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Issue brief: Trade with Colombia is big business for US exporters—amid growing Chinese influence in Latin America

Colombia's role as a key market for US exports underscores the importance of maintaining strong commercial relations.

About this issue brief

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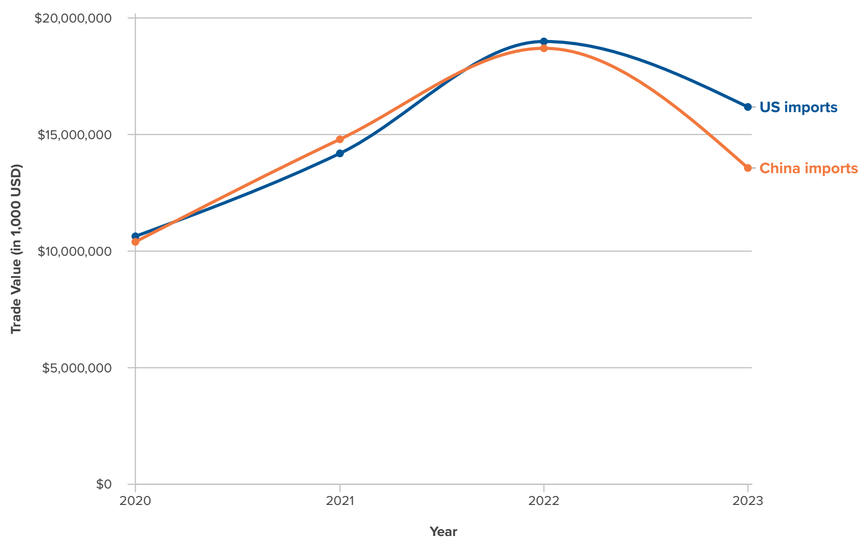
Toplines

- Colombia and the United States have achieved a close, mutually beneficial partnership over several decades on migration, security, counternarcotics, and commerce—with the US trade surplus with Colombia totaling $1.3 billion in 2024.
- The Colombian market is particularly important for US agricultural producers. Thanks to the US-Colombia Trade Promotion Agreement (TPA), **Colombia is the top destination for US agricultural exports** in South America and the third main destination in the Western Hemisphere.
- The United States is still Colombia's largest trading partner in South America—with $36.7 billion in two-way trade in 2024—but January data showed Chinese products leading over US imports for the month. The TPA promotes both reciprocal trade and US influence; interpretative improvements to previously agreed-upon matters are possible.

Colombia is the top US trading partner in South America—for now

Figure 1: Colombia's imports from the US vs. from China (2020-2023)



Sources: Atlantic Council, using World Bank Data (2020-2023)

The diagnosis: US exporters benefit from trade with Colombia

In recent weeks, US-Colombia commercial ties attracted attention amid increasing frustration in Washington over Colombian President Gustavo Petro's missteps at home. Under his watch, Colombia's security situation has worsened dramatically, the economy has seen sluggish growth, and his ill-advised initial resistance to cooperating with the United States on repatriation flights have set US-Colombia relations back significantly. While Petro backpedaled quickly and is now signaling he will cooperate with US migration policy, the January diplomatic crisis provides an opportunity to take a closer look at the trade relationship with Colombia. These dynamics go beyond just dollars and cents—they have serious implications for the projection of US influence in our hemisphere. According to Colombia's National Administrative Department of Statistics (DANE), Chinese imports in the month of January outpaced US imports. If this trend continues the United States could lose ground to China with a key US partner.

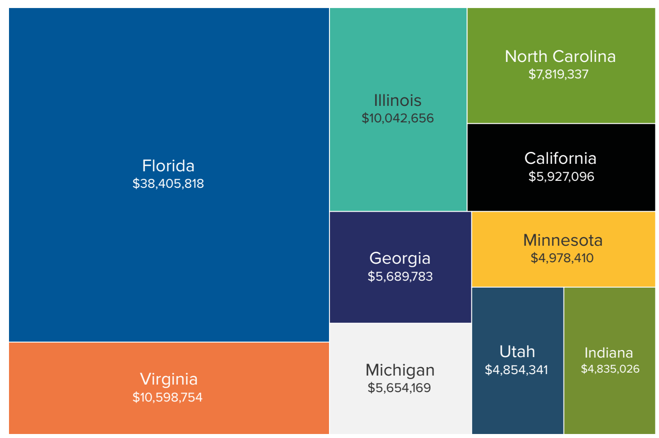
Figure 2: Top four US exports to Colombia by state

Cereals

Cereals are the top US export to Colombia, totaling $1,773,397,716 in 2024. This visualization highlights the top 10 US states exporting cereals to Colombia, ranked by total export value (USD).

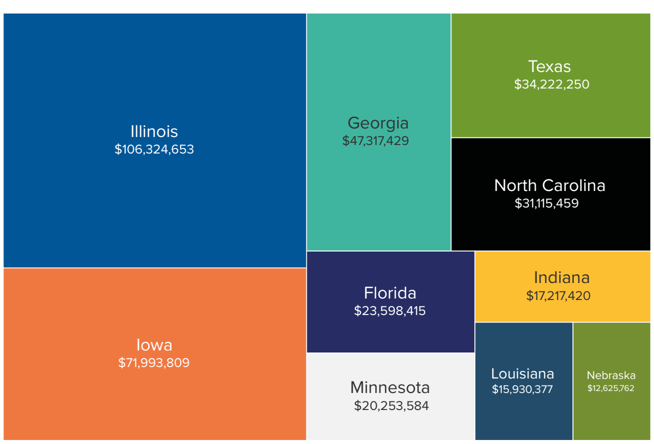
Food preparations

Food preparations rank as the fourth-largest US export to Colombia, totaling 938,717 in 2024. This visualization highlights the top 10 exporting US states by total value (USD).



