

DOING BUSINESS IN COLOMBIA



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COLOUMBIA

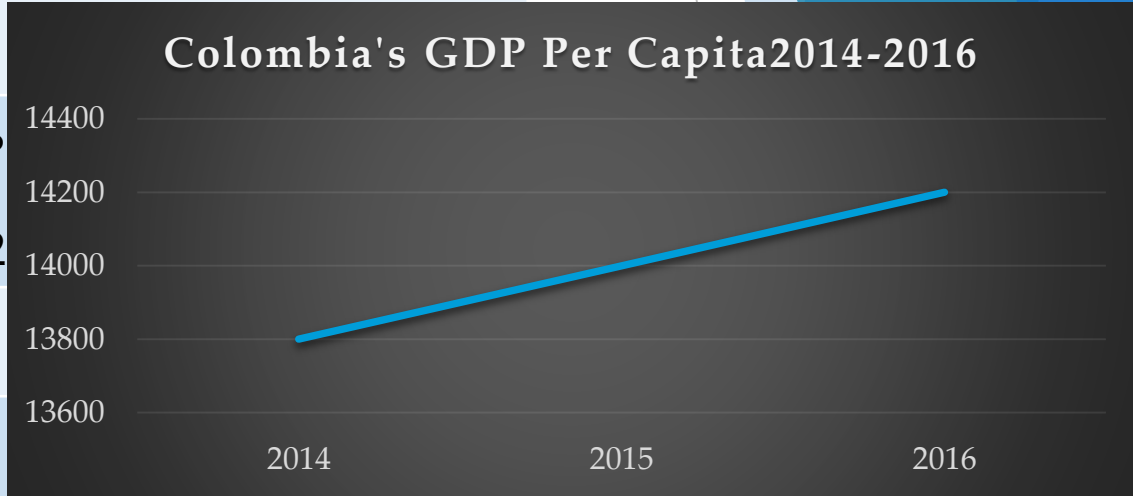
NOT

COLUMBIA

MARKET OVERVIEW

COLOMBIA'S ECONOMIC OVERVIEW

		T&T PER CAPITA 32,100
GDP PER CAPITA (USD)	\$14,500 (2017 est.)	
POPULATION	47,698,524 (July 2017 est.) BOGOTA (capital) 9.765 million	T&T POPULATION 1.2 million
POPULATION GROWTH	1.02% (2016 est.)	
GDP BY SECTOR	Agriculture: 6.9% Industry: 24% Services: 59.1% (2016 est.)	
UNEMPLOYMENT	9.3% (2017 est.)	
POPULATION BELOW POVERTY LINE	27.8% (2015 est.)	
INFLATION	4.3% (2016 est.)	VAT 16% to 19%
LABOUR FORCE	24.97 million (2017 est.)	
EXCHANGE RATE	\$1US = 2,975.5 (2017 est.)	Elections 27 th May, 2018



