

FAST FACTS



Colombia

Export Opportunities in Colombia

In 2016, Colombia ranked 22nd among U.S. export destinations and 19th among Virginia export destinations. Some of the top opportunities for U.S. exporters in Colombia include:

- » Automotive
- » Defense
- » Electric Power and Renewable Energy
- » Food Processing Equipment
- » Information Technology
- » Medical Equipment
- » Mining Equipment
- » Oil and Gas Equipment

Map of Colombia



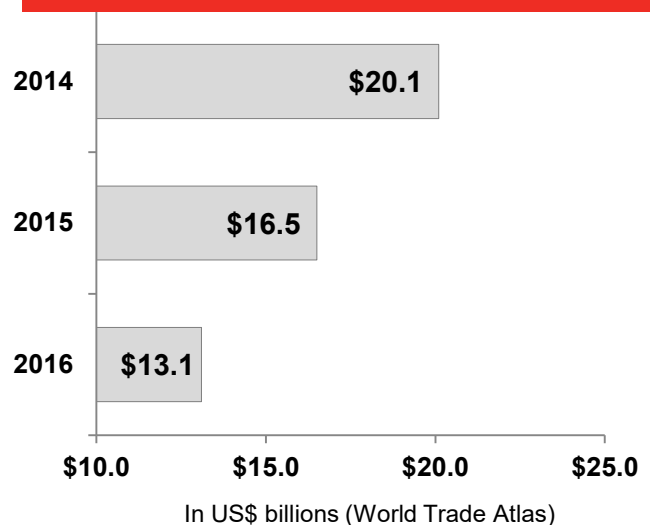
(U.S. Central Intelligence Agency)

Top Virginia Exports to Colombia

Export Category	2016 Value	Change 2016/2015
All Commodity Chapters	\$ 207.4	13%
Industrial Machinery	\$ 56.2	59%
Cereals	\$ 25.9	32%
Base Metal	\$ 19.6	27%
Fats & Oils	\$ 16.2	342%
Fruits, Seeds, Grains	\$ 14.1	5613%
Aircraft & Spacecraft	\$ 10.1	187%
Woven Fabrics	\$ 8.8	-9%
Plastics	\$ 7.6	39%
Electrical Machinery	\$ 6.6	6%
Food Residues	\$ 5.9	190%

In US\$ millions (World Trade Atlas)

U.S. Exports to Colombia



In US\$ billions (World Trade Atlas)



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Opportunities in Colombia for Exporters

Defense

The Colombian armed forces have a budget of 10.3 billion dollars which is equivalent to 13.9% of the total Colombian budget for 2016. This figure has only gone up by USD \$600 million since 2015. The total military spending has been on average 3.7% of the country's total GDP. The best prospects for U.S. defense exporters in Colombia include:

- » Trucks and light armored vehicles
- » Military apparel and footwear
- » Flight simulators
- » Marine and Coastal surveillance systems
- » Engines and turbines
- » Demining equipment, especially hand held

Information Technology

The Government of Colombia continues to advance in its efforts to move the country to the forefront of Information Technologies. Industry sources forecast that for 2015, Colombia's total IT market value may have reached \$3.1 billion with estimates for growth in 2016 of an additional 9.3%. Top opportunities for exporters include:

- » Cloud computing and virtualization
- » Applications software
- » Hardware
- » Mobile applications

This information is adapted from the U.S. Commercial Service. [Click here for more export opportunities.](#)

Medical Equipment

Colombia is the 24th largest market for U.S. medical equipment exports. During 2015, the United States exported US \$396.7 million in medical equipment to Colombia. The medical device market relies on imports for around 86.5% of the market. The country's healthcare infrastructure is adequate in the larger urban areas, but is in need of modernization. The best prospects for U.S. exporters include:

- » Medical, surgical, and dental instruments
- » Diagnostic imaging equipment
- » Laboratory equipment and consumables
- » Ultrasound and cardiovascular equipment
- » Electro-diagnostic apparatus

Electric Power and Renewable

At the end of 2015, Colombia's installed electric power generation capacity reached 15,500 MW, with a hydro-based capacity share of 69.7 percent and the remainder generation from gas and coal-fired power plants, small hydro and cogeneration facilities. By 2019, the government has forecasted the installed capacity to reach 18,671 MW, with an increased reliance on large-scale hydro due to natural gas production and distribution concerns.

