



## DOING BUSINESS IN COLOMBIA

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## Introduction

 **CAPITAL: BOGOTÁ D.C. (CAPITAL DISTRICT)**

 **POPULATION**

**Total Population:** 49,648,685

**Natural Increase:** 1.5%

**Density:** 45 Inhabitants/km<sup>2</sup>

**Urban Population:** 80.8%

**Population of main metropolitan areas:** Bogota (9,155,100); Medellin (3,731,400); Cali (2,879,000); Barranquilla (1,958,500); Bucaramanga (1,113,500); Cartagena (1,061,400); Cúcuta (805,700)

**Ethnic Origins:** The population is comprised of about 58% of people of mixed Amerindian and European origin and 20% of European origin. Other Colombians are mulatto (14%), African (4%), mixed African-Amerindian (3%) and Amerindian (1%).

**Official Language:** Spanish.

**Other Languages Spoken:** There are still approximately 60 Amerindian languages in Colombia, as well as Palenquero, which is spoken by the Afro-descendants of the Palenque region.

**Business Language(s):** Spanish, English.

**Religion:** Catholics 95.2%, Others 4.8%.

**Literacy Rate:** 92.8%

**National Currency:** Colombian Peso (COP)

 **COUNTRY OVERVIEW**

**Area:** 1,141,749 km<sup>2</sup>

**Type of State:** Republic based on parliamentary democracy

**Type of Economy:** Lower-middle-income economy, Emerging Financial Market. Rich in mineral resources; the underground economy is very active.

**HDI\*:** 0.720/1

**HDI (World Rank):** 97/188

*Note: (\*) [The HDI](#), Human Development Index, is an Indicator Which Synthesizes Several Data Such as Life Expectancy, Level of Education, Professional Careers, Access to Culture etc.*

 **TELECOMMUNICATION**

**Telephone Code:**

To call from Colombia, dial 005, 007 or 009.

To call Colombia, dial To call a landline: +57 then the department code and the 7 figure telephone number. To call a mobile phone: +57 then the number of the mobile phone.

**Internet Suffix:** .co

**Computers:** 4.2 per 100 Inhabitants

**Telephone Lines:** 13.2 per 100 Inhabitants

**Internet Users:** 49.0 per 100 Inhabitants

**Access to Electricity:** 97% of the Population

**Foreign Trade in Figures**

<b>Foreign Trade Indicators</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Imports of Goods <i>(million USD)</i>	64,029	54,058	44,890	46,076	51,233
Exports of Goods <i>(million USD)</i>	54,795	35,691	31,045	37,800	41,774
Imports of Services <i>(million USD)</i>	13,381	11,084	10,816	11,792	13,188
Exports of Services <i>(million USD)</i>	6,782	7,150	7,796	8,353	9,125

Source: WTO – World Trade Organisation, 2017

[See the latest updates in the Country Profile for Colombia.](#)

Latest Update: December 2019

## Business Environment

### ACCOUNTING RULES

Tax Year	The fiscal year begins on 1 January and ends on 31 December.
Accounting Standards	Colombian GAAP. Since the application of the 'Law of Convergence' in 2014, the IFRS are also applied.
Accounting Regulation Bodies	<a href="#">Contaduria</a>
Accounting Reports	The accounting structure should include: <ul style="list-style-type: none"> <li>- The balance sheet: Assets (current assets, liquid assets, bad debt allowance, salaries, other, income tax, inventories, expenses incurred, Total current assets), equipment (machinery property, Depreciation), and other assets ;</li> <li>- The income statement: Revenues, Gross profit, Operating costs, Operating earnings, Total operating costs, Earnings before income taxes, Net income ;</li> <li>- The operational balances; and</li> <li>- The annexes.</li> </ul>
Publication Requirements	The Colombian <a href="#">Commerce Code</a> does not detail the requirements for accounting and the certification of accounts. It is generally found in practice that companies maintain up-to-date ledgers and inventories also annually prepare the documents necessary for a financial analysis (balance sheet, income statement, operational balances and annex).
Professional Accountancy Bodies	<a href="#">INCP</a> , National Institute of Expert Public Accountants.
Certification and Auditing	In Colombia, all companies, along with the subsidiaries of foreign companies, are required to seek a statutory auditor to conduct an annual audit of the financial health of their organisation. The auditors must be certified public accountants and must ensure the Government the accuracy of the published accounting information. When signing the financial statements, they certify that they have been informed of all the required information.
Accounting News	<a href="#">See 'News' on the website of the National General Accounting Office IAS Plus</a>

### TAX RATES

#### Consumption Taxes

Nature of the Tax	Impuesto al Valor Agregado (IVA) - Value Added Tax (VAT)
Tax Rate	19%
Reduced Tax Rate	5% on certain services (sale of agricultural products, insurance, safety and cleaning services) and goods (roasted coffee, wheat, corn for industrial use, raw oil from palm trees, agricultural equipment, electric or hybrid cars and some personal hygiene products). 0% on certain services (irrigation system, fixed internet, educational services, public transport) and goods (most essential food products, books, newspapers, etc.)
Other Consumption	An indirect consumption tax is levied on mobile phone services at 4%, vehicles and aircraft at 8% or 16% and on restaurant and cafeteria services at 8%. Excise duties levied on cigarettes and certain alcoholic beverages (beverages with

Taxes more than 35% alcohol) at rates ranging from 20% to 55%.

Learn more about [Service Providers in Colombia](#) on Globaltrade.net, the Directory for [International Trade Service Providers](#).

## Corporate Taxes

Company Tax	33% (as of tax year 2019 - it will be reduced gradually to 30% by 2022). A 20% rate applies to companies located in a free trade zone.
Tax Rate For Foreign Companies	Resident companies are taxed on their worldwide income whereas non-resident companies are only taxed on their Colombia-source income. Companies established in free zones are subject to a reduced 20% income tax.
Capital Gains Taxation	Capital gains from the sale of assets are taxed at 10%.
Main Allowable Deductions and Tax Credits	Amortisation of tangible and intangible assets can be deducted at rates ranging from 2.22% to 20% (the International Financial Reporting Standards (IFRS) apply to the amortisation of assets acquired after December 31, 2016). Depreciation rates can be increased for companies that operate on 16 hour-shifts (25% per each 16 hour-shift). Goodwill cannot be amortised for tax purposes (any goodwill generated since 2017). Start-up expenses give rise to a tax deduction. Bad debt and interest expenses are generally tax deductible. Donations to charities now give rise to a tax credit instead of a deduction from the tax base. Fines are not tax deductible. Expenses incurred abroad for the purpose of earning income in Colombia are deductible up to 15% of the taxpayer's net income. Most taxes, except for equity and standardisation taxes, are 100% deductible. As of 2019, 50% of the industry and trade tax and its complementary tax can also be deducted. A 100% tax credit will be granted as of 2022. Tax losses (incurred since 2017) can be carried forward up to 12 years. The carryback of losses is not permitted.
Other Domestic Resources	<a href="#">Consult Doing Business Website</a> , to obtain a summary of the taxes and mandatory contributions.