TRADING ENVIRONMENT

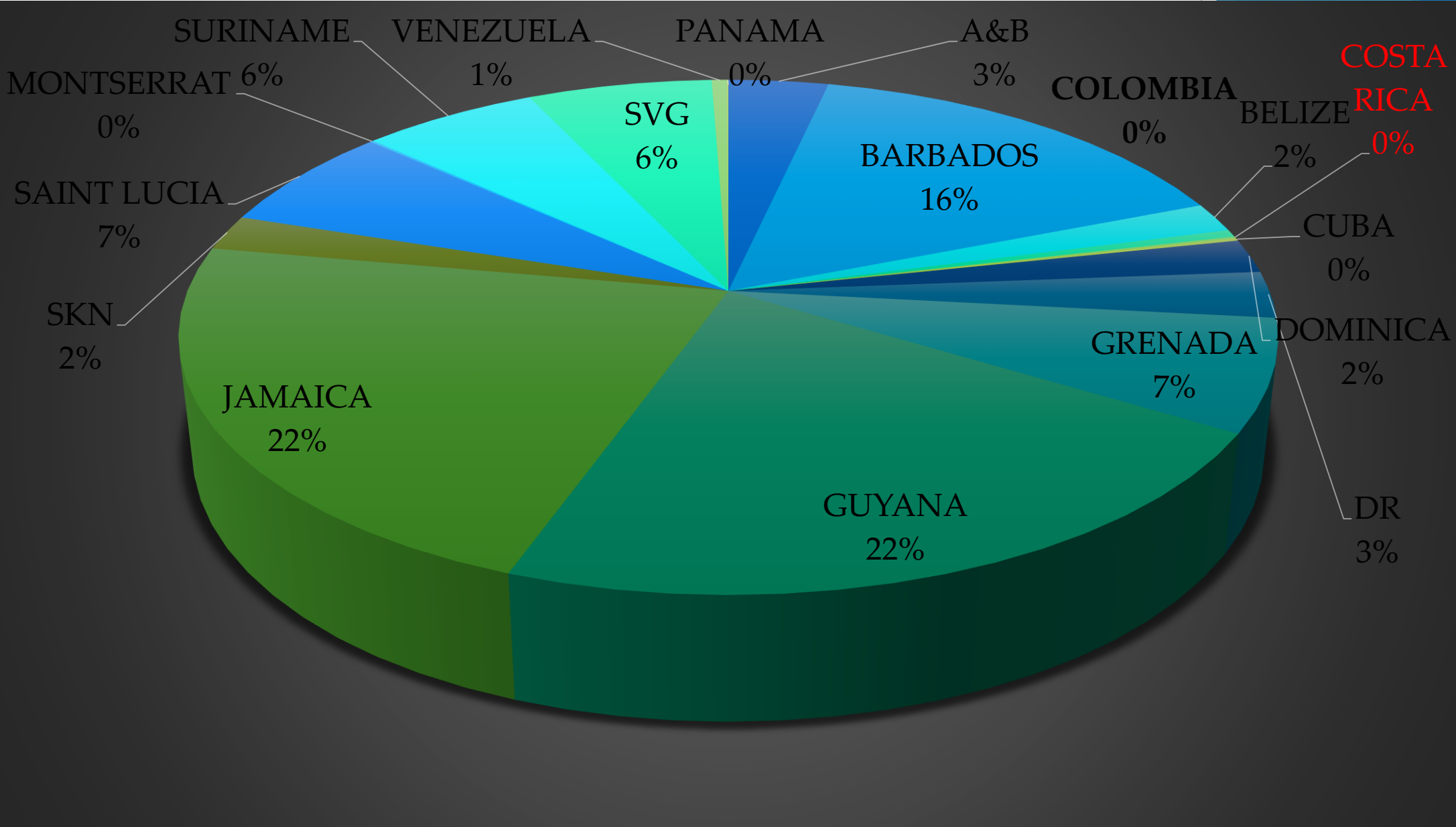
COLOMBIA'S TRADE AGREEMENTS

- ▶ Pacific Alliance (Chile, Colombia, Mexico Peru)
- ▶ European Union
- ▶ European Free Trade Association (EFTA)
- ▶ Canada
- ▶ USA
- ▶ CARICOM
- ▶ Nicaragua
- ▶ Northern Triangle (El Salvador, Guatemala, Honduras)
- ▶ Mercosur (Colombia, Ecuador, Venezuela)

- ▶ Panama (NOT entered into force)
- ▶ Costa Rica (NOT entered into force)
- ▶ Israel (NOT entered into force)
- ▶ Republic of Korea (NOT entered into force)

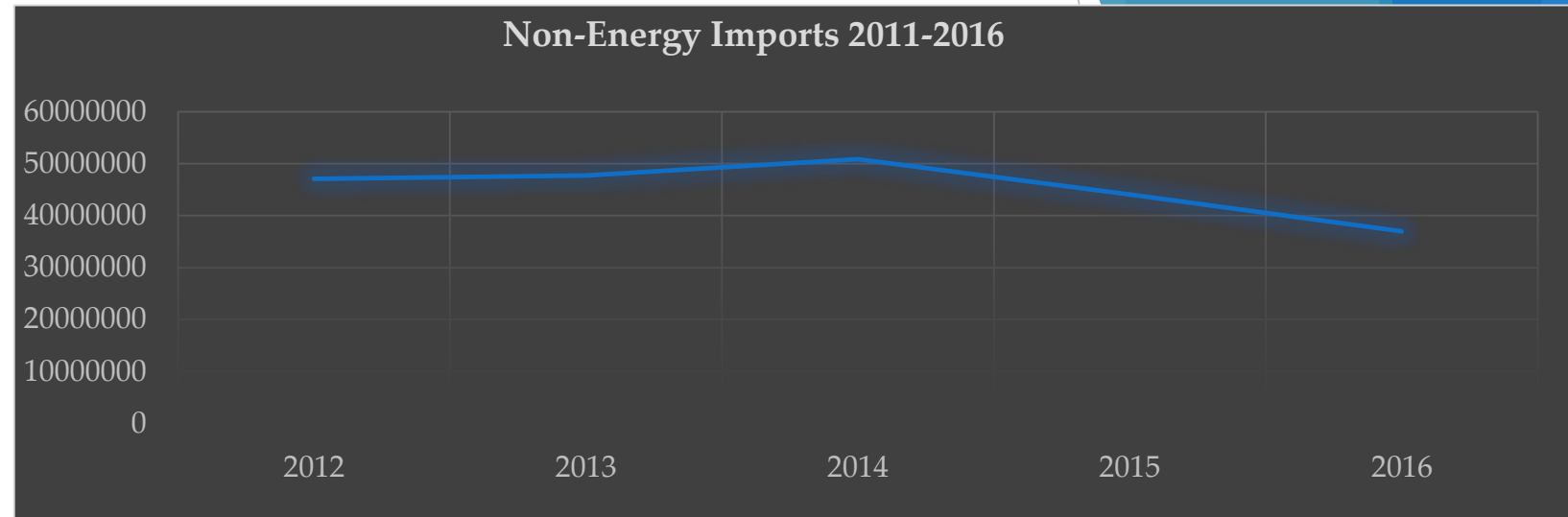
- ▶ Japan (FTA negotiations)
- ▶ Turkey (FTA negotiations)

