



PROCOLOMBIA

EXPORTS TOURISM INVESTMENT COUNTRY BRAND

Colombia: Attractive Business Environment and Reliable Partner for Japanese Investors

July 2016

Colombia Offers:



A dynamic and stable economy



A growing market located strategically to facilitate business transactions with the region.



A trade platform with over 10 Trade Agreements enabling investors to reach third markets with preferential access



Multiple development centers and regions coupled with a growing middle class securing greater product and services demand.



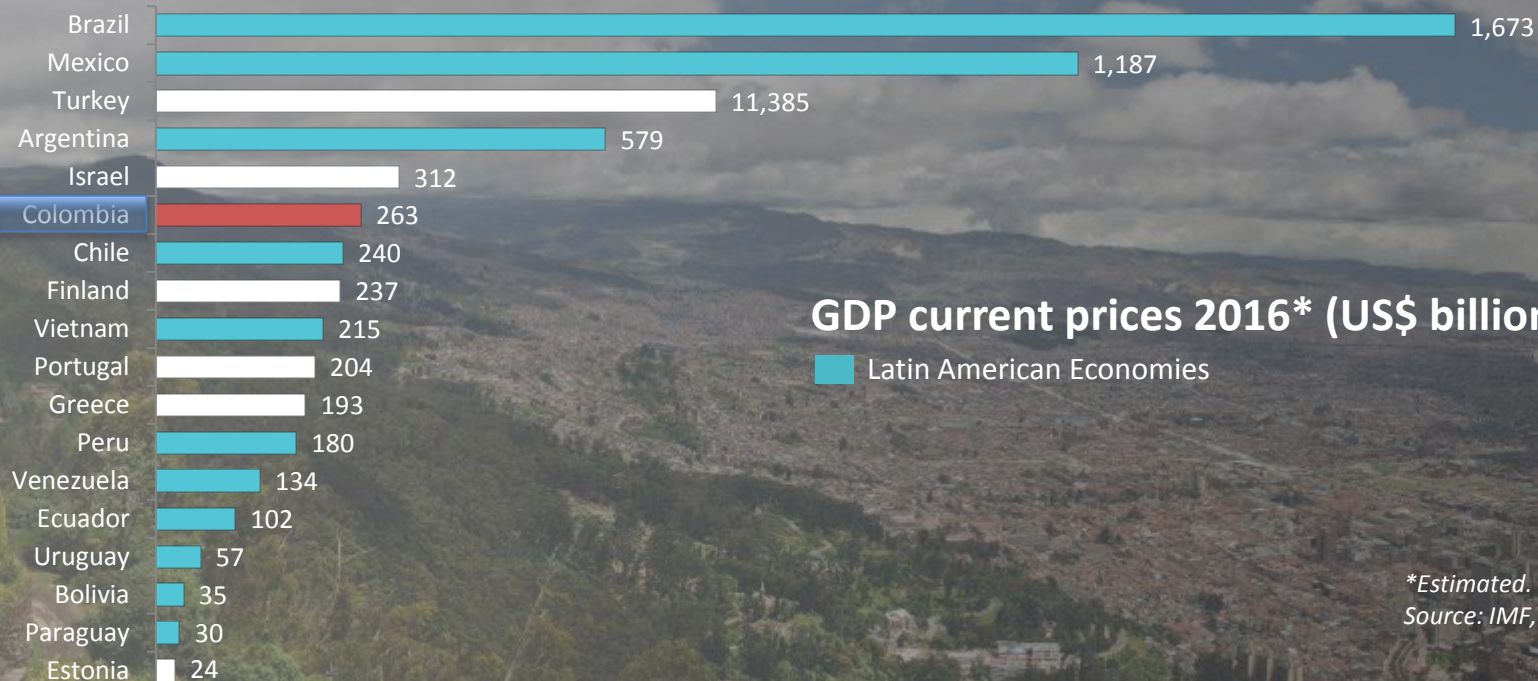
A growing pool of qualified Colombian companies able to partner with international investors to reach out to regional markets.



Diverse Opportunities for investment in a wide variety of sectors



Colombia is the 38th largest economy in the world and the 4th in Latin America



GDP current prices 2016* (US\$ billion)

