

Agents and Distributors

Foreign companies exporting to the private sector in Colombia are not required to have a local agent or distributor and may deal directly with private sector companies. It is however highly recommended to appoint a reliable local agent or distributor to assist with market promotion, communication barriers and import procedures. When dealing with Ecopetrol or any other governmental organization it is required by law to appoint a local agent.

Agency and distribution agreements are regulated by the Colombian Commercial Code. The agent / representative is legally associated with the foreign supplier as he enters legal agreements on the principal's behalf. The distributor acts totally independently of the principal, as he acts at his own discretion, controls marketing and promotion initiatives and the level of its profits.

To secure an agent or a distributor, a contract is required by the Colombian Commercial Code. The contract must be registered at the Chamber of Commerce where the agent or distributor is located (see appended Chambers of Commerce). To terminate an agreement, written notice 90 days prior to termination by either party is sufficient. An agent or a distributor may unilaterally terminate an agreement for cause and is entitled to indemnification (decided by a board of public officials and non-government representatives). The cause may be lack of fulfilment, act of omission or bankruptcy by either party.

For assistance in appointing a reliable local agent/distributor, the Canadian exporter should contact the Canadian Embassy in Bogotá (see appended Canadian Embassy list).

The list of companies on the following page, has been assembled from several local directories in the public domain. These organizations are known to be dealing in the market as agents/distributors of oil and gas related equipment and/or engineering, consulting services. They however, are not specifically endorsed by the Embassy.