

The background features a light gray grid with clusters of small dots in the corners. Overlaid on this are several semi-transparent gears of different sizes and colors (orange, gray, white) and a faint line graph. The text is centered and reads:

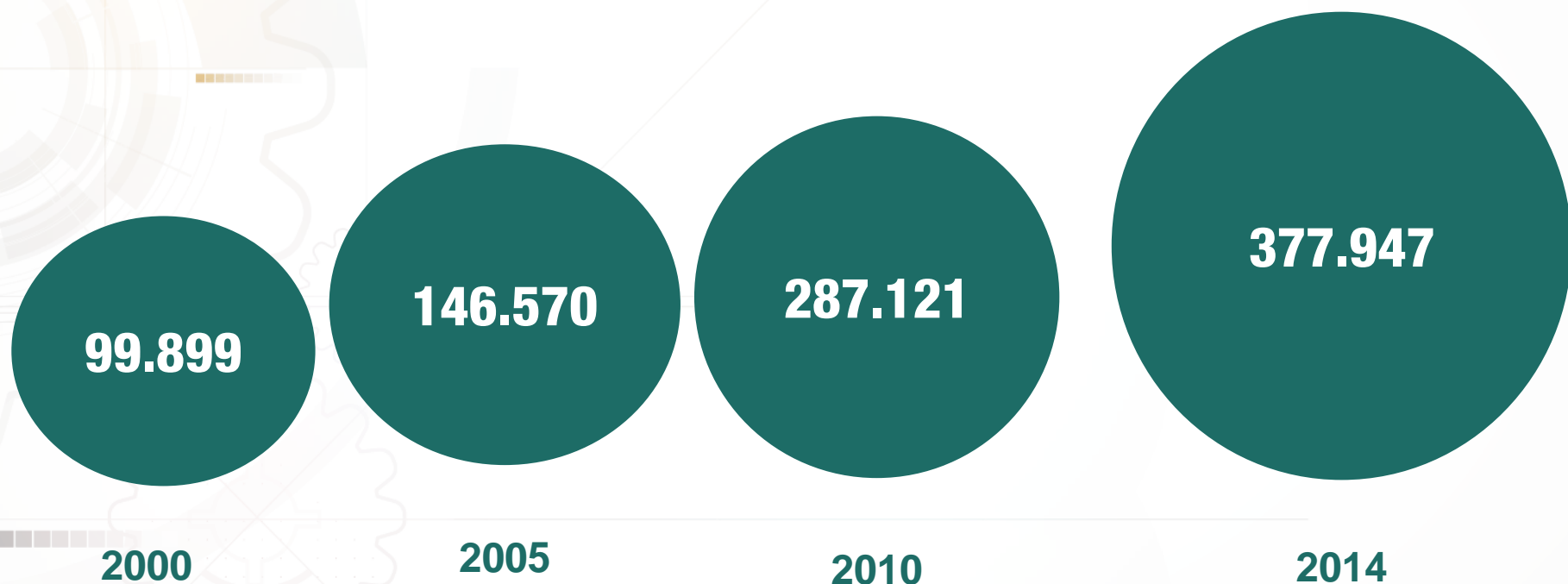
Colombia:
A land of opportunities
Private sector outlook