■ Latin American Economies

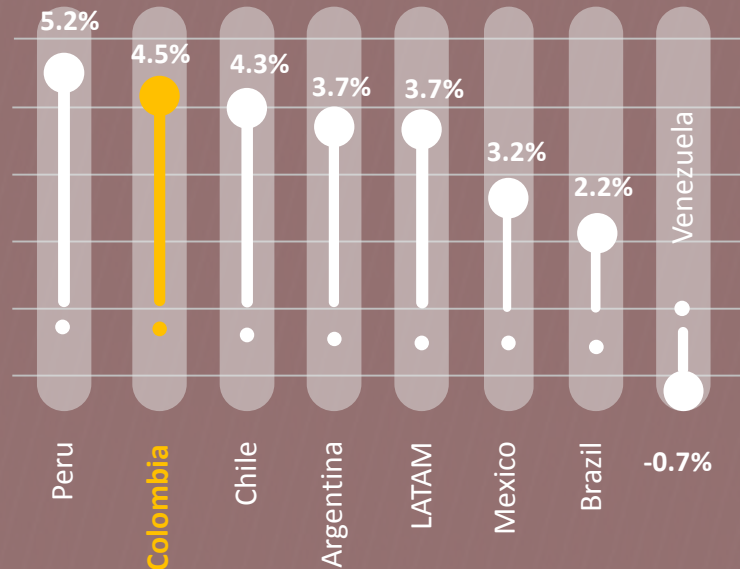
*Estimated.
Source: IMF, 2015



Colombia has a stable economy

4

Gross Domestic Product, average growth
2010 – 2015*



Source: IMF, 2016

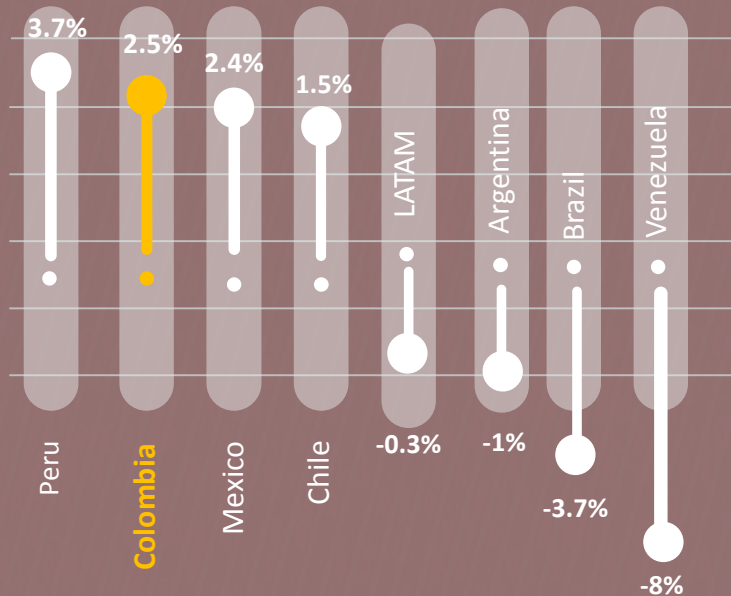
* Biggest economies in the region.

Number of years of recession
1966– 2015



Source: 1966 – 2014: World Bank - 2015: IMF

Gross Domestic Product Estimated growth 2016

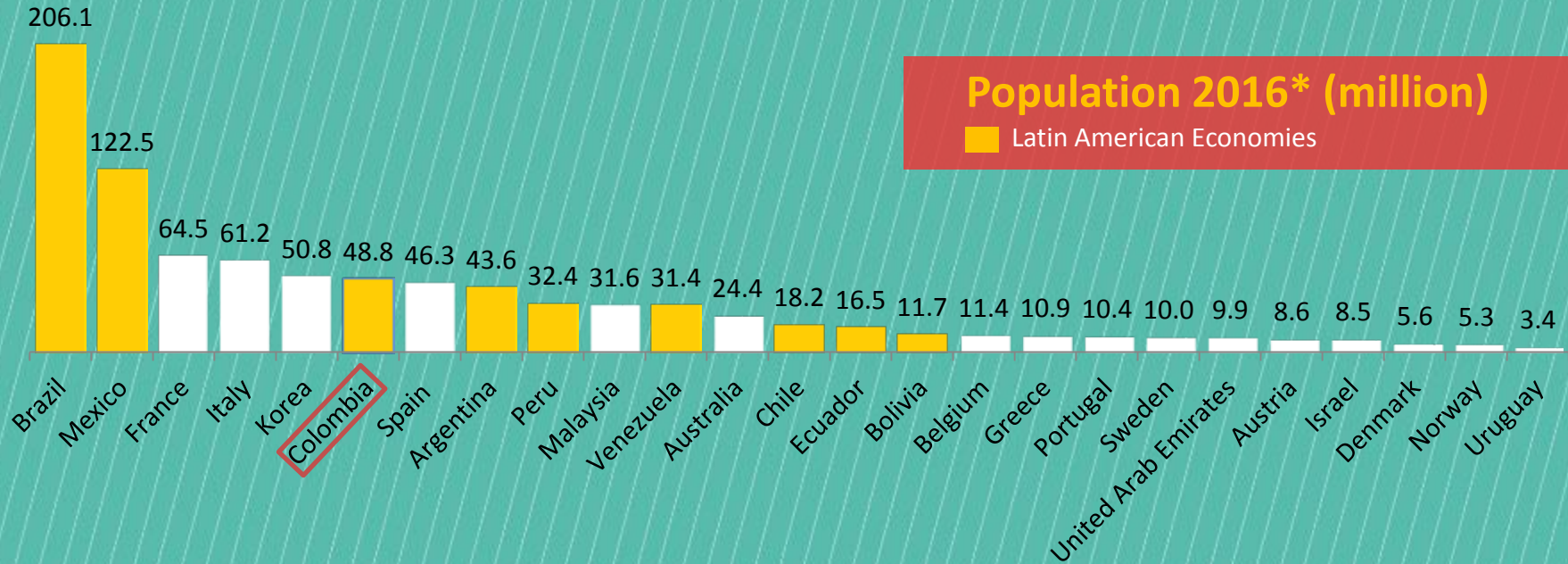


Colombia,
one of the top
growing economies
in 2016 among the
largest Latin
American
countries

Source: IMF, 2016.



