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Department of Foreign Affairs
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Ministère des Affaires étrangères
et du Commerce international

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COLOMBIA

THE OIL AND GAS INDUSTRY

April, 1997

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I. SUMMARY

Colombia, a country of some 35 million people, occupies a strategic position at the gateway to South America, with port facilities on both oceans. It also enjoys preferred access to neighbouring country markets through a number of existing free trade agreements such as the Andean Pact, as well as bilateral agreements with Chile and Mexico.

Its enviable record of uninterrupted economic growth has continued for nearly 40 years, averaging a strong 5% over the past several years. Political uncertainty and a monetary "over adjustment" led to a slowdown in growth for 1996, with GDP growth coming in at just over 2% and the government is hopeful of a recovery to previous levels in 1997.

The policy of "apertura" (or liberalization of the economy), initiated in the early 1990s, has continued to unfold. This has meant significant reductions in import duties, leading to increases in imports of consumer goods and, more importantly, technology and equipment for the modernization of industry.

Colombia's economy is one of the most stable and dynamic in Latin America. This is the only South American country that has not had to reschedule its international debt, has no balance of payments problems and an excellent credit rating. Indeed, Colombia and Chile are the only two countries in Latin America to enjoy an investment grade rating. Canada's Export Development Corporation also rates Colombia very highly and has extended a number of lines of credit through Colombian banks.

The growth of the hydrocarbon related industry has been instrumental in the consolidation of the national economy. Crude oil exports in 1996 exceeded 400,000 barrels per day, totalling US\$2.2 billion over the year and replacing coffee as the number one Colombian export commodity. Exports of crude oil should reach 1 million barrels per day in the year 2000.

Significant economic resources are being invested in exploration and exploitation projects in the foothills of the Andes, the expansion of the pipelines system, the design and construction of a natural gas transportation and distribution infrastructure and the modernization of the country's two refinery complexes.

Canadian participation in exploration contracts, to date, is rather small compared with the large investment of multi-nationals that traditionally have operated in this country. We are however beginning to see some expanding Canadian interest, led by the recent entry of Canadian Occidental Petroleum Ltd., currently operating in the province of Putumayo (south-western part of Colombia).

TransCanada Pipelines Ltd. - TCPL and Interprovincial Pipe Lines Ltd. - IPL, are investors and will be the operators of a large crude oil pipeline, under construction by **OCENSA**, a joint venture facility conformed by BP, TCPL, IPL, Ecopetrol, Triton and Total.

TCPL is also a large participant in two other major natural gas transportation systems: Trans Gas de Occidente S.A. and Gasoducto Centro-Oriente.

Canadian companies seeking to participate in exploration and production of Colombian oil and gas resources should note that, there are in Colombia 13 sedimentary basins with a surface area of 78 million hectares, representing close to 68% of the total surface of the country. Of this, approximately 70% is still free for exploration.

II. MARKET ASSESSMENT

The main indicators of sectoral activity for 1996 are the following:

Reserves:	3.6 MBLS (crude oil)	8.3 GCF (natural gas)
Production:	626,000 BPD (crude oil)	43 MCFD (natural gas)
Consumption:	271,000 BPD (fuels)	129,000 BPD (gasoline)

In 1996, the Colombian government announced an emphasis on increasing and promoting exploration and production projects, under the so-called association contract structure (see section V for details). At the end of the year, there were 18 new association contracts signed and another 5 under negotiation. Currently there are 97 contracts with 65 operators active in Colombia and 12,000 Kms. of pipelines in operation.

A significant advancement has been reached in the construction of production and processing facilities at the Cusiana and Cupiagua fields in the foothill of the Andes (Piedemonte), as well as the construction of the new crude oil pipeline to the export port of Coveñas on the Caribbean coast.

With the discovery of new reserves, notably the Opon field, the government has adopted a comprehensive plan for massive use of natural gas, designed to drastically reduce the use of electricity in household consumption as well as in industrial production.

The construction of a new cracking plant at the Barrancabermeja refinery complex was successfully completed in 1996, increasing the load capacity from 170,000 to 190,000 barrels per day.

It is important to note that Colombia does not have either the technical capabilities or financial resources to undertake development projects in this sector and, consequently, substantial foreign resources have been used and are still required. Opportunities for further Canadian participation in this sector are excellent, considering our industry's advanced technology and internationally known experience.

III. MARKET SHARE AND CANADIAN POSITION

Colombian imports of equipment and parts relate especially to tubes and pipes, joints, fittings, flanges, drilling equipment, producing equipment, compressing and pumping equipment, processing equipment, valves, measuring and testing equipment.

The figures on the next page, register the total market size for equipment supply, indicating the dominance of the market by US companies:

Equipment - Import Statistics

Market (US\$ millions)	1995	1996	1997 (estimated)
Total market size	699.3	802.2	919.9
Total local production	44.0	48.4	53.2
Total exports	2.5	2.9	3.3
Total Imports	657.8	756.5	870.0
Imports from U.S.	412.0	453.9	544.7

The market for equipment and parts is shared by USA: 60%, Japan 10%, Germany 7%, Venezuela 6%, Brazil 5%, Mexico 4%, CANADA 3%, others 5%. Canadian exports have consisted of pumping equipment and parts, valves, instrumentation and laboratory equipment; there is however substantial room for more Canadian supply into this sector.

Although there are many projects and significant market opportunities for oil equipment and materials and, despite the fact that the Canadian product is highly regarded in the Colombian oil and gas industry, the factors that have diminished the level of Canadian participation include: lack of familiarity with the market, competitiveness, Colombian purchasing habits, price considerations, freight availability and cost and language barriers.

Although the supply of technical services is difficult to quantify due to the absence of reliable data and information, it is known and accepted that Canadian participation is significant, particularly in areas of land surveying and data acquisition, geographic information and monitoring and design and implementation of scada systems.

A detailed list of the major private and public sector customers for equipment and services is provided in sections VI and VII of this report.

IV. KEY FACTORS SHAPING FUTURE GROWTH

Background

1983 marked the beginning of a new era in the oil and gas sector in Colombia with the discovery and development of Caño - Limón (located in the eastern plains, province of Arauca) by the Occidental - Ecopetrol association contract. Later, exploration activities conducted in the south-eastern plains of Los Llanos, led by BP Exploration, have rendered positive results with new discoveries of the large fields of Cusiana, Cupiagua, Floreña, Pauto and most recently Coporo.

The development of the above fields will require an overall investment of US\$10.5 billion and will increase the national production of crude oil from 454,000 BPD in 1994 to 1 million BPD in the year 2000.

With the privatization process, currently under way in Colombia, the role of the state oil company Ecopetrol is rapidly changing to become the governmental organization in charge of overall sectoral planning, contracting, administering and monitoring sectoral activity. This has resulted in offering larger participation in development and operation to the private industry.

Projects

The government's plan for implementation, mainly by private operators and investors, is to assure crude oil self-sufficiency via exploration and production, development and use of natural gas reserves, further modernization of refineries and consolidation of an efficient transportation network system.

