Characterization of foreign direct investment in Colombia (fdi): Economic activities other than mining and oil

Download Keep in mind
The series Working Papers on Economics is published by the Office for Economic Studies at the *Banco de la República* (Central Bank of *Colombia*). It contributes to the dissemination and promotion of the work by researchers from the institution. This series is indexed at Research Papers in Economics (RePEc).

On multiple occasions, these works have been the result of collaborative work with individuals from other national or international institutions. The works published are provisional, and their authors are fully responsible for the opinions expressed in them, as well as for possible mistakes. The opinions expressed herein are those of the authors and do not necessarily reflect the views of Banco de la República or its Board of Directors.

AUTHOR OR EDITOR Adrián Martínez-Osorio Enrique Montes-Uribe Iader Giraldo Juan Camilo Santos-Peña
The series Borradores de Economía (Working Papers on Economics) contributes to the dissemination and promotion of the work by researchers from the institution. On multiple occasions, these works have been the result of collaborative work with individuals from other national or international institutions. This series is indexed at Research Papers in Economics (RePEc). The opinions contained in this document are the sole responsibility of the author and do not commit Banco de la República or its Board of Directors.

Publication Date: Wednesday, 22 of March 2023 **Abstract**

Foreign direct investment (FDI) has been Colombia's largest external financing source for companies. This paper aims to characterize FDI in sectors other than mining and oil and the companies receiving this type of investment in Colombia between 2000 and 2020, when 59% of the accumulated flow of FDI arrived in these sectors. The results show that the frequency with which these firms receive resources through FDI is between 1 and 3 years. Their participation in foreign trade is more linked to imports than exports. The last could be inferred that the objective of these investments is more to supply goods and services to the local market than to scale production to co-opt regional or global markets. A large percentage of the value of FDI in these sectors is channeled primarily by large companies. Likewise, the largest firms determine each subsector's financial performance, revealing a high concentration of production in these specific activities.

Fuente: https://d1b4gd4m8561gs.cloudfront.net/en/characterization-foreign-direct-investment-colombia-fdi-economic-activities-other-mining-and-oil