Interview with María Claudia Lacouture, President, Proexport Colombia

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Centro Nacional de Bioinformatica y Biologia Computacional

Can you trace the evolution of the Colombian economy over the last few years?

The Colombian economy is experiencing a time of significant growth with production and investment projects as key driving forces of development. Since 2010, Colombia has shown an average Gross Domestic Product (GDP) growth of 5.1%, positioning the country above Latin America’s average during that same period.

During the last decade, the trade balance has tripled from $24.671 billion USD in 2002 to $119.289 billion USD in 2012.

Last year, foreign investment reached an historic level of $15.823 billion USD, 16.3% higher than in 2011, when it added up to $13.605 billion USD, according to figures by the Ministry of Trade, Industry and Tourism based on information by the Central Bank of Colombia. The unemployment rate has decreased to 9%, and the main risk assessment agencies have increased the Colombian sovereign debt outlook to positive.

What factors make Colombia a promising emerging country and value propositions to attract FDI?

There are many reasons why Colombia is a promising country. We have an attractive business environment; Colombia is a reliable business partner with an encouraging investment grade and is one of the countries with the lowest risk perception in the region. Colombia’s economy is part of the global market, with vast trade relationships and opportunities to become an exporting platform that offers advantages thanks to its strategic location and developed logistics infrastructure.

Also, Colombia has a well-developed and qualified workforce. In the last few years, Colombia has increased its budget to drive innovation as an encompassing element for the transformation of products and services that create added value and qualified employment.

Colombia has six cities with over a million inhabitants, which demands infrastructure and urban development, bringing opportunities for investors in these fields.

What might be some of the strategic fields for economic growth?

The National Government policy, through its Productive Transformation Program, has identified 16 strategic areas. These areas comprise the five driving forces that the President’s strategy focuses on, including the national industrial policy. This model seeks to strengthen the productive links, improve human capital by reducing training and specialization gaps, and helping Colombian companies access foreign markets through a value added exportable offer.

To reach these goals, the Program cooperates with the sectors around three strategic sectors:

Agribusiness: Shrimp farming, bovine meat, chocolate, confectionery and its raw materials, dairy, fruit and vegetable produce, palm tree products, oil, vegetable fats, and biofuels.

Manufacturing: Cosmetics and toiletries, publishing and graphic communication industry, vehicle and auto parts industry, fashion, metalworking, iron-and-steel, and shipyards.

Services: Business process outsourcing (BPO&O), electric power and its related goods and services, software and information technologies, nature tourism, health and wellness.

What do you see as the potential for biotechnology and medical tourism in Colombia?

Colombia enjoys a significant biodiversity potential: It has the highest amount of ecosystems (99); 1,600 lakes and wetlands; it has 10% of the world’s biological diversity; it ranks second in the world regarding flower diversity with more than 50,000 known plant species, of which 36% are endemic. It holds the first spot in the world regarding birds, amphibians, and orchids; second for plants, freshwater fish and butterflies; third place in reptiles and palm trees; and fourth in mammals.

The most representative examples of the industry's development include: The National Bioinformatics and Computer Biology Center () for computer infrastructure for biotechnology R&D in Latin America, the Genome Sequencing Center (*Centro de Secuenciacion Genomica*) for biodiversity characterization, and the project to create the national bioprospecting company.

Colombia has an industrial property protection system in line with international standards. The main international agreements related to the field have been approved and are currently in force. In addition, research and development activities receive important tax incentives.

Regarding the export of health services, also known as medical tourism, growth opportunities have been spotted in the Central American, European, Caribbean and American markets, with their demand for the specialized and highly complex health services Colombia can offer, mainly in the areas of cardiology, cancer treatments, ophthalmology, orthopedics, and odontology.

Progress in this sector is significant. The last rating by AmericaEconomia magazine, after reviewing 190 Latin American clinics and hospitals, listed 16 institutions in four cities (Bogota, Medellin, Bucaramanga, and Cali), among the top 40.

Besides its good performance, Colombia has established itself as the annual host of distinguished academic events, conferences, seminars and medical update conferences, and is a pioneer within Latin America for the creation of proprietary health accreditation systems.

Also, there are currently 25 institutions with national accreditation and two with international accreditation, like the Joint Commission International (JCI).

What is Proexport's strategy in the next five years to increase FDI in Colombia?

The agency's strategy will focus on promoting 17 sectors in over 30 countries. These sectors have been identified as having the potential to attract foreign investment in several regions of the country. For this reason, joint efforts with promotion agencies in all cities involved are implemented. Approximately 125 investor agendas are expected to be endorsed and fulfilled in 2013, including visits to different cities depending on the companies' interests.

The country’s potential was corroborated in the article entitled: “Diamonds in the rough: Unearthing opportunity in an uncertain world”, published by The Economist. The article analyzed the factors that lead economies to hold the fastest growth outlooks in the world for the next five years, and stated that Colombia will be the sixth out of 20 countries, with an average annual growth rate of 4.6%, only behind China, India, Nigeria, Vietnam, and Indonesia.

In order to keep positioning the country as an investment-friendly destination, this year Proexport will support, conduct and participate in 151 promotion campaigns, including 21 national and 130 international events with the purpose of showcasing Colombia as a country with unparalleled investment opportunities. These activities include sector-relevant seminars and participation from panelists in specialized events and trade shows.

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