COLOMBIA

Emerging fintech market in Latin America

MD Finance

INTRODUCTION

The fintech industry in Colombia is writing a new chapter in its evolution, reaching 394 local startups in the first quarter of 2024 – a 5.8% growth. Half of the ecosystem is made up of lending companies (28.4%) and the Payments & Remittances sector (18.5%).

In today's regional context, the maturity of an ecosystem is no longer measured solely by the number of startups, but by their real impact, scalability, and integration with the broader financial system. Colombia is emerging as a strategic player in the Latin American market thanks to its focus on open finance, renewed investment activity, and regulatory advancements.

In Colombia – as in other ecosystems such as Mexico – the focus has shifted from scale to value creation, financial sustainability, and technological integration.

This shift is reinforced by a key trend: 30% of fintechs operating in Colombia are foreign, a clear signal that the country offers attractive conditions for investment, proof of concept, and regional expansion.

Explore more

MD Finance

CONTENTS

COLOMBIA IN NUMBERS

Colombia presents a dynamic macroeconomic landscape for fintech lending. With a population of over 53 million in 2025 – most of them urban and digitally engaged – the country offers a sizable market.

In 2024, Colombia's GDP reached $418 billion, with per capita income around $7,900, placing it in the mid-tier range within Latin America. Growth in 2025 is expected at about 2.5%, driven largely by domestic consumption, though global uncertainty may weigh on exports. Importantly, the consistent growth signals a stable environment for fintech expansion.

Inflation, which peaked at nearly 12% in 2023, has eased to around 4.9% by mid-2025, close to the central bank's target. While food prices remain a source of pressure, this stabilization supports borrowing capacity. At the same time, challenges persist: non-performing personal loans stand at 4.7%, and fintech lenders face a 6% delinquency rate. These figures highlight both the risks of serving underserved populations and the opportunity for innovation in credit risk management.

53.5M
Population

$418.5B
GDP, 2024

80.5%
Urban population

$7.9K
GDP per capita, 2024

4.7%
Personal loans non-performing loans, Dec 2024

32.5 years
Median age

2.5%
GDP growth, 2025

6%
Delinquency rate by fintech lenders, 2024

77.3%
% of internet users, 2024

4.9%
Inflation rate, Jul 2025

Source: Finnosummit, Fintech Radar Colombia by Finnovista, Worldometers, Worldbank, BBVA research, Trading Economics, CEIC Data, DataReportal

FINANCIAL INSTITUTIONS

The Colombian financial sector, supervised by the Financial Superintendency, closed FY 2024 with profits of around $5.2B – a 10% increase compared to 2023.

Credit institutions contributed 41.4% of total profits (approximately $2.2B), with banks accounting for nearly 96% of that amount.

Overall, banks contributed 39.7% of the system's total results, according to the Financial Superintendency.

MD Finance

Credit providers supervised by Financial Superintendency of Colombia

30 BANKS
$2.1B
net income

7 FINANCIAL CORPORATIONS
$175.3M
net income

17 FINANCING COMPANIES
-$102.4M
net loss

179 FINANCIAL COOPERATIVES
$16.4M
net income

Credit providers without supervision of Financial Superintendency

115 UNREGULATED FINTECH ENTITIES
N/a

Source: LaRepublica, Fogafin, Reuters, Forbes

FINANCIAL INSTITUTIONS

Colombia's financial sector is among the most regulated in the world, largely due to the country's history of drug trafficking and money laundering. Despite this, a digital lending fintech company does not, in most lending transactions, require a financial license to compete with traditional banking institutions in the Colombian lending market – provided it does not engage in any activity that involves capturing funds from the public.

Colombian law sets a maximum interest rate a lender may charge on debt, known as the usury limit (tasa de usura). No entity may charge an interest rate exceeding 1.5 times the current bank interest (interés bancario corriente) as certified periodically by the Superintendence of Finance of Colombia (Superintendencia Financiera de Colombia or SFC).

