

Bogota: A Global Center for Business and a Great Place to Live

August 2017

Invest in Bogota!

10
años

Agenda

1. **Invest in Bogota**
2. Why Bogotá?
3. Investment Opportunities in Bogota

Invest in Bogota: Investment Promotion Agency

Created in 2006 by the Mayor's Office and the Bogota Chamber of Commerce

3

Mixed non-profit corporation

Invest in Bogota

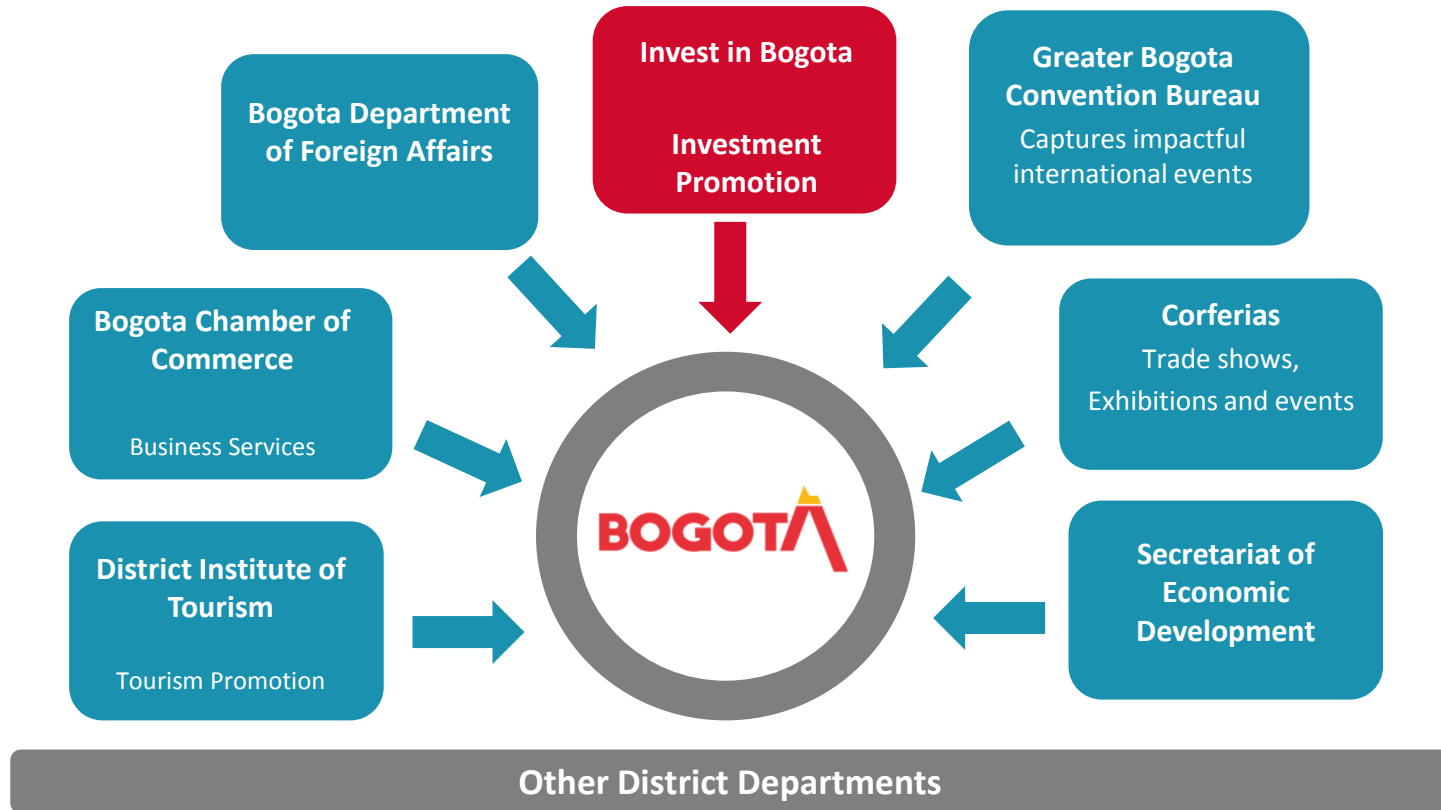
Subsidiary of the Chamber of Commerce

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Public and Private Partners

4



Lines of Action Strategic Plan IIB

5



Services offered to investors at every stage of the investment cycle

6



Custom made information and opportunity analysis

- General, sector and enterprise information
- Meeting arrangements with key players



Advice during start-up

- Guidance on permits, regulations and business set-up activities
- Contacts with potential suppliers, clients or partners



Aftercare Services

- Continuous monitoring and improvement of business climate

Over 250 investment projects, US\$ 1.9 billion and 23,000 jobs

7



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International Recognition

among the best investment promotion agencies in the world

8



WORLD BANK GROUP

“Best Investment
Promotion Agency from a
developing country”
(GIPB 2009).



Ratified as “Best Investment
Attraction Agency from Latin
America & Caribbean Regional”
(Site Selection 2015 and 2016).



“Bogota: 1st in Latin America and
14th city with the best FDI strategy”
(fDi Magazine 2016).



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Agenda

1. Invest in Bogota
2. **Why Bogota?**
3. Investment opportunities in Bogota

Bogota

is the great business center of Latin America

10



Bogota, ideal to live, enjoy and doing business

11



Cosmopolitan

- 5,016 parks and 15 wetlands
- More than 27 international schools
- Over 70 malls



Cultural

- 6 free open-air music festivals
- Home to the most important theater festival in Latin America
- Over 120 museums, galleries, unconventional spaces and art institutions.
- 80 libraries of the Network of Public Libraries



Touristic

- Bogota is a city that never sleeps; its night life is intense and permanent .
- Approximately 13,204 rooms and a sustainable destination for events and conventions
- Eight gastronomic zones where most exclusive restaurants can be found.



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Strategic Location

Extended market of US\$ 43 trillion and 1.57 billion people

12

5 hours

from
New York,
Mexico City and
Sao Paulo

44

International direct
flight
connections

Bogotá

1st

Latin American
airport in air
Cargo
movement

3rd

Latin American
airport in
passenger
traffic



El Dorado
airport



18 free trade agreements signed and in force

2 further free trade agreements under negotiation

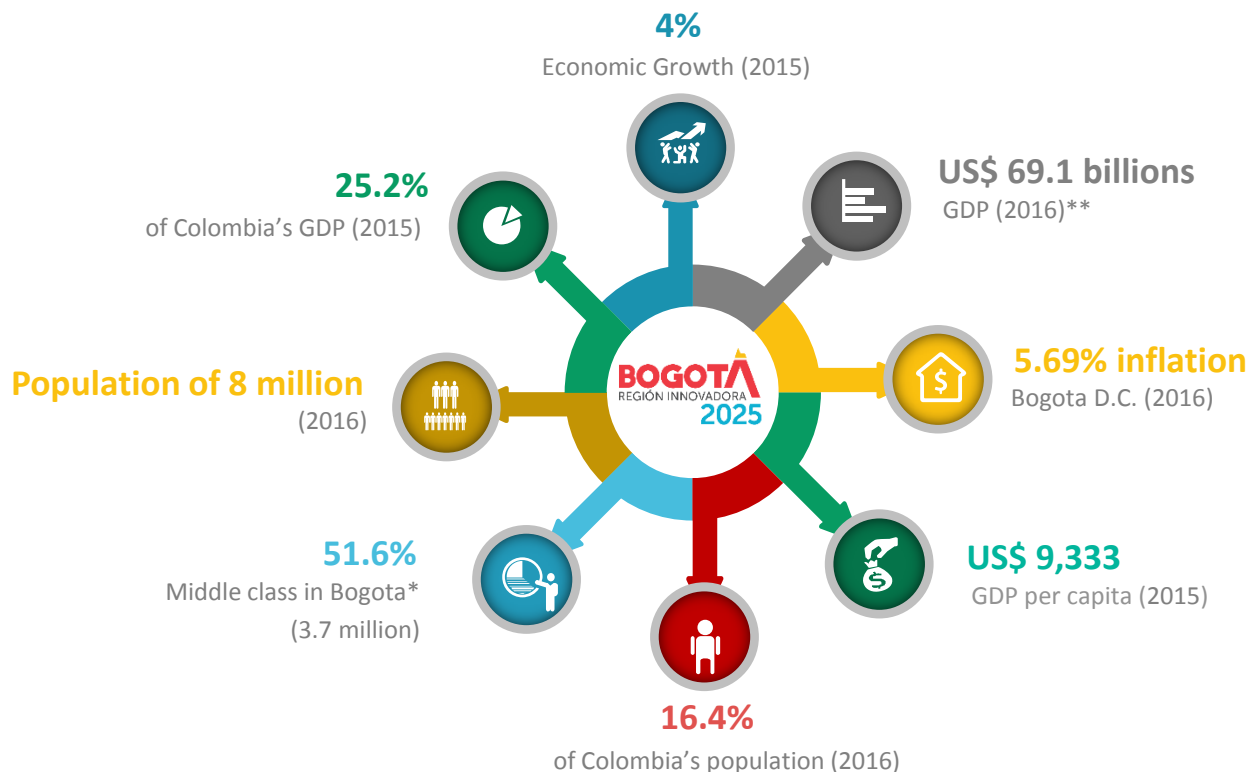
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Driver of Growth

