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File No. 333-10921**PROSPECTUS SUPPLEMENT**  
**(To prospectus dated October 1, 2003)**

# Republic of Colombia

## *U.S. \$400,000,000*

### *Floating Rate Notes due 2015*

The notes will mature on November 16, 2015. Colombia will pay interest on the notes at a rate per annum equal to the then applicable U.S. dollar three-month LIBOR rate plus 1.80%, payable quarterly in arrears on February 16, May 16, August 16 and November 16 of each year, commencing on February 16, 2006, as more fully described under the heading "Description of the Notes". The notes are issued only in registered form in denominations of U.S. \$100,000 and integral multiples of U.S. \$1,000 in excess thereof.

The notes will not be redeemable before maturity and will not be entitled to the benefit of any sinking fund.

The notes will contain provisions regarding acceleration and future modifications to their terms that differ from those applicable to Colombia's outstanding public external indebtedness issued prior to January 21, 2004. Under these provisions, which are described beginning on page S-15 of this prospectus supplement, Colombia may amend the payment provisions of the notes with the consent of the holders of 75% of the aggregate principal amount of the outstanding notes.

Application has been made to list the notes on the official list of the Luxembourg Stock Exchange (the "Exchange") and to trade them on the Euro MTF Market of the Exchange.

See "[Risk Factors](#)" beginning on page S-9 to read about certain risks you should consider before investing in the notes.

	Per Note	Total
Public offering price <sup>(1)</sup>	100.000%	U.S. \$400,000,000

<http://www.cable.com>

0.300%

U.S. \$1,200,000

Proceeds, before expenses, to Colombia

99.700%

U.S. \$398,800,000

(1) Plus accrued interest from November 16, 2005, if settlement occurs after that date.

Delivery of the notes, in book-entry form only, is expected to be made on or about November 16, 2005.

**Neither the Securities and Exchange Commission, referred to as the SEC, nor any other regulatory body has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

*Sole Bookrunner and Sole Underwriter*

**JPMorgan**

The date of this prospectus supplement is November 8, 2005.

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**You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of this prospectus supplement.**

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### SUMMARY

*This summary should be read as an introduction to the prospectus supplement and the accompanying prospectus. Any decision to invest in the notes by an investor should be based on consideration of the prospectus supplement and the accompanying prospectus as a whole. Where a claim relating to the information contained in the prospectus supplement or the accompanying prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the prospectus supplement and the accompanying prospectus before the legal proceedings are initiated.*

### The Issuer

#### Overview

Colombia is the fourth largest country in South America, with a territory of 441,020 square miles (1,141,748 square kilometers). Located on the northwestern corner of the South American continent, Colombia borders Panama and the Caribbean Sea on the north, Peru and Ecuador on the south, Venezuela and Brazil on the east and the Pacific Ocean on the west. According to the official projections of the National Administrative Department of Statistics (“DANE”) and the National Planning Department (“DNP”), as of December 2004, Colombia’s population was approximately 45.3 million. Over 7.0 million people live in the metropolitan area of Bogotá, the capital of Colombia.

Colombia continues to be governed as a Presidential Republic. Colombia is divided into 32 departments. Each department is divided into municipalities.

#### Government

The Republic of Colombia is one of the oldest democracies in the Americas. In 1991, a popularly elected Constitutional Assembly approved a new Constitution, replacing the Constitution of 1886. The Constitution provides for three independent branches of government: an executive branch headed by the President; a legislative branch consisting of the bicameral Congress, composed of the Chamber of Representatives and the Senate; and a judicial branch consisting of the *Corte Constitucional* (Constitutional Court), the *Corte Suprema de Justicia* (Supreme Court of Justice, or “Supreme Court”), the *Consejo de Estado* (Council of State), the *Consejo Superior de la Judicatura* (Supreme Judicial Council), the *Fiscalía General de la Nación* (National Prosecutor General) and in such lower courts as may be established by law.

Under the Constitution, the President is elected by direct vote. The President is elected for a four-year term.

Judicial power is vested in the Constitutional Court, the Supreme Court, the Council of State, the Supreme Judicial Council, the National Prosecutor General and in such lower courts as may be established by law. The function of the Constitutional Court, whose nine members are elected by the Senate for an eight-year term, is to assure that all laws are consistent with the Constitution and to review all decisions regarding fundamental rights. The Supreme Court is the final appellate court for resolving civil, criminal and labor proceedings. The Council of State

adjudicates all matters relating to the exercise of public authority or actions taken by the public sector, including the review of all administrative decisions or resolutions that are alleged to contradict the Constitution or the law. The Council of State also acts as advisor to the Government on administrative matters. Supreme Court and Council of State justices are appointed for eight-year terms by their predecessors from a list of candidates provided by the Supreme Judicial Council. The National Prosecutor General, who is appointed for a four-year term by the Supreme Court from a list of three candidates submitted by the President, acts as the nation's prosecutor. The judicial branch is independent from the executive branch with respect to judicial appointments as well as budgetary matters.

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National legislative power is vested in the Congress, which consists of a 102-member Senate and a 166-member Chamber of Representatives. Senators and Representatives are elected by direct popular vote for terms of four years. Senators are elected on a nonterritorial basis, while Representatives are elected on the basis of proportional, territorial representation. In each department, legislative power is vested in departmental assemblies whose members are elected by direct popular vote. At the municipal level, legislative power is vested in municipal councils, which preside over budgetary and administrative matters.

On May 26, 2002, Mr. Alvaro Uribe was elected president of Colombia for the 2002-2006 term after obtaining 53% of the popular vote. Shortly after taking office in August 2002, President Uribe announced the *Proyecto de Seguridad Democrática del Gobierno Nacional* (Project for Democratic Security), which seeks to eradicate the rebel groups and achieve security, using democratic means, for all people against aggressors.

The Uribe administration's four-year development plan, "*Hacia un Estado Comunitario*" (Towards a Communitarian State), seeks to increase annual real GDP growth and reduce the unemployment rate and public sector deficit through economic growth incentives. To these ends, the Government proposed anti-corruption and fiscal reform measures, which were included in an unsuccessful referendum held on October 25, 2003. The Government intends to continue its efforts against corruption and for fiscal reform through alternative means. To this end, five divisions of unauthorized paramilitary organizations were dismantled in November and December 2004 under a demobilization plan developed by the Government. The demobilization plan is the result of the Santa Fe de Ralito Agreement that was signed between these paramilitary organizations and the Government on July 23, 2003 and ratified on October 7, 2004, through a public announcement called the "*Acto de Fe por la Paz*". In the first half of 2005, 541 members of these groups had been reintegrated into civil society.

President Uribe's Minister of Finance is Alberto Carrasquilla Barrera, who has served in that position since June 2003.

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## Selected Colombian Economic Indicators

	2000	2001	2002	2003	2004
<b>Domestic Economy</b>					
Real GDP Growth (percent) <sup>(1) (2)</sup>	2.9%	1.5%	1.9%	4.0%	4.0%
Gross Fixed Investment Growth (percent) <sup>(2)</sup>	(2.0)	8.5	10.8	14.1	13.7
Private Consumption Growth (percent) <sup>(2)</sup>	2.0	2.7	3.0	2.6	3.9
Public Consumption Growth (percent) <sup>(2)</sup>	(0.2)	1.1	0.2	0.6	3.3
Consumer Price Index <sup>(3)</sup>	8.8	7.7	7.0	6.5	5.5
Producer Price Index <sup>(3)</sup>	11.0	6.9	9.3	5.7	4.7
Interest Rate (percent) <sup>(4)</sup>	12.2	12.4	8.9	7.8	7.8
Unemployment Rate (percent) <sup>(5)</sup>	20.2	16.4	15.7	14.7	13.0
<b>Balance of Payments</b> (millions of dollars)					
Exports of Goods (FOB) <sup>(6)</sup>	\$ 13,099	\$ 12,233	\$ 11,794	\$ 12,946	\$ 16,464
Oil and its derivatives <sup>(6)</sup>	4,569	3,285	3,275	3,383	4,180
Coffee <sup>(6)</sup>	1,069	764	772	809	949
Imports of Goods (FOB) <sup>(6)</sup>	10,655	11,826	11,653	12,792	15,324
Current Account Balance <sup>(6)</sup>	761	(1,094)	(1,340)	(987)	(967)
Net Foreign Direct Investment <sup>(6)</sup>	2,069	2,509	1,258	863	2,910
Net International Reserves	9,004	10,192	10,841	10,916	13,536
Months of Coverage of Imports (Goods and Services)	7.5	7.7	8.5	7.9	8.2
<b>Public Finance</b> <sup>(7)</sup> (billions of pesos or percentage of GDP)					
Nonfinancial Public Sector					
Revenue	Ps.69,964	Ps.79,511	Ps. 86,893	Ps. 98,556	Ps.115,300
Nonfinancial Public Sector Expenditures <sup>(8)</sup>					
	77,360	87,509	93,967	104,911	116,882
Nonfinancial Public Sector Primary Surplus/(Deficit) <sup>(9)</sup>					
	2,848	2,697	2,114	5,728	8,399
<i>Percent of GDP</i> <sup>(1)</sup>	1.6%	1.4%	1.1%	2.5%	3.4%
Nonfinancial Public Sector Fiscal Surplus/(Deficit)					
	(6,071)	(7,078)	(7,747)	(5,746)	(3,595)
<i>Percent of GDP</i> <sup>(1)</sup>	(3.5)%	(3.8)%	(3.9)%	(2.5)%	(1.4)%
Central Government Fiscal Surplus/ (Deficit)					
	(9,684)	(10,850)	(12,435)	(11,528)	(13,983)
<i>Percent of GDP</i> <sup>(1)</sup>	(5.5)%	(5.8)%	(6.2)%	(5.1)%	(5.6)%
<b>Public Debt</b> <sup>(10)</sup>					



<b>Public Sector Internal Funded Debt</b> (billions of pesos) <sup>(11)</sup>	Ps.58,824	Ps. 67,413	Ps. 83,421	Ps. 89,273	Ps.99,546
<i>Percent of GDP<sup>(1)</sup></i>	33.6%	35.8%	40.8%	39.2%	39.6%
<b>Public Sector External Funded Debt</b> (millions of dollars) <sup>(12)</sup>	\$ 20,112	\$ 22,932	\$ 22,192	\$ 24,206	\$ 25,318
<i>Percent of GDP<sup>(1)</sup></i>	24.7%	27.5%	27.5%	29.9%	26.6%

1: GDP figures calculated using new methodology implemented by DANE in 1999. Preliminary figures for 2002, 2003 and 2004.

2: Preliminary figures for 2002, 2003 and 2004.

3: Percentage change over the twelve months ending December 31 of each year.

4: Average for each year of the short-term composite reference rate, as calculated by the Superintendency of Banks.

5: Refers to the average annual percentage of the labor force that was unemployed in the seven largest cities in Colombia during the years 1997-2000. The 2001, 2002, 2003 and 2004 figures correspond to the average December 2001, December 2002, December 2003 and December 2004 unemployment rates in the thirteen largest cities in Colombia.

6: Figures for all years have been recalculated according to the recommendations contained in the fifth edition of the IMF's Balance of Payments Manual. Estimated figures for 2000, 2001, 2002, 2003 and 2004. Imports and exports of goods do not include "special trade operations."

7: All figures calculated according to IMF methodology, which includes privatization, concession and securitization proceeds as part of public sector revenues.

8: The amounts of Central Government transfers to departments and municipal governments are not eliminated in the calculation of consolidated nonfinancial public sector revenue and consolidated nonfinancial public sector expenditures and, accordingly, the revenue and expenditure figures included above are greater than those that would appear were such transfers eliminated upon consolidation. See "Public Sector Finance."

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- 9: Primary surplus/(deficit) equals total consolidated nonfinancial public sector surplus/(deficit) without taking into account interest payments or interest income.
- 10: Subject to revision. Exchange rates at December 31 of each year.
- 11: Includes peso-denominated debt of the Government (excluding state-owned financial institutions and departmental and municipal governments) with an original maturity of one year or more, and public sector entities' guaranteed internal debt.
- 12: Includes external debt of the Government (including *Banco de la República*, public agencies and entities, departments and municipal governments and state-owned financial institutions) with an original maturity of one year or more.
- Sources: Banco de la República, Ministry of Finance and Public Credit ("Ministry of Finance"), Departamento Administrativo Nacional Estadístico ("DANE") and Consejo Superior de Política Fiscal ("CONFIS").*

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### **The Offering**

<b>Issuer</b>	The Republic of Colombia.
<b>Aggregate Principal Amount</b>	U.S. \$400,000,000.
<b>Issue Price</b>	100.000% of the principal amount of the notes.
<b>Issue Date</b>	November 16, 2005.
<b>Maturity Date</b>	November 16, 2015.
<b>Form of Securities</b>	The notes will be issued in the form of one or more registered global securities without coupons. The notes will not be issued in bearer form.
<b>Denominations</b>	The notes will be issued in denominations of U.S. \$100,000 and integral multiples of U.S. \$1,000 in excess thereof.
<b>Interest</b>	The notes will bear interest at a floating rate, which will be a per annum rate equal to the U.S. dollar three-month LIBOR rate plus 1.80% for each interest period, payable quarterly in arrears on February 16, May 16, August 16 and November 16 of each year, commencing on February 16, 2006, as more fully described under the heading "Description of the Notes".
<b>Redemption</b>	We may not redeem the notes before maturity. At maturity, we will redeem the notes at par.
<b>Risk Factors</b>	<p>Risk factors relating to the notes:</p> <ul style="list-style-type: none"><li>• The price at which the notes will trade in the secondary market is uncertain.</li><li>• The notes will contain provisions that permit Colombia to amend the payment terms without the consent of all holders.</li></ul> <p>Risk factors relating to Colombia:</p> <ul style="list-style-type: none"><li>• Colombia is a foreign sovereign state and accordingly it may be difficult to obtain or enforce judgments against it.</li><li>• Certain economic risks are inherent in any investment in an emerging market country such as Colombia.</li></ul>

- An increase in Colombia's debt-to-GDP ratio could increase the burden of servicing Colombia's debt.
- Colombia's economy remains vulnerable to external shocks that could be caused by significant economic difficulties of its major regional trading partners or by more general "contagion" effects,

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which could have a material adverse effect on Colombia's economic growth and its ability to service its public debt.

- Colombia's credit ratings may be changed, suspended or withdrawn.

### **Status**

The notes will be direct, general, unconditional, unsecured and unsubordinated external indebtedness of Colombia and will be backed by the full faith and credit of Colombia. The notes will rank equal in right of payment with all of Colombia's present and future unsecured and unsubordinated external indebtedness.

### **Withholding Tax and Additional Amounts**

We will make all payments on the notes without withholding or deducting any taxes imposed by Colombia, subject to certain specified exceptions. For more information, see "Description of the Securities—Debt Securities—Additional Amounts" on page 4 of the prospectus.

### **Further Issues**

Colombia may, without the consent of the holders, create and issue additional notes that may form a single series of notes with the outstanding notes; *provided* that such additional notes do not have, for purposes of U.S. federal income taxation (regardless of whether any holders of such additional notes are subject to U.S. federal tax laws), a greater amount of original issue discount than the notes have as of the date of the issue of such additional notes.

### **Listing**

Application has been made to list the notes on the official list of the Luxembourg Stock Exchange and to trade them on the Euro MTF Market of the Exchange.

### **Governing Law**

New York. The laws of Colombia will govern all matters relating to authorization and execution by Colombia.

### **Additional Provisions**

The notes will contain provisions regarding acceleration and future modifications to their terms that differ from those applicable to Colombia's outstanding external public indebtedness issued prior to January 21, 2004. Those provisions are described below in the section "New Provisions Applicable to the Notes".

**Use of Proceeds**

The net proceeds of the sale of the notes will be approximately U.S. \$398,450,000, after deduction of the underwriting discount and of certain expenses payable by Colombia (which are estimated to be U.S. \$350,000). Colombia will use the proceeds for the simultaneous prepayment of syndicated loans of Colombia in the aggregate principal amount of U.S. \$400,000,000.

