



COLOMBIA

INVESTMENT OPPOTUNITIES IN INFRASTRUCTURE



GOBIERNO DE COLOMBIA



PROCOLOMBIA
EXPORTACIONES TURISMO INVERSIÓN MARCA PAÍS

MANUEL SALGADO
FOREIGN DIRECT INVESTMENT MANAGER
FOR ASIA
PROCOLOMBIA



PROCOLOMBIA

EXPORTS TOURISM INVESTMENT COUNTRY BRAND

We promote
exports



We promote
tourism

We promote
investment and
industrial
expansion for
internationalization



We promote
country brand

Procolombia´s Worldwide presence



32
Countries

PEACE IS BRINGING NEW OPPORTUNITIES TO
COLOMBIA



TODAY,
**¡COLOMBIA IS
BIGGER!**



Peace will have a positive impact in the country's economy

It's expected that...



On average, the economy will grow between an extra 1.1 and 1.9 points



In 2024, FDI will reach USD 36 billion




In 2026, GDP per capita will grow 54%



By 2024, the trade opening rate* will increase by 21% reaching USD 140.2 billion



Over the next 10 years, the agriculture sector will grow by an additional 22%



By 2024, Colombian industry will grow by an additional 20%

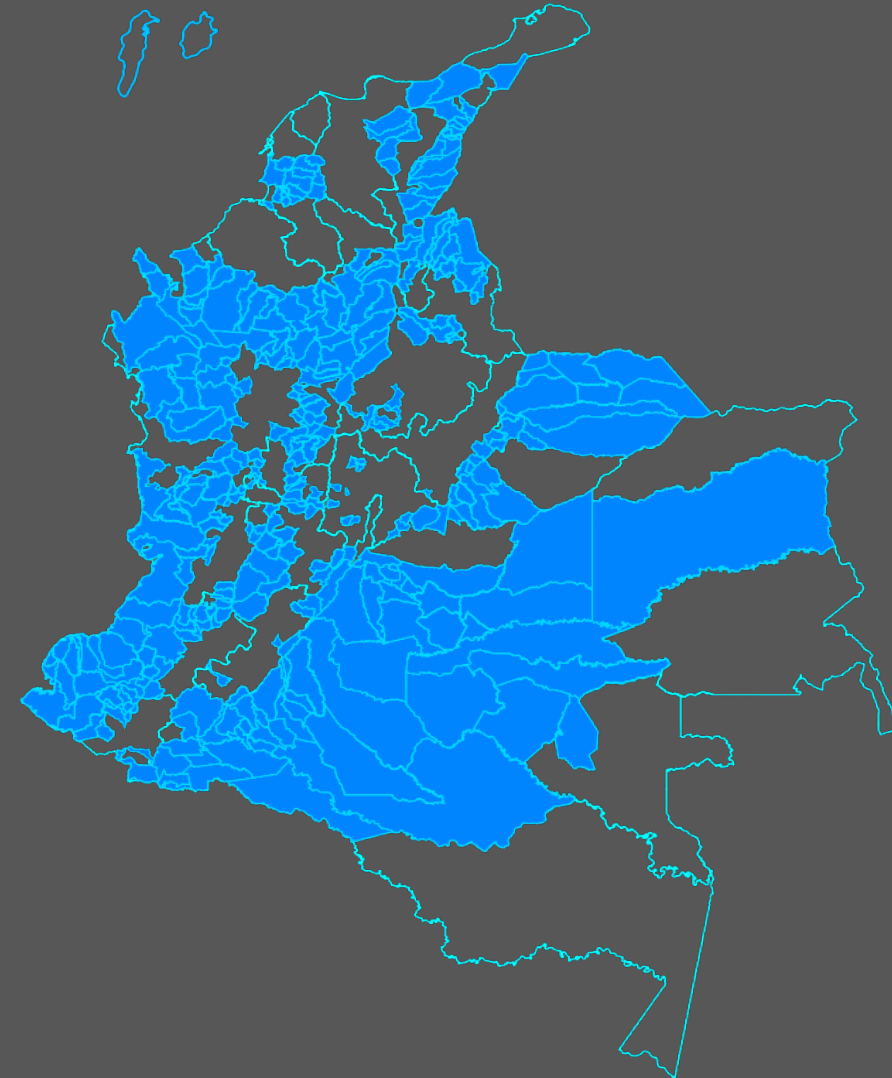


The construction sector will grow by an additional 40% over the next 10 years

Source: DNP Study. Analysis on 36 case studies on countries with a history of end of conflict and peace agreements... * Exports plus imports ** Taking the year 2014 as a base

Incentives for companies established in the most affected areas by the armed conflict - ZOMAC

- Regulated by decree 1650 of 2017.
- These are territories where special fiscal incentives were established for companies that are located in the most affected areas by the armed conflict.
- Companies that settle in these areas will receive a reduction in the income tax until 2027.



