

COLOMBIA: The strategic ally of SOUTH KOREA

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MINISTRY OF TRADE
INDUSTRY AND TOURISM



GOVERNMENT OF COLOMBIA

WHY COLOMBIA?



**A STRATEGIC PLATFORM
FOR DOING BUSINESS**



**A DYNAMIC AND
STABLE ECONOMY**



**A MIDDLE CLASS
RAPIDLY GROWING**



**STRENGTH
PROTECTION FOR
FDI**

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COLOMBIA HAS 16 TRADE AGREEMENTS, REACHING 1.5 BILLION CONSUMERS



Source: Ministry of Commerce

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COLOMBIA- A DYNAMIC AND STABLE ECONOMY

GROSS DOMESTIC PRODUCT, ANNUAL GROWTH RATE

2005-2016



MACROECONOMIC STABILITY INDEX WORLD RANKING 2016-

2017



SOURCE: GLOBAL COMPETITIVENESS INDEX, 2016.

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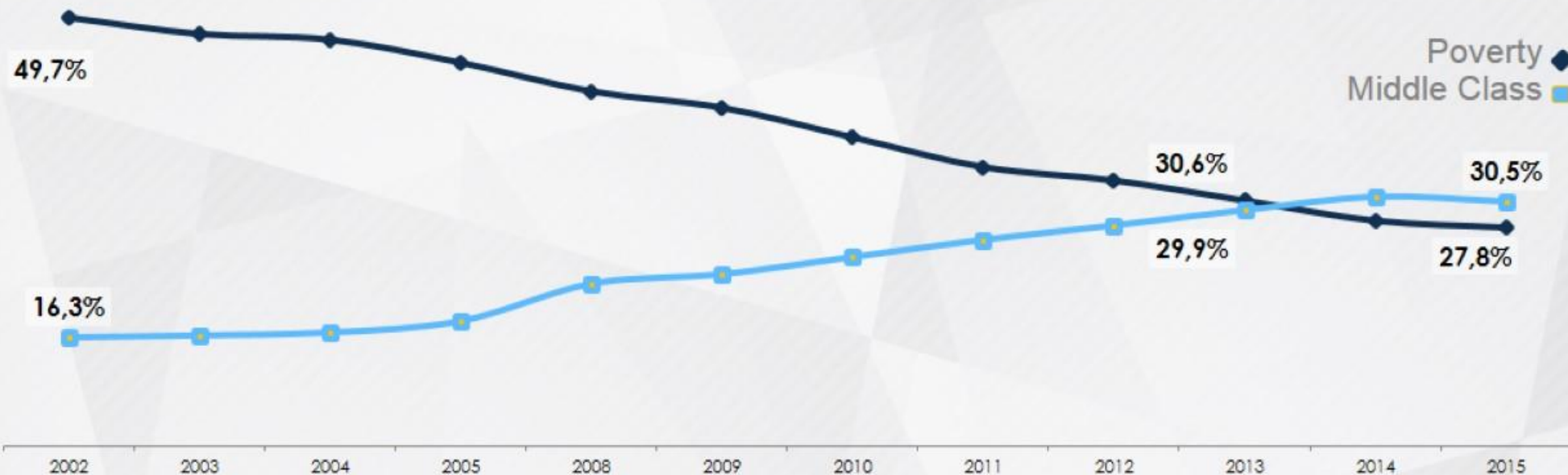
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REMARKABLE REDUCTION IN POVERTY RATES AND STRONG GROWTH OF THE MIDDLE CLASS

Percentage of people in poverty



Source: DANE (National Statistical Office)

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COLOMBIA — A TOP DESTINATION FOR A SAFE INVESTMENT



COLOMBIA RANKS:



First in the Legal rights index (Worldwide)



First in the strength of investor protection Index (LAC region)

Source: Global competitiveness Index, 2016.