## Country Comparison For Corporate Taxation

	Colombia
Number of Payments of Taxes per Year	11.0
Time Taken For Administrative Formalities (Hours)	255.5
Total Share of Taxes (% of Profit)	71.9

Source: Doing Business - Latest available data.

## Individual Taxes

### Tax Rate

Income Tax	Progressive tax rate from 0% to 33%. The Colombian tax system is expressed on Tax Value Units, UVT.
Up to UVT 1,090	0%
UVT 1,091 to 1,700	19%
UVT 1,701 to 4,100	28%

UVT 4,100 to 8,670	33%
UVT 8,670 to 18,970	35%
UVT 18,970 to 31,000	37%
Over UVT 31,000	39%

Allowable Deductions and Tax Credits	Residents can deduct from compensation mortgage interest paid in Colombia (up to 1,200 UVT tax units in 2019 or COP 41 124 000). Employees may deduct prepaid medical assistance (up to COP 6 580 000 per year in 2019) and educational expenses (up to COP 13 160 000 or 10% of the gross labour income). Donations made to certain institutions dedicated to development of health, education, culture, religion, sports, scientific and technological research, ecology and the protection of the environment, or to social development programmes of general interest are deductible.
Special Expatriate Tax Regime	There is no special tax regime for expatriates.

**Double Taxation Treaties**

Countries With Whom a Double Taxation Treaty Have Been Signed	<a href="#">Visit the website of the Ministry of Foreign Affairs for the full list of Double Taxation Agreements</a>
Withholding Taxes	Dividends: 5/38.25% (effective rate - 35% standard rate and a special 5% rate that applies to the amount after taxes) Interest: 5%/15% Royalties: 20% (as of 2019)

**Sources of Fiscal Information**

Tax Authorities	<a href="#">Ministry of Finance</a> <a href="#">Department of Tax and Customs</a>
Other Domestic Resources	<a href="#">Colombian tax system</a>

Learn more about [Taxes and Accounting in Colombia](#) on Globaltrade.net, the Directory for [International Trade Service Providers](#).

**INTELLECTUAL PROPERTY**

National Organisations	The organisations with competence in matters of industrial property and copyright are the <a href="#">Superintendencia de Industria y Comercio</a> and the <a href="#">Dirección Nacional de Derecho de Autor</a> .
Regional Organisations	Colombia is a member of various regional IPR related treaties and organisations, such as the Inter-American Convention on the Rights of the Author in Literary, Scientific and Artistic Works; Buenos Aires Convention on Literary and Artistic Copyright; General Inter-American Convention for Trade Mark and Commercial Protection; the Andean Community (CAN); and the Andean Tribunal of Justice.
International	<a href="#">Member of the WIPO</a> (World Intellectual Property Organization)

Membership [Signatory to the Paris Convention](#) For the Protection of Intellectual Property  
[Membership to the TRIPS agreement](#) - Trade-Related Aspects of Intellectual Property Rights (TRIPS)

**National Regulation and International Agreements**

Type of property and law	Validity	International Agreements Signed
Patent  Invention Patent (patente de invención)	20 years	<a href="#">Patent Cooperation Treaty (PCT)</a>
Trademark  Law on trademarks, <a href="#">Decision 486 on the Common Regime of Industrial Property</a>	10 years indefinitely renewable.	<a href="#">Trademark Law Treaty Protocol Relating to the Madrid Agreement</a> Concerning the International Registration of Marks
Design  <a href="#">Decision 486 on the Common Regime of Industrial Property</a>	10 years from the filing date of the application	
Copyright  <a href="#">Decision 351 on the Common Regime of Copyright and Neighbouring Rights</a>	80 years from the author’s death	<a href="#">Berne convention</a> For the Protection of Literary and Artistic Works <a href="#">Convention for the Protection of Producers of Phonograms</a> Against Unauthorized Duplication of Their Phonograms <a href="#">Rome Convention</a> For the Protection of Performers, Producers of Phonograms and Broadcasting Organizations <a href="#">WIPO Copyright Treaty</a> <a href="#">WIPO Performances and Phonograms Treaty</a>
Industrial Models  <a href="#">Decision 486 on the Common Regime of Industrial Property</a>	10 years from the filling date of the application	

**LEGAL FRAMEWORK**

Independence of Justice The judiciary is not independent and the country's judicial system is slow and plagued by corruption and extortion. However, considerable advances have been made in the promotion of transparency in the implementation of trade legislation.

Equal Treatment of Nationals and Foreigners From a legal standpoint, foreign nationals can generally expect to be treated similarly to Colombian nationals, although some complaints to the contrary have been filed. For more information please contact your embassy.

The Language of Justice Spanish

Recourse to an Interpreter One is always permitted to be accompanied by an interpreter (contact your embassy).

Sources of the Law and Legal Similarities The main basis of law in Colombia is the Constitution of 1991, partly based on Spanish law. Law is also based on the judicial review of legislative and executive acts. A new penal code, modelled on procedures in the U.S., was declared in 2004.

Checking National Laws Online [Consult the Library of Congress](#)  
[Consult Colombian legislation on Lexadin](#)

Learn more about [Lawyers and Legal in Colombia](#) on Globaltrade.net, the Directory for [International Trade Service Providers](#).

## STANDARDS

National Standards Organisations [ICONTEC](#), National Institute of Technical Standards and Certification.

Integration in the International Standards Network The organisation responsible for the choice of standards and standardisation of production is the Colombian Institute of Technical Standards ([Instituto Colombiano de Normas Técnicas y Certificación](#) ; [ICONTEC](#)). This organisation is an active member of the International Organisation of Standardisation ([ISO](#)), the International Electrotechnical Commission ([IEC](#)), and the Pan American Standards Commission ([COPANT](#)).

Classification of Standards NTC/ISO

Online Consultation of Standards To consult the national technical standards visit the [ICONTEC](#) website.

