

PUBLIC PROCUREMENT IN COLOMBIA

LEGAL ANALYSIS

ProSME: supporting European SMEs to participate in public
procurement outside the EU

Work Package 2: Deliverable 3
November 30, 2021



COSME PROGRAMME
CALL: COS-PPOUT-2020-2-03
PROJECT ID: 101033974



Co-funded by the
COSME programme
of the European Union

This report has been written by:



Ariza y Marin Abogados
Calle 7 sur # 42-70, Edificio Forum. Of. 1203
Medellín - Colombia
☎ (+57) 300 619 4058
🌐 <https://www.arizaymarin.com>

Contracted under “ProSME: supporting European SMEs to participate in public procurement outside EU” with the contribution¹ of:



AWEX Colombia
Email: bogota@awex-wallonia.com
T: +57-1-328-71-70

Business France Colombia
Frédérique Martiquet
Email: bogota@businessfrance.fr
T: +57 1 638 14 70

Basque Trade & Investment
Colombia
María Ángeles Guerra
Email: info@basquetrade.eus
T: +57 1 545 5934

Procurement outside Europe information point

HQ Awex
Patrick Heinrichs
2 Place Sainctelette, 1080
Brussels, Belgium
Email: p.heinrichs@awex.be
T: +32 2 421 85 42

HQ Business France
Herve Jevardat
77 Boulevard Saint-Jacques,
75014 Paris, France
Email: sylvie.buhot@businessfrance.fr
T: +33 4 40 73 36 11

HQ Basque Trade and Investment
Alberto Gavín
Alameda Urquijo, 36, 5th Floor,
Plaza Bizkaia Building 48011
Bilbao, Spain
Email: agavin@basquetrade.eus
T: +34 94 403 71 60

European Union Grant Agreement number 101033974



Co-funded by the
COSME programme
of the European Union

The content of this *ProSME: supporting European SMEs to participate in public procurement outside EU* represents the views of the author only and is his/her sole responsibility; it cannot be considered to reflect the views of the **European Innovation Council and SME Executive Agency** or any other body of the European Union. The European Commission and the Agency do not accept any responsibility for use that may be made of the information it contains.

¹ The content of this report has been drafted on the date of the redaction and could be not up to date. The authors do not accept any responsibility for any mistakes or for use that may be made of the information it contains.

CONTENTS

Executive brief.....	4
Practical guide for SMEs.....	5
1. What are the main characteristics of public procurement in Colombia?	5
2. What are the types of contracting procedures?	5
3. What is the process and stages of contracting?	6
4. Possible legal and administrative blockages	12
5. What are the principal public procurement challenges for European SMEs?	13
1. Diagnosis of each destination country covering public procurement	14
1.1 General analysis of the public procurement system in Colombia	14
1.2 Concept of public administration in Colombia.....	15
1.3 Summary of the chapter	15
2. Contracting entities' identification and description.....	16
2.1 Government: Organisation and competencies	16
2.2 Regional entities: regional organisation and competencies	17
2.3 Municipal entities: municipal organisation and competencies	17
2.4 Other entities (state-owned enterprises, other authorities with public procurement competencies)	18
2.5 Multilateral entities: identification and main cooperation lines with the country	19
3. Statutory Framework	21
3.1 General regulatory framework for government contracting in Colombia.....	21
3.2 Regulatory regime for entities exempted from EGCAP and entities with special regime	22
3.3 Regulations and special modalities in relation to public contracting	23
3.4 Contracts nominated in Law 80 of 1993	23
4. Rules of General Application (principles, rules for non-competitive and competitive procedures, registration obligation, local content, conflict of interest.....)	25
4.1 The principles of the administrative function, the regime of fiscal management and the regime of disqualifications and incompatibilities for contracting.	25
4.2 Territorial Taxes, Land Management Plan and the General System of Royalties.	26
5. Procurement procedure types	28
5.1 Method's description, requirements, exclusion, selection, and award criteria.....	28
5.1.1 The public tender	28
5.1.2 The competition of merits.....	30
5.1.3 Abbreviated Selection	30
5.1.4 Direct contracting.....	31

5.1.5 The minimum amount.....	31
6. Procurement Life Cycle (Federal Level):.....	33
6.1 Pre-Bid Phase:	33
6.1.1 Identification of opportunities (public procurement platforms, search engines.....)	33
6.1.2 Registration as public supplier (if applicable)	33
6.1.3 Administrative requirements	35
6.1.4 Legal requirements	36
6.1.5 Financial requirements.....	36
6.1.6 Experience requirements	36
6.1.7 Technical requirements.....	37
6.1.8 Business promotion practices (list and describe countries' common practices)	37
6.1.8.1 Business agendas	37
6.1.8.2 Reverse missions	38
6.2 Procurement Phase	38
6.2.1 Publication period	39
6.2.2. Publication platforms	39
6.2.3 Review of solicitation documents:	39
6.2.4 Question and answer period:.....	39
6.2.5 Pre-bid meeting:.....	40
6.2.6 Addenda issuing period:.....	40
6.2.7 Submission deadline.....	40
6.2.8 Evaluation period(s)	40
6.2.9 Mandatory submission requirements:	41
6.2.10 Mandatory technical requirements:.....	41
6.2.11 Rated criteria evaluations:	41
6.2.12 Pricing evaluation	41
6.3 Contracting Phase	42
6.3.1 Selection of top-ranked supplier:	42
6.3.2 Prerequisites of award:	42
6.3.3 Contract negotiations (if applicable):	43
6.3.4 Contract execution	43
6.3.5 Notice of non-selection:.....	44
6.3.6 Jurisdiction-specific and institution-specific bid protest procedures:	44
6.4 Execution Phase	46
6.4.1 Claims for damages:.....	46
6.4.1.1 Contractual liability	47
6.4.1.2 Economic equilibrium of the contract.....	47
6.4.1.3 Unjust enrichment	49
6.4.2 Taxes	49
6.4.2.1 Taxes arising from the public works contract	49

6.4.2.2 Taxes derived from the consultancy service	51
6.4.3 Others	51
6.4.3.1 Derogating clauses	52
6.4.3.2 Fines and penalty clause	54
6.4.3.3 Unilateral termination on grounds of absolute nullity	55
6.4.3.4 Advance payment and prepayment	55
6.4.3.5 Bilateral modification of the state contract	56
6.4.3.6 Risks and guarantees in public contracting	56
6.4.3.7 Administrative and criminal controls	59
6.4.3.8 Post-contractual phase and settlement of state contracts	61
6.4.3.9 Price and forms of payment	62
6.4.3.10 Supervision and auditing	63
6.4.3.11 Exception of unfulfilled contract	64
6.4.3.12 Compliance with national laws	64
7. Court-Based Remedies	66
7.1 Claims for Damages for Commercial Loss of Profit	66
7.1.1 Means of control of contractual disputes	66
7.1.2 Alternative methods of conflict resolution	67
7.2 Judicial review of administrative decisions	68
8. Potential legal and administrative bottlenecks	69
9. Public procurement challenges for European SMEs	71
9.1 Difficulties stemming from the Colombian legal system	71
9.2 Challenges of the public procurement system	72
9.3 Difficulties caused by external factors	73
10. Local support: list of potential local partners, advocacy services	74
11. References	76
12. Annexes	78

Executive brief

This document explains the fundamental notions of the public procurement system in Colombia, focused on small and medium enterprises wishing to enter this market, focused on the prioritised economic sectors, namely: consulting, design and construction of public works, intelligent systems, and urban modernisation. It addresses the different state contracting regimes in Colombia, the organisation of the public administration, the rules governing the State's contractual activity, contractor selection processes, concepts and specific circumstances that may affect the execution of the contract, administrative and judicial claims for disputes regarding contractual activity, alternative methods of conflict resolution and the challenges, difficulties, and strategic allies in the public procurement market.

It is intended that small and medium-sized European companies have the essential knowledge regarding the risks, advantages, and opportunities of contracting with the Colombian State, based on the fundamental concepts that govern the activity in Colombia.

Practical guide for SMEs

1. What are the main characteristics of public procurement in Colombia?

In Colombia, there is no unified statute for contracting by the public administration; state contracts are regulated by rules at different levels and issued by entities with different hierarchies and competencies.

The main rule is Law 80 of 1993 (as amended by Law 1150 of 2007 and by Decree 1882 of 2018). Some entities are exempted from the application of this regime and are subject to a special contracting regime, such as ECOPETROL, SATENA, INDUMIL, Banco de la República, among others.²

In addition to this, some specific rules that apply to public procurement depending on the purpose of the contract. These include the mining regime, the hydrocarbons regime, environmental regulations, the regime of public utilities, special cooperation agreements for science and technology and agreements with non-profit entities.

2. What are the types of contracting procedures?

Colombia has five main procedures for the selection of contractors:³

1. **Public tender:** is the general and subsidiary rule for the selection of contractors. The concepts of enabling requirements and weighting requirements must be considered.
 - a. **Qualifying requirements:** these are not awarded points for awarding the contract; they seek to measure the aptitude of the bidder to comply with the object of the contract.
 - b. **Weighting requirements:** those by which the bidders' proposals are evaluated to select the most favourable offer objectively.
2. **Short selection:** consists of simplified procedures for selecting contractors, mainly: reverse auction, price framework agreements, commodity exchange and low-value procurement.
3. **Merit-based competition:** for the selection of consultants and architectural projects.
4. **Direct contracting:** a procedure through which the public entity directly selects a contractor for the execution of a contract. This procedure is based on certain specific grounds, such as the urgency of the process or the absence of a plurality of bidders.
5. **Minimum amount contracting** procedure applied when the value of the contract does not exceed 10% of the minimal amount of the state entity, regardless of the object.

²Among the entities exempted from the EGCAP [General Statute on Public Administration Procurement] are included the industrial and commercial companies of the State -EICO [for the initials in Spanish]- and the mixed capital companies with majority participation of the State -SEM- (when their activity is in competition or regulated market), the subsidiaries of the EICO and the SEM, the telecommunications sector, the public utility companies, among others.

³ Regulated mainly in Law 80 of 1993, Law 1150 of 2007, Law 1474 of 2011, Decree 19 of 2012 and Decree 1082 of 2015

3. What is the process and stages of contracting?

Pre-bidding phase

The Colombian State created, for [the identification of opportunities](#), a single public procurement platform, the SECOP - [Consult the contracting processes by different search criteria \(contratos.gov.co\)](#) -. This electronic site is divided into SECOP I, an exclusively informative platform, and SECOP II, a transactional platform where state entities can manage online all the contracting processes, which works with associated accounts and users for entities and suppliers.

Those interested in contracting with the Colombian government must [register as public bidders](#) in the Sole Registry of Bidders (RUP for initials in Spanish) (this requirement does not apply to contracts awarded by direct contracting or minimum amount). The registry serves to accredit the qualifying requirements before the public entities that carry out the selection processes, such that they are necessary for the registration itself.

Legal entities must certify in the RUP:

- The goods and services they will offer
- Certificate issued by the legal representative and the statutory auditor of the company stating whether it is part of a business group or exercises control over other companies
- Financial Statements
- The documents required by the Superintendency of Companies
- The certificates of experience in the provision of goods, works and services offered, issued by the legal representative and the statutory auditor

In addition, it is necessary to register as a supplier in SECOP I, SECOP II or the Virtual Store of the Colombian State, as the case may be.

[Regarding administrative, legal, financial and experience requirements](#), these will be verified and certified. As for the [technical requirements](#), these are a weighting factor in the public tender: that is to say, they award points. They depend on the specific requirements of each contract, as determined by each contracting entity.

<p>ADMINISTRATIVE REQUIREMENTS</p>	<ul style="list-style-type: none"> → Return on equity and return on assets (additional indicators: gross margin, operating margin, net margin, return on invested capital and turnover of total assets, fixed assets, or inventories) → Residual Capacity or K (list of work in progress contracts signed with state or private entities; list of work in progress contracts signed by companies, consortiums, or temporary unions, in which the bidder has participation, with state or private entities; and audited balance sheet for the immediately preceding year and audited income statement for the year in which it has obtained the highest operating income in the last five (5) years)
------------------------------------	---

FINANCIAL REQUIREMENTS	→ Financial strength of the bidder, based on its liquidity ratio, debt ratio and interest coverage ratio
LEGAL REQUIREMENTS	→ Legal capacity and non-incurrence in causes of incompatibility and disqualification

There are [business promotion practices](#), among which are found the commercial agendas and reverse mission.

- Commercial agendas: for the promotion of investments between Colombia and Spain, Belgium and France, the central instruments are the Trade Agreement between the European Union, Colombia, Peru and Ecuador (it implies the elimination of barriers, tariffs, the possibility of establishing commercial alliances, the attraction of investors, among others); and the agreements for the Promotion and Reciprocal Protection of Investments APPRI (the investor obtains the benefits of national treatment, most favoured nation, the minimum level of processing, compensations in case of expropriation, among others).
 - Contracting entities, except for public utilities, must include in their procurement processes measures for the promotion of national goods, services, or labour. Accordingly, they must include a percentage (10-20%) of additional points to stimulate the supply of national goods and services. Additionally, this score must be assigned to the goods and services to which the contracting entity must grant national treatment, which are:
 - Goods and services of other States with which there is a trade agreement applicable to the procurement proceedings
 - Goods and services for which national treatment is granted by reciprocity
 - The services of the Andean Community of Nations -CAN-.
 - Bids submitted by nationals of a State that cannot be covered by any of the above three cases will not receive the above-mentioned scoring benefit.
- Reverse Mission: It is an unusual practice, but in some contracting processes, the entities invite the potential bidders to learn about similar cases of works or services that they intend to contract.
This practice is normally used, although not often, for reasons of new technologies.

[Acquisition phase](#)

The [publication of the notice of invitation to tender and the tender documents](#) in the SECOP I and SECOP II - [How to use SECOP II? Suppliers | Colombia Buys Efficiently | National Agency of Public Contracting](#) - is carried out for 10 working days, during which the interested parties may submit comments on the project tender documents.

After the period for submitting comments on the project tender documents, the contracting entity issues the administrative act that orders the [opening of the public bidding process and](#)

[the final bidding specifications](#). Once the bidding documents are published, the entity has between 10 and 20 calendar days to publish on its website and in the SECOP up to three notices about the opening of the process. The bidders may submit their proposals formally once the final bidding documents have been published within the term indicated therein. The bidders must submit with the tender the [guarantee of seriousness of the proposal](#).

Within three working days following the opening of the process, the entities may, ex officio or at the request of the interested parties, hold a [hearing to clarify the content of the specifications](#). On the other hand, these observations may be made in writing, including outside the hearing mentioned above.

At the hearing for clarification of the bidding documents, the state entity is obliged to hold the [contractual risk allocation hearing](#). Both the hearing for clarification of the bidding documents and the risk allocation hearing may be held in a concentrated manner at the same time. It is not mandatory for the bidders to attend these hearings, nor can attendance to these hearings be considered a qualifying requirement to participate in the selection process.

[Addenda may be issued](#) up to three working days before the deadline for the submission of tenders.

Regarding the [deadline for submission](#), it is established by the public entity in the specification document, although it is usually between 15 and 20 days. In addition, the public entity may establish several formal requirements for the submission of the proposal. Likewise, the [assessment period](#) is also specified in the specifications. At the end of this period, the entity must publish the evaluation report of the proposals in the SECOP. This remains in the publication for 5 working days, during which period corrections of errors can be made.

Finally, the [contract award](#) must be carried out at a public hearing. During this hearing, the entity must resolve the declarations made by the bidders on the decision before the award of the contract.

[Evaluation of the qualification criteria:](#)

- To evaluate the price:
 - Median with absolute value
 - Geometric Median
 - Low Arithmetic Mean
 - Minor Value
- To evaluate the quality:
 - Implementation of the project management programme
 - Availability and functional conditions of the work machinery
 - Presentation of a quality plan
 - Supplementary or additional security at the Contractor's expense

[Contracting phase](#)

The [contractor selection](#) in Colombia involves the assignment of points to the technical and/or economic aspects of the proposal or the determination of the best cost-benefit ratio. State contracts are, as a rule, [adhesion contracts](#); it is not possible to negotiate them. In addition, they are of a [formal nature](#), such that their formalisation depends on their being prepared in

writing. It is not required that the state contract be executed in a public deed, except for those contracts that, according to the law, must comply with this formality.

A [notice of non-election](#) may occur when the state contract cannot be awarded to any bidder, either because the proposals do not meet the requirements of the bidding documents, preventing an objective selection, or because no bids or expressions of interest are submitted. It is presented by means of a reasoned administrative act that, once executed, allows the entity to advance the contracting process through the abbreviated selection of a minor amount when the procedure has been preceded by public bidding.

If the state contract is awarded to one of the bidders, it is understood that the other bids were not selected. The contracting entity is obliged to award the contract in a public hearing and publish the administrative act of award in the SECOP. In this regard, the contracting entity is not obliged to personally notify the other bidders that their bid was not selected.

There are [procedures for challenging the awards](#):

- [Before the administration](#): within 10 days following notification of the corresponding administrative act through an optional appeal
- [Before the contentious-administrative jurisdiction](#); by means of control of nullity and re-establishment of the right (expiry of 4 months from the notification of the administrative act) or of contractual disputes (expiry of 2 years from the factual or legal situations that motivate it).

[Execution phase](#)

There are [claims for damages](#)

- [Contractual liability](#): the breach of contractual obligations can take three forms: late, defective, or definitive performance of the obligation.
- [Economic equilibrium of the contract](#): if during the execution of the contract, events occur that alter the conditions foreseen at the time of bidding or contracting, the State must re-establish the economic equilibrium of the services.
- [Unjust enrichment](#)

Regarding the [taxes](#), the following types can be identified:

- [Taxes derived from the public works contract](#)
 - o [Income tax](#)
 - Year 2021: 31%
 - Year 2022 and following: 35%
 - o [Sales Tax⁴ \(VAT\)](#): the applicable rate will be 19%
 - o [Industry and Commerce Tax \(ICA\)](#) Law 14 of 1983 determined a tariff base and a tariff ceiling according to each activity
 - Industrial activities: from two to seven per thousand
 - Commercial and service activities: from two to ten per thousand
 - o [Stamps](#): the basis of the different stamps is usually the value of the contract, and their rates range from 2% to 5% (being cumulative)

⁴ Decree 1625 of 2016 and Law 1819 of 2016.

- Contribution on Public Works Contracts (FONSECON) equivalent to 5% of the total value of the contract
- Dividends: the general rate of tax on dividends from foreign partners is 10%.
- Taxes derived from the consultancy service
 - Royalties paid from Colombia to a resident of the European Union, if an International Tax Convention is signed, may be subject to taxation in the State of the effective beneficiary.
 - In the case of Spain, the tax required in Colombia may not exceed 10% of the gross amount of the fees or royalties.
 - In cases where a CDI is not active, a 20% withholding will be applied on income for consulting services rendered from abroad.

Powers of the administration

There are excessive clauses that are intended to preserve the continuity of the execution of the public service. They grant prerogatives to public administrations so that they can apply variations to the contents of the contract without prior judicial declaration. Among these prerogatives are:

- Unilateral interpretation
- Unilateral modification
- Unilateral termination
- The expiry dates
- Reversion

In addition, Article 17 of Law 1150 of 2007 allows the contracting public entities to impose fines or enforce the penalty clause on the contractor's default. There is no legal prohibition as to what types of contracts may include such clauses. Public bodies may enforce these measures unilaterally.

On the other hand, unilateral termination due to grounds of nullity is also considered if the causes related to the absolute nullity of the state contract are present.

It also provides for the possibility of advance payments to the contractor to initiate the execution of the contract. Its amount may not exceed 50% of the value of the respective contract⁵. The money given in advance remains the property of the public entity, and the contractor will simply administer it to execute the contract.

Risks and guarantees in public contracting

The risks that may arise in the execution of the contract must be identified so that, in the event of the materialisation of such risk, the party to which it has been assigned is obliged to assume the agreed mitigation or compensation measures.

Guarantees within public contracting in Colombia are coverage mechanisms for the risks in the pre-contractual, contractual, and post-contractual stages. The risk coverage guarantee is indivisible. However, in contracts with a term longer than five years, the guarantees may cover the contract stage or contract period risks, as provided for in the contract. The State Entity must

⁵ Paragraph of Article 40 of Law 80 of 1993

indicate in the bidding documents for the Contract the guarantees it requires in each stage of the contract or each contractual period.

There are three typical types of guarantees.

- Guarantee of seriousness of the offer: covers (1) failure of the selected bidder to sign the contract without just cause; (2) failure to extend the term of the bid bond when the term for the award or the signing of the contract is extended, provided that it does not exceed a term of three months; (3) failure of the selected bidder to provide the performance bond required to cover the obligations of the contract; and (4) withdrawal of the bid after the term set for the submission of bids has expired.
- Single Performance Guarantee: covers (1) the good management and correct investment of the advance payment; (2) the refund of the advance payment, when applicable; (3) the fulfilment of the contractual obligations; (4) the payment of salaries, social benefits and labour indemnities; (5) the stability and quality of the work; (6) the quality and correct operation of the goods and equipment supplied; and (7) any other breach of obligations that the entity deems necessary to cover through guarantees, in a proportional manner and according to the nature of the contract.
- Guarantee of extra-contractual liability: the insurance is required in contracts that, due to their nature, the entity considers necessary to cover possible claims from third parties derived from the actions, acts or omissions of its contractor.

The types of guarantees in Colombia are as follows, developed in-depth in Decree 1082 of 2015:

- Insurance contract contained in a policy: the insurance policy is derived from a contract between a private individual and an insurance company to cover a risk.
 - o For the conclusion of an insurance contract contained in a policy, individuals can go to:
 - An insurance intermediary, which may be an insurance agency, an insurance agent, or an insurance brokerage firm
 - Directly to an insurance company
- Autonomous assets: this oversees a fiduciary entity, must have the State as beneficiary and must have sufficient assets to cover the risks for which it is intended.
 - o To acquire an autonomous patrimony, a fiduciary entity duly authorized by the Colombian Financial Superintendence must be used.
- Bank guarantee: Standby Letters of Credit can also be used.
 - o To acquire a bank guarantee, the interested parties must go to a bank.

For their part, as regards the [administrative and criminal controls](#), the contractors may be civilly and criminally liable for their actions and omissions in the performance of the contract under the terms of the law. On the other hand, the consultants, auditors, and external advisers are civilly, fiscally, disciplinarily, and criminally liable for the breach of their contractual obligations.

The essential requirement for the [settlement of contracts](#) is its termination.

- Bilateral Settlement: the term of the contract is determined by the parties, and, in the event of silence, the law sets a period of four months for its settlement from the date of termination of the contract.

- Unilateral settlement: the settlement period may occur within two months of the expiry of the bilateral settlement period.
- Judicial settlement: this can occur up to two years after the end of the period for unilateral settlement of the contract with the proviso that during this period, it can still be liquidated bilaterally or unilaterally.

Regarding the [price and payment methods](#), the general rule is the freedom to set the price, except in contracts with regulated prices (as in the case of private surveillance or regulated public services).

There are different systems or manners for agreeing on the price of government contracts in Colombia. The main ones are global price or lump sum, unit price, turnkey contracts, and delegated administration.

The [exception of an unfulfilled contract](#) allows one party to a contract not to perform its obligations if the co-contracting party does not perform its own obligations. On the other hand, the State contracts in Colombia, as a rule, are subject to [Colombian regulations](#) (although there are exceptions).

[Is there a possibility of appeal?](#)

[Claims for damages for commercial loss of profit](#)

- Means of control of contractual disputes: the filing of appeals before the public entity is not necessary and must be carried out through a lawyer. Additionally, it is mandatory to previously exhaust an extra-judicial conciliation process before the Public Prosecutor's Office.
- Alternative methods for dispute resolution: amicable settlement, conciliation, and arbitration.

[Judicial review of administrative decisions](#)

Contractors may bring disputes or disagreements before the administrative litigation jurisdiction with respect to unilateral actions such as the exercise of excessive powers or the application of fines and penalty clauses.

4. [Possible legal and administrative blockages](#)

- Payment problems during execution: although the implementation of the state contract requires the budgetary registration of the resources to be used for the contract, when these come from sources other than the entity, the internal administrative process for the effective payment of these resources may cause delays so that the contractor does not receive the payments for the activities executed in a timely manner.
- Approval for the use of money from advance payments: for the use of the advance payment, the use to be made of this money must be justified to the auditor or supervisor of the work and approved by the same. This procedure, which involves the contractor, the auditor and/or supervisor, and the trustee, may cause delays in the performance of contractual activities, due to the strict controls that apply when dealing with public resources.
- Contractual planning: State contracts in Colombia tend to incur cost overruns, delays, suspensions... which can generate losses and damages to the contractor. In

these situations, the contractor may resort to the contentious jurisdiction, but the latter is particularly slow in processing the processes under its jurisdiction due to the high judicial congestion.

5. What are the principal public procurement challenges for European SMEs?

- **Difficulties arising from the Colombian legal system**
 - Lack of a single public contracting statute and regulatory dispersion.
 - Legal uncertainty due to abstract provisions open to interpretation.
 - As a limit to this situation, a system of horizontal precedent has been established (the judge is obliged to decide in the same way as he decided on a previous occasion) and vertical precedent (the lower judge is subject to the following decisions).
- **Challenges of the public procurement system**
 - Unfriendly electronic contracting, although guides have been created for the use of SECOP II.
 - Direct contracting as a recurrent practice to opt for companies of Colombian nationality.
 - Difficulties for the fulfilment of qualifying and weighting requirements by European companies
- **Difficulties caused by external factors**
 - Some of the corrupt practices in Colombia involve the financing of political campaigns in exchange for state contracts

1. Diagnosis of each destination country covering public procurement

1.1 General analysis of the public procurement system in Colombia

In Colombia, there is no unified statute for public administration contracting. The public procurement system in Colombia is characterized by its normative dispersion, both because of the absence of a single rule that regulates state contracts and because these are regulated by regulations at different levels and issued by entities with different hierarchies and competencies.

State contracts are those entered by entities considered public by Law 80 of 1993, regardless of their contracting regime. In other words, the criterion for determining the notion of State contract in Colombia is organic. In effect, Article 2 of Law 80 of 1993 establishes a list of what it considers to be public entities, establishing those public entities are those in which the State has a majority shareholding - above 50%.^{6 7}

The EGCAP is composed of a series of rules of public order aimed at the selection of the bidder that presents the best conditions for the execution of the contract, the protection of the interests of the administration and the public service. The legislator, when designing the EGCAP, had the challenge of designing a contracting system that would protect the public interests and at the same time be flexible enough to ensure the efficiency of the public administration.

The principal and fundamental rule of the EGCAP is Law 80 of 1993. This regulation contains the guiding principles and primary institutions of public procurement, as well as the original selection procedures (to which have been added those found, for example, in Law 1150 of 2007 and Law 1474 of 2011). The aforementioned rule refers to the civil and commercial regulations governing contracts entered by private parties in Colombia and applies them to public procurement, except in matters specially regulated in the EGCAP. Thus, we find that the EGCAP itself constitutes a mixed regime, containing provisions from both private law and public law.⁸

Some entities, due to the nature of their activities, are exempted from the application of the provisions contained in the EGCAP. These entities can be classified as excepted (when an organic criterion exempts them from the application of the EGCAP)⁹ or specials¹⁰ (when EGCAP should be applied, the legislator decided directly to exclude them from that regime).

However, in their contractual activity, these entities must observe the principles of the administrative function,¹¹ the fiscal management and the regime of disqualifications and

⁶ Articles 2 and 32 of Law 80 of 1993.

⁷ Among the entities subject to the EGCAP, are included the national, departmental, and municipal entities, the National Roads Institute -INVIAS-, the Urban Renewal and Development Company -ERU-, the Urban Development Company -EDU-, among others.

⁸ Article 13 of Law 80 of 1993

⁹ Among the entities exempted from EGCAP are included the industrial and commercial companies of the State -EICO- and the mixed capital companies with majority participation of the State -SEM- (when their activity is in competition or regulated market), the subsidiaries of the EICO and the SEM, the telecommunications sector, the companies of public utilities, among others

¹⁰ Among the entities subject to a special contracting regime are ECOPETROL, SATENA, INDUMIL, Banco de la República, among others.

¹¹ Article 209 of the Political Constitution of Colombia: "The administrative function is at the service of the general interest and is carried out on the basis of the principles of equality, morality, efficiency, economy, speed, impartiality and publicity, through decentralisation, delegation and deconcentration of functions".

incompatibilities. To this end, these entities must have a Contracting Manual, which must explain the methodology and procedures applicable when contracting.¹²

In addition to this, there are certain state contracts that, due to their purpose, have special regulations, such as mining concession contracts, science and technology contracts, international cooperation, among others. These will be developed in section 3.3 of this guide.

As mentioned above, in addition to the legal norms, there are dispositions in the legal system at different levels of the hierarchy of standards that regulate public procurement, such as constitutional provisions; regulations (through general administrative acts issued by the President of the Republic in the exercise of regulatory powers); and case law (rulings handed down by the Constitutional Court, the Council of State, and the Supreme Court of Justice). In addition, there are auxiliary or ambiguous sources, such as doctrine, circulars, and concepts of Colombia Compra Eficiente {Colombia Buys Efficiently}, the CONFIS and CONPES documents, among others.

1.2 Concept of public administration in Colombia

The executive branch or public administration in Colombia is composed of:

- (i) The central sector.
- (ii) The decentralized sector by services.
- (iii) The decentralised territorial sector. In Colombia, a distinction is made between the Nation, the departments, and the municipalities.
- (iv) The decentralised sector by collaboration. Here are found the private individuals who exercise administrative functions.
- (v) Autonomous bodies.
- (vi) Bodies with a special regime.

However, in Colombia, not only the public administration is governed by the rules that regulate public procurement, since the Legislative Branch and the Judicial Branch also exercise administrative functions aimed at acquiring products and services and, therefore, the rules of public procurement also apply to them. There are also other autonomous and independent bodies in Colombia - the Public Prosecutor's Office, the Office of the Comptroller General of the Republic, the National Electoral Council, the National Civil Registry, among others - to which the provisions of the EGCAP are also applicable.

1.3 Summary of the chapter

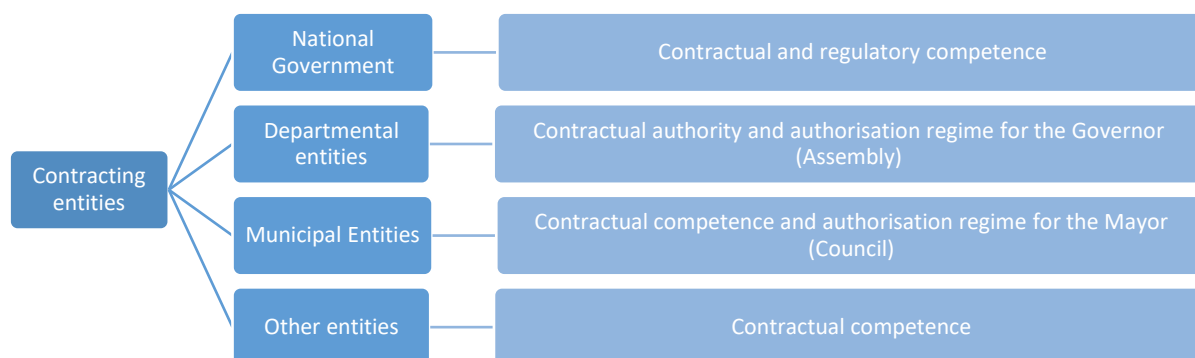
The panorama within public procurement in Colombia involves a series of different procurement regimes with cross-cutting elements, a dispersion, a series of contracting entities that generally belong to the public administration, and a branch of the law specific to public entities and the administrative function, called administrative law.

¹² Article 13 of Law 1150 of 2007.

2. Contracting entities' identification and description

In general terms, the state entities in Colombia with legal personalities are empowered to carry out the contractual processes they consider relevant to develop their objectives and functions. The EGCAP also allows entities to delegate the competence to carry out contractual procedures to bodies without legal personality, such as, for example, secretariats, offices, and bureaus.¹³¹⁴

In addition to this, certain entities in Colombia are competent to regulate the contractual processes. The regulatory structure of public procurement in Colombia is predominantly centralised and legalistic. In other words, most provisions, and regulations on public procurement in Colombia come from the law and the decrees that develop it. However, there are other entities within the different levels of hierarchy that are also involved in regulating the contractual processes in Colombia. The principal ones are noted below.



2.1 Government: Organisation and competencies

The National Government or Central Sector is composed of the Presidency of the Republic, the Vice-Presidency of the Republic, the Superior Councils of the administration, the ministries and administrative departments and the superintendencies and special administrative units without legal personality.¹⁵

This sector may carry out the contractual processes necessary to develop its activities and is subject, as a rule, to the EGCAP. The Central Sector is included in the National Development Plan (NDP) in its investment component. Based on the NDP, the public entities involved must issue a plan of action and expenditure programming.¹⁶

The Constitution established the so-called regulatory power of the law in the hands of the President of the Republic. Through this, the President has the power to develop, by means of regulatory decrees, the text of the law, with the Constitution and the law itself as the limit to

¹³ Article 25 of Law 80 of 1993.

¹⁴ Article 10 of Law 489 of 1998 explains what characteristics the administrative act of delegation must have.

¹⁵ Article 38 of Law 489 of 1998.

¹⁶ Law 152 of 1994.

which this power is exercised. Thus, it is not possible to expand or restrict the meaning of the law through regulatory authority.¹⁷

It is from this governmental competence that a large part of the regulations on public procurement in Colombia have been issued, with the purpose of making the law enforceable, in the sense of detailing how it will be applied.

2.2 Regional entities: regional organisation and competencies

At the second level of administrative hierarchy in Colombia, a product of the so-called territorial decentralisation, are found the Departments, regulated in articles 298 and subsequent articles of the Political Constitution. In the organisational structure of these territorial entities, we find the Governor, the highest administrative authority at the departmental level, and the Departmental Assemblies. The Departments, through the governors, are entities that are mainly dedicated to the coordination, support, promotion, and development of the municipalities, as well as acting as intermediaries between them and the Nation.

Governors are empowered to enter contractual processes according to the needs established to fulfil their functions, subject as a general rule to the EGCAP.¹⁸ Law 152 of 1994 establishes the Territorial Development Plans, composed of a strategic and investment plan. This plan is approved at the departmental level by the Departmental Assemblies.¹⁹

The Departmental Assemblies are collegiate bodies of an administrative nature, which exercise functions of co-administration and political control over the governors' offices. In contractual matters, the Constitution establishes that it is up to the Assemblies to authorize the contractual processes of the governors' offices in those cases in which the law requires such authorisation. In this regard, it is necessary to clarify that (i) the Departmental Assemblies are not competent to establish general rules applicable to public procurement, since this power is reserved to the Congress of the Republic so that there are no departmental procurement regulations in Colombia, and (ii) the Governor normally has a general power to enter contracts since the Departmental Assemblies tend to regulate such powers in a general manner.²⁰

However, the express authorisation of the Departmental Assembly is required each time contracts are entered into for the alienation of movable and immovable property or contracts where financial debts are contracted, such as loans or public credit operations.²¹

2.3 Municipal entities: municipal organisation and competencies

The fundamental entity of the political-administrative division of the Colombian State is the municipality. Its organisational structure includes the Mayor, the highest administrative authority at the municipal level, and the Municipal Councils.²² The municipalities are responsible for the provision of public services in the territory, the construction of works, and ensuring the promotion, improvement, and welfare of the community. The Municipal Council is responsible for the co-administration and political control over the Mayor.²³

¹⁷ Article 189, paragraph 11, of the Political Constitution of Colombia.

¹⁸ Article 298 of the Political Constitution of Colombia.

¹⁹ Article 31 of Law 152 of 1994.

²⁰ Article 300, paragraph 9, of the Political Constitution of Colombia and the Constitutional Court. Ruling C-738 of 2001.

²¹ Administrative Department of the Civil Service. Concept 169701 of 2016.

²² Article 311 and subsequent articles of the Political Constitution of Colombia.

²³ Article 313 of the Political Constitution of Colombia

The municipalities may carry out the contractual procedures necessary to fulfil their purposes, being subject, as a rule, to the EGCAP. Law 152 of 1994 establishes the Territorial Development Plans, composed of a strategic and investment plan. This plan is approved at the municipal level by the Municipal Councils, and in it can be found the programs to be developed by the municipalities through state contracts.²⁴

In contractual matters, we find that the relationship between the Municipal Councils and the Mayors' Offices is like that described above for the departmental level: (i) the Councils are not competent to establish general rules on contractual matters. There are no municipal contractual regulations in Colombia. (ii) On the other hand, the Municipal Councils establish the authorisation regime for contracting by the Mayor's Offices, generally through general authorisations to enter contracts, as is the case in the Departments. However, the prior authorisation of the Municipal Councils is mandatory for the execution of the following contracts: loans, contracts that affect future validities, sale and purchase of real estate, sale of assets, shares and quotas, concessions, and others determined by law.²⁵

2.4 Other entities (state-owned enterprises, other authorities with public procurement competencies)

Within the organisation of public administration in Colombia, are found the decentralized sector by services, made up of public establishments, industrial and commercial enterprises of the State, superintendencies and special administrative units with legal personality, social enterprises of the State, official companies of public services, science and technology institutes, public and mixed capital companies, and other entities that the law creates as part of the public administration.²⁶

On the other hand, we find the so-called autonomous or special regime bodies, including the Bank of the Republic, the Autonomous University Entities, the Regional Autonomous Corporations -CAR-, the National Television Authority -ANTV-, the National Civil Service Commission, the Public Ministry, the Office of the Comptroller General of the Republic, the National Electoral Council, and the National Registry of Civil Status.²⁷

These entities are competent to carry out the contracting processes they deem necessary to achieve the purposes for which they were created within the framework of the legal contracting regime assigned to them by law, which is generally the EGCAP.

Finally, we must mention the National Public Procurement Agency 'Colombia Compra Eficiente'. This entity was created by Decree 4170 of 2011 as the governing body for public procurement in Colombia, occupying a central role in structuring the public procurement system.

Colombia Compra Eficiente has developed different support instruments for the development of the activities of the contracting entities and their contractors, among them (i) the issuance of circulars and manuals for the use of the participants in the contracting processes (ii) the administration of the Electronic System of Public Procurement-SECOP, (iii) the SÍNTESIS system

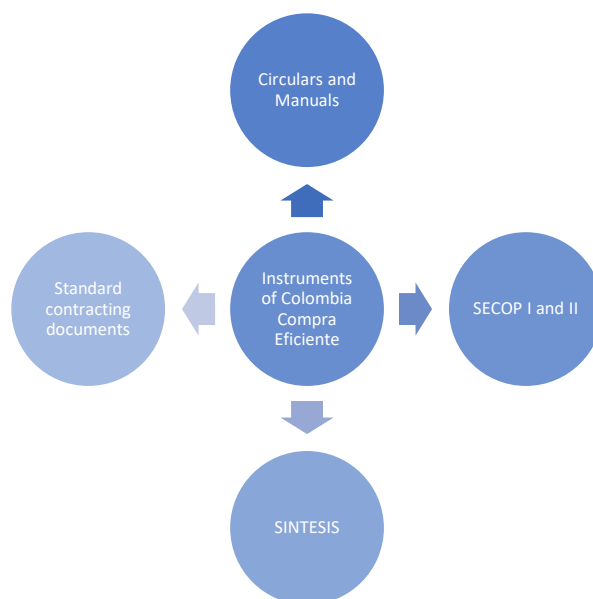
²⁴ Article 31 of Law 152 of 1994.

²⁵ Administrative Department of the Civil Service. Concept 064921 of 2020.

²⁶ Article 38 of Law 489 of 1998

²⁷ For more information on these types of entities and, in general, on the organisational structure of the Colombian State, go to the website of the Administrative Department of the Civil Service at the following link: <https://www.funcionpublica.gov.co/eva/gestornormativo/manual-estado/organos-autonomos.php>

for the easy and quick consultation of the regulations on public contracting and (iv) the standard contracting documents, mandatory under Law 2022 of 2020.



2.5 Multilateral entities: identification and main cooperation lines with the country

Among the multilateral entities that finance projects in Colombia are the World Bank, the Inter-American Development Bank (IDB) and the International Bank for Reconstruction and Development (IBRD).

The World Bank seeks, through project financing, to support poverty reduction strategies in low- and middle-income countries, improving living conditions in areas such as health care, universal education, transportation, economic growth, among others. The Inter-American Development Bank (IDB) finances economic and social development through loans, grants, guarantees and investments to public and private entities in Latin America and the Caribbean. Finally, the International Bank for Reconstruction and Development (IBRD) is an international development cooperative that provides loans, guarantees, risk management products, and advisory services to middle- and low-income creditworthy countries.²⁸

In Colombia, public entities are allowed to enter financing contracts with international cooperation, assistance, or aid agencies. If these contracts are financed in sums greater than 50% of the value of the contract by these bodies, it is authorized to submit the respective contract to the funders' regulations.²⁹ Based on this, internationally financed state contracts tend to use standardized contracting models such as the International Federation of Consulting

²⁸ To learn more about the actions of the World Bank, the IDB and the IBRD in Colombia, see: <https://www.bancomundial.org/es/country/colombia/overview#1> <https://www.iadb.org/es/paises/colombia/perspectiva-general> <https://www.bancomundial.org/es/who-we-are/ibrd>

²⁹ Article 20 of Law 1150 of 2007.

Engineers -FIDIC- contracts, which also provide a higher level of legal security to state contracting in Colombia.³⁰

The EGCAP also establishes that contracts or agreements entered into with foreign entities governed by public law or organisations governed by international law whose purpose is the development, promotion, prevention, and health care programs; contracts and agreements necessary for the operation of the ILO; contracts and agreements executed in the development of the integrated illicit crop monitoring system; contracts and agreements for the operation of the world food programme; contracts and agreements for the development of educational support programmes for displaced and vulnerable populations carried out by UNESCO and IOM; contracts or agreements financed with funds from multilateral credit agencies and foreign governmental entities may be subject to the regulations of such entities.³¹

³⁰ To learn more about the FIDIC contracting model, go to:
https://www.fidic.org/sites/default/files/cons_mdb_spanish_iadb_jun06_contract_guide.pdf

³¹ Article 20 of Law 1150 of 2007.

3. Statutory Framework

As mentioned above, there are no departmental or municipal contract statutes in Colombia. Nor can one speak of a single statute since contracting rules are scattered throughout the legal system.

However, there are certain fundamental rules when dealing with the public procurement system in Colombia, which are described below.

3.1 General regulatory framework for government contracting in Colombia

Law 80 of 1993 Fundamental rule of public procurement.	Law 489 of 1998 Structure of the public administration.	Law 590 of 2000 Promotion of micro, small and medium enterprises.
Law 1150 of 2007 Reform to Law 80 of 1993.	Law 1474 of 2011 Anti-corruption statute	Law 1508 of 2012 Regime of public-private partnerships PPPs
Law 1682 of 2013 Transport infrastructure projects	Decree 1082 of 2015 Compilatory Decree of the Administrative Sector of Planning	Decree 1882 of 2018 Reform to Law 80 of 1993. Special rules on public works

Law 80 of 1993 is the principal rule on the matter, as it regulates the principles governing the contractual activity, the regime of disqualifications and incompatibilities, regarding the conclusion and perfection of the contract, the grounds for nullity of the state contract, the exceptional clauses, contractual liability, typical administrative contracts, alternative dispute resolution mechanisms, the selection processes of public bidding, merit-based competition and direct contracting, among other provisions. As has been said, this provision - Article 13 - expressly refers to the civil and commercial regulations governing contracts between private parties, except for matters specifically regulated by Law 80 of 1993.

Law 489 of 1998 establishes the structure of the public administration, the central and decentralized sector by services. It also establishes rules for the delegation of functions, the creation of new entities, the exercise of administrative functions by individuals, among others.

Law 590 of 2000 establishes the rules for promoting micro, small and medium-sized enterprises -MiSMEs. Chapter III is of particular interest, as it establishes a series of policies for the promoting MiSMEs in the public procurement processes. In addition, it establishes the democratisation of credits in favour of this type of company to access the financial market.

Law 1150 of 2007 amends Law 80 of 1993, adding new contractor selection processes and modifying issues related to risk allocation, electronic contracting, registration, and verification of bidders' conditions, guarantees, due process for the imposition of sanctions, among others. It should be noted that, as has been said, Article 13 of this provision establishes that in all state contracts, regardless of their regime, the principles of the administrative function, fiscal management, and the regime of disqualifications and incompatibilities must be respected.

Law 1474 of 2011, whose purpose was to create new tools for the fight against corruption, expanded the regime of disqualifications and incompatibilities, established the duty to monitor the contracting through supervisors and auditors, as well as its liability regime, created some sanctions for repeated breaches, instituted the formation of an autonomous patrimony for the management of advances in certain contracts, regulated the imposition of fines, penalties and the declaration of default, modified the procedure of fiscal control, among others. We highlight the emergence of the minimum amount contracting procedure.

Law 1508 of 2012 establishes the legal regime for public-private partnerships-PPPs. It establishes the scope of application of the rule, the concession regime, the right to retribution, the selection processes for PPP projects of public and private initiative, among others.³²

Law 1682 of 2013 regulates transport infrastructure projects. The norm establishes the characteristics and integration of the transport infrastructure, the guiding principles of the subject, management and acquisition of land, environmental management, among others.

Decree 1082 of 2015 was issued as an effort by the National Government to compile the regulations of the administrative sector of National Planning, including public procurement. The regulation compiles a large part of the provisions governing the matter.

Decree 1882 of 2018 amended Law 80 of 1993, establishing the two-envelope system for the contracting of public works, expanded the responsibility of consultants and auditors, introduced rules on the rejection of proposals, made mandatory the standard specifications, provisions on the contracting of Public-Private Partnerships (PPPs), among others.

3.2 Regulatory regime for entities exempted from EGCAP and entities with special regime

The entities exempted from the EGCAP and the entities with special regimes must adopt for their contractual management the so-called Contracting Manuals. This is since they must respect the principles of the administrative function, fiscal management and the regime of disqualifications and incompatibilities.

To this end, Colombia Compra Eficiente has determined, according to the General Guidelines for the Issuance of Contracting Manuals, that the Manuals must describe the legal nature of the contracting entity, the procedures for the development of the contractual activity, those responsible for the development of each stage of the contracting and the rules and good practices of the Contractual Management of the public entity. For special regime entities, a detailed description of their selection processes must be included.³³

³² For more information on PPP contracts, see Annex 1

³³ For more information on Procurement Manuals, please refer to the General Guidelines for the Issuance of Procurement Manuals of Colombia Compra Eficiente at the following link: https://colombiacompra.gov.co/sites/cce_public/files/cce_documents/cce_expedicion_manual_contratacion.pdf

3.3 Regulations and special modalities in relation to public contracting

Some specific rules apply to public procurement depending on the object of the contract. These include the mining regime, the hydrocarbons regime, environmental regulations, the regime of public utilities, special cooperation agreements for science and technology and agreements with non-profit entities.

The contractual mining regime, regulated in Law 685 of 2001, is based on the notion that only the exploitation of state-owned mines is allowed through the mining concession contract. The hydrocarbons regimes, and much of the environmental regulations in Colombia, were compiled in Decrees 1073 and 1076 of 2015.

