



El progreso
es de todos

Mincomercio

COLOMBIA'S ECONOMIC RECOVERY

JOSÉ MANUEL RESTREPO ABONDANO

MINISTER OF TRADE, INDUSTRY AND TOURISM



HOW IS THE COVID-19 BEING ADDRESSED IN **COLOMBIA**?

Muertes por millón de habitantes



Contagios por millón



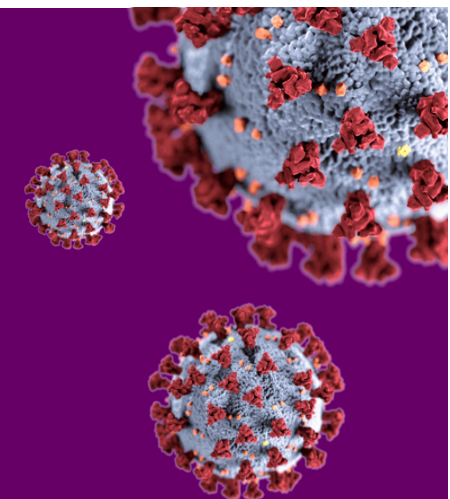
3,4%

Case fatality rate

17,3%

Positivity rate

818.703
tests performed



All of the above has prompted the country to gradually initiate an agile process of economic reactivation, complemented by monetary, fiscal and social measures

165

Measures to mitigate the effects of the pandemic

(Investments equivalent to 9.6% of the country's GDP)

 Social¹	<p>New phase of the intelligent preventive isolation (1st June). Gradual opening of the productive and commercial sector, with 16 industrial activities excluded.</p>
 Financial	<p>To guarantee that inhabitants and businesses in all sectors have access to soft loans and benefits in restructuring their debt.</p>
 Labour	<p>Flexibilization measures for companies to reduce labour costs, in order to maintain employment, such as subsidies, reliefs and payroll lines of credit.</p>
 Commercial	<p>Sectors prioritization by level of affectation or by impact on the economy. Releasing restrictions for some industrial activities</p>
 Fiscal	<p>Deferral in the payment of taxes, acceleration of VAT refunds, exemptions in consumption tax, among others.</p>
 Monetary	<p>Reduction of the central bank's interest rate. Joint work with commercial banks to quickly transfer benefits to customers. Reduction of banks' reserve requirement.</p>

Source: IMF, MinCIT.

RECOVERY PLAN

13

ACTIONS

Employment generation
Economic growth
Greater productive dynamics

1
Business financing
revolution

2
Business
transformation for
the new normal

3
Economic
revival for all

4
Reactivation of
the regions

5
Access to factors of
production to
reactivate the
productive
apparatus

6
Export promotion of
- Knowledge Based
Services

7
Promotion of
e-commerce

8
Taking advantage
of new business
opportunities

9
Boost to
attracting
efficiency
investment

10
Tourism biosecurity
certification

11
Economic support
for the tourist and
aeronautical sector

12
National and
international
promotion campaigns

13
Innovation and
business
competitiveness

EVIDENCE ABOUT RECOVERY

Over **56%** of respondents say they bought more or the same things as in May

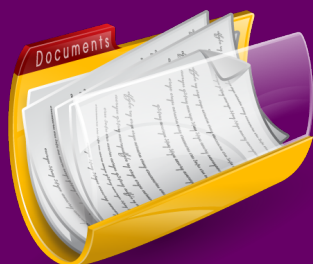


Commercial Confidence Index was -9.2% in May 2020. The index showed an increase of 16.3 p.p. compared to last April. **the increase in the index compared to last month was mainly in the indicator of expectations of the economic situation for the next semester**

The **industrial confidence index** was higher by **14.5 p.p.** compared to April.

The **COLCAP index** grew **2.3%** between May and June

in April and May there is an **increasing trend in the issuance of TES**, particularly in May it **grows 15% more** than the average for the same month in the last decade.



HOW IS **COLOMBIA'S** ECONOMY?

**Decree 457 of
March 22, 2020**

**Decree 593 of
April 24, 2020,**

**Decree 636 of
May 6, 2020**

**Decree 749 of
May 28, 2020**

**Decree 878 of
Jun 25, 2020**

Allowed the
circulation
of

6.6 million
employees in the
commerce, industry
and services sectors.