CARICOM/ COLOMBIA AGREEMENT



TRADING ENVIRONMENT-OVERVIEW

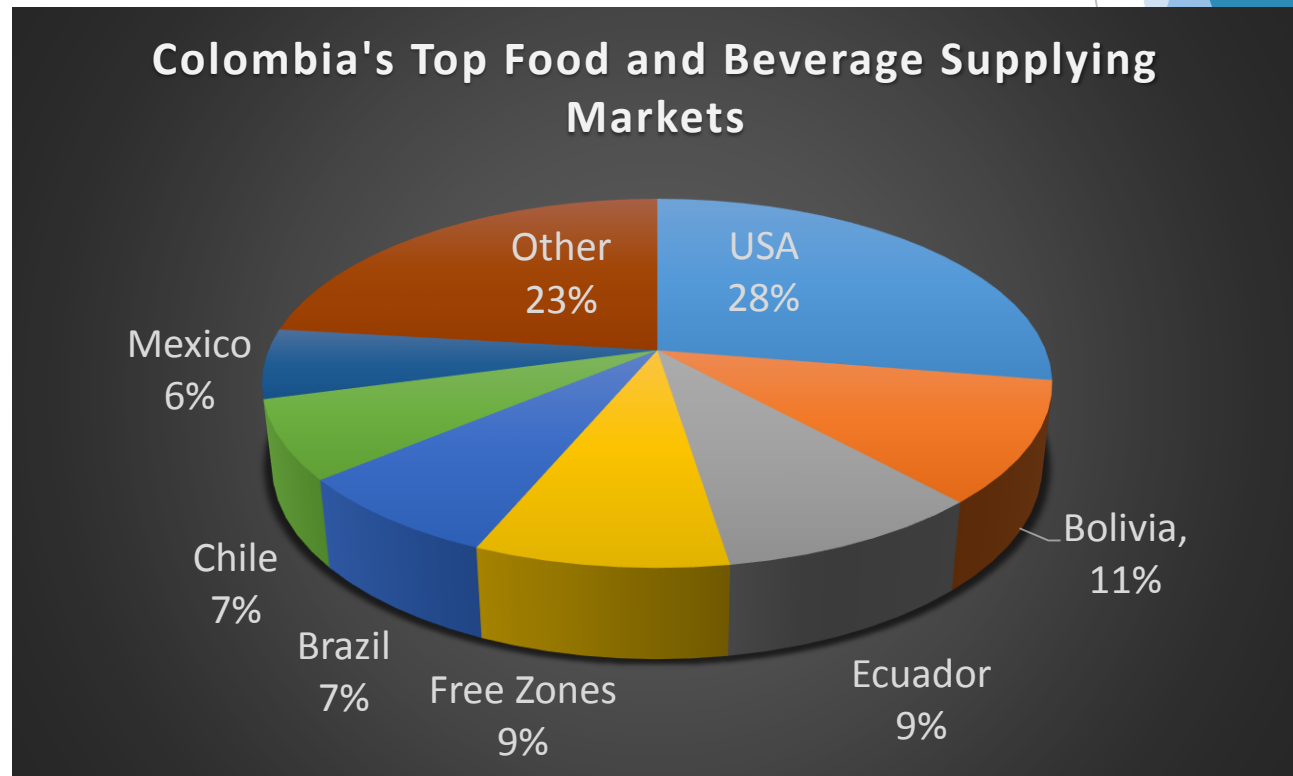
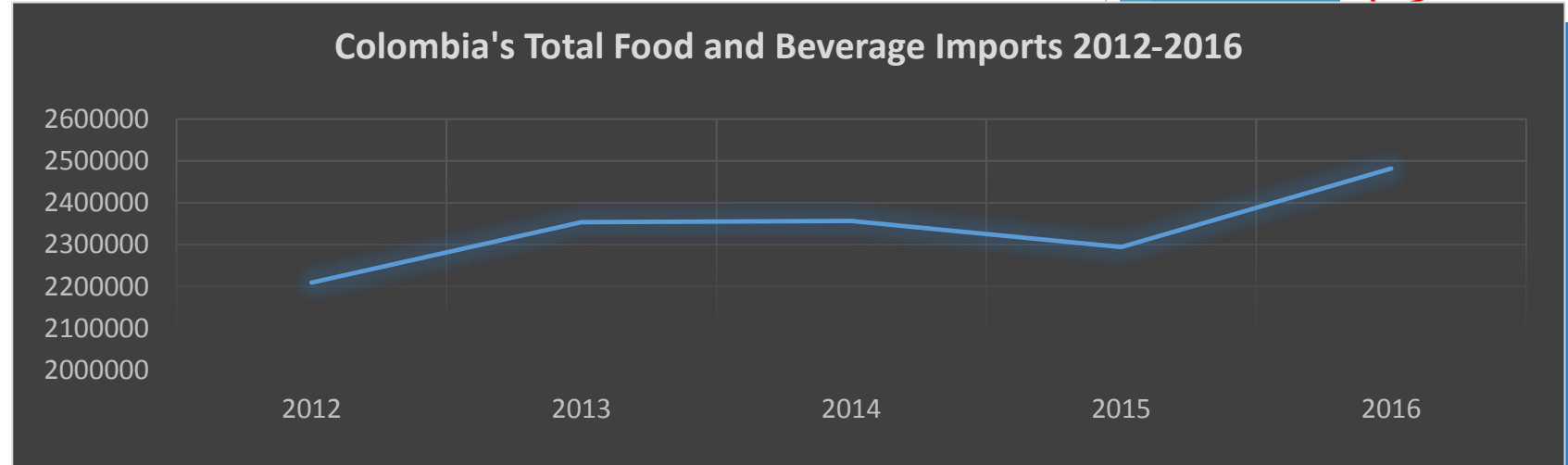
- In the 2017 Ease of Doing Business Rankings Colombia ranked 53rd
- Colombia's total non-energy imports for 2016 valued US\$ 36,946,962,000
- Colombia's total non-energy imports experienced negative growth of approximately 21% in 2016 when compared to 2012