**National Business Association
of Colombia**
September 2015

Colombia
is not the same
country we had
15 years,
10 years or even
5 years ago

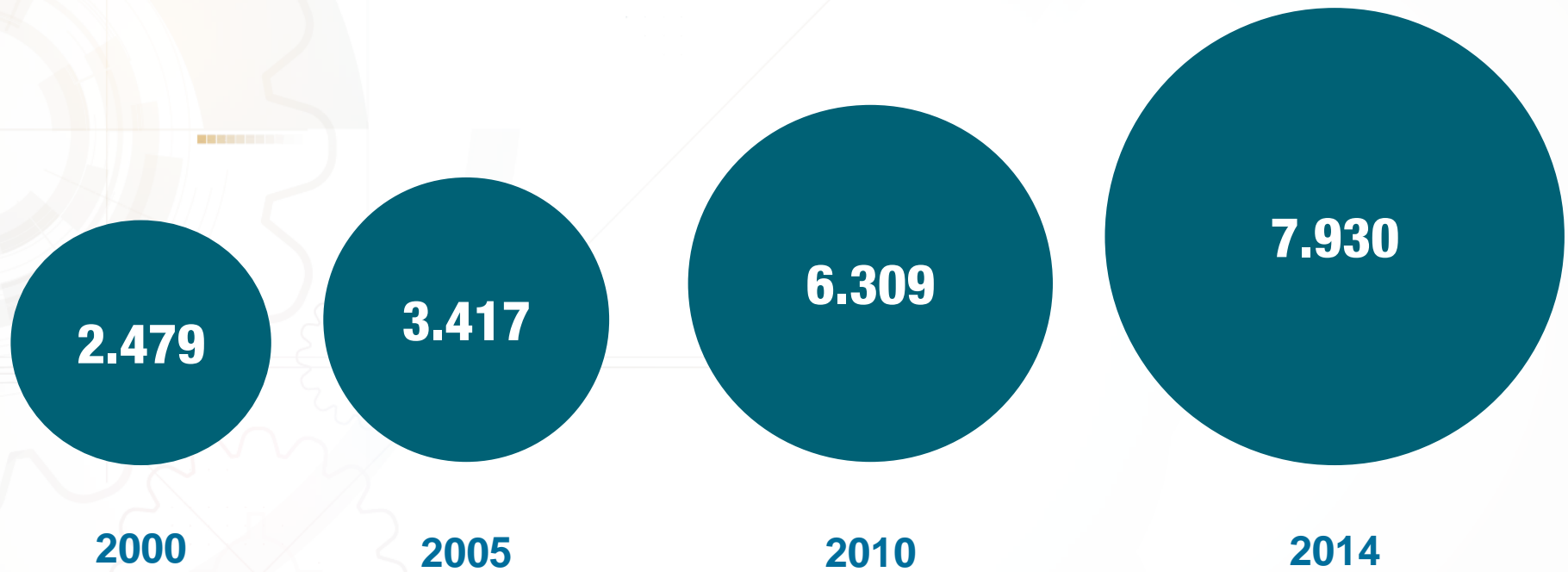


Colombia: A middle income economy



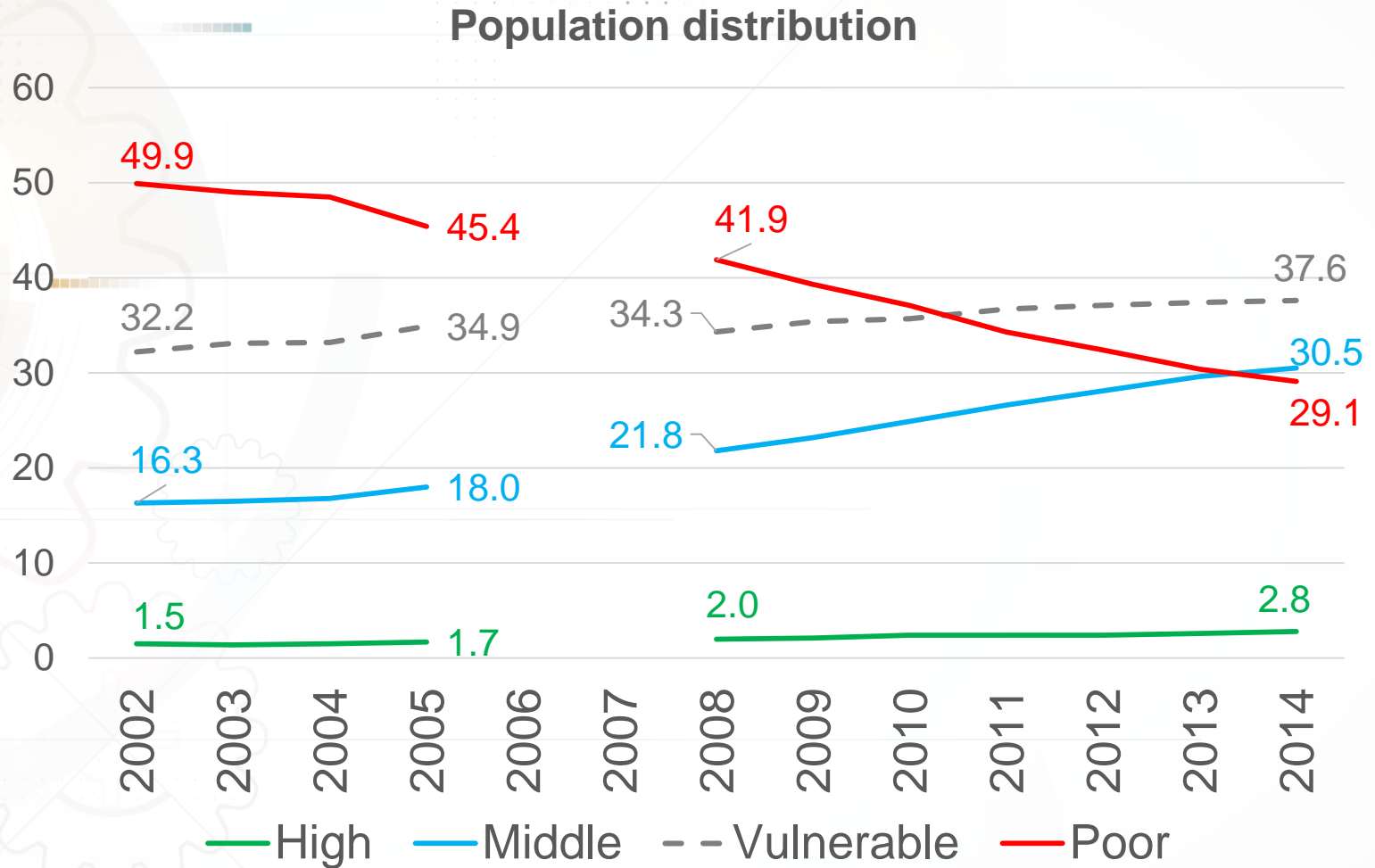
GDP (million US\$)

Colombia: GDP per capita



(US\$)

In Colombia poverty is decreasing and middle class is increasing

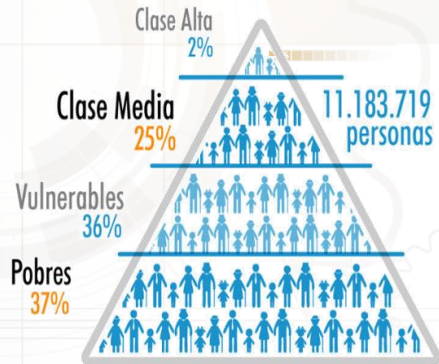


Source: GPP – DPS y Banco Mundial.

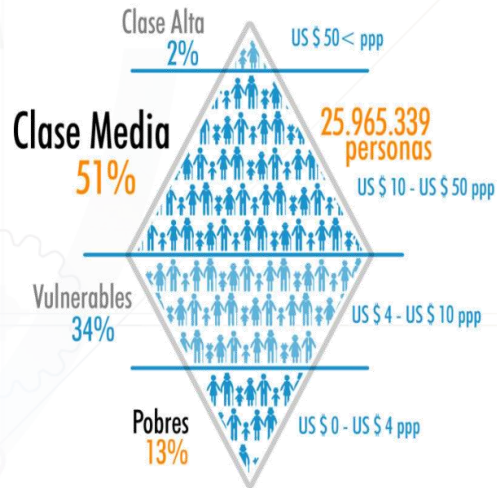
Population Distribution

Population Distribution 2010 - 2020

COLOMBIA 2010



COLOMBIA 2020

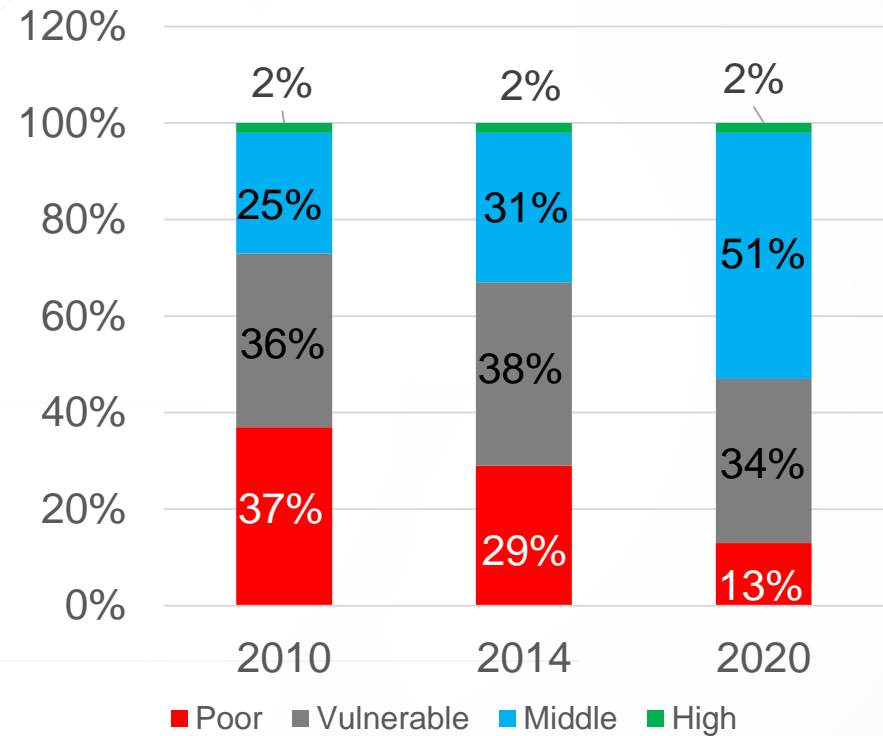


Ingreso para el consumo mensual
8.7 billones

Ingreso para el consumo mensual
16.5 billones

Cuadro producido por el Departamento para la Prosperidad Social

Increase in middle class





Favourable position in the region and among emerging markets



Latin America: can be classified in three groups:

