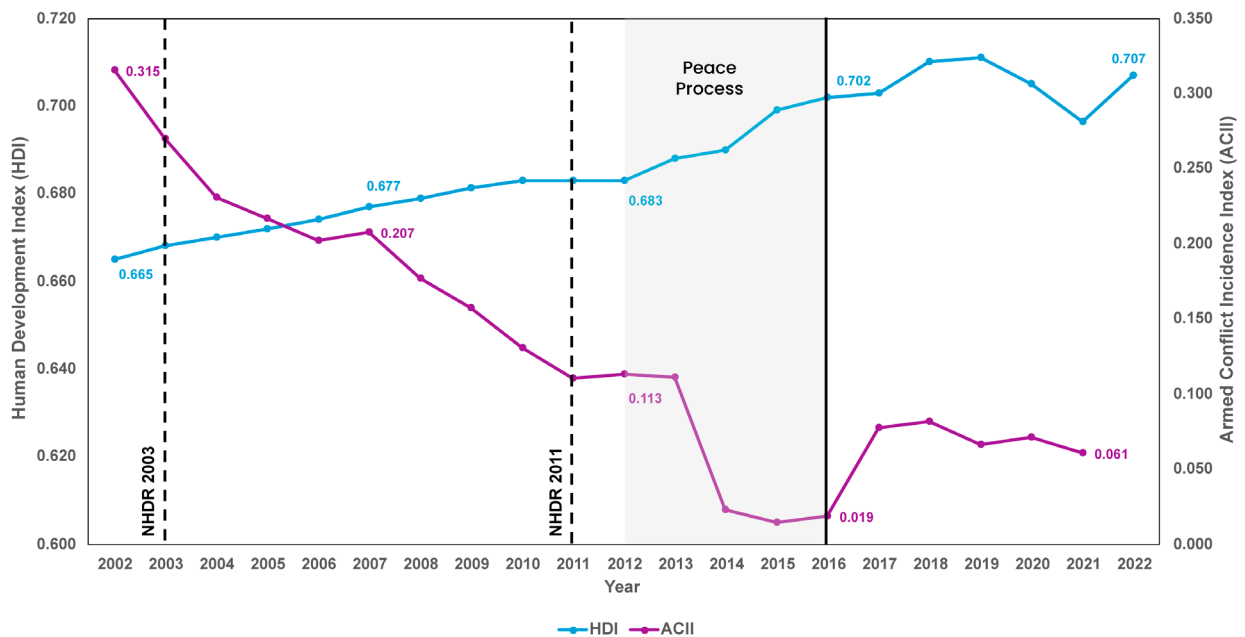
Source: Latinobarómetro, 2020.

Chapter 3 “The Inequalities of Conflict and Peace as a Point of Convergence.”

This chapter highlights how, over the past two decades, there has been a direct correlation between the prevalence of armed conflict and lower human development. Continual exposure of individuals and regions to cycles of violence exacerbates deprivation and impedes the development and utilization of individual capabilities throughout their

lifetimes, a phenomenon that persists from one generation to the next. The report emphasizes that promoting human development requires peace, and in turn, achieving peace requires human development. Therefore, human development needs a basic condition: security, which means that people can live free from threats that jeopardize their ability to live a full life.

Human Development Index (HDI) vs Armed Conflict Incidence Index (ACII). National Total 2002-2022



