



INFORMATIVE BULLETIN ABOUT THE CORONAVIRUS

03 | APRIL | 2020



POSSE | HERRERA | RUIZ

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COMPETITION AND CONSUMER PROTECTION LAW

Monitoring and eventual control over prices of essential products

The National Government issued Decree No. 507 on April 1, 2020, by means of which it adopted measures aimed at facilitating the access of less privileged homes to basic products, medicine and medical equipment in the framework of the Economic, Social and Ecological Emergency that was declared.

In accordance with the foregoing, the National Government considered that the confinement measure aimed at preventive social distancing would lead to Colombian homes acquiring a greater quantity of first necessity products and, as a result of the increase in demand, prices of said products would also rise. In this context, the National Government determined the existence of certain risks related to possible hoarding by consumers, as well as of speculation by producers, suppliers or retailers of the different basic products consumed everyday by Colombian families.

Consequently, the National Government decided to adopt extraordinary measures with the purpose of preventing a significant increase in prices of first necessity products in order to guarantee the wellbeing of Colombian consumers.

The National Government ordered the Ministry of

Health and Social Protection, the Ministry of Industry, Commerce and Tourism and the Ministry of Agriculture and Rural Development to issue a list of first necessity products for each of the sectors under their competence.

Once the aforementioned lists of first necessity products are issued, the National Statistics Department (DANE) shall be in charge of supervising the prices of such first necessity products and identifying significant and atypical variations in prices of such products taking into consideration their historical behavior.

If significant and atypical variations of product prices are detected, the DANE shall deliver a report to the Superintendency of Industry and Commerce ("SIC"), which shall be in charge of carrying out activities of inspection, supervision and control of first necessity products and their supplies. Governors and mayors around the country shall also be able to support the activities of inspection, supervision and control of the SIC by submitting reports on significant and atypical variations of product prices.

In this order of ideas, the SIC shall report all relevant findings derived from such activities to the Ministry of Health and Social Protection, the Ministry of Industry, Commerce and Tourism and the Ministry of Agriculture and Rural Development with the purpo-

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se of helping them adopt measures aimed at preventing speculation, hoarding and profiting conduct in respect of such first necessity products.

If applicable, said Ministries shall have the authority to establish pricing policies for such first necessity products, imposing pricing control, regulated freedom (libertad regulada) and supervised freedom (libertad vigilada) regimes in accordance with articles 60 and 61 of Law 81, 1998. Similarly, the National Government granted the National Commission for Medicine and Medical Equipment Prices the authority to establish maximum sale prices for medicines and medical equipment considered of first necessity.

The Superintendency of Industry and Commerce encourages district and municipal mayors to protect the rights of consumers

The Superintendency of Industry and Commerce ("SIC"), by means of Externa Circular Letter No. 004 on March 31, 2020, with the intention of addressing the health emergency and the State of Economic, Social and Ecological Emergency declared by the National Government in order to mitigate the effects of the COVID-19 crisis in Colombia.

By means of External Circular Letter 004, 2020, the SIC urged all district and municipal mayors with inspection, surveillance and control functions in respect of consumer protection to perform activities of inspection and surveillance of suppliers and producers. Also, it urged mayors to work with the SIC as a national authority to carry out consumer protection activities; all the foregoing with the purpose of guaranteeing consumer protection.

In this sense, evidencing that the pandemic caused by COVID-19 has unleashed unusual and excessive panic buying from consumers, as well as the

unscrupulous and illegal behavior of some producers or retailers of goods and services, the SIC has incentivized and instructed district and municipal mayors to carry out activities aimed at identifying possible behaviors that threaten consumer rights, such as hoarding, tied sales and misleading advertising and information.

The national authority for consumer protection signaled the following in regard to each conduct:

Hoarding: is the behavior aimed at subtracting or withholding products of high demand with the purpose of reducing market stock or incentivizing an increase in prices. The SIC has identified food and beverages, first necessity goods, pharmaceutical products, medical equipment, optical products, orthopedic products, hygiene and cleaning equipment, food and medicine for pets and terminals that facilitate access to telecommunications (telephones, computers, tablets and televisions) as examples of products of high demand.

Tied Sales: is the behavior aimed at tying the acquisition of a particular product related to the treatment of COVID-19 or of products of high demand to the acquisition of other products.

Misleading Advertising and Information: In the framework of the health emergency, all commercial messages attributing characteristics to products associated with COVID -19 that do not actually possess the alleged characteristics, shall be considered misleading advertising. Additionally, the SIC has established that any supplier or retailer that markets products in person or by electronic means, has the obligation to provide true, sufficient, precise, ideal, clear and timely information to consumers regarding availability of products and prices, as well as any restrictions to the amount of each product that may be acquire.





FINANCIAL LAW AND CAPITAL MARKETS

Normative Update

Financial Superintendency of Colombia ("SFC")

The Financial Superintendency of Colombia ("SFC") has made certain decisions allowing financial entities to grant new conditions for existing credits, such as grace periods and extension of payment terms and deadlines, among others. This redefinition applies to commercial loans, microcredits, loans for personal consumption and mortgage loans, without limiting the number of obligations. In furtherance of the foregoing, the SFC has issued the following external circular letters aimed at mitigating the effects of the health emergency.

