

# BUILDING A COLOMBIAN NATIONAL ADVISORY BOARD FOR IMPACT INVESTING

OCTOBER, 2019

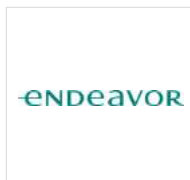
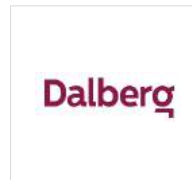
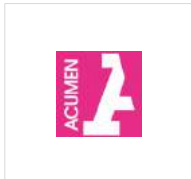


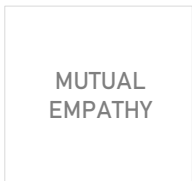
# COLOMBIA

# SPECIAL CONTRIBUTORS



# ACKNOWLEDGMENTS





# GRAPHIC DESIGN



# EXECUTIVE SUMMARY

1

During the past months, we have set-up working tables with different agents of the impact investing ecosystem in Colombia. We can synthesize the preliminary conclusions of this exercise as follows:

- **COLOMBIA HAS A STRONG LEGACY IN PRIVATE IMPACT INVESTING.** The five-decade long conflict and the limitations of the State to overcome the country's socio-economic challenges has shaped a private and public community conscious of the importance of contribution to solving social issues, and actively engaging in initiatives to address the country's priorities towards a more inclusive, equitable, sustainable, peaceful and prosperous society.
- **COLOMBIA HAS AN AMPLE SUPPLY OF SOCIAL CAPITAL,** including:
  - **Pension Funds:** with \$70.6 billion USD in assets under management (AUMs), Colombian public and private pension funds are the country's biggest institutional investor.
  - **Private Equity Funds:** Colombia has the third largest private equity investments in the region with \$771.6 million USD, surpassing countries like Chile, Argentina and Peru.
  - **Private Companies:** according to a recent survey by the National Association of Private Companies (Asociación Nacional de Industriales, ANDI), 70% of big and medium companies in Colombia have aligned their social strategies with their daily operations, and 77% engage in Corporate Social Responsibility strategies.
  - **Government Entities:** The Colombian government has centralized its social mobility platforms in the Department of Social Prosperity (DSP), and has created millionaire funds aimed at impact investing initiatives. Additionally, non-productive assets confiscated to drug cartel leaders could be leveraged to foster social initiatives.
  - **Multilaterals and Development Finance Institutions:** Colombia centralizes its relations with multilaterals and DFIs in its Presidential Agency for International Cooperation (APC). The United Nations and the APC have prioritized cooperation initiatives around construction of peace and sustainable development.

- **COLOMBIA ALLOWS FOR A VARIED DEMAND OF SOCIAL CAPITAL.** The country's context of Post-Conflict encompasses diverse social, economic, environmental and sustainability challenges. However, there are hundreds of potential opportunities to channel non-conflict related demand of impact investing, including financial inclusion, gender parity, education, agricultural and sustainable development, between others.
- **THERE IS A GROWING COMMUNITY OF PRACTITIONERS AND MARKET BUILDERS.** In the past decade, approximately 10 impact investing funds out of the 132 private equity funds have emerged in Colombia, with capital commitments of over \$86 million USD. Aside from PEFs, other practitioners include regional project promoting entities like Ruta N, Academia like Universidad de los Andes' Center for Social Impact, law firms, consulting firms, and other international and cooperating agencies.
- **COLOMBIA IS FACING A CRITICAL MOMENT IN HISTORY REQUIRING A CATALYZED IMPACT INVESTING ECOSYSTEM IN ALL REGIONS OF THE COUNTRY,** including:
  - **Increase in violence in territories with little or no state presence and presence of criminal groups:** since the signing of the Havana Peace Treaties in 2016, most of the military conflict ceased. However, achieving full peace is a process and some regions in Colombia are still unsafe, which has led to 702 human rights leaders and 135 ex-FARC guerrilla members killed.
  - **Enhanced perception of corruption:** Colombia ranks 96th out of 180 countries measured by Transparency International's Corruption Perception Index Ranking.
  - **Surge of inequality despite reductions in poverty:** latest World Bank estimates rank Colombia as the 16th most unequal country on earth, with a GINI index similar to that of the Republic of Congo.
  - **Outpouring of illegal economies like drug trafficking and illegal mining:** experts have calculated that the illegal and informal economies of Colombia account for the equivalent of 39.8% of the country's GDP.
  - **Humanitarian crisis due to large migration inflow from Venezuela:** reports vary in their estimates from 1 to 1.4 million Venezuelans currently living in Colombia, with almost half (47%) living in irregular conditions.
- **KEY REASONS WHY A COLOMBIAN NATIONAL ADVISORY BOARD IS IMPORTANT**
  - There is a well-developed impact investing ecosystem in Colombia.
  - However, the agents within the ecosystem are acting in silos, duplicating efforts and competing for scarce resources, which has led to a lack of promotion of strategies in the public policy sphere.

- Colombia is facing multiple social challenges, with the impact investing ecosystem growing at a faster rate than the public sector and traditional social sector can keep up with.
- We have identified current and potential national capitals with interest in participating in impact investing initiatives. However, the lack of an articulated ecosystem hinders their development and execution.
- If the existing impact investing ecosystem were to be more articulated and developed, coupled with a favorable regulatory framework, Colombia could access more international resources.
- Agents in the ecosystem have highlighted five key challenges to overcome in the short and medium term: lack of common language, disjointed projects pointing in different directions, lack of centralized information, need for more favorable policies, and no structured connection with global practices.
- The creation of a Colombian National Advisory Board will allow the impact investing ecosystem to be rooted in an institution like GSG, which will be fundamental in strengthening the impact investing ecosystem, helping build a strong and influential Colombian NAB, providing global guidance, allowing Colombia to be part of the Impact Economy movement, and sharing best practices in governance models worldwide.
- We believe Colombia will be a key player in GSG, willing to share experiences in different contexts.

#### ■ **COLOMBIAN NAB PRIORITIES AND STRATEGIES**

- **Develop a shared understanding of impact investing, aligned with GSG, in order to strengthen the existing ecosystem**
- **Boost supply of impact investing capital:** a key factor to boost supply of impact investing capital frequently emphasized by different players in Colombia's ecosystem calls for a proactive change in legislation.
- **Strengthen the demand of capital:** enabling technology for data availability will be crucial in guaranteeing the program's sustainability in the long term.
- **Facilitate the connection between supply and demand:** the Colombian National Advisory Board could serve as a centralized organizer of connections between the supply and demand of all impact investing stakeholders, including the government, practitioners and investors.
- **Define priority themes based on the united nation's sustainable development goals**

## ■ OUR PROPOSAL FOR THE COLOMBIAN NATIONAL ADVISORY BOARD

- **Team and governance:** we have designed an initial practical and expert-oriented team and governance structure which includes:
  - Advisory Board: a senior level consultative group of 7 to 9 highly influential senior members from the public, private and academic sectors.
  - Executive Board Of Directors: a select group of 7 to 9 very influential and highly committed senior leaders from the impact investing ecosystem.
  - Secretariat: an office in charge of organizing and hosting meetings and other events defined by the Advisory Board and the Executive Board of Directors. It will be composed initially by two dynamic and high performing executives, an Executive Director and an Executive Administrator.
  - Task forces (work tables): permanent or temporary working tables composed of NAB leadership and NAB organization as the need demands, aligned with the Colombian NAB Priorities to be summoned on-demand by decision of the Executive Board of Directors or the Advisory Board.

# PROFILING OF THE COLOMBIAN IMPACT INVESTING ECOSYSTEM



## 2

### 2A. COLOMBIA HAS A STRONG LEGACY IN PRIVATE IMPACT INVESTING

The concept of Social Responsibility has been embraced in Colombia for several decades in different forms and labels, including “Impact Investing”. The five-decade long conflict and the limitations of the state to overcome the country’s socio-economic challenges, has shaped a private and public community conscious of the importance of contributing to solving social issues, and actively engaging in initiatives to address the country’s priorities towards a more inclusive, equitable, sustainable, peaceful and prosperous society.

Private business groups like Fundación Social, a social impact-oriented conglomerate established by the Jesuit Community in 1911 is a very early example of impact investing in Colombia. With several financial institutes with the purpose of bringing their services to the “un-bankable” bottom layers of the pyramid, they have invested their profits in projects with social goals.


During the 1980s, along with Bangladesh, Colombia saw the development of several micro-finance entities that have operated in different regions of the country.

 *During the 1980s, along with Bangladesh, Colombia saw the development of several micro-finance entities that have operated in different regions of the country* 

Private initiatives such as Compartamos con Colombia (CCC), established in 2001, structured a US\$500,000 micro-equity fund for Fundación Diego y Lia in the “comunas” of Medellín, undertaking 50 quasi-equity investments, each between US\$3,000 and US\$10,000. Fondo Inversor, the first Impact Investment vehicle in Colombia, was established in 2007.

The difficult social and political context of Colombia in the 1990s and early 2000s, framed by a resistance against narco-cartels and guerrilla groups, led the private sector to strengthening its engagement towards creating impact through social initiatives which ultimately contributed in avoiding Colombia from becoming a “failed State”.





Social housing is another sector in which impact investment has occurred, starting in the mid 2000s with two macro-housing projects developed by Fundación Mario Santo Domingo in Barranquilla and Cartagena, building over 50,000 homes over various decades.

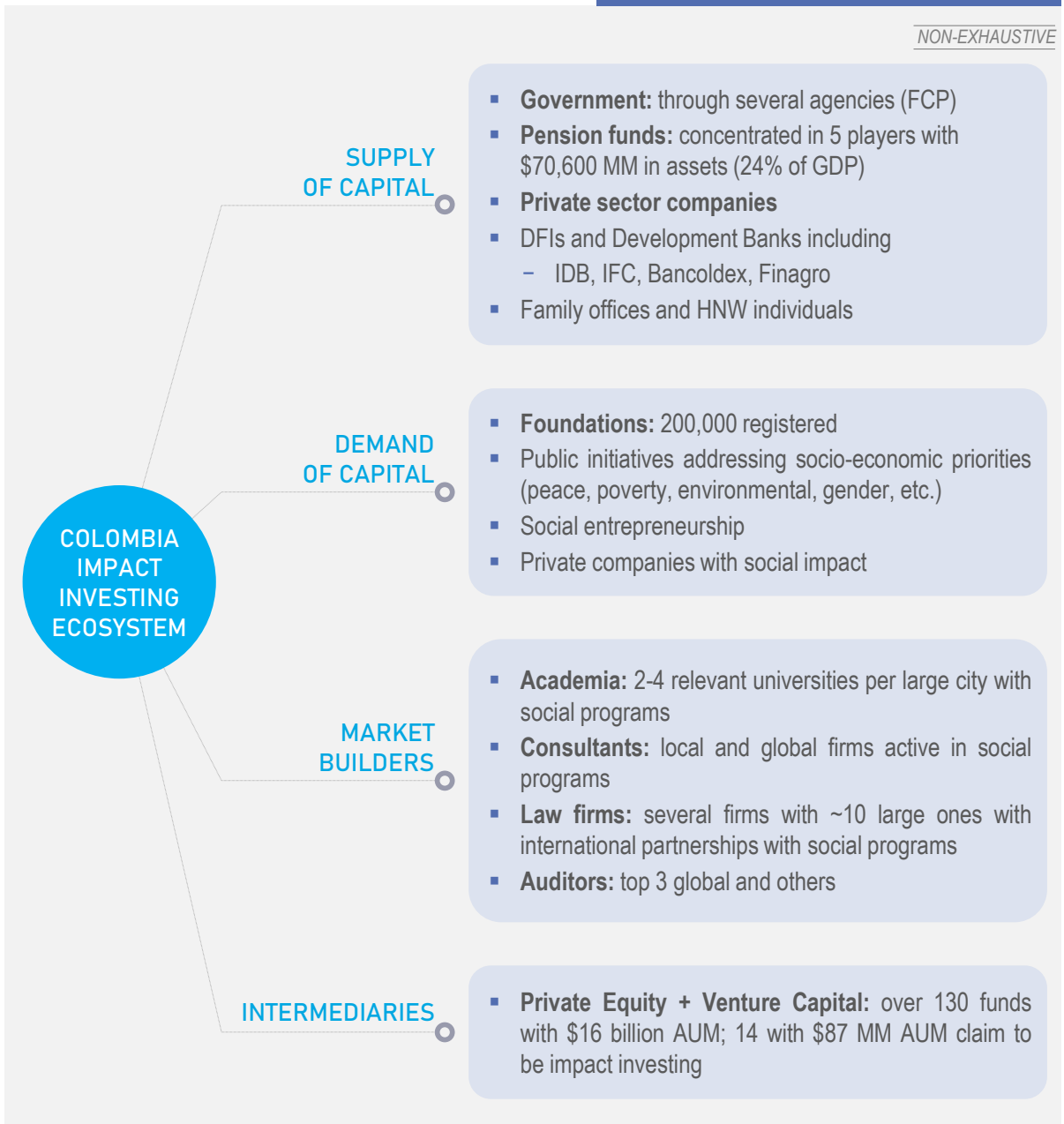
Several other examples led by the large and medium economic groups in Colombia can be accounted for, all with the genuine purpose of improving various social issues of their communities. Such socially-conscious initiatives reflect a general spirit of the private sector to contribute to society beyond the traditional purpose of a business. Such initiatives combine philanthropy, Social Responsibility and Impact Investing.

## 2B. COLOMBIA HAS AN AMPLE SUPPLY OF SOCIAL CAPITAL

In the process of finding common interests in the impact investing ecosystem of Colombia, we have preliminarily identified several relevant groups of players supplying capital:

### Colombia impact investing mapping

*NON-EXHAUSTIVE*



## i. Pension funds

With \$70.6 billion USD in assets under management (AUMs), Colombian public and private pension funds are the country's biggest institutional investor. Total AUMs represent 23.5% of Colombia's Gross Domestic Product, less than two times the Organization for Economic Cooperation and Development's (OECD) average, which indicates there is still room for growth<sup>1</sup>. However, the spirit of the investments of the Pension Funds in Colombia has not been socially-oriented: their performance is measured solely by the financial performance of their portfolios, and their clients do not expect from them any social or environmental impact.

One exception is Old Mutual one of Colombia's four pension funds, which has intentionally targeted social impact purposes. It has a policy to allocate a percentage of AUMs in Impact Investing Private Equity Funds in Colombia, including the SEAF Colombia Agrobusiness Fund and Fondo Inversor.

The legislation pertaining to Pension Funds in Colombia does not provide for a mandatory portion of their AUMs to be invested in Colombia nor in impact investing initiatives. During our preliminary assessment of the Colombian impact investing ecosystem, we found that other countries such as France and Mexico, do have a legislation that provides for a minimum allocation of resources to impact investing initiatives.

---

<sup>1</sup> OECD global pension statistics

## Assets in pension funds in selected countries 2018<sup>1</sup>

Countries	Pension funds		
	% change vs. 2017	In USD million	% of GDP
Netherlands	-1.2	1,514,345	171.0
Iceland	8.9	36,328	150.8
Australia	9.2	1,810,346	132.6
Switzerland	-0.7	888,799	126.9
UK	-0.3	2,809,112	104.5
Canada	2.9	1,459,272	85.6
Namibia	9.5	10,213	80.2
United States	-5.0	15,637,266	76.3
Chile	3.7	193,110	70.2
Israel	2.2	203,224	57.4
Finland	-2.7	127,560	47.7
Denmark	1.2	154,373	45.4
Hong Kong, Ch	0.5	148,531	40.9
El Salvador	6.6	10,648	40.9
Botswana	-3.7	7,358	40.8
Ireland	1.3	115,073	31.6
Jamaica	14.6	4,750	30.2
Japan	-1.1	1,398,144	28.2
New Zealand	6.7	54,481	27.4
Croatia	6.5	16,028	27.2
Uruguay	7.3	15,438	27.1
Kosovo	2.2	1,934	25.0
<b>Colombia</b>	<b>0.2</b>	<b>70,607</b>	<b>23.5</b>
Peru	-1.8	45,469	20.7
Costa Rica	13.9	11,527	20.2
Papua N. Guinea	6.8	3,825	18.2
Estonia	8.2	4,511	15.4
Mexico	5.1	168,311	14.1
Malawi	37.6	944	13.7
Suriname	3.5	467	13.6
Kenya	8.0	11,452	12.9
Dominican Rep	14.3	10,073	12.6
Brazil	7.9	223,193	12.6
Bulgaria	5.7	7,881	12.5
Korea	12.9	191,066	12.0

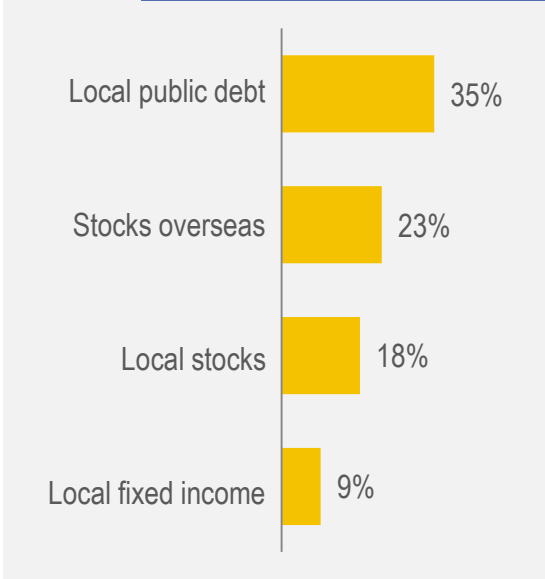
Countries	Pension funds		
	% change vs. 2017	In USD million	% of GDP
Slovak Republic	5.4	12,038	11.7
Maldives	19.5	568	10.7
North Macedonia	13.2	1,228	10.0
Norway	0.1	39,834	9.8
Portugal	-1.5	22,292	9.7
Czech Republic	5.6	20,935	8.9
Spain	-3.7	121,421	8.8
Guyana	21.5	309	8.3
Italy	2.1	153,430	7.6
Poland	-12.3	42,112	7.5
Belgium	-3.8	37,531	7.3
Lithuania	7.1	3,689	7.1
Thailand	4.4	35,094	7.0
Germany	0.9	261,058	6.7
Nigeria	14.9	28,136	6.7
Slovenia	5.1	2,954	5.6
Austria	-4.1	24,508	5.5
Russia	1.4	81,456	5.5
Romania	19.4	12,176	5.2
Ghana	18.1	2,700	4.4
Sweden	..	22,610	4.1
Hungary	0.2	5,876	3.9
Luxembourg	1.9	1,883	2.8
Armenia	50.2	329	2.6
Turkey	..	14,520	2.1
Indonesia	2.2	18,020	1.8
Latvia	6.3	529	1.6
Egypt	10.0	3,757	1.5
Panama	3.7	557	0.9
Serbia	10.9	389	0.8
Greece	-0.8	1,584	0.7
France	4.3	19,007	0.7
Albania	32.9	21	0.1
Ukraine	11.3	98	0.1
Pakistan	10.3	185	0.1

Despite individual pension fund efforts to support the impact investing ecosystem in the country, as a pension fund executive expressed, national regulation rewards a “herd effect” when choosing where to invest: “investing people’s pension money is always risky, and investing in non-traditional vehicles like impact investing funds can be very costly. If there is going to be a change in mindset, it has to come via regulation to foment impact investing locally with experienced operators”<sup>2</sup>.

With a small (0.2%) increase in AUMs in the past year, private pension funds in Colombia invest 35% of their AUMs in local public debt, followed by 23% in stocks overseas<sup>3</sup>. Regulation regarding pension fund investments in Colombia does not contemplate impact investing as a vehicle for social and environmental development.

“Regulation regarding pension fund investments in Colombia does not contemplate impact investing as a vehicle for social and environmental development”

### Investments of Private Pension Funds in Colombia<sup>3</sup>



<sup>2</sup> Interview conducted September 2019

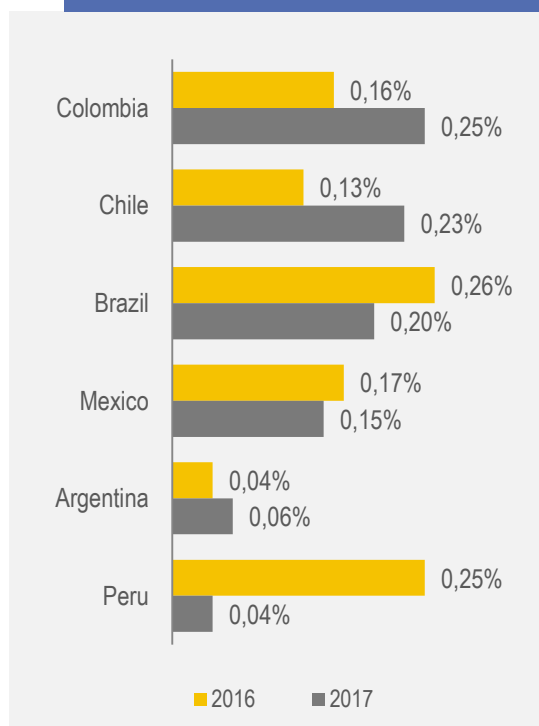
<sup>3</sup> Asofondos

## ii. Private Equity Funds

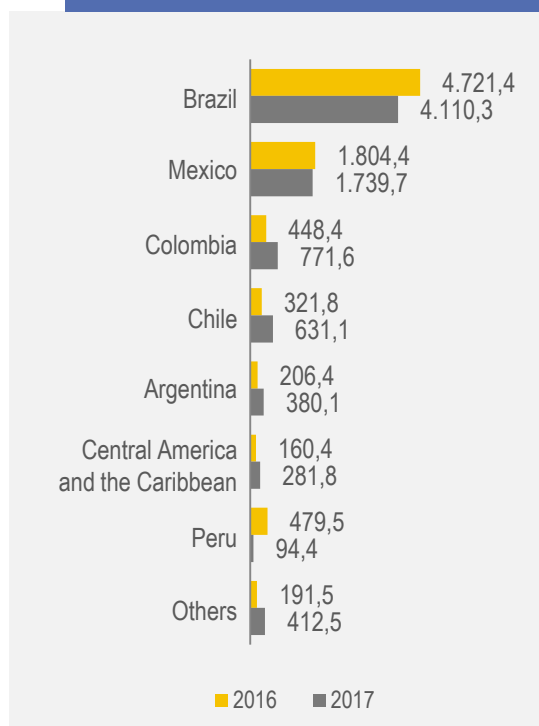
Assets Under Management (AUM) held by private equity funds in Colombia have grown in the past years, reaching US\$15 Billion in 2017, equivalent to, 0.25% of the country's GDP<sup>4</sup>.

Colombia has the third largest private equity investments in the region with \$771.6 million USD, surpassing countries like Chile, Argentina and Peru<sup>4</sup>.

