

COLOMBIA TECHREPORT ²⁰²²/₂₀₂₃

Beyond The Data
Beyond The Data
Beyond The Data



Strategic Support:



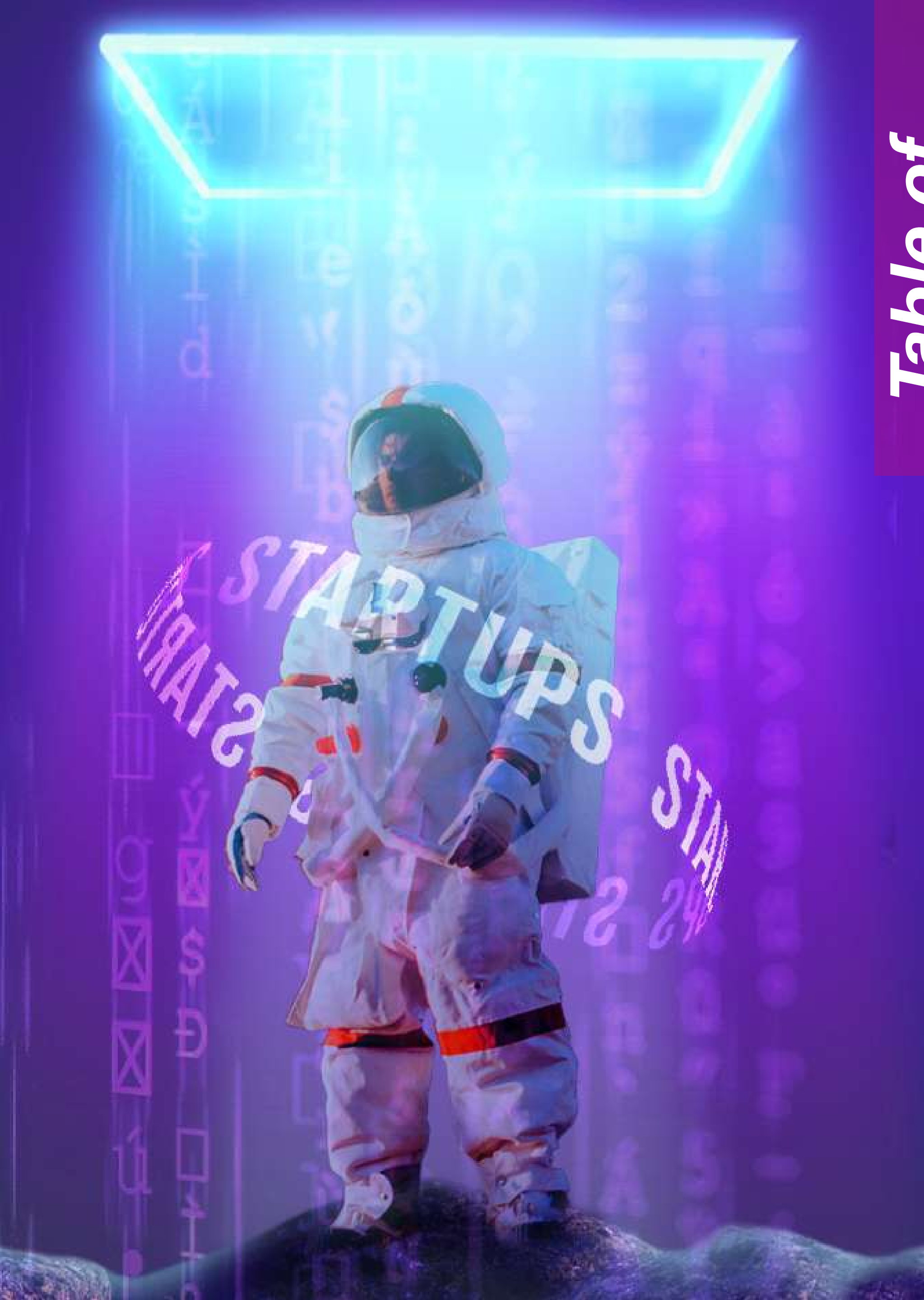


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Zero to One Hundred: Charting the Future of the Colombian Entrepreneurial Landscape

Contemplating the future compels us to ask: "How far will we go?" To act in the present is our answer.

Traditionally, when we speak of innovation, our thoughts pivot to two core elements: technology and startups. Their convergence has facilitated the construction of a dynamic digital entrepreneurial ecosystem. In this vibrant landscape, Colombia shines brightly alongside Latin American peers such as Brazil and Mexico. Colombian startups have evolved from merely being important contributors, transforming into a necessity for the reactivation of the economy, generation of competitive edges, and establishment of sustainable businesses.

At KPMG Colombia, in collaboration with our partners: EAFIT - Ongoing, CESA, ANDI del Futuro, iNNpulsa, Bogota Chamber of Commerce, Cali Chamber of Commerce, and Cartagena Chamber of Commerce, we delve into the opportunities and hurdles facing our ecosystem. We then strategize, with a focus on aiding startups in securing their market position by cultivating relationships with essential players for their expansion.

As Ranjay Gulati asserts in his **2019 article 'The Soul of a Startup'**:

Startups possess something fundamental yet intangible—an energy, a soul. Company founders sense its presence. So do early employees and customers. This soul inspires individuals to invest their talent, money, and enthusiasm, fostering a deep-seated sense of connection and shared purpose.

Its value is matchless, and while the terrain for fresh ideas will invariably pose challenges, we remain steadfast in our commitment to nurture these capacities and enhance the likelihood of future business success. We believe in startups. We believe in Colombia.

As indicated in our Grand Mapping, Colombia continues to assert itself as a country of opportunity, fueled by digital transformation, evolving regulatory frameworks, and a thriving entrepreneurial culture. With our KPMG Private Enterprise

division, and specifically, the **Emerging Giants**, sector, we pledge our profound knowledge and experience to the service of the digital entrepreneurial ecosystem.

With our sights set firmly on the future, we're already taking strides, accelerating from zero to one hundred. We are the 'Big 4' of startups, the allies of agile and innovative solutions within the country.

Guillermo Jaramillo

President

KPMG Colombia



Camilo Bueno

Vice President of Growth and Strategy

KPMG Colombia

INTRODUCTION



Are you aware that
COLOMBIA
is *emerging*
as one of the
most THRIVING AND
COMPELLING
hubs for **STARTUPS**
growth within
Latin America?

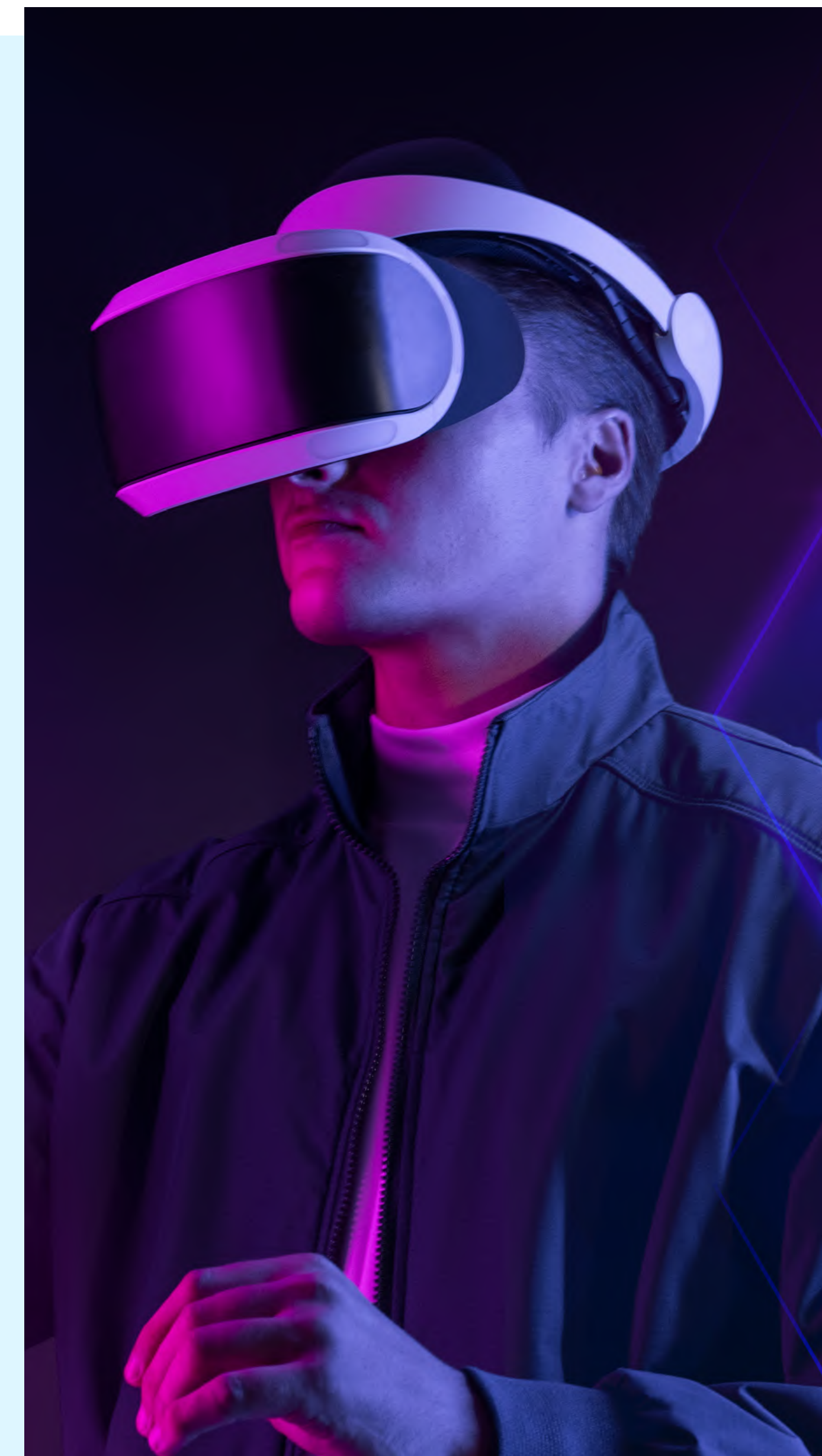
In recent times, we've observed a surge in entrepreneurs and emerging businesses transforming our local commercial landscape and vying for a spot in the global market.

Moreover, Colombia has witnessed an exponential growth in its startup ecosystem, boasting an impressive annual growth rate of 28% over the past five years. But **how does Colombia stack up globally in the arena of entrepreneurship?**

Colombia has earned recognition as one of the prime locations in Latin America to lay the foundation and foster a startup's growth. Furthermore, the country has succeeded in drawing foreign investments and specialized human resources, opening a world of opportunities for local emerging businesses.

Globally, we turn to **Eli David, CEO of StartupBlink**, for his insights, "By 2023, there are 4 countries that top the ease-of-doing-business charts for startups. These are countries worthy of applause. Regardless of their general innovation output standings, these governments roll out the red carpet for businesses. If you are an entrepreneur in one of these countries, you count your blessings because the government is on your side"

The countries leading the charge in 2023 are (in order of ranking): United States, Australia, the United Kingdom and Singapore. These countries will be the focus of the forthcoming annual report, the **"Global Startup Ecosystem Index 2023"**, in which Colombia will play a significant role, having backed the production of this report.



Methodology

This study stands on two pillars to derive its conclusions: the **Colombian Ecosystem Mapping Survey 2022-2023** (alongside the 2021 edition) and extensive online research from well-established sources.

In the **Context**, section, we consulted pertinent literature from both local and international sources to gather an overall understanding of Colombia's economic and social landscape, as well as more detailed insights on innovation and entrepreneurship. Notably, we delved into the "*Global Startup Ecosystem Index (GSEI) 2022*" published by **StartupBlink**, complemented by preliminary information from the **GSEI 2023**. We scrutinized this index and its components to discern the strengths and weaknesses of the Colombian ecosystem in its entirety, as well as spotlight-specific cities bustling with tech-based entrepreneurial activity.

For the **Statistics y Ecosystem**, sections, we relied on the data harvested from the survey dated March 21, 2023, supplemented by direct contributions from our startup partners (and other organizations) from their respective networks. All entities underwent manual analysis (to assign or confirm their sector) and were given the green light for inclusion in the study, provided that they:

- **Are Colombian companies**, i.e., their headquarters are situated within national boundaries.

- **Are recognized as innovative entities**, either being technology-based firms or boasting a unique business model. This meant that consulting firms, agencies, and *low-tech* ventures, such as restaurants, stores, etc., didn't make the cut.

- **Maintain an active website with a dedicated domain** at the time of the report, certifying the company's operational status and its minimal investment in its operations (domain purchase).

On the information collated, we performed a myriad of analyses at the sector level, year of establishment, employee count, city, department, and country to deeply comprehend the Colombian entrepreneurial ecosystem's reality. In addition, we conducted a concise demographic analysis of the startup founders who responded to the survey, aiming to understand the contemporary Colombian startup founder's profile from a gender, education level, and university course perspective.

For the **Investment** section, we turned to our global partner Crunchbase for data. We adhered to the same filtering criteria mentioned above and solely considered **startup** funding categories, i.e., **Angel, Pre-Seed, Seed, Series A (y B, C, D, E, F), Convertible Notes, Grants, Crowdfunding y Corporate Round**. It is worth noting that we strictly used data from the past decade, i.e., investments in startups made between 2013 and 2023 were the only ones considered. Before this period (and even within some years of it), the Colombian ecosystem's activity was negligible, only starting to gain traction from 2018, the year Rappi held their **Series C (USD 130 millones) and Series D (USD 200 millones) rounds**.

Finally, in the **Conclusions** section, we provide a summary of the key discoveries of the report, which includes several recommendations for the future evolution of the ecosystem.



Ecosystem Portal

In a groundbreaking move for the **Colombia Tech Report 2022-2023**, an engaging, **interactive portal** has been developed, pooling together a wealth of information to create a central hub for the thriving Colombian digital ecosystem. This dynamic platform not only serves as an ongoing repository for adding startups and affiliated entities through a crowdsourcing model, but also curates a trove of pertinent data for everyone invested in Colombian entrepreneurship.

StartupBlink will meticulously scrutinize these emerging enterprises to ensure they meet the exacting standards of ecosystem inclusion.

Enter here

[Startup Ecosystem Map](#)



Source: <https://colombia.startupblink.com/>



CONTEXT

Colombia within the *Global Startup Ecosystem Index*

El Global Startup Ecosystem Index, meticulously compiled by **StartupBlink**, is an esteemed report providing a ranking of the 100 most influential countries and 1,000 dynamic cities from around the globe in relation to their startup ecosystems. This sophisticated ranking algorithm employs an array of variables, which fall into three pivotal categories: Quantity (number of entities such as startups, accelerators, etc.), Quality (ecosystem quality indicators like total funding, number of unicorns, etc.), and Business (factors like ease of doing business, tax rates, internet quality and cost, etc.)

GLOBAL AND REGIONAL STANDING

Colombia

Globally, technological powerhouses like the US, UK, and Israel dominate the ranking. Colombia, stationed at the **44th spot on this global scale**, is nestled just below potent ecosystems like Indonesia and Malaysia, yet manages to edge out other entrepreneurial hotbeds like Croatia, Turkey, and South Africa in closely contested positions. Next, we'll delve into Colombia's standing amongst its Latin American counterparts.

¹ *Global Startup Ecosystem Index* <https://lp.startupblink.com/report/>

Country	Global Ranking
USA	1
United Kingdom	2
Israel	3
Canada	4
Sweden	5
Germany	6
Singapore	7
Australia	8
France	9
China	10
Netherlands	11
Swiss	12
Estonia	13
Finland	14
Ireland	15
Spain	16
Lithuania	17
Denmark	18
India	19
Japan	20

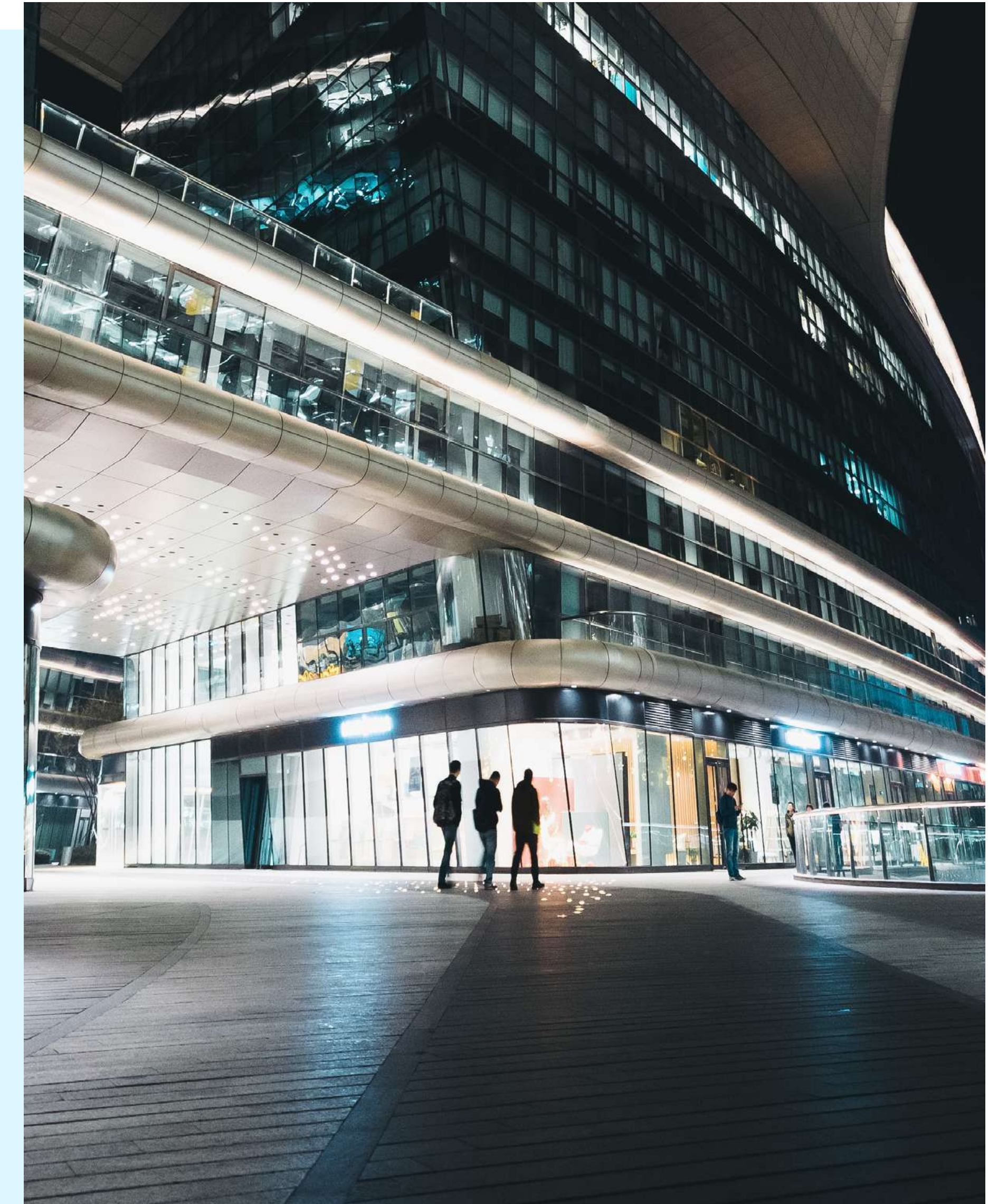
South Korea	21
Belgium	22
Austria	23
Norway	24
Taiwan	25
Brazil	26
United Arab Emirates	27
Portugal	28
Russia	29
New Zealand	30
Italy	31
Czech Republic	32
Poland	33
Chile	34
Mexico	35
Bulgaria	36
Argentina	37
Indonesia	38
Romania	39
Luxembourg	40

Iceland	41
Malaysia	42
Latvia	43
Colombia	44
Croatia	45
Turkey	46
Slovenia	47
Greece	48
South Africa	49
Ukraine	50
Hungary	51
Serbia	52
Thailand	53
Vietnam	54
Cyprus	55
Uruguay	56
Filipinas	57
Slovakia	58
Malta	59
Armenia	60

LATIN AMERICA

Country	Latam Ranking
Brazil	1
Chile	2
Mexico	3
Argentina	4
Colombia	5
Uruguay	6
Peru	7
Costa Rica	8
Panama	9
Ecuador	10

A closer look at the Latin American landscape reveals that **Colombia** holds a respectable **5th place in the region**, following behind Brazil, Chile, Mexico, and Argentina.



Other innovation-related indices

The **Global Innovation Index²** is an annual ranking that evaluates the ability -and degree of success- countries demonstrate in fostering innovation. This Index, carefully curated by the *World Intellectual Property Organization (WIPO)*, scrutinizes economies based on critical innovative touchpoints such as: Venture Capital, Entrepreneurial Culture, High-Tech Production, and Research and Development (R&D). According to this measure, Colombia boasts the fourth most innovative economy in Latin America, trailing Chile, Brazil, and Mexico. The country holds a global **ranking of 63rd**.

IMD's **World Competitiveness Ranking³** evaluates countries based on their ability to create and sustain an environment conducive to corporate competitiveness. This evaluation relies on a methodology that assesses the competitive environment along four dimensions: Economic Performance, Government Efficiency, Business Efficiency, and Infrastructure. In the current Global Innovation Index, Denmark tops the chart globally while Colombia retains the **fourth spot among Latin American nations**.

The **Economic Complexity Index⁴** evaluates countries based on the increase in the export of complex products. It posits that the complexity of a

product is indicative of the level of productive knowledge possessed by the producer. In this particular index, Colombia occupies the **fifth position at a Latin American level**.

Country	Global Innovation Index (2022)		IMD World Competitiveness Ranking (2022)		Economic Complexity Index (2021)	
	Ranking (global)	Ranking (Latam)	Ranking (global)	Ranking (Latam)	Ranking (global)	Ranking (Latam)
Argentina	69	8	62	6	60	7
Brazil	54	2	59	5	49	2
Chile	50	1	45	1	74	9
Colombia	63	4	57	4	56	5
Costa Rica	68	7	n.a.	n.a.	52	4
Dominican Rep.	90	10	n.a.	n.a.	63	8
Mexico	58	3	55	3	23	1
Panama	81	9	n.a.	n.a.	51	3
Peru	65	6	54	2	91	10
Uruguay	64	5	n.a.	n.a.	57	6

Source: Global Innovation Index , The IMD World Competitiveness, Economic Complexity Index

² Global Innovation Index <https://www.globalinnovationindex.org/gii-2022-report#>

³ The IMD World Competitiveness <https://imd.cld.bz/IMD-World-Competitiveness-Booklet-2022/>

⁴ Economic Complexity Index <https://oec.world/en/rankings/eci/hs6/hs96?tab=table>

Global Investment Outlook in the Americas

The *Venture Pulse* report by KPMG indicates that venture capital investment, and the number of deals in the Americas, declined for the fourth consecutive quarter in Q4 2022. The investment level dropped across numerous jurisdictions, including key areas such as the U.S., Brazil, and Mexico.

This trend mirrors the venture capital investment patterns seen worldwide, where persisting concerns around high inflation, increasing interest rates, dwindling valuations, and potential recession have all continued to erode the confidence of venture capitalists in the Americas over the quarter.

As we gaze into Q1 2023, the expectation is for a continuation of the relative weakness in venture capital investment in the Americas, primarily driven by the ongoing global macroeconomic uncertainties. Reflecting on the vibrant boom in

the startup ecosystem in 2021 – characterized by substantial investment, surging valuations, and dynamic transactions – growth in the Americas, and specifically in Latin America, continues, albeit at a more consistent pace. This moderation is largely due to venture capitalists exercising more due diligence and laser-focusing on profitability and the sustainability of the business model.



Unicorns

In startup parlance, a 'unicorn' represents a startup that has hit a valuation exceeding **USD 1 billion** without experiencing an *Exit*, that is, without having gone public or been acquired by another company.

In the present landscape, **Brazil**, indisputably holds the lead in the Latin American ecosystem in terms of unicorn count, boasting **16** in total. QuintoAndar and C6 Bank are notable examples, each carrying valuations surpassing **USD 5 billion**. **Mexico** trails Brazil with **6** unicorns, among them the largest current Latin American unicorn: Kavak, valued at an impressive **USD 8.7 billion**. Both **Colombia** (home to Rappi and Habi) and **Chile**, each house **2** unicorns. Rappi merits special mention with a valuation of **USD 5.25 billion**, making it the second most valuable unicorn in Latin America currently.





** figures in USD, millions

Unicorn Exits

Unicorn *Exits* represent significant events within startup ecosystems, marking the moment when founders and early investors see the fruits of their commitment to the startup. These exits typically take the form of Initial Public Offerings (IPOs) or acquisitions, with the company achieving a valuation of over **USD 1 billion**.

Similar to the Unicorn scenario, Brazil assumes a starring role when it comes to *Exits*, claiming valuations surpassing **USD 1 billion** with three IPOs and two acquisitions. The IPO of **Nubank** in 2021, valued at a staggering **USD 41 billion**, is particularly noteworthy. Joining Brazil on the Exits stage are Argentina (**with two Exits: Auth0 and Despegar**) and Uruguay (**with dLocal**). **Colombia, however, has yet to record an Exit of more than USD 1 billion**, although **Rappi** is expected to make such a move in the future. This is a medium-term goal for the ecosystem.

Worthy of special mention is the case of Argentina's **Mercado Libre**, which, though valued at less than **USD 1 billion**, marked the first significant technological Exit in Latin America back in 2007, at a valuation approaching **USD 800 million**.

Name	Place	Exit Year	Exit Price (USD, millions)	Exit Type
Auth0	 Buenos Aires	2021	6500	Acquisition
Despegar		2017	1700	IPO
Nubank	 São Paulo	2021	41000	IPO
PagSeguro		2018	2270	IPO
Ascenty		2020	1800	Acquisition
Stone Company		2018	1220	IPO
99		2017	1000	Acquisition
dLocal	 Montevideo	2021	6100	IPO

Fuente: Crunchbase

Most of these Exits predominantly have a regional scope. Only **Auth0** and **dLocal** can be genuinely considered global companies. This trend extends to unicorns such as **Rappi** and **Habi**, whose reach is also regional. While this regional focus is not inherently flawed, promoting business models with global reach could expand the customer base for Colombian enterprises in the medium and long term (although global competition is undoubtedly higher).

Over the past few years, Colombia has witnessed a boom in the creation and consolidation of emerging startups across various economic sectors. Several factors, including growing internet penetration, increased access to technology, the support of accelerators and investment funds, and an entrenched entrepreneurial culture, have made this possible.

One of the primary advantages for emerging startups in Colombia is their ability to offer innovative solutions to specific local market issues, enabling them to differentiate and compete effectively. Moreover, many of these companies have forged strategic alliances with large, established firms, allowing them to expand their reach and enhance their market positioning.

Nevertheless, the exit of startups in Colombia remains a significant challenge for many of these companies. The most common exits are company sales, mergers, IPOs, or acquisitions by larger firms. Despite the considerable evolution of the investment ecosystem in Colombia in recent years, there is still a limited pool of venture capital funds and investment firms willing to invest in startups. This could potentially hinder the ability of startups to attain a critical mass of users and establish a solid market presence.



Strengths and good practices within the Colombian ecosystem



Financing: Firstly, as we will delve into more deeply within the Investments section, Colombia has been remarkably successful in recent years in terms of securing funding for startups. From 2013 to 2023, **Colombian startups managed to garner a total of USD 4.621 billion**. This achievement situates Colombia as the third major player in the region in terms of venture capital fundraising, standing only behind **Brazil's USD 18.9 billion and Mexico's USD 6.05 billion**. It is increasingly apparent to global, regional, and local investors that the Colombian ecosystem is an attractive locale for the inception of innovative, high-impact startups.



Y Combinator Participation: Impressively, 25 Colombian companies from four different cities have secured entry into the prestigious San Francisco-based Y Combinator (YC) accelerator program. On the global stage,

Colombia ranks 13th in terms of the number of accepted companies. This is not an achievement to be underestimated, given YC's reputation as the world's premier startup accelerator, with success stories like AirBnB, Coinbase, and Dropbox under its belt. Startups participating in this program gain not just funding and valuable connections with major funds but also receive high-quality mentorship and training in every aspect critical to startup creation. These startups subsequently act as learning platforms, spreading their knowledge and network among their employees. The most tangible evidence of this in Colombia is the phenomenon dubbed "**Rappi Magic**" — the network of successful startups founded by ex-Rappi employees, which includes the likes of **Frubana, Melonn and Laika** and has even expanded into other Latin American countries.

⁵ Behind only the United States, India, Canada, the United Kingdom, Mexico, Nigeria, Brazil, France, Singapore, Indonesia, Germany, and Israel.



Support Network for Startups: As will be discussed further in the Ecosystem section, Colombian ecosystem startups and investors enjoy the benefits of a robust support network designed to facilitate the process of company creation and expansion as much as possible. Worth noting is that this support network is a combined effort of both the private and public sectors and operates at national, regional, and city levels. The more collaboration and synergies generated among these various actors, the higher the likelihood of the ecosystem meeting its growth targets. However, the primary role of this network must remain clear— it's to facilitate the process, not to create unnecessary bureaucracy or to pick winners; the market will take care of that.



Universities: Universities play an irreplaceable role within startup ecosystems. They do more than disseminate knowledge; they provide students with networking opportunities essential for entrepreneurship. Mature ecosystems like those in San Francisco, Boston, and Tel Aviv boast top-tier technical or business universities that augment founders' capacity to create. Colombia has **19 universities among the best in the world**,⁶ (8 in Bogota, 4 in Medellin, 2 in Cali, 1 in Barranquilla, 1 in Bucaramanga, 1 in Cartagena, 1 in Monteria and 1 in Pereira). To get an idea, in the region, only **Brazil (27), Mexico (24), Argentina (24), and Chile (21) surpass Colombia in this respect**. It's essential for the Colombian startup ecosystem to nurture as many synergies as possible with its universities, as these institutions offer substantial leverage for growth.



Digital Nomad Visa: Standing amongst global leaders, the country excels in one significant aspect: the creation of a visa for digital nomads. This initiative can also be interpreted as a visa for digital entrepreneurs, as it fosters an environment conducive to entrepreneurial undertakings. Colombian cities, most notably Medellin, have become vibrant hubs for digital nomads. Government initiatives such as these play a critical role in **attracting talents to the ecosystem**. However, measures are essential to integrate these highly skilled visitors into the ecosystem during their stay and to prevent the formation of a **"parallel ecosystem"**,⁷ as observed in some cities in Thailand and Indonesia.



⁶ QS World University Rankings 2022

⁷ As of the writing of this report, Medellin ranks as the 12th most popular city for digital nomads, according to Nomad List, a specialized platform. The city trails behind only Buenos Aires and Mexico City in Latin America, as well as six Southeast Asian cities, two Portuguese cities, and one Romanian city.

Weaknesses and Threats to the Colombian Ecosystem



Lack of Exits: The ecosystem has yet to record any significant *Exits*, either from unicorns or from transactions exceeding **USD 100 million**. While this isn't overly alarming, given the ecosystem's maturity stage (the most successful startup, Rappi, is less than a decade old), it is a factor that merits consideration. It's vital that the conditions facilitate clear pathways for larger startups to launch Initial Public Offerings (preferably in-country, though not necessarily) or to be acquired. This reassures investors that Colombia is a country devoid of obstacles for recouping investments in startups.



Regional versus Global Focus: Much like in other Latin American and developing nations, Colombian startups tend to concentrate on addressing local and regional challenges. **Rappi** serves as an example: a significant outlier that restricts its operations to a regional scale. While this regional focus isn't inherently problematic, providing a global perspective of the ecosystem necessitates startups to align with this vision and compete against global startups and companies. This approach may be more challenging, but it opens up a more extensive market. To date, **Argentina (Auth0) and Uruguay (dLocal)** are the only Latin American countries to have spawned truly global unicorns.



Global Events: Although Colombia hosts yearly technology and entrepreneurship events like *Startco* and the *Open Innovation Summit*, it lacks a genuinely global conference on the subject. Such events have the potential to draw tens of thousands of significant individuals from around the world, thereby raising the visibility of an ecosystem. A case in point is Portugal, whose ecosystem benefits from the influx of more than **50,000 attendees interested in entrepreneurship and technology** each year since the inauguration of the *Web Summit* in Lisbon in 2016.



English Proficiency: The overall English proficiency within the Colombian population tends to be on the lower end. As per global rankings (excluding countries where English is predominantly spoken), Colombia ranks as the **77th country**⁸. **Within Latin America, it sits at position 15**, only ahead of Ecuador and Mexico. This poses a challenge when considering the international expansion of the ecosystem, given that English is the common language of the tech industry.