The figures below, indicate the level of investment projected in the Colombian oil and gas sector in 1997:

Projected investment plan 1997 (US\$ millions)

Exploration and production	1,088.8	
Refining	268.2	
Transport	204.1	
Natural gas	62.4	
Others	34.5	
Total	1,658.0	Source: Ecopetrol

Exploration and production

Targets for 1997 include drilling of 23 to 30 exploratory wells and approximately 1,300 kms of seismic run, mainly in Los Llanos (the southern plains), the slopes of the Eastern Mountain Range and the Middle Magdalena Valley basins. Production is expected to reach 723,000 BPD by the end of the year 1997.

Cusiana - In 1993, the association of British Petroleum, Triton, Total and Ecopetrol, announced the commercial exploitation of the Cusiana and Cupiagua fields with reserves of 2 billion barrels of crude oil. The development of this huge reservoir, prompted the expansion of the Bosconia - Coveñas pipeline, due for completion in mid 1997. This became the first project to be undertaken within the new concept of accepting private participation in transport of hydrocarbons under the build, own, operate and transfer - BOOT system.

Transport and Storage:

Ocensa - It is a joint-venture undertaking by Ecopetrol, BP Exploration, Triton, Total, Inter Provincial Pipelines (IPL) and Trans-Canada Pipelines Ltd (TCPL).; it involves construction of an 800 km. pipeline, beginning 200 Kms south-east of Bogotá, joining the Cusiana production field with the exporting port of Coveñas, west of Cartagena.

TCPL and IPL are the project leaders and, after completion, will be the operators. This pipeline, crossing the Andes, will be able to transport 500,000 bpd and its total cost is estimated at US\$2 billion, financed by the joint venture participants: Ecopetrol 25%, TCPL 17.5%, IPL 17.5%, BP 15.2%, Total 15.2% and Triton 9.6%

Four new storage tanks are also under construction at Coveñas, on the Atlantic coast. Each, with an individual capacity of 350,000 barrels and equally financed by Ocensa partners.

Crude oil will be exported from the existing terminal at Coveñas which will be expanded by the addition of another Tanker Loading Unit (TLU), its associated offshore loading line, onshore tankage and pumping system with a production rate of 500,000 bpd.

Refineries:

Expansion in refining capacity is directed to increase productivity to meet national demand and to reduce the need for imports of gasoline. In 1996, investment in the two refineries of Barrancabermeja - 190,000 bpd - and Cartagena - 70,000 bpd - amounted to US\$100 million dollars and plans for future modernization of these two facilities require economic resources of US\$1 billion over the next five years.

Natural Gas Mass Distribution Programme

Colombia has traditionally been a modest user-consumer of natural gas.

Residential use of natural gas only started in 1986 with a gas pipeline between Ballenas (an offshore natural gas field in the Guajira Peninsula) and the cities of Barranquilla and Cartagena on the northern coast. In 1991, natural gas represented only 5% of total energy consumption in Colombia. A government decision to increase energy efficiency has facilitated a national plan for a massive distribution programme for natural gas, including an expansion in this service for household, industrial and commercial use as well as electric generation in the cities of Santafé de Bogotá, Medellín and Cali.

The Chuchupa and Ballenas gas fields, offshore from the Guajira Peninsula, and the recent discoveries of Opón in the middle Magdalena valley and Volcanera located near the Cusiana, Capiagua crude oil fields (Piedemonte), will yield enough natural gas resources to supply the market demand and the implementation of expansion projects.

The "gas massification programme", as it is known locally, is a major component of the Colombian government's energy policy. A priority of this programme is to enhance international private participation in the development and operation of the natural gas infrastructure. Urban/regional distribution networks are in an advanced planning stage and implementation of projects will require economic resources of over US\$3.5 billion over the next 10 years.

Four major pipeline projects, covering most of the country and awarded to private investors under the BOMT (build-operate-maintain-transfer) systems, will help increase the number of user-households from the 600,000 families currently served to 2 million subscribers in the year 2000.

A recently enacted law permits the Colombian government to create a new entity, the Empresa Colombiana de Gas (ECOGAS), a new organization with large private equity participation and oriented to manage and control nationally, the natural gas transport and distribution network system.

This overall programme offers Canadian utilities an opportunity for profitable investment. For equipment, materials and services suppliers it presents significant opportunities for export sales.

V. SECTORAL BACKGROUND AND LEGISLATION

Sectoral History

Oil exploration began in Colombia in 1905 under a concession system by which the government granted exploration and development rights on promising areas to individuals and oil companies and the nation in return received royalties ranging from 3% to 14% of production.

Two major concession contracts were granted in that early period: The Barco concession in the north-eastern part of the country along the Venezuelan border and the De Mares concession in the middle Magdalena valley, lately sold to the Tropical Oil Company, a subsidiary of Standard Oil Co. After a very successful production period, the contract expired in 1951 and the area with its production infrastructure reverted to the Colombian government.

Ecopetrol was then established to assume management and operation of the De Mares concession and to initiate exploration and development programs of its own and, after 1974 also in association with private local and/or foreign operators.

Although Colombia never joined the big league of oil producers, it remained self-sufficient until 1976 when, in absence of new discoveries and increased consumption, it became a net importer.

The discovery of Caño Limon (located in the province of Arauca, on the Venezuelan border) in 1983, prompted the start of a new era in Colombia's oil and gas history. The development of this important field through the Occidental Petroleum-Ecopetrol association contract, permitted Colombia to return to its position of crude oil exporter; this status will be sustained beyond the year 2000 with the development of the Piedemonte discoveries (Cusiana-Cupiagua fields).

Legal / regulatory issues:

The adoption of the 1991 Constitution with its measures to open up the Colombian economy, introduced an era of modernization in the country. For the hydrocarbon sector, this has meant an increase in private sector participation and a gradual dismantling of the public monopoly. In pursuing these objectives, the government has adopted the following measures:

- The creation of three new organizations under the Ministry of Energy and Mines:
a) the Comision de Regulacion Energetica (CREG), a regulatory body overseeing the energy sector development; b) the Unidad de Informacion Minero Energetica (UIME), which will maintain official statistics and information on the energy sector;

and c) a Royalties Fund which receives 20% of overall crude oil production and will serve to finance regional development projects;

- The promotion of hydrocarbon exploration and exploitation through association contracts with private companies. The government is currently studying changes to the terms of the association contracts, to make them more competitive in the international market;
- Privatization of petroleum product distribution under regulations developed by CREG, including the sale of Ecopetrol assets in the distribution sector;
- Introduction of BOMT agreements for private company involvement, especially pipeline development projects (e.g. Cusiana - Coveñas); Ecopetrol will still maintain control over crude oil transportation;

Operating Contracts:

a) Concessions

A concession consisted of a right granted to a company to explore and exploit a certain area and in return the state received a royalty between 5% and 14% of the production plus taxes. Although there are some contracts still in operation under this system, (all will expire before the year 2000), it was suspended for new contracts after 1974 when the government issued Decree 2310.

b) Association Contracts:

Decree 2310 of 1974 gave Ecopetrol the exclusive right to explore and produce all hydrocarbons in Colombia; this can be done directly by Ecopetrol or through association contracts, operation services, or any other arrangement different from a concession. These contracts can be signed with Colombian and/or foreign parties, private and/or public investors.