1.2 million
additional employees
in the industry sector.

1.4 million additional
employees in the
commerce, industry
and services sectors

3.7 million
additional
employees.

0,3 million additional
employees in the
commerce, industry
and services sectors.

TOTAL OCCUPIED TRADE INDUSTRY AND
SERVICES 2019:

17 MILLION

EMPLOYED WITHOUT
CIRCULATION
RESTRICTION

77%

THE PLAN TO THE FUTURE



Impact tourism 2022:

Non resident visitors: 4,5 m

Tourism travelers: 8,5 m

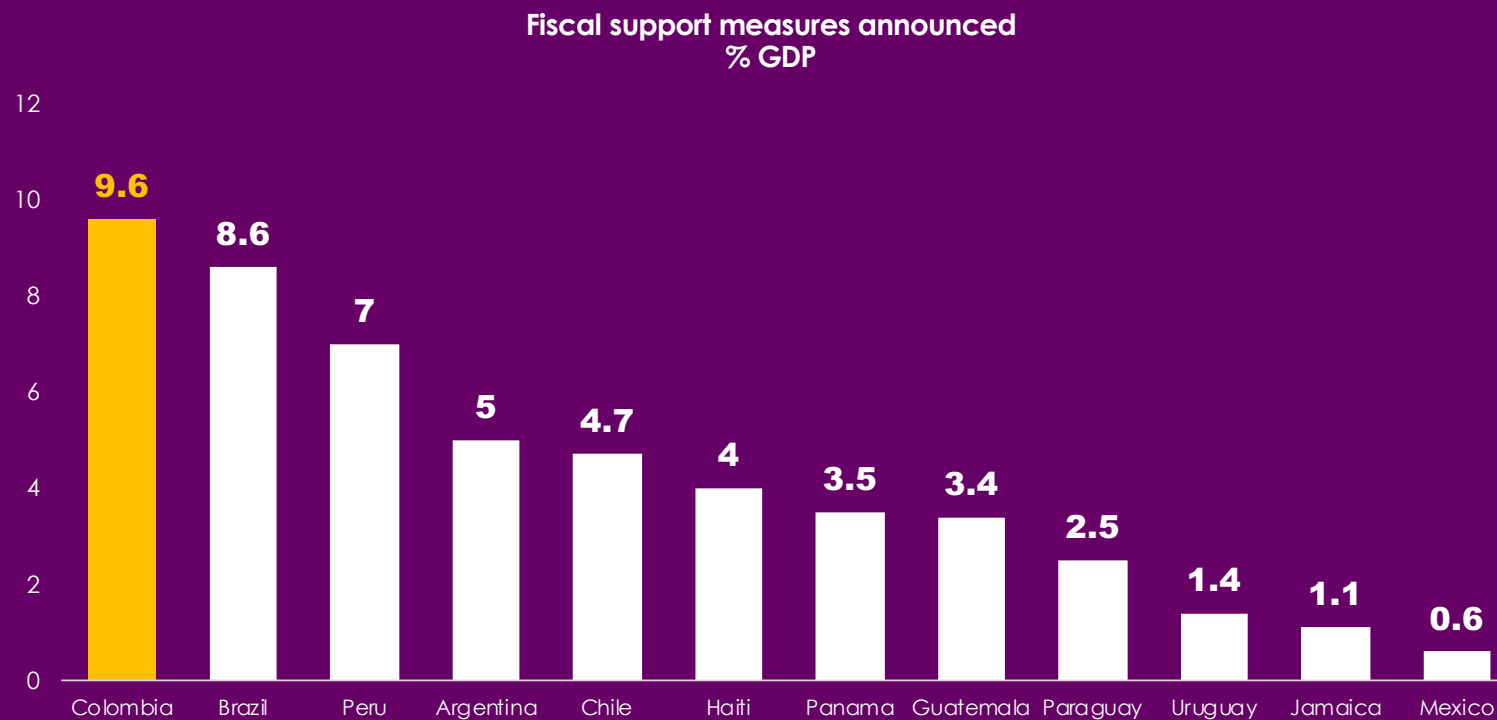
Reactivation to 80% of the national and international connectivity.

