

# Colombia: A Story of Success



**H.E. Roberto Vélez**  
**Ambassador of the Republic of Colombia to Japan**  
**Tuesday , March 17, 2015**



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Embassy of Colombia in Japan

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# I. General Information

# Head of State



JUAN MANUEL SANTOS CALDERÓN  
PRESIDENTE DE LA REPÚBLICA DE COLOMBIA  
2010-2014

**President Juan Manuel  
Santos Calderon  
(2014-2018)**

The Government of  
President Juan Manuel  
Santos is transforming  
Colombia into a  
**PEACEFULL, EQUAL AND  
EDUCATED** country and  
hence guaranteeing  
**PROSPERITY FOR ALL**



# Principal Facts

## Colombia

### GDP:

The Colombian economy grew by 6,4% during the first quarter of 2014 and by 4,7% during 2013.

**Language:** Spanish

### Land Borders:

Panama, Venezuela, Brazil, Peru, Ecuador

### Population:

48.018.769

### Maritime Borders:

Costa Rica, Nicaragua, Honduras, Jamaica, Dominican Republic, Haiti, Panama, Ecuador y Venezuela

**Total Area:** 2,070,408 km

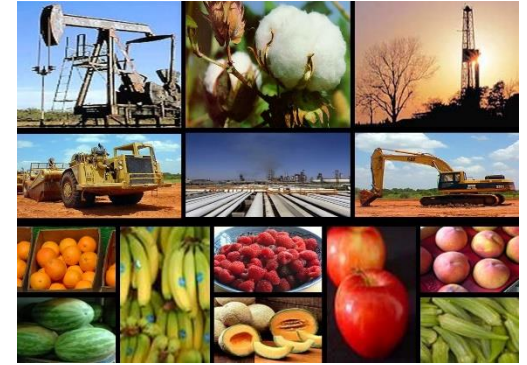
**Oceans:** Pacific and Atlantic



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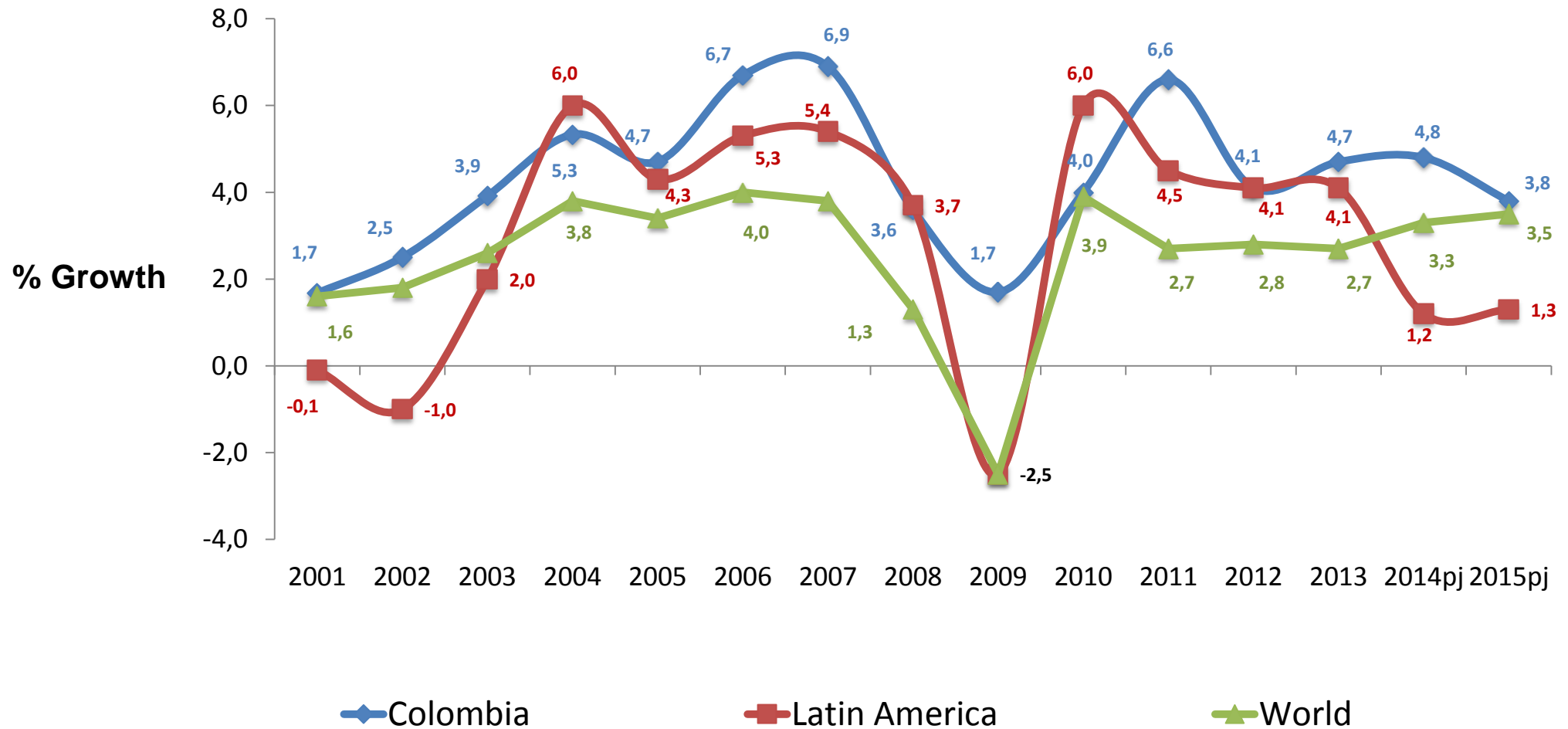


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## II. Current Economic Outlook

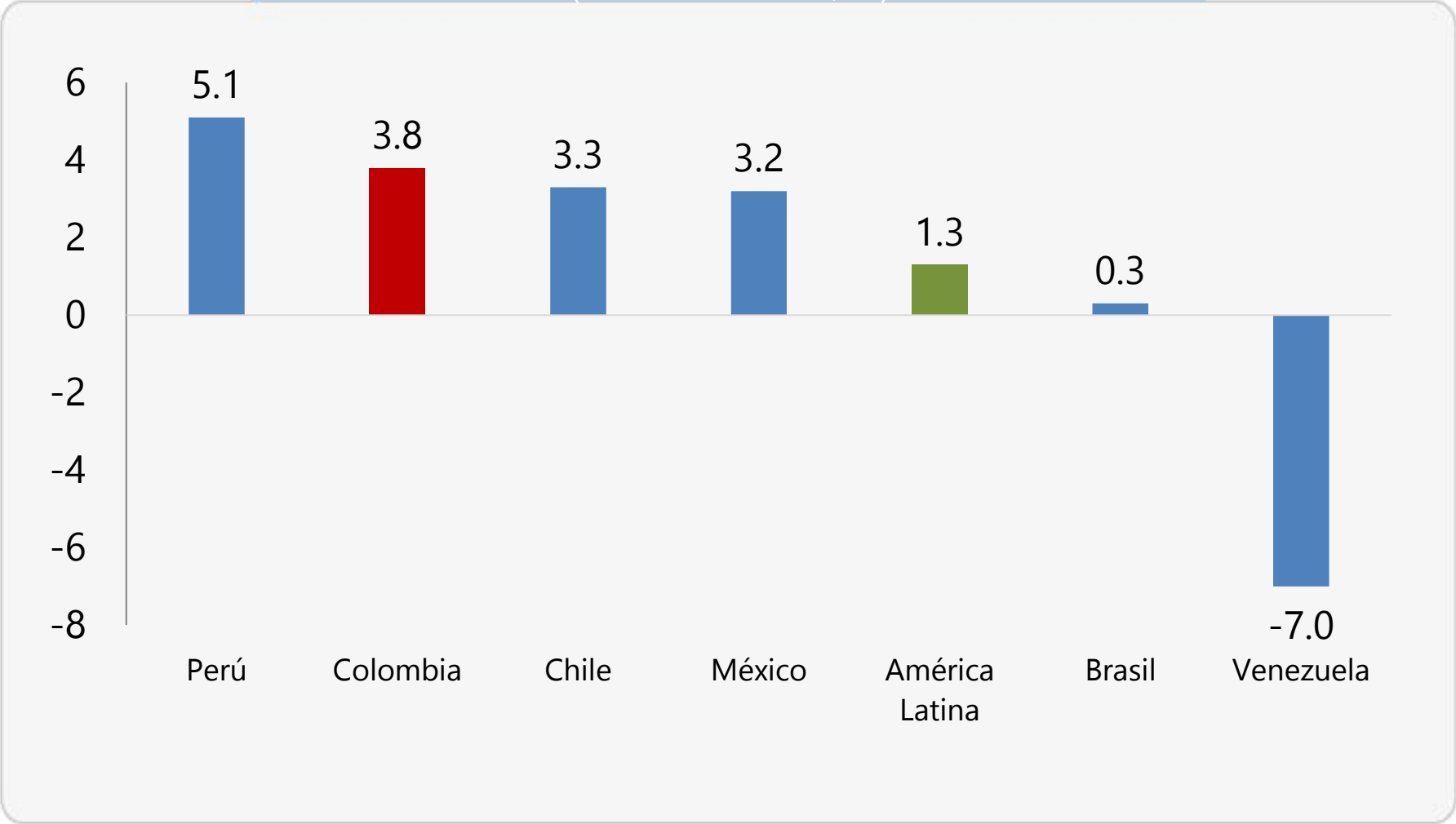
# SUSTAINABLE ECONOMIC GROWTH



Source: ANDI (National Business Association of Colombia), EIU, OECD, Central Bank of Colombia.  
 pj: projection (IMF World Economic Outlook Update Jan. 2015)

# Colombia leader in economic growth within the region

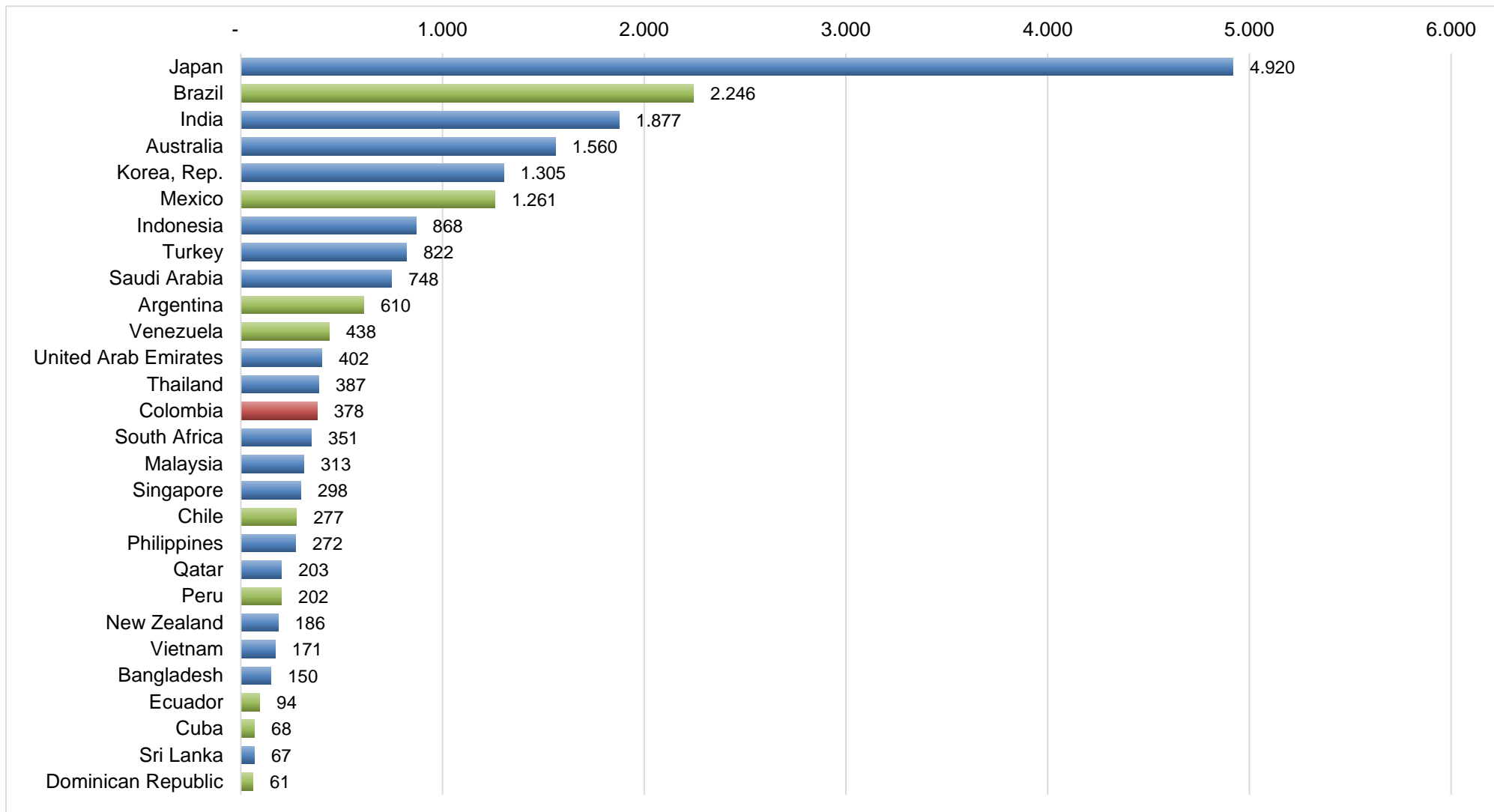
IMF Economic growth projections for 2015  
(Annual variation, %)





