



El progreso
es de todos

Mincomercio

COLOMBIA AND KOREA

BUILDING BRIDGES THROUGH
INNOVATION AND ENTREPRENEURSHIP

AUGUST 2021

impulsa
Colombia

COLOMBIA
NACIÓN
EMPREDEDORA

This document was prepared by the team at iNNpalsa Colombia, the entrepreneurship and innovation agency from the Government of Colombia, on the occasion of the State Visit of the Republic of Colombia to the Republic of Korea in August 2021.

It seeks to provide a general overview of the entrepreneurship and innovation ecosystem in Colombia and the joint efforts to connect it with the Korean ecosystem.

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WHY COLOMBIA?



Colombia is aiming to position itself as the regional leader in entrepreneurship and innovation in Latin America

— Opportunities

Its location

At the center of Latin America with excellent air connectivity to major cities around the region and in the U.S.

Business Environment

World Bank's 2020 Doing Business survey, ranks Colombia as the third best business environment in Latin America, after Chile and Mexico.

Favourable environment for foreign direct investment (FDI)

Colombia is one of the largest recipients of FDI in Latin America and one of the best countries to invest in Latin America.

Consolidated business ecosystem

Despite the pandemic, in 2020 104,617 new businesses were created in Colombia. 51% of them are owned by women.

There is a consolidated digital ecosystem with 2 "Unicorns",

Rappi and LifeMiles, and fast-growing start-ups such as Platzi and Eforcers.

In 2019, Japan's Soft Bank invested USD \$1 billion in Colombian delivery Rappi.

Trade liberalization and economic development

Thanks to trade liberalization measures, Colombia's international trade reached US\$ 74 billion in 2020.

According to the Central Bank's most recent Exchange Balance report:

Foreign direct investment (FDI) flows from January to April 2020 amounted to a total of **US \$3.533 billion** –an increase of US \$165.5 million compared to the same period in 2019.

— Key startup ecosystems are: Bogota, Medellin and Cali

— Sectors with the largest potential in Colombia:



Fintech

Colombia is the 3rd largest FinTech market in Latin America.



EdTech

Colombia is among the four countries in Latin America with the greatest development in EdTech.



AgroTech

According to a study by IADB and GSMA, Colombia has launched more digital tools for agriculture than any other country in Latin America.



HealthTech

There are approximately 90 startups in the HealthTech sector in Colombia.



Green businesses

Colombia's Long Term Climate Strategy commits to a reduction by 2050 of approximately 90% of GHG emissions from those reported in 2015.



Creative Industries

Colombia is characterized by having one of the largest and best qualified creative workforce in the region.

R&D in Colombia

— **38%** of company revenues in manufacturing companies are invested in R&D.

— The National Government has an annual quota of up to **USD \$130million** in tax benefits for businesses that invest in STI projects.

— **24** Digital Transformation Centers to support MSMEs from the public-private sector.

— **2,121** patent applications in 2020 and 991 patent applications so far in 2021.

— **22,000** research articles published in 2018.

— **+13,000** researchers recognized by the Colombian Ministry of Science, Technology and Innovation.

Regulatory and Policy Framework to promote entrepreneurship

The government of Colombia is committed to creating a favorable environment for entrepreneurship.

— Entrepreneurship Law (Law 2026 of 2020):

Pillar 1:

Differentiated rates and simplification.

Pillar 2:

Public Purchases.

Pillar 3:

Financing.

Pillar 4:

Institutionality.

Pillar 5:

Education and Development for entrepreneurship skills.

Seeks to generate opportunities for the promotion, stimulation and encouragement of business development and introduces several financial and regulatory incentives for entrepreneurs

— **National Entrepreneurship Policy (Conpes 4011 of 2020)** to strengthen the development of skills and enable conditions for an articulated entrepreneurship ecosystem.

— **National Science, Technology and Innovation Policy (2021-2030)** to make Colombia one of the three leading countries in Latin America in terms of the generation, use and appropriation of scientific and technological knowledge.

— **Digital Transformation Policy (Conpes 3975 of 2019)** to enhance the generation of social and economic value in the country through the strategic use of digital technologies in the public sector and the private sector, to boost productivity and promote the wellbeing of citizens.

COLOMBIAN INNOVATION AND ENTREPRENEURSHIP ECOSYSTEM





iNNpuls Colombia is the entrepreneurship and innovation agency from the Government of Colombia.

We are part of the Colombian Ministry of Trade, Industry and Tourism.

At iNNpuls Colombia we:

- Accelerate the growth of entrepreneurs.
- Scale companies with innovation.
- Provide and promote financing alternatives.
- Strengthen Colombia's entrepreneurial mindset and culture.
- Connect the entrepreneurship and innovation ecosystem with CEmprende.
- Promote a regulatory framework favorable to entrepreneurship and innovation.

iNNpulsa has developed 86 programs to strengthen entrepreneurs and businesses in Colombia. The most important initiatives are:



A network of physical and virtual spaces, focused in the generation of collaborative spaces, the centralization of the available offer for entrepreneurs and the consolidation of the entrepreneurship ecosystem.

14,850 entrepreneurs registered.

Partnership with **193 ecosystem actors** (12 Chambers of Commerce, 107 private companies, 42 universities and 32 public entities).

More than **30,000 beneficiaries** from more than 400 programs.

