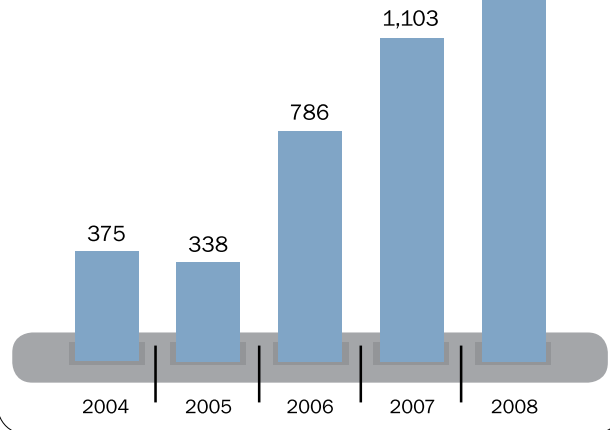


Over the past 5 years, revenues received to fund the implementation of projects in the different program areas have followed an increasing trend.

- **The University of Ghent-Belgium Government** approved €30,000 for the project *Analysis of SALW Seized in Colombia to Evaluate and Improve SALW Export Controls*. In 2008 we received the first disbursement of \$81,116,360 pesos. This is a nine-month project, starting in August 2008.
- **The International Center for Transitional Justice (ICTJ)** disbursed CAN \$21,442 to finance three focus groups on reparation and reconciliation, as part of the project *Transitional Justice to support peace in Colombia* which has funding from the Government of Canada. This funding began in November 2007 and ended in March 2008.
- **The United Nations Development Program (UNDP)** disbursed the remaining funds from the Swedish International Development Agency (SIDA) for the project *Focus Groups: Reparation and Reconciliation*, for the amount of \$37,366,470 pesos; the remaining funds were executed on 30 April 2008.

COMPARATIVE INCOME FOR PROJECTS

(2004-2008)
millions of pesos



- **The National Police** hired FIP to support its Lessons Learned and White Paper Methodologies. This contract is worth \$95,000,000 pesos, of which the first disbursement of \$47,500,000 pesos was received in 2008. The contract is for six months.

3. PROPOSALS PRESENTED FOR 2009

So far external contributions totaling amounting approximately \$869,340,000 pesos have been agreed upon for 2009. These include:

- The **Ford Foundation** has approved the project *Strategic support for building peace in Colombia 2009-2010*. Resources worth US \$252,000 dollars have been committed, of which US \$126,000 will be received in 2009.
- **Open Society** has approved a cooperation agreement for the project *The Use (and Abuse) of Extradition in the War on Drugs*. This project will run for 12 months, starting in January 2009, and it is worth US \$106,181 dollars.
- The **Embassy of Canada** approved funding for the project *Adaptation of the Mining Kit*. The project is worth a total of 50,572,000 pesos, and it will run for 12 months, starting in January 2009.
- The **National Police** will disburse the remaining funds for the support of Lessons Learned and White Paper Methodologies, at a cost of \$47,500,000 pesos.
- The **University of Ghent-Belgium Government** will make the final disbursement of €3,000 euros for the project *Analysis of SALW Seized in Colombia to Evaluate and Improve SALW Export Controls*.
- The **UNDP (Basket Fund)** will provide funds for serving as the *technical secretariat for the International Congress on Disarmament, Demobilization and Reintegration*, organized by the High Council for Reintegration. For providing this service, we will receive \$97,000,000 pesos.
- The Office of the **United Nations High Commissioner for Refugees, UNHCR**, has approved a contribution of \$7,000,000 pesos to support the work of the *Verdad Abierta* project in the area of forced displacement.
- The **Government of Switzerland**, which has funded the *Colombia Guidelines* project since its inception, is currently reviewing the proposal to renew support for an additional 12 months. The resources requested are \$138,175,000 pesos.
- FIP is holding preliminary discussions with the **United States Institute of Peace (USIP)** to fund the project *Business sector and displacement*, which would also receive support from the UNHCR. The amount requested is \$146,214,000 pesos.
- Talks are under way with the **Departamento Nacional de Planeación** to implement the project *Technical assistance and methodology in the formulation of a National Strategy for the Consolidation of Coexistence and Citizen Security in Colombia*, which would be funded by the **Inter-American Development Bank**. The project would cost \$269,619,000 pesos.
- The **Department of Antioquia** is studying a proposal requested by the Peace Advising Office for a workshop on *Arms Control in Antioquia*, at a cost of \$20,649,612 pesos.
- The **Department of Antioquia** is studying a proposal requested by the Peace Advising Office for an *Analysis of the Security Environment in the Municipality of Cauca, Antioquia*, at a cost of \$66,981,581 pesos.
- The **Colombian Navy** is working on approving the project on the *Structure of the International Maritime Center against Drug Trafficking*, worth \$45,000,000 pesos.