Accompaniment to entrepreneurs (SMEs)

- Give support to +200.000 SMEs
- Increase energy non-mining exports by 35%
- USD 11.5 MM of FDI in non-mining energy
- 4 million manufacturing jobs

INDUSTRIAL POLICY OF THE 21ST CENTURY

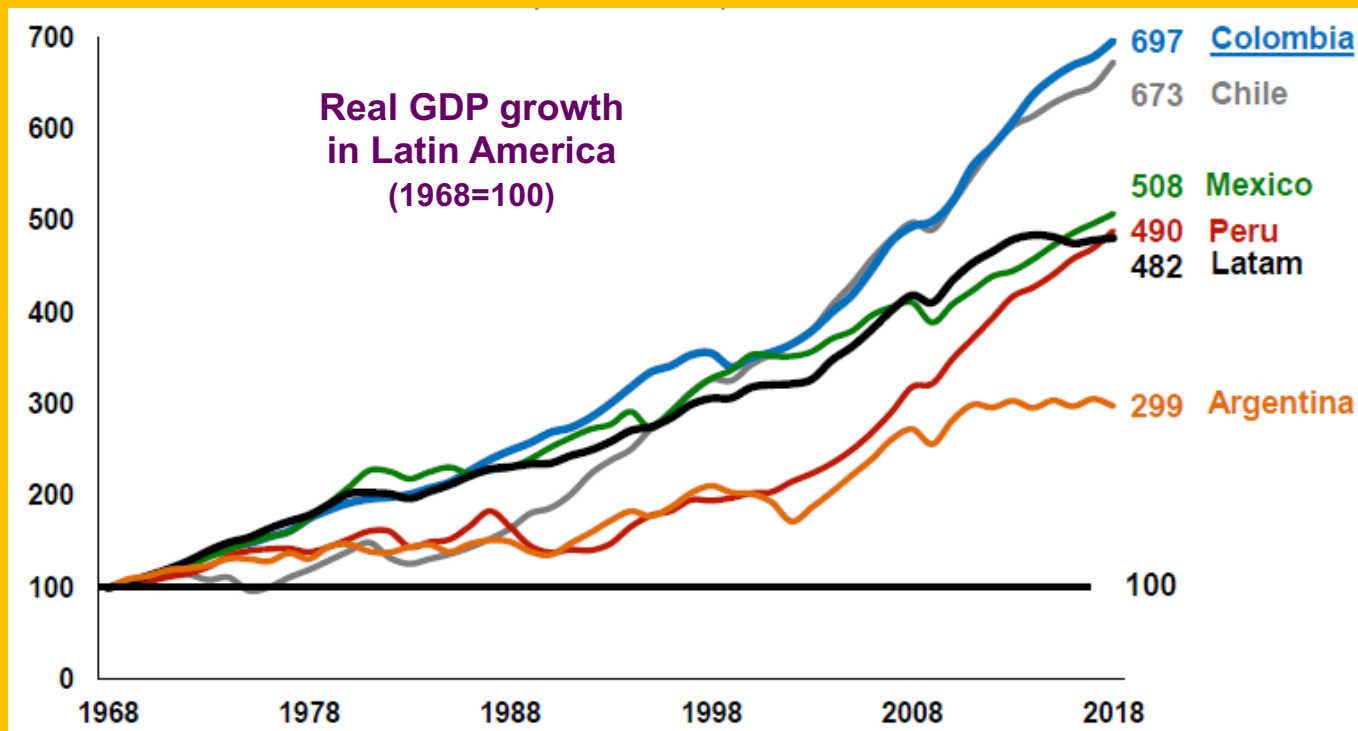
Furthermore, Colombia has been the Latin American country which has invested the most as a percentage of its GDP, as a measure to mitigate the effects of the pandemic



Note: Measures are the total amount announced, including discretionary spending, loan guarantees, and other credit measures. Data are as of May 29, 2020 and are subject to change.

Source: International Monetary Fund; national sources; World Bank.

On the other hand, before the pandemic **Colombia was already excelling due to its sustained economic growth over the past 50 years**



Over the past 50 years, the Colombian economy has been the fastest growing in the region.