April 1

Resolution 0368, 2020

Establishes measures for the Economic, Social and Ecological Emergency aimed at preventing contact between people, with the following precisions:

1. The SFC will only provide services to surveilled entities and the public through the following virtual and telephone channels until the end of the health emergency is declared: (i) via email (super@superfinanciera.gov.co) for complaints, claims and requests (PQRS); (ii) via email for notifications

(notificaciones_ingres@supefinanciera.gov.co); (iii) via email for information related to judicial proceedings

(jurisdiccionales@superfinanciera.gov.co); (iv) virtual locker for supervised entities (SIRI); (v) telephone contact centers in Bogota ((57-1) 3078042) and at a national level (018000 120 100); and (vi) online chat on the entity's website.

2. Notifications and communications related to administrative acts shall be delivered by email. Processes that have been initiated as of this resolution shall include an email address to which copies of the administrative act shall be delivered as well as information on applicable recourses and actions. Notification shall be deemed delivered on the date and at the time the [recipient] accesses his/her email and [certifies reception thereof].

3. All requests shall be resolved within a 30-day period, as of the date on which each request was received, except for requests for documents and information (20 days); and requests on matters under the competence of the SFC (35 days).

4. All procedural terms will be reinitiated as of April 2, 2020, except for sanctioning proceedings held by the delegations and disciplinary proceedings held by the Disciplinary Control Office.

4.1. During the health emergency, face-to-face

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activities and proceedings can be suspended, rescheduled or postponed through a motivated decision, prior evaluation and explanation.

4.2. Competent officials shall be able to suspend terms partially or totally for certain actions, pursuant to the explanation granted in each case.

5. Terms for jurisdictional proceedings with the SFC will be reinitiated as of April 13, 2020, even for those carried out virtually. However, through a motivated judicial order the Delegate Superintendent may suspend any of the proceedings that are being held or acts that are being carried out.

5.1. All hearings will be held through Microsoft Teams. If any of the parties does not possess the technological means to participate, it shall so notify, via email to the email address mentioned above, with at least 3 days in advance of the intended date of the hearing, for it to be rescheduled. Similarly, 1 day before the hearing, an official will contact the parties in order to deliver the corresponding instructions.

5.2. If it is not possible to hold a hearing due to technological issues or any other issue, the hearing shall be rescheduled.

5.3. Physical consultation of files held by the SFC will not be possible as long as the emergency is in place. If a document is required, the requesting party shall, with a 3-day's prior notice, contact the Delegation of Jurisdictional Affairs, via email or telephone, indicating the file number, the location number identifying where the document contributed by the counterparty can be found; and any other relevant information needed to locate such file.

support debtors of the financial system whose payment capacity has been affected as a consequence of the Coronavirus Crisis. For example, interest rates may not be increased and the collection of interest over interest shall not be contemplated. In the case of consumer loans (not credit card loans or rotating credits), housing or microcredits, terms can be adjusted in a way as to prevent the value of the cost to the client from increasing.

External Circular Letter No. 013

This document sets forth instructions about the request, approval and payment of partial withdrawals from pension funds by virtual and/or remote channels established by the Pension and Severance Fund Administrators ("AFPC"), which shall publish on their websites the channels that are available for these purposes. Additionally, it indicates that through the same channels, ideal mechanisms for verifying the identity of the applicant and its employee shall be employed. The withdrawal procedure shall be the traditional one, derived from the provisions of article 3 of Decree 488, 2020, through the digital channels enabled. On the other hand, AFPC shall deliver to the SFC a weekly report of the requests received, which shall include: (i) the date of request; (ii) the identification number of the employee; (iii) the name of the employing company along with its identification number; (iv) the amount of the requested withdrawal; (v) the decrease in income reported by the employer; (vi) the response from the entity; and (vii) the date of the response.

Press Release:

The SFC establishes and reiterates what is set forth in External Circular Letter 014, that is: "Credit establishments shall incorporate within their policies to help debtors affected by COVID-19, as basic elements, that interest rates shall not be increased, that interests over interests shall not be collected, and that debtors shall not be reported to credit reporting agencies for taking part in a benefit plan.

●● March 27

External Circular Letter No. 012

●● March 30

External Circular Letter No. 014

Instructions were given to financial credit establishments regarding the basic characteristics of the policies that must be adopted in order to

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Delivery of instructions about the collection or processing of biometric data using prints by means of digital, physical or any kind of method that allows for the spread of coronavirus through indirect contact. The SFC has requested entities to promote digital channels for the greatest amount of transactions, with the purpose of reducing the use of this equipment, as long as the service requested by the consumer allows it.

Ministry of Finance and Public Credit ("MHCP")

April 1

External Circular Letter No. 011

The MHCP decided to grant an extension for the delivery of information by hospitals. Thus, the deadline for complying with this obligation, initially set for March 31, 2020, is now set for the month after the date on which the mandatory isolation ends; until such date, entities subject to this obligation are allowed to deliver the required information without any negative consequences.