# WORLD ECONOMIES BY GDP 2013

## USD Billion



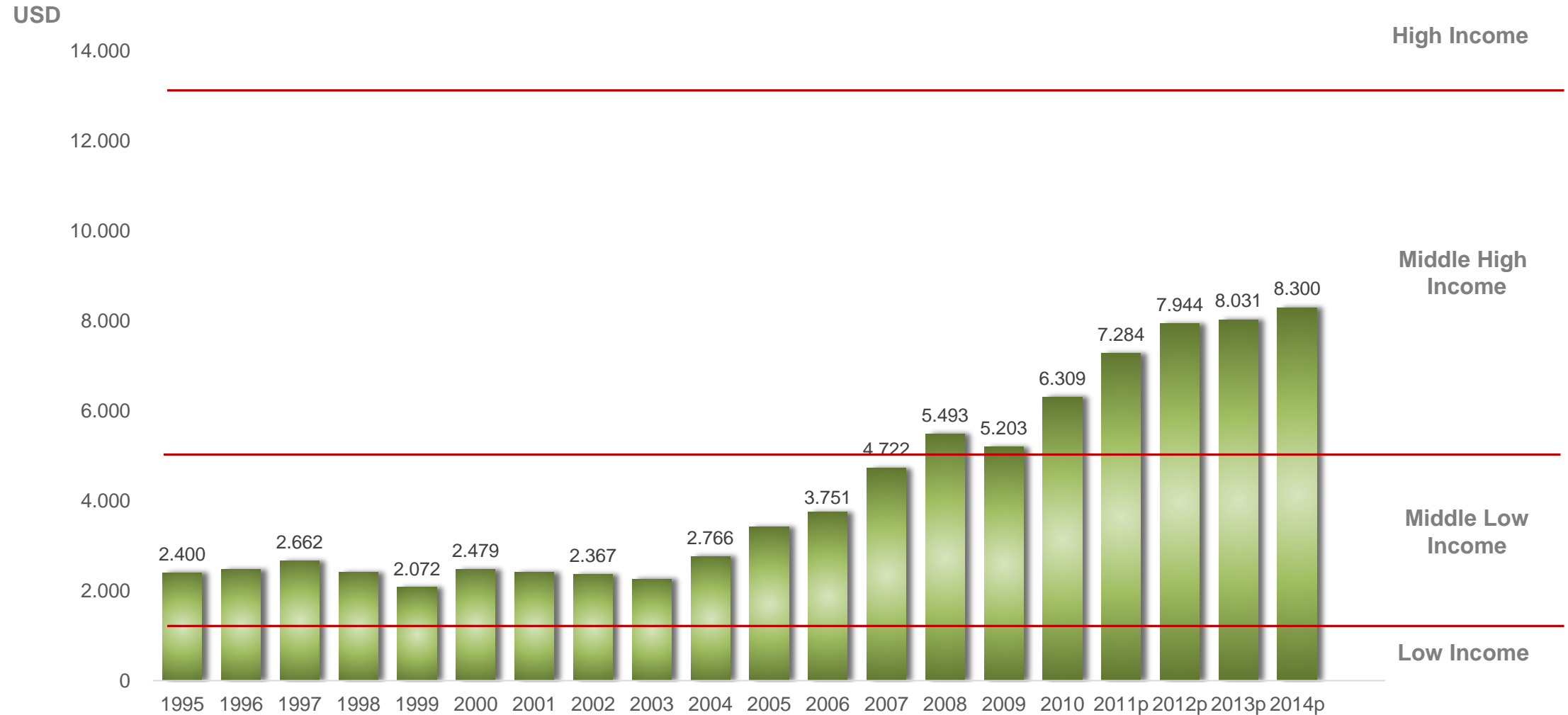
Source: World Bank.

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TODOS POR UN  
NUEVO PAÍS  
POR EQUIDAD INNOVACIÓN

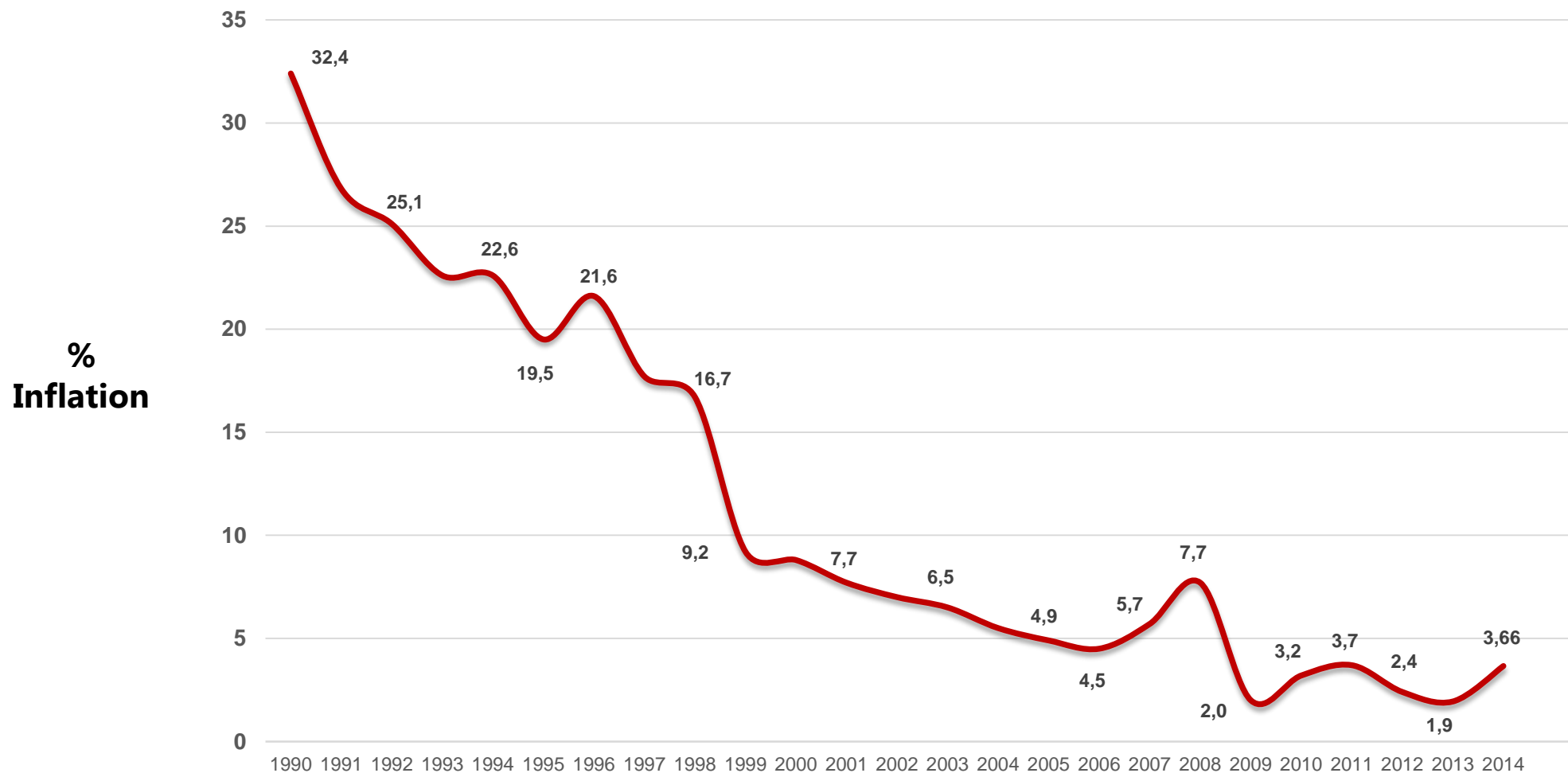
# GDP PER-CAPITA 1995 - 2014

## USD



Source: Central Bank (Banco de la República). - Current Prices  
p: preliminary data

# INFLATION



Source: DANE (National Statistics Bureau)

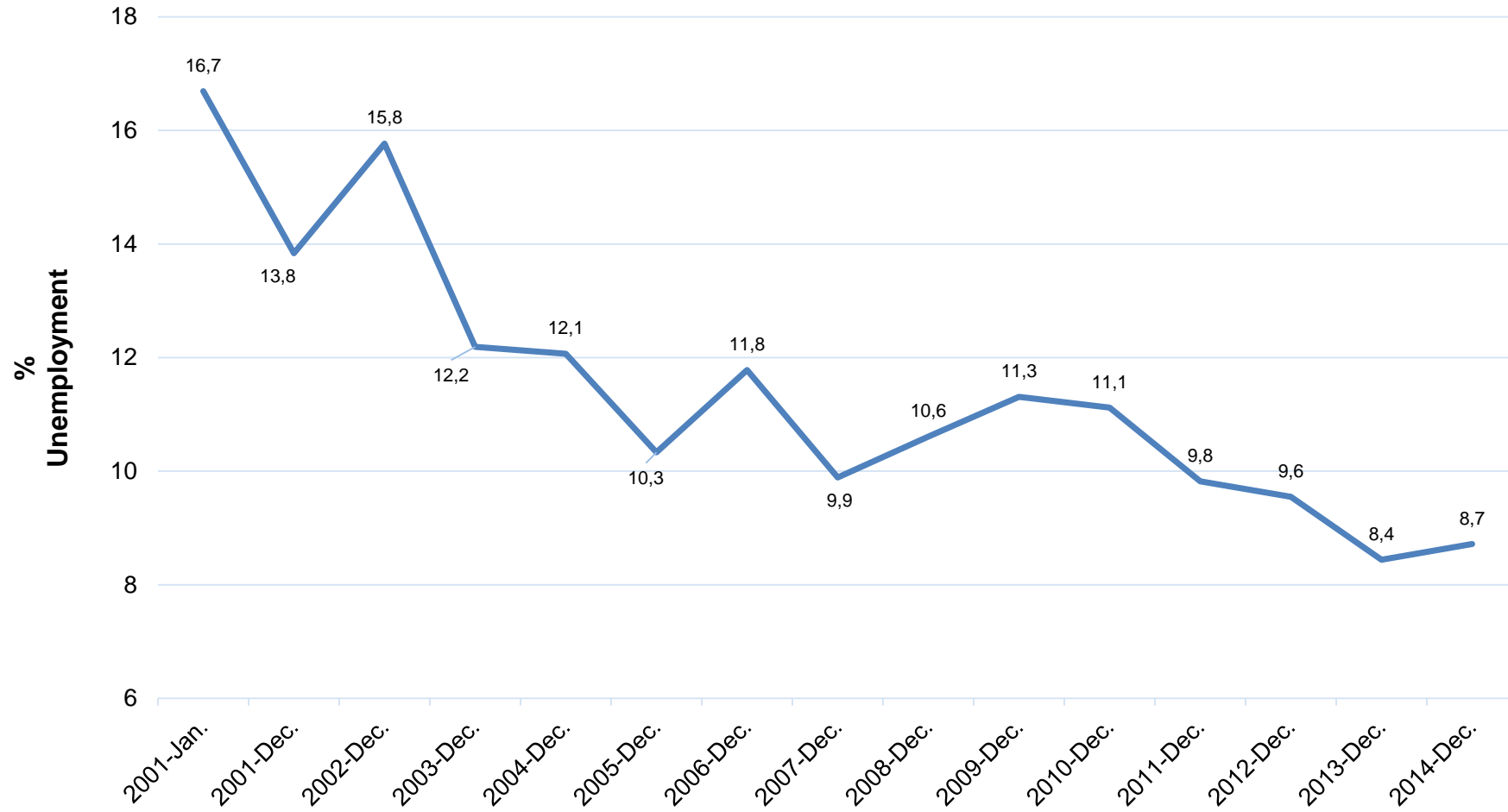


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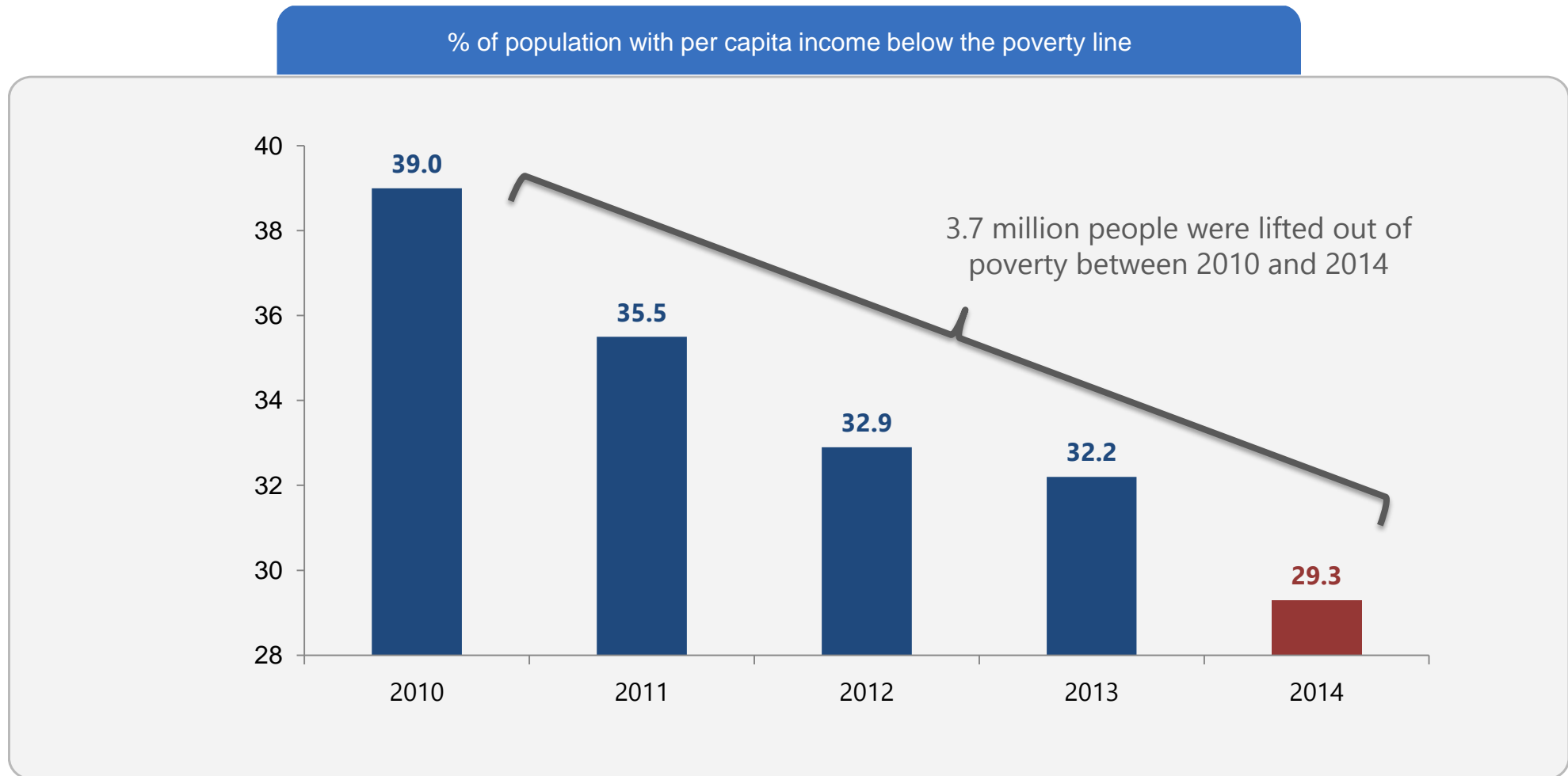
# UNEMPLOYMENT