As a result, Colombia has become a resilient country and one of the economies with the greatest capacity to withstand the crisis in 2020

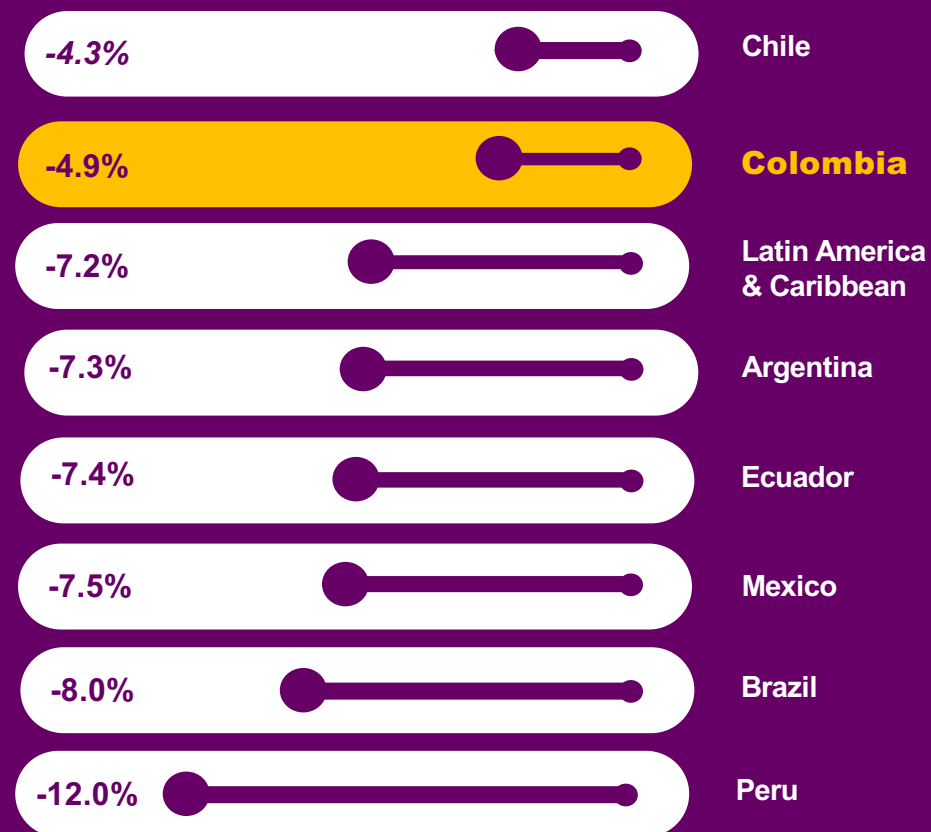


In 2019, the country's economy grew by 3.3%, above the average growth for Latin America and the Caribbean (0.8%).



The IMF, the World Bank and the ECLAC project that **the Colombian economy will present one of the smallest contractions** in 2020, both in Latin America and around the world.

Estimated GDP growth for 2020



The dynamism of its economy has enabled the country to continue having outstanding indicators, despite the global economic impact due to COVID-19



3.7% and **3.6%**

will be the **estimated growth of the Colombian economy in 2021**, according to international organizations such as the IMF and the World Bank, respectively

Source: Banco de la República, IMF and World Bank.

US \$2,486 millions

received in **non-mining FDI**, between January and March 2020

22.7% more

compared with the same period of 2019

3.5%

Inflation rate, 2020

The inflation rate will remain **within the target range** by 2020 (2% - 4%)