March 30

Newsletter No. 012

The Ministry decided to resume public auctions of type B public debt securities (treasury bonds – TES) as of this week and in their usual schedules: short term TES, as of Tuesday March 31; long term TES in real value units (UVR), as of Wednesday, April 1; and long term TES in pesos, as of April 15. An additional award can be granted in auctions of up to 30% of the price initially requested in the initial round, as long as the ratio of the amount offered to the amount requested is equal to or greater than 2, regardless of its denomination. The The General Direction of Public Credit and National Treasury shall maintain, until further notice, the quota needed to carry out simultaneous operations for a value of up to COP\$3.500 million, which represents more than 50% of the average daily volume of this market, in transactional platforms.

March 28

Decree 492, 2020

Orders, as of the date of issuance, that resources destined for the financial strengthening of the National Guarantees Fund (FNG) and the reduction and use of the equity capital of the entities (Grupo Bicentenario S.A.S; Findeter; Fondo Nacional del Ahorro; Fondo para el Financiamiento del Sector Agropecuario; Urrá S.A E.S.P y Central de Inversiones S.A.), shall only back guarantees for sectors, products or segments selected by the Ministry of Finance, in order to give access to loans to individuals and entities that have suffered a negative impact on their economic activity by reason of the Social, Economic and Ecological Emergency declared by means of Decree 417, 2020.

March 25

Decree 473, 2020

Modifies Decree 1068, 2015, by including specific provisions for short-term credits (créditos de tesorería) of state entities during the declared economic, social and ecological crisis. Additionally, the Decree permits the execution of new lines of credit for national and departmental, district and municipal entities. Finally, it states that, during the emergency, state entities shall be able to request the MHCP for the suspension of contribution plans to the Contingency Fund for up to two months.

Colombian Central Bank ("BR")

March 30

The Board of Directors adopted the following measures aimed at strengthening dollar liquidity:

- On March 30, 2020, a new auction for dollar swaps (FX swaps) for US\$400 million will be carried out, under which the Central Bank sold dollars in cash and proposed to repurchase them in the future (60 days). Amounts not awarded at the auction on any given day shall be auctioned on the following day, and so on, until the quota is exhausted or until the outstanding value falls below US\$25 million. This measure shall provide temporary dollar liquidity to a broad number of financial entities with the purpose of alleviating possible restrictions and

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external financial pressure on the Colombian market.

- The mechanism for exchange coverage will be extended through a new financial compliance operations auction (Forward Non-Delivery Forwards-NDF) for US\$1,000 million in 30 days. This new auction will be held on March 30, 2020.

The Board of Directors authorized:

- Access to indemnity funds through administrators in auctions for the purchase of private securities and in repos with public securities.
- Access to the National Savings Fund in order to participate in auctions with public and private securities.
- The convening of new auctions for the sale of dollars in the future for US\$1,000 million and swaps for US\$400 million.
- The Board also reduced the interest rate by half a percentage point to 3.75%, in order to contribute to the future recovery of internal demand, when market operation goes back to normal.

Ministry of Commerce, Industry and Tourism

March 30

The Ministry of Commerce, Industry and Tourism, in a press release stated the following: "As a measure aimed at preventing the effects of COVID-19 on

the country's economy, we have decided, along iNNpulsa, to establish an initiative for preferential credit solutions that financially aids entrepreneurs. This initiative considers two products: an iNNpulsa-Bancóldex-National Guarantees Fund credit line that will grant a decrease in interest rates to beneficiaries by at least 2%; and the credit line of iNNpulsa-Agricultural Bank for entrepreneurs with less than eight years of turnover, who shall receive loans for up to COP\$70 million for working capital. In this way, we support startups that require resources and we contribute to companies' getting through the crisis."

Superintendency of Solidarity Economy ("SES")

March 26

External Circular Letter No. 013

Establishes the need to evaluate the necessity and pertinence of providing savings and credit services to associates on site, at the premises of the solidarity organization. Also, measures adopted by Employee Funds aimed at securing the continuous provision of financial services shall be informed immediately to this Superintendency, if said services have to be provided on-site. Moreover, Employee Funds shall establish specific service schedules in order to prevent employee and associate agglomerations in reduced spaces and shall inform all associates of the measures that will be adopted for the provision of on-site services.





LABOR AND IMMIGRATION LAW

Legislative Decree 488, 2020

On March 27, by means of Decree 488, 2020, the President of Colombia implemented the following measures, aimed at preserving employment during the Economic, Social and Ecological Emergency:

- As long as the circumstances that originated the State of Economic, Social and Ecological Emergency remain, any employee who sees a decrease in his or her monthly income, will be able to withdraw from his or her advance severance account (cuenta de cesantías) on a monthly basis, an amount that compensates for said decrease by presenting a certificate from his or her employer. Advance Severance Fund Administrators shall not be able to request any additional information.
- As long as the circumstances that originated the State of Economic, Social and Ecological Emergency remain, employers will be able to notify any employee, with a prior one-day notice, of the initiation date of their accumulated, anticipated or collective vacations.
- Employment Risk Administrators ("ARL") shall allocate resources collected from employment risk contributions, following the rules hereunder:
 - 5% of contributions shall be allocated to activities of prevention and promotion for employees that, due to the nature of their activities, are directly exposed to the Coronavirus (COVID-19).
 - 1% must be allocated to the Employment Risks Fund.
 - At least 10% of 92% of the total amount of contributions shall be allocated to the performance of basic promotion and prevention activities.
 - 2% must be allocated to emergency activities, the purchase of equipment for personal protection, medical checks and activities of direct intervention related to COVID-19, for employees of their affiliated companies that due to the nature of their activities, are directly exposed to the virus, such as medical personnel.
- As long as the circumstances that originated the State of Economic, Social and Ecological Emergency remain, dependent and independent employees of categories A and B, who have been terminated and who have made contributions to a Compensation Fund for at least one (1) year within the last five (5) years, shall receive an aid equivalent to two (2) minimum monthly wages payable in three (3) monthly installments.
- Finally, the six-month term established by article 36 of Decree 2106, 2019, for filing the living status accreditation (acreditación de la fe de vida) with the entities that belong to the Social Security System, will be suspended.

