The Landscape of Entrepreneurship Support in Colombia:

Challenges, opportunities, and a path forward

BridgeforBillions
connecting growth

ASPEN NETWORK OF DEVELOPMENT ENTREPRENEURS
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Bridge for Billions and ANDE

This report is a collaborative effort between **Bridge for Billions** and the **Aspen Network of Development Entrepreneurs (ANDE)**, two organizations committed to strengthening the entrepreneurial ecosystem in emerging economies.

Bridge for Billions is a social enterprise founded in 2015 with the mission to democratize access to entrepreneurship. It provides entrepreneurs with the tools and guidance needed to transform their ideas into sustainable businesses, having supported thousands of founders in over 100 countries through one of the world's largest online entrepreneurship program networks. This report is part of a new strategic research initiative developed within its flagship program, **Conecta**, which supports both entrepreneurs and the support organizations that accompany them.

The **Aspen Network of Development Entrepreneurs (ANDE)** is a global network of over 230 organizations that promotes entrepreneurship in emerging economies. As an initiative of the Aspen Institute, ANDE's mission is to strengthen organizations that support Small and Growing Businesses (SGBs) as a strategy to solve social and environmental problems and improve quality of life. With a proven track record in mapping and analyzing investment and entrepreneurship ecosystems in Latin America since 2013, ANDE is a leading voice in the sector, providing knowledge, training, and policy advocacy to support SGBs.

Letter from the CEO of Bridge for Billions.

Pablo Santaeufemia

Letter from the CEO of Bridge for Billions

Dear allies,

The paradox is clear: while Colombia's entrepreneurs rise, the organizations that sustain them remain dangerously fragile. This report on Colombia's entrepreneurial support ecosystem, developed with **ANDE**, highlights both the remarkable contributions of **Entrepreneurship Support Organizations (ESOs)** and the fragility of the foundations on which they operate.

Colombian ESOs achieve extraordinary results. **Programs reach completion rates above 80%, and more than two-thirds of the businesses they support survive beyond their first year.** These organizations are not just building companies—they are creating jobs, generating local innovation, and ensuring that women, youth, and underrepresented entrepreneurs are part of Colombia's growth story. Yet behind these achievements lies a deeper challenge: the very system that enables this impact is itself unstable.

Most ESOs operate project to project, with limited flexibility to plan long term or invest in their own sustainability. Collaboration remains fragmented, with no permanent national association to unify their voice. Support for later-stage ventures is scarce, leaving a "scaling cliff" that prevents many promising entrepreneurs from growing into job-creating businesses. And, despite widespread impact, weak monitoring systems prevent ESOs from demonstrating their long-term value to funders and policymakers.

At Bridge for Billions, we see this paradox across many ecosystems: the very organizations that make entrepreneurship possible are themselves struggling to survive. Our **purpose** is clear—to enable more early-stage entrepreneurs of all kinds to thrive, creating jobs and solutions so that our economies can sustainably meet the needs of all. This mission depends on strong, sustainable ESOs. Without them, inclusive entrepreneurship in Colombia cannot scale.

The path forward is also clear. This report calls for:

- The creation of a national ESO coordination platform to strengthen collective advocacy and foster collaboration.
- A shift from short-term projects to long-term, flexible financing models that empower institutional growth.
- Targeted investment in scale-up pathways that connect ventures to capital, corporations, and markets.
- Shared, long-term impact metrics that capture real outcomes and build the evidence base for sustained investment.

These recommendations align fully with our **Conecta strategy**, which supports ESOs in co-creating programs, strengthening their financial and operational sustainability, and activating partnerships to transform fragmented ecosystems into collaborative, resilient networks.

Our **2033 vision** is bold: to support over 100,000 entrepreneurs, generate 1 million jobs, and positively impact the lives of 1 billion people. Colombia has the talent, institutions, and entrepreneurial drive to lead this vision. But achieving it requires urgent action to ensure that ESOs are no longer fragile, but empowered as central actors in the country's development.

This report is not just an analysis—it is a call to act differently. To funders, policymakers, and ecosystem leaders: the future of entrepreneurship in Colombia will be determined by how you support the organizations that make it possible.

With commitment and urgency,
Pablo Santaeufemia
CEO & Co-founder
Bridge for Billions

Letter from the Latin America Regional Director of ANDE

Pedro Martínez

Dear ecosystem builders and allies,

The data is clear. Entrepreneurship is one of the most effective and efficient strategies to solve social and environmental challenges while creating social mobility across the Global South. But the organizations that make this possible are struggling to survive.

This time, we worked with one of our members, Bridge for Billions, to develop this report on Colombia's entrepreneurial support ecosystem. I want to recognize José Ibañez and Bárbara de la Garza from our ANDE team who led this research effort. Together, we wanted to add critical evidence to help address a persistent disconnect we have been observing. Colombian ESOs achieve remarkable results with the ventures they support. But these same organizations that create such meaningful outcomes face chronic instability themselves. They depend on project-based funding, lack a unified voice, and struggle to demonstrate their systemic value.

At ANDE, we have spent over a decade strengthening these critical organizations across Latin America. Our updated strategy recognizes a fundamental truth: sustainable entrepreneurial ecosystems require locally owned, evidence-based support structures. We are not importing Silicon Valley models; we are building capacity where entrepreneurs actually live and work.

I encourage you to use this report as your advocacy tool. Take it to local governments, foundations, and family offices. Show them that investing in ESOs is not charity, it is economic infrastructure. Every dollar that strengthens these organizations multiplies into businesses launched, jobs created, and communities transformed.

The findings here mirror patterns we see across our eight regional chapters: fragmented funding, uneven territorial inclusion, and limited measurement capacity. The solutions must therefore be systemic: collective action, flexible financing, and shared metrics that capture real impact.

This is not just analysis. It is ammunition for change. To ecosystem leaders, funders, and policymakers: let's act differently, starting today. The future of entrepreneurship in Colombia depends on it.

Let's build ecosystems that last.

Executive Summary

Colombia's entrepreneurship support system shows a clear paradox: it is mature and mission-driven, anchored by long-standing, mostly non-profit ESOs, yet structurally imbalanced and financially fragile. The backbone is concentrated in the Andean region, while later-stage support is scarce, creating a "scaling cliff" that limits the growth of promising ventures. This report distills ground-truth evidence from 36 Colombian ESOs and collective roundtable insights to inform practical, system-level action.

> *"Our biggest challenge is sustaining and growing our support programs. Short funding cycles force us to spend more time chasing the next grant than standing by the entrepreneurs who need us most."*
>
> – **ESO leader,** open-ended response from the survey

This report is a situational analysis with advocacy purposes, designed to give ESOs a collective voice and provide a roadmap for systemic change.

By reading this report you will get:

- An evidence-based snapshot of how Colombian ESOs *actually* operate, whom they serve, and where the pipeline breaks.
- A clear diagnosis of systemic constraints: geographic concentration, funding precarity, and weak scale-up pathways.
- A practical agenda for action co-informed by roundtable insights on financing, measurement, inclusion, and investment readiness.

A resilient but fatigued ecosystem

Colombia's ESO landscape is seasoned and inclusive, with a strong non-profit backbone (64%) and a high share of consolidated or historic organizations (58% with 11+ years). Yet opportunity is unevenly distributed: service reach is concentrated in the Andean region (44%), while territories such as Amazonia and Orinoquía remain thinly served. This geographic imbalance creates a two-track system in which location often determines access to quality support.

Beneath the surface, the pipeline reveals a structural design problem. ESOs engage very large numbers at early stages (≈310 people per ESO in pre-ideation), but support falls sharply as ventures mature (87 in incubation; 49 in acceleration; 35 in scaling). Only about 14% of ESOs predominantly focus on the scaling/growth stage. The result is a funnel that is wide at the top and hollow at the end: an ecosystem excellent at starting companies but under-designed to help them grow into job-creating firms.

Four system frictions hold back potential:

1. **Chronic funding fragility:** Most ESOs operate under a grant-to-grant logic that prevents long-term planning and weakens institutional memory. With limited access to unrestricted or multi-year funding, organizations must constantly reorient their programs to fit donors' shifting priorities, often at the expense of strategic continuity and impact measurement. This short-termism also hinders professionalization and innovation as staff energy goes into fundraising rather than improving methodologies or scaling what works.

2. **Geographic concentration:** The country's entrepreneurship support network remains heavily centered in Bogotá and the Andean region, while organizations in the Caribbean, Pacific, and Amazonian areas operate with fewer resources and weaker institutional connections. The uneven territorial presence of ESOs translates into unequal access to quality support for entrepreneurs, especially those in rural or post-conflict regions. Without more decentralized infrastructure and investment Colombia risks deepening regional gaps in entrepreneurial opportunity.

3. **A "scaling cliff":** While Colombia has built strong capacity for early-stage incubation, too few ESOs specialize in supporting ventures beyond the start-up phase. Entrepreneurs ready to grow face a void of tailored services, such as investment readiness, corporate connections, and market expansion support. The absence of structured pathways between ideation and scale means many promising businesses plateau prematurely, unable to access growth capital or professional mentorship.

4. **Measurement that misses what matters:** Despite widespread commitment to impact, monitoring systems focus mainly on short-term outputs, like the number of participants trained or businesses launched, rather than on the endurance and growth of ventures over time. Long-term outcomes such as job creation, revenue growth, or investment raised two to three years after support are rarely tracked. The lack of shared indicators and follow-up data makes it difficult to demonstrate ecosystem-wide impact or attract catalytic investment into the sector.

An agenda for collective action

1. **From fragmentation to a cohesive sector. Establish a national ESO coordination mechanism** to advocate, co-design policy, and run joint initiatives (consortia, shared services, mentor/alumni networks).

2. **Forge sustainable, blended financing.** Shift from short and project-tied grants to **multi-year core funding** and deploy **blended-finance instruments** that de-risk and crowd in private capital.

3. **Build the bridge to scale.** Invest in high-quality incubation and **targeted scale-up services** (corporate venture-client links, investment readiness, commercial capabilities), with differentiated routes for necessity vs. opportunity entrepreneurship.

4. **Collaboratively measure what matters.** Adopt shared, **long-term outcome metrics** and align reporting to them, improving evidence for policy and capital mobilization.

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Definitions and acronyms

- **ESO (Entrepreneurship Support Organization):** A general term for any organization, such as an incubator, accelerator, university center, or innovation hub, that provides entrepreneurs with critical resources like training, mentorship, networks, and funding to help them start, grow, and sustain their businesses.
- **SGB (Small and Growing Business):** A commercially viable business with 5 to 250 employees that has significant potential, and ambition, for growth. ESOs often focus on supporting SGBs due to their high potential for job creation and economic impact.
- **M&E (Monitoring and Evaluation):** The process by which organizations track and assess the performance and impact of their programs over time. In the context of this report, it refers to how ESOs measure the success of their interventions and the progress of the entrepreneurs they support.

Stages of the entrepreneurial journey

The following stages, based on the provided framework, describe the typical path a venture follows from concept to growth. ESOs design their programs to support entrepreneurs at one or more of these specific stages.

- **Pre-ideation / Entrepreneurial Mindset:** This is the foundational stage that occurs before a concrete business idea is formed. Support activities focus on the **promotion of an entrepreneurial culture and mindset**, helping potential founders develop the basic skills and orientation needed to identify opportunities.

- **Ideation:** The earliest stage, where an entrepreneur develops an initial idea. Support activities focus on **design thinking, prototyping, and customer discovery** to test the concept's viability.

- **Incubation:** The stage focused on building a solid foundation for the business. ESOs help entrepreneurs **search for and validate market fit** and develop a **minimum viable product (MVP)** or service.

- **Acceleration:** The growth phase where a business has an established product and begins to acquire its **first customers and employees**. Support is geared towards refining the business model and preparing for growth.

- **Scaling / Growth:** The most mature stage, where a validated business focuses on expanding its reach and impact. For some ventures, this means **scaling** in the traditional sense, rapidly increasing operations and internationalizing to capture a large market share. For others, it means pursuing sustainable **growth** by deepening their market presence, diversifying services, or strengthening their financial stability without necessarily aiming for exponential expansion. Support at this stage is tailored to the specific goals of the venture, whether it be market expansion, operational efficiency, or securing strategic investment.

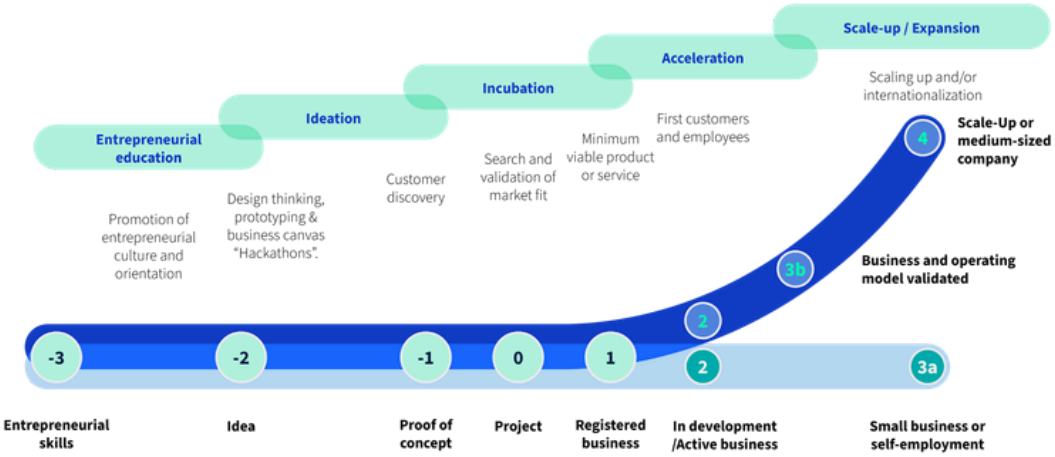

Figure 1: Stages of entrepreneurial journey

1. Introduction & methodology

1.1 Context, purpose and objectives

The story of Colombia's entrepreneurial ecosystem is one of remarkable resilience and ambition. For decades, the narrative has been shaped by a strong public policy commitment, starting with the pioneering *Law 1014 of 2006* to foster an entrepreneurial culture (Secretaria General Iberoamericana, 2017). This foundation has given rise to dynamic, globally recognized hubs in Bogotá and Medellín, supported by key institutions like **iNNpulsa** and **Ruta N**. The results are visible on the world stage: Colombia has steadily climbed global innovation rankings, with all its major cities showing positive momentum (StartupBlink, 2023). Colombian ventures, particularly those applying to accelerators, have demonstrated impressive maturity, often outperforming their regional peers in generating early revenue and employment (GALI, 2019).

Major reports have expertly diagnosed these macro trends, pointing to a landscape where globally competitive hubs coexist with deep regional inequalities, particularly in areas like the Amazonia, which contributes only 1% of Colombia's GDP despite its vast size (BID Lab, 2024). But a critical voice has been missing from this story: a unified, ground-truth perspective from the **Entrepreneurship Support Organizations (ESOs)** themselves.

While high-level analyses have sketched the outline of the ecosystem, the operational reality of the incubators, accelerators, and university centers that do the daily work of supporting entrepreneurs has remained fragmented across various studies. *How do they navigate a system dominated by "survival entrepreneurship", where up to 90% of new ventures are born from necessity (*Rodriguez-Vahos, Aparicio, and Urbano, 2025*)? What are their actual models of intervention? And what do they see as the most critical barriers to their own sustainability and the success of the ventures they serve in a landscape where financing, regulation, and retaining talent remain persistent hurdles (*Kantis & Federico, 2024*)?*

This report answers those questions. It moves beyond existing literature to provide a comprehensive, ground-up **situational analysis of the Colombian ESO ecosystem**, built on original data from 36 organizations and the direct testimonies of their leaders. This is a report with an **advocacy purpose:** to give ESOs a collective voice and to present an evidence-based case for systemic change to the funders and policymakers who shape their world. The aim is to reveal its fractures and provide a practical roadmap to repair them.

A tool for strategic action
This report is designed as a practical tool for driving change.

For ESOs, this report is a source of evidence and a call for collective action. Use this data to validate your challenges, identify peers for collaboration, and build a unified voice to advocate for the support you need.

For funders and policymakers, this report is an urgent call to fix a broken system. Use these insights to understand the consequences of short-term funding cycles and fragmented policy, and to co-design the stable, long-term financial and regulatory frameworks that are essential for unlocking Colombia's full innovative potential.

For the broader entrepreneurial ecosystem, this report provides a shared understanding of where the real bottlenecks lie, allowing for better alignment of resources and a more coordinated effort to help entrepreneurs move from idea to growth with consistent and effective support.

1.2 Conceptual framework

The analysis is organized around two complementary pillars. The **first pillar** (Sections 2, 3, and 4) examines the internal *working recipe* of ESOs. It describes *what they do*, *what they achieve* and *whom they serve*. Using the two surveys as primary sources, it documents ESO service models, the types of entrepreneurs and enterprises they support, and the results they generate Immediate outputs, such as program reach, participation, and service delivery, are distinguished from longer-term outcomes that capture entrepreneurial progress after program completion, including business survival, revenue generation, investment raised, and employment created. This pillar provides a detailed, evidence-based account of the functions, performance and beneficiary profile of ESOs across Colombia.

The second pillar (Sections 5 and 6) explores the broader system in which ESOs operate. It captures the enablers and constraints that shape their effectiveness and sustainability. Here the surveys supply comparable data on barriers faced while a roundtable with ESO leaders and ecosystem stakeholders adds qualitative depth. Insights from these discussions highlight systemic issues and collective requests to policy makers, investors and peer organizations, complementing the quantitative findings and pointing to priority areas for coordinated action.

Together, these two pillars provide a structured manner to understand how ESOs function internally and how external conditions influence their capacity to deliver outcomes. By combining quantitative and qualitative evidence, this framework supports a practical and nuanced assessment of the ESO landscape in Colombia and informs actionable recommendations for strengthening the ecosystem.

1.3 Methodology

This analysis combines two sequential surveys with a national roundtable discussion, conducted between April and August 2025. The design ensures that findings are grounded in validated quantitative data while enriched by qualitative insights from ecosystem stakeholders.

Survey 1: Mapping the landscape
The first survey was a short questionnaire designed to identify and map active ESOs across Colombia. It collected basic information on each organization's legal form, services offered, target populations, and geographic reach. In addition, Survey 1 included two questions directed at financial investors, with the aim of capturing their perception of market conditions. Survey 1 was deployed between April and June 2025. Invitations were distributed via email to known organizations and through partner networks to broaden coverage. The responses established the baseline dataset of active ESOs and provided an initial picture of their role and services within the ecosystem.

Survey 2: Deepening the analysis
The second survey was sent exclusively to organizations that had completed Survey 1. Conducted between July and August 2025, it gathered more detailed information on ESO capacities, funding models, service delivery, and results. This allowed for an assessment not only of program reach but also of the effectiveness and sustainability of ESO interventions.

Roundtables: Capturing systemic perspectives
In parallel, Bridge for Billions and ANDE convened a national event in Bogotá D.C. in May 2025 to present the first insights from Survey 1. The event brought together ESO representatives, ecosystem leaders, investors, and broader stakeholders.

After sharing the preliminary findings, particularly on the challenges most frequently reported by ESOs, participants were divided into roundtables to discuss five specific issues in depth. The discussions generated qualitative insights on barriers, ecosystem dynamics, and requests to public and private actors. These perspectives complement the quantitative data by explaining why certain challenges persist and how ESOs and stakeholders interpret their role within the wider ecosystem.