Bogota: Main consumption center in Colombia

13

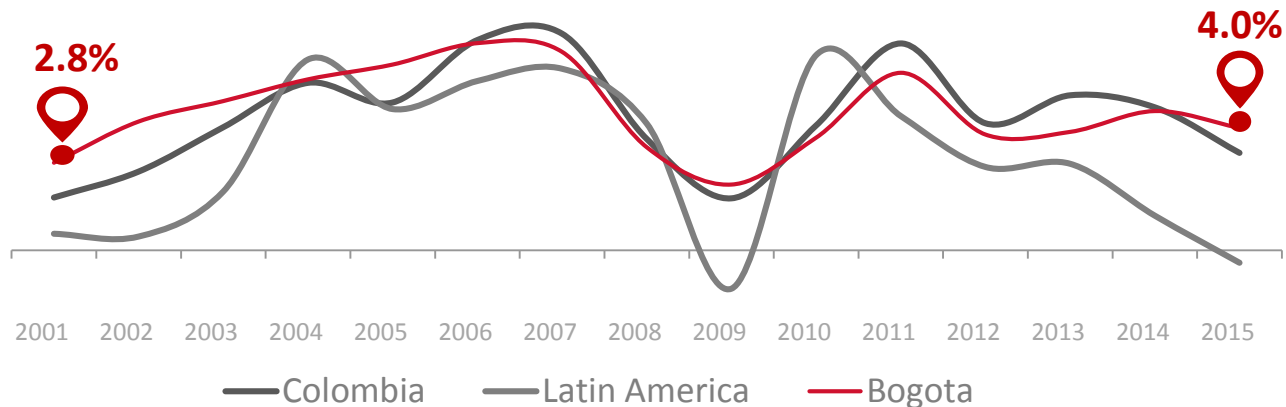


Driver of Growth

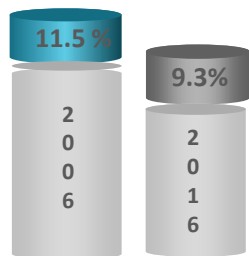
Favorable macroeconomic environment

14

GDP Growth (2001-2015)



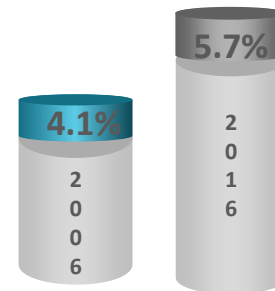
Unemployment



Foreign Trade



Inflation



*Imports and exports of goods.

Source: DANE, National Accounts; Consumer's Price Index, Great Integrated Household Survey (GEIH) ; DIAN-SIEX

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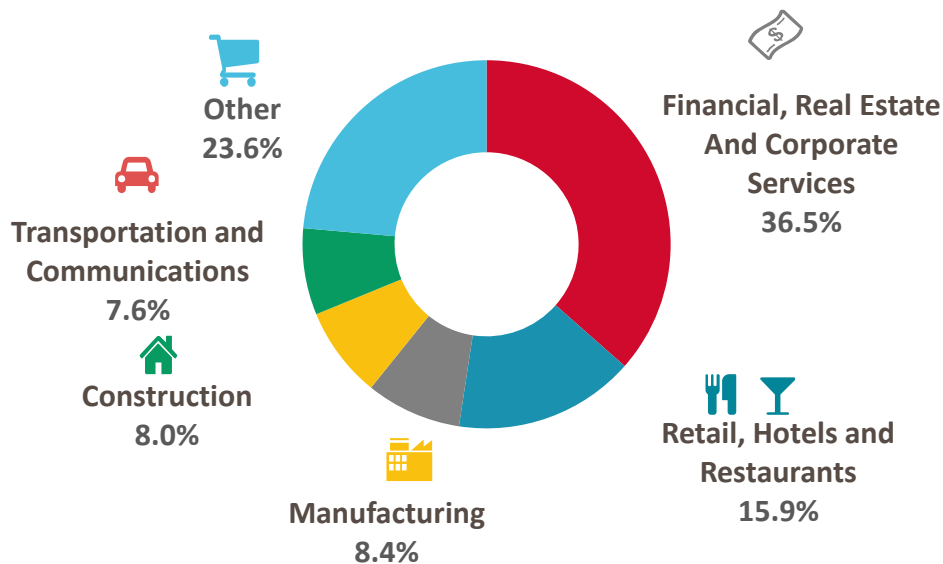
10 años

Driver of Growth

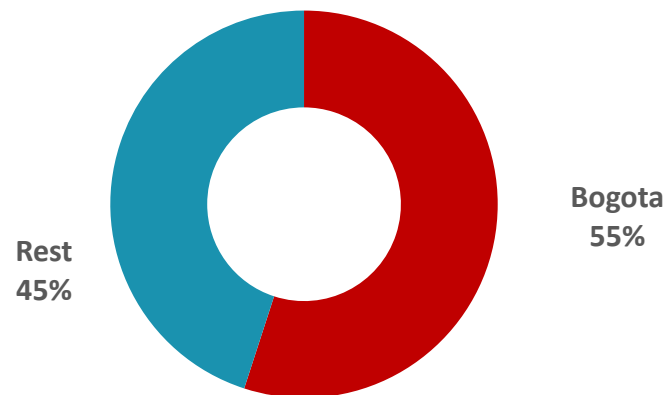
Diverse economy and Colombia's financial center

15

Bogota's GDP by Economic Sector (2015)



Financial Transactions* by Cities in Colombia (2016 Accumulated – III Trimester)



Source: DANE; Financial Superintendence

*Sum of deposits and loans in the financial system

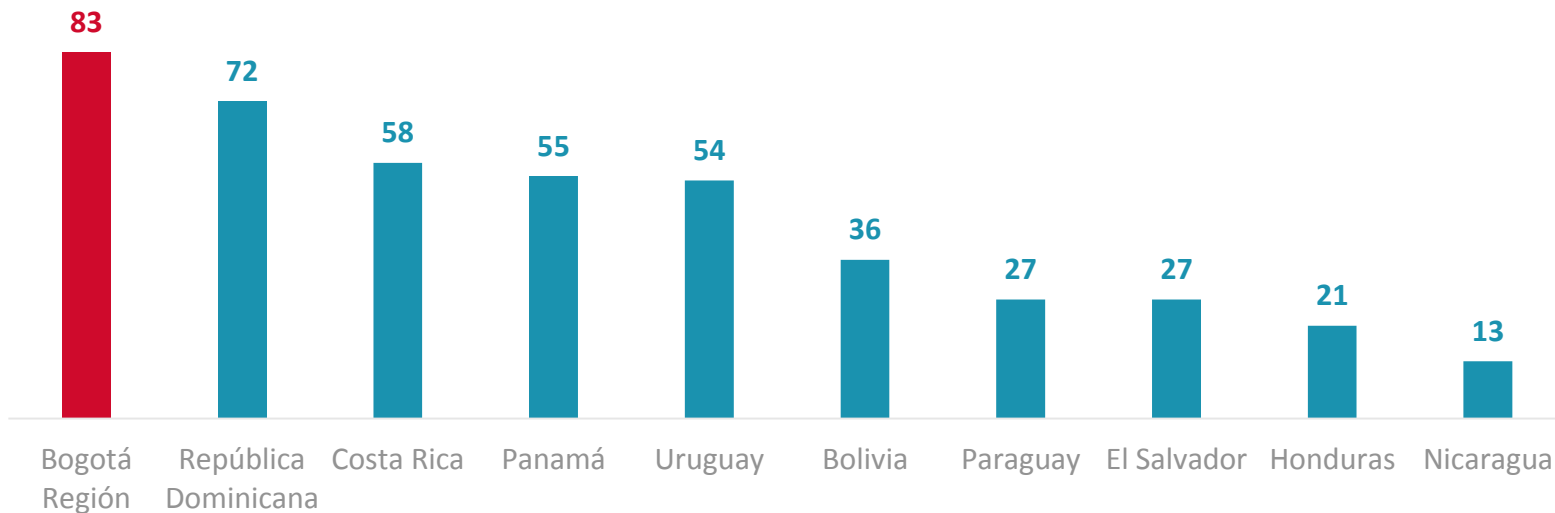
Driver of Growth

An economy that surpasses some Latin American countries

16

Bogotá's GDP vs. Latin America countries GDP

US\$ Billions
(2016)



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Source: International Monetary Fund projections, World Economic Outlook Database October 2016; Process Invest in. Bogotá's Information calculated with Colombia's GDP participation

Competitive

Awards and recognition on international rankings

17

South American States of the Future

2016-2017

- Ranked 5th in 2014-2015



4°

Global City in Latin America

2016

Stands out in development of human capital, stability and security..

ATKearney

5°

Best Cities for Doing Business on Latin America

2016

- Ranked 16th in 2003



5°

Cities in Motion (Latin America)

IESE Business School

2016

Bogota is recognized thanks to its economy and international outlook.