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TAX LAW AND CUSTOMS

Extension of terms and deadlines for the payment of district tax in Bogota

The District Department of Finance extended terms and deadlines for the declaration and payment of the industry and commerce tax; the unified property tax and the vehicle tax.

Within the COVID-19 emergency framework, the District Department of Finance issued Resolution 000195, 2020, with the purpose of extending terms for compliance with tax obligations for the 2020 tax period. The following are the new terms and deadlines for declaring and paying taxes:

- Industry and Commerce tax: taxes corresponding to the second and third periods (March-April and May-June) may be declared and paid until July 31, 2020.
- Unified property tax for 2020:

- With a 10% discount: until June 5, 2020.
- Without discount: until June 26, 2020.
- Alternative Payment System for Voluntary Installments (SPAC): the initial declaration shall be filed before April 30, 2020. The term for the payment of the four (4) installments shall be the following:
 1. First Installment: June 12, 2020
 2. Second Installment: August 14, 2020
 3. Third Installment: October 9, 2020
 4. Fourth Installment: December 11, 2020

- Vehicle Tax:
 - With a 10% discount: until July 3, 2020.
 - Without discount: until July 24, 2020.





INFRAESTRUCTURA

Decree 499, 2020

The National Government, by means of Decree 499, 2020, adopted measures on matters of state contracting for the acquisition in the international market of medical elements for personal protection within the framework of the State of Economic, Social and Ecological Emergency, including:

- Establishing that contracts referred to in the Decree and in article 1 of Legislative Decree 438, 2020, as well as the acquisition of elements of personal protection required for attending to suspicious or confirmed cases of Coronavirus COVID-19 within the framework of the declared Economic, Social and Ecological Emergency, will not be governed by the State Contracting Statute.

Decree 499 de 2020

National Infrastructure Agency ("ANI")

The ANI issued an External Circular Letter addressed to concessions, auditors, authorities in the transportation sector and the community in general.

The External Circular Letter sets forth the parameters for the application of Resolution No. 471, 2020 issued by the ANI and other measures adopted at a

national level aimed at complying with the mandatory national isolation, under which it establishes:

- Control over movement of people in concession routes: the concessionaires shall guarantee the exemption of toll charges to those that are circulating through national routes, without prejudice to the Direction of Transit and Transportation of the National Police (DITRA) guaranteeing compliance with the demands of public health derived from Decree 457, 2020, including applicable traffic fines.
- Continuation of priority works in Concession Agreements: formally requests concessionaires to identify all works that, due to their current state, or for being works for critical or priority sites, or for emergency situations, shall remain operational and/or in execution, and to communicate said information to the ANI within the two (2) calendar days following the reception of the External Circular Letter.
- Employment agreements: pursuant to External Circular Letters No. 021 and 022, 2020, issued by the Ministry of Labor, and to the provisions of ANI Resolution No. 071, 2020 and External Circular Letter No. 009, 2020, Concessionaries and Auditors are reminded to strictly monitor and

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comply with the labor laws thereunder, taking into account that employment is a right and a social obligation that has, in all of its modalities, special protection from the government, which is why the State, through the Ministry of Labor, established a series of mechanisms aimed at protecting and guaranteeing productive activity.

- Continuity of beneficiaries of differential tariffs in concession routes: as long as the mandatory isolation is in force, concessionaries, auditors and current beneficiaries of differential tariffs at nationwide concession routes are informed that the condition of beneficiary will not be affected by failing to comply with the minimum required passage for the corresponding toll, in accordance with the resolutions applicable to each particular case.

External Circular Letter with General Guidelines

Article: "These are the Works that the government is planning in order to reactivate the economy"

The National Infrastructure Agency ("ANI") issued an External Circular Letter addressed to concessionaries, auditors, authorities of the transportation sector and the general community.

It identifies that one of the most convenient ways to reactivate the economy amidst the COVID-19 pandemic, is through the construction of infrastructure projects. As such, the ANI is planning to initiate fifth generation concessions, for which it foresees the initiation of 12 projects for a value of 17

billion that shall include fluvial and rail developments.

The President of the ANI seeks to identify fast and effective solutions to problems presented in previous concessions, with the purpose of reactivating them, such as the delay in financial closings, difficulties in the purchase of real state and excessive procedures for obtaining environmental licenses. Additionally, the President indicated that almost all fifth generation projects have the physical space and authorization from the Ministry of Finance required for their execution.

