



DOING BUSINESS - 2020

PILLAR	Global		LATAM & Caribbean	
	COL	GT	COL	GT
GLOBAL RANKING	67	96	3	10
Starting a business	95	99	11	12
Dealing with construction permits	89	118	11	17
Getting electricity	82	46	10	3
Registering property	62	89	3	10
Getting credit	11	15	2	4
Protecting minority investors	13	153	1	26
Paying taxes	148	104	21	10
Trading across borders	133	82	25	9
Enforcing contracts	177	176	31	30
Resolving insolvency	32	157	2	25

GLOBAL COMPETITIVENESS INDEX - 2019

PILLAR	Global		LATAM & Caribbean	
	COL	GT	COL	GT
GLOBAL RANKING	57	98	5	11
Institutions	92	121	12	8
Infrastructure	81	102	14	12
ICT adoption	87	110	7	15
Macroeconomic stability	43	81	11	9
Health	16	88	11	19
Skills	80	103	7	15
Product market	90	46	12	3
Labor market	73	122	7	10
Financial system	54	81	4	3
Market Size	37	75	4	10
Business dynamism	49	96	8	6
Innovation capability	77	98	7	9

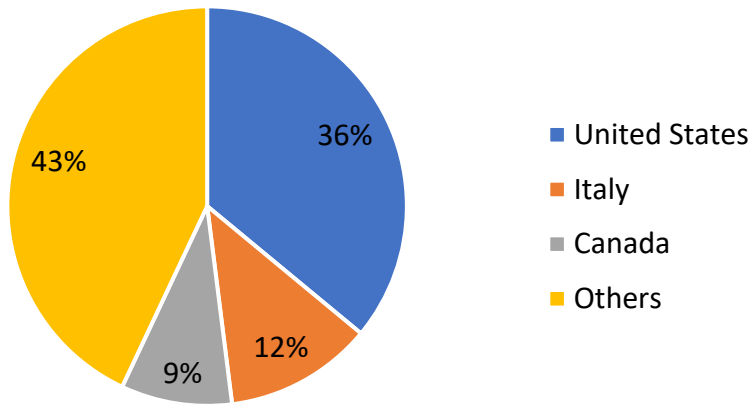
When considering the Doing Business index for Latin America and the Caribbean, Guatemala ranks #10 out of 32 countries, standing out in pillars such as: getting electricity, #3; getting credit, #4; and trading across borders, #9 (Colombia ranks #25 in the latter pillar). In regard to protecting minority investors, Colombia ranks #1, and it is important to note that this is a pillar in which Guatemala should improve, since it ranks #26. The indices that were analyzed within this pillar were: degree of information disclosure; degree of directors' accountability; ease for shareholders to file lawsuits; degree of regulation on conflict of interest; stockholders' rights in corporate governance; degree of stockholders' rights, and degree of ownership and control. In these last two indices, Guatemala has the lowest score with 1 out of 7 points.