Private Equity Funds Investments as % of GDP (2016-2017)<sup>4</sup>



Private Equity Funds Investments (USD million) (2016-2017)<sup>4</sup>

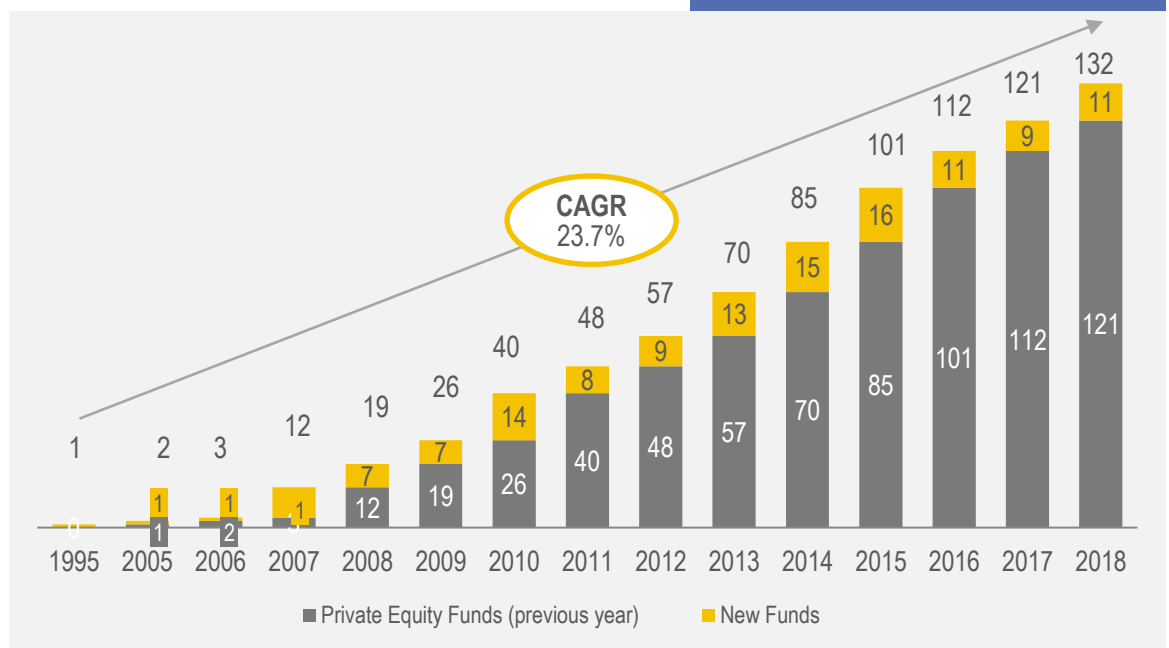


We have identified 132 private equity funds in Colombia, out of which 111 are considered active: they are either currently raising capital or in operation<sup>5</sup>. Some of these funds have raised a significant portion of their investment capital in Colombia, a reflection that significant financial resources are available locally. Moreover, as of 2019, it is estimated that Private Equity Funds have cumulative investments in Colombia in excess of US\$10.3 Billion. Approximately 14 of the PEFs are labeled as Impact Investing Funds, which means that they intentionally seek social and/or environmental impact as part of their investment theses. These funds tend to be smaller (\$87 million USD in commitments total), which adds to the complexities these funds have to manage<sup>5</sup>.

<sup>4</sup> LAVCA industry data, 2018

<sup>5</sup> ColCapital: "Potenciando la industria Colombiana: evolución y análisis de los fondos de capital privado", December 2018

## Evolution of Private Equity Funds in Colombia(1995-2018)<sup>5</sup>



### iii. Private companies

According to a recent survey by the National Association of Private Companies (Asociación Nacional de Industriales, ANDI), 70% of big and medium companies in Colombia have aligned their social strategies with their daily operations, and 77% engage in Corporate Social Responsibility strategies to mitigate negative externalities of their businesses, with 38% of Corporate Social Responsibility efforts are targeted at population in conditions of poverty or extreme poverty<sup>6</sup>.

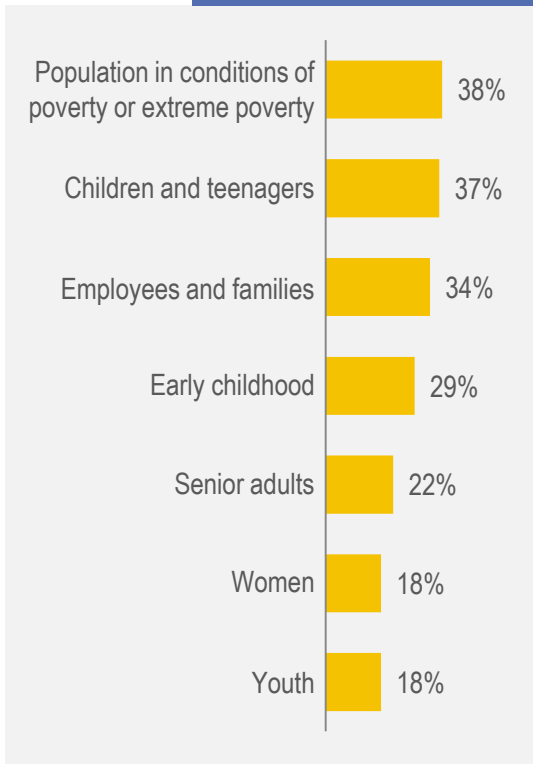
There are several relevant examples of large and medium corporations in Colombia undertaking impact investments, including, to name just a few,

70% of big and medium Colombian companies have aligned their social strategies with their daily operations, and 77% engage in Corporate Social Responsibility strategies to mitigate negative externalities of their businesses

Organizacion Corona that has developed base of the pyramid investments, Alqueria that is promoting the expansion of milk production in low tropical areas, Davivienda which has invested in financial inclusion and Celsia which promotes renewable energy.

<sup>6</sup> Guevara Benavides, Lina María. "Para ser más competitivas, 58% de las empresas tienen RSE". Diario La República (November 2017). Retrieved from: <https://www.larepublica.co/responsabilidad-social/para-ser-mas-competitivas-58-de-las-firmas-tienen-programas-de-rse-2565759>

## Targets of Corporate Social Responsibility strategies in Colombia<sup>6</sup>



However, measuring the impact of Corporate Social Responsibility strategies and potential impact investing actions by private companies in Colombia has been a challenge. In order to have an initial base-line to measure real impact from private companies, and “acknowledging all efforts underway, the Government of Colombia intended to deepen the understanding of the overall contribution of the Colombian private sector to the Sustainable Development Goals (SDGs).

Technical Secretariat of the SDGs in Colombia, conformed by the National Planning Department – (DNP), with the support of the Global Reporting Initiative (GRI), the United Nations Development Program (UNDP) and Business Call to Action (BCtA), decided to promote synergies and develop a roadmap to collect and analyze data

from the private sector, about its impact and contribution towards the SDGs”<sup>7</sup>.

The SDG Corporate Tracker Initiative for Colombia was born in 2018 and in its first year of operation has outlined two main challenges: “First, the need to strengthen the measurement and systematization of information on sustainability within private sector actors on (i) intensity use of resources and (ii) environmental impacts. Second, the relevance to continue strengthening and promoting the 2030 Agenda and the SDGs as the roadmap where both the private and public sector must aim their efforts”<sup>7</sup>.

<sup>7</sup> “The Private Sector and Its Contribution to the SDGs: A Journey to Data Gathering on Corporate Social Responsibility in Colombia”. Retrieved from: [https://assets.ctfassets.net/27p7ivvbl4bs/8XJw3xSMMMgw0qcYYiKsU/a4e9a5f4ee6128363faef7afe7bc395b/Private\\_Sector\\_and\\_Its\\_Contribution\\_to\\_the\\_SDGs\\_-\\_A\\_Journey\\_to\\_Data\\_Gathering\\_and\\_Reporting\\_in\\_Colombia\\_DIGITAL.pdf](https://assets.ctfassets.net/27p7ivvbl4bs/8XJw3xSMMMgw0qcYYiKsU/a4e9a5f4ee6128363faef7afe7bc395b/Private_Sector_and_Its_Contribution_to_the_SDGs_-_A_Journey_to_Data_Gathering_and_Reporting_in_Colombia_DIGITAL.pdf)



## iv. Government entities

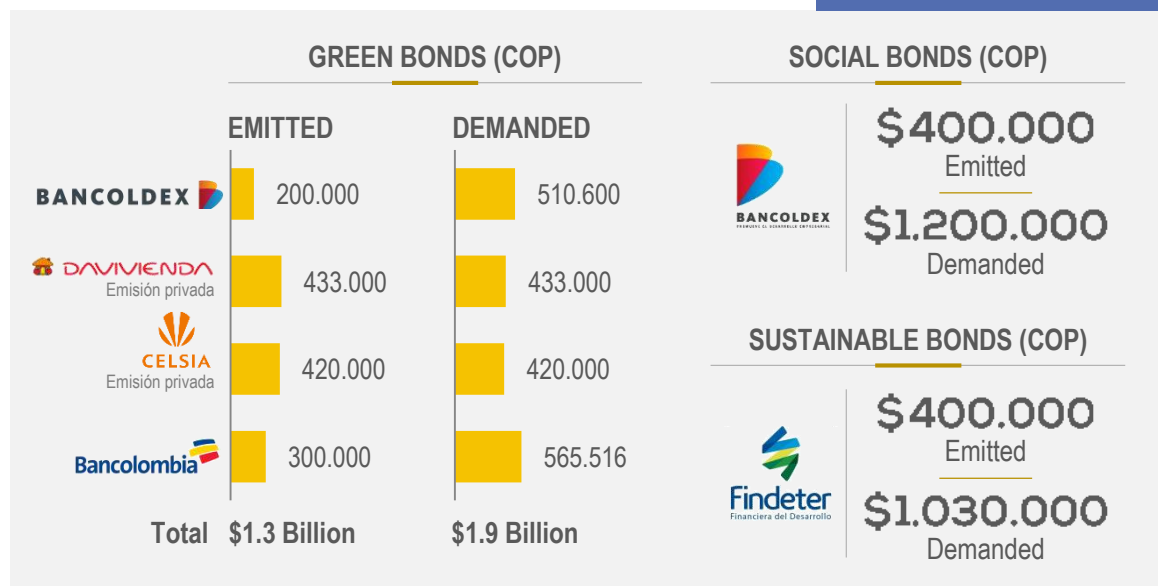
The Colombian government has centralized its social mobility platforms in the Department of Social Prosperity (DSP). The DSP is the national entity in charge of designing, coordinating and implementing public policies for poverty reduction and social equality<sup>8</sup>. It aims to eliminate extreme and multidimensional poverty in the country by 2030. More specifically, in recent years, Colombia has targeted the promotion of Social and Environmental Impact bonds. In total, approximately \$619 million USD have been allocated in green, social and sustainable bonds<sup>9</sup>. As of the first semester of 2019, Colombia was the

third country in Latin America (after Mexico and Chile) to launch sustainable bonds.

Colombia has also been a pioneer in the emission of social bonds, being the first developing country to do so in 2017.

*In recent years Colombia has targeted the promotion of Social and Environmental Impact bonds. In total, approximately \$619 million USD have been allocated in green, social and sustainable bonds*

### Alternative bond emissions in Colombia<sup>9</sup>

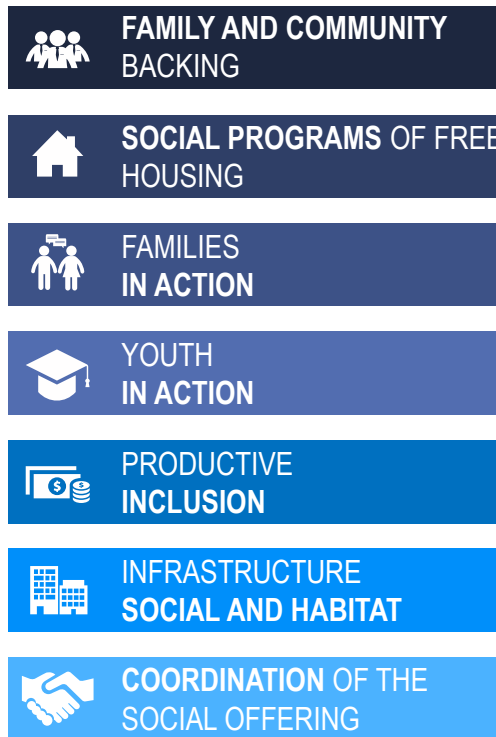


<sup>8</sup> Prosperidad Social, gobierno nacional de Colombia. Retrieved from: <http://www.prosperidadsocial.gov.co/ent/gen/SitePages/Misi%C3%B3n.%20visi%C3%B3n%20y%20objetivos.aspx>

<sup>9</sup> "El apetito de inversionistas por bonos de impacto social pasó los \$4 billones". Diario La República (June 2019). Retrieved from: <https://www.larepublica.co/finanzas/el-apetito-de-inversionistas-por-bonos-de-impacto-social-paso-de-4-billones-2875247>

## Department of Social Prosperity

### Programs



+\$820

USD Million

2019 budget

### MAIN SOURCES OF FUNDING

National Budget

National system of royalties

General Participation System

International Cooperation

Private donations

## v. Multilaterals and Development Finance Institutions

Colombia centralizes its relations with multilaterals and Development Finance Institutions (DFIs) in its Presidential Agency for International Cooperation (APC).

The APC is the national agency in charge of coordinating efforts and resources, including but not limited to the following entities<sup>11</sup>:

<sup>10</sup> Prosperidad Social, gobierno nacional de Colombia. Retrieved from:

<http://www.prosperidadsocial.gov.co/ent/gen/SitePages/Misi%C3%B3n.%20visi%C3%B3n%20y%20objetivos.aspx>

<sup>11</sup> APC. "Ayuda oficial al desarrollo". Retrieved from: <https://www.apccolombia.gov.co/seccion/multilaterales>

## Multilaterals and Development Finance Institutions in Colombia coordinated by the APC and others<sup>12</sup>



<sup>12</sup> APC. "Ayuda oficial al desarrollo". Retrieved from: <https://www.apccolombia.gov.co/seccion/multilaterales>

The United Nations and the APC have prioritized cooperation initiatives around two topics: the construction of peace and sustainable development. It is estimated that from 2014 to 2018, more than \$400 million USD have been channeled to these goals through 119 public entities, in 32 of the 32 departments in Colombia<sup>12</sup>.

Their main goals include:

### Main achievements by the United Nations in Colombia (2014-2019)<sup>13</sup>

1

Subscription of the United Nations Development Assistance Framework (UNDAF) + 12 regulatory frameworks by the national government according to the National Development Plan

2

Facilitate the peaceful resolution of conflicts and citizen participation through democratic dialogue with emphasis on human rights

3

Strategy design to facilitate the arrival of the State to territories affected by conflict and re-establish the communities trust, implementing help through the United Nation's Multi-donor Fund

4

Supported the re-establishment of victims' rights to truth, justice, reparation and guarantee of no-repetition, strengthening the institutional architecture

5

Supported regional and national institutions in the design, implementation and evaluation of strategies, policies, plans and programs for the accomplishment of the SDGs, ensuring participation of children, youth, women and ethnic groups

6

Backed rural development strategies, food safety and nutritional initiatives, natural resources governance and climate change adaptation

<sup>13</sup> "Cooperación de sistema de las Naciones Unidas" (June 2018). Retrieved from: [https://www.apccolombia.gov.co/sites/default/files/infografia\\_sistema\\_naciones\\_unidas.pdf](https://www.apccolombia.gov.co/sites/default/files/infografia_sistema_naciones_unidas.pdf)

## 2C. COLOMBIA ALLOWS FOR A VARIED DEMAND OF SOCIAL CAPITAL

---

Colombia's context of post-conflict encompasses diverse social, economic, environmental and sustainability challenges. In this context, the government created the Fondo Colombia en Paz or FCP (Colombia in Peace Fund) in 2017: a trust whose main objective is to articulate the resources for the implementation of peace in the country. The FCP's Directive Council includes the Minister of Finance and the Minister of Environment and Natural Resources.

The FCP channels resources from the national budget, royalties, international cooperation, and private donations in 13 main lines of impact which encompass the most relevant challenges in a context of post-conflict<sup>14</sup>:

---

<sup>14</sup> "Fondo Colombia en Paz". Retrieved from: <http://datosredes.com/posconflicto/fondo-colombia-en-paz.pdf>

1

**Illegal crop substitution.** Support the implementation of the National Program of Illegal Crop Replacement under the technical guidance of the Direction of Illegal Crop Replacement of the Presidency

2

**Regional development plans.** Support the formulation for regional transformation plans and the Small Infrastructure Development Program under the framework of the Agency for Territory Renovation (ART in Spanish)

3

**Reintegration.** Support reintegration actions of the FARC-EP under the framework of the Agency for the Reintegration and Normalization (ARN)

4

**National Land Agency.** Support the processes related with the social ordinance of rural land and property, according to guidance given by the National Land Agency (ANT in Spanish)

5

**Early childhood.** Support early childhood initiatives under the lines of action set by the Council for Early Childhood

6

**Special Jurisdiction of Peace.** Back the implementation of the Special Jurisdiction of Peace (JEP in Spanish)

7

**Cooperation counterparties.** Support the implementation of projects executed with cooperation resources that demand a case from the national government, under the Presidential Agency for Cooperation

8

**Sustainable Colombia.** Support the processes related with the program “Colombia Sostenible”, specially those action lines under direct line of credit with the Interamerican Development Bank (IDB)

9

**Society of Special Assets.** Support the work of identifying the assets surrendered by the FARC

10

**Presidency.** Support the functioning of the High Council for Post-conflict

11

**Productive Projects.** Support the implementation of productive projects in post-conflict territories

12

**General Attorney.** Support actions of the General Attorney in all territory to ensure the satisfaction of victims’ rights

13

**Functioning.** Financial and technical resources for the FCP’s operations

<sup>14</sup> “Fondo Colombia en Paz”. Retrieved from: <http://datosredes.com/posconflicto/fondo-colombia-en-paz.pdf>

Even though the 13 lines of impact centralized at the FCP are an indicator of where the demand of capital can be focused in a context of post-conflict, the list is not exhaustive. There are hundreds of potential opportunities to channel non-conflict related demand of impact investing, including financial inclusion, gender parity, education, agricultural and sustainable development, between others.

There are, for instance, approximately 200,000 foundations registered in Colombia. These can be catalogued by several types and lead several objectives and social causes. There are “first floor” foundations, receiving charity donations and operating directly on a social benefit cause. Examples of this type of foundations include Operación Sonrisa (Operation Smile), Fundación PLAN, Best Buddies and Fundación Corazón Verde amongst many others.

Other foundations actually operate as companies with a social purpose and combine donations with impact investing capitals. Often times, the promoters of such foundations are also investors who attract investments from third parties.

Examples of such foundations include Profamilia and Fundación Mario Santo Domingo, with their lowest income housing projects, amongst others. These foundations are professionally managed entities seeking impact investors and specific and measurable social returns.

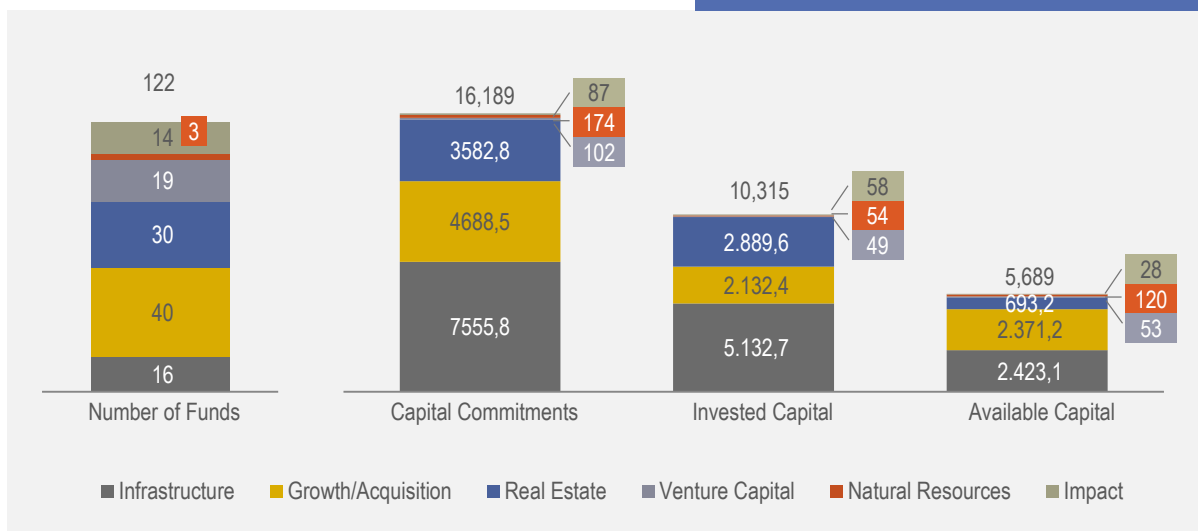
#### **Other groups that demand impact investment in Colombia include:**

- Social asset managers
- Recently created B Corps
- “Impact fist” entrepreneurs
- State concession operators like Alianza Educativa in Bogotá
- Social enterprises providing services to vulnerable populations
- Compensation funds
- Post-conflict government programs
- School feeding programs
- Private initiatives looking to create shared value with own resources or external capital (for example Alqueria with the Miraka Project and Casa Luker)

## 2D. THERE IS A GROWING COMMUNITY OF PRACTITIONERS AND MARKET BUILDERS

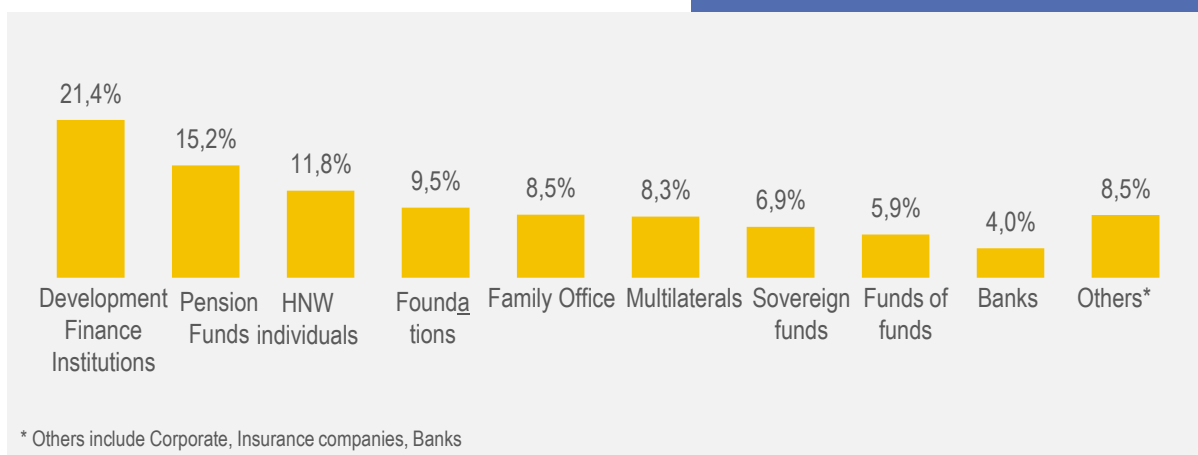
In the last decade, approximately 14 impact investing funds out of the 122 active private equity funds have emerged in Colombia. These impact investing funds have capital commitments of over \$86 million USD.

Active Private Equity Funds in Colombia  
(December 2018, USD Million)<sup>15</sup>



Approximately 21% of investments in impact investment private equity funds in Colombia come from Development Finance Institutions, and 15% from Pension funds.