Colombia is a complete member of the improving its political and economic image



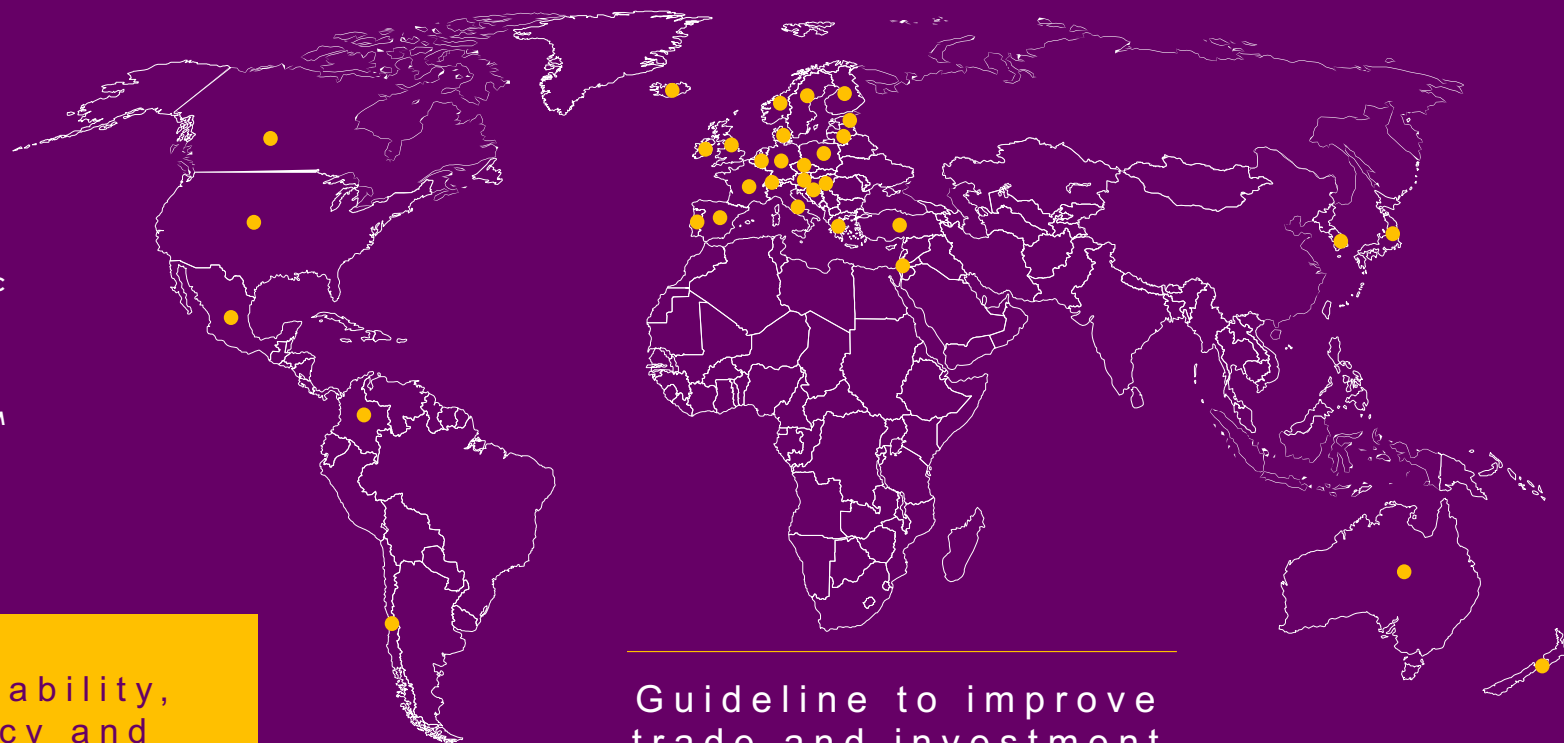
CANADA
UNITED STATES
MEXICO
CHILE
COLOMBIA

