

# **Statement by IMF Managing Director Christine Lagarde at the Conclusion of her Visit to Colombia**

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Ms. Christine Lagarde, Managing Director of the International Monetary Fund (IMF), made the following statement today in Bogotá:

"It was a great pleasure to be in Colombia for what is my first visit as Managing Director to this vibrant nation. I would like to express my appreciation to President Juan Manuel Santos, Finance Minister Mauricio Cárdenas, and Central Bank Governor José Dario Uribe, for their warm welcome.

"I also had the opportunity to meet representatives from the business sectors, including the national association of women business owners Colempresarias, think tanks and academia. Those interactions reinforced perceptions of an energetic country. Colombia has posted a remarkable economic performance over the last decade. A strong policy framework—anchored by an inflation-targeting regime, a flexible exchange rate, and a medium-term fiscal framework—and skillful policy management helped increase resilience to adverse shocks and maintain strong growth and low inflation. The ongoing peace process could also help cement these gains and ensure more inclusive growth going forward.

"Colombia also faces economic challenges. In the short term, as other countries in the region, Colombia remains vulnerable to a sharp worsening in the external environment. Nimble policies and a comfortable level of international reserves, combined with the IMF's Flexible Credit Line arrangement, provide the country with buffers against such shocks. Looking further ahead, it will be important to continue to diversify exports to contain the dependence on the volatile oil and mining sectors. Additionally, the authorities recognize the need to overcome the high rates of labor informality, inequality and structural unemployment. Their efforts to undertake a comprehensive tax reform, as well as their envisaged pension reform, represent welcome steps in addressing these issues.

"Overall, the outlook for Colombia is positive and promising. Once more, I would like to thank the government and the Colombian people for their gracious hospitality."

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