Peace will promote development and competitiveness for the Colombian industry



ZOMAC

Territories with special tax incentives for companies located in the most affected areas by the armed conflict.

Companies that set up in these areas will receive a reduction in the income tax until 2027.



PDET

Development Programs with a Territorial Approach (PDET, in Spanish).

It is a planning and management instrument that aims to implement sectoral plans and programs within the framework of the Integral Rural Reform (RRI, in Spanish) and the relevant measures established by the Final Peace Agreement, in 170 prioritized municipalities.



ZIDRES

Areas of interest for rural, economic and social development.

This law established a new model of agricultural development:

- Allows the availability of land.
- Companies and agricultural workers (with or without land) are able to create productive processes on a big scale.

This model maximizes labour productivity and reduces agricultural production costs.



WORKS BY TAXES

Allows companies, with gross income equal to or greater than 33,610 TVU, to choose to pay up to 50% of their taxes through direct investment in projects of social impact or infrastructure, in areas classified as ZOMAC



PRCCOLOMBIA



BEING PART OF THE OECD COUNTRIES MEANS THAT PUBLIC INSTITUTIONS IN COLOMBIA
WILL MEET STANDARDS OF THE DEVELOPED WORLD
MORE CONFIDENCE FOR INVESTORS

"The OECD investment policy review examines Colombia's achievements in developing an open and transparent investment regime and its efforts to reduce restrictions on international investment"
OECD

CANADA
UNITED STATES
MEXICO
CHILE
COLOMBIA

JAPAN
KOREA

AUSTRALIA
NEW ZEALAND

AUSTRIA
BELGIUM
CZECH REPUBLIC
DENMARK
ESTONIA
FINLAND
FRANCE
GERMANY
GREECE
HUNGARY
ICELAND
IRELAND
ISRAEL
ITALY

LATVIA
LUXEMBOURG
NETHERLANDS
NORWAY
POLAND
PORTUGAL
SLOVAK REPUBLIC
SLOVENIA
SPAIN
SWEDEN
SWITZERLAND
TURKEY
UNITED KINGDOM

COLOMBIA
IS THE 37TH MEMBER OF THE OECD



COLOMBIA, an investment grade country

**STANDARD
& POOR S**

FitchRatings

MOODY'S

Term

Long Term –
Foreign
currency

Long Term –
Foreign
currency

Long Term –
Foreign
currency

Rating

BBB-

BBB

Baa2

In July 2014, Moody's was the last rating agency in improving Colombia's rating due to two key drivers:

1. Positive growth forecast thanks to **4G infrastructure**.
2. A sound fiscal management that will continue in the future.

In March 2017, Fitch Ratings* improved Colombia's rating outlook: from Negative into Stable.

Source: S&P Ratings; Dinero magazine, Colombian Treasury.