Colombia is the 27th most populated in the world and the 3rd in Latin America



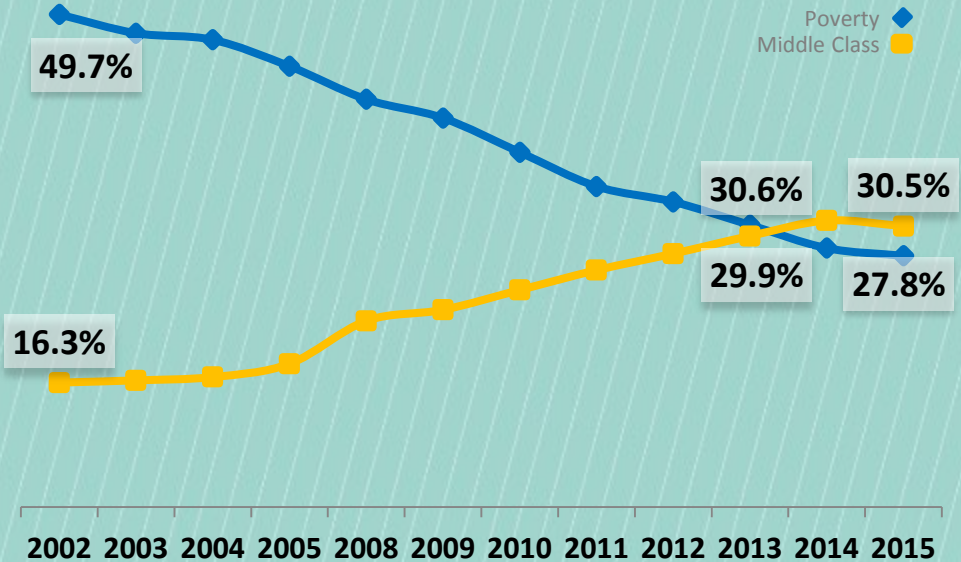
* Estimated.
Source: IMF, 2015.



A growing middle class

Percentage of people in poverty

2002 – 2015



Colombia has continuously decreased its poverty levels

Source: Poverty: National Administrative Department of Statistics – DANE
Middle class: The gained decade: the evolution of the middle class in Colombia between 2002 and 2011. Document CEDE # 50. Universidad de los Andes. And RADDAR for 2013 data.
Middle class 2015: DNP



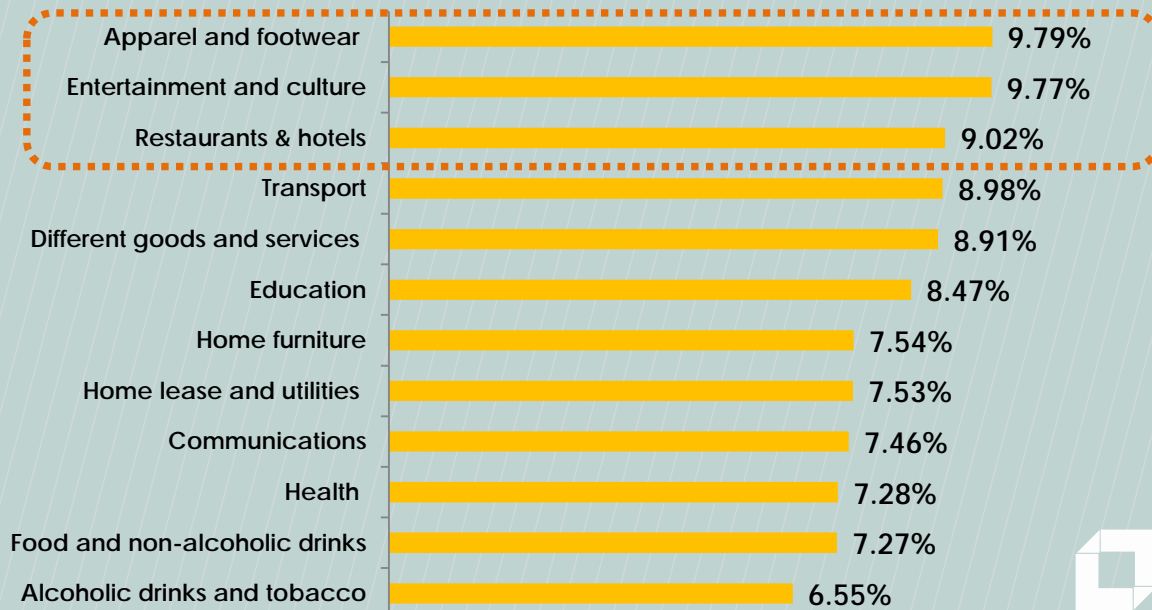
Middle class boosts consumer expenditure