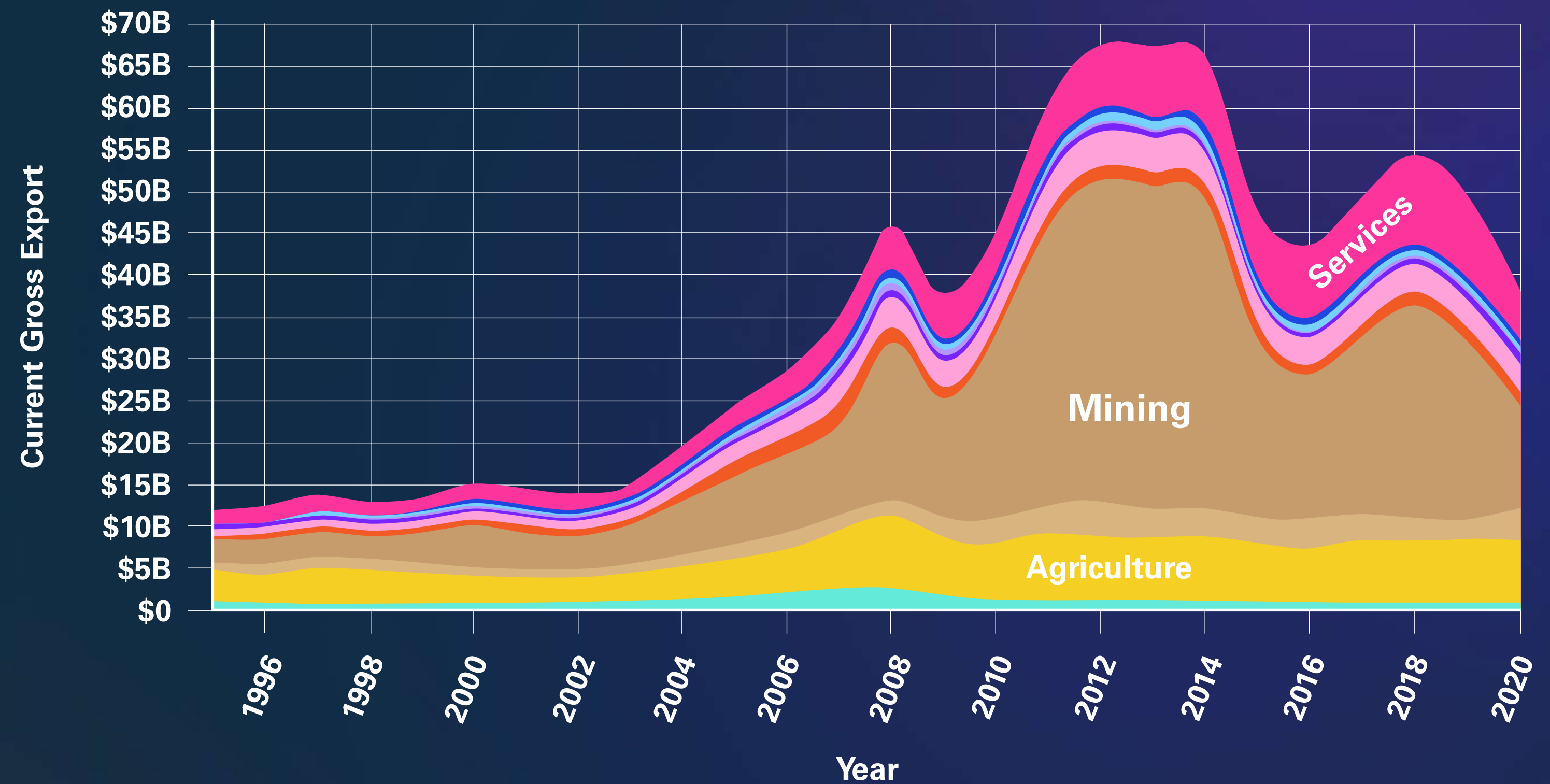
⁸ EF English Proficiency Index 2022

Economic Outlook

World Bank⁹ data suggest that Colombia's GDP for 2021 stood at an estimated **USD 314.5 billion**. The service sector, particularly those associated with tourism, holds the lion's share of the GDP at **68%**. The industrial sector follows at **18%** with the agricultural component of the economy claiming the remaining **14%**. (DANE¹⁰, FMI¹¹, Banrepublica¹²)

In 2021, Colombian exports hit **USD 41.4 billion**. This total is broken down as follows: **minerals (oil, coal) make up 53.1%**, **services (including accommodation, transportation, and food) 10.7%**, and **the agricultural sector (coffee, bananas, and flowers) 14.4%**. Brazil maintains a significant role in Colombian foreign trade, ranking fifth in Colombian exports and standing as the fourth-largest import client for the country.

Our Colombian startups have managed to secure **USD 4.57 billion** in funding between 2013 and 2023, a fact we'll further explore in the upcoming **Investments** section. This underscores the significant impact startups have on our economy, an impact set to swell as these businesses ascend to higher stages of maturity.



⁹ World Bank <https://donnees.banquemondiale.org/indicateur/NY.GDPMKTP.CD?locations=CO>

¹⁰ DANE <https://www.dane.gov.co/index.php/estadisticas-por-tema/cuentas-nacionales/cuentas-nacionales-trimestrales/historicos-producto-interno-bruto-pib>

¹¹ FMI <https://www.imf.org/en/Countries/COL>

¹² Banrepublica <https://www.banrep.gov.co/es>

¹³ Atlas of Economic Complexity (graph) <https://atlas.cid.harvard.edu/explore/stack?country=49&year=2020&queryLevel=location&startYear=1995&productClass=HS&product=undefined&target=Product&partner=undefined>

Productivity and Entrepreneurial Culture

DANE¹⁴ data from 2023 reveals that Colombia is home to **1.6 million companies**. Of these, **0.4%** are large and medium-sized enterprises, responsible for over **60%** of formal jobs. Of the 1.6 million total business entities, microenterprises make up **98.3%**, **small businesses account for 1.2%**, and **medium-sized businesses represent 0.3%**. **Large enterprises constitute a mere 0.1%**.

The *Global Entrepreneurship Monitor* reports that Colombia boasts an early-stage entrepreneurial activity rate (TEA) of **28%**, which is the second-highest globally. This rate reflects the percentage of the working-age population that has launched a new venture in the last 3.5 years. However, the rate of established entrepreneurs (EBO)—those who have maintained payroll for over 3.5 years—is significantly below both the OECD and Latin American averages. Additionally, EAM data discloses that only **8%** of new small businesses evolve into medium or large-scale businesses, while **35%** cease operations before hitting the four-year mark (Eslava et al., 2019)¹⁵.

While Colombia fosters a robust entrepreneurial culture and provides adequate resources to start a business, factors such as

the survival rate of new businesses, level of innovation, employment generation, and socio-economic impact are indicators that need strengthening. Doing so can help bolster high-value startups, leading to a positive and large-scale impact on the nation's economy.

Economic Development

With **84.2%** of the population residing in urban areas or municipal centers, Colombia is predominantly an urban country (DANE¹⁶). Out of its 44 million citizens, **51% are women and 49% are men**. These demographics directly influence the entrepreneurial ecosystem, as further outlined in the upcoming Statistics section: nearly **90%** of startups are concentrated in the country's three primary cities—with Bogota alone accounting for almost **60%**.

In 2021, the per capita income for Colombians was **USD 6,158**. Based on a FEDESARROLLO¹⁷ report, the poverty rate could be around **40.2%** for the same year.

¹⁴ DANE <https://www.dane.gov.co/index.php/estadisticas-por-tema>

¹⁵ PRIVATE COMPETITIVENESS COUNCIL REPORT NATIONAL COMPETITIVENESS REPORT 2022-2023.

¹⁶ DANE <https://www.dane.gov.co/index.php/estadisticas-por-tema>

¹⁷ FEDESARROLLO <https://www.repository.fedesarrollo.org.co/>



49%



51%

Digital Transformation

In 2022, over **USD 303 billion** was allocated for the **financing of Science, Technology, and Innovation** projects across the nation¹⁸. As per the records from ANDI, in 2021¹⁹, businesses invested **USD 16 billion** in Scientific, Technological, and Innovation Activities (ACTI). Interestingly, in comparison to the year 2020, **72.3%** of companies **amplified** their investments in ACTI: while **12.3%** maintained their level of investment, a mere **9.6%** reduced it. In 2020, the DANE²⁰ report revealed that the innovative companies' strict definition committed **USD 294 billion to ACTI**. Furthermore, innovative firms in a broad sense invested **USD 1.5 trillion**, and those potentially innovative **invested USD 37 billion**. During the 2019-2020 biennium, a notable **55.7%** of companies, which employed new or enhanced marketing techniques, integrated the use of Information and Communication Technology (ICT)²¹.

When it comes to financial system inclusion, the population of adults owning at least one active product escalated to **27.7 million** between 2020 and 2021²²; correspondingly, the product usage indicator rose to **74.8%**. With respect to first-time entrants to the financial system, the number surged to **74.8%**. Notably, the proliferation of product ownership among younger adults reached **75.7%**, no longer positioning them as the most significantly trailing

group. At the same time, monetary transactions via digital channels, including mobile banking, internet, and audio response, increased to **38%** in 2021, primarily propelled by the dynamism of mobile banking.

The Digital Transformation Survey of 2021 unveiled that Colombian companies encounter substantial challenges when endeavoring to implement digital transformation technologies and strategies. The primary hurdle is the budget, recognized as an obstacle to the deployment of these technologies by **all** companies surveyed. An absence of a culture of change and innovation is another significant barrier, identified by **57.1%** of the surveyed companies. This finding implies that many companies in Colombia have yet to embrace a culture of innovation and change, potentially obstructing the implementation of digital transformation technologies and strategies.

Lack of knowledge, identified as a substantial challenge by **51%** of the companies. This may be tied to the absence of training and resources for the implementation of digital transformation technologies, thereby possibly affecting companies' growth and efficiency. The deficiency of human capital is another significant challenge, identified by **39%** of companies. This suggests that companies may struggle to find and retain the talent needed to implement and manage digital transformation technologies.

The survey also highlighted a lack of a mindset and leadership, identified by **18% and 16%** of companies,



respectively. These results suggest that further training and stronger leadership might be required to boost the adoption and implementation of digital transformation technologies.

Both public and private sectors are taking appropriate steps in terms of investment and inclusion for the digital transformation of the country. Provided this transformation succeeds, it will pave the way for an increasing number of startups to build and offer innovative products and services via digital channels, significantly influencing the ecosystem and the country's development.

¹⁸. MinCIT <https://www.mincit.gov.co>

¹⁹. ANDI <https://www.andi.gov.co>

²⁰. Due to alterations in the 2022 contracting schedule as a result of the Law of Guarantees, coupled with the system's impact on the entity in November 2021, the EDITS will be published on Friday, July 28, 2023. DANE 2023.

²¹. MinTIC <https://www.mintic.gov.co>

²². SFC <https://www.superfinanciera.gov.co>

Timeline of the Regulatory Framework for Entrepreneurship in Colombia

The Colombian government has taken considerable strides to promote entrepreneurship and fortify the country's entrepreneurial ecosystem. The following are some of these measures:



Creation of Free Trade Zones:

The Colombian government has established free trade zones to **incentivize companies to locate in the country's strategic areas**. These zones present fiscal benefits such as exemptions from import and export taxes, aiding businesses in reducing their costs and augmenting their competitiveness.



Tax Reductions for New Companies:

The Colombian government has lessened taxes for new businesses to stimulate the inception of new firms and facilitate business growth. Newly established companies are eligible to apply for a **50% reduction** in income tax for the initial five years of operation.



Startup Acceleration Initiatives:

The Colombian government, in a bid to bolster the growth and expansion of startups, has introduced acceleration programs like **iNNpulsa Colombia**. These programs provide a holistic support system, offering mentoring, financial backing, and training to entrepreneurs, helping them surmount initial obstacles and cultivate their businesses.



Seed Capital Fund - Emprender:

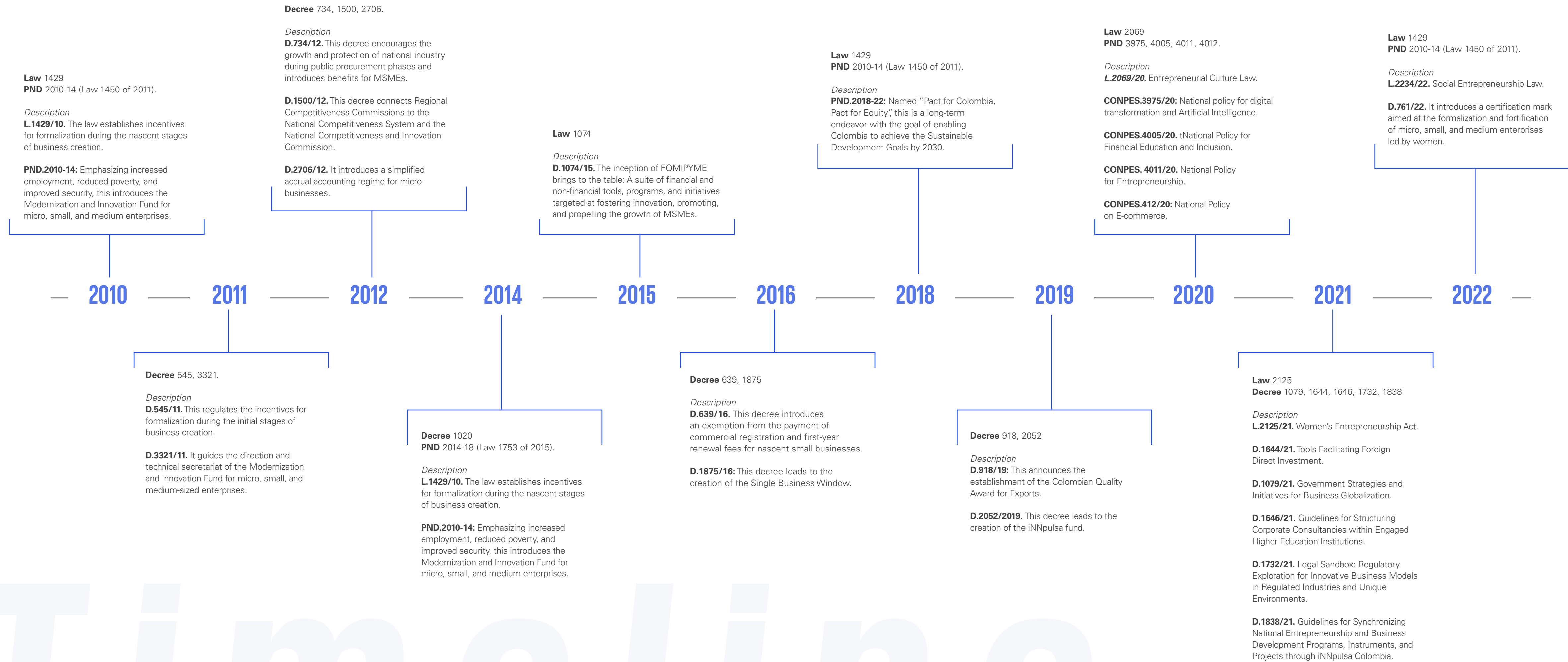
In its continued support for startups, the Colombian government has established the **Emprender Fund**, a seed capital fund exclusively dedicated to startups. This fund serves as a financial springboard for promising startups, having facilitated the financing of more than **10,000 entrepreneurial ventures** since its inception in 2002.



Entrepreneurship Legislation:

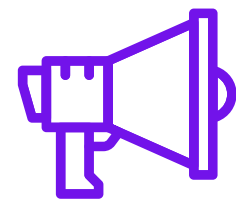
In 2021, a significant stride was made in the entrepreneurship landscape with the Colombian government enacting the **Entrepreneurship Law**. This law is geared towards promoting entrepreneurship and innovation within the country, providing a legal framework for startups, and proposing fiscal and financial incentives to motivate the creation of innovative new businesses.





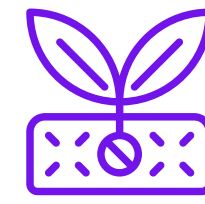
Timeline

Sectors



AdTech / MarTech

Digital Innovations Tailored to Advertising, Marketing, and Media.



AgTech

Optimization and Automation Technologies for the Agricultural Sector.



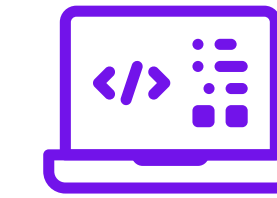
EnergyTech

Technological Solutions for Water and Electricity Supply.



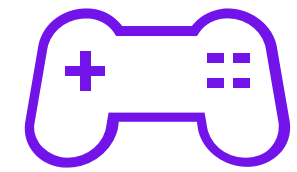
BioTech

Biotechnological Progress Focused on Biological Sciences and Similar Fields.



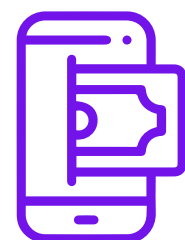
EdTech

Digital Innovations within Physical and Virtual Educational Institutions.



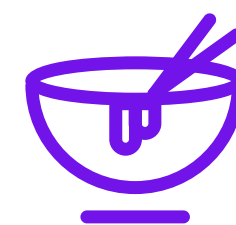
Entertainment

Technical Advancements for Leisure and Recreation.



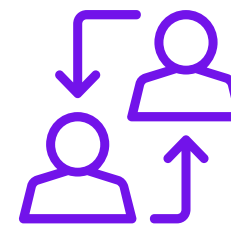
FinTech

Digital Transformations Aimed at Financial Systems, Individuals, and Businesses.



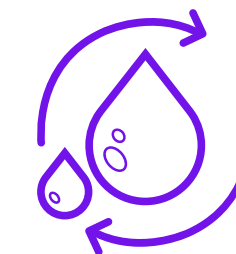
FoodTech

Technology Innovations Targeting the Food Industry.



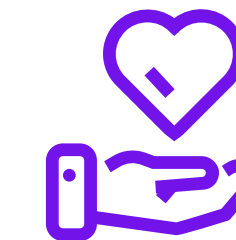
Business management

Digital Tools Enhancing User-Business Interaction.



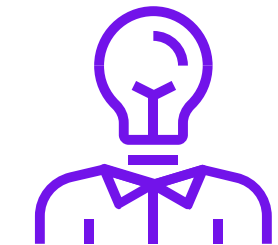
GreenTech

Scientific Developments Preserving the Environment.



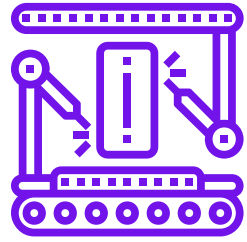
HealthTech

Hospital Management Enhancement for Improved User Wellness.



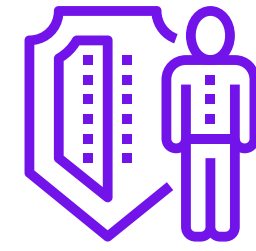
HR Tech

Innovations Enhancing Productivity by Leveraging Human Talent.



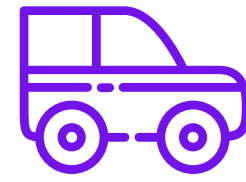
Industry 4.0

Technology Implementation to Increase Industrial Process Efficiency.



InsurTech

Digital Innovations Aimed at the Insurance and Actuarial Market.



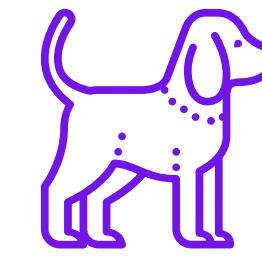
Mobility

Digital Transformations for User-Friendly Urban Mobility.



Social Business

Technology-driven Social Initiatives for Subject Development.



Pet

Digital Creativity and Originality Catering to Pets.



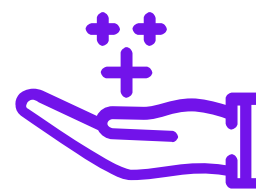
Proptech

Technology Developments Targeting the Real Estate Sector.



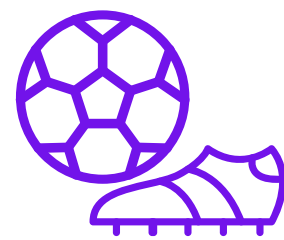
RetailTech

Digital Transformation Serving E-commerce and Retailers.



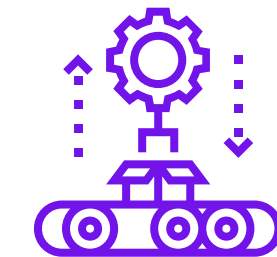
Services

Diversification of Everyday Services through Innovative Alternatives.



SportsTech

Innovative Implementations in Physical Activities and Sports.



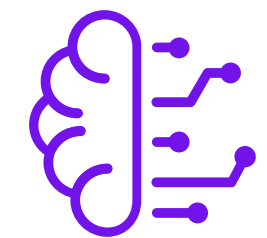
SupplyChain

Digital Innovations for Logistics Chain Optimization.



Telecom

Digital Developments Enhancing Long-Distance Communication.



DeepTech

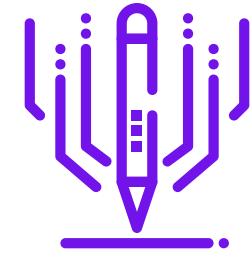
Disruptive and Original Innovations Propelling ICTs.

Sectors



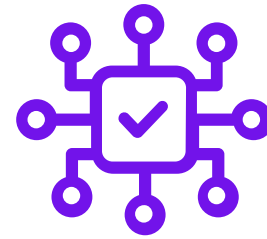
TravelTech

Digital Tools Improving Relations between Operators and Tourists.



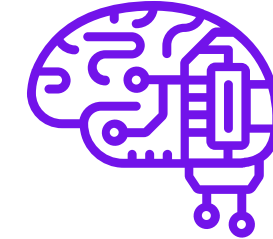
RegTech

Digital Enhancements for Compliance and Regulation Processes.



SaaS

Technological Developments Catering to Software Services.



Artificial intelligence

Productivity Transformations through Artificial Intelligence.



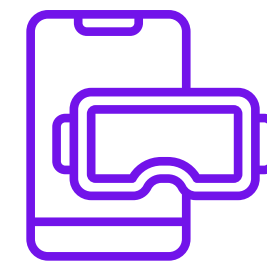
LegalTech

Technology Initiatives Facilitating Access to the Legal System.



Cybersecurity

Creation of Technologies Ensuring Private Information Security.



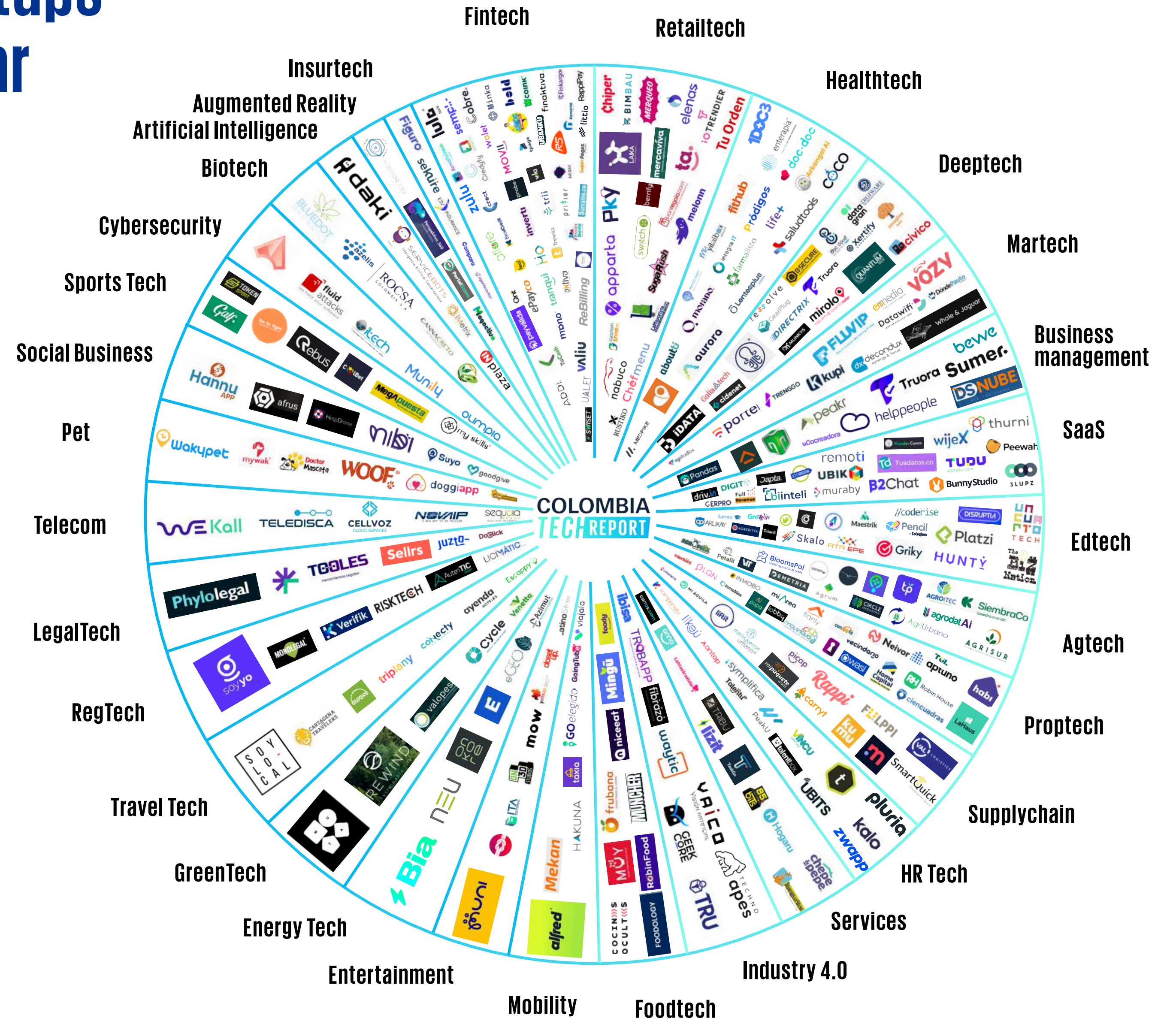
Virtual Reality

Originality and Innovative Solutions Implementing Virtual Reality.

Sectors



Startups' Radar



ECOSYSTEM













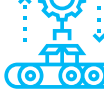


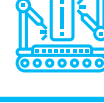



Colombian Ecosystem















We've discovered an impressive 1,327 startups, spanning 31 distinctive sectors, during the comprehensive Mapping of the Colombian Ecosystem 2022-2023. This year, distinguishing itself from the previous one, has seen the incorporation of novel sectors including: Legaltech, SaaS, Artificial Intelligence, Cybersecurity, and Augmented Reality.

Observing a robust expansion across sectors and startups within the ecosystem directly ties back to a surge in innovative ideation. Even though this past year is often seen as a 'winter phase' for startups (where "winter" alludes to a period when investments in new ventures significantly contract), the count of participants within the entrepreneurial ecosystem continues to flourish, albeit at a refreshed rhythm.

It's worth noting that around half of these startups fall within one of the top six sectors: *FinTech (15.3%)*, *RetailTech (8.1%)*, *HealthTech (7%)*, *DeepTech (6.7%)*, *AdTech / MarTech (6.7%)*, and *Business Management (6.1%)*.

Sector	Absolute number	Percentage
 FinTech	203	15.3%
 RetailTech	108	8.1%
 HealthTech	93	7%

 DeepTech	89	6.7%
 AdTech / MarTech	89	6.7%
 Business Management	81	6.1%
 SaaS	76	5.7%
 EdTech	74	5.6%
 AgTech	63	4.8%
 PropTech	58	4.4%
 SupplyChain	57	4.3%
 HR Tech	43	3.2%
 Services	38	2.9%
 Industry 4.0	37	2.8%
 FoodTech	28	2.1%
 Mobility	28	2.1%
 Entertainment	25	1.9%

 EnergyTech	21	1.6%
 GreenTech	21	1.6%
 TravelTech	19	1.4%
 RegTech	18	1.4%
 Legaltech	11	0.8%
 Telecom	9	0.7%
 Pet	7	0.5%
 Social Business	6	0.45%
 SportsTech	6	0.45%
 Cybersecurity	5	0.4%
 BioTech	4	0.3%
 Artificial intelligence	4	0.3%
 Virtual reality	4	0.3%
 InsurTech	2	0.1%

Source: Mapping of the Colombian Ecosystem 2022-2023 and Proprietary Calculations.

The observed growth has been sparked by a combination of factors, the most prominent of which include a surge in startup investments and the rise of entrepreneur-focused acceleration and support programs. In recent years, Colombia has seen a significant uptick in startup investment, empowering emerging businesses with the necessary resources and capital to expand and flourish. Simultaneously, the advent of acceleration programs and robust support networks for entrepreneurs have enabled startups to navigate their initial challenges and enhance their business operations more efficiently.

When we compare the data to the previous year, we notice an encouraging **19.5%** surge in the startup count within a single year, and a substantial **16%** increase in the identification of fresh sectors. This upward trajectory in Colombia's startup sectors has spurred the birth of new businesses, invigorating the country's

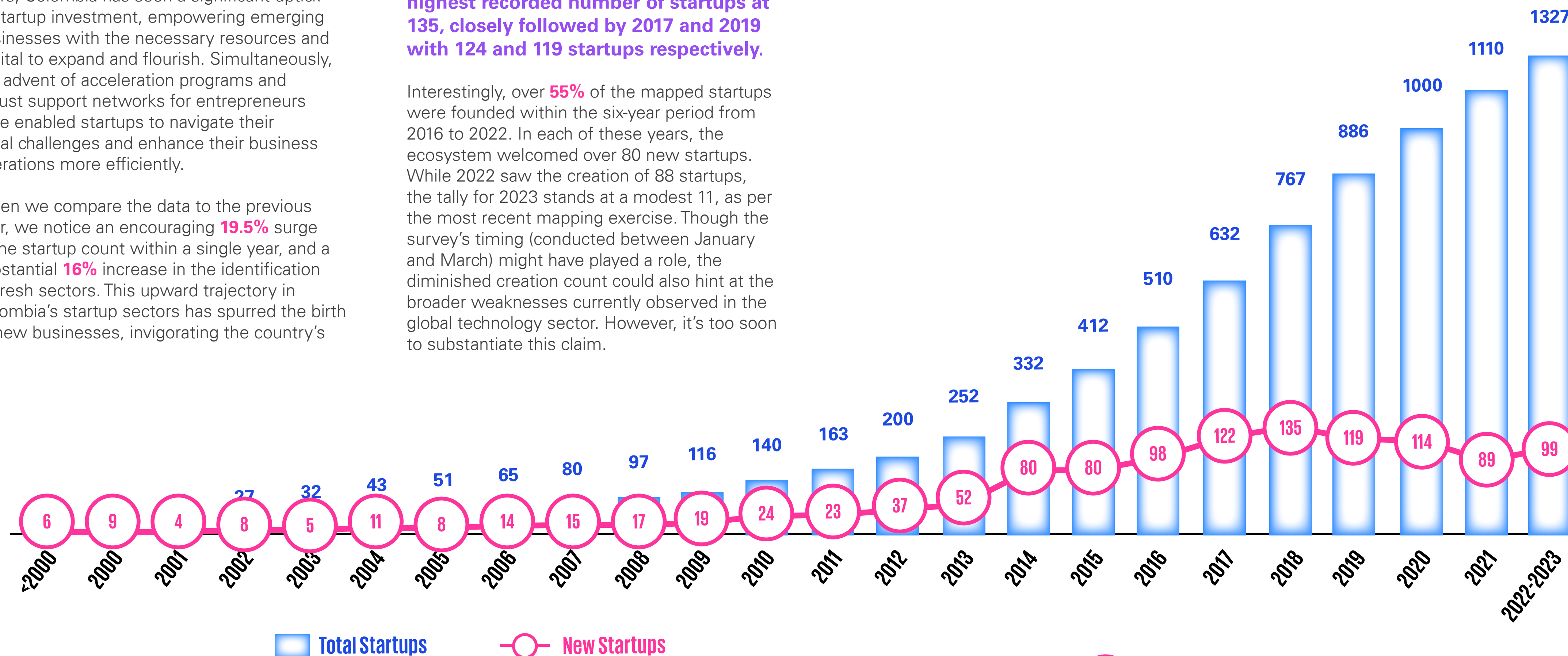
entrepreneurial ecosystem, stimulating job creation, and making a positive contribution to its economic growth.

2018 stands out as the year with the highest recorded number of startups at 135, closely followed by 2017 and 2019 with 124 and 119 startups respectively.

Interestingly, over **55%** of the mapped startups were founded within the six-year period from 2016 to 2022. In each of these years, the ecosystem welcomed over 80 new startups. While 2022 saw the creation of 88 startups, the tally for 2023 stands at a modest 11, as per the most recent mapping exercise. Though the survey's timing (conducted between January and March) might have played a role, the diminished creation count could also hint at the broader weaknesses currently observed in the global technology sector. However, it's too soon to substantiate this claim.

NUMBER OF STARTUPS PER YEAR IN COLOMBIA

Source: Mapping of the Colombian Ecosystem 2022-2023



118 **We identified 118 new startups that did not specify their foundation year.

A striking 73,2% of the mapped startups employ fewer than 20 people

Given the high-risk, high-growth nature of startups, this trend seems reasonable, as while many startups are born, many also fail. Nearly **16%** boast a workforce of between 21 and 50 employees, indicative of some startups successfully transitioning beyond the initial growth phase and achieving marketplace stability and success. However, these firms are still relatively small compared to well-established corporations. A mere **4%** of the mapped startups maintain a payroll of over 100 employees, suggesting that maintaining a swift growth pace and high employability levels becomes increasingly challenging as these businesses expand.

The data clearly underscores that a vast majority of Colombian startups employ fewer than 20 individuals, a predictable pattern given their high-risk, high-growth character. Startups are often born with the intent of rapid scaling and lofty growth rates, but they also face potential hurdles that could jeopardize their future, such as the need for additional financing to broaden their operations, or the difficulties associated with scaling their business model without compromising product or service quality.

COLOMBIAN STARTUPS BY EMPLOYEE NUMBER RANGE

Source: Mapping of the Colombian Ecosystem 2022-2023 and Proprietary Calculations.

40%	6 - 20
33%	1 - 5
16%	21 - 50
6%	51 - 100
4%	101 - 200
1%	Otro



Colombia's Top 10 Startups

Using **StartupBlink's** unique algorithm, we compute the **top-10 startups based in Colombia**. This algorithm is driven by integrations with our global data partners²³ and considers factors like company funding, employee count, and web traffic.

Rappi (SupplyChain) comfortably holds the top spot – no surprise there. However, a closer sector analysis reveals a fascinating pattern: the top-10 list comprises **40% Fintech and 20% PropTech startups**. This sheds light on the significant role these sectors play in Colombia's startup ecosystem. Other sectors rounding up the top-10 include *EdTech, FoodTech* and *HealthTech*.