Ranked 12th in 2014



7°

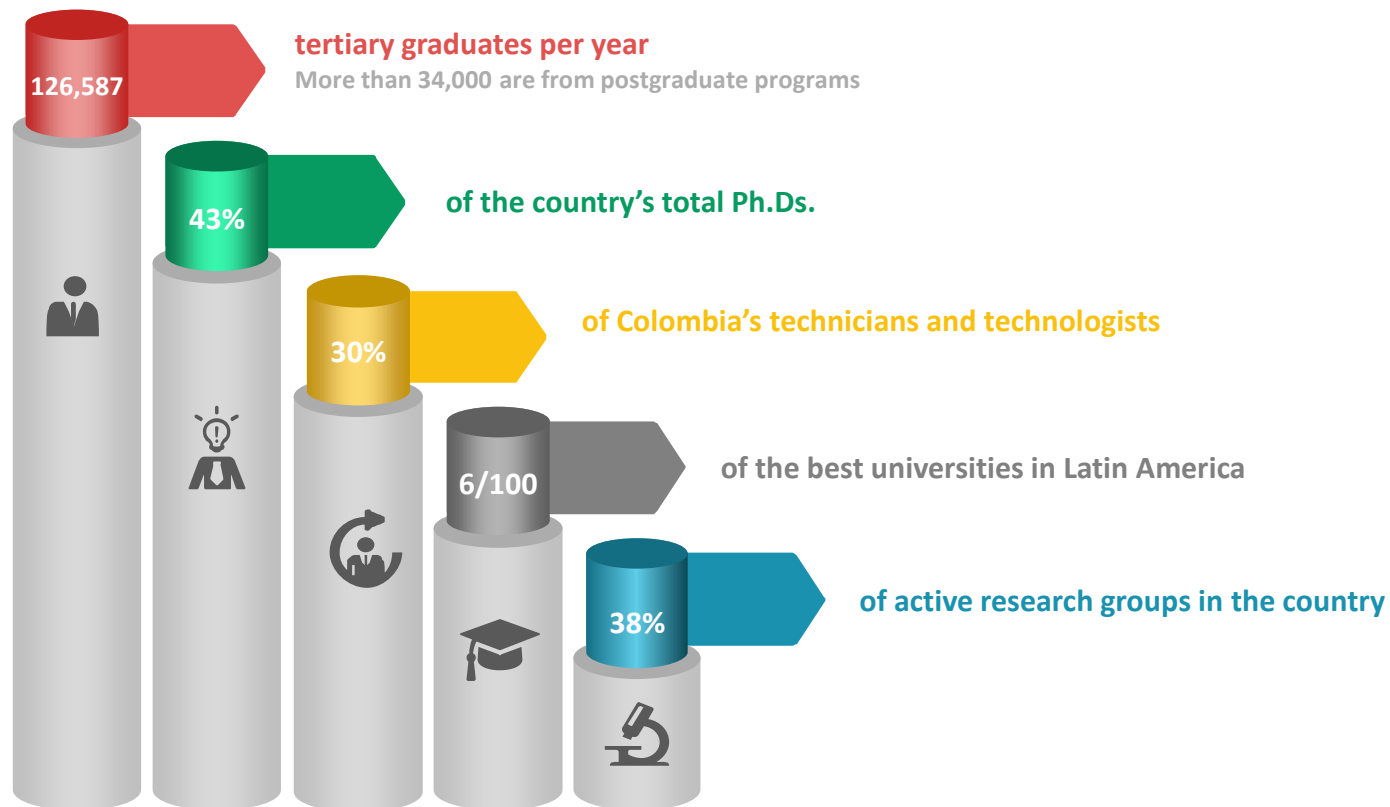
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Human Capital

Young labor force of over 4.6 million people

18

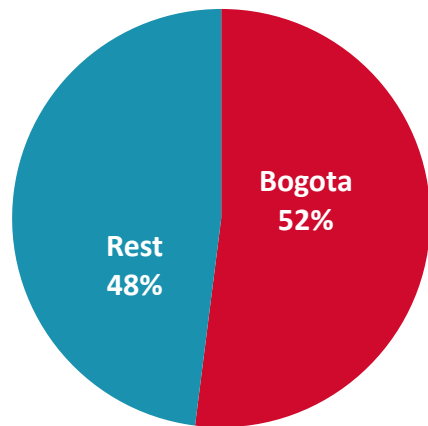


Attractive City for Investment

Bogota includes 94 of the Fortune 500 companies (2016)

19

Distribution of large and medium sized companies in Colombia by region (2015)



Companies with foreign capital established in Bogota (2002-2015)



Invest in Bogota

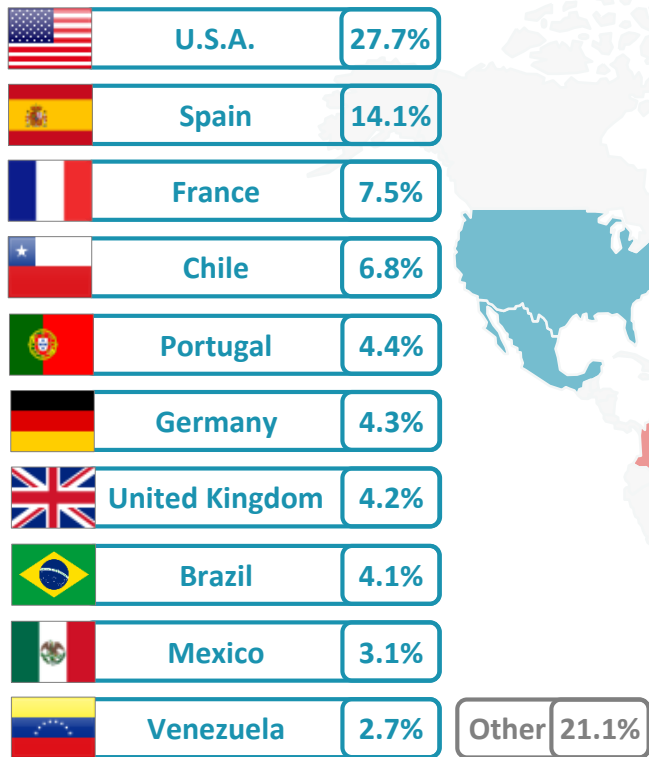
10 años

FDI* in Bogotá

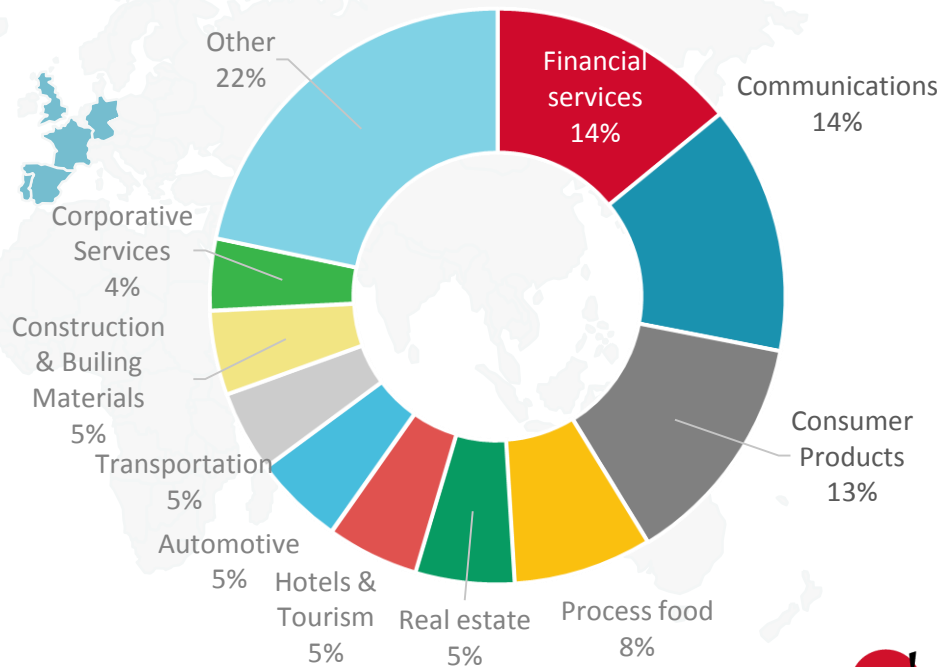
More than US\$18.3 billions (2006-2016)

20

by source country



by industry sector



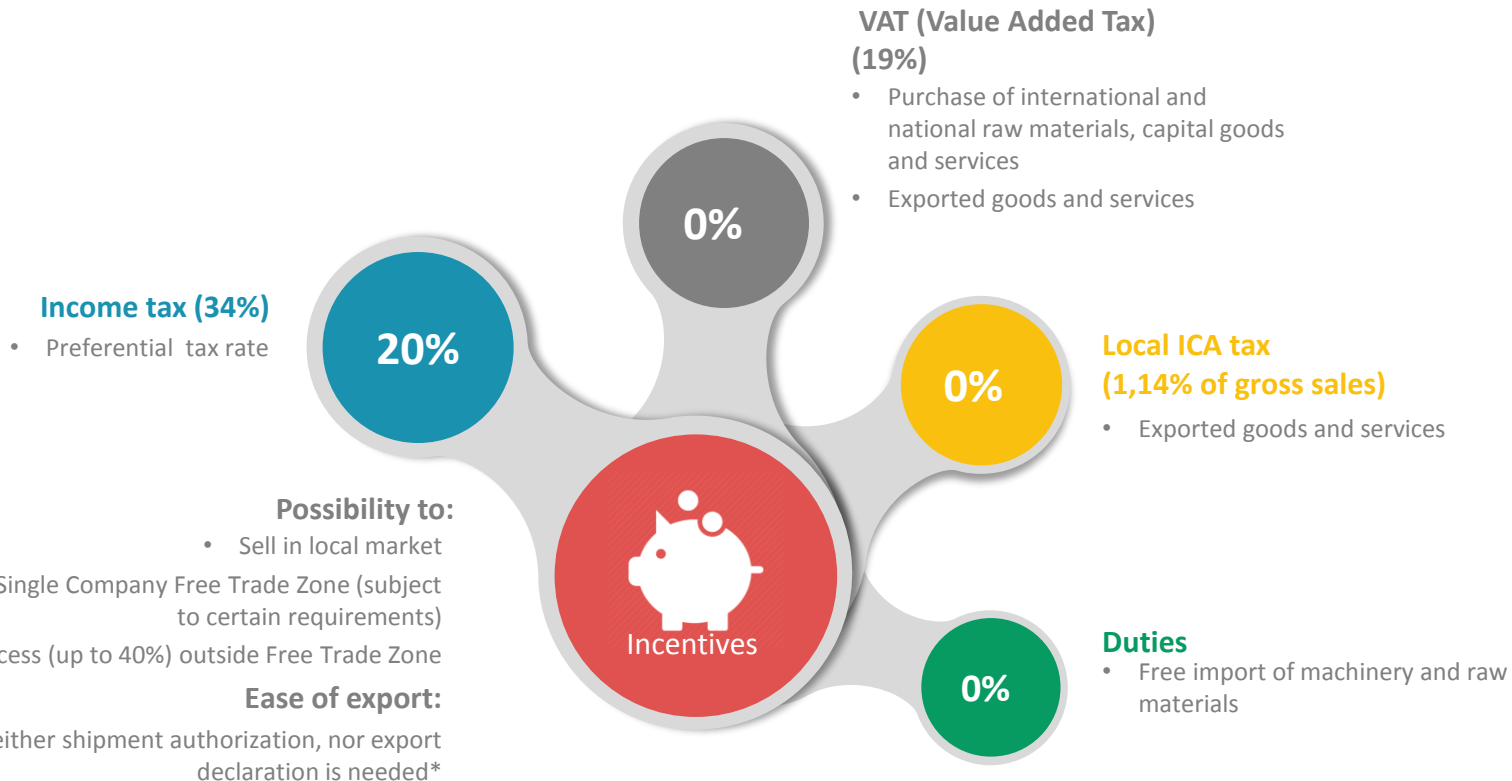
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10 años