MD Finance

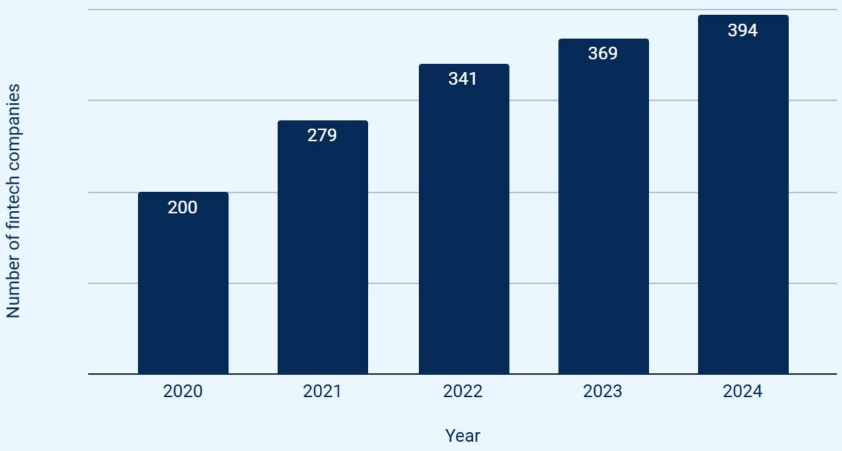
State of regulation for fintech entities, which use their own funds to grant and disburse the loans

Regulator	Superintendence of Finance of Colombia
License	A non-regulated entity may offer and grant loans to the Colombian public, provided it uses its own funds to do so. However, even though digital lending fintech firms are not regulated entities, they must still comply with virtually the same regulations and restrictions on interest rates and fee limits as traditional Colombian banking institutions.
Interest rate cap	25.17% annually

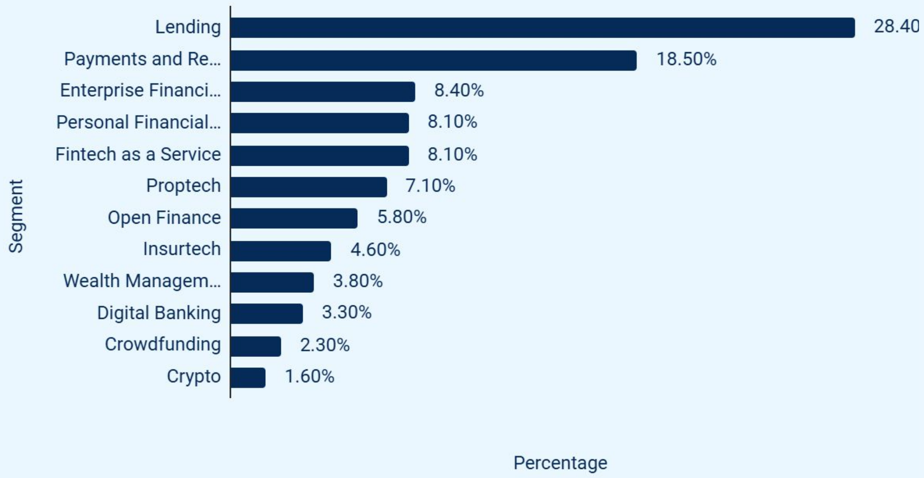
Source: International Bar Association, Superfinanciera

