

Colombia Business Guide

Compiled by:

Swiss Colombian Chamber of Commerce

Bogotá, October 2008

Arrival and departure

Swiss nationals arriving in Colombia with a valid passport do not require an entry visa if entering the country as “tourists”. They are allowed to stay for up to 3 months. To undertake work in Colombia, Swiss nationals do require a visa. This visa is usually issued as “subject to contract” allowing the holder to work only for the employer who supports the visa applications. There are also other types of visa. For further information see under Osec’s module “Legal Provisions” the point related to entry conditions, work permits, residence permits and labour law.

Also you can consult the following source:

Ministerio de Relaciones Exteriores (Foreign Affairs Ministry): www.cancilleria.gov.co

Once the person arrives to any city of the country it is advisable to have someone known to pick he/she up at the airport. If that is impossible and a taxi has to be taken up, it is desirable to go to the special booths marked as TAXIS and ask for one (they are ruled by the taxis companies, and will be waiting in special lines. The clerk will ask the person for the address he/she wants to go to, and handle a slip with that information, the price to be charged, and the number of the cab). It is not recommended taking a taxi out of the airport or going out with a strange. Tipping the taxi is not common in Colombia.

Also, shuttles from hotels are available at the entrance of the airport or can be arranged in advance to pick someone up.

For departure, airlines usually ask the person to be at the airport three hours in advance.

Languages used for business

Spanish is the official language but English is used as a business language. Also, other languages (French, German and Italian) are used in some companies depending on the country where the companies are based.

Public holidays

Saturdays and Sundays are holidays in Colombia. Being a catholic country there are quite a lot public holidays related to specific catholic festivities and some others related to national or world events to be celebrated. With the exception of February and September there is usually at least one public holiday a month. Some of them are fix, which means that are taken the exact day of the holiday, and there are the mobile ones, which are taken the following Monday after the date to be celebrated.

Public holidays for 2009 are as follows:

Fix public holidays in Colombia:

January 1st

May 1st

July 20th
August 7th

December 8th
December 25th

Mobile public holidays in Colombia:

January 12nd
March 23rd
April 9th-10th (holy week)
March 24th
May 25th
June 15th
June 22th
June 29th

August 17th
October 12nd
November 2nd
November 16th

Health and inoculations

There are not specific regulations on this matter and no vaccinations are required for international travelers, unless they travel to certain areas within the country where they can be infected with specific tropical diseases (malaria, typhoid, diphtheria and tetanus).

Time zone

Colombia is located on the equatorial zone, so the official time for the whole year is five (5) hours behind Greenwich Mean Time (GMT). The 12-hour time system (a.m. and p.m.) is generally used instead of the 24 hour system.

Weather

Colombia has only two seasons: Summer and Winter. Each one takes about three months of the year changing from one to the other. Nevertheless, because of its location on the equatorial zone, you can define its weather as tropical modified by altitude, which means the weather depends more on the altitude over the sea level than over the seasons. The weather is normally steady in all regions of the country and the variation during the "seasons" is only a matter of having more rain or higher temperatures, but never of having less or more bright light (clock time never changes as sun rises at 5:00 or 6:00 a.m. approx., and sets at the same time in the afternoons all the year round and all over the country). The North and South part varies from warm to hot weather while in the center you can find from warm to cold.

For example, no matter whether you are in Summer or Winter season, if you are located in Bogota you can find average temperatures from 8 to 18° C, but if you travel on the same day to Melgar (three hours up to the North by car) you might find a very hot weather (30° C average), while in the Coast, temperatures will be up to 40°C, in Cali and Cucuta average temperatures are about 35°C while in Medellin is 25°C and in Tunja 8° C.

Because of this reason, behavior of people, time schedules, ways of dressing and other important things change from one city to another. While in the cold weather cities, people are more conservative and respectful; in warm weather cities their inhabitants are more outgoing and uncomplicated.

Electricity supply

110 Volts, 60 cycles, AC.

Although it is standard for the main cities all over the country, it can change in some rural areas. The service is steady all the year round and only some problems with it can be found in the little villages outside main cities.

Methods of payment

The Colombian Peso (COP\$) is the national currency. American Dollar (USD) is the most used currency for business although the other ones are also accepted. The reference exchange rate, changes every day so, it is suggested to confirm it before doing any business.

For the ones staying in the country for a couple of days, exchange money can easily be done in most of the banks or Money Exchange offices (in those ones the exchange rate is usually some points lower than the TRM- Representative Market Exchange). People will find them at the airport, hotels or all over the main cities.