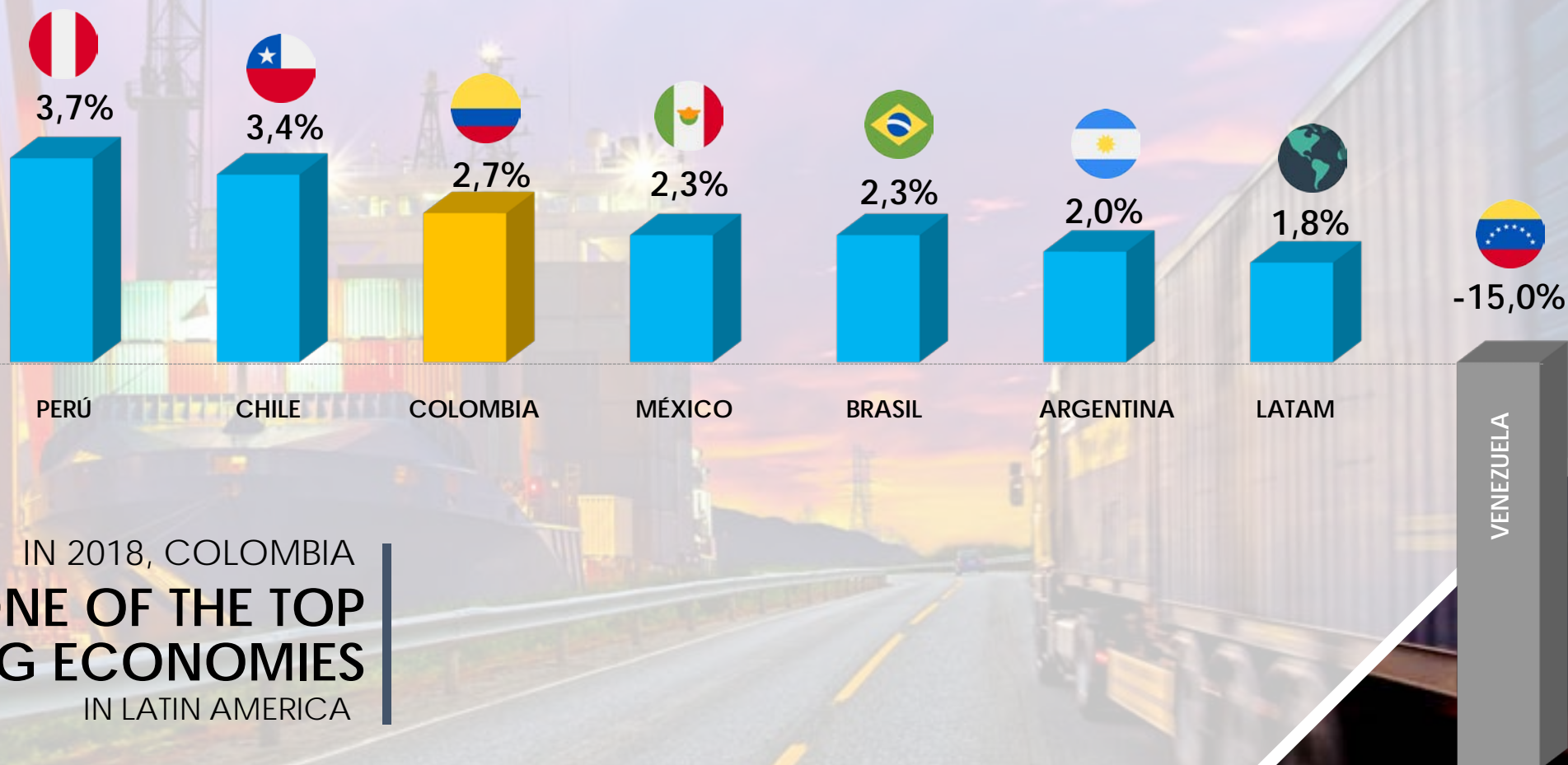
* Portfolio News Paper (Marh 10th 2017)