**Underwriting**

Under the terms and subject to the conditions contained in an underwriting agreement, dated as of November 8, 2005, J.P. Morgan Securities Inc., as underwriter, is obligated to purchase all of the notes if any are purchased.

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### **RISK FACTORS**

*This section describes certain risks associated with investing in the notes. You should consult your financial and legal advisors about the risk of investing in the notes. Colombia disclaims any responsibility for advising you on these matters.*

#### **Risk Factors Relating to the Notes**

*The price at which the notes will trade in the secondary market is uncertain.*

Colombia has been advised by the underwriter that it intends to make a market in the notes but is not obligated to do so and may discontinue market making at any time without notice. Application has been made to admit the notes for trading on the Euro MTF Market of the Luxembourg Stock Exchange. No assurance can be given as to the liquidity of the trading market for the notes. The price at which the notes will trade in the secondary market is uncertain.

*The notes will contain provisions that permit Colombia to amend the payment terms without the consent of all holders.*

The notes will contain provisions regarding acceleration and voting on future amendments, modifications and waivers, which are commonly referred to as “collective action clauses”. Under these provisions, certain key provisions of the notes may be amended, including the maturity date, interest rate and other payment terms, with the consent of the holders of 75% of the aggregate principal amount of the outstanding notes. See “New Provisions Applicable to the Notes” in this prospectus supplement and “Description of the Securities—Default and Acceleration of Maturity” and “—Meetings and Amendments” in the accompanying prospectus.

#### **Risk Factors Relating to Colombia**

*Colombia is a foreign sovereign state and accordingly it may be difficult to obtain or enforce judgments against it.*

Colombia is a foreign state. As a result, it may not be possible for investors to effect service of process within their own jurisdiction upon Colombia or to enforce against Colombia judgments obtained in their own jurisdictions. See “Jurisdiction; Enforceability of Judgments” in the accompanying prospectus.

*Certain economic risks are inherent in any investment in an emerging market country such as Colombia.*

Investing in an emerging market country such as Colombia carries economic risks. These risks include economic instability that may affect Colombia’s economic results. Economic instability in Colombia and in other Latin American and emerging market countries has been caused by many different factors, including the following:

- high interest rates;
- changes in currency values;

- high levels of inflation;
- exchange controls;
- wage and price controls;



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- changes in economic or tax policies;
- the imposition of trade barriers; and
- internal security issues.

Any of these factors, as well as volatility in the markets for securities similar to the notes, may adversely affect the liquidity of, and trading markets for, the notes. See “Forward-looking Statements” in the accompanying prospectus.

*An increase in Colombia’s debt-to-GDP ratio could increase the burden on Colombia’s ability to service its debt.*

Colombia’s ratio of total nonfinancial public sector debt to GDP increased from 44.3% in 2000 to 48.5% in 2001 and to 56.6% in 2002. However, the ratio of total nonfinancial public sector debt to GDP decreased to 53.7% in 2003 and further to 49.8% in 2004. As of June 2005, Colombia’s ratio of total nonfinancial public sector debt to GDP stood at 48.8%. Any increase in the nonfinancial public sector debt to GDP ratio could have an adverse effect on Colombia’s economy and ability to service its debt. See “Recent Developments—Public Sector Debt” in this prospectus supplement.

*Colombia’s economy remains vulnerable to external shocks that could be caused by significant economic difficulties of its major regional trading partners or by more general “contagion” effects, which could have a material adverse effect on Colombia’s economic growth and its ability to service its public debt.*

Emerging-market investment generally poses a greater degree of risk than investment in more mature market economies because the economies in the developing world are more susceptible to destabilization resulting from domestic and international developments.

A significant decline in the economic growth of any of Colombia’s major trading partners, such as the United States, could have a material adverse impact on Colombia’s balance of trade and adversely affect Colombia’s economic growth. The United States is Colombia’s largest export market. A decline in United States demand for imports could have a material adverse effect on Colombian exports and Colombia’s economic growth. In addition, because international investors’ reactions to the events occurring in one emerging market country sometimes appear to demonstrate a “contagion” effect, in which an entire region or class of investment is disfavored by international investors, Colombia could be adversely affected by negative economic or financial developments in other emerging market countries. In the past, Colombia has been adversely affected by such contagion effects on a number of occasions, including following the 1997 Asian financial crisis, the 1998 Russian financial crisis, the 1999 devaluation of the Brazilian real and the 2001 Argentine financial crisis. Similar developments can be expected to affect the Colombian economy in the future.

There can be no assurance that a continuation or acceleration of these crises or similar events will not negatively affect investor confidence in emerging markets or the economies of the principal countries in Latin America, including Colombia. In addition, there can be no assurance that these events will not adversely affect the Colombia’s economy and its ability to raise capital in the external debt markets in the future. See “Forward-

Looking Statements” in the accompanying prospectus.

*Colombia’s credit ratings may be changed, suspended or withdrawn.*

Colombia’s credit ratings are as follows:

- Fitch: country ceiling rating of BB (Outlook Stable);
- Standard & Poor’s: foreign currency credit rating of BB (Stable); and
- Moody’s: country ceiling for long-term foreign currency notes of Ba2 (Outlook Negative).

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A Fitch “BB” rating indicates that there is a possibility of credit risk developing, particularly as the result of adverse economic change over time; however, business or financial alternatives may be available to allow financial commitments to be met. Securities rated in this category are not investment grade. A Fitch Outlook indicates the direction a rating is likely to move over a one to two-year period. Outlooks may be Positive, Stable or Negative. A Positive or Negative Outlook does not imply a rating change is inevitable. Similarly, a rating for which Outlook is “Stable” could be upgraded or downgraded before an Outlook moves to Positive or Negative if circumstances warrant such an action.

A Standard & Poor’s “BB” rating indicates that an obligor is less vulnerable in the near term than other lower-rated obligors. However, it faces major ongoing uncertainties and exposure to adverse business, financial, or economic conditions which could lead to the obligor’s inadequate capacity to meet its financial commitments. A Standard & Poor’s Rating Outlook assesses the potential direction of a long-term credit rating over the intermediate to longer term. In determining a Rating Outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An Outlook is not necessarily a precursor of a rating change. “Stable” means that a rating is not likely to change.

For Moody’s, obligations rated “Ba” are judged to have speculative elements and are subject to substantial credit risk. Moody’s appends numerical modifiers 1, 2 and 3 to each generic rating classification. The modifier 2 indicates a mid-range ranking within the Ba generic rating classification. Moody’s rating outlook is an opinion regarding the likely direction of a rating over the medium term. Where assigned, rating outlooks fall into the following four categories: Positive, Negative, Stable and Developing (contingent upon an event).

Ratings are not a recommendation to purchase, hold or sell securities and may be changed, suspended and withdrawn at any time. Each rating should be evaluated independently of the others. Detailed explanations of the ratings may be obtained from the rating agencies. The information above was obtained from information available on the websites of the rating agencies.

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### **CERTAIN DEFINED TERMS AND CONVENTIONS**

#### **Currency of Presentation**

Unless otherwise stated, Colombia has translated historical amounts into U.S. dollars (“U.S. dollars,” “dollars” or “U.S. \$”) or pesos (“pesos,” “Colombian pesos” and “Ps.”) at historical annual average exchange rates. Translations of pesos to dollars have been made for the convenience of the reader only and should not be construed as a representation that the amounts in question have been, could have been or could be converted into dollars at any particular rate or at all.

### **ABOUT THIS PROSPECTUS SUPPLEMENT**

You should read this prospectus supplement along with the accompanying prospectus attached hereto. Colombia is furnishing this prospectus supplement and the accompanying prospectus solely for use by prospective investors in connection with their consideration of a purchase of the notes and for Luxembourg listing purposes.

#### **Responsibility Statement**

Colombia, having taken all reasonable care to ensure that such is the case, confirms that the information contained in this prospectus (which includes this prospectus supplement together with the attached prospectus dated as of October 1, 2003) is, to the best of Colombia’s knowledge, in accordance with the facts and contains no material omission likely to affect its import. Colombia accepts responsibility accordingly.

### **INCORPORATION BY REFERENCE**

The SEC allows Colombia to incorporate by reference some information that Colombia files with the SEC. Colombia can disclose important information to you by referring you to those documents. Colombia’s SEC filings are also available to the public from the SEC’s website at <http://www.sec.gov>. Exhibit D to Colombia’s annual report on Form 18-K for the year ended December 31, 2004, filed with the SEC on July 12, 2005, is considered part of and incorporated by reference in this prospectus supplement and the accompanying prospectus.

Any person receiving a copy of this prospectus supplement may obtain, without charge and upon request, a copy of the above document (including only the exhibits that are specifically incorporated by reference in it). Requests for such document should be directed to:

Dirección General de Crédito Público y Tesoro Nacional  
Ministerio de Hacienda y Crédito Público  
Carrera 7a, No. 6-45, Piso 8  
Bogotá D.C., Colombia  
Telephone: 57-1-350-7422  
Fax: 57-1-350-6651

You may also obtain copies of documents incorporated by reference, free of charge, at the office of the

Luxembourg paying agent and transfer agent specified on the inside back cover of this prospectus supplement or from the website of the Luxembourg Stock Exchange at <http://www.bourse.lu>.

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### **Table of References**

The information incorporated by reference from Colombia's annual report on Form 18-K includes, but is not limited to, the following items:

#### **EC No. 809/2004 Item**

Annex XVI, 3.1: Issuer's position within the governmental framework

Annex XVI, 3.2: Geographic location and legal form of the issuer

Annex XVI, 3.3: Recent events relevant to the issuer's solvency

Annex XVI, 3.4(a): Structure of the issuer's economy

Annex XVI, 3.4(b): Gross domestic product

Annex XVI, 3.5: Colombia's political system and government

Annex XVI, 4(a): Tax and budgetary systems of the issuer

Annex XVI, 4(b): Gross public debt of the issuer

Annex XVI, 4(c): Foreign trade and balance of payments

Annex XVI, 4(d): Foreign exchange reserves

#### **Annual Report on Form 18-K for 2004**

"Republic of Colombia—Government and Political Parties" on pages D-6 to D-7 of Exhibit D

"Republic of Colombia—Geography and Population" and "—Government and Political Parties" on pages D-6 to D-7 of Exhibit D

"Introduction" on pages D-3 to D-5 of Exhibit D and "Recent Developments" on page S-18 of the prospectus supplement.

"Economy—Principal Sectors of the Economy" on pages D-15 to D-25 of Exhibit D

"Economy—Gross Domestic Product" on pages D-13 to D-14 of Exhibit D

"Republic of Colombia—Government and Political Parties" on pages D-6 to D-7 of Exhibit D

"Public Sector Finance—General", "—Public Sector Accounts" and "—2005 Budget" on pages D-57 to D-62 of Exhibit D

"Public Sector Debt" and "Tables and Supplementary Information" on pages D-65 to D-75 of Exhibit D

"Foreign Trade and Balance of Payments" on pages D-37 to D-47 of Exhibit D

"Monetary System—Foreign Exchange Rates and International Reserves" on pages D-54 to D-56 of Exhibit D

Annex XVI, 4(e): Financial position and resources

“Foreign Trade and Balance of Payments” on pages D-37 to D-47 of Exhibit D and “Public Sector Finance—General”, “—Public Sector Accounts” and “—2005 Budget” on pages D-57 to D-62 of Exhibit I

Annex XVI, 4(f): Income and expenditure figures and 2005 budget

“Public Sector Finance—Public Sector Accounts” and “—2005 Budget” on pages D-58 to D-62 of Exhibit D

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**USE OF PROCEEDS**

The net proceeds of the sale of the notes will be approximately U.S. \$398,450,000, after deduction of the underwriting discount and of certain expenses payable by Colombia (which are estimated to be U.S. \$350,000). Colombia will use the proceeds for the simultaneous prepayment of syndicated loans of Colombia in the aggregate principal amount of U.S. \$400,000,000. An affiliate of the underwriter is a lender under the syndicated loans to be prepaid with the proceeds of the sale of the notes, as described below under “Underwriting”. In addition, an affiliate of the underwriter acts as administrative agent under the syndicated loans.



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### **NEW PROVISIONS APPLICABLE TO THE NOTES**

The notes will contain provisions regarding acceleration and voting on amendments, modifications and waivers that differ from the provisions described in the accompanying prospectus. The provisions described in this prospectus supplement will govern the notes. These provisions are commonly referred to as “collective action clauses.” Under these provisions, Colombia may amend certain key terms of the notes, including the maturity date, interest rate and other payment terms, with the consent of less than all of the holders of the notes.

#### **Default and Acceleration of Maturity**

The notes will contain the same events of default as those described in the accompanying prospectus, but the procedures for acceleration if an event of default occurs will be different from those described in the prospectus. The events of default are the following:

1. *Non-Payment:* Colombia fails to pay any principal of or interest on the notes within 30 days of when the payment was due; or
2. *Breach of Other Obligation:* Colombia fails to perform any other material obligation contained in the notes or the fiscal agency agreement and that failure continues for 45 days after any holder of the notes gives written notice to Colombia to remedy the failure and gives a copy of that notice to the fiscal agent; or
3. *Cross Default on Direct Obligations:* Colombia fails to pay when due any public external indebtedness (other than public external indebtedness constituting guaranties by Colombia) with an aggregate principal amount greater than U.S. \$20,000,000 or the equivalent, and that failure continues beyond any applicable grace period; or
4. *Cross Default on Guaranties:* Colombia fails to pay when due any public external indebtedness constituting guaranties by Colombia with an aggregate principal amount greater than U.S. \$20,000,000 or the equivalent, and that failure continues until the earlier of (a) the expiration of the applicable grace period or 30 days, whichever is longer, or (b) the acceleration of the public external indebtedness by any holder; or
5. *Denial of Obligations:* Colombia denies its obligations under the notes; or
6. *Moratorium:* Colombia declares a general suspension of payments or a moratorium on the payment of debt which does not expressly exclude the notes; or
7. *IMF Membership:* Colombia ceases to be a member of the IMF or ceases to be eligible to use the general resources of the IMF.

If any of the events of default described above occurs and is continuing, the holders of at least 25% of the aggregate principal amount of the notes outstanding (as defined below) may, by notice to the fiscal agent, declare

all the notes to be due and payable immediately.

Upon any declaration of acceleration, the principal, interest and all other amounts payable on the notes will become immediately due and payable on the date Colombia receives written notice of the declaration, unless Colombia has remedied the event or events of default prior to receiving the notice. The holders of more than 50% of the aggregate principal amount of the notes may rescind a declaration of acceleration if Colombia remedies the event or events of default giving rise to the declaration after the declaration is made.

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### **Meetings, Amendments and Waivers**

Colombia may call a meeting of the holders of the notes at any time regarding the fiscal agency agreement or the notes. Colombia will determine the time and place of the meeting. Colombia will notify the holders of the time, place and purpose of the meeting not less than 30 and not more than 60 days before the meeting.

In addition, the fiscal agent will call a meeting of the holders of the notes if the holders of at least 10% of the aggregate principal amount of the outstanding notes have delivered a written request to the fiscal agent setting forth the action they propose to take. The fiscal agent will notify the holders of the time, place and purpose of any meeting called by the holders not less than 30 and not more than 60 days before the meeting.

Only holders of notes and their proxies are entitled to vote at a meeting of holders. Holders or proxies representing a majority of the aggregate principal amount of the outstanding notes will normally constitute a quorum. However, if a meeting is adjourned for a lack of a quorum, then holders or proxies representing not less than 25% of the aggregate principal amount of the outstanding notes will constitute a quorum when the meeting is rescheduled. For purposes of a meeting of holders that proposes to discuss reserved matters, which are specified below, holders or proxies representing not less than 75% of the aggregate principal amount of the outstanding notes will constitute a quorum. The fiscal agent will set the procedures governing the conduct of the meeting.

