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Inward FDI in Colombia and its policy context

by
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Colombia used to be a synonym for violence and drugs, but not anymore. Today, the country has one of the best performing economies in Latin America, and violence levels have been dramatically reduced. The outgoing administration made improving investor confidence and the business environment one of the pillars of its policy. As a result of important reforms and aggressive campaigns to promote the country as an attractive location, inward foreign direct investment (IFDI) has risen to unprecedented levels. Due to these positive changes, Colombia has been designated a "top reformer" for the past four years in the World Bank's Doing Business reports, and the new Government has promised to maintain and reinforce efforts to attract foreign investment. Even though IFDI flows decreased in the past two years as a consequence of the economic and financial crisis, many foreign affiliates in Colombia achieved positive profits. A country that a decade ago was avoided is now in many investors' plans.

Trends and developments

Colombia's inward FDI stock has risen steadily in the past decade. Back in 2000, it was below that of countries such as Peru and Venezuela, from where many multinational enterprises (MNEs) managed their Andean operations. However, by 2008, the trend shifted and Colombia's FDI stock rose to US$ 67 billion, surpassing that of both other countries (annex table 1). By the end of 2009, Colombia's FDI stock stood at US$ 74 billion, showing a 10% increase compared to 2008. While in 2000 FDI flows accounted for 2.6% of the country's GDP, in 2009 the ratio increased to 5.3%. Moreover, FDI flows have experienced a compound annual growth rate of 133% from 2000 to 2009.[1]

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[1] Author's own calculations, based on data from Colombia's Central Bank on FDI inflows and the National Statistics Department data on GDP.

Country-level developments

Despite Colombia's size and economic potential, FDI inflows in Colombia had been low before 2005. Most IFDI coming in the 1990s was a consequence of privatizations rather than market-led opportunities. In 1999, the worst year of Colombia's economic crisis, the country received US$ 1.5 billion of FDI. During the recovery period from 2000 to 2003, IFDI flows stayed constant, peaking at US$ 2.5 billion in 2001 (annex table 2). Finally, in 2005, Colombia received US$ 10.3 billion, the highest annual IFDI inflow in its history, led by the acquisition of the largest Colombian brewery, Bavaria, by SAB Miller[2] (South Africa). [3]

Even though governmental efforts to expand and diversify the sectors receiving foreign capital showed some positive results, the bulk of IFDI flows is still largely concentrated in the primary sector (annex table 3). In 2009, 80% of IFDI flows were invested in the natural resources exploitation, of which 37% went into the oil industry and the remaining 43% into the mining and quarrying industry. Commerce, restaurants and hotels captured 9% of inflows, while manufacturing attracted around 7% of IFDI only.

With the exception of mining and communal services, IFDI decreased in all other sectors. In manufacturing, transportation, storage, and communications, IFDI inflows fell by 69% and 61%, respectively, between 2008 and 2009. Other sectors that suffered a decrease in foreign investment were agriculture (65%), financial establishments (50%) and utilities (725%)[4] (annex table 3).

Compared to 2008, the oil industry experienced a decrease of 22 % of IFDI from US$ 3.4 billion to US$ 2.6 billion. On the other hand, the mining sector, with US$ 3.1 billion, experienced a growth of 72%. These primary sector industries remained the main recipients of FDI. On average, during 2000-2005, IFDI in the mining and the oil industries amounted, respectively, to 25% and 13% of total IFDI and, during 2006-2009, to 23% and 34%.

According to Colombia's central bank, up to April 2010, FDI inflows amounted to US$ 5.6 billion. This represents an 18% increase compared to the same period the year before.[5]

In terms of technology intensity, 55% of IFDI in Latin America is directed to medium-low technology industries. Given the fact that 80% of the IFDI flows to Colombia in 2009 were directed to natural resources exploitation, the country shows low levels of technology intensive investments. From a regional comparative perspective, Colombia captures 0.62% of IFDI with a high technology intensity component directed to manufacturing in Latin America and 0.07% of IFDI with a medium-low technological intensity.[6]

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[2] SAB Miller, "A powerful combination," July 19, 2005, available at: http://www.sabmiller.com/files/presentations/2005/190705/190705_bavaria_transaction_slides.pdf. It is estimated that, out of the US$ 7.8 billion deal, US$ 4.8 billion entered the country as FDI in 2005 through the 71.8% of shares bought from the Santo Domingo family, owner of Bavaria, as well as shares acquired from minority shareholders in the company.
[3] Proexport Colombia, available at: http://www.investincolombia.com.co.
[4] Banco de la República de Colombia, "Balance of payments," June 2010.
[5] Banco de la República de Colombia, "Exchange balance," April 2010.
[6] ECLAC, *La inversión extranjera directa en América Latina y el Caribe* (Santiago de Chile: ECLAC, 2010).