²³ Crunchbase and Semrush



SupplyChain



PropTech



FinTech



FinTech



EdTech



Pets



PropTech



PropTech



FoodTech

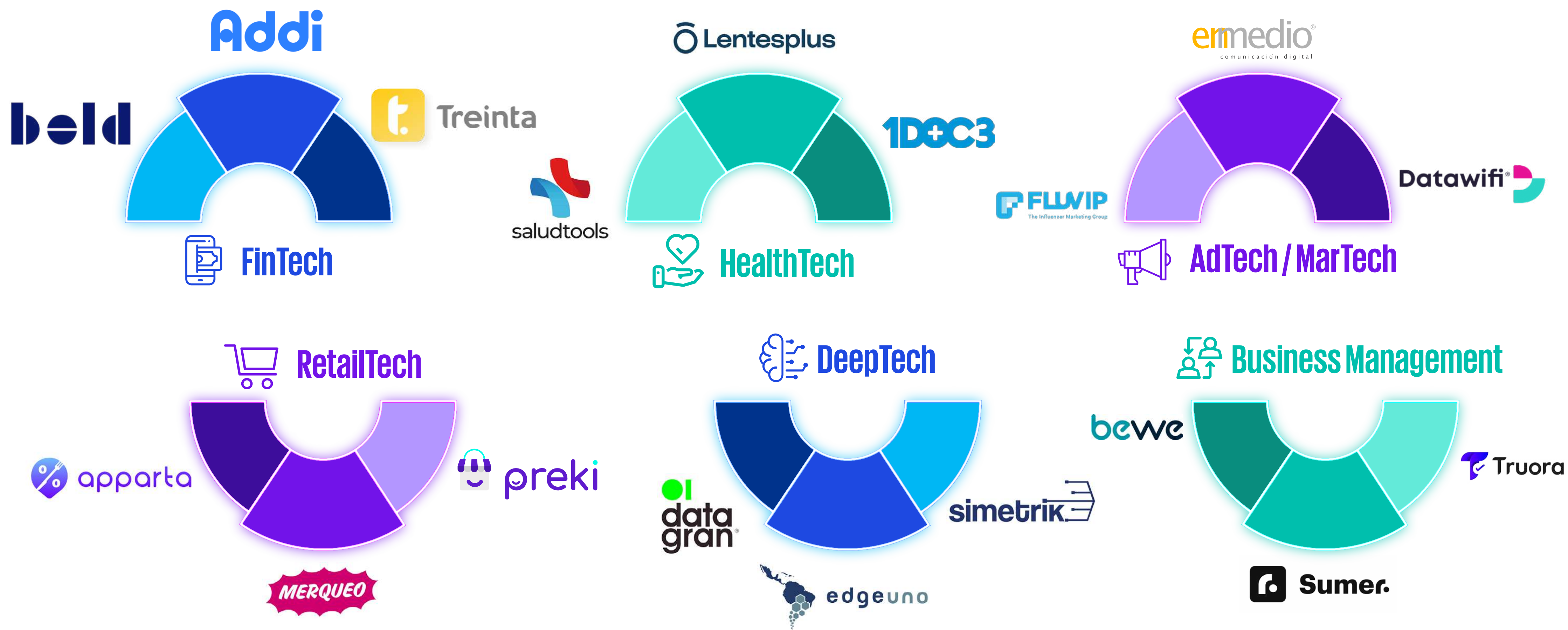


FinTech

Source: Mapping of the Colombian Ecosystem 2022-2023 and Proprietary Calculations.

Standout Startups in Ecosystem's Dominant Sectors

Applying the same algorithm from earlier, we've identified the **top-3 startups** in each of the leading sectors of the Colombian ecosystem, measured by the number of startups charted: **FinTech, RetailTech, HealthTech, DeepTech, AdTech / MarTech and Business Management**.



Source: Mapping of the Colombian Ecosystem 2022-2023 and Proprietary Calculations.

Demographics of Respondents

A closer look at the respondents from the **Mapping of the Colombian Ecosystem 2022-2023** reveals that two-thirds are either the CEO or co-founders of the startup, while nearly **16%** hold other C-Level positions. A mere **18%** of respondents occupied positions below the C-Level (such as managerial or professional roles).

Our analysis will center on those respondents who identified themselves as CEOs or co-founders. In terms of the founders' gender, we note that **men make up 81%, and women constitute 19%**. Regarding their educational background, nearly **95% have earned at least a University or Master's degree**. Interestingly, the proportion of respondents holding a **PhD (3%)** mirrors those who've only completed **high school (3%)**.

Among founders who've graduated from University, **44%** specialized in **Engineering and Technology**, and **43%** majored in **Business, Finance, and Economics**. **Law (4%)** and **Health Sciences (2%)** are other areas of academic expertise among the founders, while the remaining **7.6%** hail from **various other disciplines**.

In Colombia, startups have been instrumental in creating jobs and driving the country's economic development. Nevertheless, the gender disparity in startup-led employment remains a significant hurdle that must be overcome.

Respondents by Position in their Startup

CEO / Other Co-founders **66%**

C-Level **16%**

Other Management Positions **10%**

Other Professionals **8%**

Founders' Profile: Level of Education

PhD **3%**

Master's Degree **45%**

University **49%**

High School **3%**

Founders' Profile: Gender

 **81%**

 **19%**

Respondents by University Course of Study

Engineering and Technology **44%**

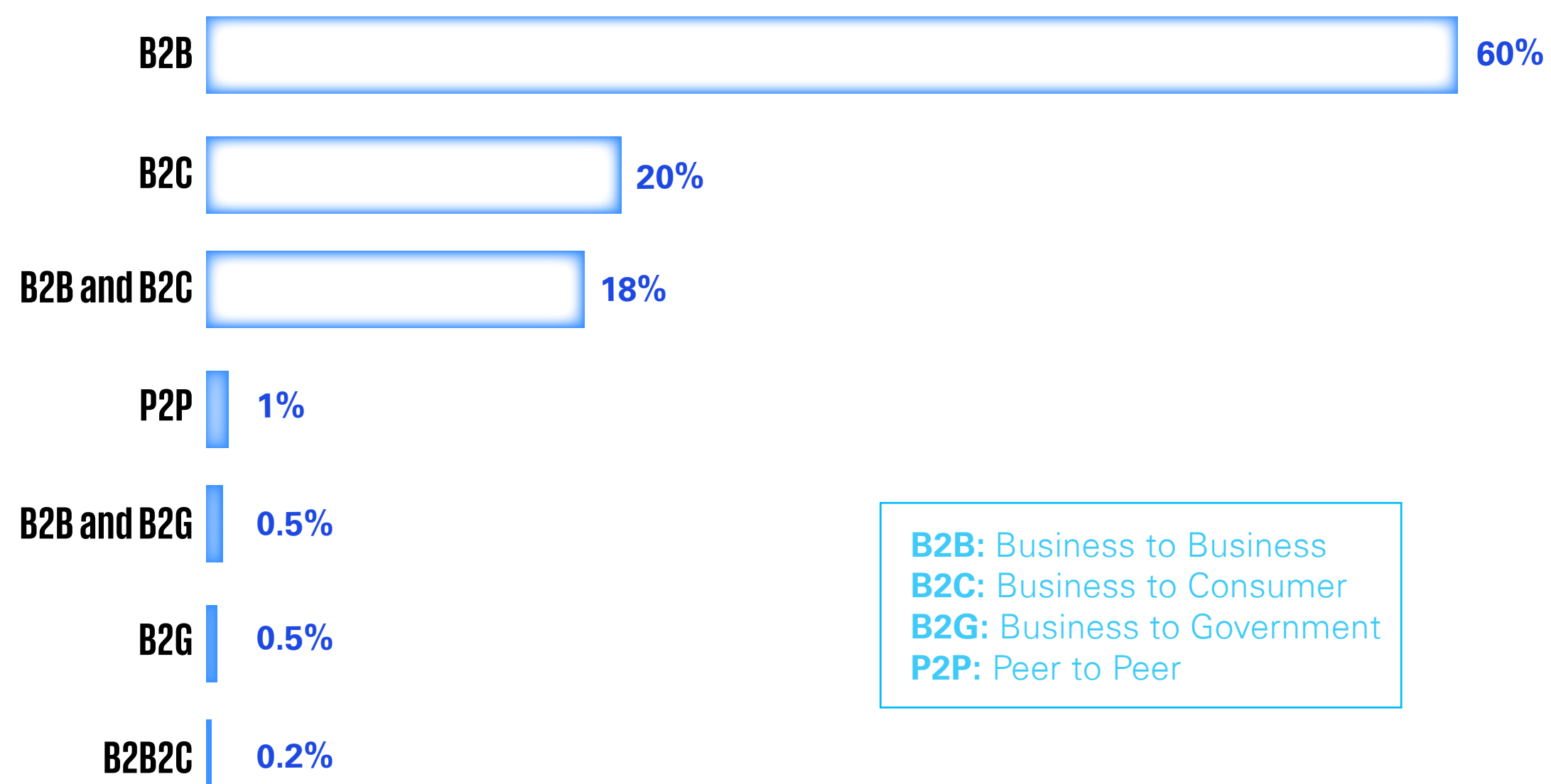
Business, Finance and... **43%**

Other **7%**

Law **4%**

Health Sciences **2%**

More than **78%** of mapped startups primarily or wholly utilize the B2B business model



PERCENTAGE vs BUSINESS MODEL

Source: Mapping of the Colombian Ecosystem 2022-2023 and Proprietary Calculations.

Over half are exclusively B2B, with **18%** engaging in both B2B and B2C operations, and **20%** strictly focusing on B2C. The other business models account for less than **2%** of the charted startups.

Several factors make the B2B (business-to-business) market more attractive to startups.

First, B2B companies are typically more inclined to invest in innovative technological solutions to boost their operational efficiency and productivity. Startups often offer innovative solutions that can improve business processes and offer added value to their B2B customers.

Second, the sales cycle in the B2B market may be longer and require more customer acquisition efforts, but it can result in higher long-term value in terms of lasting contracts and enduring business relationships. Startups with specialized solutions can have an advantage in winning long-term contracts and creating more stable business relationships in the B2B marketplace.

Third, B2B markets are usually less saturated and less competitive than B2C (business-to-consumer) markets, providing startups with more chances to distinguish themselves and secure a larger market share.



Lastly, B2B entities are generally more willing to pay for high-quality solutions and services that enhance their operations, whereas B2C customers might be more price-sensitive and opt for cost-effective solutions. Therefore, startups offering specialized, top-tier solutions may have higher revenue potential in the B2B market.

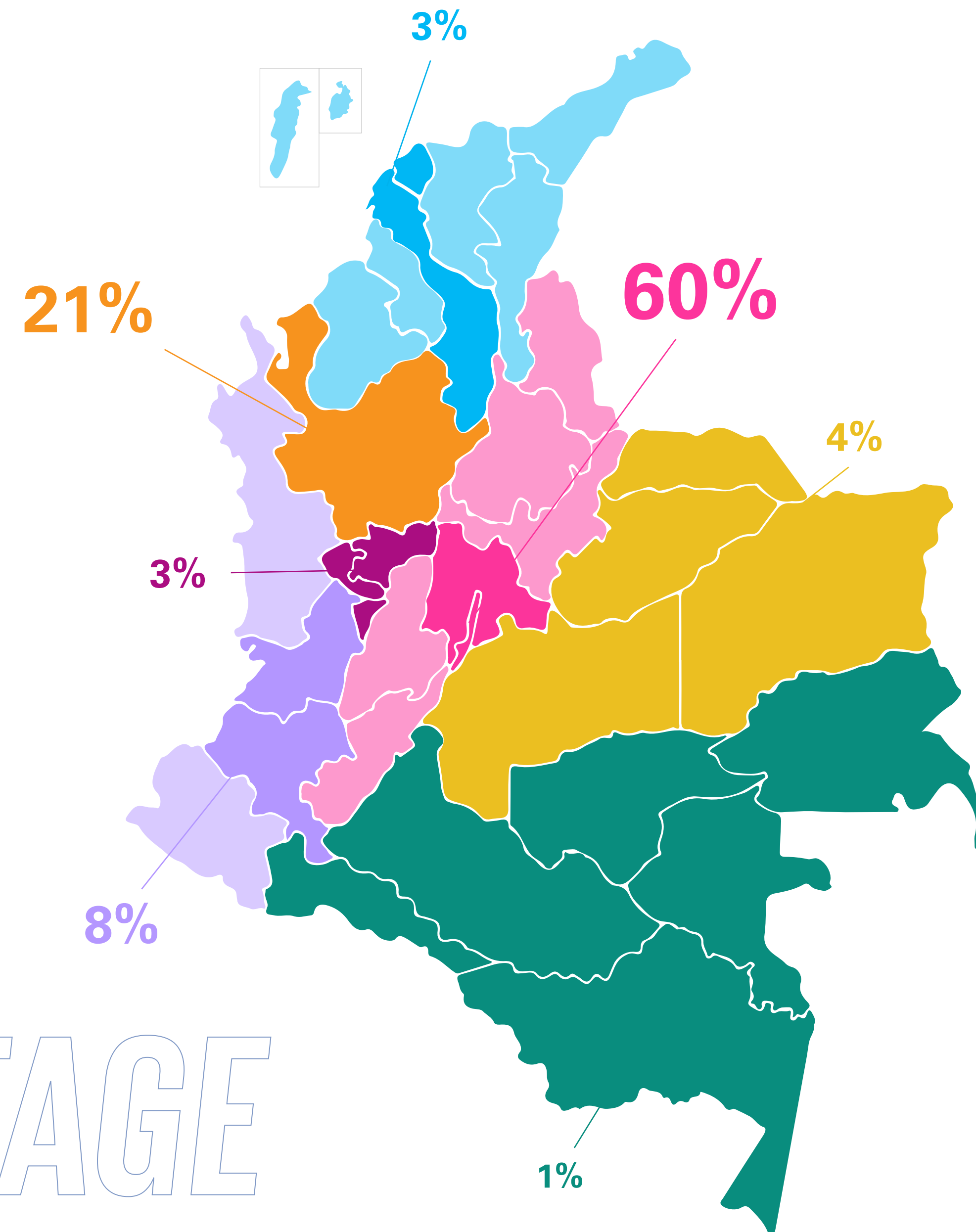
Regions

For a comprehensive analysis of the country, we have divided it into seven key regions: Central, Antioquia, Pacific, Northeast and Eastern Plains, Caribbean, Coffee Axis, and Amazon.²⁴

The **Central Region's** dominance is hardly surprising, hosting nearly **60%** of startups in a single city: **Bogota**. Next in line is **Antioquia**, accommodating just over **21%**, of the startups, predominantly centered in **Medellin**. The **Pacific region** follows with over **8%**, mainly in **Cali**, though some activity is also noted in **Popayan**.

In contrast, the remaining regions house considerably fewer startups, with a little over **3%** each, except for the **Amazon Region**, which accounts for **roughly 1%**. However, these regions demonstrate a lesser degree of centralization. In the **Caribbean Region**, we see two budding ecosystems (**Cartagena and Barranquilla**), and in the **Coffee Axis Region**, we have identified three (**Manizales, Pereira and Armenia**).

Region	Number of Cities
Central	1
Antioquia	5
Pacific	7
Northeast and Eastern Plains	7
Caribbean	3
Coffee Axis	6
Amazon	2

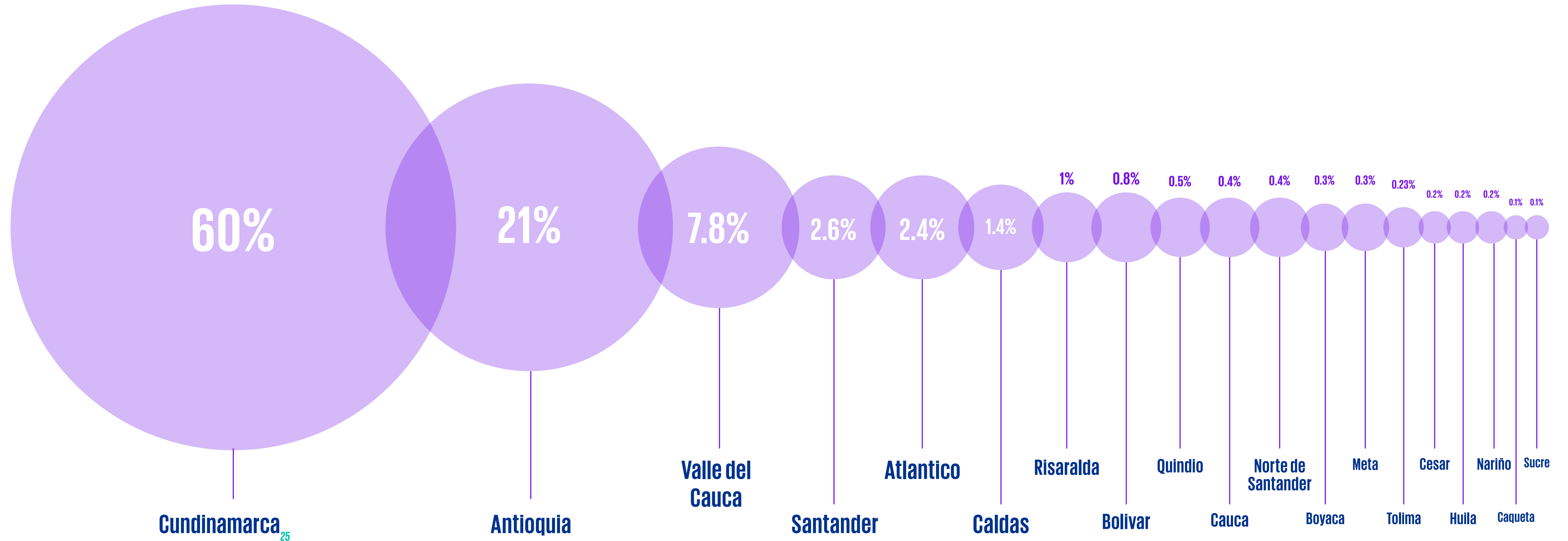


STARTUP PERCENTAGE

²⁴ Each region encompasses specific departments, each boasting at least one startup mapped in our analysis: Central (Cundinamarca), Antioquia (Antioquia), Pacific (Valle del Cauca, Cauca, and Nariño), Northeast and Eastern Plains (Santander, Norte de Santander, Boyaca, and Cesar), Caribbean (Atlántico, Bolivar, and Sucre), Coffee Axis (Caldas, Risaralda, Quindío, Tolima, and Huila), and Amazon (Meta and Caqueta).

Cundinamarca and Antioquia together represent 81% of all mapped startups.

Underscoring the significant degree of centralization in Colombia's startup ecosystem: **Nearly 60% of mapped startups hail from Cundinamarca, with over 21% stemming from Antioquia.** Only four additional departments hold more than 1% of the total mapped startups: **Valle del Cauca (7.8%), Santander (2.6%), Atlantico (2.4%) and Caldas (1.4%).**



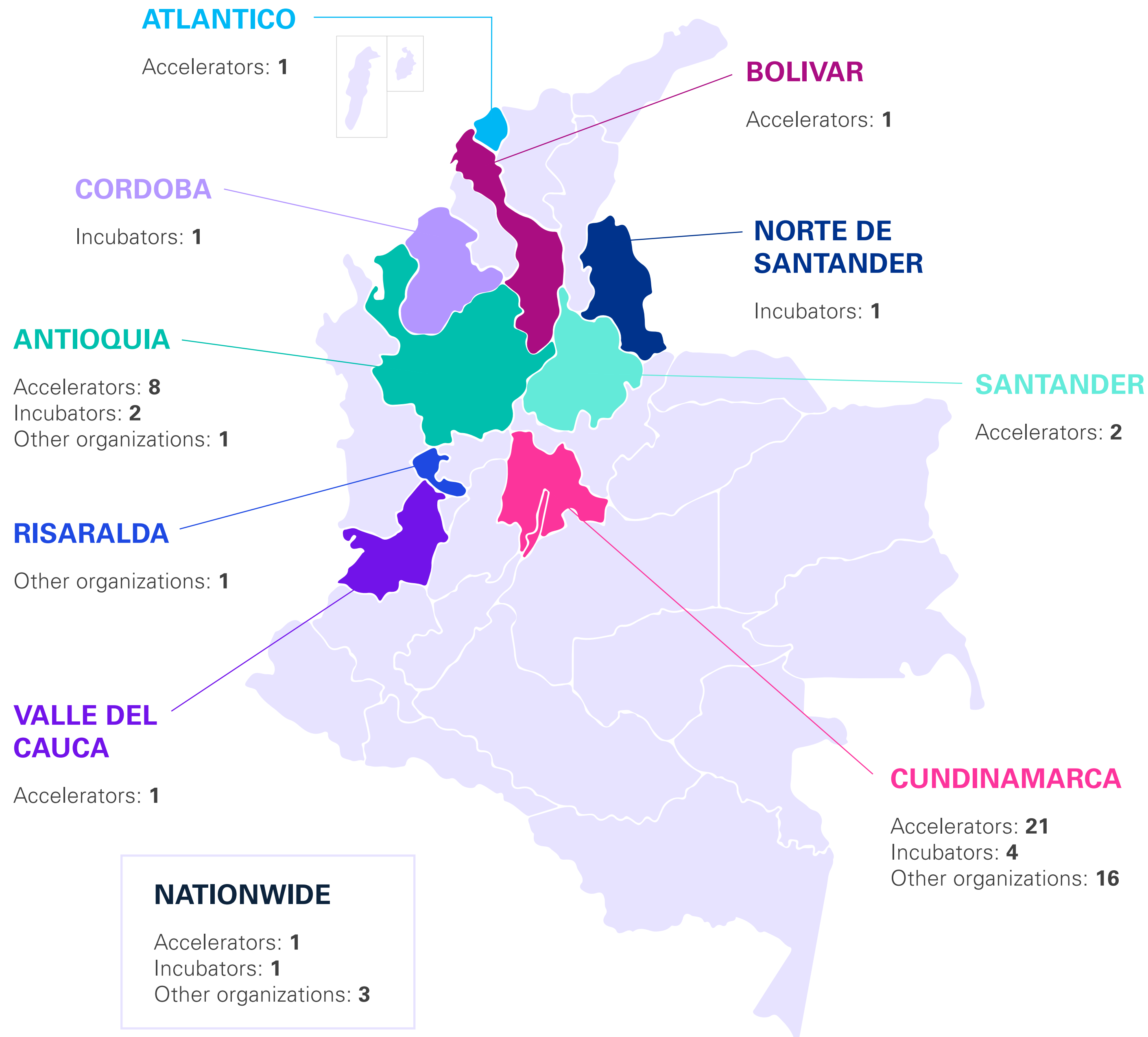
Source: Mapping of the Colombian Ecosystem 2022-2023 and Proprietary Calculations.

²⁵ When we refer to Cundinamarca in this section and throughout the report, Bogota DC is implicitly included.

There exists a direct correlation between the high number of public and private initiatives tasked with connecting entrepreneurs, funds, and other ecosystem actors, such as in **Cundinamarca** and **Antioquia**, and the strengthening of the Colombian digital entrepreneurship ecosystem. These regions house the highest number of startups.

Cundinamarca remains the innovation ecosystem's nerve center, with 55% of all identified initiatives, reinforcing its role as a city and region driving the growth of national digital enterprises.

ROLE WITHIN THE COLOMBIAN DIGITAL ENTREPRENEURIAL ECOSYSTEM



Potential of Colombian cities

At the city level, **StartupBlink** categorizes entrepreneurial ecosystems into four groups: Global Hub, Regional Hub, Developing Ecosystem, and Seed Ecosystem, based on their respective rankings. While Colombia does not house a Global Startup Hub, it certainly boasts a prominent **Regional Hub: Bogota. Medellin and Cali** fall under the category of **Developing Ecosystems**, while **eight cities** are classified as **Seed Ecosystems**, including: **Cartagena, Barranquilla, Manizales, Bucaramanga, Pereira, Armenia, Popayan, and Villavicencio**.



In the 2023 roundup, Colombia emerged as **Latin America's 5th most robust startup ecosystem** at a national level. Similarly, Bogota took the 5th spot as the most potent Latin American city for startups, with Medellin, Cali, and Barranquilla securing the 11th, 17th, and 24th positions in the region respectively. Additionally, noteworthy entrepreneurial vigor was discovered in seven other cities - Cartagena, Manizales, Bucaramanga, Pereira, Armenia, Popayan, and Villavicencio - positioning them for inclusion in the **Global Startup Ecosystem Index 2023**.

City	Latam Ranking
São Paulo, Brazil	1
Mexico City, Mexico	2
Buenos Aires, Argentina	3
Santiago, Chile	4
Bogota, Colombia	5
Monterrey, Mexico	6
Curitiba, Brazil	7
Lima, Peru	8
Rio de Janeiro, Brazil	9

Guadalajara, Mexico	10
Medellin, Colombia	11
Belo Horizonte, Brazil	12
Montevideo, Uruguay	13
Puebla, Mexico	14
Porto Alegre, Brazil	15
Cordoba, Argentina	16
Cali, Colombia	17
San Jose, Costa Rica	18
Nassau, Bahamas	19
Florianopolis, Brazil	20
San Juan, Puerto Rico	21
George Town, Cayman Islands	22
Panama City, Panama	23
Barranquilla, Colombia	24
Quito, Ecuador	25

Bogota

The country's capital, is Colombia's primary startup hub and a leading light in the region.

It's recognized as a regional hub - a milestone in the startup ecosystem lifecycle - alongside innovation-driven cities such as [Barcelona, Spain](#); [Madrid, Spain](#); [Lagos, Nigeria](#); and [Bangkok, Thailand](#).

Cities at this stage are typified by a vibrant community of founders who consistently produce high-quality startups. They're incubators for potential unicorns, and, in some cases like Bogota, they're home to a few already. These ecosystems are magnets for both national and regional entrepreneurs seeking repositioning.

Upon analyzing the criteria of the [Global Startup Ecosystem Index](#), four quantity-based factors come to the fore for Bogota: the volume of startups, the count of accelerators, the proliferation of coworking spaces, and an extensive community of entrepreneurs (evidenced by the number of startup and entrepreneurship meetups in the city). Much like the broader Colombian context, several quantity-related strengths stand out: the level of investment in startups, the number of startups in Y Combinator, the tally of unicorns, and *'Pantheons'* - a term coined by **StartupBlink** to denote organizations with a monumental impact, such as **Rappi**.

Nevertheless, much like Colombia, Bogota's ecosystem does exhibit some weaknesses: a

lack of successful exits and a scarcity of global tech and entrepreneurship events, both of which weigh down the ecosystem currently.

Developing Ecosystems: Medellin and Cali

Medellin and Cali, respectively the second and third Colombian tech ecosystems, sit prominently in the region's top 20. In a global context, other cities at this developmental stage include [New Orleans, USA](#); [Porto, Portugal](#); [Dortmund, Germany](#); and [Bilbao, Spain](#).

Cities at this stage are known for their matured founder communities, yet their startup generation frequency significantly lags behind *Regional Hubs*. These ecosystems have successfully nurtured numerous high-caliber startups and may even have potential unicorns, yet actual unicorns remain a rarity. Offering attractive relocation options, these cities appeal to national entrepreneurs seeking fresh territories.

Despite variances in performance indicators, with Medellin surpassing Cali in many aspects, these developing Colombian ecosystems share common strengths and weaknesses: Medellin and Cali are notable for the number of players in the ecosystem - from startups to coworking spaces and accelerators - and the vibrant entrepreneurial spirit they foster. In terms of quality metrics, both cities excel in the number of startups that have undergone Y Combinator's program. However, they grapple with the lack of funding raised by their startups and a scarcity of unicorns and exits, a standard scenario for ecosystems at this stage.



Seed Ecosystems: Spotlight on Cartagena

Similarly, in the seed ecosystem phase, there are as many as **eight Colombian ecosystems**, including **Cartagena, Barranquilla, and Manizales**. Globally, significant cities such as **Florence, Italy; Seville, Spain; Strasbourg, France; and Chiang Mai, Thailand** share this phase.

Seed ecosystems are characterized by the presence of fundamental startup infrastructure (including coworking spaces and accelerators) that primarily relies on public sector support. While these ecosystems can generate startups, those that manage to scale often migrate to other ecosystems, enhancing their access to talent and funding.

In this context, we will delve deeper into one of Colombia's seed ecosystems: Cartagena. As we will elaborate on in the upcoming Ecosystem section, several entities in Cartagena, including corporate accelerator DeltaX Ventures and the Chamber of Commerce, are dedicated to the ecosystem's growth.

The efforts of these organizations are critical, as startups within seed ecosystems grapple with two substantial hurdles: access to capital and talent. These organizations must work hand-in-hand to assist companies in overcoming these obstacles. Otherwise, entrepreneurs might decide that relocating their enterprise is the optimal decision.

In conclusion, the paramount objective for seed ecosystems should be facilitating startups' access to funding and talent. Several strategies can be employed to achieve this, like initiatives to educate high-net-worth individuals on startup investments or sending noteworthy local entrepreneurs to national and international events for networking opportunities that accelerate growth.



Startup Density

Based on the number of mapped startups, Cundinamarca boasts a density of slightly over seven startups per 100,000 inhabitants. Antioquia and Valle del Cauca each have over four startups per 100,000 inhabitants, while the remaining mapped departments have a density less than one startup per 100,000 inhabitants. A similar pattern is observed when the density is calculated against GDP.

Collectively, Colombia hosts **2.6 startups per 100,000 inhabitants and 4.22 startups per USD 1 billion in GDP.**

Mapped Overview of Other Departments

Startups: **143**
 Population for 2021 (in millions): **22,82**
 Startups per 100,000 Inhabitants: **0,63**
 GDP for 2021 (in USD billions): **116,59**
 Startups per USD 1 billion: **1,23**

Cundinamarca (Including Bogota DC)

Startups: **795**
 Population for 2021 (in millions): **11.06**
 Startups per 100,000 Inhabitants: **7.19**
 GDP for 2021 (in USD billions): **99.08**
 Startups per USD 1 billion: **8.02**

Antioquia

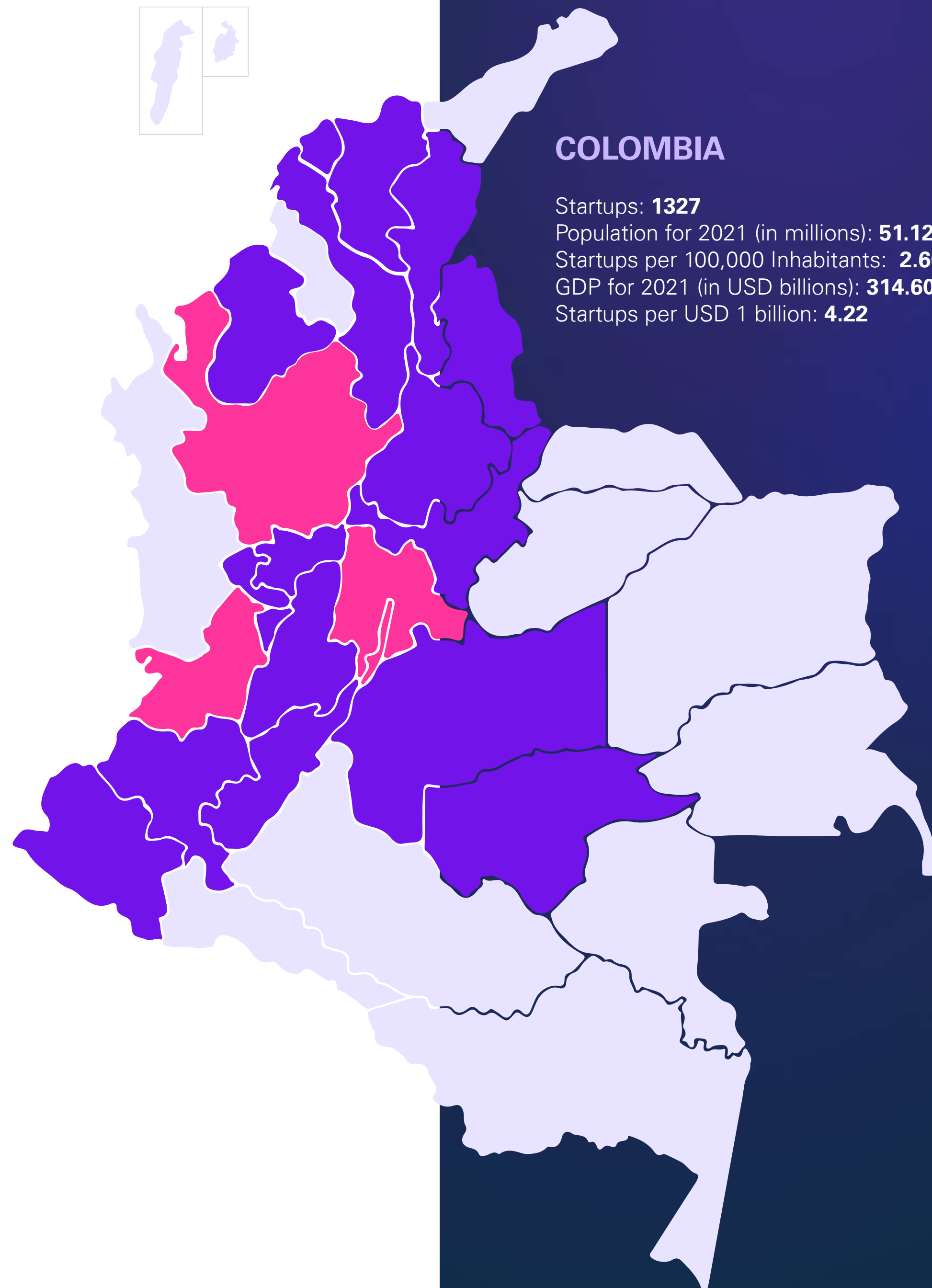
Startups: **285**
 Population for 2021 (in millions): **6.73**
 Startups per 100,000 Inhabitants: **4.24**
 GDP for 2021 (in USD billions): **47.15**
 Startups per USD 1 billion: **6.04**

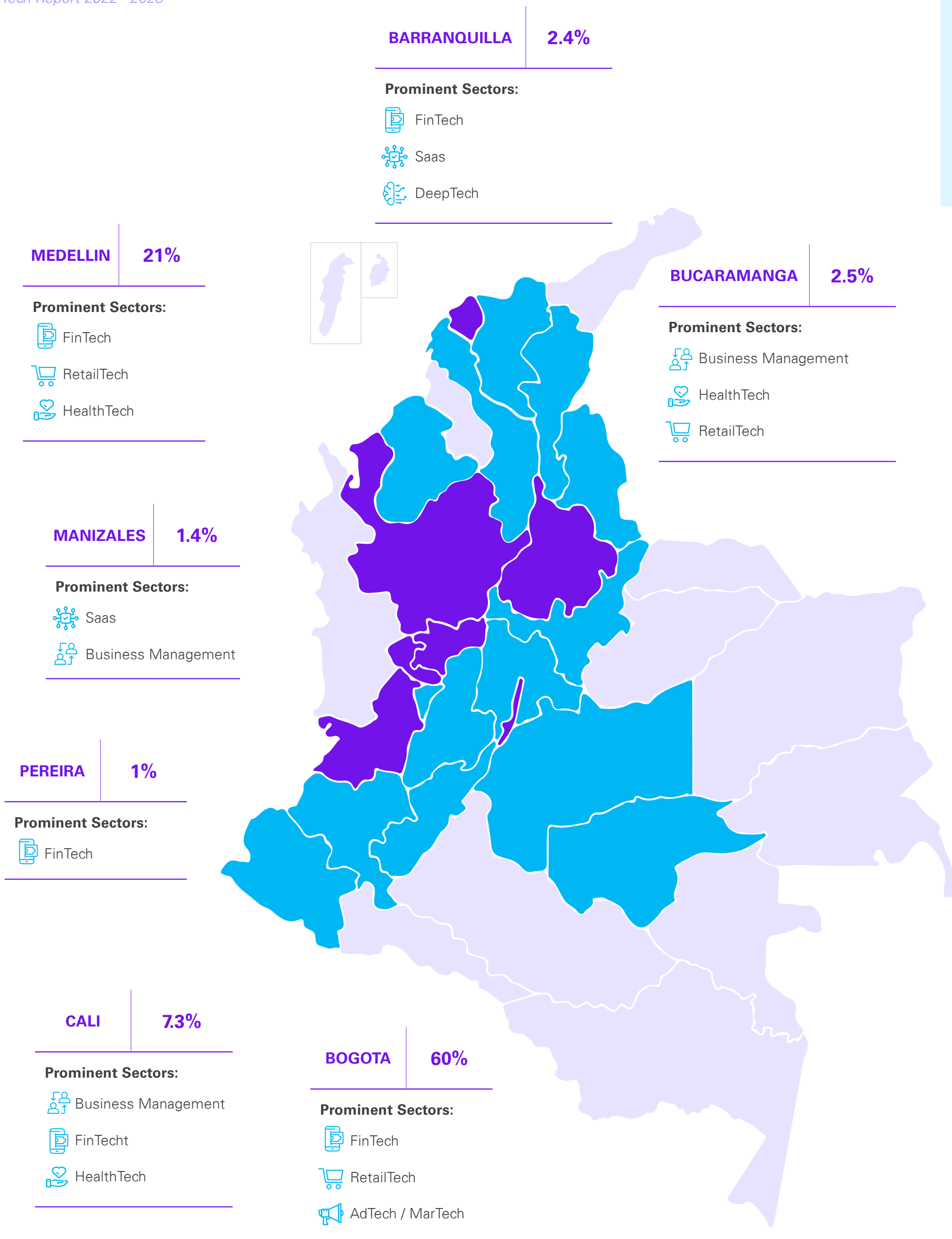
Valle del Cauca

Startups: **104**
 Population for 2021 (in millions): **4.61**
 Startups per 100,000 Inhabitants: **2.25**
 GDP for 2021 (in USD billions): **30.70**
 Startups per USD 1 billion: **3.39**

Combined Figures for Three Departments

Startups: **1184**
 Population for 2021 (in millions): **22.40**
 Startups per 100,000 Inhabitants: **5.29**
 GDP for 2021 (in USD billions): **176.93**
 Startups per USD 1 billion: **6.69**





The city-level startup distribution aligns closely with the departmental breakdown.