Characteristics of the Association Contract System:

1. **Parties:** The parties are always Ecopetrol and the "Associate", which consists of one or more private companies.
2. **Contract Area:** The contract area is normally established by mutual agreement between Ecopetrol and the Associate, and taken from the official Ecopetrol land map.

3. **Operator:** The Operator is normally the Associate. However, the parties may designate a third party as operator.

4. **Duration:** The maximum term permitted for Association Contracts is 28 years, as follows:

Exploration: 3 years, extendable for 3 additional years.

Production: 22 years maximum.

5. **Executive Committee:** The Executive Committee, comprised of representatives of the parties, supervises, controls and approves all contractual operations and activities.

6. **Cost Sharing:** All the risks and costs during the exploration phase are assumed by the Associate. Once commercial viability of a discovery is accepted by Ecopetrol, it reimburses the Associate up to 50 percent of all direct exploratory costs, including dry hole expenses. Post-discovery development costs are assumed by Ecopetrol and the Associate in equal shares.

7. **Royalties:** The Operator must deliver to Ecopetrol a royalty amounting to 20% of the area's hydrocarbon production, as recorded by the Ministry of Mines and Energy. The royalty is delivered in kind at the wellhead to Ecopetrol which is required in turn to transfer the equivalent funds to the Government.

8. **Production Sharing:** Oil and/or gas produced during the production phase is generally shared in equal portions between Ecopetrol and the Associate, after deduction of royalties. A rate factor ("R" Factor) for the adjustment of the distribution of production based on revenues, investment, and costs was recently introduced.

The objective of the "R" Factor formula is to improve Ecopetrol's production share in highly productive fields, while maintaining a 50:50 production distribution in less productive fields. In general terms, the "R" Factor consists of a formula in which "R" is the result of an equation in which the accumulated gross revenues are the numerator and certain accumulated costs and expenditures incurred for exploration, developments, and operations are the denominator.

9. **Ownership of Hydrocarbons:** Each party becomes owner of its share of production at wellhead. The Associate can freely dispose of its oil unless the Government requires it for internal needs.

10. **Volume of Production:** The operator is required to determine the Maximum Efficiency Rate (MER) of production for each commercial field and shall periodically submit it to the Executive Committee for approval. This submission

represents the maximum producing rate of oil that can be extracted from the reservoir so as to facilitate maximum final recovery of reserves.

The MER of a Commercial Field is determined by adding the MER of each producing well, calculated on a technical basis.

VI PRIVATE SECTOR CUSTOMERS

There are 65 oil and gas operators in Colombia and 97 exploration and/or production contracts under the so-called association structure are currently active. Many opportunities still exist for Canadian companies, as approximately only one third of the country has been explored.

Under the association contract system Ecopetrol contracts exploration, drilling and production activities to foreign operators in pre-determined zones. The most active oil and gas international operators in Colombia are: BP Exploration, Occidental Petroleum, Texas Petroleum, Exxon, Shell and Mobil Oil. A comprehensive list and details will be found on the next page.

The need to expand transport, storage and distribution facilities to increase crude oil exports and use of natural gas resources, brought about and still offers significant foreign investment opportunities in joint venture operations and in the execution of large projects under any of the new association systems (BOT, BOOT, BOMT, etc.).

New opportunities are mainly in privatization of natural gas distribution utilities in which Ecopetrol has participation i.e the natural gas distribution company in Bogotá - Gas Natural S.A - and in several planned natural gas distribution projects to serve medium size cities and small towns throughout the country.

Leading operators active in Colombia

GAS NATURAL S. A.

Avenida 40 A No. 13-09, Piso 4
Bogotá, Colombia

Tel. (571)338-1199
Fax. (571) 287-2265
Attn. Mr. Mariano Rey, President

Mixed natural gas distribution utility
for Bogotá

B.P. EXPLORATION COMPANY (COLOMBIA) LTD.

Carrera 9A No. 99-02, Piso 9
Santafé de Bogotá, Colombia

Tel. (571) 222-8855
Fax. (571) 618-0672
Attn. Sr. Richard Campbell, President

Leading oil and gas company
operating Cusiana

ARGOSY ENERGY INTERNATIONAL

Carrera 7 No. 71-52, Torre A, P. 12
Bogotá, Colombia

Tel. (571)312-0714/15/16
Fax. (571) 312-0718/35
Attn. Dr. Santiago Gonzalez, General Manager

Associated oil and gas operator.

CANADIAN PETROLEUM COLOMBIA LTD.

P.O. Box 093676
Bogotá, Colombia

Tel (571) 619-5163/64
Fax (571) 620-4876
Attn. Mr. Larry Lindland, General Manager

Associated oil and gas company
operating in Putumayo.

CHEVRON PETROLEUM COMPANY OF COLOMBIA

Calle 78 No. 9-57, Piso 12
Bogotá, Colombia

Tel. (571) 211-1600
Fax. (571) 255-9772
Attn. Dr. José Vicente Rojas, President
Mr. Gildardo Pérez, Exploration Manager

Associated oil and gas operator.

COMPAÑIA SHELL DE COLOMBIA

Carrera 7 No. 73-47
Bogotá, Colombia

Tel. (571) 210-0100
Fax. (571) 211-7590
Attn. Mr. Joaquin Moreno Uribe, President

Associated oil and gas operator;
partner in Caño Limon

ESSO COLOMBIANA LTD.

Carrera 7 No. 36-45
Bogotá, Colombia

Tel. (571) 320-8600
Fax. (571) 287-9347
Attn. Mr. Vicente Diago, President

Associated oil and gas operator;
refined products distributor.

HOCOL

Carrera 7 No. 73-47
Bogotá, Colombia

Tel. (571) 345-7700
Fax. (571) 212-9020

Oil explorer, producer; tied to a
Middle-East oil investment company.

Douglas W. Ellenor, President

PETROLINSON & NOMEKO LATIN AMERICA INC.

Calle 100 No. 8A-49, Of. 705
Torre B- World Trade Center
Bogotá, Colombia

Tel. (571) 226-8285, 226-8326
Fax (571) 226-8756
Attn. Mr. Norman Rowlinson, General Manager

Oil and gas operator, explorer.

LASMO OIL COLOMBIA LTDA.

Calle 72 No. 8-24, Piso 8
Bogotá, Colombia

Tel. (571) 217-1899
Fax. (571) 211-6303
Attn. Mr. Anthony Bryan, General Manager

Associated active explorer.

OCENSA - OLEODUCTO CENTRAL S. A.