For the 12 initiatives elected by the ANI, the following are elected as fundamental aspects: (i) finishing the key [corridors] for international commerce and (ii) connecting the country with multimodal transportation from north to south. The following projects are contemplated:

- ALO Sur.
- Cali-Palmira Access.
- Norte 2 Access.
- Buga-Buenaventura.
- Ruta del Sol 2.APP Río.
- Dique channel.
- La Dorada – Chiriguaná Train.
- 3 airports in the national territory.

Finally, the ANI will renew its structure with the purpose of improving its operation, which shall be based on the pillars of environmental, social and institutional sustainability.

Dinero Magazine





INTELLECTUAL PROPERTY

País	Observations
Colombia (SIC)	Administrative terms are suspended between March 16, 2020, and March 31, 2020. Digital services are working.
Bolivia (SENAPI)	Terms are suspended as of March 20 (it is not clear until when).
Ecuador (SENADI)	Terms are suspended between March 12 and April 5, 2020. Digital services are working.
Peru (INDECOP)	Terms and on-site service are suspended between March 16 and May 6, 2020. Brand search and renewal services, file consultation and patent searches are available.
Argentina (INPI)	Procedures are suspended between March 12 and April 12. It is possible to file requests, writings, responses to official actions, and registrations of transfers through virtual platforms.
Brazil (INPI)	Procedures are suspended between March 16 and April 14, 2020. Virtual platform will be operating.
Chile (INAPI)	No on-site or face-to-face service, but all electronic services are operating. An extension is granted for all administrative actions (as long as there are no oppositions) with a deadline between March 17 and April 30. This extension shall be half the original term.

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País	Observations
Cuba (OCPI)	Office with service to the public open from 8:00 to 12:00 hours.
Costa Rica (Registro Nacional)	No suspension of terms. Personnel at the brands and patents office was reduced by 50%.
El Salvador (Centro Nacional de Registros)	Offices closed as of March 20, and until April 21. Suspension of all term for 30 days (until March 31, this term will probably be extended until April 21).
Guatemala (Registro de la Propiedad Intelectual)	Offices are closed between March 16, and April 14. Terms are suspended as of March 18 and for 3 months after the termination of the public calamity (April 12).
Honduras (Instituto de la propiedad)	The office is closed between March 16, and April 14. No terms are suspended, but it is impossible to comply with them due to the existence of a mandatory curfew in the country.
México (IMPI)	Terms suspended between March 24, 2020, and April 19, 2020.
Nicaragua (MIFIC)	No suspension of terms. The office is operating.
Panamá (DIGERPI)	Office is closed as of March 23. Terms are suspended between March 17 and March 31; however, terms are considered suspended until the trade office is reopened. The virtual platform can be used only for consultation.
Paraguay (DINAPI)	The trade office is operating and there is no suspension of terms.
Uruguay (DNPI)	As of March 16, 2020, activities involving customer service are suspended indefinitely. No digital service is being provided.
Venezuela	No on-site or face-to-face service, but all electronic services are operating. An extension is granted for all administrative actions (as long as there are no oppositions) with a deadline between March 17 and April 30. This extension shall be half the original term.





NATURAL RESOURCES, ENVIRONMENT AND ENERGY

Suspension of terms and other proceedings held by the National Mining Agency

By means of Resolution No. 04, 2020, the Energy and Gas Regulation Commission ("CREG"), adopted transitory measures regarding the modification by mutual agreement of prices and quantities in contracts for the supply and transportation of supply in force, in order to mitigate the impact generated by the global crisis on the fuel gas sector, and in particular, the decrease in demand, the deceleration of the economic activity and the increase of the official exchange rate ("TRM").

The following are some of the main measures adopted through this Resolution:

1. Modification by mutual consent of contracts for the supply of natural gas:

Imported gas traders, producers-traders and non-regulated traders and users shall be able to modify, by mutual agreement, the contracts for the supply of natural gas currently in force, registered with the Market Operator, under the following conditions:

- Applies to all supply agreements in force or that initiated performance prior to November 30, 2020.

- Quantities and prices in agreements for the supply of natural gas in both the Primary Market and the Secondary Market may be negotiated.
- Agreed quantities and prices may vary each month.
- Supply agreements resulting from direct trading mechanisms in the Primary Market, executed under the firm (uninterruptible) service modality, 95% firm – CF95, C1 supply, C2 supply, conditional firm service and gas purchase option from the Primary Market, can be modified. This will also apply for agreements executed before CREG Resolution No. 089, 2013 comes into force, under the Take or Pay modality and that are currently being performed.
- Supply agreements resulting from direct trading mechanisms in the Secondary Market, executed under the firm service modality, or that guarantee a firm service, a conditional firm service, a gas purchase option and a gas purchase option against export and contingency, may be modified.
- Agreements resulting from the trading of quantities released as a result of the abovementioned negotiations, must be executed, both for the Primary Market and the Secondary Markets, according to the contractual modalities provider for in CREG Resolution No. 114, 2017, modified by Article 2 of CREG Resolution No. 021, 2019.

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2. Sale of natural gas by Producers for their own consumption.