Data quality and interpretation

Responses from both surveys were reviewed for consistency and plausibility and were complemented where possible with publicly available information. Roundtable notes were systematized and used to contextualize and interpret the survey findings. In presenting results, the report distinguishes between measured facts, directly supported by survey indicators, and perceptions or claims arising from the roundtable discussions.

Respondents

In total, 51 organizations participated in Survey 1. Of these, 71% were ESOs, 18% investors, 8% development finance institutions or donor agencies, and 4% banks or other financial institutions (Figure 1). Survey 2 was completed by 14 ESOs that had previously responded to Survey 1. In addition, around 40 participants attended the national roundtable held in Bogotá in May 2025, including ESO leaders, investors, development partners and ecosystem stakeholders. Their contributions generated qualitative insights that further complement the quantitative evidence.

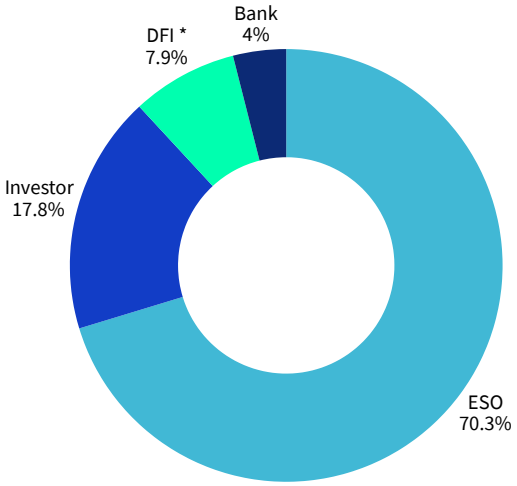

Figure 2: Organizations Participating in Survey 1 (N=51)

*Development Financial Institutions

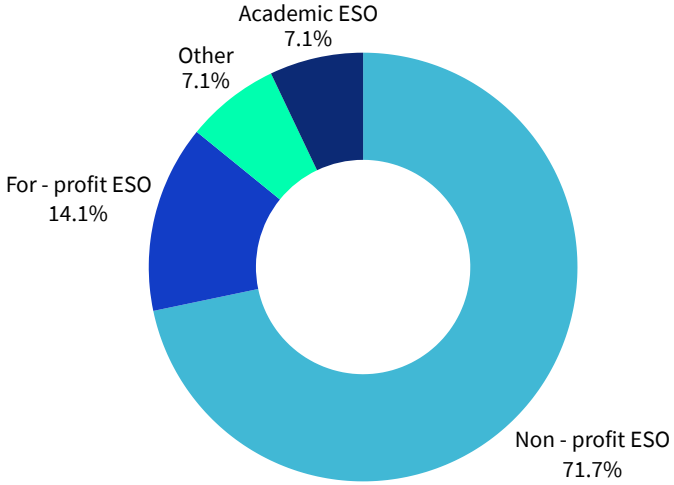

Figure 3: Survey 2 respondents, disaggregated by ESO structure (N=14)

Limitations

The findings presented in this report are based on self-reported data from survey respondents and the discussions held at the Bogotá D.C. roundtable. While 51 organizations responded to Survey 1 and 14 ESOs to Survey 2, this represents only part of the wider ESO community and **should not be read as a complete census**. This difference in sample size reflects the deliberate, two-phase survey design. Survey 1 was a short mapping tool intended for broad participation, while Survey 2 was a comprehensive questionnaire requiring significant time and sensitive operational data. The 14 ESOs that completed Survey 2 therefore represent a self-selected group willing to provide a deeper level of transparency. Their detailed data is used to analyze organizational capacity and outcomes, providing a granular look that complements the broader landscape view from Survey 1.

Responses are also subject to variation in how organizations track and report their activities and outcomes. The roundtable insights, while valuable for understanding systemic issues, reflect the perspectives of those who participated and may not capture the full diversity of views across the ecosystem. Despite these limitations, the combination of two sequential surveys, cross-checks with external data, and qualitative validation through the roundtable provides a robust and balanced evidence base for assessing the ESO landscape in Colombia.

2. Landscape of ESOs in Colombia

At a glance:

Colombia's entrepreneurship support ecosystem is defined by a deep-seated paradox: **it is mature, professional, and mission-driven, yet it is also structurally imbalanced, leaving critical gaps in the entrepreneurial journey**. The landscape is built on an enduring foundation, with non-profits constituting most organizations (64%) and a remarkable 58% of all ESOs having over a decade of experience. This institutional backbone, however, is concentrated in the Andean region, creating a **striking geographic divide** where an entrepreneur's access to opportunity is often dictated by their location. The ecosystem is strategically aligned with nurturing high-impact ventures, but its operational model reveals a system that is far more adept at starting companies than at growing them.

The data reveals a support pipeline that functions like a funnel clogged at the top. ESOs are highly effective at engaging a massive volume of entrepreneurs at the earliest "pre-ideation" stage, but this support evaporates as ventures mature, with only 14% of organizations focusing predominantly on scaling. This "scaling cliff" is a feature of the ecosystem's design: non-profits and universities build the top of the funnel, while

for-profits and older ESOs handle the middle stages, leaving a structural void for companies ready to achieve significant growth. This focus on nurturing is further reflected in how ESOs select candidates, prioritizing the "expected impact... on the entrepreneur" (23 points) far above commercial metrics like market traction (~3 points). While this creates an inclusive and accessible entry point, it builds a system that is perpetually in "pilot mode", a powerful machine for human capital development that has not yet built the necessary pathways to guide its most promising ventures to a national or global scale.

2.1 Geographic distribution, legal typology and age of ESOs

The 36 ESOs that participated in the survey report activity across all regions of Colombia. A significant share (33%) operates at the national level, offering programs accessible to entrepreneurs regardless of their department. Among those with a regional or local focus, the highest concentration of support is observed in the Andean region (including Bogotá D.C.) where 44% of ESOs report reaching entrepreneurs (Figure 4). This centralization is consistent with findings from other reports, which show that Bogotá and Medellín alone concentrate over 80% of the country's tech startups and investment (KPMG, 2023). In contrast, regions like the Amazonia and Orinoquía register significantly lower levels of reported support (11%), a disparity confirmed by literature that highlights the near absence of a formal support ecosystem in these territories (BID Lab, 2024).

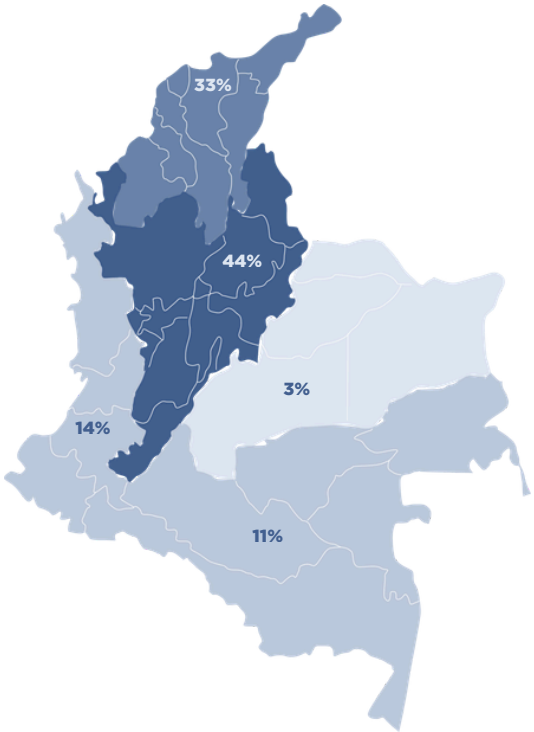

Figure 4: Areas of entrepreneurial support provided by ESOs (N=36)

In terms of legal typology, ESOs in Colombia are diverse but are overwhelmingly dominated by **non-profit entities, which constitute 64% of the sample** (Figure 5). For-profit organizations account for 22%, university-based ESOs for 6%, and a smaller group of other institutional forms, including those with no formal legal structure, make up the remaining 8%. This strong non-profit backbone, often including chambers of commerce and foundations, reflects a long tradition of civil society and private sector leadership in the country's economic development, a pattern also noted in broader regional studies (Secretaria General Iberoamericana, 2017).

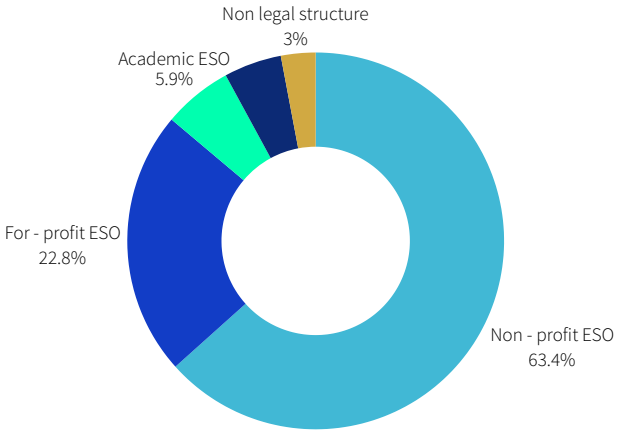

Figure 5: Typology of ESOs in Colombia (N=36)

The age profile of the ecosystem shows a remarkable degree of maturity. A combined 58% of organizations are well-established, with 22% being "historic" (+20 years of activity) and 36% "consolidated" (11–20 years) (Figure 6). Alongside these established actors, 19% are in the 6–10 year range, while a smaller share of newer entrants (22%) have been active for five years or less. This indicates a stable and deeply rooted support infrastructure.

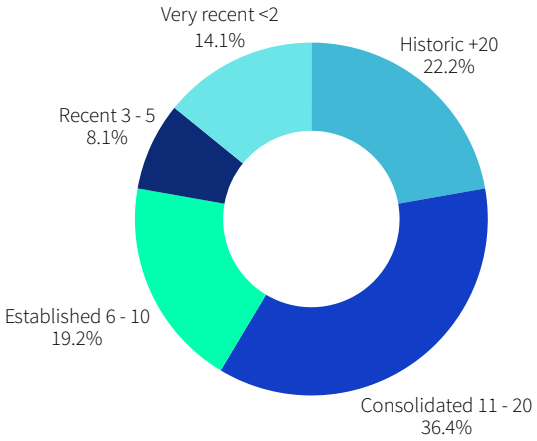

Figure 6: Years of activity of ESOs (N=36)

The cross-tabulation of typology and age reveals that this maturity is anchored by the non-profit sector. **Non-profits (64% of all ESOs) represent the largest share of both historic (+20 years) and consolidated (11-20 years) organizations** (Figure 7), confirming their foundational role as the ecosystem's backbone. In contrast, for-profit ESOs are more prominent among the consolidated and established cohorts (6-20 years), while university-based programs are more evenly distributed but with a tendency towards being more recent. This suggests that while Colombia's ecosystem benefits from long-standing non-profit and academic institutions, it has been dynamically complemented over the last two decades by a growing layer of market-driven actors.

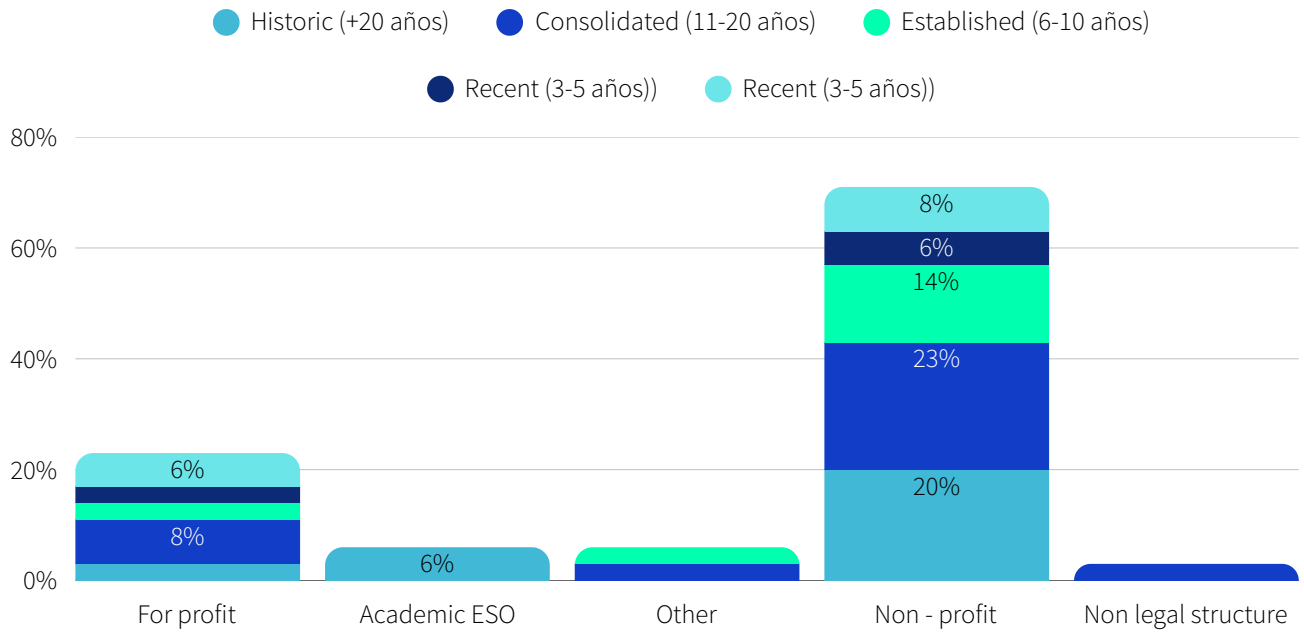

Figure 7: Age profile of ESOs by organizational type (N=36)

Takeaway

An enduring foundation on uneven ground

*The data reveals a fundamental contradiction at the heart of Colombia's support ecosystem: it is simultaneously **deeply established and profoundly imbalanced**. On one hand, the landscape is defined by its endurance and mission-driven core. **Non-profits constitute most of the sector (64%),** and these are not fledgling organizations. A remarkable **58% of all ESOs are "historic" or "consolidated" institutions** with more than a decade of experience, giving the ecosystem a powerful backbone of continuity and expertise. However, this stable foundation rests on uneven geographic ground. The support map of Colombia is starkly divided, with services heavily clustered in the Andean region (44%) while vast territories like the Amazonia are left with a skeletal support structure. This has created a **two-track system where an entrepreneur's access to opportunity is dictated by their zip code**.*

For ESOs, this is a clear signal to innovate on their delivery models. The challenge is to expand their reach beyond established hubs, leveraging digital programs and local partnerships to serve entrepreneurs in these underserved regions.

For public and private funders, this is an urgent call to correct a market failure. Continuing to concentrate funding in Bogotá and Medellín will only exacerbate this inequality. The priority must be to create targeted incentives and financial instruments that catalyze the growth of support infrastructure where it is needed most, ensuring that Colombia's entrepreneurial resilience becomes a national reality, not just a regional privilege.

2.2 Entrepreneurial journey stages covered

When asked to allocate their support across the entrepreneurial journey, organizations reported a **relatively balanced distribution of efforts**. The largest share of their activity is dedicated to Pre-ideation/Entrepreneurial Mindset (25%) and Acceleration (23%). These are followed closely by Incubation (22%) and Ideation (20%) (Figure 8). Support for the final stage of Scaling/Growth accounts for a smaller but still significant 15% of activities. This distribution suggests an ecosystem with a solid base of activity dedicated to developing and validating new business concepts.

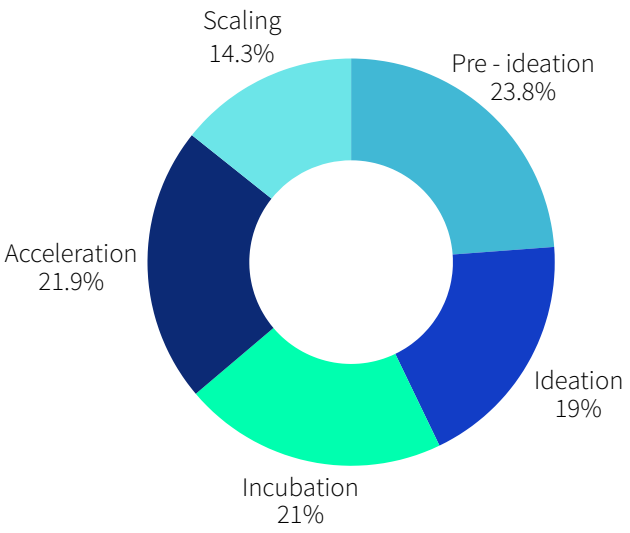

Figure 8: Average distribution of ESO support by stage of the entrepreneurial journey (N=36)

While ESOs distribute their efforts across the journey, the volume of entrepreneurs they support varies dramatically by stage. The data reveals a classic funnel model, with **a high volume of beneficiaries at the earliest stages and a steep drop-off as ventures mature**. ESOs supported in 2024 an average of 310 entrepreneurs per year at the Pre-ideation stage, a number that fell by more than half to 121 at the Ideation stage. The

decline continued sharply through Incubation (87 entrepreneurs), Acceleration (49), and finally Scaling/Growth (35) (Table 1). This structure indicates that while the ecosystem is effective at engaging many aspiring entrepreneurs at the top of the funnel, far fewer receive the intensive, hands-on support characteristic of later stages.

Stage of the Entrepreneurial Journey	Average number of Entrepreneurs per ESO in 2024
Pre-ideation	310
Ideation	121
Incubation	80
Acceleration	73
Scaling / Growth	36

Table 1: Inferred average number of entrepreneurs supported in 2024 per ESO by stage (N=36)

A deeper analysis of where ESOs *predominantly focus* their efforts confirms this funnel structure and reveals a critical ecosystem weakness. The data in Figure 9 shows a wide base at the earliest stages, with Pre-ideation (25%) and Ideation (11%) accounting for a significant portion of ESO focus. The pipeline then tapers through the more intensive stages of Incubation (22%) and Acceleration (19%). Critically, support almost vanishes for ventures ready to expand, with only 14% of ESOs predominantly focused on Scaling/Growth. This sharp drop-off points to a severe bottleneck in the support available for mature ventures.

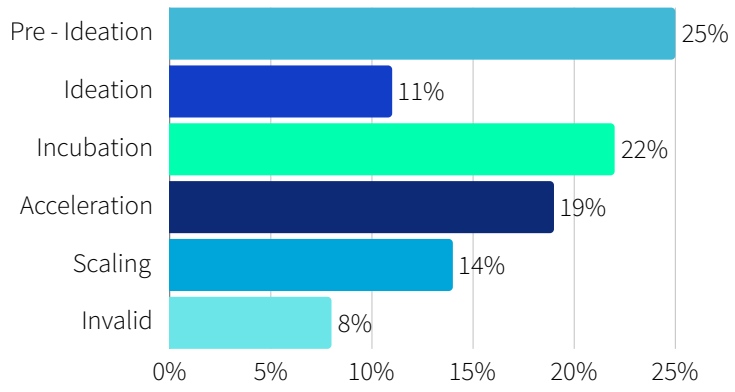

Figure 9: Inferred predominant stage of focus among ESOs (N=36)

When disaggregating the inferred predominant stage by ESO type, a clearer specialization pattern emerges. Most **non-profits concentrate on earlier stages of the entrepreneurial journey**, notably *pre-ideation* (14%) and *incubation* (17%), indicating their orientation toward inclusive and capacity-building programs rather than market-ready ventures. By contrast, for-profit ESOs show a more balanced, thought modest,

distribution across all phases, with presence in *pre-ideation* (8%) and *scaling/growth* (6%). University-based ESOs appear primarily engaged in i*deation* and *incubation* (3% each), reflecting their academic linkage and focus on early-stage validation. This overall specialization creates a **potential "hollowed-out top"**, where the critical support needed for scaling is scarce, a finding consistent with broader regional analyses which note that support is far more developed for creating companies than for helping them grow (Kantis & Federico, 2024).

