

# Invest <sup>in</sup> Colombia

Work Commitment Creativity

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## 1. COMPETITIVE ADVANTAGES MAKE US YOUR IDEAL EXPORT PLATFORM

### Fifth largest economy and third largest population in Latin America

Colombia has the fifth largest economy in Latin America with a GDP of USD 248 billion<sup>1</sup>. A population of 44.9 million makes Colombia the third largest country in the region. In addition, 77% of Colombians live in urban areas.

The country also enjoys a favorable strategic location with coasts on both the Pacific and Atlantic Oceans, offering access to markets in the US, Europe, Asia, Latin America and the Caribbean.

### Preferential market access to more than 1.4 billion consumers due to Free Trade Agreements (FTA)

Colombia's 2010 trade agenda includes 11 agreements with 47 countries. The government is committed to establish Free Trade Agreements with key strategic partner countries to generate better conditions for investment and trade. Some agreements include:

In Force	Signed	In Negotiation	Future
Andean Community of Nations (since 1969)	United States of America (2006)	European Union	Japan
G-2 (since 1995)	Canada (2008)		Dominican Republic
Mercosur (since 2005)			
Chile (since 2009)	EFTA (2008)		
North Triangle (since 2010)			

FTA Agenda (2010)



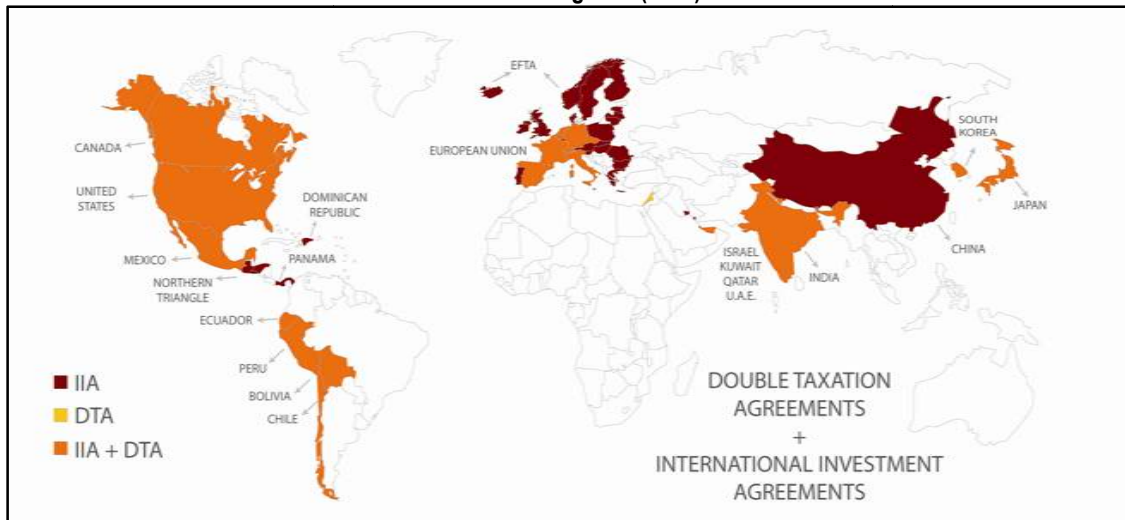
<sup>1</sup> GDP at current prices. Exchange rate: US\$ 1 = COP\$ 2.000

**Double Taxation and Investment Agreements: in 2010, Colombia will be negotiating 24 International Investment Agreements (IIA) with 39 countries and 21 Double Taxation Agreements (DTA) with 22 countries**

Double Taxation Agreements (DTA) are designed to protect investors from being taxed twice when the same income is taxable in two States.

International Investment Agreements (IIA) protect investors of each state from expropriation and discrimination before other national or foreign investors. Additionally, these treaties establish responsive procedures for dispute settlement between investors and the host country.

**IIA and DTA Agenda (2010)**



**Strategic location**

**Air transportation: only 3 hours and 40 minutes away from Miami**

The excellent strategic location of Colombia makes for an unbeatable equidistant point for the markets of the continent, allowing for shorter transit times, faster delivery and very competitive international cargo transport services.

At just three or four days by sea, and about three hours by plane from principal points of entry to the United States, such as Miami and other cities in Florida, the advantage is clear; especially when compared to important South American countries like Chile, Brazil, and Argentina, which are two or three times further in terms of transit time, and countries in Asia or Europe which are noticeably much further. This represents lower costs and faster deliveries of immobilized capital for Colombian entrepreneurs when faced with international competitors, especially those within the region.

Bogotá is only 3:40 hours from Miami, and only 5:30 hours from Lima. The following table compares other flight times:

Flight Time	Los Angeles	Miami	New York	Houston	Madrid	Mexico City
Bogota	8:30	3:40	6:00	5:15	10:22	4:25
Lima	8:35	5:30	7:47	6:30	11:30	5:45
Buenos Aires	15:00	9:15	14:50	10:30	12:15	9:25



Mexico City	4:00	3:00	4:35	6:00	10:15	-
Santiago de Chile	11:30	8:45	10:50	12:25	12:55	8:30

**Time zone: the same as New York and Miami**

Colombia is in the same time zone as several important cities in the United States and Latin America; Colombia is in permanent communication with Madrid due to a time difference of only six hours.

Los Angeles	New York	Miami	Houston	Mexico City	Santiago de Chile	Buenos Aires	Madrid
-3 hours	Same time	Same time	-1 hour	-1 hour	+2 hours	+2 hours	+6 hours