Producers that are also owners of natural gas and that, in their Declaration before the Ministry of Mines and Energy, have allocated gas for their own consumption, may trade it by means of direct negotiations or under trading proceedings established in CREG Resolution No. 114, 2017, modified by CREG Resolutions No. 153, 2017 and No. 021, 2019. For this purpose, producers will have to register and publish the quantities for sale in the Central Electronic Bulletin (BEC) of the Market Operator, prior to the sale of such quantities.

3. Modification by mutual agreement of capacities in contracts for the transportation of natural gas.

Transporters, producers-traders, traders of imported gas and non-regulated users and traders that have executed transportation capacity agreements currently in force, that are currently being performed or the performance of which shall begin at any moment prior to November 30, 2020, registered before the Market Operator, shall be able to modify contracted capacities by mutual agreement and determine the Pairs of Regulated Prices (Parejas de Cargos Regulados) applicable between the date of issuance of this Resolution and November 30, 2020.

The above applies to all the contractual modalities for firm capacity transport regulated under CREG Resolution No. 114, 2017.

4. Modification by mutual agreement of operative conditions applicable to the natural gas transportation agreement.

When, due to operative conditions in natural gas production sources, the point of delivery in transportation agreements must be changed in order to guarantee the continuation of supply services, Sender and Transporter must decide on the change by mutual agreement, and said change will not be considered a breach, provided that the Producer of the natural gas assumes most of the costs that result from the changes in the Transportation service.

5. Modification to regime and periodicity of invoicing for natural gas supply, transportation and distribution services.

As an exception, and with application until December 31, 2020, producers-traders, imported gas traders, transporters, non-regulated users when they act as sellers in the Secondary Market, distributors and /or traders, as applicable, may invoice the supply, transportation and distribution of natural gas every two months.

The negotiations mentioned above, as well as the agreements resulting from those negotiations, must comply with general behavior rules established under CREG Resolution No. 080, 2019. All benefits resulting from the negotiations must be transferred to the final user and in no event may result in increased costs of public utility services to regulated and non-regulated users.

These measures are transitory, and their term of validity will be determined based on their capacity to fulfill the objectives for which they were issued. Therefore, these measures do not modify current regulation.

Follow this link for all regulations issued in matters of natural resources, environment and energy in Colombia

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DISPUTES RESOLUTION

COVID -19: Administration of Judicial Proceedings during the period of suspension of terms

Please keep in mind the following considerations in order to effectively manage the legal defense of the company during the temporary closing of Judicial Offices and the suspension of terms in judicial proceedings.

General Recommendations

Due to the pandemic and the mobility restrictions imposed by the National and Departmental, District and Municipal Authorities, different Judicial Offices with ordinary jurisdiction and the different Superintendencies with jurisdictional functions, have implemented certain restrictions ranging from the temporary closure of offices to the suspension of terms and deadlines, as well as the recent implementation of electronic means for holding judicial proceedings.

Judicial Offices continue operating with some restrictions, pursuant to instructions and guidelines set by the Superior Council of the Judicature and the Superintendencies with jurisdictional functions.

In fact, not all Judicial Offices are closed, and, on the contrary, many continue carrying out activities, such as allowing the initiation or continuation of constitutional actions for the protection of individual

fundamental rights (tutelas) are still operating normally, and therefore, it is possible to receive via email:

- i. requirements,
- ii. judicial notices, and
- iii. notice of specific terms and deadlines.

Therefore, we recommend taking the following measures:

- *Check your email.* Emails must be constantly checked. In particular, the email to which judicial and commercial notices are delivered, and the one indicated in formal communications (memoriales) and agreements for notification purposes.
- *Be careful with security filters.* Emails normally have filters and therefore it is possible to receive communications from Judicial Offices or from counterparties in the spam or junk mail sections of your mailbox, or have documents retained in the unknown recipients or unwanted folder due to 'unwanted words' filters.
- *Report adequate communication channels to Judicial Offices.* Once courts and tribunals resume terms, and in respect of all proceedings that are still in progress, it is important to deliver a formal communication (memorial) with the party's contact information through the channel implemented by each office, court or tribunal

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for such purposes, including not only the email address for legal notifications, but also the email address of the attorney and the officers in charge of each process. If applicable, evaluate the possibility of informing contact phone numbers.

- *Continue working.* Given the current situation and the instructions issued by the Superior Council of the Judicature, Judicial Offices are still working, carrying out activities and drafting decisions. Therefore, do not suspend your work, continue collecting required documents, preparing expert opinions, preparing disclosure of required documents, drafting pending documents, and in general, preparing for hearings and pending procedural stages.
- *Send a copy of the formal communications (memoriales) via email to all parties involved in the proceedings.* In addition to being a procedural duty, therefore avoiding imposition of fines, it contributes to the celerity of the process.
- *Have formal communications with ongoing terms ready.* For various judicial proceedings terms are still suspended, whereas for other proceedings terms have been resumed. This situation requires special attention regarding such proceedings with a pending term, since at any time terms could resume, notwithstanding previous decisions from competent authorities.
- *Be ready to participate in virtual hearings.* Superintendencies, tribunals and courts are adapting their technological capacities to continue with their functions and hold hearings virtually during the mobility restriction period. This means that parties and third parties to any proceeding should be prepared for such eventuality, for example, in the following aspects: (i) verify internet connection and speed of people that must participate in such proceedings, (ii) prepare digitalized versions of required documents, (iii) verify access passwords or tools needed to evaluate digital files (Superintendencies already have this tool), and (iv) coordinate and prepare with your attorneys all matters regarding interactions with them.