Other Cities	%	Prominent Sectors
Cartagena	0.8%	-
Armenia	0.5%	-
Popayan	0.4%	-
Cucuta Tunja Villavicencio	0.3% <i>Per Unit</i>	-
Palmira Tulua	0.23% <i>Per Unit</i>	-
Ibague Neiva Rionegro Valledupar	0.15% <i>Per Unit</i>	-
Apartado Barrancabermeja Florencia Ginebra La Ceja Ocaña Pasto San Gil San Pedro de los Milagros San Sebastián de Mariquita Sincelejo Tumaco	0.1% <i>Per Unit</i>	-

The country's **capital** city is the bustling heart of entrepreneurship, comprising nearly **60%** of the total startups, with **Medellin trailing just above 21%**. **Cali** comes next, contributing over **73%**, followed by **Barranquilla and Bucaramanga** each with more than **2%**, and **Manizales** accounting for over **1%**. The remainder of the country's cities together hold about **5%** of the mapped startups.

We have also delved into the correlation between cities and industry sectors to ascertain the creation of specialized hubs. Given **FinTech** premier status in the country, it's no shocker to find it spotlighted in five out of the seven cities featuring at least one prominent sector²⁶, notably ruling in Bogota and Medellin where **RetailTech** also commands significant attention. **AdTech / MarTech, HealthTech, Business Management, SaaS, and DeepTech** also enjoy prominence in various key Colombian cities.

²⁶ We identify prominent sectors as those top three sectors with the most startups in a specific city, provided there are at least three startups of that sector in that city. This condition explains the limited number of cities with standout sectors.

Investments

INVESTMENT VOLUME (USD MILLIONS) AND COUNT OF DEALS (INCLUDING RAPPI)

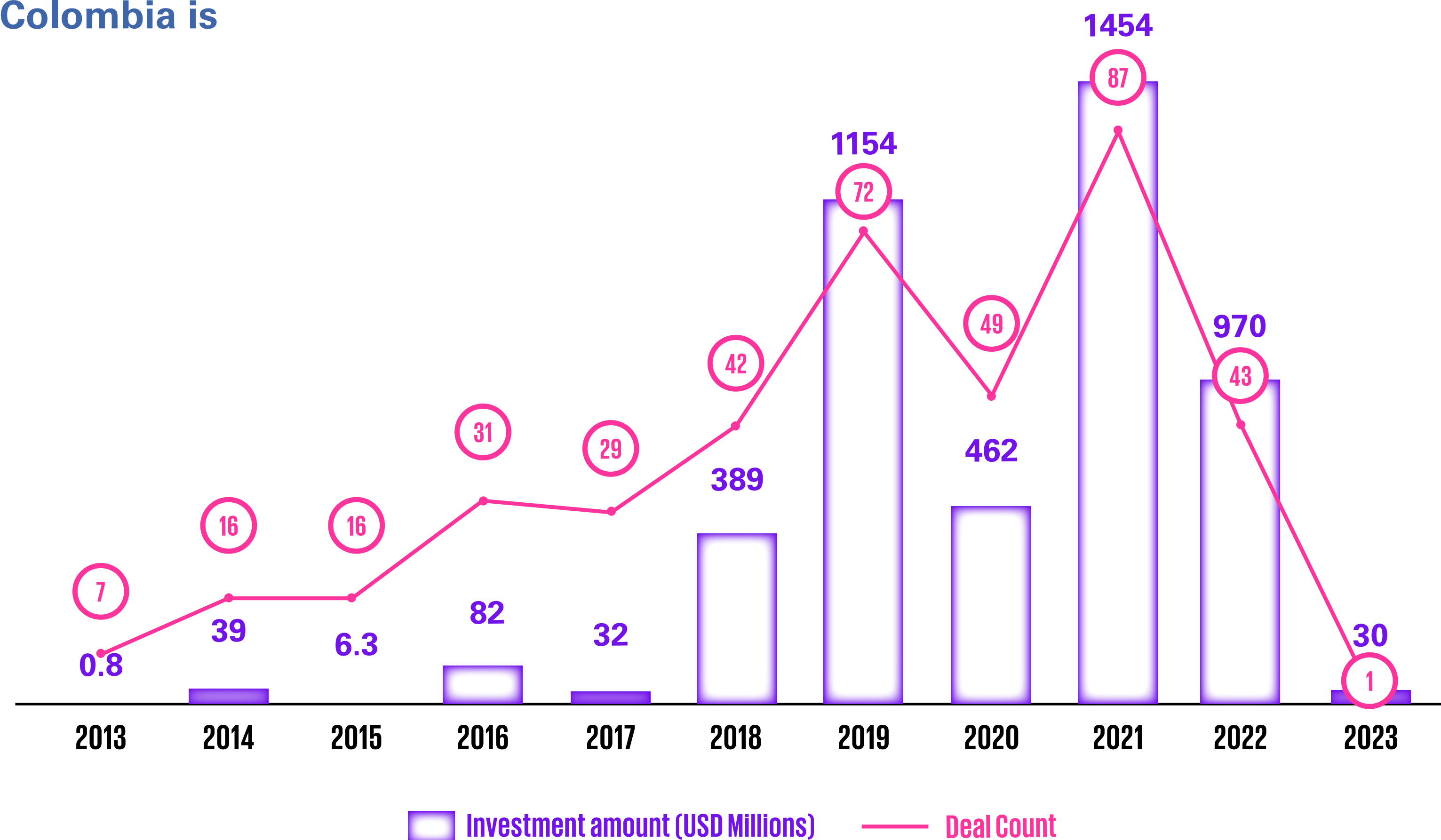
Source: Crunchbase and Proprietary Calculations

Investing in startups has been a challenging affair globally in 2022 and thus far in 2023; Colombia is no stranger to this.

From 2013 to 2023, Colombian startups raised a hefty sum of USD 4.621 billion. On a global scale, 2021 emerged as a record-setting year for startups. Colombian startups raked in over USD 1.5 billion across 89 deals (another record for the number of deals in 2021).

The notable dip in investments in 2022, with the country's startups raising just over half of the 2021 fundings, shouldn't trigger undue panic within the ecosystem as it mirrors the global trend. In 2022, funds focusing on startups considerably slashed their investments in light of economic uncertainty, looming recession fears, and the plummeting share prices of tech companies. This trend has carried over into 2023.

It's noteworthy that, throughout the studied period, **ng successes in Latin America**, surpassed only by Brazil (USD 18.9 billion) and Mexico (USD 6.05 billion), and outpacing robust ecosystems like Argentina and Chile. This is a sterling indicator of the robustness of the country's startup investment climate.



Under the Emerging Giants initiative, KPMG has pinpointed the pivotal criteria that investors are factoring in:

- 1. Solid business model:** Businesses need a well-defined, long-term sustainable business model. The company should convincingly demonstrate that its business model is viable, possessing a potential market, and capable of generating steady revenues and profits.
- 2. Seasoned management team:** Management teams should have a rich background and robust business acumen. It is crucial for the founders' team to have a proven track record of steering successful companies and evidence their capability to lead a growing firm.
- 3. Innovative technology:** The company should convincingly demonstrate that its technology is unique and capable of solving a significant market problem.
- 4. Growth potential:** Companies with a sustainable and scalable growth potential. The company should convincingly demonstrate that it has a sufficiently large potential market to scale and broaden either nationally or internationally.
- 5. Well structured business model plan:** The company must convincingly demonstrate that it has a clear strategy and a comprehensive execution plan to achieve its growth goals.

According to The Latam Tech Report, 2022 was among the years with the highest investments in Latin America. The volume of private equity investment and the number of deals were one of the largest relative to the historical investment data in LATAM.

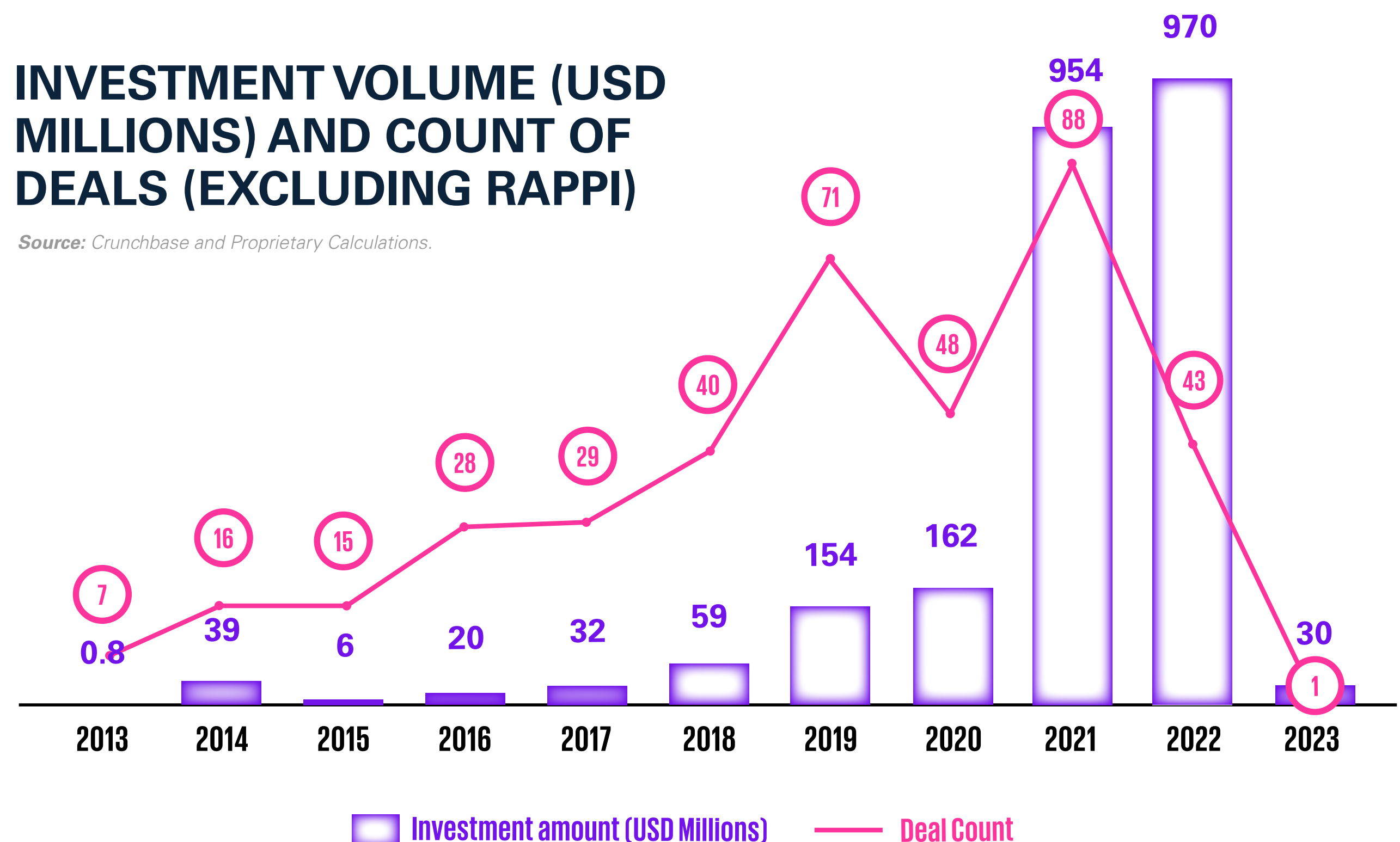
Rappi stands as the unmistakable *outlier* of the Colombian ecosystem, having garnered almost half of the funds of the entire ecosystem during the period 2013-2023.

Excluding **Rappi's** investment rounds, the ecosystem has still demonstrated substantial investment figures in recent years (mainly 2021 and 2022), with the fall between these two years much less pronounced when the delivery giant is excluded.

The major rounds in these years were driven by **Habi**, with its Series B and C, of **USD 100 million and USD 200 million** respectively, **Frubana** with its Series C of **USD 100 million** in 2021, and **Tül** with its Series B of **USD 181 million**. Current trends suggest 2023 might prove another challenging year for the global ecosystem (and by extension, the Colombian one), hence a substantial surge in these volumes is not anticipated.

INVESTMENT VOLUME (USD MILLIONS) AND COUNT OF DEALS (EXCLUDING RAPPI)

Source: Crunchbase and Proprietary Calculations.



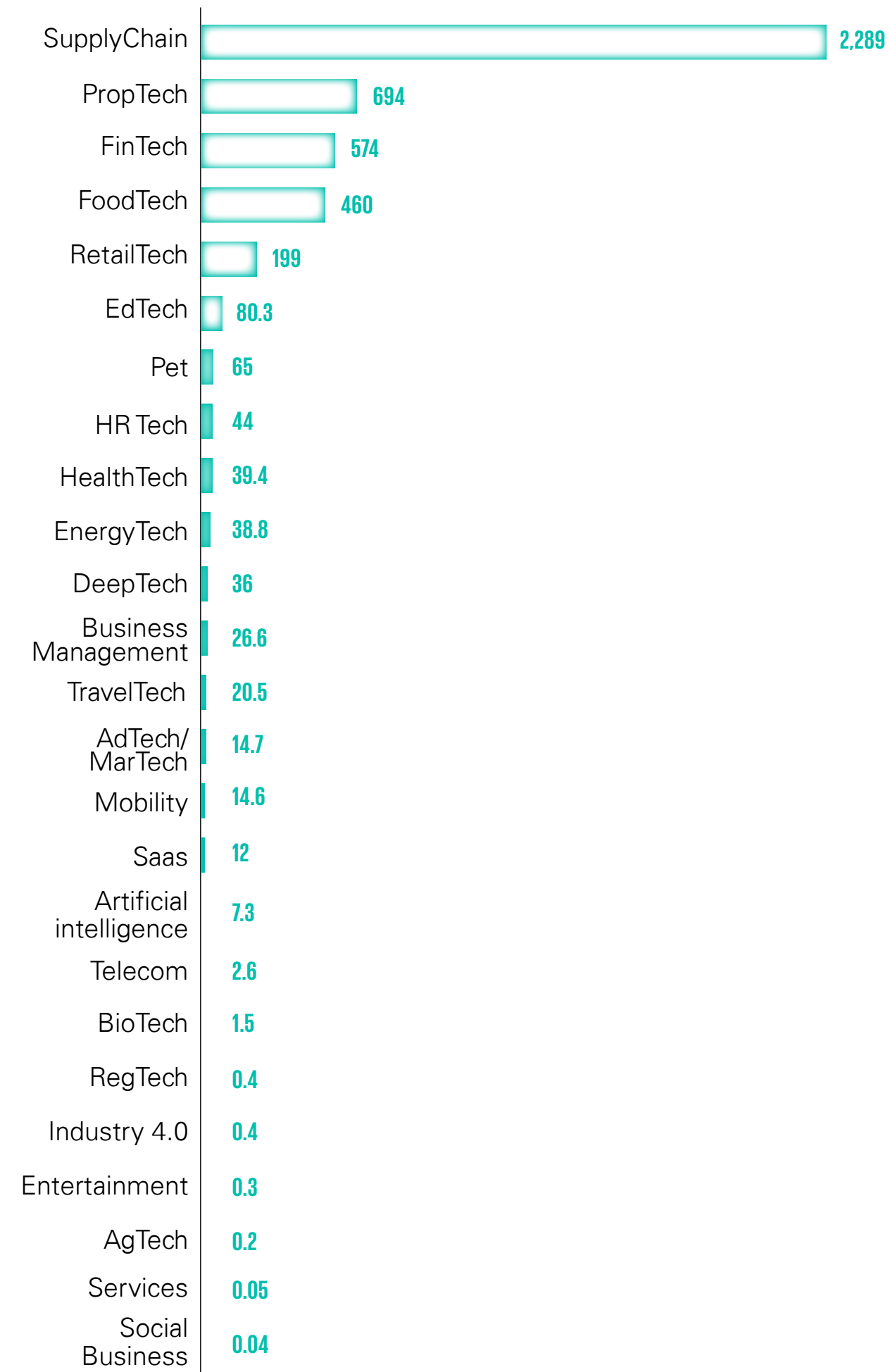
The sector with the highest investment influx is *Supply Chain*, but the landscape significantly shifts when Rappi is excluded.

Without question, the tech sector that garnered the most investments between 2013 and 2023 in Colombia is the *Supply Chain*, accounting for over **52%** of total investments. However, when we adjust the analysis to exclude Rappi, we notice a rapid rise in prominence for sectors such as PropTech, FinTech, and FoodTech.

Each of these sectors has successfully attracted more than **USD 400 million**, under the strong leadership of robust startups such as **Addi, Habí and Frubana**, respectively.

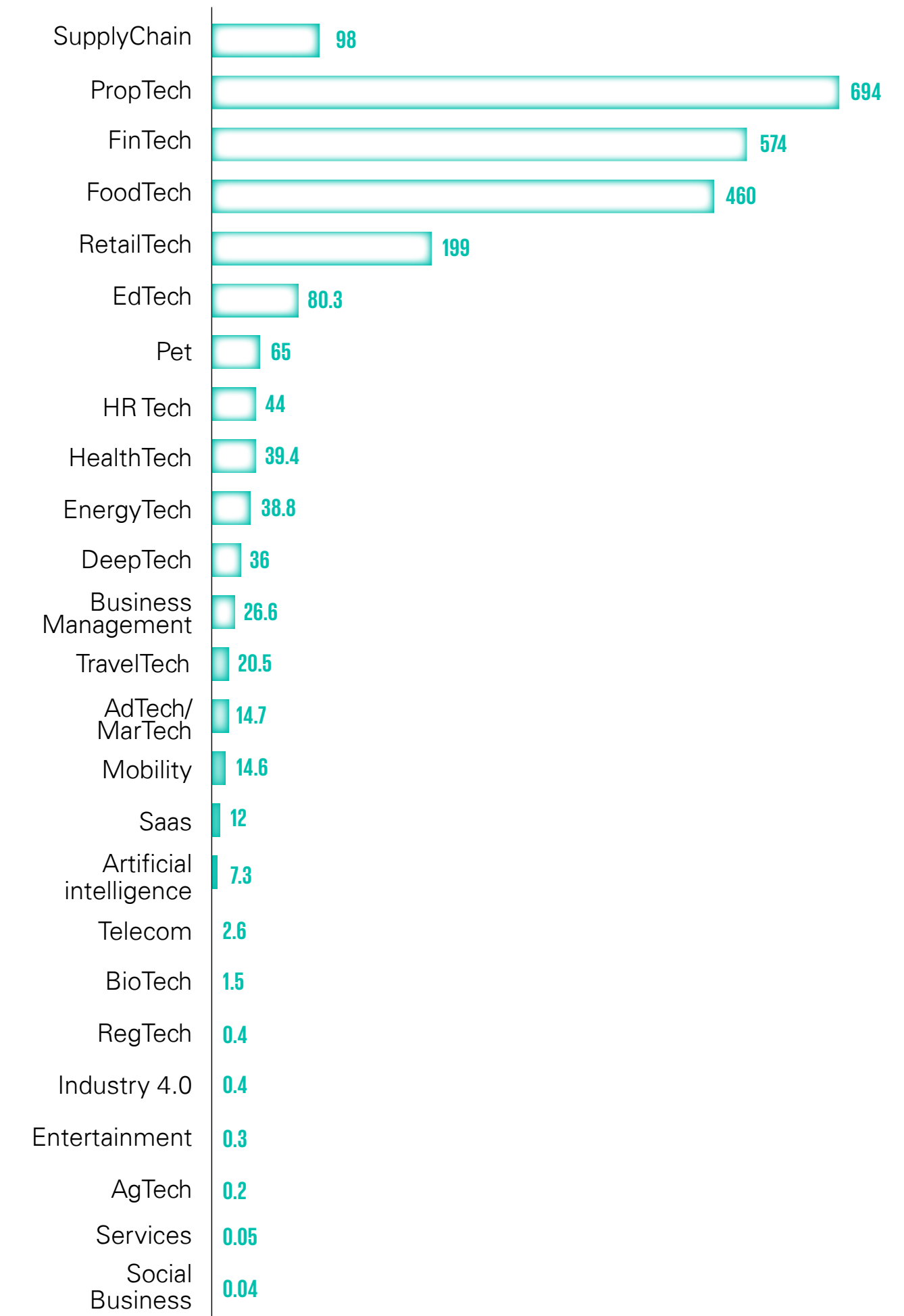
From the above graphs, it's clear that the FinTech sector continues to lead in Colombia.

INVESTMENT VOLUME (USD MILLIONS) AND SECTORS (INCLUDING RAPPI)



Investment (Millions, USD)

INVESTMENT VOLUME (USD MILLIONS) AND SECTORS (EXCLUDING RAPPI)

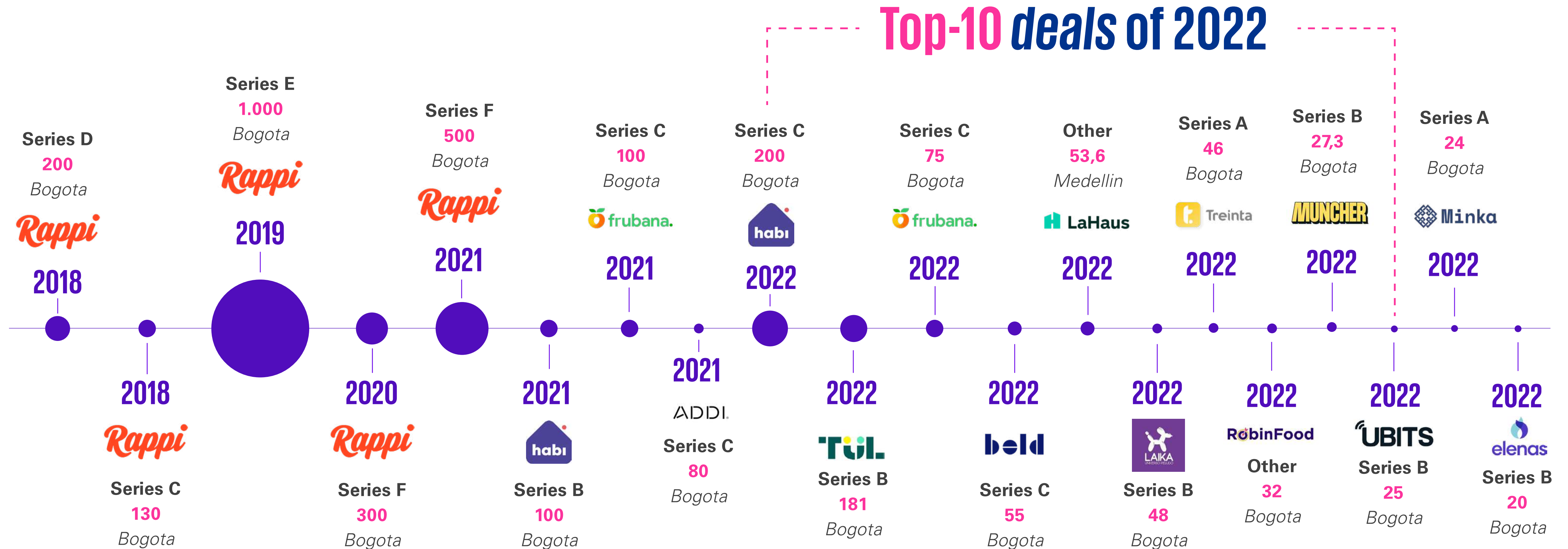


Investment (Millions, USD)

Source: Crunchbase and Proprietary Calculations.

The ten largest deals

in the Colombian ecosystem were executed by startups based in the nation's capital, with half of them involving **Rappi**. The sole deal of 2022 was the Series C round of **Habi**.



** Figures in USD, Millions

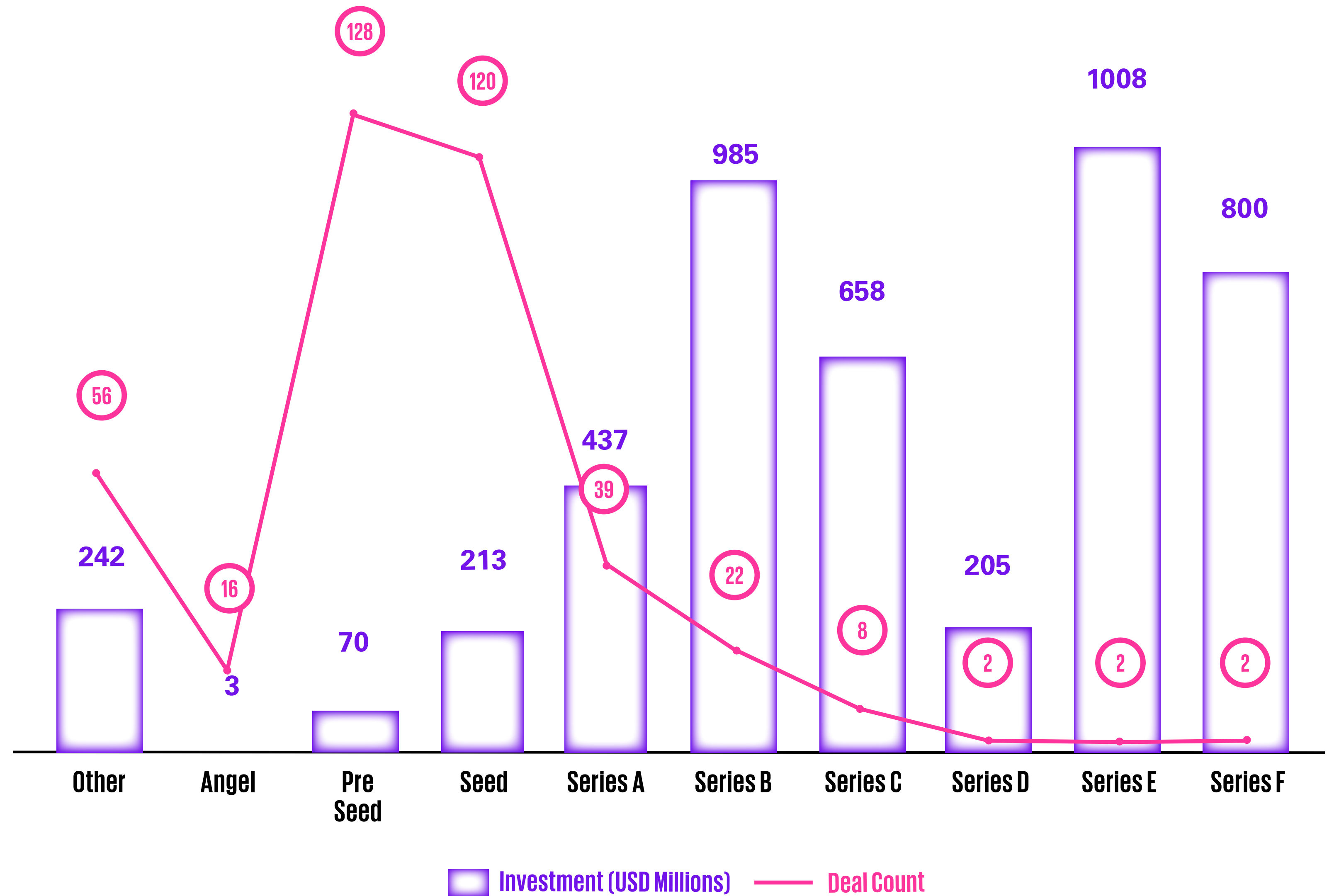
INVESTMENT VOLUME AND FUNDING STAGE

Source: Crunchbase and Proprietary Calculations

A significant 67% of deals in the ecosystem are clustered in the earliest stages, namely Angel, Pre-Seed and Seed.

The Colombian ecosystem is teeming with activity at these initial stages, with a myriad of deals in the Angel, Pre-Seed, and Seed stages. Although there is activity from Series C onwards, **it narrows down to less than 15 deals in total.** However, over half of the total funds raised (**57%**), come from these limited *deals*.

This demonstrates an ecosystem that, while vibrant, is yet to achieve full maturation, which will come to pass when transactions at more advanced stages reach a critical mass.





Investment Landscape in Major Cities



Bogota

Fintech is considered the standout sector for capital raising in Bogota, excluding the **Rappi** outlier.

In Bogota's ecosystem, the dominant sector for securing finance is **SupplyChain**, which constitutes 56% of the total investment volume, courtesy of Rappi. But when we sideline this sector, **FinTech** emerges as the city's principal leader, holding 13.5% of investments, closely trailed by **PropTech** with 13.2% of investments.



Medellin

Here the picture slightly differs, with **PropTech** being the top sector in fundraising, accounting for 56%, largely owing to the influence of LaHaus. **EnergyTech** comes in second place with a 12% share.



