

Joint ventures can be established in Colombia on a temporary basis, to pursue a project, or on a long-term basis. The ownership split between the Canadian and Colombian partners can be made in any proportion. The entity must be incorporated with a notary public, just like any local company. The investment must also be registered with the Banco de la Republica (Central Bank) in order to be legally incorporated.

***Local Business Incorporation:***

There are basically three ways of setting up a business in Colombia, all requiring detailed legal procedures and therefore, it is suggested that firms planning to establish an office in Colombia, obtain legal advice. In addition to the names provided in this document, a current list can be obtained from the Commercial Section of the Embassy :

1. **Local Corporation:** This is very similar to a Canadian corporation. Shareholders should not be fewer than five and they are liable for the corporation's debts up to the amount of their respective capital contributions. The company issues nominative share certificates which are negotiable in the stock market. At least fifty percent of authorized capital must be subscribed and at least 33 percent paid in, at the time of incorporation.
2. **Limited Liability Partnership:** This is a limited company of from two to 25 partners, who are liable up to the amount of their contributions. Capital must be fully paid in at the time of incorporation and must be divided into equal quotas or value units, assignable on terms specified in the by laws and in legislation.
3. **Branch of a Foreign Corporation:** A branch operates under the rules applicable to Colombian corporations; its liability is limited to assigned capital. It must be registered with a public notary in the place of domicile. The process requires the registration of documents including incorporation and legal representation, bylaws and the resolution or act agreeing to establish a local branch office.

***Payment terms and conditions***

It is common practice to purchase equipment, parts and components through sight or time draft letters of credit. Colombia has eliminated minimum payment term requirements, but importers must register the agreed-upon payment schedule on the import documents. Imports must be paid for within the periods established between the importer and the supplier in the corresponding import registration.

***Credit Cards:***

All major credit cards honoured in North America are accepted in Colombia.