	Pre - ideation	Ideation	Incubation	Acceleration	Scaling / growing	Invalid
For - profit ESO	8%	3%	0%	3%	6%	3%
Academic ESO	0%	3%	3%	0%	0%	0%
Other	0%	0%	3%	3%	3%	0%
Non - profit ESO	14%	6%	17%	14%	14%	6%
Non legal structure	3%	0%	0%	0%	0%	0%

Table 2: Inferred predominant stage by ESO type (N=36)

The distribution by organizational longevity provides additional insight into how institutional maturity relates to programmatic orientation. Consolidated ESOs (11–20 years), which represent over one-third of the sample, cover almost the entire pipeline but show notable emphasis on *acceleration* (11%) and *scaling* (6%). This suggests that the most experienced entities are increasingly engaging with ventures beyond the ideation phase. Historical ESOs (20+ years) maintain a diversified portfolio, with significant participation in *incubation* (8%) and *scaling* (6%), consistent with their established networks and policy influence. In contrast, recent and very recent organizations (≤5 years) focus more on *pre-ideation* and *incubation* (6 % each), confirming a generational shift toward early-stage support and entrepreneurial mindset formation. Mid-aged ESOs (6–10 years) occupy an intermediate position, balancing early-stage and growth-stage activities. Overall, these patterns indicate an ecosystem still anchored in formative stages of entrepreneurship, with limited specialization in later phases of scaling and growth, and with non-profit and university actors driving much of the early-stage support landscape.

	Pre-ideation	Ideation	Incubation	Acceleration	Scaling	Invalid
Historic (+20)	3%	3%	8%	3%	6%	0%
Consolidated (11-20)	8%	3%	3%	11%	6%	6%
Established (6-10)	6%	6%	3%	3%	3%	0%
Recent (3 - 5)	6%	0%	3%	0%	0%	0%
Very recent(≤ 2 años)	3%	0%	6%	3%	0%	3%

Table 3: Inferred predominant stage by years of activity (N=36).

Takeaway

A funnel clogged at the top

The data on the entrepreneurial journey reveals the ecosystem's core strategic challenge: **it is a powerful machine for nurturing new ventures, but it is not designed to scale them.** The support landscape operates as a classic funnel, engaging a massive volume of entrepreneurs at the top, with an average of 310 individuals per ESO in the pre-ideation stage (Table 1), but this support evaporates as ventures mature. The pipeline narrows dramatically through incubation and acceleration, before falling off a cliff. A mere 14% of ESOs focus predominantly on scaling (Figure 9), a critical gap that leaves Colombia's most promising companies stranded just as they are ready to grow. **This "scaling cliff" is a feature of the ecosystem's design.** The foundational work of inspiring and forming entrepreneurs is primarily handled by high-volume non-profits and universities. The more intensive, market-focused work of acceleration is led by a smaller cohort of for-profit and mature ESOs. This specialization is logical, but the result is an ecosystem that is structurally imbalanced, with a "hollowed-out top."

For ESOs, this data is a moment for critical self-reflection. While the focus on nurturing early-stage ventures is essential, the collective result is a pipeline that leaks its most promising talent. This presents both a challenge and an opportunity: ESOs must build more intentional pathways to scale, creating stronger handoffs between organizations and developing specialized and in-house expertise for growth-stage companies. For those willing to specialize, there is a clear and underserved market for becoming a true scaling partner.

For policymakers and funders, this data is an urgent call to re-evaluate priorities. Investing heavily in the bottom of the funnel without building a viable pathway to the top yields diminishing returns. It creates a system that is perpetually in "pilot mode," generating thousands of small-scale ventures but failing to produce the high-growth companies that drive significant job creation and economic impact. The challenge is not to stop funding early-stage support, but to create powerful incentives for a new generation of specialized, late-stage ESOs and to help the most mature organizations build the capacity to guide Colombia's best ventures to a global scale.

2.3 Calls and selection models

In Colombia, **43 % of Entrepreneurship Support Organizations (ESOs)** operate on a **rolling basis with ongoing admissions**, while the majority (**57 %**) manage programs through **fixed calls with set deadlines**. This balance indicates that, although most programs still rely on time-bound calls, a significant portion of the ecosystem is shifting toward continuous intake mechanisms, often to maintain flexibility or adapt to irregular

irregular funding cycles. For those implementing fixed calls, the **average number of rounds per year is 2.1**.This suggests that limited operational bandwidth, particularly among non-profit and university-based ESOs, constrains program throughput and venture intake capacity.

Regarding **selection models and criteria**, respondents were asked to distribute a total of 100% across ten possible criteria to better understand what ESOs value when selecting entrepreneurs, (Figure 10). Colombian ESOs tend to privilege *qualitative and impact-oriented dimensions* over purely commercial or technological filters. As shown in Figure 10, the **expected impact of the intervention on the entrepreneur** emerges as the most decisive criterion (23 points), followed by **business model scalability potential** (16 points), **innovative idea or solution** (14 points), and **entrepreneurial team experience** (14 points). Social and purpose-driven dimensions, such as **project social impact** and **technological development level** (10 points each), form a secondary tier, while *market validation* factors like **traction**, **visibility**, and **awards** remain marginal (~3 points each). This emphasis on potential over proven performance contrasts with findings from accelerator-specific studies in the region, where hard metrics like revenue and employee numbers were found to be stronger indicators of selection compared to the global average (GALI, 2019). This suggests a divergence within the ecosystem: while the broader support landscape (including non-profits and universities) prioritizes formative potential, the more specialized accelerator segment may apply more stringent commercial filters.

Figure 10: Average weight (%) of selection criteria assigned by ESOs (N=14).

By ESO type, **non-profit organizations** show the widest and most socially oriented set of selection filters, heavily weighting *expected personal impact* (29 points) and *business scalability* (18.5 points). **For-profit ESOs** present a balanced profile, assigning similar weight (~15 points each) to *innovation*, *scalability*, and *team experience*. **University ESOs**, though fewer, place their highest emphasis on *innovation* and *team quality* (50 points each), reflecting their research-linked origin. Finally, **hybrid or corporate entities** prioritize *visibility* and *traction* (20–30 points), illustrating their stronger ties with private-sector innovation and partnership goals (Annex, Table 1). Altogether, the data depict an ecosystem where **learning outcomes and personal empowerment** continue to outweigh commercial performance.

Takeaway

A bet on people, not just on profits

The selection criteria of Colombian ESOs reveal the ecosystem's core philosophy: it is **fundamentally a system of human capital development**. When choosing who to support, the ecosystem does not primarily look for existing commercial success. Instead, the single most important factor is the "expected impact of the intervention on the entrepreneur" (23 points). Hard metrics like market traction and visibility are given almost no weight (~3 points). This approach, driven largely by the non-profit majority, creates a remarkably inclusive and accessible "front door" for aspiring entrepreneurs. However, it also creates a significant disconnect with the later stages of the investment pipeline.

For ESOs, this is a call for greater intentionality. Championing an entrepreneur's personal growth is a vital mission, but it is incomplete if it does not also provide a clear and realistic pathway to commercial validation. ESOs must be the bridge that helps entrepreneurs translate their newfound skills and potential into the hard metrics that the next stage of funders and partners will demand.

For funders, this data is a direct challenge to align funding models with reality. Expecting unicorn-level commercial outcomes from programs designed to foster personal empowerment is a recipe for failure and frustration. Funders must adopt a more sophisticated approach, using metrics that value the human capital journey while simultaneously creating targeted incentives and programs that help ESOs build that crucial bridge from personal development to market traction for their most promising ventures.

3. Organizational capacity and models of intervention

At a glance:

The operational heart of Colombia's ESO ecosystem runs on a hybrid model characterized by lean professional teams amplified by passionate volunteers and a heavy reliance on project-based funding. With an average of just 7 full-time staff complemented by 9 volunteers, ESOs, particularly non-profits, achieve significant reach (average 130 entrepreneurs per employee). This **volunteer-powered engine** enables a strong focus on human capital development, with mentoring (72%) and training (69%) dominating the service offerings, often delivered through long-term (average 9 months) incubation-style programs. However, this pedagogical focus comes at the expense of resource provision; services linked to access to finance (36%) are scarce, and direct funding is rare and minimal (average USD 1,479). **Financially, the ecosystem remains caught in a "project funding trap"**, heavily dependent on CSR (21%) and international organizations (19%), with limited earned income (13%), hindering long-term sustainability and strategic autonomy.

This operational model shapes the ecosystem's reach and impact, creating a system strong on social inclusion but limited in scale and economic transformation potential. While ESOs demonstrate a commendable commitment to inclusivity, notably supporting women (47%), youth (39%), and migrants (39%), their overall reach is highly uneven, dominated by a few large, historic institutions. Furthermore, the focus remains largely anchored in traditional sectors like commerce/services (56%) and low-to-medium technology ventures (manual/artisanal processes: 36%), with only 12% of supported ventures characterized by high digitalization. Despite high demand (average ~1,200 applications per call), ESOs maintain significant selectivity (average acceptance 23%), balancing their inclusive mission with capacity constraints. The result is an ecosystem adept at broadening participation and nurturing potential but struggling to consistently scale its own operations or drive the high-growth, high-tech ventures needed for deeper economic impact.

3.1 Human capital

Across the sample, **the average number of full-time employees dedicated to entrepreneurship lines is 7 (median = 5)**. For volunteers, the average number stands at 9 (median = 4). These figures reveal relatively lean operational teams often complementing with voluntary contributions. When analyzed by ESO type, marked structural differences emerge. Non-profit ESOs sustain the largest dedicated teams,

averaging 11 full-time employees and 8 volunteers, showing a balanced model that combines professional staff with community engagement. For-profit ESOs report 5 employees and 13 volunteers on average, suggesting that commercial entities compensate smaller staff with broader volunteer or mentor networks. University-based ESOs maintain 6 employees and 2 volunteers, consistent with their integration into academic structures. Meanwhile, hybrid or "Other" organizations depend almost entirely on voluntary labor (7 volunteers on average and no full-time employees), pointing to temporary or project-based operational models (Figure 11).

Overall, the data suggest that Colombia's support ecosystem operates **through hybrid human-capital models** that blend a small base of professional staff with significant volunteer engagement. This reliance on mentors and recycled entrepreneurs is a key dynamic in Latin American ecosystems, seen as a way to capitalize on the experience of successful founders who reinvest their expertise back into the community (Kantis & Federico, 2024). For-profit and non-profit ESOs appear to draw systematically on these volunteer networks, a configuration that reflects both resource limitations and a growing emphasis on collaborative delivery models where core teams ensure operational continuity and volunteers, especially mentors, provide the high-value networking and skills development that entrepreneurs in the region prioritize (GALI, 2019).

Figure 11: Average number of full-time employees and volunteers in ESOs by type of organization (N=14).

The **Entrepreneurs per Employee (E/E)** ratio measures the **number of entrepreneurs supported annually by each full-time employee** in an ESO. It serves as an indicator of **operational capacity and efficiency**, showing how intensively organizations use their human resources to deliver incubation, acceleration, or advisory services. A higher ratio may suggest **greater scalability or reach**, while a lower ratio can reflect **more personalized or resource-intensive support models**.

In Colombia, the **average E/E ratio across all ESOs is 130** (Annex, Tables 2 and 3), meaning that, on average, each staff member supports about 130 entrepreneurs per year. However, this aggregate conceals significant variation between organizational types and maturity levels. By organizational type, non-profit ESOs report the highest ratio, 153 entrepreneurs per employee, indicating broader outreach capacity often enabled by volunteer networks, partnerships, and project-based funding. In contrast, for-profit (38) and university-based ESOs (41) operate with more limited reach, likely due to smaller team sizes and a focus on high-touch or cohort-based interventions. These differences align with the dual logic of the ecosystem: while non-profits aim for inclusivity and scale, for-profits and academic institutions prioritize depth and quality of engagement.

Differences by years of activity further reveal the scaling dynamics of the sector. Historical ESOs (20+ years) achieve an average of 246 entrepreneurs per employee, far above the national average, reflecting accumulated infrastructure and institutional legitimacy that facilitate program replication and partnerships. Meanwhile, established (6–10 years) and consolidated (11–20 years) ESOs show more moderate ratios (31 and 19, respectively), consistent with their structured operations and balanced delivery models. Recent and very recent ESOs (≤5 years), still in the process of consolidation, display notably lower ratios (3 and 1), emphasizing their limited current scale and experimental stage. Taken together, these patterns suggest that organizational maturity and **institutional anchoring strongly influence support efficiency**. As ESOs evolve, their networks, partnerships, and management systems allow them to serve larger numbers of entrepreneurs without proportionally expanding staff.

Takeaway

An engine running on lean staff and high passion

The data reveals the operational reality of **Colombian ESOs: they are lean, professional outfits powered by a significant volunteer workforce.** With an average of just 7 full-time employees, ESOs rely heavily on volunteers (an average of 9 per organization) to achieve impressive reach, supporting an average of 130 entrepreneurs per employee. This hybrid model is both a sign of a deeply engaged community and **an indicator of systemic under-resourcing**, forcing many organizations to rely on passionate volunteers to fill critical capacity gaps.

For ESOs, the challenge is to turn this necessity into a strategic advantage. Professionalizing the management of volunteer and mentor networks is a core driver of impact and scale. The most mature organizations have already learned this lesson, achieving the highest efficiency by expertly leveraging this blended human capital model.

For funders, this is a clear signal to look beyond program-specific grants and invest in the operational backbone of the ecosystem. Supporting ESOs means funding their core capacity to recruit, train, and manage the volunteer engine that the data shows is essential to their work. Strengthening this hybrid model is the most direct path to building a more resilient and effective support system for Colombia's entrepreneurs.

3.2 Services offered

Colombian ESOs deliver a **broad range of services**, primarily oriented toward **training, mentoring, and network facilitation**. As shown in Figure 12, the most widespread offerings are personalized mentoring (72%), online synchronous training (69%) and practical or interactive workshops (67%). This structure reflects an ecosystem highly focused on knowledge transfer and capacity building, where personalized support and experiential learning methods play a central role. At the same time, business support and visibility services, such as networking (53%), business contacts (40%), and media exposure (37%), are well represented, indicating ESOs' growing role in connecting entrepreneurs to markets and partnerships. Conversely, services linked to access to finance (36%), investor or demo days (23%), and coworking spaces (14%) remain less frequent, suggesting that Colombian ESOs operate mainly as intermediaries for capacity and relationship building, rather than as direct providers of financial or physical resources.

Overall, the data reveal a human-capital–intensive and pedagogically driven ecosystem, where most support is delivered through direct interaction, mentorship, and structured learning activities. The emphasis on relational and educational formats, rather than purely financial or infrastructural support, underscores the Colombian ecosystem's continued prioritization of capacity development over capital access, a common characteristic in Latin American ecosystems where support for creation (like training) is often more developed than support for later-stage growth (Kantis & Federico, 2024).

The disaggregated data by type of organization shows that non-profit ESOs are the primary providers across almost all categories, representing nearly half of the total share within the main service lines. Their leadership is particularly evident in mentoring, training, and workshops, suggesting that this group sustains the core of entrepreneur education and advisory activities in the ecosystem. For-profit organizations, although less numerous, maintain a notable presence in more specialized services such as business coaching, technical consulting, and business development support, where they appear to complement the offer of non-profits through targeted and often revenue-based engagements. University-based ESOs contribute more modestly, around three to six per cent each, mainly through training and mentoring functions, reflecting their educational nature and experimental positioning within the ecosystem (Annex, Table 4).

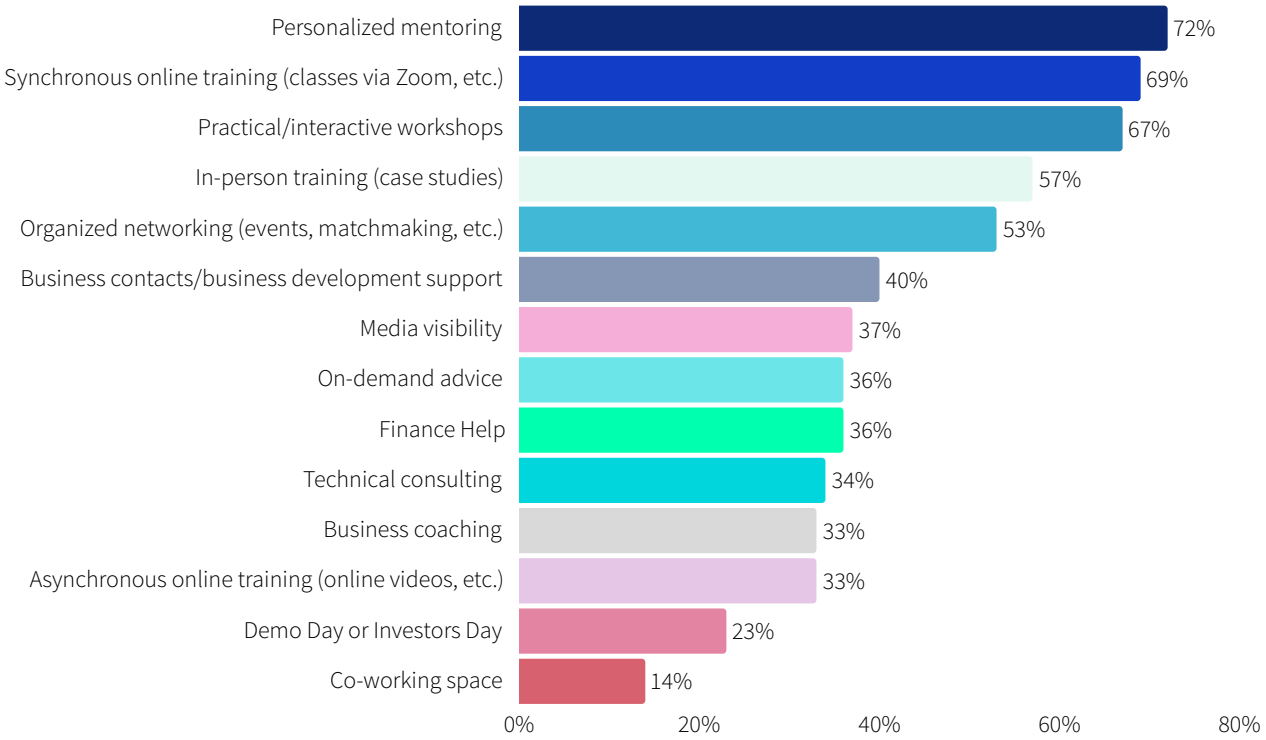

Figure 12: Services most frequently offered by ESOs (N=36)

Entrepreneurship support programs implemented by Colombian ESOs have an **average total duration of 9 months** (Annex, Table 5), reflecting a sustained engagement model that contrasts with the shorter cycles of international accelerator programs, which typically last between three and six months (Cohen & Hochberg, 2014). This suggests that Colombian organizations tend to prioritize continuous accompaniment and progressive learning processes over rapid acceleration formats.