Attractive City for Investment

Free Trade Zone Regime

21



Invest in Bogotá

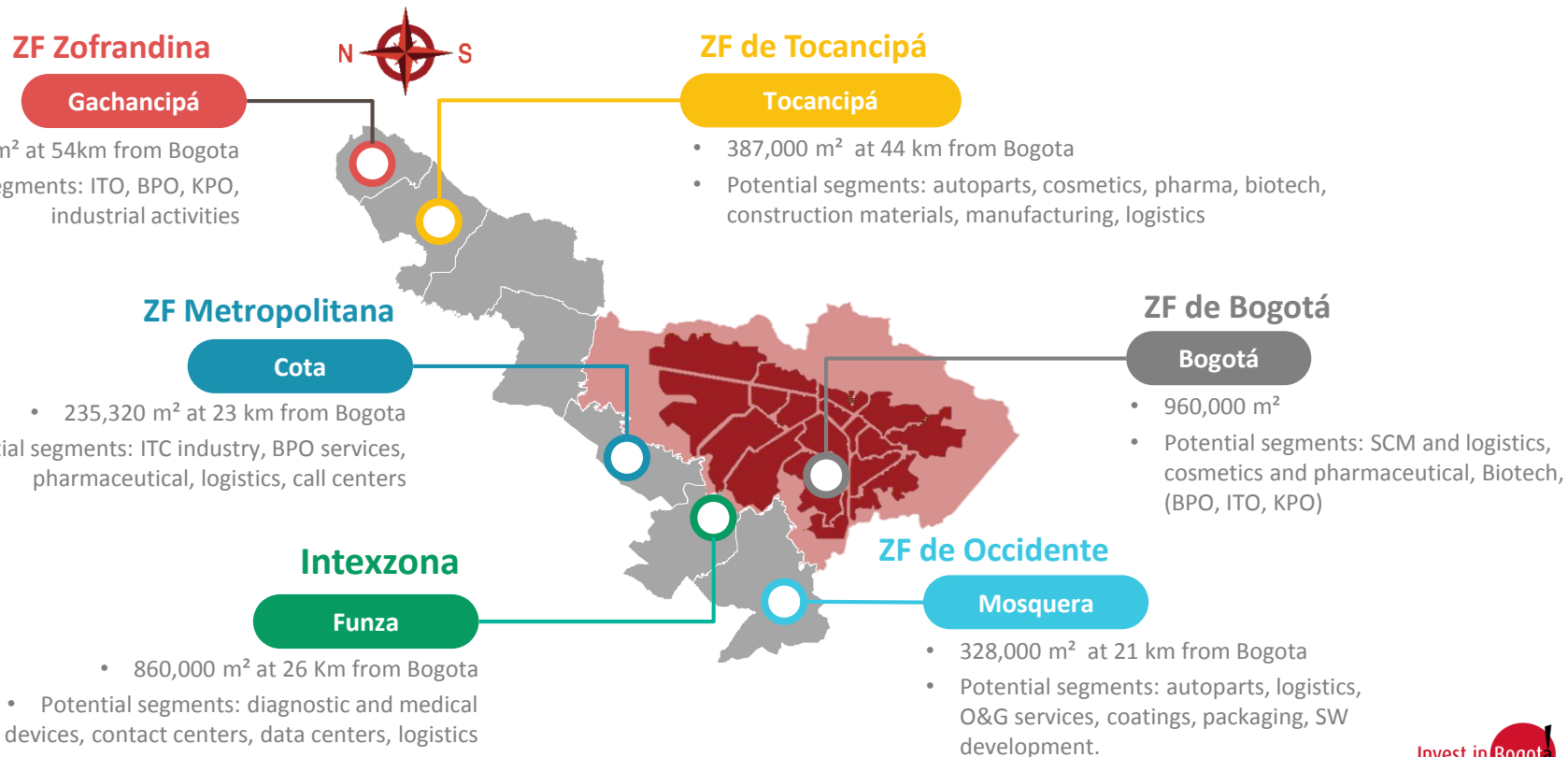
10 años

*Only requirement: FTZ's User Operator authorization

Attractive City for Investment

Free Trade Zones

22



Attractive City for Investment

Income tax deductions and discounts

23

Discount of 25%

of the investment in environmental projects (management and improvement) over the income tax

Up to 100%

deduction on R&D and innovation projects over the income tax

Discount of 25%

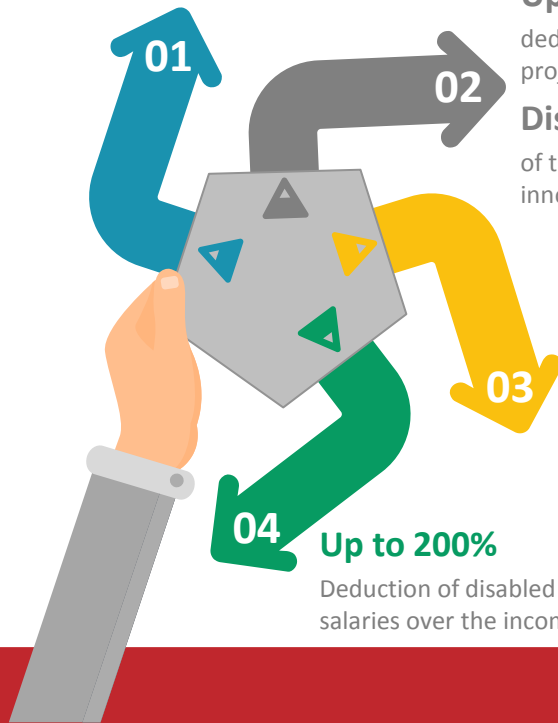
of the investment on R&D or innovation over the income tax

Up to 100%

deduction on value paid for VAT in acquisition of capital assets with global tariff charge over the income tax

Up to 200%

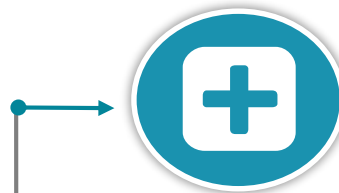
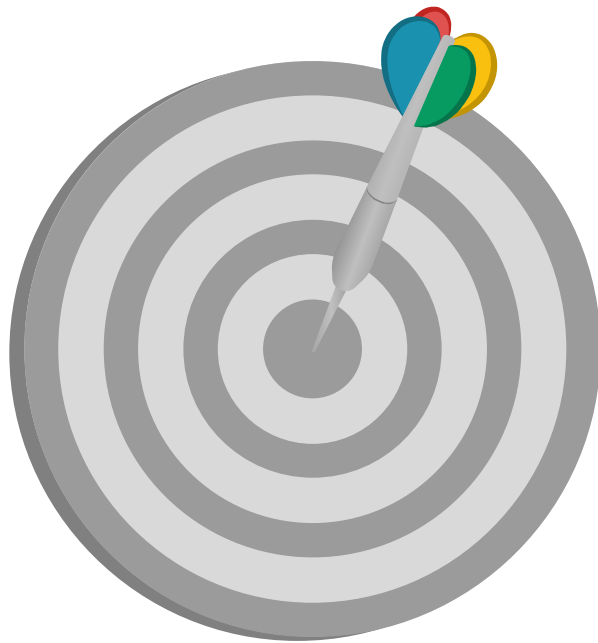
Deduction of disabled employees' salaries over the income tax



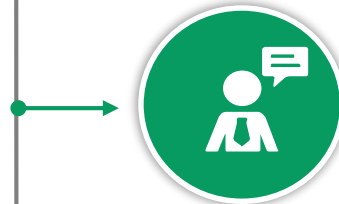
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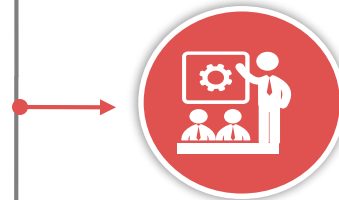
Priority Sectors