Gross domestic product by intended purpose – CAGR* 2010 – 2015

In the last 5 years, consumer expenditure grew **8.27%**

Source: DANE, 2016

*CAGR: Compound Growth Annual Rate



COLOMBIA, an investment grade country

In July 2014, Moody's was the last rating agency in improving Colombia's rating due to two key drivers:

1. Positive growth forecast thanks to 4G infrastructure.
2. A sound fiscal management that will continue in the future.

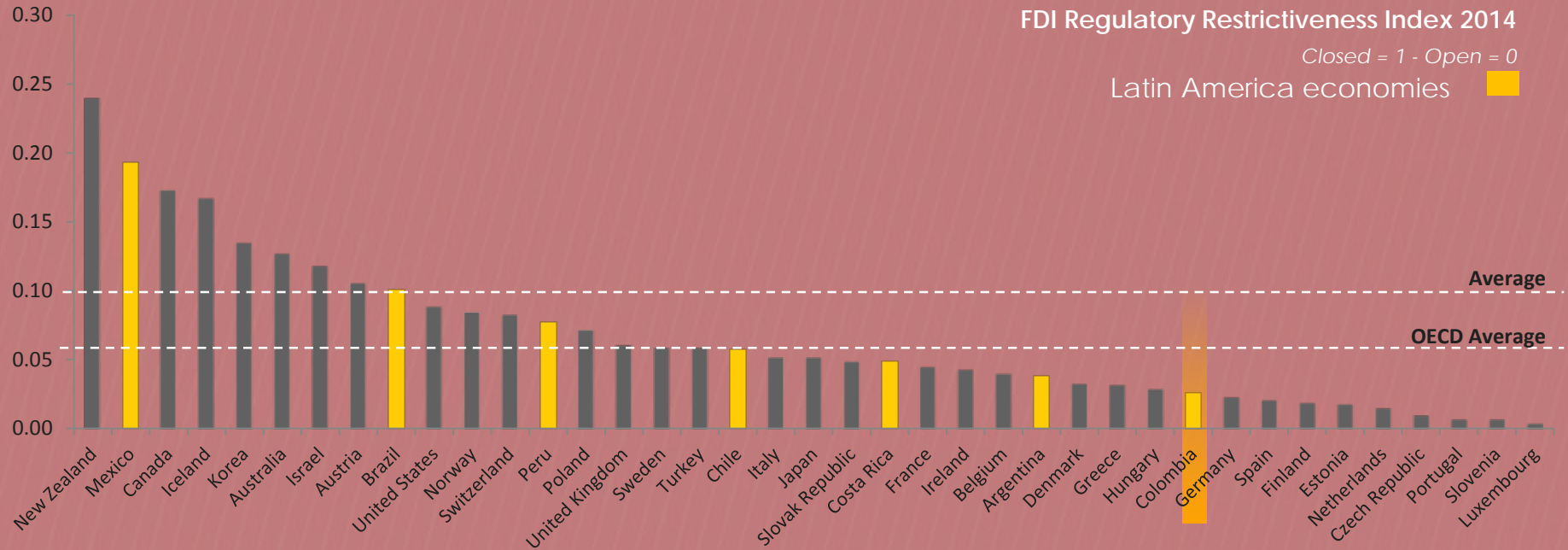
	STANDARD & POOR'S	FitchRatings	MOODY'S
Term	Long Term – Foreign currency	Long Term – Foreign currency	Long Term – Foreign currency
Rating	BBB	BBB	Baa2

Source: S&P Ratings; Dinero magazine, Colombian Treasury.



COLOMBIA

Low barriers to FDI



Source: OECD





Colombia was officially invited on may 2013 to initiate the process to become full member of the **OECD**

“The OCDE investment policy review examines Colombia's achievements in developing an open and transparent investment regime and its efforts to reduce restrictions on international investment”
OECD