STATE OF THE FINTECH

Evolution of the number of Colombian local Fintech companies



Local Fintech by Segment



Source: Finnovista Fintech Radar Colombia Survey

MD Finance

STATE OF THE FINTECH

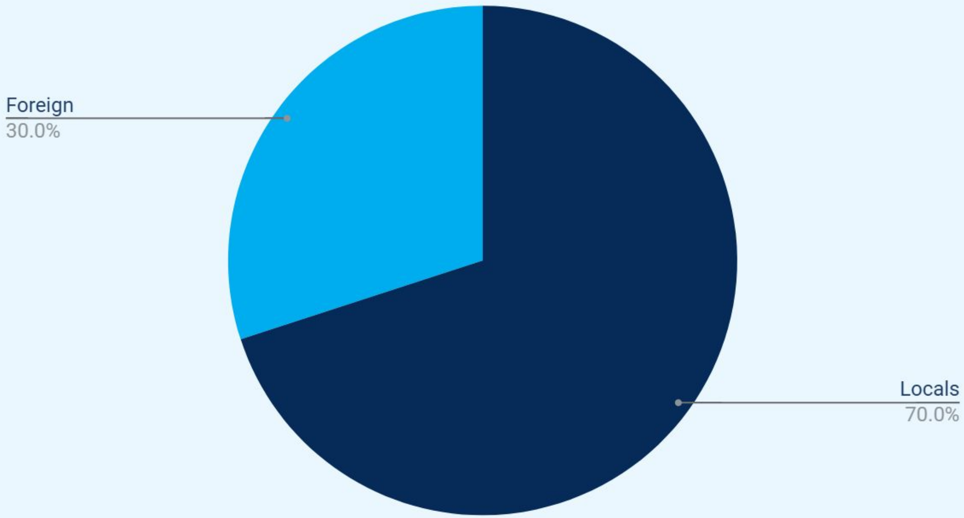
The figure of 394 represents a new record high for the Colombian ecosystem, highlighting the continued development and growth of the fintech environment. It is estimated that more than 169 foreign firms are operating in Colombia, bringing the total number of fintech startups in the country to over 560.

Half of the Colombian fintech ecosystem is comprised of lending companies (28.4%) and payments & remittances providers (18.5%). Notably, no other segment accounts for more than 10% of the ecosystem.

In terms of new company incorporation, the alternative lending segment has consolidated its role as the main driver of growth, adding 9 new fintechs and reaching a total of 112 ventures dedicated to lending in Colombia.

Lending-focused fintechs report maintaining an average portfolio of more than USD 7 million, a delinquency rate close to 6%, and an average interest rate of 20.5%.

Composition of the Fintech Market by Origin



Source: Finnovista Fintech Radar Colombia Survey

STATE OF THE FINTECH

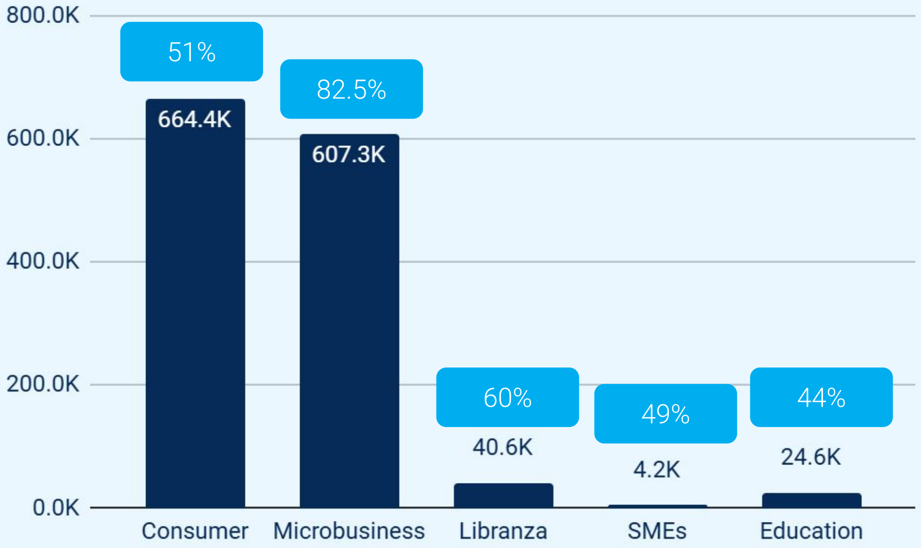
MD Finance

The digital credit sector in Colombia demonstrates strong penetration across both consumer and business segments, with microbusiness and consumer lending leading demand. High recurrence rates in certain categories highlight strong customer retention and continued reliance on digital credit solutions.

The industry's financial performance reflects both scalability and efficiency, with healthy profitability levels relative to revenue and operating margins that indicate a sustainable, growing market.