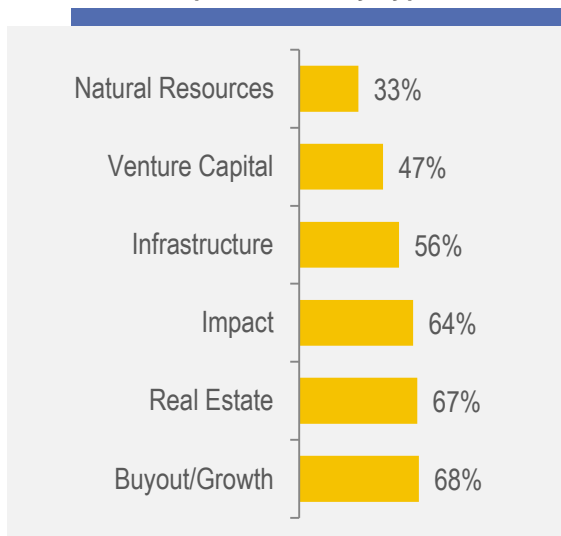
Capital commitments for impact investing funds by type of investor<sup>15</sup>



<sup>22</sup> Colcapital. "Potenciando la Economía Colombiana: Evolución y análisis de los fondos de capital privado 2018" (December 2018)



### Percentage of funds implementing ESG criteria in their investment portfolios by type of fund<sup>15</sup>



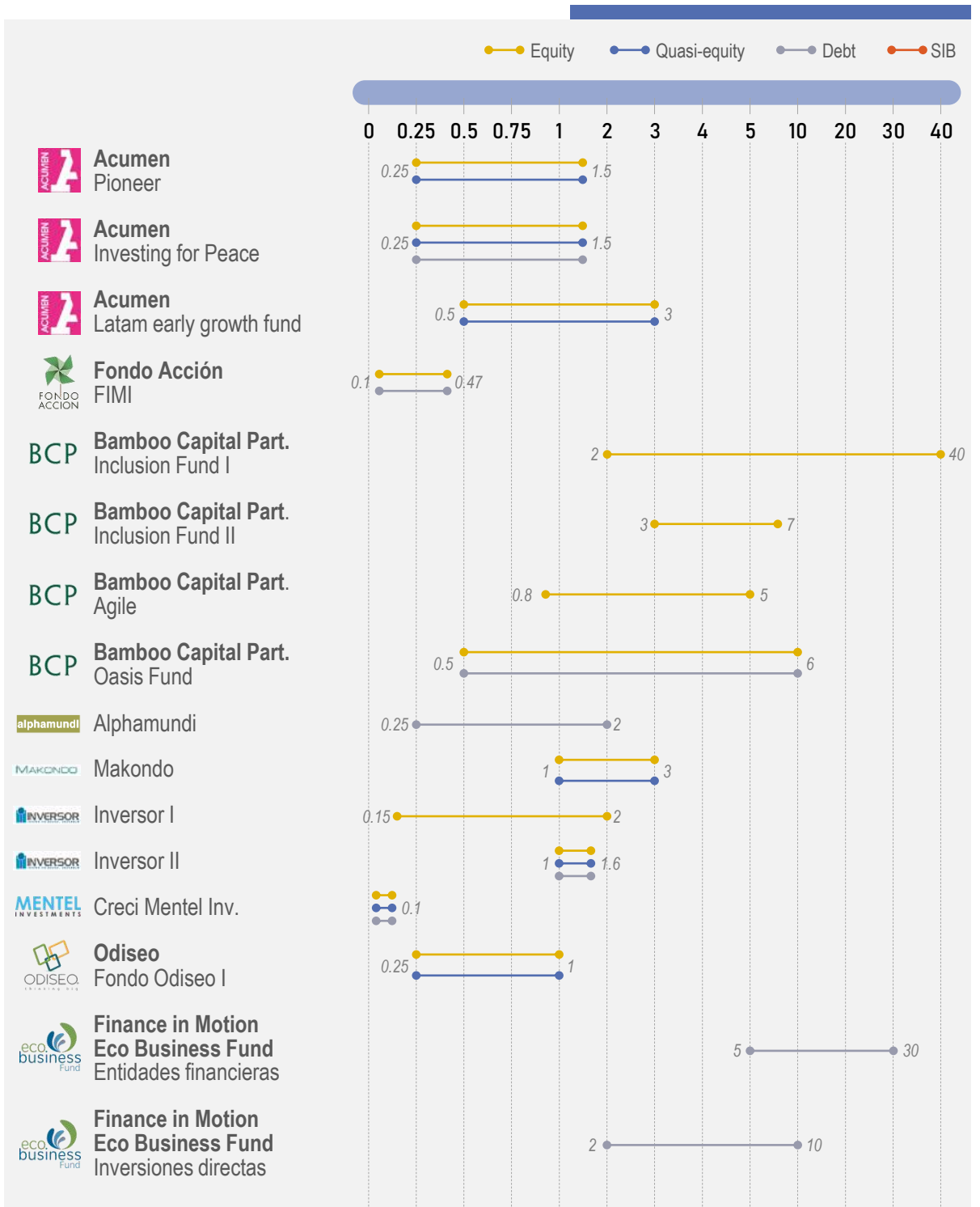
Additionally, up to 68% of private equity funds consider Environmental, Social and Governance (ESG) indicators when choosing investment portfolios.

Ecosistemadeimpacto.org, a web platform created to identify and characterize impact investing actors in Latin America, has interviewed more than 30 practitioners in Colombia. As of September 2019, their results are mapped in the following page, but their aim is to be a living platform to be used by the ecosystem in Colombia.

Other practitioners in the Colombian ecosystem may include:

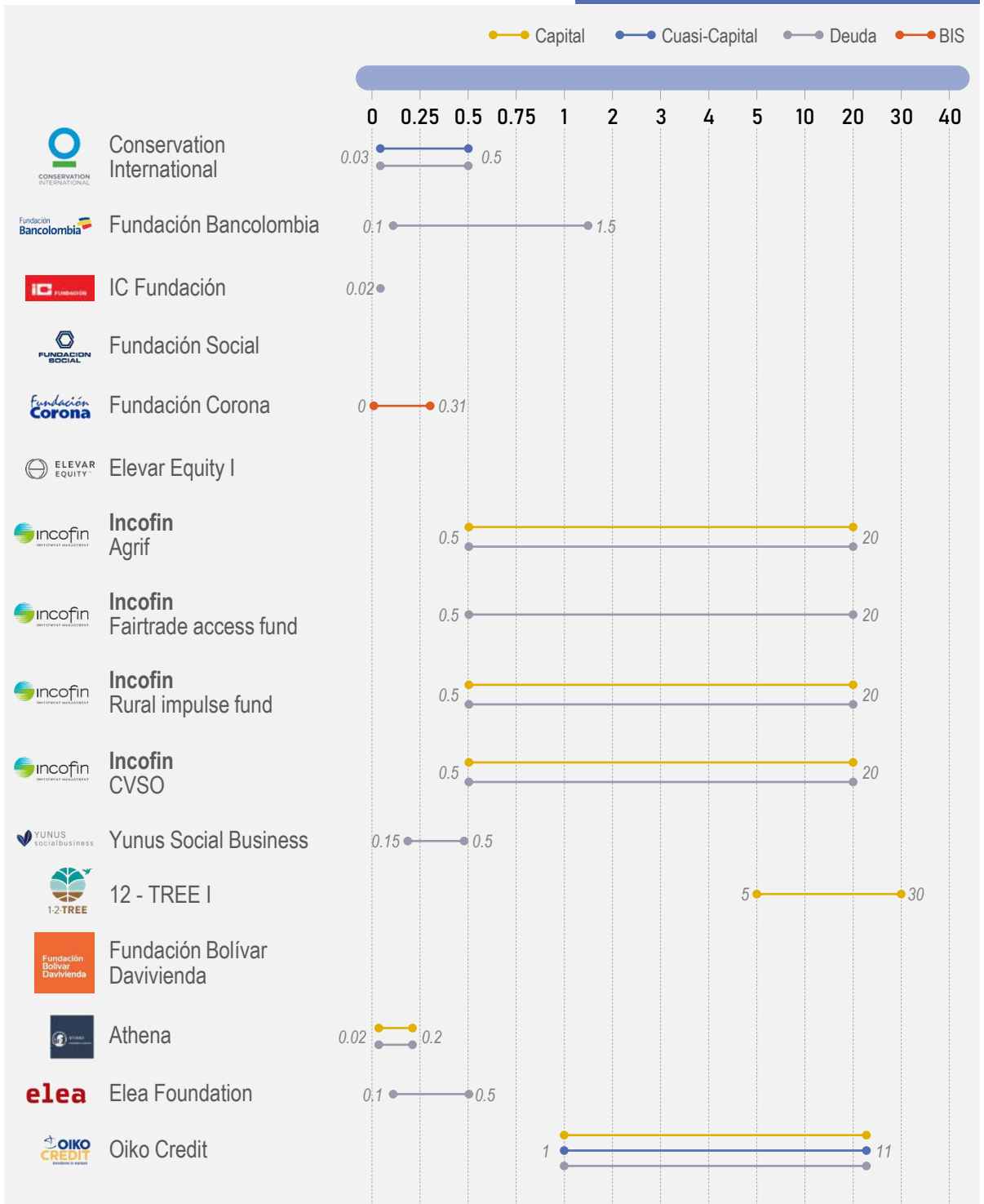
- Regional Project promoting entities (Ruta N, Promotora de Proyectos de Antioquia, Probogotá, Invest in Bogota, local chambers of commerce)
- Universities with undergraduate and postgraduate courses and think-thanks (Universidad de los Andes has a Center for Social Impact and CESA focuses in entrepreneurship)
- Law firms
- Consulting firms interacting as facilitators and acceletors (Ventures, second-floor foundations)
- International entities developing events and programs in Colombia (Cooperation agencies, Venture Philanthropy, think-thanks)

## Comparative table of impact investing practitioners in Colombia (September 2019)<sup>16</sup>



<sup>16</sup> 2811 – Retrieved from Ecosistemadeimpacto.org

## Comparative table of impact investing practitioners in Colombia (September 2019)<sup>16</sup> (CONT.)



<sup>16</sup> 2811 – Retrieved from Ecosistemadeimpacto.org

# WHY A COLOMBIAN NATIONAL ADVISORY BOARD?

## 3

### 3A. KEY REASONS WHY A COLOMBIAN NAB IS REQUIRED

---

- There is a well-developed impact investing ecosystem in Colombia which includes investors, receptors, facilitators, market makers, academia, international organizations, multilateral cooperation and media
- However, the agents within the ecosystems are acting in silos, duplicating efforts and competing for scarce resources, which has led to a lack of promotion of strategies in the public policy sphere
- Colombia is facing multiple social challenges, with the impact investing ecosystem growing at a faster rate than the public sector and traditional social sector can keep up with
- We have identified current and potential national capitals with interest in participating in impact investing initiatives. However, the lack of an articulated ecosystem hinders their development and execution
- If the existing impact investing ecosystem were to be more articulated and developed, coupled with a favorable regulatory framework, Colombia could access more international resources
- There is an evident interest from different players to participate and collaborate in the Colombian National Advisory Board
- We have received ample interest from an important group of potential NAB members and advisors
- Interviews with different players in the Impact Investing ecosystem (from government entities to private equity and pension funds to impact investing experts) have shed light on five key challenges to overcome in the short and medium term:
  - Lack of common language and definition surrounding impact investing
  - Disjointed projects pointing in different directions
  - Lack of centralized and digitally-enabled information
  - Need for more favorable policies and regulations
  - No structured connection with global best practices and network

- 
- The creation of a Colombian National Advisory Board will allow the impact investing ecosystem to be rooted in an institution like GSG. We believe GSG will be fundamental in:
    - Strengthening the Colombian impact investing ecosystem
    - Helping build a strong and influential Colombian NAB
    - Providing global guidance applicable to the Colombian context
    - Allowing Colombia to be part of the Impact Economy movement
    - Sharing best practices and case studies in governance models for NABs worldwide
  - We also believe Colombia will be a key player in GSG, willing to share experiences in:
    - Impact investing in a context of Post-Conflict
    - Dealing with large immigration inflows through impact investing
    - Protecting natural resources and national parks through investments in sustainable tourism
    - Impact investing in agro industrial projects

### 3B. COLOMBIA IS FACING A CRITICAL MOMENT IN HISTORY REQUIRING A CATALYZED IMPACT INVESTING ECOSYSTEM IN ALL REGIONS OF THE COUNTRY

---

Colombia's 209 years of history since its independence from Spain have been tainted with blood. More than two centuries after being proclaimed an independent nation, Colombia holds the infamous recognition of being the birthplace of the oldest guerilla in the world and having the second largest internal displaced population, only after Syria.

A polarized history between two opposing political parties, the Liberals and Conservatives, marked a bloody period called La Violencia (The Violence) in the 20th century. Political assassinations in the cities and rural warfare, the fight for arable land and the peasant plea for a holistic agricultural reform marked a time of social discontent and are arguments that are still being used as war pleas by communist guerrillas today.

A serious agricultural reform was considered important then and is still considered important today.

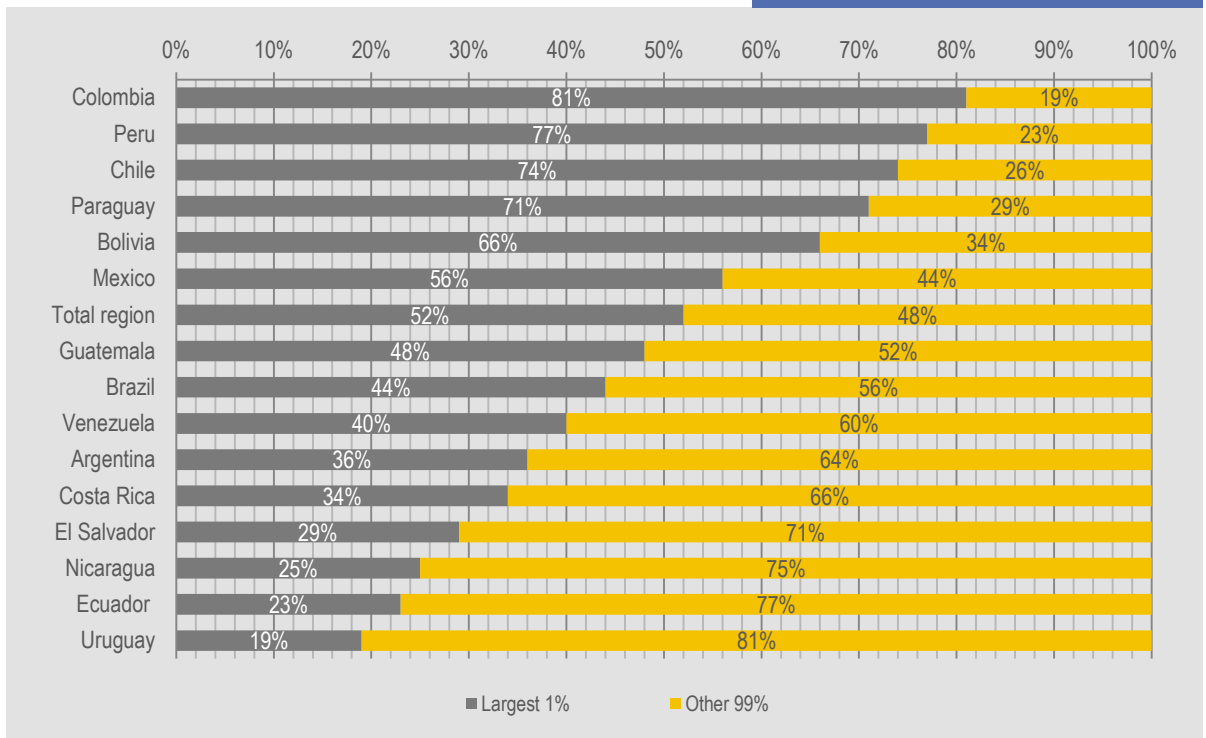
“ Colombia holds the infamous recognition of being the birthplace of the oldest guerilla in the world and having the second largest internal displaced population, only after Syria ”

According to Oxfam, Colombia is the country with the highest land concentration in Latin America<sup>17</sup>:

- 1% of the largest landowners concentrate 81% of the land
- In 1960, 29% of the land was owned by landowners with more than 500 hectares. In 2002, that number grew to 46% and in 2017 to 66%
- 43% of the biggest landowners claim to not know the legal origin of their territories
- Women only own 26% of the land
- 1 million peasant families live in smaller spaces than the one required for a cow to survive in

<sup>17</sup> Paz Cardona, Antonio (2018). Un millón de hogares campesinos en Colombia tienen menos tierra que una vaca. Retrieved from: <https://sostenibilidad.semana.com/impacto/articulo/concentracion-de-la-tierra-en-colombia-el-1-por-ciento-de-las-fincas-mas-grandes-ocupan-el-81-por-ciento-de-la-tierra/40882>

## Percentage of land owned by 1% of largest landowners<sup>18</sup>



The 1960s marked an urban boom in Bogotá and other cities in the country, like Medellín, Cali and Barranquilla, but also the birth of the FARC and the National Liberation Army (ELN) guerrillas in 1964. Kidnappings with economic and political justifications, rural displacement by guerrillas and paramilitary groups and urban terrorism blended with drug trafficking for more than 40 years.

The 2016 Peace Treaties signed between the Fuerzas Armadas Revolucionarias de Colombia (FARC) guerrillas and the Colombian government marked the beginning of a new political era of Post conflict in Colombia. Though received with great optimism with the majority of the Colombian population as it symbolized the end of 50-year long conflict, the Post conflict era has not come without significant challenges, including:

<sup>18</sup> Oxfam (2016) y cálculo propio para Colombia a partir de DANE (2016)

## i. Increase in violence in territories with little or no State presence and presence of criminal groups

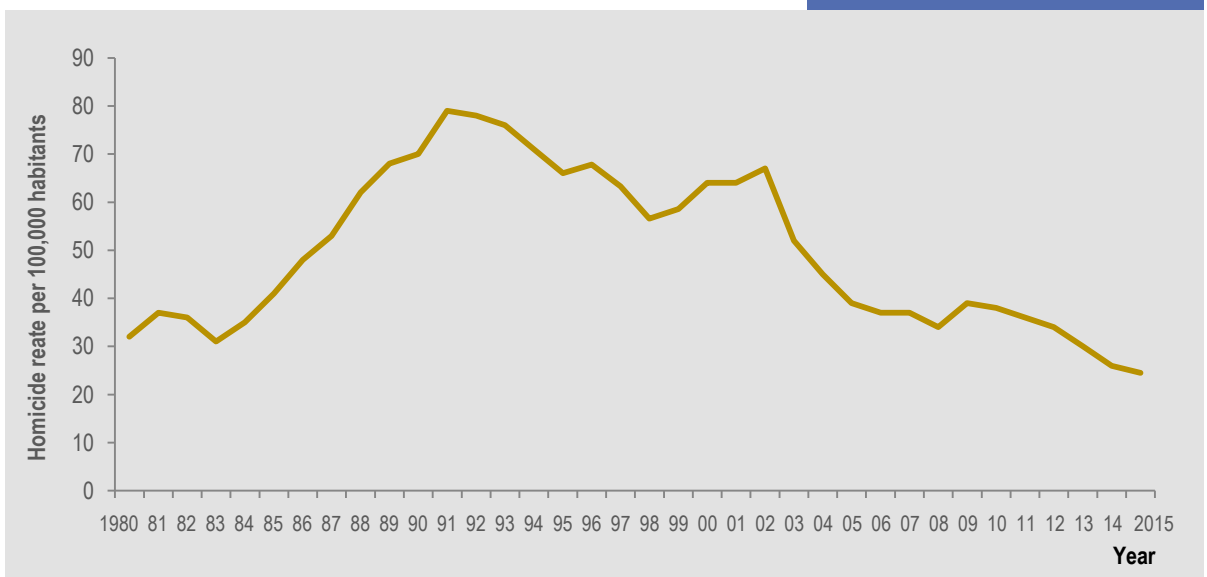
Recent studies show that from January 2016 to April 2019, almost 900 social leaders and ex-FARC guerillas have been killed<sup>19</sup>. This phenomenon is explained by the re-shuffling of illegal forces trying to fill the void left by the demobilized guerrillas in rural territories with no State presence.

There is no consensus around the perpetrators of systematic assassinations that have been spread in the face of different demands: from environmental activists fighting against extractive projects to political candidates proclaiming anti-drug policies to ex-FARC members

starting an entrepreneurial project in warn-torn territories.

What is clear is that the State does not have the manpower nor the means to fill the institutional void in some urban territories that have become a strong-hold of criminal bands.

Homicide rate per 100,000 habitants – Colombia<sup>20</sup>



<sup>19</sup> INDEPAZ. "Todos los nombres, todos los rostros: informe de derechos humanos sobre la situación de líderes y defensores de derechos humanos en los territorios" (2019). Retrieved from: <http://www.indepaz.org.co/wp-content/uploads/2019/04/SEPARATA-DE-ACTUALIZACI%C3%93N-Informe-Todas-las-vozes-todos-los-rostros.-30-Abril-de-2019.pdf>

<sup>20</sup> National Institute of Legal Medicine of Colombia (2019)



702

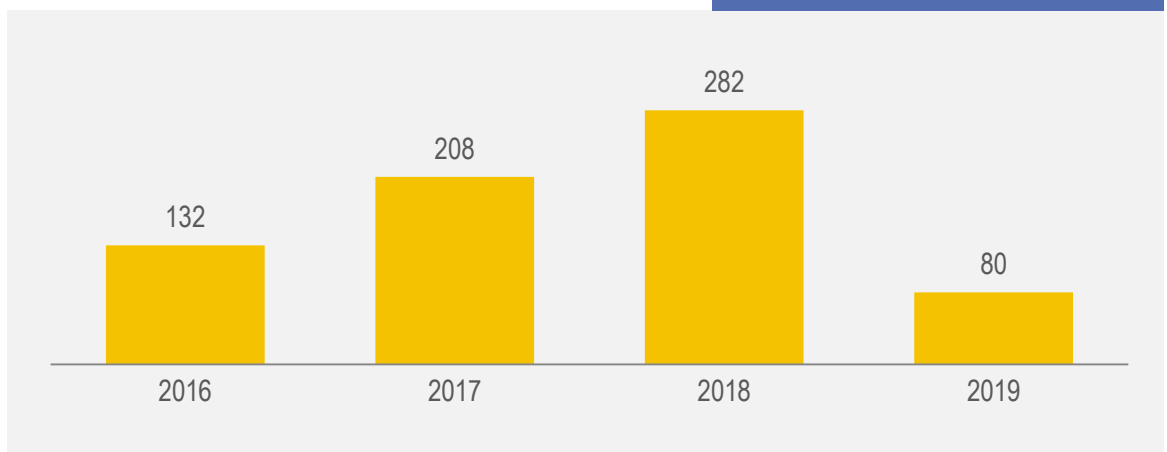
Leaders and human rights  
advocates killed since 2016



135

ExFARC guerillas killed  
since 2016

Number of deaths of social leaders and human rights advocates per year in Colombia<sup>19</sup>



## II. Enhanced perception of corruption

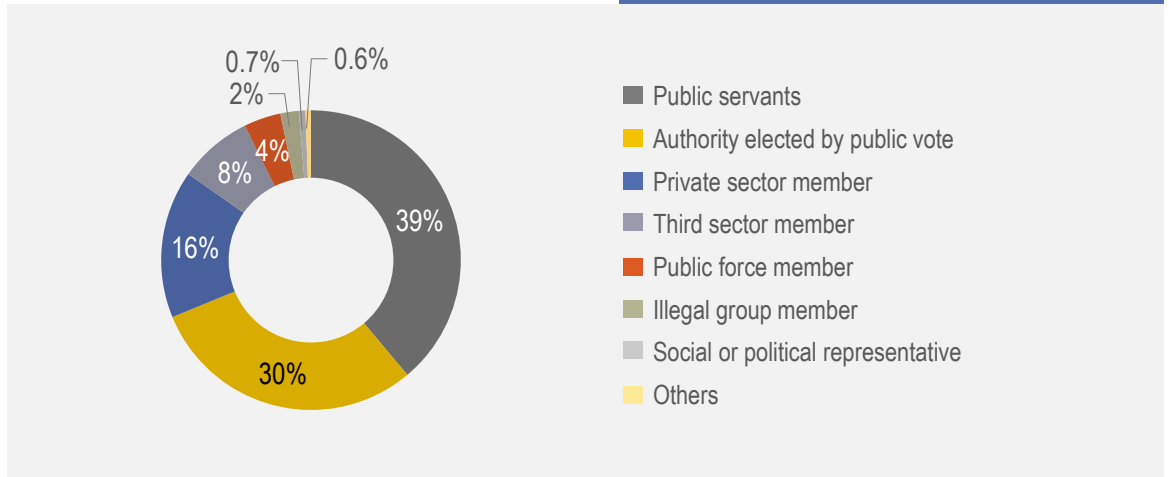
According to the Corruption Perception Index ranking published by Transparency International, Colombia is 96th out of 180 countries measured. A study by Transparency for Colombia<sup>20</sup> shows that 39% of corrupt acts come from public servants and 16% from private actors. It therefore should not come as a surprise

that there is a generalized sense of mistrust towards government officials: in a 2017 survey by the Organization for Economic Co-operation and Development, 86% of Colombians claimed to believe their government was corrupt (up from 80% in 2007) and only 22% trust their government (down from 51% in 2007)<sup>21</sup>.