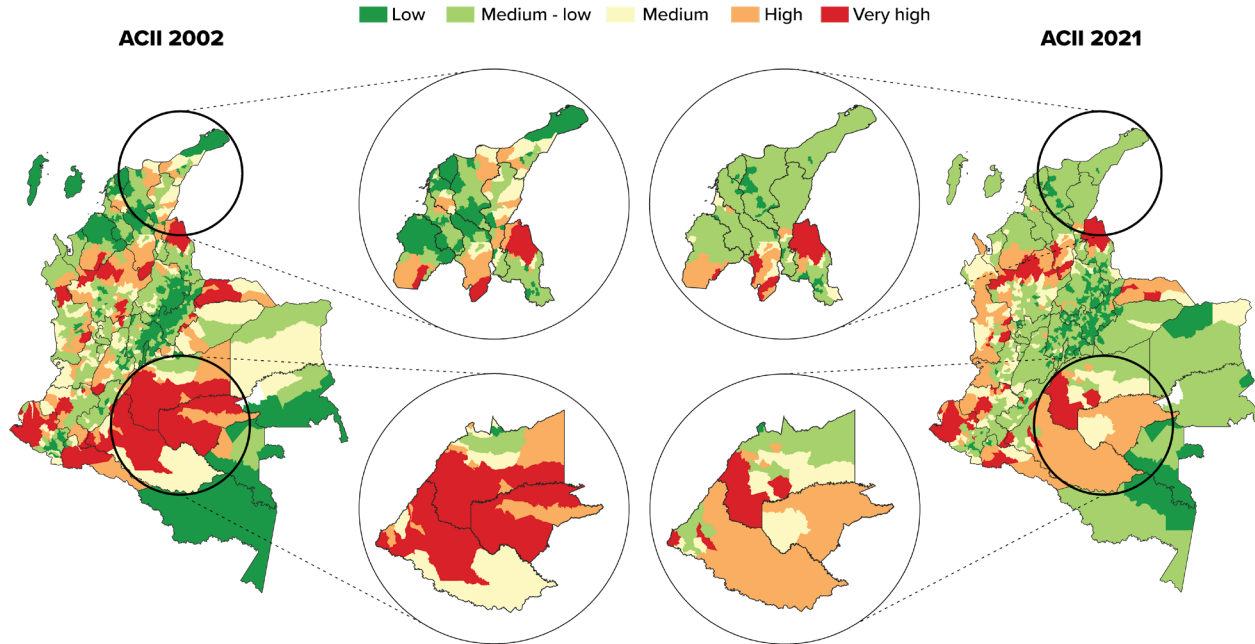
Source: National Planning Department of Colombia (2023). UNDP (2024).

Decades of armed conflict and new situations of violence not only hinder human development, but also exacerbate inequalities. Conflict prevents people from fully enjoying their freedoms and limits their opportunity of pursuing a fulfilled life. Moreover, this situation has been a major source of regional divisions and hampers economic growth and the promotion of

social welfare in the most affected regions. Exposure to insecurity perpetuates and amplifies inequality in human development, affecting rights, healthcare, and education, among other aspects. In this context, the division increases between regions exposed to higher levels of violence and those that are not.

Armed Conflict Incidence Index (ACII) by Municipality

Categories ACII



Source: UNDP Colombia using data from the Colombian National Planning Department (2022).

Persistent inequalities hinder the building of sustainable peace and the creation of a conducive environment for development, especially in rural areas and in the regions most affected by armed conflict, new situations of violence, poverty, illicit economies and institutional weakness. Violence and armed confrontation thus fuel this cycle of inequality and conflict. Although this cycle is fueled by varied and complex mechanisms, it has a consistent negative impact on human development in Colombia.

This analysis considers five principles of peacebuilding: (1) comprehensive rural reform; (2) political and civic participation; (3) the rule of law, which includes security,

justice and the protection of leadership; (4) solving issues stemming from illicit economies; and (5) providing opportunities for conflict victims. Finally, the chapter concludes by emphasizing that reducing armed violence alone is not enough to guarantee human development at the regional level.

Peace building at a regional level is an opportunity to mitigate the effects of conflict and promote new pathways. For it to be viable, promoting sustainable development from within the regions is key, with the active participation of institutions and through decision-making schemes that strengthen action and advocacy mechanisms for people and communities.

To break these cycles of violence, it is necessary to create the conditions with stakeholders in the region to provide basic services (universal and quality education and healthcare) and promote public and private investments to create economic opportunities.

In this way, peace is an essential factor for reducing disparities and inequalities, as well as for increasing opportunities and improving the well-being of people in the regions most affected by multiple forms of violence. This process requires peacebuilding on a regional level, where reduced levels of violence are complemented by development efforts in which the State and the communities work together to establish norms and practices that regulate public life and promote social welfare.