Colombia, the fiscal agent and the holders may generally modify or take actions with respect to the fiscal agency agreement or the terms of the notes:

- with the affirmative vote of the holders of not less than 66 <sup>2</sup>/<sub>3</sub>% of the aggregate principal amount of the outstanding notes that are represented at a meeting; or
- with the written consent of the holders of 66 <sup>2</sup>/<sub>3</sub>% of the aggregate principal amount of the outstanding notes.

However, the holders of not less than 75% of the aggregate principal amount of the outstanding notes, voting at a meeting or by written consent, must consent to any amendment, modification, change or waiver with respect to the notes that would:

- change the due date for the payment of principal of or interest on the notes;
- reduce the principal amount of the notes;
- reduce the portion of the principal amount of the notes that is payable upon acceleration of the maturity date;
- reduce the interest rate on the notes or any premium payable upon redemption of the notes;
- change the currency or place of payment of principal of or interest on the notes;

- shorten the period during which Colombia is not permitted to redeem the notes or permit Colombia to redeem the notes if, prior to this action, Colombia was not permitted to do so;
- reduce the percentage of principal amount held by the holders of the notes whose vote or consent is needed to modify, amend or supplement the fiscal agency agreement or the terms and conditions of the notes or to take any other action with respect to the notes or the fiscal agency agreement or change the definition of “outstanding” with respect to the notes;
- change Colombia’s obligation to pay any additional amounts;

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- change the governing law provision of the notes;
- change the courts to the jurisdiction of which Colombia has submitted, Colombia's obligation to appoint and maintain an agent for the service of process in the Borough of Manhattan, The City of New York or Colombia's waiver of immunity in respect of actions or proceedings brought by any holder based upon the notes;
- in connection with an exchange offer for the notes, amend any event of default under the notes; or
- change the status of the notes, as described under "Description of the Securities-Debt Securities-Nature of Obligation" in the prospectus.

We refer to the above subjects as "reserved matters." A change to a reserved matter, including the payment terms of the notes, can be made without your consent, as long as a supermajority of the holders (that is, the holders of at least 75% of the aggregate principal amount of the outstanding notes) agree to the change.

Colombia and the fiscal agent may, without the vote or consent of any holder of the notes, amend the fiscal agency agreement or the notes for the purpose of:

- adding to Colombia's covenants for the benefit of the holders;
- surrendering any of Colombia's rights or powers;
- providing collateral for the notes;
- curing any ambiguity or correcting or supplementing any defective provision contained in the fiscal agency agreement or the notes; or
- changing the terms and conditions of the fiscal agency agreement or the notes in any manner which Colombia and the fiscal agent may determine and which will not materially adversely affect the interests of the holders of the notes.

For purposes of determining whether the required percentage of holders of the notes has approved any amendment, modification or change to, or waiver of, the notes or the fiscal agency agreement, or whether the required percentage of holders has delivered a notice of acceleration of the notes, notes owned, directly or indirectly, by Colombia or any public sector instrumentality of Colombia will be disregarded and deemed not to be outstanding, except that in determining whether the fiscal agent shall be protected in relying upon any amendment, modification, change or waiver, or any notice from holders, only notes that the fiscal agent knows to be so owned shall be so disregarded. As used in this paragraph, "public sector instrumentality" means Banco de la República, any department, ministry or agency of the central government of Colombia or any corporation, trust, financial institution or other entity owned or controlled by the central government of Colombia or any of the foregoing, and "control" means the power, directly or indirectly, through the ownership of voting securities or other ownership interests or otherwise, to direct the management of or elect or appoint a majority of the board of

directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of a corporation, trust, financial institution or other entity.

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### **RECENT DEVELOPMENTS**

*This section provides information that supplements the information about Colombia contained in Colombia's Annual Report on Form 18-K for its fiscal year ended December 31, 2004 filed with the SEC on July 12, 2005, as it may be amended from time to time, which information is incorporated by reference in this prospectus supplement. To the extent the information in this section is inconsistent with the information contained in the Annual Report, the information in this section replaces such information. Capitalized terms not defined in this section have the meanings ascribed to them in the Annual Report.*

#### **Republic of Colombia**

According to preliminary figures, Colombia's ratio of total nonfinancial public sector debt to gross domestic product ("GDP") decreased from 53.7% in December 2003 to 49.8% in December 2004. As of June 2005, Colombia's ratio of total nonfinancial public sector debt to GDP stood at 48.8%.

In March 2004, the Government presented to Congress a constitutional amendment seeking to lift the ban on presidential re-election. The re-election bill was approved by means of Legislative Act No. 02 dated December 27, 2004 (the "Legislative Act") after it passed eight successful congressional votes (four successful congressional votes in two consecutive congressional terms). Following the filing of several complaints challenging the constitutionality of the Legislative Act, the Constitutional Court declared that the Legislative Act did not violate the Constitution.

Congress has also passed the "Electoral Guarantees Law", which regulates the manner in which a current president may act as a candidate in a re-election without having unfair advantages over his or her opponents. This statute is currently being reviewed by the Constitutional Court, and its decision is expected to be made public by November 11, 2005. If the law is declared unconstitutional, the consequence, according to one interpretation, is that the President will not be able to run for a second election. The Government does not support this view and in any event believes that the statute is constitutional. At this time, however, no assurance can be given as to the outcome of the review of the Constitutional Court or the consequences of a decision that the statute is unconstitutional.

A pension reform bill, which seeks to modify the current pension structure in order to preserve and increase the Social Security System reserves, was presented to Congress in 2004. The pension reform bill passed eight successful congressional votes (four successful congressional votes in two consecutive congressional terms) and became law on June 20, 2005. Under this pension reform, women who are 35 years or older as of 1993 and men who are 40 years or older as of 1993, or who had been working for more than 15 years, and who have made contributions for more than 750 weeks will maintain special pension benefits until 2014. Other eligible employees who contributed for less than 750 weeks, will maintain their special pension benefits only until 2010. Additionally, the reform eliminates one of the 14 annual payments made to retired workers. The Government estimates that approximately 220,000 employees will not be able to retain their special pension benefits under the pension reform.

A capital markets reform bill was approved by Congress in July 2005 and became Law 964 of 2005. Law 964 seeks to modernize the regulatory framework for Colombia's capital markets in order to, among other matters, foster growth in capital markets activity, provide a broader range of financing alternatives than has been traditionally available and promote increased access to the capital markets by Colombian and international investors.

The Law of Juridical Stability for investors was passed by Congress on July 8, 2005. This law is intended to protect investors and facilitate access to the Colombian financial markets, with the intention of increasing national and foreign investment. The goals of the law are to modernize regulation, provide liquidity to the market, and increase its transparency.

### *Internal Security*

The Government announced that for the first nine months of 2005, homicides, terrorism, automobile theft and kidnapping declined by 15.5%, 27.3%, 21.7% and 52.4%, respectively, as compared to the same period in 2004.



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Five divisions of unauthorized paramilitary organizations were dismantled in November and December 2004 under a demobilization plan developed by the Government. The demobilization plan is the result of the Santa Fe de Ralito Agreement that was signed between these paramilitary organizations and the Government on July 23, 2003 and ratified on October 7, 2004, through a public announcement called the “*Acto de Fe por la Paz*”. In the first nine months of 2005, 849 members of these groups had been reintegrated into civil society.

On June 22, 2005, Congress approved Law 975 of 2005, known as the Justice and Peace Law, that constitutes the legal framework for future peace talks. This law allows members of illegal groups to demobilize in an individual or collective way, and offers the potential for reduced sentencing and prison terms if the individuals confess their crimes.

Camilo Ospina, a former senior legal counsel to the Presidency of Colombia, was appointed as Defense Minister following the resignation of Jorge Alberto Uribe on July 8, 2005.

Internal security issues continue to be a leading challenge faced by Colombia. There can be no assurance that the decrease in criminal activity will continue in the future.

## **Economy**

### *Gross Domestic Product*

According to preliminary figures, real GDP grew by approximately 5.3% in the first half of 2005 as compared to the same period in 2004. The sectors of the economy that experienced the largest increases in real growth during this period were the retail, restaurants and hotels sector, which grew by 10.2%, the financial intermediation services sector, which grew by 9.8%, and the construction sector, which grew by 7.8%.

The Government currently expects that real GDP growth for 2005 will be approximately 4.0%, although no assurance can be given that this projection will be reached.

### *Employment and Labor*

The following table presents monthly average rates of unemployment in urban areas for January 2003 through September 2005, according to the most recent methodology adopted by the National Administrative Department of Statistics (“DANE”).

**Monthly Unemployment Rates for the 13 Largest Urban Areas<sup>(1)</sup>**

	<u>2003</u>	<u>2004</u>	<u>2005</u>
January	18.2%	18.1%	16.1%
February	17.6	17.1	16.1
March	17.8	16.2	15.1
April	17.9	16.9	14.5

May	16.7	14.8	13.9
June	16.9	15.8	14.0
July	17.8	15.3	14.1
August	17.1	15.0	13.8
September	16.1	14.9	13.5
October	15.4	14.1	n/a
November	14.1	13.9	n/a
December	14.7	13.0	n/a

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1: Statistics for the cities and metropolitan areas of Bogotá, Medellín, Cali, Barranquilla, Bucaramanga, Manizales, *Pasto*, *Pereira*, *Cúcuta*, *Ibagué*, *Montería*, *Cartagena* and *Villavicencio*.

n/a: not available.

Source: DANE.

[Table of Contents](#)**Foreign Trade and Balance of Payments***Balance of Payments*

According to preliminary figures from *Banco de la República*, Colombia's central bank, Colombia's current account registered a deficit of U.S.\$92 million for the first six months of 2005, compared to a deficit of U.S.\$204 million for the same period in 2004. The capital account registered a surplus of U.S.\$998 million for the first six months of 2005, compared to a U.S.\$368 million surplus for the same period in 2004.

The following table presents preliminary balance of payments figures for the periods indicated:

**Balance of Payments<sup>(1)</sup>**

	For the Year Ended 2003 <sup>(2)</sup>	For the Year Ended 2004 <sup>(2)</sup>	Jan. – Jun. 2005 <sup>(2)</sup>
(in millions of U.S. dollars)			
<b>Current Account</b>			
Exports (FOB)			
Oil and its Derivatives	U. S. \$ 3,383	U. S. \$ 4,180	U. S. \$ 1,279
Coffee	809	949	378
Coal	1,422	1,854	867
Nickel	416	628	192
Gold and emeralds <sup>(3)</sup>	665	631	151
Nontraditional <sup>(4)</sup>	6,250	8,223	2,667
<b>Total Exports</b>	<b>12,946</b>	<b>16,464</b>	<b>5,533</b>
Imports (FOB)			
Consumer Goods	2,425	2,818	826
Intermediate Goods	5,844	7,268	2,198
Capital Goods	4,523	5,237	1,944
<b>Total Imports (FOB)</b>	<b>12,792</b>	<b>15,324</b>	<b>4,968</b>
Special Trade Operations (Net) <sup>(5)</sup>	414	227	57
<b>Trade Balance</b>	<b>567</b>	<b>1,368</b>	<b>622</b>
Services (Net) <sup>(6)</sup>			
Inflow	1,900	2,250	606
Outflow	3,340	4,051	1,097

	(1,441)	(1,801)	(491)
Income (Net) <sup>(7)</sup>			
Inflow	548	663	246
Outflow	3,994	4,847	1,467
	(3,446)	(4,183)	(1,221)
Transfers (Net)	3,333	3,650	998
<i>Total Current Account</i>	(987)	(967)	(92)
<b>Capital Account</b>			
Foreign Direct Investment (Net) <sup>(8)</sup>	863	2,910	1,425
Portfolio Investment (Net) <sup>(9)</sup>	(1,669)	(442)	680
Loans (Net) <sup>(10)</sup>	182	134	(1,220)
Commercial Credits (Net)	713	371	(26)
Leasing (Net) <sup>(10)</sup>	(337)	(76)	(1)
Other (Net) <sup>(10)</sup>	1,023	287	138
Other Long Term Financing	(30)	(51)	0
Special Capital Flows (Net) <sup>(11)</sup>	0	0	0
<i>Total Capital Account</i>	746	3,134	998
Errors and Omissions	57	375	76
Change in Gross International Reserves	U. S. \$ (186)	U. S. \$ 2,543	U. S. \$ 981

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Totals may differ due to rounding.

- 1: Figures for all periods calculated according to the recommendations contained in the 5th edition of the IMF's Balance of Payments Manual.
- 2: Preliminary.
- 3: Includes gold exports made by private agents (including an estimate of contraband gold transactions).
- 4: Nontraditional exports consist of products other than oil and its derivatives, coffee, coal, nickel, gold and emeralds.
- 5: Principally goods acquired by ships in ports and foreign trade in free trade zones.
- 6: Includes non-financial services, such as transportation, travel, telecommunications, postal, construction, insurance, information, personal and government services, as well as commissions paid by the public and private sector on financial services relating to managing external debt.
- 7: Includes financial services and inflows and outflows related to payments for and costs of labor and capital. Financial service outflows include interest payments on private and public external debt and securities, dividend remittances abroad, salaries received by Colombian citizens abroad and interest earnings on assets held by Colombian residents abroad.
- 8: Foreign direct investment in Colombia less Colombian direct investment abroad (outflows). Includes long-term and short-term foreign direct investment.
- 9: Portfolio investment in Colombia less Colombian portfolio investment abroad (outflows). Includes long-term and short-term portfolio investment flows.
- 10: Includes long-term and short-term flows.
- 11: As calculated with the new balance of payments methodology, these amounts are not substantial enough to be material. Excludes portfolio investment flows.

Source: *Banco de la República*—Economic Studies.

## Monetary System

### *Financial Sector*

Colombia's financial sector had a total gross loan portfolio of Ps. 64.6 trillion at September 30, 2005, as compared to Ps. 57.4 trillion at September 30, 2004 and Ps. 58.8 trillion at December 31, 2004. Past-due loans amounted to Ps. 2.0 trillion at September 30, 2005, as compared to Ps. 2.5 trillion at September 30, 2004 and Ps. 1.9 trillion at December 31, 2004. As a percentage of total loans, past due loans fell by 20.7% from September 30, 2004 to September 30, 2005. Provisions covering past-due loans increased from 126.6% at September 30, 2004 to 143.9% at September 30, 2005.

The following table shows the results of the financial sector as of, and for the period ended, September 30, 2005.

### **Selected Financial Sector Indicators (in millions of pesos as of, and for the eleven month period ended, September 30, 2005)**

	Assets	Liabilities	Net Worth	Earnings/ (Losses)
Private Sector Institutions	Ps. 85,931,806	Ps.74,611,597	Ps.11,320,209	Ps.2,064,23
Cooperatives	592,010	456,205	135,805	16,07
State-Owned Institutions <sup>(1)</sup>	18,126,237	16,292,214	1,834,024	329,68

Total

Ps.104,650,053 Ps.91,360,016 Ps.13,290,038 Ps.2,409,99

Totals may differ due to rounding.

1: Includes Special Financing Institutions but not *Banco de la República*.

Source: Superintendency of Banks.

### *Interest Rates and Inflation*

The short-term composite reference rate (*depósitos a término fijo*, or “DTF”) averaged 6.8% in September 2005, as compared to 7.7% in September 2004.

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Consumer inflation (as measured by the change in the consumer price index, or “CPI”) for the twelve months ended September 30, 2005 was 4.4%, as compared to 6.0% for the twelve months ended September 30, 2004.

Producer price inflation (as measured by the change in the producer price index, or “PPI”) for the twelve months ended September 30, 2005 was 2.6%, as compared to 5.5% for the twelve months ended September 30, 2004.

The following table sets forth changes in the consumer price index (CPI), the producer price index (PPI) and average 90-day deposit rates (DTF) during the last seven months of 2003, the full year 2004 and the first nine months of 2005.