Proposals have been made for 2009 which are in the process of securing approval, with an approximate value of \$700,000,000 pesos. Among these, we highlight the following:

4. CONTRIBUTIONS FROM FOUNDERS IN 2008 (in thousands of pesos)

Organización Corona S.A.	97,500
Bavaria S.A.	66,000
Indupalma S.A.	11,000
Fundación Suramericana	22,000
BP Exploration Company	22,000
El Tiempo Publishing	22,000
Compañía de inversiones y Comercio S.A.	22,000
Fundación Inversiones Nacional de Chocolates	22,000
Organización Terpel	25,000
Davivienda	25,000
Argos Foundation	-
Hocol S.A.	-
Ladrillera Santa Fé S.A.	5,500
Occidental de Colombia	22,000
Postobón S.A.	16,500
RCN Radio Cadena Nacional	16,500
Seguros Bolívar	22,000
Tipiel S.A.	22,000
Coca Cola Servicios	22,000
Bancolombia Foundation	21,500
Fundación Promigás	21,000
Pinar del Río Social Foundation	16,500
Carbones del Cerrejón S.A.	22,000
Parra Rodríguez & Cavalier	-
Gómez Pinzon & Abogados	-
	\$542.000.000

5. 2008 FINANCES

5.1. General state of accounts

	31 December	
	2008	2007
<i>(in thousands of pesos)</i>		
ASSETS		
Liquid assets:		
Cash and cash equivalents (Note 3)	969,550	1,053,061
Debts (Note 4)	155,276	48,644
Total liquid assets	1,124,826	1,101,705
Equipment (Note 5)	26,043	28,702
Total assets	1,150,869	1,130,407
LIABILITIES AND SOCIAL FUND		
Current liabilities:		
Financial obligations	14,177	-
Accounts payable (Note 6)	148,598	147,607
Taxes, fees and charges (Note 7)	31,895	1,090
Labor expenses (Note 8)	27,988	20,307
Estimated liabilities and provisions	6,162	-
Co-funding funds to be executed (Note 9)	535,496	616,172
Current total liabilities	764,316	785,176
SOCIAL FUND (NOTE 10)		
Social fund	100	100
Surplus from donations	61,425	61,425
Reserves	225,893	145,535
Revaluation of the social fund	38,000	38,000
Accumulated surplus of revenues over expenses	61,135	100,171
Total Social fund	386,553	345,231
Total liabilities and social fund	\$1,150,869	\$1,130,407

5.2. Activity status

	Year ending 31 December	
	2008	2007
<i>(in thousands of pesos)</i>		
REVENUES		
Donations (Note 11)	564,000	562,753
Interest	58,242	38,676
Business activities (Note 12)	133,346	-
Other revenues	3,305	9,366
	758,893	610,795
Administrative expenses (Note 13)	635,635	449,073
Surplus of revenues over expenses before income tax	123,258	161,722
Income tax (Note 7)	(1,578)	(1,006)
Surplus of revenues over expenses	\$ 121,680	\$160,716

ANNEXES

STRATEGIC DIRECTION 2008-2015

Passed by the Executive Committee and approved by the internal work team
15 July 2008

VISION 2015

By 2015 the Ideas para la Paz Foundation (FIP) will have contributed significantly to ending and surmounting the armed conflict in Colombia, and will continue to act decisively toward the consolidation of a democratic, pacific, and prosperous society that is successfully positioned within the world political and economic order.

Its contribution has consisted of creating knowledge about conflict, peace, and security, based on facts and developed independently. This knowledge has made it possible to raise the level of public debate and has helped governments, the business community, and civil society to make the right decisions, in accordance with the principles of liberal democracy and the social rule of law.

FIP is acknowledged worldwide as one of the leading think tanks in the area of conflict, peace, and security. Its staff is highly qualified, innovative, wide-ranging, and diligent. FIP is sought as a partner and ally by the most influential national and international agencies, and it is successful at rallying interest in its fields of endeavor.

The business community that operates in Colombia has contributed significantly to endowing FIP with this role; through their commitment, support, and participation they express their sense of responsibility to the country.