Calle 78 No. 11-17
Bogotá, Colombia

Tel. (571) 346-3030/211-6572
Fax. (571) 217-0402
Attn. Mr. Hernán Lara, President

Cusiana-Coveñas pipeline
(IPL, TCPL, Ecopetrol, BP,
Triton and Total).

PETROCOL

Carrera 10 No. 67-51
Bogotá, Colombia

Tel. (571) 235-6639/235-5794/345-3930
Fax (571) 249-8471
Attn. Dr. Antonio Morales, President

Associated oil explorer/operator.

PROENSA - PROYECTOS ENERGETICOS S.A.

Carrera 9 No. 99-02, Torre C, Of. 710
Bogotá, Colombia

Tel. (571) 616-2085/2093
Fax. (571) 620-9321
Attn. Mr. Rafael Hertz, President

Branch office of TCPL in Colombia,
partner/operator of Ocesa and
Transgas de Occidente.

PETROSANTANDER (COLOMBIA) INC.

Calle 78 No. 9-57, Piso 10
Bogotá, Colombia

Tel. (571) 210-1701, 211-8983/18, 210-1771
Fax. (571) 211-8859
Attn. Mr. Ian Gollop, Manager

Associated oil and gas operator.

OCCIDENTAL DE COLOMBIA, INC.

Calle 77A No. 11-32
Bogotá, Colombia

Tel. (571) 346-0111
Fax. (571) 217-0704
Attn. Mr. Stephen Newton, President.

Main oil and gas operator; partner
in Caño Limón production facility.

TEXAS PETROLEUM COMPANY

Calle 100 No. 7A-81
Bogotá, Colombia

Tel. (571) 610-7366\261-2077\257-8420
Fax. (571) 218-9568
Attn. Mr. Kenneth Knaltz, President
Mr. Robert Galbraith, General Manager

Main natural gas operator; partner
in Ballenas, Chuchupa offshore
natural gas facility. Refined products
retailer.

TOTAL EXPLORATIE EN PRODUKTIE

Calle 72 No. 10-03, piso 8
Bogotá, Colombia

Tel. (571) 345-1055, 210-2423
Fax (571) 235-8453, 210-2410
Attn. Mr. Roland Festor, General Manager
Mr. Javier Barrientos, Exploration Coordinator

Associated oil and gas operator.

TRITON COLOMBIA INC.
Carrera 9 No. 99-02, Of. 407
Bogotá, Colombia

Tel. (571) 618-2411
Fax (571) 618-2553
Attn. Mr. Ivan Fajardo, General Manager

Associated oil and gas operator,
partner in Cusiana and Ocesa.

CENTRA-GAS
Calle 93B No. 12-28, Of. 207
Bogotá, Colombia

Tel. (571) 621-6930, 621-6861, 621-6894
Fax (571) 621-6909
Attn. Mr. Louis May, General Manager

Private distributor of bottled propane
gas operating in Bogotá.

TRANSGAS DE OCCIDENTE
Calle 114 No. 9-45, Torre B, Of. 1105
Bogotá, Colombia

Tel. (571) 629-3737
Fax (571) 629-3470
Attn. Mr. John O'Beirne, President

Gas pipeline joint venture
led by TCPL.

PROMIGAS S. A.
Calle 66 No. 67-123
Barranquilla, Colombia

Tel. (575) 440-511, 442-005
Fax (575) 441-421
Attn. Mr. Antonio Martínez - Aparicio, President

Leading natural gas transmission/
distribution company operating in
northern Colombia.

HARKEN DE COLOMBIA LTD.
Carrera 6 No. 115-65, Of. 514 F
Bogotá, Colombia

Tel. (571) 214-3444
Fax (571) 619-2676
Attn. Guillermo Sánchez, President

Associated oil and gas operator.

HERITAGE COLOMBIA

Carrera 9 No. 80-15, Of. 703, Edificio El Nogal
Bogotá, Colombia

Tel. (571) 255-9087, 255-9041, 255-9248
Fax (571) 255-7676
Attn. Mr. Alberto Velásquez, General Manager

Associated oil and gas operator.

INTERNATIONAL POLARIS ENERGY CORP.

Calle 100 No. 14-63, Of. 401
Bogotá, Colombia

Tel. (571) 218-5995, 257-3887
Fax (571) 218-5518
Attn. Mr. Luis Gomez, President

Associated oil and gas operator.

KELT COLOMBIA S. A.

Calle 71A No. 5-30, Pisos 4 - 6
Bogotá, Colombia

Tel. (571) 255-1211, 255-1700, 217-1900
Fax (571) 255-1266
Attn. Mr. Daniel Kadjar, General Manager

Associated oil and gas operator.

VII PUBLIC SECTOR CUSTOMERS

Ecopetrol

Empresa Colombiana de Petroleos-(**Ecopetrol**), was established on January 9, 1951 as a state-owned corporation to assume management and operation of the De Mares concession - one of the two first crude oil exploration and production operations established in Colombia and located in the Middle Magdalena Valley - and to initiate exploration and development programs of its own and, after 1974 also in association with private local and/or foreign operators.

The company's administration and management is controlled by the President and a four-member Board of Directors, appointed by the Colombian government and chaired by the Minister of Mines and Energy

Operations are divided among ten districts or operation centres with their own organization and a certain degree of autonomy:

1. Distrito Bogota :

EMPRESA COLOMBIANA DE PETROLEOS-ECOPETROL

Carrera 13 No.36-24
Bogotá, Colombia

Tel. (571) 234-4000

Fax (571) 234-4099

Contacts: 1) Mr. Antonio José Urdinola, President

2) Mr. Ismael Enrique Arenas, VP Operations

3) Mr. Victor Perez, VP Exploration and Production

Company's headquarters looking after corporate planning and administration.

2. Ecopetrol - Complejo Industrial Barrancabermeja Barrancabermeja, Colombia

Tel. (5776) 208 600

Fax (5776) 228 815

Contact: Mr. Pedro Rizo, Manager.

Petrochemical complex and largest refinery (190.000 bpd).

3. Ecopetrol - Distrito Centro-Oriente
El Centro, Santander, Colombia

Tel. (5776) 224 777
Fax (5776) 223 308
Contact: Mr. Lisimaco Martinez, Manager.

Largest Ecopetrol production district located 15 kms from the Barrancabermeja refinery.

4. Ecopetrol - Distrito Caño Limon - Coveñas
Carrera 7 No.37-69 Piso 8
Bogotá, Colombia

Tel. (571) 320 1592
Fax (571) 320 1566
Contact: Mr. Robinson Pedroza, Manager.

It operates a 700 Km, 200,000 barrels/day pipeline; near the Venezuelan border, it has traditionally been the main target of guerilla attacks.

5. Ecopetrol - Superintendencia de Operaciones Apiay
Km 32 via Puerto López
Villavicencio, Colombia

Tel. (5786) 634 066
Fax (5786) 632 571
Contact: Mr. Alexis Mesa, Manager.

Production-processing district in the foothills of the Andes, 100 Kms East from Bogotá.

