

International Day of SME's

**National Entrepreneurship
Institute**

*Inclusive policy to
democratize productivity*





NATIONAL CONTEXT

SMEs' Contribution

Country	Added Value of Production	Employment
Mexico	40.65%	71%
United Kingdom	52.10%	53.60%
Germany	53.10%	62.80%
European Union	57.40%	66.80%
France	57.80%	63%
Spain	61.40%	73%
Netherlands	62.70%	65.20%
Italy	68%	79.30%

Data: INEGI and European Economic Commission

SMEs' Contribution in Mexico

Year	% GDP	%Employment
2003	40.22	71.00
2008	34.89	73.00
2014	40.65	71.20

Data: Economic Censuses, INEGI

PLAN NACIONAL
DE DESARROLLO
2 0 1 3 - 2 0 1 8
GOBIERNO DE LA REPÚBLICA



Modern policy of economic development
Democratize productivity



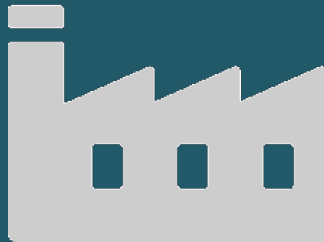
Mexico – 2nd economy in
Latin America
14th worldwide



World leader in
High-Tech
manufacturing



World's 4th larger
exporter of the
Automotive Industry.



More competitive than
China -by cost- in
manufacturing.



Highly-skilled and
young workforce.
(100,000 engineers
graduated yearly)



One of the most open
economies in the world:
FTA's with 46 economies.



- Over one billion consumers as potential market.
- Deregulation: **72 hours needed to start a business.**

- By 2050, **México will become the 8th largest economy** in the world.
- **Working age population in 2050: 45%** (Average, 35 years)
- Attractive destination for investments.



Free trade **shifted our mindset.**
We are **welcoming new ideas**, process, behaviors, beliefs and groups.
We have a progressive and reforming vision to face our great national challenges.

Reforms in Action



Energy



Telecom



Competition



Finance



Education



Political



Fiscal



Labor



National Code of Criminal
Procedure



Law of Citizen
Protection



Transparency



CREATION OF INADEM



January, 2013



Fist governmental agency created to reach our
economic transformation through entrepreneurship
and innovation

- ✓ Talking about public policy is talking about democracy.



Public
problem



Public Policy
Strategy

- ✓ Talking about public policy is talking about consensus.

Public Policies

To overcome the policy challenge, we consulted:

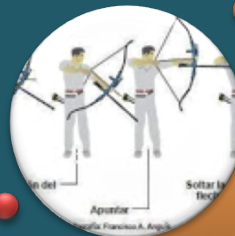
605 leaders on entrepreneurship and
business development of 371 institutions

- 18 thematic, strategic and regional workshops.
- More than 500 initiatives from 60 stakeholders.

“Make them part of the desired change”



Diagnose the
problem



Causal Theory



Implement the
intervention



Evaluate the
outcome

One main problem caused by four barriers for entrepreneurs:

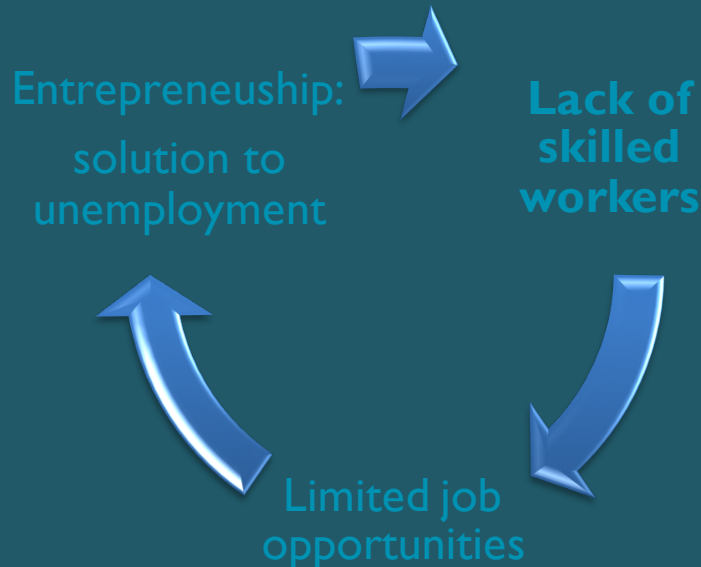


→ Entrepreneurship and innovation must be a policy priority.