GDP

GROWTH

ESTIMATED 2018



IN 2018, COLOMBIA
**WILL BE ONE OF THE TOP
GROWING ECONOMIES**
IN LATIN AMERICA



INFRASTRUCTURE

PROJECTS



Bogota Metro

First Line

Sponsor



Owner of the project



Advisory: Technical, financial and legal Structuring

ESTIMATED AWARD
DATE

3Q/2019

ESTIMATED
INVESTMENT

USD\$ 4,374
Million

PAYMENT METHODS
THAT OPTIMIZE THE
COST

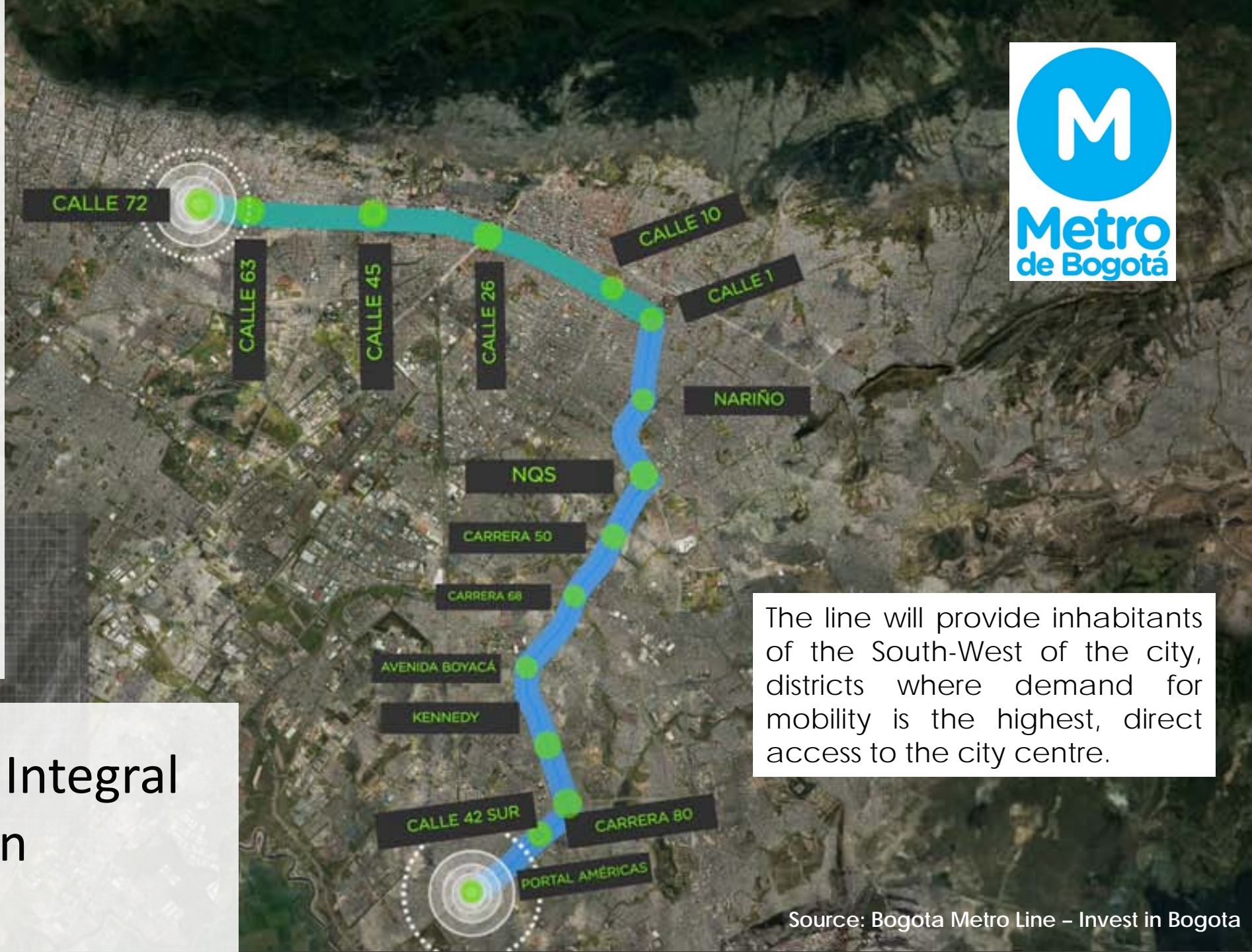
Elevated Metro System

75% for construction of Metro
25% for feeder system
(Transmilenio)

