

### **C) Pricing trends and practices**

Geomatics contracts from private and public sector companies generally list the amount that the company is willing to spend and those companies that offer the lowest bid, while meeting all the conditions, will usually win the contract. Customer needs and the product quality are usually the most important factors, however.

## **PUBLIC AND PRIVATE SECTOR CUSTOMERS**

### ***Selling to the government***

Government entities and firms must follow the provisions of Law 80 of October 31, 1993, which regulate purchases and contracts by the government, state industrial and commercial enterprises. As a general rule, all individuals and legal entities that wish to execute contracts with state entities have to register with the Chamber of Commerce of their jurisdiction in order to be qualified, classified, and registered in accordance with the provisions of Law 80. Foreign individuals not domiciled in Colombia or foreign, private legal entities without a branch in Colombia seeking Government contracts must provide a copy of their registration at the corresponding registry in their country of origin. They should also submit documents proving their existence and incumbency, whatever is the case. In addition, they must appoint an agent or legal representative, domiciled in Colombia, duly empowered to bid and execute the contracts, as well as to represent the foreign enterprise legally.

Under Law 80, Colombian bidders have preferential treatment. Given equal contracting conditions, the offer of goods and services of domestic origin is preferred. When foreign firms bid under equal conditions, the contract is awarded to the one that incorporates a greater number of domestic workers in the work-force, more domestic content, and better conditions for technology transfer.

### ***Sectors where opportunities will emerge***

In Colombia the best geomatics opportunities are in the oil & gas, transportation, electricity generating, and mining sectors of the Colombian economy. Mapping and cadastral services, along with geomatics services in the environmental industry, will also benefit from heavy investment in these sectors. Given the greater number of infrastructure projects, there will be a greater demand for mapping and cadastral services. The environmental industry will grow because of the increasing emphasis by the government on environmental regulations and enforcement.

Still by far the largest user of geomatics information is the public sector. However, this is slowly changing as the Colombian government privatizes state-owned enterprises and private firms become more aware of the various uses of geomatics information. This section will look at the major growth sectors for geomatics applications and give an outline of the industries and the key organizations that are involved. Annexes 1 and 2 will provide a list of both key public and private sector contacts (By no means will this provide an