The Impact of Colombia’s Tax Reform: Key Protections for Foreign Investors

23 November 2022

In August 2022, Colombia’s newly elected government submitted to Congress a bill that **substantially increases taxes on certain sectors of the economy**. After three months of debates, the bill has now been approved and will soon be enacted into law. The main provisions will enter into force as early as 1 January 2023.

In this note, we discuss:

- The most significant aspects of the tax-reform bill for foreign investments in Colombia;
- Legal protections that may be available to investors under Colombian law;
- Legal protections that may be available to investors under international law; and
- Steps that investors should consider taking now to account for the effects of the tax reform and protect themselves against any future unlawful interference with their investments.

Impacts of the Tax-Reform Bill on Foreign Investors

The tax-reform bill will have significant effects on taxation of foreign investors, as described below.

Higher Tax Burdens on Corporate Income and Dividends

Most significantly, the bill will **eliminate certain income-tax deductions for mining and oil & gas companies**, including royalties paid for exploitation of nonrenewable natural resources. The bill will also:

- **Establish a surcharge on the 35% general corporate income-tax rate** for certain economic sectors, including nonrenewable extractive industries (up to 15%), financial services (5%), and hydroelectric power generation (3%);
- **Increase the dividend tax rate** from 10% to 20% in the case of dividends paid to foreign companies, and from 7.5% to 10% in the case of withholdings for dividends paid to national companies;
- **Limit certain tax benefits** such as the income tax credit on 50% of the local turnover tax (ICA); and
- Introduce a **minimum effective tax rate** of 15% for national companies.

Limitation of Preferential Rates in Free Trade Zones

The bill will amend the tax regime applicable to the import and export of goods. Currently, free-trade-zone users' general income-tax rate is 20%, regardless of whether their income is derived from exports or operations in Colombia. Under the bill, those users would benefit from the preferential rate only for exports, while their other activities—such as sales or services delivered within the country—would be taxed at the standard rate of 35%.

Extension of Income Tax to Companies without a Physical Presence

The bill will tax income from companies that do not have a physical presence in Colombia but nonetheless have a "significant economic presence" (SEP), such as through the direct sale of goods or services to local consumers. Under the bill, companies with a SEP would be subject to Colombian income tax, which would be collected via tax withholding or through a special tax return. The SEP regime will enter into force from 2024.

Legal Protections Available under Colombian Law

Foreign investors in Colombia, including those who will be affected by the tax bill, enjoy certain protections under Colombian domestic law. However, the threshold to obtain relief from these measures is high and typically entails challenging the legality of the tax. Challenges may be raised under the Colombian Constitution or, for investors who have legal stability contracts, under such contracts.

Constitutional Protections

Constitutional principles

The Colombian Constitution, as interpreted by Colombian courts, contains certain principles relevant to the validity of tax measures. These principles include non-confiscation, progressivity and taxable capacity, and non-retroactivity.

- ***Non-confiscation***. The principle of non-confiscation provides that a tax cannot generate a burden so excessive that it prevents the taxpayer from generating profits.[1] However, the Constitutional Court has been reluctant to apply this principle in a way that would displace Congress's authority to tax, adopting a high threshold for finding a tax confiscatory. The Court has held that a tax violates the non-confiscation principle when it "generates a disproportionate impact on the taxpayer's assets, with clearly expropriatory effects."[2] Some recent opinions have held that the effective rate of taxation must be considered when evaluating whether a tax measure is confiscatory.[3]

- ***Progressivity and taxable capacity***. The constitutional principles of progressivity and taxable capacity relate to a taxpayer's burden relative to the burden of other taxpayers. Progressivity requires that taxpayers with greater economic capacity bear a higher tax burden. Taxable capacity requires that taxpayers with the same economic capacity be treated similarly.[4] These principles could require that the tax bill not treat companies operating in one economic sector—such as the nonrenewable extractives sector—differently from another.