Promising: Pacific Alliance

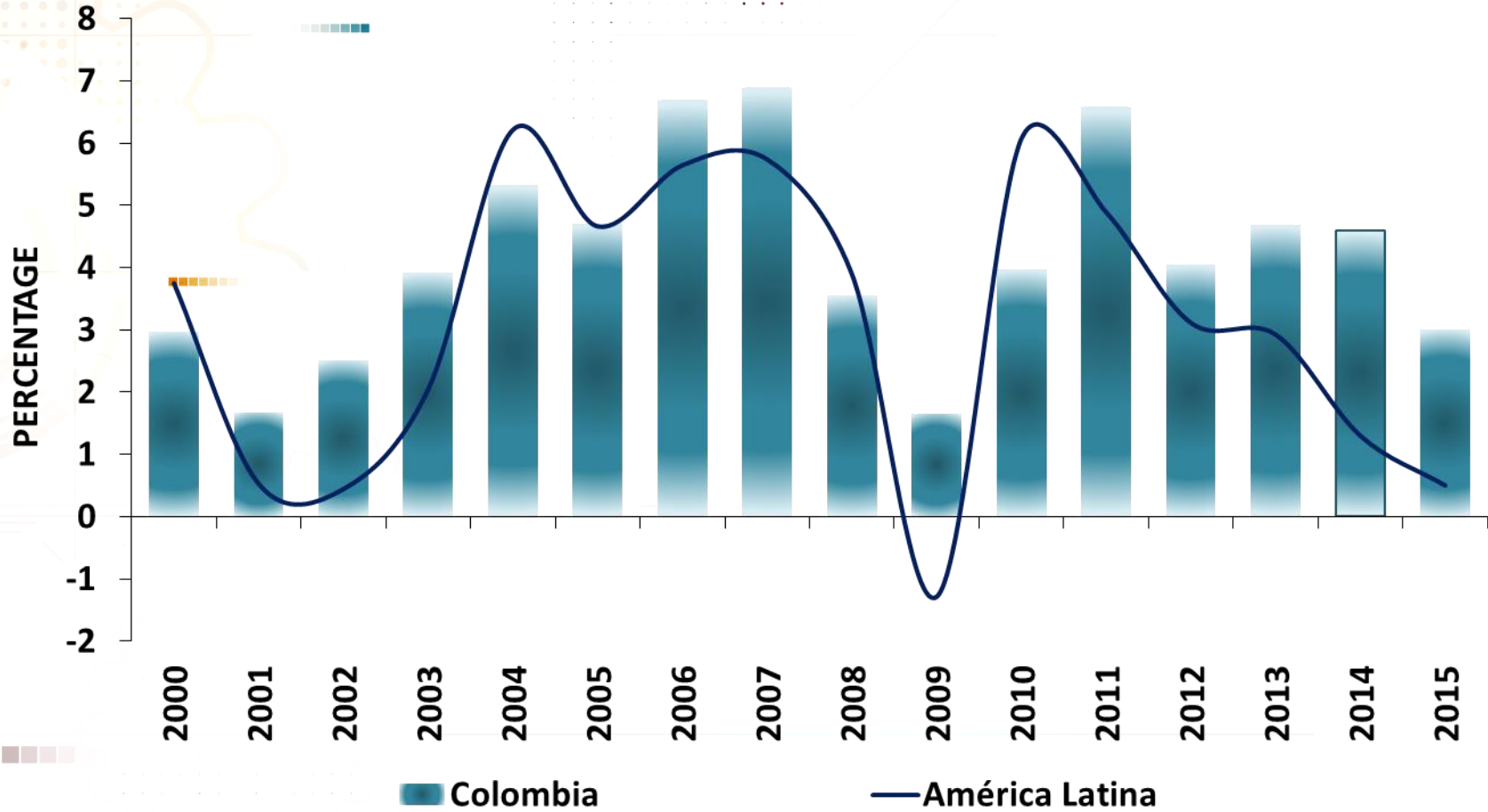
Deteriorating: Brasil, Ecuador

Economic and governance issues: Venezuela, Argentina



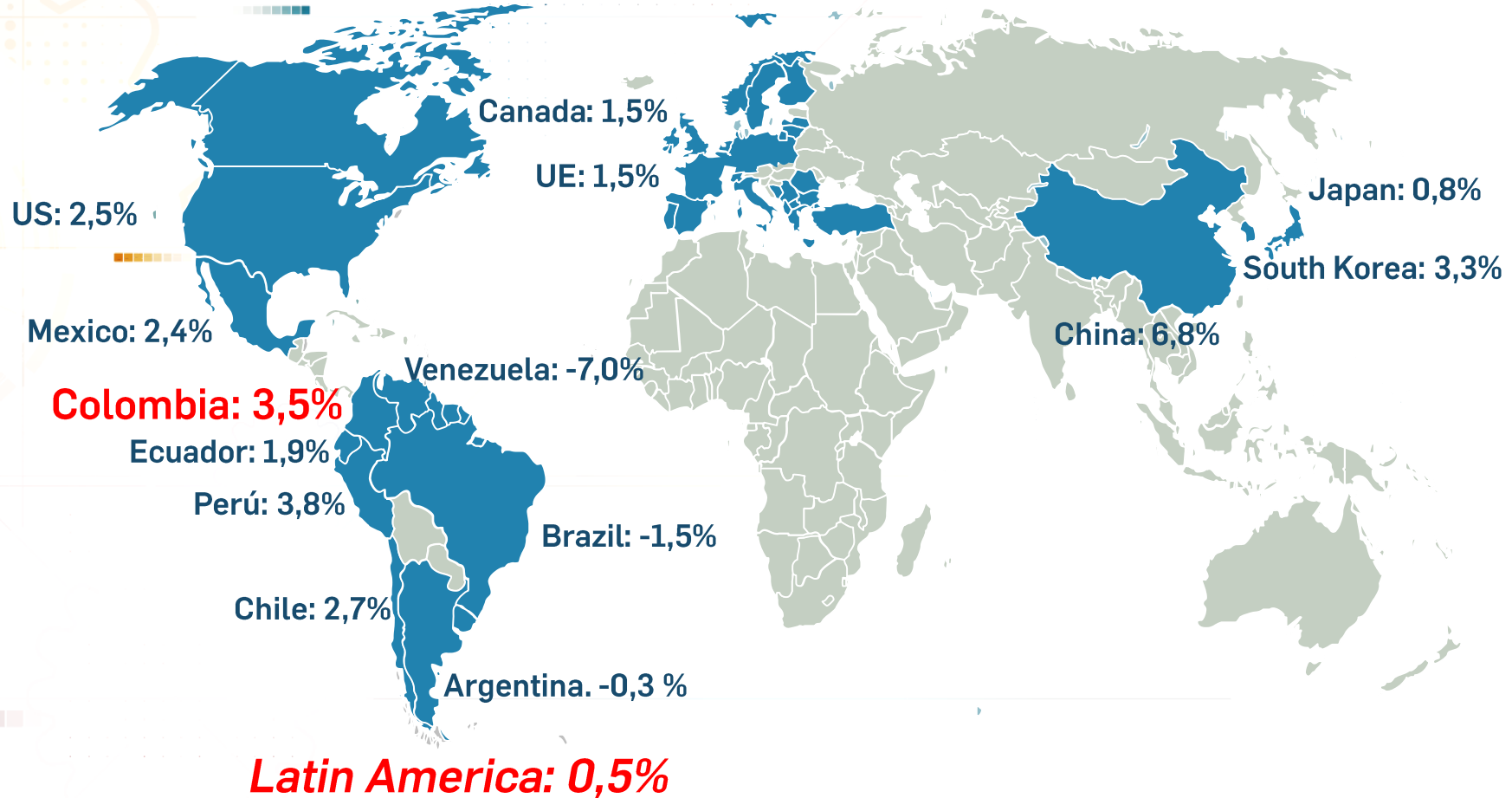
Colombia's current growth rate is higher than Latin America's average and the country's long term trend