Certification Organisations [ICONTEC](#) Colombian Institute of Technical Standards.

## BUSINESS PRACTICES

General Information [Kwintessential Cultural Information - Global Affairs Canada](#)

Opening Hours and Days Banks are open Monday through Friday from 9 a.m. to 4 p.m. in Bogota and 8 a.m. to 11:30 a.m. and 2 p.m. to 4:30 p.m. in the rest of the country. On the last workday of each month, banks close at noon.  
 Public administrative offices operate Monday through Friday from 8 a.m. to 12:00 noon and 2 p.m. to 6 p.m.  
 Business offices are open Monday through Friday and sometimes on Saturday from 8 a.m. to 12:00 noon and 1 p.m. to 5 p.m.  
 Store are open Monday through Saturday from 9 a.m. to 7 p.m.  
 Shopping malls are open daily from 10 a.m. to 7 p.m.  
 Some supermarkets are open 24/7.

### Public Holidays

New Year	1 January
Easter Sunday	Varies
Labor Day	1 May
Independence Day	20 July
Battle of Boyaca	7 August
Immaculate Conception	8 December
Christmas	25 December



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Holiday Compensation    The celebration of holidays are always postponed until the following Monday when the holiday falls on a weekend.

**Periods When Companies Usually Close**

End of year vacation	24 December-7 January
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Latest Update: December 2019

## Economic and Political Overview

### FOREIGN TRADE IN FIGURES

Colombia's foreign trade represented 34.9% of the country's GDP in 2017, according to the World Bank. The country's international trade has been multiplied by five in the past ten years. Colombia mainly exports petroleum oils (35.4%), coal (18%), coffee (6.8%), gold (4.6%), flowers (3.7%), and bananas (2.4%). The country's main imports include petroleum oils (7.9%), Transmission apparatus for radio-telephony (4.5%), motor vehicles (4.3%), medicaments (2.8%), data processing machines (2.4%), and maize (2%).

Colombia's main trade partners are the United States, Panama, Germany, the Netherlands, China, Brazil and Mexico. Colombia has signed trade agreements with the ANC countries (Andean Community of Nations), the MERCOSUR countries, the Central American and Caribbean countries and the European Union. Along with Mexico, Chile and Peru, Colombia founded the Pacific Alliance in 2012, designed to boost trade relations with Asian emerging markets. The country is also part of numerous free trade agreements with Chile, Guatemala, Honduras, El Salvador, Canada, Mexico, Switzerland, Norway, Iceland, Liechtenstein and the United States. The free-trade agreement with the United States, which came into force in May 2012, has had a particularly large impact in the Colombian economy, given that the United States is the country's biggest trade partner.

Colombian exports have suffered from falling oil prices and an economic slowdown in its key partner markets. The country's exports have been declining steadily since 2011, while imports have increased (from -7.3% in 2016 to 0.2% in 2017). Thus, Colombia has had a trade deficit since 2014. However, the deficit has been reducing, and in 2017 it reached USD 4.7 million (compared to USD 9.1 million in 2016), a trend that is expected to continue in the next few years.

<b>Foreign Trade Indicators</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Imports of Goods <i>(million USD)</i>	64,029	54,058	44,890	46,076	51,233
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Exports of Services <i>(million USD)</i>	6,782	7,150	7,796	8,353	9,125
Imports of Goods and Services <i>(Annual % Change)</i>	7.8	-1.1	-3.5	1.2	7.9
Exports of Goods and Services <i>(Annual % Change)</i>	-0.3	1.7	-0.2	2.5	3.9
Imports of Goods and Services <i>(in % of GDP)</i>	20.9	22.7	21.5	20.2	20.8
Exports of Goods and Services <i>(in % of GDP)</i>	16.6	15.7	14.7	15.1	15.9
Trade Balance <i>(million USD)</i>	-4,641	-13,479	-9,176	-4,470	-5,143
Trade Balance (Including Service) <i>(million USD)</i>	-11,863	-18,267	-12,705	-8,447	-8,908
Foreign Trade <i>(in % of GDP)</i>	37.5	38.4	36.2	35.3	36.8

Source: WTO - World Trade Organisation ; World Bank , Latest Available Data

### Main Partner Countries

<b>Main Customers</b> <i>(% of Exports)</i>	<b>2018</b>	<b>Main Suppliers</b> <i>(% of Imports)</i>	<b>2018</b>
United States	27.1%	United States	25.6%
China	9.7%	China	20.6%

<b>Main Customers</b> <i>(% of Exports)</i>	<b>2018</b>
Panama	7.3%
Ecuador	4.4%
Turkey	4.0%
Mexico	3.9%
Brazil	3.7%
Chile	2.8%
Spain	2.8%
Peru	2.8%

<b>Main Suppliers</b> <i>(% of Imports)</i>	<b>2018</b>
Mexico	7.7%
Brazil	5.5%
Germany	4.2%
Japan	2.5%
India	2.3%
France	2.3%
Spain	1.9%
Canada	1.7%

Source: Comtrade, Latest Available Data

### Main Products

<b>41.8 bn USD of products exported in 2018</b>	
Petroleum oils and oils obtained from bituminous minerals, crude	32.8%
Coal; briquettes, ovoids and similar solid fuels manufactured from coal	15.7%
Petroleum oils and oils obtained from bituminous minerals (excl. crude); preparations containing $\geq 70\%$ by weight of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, n.e.s.; waste oils containing mainly petroleum or bituminous minerals	7.1%
Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion	5.6%
Cut flowers and flower buds of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepared	3.5%
Gold, incl. gold plated with platinum, unwrought or not further worked than semi-manufactured or in powder form	3.4%
Coke and semi-coke of coal, of lignite or of peat, whether or not agglomerated; retort carbon	2.1%
Bananas, incl. plantains, fresh or dried	2.1%
Ferro-alloys	1.3%
Palm oil and its fractions, whether or not refined (excl. chemically modified)	1.1%