One of the most coveted forms of IFDI are investments with a high component of research and development (R&D), as these are high value-added activities with the potential to generate larger positive technological spill-overs in the host economy and larger shares of revenues.[7] According to the United Nation's Economic Commission for Latin America and the Caribbean (ECLAC), during 2003–2009, a total of 193 R&D greenfield projects were started in the region.[8] Colombia captured 5.5% of all R&D projects, behind Brazil (38.7%), Mexico (27.6%), Argentina (10.6%), and Chile (9.1%).

Bogotá remains the main economic and industrial center, capturing 77% of IFDI, followed by the Department of Antioquia (9%), with its capital, Medellín, the second largest city in Colombia. Important mining projects in the departments of Bolívar (5%), Valle (5%) and Atlántico (2%) are other destinations for FDI.[9]

Given the historically strong links between the Colombian economy and the United States, it is not surprising that the United States is the most important foreign investor, accounting for 87% of total FDI inflows in Colombia in 2009 (annex table 4).[10] During 2000-2005, the main investors were the United Kingdom, the United States and Spain, accounting for 60% of average inflows. Given the still nascent state of industries in the region, FDI from neighboring countries has been marginal. Only recently, with the rise of the *translatinas*, have these amounts started to become significant, with investments coming especially from Chile and Brazil. As a consequence, average IFDI inflows from Chile and Brazil ballooned from US$ 10.2 million and US$ 5.4 million, respectively, during 2000-2005, to US$ 36.6 million and US$ 180.2 million during 2006-2009.

The corporate players

By the end of 2008, there were 645 foreign affiliates in Colombia.[11] In 2007 and 2008, Colombia saw a surge in greenfield projects, when the country attracted 66 and 73 greenfield projects, respectively. This increase of 100% compared to 2006 reflects renewed trust by foreign investors. Colombia, surpassing Chile, became the third largest recipient of IFDI in South America, behind Brazil and Argentina.[12] The biggest deals in 2009 were primarily in the oil, mining and quarrying industries. Companies such as Xtrata and Vale were among the most important investors in the country in 2009 (annex table 6). Although the manufacturing sector also received important investments, the magnitudes of these were lower than in the past years.

Colombia has benefitted from the rise of the *translatinas*, Latin American companies that have recently turned into important international players. Chilean companies such as Fallabella, Cencosud and Sodimac, and Brazilian firms such as Vale, Gerdau, Votorantim, and the Sinergy group (owner of Avianca) have been pioneers in penetrating the Colombian market.

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[7] High profits must be generated in the country to take into account higher risks for investments in these complex activities being performed in the host country.

[8] ECLAC, *La inversión extranjera directa en América Latina y el Caribe*, op. cit.

[9] Bogotá's Chamber of Commerce, "Tablero de indicadores de Bogotá," 2010.

[10] Data by origin of FDI do not include investments in the oil sector nor the reinvestment of profits.

[11] UNCTAD, *World Investment Report* 2009: *Transnational Corporations, Agricultural Production and Development* (New York and Geneva: UNCTAD, 2009). Data for 2008 are the latest available.

[12] ECLAC, *La inversión extranjera directa en América Latina y el Caribe*, op. cit.

Finally, it is worth mentioning that Phillip Morris' efforts to acquire the Colombian tobacco company Coltabaco were blocked by Colombian authorities, who expressed concern over the potential creation of a monopoly by a US company.[13]

Effects of the current global crisis

Because of the economic and financial crisis, IFDI inflows fell by 32% in 2009 compared to 2008, as important investment decisions were reversed. These included the sales of Corn Products to Bunge and of Prodesal to Mexichem, as well as the acquisition of the Compañía Minera de Caldas (CMC) by Canadian Colombia Goldfields.[14]

In spite of the global crisis, profits made by foreign affiliates allowed the acquisition of Colombian companies. The acquisition by Makro (Netherlands) of 37% of shares of Makro Supermayorista (owned by several local firms), the acquisition of Socovig, a private security company, by Burns de Colombia for € 3.4 million[15] and the acquisition of Colsecurity by Wackenhut Colombia are a few examples of investments that went forward.[16]

In the past two years, the economic and financial crisis has particularly affected FDI inflows coming from European countries. During 2000–2005, Spain was the third largest investor in Colombia. However, the financial crunch drove Spanish investment down to a disinvestment of US$ 327 million in 2008/2009 (annex table 4).