COLOMBIA Y LATIN AMERICA GDP GROWTH RATE



SOURCE: DANE, National Accounts

GDP: 2015

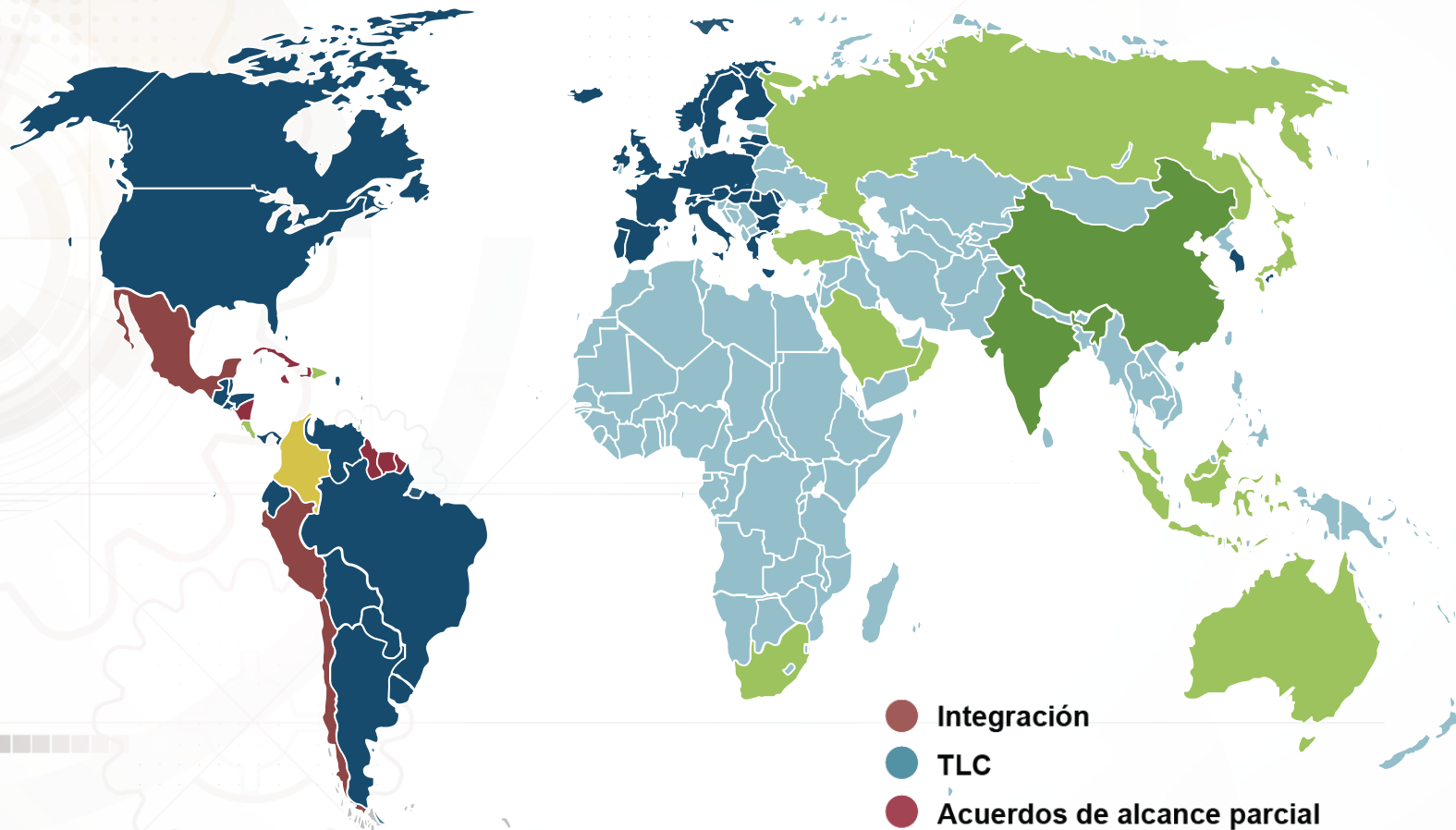


Source: IMF July, 2015. ANDI

LATIN AMERICA: MACROECONOMIC INDICATORS 2015

	GDP US\$ Millions	Growth rate IMF	Population Millions	GDP per capita US\$	Intl Reserves US\$ Millions	FDI US\$ Millions	Investment % GDP	Inflation rate %
BRAZIL	1,903,934	-1.5	204.5	9,312	368,159	66,035	20.1	9.5
MEXICO	1,231,982	2.4	121.1	10,174	185,500	17,594	21.8	2.6
COLOMBIA	332,384	3.0	48.2	6,895	46,703	16,151	26.0	4.7
ARGENTINA	563,138	0.1	42.4	13,271	33,582	4,495	19.6	14.7
ARGENTINA (Average market rate)	315,114			7,426				
CHILE	250,472	2.5	18.0	13,910	38,403	9,950	21.4	5.0
PERÚ	190,268	3.2	31.9	5,962	60,613	7,789	23.3	3.8
VENEZUELA	169,673	-7.0	30.9	5,485	20,974	1,000	25.0	68.5
VENEZUELA (Average market rate)	11,611			375				
ECUADOR	102,663	1.9	16.3	6,307	4,201	774	28.1	4.1
URUGUAY	55,143	2.6	3.4	16,199	17,219	2,741	21.4	9.5
BOLIVIA	35,027	4.5	11.5	3,056	14,841	648	26.7	3.2
PARAGUAY	30,754	4.0	7.0	4,383	6,771	238	16.4	3.9

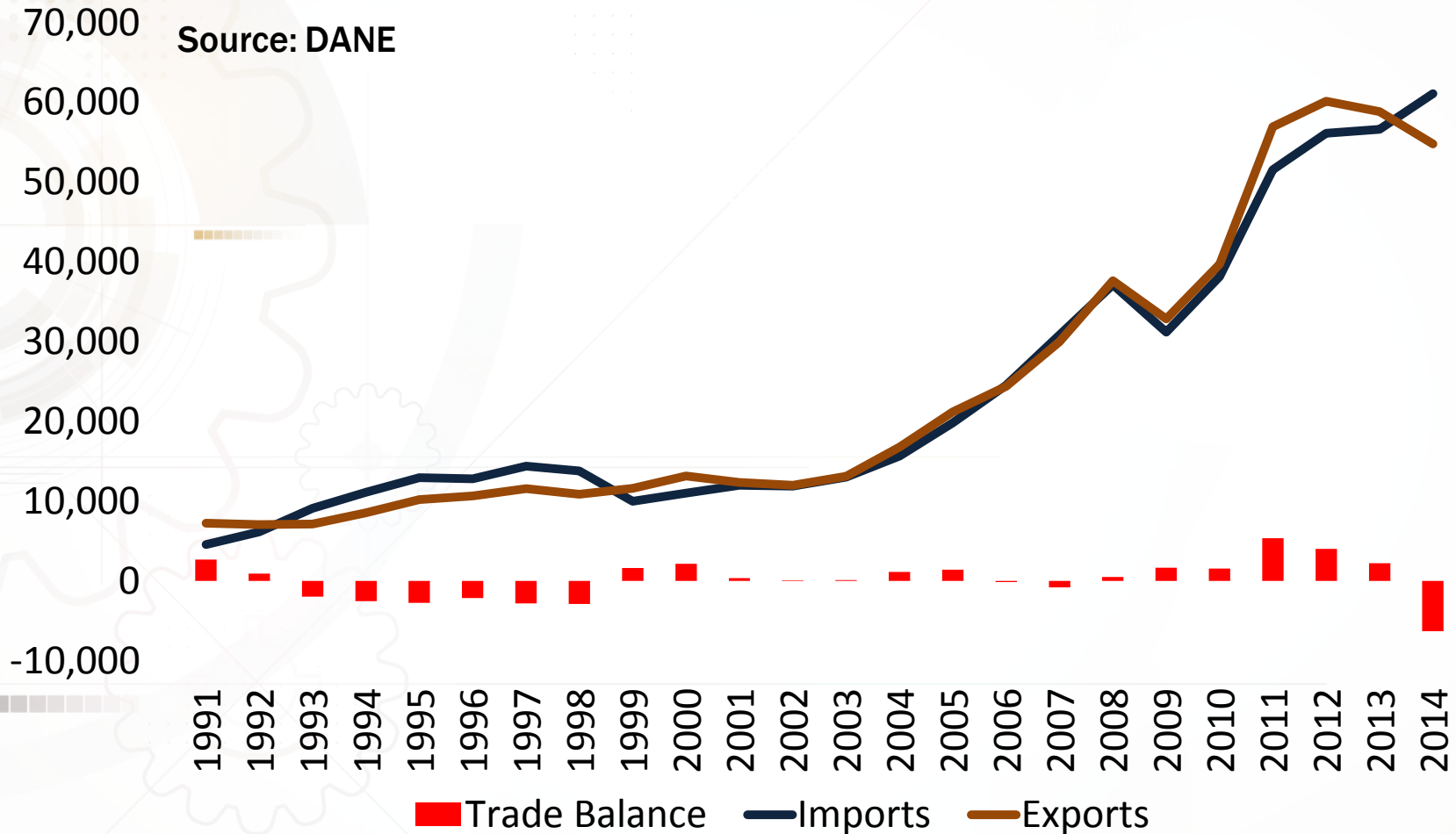
Colombia: International Agreements 2014 Agenda