Within this timeframe, the implementation phase represents the most substantial portion of program activity, extending on average for 7 months, while design and preparation (3 months) and scouting and selection (3 months) occupy similar periods. The relatively long preparation and selection stages indicate that **ESOs invest significant effort in designing tailored methodologies and identifying suitable participant profiles** before the implementation phase, an approach that underlines a commitment to quality over scale.

In terms of entrepreneur engagement, **the distribution of hours across program formats and stages reveals a preference for high-intensity and direct learning experiences**. On average, entrepreneurs receive 25 hours of one-on-one mentoring, 24 hours of synchronous online training, 36 hours of in-person training, and 8 hours of on-demand advisory. **Engagement is predominantly concentrated in incubation programs** (Annex, Table 6), which register the highest total number of mentoring and training hours across modalities, particularly in live or in-person sessions. Acceleration and ideation programs, in contrast, involve shorter cycles and lower engagement intensity, while pre-ideation initiatives remain marginal in terms of total hours. **This**

pattern highlights that most ESOs in Colombia operate primarily through incubation-oriented delivery models, focused on deep capacity building and ongoing accompaniment rather than short-term acceleration or early ideation support.

In addition to training, mentoring, and advisory services, **a small subset of surveyed Colombian ESOs also provide direct financial support to entrepreneurs.** According to the data (N=5), the average amount of funding offered during programs is USD 1,479. However, this figure varies significantly depending on both the maturity and organizational type of the ESO. From a maturity perspective, very recent organizations (≤2 years) stand out for mobilizing the largest average amount of funding, at USD6,500, while established (6–10 years) and historical ESOs (+20 years) reported considerably lower averages, at USD600 and USD738, respectively. In contrast, recent (3–5 years) and consolidated (11–20 years) ESOs did not report offering direct financial support. When disaggregated by organizational type, **non-profit ESOs emerge as the primary providers of direct financial support,** with an average of USD 2,144, compared to USD 600 among "Other" ESOs. University-based and for-profit organizations reported no direct funding to entrepreneurs (Annex, Tables 7, 8). Notably, none of the surveyed Colombian ESOs indicated offering this financial support in exchange for equity participation, underscoring the absence of equity-based or hybrid financing models in the national ecosystem (Annex, Tables 9, 10). While the sample remains limited, these findings suggest that **financing services are still exceptional among Colombian ESOs** and primarily concentrated in younger, non-profit organizations experimenting with flexible or grant-based mechanisms, rather than in mature or revenue-driven structures.

In Colombia, the distribution of hours dedicated to entrepreneurs shows that training, both online and in person, concentrates most of the engagement time, complemented by mentoring and advisory services. This reflects an **ecosystem focused on capacity-building and personalized support rather than financial assistance.** This focus may also be a response to demand, as entrepreneurs in the Andean region often rank networking and business skills as more important benefits of acceleration than direct funding (GALI, 2019). Nevertheless, strengthening access to financing and visibility opportunities could therefore enhance the effectiveness of Colombian ESOs and better align their offer with the growth needs of ventures.

Takeaway

A system built for upskilling, but a bottleneck for capital

The services offered by Colombian ESOs reveal their fundamental identity: **they are institutions of learning, not of investment**. The ecosystem is overwhelmingly geared towards human capital development, with mentoring (72%) and training (69%) as the dominant offerings. In contrast, services that provide direct access to resources are

scarce; few ESOs offer connections to finance (36%), and almost none provide direct funding or coworking spaces (14%). This pedagogical focus, driven by the non-profit majority, results in deep, long-term engagement, with programs lasting an average of 9 months. **However, it creates a critical gap between capacity building and capital access.**

For ESOs, this data highlights the need to redefine their role. While their educational mission is vital, it is incomplete if it does not build a reliable bridge to financing. The challenge is to more intentionally connect their training and mentorship to tangible financial opportunities, ensuring the skills they build can be translated into the capital ventures need to grow.

For funders, this is a mirror reflecting their own priorities. The ecosystem's service mix is a direct result of a funding model that rewards educational outcomes over financial ones. If funders want to see more ventures access capital, they must fund the infrastructure that enables it, supporting ESOs not just to run workshops, but to build and manage investor networks, operate demo days, and facilitate the connections that turn human potential into economic growth.

3.3 Business models and sustainability

Colombian ESOs mobilize a diverse set of funding sources, though with clear imbalances across categories. On average, corporate social responsibility programs (21%), and international organizations (19%) represent the main average contributors to ESO financing. These are followed by national public entities (8%), international foundations (14%), and national foundations (6%). Meanwhile, entrepreneur payments for services (13%) remain a secondary but notable source (Figure 13), suggesting that some organizations are testing fee-based sustainability models.

Disaggregation by organizational type reveals that for-profit ESOs rely more on entrepreneur payments (19%) and corporate partnerships (17%), while non-profit ESOs exhibit a more balanced mix, drawing particularly on international cooperation (21%) and corporate social responsibility (21%). Academic ESOs, though fewer in number, stand out for accessing international organization support (50%), reflecting their capacity to tap into multilateral or research-linked funds (Annex, Table 11). Taken together, these figures illustrate an ecosystem still highly dependent on external and project-based funding, with limited diversification toward revenue-generating models or venture capital. This dependence may constrain long-term financial sustainability, particularly for non-profit ESOs, and limit their ability to scale or replicate successful models.

Figure 13: Average revenue sources of ESOs in Colombia (N=36)

When examining the breadth of income sources, that is, the share of Colombian ESOs reporting at least some revenue from each category, the data shows **wide diversification across funding types**. Most organizations access some form of support from international cooperation (52%), entrepreneur payments (48%) while backing from national foundations are present but less generalized (Figure 14). This reflects an ecosystem with multiple funding entry points, though many streams remain modest or occasional. Disaggregated by type, for-profit ESOs show broader income portfolios, especially in corporate and service-related revenues, whereas non-profits participate more consistently across donor and cooperation channels. (Annex, Table 12).

Looking at depth, i.e. the proportion of ESOs obtaining over 25% of their income from a specific source, the funding landscape narrows considerably. **Corporate partnerships (24%) and public or international cooperation (16%) stand out as the most significant contributors**, followed by entrepreneur payments (12%) (Figure 15). This indicates that while ESOs diversify their income sources, **only a few channels sustain substantial financial weight**. Disaggregating by type of ESO reveals notable contrasts. For-profit ESOs show greater reliance on entrepreneur payments (17%) and corporate partnerships, aligning with more market-oriented models. Non-profit ESOs, by contrast, depend more heavily on international (33%) and corporate (22%) funding, consistent with their positioning in donor and CSR networks (Annex, Table 13).

Overall, the data suggests that **Colombian ESOs are diversifying in breadth but concentrated in depth, combining fragmented income streams with a few dominant funding pillars**. The growing but still limited role of earned income signals early movement toward hybrid sustainability, yet the sector continues to rely primarily on external, project-based, and partnership-driven resources.

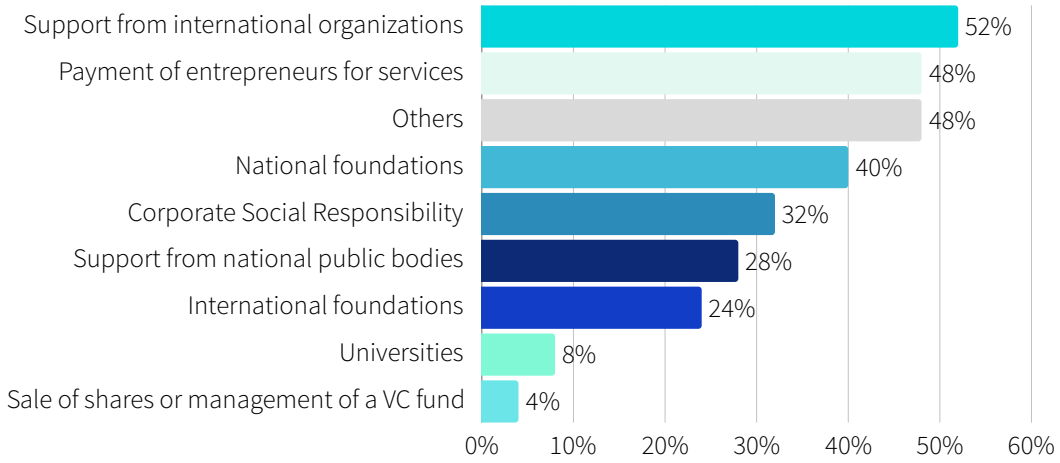

Figure 14: Breadth of funding sources among ESOs (N=36)

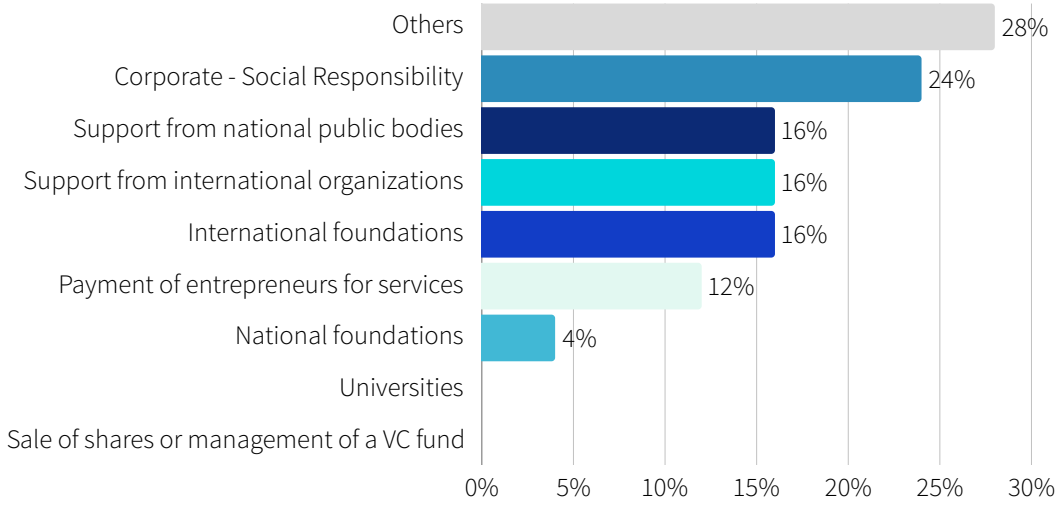

Figure 15: Depth of funding sources among ESOs (N=36)

Complementing the analysis of income sources, the allocation of financial resources across different activities provides insight into how Colombian ESOs operate. On average, **organizations dedicate 23% of their annual budget to the scouting and selection of entrepreneurs**. The average total expenditure reported is USD 5.2 million, of which around USD 350,000 are allocated to entrepreneurship-related activities. However, there are notable differences by ESO type. Non-profit organizations report the largest total and entrepreneurship budgets (around USD 7.4 million and USD508,000, respectively), reflecting their broader operational scale and programmatic scope. For-profit ESOs operate with smaller budgets (around USD 25,000 total, USD 42,000 for entrepreneurship), while university-based ESOs report the highest overall budgets (USD 3 million) but limited allocation to entrepreneurship activities (USD 200,000). These

areas still represent a minor share of total financial activity (Annex, Table 14).

Looking at efficiency indicators, the average scouting cost per entrepreneur stands at USD 122, while **the average program cost per entrepreneur is USD 598**, increasing to USD 4,582 (Annex, Table 14) in programs focused on women entrepreneurs. These figures reveal significant variations across ESO types and underscore the **ongoing challenge of achieving cost efficiency and financial sustainability**, a persistent issue across Latin American ecosystems where securing adequate resources remains a primary concern (Kantis & Federico, 2024).

Takeaway

The project funding trap

The financial data reveals the Colombian ecosystem's critical vulnerability: its business model is built on a **fragile foundation of short-term and external funding**. ESOs are caught in a project funding trap, with their **survival heavily dependent on corporate social responsibility programs (21%) and international organizations (19%).** While organizations show a wide breadth of income sources, the depth is shallow; most rely on one or two main grants to stay afloat. Earned income from entrepreneurs remains a minor component (13%), signaling a sector that has yet to build a sustainable, market-driven revenue base.

For ESOs, this is a call to break the cycle of dependency. The path to long-term sustainability is not just about writing better grant proposals, but about strategically building hybrid business models. ESOs must professionalize their revenue generation, developing fee-based services and corporate partnerships that provide a stable, unrestricted income stream, granting them the autonomy to innovate and plan for the long term.

For funders, this data is a direct reflection of their own practices. The project-based funding model, with its restrictive and short-term nature, forces ESOs into a "*grant-preneur*" cycle that stifles innovation and prevents institutional strengthening. The most impactful shift funders can make is to move from funding temporary projects to investing in resilient organizations. This means providing more flexible, multi-year, operational funding that empowers ESOs to build core capacity, retain talent, and focus on delivering high-quality support to entrepreneurs.

3.4 Capacity of reach

The data on entrepreneurs supported per year reveals **strong heterogeneity among Colombian ESOs**. On average, **organizations support 390 entrepreneurs annually**, although this figure is inflated by a few long-standing institutions with extensive operations. The median values provide a clearer picture of typical reach, showing that most ESOs work with much smaller cohorts.

Younger ESOs tend to operate at a modest scale: very recent organizations (≤2 years) support a median of 31 entrepreneurs per year, and recent ones (3–5 years) only 20. As organizations mature, their reach generally expands, established ESOs (6–10 years) reach a median of 91 entrepreneurs annually, indicating growth in operational capacity and partnerships. However, this expansion does not always persist. Consolidated ESOs (11–20 years) show a median of 30, suggesting a shift toward more focused or specialized support models.

At the other end of the spectrum, historic ESOs (+20 years) exhibit the highest average (1,358) number of entrepreneurs supported each year (Table 4). Their broader infrastructure and institutional experience allow them to sustain large-scale operations, often serving as anchors in the ecosystem. Overall, the data points to a landscape where **a handful of mature ESOs drive most of the reach, while the majority of emerging actors continue to consolidate their capacity**.

	Average number of ventures supported per year	Median number of ventures supported per year
Very recent (≤2 years)	33	31
Recent (3-5 years)	144	20
Established (6-10 years)	118	91
Consolidated (11-20 years)	55	30
Historic (+20 years)	1,358	77

Table 4: Organization performance by ESO longevity (N=36)

Inclusivity stands out as a strong feature of Colombia's entrepreneurial support ecosystem. Nearly half of surveyed ESOs (47%) report targeting women entrepreneurs, confirming gender inclusion as the most consistent focus area, despite broader ecosystem analyses highlighting significant remaining barriers for female founders (Kantis & Federico, 2024). Similarly, young entrepreneurs (18–35 years) represent a focus for 39% of ESO portfolios, aligning with national priorities around youth employment and the significant share of youth in the population, particularly in urban centers like Bogotá (GOYN Bogotá, 2025). Migrants, refugees, or internally displaced people are also targeted by 39% of ESOs, reflecting the national efforts in post-conflict recovery and managing migration flows. Beyond these groups, inclusion is more limited. Only 25% of organizations serve rural entrepreneurs, while 22% report working with older entrepreneurs (+50 years). Support for base-of-the-pyramid populations and racial or ethnic minorities remains modest (19% each), and only 8% of ESOs currently engage with entrepreneurs with disabilities.

Disaggregated data by ESO type indicates that **non-profit organizations are the main drivers of inclusion efforts**, especially toward women, migrants, and rural entrepreneurs. **For-profit ESOs also show growing engagement**, particularly in youth entrepreneurship (17%), though their inclusivity focus is narrower. Academic ESOs and other hybrid models maintain lower levels of demographic targeting, often reflecting their broader institutional mandates rather than explicit inclusion goals (Annex, Table 15).

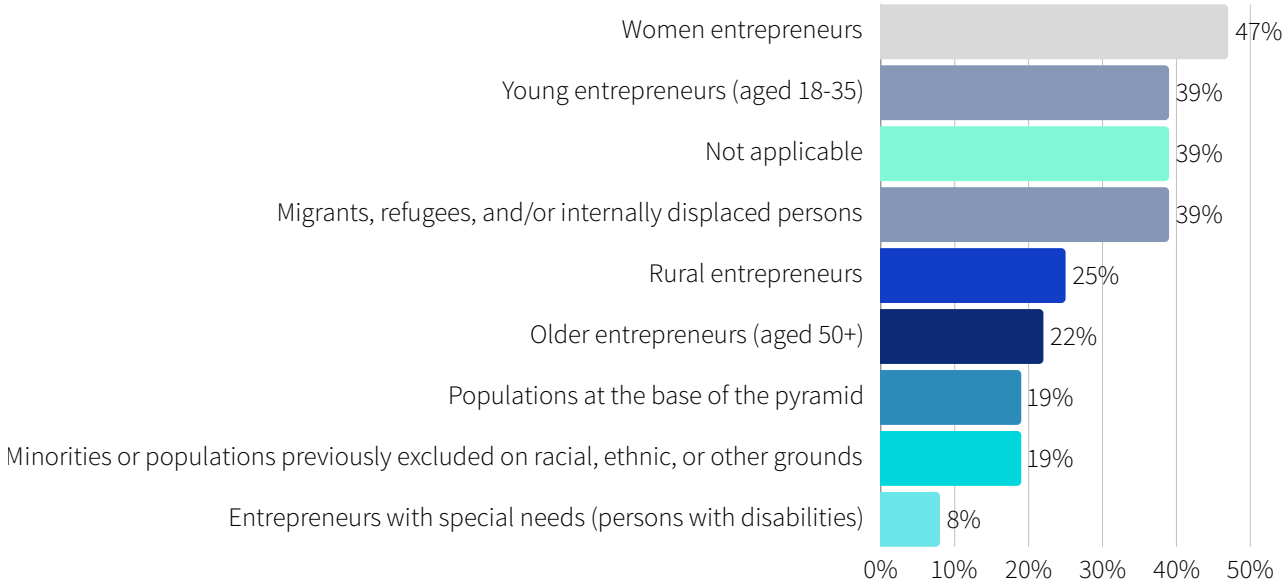

Figure 16: Demographic composition of supported entrepreneurs (N=36)

Regarding **educational background**, most Colombian ESOs support entrepreneurs with secondary (38%) or vocational education (37%), while one in four (25%) focus on those with a university degree (Annex, Table 16). This distribution reflects a **relatively balanced reach across educational levels**, with a strong presence of programs engaging entrepreneurs outside the traditional higher-education pathway. It also

suggests that several Colombian ESOs are effectively reaching founders from technical and practical backgrounds, aligning with the ecosystem's emphasis on accessibility and applied skill development.

In terms of other vulnerability factors, survey 2 data provides information on how the inclusion extends toward diverse and often overlapping groups. The most frequently mentioned category is **migrants or refugees (43%)**, followed by indigenous peoples (29%) and Afro-descendant entrepreneurs (21%). Smaller proportions of ESOs work with people experiencing homelessness, LGBTIQ+ entrepreneurs, or those affected by other forms of vulnerability (each at 14%), while persons deprived of liberty and people of Arab or Middle Eastern origin are each mentioned by 7% of respondents (Figure 17).

