



Natural wealth: Colombia's agricultural potential

OPENING UP EUROPE – PROMOTING SUSTAINABLE ECONOMIC DEVELOPMENT



For a long time, Colombia was mainly known for its coffee and bananas. Preferred trading partners were the Caribbean and the USA. After almost fifty years of armed conflict in the country, Colombia is now in the process of developing its full potential as an export nation. Colombia's climatic conditions and topography are the basis for its great natural wealth, which is reflected in the diversity of its agricultural products. Among them are many exotic products that are in high demand in Europe. The development of new sales markets and direct trade offer great opportunities, especially for remote and largely agricultural regions.

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OVERVIEW: SECTORS

+ Fresh fruit & vegetables

(exotic fruits such as avocados, mangoes, pineapples, limes, bananas, passion fruits, physalis and fresh herbs etc.)

+ Natural ingredients for food, cosmetics and pharmaceuticals

(processed fruits and vegetables, such as frozen and freeze-dried fruits, spices, including special chilli varieties, fatty and essential oils, extracts, panela, tea)

+ Cut flowers

(hydrangeas, chrysanthemums, gypsophila, cut foliage, etc.)

+ Sustainable wood products

(edge-glued teak and acacia panels, table tops, products made of bamboo, prefabricated furniture parts)



ENGAGEMENT OF IPD IN COLOMBIA

The Import Promotion Desk (IPD) has been active in Colombia since 2015. It supports producers of natural ingredients, fresh fruit & vegetables, cut flowers and sustainable wood products and accompanies them on their way to the European market.

Due to its different climatic zones, Colombia offers a high level of biodiversity and a wealth of raw materials and varieties. The free trade agreement with the EU in 2013 and the peace agreement between the Colombian government and the FARC guerrillas in 2016 have set the course for positive development of the country and its foreign trade.

The agricultural sector is of central importance for Colombia's gross domestic product. At the same time, agriculture is of great significance for employment, especially in rural areas. IPD is particularly involved in structurally weak regions and in high-employment sectors, such as fresh fruit & vegetables, cut flowers and natural ingredients. It is there that many women also find an opportunity to generate income, for instance in processing and packaging plants. The IPD's aim is to work with small and medium-sized enterprises (SMEs) in Colombia to make use of the country's great potential, open up Europe as a new sales market and promote sustainable economic development – especially in the remote regions.



CHALLENGE: LACK OF INFRASTRUCTURE AND MARKET KNOWLEDGE

Although Colombia is well connected to world trade through modern seaports and container terminals on the Caribbean and Pacific coasts, infrastructure and economic development in rural areas have suffered greatly due to the country's long-standing armed conflict. In many places, production was severely limited and exports concentrated on bananas, coffee, cocoa and sugar. Many companies and brands now have to re-establish themselves on the market and convince consumers of products "Made in Colombia".

At the same time, many exporters lack knowledge about the target markets and their requirements, such as quality standards, EU regulations and certifications. With the support of IPD, the SMEs in the IPD programme work on their export strategy, on developing products for the European market and obtaining the necessary certifications, such as GLOBALG.A.P and HACCP as well as more complex food safety standards, like BRC and ISO22000. Currently, organic certification still plays a minor role in Colombia, but the number of companies that want to seize this opportunity for adding value is increasing.

Another challenge for producers is the lack of direct access to international markets. A large proportion of exports are still done through intermediaries. IPD enables small and medium-sized enterprises to export for themselves rather than through brokers. Among other things, IPD arranges personal contacts with European traders at trade fairs. In doing so, it enables producers to exploit their full value-adding potential.



Natalia Moranth Zuluaga
International
Commercial Director
Montana Fruits

»Thanks to IPD we have learned a lot about the European market. In addition to GLOBALG.A.P., we are now GRASP and SMETA certified, showing our social commitment. At the Fruit Logistica we were able to gain new trading partners. We are growing: we have invested in a new packaging plant and new staff.«



OPPORTUNITIES: BIODIVERSITY AND HIGH DEMAND FOR TROPICAL PRODUCTS

There is a high demand for exotic products on the European market. IPD selects suitable exporters with an exciting product range and accompanies them on their final steps to the European market.

