

# CUNDINAMARCA

According to our [2023 Subnational Risk Index](#), the most significant risk for the private sector in Cundinamarca is regulatory uncertainty, exacerbated by outdated land-use plans, environmental challenges in waste management, and delays in renewable energy projects. While Cundinamarca benefits from its proximity to Bogotá, solid agricultural production, and growing technological sectors, infrastructure gaps, political uncertainty, and climate change impacts on crucial industries remain significant hurdles for investment.

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## SECURITY:

Cundinamarca, the fifth department nationally and the second in the Andean region with the lowest security risk (very low risk), offers a reassuring environment. The department boasts a low rate of [homicides](#), [kidnappings](#), and [extortion](#). According to figures from the [Security and Citizen Coexistence Observatory](#) of the Cundinamarca government, the most common crimes in the department are mainly due to urban crime, such as theft from individuals and cell phone theft. This data underscores the overall safety and security of the region, providing a sense of reassurance to stakeholders, policymakers, investors, and researchers.

## ECONOMY:

Cundinamarca has a moderate economic risk. In 2022, it was the fifth-largest contributor to the national GDP ([5.95%](#)), partly due to its diversified economy, driven primarily by the manufacturing industries. According to the [Departmental Economic Profile](#), in 2022, the main economic activities in Cundinamarca were manufacturing industries (20.4%), agriculture, livestock, and fishing (16.4%), commerce, hotels, and repair (16.3%). [63.52%](#) of adults in the department had active financial products, and 537 companies provided formal employment for every 10,000 inhabitants (according to DANE). Cundinamarca ranked fourteenth nationally and first regionally for the lowest human capital, with only [30.56%](#) of its population having higher education, 7.02 points below the national average. This indicates a labor market with more unskilled than skilled workers, challenging local hiring for specialized positions.

## INSTITUTIONALITY:

Cundinamarca is the tenth department nationally and the seventh in the region with the lowest institutional risk (low risk). In 2021, it was the department in the country and the region with the highest score in the [Departmental Performance Measurement](#), with 91.6 out of 100. The department's 83.6 out of 100 score on the [Digital Government Index](#) indicates a high level of ICT integration within its institutions. Cundinamarca was the fifteenth department in the country and the eighth in the region on the [Transparency, Access to Information, and Anti-Corruption Index](#), with a score of 79.9 out of 100.

## SOCIETY:

Cundinamarca has a low social risk. It is the sixth department nationally and the fourth in the region with the lowest [Multidimensional Poverty Measurement](#) 2023 (MPM), with 7.6% of the population in poverty. It was the seventh department nationally and the fifth regionally with the lowest [Multidimensional Index of Energetic Poverty](#), with only 6.7% of the population lacking access to adequate and quality energy sources. The area with room for improvement is health insurance coverage. In 2022, Cundinamarca was the third department nationally and the first in the region, with the lowest percentage of people insured under the contributory and subsidized regimes ([74.5%](#)). Bogotá has become a significant destination for Venezuelan migrants. The effects are positive and negative: positively, it stimulates the economy, but negatively, it creates social tensions related to employment, the provision of essential services, and the perception of increasing crime.

## ENVIRONMENT:

Cundinamarca has a low environmental risk. In 2022, it ranked seventh nationally and fourth regionally for illegal exploitation of renewable resources ([73 cases](#)), eighth nationally and sixth regionally for illegal mining ([12 cases](#)), sixth nationally and fifth regionally for damage to natural resources ([16 cases](#)), and fifth nationally and fourth regionally for environmental contamination ([10 cases](#)). Like the rest of the country, it is vulnerable to climate changes, such as the '[El Niño](#)' phenomenon, which has led to a water crisis caused by [droughts](#). The arrival of the La Niña phenomenon in the second half of 2024 poses a risk to the department.

## POLITICS:

Cundinamarca has very low political risk. From 2012 to 2022, it had four governors, one more than expected, due to [Álvaro Cruz's](#) resignation in August 2015 amid corruption investigations related to Bogotá's '[Carrusel de la Contratación](#)' [corruption scheme](#). It was the third in the region for the fewest victims of threats against human rights defenders ([174](#)), sixth for the fewest victims of improper contract awarding ([14](#)), and third for most victims of abuse of authority ([345](#)).