### **Inflation and Interest Rates June 2003 – September 2005**

	<b>Consumer Price Index (CPI)<sup>(1)</sup></b>	<b>Producer Price Index (PPI)<sup>(1)</sup></b>	<b>Short- term reference rate (DTF)<sup>(2)</sup></b>
<b>2003</b>			
June	7.2	11.0	7.8
July	7.0	10.2	7.8
August	7.3	9.0	7.8
September	7.1	6.9	7.8
October	6.6	5.3	7.8
November	6.1	5.9	7.9
December	6.5	5.7	8.0
<b>2004</b>			
January	6.2	5.3	8.0
February	6.3	5.0	7.9
March	6.2	4.6	7.8
April	5.5	4.1	7.8
May	5.4	5.3	7.8
June	6.1	5.9	7.9
July	6.2	5.2	7.8
August	5.9	5.2	7.8
September	6.0	5.5	7.7
October	5.9	5.8	7.7
November	5.8	5.5	7.7
December	5.5	4.6	7.8
<b>2005</b>			
January	5.4	4.4	7.7
February	5.3	4.3	7.4

March	5.0	4.9	7.3
April	5.0	4.2	7.3
May	5.0	3.0	7.2
June	4.8	2.6	7.2
July	4.9	3.0	7.1
August	4.9	2.9	7.0
September	5.0	2.6	6.8

- 
- 1: Percentage change over the previous twelve months at the end of each month indicated.
  - 2: Average for each month of the short-term composite reference rate (*depósitos a término fijo*), as calculated by the Superintendency of Banks.

Sources: *DANE* and *Banco de la República*.



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### *Foreign Exchange Rates and International Reserves*

*Exchange Rates.* For September 2005, the average Representative Market Rate published by the Superintendency of Banks for the payment of obligations denominated in U.S. dollars was Ps. 2,294.52 = U.S.\$1.00, as compared to Ps. 2,411.37 = U.S.\$1.00 for December 2004 and Ps. 2,807.20 = U.S.\$1.00 for December 2003.

*International Reserves.* Net international reserves increased from U.S.\$10.9 billion at December 31, 2003 to U.S.\$13.5 billion at December 31, 2004. Net international reserves totaled U.S.\$15.1 billion at August 31, 2005.

*Banco de la República* purchased U.S.\$2.9 billion in 2004 in its campaign against the appreciation of the peso.

As established by Decree No. 246 of 2004 and according to the technical criteria established by Resolution No. 137 of January 27, 2005, which refers to the administration of excess liquidity, the General Directorate of Public Credit and the National Treasury is allowed to perform, during the fiscal year 2005, among other measures, future derivative operations that consist of swaps and forwards over foreign exchange.

Also, under the regulatory framework of Resolution No. 182 of 2005, which regulates futures operations, the General Directorate of Public Credit and the National Treasury had an outstanding net bought position in forward contracts of U.S.\$897 million as of September 15, 2005.

### **Public Sector Finance**

#### *General*

For the year ended December 31, 2004, Colombia's consolidated fiscal deficit is estimated to have totaled approximately 1.3% of GDP, as compared to 2.7% of GDP in 2003. The Government continues to pursue the objective of reducing the overall public debt to 44% of GDP by 2010. No assurance can be given that this goal will be achieved. According to revised figures released in June 2005 by the National Fiscal Policy Council (CONFIS) and the Ministry of Finance, the principal public sector finance statistics for 2005 and 2006 (as contained in the proposed 2006 budget) are as follows:

#### **Principal Public Sector Finances Statistics<sup>(1)</sup> (% of GDP)**

	<b>Budget 2005</b>	<b>Actual Jan.- Jun. 2005<sup>(1)</sup> (2)</b>	<b>Proposed Budget 2006<sup>(3)</sup></b>
Nonfinancial Public Sector Balance	(2.4)%	1.0%	(2.1)%
Central Government	(6.1)	(2.3)	(6.4)
Other Public Sector Entities	3.7	3.3	4.3
Statistical Discrepancies	0.0	(0.1)	0.0
Central Bank Balance	0.1	0.0	0.2

Fogafín Balance	0.1	0.1	0.1
Financial Sector Restructuring Costs	(0.3)	(0.2)	(0.3)
Consolidated Public Sector Balance	(2.5)	(0.8)	(2.0)

Totals may differ due to rounding.

1: Figures calculated by CONFIS as of September 12, 2005.

2: Preliminary.

3: Budget figures as proposed to Congress in June 2005.

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The following table shows the principal budget assumptions for 2005 and 2006 revised as of October 25, 2005.

### **Principal 2005 and 2006 Budget Assumptions Revised as of October 25, 2005<sup>(1)</sup>**

	<b>2005 Budget Assumptions</b>	<b>2006 Budget Assumptions</b>
<b>Gross Domestic Product</b>		
Nominal GDP (billion pesos)	Ps. 277,290	Ps. 301,210
Real GDP Growth	4.0%	4.0%
<b>Inflation</b>		
Domestic Inflation (producer price index) <sup>(2)</sup>	5.0%	4.5%
Domestic Inflation (consumer price index)	5.0%	4.5%
World Inflation <sup>(3)</sup>	11.0%	4.5%
Real Devaluation (average)	(10.66)%	(3.01)%
<b>Interest Rates</b>		
Prime (United States)	6.6%	7.4%
LIBOR (six month)	3.6%	4.5%
<b>Export Prices</b>		
Coffee (ex-dock) (\$/lb.)	1.18	1.14
Oil (\$/barrel) (Cuisana)	47.86	54.36
Coal (\$/ton)	47.86	47.86
Ferronickel (\$/lb.)	2.57	2.32
Gold (\$/Troy oz.)	433.8	452.7

1: Figures correspond to statistics not yet released by the Ministry of Finance and Public Credit.

2: End of period. Calculated using a projected change in the producer price index.

3: Weighted average inflation for Colombia's trading partners, expressed in U.S. dollars.

Source: Ministry of Finance.

The figures set forth above represent Colombia's forecast with respect to the Colombian economy during 2005 and 2006. While the Government believes that these assumptions and targets were reasonable when made, some are beyond the control or significant influence of the Government, and actual outcomes will depend on future events. Accordingly, no assurance can be given that economic results will not differ materially from the figures set forth above.

### *Proposed Reforms*

*Bill to Modernize the Tax Collection Office.* The Government submitted a bill to Congress in February 2005 that is designed to modernize the National Directorate of Customs and Taxes, improve the collection and administration of income taxes and customs duties through the use of better technology and reduce tax evasion. The bill was approved by the Chamber of Representatives and is currently pending in the Senate.

On September 15, 2005, the Government submitted a bill to Congress that seeks to attract investors by setting the income tax rate at 25% for users of “Industrial Free Zones” and eliminating the special tax rate for dividends and profit sharing received by foreigners. The bill is pending in the Chamber of Representatives.

No assurance can be given that these reforms will be adopted or that they will be adopted in the form proposed by the Government.

*IMF Program for 2005-2006*

On January 15, 2003, the IMF approved a two-year SDR 1.5 billion (approximately \$2.3 billion) Stand-By Arrangement in connection with the Government’s two-year macroeconomic program. The funds could

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be used to support imbalances in Colombia's external accounts, and disbursements under the IMF program were conditional on achieving certain targets. The Stand-By Arrangement expired in May 2005, and no amounts were disbursed under the facility.

Effective May 2005, the Executive Board of the IMF approved a new 18-month, SDR 405 million (\$613 million) Stand-By Arrangement to support Colombia's economic program through November 2006.

In July 2005, the IMF mission completed its first review under the new Stand-By Arrangement. At the conclusion of the review, the IMF and Colombia agreed to a lower target combined public sector deficit for 2005 of between 1.5% to 2.0% of GDP, compared with an original target of 2.5% of GDP. The lower target combined public sector deficit for 2005 takes into account the effects of higher oil export prices, increased tax revenues and reduced interest costs. For 2006, the target combined public sector deficit will remain at 2.0% of GDP, assuming a conservative export price of oil. Completion of the review made an amount equivalent to SDR 42.3 million (approximately US\$ 61.0 million) immediately available to Colombia, in addition to SDR 193.5 million (approximately US\$ 278.9 million) made available initially upon the program's approval. Colombia intends to treat the new Stand-By Arrangement as precautionary and does not plan to draw on the facility.

### **Public Sector Debt**

#### *Public Sector Internal Debt*

Total direct internal funded debt of the Central Government (with an original maturity of one year or more) is estimated at Ps. 90.8 trillion (U.S.\$38.6 billion) at August 31, 2005, as compared to Ps. 79.9 trillion (U.S. \$33.7 billion) at January 31, 2005. The following table shows the direct internal funded debt of the Central Government at August 31, 2005 by type:

#### **Central Government: Internal Public Funded Debt – Direct Funded Debt<sup>(1)</sup>**

	At August 31, 2005
	(in millions of pesos)
Treasury Bonds	Ps. 72,372,120
Pension Bonds	6,733,881
Fogafín Bonds	2,844,640
Law 546 Bonds <sup>(2)</sup>	1,810,964
TRD	3,222,679
Peace Bonds	1,280,934
Constant Value Bonds	1,745,521
Banco Agrario	823,860
Others <sup>(3)</sup>	553
Security Bonds	5,925

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**Total****Ps. 90,841,077**

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Total may differ due to rounding.

- 1: Debt with an original maturity of one year or more.
- 2: Includes Law 546 and debt reduction bonds.
- 3: Includes other assumed debt.

Source: Debt Registry Office—General Directorate of Public Credit—Ministry of Finance.

On June 17, 2005, Colombia exchanged external debt (denominated in Dollars and Euros) with maturities from 2005 to 2008 for internal debt (denominated in Pesos and the *unidad de valor real constante*, or UVR (an adjustment factor related to the Consumer Price Index used for long-term Peso-denominated credits in Colombia)) with maturities from 2008 through 2015. The aggregate principal amount of external debt exchanged totaled the U.S. dollar equivalent of U.S.\$583.4 million, and the aggregate principal amount issued in the exchange was Ps. 1,370.3 billion.

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### *Public Sector External Debt*

The following tables show the total external funded debt of the public sector (with an original maturity of one year or more) by type and by creditor.

#### **Public Sector External Funded Debt by Type<sup>(1)</sup>**

	At December 31, 2004	At June 30, 2005
	(in millions of U. S. dollars)	(in millions of U. S. dollars)
Central Government	U.S.\$ 22,327	U.S.\$ 20,427
Public Entities <sup>(2)</sup>		
Guaranteed	2,180	1,982
Non-Guaranteed	811	766
<b>Total External Funded Debt</b>	<b>U.S.\$ 25,318</b>	<b>U.S.\$ 23,175</b>

Total may differ due to rounding.

1: Preliminary figures. Debt with an original maturity of one year or more. Debt in currencies other than U.S. dollars has been converted into U.S. dollars using exchange rates at December 31, 2004 and June 30, 2005, respectively.

2: Includes *Banco de la República*, public agencies and entities, departments and municipal governments and state-owned financial entities. Excludes debt with resident financial institutions.

Source: Debt Registry Office—Ministry of Finance.

#### **Public Sector External Funded Debt by Creditor<sup>(1)</sup>**

	At December 31, 2004	At June 30, 2005
	(in millions of U. S. dollars)	(in millions of U. S. dollars)
Multilaterals	U.S.\$ 10,107	U.S.\$ 8,677
IADB	4,999	3,578
World Bank	3,496	3,498
Others	1,612	1,600
Commercial Banks	1,631	1,562
Export Credit Institutions	544	466
Bonds	12,667	12,170
Foreign Governments	257	207
Suppliers	112	92

Total	U.S.\$	25,318	U.S.\$	23,175
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Total may differ due to rounding.

1: Preliminary figures. Debt with an original maturity of one year or more. Debt in currencies other than U.S. dollars has been converted into U.S. dollars using exchange rates at December 31, 2004 and June 30, 2005, respectively. Excludes debt with resident financial institutions.

Source: Debt Registry Office—Ministry of Finance.

Since June 30, 2005, Colombia has incurred the following additional external funded indebtedness:

- On July 19, 2005, Colombia reopened its 8.25% Global Bonds due 2014, issuing an additional U.S. \$500 million aggregate principal amount of its 8.25% Global Bonds due 2014.
- On September 21, 2005, Colombia reopened its 8.125% Global Bonds due 2024, issuing an additional U.S.\$500 million aggregate principal amount of its 8.125% Global Bonds due 2024.



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On September 21, 2005, Colombia purchased bonds in the equivalent amount of U.S. \$1,133,174,428 pursuant to a cash tender offer. The following table sets forth for each series of bonds the aggregate principal amount of bonds accepted for purchase, and the aggregate principal amount of each series of bonds remaining outstanding following the completion of the offer.

Bonds	ISIN	Outstanding Aggregate Principal Amount as of September 6, 2005	Aggregate Principal Amount Accepted for Purchase*	Clearing Price	Aggregate Principal Amount Remaining Outstanding*
10.5% Global Bonds due 2006	US195325AX31	U.S. \$546,838,000	0	U.S.\$1,047	U.S. \$546,838,000
7.625% Bonds due 2007	US195325AK10	U.S. \$653,504,000	U.S. \$111,676,000	U.S.\$1,041	U.S. \$541,828,000
11.375% Notes due 2008	XS0123152521	€727,691,000	€249,358,000	€1,183	€478,333,000
8.625% Global Bonds due 2008	US195325AM75	U.S. \$500,000,000	0	U.S.\$1,091	U.S. \$500,000,000
9.75% Global Bonds due 2009	US195325AR62	U.S. \$998,756,000	0	U.S.\$1,152	U.S. \$998,756,000
10.5% Global Bonds due 2010	US195325AZ88	U.S. \$507,058,000	U.S.\$80,690,000	U.S.\$1,206	U.S. \$426,368,000
9.75% Amortizing Notes due 2011	US195325AW57	U.S. \$708,679,144	U.S. \$345,686,600	U.S.\$1,146	U.S. \$362,992,544
11.5% Global Bonds due 2011	XS0129675350	€400,000,000	€37,565,000	€1,330	€362,435,000
8.7% Bonds due 2016	US195325AJ47	U.S. \$200,000,000	U.S.\$82,451,000	U.S.\$1,117	U.S. \$117,549,000
8.375% Bonds due 2027	US195325AL92	U.S. \$210,155,000	U.S.\$29,393,000	U.S.\$1,068	U.S. \$180,762,000
10.375% Global Bonds due 2033	US195325BB02	U.S. \$635,000,000	U.S. \$130,879,000	U.S.\$1,282	U.S. \$504,121,000

\* Amounts are approximate.

### *Early Payment of IADB Emergency Loans*

In April 2005, Colombia made an early payment in the amount of U.S.\$1.25 billion under its emergency loans with the IADB. In order to make the early payment, the Central Government purchased international reserves from *Banco de la República* using the peso proceeds of its offerings of TES bonds completed in the local market during 2004 and 2005. *Banco de la República*, in turn, used the pesos it received from the Central Government in connection with such purchases of international reserves to acquire TES bonds in secondary market transactions.

Following the early payment of U.S.\$1.25 billion to the IADB, Colombia began negotiations with the IADB for new loans with the amount to be determined in the negotiations. The proceeds of the new loans are expected to be used to finance public investment in infrastructure projects and social development programs. Disbursements are

anticipated between 2005 and 2006.