Overall, the data reveal a **multidimensional approach to inclusion**, while gender and age remain dominant priorities, many ESOs in Colombia also address social exclusion and displacement, responding to the country's broader post-conflict and migration context.

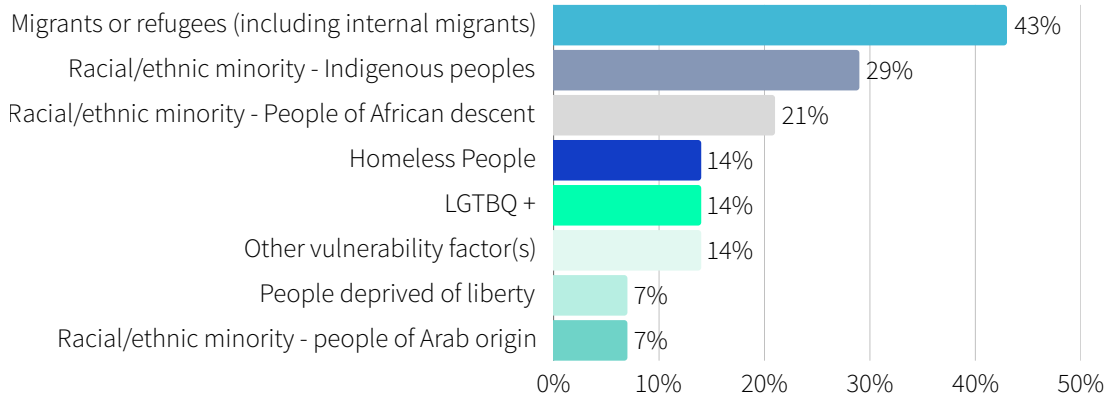

Figure 17: Vulnerability factors explicitly targeted by ESOs (N=11).

In terms of sectoral orientation, the largest share of Colombian ESOs support entrepreneurs in commerce and services (56%), followed by agriculture and food (36%), and manufacturing (33%). Around one in three also focus on technology ventures (31%), aligning with the significant presence of ICT and software companies among ventures seeking acceleration in the Andean region (GALI, 2019) and reflecting the national push towards a tech-driven economy (KPMG, 2023). About a quarter work in education, culture, or industrial innovation (25%). Sectors such as energy and sustainability (19%), crafts (19%), and health (14%) appear less frequently, and only 11% of ESOs engage with financial services. Overall, the data reflects **a broad coverage of traditional and emerging industries, with a strong emphasis on productive and service-oriented activities** that are central to the Colombian entrepreneurial ecosystem.

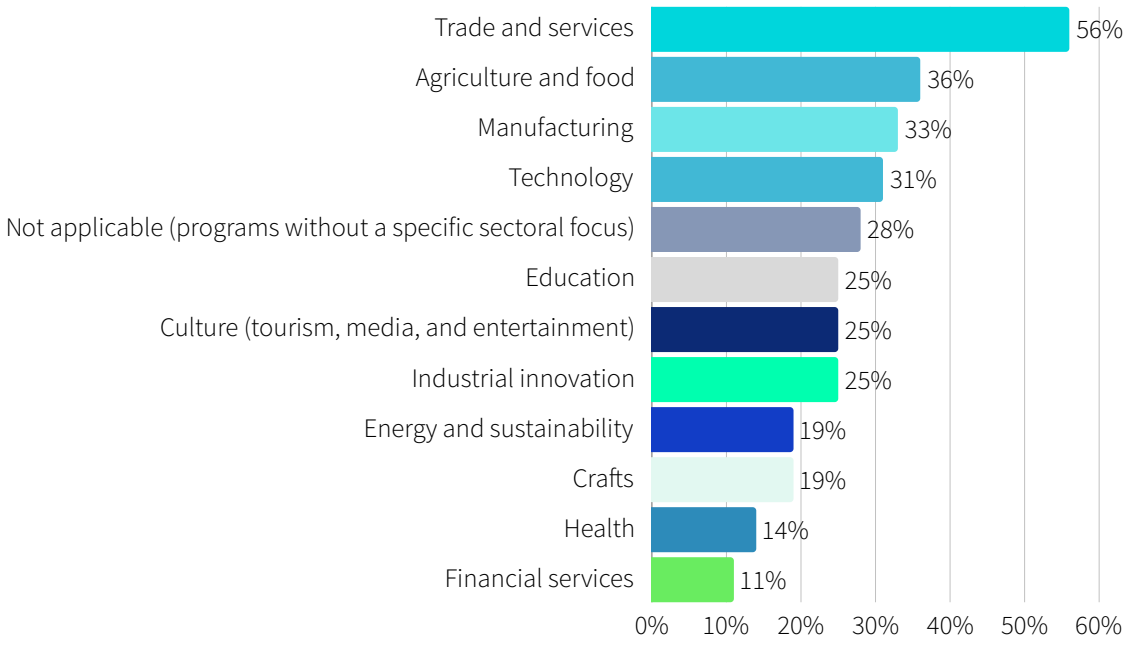

Figure 18: Sectoral distribution of supported entrepreneurs (N=36).

In terms of technological intensity, **most entrepreneurs supported by Colombian ESOs operate in ventures with manual or artisanal processes (36%) or medium levels of digitalization (32%)**. A smaller share engage with low-technology activities (19%), while only 12% of supported ventures are characterized by high digitalization, automation, or R&D (Figure 19). The distribution shows that **the ecosystem still leans toward traditional and semi-digitalized businesses**. This aligns with broader findings that highlight the challenges in fostering science and technology-based enterprises in the region are often due to gaps in specialized financing and regulatory frameworks (Kantis & Federico, 2024). However, a segment of ESOs, particularly “other” hybrid types, demonstrate higher engagement with technology-driven initiatives. Non-profit ESOs, in contrast, display the lowest technological intensity, reflecting their stronger presence in traditional and community-oriented sectors (Annex, Table 17).

Taken together, these results suggest that **ESO typology also influences the technological profile of ventures supported in Colombia**. While non-profit and for-profit ESOs tend to act as generalists, supporting a mix of low- and medium-tech ventures, university-based and hybrid ESOs show greater specialization in digitalized or innovation-intensive sectors. This pattern reinforces the view that the **digital transformation of Colombia’s entrepreneurial ecosystem remains une**ven and shaped by institutional orientation.

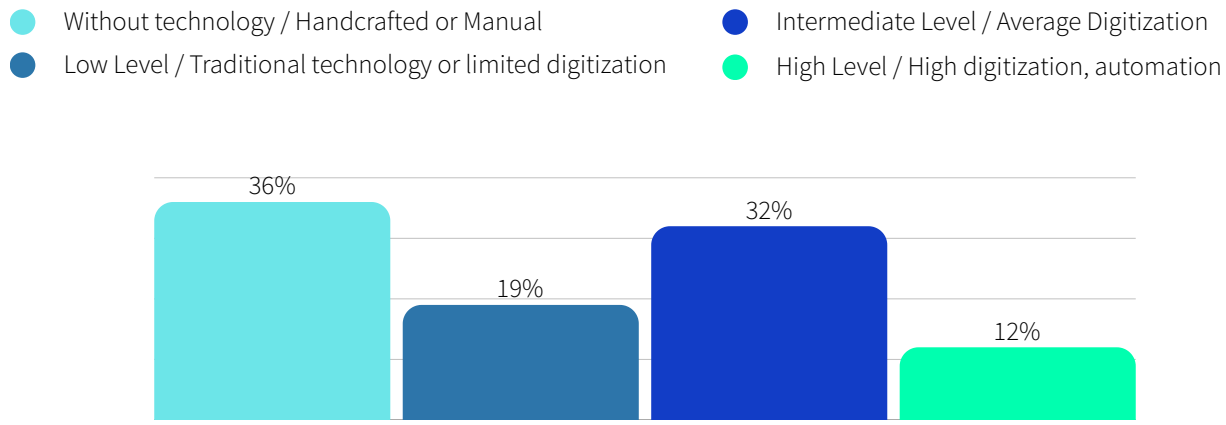

Figure 19: Average technological profile of ventures supported by ESOs in Colombia (%) (N=14)

Finally, **the entrepreneurship funnel of Colombian ESOs reflects both the high demand for incubation opportunities and the selective capacity of the ecosystem**. On average, programs receive around 1,191 applications per call, of which 37% meet eligibility criteria and 23% are ultimately accepted. These figures suggest a relatively competitive landscape, where many aspiring entrepreneurs seek support but only a limited number gain access to programs.

Looking at differences by ESO type, for-profit and non-profit organizations show similar scales of operation, each attracting over 1,200 applications per call, but they vary in filtering approaches. For-profits maintain a balanced pipeline, while **non-profits show slightly higher selectivity**, reflecting their focus on social impact and mission alignment. **University-based ESOs, on the other hand, operate with smaller cohorts and more targeted recruitment** (around 200 applicants per call), consistent with their educational or research-driven mandates (Table 5).

Taken together, these patterns suggest that **Colombian ESOs balance ambition with constraint** as they face a large pool of potential entrepreneurs but must operate within the limits of their capacity and funding models. The resulting funnel indicates an ecosystem in transition toward maturity, where increasing program visibility coexists with the need to refine recruitment, screening, and support processes to optimize outcomes.

	Average Applications Received	Average Eligible Entrepreneurs	Average Accepted Entrepreneurs	Overall Selectivity
Non - profit ESO	1,219	449	292	24%
For - Profit ESO	1,247	469	273	22%
Other	1,800	100	40	20%
Academic ESO	200	700	300	17%

Table 5: Disaggregated recruitment funnel by ESO type (Average per program) (N=14)

Takeaway

An ecosystem of wide arms and short reach

The data on ESO reach paints a picture of an ecosystem with a strong social conscience but limited economic leverage. Inclusivity is a clear strength, with high rates of support for women (47%), youth (39%), and migrants (39%), reflecting a deep commitment to addressing Colombia's unique social context. ESOs are reaching entrepreneurs across educational backgrounds and prioritizing vulnerable populations. However, this breadth comes at the cost of depth and focus. **The ecosystem's reach is highly uneven**, dominated by a few historic organizations (median 77 entrepreneurs/year) while most operate at a much smaller scale (median ~20-30). Furthermore, the sectoral and technological focus remains largely anchored in the past, prioritizing traditional commerce/services (56%) and manual/artisanal ventures (36%) over high-digitalization businesses (12%). **This creates an ecosystem that is successfully broadening participation but struggling to drive deep economic transformation**.

For ESOs, the challenge is to maintain their vital inclusive mission while simultaneously developing pathways to scale their own operations and more intentionally support higher-growth, higher-tech ventures. This requires specialization and building capacity beyond traditional models.

For funders and policymakers, the data is a call to move beyond simply celebrating inclusivity metrics. While essential, these goals must be complemented by strategic investments that build the operational capacity of the majority of ESOs and create incentives for organizations to specialize in higher-potential sectors and technologies that can drive Colombia's future competitiveness. Supporting reach must also mean supporting the infrastructure needed to achieve it effectively and sustainably across the entire ecosystem, not just within a few large anchors.

4. Results and outcomes of supported entrepreneurs

At a glance:

The outcomes of Colombian ESOs reveal a pattern of strong programmatic delivery but weaker results in key economic indicators. Performance metrics that ESOs directly control are high: on average, 84% of entrepreneurs complete their programs, and 73% of their ventures remain active one year later. Satisfaction is also overwhelmingly positive, with 86% of entrepreneurs rating their experience highly. A

majority of graduates (79%) succeed in generating income, and across program cohorts ESOs reported an average of 180 jobs created in total per cohort of supported entrepreneurs in 2024. However, these successes are tempered by significant challenges in capital access. Only a minority of graduates (24%) secure any external funding, and the average amount raised is a modest USD 3,970, highlighting a critical gap between program completion and the ability to secure growth capital.

This disconnect between programmatic success and financing outcomes is reflected in the ecosystem's monitoring and evaluation practices. ESOs overwhelmingly track short-term, activity-based metrics that are often required by funders, with the number of training hours (75%) and the number of women supported (67%) being the most common indicators. While economic outputs like jobs created are tracked by a majority of organizations (56%), the systematic, long-term monitoring of outcomes is rare; most follow-up activities cease within six months of program completion, and only 7% continue beyond three years. This focus on immediate outputs over long-term impact means the ecosystem is well-equipped to report on its activities but lacks the data to fully understand or address the persistent post-program challenges faced by the entrepreneurs it serves.

4.1 Program completion and survival

Program completion and survival rates among Colombian ESOs are relatively strong, indicating effective program delivery and sustained engagement from participating entrepreneurs. On average, 84% of entrepreneurs complete incubation programs, and 73% remain active one year after graduation. Across ESO types, for-profit organizations report the highest performance (97% completion and 89 % survival), followed closely by university-based ESOs (90% and 80%, respectively), both reflecting structured programs and selective recruitment processes. Non-profit ESOs, while showing slightly lower figures (78% completion and 73% survival), maintain stable outcomes given their broader inclusion mandates (Annex, Table 18). While these one-year survival rates are encouraging, they contrast sharply with broader national data indicating that only 24% of Colombian firms created in 2017 survived for five years, highlighting the significant challenge of long-term sustainability beyond initial support (IDB Invest, 2023). Overall, these results suggest that **while Colombian incubation programs achieve high retention and immediate continuity, the path to long-term venture survival remains difficult**.

4.2 Income generation and employment creation

Program graduates in Colombia demonstrate moderate income generation and employment creation outcomes, though with considerable variation by ESO type. On

average, 79% of entrepreneurs generate income after program completion (Annex, Table 18), and the ventures supported by each ESO cohort created an **overall average of 180 jobs in 2024** (median = 20) among participating organizations (Table 6). For-profit and university-based ESOs lead in post-program performance: both report around 90% of graduates generating income, and university ESOs show the highest employment outcomes, averaging 4,000 jobs generated, likely due to their access to institutional networks and scaling resources. Non-profit ESOs, while showing lower average employment figures (136 jobs), reach over 4,000 in total when accounting for their broader portfolio, suggesting a wider, if less intensive, impact. These figures indicate that while most graduates achieve income stability, employment creation remains concentrated in specific ESO types, particularly those with stronger ties to academia or market-oriented programs.

In terms of cost-efficiency, the **average cost per job created varies widely across ESO types**. Non-profit ESOs report a cost of approximately USD4,178 per job (Table 7), while university-based ESOs show a comparable figure (USD4,000), both reflecting their intensive operational and support structures. For-profit ESOs, in contrast, display a significantly lower cost of USD44 per job, suggesting leaner delivery models but potentially less comprehensive support. On average, across all organizations, the cost per job created stands at USD3,266. These figures indicate that while most graduates achieve income stability, employment creation and efficiency remain uneven, with the depth and scale of outcomes shaped by the strategic and financial models of each ESO type.

ESO type	Average of jobs created
For - profit ESO	525
Academic ESO	50
Other	25
Non - profit ESO	136
Average	**180**

Table 6: Average total number of jobs created per ESO cohort of supported ventures in 2024 (N=14)

ESO type	Average of Cost jobs created
For - Profit ESO	USD 44
Academic ESO	USD 4,000
Other	USD 280
Non - Profit ESO	USD 4,178
Average	**USD 3,266**

Table 7: Cost per job created by ESO type (N=14)

4.3 Financing outcomes

Around **one in four program graduates (24%)** in Colombia secure external funding within a year of completing their incubation program, indicating that a minority of ventures manage to access post-program capital (Annex, Table 18). The **average amount raised** among those who do is approximately **USD 3,970** (median = USD 650),

suggesting that most financing comes from small-scale or early-stage sources such as grants, competitions, or initial investor rounds. These figures highlight a **persistent funding gap between incubation and growth phases**. This difficulty in accessing finance, particularly private capital, is a well-documented challenge across Latin American ecosystems (Kantis & Federico, 2024). While ESOs effectively support entrepreneurs to achieve income generation and business continuity, access to external capital remains limited. This reflects both the structural constraints of Colombia's early-stage financing ecosystem and the need for ESOs to strengthen their investor networks, partnerships, and follow-up support to bridge the post-incubation financing gap.

4.4 Satisfaction and monitoring

Overall satisfaction with ESO support is high, with 86% of respondents rating their experience at 6 or 7 on a 7-point scale, indicating strong perceived value and alignment between ESO services and entrepreneurs' expectations. This reflects strong alignment between program design, mentor support, and entrepreneurs' perceived value, suggesting that **ESOs are effectively meeting participant expectations** and delivering quality incubation experiences.

In terms of monitoring practices, the majority of ESOs track their graduates immediately after program completion (36%) or within six months (29%), while fewer extend follow-ups to one year (14%) or two years (14%), and only 7% continue beyond three years. This pattern indicates that while short-term tracking is well established**, long-term monitoring remains limited**, constraining the ability to measure sustained outcomes such as business survival, scaling, or funding growth (Figure 20). While some ESOs, particularly "Other" and for-profit types, begin follow-up after longer intervals, monitoring beyond the first year is the exception rather than the rule (Annex, Table 19). Strengthening long-term tracking systems would help the ecosystem better understand entrepreneurial resilience, business growth, and lasting program effects.

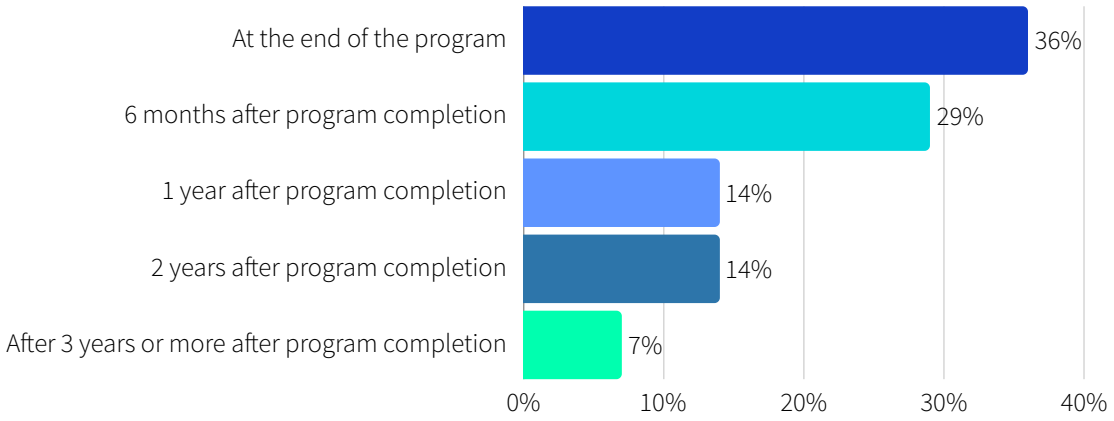

Figure 20: Monitoring timeline after program completion (N=14)

4.5 Indicators tracked by ESOs

Colombian ESOs most frequently track activity-based and gender-related indicators, focusing on the immediate outputs of their programs rather than long-term outcomes. The most commonly measured metrics are the number of training and/or mentorship hours (75%) and the number of women entrepreneurs supported (67%), reflecting both donor-driven reporting requirements and the prioritization of gender equity across initiatives. **Indicators linked to economic outcomes are also relatively common:** 56% of organizations track jobs created by supported ventures, and 39% measure funding secured during or after participation. However, fewer ESOs monitor socioeconomic profiles (33%), ethnic or racial origin (25%), or business exits (19%), revealing limited data collection on diversity and long-term business trajectories.