Also, Automatic Teller Machines (ATMs) are easily found almost every corner of the main cities where people can withdraw money or use their credit cards. As a security measure it is suggested to use those machines that are inside a mall, shopping centers, or in a close place instead of using the ones located on the streets.

Credit cards: Visa, Master Card, American Express, and Diners are accepted in most of the places (hotels, bars, restaurants and shopping places). Nevertheless, it is recommended to ask which one is valid in each specific place.

Tipping is not widespread in Colombia. In restaurants and public places waiters are usually tipped with the 10 percent approx., but sometimes it is charged directly to the bill.

Transportation

Air France, Iberia, Air Plus Comet and Air Madrid are for now on the only European airlines that fly straight to Colombia from Europe. Also Avianca, which used to be the Colombian airline (bought by the Brazilian group Sinergy) can be taken from some airports in Europe, or passengers can easily change to this airline in United States of America, mainly Miami or New York airports.

Avianca, American Airlines or Delta Airlines have also straight flights to Colombia from some other cities of the USA. Passengers coming from Europe can also fly straight to Caracas with Lufthansa and change airlines there to Colombia. SWISS does not travel to Colombia, so connections with other airlines can be done in Miami or Sao Paulo.

For information about timetables, connections and other data, please refer to the airlines home pages or contact your nearest travel agency.

For domestic flights Avianca and some other airlines, cover routes to most of the cities inside the country. For more information about this company, please refer to www.avianca.com.

Bogotá has two main airports: The international one "El Dorado" and the "Puente Aéreo", which is usually used for domestic flights, so it is recommended to find out which is the one to be used.

Some other airports in the country are:

Barranquilla: Ernesto Cortizos.

Cartagena: Aeropuerto Internacional Rafael Núñez.

Medellín: José María Córdoba (International). Most of the planes land there. It is located outside the city (in a town called "Rionegro") so it will take almost an hour by road to get to the downtown. Medellín has also an airport inside the city (Olaya Herrera) but only small planes from SATENA land there.

Santa Marta: Simón Bolívar.

Bucaramanga: Palo Negro.

Cali: Alfonso Bonilla Aragón.

While there is almost one airport in each one of the main Colombian cities (some of them are international ones), there is not rail service in the country at all. Road transport by bus covers most of the small, medium and large cities of the territory. Nevertheless, due to security problems, it is not recommended for foreign people to travel by this way not even if going by car.

On the other hand, Colombia has good ports, both on the Pacific and Atlantic Oceans, very convenient for the transportation of goods. The most useful ones for the ships coming from the Atlantic coast are located in the North Cost of Colombia (Cartagena, Barranquilla and Santa Marta), and for the ones coming from the Pacific Buenaventura (near Cali city) is the biggest one.

There are quite a lot Colombian Cargo companies and some European ones as: DHL Global Forwarding, Panalpina, Airmar Cargo, Schenker, Aviomar, Intramar Shipping and Mediterranean Shipping.

Public Transport

As a massive transportation system, there is the metro system in Medellín city, and "Transmilenio" in Bogotá (works as the trams or buses system in Switzerland stopping only in specific stations). Nevertheless, the majority of the Colombian cities has an old massive transportation system run with normal buses which usually stop anywhere on the road just with a sign of the hand. Average price for any of that kind of transportation is 60 cents USD.

For foreign people, it is wise to take the special cars of the hotels that charge US\$ 10 approx. per way. If a taxi is going to be taken is also recommended to call them in

advance (5 to 10 minutes before someone expect to leave the place). In Bogotá some useful telephone numbers of the taxis are: 311 11 11/ 222 22 22/ 222 21 11 It is not recommended to stop or board taxis on the street. The minimum fare for it is USD 1.70, and they can also be hired per hours to an average cost of USD 12.5 per hour. It is not a practice to tip the taxi driver.

Hotels

There is quite a big offer of Hotels in most of the big cities of the country. Well known chains of them like Accor, Hilton, Royal, Radisson, Estelar, Charleston or Days Inn can be found. If someone is going to stay in Bogotá is desirable to choose a hotel in the North part of the city. In Medellín the best ones are located in "El Poblado" and in Cali in the South part of the city.