Edible animal meat

Edible animal meat ranks as the second-largest US export to Colombia, with a total export value of $445,139,013 in 2024. This visualization highlights the top 10 exporting US states by total value (USD).



Grains and oilseeds

Grains and oilseeds rank as the third-largest US export to Colombia, with a total export value of $445,139,013 in 2024. This visualization highlights the top 10 exporting US states by total value (USD).

Sources: Atlantic Council, using US Census Bureau data.

Though Colombian imports of goods like crude oil, coffee, cut flowers, bananas, avocados, and precious metals are all important to the US economy, the true value of the relationship from a US perspective lies in Colombia's market for US exports. Last year, the total value of US exports to Colombia exceeded the value of imports by $1.3 billion, meaning the United States has a trade surplus with the country.

The export market in Colombia is especially crucial to US agricultural producers. In fact, Colombia has long represented a significant opportunity due to its sizable consumer base, relatively higher income levels compared to other countries in the region, and its proximity to other key markets. One product that has benefited from the TPA in particular is yellow corn. Prior to the free trade agreement, Colombia imported yellow corn primarily as raw material for animal feed in industries such as poultry and pork production. But before the agreement took effect, Colombia sourced this corn from Brazil, Canada, and other countries—often at higher prices and not necessarily with the same quality standards as those offered by US producers.

Today, US exports of yellow and white corn to Colombia exceed $1 billion in annual sales. This has contributed significantly to the growth of Colombia's poultry, pork, and inland fishing industries, and it has benefited US farmers in states like Iowa, Kansas, Illinois, and Nebraska.

This is win-win trade. Cheaper animal feed means broader availability of protein and improved nutrition in developing areas of Colombia. It's also true that Colombian corn cannot serve as a viable raw material for balanced animal feed, which means that US exports of corn are meeting a need that Colombia can't address on its own. Consequently, the development of a domestic industry in this sector does not necessarily depend on restricting imports.

Beyond yellow corn, several other US agricultural exports would be affected by any worsening of trade relations with Colombia. These include soybeans, soybean cakes, wheat, rice, cotton, apples, grapes, strawberries, and processed livestock products such as pork and beef. The US exports nearly $3 billion in total agricultural exports to Colombia. Exposing these exports to reciprocal tariffs or effectively ending the TPA could severely impact US producers in these sectors.

The prescription: Keep trade relations on track

It is a safe bet that the US-Colombia relationship will encounter more turbulence. Petro's missteps will continue, and US frustration with his administration is a bipartisan sentiment. But the US-Colombia relationship—from security and counternarcotics interests to US commercial interests—has value for both nations. Opening the TPA to renegotiation is unlikely to move forward in the US Congress, and it could very well hand a political victory to Petro himself. A longtime critic of free trade with the United States, the Colombian president may see ending the trade agreement as a win—at the expense of US exporters. Similarly, a trade war may ultimately harm American interests.

If US policymakers are interested in adjusting the terms of the agreement, they can do so through the joint Free Trade Commission (FTC), where representatives from both countries propose new interpretations of key provisions following discussions with respective stakeholders, particularly the private sector and lawmakers. Most recently, in January 2025, the FTC convened after months of bilateral negotiations and announced updated interpretations of investment protection standards. The FTC also issued interpretive notes in 2013 and 2018 on other matters of interest, including agricultural trade, services, and intellectual property.

Bottom lines

- Though bilateral relations at the government level may sour, there is a clear role for the private sector in de-escalating diplomatic tensions between Colombia and the United States. For many US agricultural exporters, finding an alternative market abroad like Colombia—its size, proximity, and possession of an active FTA—is no easy task.
- While the economic consequences of a trade war are likely to be more severe for Colombia than for the United States, it would not come without a cost. US states with key producers of agricultural goods are at risk in a potential trade dispute. The origin states for these exports include Nebraska, Iowa, Kansas, Ohio, Louisiana, Missouri, and Texas. And Florida, New Jersey, New York, and California play essential roles as hubs (i.e., seaports, airports) facilitating trade with Colombia.
- The good news is that a trade war is not inevitable. The United States has leverage to prevent trade tensions from escalating by using diplomatic channels and fostering cooperation. Through the public and private sectors, the United States can work to maintain stability and protect mutual economic interests.

At the Atlantic Council's Adrienne Arsht Latin America Center (AALAC), our US-Colombia Advisory Group will be prioritizing new thinking in the commercial relationship this year. Follow the work of the Advisory Group to learn more about how the bilateral relationship with Colombia is crucial to US interests.

About the Center

The Atlantic Council's nonpartisan Adrienne Arsht Latin America Center (AALAC) broadens understanding of regional transformations while demonstrating why Latin America and the Caribbean matter for the world.

The center focuses on pressing political, economic, and social issues that will define the region's trajectory, proposing constructive, results- oriented solutions to inform public sector, business, and multilateral action based on a shared vision for a more prosperous, inclusive, and sustainable future.