Overall, the sector presents a balanced mix of retail and business loan activity, significant repeat usage, and solid financial foundations, positioning it as a key growth driver within Colombia's fintech ecosystem.

Number of loans disbursed in 2024 and percentage of recurring loans



REVENUE 2024
$332.1M

OPERATING MARGIN
39.04%

OPERATING PROFIT
$127.8M

Source: Colombia Fintech, Pomelo

MD Finance

SELECTED ONLINE CONSUMER LENDING PROVIDERS

Website	Monthly users	Year launched	Max daily interest including all fees	Annual interest rate, %	Min period, days	Max period, days	Product type	Min loan, $	Max loan, $	App
rapicredit.com	2.4M	2014	3.5	23	5	150	Short, Long	26	307	Android app - 1M+ installs
lineru.com	501.5K	2012	0.35	24.97	4	30	Short	26	307	-
yadinero.co	339.0K	2019	10	25.01	5	30	Short	26	256	Android app - 100K+ installs
rayo.com.co Rayo Credit Group	283.6K	2019	1.45	25.01	15	45	Short	31	511	-
doctorpeso.co 4finance Group	196.4K	2021	2.2	24.1	7	30	Short	28	256	-
credito365.co AventusGroup	75.5K	2023	N/a	N/a	7	30	Short	38	307	-
wasticredit.co Finsana Group	72.7K	2025	1.13	24	14	30	Short	51	256	-

Source: Tracxn

SELECTED ONLINE LENDING PROVIDERS

MD Finance

Website	Monthly users	Year launched	Max daily interest including all fees	Annual interest rate, %	Min period, days	Max period, days	Product type	Min loan, $	Max loan, $	App
anticipo.com.co Libgot Group	64.4K	2020	1.15	24.5	24	39	Short, Installment	77	256	-
kredicity.com	24.0K	2017		24	5	25	Short	26	256	-
prestaenlinea.com.co	16.2K	2018	2.8	24.6	4	30	Short	26	256	-
galilea.co	11.6K	2022	1.6	25	12	27	Short	66	82	-
ucreditskills.com	1.2K	2023	1 - 2%	24	30	120	Short, Installment	26	256	-
bemus.com.co	0.7K	2012	0.29	24	30	360	Short, Long	38	0	-
tubongo.com	N/a	2023	0.96	23	30	90	Short, Long	77	511	Android app - 50 installs

Source: Tracxn

MD Finance

ADDITIONAL LENDER FEES BESIDES THE INTEREST RATE

Additional fee type	Typical rate / amount	Short description	Mandatory or optional?	Impact on cost
Guarantee / surety (fianza/aval)	~10–15% of loan (range 5–17%) + 19% VAT	Payment to a guarantor (usually FGA) to insure the loan if borrower defaults. Required if no co-signer.	Effectively mandatory (unless borrower provides own guarantor, rare).	🔴 Very high – one of the largest add-ons, strongly inflates APR.
Electronic signature (e-sign)	COP $30,000–$132,000 one-time (+19% VAT)	Charge for digitally signing the contract instead of physical signing.	Optional (but most borrowers choose it for speed).	🟡 Moderate to high – fixed amount; proportionally big on small loans.
Technology / platform fee	~17–30% of loan principal (+19% VAT)	Fee labeled as “technology” or “platform use” for online service.	Mandatory (built into nearly all loans).	🔴 Very high – can exceed interest; major driver of usury risk.
Administration fee (one-time)	COP $25,500–$68,500 (+19% VAT)	Flat service charge at loan origination/disbursement.	Mandatory (applies to every loan).	🟡 Moderate – fixed fee, heavy impact on small short loans.
Administration fee (monthly)	COP $16,000 per 30 days; or ~20–30k per active month	Ongoing fee charged while credit is active.	Mandatory (whenever balance is outstanding).	🔴 High – recurring fee accumulates quickly on longer loans.
Credit life insurance	~0.3–0.8% of loan per 30 days	Insurance covering debt in case of death/disability.	Often mandatory (sometimes optional but required for approval).	🟡 Low to moderate – small % but adds up over months.
Credit check / profile verification	COP $15,000 one-time	Fee for consulting credit bureau data and verifying identity.	Mandatory (applies to each loan application).	🟢 Low – small fixed cost relative to others.