Cali

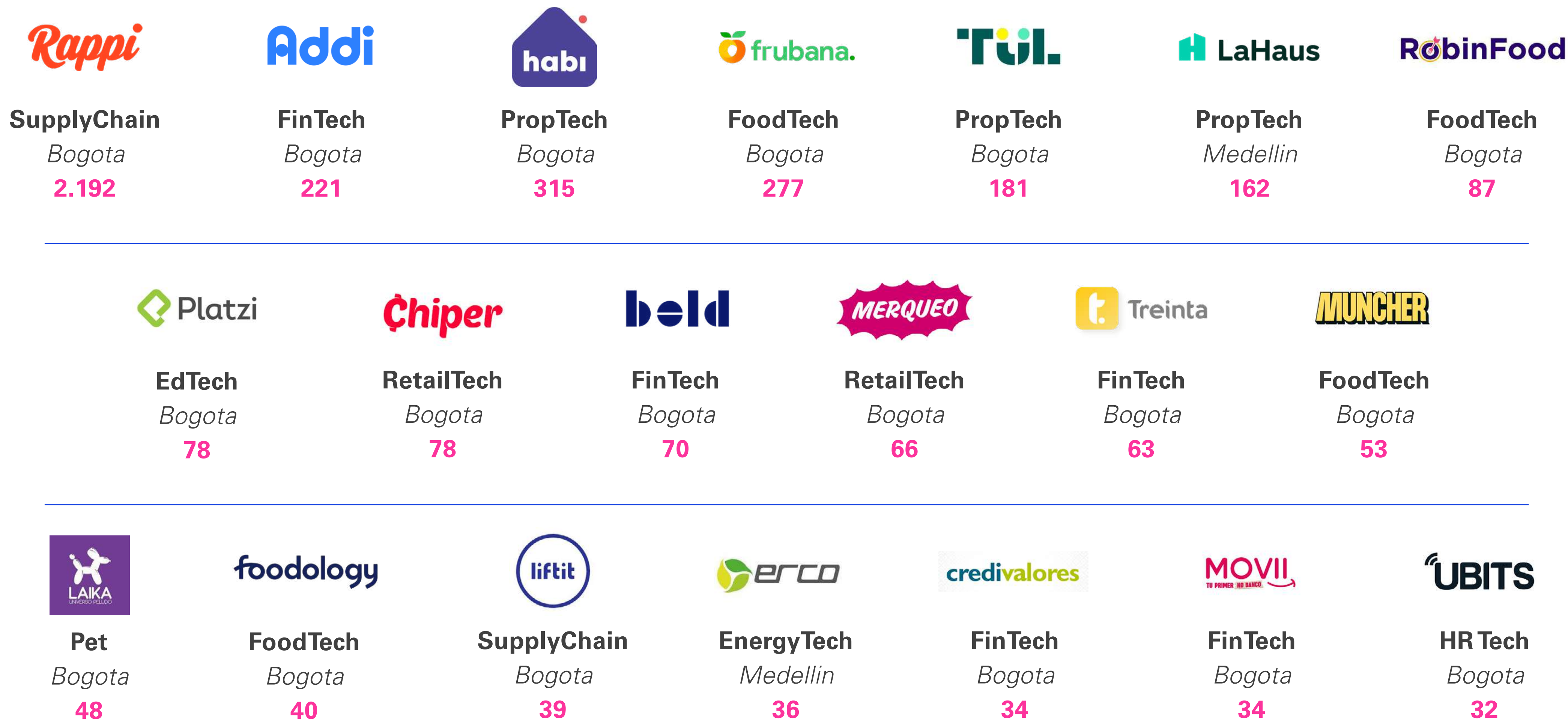
Business Management takes the lead with 77%, with Truora as the most successful fundraising company in the city.



Barranquilla

Only one other city has seen capital raised by more than one company: Barranquilla, here, the leading sector is **FinTech** responsible for 56% of investments, with ASH Capital raising a notable USD 180,000.

Between 2013 and 2023, 20 Colombian startups have successfully secured more than USD 30 million each.



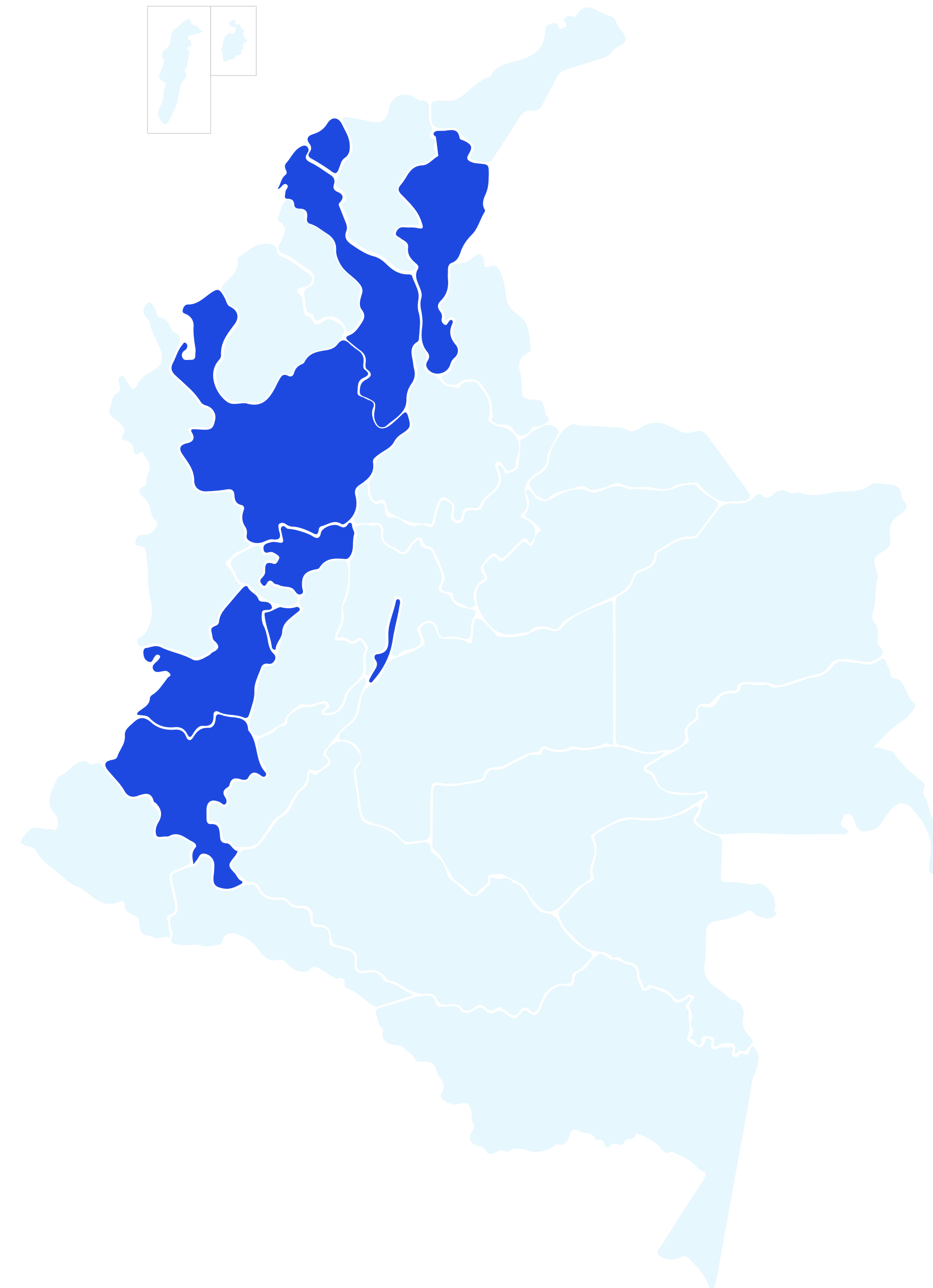
Source: Crunchbase and Proprietary Calculations.

Bogota's startups dominate the landscape, securing nearly 93% of the ecosystem's funding, while those in Medellin have secured close to 6%.

Fundraising endeavors of Colombian startups are chiefly based in Bogota, followed by a smaller concentration in Medellin. The remaining Colombian cities collectively account for about 0.7% of the funds raised. Looking at deal volume, Bogota has a lion's share of just over 77%, with Medellin trailing behind at nearly 16%.

Notably, the average investment, or "ticket," in these two cities considerably outpaces that of the rest of the country. Bogota's average ticket stands at **USD 13.46 million** (USD 6.34 million when excluding Rappi), while Medellin's comes in at **USD 4.61 million**. Cali emerges as the only city nearing these figures, boasting an average ticket of **of USD 1.72 million** across 14 deals.

Department	Volume (USD, Millions)	Deal Count	Average Ticket (USD, Million)
Bogota	4,308	306	14.1 (7.1 excluding Rappi)
Medellin	286	62	4.61
Cali	24	14	1.72
Armenia	1.41	2	0.7
Popayan	1.15	1	1.15
Barranquilla	0.31	6	0.05
Manizales	0.12	1	0.12
Cartagena	0.06	1	0.06
Valledupar	0.02	2	0.01



Investment volumes, deal numbers, and average ticket values all mirror the city-level figures. This demonstrates a high degree of centralization, not just nationally but also at the department level, with the capital and main city of each department securing the majority of funds.

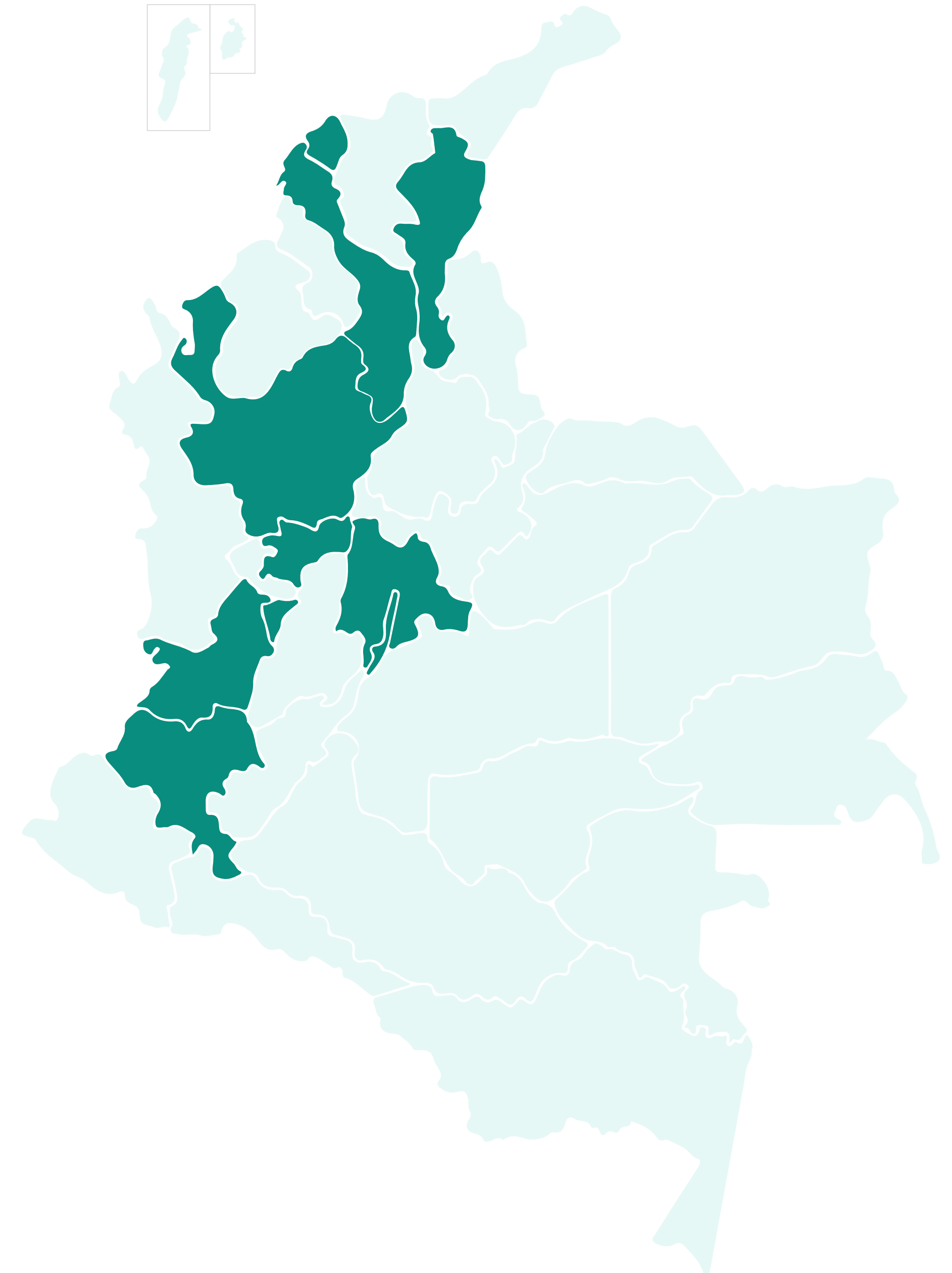
Cundinamarca takes the lead across all three categories, achieving a total *deal* volume exceeding **USD 4 billion** across **306 deals**, and an average ticket of **USD 14.1 million**



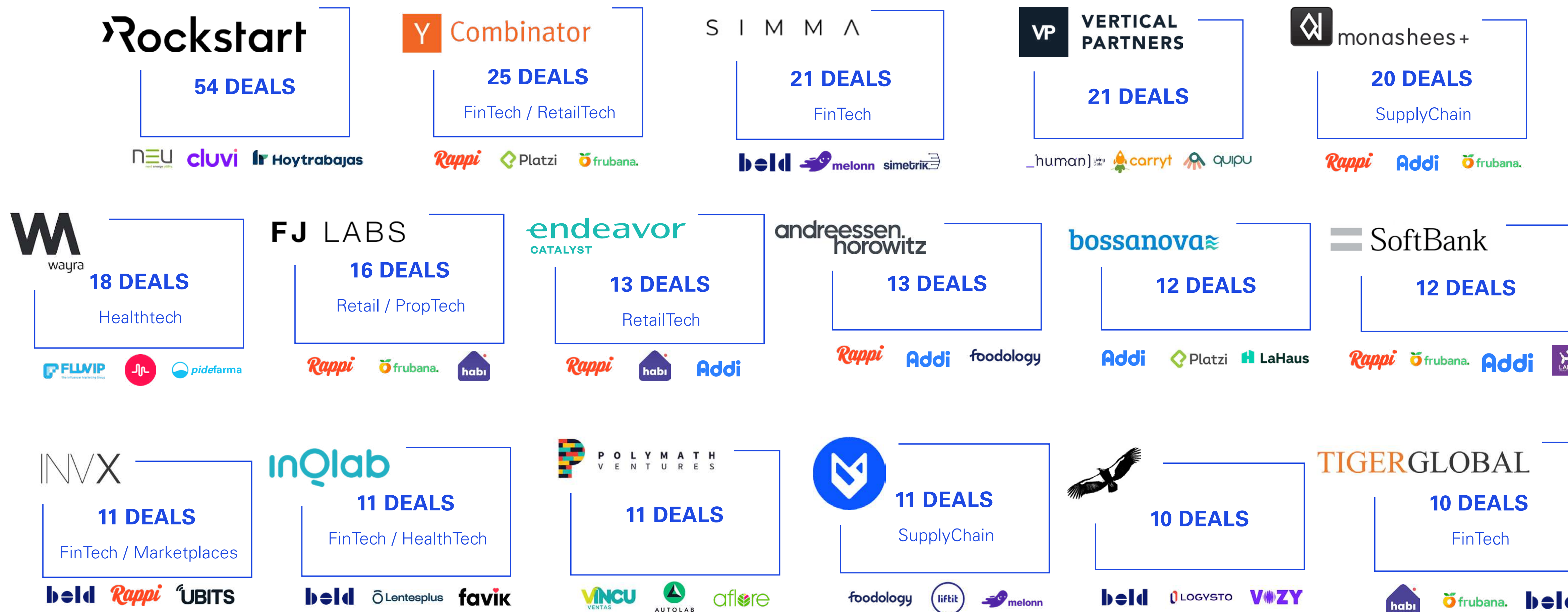
(USD 6.9 million when excluding Rappi). Hot on its heels is **Antioquia** amassing **USD 286 million** in total volume across **62 deals**, averaging **USD 4.61 million** per *deal*. The **Valle del Cauca** ranks third with **USD 24 million** total volume across **14 deals**, resulting in an average ticket of **USD 1.72 million**. Remarkably, no other department managed to accumulate over **USD 2 million** within the studied period.

Department	Volume (USD, Millions)	Deals Count	Average Ticket (USD, Million)
Cundinamarca	4,308	306	14.1 (6.9 excluding Rappi)
Antioquia	286	62	4.6
Valle del Cauca	24	14	1.7
Quindio	1.4	2	0.7
Cauca	1.15	1	1.2
Atlantico	0.3	6	0.1
Caldas	0.1	1	0,1
Bolivar	0.06	1	0.1
Cesar	0.02	2	0.01

Source: Average Ticket (USD, Million)



From 2013-2023, 16 funds have partaken in ten or more deals within the Colombian ecosystem.



Accelerators



ScaleUp LatAm

Medellin

ScaleUp LatAm is committed to propelling high-achieving startups in Latin America onto the global stage. This organization functions as an intricate network of progressive acceleration platforms, extending their programs across Boston, Colombia, and Mexico. Moreover, it's laying the groundwork to establish its presence in Chile and Peru imminently.

Vertical Labs LATAM

Medellin



The crux of Vertical Labs LATAM's mission lies in incubating and fast-tracking technology-driven startups through mentorship. The organization avails a vast business network and smart capital access to its accelerated companies, effectively equipping startups to advance to the next plateau.

EF Ventures

Bogota



EF Venture Capital takes shape as an investment consortium, proffering office and event spaces, consulting services, entrepreneurship guidance, and investment openings to firms in the realms of technology and software development, digital marketing, innovation, and human resources, among others. Simultaneously, the organization takes an active role in facilitating the dispersion of technology via community-driven initiatives, aligned with Sinova in Ubaté, Cundinamarca, and mentoring through a collaborative entrepreneurship project known as CapitalTEC 4.0, under the aegis of the Bogota government.



Pantera Makers

Bogota

Pantera Makers holds the title of the Corporate Growth Factory. This organization propels the commercial success of innovative projects, merging unique tools and practical methodologies to unearth insights and prototype intangibles.



Tecnoparque nodo Bogota

Bogota

Tecnoparque stands as a program of technological innovation, a proud initiative of the National Learning Service (SENA). It offers its services free of charge to all Colombians, functioning as an accelerator for R&D+i (Research + Development + Innovation) initiatives, manifested in functional prototypes through the concerted efforts of a specialized, multidisciplinary team with vast project-accompaniment experience.



Founder Institute

Nacional

The Founder Institute has earned its status as the world's leading platform for transforming ideas into investable startups and global enterprises. Since its inception in 2009, the organization's meticulously structured acceleration programs have been instrumental in endowing founders with the guidance and global network necessary to construct impactful businesses.



Suricata Labs

Bucaramanga

Suricata Labs is a collective of professionals dedicated to guiding and advising companies and entrepreneurs on the formation of business models and the development of corporate and marketing strategies. It also extends its support to institutions eager to champion entrepreneurship. The firm is impassioned about stimulating the creation of new, innovative businesses with a robust technological basis, fostering diverse activities that nourish the entrepreneurial ecosystem. In the past five years alone, it has delivered more than 8,000 hours of mentorship in training and consulting to entrepreneurs spanning various sectors.



ESCALA - CONSCIOUSNESS & BUSINESS

Medellin

Escala serves as an institution specializing in education for professional and human development, devising effective solutions for training, education, and support geared towards personal and business growth. Additionally, they manage projects and programs geared towards ultimate benefits: human evolution, economic advancement, and enhancements in the quality of life.



BICTIA Bogota

Introducing BICTIA, Bogota's freshest incubator and accelerator for startups. The organization provides a triad of indispensable services: 1. The incubation and acceleration of startups grounded in technology. 2. Education in the development of programming languages, effectively serving as a coding school. 3. Seed funding for startups that display great promise. BICTIA is backed by the Norwegian Agency for Development Cooperation, also known as NORAD (<https://norad.no/en/front/>).



Fosters Advance Medellin

Fosters Advance partners with B2B and B2B2C startups, boosting their sales through acceleration programs. The organization casts its net primarily over tech-based, digital-based companies, and startups.



Upview Ventures Bogota

Upview Ventures propels Colombian startups forward, leveraging the expertise of accomplished mentors and guest tutors across financial, commercial, legal, and business development sectors. Through an immersive 12-week program, they empower accelerated companies to build robust networks of contacts, allies, and investors, whilst offering a dynamic, creative, and innovative physical workspace in Bogota.



Ean Impacta Bogota

Ean Impacta, a branch of Ean University, assembles a team of professionals committed to guiding startups and entrepreneurs through the training and mentorship journey. The program is tailored to help entrepreneurs crystallize their business type, products or services, target market, costs, and investment figures, ultimately transforming their idea into a venture with significant impact potential.



Royal Road Accelerator Bogota

Royal Road Accelerator, a subsidiary of Royal Road Minerals Ltd — a copper and gold exploration enterprise. The accelerator is an innovative initiative engineered to identify, fund, and incubate rural enterprises that hold commercial value and demonstrate potential to supply goods and services for international markets.



ILAB Digital TIC Bogota

ILAB Digital TIC champions the creation, growth, and expansion of entrepreneurship projects and initiatives, with innovation at the heart of its ethos. Their mission is to kindle creativity and ingenuity in entrepreneurs, providing the knowledge necessary to construct profitable, scalable ventures.



Boost Business Consulting Bogota

Boost Business Consulting, a dedicated business consulting entity, offers vital support to entrepreneurs in propelling the growth and development of their businesses while ensuring alignment with contemporary trends and a connection to a high-impact ecosystem. Founded in 2010, they specialize in an array of services, including digital transformation, business strategy and innovation, business model design, auditing, fiscal and tax consulting, and adherence to international financial reporting standards. Their principal objective is to unlock value for their clients, leveraging their broad expertise and profound industry knowledge.



Pygma Bogota

Pygma is an accelerator targeting early-stage startups, wielding a strong presence in Latin America. The organization assists pre-seed founders in constructing superior tech companies and aids them in capital raising. Pygma is a synergistic endeavor from a product-focused incubator in the Netherlands and a data-centric accelerator in Latin America. They recently acquired Scala, a pre-seed fund from Colombia, bolstering their vision for Venture Capital in Latin America.



On.going

Medellin

On.going is the freshest entrepreneurial hub from Universidad EAFIT, striving to weave a new fabric of entrepreneurship throughout Colombia. Their ambition is to house impactful start-ups that not only create jobs but also serve a grander purpose beyond merely starting a business. This new hub enables the university to maintain its trajectory in constructing the entrepreneurial landscape of the region, aspiring to be a pivotal player in molding the new entrepreneurial framework that Colombia necessitates.



IncubApp Venture Capital

Bucaramanga

IncubApp stands alone as the singular Latin American accelerator that offers more than just capital; it provides part of the team to complete the product and drive sales. Globally, over USD 370 billion are funneled annually into startups. A staggering 92% of this capital gets redirected via accelerators to the United States, Europe, and China. On average, between 6,000 and 9,000 startup projects vie for attention at the major accelerators each year. From these, roughly 500 earn the opportunity to present their pitch in person, yet only 150 get the green light. This translates to a whopping 98.3% of the startup market left untapped. In some instances, what is needed isn't just capital but the guiding hand of a developer or a sales consultant to take the product to market.



Rockstart

Bogota

Boasting a global network and offices in Bogota, Amsterdam, and Copenhagen, Rockstart's mission is to empower founders to drive growth and incite positive global change. They understand from experience that early-stage entrepreneurs face pivotal challenges; thus, they offer a guiding team to optimize time and resources for the best performance possible. Rockstart invests in early-stage startups and smooths the path for entrepreneurs intent on making waves in emerging technologies.



Startups Academy

Medellin

Startups Academy is committed to creating, fostering, and bolstering tech-driven entrepreneurs, molding them into potent business catalysts with considerable growth and sustainability potential. The Academy provides a training hub focused on business model creation and validation through a people-centric learning process. This process includes a pre-incubation phase and the individual and idea definition, all set to transform it into a full-fledged startup.



Taxia

Medellin

Taxia provides methodical and technical guidance for identifying high-value opportunities within businesses, underpinned by a rich knowledge base. They assist in formulating and executing R&D&I projects, focusing on leveraging CTel system resources for your company. In collaboration with various businesses, they also develop methodologies that facilitate the assimilation of innovation.



Innomake: Laboratorio de innovación

Barranquilla

Innomake is an innovation laboratory committed to spotting and propelling the most promising ideas in the market. They utilize agile methodologies that minimize risk and maximize return on investment in creating new products and services. Innomake is a fervent advocate for the development of the business sector and the growth of the entrepreneurial and innovative ecosystem in Colombia. Their extensive experience and mastery of the most successful methodologies allow them to collaborate with companies, ventures, and strategic partners at both the national and international levels.



DeltaX Ventures

Cartagena

DeltaX Ventures holds the distinguished position of being the first corporate accelerator in both Colombia and Latin America. Their primary objective is to bolster technological solutions pivotal to the digital transformation of the foreign trade logistics chain.



Corporacion Ventures

Bogota

Established over 15 years ago, Corporación Ventures is a non-profit organization, the brainchild of a joint venture between Dinero Magazine, McKinsey & Company, Ashoka, and Compartamos con Colombia. Their collective goal is to promote sustainable entrepreneurship throughout Colombia. To achieve this, they draw in capital, stimulate a culture of entrepreneurship, and bridge the gaps between public, social, and private sectors, with the intent to reinforce the entrepreneurial ecosystem. Through their five business branches—Competition, Training, Accelerator, Financing, and Special Projects—they make a positive impact on high-growth ventures, thus generating economic, social, and environmental benefits within Colombia.



Mujeres Tech - Bogota Chamber of Commerce

Bogota

The Bogota Chamber of Commerce runs an acceleration program named Mujeres Tech (Tech Women), specifically for women at the helm of startups aiming for exponential growth. The acceleration model commences with crafting an expansion strategy tailored to overcome distinct challenges. Subsequently, they offer weekly support through a team of seasoned mentors and consultants for implementing the proposed plan. Challenges faced by these startups encompass a broad spectrum—from ramping up sales, attracting new users, securing investment, to expanding their network of contacts.



Endeavor Catalyst

Bogota

Endeavor Catalyst has carved out a significant niche within Colombia's entrepreneurial ecosystem. Their focus? Stimulating economic growth and job creation by mentoring entrepreneurs to emerge as successful business leaders. Established in 1997 by Linda Rottenberg and Peter Kellner, Endeavor has assessed over 50,000 entrepreneurs since its inception, hand-picking more than 2,286 leading individuals from over 1,420 companies.



Wayra Hispam

Bogota

Wayra is a global nerve center for corporate and technological innovation, forging vital connections between digital entrepreneurs and Movistar for symbiotic growth. As Telefónica's corporate investment and open innovation wing in ten countries across the globe, Wayra aids the top-tier digital ventures, catalyzing their rapid growth by unlocking business opportunities with Telefónica and its customers, attracting investment, and opening up new markets. The "We Are Wayra" initiative symbolizes Wayra's unwavering commitment to entrepreneurs and their passion for innovation.



Efectoi - Davivienda

Bogota

Through its Open Innovation program, Grupo Bolívar Davivienda has scrutinized over 2,600 startups, launching 13 pilot programs that gave birth to six innovative initiatives. In the financial sector, Grupo Bolívar Davivienda is a benchmark for intellectual property, boasting a portfolio of 566 intellectual property assets, which include copyrights, trade secrets, and five patents awarded by the SIC. Their observatory has been instrumental in fortifying Grupo Bolívar's business strategies, through conducting 72 research studies, all aimed at recognizing trends and pinpointing new technologies. Furthermore, through Social Skin, they provide support to young, purpose-driven entrepreneurs, working within the parameters of the Sustainable Development Goals (SDGs).



GoLupa

Bogota

At the heart of GoLupa, there is a solid belief in the transformative power of entrepreneurship and innovation across the Latin American region. Their goal is to engineer effective investment avenues, stimulating growth and magnifying the impact of entrepreneurs, by integrating key players within the ecosystem. GoLupa is adept at navigating all sectors of the industry, communicating in the vernacular of every player, ranging from entrepreneurs to investors, managers, structurers, and ecosystem orchestrators. They are dedicated to creating businesses that solve tangible problems while ensuring profitability, with a keen emphasis on sustainability and impact. In essence, GoLupa is a business creator with a solid commitment to thorough research that bolsters entrepreneurship.



Econova

Bogota

Econova stands as an open innovation network in Colombia, aimed at fostering cooperation with various stakeholders such as students, entrepreneurs, universities, and partners. They are on a mission to discover new ideas and projects centered on the nation's energy transition, making strides towards clean energy. Their focus is rooted in leveraging science, technology, and innovation as instruments for national development. Their ultimate goal is to engender a positive impact on society and the environment.



Cymetria

Bogota

Cymetria is a global digital service provider, committed to fulfilling customer needs using cutting-edge technologies and specialized talent from Latin America. Their aim is to make a difference and have a track record of enhancing performance and expediting the digital transformation of companies of all sizes. With its innovative approach, Cymetria has distinguished itself and is certified by the Global Innovation Management Institute.



Ascend

Bogota

With its robust support system and methodology, Ascend plays a vital role in shaping startups for growth and sustainable market positioning. Their co-management and execution method is focused on structuring the company's finances, business strategy, and innovation model, allowing the creation of new avenues for value generation, growth, and positioning. Ascend also provides guidance in analyzing suitable paths to future-proof businesses, planning strategic routes for informed decision-making, ensuring optimal growth, and sustainability.



Insitu BG SAS BIC

Cali

InsituBG is a social enterprise, as well as the first triple-impact incubator and accelerator for women-led startups, with its base in Valle del Cauca, Colombia. The organization endeavors to bridge the gap in access to opportunities and financing between men and women, amplifying their abilities through economic development and social inclusion.



Impacta: Sustainable Entrepreneurship

Bogota

Impacta is a community dedicated to sustainable entrepreneurship, aiming to transform realities and create a viable future. Their purpose is to augment the number of change agents dedicated to sustainable entrepreneurship worldwide. The organization emphasizes fostering an awakened and active mindset that leaves a positive imprint on the future. Guided by the principles of sustainability, Impacta advocates transformative pathways.



ISA

Medellin

In collaboration with Rockstart, ISA is spearheading two startup acceleration processes: - Impact Accelerator: This includes ten startups across Latin America that are leveraging their technology to make significant positive social and environmental impacts. This acceleration process resulted in the mobilization of USD 2M investment, with the startups experiencing an average growth of 2x. - Energy Accelerator: The program aims to build the first energy startup ecosystem (Energytech) in Latin America, assisting them in accelerating their growth and becoming scalable models that propagate sustainable solutions in the face of energy transition. Of the 109 startups that applied, ten are undergoing acceleration in 2023.



TechCamp Seguros Bolivar

Bogota

As a robust initiative from Seguros Bolivar, TechCamp has maintained operations for three years. During this time, it has successfully launched five batches and has received over 3,300 applications from various corners of the country. TechCamp is uniquely designed to nurture and bolster digital talent across the nation. Its goal is to attract individuals with a high propensity for software development skills, especially those at the onset of their careers. The comprehensive mentorship program of TechCamp involves crafting technological solutions for real-world problems, thereby facilitating effective participation for all enrollees. Seguros Bolivar regards TechCamp as a key investment for fostering a technologically progressive future.

Incubadoras



Bogota Chamber of Commerce Incubator

Bogota

This program aids entrepreneurs and intrapreneurs in refining their business ideas until they're market-ready. It fosters the exploration of new business models, the development of prototypes, and the validation of market needs and solutions. The initiative incorporates mentoring sessions, workshops, and other practical exercises with personalized guidance from the Chamber of Commerce's in-house consultants and external advisory firms that specialize in high-level topics.



Corpoemprende

Medellin

Corpoemprende operates under the belief that entrepreneurship and innovation are pivotal tools for tackling societal challenges. The organization specializes in designing and operating entrepreneurship and social innovation programs. In addition, Corpoemprende is dedicated to enhancing suppliers' capabilities and assessing the impact of various social projects and programs. It also collaborates with partners on the joint development of social programs that are rooted in a profound understanding of community needs.



The Rebel School

Bogota

The Rebel School, renowned as the top alternative entrepreneurship school in the United Kingdom, expanded its reach to Colombia in 2021. Since its establishment in 2012, The Rebel School has supported over 25,000 individuals in launching their businesses: 1. Without taking on debt 2. Without the need for business plans 3. With practical support.



Creame Incubadora de Empresas

Medellin

Creame is an innovative incubator that offers services to maximize business value. It does this by developing tailored business models, thus energizing opportunities and positioning itself as a strategic partner in corporate social responsibility and business development endeavors. Créame's operational model is rooted in entrepreneurship training, business development, and the implementation of models aimed at integrating businesses into international, commercial, and financial markets. Its two decades of experience and partnerships with over 50 academic, governmental, and business institutions serve as a robust endorsement of its work.



Centro Javeriano de Emprendimiento

Bogota

The Centro Javeriano de Emprendimiento (Javerian Center for Entrepreneurship) holds the conviction that entrepreneurship inherently assumes the responsibility to transform society and foster development. Their objective is to extend support to those daring individuals who trust their ideas and take the plunge into entrepreneurship, thereby becoming catalysts for change worldwide. Harnessing their rich reservoir of experience, knowledge, and creativity, the Center conceives innovative strategies and actions to amplify the entrepreneurial abilities within the Javeriana community.



Technovation

Bogota

Technovation, a premier fintech consulting enterprise in the Colombian market, prides itself on a team richly experienced and highly proficient in the fintech sector, with a specific focus on digital payments and credit. Their services include guidance and support to organizations and businesses keen on integrating financial technology and digital solutions. Their mission is to aid their clients in augmenting their efficiency and profitability by deploying avant-garde technology and path-breaking solutions.



Norte de Santander Business Promoter Corporation - ProEmpresas *Cucuta*

ProEmpresas operates as a non-profit organization, championing the causes of innovation and technology. It aspires to foster sustainable community development within the regions it serves, achieving this through socially responsible initiatives guided by its core strategic principles. The mainstay of their activities is the incubation, acceleration, and the transfer and commercialization of technology. The organization has set up two strategic arms: ProEmpresas Connection and ProEmpresas Community. ProEmpresas Connection aims to fortify the competitiveness, innovation, and entrepreneurship ecosystems in our operating regions. On the other hand, ProEmpresas Community is committed to driving community development by integrating technology and innovation. Both arms orchestrate the organization's activities across its various operational domains, including: Technology Incubation - Acceleration - Transfer and Commercialization, Global Services, and Dynamic Training.



Corporacion Innovation Hub *Monteria*

The core aim of the Corporación Innovation Hub is to propel the productivity and innovation of companies and organizations. This is accomplished by providing services in research, technological advancement, and innovation, which helps these businesses organize themselves and reach their highest potential. Their value promise echoes this aim, focusing on driving the productivity and innovation of companies through the provision of the same services.