Laws 142 and 143 of 1994 establish the regime of public utilities in Colombia. The provision of public services, as of Article 365 of the Constitution, is allowed for both private individuals and the State and does not require an enabling title to participate in this sector of the economy. The law establishes the activities, modalities and obligations related to the provision of the service. In this sector of the economy, the application of private law is predominant but is not exclusive since there is a regulation that defines the Public Services Regulation Commissions.

Special cooperation agreements for science and technology are regulated by Law 29 of 1990 and Decrees 393 and 591 of 1991. It is very important to emphasize that the application of this regulation is restrictive in nature, according to the grounds contained therein, which, as a rule, are associated with the promotion, promulgation and generation of science, technology, and innovation.

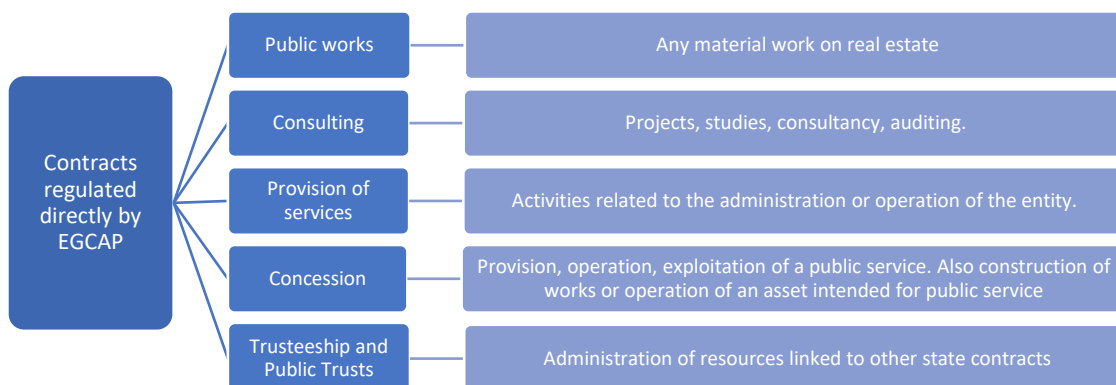
Finally, the agreements with non-profit entities are regulated in Decree 092 of 2017. There are two modalities: partnership agreements and public interest and collaboration agreements.

3.4 Contracts nominated in Law 80 of 1993

Law 80 of 1993 establishes that state contracts are all the legal acts that generate obligations entered by public entities, provided for in private law or special provisions, or derived from the exercise of the autonomy of the will, as well as those specifically established in the EGAP itself. In this regard, in Colombia, state entities are allowed to enter any type of contract permitted by civil and commercial laws, which will be subject to the respective regulation.

However, specific contracts are regulated directly by the EGAP³⁴, which are public works contracts, consultancy, provision of services, concession, fiduciary commission, and public trust, as follows:

³⁴ Articles 13 and 32 of Law 80 of 1993.



- **Public works:** Public works contracts are those entered by state entities to perform any material work on real estate, regardless of the method of execution and payment.
- **Consulting:** These are contracts entered into by state entities for the execution of investment projects, diagnostic, pre-feasibility or feasibility studies for specific programs or projects, as well as technical advisory services for coordination, control, and supervision. They are also those whose purpose is the auditing, consulting, construction or project management, direction, programming and execution of designs, plans, blueprints, and projects.
- **Provision of services:** Service contracts are those entered by state entities to develop activities related to the administration or operation of the entity. These contracts may only be entered into with natural persons when such activities cannot be carried out with regular staff or require specialized knowledge. In no case shall these contracts generate an employment relationship or social benefits and shall be entered into for the strictly necessary term.
- **Concession:** State contracts by means of which a concessionaire is granted the total or partial provision, operation, exploitation, organisation or management of a public service, or the total or partial construction, exploitation or conservation of a work or asset intended for public service or use, as well as all those activities necessary for the adequate provision or operation of the work or service on behalf of and at the risk of the concessionaire and under the supervision and control of the granting entity. The consideration for this type of contract may consist of fees, tariffs, valuation rates, participation granted in the exploitation of the asset or a periodic, single or percentage sum and, in general, any other form of consideration agreed upon by the parties.
- **Trust and Public Trust:** these are contracts entered into by state entities with trust companies authorized by the Superintendence of Finance, whose purpose is the administration or management of resources linked to other state contracts.

4. Rules of General Application (principles, rules for non-competitive and competitive procedures, registration obligation, local content, conflict of interest...)

As explained above, civil, and commercial provisions apply to contracts entered into by public entities in Colombia, except those provisions specifically provided in the EGCAP. It has also been noted that some public entities are exempt from the necessity to apply the provisions contained in the EGCAP and are subject to the requirement to have a Procurement Manual. In any case, all public entities, regardless of the contracting regime (EGCAP, excepted or special), must observe the principles of the administrative function, fiscal management and the regime of disqualifications and incompatibilities.³⁵ In addition, there are other legal provisions that indirectly affect the conclusion and execution of state contracts, such as territorial taxes, the Land Management Plan -POT- and the General System of Royalties -SGR.

4.1 The principles of the administrative function, the regime of fiscal management and the regime of disqualifications and incompatibilities for contracting.

The principles of the administrative function are contained in article 209 of the Constitution. In Colombia, these are mandatory guiding principles, and their disregard may involve severe penalties, including the declaration of nullity of the state contract. These are the principles of equality, morality, efficiency, economy, speed, impartiality, and publicity. In addition, the Council of State has drawn new principles from the content of the previous ones, as is the case of the principle of planning.

It is important to clarify that these principles are binding both for the contracting entity and for the contractor, who acts as a collaborator of the public administration, in such a way that the observance of these principles also involves the individual, and he/she must also assume the consequences derived from their disregard.³⁶

The fiscal management regime, for its part, is found in Articles 267 and subsequent articles of the Constitution and refers to the public function exercised by the Comptroller's Office through which it oversees the execution of public resources by state entities, individuals and entities that manage funds or assets of the Nation. This issue is developed by Law 42 of 1993, Decree 267 of 2000, Law 610 of 2000 and Decree Law 403 of 2020.

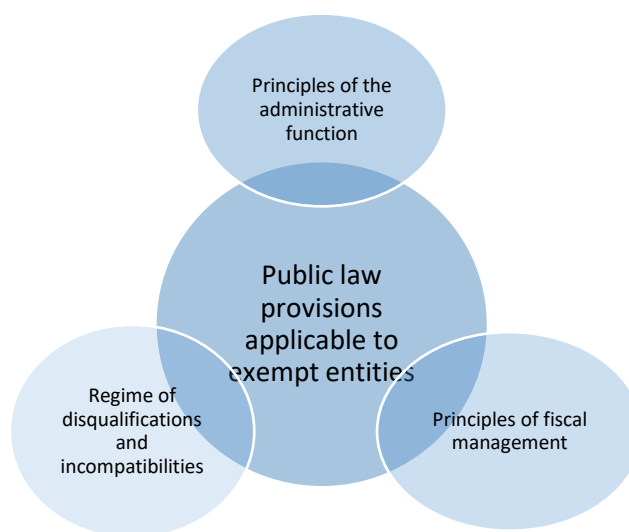
The regime of disqualifications and incompatibilities establishes special prohibitions for the bidder who, due to its special circumstances, is prohibited from contracting with the State or contracting with certain public entities. The regime is found in Law 80 of 1993 and other legal provisions.³⁷ Disqualifications imply circumstances attributable to the contractor that prevent the execution of any type of state contract for a determined term. Incompatibilities refer to the conclusion of contracts with a specific entity for reasons of employment, kinship, affection, or interest. The violation of the regime of disqualifications and incompatibilities entails a defect of

³⁵ Article 13 of Law 1150 of 2007.

³⁶ Council of State. Judgement of April 24, 2014, file number 68001-23-15-1998-01743-01 (27315).

³⁷ Colombia Compra Eficiente compiled the grounds in the document Manual to determine and verify the qualifying requirements in the Contracting Processes, available in the following link: https://colombiacompra.gov.co/sites/cce_public/files/cce_documents/cce_manual_requisitos_habilitantes.pdf

nullity of the contract, in addition to the relevant administrative and criminal penalties. Exceptionally, the regime is not applicable to open corporations, but it is applicable to consortiums or temporary unions.³⁸



4.2 Territorial Taxes, Land Management Plan, and the General System of Royalties.

As mentioned above, there is a legal reserve for the regulation of public procurement in Colombia. Territorial and municipal entities are not competent to establish selection procedures or special territorial rules on public procurement without prejudice to the system of procurement authorisations discussed in Chapter 2. However, there are departmental or municipal regulations that affect the contracting processes of public entities, such as territorial taxes, the Land Management Plan, and the General System of Royalties -SGR-.

The territorial entities are competent to establish such taxes as may be necessary for the performance of their functions, in accordance with the authorisation given by the legislator. In this regard, the territorial entities are free to establish the taxes they deem necessary in state contracting, as long as the conditions established in the Constitution and the law are met.

These limitations, particularly those found in Articles 150 and 338 of the Constitution, establish that, for the creation of a territorial tax, authorisation must be obtained from the Congress of the Republic, which will establish the essential elements of the tax.

The Land Management Plans -POT- are regulated by Law 388 of 1997 and Law 152 of 1994 and consist of the instruments to develop municipal land management. They contain a set of objectives, guidelines, policies, programs, among others, adopted to guide the development of the territory and land use. The POT is mandatory for municipal entities so that no public or private agent may carry out any urban development action that is not provided for in the POT and its complementary rules.

Law 388 establishes the regime of urban licenses, which are required for all construction contracts, urbanisation, division, or subdivision of metropolitan, urban expansion or rural land.

³⁸ Article 8 of Law 80 of 1993.

This license is also required for the occupation of public space. The urban curators oversee granting these licenses.³⁹

The General Royalties System -SGR- is regulated by Law 2056 of 2020, together with Law 1530 of 2012 and Decree 1534 of 2017. Through the SGR, the distribution and destination of income from the exploitation of non-renewable natural resources are determined, specifying the conditions of participation of its beneficiaries.

From the exploitation of these resources, the beneficiaries of the respective licenses and permits for this activity must pay the National Hydrocarbons Agency and the National Mining Agency a certain amount called royalties. The liquidation, distribution and use of these concepts in investment projects according to the methodology provided by the National Planning Department are regulated throughout Law 2056 of 2020.⁴⁰ The importance of this rule lies in the fact that some state contracts are financed with resources from the SGR, so knowing how these are disbursed to public entities is of great importance.

³⁹ Article 99 and subsequent articles of Law 388 of 1997.

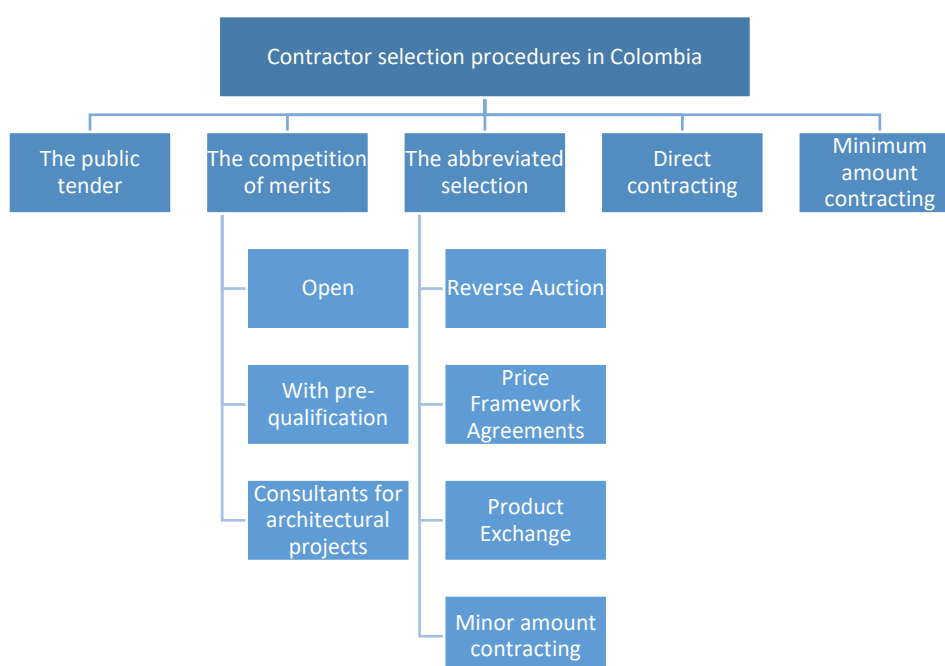
⁴⁰ In particular, articles 18 and 19, 22 to 27 et seq. of Law 2056 of 2020.

5. Procurement procedure types

In Colombia there are five main procedures for the selection of contractors: public bidding, abbreviated selection, merit-based competition, direct contracting, and minimum amount contracting. These procedures are mainly regulated in Law 80 of 1993, Law 1150 of 2007, Law 1474 of 2011, Decree 19 of 2012 and Decree 1082 of 2015.

In addition, there are special procedures for certain types of contracting, such as partnership and collaboration agreements with non-profit entities, regulated in Decree 092 of 2017, and public-private partnerships (PPPs), regulated in Law 1508 of 2012.⁴¹

5.1 Method's description, requirements, exclusion, selection, and award criteria



5.1.1 The public tender

Public bidding is regulated in Article 30 of Law 80 of 1993, Law 1150 of 2007, Law 1474 of 2011, Decree 19 of 2012 and Decree 1082 of 2015. This is the general and subsidiary rule for the selection of contractors in Colombia, i.e., in the absence of the grounds for the use of the other procedures for the selection of contractors, public bidding is used. It is also the main procedure in terms of regulation, so that most other selection procedures are variations of it.

Participation in public bidding and, in general terms, in the contractual processes of public entities subject to the EGCAP is allowed for natural persons, legal entities, consortiums and temporary unions, national or foreign.

Consortiums and temporary unions are an association of contractual nature of two or more natural or legal persons for the submission of the proposal and the execution of the state

⁴¹ To learn more about the contracting of PPPs, see Annex 1.

contract, without this implying the creation of a new legal person. These two figures differ in that, in the case of a temporary union, the penalties for non-compliance with the obligations arising from the proposal and the contract shall be imposed in accordance with the participation in the execution of each of the members of the temporary union, whereas, in the case of a consortium, the liability for the penalties is joint and several.

Now, both for consortiums and temporary unions, the liability for breach of contract is joint and several when the consequence is not the imposition of sanctions, but, for example, the obligation to repair the damages suffered by the public entity.⁴²

Foreign legal entities are not required to establish a branch in Colombia to submit bids. They must only do so if they are awarded contracts that require a constant presence in Colombia for their execution since it is in these cases where it is understood that they carry out permanent activities in Colombia.⁴³ An example is construction contracts in which the construction is executed in Colombian territory.

For participation and selection in a public bidding process, the concepts of qualifying requirements and weighting requirements must be considered.

Public entities may request a series of requirements for the submission of bids, called qualifying requirements. These may be administrative, financial, organisational, and of experience and **do not award points for the contract award**.⁴⁵ In essence, these requirements seek to measure the bidder's aptitude to comply with the object of the state contract. Rejection of proposals for non-compliance with non-scoring requirements is expressly prohibited. These may be remedied until the transfer of the evaluation report of 5 days.⁴⁶

The weighting requirements are those by which the bidders' proposals are evaluated to select the objectively most favourable offer. The procuring entity, to choose the winning bid for the contract, may apply a system of formulas where the technical aspects and the price offered are evaluated, or it may do so based on the weighting of the quality-price elements that represent the best cost-benefit ratio. The public entity must establish the system to be used in the specifications.⁴⁷ In construction contracts, the shortest time for its execution cannot award points.⁴⁸ Weighted requirements cannot be corrected by the bidders. Likewise, the bidding documents shall establish the grounds for the rejection of the bids.

In summary, the entities make the following assessment:

- They evaluate the qualifying requirements under a parameter of complies/does not comply.
- With respect to the qualified bidders (compliance with the qualifying requirements), the weighted requirements of the proposals are evaluated to determine the

⁴² Article 7 of Law 1150 of 2007. To learn more about the figures, please refer to the Guide to Corporate Affairs in the Procurement Processes of Colombia Compra Eficiente at the following link: https://colombiacompra.gov.co/sites/cce_public/files/cce_documents/cce_guia_asuntos_corporativos.pdf

⁴³ For more information, please refer to the Guide for the participation of Foreign Suppliers of Colombia Compra Eficiente, available at the following link: <https://colombiacompra.gov.co/manuales-guias-y-pliegos-tipo/manuales-y-guias/guia-para-la-participacion-de-proveedores-extranjeros>

⁴⁴ Article 474 of Decree 410 of 1971

⁴⁵ Article 2.2.1.1.1.6.2 and 2.2.1.1.1.5.3 of Decree 1082 of 2015.

⁴⁶ Article 5 of Law 1150 of 2007.

⁴⁷ Article 2.2.1.1.2.2.2 of Decree 1082 of 2015.

⁴⁸ Article 5 of Law 1150 of 2007.

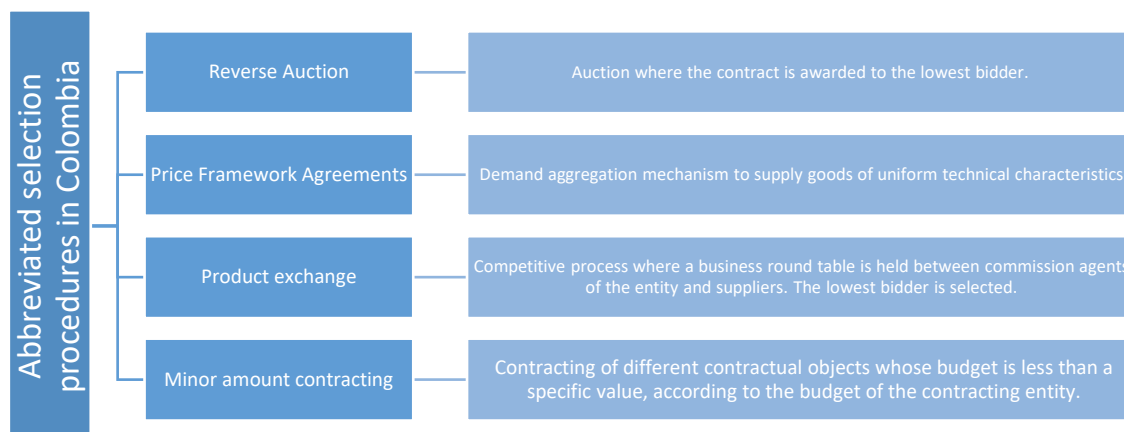
respective scores. The bidder that is qualified and obtains the highest score shall be the successful bidder.

The exception to the freedom of public entities to determine the qualifying and weighting criteria are the standard documents of the National Public Procurement Agency Colombia Compra Eficiente. These are standardised, mandatory specifications to be used in the contracting processes of public entities.⁴⁹ Within this type of bidding documents, strict rules are established regarding the grounds for rejection of bids, how the qualifying requirements must be met, criteria for awarding points and the arithmetic formula and its calculation, among other aspects. In the case of standard specifications, public entities are only competent to modify the aspects that are strictly mentioned in the specifications.⁵⁰

5.1.2 The competition of merits

The merit-based competition is the one intended for the selection of consultants and architectural projects. Under this procedure, all contracts with an object covered by the concept of a consulting contract are awarded⁵¹. The most important of these are contracts for auditing, preparation of studies and designs, and preparation of investment projects, among others. There are three types of merit-based competitions: open, with pre-qualification, and for the selection of consultants for designs, plans, preliminary projects, and architectural projects. In the merit competition, only technical aspects are considered for the qualification, but not the price.⁵²

5.1.3 Abbreviated Selection



The abbreviated selection was created by Law 1150 of 2007. It consists of a set of simplified procedures for the selection of contractors. These are mainly: reverse auctions, price framework

⁴⁹ Law 2022 of 2020.

⁵⁰ Colombia Compra Eficiente has implemented standard specifications for the following contracts: transport infrastructure, drinking water and sanitation infrastructure, cadastral management with a multipurpose approach, and public bidding for social infrastructure projects. For the text of the model sheets, see: <https://colombiacompra.gov.co/documentos-tipo/documentos-tipo>

⁵¹ Law 80 of 1993, and Article 2.2.1.2.1.3.1 and subsequent articles of Decree 1082 of 2015.

⁵² For more details on this procedure, see Annex 2.

agreements, commodity exchanges and minor amount contracting⁵³, among others with similarities to the latter.

The framework price agreement is a modality through which an entity enters a framework contract with several suppliers for the purpose of aggregating demand for goods and services of uniform technical characteristics. Subsequently, different public entities can join the price framework agreement to request the goods and/or services through purchase orders or services. The competent entities for holding tenders for the initial price framework agreement are the National Public Procurement Agency-Colombia Compra Eficiente, the territorial entities, the judicial branch, the legislative branch, and the autonomous agencies. The framework agreement sets out the conditions to which public entities must adhere for the acquisition of the goods and services offered. Under this modality, price is the only factor of choice.⁵⁴

There are five participants in the commodities exchange: the Stock Exchange, the state entity, the suppliers, the commission agent of the state entity and the commission agent of the suppliers. The entity indicates to the stock exchange the need to be met, the criteria for the selection of the commission agent and the budget, including the cost of the commission and the complete transaction, through a previous study. The choice is made through a competitive process, which involves a business round table between the entity's commission agents and suppliers, and the one offering the lowest price is selected. The guarantees are also delivered to the exchange, which is responsible for the fulfilment of the transaction.⁵⁵

In the reverse auction, the bidders that meet the qualifying requirements come before the entity on a date and time determined to hold an auction. The lowest bidder will be awarded the contract. The bid documents establish the minimum margin for improvement of the proposals when revising a new set. If two bidders offer the same value, it is awarded to those who presented the initial lowest value.⁵⁶

The minor amount allows the contracting of different objects whose budget is less than a specific value calculated from the annual budget of the public entity, expressed in minimum wages.⁵⁷

5.1.4 Direct contracting

Direct contracting is the procedure through which the public entity directly selects a contractor for the execution of a contract. This procedure is based on certain specific grounds, among which are: provision of professional services and management support, lack of a plurality of bidders for a specific good or service, manifest urgency, contracting of loans and inter-administrative agreements.⁵⁸

5.1.5 The minimum amount

Finally, the minimum amount is a procedure applied when the value of the contract does not exceed 10% of the lowest amount of the state entity, regardless of the object. Under this contractual modality, guarantees in favour of the state entity are not required, nor is the single

⁵³ Law 1150 of 2007 and articles 2.2.1.2.1.2.1 and subsequent articles of Decree 1082 of 2015

⁵⁴ Law 1150 of 2007 and Article 2.2.1.2.1.2.7 and subsequent articles of Decree 1082 of 2015.

⁵⁵ Law 1150 of 2007 and Article 2.2.1.2.1.2.11 and subsequent articles of Decree 1082 of 2015.

⁵⁶ Law 1150 of 2007 and Article 2.2.1.2.1.2.2 and subsequent articles of Decree 1082 of 2015.

⁵⁷ For more details on this procedure, see Annex 3.

⁵⁸ Law 80 of 1993 and article 2.2.1.2.1.4.2 and subsequent Decree 1082 of 2015.

ProSME: supporting European SMEs to participate in public procurement outside the EU

registry of bidders. The lowest price offered, and the fulfilment of the requirements demanded by the entity are evaluated.⁵⁹

⁵⁹ Law 1474 of 2011 and article 2.2.1.2.1.5.1 and subsequent articles of Decree 1082 of 2015.

To learn more about this selection process, see Annex 4.

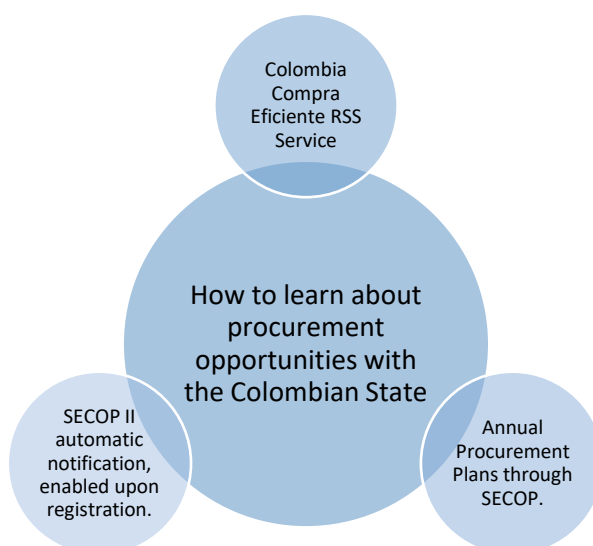
6. Procurement Life Cycle (Federal Level):

6.1 Pre-Bid Phase⁶⁰:

6.1.1 Identification of opportunities (public procurement platforms, search engines...)

The Electronic System for Public Procurement (Sistema Electrónico para la Contratación Pública, SECOP) was created by Law 1150 of 2007. It is the single point of information and reporting for public entities in Colombia and consists of three platforms: SECOP I, also simply known as SECOP, the platform for advertising state contracts; SECOP II, the transaction platform; and the Colombian State Virtual Store (Tienda Virtual del Estado Colombiano), used to enter into pricing framework agreements. The three platforms are managed by Colombia Compra Eficiente.⁶¹

To learn about the procurement processes undertaken by public entities in Colombia, interested parties can: (i) subscribe to the Colombia Compra Eficiente's RSS service⁶², indicating the segment of interest based on the United Nations Classification of Goods and Services; (ii) consult the Annual Procurement Plans of the State Entities available in SECOP I and II; and (iii) receive the automatic notification issued by SECOP II once the registration as a supplier in the areas of interest has been completed.



6.1.2 Registration as public supplier (if applicable)

Those interested in entering into contracts with the Colombian State must register in the Unified Tender Registry (Registro Único de Proponentes, RUP).⁶³ This requirement does not apply to contracts awarded by direct contracting, minimum amounts, provision of health services,

⁶⁰ We recommend Ernesto Matallana Camacho's "Manual de Contratación de la Administración Pública" for more detailed information about public procurement procedures.

⁶¹ To register as a supplier and use the SECOP system, use the following link to go to the Colombia Compra Eficiente website: <https://colombiacompra.gov.co/proveedores/beneficios-del-secop-ii-para-proveedores>.

⁶² The service allows you to receive information on business opportunities published in SECOP via email or web browser notifications. To learn how to configure RSS alerts, see: <https://colombiacompra.gov.co/proveedores/rss>

⁶³ Articles 2.2.1.1.5.1 and subsequent articles of Decree 1082 of 2015. Registration in the RUP must be carried out in a Chamber of Commerce, through the following link: <https://www.ccb.org.co/Inscripciones-y-renovaciones/Registro-Unico-de-Proponentes-RUP>.

disposal of State goods, contracting through the agricultural commodities exchange, concession contracts and contracts involving the commercial activities of industrial and commercial state enterprises and mixed economy companies. The registration procedure is carried out at the Chambers of Commerce⁶⁴. This registration accredits the qualifying requirements before the public entities that carry out the selection processes.⁶⁵

The information provided in the RUP must be renewed every year before the fifth working day of April and will vary depending on whether the tenderer is a natural or legal person. In addition, the bidder must not be subject to any of the grounds for disqualification or incompatibility.⁶⁶

Natural persons must certify the following in the RUP⁶⁷:

- (i) The goods and services they will offer
- (ii) Certificates of experience
- (iii) Accounting information for the last year required by tax regulations, certified by the natural person or their accountant.

On the other hand, legal persons must certify the following in the RUP⁶⁸:

- (i) The goods and services they will offer
- (ii) Certificate issued by the legal representative and the statutory auditor of the company stating whether it is part of a business group or exercises control over other companies
- (iii) Financial statements
- (iv) The documents required by the Superintendency of Companies
- (v) The certificates of experience in the provision of goods, works and services offered, issued by the legal representative and the statutory auditor

Regarding the documents required by the Superintendency of Companies for registration in the RUP, companies supervised⁶⁹ and controlled⁷⁰ must provide the following documents:

- (i) Management report, which the directors must submit to the general assembly or shareholders' meeting for consideration
- (ii) Statutory auditor's opinion
- (iii) Notes to the financial statements⁷¹

⁶⁴ To register in the SECOP II platform, use the following link: <https://colombiacompra.gov.co/content/registro-paso-paso>

⁶⁵ For more information on the qualifying requirements, please use the following link to refer to the Manual to determine and verify the qualifying requirements in Procurement Processes: https://colombiacompra.gov.co/sites/cce_public/files/cce_documents/cce_manual_requisitos_habilitantes.pdf

⁶⁶ For more information, please use the following link to refer to the Manual to determine and verify the qualifying requirements in Procurement Processes: https://colombiacompra.gov.co/sites/cce_public/files/cce_documents/cce_manual_requisitos_habilitantes.pdf

⁶⁷ Article 9 of Law 1150 of 2007

⁶⁸ Article 9 of Law 1150 of 2007

⁶⁹ Supervision refers to the power granted to the Superintendency of Companies to ensure that companies not subject to the supervision of other superintendencies comply with the law and their bylaws regarding formation, operation, and development of corporate purpose. Article 84 of Law 222 of 1995.

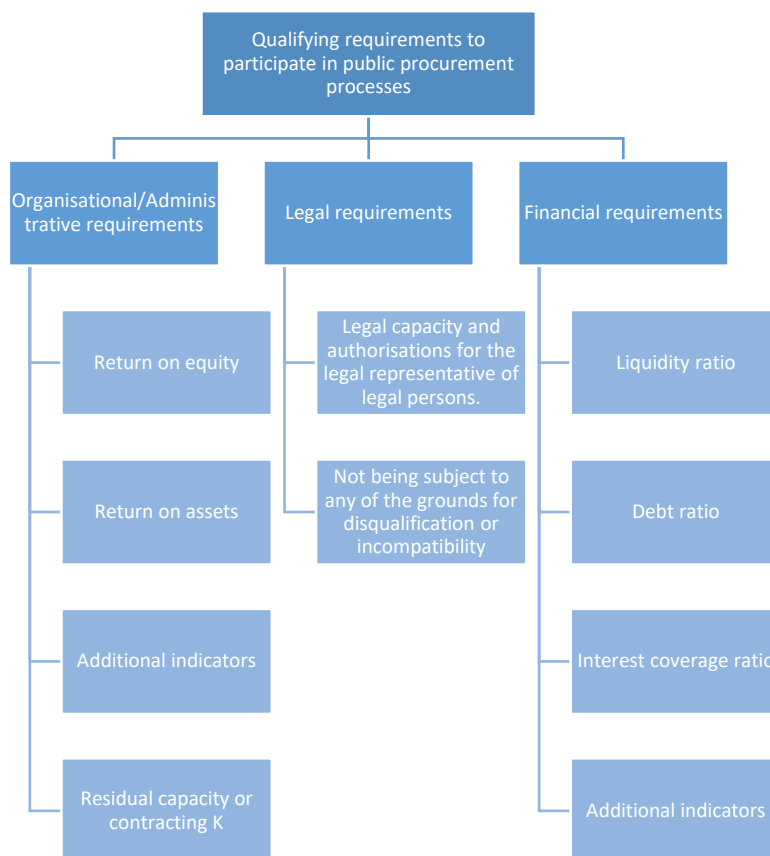
⁷⁰ Control refers to the power granted to the Superintendency of Companies to order the necessary corrective measures to remedy any critical legal, accounting, economic or administrative situation of any commercial company not supervised by another superintendency. Article 85 of Law 222 of 1995.

⁷¹ Superintendency of Companies. External Circular 201-000003 of 17 March 2014.

In the case of an inspected company⁷², the following documents must be provided:

- (i) Original document, signed by the legal representative and the accountant, certifying that the financial statements comply with the requirements of Article 37 of Law 222 of 1995.
- (ii) Notes to the financial statements.⁷³

In addition, it is necessary to register as a supplier in SECOP I, SECOP II or the Virtual Store of the Colombian State, as the case may be.



6.1.3 Administrative requirements⁷⁴

They are verified and certified by the Chambers of Commerce upon registration in the RUP. They measure return on equity and return on assets. The public entity may also set additional indicators, such as gross margin, operating margin, net margin, return on invested capital and turnover of total assets, fixed assets, or inventories; all these indicators can be assessed through the RUP.

In order to enter into public works contracts, the bidder must prove their Residual Capacity or K, which consists of the bidder's ability to fulfil the object of the works contract without being affected by other commitments. The residual contracting capacity must be equal to or greater

⁷² Inspection refers to the power granted to the Superintendency of Companies to occasionally request, confirm, and analyse information on the legal, accounting, economic and administrative situation of any company not supervised by the Superintendence of Finance. Article 83 of Law 222 of 1995.

⁷³ Superintendency of Companies. External Circular 201-000007 of 13 November 2013

⁷⁴ Article 2.2.1.1.5.3 of Decree 1082 of 2015.

than that set out in the tender terms and conditions. To prove Residual Capacity or K of the procurement process, the following is required⁷⁵:

- (i) The list of work in progress contracts signed with state or private entities, as well as their value and term, including concession contracts and work contracts signed with concessionaires.
- (ii) The list of work in progress contracts signed by companies, consortia or temporary unions involving the bidder and state or private entities, as well as the value and term of such contracts, including concession contracts and work contracts signed with concessionaires.
- (iii) Audited balance sheet for the immediately preceding year and audited income statement for the year in which the highest operating income was obtained in the last five (5) years. Financial statements must be signed by the interested party or their legal representative and the statutory auditor (if applicable), or the auditor or accountant if a statutory auditor is not required. In the case of bidders obliged to have a RUP, state entities should only request as an additional document the income statement for the year in which the bidder obtained their highest operating income in the last five (5) years.

6.1.4 Legal requirements⁷⁶

Bidders must prove to the state entities their legal capacity, i.e., that they can validly bind themselves to comply with the object of the contract and that there are no grounds for incompatibility or disqualification. This legal capacity will be verified by the Chambers of Commerce upon registration in the RUP. However, there may also be a need to prove such capacity in the selection procedures, e.g., the authorisation of the company's legal representative to enter into a commitment.

6.1.5 Financial requirements⁷⁷

They are verified and certified by the Chambers of Commerce upon registration in the RUP. The bidder's financial strength will be verified on the basis of its liquidity ratio, debt ratio and interest coverage ratio, following a series of formulas set out in the Law.

In addition, entities may use additional indicators of financial capacity, such as working capital, cash ratio, acid test, concentration of short- or long-term debt and total equity.

6.1.6 Experience requirements⁷⁸

They are verified and certified by the Chambers of Commerce when registering in the RUP. The contracts performed by the interested party are certified for each of the goods, works or services to be offered to state entities. These are identified according to the Classification of Goods and Services and their value is expressed in legal monthly minimum wages in force. Experience can be obtained through public, private, domestic and/or foreign procurement.

The contracts entered into by the interested party through consortia, temporary unions and companies are also certified for each of the goods, works or services to be offered to the state

⁷⁵ Article 2.2.1.1.1.6.4 of Decree 1082 of 2015.

⁷⁶ Article 2.2.1.1.1.5.3 of Decree 1082 of 2015.

⁷⁷ Article 2.2.1.1.1.5.3 of Decree 1082 of 2015.

⁷⁸ Article 2.2.1.1.1.5.3 of Decree 1082 of 2015.

entity. These are identified according to the Classification of Goods and Services and their value is expressed in legal monthly minimum wages in force.

In Colombia, companies are allowed to directly accredit their shareholders' experience during the first three years after incorporation⁷⁹. Thus, for example, if foreign shareholders set up a company in Colombia to contract with the Colombian State, they can directly accredit their experience on behalf of the incorporated company.

In addition, certain contracts require the bidder to provide proof of a specific academic background, either as a qualifying requirement or as a weighting requirement. If the bidder is a foreigner, they will be able to provide proof of academic background by the following means:

- (i) Submission of a copy of the relevant diploma and study plan, together with its classification according to the Standard Classification of Education.
- (ii) Accreditation of the degree in Colombia.⁸⁰

In addition, in order for a foreign professional to exercise certain professions in Colombia on a temporary basis, they must apply for a Temporary Permit from the corresponding authorities, e.g., the process that must be carried out before the National Professional Council of Engineering (COPNIA) for engineering activities.⁸¹

6.1.7 Technical requirements

Technical requirements are a weighting factor in the public bidding, that is to say, they award points. They depend on the specific requirements of each contract, as determined by each contracting entity.

6.1.8 Business promotion practices (list and describe countries' common practices)

6.1.8.1 Business agendas

Colombia has ratified a number of international instruments for trade promotion and investment protection along with Europe. For the promotion of investments between Colombia and Spain, Belgium and France, the central instruments are the Trade Agreement between the European Union, Colombia, Peru, and Ecuador; and the Agreements for the Promotion and Reciprocal Protection of Investments (APPRI).

The Trade Agreement between the European Union, Colombia, Peru, and Ecuador established clear rules regarding trade in goods, services, and investment flows, allowing for greater economic growth. The agreement entails the elimination of trade barriers, tariffs, the possibility of establishing trade alliances, and attracting investors, among other things.⁸²

On the other hand, the APPRI Investment Agreements signed by Colombia with Spain and France seek to establish a fair and transparent legal framework that promotes investment through the creation of a stable and predictable environment for the protection of investors. Investors

⁷⁹ Article 2.2.1.1.1.5.1, numeral 2.5 of Decree 1082 of 2015.

⁸⁰ For more information on the accreditation of academic requirements, please refer to Colombia Compra Eficiente's External Circular 22, available at the following link: https://colombiacompra.gov.co/sites/cce_public/files/cce_circulares/20170315circularconvalidacion.pdf

⁸¹ Law 842 of 2003.

⁸² For the text of the agreement, go to the following link: <https://www.tlc.gov.co/acuerdos/vigente/union-europea>.

benefit from national treatment, most favoured nation status, minimum standard of treatment, compensation in case of expropriation, among others.⁸³

Contracting entities, with the exception of public utilities, must include in their procurement processes measures for the promotion of national goods, services or labour. Accordingly, they must include a percentage (10-20%) of additional points to stimulate the supply of national goods and services. Additionally, this score must be assigned to the goods and services to which the contracting entity must grant national treatment, which are:

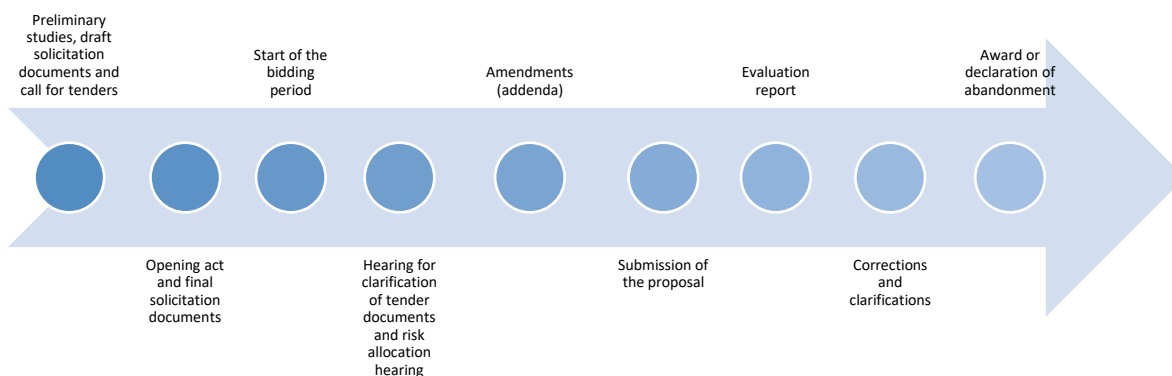
- (i) Goods and services of other States with which there is a trade agreement applicable to the procurement proceedings
- (ii) Goods and services for which national treatment is granted by reciprocity
- (iii) The services of the Andean Community of Nations -CAN-.

Bids submitted by nationals of a State that cannot be covered by any of the above three cases will not receive the above-mentioned scoring benefit.^{84,85}

6.1.8.2 Reverse missions

It is an unusual practice, but in some contracting processes, the entities invite the potential bidders to learn about similar cases of works or services that they intend to contract. This practice is normally used, although not often, for reasons of new technologies.

6.2 Procurement Phase



⁸³ For the text of the agreements, go to the following link: <https://www.tlc.gov.co/acuerdos/a-internacional-de-inversion>. In particular, Title VI of the agreement regulates public procurement.

⁸⁴ See Colombia Compra Eficiente's Manual for the Management of Incentives in Procurement Processes

⁸⁵ Article 2.2.1.2.4.2.9 of Decree 1082 of 2015.

6.2.1 Publication period

The first step in the pre-contractual stage of public tendering in Colombia is the publication of the call for tenders, together with the draft solicitation documents and the preliminary studies that support the procurement process.

These documents must be posted on SECOP for a period of 10 working days, and in this period, interested parties may submit comments on the draft solicitation documents.⁸⁶

In Colombia, there is also the concept of standard solicitation documents, which are mandatory for certain state contracts. These documents are developed by Colombia Compra Eficiente, the responsible entity in accordance with Law 2022 of 2020. They are mandatory for entities subject to the General Public Procurement Statute and can only be modified by the contracting public entity in the areas strictly authorised by the solicitation documents. Currently, these are the contracts with mandatory solicitation documents⁸⁷:

- (i) Transport infrastructure.
- (ii) Drinking water and basic sanitation infrastructure.
- (iii) Cadastral management with a multi-purpose approach.
- (iv) Social infrastructure.

6.2.2. Publication platforms

SECOP II is a new Colombian platform that not only allows to publish documents, but also to submit comments to the solicitation documents, express interest and submit bids, among other things.⁸⁸ Before SECOP II, the publication of all the documents of the contractual process was done through the SECOP I platform.

6.2.3 Review of solicitation documents:

After the period for submitting comments on the project tender documents, the contracting entity issues the administrative act that orders the opening of the public bidding process and the final bidding specifications.

Once the solicitation documents are published, the entity has between 10 and 20 calendar days to post up to three notices of the opening of the process on its website and in SECOP, with two to five days between them.

The bidders may submit their proposals formally once the final bidding documents have been published within the term indicated therein. Along with the bid, bidders must submit the bid bond, as described in section 6.4.3.5 of this guide.

6.2.4 Question and answer period:

Within three working days following the opening of the process, the entities may, ex officio or at the request of the interested parties, hold a hearing to clarify the content of the specifications.

⁸⁶ Articles 2.2.1.1.2.1.2 and 2.2.1.1.1.7.1 of Decree 1082 of 2015.

⁸⁷ To learn about the standard documents issued by Colombia Compra Eficiente together with their modifications, please access the following link: <https://colombiacompra.gov.co/documentos-tipo/documentos-tipo>

⁸⁸ For more information on the use of the SECOP II platform, Colombia Compra Eficiente developed a series of manuals and video tutorials that can be accessed through the following link: <https://www.colombiacompra.gov.co/consulta-en-el-secop-ii/como-usar-el-secop-ii-provedores>

If appropriate, after this hearing, the public entity shall make the relevant modifications to the solicitation documents and may also extend the deadline for the tender for up to six working days.

In any case, bidders may submit observations on the solicitation documents within the term established by the state entity within the schedule of the corresponding process. These may be submitted in writing and may even be presented outside of said hearing. The state entity is obliged to respond to these observations, explaining the reasons for its response.

6.2.5 Pre-bid meeting:

At the hearing for the clarification of the tender documents, the state entity must hold a hearing for the allocation of contractual risks. In this hearing, the risks are classified, quantified, and allocated to the public entity and the contractor accordingly. In addition, a technical visit to the site may be carried out for contracts that require it. It is not mandatory for the bidders to attend these hearings, nor can attendance to these hearings be considered a qualifying requirement to participate in the selection process.

Both the hearing for clarification of the bidding documents and the risk allocation hearing may be held in a concentrated manner at the same time.

6.2.6 Addenda issuing period:

Addenda may be issued in the public procurement process up to a maximum of three working days before the deadline for submitting bids.

6.2.7 Submission deadline

The deadline for the submission of bids is established by the public entity in the solicitation documents. After the deadline is met, the entity issues the closing act and starts the period for the evaluation of bids. On average, this period is between fifteen and twenty days.

6.2.8 Evaluation period(s)

In the tender documents, the public entity establishes a deadline for the evaluation of the bids submitted by the interested parties. At the end of this period, the entity must publish the evaluation report of the proposals in the SECOP. The report remains on the website for 5 working days, which is known as the transfer period

The evaluation report on the bids does not in itself determine who will be awarded the contract. Interested parties may submit comments and dispute the report, arguing that another bid is more favourable to the entity. This report is not mandatory for the head or legal representative of the entity in charge of awarding the contract and may even deviate from the evaluation report issued by the Evaluation Committee.

Once the deadline for the transfer of the evaluation report has expired, the entity proceeds to analyse the proposed observations and to decide whether to ratify or modify the order of selection proposed in the evaluation report. The deadline for this will be established in the solicitation documents.

Finally, the award of the contract, as established in Law 1150 of 2007, must take place through a public hearing. During this hearing, the entity must resolve the declarations made by the bidders on the decision before the award of the contract.⁸⁹

6.2.9 Mandatory submission requirements:

The public entity may establish a series of formal requirements for submitting the bid. It is usually requested by means of a submission form, and the document of incorporation of the consortium or temporary union, the proof of the existence of the natural or legal person and the bid bond are required.

Bidders may also correct certain elements of their bids, pursuant to these rules:

- (i) The deadline for the correction of bids is until the evaluation report has been sent, i.e., 5 working days after the report has been posted on SECOP II
- (ii) Conditions arising after the closing date for submitting bids will not be accepted.
- (iii) Failure to submit the bid bond along with the bid will be grounds for rejection of the bid.
- (iv) It is possible to rectify any missing requirements or documents that are not necessary when comparing bids, i.e., qualifying documents that do not award points.

6.2.10 Mandatory technical requirements:

There are no unified mandatory technical elements of public procurement in Colombia; they will depend on each type of contract. In spite of this, the elements established in the standard bidding documents that cannot be modified by the state entity and are associated with the technical aspect of the bid must be taken into account.

6.2.11 Rated criteria evaluations:

To establish the selection system within the corresponding solicitation documents, public entities may use the criteria set out in Decree 1082 of 2015⁹⁰, such as the application of formulas to weight the elements of quality and price or the weighting based on the criteria contained in the article to determine the best cost-benefit ratio. The exception to this rule is the standard solicitation documents, which establishes a series of specific formulas to determine the winning bid for the contract.

6.2.12 Pricing evaluation

To establish the selection system within the corresponding solicitation documents, public entities may choose among the criteria set out in Decree 1082 of 2015⁹¹, which are:

- (i) The application of formulas to weight the elements of quality and price. These formulas mean that the lowest price will not always be the one with the lowest score. By way of example, the Standard Solicitation Documents for the public procurement of transport contemplate the following possible formulas⁹²:

⁸⁹ Article 9 of Law 1150 of 2007 and Decree 1082 of 2015. Article 2.2.1.2.1.1.2.

⁹⁰ Article 2.2.1.1.2.2.2 of Decree 1082 of 2015.