Average price of a good hotel at any of these cities is USD\$ 180 per night (breakfast and taxes included in most of them). Tipping is given at discretion. Information about hotels can be found in travel agencies and specific home pages like:

www.accorhotels.com (Accor)
www.embassysuites.com (Hilton)
www.hotelesroyal.com (Royal)
www.radisson.com (Radisson)
www.hotelesestelar.com (Estelar)
www.hoteles-charleston.com (Charleston)
www.inter-tequendama.com.co (Inter Continental)
www.carrenohoteles.com (Days Inn)

Communication

Colombia has a good communications system in the main cities of the country. It is regulated by the Communications Ministry and there are several independent companies (governmental and private ones) that act as operators. Someone can use any of the operators (ETB, UNE or Telefónica) to make a telephone call and the difference is in price and service to get through (not a real big difference in fact).

To call from Colombia to anywhere abroad, any one of the following operators can be used:

ETB: 007 + Country code + Area code + telephone number
UNE: 005 + Country code + Area code + telephone number
Telefónica: 009 + Country code + Area code + telephone number

The country code for Colombia is 57 (area code + telephone number).

Main area codes in Colombia are:

Bogota: 1
Barranquilla, Cartagena and Santa Marta: 5
Bucaramanga: 7
Medellín: 4
Cali: 2

The country code for Switzerland is 41 (area code + telephone number).

There are three main companies operating Mobile Phones (natels) in Colombia: Movistar, Comcel and Tigo. A mobile phone can be bought in almost each corner.

Cost average for a new one is US\$ 150.- and the best option for foreign people is to buy it in a pre paid system, which means that will be charged by cards that also can be bought anywhere. The minimum price for a charged card is US\$ 3, and the maximum US\$ 25. Mobile phones can also be hired in some companies.

Someone staying in Colombia has to follow the following instructions in order to dial from or to a mobile phone:

From mobile phone to a fix phone: 031 + fix telephone number

From a fix phone to a Mobile phone or from Mobile phone to Mobile Phone:

If it is a Comcel phone: 310 or 311 or 312 + telephone number.

If it is a Movistar phone: 315 or 316+ telephone number.

If it is a Tigo phone: 300 + telephone number.

There is also a good service of internet in the main cities of the country. It can easily be found in offices and hotels and there are quite a lot of "café nets" in the main capital cities in Colombia. There is not restriction for their uses.

The Internet domain for Colombia is .co, and bodies using .org.co or .gov.co are governmental ones.

Business Hours

Office hours change from one city to the other mainly depending on the weather. In Bogotá and Medellin they usually go from 7:00 or 8:00 a.m. to 5:00 or 6:00 p.m. straight with one hour for lunch (means that offices do not close). In cities with a warm weather like the ones in the cost (Santa Marta, Cartagena, Cali, Cucuta or Bucaramanga) or the little and medium size ones they close at lunch time (from 12:00 to 2:00 p.m.) and closed at 6:30 or 7:00 at night.

Offices are closed on Saturdays, Sundays and public holidays.

Governmental offices have their own restrictions for attendance to the public depending on the entity.

In regular basis, banks open from 9:00 a.m. to 3:00 p.m. Monday to Thursday and until 3:30 p.m. on Friday. Last day of the month they close at midday and also close during the weekends and public holidays. Nevertheless, some banks have an extended schedule which means they open some of their branches in the afternoons (from 5:00 to 8:00 p.m. average) and on Saturdays. It depends on the bank, but is very likely to find at least one branch of each bank opened at this schedule.

During the week, shops usually follow the same schedule of the office hours (also close at lunch time depending on the city) but usually close at 8:00 p.m. All of them open on Saturday and even some on Sundays and holidays.

Supermarkets and groceries stores close between 9:00 and 11:00 p.m. Most of them open on Saturday and Sunday from 9:00 a.m. to 7:00 p.m. Bakeries usually open at 6:00 in the morning, including weekends and public holidays.

Bars and restaurants are usually open until 3:00 a.m. Monday to Saturdays, and until 9:00 p.m. on Sunday.

Addresses and opening hours of embassies and consulates

Swiss Embassy

Address: Carrera 9 No. 74-08 – PH
Bogotá - Colombia
Phone: ++ 57 (1) 349 72 30
Fax: ++ 57 (1) 349 71 95
Post Mail: A.A. 251957, Bogotá
Pag Web: www.eda.admin.ch/bogota
Mail: vertretung@bog.rep.admin.ch
Opening hours: Monday to Thursday 9:00 to 12 m.
Fridays: 9:00 to 11:00 a.m.

