



COLOMBIA – 2021

Key findings

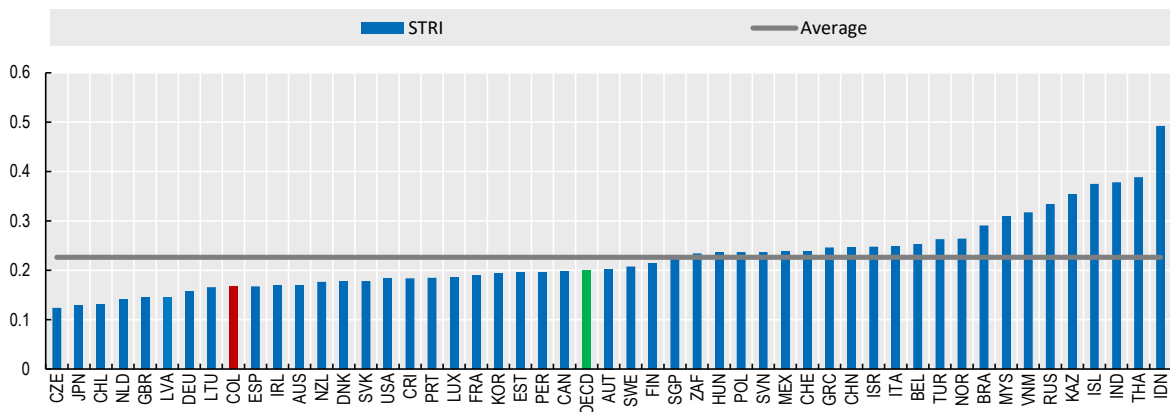
- The 2021 STRI of Colombia is below the OECD average and low compared to all countries in the STRI sample and this is unchanged since 2020.
- Colombia’s regulatory environment for services was relatively stable over the past years.
- Despite the overall favourable environment for services trade, restrictions remain in broadcasting and logistics services.

Recommendation

- Improving regulatory transparency increases predictability and reduces uncertainty costs for businesses. In this context, Colombia could improve its regulatory transparency by allowing a reasonable period of time between publication of new laws and their effective date, so that both national and foreign suppliers can become acquainted with relevant regulations.

The 2021 STRI of Colombia is relatively low compared to other countries in the STRI sample (Figure 1).

Figure 1. Average STRI across countries, 2021



Note: The STRI indices take values between zero and one, one being the most restrictive. The STRI database records measures on a Most Favoured Nation basis. Air transport and road freight cover only commercial establishment (with accompanying movement of people). The indices are based on laws and regulations in force on 31 October 2021. The STRI regulatory database covers the 38 OECD countries, Brazil, China, India, Indonesia, Kazakhstan, Malaysia, Peru, Russia, Singapore, South Africa, Thailand and Viet Nam.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

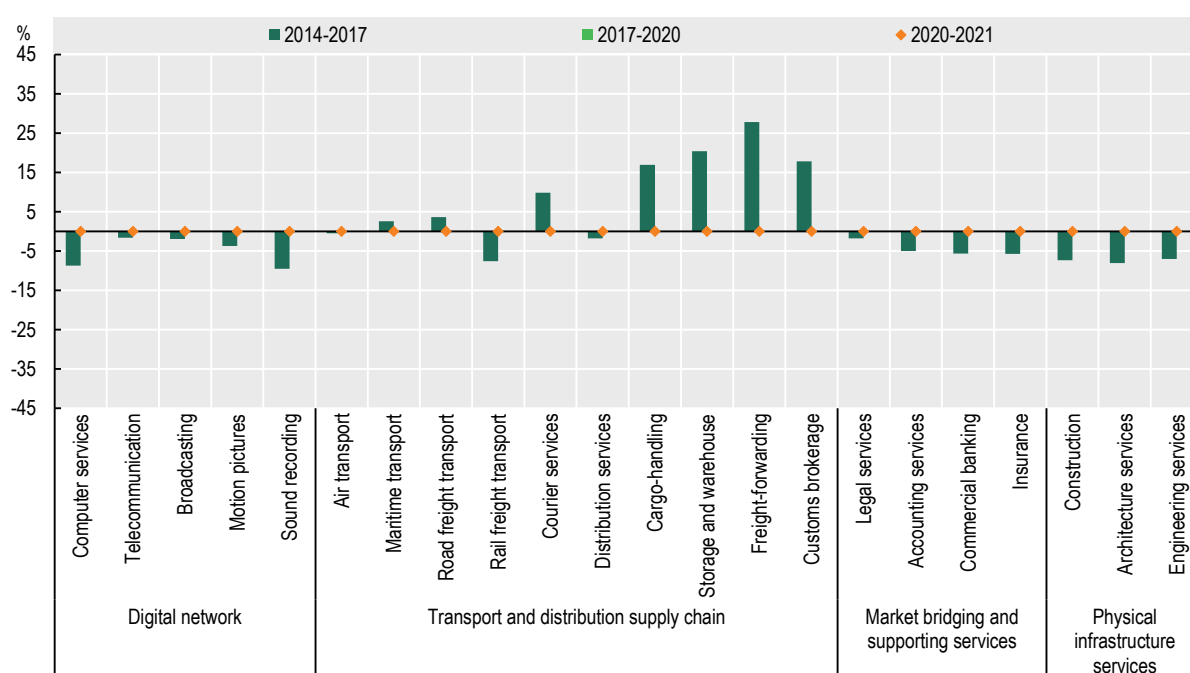
Source: OECD STRI and TiVA databases (2021).