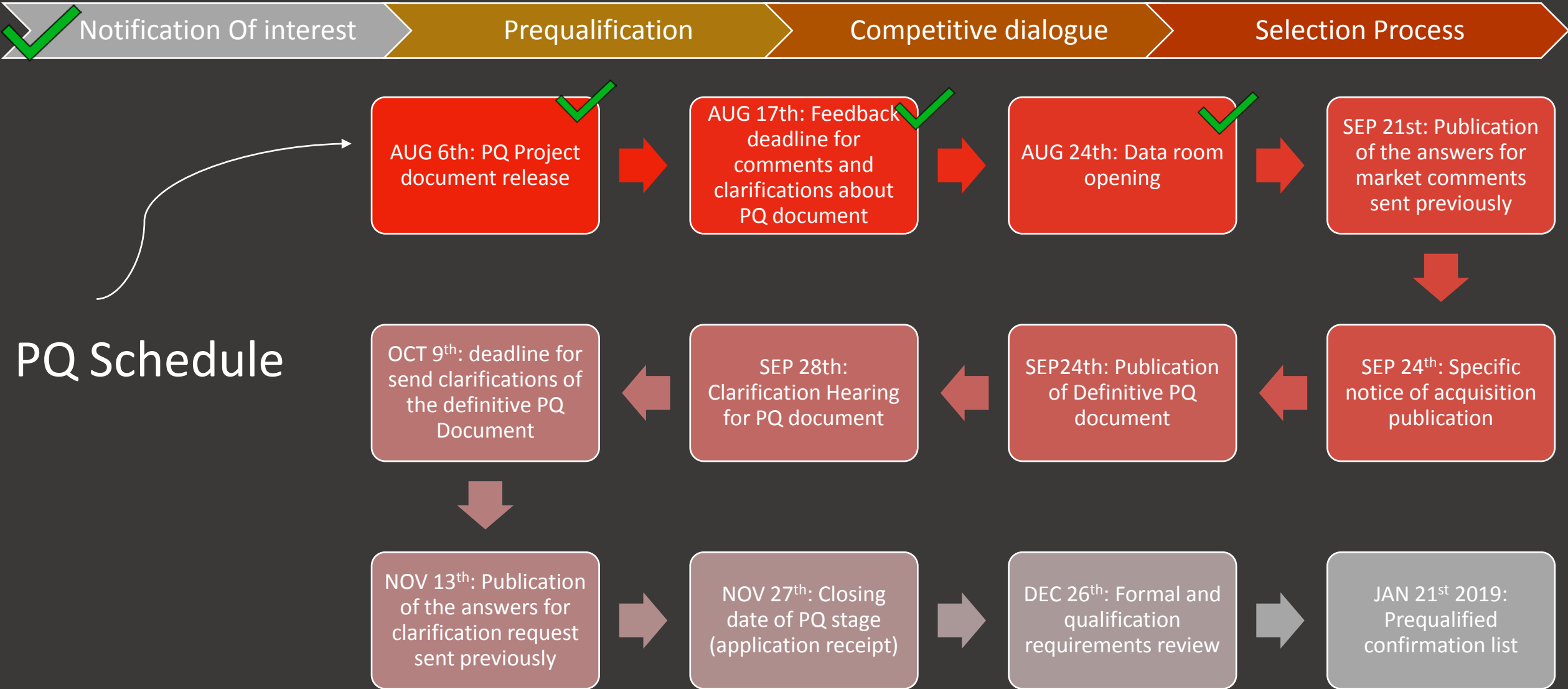
- Civil works with public credit (Multilateral banking and others)
- Rolling stock and system with dealer resources
- Operation with resources from Tariff

- ✓ **Mass Rapid Transit System:** U-shaped viaduct
- ✓ **Line length:** 26 km
- ✓ **N° of Stations:** 15 (10 connecting stations with BRT System)
- ✓ **Commercial speed:** 40 km/h
- ✓ **N° of train sets:** 23 start operation
- ✓ **100% Electric**

Business Model: Integral Concession
(15 years)



Bogota Metro Line – Selection process





Regio Tram

Bogota - Cundinamarca



ESTIMATED BIDDING PROCESS

2Q/2019

- **Rolling Stock:** Tram-train-Citylink
- **Line length:** 3.9 km Urban area – 40.8 Km Metropolitan area
- **N° of Stations:** 18
- **Ridership: 2022:** 125.7 thousand /day