SECTOR REVIEWS

FOOD AND BEVERAGE IMPORTS

- Total F&B imports in 2016 valued US\$2,481,686,000
- F&B experienced positive growth of 12% in 2016 with compared to 2012
- Top supplying market is the United States of America with 28% of total food and beverage imports into Colombia



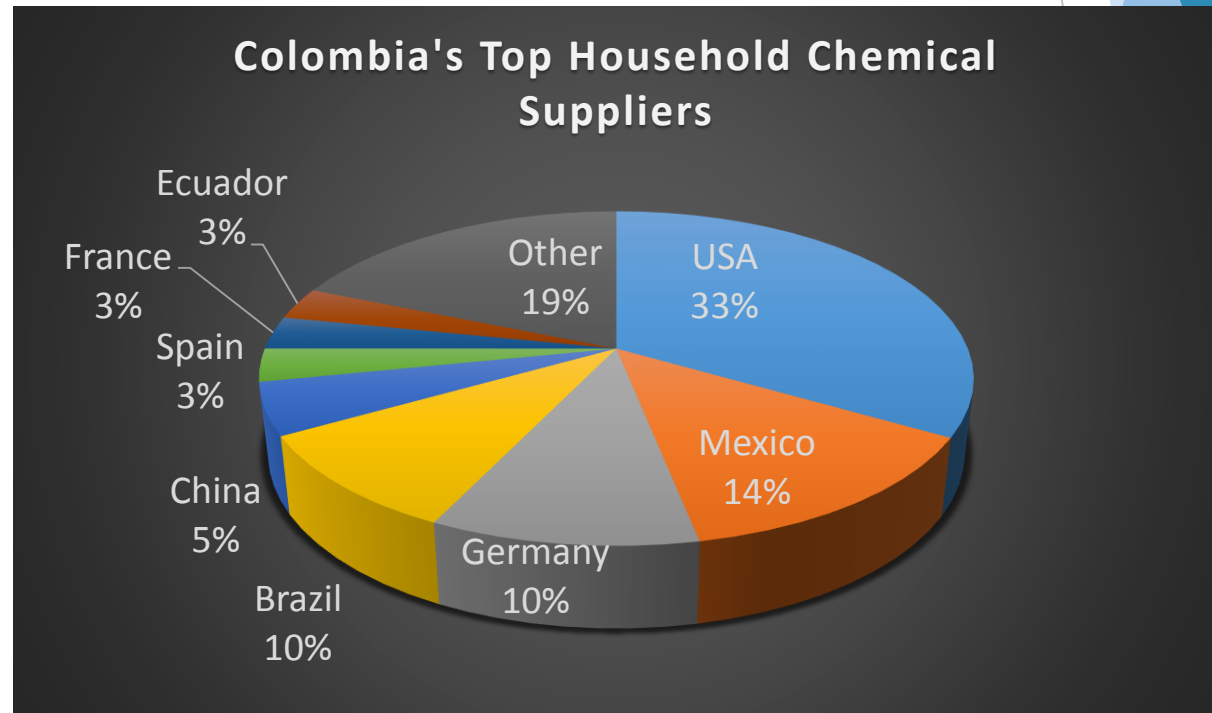
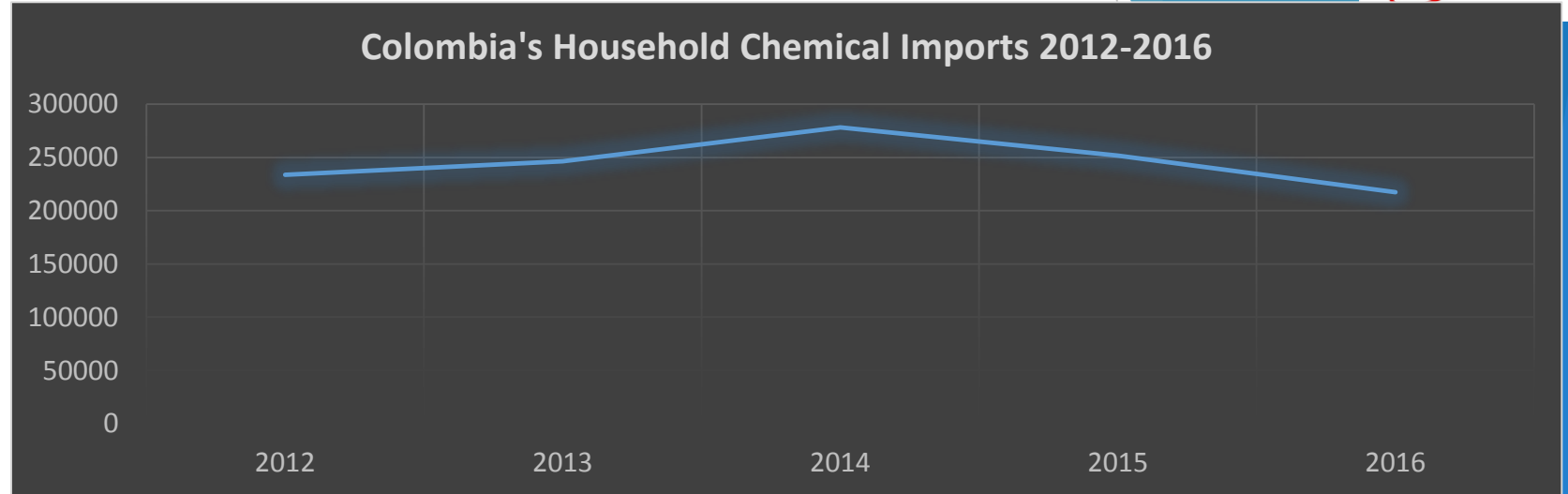
TOP IMPORTED FOOD AND BEVERAGE PRODUCTS

