

I. COUNTRY REFORM PROGRESS

Colombia's fiscal reform agenda has advanced significantly over the past two years, supported by targeted technical assistance (TA) from the IMF's Institute for Capacity Development (ICD). The Autonomous Committee for the Fiscal Rule (CARF) has emerged as a key institution for independent macroeconomic analysis and fiscal oversight, thanks in large part to the development and integration of the *Plataforma de Análisis Económico* (PAM) macroeconomic projection tool. This tool enables CARF to independently assess the realism of Ministry of Finance (MoF) projections, quantify macroeconomic risks, and contribute to more transparent and prudent fiscal planning. The TA project coincided with Colombia's broader efforts to strengthen debt sustainability and macroeconomic stability, and addressed concerns regarding institutional capacity, data quality, and the need for evidence-based policymaking.

Throughout the project, ICD worked closely with CARF and the MoF, coordinating with FAD and leveraging local ownership to embed analytical rigor into Colombia's macroeconomic policy framework. The project integrated the PAM into CARF's forecasting processes, improved stakeholder engagement, and promoted a culture of transparency and accountability. The TA team prioritized capacity building, documentation, and the creation of a user manual to ensure continuity despite staff turnover. The successful conclusion of the project has positioned CARF as a credible fiscal watchdog and strengthened Colombia's resilience in a challenging global environment. Continued collaboration with development partners will be essential to consolidate these gains and support future reforms.

II. PROJECT DELIVERY HIGHLIGHTS

Spending Module IV – Fiscal and Macroeconomic Tools, Research, and Analytical Work

Key Progress in FY26: The CARF staff finalized integrating the PAM macroeconomic framework into their workflow, enabling independent scenario analysis and more robust fiscal oversight. The project's conclusion marked a major step in developing evidence-based forecasting and enhancing coordination between CARF and the MoF.

Previous Progress: In FY25 and prior, CARF established a dedicated forecasting team, streamlined procedures, and developed a comprehensive macroeconomic framework and associated database. Recent work built on these achievements by embedding the PAM tool and finalizing documentation, ensuring sustainability and ease of use.

Next Steps: With the project now concluded, CARF will focus on consolidating its analytical outputs, maintaining capacity, and deepening engagement with stakeholders to support Colombia's ongoing fiscal reform agenda.

III. LOGICAL FRAMEWORK

Country – Colombia		
Objective - Develop capacity in macroeconomic forecasting and policy analysis to support policy decision making and communications - MFR		Rating - 4
Outcome	Rating	Narrative
Authorities have a baseline understanding of their existing forecasting and analytical capabilities and opportunities for improvement	4 Fully Achieved	The results from scoping were transmitted to authorities in the form of a TA report which was eventually published in the IMF website. Authorities agreed on an action plan to develop analytical and forecasting capacity, including developing a macroeconomic projections tool.
Improved analytical skills, and better macroeconomic forecasting and policy analysis capacity	4 Fully Achieved	The core team has been established, and responsibilities have been effectively allocated. The team has deepened its understanding of key macroeconomic relationships among the four sectors and the economic impact of various policies. They have also developed expertise in producing macroeconomic forecasts using a macroframework, generating both baseline and alternative scenarios, which they have presented to senior management along with a coherent narrative. The macroeconomic framework is being used for internal and external analysis, including official reports to Congress and MoF.
Analytical models and forecasting tools are developed and operational	4 Fully Achieved	The macroeconomic projection tool has been tailored to CARF's needs, including the development of a macroeconomic database sourced with locally obtained data. The core team can update and operate the tool independently. The tool integrates the fiscal rule, and enhanced external and monetary sectors, including an endogenous risk premium. The core team also produced a user manual.

IV. PROJECT MANAGERS: CONTACT INFORMATION

Project Manager	E-mail
José Federico Geli	JFgeli@imf.org