The policy scene

By law,[17] foreign investment in Colombia is governed by three basic principles: 1) universality, 2) automatic authorization and 3) equality of treatment. Given these principles, foreign investment is subject to the same treatment as domestic investment. The only sectors with restrictions for foreign capital are:

- activities concerning national defense and security;
- the treatment and disposal of toxic, dangerous or radioactive waste not produced in Colombia; and
- broadcast services, in which foreign investment cannot exceed 40% of the total capital of a dealership.

One of the main policy pillars of the Government of President Álvaro Uribe Vélez over the past eight years was to improve the business environment and the protection of investors' rights and interests. The Government entrusted the official national agency for promotion of exports, Proexport, with the task of promoting FDI by endorsing industrial sectors with potential high

[13] Superintendencia de Industria y Comercio, "Resolución No 29937," June 11, 2010, available at: http://www.sic.gov.co/Articulos_Pagina_Principal/Noticias/2010/Competencia/SIC_Objeto.php.
[14] Rolando Lozano, "Crisis financiera no impidió nuevos movimientos empresariales en el país," December 12, 2008, available at: http://www.portafolio.com.co/negocios/empresas/2008-12-12/ARTICULO-WEB-NOTA_INTERIOR_PORTA-4719909.html.
[15] Burns de Colombia is a subsidiary of Securitas AB (Sweden).
[16] "Crisis económica afecto la inversión y los negocios en Latinoamérica," *Cambio*, February 10, 2010, available at: http://www.cambio.com.co/economiacambio/865/ARTICULO-WEB-NOTA_INTERIOR_CAMBIO-7111547.html.
[17] Law 9 of 991, "Nuevo estatuto cambiario," January 17, 1991.

economic and employment growth. Several regional agencies, such as Probarranquilla, the Agency of Cooperation and Investment of Medellín, and Invest in Bogotá, have also started ambitious plans to bring investors to their cities and regions. The latter was recently ranked as the 16th best investment promotion agency worldwide out of 216 agencies studied.[18]

Simultaneously, the Ministry of Commerce, Industry and Tourism, along with Proexport, started looking for a model to draft the country's policies. The Government drew important lessons from the Irish model and shaped several policies accordingly in order to achieve similar results.[19]

One of the first reforms to improve the business environment and the investor-protection practices was the creation of Legal Stability Agreements (LSA). These agreements, effective for up to 20 years,[20] protect investors against changes that could be made in the future to laws, regulations or rulings impacting negatively their operations.

Furthermore, in addition to investment incentives concerning tax exemption in the sectors of hotels and ecotourism services, late yield crops, medical and software products, aeolian, biomass and agricultural energy generation, and publishing companies, the Government introduced significant changes to the tax system with law 1111 of 2006. The law allowed the Government to lower the corporate income tax rate from an effective rate of 38.5% to 34% in 2007 and to 33% in 2008. In addition, Colombia has multiple free trade zones, where companies can benefit from a lower (15%) corporate income tax.[21] In a further effort to gain competitiveness, the Government created "single enterprise" free trade zones (SEFTZ), where companies complying with certain investment and job creation requisites can establish themselves as SEFTZ anywhere in the country with the same benefits as in a regular permanent free trade zone. During 2007–2010, 39 zones were approved and nine more were awaiting approval from the tax authority, the Departamento de Impuestos y Aduanas Nacionales (DIAN).[22]

Recently, as part of the tax reform passed on December 30, 2009,[23] changes in the fixed assets investment deduction were introduced; these reforms affect companies located in free trade zones.[24] Finally, in 2010, Colombia added three new free trade agreements (FTAs) to the three already in place, with the United States, Canada and the European Free Trade Association (EFTA).[25] Colombia has signed international conventions for the protection of FDI with the Multilateral Investment Guarantee Agency (MIGA), the International Centre for Settlement of