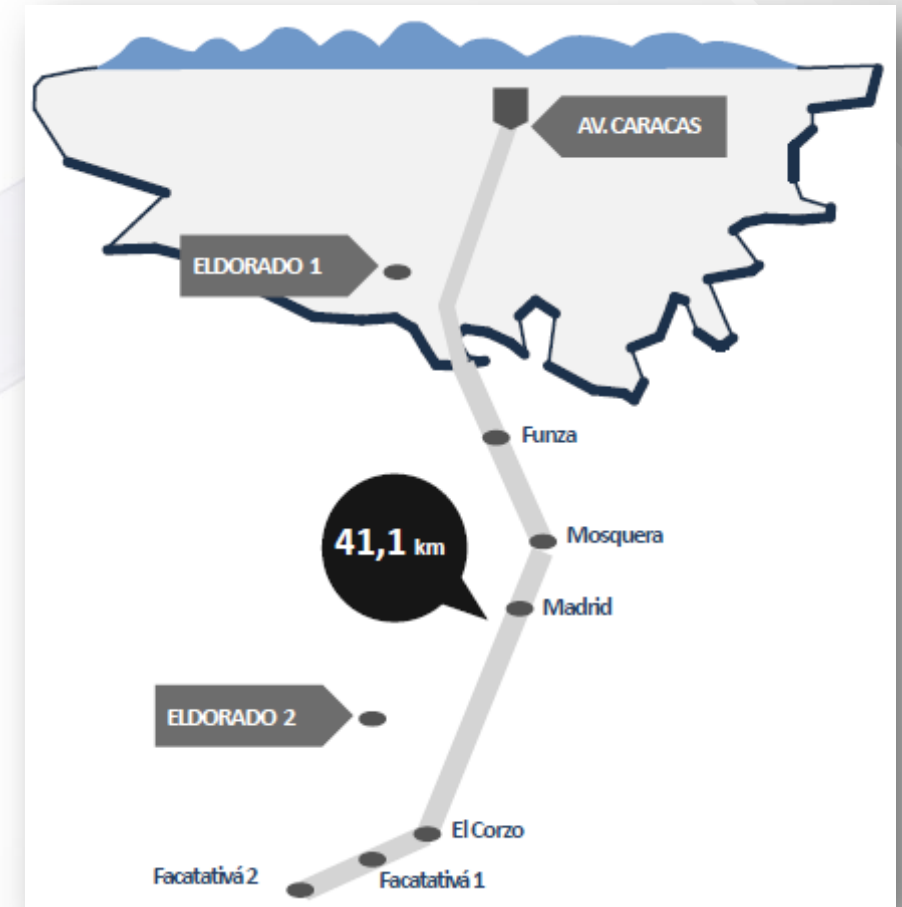
ESTIMATED INVESTMENT

USD\$ 700
Million

- **US\$500 M:** Infrastructure
- **US\$200 M:** Rolling Stock

BUSINESS MODEL

- **Public Works:** Civil Works
- **PPP:** Rolling stock – O&M





"La Sabana" Airport

New terminal for Bogotá city



ESTIMATED BIDDING PROCESS

2Q/2019

ESTIMATED INVESTMENT

USD\$ 1.2
Billion

BUSINESS MODEL

PPP

- **1st cargo terminal** in Latin America. **3rd passenger airport** after São Paulo and Mexico City.

- Bogota is a **connection hub** for the 3 main Latin American airlines: Avianca, Latam and Copa Airlines.

- They expect to receive around 7.6 million passengers and **171,900 planes per year**.

- **First Phase:** includes control tower, cargo area, passenger terminal, runway and service areas.