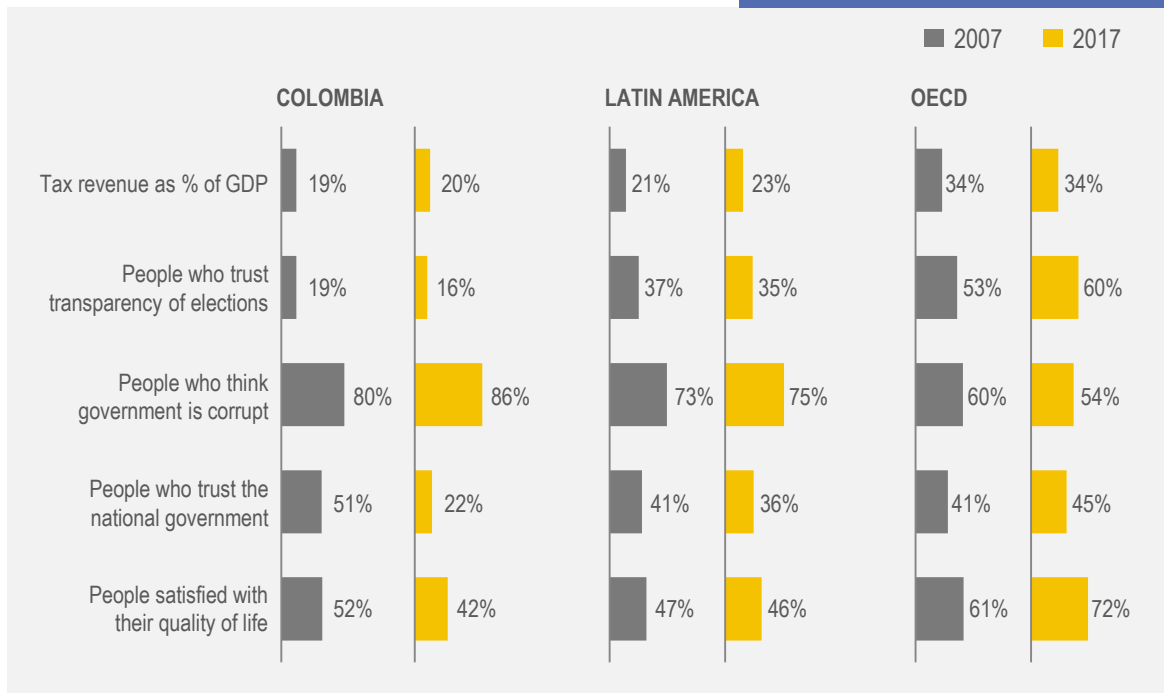
<sup>20</sup> Corporación Transparencia por Colombia. "Así se mueve la corrupción: Radiografía de los hechos de corrupción en Colombia 2016-2018" © Bogotá D.C., May 2019

<sup>21</sup> Giraldo López, Jenny. Colombia tiene el mayor índice de desconfianza en el gobierno nacional e instituciones. El Espectador, April 2019.

## Individual players involved in corruptions schemes reported by the press from 2016-2018 in Colombia<sup>20</sup>



## Perception in Colombia vs. Latin America and the OECD<sup>21</sup>



Almost half of corrupt schemes reported by the press affected the Education (16%), Infrastructure and Transportation (15%), and Health (15%) sectors. Lack of strong institutions and the pending need of a judiciary reform worsen the perception: only 23% of judicial processes for corruption achieved a condemnatory sentence.

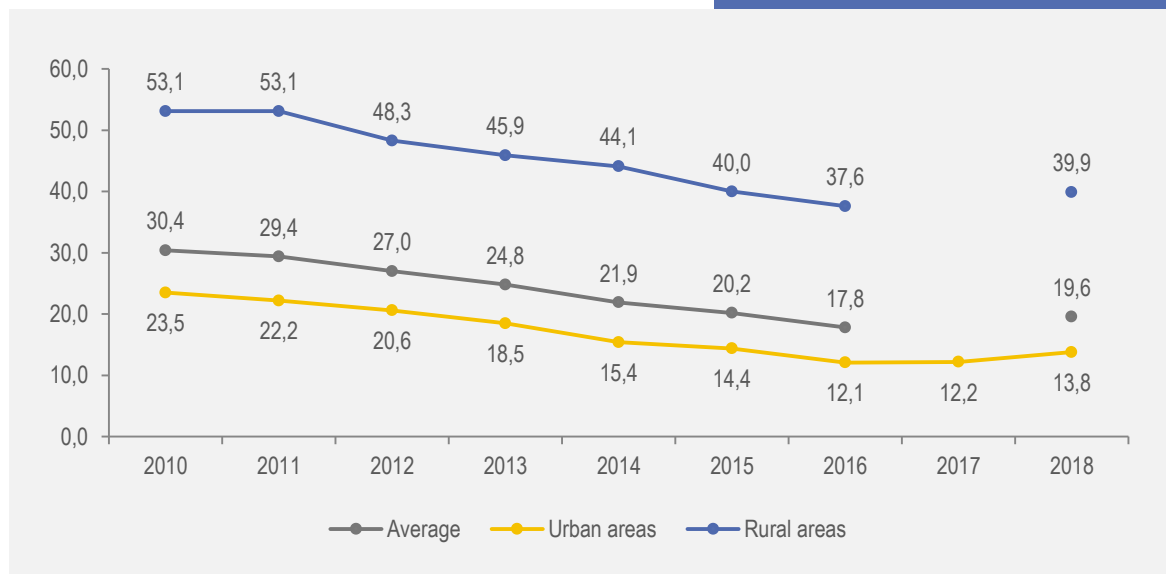
“ According to the Corruption Perception Index ranking published by Transparency International, Colombia is 96th out of 180 countries measured ”

### III. Surge of inequality despite reductions in poverty

The measurement of poverty under a multidimensional methodology started by President Juan Manuel Santos (2008-2016) allowed the reduction of national poverty incidence rates from 30,4% in 2010 to 19,6% in 2018.

The Multidimensional Poverty Index developed by the United Nations Development Program measures access to variables like education, health, work, social security, housing and income.

Poverty incidence rates in Colombia (% of population)<sup>22</sup>



<sup>22</sup> Encuesta Nacional de Calidad de Vida (ECV) 2010-2018, DANE

Despite the steep reduction in poverty, inequality continues to be at the heart of Colombian society. A study by the Organization for Economic Co-operation and Development (OECD) measures the generations needed to break the cycle of poverty in different countries.

In Finland, the average person needs two full generations to break this cycle; in the United States, five; in Brazil, nine; in Colombia, eleven<sup>23</sup>.

A reflection of this reality can be measured through the GINI Index. The latest World Bank estimates rank Colombia as the 16th most unequal country on earth, with a GINI Index similar to that of the Republic of Congo<sup>24</sup>.

### Average generations needed to break the poverty cycle<sup>23</sup>



*The latest World Bank estimates rank Colombia as the 16th most unequal country on earth, with a GINI Index similar to that of the Republic of Congo*

### GINI Index, World Bank Estimates<sup>24</sup>

Country	Most recent year	Most recent value
South Africa	2014	63.0
Namibia	2015	59.1
Suriname	1999	57.6
Zambia	2015	57.1
Central African Republic	2008	56.2
Lesotho	2010	54.2
Mozambique	2014	54.0
Belize	1999	53.3
Brazil	2017	53.3
Bostwana	2015	53.3
Eswatini	2009	51.5
St. Lucia	2016	51.2
Guinea-Bissau	2010	50.7
Honduras	2017	50.5
Panama	2017	49.9
Colombia	2017	49.7
Congo, Rep.	2011	48.9

<sup>23</sup> BBC: "Por qué en Colombia se necesitan 11 generaciones para salir de la pobreza y en Chile 6" (August 2018). Retrieved from: <https://www.bbc.com/mundo/noticias-45022393>

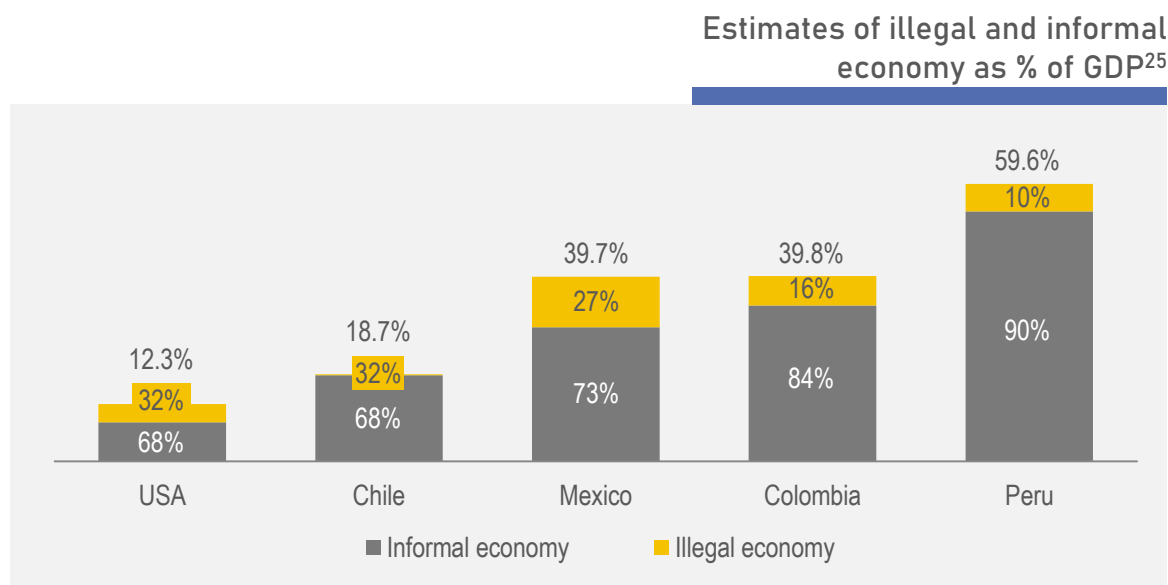
<sup>24</sup> GINI Index, World Bank Estimates (2019)

## IV. Outpouring of illegal economies like drug trafficking and illegal mining

Weak or no State presence in rural territories, Colombia's diverse geography, poor infrastructure and the Colombian Peso devaluation, in addition to other factors, are some of the reasons why illegal economies are booming after the 2016 Peace Treaties.

Experts have calculated that the illegal

and informal economies of Colombia account for the equivalent of 39.8% of the country's Gross Domestic Product (GDP). And while this number is smaller than other countries in Latin America (Peru: 59.6%), it is similar to the one in Mexico and it is more than 3x bigger than the one in United States., relative to the GDP's size<sup>25</sup>.

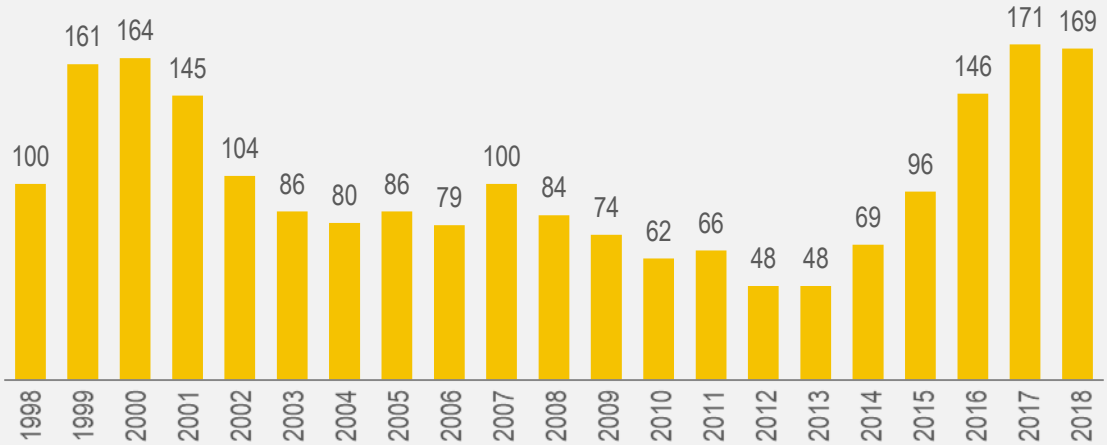


An important part of the illegal economy exists due to drug trafficking and illegal mining. Between 2015 and 2018, coca plantations have grown 76%, reaching historic highs: coca plantations are 3% higher now than at the climax of the conflict in the early 2000s. Nearly 40% of coca plantations are focalized in the country's poorest region, the Colombian Pacific, which has also seen a 13% increase in cocaine production from 2016 to 2017<sup>26</sup>.

<sup>25</sup> Clavijo, Sergio et al (2017). "Reducción del efectivo y tamaño de la economía subterránea en Colombia". Carta Financiera, 8-17

<sup>26</sup> Oficina de las Naciones Unidas contra las Drogas y el Delito. "Monitoreo de territorios afectados por cultivos ilícitos 2017". Retrieved from: [https://www.unodc.org/documents/crop-monitoring/Colombia/Colombia\\_Monitoreo\\_territorios\\_afectados\\_cultivos\\_ilicitos\\_2017\\_Resumen.pdf](https://www.unodc.org/documents/crop-monitoring/Colombia/Colombia_Monitoreo_territorios_afectados_cultivos_ilicitos_2017_Resumen.pdf) (September 2018)

## Evolution of coca plantations in Colombia (thousand hectares)<sup>26</sup>



## Coca plantations census 2017<sup>26</sup>

	2016	Variation	2017
Net area of coca plantations to December (rounded to the thousandth)	146,000 ha	17%	171,000 ha
Pacific region	57,777 ha	13%	65,567 ha
Central region	40,526 ha	31%	52,960 ha
Putumayo – Caqueta region	34,505 ha	20%	41,382 ha
Meta – Guaviare region	12,302 ha	-15%	10,500 ha
Orinoquia region	708 ha	9%	774 ha
Amazonia region	286 ha	6%	302 ha
Sierra Nevada region	35 ha	-71%	10 ha
Potential production of fresh cocaine leave	707,100 mt (615,600 tm – 832,500 mt)	32%	930,900 mt (792,500 mt – 1,095,900 mt)
Potential production of cocaine hydrochloride	1,053 mt (917 mt–1,240 mt)	31%	1,379 mt (1,174 mt–1,623 mt)
Cocaine seizures	362,415 Kg	20%	435,431 Kg
Destroyed laboratories	4,820	-12%	4,252
Manual eradication of coca plantations	18,227 ha	188%	52,571 ha

The National Controller informs illegal mining activities occur in 25 of the 32 departments of Colombia and only 20% of mining activities in Colombia are legal<sup>27</sup>. The minerals that concentrate the highest rates of illegal activities are precious metals (85%), construction materials like wood and timber (60%) and carbon (40%). Additionally, only 15% of environmental processes related to illicit mineral extraction were condemned by judicial institutions<sup>27</sup>.

## V. Humanitarian crisis due to large migration inflow from Venezuela

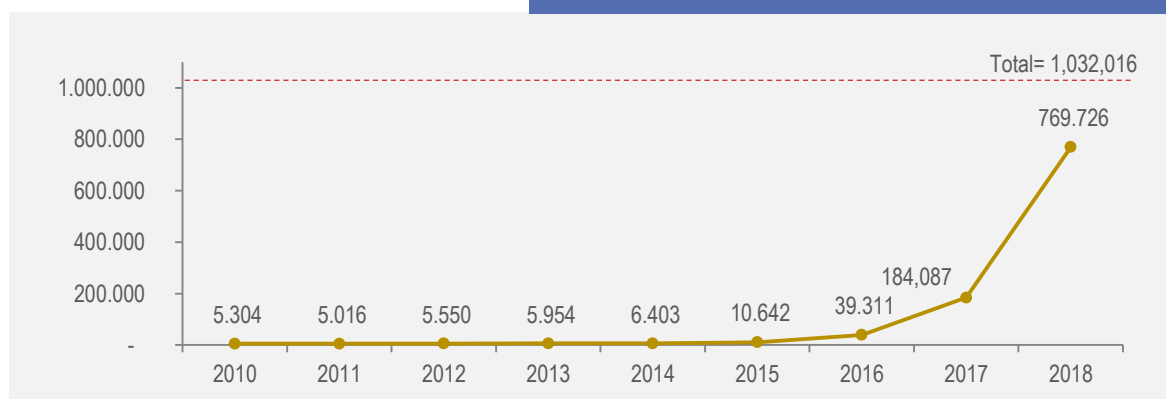
Political, economic and social unrest in Venezuela under its Socialist Revolución Bolivariana have led to massive migrations to Colombia. Reports vary in their estimates from 1 to 1.4 million Venezuelans currently living in Colombia, with almost half (47%) living in irregular conditions<sup>28</sup>.

🗨️ Reports vary in their estimates from 1 to 1.4 million Venezuelans currently living in Colombia, with almost half (47%) living in irregular conditions 🗨️

Bogotá hosts over 313 thousand Venezuelans with frontier departments like La Guajira and Norte de Santander hosting almost 350 thousand immigrants. In 2018 only, Colombia received its highest immigration inflow, with 355 thousand Venezuelans crossing its borders. For a country that has never received massive migration flows like Colombia, the humanitarian crisis becomes a complex social problem of vast dimensions.

This reality becomes harsher when analyzing statistics around quality of life in Venezuela, where extreme poverty rates reached 61,2% in 2017, up from 23,6% in 2015, with the average citizen losing more than 11 kilograms a year given the difficult economic situation<sup>29</sup>.

Venezuelans living in Colombia (2010-2018)<sup>29</sup>

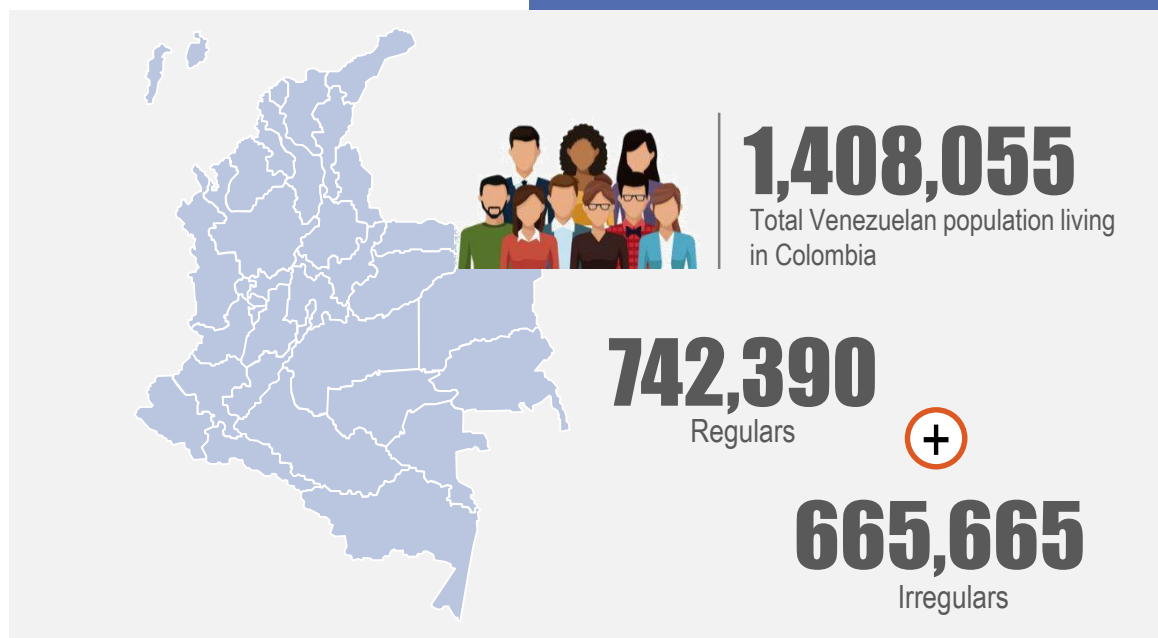


<sup>27</sup> Correa, María Victoria (2017). "Minería en Colombia: 80% en la ilegalidad". El Colombiano

<sup>28</sup> Ministerio de Relaciones Exteriores. "Venezolanos en Colombia" (June 2019)

<sup>29</sup> Encuesta sobre condiciones de vida en Venezuela – ENCAVI (February 2018)

## Venezuelans living in Colombia (2019)<sup>28</sup>



## Venezuelans living in Colombia per region (2019)<sup>28</sup>

Department	Total	%	Department	Total	%
Bogotá, D.C.	313,528	22.27%	Meta	6,332	0.45%
Norte de Santander	185,433	13.17%	Tolima	5,770	0.41%
La Guajira	163,966	11.64%	Guainía	5,528	0.39%
Atlántico	125,075	8.88%	Quindío	5,496	0.39%
Antioquia	112,745	8.01%	Cauca	3,832	0.27%
Magdalena	70,326	4.99%	Nariño	3,586	0.25%
Santander	69,159	4.91%	Caldas	3,370	0.24%
Cundinamarca	66,578	4.73%	Huila	3,020	0.21%
Valle del Cauca	64,658	4.59%	Vichada	2,205	0.16%
Bolívar	51,516	3.66%	Putumayo	1,434	0.10%
Arauca	42,890	3.05%	Chocó	389	0.03%
Cesar	38,310	2.72%	Amazonas	374	0.03%
Casanare	14,913	1.06%	San Andrés Islas	222	0.02%
Risaralda	14,245	1.01%	Caquetá	189	0.01%
Sucre	13,281	0.94%	Guaviare	122	0.01%
Boyacá	12,180	0.87%	Vaupés	2	0.00%
Córdoba	7,381	0.52%	<b>Total</b>	<b>1,408,055</b>	



### 3C. WE SHARE A COMMON SOCIAL CONSCIOUSNESS FOR IMPACT

Colombia's critical moment in history, with its increase in violence, an enhanced perception of corruption, the surge of inequality, the outpouring of illegal economies and the humanitarian crisis of immigrants make it fertile land for impact investing.

