

Columbia – a brief overview

Republic of Columbia is a unitary, constitutional republic comprising thirty-two departments. It is located in northwestern South America, bordered to the northwest by Panama; to the north by the Caribbean Sea; to the east by Venezuela and Brazil; to the south by Ecuador and Peru; and to the west by the Pacific Ocean. Ecologically, Columbia is one of the world's 17 megadiverse countries, and is considered the most megadiverse per square kilometer. Columbia is a middle power with the third largest economy in South America, and is part of the CIVETS group of six leading emerging markets.

Economy of Columbia

Columbia's consistently sound economic policies and aggressive promotion of free trade agreements in recent years have bolstered its ability to face external shocks. Real GDP has grown more than 4% per year for the past three years, continuing almost a decade of strong economic performance. Columbia depends heavily on oil exports, making it vulnerable to a drop in oil prices. Economic development is stymied by inadequate infrastructure, weakened further by recent flooding. Moreover, the unemployment rate of 10.3% in 2012 is still one of Latin America's highest.

The US-Columbia Free Trade Agreement (FTA) was ratified by the US Congress in October 2011 and implemented in 2012. Columbia has signed or is negotiating FTAs with a number of other countries, including Canada, Chile, Mexico, Switzerland, the EU, Venezuela, South Korea, Turkey, Japan, China, Costa Rica, Panama, and Israel. Foreign direct investment - notably in the oil and gas sectors - reached a record \$ 10Bn in 2008 but dropped to \$7.2 billion in 2009, before beginning to recover in 2010, and reached a record high of nearly \$16 billion in 2012. Columbia is the third largest Latin American exporter of oil to the United States, and the United States' largest source of imported coal. Inequality, underemployment, and narcotrafficking remain significant challenges, and Columbia's infrastructure requires major improvements to sustain economic expansion.

Key Industries of Columbia

Its principal industries include food processing, textiles, clothing and footwear, chemicals, beverages, cement, coffee, sugarcane, oilseed and other agricultural products, forest products, cut flowers, processed fish products, emeralds, plastics, ferro-alloys, coal, gold, oil, nickel, financial services and the automotive industry. Key industries of Columbia are textiles, food processing, oil, clothing and footwear, beverages, chemicals, cement; gold, coal, emeralds.

Key Agricultural products of Columbia

Key agri-products of the country are coffee, cut flowers, bananas, rice, tobacco, corn, sugarcane, cocoa beans, oilseed, vegetables; shrimp; forest products

Columbia's major trading commodities and partners

Major export commodities of Columbia are petroleum, coal, emeralds, coffee, nickel, cut flowers, bananas, apparel while its major export partners are US 39.4%, Spain 5.1%, China 4.9%, Netherlands 4.3%. Moreover, major import commodities of Columbia are industrial equipment, transportation equipment, consumer goods, chemicals, paper products, fuels, electricity whereas, its import partners are US 30.2%, China 11.5%, Mexico 10.3%, Brazil 5.2%.

Economic Relations between Pakistan and Columbia

The trade ties between the two countries are not that healthy as the trade remains \$ 59.081Mn.

Bilateral Trade Relations between Pakistan and Columbia

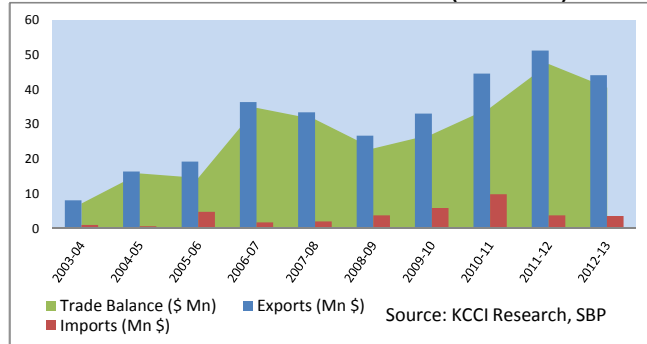
The bilateral trade ties between Pakistan and Columbia are good however they need further enhancement from both sides due to the low trade volume. In FY13, Pakistan goods of worth \$ 44.20Mn while goods imported from Columbia were recorded for merely \$ 3.58Mn generating a trade surplus of \$ 40.61Mn in favour of Pakistan. Major trading commodities between the countries are cotton, manmade staple fibres, textile articles, machinery, boilers, etc.

