Colombia

Slow start for innovative tech

Colombia has been slow to adopt policies that advance emerging industries such as drones or ridesharing services.

The South American nation lags behind most other countries in Drones, where it earned a 'D' for rules that put a stranglehold on the widespread use of the devices. Recreational users face limitations on where they can operate, including a ban on flying over cities. Commercial drone operators face more restrictive rules: To fly a drone for business use, the operator needs a private pilot's license, flight experience certified by an aviation school and a flight plan approved by local agencies 15 days before takeoff. In addition, the drone must be insured and has to be a color that can be easily identified from the air.

Drone operators aren't the only users of tech faced with government imposition. Colombian regulators have also thrown roadblocks into the way of rideshare companies trying to gain a foothold in the country. The services are officially banned in Colombia, and in 2016 the government seized more than 1,200 vehicles operated by drivers for ride-hailing app companies and fined Uber. Drivers and passengers have also faced violence from taxi drivers in cities like Bogotá.

Sources: (Petapixe) (El Tiempo) (Business Insider) (TechCrunch)

WHAT DID WE DO RIGHT?

Almost 30 percent of degrees awarded in Colombia are in STEM fields.

WHAT CAN WE DO BETTER NEXT YEAR?

Colombia should lower the 34-percent corporate tax rate, one of the highest of any country, and increase research and development spending from just 0.24 percent of the country's GDP. Allow ridesharing to operate nationwide, begin testing self-driving vehicles and lift restrictions that throttle recreational and commercial deployment of

Diversity	C
Freedom	C
Broadband	C
Human Capital	C
Tax Friendliness	F
R&D Investment	D-
Entrepreneurial Activity	C
Drones	D
Ridesharing	F
Short-Term Rentals	C
Self-Driving Vehicles	F
Environment	C+

Broadband
Slower-than-average internet speeds and higher-than-average costs could be offset by a plan to vastly expand a system of free Wi-Fi zones to 1,000 areas around the country.

Human Capital
Less than 17 percent of Colombia's workforce is highly-skilled, but nearly 30 percent of all degrees in the country go to graduates of STEM programs — significantly more than the country's neighbors.

Entrepreneurial Activity
Government programs supply Colombian entrepreneurs with funding to get off the ground, but the country's new business entry rate is only two per 1,000 people.
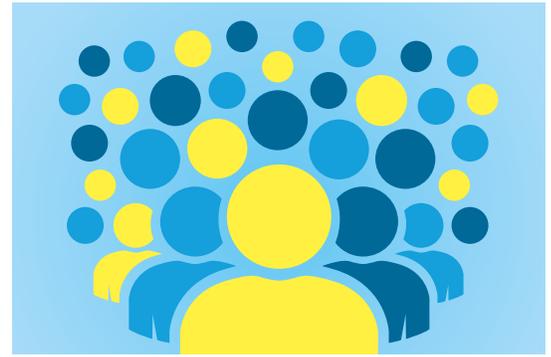
Diversity
Immigrants make up a small percentage of the Colombian population, but the country boasts levels of gender parity above many in the Scorecard.
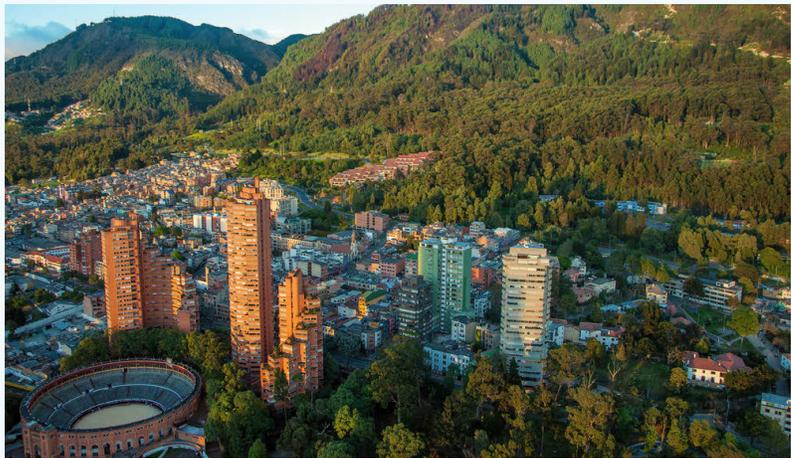
BOGOTA

Entrepreneurs in Colombia have benefited from concerted efforts to fuel innovation with public investment. Between 2012 and 2014, the government-funded program apps.co funneled $33 million into accelerators and entrepreneurship programs, with an eye to supporting native startups.

The efforts are beginning to pay off. Tax incentives and training programs helped grow the country's IT industry to a multibillion-dollar field, offsetting a relative lack of venture capital.

Bogota-based businesses have made strides in industries like ridesharing, keeping pace with larger companies from abroad. Local startup and taxi-hailing system Tappsi began operations in 2012, as smartphone use was growing in the city. Three years later and with more than one million users, Tappsi joined with Easy Taxi, another ride-hailing app backed by incubator Rocket Internet.

The combined strength of the two startups after the merger will help the new company compete with Uber, which currently operates largely unchallenged in the Bogota ridesharing market.

Sources: (TechCrunch) (TechCrunch) (The Atlantic) (Windows)

With the support of funds from government programs, Bogota companies have put themselves in competition with international brands. Taxi-hailing system Tappsi launched in 2012 and three years later joined with Easy Taxi, a rideshare app, to compete with Uber in the Colombian capital.