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### DESCRIPTION OF THE NOTES

*This prospectus supplement describes the terms of the notes in greater detail than the prospectus and may provide information that differs from the prospectus. If the information in this prospectus supplement differs from the prospectus, you should rely on the information in this prospectus supplement.*

*Colombia will issue the notes under the fiscal agency agreement, dated as of September 28, 1994, as amended as of January 21, 2004, between Colombia and JP Morgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank), as fiscal agent. The information contained in this section and in the prospectus summarizes some of the terms of the notes and the fiscal agency agreement. Because this is a summary, it does not contain all of the information that may be important to you as a potential investor in the notes. Therefore, you should read the fiscal agency agreement and the form of the notes in making your investment decision. Colombia has filed or will file copies of these documents with the Securities and Exchange Commission and will also file copies of these documents at the offices of the fiscal agent and the paying agents.*

#### General Terms of the Notes

The notes initially offered on the date of this prospectus supplement will:

- be issued on November 16, 2005, in an aggregate principal amount of U.S. \$400,000,000;
- mature at par on November 16, 2015;
- be issued in denominations of U.S. \$100,000 and integral multiples of U.S. \$1,000 in excess thereof;
- bear interest at a floating rate, which will be a per annum rate equal to three-month LIBOR plus 1.80% for each interest period, accruing from November 16, 2005 and ending on the maturity date of the notes;
- pay interest in U.S. dollars quarterly on February 16, May 16, August 16 and November 16 of each year, commencing on February 16, 2006, subject to adjustment as described herein. Interest will be computed on the basis of the actual number of days in the interest period and a 360-day year;
- pay interest to persons in whose names the notes are registered at the close of business on the 15th calendar day preceding each payment date;
- constitute direct, general, unconditional, unsecured and unsubordinated external indebtedness of Colombia backed by the full faith and credit of Colombia;
- be equal in right of payment with all of Colombia's present and future unsecured and unsubordinated external indebtedness;
- be represented by one or more global securities in fully registered form only, without coupons;

- be registered in the name of a nominee of The Depository Trust Company, known as DTC, and recorded on, and transferred through, the records maintained by DTC and its participants, including the depositaries for Euroclear Bank S.A./N.V., as operator of the Euroclear System plc (“Euroclear”), and Clearstream Banking, *société anonyme* (“Clearstream, Luxembourg”);
- be available in definitive, certificated form only under certain limited circumstances; and
- not be redeemable before maturity and not be entitled to the benefit of any sinking fund.

The public offering price is 100.000%.

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### **Interest Determination for the Notes**

The notes will bear interest at the rate per annum during each Interest Period (as defined below) equal to the sum of LIBOR for such Interest Period plus 1.80%, until the principal amount thereof is paid or made available for payment. Interest on the notes will be computed on the basis of a 360-day year and the actual number of days elapsed in each Interest Period.

The Calculation Agent (as defined herein) shall determine LIBOR and the interest rate for each Interest Period in accordance with the following provisions. The Calculation Agent's determination of any interest rate will be final and binding absent manifest error.

“Business Day” means any day, other than a Saturday or Sunday, on which banks in The City of New York are not required or authorized by law or executive order to close.

“Interest Determination Date” means, for each Interest Period, the second London Business Day next preceding the first day of such Interest Period.

“Interest Period” shall mean (i) the period commencing on (and including) November 16, 2005 and ending on (but excluding) the next succeeding Payment Date and (ii) each subsequent period thereafter commencing on (and including) the most recent Payment Date and ending on (but excluding) the next succeeding Payment Date.

“LIBOR” with respect to each Interest Period will equal the arithmetic mean of the offered rates for three-month deposits in U.S. dollars commencing on the first day of such Interest Period, as such rates appear on the Reuters Screen LIBO Page at approximately 11:00 A.M., London time, on the Interest Determination Date for such Interest Period, if at least two such offered rates appear on the Reuters Screen LIBO Page. If fewer than two offered rates appear on the Reuters Screen LIBO Page, “LIBOR” for such Interest Period will be the offered rate for three-month deposits in U.S. dollars commencing on the first day of such Interest Period, as such rate appears on Telerate Page 3750 at approximately 11:00 A.M., London time, on the Interest Determination Date for such Interest Period.

“London Business Day” means a Business Day on which dealings in U.S. Dollars are transacted in the London interbank market.

“Payment Date” means February 16, May 16, August 16 and November 16, of each year, commencing on February 16, 2006; provided that if any such date is not a Business Day, such Payment Date shall be the next succeeding Business Day, except that if such day would fall in the succeeding calendar month, such Payment Date shall be the preceding Business Day.

“Reuters Screen LIBO Page” means the display designated as page “LIBO” on the Reuters Monitor Money Rates Service (or such other page as may replace the “LIBO” page on that service for the purpose of displaying London interbank offered rates of major banks for U.S. dollar deposits).

“Telerate Page 3750” means the display designated as page “3750” on the Moneyline Telerate Service (or such

other page as may replace the “3750” page on that service or such other service or services as may be nominated by the British Bankers’ Association for the purpose of displaying London interbank offered rates for U.S. dollar deposits).

If fewer than two offered rates appear on the Reuters Screen LIBO Page as specified above on an Interest Determination Date and no offered rate appears on Telerate Page 3750 on such Interest Determination Date, the Calculation Agent will request the principal London offices of each of four major banks in the London interbank market, as selected by the Calculation Agent with the approval of Colombia, to provide the Calculation

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Agent with its offered quotations for three-month deposits in U.S. dollars, commencing on the first day of such Interest Period, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on such Interest Determination Date and in a principal amount not less than \$1,000,000 that is representative of a single transaction in such market at such time. If at least two such quotations are provided, LIBOR will be the arithmetic mean of such quotations. If fewer than two quotations are provided, LIBOR with respect to such Interest Period will be the arithmetic mean of the rates quoted at approximately 11:00 A.M., New York time, on such Interest Determination Date by three major banks in The City of New York selected by the Calculation Agent with the approval of Colombia for three-month loans in U.S. dollars to leading European banks, commencing on the first day of such Interest Period, and in a principal amount not less than \$1,000,000 that is representative of a single transaction in such market at such time; provided that if fewer than three banks selected as aforesaid by the Calculation Agent with the approval of Colombia are quoting rates as mentioned in this sentence, LIBOR will be LIBOR as in effect on such Interest Determination Date.

The Calculation Agent shall, no later than the first day of such Interest Period, notify the paying agent and each other paying agent and the Luxembourg Stock Exchange (so long as the notes are listed on such exchange and the rules of such exchange so require) of the applicable interest rate for each Interest Period, the first day of such Interest Period and the amount of interest payable per \$1,000 principal amount of notes on the relevant Payment Date, in accordance with the section entitled “Description of the Notes—Notices” below.

“Calculation Agent” means JPMorgan Chase Bank, N.A.

All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards (for example, 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655)) and all U.S. dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent being rounded upwards).

The interest rate on the notes will in no event be higher than the maximum rate permitted by New York law as the same may be modified by United States law of general application.

Colombia will procure that, so long as any note is outstanding, there shall at all times be a Calculation Agent for the purposes of the notes. If any such Calculation Agent (acting through its relevant office) is unable or unwilling to continue to act as the Calculation Agent or if the Calculation Agent fails to duly establish the rate of interest for any Interest Period, Colombia shall appoint some other leading bank engaged in the London interbank market (acting through its principal London office) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

### **Payment of Principal and Interest**

Colombia will make payments of principal of and interest on the notes represented by global securities by wire transfer of U.S. dollars to DTC or to its nominee as the registered holder of the notes, which will receive the funds for distribution to the owners of beneficial interests in the notes. Colombia has been informed by DTC that the

owners will be paid in accordance with the procedures of DTC and its participants. Neither Colombia nor the paying agent shall have any responsibility or liability for any of the records of, or payments made by, DTC or its nominee.

If the notes are issued in definitive, certificated form, Colombia will make its interest and principal payments to you, if you are the person in whose name the certificated notes are registered, by wire transfer if:

- you own at least U.S. \$1,000,000 aggregate principal amount of the notes; and
- not less than 15 days before the payment date, you notify the fiscal agent or any paying agent of your election to receive payment by wire transfer and provide it with your bank account information and wire transfer instructions;



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### **OR**

- Colombia is making such payments at maturity; and
- you surrender the certificated notes at the corporate trust office of the fiscal agent or at the offices of one of the other paying agents that Colombia appoints pursuant to the fiscal agency agreement.

If Colombia does not pay interest by wire transfer for any reason, it will, subject to applicable laws and regulations, mail a check on or before the due date for the payment. The check will be mailed to you at your address as it appears on the security register maintained by the fiscal agent on the applicable record date. If you hold your notes through DTC, the check will be mailed to DTC, as the registered owner.

If any date for an interest or principal payment is a day on which the law (or an executive order) at the place of payment permits or requires banking institutions to close, Colombia will make the payment on the next following banking day at such place. Colombia will treat those payments as if they were made on the due date, and no interest on the notes will accrue as a result of the delay in payment.

### **Paying Agents and Transfer Agents**

Until the notes are paid, Colombia will maintain a paying agent in The City of New York. Colombia has initially appointed JPMorgan Chase Bank, N.A. to serve as its paying agent. In addition, Colombia will maintain a paying agent and a transfer agent in Luxembourg where notes can be presented for transfer or exchange for so long as any of the notes are listed on the Luxembourg Stock Exchange and the rules of the exchange so require. Colombia has initially appointed J.P. Morgan Bank Luxembourg S.A. to serve as its Luxembourg paying agent and transfer agent. You can contact the paying agents and transfer agents at the addresses listed on the inside back cover of this prospectus supplement.

### **Notices**

Colombia will mail any notices to the holders of the notes at the addresses appearing in the security register maintained by the fiscal agent. Colombia will consider a notice to be given at the time it is mailed. So long as the notes are listed on the Luxembourg Stock Exchange and the rules of the exchange so require, Colombia will also publish notices to the holders either in a leading newspaper having general circulation in Luxembourg or by publication on the website of the Luxembourg Stock Exchange at <http://www.bourse.lu>. Colombia expects that if it publishes a notice in a leading newspaper it will make such publication in the *d'Wort*. If publication in a leading newspaper in Luxembourg or on the website of the Luxembourg Stock Exchange at <http://www.bourse.lu> is not practicable, Colombia will give notices in another way consistent with the rules of the Luxembourg Stock Exchange.

DTC, Euroclear and Clearstream, Luxembourg will communicate such notices to their participants in accordance with their standard practices.

### **Jurisdiction; Enforceability of Judgments**

Colombia is a foreign sovereign. It may, therefore, be difficult for investors to obtain or enforce judgments against Colombia.

Colombia will appoint the Consul General of Colombia in The City of New York and his successors from time to time as its process agent for any action brought by a holder based on the notes instituted in any state or federal court in the Borough of Manhattan, The City of New York.

Colombia will irrevocably submit to the exclusive jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York and the courts of Colombia that sit in Bogota D.C. in respect of

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any action brought by a holder based on the notes. Colombia will also irrevocably waive any objection to the venue of any of these courts in an action of that type. Holders of the notes may, however, be precluded from initiating actions based on the notes in courts other than those mentioned above.

Colombia will, to the fullest extent permitted by law, irrevocably waive and agree not to plead any immunity from the jurisdiction of any of the above courts in any action based upon the notes. This waiver covers Colombia's sovereign immunity and immunity from prejudgment attachment, post-judgment attachment and execution but does not extend to the execution, set-off or attachment of revenues, assets and property of Colombia located in Colombia except as provided under Article 177 of the Código Contencioso Administrativo and Article 684 of the Código de Procedimiento Civil of Colombia.

Nevertheless, Colombia reserves the right to plead sovereign immunity under the U.S. Foreign Sovereign Immunities Act of 1976 in actions brought against it under United States securities laws or any state securities laws. Colombia's appointment of its process agent will not extend to these actions. Without Colombia's waiver of immunity, you will not be able to obtain a United States judgment against Colombia unless the court determines that Colombia is not entitled under the Immunities Act to sovereign immunity in such action. In addition, execution upon property of Colombia located in the United States to enforce a judgment obtained under the Immunities Act may not be possible except in the limited circumstances specified in the Immunities Act.

Even if you are able to obtain a judgment against Colombia in an action under United States securities laws or any state securities laws, you might not be able to enforce it in Colombia. Your ability to enforce foreign judgments in Colombia is dependent among other factors, on such judgments not violating the principles of Colombian public order. In the opinion of the Head or Acting Head of the Legal Office of the General Directorate of Public Credit of the Ministry of Finance and Public Credit of Colombia, such a judgment would not violate principles of Colombian public order.

### **Registration and Book-Entry System**

Colombia will issue the notes in the form of one or more fully registered global securities, registered in the name of a nominee of DTC. Financial institutions, acting as direct and indirect participants in DTC, will hold your beneficial interests in a global security. These financial institutions will record the ownership and transfer of your beneficial interests through book-entry accounts, eliminating the need for physical movement of notes.

If you wish to purchase notes under the DTC system, you must either be a direct participant in DTC or make your purchase through a direct participant in DTC. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and other organizations which have accounts with DTC. Euroclear and Clearstream, Luxembourg participate in DTC through their New York depositaries. Indirect participants are securities brokers and dealers, banks and trust companies that do not have an account with DTC, but that clear through or maintain a custodial relationship with a direct participant. Thus, indirect participants have access to the DTC system through direct participants. The SEC has on file a set of the rules applicable to DTC and its participants.

You may hold your beneficial interest in a global security through Euroclear or Clearstream, Luxembourg, or indirectly through organizations that are participants in these systems. Euroclear and Clearstream, Luxembourg will hold their participants' beneficial interests in a global security in their customers' securities accounts with their depositaries. These depositaries of Euroclear and Clearstream, Luxembourg in turn will hold such interests in their customers' securities accounts with DTC. Euroclear's or Clearstream, Luxembourg's ability to take actions as a holder under the notes or the fiscal agency agreement will be limited by the ability of their respective depositaries to carry out actions for them through DTC.

In sum, you may elect to hold your beneficial interests in the global security:

- in the United States, through DTC;
- in Europe, through Euroclear or Clearstream, Luxembourg, which in turn will hold their interests through DTC; or

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- through organizations that participate in any of these systems.

### **Certificated Notes**

Colombia will issue notes in certificated form in exchange for a global security only if:

- DTC is unwilling or unable to continue to act as depositary or is ineligible to act as depositary, and Colombia does not appoint a successor depositary within 90 days after DTC notifies Colombia or Colombia becomes aware of this situation; or
- Colombia determines (consistent with the rules of the Luxembourg Stock Exchange) not to have any of the notes represented by a global security.

We describe the certificated notes, and the procedures for transfer, exchange and replacement of certificated notes in the prospectus.

### **Further Issues**

Colombia may, without your consent, issue additional notes that may form a single series of notes with the outstanding notes; *provided* that such additional notes do not have, for purposes of U.S. federal income taxation (regardless of whether any holders of such additional notes are subject to U.S. federal tax laws), a greater amount of original issue discount than the notes have as of the date of the issue of the additional notes.

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### UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated as of November 8, 2005, Colombia has agreed to sell to J.P. Morgan Securities Inc., as underwriter, and the underwriter has agreed to purchase, U.S. \$400,000,000 principal amount of the notes.

The underwriting agreement provides that the underwriter is obligated to purchase all of the notes if any are purchased. The underwriting agreement also provides that if the underwriter defaults, the offering of the notes may be terminated. J.P. Morgan Securities Inc. is located at 270 Park Avenue, New York, New York 10017.

Colombia expects that delivery of the notes will be made against payment for the notes on or about November 16, 2005, which is the fifth business day following the date of this prospectus supplement (this settlement cycle being referred to as "T+5"). Under Rule 15c6-1 of the SEC under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), trades in the secondary market generally are required to settle in three business days, unless the parties to that trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes on the date of this prospectus supplement or the next succeeding business day will be required, by virtue of the fact that the notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisor.

The underwriter proposes to offer the notes initially at the public offering price on the cover page of this prospectus supplement. After the initial public offering of the notes, the underwriter may change the public offering price.

The underwriter intends to make a secondary market for the notes. However, it is not obligated to do so and may discontinue making a secondary market for the notes at any time without notice. No assurance can be given as to how liquid the trading market for the notes will be.

In connection with the offering, the underwriter may engage in stabilizing transactions, over-allotment transactions and syndicate covering transactions. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. Over-allotment involves sales by the underwriter of notes in excess of the principal amount of the notes the underwriter is obligated to purchase, which creates a syndicate short position. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover syndicate short positions.

These stabilizing transactions and syndicate covering transactions may have the effect of raising or maintaining the market price of the notes or preventing or retarding a decline in the market price of the notes. As a result, the price of the notes may be higher than the price that might otherwise exist in the open market. These transactions, if commenced, may be discontinued at any time.