Suspension of terms by courts and tribunals with ordinary jurisdiction

The Superior Council of the Judicature suspended judicial terms throughout the country between March 16 and April 12, 2020 (inclusive). This means that terms for enforceability of certain decisions, notices, etc. will be suspended during that period and will resume as of April 13, 2020.

The foregoing contain exceptions for (i) constitutional actions for the protection of individual fundamental rights, (ii) *hábeas corpus*, (iii) legalization of arrests, criminal charges and indictments, and requests regarding the imposition, extension, substitution and cancelation of detention orders, (iv) hearings for release from detention under the statute of limitations, (v) request regarding completion of prison sentences, probation, house arrest and formalization of detention, and (vi) actions from the Constitutional Court, State Council and all administrative tribunals regarding judicial control of general laws issued under the State of Emergency.

In order to present constitutional (*tutelas*) and *hábeas corpus* actions, the Superior Council of the Judicature has enabled email addresses for each judicial district, which can be consulted on the following link:

<https://www.ramajudicial.gov.co/web/medidas-covid19/medidas-transitorias-para-presentar-tutelas-y-habeas-corpus-por-correo-electronico>

Additionally, External Circular Letter PCSJC20-10 from the Superior Council of the Judicature states that payment authorizations regarding child support, with or without an order, will be processed, according to the procedures set forth therein.

Bearing in mind that, despite the suspension of terms, the Superior Council of the Judicature has order judicial officers in the judicial branch to continue working from their homes using technological tools, it is foreseeable that once judicial terms are resumed, judicial officers will notify various decisions.

In the event that terms are to expire during the period of suspension, the expiration date will be extended until the first business day following the day on which terms resume. This means that claims



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must be filed on the first day terms are resumed, in order to interrupt prescription or expiration of judicial terms; the abovementioned requires claims to be ready by this date.

All information related to measures adopted by the Superior Council of the Judicature during the State of Emergency can be consulted on the following link:

<https://www.ramajudicial.gov.co/web/medidas-covid19/medidas-covid19>

Suspension of terms by Superintendencies with jurisdictional functions

Pursuant to article 22 of the General Procedural Code and Law 446, 1998 (among others), the following administrative authorities have jurisdictional functions: (i) Superintendency of Industry and Commerce ("SIC"), (ii) Superintendency of Finance ("SFC"), and (iii) the Superintendency of Corporations (Supersociedades).

Such Superintendencies have their own autonomy and therefore, rules and regulations issued by the Superior Council of the Judicature do not apply to such Superintendencies (notwithstanding that second instance hearings are held by courts and tribunals with ordinary jurisdiction, and these authorities must comply with said regulation). This situation requires each Superintendency to revise how to manage procedural matters, in consideration to their infrastructure and their technological capacities.

1. SFC

a. By means of Resolution No. 001 issued by the Delegation for Jurisdictional Affairs, procedural terms were suspended between March 16, and April 8 (inclusive). Therefore, terms shall resume on April 13, 2020.

b. The Delegation is informing decisions and receiving formal communications (memoriales) via email, and frequently carries out jurisdictional procedures virtually. Moreover, the Superintendency has digital files containing all documents and decisions, except for recordings of hearings.

2. SIC

a. By means of Resolution No.11790, 2020 terms were suspended between April 17, 2020, and April 20, 2020 (inclusive).

b. In any case, the Superintendency has enabled a digital file review system, but it is not used frequently; it is possible that it will be activated with this contingency. Furthermore, notifications must be monitored via web page. Similarly, documents and decisions can be previously consulted in the proceedings webpage (some decisions and communications cannot be viewed digitally, but they may be made available due to the current situation).

3. Superintendency of Corporations

a. By means of Resolutions No. 938 and No. 1026, 2020, terms were suspended between March 17 and March 23, 2020 (inclusive), and between March 25 and March 31, 2020, (inclusive), meaning that on March 24, 2020, terms operated normally for the Delegations of Commercial Procedures and Insolvency Proceedings.

b. By means of Resolution No. 1101, 2020, as of April 1, 2020, terms for judicial proceedings would have been resumed, and parameters for virtual attendance to jurisdictional proceedings as well as tools for virtual activities, were established. Additionally, officers with jurisdictional functions were granted certain powers for the suspension of certain stages or procedural activities if so required.

c. Furthermore, there is no on-site service at the Superintendency's premises as the jurisdictional support office is closed to the public.

d. However, suspension of terms is still in full force an effect for some stages of Insolvency Proceedings or actions related thereto, including Reorganization and Adjudication Agreements as well as qualification actions and credit assessment.

e. Bear in mind that the Superintendency of Corporations usually delivers via email notifications from the Delegation of Commercial Procedures that must be published at its premises (notificaciones de estado), to the email addresses indicated by the parties, but it does not notify other actions (party or third party formal communications and notifications, among others). Additionally, it has enabled the digital file where all formal communications and decisions regarding the proceedings can be found, except for recordings of the hearings.





