

Bogota, an opportunity for the construction materials sector

Colombia has a strong and growing demand...



By 2022 it is estimated that construction materials demand will reach **COP\$ 35 trillion**, with a CAGR of **5.54%** between 2012 and 2022.

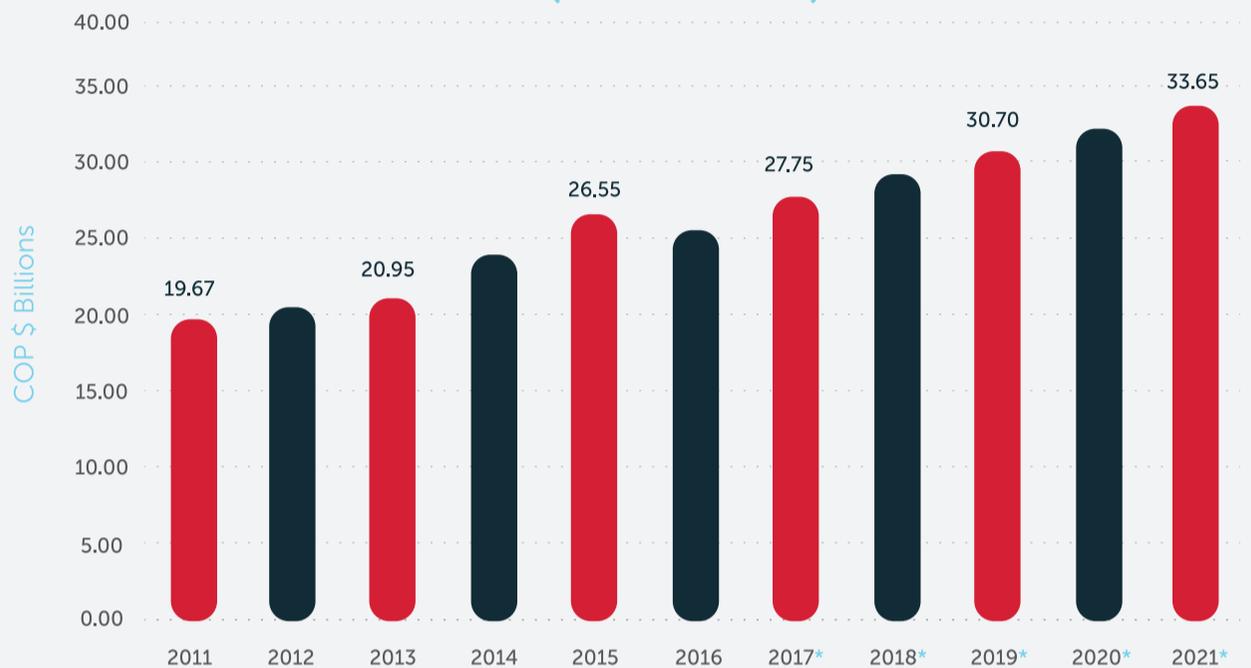


In 10 years (2006-2016), demand for construction materials in Colombia **doubled** its value.



In 2016, the production of construction materials in Colombia amounted to **COP\$ 19.1 trillion**, which represents a CAGR of **7.31%** (2006-2016).

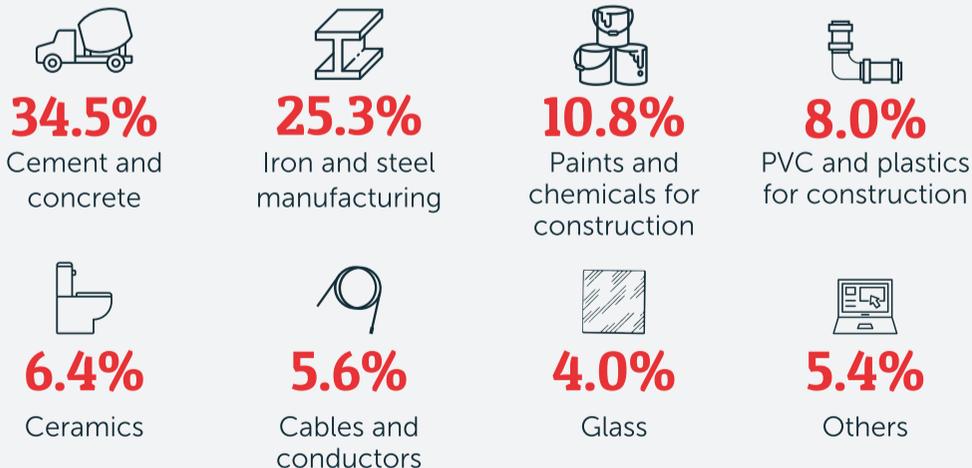
Demand for construction materials in Colombia (2011 - 2021*)



Source: DANE, EAM, 2018. DIAN. Apparent Consumption. Research by Invest in Bogota. *Estimate.

The country has a diverse sector with multiple business opportunities and a robust dynamic industry.

Main segments of the construction materials industry in Colombia



Source: DANE, EAM, 2018. DIAN. Apparent Consumption. Research by Invest in Bogota.