Source: DANE (National Statistics Bureau)

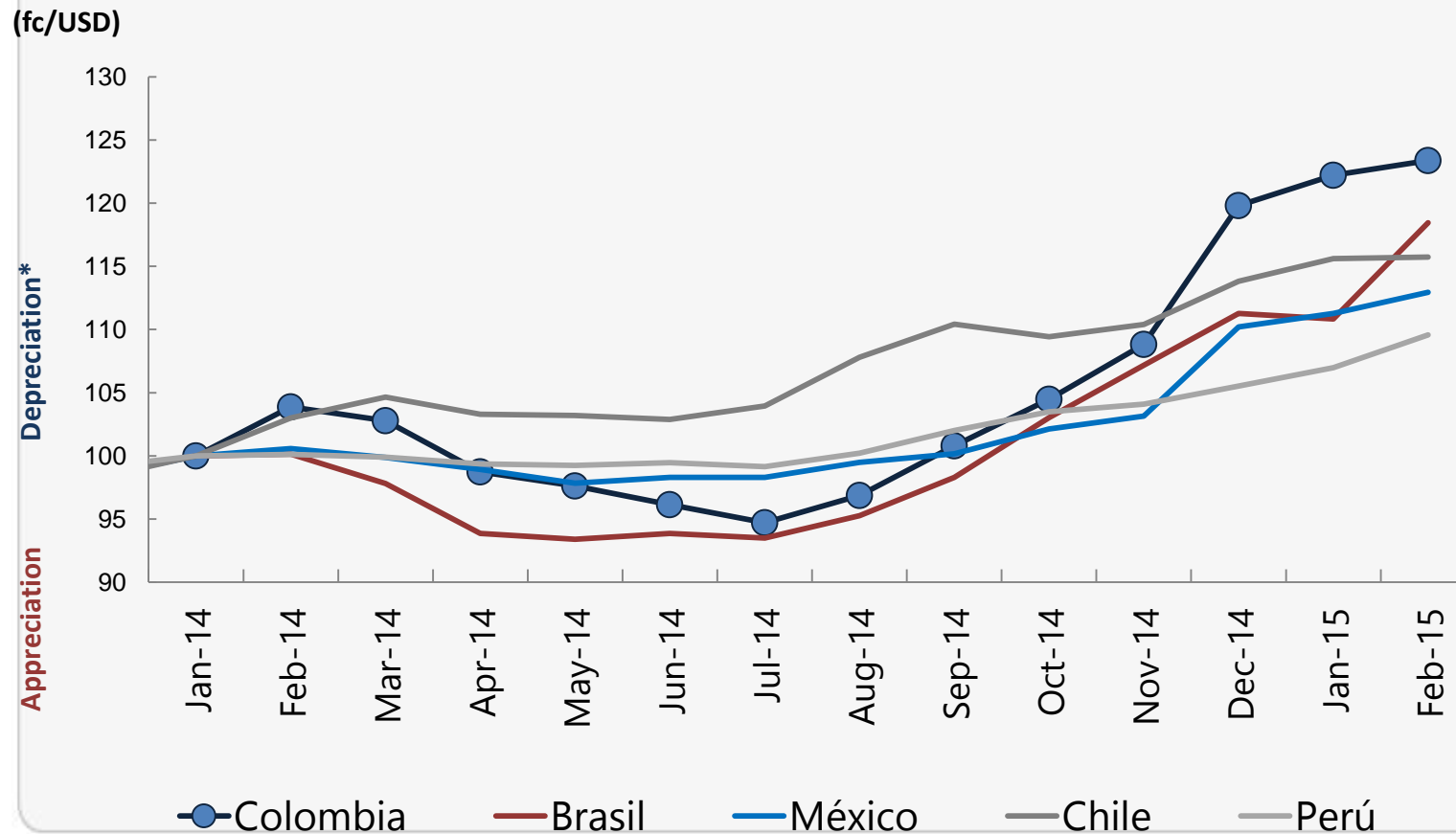


# Reduction of Poverty and Extreme Poverty



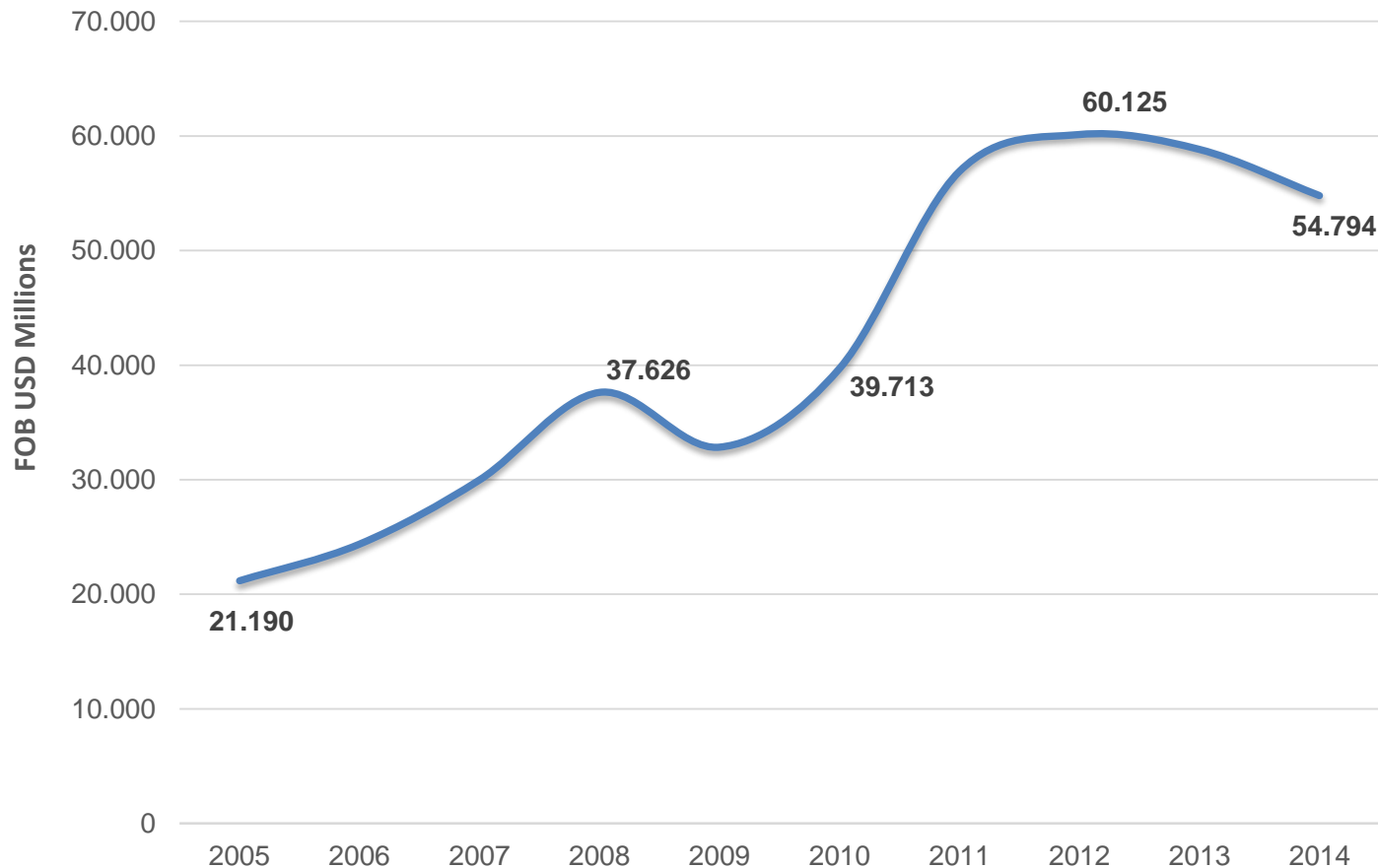
# Real Depreciation

Real Exchange Rate Index LAC5  
(January 2014=100)



Source: Ministry of Finances of Colombia

# EXPORTS



Source: DANE (National Statistics Bureau)

## Top export destinations 2014



### United States

- US\$ 14,106 million
- Share: 25.7%



### China

- US \$5,755 million
- Share: 10.5%



### Panama

- US \$3,615 million
- Share: 6.6%



### Spain

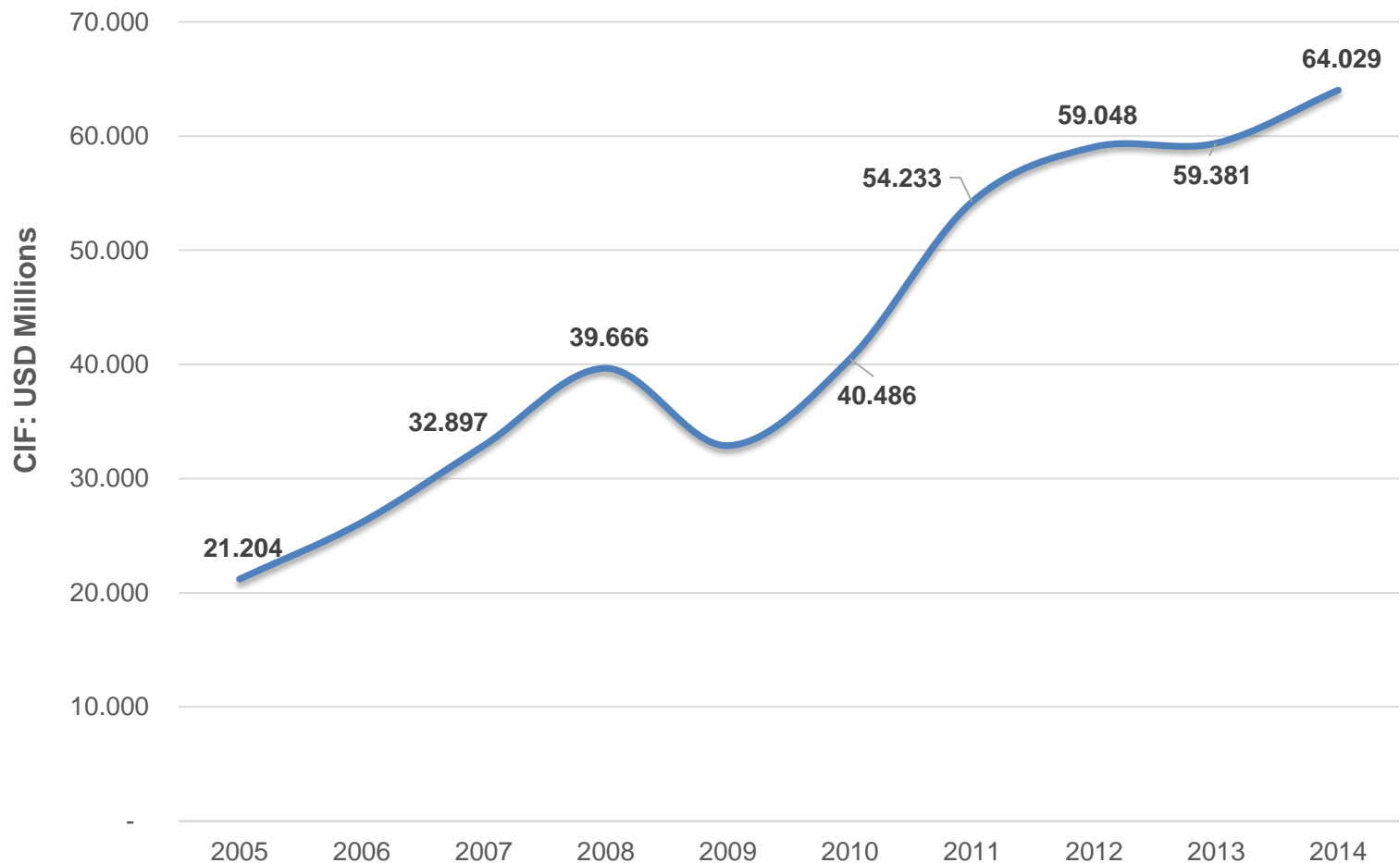
- US \$3,263 million
- Share: 6%



### Japan (Partner No. 24)

- US \$421 million
- Share: 0,8%

# IMPORTS



Source: DANE (National Statistics Bureau)