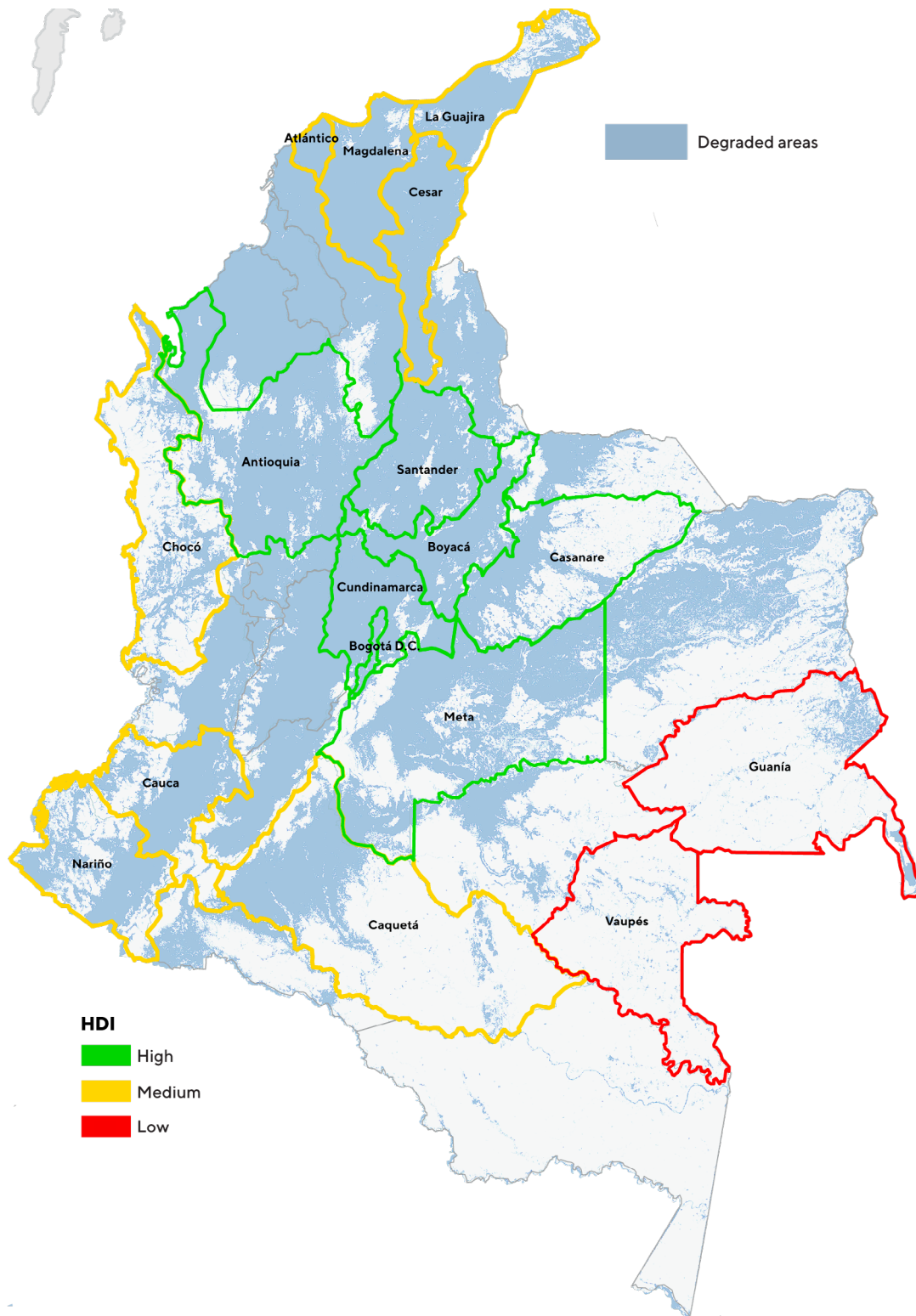
Chapter 4 “Nature and Climate in Human Development: Towards a New Convergence.” This chapter addresses global and national challenges in human development in the context of biodiversity loss, climate change and the prevalence of natural disasters. It proposes a framework for analyzing sustainable human development, considering it as an interdependent system, in which human beings are linked to natural ecosystems and the climate on a single planet. Until now, the economic growth model in most of the world, including Colombia, has heavily relied on the exploitation of natural resources, leading to biodiversity loss and accelerating climate change, which are affecting people’s development and which

disproportionately affect the development of vulnerable populations.