MISSION

The Ideas para la Paz Foundation (FIP) creates knowledge, proposes initiatives, implements practices, and supports processes toward ending and surmounting the armed conflict in Colombia.

VALUES

EXCELLENCE: FIP endeavors to produce excellent quality work, based on rigorous technical expertise and the

professionalism of its staff, and through the application of approaches that build useful knowledge based on empirical evidence.

INDEPENDENCE: FIP operates with independence and autonomy in forming its opinions and positions, above considerations of party alliance, and distanced from private interests.

RESPECT FOR DIFFERENCE: FIP manages its internal and external relations based on an appreciation for different points of view.

COMMON GOOD: FIP works for the promotion and construction of general interest and the common good, based on a profound conviction in the applicability of the values of liberal democracy and respect for the institutions of the social rule of law.

GUIDING PRINCIPLES

COMMITMENT TO PEACE: FIP operates with the conviction of the need for sustainable peace, based on democracy and equity; at the same time it acknowledges that the roads to peace are many and that these require commitment from all Colombians, and will remain open to listening, analyzing, and proposing options to achieve it.

FOCUS (AREAS OF INTEREST): FIP concentrates its work in the following subject areas:

- Dynamics of conflict and peace negotiations
- Peace-building and post-conflict
- Security and defense studies
- Private sector and conflict

PROACTIVITY: FIP acts proactively in the identification of opportunities for pursuing its mission; to do so, it pays close attention to the unfolding of national and international events.

PROJECT MANAGEMENT: FIP only pursues initiatives, programs, and projects that fit within its lines of action; service may be provided through cooperation agreements, consultancies, or other arrangements, so long as this does not contradict the stated mission and values.

CO-FUNDING: FIP actively seeks national and international funding for its projects and initiatives, with a policy of diversifying sources without compromising independence.

WHAT WE PROVIDE

The Ideas para la Paz Foundation (FIP) provides useful knowledge aimed at surmounting armed conflict and building sustainable peace, through:

- a) production of substantiated information for making informed decisions;
- b) publications, forums, and other initiatives that contribute to raising the quality of public debate;
- c) use of skills for analyzing, designing, and evaluating public policy;
- d) promotion of business models and practices in settings of conflict and post-conflict;
- e) advising and accompaniment for processes in the areas of interest.

CLIENTS

Businesses and businessmen who are interested in developing concise, thorough, and practical knowledge on the dynamics of conflict and options for building peace in Colombia.

Public agencies (national, regional, and local) that are responsible for the formulation and execution of public policy related to conflict, security, and peace.

International community (governments, multilateral agencies, and civil organizations) interested in surmounting armed conflict, the promotion of security, and the consolidation of peace in Colombia.

Media that are committed to responsibility and quality in exercising their mission to report.

Research centers and the academic community, foundations, and civil organizations that operate in FIP's areas of interest, as peers, allies, or partners in different initiatives.

Social and political agents who exert influence in the analysis, design, and evaluation of public policy, public debate, and the establishment of public opinion.

PRODUCTS AND SERVICES

Substantiated information of excellent quality on issues related to conflict, security, and peace.

Analysis, design, accompaniment, and evaluation of public policies related to:

- Dynamics of conflict and peace negotiations
- Peace-building and post-conflict
- Security and defense
- Private sector and conflict

Business and public management models for contexts of conflict, post-conflict or institutional weakness.

Publications on issues related to conflict, security, and peace.

SPECIAL SKILLS REQUIRED

Technical, professional, and scientific diligence, as the basis for ensuring the quality of the products.

Knowledge of business needs in terms of armed conflict and peace, with the purpose of adequately meeting their needs and expectations.

Ability to read the situation at the national, regional, and international level, to ensure constant updating about the country's circumstances and about the knowledge tools available to the organization.

Ability to exert influence in the design and formulation of public policies.

Ability to accumulate learning individually and collectively based on the experience of the projects; production of knowledge (creation, application, and dissemination).

Ability to manage projects (design, formulation, coordination, and evaluation).

Ability to raise resources and "sell" projects.

Institutional communication ability with different stakeholders and, especially, with the business sector.