Code	Product label	Imported value in 2016
'230400	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting ...	477058
'210690	Food preparations, n.e.s.	253204
'220210	Waters, incl. mineral and aerated, with added sugar, sweetener or flavour, for direct consumption ...	136837
'170199	Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar ...	136437
'160414	Prepared or preserved tunas, skipjack and Atlantic bonito, whole or in pieces (excluding minced)	124858
'230990	Preparations of a kind used in animal feeding (excluding dog or cat food put up for retail ...	84286
'240220	Cigarettes, containing tobacco	81558
'190110	Food preparations for infant use, put up for retail sale, of flour, groats, meal, starch or ...	77431
'230310	Residues of starch manufacture and similar residues	65061
'220710	Under natured ethyl alcohol, of actual alcoholic strength of $\geq 80\%$	54918

TOTAL US\$1,491,648,000 OR 60%

HOUSEHOLD CHEMICAL IMPORTS

- Total cleaning household imports in 2016 valued US\$217,483,000
- Household chemical imports experienced negative growth of 7% in 2016
- Top supplying market into Colombia for household chemicals is the United States of America with 33%



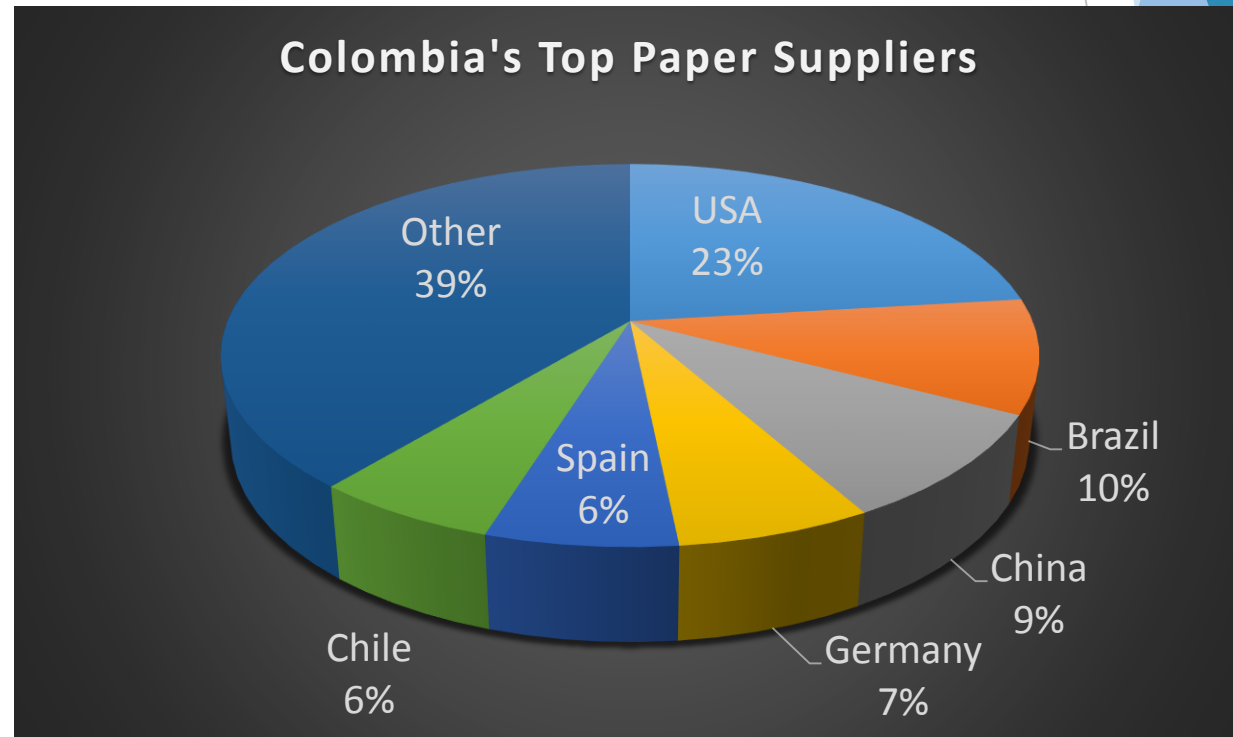
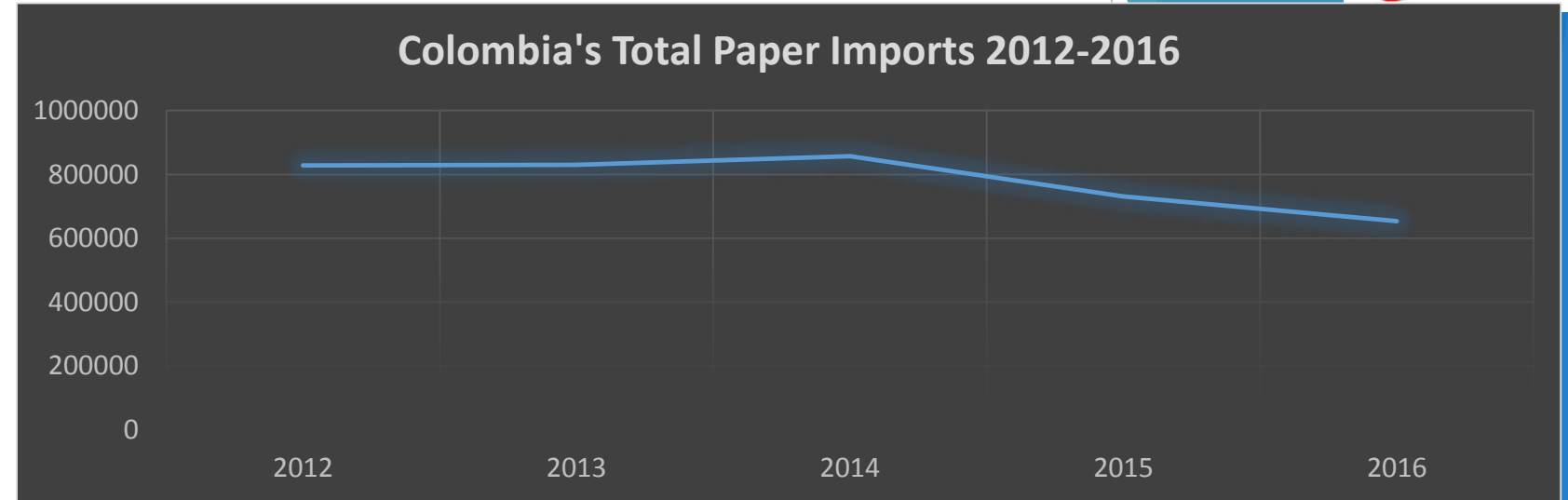
TOP IMPORTED CLEANING CHEMICAL PRODUCTS