## Top imports by origin 2014



### United States

- US\$ 18,193 millions
- Share: 28.4%



### China

- US\$ 11,790 millions
- Share: 18.4%



### Mexico

- US\$ 5,273 millions
- Share: 8.2%



### Germany

- US\$ 2,531 millions
- Share: 4,0%



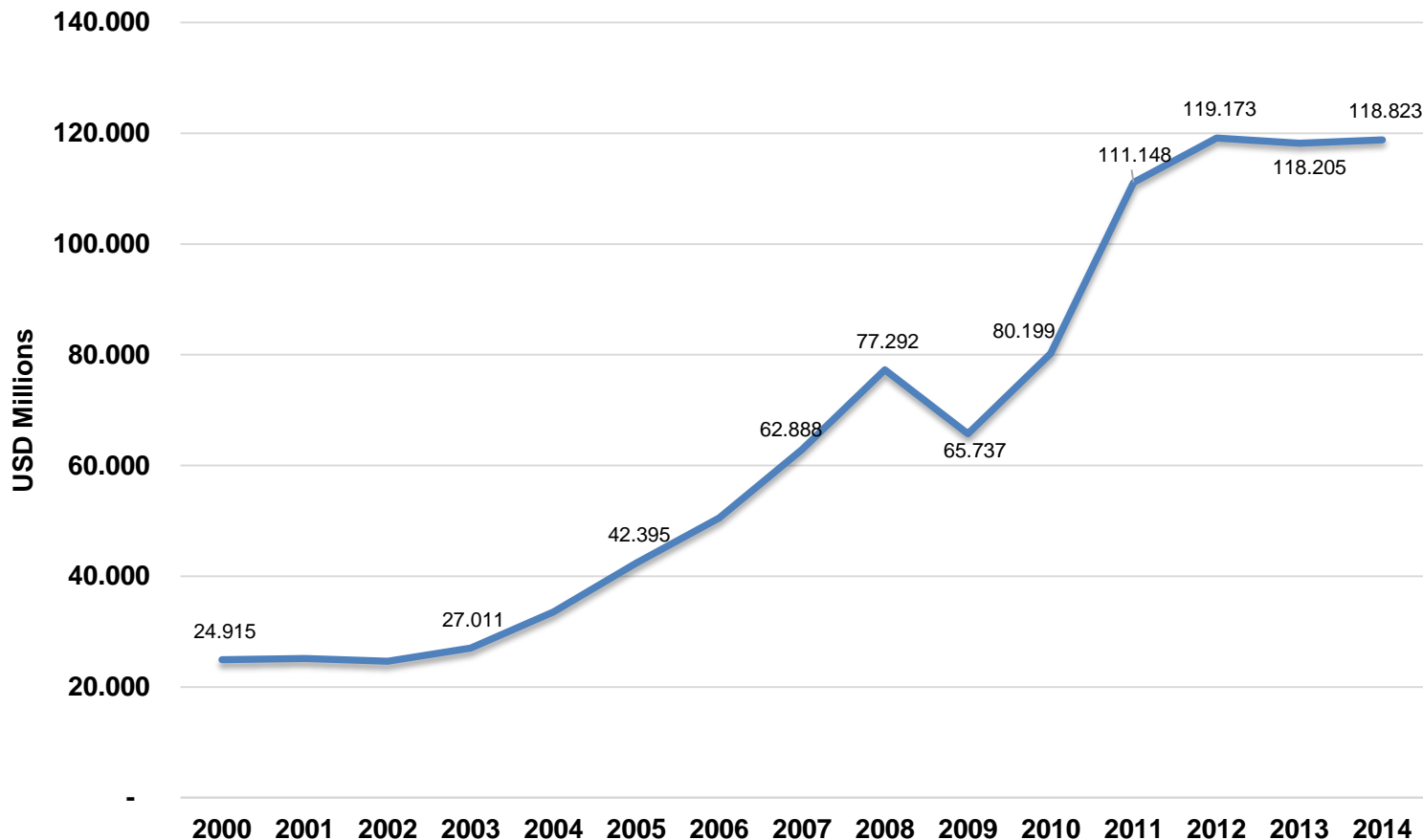
### Japan (Partner No. 7)

- US \$1,525 millions
- Share: 2,4%



# TOTAL COLOMBIAN TRADE

Total Trade (2000 - 2014)



Top Trade Partners 2014



## United States

- US\$ 32,298 million
- Share: 27.2%



## China

- US\$ 17,546 million
- Share: 14.8%



## Mexico

- US\$ 6,187 million
- Share: 5.2%



## Spain

- US\$ 4,230 million
- Share: 3.6%

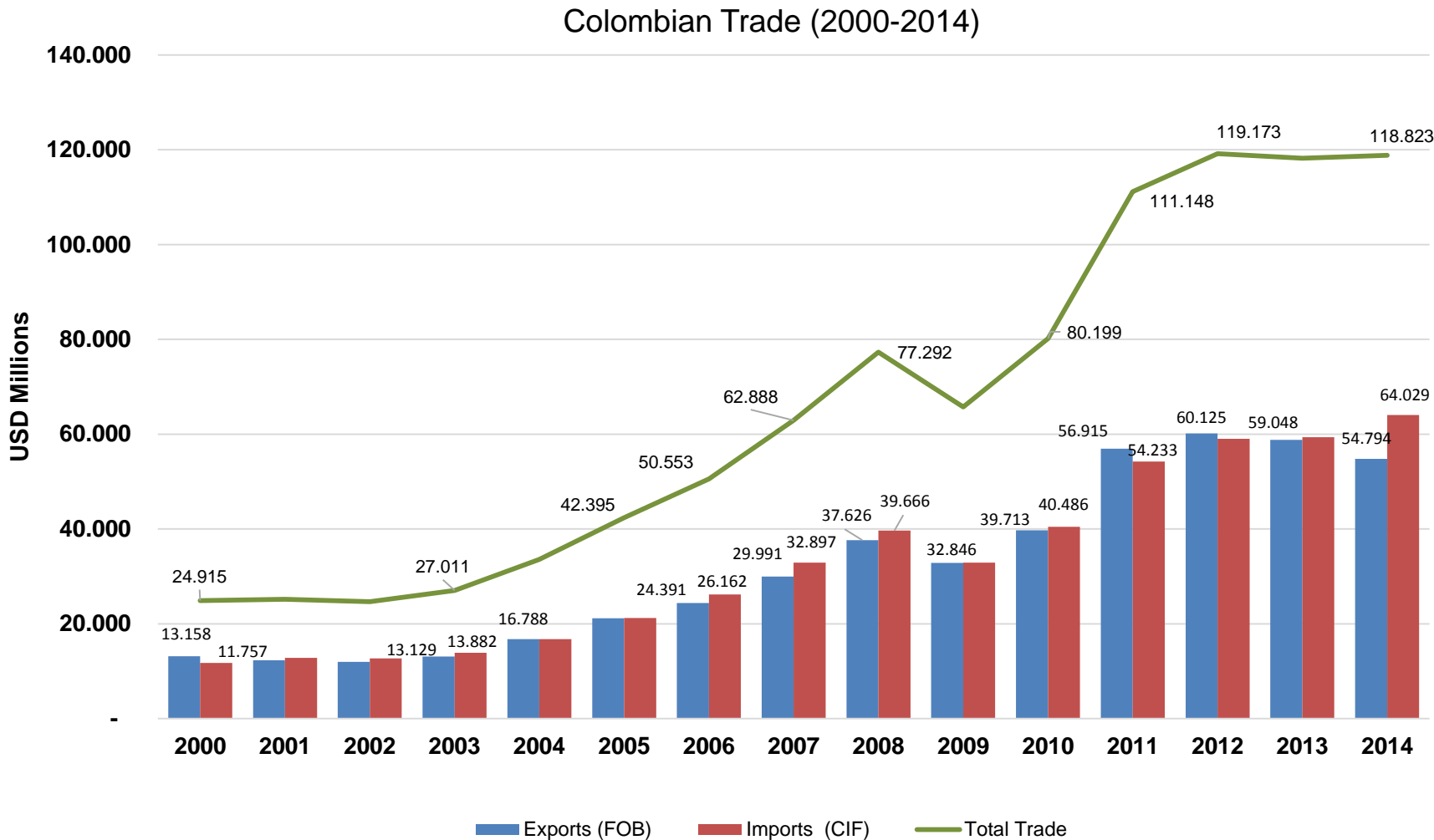


## Japan (Partner No. 15)

- US\$1,946 million
- Share: 1.6%

Source: DANE (National Statistics Bureau)

# TOTAL COLOMBIAN TRADE



## Top Trade Partners 2014



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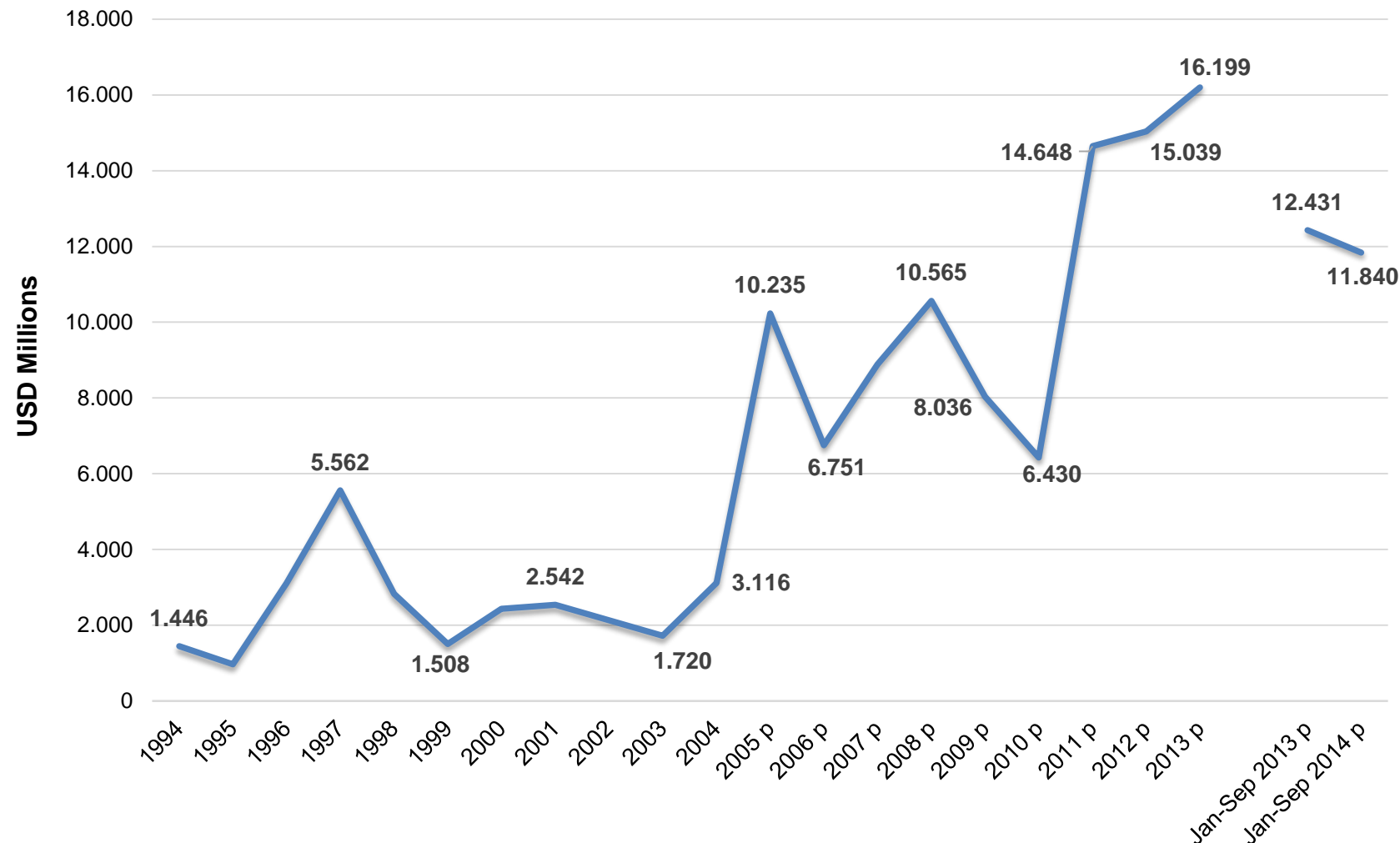


### Japan (Partner No. 15)

- US\$1,946 million
- Share: 1.6%

Source: DANE (National Statistics Bureau)

# FOREIGN DIRECT INVESTMENT (FDI)



## Top Investing Countries in Colombia Jan-Sep 2014



### United States

- USD 1,990 million
- 16.8% share



### Panama

- USD 1,866 million
- 15.8% share



### Spain

- USD 1,708 million
- 14.4% share



### Switzerland

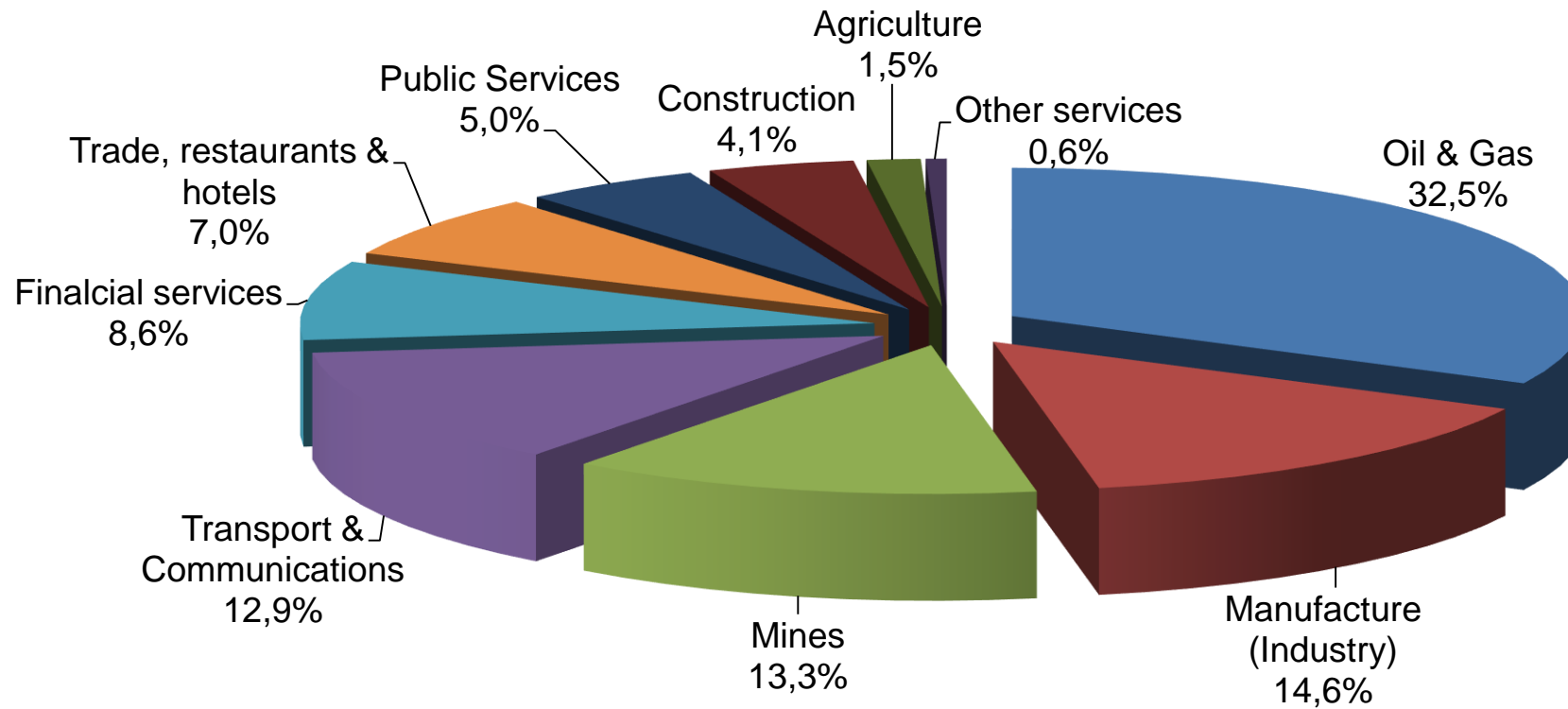
- USD 1,081 million
- 9.1% share



### Japan (Partner No. 21)

- US\$ 47,5 million
- Share: 0.4%

# FOREIGN DIRECT INVESTMENT BY SECTOR (2014 Jan - Sep)



Source: Central Bank - (Banco de la República)