Notably, 44% of ESOs report tracking whether businesses remain active two to five years after intervention, suggesting a growing but still partial effort to assess sustainability. This figure complements earlier findings on short-term monitoring practices (Section 4.4), confirming that impact tracking in Colombia remains concentrated in the immediate post-program phase (Figure 21). Overall, **Colombian ESOs appear to prioritize indicators that are operationally accessible and funder-relevant**, such as participation numbers, satisfaction, and gender distribution, while long-term and structural dimensions are less systematically measured.

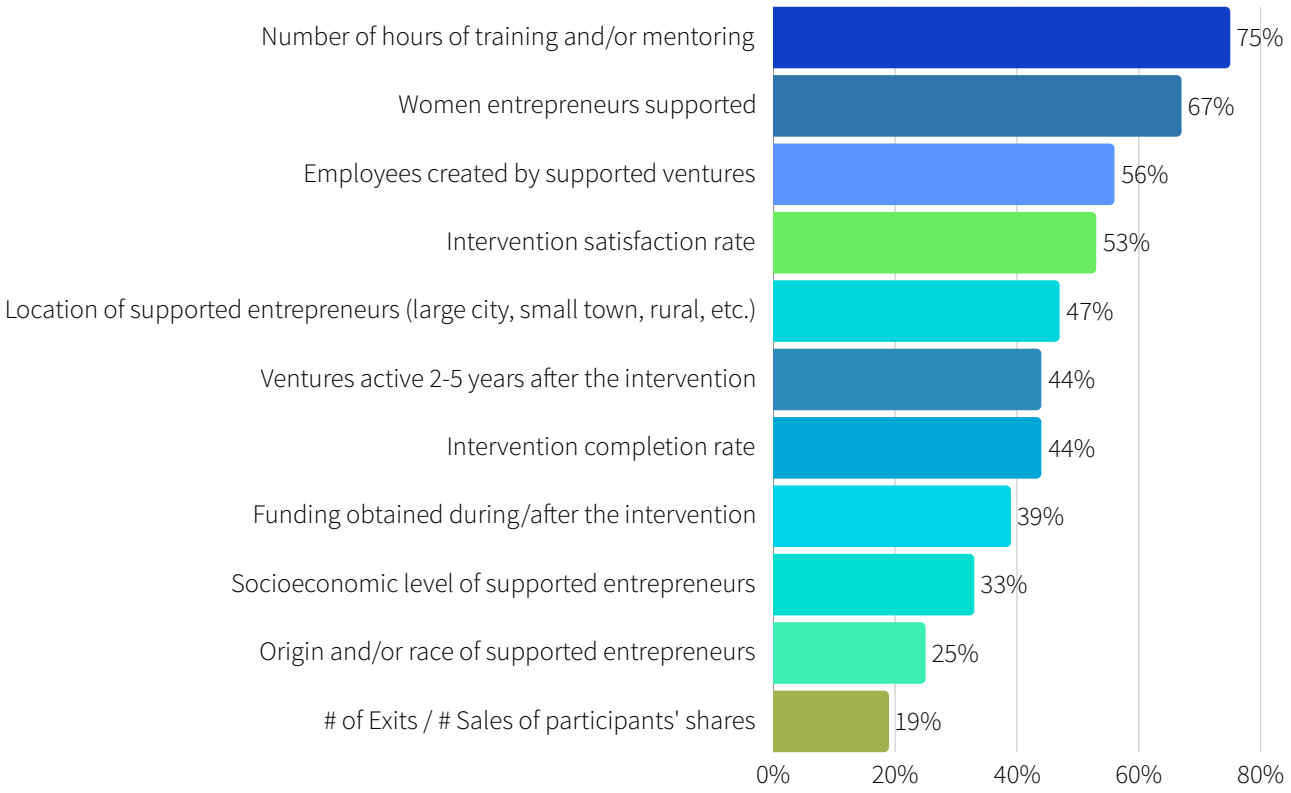

Figure 21: Indicators most frequently monitored by ESOs (N=36)

Takeaway

Measuring what is easy, missing what matters

Colombian ESOs excel at delivering programs but struggle to secure crucial economic outcomes, particularly access to capital. Performance is strong where ESOs have direct control: program completion (84%), one-year survival (73%), and entrepreneur satisfaction (86%) are high. However, access to capital is dismal, with only 24% of graduates securing funding (averaging USD ~4,000). While jobs are created, the cost per job for non-profit ESOs remains high (USD ~4,178). This gap stems from M&E focused on short-term outputs like training hours (75%) instead of long-term economic outcomes, driven by funder requirements. The system is optimized for satisfying learning experiences but blind to its effectiveness in bridging the funding gap.

For ESOs, the call is to prove value beyond satisfaction. Invest in robust, long-term tracking of graduates' financing and revenue outcomes to guide strategy and make the case for resources needed to bridge the critical gap between incubation and sustainable growth.

For funders, this indicts a model rewarding activity over impact. Shift from funding projects to funding outcomes, providing the multi-year, flexible support needed for ESOs to build the M&E systems required to track — and achieve — lasting economic results, especially improved access to capital.

5. Challenges faced by ESOs

At a glance:

The challenges facing Colombian ESOs are deep, interconnected, and primarily financial. The data reveals a sector whose primary struggle is its own institutional survival, with financial sustainability ranked as the most pressing challenge (4.0 out of 5). This chronic instability, driven by a reliance on short-term, project-based funding, creates a cascade of secondary issues. The difficulty in monitoring and communicating impact (3.7) is a direct consequence of this financial precarity, as ESOs lack the long-term resources needed for robust tracking, forcing them to focus on superficial, funder-driven metrics. Similarly, moderate challenges in digitalization (3.3) and inclusion (3.3) are consequences of a lack of stable capital to invest in new systems or targeted outreach.

This internal financial crisis is mirrored by the ecosystem's most significant external bottleneck: access to funding for entrepreneurs. Investors identify the lack of early

-stage financing as the top structural constraint (67%), a view reinforced by the qualitative testimony of ESOs who feel ill-equipped to bridge this capital chasm. While the ecosystem shows a growing spirit of collaboration, with 86% of ESOs interested in forming a national association, this collaborative energy is constantly undermined by the foundational weaknesses of a fragmented and financially fragile system. The unmistakable and consistent message from all actors is a call for a smarter, more coordinated, and more sustainably funded policy architecture.

5.1 Structural and financial sustainability

Financial sustainability emerges as the most pressing challenge ESOs in Colombia, with an average rating of 4.0 out of 5, revealing that for most organizations the central issue is ensuring continuity and stable funding models in an increasingly competitive environment (Figure 22). **Non-profit ESOs report the highest level of difficulty** (4.4), followed closely by for-profit entities (4.0), reflecting similar struggles to maintain consistent resources amid scarce access to unrestricted or recurring funds. University-based ESOs, by contrast, report minimal concern (1.0), likely due to their institutional support and integration within larger educational structures (Annex, Table 20). When analyzed by longevity, **financial sustainability is especially critical for very young organizations** (≤ 2 years) with a perfect score of 5.0, as well as for established ESOs (6–10 years) that face scaling and growth pressures (4.7). Historical ESOs with more than 20 years of activity show lower concern (3.0), benefiting from stronger networks and diversified revenue sources (Annex, Table 21).

These patterns align with findings from section 3.3, where funding diversification appeared as a systemic bottleneck: despite some progress in adopting hybrid models and corporate partnerships, many Colombian ESOs remain dependent on short-term grants or donor-driven initiatives. This reliance on project-based funding, often lacking long-term commitment or resources, is a common constraint highlighted in analyses of Latin American support ecosystems (Kantis & Federico, 2024), limiting the ability for strategic planning and innovation capacity.

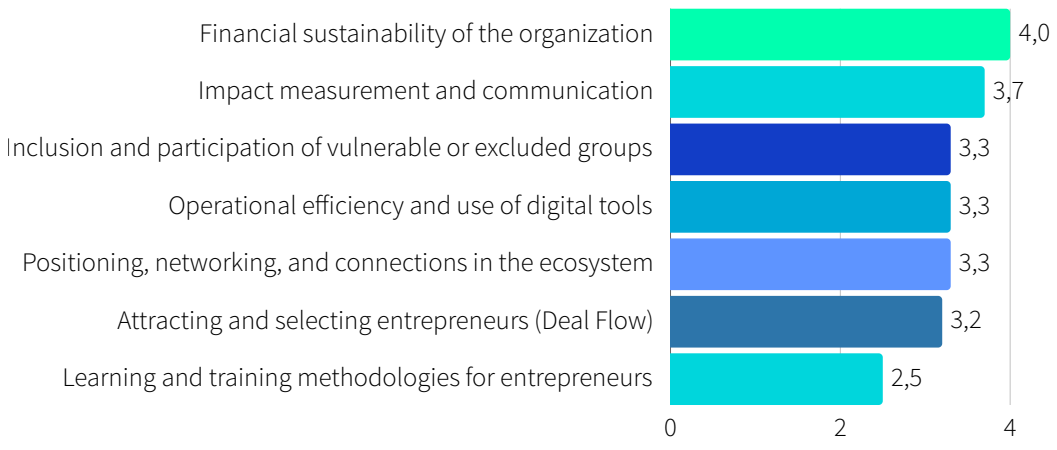

Figure 22: Average ESO challenge ratings (1 not a challenge - 5 major challenge) (N=36)

Qualitative insights reinforce this diagnosis. Several organizations describe the fragility of their funding models and the **uncertainty derived from public calls, donations, or international cooperation**. As one ESO explained:

> "*Our main challenge is achieving self-sustainability. We depend on public tenders which, although they allow us to operate, force us to adapt our programs to external priorities.*"

Others highlight that the challenge is not only financial but also organizational:

> "*Scalability without losing the practical and human focus is a constant tension; growing without depersonalizing the support we provide is essential to maintain quality*".

Discussions during the roundtables pointed in the same direction, emphasizing **the need to consolidate long-term mechanisms that combine social impact with financial viability**. Participants stressed that Colombian ESOs must learn to diversify revenue through social business models, impact investment, and service-based fees, while improving coordination across the ecosystem to share resources and reduce operational costs. As one participant summarized:

> "*Results-based payments and social impact bonds could become tangible routes to finance expansion beyond subsidies, provided that we strengthen standardized metrics and follow-up over two to three years*".

Altogether, the evidence suggests that **financial sustainability in Colombia is structural problem**. The absence of predictable, long-term funding mechanisms limits innovation and continuity, while the lack of shared monitoring systems constrains access to performance-based financing. Strengthening alliances, experimenting with financial instruments, and investing in impact measurement thus emerge as strategic priorities for ensuring the resilience and evolution of the country's support ecosystem.

> *"Our income does not allow us to maintain permanent programs for our entrepreneurs and business owners. We depend on regulatory changes and public tenders that are often exclusive by region or sector."*

Takeaway

The financial tightrope

The data confirms what many ESOs experience daily: **financial sustainability is their single greatest challenge (rated 4.0 out of 5)**, significantly outweighing operational or positioning concerns. The ecosystem is caught on a financial tightrope, heavily dependent on short-term grants and donor initiatives. **This reliance constrains long-term planning, forces adaptation to external priorities, and limits the capacity for innovation.**

For ESOs, this underscores the urgent need to move beyond traditional grant dependency. Building robust, hybrid business models, integrating earned income, corporate partnerships, and potentially impact investment, is a necessity for survival and long-term impact. Collaboration and resource-sharing within the ecosystem also emerge as crucial strategies to navigate financial constraints.

For funders, this is a stark reminder that the prevailing project-based funding model contributes directly to the instability ESOs face. Shifting towards more predictable, multi-year, operational funding is critical. Furthermore, investing in shared infrastructure for impact measurement could unlock performance-based financing mechanisms, providing a pathway towards greater sustainability and enabling ESOs to focus on their core mission rather than the constant chase for the next grant.

5.2 Access to funding for entrepreneurs

Access to funding remains one of the most persistent barriers in the Colombian entrepreneurship ecosystem. From the perspective of investors, 67% identify the lack of financing for early-stage ventures as the top structural constraint, followed by a deficient political and regulatory environment (60%) and unfavorable market conditions (47%) (Figure 23). These challenges form part of a broader pattern of weak coordination among ecosystem actors, where 40% of investors also point to insufficient collaboration between organizations. This diagnosis aligns with the perspective of ESOs, which report limited capacity to provide direct financial support to the entrepreneurs they serve. Only **a small proportion of ESOs in Colombia currently offer funding mechanisms**, whether through seed capital, prizes, or grants, and when they do, the average amount of financing offered per entrepreneur is USD 1,479 (Annex, Table 7). Despite this, entrepreneurs who complete these incubation and acceleration programs manage to raise, on average, USD 3,970 within one year after graduation, suggesting that while the ESO contribution remains modest, it plays a catalytic role in improving entrepreneurs' access to external funding.

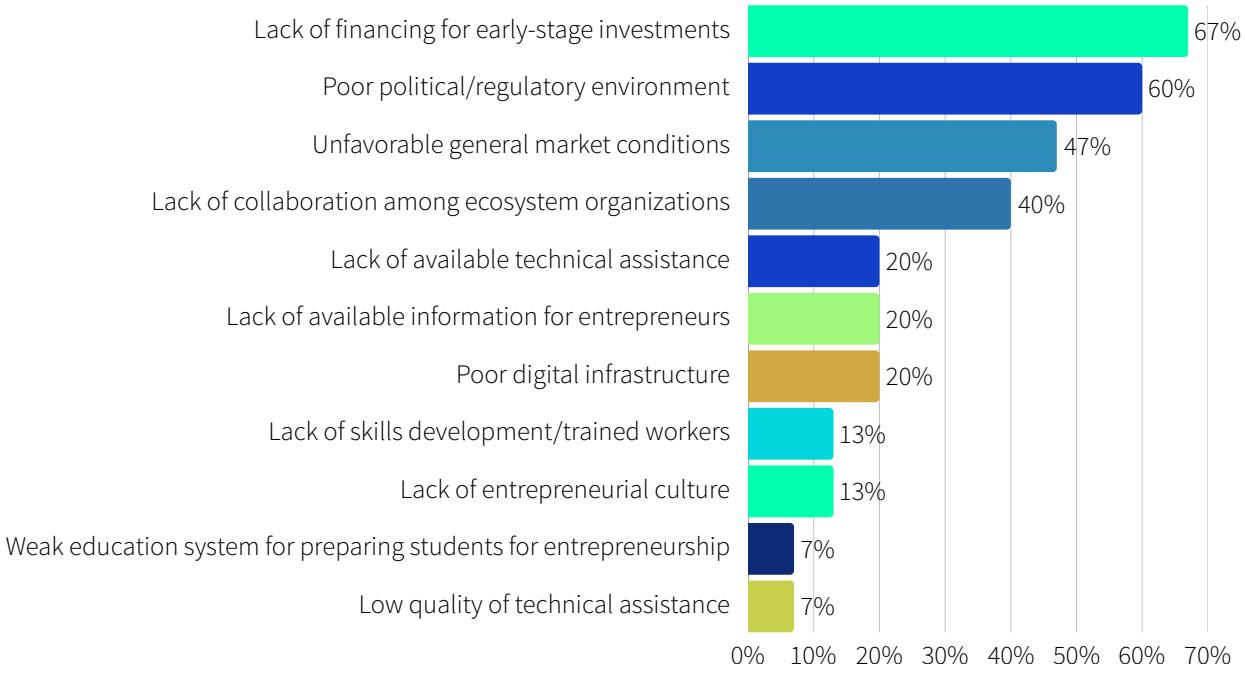

Figure 23: Ecosystem challenges reported by investors (N=15)

Qualitative evidence reinforces this view. **Many ESOs recognize the dual challenge of mobilizing resources for their own sustainability and enabling access to finance for the ventures they support**, especially those led by vulnerable or early-stage founders. As one organization put it:

> "Our biggest challenge is helping entrepreneurs who have no resources and no credit history. The system favors those who already have access to capital".

Others highlight the difficulty of attracting investors willing to engage beyond short-term grants and the need for blended finance approaches that combine private capital with social impact objectives.

The roundtable discussions echoed these points, underscoring the structural gap between available funding instruments and the needs of small and medium-scale entrepreneurs. Participants stressed that while large-scale impact funds exist, few mechanisms adequately serve early-stage projects or community-based ventures. **Several ESOs proposed creating joint investment vehicles** and guarantee schemes to share risk, while **others emphasized alliances with financial institutions to develop inclusive credit products.** One participant summarized the dilemma:

> *"There is money in the ecosystem, but it doesn't flow where it's most needed. We need intermediaries who can translate impact into investable opportunities".*

Overall, the evidence portrays an ecosystem where **access to finance continues to be the weakest link between entrepreneurial talent and sustainable growth,** a situation mirrored across much of Latin America (Kantis & Federico, 2024). The combination of limited ESO funding capacity, fragmented investment networks, and low investor tolerance for risk prevents many ventures from moving beyond survival stages. Addressing this gap will indeed require better coordination between ESOs, investors, and policymakers, and the design of financial instruments adapted to the realities of early-stage and impact-driven entrepreneurship.

Takeaway

The capital chasm

Access to early-stage funding is the ecosystem's critical failure point, identified by investors (67%) as the single biggest barrier. While ESOs provide vital support and though graduates manage to raise slightly more post-program (average USD 3,970), it is clear the system fails to bridge the gap to meaningful growth capital. This "capital chasm" leaves promising ventures stranded, unable to move beyond survival, a problem compounded by a regulatory environment investors also deem deficient (60%). As our qualitative data confirms, the available money is not flowing where it is most needed.

For ESOs, this highlights an urgent need to evolve beyond capacity building. While their catalytic role is evident, they must become far more effective financial intermediaries, actively building robust investor networks, developing blended finance models, and equipping entrepreneurs not just with skills, but with the specific strategies and connections needed to navigate Colombia's difficult funding landscape.

For funders and policymakers, the message is stark: the ecosystem's weakest link is undermining all other efforts. Addressing this requires a multi-pronged approach: reforming regulations identified as barriers, creating incentives for early-stage investment, and directly supporting ESOs to build their financial intermediation capacity

5.3 Monitoring and communication of impact

Monitoring and communicating impact emerged as one of the most important yet challenging dimensions for Colombian ESOs. With an average rating of 3.7 out of 5, organizations place this issue just below financial sustainability, signaling that while many are aware of the strategic relevance of impact measurement, they continue to face operational and methodological constraints in doing so effectively (Figure 22). The very premise of initiatives like GEIAL underscores the recognized need across Latin America for better metrics and shared learning based on robust data (Kantis & Federico, 2024).

Disaggregated analysis shows that this challenge is shared across all ESO types, with non-profit organizations and corporate-linked initiatives rating it slightly higher than universities or informal entities. Similarly, newer organizations (less than five years old) tend to perceive monitoring as more difficult (average 4.7) compared to consolidated or historical ones, who score closer to 3.0–3.9. This suggests that maturity and accumulated experience contribute to more established monitoring systems, while younger ESOs still struggle to build the internal capacity and tools required to measure and communicate results systematically (Annex, Tables 20 and 21).