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

JAPAN
SOUTH KOREA

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

AUSTRALIA
NEW ZEALAND

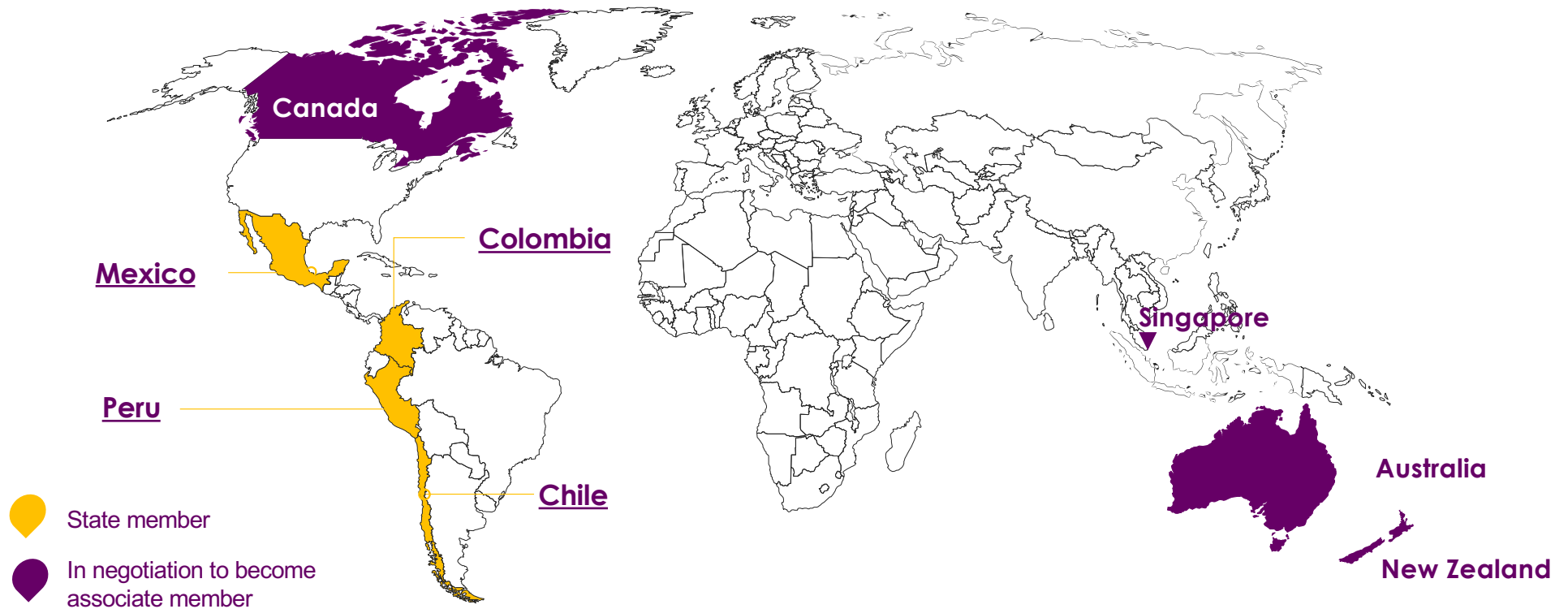


Economic stability,
transparency and
government discipline

Guideline to improve
trade and investment
barriers



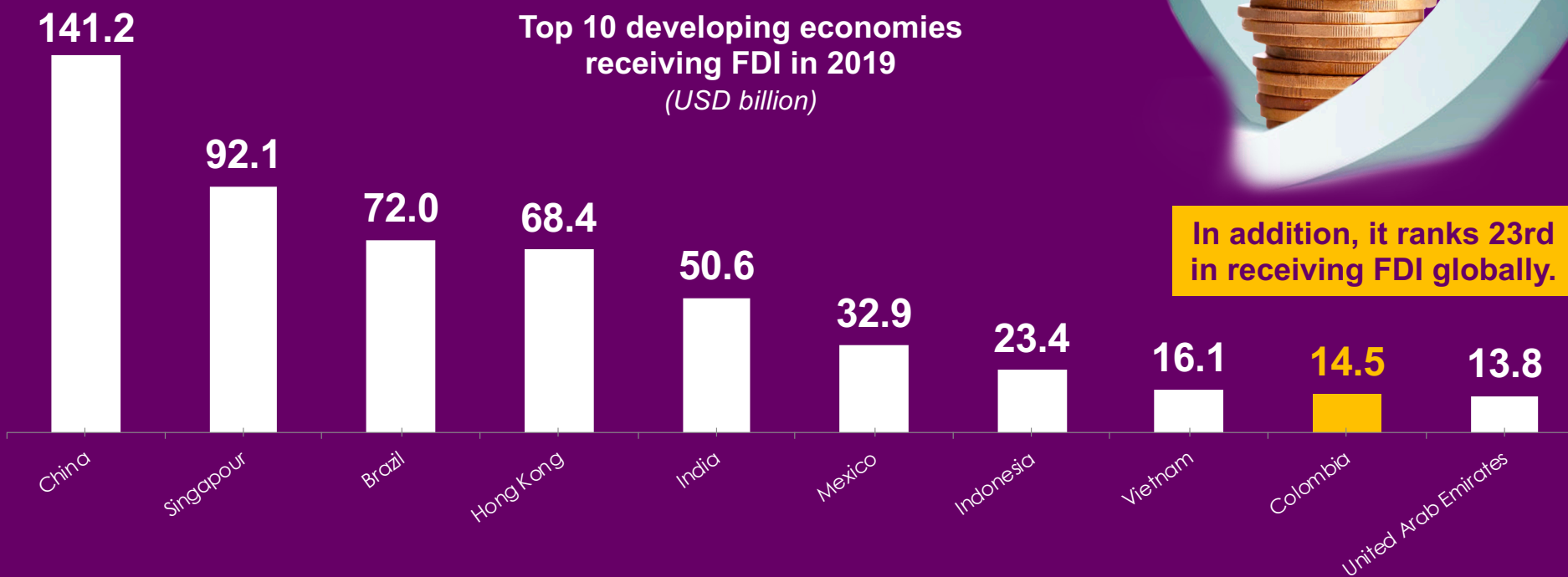
Additionally, Colombia is a member of the Pacific Alliance, a regional integration initiative, which seeks to overcome international economic challenges