# III. Colombia's Trade Policy

# MILESTONE OF THE COLOMBIA'S TRADE POLICY

~ 1991	Policy of Import substitution
1991 ~ 1994	New Framework of Foreign Trade Act "Economic Liberalization"
2002 ~ today	National Development Plan; Emphasized on the Trade Policy ( Exports & Investment Promotion)

# FREE TRADE AGREEMENTS - FTAs



FTAs In force	Valid from
CAN - Ecuador, Bolivia & Peru	Oct. 16, 1969
Nicaragua (PSA)	March 2, 1984
Mexico	Jan. 1, 1995
CARICOM	Jan. 1, 1995
Cuba	Jul. 10, 2001
MERCOSUR - Brazil, Argentine, Paraguay & Uruguay	April 19, 2005
Chile	May 8, 2009
El Salvador, Guatemala & Honduras	Nov. 12, 2009
EFTA	Jul. 1, 2011
Canada	Aug. 15, 2011
United States	May 15, 2012
European Union	Jun. 26, 2012
Venezuela (PSA)	Oct. 19, 2012

IN FORCE

SIGNED

IN  
NEGOTIATION

Source: Colombian Ministry of Commerce, Industry and Tourism. 2013.

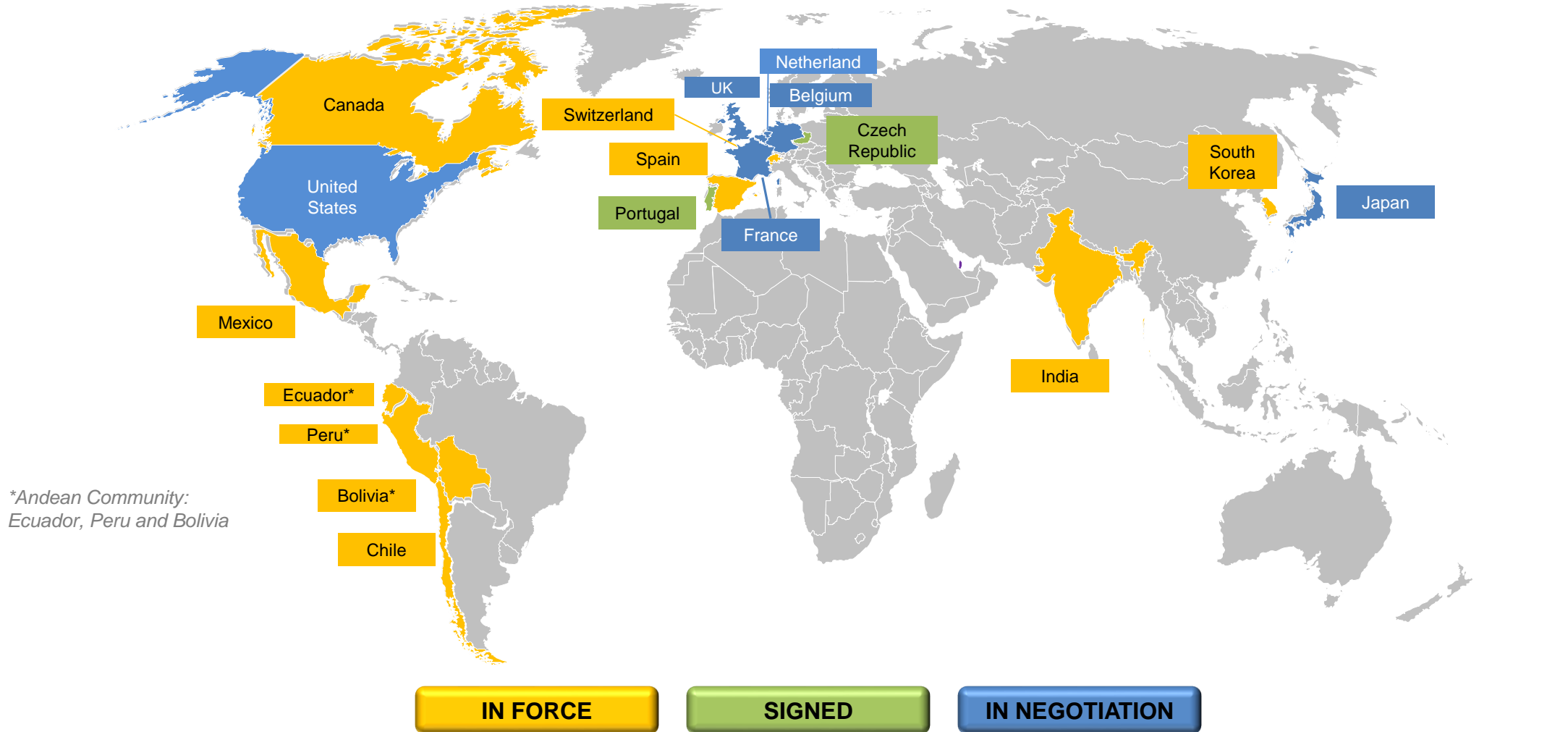
# BILATERAL INVESTMENT TREATIES - BITs



Note: The International investment agreements (IIA) include Agreement Investment Treaties – BIT (agreement) and Free Trade Agreements – FTA- with investment section (chapter).



# DOUBLE TAXATION AGREEMENTS - DTAs





## IV. Colombia Approaching the Asia-Pacific Region

# COLOMBIA'S TRADE WITH ASIA-PACIFIC

**2001**

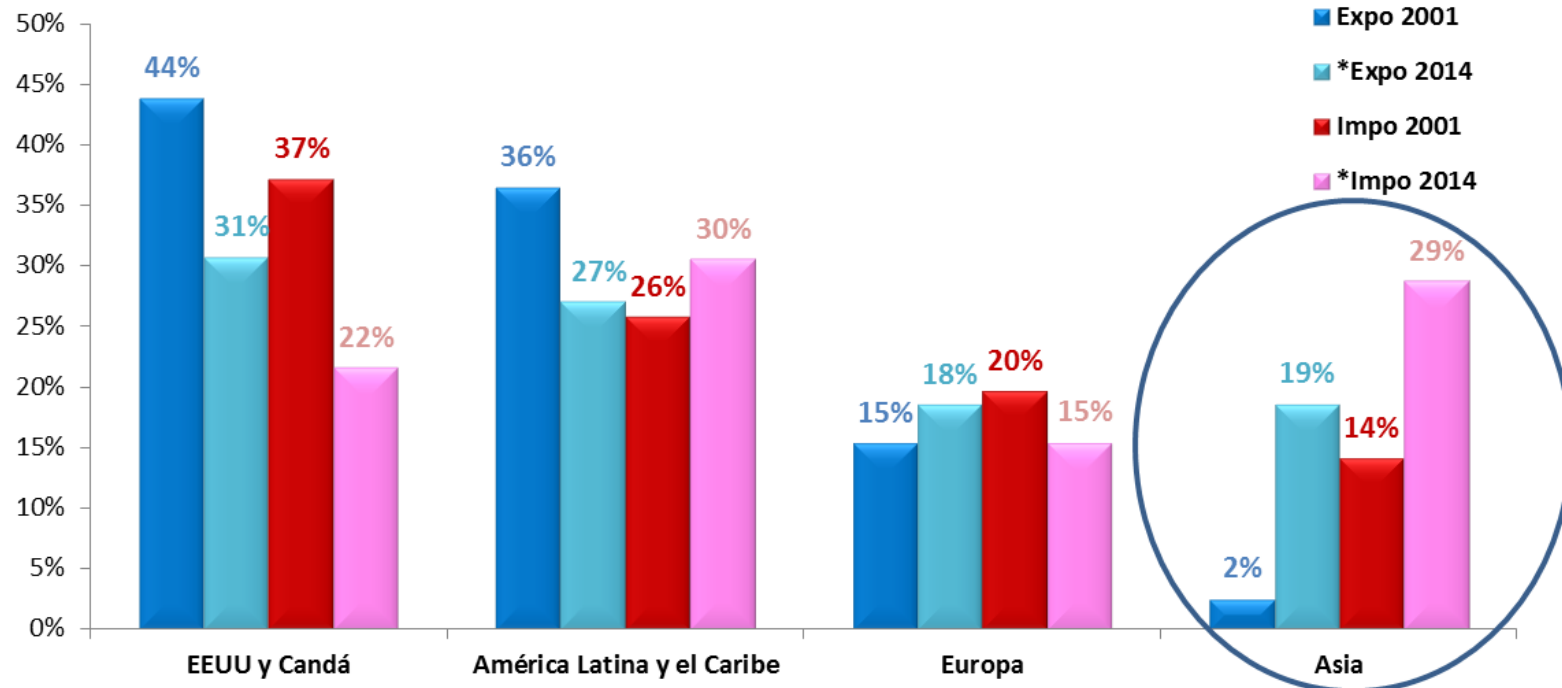
**Total Exports: US\$ 12,329 millones FOB**

**Total Imports Totales: US\$ 12,821 millones CIF**

**\*2014**

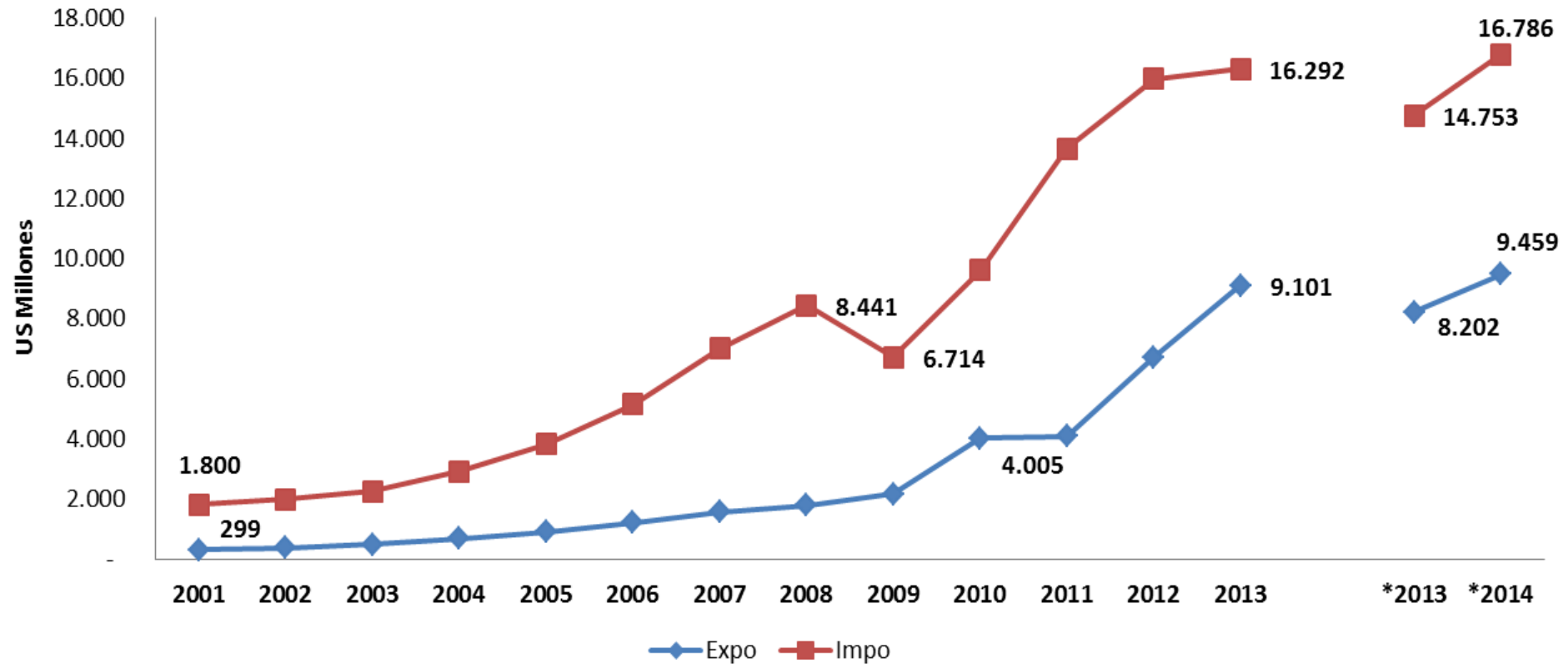
**Total Exports: US\$ 51,061 millones FOB**

