

WORLD RANK: **84** | REGIONAL RANK: **19**

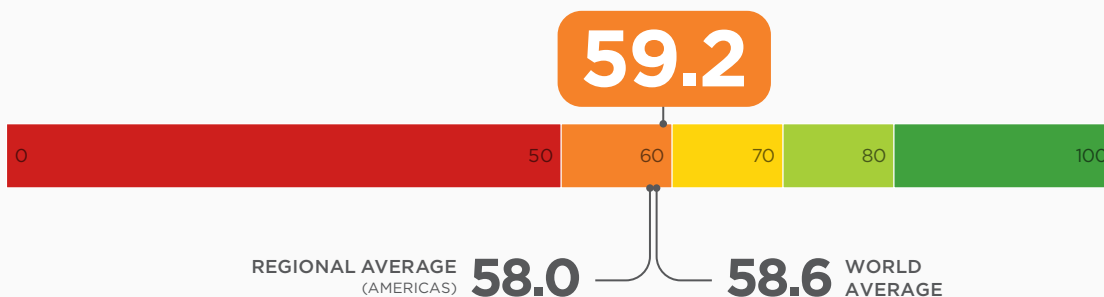
ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

# COLOMBIA

Colombia's economic freedom score is 59.2, making its economy the 84th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 3.9 points from last year, and Colombia is ranked 19th out of 32 countries in the Americas region. The country's economic freedom score is higher than the world and regional averages. Colombia's economy is considered "mostly unfree" according to the 2024 *Index*.

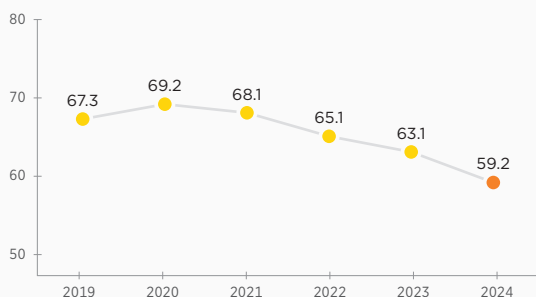
Colombia's economy has shown moderate resilience in the face of a challenging economic environment, but increasingly statist policies have created uncertainty and undermined the foundations of economic freedom. The judicial system remains vulnerable to political interference, and corruption further undermines the country's economic freedom. The regulatory framework has become more efficient, and business procedures have been streamlined. The non-salary cost of employing a worker remains somewhat burdensome, and informal labor market activity is rampant. The most recent available inflation rate is 10.2 percent.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): -5.3