MD Finance

RAPICREDIT CASE: PRODUCT AND PERFORMANCE

Rapicredit (FAST CREDIT SAS) demonstrates that digital lending can be a profitable and sustainable business model in Colombia. The company has shown consistent revenue growth, from $9.2M in 2021 to $24.5M in 2023, alongside an increase in net profit from $0.5M to $1.4M over the same period. With strong year-over-year growth in both revenue (+51%) and net profit (+82%), Rapicredit stands out as a clear example of a successful player in the digital lending sector, combining profitability with scalability.

However, despite operating for more than 10 years, the company's profitability remains relatively modest, suggesting that while growth is achievable, scaling sustainable profits in the digital lending sector takes time and continues to be a challenge.

Legal name	Max daily interest including all fees	Annual interest rate, %	Min period, days	Max period, days	Product type	Min loan, $	Max loan, $	Annual report
FAST CREDIT SAS Launched in 2014	3.5	23	5	150	Short, Long	25	251	2022 2023

	2023	2022	2021	Revenue YoY growth 2022->2023	Net profit YoY growth 2021->2022
Revenue	$24.7M	$16.3M	$9.3M	51.37%	75.73%
Net profit	$1.4M	$0.8M	$0.5M	82.29%	53.77%

Source: Rapicredit

MD Finance

RECENT DEVELOPMENTS

TRENDS

66% of fintech companies in Colombia are already implementing artificial intelligence solutions. As a result, they report achieving a 44% reduction in operating costs, improvements of up to 57% in fraud detection, and customer service times cut by half.

Colombia is also emerging as a regional laboratory for the use of stablecoins (cryptocurrencies pegged to fiat currencies such as the dollar or euro). Currently, 13.7% of fintech companies already incorporate them into wallets, savings products, or remittances, a figure expected to double by 2027.

Another clear trend is the growing collaboration between fintechs and traditional banks. Eight out of ten fintechs have established ties with banks; however, 90% report that bureaucracy remains a significant obstacle.

Two out of three fintech companies in Colombia have already adopted Open Finance models, yet 43.8% believe users are not ready to embrace them due to mistrust and low financial literacy. Upcoming regulations may change this, as Open Finance could soon become a mandatory requirement, overseen by a board of directors under the Financial Superintendency.

MARKET EXITS

Juancho Te Presta, a digital consumer lender founded in 2018, experienced rapid early growth, issuing about 28,000 personal loans (totaling COP 52 billion) to both salaried and independent workers. However, the company later faced financial troubles, defaulting on obligations and entering a reorganization process in December 2024 due to COP 39.8B (~$10M) in debts. In this case, investors even alleged misconduct, including unauthorized fundraising and mismanagement of funds. The company ceased new lending and sought protection under Colombia's insolvency regime. This episode underscores the risks of high-growth lending and the importance of sound risk management, even as most other fintech lenders have kept losses under control.

Source: Forbes, LaRepublica

MD Finance

RECENT DEVELOPMENTS

REGULATION AND GOVERNMENT INITIATIVES

Regulators have accelerated Open Finance efforts: in June 2025, a draft decree for mandatory Open Finance was published, shifting Colombia from a voluntary data-sharing regime to a regulated open banking ecosystem. This policy – led by the Superintendencia Financiera and the Finance Ministry's URF – aims to promote inclusion and innovation by enabling consumers to securely share their financial data across institutions.

Full implementation will take place over the coming years, but the direction is clear: fintechs will gain access to bank data (with consent) to underwrite loans more effectively, while banks will be pushed to compete on customer experience rather than rely on customer data lock-in.