- ***Non-retroactivity***. Taxpayers have a constitutional right to know about a tax regulation before it enters into force. Accordingly, a law that adversely changes the tax regime with respect to events that occurred in the past or during the same taxable period could be unconstitutional.[5]

Challenging Constitutionality

Under Article 241 of the Constitution, all Colombian citizens have standing to file a direct action to challenge the constitutionality of a legal norm (*acción pública de inconstitucionalidad*). This action is brought directly before the Constitutional Court and, if successful, the challenged norm is abrogated. Thus, if a Colombian citizen considers that a tax contravenes the Constitution and prevails in the case, the court's decision would affect all taxpayers, including foreign investors. A party challenging a tax on

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[1] Constitutional Court, Ruling C-061 (2021).

[2] Constitutional Court, Ruling C-293 (2020).

[3] Constitutional Court, Ruling C-039 (2021).

[4] Constitutional Court, Ruling C-109 (2020).

[5] Constitutional Court, Ruling C-878 (2011).

these grounds bears a heavy burden, however, and the Constitutional Court gives a significant degree of deference to Congress on taxation matters.

Other Legal Actions

Foreign investors also have other actions under Colombian law to challenge or clarify tax measures or actions carried out by tax authorities, including actions of annulment (*acción de nulidad simple*); annulment and restoration of rights (*nulidad y restablecimiento del derecho*); constitutional actions for protection of fundamental rights (*acción de tutela*); and requests to the tax authority for clarification on the interpretation of current regulations. Each of these actions has different substantive and jurisdictional requirements, procedural aspects and available remedies. The choice of one over the others will depend on the circumstances of each case and the foreign investor's objectives.

Legal Stability Contracts

Background

Between 2005 and 2012, Colombia offered investment incentives through tax-stabilization agreements known as "legal stability contracts" (*contratos de estabilidad juridica*). These contracts fixed tax rates over up to 20 years for investors who met minimum investment thresholds. Congress repealed the authorization for these contracts during the 2012 tax reform. The repeal was not retroactive, so legal stability contracts signed before 2012 remain in force for the duration of their term.

Enforcement

Investors who hold legal stability contracts that remain in force should assess whether the tax-reform bill will impose tax burdens that depart from their stabilized tax regime. In general, the investor bears the burden of showing after it has received a new tax assessment that the stabilized tax regime applies.

Legal Protections Available under International Law

Foreign investors in Colombia may enjoy protections under international law. These could include recourse to investment arbitration under an international investment agreement, or measures to prevent excessive taxes under a double-taxation agreement. Investors are entitled to structure their investments to benefit from these international protections.

International Investment Agreements and Tax Measures

Investment agreements between the investor's state and Colombia may provide protections from unlawful State interference with their investment. These agreements

also typically provide investors with recourse to international arbitration, including in certain instances for taxation measures. As noted in the annex to this note, Colombia is party to at least **15 agreements**, including bilateral investment treaties ("BITs"), free-trade agreements ("FTAs"), and trade-promotion agreements ("TPAs").

Key issues relevant to considering whether an international investment agreement provides protection against a tax measure include the scope of the agreement's protection of investors and investments; the substantive standards of protection that the agreement offers relative to tax measures; exclusions from the treaty's protective scope for certain tax measures; and dispute resolution for claims that a measure has violated the agreement.

Protection of "Investors" and "Investments"

International investment agreements **protect "investors" and "investments"** as defined in the agreement.

"Investor." Colombia's investment treaties tend to require that "investors" have some ties to their country of nationality beyond simply being incorporated under its laws. The Colombia-United Kingdom BIT (2010) is an illustrative example, defining "investors" that are legal entities, as:

> corporations, firms and associations incorporated or constituted under the law in force in any part of the United Kingdom . . . , which have their registered office, central administration, or principal place of business, as well as substantial business activities, in the territory of the United Kingdom . . . .