Economic Indicators

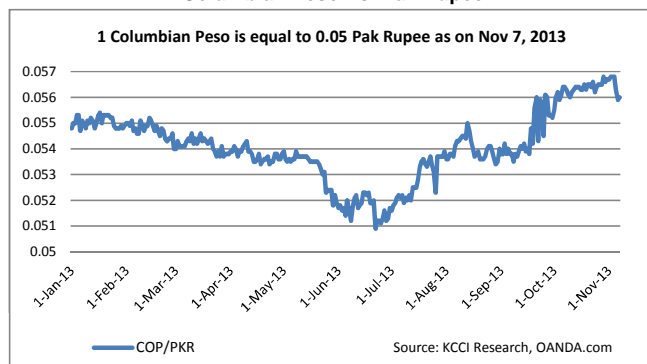
Indicators	Unit	2011	2012 est.	Change
GDP (PPP)	\$ Bn	491.50	511.10	3.99%
GDP per Capita	\$	10,700	11,000	2.80%
GDP growth	%	6.6	4.0	-2.60%
Forex Reserves	\$ Bn	31.91	37.00	15.95%
External Debt	\$ Bn	77	82	7.15%
Exports	\$ Bn	56.68	59.96	5.79%
Imports	\$ Bn	50.52	53.77	6.43%
Trade Balance	\$ Bn	6.16	6.19	0.49%
Current Account	\$ Bn	-9.98	-13.29	-33.19%
CPI	%	3.4	3.2	-0.20%
Unemployment	%	10.8	10.4	-0.40%
Discount Rate	%	4.75	N/A	N/A

Sources: KCCI Research, CIA Factbook, TDAP, SBP

Trade between Pakistan & Columbia (FY04-FY13)



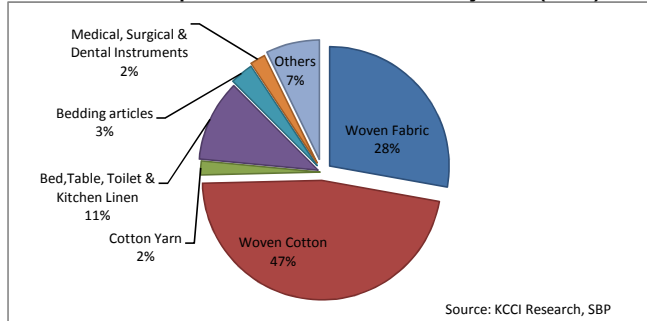
Columbian Peso Vs. Pak Rupee



Key Memberships

BCIE, BIS, CAN, Caricom (observer), CD, CDB, CELAC, FAO, G-3, G-24, G-77, IADB, IAEA, IBRD, ICAO, ICC (national committees), ICRM, IDA, IFAD, IFC, IFRCs, IHO, ILO, IMF, IMO, IMSO, Interpol, IOC, IOM, IPU, ISO, ITSO, ITU, ITUC (NGOs), LAES, LAIA, Mercosur (associate), MIGA, NAM, OAS, OPANAL, OPCW, PCA, UN, Union Latina, WFTU (NGOs), WHO, WTO

Pakistan Exports to Columbia - Commodity Wise (FY13)



Disclaimer

This report has been prepared by KCCI Research & Development Cell. The information contained herein have been compiled or arrived at based upon information obtained from sources believed to be reliable and in good faith. Such information has not been independently verified.