<b>51.2 bn USD of products imported in 2018</b>	
Petroleum oils and oils obtained from bituminous minerals (excl. crude); preparations containing $\geq 70\%$ by weight of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, n.e.s.; waste oils containing mainly petroleum or bituminous minerals	6.3%
Transmission apparatus for radio-telephony, radio-telegraphy, radio-broadcasting or television, whether or not incorporating reception apparatus or sound recording or reproducing apparatus; television cameras; still image video cameras and other video camera recorders; digital cameras	4.7%
Motor cars and other motor vehicles principally designed for the transport of persons, incl. station wagons and racing cars (excl. motor vehicles of heading 8702)	4.5%
Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses, put up in measured doses incl. those in the form of transdermal administration or in forms or packings for retail sale (excl. goods of heading 3002, 3005 or 3006)	2.8%
Automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form and machines for processing such data, n.e.s.	2.3%
Powered aircraft e.g. helicopters and aeroplanes; spacecraft, incl. satellites, and suborbital and spacecraft launch vehicles	2.1%
Maize or corn	2.0%

<b>51.2 bn USD of products imported in 2018</b>	
Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera and other blood fractions and modified immunological products, whether or not obtained by means of biotechnological processes; vaccines, toxins, cultures of micro-organisms (excl. yeasts) and similar products	1.5%
Television receivers, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus; video monitors and video projectors	1.4%
Motor vehicles for the transport of goods, incl. chassis with engine and cab	1.4%

Source: Comtrade, Latest Available Data

See More Products [More imports \(Intracen Data\)](#)  
[More exports \(Intracen Data\)](#)

MAIN SERVICES

<b>8.0 bn USD of services exported in 2016</b>	
Travel	59.81%
Transportation	20.44%
Other business services	10.94%
Communications services	2.55%
Computer and information services	1.63%
Cultural and recreational services	1.62%
Government services	1.62%
Royalties and license fees	0.70%
Financial services	0.39%
Insurance services	0.29%

<b>10.9 bn USD of services imported in 2016</b>	
Travel	38.27%
Transportation	23.53%
Other business services	14.28%
Insurance services	8.49%
Royalties and license fees	3.98%
Computer and information services	3.55%
Communications services	3.38%
Financial services	2.19%
Government services	1.45%
Cultural and recreational services	0.88%
Construction services	n/a%

Source: United Nations Statistics Division, Latest Available Data

POLITICAL OUTLINE

**Executive Power** The President is both the Head of State and the Head of Government. He or she holds executive power. The President and Vice President are both elected by universal suffrage for a term of four years.

**Legislative Power** The Colombian legislature is bicameral. The parliament called 'Congress', consists of: the Senate (upper house) and the Chamber of Deputies (lower chamber). The 108 members of the Senate and the 1720members of the Chamber of Deputies are elected for a period of four years by universal suffrage. The political rights of Colombians are

	limited.
Main Political Parties	<p>About 60 political parties are formally recognised in Colombia, but most are not represented in the Chamber of Deputies. The broad Social Party of National Unity (UN) coalition consists of the UN, CR, PL and maintains a working majority in the Congress. The main political parties in Colombia are:</p> <ul style="list-style-type: none"> <li>- <a href="#">Social Party of National Unity (UN)</a>: centre-right, liberal</li> <li>- <a href="#">Democratic Centre (CD)</a>: centre-right, opposition</li> <li>- <a href="#">Conservative Party (PC)</a>: centre-right, pro-Santos, Christian</li> <li>- <a href="#">Liberal Party (PL)</a>: centre-left, pro-Santos</li> <li>- <a href="#">Radical Change Party (CR)</a>: centre-right, pro-Santos</li> <li>- Opción Ciudadana: far-right</li> <li>- <a href="#">Alternative Democratic Pole (PDA)</a>: centre-left</li> <li>- <a href="#">Independent Movement of Absolute Renovation (MIRA)</a>: advocates miraism, non-violent, looks to bridge gap between traditional left and right movements</li> <li>- <a href="#">Green Party</a>: centre-left, progressive</li> <li>- Humane Colombia</li> <li>- People's Alternative Revolutionary Force or FARC</li> </ul>
Current Political Leaders	<p>President: Iván Duque Márquez (since 7 August 2018)            Vice President: Marta Lucia RAMIREZ Blanco (since 7 August 2018)</p>
Next Election Dates	<p>Presidential: April 2022            Congress: March 2022</p>

### Indicator of Freedom of the Press

World Rank:	129/180
Evolution:	5 places up compared to 2016

Source: [2019 World Press Freedom Index, Reporters Without Borders](#)

### Indicator of Political Freedom

Ranking:	Partly Free
Political Freedom:	3/7

[Political freedom in the world \(interactive map\)](#)

Source: [Freedom in the World 2019, Freedom House](#)

Latest Update: December 2019

## Buying and Selling

### MARKET ACCESS PROCEDURES

International Conventions	<p>Member of <a href="#">World Trade Organisation</a></p> <p>Party to the <a href="#">Kyoto Protocol</a></p> <p>Party to the <a href="#">Washington Convention</a> on International Trade in Endangered Species of Wild Fauna and Flora</p> <p>Party to the <a href="#">Basel Convention</a> on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal</p> <p>Party to the <a href="#">Montreal Protocol</a> on Substances That Deplete the Ozone Layer</p> <p>Party to the <a href="#">Wassenaar Arrangement</a> on Export Controls For Conventional Arms and Dual-Use Goods and Technologies</p> <p>Party of the <a href="#">International Coffee Agreement 2007</a></p>
Main International Economic Cooperation	<p>Colombia has signed many international trade agreements, including:</p> <ul style="list-style-type: none"> <li>- Latin American Association of Integration - <a href="#">ALADI</a></li> <li>- Andean Community - <a href="#">CAN</a> -Colombia, Equator, Peru, Bolivia</li> <li>- CAN - <a href="#">Mercosur</a></li> <li>- Central American and the Caribbeans</li> <li>- FTA - Free Trade Agreement Colombia and Chile</li> <li>- FTA Colombia, El Salvador, Guatemala and Honduras</li> <li>- FTA Colombia, Peru and Canada</li> <li>- FTA G2- Group of Two - Colombia and Mexico</li> <li>- FTA Colombia and Peru - EFTA</li> <li>- FTA Colombia and United States</li> <li>- Trade Union CAN - <a href="#">UE</a></li> </ul> <p>Colombia is part of the <a href="#">Pacific Alliance</a>.</p> <p>For more information consult <a href="#">this link</a>.</p>
Non Tariff Barriers	<p>Several non-tariff barriers to trade exist in Colombia: a cumbersome bureaucracy; pilferage in customs warehouses and trucks; shipment detainment in customs because of improper tariff schedule classification, incorrect address or typing errors; inspections carried out by import operations observers; import licences, pre-approval or phytosanitary registration and permits.</p>

All imported goods have to be registered with the Ministry of Foreign Trade (Mincomex) on a form called 'Registro de Importacion', worth 21,500 pesos (about 11 USD). Most products are automatically authorised to be imported if this form is presented (imports under the 'Registro' procedure). There are nevertheless a certain number of goods (especially agricultural products) that are subject to licence (imports under the 'Licencia' procedure).