⁹¹ Decree 1082 of 2015. Article 2.2.1.1.2.2.2

⁹² For a detailed description of the formulas for awarding points in the standard transport infrastructure specifications, see: <https://colombiacompra.gov.co/documentos-tipo/documentos-tipo>

To evaluate the price:

- Median with absolute value
- Geometric Median
- Low Arithmetic Mean
- Minor Value

To evaluate the quality:

- Implementation of the project management programme
- Availability and functional conditions of the work machinery
- Presentation of a quality plan
- Supplementary or additional security at the Contractor's expense.

In this scenario, the formula under which the proposal is evaluated is chosen according to the Market Representative Exchange Rate (MRE) of the day of the opening of the economic proposal at the award hearing. This aims to ensure that the method of price evaluation is known only at the final stage to prevent collusion between bidders and manipulation of the procedure.

- (ii) The weighting of the price based on criteria referring to the best cost-benefit ratio.

6.3 Contracting Phase

6.3.1 Selection of top-ranked supplier:

As mentioned above, in Colombia, the selection of the contractor involves awarding points to the technical and/or financial aspects of the proposal or determining the best cost-benefit ratio. In addition, as stated above, the entity has discretion to determine the method to be used, with the exception of those contracts regulated through standard solicitation documents.

There is also a special regulation for public bidding for public works contractors, which can be found in Law 1882 of 2018. Regulations establish that contractors must submit two envelopes for the submission of the bid. The first of these envelopes will include the documents related to the fulfilment of the qualifying requirements, as well as the documents and requirements to which scores other than the financial offer are awarded. The second envelope will contain the financial bid.

The tender documents will establish the term for the delivery of the bid. The entity may only open the first envelope. The evaluation report on the qualifying and weighting requirements (other than the financial proposal) will remain published in the SECOP for 5 working days to allow for comments. After this period, the entity will publish the final report with the qualifying requirements and the score for aspects other than the financial offer.

The second envelope, which contains the financial offer, will remain closed until the award hearing. The second envelope will be opened at this hearing, and the financial offer will be evaluated; bidders will be notified only for observations on the financial aspect and based on this second opening of the envelopes, the final order of eligibility will be established.

6.3.2 Prerequisites of award:

There are no prerequisites for the award of a state contract in Colombia.

6.3.3 Contract negotiations (if applicable):

State contracts entered into in Colombia by entities subject to the EGCAP are, as a general rule, standard form contracts. It is not possible to negotiate them. At most, it is possible to submit observations during the pre-contractual phase, during the period specially set aside for this purpose, and these may be taken into account or discarded at the discretion of the public entity. Exceptionally, bidders may negotiate the conditions of the state contract with the contracting entity, e.g., in private initiative PPP contracts.

On the other hand, entities exempted from the EGCAP determine in their Procurement Manual in which cases they may negotiate the content of the contracts with their bidders and in which cases they are standard form contracts.

6.3.4 Contract execution

State contracts in Colombia are formal documents. As such, their formalisation depends on their being put in writing⁹³. entail mutation of ownership or imposition of encumbrances and easements and, in general, those contracts that according to the law must comply with this requirement.⁹⁴

The requirements for the formalisation of a state contract are the following:

- (i) State entities are required to have the corresponding budgetary availability to contract obligations⁹⁵. For this reason, prior to signing the contract, the public entity must have the corresponding record of budget availability.
- (ii) The contractor must prove to be up to date in the payment of parafiscal obligations (Social Security, payments to SENA, ICBF and Family Compensation Funds, when applicable). This requirement must be met for each payment under the state contract.
- (iii) The contractor must provide records of compliance with the Bulletin of Persons Responsible for Tax Offences, managed by the Office of the Comptroller General of the Republic; the Single Tax Register; and the certificate of disciplinary records managed by the Office of the Attorney General of the Nation. If the contracting is carried out by legal entities, this accreditation must be done through their statutory auditor. Legal entities must also provide a certificate of existence and legal representation, in addition to their commercial registration.
- (iv) The approval of guarantees by the contractor to the entity for the performance of the contract.

If the contracting is carried out by legal entities, this accreditation must be done through their statutory auditor. Legal entities must also provide a certificate of existence and legal representation, in addition to their commercial registration.

⁹³ Articles 39 and 41 of Law 80 of 1993.

⁹⁴ Article 41 of Law 80 of 1993.

⁹⁵ Decree 111 of 1996.

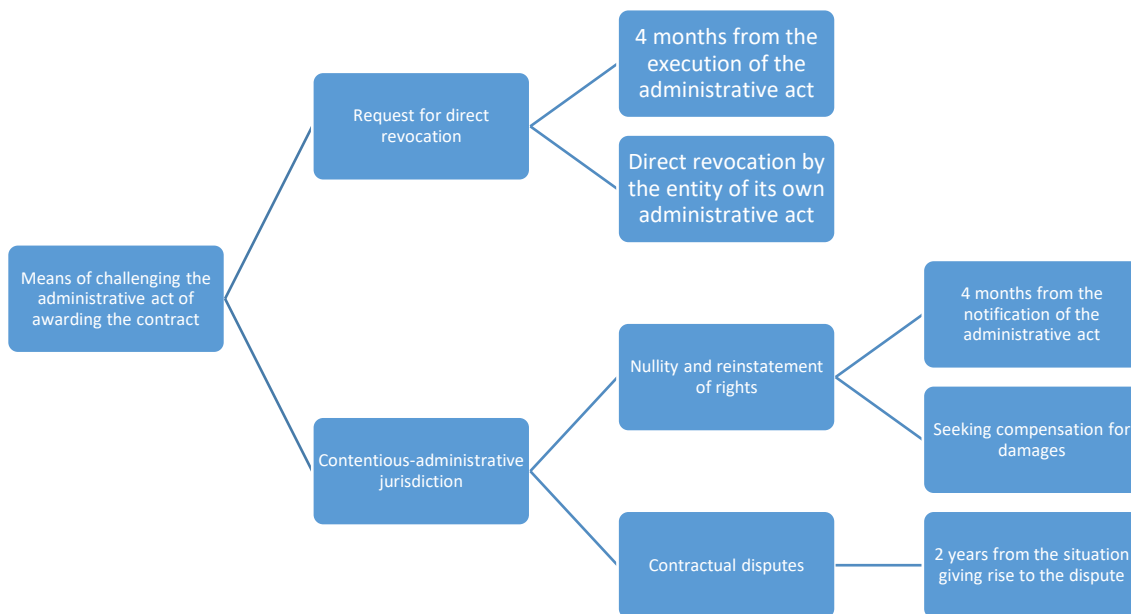
6.3.5 Notice of non-selection:

In Colombia, a state contract is declared abandoned when it cannot be awarded to any bidder, either because the proposals do not meet the requirements set out in the tender specifications, preventing objective selection, or because no bids or expressions of interest are submitted.⁹⁶

The declaration of abandonment is presented by means of a reasoned administrative act that, once enforced, allows the entity to proceed with the contracting through an abbreviated selection of smaller amounts when the procedure has been preceded by public bidding.

It should be noted that, in the event that the state contract is awarded to one of the bidders, it is understood that the other bids were not selected. The contracting entity is obliged to award the contract in a public hearing and publish the administrative act of award in the SECOP. In this regard, the contracting entity is not obliged to personally notify the other bidders that their bid was not selected.

6.3.6 Jurisdiction-specific and institution-specific bid protest procedures:



The administrative act awarding the state contract may be contested:

- (i) Through the request for direct revocation of the administrative act, where the entity itself revokes its own decision.
- (ii) Before the contentious-administrative jurisdiction, through the means of control of nullity and reinstatement of the right or contractual disputes.

To challenge the administrative awarding act, the institutions included in the Code of Administrative Procedure and Contentious-Administrative Proceedings (CPACA) must be

⁹⁶ Article 25 of Law 80 of 1993.

invoked⁹⁷. Initially, the party may resort to the request for direct revocation of the administrative act of adjudication, which must be resolved within two months of its filing.⁹⁸ Direct revocation of the administrative act shall be valid on the following grounds:

- (i) When it is manifestly opposed to the Constitution or the Law.
- (ii) When they are not in accordance with or are contrary to the public or social interest.
- (iii) When they cause unjustified aggravation to a person.

The revocation of the administrative act shall be valid as soon as it becomes enforceable, i.e., in the case of the administrative act of adjudication, from the day following its notification, since no appeals are allowed against it⁹⁹¹⁰⁰. It can be revoked up to 4 months from the notification of the administrative act, and even when the administrative-contentious jurisdiction has been invoked, as long as the admissibility order of the claim has not been notified.¹⁰¹ Lastly, in the course of the legal process, the entity can make an offer of revocation to the party, indicating the acts and decisions that are the object of the revocation and the way in which it intends to reinstate the affected right or repair the damages caused.¹⁰²

On the other hand, the administration's decisions, particularly the administrative act of award, can also be challenged before the administrative-contentious jurisdiction, through the means of control of nullity and reinstatement of the right or that of contractual disputes, depending on the nature of the act to be challenged.

The nullity and reinstatement of rights is the means of control through which the jurisdiction annuls the administration's decisions and the provides reparation for the damages caused to the bidder. It has an expiry period of 4 months from the notification of the administrative act, so that, if it is not brought within this period of time, it will not be possible to access the jurisdiction. This means of control is intended for pre-contractual administrative acts, including the administrative act of awarding the state contract.¹⁰³

The means of control of contractual disputes will be explained in detail later. For this section, it is important to emphasise that this has an expiration period of 2 years from the factual or legal situations on which it is based, and its function is to challenge the contractual administrative acts. The bidders may request the absolute nullity of the state contract due to the illegality of the pre-contractual acts on which it is based, as well as requesting the nullity of the administrative act of awarding the contract.¹⁰⁴

Lastly, it should be noted that other decisions taken by the contracting entity in the pre-contractual or contract execution stage can be challenged before the same entity through the appeal for reconsideration. This is an optional appeal that must be lodged within 10 days of the notification of the corresponding administrative act. Through this, the contracting administration itself is asked to consider the decision so that it can modify or revoke it. This

⁹⁷ Law 1437 of 2011.

⁹⁸ Articles 93 and 95 of Law 1437 of 2011

⁹⁹ Article 87 of Law 1437 of 2011

¹⁰⁰ Article 77 of Law 80 of 1993

¹⁰¹ Articles 94, 95 and 138 of Law 1437 of 2011

¹⁰² Article 95 of Law 1437 of 2011

¹⁰³ Article 137 and 138 of Law 1437 of 2011.

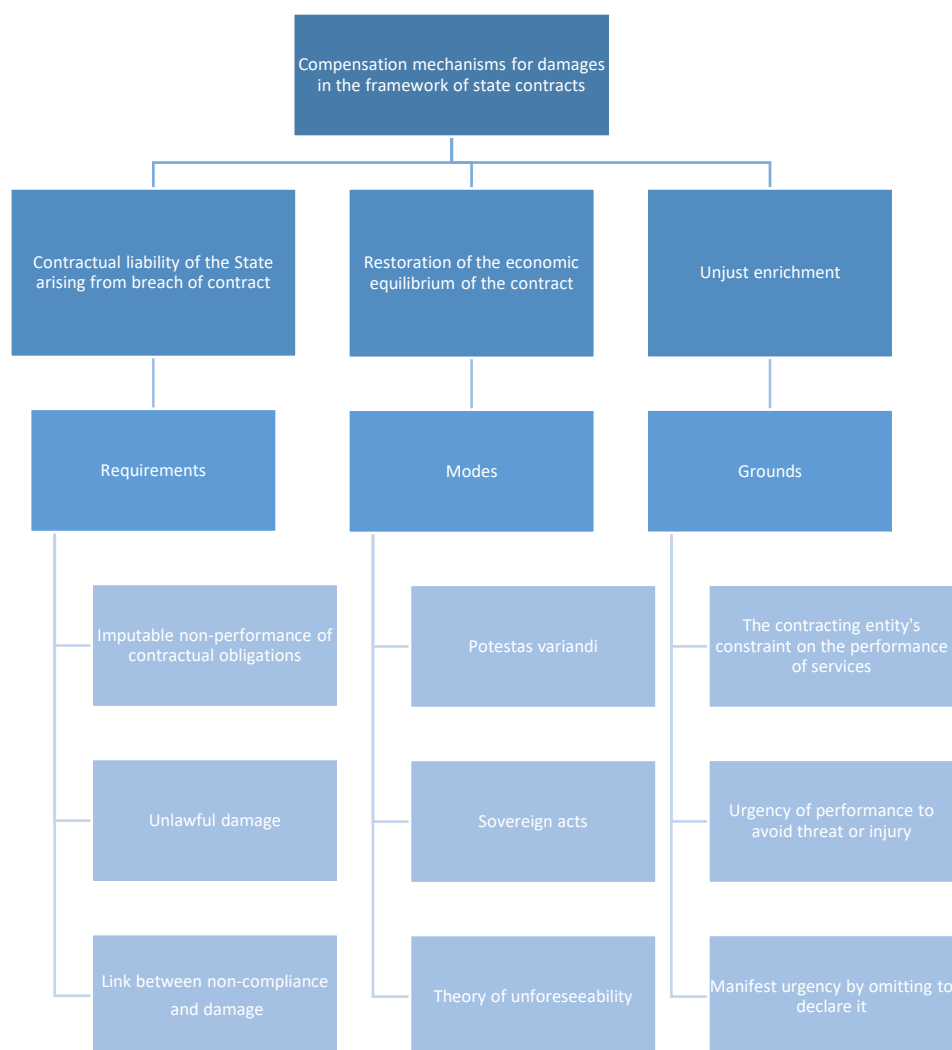
¹⁰⁴ Article 141 of Law 1437 of 2011. Article 141.

appeal is not admissible against the administrative act of awarding the contract and is not mandatory to access to the jurisdiction of the contentious-administrative courts.¹⁰⁵

6.4 Execution Phase

6.4.1 Claims for damages:

Regarding claims for damages against the State in the framework of public procurement in Colombia, there are mainly three legal institutions capable of seeking compensation for damages, costs and cost overruns suffered by contractors: (i) contractual liability of the State arising from breach of contract; (ii) restoration of the economic equilibrium of the contract; and (iii) unjust enrichment.



¹⁰⁵ Article 76 of Law 1437 of 2011.

6.4.1.1 Contractual liability¹⁰⁶

This concept is based on Article 90 of the Constitution, which establishes the obligation of the State to respond financially for the unlawful damages that can be attributed to it, including those derived from a state contract.

For a declaration of contractual liability of the State, the following elements must be met:

- (i) Breach of an obligation arising from the contract that is attributable to the public entity, or the abusive or illegal exercise of the powers attributed to the public entity by the contract or by law.
- (ii) Unlawful damage suffered by the contractor or impairment of contractual rights.
- (iii) Link between non-compliance/fault exercised and damage suffered by the contractor.

Once these elements have been met, the State is obliged to provide compensation for the damage caused (full reparation of damages).

Non-performance of contractual obligations can take three forms: late, defective, or final performance of the obligation. The latter occurs in three situations: supervening impossibility to perform the service, relative impossibility due to expiration of the contractual term and unequivocal decision of the contracting entity not to perform the contractual object.

The unlawful damage must be personal, certain, and direct. Examples of compensable damage would be the higher costs that the contractor had to bear during an extension of the term attributable to the contracting entity, due to administrative expenses, availability of machinery and equipment, personnel, among others. Unlawful damages may cause material and non-material harm. The former is usually recognised in the form of consequential damages, understood as the loss of patrimony caused by the actions of the public entity; and loss of profits, consisting of the non-receipt of profits or any other expected income.

6.4.1.2 Economic equilibrium of the contract¹⁰⁷¹⁰⁸

If, during the execution of the contract, events occur that alter the conditions foreseen at the time of bidding or contracting, the State must restore the economic balance of the services.

For this to be applicable, there must be one of the three grounds typically recognised by jurisprudence for the economic imbalance of the contract: *potestas variandi*, sovereign act and the theory of unforeseeability.

(i) The first of the specific causes of the economic imbalance of the contract is called *potestas variandi*. It consists of the unilateral modification of the conditions of the contract by the public entity, in legitimate exercise of exceptional administrative powers (modification, interpretation and unilateral termination of the contract), in such a way that it generates an unfavourable impact on the economic balance initially agreed. In this case, the contractor is fully compensated (consequential damages and loss of profit).

¹⁰⁶ Council of State. Ruling of 11 August 2010 under file number 20001-23-31-000-1998-04061-01 (18.499)

¹⁰⁷ Council of State. Ruling of 28 June 2012 under file number 13001-23-31-000-1996-01233-01(21990)

¹⁰⁸ El equilibrio económico en los contratos administrativos. Libardo Rodríguez.

The following are the requirements for the re-establishment of the economic equilibrium of the contract as a result of the *potestas variandi*:

- The imbalance must be the result of a unilateral modification of the contract by the contracting public entity.
- The act altering the contractual conditions must be subsequent to the submission of the bid or the entering into the contract.
- The act must alter the economy of the contract, making it more onerous for the contractor.

(ii) On the other hand, the sovereign act occurs when the contracting entity, exercising their legal powers, issues an administrative decision of a general and abstract nature that affects the economy of the contract. The difference between this figure and *potestas variandi* is that, while in a sovereign act the contracting party acts as a public authority and issues a general measure, in *potestas variandi* it acts as a contractual party, issuing a particular administrative act, the addressee of which is the contractor itself. In this case the damage, is compensated in full, that is to say, both the consequential damage and the loss of profit.

The following are the requirements for the re-establishment of the economic equilibrium of the contract as a result of the sovereign act:

- The fact or event that produces the alteration of the contractual conditions must consist of an act or action of the contracting public entity in its capacity as a public authority.
- The act or action altering the contractual conditions must be subsequent to the submission of the bid or the entering into the contract.
- The act must alter the contract in an extraordinary and abnormal way, making it considerably more onerous.

(iii) The theory of unforeseeability consists of the occurrence of abnormal and unforeseeable events beyond the control of the co-contractors, and while these do not make the performance of the contract impossible, they still affect its economy. In this case, the contractor is entitled to the necessary economic recognition to reach the point of no loss, i.e., the contractor is not recognised the expected profit, but is brought to a break-even point where they will not incur in losses.

The following are the requirements for the re-establishment of the economic equilibrium as a result of the theory of unforeseeability:

- The alteration must be due to events subsequent to the submission of the bid or the entering into the contract.
- The alteration must be caused by an event not attributable to the party making the claim.
- The alteration must involve an abnormal risk of performance, i.e., it must escape any reasonable foresight that was taken into account at the time of contracting.
- The disruption must affect the economy of the contract in a serious and abnormal way, i.e., it must lead the party to a point of loss.

6.4.1.3 Unjust enrichment¹⁰⁹

Given that in Colombia the formalisation of a state contract requires that it be in writing, the services performed by a contractor on the basis of merely verbal agreements have been referred to as "facts fulfilled", which will not be subject to financial recognition. Thus, the Contentious-Administrative Jurisdiction only exceptionally recognises in favour of the contractor the payment of facts fulfilled by way of unjust enrichment. To do so, one of the following conditions must be met:

- (i) The public entity's constraint for the performance of services outside the framework of the state contract.
- (ii) Urgency of the performance of the services to avoid an imminent and irreversible threat or injury.
- (iii) When the declaration is omitted in a situation of manifest urgency which is grounds for direct contracting.

6.4.2 Taxes

Common taxes in public procurement	
Public works -Income -Sales tax (VAT) -Industry and commerce tax (ICA) -Stamps -Contribution on public works contract FONSECON -Dividends	Consulting -Royalties (in accordance with international tax treaties in force)

6.4.2.1 Taxes arising from the public works contract

(i) Income tax

The net income for this purpose is determined according to the method based on the stage of completion of the contract¹¹⁰. The following rates will apply:

Year 2021	31%
Year 2022 and following years	35%

(ii) Sales tax (VAT):

In real estate construction contracts, the sales tax is generated on the part of the income corresponding to the fees obtained by the builder.

¹⁰⁹ Council of State. Ruling of 19 November 2012 under file number 73001-23-31-000-2000-03075-01(24897)

¹¹⁰ For details on this method, see Article 200 of Decree 624 of 1989.

When fees are not agreed upon, the tax will be levied on the remuneration of the service that corresponds to the builder's profit. For these purposes, the contract shall indicate the part corresponding to the fees or profit, which in no case may be less than that which commercially corresponds to the same contracts or to similar ones.¹¹¹

In no case may the responsible party deduct the VAT paid on materials, supplies or other items other than those directly related to the fees or profit generated by the contract.

The applicable rate will be 19%, with the particularity that the rate applicable to contracts entered into with public or state entities will be that in force on the date of the resolution or act of awarding or signing of the corresponding contract.¹¹²

The builder's profit is excluded from VAT when it corresponds to contracts signed with territorial entities and/or with decentralised entities of the municipal, district and departmental level.¹¹³

(iii) Industry and commerce tax (ICA)

For public works construction contracts, the taxable base will be based on the contractor's income regardless of the existence of AIU.

On the defined taxable base, the rate determined by the Municipal Councils shall be applied within the following limits. Law 14 of 1983 determined a rate base and a rate ceiling according to each activity.

Industrial Activities	From two to seven per thousand (2-7x1000)
Commercial and service activities	From two to ten per thousand (2-10x1000)

(iv) Stamps

They are territorial or national taxes (for example, the Pro National University Stamp, created by any work contract signed by national entities, anywhere in the territory where the work is executed)¹¹⁴ whose generating event is the entering into public works contracts.

The stamps will be determined in each case depending on the municipality, district and/or department where the work is developed. The base of the different stamps is usually the value of the contract, and their rates range from 2% to 5% (cumulative), which, due to their dispersion and multiplicity, can become very costly.

(v) Contribution on public works contracts (FONSECON)

All legal entities that enter into public works contracts with public law entities or who enter into contracts for additions to the value of existing contracts must pay to the nation, department or municipality—depending on the level to which the contracting public entity belongs—a contribution equivalent to 5% of the total value of the contract or of the respective addition.

(vi) Dividends

¹¹¹ Article 1.3.1.7.9 of Decree 1625 of 2016.

¹¹² Article 192 of Law 1819 of 2016.

¹¹³ Article 100 of Law 21 of 1992.

¹¹⁴ Law 1697 of 2013

The general rate of tax on dividends from foreign partners is 10%. First, the Colombian company is taxed on its fiscal profits (income tax) and then the indicated rate is applied on the remaining amount that can be distributed.

Dividends paid by a company residing in Colombia (construction company) to a resident of the European Union may be subject to taxation in the State in question.

However, such dividends may also be subject to taxation in Colombia, but the tax thus levied may not exceed the amount of the dividend:

- a. 5% of the gross amount of dividends
- b. 0% of the gross amount of the dividends if the beneficial owner is a company that owns directly or indirectly at least 20% of the capital of the company paying the dividends.

The income will be reduced according to (b) when the dividends and profits distributed to non-residents in Colombia come from profits exempted from income tax in the head of the company, provided that such part is invested in the same producing activity in Colombia for a term not less than three years.

6.4.2.2 Taxes derived from the consultancy service

Royalties paid from Colombia to a resident of the European Union, if an International Tax Convention (ITC) is signed to avoid double taxation, may be subject to taxation in the State of the beneficial owner.¹¹⁵

For example, in the case of Spain, the tax required in Colombia may not exceed 10% of the gross amount of the royalties, provided that the European company does not carry out an industrial or commercial activity through permanent establishment in Colombia.¹¹⁶

In cases where a CDI is not active, a 20% withholding will be applied on income for consulting services rendered from abroad.¹¹⁷

6.4.3 Others

There are a number of cross-cutting issues that affect the performance of state contracts in Colombia. The following are the most common phenomena encountered in practice and which we consider essential in order to understand the execution of state contracts.

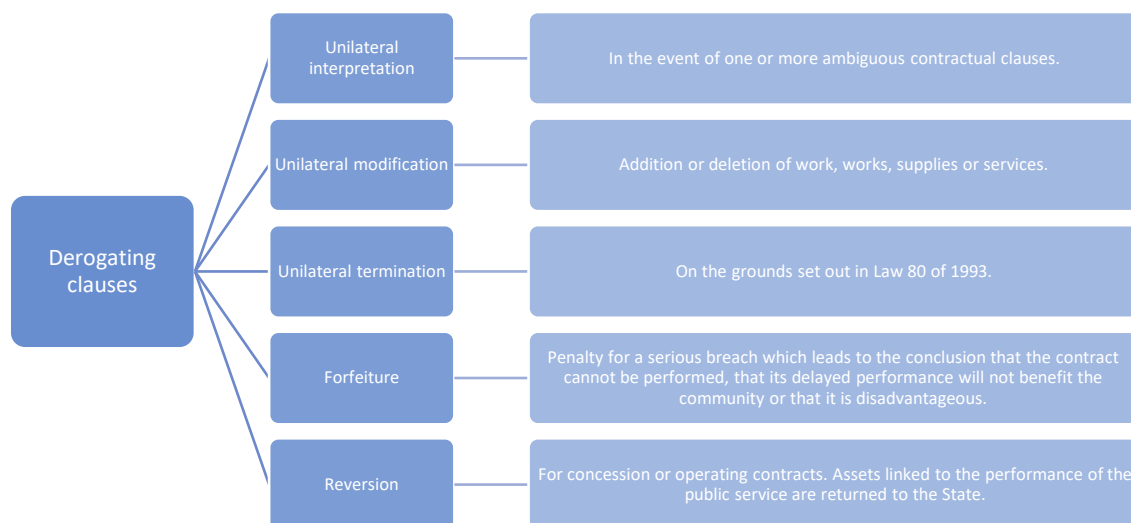
¹¹⁵ To learn about the CDI conventions that are part of the Colombian legal system, see:

<https://www.dian.gov.co/normatividad/convenios/Paginas/ConveniosTributariosInternacionales.aspx>

¹¹⁶ Article 12 of Law 1082 of 2006.

¹¹⁷ Article 408 of Decree 624 of 1989

6.4.3.1 Derogating clauses¹¹⁸



In the framework of state procurement, the public entity has a series of derogating powers aimed at preserving the continuity of the performance of the public service. There are five derogating clauses in the state contract: unilateral interpretation, unilateral modification, unilateral termination, declaration of forfeiture and declaration of reversion of the state contract.

These clauses are mandatory in contracts involving state monopoly activities, such as the commercialisation of liquor or gambling, the provision of public services, the operation and concession of state assets and public works contracts. Even if they are not written in the legal transaction, it is understood that such clauses are included in these contracts. They are also allowed in supply and service contracts at the discretion of the contracting entity but are prohibited in all other contracts. However, there are exceptions to this provision, such as public utilities¹¹⁹, a sector that has its own regulations.

(i) Unilateral interpretation. It may be applied to one or more contractual clauses that are ambiguous or the subject of a dispute between the contracting parties. This power must be exercised subject to compliance with the following requirements:

- a) The contract must be in performance (must be made within the contractual period)
- b) There must be a discrepancy in the interpretation of the contract that could paralyse or seriously affect the public service,
- c) A direct arrangement with the contractor must be attempted beforehand,
- d) The interpretation must be limited to the disputed clauses,
- e) The subject matter of the contract must not be changed. The latter limitation is known as a reasonable interpretation of the contract, i.e., one that does not exceed the limits of what is set out in the contract and is made on the basis of a comprehensive analysis of the provisions of the text of the contract.

¹¹⁸ We recommend Carolina Deik Acostamadiedo's book, "Potestades excepcionales en los contratos estatales", for further reading on this topic.

¹¹⁹ Law 142 and 143 of 1994.

- f) The administrative act that makes use of this power must order the compensation and indemnities due to the contractor and may be appealed administratively and in court.¹²⁰

(ii) Unilateral modification. It is limited to the addition or deletion of work, works, supplies, or services. This power must be exercised subject to compliance with the following requirements:

- a) The contract must be in performance (must be made within the contractual period).
- b) Variations must be essential to avoid paralysing or seriously affecting the public service.
- c) The subject matter of the contract must not be changed.
- d) A direct arrangement with the contractor must be attempted beforehand,
- e) The contractor is obliged to bear modifications affecting up to 20% of the initial value of the contract. If the modification affects 20% or more, the contractor shall have the right to withdraw from the contract.
- f) It is not possible to modify the contract by generating additional amounts greater than 50% of the initial value of the contract represented in legal monthly minimum wages in force, with the exception of an auditing contract.
- g) The administrative act that orders the unilateral modification shall order the compensation and indemnification to which it is entitled and may be appealed in administrative and court proceedings.¹²¹

(iii) Unilateral termination. It may be applied on the basis of the specific grounds set forth in Law 80 of 1993¹²², so:

- a) When the exigencies of public service so require or the public order situation makes it necessary,
- b) Due to death of the contractor, if it is a natural person, or due to dissolution if it is a legal person,
- c) Due to judicial interdiction or bankruptcy of the contractor,
- d) Cessation of payments, insolvency proceedings or judicial attachments of the contractor that seriously affect the performance of the contract.

If grounds (ii) and (iii) apply, the guarantor of the obligation may continue with the performance of the contract. The contracting entity has the obligation to order the compensations and indemnifications to which it is entitled through the administrative act that unilaterally terminates the contract. Such an act may be challenged before the courts.

(iv) Forfeiture. It is the maximum sanction applicable to contractors by public entities. It may be applied when there is a serious breach by the contractor, so that the entity deduces that the contract cannot be fulfilled, or that its late execution will not benefit the community or is inconvenient. The Law requires:

- a) That the contract be in performance (only within the contractual period).
- b) That there is a serious, unjustified, and imputable non-compliance by the contractor,
- c) That the non-compliance seriously affects the performance of the public service to be provided by the contractor and may lead to it stopping.

¹²⁰ Article 15 of Law 80 of 1993

¹²¹ Article 16 of Law 80 of 1993

¹²² Article 17 of Law 80 of 1993.

- d) That the right to defence and due process be respected, based on Article 86 of Law 1474 of 2011.

In addition, there are a series of additional grounds scattered throughout the Colombian legal system: those referring to when the contractor has collaborated with illegal groups,¹²³ when there is a finding of fiscal responsibility related to the contractor¹²⁴, in the case of a contract governed by the Code of Mines¹²⁵ and in telecommunications concessions¹²⁶, among others.

The declaration of forfeiture has five main consequences:

- Contract is terminated without compensation to the contractor.
- Order to settle the contract in the state in which it is found.
- It is understood that an event of non-performance has occurred, which makes it possible to enforce the guarantees granted by the contractor.
- The pecuniary penalty clause becomes effective.
- Inability to contract with public entities for 5 years.

The administrative act against which the forfeiture is declared is subject to an appeal for reconsideration, in addition to the possibility of challenging it before the contentious-administrative jurisdiction.

(v) Reversion. It implies that, at the end of the term of the concession or operating contract, the assets linked to the execution of the public service revert to the State. This reversion is, as a general rule, free of charge, but if there is an early termination due to grounds not attributable to the concessionaire, and the concessionaire has not amortised its investment, compensation for damages may be payable in relation to the unfulfilled contractual period.

6.4.3.2 Fines and penalty clause¹²⁷

Article 17 of Law 1150 of 2007 allows the contracting public entities to impose fines or enforce the penalty clause in case of contractor's non-compliance. There is no legal prohibition as to what types of contracts may include such clauses. Public bodies may enforce these measures unilaterally.

For the fine to be applicable:

- (i) It must be agreed within the state contract.
- (ii) The contract must be in performance.
- (iii) There is a breach of obligations which has not ceased despite the entity's requests.
- (iv) The fine is a suitable measure of constraint to compel the contractor to perform the contract.
- (v) Non-compliance is attributable to the contractor.
- (vi) The right to defence and due process must be guaranteed, based on Article 86 of Law 1474.

¹²³ Article 91 of Law 418 of 1997

¹²⁴ Article 61 of Law 610 of 2000

¹²⁵ Law 685 of 2001.

¹²⁶ Law 1341 of 2009.

¹²⁷ We recommend David Suárez Tamayo's book, "Cláusula de Multas y Penal Pecuniaria".

On the other hand, a declaration of the claim for non-performance and the execution of the penalty clause requires:

- (i) It must be agreed within the state contract,
- (ii) The contract be in performance,
- (iii) Prior objective verification of non-performance of the contract is given,
- (iv) Non-compliance is attributable to the contractor
- (v) The right to defence and due process be respected, based on Article 86 of Law 1474.

Lastly, the repeated breach of state contracts in Colombia leads to the contractor's three-year inability as follows: (i) if five or more fines are imposed in the performance of one or more contracts within the same fiscal year, with one or more state entities; (ii) in the event of a declaration of non-compliance of two or more contracts during the same fiscal year, with one or more state entities; (iii) in the event of the imposition of two fines and one default during the same fiscal year, with one or more state entities.¹²⁸

6.4.3.3 Unilateral termination on grounds of absolute nullity

Article 45 of Law 80 of 1993 requires the unilateral termination of the contract if the following causes related to the absolute nullity of the state contract are met¹²⁹:

- (i) Entering into a contract with persons affected by those causes of inability and incompatibility provided by law.
- (ii) Entering into a state contract against express constitutional or legal prohibition.
- (iii) Declaration of nullity of the administrative acts on which the contracting is based.

This is a unilateral power different from the unilateral termination described in section 6.4.3.1 above, which applies not only to contracts that allow for derogating clauses, but also to all government contracts. In addition, the application of this unilateral termination in successive performance contracts shall not prevent the recognition and payment of the services rendered up to the time of termination¹³⁰.

6.4.3.4 Advance payment and prepayment



¹²⁸ Article 90 of Law 1474 of 2011.

¹²⁹ Articles 44 and 45 of Law 80 of 1993.

¹³⁰ Article 48 of Law 80 of 1993.

The paragraph of Article 40 of Law 80 of 1993 establishes the possibility of delivering advances to the contractor to start the performance of the contract. Its amount may not exceed 50% of the value of the respective contract.¹³¹

The money given in advance remains the property of the public entity, and the contractor will simply administer it to execute the contract. These are public resources that are not part of the contractor's assets, and the contracting entity must exercise due vigilance and control over their management.¹³²

In contracts for works, concessions, health and those awarded through public procurement, the contractor is obliged to set up a trust or irrevocable autonomous assets to manage the resources received as an advance payment, with the exception of contracts for minor or minimum amounts¹³³. The fiduciary entity that manages this advanced payment must be authorised by the Financial Superintendence of Colombia. The resources and their yields shall be managed in accordance with the commercial trust contract signed.¹³⁴

The performance bond of the state contract must cover the good management and proper investment of the advance payment, which includes the damages caused to the entity by its non-investment, misuse, or misappropriation of resources. It also covers the non-refund of the advance payment when applicable.¹³⁵

Advance payment, on the other hand, is the remuneration given to the contractor before the contractual obligations are fulfilled, so that this payment enters the contractor's assets and can be used without any limitation.¹³⁶

6.4.3.5 Bilateral modification of the state contract

State contracts may be modified bilaterally by the contractual parties. For this purpose, the following requirements must be met:

- (i) Be in writing.
- (ii) Respect the limits established by law regarding the amount of the modifications (50% expressed in minimum wages).
- (iii) Respect the prohibition regarding essential modifications to the contractual object.

Among the common modifications made to the state contract, we find the extension of the performance term. Law 80 of 1993 does not establish limits in this matter, contrary to what happens with the amount of state contracts. This modification is typically referred to as an extension.

6.4.3.6 Risks and guarantees in public contracting

Law 1150 of 2007 determines that the risks that may arise in the performance of the contract must be identified, estimated, and assigned, in such a way that their causes and their potential

¹³¹ Article 40 of Law 80 of 1993

¹³² Council of State. Ruling of 10 March 2016. Under file number 25000-23-24-000-2005-00029-01

¹³³ Article 91 of Law 1474 of 2011

¹³⁴ Decree 1082 of 2015. Article 2.2.1.1.2.4.1

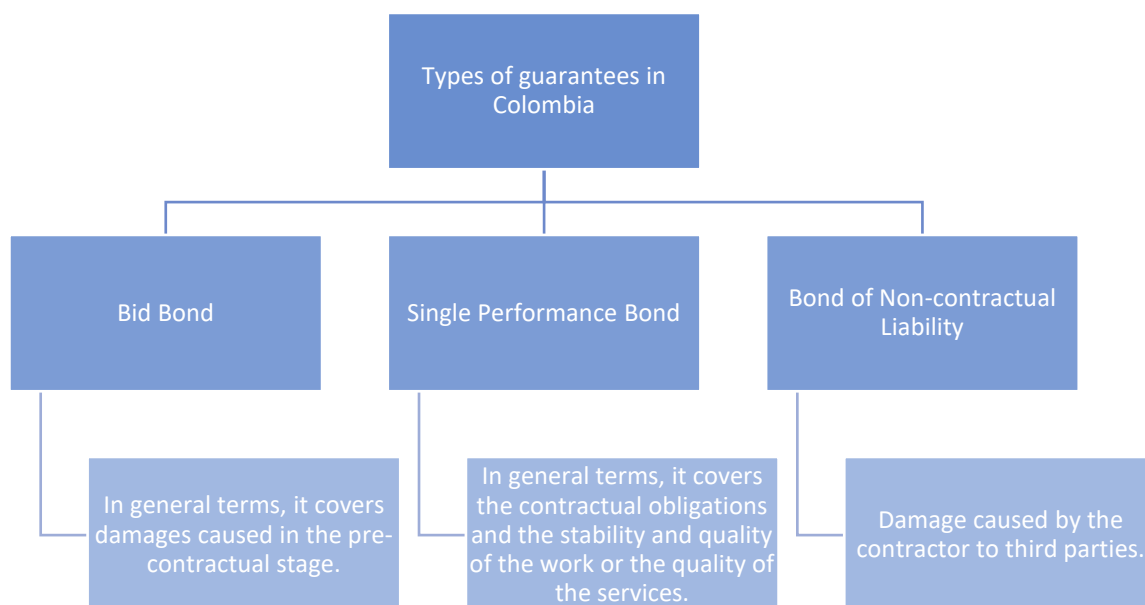
¹³⁵ Article 2.2.1.2.3.1.7 of Decree 1082 of 2015.

¹³⁶ Council of State. Ruling of 08 March 2017 under file number 11001-03-06-000-2016-00102-00(2298)

economic impact are established and a way to mitigate, compensate or assume them is indicated.¹³⁷

The importance of this matter lies in the fact that, if the risk in question materialises, the party to which it has been assigned is obliged to assume the mitigation or compensation measures agreed in the contract and cannot claim economic recognition as a result of it.

Guarantees within public contracting in Colombia are coverage mechanisms for the risks in the pre-contractual, contractual, and post-contractual stages. There are three common types of guarantees in contracting in Colombia: the bid bond, the single performance bond, and the non-contractual liability bond. These are regulated, in broad strokes, in Article 7 of Law 1150 of 2007, and in detail in Decree 1082 of 2015.



The bid bond is regulated in Decree 1082 of 2015. This one cover:

Failure of the selected bidder to sign the contract without just cause.

- Failure to extend the term of the bid bond when extending the term for the award or the execution of the contract, provided that it does not exceed a term of three months.
- Failure of the selected bidder to provide the performance bond required to cover the obligations of the contract; and
- Withdrawal of the offer after the term established for the presentation of the proposals has expired.¹³⁸

The single performance bond is also regulated in Decree 1082 of 2015 and covers the following risks:

- Good management and proper investment of the advance payment.
- Refund of the advance payment, when applicable.

¹³⁷ Law 1150 of 2007. Article 4.

¹³⁸ Decree 1082 of 2015. Article 2.2.1.2.3.1.6

- Fulfilment of contractual obligations.
- Payment of salaries, social benefits, and workers' compensation.
- Stability and quality of the work.
- Quality and proper functioning of the goods and equipment supplied; and
- Any other breach of obligations that the entity deems necessary to cover by means of guarantees, proportionally and according to the nature of the contract.¹³⁹

In addition, in the framework of the fiscal responsibility process, if the alleged responsible party, the property or the contract that is the object of the process is covered by a policy, the Comptroller's Office has the power to bind the insurance company to the process and to enforce the policies for the claims covered by it.¹⁴⁰

Finally, the non-contractual liability bond is required in contracts where the entity considers it necessary, due to the nature of the contracts, to cover possible claims of third parties arising from the actions, facts, or omissions of its contractor. If subcontracting is authorised by the contracting entity, the contractor shall be required to cover its subcontractors as well. This bond is typically accompanied by an indemnity clause, where the contractor is required to hold the contracting entity exempt from liability for any claims for damages caused to third parties.

Guarantees shall not be mandatory in:

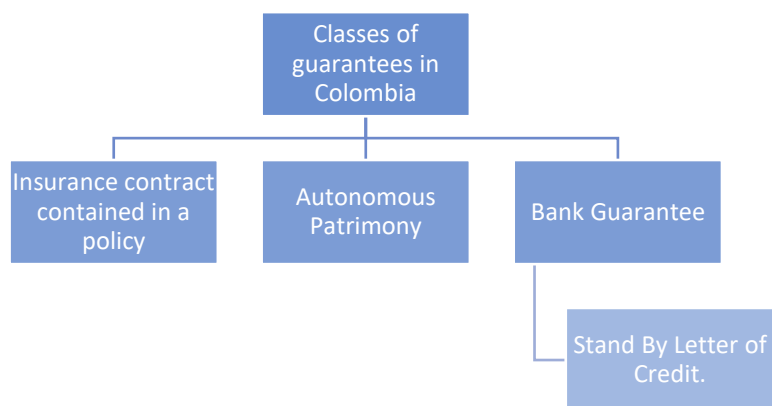
- Loan contracts.
- Inter-administrative contracts.
- Insurance contracts.
- In contracts whose value is less than 10% of the smallest amount foreseen for each entity, in which case the rules foreseen for the smallest amount shall apply.

Regarding the bid bond, it shall not be mandatory when:

- It is a contract for the disposal of goods.
- For the procurement of goods and services of uniform technical characteristics and common use in reverse auction processes.
- In merit-based competitions where a simplified technical proposal is required.

¹³⁹ Decree 1082 of 2015. Article 2.2.1.2.3.1.7

¹⁴⁰ Article 44 of Law 610 of 2000.



The types of guarantees in Colombia are the insurance contract contained in a policy, the autonomous patrimony, and the bank guarantee.¹⁴¹

The policy is derived from a contract between the individual and an insurance company to cover a risk. For the conclusion of an insurance contract contained in a policy, individuals can go to:

- (i) An insurance intermediary¹⁴², which may be an insurance agency, an insurance agent, or an insurance brokerage firm
- (ii) Directly to an insurance company

The autonomous patrimony is in charge of a fiduciary entity and must have the State as beneficiary, as well as sufficient assets to cover the risks for which it is intended.¹⁴³ For the acquisition of an autonomous patrimony, a fiduciary entity duly authorised by the Colombian Financial Superintendence must be used.

Finally, bank guarantees can also be stand-by letters of credit.¹⁴⁴ To acquire a bank guarantee, individuals must go to a bank.

As we have noted, Decree 1082 of 2015 is of mandatory consultation in matters of guarantees in public procurement. These concepts are developed in depth in this decree, with the insurance policy being the most common, and it should be noted that there is a possibility that the contracting entity has to perform it unilaterally by using coercive collection. The decree also establishes special conditions regarding the mandatory amount of these guarantees.

6.4.3.7 Administrative and criminal controls

Contractors in Colombia, as collaborators of the public administration, may be subject to a series of administrative and criminal controls.

¹⁴¹ Decree 1082 of 2015. Article 2.2.1.2.3.1.2.

¹⁴² Articles 5, 40 and subsequent Decree 663 of 1993.

¹⁴³ There are additional mandatory provisions in Decree 1082 of 2015 in Articles 2.2.1.2.3.3.1 et seq.

¹⁴⁴ Decree 1082 of 2015. Article 2.2.1.2.3.4.1



(i) Fiscal responsibility

Contractors can be held civilly and criminally liable for their actions and omissions in the contractual performance under the terms of the law. On the other hand, consultants, auditors, and external advisers are held liable under civil, fiscal, criminal, and disciplinary law for non-compliance with their contractual obligations.¹⁴⁵

The first scenario of liability is fiscal responsibility, regulated mainly in Law 42 of 1993, Law 610 of 2000 and Law 1474 of 2011. Fiscal control consists of the set of administrative actions carried out by the authorities to determine the liability of public servants and individuals, when in the exercise of fiscal management or on the occasion of this, they cause by action or omission and in a wilful or grossly negligent manner, financial damage to the State.

Contractors may be fiscally liable when the object of the contract involves the administration and/or management of public resources, a concept known as fiscal management.

Examples of contracts where fiscal management is evident are concession contracts, delegated administration, collection of public funds and fiduciary commissions, and administration of advances, among others.

(ii) Disciplinary liability

Disciplinary responsibility is regulated by Law 734 of 2002 and monitors the conduct of public servants and private individuals in the exercise of public functions.¹⁴⁶

Individuals who act as auditors or supervisors of state contracts, or those who exercise public functions such as the use of the powers inherent to the State, which normally translate into identifying conducts, issuing unilateral acts, and exercising coercion, are liable to disciplinary action. Concessionaires, in their capacity as depositary of the infrastructure and/or the public service they are in charge of, are understood to perform administrative public functions.

¹⁴⁵ Law 80 of 1993. Articles 52 and 53.

¹⁴⁶ It should be noted that Law 1952 of 2019, which is the new statute that will regulate the matter, will soon come into force. This law will come into force on 29 March 2022.

Disciplinary sanctions depend on the type of misconduct incurred, which can range from fines to disqualification from contracting with the State.

(iii) Criminal liability

Contractors may be criminally liable in two cases:

- (i) Law 80 establishes that, for criminal purposes, contractors, interveners, consultants, and advisers are considered public officials. Based on this article, contractors may incur in the following crimes, typified in the Criminal Code (Law 599 of 2000): violation of the regime of inabilities and incompatibilities, undue interest in the conclusion of contracts, contract without compliance with legal requirements, agreements restricting competition and all forms of embezzlement.¹⁴⁷
- (ii) Law 599 of 2000 establishes that individuals who exercise administrative functions on a permanent or transitory basis are considered public officials. Thus, when a private contractor exercises the powers of the public administration in their activity, they may be liable for the other offences included in the Criminal Code aimed at public officials.

6.4.3.8 Post-contractual phase and settlement of state contracts

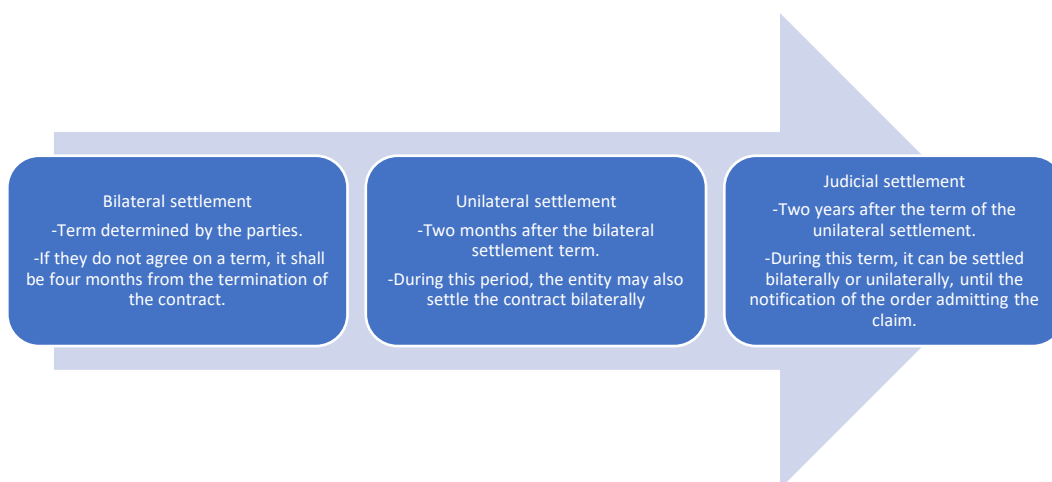
Settlement has been defined as a cross-checking of accounts between the administration and its contractors after the end of the state contract to define the fulfilment status of their obligations, as well as to include outstanding obligations. As a general rule, successive contracts, contracts that are terminated prematurely and all other contracts that require it must be settled.