Comparatively, Colombia has a low level of economy-wide restrictive regulations, in particular for professional services. There are some limitations to the movement of natural persons seeking to provide services on a temporary basis, however Colombia does not require quotas or labour market tests for foreign providers. Colombia maintains restrictions to the acquisition of land and real estate by foreigners along the coast and frontier areas. Foreign suppliers are only allowed to participate in public tenders based on reciprocity and there are preferential margins for bids using Colombian goods and personnel. National firms, particularly local SMEs, are also favoured over foreign firms in public tenders when equal terms apply.

Colombia introduced some reforms between 2014-2017 in sectors such as logistics services and courier services while some restrictive measures were introduced in several other sectors during the same period (Figure 2). No policy reforms affecting the STRI result were identified in 2021.

Figure 2. Evolution of STRI indices by sector in Colombia

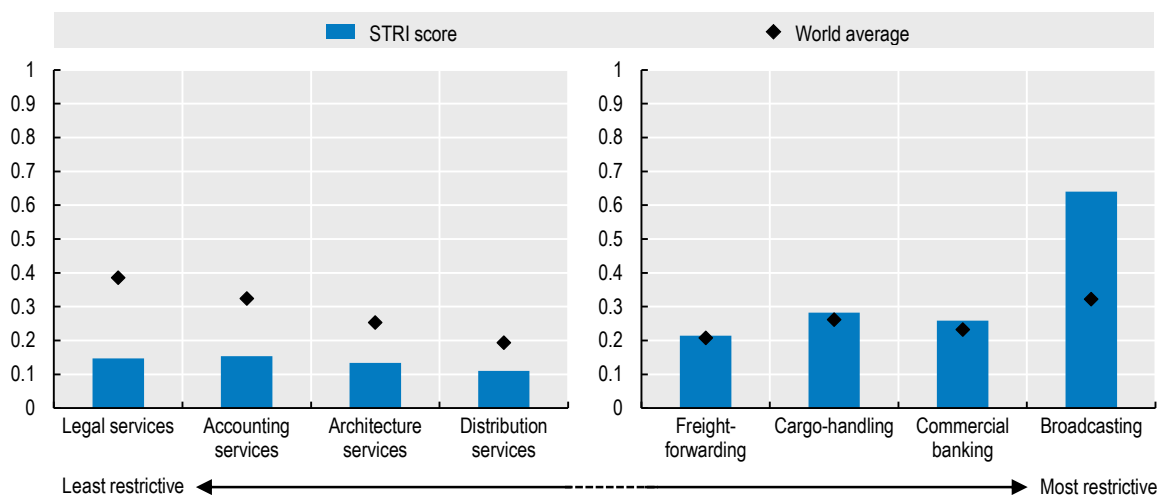
Services Trade Restrictiveness Index, percentage change over the period 2014-2017, 2017-2020 and 2020-2021



Source: OECD STRI database (2021).

Legal services, accounting services, architecture services and distribution services are the sectors with the lowest score relative to the average STRI across all countries (Figure 3). Logistics freight-forwarding, logistics cargo-handling, commercial banking and broadcasting are the sectors with the highest score relative to the average STRI across all countries.