6. Ecopetrol - Instituto Colombiano del Petroleo-ICP
Autopista Bucaramanga-Piedecusta Km 7
Piedecusta, Santander, Colombia

Tel. (5776) 551 001
Fax (5776) 445 444
Contact: Ing. Jaime Cadavid C., Manager

Ecopetrol's research, development and training facility.

7. Ecopetrol - Distrito Sur
Orito (Putumayo), Colombia

Tel. (5788) 392 081
Fax (5788) 392 080
Contact: Mr. Gustavo Ortiz, Manager.

Production facility in the region of Putumayo in South-western Colombia.

8. Ecopetrol - Distrito Alto Magdalena
Km 17 via Neiva-Bogotá
Neiva, Colombia

Tel. (5788) 743 666
Fax (5788) 746 585
Contact: Mr. Alvaro Rocha, Manager.

Production facility in Southern Colombia.

9. Ecopetrol - Refineria de Cartagena

Mamonal, Cartagena, Colombia

Tel. (575) 668 5400
Fax (575) 668 5703
Contact: Mr. José Luis Saavedra, Manager.

A 70,000 bpd refinery serving requirements in the northern part of the country.

10. Ecopetrol - Distrito de Oleoductos
Carrera 7 No.37-69
Bogotá, Colombia

Tel. (571) 320 0777 Ext. 211
Fax (571) 288 6070
Contact: Mr. Mario Gonzalez, Manager

It looks after an over 10,000 Km pipeline network for crude oil, gas and finished products transportation.

VIII MARKET ACCESS

Import Regulations

Colombia is implementing "Apertura Economica," a liberalization policy to open up and modernize the economy, facilitate imports of goods and services, and increase competitiveness through freer markets. Import tariffs which were substantial, have been significantly reduced and most prior import licensing requirements have been eliminated.

Creation of the Colombian Import-Export Bank (Bancoldex) and of a new Ministry of Foreign Trade have supported "apertura" and improved trade.

In December 1991, the Presidents of the Andean Common Market countries (Bolivia, Colombia, Ecuador, Peru, and Venezuela) decided to boost regional trade by adopting common external tariff schedules of 5%, 10%, 15% and 20%. At the same time **import duties** were eliminated for products traded within the Andean Region countries. Colombia and Venezuela took the lead and started to implement the agreement in February 1992.

Most imports into, and sales in, Colombia are subject to a 16% sales tax (value-added tax).

All imports require a registration with DIAN - Departamento de Impuestos y Aduanas (Department of Taxation and Customs) - for payment of custom duties and taxes as well as for statistical information purposes.

Local standards, certifications and registrations

Local standards and specifications are, in general, the same used internationally by developed nations i.e. ISO, UL, IEC, IEEE, CSA, GIS or similar.

For certain commodities and, in order to expedite customs clearance at the port of entry, the government established an "in factory prior to shipment" inspection system certified by well-known inspection companies. It is advisable to verify if this prior certification is needed, as it has been established only for certain items of the customs classification code.

Packaging and labelling:

Packaging and labelling are regulated by ISO 9000 requirements, which include information on shipper, consignee, size, weight, transport and port of entry.

Regulations for Canadians entering and working in Colombia:

Immigration in Colombia is regulated by Decree 2268 of 1995. (See section X for addresses of Colombian Consulates in Canada).

Following are the types of visas issued to enter in Colombia:

1. Visitors permit : Granted at the port of entry for up to a 90 days visit.
2. Service Visa: Granted to foreign personnel coming under international agreements for technical or scientific cooperation or assistance programs.
3. Business visa : Issued to businessmen, industrialists and executives; it is normally granted for a three year term.
4. Resident visa : Granted to foreigners wishing to live and/or work permanently in Colombia.
5. Temporary Visa : Granted to professionals, technicians and specialized workers hired by public or private organizations; it is normally granted for two years.

Security Situation and risk assessment:

Colombia is a country of contrasts: it has a very favourable investment climate, a solid economy and continued economic growth. Colombia along with Chile, is the only country in South America with an investment grade rating from international rating agencies. Consequently, Colombia attracts significant foreign investment; its people in general are warm, friendly and hard working and yet, there are security risks, particularly in remote rural areas and therefore, companies working in Colombia should seek advice on measures that should be taken.

Careful and effective security measures are warranted for Canadians establishing residence or business in Colombia by taking precautions in daily activities, seeking advice in selecting safe-living accommodations and office facilities. Several reliable security agencies offer a range of advisory and protection services. Companies considering establishing a physical presence in Colombia are advised to consult with the Canadian Embassy, as well as with Canadian firms which have offices and staff in this country.

IX DISTRIBUTION AND BUSINESS PRACTICES

Public contracting:

Government entities are subject to Law 80 of October 28, 1993 which governs purchases and contracts by official state enterprises . As a general rule, all individuals and legal entities that wish to execute contracts with government agencies in Colombia have to register at the Colombian Chamber of Commerce of the jurisdiction in which they will be working; they will be classified and rated in accordance with the mentioned law.

When foreign individuals not domiciled in Colombia or foreign private legal entities without a branch established in Colombia seek to present bids or execute contracts with governmental organizations , they have to provide a copy of their legal incorporation documents from the country in which their main office is located. Additionally, they must appoint an agent or legal representative domiciled in Colombia.

Colombian bidders have preferential consideration. Under equal conditions for contracting, an offer of goods and services of domestic origin will be preferred. When foreign bids are entered under equal conditions, preference will be given to the ones that incorporate the larger local content, better terms for transfer of technology or domestic employment.

Private firms are free to acquire equipment from the most convenient sources. Price, quality, financing terms and the assurance of good after-sales service are key factors in purchasing decisions.

Local Registration:

When dealing with Ecopetrol, it is mandatory that the supplier of equipment and/or services be registered in Ecopetrol's supplier's or contractor's registration index. This is a pre-qualification requirement that must be completed through a local agent, representative or joint-venture associate and adequate time should be allowed for this procedure.

Foreign Investment

Colombian investment law is designed to encourage foreign investment and repatriation of profits, with minimal governmental approval requirements.

Colombia boasts an open investment climate with a modern and competitive foreign investment framework established to attract foreign capital. The three fundamental principles of the legislation are:

- ▶ **Equality:** foreign investment in Colombia receives the same treatment as investment by Colombian investors.

▶ **Universality:** foreign investment is allowed in all economic sectors apart from the following exceptions: national defense and security; the processing and disposal of toxic or radioactive waste not produced in the country; the business of buying, selling or renting of real estate; and real estate backed securities.

▶ **Automatic authorization:** foreign investors need no prior authorization to invest except in the following cases:

a) by the National Department of Planning for the provision of public services, excluding cellular phone service; the processing of toxic waste produced in the country; mining projects with investment over \$100 million; projects requiring coverage by entities providing investment protection, guarantees or insurance derived from international agreements.

b) by the Superintendent of Banks for any investment whose object is the acquisition of 10 percent or more of the share of any financial institution; investments destined for the creation of a financial institution; foreign investment funds in cases where the expectation is to obtain more than five percent of the voting shares of a financial institution.

c) by the National Stock Exchange Superintendent for portfolio investments in institutional funds; and,

d) by the Ministry of Mines and Energy for investment projects in exploration and development of oil and natural gas; the total or partial transfer of titles of oil and gas projects; hydrocarbon refining, transportation and distribution; projects developed for the exploration development and processing of minerals.