However, Colombian issues are not a new trend: they have mutated and changed, but social inequality and violence have been a constant in its

more than 200 years of history. This context has allowed the development of an already robust impact investing ecosystem which has been grounded on a shared social consciousness for impact and the human talent to make change happen. The participation in the creation of a Colombian National Advisory Board is an example of the interest of all actors, which actively assisted to the work tables set up in this effort:

“ Colombia's critical moment in history, with its increase in violence, an enhanced perception of corruption, the surge of inequality, the outpouring of illegal economies and the humanitarian crisis of immigrants make it fertile land for impact investing ”

#### Participants in the work tables set up for the creation of the Colombian NAB

SENIOR TABLE						
						
						

Participants in the work tables set up for the creation of the Colombian NAB (Cont.)

INTERMEDIARIES



GOVERNMENT & ACTORS



SUPPLY AND DEMAND CAPITAL



# COLOMBIAN NAB PRIORITIES AND STRATEGIES

## 4

### 4A. DEVELOP A SHARED UNDERSTANDING OF IMPACT INVESTING, ALIGNED WITH GSG, IN ORDER TO STRENGTHEN THE EXISTING ECOSYSTEM

There is a shared perception between impact investing practitioners in Colombia that “the impact investing ecosystem is robust and varied, but lacking articulation”<sup>30</sup>. Stakeholders call for articulation at all levels based on “leveraging the strategic plans of all players to construct a great team: not to compete but to cooperate”<sup>30</sup>, bearing in mind that Colombia has the social, financial and human capital to do so.

There is also the need to define and share a common discourse around impact investing: “communication is key: we have to be careful with the use of language, looking for homogeneity in the definition of concepts”<sup>30</sup>. For instance, some advocate for the definition of impact investing not as a new asset class but as a transversal alternative for investment.


Our preliminary exercise of profiling the needs of the impact investing ecosystem point to the need to develop a shared understanding of impact investing in Colombia, specifically.

- Develop an understanding and a definition of impact investing, aligned with GSG
- Develop impact investing measurement metrics, aligned with GSG
- Once defined, design education and dissemination strategies to share definition and metrics to all stakeholders in the ecosystem

*There is a shared perception between impact investing practitioners in Colombia that the impact investing ecosystem is robust and varied, but lacking articulation*

<sup>30</sup> Interview conducted on September 2019





In parallel to helping Colombia share a generalized understanding of impact investing we must look to strengthen the existing impact investing ecosystem. To do so, we must:

- Diagnose the existing impact investing ecosystem. Despite recent efforts by individual agents to map the impact investing ecosystem in Colombia, we are missing a comprehensive, detailed record of the interactions (or lack thereof) between supply of capital, demand of capital, market builders, government and policy makers, between others.
- Design strategies to centralize efforts to speak in one voice
- Promote efforts to complement the existing ecosystem and to strengthen key participants



## 4B. BOOST SUPPLY OF IMPACT INVESTING CAPITAL

---

A key factor to boost supply of impact investing capital frequently emphasized by different players in Colombia's ecosystem calls for a proactive change in legislation. Some ideas to do so include (but are not limited to) a change in legislation regarding:

- **Pension funds and private capitals:** ensure financial and tributary incentives for investments in impact investing projects. A change in legislation must also advocate for a compulsory percentage of AUMs to be invested in impact investing projects.
- **Confiscated assets and under-used government assets:** it is estimated that confiscated assets to drug dealers/cartels and convicted felons reach more than \$7.7 billion pesos (approximately \$2.2 billion USD)<sup>31</sup>. A change in legislation to incentivize the sale of these assets and have that value be invested in an impact investing fund would mean an important boost in the supply of capital.
- **Government policy:** in order to channel impact investing policy, the national government must understand the importance of impact investing through case studies and success stories.

A favorable change in legislation should be possible through the systematic sharing of success cases in impact investing. A strong communication strategy, coupled with a standardization in the way in which projects are evaluated, would infuse the ecosystem with a more methodological way to measure success.

 *A key factor to boost supply of impact investing capital frequently emphasized by different players in Colombia's ecosystem calls for a proactive change in legislation* 

<sup>31</sup> Collazos, Mauricio. "A más de \$1 billón ascendió venta de bienes incautados a corruptos y narcotraficantes: SAE" (July 2019). Retrieved from: <https://www.rcnradio.com/judicial/mas-de-1-billon-ascendio-venta-de-bienes-incautados-corruptos-y-narcotrafico-sae>

## 4C. STRENGTHEN THE DEMAND OF IMPACT INVESTING CAPITAL

---

Another recurring commentary from different impact investing players in Colombia refers to the need to establish a digitally-enabled project platform with relevant information for potential investors. Enabling technology for data availability will be crucial in guaranteeing the program's sustainability in the long term; the platform could include:

- Project description
- Intermediary and experience
- Investment required
- Expected return
- Measurement methodology
- Estimated impact in key performance indicators
- Exit opportunities

*Enabling technology for data availability will be crucial in guaranteeing the program's sustainability in the long term*

## 4D. FACILITATE THE CONNECTION BETWEEN SUPPLY AND DEMAND



We have identified institutional tools already available in Colombia which seek to facilitate the connection between supply and demand of impact investing capital, including:

- **Business Call to Action:** the United Nations Development Program (UNDP)'s global platform to identify, measure and scale the impact of inclusive businesses. It is composed by four modules, which include:
  - i. Business capacity to measure and manage impact
  - ii. Business impact value chain description
  - iii. Key Performance Indicators (KPIs)
  - iv. Business case
- **Multi-Partner Trust Fund Office (MPTF):** the MPTF Office assists the UN system and national governments in establishing and administering pooled financing mechanisms—multi-donor trust funds and joint programs—to collect and allocate funding from a diversity of financial contributors to a wide range of implementing entities in a coordinated manner<sup>32</sup>. The MPTF allocates resources for the private sector to invest in remote areas and includes a structured mechanism for the measurement of KPIs.

- **Impact Management Project (IMP):** The IMP is a forum for building global consensus on how to measure, manage and report impact through a 2,000+ practitioner community to debate and find consensus on technical topics, as well as share best practices on impact measurement<sup>33</sup>.

However, the Colombian National Advisory Board could serve as a centralized organizer of connections between the supply and demand of all impact investing stakeholders, including the government, practitioners and investors.

In addition, general information made available to the business and non-profit community on the existing funds and investment vehicles for impact investing in Colombia could unlock potential demand by certain investors to participate more actively in the ecosystem. These communication strategies could reach companies, individuals, families and foundations that could allocate a portion of their investment portfolios to impact investing.

 *The Colombian National Advisory Board could serve as a centralized organizer of connections between the supply and demand of all impact investing stakeholders, including the government, practitioners and investors* 

<sup>32</sup> Multi-Partner Trust Fund Office: "About MPTF Office". Retrieved from: <http://mptf.undp.org/overview/office>

<sup>33</sup> Impact Management Project. "About IMP". Retrieved from: <https://impactmanagementproject.com/about/>

## 4E. PRIORITY THEMES TO SOLVE BY THE COLOMBIAN NAB

The worktables interviewed for this effort all agreed that despite a violent history, Colombia is a country with strong institutions and democracy, and relative discipline and rule of law. However, the country is plagued by complex and challenging problematics, the most relevant explored in chapter 3 of this document.

The current passing of Colombia through a very particular moment in its history includes a period of post conflict, the re-construction of its social fabric and the strengthening of its business, political and government institutions. Bearing this in mind, the worktables have prioritized the following five themes to be solved by the Colombian NAB. We framed the priority themes around the United Nation's Goals for Sustainable Development, even though this framework does not necessarily capture all of the Colombian problematic:



### SDG # 1: No Poverty & SDG # 10: Reduced inequalities

Despite the reduction in poverty indicators in the past years, inequality in Colombia continues to be uncomfortably high. This trend is evident when analyzing by geography: the regions in which 49% of the wealthiest Colombians live earn 63% of the national income, while the regions in which 13% of poorest population lives earns only 7% of the national income<sup>34</sup>. Bogota as the capital city represent this phenomenon: while it holds a little over 20% of the national population, it generates 33% of the national income<sup>34</sup>.



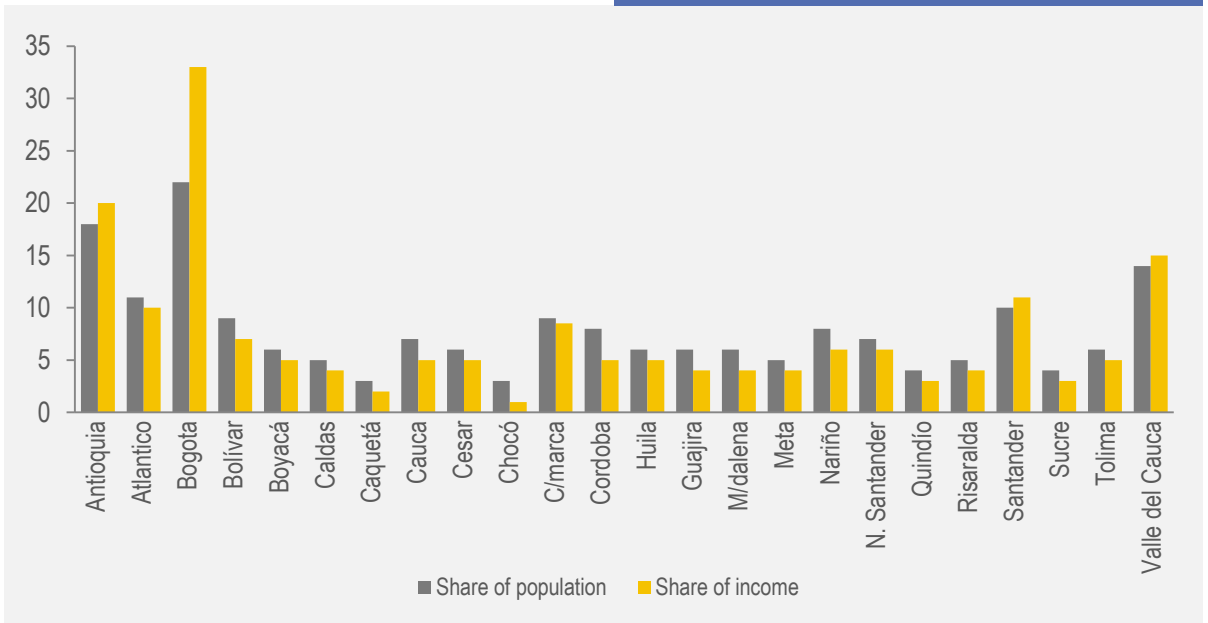
According to Mauricio Sanchez-Torres, professor at Universidad Nacional de Colombia, "the geographic differences hinder the benefits which a greater integration and social and economic articulation could have between regions and provinces in the country. Additionally, they also deepen poverty, development lags, unemployment and low salaries"<sup>34</sup>.

*Despite the reduction in poverty indicators in the past years, inequality in Colombia continues to be uncomfortably high*

<sup>34</sup> Sanchez-Torres, Mauricio. "Inequality Income Map of Colombia" (April 2018). Retrieved from: <https://unperiodico.unal.edu.co/pages/detail/inequality-income-map-of-colombia/>

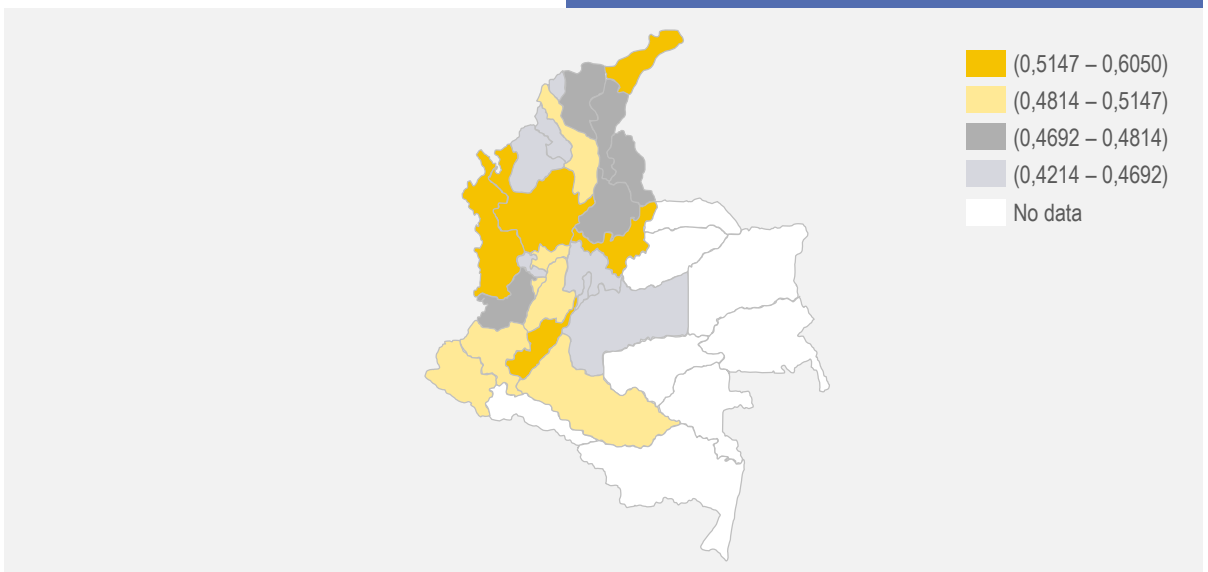


## Concentration of population and income per department in Colombia, % (2016)<sup>34</sup>



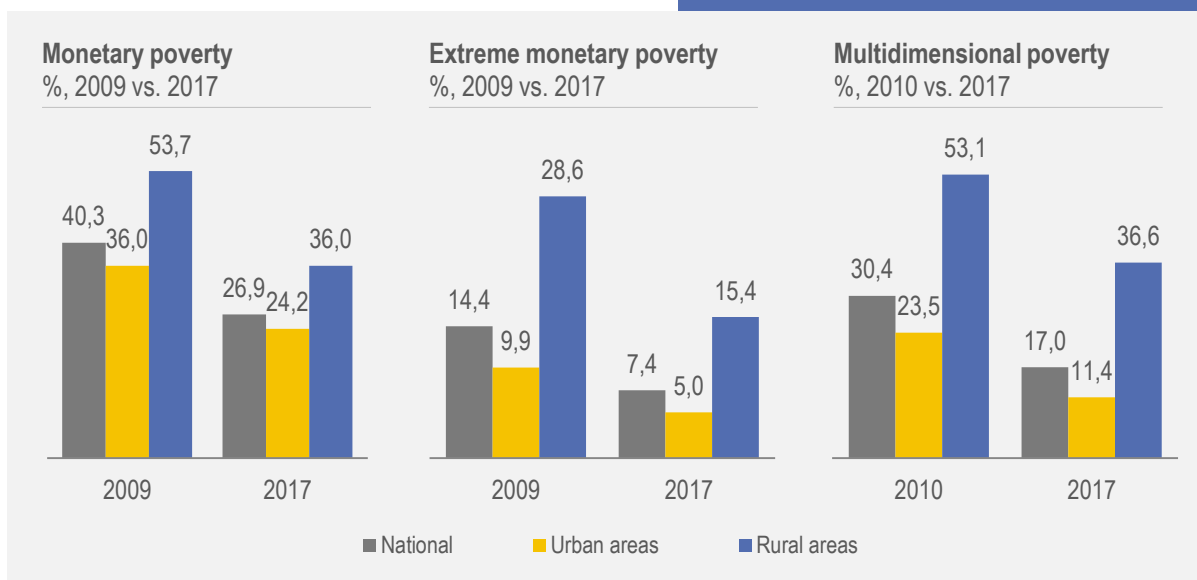
The GINI coefficient also varies per region: “in contrast with poverty, which is focused on the coastal regions of the country, income distribution is spatially differentiated, without patterns between magnitude and concentration”<sup>34</sup>.

## GINI coefficient by department in Colombia<sup>34</sup>

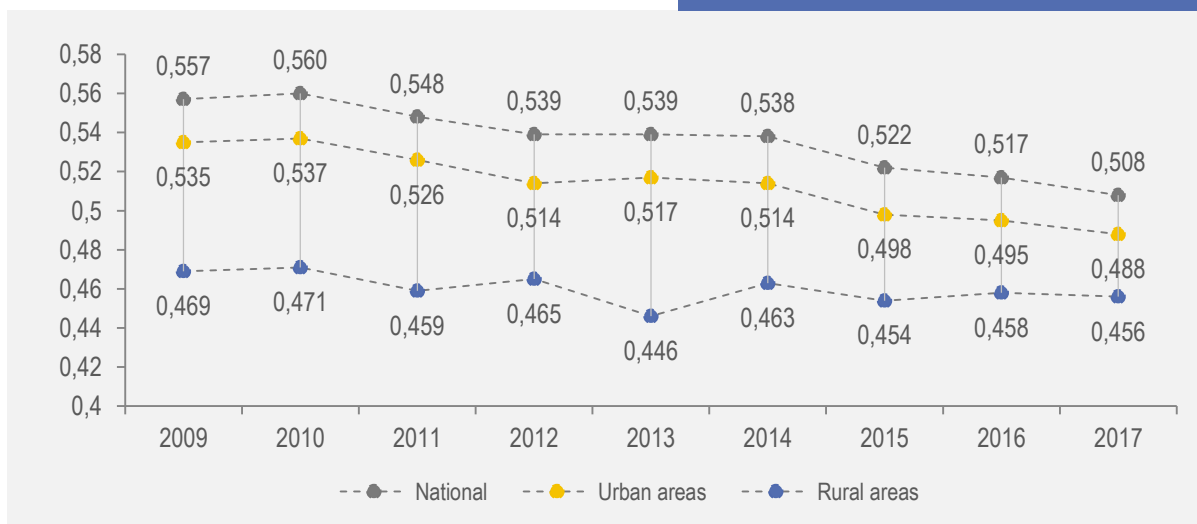


There is also a substantial difference in poverty indicators between rural and urban centers. While rural areas have 36% of monetary poverty, urban areas have 24,2% and the national weighted average is 26,9%<sup>35</sup>. The 10 poorest cities in the country hold up to 68,7% of the population in conditions of poverty, which is the case of Quibdó, the poorest city in Colombia<sup>36</sup>.

### Poverty indexes in Colombia (2009-2017)<sup>34</sup>



### GINI index in Colombia (2009-2017)<sup>34</sup>



<sup>35</sup> Cubillos-Murcia, Natalia. "17 de cada 100 personas son pobres" (March 2018). Retrieved from: <https://www.elcolombiano.com/negocios/economia/pobreza-en-colombia-2017-NB8434780>

<sup>36</sup> La Opinión: "40% de los habitantes de Cúcuta son pobres" (March 2017). Retrieved from: <https://www.laopinion.com.co/economia/40-de-los-habitantes-de-cucuta-son-pobres-130248#OP>

## Poorest cities in Colombia (2016)<sup>35</sup>

QUIBDO | 68.7%  
Total



RIOHACHA | 60.8%  
Total



VALLEDUPAR | 44.2%  
Total



SANTA MARTA | 42.2%  
Total



FLORENCIA | 41.5%  
Total



CUCUTA | 40.4%  
Total



4



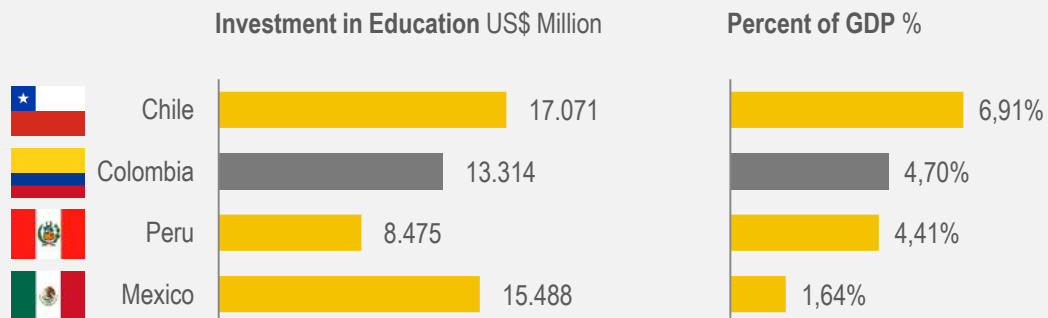
### SDG # 4: Quality Education

An additional priority for the Colombian National Advisory Board relates to quality education, which has also been a priority for the current and past national governments. Both the national government and the private sector agree the democratization of high-quality education is the key factor to break the cycle of poverty and inequality in the country. Colombia invests 4,70% of its GDP in education: more than Mexico (1,64%) but significantly less than other countries in the region like Chile (6,91%), a country with 30 million citizens less than Colombia<sup>37</sup>.

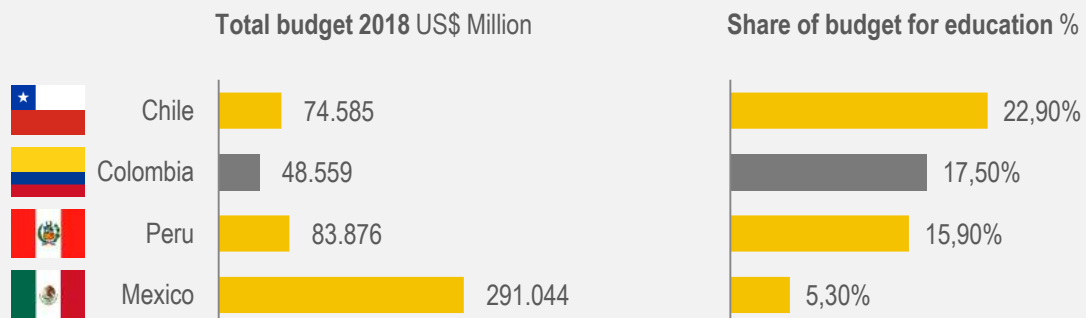
<sup>37</sup> Venegas Loaiza, Andrés. "Chile y Colombia, los que más invierten en educación en la Alianza del Pacífico" (April 2018). Retrieved from: <https://www.larepublica.co/globeconomia/chile-y-colombia-los-que-mas-invierten-en-educacion-en-la-alianza-del-pacifico-2710185>

## Comparative efforts in education in Chile, Peru, Colombia and Mexico<sup>37</sup>

### Investment per country



### National budget and share of budget for education



\* Numbers based on US Dollar currency exchange of April 5<sup>th</sup> 2018

Despite institutional and private efforts, Colombia still ranks low in the Program for International Student Assessment (PISA) tests. Between 42,8% and 49% of Colombian students age 15 scored levels 0 and 1 in all subjects tested, the lowest possible levels<sup>18</sup>. When comparing versus OECD average, Colombia ranks low: OECD countries scored an average of 21,2% of students in levels 0 and 1, while Colombia scored almost half (49%)<sup>38</sup>.