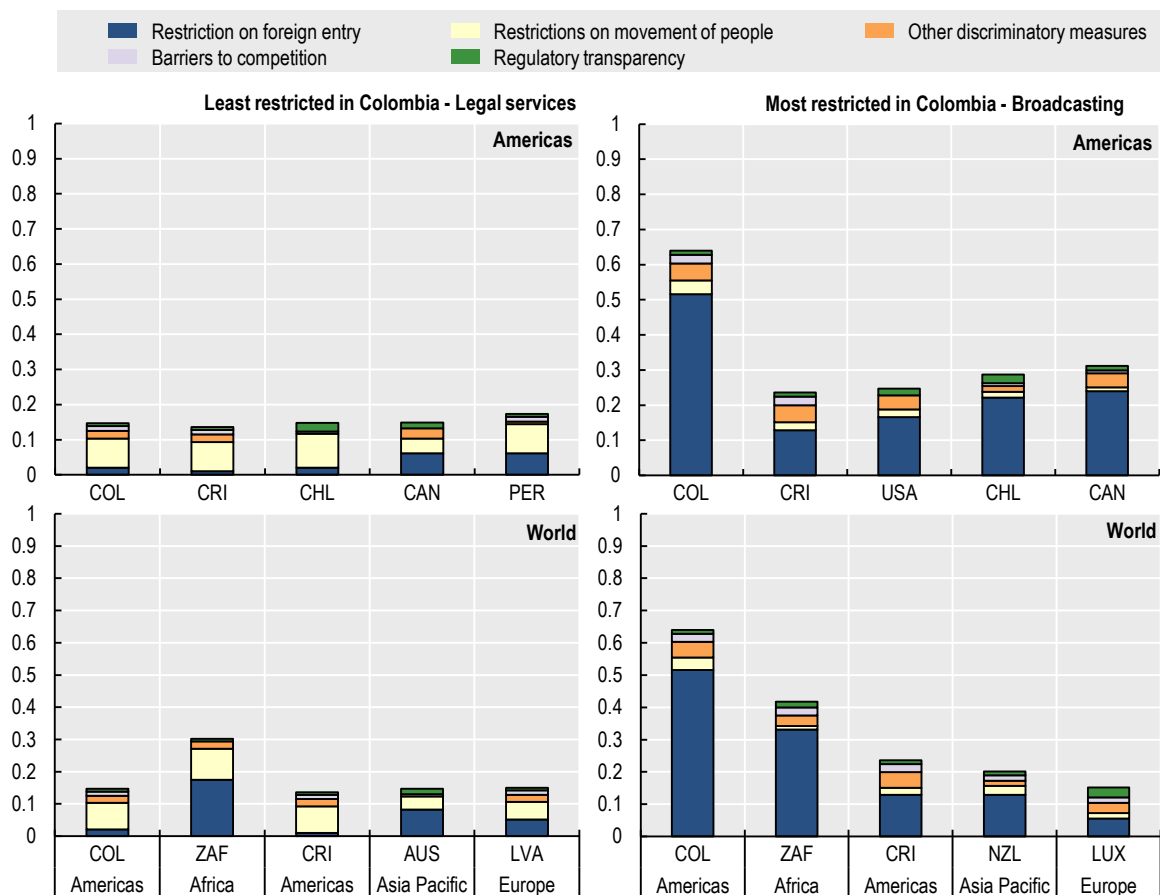
Figure 3. Sectoral breakdown: The least and most restricted sectors in Colombia



Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference
i.e. $(STRI_{country, sector} - STRI_{world average, sector}) / STRI_{world average, sector}$
Source: OECD STRI database (2021).

Legal services are the least restricted service sectors in Colombia compared to the Americas and the other best performers elsewhere while broadcasting are the most restricted (Figure 4).

Figure 4. Colombia compared to the Americas and World's best performers



Source: OECD (2021). STRI database.

Key reforms

Since 2021, the *de minimis* internal tax regime that applied to goods imported via postal traffic, urgent shipments or fast delivery was narrowed to apply only to goods originating from countries with which Colombia has a trade agreement where it is expressly provided for the exemption of this tax.

Decree 1165 of 2019 introduces several reforms in Colombia's customs regime and, in particular, clarifies the registration or authorization regime applicable to logistics service providers, including customs brokers (authorization regime), freight forwarding (registration regime) and warehousing activities ("*habilitacion*" regime).

More information

- » Access all country notes, sector notes, and interactive STRI tools at <http://oe.cd/stri>
- » Read more about services trade policies and their impacts in [Services Trade Policies and the Global Economy](#)
- » Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org>