



BOGOTÁ-CUNDINAMARCA

Bogotá is the capital city of both Colombia and the department of Cundinamarca. As Colombia's largest economic center, it is home to most domestic companies' headquarters. Boasting a population of 7.8 million people and a GDP of USD \$94 billion (2014), Bogotá is becoming an attractive market to invest in. Bogotá offers a variety of opportunities to do business and engage in domestic and foreign trade. 70 shopping centers are located in the city, and Bogotá has the biggest shopping center in the country and second-largest in Latin America.

The Bogotá region is the main importation zone of the country and the second-most important exportation region after the department of Antioquia. In 2015, the region's imports reached USD \$27.34 billion, accounting for 53% of total Colombian imports, and reported exports of USD \$2.71 billion, accounting for 7.6% of total Colombian exports. Bogotá's main exports are flowers, medicines, and coffee, and its principal imports are refined oil, telephones, and aircrafts.

Bogotá's airport is the main air cargo hub of Latin America, mobilizing 670,222 tons in 2015 (67.95% of the total air cargo mobilized in the country), and the third-largest terminal in the region for passenger traffic, mobilizing 29,956,551 passengers in 2015 to more than 70 domestic and international destinations. Overall, El Dorado International Airport provides 48% of total passenger mobilization in Colombia and 76.7% of passenger mobilization through international flights, which makes it the most important airport in the country and an influential presence in the region.

A diverse and cosmopolitan city, Bogotá offers many opportunities for cultural enrichment, including more than 40 museums, and a variety of theaters, exhibitions, festivals, and artistic displays. The city is also known for its restaurants, offering a wide range of options, prices, and styles, and earning Bogotá the reputation of being one of the greatest gastronomic cities in Latin America. Additionally, the city has great nightlife for all tastes.

BOGOTÁ IN A GLANCE

- Average temperature: 19° C
- Population in Cundinamarca as of 2014 (not including Bogotá): 2,639,059 people
- Bogotá population as of 2014: 7,776,845 people

- Cundinamarca's GDP as of 2013: USD \$18.71 billion
- Bogotá's GDP as of 2013: USD \$93.77 billion
- Cundinamarca's GDP per capita as of 2013: USD \$7,200
- Bogotá's GDP per capita as of 2013: USD \$12,219
- Cundinamarca area: 22,337.2 km²
- Bogotá area: 1,636.59 km²

WHY THE BOGOTÁ REGION?

Bogotá accounts for 24.7% of Colombia's GDP with an average economic growth of 4.7% over the last ten years. It is also one of the most important centers for foreign trade in Colombia, in 2014 making up 30.4% of the total value of transactions in foreign trade (exports plus imports). The city houses 33% of the country's enterprises—some 384 thousand companies—, and more than half of the total mid-size and large national and international companies in the country are located in the city and its surroundings. Currently, more than 1,500 foreign companies are located there, such as 3M, Danone, PEPSICO Inc., Pfizer, SABMiller, Siemens, and TATA Motors, among others.

The Bogotá region is composed of four Free Trade Zones (FTZs), which are special areas with significant benefits for the companies located there. Some of these benefits include preferential income tax of 15%, duty free importation of machinery and raw materials, the ability to purchase raw materials and capital goods and services with no VAT, and the possibility of selling to the Colombian market. Furthermore, the city has more than 50 industrial parks with excellent areas for storage and manufacturing and approximately 1,800,000 m² of office space.

Bogotá is also an international center for business and exhibitions. It houses the biggest exhibition center in the country, which hosts approximately 30 international and national fairs annually. The center of business and exhibitions—CORFERIAS—is also the main Latin American partner of the Global Association of the Exhibition Industry (UFI) and a founding member of the Latin American Exhibitions Association (AFIDA).

The city is also a resource of well-trained and -educated human capital. Bogotá has 5 of the 100 best universities in Latin America, according to QS Intelligence Unit. It is also the largest labor market in the country and the main generator of employment; one in every four jobs in Colombia is created in this region.