Both the national government and the private sector agree the democratization of high-quality education is the key factor to break the cycle of poverty and inequality in the country

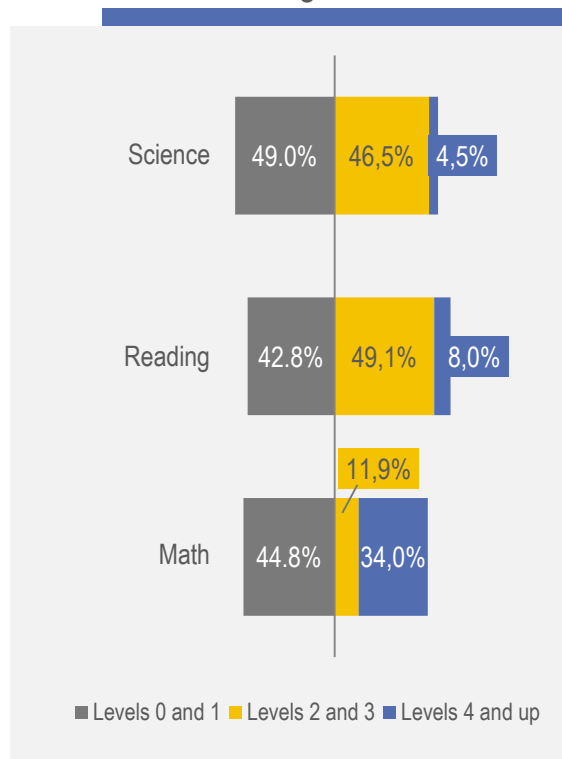
<sup>38</sup> Fundación empresarios por la educación. "Colombia en PISA 2015". Retrieved from: [https://fundacionexe.org.co/wp-content/uploads/2019/05/Infografia\\_PISA.pdf](https://fundacionexe.org.co/wp-content/uploads/2019/05/Infografia_PISA.pdf)

Despite institutional and private efforts, Colombia still ranks low in the Program for International Student Assessment (PISA) tests

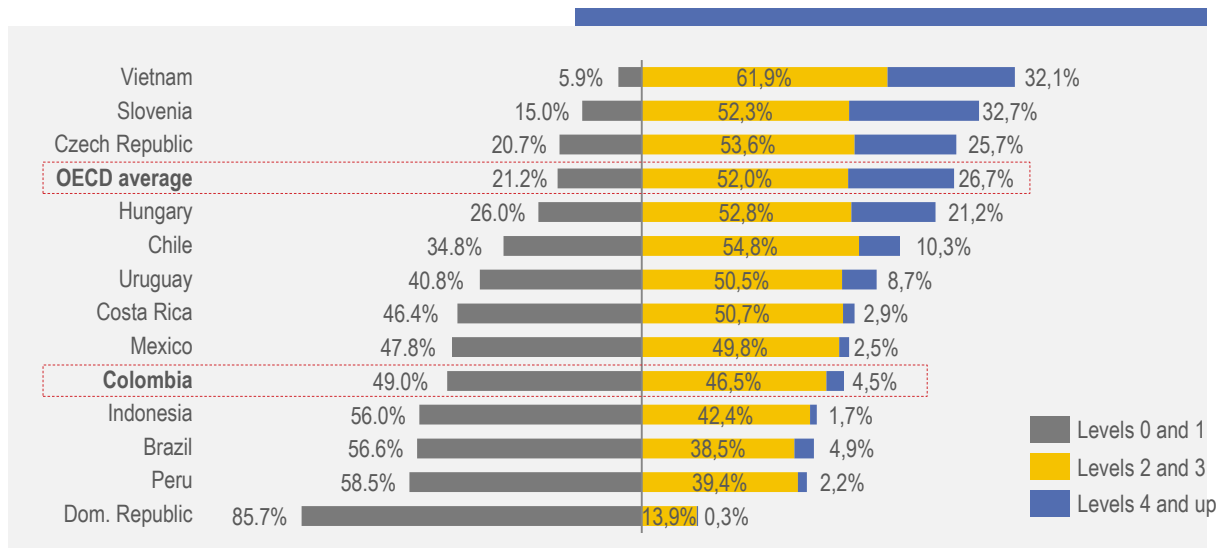
As in many other countries, socio-economically disadvantaged students in Colombia are less likely to succeed at school than their more advantaged peers. In Colombia, equity in education outcomes is similar to the OECD average, as 14% of the variation in science performance is attributed to differences in students' socio-economic status<sup>39</sup>.

14% of the variation in science performance is attributed to differences in students' socio-economic status

PISA 2015 aggregate results for students age 15 in Colombia<sup>38</sup>



PISA 2015 aggregate results for Colombia versus other countries<sup>38</sup>



<sup>39</sup> OECD "Programme for International Student Assessment (PISA) results from PISA 2015: Colombia" (2016). Retrieved from: <https://www.oecd.org/pisa/PISA-2015-Colombia.pdf>

While Colombia performs below the OECD average in science, its mean performance increased 28 score points since 2006, the second largest improvement among the 52 education systems with comparable data.

- **Students in Colombia score 425 points in reading, on average** – below the OECD average and the mean score in Chile (459 points), comparable with that of Mexico, and above the mean score of Brazil (407 points) and Peru (398 points).
- **Students in Colombia score 390 points in mathematics, on average** – below the OECD average, and the mean score of Chile (423 points) and Mexico (408 points), comparable with that of Peru, and above the mean score of Brazil (377 points).
- **As in many other countries, socio-economically disadvantaged students in Colombia are less likely to succeed at school than their more advantaged peers.** In Colombia, equity in education outcomes is similar to the OECD average, as 14% of the variation in science performance is attributed to differences in students' socio-economic status.
- **Boys outperform girls in science**, but more girls (42%) than boys (37%) in Colombia expect to work in a science-related occupation.
- **As in many countries, science departments in Colombia's advantaged schools are better resourced and staffed than those in disadvantaged schools** – and by a wider margin than in most other PISA-participating countries and economies.
- **The percentage of students in Colombia who had repeated a grade is the second largest**, behind only Algeria, among all the countries and economies that participated in PISA 2015.
- **There is nearly one computer for every student in Colombia** – a higher ratio than observed across OECD countries, on average, higher than observed in Chile and Peru, and higher than would be expected given Colombia's level of spending on education.
- **In Colombia, students enrolled in pre-vocational or vocational programs score 27 points higher** in science than students in general programs, after accounting for socio-economic status.

9



## SDG # 9: Industry, Innovation and Infrastructure

Colombia's diverse geography and decade-long conflict between other factors have been determinant in its lack competitive infrastructure: Colombia ranks 58<sup>th</sup> out of 160 countries in the Inter-American Development Bank's (IADB's) logistic performance index<sup>40</sup> and 60 out of 140 countries in the World Economic Forum's Global Competitiveness Index<sup>41</sup>. Specifically, Colombia ranks 102nd in road efficiency and 125th in railroad service efficiency. When comparing Colombia versus Latin American countries, Colombia is still under performing: 12th out of 18 countries in road quality and 13<sup>th</sup> out of 18 in road connectivity.

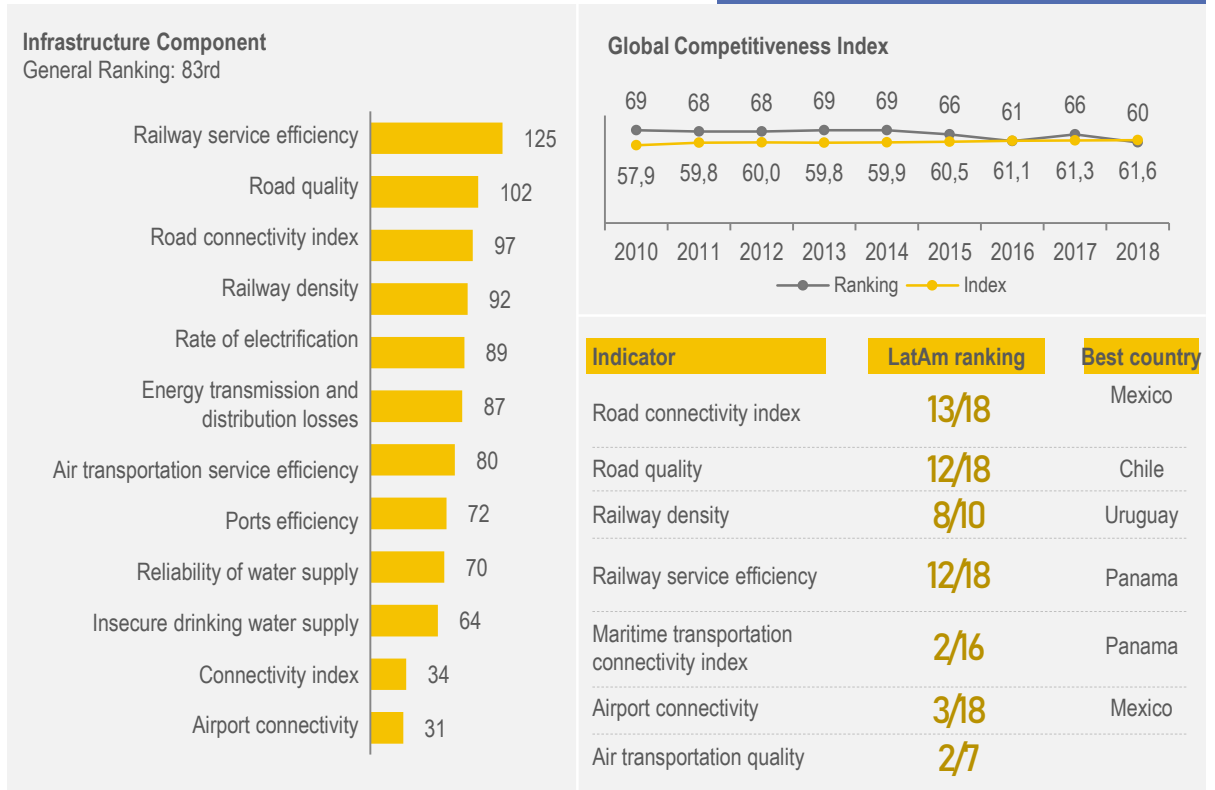
### IADB Logistic Performance Index for selected countries (2018)<sup>40</sup>



<sup>40</sup> Consejo Nacional de Competitividad. "Informe Nacional de Competitividad 2018-2019" (October 2018). Retrieved from: [https://compite.com.co/wp-content/uploads/2018/10/CPC\\_INC\\_2018-2019\\_Web.pdf](https://compite.com.co/wp-content/uploads/2018/10/CPC_INC_2018-2019_Web.pdf)

<sup>41</sup> González, José. "Colombia ocupa el puesto 97 en competitividad de carreteras según el Foro Económico Mundial" (November 2018). Retrieved from: <https://www.larepublica.co/especiales/especial-infraestructura/colombia-ocupa-el-puesto-97-en-conectividad-de-carreteras-segun-el-foro-economico-mundial-2795752>

## Key infrastructure indicators for Colombia 2018<sup>41</sup>



According to the Global Innovation Index, Colombia ranks 67th out of 129 countries, with an innovation index of 33,0 out of 100, similar to that of Saudi Arabia and Peru<sup>42</sup>.

## Global Innovation Index 2019 ranking<sup>42</sup>

Country	Score (0 – 100)	Rank
Switzerland	67.24	1
Sweden	63.65	2
United States of America	61.73	3
Netherlands	61.44	4
United Kingdom	61.30	5
Finland	59.83	6
Denmark	58.44	7
Singapore	58.37	8
Germany	58.19	9
Israel	57.43	10

Country	Score (0 – 100)	Rank
<b>Colombia</b>	<b>33.00</b>	<b>67</b>
Saudi Arabia	32.93	68
Peru	32.93	69
Tunisia	32.83	70
Brunei Darussalam	32.35	71

<sup>42</sup> Global Innovation Index 2019. Retrieved from: [https://www.ifpma.org/wp-content/uploads/2019/07/wipo\\_pub\\_gii\\_2019.pdf](https://www.ifpma.org/wp-content/uploads/2019/07/wipo_pub_gii_2019.pdf)



16



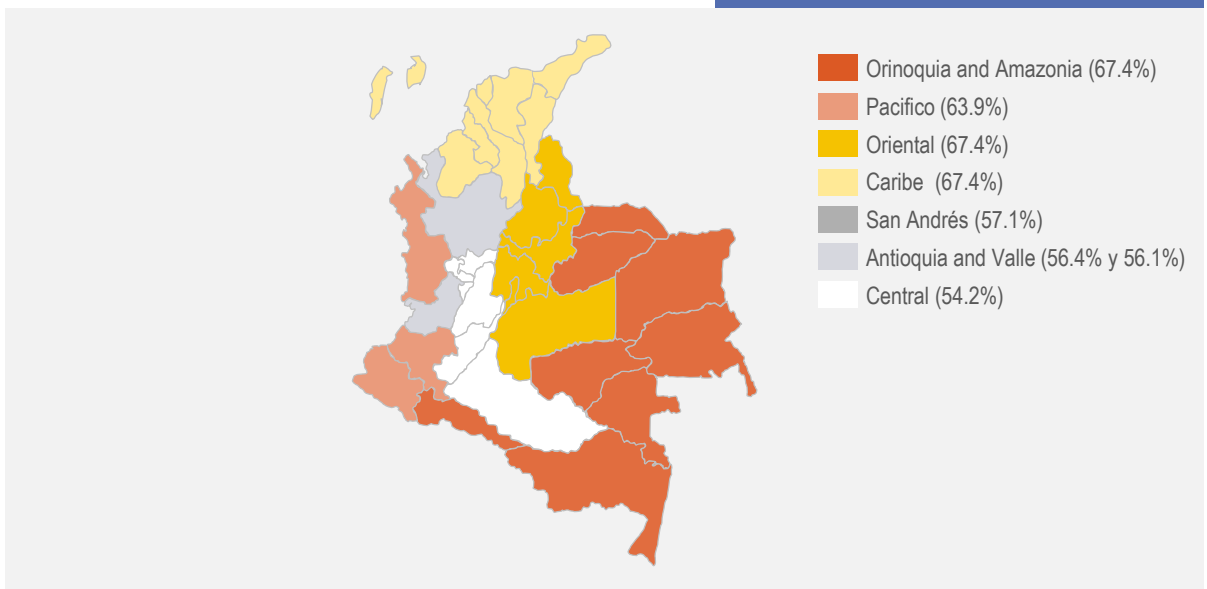
## SDG # 16: Peace, Justice, Strong Institutions

Colombia's National Competitiveness Council sees the need to have a "judiciary system which generates trust, which is efficient, and with the best professionals in order to have a sustainable and long-term growth. However, Colombia presents challenges in each of these three areas"<sup>40</sup>.

For instance, almost half (45,8%) of Colombians do not trust in judges and court superiors<sup>40</sup>. This might be due to a sense of inefficiency: while the global average for clarified murder cases is close to 60%, in Colombia it is only 24%<sup>40</sup>. Additionally, only 28% of students enrolled in law classes in universities in the country were enrolled in high-quality institutions.

As with other variables in Colombia, the efficiency of the rule of law depends on the region analyzed. In the most remote areas of the country like the Orinoquía and Amazonía regions, unmet judiciary needs amount to 67,4%. The situation in the central region, where Bogotá is located, is no less daunting, with 54,2% of unmet judiciary needs<sup>40</sup>.

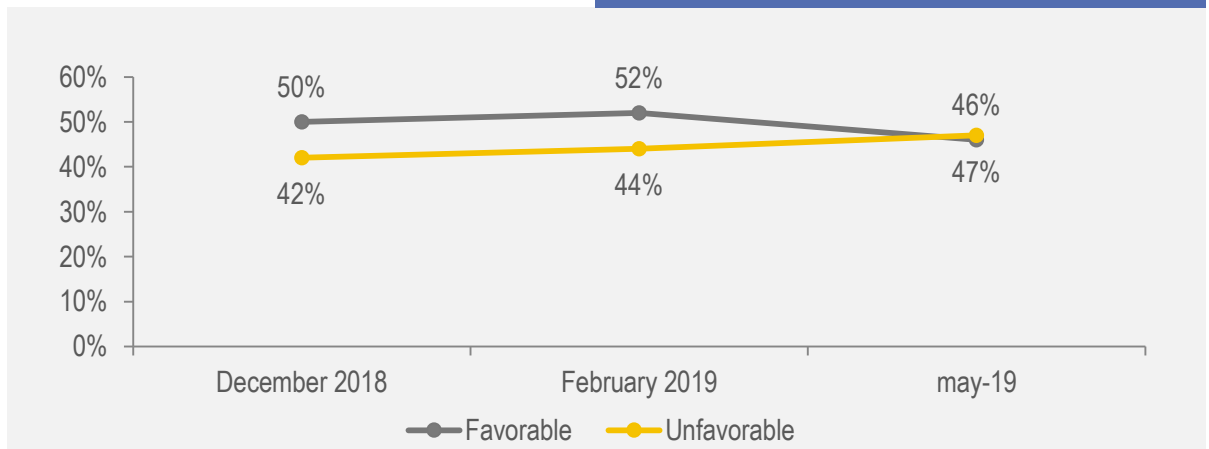
### Unmet judiciary needs per region in Colombia (2016)<sup>40</sup>



And even though Colombia has had relative institutional stability in the context of Latin America, the worktables have identified various challenges. One of the most relevant is the adequate functioning and efficiency of the Special Jurisdiction for Peace, or Jurisdicción Especial para la Paz (JEP), a special justice system born in the post-conflict scenario after the Havana Peace Treaties in 2016. However, the polarization of the justice system is evident in the favorable or unfavorable perception Colombians have towards it: 47% have a favorable opinion of the JEP, while 46% have an unfavorable opinion<sup>41</sup>.

*Colombia's National Competitiveness Council sees the need to have a judiciary system which generates trust, which is efficient, and with the best professionals in order to have a sustainable and long-term growth. However, Colombia presents challenges in each of these three areas*

**Special Jurisdiction for Peace – favorable or unfavorable opinion? <sup>41</sup>**



In general, impact investing, along with increased public sector resources dedicated to improving social conditions in the poorest regions of Colombia, can foster sustainable economic development in many sectors and populations in which non-profit entities do not have the scale or the competence. Impact investment has the appeal that many companies, entities, families and individuals may be seeking to channel their willingness to participate in the social development of Colombia at this historic time. Paying higher taxes or increasing donation amounts has not worked in our recent past and the benefits associated with impact investing may to be the right path to greater involvement by the Colombian privileged in favor or our less privileged.

<sup>41</sup> "Cae el estado de ánimo de los Colombianos" (May 2019). Retrieved from: <https://www.semana.com/nacion/articulo/resultados-de-la-encuesta-gallup-2019-pesimismo-y-desaprobacion-de-duque/616012>

# THE COLOMBIAN NATIONAL ADVISORY BOARD

## 5A. TEAM AND GOVERNANCE

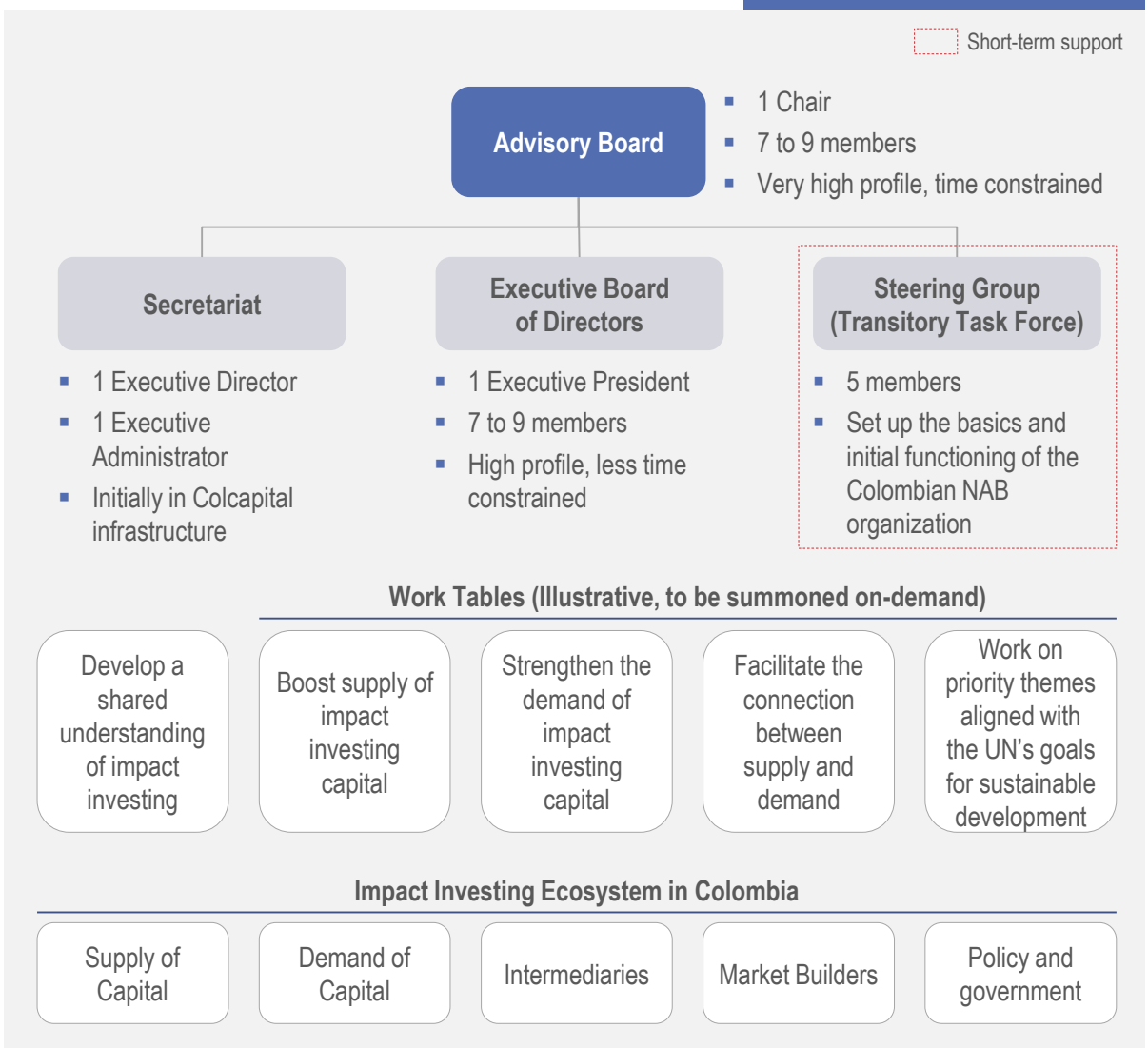
---

The Colombian Steering Group, understood as the organ in charge of bringing shape to local NAB-centered impact investing ecosystem and developing a platform for establishing the Colombian NAB organization, has designed an initial practical and expert-oriented team and governance structure as follows:

- **ADVISORY BOARD.** A senior level consultative group of 7 to 9 highly influential senior members from the public, private and academic sectors that will meet with the Executive Board of Directors 2-3 times per year to discuss strategic and key NAB issues. The members of the Advisory Board will also serve as ambassadors of the ecosystem of impact investing in Colombia and will be instrumental in lobbying efforts with the National Government and in articulating the ecosystem. The Advisory Board is to democratically elect a Chair who will be the formal channel of communication between the Advisory Board and the Executive Board of Directors. The Advisory Board Chair will be the most visible public figure of the NAB leadership, working in tandem with the Chair of the Executive Board of Directors.
- **EXECUTIVE BOARD OF DIRECTORS.** A select group of 7 to 9 very influential and highly committed senior leaders from the impact investing ecosystem. The Executive Board is to meet once every two months in 2-hour sessions. The Executive Board is to elect an Executive President who will be the formal channel of communication between the Executive Board of Directors and the Advisory Board.
- **SECRETARIAT.** An office in charge of organizing and hosting meetings and other events defined by the Advisory Board and the Executive Board of Directors. It will be composed initially by two dynamic and high performing executives, an Executive Director and an Executive Administrator. They will operate initially leveraging the ColCapital platform and infrastructure. The Secretariat will be in charge of the execution of the operation of the NAB in general, including managing funds, executing activities and events, memberships, etc.