The underwriter and its affiliates may have engaged and may in the future continue to engage in transactions with and perform services for Colombia, for which they received or will receive customary fees and expenses, in addition to the underwriting of this offering. These transactions and services are carried out in the ordinary course of business.

An affiliate of the underwriter is a lender under the syndicated loans to be prepaid with the proceeds of the sale of the notes, in an amount equal to slightly more than one percent of the aggregate principal amount to be prepaid. In addition, an affiliate of the underwriter acts as administrative agent under the syndicated loans.

The notes are being offered for sale in jurisdictions in the United States and outside the United States where it is legal to make such offers. The underwriter has agreed that it will not offer or sell the notes, or

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distribute or publish any document or information relating to the notes, in any jurisdiction without complying with the applicable laws and regulations of that jurisdiction. If you receive this prospectus supplement and the prospectus, then you must comply with the applicable laws and regulations of the jurisdiction where you (a) purchase, offer, sell or deliver the notes or (b) possess, distribute or publish any offering material relating to the notes. Your compliance with these laws and regulations will be at your own expense.

The underwriter has agreed to act as follows in each of the following places:

European Economic Area: In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a “Relevant Member State”), no offer of notes shall be made with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) to the public in that Relevant Member State, except that, with effect from the Relevant Implementation Date, an offer of notes to the public in any Relevant Member State may be made:

- (a) in the period beginning on the date of publication of a prospectus in relation to those notes which has been approved by the competent authority in a Member State in accordance with the Prospectus Directive and, where appropriate, notified to the competent authority in the Member State in which such offer is being made in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than EUR 43,000,000 and (3) a net annual turnover of more than EUR 50,000,000, all as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by Colombia of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression “offer of notes to the public” in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Any resale of the notes offered hereby is regarded as a separate offer and therefore must comply with the offering restrictions set forth above.



The terms relating to non-U.S. offerings that appear under “Plan of Distribution” in the prospectus do not apply to the offer and sale of the notes under this prospectus supplement.

Colombia has agreed to indemnify the underwriter against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriter may be required to make in respect of any of these liabilities.

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### **GENERAL INFORMATION**

#### **Legislation**

The creation and issue of the notes have been authorized pursuant to: Law 533 of November 11, 1999, the surviving portions of Law 185 of January 27, 1995, the relevant portions of Law 80 of 1993, Law 781 of December 20, 2002, Decree 2681 of 1993, and Resolution No. 2768 of November 4, 2005 of the Ministry of Finance and Public Credit.

We will provide for inspection copies of our registration statement, the fiscal agency agreement and the underwriting agreement at the offices of the Luxembourg paying agent and transfer agent during normal business hours on any weekday for so long as the notes are listed on the Luxembourg Stock Exchange. In addition, for so long as the notes are outstanding or listed on the Luxembourg Stock Exchange, we will make available copies of Colombia's annual reports for each year in English (as and when available) at the offices of the Luxembourg paying agent and transfer agent during normal business hours on any weekday. We will also make available, free of charge, this prospectus supplement and the prospectus and copies of the documents incorporated by reference in this prospectus supplement or the prospectus at the offices of the Luxembourg paying agent and transfer agent. You may also obtain copies of this prospectus supplement together with the attached prospectus dated October 1, 2003 and any documents incorporated herein by reference from the website of the Luxembourg Stock Exchange at <http://www.bourse.lu>.

#### **Authorization**

As of November 8, 2005, Colombia has obtained all consents and authorizations that are necessary under Colombian law for (1) liability management transactions and (2) Colombia's performance of its obligations under the notes and the fiscal agency agreement.

#### **Listing and Listing Agent**

Application has been made to list the notes on the official list of the Luxembourg Stock Exchange and to trade them on the Euro MTF Market of the Exchange. The Luxembourg listing agent is Kredietbank S.A. Luxembourg, 43, Boulevard Royal, L-2955 Luxembourg.

#### **Litigation**

Colombia is not involved and has not been involved in the past 12 months in any litigation or arbitration proceedings relating to claims or amounts that are material in the context of the issue of the notes. Colombia is not aware of any such litigation or arbitration proceedings that are pending or threatened.

#### **Clearing**

We have applied to have the notes accepted into DTC's book-entry settlement system. Euroclear and Clearstream, Luxembourg have accepted the notes for clearance through their clearance systems. The securities codes are:

**CUSIP**

195325 BH7

**ISIN**

US195325BH71

**Common Code**

023539802

S-36

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### **Validity of the Notes**

The validity of the notes will be passed upon for Colombia by the Head of the Legal Affairs Group of the General Directorate of Public Credit of the Ministry of Finance and Public Credit of the Republic of Colombia and by Arnold & Porter LLP, 399 Park Avenue, New York, New York 10022, United States counsel to Colombia.

The validity of the notes will be passed upon for the underwriter by Sullivan & Cromwell LLP, 125 Broad Street, New York, NY 10004, United States counsel to the underwriter, and by Brigard & Urrutia, Calle 70 No. 4-60, Bogotá D.C., Colombia, Colombian counsel to the underwriter.

As to all matters of Colombian law, Arnold & Porter LLP may assume the correctness of the opinion of the Head of the Legal Affairs Group of the General Directorate of Public Credit, and Sullivan & Cromwell LLP may assume the correctness of that opinion and the opinion of Brigard & Urrutia.

As to all matters of United States law, the Head of the Legal Affairs Group of the General Directorate of Public Credit may assume the correctness of the opinion of Arnold & Porter LLP, and Brigard & Urrutia may assume the correctness of the opinion of Sullivan & Cromwell LLP. All statements with respect to matters of Colombian law in this prospectus supplement and the accompanying prospectus have been passed upon by the Head of the Legal Affairs Group of the General Directorate of Public Credit and Brigard & Urrutia and are made upon their authority.

### **Authorized Representative**

The authorized representative of Colombia in the United States of America is Jaime Buenahora Febres-Cordero, Consul General of the Republic of Colombia in The City of New York, whose address is 10 East 46th Street, New York, New York 10017.

### **Sovereign Credit Ratings**

Colombia's credit ratings are as follows:

- Fitch: country ceiling rating of BB (Outlook Stable);
- Standard & Poor's: foreign currency credit rating of BB (Stable); and
- Moody's: country ceiling for long-term foreign currency bonds of Ba2 (Outlook Negative).

A Fitch "BB" rating indicates that there is a possibility of credit risk developing, particularly as the result of adverse economic change over time; however, business or financial alternatives may be available to allow financial commitments to be met. Securities rated in this category are not investment grade. A Fitch Outlook indicates the direction a rating is likely to move over a one to two-year period. Outlooks may be Positive, Stable or Negative. A Positive or Negative Outlook does not imply a rating change is inevitable. Similarly, a rating for which Outlook is "Stable" could be upgraded or downgraded before an Outlook moves to Positive or Negative if

circumstances warrant such an action.

A Standard & Poor's "BB" rating indicates that an obligor is less vulnerable in the near term than other lower-rated obligors. However, it faces major ongoing uncertainties and exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitments. A Standard & Poor's Rating Outlook assesses the potential direction of a long-term credit rating over the intermediate to longer term. In determining a Rating Outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An Outlook is not necessarily a precursor of a rating change. "Stable" means that a rating is not likely to change.

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For Moody's, obligations rated "Ba" are judged to have speculative elements and are subject to substantial credit risk. Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification. The modifier 2 indicates a mid-range ranking within the Ba generic rating classification. Moody's rating outlook is an opinion regarding the likely direction of a rating over the medium term. Where assigned, rating outlooks fall into the following four categories: Positive, Negative, Stable and Developing (contingent upon an event).

Ratings are not a recommendation to purchase, hold or sell securities and may be changed, suspended and withdrawn at any time. Each rating should be evaluated independently of the others. Detailed explanations of the ratings may be obtained from the rating agencies. The information above was obtained from information available on the websites of the rating agencies.

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PROSPECTUS

# Republic of Colombia

## Debt Securities Warrants

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Colombia may from time to time offer debt securities or warrants in amounts, at prices and on terms to be determined at the time of sale and to be set forth in supplements to this prospectus. Colombia may sell securities having an aggregate initial offering price of up to \$4,170,857,350 in the United States.

The securities will be general, direct, unconditional, unsecured and unsubordinated external indebtedness of Colombia. The securities will rank equally in right of payment with all other unsecured and unsubordinated external indebtedness of Colombia and will be backed by the full faith and credit of Colombia.

Colombia may sell the securities directly, through agents designated from time to time or through underwriters.

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**Neither the Securities and Exchange Commission nor any state securities commission or any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

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**This prospectus may not be used to make offers or sales of securities unless accompanied by a supplement. You should read this prospectus and the supplements carefully. You should not assume that the information in this prospectus or any prospectus supplement or any document incorporated by reference is accurate as of any date other than the date on the front of those documents.**

The date of this prospectus is October 1, 2003.

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### **ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that Colombia filed with the SEC under a “shelf” registration process. Under this shelf process Colombia may sell, from time to time, any of the debt securities or warrants described in this prospectus in one or more offerings up to a total U.S. dollar equivalent amount of \$4,170,857,350. This prospectus provides you with a general description of the debt securities and warrants Colombia may offer under this shelf process. Each time Colombia sells securities under this shelf process, it will provide a prospectus supplement that will contain updated information about Colombia, if necessary, and specific information about the terms of that offering.

Any information contained in this prospectus may be updated or changed in a prospectus supplement, in which case the more recent information will apply. You should rely only on the information contained or incorporated by reference in this prospectus and any prospectus supplement.

### **FORWARD-LOOKING STATEMENTS**

The following documents relating to Colombia’s debt securities or warrants may contain forward-looking statements:

- this prospectus;
- any prospectus supplement; and
- the documents incorporated by reference in this prospectus and any prospectus supplement.

Statements that are not historical facts including statements about Colombia’s beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made and Colombia undertakes no obligation to update publicly any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties. Colombia cautions you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include but are not limited to:

- Adverse external factors, such as high international interest rates, low oil prices and recession or low growth in Colombia’s trading partners. High international interest rates could increase Colombia’s current account deficit and budgetary expenditures. Low oil prices could decrease the Government’s revenues and could also negatively affect the current account deficit. Recession or low growth in Colombia’s trading partners could lead to fewer exports from Colombia and therefore, lower growth in Colombia.



- Adverse domestic factors, such as declines in foreign direct and portfolio investment, domestic inflation, high domestic interest rates, exchange rate volatility, political uncertainty and continuing insurgency in certain regions. Each of these could lead to lower growth in Colombia and lower international reserves.

### **USE OF PROCEEDS**

Unless otherwise specified in the applicable prospectus supplement, Colombia will use the net proceeds from the sale of the securities for general budgetary purposes.

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### **DESCRIPTIONS OF THE SECURITIES**

*This prospectus provides you with a general description of the securities that Colombia may offer. Each time Colombia sells securities, it will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. If the information in this prospectus differs from any prospectus supplement, you should rely on the information in the prospectus supplement.*

#### **Debt Securities**

*Colombia will issue the debt securities under a fiscal agency agreement between Colombia and a bank or trust company, as fiscal agent. Whenever Colombia issues a series of debt securities it will attach the fiscal agency agreement that the securities are issued under as an exhibit to the registration statement of which this prospectus forms a part. The name of the fiscal agent will be set forth in the applicable prospectus supplement.*

*The following description is a summary of the material provisions of the debt securities and the fiscal agency agreement. Given that it is only a summary, the description may not contain all of the information that is important to you as a potential investor in these debt securities. Therefore, you should read the fiscal agency agreement and the form of the debt securities in making your decision on whether to invest in the debt securities. Colombia has filed a copy of these documents with the SEC and will also file copies of these documents at the office of the fiscal agent.*

#### **General Terms**

The prospectus supplement relating to any series of debt securities offered will include specific terms relating to the debt securities. These terms will include some or all of the following:

- the title;
- any limit on the aggregate principal amount;
- the issue price;
- the maturity date or dates;
- if the debt securities bear interest, the interest rate, which may be fixed or floating, the date from which interest will accrue, the interest payment dates and the record dates for these interest payment dates;
- any mandatory or optional sinking fund provisions;
- any provisions that allow Colombia to redeem the debt securities at its option;

- any provisions that entitle you to early repayment at your option;
- the currency or currencies that you may use to purchase the debt securities and that Colombia may use to pay principal, any premium and interest;
- the form of debt security—global or certificated and registered or bearer;
- the authorized denominations;
- any index Colombia will use to determine the amount of principal, any premium and interest payment; and
- any other terms of the debt securities that do not conflict with the provisions of the fiscal agency agreement.

Colombia may issue debt securities in exchange for other debt securities or which are convertible into new debt securities. The specific terms of the exchange or conversion of any debt security and the debt security to which it will be exchangeable or converted will be described in the prospectus supplement relating to the exchangeable or convertible debt security.

Colombia may issue debt securities at a discount below their stated principal amount, bearing no interest or interest at a rate which at the time of issuance is below market rates. Colombia will describe the United States federal income tax consequences and any other relevant considerations in the applicable prospectus supplement for any issuance of debt securities.

### **Nature of Obligation**

The debt securities will be general, direct unconditional, unsecured and unsubordinated

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external indebtedness of Colombia. The debt securities will rank equally in right of payment among themselves and with all other unsecured and unsubordinated external indebtedness of Colombia. Colombia has pledged its full faith and credit for the payment when due of all amounts on the debt securities.

### **Form and Denomination**

Unless otherwise provided in the prospectus supplement for an offering, Colombia will issue debt securities:

- denominated in U.S. dollars;
- in fully registered book-entry form;
- without coupons; and in denominations of \$1,000 and integral multiples of \$1,000.

### **Payment of Principal and Interest**

Colombia will make payments on global debt securities by wire transfer to the applicable clearing system, or to its nominee or common depositary, as the registered owner or bearer of the debt securities, which will receive the funds for distribution to the holders. See “—Global Securities” below.

Colombia will make payments on registered certificated debt securities on the specified payment dates to the registered holders of the debt securities. Colombia will make payments of interest by check mailed to the registered holders of the debt securities at their registered addresses.

Any money that Colombia pays to the fiscal agent for payment on any debt security that remains unclaimed for two years will be returned to Colombia. Afterwards, the holder of such debt security may look only to Colombia for payment. Claims against Colombia for the payment of principal, interest or other amounts will become void unless made within five years after the date on which the payment first became due, or a shorter period if provided by law.

### **Additional Amounts**

Colombia will make all principal and interest payments on the debt securities without deducting or withholding any present or future Colombian taxes, unless the deduction or withholding is required by law. In the event that Colombia is required to make any such deductions, it will pay the holders the additional amounts required to ensure that they receive the same amount as they would have received without this withholding or deduction.

Colombia will not, however, pay any additional amounts in connection with any tax assessment or other governmental charge that is imposed due to any of the following:

- the holder or beneficial owner has some connection with Colombia other than merely holding the debt security or receiving principal and interest payments on the debt security;

- the holder or beneficial owner fails to comply with any certification identification or other reporting requirement concerning the nationality, residence, identity or connection with Colombia of the holder or beneficial owner, if compliance is required by Colombia as a precondition to exemption from the deduction; or
- the holder does not present (where presentment is required) its debt security within 30 days after Colombia makes a payment of principal or interest available.

### **Redemption and Repurchase**

Unless otherwise provided in the prospectus supplement for an offering, the debt securities will not be redeemable prior to maturity at the option of Colombia or repayable before maturity at the option of the holders. Nevertheless, Colombia may at anytime purchase the debt securities and hold or resell them or surrender them to the fiscal agent for cancellation.