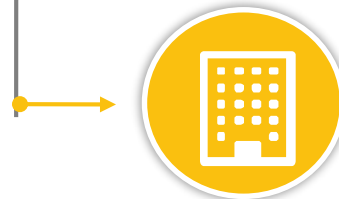
Life Sciences



Services



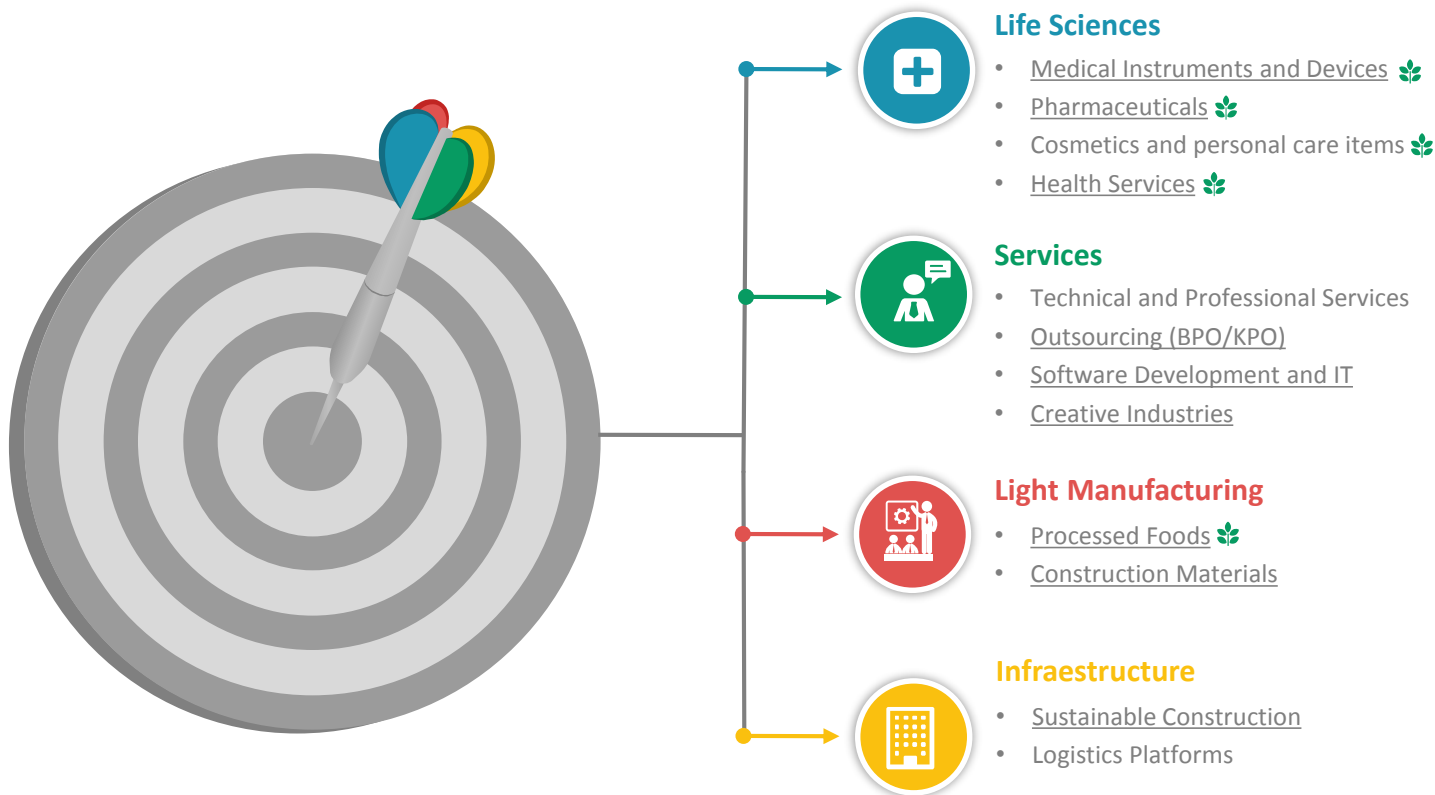
Light Manufacturing



Infrastructure

Priority Sectors

26



A City with Future

Innovative solutions for mobility

27



Cycle Paths

- 467 kilometers-network of bicycle pathways, used by more than 638,000 citizens daily
- 82.6 kilometers of cycle paths tracks
 - 384 kilometers of cycle lanes (role model for more than 50 cities all over the world)

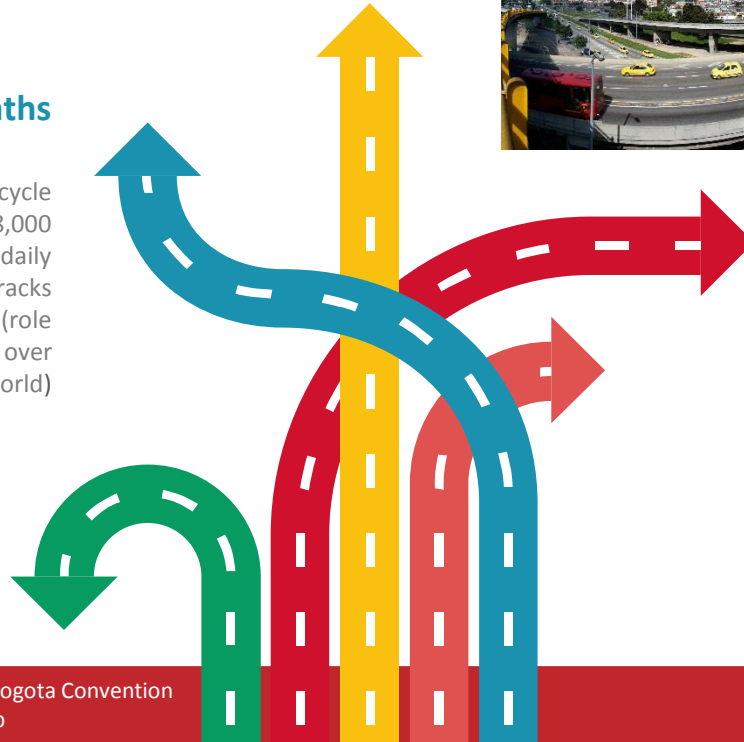
Electric Mobility

Bogota has the largest fleet of electric taxis in Latin America and is looking forward to incorporate electric buses to the fleet of Transmilenio.



Transmilenio

- Replicated in 57 cities (Johannesburg, Djakarta, Guangzhou), it has 1.8 million passengers per day (40 million per month)
- Two new trunks are expected.



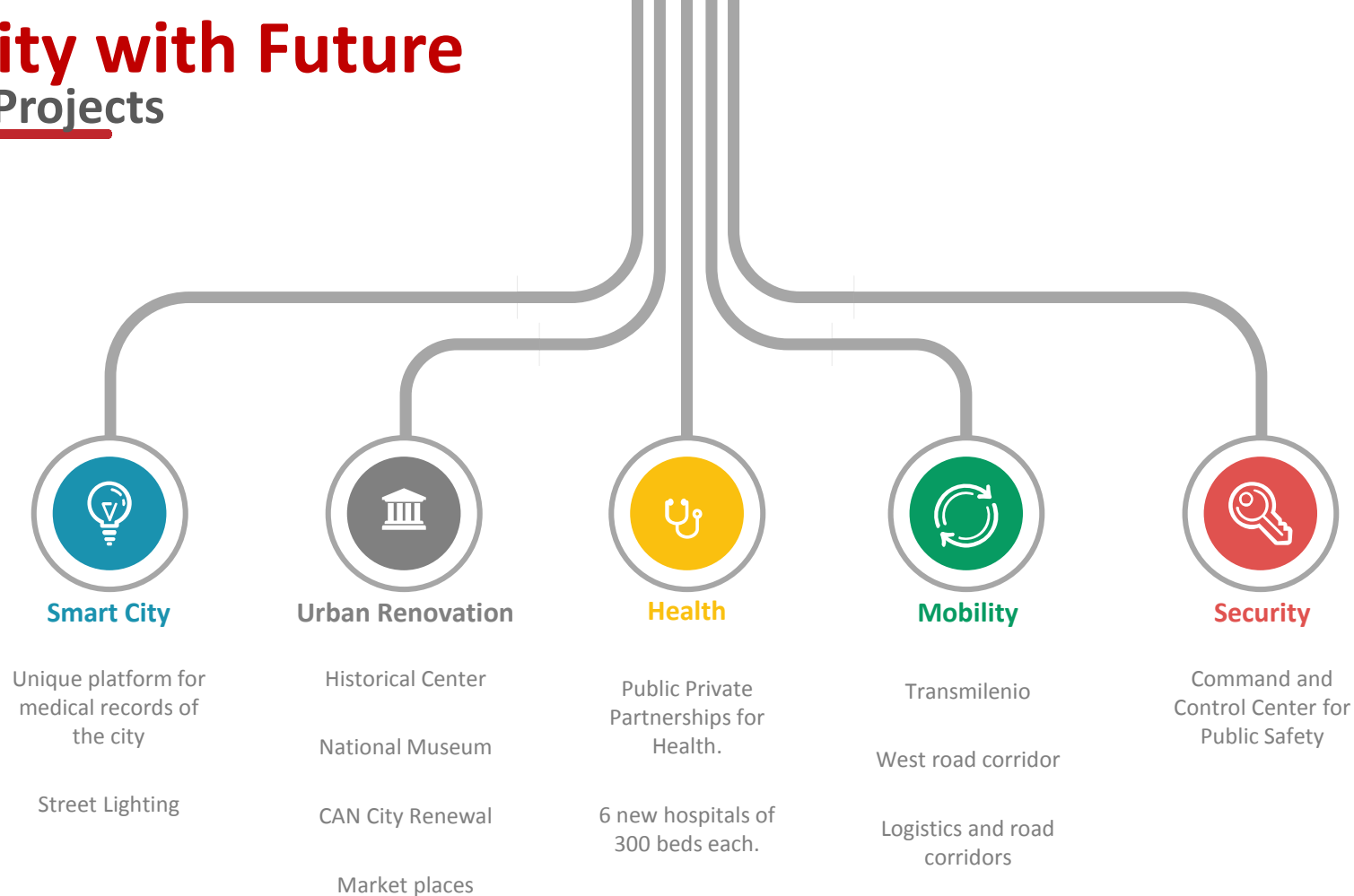
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10 años

A City with Future

City Projects

28



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10 años

A City with Future

New projects on mobility infrastructure

29



Public Private Partnerships

In terms of mobility infrastructure, Public Private Partnerships have been considered as a growth engine in the country. They are a successful mechanisms of foreign investment generation and economic development.