REGULATION AND GOVERNMENT INITIATIVES

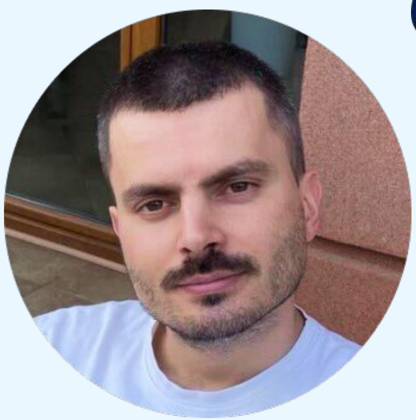
The government launched "Bre-B" instant payments in July 2025 (Colombia's answer to Brazil's Pix) to modernize the payments system, alongside funding initiatives in cybersecurity, digital ID, and data infrastructure. Bre-B's rapid uptake – 8M users (15% of the population) in its first month – will indirectly benefit digital lenders by familiarizing more Colombians with digital finance and generating valuable data on payment behaviors.

EXPANSION

Revolut pursues banking license in Colombia following Mexico approval.

Source: Finance Magnates, URF, Ebanx

EXPERT'S VIEW



Colombia's fintech ecosystem is experiencing strong momentum, marked by rapid adoption of digital tools, deeper collaboration with banks, and increasing regulatory clarity. The sector is advancing through trends such as AI-driven efficiency gains, the integration of stablecoins, and Open Finance initiatives aimed at reshaping consumer data access. At the same time, government-backed programs like real-time payments are expected to accelerate financial inclusion.

Yet challenges remain: mistrust in Open Finance, bureaucratic hurdles, and cases like Juancho Te Presta highlight the risks tied to governance and sustainable growth. Overall, the landscape reflects both robust innovation and regulatory progress, tempered by growing pains and the need to build stronger consumer trust.

Oleksandr Bielokhin
Senior Market Research & Analysis Specialist

RECENT FUNDING ROUNDS

MD Finance

No.	Round Date	Company Name	Round Name	Round Amount (USD)	Total Funding (USD)	Overview	Founded Year
1	Aug 21, 2025	Guama	Seed	$1.5M	$1.5M	Provider of credit cards to individuals lacking credit history	2023
2	Aug 08, 2025	Creditop	Series A	$3.7M	$3.7M	Online loan comparison platform for diversified consumer loans	2020
3	Jul 25, 2025	Rapicredit	Convertible Debt	$5.0M	$5.0M	Online lending platform for payday loans.	2013
4	Jul 7, 2025	Addi	Conventional Debt	$35.0M	$238.5M	Provider of an online platform for point of sale financing	2018
5	Jun 30, 2025	Welli	Series A	$25.0M	$25.0M	Digital lending platform offering health care financing	2022
6	Apr 14, 2025	Finaktiva	Conventional Debt	$10.0M	$120.2M	Online platform for buisness loans	2016
7	Apr 7, 2025	Addi	Conventional Debt	$70.0M	$238.5M	Provider of an online platform for point of sale financing	2018
8	Mar 24, 2025	Quipu	Seed	$1.5M	$3.0M	Provider of app-based digital financial solutions	2019
9	Mar 19, 2025	Zíro	Seed			Provider of digital lending platform for businesses	2022
10	Feb 20, 2025	Mansa	Seed	$10.0M	$10.0M	Online platform featuring DeFi lending	2023