APM Rionegro

Rionegro - Antioquia

- Rolling Stock: APM
- Line length: 17.56km

- N° of Stations: 14
- Ridership: 29,000 /day

ESTIMATED BIDDING
PROCESS

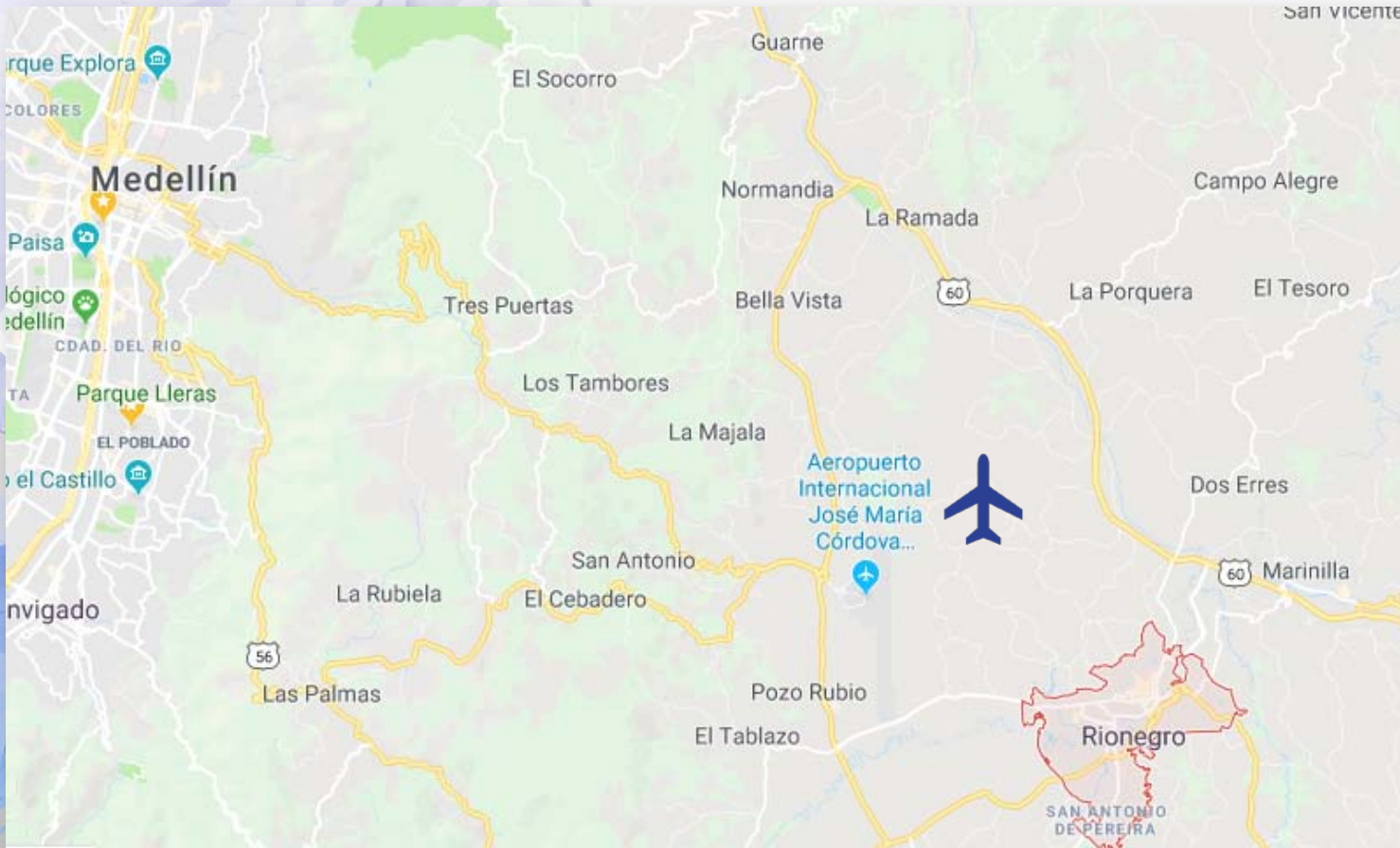
4Q/2019

ESTIMATED
INVESTMENT

USD\$ 480
Million

BUSINESS MODEL

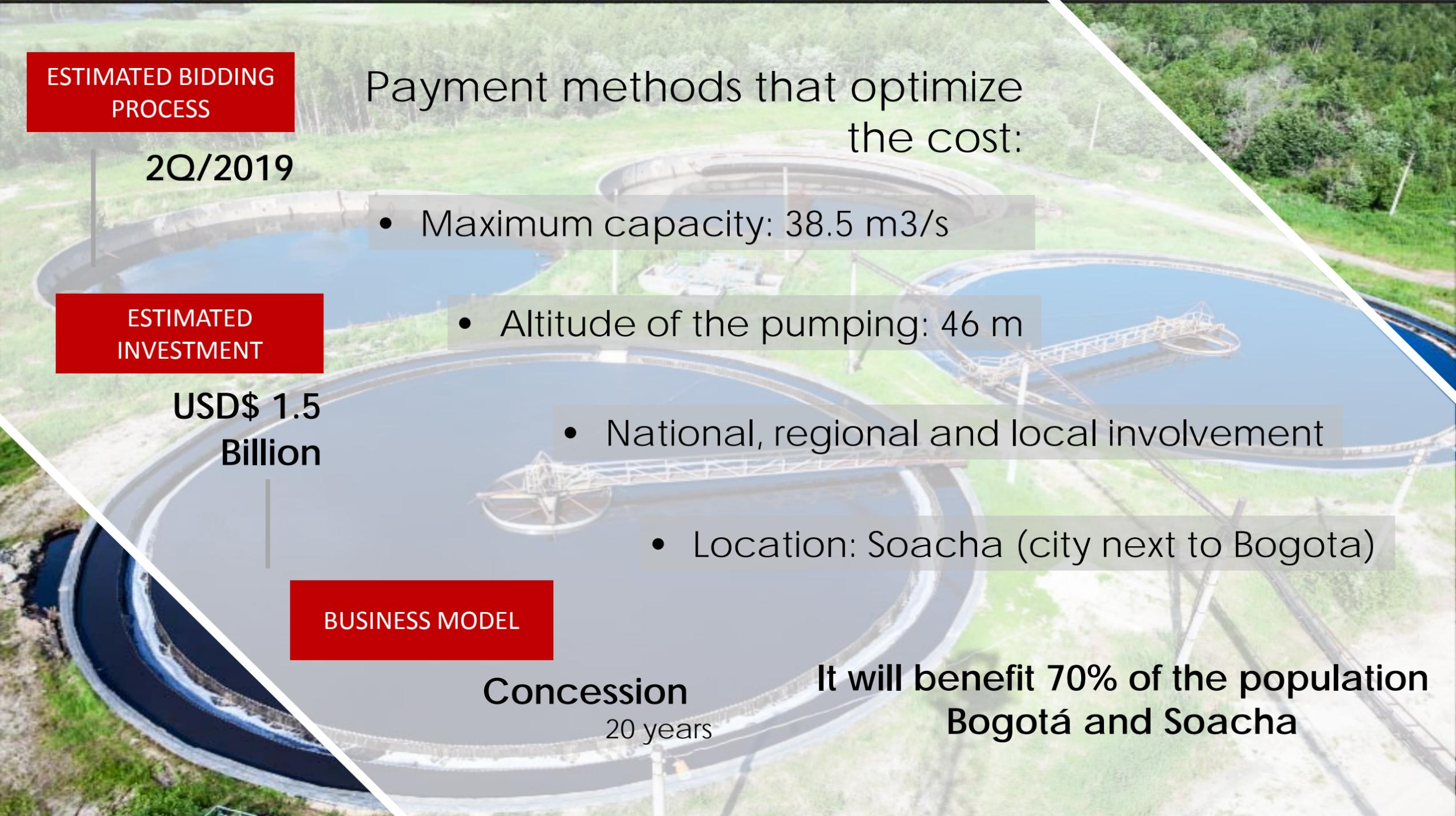
PPP Scheme





WTP 'Canoas'

Water treatment plant for Bogotá



**ESTIMATED BIDDING
PROCESS**

2Q/2019

Payment methods that optimize
the cost:

- Maximum capacity: 38.5 m³/s

**ESTIMATED
INVESTMENT**

**USD\$ 1.5
Billion**

- Altitude of the pumping: 46 m

- National, regional and local involvement

- Location: Soacha (city next to Bogota)

BUSINESS MODEL

Concession

20 years

**It will benefit 70% of the population
Bogotá and Soacha**



PPP Magdalena River

Recover the navigability of Magdalena River

ESTIMATED BIDDING PROCESS

To be define
2019

ESTIMATED INVESTMENT

USD\$ 657
Million

BUSINESS MODEL

PPP

- Objective: Recoverability of the navigability of 908 km of the Magdalena River through a PPP.

- The project involves channeling, dredging and maintenance works of the river.

- The project has important benefits for the country, especially in regards to cost reduction of transportation and benefits for generating international trade.



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EXPORTS TOURISM INVESTMENT COUNTRY BRAND

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TAIKU PALDIES ΕΥΧΑΡΙΣΤΩ TANAN благодаря
SHUKRAN DANKE TERMA KASSIH DÍKY
GRATIAS 감사합니 MATONDO MAAKE NANNI DIAKUIU
HVALA THANK YOU MERCI MOCHCHAKKERAM DIOLCH
TÄNAN YOU SPASIBO дякую FALEMINDERIT

GRACIAS

תודה ASANTE CHOKRANE ESKERRAK GRAZIE
谢谢 OBRIGADO ARIGATO VINAKA
SULPÁY SPASIBO MISAOTRA
DIOLCH ACIU DIOLCH WELALIN TAK KÖSZÖNÖM
EKELE NGIYABONGA MATUR NUWUN KIITOS DZIEKUJE



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