### **Negative Pledge**

Colombia has agreed that as long as any of the debt securities remain outstanding, it will not create or permit to exist any lien (*i.e.*, lien, pledge, mortgage, security interest, deed of trust or charge) on its present or future revenues, properties or assets to secure its public external indebtedness, unless the

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debt securities are secured equally and ratably. As used in this prospectus, “public external indebtedness” means:

- all actual and contingent obligations of Colombia for borrowed money or for the repayment of which Colombia is responsible that are payable, or at the option of the holder may be payable, in any currency other than Colombian currency; and
- that are in the form of bonds debentures, notes or other securities that are or were intended by Colombia to be quoted, listed or traded on any securities exchange, automated trading system over-the-counter or other securities market, including securities eligible for resale pursuant to Rule 144A under the Securities Act of 1933.

However, up to \$14.768 billion of securities issued by Colombia in exchange for debt of Colombia and Colombian public sector entities will not be considered public external indebtedness.

Nevertheless, Colombia may create or permit to exist:

- liens on any asset or property, and related revenues, to secure indebtedness borrowed for the purpose of financing the acquisition, development or construction of that asset or property;
- any renewal or extension of the above liens that is limited to the same asset or property, and related revenues, and that secures a renewal or extension of the original secured financing;
- liens on any asset or property, and related revenues, existing at the time of the acquisition of that asset or property; and
- any renewal or extension of the above liens that is limited to the same asset or property, and related revenues, and that secures a renewal or extension of the original secured financing.

## **Default and Acceleration of Maturity**

Each of the following is an event of default under a series of debt securities:

1. *Non-Payment:* Colombia fails to pay any principal, premium, if any, or interest on any debt security of that series within 30 days of when the payment was due; or
2. *Breach of Other Obligations:* Colombia fails to perform any other material obligation contained in the debt securities of that series or the fiscal agency agreement and that failure continues for 45 days after any holder of the debt securities of that series gives written notice to Colombia to remedy the failure and gives a copy of that notice to the fiscal agent; or

3. *Cross Default on Direct Obligations:* Colombia fails to pay when due any public external indebtedness (other than public external indebtedness constituting guaranties by Colombia) with an aggregate principal amount greater than \$20,000,000 or the equivalent, and that failure continues beyond any applicable grace period; or
4. *Cross Default on Guaranties:* Colombia fails to pay when due any public external indebtedness constituting guaranties by Colombia with an aggregate principal amount greater than \$20,000,000 or the equivalent, and that failure continues until the earlier of (a) the expiration of the applicable grace period or 30 days whichever is longer, or (b) the acceleration of the public external indebtedness by any holder; or
5. *Denial of Obligations:* Colombia denies its obligations under the debt securities of that series; or
6. *Moratorium:* Colombia declares a general suspension of payments or a moratorium on the payment of debt which does not expressly exclude the debt securities of that series; or

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### 7. *IMF Membership*: Colombia ceases to be a member of the IMF or ceases to be eligible to use the general resources of the IMF.

If any of the events of default described in paragraphs 1, 2, 5 or 6 above occurs and is continuing, the holders of at least 25% of the aggregate principal amount of the outstanding debt securities of the affected series may declare all the debt securities of that series to be due and payable immediately. If any of the events of default described in paragraphs 3, 4 or 7 above occurs and is continuing, the holders of at least 25% of the aggregate principal amount of the outstanding debt securities of any series may declare all the debt securities of that series to be due and payable immediately. In the case of an event of default described in paragraphs 1 or 6 above, each holder of debt securities of any affected series may declare the principal amount of the debt securities it holds to be due and payable immediately. The declarations referred to above shall be made by giving written notice to Colombia and the fiscal agent.

Upon any declaration of acceleration, the principal, interest and all other amounts payable on the relevant debt securities will become immediately due and payable on the date Colombia receives written notice of the declaration, unless Colombia has remedied the event or events of default prior to receiving the notice. The holders of more than 50% of the aggregate principal amount of the relevant debt securities may rescind a declaration of acceleration if Colombia remedies the event or events of default giving rise to the declaration after the declaration is made. In order to rescind a declaration of acceleration in these circumstances, holders must follow the amendment procedures described below.

### **Meetings and Amendments**

Colombia may call a meeting of the holders of debt securities of any series at any time. Colombia will determine the time and place of the meeting.

Colombia will give the holders not less than 30 or more than 60 days' prior notice of each meeting. The notice of each will state:

- the time and the place of the meeting;
- in general terms, the action proposed to be taken at the meeting; and
- the record date for determining the holders entitled to vote at the meeting.

If an event of default relating to the debt securities of a series has occurred and is continuing, the holders of at least ten percent in aggregate principal amount of outstanding debt securities of that series may request that the fiscal agent call a meeting of the holders. This request must be in writing and set forth in reasonable detail the action proposed to be taken at the meeting.

To be entitled to vote at any meeting, a person must be:

- a holder of outstanding debt securities of the relevant series; or



- a person duly appointed in writing as a proxy for a holder.

The persons entitled to vote more than 50% of the aggregate principal amount of the outstanding debt securities of a series will constitute a quorum. The fiscal agent may make any reasonable and customary regulations governing the conduct of any meeting.

Colombia and the fiscal agent may modify, amend or supplement the terms of debt securities of any series and the fiscal agency agreement as it relates to those securities, or the holders may take any action provided by the fiscal agency agree mentor the terms of their debt securities, with:

- the approval of the holders of not less than 66 <sup>2</sup>/<sub>3</sub>% in aggregate outstanding principal amount of the debt securities of that series that are represented at a meeting of holders;
- or the written consent of the holders of not less than 66 <sup>2</sup>/<sub>3</sub>% in aggregate outstanding principal amount of the debt securities of the relevant series.

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However, each holder of a debt security of a particular series must consent to any amendment modification or change that would:

- change the due date for the payment of principal, any premium or any interest on the debt securities;
- reduce the principal amount of the debt securities;
- reduce the portion of the principal amount of the debt securities that is payable upon acceleration of the maturity date;
- reduce the interest rate on the debt securities or any premium payable upon redemption of the debt securities;
- change the currency or place of payment of principal of or any premium or interest on the debt securities;
- shorten the period during which Colombia is not permitted to redeem the debt securities or permit Colombia to redeem the debt securities if, prior to this action, Colombia was not permitted to do so;
- reduce the percentage of principal amount of the holders of the debt securities whose vote or consent is needed to modify, amend or supplement the fiscal agency agreement or the terms and conditions of the debt securities or to take any other action; or
- change Colombia's obligation to pay additional amounts.

Colombia and the fiscal agent may, without the vote or consent of any holder of debt securities of a series, amend the fiscal agency agreement or the debt securities of that series for the purpose of:

- adding to Colombia's covenants for the benefit of the holders;
- surrendering any of Colombia's rights or powers;
- providing collateral for the debt securities;
- curing any ambiguity or correcting or supplementing any defective provision contained in the fiscal agency agreement or the debt securities; or
- changing the terms and conditions of the fiscal agency agreement or the debt securities in any manner which Colombia and the fiscal agent may determine and which will not materially adversely affect the interests of the holders of the debt securities.

## Notices

Notices to the holders of debt securities will be mailed to the addresses of such holders as they appear in the register maintained by the fiscal agent. If the debt securities are issued in bearer form the relevant prospectus supplement will describe the manner in which notices will be given to the holders.

### **Warrants**

*If Colombia issues warrants, it will describe their specific terms in a prospectus supplement. If any warrants are registered with the SEC, Colombia will file a warrant agreement and form of warrant with the SEC. The following description briefly summarizes some of the general terms that apply to warrants. You should read the applicable prospectus supplement, warrant agreement and form of warrant before making your investment decision.*

Colombia may issue warrants separately or together with any debt securities. All warrants will be issued under a warrant agreement to be entered into between Colombia and a bank or trust company, as warrant agent. The prospectus supplement relating to the particular series of warrants will set forth:

- the initial offering price;
- the currency you must use to purchase the warrants;
- the title and terms of the debt securities or other consideration that you will receive on exercise of the warrants;

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- the principal amount of debt securities or amount of other consideration that you will receive on exercise of the warrants;
- the exercise price or ratio;
- the procedures for, and conditions to the exercise of the warrants;
- the date or dates on which the right to exercise the warrants shall commence and expire;
- whether and under what conditions Colombia may terminate or cancel the warrants;
- the title and terms of any debt securities issued with the warrants and the amount of debt securities issued with each warrant;
- the date, if any, on and after which the warrants and any debt securities issued with such warrants will trade separately;
- the form of the warrants (global or certificated and registered or bearer), whether they will be exchangeable between such forms and, if registered where they may be transferred and exchanged;
- the identity of the warrant agent;
- any special U.S. federal income tax considerations; and
- any other terms of such warrants.

### **Global Securities**

*DTC, Euroclear and Clearstream, Luxembourg are under no obligation to perform or continue to perform the procedures described below and they may modify or discontinue them at any time. Neither Colombia nor the fiscal agent will be responsible for DTC's, Euroclear's or Clearstream, Luxembourg's performance of their obligations under their rules and procedures. Additionally, neither Colombia nor the fiscal agent will be responsible for the performance by direct or indirect participants of their obligations under their rules and procedures.*

Colombia may issue the debt securities or warrants in the form of one or more global securities the ownership and transfer of which are recorded in computerized book-entry accounts, eliminating the need for physical movement of securities.

When Colombia issues global securities, it will deposit the applicable security with a clearing system. The global security will be either registered in the name of, or held in bearer form by, the clearing system or its nominee or common depositary. Unless a global security is exchanged for physical securities as discussed below under “—Certificated Securities,” it may not be transferred, except as a whole among the clearing system, its nominees or common depositaries and their successors. Clearing systems include The Depository Trust Company, known as

DTC, in the United States, and Euroclear Bank S.A./N.V. as operator of the Euroclear System known as Euroclear, and Clearstream Banking, société anonyme, known as Clearstream, Luxembourg, in Europe.

Clearing systems process the clearance and settlement of global notes for their direct participants. A “direct participant” is a bank or financial institution that has an account with a clearing system. The clearing systems act only on behalf of their direct participants, who in turn act on behalf of indirect participants. An “indirect participant” is a bank or financial institution that gains access to a clearing system by clearing through or maintaining a relationship with a direct participant. Euroclear and Clearstream, Luxembourg are connected to each other by a direct link and participate in DTC through their New York depositories, which act as links between the clearing systems. These arrangements permit you to hold global securities through participants in any of these systems, subject to applicable securities laws.

If you wish to purchase global securities, you must either be a direct participant or make your purchase through a direct or indirect participant. Investors who purchase global securities will hold them in an account at the bank or financial institution acting as their direct or indirect participant. Holding securities in this way is called holding in “street name.”

When you hold securities in street name you must rely on the procedures of the institutions through which you hold your securities to exercise

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any of the rights granted to holders. This is because the legal obligations of Colombia and the fiscal agent run only to the registered owner or bearer of the global security, which will be the clearing system or its nominee or common depository. For example once Colombia and the fiscal agent make a payment to the registered holder or bearer of a global security, they will no longer be liable for the payment, even if you do not receive it. In practice, the clearing systems will pass along any payments or notices they receive from Colombia to their participants, which will pass along the payments to you. In addition, if you desire to take any action which a holder of the global security is entitled to take, then the clearing system would authorize the participant through which you hold your global securities to take such action and the participant would then either authorize you to take the action or would act for you on your instructions. The transactions between you, the participants and the clearing systems will be governed by customer agreements, customary practices and applicable laws and regulations, and not by any legal obligation of Colombia or the fiscal agent.

As an owner of securities represented by a global security, you will also be subject to the following restrictions:

- you will not be entitled to (a) receive physical delivery of the securities in certificated form or (b) have any of the securities registered in your name except under the circumstances described below under “—Certificated Securities”;
- you may not be able to transfer or sell your securities to some insurance companies and other institutions that are required by law to own their securities in certificated form;
- you may not be able to pledge your securities in circumstances where certificates must be physically delivered to the creditor or the beneficiary of the pledge in order for the pledge to be effective; and
- clearing systems require that global securities be purchased and sold within their systems using same-day funds, for example by wire transfer.

### **Cross-Market Transfer, Clearance and Settlement**

*The following description reflects Colombia’s understanding of the current rules and procedures of DTC, Euroclear and Clearstream, Luxembourg relating to cross-market trades in global securities. These systems could change their rules and procedures at any time, and Colombia takes no responsibility for their actions or the accuracy of this description.*

It is important for you to establish at the time of the trade where both the purchasers and sellers accounts are located to ensure that settlement can be made on the desired value date the date specified by the purchaser and seller on which the price of the securities is fixed.

When global securities are to be transferred from a DTC seller to a Euroclear or Clearstream, Luxembourg purchaser, the purchaser must first send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day before the settlement date. Euroclear or Clearstream, Luxembourg will then instruct its New York depository to receive the securities and make payment for them. On the settlement date, the New York depository will make payment to the DTC participant through which the seller holds its securities,

which will make payment to the seller, and the securities will be credited to the New York depository's account. After settlement has been completed, Euroclear or Clearstream, Luxembourg will credit the securities to the account of the participant through which the purchaser is acting. This securities credit will appear the next day European time after the settlement date, but will be back-valued to the value date, which will be the preceding day if settlement occurs in New York. settlement is not completed on the intended value date, the securities credit and cash debit will instead be valued at the actual settlement date.

A participant in Euroclear or Clearstream, Luxembourg, acting for the account of a purchaser of global securities, will need to make funds available to Euroclear or Clearstream, Luxembourg in order to pay for the securities on the value date. The most direct way of doing this is for the participant to preposition funds, have funds in place at Euroclear or Clearstream, Luxembourg before the value date, either from cash on hand or existing lines of credit. The participant may require the purchaser to follow these same procedures.

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When global securities are to be transferred from a Euroclear or Clearstream, Luxembourg seller to a DTC purchaser, the seller must first send instructions to and preposition the securities with Euroclear or Clearstream, Luxembourg through a participant at least one business day before the settlement date. Euroclear or Clearstream, Luxembourg will then instruct its New York depository to credit the global securities to the account of the DTC participant through which the purchaser is acting and to receive payment in exchange. The payment will be credited to the account of the Euroclear or Clearstream, Luxembourg participant through which the seller is acting on the following day, but the receipt of the cash proceeds will be back-valued to the value date which will be the preceding day if settlement occurs in New York. If settlement is not completed on the intended value date, the receipt of the cash proceeds and securities debit will instead be valued at the actual settlement date.

### **Certificated Securities**

Colombia will only issue securities in certificated form in exchange for global security if:

- in the case of a global security deposited with or on behalf of a depository, the depository is unwilling or unable to continue as depository or is ineligible to act as depository, and Colombia does not appoint a successor depository within 90 days after the depository notifies Colombia or Colombia becomes aware of this situation; or
- Colombia elects not to have the securities of a series represented by a global security or securities.

In either of these cases, unless otherwise provided in the prospectus supplement for an offering, Colombia and the fiscal agent will issue certificated securities:

- registered in the name of each holder;
- without interest coupons; and
- in the same authorized denominations as the global securities.

The certificated securities will initially be registered in the names and denominations requested by the depository. You may transfer or exchange registered certificated securities by presenting them at the corporate trust office of the fiscal agent. When you surrender a registered certificated security for transfer or exchange, the fiscal agent will authenticate and deliver to you or the transferee a security or securities of the appropriate form and denomination and of the same aggregate principal amount as the security you are surrendering. You will not be charged a fee for the registration of transfers or exchanges of certificated securities. However, you may be charged for any stamp, tax or other governmental charge associated with the transfer, exchange or registration. Colombia, the fiscal agent and any other agent of Colombia may treat the person in whose name any certificated security is registered as the legal owner of such security for all purposes.

If any registered certificated security becomes mutilated, destroyed, stolen or lost, you can have it replaced by delivering the security or the evidence of its loss, theft or destruction to the fiscal agent. Colombia and the fiscal agent may require you to sign an indemnity under which you agree to pay Colombia, the fiscal agent and any other



agent for any losses they may suffer relating to the security that was mutilated, destroyed, stolen or lost. Colombia and the fiscal agent may also require you to present other documents or proof.