- Integración
- TLC
- Acuerdos de alcance parcial
- Acuerdos de inversión y/o doble tributación
- Potenciales Acuerdos de Comercio

COLOMBIA: FOREIGN TRADE

Source: DANE



The background features a light gray grid with various data visualization elements. On the left side, there are several overlapping gears of different sizes and colors (gray, orange, white). A diagonal line runs from the top right towards the bottom left. There are also several horizontal lines and clusters of small dots in the corners, suggesting a technical or analytical theme.

2015 – 2016

A period of great challenges

Complex Outlook



Colombia: favourable position



Depreciation



Infrastructure and building



Modernization and business innovation



Oil prices

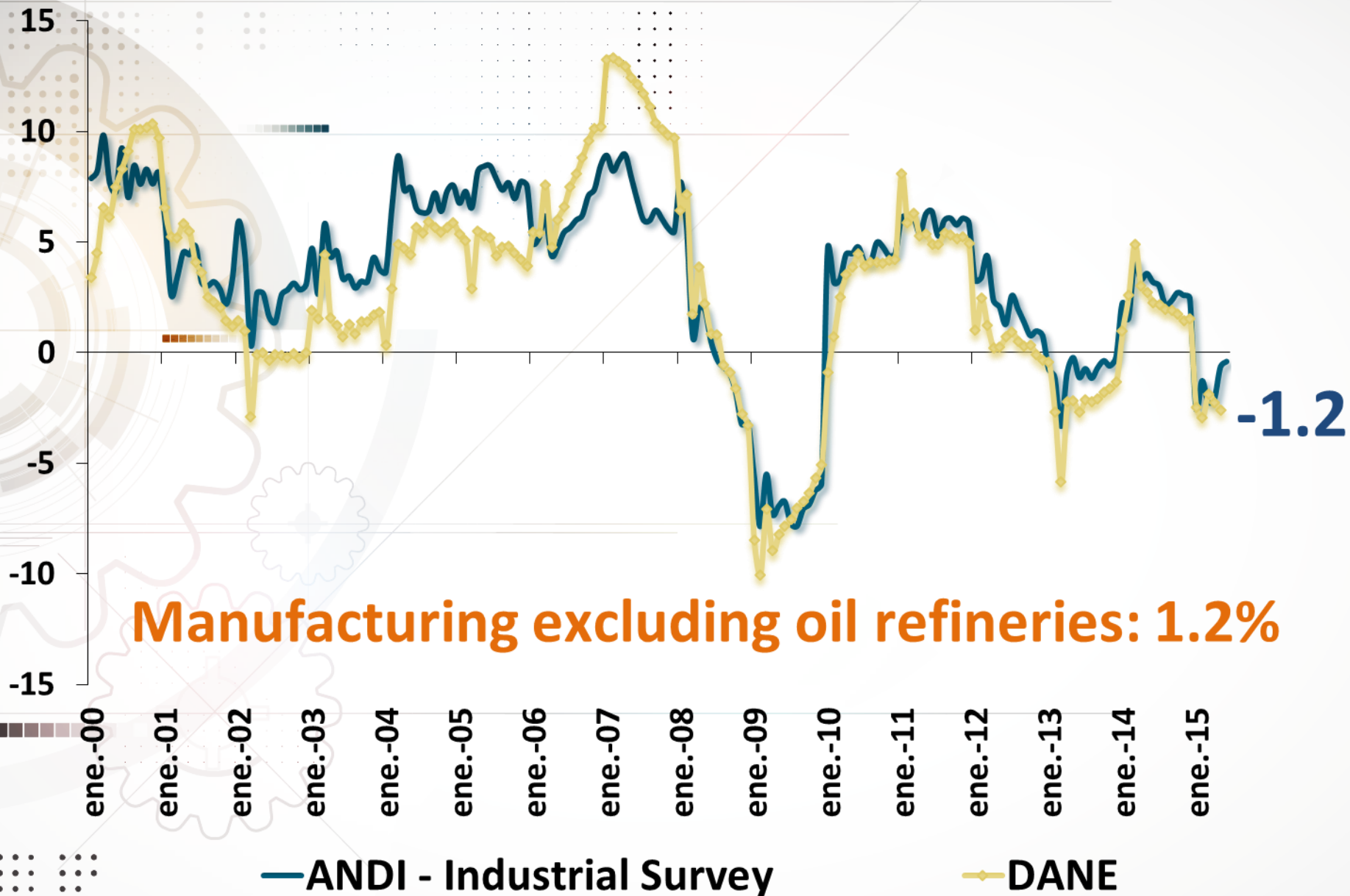


Weak foreign trade



Ecuador and Venezuela

INDUSTRIAL PRODUCTION