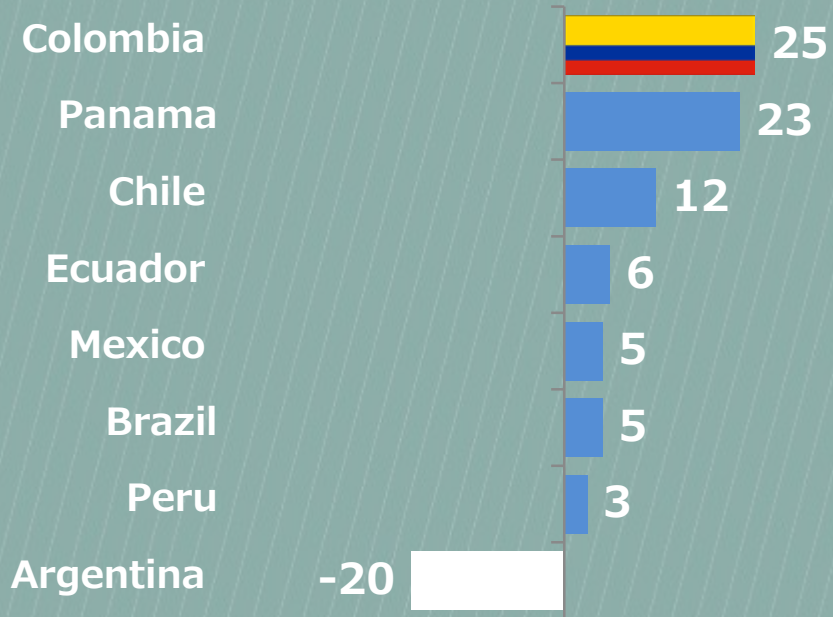
Colombia is implementing the roadmap to become full member of the OECD

OECD already approved 15 out of 23 Colombian committees

- Competition
- Statistics
- Health
- Consumer policy
- Financial markets
- Scientific and Technological Policy
- Regulatory Policy
- Fiscal Affairs
- Education
- Territorial Development Policy
- Information, Computer and Communications Policy
- Working Group on Bribery in International Business Transactions
- Investment Corporate Governance

Ranking Doing Business* 2007-2016

Change in positions



Colombia

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HAS THE MOST REFORMS IN
LATIN AMERICA TO
IMPROVE BUSINESS
ENVIRONMENT

Country	Ranking 2016	# de reforms 2006 - 2016
Colombia	54	30
Mexico	38	23
Ecuador	117	23
Peru	50	21
Chile	48	13
Panama	58	13
Brazil	116	11
Argentina	121	5

Source: World Bank. Doing Business 2016.

*Positive numbers indicate an improvement in the business environment

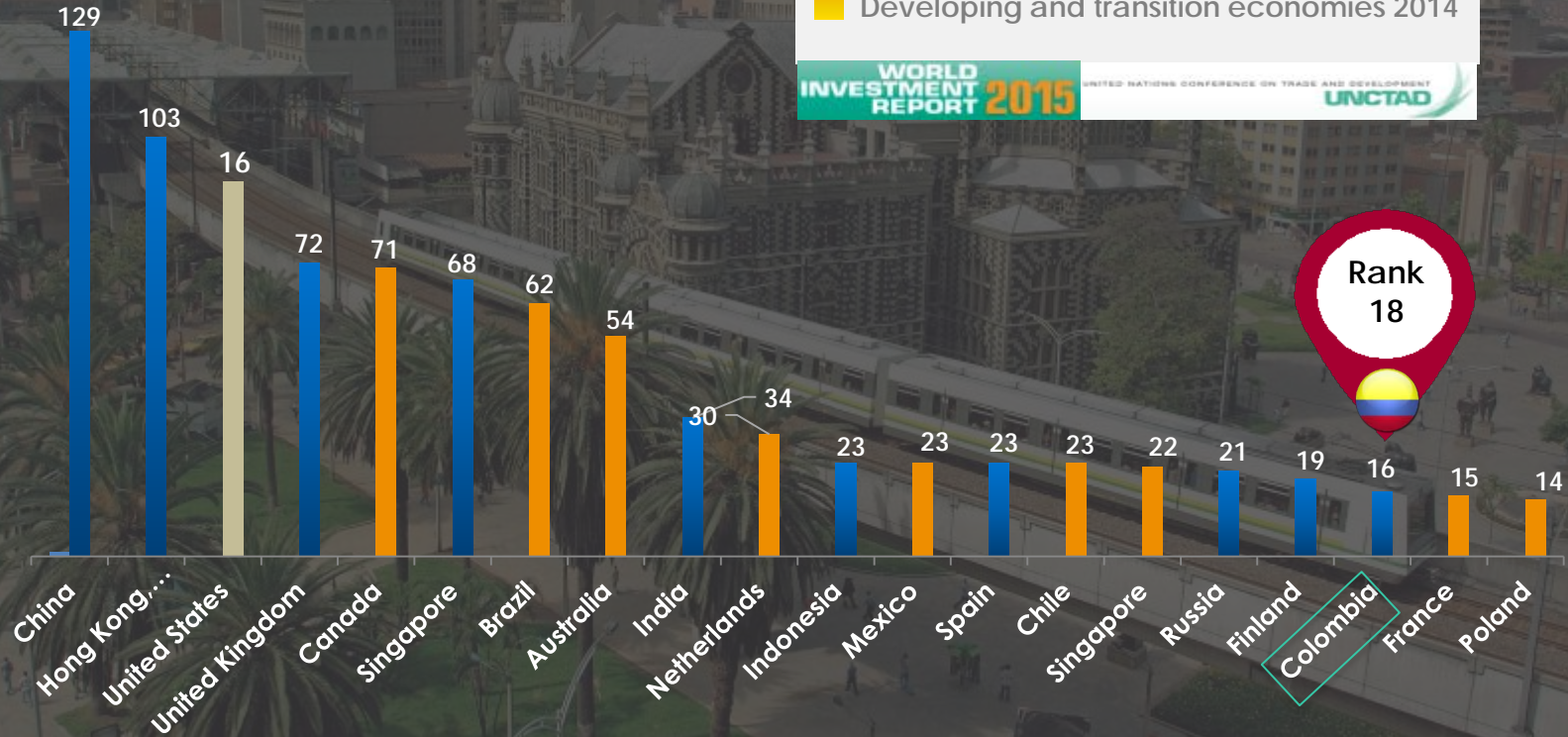
In 2016/ the World Bank changed its methodology including new variables for 5 topics: Dealing with construction permits, getting electricity, enforcing contracts and labor market regulation.