POTENTIAL SECTORS

<p>CREATIVE INDUSTRIES</p> <p>Comprising different activities such as audiovisual production, the production and distribution of newspapers and magazines, and different types of other artistic activities, the creative industries represent more than 1.7% of the country’s GDP.</p> <p>Most Colombian companies, businesses, and human resources from this sector are located in Bogotá. Currently, the city accounts for 48.4% of all national graduates with degrees in this field.</p>	<p>ENERGY SECTOR</p> <p>Colombia has not developed new sources of energy supply, thus being very dependent on weather conditions for hydroelectric power plants.</p> <p>There is a significant need in this sector to diversify energy supply sources in order to help stabilize energy prices and guarantee a continuous energy supply at the national level.</p>
<p>COSMETICS AND PERSONAL CARE</p> <p>This sector is one of strategic value for Colombia and especially for the Bogotá region. The city accounts for 61% of all national sales. 35% of all national graduates with degrees in areas related to these activities come from Bogotá.</p> <p>The city has taken advantage of Colombia’s biodiversity as well as its technological and innovative resources for the sector, positioning itself as one of the most important cities in this area nationwide.</p>	<p>PHARMACEUTICALS AND HEALTHCARE</p> <p>Bogotá plays an important role in this sector, accounting for 51% of sales at the national level. Additionally, more than 60% of pharmaceutical companies in Colombia are headquartered in Bogotá.</p> <p>The potential opportunities in this sector include the development of biosimilar and generics industries and the improvement of preclinical and clinical studies.</p>
<p>IT SECTOR</p> <p>73% of PhDs and 51% of MScs in the Colombian IT industry come from Bogotá. Furthermore, 65% of software companies in Colombia are located in Bogotá, generating 48% of total employment in Colombia’s IT sector.</p> <p>The city is developing and improving its IT infrastructure. It offers attractive opportunities like the tech-park project, which is a new incentive for companies to settle in the city.</p>	<p>BIOTECHNOLOGY</p> <p>Colombia has obtained 5,429 patents—only five other countries in Latin America have a greater number of granted patents. Bogotá accounts for 57% of Colombia’s patents.</p> <p>140,000 active researchers are based in Bogotá, that is, up to 42% of all researchers in Colombia in the field.</p>
<p>INFRASTRUCTURE</p> <p>The majority of international infrastructure companies are concentrated in Bogotá. No other city in Colombia has greater, larger, or more important mega-infrastructure projects.</p> <p>Due to its strategic location and daily flight connections, Bogotá serves regional markets for many foreign companies.</p>	<p>FOOD AND BEVERAGE INDUSTRY</p> <p>Bogotá is the main food and beverages market, accounting for 42% of total industry sales in the country. It is also Colombia’s main production center, physically housing 41 of the 100 leading companies in the sector.</p> <p>The food and beverage industry is important for the country’s economy because the consumption of processed food is expected to increase by 51.5% during the next few years.</p>
<p>AUTOMOTIVE INDUSTRY</p> <p>Five of the eight assembly facilities in Colombia are located in Bogotá. The city is Colombia’s main automobile market, accounting for 44.1% of all new vehicles registered in the country.</p>	<p>BPO INDUSTRY</p> <p>The high quality of Bogotá’s human capital, competitiveness, connectivity, and government support, among other factors, have made the city an important player in this sector for all of Latin America.</p> <p>Additionally, due to program training and certification of English language ability offered by national and local governments, Bogotá has the largest offering of bilingual professionals in the Colombian labor market.</p>



CHALLENGES

Although Bogotá is continuing to improve and develop new projects and sectors, it still faces some major challenges as it tries to consolidate and strengthen progress in economic and business areas. The city and region's strategy focuses on development to promote prosperity, sustainability, and inclusion.

Some of the biggest challenges the city is facing are:

1. Achieving economic growth of at least 7%, which would allow it to expand opportunities for new jobs, higher incomes, and better conditions overall, including greater sustainability, prosperity, inclusion, and quality of life
2. Promoting the development of key resources and capacities such as human capital, infrastructure, connectivity, and innovation to consolidate productive sectors and position clusters with the greatest current and future potential
3. Consolidating an environment that facilitates and encourages investment and companies operating legally. Simplifying the tax code and the procedures (simplifying paying taxes, registering social security and procedures and export costs) in order for companies to be sustainable over time, especially smaller businesses
4. Planning a labor policy for a possible post-conflict scenario that will be a fundamental tool in the process of social reintegration of former combatants
5. Implementing the action plan "Especialización Inteligente Bogota-region" -Smart Specialization for Bogota Region- with collective regional vision and innovation as the main driving forces

TIPS FOR SUCCESS

1. It is recommended that American companies consider finding a local representative in order to take advantage of his/her expertise, connections, and understanding of the Colombian market.
2. U.S. companies are encouraged to contact the main AmCham Colombia office, located in Bogotá, and the U.S. Commercial Service at the U.S. Embassy to obtain a market briefing and request assistance in arranging appointments during a business trip to the city.
3. Identifying a legal partner early on will help with executing contracts and understanding Colombian laws and regulations. Having reputable local legal representation not only gives you security but also improves your reputation in the market, increasing your chances of success.
4. The investors should be familiar with national guidelines regarding foreign investment protection, corporate structures, and immigration, tax, labor and environmental laws, among others.

WEB RESOURCES

- 1) Legal guide to doing business in Colombia - Invest in Colombia 2012
- 2) Camara de Comercio de Bogota. Estado de Bogota Region 2015
- 3) Invest in Bogota - ¿En qué Invertir?
<http://es.investinbogota.org/invierta-en-bogota/en-que-invertir-bogota>
- 4) Invest in Bogota - Incentivos Atractivos Inversión Bogota
<http://es.investinbogota.org/invierta-en-bogota/por-que-invertir/incentivos-atractivos-inversion-bogota>
- 5) ProColombia - Invest in Colombia
<http://www.investincolombia.com.co/regional-information/bogota-dc.html>

CONTACT US

U.S. Commercial Service Colombia

- ✉ office.Bogota@trade.gov
- ☎ +571-275-25-19 Bogotá
<http://www.export.gov/colombia/>
- 📧 @USCSColombia
- 📘 USCSColombia

AmCham Colombia - Bogotá Office

- ✉ dircci@amchamcolombia.com.co
- ☎ +57 1 587-78-28 Bogota
<http://www.amchamcolombia.com.co>
- 📧 @AmChamCol
- 📘 Cámara de Comercio Colombo Americana