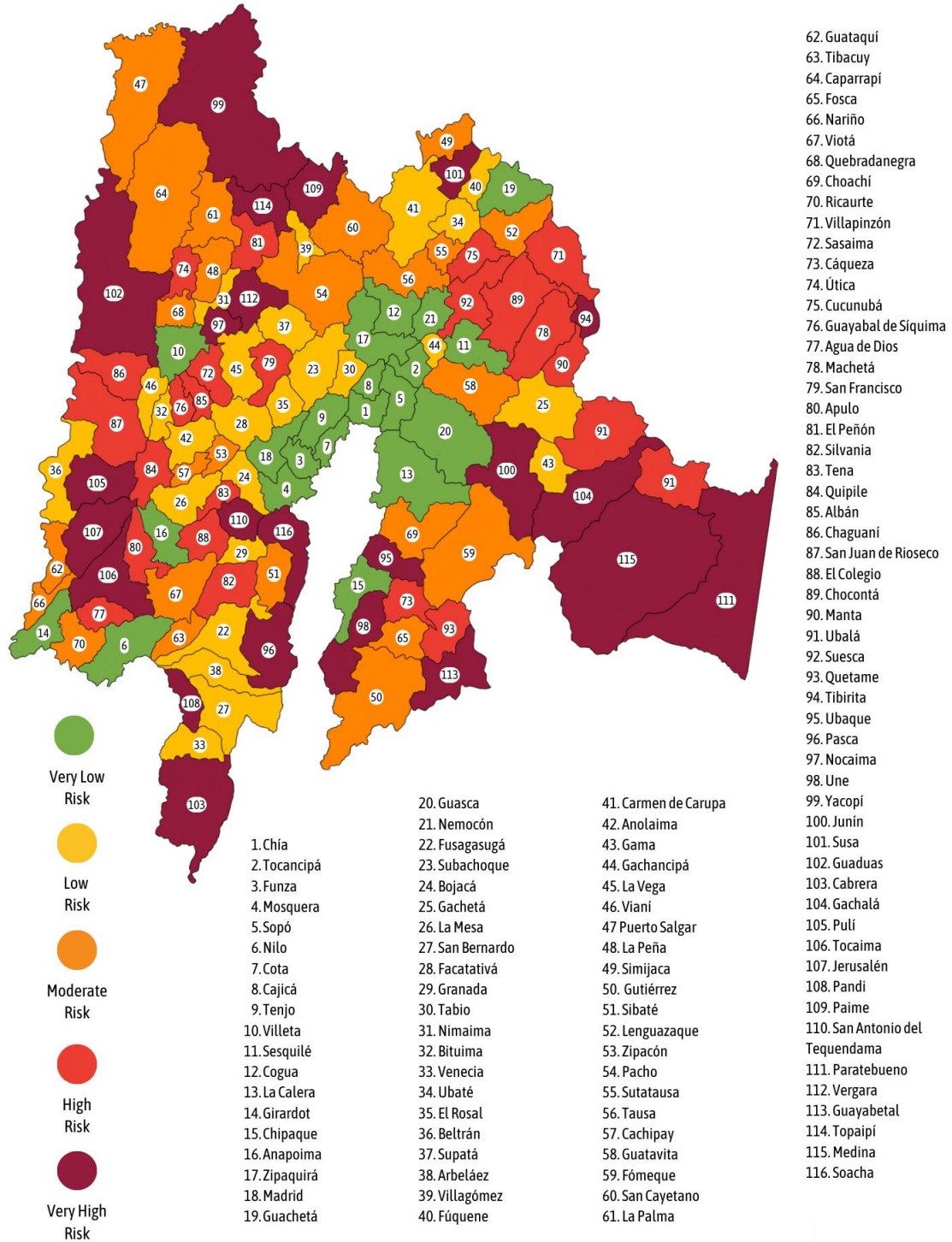
## TRANSPORT INFRASTRUCTURE:

Cundinamarca has a road network of 19,905 km, including 1,435 km of primary roads, 2,933 km of secondary roads, and 15,537 km of tertiary roads. 92.8% of the department's roads are secondary and tertiary. Through the '[Plan 500](#)', the government aims to improve, rehabilitate, and maintain the road network." Another focus is the [development of the Bogotá - Cundinamarca Metropolitan Region](#) to improve mobility by developing more efficient transportation infrastructure and services. An example of this collaboration is the [RegioTram de Occidente project](#). This passenger electric train aims to connect the municipalities. In Cundinamarca, there is river transport with [thirty-four piers or docks](#).

## INVESTMENT SECTORS:

<b>AGRICULTURAL SECTOR</b>	The department's lands are characterized by a diversity of thermal floors, water and ecosystemic wealth, and vast territorial extension. These factors allow Cundinamarca to serve as the food supply hub for Bogotá.
<b>LIVESTOCK SECTOR</b>	Cundinamarca's cattle sector is crucial for the regional and national economies. It was the country's second-largest milk producer.
<b>TOURISM SECTOR</b>	Cundinamarca has a comparative advantage over other departments in the country due to its proximity to the capital, Bogotá, and El Dorado International Airport. The department has a unique tourist appeal due to its cultural and historical heritage.
<b>COMMERCE SECTOR</b>	The department's proximity to the capital is a significant advantage for commerce. This is because it allows for a higher demand from visitors from Bogotá, who travel at various times, especially to nearby municipalities.
<b>MANUFACTURE SECTOR</b>	Manufacturing industries were the department's main economic activity. The chemical industry is one of the leading industries in Cundinamarca, offering opportunities in the beauty and pharmaceutical sectors. Food manufacturing and agricultural processing also present areas for growth.
<b>CONSTRUCTION AND REAL ESTATE ACTIVITIES</b>	A reduction in property prices is likely to boost home purchases in the department. Another critical point is that the real estate sector in Cundinamarca benefits from the influx of Bogotá residents to municipalities near the capital.
<b>TECHNOLOGY SECTOR</b>	The technology sector in Cundinamarca is currently developing and consolidating, mainly supported by government initiatives. The department is becoming a center for introducing artificial intelligence in the country. They chose Zipaquirá as the site for the first artificial intelligence center in the country.
<b>RENEWABLE ENERGY SECTOR</b>	Most energy generation in Cundinamarca comes from renewable sources, specifically hydropower. There are some solar energy projects, solar panel installations, and other renewable energy generation methods. Researchers identified a zone with high potential for geothermal energy generation.

# CUNDINAMARCA 2023 RISK MAP



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