**Total Imports: US\$ 58,540 millones CIF**



Colombia's trade with Asia-Pacific surpassed the trade with Europe

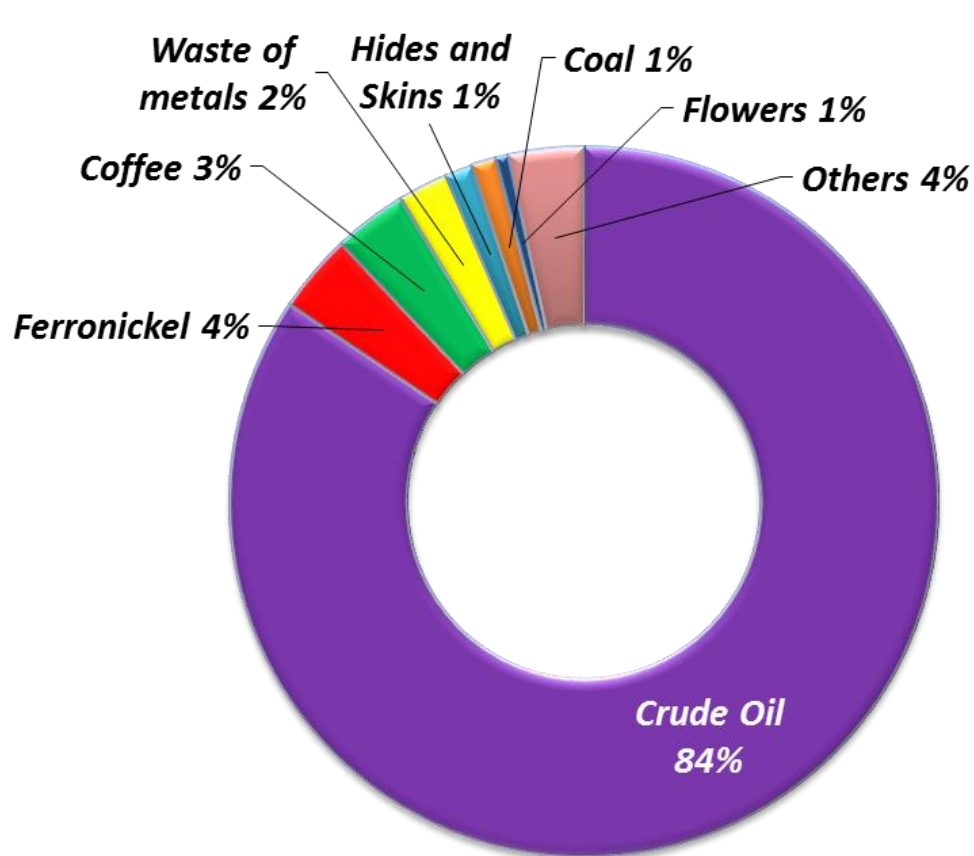
# COLOMBIA'S TRADE WITH ASIA-PACIFIC



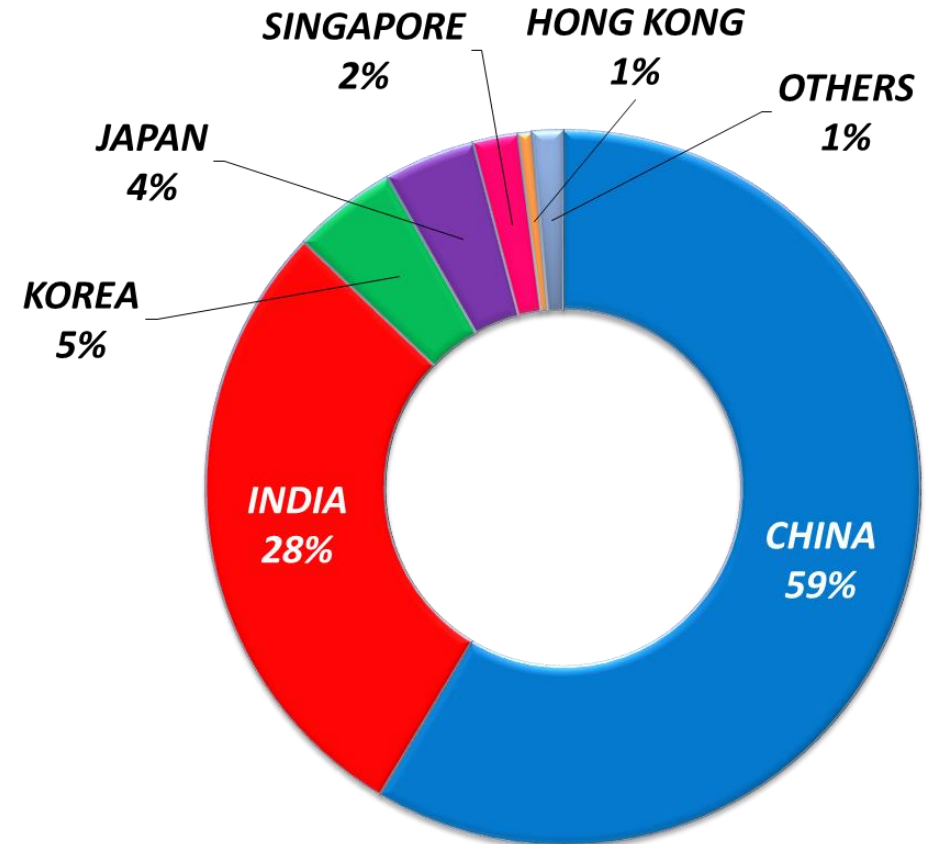
Global trade Colombia–Asia **increased 12 times** since 2001, increasing from USD 2.1 billion to USD 25.4 **billion** in 2013.

Source: DANE (Colombian National Department of Statistics) – Ministry of Trade / \* Data until Nov. 2014

# COLOMBIAN EXPORTS TO ASIA - PACIFIC (Jan – Nov 2014)



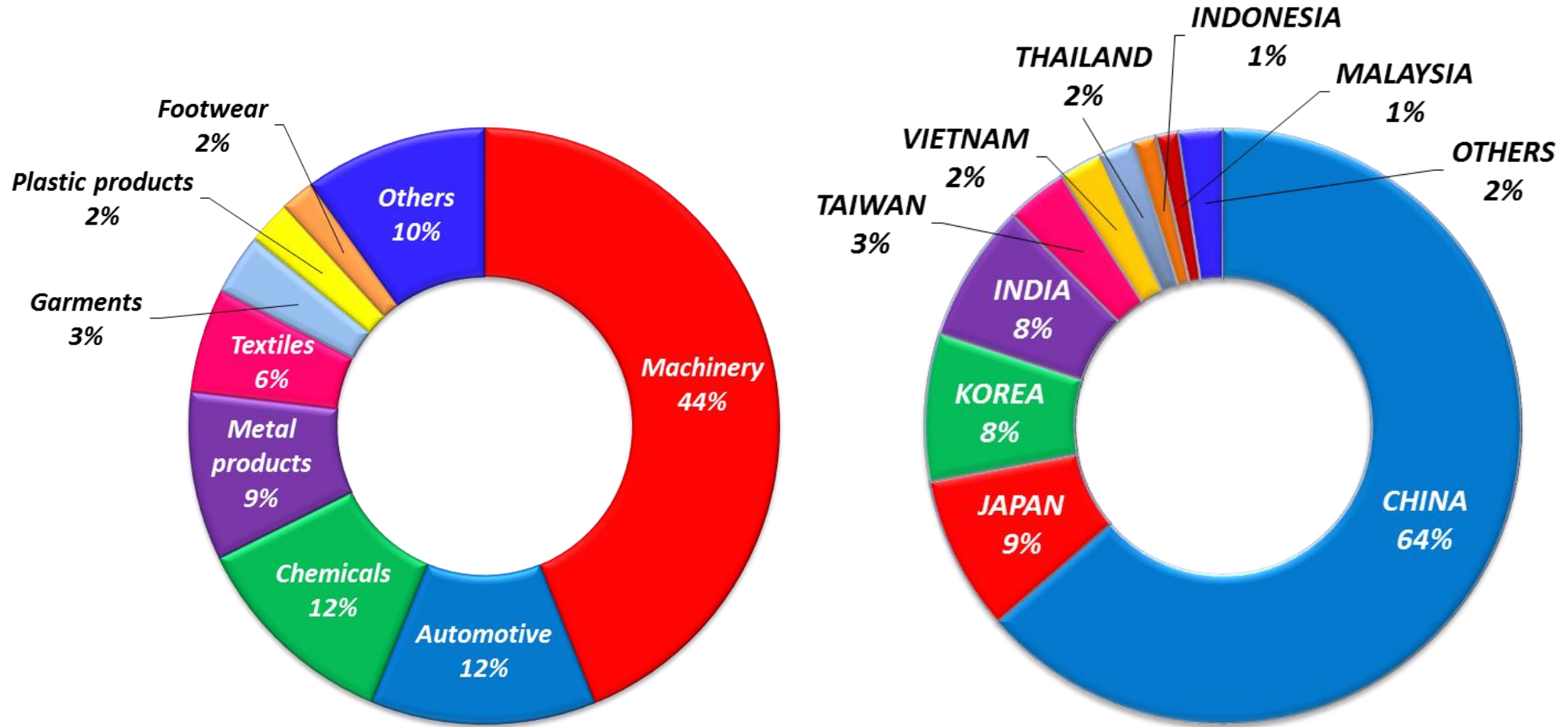
- **Four products** represented **93%** of our exports to Asia, most concentrated in crude oil.



- **Four markets** represented **96%** of our exports to Asia: China, India, Japan and Korea.

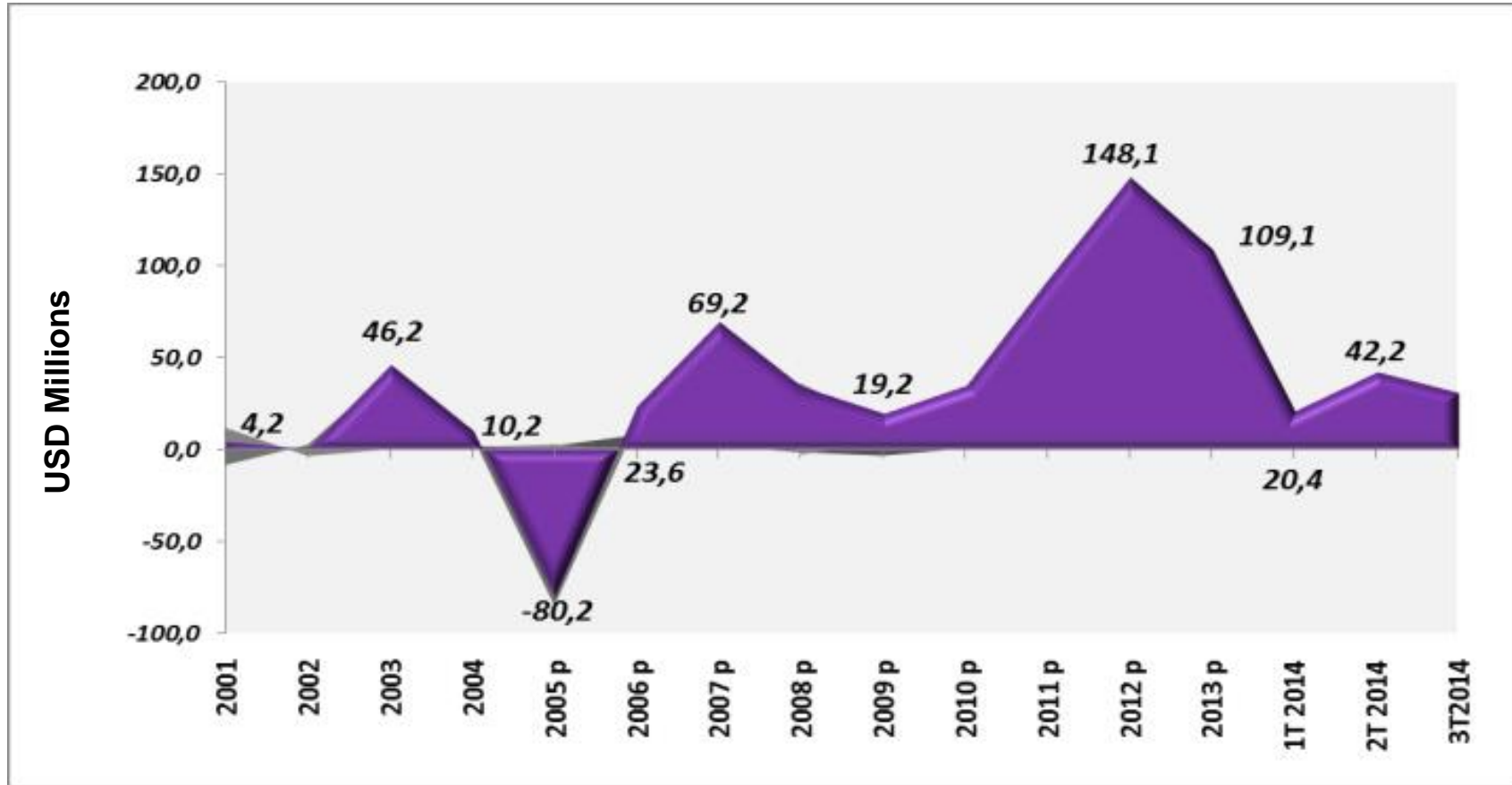
Source: Ministry of Trade & Investment / \*Data until November 2014

# COLOMBIAN IMPORTS FROM ASIA - PACIFIC (Jan – Nov 2014)



Source: Ministry of Trade & Investment / \*Data until November 2014

# FDI INWARDS FLOWS FROM ASIA – PACIFIC 2001 – 3Q 2014



- The negative figure indicates that the inward FDI flow in Colombia was lower than the reimbursements of that year.

