



**T**he 2030 Agenda and its 17 Sustainable Development Goals (SDGs) calls on the private sector to take action in contributing across social, economic and environmental sectors through the design of viable and sustainable models called Inclusive Business (IB).

“New Horizons: Accelerating Sustainable Development through Inclusive Business in Colombia”, published by Business Call to Action (BCTA) along with the support of World Business Council for Sustainable Development (WBCSD) Colombian Chapter in November 2017, aims to highlight the opportunities that Inclusive Business offers the private sector while accelerating progress towards the SDGs and positioning them as change agents driving sustainable development in Colombia.

The key findings were drawn from a series of workshops and interviews carried out with 54 companies with operations in Colombia from different sectors and different sizes, as well as representatives from the public and private sectors, academia, international cooperation and the civil society.

The document is the third of a series of reports developed by Business Call to Action (BCTA), a global inclusive business platform, together with local partners in Kenya, the Philippines and Colombia, to highlight the market potential and alignment with SDGs that Inclusive Business delivers in different sectors.

The report outlines the links between Inclusive Business and the development and peace agendas, and discusses Colombia’s private sector contribution to the SDGs. Furthermore, it provides insights into the ecosystem of Inclusive Business in the country, the level of awareness about IB among companies, as well as the IB policy environment. It then introduces IB opportunities in the four most prosperous sectors in Colombia – food and agribusiness, infrastructure, health and financial services – with examples and case studies linking the models and its contribution towards the SDGs. Finally, it provides recommendations on how to scale IB to accelerate the SDGs in Colombia.

# NEW HORIZONS:

ACCELERATING SUSTAINABLE DEVELOPMENT THROUGH  
INCLUSIVE BUSINESS IN COLOMBIA



## Inclusive Business Opportunities by Sector

Inclusive Business encourages the development of innovative solutions which benefit companies and communities alike.

Full details on the sectoral context, business opportunities, SDGs contribution and recommendations are highlighted in Chapter 3 of the report.



### Food and Agro-businesses



- ◆ Support the transformation and commercialization of alternative development products.
- ◆ Improve quality and productivity of crops through a knowledge transference model directly delivered to the farmer.
- ◆ Strengthen the community-company relationship by supporting surrounding communities in the development of Inclusive Business models.
- ◆ Provide small producers in BoP communities with goods, services and new technologies.
- ◆ Support the transformation and commercialization of alternative development products.

Case studies: *Corpocampo* and *Compañía Nacional de Chocolates*



### Health



- ◆ Develop a complementary health service plan for the BoP population, especially in rural areas.
- ◆ Provide services to communities that have not been able to access such services due to lack of resources.
- ◆ Improve access to medication for chronic non-communicable diseases.

Case Study: *Sanofi*

Colombian companies are encouraged to adopt Inclusive Business models to increase the role private sector plays in achieving the country's SDGs.



### Infrastructure



- ◆ Foster local development by including local suppliers in value chains and creating jobs for local communities
- ◆ Invest in non-conventional renewable energies.
- ◆ Build local alliances with the public sector and communities to improve products access.
- ◆ Develop new distribution and sale channels that are specifically designed to reach BoP communities.

Case studies: *Empresas Publicas de Medellín (EPM)* and *Corona*.



### Financial Services



- ◆ Offer financing models to improve access to products or services for BoP communities.
- ◆ Develop technological alternatives to serve the BoP population
- ◆ Design financial products that respond to the needs of the BoP population

Case Study: *Crezcamos*

## Scaling Inclusive Business in Colombia: Key Findings

Full details on Scaling inclusive business are highlighted in Chapter 4 of the report.

The report's conclusion presents recommendations for strengthening and increasing the scale of Inclusive Business in Colombia, so that the private sector may be a vehicle to accelerate the achievement of SDGs in the country. Acknowledging that some SDGs will more naturally align with the core business than others, it is recommended that companies themselves identify the SDG areas where they are best placed to make an impact.

There are five elements that must be present in order to have a sustainable and responsible Inclusive Business:

- ◆ Have the **internal support** of different areas of company, especially **senior management**, in order for the company to take full ownership of the IB concept.
- ◆ Build **trust** by developing an approach and adaptation process between the company and the community and recognizing the importance of each actor.
- ◆ **Empower communities**, including associations, by providing support to develop and strengthen their business, technical, and leadership abilities.
- ◆ Establish **strategic alliances**, with other business, public entities and communities alike, in order to avoid duplicity and complement local actions.
- ◆ Companies must **measure the impact** of their economic, social and environmental actions and use them as inputs to take strategic and operational decisions.

## Recommendations to Advance Inclusive Business in Colombia



### Companies .....

- Take an innovative approach in financing Inclusive Business, such as blended capital.
- Involve the community and local government in design of Inclusive Business models to ensure they address local needs.
- Generate and transfer knowledge by sharing case studies on successes and challenges.
- Collect and analyze data to make decisions that allow greater and better operation of Inclusive Businesses.



### Government .....

- Establish a national public policy that promotes Inclusive Business as a development strategy.
- Define and unify a theoretical framework for Inclusive Business, so it can be disseminated in public organizations at national and local levels to improve the operating environment for inclusive businesses.
- Channel government's financial incentives to models that comply with the guidelines of Inclusive Business.
- Generate round-table technical discussions with key government ministries to better understand the advantages of Inclusive Business and how they can support its implementation.



### Academia .....

- Conduct market research and pre-feasibility studies for small business owners who participate in Inclusive Business or for those who want to be part of the value chain.
- Promote and implement a comprehensive Inclusive Business knowledge management strategy that is easily accessible to all key inclusive business actors.

## Overview: IB Progress in Colombia

For the past 10 years, Colombia has made a concerted effort to create an enabling environment for Inclusive Business to grow, as well as working towards the national achievement of the goals outlined in the Agenda 2030, the framework for the SDGs, and the national transition to peace. Such actions make this the right time for more companies to adopt such business models as a tool that contributes to the sustainable development of the country.

Based on research findings, the report assesses the degree of progress of Inclusive Business in Colombia. Key findings include:

- The strategies recommended by the interviewed companies, most of which are actively using inclusive business models and integrating the BoP in their value chains, are already being applied across the country, with the greatest presence in the States of Valle del Cauca, Cauca (Pacific Region) and Antioquia (Andean Region).
- BoP communities are most commonly included in company value chains as providers and customers of goods and services. Some companies include BoP communities in two or more points in their value chains at the same time.
- Establishing multi-actor alliances is the main way of cooperating to boost and develop Inclusive Business in the country.
- Even though there has been progress in the use of qualitative and quantitative impact indicators under standardized methodologies, companies believe that it is necessary to more rigorously measure social, environmental and development impact with sustainability criteria.
- According to the perception of companies' representatives, Inclusive Business mainly contributes to achieving the following SDGs:



For details, see the full report at [www.businesscalltoaction.org](http://www.businesscalltoaction.org) or contact:

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