At the same time, Colombia faces a great challenge as the country works to eliminate high levels of inequality and persistent poverty, transform inherited and current structures associated with armed conflict and violence, and promote regional integration and interconnection to reduce differences in well-being between the inhabitants of different regions of the country. This is all happening in a context of high vulnerability to climate change, in which the country must factor environmental challenges and the potential for climate change adaptation into its development model. This is essential for preventing the degradation of Colombian ecosystems from jeopardizing the well-being and future development of its population.

The complex relationship between biodiversity and human development poses a fundamental paradox. The largest reservoirs of biodiversity coincide with low levels of human development. Likewise, higher levels of human development entail greater environmental impacts. Colombia exhibits a trajectory similar to that observed globally. The departments with the highest levels of human development are located in areas with high environmental degradation, while those with lower levels of development are found in regions with a high percentage of ecosystems in good conservation status.

Degraded or endangered areas



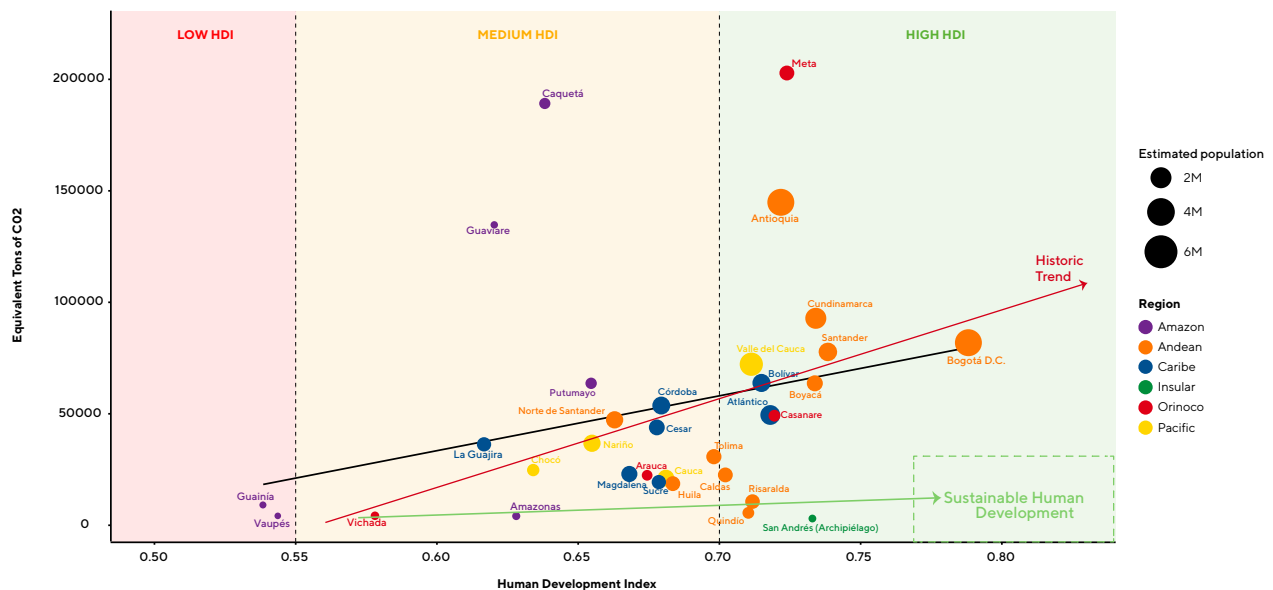
Source: UNDP Colombia using data from Humbolt Institute (2023) and UN Biodiversity- lab (2023).

This leads to a dilemma: how should gaps in human development be reduced between regions? On the one hand, they can continue advancing at the expense of biodiversity, or they can incorporate biodiversity as an essential consideration in the human development of regions. This is an opportunity to avoid repeating outdated development approaches. The world is striving to find sustainable development models after having greatly degraded its ecosystem integrity. Colombia is not yet in that situation.

To address this dilemma, this chapter examines three main elements that allow

us to understand the importance of the interconnection between biodiversity, climate and living beings. Firstly, it analyzes the state of biodiversity in regions with respect to their human development and institutional capacity to manage environmental capital. Secondly, it analyzes climate justice and its relationship with human development, the protection of ecosystems, the use of biodiversity and contexts of conflict. Finally, it looks at deforestation and its relationship with human development in conflict-affected areas.

Human Development Index (2018) vs Net Greenhouse Gas Emissions (2018)



Source: UNDP Colombia using data from the Third National Communication on Climate Change (2022).