Photo taken from: http://orig12.deviantart.net/1026/fj/2008/176/b/4/brick_road_2_texture_by_jay_b_rich.jpg



Colombia remains as one of the top 20 destinations for FDI

Top 20 host economies in 2014
(USD billion)



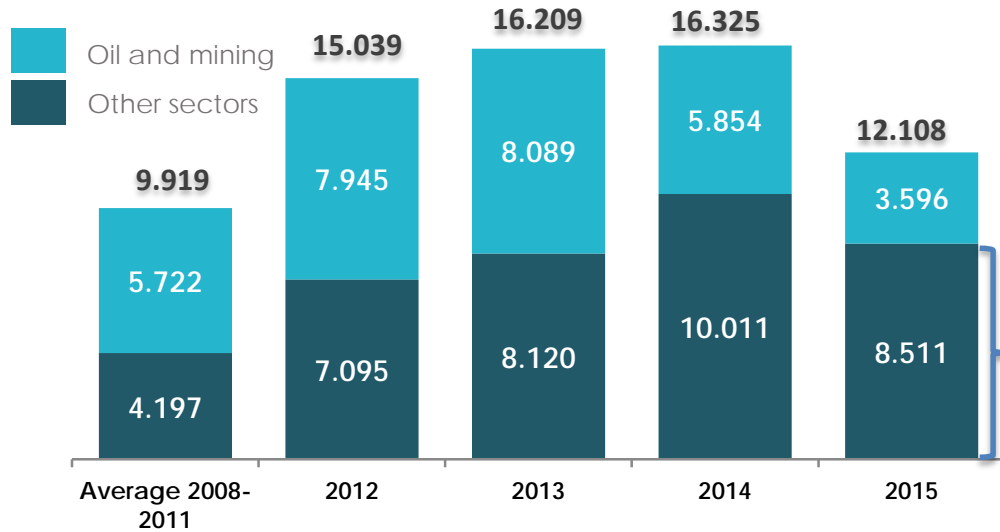
Source: UNCTAD – World Investment Report 2013 and 2014



Non-mining sectors accounts 70% of FDI inflows in 2015

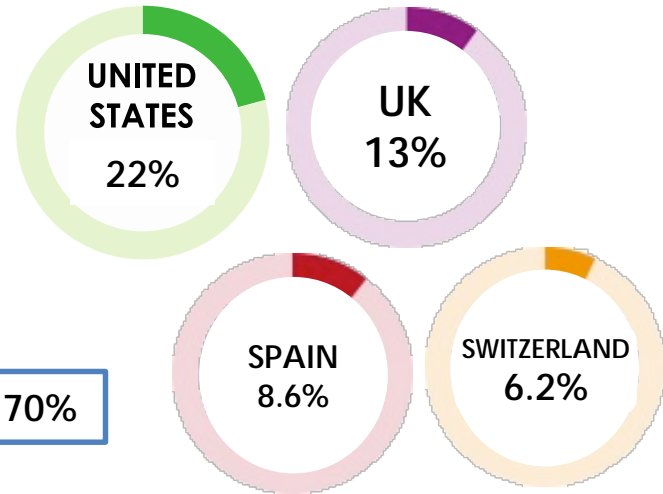
FDI Inflows. 2008 to 2015

US\$ million



Top Investing countries in Colombia

2000 – 2015



TOTAL 2000-2015
US\$ 137,179 M

Source: Balance of Payments - Banco de la Republica.