DOING BUSINESS 2007-2017 RANKING

COLOMBIA

Has implemented the most reforms in Latin America to

Country	Ranking 2017	# of reforms 2006-2017
Colombia	53	34
Peru	54	24
Panama	70	17
Ecuador	114	13
Argentina	116	10
Chile	57	8
Mexico	47	5
Brazil	123	4

According to Doing Business, within the Latin American and Caribbean region,



#1 Colombia is:
in getting credit

#1 in protecting minority investors

#2 in dealing with construction permits

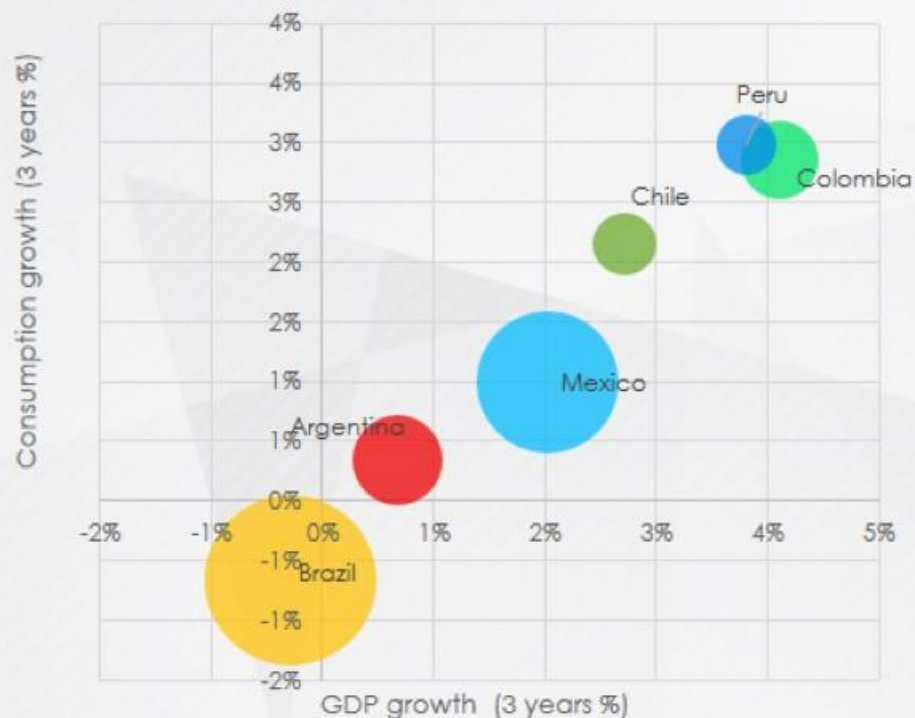
#2 in ease of doing business

#3 in registering property

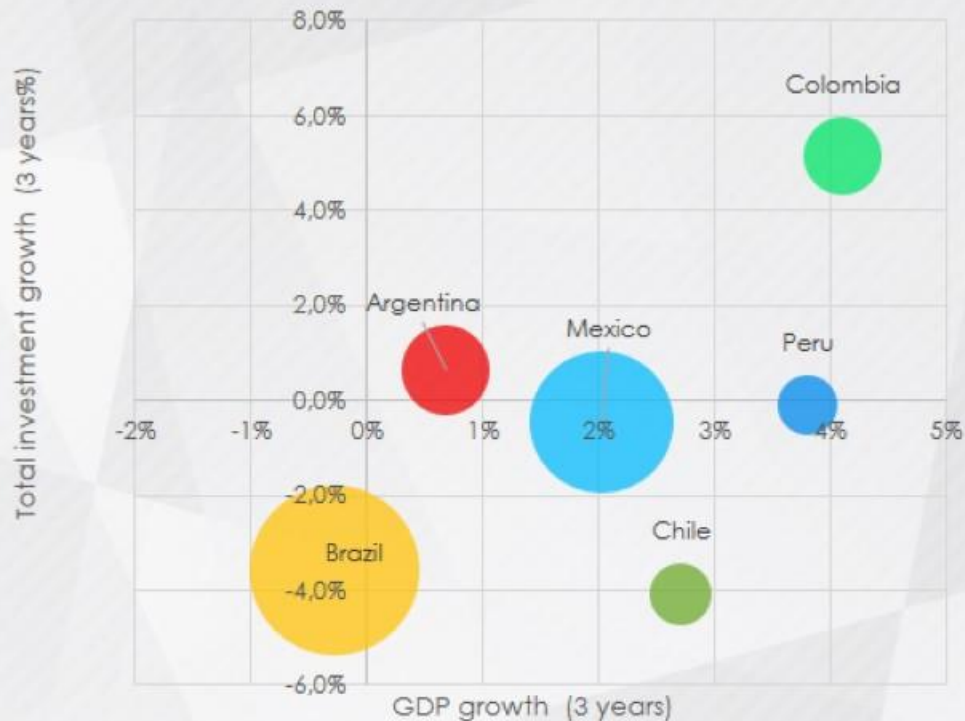
#5 IN STARTING A BUSINESS

COLOMBIA IS LEADING A SUSTAINABLE GROWTH IN THE REGION

GDP growth vs. Consumption
2012-2015 - (%)



GDP growth vs. Total Investment
2012-2015 - (%)



Source: ProColombia based on World Bank data. Bubble sizing responds to the economy size.



SOUTH KOREA

Exports

SOUTH KOREA, A DEMANDING MARKET WITH HIGH POTENTIAL

A nighttime aerial view of a city in South Korea, featuring a large suspension bridge spanning a body of water, with city lights and modern architecture visible in the background and foreground.

South Korea is a market of **50 million of people**, whose **income per capita** has significantly increased in the last years, being around USD 25,000 annually, which gives us a measure of the purchase power of the Korean consumer.

Population and commercial and industrial activity focus on some of the main cities. In the northwest, the axis Seoul-Incheon and its area of influence host 40% of the population and a great proportion of its commercial and financial activity. Southeast, around the cities of Busan and Ulsan, also hosts a great part of the heavy industry of the country.

THE COMMERCIAL AGREEMENT BETWEEN COLOMBIA AND SOUTH KOREA ASSURES A PREFERENTIAL AND PERMANENT RELATIONSHIP

The agreement will grant a better access to the Colombian industry of raw materials and inputs, to a high ranked global supplier.

With an immediate customs duties reduction for the 98% of the industrial tariff subheadings, the FTA with Korea will allow that the current total export offer of the country enters into the market in short time. While the missing 2% will be liberalized at latest in a 5 years time.