Western Longitudinal Avenue

Trunk from the District boundaries with Soacha (southwest) and Chia (north).



North Motorway Expansion

Main avenue, it is expected to have 5 rails (instead of the current 3) with the construction of 53 km.

A City with Future

Urban Renewal Projects

30

Agora



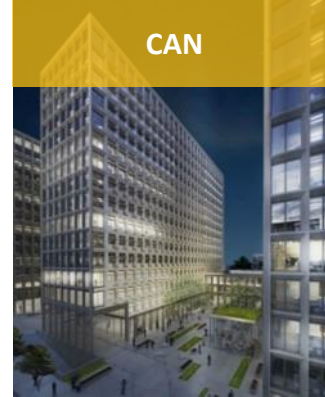
Bogotá's new world-class meeting district for fairs, events and conventions will occupy 800 hectares around an industrial area.

Fenicia



Public private project in the city's downtown. 8.8 hectares will be intervened for commerce, housing, public space and offices.

CAN



2,750,000 m² for 112 environmentally sustainable buildings for central government offices as well as commercial use. Colombia's largest ongoing urban renewal project.

Ciudad CAN

Urban Renewal

31

Urban renewal

Project has a floor area of 2,750,000 m², which will accommodate 112 buildings for different uses.

The project will begin with the so-called **“Transition Building”** which will accommodate 6,000 employees of central government agencies.

It is aimed at offices of some entities that are in the CAN, as well as trade, services and a great space for citizen service.

Public Private Partnership of public initiative in 2016, with an estimated total investment of US\$130 billion

Three towers – 16 stories each
Flexible design
Environmentally sustainable

Between Eldorado Airport and Downtown Bogota





Stages

Structuring
TS-CAN

2014



Consultancy
TS-CAN

2016, Awarded to PWC,
ICEACSA and Bonus
Banca consortium



Award of the
TS-PPP

End of 2017



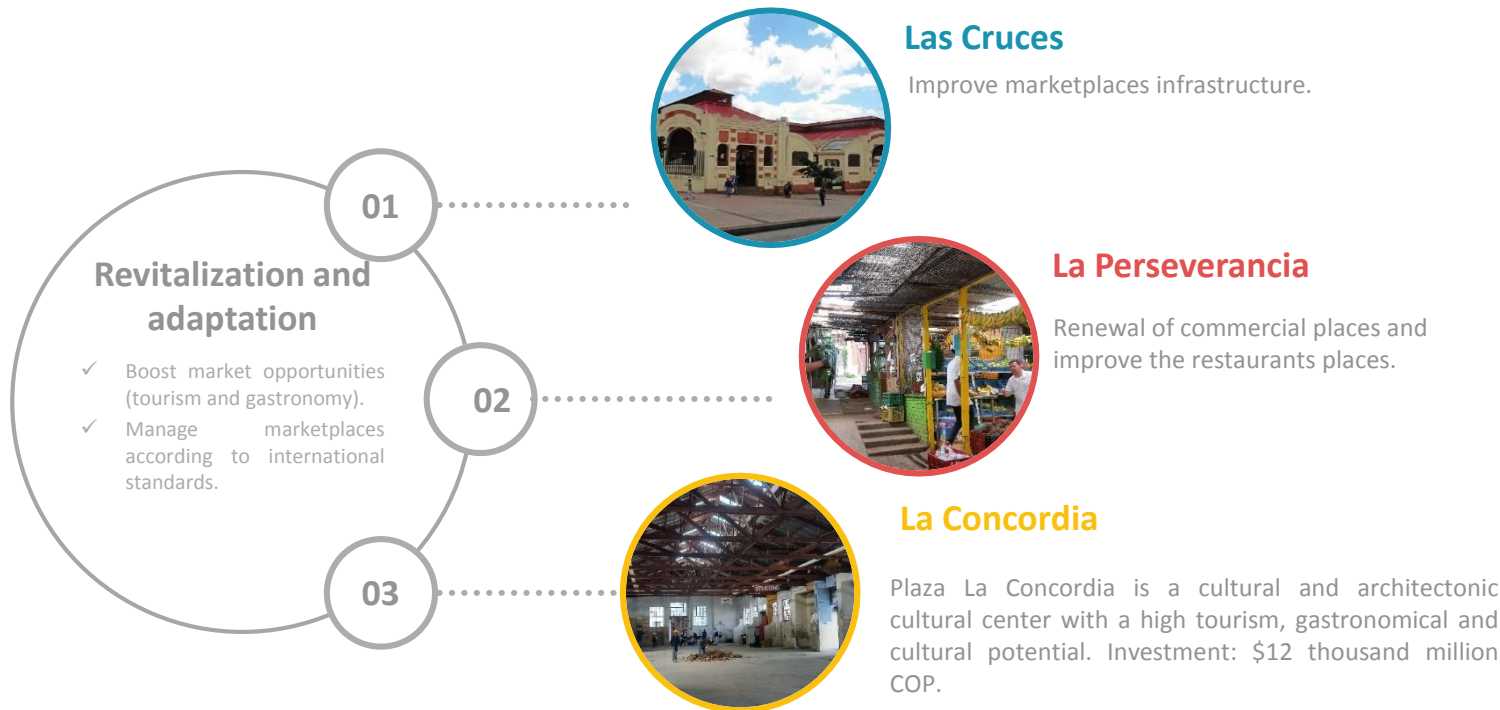
Beginning of
construction ET

Q2 2018

Marketplaces

Urban Renewal

33



Triangulo de Fenicia

Urban Renewal

34

Urban Renewal of the Historic center

Located in the neighborhood Las Aguas, part of the Historic Center and San Francisco banks of the river, which crosses between the hills of Monserrate and Guadalupe.

The Numbers of the urban proposal:

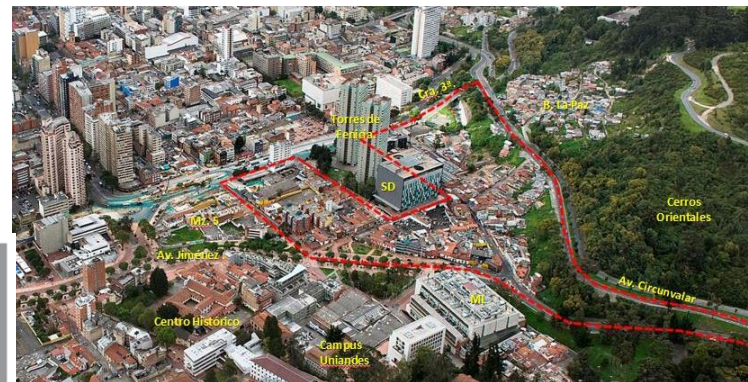
- 900 homes in total
- 108 VIP Housing
- 400 Housing Replacement
- 25,000m² Trade (metropolitan, zonal, neighborhood)
- 40,000 m² Office and / or Hotel
- 25,500 m² Services
- 3,500 m² public facilities
- 50% Green Terraces
- 8.8 Ha of total area
- 6.2 Ha public area
- 2.6 hectares of private area
- 6 m² public area x inhabitant

5 Ha (57%)

3.8 Ha
(43%)

2.6 Ha (30%)

6.2 Ha
(70%)



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Hospital Infrastructure

Social Infrastructure

35

Health

6 hospital facilities (4 retrofitting and 2 new)

- Construction of 4 high complexity hospitals that will benefit 1,500,000 people.
- 40 Priority Health Care Centers (CAPS), which will serve to strengthen and coordinate the operational emergency care in the city that is totally inadequate today.
- District Administration aims to put in service two new Priority Health Care Centers (CAPS) in the former location of the hospital San Juan de Dios.
- The new centers are

“Hospital *Cancerologico and Hospital Santa Clara*” and are part of the strategy for health care services for low income strata in Bogota.

The 40 CAPS will cover at least 700,000 of the more than one million consultations a year in this public network.

The technical structuring is carried out by the consortium Currie & Brown ESAN.