[18] World Bank, *Global Investment Promotion Benchmarking 2009* (Washington: The World Bank, 2009).
[19] For further information refer to "Misión de Colombia de alto nivel estudiará en Dublin el "Milagro Irlandés", Presidencia de la Republica, Bogotá, February 2008, available at: http://web.presidencia.gov.co/sp/2008/febrero/29/21292008.html.
[20] Law 963 of 2005. Ley de estabilidad Jurídica, July 8, 2005.
[21] The most important change of the FTZ regime was to allow companies located within a FTZ to sell goods without any limit to the domestic market. Before 2005, enterprises in a FTZ were allowed to sell their goods exclusively abroad.
[22] Ministerio de Industria y Comercio.
[23] Tax Reform Act No. 1370-2009.
[24] In the past, a company investing in fixed assets was entitled to a 40% deduction in its income tax. With the tax reform, the deduction is reduced to 30%. However, free trade zones' income taxpayers eligible for the reduced 15% income tax rate are not entitled to benefit from the 30% fixed assets investment income tax deduction, as the Congress deemed both benefits to erode fair competition.
[25] The US Free Trade Agreement has been signed by the Colombian Congress and is awaiting ratification by the US Congress. The Canada-Colombia FTA was signed in 2008; Canada's legislature approved this FTA in June 2010 and, as of September 2010, it was awaiting approval from the Colombian Congress. Finally, the FTA with the European Free Trade Association was signed by both parties in 2008 and approved by the Colombian legislature in June 2009, but it was still not in force in August 2010.

Investment Disputes (ICSID), the Overseas Private Investment Corporation (OPIC), and the Program for Cooperation in Upcoming Markets (PSOM). According to official numbers, in 2010, Colombia will be negotiating nineteen international investment agreements with 39 countries and 21 double taxation treaties (DTTs) with 22 countries. So far, the country has already signed DTTs with Canada, Chile, Mexico, the Andean Community of Nations (CAN), Spain, and Switzerland.[26] The rising numbers of agreements negotiated are based on the Government's desire to globalize the Colombian economy, which was lacking bilateral and multilateral tools to foster the country's competitiveness.

Conclusions and outlook

The new president, Juan Manuel Santos Calderón, has clearly stated that foreign investors can expect a smooth transition, as transparent and business-friendly rules will be maintained during his mandate. Furthermore, certain goals that were not reached during Mr. Uribe's terms are expected to be achieved under Mr. Santos's mandate, including achieving investment grade from international rating agencies and the implementation of the FTA with the United States.

Although tax benefits are seen by some analysts as unfair and distortive incentives, it is unlikely that the new Government will dismantle them, as it could be a signal of a volatile and unstable legal environment, an image the country is decisively keen in trying to leave behind.

The return of IFDI to the country is good news for Colombia, and all factors are coming together to maintain the country as an attractive location for investment. Hence, it is important for policy makers to step up projects and programs and create a better business environment, if they want to make Colombia a real first-class location for foreign firms.

Finally, infrastructure has to be improved. Colombia has relied for years on the promotion of the country as a low cost location, but this strategy has its limits. Low income countries might find tax incentives to be a successful tool to attract FDI but, in the long run, the countries with good infrastructure will be the ones with a competitive edge and will attract most FDI.[27] The legal framework also needs some improvement. In spite of the Government's efforts, paying taxes and starting a business can be a complicated, lengthy and burdensome process. An education system of high quality, oriented towards relevant technical skills, would allow Colombia to meet MNEs' needs of specific talent at every level and attract more high value-added operations. Finally**,** easier access to finance is an imperative. Currently, foreign companies are prohibited from holding bank accounts in foreign currency, a restriction only shared with Brazil and Venezuela.

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[26] Proexport, Ministerio de Industria y Comercio (Bogotá: 2010).

[27] As suggested in C. Bellak, M. Leibrecht and J. Damijan, "Infrastructure endowment and corporate income taxes as determinants of Foreign Direct Investment in Central and Eastern European Countries", *The World Economy*, Vol. 32, Issue 2, 2009, pp. 267-290; and Agnès Bénassy-Quéré, A., N. Gobalraja and A. Trannoy, "Tax and public input competition," 22 *Economic Policy* 385 (Paris: CEPII, Centre d'Etudes Prospectives et d'Info. Internationales, 2007).

Additional readings

Bénassy-Quéré, Agnes, Nicolas Gobalraja and Alain Trannoy, “Tax and public input competition,” 22 *Economic Policy* 385 (Paris: CEPII, Centre d'Etudes Prospectives et d'Info. Internationales, 2007).

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World Bank, *Doing Business 2010: Colombia* (Washington: World Bank, 2009).

Rendón Acevedo, Jaime Alberto, “Los impactos de la inversión extranjera directa en la economía colombiana: el caso de la industria de bebidas,” 9(18) *Semestre Económico* 11 (Medellín: Universidad de Medellín, 2006).