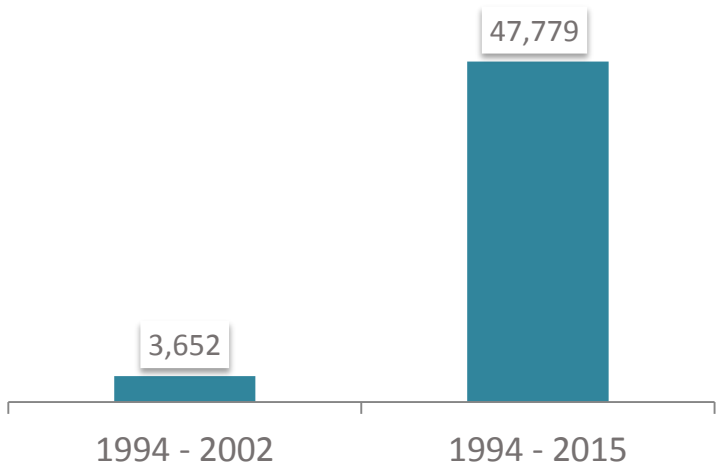
Share of all countries with positive cumulative investment, The information includes reinvested profits or investments in the oil sector

Note: the list of the top countries investing in Colombia does not include Panama. Last values available by country at 2014



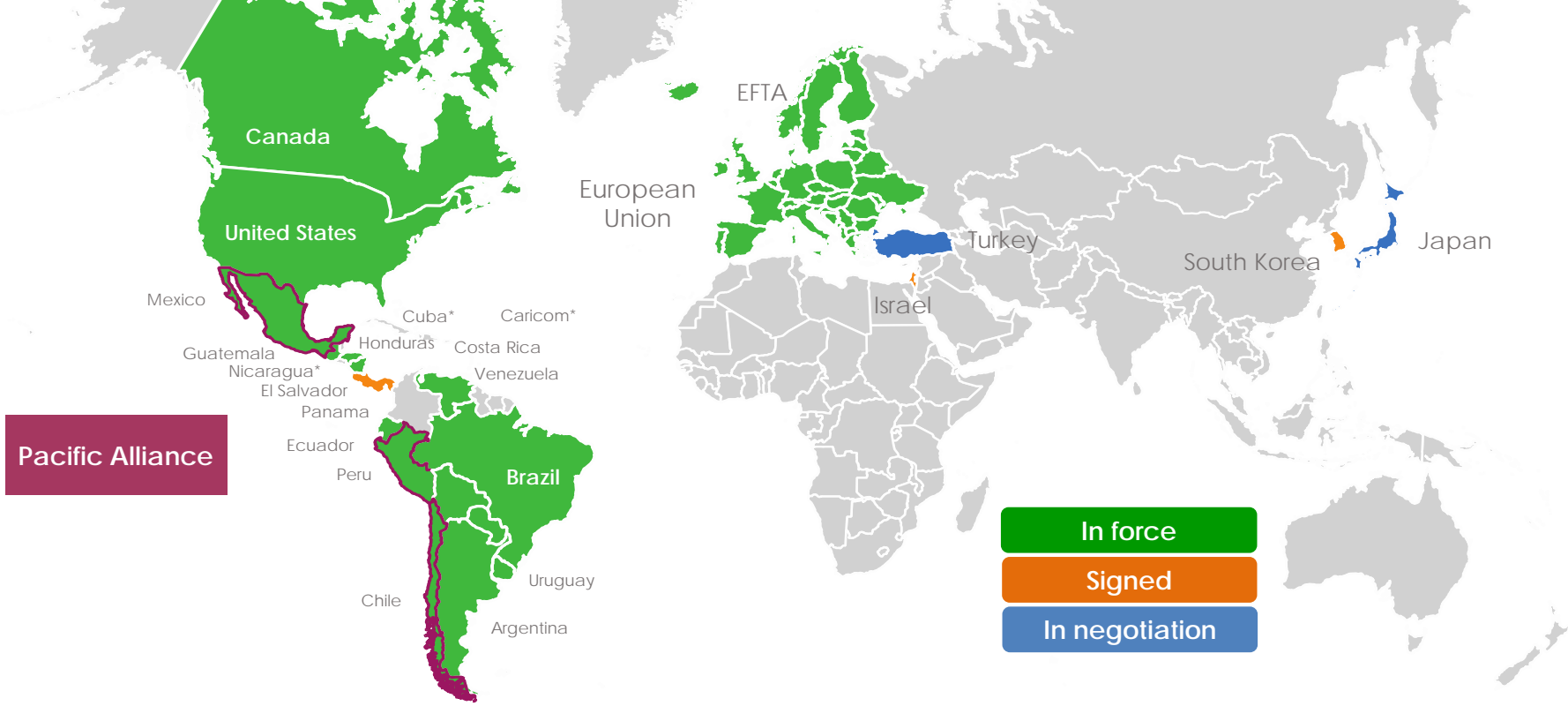
The stock of investment flows from Colombia to the world has grown¹⁵ 12-fold since 2002

Stock of outward FDI
1994 - 2015 US\$ million



Source: Banrep, 2015.
Source Top Latin American investors: EIU, 2015.





Colombia has access to 47 countries and more than 1.5 billion consumers through its network of trade agreements

*These are Partial Scope Agreements (PSA)

- - - The dotted line refers to member countries of The Pacific Alliance other than Colombia. - Chile, Peru and México.