The essential requirement for the settlement of contracts is its termination. Termination may occur normally, i.e., by exhaustion of the object, expiration of the term or the event of an express resolutive condition; or abnormally, due to the impossibility of performing the object, unilateral termination, forfeiture, resignation of the contractor due to modifications to the contract exceeding 20% of its value, declaration of nullity of the state contract, judicial termination of the contract or termination by mutual agreement.

During the settlement period¹⁴⁸, the parties may agree on the adjustments, revisions and acknowledgements that may be necessary, as well as the agreements, conciliations and transactions reached in order to declare that they are in good standing. If applicable, the contractor will be required to extend the guarantees to cover the obligations subsequent to the termination of the state contract.

¹⁴⁷ Law 80 of 1993. Article 56. Law 599 of 2000. Articles 397 et seq., 408-410 A.

¹⁴⁸ Law 80 of 1993. Article 60.



In Colombia, there are three types of state contract settlements: bilateral, unilateral, and judicial.

(i) Bilateral settlement. Its term is determined by the parties, and, in any absence, the law establishes a four-month period for its execution from the date of termination of the contract. The bilateral settlement act of the contract is enforceable, in such a way that the obligations set forth therein are enforceable before the jurisdiction.

(ii) Unilateral settlement. It can take place within two months of the expiration of the term for bilateral settlement. It is mandatory that there be a written record of the contractor's failure to attend the settlement, or that the parties did not reach an agreement. The administrative act containing the unilateral settlement must be duly notified to the contractor in order to be enforceable. During this period, the contracting entity may also settle the contract bilaterally.

Apart from the terms previously mentioned, the state contract may be settled within the expiration of the time limit of the means of control of contractual disputes established in section 7.1 of this document.

The unilateral settlement act of the contract is enforceable, in such a way that the obligations set forth therein are enforceable before the jurisdiction.

(iii) Judicial settlement. It can take place up to two years after the end of the term for the unilateral settlement of the contract, provided that during this period it can still be settled bilaterally or unilaterally, as long as the defendant has not been notified of the order admitting the claim. A judicial settlement has the status of a court judgement, so that an appeal can only be lodged in court.

6.4.3.9 Price and forms of payment¹⁴⁹

As a general rule, the price includes the costs that the contractor will incur in order to fulfil its obligations and obtain the desired business profit.

¹⁴⁹ We recommend Fabian Marín Cortés' book "El precio".

The general rule in Colombia is that there is freedom to set the price, always taking into account the governing principles, in particular the principle of economy. However, there are certain cases in which prices are regulated, such as in private surveillance or regulated public services.

For most contracts in Colombia, public entities require only that they be informed of the total price proposed to fulfil the contractual object. However, for more complex contracts (such as public works, concession, and consultancy contracts), public entities in Colombia typically ask their bidders to break down their total price, specifying the direct and indirect costs, as well as the expected profit.

In addition to direct costs, the so-called AIU is usually included, which refers to the following items:

- Administration (A): Indirect costs to be incurred by the contractor.
- Contingencies (I): Price item intended to cover unforeseen circumstances arising during the performance of the contract. The Comptroller's Office usually requests justification of the use given to the resources allocated to this concept, or otherwise, it orders their return to the public entity.
- Profit (U): Profit expected by the contractor.

There are different systems or manners for agreeing on the price of government contracts in Colombia. The main ones are global price or lump sum, unit price, turnkey contracts, and delegated administration.

Lump-sum pricing involves a fixed sum as remuneration. In this system, the contractor is responsible for the largest volumes of work, materials, and other items. In the same way, if it is possible to save on the inputs used, the additional values go to the contractor.

Unit prices specify individual quantities as the value of each item required for the performance of the contract. To calculate the contract price, unit values are multiplied by the quantity of materials and services. In this scenario, the price received by the contractor is based on the actual unit quantities provided.

In turnkey contracts, which are typically used in construction, the contractor is obliged to perform for a lump sum price, where costs, expenses and profit are included. It is characterised by the fact that the value of the contract also includes issues such as pre-feasibility studies and design plans, as well as the construction of the goods until they are operational.

Delegated administration requires the contractor to perform the contract mainly with resources, materials, machinery, and inputs from the State, with the latter also assuming a large part of the construction risks. In this case, the contractor becomes a true administrator and agent of the public entity.

6.4.3.10 Supervision and auditing

To protect the transparency of the contractual activity, public entities are obliged to monitor the proper performance of the contractual object through a supervisor or auditor, respectively.

Supervision consists of technical, administrative, financial, accounting, and legal monitoring of the contract. Supervision is primarily carried out directly by the entity when the monitoring does not require specialised knowledge. Nevertheless, the entity may hire a third party to assist in

the supervision role, although this is merely to provide support, as the entity will continue to be in charge of the supervision.

Auditing refers to the technical monitoring of the contract carried out by a natural or legal person contracted by the state entity, when the complexity of the contract requires it due to the specialised knowledge needed. Its main feature is that the auditing is carried out by a third party from outside the public entity.

Supervisors and auditors have the power to request reports, inform the entity of situations that may hinder the proper performance of the contract, report on the existence of any corruption and certify the proper fulfilment of the contractual object, among others. The auditor's orders must be presented in writing.¹⁵⁰

Lastly, the auditor and supervisor will hold civil, criminal, fiscal and disciplinary liability for the non-fulfilment of their obligations. In addition, they are jointly and severally liable with the contractor for damages caused by not informing the contracting entity in a timely manner of situations within the performance of the contract that may lead to damages.¹⁵¹

6.4.3.11 Exception of unfulfilled contract

In Colombian Civil Law, article 1609 of the Civil Code establishes the exception of unfulfilled contract, which allows the party to a contract not to perform their obligation as long as its co-contractor does not perform their own obligations.

In public procurement, however, the Council of State has defined its application, establishing the following four requirements:

- (i) The existence of a synallagmatic contract between the parties, i.e., that one party's obligation is the cause of the other party's obligation.
- (ii) Certain and real non-performance of the obligations of one of the parties; it must be serious, major, decisive and, in the case of the contracting entity, it must render the contractor reasonably unable to perform; and
- (iii) The party invoking the provision must not have been responsible for the performance of a task that should have been carried out firstly.¹⁵²

6.4.3.12 Compliance with national laws¹⁵³

As a general rule, state contracts in Colombia are subject to Colombian regulations. This rule, however, has some exceptions, which are as follows:

- (i) A contract entered into abroad may be governed by the rules of that country, unless it is to be performed in Colombia.
- (ii) Contracts entered into in Colombia and to be performed abroad may be subject to foreign regulations.
- (iii) Contracts for loans or any form of financing from multilateral organisations may include the provisions and specifications contemplated in the regulations of such organisations, provided that they are not contrary to the Constitution or the law.

¹⁵⁰ Law 1474 of 2011. Articles 83 and 84.

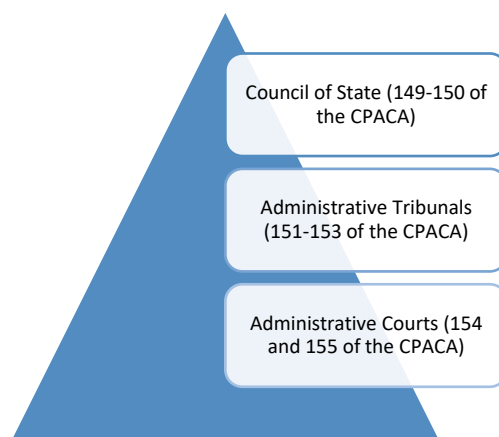
¹⁵¹ Law 1882. Article 2.

¹⁵² Council of State. Rulings of 31 January 1991, internal file 4739 and 16 February 1984, internal file 2509.

¹⁵³ Article 13 of Law 80 of 1993. Article 20 of Law 1150 of 2007. Potestades Excepcionales de los Contratos Estatales. Carolina Deik Acostamadiedo.

- (iv) Contracts or agreements entered into with foreign persons under public law or international organisations whose purpose is the development of health promotion, prevention and care programmes; contracts and agreements necessary for the operation of the ILO; contracts and agreements to be performed as part of the development of the integrated illicit crop monitoring system; contracts and agreements to operate the world food programme; contracts and agreements for the development of educational support programmes for displaced and vulnerable populations carried out by UNESCO and the IOM; contracts or agreements financed with funds from multilateral credit agencies and foreign government bodies.

7. Court-Based Remedies



In Colombia, there is a specialised jurisdiction for the resolution of disputes related to public entities and public administration, the contentious-administrative jurisdiction. This jurisdiction is divided into three levels: administrative courts, administrative tribunals, and the Council of State. Articles 149 to 155 of Law 1437 of 2011, known as the Code of Administrative and Contentious-Administrative Procedure (Código de Procedimiento Administrativo y de lo Contencioso Administrativo-CPACA), set out the distribution of competences among these three bodies.

This jurisdiction hears disputes arising from acts, contracts, facts, omissions, and operations subject to administrative law, in which public entities or individuals are involved when they exercise administrative functions.

7.1 Claims for Damages for Commercial Loss of Profit.

7.1.1 Means of control of contractual disputes

As we have stated above, claims for losses suffered by contractors in Colombia must be submitted to the special jurisdiction established for this purpose. In order to access the contentious-administrative jurisdiction, articles 135 to 148 of the CPACA establish the so-called means of control of the actions of the administration. The means of control for claims by contractors is called contractual disputes.

Through the means of control of contractual disputes, the parties to a state contract may request the following before the contentious-administrative judge:

- (i) A declaration of existence or non-existence of the contract,
- (ii) Absolute or relative nullity of the state contract,
- (iii) A declaration of the breach of the state contract,
- (iv) A review of the state contract according to the theory of unforeseeability,
- (v) Restitutions derived from the state contract,
- (vi) Nullity of contractual administrative acts, such as fines.

There is no need to lodge an appeal with the public entity in order to make use of the means of control of contractual disputes and this must be carried out by a lawyer¹⁵⁴. In addition, it is

¹⁵⁴ Article 141 of Law 1437 of 2011. Derecho Procesal Administrativo. Juan Carlos Galindo.

mandatory to previously go through an out-of-court conciliation procedure before the Public Prosecutor's Office, during which the contractor and the public entity must try to reach an agreement to resolve the dispute.

The maximum period of time to resort to the jurisdiction is known as the term of expiration of the means of control (opportunity to file the claim). The term of expiration of the means of control of contractual disputes is 2 years, counted from the factual or legal assumptions on which it is based. The following are exceptions, which have special terms¹⁵⁵:

- Contracts of instantaneous performance: two years from the day following the fulfilment of the object of the contract or the day on which the object of the contract should have been fulfilled.
- Those that do not require settlement: two years from the day following the termination of the contract for any reason.
- Those that were settled by the parties' agreement: two years from the day following the signing of the agreement.
- Those settled unilaterally: two years from the day following the execution of the administrative act approving the unilateral settlement.
- Those not settled once the term for unilateral settlement expired: two years counted from the expiration of the term of two (2) months starting from the expiration of the term stipulated for bilateral settlement or, failing that, from the term of four (4) months following the termination of the contract or the issuance of the act ordering such termination or of the agreement providing for it.
- The performance of titles derived from the contract, judicial decisions and arbitration awards related to the state contract: 5 years counted from the date on which the obligation contained therein becomes due.
- Repetition to recover what has been paid as a consequence of a sentence, conciliation or other form of conflict resolution: 2 years from the day following payment or, at the latest, from the expiration of the time limit available to the administration for the payment of sentences.¹⁵⁶

7.1.2 Alternative methods of conflict resolution

In addition to these rights claim mechanisms in the framework of public procurement, there are certain alternative methods for settling disputes between the administration and its contractors. These are amiable composition, conciliation, and arbitration.¹⁵⁷

(i) **In amiable composition**, the parties to the conflict delegate to a third party the power to make a binding decision on a conflict that has emerged out of the business relationship. The decision of the amiable compositeur acts as a settlement contract between the parties, which becomes *res judicata* and is enforceable.¹⁵⁸

(ii) **In conciliation** the contractual parties directly manage the settlement of their disputes, with the help of a neutral third party, called a conciliator. It is a mandatory requirement to claim both for contractual disputes and for voiding and re-establishing rights. The request for out-of-court

¹⁵⁵ Article 164 of Law 1437 of 2011.

¹⁵⁶ Article 192 of Law 1437 of 2011

¹⁵⁷ Article 68 of Law 80 of 1993.

¹⁵⁸ Law 1563 of 2012

conciliation against a public entity must be filed with the Public Prosecutor's Office, and the conciliation document must be submitted for approval to the Judge who has jurisdiction to resolve the dispute.¹⁵⁹

(iii) Finally, entities are allowed to enter into arbitration agreements to submit the decision of their disputes to **arbitration**. If contracted with foreign persons, the arbitration may be submitted to an international arbitration tribunal. Arbitration decisions in public procurement matters must be at law.¹⁶⁰ Arbitration in equity is therefore forbidden.

An appeal for reversal may be lodged against arbitration awards, which is heard by the Third Section of the Council of State.¹⁶¹

Finally, it should be noted that citizens may request the judge to protect their collective rights through the means of control for the protection of collective rights and interests (usually called an *acción popular*). This is relevant for contracting because through this type of judicial proceeding the judge can order interim measures for the protection of collective rights, including the suspension of all activities, including the enforcement of a state contract.

7.2 Judicial review of administrative decisions

Contractors may bring disputes or disagreements before the administrative litigation jurisdiction with respect to unilateral actions such as the exercise of excessive powers or the application of fines and penalty clauses. To this end, the contractor may request the reversal of the particular administrative act and the re-establishment of the affected right with the corresponding compensation for damages¹⁶². In the case of administrative acts issued during the term of a state contract, this reversal must be requested through the means of control of contractual disputes.

It is also possible to challenge pre-contractual administrative acts, such as an act awarding the contract to another bidder or declaring the selection process void. For this purpose, the plaintiff must petition the court for reversal and re-establishment of the right. If the claim for reversal and reinstatement of the awarding act or the declaration of the selection process as void is successful because the plaintiff's proposal was the most advantageous to the state entity, the plaintiff will receive compensation on the basis of the profit it expected to obtain by performing the contract.

The reversal and re-establishment of the right expires four months from the notification of the administrative act. As a general rule, it is also required that the appeal of the administrative act be exhausted prior to filing a claim.

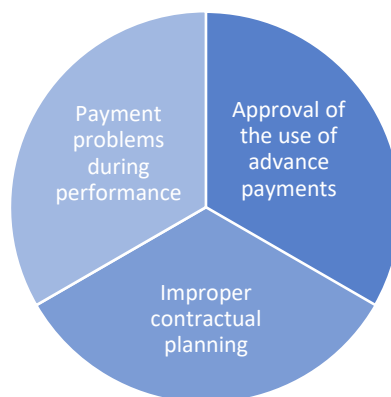
¹⁵⁹ Law 640 of 2001.

¹⁶⁰ Article 70 of Law 80 of 1993. Law 1563 of 2012.

¹⁶¹ The grounds for reversal are set out in Article 41 of Law 1563 of 2012

¹⁶² Law 1437 of 2011. Article 138.

8. Potential legal and administrative bottlenecks



- **Payment problems during performance:** public procurement contracts in Colombia are normally financed by resources of different kinds and administered by different entities. They can be financed by the contracting entity's own resources, by resources from royalties or by resources from other entities.

The difficulty arises in that, although the performance of a public procurement contract requires the budgetary record of the resources to be used for the contract, when they come from sources other than the entity, the internal administrative process for the effective payment of these resources may be delayed in such a way that the contractor does not receive payment for the activities performed in a timely manner.

This is particularly detrimental to the contractor insofar as the latter, although it has the option of going to courts with administrative litigation jurisdiction to obtain compensation for damages, it cannot normally suspend the performance of the contract on the grounds of non-payment. Therefore, the contractor must continue to perform the public procurement contract despite the delay in payment, which tends to generate financial difficulties.

- **Approval for the use of money from advances:** For contracts for construction or engineering works, concession, health, or in which the contractor is selected through public bidding, the contractor must establish a trust or irrevocable stand-alone assets for the management of the resources received as an advance payment.

For the use of the advance payment, the use to be made of this money must be supported by evidence to the auditor or supervisor of the work and approved thereby. This procedure, which involves the contractor, the auditor and/or supervisor, and the trustee, may cause delays in the performance of contractual activities, due to the strict controls that apply when dealing with public resources.¹⁶³

- **Contractual planning:** In Colombia there are extensive regulations regarding the correct planning of the State's contractual activity. The Council of State has derived from the principle of economy, established in Article 209 of the Constitution as a guiding principle of the administrative function, the principle of planning of state contracts, which

¹⁶³ Law 1474 of 2011. Article 91.

mandates the proper planning thereof and establishes serious consequences for any failure to fulfil them.

Contractual planning in Colombia involves budgetary, environmental, administrative, legal, and technical issues, among others, with the aim that the contractual activity must be an optimal tool for achieving the purposes of the State. However, the reality is that contractual planning in Colombia is deficient.

State contracts in Colombia tend to incur in cost overruns, improper allocation of contractual risks, delays, suspensions, extensions, among other situations, which can generate losses and damages to the contractor. In these situations, the contractor may resort to the jurisdiction of the administrative litigation claiming a breach of contract by the entity. The initial difficulty arises from the fact that the administrative litigation jurisdiction is particularly slow in processing the cases that come under its jurisdiction due to the serious backlog of cases, so that the contractor could spend years without receiving the items to which it is entitled for the performance of the state [i.e., public procurement] contract.

In addition, the Council of State¹⁶⁴ has established that failure to comply with the principle of contractual planning may result in the nullity of the state contract, since this constitutes an illicit object. The highest court has determined that this should be the penalty for failure to comply with the planning principle when:

- (i) It is evident from the selection procedure that the contract can definitely not be performed.
- (ii) The performance of the contract depends on undefined or uncertain situations.
- (iii) It will not be possible to fulfil the contractual purpose within the established deadlines and this will lead to higher costs for the entity.

The nullity of the state contract entails the consequence that, if it is declared unlawful, the court will only recognise what was performed by the contractor until the declaration of nullity if it can be proven that there was satisfaction of the public interest¹⁶⁵. Thus, the contractor could lose all the profit expected from the state contract, in addition to not being paid for what has already been performed.

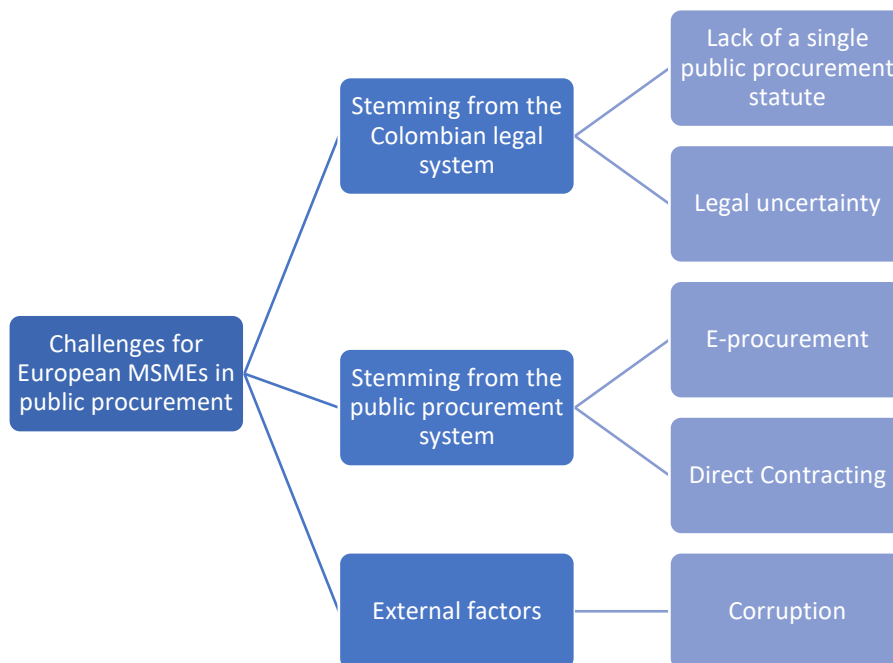
This position of the Council of State has not been peaceful, since it implies that the contractor is penalised for activities that are typically the responsibility of the contracting entity. The high court has argued that the contractor, as a partner of the [public] administration, is bound by the principles that govern the State contractual activity, so that it [i.e., the contractor] must warn and ensure the correct planning of the business, or refrain from entering into a contract to do so.

¹⁶⁴ Council of State. Judgment of 24 April 2013, under file number 68001-23-15-000-1998-01743-01(27315)

¹⁶⁵ Article 48 of Law 80 of 1993.

9. Public procurement challenges for European SMEs

The challenges for European companies in the Colombian public procurement system can be classified into three groups: (i) difficulties originating in the Colombian legal system, (ii) challenges of the public procurement system and (iii) difficulties stemming from external factors.



9.1 Difficulties stemming from the Colombian legal system

(i) Lack of a single public procurement statute: As we have noted, there is no single rule in Colombia that governs all State contractual activity. Within the entities governed by the EGCAP we find a series of rules that directly or indirectly regulate state contractual [i.e., public procurement] activity. On the other hand, entities with an exempted or special regime each have their own procedures and rules on contractual matters, set forth in the Procurement Manuals.

The public procurement system in Colombia suffers from regulatory dispersion that makes it difficult to understand.

(ii) Legal uncertainty: The Colombian legal system, like any legal system, is composed of abstract provisions that are subject to interpretation. Therefore, legal rules act as a framework from which the judge can perform an exercise of interpretation to resolve a specific case. The difficulty lies in the fact that the interpretation made by the judge and the one made by the contractor or tenderer may be different.

As a limit to this situation, Colombia establishes a system of horizontal [i.e., stare decisis] and vertical precedent. Horizontal precedent [horizontal stare decisis] means that the judge is bound by an obligation to decide in the same way as he or she decided on a previous occasion when

dealing with similar facts and applying the same rule¹⁶⁶. Vertical precedent [vertical stare decisis], on the other hand, entails the subjection of the lower court to the following decisions:

- a) From the Constitutional Court, the rulings of constitutionality "C" and the consolidation rulings "SU".¹⁶⁷
- b) From the Supreme Court of Justice, there is binding precedent when there are three uniform decisions on the same point of law, acting as a court of cassation.¹⁶⁸
- c) From the Council of State, "SU" unification judgements¹⁶⁹

The Colombian legal system does not behave like a common law legal system. On the contrary, and as we have just exemplified, it is a mixed system, where the binding source of law is not exclusively statute law.

However, the system of binding precedent also has a number of difficulties. On the one hand, lower-ranking judges [i.e., courts] have the possibility of departing from horizontal or vertical precedent and are obliged to give reasons for their decision [ratio decidendi].¹⁷⁰ On the other hand, judges in Colombia, particularly those of lower rank, do not rigorously apply the rules of precedent set out above.

In addition, Colombia has established the principle of constitutional supremacy, which states that the Political Constitution is the highest authority of the legal system, so that it will be applied in the event of discrepancy between the Constitution and any lower-ranking law or rule¹⁷¹. This has also led on many occasions to discrepancies between the High Courts, since the Council of State and the Supreme Court may uphold one position in a specific case based on the law, while the Constitutional Court, to which recourse is had through the remedy of judicial review, may uphold a different one based on the Constitution, with the aggravating circumstance that the latter will prevail over the decisions of the other two courts. There have even been discrepancies between chambers within the same High Court.¹⁷²

In addition, it is not clear whether the manuals, guides, and circulars of the National Public Procurement Agency - *Colombia Compra Eficiente* - are mandatory. As mentioned above, public procurement regulations are reserved by law, so that only the Congress of the Republic has the power to issue them. In practice, these manuals have been understood as "soft law". Typically, however, public entities abide by them.

9.2 Challenges of the public procurement system

(i) E-procurement: The public procurement system in Colombia has migrated online through the SECOP II platform. Despite the efforts of *Colombia Compra Eficiente* in creating guides for its use, the platform tends to be unfriendly to the user and public entities.

(ii) Direct contracting: The selection of contractors by direct contracting continues to be a recurring practice of public entities in Colombia. In accordance with the requirements of the

¹⁶⁶ Article 13 of the Political Constitution of Colombia. Article 7 of Law 1564 of 2012

¹⁶⁷ Article 243 of the Political Constitution of Colombia. Decision C-539 of 2011 of the Constitutional Court.

¹⁶⁸ Article 4 of Law 169 of 1896. Decision C-836 of 2001 of the Constitutional Court.

¹⁶⁹ Articles 102 and 270 of Law 1437 of 2011.

¹⁷⁰ Article 7 of Law 1564 of 2012,

¹⁷¹ Article 4 of the Political Constitution of Colombia.

¹⁷² To learn more about the rules of precedent in Colombia, we recommend the work of Diego López Medina, *Eslabones del Derecho* [Links of Law].

Organisation for Economic Cooperation and Development (OECD), there has been a reduction in the number of contracts signed through this form of selection. However, for the year 2017, *Corporación Colombia Internacional* in its Assessment of Public Procurement in the Transportation Infrastructure Sector has determined that at least 10.7% of the contracts in this sector are entered into through direct contracting.

The difficulty lies in the fact that for the selection of these contractors, public entities typically opt for companies or individuals of Colombian nationality, for ease of contact and for greater speed.

(iii) Fulfilment of qualifying and weighting requirements European companies may encounter difficulties when trying to meet the qualifying or weighting requirements established by the contracting entities in the tender documents.

For example, they may encounter difficulties when the specifications require them to prove their experience with contracts concluded exclusively in Colombia, or with specific types of contracts that do not exist in Europe, the benefits in the selection of contractors to the national industry, the apostille of documents or official validation of academic qualifications.

9.3 Difficulties caused by external factors

(i) Corruption: According to the 2020 Corruption Perceptions Index, Colombia ranks 92nd out of 179 countries in terms of corruption. In 2017, the organisation *Transparencia por Colombia* found that a large proportion of corrupt practices in Colombia involve the financing of political campaigns in exchange for public procurement contracts, demands for payment of a percentage of the public procurement contract in return for being awarded the contract, evasion of competitive selection processes, relationships with the staff of individuals evading the competitive procedure, among others.¹⁷³

¹⁷³ For more information on the situation of corruption in Colombia, you can access the *Transparencia por Colombia* website at the following link: <https://transparenciacolombia.org.co/2019/01/18/brief-de-la-corrupcion-en-colombia/>

10. Local support: list of potential local partners, advocacy services

Contact name and company	Address	Contact information
Carolina Ariza <i>Ariza & Marín</i> <i>Firm specialising in contracts, civil and government liability, insurance, dispute resolution and employment law - Listed in The Legal 500.</i>	Calle 7 Sur Cr 42-70 Forum Building Office 1203 Medellín (Colombia)	(+54)- 4449499 info@arizaymarin.com
Procolombia <i>Government body in charge of the promotion of tourism, Foreign Investment and Exports.</i>	Calle 28 No. 13A-15 Floor 1, 35 and 36 Edificio Centro de Comercio Internacional (International Trade Centre Building). Bogotá D.C (Colombia) Calle 4 Sur No 43AA- 30, Oficina 401, Edificio Formacol, Oficina 401 Medellín (Colombia) 6N Street No. 1-42. Centro Empresarial Torre Centenario. Oficina 803 Cali (Colombia) Calle 77B No. 59 – 61 Centro 2, Oficina 306 Barranquilla (Colombia)	(+57) 601 560 01 00 (Bogotá) bogota@procolombia.co (+57) 604 352 5656 Ext. 50101 (Medellín) medellin@procolombia.co (+57) 602 6687222 Ext. 52901 (Cali) cali@procolombia.co (+57) 605 3604000 (Barranquilla) barranquilla@procolombia.co
Colombian Chamber of Construction CAMACOL <i>Gremio nacional de la Construcción.</i>	Av. Carrera 19 #90-10, Bogotá D.C (Colombia) Carrera 43A # 1 - 50 C. I. San Fernando Plaza, Torre II, piso 4. Medellín (Colombia). Calle 26 Norte # 6 AN – 26 Cali (Colombia) Carrera. 53 # 106–280 Barranquilla (Colombia)	(+57) (1) 601 743 0265 (Bogotá) (+57) 604 448 8030 (Medellín) (+57) 602 485 0002 (Cali) (+57) 605 385 1050 (Barranquilla) info@camacol.co
Cámara Colombiana de la Infraestructura (Colombian Chamber of Infrastructure) CCI <i>Gremio nacional de infraestructura.</i>	Ac. 26 #59-41 Piso 10 Bogotá D.C (Colombia) Carrera 43 B # 16-95 Oficina 510 Medellín (Colombia)	(+57) 601 605 3030 (Bogotá) (+57) 604 444 8875 (Medellín) (+57) 602 485 2565 (Cali) (+57) 605 3376860

	<p>Calle 64N # 5BN-146 Oficina 402G Centroempresa Cali (Colombia)</p> <p>Carrera 55 No 100-51 Oficina 612, Centro Comercial y Empresarial Blue Gardens</p> <p>Barranquilla (Colombia)</p>	
<p>Agencia de Cooperación e Inversión ACI Medellín <i>Entity in charge of internationalisation of the city-region</i></p>	<p>Calle 41 # 55 – 80 Oficina 304 Medellín (Colombia)</p>	<p>(+57) 604 320 3430</p> <p>info@acimedellín.org</p>
<p>Chambre de Commerce et d'industrie France Colombia CCI <i>Body in charge of strengthening commercial ties between France and Colombia. It has a support service for public procurement processes.</i></p>	<p>Carrera 13 N° 94 A - 25, Oficina 412 Bogotá D.C (Colombia)</p> <p>Avenida El Poblado N° 5 A - 113, One Plaza, Oficina 504 Medellín (Colombia)</p>	<p>+57 (601) 745 21 81 (Bogotá)</p> <p>+57 (604) 605 02 54 (Medellín)</p> <p>ccifc@france-colombia.com</p>

11. References

Agencia Nacional de la Contratación Pública Colombia Compra Eficiente. (2018) *Guía de asuntos corporativos en procesos de contratación* (Guide to corporate matters in contracting processes). <https://colombiacompra.gov.co/manuales-quias-y-pleigos-tipo/manuales-y-quias/guia-de-asuntos-corporativos-en-procesos-de>

Agencia Nacional de la Contratación Pública Colombia Compra Eficiente. (2017) *Guía para la participación de proveedores extranjeros en procesos de contratación* (Guide for the participation of foreign suppliers in contracting processes). <https://colombiacompra.gov.co/manuales-quias-y-pleigos-tipo/manuales-y-quias/guia-para-la-participacion-de-proveedores-extranjeros>

Agencia Nacional de la Contratación Pública Colombia Compra Eficiente. (2018). *Guía para entidades estatales con régimen especial de contratación* (Guide for state entities with special contracting regime). <https://colombiacompra.gov.co/manuales-quias-y-pleigos-tipo/manuales-y-quias/guia-para-entidades-estatales-con-regimen-especial-de>

Agencia Nacional de la Contratación Pública Colombia Compra Eficiente. (2017). *Lineamientos generales para la expedición de Manuales de Contratación* (General guidelines for the issuance of Procurement Manuals). <https://colombiacompra.gov.co/manuales-quias-y-pleigos-tipo/manuales-y-quias/lineamientos-generales-para-la-expedicion-de-manuales>

Agencia Nacional de la Contratación Pública Colombia Compra Eficiente. (2018). *Manual para determinar y verificar los requisitos habilitantes en los procesos de contratación* (Manual to determine and verify the qualifying requirements in contracting processes). <https://colombiacompra.gov.co/manuales-quias-y-pleigos-tipo/manuales-y-quias/manual-para-determinar-y-verificar-los-requisitos>

Agencia Nacional de la Contratación Pública Colombia Compra Eficiente. (2014). *Manual de incentivos en procesos de contratación* (Manual of incentives in contracting processes). <https://colombiacompra.gov.co/manuales-quias-y-pleigos-tipo/manuales-y-quias/manual-de-incentivos-en-procesos-de-contratacion>

Amaya Olaya, U.A. (2003). *Teoría de la Responsabilidad Fiscal: Aspectos sustanciales y procesales*. (First edition). Universidad Externado de Colombia

Deik Acostamadiedo, C. (2019). *Potestades excepcionales en los contratos estatales*. (Exceptional powers in state contracts). (First edition). Editorial Temis

Gil Botero, E. (2015). *Tesoro de Responsabilidad Contractual de la Administración Pública: Volume II*. (First edition). Editorial Temis

Lamprea Rodríguez, P.A (2007). *Contratos estatales* (State [i.e. Public Procurement contracts]). (First edition). Editorial Temis

López Medina, D. (2016). *Eslabones del Derecho: El deber de coherencia con el precedente judicial* (The duty of consistency with judicial precedent). (First Edition). Editorial Legis.

ProSME: supporting European SMEs to participate in public procurement outside the EU

Matallana Camacho, E. (2015). *Manual de Contratación de la Administración Pública (Public Administration Contracting Manual)*. (Fourth edition) Universidad Externado de Colombia.

Marín Cortés, F. (2012). *El Precio*. (First edition). Librería Jurídica Sánchez R. Ltda.

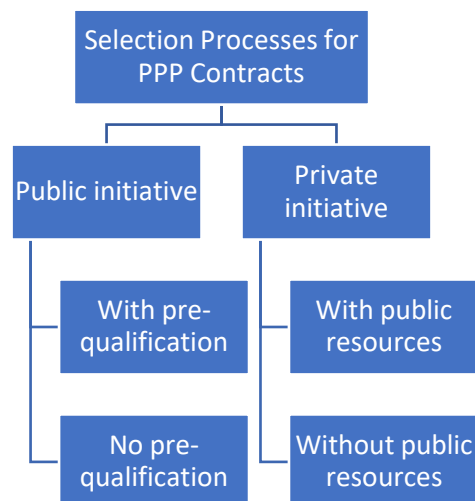
Rodríguez, L. (2021). *El equilibrio económico de los contratos públicos. (The financial equilibrium of public contracts)*. (Fourth edition). Editorial Temis

Rodríguez Tamayo, M.F. (2015). *Los contratos estatales en Colombia (State contracts in Colombia)*. (Second edition) Editorial Lijursanchez

Suárez Tamayo, D. (2014). *Cláusula de multas y penal pecuniaria (Fines and penalty clauses)*. (First edition). Librería Jurídica Sánchez R. Ltda.

12. Annexes

Annex 1: Public Private Partnerships PPPs



Public-private partnership (PPP) contracts are those through which state entities entrust a private investor with the design and construction of an infrastructure along with its associated services, or its construction, repair, improvement, or equipment. Additionally, these activities must also involve the operation and maintenance of such infrastructure. In Colombia, APPs are the equivalent of what are known as Public Private Partnerships -PPPs- in various parts of the world.

They are mainly regulated in Law 1508 of 2012, Law 1882 of 2018, Decree 1467 of 2012 and in the second title of Decree 1082 of 2015.

These partnerships are an instrument of private capital involvement that takes the form of a contract for the provision of public goods and related services. They involve the retention and transfer of risk between the parties and payment mechanisms related to the availability and service level of the infrastructure. PPP contracts include clauses that are not found in the general law, i.e., interpretation, modification and unilateral termination, forfeiture, and reversion.

The contractor obtains the remuneration through the economic exploitation of the infrastructure or service, subject to the agreed conditions and time. This remuneration is contingent on the availability of the infrastructure and the fulfilment of the Service Levels and Quality Standards required by the entity or, exceptionally, payment by structural units of the work may be agreed. Deductions may be made in proportion to the expected remuneration if Service Levels and Quality Standards are not met¹⁷⁴.

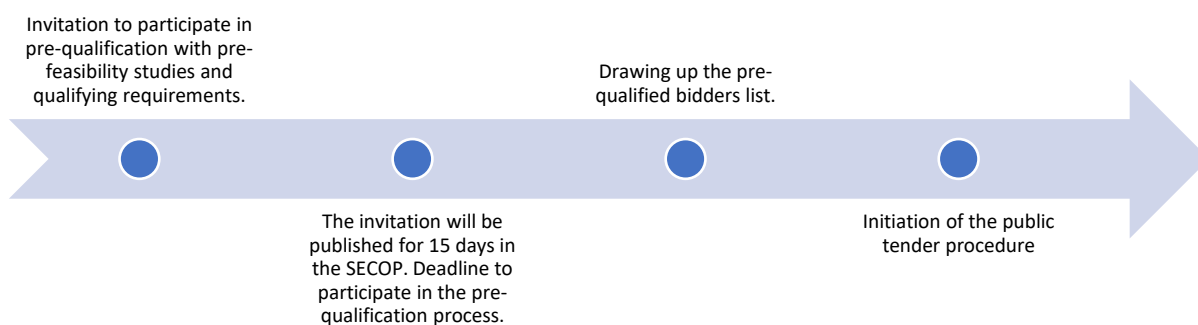
¹⁷⁴ Decree 1082 of 2015. Article 2.2.2.1.2.5

PPP contracts have a maximum duration of 30 years. In exceptional cases, PPP contracts may be entered into for a longer term with the authorisation of the National Council for Economic and Social Policy (CONPES). It is only possible to add a maximum of 20% of the value of the contract.

There are two types of PPP project selection procedures: public initiative and private initiative. Natural or legal persons may submit bids to carry out PPP projects, taking into account that in the case of legal persons, they must back their bids with irrevocable investment commitments from Private Equity Funds.

Public initiative PPP projects

Public initiative PPP projects must be contracted through public tenders, in accordance with Decree 1082 of 2015¹⁷⁵. However, the public entity may use a system of pre-qualification of bidders for those PPP projects whose value exceeds 70,000 SMMLV [initials in Spanish of minimum monthly salary]¹⁷⁶.



The invitation to participate in the pre-qualification includes the description of the project, the pre-feasibility studies that support it, the date and time limit to submit the expression of interest and the indication of the minimum qualifying requirements that will be demanded to pre-qualify. The invitation is published in the SECOP for a period of at least 15 calendar days.

For the pre-qualification, the state entity may contract with the applicants for pre-qualification the additional or complementary studies required by the project, at their own risk. The bidder to whom the contract is awarded shall pay the value of these studies to the members of the pre-qualified list. The public entity is not obliged to carry out a selection process despite having carried out the pre-qualification.

Article 12.2 of Law 1508 of 2012 establishes that the most advantageous offer will be the one which, taking into account the technical and economic factors of choice and the precise and detailed weighting thereof, contained in the bidding documents or their equivalents, represents the best offer or the best cost-benefit ratio for the entity, and the advantageousness shall not consist of any factors other than those contained in said documents. Within such criteria, the

¹⁷⁵ Decree 1082 of 2015. Article 2.2.2.1.4.1

¹⁷⁶ Decree 1082 of 2015. Article 2.2.2.1.4.5

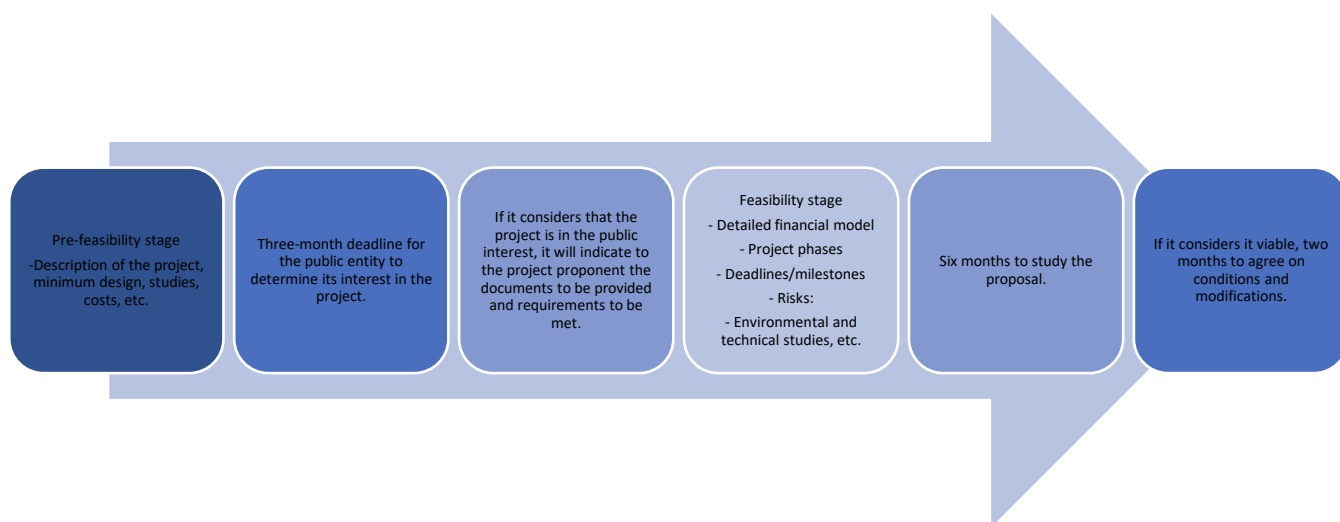
entities may consider the service levels and quality standards, the present value of the expected income, the lower State contributions, or greater contribution to the State, as the case may be, services offered by the bidder except in the case of regulated services or prices to be charged to users, among others, according to the nature of the contract.

The criteria for determining the best cost-benefit ratio are:

- (i) The minimum technical and pecuniary conditions of the bid on the Public Private Partnership project.
- (ii) The additional technical conditions that constitute advantages for the competent state entity in terms of the availability of the infrastructure, in the fulfilment of service levels or in quality standards.
- (iii) Additional economic conditions which, for the competent State entity, represent quantifiable advantages in monetary terms
- (iv) The scores assigned to each additional technical or financial bid must allow the comparison of the bids submitted. In this regard, each variable is quantified monetarily, according to the value that the benefit to be received represents.

Private initiative PPP projects.

Individuals can structure PPP projects at their own risk, bearing all structuring costs, and submit them to public entities. PPP projects have two stages in their structuring phase: pre-feasibility and feasibility¹⁷⁷.



In the pre-feasibility stage, the person who puts forward the proposal must indicate the description of the project, the minimum design in the pre-feasibility stage, construction, operation, maintenance, organisation and exploitation of the project, scope, demand studies, estimated cost, and sources of financing, among others. The state entity will have a period of

¹⁷⁷ Law 1508 of 2012. Article 14.

three months to determine its interest in the project and will not incur any obligation to the individual proponent of the proposal.

If the entity considers the project to be in the public interest, it will so inform the proponent and will specify:

- (i) The minimum studies to be delivered at the feasibility stage, their form, and specifications.
- (ii) Studies of the pre-feasibility stage that must be conducted and complemented in the feasibility stage.
- (iii) The financial capacity required.
- (iv) Minimum experience in investment or project structuring.
- (v) The deadline for the delivery of the project in the feasibility stage, which in no case will be longer than two years. This deadline cannot be suspended or extended.

At the feasibility stage, the initiative must contain:

- (i) The detailed and formulated financial model that substantiates the value of the project.
- (ii) Detailed description of the project phases and duration.
- (iii) Justification of the contract term.
- (iv) Analysis of contractual risks.
- (v) Environmental, economic, and social impact studies.
- (vi) Technical, economic, environmental, property, financial and legal feasibility studies. In addition, it must contain the documents that provide supporting evidence of the proponent's legal, financial, or potential financing capacity, experience in investment or project structuring and to develop the project, the value of the project structuring and a draft of the contract to be signed, including the risk distribution proposal.

The entity will have six extendable months to study the proposal. If the entity approves the viability of the initiative, it will send the proponent of the project the terms and conditions and any changes made to it. If no agreement is reached within two months, the project will be deemed to have been rejected by the public entity¹⁷⁸.

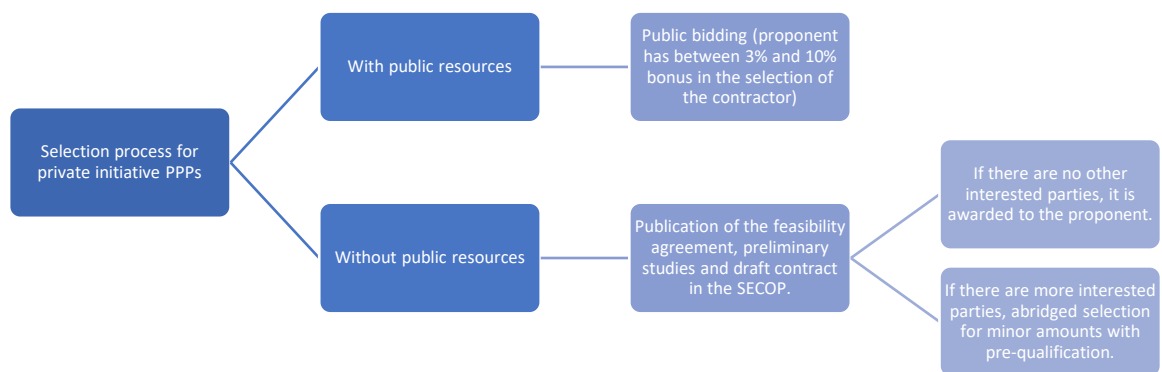
Private PPP projects may require the disbursement of public resources. In this case, public bidding will be held, where the project proponent will receive a bonus of between 3% and 10% for structuring the project. Likewise, public resources may not exceed 20% of the project's investment budget¹⁷⁹. If the proponent is unsuccessful, he/she/it will receive the remuneration for the structuring of the project from the successful bidder. This figure will be determined by the public entity based on the estimated project structuring costs.

¹⁷⁸ Law 1508 of 2012. Article 16.

¹⁷⁹ Law 1508 of 2012. Article 17.

If the PPP project does not require public resources, the agreement, the preliminary studies, and the draft contract will be published for a period of no less than one month and no more than six months in the SECOP, also stating the conditions to be met by any interested parties. If there are no other interested parties or if they do not meet the required conditions, the contract will be made directly with the proponent. If a third party expresses interest in carrying out the project, accompanied by a bond provided thereby, the entity must go ahead with an abridged selection procedure for minor amounts with pre-qualification among the bidders using the selection criteria of public initiative projects.

If the proponent is not awarded the contract, it will have a period of ten working days from the publication of the evaluation report to improve its bid, provided it obtains at least 80% of the winning bidder's score.



Annex 2: Merit Competition

The selection process by merit-based competitive tender is intended for the selection of contractors for the provision of consulting services in all their forms and for architectural projects. It is regulated in Article 2 of Law 1150 of 2007, Article 32 of Law 80 of 1993, Law 2022 of 2020, Articles 2.2.1.2.1.3.1 to 2.2.1.2.1.3.25 of Decree 1082 of 2015 and Article 2 of Decree 399 of 2021. In addition, the selection procedure for architectural projects is subject to a special regulation in articles 2.2.1.2.1.3.8 to 2.2.1.2.1.3.25 of Decree 1082 of 2015.

