Interview: Felipe Jaramillo – President, ProColombia



14.09.2017

Tags: Colombia, ProColombia, Investment, Latin America

Felipe Jaramillo, president at ProColombia, the government agency in charge of strengthening the country's image, describes how Colombia successfully transitioned from being a war-damaged country to a business destination attracting exports, foreign investments and tourists.

As an introduction, can you please describe the main milestones that the organization has experienced in this period?

We are the government's promotion agency in charge of promoting the Colombian brand, fostering foreign investments, and fostering Colombia as a tourist destination. I have been in my current role for a bit more than a year and I believe this organization plays a crucial role in this time for several reasons.

For decades, Colombia has been associated with conflicts and now that we do not have that specific label anymore, the country has become a hub for foreign investments and tourism. This first part of the year has been very successful, not only for ProColombia in terms of its results, but also in terms of significant foreign investments into Colombia and strong increase of tourism within the country.

You have seen a lot of changes mostly in the last year, but overall Colombia significantly evolved in the past years. How did you see the country change?

Colombia is now an example of how a country can change the course of its history when the right decisions are made. Up until 15 years ago, this country was in a very bad shape. There is no need

to expand on this, as we were in all the global newspapers. Now we are too, but for different reasons and that is very encouraging. Nowadays, not only businessmen are the ones seeing the country with different eyes, but also people in general around the world are more and more interested in a country that had been blocked for international visitors for so many years.

In addition to this, one key factor that has allowed Colombia to go through such a transition has been the good performance of its economy – even in the worst circumstances, we always managed to have a very responsible management of its economy and its macroeconomic policies. This has resulted in Colombia being among the top three economies in Latin America when it comes to GDP growth over the past ten years. For instance, even over the past years, while every Latin American country was struggling, Colombia was among the top two economies within the region. This has obviously placed us in a very good position and we are very optimistic about the future of our country. Now, we can focus all our energies and financial resources towards developing and strengthening our country.

You are also working towards achieving the goals of the National Development Plan 2015 – 2018, such as the internationalization of the Colombian economy. What strategy do you use to implement this?

Obviously, we are working very hard to grow the number of Colombian exports in the world and, in that sense, we have improved the logistics and the infrastructure. Additionally, we are also constantly working with companies to create the Colombian culture to ensure people think about the potential that the global market offers to their businesses. In addition to this, we also try to bring foreign direct investment that has export potential.

We pay a special attention to those who are looking to establish their business in Colombia. Tourism is another great example of exports within the services industry – because this is what tourism is at the end of the day. Everything we do in this company has an impact on the National Development Plan. Many multilateral organizations, such as the World Bank and the Inter-American Development Bank said that Colombia, for the first time in history, can become a developed nation in less than a generation. Therefore, internationalizing our economy is crucial.

What would you say are the key sectors of growth in the economy of Colombia today?

There are many sectors that have experienced consistent growth in the last ten years, but there are two or three that are currently benefiting the most from the peace accord. Obviously the first one is tourism: what is happening in this country is simply amazing. By July 2017, it grew almost 40 percent! The average growth for the sector around the world is four percent and last year we grew

by 14 percent. As a result, this is our most important sector for the time being. The second one is the agricultural sector. The Food and Agriculture Organization has labeled Colombia one of the seven countries in the world with the biggest potential when it comes to the agro-industry. Obviously, the fact that we are now in peace had a huge impact on the sector as most of the available regions were in war zones.

Now, there are a lot of foreign investments in the agro-sector, from both the government and the private sector – we saw a double-digit growth in addition to the products for which Colombia is very well known (e.g. banana, coffee, avocado, cocoa). Thirdly, services contribute to the growth of the country – not just health services, but services in general. This occurs for many reasons – perhaps the most important one is the quality of the labor force in Colombia.