This definition would require a UK corporate claimant in an investment arbitration to show not only that it is incorporated in the United Kingdom but also that it has sufficient ties to the United Kingdom to meet these other criteria.

To similar effect, several of Colombia's investment treaties, including the Canada-Colombia BIT, permit either State to "**deny the benefits**" of the treaty or its investment chapter to purported investors who have "no substantial business activities" in their State of registration.[6]

"Investment." Investment treaties typically define "investments" to include a broad range of assets that an investor owns or controls. For example, Article 1(1) of the

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[6] Canada–Colombia BIT (2008), Article 814(1); *see Eco Oro Minerals Corp. v. Colombia*, ICSID Case No. ARB/16/41, Decision on Jurisdiction, Liability, and Directions on Quantum (9 September 2021), ¶ 250 (applying this provision).

Switzerland-Colombia BIT defines "investment" to include "every kind of asset and particularly" property or rights to property, including intellectual property; shares or other participation in a company; certain claims to money; and public concessions. Other treaties may require that the "investment" meet certain "characteristics," such as commitment of capital or other resources, the expectation of gain or profit, or the assumption of risk.[7]

Standards of Protection

International investment agreements require the parties to the agreement to **guarantee certain protections to covered investors and investments**. The key substantive protections most relevant to tax measures are as follows.

- ***No illegal expropriation***. Most of Colombia's investment treaties protect investors against unlawful expropriations.[8] Treaties often specify the conditions that a government must fulfill to make an expropriation lawful. The standard conditions are that the expropriation must be done for a public purpose, in a nondiscriminatory manner, in accordance with due process of law and with prompt, adequate and effective compensation.

  Expropriations can be direct or indirect. This distinction is particularly relevant to tax measures. An **indirect expropriation** occurs when the government takes measures, such as a tax reform, that have the effect of substantially depriving the investor of the meaningful use, enjoyment, or control of its property. **Direct expropriations**, by contrast, involve an explicit seizure of the investment and would not normally be implicated by tax measures.

  Arbitral tribunals have applied a high standard to finding that a tax measure rises to the level of an unlawful expropriation. Some arbitral tribunals have concluded that a tax measure amounts to an expropriation only when it amounts to a "**substantial deprivation**" of the economic value, economic use, and enjoyment of an investment.[9] Several arbitral tribunals have also used qualitative approaches to

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[7] *See* Colombia–United States TPA, Article 10.28.

[8] *See, e.g.*, Colombia–United Kingdom BIT, Article VI(1) ("Investments of investors of a Contracting Party in the territory of the other Contracting Party shall not be the subject of nationalisation, direct or indirect expropriation, or any measure having similar effects, except for reasons of public purpose or social interest in accordance with due process of law, in a nondiscriminatory manner, in good faith and accompanied by prompt, adequate and effective compensation.").

[9] *See, e.g.*, *Telenor Mobile Communications AS v. Hungary*, ICSID Case No. ARB/04/15, Award (13 September 2006), ¶ 300.

analyze such claims, including whether the application of the tax regime violates a specific obligation that the state has previously undertaken.[10]

- ***Fair and equitable treatment***. Most of Colombia's treaties require the government to accord foreign investment "fair and equitable treatment." This is a term of art in international arbitration, the precise contours of which are subject to some debate. In general, fair and equitable treatment protects against interference with the investor's legitimate investment-backed expectations, arbitrary or discriminatory treatment, and denial of justice or serious violations of due process.