STRATEGIC ASSETS

Credibility

Diligence

Commitment and backing of the business sector

Recognition by specialists

Branding (name recognition)

Ability to convene

Co-funding

PLAN OF ACTION 2009-2011

PROGRAM AREAS	STRATEGIC OBJECTIVE	STRATEGIC LINES
Dynamics of Conflict and Peace Negotiations	Contribute to a better understanding of the internal conflict and provide technical support to peace negotiation processes, by means of monitoring, analysis, and research on the illegal armed groups, their regional dynamics, and peace negotiations.	<ol style="list-style-type: none"> 1. Illegal armed groups in Colombia 2. Peace negotiations in Colombia 3. Production and dissemination of information
Post-Conflict and Peace-Building	Contribute to better understanding by the public, and the formulation of policies and programs for post-conflict and peace-building, by creating knowledge and authoritative information on key aspects in these fields.	<ol style="list-style-type: none"> 1. Post-conflict, DDR and transitional justice 2. Peace-building
Private Sector and Conflict	Promote, orient, facilitate, and tailor the participation of the private sector in surmounting the conflict and building sustainable peace, by disseminating authoritative information about CSR, the identification and promotion of good practices, providing technical consulting and developing work tools.	<ol style="list-style-type: none"> 1. Observatory on CSR, human rights, and peace-building 2. Business practices that are sensitive to the conflict and peace-building 3. Technical consulting and training on CSR, human rights, and security.
Security and Defense Studies	Contribute to the modernization of policies and strategies for the internal security and external defense of Colombia, to make these more effective at protecting the people's rights and national interests, with the principles of liberal democracy and the rule of law.	<ol style="list-style-type: none"> 1. Policy on defense and military forces 2. Interior security, citizen security, and police 3. Regional security

DYNAMICS OF CONFLICT AND PEACE NEGOTIATIONS AREA

Line 1 - Illegal armed groups in Colombia

Strategic Objective:

Make contributions that help to improve the quality of policies and public debate, through constant and timely monitoring of the conduct of illegal armed groups in Colombia.

Results expected after three (3) years

FIP will have ensured that information and analysis about the illegal armed groups are being brought to the attention of:

- > the media
- > Decision-makers

Results expected for 2009

- > FIP will increase its presence in the media, providing information and analysis about the illegal armed groups.
- > FIP will guarantee that its information and analysis about the illegal armed groups are relevant for government decision-making.

Line 2 - Peace negotiations in Colombia

Strategic Objective:

Contribute to improving the quality of the negotiations with the illegal armed groups, by tracking and analyzing the peace processes in Colombia over the past three decades, identifying lessons learned, and providing technical support to negotiation processes.

Results expected after three (3) years

- > FIP will be providing technical consulting to the people responsible for negotiating with the illegal armed groups.
- > FIP will be known as a reference source on subjects related to peace negotiations.

Results expected for 2009

- > FIP will identify and create communication channels and opportunities for working together with the high commissioner for peace, to keep abreast of his needs.
- > FIP will develop a proposal that addresses the problems of and provides different options for eventual negotiations with the FARC (2010).

Line 3 - Information and dissemination

Strategic Objective:

Systematize and offer information about the internal armed conflict to contribute to a better understanding of it by specialists and by the public in general.

Results expected after three (3) years

- > The BCP has been acknowledged as the most comprehensive online information center on conflict and peace in Colombia.

Results expected for 2009

- > The BCP is brought up to date and available online through the FIP website.

POST-CONFLICT AND PEACE-BUILDING AREA

Line 1 - Post-conflict, DDR and Transitional Justice

Strategic Objective:

Contribute to improving the processes for DDR, transitional justice, and reconciliation by monitoring and evaluating proposals for initiatives, policies, and programs on these subjects.

Results expected after three (3) years

- > FIP continues to be considered a national and international authority on DDR issues.
- > FIP is a reference source on the subjects of transitional justice and reconciliation for the sectors involved in the process.

Results expected for 2009

- > FIP will have concrete impact on the ACR's decision-making.
- > FIP will be a reference source on DDR issues at the international level, thanks to its participation at the Cartagena conference.
- > FIP will be contributing to the discussion of the technical aspects of transitional justice and reconciliation.

Line 2 - Peace-building

Strategic Objective:

Explore and address strategic factors related to the armed conflict, in order to contribute to policies and programs for peace-building.

Results expected after three (3) years

- > FIP will have contributed to public policy on peace-building, vis-à-vis the two strategic factors identified.

Results expected for 2009

- > FIP has identified and described two strategic factors for contributing to peace-building.

PRIVATE SECTOR AND CONFLICT AREA

Line 1 - Observatory on CSR, Human Rights and Peace-building

Strategic Objective:

Create and disseminate useful knowledge and authoritative information on issues related to CSR, human rights, and peace-building, to facilitate the participation of the private sector in surmounting the conflict and building peace.