Taxation

Foreign investors are permitted to repatriate up to 100% of their profits after deducting 30% as income tax and 7% as remittance tax on net proceeds.

Joint Ventures/Licensing:

Joint ventures and licensing agreements have been in effect in Colombia for many years as important tools for transferring technology. Legislation in Colombia has been changed to permit these types of association, so as to encourage and promote foreign investment and the protection of intellectual property rights.

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.

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.

Selected list of agents and mini-profiles

ADEACERO LTDA.

Carrera 44 No. 20-72
Bogotá, Colombia

Tel. (571) 244-8116/368-0068
Fax (571) 269-5592
Attn. Mr. Alejandro Enciso, Manager

Designer - manufacturer of industrial equipment, metallic structures, storage tanks.

ANALITICA INTERNATIONAL LTDA.

Avenida 15 No. 1224-03, ofic. 303
Bogotá, Colombia

Tel. (571) 213-8737
Fax (571) 215-3477
Attn. Mr. Pablo Pinzón, Manager

Importer/distributor of instrumentation, measuring and metering equipment.

ASERVIN LTDA.

Transversal 29 No. 118-08
Bogotá, Colombia

Tel. (571) 612-297
Fax (571) 620-0008
Attn. Hugo Trivin, Manager

Long time established petroleum equipment agent/distributor; it currently represents Fisher, Foster Valve Corp. Teledyne, Cooper, Peerless, LFM, and Groth Corp.

ATLAS INGENIERIA LTDA.

Calle 71 No. 10-48, piso 5
Bogotá, Colombia

Tel. (571) 211-7024
Fax (571) 21-0015
Attn. Mr. Ricardo Galindo, Manager

Engineering company offering consulting, land surveying and geographic information services.

CIENYTEC LTDA.

Calle 69 No. 11A-18
Bogotá, Colombia

Tel. (571) 249-0491
Fax (571) 217-0178
Attn. Mr. Alberto Ospina, President

Agent/representative of laboratory, testing, instrumentation equipment and control systems.

CONSULTORIA COLOMBIANA S. A.

Carrera 20 No. 37-28
Bogotá, Colombia

Tel. (571) 287-5300
Fax (571) 288-1129
Attn. Mr. Henry Sánchez A., Manager

Consulting engineering and construction management company in following areas: pipelines and pumping stations, environmental services, roads and transport and electric power.

DISNAEQUIPOS S. A.

Carrera 13A No. 97-82, ofic. 403
Bogotá, Colombia

Tel. (571) 616-8811
Fax (571) 616-7180
Attn. Mr. Gerardo Lizcano, President

Importer/distributor of industrial equipment and materials; maintenance and operation of crude oil production fields, pipelines and pumping stations.

DISTRAL S. A.

Carrera 9 NO. 74-62
Bogotá, Colombia

Tel. (571) 217-0200
Fax (571) 211-3100
Attn. Mr. Rafael Torres, Vice-president

Large metal-mechanical designer, manufacturer and supplier of crude oil processing and transportation equipment, steam boilers, turbines and electric power generators.

EQUIPETROL LTDA.

Calle 100 No. 41-40, Of. 401
Bogotá, Colombia

Tel. (571) 271-7074
Fax (571) 613-9223
Attn. Mr. Rafael Mateus, Manager

Long time established consulting and engineering company; agent, distributor and supplier of petroleum equipment and materials; pumps, valves and laboratory equipment.

EQUIPOS Y CONTROLES INDUSTRIALES LTDA.

Carrera 18 No. 38-41
Bogotá, Colombia

Tel. (571) 288-6766
Fax (571) 288-4838
Attn. Guillermo Castillo, Manager

Local agent/distributor of instrumentation and control equipment for the oil and gas industry. It represents The Foxboro Co., Masoneilan Control Valve, Airway, TN Technologies, Modicon, US Data, Asco and Mitutoyo.

FERRETERIA INDUSTRIAL LTDA.

Carrera 25 No. 17-64
Bogotá, Colombia

Tel. (571) 201-0555
Fax (571) 237-7157
Attn. Mr. Héctor Betancur, Manager

Importer/distributor of pneumatic and hydraulic equipment and tools. It has offices and show rooms in main Colombian cities i.e: Cali, Medellin, Barranquilla.

GENERAL FIRE CONTROL LTDA.

Carrera 64 No. 24-81
Bogotá, Colombia

Tel. (571) 262-9710
Fax (571) 260-1219
Attn. Mr. José María Serrano, Manager

Local agent/distributor of fire fighting equipment and materials, gas detection systems.

MONTECZ LTDA.-MONTAJES TECNICOS LTDA.

Carrera 40 No. 75-49
Bogotá, Colombia
Tel. (571) 225-5891
Fax (571) 225-8031
Attn. Pedro Zambrano, Manager

Electro-mechanical, erection/manufacturing company active in the oil and gas sector. It supplies equipment, materials and services for construction of pipelines, crude oil production and gathering systems and petro-chemical plants.

NEPOMUCENO CARTAGENA G. E HIJOS

Carrera 30 No. 14-12
Bogotá, Colombia

Tel. (571) 360-9000
Fax (571) 371-2916
Attn. Mr. Francisco Cartagena, President

Long time established importer/distributor of industrial tools and machinery, oil drilling and production equipment and transportation systems.

PETROLCARBON EQUIPMENT DIVISION LTDA.

Calle 78 No. 9-57, Of. 705
Bogotá, Colombia
Tel. (571) 255-4530
Fax (571) 217-0591
Attn. Luis A. Vargas, President

Oil and gas consulting and engineering company. It represents Legrand Industries, Phillips Cable, Willowglen Systems, Bercha Consultants, Versatech and Quinn Pumps.

PETROLEROS ASOCIADOS S. A.

Calle 43 No. 55B-07, Bogotá
Tel. (571) 221-7181
Fax (571) 221-5927
Attn. Jorge Lombana, Manager

It provides technical services to the oil industry including drilling equipment and supplies, pumping equipment and construction of storage facilities.

PETROTALENT LTDA.

Avenida 7 No. 121-20, ofic. 103
Bogotá, Colombia

Tel. (571) 213-0640
Fax (571) 213-0697
Attn. Mr. Raúl González, President

Consulting, engineering and service company; it offers construction of crude oil production and pipeline facilities.

PETROTESTING COLOMBIA S. A.

Calle 23A No. 27-18
Bogotá, Colombia

Tel. (571) 244-1096
Fax (571) 268-7996
Attn. Mr. Frank Kanayet, President

Local service company offering exploration and production laboratory services, design and engineering of processing facilities, supplier of crude oil equipment and services.