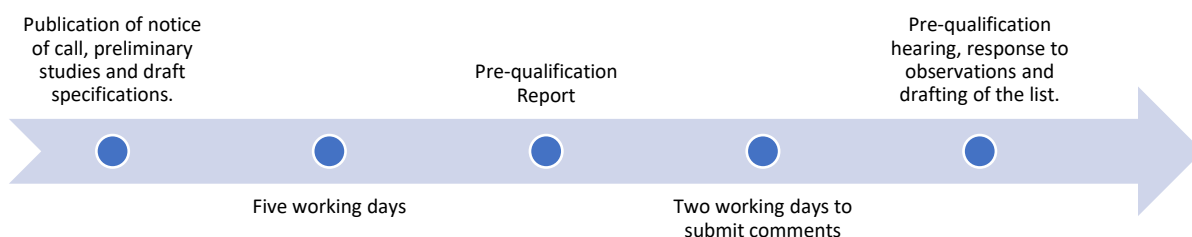
There are two particular situations regarding the application of this selection procedure: first, in the event that the purpose of the contract includes consulting services along with other main obligations, as is the case of the development of projects that include the design and construction of engineering or construction work, the selection process to be applied will be public bidding, abridged selection or minor amount. On the other hand, if the purpose of the consultancy is to acquire goods and services ancillary to it, the procedure to be followed is the merit-based competitive tender, since consultancy is the main element.

The consultancy contract is designed for the execution of the following activities: carrying out studies for investment projects, diagnostic audit, pre-feasibility or feasibility studies for specific programmes or projects, technical coordination, control and supervision, auditing, consultancy, construction or project management, direction, scheduling and the execution of designs, plans, preliminary projects, and full projects¹⁸⁰.

There are three types of merit-based competitive tenders: open, with pre-qualification and design consultants, plans, preliminary projects, and architectural project designs.

It should be noted that *Colombia Compra Eficiente* has developed standard specifications for the selection of consultants and auditors for public works in transport infrastructure¹⁸¹. These are mandatory for entities subject to the EGCAP.

Merit Competition with Pre-qualification



¹⁸⁰ Law 80 of 1993. Article 32.

¹⁸¹For the text of the standard specifications, please click on the following link:

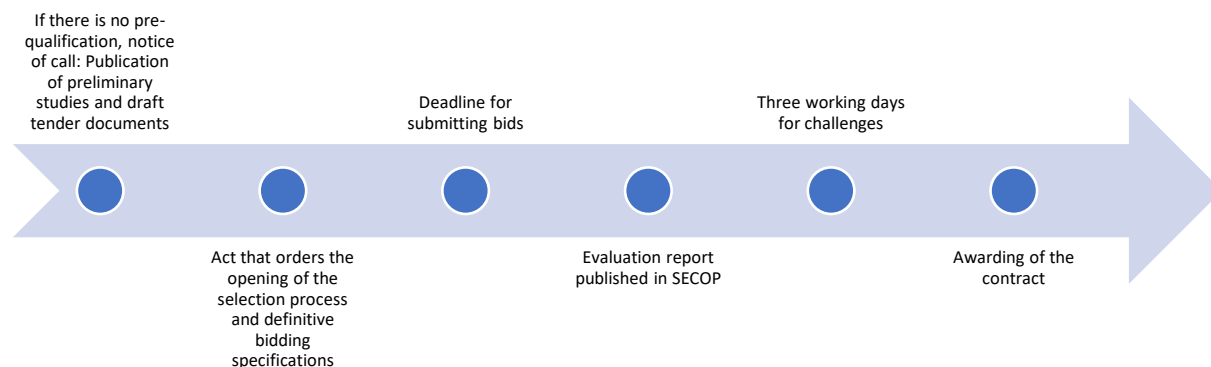
<https://www.colombiacompra.gov.co/content/documentos-tipo-de-infraestructura-de-transporte>

The merit-based competitive tender with pre-qualification is used when the complexity of the process warrants it in order to pre-select potential bidders.

The public entity must summon interested parties by means of a public announcement in the SECOP, stating the contracting process to be carried out, the form in which the interested parties must express their interest and provide evidence that they meet the qualifying requirements of experience, training, publications, organisational capacity, and the interested party's working group. The entity must include the criteria for drawing up the list of pre-qualified bidders, including stating whether there is a maximum number of pre-qualified bidders, the drawing of lots to be held to draw up the list if the maximum number is exceeded, and the timeline of the pre-qualification process. In addition, the preliminary studies and draft specifications are published for a period of five working days during which interested parties may submit comments.

The entity then proceeds to prepare a pre-qualification report within the period established in the call notice, on which interested parties may submit comments for two working days following publication. The entity will then hold a public pre-qualification hearing to form the list of interested parties that will participate in the tender. It will also resolve any observations and give notice of the short list. At this hearing, finally, the draw will be made in the event that the number of pre-qualified persons who meet the conditions exceeds the number established in the notice. The creation of a list of pre-qualified bidders does not impose a binding obligation on the state entity to carry out the contracting process.

Merit Competition Procedure



In the event that there has been no pre-qualification phase, the merit-based competitive tender will be open and must be preceded by the publication of the call notice, the preliminary studies and the draft specifications for a period of five working days during which interested parties may submit observations.

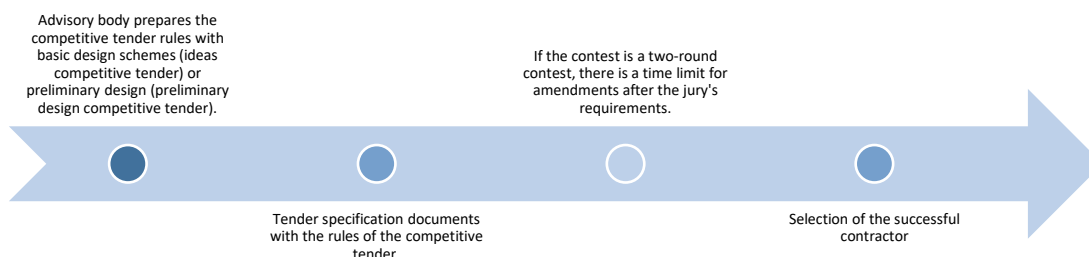
After exhausting the previous phase or having exhausted the pre-qualification phase, the entity shall publish the administrative act that orders the opening of the selection process, together with the definitive tender documents. The bid submission deadline will be stipulated within the timetable of the selection process. It is not mandatory for this type of selection process to hold risk allocation hearings or hearings for clarification of the bidding documents. Within this type

of process, the qualifying requirements are financial, organisational, and legal capacity and, at the entity's discretion, experience.

Once the bids have been received, the entity proceeds to evaluate them. To select the contractor, the technical aspects of the bid and the experience of the bidder will be taken into account. **In no case may price be taken as a factor of selection.** The entity must publish the evaluation report in the SECOP [online public procurement platform] for three working days so that the bidders may exercise their right to challenge it. Once the observations on the report have been resolved, the entity will award the contract to the bidder that complies with all the requirements and obtains the highest score.

Competition of Merit for the Selection of Design Consultants, Plans, Preliminary Projects, and Architectural Project Designs

The selection of design consultants, plans, preliminary projects, and architectural project designs is carried out by means of a special procedure. The call for bids must be public, on equal terms, and may involve complementary technical and/or professional work but must always have the integral design as its main object.



Four parties are involved in the procedure: the public entity, the advisory body, the jury, and the bidders. In addition, there can be two types of competitive tender: ideas and preliminary designs. In the ideas competitive tender, the public entity asks the advisory body to draw up the competitive tender rules, establishing basic design schemes or general concepts of an urban development and/or architectural theme. In the preliminary design competitive tender, the public body asks the advisory body to draw up the terms of reference. The aim of the competitive tender is to obtain solutions at the preliminary design level of an architectural and/or urban design theme, such as new buildings, restoration, refurbishment, urban projects, and public space elements. The competitive tender can have one or two rounds, with the bidders having to make the modifications required by the jury after the first round.

Bidders may be individuals, legal entities, joint ventures, or consortia. When they are Colombian or foreign natural persons, they must be architects that are duly registered to practice the profession in Colombia; if they are legal entities, in addition to the requirement for natural persons involved in the work that is the subject matter of the competitive tender and related to

the subject of architecture, the company must include within its articles of association the exercise of the work requested in the selection process and have architects who carry out this function on its payroll.

Bidders must submit their proposal after acquiring the bidding rules and specifications and must respect the guidelines set forth therein. In addition, they must comply with the requirements of date, time, place, and form of presentation of the bid, submit any changes requested by the jury and abide by the concept and changes to the latter.

The bidding documents for this type of tender must contain the objective qualifying requirements, the type of tender, the conditions of the bidders, the place, date, and time of delivery of the bids, the number of rounds of the tender, the prizes and their values and the deadline for the signing of the contract. No bonds are required for this type of tender.

Annex 3: Summary selection of a minor amount

Procurement for small amounts is a specific procedure of summary selection. It is set out in Article 2 (section 2, sub-section B) of Law 1150 of 2007 and Article 2.2.1.2.1.2.20 of Decree 1082 of 2015.

In addition, *Colombia Compra Eficiente* has developed standard documents for the summary selection of minor public works for transport infrastructure. These are mandatory for entities subject to the EGCAP (General Statute of Public Procurement, initials in Spanish)¹⁸² where this is the purpose of the procurement.

The determination that the tender is for a minor amount is made by applying the following rules set out in Article 2 (section 2, sub-section B) of Law 1150 of 2007¹⁸³:



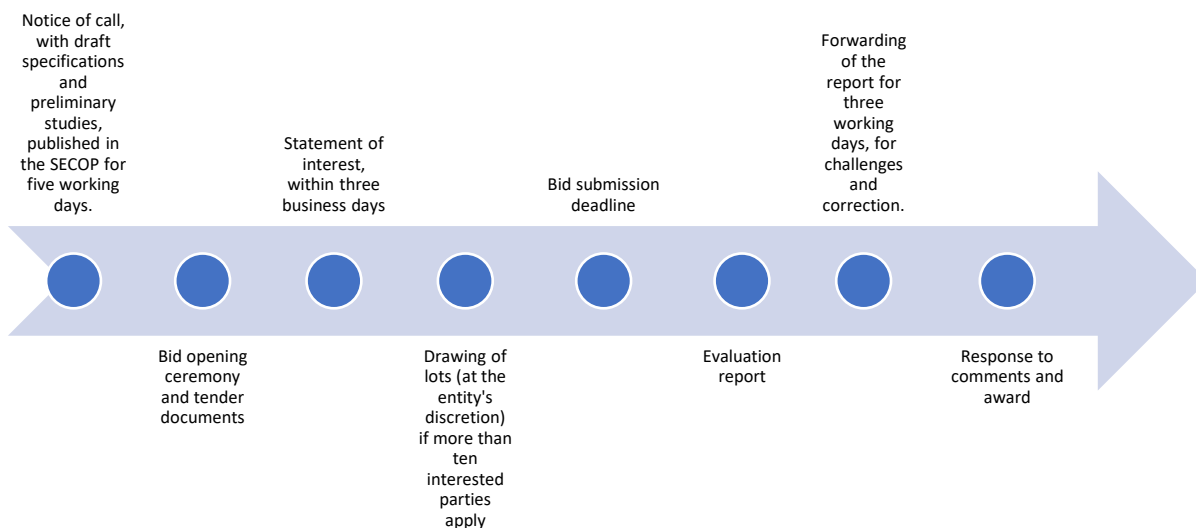
In addition, the minor amount selection procedure is applied with some minor nuances for the following contractual processes:

- (i) Provision of health services.
- (ii) Declaring the public tender process null and void.
- (iii) Procurement by State-owned industrial and commercial companies, with the exceptions set out in Article 2.2.1.2.1.2.24 of Decree 1082 of 2015 and activities in competitive tenders or a regulated market.

¹⁸² For the text of the specifications, go to the following link: <https://www.colombiacompra.gov.co/content/documentos-tipo-de-infraestructura-de-transporte>

¹⁸³ Image taken from: <https://www.colombiacompra.gov.co/content/conoce-los-valores-para-fijar-la-menor-cuanta-de-tu-entidad-estatal> [learn about the values for arriving at the minor amount of your state entity]

- (iv) Procurement by state bodies involved in the protection of human rights.
- (v) Procurement of goods and services for national defence and security, among others provided by law.



In general terms, the minor amount procedure is similar to public bidding, but has shorter time frames to ensure greater efficiency in the selection of the contractor.

The entity must publish an invitation to tender, accompanied by draft specifications and preliminary studies of the contractual process, published in the SECOP for five working days. It then issues the notice of commencing the process together with the final bidding documents, from which time a term of three working days is granted for interested parties to express their interest in participating through the mechanism established in the bidding documents.

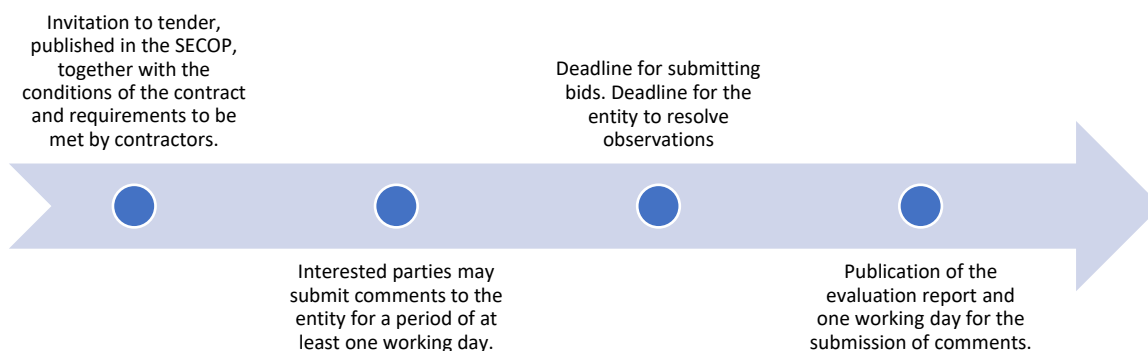
The entity may stipulate in the bidding documents that, if more than ten expressions of interest are submitted, it will draw lots to select the ten interested parties that will continue in the process.

The deadline for the presentation of offers is determined in the bidding documents and, once this term has expired, the entity must proceed with the evaluation of bids. For the selection of the most favourable bid, the entity will take into account quality and price criteria through the application of formulas or by determining the best cost-benefit ratio. The evaluation report will be forwarded for three working days, at which time the bidders may submit observations and correct their bids. Finally, the entity will respond to the observations and award the contract without holding a public award hearing.

Annex 4: Minimum amount

The selection procedure for minimum amount is regulated in Decree 1082 of 2015, in particular in articles 2.2.1.2.1.5.1 et seq. The procedure applies to contracts whose value does not exceed 10% of the lowest amount of the contracting entity.

In addition, *Colombia Compra Eficiente* has developed standard specifications for the contracting of public works of transport infrastructure that are carried out by minimum amount that are mandatory for entities subject to the EGCAP.¹⁸⁴ where this is the purpose of the procurement.



The entity must publish an invitation to tender in the SECOP with the description of the item(s) to be procured, the technical conditions required and the estimated value of the contract, along with the form in which the interested party must prove its legal capacity, fulfilment of the technical conditions and minimum experience if required. The invitation shall be issued for a period of not less than one working day. Interested parties may submit comments on the invitation, which will be resolved by the entity before the deadline for submitting bids.

For the selection, the entity must review the economic offers, in such a way that it initially analyses if the one that offers the lowest price meets the minimum technical requirements demanded. If not, it will check the second bid sequentially and so on. Once the bids have been evaluated, the entity shall publish the evaluation report in the SECOP for one working day. In the event of a tie, the tender submitted first will be selected. It is optional for the entity to require bonds for minor amount procedures. In minor amount contracting, the bid and its acceptance constitute the contract, without the need to draw up contractual documents signed by both parties.

¹⁸⁴ To view the content of the specifications, you can go to the following link: <https://colombiacompra.gov.co/content/documentos-tipo-para-licitacion-de-obra-publica-de-infraestructura-de-transporte-version-3>

PUBLIC PROCUREMENT IN COLOMBIA

MARKET ANALYSIS

ProSME: Supporting European SMEs to participate in public procurement outside the EU

Work package 2: Deliverable 2
30 November 2021



COSME PROGRAMME
CALL: COS-PPOUT-2020-2-03
PROJECT ID: 101033974



Co-funded by the
COSME programme
of the European Union

ProSME Programme:

Walloon Export and Investment Agency, Business France, and Basque Trade's action plan to support European SMEs to participate in public procurement in Colombia, Canada, Switzerland, and Ukraine¹



AWEX Colombia

Email: bogota@awex-wallonia.com
T: +57-1-328-71-70

Business France Colombia

Frédérique Martiquet
Email: bogota@businessfrance.fr
T: +57 1 638 14 70

Basque Trade & Investment

Colombia
María Ángeles Guerra
Email: info@basquetrade.eus
T: +57 1 545 5934

Procurement outside Europe information point

HQ Awex
Patrick Heinrichs
2 Place Saintelette, 1080
Brussels, Belgium
Email: p.heinrichs@awex.be
T: +32 2 421 85 42

HQ Business France
Herve Jevardat
77 Boulevard Saint-Jacques,
75014 Paris, France
Email: herve.jevardat@businessfrance.fr
+33.1.40.73.38.63

HQ Basque Trade and Investment
Alberto Gavín
Alameda Urquijo, 36, 5th Floor,
Plaza Bizkaia Building 48011
Bilbao, Spain
Email: agavin@basquetrade.eus
T: +34 94 403 71 60

European Union Grant Agreement number 101033974



Co-funded by the
COSME programme
of the European Union

The content of this *ProSME: supporting European SMEs to participate in public procurement outside EU* represents the views of the author only and is his/her sole responsibility; it cannot be considered to reflect the views of the Executive Agency for Small and Medium-sized Enterprises or any other body of the European Union. The European Commission and the Agency do not accept any responsibility for use that may be made of the information it contains.

¹ The content of this report has been drafted on the date of the redaction and could be not up to date. The authors (AWEX, Business France, Basque Trade and investment) do not accept any responsibility for any mistakes or for use that may be made of the information it contains.

CONTENTS

Executive Summary	3
1. Introduction	7
1.1 Public procurement context in Colombia	8
1.2 Sources of bid identification	11
1.3 Data source	11
2. Diagnosis of each country of destination covered by public procurement	12
2.1 Volume of public procurement	12
2.1.1 Volume of public procurement by procurement process	12
2.1.2 Sectoral and thematic breakdown of public procurement	13
2.2 Regional breakdown of public procurement	14
2.2.1 Volume of tenders by region	14
2.2.2 Products and services most contracted by region	17
2.3 International participation in public procurement	17
3. Identification and description of bidding entities	19
3.1 Identification of main actors	19
3.2 Multilateral entities with presence/programmes in the country	20
4. Future Opportunities	23
4.1 Competitiveness analysis by Colombian Departments	23
4.2 Identification of public development plans with opportunities in public procurement	26
4.3 Strategic Sectors	35
4.4 Identification of the portfolio of future major projects in the sectors of interest	36
4.4.1. Infrastructures	36
4.4.2. Water and sanitation	36
4.4.3. Agro-industrial sector	38
4.4.4. Energy sector	39
4.4.5. Hotel infrastructure and tourism	39
4.4.6. Health and Life Sciences services	40
4.4.7. Information technology and creative industries	40
4.5 Identification of the country's multilateral project portfolio	40
4.5.1. IDB	40
4.5.2. Technical cooperation, Colombian Government and IDB	41
4.5.3. World Bank	42

4.5.4. Kreditanstalt fur Wiederaufbau	43
5. Competitive framework	45
5.1 Suppliers registered on the public procurement platform	45
5.2 Direct competitors: domestic SMEs	47
5.3 Main competitors	48
5.3.1. Main competitors in the transport infrastructure sector in Colombia	49
5.3.2. Main competitors in the water sector	50
5.3.3. Main competitors in the energy sector	51
5.3.4. Main competitors in the ICT sector	53
6 Conclusions and recommendations	54
References	55
ANNEX I: SUPPLEMENTARY TABLES	56
ANNEX II: BUYERS' IDENTIFICATION AND DESCRIPTION	74
1. Central government	74
2. Regional Governments (governaciones)	76
3. Municipal Governments	80
4. Other entities (State-owned enterprises, other authorities with public procurement competences)	82
4.1. Entities attached to the Ministry of Transport	82
4.2. <i>Entities associated with the Ministry of information and communications technologies</i>	84
4.3. <i>Entities associated with the Ministry of environment and sustainable development</i>	84
4.4. <i>Entities associated with the Ministry of Housing, City and Territory</i>	85
4.5. <i>Entities associated with the ministry of mines and energy</i>	85
4.6. <i>Entities associated with the Ministry of Health and Social Protection</i>	87
4.7. <i>Autonomous regional corporations</i>	87
4.8. <i>Corporations for sustainable development</i>	90
4.9. <i>Urban environmental authorities</i>	91
5. Multilateral and bilateral entities with presence/programmes in the country	92
ANNEX III: DESCRIPTION OF BIDDING ENTITIES	94

Executive Summary

This document aims to support European SMEs in participating in public procurement outside the European Union. It explains how this public investment is channelled and the projects in which it materialises, as well as the main strategic lines of the current governments, in order to provide European companies, particularly companies from the Basque Country, France and Belgium, with a good position before these opportunities.

As a starting point, it is worth noting that the public procurement market in Colombia is positioned as a good market in which to invest in the coming years. It amounts to some COP² 130 billion (EUR 28.0 MM) annually, i.e., between 13 and 15% of the national GDP, and there are forecasts that the coming years will be those of greatest public investment, due to:

- There is a strong political commitment to encourage public investment, due to the deficiencies in infrastructure, public services, and communications, which highly affect the productivity and global competitiveness of the Colombian economy.
- The National Development Plan "Pacto por Colombia, Pacto por la Equidad", in force for the four-year period 2018-2022, is committed to reducing territorial inequality by encouraging public procurement at different territorial levels (national, departmental, and municipal).
- The COVID-19 pandemic has led the national government, as well as the heads of departments and municipalities, to bring forward the investments set out in the National Development Plan, Departmental Development Plans and Municipal or District Development Plans for the years 2023 onwards, and in this way help to neutralise the crisis.

The priority sectors that have been identified as future opportunities in public procurement are focused on transport, energy, water, telecommunications, and social infrastructures—sectors in which companies from the Basque Country, France and Belgium are well positioned.

The sources of data available for an SME to find out about public procurement processes are those provided by the National Public Procurement Agency and, specifically, the Colombia Compra Eficiente portal, which provides different tools such as SECOP I, SECOP II and the Colombian State Virtual Store (TVEC).

These sources show that open tendering is the main type of public procurement in Colombia, offering a favourable scenario to compete on equal terms with Colombian companies. Sources also show that the Andean Region offers the highest volume of public tenders and, specifically—and as expected—the Bogotá, Bolívar and Antioquia departments concentrate the bulk of these tenders.

In terms of international participation in public procurement in Colombia, there are many international companies competing in the sector, with a notable emergence of Asian companies in the market in recent years. Examples of this are the recent award to a Chinese

² Exchange rate applied: 1 COP = 0.00022 EUR.

consortium of the first line of the Bogotá Metro and the Buriticá gold mining complex in the Antioquia department.

The main bidding entities in the sector with opportunities for the Basque, French and Belgian governments include the National Infrastructure Agency, the National Roads Institute and the Ministry of Agriculture and Rural Development. As regional bodies, the Empresa de Transporte Masivo del Valle de Aburra, the Government of Cundinamarca and the Governor's Office of Boyacá, as well as smaller entities that have significant weight in public procurement, are worth mentioning.

The multilateral entities with the greatest presence in the country are the World Bank (WB), the Kreditanstalt für Wiederaufbau (KfW) and the Inter-American Development Bank (IDB), which, through public procurement, mainly request consultancy services for the sectors of environment, agriculture, electrical engineering, vehicles, transport, health, social infrastructure, water and sanitation, building infrastructure, education, trade, microfinance, SMEs, energy, mining, urban development and hard infrastructure (roads and bridges, civil engineering, humanitarian aid, information and communication technology).

In terms of the organisation of the public procurement administration, Colombia is a decentralised unitary state with autonomy for territorial entities, where the national government sets general guidelines and controls investment decisions in strategic sectors such as transport and energy. However, much of the investment in water or social infrastructure is executed through the governors' and mayors' offices.

At the regional level, national, regional, and municipal policies specified in their development plans have identified the main geographical, legal, and commercial advantages of the different Colombian regions, as well as the sectors with the greatest potential for public investment by region and, therefore, potential opportunities for European SMEs in the Colombian market.

The strength of the **East-Central Andean Region** lies in its geographical position and its extensive air connectivity, which allows it to have access to the main regional markets. International trade agreements allow companies located in Bogotá direct access to the Colombian market, which has made the city the main pole of attraction for investment and therefore has potential for greater public procurement opportunities. In the coming years, it will be at the forefront of a true urban revolution focused on five areas: water and sanitation, transport, social infrastructure, urban renewal, Smart Cities, and mobility.

One of the main strengths of the **West-Central Andean Region** is that it is home to the country's main source of energy generation due to its wealth of waterfalls. In recent years, it has developed the automotive, agro-industrial, ICT and health services sectors, among others. Its most important city, Medellín, has been listed among the 15 best cities for doing business, due to its competitive costs, availability of human talent and real estate costs, which are lower than those of other cities in the region.

The **Caribbean Region** stands out for its port infrastructures, allowing for the easy transport of all types of cargo through different connection routes with the rest of the country and the world. It has developed the automotive, agro-industrial, software and IT services, health services, oil goods and services, logistics infrastructure and construction materials sectors,

among others. The region also has numerous natural resources for the development of renewable energies based on solar and wind energy. This sector joins the mining and hydrocarbon logistics industries, which are very important for the economic development of the region.

The **Pacific Region** is an important economic and industrial centre of the country. The National Government intends to promote the transport and mobility sectors to integrate the region with Cali and the rest of the country. Their main interest is to make use of the region's port potential for the transport of goods. There is also a commitment to the ICT sector, taking Cali, the region's main city, as a reference point. To do so, the mayor's office presents opportunities in terms of ICT ecosystem and the modernisation of the city.

Finally, the **Plains and Amazon Region** has seen development in the sectors of agro-industry, oil goods and services and tourism infrastructure, among others. It is another underdeveloped region, although the high level of activity in the oil sector creates opportunities for projects to modernise the sector's infrastructure, as well as legal services to ensure compliance with environmental regulations. As a consequence of the region's oil-related activities, projects in the social infrastructure sector are also important.

In terms of the portfolio of future large public procurement projects by sector, we have identified key projects that will generate opportunities in the short term.

In terms of **public procurement in infrastructures**, the National Infrastructure Agency publishes all the public projects developed within the framework of the so-called **Fifth Generation Concession Projects (5G)**, which encompasses transport infrastructure until 2025 in roads, waterways, ports, airports, and railways. The first wave, comprising 12 projects with a total CAPEX investment of COP 18.03 trillion (approx. EUR 3.99 billion), is almost fully tendered, but it is expected that new opportunities for related public works may arise. The second wave consists of 11 projects and has a total CAPEX investment of COP 30.29 trillion (approx. EUR 6.766 billion). Another interesting point to note is the implementation of the Intermodal Transport Master Plan (PMTI) 2015-2035, which covers 31 airports, 5 railways, 52 projects in integration networks and 101 projects in basic networks.

As for the **water and sanitation public procurement** sector, most of the procurement is focused on two aspects: on the one hand, the expansion and improvement of the aqueduct and sewerage service in small municipalities and rural areas; and, on the other hand, projects aimed at increasing the percentage of treated wastewater in the country, given that it seeks to reach the 54% milestone by 2022 and 68% by 2030. The main projects in the pipeline include the project to improve the navigability of the Magdalena River and the project for the ecological restoration and navigability of the Canal del Dique, which, although they have already begun their bidding processes, are long-term works with the potential to launch tenders associated with complementary projects.

In the **energy sector**, we expect to see opportunities linked to the production of green and blue hydrogen as a source of renewable energy, which is key to the consolidation and development of the country's energy matrix in the coming years. The roadmap that will guide the production of this sector over the next 30 years has recently been published, establishing the following phases to be executed and considered as opportunities for the sector: establishment of the legal and regulatory framework, development of market instruments,

support for the deployment of infrastructures and promotion of technological and industrial development.

In the **agro-industrial sector**, possible public procurement is envisaged to promote the productive transformation of the Colombian agro-industrial sector by increasing the contribution of S&T+I, thereby generating technical progress, the generation of value in production, improvements in the sustainability of activities, productivity, and competitiveness of the sector. Specifically, it can be aimed at public investment in digitalisation of the agri-food and forestry sectors and the public procurement of technologies that promote the sector.

Regarding the **tourism**, the largest public investment is likely linked to airport infrastructure expansion works to the digitalisation of the tourism sector and to consultancy initiatives linked to the promotion of sustainability in tourism.

In the field of health services and life sciences, Colombia is the third largest market for medical devices in Latin America, which is not an opportunity for public procurement but for investment. However, it is important to highlight the possibility for companies bidding for public contracts to build and equip hospitals and clinics in the country to offer complementary services.

Finally, and for the **ICT sector**, public procurement is aimed at boosting software and IT research and development services in the public sector.

The report compiles lists of the main international and national competitors for each of the sectors, which provides SMEs with a better understanding of the market and the possibility of entering these companies' lists of suppliers and generating better economies of scale in the products offered.

The report also makes a series of recommendations focused on some useful documents or websites so that Basque, French, and Belgian SMEs interested in participating in public procurement processes may find complementary information to that provided in this report.

1. Introduction

The public procurement market in Colombia is supported by macroeconomic factors that qualify it as a good market in which to invest. According to the World Bank's [Doing Business](#) classification, this South American country is above average in terms of ease of doing business, and the fDi intelligence's ranking [American Cities of the Future 2021/22](#) ranks Bogotá as the second most important city in Latin America.

Other positive factors are the country's entry into the OECD and the current government's aim to promote foreign investment. If we analyse the figures on the volume of contracting in Colombia, we can see that public procurement is very important in the country: according to the Colombian [public procurement observatory](#), it represents between 13% and 15% of the national GDP, i.e. around 28 billion euros, in more than 260,000 projects in [different sectors](#). Among OECD member countries, government procurement accounts for an average of 30.5% of total government spending—in Colombia, specifically, the share reached just over 34.0% (OECD, 2017). In addition, before the pandemic, Colombia stood out for its sustained economic growth over the last 50 years, as its GDP has multiplied by 6.9 times during this period³.

From Colombia's point of view, the EU is its third largest trading partner, behind the United States and China. In 2020, EU exports to Colombia represented 0.23% (4.6 MM€), while imports represented 0.18% (3.7 MM€). Colombia's exports to the EU represented 10.0% (3.1 MM€) and imports 11.6% (5.0 MM€).

The two main categories of products that Colombia exported to the EU in 2020 were:

- Mining and energy products (39.8% of Colombia's exports to the EU), mainly gold (also platinum-plated gold and raw gold for monetary use).
- Non-mineral-energy agricultural, agro-industrial, and industrial products (60.2% of Colombia's exports to the EU), mainly coffee and bananas.

77% of Colombia's exports to the EU went to Italy (24%), the Netherlands (18%), Spain (13%), Germany (12%) and Belgium (11%).

On the other hand, the two main categories of products that Colombia imported were:

- Chemical and pharmaceutical products (33.8% of imports), mainly medicines.
- Machinery and equipment (32.4% of imports), mainly passenger cars and passenger transport.

76% of goods arriving in Colombia came from Germany (26%), France (15%), Spain (13%), Italy (11%), the United Kingdom (7%) and the Netherlands (4%).

Based on this information, trade between Colombia and the European Union is characterised by the exchange of mostly primary goods, on the Colombian side, and of goods with high added value, on the European Union side.

Colombia has two free trade and economic integration agreements with Peru and Ecuador, in force since 2013 and 2017. However, given the panorama of trade exchanges between Colombia and the EU, the expected results have not been achieved, considering that, since

³ Source: Anif calculations based on Dane and World Bank

2015, Colombia's trade balance with the European Union has been in deficit, registering -1,959 MM\$ (FOB) in 2020.

These statistics show that, although the two economies are open, there have been some disagreements in trade exchanges, with Colombia's exports not matching the results of 2004, 2005 and 2006, the best years in the period 2000-2020. However, an advantage of Free Trade Agreements is that they provide legal certainty for companies. Access to public procurement has improved in recent years, ensuring equal legal bidding conditions for foreign companies, which creates a very favourable scenario for linking local and international private companies for the development of projects in public-private partnerships. However, there are still limitations for SMEs in some sectors where tenders are generated for large-scale projects, in which these types of companies cannot compete due to their small human capital and financial muscle.

The following introductory section provides general information on the contractual regime in Colombia, the different selection methods in public procurement, the main steps for public procurement in Colombia and the data sources used for the subsequent analyses.

1.1 Public procurement context in Colombia

The regulatory framework for Colombian procurement is consolidated through Law 80 of 1995 (Estatuto General para la Contratación Pública-EGCAP-), Law 1150 of 2007 and Decree 1510 of 2013, which includes a series of decrees.

Government procurement is carried out through various bidding methods or modes. There are four main modes: **direct bidding**, **open** (or unrestricted), **selective** (restricted to those categories of bidders that have been invited to participate) and **limited** (or negotiated), including sole-source or direct contracting.

In addition to formal procedures, countries also use "informal" methods, such as **requests for proposals and requests for quotations** (where procuring entities request detailed technical and cost proposals, on the basis of which they negotiate with prospective suppliers) or novel methods, such as purchasing cards or electronic catalogues, which are encouraged by national governments' increasing use of information and communication technologies.

Open tendering is generally used, and regulations establish the cases in which other modes may apply, depending on the purpose and amount of each Procurement Process.

Here, we define the main steps of the public procurement procedure that allows European SMEs to follow the overall procurement cycle from the time a purchasing need is identified by the entity until the final award is made.

Table 1. Main steps in Colombia's public procurement process

- 1 The entity identifies the need to acquire goods, works or services, for which it prepares the **procurement plan**. Once the procurement plan has been approved, the entity analyses the economic sector and the bidders, and prepares the **preliminary study**.

- 2** The public entity prepares the draft **solicitation documents**, which are published on the single procurement portal for a minimum of 10 working days, accompanied by the call for tenders, studies and previous documents. This term depends on the application of any Trade Agreements. It must also publish up to three notices at intervals of 2 to 5 calendar days, which must be published on the entity's website and the single procurement portal SECOP.
- 3** All interested parties may review and request clarification or explanations on the contents of the draft solicitation documents, if they deem it necessary, within 10 days prior to the opening of the process.
- 4** The opening resolution—which officially starts the process—and the final solicitation documents—including the schedule—are published. Observations are also published, as are their replies, if applicable.
- 5** The entity carries out the risk allocation, review, and distribution hearing, and at the request of the future bidders, it may hold a hearing for clarification of the content of the solicitation documents. Information about this hearing must be included in the solicitation documents. Attending this hearing will allow the bidder to clear up any preliminary doubts about the process, as well as to know the risks that may arise from entering into the contract.
- 6** As provided in the schedule of the process published in SECOP, interested parties must deliver their proposals at the place and before the appointed time. The schedule proposed by the entity in the solicitation documents is mandatory and cannot be modified without issuing an addendum.
- 7** The public entity begins the Evaluation stage, in which the qualifying requirements are verified, the necessary documents or information is requested and the scores of the bids submitted are awarded.
- 8** The Evaluation Report is made available to the participants for a period of 5 working days, so that they may comment on the aspects considered pertinent and present their observations.
- 9** The entity analyses the observations and makes an appointment to define the public hearing process to be held on the date and time established in the schedule.

- 10** The hearing is held, and the bidders may comment only once on the responses given by the entity. However, this does not give them a new opportunity to improve or modify the bid within the determined term. The entity must publish in advance in the SECOP the draft of the administrative act of award. The entity awards the selection process in a public hearing if any bidder complies with all the requirements of the specifications, otherwise the selection process is declared abandoned.

Source: Compiled by the author based on information from the Ministry of Commerce, Industry and Tourism of Colombia

1.2 Sources of bid identification

The country's National Agency for Public Procurement is called [Colombia Compra Eficiente](#) and aims to develop and promote public policies and tools oriented to organising and articulating the participants in the procurement and public contracting processes to achieve greater efficiency, transparency, and optimisation of State resources.

To this end, it provides entities with a means of official information on all procurement with public capital. This single point of information entry for entities that contract with public resources is called the **Electronic System for Public Procurement (Sistema Electrónico para la Contratación Pública, SECOP)**. In turn, the SECOP is made up of three platforms managed by Colombia Compra Eficiente:

SECOP I

Platform on which State Entities must publish the Process Documents, from the planning of the contract until its settlement. It also allows State Entities and the private sector to have an open and regulated communication regarding the Contracting Processes.

SECOP II

SECOP II functions as a transactional platform with accounts for State Entities and Suppliers. Each account has users associated with it. From their accounts, State Entities create, evaluate and award Contracting Processes. Suppliers can comment on the Process Documents, submit bids, and follow the selection process online.

Colombian State Virtual Store - TVEC

The Colombian State Virtual Store is the platform that allows to make purchases through the instruments of Demand Aggregation and in Large Retail outlets.

1.3 Data source

The data provided in the portal on public procurement are collected from 2011 to date; however, for this study we opted to analyse the **period 2015-2021** for the latest information. In addition, this study has been based on data provided by the platform developmentaid.org and in studies and publications by public bodies on public procurement, which are detailed in the references section.

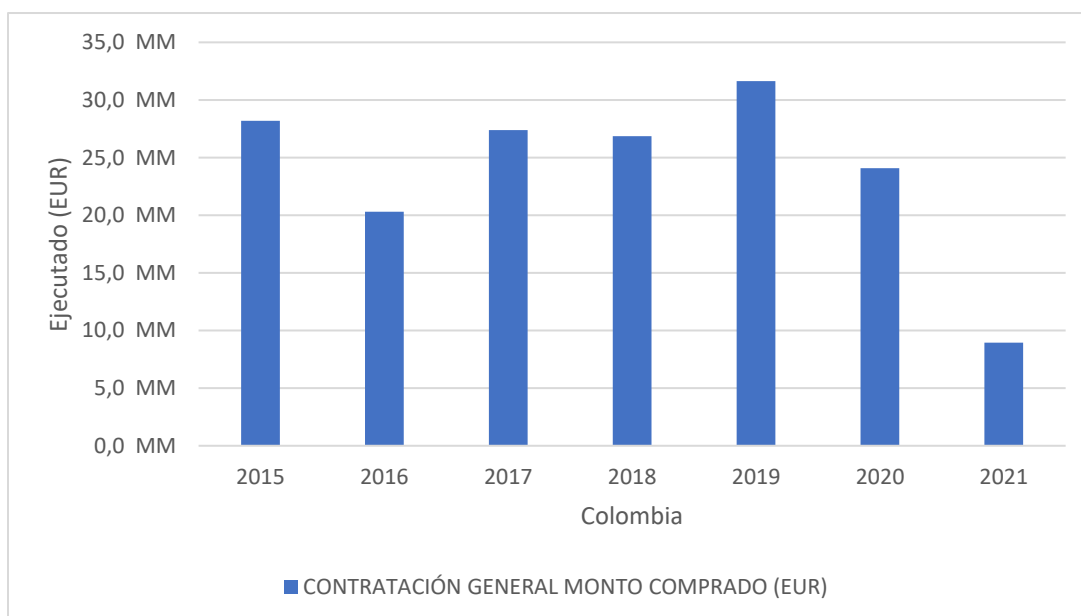
2. Diagnosis of each country of destination covered by public procurement

2.1 Volume of public procurement

According to Colombia Compra Eficiente, the Colombian State has executed 167MM euros in public procurement in the period 2015-2021, with the largest amount executed in 2019 (31.6MM), corresponding to 18.9% of the total amount invested. As the year has not yet ended, data is lower in 2021 and much of it has not yet been included in the platform; however, it is expected to be higher than in 2020, the year affected by the pandemic.

This demonstrates an upward trend in the public procurement market, where we expect to see figures similar to those of 2019 in subsequent years.

Chart 1. General contracting bidding entities, period 2015-2021



Source: Compiled by the author based on SECOP I, TVEC, and SECOP II

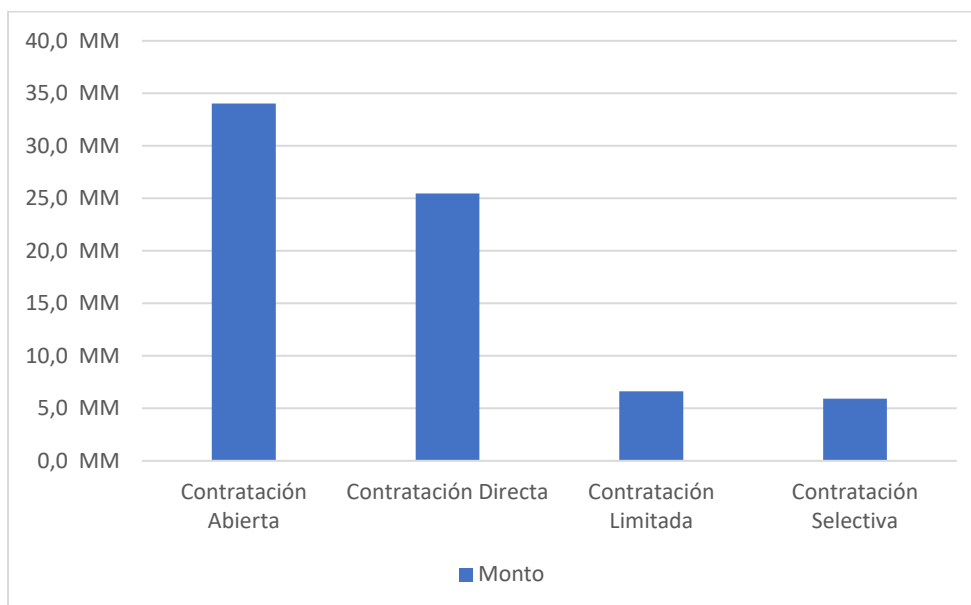
2.1.1 Volume of public procurement by procurement process

Criteria used to determine which form of procurement applies are the amount of the contract, the type of good or service being procured, and whether or not the supplier is unique in terms of its particular features.

However, the contracting procedures mentioned above are not the only ones used. If the purchases are financed through international organisations, the procedures and policies of these institutions are applied, which as a general rule require international competitive bidding.

The main type of public procurement is open procurement, which benefits European SMEs, as it ensures that they compete on equal terms with Colombian companies.

Chart 2. Amount by type of public procurement, period 2015-2021



Note: Amount converted to euros (billions)

Source: Compiled by the author based on SECOP I, TVEC, and SECOP II

2.1.2 Sectoral and thematic breakdown of public procurement

The amount invested by the 50 main contracting entities amounted to 65.3 billion euros in the period studied. The table below includes the top 5 bidding entities.

Table 2. Institutions with the highest number of bids by amount executed, 2015-2021

Entity	Sector	Amount	Contracts
COLOMBIAN INSTITUTE OF FAMILY WELFARE - ICBF	Social services	6.4 MM	82,774
NATIONAL INFRASTRUCTURE AGENCY - ANI	Infrastructures	5.3 MM	2,374
MINISTRY OF NATIONAL EDUCATION (MEN)	Educational services	2.5 M	3,082
CENIT TRANSPORT AND LOGISTICS OF HYDROCARBONS SAS	Infrastructure and energy	2.2 M	2,257
NATIONAL INSTITUTE OF ROADS - INVIAS	Infrastructures	2.0 M	8,599

Source: Compiled by the author based on SECOP I, TVEC, and SECOP II

The infrastructure and road sectors have been the main focus of public procurement of products or services in the sectors of interest that can be offered by most European SMEs.

Table 3. Most contracted products/services per unit of amount executed

Product or service	Sector	Executed (€)
Specialised public building construction services, paving and surfacing of infrastructure buildings, maintenance and repair of infrastructure, maintenance and repair of facilities, construction support, public buildings and structures, elementary and secondary schools, health facilities	Social infrastructure	15.75 M
Open roadways, motorway and road construction, civil engineering	Civil infrastructure	14.61 M

Source: Compiled by the author based on SECOP I, TVEC, and SECOP II

2.2 Regional breakdown of public procurement

2.2.1 Volume of tenders by region

The region with the highest volume of public contracting is the Andean Region⁴ (73.6%), followed by the Caribbean Region⁵ (16.4%). Lastly, the three regions with the lowest volume of public contracting are the Orinoquia region⁶ (4.6), the Pacific Region⁷ (4.6 per cent) and the Amazon Region⁸ (0.85%). Both the Orinoco and Amazon regions are vast in size but lack infrastructure and connections with the rest of the country.

⁴ The Andean Region is made up of the departments of Bogotá D.C., Antioquia, Cundinamarca, Santander, Huila, Boyacá, Tolima, Caldas, Risaralda, Norte de Santander, and Quindío. These regions are in turn made up of the Central Eastern Region (Bogotá D.C., Cundinamarca, Boyacá, Santander and Norte de Santander), which is the region with the highest contribution to GDP with 42.3%; and the Central Western Region with the departments of Antioquia, the coffee-growing region (Caldas, Risaralda and Quindío), Tolima and Huila, which contribute 22.3% of national GDP and whose economic epicentre is Medellín, Colombia's second city in terms of population (2.5 million inhabitants). The Antioquia department accounts for 14.5% of the national GDP and is one of the main economic engines in strategic sectors such as energy or ICT.

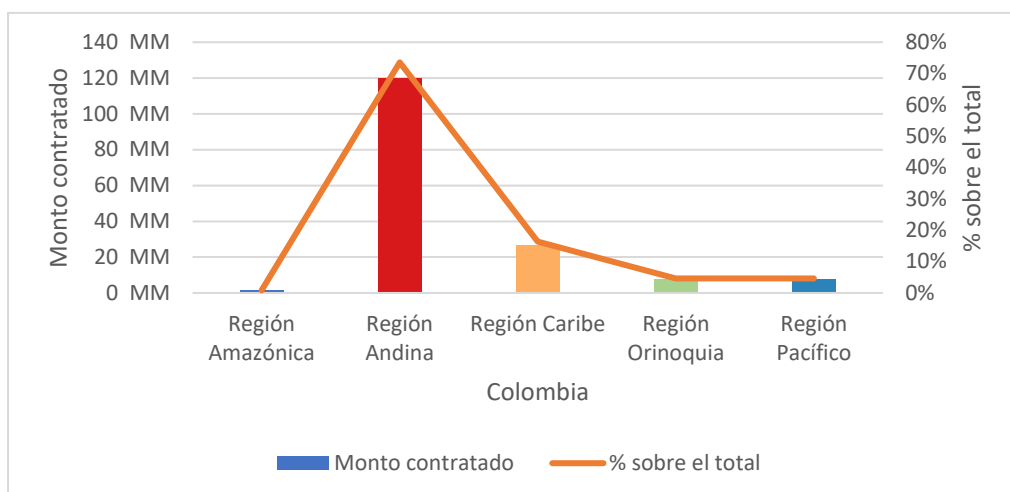
⁵ The Caribbean region is made up of Atlántico, Bolívar, Cesar, Córdoba, La Guajira, Magdalena, Sucre and the archipelago of San Andrés, Providencia, and Santa Catalina. These departments contribute 15.2% of the national GDP. The most active are Atlántico (4.5%) and Bolívar (3.6%). Barranquilla and Cartagena, with 1.2 and 1.1 million inhabitants, respectively, are the two main urban centres. <https://www.dane.gov.co/index.php/estadisticas-por-tema/cuentas-nacionales/cuentas-nacionales-departamentales>

⁶ The Orinoquia region includes the departments of Meta, Casanare, Arauca, and Vichada).