These perceptions mirror the quantitative evidence presented in Section 4.4 and 4.5. While 53% of Colombian ESOs track satisfaction rates and 44% monitor the survival of ventures two to five years after participation, the majority of measurement efforts remain short-term. Moreover, the indicators most frequently measured, such as number of training or mentoring hours (75%) and number of women entrepreneurs supported (67%), tend to capture outputs rather than deeper outcomes related to income generation, resilience, or systemic change.

Qualitative insights from the survey and roundtables help explain these limitations. Many ESOs emphasized the **lack of dedicated resources and technical expertise** for robust monitoring systems, as well as the **difficulty of gathering post-program data from entrepreneurs once formal engagement ends**. Several also pointed to the need for **shared frameworks across ecosystem actors** to make data comparable and meaningful for decision-making and policy influence. As one organization noted:

> *"We question whether what we measure is really what matters. Collecting data is expensive, and we often depend on entrepreneurs to report back after the program, which rarely happens."*

Another recurring theme was the **gap between data collection and communication**. Participants acknowledged that while they do gather information about outcomes, translating that data into compelling narratives that resonate with funders, policymakers, and the public remains an unresolved challenge. In the words of one ESO leader:

> *"Our biggest challenge is not only measuring impact, but telling the story behind it, showing why it matters and who it transforms."*

Roundtable discussions also underscored the fragmentation of monitoring practices and the absence of coordinated data systems that could provide ecosystem-level evidence. **Several participants proposed creating a shared national dashboard or repository to consolidate indicators from different programs**, aligned with international impact

measurement standards. Others suggested that **funders should include dedicated budget lines for M&E**, recognizing that rigorous evaluation and communication are essential for sustainability.

In summary, monitoring and communication of impact in Colombia show significant progress in intent and awareness but remain constrained by limited resources, inconsistent methodologies, and fragmented data ecosystems. The evidence suggests that **ESOs are measuring what is easiest to quantify, not necessarily what best demonstrates long-term impact**. Strengthening collaboration between organizations, donors, and public agencies to harmonize metrics and invest in M&E capacity would be a crucial step toward transforming data into credible, actionable evidence of entrepreneurial development.

Takeaway

Flying blind on impact

Colombian ESOs recognize the critical importance of measuring and communicating impact, ranking it as their second biggest challenge just behind financial sustainability (3.7 out of 5). Yet, the data reveals a system largely flying blind. Current M&E practices are stuck in first gear, focusing overwhelmingly on easily quantifiable, short-term outputs like training hours (75%) and gender participation (67%), while the long-term economic and social transformation ESOs aim for goes largely unmeasured and thus unreported. This is not due to lack of will, but a lack of resources, expertise, and shared frameworks, exacerbated by funder demands for simple output metrics.

For ESOs, this is a critical capability gap. Relying on anecdotal success stories is no longer sufficient. ESOs must collectively invest in building robust M&E systems, even with limited resources, by adopting shared metrics and collaborating on data collection. Learning to translate complex outcomes into compelling impact narratives is essential for securing the trust and long-term funding needed for sustainability.

For funders, this data exposes a fundamental flaw in the current accountability model. Demanding simple output reports while neglecting to fund the M&E capacity needed for deeper analysis forces ESOs into a superficial measurement cycle. Funders must treat M&E as a core operational necessity, providing dedicated funding and technical support for ESOs to build this capacity. Shifting reporting requirements towards meaningful long-term outcomes and supporting collaborative data initiatives are crucial steps to help the ecosystem truly understand and amplify its transformative potential.

5.4 Scouting and deal flow

The ability to attract and select entrepreneurs who align with each program's objectives remains a moderate but consistent challenge among Colombian ESOs. With an average rating of 3.2 out of 5 (Figure 22), the issue ranks below financial sustainability and impact measurement, yet it is critical to program effectiveness and overall ecosystem growth. The challenge reflects both external factors, such as the visibility of support programs and the perceived value of participation, and internal factors related to outreach strategies, eligibility criteria, and resource constraints.

When disaggregated by ESO type, non-profit organizations report slightly higher difficulty (average 3.3) than corporate or academic ESOs, largely due to their more limited communication budgets and dependency on external funding cycles for program launches. From the lens of organizational maturity, the challenge appears greater for younger ESOs (≤5 years), which score 4.0–4.3, while established and historical institutions report lower averages (2.5–3.2) (Annex, Tables 20 and 21). This pattern suggests that experience, established networks, and brand recognition ease the process of attracting qualified entrepreneurs over time.

Quantitative data from participating ESOs reveals a relatively balanced recruitment funnel, with an average of 1,200 applications per program and an overall selectivity rate of 22% (Table 5). Once entrepreneurs are admitted, completion rates remain high, suggesting that the **main friction lies at the top of the funnel**. These instances point to the need for stronger awareness, trust-building, and coordination mechanisms across the ecosystem.

Beyond quantitative patterns in the recruitment funnel, **qualitative insights reveal that the main challenges for ESOs in Colombia relate to visibility, positioning, and alignment between program design and target audiences**. Several organizations highlight the difficulty of being recognized as strategic allies by entrepreneurs, who often perceive university-led or highly technical programs as "too demanding" or not adapted to their realities. As one respondent explained*, "our challenge is that entrepreneurs see us as an ally in the development of their life projects; visibility and positioning are essential for them to identify the value we bring at each stage."*

Limited communication channels and the saturation of initiatives in the ecosystem further complicate outreach. Many organizations report that entrepreneurs are unaware of the available programs or face a **"dispersion of opportunities"**, especially in contexts where numerous incubators and foundations run similar calls. This creates competition for attention rather than collaboration for inclusion. One ESO noted:

> *"often there is a lack of awareness of the programs available or an oversupply of initiatives that generates dispersion — we must strengthen our brand positioning within entrepreneurial communities."*

At the same time, several respondents working with vulnerable or territorial populations describe **structural barriers to reaching underrepresented groups**, particularly due to financial or logistical constraints. ESOs operating with migrants, women, and rural youth mentioned challenges in finding suitable profiles and maintaining continuity throughout the process. As one put it, *"reaching entrepreneurs in vulnerable communities remains difficult because of limited communication channels and mobility barriers*."

Finally, participants emphasized that effective selection is not just about reaching more applicants but ensuring fit and progression across different maturity stages. A few organizations identified **the need to segment calls according to entrepreneurial development levels** to reduce attrition and make training more equitable. One ESO summarized, *"it is crucial to filter and establish training levels according to each group of entrepreneurs; this would minimize dropout rates and make the learning process fairer for everyone."*

Takeaway

Casting a wider net

While not the most acute pain point, the persistent challenge of **attracting and selecting the right entrepreneurs (rated 3.2 out of 5)** significantly hinders the ecosystem's overall effectiveness. The data shows a paradox: ESOs face high demand (average ~1,200 applications) yet struggle to reach their desired target audiences, particularly in niche sectors or underserved regions. This difficulty is most pronounced for non-profits and younger organizations, highlighting how resource constraints and lack of established networks limit outreach capacity. The result is **a recruitment funnel where significant effort is spent filtering applicants**, suggesting a potential mismatch between program offerings and the available talent pool, or simply an inability to effectively communicate value propositions.

For ESOs, this is a clear signal to move beyond passive calls for applications and adopt more proactive, targeted outreach strategies. Building strategic alliances with universities, chambers of commerce, and community organizations, simplifying communication, and cultivating alumni networks are essential for reaching beyond the "usual suspects" and attracting the diverse, high-potential entrepreneurs the ecosystem aims to serve.

For funders and policymakers, the challenge lies in fostering better ecosystem coordination and visibility. Investing in shared infrastructure, such as joint scouting platforms or regional communication campaigns, can reduce fragmentation and improve efficiency. Furthermore, providing dedicated funding for outreach activities, recognizing it as a core operational cost, is crucial, especially for ESOs working with underrepresented or hard-to-reach populations. Supporting ESOs in casting a wider, more effective net is key to unlocking the full potential of Colombia's diverse talent pool.

5.5 Digitalization and process improvement

Digitalization and the improvement of internal processes appear as a moderate challenge for Colombian ESOs, with an average rating of 3.3 out of 5 (Figure 22). While most organizations have introduced digital tools to manage operations and communications, significant gaps persist in the integration, automation, and strategic use of technology to support program delivery, monitoring, and scalability. When disaggregated by ESO typology, university-based ESOs report relatively fewer obstacles (3.0), often benefiting from institutional IT infrastructure. In contrast, non-profit organizations (3.4), historic (4.0) and younger ESOs (4.0) face more constraints (Annex, Tables 20 and 21).

Qualitative insights reveal **a shared aspiration to modernize operations without losing the human dimension that characterizes support programs.** Many ESOs acknowledge the need to strengthen their digital transformation but stress the tension between efficiency and proximity. As one respondent from a technology-based incubator noted, “our challenge is to digitalize our programs without losing the essence that makes them close and practical”. Others point to **structural barriers such as poor internet connectivity, limited infrastructure** —a particularly acute challenge in regions like the Amazonía (BID Lab, 2024)—, **and insufficient funds to sustain digital tools** in the long term. An ESO working in border regions emphasized, “the digital divide continues to restrict the use of our learning platforms; not all entrepreneurs have stable access or the right devices.”

Across survey and roundtable discussions, digitalization is viewed less as a matter of adopting new software and more as a **strategic enabler for scale and inclusion.** Several ESOs mentioned efforts to automate data collection, integrate monitoring systems, and migrate training materials online, yet these initiatives often depend on external funding or short-term projects. The lack of interoperability between platforms and the fragmentation of information flows also hinder efficiency, particularly in multi-stakeholder programs.

Participants underlined that the goal is not to replace human interaction but to use technology to strengthen continuity and learning. Some ESOs reported experimenting with hybrid methodologies, combining in-person mentoring with digital content and messaging channels to sustain engagement. As one participant summarized, “technology can help us follow up more closely, but it should not replace the conversations that build trust.” Overall, the evidence suggests that while Colombia’s ESOs recognize the potential of digital tools, the digital transition remains uneven. Progress will depend on access to stable funding, shared digital infrastructure, and capacity-building initiatives that help organizations optimize processes without compromising the relational dimension that defines effective entrepreneurial support.

Takeaway

Making digitalization work

Though rated a moderate challenge (3.3 out of 5), digitalization underpins nearly every aspect of ESO effectiveness, spanning from impact tracking to financial sustainability. For most organizations, the task is not adopting tools but **integrating technology meaningfully** to enhance scale, inclusion, and learning continuity. Progress exists, yet limited funding and fragmented systems often slow actual transformation.

For ESOs, the path forward lies in strategic, mission-aligned digitalization, investing not solely in software but also in the capacities, partnerships, and cultural shifts needed to integrate technology meaningfully. Peer learning networks and open-source toolkits could help level the playing field, especially for smaller or younger ESOs with limited resources.

For funders and policymakers, the priority should be supporting collective digital infrastructure and recognizing process modernization as a legitimate component of ecosystem strengthening. Grants and public programs rarely cover operational systems or technology adoption, even though these are prerequisites for efficiency and data-driven decision-making. Investing in interoperability, connectivity, and shared learning platforms would empower ESOs to focus on fostering trust, adaptability, and sustainable impact among entrepreneurs.

5.6 Inclusion, legitimacy, and networking

With an average score of 3.3 out of 5, **inclusion and participation of vulnerable or excluded groups rank as a moderate challenge for ESOs in Colombia** (Figure 22). Despite widespread acknowledgment of its importance, inclusion often remains aspirational rather than systematically embedded in program design. The challenge is particularly salient among university-based ESOs (3.5) and younger organizations (4.3 among those ≤2 years old), reflecting both resource limitations and the complexity of reaching underrepresented groups (Annex, Tables 20 and 21). Further, the **question of legitimacy** also emerged as central. As one ESO reflected:

> *"Many of us work on inclusion, but we still need to prove impact with data to be taken seriously by funders and public institutions."*

At the same time, **networking and collaboration are areas where Colombia's ecosystem shows clear dynamism and progress**. According to investors, 47% note stronger connectivity among organizations, making it one of the top three improvements in the past three years (Figure 26). This is echoed by ESO data: 89% report collaborations in programs or events, 74% in joint dissemination of initiatives, and 66% in identifying new strategic partners (Annex, Figure 1). Similarly, 66% collaborate through access to specific platforms or networks for entrepreneurs, and 60% through mentor or investor connections (Annex, Figure 2). This reflects a positive trend noted in the region, where increased articulation among actors is seen as a key driver of ecosystem evolution (Kantis & Federico, 2024).

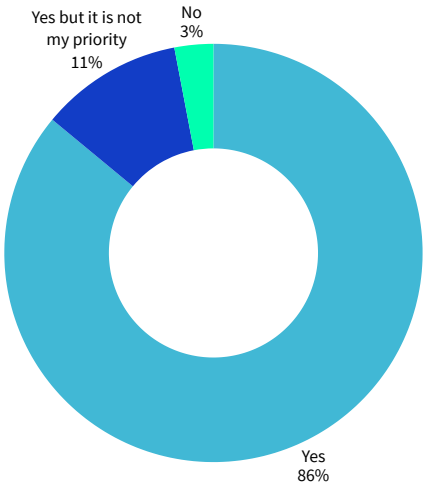

Figure 24: Interest in joining a gremio (N=36)

Still, **collaboration often depends on individual relationships rather than institutionalized mechanisms**. When asked how to improve ecosystem dynamics, 71% of ESOs called for stronger institutional support to foster connections, 69% for more targeted networking events, and 54% for improved digital platforms to connect key actors (Figure 25). This indicates a growing demand for structured and consistent spaces that sustain collaboration beyond isolated projects.

Qualitative inputs reinforce this need. A few ESOs pointed to the challenge of maintaining partnerships beyond short-term projects:

> *"Many of us work on inclusion, but we still need to prove impact with data to be taken seriously by funders and public institutions."*

Encouragingly, **86% of ESOs expressed interest in joining a national association or network to strengthen advocacy and influence policy narratives** (Figure 24). This

strong appetite for coordination suggests a window of opportunity to formalize collective representation and strengthen the voice of ESOs within the national entrepreneurship agenda.

In summary, Colombia's ESOs are showing a clear shift from isolated efforts toward collaborative identity-building. Inclusion and legitimacy remain uneven, but the expanding partnerships and openness to association point to an ecosystem increasingly aware that connectivity is the foundation of credibility and equitable reach.

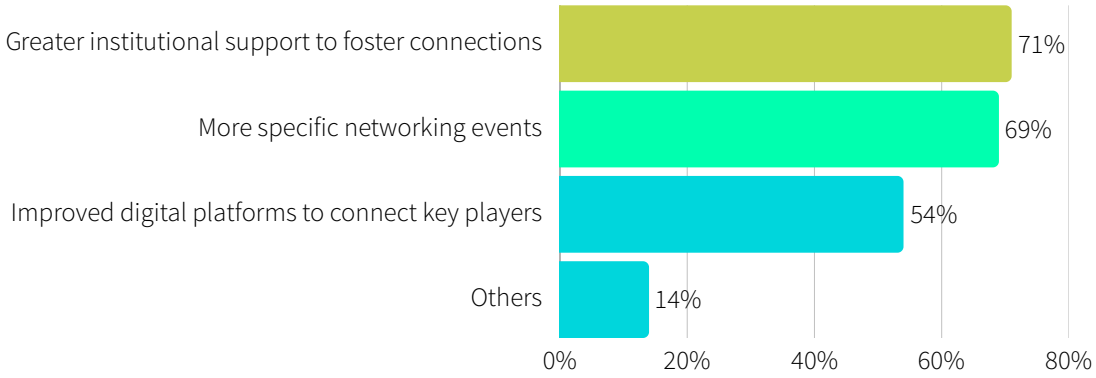

Figure 25: Suggestions to improve collaboration efforts (N=36)

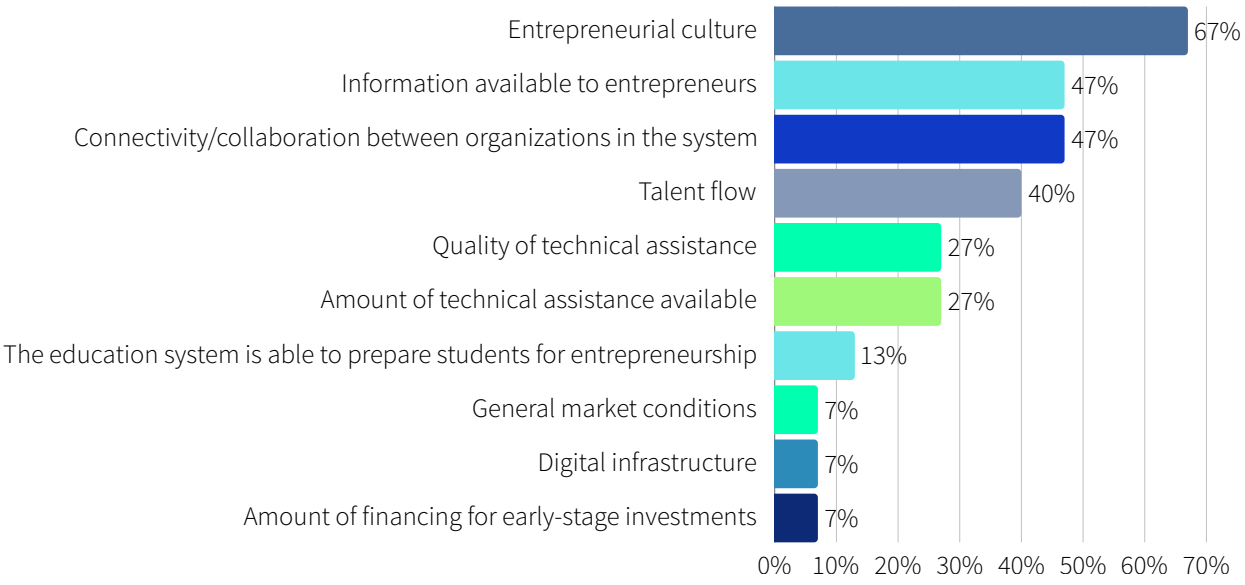

Figure 26: Ecosystem improvements according to investors (N=15)

Takeaway

A fractured voice in a crowded field

While inclusion remains a moderate challenge (3.3 out of 5), particularly for younger ESOs and universities lacking resources to reach underrepresented groups, the real story in this section is the **ecosystem's burgeoning collaborative spirit**. Networking and partnerships are on the rise, with 89% of ESOs reporting collaborations. However, this collaboration often relies on informal relationships rather than durable structures, leading to fragmentation and inefficiency. Encouragingly, **there is a strong appetite for change, with 86% of ESOs eager to join a national association to strengthen their collective voice and advocacy power.**

For ESOs, the message is clear: the era of isolated efforts is over. The strong desire for a national network presents a crucial opportunity to move from informal partnerships to institutionalized collaboration. Formalizing this collective identity is key not only for sharing resources and improving reach, especially to underserved groups, but also for building the legitimacy needed to advocate effectively for systemic change.

For funders and policymakers, the challenge is to nurture this collaborative momentum. Supporting the creation of a national ESO association or investing in shared platforms for communication and resource-sharing can significantly amplify the ecosystem's impact. Furthermore, explicitly funding collaborative projects and recognizing the value of ecosystem-building activities - beyond direct service delivery - will help transform goodwill into the robust, coordinated structures needed for equitable and sustainable reach.