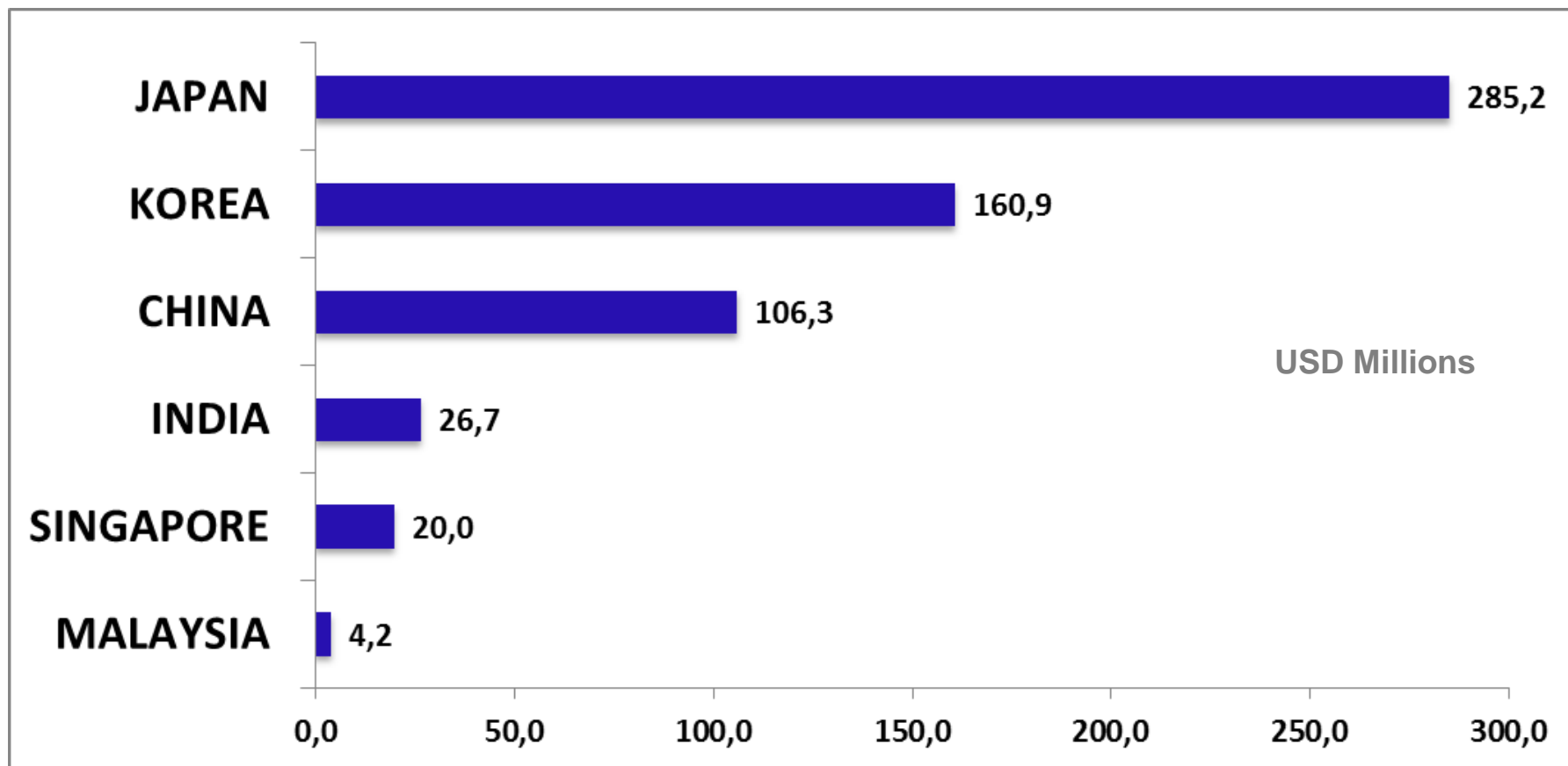
Source: Central Bank /DRC \*Data until third quarter 2014



# FDI INWARDS FROM ASIA - PACIFIC

## Accumulated 2001 – 3Q 2014

Accumulated Asia FDI in Colombia 2001- 3Q 2014 = USD 603.2 million,  
accounted 0.5% of the total Colombian FDI.



Source: Central Bank /DRC \*Data until third quarter 2014



## V. Tourism



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# A Safe Tourism Destination

INTERNATIONAL media has been highlighting COLOMBIA as a safe, world-class destination



**Bogotá**



**Medellín**



**Cartagena**

UNESCO World Heritage Site



**Eje Cafetero**

UNESCO World Heritage Landscape



**Santander**

Sports, adventure and ecotourism

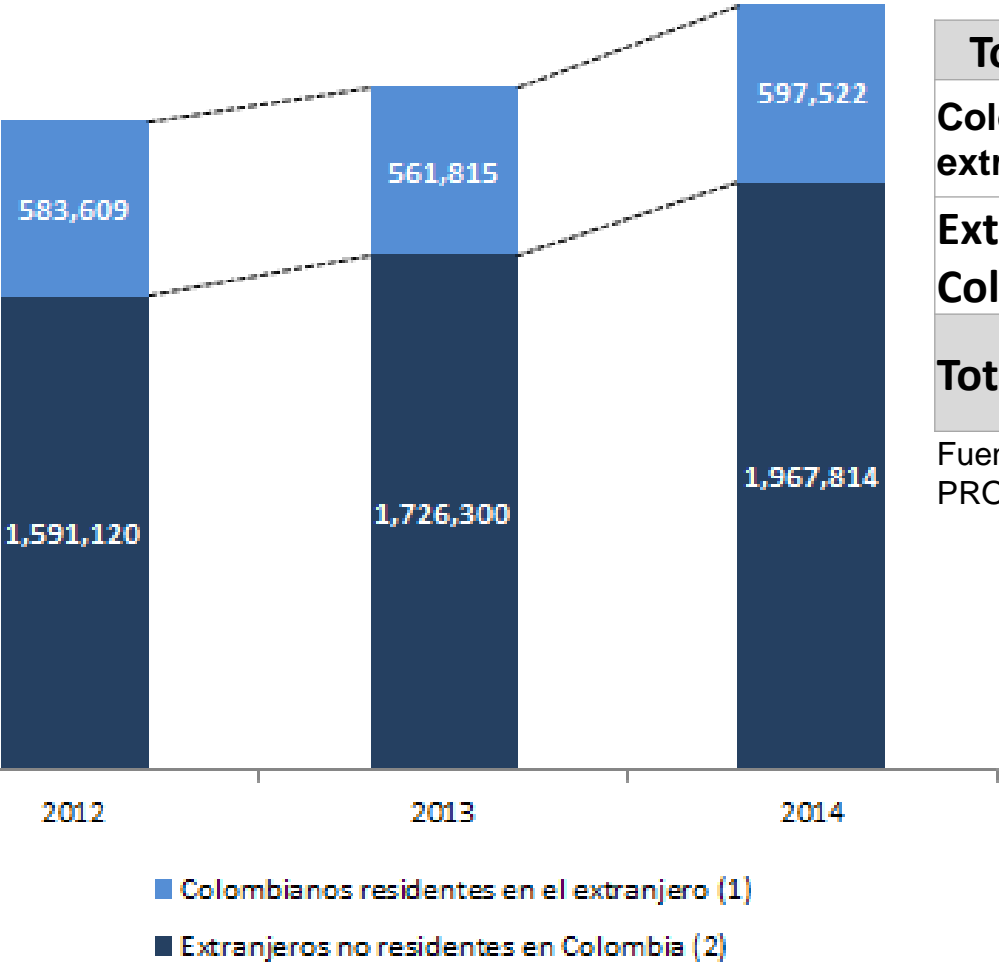
The Government of Colombia has worked hard to improve security conditions across the country, making it a safe destination for Colombian and foreign tourists.



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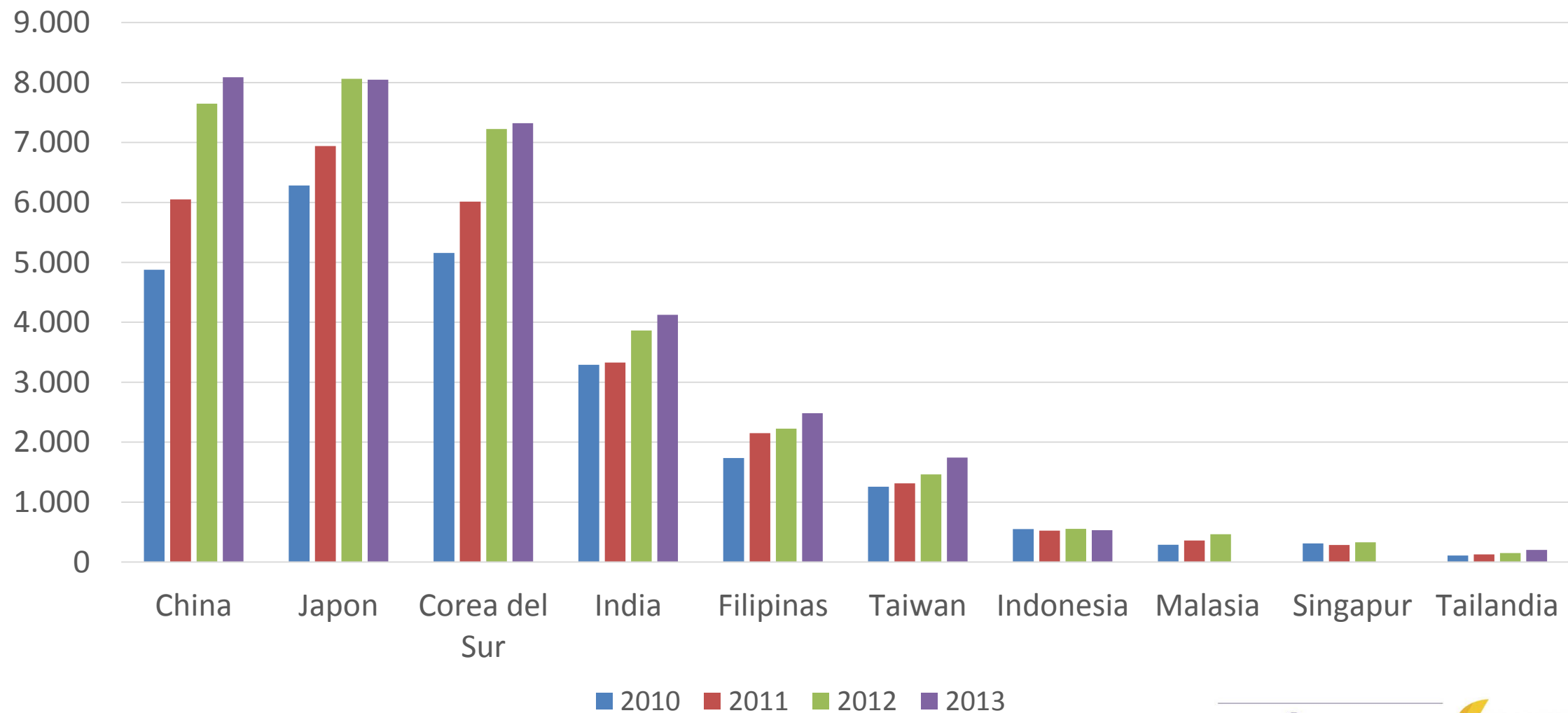
# World tourist to Colombia



Total Llegadas de viajeros	2012	2013	2014
Colombianos residentes en el extranjero (1)	583.609	561.815	597.522
Extranjeros no residentes en Colombia (2)	1.591.120	1.726.300	1.967.814
Total Llegadas (1)+(2)	2.174.729	2.288.115	2.565.336

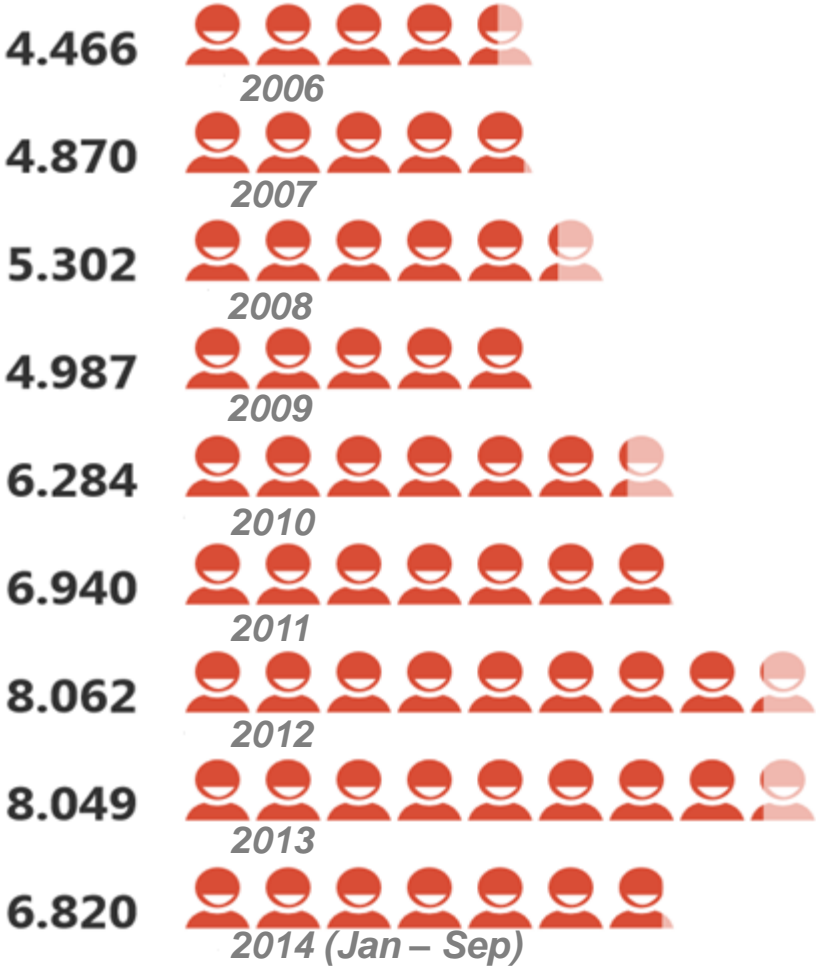
Fuente:Migración Colombia, cálculos PROCOLOMBIA.