Preenseable *Nationwide*

Preenseable champions startups, enabling them to shine in specialized media and their respective markets. This is done through careful analysis, research, and understanding of the media landscape and market, which informs their selection of optimal media and formats for their clients. They craft compelling, unique narratives for each client, with communicational messages designed to make the client's brand stand out and captivate audiences. Moreover, they develop industry-specific and target-oriented communication products, ranging from media training for spokespersons to specialized content writing to bolster the brand.



Other Organizations



Colombia Proptech

Bogota

Colombia Proptech is a conglomerate of technology companies from the construction and real estate industry in Colombia. They act as the catalyst for digital transformation and innovation in the country, working closely with companies and startups that are eager to contribute to and support the construction of the Proptech ecosystem.



Sergio Arboleda University

Bogota

The Sergio Arboleda University, through a journey spanning 36 years, has spearheaded a comprehensive training project rooted in four fundamental pillars: humanism, academic excellence, internationalization, and entrepreneurship and innovation. From within their classrooms, they have shaped individuals with a deep understanding of diverse knowledge domains, imparting a cultural ethos that helps them identify their roots, uphold ancestral values, and champion art and literature. These individuals are equipped to participate in development processes both domestically and abroad, and prepared to create, innovate, and venture - skills indispensable for today's professionals.



CONFECOOP

Bogota

Confecoop stands as the apex organization for cooperative integration. It unifies the representation of the Colombian cooperative sector at both the national and international levels, defends its interests domestically, and promotes collaboration among cooperatives for their sustainability.



La Lonja de Propiedad Raíz

Medellin

The Board of Real Estate (La Lonja de Propiedad Raíz) of Medellín and Antioquia is a trade union, established in 1967. It brings together individuals and legal entities engaged in the real estate sector within the department of Antioquia. Their areas of activity encompass development, project management, construction, brokerage activities, real estate administration, leasing, appraisal, condominium management, and real estate consulting. The Corporation aims to contribute to the design, promotion, coordination, and enhancement of all real estate-related activities, with an eye to offering its members and the broader community assurances of morality, safety, respectability, and efficiency. Additionally, they represent their members before authorities, other unions, and the public.



Camara de la Industria de Alimentos de ANDI

Bogota

The Food Industry Chamber of ANDI (Camara de la Industria de Alimentos de ANDI) unites the most prominent businesses committed to nourishing both Colombia and the world. Their work encompasses topics such as promoting healthy habits, securing access to raw materials, advocating for competitive regulation, endorsing best industry practices, fostering innovation, and developing human capital.



p4s.co Partners For Startups Innovacion Corporativa

Bogota

The ICT entrepreneurship support network, p4s.co, is dedicated to transforming Latin America into a cradle for professional ICT talents. As such, they provide comprehensive support to fast-track start-ups. p4s.co operates as a hub for business ideas or proposals, focusing on information and communication technologies with a commercial potential, directly linked with entrepreneurs prepared to bring these ideas to life.



Onyx Soft SAS

Pereira

Onyx Soft endeavors to apply a systematic approach to client needs, addressing each issue by delivering cutting-edge technology through the creation of applications. Not only do these applications fulfill requirements, but they also function efficiently, yielding exceptional results and utilizing current technology in a visually appealing design, thus ensuring a comfortable user experience.



La French Tech Bogota

Bogota

La French Tech constitutes a global community dedicated to shaping France into a nation where technological initiatives and start-ups can originate, expand, and eventually become prosperous businesses. This community extends its reach to all tech and innovation players in Colombia interested in gaining firsthand knowledge of one of the world's most dynamic and extensive ecosystems.



Colombia Fintech

Bogota

Colombia Fintech, an association that has been operative for over four years, amasses more than 250 firms from the country's financial innovation ecosystem. Their objective is to energize the digital financial services sector through positioning strategies, knowledge dissemination, and relationship-building, targeting three key areas: investment, talent, and digital financial inclusion.



Cartagena Chamber of Commerce

Cartagena

The Cartagena Chamber of Commerce serves as a private, non-profit entity primarily catering to the general interests of commerce before the government and its merchants while advocating for regional development.



Bogota Chamber of Commerce

Bogota

The Bogotá Chamber of Commerce is invested in establishing Bogotá as the hub of entrepreneurship and innovation in LATAM. They offer a comprehensive range of services that assist entrepreneurs from concept to market entry, as well as supporting companies during their acceleration phase and the implementation of innovation management systems. Furthermore, they provide financial solutions and investment opportunities, including a network of angel investors, a capital raising program, and investment mentorship, among others.



CESA's Center for Innovation and Entrepreneurship

Bogota

The College of Higher Studies in Administration (CESA) houses a Center of Excellence in Innovation and Entrepreneurship. This specialized node plays a critical role in invigorating the ecosystem by training top-tier talent, creating value-driven connections, and fostering collaboration between entrepreneurs and business solutions. Their operations draw on proprietary substantial knowledge base, further fortified through ongoing research.



iNNpulsa Colombia

Nationwide

iNNpulsa Colombia, a government institution established in February 2012, shoulders the responsibility of implementing and integrating strategies for reindustrialization, popular economy, entrepreneurship, innovation, and nationwide business development.



APPS.CO - MinTIC

Bogota

APPS.CO is the Digital Entrepreneurship Program of Colombia's Ministry of ICT, designed with the intention of promoting and propelling the creation, establishment, and consolidation of technology-based enterprises, including mobile applications, software, hardware, e-commerce, and content.



Connect Bogota Region

Bogota

Connect Bogota bridges the gap between companies, universities, entrepreneurs, and the State to enhance Bogotá and Cundinamarca's competitiveness and quality of life. Their goal is to transform Bogotá and Cundinamarca into one of the top three most innovative regions in Latin America.



Kapital

Nationwide

Kapital equips Colombian entrepreneurs, SMEs, and start-ups with the financial resources they need to grow. They provide centralized financial solutions for companies, streamline their processes, organize their finances, and offer comprehensive visibility—all through access to a range of financial products. Kapital—a digital financial solution—was created by entrepreneurs, for entrepreneurs. They deliver a one-stop service that resolves the entire financial process in a single place, saving both time and money.



Educall

Nationwide

EducALL features a Learning Management System (LMS), a virtual educational assistant named SonIA, and a platform granting access to online content for those without internet access. EducALL aims to offer quality education to children who have had their education disrupted due to geographical barriers or the pandemic.



Grupo Bolivar

Bogota

Established for more than 80 years, Grupo Bolivar is a multi-Latin business collective that comprises companies from diverse sectors such as finance, insurance, and construction. Enjoying top-tier recognition in the market, these enterprises are noted for their robustness, tradition, and strict adherence to applicable legislation.



Corpaul

Bogota

Corpaul operates two strategic business units targeting the health sector—pharmaceuticals and health services. Both these divisions engage in industrial, commercial, and service-oriented activities to facilitate the mutual growth of their partners. They deliver high-quality health products and services, thereby enabling patients to achieve optimal outcomes.



Enel

Bogota

For the first time, Enel has initiated a regional coordination with the active involvement of global experts. These experts transfer their experience from Europe in applying Machine Learning models in SAS. The company develops tools and work methodologies to refine data mining models, thereby facilitating timely decisions based on information and ensuring comprehension of each market's specific nuances. Additionally, Enel innovates by deploying drones in Cundinamarca to decrease the physical exertion of workers, reduce accident rates, and boost work efficiency.



Invest in Bogota

Bogota

Invest in Bogota, a public-private initiative between the Bogotá Chamber of Commerce and the Capital District, is the investment promotion agency for Bogota. It plays a central role in orchestrating the region's entrepreneurship ecosystem. Since 2021, it has incorporated the Bogota Convention Bureau as a business unit to attract high-impact events to the city. Its mission is to streamline substantial international investment and attract world-class meetings and events. This contributes to the socioeconomic development, competitiveness, and quality of life in Bogota-Region, positioning it as the preferred business destination in Latin America.



Uniandinos

Bogota

Uniandinos, the Entrepreneurship Unit of the Universidad de los Andes Alumni Association, offers access to support programs and mentorship to its community's entrepreneurs. This helps them acquire knowledge, leverage impactful resources, and build national and international networks, irrespective of their entrepreneurship stage. Uniandinos accomplishes this by creating specialized, high-level mentoring spaces and providing access to investment and financing channels. Its aim is to cultivate relationships between entrepreneurs and the global entrepreneurial ecosystem and create opportunities for their development.



The Entrepreneurship and Acceleration Chamber: ANDI of the Future

Bogota

ANDI of the Future is a community of innovative entrepreneurs and businesspeople connected to ANDI—The National Association of Colombian Businesspeople. United in their pursuit of accelerating economic, social, and environmental development through Colombian entrepreneurship, the companies associated with this chamber are sophisticated, dynamic, and high-impact entities. Innovation drives the growth of the companies leading this guild, with an emphasis on scalable and sophisticated entrepreneurship. Their purpose is to play an active role in the consolidation and growth of young companies, enabling them to generate value and be transformative forces in society. Presently, nearly 400 companies across 25 sectors of new economies are affiliated with this chamber, generating over 10,000 quality jobs. Further information is available at: <https://andidelfuturo.com/>.

Special Mention

Sustainability: A Vanguard Dialogue for Startups

Sustainability has emerged as a cornerstone of the global business and political landscape. For startups aspiring to lead the pack, sustainability must feature prominently in strategic conversations.

Today, sustainability is not just a recommended course of action, but an indispensable competitive tool and a critical component of market accessibility. Therefore, startups that fail to embed sustainability in their business model and growth strategy are likely to find themselves struggling to remain relevant in the long run. In contrast, startups ready to tackle the challenges of a dynamic environment—an increasingly enlightened society and a progressively critical economic, social, and environmental climate—stand a better chance of ensuring business continuity and achieving success. Sustainability, in this context, is not a mere “project” or “initiative” separate from the core business. It is a business practice in itself, an integral component of the scaling model, positioning strategy, and operational framework, thoroughly incorporated across all departments and levels.

Sustainability is for All Startups, Not Just Impact Startups.

The term sustainability often gets limited to impact startups, that is, startups specifically aimed at addressing environmental and social hurdles like the energy transition, education, or sustainable mobility. In reality, sustainability involves the incorporation of environmental, social, ethical, and responsible standards into an organization’s strategic planning, operations, and management practices. It’s not just about what startups do but how they do it. Thus, all startups, regardless of their sector or stage, can adopt a sustainable approach. Companies like Nu Bank and Mercado Libre exemplify this by embedding various sustainability practices within their operations for years. Their strategies span from minimizing environmental impact to fostering social inclusion and promoting the circular economy. Early adoption of sustainability has allowed these firms to construct an organization culture rooted in ethics and responsibility, identify opportunities for business growth, optimize processes, and draw a clientele, user base, and investors increasingly leaning towards sustainability.

The Changing Landscape of Capital Access and the Emergence of Sustainability as a New Norm.

The world of capital access is becoming more complex and competitive. As investors gain a deeper understanding of sustainability's impact on business longevity and success, and consequently their investments, venture capital funds are incorporating sustainability into their investment evaluations. Coupled with a worldwide surge in regulations governing sustainable investment, it's only a matter of time before sustainability becomes a deciding factor in investment access. Being at the forefront of early sustainability integration will increasingly serve as a unique differentiator and a competitive edge when seeking investment.

Sustainability: An Essential Component for Achieving an Exit

If a startup's aim is to eventually go public, it should note that global stock exchanges, including Nasdaq, are escalating their expectations concerning issuers' sustainability.

If the target is a sale, in addition to being a compelling narrative for potential buyers, sustainability is evolving into an integral part of the due diligence process. Buyers are increasingly keen on verifying the absence of non-financial risks linked with the business, as they will inherit the legal, financial, and reputational fallout of poorly managed social and environmental issues. Thus, providing evidence of sustainability practices and performance is

crucial in offering a comprehensive portrayal of the startup to prospective buyers.

The Voluntary Days of Sustainability Are Numbered; Startups Must Adapt From a Compliance Perspective.

Global sustainability discussions are progressing towards mandatory compliance, thereby becoming an integral part of regulatory requirements. In Europe, for instance, sustainability reporting is already obligatory for large corporations. In the United States, the SEC is advancing the development of regulations mandating publicly listed companies to include environmental data in their annual financial statements. The IFRS has introduced two IFRS Sustainability Standards that, starting from 2024, must accompany the IFRS Accounting Standards for financial report preparation. Examples abound worldwide of rules, regulations, policies, and laws enforcing obligatory sustainability and reporting for businesses. In Colombia, the Financial Superintendence's Public Notice 031 of 2021 already imposes it as a requirement for listed companies. The sooner startups integrate this element into their strategy, the better equipped they will be to meet the growing regulatory demands, particularly if they aim to penetrate major markets like the United States and Europe where the regulation is significantly advanced.

Leadership: A Pathway to Success

The judicious incorporation of sustainability brings manifold benefits, including the attraction and retention of a dedicated customer base,

an impetus to innovation and productivity, a comprehensive outlook on risk and opportunity management, and the allure and preservation of top-tier talent, among others. When executed with precision, sustainability holds the potential to be a formidable competitive edge for startups and an instrumental aid in their expansion, particularly for those who pioneer its integration.

While the dialogue surrounding this domain is in its embryonic stages, it's poised for swift advancement, owing to the escalating necessity and mandate. The situation presents a prodigious opportunity for entrepreneurial leaders who aspire to spearhead this initiative and emerge as the industry's authentic frontrunners.

The White Paper on Sustainability for Startups (Libro Blanco de Sostenibilidad para Startups) stands as a trailblazer - the first Latin American document to comprehensively address sustainability within this environment. It focuses on the facets of strategy, business models, and operational management, offering an invaluable, complimentary resource for those eager to acquire knowledge in this field.



**ESTEFANÍA
RUBIO ZEA**

Head of Capital Markets and Public Affairs in Latin America at GRI.





CONCLUSIONS

4

Colombia's entrepreneurial ecosystem is experiencing an undeniable and substantial growth. Ever since the pandemic years, and even slightly before, there has been a noteworthy surge in the number of startups within the country. Concurrently, there has been a rise in the resources allocated to transform these startups into significant economic players on both a national and international scale.

From an extensive mapping exercise which identified over **1,300 nationwide startups**, along with dozens of other organizations involved in the ecosystem, it becomes crystal clear that this sector's impact on the economy is increasing and cannot be overlooked. Here are some intriguing insights that this report brings to light:

- **Financing:** Colombian startups raised nearly USD 400 million in 2018, representing a considerable qualitative leap for the ecosystem. Before that year, the funding record stood at USD 82 million, in 2016. No year since then has seen a dip below this figure. While it's projected to decrease in 2023, following global trends, over USD 4 billion has been raised between 2013 and 2023, making it the third highest amount in the region. This demonstrates the intense interest in the Colombian ecosystem from major specialized investment funds such as Andreessen Horowitz, Softbank, and Tiger Global Management. Equally, prominent global accelerators like Wayra and Y Combinator have shown their support for Colombian startups during their early stages.

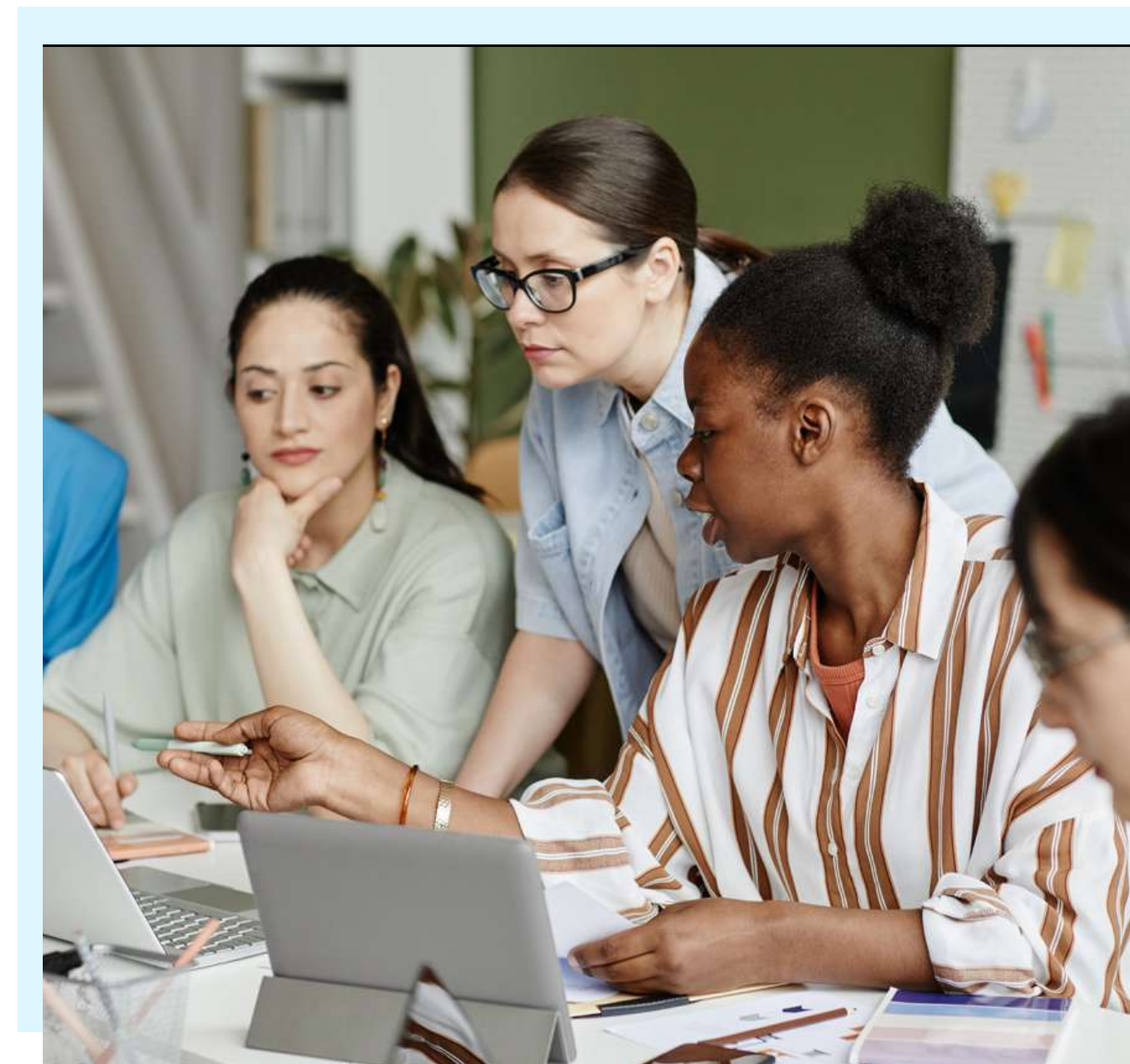
- **Opportunity:** Bogota has the potential to transform into a global startup hub, owing to its leadership on national and regional fronts. Startups in Bogota make up approximately 60% of the mapping and nearly 93% of the funds raised by the Colombian ecosystem from 2013 to 2023. Capitalizing on these best practices, Colombia could further develop its entrepreneurial ecosystems in smaller cities, thereby harnessing the nation's entrepreneurial talent to its fullest potential.
- **Importance of the FinTech Sector:** Approximately 15.3% of the startups featured in this report belong to the FinTech sector. However, their investment leadership (13.19%) applies only when excluding Rappi. Nevertheless, the prominence of this sector is to be expected since a robust and efficient digital financial system is a prerequisite for any thriving entrepreneurial ecosystem, serving as its fundamental infrastructure. The FinTech sector aims to address the complex challenges of any country's payment system. If successful, it propels other startups by facilitating their launch. While it's essential to acknowledge the importance of the country's FinTech sector, it's equally crucial to note that an over-concentration could potentially harm the ecosystem.
- **Ecosystem Engagement:** One of Colombia's strengths lies in the high engagement of all types of organizations within its ecosystem, all working towards its development. Evidence of this is the alliance of eight different entities

collaborating on this report, spanning from private firms to associations, educational institutions, and governmental bodies. The diversity of objectives from the over 60 organizations identified in the ecosystem is also notable. Some strive to elevate cities like Bogota, Medellin, and Cali to globally or regionally significant ecosystems, while others focus on optimizing conditions for local entrepreneurs in smaller cities such as Cartagena. Irrespective of their goal, this vast network is vital in supporting entrepreneurs and startups to reach their objectives.

- **Beyond Rappi:** While Rappi is undeniably the most successful startup within the Colombian ecosystem, there are numerous other noteworthy startups in the country. For instance, Habi, the second Colombian unicorn, boasts a valuation of USD 1 billion. Additionally, three other companies (Addi, La Haus, and Frubana) have raised over USD 100 million, while seven others (RobinFood, Platzi, Chiper, Bold, Merqueo, Treinta, and Muncher) have raised more than USD 50 million. These companies are likely contenders for the next Colombian unicorn, but they're not the only potential candidates.
- **Exits:** The Colombian ecosystem's most notable shortfall is its inability to facilitate a large-scale exit. Naturally, Rappi is expected to emerge as a significant success story in due time. As pointed out earlier, the end goal for entrepreneurs and investors typically involves going public or having their startup acquired.

This allows for a substantial return on their investment of time, money, and efforts. Therefore, having a deep market for securities, mergers, and acquisitions is essential for these stakeholders to attain this objective.

- **Startup Focus:** In the ecosystem, most startups emerge with a national or regional focus. This is a natural progression as such companies primarily aim to address their immediate challenges. Nonetheless, to achieve a truly global reach, these startups must set their sights on the global market while never losing sight of their local and regional foundations.



The Colombian entrepreneurial ecosystem, while witnessing significant growth in recent years, grapples with challenges when vying against global entrepreneurial ecosystems. By comparing the Colombian ecosystem with the best practices from other ecosystems, we can assess Colombia's entrepreneurial strengths and weaknesses.

Silicon Valley, California, in the United States, stands as one of the most prosperous entrepreneurial ecosystems. It is celebrated for its robust investment in innovation, patronage from large tech corporations, and a business culture that promotes creativity and risk-taking. Although the Colombian ecosystem lacks the same concentration of tech companies and

venture capital, it has made notable strides towards fostering innovation and creativity. For instance, Colombia has established a free zone system, incentivizing businesses to operate in strategic locations, and introduced tax breaks for new businesses.

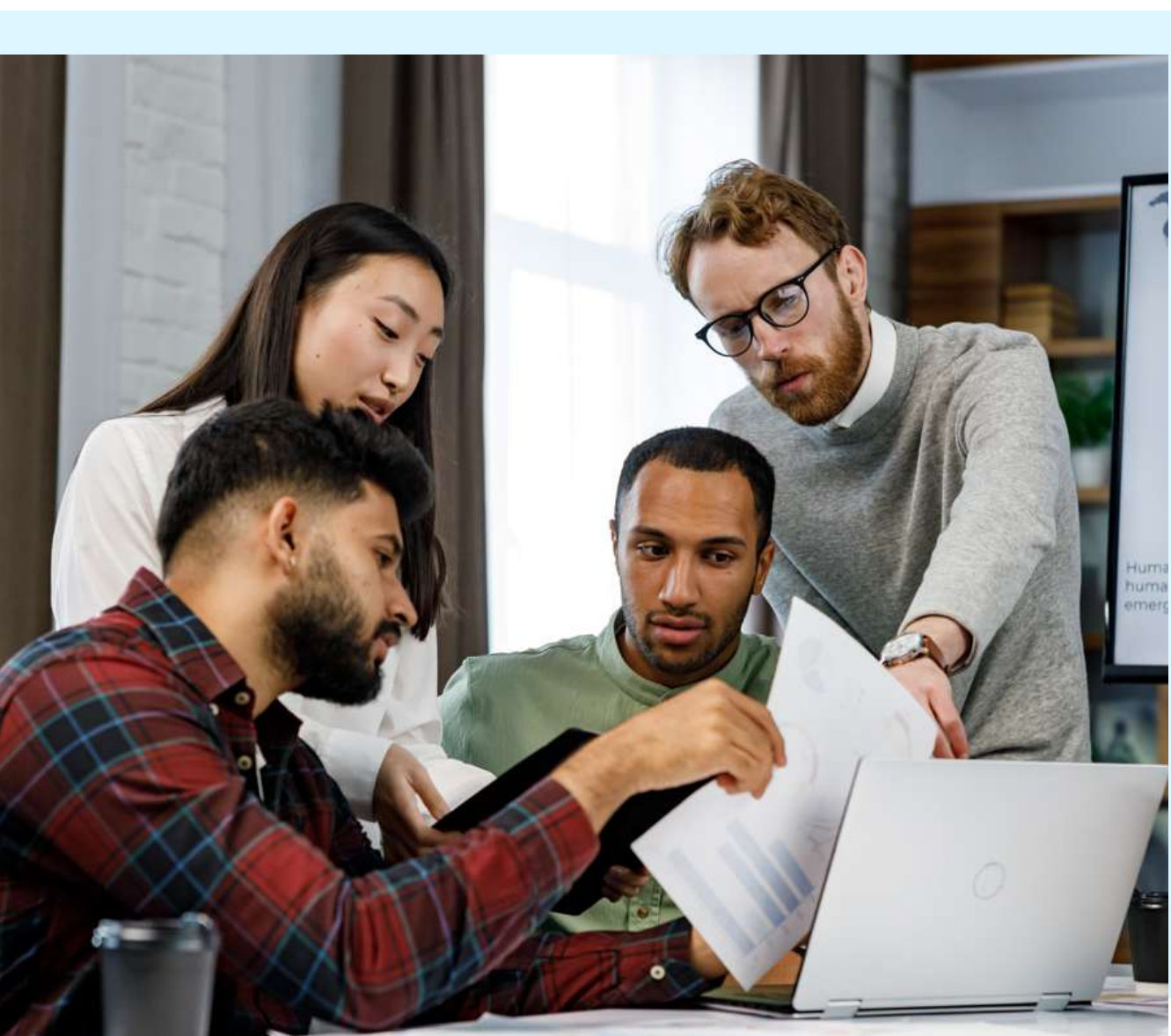
Israel's entrepreneurial ecosystem has gained renown for its successful transformation into a technological and entrepreneurial hub. Israel fosters an entrepreneurial environment conducive to collaboration and idea exchange, attracting a considerable amount of foreign investment in the tech sector. Despite Colombia not yet achieving a comparable success level in the tech industry, it has taken significant steps towards promoting collaboration and idea exchange. The country has initiated a variety of events and programs for entrepreneurs, such as hackathons and startup accelerators, to stimulate innovation and business growth.

The gender gap presented in startups is a pressing challenge that must be addressed to ensure equal access to opportunities in Colombia's entrepreneurial sector. Fortunately, several measures and initiatives in the country aim to cultivate gender equality in startups and encourage women's active involvement in entrepreneurship and innovation. These measures include:

- 1. Financing and Support Programs:** The Colombian government has instituted various funding programs to bolster women-led ventures and startups. For instance, **iNNPulsa Colombia** provides a dedicated financing line for women-led projects, while the governmental agency Bancóldex offers preferential credit lines for women entrepreneurs.
- 2. Mentoring Programs:** Numerous organizations and private firms across various sectors offer mentorship and support programs for female entrepreneurs. These programs offer guidance and training in essential areas such as finance, marketing, and business strategy.
- 3. Iniciativas de networking:** A variety of initiatives and events exist to foster networking and collaboration among female entrepreneurs. *Colombia Fintech*, for example, features a segment called *Women in Fintech* aimed at spotlighting female fintech leaders. *WeWork* offers a network of coworking spaces exclusively for women, and the Colombian Entrepreneurs Network, *Mujeres Conectadas*, encourages knowledge and experience sharing among its members.
- 4. Gender Sensitization and Training:** Many organizations are implementing gender awareness and training programs for their workforce. These initiatives aim to cultivate an environment of equal opportunities and respect for all individuals, regardless of gender or orientation.

In conclusion, considering the high investment volume, the active participation of the ecosystem, the increasing digital ventures in development and seed stages, and the rise of successful startups, optimism surrounds the future of Colombia's digital entrepreneurial ecosystem. Ecosystem support organizations must ensure conducive conditions for exits and maintain financing flow. Seed ecosystems should work towards offering optimal conditions for entrepreneurs. This way, they can establish startups in their native localities without causing knowledge and talent drain to other industries.

While 2023 may pose challenges for the ecosystem – paralleling the struggle that most global industries will face due to macroeconomic indicators. It should not be viewed as a failure. Instead, it presents an opportunity to bolster the resilience of the Colombian digital entrepreneurial ecosystem.



PARTNERS



PARTNERS

Private Firms



KPMG operates as a worldwide network of firms specializing in Consulting, Audit, Tax, and Legal Services. With a strong presence across 147 countries and boasting a global workforce of 220,000 employees, KPMG is indeed a giant. Utilizing its innovation and technology branch, KPMG empowers businesses to innovate, helps them distinguish their unique value proposition, and guides them towards growth strategies, risk mitigation, and cost optimization.

Chambers of Commerce and Associations



The **National Business Association of Colombia (ANDI for the Spanish original)**, a not-for-profit association, is dedicated to advocating and fostering political, economic, and social principles that strengthen a healthy free enterprise system. Established on September 11, 1944, in Medellin, ANDI has grown to become the most influential business association in Colombia. Its membership comprises a significant proportion of businesses from sectors as diverse as industrial, financial, agro-industrial, food, commercial, and services.



The **Bogota Chamber of Commerce** champions entrepreneurs and business owners, striving for the creation of more superior businesses and a more prosperous, equitable society in Bogota and its surrounding region. The Chamber provides critical support to businesses throughout their various stages of development, ensures legal security, and spearheads initiatives to enhance the competitive landscape. The CCB is dedicated to advocating for entrepreneurs, highlighting their significant contribution to economic and social development, offering free services and tools to micro and small enterprises that constitute 97% of the business community.



The **Cali Chamber of Commerce**, an agency championing competitiveness with sustainability and social impact, adopts an ecosystemic vision. It recognizes entrepreneurs and businesses as the pivotal driving force for development.



The **Cartagena Chamber of Commerce** stands as a leading force in business development and transformation within Cartagena de Indias and the region. The Cartagena Chamber of Commerce serves as a private, non-profit entity primarily catering to the general interests of commerce before the government and its merchants while advocating for regional development.

Educational Institutions



Colegio de Estudios Superiores de Administración

The **College of Higher Studies in Administration (CESA for the Spanish original)** is a singularly focused business school boasting university-level academic status and administrative, financial, and academic autonomy. CESA is deeply committed to building a better country, underpinned by academic excellence, an entrepreneurial spirit, and ethical leadership. Rated as the top private business school in the country, according to the 2021 Saber Pro Test results published by Dinero magazine.



EAFIT University, established in 1960, forms a hub of knowledge and applied learning, focused on solving problems in partnership with organizations, thereby creating value and sustainable growth. EAFIT aspires to inspire lives, cultivate knowledge, and drive societal transformation.



On Going, the Center for Impact Entrepreneurship at EAFIT University. Provides an interactive platform for the entrepreneurial community and the emerging business sector in Colombia. Here, knowledge and innovation are encouraged, connections between key ecosystem players are fostered, and financing synergies are both accelerated and created.

Government Institutions



iNNpulsa Colombia is the National Government agency tasked with implementing and coordinating strategies related to the country's reindustrialization, popular economy, entrepreneurship, innovation, and overall business development.





Guillermo Jaramillo

President
KPMG Colombia



What is your take on the role of startups in today's economy and how can companies like KPMG catalyze innovation and growth within this sector?

At KPMG, we firmly believe in the impact and future potential of these novel digital business models, both in Colombia and globally. Nevertheless, we cannot overlook the formidable challenges the ecosystem has faced due to the global economic recession. The actors within the digital ecosystem are confronting significant hurdles during their various stages of financing, growth, and expansion. Yet, we remain optimistic, seeing the silver lining in these trying times. Historically, recessions and crises have catalyzed the emergence of new needs, spawning fresh business models and fostering innovation. Companies, accelerators, investment funds, and other ecosystem players are continually in pursuit of innovative and sustainable solutions that respond effectively to the market's demands.

Discussing our approach at KPMG, under the banner of "Emerging Giants," we strive to elevate startups to new heights. We achieve this by tailoring our consulting, taxation, and legal services to the digital landscape. Decisions are data-driven, enabling us to offer our clients a secure footing for their short and medium-term actions. We walk alongside more mature startups through the entire process leading to their listing on the world's most influential stock exchanges. We handle the strategic, technical, legal, and transactional procedures, allowing the startup to concentrate on strengthening its operations.

We understand that each startup has unique needs depending on its industry and stage of development, an area in which we excel. As part of a global network, we receive support from KPMGs worldwide, generating synergies and enhancing our service offerings as required. We want to assure every player in the Colombian Entrepreneurship Ecosystem that they are not alone. We are here to support them and to continue nation-building. If you're unfamiliar with us, now is the perfect time to get acquainted, so we can work together towards placing Colombia on the radar of both local and international investors.

How do you perceive the evolution of current business models? What does the future hold for startups?

I am firmly convinced that the startups that will thrive and maintain their strength are those that adapt to the evolving technologies and demands of their current audience or potential market.

We have seen a surge in the collaborative economy, leading to the success of startups like Uber, Airbnb, and undoubtedly, Rappi, which has been a beacon for Colombia internationally. However, we are observing that business strategies are increasingly pivoting towards early profitability and a break-even point. While the aforementioned businesses are desirable, viable, and feasible, they often fail to reach profitability in the short or medium term.

Businesses today are nothing like they were five years ago. We are witnessing a shift in focus towards customer value, placing the customer front and center. Startups are refining their business models to deliver more personalized and effective solutions. They recognize that we are in the era of immediacy, where users increasingly seek swift, agile, and innovative solutions. These can only be crafted using the most advanced and cutting-edge technologies, such as the much-discussed artificial intelligence.

Speaking of artificial intelligence, its use has been surging over the recent years. A report by Research and Markets anticipates that the global artificial intelligence market will grow at a compound annual growth rate of 40% during the 2021-2026 period.