SERPETCO SERVICES S. A.

Apartado Aéreo 90897
Bogotá, Colombia

Tel. (571) 415-8076
Fax (571) 415-4411
Attn. Jim Stuckey, President

Importer, distributor and supplier of tubes, pipes, fittings, equipment and materials for the oil and gas sector. Representative of Balon Valves.

WALTER ROTH LISBERGER & CO. LTDA.

Calle 26 No. 13A -37
Bogotá, Colombia

Tel. (571) 283-6200
Fax. (571) 282-2872
Attn. Mr. Jorge Rothlisberger, President

Importer/distributor of measurement, controlling engineering, mining and laboratory equipment. It has a sales infrastructure and facilities in most major Colombian cities.

X. KEY CONTACTS AND SUPPORT SERVICES

Government and Associations

Department of Foreign Affairs and International Trade South America and Inter-American Division

125 Sussex Drive
Ottawa, Ontario K1A 0G2
Tel. (613) 995-7529
Fax (613) 943-8806
Att. Patricia Filteau, Colombia Desk

Canadian Embassy in Colombia

Embajada del Canada

División Comercial
Calle 76 No. 11-52
Apartado Aéreo No.53531
Bogotá, Colombia
Tel. (571) 313-1355
Fax (571) 313-3046
E-mail : bgota@bgota01.x400.gc.ca

Colombian Embassy and Consulates in Canada

Embassy of Colombia
360 Albert St., Suite 1002
Ottawa, Ontario K1R 7X7
Tel. (613) 230-3760
Fax (613) 230-4416

Proexport - Colombian Government Trade Bureau - Toronto

One First Canada Place-Suite 5801
Toronto, ON M5X 1E2
Tel (416) 363-9225
Fax (416) 363-0808
Contact: Ms.Maria Claudia Rodriguez, Director.

Consulate of Colombia - Montreal

1010 Sherbrooke Ouest, Suite 420
Montreal, Quebec H3A 2R7
Tel (514) 849-4852
Fax (514) 849-4324

Consulate of Colombia - Toronto
One Dundas St. West, Suite 2108
Toronto, Ontario M5G 1Z3
Tel. (416) 997-0098
Fax (416) 977-1025

Consulate of Colombia - Vancouver
Suite 890 - 789 West Pender St.
Vancouver, B. C. V6C 1H2
Tel. (604) 685-6435
Fax (604) 685-6485.

Colombian Government Agencies:

Ministerio de Minas y Energia, Dirección de Hidrocarburos
Centro Administrativo Nacional-CAN
Bogotá, Colombia
Tel. (571) 222-4555
Fax (571) 222-2001

Comisión de Regulación Energética-CREG (Energy Regulatory Commission)
Carrera 11 No.84-51 P 5
Bogotá, Colombia
Tel. (571) 611-5000
Fax (571) 611-5427

Departamento Nacional de Planeación (National Planning Board)
Calle 26 No. 13-19
Bogotá, Colombia
Tel. (571) 231-1600
Fax (571) 281-3348

Instituto Colombiano de Comercio Exterior - INCOMEX (Foreign Trade Institute)
Calle 28 No. 13A-15
Bogotá, Colombia
Tel. (571) 281-2200
Fax (571) 281-2560

Dirección de Impuestos y Aduanas Nacionales-DIAN (Internal Revenue and Customs)
Carrera 7 No.6-45 Piso 6
Bogotá, Colombia
Tel. (571) 284-3400
Fax (571) 286-5789

Departamento Administrativo Nacional de Estadística-DANE (Bureau of Statistics)
Avenida Eldorado-CAN
Bogotá, Colombia
Tel. (571) 222-1000
Fax (571) 222-2305

Associations:

Federación Nacional de Comerciantes (National Merchants Association)
Carrera 4 No. 19-85, P. 7
Bogotá, Colombia
Tel. (571) 286-0600
Fax (571) 282-7573

Asociación Nacional de Industriales - ANDI (National Manufacturers Association)
Carrera 13 No. 26-45, P. 5-6
Bogotá, Colombia
Tel. (571) 281-0600
Fax (571) 281-3188

Asociación Colombiana del Petróleo (Association of Crude oil Producers)
Calle 86 No.20-21 Of.401
Bogotá, Colombia
Tel. (571) 616-8334
Fax (571) 616-8390

Asociación Colombiana de Gas- ACOGAS (Gas Producers/distributors Association)
Carrera 21 No.41-26
Bogotá, Colombia
Tel. (571) 245-4171
Fax (571) 245-3272

Cámara Colombiana de Servicios Petroleros - CAMPETROL
Carrera 13A No.104-09
Bogotá, Colombia
Tel. (571) 214-8920
Fax (571) 214-8681

Asociación Colombiana de Ingenieros de Petróleos-ACIPET
Carrera 35 No.106-69
Bogotá, Colombia
Tel. (571) 218-9585
Fax (571) 610-6552

Chambers of Commerce:

Cámara de Comercio de Bogotá
Carrera 9 # 16-21
Bogota, Colombia
Tel. (571) 284- 8268
Fax (571) 284-8506
Attn. Guillermo Fernández de Soto, Director

Cámara de Comercio de Cali
Calle 8 # 3-14, piso 4, Cali, Colombia
Tel.(572) 882-3271, Fax (572) 889-9292
Attn.: Gladys Bermúdez, Coordinadora Promoción Comercial

Cámara de Comercio de Cartagena
Apartado 16
Cartagena, Colombia
Tel. (575) 660-0763
Fax (575) 660-0802
Attn. Augusto Martínez, Director Ejecutivo

Cámara de Comercio de Barranquilla
Calle 40 # 44-39
Barranquilla, Colombia
Tel. (573) 341-5055
Fax (573) 368-2270
Attn. Enrique Berrio, Presidente Ejecutivo

Cámara de Comercio de Medellín
Carrera 46 # 52-82, Piso 5
Medellin, Colombia
Tel. (574) 511- 6111
Fax (574) 512-4475
Attn. Francisco Piedrahita, Director Ejecutivo

Commercial Contacts, Banks, Lawyers

The following commercial contacts have been used by some Canadian companies and are generally known to the Embassy; however, are not specifically endorsed by the Embassy.