CRECIMIENTO INDUSTRIA MANUFACTURERA

Año 2014

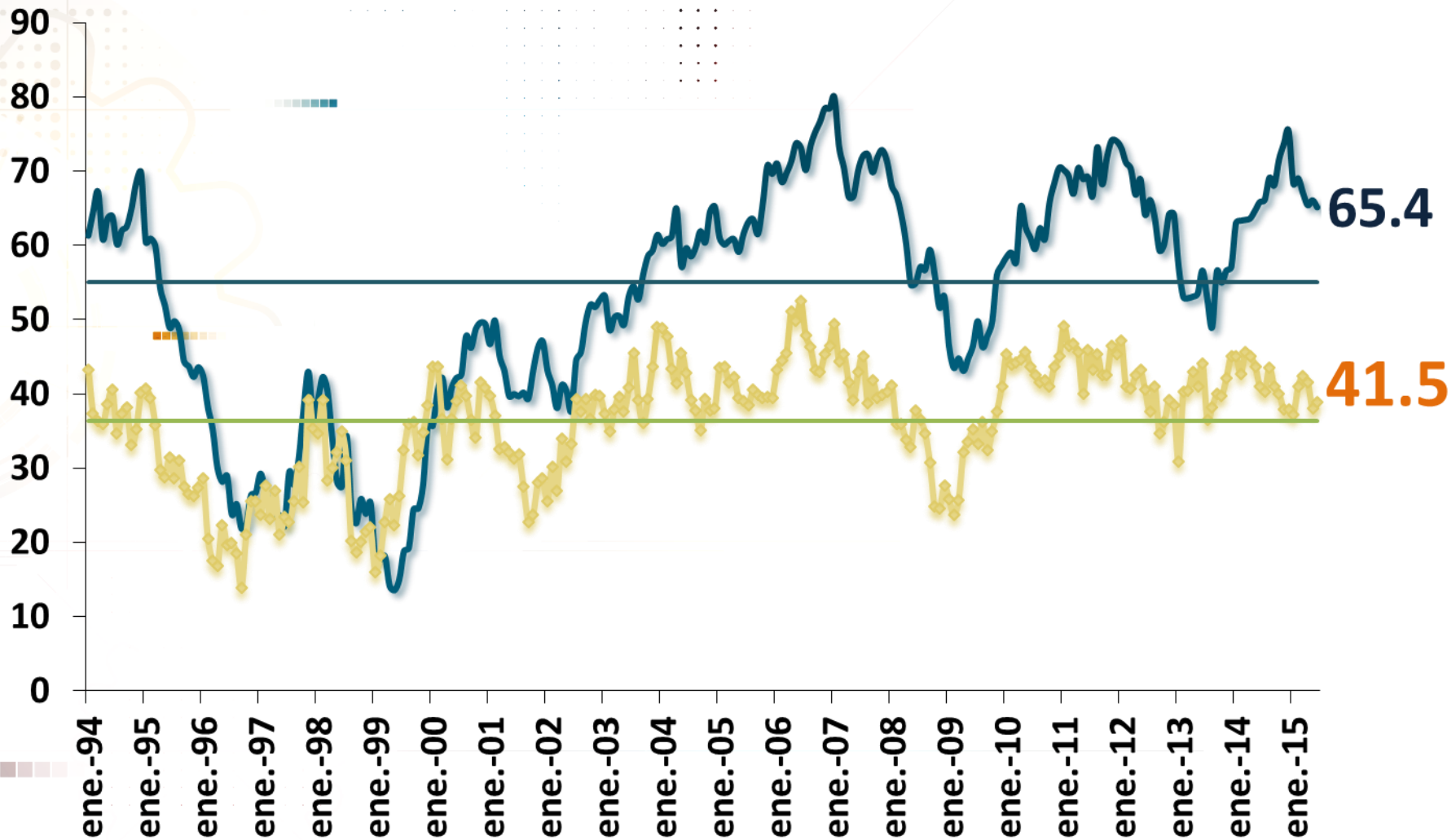
Enero-Julio 2015

CHINA	8.3	6.3
* MÉXICO	3.7	3.1
ESPAÑA	1.9	2.8
TURQUÍA	3.1	2.6
ESTADOS UNIDOS	2.5	2.3
UNIÓN EUROPEA	2.2	1.5
CHILE	-1.0	-0.2
* ECUADOR	1.6	-0.4
COLOMBIA (EOIC)	2.5	-1.2
* ARGENTINA	-2.5	-1.2
* JAPÓN	2.1	-1.3
* PERU	-3.6	-2.7
BRASIL	-4.2	-8.5

Fuente: Departamentos de Estadística de los diferentes países

* La información corresponde al acumulado Enero-Junio

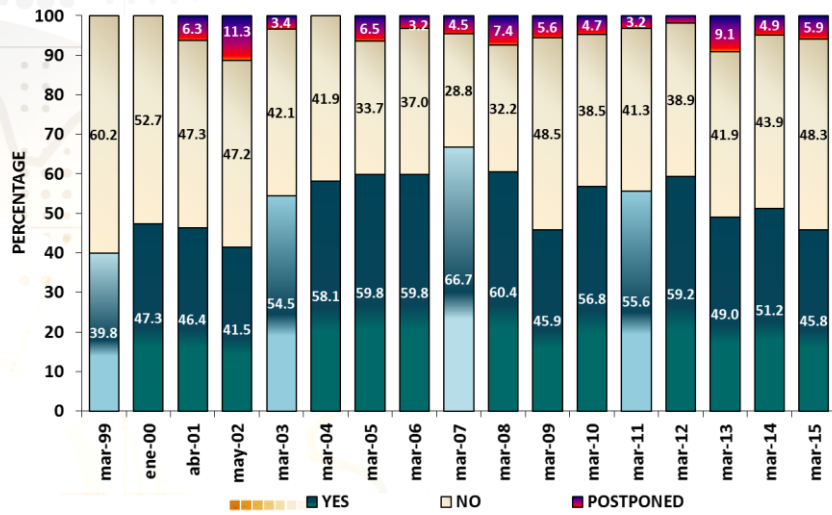
COLOMBIA: BUSINESS CLIMATE



— FAVOURABLE SITUATION

— IMPROVED EXPECTATIONS

INVESTMENT PROJECTS IN MANUFACTURING



SOURCE: Joint Survey of Industrial Opinion

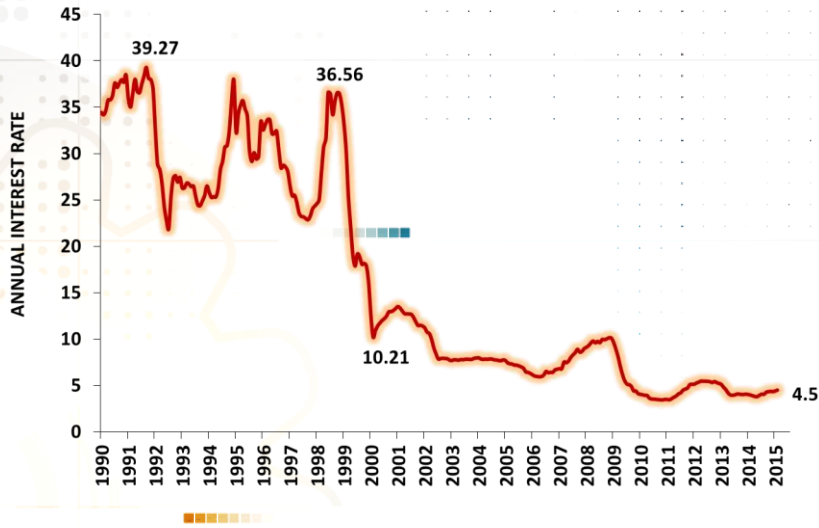
INDUSTRIAL ACTIVITIES IN RESEARCH AND DEVELOPMENT



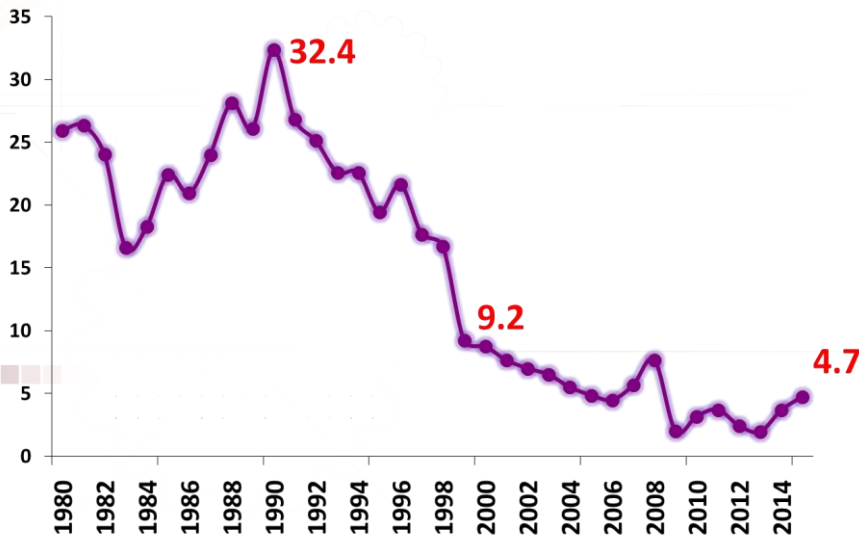
SOURCE: Joint survey of Industrial Opinion July 2015