Given its vast potential to revolutionize entire industries and boost business efficiency, areas of investment in artificial technology include machine learning, computer vision, natural language processing, and robotics, among others. As technology evolves and expands into new areas, its use will only increase. Take, for instance, our audit service, which has been harnessing this technology to revolutionize anomaly detection. It can identify behavioral outliers in various data elements, such as when users who usually don't post entries suddenly start to do so. We're moving away from rule-setting and exception-seeking. Artificial intelligence will be our compass, guiding us to find the proverbial needle in the haystack. Furthermore, we employ AI to process large datasets revolving around natural language processing, voice, and speech recognition.



MÁS
PAÍS

Alejandro Olaya

Manager of Innovation and Entrepreneurship at ANDI.



Boasting over 15 years of experience, he excels in managing and directing innovative processes in a range of large organizations, spanning both public (government) and private sectors. With innovation as a catalyst, Alejandro drives sustainable transformation for the social and economic progress of his country.

Alejandro, could you explain why ANDI participates in these ecosystem initiatives?

ANDI stands as the leading business association in Colombia. We unify large enterprises accounting for approximately 55% of the national GDP. Yet, in the past 17 years, the board has consciously decided to include entrepreneurs within our association. Our association is home to the most significant community of innovative entrepreneurs in the country, roughly 360 of them across 8 to 9 cities nationwide. These entrepreneurs have made a substantial impact on the market, collectively selling about one trillion pesos in 2022 alone and providing significant formal employment opportunities: around 10,000 jobs resulting from their entrepreneurial ventures.

ANDI, with a keen focus on innovation and entrepreneurship, finds its interests aligned with this mapping project.

What are the major challenges that entities within the nation's entrepreneurial ecosystem encounter?

At this juncture, we are experiencing international dynamics marked by extreme turbulence, change, and uncertainty. Such variables pose considerable management challenges for both businessmen and entrepreneurs. In light of this, it seems logical that ecosystem entities assist them, fostering a climate of trust and equipping entrepreneurs with tools that enable risk mitigation, be they market, political, social, or international. Our goal is to help them navigate this vast universe of risks and uncover opportunities to contribute.

Therefore, our primary role is to interpret these variables, devise proposals, and, crucially, provide substantial support to entrepreneurs so that they not only survive but thrive amidst these turbulent times.

ANDI, as an association, operates based on a clearly outlined plan. We, as an association, serve as the spokespersons and representatives for our members, in this case, the entrepreneurs. We recognize and understand their main needs and challenges, converting these insights into

public policy proposals and initiating dialogues with various national stakeholders: Congress, executive agencies, and others.

We also implement a plethora of programs and initiatives within the association, each meticulously designed to facilitate connections. Our "Enlace" (Link) division seeks to, as the name suggests, link our entrepreneurs with ANDI businessmen to foster success. Additionally, we connect them with other ecosystem actors, investment funds, and support entities to encourage progression. In this regard, we function as a platform for creating connections. Importantly, we also facilitate connections among the entrepreneurs themselves, recognizing the immense value in collaboration, forming alliances, and conducting business collectively. Thus, ANDI emerges as a community of entrepreneurs where they can work and grow.

Could you share your vision for the evolution of this mapping in the forthcoming years?

These mappings, in a way, unveil the ventures we're pursuing. Once these are mapped, we gain initial insights: their identity, location, employee count, sales, received investments. To me, this is the first step.

Looking ahead, I envision these mapping tools transitioning from merely identifying and gathering basic information about entrepreneurs to building a community, incorporating a layer of consolidation, fostering interaction among entrepreneurs, and generating practical tools for them. This could transform into a gateway providing myriad services for entrepreneurs. I dream of support entities, such as those from the National Government, iNNpulsa, the Ministry of Science, SENA, utilizing this mapping as a portal to deliver their support services.

I also envisage investors and investment funds using this mapping as a platform to execute and distribute their investments among entrepreneurs. In my view, this should be the evolutionary path for tools of this nature. Given today's technological advancements, I believe we're well-equipped to bring this vision to fruition.



Nicolas Uribe

CCB Executive
President



What elements can positively fuel the ecosystem of entrepreneurship and innovation in Bogota?

Bogota already boasts a resilient ecosystem of entrepreneurship and innovation. As reported by the Colombia Tech Report 2021, the Colombian digital entrepreneurship landscape is populated by 1,110 startups, with 60.42% of the total centered in Bogota.

In 2022, 76% of startups securing capital were from the Bogota-Region, collectively raising an investment nearing USD 1.711 billion. This sum amounts to 91% of the total capital garnered by Colombian startups.

Moreover, as indicated by the National Higher Education Information System SNIES (2020), 41% of the nation's higher education institutions are nestled in the Bogota- Cundinamarca region. Four of Bogota's universities rank among Colombia's top five, and two of them are featured in Latin America's top 10, as per the QS Latin America University Rankings 2020.

Given these factors, Bogota enjoys the highest rate of entrepreneurial activity across the country (19.2%), surpassing numerous Latin American cities. The Global Startup Ecosystem Report (May 2022) positioned Bogota fourth within the region's 100 most significant emerging entrepreneurship ecosystems globally. It's hardly surprising that the Financial Times designated Bogota as the second "city of the future" in Latin America.

Such a vibrant atmosphere fostered the establishment of 89,995 companies in Bogota and the 59 municipalities of Cundinamarca in 2022, equating to 29% of the total companies created nationwide.

Despite these promising figures, we aim to become the entrepreneurship and innovation capital of LATAM. To accomplish this, we acknowledge the challenges ahead, including:

- Building stronger relationships to foster strategic alliances among corporations, startups, and universities. Transitioning from a customer-supplier relationship model to a risk-sharing model, promoting alliances to formulate knowledge-based solutions.
- Amplifying the number of women as startup founders. Currently standing at a scant 4%. Notably, the Peterson Institute for International Economics asserts that companies can boost profitability by 26% with women in leadership positions.

- Continuing to devise avenues enabling companies with scaling potential and executing expansion and consolidation plans to connect with investors as partners.
- Assisting startups and companies in refining the sophistication of their products and services.

So, what part does the Bogota Chamber of Commerce play in energizing the entrepreneurship and innovation ecosystem?

The CCB, a private, non-profit, corporate, and trade union institution, was founded 145 years ago by Bogota's merchants. Our mission is to serve entrepreneurs and business people, fostering more, and better, companies, and promoting a prosperous and equitable society in Bogota and the region.

Our role involves fostering business sophistication and human capital development to generate knowledge and technological growth. We offer a comprehensive range of services that support entrepreneurs from the initial business idea to market entry, aiding corporate businesses in their acceleration phase and the application of their innovation management systems.

Our commitment is highlighted by our initiative to establish the Bogota Region District of Science, Technology, and Innovation (DCTIB). This endeavor will encourage events, meetings, business encounters, and activities that foster idea and initiative exchanges, meeting the needs and concerns of the entire business sector. It aims to capitalize on growth opportunities via specialized services, with a focus on new technology applications, knowledge transfer, and open innovation processes.

Currently, we are defining the District's value proposition, overarching purpose, mission, vision, objectives, action lines, and services to be offered. The active participation of strategic allies, friends, and the broader ecosystem is essential in this process. Furthermore, we aim to establish project feasibility by mid-year and complete detailed studies and designs by 2023's end. Construction is set to commence in the first half of 2024, with the District's inaugural space opening its doors in 2026.



**Colegio de Estudios
Superiores de Administración**

Emilia Restrepo

Rector of CESA



As CESA stands as a key player in the Colombian entrepreneurship ecosystem, could you shed light on the urgent necessities that would spur more dynamism?

CESA's vibrant involvement in the ecosystem and its pivotal role in fostering entrepreneurship goes back to its inception, nearly 50 years ago. This responsibility is embedded in our origin. CESA was founded by a group of Colombian entrepreneurs who recognized the need to cultivate future business leaders, a vision that has remained unchanged from our establishment. Today, we speak of these business leaders as transformers of both global industries and individual enterprises.

For a long time, our discourse centered around the creation of companies rather than the concept of entrepreneurship. However, with the advent of technology in recent years, our focus has transitioned towards nurturing entrepreneurship. As an institution, our mission persists in preparing these leaders, specifically those with an entrepreneurial mindset. We aim to cultivate individuals capable of identifying untapped needs and equipping them with not just potent hard skills but also significant soft and influential capabilities. We envision fostering empathetic individuals who possess the flexibility to perceive beyond the ordinary, backed by robust analytical and reasoning skills. In essence, we strive to cultivate socially sensitive individuals who can comprehend societal challenges and needs on a national and global scale. With this understanding, they can contribute to the creation of future-facing companies.

We shoulder the significant responsibility of training our students in technology. While it's not imperative for every enterprise to be technology-oriented, it's undeniable that every newly formed company, every entrepreneurial venture, should intersect with technology, as it serves as a powerful facilitator of their strategic objectives. Today, even prominent corporations are undergoing transformative processes to better understand and incorporate technology into their core operations. As such, at CESA, across all our emphases, we aim to foster this entrepreneurial mindset in our students. Whether they specialize in entrepreneurship, analytics, sustainability, or strategy, our curriculum is designed to cultivate entrepreneurial spirits, be it for establishing their ventures or becoming intrapreneurs within existing organizations.

You have trodden the entrepreneurial path. Which competencies do you believe were most beneficial in advancing the projects you spearheaded?

Being an entrepreneur and a CESA alumna. I believe I had a potent combination at my disposal. From my very first orientation talk, I realized I was in the right place. Dr. Marco Fidel Rocha, the rector at the time, emphasized the importance of creating businesses and the significant role we as CESA students played in that. At that time, the discussion was more about company creation than entrepreneurship. A sentiment with which I have always felt at ease.

As for the skills that accompanied me, I believe they involve several aspects. Firstly, a relentless tenacity to always strive for improvement, a drive to make people's lives simpler, and an unwavering commitment to finding solutions. This inclination for service, for contributing to society, and the understanding that whatever one does should ultimately benefit a community or group of people. Secondly, acknowledging

that no one can succeed alone. Real success comes when you surround yourself with a talented, high-performing team that shares your commitment to the cause. And that cause isn't just about one person leading, but the overarching purpose behind what we're developing. Thirdly, the ability for continuous learning is key. I pursued Administration, not Medicine, under the premise of avoiding lifelong study. Ironically, I've found myself learning throughout my life. More than ever, I am convinced that one essential trait we entrepreneurs share is an inherent restlessness, a perpetual need to question and seek answers. We are, by nature, curious beings. Moreover, beyond formal skills like proficiency in statistics and mathematics, an additional asset that my time at CESA imparted on me, which I value immensely both as an entrepreneur and now as a rector, is the importance of integrity and ethics. Today's organizations are in dire need of these virtues. They're not just essential for offering economically viable solutions but also for providing genuinely relevant, effective solutions to global challenges.

Where do you envision businesses will be heading in the next few years? What is your perspective on the future of entrepreneurship and the defining technologies for this impending era?

I believe that we are yet to uncover the defining technologies. Currently, likely cornerstones such as artificial intelligence, blockchain, and others are on the table. However, I consider these to be merely the tip of the iceberg. The ultimate converging technologies have not even been named yet. This is a significant point that we, as entrepreneurs, must consistently bear in mind as it necessitates a state of constant learning and understanding of the driving forces behind trends. As for the future of entrepreneurship, an important element is the heightened sensitivity of up-and-coming and established entrepreneurs. The awareness that their efforts should contribute positively to an ecosystem without causing environmental harm. From this perspective, we are about to witness a departure from the norm. Certainly, we will continue to see dominant Fintech, logistical solutions, and more, yet with a focus on and a more assertive stance towards the impact on sustainability and social matters.

I am filled with optimism and I am fond of what I see, of the ongoing changes, and the way these young individuals are embracing their entrepreneurial missions and visions. Additionally, I admire how these young individuals are seamlessly and organically integrating technology into their endeavors. This is something that older entrepreneurs, irrespective of their age but who began their journeys earlier, may find slightly more challenging, just as the corporate world might. We are certainly on the brink of promising times. A monumental challenge lies in the cultivation and acquisition of talent, and it is precisely for this reason that institutions like CESA are irrevocably committed to nurturing these talents and ensuring that we harness them for the development of entrepreneurship and intrapreneurship. There is also an exciting period ahead in which I anticipate that large corporations will start engaging in a novel dialogue, not solely with these entrepreneurs, but about their own role within the entrepreneurial ecosystem. We have several years of adjustments ahead because, as I've previously stated, we are only beginning to glimpse the tip of the iceberg.



“Encouraging the growth of startups signifies more than merely supporting innovative business models—it is also about fostering ventures that are both profitable and sustainable over time (...) Startups spearhead innovation and trigger disruptive changes in our country’s corporate landscape (...)”

Hernan Ceballos

General Manager of
iNNpulsas Colombia

Why is it crucial for a nation like Colombia to encourage the development of startups?

Fostering the growth of startups entails more than just supporting innovative business models—it’s also about nurturing ventures that are profitable and sustainable over time. In 2022, 78% of budding ventures were born out of necessity, which may have led to a diminished survival rate—only 1.8% survived past 42 months (EBO Rate 2021, GEM). This statistic underscores the pressing need to strategically fortify the creation of startups in Colombia, as most are launched with a vision of a sustainable and scalable market opportunity.

Startups are the vanguard of innovation and instigate disruptive changes in the country’s business landscape—they are digital, innovative, agile, and willing to undertake risks that traditional companies would not dare to take.

With a firm grip on technology, they continuously iterate novel business ideas to secure their footing in the market. They act as change agents, transforming the environment by addressing complex societal issues through innovative products and/or services that effectively meet needs.

The Survey of Technological Development and Innovation in the manufacturing industry (EDIT X 2019-2020) revealed that 25.8% of companies are classified as innovators. Their primary hurdle to innovation is “knowledge,” and a lack of skilled and experienced personnel who can contribute to the innovation processes and projects of the organization (CPC & SwissContact, 2021).

For this reason, startups, with their disruptive dynamics and high-impact market presence, aid in the digital transformation and innovation processes of traditional companies—entities that are often resistant to change. The collaborative efforts between traditional businesses and startups allow for the transfer of technology and talent to organizations, contributing to a positive impact on the business ecosystem. In iNNpulsas’s acceleration programs, it has been identified that startups typically have leaders (89%) with undergraduate degrees and specializations. They are knowledge-intensive, active in STEM fields, and are capable of iterating their business models, having embarked on multiple ventures. Their versatility enables them to establish themselves in local markets and scale to international ecosystems, solving issues on a grand scale, capturing value, and

fostering wealth and well-being in a country. The emergence of startups and their ecosystems catalyzes disruptive changes, thus enhancing the conditions for the creation and consolidation of such business models.

Which startup cases have contributed to the social and environmental impact in the country?

Given the aforementioned factors, startup leaders strive not only for their business model to generate economic well-being but also to make a meaningful impact on society and the environment—a concept known today as triple impact. Here are examples of two startups with a focused business model that fits these characteristics:

QUIPU

Quipu empowers entrepreneurs who are yet to formalize their businesses by providing access to capital in an easy, fair, and alternative manner.

They offer productive loans through the Quipu Bank app, where micro-businesses can access working capital digitally. User activity within the app is used to generate an alternative credit score, which enables businesses—historically excluded from the formal financial system—to access loans. Additionally, users can purchase financed and discounted supplies through the app, under the “buy now, pay later” scheme. Quipu’s partners supply the products while Quipu takes responsibility for financing the entrepreneurs’ purchases. They offer productive loans ranging from COP 100,000 to COP 2,000,000 at preferential and competitive rates.

They have successfully issued 3,177 working capital loans to 2,600 clients, primarily informal micro-entrepreneurs. Sixty percent of these are women-led initiatives, 90% of which are reported in credit bureaus. They have a national presence and create jobs for migrants. By 2023, they aim to conclude with more than 10,000 loans issued, and by 2024, they hope to penetrate the Mexican market, consolidating their reach to over 100,000 clients. Key Milestones:

- Victors of the Gender and Artificial Intelligence Challenge hosted by IDB Lab.
- Selected for the Mastercard StartPath Empodera program.
- Selected for the Acceleration

Program of the Apps.co 2022 Startup Lab.

LA CORTESANA

This Marketplace uses a mobile application to seamlessly connect home-based textile workers with brands, companies, or entrepreneurs seeking their services or products. The platform boasts an international reach, spanning over 60 countries with 60,000 active members. Between 2021 and 2022, La Cortesana experienced a triple-digit increase in sales, skyrocketing from COP 120 million to COP 350 million and generating approximately 7 jobs in the process.

In the current climate, what hurdles do digital and technological startups encounter as they strive to respond optimally and promptly to the demands of both national and international markets?

For such ventures to achieve wider impact, a genuine integration, utilization, and leveraging of technology to augment their business models is imperative. In other words, they need individuals well-versed in emerging technologies who can foster sustainable growth, thereby ensuring long-term longevity and impact for their businesses. Moreover, bolstering managerial capabilities to stimulate innovation processes is crucial. These skills enable the identification of prospective projects with high yields, the creation of strategic plans, and the mobilization of human resources for implementation. Within this context, a robust organizational culture is also key, requiring the development of abilities to:

- Preserve, uphold, and disseminate knowledge.
- Identify, draw in, and retain indispensable talent for innovation.
- Manage innovation from conceptualization to realization.
- Employ market signals and customer data.
- Recognize and effectively engage in collaborative networks.

What vision does iNNpuls Colombia embody as it supports such entrepreneurial endeavors in their growth journey?

iNNpuls Colombia spearheads and unifies the national strategy for economic growth, centering on entrepreneurship, innovation, bolstering the innovative and business ecosystem of MSMEs, and grassroots economics, with the goal of reindustrializing the country and bridging social and territorial disparities. This approach aligns with the reindustrialization policy, where iNNpuls Colombia continues to fortify digital and technological entrepreneurship, while fostering collaboration among universities, businesses, the state, and communities to impact the development of innovative proposals. These proposals contribute to the inception and solidification of technology-based entrepreneurship. This strategy acknowledges the fact that knowledge drives economic growth, necessitating a shift towards mechanisms that facilitate the transfer of research outcomes from higher educational institutions and other scientific and technological bodies (Gómez Gras et al., 2007; Di Gregorio and Shane, 2003). This approach paves the way for new knowledge-based business models (spin-offs). At iNNpuls Colombia, we will persist in accelerating the growth of innovative ventures with top-tier tools such as the RUTA ALDEA and APPS.CO. We commit to conducting meticulous impact assessments and gathering quality data at the onset and conclusion of each intervention. This process enables us to identify program enhancements and measure their influence on the evolution of business models in terms of sales, profits, jobs, skills, and other key metrics.

UNIVERSIDAD EAFIT

Claudia Restrepo

Rector of EAFIT
University



What challenges does the University face regarding the entrepreneurial ecosystem?

We are a community centered on knowledge acquisition and application, continually evaluating our societal impact. A key approach to addressing this, especially for an institution like ours, grounded in applied knowledge and problem-solving in specific contexts, lies in our connection with various organizations, corporate, public, and organizational systems, as well as startups. We view entrepreneurship as a vibrant ecosystem that invigorates a new business landscape, amplifying the application of science, technology, and innovation towards addressing concrete issues.

Around this ecosystem, we are witnessing the rise of an entrepreneurial mindset, not just as an integral part of an organization or business, but in how our students, within an educational setting, develop a mindset oriented towards disruption, innovation, devising potential solutions, and asking fundamental questions about societal transformation. Creating entrepreneurial ecosystems is a universal university mission, aiming to foster an entrepreneurial spirit within the institution itself, promoting interaction with entrepreneurs, facilitating cross-pollination between student inquiries, entrepreneurial experiences, and corporate practices, and encouraging other innovative project types.

How does EAFIT respond to the challenges of the relationship between academia and the entrepreneurial ecosystem?

At its core, EAFIT University is a humanistic and scientific initiative, enriched by the wisdom of professors, researchers, and innovators. For us, this initiative's significance lies in its potential to transform society. Our purpose is twofold: to inspire lives and create knowledge. Yet, perhaps the most pivotal aspect is society's transformation, an endeavor that necessitates EAFIT to envision the future from the present. Universities should be pioneers, alert to future trends, probing the ongoing shifts in the era's paradigm of thought and swiftly responding to any societal dissonance.

For instance, we currently identify four significant future challenges: 1. Technology: Undoubtedly, we foresee a future where technology plays a crucial role in societal development. 2. Planetary sustainability: This entails environmental concerns and the application of technology for humanity's continued existence. 3. Health and well-being: As longevity increases, we must meet a plethora of health-related challenges. 4. Society itself: The complexities of politics, economics, and other interacting forces are of utmost concern.

At EAFIT, we believe we are in a transition phase, a time of intellectual revolution, and our responsibility is to create solutions to these challenges. Meeting these challenges, especially in collaboration with other organizations and society, requires a transformation of our educational model, making it more interactive. This includes organizations presenting us with challenges, and students honing their skills around these issues. In these interconnections that the University is weaving.

What is EAFIT doing to respond to the entrepreneurial ecosystem?

We have posed challenging questions around entrepreneurship, striving to identify what truly makes an academic community bolder and more effective in developing impactful ventures. When I mention 'impact,' I'm referring to the nurturing of talent, generation of knowledge, establishment of a business network, and growth opportunities. In addressing these questions, we collaborated with university-based entrepreneurs, realizing the necessity for a robust ecosystem of interactions revolving around entrepreneurship. This led to the creation of On.going, our University's impact entrepreneurship center.

On.going primarily responds to several elements, as highlighted by the entrepreneurs, that can stir up the entrepreneurial mindset. This includes adopting a distinct language, welcoming entrepreneurs to the university via an entrepreneurship landing to initiate cross-pollination, and adopting a different educational model. This model, an 'impact education,' uses a language of entrepreneurship that encourages us to be more disruptive.

On.going stands as a nexus, invigorating and driving connections in the world of entrepreneurship. It plays a role not just in shaping education but also in welcoming new capital, further bolstering these ventures. In fact, this corresponds with a pressing need for this report to make sense — fostering a community revolving around entrepreneurship and providing crucial data to assist in decision-making.

What kinds of ventures is the University keen to support?

Our philosophy is one of openness. We have a deep-rooted faith in the potency of startups. We sincerely hold that the momentum generated around technology-focused entrepreneurship is profoundly influential, clearly since these are the enterprises of the future. Nevertheless, our guiding principle is diversity. That is, we embrace ventures spanning

various sectors. For us, sectors like healthtech, technology per se, and issues linked to the sciences that resonate with our work at the University, hold significance. However, as an institution deeply intertwined with the corporate world, we see a wealth of ventures emerging from the real sector — ventures maturing, strengthening, and evolving into full-fledged companies via open-ended products and services, like those within energy or user experience. Interestingly, we've found that entrepreneurs show keen interest in liaising with counterparts from different sectors, as mutual learning ensues. These communities are collaborative, with open learning and, undoubtedly, the chance to interact spurring more dynamic conversations. This aligns perfectly with two of our tenets: although we advocate for enterprises that drive future solutions, we also believe they should offer the potential to weave a business network. Moreover, that's precisely what our students desire when they're immersed in practical training and scouting for a venture — to acquire a new way of thinking, to shatter traditional construction paradigms.

What role does the physical space that On.going offers play in creating this community?

When querying entrepreneurs on what they deemed critical for ecosystem creation, they unanimously emphasized the importance of physical space — a meeting hub, a place to have meaningful dialogues, to know where to congregate, and to encounter others grappling with similar challenges as they strive for growth and consolidation. A perk we offer at the University is that Block 1, where On.going is situated, is strategically positioned within the city, enabling the generation of a broad network of entrepreneurial connections. Consequently, we currently host 12 entrepreneurs within this space, and our aim is to expand to just over 30, fostering knowledge-sharing, forging connections, and enhancing the entire ecosystem of the city and the country.

To what extent does On.going permeate EAFIT's learning project?

We often ponder if reinforcing entrepreneurship at the University should come via the academic evolution of entrepreneurship programs. One revelation was that this approach was far from adequate since it requires a comprehensive environment intervention to shape the mindset. Importantly, a student doesn't need an entrepreneurship emphasis to devise, build, prototype, and glean learning. This is more about an infectious phenomenon, about building a community that spreads. We realize a traditional disciplinary education model fails to address new

modes of thinking. Hence, the education model needs to be flexible, challenge-driven, and must instigate through the competencies developed in various exercises. Therefore, the University is now proposing a model anchored in challenges and projects. Indeed, we do offer learning paths in entrepreneurship for those seeking a clearer understanding of the entrepreneurial mentality. However, our core objective is to always tackle the question of problem-solving. Our paramount aim is to craft a learning model that is substantially more flexible and attuned to societal and organizational challenges.

In relation to technology, we embed computational thinking into the student's curriculum, irrespective of the program enrolled in. This conveys a resounding message that complex thinking, problem-solving, and algorithmic thinking hold relevance in shaping learning for us. Therefore, the educational model intersects with the entire spectrum of entrepreneurship dynamics, enabling an environment favorable to the disruptor, to those in discord, to the curious, and to those who believe there exists an alternative pathway to problem-solving. And I feel that EAFIT has made it clear: we aspire to be the haven where innovation, leadership, and global action foster planetary sustainability and nurture the essence of humanity.

What is your vision for the country's entrepreneurial ecosystem in the next five years?

We recognize that Colombia has much room for growth in fostering its entrepreneurial ecosystems. At present, our universities aren't globally competitive within these ecosystems. However, our aim for the next half-decade is to transform into formidable global contenders in this field. Latin America is in dire need of talent specializing in technology, innovation, and the dynamics integral to the entrepreneurial culture. Our ultimate objective is to reach a point where, in five years, we can proudly proclaim that Medellin and Colombia are cultivating the necessary environment for individuals gifted in entrepreneurship to fully express and actualize their potential. To achieve this, we must engage in intelligent strategic planning. This involves pinpointing where these talents are, uniting them, encouraging dialogues, attracting capital to support them, and establishing programs that equip them with immediate problem-solving skills to tackle worldly challenges. Furthermore, we must ensure an influx of top talent that can further strengthen their companies and organizations. This, in essence, encapsulates what an entrepreneurial ecosystem should be.



“It’s nothing short of astounding to witness the transformation that has transpired, particularly over the past decade, during which an investment ecosystem has burgeoned. This ecosystem, which fosters a culture of entrepreneurs mentoring fellow entrepreneurs, has propelled Colombia into the major leagues of global entrepreneurship. We have transitioned from being merely an ideal to becoming an absolute necessity.”



Mauricio Hoyos

CEO
Tvalley – Shark Tank

How has the entrepreneurship landscape in Colombia evolved during these years, wherein you have played a significant role in its promotion and advancement?

If we journey back in time to the genesis of this movement, our inaugural venture commenced 20 years ago. Startups weren’t the topic of discussion, nor was entrepreneurship as a concept. The dialogue revolved around young individuals striving to establish businesses with a fresh, innovative approach. I recall those early days, when securing capital felt akin to running an almost insurmountable marathon. The ecosystem and investors were non-existent. Those who dared to embark on this journey were visionaries, undeterred by scarce resources and, quite possibly, slim chances of success.

Yet it’s astonishing to reflect on the seismic shift we’ve seen, particularly in the last decade. An investment ecosystem has emerged, built on a foundation of entrepreneurs nurturing the growth of their peers. This has solidified Colombia’s standing among the heavyweights of global entrepreneurship. What was once an ideal has now become an undeniable necessity. Entrepreneurship is reshaping industries, and those unwilling or unable to adapt, to invest in these trailblazers, or to incorporate them into their own ecosystems, may find themselves lagging in the near future.

From the vantage point of the ecosystem, the progression has been nothing short of remarkable. High-impact entrepreneurs have ushered Colombia into the purview of substantial funds and influential investors who ultimately champion these innovative ideas, transforming an entrepreneur’s vision into reality.

Nevertheless, we are confronted with a significant challenge, both globally and more markedly in Colombia. Capital has shifted its course, veering from growth towards sustainability. This adjustment has made the process of acquiring capital increasingly challenging.

In spite of it all, our growth has been exponential. A new traction in entrepreneurship is empowering individuals, especially in emerging economies, to recognize opportunities for advancement. This creates an environment of equity, which not only diversifies the distribution of wealth but also provides others with access to capital, enabling them to realize their dreams.

What hurdles do you foresee for entrepreneurs today, particularly regarding the acquisition and allocation of capital?

The reality is that we are possibly in the midst of one of the most challenging periods for entrepreneurship and startups overall. Market shifts have engendered a trend not solely geared towards growth and the consolidation of grand ideas, but rather, towards profitability and sustainability. This shift has engendered a cultural transformation, redefining the strategies and expectations

of entrepreneurship. At TValley, we’ve consistently held the belief that profitability should be the focal point. The crucial difference now is that it’s no longer sufficient to sell a dream backed by a polished PowerPoint and an innovative idea. You must convincingly demonstrate through accurate metrics how you intend to ensure your project’s profitability and sustainability.

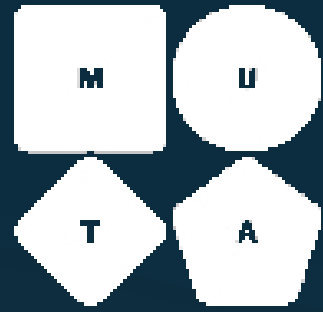
We are experiencing this pivotal shift in mindset and culture firsthand. The greatest challenge lies in acknowledging that capital will gravitate towards regions where the rules of the game are transparent, where success stories abound, where returns are high and sustainable in the long term, and ultimately, where entrepreneurs share this mindset.

In your perspective, what direction will business be taking in the upcoming years, and how do you foresee the future of entrepreneurship and the key technologies that will shape that future?

Allow me to share two viewpoints: firstly, I genuinely believe that businesses lacking purpose or positive impact will not be sustainable in the long run. There’s a radical shift of investment funds towards impactful investments.

When considering future-defining technologies, one could compile an exhaustive list. At this moment, the spotlight shines brightest on ChatGPT and the broader arena of artificial intelligence (AI). While AI is currently in vogue, it’s worth noting that its influence on business development has been impactful for about 15 years. In Colombia, we’ve lagged in implementing AI to optimize businesses, a delay that will inevitably exact a cost if not promptly addressed. Thus, for me, despite the existence of numerous relevant technologies, I sense that at this particular moment, artificial intelligence is the buzzword and will drive the most significant and accelerated transformation in the upcoming years. It’s worth adding that AI, bolstered by the advancement of machine learning, will have profound effects, particularly in developing or underdeveloped countries like ours, where many tasks are still manual.

Lastly, if we examine macro trends, renewable energies emerge as a crucial focus, particularly in our country. Green technologies aimed at environmental improvement are destined for prominence, and I firmly believe Colombia should lead the charge in such solutions. Additionally, I would highlight the burgeoning field of digital education, providing rural communities access to these technologies, in a bid to close the gap and create more opportunities. These are key areas we, as a nation, must keep in sharp focus.



“More than a startup, we are a collective of conscientious consumers leveraging emerging forms of awareness to foster a culture that truly comprehends the role of recycling in combatting climate change and cleansing our planet. MUTA merges the economic, environmental, social, and technological benefits of recycling.”



Alejandro Caiaffa

CEO – MUTA

Could you enlighten us about the recycling industry, what exactly is MUTA, and the motivation behind its inception, Alejandro?

MUTA is the trailblazing sustainability platform that’s shaking up the recycling industry.

While recycling has been a buzzword for quite a while, its actual evolution over the years hasn’t truly harnessed the potential benefits of a circular economy in sustaining our planet.

As a society, we’ve made great strides in technology, medicine, science, and education, but our approach to waste remains unchanged. Our biggest challenges as a species are environmental in nature. As stated by the Ellen MacArthur Foundation, a staggering 70% of greenhouse gas emissions can be traced back to the production and use of goods and supplies across their entire value chain.

Regions like Colombia and Latin America are marked by an absence of waste treatment systems that align with planetary sustainability. This leads to severe pollution, low recovery of recyclable materials, and rampant informal and unlawful recycling.

Regulation surrounding solid waste management in Colombia is broad. The inadequate development of certain established regulations, lack of incentives, and unfamiliarity with these rules are identified as key reasons for deficient integrated solid waste management. MUTA emerged to address these issues. Originally, MUTA only collected used cooking oil to ascertain traceability in biodiesel production (a practice we upheld for seven years). During that period, our efforts were focused on establishing a replicable model for other recyclable materials. Today, we are an innovative waste management platform, incorporating collection, accumulation, storage, transport, treatment, valorization, and final disposition of recyclable materials into a single software. Every day, we strive to develop a circular economy model, ensuring meticulous traceability of waste by connecting waste generators with the transformers using them as raw material.

How did you lay the foundation for MUTA’s software?

In laying the groundwork for our software, we explored the hurdles faced by recycling efforts in developing countries. One of the largest vulnerabilities is informality, as human resources lack a structured system to bolster efficiency in recycling, reducing it to a mere survival tactic.

We need a circular economy in our territories to tap into its myriad benefits and advantages.

Beyond being a startup, we’re a group of mindful consumers deploying innovative awareness strategies to engender a culture that appreciates the significance of recycling in tackling climate change and cleaning our planet. MUTA encompasses the financial, environmental, social, and technological boons of recycling.

Transforming waste into opportunities is one of our pivotal philosophies, which is reflected in our reports.

Our progress has led to the creation of over 100 new green jobs in our nation. Technologically, we’ve developed a platform consisting of three applications: Management Web, Collector App, and Generator Web and App.

We have pioneered the first Smart Bin prototype — a system of intelligent bins and containers that notify MUTA when full, triggering automatic waste collection. We’ve also incorporated smart routing, where CO2 savings stem from efficient route planning.

Discussing waste implicates natural resources and the quality of life for future generations. Thus, we approach from various angles to elevate waste management in the discourse.

Since 2021, MUTA has been a certified B Corporation, digitizing and formalizing the recycling industry while offering environmental education and an experience that enhances society’s man-nature relationship.

endeavor

CATALYST

Endeavor is a robust global network with over two decades of expertise, inspiring, guiding, and connecting triumphant entrepreneurs, helping them evolve into High Impact Entrepreneurs, thereby catalyzing sustainable economic progression in over 40 markets where we are actively operational.

