



# Doing Business in Colombia



U.S. Department of Commerce  
International Trade Administration

# Colombia at a Glance



- 3<sup>rd</sup> largest population in Latin America (48 million)
- Location- 2 coasts
- GDP 2011 of 5.9%
- 5 cities with 1 million+ consumer bases
- Fastest growing market in Latin America for oil and gas production

# Why Colombia?

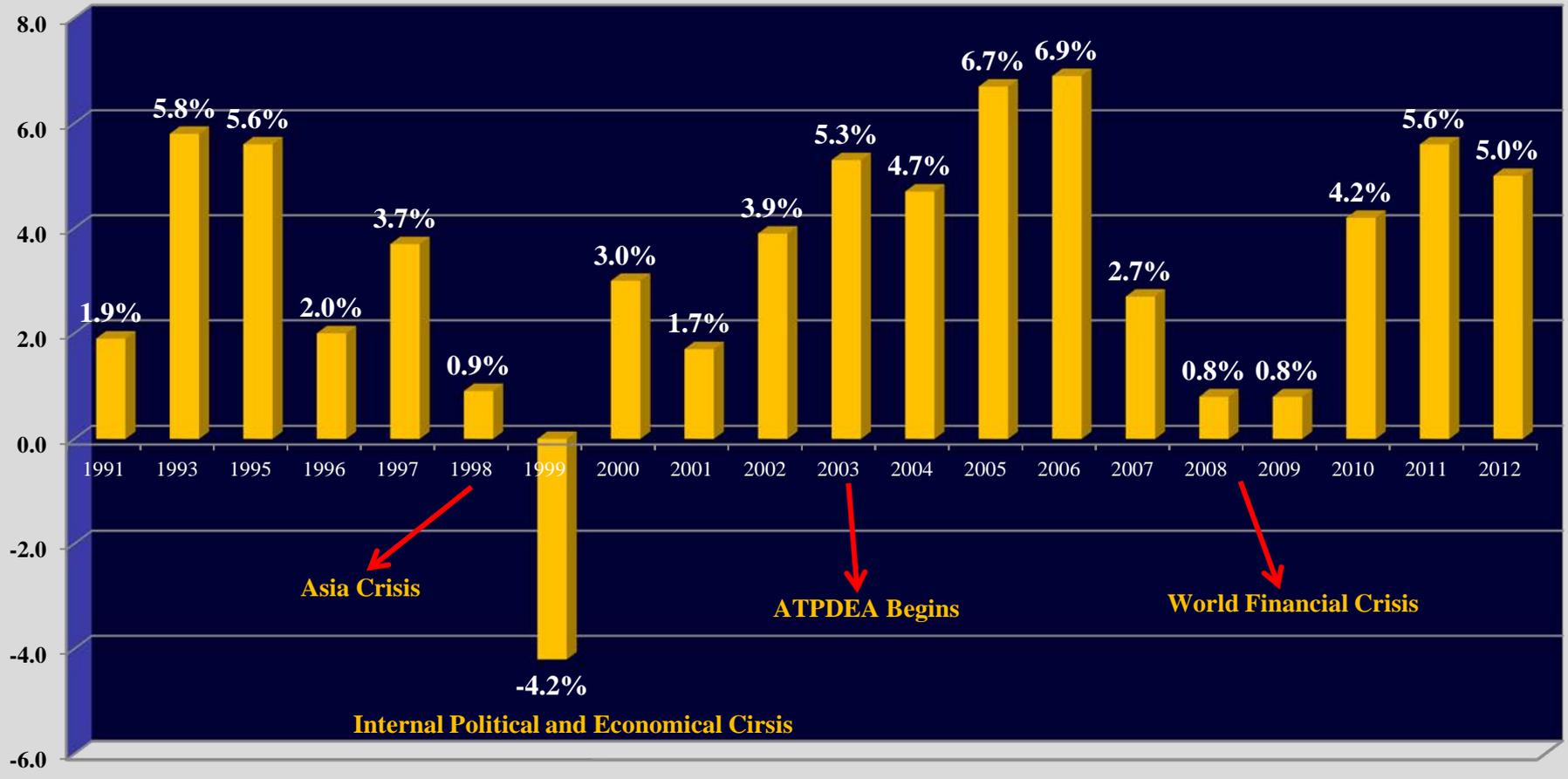
## An Economic Miracle

- **Next Tier Market** under President Obama's National Export Initiative
- GDP growth of 5.9% in 2011  
7.7% in 3<sup>rd</sup> quarter of 2011
- Emphasis on Major projects - \$26B - next four years
- Direct investment: \$13B





# Why Colombia? GDP Growth 1991-2012



Source: DANE/IMF

\*GDP per capita (nominal value)

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# Colombia at a Glance: Demographics

- Middle class is a growth indicator for buying power and opportunity for innovation.
- The middle class (monthly income between \$1,100 and \$5,500) has doubled since 2002 from 15% to 30%.
- Percentage of people in 20-40 age group:

20-29	17%
20-34	24%
20-39	31%



# Market Trends: U.S.-Colombia FTA

- Will help NEI but is NOT a cure-all
- It can:
  - Increase exports to Colombia by \$1.1 billion
  - Create/save jobs
  - Increase market access for goods and Colombia's \$166 billion services market
  - Non-tariff barriers to trade will be progressively eliminated as FTA enters into force
  - Improve business climate by reducing corruption and informality





# Market Practices

## Tips for Success in Colombia

- Be informed - Read CCG
- Colombia: Check the "Clinton List" /OFAC website
- Identify partners/background check
- Include arbitration clause in contracts
- Be familiar with the laws and regulations
- Always get legal advice
- USDOC FTA tool: An easy to use tool to find out what tariffs are:

<http://export.gov/fta/ftatarifftool>



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