Proexport, PricewaterhouseCoopers, *Doing Business and Investing in Colombia* (Bogotá: Proexport, PricewaterhouseCoopers, 2010).

Useful websites

For National Economic and Social Statistics: National Department of Statistics, available at: www.dane.gov.co.

For economic statistics: Banco de la Republica, available at: www.banrep.gov.co.

For FDI statistics and operational costs: Proexport, available at:

http://www.investincolombia.com.co.

For International Trade information: Ministry of Commerce, Industry and Tourism, available at: www.mincomercio.gov.co.

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The Vale Columbia Center on Sustainable International Investment (VCC), led by Dr. Karl P. Sauvant, is a joint center of Columbia Law School and The Earth Institute at Columbia University. It seeks to be a leader on issues related to foreign direct investment (FDI) in the global economy. VCC focuses on the analysis and teaching of the implications of FDI for public policy and international investment law.

Statistical annex

Annex table 1. Colombia: inward FDI stock, 2000-2009

(US$ billion)

Economy	2000	2008	2009
Colombia	11	67	74
Memorandum: comparator economies			
Brazil	122	288	401
Venezuela	35	43	41
Peru	11	30	37

Source: For Colombia, Banco de La República, Exchange Balance (Bogotá: Banco de la Republica, May 2010). For comparator economies, see UNCTAD's FDI/TNC database, available at: http://stats.unctad.org/fdi/.

Annex table 2. Colombia: inward FDI flows, 2000-2009

(US$ billion)

Economy	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010[a]
Colombia	2.4	2.5	2.1	1.7	3.0	10.3	6.7	9.1	10.6	7.2	0.5
Memorandum: comparator economies											
Brazil	32.8	22.5	16.6	10.1	18.2	15.1	18.8	34.6	45.1	22.8	…
Venezuela	4.7	3.7	0.8	2.0	1.5	2.6	-0.6	0.6	1.7	…	…
Peru	0.8	1.1	2.2	1.3	1.6	2.6	3.5	5.5	4.8	6.2	…

Source: Banco de la República, Balance of Payments (Bogotá: Banco de la República, June 2010) for 2000-2009 data, for comparator economies see UNCTAD's FDI/TNC database, available at: http://stats.unctad.org/fdi/.
[a] Provisional information to April 2010. Banco de la Republica, Exchange Balance (Bogotá: Banco de la República, June 2010).

Annex table 3. Colombia: distribution of inward FDI flows, by economic sector and industry, 2000-2009

(US$ million)

Sector / industry	2000	2009	2000-2005[a]	2006-2009[a]
All sectors / industries	**2,436**	**7,201**	**1,606**	**3,770**
Primary	**123**	**5,742**	**614**	**2,167**
Agriculture, forestry, and fishing	0	14	2	12
Mining, quarrying and petroleum	123	5,727	612	2,155
Mining and quarrying	507	3,094	406	860
Petroleum	-384	2,633	206	1,294
Secondary	**535**	**822**	**524**	**688**
Manufactures	556	536	526	569
Construction	-21	286	-2	119
Services	**1,179**	**638**	**445**	**915**
Commerce, restaurants, hotels	10	644	81	345
Utilities	13	-977	-2	-121
Transport, warehouse and communications	876	337	204	267
Financial establishments	792	549	153	400
Communal services	88	85	9	25

Source: Banco de la República, "Balance of payments" (Bogotá: Banco de la República, June 2010).

[a] Average.

Annex table 4. Colombia: geographical distribution of inward FDI flows,[a] 2000-2009

(US$ million)

Region/economy	2000	2009[b]	2000-2005[c]	2006-2009[c]
World	**3,266.10**	**2,669.40**	**2,987.40**	**3,619.80**
Developed economies	**2,181.20**	**4,167.70**	**2,051.90**	**1,584.80**
Europe	**1,368.80**	**1,537.70**	**1,276.40**	**-214**
European Union	**1,300.70**	**1,635.60**	**1,246.40**	**-259.9**
Luxembourg	105.2	99.6	21.9	55.6
Netherlands	156.2	1,859.20	125.9	-849.6
Spain	479.2	-326.9	272.9	254.5
United Kingdom	1	385.6	633.7	159.4
North America	**807.3**	**2,594.70**	**760.9**	**1,781.30**
Canada	663.9	78.3	146.6	39.2
United States	120.3	2,313.60	614.2	1,742.10
Other developed economies	**5.1**	**35.3**	**14.6**	**17.5**
Australia	0	34.6	4.5	11.6
Japan	5.1	0.7	10.1	5.9
Developing economies	**1,125.20**	**1,768.90**	**917.90**	**1,281.10**
Asia and Oceania	**4.5**	**0.8**	**2.4**	**2.4**
China	4.5	0.3	2.3	0
India	0	0.5	0	2.4
Latin America and Caribbean	**1,120.70**	**1,768.10**	**915.5**	**1,278.70**
Bermuda	253.4	287.1	216.5	84.6
Chile	9.7	53.7	10.2	36.6
Mexico	23.1	202.8	192.3	246.6
Panama	259	337.1	130.3	453.4
Virgin Islands	488.8	4.6	240.9	108
Profit reinvestments	**-445.8**	**1,898.70**	**282.1**	**1,914.20**
Petroleum sector	**-383.9**	**2,633.10**	**413.9**	**2,838.20**