→ *Entrepreneurs and SME's must have an active role in public policies implementation.*

→ The need to create and organize one specialized entrepreneurial network.

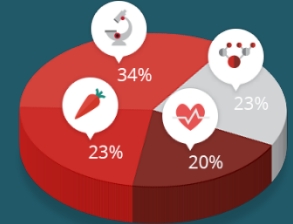
Latin America's background



The causes of the problem, led us to

Four lines of action identified with the categories of the National Entrepreneur Fund:

- I. Strategic Sectors and Regional Development Programs**
- II. Business Development Programs**
- III. High-Impact Entrepreneurship and Financing Programs**
- IV. Programs for Micro, Small and Medium Enterprises**



The assistance

We support all types of entrepreneurs, all along their journey.

Traditional Entrepreneurs and SMEs

Idea
Generation

Business
Incubation

Business
Creation

Consulting
and training

Analysis of
micro market

Incorporation
of ICTs

High-impact entrepreneurs on strategic sectors

Support to high-
impact
entrepreneurship

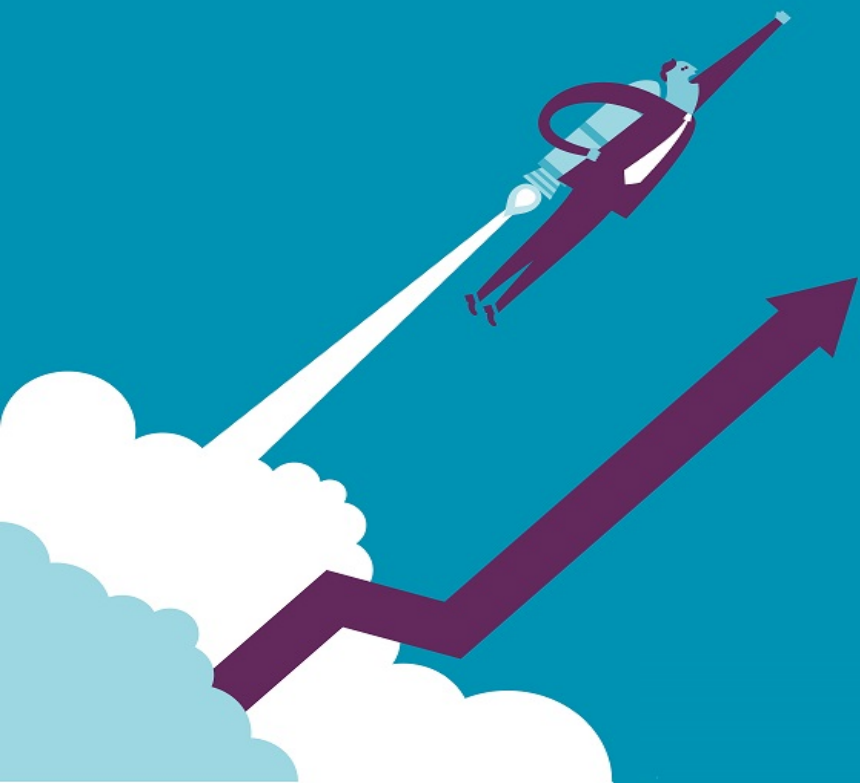
Foster innovative
initiatives and
prototype
development

Acceleration

Investment

Integration of
global value
chains

POLICY CHANGE



Do we have remarkable changes?

New way to allocate the budget.

Public Calls to foster entrepreneurs direct application, instead of discretionary decisions based on intermediate organisms that captured the public budget.

- The entrepreneurs apply to the public calls by an online platform.
- Yearly design of public calls, allows to sustain a continuous improving process: feedback.
- Grants based on transparent and parametric selection: Terms and conditions / Score for Technical and financial viability.

Committed with the creation of user friendly environments, that nudge the entrepreneurs participation in our programs.

Main actions of INADEM

1 Go deeper on the understanding of the entrepreneurial ecosystem.
“No more bureau policy”.

2 Consolidate the ‘supporting ecosystem’ that fosters the sophistication of Startups and SME’s.

3 Design policy interventions that guarantee:
Equal access and fair conditions, for any entrepreneur, in any sector of the economy.