Colombians are talented and hard workers. I always give one specific example: before joining the government, I used to work in multinationals and in many of them, most country and regional managers were Colombians. The quality of the labor force is very important for the services sector. Colombia is also strategically located, sharing the same time zone than the US, with an outlook on both oceans, and having FTA agreements with the Americas, Europe and some Asian countries. Additionally, the government has been investing a lot in English proficiency – all of that has placed Colombia as a very strategic market when it comes to services. Regarding the health sector, we have excellent hospitals, universal coverage, very interesting rate of foreign direct investments in the country. We help both multinational and Colombian companies in the pharmaceutical sector to find opportunities and experts abroad.

We have teams who are dedicated to every sector of the economy – for example here we have a team that is fully dedicated to the service industry and we help companies through every phase: from the starting point, before even thinking of exporting, up to the point of helping them adjust their products to the international market, understand the logistics as well as the complexity of legal aspects. Furthermore, we help them find business opportunities abroad. We have a very broad portfolio. In the pharma industry, specifically, we help companies export pharmaceutical products. Health services are becoming more and more important – the quality of the doctors and hospitals is starting to be noticed in the world and we have people coming from many places around the world, including the US.

The uniqueness of ProColombia is not just attracting Foreign Direct Investments and help Colombian businesses go abroad, but also being recognized as a very good place to work for. What do you think differentiates ProColombia from other organizations?

When I first got here, I was impressed by the quality of the talent pool available here. Multinationals pride themselves on the talented people they have – it is nothing compared to what we have here. However, I realized very quickly that, while this is a very efficient and modern organization, especially regarding the fact that we are a public entity, there were a lot of elements that I could find in the private sector that ProColombia did not have yet.

One of my main objectives was to bring good management practices to ProColombia. We restructured the company quite significantly, we implemented good performance management tools as well as an annual system of compensation, and we opened and closed offices around the world. This has had a very positive impact on the organization over the last six months. The first semester of this year has been by far the best since the foundation of the company 25 years ago.

Colombia has many agreements with the EU and the US. How do these agreements benefit to the economic growth of the country?

They are essential. For instance, in the pharmaceutical industry we have no tariffs to export Colombian products to these markets and this opens a lot of opportunities with the FTA that we have in place around the world. Colombian companies have access to more than 1.5 billion consumers around the world and more than 60 percent of global GDP. This is obviously very important as it positions the country as an excellence hub. When foreign companies come here to invest in the services and pharmaceutical industry, people realize that not only the internal market has great potential – we have about 15 million people with a growing middle class – but also that we have the possibility to export in many markets in the Americas and in Europe. This has had an impact on the investments received in the country.

The other way around, why should companies choose Colombia as the country to invest when you have other countries such as Mexico and Brazil?

We do not see Mexico or Brazil as competitors. One of the key factors that allowed for this important economic growth in the last five years has been the Pacific Alliance, which is an agreement between Colombia, Peru, Chile and Mexico. Within this alliance, we made it possible to allow free movement of people, capitals and investments to make it easier for international investors to go to one country and potentially expand and invest in the three other markets. I believe the Pacific Alliance is by far the most interesting opportunity within Latin America, perhaps even around the world. We work hand in hand with our allies to bring foreign investments and maintain the good performance of our economy.

Figuring amongst the list of worldwide recognized investment agencies, your mission is to build a strong country brand globally. What is the impact that the organization has on building the Colombia brand abroad?

We build the country brand through this organization and we have a huge task because, even though Colombia has been going through a great transformation, I do not think that everyone noticed it at the same level. The US, the EU and in some parts of Asia people still have misconceptions about what is happening in Colombia. This is the hugest challenge that we have – we want everyone to notice the transformation that our country has undergone. Our main priority are our clients who are international investors. We take pride in having helped thousands of companies make successful investments in the last two decades.

Moving forward, what is your vision and strategic priorities for ProColombia in the next 3 years, by 2020?

Our goal is to become a global example of what a promotion agency should be. All these changes that we have made in terms of restructuration aim at making the most, out of what it is with no doubt, the best moment in the Colombian history. We are very determined to pursue the objectives that we have set ourselves in the three fronts we are currently working on now. I want to make sure that we constantly help the country moving forward. I believe the most important thing that I brought to this organization is my knowledge of the private sector. Ideally my goal would be to leave an organization that is as efficient and as productive as any other multinational around the world and I believe we are very close to this goal.

See more interviews