5.7 Policy and funding demands

Policy and funding demands from Colombia's ESOs reveal a strong call for coordination, simplification, and targeted financial support. The survey data shows that 54% of respondents request the strengthening of networks and collaboration spaces at local, national, and international levels, while 53% call for better agreements between ESOs and the public sector. In parallel, 46% ask for subsidies or direct financial support for their organizations, and 37% request incentives or financing schemes for entrepreneurs (Figure 27). These priorities reflect the ecosystem's need for more predictable and equitable mechanisms to sustain its work, aligning with broader regional calls for stronger governance structures and resource commitment (Kantis & Federico, 2024).

The qualitative evidence reinforces this picture. **Many ESOs describe a landscape marked by fragmentation, excessive bureaucracy, and short-term funding cycles** that limit the continuity of their programs. As one participant expressed:

> *"Many entrepreneurs face unnecessary paperwork to access support or financing. We need faster, more accessible processes — the help should arrive quickly, without excessive bureaucracy."*

A recurring theme is the **demand for more effective articulation among public, private, and academic actors**. Respondents point out that current collaboration structures are often project-based rather than strategic:

> *"We see too many disconnected initiatives. What's needed are permanent territorial roundtables for inclusive entrepreneurship, where OAEs, government, and the private sector can design collaborative solutions."*

Several ESOs also highlighted the need for **flexible regulation** that enables small or early-stage ventures to formalize without prohibitive costs: *"Formalization remains costly and complex. We need flexible frameworks that allow entrepreneurs to operate legally without being strangled by initial requirements."* This reflects the widespread challenge identified across Latin America, where regulations are often cited as a significant barrier (Kantis & Federico, 2024).

Funding continuity and recognition of non-financial support were also central in the feedback: *"Public and private programs should recognize comprehensive support — legal, digital, emotional, and community-based — as essential to entrepreneurial success. These models deserve their own funding lines, especially for excluded populations."*

Infrastructure and digital inclusion remain cross-cutting demands, particularly in territories with low connectivity. ESOs request investments in technological infrastructure, digital literacy, and access to open data, which would strengthen local capacity and evidence-based policy design.

Finally, there is strong alignment between ESOs and investors on the need to mobilize private capital through incentives. Several organizations advocate for mechanisms such as tax deductions for angel investors, co-investment funds, and dedicated public procurement quotas for startups, to reduce risk and expand early-stage financing opportunities, approaches also recommended in broader regional analyses (Kantis &

Federico, 2024). Overall, the demands of Colombian ESOs point toward a coherent, long-term public–private framework: one that streamlines procedures, funds both financial and non-financial support, and ensures sustained collaboration across sectors. Moving beyond isolated programs toward a systemic policy architecture would allow the ecosystem to channel its collective potential into inclusive and sustained entrepreneurial growth.

Figure 27: ESOs requests to public and private stakeholders (N=36)

Takeaway

A unified call for a smarter system

The collective demands of Colombian ESOs paint an unmistakable picture: **the current policy and funding landscape is fragmented, bureaucratic, and misaligned with their needs.** ESOs are calling for a fundamental shift towards better coordination (54%), simplified processes, predictable funding (46%), and smarter financing mechanisms for entrepreneurs (37%). Qualitative data confirms the pain points: short-term funding cycles, inflexible regulations hindering formalization, and a lack of recognition for crucial non-financial support limit their impact. There is clear alignment, even with investors, on the need for incentives to unlock private capital.

For ESOs, these shared demands represent a powerful, unified platform for advocacy. The challenge now is to translate this collective frustration into a coordinated voice, presenting policymakers and funders not just with problems, but with concrete proposals for the systemic changes needed, from permanent collaboration roundtables to flexible formalization frameworks.

For funders and policymakers, this is an unambiguous roadmap for reform, delivered directly by the organizations on the ground. ESOs are not just asking for more money; they are asking for a smarter system, one that values coordination, streamlines bureaucracy, provides long-term operational support alongside project funding, and actively incentivizes the private capital needed to fuel growth. Heeding this call and co-designing a more coherent, systemic policy architecture is essential to unleashing the full potential of Colombia's entrepreneurs.

6. An agenda for collective action

6.1 Building Colombia's collective voice

Challenge

The ESO sector is fragmented. While collaboration exists, it often relies on informal relationships and short-term projects, weakening the sector's collective voice, reducing its legitimacy, and hindering its ability to influence policy or establish professional standards.

Opportunity

There is a powerful mandate for change. An overwhelming 86% of ESOs express interest in joining a national association or network to act on their shared interests and strengthen advocacy.

Recommendation for ESOs

Take the lead in creating a national association to set standards, share best practices, pool data for a stronger evidence-based narrative about impact, and advocate for systemic changes.

Recommendation for Policymakers & funders

Formally recognize and engage with this new association as a strategic partner to co-design policy, simplify regulations, improve public funding mechanisms, and support ecosystem-building initiatives.

Colombia's ESO ecosystem is a vital engine for nurturing entrepreneurial talent, yet its potential is hampered by significant fragmentation. While individual organizations frequently collaborate on specific programs (89% report collaborations), the absence of a unified sectoral voice weakens their collective legitimacy, complicates coordination efforts across a geographically diverse country, and makes it difficult to advocate effectively for needed policy changes or establish shared standards of practice. This challenge, however, is met with a clear desire for unity. The report reveals a powerful consensus: **a vast majority of ESOs (86%) expressed undeniable interest in forming a sectoral associatio**n to strengthen the ecosystem and influence policy narratives. This mandate for collective action represents the most critical first step toward building a more robust and impactful sector.

The primary responsibility thus falls on ESO leaders to capitalize on this momentum and establish a representative national association. Such a body would move beyond ad-hoc collaborations to perform essential functions for the entire sector**: setting professional standards to build credibility**, **sharing best practices and resources to improve program quality** (especially for younger or smaller organizations), and **pooling anonymized data to construct a powerful and evidence-based narrative of their collective economic and social impact**. This unified voice is essential for articulating the sector's needs regarding funding, regulation, and strategic priorities to government and other key stakeholders.

The creation of a unified association offers a critical opportunity for policymakers and funders to engage more strategically and effectively with the ecosystem. A fragmented support landscape often leads to duplicated efforts, inefficient resource allocation, and difficulty implementing coherent national strategies. By formally recognizing and empowering a new, collective ESO entity as a legitimate partner in policy co-creation, government and funders can transform this landscape. This partnership must focus on addressing the tangible challenges ESOs have explicitly raised, from simplifying bureaucracy and providing stable operational funding to fostering better coordination, turning a collection of individual actors into a powerful, unified sector capable of driving inclusive and sustained entrepreneurial growth across Colombia.

6.2 Forging sustainable Public-Private financing

Challenge

The ecosystem suffers from a dual financing crisis. ESOs are trapped in unstable, project-based funding cycles, hindering their long-term sustainability and capacity. Simultaneously, entrepreneurs face a critical "capital chasm," with extremely limited access to post-program funding, preventing promising ventures from scaling.

Opportunity

There is growing recognition of the need for hybrid funding models among ESOs, and clear alignment between ESOs and investors on the need for public incentives to mobilize private capital for early-stage ventures. Colombia's existing policy commitment to entrepreneurship provides a foundation to build more sophisticated and sustainable financing mechanisms.

Recommendation for funders & policymakers

- **Actively diversify income streams** by developing robust fee-based services, corporate partnerships, and potentially impact investment vehicles, reducing reliance on short-term grants.
- **Strengthen capacity** as financial intermediaries, building investor networks and equipping entrepreneurs with the tools to secure capital.

Recommendation for ESOs

- Shift from primarily project-based grants towards **providing more flexible and multi-year operational funding** to stabilize ESOs and build core capacity.
- **Co-design and implement incentives** to de-risk and mobilize private capital for early-stage and growth-stage ventures.

The Colombian entrepreneurship ecosystem is fundamentally constrained by a dual financing crisis that undermines both the support organizations and the entrepreneurs they serve. As this report demonstrates, financial sustainability is the number one challenge faced by ESOs, who are largely caught in a "project funding trap" reliant on short-term and external sources like CSR and international aid. **This instability prevents long-term planning and capacity building**. Simultaneously, entrepreneurs face a severe "capital chasm"; despite high program completion and satisfaction rates, only 24% secure funding post-program, and typically in negligible amounts, crippling their ability to scale. Investors confirm this, citing lack of early-stage finance as the top barrier.

This critical situation, however, also presents an opportunity for systemic reform. ESOs are increasingly exploring hybrid models, with nearly half already generating some revenue from entrepreneur payments, signaling an appetite for greater financial autonomy. Furthermore, there is clear alignment between ESOs and investors on the need for public incentives to unlock private capital. The path forward requires a two-pronged strategy. ESOs must take ownership of their sustainability by actively diversifying revenue streams beyond grants. This involves professionalizing fee-for-service offerings, building strategic corporate partnerships that generate stable income,

and potentially exploring shared impact investment vehicles. Crucially, they must also enhance their role as effective financial intermediaries, strengthening their ability to connect graduates with viable funding opportunities.

For policymakers and funders, the imperative is to reshape the funding landscape. This means moving beyond the limitations of project-based grants towards providing predictable, multi-year operational funding that allows ESOs to build resilient institutions. Equally critical is the co-design and implementation of smart incentives, such as tax relief for early-stage investors, public co-investment funds, and startup procurement quotas, that actively de-risk and mobilize the private capital essential for bridging the funding gap faced by entrepreneurs. Forging these sustainable public-private financing mechanisms is paramount to transforming Colombia's ecosystem from one that primarily nurtures potential to one that effectively scales impact.

6.3 From the aspiration of inclusivity to concrete action

Challenge

The ecosystem excels at broad inclusion, reaching diverse populations like women, youth, and migrants, but struggles to translate this reach into deep economic impact. Support is concentrated in early stages and traditional/low-tech sectors, with a critical lack of capacity and focus on scaling high-growth, high-tech ventures.

Opportunity

The strong inclusive foundation provides a wide talent pool. Colombia's national push towards a tech-driven economy creates alignment for ESOs to specialize and develop pathways that connect nurtured entrepreneurs to high-growth opportunities. Mature ESOs possess the experience to potentially lead this shift towards scaling support.

Recommendation for ESOs

- **Develop specialized tracks or programs focused explicitly on scaling high-potential ventures**, particularly in technology and innovation-intensive sectors, complementing existing inclusive programs.
- **Build stronger internal capacity and external partnerships** (e.g., with later-stage investors, corporate VCs) dedicated to growth-stage support.

Recommendation for policymakers & founders

- **Create targeted funding and incentives for ESOs** that demonstrably support scaling and high-tech ventures, moving beyond purely inclusion-focused metrics.
- **Invest in building the capacity of mature ESOs to deliver specialized scaling support** and facilitate connections to national and international growth markets.

Colombia's support ecosystem demonstrates a commendable commitment to inclusion, successfully casting "wide arms" to embrace diverse entrepreneurs, including women (47%), youth (39%), and migrants (39%), across various educational backgrounds. This broad reach, however, comes at the cost of depth and focus, resulting in "short reach" when it comes to economic transformation. The data clearly shows an ecosystem heavily weighted towards nurturing early-stage potential, primarily in traditional sectors like commerce/services (56%) and low-to-medium technology ventures (manual/artisanal: 36%). Critically, specialized support for scaling high growth is scarce with only 14% of ESOs focusing predominantly on this crucial stage. This creates a system adept at broadening participation but ill-equipped to propel its most promising ventures towards significant market impact.

This structural imbalance represents a missed opportunity. Colombia's national ambitions focus on innovation and technology as drivers of future competitiveness (World Bank, 2023), yet **the support system designed to foster entrepreneurship remains largely anchored in less intensive and traditional models**. The path forward requires a strategic shift from breadth alone towards enabling depth and specialization. ESOs must embrace this challenge by developing distinct pathways for different types of ventures. While maintaining their vital inclusive mission, they need to create specialized programs, build internal expertise, and forge partnerships specifically designed to address the unique needs of scaling companies, particularly in strategic high-growth sectors. Mature ESOs, with their established infrastructure and networks, are particularly well-positioned to lead this evolution.

For policymakers and funders, fostering deep impact requires moving beyond celebrating only participation numbers. **Funding models and policy incentives must be redesigned to explicitly reward ESOs that successfully guide ventures through scaling milestones**, secure significant investment, and operate in high-potential technological fields. This involves creating dedicated funding streams for scaling programs and investing in the capacity of specialized ESOs. By complementing the focus on inclusion with a clear strategy for cultivating high-growth champions, Colombia can ensure its support ecosystem not only opens doors but also builds pathways to lasting economic transformation.

6.4 Building the evidence base for a smarter ecosystem

Challenge

The ecosystem struggles with impact measurement, focusing on easily quantifiable and short-term outputs while lacking the resources, expertise, and shared frameworks to systematically track long-term economic and social outcomes. This leaves ESOs "flying blind", i.e., unable to strategically guide improvements or convincingly demonstrate their value.

Opportunity

ESOs recognize the critical importance of M&E and express a desire for better tools, shared metrics, and improved capacity to communicate impact beyond simple activity reports. The potential formation of a national association offers a platform to coordinate these efforts.

Recommendation for ESOs

- **Collaboratively develop and adopt a core set of standardized outcome metrics** (beyond simple outputs) to enable benchmarking and aggregation, potentially facilitated through a national association.
- **Invest in building internal M&E capacity**, prioritizing the tracking of long-term venture performance (e.g., revenue, funding, job quality) and learning to translate data into compelling impact narratives.

Recommendation for funders

- **Shift funding requirements and evaluation criteria** away from purely output-based metrics towards meaningful long-term outcomes, aligning incentives with deeper impact.
- **Provide dedicated funding and technical assistance for ESOs to build robust M&E systems** and participate in shared data platforms, recognizing M&E as a core operational cost, not an optional add-on.

The Colombian ESO ecosystem operates with a significant evidence gap, hindering its ability to learn, adapt, and demonstrate its true value. As highlighted in this report, monitoring and communicating impact ranks as the second most pressing challenge for ESOs, just after financial sustainability. Current practices are heavily skewed towards tracking easily measured, short-term outputs like training hours (75%) and gender participation (67%), often driven by funder requirements. While important, these metrics fail to capture the long-term economic and social transformation that is the ultimate goal of entrepreneurship support. Systematic tracking of outcomes like

venture survival beyond one year, revenue growth, funding secured, and job quality is rare, with most monitoring ceasing shortly after program completion. This leaves ESOs, funders, and policymakers "flying blind," lacking the robust data needed to understand what truly works and to make strategic decisions for improvement.

Despite these limitations, there is a clear recognition within the ecosystem of the need for change. ESOs express frustration with current M&E constraints, citing lack of resources, expertise, and the difficulty of post-program data collection. Crucially, they also articulate a **desire for shared frameworks and better ways to communicate the story behind their impact**. This presents a vital opportunity to build a more data-driven and evidence-based ecosystem. The path forward requires ESOs to take collective ownership of this challenge. Working together, potentially through the nascent national association, they must agree upon and adopt a core set of meaningful outcome metrics that go beyond simple activity counts. Simultaneously, individual organizations need to invest in building their internal capacity for long-term data collection and analysis, and critically, in translating that data into compelling narratives that articulate their value proposition to funders and policymakers.

This shift cannot happen without the active support of policymakers and funders. **The current focus on outputs is, in large part, a reflection of existing funding requirements**. Funders must evolve their accountability frameworks, shifting the emphasis from short-term activity reporting to the measurement of meaningful long-term outcomes. This involves not only changing reporting templates but also providing dedicated, multi-year funding specifically for M&E capacity building within ESOs, recognizing it as an essential component of effective programming. Supporting the development of shared data platforms or repositories could further enhance learning and enable true ecosystem-level analysis. By investing in a stronger evidence base, all stakeholders can contribute to building a smarter, more adaptive, and ultimately more impactful Colombian entrepreneurship support system.

6.5 Our agenda for action

The central finding of this report is a striking paradox: **Colombia's entrepreneurship support ecosystem is mature, mission-driven, and effective at nurturing new ventures, yet it is structurally ill-equipped to help them scale**. The sector's most pressing challenges, from the "scaling cliff" and the "capital chasm" to the "project funding trap", are symptoms of a fragmented system that lacks a collective voice, sustainable financing models, and a shared and evidence-based strategy for impact. **Transforming the ecosystem therefore requires a shared commitment to fix this broken foundation**. Based on the findings of this report, here is a proposed agenda for the key stakeholders who can drive this essential change.

For Entrepreneurship Support Organizations (ESOs):

Organize and unite

The most urgent task is to act on the mandate from the sector (86% support) and formally establish a national association. This collective body is the foundational step for all other systemic reforms.

Lead on impact metrics

Proactively collaborate through the new association to define and adopt a core set of shared, long-term outcome indicators (beyond outputs like training hours) to build a powerful, evidence-based narrative of the sector's value.

Specialize for impact

Develop specialized tracks for high-growth ventures and build stronger internal capacity and partnerships for scaling, moving beyond a primary focus on early-stage nurturing to help bridge the ecosystem's "hollowed-out top."

For funders, investors, and philanthropy:

Fix the funding model

Shift from providing short-term project grants to offering multi-year and flexible core funding that allows ESOs to build long-term capacity, retain talent, and innovate.

Bridge the capital gap

Develop and deploy blended finance models and co-investment vehicles that use philanthropic or public capital to de-risk early-stage ventures, thus making them more attractive to private investors.

Invest in evidence

Provide dedicated funding and technical support for ESOs to build robust M&E systems to support a culture of collective learning.

For policymakers and government agencies:

Recognize the sector:

Formally engage with the new ESO association as a legitimate and strategic partner in co-designing national entrepreneurship policy.

Incentivize growth and investment:

Implement stable and long-term policies that provide financial incentives (e.g., tax relief) for early-stage investment and support the blended finance models needed to unlock private capital.

Incentivize growth:

Enact regulatory reforms that simplify administrative and formalization processes for startups, and improve coordination between national and regional public entities to reduce fragmentation.

For Entrepreneurship Support Organizations (ESOs)	For Funders, Investors, and Philanthropy	For Policymakers and Government Agencies
1. Organize and unite: Take the lead in establishing a national association to serve as a unified voice, set professional standards, and build collective power.	**1. Fix the funding model:** Shift from short-term, restrictive project grants to multi-year, flexible core funding that ensures the stability of the support infrastructure.	**1. Recognize the sector:** Formally engage with the new ESO association as a legitimate and strategic partner in co-designing national entrepreneurship policy.
2. Lead on impact metrics: Proactively collaborate to define and adopt a core set of shared, long-term outcome indicators to build a powerful, evidence-based narrative of the sector's value.	**2. Bridge the capital gap:** Develop and deploy blended finance models and co-investment vehicles that use public or philanthropic capital to de-risk and unlock private investment for entrepreneurs.	**2. Incentivize growth and investment:** Implement stable, long-term policies that provide financial incentives for early-stage investment and support blended finance models.
3. Specialize for impact: Develop specialized tracks for high-growth ventures and build stronger capacity for scaling support, complementing the ecosystem's inclusive, early-stage focus.	**3. Invest in evidence:** Provide dedicated funding for M&E capacity building and align reporting requirements with shared outcome metrics to support a culture of collective learning.	**3. Streamline and coordinate:** Enact regulatory reforms that simplify administrative processes for startups and improve coordination between public entities to reduce fragmentation.

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