Camila Salamanca

Executive Director,
Endeavor Colombia

What precisely defines a High Impact Entrepreneurship?

- These enterprises are inherently scalable, replicable, innovative, and are substantial income generators for their founders, employees, and investors, empowering them to profoundly impact their surroundings.
- They are creators of new job opportunities within the ecosystem where they operate.
- These are businesses and entrepreneurs that evolve into transformative agents, impacting not just economically but also socially, thus bridging inequality gaps within the nation.
- These entrepreneurs bolster the nation's meritocracy while also maintaining formal, tax-paying companies.
- These ventures often disrupt the norm, enhancing productivity and efficiency.
- They possess the capability to attract considerable investment to the country, thereby stimulating the economy.
- They effectuate what we at Endeavor term as a remarkable 'Multiplier Effect'. This unfolds when their founders transform into inspiring role models, who not only motivate others to follow their footsteps but also invest in budding ventures. They assist the younger generation in creating and developing new businesses, while aiming to shatter mental and structural barriers, in pursuit of constructing more prosperous ecosystems.

How does this Multiplier Effect manifest?

The **Multiplier Effect** unfolds in three critical stages:

Initially, through numerous ecosystem studies, we've established a close correlation between entrepreneurship and employability. Entrepreneurship communities turn highly productive, generating scalable, replicable, and deeply innovative business models. In turn, these are the models that lead to job creation.

Subsequently, these entrepreneurs metamorphose into role models, inspiring and urging others to replicate their success. They do this through mentoring, coaching, and creating networking opportunities. To illustrate, our Endeavor Entrepreneurs in Colombia contributed over 240 hours for this cause in 2022.

Lastly, this effect is realized through investment. These firms bring substantial capital into the country, thus invigorating the economy. In spite of the prevailing global scenario, an estimated USD 1.234 billion was funneled into venture capital in 2022, according to Transactional Track Record (TTR) figures. Given this magnitude, for every COP 4.7 billion invested in venture capital, we see the generation of approximately 8,000 new jobs in Colombia. These salaries, with 75% remaining in the company's home country, form a significant salary base, which potentially translates into fresh tax revenues for the nation. Furthermore, these entrepreneurs reciprocate by investing in other ventures, aiding the younger generation in business creation.

So, who leads this Multiplier Effect in Colombia, and what impact do they have?

En Endeavor Colombia, hoy contamos con 60 empresas y 111 emprendedores de Alto Impacto; empresas como Rappi, Habi, Tul, Bold, Addi, LaHaus, Platzi, Frubana, destacadas en el top 10 en este informe, hacen parte de nuestro portafolio. Además, es importante destacar el gran potencial y talento que tenemos de una nueva generación de emprendedores.

Las Empresas Endeavor durante 2022 impactaron través de la generación de más de 24.000 empleos directos y más de 200.000 indirectos, lo que les permitió brindar a más de 220.000 familias mayores posibilidades de cambiar su presente y futuro; además, generaron ingresos por COP\$ 9.2 billones y levantaron capital por US\$ 326 millones es decir, dinero que está siendo utilizado y transforma no solo la economía, sino la visión social del país.



Ana Carolina Martínez

Director,
Entrepreneurship
Development Center



How does ICESI University contribute to the growth and dynamism of the entrepreneurship and innovation ecosystem in the Valle del Cauca region?

Our university serves various roles. Foremost among them is education: we strive to remain on the cutting edge of diverse components. This encompasses the digital sphere, technology, and novel facets in our students' education, including the cultivation of entrepreneurial skills or intrapreneurial abilities. Additionally, we invest in the growth of individuals eager to launch business initiatives. Our primary focus is dynamic, high-impact ventures that aim to create quality jobs and foster regional socioeconomic development. To this end, we collaborate with several supportive programs, some of which are in-house, while others involve external allies, facilitating business inception or acceleration. Prominently, we have our home-grown incubator program, where we work with technology-based businesses. Here, we aim to instill in entrepreneurs the skills necessary to envision business projects that may originate locally but have global aspirations. This focus on global-thinking entrepreneurship represents a significant commitment for us, and the integration of technology invariably leads to a faster growth pace and more extensive scalability in these companies. We also partner with programs like Women in STEM. An initiative by IDB Lab developed with several countries. Here, we work with women leaders of technology-based, STEM enterprises, aiding them to overcome challenges and progress. Simultaneously, we shoulder a vital role in research and its integration with business. Currently, we are heavily involved in a program named 'ICESI Researches, Innovates, Undertakes.' In this initiative, we identify projects arising from applied research, chart their journey into viable business models, and align these with regional companies, emphasizing high-impact ventures. The university is vigorously working to transform into a platform that connects business and academia across various dimensions, including education, research, and business projects.

What are Universidad ICESI's initiatives to boost competitiveness and foster the growth of the regional entrepreneurship ecosystem?

The Startup Café, a 2008-born incubator, has been continually refining its model. We host various technology-based companies, providing specialized mentorship. This recent initiative fosters connections that allow experienced individuals and organizations to share their insights with entrepreneurs. Our mentor pool comprises around 102 experts who guide this process. Also, we offer a unique space where new companies can have their initial office setup while interacting with the university community. This significant advantage allows entrepreneurs to immerse themselves in the ecosystem. In partnership with the Chamber of Commerce of Cali, we welcome the Present network to participate in our initiatives. Our approach is to equip our entrepreneurs with ample resources for their journey. We support ventures that are in the prototyping phase and have undergone initial validations. We accompany these enterprises through the early validation stage, helping them develop a product-market fit. Once they demonstrate progress, pivot, or re-imagine their approach, we guide and assist them towards their growth phase. This comprises our model. Typically, our entrepreneurs engage with us for a period of approximately 2 to 3 years. In the Startup Café, we have conducted programs with Apps.co, MinTic, and iNNpursa, simultaneously venturing into the development of minimum viable products. This effort aims to continually enrich our entrepreneurs' skills and abilities through more open programs and support from the National Government. Our intention is to broaden their perspectives, particularly for those more technically inclined, enabling them to grasp market dynamics and the role of design in meeting consumer desires. Through our association with Wise, we offer training aimed at women engaged in STEM fields, encouraging them to develop STEM businesses. This represents a significant challenge, as many women tend to establish businesses in other areas.

Thus, our initial educational cycle introduces them to their capabilities and prevailing trends, guiding them to progress and excel in their chosen fields. Additionally, we run a mentoring phase, extending support over about 3 months, for those who have initiated sales and are in more advanced stages. We also conduct an annual competition to recognize women co-leading teams. The intent is to identify inspirational figures for future generations. This year, our focus is to engage with women, girls, and adolescents. We have already identified role models that will spur us to engage with girls and adolescents, encouraging them to view STEM entrepreneurship as a unique life opportunity and a pathway to personal and professional growth.

What are the specific challenges and opportunities within the region concerning entrepreneurship and digital transformation?

We recognize an important issue: relevant information should not only be accessible to those deeply immersed in technology programs. There is an ongoing review about how even the more administrative fields are intrinsically linked to technology. Those involved may not necessarily be the ones developing the technical aspects, but they will undoubtedly manage these elements and should therefore have a clear understanding of how to navigate these new tools. For those engaged in technical roles, the challenge is the reverse: how do we ensure that everything being developed from our knowledge base aligns with the end-user? Our designs should be driven by the consumer, an approach championed by contemporary methodologies. This is where we encounter our challenge. While we are progressing in shifting our design focus toward the consumer, I believe there is still much ground to cover. This is our greatest challenge in education: understanding where the markets and niches lie and encouraging these markets to adopt digitalization to lend relevance to their development. It's a cultural shift that requires additional nurturing—clearly without exclusion—but it is certainly worthy of attention at both national and regional levels. On a similar note, I believe that while all organizations are making substantial strides forward, we still face challenges in fostering collaboration to enhance our collective technological power. Even as we support others in their journey toward technological transformation, we too must walk this path: leveraging the tracking and monitoring tools that technology provides to make our programs more potent, agile, and capable of broadening our reach via technology.

As our discussion draws to a close, let's consider the benefits of our entrepreneurial ecosystem and contemplate its future a decade from now.

I am convinced that we are endowed with immense talent and highly capable individuals, but we need to have greater faith in our abilities. Our task lies in discerning our strengths more clearly. One-on-one conversations often unveil powerful insights that aren't widely shared. I believe other regions have been more strategic in this respect, and we need to follow suit. We should present ourselves more, and present ourselves together. We are undoubtedly in a time of uncertainty where short-term planning has become more pragmatic, necessitating a close examination of current events, but always with an eye on growth and advancing further. We are empowering our entrepreneurs to be nimble and deliver results in the short to medium term. This must be our commitment across all organizations, staying informed of daily happenings and adapting to the changes that envelop us.



“There’s a tremendous onus on leaders to possess a comprehensive vision for the continual growth of the ecosystem. It’s imperative to understand that this growth must be ongoing, as we still face numerous challenges and gaps that need bridging. Equally important is our persistent quest for stability - we must grow, but do so responsibly.”

Juan Esteban Hincapie

Co-Founder of Neu Energy and ERCO

What led to the inception of Neu Energy?

Our company was conceived from our academic pursuits at university. We are two mechanical engineers, fervently passionate about energy. We were deeply involved with research groups at EAFIT, which is where it all started. Our goal was to explore how two individuals, armed with significant technical expertise (which, I believe, is a key future opportunity as the energy sector is rife with tasks that need addressing), could devise solutions to transform global energy consumption. We established the company while still at university. Fortunately, we received tremendous support and became a part of the entrepreneurial ecosystem there. Today, I can confidently say that this played a crucial role in helping us expand and shape the company we currently lead.

What have you learned as a startup?

Our journey has provided numerous lessons: I am a staunch believer in the concept that if you’re dedicated, you can achieve your goals. With this in mind, we set out to create an energy company, methodically building, step by step, until we could assemble it into a unified whole.

An important takeaway here is that growth is truly a long-term prospect. Achievements come in small increments, each one propelling you towards your ultimate goal. Thus, over the last decade, we’ve been shaping the conditions, the business, and the team required for the company we envision running in 30 years. One of the most valuable lessons learned is to have a long-term perspective and to construct with the future in mind.

What is your growth strategy?

At present, the company is thriving. We’re on a growth trajectory, with a team aligning their efforts to build our future vision and make a significant impact in Colombia. Each lesson learned to this point has been a catalyst for our growth within the country. However, we’re confident that we can extrapolate these experiences, using our knowledge and expertise, to achieve substantial growth in the region.

How do you foresee the upcoming years?

Leaders bear a substantial responsibility to maintain an integrated vision for ecosystem growth. It’s crucial to understand that this growth must be sustained, as numerous challenges and gaps remain unaddressed. Simultaneously, we must consistently seek stability; growth is essential, but it must be handled responsibly. We must continually pose important questions: How do we perceive the company in terms of numbers? How can we build sustainable organizations? How can we create value, not just for shareholders, but for all stakeholders? Addressing these issues will propel us towards accomplishing all previously mentioned objectives.

What opportunities have you identified in the energy sector?

By 2030, we’re equipped to address the existing energy challenges. However, for the challenges that 2050 will bring, we need to start developing the necessary technology now, as we’re currently lacking in that aspect. Therefore, there’s a significant opportunity in creating this technology and building a team with extensive technical expertise. This team will devise solutions that go beyond mere lab-based research, bringing them to market and shifting mindsets. We must understand that our region has the potential to create impactful innovations for the world. We possess the capabilities and opportunities (Klitech, for instance). To all readers, let’s collectively seize these opportunities and build this sector. After all, it’s a regional benefit. Greater innovation and product development will lead to increased growth for all of us.



Jose Esteban Rojas

Director at CVN,
ANDI of the
Future Company

What exactly does CVN do? And why is it a part of ANDI of the Future?

At CVN, we focus our efforts on searching for, organizing, and processing data and information to provide actionable market intelligence. This means we assist businesses in understanding their competitors, customers, suppliers, and overall market context using data-driven insights. We currently gather this data across Mexico, Central America, and all of South America, focusing mainly on foreign trade, finance, and economic indicators. We employ mathematical-statistical methodologies to process this data, creating valuable market indicators. Leveraging this information, companies can increase their sales, reduce their costs, discover new suppliers, enhance their negotiation tactics, and obtain answers to critical questions such as: how many competitors exist in a given market? How large is the market? They can also understand why a competitor may be more cost-efficient than their own company.

Our presence in the future-oriented ANDI is motivated by two reasons. Firstly, our core purpose is to assist companies in bolstering their competitiveness and fortifying their strategies. It is here that we find a common thread with ANDI in terms of shared objectives - this is why they were initially our clients before becoming our affiliates. Secondly, we firmly believe in the power of collective effort. A group unified by shared interests and a common purpose can contribute significantly to the betterment of our country.

What is the role and purpose of ANDI of the Future?

The role of ANDI of the Future in developing and invigorating the business ecosystem is marked by the innovative and sophisticated, high-impact value propositions that we, as affiliated entrepreneurs and chamber members, bring to the table. Entrepreneurs within ANDI of the Future can introduce innovation and productivity into companies. Achieving this necessitates the implementation of technology and novel developments.

Colombia is grappling with a significant issue of low productivity, and the pathway to improvement is paved with technological advances and innovative solutions. Consequently, within ANDI of the Future, we have a crucial resource to contribute to companies.

ANDI of the Future's primary objective is to foster dynamic, sophisticated, high-impact entrepreneurship within the country. Which in turn fortifies our competitive edge. Another key purpose of ANDI of the Future is to represent the interests of its members across various bodies. Beyond that, it aims to solidify the ANDI of the Future entrepreneurial community as a reference point within the ecosystem—a group of dynamic, sustainable companies that positively impact the entire ecosystem.

What are the major challenges facing entrepreneurs in Colombia?

Several significant challenges exist. Firstly, bridging the gaps we encounter is crucial. These gaps pertain to market access and bureaucratic hurdles, making it challenging to access customers. Additionally, we face a funding gap, which remains a substantial constraint for us. Finding banks that comprehend our business, that are willing to extend loans for growth, and that facilitate favorable conditions for us to mobilize and scale our business models, remains a task.

Another critical aspect we must address as a society is access to intellectual capital—the experience necessary to manage our businesses and the social capital required to navigate diverse dynamics.

Finally, across the board in the business sector, we face the challenge of accessing quality talent. It is becoming increasingly difficult to find skilled and qualified talent. One of the primary hurdles we, as entrepreneurs, must overcome daily is ensuring our people are proficient in English.

What is the importance of data in the ecosystem?

Data plays a pivotal role in the business ecosystem. By sharing information, entrepreneurs can pinpoint each other's positions and generate tools, programs, and support custom-tailored to each company's needs. A company just beginning its journey, freshly emerging from an incubator and starting to market its product, has different needs compared to businesses that are scaling up, growing in international markets, or those already consolidated.

This underlines the importance of data—we can better understand our structures, characteristics, and subsequently generate tools for each business. Another significant aspect is leveraging this data for benchmarking that is more aligned with our needs. This way, we have access to fundamental information like, for instance: What's the going rate for a Marketing Manager in a startup? Or the remuneration for a CTO in a business similar to mine? In the current business landscape, all of us spearheading companies are grappling with the same uncertainties. Having this benchmarking information at our disposal aids us in determining if we're providing competitive pay and similarly significant indicators. If shared, these indicators would boost our competitiveness. These indicators include, for example: How are we financing ourselves? Which banks offer better options? Which countries are the most attractive to enter?



Antonio Jiménez

CEO, Helppeople Software



What exactly is Helppeople Software, and what is it about?

Our primary mission is to assist our clients. We operate under the category of Response Management System and provide technology that enhances business agility. We identify and uncover inefficient, time-consuming responses in our clients' processes that result in financial loss. Our solution is to automate these processes, ensuring intelligent resource allocation. Our services guarantee process optimization, so businesses don't lose clients or money.

What are the major challenges you've faced as digital entrepreneurs?

One prevalent challenge that not only affects HelpPeople but other entrepreneurs as well, is the solitude that comes with forging one's own path. The evolution of ecosystems in Colombia has facilitated the formation of cohesive teams and synergies with fellow entrepreneurs. This environment fosters forward progress and helps prevent repeating past mistakes. Living by and sharing advice is critical to avoiding the pitfalls that come with navigating the entrepreneurial world.

What expectations do you have for the digital sector to bolster your competitiveness against other regional, national, and even international ecosystems?

I would classify our expectations into three categories, which align with our observations from the Digital Economy Cluster. First, we need support from public policy and industry associations to address the talent shortage in our industry, which currently lacks 161,000 software developers or programmers. This shortage has led to a highly competitive, and therefore, costly labor market. Human talent scarcity is a significant barrier to growth. The second element is a shift in mentality regarding what we should offer the market to advance

to the third element, internationalization. We must broaden our focus beyond local and national sales to avoid the "war of the penny". When we generate value and offer competitive pricing, it propels growth. Internationalization fosters a different mindset. It allows scalability, which, in the realm of software, equates to the number of users. Since software is manufactured only once, our future focus is on product development and growth. This strategic shift allows us to break free from traditional constraints. And capitalize on marketing potential for growth. Indeed, having a software product is crucial for achieving internationalization.

How has the entrepreneurial ecosystem facilitated the growth and development of help people?

I have been a member of the Software Federation for 20 years, which has provided invaluable networking opportunities. It's a natural ecosystem. Valle del Cauca, following Bogota, has more technology companies than Antioquia, making it the second-largest tech region. While other regions are building software parks, we have already established one, called Zonamerica. There is a need for more networking, empathy, and connection within our ecosystem. It's not sufficient for the same 20 companies to always be at the table when we have 860 companies in our ecosystem. We need to improve our invitation strategies to ensure everyone can contribute and capitalize on this ecosystem, which is much larger than it appears.

What is your perspective on the current digital transformation of companies?

I view the situation as critical because numerous companies are being founded, and many people are being advised that entrepreneurship is the best path. However, being an entrepreneur is not that simple. A successful entrepreneur must be an exceptional salesperson. Extraordinary ideas can lead to failure if they aren't effectively marketed. I believe the topic of entrepreneurship is highly overrated.



Omar Ramírez

Executive Director,
Fundación Coomeva



What role does Fundación Coomeva play in energizing and advancing the entrepreneurial and innovative ecosystem of the Valle del Cauca region?

Our primary goal is to foster entrepreneurship and bolster the Chambers of Commerce, with an emphasis on aiding businesses in their inception and strengthening stages. Our efforts allow these businesses to expand, increase sales, and create additional jobs. This facilitates a more dynamic business environment, paving the way for these businesses to even venture into exports. In doing so, we contribute significantly to the region's economic growth.

What initiatives is your organization pursuing to stimulate competitiveness and foster the development of the regional entrepreneurial ecosystem?

We have systematically enhanced our business mentorship roadmap. This roadmap, divided into stages, initiates with a comprehensive diagnosis of a company. This diagnosis employs ten criteria covering strategic, commercial, leadership, human talent, systems, and financial perspectives. Companies are encouraged to reinforce various areas based on this diagnosis. We then pinpoint the gaps or challenges they face, enabling us to outline a structured mentorship pathway. This process aids entrepreneurs significantly, allowing them to consolidate their ventures, refine their business structure, and achieve improved outcomes. This encapsulates our core activities.

What programs do you utilize to provide this support?

One of our initiatives is the "Propulsor" program, which begins with a diagnostic phase and subsequently offers a "The Entrepreneur's Hour" or "The Businessman's Hour", providing free direct consultation. We also

host programs like "Design and Launch, Learn to Start"; other ideation initiatives, and programs for digital SMEs. The company's current stage and the most appropriate programs for its business lifecycle stage determine the type of support provided. Indeed, a nascent company will benefit from different programs of lesser scope than those at more advanced stages, which receive a more in-depth intervention.

Lastly, could you speak on the strengths of our entrepreneurial ecosystem and your vision for its future over the next decade?

I believe that the Valle del Cauca region has been progressing robustly, keeping pace with, and remaining relevant to what's happening in Bogota, Medellin, and Barranquilla. We should not feel overshadowed; indeed, I believe we all work in unison towards a common goal. Furthermore, there are impactful programs like Valle Impacta and other initiatives developed by the Cali Chamber of Commerce. These initiatives serve as national benchmarks and are being emulated in other regions. This attests to the commendable work being carried out by the Chamber of Commerce. The region's universities also play a significant role, forming synergistic collaborations with other institutions to create an even greater impact. I firmly believe we're on the right path and must continue to dedicate ourselves to entrepreneurs and businessmen. Their success inevitably leads to job creation and regional development. We need to persist in our efforts to devise new programs and alternatives, which are on par with, if not superior to, global standards. After all, we're not only contributing to our country but also to the global business landscape.



“We need to transition from a venture-capital-backed model characterized by exponential growth yet unsustainable unit economics, to a model capable of maintaining organic and enduring growth. This will allow us digital and tech startups to prove that we can evolve into major corporations.”



Mateo Gómez

Director de Crecimiento Cielum Health

Cielum Health is a digital health startup, established in 2017 in Medellín. Our mission is to create wellness for patients and promote sustainability in health systems. This is achieved through the utilization of technology for risk management of both chronic and acute patients. Advanced analytics, software development, and the comprehensive knowledge of our care model all play a crucial role in realizing improved health outcomes.

What do you foresee as the hurdles for digital and tech startups in responding to global needs or challenges?

In addressing the obstacles digital startups face, two salient points come to mind: First, the sustainability of tech-based companies. It's necessary to move from a venture capital-dependent model that yields exponential but unsustainable growth, to one capable of fostering organic and long-lasting growth. By doing so, we can show that digital and technological ventures have the potential to morph into large corporations. Secondly, it's about harnessing the power of data. As digital startups, we continually collect data, prioritizing its value. The challenge lies in capitalizing on its potential using AI, ML, or deep learning models to enhance business operations, predict disruptions in value chains or future trends, and finally, to create business models built around this information.

Moreover, regulatory issues represent a significant challenge. There exists a gap in the understanding of technological dynamics and alternative business models by governments and legislative bodies. It's essential that this gap be bridged, leading to regulations that foster technological disruption and innovation. Additionally, the scarcity of tech talent, particularly in Colombia and Latin America, is a major issue due to the discrepancy between the pay scales of multinationals (especially those in the US and Europe) and what we, as entrepreneurs, can offer. This issue is just surfacing, given the recent surge in nearshoring initiatives in Colombia. It requires a strategic and legislative response, not merely to export technological labor, but to transition to the export of digital products.

Another significant matter is the integration of startups with corporate and governmental ecosystems. We can no longer operate as distinct industries. Instead, we need to unify our efforts to bolster capabilities in existing corporations and within the government. This, of course, calls for a higher level of sophistication from startups to effectively collaborate with these significant entities.

Lastly, a great challenge lies in our ability to monetize humanity's profound issues through innovative business models and technology. We should aim our technological disruption potential towards areas such as climate change, healthcare accessibility, poverty alleviation, among others. It's here that we need to design business models that can make a real impact on the world, while also being sustainable and profitable in the long run.

What technical skills should be fortified within the teams of digital and tech startups?

In my opinion, particularly within our industry, scientific validation is of utmost importance. In healthcare, scientific validation coupled with research capacity within companies stands as a critical factor. Our company, for instance, has grown exponentially due to our ability to differentiate ourselves. So, I believe validating models, value propositions, conducting research, and publishing in reputable, university-affiliated journals are crucial components to ensure the longevity of digital ventures.

The idea of recursion is also closely tied with the first point I mentioned above – the lesser reliance on venture capital and the move towards more sustainable organic growth models. Another key factor to cultivate is the entrepreneur's and the company's ability to conserve capital, optimizing resources for organic growth driven by recursion. I believe 'bootstrapping', and startups' resilience and adaptability will soon become the defining traits of successful ventures. Lastly, the challenge around data remains a pressing and tangible concern in Latin America. When I speak of data, I refer to everything from preparing data to analyzing it to create value-generating models, and ultimately, monetizing this data to produce alternative business models.

In light of the previously outlined challenges, where do you believe the Colombian entrepreneurship ecosystem's support entities should concentrate their efforts to stimulate the growth of digital and technological enterprises?

The organizations bolstering the entrepreneurship ecosystem in Colombia must transition to doing several things: firstly, it is crucial to shift towards supportive models fostering productive connections and ecosystem development. Today, a wealth of webinars and knowledge exist on the internet, within the network, and in the ecosystem, addressing how to raise capital, network, and develop products. Therefore, a shift in the focus of the entrepreneurship ecosystem's driving forces is called for. One of the most beneficial pieces of advice one could give an entrepreneur is: "Let me introduce you to customers, let me link you with customers and corporations that don't just buy from you but also validate your business model, help you learn, and guide you." I believe this is a monumental task that the institutions advancing entrepreneurship should start undertaking. We commend, for instance, ANDI's initiative with its 'startup friendly' certification for corporations.

The acquisition of tech talent is another crucial area. As we have always stressed, it is vital that we as an entrepreneurial ecosystem connect to hire such talent for industries that might not initially appear attractive. Our aim is to render these industries appealing and collectively cultivate the much-needed talent in the region.

Lastly, there's the ecosystem's Deep Learning. I believe we can draw numerous lessons from Israel in this area. When I refer to Deep Learning, I mean the ecosystem's ability to learn from the past lessons of other entrepreneurs. For example, should someone aspire to develop a technology that someone else has already created, it is essential that we communicate and leverage those insights, connecting teams, experiences, and technology. Thus, it is imperative to work in unison. The institutions that enhance entrepreneurship must enable us to do this to augment the country's technological competitiveness. iNNpulsa and Apps.co, for instance, enabled us—through various programs like Softlanding—to learn from the past experiences of entrepreneurs who had already launched operations in other countries, Mexico in our case. They helped us establish productive connections with clients in our target countries, propelling us towards our mission of generating well-being for over a billion people.



IXL CENTER

“Startups contribute significantly to the region’s competitiveness primarily for two reasons: they infuse agility into large corporations, and they offer a secure environment for validating projects”.



Carolina Chitiva

Senior Manager
Consultant (Business
Innovation, Growth &
Strategy) - IXL Center

What is the critical role and importance of startups in bolstering the competitiveness of the Caribbean Region?

Startups are a vital cog in the competitiveness wheel of the region, primarily because of two reasons: they inject agility into large companies and furnish a secure environment to validate projects. Startups bring a higher level of agility to the development and testing of novel products or services. In the context of large regional corporations, this flexibility can be a significant boon, given their inherent bureaucratic structure and culture. This agility also facilitates faster progress, enabling quicker validations and tests at regional and local levels, with potential scalability to national or international levels once proven effective. Additionally, startups furnish a safe testing and interaction environment for companies or other organizations, which could be guilds and universities, without adversely impacting the organization’s metrics.

How can startups help to transform the socioeconomic and cultural paradigm of our region, especially considering that we are not pioneers in these enterprises?

One effective method to stimulate the ecosystem and draw in such entrepreneurs is by providing incentives that extend beyond monetary benefits, to facilitate connections between these entrepreneurs or startups and potential partners or buyers. By fostering a network ecosystem for startups, at both the corporate and end-user levels, we ensure that they feel backed when launching their product or service. This support comes from the ease of connecting with users, customers, or beneficiaries of the product or service in question.

We propose initiatives that should be a collaborative effort, taking into account not just startups, but also corporations, universities, guilds, and Chambers of Commerce. The goal is to build a robust network among the various players within a regional ecosystem, promoting sustained results and long-term relationships.



“Challenges range from securing capital, which serves as the lifeline for creation and implementation, to retaining skilled technical personnel”.

Carolina Huertas

CEO,
AgrodatAI



What is the critical role and importance of startups in bolstering the competitiveness of the Caribbean Region?

In the journey of boosting and strengthening technology-based startups that choose to innovate in Colombia, the ecosystem grapples with various challenges. From securing capital, which serves as the lifeline for creation and implementation, to retaining skilled technical personnel - a task that has grown more complex post-pandemic as international companies present attractive salary packages that are challenging to match.

Nevertheless, our entrepreneurship ecosystem has been steadily solidifying, creating opportunities for entrepreneurs to access a plethora of mentorships to refine their competencies, and fostering partnerships with institutions offering monetary and technological resources, among other benefits.

What hurdles and opportunities does technology entrepreneurship face in Colombia?

One of the key barriers to technology entrepreneurship in rural Colombia is the limited access to the internet among inhabitants of these areas. Approximately only 28.8% of rural households have this service. Not to mention the use of devices like computers, tablets, and laptops or the technological prowess of agricultural producers. Despite this, optimism is found in the expanding use of smartphones in rural areas and the eagerness of farmers to be educated in the use of technologies. With these promising developments, we only need to employ our collective imagination to adapt to our country's realities and our producers' needs. This could mean sending advanced technology through low-tech mechanisms or hybrid schemes that blend virtuality with reality.

What growth did you experience in 2021?

We saw a 365% increase in producer users and a 128% rise in revenues.



Claudia Benavides Salazar

Executive Director,
Incubar



Ph.D. with over 20 years of expertise in university-level teaching, managing innovation projects, and entrepreneurship. A business consultant and advisor with over 65 projects and companies in areas such as fostering capacity for building a technological base, and constructing and fortifying entrepreneurial ecosystems in intermediary regions.

What are the present-day challenges faced by digital and technological enterprises in providing an optimal and timely response to both national and international market needs?

There are four main challenges. The first, cited in Colombia's Entrepreneurship Law, relates to improving or evolving the mindset and culture of the digital and technological entrepreneur. Specifically, the ability to transition from merely developing solutions to having a global vision for understanding and contributing towards resolving a global need or problem with scalability potential. In the competitive startup landscape, it is vital that ventures equally prioritize productive and technological development capacities, as well as maintaining an "obsession" with the problem or need that could potentially have a global scale. This balance will enable them to access larger markets and establish clear scaling processes.

Alongside this, the ability to create high-performance teams and connect with purpose-driven individuals is of the essence. Networking is a fundamental factor in the dynamics of digital and technological entrepreneurship, aiding the achievement of set goals.

The second challenge pertains to business models, especially in digital ventures. The transition between customized developments of platforms or SAS business models has not been swift nor straightforward. The model promoting scalability is geared towards global solutions. Custom development is neither the path forward nor sustainable.

The third challenge revolves around achieving more sophisticated technological developments. Being a digital venture with some technological capability is no longer sufficient. Currently, enterprises are setting themselves apart or evolving by integrating fourth industrial revolution technologies into their business models, such as artificial intelligence, augmented reality, IoT, Blockchain, Big Data, among others. Incorporating these into the production process can render models scalable, and in some instances, exponential.

Lastly, the everyday challenge for any entrepreneur is "the market." This includes not only customers, users, or beneficiaries, but also investments. Scaling digital and technological ventures necessitates not only clear signs of traction and near-daily growth but also investments during different stages beginning from the pre and seed phase. In Colombia, this stage of investment remains a gap that needs addressing.

How has your organization's support of digital and high-impact technological enterprises contributed to their expansion?

Today, it's worth noting, digital and tech entrepreneurs can participate in acceleration programs globally, a shift hastened by the pandemic. This new landscape offers access to modern methodologies, agile processes, potential investment opportunities, global markets, and collaboration networks—thus unlocking various business possibilities and contacts. In light of this and our deep understanding of the entrepreneurs' needs, we continually analyze, devise, and strategize how to evolve our services to deliver timely value amidst the rapidly-changing world.

Incubar, our technology-based business incubator and accelerator, operates from a mid-tier city offering a rich connection to the entrepreneurial ecosystem, though it also brings certain constraints in market size and mentality. We consistently refine and upgrade our services, and believe that the most significant value we can deliver to our entrepreneurs lies in connecting them to other ecosystems with a global perspective and services.

Our constant evolution ensures we keep our value proposition in tune with entrepreneurs' needs. We currently operate under a Startup Factory model that offers supportive services across four key sectors—ICT, Biotech, Circular Economy, and Silver Economy—operating on an end-to-end model: from idea conception to securing investments. Our support evolves in line with the entrepreneur's journey, product development, relationship building, and financing or investment needs. Of course, we never lose sight of the importance of business structure and corporate governance, fundamental aspects of the growth process reflected in the North Star Metric (NSM) set by each entrepreneur.

What steps should be taken in the public and private sectors to successfully enable Colombian digital ventures to scale their business models globally, addressing worldwide issues?

The initial action that lends sustainability to any strategy is fortifying institutional structures, which enhances the overall capability and coordination of ecosystems. Regions need to bolster institutional support for digital and technological enterprises—incubators, accelerators, and technology transfer offices, among others. Just last year, iNNpulsa, with Incubar's support, launched Aldea Explora, a program centered on transferring incubation abilities to 19 different entities and incubation programs nationwide, effectively multiplying the potential for entrepreneur support sevenfold.

Public-private collaboration has proven an efficient strategy for this purpose, as evidenced by iNNpulsa since its inception.

Programs must aim to bridge gaps not just within individual territories, but also among regions. For instance, differences between major cities and intermediate ones, as well as those between capital cities and municipalities in subregions.

A second action should be to foster or facilitate the entry of entrepreneurs' technological products into the market, advancing towards a Minimum Viable Product (MVP), and from there, charting a path for scalability and growth. This requires the deployment of smart capital and resources such as testing facilities, developers, supplies, materials, and more. Such an action would demand a recalibration of some existing strategies in Colombia, thereby directing support strategies with a product-focused approach.

Lastly, a third action would aim at creating support services or programs that generate open innovation challenges to spur problem-solvers to target their ideas towards global solutions, moving beyond the realm of "customized solutions" with a strategy that smoothly transitions to the market.

COLOMBIA TECHREPORT

*Beyond The Data
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Our report is founded on the data harvested until March 2023. It is important to note that this data may change as time progresses. For up-to-date information, we recommend that you visit our portal regularly, where you will find the latest and most relevant data.

It's crucial to factor in this precaution when making decisions grounded in the data this report offers.