Colombia: A gateway to the Pacific Alliance



Population of 219 million
More than Brazil's population



FTAs with 60 countries
Access to 86% of the World GDP

MILA is the first cross border initiative to integrate equities markets, without any sort of merger or global corporate integration, using only technological tools
Listed companies:

590

44% of the regional FDI
Total FDI of US\$69,608 million (2014)

GDP of US\$2,129 billion
The members generate 37% of the region's GDP

Source: IMF – UNCTAD, 2015.



No import duties. VAT exemption for goods sold from Colombia to FTZ.

Benefit from international trade agreements.

Free trade zones for different investor styles.

Allows sales to the local market.

Total number Free Trade Zones: 102

Number of Special Standing Single enterprise: (62)

Number of permanent Free Trade Zones (40)






Major multinational corporations have chosen
Colombia as an investment project destination



Japanese Companies in Colombia (80 companies in total)

 Mitsubishi Corporation

ITOCHU
ITOCHU


TOYOTA TSUSHO CORPORATION


HINO

 YAZAKI

Marubeni
CORPORATION

 Sumitomo
Corporation

 MITSUI & CO., LTD.


SUZUKI

 YAMAHA


MUFG
Bank of Tokyo-Mitsubishi UFJ

 SMBC SUMITOMO MITSUI
BANKING CORPORATION

CASTEM

ISUZU


TOYOTA

NISSIN
GROUP

TOSHIBA

 FURUKAWA
ELECTRIC GROUP

NEC

FUJITSU

 NIHON KOHDEN

SONY

RICOH

 TERUMO

 MITSUBISHI
ELECTRIC



PROCOLOMBIA

EXPORTACIONES TURISMO INVERSIÓN MARCA PAÍS

We
promote
exports



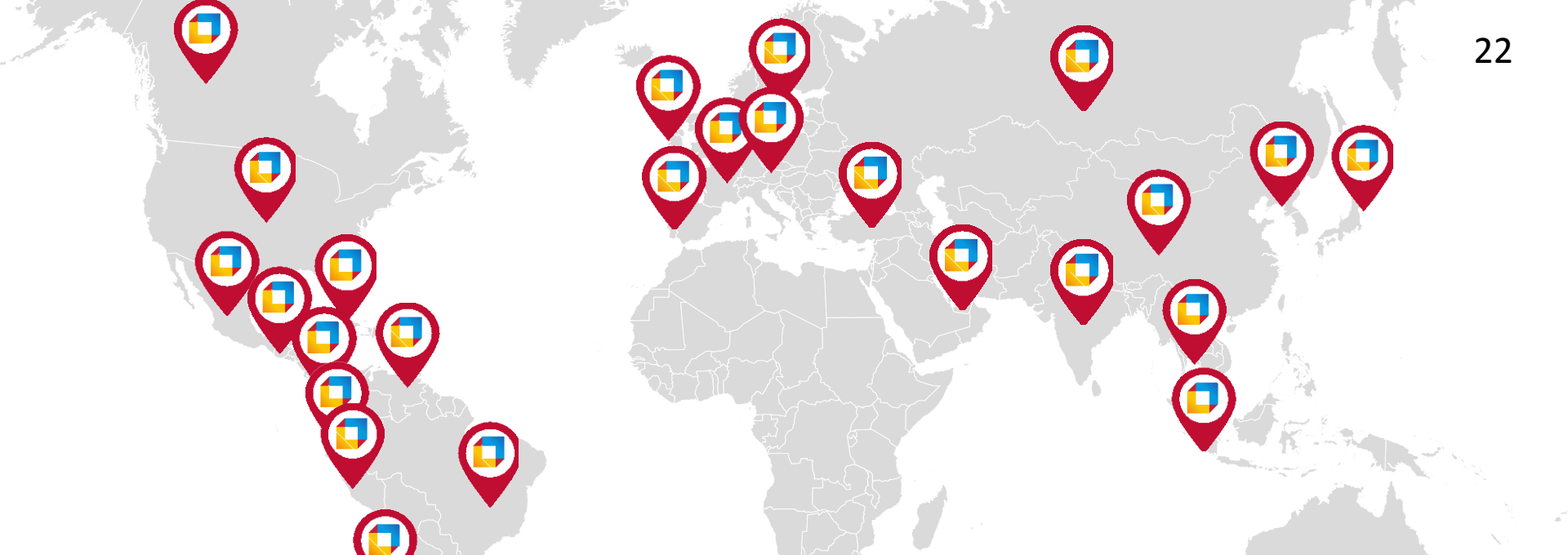
We
promote
investment
and industrial
expansion for
internationalization



We
promote
tourism



We
promote
country
brand



26 commercial offices | **30** countries

ProColombia around the world

United States / Canada / Mexico / Guatemala / Costa Rica / Caribbean / Venezuela / Brazil / Ecuador / Chile / Peru / Argentina / Spain / Germany / Portugal / United Kingdom / France / Turkey / United Arab Emirates / India / China / South Korea / Russia / Japan / Singapore / Indonesia

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ready to assist you in assessing
investment opportunities