⁷ The Pacific region is made up of the departments of Chocó, Valle del Cauca, Cauca, and Nariño. The region's percentage contribution to GDP is 13.4%, with Valle del Cauca (9.7%) is the major contributor. Cali, in Valle del Cauca, is the third most populated city in Colombia, with 2.2 million inhabitants, and exerts a significant influence on the entire region.

⁸ The Amazon region is made up of the departments of Caquetá, Putumayo, Guainía, Guaviare, Amazona and Vaupés. Together, the Orinoco and Amazon regions contribute 6.9% of GDP, with the Meta department contributing the most, 3.6%.

Chart 3. Concentration of public procurement by region. Period 2015-2021



Source: Compiled by the author based on SECOP I, TVEC, and SECOP II



The main departments where the bidding entities concentrated in the period analysed have been selected. The table shows that the department of **Bogotá**, Distrito Capital, which belongs to the Andean region, has by far the highest investment in public procurement in the period analysed (85.8 B). **Bolívar** is in second place (16.6 B), **Antioquia** third (12.3 B), followed

by Meta (5.7 B) and Santander (5.6 B). By number of contracts, Bogotá (1,651,158), Antioquia (813,627), Bolívar (451,593), Santander (433,611) and Cundinamarca (381,151) are the departments with the highest concentration of public contracts.

Table 4. Ranking by department 2015-2021 (TOP10)

Department	Position	Amount (B €)	%	Contracts	City	Area (km2)
Bogotá	1	85.8	60.1%	1,651,158	7,412,566	1'775
Bolívar	2	17	11.6%	451,593	2,070,110	25'978
Antioquia	3	12	8.6%	813,627	6,407,102	63'612
Meta	4	6	4.0%	341,212	1,039,722	85'635
Santander	5	6	3.9%	433,611	2,184,837	30'537
Cundinamarca	6	4	2.7%	381,151	2,919,060	22'623
Huila	7	4	2.6%	174,358	1,200,386	19'890
Valle del Cauca	8	4	2.5%	290,731	4,475,886	22'140
La Guajira	9	3	2.3%	164,409	880,560	20'848
Boyacá	10	2	1.7%	215,673	1,217,376	23'189

Source: Compiled by the author based on SECOP I, TVEC, and SECOP II

As mentioned, **Bogotá** is the department with the largest number of bidding institutions in Colombia. This is consistent with the fact that it is the Capital District and has the largest population (24.9% of the total population of the 10 departments chosen). Therefore, the relative importance of Bogotá (7.7 million inhabitants) is enormous, centralising 25.6% of Colombia's economic activity. The city has good air connectivity, which allows it to have access to major regional markets. International trade agreements allow companies located in Bogotá direct access to the Colombian market, which has made the city the main pole of attraction for investment. According to Bogotá Invest Colombia, the city has a large and qualified labour force, which in turn generates competitive costs; in addition, real estate costs are lower than in other cities in the region. Since 2010, Bogotá is one of the top 10 cities among the 37 best cities to do business in Latin America, where it has been generating investment opportunities and public procurement in the automotive, agribusiness, software and ICT services and health services sectors, among others. In the coming years, it will be at the forefront of a true urban revolution focused on five areas: water and sanitation, transport, social infrastructure, urban renewal, Smart Cities, and mobility.

2.2.2 Products and services most contracted by region

The table shows the evolution of public procurement of products in the period studied.

Table 5. Evolution of product order intake 2015-2021

Year	Amount purchased (€)	Products	Contracts
2015	28.2 M	468,663	908,049
2016	20.3 M	1,110,464	1,034,876
2017	27.4 M	1,256,472	1,173,612
2018	26.9 M	1,287,567	1,179,981
2019	31.6 M	1,347,822	1,239,451
2020	24.1 M	1,272,421	1,137,476
2021	8.9 M	618,287	552,993

Source: Compiled by the author based on SECOP I, TVEC, and SECOP II

The highest incidence of procurement of products and services is in **Bolívar**, which belongs to the Caribbean region (€14.1 B), followed by Antioquia, Santander, Cundinamarca, and Bogotá Distrito Capital. The most contracted products in these departments, which may be of interest to the Basque Country, France, and Belgium, are related to the civil infrastructure, social infrastructure, ICT, and health sectors.

2.3 International participation in public procurement

There is no database with all the international suppliers in the Colombia Compra Eficiente platform, but there is relevant information available from Spanish, French and Belgian companies located in Bogotá that allows us to get a better idea of the main services offered in the country.

There are currently more than 600 Spanish companies in Colombia and almost 90% are located in Bogotá. These companies are mostly present in the transport infrastructure, social infrastructure, renewable energies or water and basic sanitation sectors.

If we look at the data for French companies, according to the Chamber of Commerce and France-Colombia Industry (CCIFC), there are approximately 250⁹ companies operating on Colombian soil. This organisation provides French companies located in Colombia with the necessary tools to do business between the two countries, offering a public procurement monitoring service in Colombia and updating relevant information on public procurement tenders. French SMEs are also very visible and have opportunities in the transport infrastructure sector (roads, airports, and ports), the environment sector (water and waste management) and the urban mobility sector (ITS, security, passengers). ICT (creative industries, cybersecurity, Fintech).

⁹ Catalogue of French companies in Colombia

<https://www.france-colombia.com/publications/publications-exceptionnelles/p/publication/guide-de-la-presence-economique-francaise-en-colombie.html>

The presence of companies from Belgium also focused on the infrastructure and transport sector, as it is one of the pioneering countries in Europe in terms of trains. The governments of Colombia and Belgium concluded partnerships with the aim of improving transparency in procurement, reactivating trains in Colombia, and enhancing road safety.

In addition to the countries involved in this study, we should highlight in this section, due to its relevance, the emergence of the Asian sector—which has historically had little presence in Colombia—in the public procurement market in recent years. The Asian sector has focused its investments on acquiring companies in extractive industries and agribusiness, power generation, basic services (electricity, gas, and water), infrastructure, technology and scientific innovation, and information and communication.

In the field of public procurement, the Chinese consortium (formed by the Chinese companies Harbour Engineering Company Limited and Xi'An Metro Company Limited) has recently won the tender for the construction and concession of the first line of the Bogotá metro (worth EUR 4.08 B).

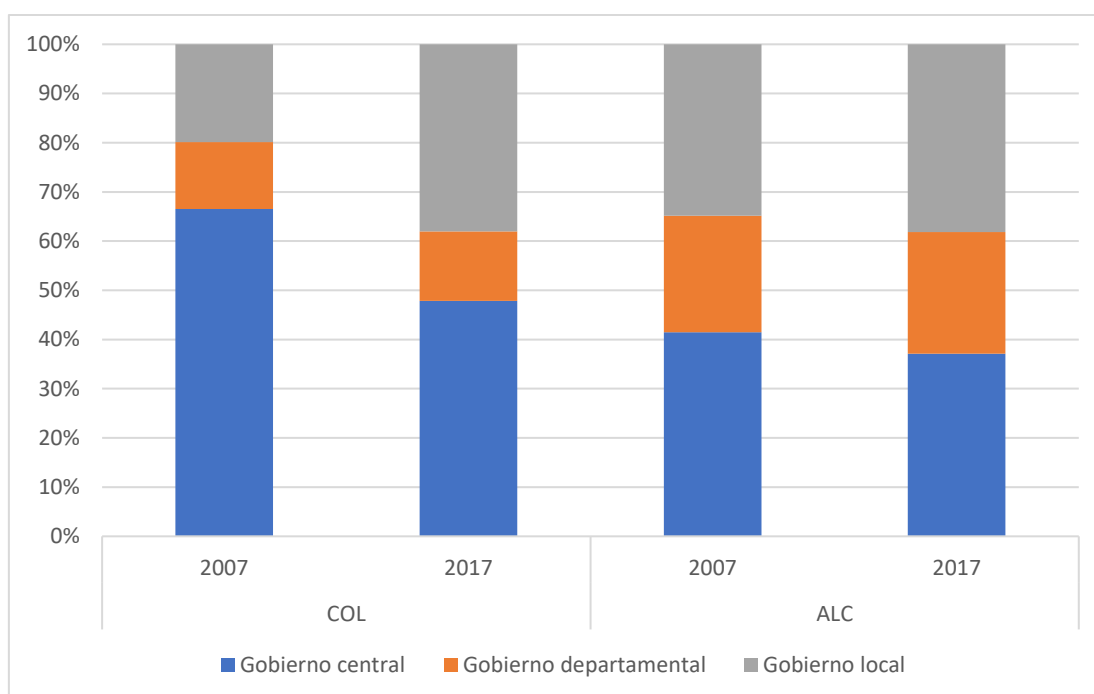
Another relevant example of the presence of Asian companies is the construction of the Buriticá gold mining complex in the department of Antioquia, the largest gold mine in Colombia; and recently, the award to a Chinese consortium of the construction project of the northern suburban train, as well as several renewable energy projects.

3. Identification and description of bidding entities

3.1 Identification of main actors

According to OECD and IDB data, Colombian public procurement spending by level of government is mostly by central government, with a significant share of spending by local government and to a lesser extent by departmental government. These spending levels have increased compared to 2007 at all three levels, but more so in local government, rising from 19.9% to 38%. This increase is thanks to the Colombia Compra Eficiente platform, in particular the SECOPII tool, which has allowed—and required—small municipalities to access these public procurement channels, enabling governors' and mayors' offices to publish the needs of their municipality or department and, in turn, to find suppliers to meet those needs.

Chart 4. Percentage of public procurement by level of government, 2007 and 2017



Source: Compiled by the author based on OECD-IDB. Government at a Glance Latin America and the

As noted, governments at the sub-central level are key players in public procurement, as seen by their share of spending. In this regard, we have identified and described the main bidders at the federal, regional, and municipal levels as of July 2021.

Central Government

- [NATIONAL INFRASTRUCTURE AGENCY](#)
- [MINISTRY OF NATIONAL EDUCATION \(MEN\)](#)
- [CENIT TRANSPORT AND LOGISTICS OF HYDROCARBONS SAS](#)
- [NATIONAL INSTITUTE OF ROADS - INVIAS](#)
- [NATIONAL SERVICE OF LEARNING - SENA](#)
- [MINISTRY OF FINANCE AND PUBLIC CREDIT - MINHACIENDA](#)
- [MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT - MINAGRICULTURA](#)
- [GENERAL DIRECTORATE OF THE NATIONAL POLICE - PONAL](#)
- [MINISTRY OF THE INTERIOR - MININTERIOR](#)

Regional Bodies

- [ANTIOQUIA - EMPRESA DE TRANSPORTE MASIVO DEL VALLE DE ABURRA LTDA:](#)
- [CUNDINAMARCA GOVERNOR'S OFFICE](#)
- [BOYACA GOVERNOR'S OFFICE](#)

Other Entities

- [COLOMBIAN INSTITUTE OF FAMILY WELFARE - ICBF](#)
- [OMBUDSMAN'S OFFICE](#)
- [DEPARTMENTAL PRINTING HOUSE OF ANTIOQUIA](#)
- [URBAN DEVELOPMENT INSTITUTE](#)
- [INVESTMENT FUND FOR PEACE](#)
- [ALIANZA MEDELLIN ANTIOQUIA EPS SAS](#)
- [GENERADORA Y COMERCIALIZADORA DE ENERGIA DEL CARIBE SA ESP - ATLANTICO - BARRANQUILLA](#)
- [INSTITUTE FOR THE DEVELOPMENT OF ANTIOQUIA](#)
- [ANTIOQUIA - HOSPITAL GENERAL DE MEDELLIN](#)
- [UNIVERSITY OF ANTIOQUIA](#)
- [UNIT FOR VICTIMS' ASSISTANCE AND COMPREHENSIVE REPARATIONS](#)
- [DISTRICT SECRETARY OF SOCIAL INTEGRATION](#)
- [INTEGRATED SUBNETWORK OF HEALTH SERVICES NORTH E.S.E.](#)
- [SOUTHWESTERN INTEGRATED HEALTH SERVICES SUBNETWORK ESE](#)
- [ANTIOQUIA - E.S.E. METROSALUD - MEDELLIN](#)

Information on what these entities do can be found in their respective links or in ANNEX II.

3.2 Multilateral entities with presence/programmes in the country

Information extracted from the DevelopmentAid platform allowed us to make a ranking of the international organisations that have tendered the most for investment programmes in Colombia in the period analysed. The main investors are the [Inter-American Development](#)

[Bank-IDB](#), €6.08 B, followed by the [World Bank-WB](#) (€3.85 B) and [Kreditanstalt fur Wiederaufbau](#) -KFW (€473 M).

KFW is a European organisation based in Germany, whose purpose is to carry out public contracts such as the promotion of newly founded medium-sized companies and the financing of infrastructure projects, electricity-saving techniques, and housing construction. The organisation's latest projects have focused on the environment, vehicles, telecommunications, energy, civil engineering, water and sanitation, transport, roads, and bridges.

Through these organisations, technical cooperation agreements are established with the Colombian Government, such as:

- Technical cooperation from the Colombian Government and WB funds (€473.2 B).
- Technical cooperation from the Government with IDB funds (€140.3 B).

Other international bodies are listed below:

[Global Environment Facility](#) (GEF): supports national sustainable development initiatives and helps to address environmental concerns in partnership with international institutions, civil society organisations (CSOs) and the private sector. In Colombia, it focuses on the environment, media and communications, pollution, and waste management sectors.

[Green Climate Fund](#) (GCF): a fund within the framework of the United Nations Framework Convention on Climate Change (UNFCCC) to assist developing countries in climate change adaptation and mitigation practices. The programmes approved in 2019 in Colombia focused on developing programs addressing the environment, rural development, microfinance, and agriculture.

[European Investment Bank](#) (EIB): the European Union's Community financial body; its mission is to contribute to the balanced development of the Community territory through economic integration and social cohesion. In Colombia, it focused on financing the company Metro de Bogotá SA (Colombia).

[French Development Agency](#) (AFD): a public institution responsible for implementing France's development aid policy. In Colombia, the AFD focuses on three objectives: sustainable development of territories, climate change mitigation and adaptation policies, and social cohesion. These objectives correspond to the priorities of the Colombian State for the coming years. It has allocated more than €2.0 B since its arrival in the country in 2010 (55% of the amounts earmarked for Green Growth and Climate, 47% of the amounts granted to structures other than the State: companies, NGOs, institutions, etc.). AFD is Colombia's main bilateral donor. It provides loans to the Colombian State to support national public policies (decentralisation, social protection, climate, and territorial development). It also provides direct financing to local communities, utilities, and financial institutions.

Table 6. Ranking of International Organisations with Bidding Programmes with the largest planned budget, period 2015-2021

ORGANISATION	AMOUNT €
	6.08 B 
	

WB	3.85 B
KFW	473.3 M
Government, WB	473.2 M
Government, IADB	140.3 M
PROPARCO	51.3 M
GEF, WB	13.7 M
GCF	03.3 M
EIB, Government, IADB, WB	03.3 M
EC, KFW	02.6 M
CAF, GEF	02.4 M
GEF, UNDP	361.2 K
AFD	345.8 K
OFID	200.7 K
FCDO	91.0 K
USAID	90.8 K

Source: Compiled by the author based on DevelopmentAid

In summary, the programmes for which funds have been earmarked are mostly aimed at **consultancy services** for the sectors of environment, agriculture, electrical engineering, vehicles, transport, health, social infrastructure, water, and sanitation, building infrastructure, education, trade, microfinance, SMEs, energy, mining, urban development, and hard infrastructure (roads and bridges, civil engineering, humanitarian aid, information and communication technology).

4. Future Opportunities

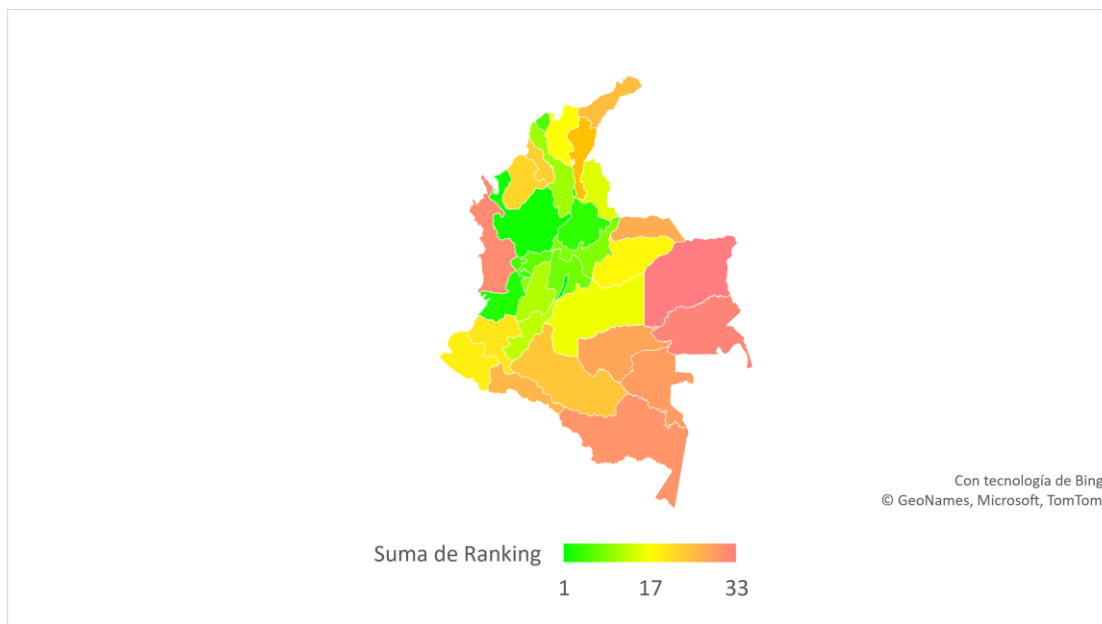
This section has identified the sectors with investment opportunities in Colombia and that have government support for their development.

4.1 Competitiveness analysis by Colombian Departments

With the information gathered from Invest in Colombia, we generated a map showing the competitiveness ranking by department, associating that the most competitive areas may be associated with increased public procurement processes and with increased interest for an SME seeking to bid for tenders.

From the map, it is clear that Bogotá, Antioquia, and Valle del Cauca (in green) represent the largest business fabric and are the leaders in competitiveness at the national level. In addition, the Atlántico, Caldas, Cundinamarca, Bolívar, Norte de Santander, Meta, and Magdalena departments are the ones with the greatest possibility of attracting foreign investment and the greatest implementation capacity.

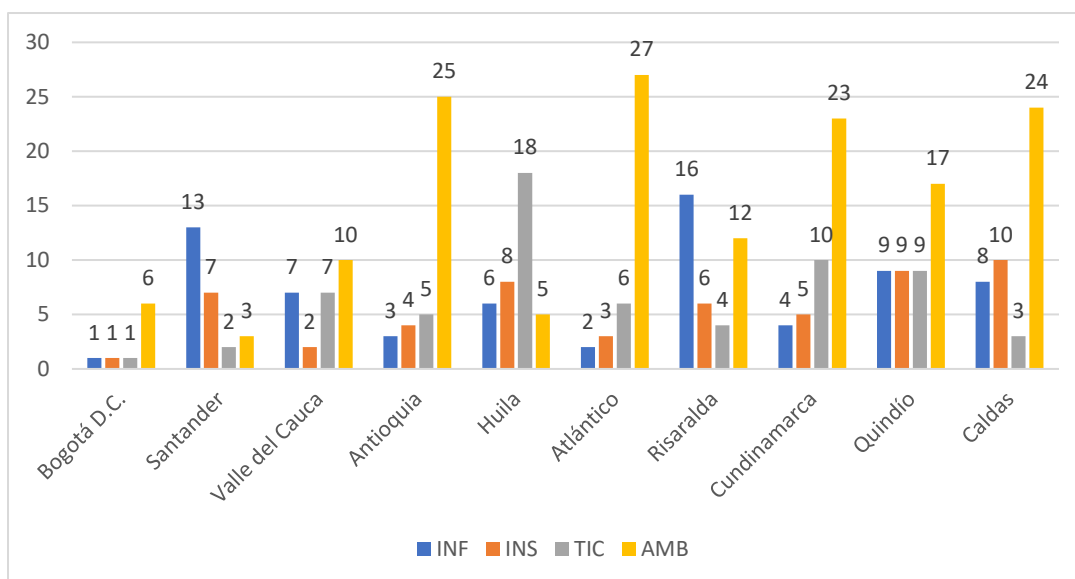
Chart 5. Ranking of competitiveness by department 2020.



Source: Compiled by the author based on Invest in Colombia. Note: The scale shows 1 as the most competitive region and 33 as the least competitive region

Regarding the enabling conditions for investment, we selected the ten most representative departments on average. Thus, Bogotá D.C. is the region with the best conditions in terms of infrastructure (INF), institutions (INS), ICT adoption (ICT) and environmental sustainability (AMB). It is followed by the departments of Santander, Valle del Cauca, Antioquia, and Huila. Although some departments, such as Atlántico, Antioquia, Caldas, Cundinamarca, and Quindío, are well positioned in terms of infrastructure, institutions and the generation and strengthening of the digital ecosystem, they are deficient in environmental sustainability, lagging far behind other regions such as Amazonas (position 1), Guaviare (position 2), Santander (position 3) and Caquetá (position 4), which are better positioned in this variable.

Chart 6. Ranking of enabling conditions for investment 2020, top 10 departments

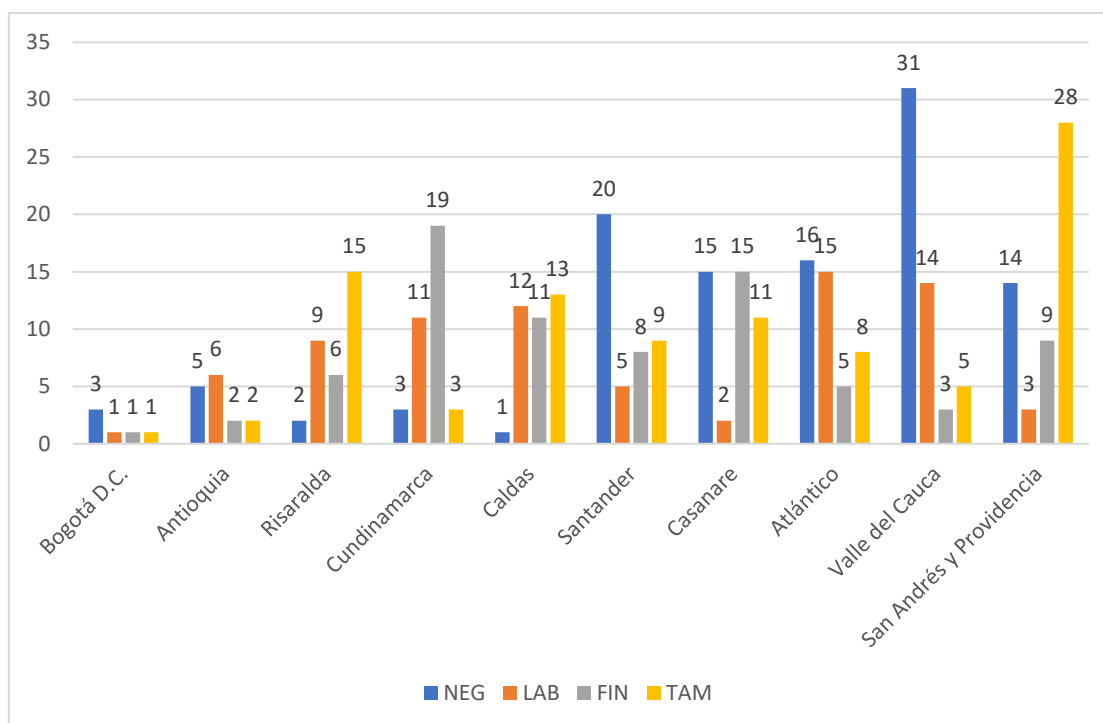


Note: Each value represents its position in relation to the 33 Colombian departments.

Source: Compiled by the author based on Invest in Colombia

In the area of market efficiency, we have analysed the 10 best positioned departments on average. Bogotá D.C. is the region with the best conditions in terms of business environment (NEG), labour market (LAB), financial system (FIN) and market size (TAM). It is followed by the departments of Antioquia, Risaralda, Cundinamarca, or Caldas. It is also interesting to note that while some departments, such as Cundinamarca, are well positioned in the area of business environment or market size, they have deficiencies in the labour market or the financial system. Santander or Valle del Cauca are not well positioned in the area of business environment, while San Andrés y Providencia does not have an adequate market size, ranking far behind other regions such as Huila (position 4) or Quindío, which have a good financial system; Bolívar (position 4) and Cesar (position 6), which have an adequate market size; or the Putumayo department, which has an adequate labour market (4).

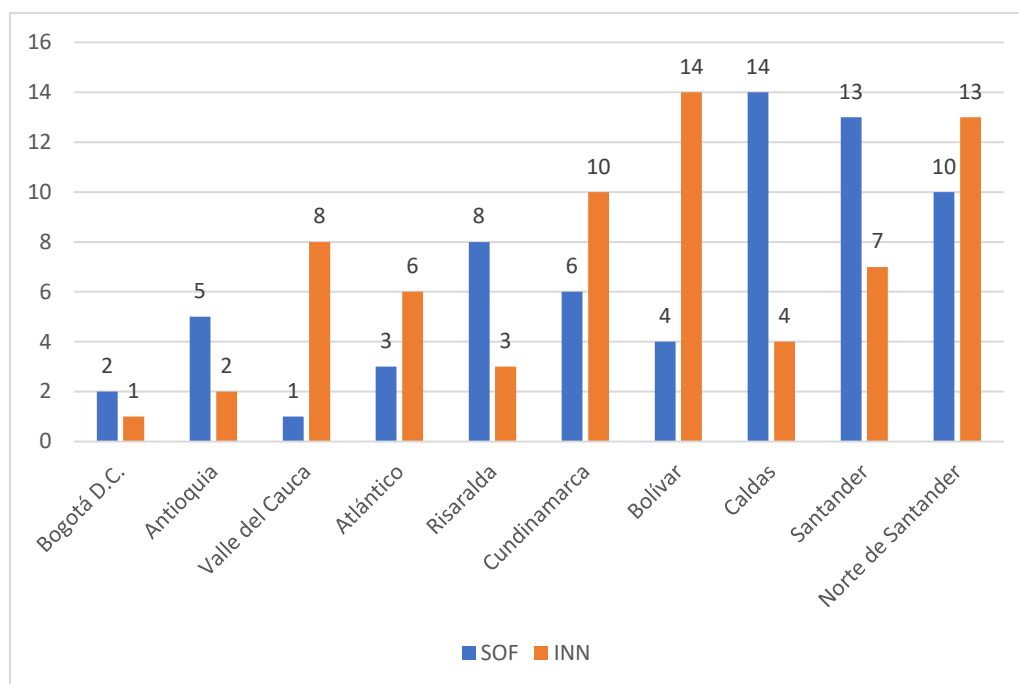
Chart 7. Ranking of market efficiency 2020, top 10 departments



Source: Compiled by the author based on Invest in Colombia

In terms of the departments with the best innovative ecosystem for promoting economic development based on the generation of innovation projects, Bogotá D.C. is the region with the best conditions for market sophistication and diversification (SOF) and for the generation of innovation and business dynamics (INN). It is followed by the departments of Antioquia, Valle del Cauca, Atlántico, and Risaralda. It is also interesting to note that, although some departments such as Quindío or Boyacá are not as strong in terms of market sophistication and diversification, they rank well in innovation and business dynamics (5 and 9 respectively). Similarly, departments such as Cauca or Vaupés are not strong in innovation and business dynamics; however, they rank well in terms of sophistication and market diversification (7 and 9 respectively).

Chart 8. Ranking of innovative ecosystems 2020, top 10 departments



Source: Compiled by the author based on Invest in

4.2 Identification of public development plans with opportunities in public procurement

Based on the distribution of competencies according to territorial planning, it is worth noting that the National Government establishes general guidelines and controls investment decisions in sectors such as transport and energy infrastructure. In water or social infrastructure projects, a large part of the investment is executed through the territorial entities (governors' and mayors' offices). Each region prioritises projects depending on its competitive advantages and the political preferences of the elected governments.

In this sense, they establish different strategies or programmes that define investment projects. These are defined in:

- The National Development Plan (PND) 2018-2022
- The Departmental Development Plans (PDD) of the different governors' offices
- The Municipal or District Development Plans of the different mayor's offices
- Through the General System of Participations (SGP)
- Through the General System of Royalties (SGR)

To neutralize the effect of the health crisis generated by COVID- 19, the policy line established has been to anticipate public investments foreseen in the PND and the PDDs for the years 2023 onwards, an issue that positions the country, as mentioned above, as strategic in the area of public procurement.

To put the investment figures in context, this year the national government has budgeted **56.8 trillion COP** (EUR 12.6 billion) in public investment in 2021 exclusively for **investment for reactivation** (Alberto Carrasquilla, Colombia Investment Summit 2020). In addition, some **47.7 billion COP** (EUR 10.6 billion) are transferred to local authorities through the General

ProSME: Supporting European SMEs to participate in public procurement outside the EU

System of Participations. In addition, the funds from the **General System of Royalties** have been budgeted at **17.3 billion COP** (EUR 3.8 billion) for the 2021-2022 biennium.

The following table details the main plans by sector that will mark the lines of action for the coming years.

Table 7. Strategic plans by sector

Plan	Organisation	Goals and objectives	Development
National Strategic Framework			
National Development Plan 2018-2022	National Planning Department	It defines the long-term national purposes and objectives, the goals, and priorities of state action in the medium term and the strategies and general guidelines for economic, social, and environmental policy to be adopted by the government, with the aim of boosting economic growth and achieving greater development of the country and its regions.	It defines the policies, programmes and projects contained in the National Development Plan, the investment plan, and the methodologies for identifying, formulating, and evaluating projects financed with national resources. https://www.dnp.gov.co/DNPN/Paginas/Plan-Nacional-de-Desarrollo.aspx
Development Plans with a Territorial Approach derived from the National Plan	These include the Departmental Development Plans such as those of Cundinamarca, Córdoba and Santander, and the District Development Plans of the Special Districts such as Bogotá, Barranquilla, and Santa Marta, among others.		

Plan	Organisation	Goals and objectives	Development
Recruitment Strategy			
Institutional Strategic Plan 2019-2022	National Public Procurement Agency Colombia Compra Eficiente	To outline the core goals of the management of the National Public Procurement Agency - Colombia Compra Eficiente (ANPCCE) and to obtain the achievement of the essential results of Public Procurement in Colombia.	Strategic objectives and initiatives within each objective for the adoption of plans, projects, and programmes. https://colombiacompra.gov.co/sites/cce_public/files/cce_documentos/plan_estrategico_institucional_cce_2019_-_2022_vf_nov2019_0.pdf
Infrastructures			
Intermodal Transportation Master Plan (PMTI) 2015-2035	National Infrastructure Agency, Ministry of Transport	Efficiently and strategically organise the country's growth through an infrastructure network that connects cities, regions, borders, and ports, prioritising the projects that will have the greatest impact on the national economy.	Road projects to connect different cities and regions of Colombia. https://www.ani.gov.co/sites/default/files/u233/pmti_entr_egable_1_final_nov11.pdf The expected scenario for 2035 is detailed in the following map: https://www.ani.gov.co/sites/default/files/u233/red_pmti_2035_final.pdf

Plan	Organisation	Goals and objectives	Development
Information and Communication Technologies			
ICT Plan 2018-2022: “El futuro digital es de Todos”.	Ministry of Information Technology and Communications	Closing the digital divide and achieve digital transformation readiness through 4 axes: ICT environment for digital development, digital social inclusion, citizens, and households empowered by the digital environment and sectoral and territorial digital transformation.	The Plan describes the projects to be implemented for each of the strategic axes. https://micrositios.mintic.gov.co/plan_tic_2018_2022/pdf/plan_tic_2018_2022_20191121.pdf
National Rural Connectivity Plan	Ministry of Information Technology and Communications	Contribute to the improvement of the quality of life of Colombians in rural areas through the deployment of the necessary infrastructure to ensure Internet access in municipal capitals, and the offer conditions of use of the connectivity service.	Project implementation path based on the strategies for the development of communication infrastructures and access solutions. https://mintic.gov.co/portal/715/articles-125867_PDF.pdf
Strategic Plan for Information and Communications Technologies 2019-2022 (PETI)	Office of Information and Communication Technologies (OICT) Ministry of Agriculture and Rural Development	Generate strategies that support the entity's information needs, the use and access of technology in the short, medium, and long term, and efficiently manage technological resources, information systems and	Identification and implementation of projects and initiatives, supporting the achievement of the aims of the ICT Plan 2018-2022: “El futuro digital es de Todos”.

Plan	Organisation	Goals and objectives	Development
		information driving the digital transformation in the MinTIC.	https://www.mintic.gov.co/portal/715/articles-178567_recurso_1.pdf
Energy			
National Energy Plan 2020-2050	Mining-Energy Planning Unit Ministry of Mines and Energy	Use of cutting-edge technologies in both energy supply and demand, use of clean energy sources and low GHG emissions, adoption of digital and information and communication technologies for management and decision-making, empowerment of end users.	Describes the initiatives with which to achieve the objectives defined in the Plan. http://www1.upme.gov.co/DemandayEficiencia/Documentos/PEN_2020_2050/Plan_Energetico_Nacional_2020_2050.pdf
National Rural Electrification Plan PNER 2018-2031	Ministry of Mines and Energy	Expand electricity coverage, promote, and expand technological solutions, provide technical assistance, and promote the organisational capacities of the communities and provide training in the appropriate use of energy for their sustainability.	Strategies for the implementation of the PNER, implementation of projects to expand coverage, promotion, and expansion of renewable energy generation capacity in rural areas and communities, technical assistance programme and acquisition. http://www.redsaludpaz.org/sp/docs/p-n-electrificacion-rural.pdf

Plan	Organisation	Goals and objectives	Development
Water			
Departmental Water Plans	Vice-Ministry of Water and Basic Sanitation Ministry of Housing, City and Territory of Colombia	Achieve the comprehensive harmonisation of resources and the implementation of efficient and sustainable schemes in the provision of residential public utilities for drinking water and basic sanitation.	The Annual Strategic and Investment Plan defines the actions and the annual schedule. https://www.minvivienda.gov.co/viceministerio-de-agua-y-saneamiento-basico/planes-departamentales-de-agua#:~:text=Gesti%C3%B3n%20del%20Riesgo-Documento%20que%20contiene%20el%20conjunto%20de%20acciones%20a%20desarrollar%20para,riesgo%2C%20y%20manejo%20de%20desastres
National Plan for Drinking Water Supply and Basic Rural Sanitation	Ministry of Housing, City and Territory	Provide for a special focus on water supply and basic sanitation in rural areas, in order to reduce the existing gap with urban areas.	The Annual Strategic and Investment Plan defines the actions and the annual schedule. https://minvivienda.gov.co/system/files/consultasp/plan-nacional-apsbr.pdf

Source: Compiled by the author based on information published by the Colombian Government

4.3 Strategic Sectors

The following table details the strategic sectors with both public and private investment opportunities that may give rise to bidding opportunities.

Table 8. Sector and strategic investment products

Sector	Products
Agribusiness and food production	<ul style="list-style-type: none"> ○ Processed foods ○ Cocoa, derivatives, and chocolate ○ Fruits and vegetables ○ Palm industry ○ Livestock/animal husbandry ○ Temporary commercial plantations
Energy	<ul style="list-style-type: none"> ○ Conventional energies ○ Renewable energy
Private equity funds	<ul style="list-style-type: none"> ○ Venture capital
Infrastructure	<ul style="list-style-type: none"> ○ Transport ○ Social and health ○ Power transmission and telecommunications networks
Hotel infrastructure and tourism	<ul style="list-style-type: none"> ○ Hotel infrastructures ○ Tourism development or sustainability plans
Real estate	<ul style="list-style-type: none"> ○ Business Park or office development ○ Housing ○ Urban development plans
Manufacturing	<ul style="list-style-type: none"> ○ Aeronautics ○ Automotive ○ Cosmetics and personal care ○ Containers and packaging ○ Fashion industry ○ Petrochemical industry ○ Building materials
Health and Life Sciences services	<ul style="list-style-type: none"> ○ Medical and cosmetic cannabis ○ Health services ○ Pharmaceutical sector ○ Clinical trials
Information technology and creative industries	<ul style="list-style-type: none"> ○ Audiovisual ○ Data centres ○ Shared service centres ○ Outsourcing of BPO services ○ ICT software and services

Source: Compiled by the author based on Invest in Colombia data

4.4 Identification of the portfolio of future major projects in the sectors of interest

4.4.1. Infrastructures

The infrastructure sector is one of the main sectors of the Colombian economy and one of the main drivers of its growth, and therefore presents opportunities in terms of public procurement for companies in the sector. Due to the country's lack of road infrastructure, there are different state initiatives that place the construction sector and civil works as one of the main engines of economic growth, at this strategic time, for economic recovery after the pandemic.

The main strategic planning tool for the transport sector has taken shape as the ambitious **Intermodal Transportation Master Plan (PMTI) 2015-2035** project, which includes 31 airports, 5 railways, 52 projects in integration networks and 101 projects in basic networks, foreseeing investments of more than 32,000 million euros.

With the aim of connecting the country through infrastructures and, therefore, improving the citizens' quality of life, the National Infrastructure Agency launched the **Fifth Generation Projects (5G)**.

The contracting processes of the National Infrastructure Agency are published at the following address: <https://www.ani.gov.co/contratacion/procesos-de-contratacion>

4.4.2. Water and sanitation

Due to the nature of the Colombian drinking water and basic sanitation sector and the country's current situation in terms of meeting environmental objectives, another future opportunity for public procurement is in water sector projects.

Most of the procurement is focused on two aspects: on the one hand, the expansion and improvement of the **aqueduct and sewerage** service in small municipalities and rural areas; and, on the other hand, projects aimed at increasing the percentage of treated wastewater in the country, given that it seeks to reach the 54% milestone by 2022 and 68% by 2030.

Although the Government planned to consolidate water plans and implement projects in Colombia by 2020, the outbreak of the pandemic paralysed their implementation, which was reactivated in 2021.

The following tables show the portfolio of future large projects related to infrastructure and water.

Table 9. Portfolio of future major infrastructure, water and sanitation projects associated with the National Infrastructure Agency's Fifth Generation (5G) projects

Sector	Future project	Description	Estimated budget
Road infrastructure	Caño Alegre Sanctuary (Water Route in Antioquia) ¹⁰		686 M EUR
	Completion of Ruta del Sol 1		287 M EUR
	Calarcá-La Paila	Projects to improve connectivity between different locations in Colombia or to recondition roads, most of them included in the second wave of 5G Road Projects.	219 M EUR
	Popayán-Pasto		996 M EUR
	Zipaquirá-Barbosa		708 M EUR
	Barbosa-Bucaramanga		642 M EUR
	Ocaña-Cúcuta		376 M EUR
	Duitama-Pamplona		243 M EUR
	Sogamoso-Aguazul		376 M EUR
San Roque-Cuestecitas	88 M EUR		
Airport Project	Cartagena Airport		Design and construction of the new international terminal, expansion of its apron, remodelling of the current terminal and maintenance of the Rafael Núñez Airport infrastructure.
	San Andrés Airport	Design, construction, modernisation, operation, and maintenance of the airport infrastructure, both air and land side, of Gustavo Rojas Pinilla Airport in San Andrés and El Embrujo Airport in Providencia.	68.5 M EUR
	Southwest Airport	This project seeks to concession Alfonso Bonilla Aragón Airport in Palmira and Gerardo Tobar López Airport in Buenaventura, along with Benito Salas Airport in Neiva, Perales Airport in Ibagué and El Edén Airport in Armenia.	324 M EUR
	Bogotá Airport System - SAB 2050	Airport project that includes the construction of a new runway, expansion of the passenger terminal and expansion of the aircraft stations, among others.	4.8 M EUR
Rail corridor	Dorada-Chiriguana	Railway corridor covering 521 kilometres and more than 21 Colombian municipalities	247.5 M EUR

¹⁰ Project in phase pending awarding of the first wave

Sector	Future project	Description	Estimated budget
River project Fifth generation projects:	Magdalena River	The River will be part of the driving force behind intermodalism and the competitiveness of the regions and the country, contributing to a reduction in the costs of the logistics chain. The population directly benefited corresponds to 50 municipalities from Barrancabermeja to Barranquilla, with more than 1,577,150 inhabitants in 6 departments.	70.0 M EUR
	Canal del Dique	The project will allow to control of sediment transit between the canal and the bays of Cartagena and Barbacoas; provide flood control and control of water levels in the canal; improve the marsh - marsh and marsh - canal connections; restore the ecosystems of the Corales del Rosario and San Bernardo National Natural Park; restore the marshes, canals and Canal del Dique; ensure the canal's water resources for drinking water, irrigation, livestock, fishing and other services; optimise the navigability of the canal, among others.	331.6 M EUR
Sewage disposal	Wastewater Treatment Plant (WWTP) Canoas	Treatment of 70% of Bogotá's wastewater and 100% of Soacha's wastewater	

Source: Compiled by the author based on data from ICEX and the National Infrastructure Agency.

For more information about other projects, see these links: https://es.investinbogota.org/sites/default/files/2020-08/Presentaci%C3%B3n%20Acueducto%20VF.pdf?mc_cid=d6e04c1978&mc_eid=%5bUNIQID%5d

https://www.ani.gov.co/sites/default/files/20210907_estructuraciones_ani_5g_cxc-septiembre_de_2021.pdf

4.4.3. Agro-industrial sector

Colombian agro-industry is characterised by mass production and high quality, which is why the aim is to attract investment and diversify it throughout the country's productive sectors. In addition, due to its geographical position, Colombia has constant agri-food production throughout the year.

The projections for Latin America during this period are also positive. An annual growth of 8.5% is expected in the demand for packaged food, a figure that would be above the world average and would make the region a market of interest that can be served from Colombia.

The private investment opportunities foreseen in the agro-industrial sector are mainly directed towards the agricultural sector, with greater opportunities in the forestry, biofuels, and shrimp sectors.

In this scenario, possible public procurement is envisaged to promote the productive transformation of the Colombian agro-industrial sector by increasing the contribution of

S&T+I, thereby generating technical progress, the generation of value in production, improvements in the sustainability of activities, productivity, and competitiveness of the sector. Specifically, it can be aimed at public investment in digitalisation of the agri-food and forestry sectors and the public procurement of technologies that promote the sector.

Other potential opportunities include tools to strengthen the capacities of rural people in project structuring, financial decision-making, risk management and rural entrepreneurship, as this is one of the lines of action of the Institutional Strategic Plan 2019-2022 defined by the Ministry of Agriculture and Rural Development of the Colombian government.

4.4.4. Energy sector

The Colombian energy market is dominated by hydroelectric energy, followed by thermal energy. Thus, non-conventional renewable energies (mainly solar and wind energy) are at an early stage of development and have residual weight in the total national energy mix. However, being so dependent on water resources means that, in periods of drought, the country experiences near-deficit conditions and, therefore, prices increase considerably. Faced with this situation, the country is betting on the development of non-conventional renewable energies. Therefore, a gradual increase in the participation of these sources in Colombia's energy mix is expected, both through public initiatives such as energy auctions, as well as through bilateral contracts between private agents.

In September 2021, Colombia's Ministry of Mines and Energy published the green hydrogen roadmap, a key step for the country's strategic positioning in an industry that is expected to revolutionise energy markets, and which will materialise with the implementation of Colombia's hydrogen deployment plan. This sector, in the short-medium and long term, is considered to be key and will develop opportunities in the field of public procurement.

There is currently a document published through the Invest in Colombia portal, "[Perspectivas del Hidrógeno en Colombia \[Hydrogen Perspectives in Colombia\]](#)", detailing the advantages and opportunities that this energy source—considered the key element of public investment in the coming years—offers for the consolidation and development of the country's energy matrix.

4.4.5. Hotel infrastructure and tourism

The country is betting heavily on the tourism sector. The recent approval of the Tourism Law¹¹, in force since 31 December 2020 has brought measures for the economic reactivation of the sector and a commitment to improve the quality of the sector.

Future opportunities in the field of public procurement for the coming years include the promotion of sustainability linked to tourism or ecotourism, which will launch public initiatives linked to this concept, or the design of public advertising campaigns to improve this sector's positioning.

There are also opportunities in the airport sector, such as the expansion of airport infrastructures, as was the case with the recent award of the expansion of the Cartagena de Indias airport.

¹¹ Law 2068 of Tourism 2020: <https://www.mincit.gov.co/normatividad/leyes/2020>

Regarding the digitalisation of the tourism sector, the Smart Tourism Destination model exported by SEGITTUR is receiving special attention in Colombia and may offer opportunities in this area.

4.4.6. Health and Life Sciences services

Colombia is the third largest medical device market in Latin America, after Brazil and Mexico. According to the National Institute for Drug and Food Surveillance (INVIMA), the medical device market in Colombia is represented by 3,249 manufacturers or distribution companies. The offer is structured between subsidiaries of large multinationals in the medical sector, local companies that act as importers and distributors, and local manufacturers. Multinational companies dominate the market by having a strong production and global operational network, which allows them to compete in any geographical market. As a result, there is little domestic Colombian production due to the limited technical capacity of Colombian companies. Despite being scarce, the main national producers are Procaps, Eterna S.A., New Stetic S.A., Adhesivos Internacionales S.A.S. and Protex. On the other hand, the main international suppliers are Laboratorios Baxter S.A., 3M Colombia S.A., B. Braun, Fresenius Medical Care Andina S.A.S. and Essity + BSN Medical.

One way to reach the public demand for these products is to go hand in hand with companies that bid for tenders for construction and provision of hospitals and clinics in the country.

4.4.7. Information technology and creative industries

The ICT sector includes in its national strategic plan a large amount of investment in digitalisation, technology, and communications.

Colombia's increased penetration of fixed Internet has allowed for the development of public investment opportunities in **software and information technology research and development services** in the public sector.

There is a need for infrastructure modernisation, which led to the creation of the largest Public-Private Partnership (PPP) road program in the Latin American region: the **Fourth Generation of Road Concessions (4G)**; this is an investment opportunity for foreign companies.

4.5 Identification of the country's multilateral project portfolio

The main projects carried out with funds from international agencies are mainly from the Inter-American Development Bank and the World Bank. This section offers information about these projects.

4.5.1. IDB

Based on the information retrieved from DevelopmentAid and ICEX, the main projects approved and close to implementation are framed in different strategic areas aligned to the National Development Plan 2018-2022.