Colombia ranks 9th among developing countries in receiving FDI



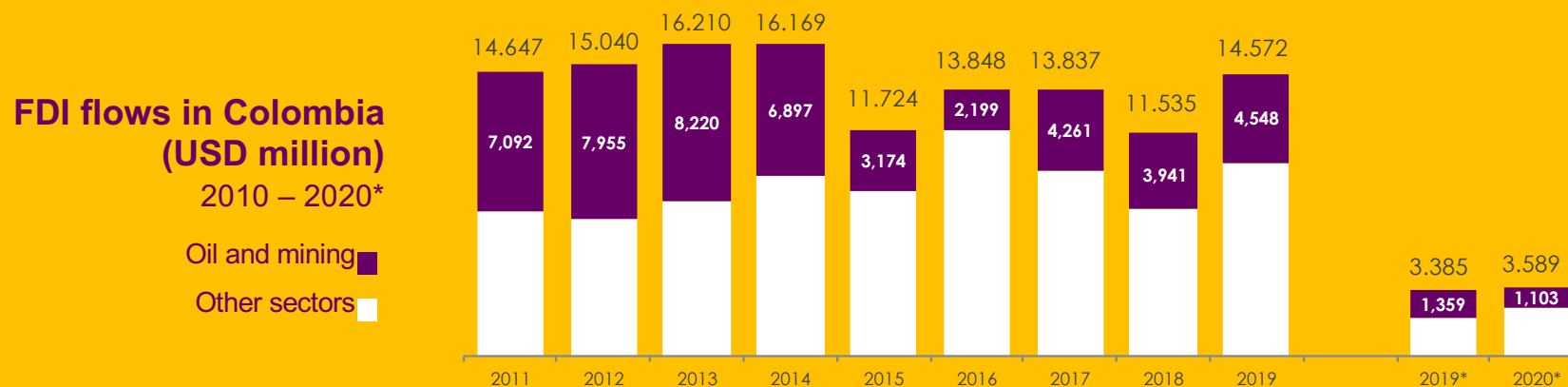
Top 10 developing economies receiving FDI in 2019
(USD billion)



In addition, it ranks 23rd in receiving FDI globally.

Source: UNCTAD, 2020.
*Cayman Islands and British Virgin Islands are not included.

Since 2014 non-mining sectors have registered a major participation in Colombia's FDI



In 2019, investment flows grew by **25.6%** compared to 2018, meanwhile investment in **non-mining sectors grew by 30%**