After you deliver these documents, if neither Colombia nor the fiscal agent have notice that a bona fide purchaser has acquired the security you are exchanging, Colombia will execute, and the fiscal agent will authenticate and deliver to you, a substitute security with the same terms as the security you are exchanging. You will be required to pay all expenses and reasonable charges associated with the replacement of the mutilated, destroyed, stolen or lost security.

If a security presented for replacement has become payable, Colombia in its discretion may pay the amounts due on the security in lieu of issuing anew security.

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### **Governing Law**

The fiscal agency agreement and the securities will be governed by and interpreted in accordance with the laws of the State of New York. However, the laws of Colombia will govern all matters relating to authorization and execution by Colombia.

### **Jurisdiction; Enforceability of Judgments**

Colombia is a foreign sovereign. It may, therefore, be difficult for investors to obtain or enforce judgments against Colombia.

Colombia will appoint the Consul General of Colombia in The City of New York and his successors from time to time as its process agent for any action brought by a holder based on the debt securities or warrants instituted in any state or federal court in the Borough of Manhattan, The City of New York.

Colombia will irrevocably submit to the exclusive jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York and the courts of Colombia that sit in Bogota D.C. in respect of any action brought by a holder based on the securities. Colombia will also irrevocably waive any objection to the venue of any of these courts in an action of that type. Holders of the securities may, however, be precluded from initiating actions based on the securities in courts other than those mentioned above.

Colombia will, to the fullest extent permitted by law, irrevocably waive and agree not to plead any immunity from the jurisdiction of any of the above courts in any action based upon the securities. This waiver covers Colombia's sovereign immunity and immunity from prejudgment attachment, post-judgment attachment and execution but does not extend to the attachment of revenues assets and property of Colombia located in Colombia except as provided under Article 177 of the Código Contencioso Administrativo and Article 684 of the Código de Procedimiento Civil of Colombia.

Nevertheless, Colombia reserves the right to plead sovereign immunity under the U.S. Foreign Sovereign Immunities Act of 1976 in actions brought against it under United States securities laws or any state securities laws. Colombia's appointment of its process agent will not extend to these actions. Without Colombia's waiver of immunity, you will not be able to obtain a United States judgment against Colombia unless the court determines that Colombia is not entitled under the Immunities Act to sovereign immunity in such action. In addition, execution upon property of Colombia located in the United States to enforce a judgment obtained under the Immunities Act may not be possible except in the limited circumstances specified in the Immunities Act.

Even if you are able to obtain a judgment against Colombia in the United States, you might not be able to enforce it in Colombia. Your ability to enforce foreign judgments in Colombia is dependent among other factors, on such judgments not violating the principles of Colombian public order. In the opinion of the Head or Acting Head of the Legal Office of the General Directorate of Public Credit of the Ministry of Finance and Public Credit of Colombia, such a judgment would not violate principles of Colombian public order.

### **Provision in National Budget**

Colombia recognizes that amounts due under the securities must be paid out of appropriations provided in the national budget. Colombia has, therefore, undertaken that it will annually take all necessary and appropriate actions to provide for the due inclusion of such amounts in the national budget and to ensure timely payment of all amounts due.

### **Contracts with Colombia**

In accordance with Colombian law, by purchasing the securities, you will be deemed to have waived any right to petition for diplomatic claims to be asserted by your government against Colombia with respect to your rights as a holder under the fiscal agency agreement and the securities, except in the case of denial of justice.

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### **TAXATION**

*The following discussion summarizes certain United States federal income and Colombian federal tax considerations that may be relevant to you if you invest in the debt securities. This summary is based on laws, regulations, rulings and decisions now in effect in the United States and on laws and regulations in effect in Colombia and may change. Any change could apply retroactively and could affect the continued validity of this summary.*

*This summary does not describe all of the tax considerations that may be relevant to you or your situation, particularly if you are subject to special tax rules. You should consult your tax adviser about the tax consequences of holding debt securities, including the relevance to your particular situation of the considerations discussed below, as well as of state, local and other tax laws.*

#### **Colombian Taxation**

Under current Colombian law, payments of principal and interest on the debt securities are not subject to Colombian income or withholding tax provided that the holder of the debt securities is not a Colombian resident and is not domiciled in Colombia. In addition, gains realized on the sale or other disposition of the debt securities will not be subject to Colombian income or withholding tax provided that the holder of the debt securities is not a Colombian resident and is not domiciled in Colombia. There are no Colombian transfer, inheritance, gift or succession taxes applicable to the debt securities.

#### **United States Federal Taxation**

In general, a United States person who holds debt securities or owns a beneficial interest in debt securities will be subject to United States federal taxation. You are a United States person for United States federal income tax purposes if you are:

- a citizen or resident of the United States or its territories, possessions or other areas subject to its jurisdiction,
- a corporation, partnership or other entity organized under the laws of the United States or any political subdivision thereof,
- an estate, the income of which is subject to United States federal income taxation regardless of its source, or
- a trust if (1) a United States court is able to exercise primary supervision over the trust's administration and (2) one or more United States persons have the authority to control all of the trust's substantial decisions.

If you are a United States person, the interest you receive on the debt securities will generally be subject to United States taxation and will be considered ordinary interest income.

Under current United States federal income tax law, if you are not a United States person, the interest payments that you receive on the debt securities generally will be exempt from United States federal income taxes, including withholding tax. However, to receive this exemption you may be required to satisfy certain certification requirements (described below) of the United States Internal Revenue Service to establish that you are not a United States person.

Even if you are not a United States person you may still be subject to United States federal income taxes on any interest payments you receive if:

- you are an insurance company carrying on a United States insurance business within the meaning of the United States Internal Revenue Code of 1986, or
- you have an office or other fixed place of business in the United States that receives the interest and either (1) you earn the interest in the course of operating a banking, financing or similar business in the United States or (2) you are a corporation the principal business of which is trading in stock or securities for your own account, and you otherwise are engaged in a United States trade or business.

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If you are not a United States person, any gain you realize on a sale or exchange of debt securities generally will be exempt from United States federal income tax, including withholding tax unless:

- your gain is effectively connected with your conduct of a trade or business in the United States or
- you are an individual holder and are present in the United States for 183 days or more in the taxable year of the sale, and either (1) your gain is attributable to an office or other fixed place of business that you maintain in the United States or (2) you have a tax home in the United States.

The fiscal agent must file information returns with the United States Internal Revenue Service in connection with payments on debt securities made to certain United States persons. You are a United States person, you generally will not be subject to United States backup withholding tax on these payments if you provide your taxpayer identification number to the fiscal agent. You may also be subject to information reporting and backup withholding tax requirements with respect to the proceeds from a sale of debt securities. If you are not a United States person, in order to avoid information reporting and backup withholding tax requirements you may have to comply with certification procedures to establish that you are not a United States person.

A debt security held by an individual holder who at the time of death is a non-resident alien will not be subject to United States federal estate tax.

### **PLAN OF DISTRIBUTION**

Colombia may sell the debt securities and warrants in any of the following ways:

- through underwriters or dealers;
- directly to one or more purchasers; or
- through agents.

Each prospectus supplement will set forth:

- the name or names of any underwriters or agents;
- the purchase price of the securities;
- the net proceeds to Colombia from the sale;
- any underwriting discounts, agent commissions or other items constituting underwriters' or agents' compensation;
- any initial public offering price;

- any discounts or concessions allowed or reallocated or paid to dealers; and
- any securities exchanges on which the securities may be listed.

If underwriters are used in the sale of any securities, the underwriters will purchase the securities for their own accounts and may resell them from time to time in one or more transactions, including:

- negotiated transactions;
- at a fixed public offering price; or
- at varying prices to be determined at the time of sale.

Colombia may offer the securities to the public either through underwriting syndicates represented by managing underwriters or directly by underwriters. Unless otherwise set forth in the applicable prospectus supplement, the obligations of the underwriters to purchase the securities will be subject to certain conditions precedent. The underwriters will be obligated to purchase all of the securities if any are purchased. The underwriters may change any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers.

Underwriters may sell securities to or through dealers, and these dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters or commissions from the purchasers for whom they may act as agents. Underwriters, dealers and agents that participate in the distribution of the securities may be deemed to be underwriters, and any discount or commission received by them from Colombia and any profit realized on the resale of securities by them

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may be deemed to be underwriting discounts and commissions under the Securities Act. The related prospectus supplements will identify any of these underwriters or agents and will describe any compensation received from Colombia.

Colombia may also sell the securities directly to the public or through agents designated by Colombia from time to time. The applicable prospectus supplement will name any agent involved in the offer or sale of securities and will disclose any commissions Colombia may pay to these agents. Unless otherwise specified in the applicable prospectus supplement, an agent used in the sale of securities will sell the securities on a best efforts basis for the period of its appointment.

In compliance with NASD guidelines, the maximum compensation to any underwriters or agents in connection with the sale of any securities pursuant to this prospectus and any applicable prospectus supplement will not exceed 8% of the aggregate total offering price to the public of such securities as set forth on the cover page of the applicable prospectus supplement; however, it is anticipated that the maximum compensation paid will be significantly less than 8%.

Colombia may authorize agents underwriters or dealers to solicit offers by certain specified entities to purchase the securities from Colombia under delayed delivery contracts. Purchasers of securities under delayed delivery contracts will pay the public offering price and will take delivery of these securities on a date or dates stated in the applicable prospectus supplement. Delayed delivery contracts will be subject only to those conditions set forth in the applicable prospectus supplement. The applicable prospectus supplement will set forth the commission payable for solicitation of these delayed delivery contracts.

Colombia may offer the securities of any series to present holders of other Colombian securities as consideration for the purchase or exchange by Colombia of these other outstanding securities. This offer may be in connection with a publicly announced tender, exchange or other offer for these securities or in privately negotiated transactions. This type of offering may be in addition to or in lieu of sales of securities directly or through underwriters or agents as set forth in the applicable prospectus supplement.

Colombia may agree to indemnify agents and underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments which the agents or underwriters may be required to make in respect of any of these liabilities. Agents and underwriters may engage in transactions with or perform services for Colombia in the ordinary course of business.

Unless otherwise specified in the applicable prospectus supplement, Colombia will not register under the Securities Act the securities that it will offer and sell outside the United States. Thus, subject to certain exceptions, Colombia cannot offer, sell or deliver those securities within the United States or to U.S. persons. When Colombia offers or sells securities outside the United States, each underwriter or dealer involved in the sale of the securities will acknowledge that the securities:

- have not been and will not be registered under the Securities Act; and



- may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each of these underwriters or dealers will agree:

- that it has not offered or sold, and will not offer or sell, any of these securities within the United States except in accordance with Rule 903 of Regulation S under the Securities Act;
- and that neither such underwriter or dealer nor its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to these securities.

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### **OFFICIAL STATEMENTS**

Information included in this prospectus which is identified as being derived from a publication of, or supplied by, Colombia or one of its agencies or instrumentalities is included on the authority of that publication as a public official document of Colombia. All other information in this prospectus and the registration statement (of which this prospectus is a part) is included as a public official statement made on the authority of Juan Manuel Santos, Minister of Finance and Public Credit of Colombia.

### **VALIDITY OF THE SECURITIES**

The validity of the securities of each series will be passed upon for Colombia by the Head or Acting Head of the Legal Affairs Group of the General Directorate of Public Credit, and by Cleary, Gottlieb, Steen & Hamilton, One Liberty Plaza, New York, New York 10006, United States counsel to Colombia. The validity of the securities of each series will be passed upon on behalf of any agents or underwriters by counsel named in the applicable prospectus supplement.

As to all matters of Colombian law, Cleary, Gottlieb, Steen & Hamilton will assume the correctness of the opinion of the Head or Acting Head of the Legal Affairs Group of the General Directorate of Public Credit. As to all matters of United States law, the Head or Acting Head of the Legal Affairs Group of the General Directorate of Public Credit will assume the correctness of the opinion of Cleary, Gottlieb, Steen & Hamilton.

### **AUTHORIZED REPRESENTATIVE**

The authorized representative of Colombia in the United States of America is Jaime Buenahora Febres-Cordero, Consul General of the Republic of Colombia in The City of New York, whose address is 10 East 46th Street, New York, New York 10017, or such person as is designated in the applicable prospectus supplement.

### **WHERE YOU CAN FIND MORE INFORMATION**

Colombia has filed a registration statement with the SEC relating to the debt securities and warrants. This prospectus does not contain all of the information described in the registration statement.

For further information, you should refer to the registration statement.

Colombia is not subject to the informational requirements of the U.S. Securities Exchange Act of 1934. Colombia commenced filing annual reports of Form 18-K with the SEC on a voluntary basis beginning with its fiscal year ended December 31 1996. These reports include certain financial statistical and other information concerning Colombia. Colombia may also file amendments on Form 18-K/A to its annual reports for the purpose of filing with the SEC exhibits which have not been included in the registration statement to which this prospectus and any prospectus supplements relate. When filed, these exhibits will be incorporated by reference into this registration statement.

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You can request copies of these documents by writing to the SEC. You may also read and copy these documents at the SEC's public reference room in Washington, D.C.:

Room 1024, Judiciary Plaza  
450 Fifth Street, N.W.  
Washington, D.C. 20549

Please call the SEC at 1-800-SEC-0330 for further information.

The SEC allows Colombia to incorporate by reference some information that Colombia files with the SEC. Incorporated documents are considered part of this prospectus. Colombia can disclose important information to you by referring you to those documents. The following documents, which Colombia has filed or will file with the SEC, are considered part of and incorporated by reference in this prospectus and any accompanying prospectus supplement:

- Colombia's annual report on Form 18-K for the year ended December 31, 2002 filed with the SEC on September 26, 2003;
- Any amendment on Form 18-K/A to the 2002 annual report filed after the date of this prospectus and prior to the termination of the offering of the securities; and
- Each subsequent annual report on Form 18-K and any amendment on Form 18-K/A filed after the date of this prospectus and prior to the termination of the offering of the securities.

Later information that Colombia files with the SEC will update and supersede earlier information that it has filed.

Any person receiving a copy of this prospectus may obtain, without charge and upon request, a copy of any of the above documents (including only the exhibits that are specifically incorporated by reference in them). Requests for such documents should be directed to:

Dirección General de Crédito Público  
Ministerio de Hacienda y Crédito Público  
Carrera 7a, No. 6-45, Piso 8 Bogotá, D.C.  
Colombia  
Telephone: 57- 350-6565  
Facsimile: 57- 350-6206

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**REPUBLIC OF COLOMBIA**

Ministerio de Hacienda y Crédito Público  
Dirección General de Crédito Público y Tesoro Nacional  
Carrera 7a, No. 6-45, Piso 8  
Bogotá D.C., Colombia  
Telephone: 57-1-350-7422

**FISCAL AGENT, CALCULATION AGENT, REGISTRAR, PAYING AND TRANSFER AGENT**

JP Morgan Chase Bank, N.A.  
Worldwide Securities Services  
4 New York Plaza, 15<sup>th</sup> Floor  
New York, New York 10004

**PAYING AGENTS AND TRANSFER AGENTS**

JP Morgan Chase Bank, N.A.  
Trinity Tower  
9, Thomas More Street  
London EW 1YT, England

J.P. Morgan Bank Luxembourg S.A.  
6, route de Trèves  
L-2633 Senningerberg

**LISTING AGENT**

Kredietbank S.A. Luxembourgeoise  
43, Boulevard Royal  
L-2955 Luxembourg

**LEGAL ADVISORS TO THE REPUBLIC**

*As to United States Law*

Arnold & Porter LLP  
399 Park Avenue  
New York, New York 10022

*As to Colombian Law*

Legal Affairs Group  
Ministerio de Hacienda y Crédito Público  
Dirección General de Crédito Público y Tesoro  
Nacional  
Carrera 7a, No. 6-45, Piso 8  
Bogotá D.C., Colombia

**LEGAL ADVISORS TO THE UNDERWRITERS**

*As to United States Law*

*As to Colombian Law*

Sullivan & Cromwell LLP  
125 Broad Street  
New York, NY 10004

Brigard & Urrutia  
Calle 70 No. 4-60  
Bogotá D.C., Colombia

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