  An investor's **legitimate expectations** are particularly relevant to tax disputes. Arbitral tribunals have held that taxation measures violate legitimate expectations if the State breached explicit and specific commitments on which the investor relied to make its investment. Absent explicit and specific commitments, taxation measures usually violate legitimate expectations only if there is a fundamental change in the legal framework that is arbitrary or unfair.[11]

- ***Non-discrimination***. Most of Colombia's treaties require that the government accord national treatment and most-favored-nation treatment to covered investors and investments. These provisions mean that the government must treat foreign investment in a way that is no less favorable than the way it treats investors from Colombia or a third country.[12]

  When reviewing **taxation measures under non-discrimination standards**, arbitral tribunals have looked at factors such as the intent of the taxation measures, the differences in the period of application to domestic and foreign companies, and the discriminatory effects of disputed measures. For a claim to be successful, a foreign

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[10] *See, e.g.*, *Link Trading v. Moldova*, Final Award (18 April 2002), ¶ 73 ("Tax measures may . . . become expropriatory . . . when their application violates a specific obligation that the State has previously undertaken in favor of a particular person or class of persons . . . ."); *RosInvestCo UK Ltd. v. Russia*, SCC Case No. V079/2005 (12 September 2010), ¶ 175; *Archer Daniels Midland Co. v. Mexico*, ICSID Case No. ARB (AF)/04/5, Award (21 November 2007), ¶ 250.

[11] *See, e.g.*, *Mobil Exploration and Development Inc. v. Argentina*, ICSID Case No. ARB/04/16 (25 February 2016), ¶ 969 ("[N]o rule or even clear commitment embodied in a general piece of legislation can in itself be held a special commitment towards foreign investors, as such a conclusion would immobilize the legal order and prevent any adaptation to changed circumstances."); *Toto Costruzioni Generali S.p.A. v. Lebanon*, ICSID Case No. ARB/07/12 (7 June 2012), ¶ 244.

[12] *See, e.g.*, Canada–Colombia FTA, Article 803; Spain–Colombia BIT, Article 3; Colombia–United States TPA, Article 10.3.

investor typically must at least demonstrate that it was treated less favorably than a domestic or third-country investor "in like circumstances."[13]

- ***Observance of contractual obligations***. Some of Colombia's treaties require the government to observe contractual obligations that they have made in respect of a particular investment or investor.[14] Sometimes called "**umbrella clauses**," these provisions create a cause of action under the treaty should the host government breach obligations it has under other legal instruments. Umbrella clauses are particularly useful for investors that have entered into contracts with the government—such as concession contracts or legal stability contracts—as those contracts might include more precise obligations than are available under an investment treaty.

  A related provision found in the Colombia-United States TPA is protection for "**investment agreements**" or "**investment authorizations**."[15] These are written documents on which an investor relies in establishing or acquiring the investment, and that grant rights to the covered investment or investor. Legal stability contracts or concession contracts may qualify as protected agreements under the treaty.

Tax Exclusions

Several of Colombia's international investment agreements exclude taxation measures from their scope. Colombia's BITs with Switzerland and Spain, for example, respectively provide that their protections "**shall not apply to tax measures**" and **"shall not apply to taxation matters."**[16] The Colombia-United States TPA and the Colombia-UK BIT apply to tax measures only in limited cases, such as expropriation claims.[17]

Financial Services

The investment chapters of Colombia's Free Trade Agreements with Canada, Chile, Costa Rica, Mexico, the Pacific Alliance, and the United States do not apply to measures concerning investors or investments in the financial services sector.[18] Such measures are usually governed by separate financial services chapters, which protect investors against direct and indirect expropriation without adequate compensation, denial of free

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[13] *See, e.g.*, *Archer Daniels Midland Co. v. Mexico*, ICSID Case No. ARB (AF)/04/5, Award (21 November 2007), ¶ 201; *Occidental Exploration and Production Co. v. Ecuador*, LCIA Case No. UN3467, Award (1 July 2004), ¶ 173.

[14] *See, e.g.*, Colombia–Switzerland BIT, Article 10.2. *But see Glencore International A.G. v. Colombia*, ICSID Case No. ARB/16/6, Award (27 August 2019), ¶ 1025 (finding that the parties to the Switzerland–Colombia BIT had excluded the umbrella clause from the scope of their consent to arbitrate treaty-based disputes).

[15] Colombia–United States TPA, Article 10.16 and 10.28.