19 CEmprende centers in operation.

Target sectors:

- 1. FinTech | 2. EdTech | 3. AgroTech | 4. HealthTech |
- 5. Green businesses and social impact | 6. Creative Industries

2021 projection: 30 locations | 23 departments + Israel office Branch



CEmprende brings together an ecosystem that consists of private companies, academic institutions, local governments and chambers of commerce:





Connects the Colombian ecosystem with organizations around the world





**Estrategia
España Nación Emprendedora**

**WORLD
ECONOMIC
FORUM**

**EXPO
2020
DUBAI
UAE**

**Global Green Growth
Institute**

P4G
Partnering for Green
Growth and the
Global Goals 2030

BORN2GLOBAL
Global Startup Hub

GCCEI

sba

**ISRAEL
START-UP NATION**

רשות החדשנות
**Israel Innovation
Authority**

NIA
NATIONAL INNOVATION AGENCY

**THE UNIVERSITY
OF QUEENSLAND
AUSTRALIA**

**Enterprise
Singapore**

LAB

Combinator

INDIE BIO
INNOVATION COMPANY

LAI
LABORATORIO DE INNOVACION

LAI
LABORATORIO DE INNOVACION

Prodem
Investigación, acción, aprendizaje

Other relevant initiatives at iNNpulsa Colombia

— Aldea Route

Group of programs aimed at high-impact entrepreneurs, scalable companies, accelerators and entities with programs of acceleration or incubators.

· More than **20.000** entrepreneurs served.

· **2.100** entrepreneurs accelerated.

· **Soft Landing Program:** seeks to encourage the growth of Colombia's high-impact enterprises by opening new international markets.

— Mega INN

Potentiates innovation by strengthening capabilities and consolidating of relationships between actors so that companies, SMEs and start-ups can meet the opportunities and demands of their targeted markets with differentiated value.



The first Govtech Lab of Colombia and Latin America that accelerates the Government's digital transformation by connecting it with SMEs that make use of exponential technologies and innovative methodologies to provide better public services, promote management projects, and strengthen their digital infrastructure.

— iNNpulsa Capital

Attracts venture capital including foreign investment funds.

City-led initiatives

Ruta-N in Medellin



Founded in 2009 as a regional innovation agency to support Medellín's transition from an industrial city into a knowledge city.

Strategic priorities:

- Attract talent, capital and global companies to the city.
- Develop and strengthen the innovative and entrepreneurial business network generate STI solutions to the city's challenges.

Science, Technology and Innovation District in Bogota



Bogota is developing a hub to consolidate the innovation and entrepreneurship ecosystem, to boost the economy and social wellbeing, promote social welfare, and position the city as a hub for R&D, at an international level.

FORMAL PARTNERSHIPS BETWEEN THE KOREAN AND COLOMBIAN ENTREPRENEURSHIP ECOSYSTEM THROUGH INNPULSA COLOMBIA



- In recent months, iNNpulsa Colombia has built partnerships with several institutions and major Korean innovation and entrepreneurship agencies in the areas of technology, industries 4.0, green businesses, creative industries and social innovation.

Line of Cooperation	Institution	Description of partner	Object of cooperation
Creative industries and Industries 4.0	Seoul Business Agency (SBA)	SBA is a business support institution for SMEs (Small and Medium-sized Enterprises) in Seoul, run by Seoul metropolitan government.	MOU signed on 6th August 2021 to strengthen Industries 4.0 and the creative industries.
	Born2Global	Korean government agency that is part of the Ministry of Science and ICT that contributes to the national startup ecosystem. Each year, Born2Global selects more than 100 startups with high potential to enter the global market.	MOU signed on 16th June 2021 to expand the global market and strengthen the Deep-Tech ecosystem. In addition, there is a partnership with IADB Labs to foster joint ventures between Colombian and Korean startups.
	Gyeonggi Center for Creative Economy & Innovation (GCCEI)	Startup accelerator specializing in harvesting interconnected ecosystems.	MOU signed on 27th July 2021 to strengthen the connection between the Korean and Colombian innovation and entrepreneurship ecosystems and transfer knowledge.
Sustainability and innovation in green businesses	Global Green Growth Institute (GGGI)	International intergovernmental organization dedicated to support and promote strong, inclusive and sustainable economic growth in developing countries and emerging economies.	Joint venture to apply for resources from the Korean Cooperation Agency (KOICA) to finance a project to increase the capacities of Colombian SMEs to make them more sustainable, competitive and generate green jobs for women and young people.
	P4G	Global platform that accelerates innovative multi-stakeholder partnerships for transformative change in food, water, energy, cities and the circular economy.	Partnership to support ventures that focus on sustainability, social innovation, and SDGs for the P4G 2021 Summit in Korea. Now we want to come together to actively participate in the P4G 2023 Summit to be hosted in Colombia.
Social innovation	Embassy of the Republic of Korea in Colombia	Korean government's diplomatic mission in Colombia.	Cooperation agreement to implement a pilot program for the development of innovative enterprises that focus on generating income to benefit the Venezuelan migrant population and Colombians who returned from Venezuela.

CONTACT

Bogota (57)(1) 743 79 39
Calle 28 No. 13 A 15 Floor 37th
Bogota - Colombia.
info@innpulsacolombia.com
www.innpulsacolombia.com

   innpulsa colombia

  @innpulsacol