Top investors in Colombia, by country**

2015-2019



United States
USD 11.68 billion
17.8%



Spain
USD 9.50 billion
14.5%



United Kingdom
USD 5.25 billion
8.0%

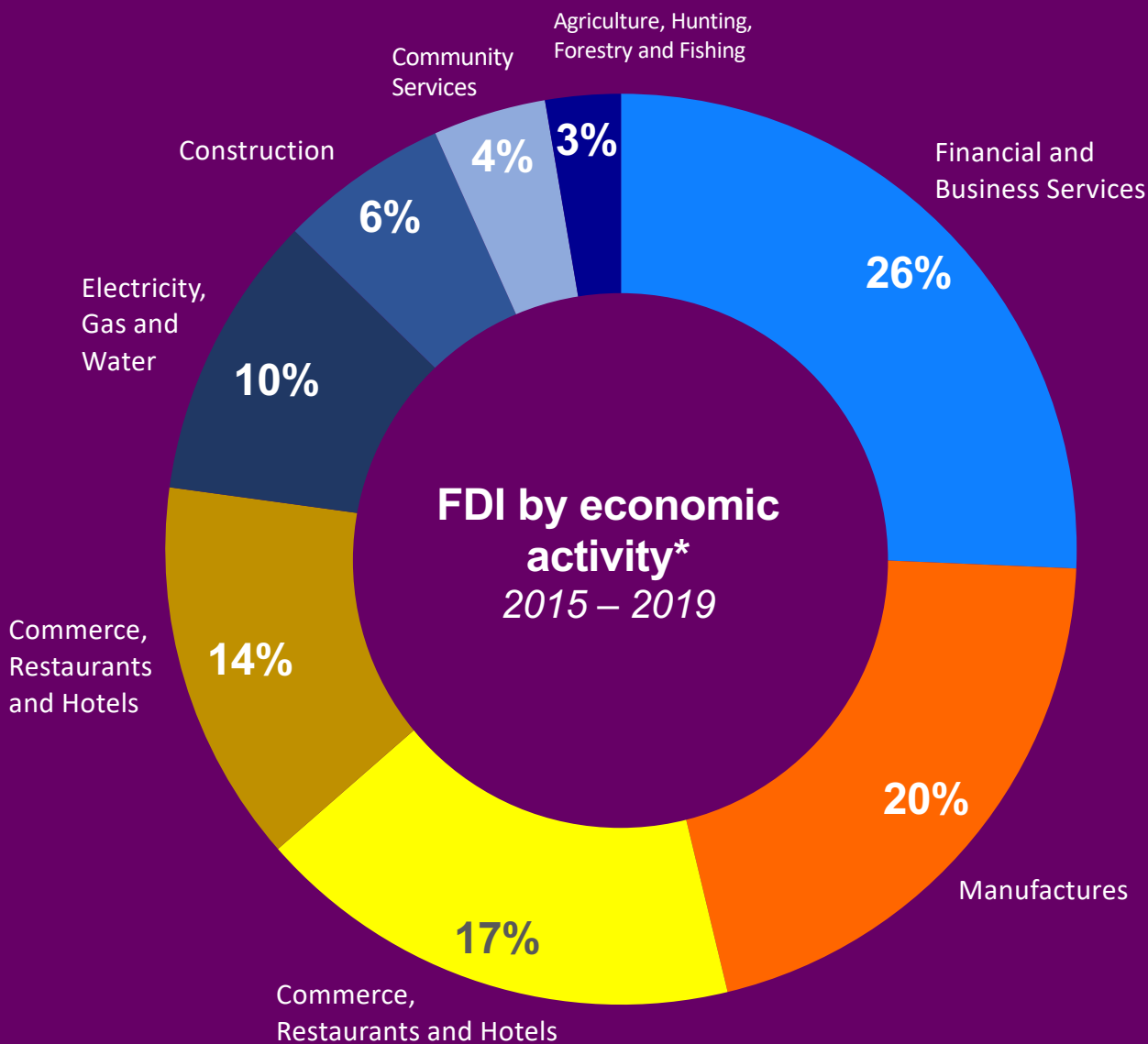


Switzerland
USD 4.54 billion
6.9%

Source: Balance of Payments – Banco de la República.

*First trimester

**Panama is not included



Moreover, investment in Colombia is destined to diverse sectors of the economy

Between 2015 and 2019, a total of **US\$47.24 billion** in non-mining FDI arrived in the country

Source: Banrep.
*Mining-energy investments are excluded.

COLOMBIA

OFFERS:



A responsible **Government committed with public health and economic reactivation**, which allows the country to capitalize 50 years of economic growth to withstand the COVID-19 crisis



Colombia's government is committed to improving its **competitiveness as a driver for economic growth**



Its economic performance shows a growing middle class with high purchasing power



These conditions **enable FDI**



Colombia's government is **committed to the growth of the private sector**



Colombia is a **regional export platform**





📍 Chicamocha Canyon. Getting Ready.

COLOMBIA 



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THANKS

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