In case of **agricultural goods**, all the products which are of interest for exporters, will obtain preferences; in a great number of cases with gradual reductions which eventually will end in a total elimination of tariffs.

On the other hand, Colombia will gradually liberalize its industrial products, taking into account the specific sensitivities of Korea and liberalizing in a faster manner the importation of raw materials.

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Due to the increasing living standards and a better contact with the world abroad (especially through tourism), **the Korean consumer became more receptive to foreign products.**

In the case of industrial goods, it is worth to mention the high number of imported goods incorporated to some of the main Korean exports. Korea is one of the main global exporters in sectors like vessel building, vehicles or electronic consumption, needing to import at the same time a great part of materials, parts and components.



EXPORT OPPORTUNITIES FOR SOUTH KOREA



Sugars and panela *
Cocoa*
Coffee*
Cocoa Derivatives *
Special Coffees *
Processed fruits and vegetables *
Fresh fruits (banana, pineapple and pitahaya) *
Fresh flowers *
Confectionery products *
Alcoholic and non-alcoholic beverages
Miscellaneous food preparations
Bakery and milling products
Quinoa



Handicrafts *
Cosmetics & Toiletries * Chemicals



Articles of leather *
Underwear*
Bathing suits
Casual clothes
Sportswear



Digital Contents *
Software*

*Short term identified opportunities (3 to 5 years)

COLOMBIA IN PEACE: BIGGER, INCLUSIVE AND PRODUCTIVE

MOST AFFECTED AREAS OF CONFLICT, ZOMAC

The **ZOMAC** are made of more than 300 municipalities affected by the armed conflict.

Strategy for:

Generate opportunities to investors and at the same time restore progress; foster development, establishment of companies, generation of employment and promote social inclusion.

The companies located in ZOMAC territory have

Tax benefits.
Opportunities in the agro sector, industry and tourism.

TOURISM AND PEACE

Lines of action:

Productive transformation of companies and destinations in peace environments.

Responsible and sustainable practices.



THANK YOU

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