- » Generators
- » Power, distribution, and transformers
- » Industrial Controls
- » Steam, gas, and hydraulic turbines
- » Motors

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Economic Overview

Colombia's consistently sound economic policies and aggressive promotion of free trade agreements in recent years have bolstered its ability to weather external shocks. Colombia depends heavily on energy and mining exports, making it vulnerable to a drop in commodity prices. Colombia is the world's fourth largest coal exporter and Latin America's fourth largest oil producer. Economic development is stymied by inadequate infrastructure, inequality, poverty, narco-trafficking, and an uncertain security situation.

Declining oil prices have resulted in a drop in government revenues. In 2014, Colombia passed a tax reform bill to offset the lost revenue from the global drop in oil prices.

Real GDP growth averaged 4.8% per year from 2010-2014, continuing a decade of strong economic performance before dropping in 2015.

However, Standard & Poor's downgraded its long-term outlook from stable to negative in early 2016.

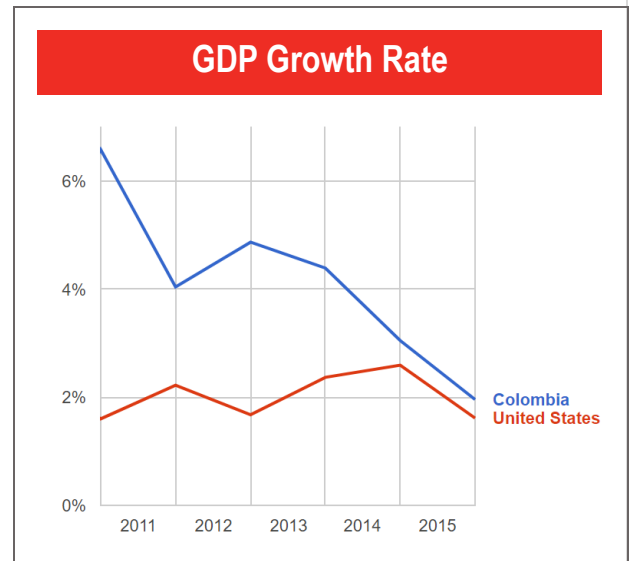
The change, due largely to falling government revenues, could cause Colombia to lose its investment-grade bond status.

(U.S. Central Intelligence Agency)

Cultural Guide

- » It is courteous to shake hands both upon meeting and departing. Men should wait for a woman to extend her hand. Greetings should take some time, so ensure you engage in some small talk by asking about family and health.
- » It is a good idea to try and have one side of your business card translated into Spanish. Include any university degrees or qualifications, as this is valued.
- » Relationship building is crucial; it may be a good idea to invest time in establishing trust for the first few meetings. Time is not an issue in meetings - they will last as long as they need to last. Do not try and rush proceedings.
- » Colombians are known as indirect communicators. This means there is more information within body language and context rather than the words. People that are used to speaking directly and openly must tame their communication style as it could cause offense.
- » Avoid confrontation at all cost. If someone has made a mistake do not expose it publicly as this will lead to a loss of face and a ruined relationship.

(Kwintessential)



Colombia is a hierarchical society. Respect is earned due to age and position.

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Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website: ExportVirginia.org

Additional Resources: Market Reports

[Colombia Country Commercial Guide](#)

[Doing Business in Colombia](#)

[Ease of Doing Business Report](#)

[Exporting to Colombia](#)

U.S. Commercial Service

Export.gov

World Bank

United Kingdom Trade & Investment

Online Resources

[Colombia Overview](#)

[Kwintessential Colombia](#)

Global Edge - Michigan State University

Kwintessential Guide to Colombia

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