

Trade Policy Review of Colombia

(First Session on 18 June 2025)

Statement by Hong Kong, China

- First of all, let me extend a warm welcome to the delegation of Colombia, led by **His Excellency Mr Felipe QUINTERO SUAREZ**, Vice Minister of Foreign Trade. I would like to thank **His Excellency Ambassador CANO** of Paraguay for sharing his insights as the discussant. Thanks must also go to the WTO Secretariat for their meticulous efforts in preparing the Secretariat Report.

Bilateral relations

- Hong Kong, China (HKC) and Colombia enjoy cordial bilateral trade relations, with Colombia being our sixth largest trading partner in Latin America. In the past five years, bilateral trade between HKC and Colombia increased at an average annualised rate of 9.2%. Our bilateral merchandise trade amounted to 688 million USD in 2024.

Colombia and the WTO

- Here in the WTO, we regard Colombia as a valued partner who speaks up for the multilateral trading system, as demonstrated by its active participation in various discussions and negotiations.
- On fisheries subsidies, we recognize Colombia's constructive inputs to the negotiations, in particular the pivotal role of its then Ambassador Santiago Wills, as the Chair of the Negotiating Group on Rules, who saw to the conclusion of the Agreement on Fisheries Subsidies in MC12. Notably, Colombia also contributed to the ratification of the AFS by depositing its instrument of acceptance in March 2025. We look forward to working with Colombia and other Members towards the smooth implementation of the Agreement upon its entry into force.
- On dispute settlement, Colombia and HKC are like-minded colleagues. We both firmly believe that an effective dispute settlement system is the backbone of the WTO. We commend Colombia for its tireless efforts in presenting, on behalf of 130 co-sponsors including HKC, the proposal calling for the launch of the Appellate Body appointment process at the DSB meetings. The broad support from Members for this proposal underscores the shared commitment to restoring a fully and well-functioning two-tiered dispute settlement mechanism. While we continue

to advocate for this, Colombia and HKC participate in the Multi-Party Interim Appeal Arbitration Arrangement (MPIA), which is a pragmatic interim solution before the dispute settlement system becomes fully functioning again.

Trade Policy

- With respect to Colombia's trade policy, we have a few observations.
- First, on **tariffs**, we commend Colombia for having bound all its tariff lines and for applying exclusively ad valorem rates. This contributes to the clarity and predictability of its tariff regime. We also welcome Colombia's ongoing efforts to liberalise its tariff structure, as reflected in the notable increase in duty-free tariff lines from 49.7% to 53.3%, along with a drop in the number of lines with international tariff peaks from 6.2% to 5.5% as compared to the last review period. Having said that, we note from the Secretariat Report that the applied rates for several tariff lines appear to have exceeded their corresponding bound rates. While we acknowledge the Colombian authorities' indication that necessary revisions are underway, we encourage Colombia to expedite such actions to ensure full alignment with its tariff commitments.
- Second, on **trade facilitation**, we commend Colombia for updating its legislation to improve customs procedures, customs declarations, and the penalty regime. Some of these changes have not been implemented, pending adoption of relevant regulations, and we look forward to the early implementation of these measures. Separately, we note that high trade costs remain a challenge for Colombia, largely due to the lack of infrastructure and logistics services, excessive regulations and overlap among government agencies. We encourage Colombia to continue promoting trade flow by its simplifying administrative procedures.
- Third, on **services**. Like HKC, services is the largest sector in Colombia. The Services sector makes up almost 60% of its GDP and attracted the highest level of foreign direct investment compared to all other economic activities. We appreciate that Colombia has implemented various measures to standardise and streamline procedures and requirements in order to promote the development of certain services sectors. We have earlier raised some questions on, among others, the financial services sector and the insurance market. We thank Colombia for their replies and would study them in detail. We would encourage Colombia to consider further liberalising its services trade regime for foreign participation.

- Last but not least, we look forward to strengthening our economic and trade ties with Colombia, and we wish Colombia a successful trade policy review.

Hong Kong Economic and Trade Office in Geneva
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