Results expected after three (3) years

- > An observatory will be operating that:
 - a) is a reference source for the private sector in Colombia.
 - b) has inspired new or better practices on the subject.

Results expected for 2009

- > The observatory on CSR, human rights and peace-building has been designed, is partly funded, and ready to operate.

Line 2 - Conflict sensitive business practices and peace-building

Strategic Objectives:

Promote the adoption of codes of conduct and business operating standards in complex environments, with a human rights and peace-building perspective.

Develop and disseminate new operating standards that are applicable to companies that operate in complex environments.

Results expected after three (3) years

- > FIP has been recognized nationally and internationally for its role in promoting the adoption of the Voluntary Principles in Colombia.
- > FIP has convinced companies outside the extractive industries and contractors to adopt new standards and practices.

Results expected for 2009

- > Ensure that FIP continues to serve as the technical secretariat for the Mining and Energy Committee, so as to consolidate its role as a leader in the adoption of corporate codes of conduct.
- > Validate the Colombia Guidelines as a publicly accepted standard for business operations.
- > A methodology for working with contractors will have been designed and presented to businesses.

Line 3 - Technical assistance and training in CSR, Human Rights and Security

Strategic Objective:

Strengthen the participation of the private sector in surmounting conflict and building peace, by means of promoting, accompanying, and consulting on the adoption of CSR practices with a human rights and peace-building perspective.

Results expected after three (3) years

- > The private sector is in constant demand for FIP's technical consulting services in their areas of interest.
- > A strategy for promoting conflict sensitive business practices and peace-building by region and by sector, has been consolidated.

Results expected for 2009

- > Two tools or methodologies for FIP's portfolio of technical consulting services have been validated.
- > A strategy for promoting conflict sensitive business practices and peace-building by region and by sector has been created.

SECURITY AND DEFENSE STUDIES AREA

Line 1 - Defense Policy and Military Forces

Strategic Objectives:

Support the modernization of the Military Forces by producing fundamental strategic concepts for the development of the force, improving the quality of military education, and designing suitable procurement procedures.

Contribute to the design of an effective but non-provocative foreign defense force that meets the country's strategic interests and respects its economic capacity, and that strengthens Colombia's international image and influence.

Support the design and adaptation of the Military Forces' contribution to domestic security in accordance with the evolution of the conflict.

Results expected after three (3) years

- > FIP will have made an effective contribution to the Military Forces' adaptation to the new strategic scenario (at least one set of recommendations presented to the Ministry of Defense and the Military Forces).
- > FIP will have established a line for providing ongoing technical consulting to the Ministry of Defense and the Military Forces on foreign and domestic security.
- > FIP shall have become renowned nationally and internationally in terms of modernizing defense policy.

Results expected for 2009

- > FIP will have developed and presented to the decision-makers, one (1) proposal on adapting the Military Forces to the new strategic scenario.
- > FIP will have provided two technical consultancies to the Military Forces and the Ministry of Defense.
- > FIP will have sparked public debate on the modernization of the sector.

Line 2 - Domestic security, public security, and Police

Strategic Objectives:

Strengthen the development of the National Police as a force undergoing consolidation.

Contribute to the review and modernization of the strategies to fight organized crime related to the internal conflict, such as terrorism and drug trafficking.

Contribute to the review and modernization of public security strategies.

Results expected after three (3) years

- > FIP will have established a line for providing ongoing technical consulting to the National Police.
- > FIP will be providing consulting to political-civilian institutions on strategies for fighting organized crime and public security.
- > FIP shall be acknowledged as a national and international authority for information and dissemination of Colombia's experience on organized crime and public security.
- > FIP will be pursuing domestic security projects in other countries of the region.

Results expected for 2009

- > FIP will have made a substantial contribution to the strategic development of the Police.
- > FIP will have contributed to public debate on strategies against organized crime and public security.
- > FIP will have identified areas for providing ongoing technical consulting to the National Police.
- > FIP will have identified opportunities for pursuing domestic security projects in other countries of the region.

Line 3 - Regional security

Strategic Objective:

Contribute to a better understanding of Colombia's strategic milieu, in support of the formulation of a position on foreign security that meets the country's needs.

Results expected after three (3) years

- > The observatory on regional security will be well-established and serving as an authority on the subject.
- > FIP will be providing ongoing consulting on the subject of the country's foreign security.

Results expected for 2009

- > FIP will act as the main member of the observatory on regional security.
- > FIP will have implemented at least one (1) project that contributes to the rethinking of the country's foreign security policy.