Schools Infrastructure

Social Infrastructure

36

Education

- 30,000 new classrooms over the next three years in 1,500 educational centers, equivalent to 60% of current deficit.
- Execution is expected through public works projects and Public Private Partnerships (PPP).
- Ministry of Education tender a PPP contract with a total package of 19 Educational Institutions (IEs) for one Certified Local Authority (ETC), distributed as follows:

Schools ETC Estimated Investment

- Soacha 9 ~ USD\$ 40 million



Ciudad Río

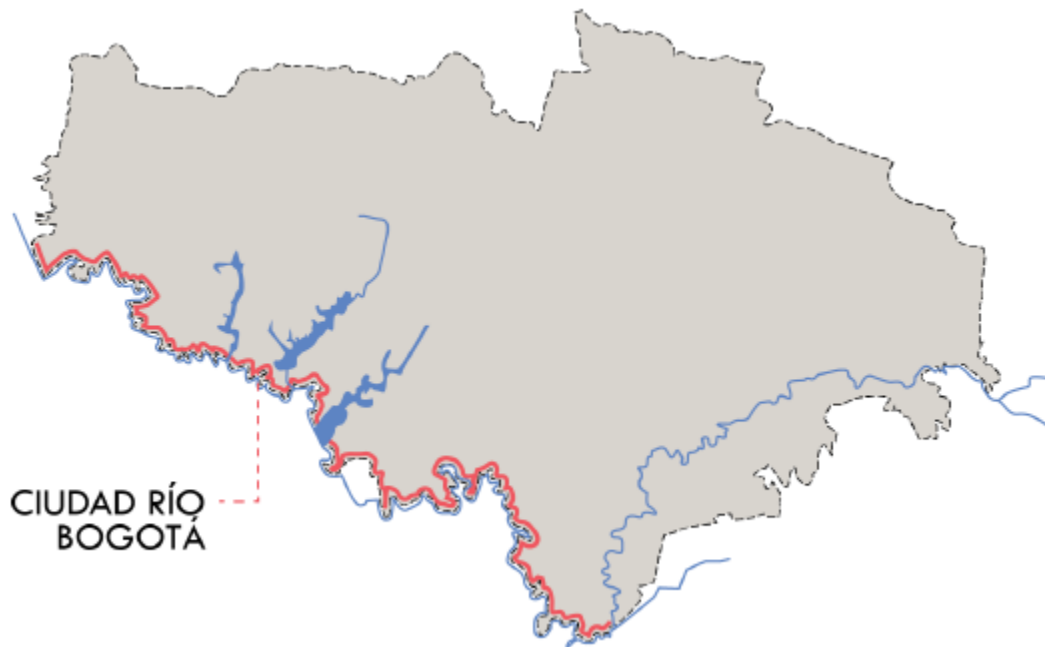
Urban Renovation Enterprise

37

Led by the ERU. Proposes the development of the urban edge of the Bogotá river along the 69 km of river:

Length of park (Malecon)	69 km
Park area	481 ha
Surface of other uses	817 ha
Total Surface	1298 ha

Surface works cost	US\$ 800 million
Total Budget	US\$ 3,420 million



Sustainable Urban Mobility

38



Bike Corridors

Build an infrastructure with over 120 km of new bikeway



Public space

Generate more than 3.5 million m2 of public space for pedestrians



Recreation

Environmental Circuit tour from the east to the west of the city; Decontamination of the Bogotá river; paths and trails along rivers and streams; large parks like Fontanar River and Gibraltar; and the construction of neighborhood parks.



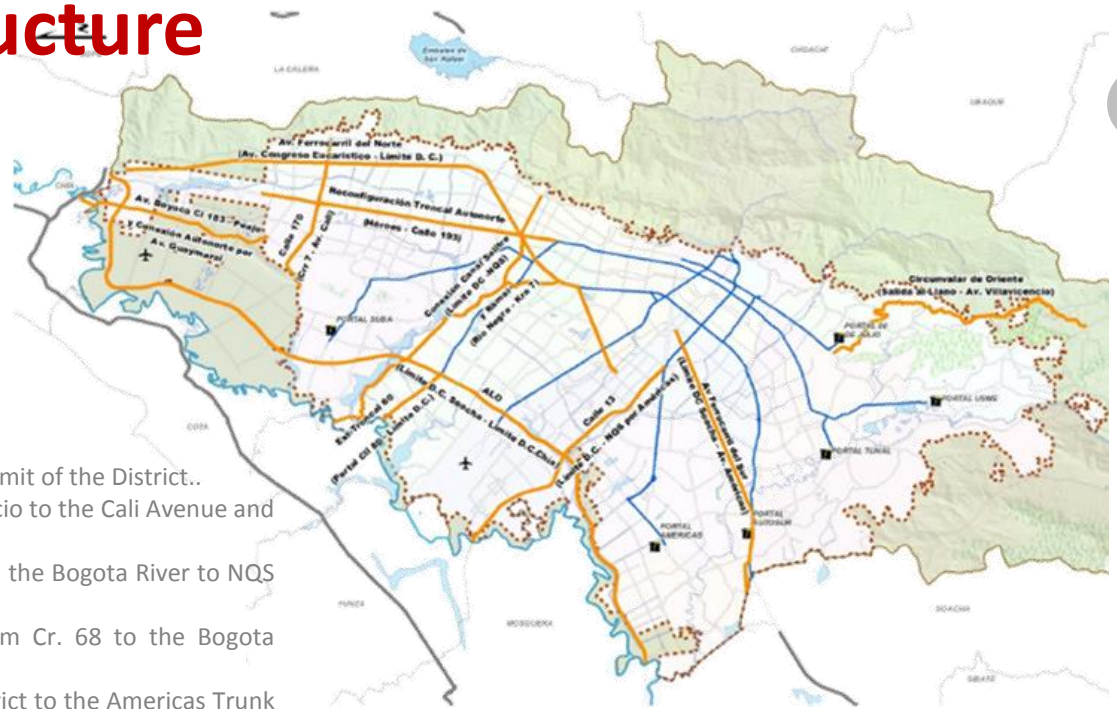
Invest in Bogotá

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Mobility Infrastructure

IDU Projects

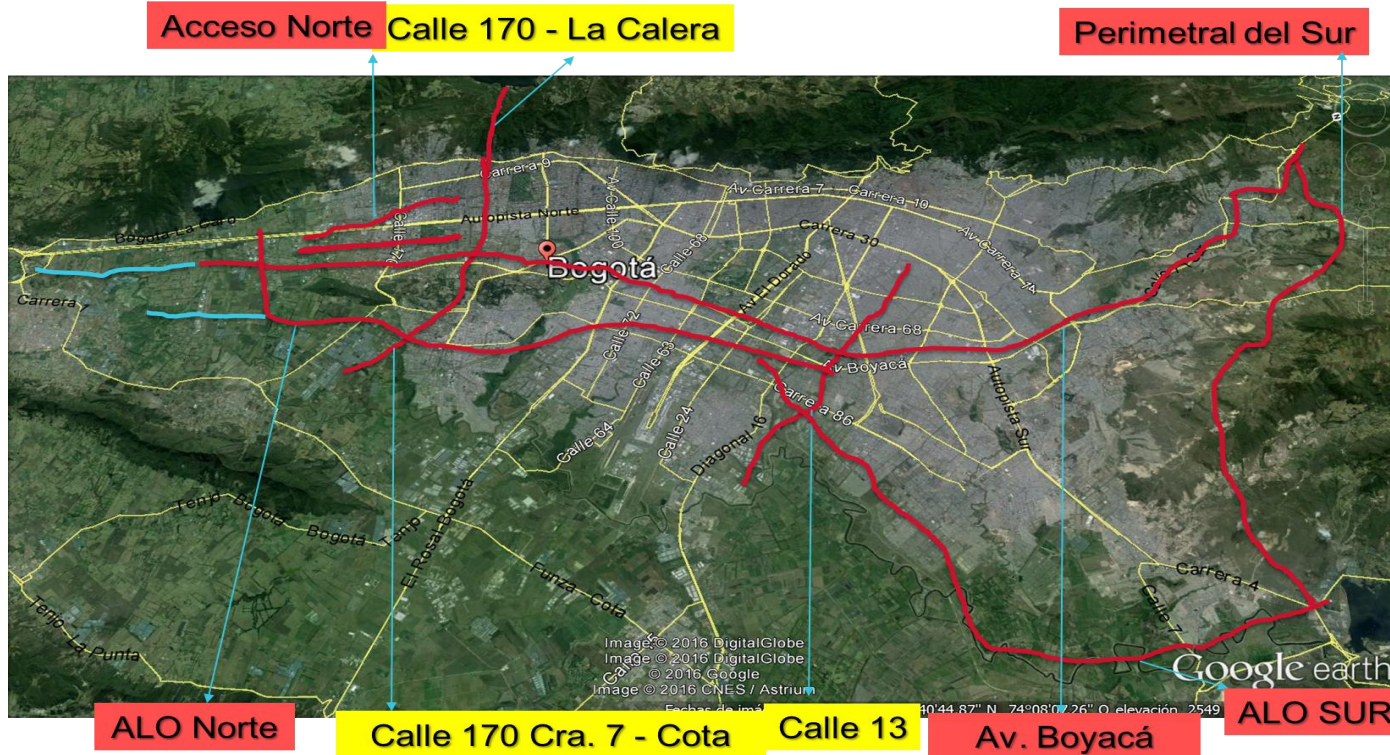
1. South railway trunk, between Soacha y Av. Américas
2. North railroad corridor between Av. Carrera 68 and Limit of the District..
3. Longitudinal Avenue of the west, Ramal Av. Villavicencio to the Cali Avenue and Ramal Av. Américas to the Cali Av.
4. Regional Connection Salitre Canal and Rio Negro from the Bogota River to NQS and Carrera 7.
5. Extension of Cl. 80 - includes five intersections from Cr. 68 to the Bogota boundary D.C.
6. Centennial trunk from the western border of the District to the Americas Trunk with Carrera 50.
7. Av. San José (170th Street) from Av. Alberto Lleras Camargo (Carrera 7) to Race 92, along the corridor of the Suba-Cota road to the LD-Rio Bogotá.
8. North highway from Heroes to 193th Street.
9. Avenue Boyacá from street 183 to connect with the toll trunk and north highway connection on Guaymaral Avenue.
10. Circunvalar of east from exit to the Llano until Av. Villavicencio



Mobility Infrastructure

PPP'S

40



Invest in Bogotá

10 años

Mobility Infrastructure

Infrastructure Projects - Mobility

41



Bogota Metro

- Enterprise Metro de Bogota was created in 2016
- 100% electric, UTC
- 142 m. trains with 6 wagons
- French consultant SYSTRA working on integrated structuring for First Line – ETA Aug 2017



Aerial Cable

- 3.4 kilometer line in the south of the city will move 3.600 people/hour after its built. A second line is being considered
- Construction by Cable Aereo of Bogota (Doppelmayr Colombia SAS, Colpatría S.A. Constructor and Icein Constructor Engineers SAS.)