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
51.3 million

**GDP (PPP):**  
\$966.2 billion  
7.3% growth in 2022  
5-year average growth rate: 3.4%  
\$18,720 per capita

**UNEMPLOYMENT:**  
14.3%

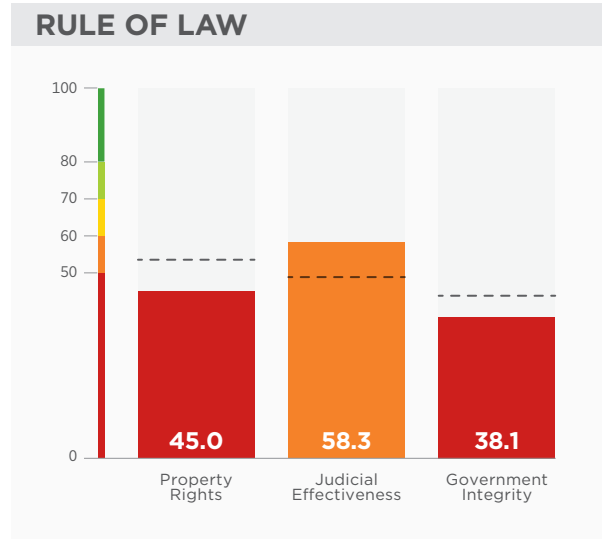
**INFLATION (CPI):**  
10.2%

**FDI INFLOW:**  
\$17.0 billion

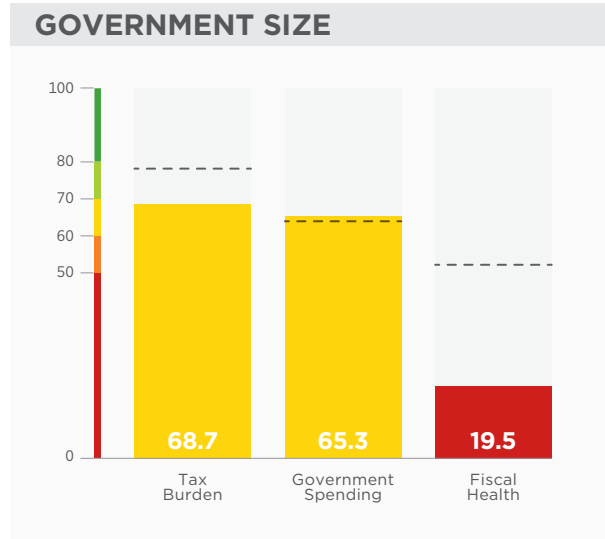
**PUBLIC DEBT:**  
60.4% of GDP

2022 data unless otherwise noted. Data compiled as of October 2023.

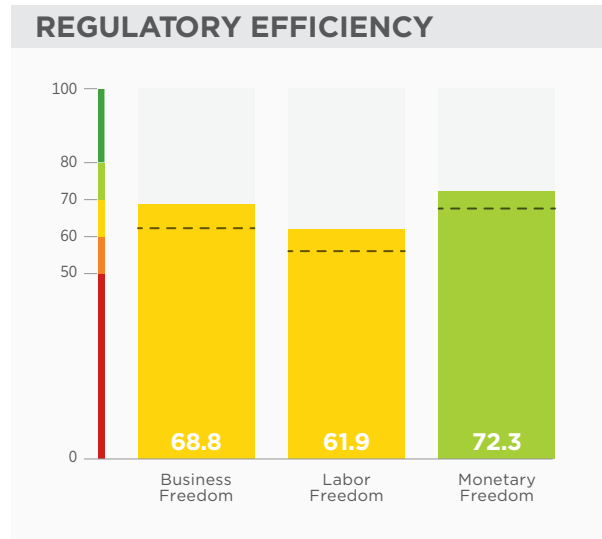
# 12 ECONOMIC FREEDOMS | COLOMBIA



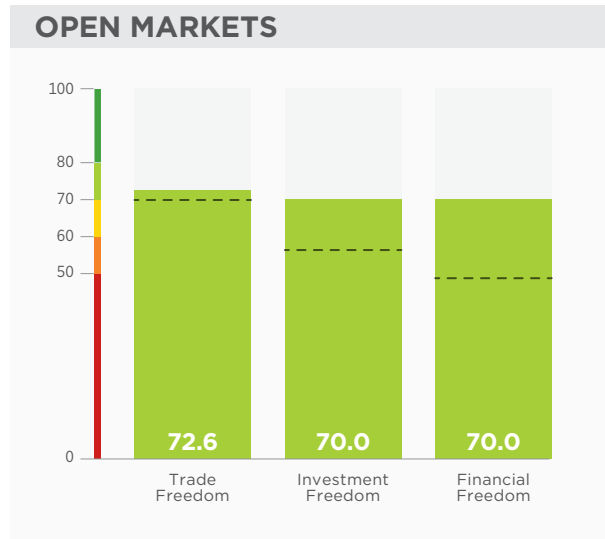
The overall rule of law is weak in Colombia. The country's property rights score is below the world average; its judicial effectiveness score is above the world average; and its government integrity score is below the world average.



The top individual income tax rate is 39 percent, and the top corporate tax rate is 35 percent. The tax burden equals 19.5 percent of GDP. Three-year government spending and budget balance averages are, respectively, 34.0 percent and -6.8 percent of GDP. Public debt amounts to 60.4 percent of GDP.



Colombia's overall regulatory environment is relatively well institutionalized but lacks efficiency. The country's business freedom score is above the world average; its labor freedom score is above the world average; and its monetary freedom score is above the world average.



The trade-weighted average tariff rate is 6.2 percent, and more than 150 nontariff measures are in effect. Foreign investment in some sectors is subject to investment registration and concession agreements with the government. Credit is generally allocated on market terms.