# Asian Tourist in Colombia

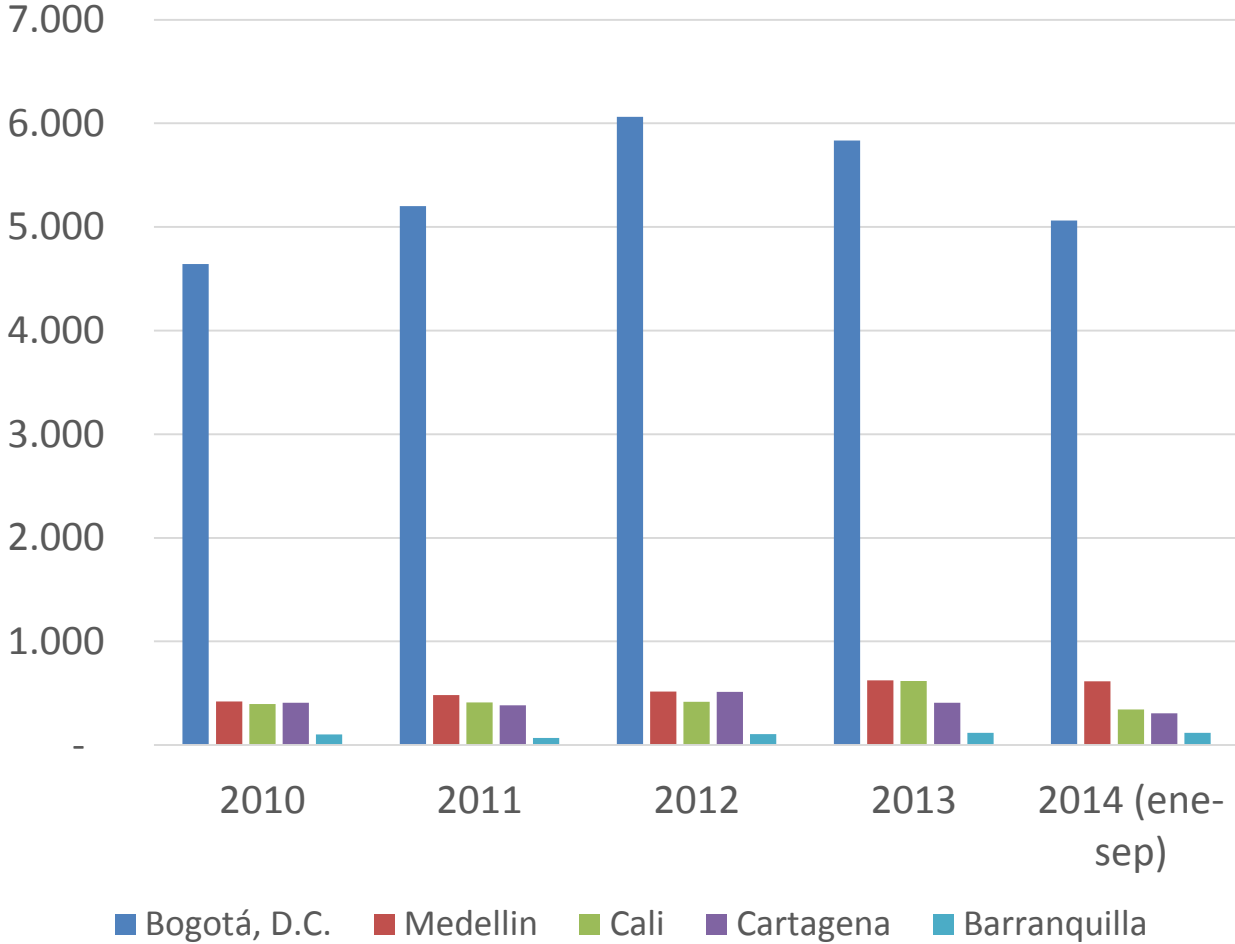


# Japanese Tourism to Colombia

## Total Japanese nationals who travel to Colombia



## Principal Cities







## VI. Peace Dialogues



# General Agreement



After an Exploratory Meeting from 23, February to 26, August, 2012, held at the Havana, Cuba, the delegates of the Government of Colombia and Revolutionary Armed Forces of Colombia (FARC) decided to adopt a “General Agreement for the End of the Conflict and for a Sustainable Peace”.

The Discussion Table was established in Oslo, Norway, October 15<sup>th</sup>, 2012.

The agreement set up six points of discussions.

1. Policy on agricultural development;
2. Political Participation;
3. Conflict Ending;
4. Solution to Illicit drugs problem;
5. Victims;
6. Implementation, verification and countersign

# Dialogues Outlook

## Agreed points of the General Agreement



### 1. Policy on Agricultural Development

Concluded June, 21<sup>st</sup> 2013



### 2. Political Participation

Concluded November, 9<sup>th</sup> 2013

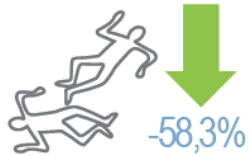


### 3. Solution to Illicit drugs problem

Concluded May 16<sup>th</sup> 2014

# Security improving

Collective homicide cases



Carjacking



Víctims of massacres



Homicides



Road piracy

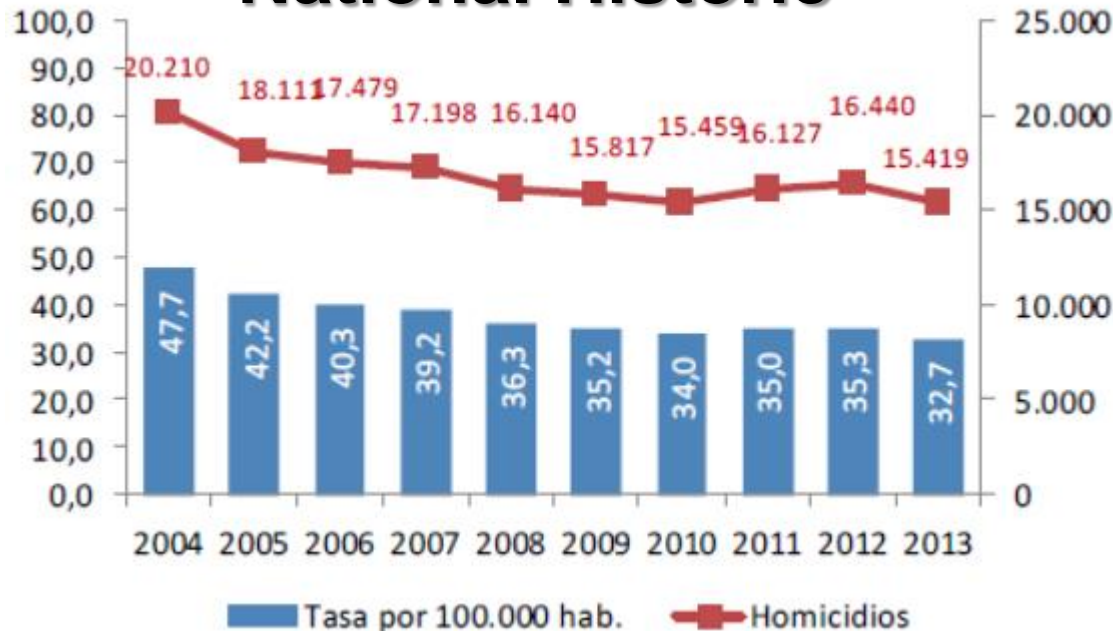


Kidnapping for ransom

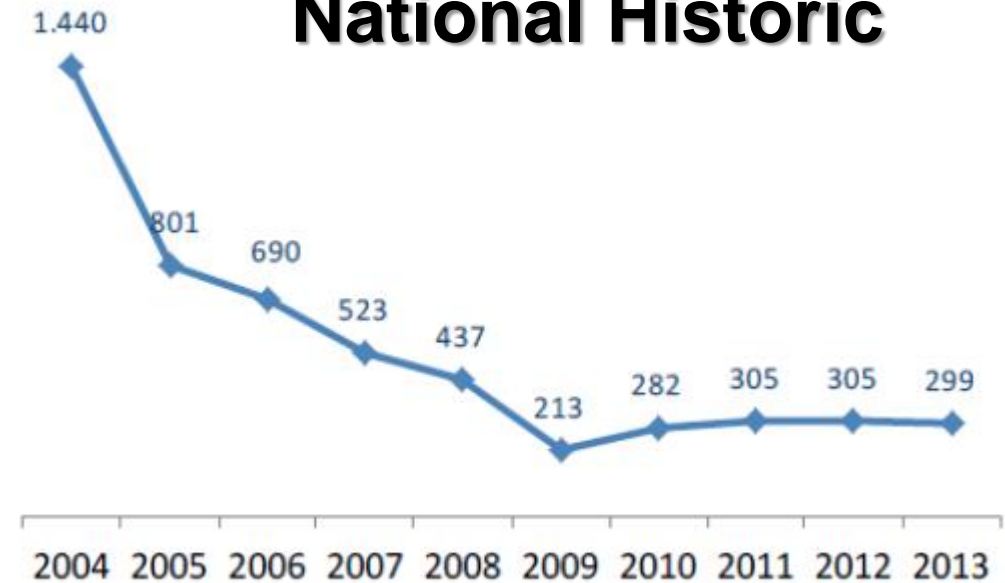


SECURITY ENVIROMENT - 2014 COMPARED 2013

## Homicides National Historic



## Kidnapping National Historic





## VII. Colombia's strategy towards the Asia-Pacific region



# PARTICIPATION ON INTEGRATION AND COOPERATION FORUMS



- Established in 2011 by Colombia, Chile, Perú and México.
- It is an innovative, open and flexible integration strategy, that serves as a platform for export diversification, job opportunities, economic growth and competitiveness.
- It is an inclusive mechanism of cooperation that does not seek to counterbalance other regional integration blocks.
- Mexico currently holds the pro tempore presidency of the Pacific Alliance.
- Observers: China, Korea, Japan, Australia, New Zealand, India, Singapore.

# INSTITUTIONAL PRESENCE IN ASIA - PACIFIC

## 2011 -2015 Feb.



- **Embassies:**  
Thailand, Malaysia, Indonesia, China, Australia, Vietnam, India, South Korea, Japan and Singapore.
- **Consulates:**  
Shanghai, Guangzhou, Sidney, Hong- Kong and Auckland
- **Trade Promotion Offices - PROCOLOMBIA**  
Japan, China, S. Korea, India Singapore and Indonesia

# ACHIEVEMENTS OF THE STRATEGY FOR ASIA – PACIFICO

## ❖ Bilateral Investment Treaties – BITs

- **In force:** China, India (July 2012)
- **Signed:** Korea (included in TLC)
  - Japan (approved in Japanese Diet – Nov. 2013)
  - Singapore (In Congress– Since 1<sup>st</sup> Semester 2014)
- **Negotiation:** Russia. (July 2012 exchange drafts – Dec. 2013 phone-conference).



## ❖ Trade Agreements

- **Signed:** Korea FTA - Dec. 2014 (Constitutional Court – approved)
  - Israel – September 2013.
- **In Process:** Turkey (Suspended June 2012).
  - Japan EPA (Economic Partnership Agreement)
    - 1<sup>st</sup> round-Dec.2012 - 8<sup>th</sup> round: Dec. 2014
- **Perspective:** Joint Study Group with China.
- **Proposal:** Australia, New Zealand, India.

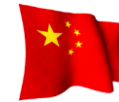




# ACHIEVEMENTS OF THE STRATEGY FOR ASIA – PACIFICO

## ❖ Memorandums of Understanding for Cooperation:

- On Industrial Cooperation: Korea
- On Business Development: India (Joint Working Group - CEO Council)
- On Agricultural and Sanitary: China (Ministry of Agriculture) June 2013



## ❖ Other Bilateral Mecanisms:

- Joint Committee on Economic and Trade: China (VIII meeting Oct.2012)
- Joint Commission: Korea (III meeting Sept. 2010)



## ❖ Pacific Alliance:

### ➤ Asian Observers:

- ✓ China, South Korea, Japan, India, Turkey, Singapore, Israel.



# BILATERAL INVESTMENT TREATY (BIT) COLOMBIA – JAPAN

- ✓ April 2009: I Round in Tokyo, Japan
- ✓ December 2010: V Round, end of the negotiation
- ✓ September 2011: BIT Signed
- ✓ November 22, 2013: BIT approved by the Japanese Diet
- ✓ Pending the approval by the Colombian Constitutional Court (last step)



# ECONOMIC PARTNERSHIP AGREEMENT (EPA)

## COLOMBIA - JAPAN

- ✓ December 2012: I Round in Tokyo, Japan
- ✓ March 2 – 6, 2015: X Round in Bogotá, Colombia
- ✓ Concluded Chapters:
  - Technical barriers to trade
  - Competence
  - Business environment improvement
  - Telecommunications
  - Temporary entry of business people
- ✓ Open Chapters:
  - Government Procurement
  - Legal and Institutional Issues
  - Rules of Origin
  - Market Access

# What you can see?



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# What you used to know about Colombia



One of the  
major  
producers  
countries  
of coffee



The First  
producer  
of High  
Quality  
Emerald



One of the  
major  
exporters  
of fresh  
flowers



One of the  
most  
dangerous  
countries  
around the  
world with  
the highest  
rate of  
violence



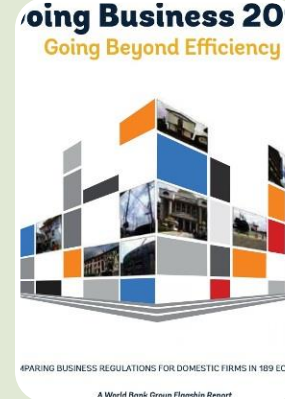
One of the  
first  
producers  
and  
smugglers  
of illicit  
drugs  
around the  
world



Home  
town of  
James  
Rodriguez



# What you do not know about Colombia



93 indigenous groups across the country with 68 native tongues spoken

More than 75% of the energy grid is hydro-generated

Colombia has close to 14% of the world's flora and fauna and 7% of the Amazon rainforest

More than 376,740 families have been repaired through the Victims and Land Restitution Law

Colombia is 1<sup>st</sup> in the Ease of Doing Business in Latin America ranking and 34th of 189 countries worldwide

Home town of Carlos Vives, Grammy award and Juanes

Home town of Colombian racing cyclist Nairo Quintana, the first Latin-American who won the Giro d'Italia in 2014.

# What you do not know about Colombia



The Word Colombia comes from the name Cristóbal Colón who was the person who discovered America and was used by Francisco de Miranda to named the New World.



The wettest place on earth is in Colombia. The municipality of Lloró in Choco has the further average of rain fall.



Bogotá is the first capital of Latin-American to get the tittle of Book's Capital, gave it by UNESCO



The archaeological park of San Agustín was declared World Heritage in 1995 by the Unesco



Colombia is the second country around the world with the largest fresh water supply per capita.



Colombia has the biggest coal reserves in Latin-America



The Colombian baseball player Mr. Edgar Rentería, become in 1996 the first Colombian player who plays at MLB and gave to the Marlins the Championship



**Gracias**  
ありがとうございました。