Translators / Interpreters:

María Mercedes Calderón
Bogotá, Colombia
Tel / Fax (571) 214-1592

Luisa Rozo
Bogotá, Colombia
Tel. (571) 615-3284

Stella Monsalve
Cali, Colombia
Tel./ Fax (572) 883-2647

Carlos E. Gil
Medellin, Colombia
Tel. (574) 421-5040

Vivien de Visbal
Barranquilla, Colombia
Tel. ((573) 555-5085

Market research firms:

Alianzas Internacionales Ltda.
Carrera 7 No.37-25,Of. 502
Bogota, Colombia
Tel. (571) 232-7413
Fax (571) 287-6616
Att. Camilo Peñalosa, President

A. C. Nielsen de Colombia S. A.
Calle 80 No. 5-81
Bogotá, Colombia
Tel. (571) 211-9100
Fax (571) 211-8894

Interamerican Research
Calle 58B No. 18-27
Bogotá, Colombia
Tel. (571) 345-8030
Fax (571) 255-2816

Centro Nacional de Consultoría
Diagonal 34 No. 5-27
Bogotá, Colombia
Tel. (571) 288-3100
Fax (571) 287-2670

Credit reports:

Byington Información Empresarial S. A. (representative Dun & Bradstreet of N.Y.)
Carrera 7A No. 69-99
Bogotá, Colombia
Tel. (571) 310-0200
Fax (571) 217-9483

Price Waterhouse
Calle 100 No. 11A-35, P. 5
Bogotá, Colombia
Tel. (571) 610-0155
Fax (571) 218-8544

Arthur Andersen y Cia. Colombia
Carrera 7 No. 74-09, P. 3
Bogotá, Colombia
Tel. (571) 346-0200
Fax (571) 217-8088

Local Banks with Canadian connections:

Banco Unión Colombiano (formerly, the Royal Bank of Canada)

Carrera 7 No. 71-52, P. 2

Bogotá, Colombia

Tel. (571) 312-0411

Fax (571) 312-0843

Contact: Mr. Fernando Suescún, President

Banco Ganadero (Cattle-Ranchers' Bank), (the largest commercial bank)

Carrera 9 No. 72-21

Bogotá, Colombia

Tel. (571) 347-1600

Fax (571) 235-1248

Contact: Don José María Ayala, President

Banco de Crédito

Calle 27 No. 6-48

Bogotá, Colombia

Tel. (571) 286-8400

Fax (571) 286-7236

Contact: Mr. Luis Fernando Mesa, President

Banco Anglo Colombiano (Associated with Lloyds Bank PLC)

Carrera 8 No. 15-46

Bogotá, Colombia

Tel. (571) 334-5088

Fax (571) 341-9433

Contact: Mr. David Hutchinson, President.

Bancafé (Coffee Growers Bank)

Calle 28 No. 13A-15

Bogotá, Colombia

Tel. (571) 341-1511

Fax (571) 284-0041

Contact: Mr. Gilberto Gómez, President.

Banco de Bogotá

Calle 36 No. 7-47

Bogotá, Colombia

Tel. (571) 288-1188

Fax (571) 338-3302

Contact: Mr. Alejandro Figueroa, President.

Banco de Colombia
Calle 30A No. 6-38
Bogotá, Colombia
Tel. (571) 338-1300
Fax (571) 285-2016
Contact: Mr. Federico Rengifo, President.

Banco de Occidente
Carrera 13 No. 27-47
Bogotá, Colombia
Tel. (571) 336-3300
Fax (571) 288-6081
Contact: Mr. Efraín Otero, President

Banco Comercial Antioqueño
Carrera 10 No. 28-49
Bogotá, Colombia
Tel. (571) 284-3100
Fax (571) 243-5753
Contact: Mr. Gabriel Jaramillo, President

Legal Advisors:

Cárdenas y Cárdenas Abogados
Carrera 7 N° 74-21, Piso 7
Bogotá, Colombia
Tels. (571) 212-5300 and 211-9361
Fax (571) 211-4384
Attn. Darío Cárdenas y Eduardo Cárdenas

José Lloreda Camacho & Co.
Calle 72 N° 5-83
Bogotá, Colombia
Tel. (571) 217-0400
Fax (571) 212-6426 and 235-8846
Attn. José Antonio Lloreda

Raisbeck, Lara, Rodriguez, Rueda & Gonzalez
Calle 35 N° 7-25, Piso 4, Bogotá, Colombia°
Tel. (571) 285-1400, Fax (571) 285-6908
Attn. Jorge Lara Urbaneja

Sanclemente, Fernandez & Hernandez Abogados S. A.
Carrera 9 N° 69-70
Bogota, Colombia
Tels. (571) 235-1934, 235-1946, 235-1776
Fax (571) 255-9372
Attn. Antonio Sanclemente

Figueroa Sierra & Asociados
World Trade Center, Torre B
Calle 100 N° 8A-49
Bogota Colombia
Tels. (571) 226-9090 and 226-9094
Fax (571) 226-9018
Attn. Augusto Figueroa Sierra

Paredes Mansfield & Cia..
Carrera 5 N° 76-34, Piso 2
Bogota, Colombia°
Tels. (571) 212-2120, 212-4465, 212-7417
Fax 211-7245
Attn. Luis Ricardo Paredes Mansfield

Kaplan, Russin, Vecchi & Perenzin Ltda.
Carrera 7 N° 17-51, Ofina 709
Bogota, Colombia
Tels. (571) 242-1811, 243-7067/68, 281-9875
Fax (571) 281-9698
Attn. Alfredo Del Castillo

Vernot Abogados
Calle 93B N° 12-48, Of. 204
Bogota, Colombia
Tel. (571) 222-8292
Fax (571) 222-8209
Attn. Alexandre Vernot

XI. PROMOTIONAL VENUES

Local trade shows

Bogota International Fair - The largest horizontal fair in Colombia, held every two years in July. An independent Canadian stand offers space for 25 companies. Some 320,000 visitors from Colombia and a few thousand from neighbouring countries attend this show. Over 32 countries are present with products from North America, Europe, Asia and Latin America. There were 2,700 exhibitors in 1996. Next event will take place in July, 1998

VII Congreso Colombiano del Petróleo
(Technical Congress and Equipment Exhibition)
Bogotá, Colombia / October 14 - 17, 1997

Expopetróleo ' 97 / Oil and gas equipment and services exhibition
Bogotá, Colombia / November 19 - 21, 1997

International shows

Offshore Technology Conference - OTC
Houston, Texas / May 1997

National Petroleum Show- NPS
Calgary, Alberta / June 1998

Local Publications

El Tiempo
Avenida ElDorado No. 59-70
Bogotá, Colombia
Tel. (571)294-0100
Fax (571) 410-5088

The largest daily newspaper in Colombia with 257,000 copies during the week and 475,000 on Sundays.

El Espectador
Avenida (Cra. 68) No. 23-71
Bogotá, Colombia
Tel. (571) 294-5555
Fax (571) 290-6060

The second largest national daily; publishes specialized supplements

Revista Semana
Calle 93B No. 13-47
Bogotá, Colombia
Tel. (571) 622-2277
Fax (571) 621-0475



The largest and most successful weekly magazine in Colombia with current political, economic, social, industrial, and consumer articles. Prints 151,000 copies distributed in Colombia, Venezuela and the U.S. Advertising rate is approx. C \$550 per page. Subscriptions are 82% of total sales.

Directorio Petrolero de Colombia:

Issued annually by the Colombian Oil Information Agency- COLSA.

Carta Petrolera:

Bi-monthly publication of state oil agency Ecopetrol.

Revista ACOGAS :

Bi-monthly publication of Asociación Colombiana de Gas.

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