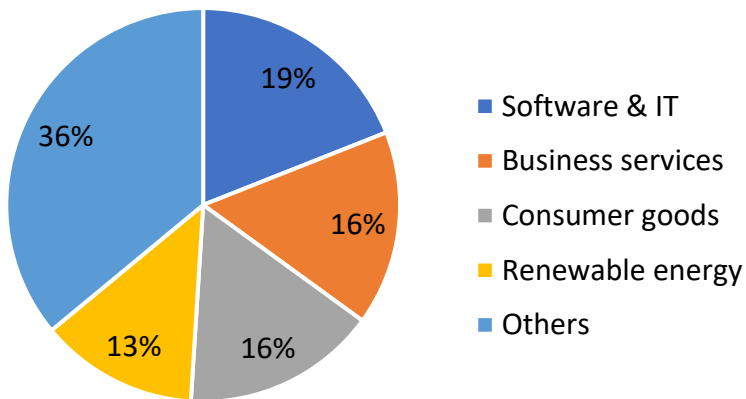
INVESTMENT PROJECTS 2021

69 Investment Projects in Colombia
From January 2021 to July 2021

Investment Sources

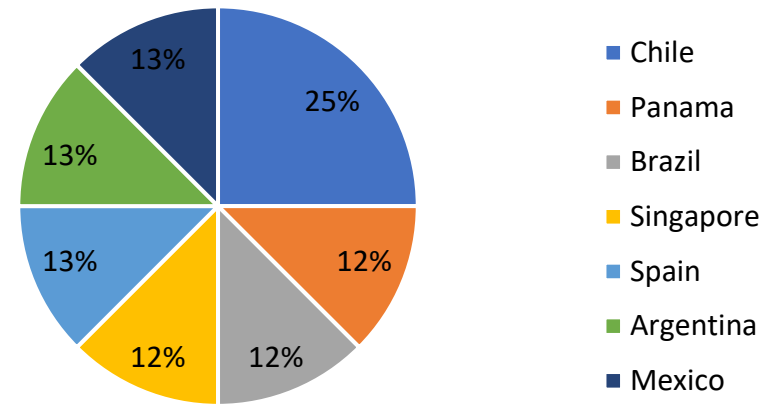


Investment Sectors

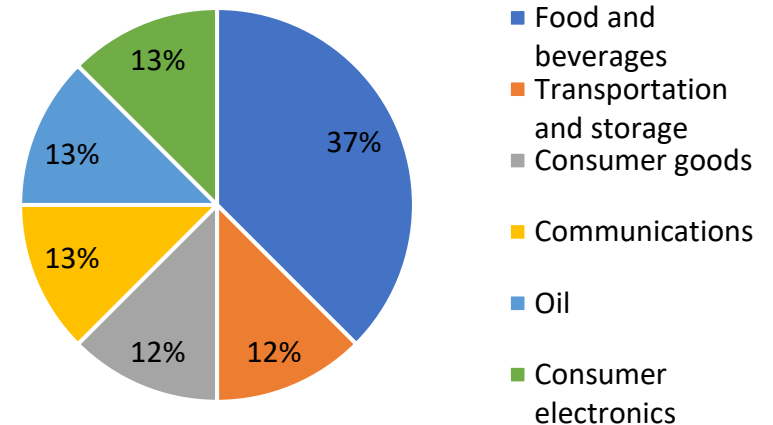


There were 8 investment projects undertaken by Colombia in other countries from January 2021 to July 2021, and they are disaggregated as follows:

Investment Destinations



Investment Sectors

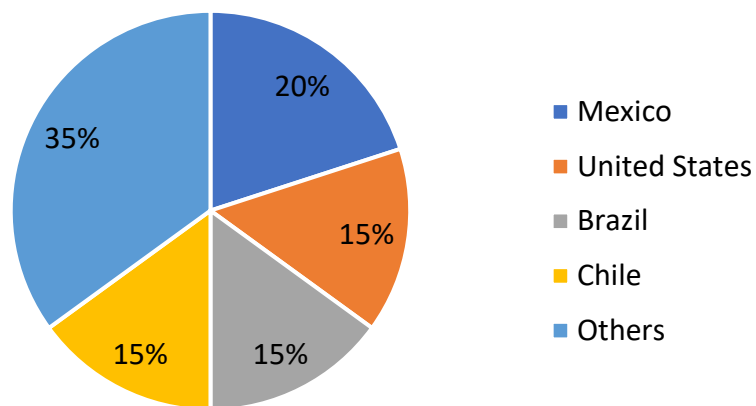




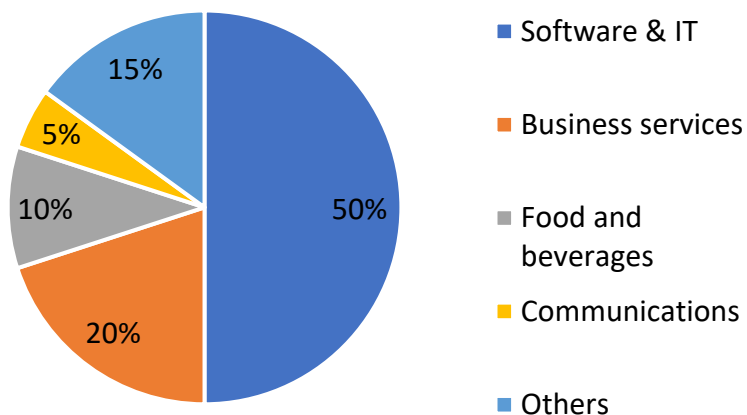
INVESTMENT SIGNS 2021

20 Signs of Investments Destined for Colombia
From January 2021 to September 2021

Investment Sources

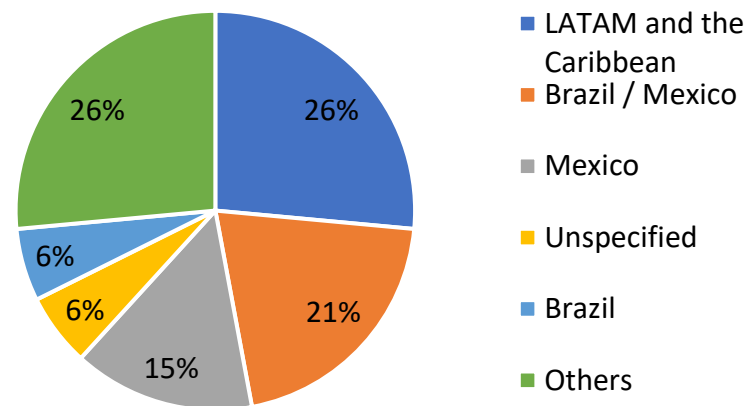


Investment Sectors

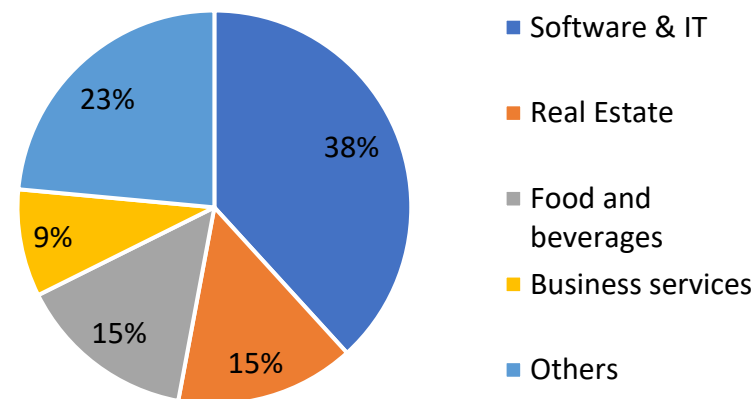


From January 2019 to September 2021, there have been around 34 signs of investments originating in Colombia. Most of them are from Bogotá.

Destinations of Interest



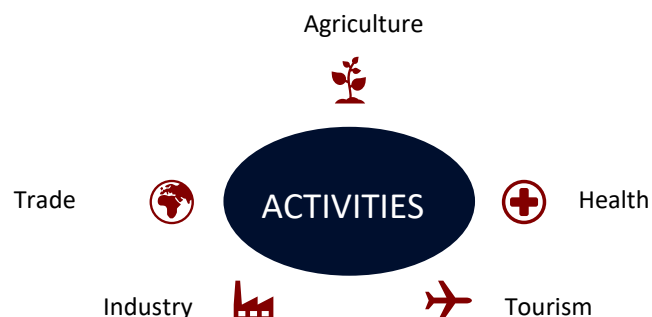
Investment Sectors





ADVANTAGES OFFERED BY COLOMBIA TO INVESTORS

Colombia has Special Economic and Social Zones – ZESESs, which include a special tax regime with preferential income-tax rates and tax-withholding benefits. The ZESE are located in the following departments: Norte de Santander, La Guajira, Arauca, Armenia and Quibdó.



To opt for the ZESE benefit, companies must comply with the following:

- Existing companies must have generated a 15% increase in employment during the last two years.
- New companies must generate at least 2 jobs.

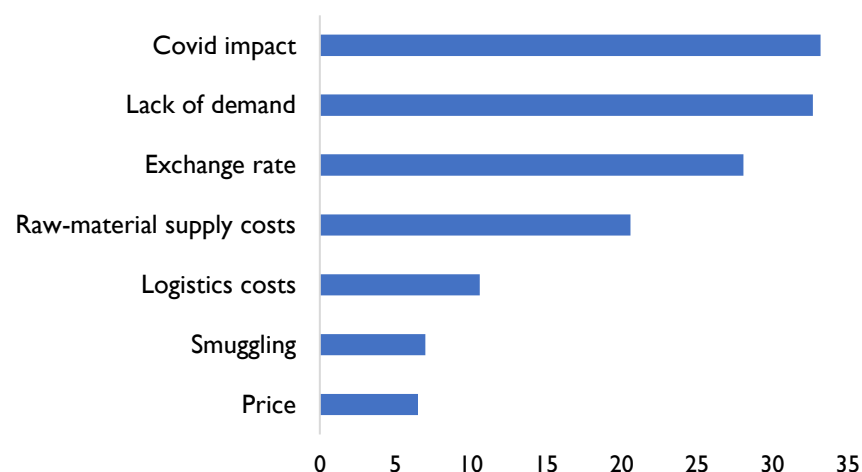
Special Social Economic Zones (ZESEs) are detailed in Law 1955 of the National Development Plan, issued in 2019. The following regulate their legal framework: Decree 2112, issued in 2019 – ZESE Regulation; Article 147 of Law 2010, issued in 2019, Economic Growth - Inclusion of Tourism and Health Activities; Decree 1606, issued in 2020 – It regulates Tourism and Health Activities; Article 10 of Law 2069, issued in 2020 – It extends compliance with the employment requirement for the year 2021 for companies registered in 2020.