Source: Banco de la República, Balance of Payments (Bogotá: Banco de la República, June 2010).

[a] Excluding petroleum and profits reinvestments.
[b] Preliminary.
[c] Average.

Annex table 5. Colombia: principal foreign affiliates in country, ranked by sales and assets, 2009

US$ million

Rank	Name of affiliate	Industry	Sales	Assets
1	Almacenes Exito	Wholesale distribution	3,233	3,094
2	Exxon Mobil Colombia	Oil and gas operations	2,272	512
3	Telefonica Colombia	Telecommunications	1,773	4,364
4	Carrefour Colombia	Wholesale distribution	1,726	1,703
5	Bavaria	Beverages	1,717	4,757
6	Avianca	Transport	1,621	1,581
7	Drummond	Coal	1,508	2,316
8	Chevron Petroleum	Natural gas	1,224	692
9	GM Colmotores	Automotive	1,047	554
10	Alkosto	Wholesale distribution	780	527

*Source:*La nota económica, *Empresas Platinum de Colombia 2009*.

Annex table 6. Colombia: main M&A deals, by inward investing firm, 2007-2009

Year	Acquiring company	Home economy	Target company	Target industry	Shares acquired (%)	Estimated/ announced transaction value (US$ million)
2009	Vale	Brazil	Cementos Argos SA-Coal Mine	Cement, hydraulic	100	373.00
2009	Kimberly-Clark Corp	United States	Colombiana Kimberly Colpapel	Sanitary paper products	100.00	289.00
2009	Investor Group	Chile	Bavaria SA-Agua Brisa Bottled	Bottled and canned soft drinks and carbonated waters	100.00	92.00
2009	Cencosud	Chile	Easy Colombia SA	Grocery stores	100	60.00
2008	GE Money	United States	Banco Colpatria SA	Banks	39.29	227.95
2008	Pacific Rubiales Energy Corp	Canada	Kappa Energy Holdings Ltd	Crude petroleum and natural gas	100.00	168.00
2008	Indura SA	Chile	Cyrogas SA	General industrial machinery and equipment	100.00	139.23
2008	Brysam Global Partners	United States	Banco Caja Social SA	Banks	18.84	101.66
2007	Telefonica SA	Spain	Colombia Telecomunicaciones SA	Telephone communications, except radiotelephone	50.00	2,627.20
2007	Ashmore Energy Intl Ltd	United States	Promigas SA	Natural gas transmission	52.88	510.00
2007	Grupo Votorantim	Brazil	Acerias Paz del Rio SA	Steel works, blast furnaces, and rolling mills	51.89	488.59
2007	Groupe Casino	France	Almacenes Exito SA	Grocery stores	61.50	326.62

Source: Thomson ONE Banker, Thomson Reuters.

Annex table 7. Colombia: main greenfield projects, by inward investing firm, 2007-2009

Year	Investing company	Home economy	Industry	Estimated/ announced investment value (US$ million)
2009	Xstrata	Switzerland	Bituminous coal and lignite	1,962
2009	Vale	Brazil	Bituminous coal and lignite	305
2009	Grupo Cisneros	Venezuela	Entertainment	250
2008	Glencore International	Switzerland	Coal, oil and natural gas	3,000
2008	Votorantim Group	Brazil	Metals	1,500
2008	Endesa	Spain	Alternative/renewable energy	900
2007	Millicom International Cellular	Luxembourg	Communications	500
2007	ED&F Man	United Kingdom	Food and tobacco	270
2007	Ample Auto	China	Automotive OEM	323

Source: fDi Intelligence, a service from the Financial Times Ltd.; Proexport, “Inversion extranjera directa en Colombia, business analysis.”