Macro Stability

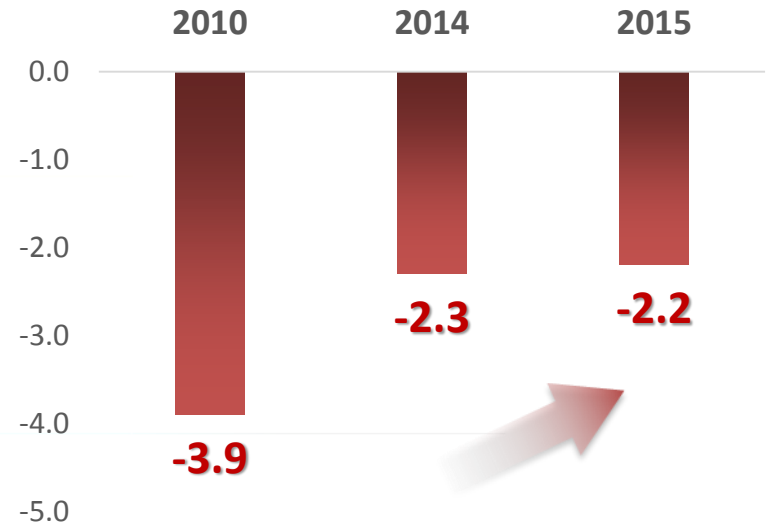
COLOMBIA: DEPOSIT RATE



COLOMBIA: CONSUMER INFLATION RATE



FISCAL LAW



Summarizing: Colombia's advantages for the private sector include:

- ✓ **Strategical location**
- ✓ **Macroeconomic stability**
- ✓ **Sustainable economic growth**
- ✓ **Open economy**
- ✓ **Open and straightforward investment legislation**
- ✓ **Political Stability**
- ✓ **Confidence**

The background features a complex, abstract design. On the left side, there are several overlapping gears of different sizes and colors, including shades of grey, orange, and light blue. A prominent diagonal line runs from the top right towards the bottom left. The background is filled with a pattern of small, light-colored dots and thin, intersecting horizontal and vertical lines, creating a grid-like or data visualization aesthetic. The overall color palette is muted and professional, with a focus on greys, blues, and oranges.

Colombia: Challenges and opportunities

Challenges of the near future

- **Competitive economic growth**

- ✓ Strengthen value chains
- ✓ Colombia's growing role in the international context
- ✓ Positive environment for investment and growth

- **Reliable country**

- FDI
- Financial resources
- Foreign trade
- Technology

- **Competitiveness Agenda**

- Global value chains as target
- Infrastructure
- Capital markets
- Science and Technology
- Education
- Formalization

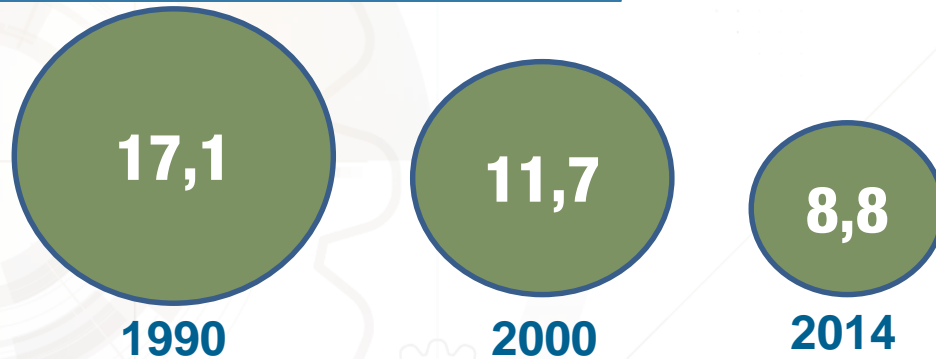
What's happening in different economic activities?



Agribusiness

TODAY

Share in total GDP



Important recovery last year

IN THE FUTURE

Post-conflict

Food and nutrition security

Agribusiness value chains



Petrochemicals



Activity with great potential

Increase in production capacity in Cartagena Refinery, a great opportunity to develop new products

Developments in Cartagena Refinery increase in production capacity led to a decrease in this activity in 2014-15

2,275

2000

7,339

2014

Exports (Millions US\$)

Housing

TODAY

Growth rate

7.1

2000-2014

7.4

2014

Subsidized housing

Public Works in housing and water projects

IN THE FUTURE

Macro-projects

Cities

Nuevos materiales de construcción.



Infrastructure

TODAY

GDP growth rate

8.5

2000-2014

12.0

4G public program: investment amounting to de US\$15 billion, to be developed in 2015-2020

IN THE FUTURE

PINEs: includes strategical and logistics solutions

A the future an ambitious multimodal transport program has been designed: vision 2032.



Financial

TODAY

GDP growth rate

6.0

2000-2014

8.1

2014

Virtual/online banking

Increase in coverage

Microcredit

IN THE FUTURE

e-business

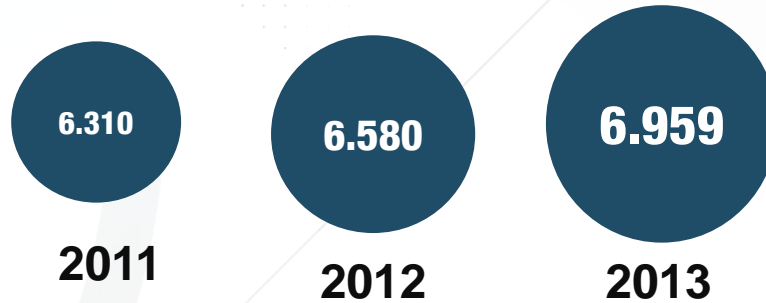
Payment through mobile phones



BPO

TODAY

Colombia: IT Sales



BPO has developed in Colombia during the last 20 years

We went from basic services to value added services

IN THE FUTURE

**More sophisticated products (big-data, social media, cloud computing
Subjects such as: smart cities, business analytics, e-government, Internet
Of Things – IOT y 3D printing.**

Greater demands on education related to digital capabilities.