[16] Colombia–Switzerland BIT, Article 8; Colombia–Spain BIT, Article 11.3.

[17] Colombia–United States TPA, Article 22.3; Colombia–UK BIT, Article XIII(4).

[18] Colombia–Canada FTA, Article 802.3; Colombia–Chile FTA, 9.1.4; Colombia–Costa Rica FTA, Article 12.1.8; Colombia–Mexico FTA, Article 10-02.2(c); Pacific Alliance Additional Protocol, Article 10.2.3(a); Colombia–United States TPA, Article 10.2.3.

transferability of funds, and noncompliance with an investment agreement. They do not, however, protect against the denial of other rights, such as fair and equitable treatment.

Investor-State Dispute Settlement

All of Colombia's treaties listed in the Annex provide for **binding, enforceable arbitration** between the State and the investor. This process can lead to effective relief for the investor in the event of the government's breach.

Jurisdictional limitations. Several of Colombia's investment agreements include limits on the investment tribunal's jurisdiction, in addition to the limitations inherent in the agreement's definition of "investor" and "investment" and the substantive scope of the agreement.

- ***Prescription period***. Some investment treaties contain provisions barring arbitration proceedings after a certain time has lapsed after the investor knew or should have known about the events giving rise to the dispute, or knew or should have known about the breach and the losses or damages suffered. For example, Article 29(4) of the Japan-Colombia BIT requires that an investor file its claim within three years of when it acquired or should have acquired knowledge of the alleged breach and that it incurred loss or damage.

- ***Domestic-litigation requirement***. Under certain investment treaties, investors must first submit the dispute to the domestic courts of the host country and litigate in those courts for a minimum period of time. These treaties usually grant access to arbitration only when, after the expiration of the domestic-litigation period, the local courts have not issued a final decision or a decision on the subject matter in dispute. For example, the Colombia-China BIT provides for the exhaustion of administrative or judicial remedies as required by domestic law but allows an investor to resort to arbitration if those proceedings exceed six months.[19]

- ***Fork in the road or waiver of domestic remedies***. Some investment treaties take the opposite approach to the domestic-litigation requirement, providing instead that investors may submit a dispute to *either* domestic courts *or* international arbitration, but not both. Known as fork-in-the-road clauses, these provisions require investors to irrevocably choose their method of dispute settlement at the time that they file in either forum. For example, the Japan-Colombia BIT provides that, "[o]nce the disputing investor has submitted an investment dispute to an administrative tribunal or court of the disputing Party or to [arbitration], that election shall be definitive." Other investment treaties require the investor, when initiating arbitration, to submit

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19 Colombia-China BIT, Article 9.1.

an express waiver of the right to initiate or continue any proceedings with respect to the challenged measure before a local court, administrative tribunal or any other dispute resolution forum and take steps to terminate any such proceedings that may be ongoing.[20]

- ***Consultation or negotiation.*** Some of Colombia's investment agreements, such as the Colombia-United States TPA, require that the investor seek to resolve the dispute with the host State through consultation or negotiation which may include the use of non-binding, third-party procedures before initiating arbitration. Arbitral tribunals tend to consider that even minimal good-faith efforts at negotiation will satisfy these clauses, absent more precise requirements such as specific time period over which the parties must negotiate.

Double-Taxation Agreements

Colombia's double-taxation agreements may also apply to elements of the tax-reform bill. Double-taxation agreements are international treaties designed to **avoid double taxation** of the same taxpayer for the same activity in two jurisdictions. They also seek to harmonize the definitions of certain tax terms across the jurisdictions that are parties to the agreements. To achieve these objectives, double-taxation agreements establish specific rules that limit taxation in one of the jurisdictions, depending on the type of income (*e.g.*, business income, dividends, interest, real estate income, royalties). Colombia has 14 such agreements currently in force.[21]

Applicability of Double-Taxation Agreements

As a matter of Colombian law, double-taxation agreements prevail over conflicting domestic legislation, so they would displace any applicable provision of the tax-reform bill. For example, a double-taxation agreement may limit an increase in the tax on dividends paid to foreign shareholders if the beneficial owners of the dividends are tax residents in a jurisdiction with an applicable treaty.