Import authorisations (automatic and licensed) are valid for 6 months, except for the following products: capital goods: 12 months; perishable foodstuffs: 2 months. The goods have to be claimed at Customs before the expiry date of the licence. Besides that, some products are subject to phytosanitary measures, and the importer should be registered with a certain number of organisations: the Instituto Colombiano Agropecuario for plants and animal products, the [INVIMA](#) for medicines, medical underwear, cosmetics and the [Ministry of Transport](#) for all types of vehicles. Some farm products can be imported only with a visa from the [Ministry of Agriculture](#), as long as the importer also buys identical local products. According to local conditions, it is also possible that the Ministry does not permit the import of certain products during a given period.

The import of vehicles, tires, second hand clothes and violent toys is forbidden. The import of weapons is strictly limited to the army.

Customs Duties and Taxes on Imports

The average rate is 4.5%. For more details, consult the [UNCTAD](#) website.

Customs Classification

Colombia applies the Harmonised Customs System. Customs duties are calculated Ad valorem on the CIF value. The customs duties system (4 rates) was fixed within the [Andean PACT](#) and is applicable to Colombia, Ecuador and Venezuela.

Import Procedures

The importer must submit an import declaration to the DIAN (Customs). This declaration includes the same information contained on the import registration form and other information such as the duty and sales tax paid, and the bank where these payments were made. This declaration may be presented up to 15 days prior to the arrival of the merchandise to Colombia or up to two months after the shipment's arrival. Once the import declaration is presented and import duties are paid, customs will authorise the delivery of the merchandise. Customs officials are responsible for inspecting merchandise to verify that the description and classification are consistent with the importer's declaration. A customs inspection group often performs after-clearance random investigations to detect fraud, foreign exchange irregularities, and tax evasion. Major customhouse brokers have a customs office in their own bonded warehouses where most clearance procedures are completed before the merchandise is delivered to the customers.

Besides the Customs declaration (SAD) 2 traditionally required for all goods dispatched, consignments sent to Colombia must be accompanied by the following documents:

The commercial invoice in quadruplicate; it must be drawn up in Spanish for preference and indicate besides the usual details: the value or exchange value of the goods in U.S. dollars, the number of the 'registro de importacion' (the certificate of registration of import) sent to the exporter by the Colombian consignee.

The certificate of origin. It is drawn up on the community form.

The certificate of non contamination by radioactivity, required for agro-food products and especially for milk; it is issued by the Departmental Directorate of Veterinary Services.

The phytosanitary certificate, required for fruit, vegetables, seeds and other plants; it is issued by the Regional Service for the Protection of Plants.

The health certificate issued by the Departmental Directorate of Veterinary Services.

The certificate of free sale for cosmetics.

Other products may be subject to the presentation of certificates of free sale to be registered in Colombia. For more information, please visit the website of [Colombian Customs](#).

**Importing Samples** After a special form provided upon arrival at an international airport is filled out, demonstration equipment may stay in the country up to 90 days. The regulations regarding the importation of samples varies according to the type of products. It is recommended that you contact the [National Department of Customs](#).

**For Further Information** [National Directorate of Taxes and Customs](#)  
[Colombia Trade Portal](#)

Learn more about [Traders, Agents in Colombia](#) on Globaltrade.net, the Directory for [International Trade Service Providers](#).

## REACHING THE CONSUMERS

### Marketing opportunities

**Consumer Profile** With a GDP per capita of USD 5.805 in 2016, Colombian consumers tend to have middle-class consumption habits and household debt remains quite high. The growth of private consumption remained satisfactory (+1.5% in 2017) while the country went through an economic slowdown. Since 2012, Colombia has experienced a steady growth of the middle class. Even if this dynamic has slowed down recently, the Colombian middle class continues to expand considerably. At the national level, 28% of the Colombian population lives under the poverty line and almost 30% of the population is considered as being part of the middle class. The profile of Colombian consumers is not homogeneous and there exists a substantial gap between urban and rural areas: the middle class represents more than half of the population in the city of Bogota and around 10% in rural areas.

Colombian household consumption mainly concerns primary needs and education, but a change in consumer habits can be observed and Colombian consumers are increasingly willing to buy non-vital products. Colombian consumers are strongly influenced by fashion trends, brands and promotions, but there is also a strong influence of traditions on consumption habits. Colombians are currently experiencing increasing brand loyalty levels. Healthy and ethnic food categories are especially fast-growing, and organic food products are a new trend, as Colombian consumers are more concerned about ecological issues.

**Consumer Behaviour** In the aftermath of the financial crisis, purchasing power has declined for the poorest households, which have struggled to buy commodities. While the development of local industry remains insufficient, Colombians have become accustomed to buying imported products. Price is an important factor in buying decisions in Colombia. However, Colombian consumers are giving increasing importance on ecological and ethical characteristics when buying a product. Colombian consumers are increasingly curious about where and how the product is made. They also pay attention to whether the product is recyclable or not.



Regarding to food products, consumers take heed of the brand's reputation, the quality of nutritional information and the attractiveness of the packaging. After-sales service and consumer support are decisive factors in the purchase decision. Only a minority of Colombians has a high purchasing power, and for the majority of Colombian consumers the price remains the main criterion.

Even though online commerce remains underdeveloped, it is growing steadily. The forecast growth rate of online sales in 2017 is 22%. In the coming years, ecommerce is expected to benefit from massive investments in network infrastructure by the Colombian government. Colombian online consumers are used to buying from foreign websites, mainly American, Chinese, Mexican and Brazilian.

Consumers  
Associations

[Colombian Confederation of Consumers](#)

Main Advertising  
Agencies

[Advertising Agency Pezeta](#)  
[Advertising Agencies Directory](#)  
[Publicitaria](#)  
[Advertising Agency Dattis](#)  
[See the list of advertising agencies affiliated to the UCEP](#)

## DISTRIBUTING A PRODUCT

Evolution of the Sector

Western style, large supermarkets are part of a noteworthy retail transformation in the last decade with major, domestic and international grocery chains opening new stores, of varying sizes, at intense rates. Over the past years, discount stores have increased market share and continue opening outlets throughout the country offering wide private label portfolios cheaper than grocery chains. Traditional retail is still the most common retail format in Colombia. Outlets are small, independent and are present all around the country; a recent commerce survey concluded that in Bogota there is a mom-and-pop store for every 94 homes. Small remote towns only count on these traditional stores to cover their basic food and beverage needs since modern retail is not present. Mom-and-pops usually offer small/individual packaging products (one sausage, small oil bottles, etc.) and purchase frequency is higher.