Code	Product label	Imported value in 2016
'340220	Surface-active preparations, washing preparations, auxiliary washing preparations and cleaning ...	29187
'340119	Soap and organic surface-active products and preparations, in the form of bars, cakes, moulded ...	21481
'340111	Soap and organic surface-active products and preparations, in the form of bars, cakes, moulded ...	11736
'340290	Surface-active preparations, washing preparations, incl. auxiliary washing preparations and ...	8801
'340120	Soap in the form of flakes, granules, powder, paste or in aqueous solution	1968
'340510	Polishes, creams and similar preparations, for footwear or leather, whether or not in the form ...	1127
'340130	Organic surface-active products and preparations for washing the skin, in the form of liquid ...	1120
'340399	Lubricant preparations, incl. cutting-oil preparations, bolt or nut release preparations, anti-rust ...	992
'340319	Lubricant preparations, incl. cutting-oil preparations, bolt or nut release preparations, anti-rust ...	746
'340220	Surface-active preparations, washing preparations, auxiliary washing preparations and cleaning ...	29187

TOTAL US\$77,749,000 OR 96%

PAPER PRODUCT IMPORTS

- Total paper product imports in 2015 valued US\$653,284,000
- Paper product imports experienced negative growth of 27% in 2016
- Top supplying market into Colombia for paper products is the United States of America with 23%