Consulado de Suiza en Cali

Cónsul: Enrique Frei
Address: Avenida 4 Norte No. 3-33 Barrio Centenario
Cali - Colombia
Telefax: ++ 57 (2) 653 47 93
Post Mail: A.A. 2183, Cali
E-mail: suizacali@uniweb.net.co

Agencia Consular de Suiza en Medellín

Cónsul: Amalia Urrea de Siegrist
Address: Calle 6 Sur No. 43A-96, Of. 802 Torre 6 Sur
Medellín - Colombia
Phone: ++ 57 (4) 311 33 14
Fax: ++ 57 (4) 311 68 98
Post Mail: A.A.60740, Medellín
E-mail: consulsuizamed@epm.net.co

Tips for initiating business contacts

Great care is required when seeking and selecting suitable business partners. All the companies established in Colombia have to have a "Certificate of existence and legal representation (Certificado de Industria y Comercio) issued by the local Colombian Chamber of Commerce. This paper can be asked by anyone and foreign companies can ask for it through the Swiss Colombian Chamber of Commerce (suizacam@cable.net.co).

That document has the main important data of the company established in the country: capital invested, initial and expiration date of the corporation in Colombia, board of directors, general manager and/or representative(s) person(s), and the business the company runs and/or represents (if the company is a subsidiary).

If you are interested in importing goods, it is important that you find out the export capacity of the company, the quality of the products and if they have any quality standard certificate recognized all over the world (e.g. ISO). If the company you want to deal with has previous experience on that, you might ask for a list of companies they had made business with. Also it is important to check packing conditions, transportation ways and delivery time.

If exporting goods is what you have in mind, it is necessary to check the other party's capacity to pay. Payment conditions must be agreed in advance but Credit Letter is one of the most common way used. Opening it should not be very difficult through a first class international bank. Those payments can be made in any currency.

Please take into account that when importing goods it is necessary to have an import license. It is issued by the “Ministerio de Comercio Industria y Turismo” (Foreign Trade, Industry and Tourism Ministry) every time a company is about to do one, and it takes a couple of days to do so.

For more information about import-export, please refer to: www.mincomercio.gov.co

The Swiss Colombian Chamber of Commerce, the Embassy or anyone known in Colombia could provide you information about the company and/or person you want to get in touch with.

First approaches should not be very difficult to do, and you can do them just writing a letter, a mail or making a telephone call.

Business practices

Arranging meetings months in advance is not necessarily as Colombian people are easy off in scheduling at a short notice. Nevertheless, it is advisable that before travelling to the country you have an existing initial contact(s).

Due to Christmas holidays, companies slow down a little bit or some of them even close (for about three weeks) from middle of December until middle of January. For the rest of the year you can make appointments without any problem.

Even if appointments for meetings were made in advance, being on time is not one of the characteristics of Colombian people. So, do not get desperate if you have to wait for the person for at least a quarter of an hour.

It is common to greet each other with a handshake regardless if is a woman. When introducing yourself give your name and surnames and your position in the company. At first meeting usually business cards are exchanged.

Usually refer to a person as Señor or Señora plus the first surname. Nevertheless, forms of address have become more relaxed nowadays and the use of first names is getting a spreading practice.

Take into account that the English word “you” can be translated into Spanish as “usted” or “tu”. Although there are not specific rules for the use of them, it is normally to use “usted” with a person you are not close to as a sign of respect. “Tu”, on the contrary, is more likely used in a familiar and friendly environment.

If the language spoken in the meeting is Spanish, always refer to a person as “usted” unless you are invited to use “tu”. Also you might use “usted” (singular form) or “ustedes” (plural form) when addressing a letter.

Before going straight to the specific subject it is very common to have an informal small talk about any other subject, and a cup of coffee or something to drink will be offered to you. If you do not feel to have anything just feel free to say it.

Once you have come to the straight point be precise on introducing your company and the main reason of the meeting, but do not expect to get a conclusion or a definitive answer on that meeting. Eye contact is important.

Colombian people dress quite formally for work, men usually wear suits and ties, and women formal clothes, usually wear jewelry and make them up.

Styles and colors will change a little bit depending on the city you have your appointment at. Dark colors are more used in cold weathers and colorful in warm and hot weather cities. Special dressing and jewelry is used when occasion demands it.

A gift is never given to a businessman visiting a Colombian company for business never the host should expect to receive one. It is, however, probable that in some occasions you were invited to a dinner or a special lunch. If that is in your hostess home you should always bring a present with you and handle it over the woman of the house (if there is one). More common gifts given are flowers, a bottle of wine, a box of chocolates or a cake.

Special features on the market

Foreign people are more than welcome in Colombia, but you will have an advantage if you show that you have a good knowledge and understand the business, political and economical environment of the country.

Even with a good product or service to offer, doing business in Colombia takes time and a big effort, therefore requires being patient and adjust to a slower time schedule for approvals and deadlines.

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