Under-invoicing of goods and contraband articles sold at deep discounts remain a problem for legitimate retailers. The Colombian government has attained encouraging results in its effort to reduce contraband. Free trade zones and bonded warehouses are commonly used for imported merchandise and processing of export-oriented goods. Modifications to the Free Trade Zone legislation took effect in November 2007 and offer interesting benefits. The MUISCA electronic customs system will address contraband and invoicing issues.

Online commerce is becoming more common among Colombians. Most retailers have websites available for shopping online and all kind of smartphone applications ease the grocery shopping experience. According to Euromonitor, food and beverages are among the products preferred by Colombian consumers when buying online. Recent tax reform led to a VAT increase from 16% to 19% that increased prices and affected Colombian consumer purchase decisions. As a consequence, consumers started looking for more affordable, good quality products, leaving room for private label options and hard discount stores.

Market share

All sales channels are available in Colombia, with different distribution methods depending on the type of product. These methods range from traditional wholesalers to more sophisticated methods, such as department stores and hypermarkets, which

are gaining popularity. While most imported goods, especially capital goods and raw materials, are still purchased through agents and distributors, some large domestic manufacturing companies import them directly. The most important commercial areas are in large cities: Bogota, Medellin, Cali, Barranquilla, Bucaramanga, Cartagena and Pereira.

Traditional distribution, symbolised by local groceries and other small shops called 'tiendas', witnessed the arrival of modern distribution networks: supermarkets, hypermarkets and shopping centres. Nowadays, these new circuits cover 60% of the distribution landscape. The leaders of mass distribution in the country are the following: the [Grupo Exito](#) (around 450 outlets and USD 5.7 billion in sales in 2014), [Olimpica](#) (more than 200 outlets and more than USD 2 billion in sales in 2014), [Jumbo-Cencosud](#) (around 80 outlets and more than USD 1.7 billion in sales in 2014) and [Alkosto](#) (a dozen outlets and more than USD 1.6 billion in sales in 2014).

Retail Sector  
Organisations

[National Traders Federation \(FENALCO\)](#)  
[Association of Colombian Shopping Centres](#)  
[Ministry of Trade, Industry and Tourism](#)  
[Chamber of Commerce in Bogota](#)

## E-COMMERCE

Internet access

With a population of nearly 50 million people, and almost 29 million internet users, 58.1% of Colombians were connected to the internet in 2017. Broadband is widely available from many internet providers. Colombia is the third largest Latin America in terms of broadband subscriptions, placing itself only behind Brazil and Argentina. There are nearly 4 million fixed-broadband subscriptions in the country and a little over 2 million mobile subscriptions. Even though Colombia's broadband penetration is relatively high, growth in the sector has been hampered by poor infrastructure in many of the country's 32 departments. Most fibre broadband connections are concentrated in high-density urban areas, but investment in development of areas with outdated technology is being made.

E-commerce market

Colombia is Latin America's fifth largest e-commerce market, and the only country in Latin America with a Ministry of E-Commerce, making it clear that the market is a priority for the government. The Colombian e-commerce market exploded between 2015 to 2016, growing by 64% in one year. In 2017, growth was still high, albeit much more modest, at 22%. In 2017, there were about 12 million online shoppers and more than 87 million online transactions were made by Colombians. According to [Statista](#), e-commerce in the country generated approximately US\$ 4.8 billion in 2017. According to the [Colombian Chamber of Electronic Commerce \(CCCE\)](#), e-commerce accounted for 5.61% of the country's GDP in 2017. E-commerce in Colombia has improved substantially within the last year, and has begun to catch the eye of international retailers. In 2017, there was a 3.5% increase in e-commerce website visits when compared to the previous year. Access to the internet, especially through smartphones, and an increase in online services, like banking and online payment services, are the top factors driving growth in e-commerce in Colombia, particularly in the B2C segment. The segment is becoming more popular, however it is constrained by poor infrastructure, especially highways that connect to ports, which makes supply chains difficult, and complex logistics challenges such as the country's mountainous geography and lack of integration with international markets. The biggest segments in the Colombian e-commerce market are tourism (airlines and hotels), fashion (clothing and footwear) and technology. B2B sales of industrial and agricultural products, and food sales have been growing significantly. Most Colombians use computers and laptops to buy goods online, but mobile commerce is growing, and 14% of people use their phone to make purchases online. Cash on delivery is very popular due to low

credit card penetration rates in Colombia, and accounts for 40% of purchases.

## ORGANIZING GOODS TRANSPORT

**Main Useful Means of Transport** Goods transport inside the country is mostly by road. For further information consult the [Ministry of Transportation](#).

Imported goods must be accompanied by the transport documents, packing list and transport insurance. Colombian regulations make insuring consignments for the country compulsory. Wooden packaging entering Colombia must be treated (fumigated) and marked with the standard NIMP n°15.

**Ports** [The Port of Cartagena](#)  
[The Port of Buenaventura](#)

**Airports** [International Airport El Dorado, Bogota](#)  
[International Airport Alfonso Bonilla Aragon, Cali](#)  
[International Airport Jose Maria Cordova, Medellin](#)

**Sea Transport Organisations** [Division for Ports and Transportation](#)  
[Ministry of Transportation](#)

**Air Transport Organisations** [Colombian Civil Aviation](#)

**Road Transport Organisations** [Ministry of Transportation](#)

## IDENTIFYING A SUPPLIER

**Type of Production** The industrial sector accounts for a third of Colombia's GDP and is dominated by coal mining and oil and gas production. Colombia is the world's fourth largest coal exporter and Latin America's fourth largest oil producer. Other major industries include manufacturing, construction, chemical, pharmaceutical, textiles and food processing.

## Business Directories

**Multi-sector Directories** [All.biz - Colombia](#) - Directory of companies in Colombia.  
[Colombia Empresarial](#) - Directory of companies, industries, products & services in Colombia.  
[DireCOL](#) - Directory of companies located in Colombia.  
[Directorio Telefónico de Colombia](#) - Find a business in Colombia.  
[Planeta Colombia](#) - A search engine for companies in Colombia.