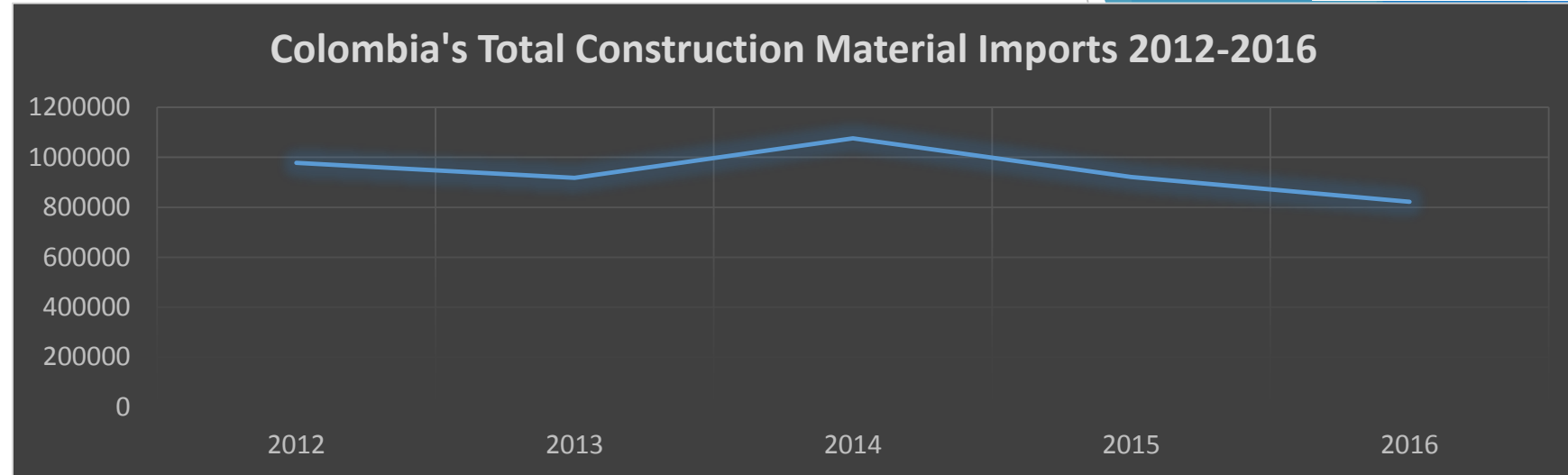
TOP IMPORTED PAPER PRODUCTS

Code	Product label	Imported value in 2016
'490199	Printed books, brochures and similar printed matter (excluding those in single sheets; dictionaries, ...	54045
'481159	Paper and paperboard, surface-coloured, surface-decorated or printed, coated, impregnated or ...	43783
'480100	Newsprint as specified in Note 4 to chapter 48, in rolls of a width > 36 cm or in square or ...	36680
'481092	Multi-ply paper and paperboard, coated on one or both sides with kaolin or other inorganic ...	31994
'481190	Paper, paperboard, cellulose wadding and webs of soft cellulose, coated, impregnated, covered, ...	31425
'481013	Paper and paperboard used for writing, printing or other graphic purposes, not containing fibres ...	25934
'481022	Lightweight coated paper used for writing, printing or other graphic purposes, total weight ...	25834
'491110	Trade advertising material, commercial catalogues and the like	24664
'480511	Semi-chemical fluting paper, uncoated, in rolls of a width > 36 cm	23387
'480257	Uncoated paper and paperboard, of a kind used for writing, printing or other graphic purposes, ...	17485

TOTAL US\$315,231,000 OR 48%

CONSTRUCTION MATERIAL IMPORTS

- Total construction material imports in 2016 valued US\$822,047,000
- Construction material imports experienced negative growth of 16% in 2016
- Top supplying market into Colombia for construction materials is China with 29%



TOP IMPORTED CONSTRUCTION MATERIALS

Code	Product label	Imported value in 2016
'940510	Chandeliers and other electric ceiling or wall lighting fittings (excluding for lighting public ...	55903
'732690	Articles of iron or steel, n.e.s. (excluding cast articles or articles of iron or steel wire)	55179
'854460	Electric conductors, for a voltage > 1.000 V, insulated, n.e.s.	50138
'854449	Electric conductors, for a voltage <= 1.000 V, insulated, not fitted with connectors, n.e.s.	48398
'854442	Electric conductors for a voltage <= 1.000 V, insulated, fitted with connectors, n.e.s.	43987
'392350	Stoppers, lids, caps and other closures, of plastics	38552
'850710	Lead-acid accumulators of a kind used for starting piston engine "starter batteries" (excluding ...	37131
'850720	Lead acid accumulators (excluding spent and starter batteries)	35537
'391710	Artificial guts "sausage casings" of hardened protein or cellulose materials	30922
'390950	Polyurethanes, in primary forms	29659

TOTAL US\$425,406,000 OR 51%

Top 5 Consumer Trends

- ▶ Economic Downturn Affecting Consumer Spending Behaviour
- ▶ Consumers Embrace Internet Retailing
- ▶ Strong Demand for Domestic Tourism Continues To Grow
- ▶ More Later-lifers Must Work To Earn Income
- ▶ Strong Consumer Preference for Local Brands and Products

Food Service In Colombia

- ▶ In 2016, fast food records current value growth of 7%, 1% outlet growth and 1% growth in transactions to reach COP4.5 trillion with 8,016 outlets
- ▶ With 44% current value growth, chained pizza fast food records highest increase in 2016
- ▶ After various franchisees, Frisby SA is the leading fast food chain with a 13% value share in 2016
- ▶ Chinese is the most popular cuisine within Asian fast food.
- ▶ Fast food is still very traditional in terms of beverages mostly offering iced tea, sodas, and juice.
- ▶ Dynamic local brands such as One Pizzeria, La Monapizza and Randy's are close to becoming chains.

Sauces and Condiments In Colombia

- ▶ In 2017, sauces, dressings and condiments sees flat retail volume growth and 5% value growth in current terms to reach sales of 56,800 tonnes and COP1,061 billion
- ▶ Reduced salt and reduced fat sauces drives sales in 2017
- ▶ With 10%, tomato pastes and purees sees the highest current value growth in 2017
- ▶ Chinese is the most popular cuisine within Asian fast food.
- ▶ With a 22% value share, Unilever Andina Colombia SA remains the leading player within the category in 2017
- ▶ Sauces, dressings and condiments is expected to see a 1% value CAGR at constant 2017 prices to reach sales of COP1,119 billion in 2022



Retail Tissue In Colombia

- ▶ Productos Familia Sancela SA remains the leading company in retail tissue in 2016 with a value share of 37%
- ▶ Retail tissue in Colombia stands out as a very competitive and promotions-driven category
- ▶ Most of the brands available in toilet paper are positioned as mid-priced and premium brands
- ▶ Private label is becoming more attractive during the deceleration of the Colombian economy due to its lower unit prices.