POLICY INSTRUMENTS



Strategic Sectors Programs and Regional Development:

The calls for this category are aligned with the policy issued by the Undersecretariat of Industry and Commerce, based on its sectoral agendas that define the industries with the best opportunities for a more dynamic and sophisticated growth of SMEs.

During 2016, the programs of this category allocated 52 million dollars in 592 projects.



Business Development Programs:

The calls for this category have been responsible for the promotion of entrepreneurial culture; as well as to articulate the Entrepreneur Support Network (RAE).



Business Development Programs



➤ 230 startups



➤ 35 startups



➤ 190 startups



➤ 200 startups



➤ 150 startups



100 startups



100 startups



250 startups

During 2016, the programs of this category allocated 45 million dollars in 5,980 projects.



Programs of high impact Entrepreneurs and Financing:

Focused on high-impact entrepreneurship from a systemic perspective.

3.1 Call: Articulation
and documentation
of the
entrepreneurial
ecosystem.



3.2 Call: Venture
Capital Program



3.3 Call: Boosting
high-impact projects

Venture Capital funds



\$100
Mill USD



\$157.66
Mill USD



\$257.83 Mill
USD
(42 funds to
2016)

***Multiplying Effect
2.57***



***492
Supported High
Impact Enterprises***

42 Invested funds

ARCU CAPITAL

ON
VENTURES

TREBOL
CAPITAL
DISCOVERY FUND

FOJAL

ALEB INVESTMENTS

FOUNDERS
INTO
FUNDERS®

ALLVP

VARIV
CAPITAL

SV LATAM FUND
Entrepreneurs first, success follows

FAZENDA
FONDO DE AGRONEGOCIOS

UUNO

VCS
CAPITAL

vincus



BRAINSTORM
VENTURES

NAZCA
VENTURES

ABACO PARTNERS

INNOVA
CAMP

colectivo
Startblueup

LIVE
Fund

ACELERA
CAPITAL

VK Venture

SMP
Stella Maris Partners

AV ALTAVENTURES

SUM ONE
CAPITAL EMPRENDEDOR

Supply
Capital

>Nxttp.Labs

PC CAPITAL

FONDO
FENIX

XB

E CAPITAL

Ideas &
Capital

MIF
MEXICO INNOVATION
FUND

SFA SOLDIERS
FIELD ANGELS

i
Capital
Indigo

VENTURES
Fostering cross-border investments

GLOBAL
PROTEUS

bridge37

Impulsa
Capital



Alianza del
Pacífico

GRUPO ERCUS



CAPITAL
DEPORTIVO

DILA Capital
Desarrollo Emprendedor

ADOBE CAPITAL
LOCAL. RENEWABLE. SUSTAINABLE.

107 Invested startups

TRENDYTA

paybook



MY
SPORTS
BOX

GAIA

JUSTEAB

apli

NUBLEER

NEXT
UNIVERSITY



inmobilis

HICKIES



alkanza

LE MACARON
BOUTIQUE

rescata

VoxFeed



iVoy



ComproPago

gaia
ONLINE

GOOD
EXPRESS
SMART. HEALTHY. FOOD



kmimös

Cornershop

GRUPO
YADATEX

INTNGBL

Billpocket

TIZKKA

Gubler
Health Connection



treats
4 WEEKS



tucantón

crowdfunder

dentalia

dabba

gestionix

MIROCULUS

Pig.gi

seenapse

Reserbus
www.reserbus.mx



Talent
Process
Recruiting Solutions

CONEKTA



ZOLVERS

weex

econduce



Médica
SantaCarmen

CARGO
MOVIL

iguanafix

MIÖRA
DATE YOURSELF

FORMAFINA

Farmacias
Personalizadas
MEDICINA ESPECIALIZADA Y BIOLÓGICOS

GOLAZZOS



Programs for Micro, Small and Medium Enterprises

Facilitate the access of MSMEs to training and consulting programs that strengthen their skills in administration, design, sales and marketing; likewise the use of information and communication technologies that connect them with the world in the digital era.

During 2016, the programs of this category allocated 12 million dollars in 3,909 projects.





EVOLUTION AND CHALLENGES?

Challenges

Create new linkage and financing alternatives in the market.

Design support instruments, besides grants, to diversify the support policy for SMEs.

Gender perspective as permanent policy, not just an exception.

Minimize adverse selection bias.

Entrepreneurs inspire us



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