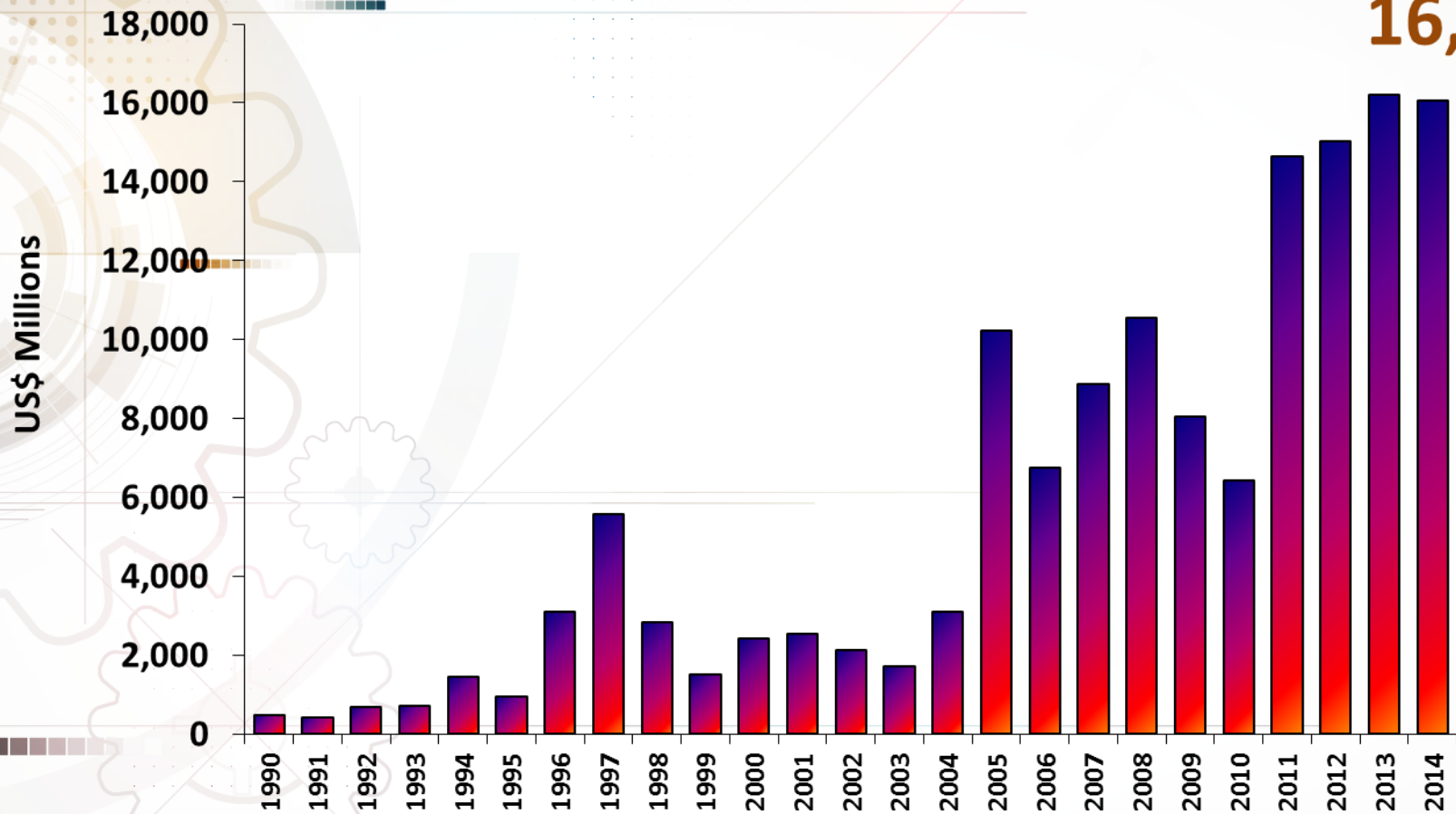
Additional consumer demands



Challenges of the near future

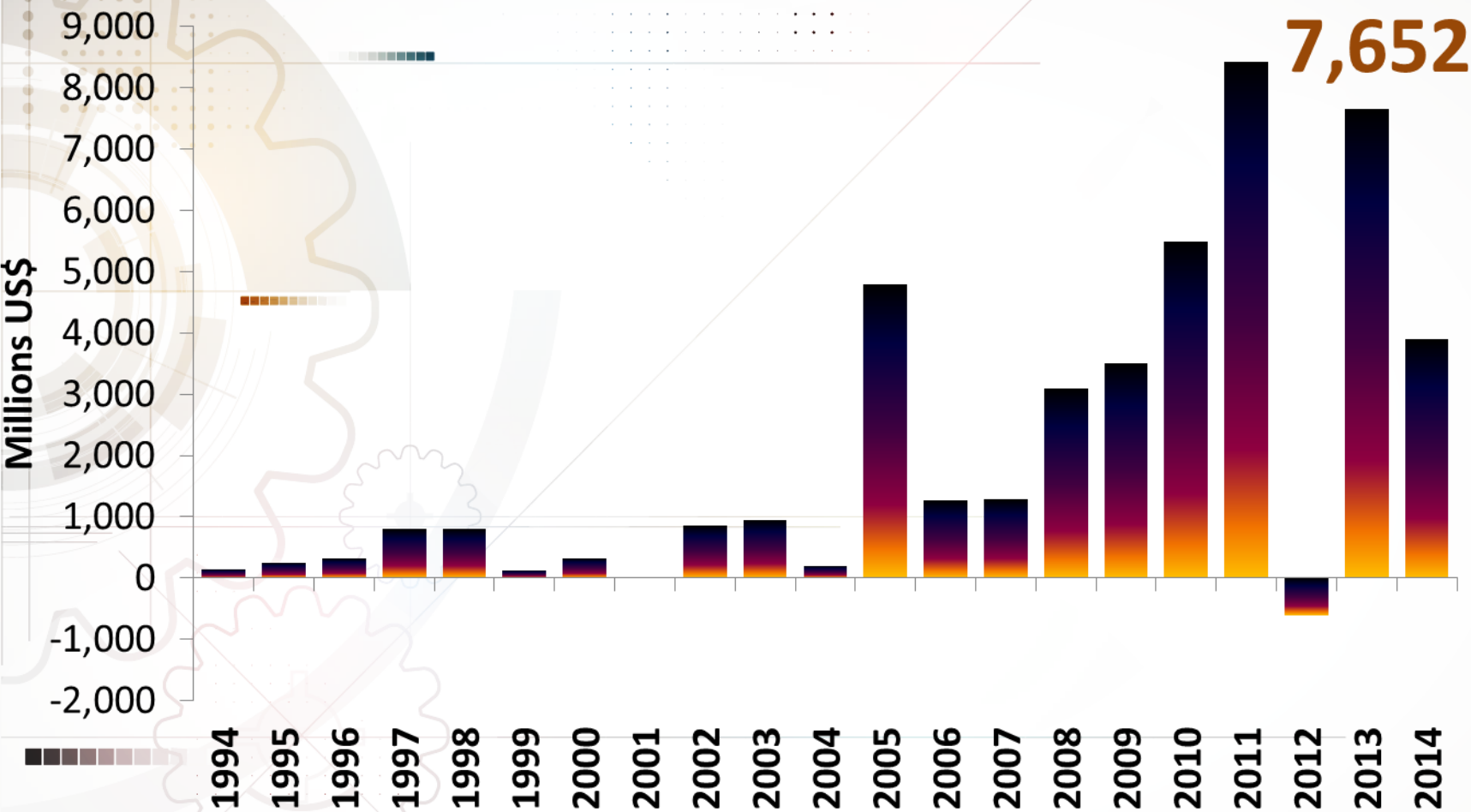
- **Competitive economic growth**
 - Strengthen value chains
 - Colombia's growing role in the international context
 - Positive environment for investment and growth
- **Reliable country**
 - ✓ FDI
 - ✓ Financial resources
 - ✓ Foreign trade
 - ✓ Technology
- **Competitiveness Agenda**
 - Global value chains as target
 - Infrastructure
 - Capital markets
 - Science and Technology
 - Education
 - Formalization

COLOMBIA: FOREIGN DIRECT INVESTMENT



16,054

COLOMBIA: FOREIGN DIRECT INVESTMENT OUTFLOWS



Challenges of the near future












- **Competitive economic growth**
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¿Cómo está el país en materia de **COMPETITIVIDAD?**

WEF - COLOMBIA: COMPETITIVENESS INDEX

**Colombia:
improvement in
the
competitiveness
index**

COLOMBIA	Ranking 2015-16	Ranking 2014-15
Competitiveness Index	61	66
Basic requirements	77	78
 Institutions	114	111
 Infrastructure	84	84
 Macroeconomic Environment	32	29
 Health and primary education	97	105
Efficiency Enhancers	54	63
 Higher education and training	70	69
 Goods market efficiency	108	109
 Labor market efficiency	86	84
 Financial market development	25	70
 Technological readiness	70	68
 Market size	36	32
Innovation and sophistication factors	61	64
 Business Sophistication	59	62
 Innovation	76	77



ESTRATEGIA
PARA UNA **NUEVA**
INDUSTRIALIZACIÓN

What can we expect in 2020?



Colombia in 2020



GDP US\$500.000 millones



GDP per cápita US\$10.000



Poverty rate 20%





**The Colombian private sector
welcomes a strengthening of
economic relations between
Colombia and Luxembourg**

The background features a complex, abstract design. On the left side, there are several overlapping gears of different sizes and colors, including shades of brown, orange, and grey. A large, faint gear is visible in the upper right quadrant. The background is filled with a grid of small dots, some of which are larger and more prominent. Several thin, horizontal and vertical lines intersect across the scene, along with a prominent diagonal line running from the top right towards the bottom left. The overall aesthetic is technical and modern.

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