Due to the climate conditions, numerous products can be grown in Colombia. The diversity is particularly evident in their range of fresh and processed fruit & vegetables. Due to the different climate zones in the country, the seasonal availability of many fruits is unusually long. This means that Colombia can ensure the supply of exotic fruits for many months.

Colombia also offers excellent climatic conditions for growing flowers. As a country of origin for cut flowers – apart from carnations – Colombia is still little known in Europe. But here, too, the diverse range and good quality are convincing.

Colombia also produces high-quality plantation teak which is very popular for its high durability, good workability and, last but not least, its attractive grain and which offers an interesting alternative to more standard of wood. Until now, Colombia's manufacturers of boards, panels and furniture parts have been almost exclusively active on the domestic market and in the USA. IPD is opening up Europe as a new sales market for the Colombian companies.

PROMOTING EXPORTERS: PREPARING FOR THE EUROPEAN MARKET

Many of the Colombian companies in the IPD programme are entering new territory by exporting to the European market. The IPD experts support them in this process with visits, workshops and webinars to provide them with the necessary knowledge about market requirements, trends and developments, intercultural communication, sales and negotiation, CSR and sustainability, etc. Thus prepared, IPD brings producers of the various product groups to important trade fairs or other B2B events in order to put them in touch with interested importers. The IPD's mediation creates trust and facilitates initiation of negotiations.

AT A GLANCE: THE ACTIVITIES OF THE IPD

- + Regular **sourcing missions** in Colombia for the selection and evaluation of small and medium-sized exporting companies
- + Provision of **market information** as well as information on the European market potential for various products
- + **Workshops** and **coaching** for trade fair presentation, **sales coaching**, **study tours/market orientation missions** as well as follow-up of business contacts
- + **Individual advice** on the further development of the export business
- + **Training** on export-related topics, e.g. digital marketing, corporate social responsibility (CSR), export marketing planning
- + **B2B matchmaking activities** at European trade fairs, e.g. Biofach trade fair since 2014, Anuga since 2015, in-cosmetics since 2015, SIAL since 2016, Fruit Logistica since 2019, Fruit Attraction since 2019, IFTF from 2021.
- + Organisation of **virtual B2B events** for networking with suitable importers in Europe, e.g. Fruit Attraction Live:Connect, IPD Virtual B2B Event Cut Flowers, IPD Virtual B2B Event Processed Fruits and Food Ingredients, Biofach eSPECIAL, interzum.



THE IPD ENGAGEMENT IN FIGURES

+ Number of business transactions:	53
+ Export turnover in mio €:	11.0
+ Number of jobs created so far:	598

COOPERATION WITH BUSINESS SUPPORT ORGANISATIONS (BSO): SUSTAINABLE STRUCTURES FOR EXPORT PROMOTION

In Colombia, IPD has been working closely with the export promotion organisation ProColombia since 2015 and with the cut flower trade association Asocolflores since 2020. The goal is to build sustainable export promotion structures together with the BSO so that they can expand their offerings and make them available to the local private economy. Together with ProColombia, IPD organises export-relevant trainings for companies and supports the presentations of IPD companies on ProColombia's country stands at European trade fairs. IPD and ProColombia arrange buying missions to Colombia for European importers to enable them to gain an impression of the products and production conditions on-site. In the cutflower sector, selected ProColombia country offices prepare regular market information for Colombian SMEs on the European flower trade with IPD support. In addition, IPD cooperates with the trade association Asocolflores in the implementation of matchmaking activities and prepares producers for the European market with capacity building measures.



Flavia Santoro
President
of ProColombia

»Colombia has undergone a positive transformation in recent years, we have earned recognition as a key commercial ally worldwide.

We are sure that we will continue this growing path, together with IPD, in order to strengthen small and medium-sized exporting companies of fresh fruits and vegetables, natural ingredients, flowers and technical wood.«

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