**Trade Agencies and Their Representations Abroad** [Chamber of Commerce of Colombia](#)  
[Chamber of Commerce of Bogota](#)

**Enterprises Federation** [National Association of Colombian Businessmen](#)  
[National Federation of Shopkeepers](#)

Learn more about [Service Providers in Colombia](#) on Globaltrade.net, the Directory for [International Trade Service Providers](#).

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Learn more about [Sales in Colombia](#) on Globaltrade.net, the Directory for [International Trade Service Providers](#).

Latest Update: December 2019

## Operating a Business

### SETTING UP A COMPANY

Sociedad con Responsabilidad Limitada or Ltda (limited liability company)	Number of partners: Between 2 and 25 partners. Capital (max/min): No minimum capital. Shareholders and liability: Their liability is limited to the amount of their investment.
Sociedad Anonima is a limited company.	Number of partners: Minimum of 5 partners. Capital (max/min): No minimum capital. At least 1/3 of the value of each share must be paid upfront. The remaining 2/3 must be turned over the following year. Shareholders and liability: Their liability is limited to the amount of their investment.
Sociedad colectiva (partnership)	Number of partners: Minimum 2 partners. Capital (max/min): No minimum capital. At least 1/3 of the value of each share must be released. The remaining 2/3 must be paid in the following year. Shareholders and liability: The partners are jointly and indefinitely liable.
The Sociedad en acciones por comandita (SCA) is a partnership limited by shares.	Number of partners: Two partners minimum: a general partner and a silent one. Capital (max/min): No minimum capital. Shareholders and liability: The liability of the general partner is unlimited. The responsibility of silent partners is limited to the amount of their investment.
Sociedad en Comandita Simple (SCS) is a limited partnership.	Number of partners: Two partners minimum: a general partner and a silent one. Capital (max/min): No minimum capital. Shareholders and liability: The liability of the general partner is unlimited. The responsibility of silent partners is limited to the amount of their investment.
The Competent Organisation	Companies are registered at their local Chambers of Commerce, for more information visit the website of the <a href="#">Confederation of the Chambers of Commerce of Colombia</a> .
Find a Company or a Financial Report	<a href="#">SIREM (en español)</a> , Information and Business Risk System

Setting Up a Company	Colombia
Procedures (number)	8.0
Time (days)	11.0

Source: *Doing Business*.

Business Setup Procedures [Consult the Doing Business Website](#), to know about procedures to start a Business in Colombia.  
[Register of commerce](#), Chamber of commerce.

### THE ACTIVE POPULATION IN FIGURES

	2012	2013	2015
Labour Force	23,080,000	23,750,000	24,340,000

Source: *CIA - The World Factbook*

	2015	2016	2017
Total activity rate	68.57%	68.60%	68.60%
Men activity rate	80.98%	81.05%	81.12%
Women activity rate	57.92%	57.96%	57.98%

Source: ILO, Laborstat - Yearly Statistics

For Further Statistics [Colombian Statistics Department](#)  
[Colombian Ministry of Labour](#)

For Further Information [ILO information on the Andean countries](#)  
 About the Labour  
 Market

## WORKING CONDITIONS

**Legal Weekly Duration** Working hours are limited to 48 hours per week spread over a maximum period of six days a week. With authorisation granted by the Ministry of Social Welfare, an employee can work up to 12 hours of overtime per week. Employees in managerial positions are not subject to such restrictions.

**Retirement Age** The retirement age is 62 for men and 57 for women, or after a minimum of 1,300 weeks of work.

**Working Contracts** Contracts can be oral or written, fixed term or permanent, full time or part-time, project specific or seasonal, etc. For more information consult the [Ministry of Labour](#).

**Labour Laws** [Consult the Doing Business Website](#), to obtain a summary of the labour regulations that apply to local enterprises.

## COST OF LABOUR

**Minimum Wage** According to the ILO, the minimum wage was COP 644,350 per month in 2015 (latest available data).  
 In 2017, the government set the minimum wage at COP 737,717 per month.

**Average Wage** Average gross monthly salary COP 1,177,863 per month in 2017 according to the ILO (latest available data).

**Social Contributions** Social Security Contributions Paid By Employers: 20.5%  
 Social Security Contributions Paid By Employees: 4%

## SOCIAL PARTNERS

**Social Dialogue and Involvement of Social Partners** In accordance with Colombian labour legislation, any group of 25 workers or more, regardless of whether they are employed by the same company or not, can form a union. Employees of companies with fewer than 25 employees can join other unions. The Constitution protects the right to form unions, and unionised workers have specific legal protection that prevent them from being fired because of their union activity. However, violence, threats, harassment and other practices against trade unionists affect the exercise of the right to freedom of association and collective bargaining. Strikes in the essential public service sectors, such as the central bank and activities related to the public health system, are illegal. There is not a strong culture of unionisation in Colombia.  
 The main unions are the CUT (Unified Congress of Workers), the CTC (Congress of

Workers of Colombia) and the CGT (General Congress of Workers). They are mostly comprised of public employees, especially from the country's petroleum industry and the education sector.

Unions [Unified Congress of Workers of Colombia \(CUT\)](#)  
[Congress of Workers of Colombia \(CTC\)](#)  
[General Congress of Workers \(CGT\)](#)

Unionisation Rate 4% (of the formal sector)

Labour Regulation [Ministry of Health and Social Protection](#)  
Bodies [Ministry of Labour](#)

Learn more about [Operating a Business in Colombia](#) on Globaltrade.net, the Directory for [International Trade Service Providers](#).

Latest Update: December 2019

## Investing

### FDI IN FIGURES

According to [UNCTAD's 2019 World Investment Report](#), country's FDI inflows decreased in 2018, to USD 11 billion, compared to USD 13.8 billion in 2017. Total stock of FDI reached to USD 188 billion in 2018, representing 56.7% of the Colombia's GDP. Colombia was also ranked the 24<sup>th</sup> top exporting developing economy in the world. While security conditions have improved in Colombia, investment remains dependent on extractive industries (mining and energy projects). In this context, the fall in commodity prices has slowed FDI inflows over the last few years. The United States are the largest investor in the country while the European Union is the largest FDI provider geographically.