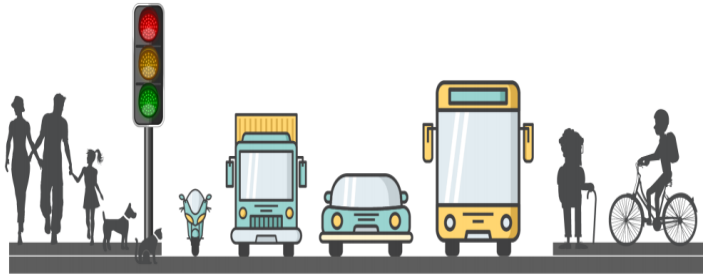
Regiotram Bogota-Facatativa

- 44 kilometer line
- Connection with El Dorado airport

Mobility Infrastructure

Infrastructure Projects - Mobility

42



Intelligent Traffic Lights:

- The new system of intelligent traffic lights will be developed with existing open standards for traffic lights: NTCIP, UTMCI, OCIT, AENOR.
- 1500 intersections. A traffic management center that will integrate multiple information sources in real time.
- Last generation technology.
- New communications system on a virtual network on the infrastructure of existing operators.

• Tender details Secop-II
<https://www.contratos.gov.co/consultas/detalleProceso.do?numConstancia=17-1-176328>

Mobility Infrastructure

Infrastructure Projects - Mobility



Parking Meters:

- The new parking system aims to meet the need for parking of private vehicles in an efficient manner in terms of mobility and environment.
- 17 Zones of Bogota
- The first 100 parking machines will be placed in key sites in downtown and north of the city, within an experimental plan that seeks rational and efficient use of parking space.
- Studies underway, to be delivered end of September by Cal y Mayor, IKON and Avanti consortium

Mobility Infrastructure

Infrastructure Projects - Mobility



Authorized Tow truck and Parking concession:

- 120 designated tow trucks required.
- Proponents must own parking lot areas.
- The publication of the tender in Secop II- August 2017
- To be awarded December 2017.

First line of the Bogota Metro

Elevated Line

45



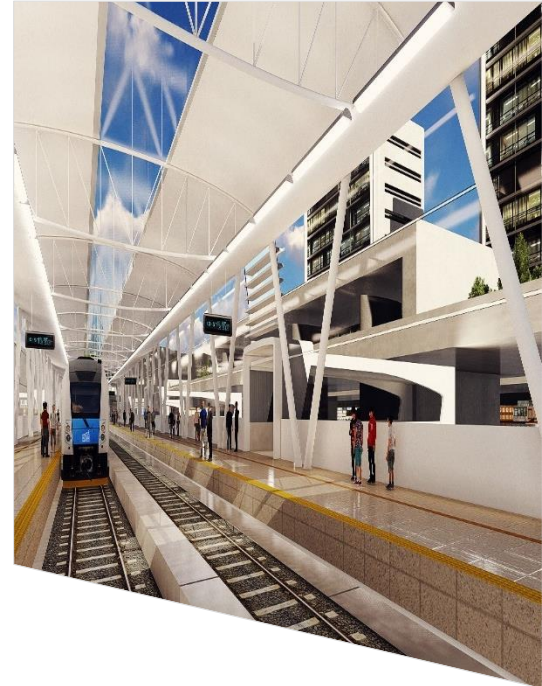
Approx. 1 million passengers per day

The metro line will have 26 km and 15 stations, of which 10 have direct connection with Transmilenio.

An investment of: **\$3.2 USD Billion**

75% for the construction of the metro.

**25% will go to the feeder system
[Transmilenio]**



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First line of the Bogota Metro

Project implementation by sections:

46



Section 1



Runs from the Portal of the Americas to Caracas, along Primero de Mayo Av.

Section 2



Will go to 72nd Street along Caracas Av., to complete an extension of 25.29 kilometers

Section 3



It runs from 72nd Street to the 127th street.

Creation of Metro
Company

2016

Stages

Integral Structuring
study

2016
Awarded to
SYSTRA

Technical structuring
and the consulting

January 2017
Awarded to SYSTRA- INGETEC
SENER - Integral

Tendering

Q4 2017

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El Dorado II Airport

Civil infrastructure:

47

Mobility

El Dorado airport in Bogota is currently the airport with the largest air cargo volume in Latin America (700 thousand tons per year).

Eldorado II will cover an area of 1,300 hectares and will be built over the next four years, near the town of Facatativá, expecting to begin operations in 2021.

Project:

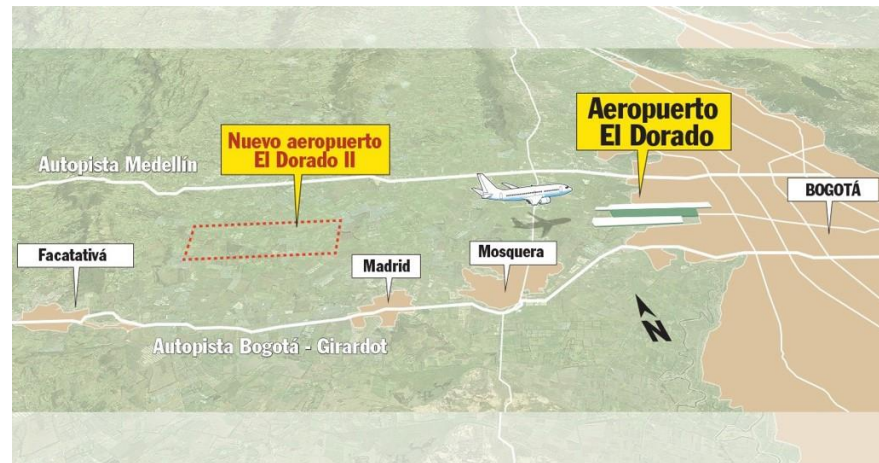
Build three airfields in several phases, as traveler demand grows.

Studies reviewed the number of travelers in the coming years and estimates that in 2021 will reach 69.2 million. Of these, 89 percent will be mobilized through El Dorado I and the rest by El Dorado II.

It was awarded to Mott MacDonald, with AERTEC Solutions and C&M consulting for the feasibility and structuring of Airport El Dorado II.

ETA for studies Jun 2018

Expected awarding in Dec 2018



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Canoas regional residual water treatment plant

48



Location

Soacha (Cundinamarca). Benefits 70% Bogotá and Soacha populations.



Total Project estimates

First phase: USD \$568 million.



Components

Secondary level treatment plant with elevated water pump.



Entity in charge

Empresa de Acueducto y Alcantarillado de Bogotá (EAAB) water utility.



Type of treatment

- Maximum pump capacity: 38.5 m3/s
- Pumping altitude: 46 m.
- National, regional and local level.



Bid type

International public bidding



Detailed
engineering
(CDM)

2012-2015



Bidding

2015-2017



Construction

2017-2022

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Mass Transport - Regional

Funza-Madrid-Mosquera/Zipaquirá-Cajicá-Chía/Municipio de Soacha

49



Zipaquirá- Cajicá- Chía

- Proposal could incorporate BTR, light rail or tram.
- Impacting population of 312.000.
- Total corridor length is 23 kms.
- Expected time for structuring and approval is 2 years and construction would take 3 years.
- Consortium awarded will be allowed to operate for 30 years upon concession.



Fusagasugá Hospital

50



RUEDA DE
OPORTUNIDADES
APPS
Asociaciones Público Privadas

- ✓ Structuring and developing of hospital infrastructure for the Sumapaz region Fusagasugá Hospital.
- ✓ Area of influence in 10 municipalities.
- ✓ Population of area of influence is 207,837 hab.
- ✓ Project includes 10 health additional immediate attention centers.



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Solid Waste Management Plant

51



Facility should allow for processing of solid waste materials in 70 municipalities, where 66% is organic, 22% recyclable and 12% other waste.



Targeting a decrease in transportation and final distribution costs, contamination, lifecycle of current land fills and utilities



Project aims at increasing energy, bio methane and biogas.



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Events 2016-2017

52



Road Infrastructure

29 September 2016

Projects of Cundinamarca
Region



Bogota Metro

Bogota Metro Company

June 6, 7, 8 y 9

General Services, Civil works,
Electromechanical Supplies, rolling
stock.



APPs SALUD



PPP for Health

Health Secretary

November 28 & 29

Presentation of 6 hospital
facilities projects



Road Infrastructure

Launching of IDU projects
Q2 2017

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10 años

Thank you

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