Projects approved in 2021 include the following:

- The Sustainable Growth and Resilience Programme, which is currently the largest budgeted programme. The executing agency and beneficiary will be the Ministry of Finance and Public Credit of Colombia and it aims to support the country's economic growth in the context of the COVID-19 health emergency.
- The programme to support policy reforms for the social and economic inclusion of the Venezuelan migrant population in Colombia, whose executing body and beneficiary will be the Ministry of Finance and Public Credit of Colombia.
- The Conditional Credit Line for Investment Projects for the Digital Transformation of Justice in Colombia and the Programme for the Digital Transformation of Justice in Colombia. The executing body will be the Ministry of the Interior and Justice of Colombia, whose beneficiary will be the Superior Council of the Judiciary and the Ministry of Justice and Law.

Table 10. Main projects approved in 2021

Ref.	Bidding Programme	Main sector	Budget €	Year of approval
CO-L1264	Sustainable Growth and Resilience Programme	Environment, Electrical Engineering and Public Finance	594.7 M	13/10/2021
CO-L1272	Programme to support policy reforms for the social and economic inclusion of the Venezuelan migrant population in Colombia	Social Development and Migration (Social inclusion and gender equality)	236.1 M	20/10/2021
CO-O0007 and CO-L1256	Conditional Credit Line for Investment Projects for the Digital Transformation of Justice in Colombia and the Programme for the Digital Transformation of	Information and Communication Technology (Justice Reform, Law)	446.0 M	09/07/2021

Source: Compiled by the author based on DevelopmentAid

4.5.2. Technical cooperation, Colombian Government and IDB

The Inter-American Development Bank is the executing agency for the technical cooperation (TC) between the Government, the IDB and the Strategic Programme for the Development of Institutions (INS) for the Strategic and Operational Strengthening Programme of the National Guarantee Fund of Colombia. The Colombian National Guarantee Fund is the beneficiary of the programme.

Technical cooperation is of interest to SMEs insofar as they have smaller cooperation projects tailored to their business structure. Another advantage they offer is that they are directly tendered by the IDB, facilitating transparent participation processes, and ensuring that potential interested international suppliers can enter the market.

Table 11. Main projects approved in 2021

Ref.	Bidding Programme	Beneficiary	Main sector	B €	Year of approval	State
CO-T1628	Strategic and operational strengthening of the Colombian National Guarantee Fund	Colombian National Guarantee Fund	Microfinance, SME and private sector, risk management (including insurance)	267.6 K	01/10/2021	Beneficiary
CO-T1623	Support for the Drinking Water Treatment Pilot Project in southern La Guajira	Colombia	Rural development, water, and sanitation	589.2 K	12/03/2021	Forecast
CO-T1624	Towards a Circular Model in the Provision of Public Water and Sanitation Services of EAAB, facing the challenges of Climate Change	Empresa de Acueducto y Alcantarillado de Bogotá	Waste management (including treatment), water and sanitation	499.9 K	15/03/2021	Forecast
CO-T1597	Support to the Biodiverciudades Programme	Ministry of Environment and Sustainable Development (MADS)	Environment, Urban Development	239.4 K	12/12/2020	Forecast
CO-T1596	Promoting Water, Sanitation and Hygiene Behaviour Change in the Colombian Pacific to Prevent COVID-19	Government of Colombia, Ministry of Housing, Cities and Lands, Municipal Government of Tumaco, Municipal Government of Quibdò	Public Finances, Social Development, Water and Sanitation	613.3 K	26/08/2020	Forecast

Source: Compiled by the author based on DevelopmentAid. B= Budget

4.5.3. World Bank

Regarding the World Bank Group (WBG) programmes approved in 2021, following the strategy developed in the Country Partnership Framework (CPF) 2016-2021, actions will be carried out on cross-cutting issues, such as Strengthening public management capacity, to support territorial development. Improving capacity for natural resource management in target regions. Improving access and quality of services in target areas. Improving access to and quality of education. Improving fiscal management in support of fiscal consolidation.

Improving business environment and innovation to boost productivity. Projects approved in 2021 include the following:

As of November 2021, the World Bank Group intends to finance the Water Resources Management Options Programme - Orinoquia, which aims to support the generation, validation and sharing of knowledge on effective approaches to promote emerging climate-smart agricultural supply chains.

Table 12. Main projects approved in 2021

Ref.	Bidding programme	Main sector	Budget €	Year of approval
1277325	Options for Water Resources Management - Orinoquia	Water and sanitation, Agriculture	N/A	01/11/2021
1277094	Diversification and productive reconversion approach for the Cesar and Guajira departments, Colombia	Energy, Public Finance, Mining	N/A	2021
P176267	Strengthening Depositor Protection in Colombian Cooperatives	Banking	66.9 K	26/02/2021
P175801	Competitiveness and Recovery - Financing Development Policies	Microfinance, Trade, SMEs	371.7 M	23/09/2021

Source: Compiled by the author based on DevelopmentAid

As of November 2021, the World Bank Group intends to finance the Diversification and Productive Reconversion Approach Programme for the Cesar and Guajira departments, which aims to improve opportunities for energy transition and economic diversification in Colombia's highly dependent extractive regions.

The World Bank Group finances the Strengthening Depositor Protection in Colombian Cooperatives Programme, whose executing agency and beneficiary is the Guarantee Fund for Cooperative Entities (FOGACOO).

The World Bank Group finances the Competitiveness and Recovery Programme - Financing Development Policies, whose executing agency is the Ministry of Finance and Public Credit and whose beneficiary is the National Planning Department.

4.5.4. Kreditanstalt fur Wiederaufbau

Kreditanstalt fur Wiederaufbau finances the renewal of a pilot investment programme that begun in 2016 for the implementation of the peace agreement at the local level. Service focuses on public sector consultancy. Its target group is the rural population of selected town/cities in the municipalities of Morelia, San José del Fragua, and Valparaíso in the Caquetá department. Sectors targeted by the programme: civil engineering, infrastructure construction, social development, rural development, transport, and logistics.

Table 13. Main projects approved in 2021

Bidding Programmes	Date	Budget €
Pilot investment programme for the implementation of the peace agreement at the local level	2020	09.5 M

Source: Compiled by the author based on DevelopmentAid

5. Competitive framework

5.1 Suppliers registered on the public procurement platform

In order to analyse the competitive framework with which a European SME competes, we have analysed the suppliers registered in the *Colombia Compra Eficiente* application.

Analysing the ranking of the suppliers with the highest amount in the bids, the most important in the analysed period are related to financial or banking services, urban services, and construction.

The following table shows data on the number of suppliers or competitors registered on the platform and their equivalence in number of contracts and amount purchased.

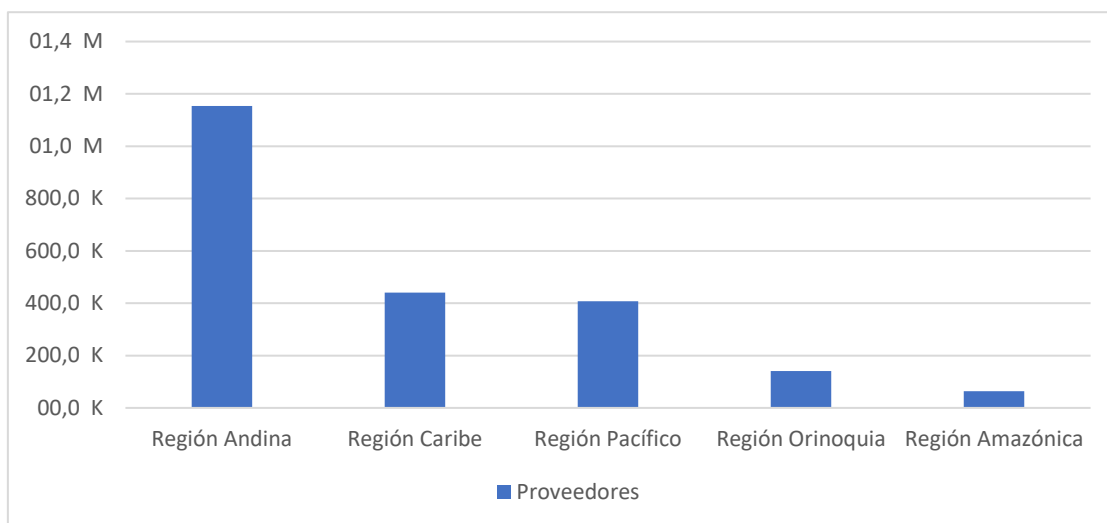
Table 14. Volume of suppliers and contracts period studied

Year	Suppliers	Amount purchased in €	Contracts
2015	767,002	28.2 B	908,049
2016	887,568	20.3 B	1,034,876
2017	1,002,568	27.4 B	1,173,612
2018	907,426	26.9 B	1,179,981
2019	985,256	31.6 B	1,239,451
2020	800,986	24.1 B	1,137,476
2021	409,820	8.9 B	552,993

Source: The Authors, based on SECOP I, TVEC, and SECOP II.

If the analysis of supplier contracting data by region is carried out, the region with the largest volume of suppliers is the Andean Region (52.3%), followed by the Caribbean Region (20%) and the Pacific Region. Finally, the regions with the smallest volume of suppliers are the Orinoco Region (6.4%) and the Amazon Region (2.9%).

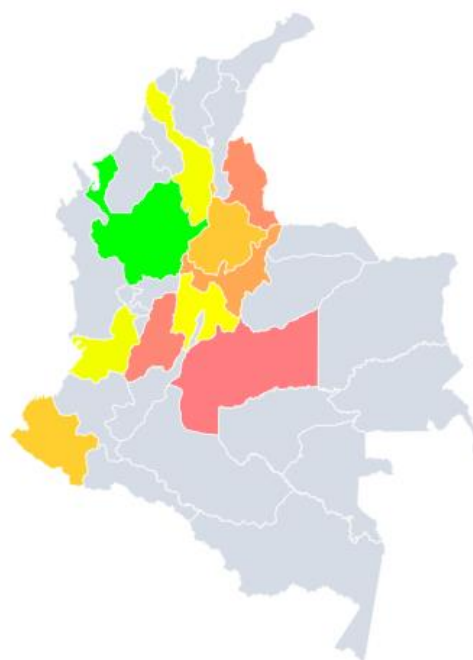
Chart 9. Supplier concentration by region. Period 2015-2021



Source: The Authors, based on SECOP I, TVEC, and SECOP II.

If we go down to analyse the volume of public procurement suppliers by department, we identify **Antioquia**, which is in the Andean Region, as by far the region with the largest number of suppliers in the period analysed (306 thousand). In second place is the department of **Cauca Valley** in the Pacific Region (194 thousand), in third place, **Bolivar** in the Caribbean Region (193 thousand), followed by **Cundinamarca** in the Andean Region (189 thousand) and **Nariño** in the Pacific Region (145 thousand).

Chart 10. Suppliers identified by department 2015-2021



Source: The Authors based on SECOP I, TVEC, and SECOP II. Note: The green to red scale represents the number of suppliers, where green is the highest number and red is the lowest.

Regarding the total number of suppliers, most of the companies are sole traders, simplified joint stock companies, consortia, limited liability companies, corporations, non-profit entities, temporary joint ventures, corporations, and associations, among others.

Table 15. Type of registered supplier company, period 2015-2021

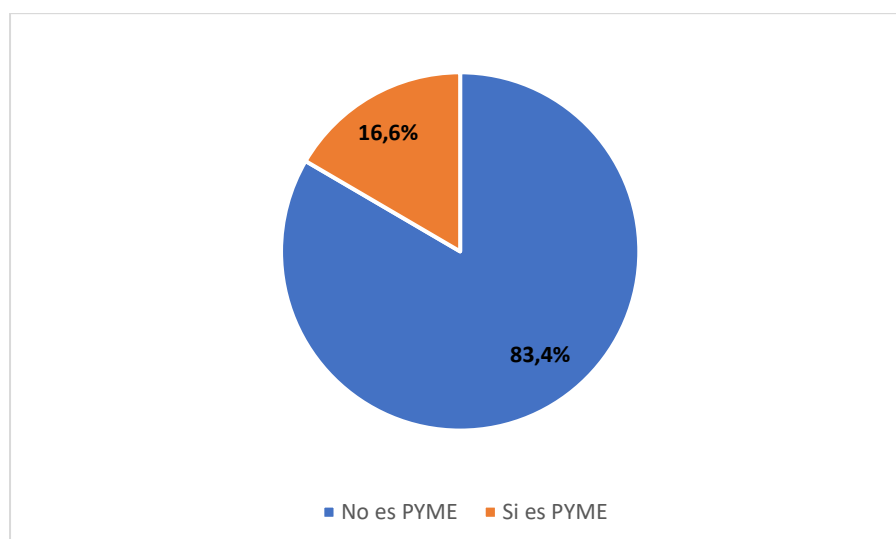
Company type	No.	Volume
Colombian national, natural Person	503.6 K	
Consortium	80.3 K	
Other	73.5 K	
Simplified joint-stock company	43.8 K	
Temporary Joint Venture	28.6 K	
Non-profit entities	13.2 K	
Colombian Open Joint Stock Company	12.4 K	
Colombian Limited Liability Company	7.4 K	
Foundations	6.0 K	
Associations	3.7 K	

Source: The Authors based on SECOP II.

5.2 Direct competitors: domestic SMEs

Of the total number of registered suppliers, it should be noted that only 16.6% are SMEs, which bring together micro, small and medium-sized enterprises affiliated with ACOPI and/or allied to the chambers of commerce of Colombia associated with CONFECÁMARAS. These SMEs would be the direct competitors at the national level.

Chart 11. Percentage of bidding SMEs registered in SECOP II

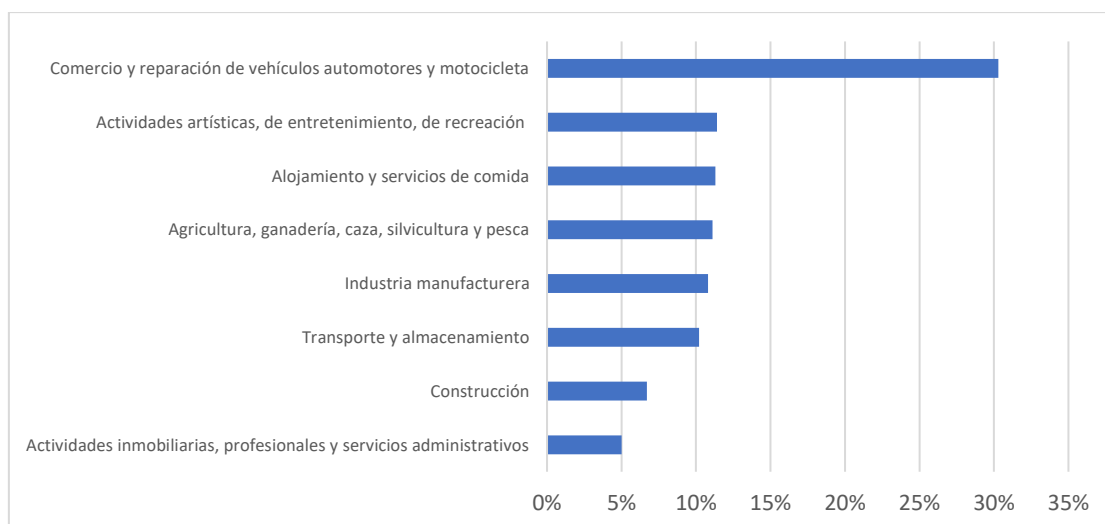


Source: The Authors based on SECOP II.

However, despite the small number of registered bidding SMEs, it is observed that SMEs in Colombia have a greater weight in the Colombian economy. According to the report of the Centre for Economic Studies ANIF, Coyuntura PYME in its August 2021 edition, SMEs account for about 99.6% of companies, generate about 79.1% of employment and are estimated to account for 40% of GDP. However, on some occasions, the participation of MSMEs may be low in several public procurement processes.

Colombian SMEs are concentrated in the following economic sectors: trade and repair of motor vehicles and bicycles (30.3%); followed by the arts, entertainment, and recreation sector (11.4%); the accommodation and food services sector (11.3%); agriculture, livestock, hunting, forestry, and fishing (11.1%); the manufacturing industry sector (10.8%) and the transport and storage sector (10.2%).

Chart 12. Representative SME sector in Colombia 2020



Source: The Authors based on DANE (National Statistics Administrative

Based on the Business Performance Survey conducted by the Colombian Association of Micro, Small and Medium Enterprises (ACOPI), it can be observed that most of the public procurement processes in recent years are concentrated in open tenders for small amounts.

It should be noted that at the political and country strategy level, the aim is to guarantee effective access for this business segment, establishing a participation of at least 30% at the national level, and that at the level of municipal and county councils, the allocation should be gradual, starting at 5% and rising to 30%. Therefore, the level of national competition may increase in the coming years.

5.3 Main competitors

The purpose of this section is, for each type of strategic sector identified in the previous sections, to detail who are the competitors that are acting in the market and what type of markets are involved. Generally speaking, it can be seen that there are very strong

competitors in the sectors mentioned above, and that there are foreign companies, such as Spanish companies, which are well positioned.

This suggests that one can take advantage of all the opportunities that will be generated in the coming years through public investment, as they possess consolidated previous experience in some sectors and a positive general perception. in the country in terms of legal, tax, and economic incentives to boost a sector or the creation of companies. This gives it a competitive advantage and potential for the development of bilateral agreements and domestic and international public-private partnerships.

However, it is important to remember that both domestic and international competition make markets increasingly difficult for SMEs, since they must interact with large companies that have much greater financial muscle and organisational structure, which gives them comparative and competitive advantages to sell to the State, which is the largest procurer of goods and services in the Colombian economy and from other countries in general.

5.3.1. Main competitors in the transport infrastructure sector in Colombia

Territorial integration is a priority area of intervention in Colombia in order to reduce disintegration and the lack of connectivity in the country, thus improving competitiveness.

Despite the fact that many advances have been made, there is still great room for improvement and therefore numerous opportunities for companies, as the construction and civil engineering works sector is one of the main drivers of economic growth.

Table 16. Directory of companies in the transport sector

Company	Services	Nationality	Website
AECOM	Civil Engineering	US	https://aecom.com/
Arup	Civil Engineering	UK	https://www.arup.com/
China Harbour Engineering Company	Civil Engineering	China	-
Concreto	Civil Engineering	Colombia-France	https://concreto.com/
Bolivar Construction Company	Civil Engineering	Colombia	https://www.constructorabolivarbog.com/
Colpatría Construction Company	Construction	Colombia	https://www.constructoracolpatría.com/
CSS Builders	Civil Engineering	Colombia	https://www.css-constructores.com/

Company	Services	Nationality	Website
El Cóndor	Civil Engineering	Colombia	https://www.elcondor.com/
HMV Ingenieros	Architectural and engineering activities	Colombia	https://www.h-mv.com/
Marval	Construction	Colombia	https://marval.com.co/
Mario Huertas (MHC)	Construction company	Colombia	http://190.60.124.61/
Odinsa	Transport concessions	Colombia	https://www.odinsa.com/
Gomez Cajiao	Civil Engineering	France	https://gomezcajiao.com/
EGIS	Civil Engineering	France	https://www.egis-group.com/
POMA		France	https://www.poma.net/
VINCI Group		France	https://www.vinci.com/

Source: The Authors based on ICEX data.

The main competitors, increasingly strong, are Chinese companies such as China Harbour Engineering Company (CHEC) and China Civil Engineering Construction Corporation (CECC). There are also leading local companies that have carried out important projects and have extensive knowledge of the local Colombian market.

5.3.2. Main competitors in the water sector

The water sector is made up of a large number of competitors that are distributed throughout the different processes of the complete water cycle, from catchment to treatment and reuse.

Competitors are local and foreign, and each company seeks its niche of specialisation. In addition, the companies must work with the different municipalities and local governments as they will be their main clients.

Table 17. Directory of companies in the water sector

Company	Services	Nationality	Website
FICHTNER GROUP	Consulting, design, engineering and operation	Germany	https://www.fichtner.de/en/
KLT CONSULT	Services	Germany	http://www.klt-consult.de
LAHMEYER GWK CONSULT GMBH	Studies, auditors,	German	https://www.gkw-consult.com/en/home/

Company	Services	Nationality	Website
	management and O&M		
JVP CONSULTANTS	Consulting, design and audit	Argentina	https://www.jvpsa.com
TPF	Consultancy, EPC, engineering, and O&M	Belgium	https://tpf.eu/es/
CONCREMAT ENGENHARIA E TECHNOLOGY	Engineering and management	Brazil	https://www.concremat.com.br/es/
NORDA STELO	Design, construction, and O&M	Canada	https://norda.com/en/
WSP	Construction, consulting, design, and engineering	Canada	https://www.wsp.com/en-GL
CDM SMITH	Consulting, design, and management	US	https://cdmsmith.com
NIPPON KOEY LAC	Consulting and engineering	Japan	https://www.nklac.com
MAV INTEGRAL ENGINEERING	Consulting	Mexico	https://mavsc.com
NORDA STELO	Design, construction and O&M	Canada	https://norda.com/en/
VEOLIA	Consulting and engineering	France	https://www.veolia.es/
SUEZ	Engineering	France	https://www.suez.es/es-es
SAUR	Engineering	France	https://www.saur.com/
WMI- WATER	Construction, design, and engineering	France	https://www.wmi-water.com/es/

Source: Prepared by the authors based on ICEX data and on the short lists published for the different projects and the information available on the companies' websites.

5.3.3. Main competitors in the energy sector

With regard to the energy sector, the traditional energy generating companies are the ones that concentrate most of the market, with 60% of energy generation controlled by three large groups: Enel, EPM and Isagen.

These companies are increasingly interested in renewable energy generation.

Table 18. Directories of companies in the energy sector

Company	Services	Nationality	Website
Public Companies of Medellín	Power generator and marketer	Colombia	https://www.edpr.com/es
Celsia	Power generator and marketer	Colombia	https://www.celsia.com/
Isagen	Power generator and marketer	Colombia	https://www.isagen.com.co/es/home
Enel	Power generator and marketer	Colombia-Italy	https://www.enel.com.co/es.html
Trinasolar	Development of projects	China	https://www.trinasolar.com/en-glb
EDP	Power generator and marketer	Portugal	https://www.edpr.com/es
GreenYellow	Power generator and marketer	France	https://www.greenyellow.co/
Neoen	Power generator and marketer	France	https://www.neoen.com/es/
Voltaia	Power generator and marketer	France	https://www.voltaia.com/
Valorem	Power generator and marketer	France	https://valorem.com.co/
Akuo Energy	Power generator and marketer	France	https://www.akuoenergy.com/en
EDF	Power generator and marketer	France	https://www.edf.fr/
Engie	Power generator	France	https://www.engie.es/

and
marketer

Source: Prepared by the authors based on ICEX data and on the short lists published for the different projects and the information available on the companies' websites.

Chinese companies in the 2019 renewable energy auction, where the lowest-price award method was used, were the most competitive. The presence of these companies is expected to increase in the Colombian energy market.

5.3.4. Main competitors in the ICT sector

The ICT sector is made up of sub-sectors controlled by the national and municipal administrations. Moreover, in this sector there are large companies with high levels of investment, as well as small companies that specialise in very specific niches.

Table 19. Directories of companies in the ICT sector

Company	Services	Nationality	Website
Claro	Mobile telephony, landline and internet	Mexico	https://www.claro.com.co/
Tigo	Mobile telephony, landline and internet	Colombia	https://www.tigo.com.co/
Empresa de Telecomunicaciones de Bogotá (ETB)	Fibre optics, television and mobile	Colombia	https://etb.com/
Directv	Television	Colombia-US	https://www.directv.com.co/
Huawei	Electronics	China	https://consumer.huawei.com/co/

Source: Prepared by the authors based on ICEX data and on the short lists published for the different projects and the information available on the companies' websites.

Spanish companies are present in this sector, with large companies such as Telefónica and Indra providing comprehensive ICT and Smart City solutions, as well as small companies specialising in specific niches that provide solutions to large companies, as well as to the national government, municipalities, and departments.

6 Conclusions and recommendations

As a general conclusion, it can be stated that public investment in Colombia in the coming years will promote opportunities where companies from the Basque Country, France and Belgium have the competencies to position themselves favourably and take advantage of this situation. The market trend, the country's economic situation and the legal framework facilitate this possibility.

Access to public procurement is presented as an important strategy for SMEs, however, they cannot compete in large tenders, especially those held at the national level, so these types of companies must come into contact and generate synergies with large business clusters that have the potential to enter public procurement processes with larger budgets.

The SME should also identify tenders at the departmental (i.e., regional) and local level and focus on the projects in these tendering areas, because of the budget of the projects and the new business hub that is emerging in these areas.

In this regard, SMEs would have possibilities and opportunities in accordance with their structural capacity, human and financial muscle. Therefore, this business sector must know all the spheres and steps to carry out a public procurement.

There are sectoral plans and studies that define the country's strategy in the coming years and will be a source of information to know where public procurement processes will be steered.

The **recommendations** derived from the analysis are as follows:

- Regarding the competitive framework, it is advisable that Basque, French and Belgian companies interested in participating in public procurement processes know in depth the institution *Colombia Compra Eficiente*, the governing body of public procurement in Colombia, as it establishes all the rules to be followed by state, territorial and international bodies in their procurement and operates the platform through which the bidding process is carried out, www.colombiacompra.gov.co where they will obtain information about the standard specifications and specific contracting guides for each sector, as well as the active business opportunities published by the Government and the various regional and local territorial entities. If the company registers, it can provide details of its characteristics to receive updates on these current opportunities.
- The potential supplier is recommended to offer its services by visiting the following link where one can find an open bidding process with its specified awarding methods. <https://community.secop.gov.co/STS/Users/Login/Index?SkinName=CCE>
- It is recommended that, through the Synthesis tool, potential suppliers consult regulations and previous jurisdiction of each sector where the company is interested in investing or offering its services.
<https://sintesis.colombiacompra.gov.co/>

References

- National Public Procurement Agency - *Colombia Compra Eficiente*. (2020) Public Procurement System figures. <https://www.colombiacompra.gov.co/sala-de-prensa/noticias/encolombia-la-contratacion-publica-equivale-al-125-del-pib-y-al-357-del>
- World Bank. (2020) Colombia: an overview.
- Duque, I. (2018). National Development Plan 2018-2022 "Pact for Colombia, Pact for Equity". <https://www.dnp.gov.co/Plan-Nacional-de-Desarrollo/Paginas/Presentaciones-PND.aspx>
- FINDETER. (2020) Territorial Development Banking. Retrieved from <https://www.findeter.gov.co/>
- Invest in Bogotá. 20 August 2020. *Webinar: Public Works Plan for Bogota 2020 - 2024*. Retrieved from <https://www.youtube.com/watch?v=g3xwHCPJHNY>
- SECOP II - *Colombia Compra Eficiente*. (2021) Retrieved from <https://community.secop.gov.co/STS/Users/Login/Index?SkinName=CCE>
- Summary - *Colombia Compra Eficiente*. (2020) Retrieved from <https://sintesis.colombiacompra.gov.co/>
- General System of Royalties. (2021) Retrieved from <https://www.sgr.gov.co/>
- DevelopmentAid.org. <https://www.developmentaid.org/>
- Colombian Public Procurement Observatory. <http://www.occp.co/>
- National Planning Department - DNP. <https://mapainversiones.dnp.gov.co/>

ANNEX I: SUPPLEMENTARY TABLES

Table 20. Institutions with the highest number of bids by amount executed 2015-2021

Entity	Amount €	Contracts
COLOMBIAN INSTITUTE OF FAMILY WELFARE - ICBF	6.4 B	82,774
NATIONAL INFRASTRUCTURE AGENCY - ANI	5.3 B	2,374
MINISTRY OF NATIONAL EDUCATION (MEN)	2.5 B	3,082
CENIT TRANSPORT AND LOGISTICS OF HYDROCARBONS SAS	2.2 B	2,257
NATIONAL INSTITUTE OF ROADS - INVIAS	2.0 B	8,599
NATIONAL SERVICE OF LEARNING - SENA	2.0 B	203,635
DEFENSORIA DEL PUEBLO - OMBUDSMAN'S OFFICE	1.6 B	21,029
CUNDINAMARCA - REGIONAL GOVERNMENT	1.5 B	13,248
ANTIOQUIA - DEPARTMENTAL PRINTING HOUSE OF ANTIOQUIA	1.2 B	6,811
ANTIOQUIA - MEDELLIN - MAYOR'S OFFICE	1.2 B	5,415
SPECIAL ADMINISTRATIVE UNIT OF PUBLIC SERVICES	1.1 B	2
URBAN DEVELOPMENT INSTITUTE	1.1 B	904
INVESTMENT FUND FOR PEACE	1.1 B	5,267
ANTIOQUIA - EMPRESA DE TRANSPORTE MASIVO DEL VALLE DE ABURRA LTDA	1.0 B	367
ANTIOQUIA - ALIANZA MEDELLIN ANTIOQUIA EPS SAS	973.1 M	1,836
ATLANTICO - GENERADORA Y COMERCIALIZADORA DE ENERGIA DEL CARIBE SA ESP - GECELCA SA ESP- BARRANQUILLA	945.8 M	5
ANTIOQUIA - INSTITUTO PARA EL DESARROLLO DE ANTIOQUIA - MEDELLIN	937.7 M	2,541
MINISTRY OF FINANCE AND PUBLIC CREDIT - MINHACIENDA	932.5 M	1,101
MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT - MINAGRICULTURA	829.3 M	3,456
GENERAL DIRECTORATE OF THE NATIONAL POLICE - PONAL	821.5 M	36,161
TOTAL	35.7 B	400,864

Source: The Authors, based on SECOP I, TVEC, and SECOP II.

Table 21. Institutions that tendered the most by contract 2015-2021

Entity	Contracts	Amount €
NATIONAL SERVICE OF LEARNING - SENA	203,635	2.21 B
COLOMBIAN INSTITUTE OF FAMILY WELFARE - ICBF	82,774	6.44 B
GENERAL DIRECTORATE OF THE NATIONAL POLICE - PONAL	36,161	809.2 M
ANTIOQUIA - HOSPITAL GENERAL DE MEDELLÍN	31,390	128.2 M
DEFENSORIA DEL PUEBLO - OMBUDSMAN'S OFFICE	21,029	2.04 B
BOYACA - REGIONAL GOVERNMENT	15,021	333.4 M
CUNDINAMARCA - REGIONAL GOVERNMENT	13,248	1.45 B
ANTIOQUIA - UNIVERSITY OF ANTIOQUIA	12,509	154.0 M
NATIONAL INSTITUTE OF ROADS - INVIAS	7,492	1.57 B
UNIT FOR THE CARE AND COMPREHENSIVE REPARATION OF VICTIMS	7,008	359.7 M
ANTIOQUIA - DEPARTMENTAL PRINTING HOUSE OF ANTIOQUIA	6,811	1.20 B
DISTRICT SECRETARIAT OF SOCIAL INTEGRATION	6,480	149.3 M
INTEGRATED SUB-NETWORK OF HEALTH SERVICES NORTH E.S.E.	6,428	28.0 M
VALLE DEL CAUCA - CALI - MAYOR'S OFFICE	6,263	78.7 M
BOGOTA - SOUTHWEST INTEGRATED HEALTH SERVICES SUB-NETWORK ESE	5,686	344.0 M
ANTIOQUIA - MEDELLIN - MAYOR'S OFFICE	5,415	1.19 B
MINISTRY OF THE INTERIOR - MININTERIOR	5,303	315.8 M
INVESTMENT FUND FOR PEACE	5,267	1.05 B
ANTIOQUIA - E.S.E. METROSALUD - MEDELLIN	5,244	26.3 M
CAR - REGIONAL AUTONOMOUS CORPORATION OF CUNDINAMARCA	5,206	200.9 M
TOTAL	488,370	20.07 B

Source: The Authors, based on SECOP I, TVEC, and SECOP II.

Table 22. Most contracted products/services. Unit Amount executed

Product/Service	Sector	Amount €	Contracts
Temporary staffing services	Human resources services	8.97 B	1,656,241
Open roads	Road infrastructure service	6.88 B	16,644
Business consulting and corporate management services	Consulting and management services	5.25 B	220,494
Development and social services	Community and social services	5.09 B	49,469
Project management	Consulting and management services	4.70 B	118,553
Highway and road construction services	Heavy Construction Services	4.67 B	13,430
Management Support Services	Business Administration Services	3.96 B	262,739
Banking Institutions	Banking and Investment Services	3.77 B	1,129
Health Centres	Comprehensive Health Services	3.34 B	141,470
Civil Engineering	Professional Engineering Services	3.06 B	48,785
Specialised public building construction services	Non-residential building construction services	2.60 B	7,348
Human Resources Development	Human resources services	2.58 B	341,619
Health care delivery support personnel	Comprehensive Health Services	2.49 B	459,117
Road surfacing and paving services and infrastructure building surfaces	Heavy Construction Services	1.90 B	8,963
Water and sewerage services	Public services	1.84 B	31,406
Health Management Services	Comprehensive Health Services	1.81 B	96,864
Infrastructure maintenance and repair services	Maintenance and repair services for buildings and installations	1.78 B	26,127
Criminal Law Services	Legal Services	1.74 B	13,126
Facility maintenance and repair services	Maintenance and repair services for buildings and installations	1.70 B	79,926
Bodyguard services	Personal security and protection	1.56 B	14,512
Development Assistance	Development Finance	1.54 B	1,606
Construction support services	Maintenance and repair services for buildings and installations	1.54 B	33,527
Elementary and secondary schools	Educational Institutions	1.52 B	14,608
Public buildings and structures	Permanent structures and buildings	1.37 B	21,007
Management education and training services	Specialised Educational Services	1.33 B	11,277
Passenger transport by road	Passenger transport	1.31 B	47,310

Product/Service	Sector	Amount €	Contracts
Refuse collection and disposal	Waste disposal and treatment	1.15 B	1,244
Debt management	Development Finance	1.07 B	701
Public administration	Public administration and financing services	1.06 B	22,741
Funding	Development Finance	803.0 M	737
TOTAL		82.4 B	3,762,720

Source: The Authors, based on SECOP I, TVEC, and SECOP II.

Table 23. Most contracted products/services. Unit Number of contracts

Product/Service	Sector	Contracts	Amount €
Temporary staffing services	Human resources services	1,656,241	8.97 B
Health care delivery support personnel	Comprehensive Health Services	459,117	2.49 B
Human Resources Development	Human resources services	341,619	2.58 B
Management Support Services	Business Administration Services	262,739	3.96 B
Business consulting and corporate management services	Consulting and management services	220,494	5.25 B
Health Centres	Comprehensive Health Services	141,470	3.34 B
Project management	Consulting and management services	118,553	4.70 B
Health Management Services	Comprehensive Health Services	96,864	1.81 B
Facility maintenance and repair services	Maintenance and repair services for buildings and installations	79,926	1.70 B
Non-scientific vocational training services	Vocational training	58,831	618.7 M
Staff recruitment	Human resources services	58,573	384.5 M
Development and social services	Community and social services	49,469	5.09 B
Civil Engineering	Professional Engineering Services	48,785	3.06 B
Passenger transport by road	Passenger transport	47,310	1.31 B
Construction support services	Maintenance and repair services for buildings and installations	33,527	1.54 B
Medical services provided by specialist doctors	Medical Practice	32,550	516.7 M
Water and sewerage services	Public services	31,406	1.84 B
Infrastructure maintenance and repair services	Maintenance and repair services for buildings and installations	26,127	1.78 B
Public administration	Public administration and financing services	22,741	1.06 B
Public buildings and structures	Permanent structures and buildings	21,007	1.37 B
Renting and leasing of properties or buildings	Real Estate Services	19,618	369.6 M
Banquet and catering services	Restaurants and catering (food and beverage services)	16,814	566.3 M
Open roads	Road infrastructure service	16,644	6.88 B
Cleaning and maintenance services for general and office buildings	Cleaning services	16,319	300.9 M
Elementary and secondary schools	Educational Institutions	14,608	1.52 B

Product/Service	Sector	Contracts	Amount €
Bodyguard services	Personal security and protection	14,512	1.56 B
Highway and road construction services	Heavy Construction Services	13,430	4.67 B
Recruitment Services	Human resources services	13,185	149.3 M
Criminal Law Services	Legal Services	13,126	1.74 B
Culture	Community and social services	12,412	198.9 M
TOTAL		3,958,017	71.3 B

Source: The Authors, based on SECOP I, TVEC, and SECOP II.

Table 24. Most procured products in the Department of Bolivar period 2015-2021

BOLIVAR	
Product/Service	Amount €
Well drilling and construction services	1.07 B
Business Administration Services	998.2 M
Comprehensive Health Services	876.4 M
Maintenance and repair services for buildings and installations	852.8 M
Management consulting services	812.8 M
Professional Engineering Services	797.1 M
Oil and gas extraction and production enhancement services	788.5 M
Non-residential building construction services	606.2 M
Specialised trade maintenance and construction services	574.9 M
Human resources services	522.0 M
Banking and investments	481.6 M
Public services	392.2 M
Motor vehicles	357.0 M
Heavy Construction Services	295.2 M
Development Finance	268.8 M
Fabricated Pipe Assemblies	229.0 M
Roads	223.5 M
Personal security and protection	222.9 M
IT Services	213.1 M
Electrical equipment, supplies and components	209.1 M
TOTAL	10.8 B

Source: The Authors, based on SECOP I, TVEC, and SECOP II.

Table 25. Most procured products Antioquia Department 2015-2021 period

ANTIOQUIA	
Product/Service	Amount €
Development Finance	828.8 M
Human resources services	718.3 M
Management consulting services	608.6 M
Heavy Construction Services	560.1 M
Maintenance and repair services for buildings and installations	474.5 M
Banking and investments	432.1 M
Permanent structures and buildings	400.7 M
Comprehensive Health Services	360.1 M
Community and social services	257.3 M
Professional Engineering Services	250.7 M
Roads	244.9 M
Educational Institutions	220.2 M
Non-residential building construction services	211.3 M
Public services	188.7 M
Credit agencies	149.7 M
Transportation Services	148.1 M
Business Administration Services	145.3 M
IT Services	119.1 M
Marketing and distribution	115.3 M
Medical Practice	114.1 M
TOTAL	6.5 B

Source: The Authors, based on SECOP I, TVEC, and SECOP II.

Table 26. Most procured products Santander Department period 2015-2021

SANTANDER	
Product/Service	Amount €
Maintenance and repair services for buildings and installations	385.2 M
Human resources services	279.0 M
Heavy Construction Services	182.8 M
Comprehensive Health Services	163.0 M
Permanent structures and buildings	160.9 M
Management consulting services	110.2 M
Business Administration Services	96.2 M
Banking and investments	71.7 M
Specialised trade maintenance and construction services	67.3 M
Personal security and protection	62.9 M
Medical Practice	62.7 M
Professional Engineering Services	62.2 M
Heavy construction machinery and equipment	53.6 M
Non-residential building construction services	53.5 M
Community and social services	48.8 M
Roads	48.5 M
Restaurants and catering (food and beverage services)	38.7 M
Passenger transport	38.6 M
Organizations, associations, and civic movements	37.5 M
Cleaning services	34.9 M
TOTAL	2.1 B

Source: The Authors, based on SECOP I, TVEC, and SECOP II.

Table 27. Most procured products in the Department of Cundinamarca period 2015-2021

CUNDINAMARCA	
Product/Service	Amount €
Human resources services	217.2 M
Comprehensive Health Services	206.0 M
Heavy Construction Services	166.4 M
Maintenance and repair services for buildings and installations	161.8 M
Permanent structures and buildings	159.0 M
Non-residential building construction services	127.2 M
Professional Engineering Services	125.3 M
Roads	123.8 M
Management consulting services	107.3 M
Public services	75.3 M
Pipe and tubing installations	62.2 M
Banking and investments	54.1 M
Medical Practice	51.5 M
Community and social services	49.7 M
Specialised trade maintenance and construction services	44.9 M
Business Administration Services	44.0 M
Personal security and protection	43.5 M
Educational Institutions	41.1 M
Credit agencies	41.1 M
Residential building construction services	27.6 M
TOTAL	1.9 B

Source: The Authors, based on SECOP I, TVEC, and SECOP II.

Table 28. Most procured products in the Department of Bogotá, D.C. period 2015-2021

BOGOTA	
Product/Service	Amount €
Professional artists and performers	69.7 M
Telecommunications media services	56.8 M
Residential building construction services	44.2 M
Management consulting services	33.7 M
Professional Engineering Services	27.5 M
Maintenance and repair services for buildings and installations	22.9 M
Human resources services	22.6 M
Permanent structures and buildings	19.5 M
Non-residential building construction services	15.0 M
Business Administration Services	15.0 M
IT Services	13.2 M
Packaging Materials	11.7 M
Advertising	10.7 M
Computer equipment and accessories	10.3 M
Specialised trade maintenance and construction services	10.2 M
Alternative educational systems	09.1 M
Public order and security	07.1 M
Food and beverage industries	06.3 M
Roads	06.2 M
Community and social services	06.1 M
TOTAL	417.9 M

Source: The Authors, based on SECOP I, TVEC, and SECOP II.

Table 29. Most contracted suppliers (bidders) by amount executed period 2015-2021

Vendor/provider	Amount €	Contract
AUDICONTROL LTDA	1.70 B	1
BANCOLOMBIA	1.52 B	278
CONCESSIONARIA VIAL ANDINA S.A.S. COVIANDINA SAS	1.16 B	1
PROMOAMBIENTAL DISTRITO S.A.S. ESP	1.10 B	1
METROPOLITAN CLEANING S.A. ESP	1.10 B	1
CIUDAD LIMPIA BOGOTÁ S.A. E.S.P.	1.10 B	1
FFIE BBVA ALLIANCE CONSORTIUM	987.2 M	2
COLOMBIAN INSTITUTE OF EDUCATIONAL CREDIT AND TECHNICAL STUDIES ABROAD MARIANO OSPINA PEREZ	824.1 M	14
ESTRUCTURA PLURAL AUTOPISTAS DEL META - CONCESION VIAL DE LOS LLANOS S.A.S.	730.9 M	1
CONCESIONARIA RUTAS DEL VALLE S.A.S.	685.3 M	1
CONCESIONARIA RUTA DEL CACAO S.A.S.	614.7 M	1
AUTOPISTAS URABA SAS	587.9 M	1
CONSTRUCTORA CONCONCRETO S.A.	537.8 M	1
SOCIAL ENTERPRISE OF THE STATE HOSPITAL NUESTRA SEÑORA DE LOS REMEDIOS	515.2 M	3
BANCO DAVIVIENDA S.A.	512.8 M	106
BMP SUR S.A.S.	474.0 M	1
TRANSINNOVA USME S.A.S.	474.0 M	1
SISTEMA INTEGRADO DE PROVISIÓN DE FLOTA SI 2018 S.A.S.	474.0 M	1
MILITARY FORCES LOGISTICS AGENCY	466.5 M	55
EMPRESA SOCIAL DEL ESTADO HOSPITAL DE NAZARETH	464.9 M	3
EMPRESA SOCIAL DEL ESTADO HOSPITAL NUESTRA SEÑORA DEL PERPETUO SOCORRO (OUR LADY OF PERPETUAL HELP HOSPITAL)	464.9 M	3
OLEODUCTO BICENTENARIO DE COLOMBIA S.A.S.	452.2 M	1
STATE SOCIAL ENTERPRISE HOSPITAL SANTA TERESA DE JESUS DE AVILA	448.8 M	3
STATE SOCIAL ENTERPRISE HOSPITAL SAN JOSE DE MAICAO II LEVEL	389.6 M	2
RADIOLOGICAL MEDICAL UNIT OF CARMEN	389.3 M	1
MEDICENTER ESPECIALIZADA LTDA	389.3 M	1
TOTAL	18.57 B	485

Source: The Authors, based on SECOP I, TVEC, and SECOP II.

Table 30. Most contracted suppliers (bidders) by number of contracts period 2015-2021

Vendor/provider	Contract	Amount €
ASEGURADORA SOLIDARIA DE COLOMBIA COOPERATIVE ENTITY	681	85.6 M
NATIONAL UNIVERSITY OF COLOMBIA	404	327.4 M
BANCOLOMBIA S.A.	393	1.37 B
SELCOMP INGENIERÍA S.A.S.	243	20.5 M
CORPORACION INTERUNIVERSITARIA DE SERVICIOS	131	19.9 M
LIBERTY SEGUROS S.A.	121	76.1 M
TERPEL S.A. ORGANIZATION	116	59.6 M
BANCO DAVIVIENDA S.A.	106	512.8 M
AXA COLPATRIA SEGUROS S.A.	94	81.5 M
TRADE UNION ASSOCIATION OF COLOMBIAN AND HEALTH WORKERS - ASSTRACUD	92	21.5 M
FAMILY COMPENSATION FUND CAFAM	91	196.7 M
LABORAMOS S.A.S.	77	17.3 M
FINANCIAL FUND FOR DEVELOPMENT PROJECTS - FONADE	71	316.7 M
BANCO POPULAR S.A.	71	213.0 M
COMPANY FOR URBAN SECURITY -ESU-	71	61.3 M
BANCO DE BOGOTA S.A.	69	149.0 M
VIPERS LTDA	63	53.8 M
INDUSTRIAL UNIVERSITY OF SANTANDER	58	41.9 M
MILITARY FORCES LOGISTICS AGENCY	55	466.5 M
MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	49	76.3 M
BANCO DE BOGOTA S.A.	44	152.0 M
BIOSERVICES S.A.S.	37	209.6 M
EDU URBAN DEVELOPMENT COMPANY	37	120.4 M
FAMILY COMPENSATION FUND COMPENSATE	33	139.4 M
HOUSING COMPANY OF ANTIOQUIA-VIVA	33	66.8 M
MILITARY FORCES LOGISTICS AGENCY	32	157.5 M
CENTRO ASEO MANTENIMIENTO PROFESIONAL S.A.S	31	14.7 M
BANCO DE OCCIDENTE S.A.	30	90.9 M
TOTAL	3333	5.12 B

Source: The Authors based on SECOP II.