It is essential to recognize that biodiversity represents a vital wealth that sustains ecosystems and directly benefits the communities that depend on it and the planet as a whole. It is crucial to understand that, in the long term, there can be no economic or social prosperity if environmental protection is neglected and vice versa. Moreover, the link between biodiversity, climate and living beings is essential for narrowing gaps in human development in Colombia. Therefore, when we talk about human development reducing inequalities, we must consider the whole system and not just the benefit of one aspect of it.

In the end, the promotion and advancement of human development in a context of climate change, biodiversity loss and low human development requires new measures so that the creation of opportunities and capabilities for Colombians does not occur at the expense of the environment. It is for this reason that this report proposes the concept of sustainable human development, or the efficient transformation of natural resources into human development, within the ecological limits of the planet.

Chapter 5 “Opportunities: Possible Trajectories for Human Development in Colombia.” This chapter states that in order to narrow gaps in human development across the regions, it is necessary to unlock their economic, social, institutional and relational potential, while protecting the

environment. If human development aims to increase capabilities and their effective use, human productivity aims to accelerate this process within the framework of sustainable human development.

Effectively boosting human productivity requires understanding regional contexts when it comes to building and leveraging capabilities. From this perspective, greater efficiency in the building of capabilities and their use directly correlates with greater efficiency in the provision of quality and universal public services and goods, in increases in business competitiveness and, finally, in strengthening the social contract.

The opportunity to tackle Colombia’s unequal pathways, a reflection of multidimensional inequality, emerges not as a roadmap or a master plan, but as a proposed approach: the potential to adapt the way things are done. This approach is composed of three essential elements. Firstly, from a social perspective: complex systems require the management of the relationships that make up the social landscape. The starting point involves valuing and recognizing the role of individuals, through a relational approach, considering their diverse forms of organization and interaction. Trust, a factor undermined by decades of conflict, is crucial for accelerating human development. The 1991 Constitution, widely acclaimed and ahead of its time, is interpreted in different ways by different peoples and

regions. The social pact in Colombia, the Multi-ethnic and Multicultural Rule of Law, has the opportunity to unlock enormous potential in its constituent regions.

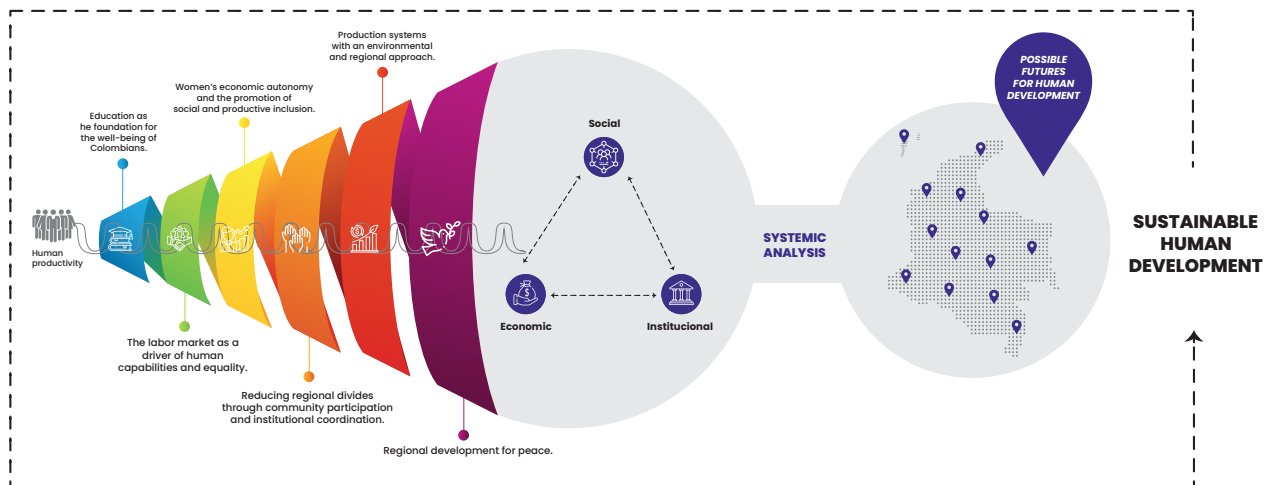
Secondly, a paradigm shift is proposed in the way public affairs are understood and managed: moving from an activity-based to a results-based approach. The focus should not be on the service provider or the service itself but on the transformation experienced by the citizens. In other words, the emphasis should be on improving the quality of health and education provided to the public, rather than merely opening health or education centers. Management should concentrate on the outcomes and the impacts these services can produce, rather than on the inputs themselves.