Home Care In Colombia

- ▶ Improvement of components in the search for higher yields
- ▶ Companies educate consumers on the best use of their products
- ▶ Private label, an alternative that is gaining strength amongst consumers
- ▶ Surface care registers current retail value growth of 5% to reach COP365.4 billion in 2017
- ▶ Colombians favour multipurpose products in 2017
- ▶ Average unit price declines by 1% in constant terms in 2017
- ▶ Colgate-Palmolive & Cía leads with 36% of retail value sales

Oils and Fats In Colombia

- ▶ In 2017, butter and margarine records 1% value growth in current terms to reach COP437.6 billion and sells 39,000 tonnes as volume declines by 4%
- ▶ Cooking fats are losing sales to edible oils and margarine
- ▶ With a 4% sales rise in current terms, butter posts the highest value growth in 2017
- ▶ In 2017, the average unit price rises by 6% in current terms
- ▶ Oil and fats performs well in 2015, with current value sales rising by 4% due to increasing disposable incomes and the offering of healthy alternatives
- ▶ Private label records the strongest growth in 2015, recording a value share of 14%, with current value sales rising by 9%

Soft Drinks In Colombia

- ▶ Soft Drinks Grows, Driven by categories considered healthier
- ▶ Sugary beverages come under scrutiny
- ▶ Domestic Companies dominate the competitive landscape
- ▶ Stevia gains popularity as a sugar substitute
- ▶ Health and Wellness Trends will determine the performance of soft drink

SHIPPING AND LOGISTICS



PORT OF DEPARTURE	PORT OF ARRIVAL	VIA	EVERGREEN		SEABOARD		ZIM LINE	
			EXP	IMP	EXP	IMP	EXP	IMP
BARRANQUILLA	CASTRIES	N.D			11		15-20	15-20
	POINT LISAS		16	16				
	POINTE A PIERRE							
	PORT OF SPAIN		16	16	4	4	15-20	15-*20
	TRINIDAD TT							
BUENAVENTURA	POIN LISAS	COLÓN	13	13				
	PORT OF SPAIN		13	13				

ROAD TRANSPORT IN COLOMBIA

In Colombia, road freight transport is subject to a tariff schedule. The tariff policy has three primary objectives:

- ▶ o **SURVEILLANCE**: monitoring the market so that the State may identify situations which require its intervention.
- ▶ o **AGREEMENT**: providing the owner, the generator and the transport company with a criterion which may facilitate negotiations.
- ▶ o **EDUCATIONAL**: providing drivers and owners with tools which may help them understand the cost structure of freight transport.

The Ministry of Transportation is in charge of defining the road freight transport policy. SICE-TAC is an information system which measures or calculates the costs of transportation based on the specific characteristics of each journey: type of vehicle, type of freight, origin/destination, estimated waiting, loading and unloading time

SHIPPING DOCUMENTS

- ▶ Shipping Documents
 - ▶ Commercial Invoice
 - ▶ Packing List
 - ▶ Import Record or License, if required
 - ▶ Certificate of Origin
 - ▶ Import Certificate
 - ▶ Transport Document (Airway bill, BL)
 - ▶ Andean Declaration of Customs Value, if required
 - ▶ Other certificates or authorizations, if required

For imports of goods whose value exceeds USD1,000, importers must hire a Customs Agent

Most of the customs agents operating in Colombia are members of the *Federación Colombiana de Agentes Logísticos en Comercio Internacional* (Colombian Federation of Logistic Agents in International Trade)

For imports worth more than USD5,000, an Andean Declaration of Value must be obtained.

TRADE SHOWS AND OTHER EVENTS

- ▶ CONSTRUEXPO - Construction
- ▶ EXPOCAMACOL-Construction
- ▶ EXPOCONSTRUCCION & EXPODISENO- Construction
- ▶ FERIA DEL HOGAR- Food and Beverage
- ▶ ALIMENTEC Food and Beverage
- ▶ COLOMBIAPLAST- Plastics
- ▶ EXPOEMPAQUE- Packaging

COLOMBIA MARKET SURVEY MISSION

- ▶ This market visit is carded for the period April/May 2018.
- ▶ Main Objectives:
 - ▶ Identify potential buyers for products from Trinidad and Tobago.
 - ▶ Determine the competitiveness of our products in the market.
 - ▶ Identify the major challenges of market entry and ways to overcome them.
- ▶ The objectives will be achieved through secondary and primary research. Secondary research is currently being done on 10 product categories. Info gathered during the visit will confirm and supplement this research.
- ▶ Product sheets for all 10 categories summarising the trends, opportunities and challenges in the market will be prepared and circulated



Colombia Trade Mission

September 2018

SAVE
THE
DATE

For more info: Nathali Richards - 493-6965, 623-5507 Ext. 363

THANK YOU

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