The country ranked 65<sup>th</sup> out of 190 economies in the [World Bank's 2019 Doing Business report](#). Opportunities in the infrastructure sector are numerous since the Colombian government launched in 2012 the “4G” plan, Latin America’s biggest infrastructure program, amounting to around USD 5.5 billion. The city of Bogota is particularly dynamic. Over the past ten years, it has received USD 16.77 billion in FDI, mainly in financial services and communications, making the city one of Latin America’s leading business centers. FDI benefits from an attractive legislative framework in Colombia. The ratification of a bilateral free trade agreement with the U.S. in October 2011 and the establishment of special regulations in the free-trade zones have contributed to improving the country's attractiveness. Moreover, the richness of its natural resources and a significant domestic market are Colombia's main assets. The peace agreement with the rebel group FARC is supposed to accelerate FDI flows to the country. In 2018, FDI in Colombia increased by 5% to USD 14.5 billion, supported by the recovery in oil prices, infrastructure investment and rising domestic demand. Flows to the oil sector particularly increased (45% growth), while FDI in transport, storage and telecommunication more than doubled. Pharmaceutical FDI was also important in 2018, as the country received the highest investment in the field in Latin America. In 2019, the legalisation of medical cannabis production is set to give it a further boost. Several prominent projects into Colombia in 2018 have been in the medical sector, such as the Cronos Group's plan to establish medical cannabis cultivation and manufacturing operations in the country and MYM Nutraceuticals' joint venture agreement to set up jointly owned manufacturing operations in Colombia.

### Country Comparison For the Protection of Investors

<b>Foreign Direct Investment</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
FDI Inward Flow <i>(million USD)</i>	13,850	13,836	11,010
FDI Stock <i>(million USD)</i>	164,500	179,542	188,751
Number of Greenfield Investments***	101	109	216
FDI Inwards <i>(in % of GFCF****)</i>	19.0	n/a	n/a
FDI Stock <i>(in % of GDP)</i>	58.2	n/a	n/a

Source: UNCTAD - Latest available data.

Note: \* The UNCTAD Inward FDI Performance Index is Based on a Ratio of the Country's Share in Global FDI Inflows and its Share in Global GDP. \*\* The UNCTAD Inward FDI Potential Index is Based on 12 Economic and Structural Variables Such as GDP, Foreign Trade, FDI, Infrastructures, Energy Use, R&D, Education, Country Risk. \*\*\* Green Field Investments Are a Form of Foreign Direct Investment Where a Parent Company Starts a New Venture in a Foreign Country By Constructing New Operational Facilities From the Ground Up. \*\*\*\* Gross Fixed Capital Formation (GFCF) Measures the Value of Additions to Fixed Assets Purchased By Business, Government and Households Less Disposals of Fixed Assets Sold Off or Scrapped.

### WHAT TO CONSIDER IF YOU INVEST IN COLOMBIA



Strong Points

Advantages for FDI in Colombia:

Colombia has economic and political stability that has allowed it to maintain steady and stable growth (growth that has never fallen below the 2% threshold since 2001, *OECD 2017*) and gradually create a business-friendly environment, despite internal security conflicts.

The country has an attractive emerging economy that relies in particular on abundant natural resources (coffee, oil, gold), a young, skilled and competitive workforce, a booming tourism sector and free trade agreements (including within the Pacific Alliance created in 2012 as well as with the European Union, the United States and South Korea).

The geographical position of the country is a strategic point between the different markets of the region but also with southeast Asia.

The country has modern port and airport infrastructure, thus facilitating trade

The population of almost 50 million is a significant consumer market with rising incomes

The banking and financial systems are generally sound, independent and robust.

The peace agreement with the FARC (the oldest and largest guerrilla movement in Latin America) shows that Colombia wants to rid itself of the risks associated with drug trafficking and armed struggle, thus ensuring a secure environment for foreign companies and investors.

Weak Points

Among the main factors that are detrimental to foreign direct investment are:

Relatively random application of intellectual property rights

Corruption characterised by a lack of transparency in many calls for tenders

The largescale informal sector

An underground economy and security problems (guerillas and the fight against drug traffickers).

Violence remains the main obstacle to the country's development, but the peace agreement signed with the FARC rebel group should help to significantly improve the situation.

The Colombian economy, which is not very diversified, remains highly dependent on commodity prices and sensitive to the US economic situation (the United States being the country's main trading partner, *Business France 2017*).

Government Measures to Motivate or Restrict FDI

The Colombian government actively encourages foreign direct investment (FDI). Colombia imposes the same investment restrictions on foreign investors that it does on national investors. But, all conditions being equal, during tender processes national offers are preferred over foreign ones.

Today the Colombian government is reaping the fruits of the policy it implemented to secure democracy, whose objective is to create favourable economic conditions in order to once again give investors confidence, especially foreign investors. In this context and after the establishment of many free trade agreements (for example the Pacific Alliance, the United States and the EU), the government continues to make efforts to consolidate, liberalise and diversify its economy. Major tax reform was introduced in 2016 aimed mainly at simplifying the tax system and at the same time increasing the tax revenues of the state. Finally, the various tax reforms passed during the decade have all tended to reduce the tax burden on companies (by lowering taxes on profits to 25% for example) as well as a considerable reduction in customs duties.

Bilateral Investment Conventions Signed By Colombia

Colombia has signed 19 bilateral investment treaties. For more information, consult the [Investment Policy Hub's Colombia page](#).

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## PROCEDURES RELATIVE TO FOREIGN INVESTMENT

Freedom of Establishment	Guaranteed
Acquisition of Holdings	Acquiring a majority interest in the shareholdings of a Colombian company is allowed, except for companies in the petroleum sector.
Obligation to Declare	The <a href="#">agency for the promotion of foreign investment</a> provides information about the authorisations required for setting-up a business.
Competent Organisation For the Declaration	<a href="#">Ministry of Commerce</a>
Requests For Specific Authorisations	Foreign investment in the financial, hydrocarbon and mining sectors is subject to special regimes. Restrictions are applied in sectors such as media, accounting, auditing, data processing, banking, fishing, private security and surveillance, telecommunications and transportation.

Find out more about [Investment Service Providers in Colombia](#) on GlobalTrade.net, the Directory for International Trade Service Providers.

## INVESTMENT OPPORTUNITIES

Investment Aid Agency	<a href="#">Invest in Colombia</a>
Tenders, Projects and Public Procurement	<a href="#">Tenders Info</a> , Tenders in Colombia <a href="#">Globaltenders</a> , Tenders & Projects from Colombia <a href="#">DgMarket</a> , Tenders Worldwide

Find out more about [Investment Service Providers in Colombia](#) on GlobalTrade.net, the Directory for International Trade Service Providers.

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