Thirdly, labor productivity is an essential dimension, especially when considering the life-cycle approach and the challenge of providing universal access to quality education systems in regions with very challenging terrain and limited public investment, where micro-enterprises with limited ties to the market are common. Supporting productive units in transitioning towards competitive practices involves strengthening business, financial, and digital management, as well as improving market access. This effort is supported by opportunities derived from the country's unique characteristics and public investments in physical and digital infrastructure.

Human productivity, an accelerator for the sustainable human development approach, can guide Colombia's regions, which are characterized by their mega-biodiversity and cultural diversity, to propose and forge development pathways. These pathways should not be based on applying obsolete and outdated approaches, as has been done in the past, but instead on investments, technologies, research and business models that are cultural, green, digital and equitable.

From a systemic perspective, six components are proposed that, depending on how they are combined with each other, will configure different pathways. There are, of course, certain configurations that have the greatest potential to accelerate human productivity. The possible configurations of these six components occur through the combination of the elements that make up human productivity: social, institutional, and economic aspects. Considering the limit of the planet, sustainable human development is essential.

A systemic perspective: new pathways for human development



Source: UNDP Colombia.

Firstly, education is regarded as the foundation for the well-being of Colombians. Education should be considered from a life-cycle perspective, from early childhood to higher education, as well as continuing education. The consolidation of these educational pathways across regions, through widening access, improving quality and promoting pertinence, represents the first step in creating and strengthening people’s capabilities across regions. This would lead to greater participation of individuals in decisions that affect the region and their own well-being. The notion of agency and the potential for building and leveraging capabilities are intrinsically linked to education.

Secondly, the labor market as a driver of human capabilities and equality. For the consolidation of educational pathways to

reflect in long-term regional development, it is also necessary to strengthen regional employment markets and opportunities for labor inclusion. It is imperative to promote employment routes tailored to region and entrepreneurship with an inclusive, differential, and environmental vision, where conditions exist to enhance a systemic relationship between human beings, the climate and biodiversity. It is necessary to strengthen social protection systems, promote formalization processes, and facilitate the growth of the labor market through associations and cooperatives, in order to generate added value for and from the region.

Thirdly, women’s economic autonomy and the promotion of social and productive inclusion. The implementation of enabling conditions for women’s comprehensive development is necessary.

This involves promoting inclusive public policies that value care work, which will facilitate the integration of more women into the formal labor market. As well as increasing labor inclusion opportunities, this will also foster women's integration into the entrepreneurship ecosystem, and even in political and civil society organizations. Likewise, it is essential for the gender perspective to be considered as an enabling factor for understanding the reality for regions and their structural problems, proposing transformative actions that seek to overcome the gaps from a people-centered approach.

Fourth, community participation and public and private co-creation spaces for creating solutions and opportunities to overcome economic, social, and environmental challenges. Regional entities must be strengthened to create the conditions for people to enjoy greater productive inclusion, while also promoting environmentally sustainable development. This also involves improving institutional coordination at all levels, promoting better synergies between the public and private sectors, and expanding the capabilities of local governments and traditional authorities with their own knowledge. This is in addition to community participation in decision-making processes, improving their potential for action and influence. This participation is not a consultative exercise, but a way of understanding and addressing the challenges from and with the regions and their inhabitants.

Fifth, production systems with environmental awareness and a regional approach. It is necessary to promote the diversification of economic activities adapted to climate change and the sustainable use of natural capital, as well as to move from an extractive model to more sustainable economic growth. Additionally, it is important to strengthen microenterprises to drive economic growth that generates higher productivity and income, and to strengthen association and cooperativism among small producers to achieve economies of scale, greater productivity and sustainability.

The sixth component is regional development for peace. The presence and action of the State at the local and regional level must be increased and strengthened to promote security, enabling people to live free from different types of threats that inhibit them from living full lives. At the same time, access to economic, social and political opportunities for people must be advocated, thus avoiding the creation of new cycles of violence.