Source: Tracxn

RECENT FUNDING ROUNDS

MD Finance

No.	Round Date	Company Name	Round Name	Round Amount (USD)	Total Funding (USD)	Overview	Founded Year
11	Dec 19, 2024	FinMaq	Seed	$29.0M	$52.5M	Online lending platform for asset backed loans	2014
12	Dec 19, 2024	FinMaq	Conventional Debt		$52.5M	Online lending platform for asset backed loans	2014
13	Nov 19, 2024	Addi	Conventional Debt	$100.0M	$238.5M	Provider of an online platform for point of sale financing	2018
14	Sep 17, 2024	Koggi	Seed	$3.0M	$6.0M	Online platform offering mortgage loan for residential purchases to consumers	2021
15	Jun 18, 2024	Biocredit	Seed	$0.2M	$200.0K	Lead generation platform	2016
16	Apr 26, 2024	Koggi	Seed	$3.0M	$6.0M	Online platform offering mortgage loan for residential purchases to consumers	2021
17	March 20, 2024	Addi	Series C	$36.0M	$238.5M	Provider of an online platform for point of sale financing	2018
18	Mar 20, 2024	Addi	Conventional Debt	$50.0M	$238.5M	Provider of an online platform for point of sale financing	2018
19	Feb 12, 2024	Plataform	Seed	$3.0M	$3.0M	Online lending marketplace offering invoice factoring	2022
20	2024	Guama	Seed	$0.0M	$1.5M	Provider of credit cards to individuals lacking credit history	2023

Source: Tracxn

KEY TAKEAWAYS

With a population of over 53M in 2025, most of them urban and digitally engaged, Colombia offers a sizable fintech and alternative lending market.

Notably, 30% of the fintechs operating in Colombia are foreign, a clear signal that the country offers attractive conditions for investment, proof of concept, and regional expansion.

Digital lending fintechs do not require a financial license, provided they do not leverage their operations in any way that involves capturing funds from the public.

Although digital lending fintech firms are not regulated entities, they must still comply with virtually the same regulations and restrictions on interest rates and fee limits as traditional Colombian banks. This creates a major obstacle, and nearly all players in the market impose additional charges – such as guarantor fees (aval or fianza), electronic signature fees, administration or "technology" charges, insurance premiums, and related taxes – which substantially increase borrowing costs. From a strictly legal perspective, these extra charges do not comply with Colombian interest rate caps if factored in. When companies add such fees on top of maximum allowable interest, they are effectively charging usurious rates. They rely on technicalities (e.g., optionality, third-party fees) and, arguably, regulatory forbearance to continue. If challenged in court, borrowers would have strong grounds to claim lenders charged above the usury limit and seek relief, including nullification of excess interest and even potential penal action.

KEY TAKEAWAYS

Rapicredit (FAST CREDIT SAS) illustrates that digital lending can be a profitable and sustainable business model in Colombia. The company has demonstrated consistent revenue growth, from $9.2M in 2021 to $24.5M in 2023, alongside rising net profit from $0.5M to $1.4M over the same period. With strong year-over-year growth in both revenue (+51%) and net profit (+82%), Rapicredit stands out as a successful player in the digital lending sector, combining profitability with scalability. However, despite operating for more than 10 years, the company's profitability remains relatively modest, suggesting that while growth is achievable, scaling sustainable profits in the digital lending sector takes time and continues to be a challenge.

Colombia's fintech ecosystem is experiencing strong momentum, marked by rapid adoption of digital tools, deeper collaboration with banks, and increasing regulatory clarity. The sector is advancing through trends such as AI-driven efficiency gains, the integration of stablecoins, and Open Finance initiatives aimed at reshaping consumer data access. At the same time, government-backed programs such as real-time payments are expected to accelerate financial inclusion.

The digital lending sector is also expanding rapidly, with more than 20 funding rounds in 2024-2025 reflecting strong investor appetite. Addi dominates the landscape with large-scale debt and equity raises, while other players highlight diversification into business loans, healthcare financing, and DeFi lending. Despite many startups still at the seed stage, the sector shows clear momentum toward scaling innovative credit solutions across both consumer and business markets.

MD Finance

ABOUT MD FINANCE

We are a fast-growing technology company providing financial services across global markets, combining proven business models with AI-powered solutions. Since 2015, we have been serving thousands of people, empowering them through fast and simple financial products.

MISSION

We create easy-to-use financial products to address real-life needs as they come up — fast and without any hassle.

VISION

We envision a world where people move freely toward their goals, supported by financial solutions that are always ready, always simple, and always there when needed.

MD Finance

CONTACTS

HELEN RUDENKO
HEAD OF COMMUNICATIONS
pr@mdfin.com