The Colombian Defense Sector – Market Opportunities and Entry Strategies, Analyses and Forecasts to 2015

Description: This report offers insights into the market opportunities and entry strategies adopted by foreign OEMs (original equipment manufacturers) to gain a market share in the Colombian defense industry.

In particular, it offers in-depth analysis of the following:

- Market opportunity and attractiveness: detailed analysis of the current industry size and growth expectations during 2010–2015, including highlights of the key growth stimulators. It also benchmarks the industry against key global markets and provides detailed understanding of emerging opportunities in specific areas.

- Procurement dynamics: trend analysis of imports and exports, together with its implications and impact on the Colombian defense industry.

- Industry structure: five forces analysis to identify various power centers in the industry and how these are likely to develop in the future.

- Market entry strategy: analysis of possible ways to enter the market, together with detailed descriptions of how existing players have entered the market, including key contracts, alliances, and strategic initiatives.

- Competitive landscape and strategic insights: analysis of competitive landscape of the defense industry in Colombia. It provides an overview of key defense companies (both domestic and foreign), together with insights such as key alliances, strategic initiatives, and a brief financial analysis.

- Business environment and country risk: a range of drivers at country level, assessing business environment and country risk. It covers historical and forecast values for a range of indicators, evaluating business confidence, economic performance, infrastructure quality and availability, labor force, demographics, and political and social risk.

Synopsis:

- Top level overview of the Colombian defense industry
- A breakdown of the Colombian defense industry by spend pattern valued from 2004 through 2009 and forecasted from 2010 through 2015
- A breakdown of the markets by segment valued from 2004 through 2009 and forecasted from 2010 through 2015
- Details of top companies active across the Colombian defense industry
- Emerging trends and opportunities in the Colombian defense industry in the last 12 months

Scope

- Analysis of defense industry market size from 2004 through 2009 and forecasts till 2015
- Analysis of defense budget allocation
- Benchmarking with key global markets
- Market opportunities
- Defense procurement dynamics
- Industry dynamics
- Market entry strategy
- Competitive landscape and strategic insights
- Business environment and country risk

Reasons to Buy:

- Gain insight into the Colombian defense industry with current, historic and forecast market values
- Get insight on market opportunity and attractiveness
- Get insight on industry procurement dynamics
- Gain insight on industry structure
- Gain insight into the regulations governing the Colombian defense industry and the potential market entry strategies with an expert analysis of the competitive structure
- Identify top companies of the Colombian defense industry along with profiles of all those companies

Key Highlights:

The defense expenditure of Colombia recorded a CAGR of 17.22% during the review period. However, due to economic recession, the defense expenditure of the country is expected to grow at a slower CAGR of 9.95% over the forecast period. The defense expenditure of Colombia is primarily driven by external factors such as the threat and military buildup of Venezuela, internal factors such as the threat from rebel groups, Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN), and the fight against drug trafficking and related crime. The government's military modernization program, which is now underway, has also moderately increased the defense expenditure of Colombia, despite the financial constraints associated with economic recession.

The country allocates a major portion of its defense budget for revenue expenditure. During the review period, the average allocation for revenue expenditure was 88% of the total defense budget, with the remaining 12% allocated for capital expenditure. This distribution is not expected to change considerably in the next five years, as the government has not announced any significant procurement during the forecast period. Colombia's defense expenditure also funds the police force. During the review period, police force received, on average, a 23% share of the defense budget.

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