- **STEERING GROUP (TRANSITORY TASK FORCE).** Has been a group of four individuals leading the creation of this document and the initial functioning of the Colombian NAB organization, but will have a transitory role until the Organization is functioning on its own. Some of the current members may take on roles on Secretariat or Board bodies.
- **TASK FORCES (WORK TABLES).** Permanent or temporary working tables composed of NAB leadership and NAB organization as the need demands, aligned with the Colombian NAB Priorities to be summoned on-demand by decision of the Executive Board of Directors or the Advisory Board. The Task Forces will require a membership fee to be paid by interested participants.

## Colombian NAB Organization



## Roles of the governing bodies of the Colombian NAB organization

### Advisory Board

- Provide strategic support to the Executive Board of Directors, based on the ample experience and seniority of its members
- Promote the ecosystem of Impact Investing in different senior contexts
- Participate in certain events/meetings/conferences to promote Impact Investing in Colombia

### Executive Board of Directors

- Identify opportunities and challenges in the impact investing ecosystem
- Define goals and objectives to improve the impact investing ecosystem
- Strengthen domestic and global impact investing network to and foster ecosystem catalysis
- Advocate for national policy changes
- Periodically revise Colombian NAB business plan
- Participate in GSG global network

### Secretariat

- Drive day-to-day activities
- Support NAB goal-setting and strategy formulation and execution
- Participate in GSG global network
- Periodically revise Colombian NAB business plan
- Provide legal and operational capacity for the Colombian NAB to transact

### Steering Group (Transitory Task Force)

- Set up the basics and initial functioning of the Colombian NAB organization

### Work Tables

- Share knowledge on specific themes
- Define specific actions to strengthen the domestic and global impact investing network and foster ecosystem catalysis
- Provide information and data on specific topics

## 5B. BUDGET

---

We expect to have a preliminary budget for year one of operation of the Colombian NAB. This budget will be detailed by the Executive Board of Directors and the Secretariat once set-up, but we initially expect \$113,000-150,000 USD as a total estimated annual cost.

### Preliminary budget for year one of operation

<b>FTEs (2,0)</b>	\$46,000 USD - \$60,000 USD
<b>Organization gathering and events</b>	\$30,000 USD - \$50,000 USD
<b>Overhead costs and expenses</b>	\$7,000 USD - \$10,000
<b>GSG Membership fee (Associate fee)</b>	\$6,000 USD
<b>GSG Membership fee (Executive fee)</b>	\$24,000 USD
<b>Total estimated annual cost</b>	\$113,000 USD - \$150,000 USD

## 5C. FUNDING STRATEGY

---

In order to assure the necessary resources for the operation of the Colombian NAB, we envision the following funding strategy:

- We will seek to obtain \$150,000-200,000 USD in seed capital from an international cooperation entity such as the Government of Canada and/or USAID. This seed capital should be instrumental in funding the first 1-3 years of operation.
- We will propose that all members of the Colombian NAB leadership donate between US\$1,000-2,000 per year to become part of the Colombian NAB and have access to its publications, events and benefits. We expect to raise between US\$25,000-50,000 through these contributions.
- We will organize 3-5 events per year, including an annual large conference on Impact Investing in Colombia, and hope to generate a margin of US\$50,000 per year on this front.

## 5D. NEXT STEPS

---

The preliminary conclusion of this study is that there is sufficient interest and critical mass to take on the opportunity to create a Colombian NAB. We therefore recommend the following short-term next steps:

- Start the implementation of the Colombian NAB and its governing bodies, including selecting members for each body and Chair / President
- Select Secretariat roles
- Detail the governing schemes and functions of the Colombian NAB, including rotations, periodicity, selection scheme, etc.
- Identify funding opportunities for the first three years, including a detailed budget and activities for the first year



## 5E. STRATEGIC ALLIES

---



The **University of Los Andes** is a private research university located in the city centre of Bogotá, Colombia. Founded in 1948 by a group of Colombian intellectuals led by Mario Laserna Pinzón, it was the first Colombian university established as nonsectarian (independent from any political party or religious institution). Los Andes has consistently been regarded as one of the best Colombian universities—very often ranked as the best—one of the top 10 in Latin America, and one of the top 300 world universities, according to both the QS World Top University Ranking and the Times Higher Education Classification.



**Universidad EAFIT** is a private Colombian university located in Medellín offering 23 undergraduate programs, 70 specializations, 34 masters, and six doctoral programs. The university offers degrees in various disciplines through its schools of Management, Engineering, Law, Finance and Economics, Science, and Humanities. Universidad EAFIT was approved by the Colombian Ministry of Education on May 6, 1971. It has three additional branches in Bogotá, Pereira, and Rionegro. The university has received the Ministry of National Education's Institutional High Quality accreditation twice in a row.



**Icesi University** is a private university located in Cali, Colombia. The campus is located in the area of Pance, south of the city. Founded in 1979 by a group of businessmen in the region. Icesi University with a campus of 141,334 square meters, offers undergraduate programs, specializations, masters and doctorates.

In 2010, the Icesi University of Cali, was the first private University in southwestern Colombia, in the High Quality Institutional Accreditation. In 2015, the Ministry of National Education granted the renewal of the High Quality Institutional Accreditation, until 2021.



**North University** is the main academic center for higher education in northern Colombia, located in Barranquilla, Atlántico. It was founded in 1966 by a business group led by Karl C. Parrish. It started academic operation on July 11, 1966, with 58 students and 10 teachers in core courses of business administration and engineering.

According to a recent ranking, Universidad del Norte is listed among the five best universities in Colombia

The university consists of ten academic divisions, including Engineering, Administrative Sciences, Humanities and Social Sciences, Health Sciences, Legal Sciences and Basic Sciences.



The **Association for Family and Corporate Foundations** is the guild in charge of strengthening private foundations in Colombia, through the development of skills and abilities, fomenting collaborative initiatives and best practices in the private and public sectors.



**National Business Association of Colombia** is a non-profit organization whose main purpose is to expand and promote economic, social and political principles within a free enterprise system, based upon beliefs that include human dignity, political democracy, social justice, private property and liberty. ANDI is, currently, the country's most important non-profit organization with more than 1.200 members that represent around 40 % and 55 % of the national GDP.

ANDI was created in the city of Medellin in September 11, 1944, and since then it has always been the most important private sector association. It groups more than 1100 companies that belong to different sectors of the economy: manufacturing, financial, food, mining, health, agriculture, services, among others and therefore represents a high percentage of Colombia's GDP and total employment.



**Dinero** is a Colombian-based monthly business and magazine. Founded in 1993, it is Colombia's first and foremost financial and business-news magazine regularly featuring corporate profiles, market trends, economic analyses, interviews and investigative reports.



**Semana** is a weekly magazine of opinion and analysis in Colombia. **Semana** was founded in 1946 by Alberto Lleras Camargo (who would become president of Colombia in 1958). It was relaunched by journalist Felipe López Caballero in 1983.



The **Aspen Network of Development Entrepreneurs (ANDE)** is an international network of organizations that works to promote entrepreneurship in developing countries. Services and programming efforts focus on providing financial support for small and growing businesses and entrepreneurs whose organizations are too large for microfinance loans and too small for traditional bank loans. The organization was launched in January 2009, as the public policy initiative of the Aspen Institute.



The **United States Agency for International Development (USAID)** is an independent agency of the United States federal government that is primarily responsible for administering civilian foreign aid and development assistance. With a budget of over \$27 billion, USAID is one of the largest official aid agencies in the world, and accounts for more than half of all U.S. foreign assistance—the highest in the world in absolute dollar terms.



Embassy of Canada in Colombia



**ProColombia** is a government agency of the Executive Branch of the Government of Colombia in charge of promoting Colombian non-traditional exports, international tourism and foreign investment to Colombia by providing domestic companies with support and integral advisory services for their international trade activities, facilitating the design and execution of their internationalization strategies, and by providing foreign companies with trade, legal, and educational information about Colombia's market, products, services and companies. Through its 18 foreign offices in North, Central, South America, Europe and Asia, ProColombia maintains a foreign presence promoting the Colombian brand.



The **Chamber of Commerce of Bogotá** is a non-for-profit organization whose goal is to foster a sustainable Bogotá-Region in the long term, by promoting its residents' prosperity, through services which enhance and strengthen the enterprise capabilities present in the region, and which improve the business environment with an impact over public policies.



The **Chamber of Commerce of Cali** is a private entity with corporate, guild and non-profit characteristics, whose aim is to work for a more prosperous Valle del Cauca region which generates a better quality of life for its inhabitants.



The **Chamber of Commerce of the city of Medellín** aims to develop projects oriented to formalize, modernize and increase the competitiveness of the private sector in the Antioquia territory.

## APPENDIX: PRELIMINARY SHORT-LIST OF COLOMBIAN NAB LEADERSHIP (ADVISORY BOARD AND EXECUTIVE BOARD OF DIRECTORS)

---



**JOSÉ FRANCISCO  
AGUIRRE**

Executive Director at  
Fundación Mario  
Santo Domingo

Holds a BS in Industrial Engineering from Universidad de los Andes with emphasis in Finance and Organizational Development. Has more than 14 years of experience in consulting and management of social organizations and specialized in project management.

He started his professional career in the social sector as consultant at Compartamos con Colombia in 2005, where he consulted on more than 40 projects of institutional strengthening, entrepreneurship, sustainable development and impact investing.

He was later appointed Executive Director at Compartamos con Colombia, and was project manager for the structuring of the first impact investing fund in Colombia (Inversor).



**VIRGILIO  
BARCO**

Latin America  
Director at Acumen

Virgilio joined Acumen as Director of Latin America in September 2013. He is responsible for all Latin America related investments, operations and business development activities.

Before joining Acumen, he was the Executive Director of the non-profit Social Investment Bank (Banca de Inversión Social), which has helped lead the development of the impact investing space in Colombia. Prior to that, he was the Founding Director of Invest in Bogota, a public-private partnership that promotes foreign direct investment to the Greater Bogota region. In 2009, Invest in Bogota was ranked as the top non-OECD investment promotion agency in the world by the IFC. Virgilio also headed the privatization unit at the Colombian Ministry of Finance and was an advisor on local economic development for the Bogota Planning Department. He has worked in private equity with FondElec Group, as a management consultant at Booz Allen Hamilton in Brazil and as a financial analyst at Citibank Spain. He holds a B.A. in Government from Harvard College, an M.S. from the MIT Sloan School of Management and an M.A. in Economics from NYU.



**SAMUEL  
AZOUT**

Founder and  
Chairman at Futbol  
con Corazon

Samuel Azout is the Founder and Chairman of “Futbol con Corazon” ([www.fcc.futbol](http://www.fcc.futbol)), a not for profit social enterprise dedicated to improving life opportunities in underprivileged areas by developing social and emotional skills in children and young adults by using the pedagogical power of football. FCC works in more than 80 communities in four countries with more than 10000 participants in its programs.

His work is specifically directed at reducing youth violence, preventing recruitment by illegal forces and promoting gender equality.

Mr. Azout was born in Barranquilla, Colombia in 1959. He holds a Bachelor of Science degree in Economics from Cornell University (1981) and a degree of Master in Public Administration from Harvard University (2007).

Before becoming a social entrepreneur, Samuel held the CEO position at Carulla Vivero S.A., the second largest retailer in Colombia, for 10 years, until he led its sale to Grupo Exito in 2006. He has served a member of the Board of Directors of Almacenes Exito, Bavaria SabMiller, Aerorepublica, Fundacion Colombia and Fundacion Pies Descalzos, the NGO founded by Colombian singer and celebrity Shakira.

In addition, Mr. Azout was the Chairman of the Board of Fundación Carulla for three years and founded Aeiotu ([www.aeiotu.org](http://www.aeiotu.org)), the largest NGO in Colombia in the field of early childhood development.

Samuel Azout served as Senior Advisor for Social Prosperity to the President of Colombia (2010 -2011) and as Director of the National Agency for Overcoming Extreme Poverty (ANSPE) 2011-2013.

Samuel has been married to Margaret Kassin for 35 years, and has two daughters, ages 32 and 30, and a son, age 29



**DAVID  
BOJANINI**

CEO at Grupo SURA

David Emilio Bojanini García is a businessperson who has been at the helm of 5 different companies and occupies the position of Chairman of SURA Asset Management SA, Chairman for Bancolombia SA, Chief Executive Officer & Director at Consejo Privado de Competitividad and Chief Executive Officer for Grupo de Inversiones Suramericana SA.

He is also Member of Consejo Empresarial de América Latina, Professor at Fundación Universidad Externado de Colombia and Professor at Universidad de Medellín and on the board of 12 other companies.

Mr. Bojanini García previously held the position of Chief Executive Officer for AFP y Cesantias Protección SA and Actuarial Manager at Compañía Suramericana de Seguros SA.

He received an undergraduate degree from Universidad de Los Andes and an MBA from the University of Michigan.



**MAURICIO  
CÁRDENAS  
SANTAMARÍA**

Visiting professor at  
Columbia SIPA and  
former Minister of  
Finance and Public  
Credit

Served as the 69th Minister of Finance and Public Credit and former Minister of Mines and Energy of Colombia, serving in the administration of President Juan Manuel Santos Calderón. Prior to this, he was a Senior Fellow and Director of the Latin America Initiative at the Brookings Institution. For the Government of Colombia, he has also served as the 4th Minister of Economic Development, the 6th Minister of Transport, and former Director of the National Planning Department, and in the private sector has served as 11th and 9th Director of the Higher Education and Development Foundation (Fedesarrollo), as the 7th President Latin American and Caribbean Economic Association (LACEA), as former President of Titularizadora Colombiana S.A., and as General Manager of Empresa de Energía de Bogotá S.A. ESP.



**ANDRÉS  
CADENA**

Senior Partner at  
McKinsey

Andres leads McKinsey's Strategy & Corporate Finance, Financial Services, and Public Sector Practices in Latin America and heads the McKinsey Center for Government in the region. He is a member of the McKinsey Global Institute Council, which advises MGI research on global economic, business, and technology trends, and directs the firm's work in Latin America on sustainable cities and economic development.

Since joining McKinsey in 1997, Andres has led more than 250 client projects, with a focus on national and local governments, multilateral organizations, financial institutions, and consumer-goods companies. He recently helped a Latin American government create a strategic plan and set measurable targets for job creation, poverty alleviation, and reduction of street crime. Other recent projects include working with a Latin American government to analyze the country's competitive position and develop a national strategy for several industry sectors, helping integrate two Latin American banks placed in government receivership in the wake of the global financial crisis, and supporting a Colombian bank as it designed and implemented a new commercial model.

Andres serves on the boards of a number of nonprofit organizations that focus on education, economic development, and social services in his native Colombia. He has spoken on finance and organization topics at several international conferences.



**CARLOS ENRIQUE  
CAVELIER**

President at  
Alquería

Carlos Enrique Cavelier is president of Alquería, one of Colombia's largest dairy producers, and Banco de Alimentos de Bogotá. He has previously served as secretary general of Colombia's ministry of justice, a representative in the national legislature, and senior advisor to the minister of agriculture. He has been a columnist for La Prensa, and has published articles in El Tiempo, El País and Semana, as well as three books.

Cavelier graduated cum laude with a BA in anthropology and sociology from the University of Vermont, with minors in German and education. He also has an MPA from Harvard University. He was a teacher for seven years at the Universidad de los Andes in Bogotá, Colombia, in the faculty of management.





**LUIS JAVIER  
CASTRO**

President,  
Founding Partner  
and Managing  
Partner at  
Mesoamérica  
Investments

Mr. Luis Javier Lachner Castro has been the President, Founding Partner and Managing Partner at Mesoamerica Investments since 1998, a firm that transforms businesses in the Central American and Andean Region by creating value for investors and society. He is also director of several companies in Mesoamerica's portfolio, such as Mesofoods, and Mesopower, among others.

Luis Javier began his career as associate in Bain and Company working in strategic cases for several of the region's largest companies. In 1996, he was one of the founding partners of Central America's first private equity fund, Mesoamerica fund I, L.P. From 1998 to 2003, he was the CEO for Mesoamerica Telecom LTD, organizing and supervising this fund - the region's largest private equity fund at the time. In 1998, along with three other partners, he founded Mesoamerica Investments.

His experience in Bain and Mesoamerica includes a large variety of sectors, such as financial services, retail, beverages, airlines, hotels, tourism, and agribusiness. In 2015, Mesoamerica partnered with Ontario Teachers' Pension Plan, a Canadian leading pension fund, to invest in Spanish-speaking Latin America.

He devotes a significant amount of time to social impact initiatives through several foundations, education institutions and associations. He founded the Mesoamerica Foundation, which invests in four strategic areas all of which he is greatly involved including quality education, advocacy of sustainability in the region through his presidency in Asociación Empresarial para el Desarrollo (United Way Costa Rica), entrepreneurship through his presidency in Yo Emprendedor, and regional leadership and institutionalism through his commitment to the Central America Leadership Initiative (CALI) and the Aspen Institute.

Luis Javier sits on the board of directors of Paniamor and Parque de la Libertad. He is a member of the G-50, a select group of business leaders of the Americas, and Young Presidents Organization (YPO). He is also a member of the Latin American Regional Committee of United Way and Emeritus president of AMARTE (Asociación de Amigos del Museo del Arte). He holds an MBA from Georgetown University, and a major in science and agricultural economics from Texas A&M.



**JUAN PABLO  
CÓRDOBA**

President at Bolsa  
de Valores de  
Colombia

Juan Pablo Córdoba Garcés hold Master's and PhD degrees in Economics from the University of Pennsylvania. During his professional career he has worked for the Inter-American Development Bank, the Ministry of Finance and Public Credit of the Republic of Colombia, the International Monetary Fund and the Deposit Insurance Corporation of Colombia FOGAFIN. Currently he is the President of the Colombian Securities Exchange.



**ROSARIO  
CÓRDOBA**

President at  
Consejo Privado de  
Competitividad

Holds a Major and Master's in Economics from Universidad de los Andes. She is currently President of Consejo Privado de Competitividad (Private Council for Competitiveness), a non-profit organization working with the Colombian government looking to increase the country's competitiveness. From 1997 to 2010 she was Sub-Director and Director at Dinero Magazine, where she received the ANIF Economic Journalism price in six occasions.

She previously worked at Fedesarrollo as the Editor in Chief of the magazine of Economic Climate and as Associate Investigator. She was Director at the Economic Department at Asocaña and Advisor at the Minister of Finance and Public Credit.

She is part of the Directive Council at Universidad Jorge Tadeo Lozano and Fedesarrollo and part of the Board of Fundación Santa Fe in Bogota. She is also member of the Board at Grupo Argos, El Tiempo and Fiduciaria Bogota. She is part of the Expert Commission for Equity and Tributary Competitiveness.



**JUAN DAVID  
CORREA**

CEO at Protección

Mr. Juan David Correa Solórzano is a Chief Executive Officer at Administradora de Fondos de Pensiones y Cesantía Protección SA.

He was previously employed as a President & Legal Representative by Fiduciaria Bancolombia SA and Director of Finance by Fiduciaria Suramericana.

Mr. Correa Solórzano holds a degree in Business Management from Universidad Escuela de Administración, Finanzas y Tecnología and MBA from Vlerick Business School.



**FERNANDO  
CORTÉS**

Executive Director at  
Fundación Bolívar  
Davivienda

Fernando is VP of Corporate Social Responsibility at Grupo Bolívar and Executive Director at Fundación Bolívar Davivienda. He co-founded Green Age Products in 2010 and Santana Brewery in 2008.

He holds a Masters of International Management from Thunderbird School of Global Management and a Bachelor of Arts of Business Administration from Universidad de los Andes.



**PAULA  
DELGADILLO**

Executive Director at  
ColCapital

Paula Delgadillo Sanz de Santamaría has more than 15 years of experience in alternatives investments, capital markets and equity valuation. Since July 2019, Paula has served as Executive Director of Colombian Association of Private Equity Funds – ColCapital.

Prior to joining ColCapital, Paula was managing and analyzing alternatives investments at Seguros Bolívar, for more than 10 years. Previously she was Equity Analyst at Valores Bancolombia, and works in financial and strategic planning at Titularizadora Colombia. Mrs. Delgadillo holds an MA from Tulane University, an MBA from Universidad ICESI and holds an Economist degree and Finance degree, both from Universidad El Rosario in Colombia.



**EDUARDO  
ELEJALDE**

President  
at LAEFM

President, LAEFM Colombia. Founding Partner of LAEFM. Extensive experience as a development banker, investment banker and private equity investor in various regions of the world. Managing Director, Samuel Montagu. Senior Merchant Banker, Bankers Trust. Senior Vice President, Shearson Lehman Brothers. Division Chief, World Bank. Relocated to Colombia for the purposes of the Colombian Investment in Hydrocarbons Fund. Past Chairman of the board of the Latin American Venture Capital Association (LAVCA).

Holds a BS in Chemical Engineering from MIT and a MBA from Columbia University.



**ALBERTO  
ESPINOSA**

Former President  
of the Board at  
Fundación  
Empresarios por la  
Educación

Holds an undergraduate degree as Industrial Engineer from Universidad de los Andes. He was previously President at Alpina S.A. and President at Meals de Colombia. He lead Fundación Nutrir and Proyecto Educativo Líderes Siglo XXI, both non-profits seeking more and better education opportunities in Colombia. He founded Fundación Empresarios por la Educación, which aims to generate conditions of equity in the public education sphere in Colombia.



**ALEJANDRO  
FRANCO**

Director at  
Ruta N

Alejandro Franco R. is the Executive Director of Ruta N. He is an administrative engineer from EIA University in Medellín and holds a master's degree in innovation and entrepreneurship from Manchester University. With over 15 years of experience as an entrepreneur and then working in the private and public sectors, he is dedicated to promoting innovation as the key engine of economic development. He has broad experience in innovation and technology, strategy development and management, and technology transfer processes.

Corporación Ruta N is a public joint venture between the mayor's office of Medellín, UNE y EPM. Founded in 2009, Ruta-N was created in order to inspire and encourage innovation in the city and create favorable conditions for business and entrepreneurship.

Ruta-N Complex is located in the "innovation district" of Medellín, a newly created sector located in the north of the city in the Sevilla neighborhood. The offices consist of three buildings, one originally dedicated to Hewlett-Packard and two others used as a landing coworking space to house companies of any size, startup companies, laboratories, and the offices of Ruta-N personnel.



**JUAN MARIO  
FRANCO**

Partner at McKinsey

Juan has wide experience in the financial sector, ranging from performance management to transformation and strategic planning. He has worked with many of the principal financial groups in Latin America.

Works with many of Latin America's largest financial-services companies to help them shape ambitious growth strategies, transform their operational performance, redesign key processes, and nurture leaders for the future.

Juan serves on the board of Compartamos con Colombia, a not for profit that builds capacity in social-sector organizations, promotes sustainable business practices, and helps trigger social innovation.

He holds an MBA from Rotterdam School of Management and a BS in Industrial Engineering from Universidad de los Andes.



