

	<p style="text-align: center;"><b><u>EEPC INDIA</u></b> An ISO 9001:2000 Organisation <i>(Sponsored by Ministry of Commerce, Government of India)</i> Head Office : Vanijya Bhavan (1st Floor), International Trade Facilitation Centre, 1/1, Wood Street, Kolkata – 700 016. India. Phone : 91-33-2289-0651/52/53 Fax : 91-33-2289-0654 E-Mail : <a href="mailto:eepc@eepcindia.org">eepc@eepcindia.org</a> Website : <a href="http://www.eepecindia.org">www.eepecindia.org</a></p>	
---	---	---

## **Press Release**

**5th August, 2010  
KOLKATA**

### **Colombia invites higher Indian investment**

Following an aggressive stance to increase bilateral trade, Colombia is inviting large scale Indian investment in various sectors.

While addressing an EEPC INDIA Seminar on Doing Business with India, HE Mr Juan Alfredo Pinto, Ambassador of Colombia in India said that Colombia government has taken various progressive steps to enhance foreign investment and ensure investors' protection.

He said that Colombian government is in talks with many Indian companies for investment in the oil & gas, mining and related sectors in Colombia. He informed that Colombia and India have recently finished negotiations to avoid double taxation and this will go a long way to increase bilateral trade between the two countries. As per the Ambassador, Automotive, Electric Power, Bio-fuels, Coal and Oil & Gas have great potential for investments. He informed that Colombia is the 8<sup>th</sup> largest producer of coal in the world and holds great business opportunities in the sector.

The Ambassador informed that the violence level in Colombia has considerably gone down in the country and Bogota is now safer than many leading cities of the world. He invited entrepreneurs to do business there through representatives and use Colombia as a platform to access the entire Latin American market. He informed that through Colombia, a market of 1.46 billion consumers can be accessed as the country has 2 foreign trade agreements with Mexico and Andean region countries.

According to Mr Alejandro Pelaez, Hon'ble Commercial Attaché, Embassy of Colombia in India, Colombia will be negotiating 24 international investment agreements in 2010 with 39 countries and 21 double taxation agreements with 22 countries for protection of investors. As per 2010 "Doing Business Report" of the World Bank, Colombia was ranked as most business friendly country in the Latin American region, he informed.

Meanwhile, in its endeavour to explore new markets for Indian engineering industry, EEPC INDIA is promoting Colombia as the most promising destination in the Latin American region. EEPC INDIA, the apex body of engineering exporters from India stressed on the fact that Colombia is the most stable economy in the region and offers lucrative market for engineering items from India.

While addressing the Seminar, Mr Anupam Shah, Vice Chairman, EEPC INDIA said that Colombia ranks ahead of even Brazil, Mexico and Argentina, and many other Latin American countries in ease of doing business; protection to investors; and in undertaking substantial business reforms.

Mr Shah also said that Colombia has a very good education system and its workers are amongst the best qualified in Latin America. It is also a very strategic point between the different markets of the region. Its modern port facilities on both the Pacific and the Atlantic oceans facilitate trade with European countries, the United States and Asian countries;

It may be noted that India's exports to the Latin American countries during 2008-2009, were US\$ 6,172.03 million, a growth of 8.79% from US\$ 5,673.19 million during 2007-2008. India's exports to Colombia during 2008-2009 were around US\$ 370.22 million while imports stood at US\$ 17.44 million. This indicates that there is considerable potential for expansion in trade and investment between India and Colombia.

Some of the engineering products where India has done relatively well in Colombia, among others, are auto and auto components, primary steel and articles of iron and steel, transport equipment and parts, fabricated metal products, aluminum products, agricultural or forestry machinery and parts and electrical machinery and equipments.

To help Indian exporters reach out to growing Colombian market, EEPC INDIA is organising its mega engineering exhibition – INDEE in Bogota, Colombia from 4 – 8 October 2010. This show will coincide with Feria Internacional De Bogotá, which is the premier exhibition of metalworking, industrial machines, equipments, plastic packaging, energy and allied services fair in the Andean Region, Central America and the Caribbean.

Thus, INDEE Colombia together with Feria Internacional De Bogotá will bring together the most varied and complete exhibit of industrial machinery, equipment, new technologies, technological advances, supplies, intermediate goods, raw materials and services related to the metallurgy, energy, packaging, plastics, air-conditioning, safety and related services industries.

Mr Shah said that foreign trade policy of the Govt of India has been instrumental in giving a new direction and stability to India's foreign trade regime. India's exports have grown at an average annual rate of more than 25%, increasing from US\$ 63.8 billion in 2003-04 to US\$ 168.0 billion in 2008-09. With regard to the engineering sector, India's exports attained US\$ 40.5 billion in 2008-09 from US\$ 35.1 bn in 2007-08. However, due to the market slow down in US and Europe, the exports during 2009-2010 had dropped to US\$ 32.5 billion which points out the need for exporters to diversify into new markets and build new business associates, across the globe.

Mr Shah informed that EEPC INDIA has recently released two strategy papers. Both the studies were conducted to identify initiatives that have to be undertaken by the government, EEPC India and the exporting community to achieve the desired growth. The Strategy paper for the growth of engineering exports sets an achievable aspiration of tripling India's engineering exports by 2014 to reach a size of US\$110 billion. To achieve this aspiration, Indian engineering exports would have to show an annual growth rate of 22-25% in the period 2010-2014.

According to the Strategy Paper on Auto and Auto Component Exports, Indian auto industry should be able to contribute to 10-11% of the GDP by 2016 and in order to achieve that the Indian automotive exports should reach a level of US\$35-42 billion by 2016. To reach that mark the Indian auto exports will have to grow at a CAGR of 23-25% till 2016.

At present, engineering exports constitute the single largest commodity in India's merchandise exports comprising a fifth of India's total exports. It enjoys 30.5 per cent weight in the Index of Industrial Production (IIP). Further, it accounts for 29.9 per cent share of total investment and 62.8 per cent share in foreign collaborations.

---

Forwarded in favour of publication

For further information, please contact:

Mr Bhaskar Sarkar  
AED & Secretary  
EEPC INDIA

Mrs Jaya Basu  
Deputy Director  
EEPC INDIA