Enforcement

Double-taxation agreements are directly enforceable through the ordinary remedies provided by domestic law and also establish a procedure that enables taxpayers to request that the tax authorities of both States reach an agreement on how to interpret the treaty in a way that prevents double taxation.

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[20] *See, e.g.*, Colombia–United States TPA, Article 10.18.

[21] The Andean Community (Bolivia, Ecuador, Peru), Canada, Chile, Czechia, India, Italy, France, Japan, Mexico, Portugal, South Korea, Spain, Switzerland, the United Kingdom.

Investors' Freedom to Structure Their Investments

International investment tribunals have recognized investors' **freedom to structure or restructure their investments** to benefit from treaties applicable to investments in the host State, including by relocating the investor's incorporation or headquarters to another State. In the words of one tribunal in a landmark case against Colombia,

> it is not uncommon in practice and absent a particular limitation—not illegal to locate one's operation in a jurisdiction perceived to provide a beneficial regulatory and legal environment in terms, for example, of taxation or the substantive law of the jurisdiction, including the availability of a BIT.[22]

Another tribunal has called structuring or restructuring investments in this way "legitimate corporate planning."[23]

Abuse of Process

Nevertheless, some arbitral tribunals have dismissed claims where the investor restructured its investment in a way that those tribunals have considered an abuse of the treaty framework. For example, some tribunals have dismissed claims where the investor restructured its investment for the *sole purpose* of bringing a claim under an applicable treaty. Tribunals have referred to such conduct as an "abuse of process" that violates a general obligation of good faith.[24] One factor that tribunals have considered in assessing whether a claim meets the high bar of constituting an abuse of process is whether the investor initiated the structuring only after the dispute had arisen or was foreseeable.[25]

Relevance of Treaty Definition of "Investor"

As noted at Section III.A.1 above, several of Colombia's international investment agreements define "investor" to exclude companies that lack substantial connections to their jurisdiction of incorporation or allow States to deny benefits to companies owned or controlled by nationals of third States or that do not engage in substantial commercial activity in their State of registration. This may limit the opportunities for an investor to claim treaty protections by choosing a place of incorporation that differs

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[22] *Aguas del Tunari v. Bolivia*, ICSID Case No. ARB/02/3, Decision on Jurisdiction (21 October 2005), ¶ 330(d); *see also Levy et al. v. Peru*, ICSID Case No. ARB/11/17, Award (9 January 2015), ¶ 184 ("In the Tribunal's view, it is now well-established, and rightly so, that an organization or reorganization of a corporate structure designed to obtain investment treaty benefits is not illegitimate per se, including where this is done with a view to shielding the investment from possible future disputes with the host state.").

[23] *Isolux Netherlands B.V. v. Spain*, Award (17 July 2016), ¶ 701.

[24] *Phoenix Action Ltd. v. Czechia*, ICSID Case No. ARB/06/5, Award (15 April 2009), ¶ 113.

[25] *See Phoenix Action Ltd. v. Czechia*, ICSID Case No. ARB/06/5, Award (15 April 2009), ¶ 142; *Levy v. Peru*, ICSID Case No. ARB/11/17, Award (9 January 2015), ¶ 195.

from the investor's principal place of business or the nationality of entities above it in its corporate structure.

Steps to Protect Investors' Rights

Investors in Colombia can take concrete action to protect themselves against any unlawful interference with their investment by the government. In particular, investors should consider taking the following steps.