With a **CAGR of 8.6%** for 2018-2022, the Colombian construction sector will continue to be one of the most dynamic in Latin America. By 2022, it is expected to reach **COP\$ 123.32 trillion**.

The construction industry, with a size of **COP\$63.3 trillion** (2017), is one of the branches of the economy with the highest share of Colombia's GDP, with a contribution of **6.8%**.

The construction sector in Colombia has two main branches: Residential and non-residential building industry and infrastructure industry, which have a size close to **COP\$31.15 trillion (49.2%)** and **COP\$32.15 trillion (50.8%)** respectively.

Source: EMIS, 2018.

Between 2012 and 2017, the Colombian construction sector attracted a total of **USD\$ 3.1 billion in foreign direct investment**.

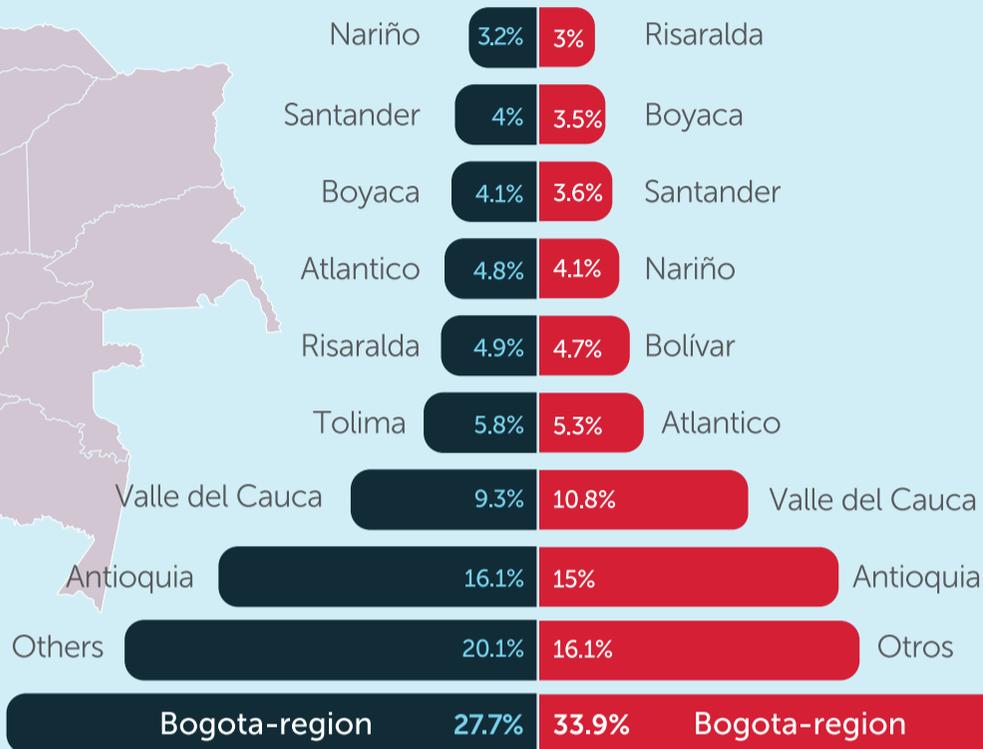
Colombia was recognized by the **World Bank as the third most competitive country in the world** in terms of regulation for infrastructure project funding under Public Private Partnerships (PPP).

In 2017, the **infrastructure subsector grew by 7.5%** and was the main driving force of the construction sector in Colombia.

Bogota region has the largest building activity in Colombia

Building Permits Granted in 2017

■ Residential Works ■ Non-residential Works



- Bogota region is the main hub for the execution of residential and non-residential works in the country, with **27.7% (4.17 million m2)** and **33.9% (1.71 million m2)** of the total said works, respectively.
- **46.8%** of the total mortgage loans in the country, amounting to **COP \$27.14 trillion**, have been granted in the Bogota region.
- **558,000 m2 of office space are expected to be completed in Bogota in 2019**, followed by the Caribbean region (Cartagena, Barranquilla and Santa Marta) with 39,000 m2.

Source: EMIS, 2018



Main Infrastructure Projects in Bogota.

- **First Line of the Bogota Metro.** 23.96 km and 16 stations.
- **Transmilenio.** Extensions and 20 km of new trunks.
- **Regiotram.** 40.8 km and 17 stations.
- **Canoas WWTP.** Maximum pump capacity of 38.5 m3/s, pumped at 46 m.
- **El Dorado II Airport.** 1,000 hectares.
- **CAN City.** 2,750,000 m2 (112 buildings).
- **Fenicia Triangle.** 1,000 houses, 25,000 m2 of business space and 40,000 m2 of office space and hotels.
- **Lagos de Torca.** 128,000 houses, construction of cultural and recreational centers, schools and health centers.
- **Bronx.** Construction of business spaces, educational centers, local mayor's office, metro station and morgue.

- **Three high-complexity hospitals.** 76,000 m2.
- **New "El Buen Pastor" prison.** Relocation of the prison and construction of 1,952 houses.

International companies operating in Bogota

Cemex + Etex Group
Gerdaul Diaco
Holcim + Mexichem
Saint-Gobain + Sika

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