**IGNACIO  
GAITÁN**

General Manager  
at Innpulsa

Ignacio is currently the General Manager of iNNpulsa Colombia as well as the executive dean of the International School of Administration and Marketing, and Prime Business School at Sergio Arboleda University. During his years as a professor at this university, he has taught on many subjects, including the history of political ideas, Colombian economy, economic environment, and globalization. He currently serves as the "Management and Happiness" chair. Previously, Ignacio was a lawyer in the legal division of Banco Tequendama and in human resources management for the legal management of concepts and contracts at the National Bank of Commerce. He has several postgraduate degrees in law and two MBAs.



**LUIS  
GALLO**

Director at  
Estrategias  
Corporativas

Holds a BS degree in Business Administration and Economy from Georgetown University and an MBA from Harvard Business School. He worked at JP Morgan in New York City as Vice-president of the Financial Advisory and Investment Banking division for Latin America.

Mr. Gallo founded Estrategias Corporativas in 1992 and led the creation of Compartamos con Colombia, non-profit with the main objective of strengthening the management of foundations and offering advice on Corporate Social Responsibility.

He has also been active in the consolidation of Conexión Colombia and Give to Colombia, organizations that have channeled more than \$35 million USD through donations in Colombia and abroad for the non-profit sector. He has been part of the Board at Patrimonio Estrategias Inmobiliarias, Terranum, Bavaria, and the Center for Leadership and Management. He was named part of the Advisory Board at Harvard Business School in 2010.



**SANTIAGO  
GARCÍA**

CEO at Old Mutual

Santiago is CEO at Old Mutual Colombia since 2016 and member of Old Mutual's Executive Committee in Latin America. He started at Old Mutual in 1999 and was part of the team that transformed the company from an insurance provider to an investment leader. He served previously as Portfolio Manager, Director at Universidad Old Mutual, Commercial Vice-President and Vice-President of Marketing and Product.

He transferred to Paris in 2008, where he served as Marketing, Product and Investment Director for Old Mutual Wealth Europe and member of the Executive Committee for Investment in the region. In this role, he led the development of a portfolio management platform with more than 500 funds and investment alternatives.

In 2013 he transferred to the United States to work at EY's division for strategy consulting and innovation as Senior Manager. In this role he managed digital transformation projects in companies like Wells Fargo Advisors, RBC and National Bank.

He is currently part of the Board of Directors at Asofondos and Fasecolda.

Santiago holds a BS in Industrial Engineering from Universidad de los Andes and an MSx from Stanford's Graduate School of Business.



**ROBERTO  
JUNGUITO BONNET**

Board member at  
Bolsa de Valores de  
Colombia

Roberto Junguito Bonnet is on the board of Bolsa de Valores de Colombia SA, AES Chivor & CIA SCA ESP, Instituto Nacional de Seguros and Fundacion Alejandro Angel Escobar.

He received an undergraduate degree from Universidad de Los Andes and a doctorate from Princeton University.



**SANTIAGO  
MONTENEGRO**

President at  
Asofondos

Presently, Santiago Montenegro holds the position of President at Asociación Colombiana de Fondos de Pensiones.

He was previously Chairman at Interconexion Eléctrica SA ESP.

He is also on the board of Bolsa de Valores de Colombia SA, Universidad de Los Andes, Transmissora Alianza de Energía Eléctrica SA and Titularizadora Colombiana SA and Chairman for Asofondos.

He received a graduate degree from London School of Economics & Political Science, a doctorate from the University of Oxford and a graduate degree and an undergraduate degree from Universidad de Los Andes.



**ISABELLA  
MUÑOZ**

Partner at MAS  
Equity Partners

She was an early promoter of the private equity industry in Colombia since 2008. Prior to joining MAS Equity Partners, she served as Executive Director of Colombian Association of Private Equity Funds in Colombia, ColCapital. She has more than 14 years of experience in private equity and venture capital funds, entrepreneurship and business structuring with firms like Endeavor, Bancoldex, Deceval and Davivienda. Nowadays she is member of the evaluator committee of the Evaluatik program in Fenalco, member of the USAID/Colombia private sector advisory committee and member of the Village Capital advisory committee. Industrial Engineering from Javeriana University, and received a Graduate Diploma (Specialization) in Economics from Andes University.



**CRAIG  
KOWALIK**

Director of  
Development  
Cooperation at  
Global Affairs  
Canada

Craig Kowalik, joined the then Department of Foreign Affairs and International Trade of Canada in 2007.

During his time in Ottawa, he was Senior Analyst and Deputy Director of the Division of Democratic Governance and Chief Policy Officer and Deputy Director of the Sherpa policies of the G8 and G20. From 2011 to 2013 he was Senior Policy Advisor in the Secretariat of Foreign Policy and Defense in the Office of the “Privy Council” responsible for Europe, G8 and G20.

His positions outside of Canada include temporary assignments in Cambodia and Afghanistan and a secondment to Clarence House in London, United Kingdom, as deputy private secretary of His Royal Highness Prince of Wales from 2013 to 2015. From August 2016 to December 2017, He was at the Embassy of Canada in Venezuela, dividing his time as Head of the Political Program and Chargé d’Affaires.

Before arriving in Bogotá, Craig led an innovation project at Headquarters, promoted by Deputy Development Minister David Morrison, whose purpose was to analyze how Canada’s network of missions abroad should be prepared for the future. Prior to joining the government, Craig was the manager of the Parliamentary Center, an international non-profit organization based in Canada that works to strengthen the capacities of parliaments around the world.



**CARLOS ENRIQUE  
MORENO**

Advisor at  
Presidency of  
Colombia

Carlos Enrique holds a BS in Mechanical Engineering and a postgraduate degree in Economic Development from Notre Dame University and Advanced Management degree from Harvard University.

He started his professional career as part of Suramericana de Seguros and was then Secretary General of the Governor of Antioquia, Alberto Vásquez. He was later General Manager at Hojalatas y Laminados S.A., Calzado Grulla and Empresas Públicas de Medellín (EPM).

In 2001 he was named CEO of Homecenter, while also being external advisor for former director of Sena, Darío Montoya, and former CEO of Ecopetrol, Isaac Yanovich. He was named president of the Corona organization in 2010, position he held until 2018, when he was appointed Advisor at the Presidency of Colombia.





**FELIPE  
MEDINA**

Chairman at  
Transforming  
Philanthropy  
Initiative

Felipe Medina leads the Transforming Philanthropy Initiative. This initiative creates a community of strategic philanthropists to facilitate collaboration and exchanges of best practices and lessons learned with the objective of increasing volume of effective social investments in Latin America. Medina spends twenty five percent of his time analyzing and researching philanthropy and social investment trends. He is particularly interested in studying projects that generate sustainable development in Latin America. His focus is on the obstacles that exist in creating a culture of philanthropy in Latin America and the motivations for US based philanthropists to get involved in international philanthropy.

Medina is chairman of the board of directors of Give to Colombia and Enseña por Colombia, and serves on the board of advisors of Lumni and LeapFrog Investments. He is a member of the steering groups for both the Global Philanthropy Forum and the Philanthropy Center at the Adolfo Ibañez University. Medina is also a member of the Global Advisory Council of Acumen and Teach for All. He is the chair of the board of directors of L'Atelier, a Reggio Emilia inspired pre-school that he founded with his wife Simonetta. L'Atelier is working with several organizations to establish Reggio Emilia inspired early education centers.

Medina began his career at Goldman Sachs in 1990, managing assets for Latin American clients. Between 2000 and 2003, he was the regional director for Latin America's private wealth management. Currently, Medina manages relationships with some of the most influential families and individuals in the region. He is a member of the Private Wealth Philanthropy Advisory Committee of Goldman Sachs.

Medina holds an MBA from Harvard Business School and a Bachelor of Science in economics and civil engineering from the Massachusetts Institute of Technology.



**LUIS GABRIEL  
MORCILLO**

Partner at  
Brigard & Urrutia

Luis Gabriel is a Partner of the Capital Markets, Securities & Private Equity and Corporate/M&A Practice Groups. He focuses his practice on securities offerings, including both equity and debt offerings in the Colombian Stock Exchange, the New York Stock Exchange, and under 144A and Reg S rules. He has been involved in many of the largest securities offerings out of Colombia, including landmark offerings such as the first double-listed issuer, the first ETF and the first simultaneous offering made both in Colombia and in international markets. He frequently advises clients on Private Equity matters, including fund formation, fund raising and the implementation of investment policies for companies and projects in a cross-border basis, being a recognized leader on the development of the Colombian private equity industry. He also advises several national and foreign financial entities in financial services, corporate governance and securities regulations. In addition, he has advised national and foreign clients on M&A transactions (both for listed and privately held companies). He has recently focused some extracurricular activities in fostering the venture capital and entrepreneurs' ecosystem and in developing social impact investment funds in Colombia.

Mr. Morcillo is a graduate of the School of Law of Universidad de Los Andes, with additional diplomas in History and Economics from the same university. He also earned an LL.M at University College London (UCL), where he was awarded the academic excellence Joseph Hume Scholarship. He attended Negotiation courses at Harvard Law School and was awarded a Diploma in Private Equity from Oxford University.

He worked as a international associate in Hogan Lovells LLP, also in the ICC International Court of Arbitration in Paris, he began his career at the Superintendence of Finance of Colombia. Mr. Morcillo regularly participates in presentations and conferences about private equity and capital markets, and is a regular lecturer at Universidad del Rosario, Universidad de Los Andes and CESA Business School in Colombia. Formerly, he was an assistant professor teaching Public Finance at Universidad de Los Andes.



**PABLO GABRIEL  
OBREGÓN**

Former Executive  
Director of  
Fundación Mario  
Santo Domingo

Pablo Gabriel Obregon obtained his degree in Business Administration from Georgetown University. His professional experience includes President of Corporacion Financiera del Norte and Colombian Ambassador to France. He was the Executive Director of Fundacion Mario Santo Domingo for several decades, one of Colombia's largest and most reputable NGOs. He serves in several national and international boards of various NGOs.



**FRANK  
PEARL**

Former Peace  
Negotiator

Frank Joseph Pearl González is a Colombian economist. He served as the 1st Minister of Environment and Sustainable Development serving in the administration of President Juan Manuel Santos Calderón, and as the 1st High Presidential Advisor for the Social and Economic Reintegration of People and Groups Up in Arms during the administration of President Álvaro Uribe Vélez between 2006 and 2010 during which time he was also entrusted the office of High Commissioner for Peace ad interim in replacement of Luis Carlos Restrepo Ramírez, until his resignation from both posts in 2010.

On 19 September 2011, President Juan Manuel Santos Calderón designated Pearl to head the process that divided the Ministry of Environment, Housing, and Territorial Development into two separate portfolios of environment and housing, and afterwards was entrusted the just created Ministry of Environment and Sustainable Development.



**FRANCISCO  
PIEDRAHITA  
PLATA**

Headmaster at  
Universidad ICESI

Holds a BS in Industrial Engineering from Universidad de los Andes and a Masters Degree in Industrial Engineering from the University of Pittsburgh. Prior to being named Headmaster at Universidad ICESI in Cali, he served at Organización Carvajal in Colombia and the United States and at Fundación Carvajal in Cali, and was Professor at Universidad del Valle and Universidad Javeriana.

He has been part of the Board of Organización Corona, Fundación Valle del Lili, Fundación Planeta Valle, Fundación Gabriel Piedrahita Uribe, and Organización Carvajal, between others.



**JUAN EMILIO  
POSADA**

Chairman at  
Fundación Plan

Business Administrator from Universidad EAFIT in Medellín with an MBA from PACE University in New York and International Financial Law from London School of Economics. Served at Sociedades Puerto Brisa S.A., Grupo Fast S.A. and Fast Colombia SAS – VivaAir (previously Viva Colombia).

He was CEO at Stratis Lda., and Corporate Director in Chief at Synergy Aerospace. He was also President at Avianca, Alianza Summa and Aces S.A. He is currently Executive President of the Board at Tájimo Ltd, President of the Board at Direktio SAS and member of the Board of Grupo Odinsa S.A., Computec Outsourcing de Documentos S.A.

He is part of the advisory council for Grupo Empresarial del Sector Defensa (GESED), Disán S.A., C.I. Flores de la Campiña, YPO Gold Colombia and NT3.

He is also Chairman at Fundación Plan, member of the Board of Plan International Brazil, Member of the Committee of Nominations and Government of Plan International Inc. and member of the Advisory Board of Polymath Ventures.



**MAURICIO  
RODRÍGUEZ**

Former Ambassador  
of Colombia to the  
United Kingdom

José Mauricio Rodríguez Múnera was Ambassador of Colombia to the United Kingdom. He also served concurrently as Non-Resident Ambassador to Ireland. He is the founder and former director of Portafolio, Colombia's most prominent economic and finance newspaper, and has been a journalist for Caracol Radio, El Tiempo and El Espectador, among others. He has also worked as Dean of the Colegio de Estudios Superiores de Administración (CESA), his alma mater from 2007 to 2009, and was with Dow Chemical from 1981 to 1993, where he occupied several directive positions in Colombia, Venezuela, the United States, Switzerland and Italy.



**ANDRÉS  
RESTREPO**

Former Minister of  
Development and  
Trade and CEO of  
Ecopetrol

Andres Restrepo obtained his undergraduate degree from La Sorbonne in Paris. He has served as Minister of Development and Trade, Superintendent of Securities, Colombian Ambassador to the UK, President of Ecopetrol (Colombia's largest company), entrepreneur on agrobusiness and philanthropist. He funded the first micro-equity fund in Colombia in 2007.



**MAURICIO  
SAMPER**

Managing Director  
at SEAF

Mauricio is the Managing Director of the SEAF Colombia Agribusiness Fund (SCAF), which invests in growth-stage SMEs in the agribusiness sector, seeking commercial returns as well as social impact in the rural areas of Colombia. Prior to joining SEAF in 2015, Mauricio was Head of Cargill Foods Colombia where he was responsible for Cargill's entry to the Colombian market, and business development in Latin America, executing Mergers, Acquisitions and Divestments. Prior to Cargill, Mauricio served as CFO and Executive Vice President in several companies of Grupo Valorem (Valores Bavaria), leading their turn-around, designing and implementing growth strategies and organizational and operational effectiveness. Formerly, he was a Management Consultant at McKinsey & Co. Mauricio holds a BA of Arts and Sciences in Economics and History from Boston College, a Certificate of Graduate Studies in Business Administration from Harvard University, and a Master of Science in Management from Stanford Business School.



**CHRISTINE  
TERNET**

IDB Lab Specialist

Christine is part of the Interamerican Development Bank in Colombia and specialist in Fondo Multilateral de Inversiones (FOMIN), Multilateral Investment Fund.



**CARLOS RAÚL  
YEPES**

Former CEO at  
Bancolombia

Mr. Carlos Raúl Yepes Jiménez is an Independent Director at Empresas Públicas de Medellín E.S.P, and Chairman at Bancolombia Panamá SA.

He was previously employed as a President & Chief Executive Officer by Bancolombia SA, Vice President-Corporate Affairs by Inversiones Argos SA, and a Vice President-Legal by Cementos Argos SA.

He also served on the board at C.I. Carbones del Caribe SA, Fundación Ximena Rico and Zona Franca Argos SA.

He received his graduate degree from Pontifical Bolivarian University and a graduate degree from Fundacion Universidad Externado de Colombia.

## NOTES OF REFERENCE

---

APC. “Ayuda oficial al desarrollo”. Retrieved from: <https://www.apccolombia.gov.co/seccion/multilaterales>  
ASOFONDOS

BBC: “Por qué en Colombia se necesitan 11 generaciones para salir de la pobreza y en Chile 6” (August 2018). Retrieved from: <https://www.bbc.com/mundo/noticias-45022393>

“Cae el estado de ánimo de los Colombianos” (May 2019). Retrieved from: <https://www.semana.com/nacion/articulo/resultados-de-la-encuesta-gallup-2019-pesimismo-y-desaprobacion-de-duque/616012>

Clavijo, Sergio et al (2017). “Reducción del efectivo y tamaño de la economía subterránea en Colombia”. Carta Financiera, 8-17

Collazos, Mauricio. “A más de \$1 billón ascendió venta de bienes incautados a corruptos y narcotraficantes: SAE” (July 2019). Retrieved from: <https://www.rcnradio.com/judicial/mas-de-1-billon-ascendio-venta-de-bienes-incautados-corruptos-y-narcotrafico-sae>

ColCapital: “Potenciando la industria Colombiana: evolución y análisis de los fondos de capital privado”, December 2018

Consejo Nacional de Competitividad. “Informe Nacional de Competitividad 2018-2019” (October 2018). Retrieved from: [https://compite.com.co/wp-content/uploads/2018/10/CPC\\_INC\\_2018-2019\\_Web.pdf](https://compite.com.co/wp-content/uploads/2018/10/CPC_INC_2018-2019_Web.pdf)

Corporación Transparencia por Colombia. “Así se mueve la corrupción: Radiografía de los hechos de corrupción en Colombia 2016-2018” © Bogotá D.C., May 2019

Correa, María Victoria (2017). “Minería en Colombia: 80% en la ilegalidad”. El Colombiano  
“Cooperación de sistema de las Naciones Unidas” (June 2018). Retrieved from: [https://www.apccolombia.gov.co/sites/default/files/infografia\\_sistema\\_naciones\\_unidas.pdf](https://www.apccolombia.gov.co/sites/default/files/infografia_sistema_naciones_unidas.pdf)

## NOTES OF REFERENCE

---

Cubillos-Murcia, Natalia. “17 de cada 100 personas son pobres” (March 2018). Retrieved from: <https://www.elcolombiano.com/negocios/economia/pobreza-en-colombia-2017-NB8434780>

“El apetito de inversionistas por bonos de impacto social pasó los \$4 billones”. Diario La República (June 2019). Retrieved from: <https://www.larepublica.co/finanzas/el-apetito-de-inversionistas-por-bonos-de-impacto-social-paso-de-4-billones-2875247>

Encuesta Nacional de Calidad de Vida (ECV) 2010-2018, DANE

Encuesta sobre condiciones de vida en Venezuela – ENCAVI (February 2018)

Fundación empresarios por la educación. “Colombia en PISA 2015”. Retrieved from: [https://fundacionexe.org.co/wp-content/uploads/2019/05/Infografia\\_PISA.pdf](https://fundacionexe.org.co/wp-content/uploads/2019/05/Infografia_PISA.pdf)

Fondo Colombia en Paz”. Retrieved from: <http://datosredes.com/posconflicto/fondo-colombia-en-paz.pdf>

GINI Index, World Bank Estimates (2019)

Giraldo López, Jenny. Colombia tiene el mayor índice de desconfianza en el gobierno nacional e instituciones. El Espectador, April 2019

Global Innovation Index 2019. Retrieved from: [https://www.ifpma.org/wp-content/uploads/2019/07/wipo\\_pub\\_gii\\_2019.pdf](https://www.ifpma.org/wp-content/uploads/2019/07/wipo_pub_gii_2019.pdf)

González, José. “Colombia ocupa el puesto 97 en competitividad de carreteras según el Foro Económico Mundial” (November 2018). Retrieved from: <https://www.larepublica.co/especiales/especial-infraestructura/colombia-ocupa-el-puesto-97-en-conectividad-de-carreteras-segun-el-foro-economico-mundial-2795752>



## NOTES OF REFERENCE

---

Guevara Benavides, Lina María. “Para ser más competitivas, 58% de las empresas tienen RSE”. Diario La República (November 2017). Retrieved from: <https://www.larepublica.co/responsabilidad-social/para-ser-mas-competitivas-58-de-las-firmas-tiene-programas-de-rse-2565759>

Interviews conducted September 2019

Impact Management Project. “About IMP”. Retrieved from: <https://impactmanagementproject.com/about/>

INDEPAZ. “Todos los nombres, todos los rostros: informe de derechos humanos sobre la situación de líderes y defensores de derechos humanos en los territorios” (2019). Retrieved from: <http://www.indepaz.org.co/wp-content/uploads/2019/04/SEPARATA-DE-ACTUALIZACION-Informe-Todas-las-vozes-todos-los-rostros.-30-Abril-de-2019.pdf>

La Opinión: “40% de los habitantes de Cúcuta son pobres” (March 2017). Retrieved from: <https://www.laopinion.com.co/economia/40-de-los-habitantes-de-cucuta-son-pobres-130248#OP>

LAVCA industry data, 2018

Ministerio de Relaciones Exteriores. “Venezolanos en Colombia” (June 2019)

Multi-Partner Trust Fund Office: “About MPTF Office”. Retrieved from: <http://mptf.undp.org/overview/office>

National Institute of Legal Medicine of Colombia (2019)

OECD global pension statistics

OECD “Programme for International Student Assessment (PISA) results from PISA 2015: Colombia” (2016). Retrieved from: <https://www.oecd.org/pisa/PISA-2015-Colombia.pdf>

## NOTES OF REFERENCE

---

Oficina de las Naciones Unidas contra las Drogas y el Delito. “Monitoreo de territorios afectados por cultivos ilícitos 2017”. Retrieved from: [https://www.unodc.org/documents/crop-monitoring/Colombia/Colombia\\_Monitoreo\\_territorios\\_afectados\\_cultivos\\_ilicitos\\_2017\\_Resumen.pdf](https://www.unodc.org/documents/crop-monitoring/Colombia/Colombia_Monitoreo_territorios_afectados_cultivos_ilicitos_2017_Resumen.pdf) (September 2018)

Oxfam (2016) y cálculo propio para Colombia a partir de DANE (2016)

Paz-Cardona, Antonio (2018). Un millón de hogares campesinos en Colombia tienen menos tierra que una vaca. Retrieved from: <https://sostenibilidad.semana.com/impacto/articulo/concentracion-de-la-tierra-en-colombia-el-1-por-ciento-de-las-fincas-mas-grandes-ocupan-el-81-por-ciento-de-la-tierra/40882>

Prosperidad Social, gobierno nacional de Colombia. Retrieved from: <http://www.prosperidadsocial.gov.co/ent/gen/SitePages/Misi%C3%B3n,%20visi%C3%B3n%20y%20objetivos.aspx>

Sanchez-Torres, Mauricio. “Inequality Income Map of Colombia” (April 2018). Retrieved from: <https://unperiodico.unal.edu.co/pages/detail/inequality-income-map-of-colombia/>

“The Private Sector and Its Contribution to the SDGs: A Journey to Data Gathering on Corporate Social Responsibility in Colombia”. Retrieved from: [https://assets.ctfassets.net/27p7ivvbl4bs/8XJw3xSMMMgw0qcYYiKsU/a4e9a5f4ee6128363faef7afe7bc395b/Private\\_Sector\\_and\\_Its\\_Contribution\\_to\\_the\\_SDGs-A\\_Journey\\_to\\_Data\\_Gathering\\_and\\_Reporting\\_in\\_Colombia\\_DIGITAL.pdf](https://assets.ctfassets.net/27p7ivvbl4bs/8XJw3xSMMMgw0qcYYiKsU/a4e9a5f4ee6128363faef7afe7bc395b/Private_Sector_and_Its_Contribution_to_the_SDGs-A_Journey_to_Data_Gathering_and_Reporting_in_Colombia_DIGITAL.pdf)

Venegas Loaiza, Andrés. “Chile y Colombia, los que más invierten en educación en la Alianza del Pacífico” (April 2018). Retrieved from: <https://www.larepublica.co/globoeconomia/chile-y-colombia-los-que-mas-invierten-en-educacion-en-la-alianza-del-pacifico-2710185>

2811 – Retrieved from [Ecosistemadeimpacto.org](http://Ecosistemadeimpacto.org)