SITUATION OF THE MANUFACTURING SECTOR

The Joint Industrial Opinion Survey (EOIC in Spanish) collects information on the behavior of companies in the manufacturing sector. The last survey that was performed covers the first half of 2020. Some of the indicators worth analyzing are investments, sales, and internationalization.

The total production and sales dropped by 12.5% and 13.0%, respectively. This industry has been impacted by COVID-19. Some indicators include the business environment, which is not favorable; installed capacity, whose level is low, and orders and inventories, which have diminished. The inter-annual behavior (January-June 2019 to January-June 2020) of various sectors shows that the only sector with slight growth was food and beverages, with a 0.8% increase. Some of the most affected sectors are the automotive, textile, iron, steel, and non-metal mineral sectors, with decreases of over 20%.

The main obstacles faced by the industry are the following:



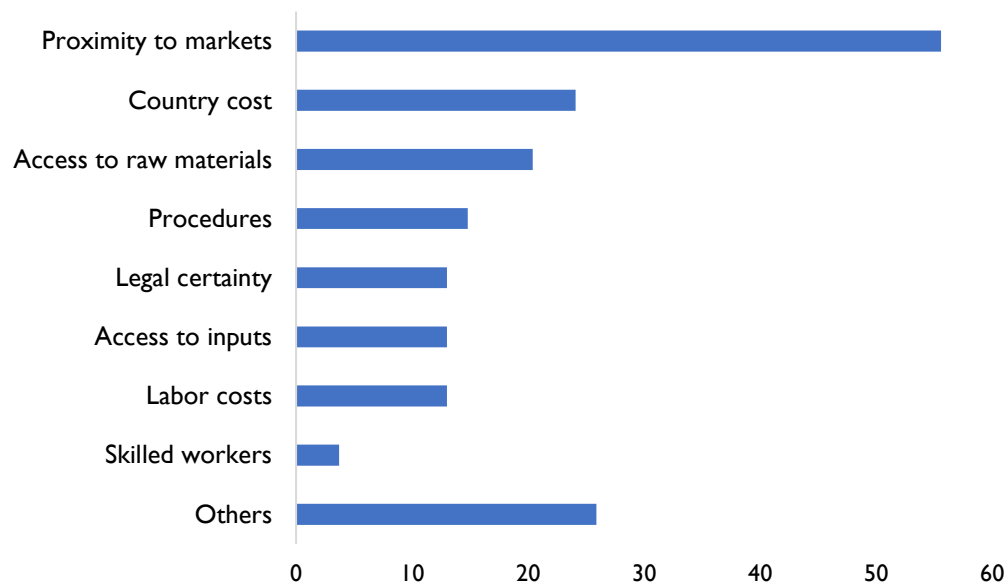


NEWS

SITUATION OF THE MANUFACTURING SECTOR - INVESTMENT

According to the survey performed, 58.6% of respondents mentioned that internationalization is part of their business strategy and 41.4% stated that it is not. This internationalization strategy is evident mainly in exports and imports; however, 21.4% mentioned that they planned to open plants in foreign countries and the same percentage mentioned alliances with foreign firms as a strategy.

The following are some of the reasons why firms decided to open plants, or have already opened them, in foreign countries:



Proximity to markets is one of the main reasons that drive companies to locate in other countries. In this regard, Guatemala has a greater advantage because of its proximity to one of the largest target markets, which is the United States.

Congress Discusses Tax Reform in Second Debate

<https://www.eltiempo.com/economia/sectores/siga-en-vivo-el-debate-del-proyecto-de-reforma-tributaria-616249>

The tax reform ended up being based on taxes levied on businesses. Several measures were proposed, such as wealth tax and tax on sugared beverages, among others.

This is the Situation of Colombian Businessmen during the National Strike

<https://incp.org.co/esta-es-la-situacion-de-los-empresarios-colombianos-en-el-paro-nacional/>

Confecámaras reported that the survey on the Effect on Companies of the Social and Public Order Situation performed in the Chambers of Commerce –in which 12,979 Colombian businesspeople participated– showed that 22.2% of those surveyed had to interrupt their operations, and 53.4% had been operating at 1% to 50 % of their capacity.

Economic Damages and Losses Due to the National Strike in Colombia: These are the Figures

<https://cnnespanol.cnn.com/2021/06/11/danos-y-perdidas-economicas-por-el-paro-nacional-en-colombia-estas-son-las-cifras/>

According to the government, in May, after almost one month of strikes in Colombia, the blockades and demonstrations had caused economic losses amounting to 10.3 trillion pesos, just over USD 2.8 billion.