IDB

Table 31. BID bidding programmes with the largest planned budget, 2015-2021

Bidding Programs	Date	Budget in €
CO-L1272 Programme of support for policy reforms for the social and economic inclusion of the Venezuelan migrant population in Colombia	2021	236.1 M
CO-O0007 and CO-L1256 Conditional Credit Line for Investment Projects for the Digital Transformation of Justice in Colombia and Programme for the Digital Transformation of the Colombian Justice System	2021	446.0 M
CO-L1254 Productive Development and Creative Economy Support Programme / Sustainable Growth and Resilience	2021	1.23 B
Support Programme for the Modernisation of the National Tax and Customs Directorate (CO-L1245)	2019	185.8 M
Deepening Tax Reform in Colombia II (CO-L1227)	2018	743.4 M
Bogotá Underground Line One - Section One (CO-L1234)	2018	145.7 M
Fourth Programme for the Financing of Investment Projects, Productive Recovery and Export Development (CO-L1222)	2017	134.6 M
Programme to Support the Strengthening of More Families in Action (CO-L1231)	2017	297.4 M
Sectoral Support to the National Peace Education Plan (CO-L1229)	2017	223.0 M
Fiscal and Public Expenditure Strengthening of Sub-national Entities IV (CO-L1223)	2017	74.3 M
Programme in Support of Reform of the Financial System II (CO-L1214)	2017	297.4 M
Contingent Loan for Natural Disaster Emergencies (CO-O0001)	2017	223.0 M
National Programme for Securing Sustainable and Efficient Energy Supply (CO-L1217)	2017	223.0 M
BANCO-LDEX: IV Financing Programme for the Investment, Productive Restructuring and Export Development Project (CO-L1222)	2017	66.9 M
Agricultural Competitiveness Support Programme (CO-L1114)	2016	74.3 M
Strengthening fiscal and public expenditure at the sub-national level III (CO-L1165)	2016	111.5 M
Sustainable Colombia (CO-L1166)	2016	74.3 M
Support to PPP policy reform and project structuring (CO-L1162)	2016	297.4 M
Support the reform of social and productive subsidies (CO-L1163)	2016	297.4 M
Water, Basic Sanitation and Electrification Programme for the Colombian Pacific Region (CO-L1156)	2015	171.7 M
TOTAL		5.55 B

Source: The Authors based on DevelopmentAid

WB

Table 32. World Bank bidding programs with the largest projected budget, period 2015-2021

Bidding Programs	Date	Budget in €
Water resources management options - Orinoquia	2021	N/A
Diversification and productive reconversion approach for the departments of Cesar and Guajira, Colombia.	2021	N/A
Strengthening Depositor Protection in Colombian Cooperatives - P176267	2021	66.9 K
Competitiveness and Recovery - Financing Development Policies - P175801	2021	371.7 M
Resilient and Sustainable Infrastructure for DPF 2 Recovery - P175126	2020	557.5 M
SPF Colombia: COVID-19 emergency response for Venezuelan migrants and refugees and host communities - P175111	2020	02.8 M
Resilient and sustainable infrastructure for DPF recovery - P173424	2020	371.7 M
COVID-19 Crisis Response DPF - P174118	2020	520.4 M
Republic of Colombia: Resilient and Inclusive Housing Project - P172535	2019	101.6 M
Loan for Institutional Strengthening for Regional Development Policies in Colombia - P170728	2019	297.4 M
Colombia: Sub-national Strengthening and Mainstreaming Transparency in the Mining and Drilling Sector - P169919	2019	297.4 K
Second Financing of Development Policies for Fiscal Sustainability, Competitiveness and Migration - P162858	2017	371.7 M
Second Sustainable Development and Green Growth Development Policy Financing Project - P161642	2017	371.7 M
Multi-purpose cadastre project - P162594	2017	74.3 M
CTF Clean Energy Development Project - P161713	2017	754.5 K
Low-Carbon Sustainable Development Project in the Orinoquia Region: P16068	2016	14.9 M
CO Bogota River Environmental Recovery and Flood Control Project - P111479	2016	331.6 M
First Project for Financing Competitiveness and Fiscal Sustainability Development Policies - P158739	2016	422.5 M
Improving waterway connectivity and water service provision in Colombia's Plan Pazcífico - P156880	2015	31.1 M
Colombian FCPF REDD Readiness - P120899	2015	03.7 M
TOTAL		3.85 B

Source: The Authors based on DevelopmentAid

KFW**Table 33. KFW bidding programmes with the largest planned budget, 2015-2021**

Bidding Programs	Date	Budget in €
------------------	------	-------------

ProSME: Supporting European SMEs to participate in public procurement outside the EU

Pilot investment programme for the implementation of the peace agreement at the local level - scaling up	2020	09.5 M
Pilot investment programme to implement the peace agreement at the local level	2019	09.5 M
Implementation of the SDG agenda in the environmental area phase II	2019	N/A
Implementation of the SDG agenda in the environmental area phase I	2019	N/A
Sector Reform Programme Peace Agenda (Phases I and II)	2019	172.9 M
Municipal environmental protection programme I	2019	21.6 M
Municipal Environmental Protection Programme (SAVER)	2018	164.2 M
Programme for the promotion of energy efficiency and renewable energies	2017	75.6 M
Biodiversity and Protected Areas Programme - LifeWeb 2	2016	19.9 M
TOTAL		473.3 M

Source: The Authors based on DevelopmentAid

Government technical cooperation, IDB

Table 34. Bidding programmes Government funds, IDB with the largest projected budget, period 2015-2021

Bidding Programs	Date	Budget in €
------------------	------	-------------

ProSME: Supporting European SMEs to participate in public procurement outside the EU

CO-T1628 Strategic and Operational Strengthening of the National Guarantee Fund of Colombia	2021	267.6 K
CO-T1623 Support to Pilot Project for Drinking Water Treatment in the south of La Guajira	2021	589.2 K
CO-T1624 Towards a Circular Model in the Provision of Public Water and Sanitation Services of the EAAB, facing the challenges of Climate Change.	2021	499.9 K
CO-T1596 Promoting Water, Sanitation and Hygiene Behaviour Change in the Colombian Pacific to Prevent COVID-19	2021	613.3 K
CO-T1597 Support to Biodiverciudades Programme	2021	239.4 K
CO-G1025: Promoting Green Investment and the Bioeconomy to Combat Deforestation	2021	01.4 M
CO-G1027 Social and Economic Entrepreneurship in Sustainable Productive Projects for the Fight against Deforestation	2020	01.8 M
CO-T1572 UTC Management Support	2020	327.1 K
CO-L1255 Energy Efficiency and Business Finance Programme and Second Operation under CCLIP for Productive Business Finance	2020	11.9 M
CO-T1569 Digital Transformation to Combat Deforestation	2020	793.4 K
CO-G1024 Nature Tourism in Support of the Fight against Deforestation	2020	275.3 K
CO-T1587 Support to the establishment and implementation of the Project Management Office (PMO) to boost rural productivity	2020	89.2 K
CO-T1544 Support for the highly vulnerable population living in Villa Caracas, Barranquilla	2020	01.3 M
Programme CO-L1248 to Improve the Sustainability of the Health System in Colombia with an Inclusive Approach	2019	120.2 M
TOTAL		140.3 M

Source: The Authors based on DevelopmentAid

Technical cooperation: National Government, World Bank

Table 35. Bidding programs funds: National Government, World Bank with the largest projected budget, period 2015-2021

Bidding Programs	Date	Budget in €
Integrated Sustainable Landscapes of the Orinoquia - P167830	2019	26.8 M
Project Access with Quality in Higher Education - PACES: P160446	2016	347.2 M
Plan CO Pazcífico: Infrastructure project and provision of water supply and basic sanitation services: P156239	2015	99.3 M
TOTAL		473.2 M

Source: The Authors based on DevelopmentAid

ANNEX II: BUYERS' IDENTIFICATION AND DESCRIPTION

1. Central government

Ministerio de Transporte / Ministry of Transportation

Web: <http://www.mintransporte.gov.co>

Institutional email: servicioalciudadano@mintransporte.gov.co

To access the organization chart, click [here](#)

To access the contacts of the dependencies, click [here](#)

The Ministry of Transportation is an entity of the National order in charge of guaranteeing the development and improvement of transportation, transit, and its infrastructure, in a comprehensive, competitive, and safe way, seeking to increase the competitiveness of the country.

Ministerio de Tecnologías de la Información y las Comunicaciones / Ministry of Information and Communications Technologies

Web: <http://www.mintic.gov.co>

Institutional email: minticresponde@mintic.gov.co

To access the organization chart, click [here](#)

To access the contacts of the dependencies, click [here](#)

Mission: The Ministry of Information and Communication Technologies is the entity in charge of designing, adopting, and promoting policies, plans, programs and projects in the Information and Communication Technologies sector. Among its functions is to increase and facilitate the access of all the inhabitants of the national territory to Information and Communication Technologies and their benefits.

Ministerio de Vivienda, Ciudad y Territorio / Ministry of Housing, City and Territory

Web: <http://www.minvivienda.gov.co>

Institutional email: correspondencia@minvivienda.gov.co

To access the organization chart, click [here](#)

To access the contacts of the dependencies, click [here](#)

Mission: The Ministry of Housing, City and Territory contributes to improving the quality of life of citizens, promoting the planned territorial and urban development of the country, and reducing the deficit in urban housing, drinking water, and basic sanitation, through financing and the development of the corresponding public policy, programs, and projects, with quality services and committed human resources.

Ministerio de Ambiente y Desarrollo Sostenible / Ministry of Environment and Sustainable Development

Web: <http://www.minambiente.gov.co>

Institutional email: servicioalciudadano@minambiente.gov.co

ProSME: Supporting European SMEs to participate in public procurement outside the EU

To access the organization chart, click [here](#)

To access the contacts of the dependencies, click [here](#)

Mission: The Ministry of Environment and Sustainable Development is the public entity in charge of defining the National Environmental Policy and promoting the recovery, conservation, protection, ordering, management, use and exploitation of renewable natural resources, to ensure sustainable development and guarantee the Right of all citizens to enjoy and inherit a healthy environment.

Ministerio de Educación Nacional / Ministry of National Education

Web: <http://www.mineduacion.gov.co>

Institutional email: atencionalciudadano@mineducacion.gov.co

To access the organization chart, click [here](#)

To access the contacts of the dependencies, click [here](#)

Mission: The Ministry of Education leads the formulation, implementation, and evaluation of public educational policies, to close the gaps that exist in the guarantee of the right to education, and in the provision of an educational service with quality, this within the framework of comprehensive care that recognizes and integrates the difference, the territories and their contexts, to allow complete educational trajectories that promote the integral development of individuals and society.

Ministerio de Minas y Energía / Ministry of Mines and Energy

Web: <https://www.minenergia.gov.co>

Institutional email: menergia@minenergia.gov.co

To access the organization chart, click [here](#)

To access the contacts of the dependencies, click [here](#)

Mission: Formulate and adopt policies aimed at the sustainable use of mining and energy resources to contribute to the economic and social development of the country.

Ministerio de Salud y Protección Social / Ministry of Health and Social Protection

Web: <https://www.minsalud.gov.co/>

Institutional email: correo@minsalud.gov.co

To access the organization chart, click [here](#)

To access the contacts of the dependencies, click [here](#)

Mission: The Ministry of Health and Social Protection is a public entity of the central level of the National Government and head of the health sector, in charge of knowing, directing, evaluating and guiding the social security system in health, through the formulation of policies, plans and programs, the intersectoral coordination and the articulation of health actors in order to improve the quality, opportunity, accessibility of health services and sustainability of the system, increasing the levels of satisfaction of patients, families, communities and inhabitants of the national territory.

2. Regional Governments (governaciones)



The Regional Governments (Gobernaciones) are Colombian institutions with autonomy for the administration of sectional affairs and the planning and promotion of economic and social development within the territory of the Departments in the terms established by the Constitution of Colombia. Thus, the Gobernaciones exercise administrative functions, coordination, complementarity of the action of the municipalities that comprise it, intermediation between the Nation and said municipalities and the provision of services determined by the Constitution and the laws. Colombia has a total of 32 Gobernaciones.

Gobernación de Amazonas

Web: <http://www.amazonas.gov.co/>

Institutional email: contactenos@amazonas.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Antioquia

ProSME: Supporting European SMEs to participate in public procurement outside the EU

Web: <http://www.antioquia.gov.co/>

Institutional email: gestiondocumental@antioquia.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Arauca

Web: <http://www.arauca.gov.co/>

Institutional email: archivogeneral@arauca.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Atlántico

Web: <http://www.atlantico.gov.co/>

Institutional email: atencionalciudadano@atlantico.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Bolívar

Web: <http://www.bolivar.gov.co/>

Institutional email: contactenos@bolivar.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Boyacá

Web: <http://www.boyaca.gov.co/>

Institutional email: contactenos@boyaca.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Caldas

Web: <http://www.gobernaciondecaldas.gov.co/>

Institutional email: atencionalciudadano@gobernaciondecaldas.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Caquetá

Web: <http://www.caqueta.gov.co/>

Institutional email: contactenos@caqueta.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Casanare

Web: <http://www.casanare.gov.co/>

Institutional email: correspondencia@casanare.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Cauca

Web: <http://www.cauca.gov.co/>

ProSME: Supporting European SMEs to participate in public procurement outside the EU

Institutional email: contactenos@cauca.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Cesar

Web: <http://www.cesar.gov.co/>

Institutional email: contactenos@cesar.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Chocó

Web: <http://www.choco.gov.co/>

Institutional email: sgeneral@choco.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Córdoba

Web: <http://www.cordoba.gov.co/>

Institutional email: contactenos@cordoba.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Cundinamarca

Web: <http://www.cundinamarca.gov.co/>

Institutional email: contactenos@cundinamarca.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Guainía

Web: <http://www.guainia.gov.co/>

Institutional email: contactenos@guainia.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Guaviare

Web: <http://www.guaviare.gov.co/>

Institutional email: contactenos@guaviare.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Huila

Web: <http://www.huila.gov.co/>

Institutional email: contacto@huila.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de la Guajira

Web: <http://www.laguajira.gov.co/>

Institutional email: contactenos@laguajira.gov.co

ProSME: Supporting European SMEs to participate in public procurement outside the EU

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Magdalena

Web: <http://www.magdalena.gov.co/>

Institutional email: contactenos@magdalena.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Meta

Web: <http://www.meta.gov.co/>

Institutional email: gobernaciondelmeta@meta.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Nariño

Web: <http://www.narino.gov.co/>

Institutional email: contactenos@narino.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Norte de Santander

Web: <http://www.nortedesantander.gov.co/>

Institutional email: gobernacion@nortedesantander.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Putumayo

Web: <http://www.putumayo.gov.co/>

Institutional email: contactenos@putumayo.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Quindío

Web: <http://www.quindio.gov.co/>

Institutional email: contactenos@gobernacionquindio.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Risaralda

Web: <http://www.risaralda.gov.co/>

Institutional email: contactenos@risaralda.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Archipiélago de San Andrés, Providencia y Santa catalina

Web: <http://www.sanandres.gov.co/>

Institutional email: servicioalciudadano@sanandres.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Santander

Web: <http://www.santander.gov.co/>

Institutional email: info@santander.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación de Sucre

Web: <http://www.sucre.gov.co/>

Institutional email: contactenos@sucre.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Tolima

Web: <http://www.tolima.gov.co/>

Institutional email: contactenos@tolima.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Valle del Cauca

Web: <http://www.valledelcauca.gov.co/>

Institutional email: contactenos@valledelcauca.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Vaupés

Web: <http://www.vaupes.gov.co/>

Institutional email: gobernacion@vaupes.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Gobernación del Vichada

Web: <http://www.vichada.gov.co/>

Institutional email: contactenos@vichada.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

3. Municipal Governments

The Municipalities of Colombia are decentralized subdivisions of the Republic of Colombia. Municipalities make up most of the departments of Colombia with 1,122 municipalities (municipios). Each one of them is led by a mayor (alcalde) elected by popular vote and represents the maximum executive government official at a municipality level under the mandate of the governor of their department which is a representative of all municipalities in the department; municipalities are grouped to form departments.

These are some of the most dynamic capital cities in the country.

Bogotá (Cundinamarca)

Web: <https://bogota.gov.co/>

ProSME: Supporting European SMEs to participate in public procurement outside the EU

Institutional email: alcaldesa@alcaldiabogota.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Medellín (Antioquia)

Web: <https://www.medellin.gov.co/>

Institutional email: <https://mercurio.medellin.gov.co/mercurio/inicialPqr.jsp>

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Santiago de Cali (Valle del Cauca)

Web: <https://www.cali.gov.co/>

Institutional email: contactenos@cali.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Barranquilla (Atlántico)

Web: <https://www.barranquilla.gov.co/>

Institutional email: atencionalciudadano@barranquilla.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Pereira (Risaralda)

Web: <https://www.pereira.gov.co/>

Institutional email: contactenos@pereira.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Bucaramanga (Santander)

Web: <https://www.bucaramanga.gov.co/>

Institutional email: contactenos@bucaramanga.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Manizales (Caldas)

Web: <https://manizales.gov.co/>

Institutional email : sac@concejodemanizales.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Cartagena

Web: <https://www.cartagena.gov.co/>

Institutional email : atencionalciudadano@cartagena.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Santa marta

Web: <https://www.santamarta.gov.co/>

Institutional email: alcalde@santamarta.gov.co

ProSME: Supporting European SMEs to participate in public procurement outside the EU

To access the organization chart and/or the contacts of the dependencies, click [here](#)

4. Other entities (State-owned enterprises, other authorities with public procurement competences)

Financiera de desarrollo territorial – FINDETER

Web: <https://www.findeter.gov.co/>

Institutional email: findeter@findeter.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Bank for development of Colombia, strategic partner of the National Government and territorial entities for the planning, structuring, financing and execution of sustainable projects that transform territories.

Financiera de desarrollo nacional – FDN

Web: <https://www.fdn.com.co/>

Institutional email: financieradedesarrollonacional@fdn.com.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Bank specialized in development, which under parameters of competitiveness, market and profitability, promotes the infrastructure for the transformation and well-being of the country.

Empresa nacional promotora del desarrollo territorial – enterritorio

Web: <https://www.enterritorio.gov.co/web/>

Institutional email: radicacioncorrespondencia@enterritorio.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Structures and directs the execution of programs and / or projects financed, in accordance with the policies of the National Government, by means of multilateral banking resources and other external sources (credits, donations and cooperation), and provides technical support to public or private entities to accelerate the viability of decision-making and projects.

4.1. Entities attached to the Ministry of Transport

Instituto nacional de vías - INVIAS

Web: <http://www.invias.gov.co/>

Institutional email: atencionciudadano@invias.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: National entity, attached to the Ministry of Transport, responsible for implementing policies, strategies, plans, programs and infrastructure projects for road, rail, river and maritime transport, in accordance with guidelines given by the national government, to solve users needs in terms of connectivity, viability and mobility, contributing to the competitiveness and modernization of the country's infrastructure.

Aeronáutica civil

Web: <http://www.aerocivil.gov.co/>

Institutional email: atencionalciudadano@aerocivil.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Works for the growth of civil aviation, the safe use of Colombian airspace, the connection of regions to each other and to the world, environmentally sustainable infrastructure, the promotion of competitiveness and of the airline industry and the training of excellent human talent for the sector.

Agencia Nacional de Infraestructura - ANI

Web: <https://www.ani.gov.co/>

Institutional email: contactenos@ani.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission : National State Agency which aims to plan, coordinate, structure, contract, execute, manage and evaluate projects of concessions and other forms of Public Private Partnership - PPP, for the design, construction, maintenance, administration and / or operation of public transport infrastructure in all its modes and related services, and the development of public-private partnership projects for other public infrastructure.

Superintendencia de Puertos y Transporte

Web : <http://www.supertransporte.gov.co/>

Institutional email: atencionciudadano@supertransporte.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Oversees public transport service, port activity and infrastructure, for a connected, inclusive and competitive Colombia.

Corporacion Autonoma Regional del Rio Grande de la Magdalena - CORMAGDALENA

Web: <http://www.cormagdalena.gov.co/>

Institutional email: contactociudadano@cormagdalena.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Recovers and maintains the navigability of the Magdalena River as a contribution to the country's competitiveness, guarantees its sustainable development and contributes to improving the quality of life of the riparian communities.

Agencia Nacional de Seguridad Vial - ANSV

Web: <http://ansv.gov.co/>

Institutional email: atencionalciudadano@ansv.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: As the highest authority in the application of the public policy of the National Government, seeks to prevent, reduce and control road accidents, through administrative,

educational and operational actions, raising awareness at various levels of the population and integrating it into a road culture.

4.2. Entities associated with the Ministry of information and communications technologies

Agencia Nacional del Espectro - ANE

Web: <http://www.ane.gov.co/>

Institutional email: contactenos@ane.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Provides technical support for the management, planning and exercise of the surveillance and control of the radioelectric spectrum. Formulates and executes research, knowledge and dissemination programs on the radioelectric spectrum.

Comisión de Regulación de Comunicaciones - CRCOM

Web: <https://www.crcom.gov.co/>

Institutional email: atencioncliente@crcom.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Regulates the communications markets under criteria of regulatory improvement to protect the rights of citizens, promote competition, investment, quality of services and information pluralism.

Agencia Nacional Digital - AND

Web: <https://and.gov.co/>

Institutional email: agencianacionaldigital@and.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: The AND promotes, articulates and manages the provision of digital citizen services and develops science, technology and applied innovation activities, providing effective solutions that stimulate the interaction between citizens, companies and the State, contributing to the creation of a public information ecosystem within the framework of the country's digital transformation.

4.3. Entities associated with the Ministry of environment and sustainable development

Autoridad Nacional de Licencias Ambientales – ANLA

Web: www.anla.gov.co

Institutional email: licencias@anla.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Special administrative unit, responsible for ensuring that projects, works or activities subject to authorization, permits or environmental procedures comply with regulations, so that they contribute to sustainable development. Regarding water resources, this authority is responsible for granting permits for the concession of surface and groundwater, prospecting and exploration of groundwater and authorization for construction in the areas

ProSME: Supporting European SMEs to participate in public procurement outside the EU

that occupy the channel, stream or water reservoir, as well as how to keep track of all licenses granted.

Parques Nacionales Naturales de Colombia

Web: <https://www.parquesnacionales.gov.co/portal/es/>

Institutional email: atencion.usuario@parquesnacionales.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: It is a Special Administrative Unit, created by Decree 3572 of 2011, of a national order in charge of the administration and management of the System of National Natural Parks and the coordination of the National System of Protected Areas. With regard to water resources, this authority is responsible for granting concessions for water resources present in National Natural Parks and Protected Areas, as well as their administration, control and conservation. More information and / or contact

Instituto de Hidrología, Meteorología y Estudios ambientales – IDEAM

Web: <http://www.ideam.gov.co/>

Institutional email: atencionalciudadano@ideam.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Public institution that provides technical and scientific support to the National Environment System, which generates knowledge, produces information on the state and dynamics of natural resources and the environment, which facilitates the definition and adjustments of environmental policies and decision-making by the public and private sectors and the general public.

4.4. Entities associated with the Ministry of Housing, City and Territory

Comisión de Regulación de Agua Potable y Saneamiento Básico - CRA

Web: <https://www.cra.gov.co/>

Institutional email: correo@cra.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Regulates monopolies, promotes competition, promotes the sustainability of the potable water and basic sanitation sector, avoiding abuse of a dominant position, guaranteeing the provision of quality services, with reasonable fees and wide coverage.

4.5. Entities associated with the ministry of mines and energy

Agencia Nacional de Hidrocarburos - ANH

Web: <https://www.anh.gov.co/>

Institutional email: participacionciudadana@anh.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Authority in charge of promoting the optimal and sustainable use of the country's hydrocarbon resources, managing them comprehensively and harmonizing the interests of

society, the State, and companies in the sector. Regulates, supervises and controls the activities of the entire hydrocarbon chain, within the framework of the national hydrocarbon policy.

Agencia Nacional de Minería - ANM

Web: <https://www.anm.gov.co/>

Institutional emails: contactenos@anm.gov.co / notificacionesjudiciales-anm@anm.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: A state agency of a special nature whose objective is to comprehensively manage state-owned mineral resources and promote their optimal use and sustainability in accordance with current regulations and in coordination with environmental authorities.

Comisión de Regulación de Energía y Gas – CREG

Web: <https://www.creg.gov.co/>

Institutional email: creg@creg.gov.co / contactenos@creg.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Regulates public services of electricity, fuel gas and liquid fuels, promoting the availability of a sufficient and reliable supply to satisfactorily and efficiently meet the needs of users, in harmony with public policy.

Instituto de Planificación y Promoción de Soluciones Energéticas para Zonas No Interconectadas – IPSE

Web: <https://ipse.gov.co/>

Institutional email: ipse@ipse.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Meets energy needs, structures and implements effective and durable energy solutions, friendly to the environment, promoting business schemes, with the participation of beneficiary communities, boosting sustainable development, mitigating climate change and creating opportunities for a better quality of energy. Life in Non-Interconnected Colombia.

Servicio Geológico Colombiano – SGC

Web: <https://www2.sgc.gov.co/Paginas/servicio-geologico-colombiano.aspx>

Institutional email: cliente@sgc.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Carries out basic and applied scientific research on the potential of subsoil resources; advances the follow-up and monitoring of threats of geological origin; manages the information of the subsoil; guarantees the safe management of nuclear and radioactive materials in the country; coordinates nuclear research projects, with the limitations of article 81 of the Political Constitution, and the management and use of the Nation's Nuclear Reactor.

Unidad de Planeación Minero Energética

Web: <https://www1.upme.gov.co/Paginas/default.aspx>

Institutional email: info@upme.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Plans mining and energy development, supports the formulation and implementation of public policy, and generates knowledge and information for a sustainable future.

4.6. Entities associated with the Ministry of Health and Social Protection

Instituto nacional de vigilancia de medicamentos y alimentos – INVIMA

Web: <https://www.invima.gov.co/>

Institutional email: contactenos@invima.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Protects and promotes the health of the population, by managing the risk associated with the consumption and use of food, medicines, medical devices and other products subject to health surveillance.

Develops and manages scientific knowledge in health and biomedicine, carries out basic and applied scientific research in health and biomedicine; promotes scientific research and innovation ; monitors health security in matters within its competence; produces biological inputs; and acts as a national reference laboratory and coordinator of special networks, within the framework of the general system of social security in health and the system of sciences, technology and innovation.

Instituto Nacional de Salud – INS

Web: <https://www.ins.gov.co/Paginas/Inicio.aspx>

Institutional email: contactenos@ins.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Trains employees of insurers and reinsurers, as well as intermediaries and insurance consumers, in matters inherent to insurance and social security, through academic, relevant and quality programs, dictated by experts, in person and virtually.

4.7. Autonomous regional corporations

Mission : Autonomous Regional Corporations - CAR are legal entities governed by public law, created by law, made up of territorial entities which, by virtue of their characteristics, geographically constitute the same ecosystem or constitute a geopolitical, biogeographic or hydrogeographic unit, endowed with the administrative and financial autonomy, own assets and legal personality, charged by law with administering, in the field of their competence, the environment and renewable natural resources and promoting their sustainable development, in accordance with the legal and political provisions of MADS.

Car Cundinamarca

Web: <https://www.car.gov.co/>

Institutional email: sau@car.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional del Centro de Antioquia - Corantioquia

Web: <http://www.corporinoquia.gov.co/>

Institutional email: corantioquia@corantioquia.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional del Atlántico – CRA

Web: <https://www.crautonomia.gov.co/>

Institutional email: recepcion@crautonomia.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional del Sur de Bolívar – CSB

Web: <http://www.carcsb.gov.co/>

Institutional email: secretariageneral@carcsb.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional de Boyacá - CORPOBOYACÁ

Web: <https://www.corpoboyaca.gov.co/>

Institutional email: corpoboyaca@corpoboyaca.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional de Caldas – CORPOCALDAS

Web: <http://www.corpocaldas.gov.co/>

Institutional email: corpocaldas@corpocaldas.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional del Cauca - CRC

Web: <https://crc.gov.co/>

Institutional email: crc@crc.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional del Cesar - CORPOCESAR

Web: <https://www.corpocesar.gov.co/>

Institutional email: atencionalciudadano@corpocesar.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional de los Valles del Sinú y del San Jorge – CVS

Web: <https://cvs.gov.co/>

ProSME: Supporting European SMEs to participate in public procurement outside the EU

Institutional email: cvs@cvs.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional del Alto Magdalena – CAM

Web: <https://cam.gov.co/>

Institutional email: camhuila@cam.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional de la Guajira - CORPOGUAJIRA

Web: <https://corpoguajira.gov.co/wp/>

Institutional email: servicioalcliente@corpoguajira.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional del Magdalena- CORPAMAG

Web: <https://www.corpamag.gov.co/index.php/es/>

Institutional email: contactenos@corpamag.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional del Meta - CORMACARENA

Web: <https://www.cormacarena.gov.co>

Institutional email: info@cormacarena.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional de Nariño - CORPONARIÑO

Web: <https://www.corponarino.gov.co>

Institutional email: quejasreclamos@corponarino.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional de la Frontera Nororiental – CORPONOR

Web: <https://corponor.gov.co/web/#miModalw>

Institutional email: corponor@corponor.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional del Quindío - CRQ

Web: <https://crq.gov.co/>

Institutional email: servicioalcliente@crq.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional de Risaralda - CARDER

Web: <https://www.carder.gov.co/>

Institutional email: carder@carder.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional de Santander - CAS

ProSME: Supporting European SMEs to participate in public procurement outside the EU

Web: <http://cas.gov.co/index.php>

Institutional email: contactenos@cas.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional de Sucre - CARSUCRE

Web: <https://carsucre.gov.co/>

Institutional email: carsucre@carsucre.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional del Tolima - CORTOLIMA

Web: <http://cortolima.gov.co/>

Institutional email: cortolima@cortolima.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional del Valle del Cauca – CVC

Web: <https://www.cvc.gov.co/>

Institutional email: atencionalusuario@cvc.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

4.8. Corporations for sustainable development

Mission : The Corporations for Sustainable Development are in charge of the sustainable and rational use of renewable natural resources and the environment in their respective jurisdiction, the promotion of scientific research and technological innovation, the process orientation of land use planning to alleviate and deactivate the pressures of inadequate land use, and to promote, with the cooperation of national and international entities, the generation of appropriate technologies for the use and conservation of resources and the environment in their area of influence.

CORPOAMAZONIA

Web : <http://www.corpoamazonia.gov.co/>

Institutional email : correspondencia@corpoamazonia.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

CORPORINOQUIA

Web: <http://www.corporinoquia.gov.co/>

Institutional email: atencionusuarios@corporinoquia.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación Autónoma Regional para el Desarrollo Sostenible del Choco - CODECHOCO

Web: <https://www.codechoco.gov.co/>

Institutional email: contacto@codechoco.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación para el Desarrollo Sostenible del Norte y Oriente amazonico - CDA

Web: <https://cda.gov.co>

Institutional email: contactenos@cda.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Corporación para el Desarrollo Sostenible del Archipiélago de San Andrés, Providencia y Santa Catalina – CORALINA

Web: <https://coralina.gov.co/en/>

Institutional email: serviciocliente@coralina.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

4.9. Urban environmental authorities

Urban Environmental Authorities are present in municipalities, districts or metropolitan areas with an urban population equal to or greater than one million inhabitants. They are responsible for promoting and implementing national, regional and sectoral programs and policies in the field of the environment and renewable natural resources, that is to say, they perform the functions of autonomous regional corporations in their jurisdiction.

SDA – Secretaría Distrital de Ambiente– Bogotá

Web: <https://ambientebogota.gov.co/es/inicio>

Institutional email: atencionalciudadano@ambientebogota.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

AMVA – Área Metropolitana del Valle de Aburra – Medellín

Web: <https://www.metropol.gov.co/>

Institutional email: atencionausuario@metropol.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

DAGMA – Departamento Administrativo de Gestión del Medio Ambiente – Cali

Web: <https://www.cali.gov.co/dagma/>

Institutional email: dagma@cali.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Publico Ambiental Barranquilla Verde

Web: <http://barranquillaverde.gov.co/>

Institutional email: ciudadano@barranquillaverde.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

DADSA – Departamento Administrativo Distrital para la Sostenibilidad Ambiental de Santa Marta

Web: <http://www.dadsa.gov.co>

Institutional email: info@dadsa.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Establecimiento Publico Ambiental – Cartagena

Web: <https://epacartagena.gov.co/web/>

Institutional email: atencionalciudadano@epacartagena.gov.co /
contactenos@epacartagena.gov.co

To access the organization chart and/or the contacts of the dependencies, click [here](#)

5. Multilateral and bilateral entities with presence/programmes in the country

Banco Interamericano De Desarrollo – BID

Web: <https://www.iadb.org/es>

Institutional email: iicmail@iadb.org

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Is the main source of financing and multilateral expertise for the sustainable economic, social and institutional development of Latin America and the Caribbean. Its objective is to reduce poverty, fight against social inequalities and promote sustainable economic development in the region.

Banco Mundial

Web: <https://www.bancomundial.org/es/country/colombia>

Institutional email: colombia@worldbank.org

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Works in every major area of development. Provides a wide array of financial products and technical assistance, and helps countries share and apply innovative knowledge and solutions to the challenges they face. Its objective is to end extreme poverty and promote shared prosperity.

Corporacion Andina de Fomento, Banco de Desarrollo De América Latina – CAF

Web: <https://www.caf.com/es/sobre-caf/> - <https://www.caf.com/es/paises/colombia/>

Institutional email: infocaf@caf.com - colombia@caf.com

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Supports sustainable development and regional integration through the mobilization of financial resources from member countries. It grants loans and lines of credit to companies, financial entities and public and private commercial banks, destined to finance foreign trade operations and working capital.

Banco de Desarrollo De Alemania – KfW

Web: <https://www.kfw-entwicklungsbank.de/International-financing/KfW-Entwicklungsbank/>

Institutional email: kfw.bogota@kfw.de

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: With the goal of achieving sustainable development that takes economic, environmental and social factors into consideration in equal measure, it fosters development programs and helps to improve living conditions at the local, national, European and global level.

Agencia Francesa De Desarrollo – AFD

Web: <https://www.afd.fr/fr/page-region-pays/colombie>

Institutional email: no mail registered

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Grants credits to the Colombian State to accompany national public policies, and focuses on three objectives: sustainable territorial development, climate change mitigation and adaptation policies, and social cohesion. Is in charge of development cooperation, committed to creating a more just and sustainable world. Its projects focus on climate, biodiversity, peace, education, urban development, health and governance.

Spanish Agency For International Development Cooperation - AECID

Web: <https://www.aecid.org.co/index.php?idcategoria=2463>

Institutional email: otc.colombia@aecid.es

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: It is the management body of the Spanish policy of international cooperation for development, and its purpose is the promotion, management and execution of public policies of international cooperation for development, aimed at the fight against poverty and the achievement of sustainable human development in developing countries, particularly those included in the Master Plan in force every four years. The fight against poverty is the final objective of the Spanish policy of international cooperation for development.

German Society for International Cooperation - GIZ

Web: <https://www.giz.de/en/worldwide/29848.html>

Institutional email: giz-kolumbien@giz.de

To access the organization chart and/or the contacts of the dependencies, click [here](#)

Mission: Is specialized in technical cooperation for sustainable development: Territorial and forestry planning, sustainable productive ventures, agri-environmental development, indigenous villages, facilitating actions, ecotourism, education for sustainability. In order to guarantee peace in the country, GIZ supports state institutions and civil society organizations to jointly overcome conflict and prevent violence.

ANNEX III: DESCRIPTION OF BIDDING ENTITIES

Federal Government

- NATIONAL INFRASTRUCTURE AGENCY (ANI)
 - Government agency, part of the Ministry of Transport in charge of concessions to public-private partnerships, for the design, construction, maintenance, operation, and management of transport infrastructure in Colombia.
- MINISTRY OF NATIONAL EDUCATION (MEN)
 - Government body in charge of formulating national education policy, whose mission is to lead the formulation, implementation, and evaluation of public education policies, in order to fill the existing gaps in guaranteeing the right to education, and in the provision of a quality education service.
- CENIT TRANSPORTE Y LOGISTICA DE HIDROCARBUROS
 - A state-owned subsidiary of Ecopetrol, linked to the Ministry of Mines and Energy, which operates mainly in the oil and gas pipeline transportation sector. It provides port, logistics, transportation and storage services to the oil and gas industry through a network of oil and gas pipelines and multi-purpose pipelines throughout Colombia.
- NATIONAL INSTITUTE OF ROADS - INVIAS
 - Government agency under the administration of the Ministry of Transport in charge of assigning, regulating and supervising contracts for the construction of highways and roads and the maintenance of the country's roads.
- NATIONAL SERVICE OF LEARNING - SENA
 - State body attached to the Ministry of Labour that offers free training programmes of a technical, technological, and complementary kind, whose purpose is to generate a return in the economic, technological, and social development of the country.
- MINISTRY OF FINANCE AND PUBLIC CREDIT - MINHACIENDA
 - Government body whose main function is to define and implement the economic and fiscal policy of the State. It drives the Nation's economic growth and controls the State's operating expenses. It works in conjunction with the Columbian Central Bank (Banco de la República) and the National Planning Department. It prepares, in coordination with the National Planning Department, the draft laws of the National Development Plan and the National General Budget, to be submitted for consideration by the Congress of the Republic, among other functions. It must also direct the preparation, modification and monitoring of the National General Budget.
- MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT - MINAGRICULTURA
 - Governmental entity whose main function is the formulation, coordination and adoption of policies, plans, programmes, and projects of the Agricultural, Fishing, Forestry and Rural Development Sector from an inclusive point of view in the promotion of competitive, equitable and sustainable development of these economic sectors. It provides guidelines for the sector's decentralised bodies: those that are attached (ICA, INCODER), those that are linked (Bolsa Nacional Agropecuaria, BANAGRO S.A, FINAGRO, VECOL S.A, COMCAJA, ALMAGRARIO S.A, supply corporations), mixed holding corporations (corpoica, CCI), and the sector's plans, programmes, and funds.
- GENERAL DIRECTORATE OF THE NATIONAL POLICE - PONAL
 - It is a government body with nationwide jurisdiction under the Ministry of Defence. Its main strategic lines are based on police leadership based on humanism, efficiency in its service, strengthening of its administrative structure, police training, police

scientific and technological development, leadership and strategic communication, and accountability for the improvement of the service.

- MINISTRY OF THE INTERIOR - MININTERIOR
 - Government body whose main function is to coordinate in a general manner the policies of citizen participation, decentralisation, territorial planning, political and legislative affairs, public order (together with the Ministry of National Defence), electoral processes, ethnic minorities, displaced population, religious communities, the LGBTIQ community, human rights, among other issues. In this regard, it seeks to lead the formulation, implementation and evaluation of public policies aimed at guaranteeing the political management of the Government, the protection and effective enjoyment of citizens' rights and freedoms, strengthening social and intercultural dialogue between the State and communities, democracy, participation, security and citizen coexistence, thus promoting the development and equity of ethnic groups, minorities and vulnerable populations within the framework of legality, entrepreneurship and equity.

Regional bodies

- ANTIOQUIA - EMPRESA DE TRANSPORTE MASIVO DEL VALLE DE ABURRA LTDA
 - State-owned company whose main partners are the department of Antioquia and the municipality of Medellín. It is involved in passenger rail transport. It owns and is in charge of the planning, operation, and management of the Medellín Metro, and has subsequently expanded its scope to include cable cars, bus rapid transit, trams and public bicycles through inter-agency agreements signed with the Municipal Council of Medellín.
- CUNDINAMARCA REGIONAL GOVERNMENT
 - An autonomous regional entity that manages sectional affairs and plans and promotes economic and social development within the territory of the Department of Cundinamarca. These functions are complementary. The Department is responsible for the action of the municipalities that comprise the Department and it establishes a nexus of intermediation between the National Government and these municipalities and the provision of services as determined by the Constitution and the law.
- BOYACA REGIONAL GOVERNMENT
 - An autonomous regional entity, it administers the sectional affairs and plans and promotes, through the execution of programmes and projects in accordance with the Established Development Plan, the economic and social development within the territory of the Department of Boyacá, with the aim of improving the wellbeing of its inhabitants. These functions are complementary to the action of the municipalities that comprise the department and it establishes a nexus of intermediation between the nation and the municipalities under the terms established by the Constitution and the law.

Municipal governments

- SPECIAL ADMINISTRATIVE UNIT FOR PUBLIC SERVICES (BOGOTÁ)
 - Politically, fiscally, and administratively autonomous municipal body whose mission is to guarantee the planning, provision, coordination, supervision, and control of the services of collection, transport, final disposal, recycling and use of solid waste, the cleaning of roads and public areas, funeral services in the district's infrastructure and public lighting services.
- MEDELLIN CITY HALL (ANTIOQUIA)

- Politically, fiscally, and administratively autonomous municipal body in charge of the administration of the municipality's own resources, the provision of public services as determined by law, ensuring the wellbeing and interests of all citizens, and representing them in matters involving the National Government, in addition to promoting local policies to improve their quality of life, such as health programmes, housing, education and road infrastructure, and maintain public order.
- CALI CITY HALL (VALLE DEL CAUCA)
 - Politically, fiscally and administratively autonomous municipal body in charge of the administration of the municipality's own resources, promoting local policies, health, housing, education and road infrastructure programmes and other works required for local progress, maintaining public order, managing the development of its territory, promoting community participation, social and cultural improvement of its inhabitants, representing them in matters involving the National Government and fulfilling other functions vested in it by the Constitution and the laws.

Other entities

- COLOMBIAN INSTITUTE OF FAMILY WELFARE - ICBF
 - An entity linked to the Administrative Department for Social Prosperity of Colombia whose purpose is to strengthen the family and protect minors and to tackle the problems affecting Colombian society, mainly the lack of nutrition, the division and instability of the family unit, the loss of values and neglected children.
- OFFICE OF THE OMBUDSMAN
 - An autonomous oversight body of the Colombian State linked to the Public Prosecutor's Office whose mission is to guide and instruct the inhabitants of the national territory and Colombians abroad in the exercise and defence of their rights in matters involving the competent authorities or private entities.
- DEPARTMENTAL PRINTING HOUSE OF ANTIOQUIA
 - A regional body attached to the sub-secretariat of logistics of the Government of Antioquia that performs the graphic arts work required by the regional authority, decentralised entities, and municipal councils of Antioquia.
- URBAN DEVELOPMENT INSTITUTE
 - Autonomous administrative and financial public body, created by the Mayor's Office of Bogotá, which is in charge of developing the city's road works along with public space and large-scale road infrastructure works such as vehicular and pedestrian bridges, road interchanges, the *TransMilenio* system trunk lines and ancillary works for the Bogotá Underground. It is also responsible for the construction, maintenance, and rehabilitation of the city's real estate.
- INVESTMENT FUND FOR PEACE
 - Created by Law 487 of 24 December 1998 as the main instrument for financing programmes and projects structured to achieve peace as a special account. It does not have legal personality of its own but is instead subordinate to the Office of the President of the Republic, administered as a separate system of accounts. The Fund implements the strategic components of *Plan Colombia* in terms of Institutional Strengthening and Social Development, Economic and Social Recovery and Social Action.
- ALIANZA MEDELLIN ANTIOQUIA EPS
 - Incorporated as a Simplified Joint Stock Company, of mixed economy engaged in activities of social security plans for which registration is mandatory, which, according to current law, establishes the various decision-making processes within

the organisation, in accordance with established quality policies. Its main partners are the Governor's Office of Antioquia and the Mayor's Office of Medellín.

- GENERADORA Y COMERCIALIZADORA DE ENERGIA DEL CARIBE SA ESP - ATLANTICO - BARRANQUILLA
 - Incorporated as a public limited company, whose activity is the generation, marketing, and sale of electric energy. It also provides sales services as a Natural Gas Seller. These activities are aimed at large unregulated users and other agents in the wholesale market and in the Energy Exchange. They provide solidity and support to the Colombian electrical system and constitute an important technical support in the event of possible electrical power shortages.
- INSTITUTE FOR THE DEVELOPMENT OF ANTIOQUIA
 - Regional public body for promotion and development that operates mainly in the electricity, infrastructure and water and waste sectors. Its main objective is to cooperate in the economic, cultural, and social promotion of the Department of Antioquia and its municipalities, through the provision of credit and guarantee services for the benefit of public service works. It has operations in Colombia through its subsidiaries. Since its creation, the Institute has leveraged and managed the resources of large-scale works including tunnels, clinics, slaughterhouses, and other civil engineering works.
- ANTIOQUIA - HOSPITAL GENERAL DE MEDELLIN
 - Decentralised public hospital body of the city council of Medellin that provides health services up to high degree of complexity in a comprehensive, safe, and humane manner, and is committed to the development of human talent in health and research. This has made it one of the best hospitals in Colombia.
- UNIVERSITY OF ANTIOQUIA
 - Public body dedicated to higher education, decentralised from the department of Antioquia, organised as an autonomous university with a special status, linked to the Ministry of National Education insofar as the policies and planning of the education sector and in relation to the National System of Science and Technology. It is the most important university in the department and one of the best in Colombia. One of the areas where it has stood out the most is medicine, according to international rankings (QS ranking, Times Higher Education), in addition to increasing its support for research (through human, economic and logistical resources) in recent years in fields such as biotechnology, chemistry, materials science, genetics, environment, immunology, infectious and tropical diseases, among others.
- UNIT FOR THE CARE AND COMPREHENSIVE REPARATION OF VICTIMS
 - Public body created in 2012, based on Law 1448 on Victims and Land Restitution, which establishes measures of care, assistance, and comprehensive reparation for victims of the internal armed conflict. Its strategic approach is framed in bringing the State closer to the victims through efficient coordination and transformative actions that promote the effective participation of victims in their reparation process. In accordance with this mandate, it is responsible for coordinating the assistance, care and reparation measures provided by the State; delivering humanitarian aid to those who, as victims, require it immediately; and coordinating the bodies that are part of the National System for Comprehensive Care and Reparation for Victims - SNARIV. Therefore, its mission is to lead actions of the State and society to provide comprehensive care and reparation to victims, to contribute to social inclusion and peace.

- DISTRICT SECRETARIAT OF SOCIAL INTEGRATION
 - Public body at the central level of the city of Bogotá, leader of the social sector, responsible for the formulation and implementation of social public policies aimed at the exercise of rights; it offers social services and promotes social inclusion, capacity building and improving the quality of life of those people who are most vulnerable and poor, in a practical and effective way. To this end, it carries out actions that enable the promotion, prevention, protection, rehabilitation, and restoration of their rights, through the exercise of co-responsibility and co-management between the family, society, and the State.
- INTEGRATED SUB-NETWORK OF HEALTH SERVICES NORTH E.S.E.
 - Public bodies created as State Social Enterprises by Law 100 of 1993. They are decentralised, municipal, with legal personality, administrative autonomy, and independent assets, attached to the District Health Secretariat of Bogota and subject to the legal regime set forth by law. Resolution 17 of 1997 established the framework of its objectives, the most important of which have to do with contributing to social development, reducing morbidity, mortality, incapacity of its users, producing efficient and effective health services, and providing health services to the poor and vulnerable population who are not registered with the Subsidised Social Security Scheme. In 2016, the health sector was reformed again, by Resolution 641 of the Council of Bogota, integrating the state social enterprises into Integrated Health Services Sub-networks: Integrated Sub-network of Health Services South E.S.E; Integrated Sub-network of Health Services South-West E.S.E; Integrated Sub-network of Health Services North E.S.E; Integrated Sub-network of Health Services Centre-East E.S.E.
- INTEGRATED SUB-NETWORK OF HEALTH SERVICES SOUTH-WEST E.S.E
 - Public bodies created as State Social Enterprises by Law 100 of 1993. They are decentralised, municipal, with legal personality, administrative autonomy, and independent assets, attached to the District Health Secretariat of Bogota and subject to the legal regime set forth by law. Among their objectives are the contribution to social development, reducing morbidity, mortality, disability of their users, producing efficient and effective health services, providing health services to the poor and vulnerable population not registered as members of the Subsidised Social Security System.
- ANTIOQUIA - E.S.E. METROSALUD - MEDELLIN
 - A public organisation established as a State Social Enterprise by Law 100 of 1993, which provides comprehensive and competitive health services in the city of Medellin and the region through an extensive and modern hospital network; human talent with a vocation for service, highly qualified, based on institutional values and in harmony with the environment.