- ***Preserve documents***. Investors bear the burden of proving all elements of their claim before an investment tribunal, including on liability and damages. Accordingly, to maximize their chances of prevailing in a dispute with the host State, investors should be careful to retain evidence that could be useful to present to an arbitral tribunal. Investors should preserve physical and electronic correspondence, minutes of meetings and other documents that may serve as evidence in a potential arbitration, including documents demonstrating the investor's legitimate expectations regarding the government's treatment of its investment, the historical financial performance of an investment, or projections of future returns on investments. Of particular importance are documents showing contemporaneous exchanges in connection with government measures or the effect of those measures on financial performance.

- ***Assess the applicable tax regime***. Foreign investors should carefully asses the tax regime currently applicable to their investment and how that regime might change under the tax-reform bill. This is of particular importance to those investors covered by legal stability contracts or investors that may enjoy protections under double-taxation agreements, as understanding the changes brought by the new law is essential to formulating any claim for breach of these protections.

- ***Consider their corporate structure***. Investors should consider ways to optimize their corporate structure to benefit from favorable treaty protections before a dispute becomes foreseeable. Otherwise, they may risk losing access to relevant protections.

- ***Act promptly***. Investors may have limited time to file an international claim. Accordingly, they should ideally seek advice on initiating international arbitration as soon as an adverse measure is foreseeable or, at the very latest, once it takes effect.

- ***Coordinate advice on Colombian and international law***. Initiating actions in domestic courts may affect an investor's rights to pursue an international claim.

Investors should seek advice from international counsel before initiating any domestic procedure.

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Please do not hesitate to contact us with any questions.

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Annex: International Investment Agreements with Dispute-Resolution Provisions Currently in Force to Which Colombia Is a Party

Short Title	Date of Entry into Force	Covered Investors
Canada-Colombia FTA	15 August 2011	Nationals and enterprises organized under Canadian law; subject to denial of benefits.
Chile-Colombia FTA	8 May 2009	Nationals and enterprises organized under Chilean law; subject to denial of benefits.
China-Colombia BIT	2 July 2013	Nationals, enterprises organized under Chinese law with seat in China, and foreign enterprises controlled by Chinese investors.
Mexico-Colombia FTA	1 January 1994	Nationals and enterprises organized under Mexican law; subject to denial of benefits.
Costa Rica-Colombia FTA	1 August 2016	Nationals and enterprises organized under Costa Rican law; subject to denial of benefits.
France-Colombia BIT	14 November 2020	Nationals, enterprises organized under French law with corporate domicile in France, and foreign enterprises controlled by French investors.
Israel-Colombia FTA	11 August 2020	Nationals and permanent residents in Israel, enterprises organized under Israeli law with substantial business activities in Israel or Colombia; or another WTO member State if owned or controlled by Israeli investors; or affiliates or branches from another State owned or controlled by a covered investor.
Japan-Colombia BIT	11 September 2015	Nationals and enterprises organized under Japanese law with substantial business activities in Japan, subject to denial of benefits.

Short Title	Date of Entry into Force	Covered Investors
Korea-Colombia FTA	15 July 2016	Nationals and enterprises organized under Korean law with substantial business activities in Korea, subject to denial of benefits.
Pacific Alliance Additional Protocol (Chile–Colombia–Mexico–Peru)	1 May 2016	Nationals and enterprises organized under another Party's law, subject to denial of benefits.
Peru-Colombia BIT	30 December 2010	Nationals and enterprises organized under Peruvian law, subject to denial of benefits.
Spain-Colombia BIT (in the process of being replaced)	22 September 2007	Nationals and enterprises organized under Spanish law with corporate domicile in Spain.
Switzerland-Colombia BIT	6 November 2009	Nationals and enterprises organized under Swiss law with real economic activities in Switzerland, or foreign enterprises controlled by Swiss investors.
United Kingdom-Colombia BIT	10 November 2014	Nationals, and enterprises organized under English law with registered offices, central administration or main domicile, and substantial business activities in the United Kingdom.
United States-Colombia TPA	15 May 2012	Nationals and enterprises organized under U.S. law; subject to denial of benefits.