# Interview: Camilo Reyes Rodríguez – Executive Director, AmCham Colombia



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*The executive director of the AmCham Colombia shares his insights on the legacy of strong economic ties between the two countries. He speaks about the changing socio-political landscape of Colombia, the role of American companies in the pharmaceutical sector, as well as the attractive factors that makes Colombia "The New Place to Be".*

**Can you please provide an overview of the chamber's presence within Colombia and describe how it has progressed alongside Colombia's own development?**

AmCham was established in 1955 and has had a significant presence in Colombia for 62 years. The chamber's first chapter was launched in Bogotá and today has chapters in several key Colombian cities, including Barranquilla, Cali, Cartagena and Medellín. The geographic location of each chapter provides the chamber with a comprehensive reach throughout the country, from the Atlantic and Caribbean coast, to the Pacific and interior.

Regarding the binary development of AmCham and Colombia itself, the association was created with two main objectives, the first being to increase trade and investment with the United States. Historically, trade and investment between the United States and Colombia has yielded development, economic growth and overall well-being for the populations of both countries. As such, the primary mandate of the chamber is to allocate resources to maximize trade and investment. AmCham is committed to producing products and services that strengthen Colombian

and American enterprises to generate increased trade and investment opportunities between the two countries and increase their overall footprint within Colombian society.

The second objective of the chamber is to produce the optimal framework for communication and exchange between the private sector, represented by affiliated companies and both the Colombian and American governments. As such, the chamber aims to be present in the common agenda and facilitate the transfer of knowledge between the private sector and both governments. This ensures each government receives our proposals and concerns, and thus confirming success in cultivating increased investment and trade.

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**What makes Colombia an attractive market for American companies?**

Colombia is an attractive market for several reasons, but its chief appeal is its substantial market size. In addition to a population of over 49 million, the demographic trend consists of a growing middle class that has access to new products and services. Consequently, this market composition is ideal for both Colombian and foreign companies.

An additional trend that has enhanced the appeal of the Colombian market is the political resolution of issues pertaining to security. With the recovering of security in Colombia, over the past 15-20 years, there has been a dramatic reduction in the incidence of crime. This has been evidenced by quantitative analysis conducted by various national and international organizations regarding the overall prevalence of crime. The statistics pertaining to crime has indicated a significant reduction in a wide array of criminal activity from homicide to crimes against property. A concrete peace agreement with the main mob movement has contributed to stable institutions and stable possibilities of doing business with medium and long-term possibilities.

Moreover, a further element of market appeal for American companies is the efforts taken by the Colombian government to open its economy through the negotiations of various free trade agreements. Over the past 20 years, Colombia has negotiated free trade agreements with the United States, the EU, Canada and the Pacific Alliance. Currently, there are pending negotiations for free trade agreements with Asia, having already settled an agreement with South Korea and deliberations in progress with Japan. Overall, Colombia has worked to put in place several mechanisms to create stronger trade relationships with different parts of the world.

A final attribute of the Colombian market that adds to its overall appeal is its legacy of well-established corporate relationships with American companies. There are many American

companies that arrived in Colombia a long time ago and have stayed in Colombia, profited and carried out successful economic operations, despite the difficulties that have occurred in Colombia over time. Some of these noteworthy corporations include, ExxonMobil, GE, Cisco, Citibank and Helm Bank. These companies have a longstanding positive legacy here in Colombia, having experienced success and having effectively penetrated our market.

**How important a role do American companies play in the pharmaceutical sector in Colombia?**

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American companies play many important roles in the pharma sector in Colombia. There are several prominent pharma companies that have made a presence here and have been conducting business for a long period of time. These companies have greatly contributed to both the industry and health situation in Colombia. There has been some tension with the pharmaceutical industry and the intellectual property framework in Colombia but it is up to the will of the Colombian government to make advancements. In consideration of access to services, there have been drastic improvements in the portion of Colombians who now have access to vital health services with regards to the quality, quantity and coverage.

**What are some of the key American pharma companies present in Colombia?**

Some of the companies that hold great importance here include Pfizer, Johnson & Johnson and Dupont.

**Has there been any recent investment in the pharmaceutical sector from American companies?**

Recent investment in the sector has held a steady pace. However, there have been two developments as of late, that will stimulate an increase in investment. The first is the successful conclusion of political negotiations, between FARC and the government, regarding national security in November 2016. With peace secured in Colombia, the environment for foreign direct investment in Colombia will entail increased stability and profitability.

The second development to prompt increased investment is the newly implemented tax reform. This tax reform had undergone lengthy negotiations and American companies had been anticipating its culmination to determine its effects on foreign direct investment. With the resolution of critical political and economic issues, the environment for American investment in Colombia is favourable. Overall, the downturn in the global economy has been unfavourable for

everyone. We are now starting to see an upturn that will stimulate opportunities for increased investment. In this situation, we have diversified the industry by attracting companies specialized in medical applications, in addition to Pharma. For example, 3M is a large company that produces medical devices and has a significant presence within the country.

**On a more personal note, how has your background as a former Minister of External Affairs helped with your role at the Chamber today?**

My extensive experience has been a great asset. I held the position as a Colombian diplomat and worked in the Ministry of Foreign Affairs for 35 years. During that time, I dealt with several issues concerning foreign affairs and observed the way in which the private sector could interact with national interests. There was a great deal of cooperation between the public and private sector in working to uphold medium and long-term interests identified by the government for the country. There are striking similarities between the way in which states and companies prioritize and support their main interests. With globalization, large conglomerates need to interact with countries and large associations of countries need to identify the main interests of the private sector. With this, there are private and public interests that coincide, for example the environment. Another prominent instance of the intersection between public and private interests includes trade. The environment for trade, trade agreements, conditions, facilitation is an important issue for both the national agenda and private interests. With increasing globalization, the environment for large conglomerates and countries has expanded dramatically.

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