HEALTH SECTOR

Liquor companies are authorized to produce alcohol and antiseptics for the health sector

By means of the Resolutions No. 520 and 522, the Ministry of Health, has allowed INVIMA to lighten conditions to authorize the production and importation of antiseptics and disinfectants of external use, which pursuant to Colombian legislation are considered medication.

For such purposes, interested entities must comply with four (4) requirements:

- Filing a request in accordance with a determined format;
- Having an authorization in force from INVIMA for the production of alcoholic beverages; phytotherapeutic products, or cosmetics;
- Presenting the qualitative and quantitative formula of the product; and
- Providing a sketch of the packaging and container labels containing specific information requested by INVIMA.

National Government Decree 476 flexibilizes procedures for authorization and approval of products and registrations for goods that are necessary to address the sanitary emergency

By means of Decree 476, 2020, the National Government has granted the Ministry of Health the power to flexibilize the requirements for the evaluation of sanitary registration requests, the requirements of fabrication, distribution and trading, as well as trading permits or mandatory sanitary notifications, as applicable, of medicines, phytotherapeutic products, medical devices, biomedical equipment, in vitro diagnostic reagents, cosmetics and domestic hygiene products, as well as personal hygiene absorbents that are required for the prevention, diagnosis or treatment of COVID-19.

Similarly, the Ministry of Health has the power to flexibilize requirements to authorize the provision of pharmaceutical services at any establishment, required for the prevention, diagnosis or treatment of COVID-19.

In addition, the following powers are granted to INVIMA:

- Including, as unavailable vital medication, medication that is necessary for or related to the prevention, diagnosis or treatment of COVID-19, as well as reagents that are necessary to perform the COVID-19 diagnostic test and other medicine and reagents.

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- Prioritizing requests for new sanitary registrations or medication permits required for the prevention, diagnosis and/or treatment of COVID-19, among others.
- Accepting, approving or validating minutes that grant Good Manufacturing Practices (BPM) issued by PIC-S agencies, for sanitary registration procedures, renewals, modifications and related procedures, required for the treatment of COVID-19.

Likewise, the apostille or consularization of documents is not currently required to grant sanitary registrations or any other type of authorization for the marketing and trading of medications and other products required for the prevention, diagnosis or treatment of COVID-19.

The State Contracting Statute will not be applicable for the purchase of medicine and equipment required to face the sanitary emergency

By means of Decree 499, 2020, agreements that

have the purpose of acquiring medical devices described in article 1 of Legislative Decree 438, 2020, and elements of personal protection required for addressing and treating suspicious or confirmed cases of COVID-19 in the international market, will not be governed by regulation and proceedings set forth in the State Contracting Statute. Consequently, the rules of private law will govern.

The above means that public entities will need to contract directly with the foreign individuals or corporations that supply the goods mentioned in the previous paragraph. Similarly, vendors will not be required to be domiciled or have a branch in Colombia, nor to grant powers of attorney for the sale to be executed.

Notwithstanding the foregoing, please bear in mind that the legal representative of the contracting entity must deliver all contractual information to the competent fiscal control authority, within 3 days following execution of the agreement.



EXECUTIVE SUMMARY

Economic activity closed off 2019 with a 3.4% growth for Q4, which led to a total 3.3% rate for the year. These results are mainly explained by the stable behavior observed in most sectors, with commerce, financial services and public administration as the highest-performing activities throughout the year. In the demand side, private consumption and investment were the main drivers. In the external front, we continue to observe a worrisome pattern, in which imports keep on outpacing exports, increasing Colombia's vulnerability, reflected in a wider current account deficit. Right before the coronavirus crisis and the oil price war began, we had good expectations for this year's economic performance. However, the current panorama forces us to reconsider our projections for at least one year.

Coronavirus cases in Colombia have been steadily rising, to 702 as of March 29th. The early rise has been faster than in Italy, Spain or United States – but seems to be moving in tandem with the rest of the region. Government experts have stated that, under a no-measures scenario, Colombia could see four million cases. But the Duque administration has already decreed a nationwide lockdown, at this point to April 13th, and a 30-day state of emergency. Additional restrictions and extensions seem all but inevitable.

We expect to see heavy impacts for a protracted period, even after the pandemic ends. We have computed three scenarios for 2020 economic growth: mild, resulting in 1.1% growth; intermediate, with a no growth; and severe, leading to a 3.3% contraction. The COP weakens in tandem with growth. We foresee it at 3.550 to 3.700 per dollar by yearend.

Economic policy is staying true to its gradualist nature. The size of the stimulus announced so far falls short of full-blown, likely awaiting conditions to justify further measures. The state of emergency allows the government to legislate by decree. Initial measures, among others, allow for unrestricted health spending; the temporary suspension of VAT

on health-related imports, the provision of financial support for firms that maintain employee payrolls; and the extension of additional supports for the poor.

A key policy issue -- in our opinion much more important than monetary or fiscal support – is that the lockdown period must be used to radically improve diagnosis and isolation of COVID-19 cases. If that doesn't happen, and the lockdown is protracted, no monetary or fiscal package can stave off a considerable economic downturn.

The recent oil price collapse will hit oil revenues and profits, with cash-thirsty firms producing to weather the shock. We hope that, when sense returns to this industry, the Colombian authorities should allow wide exploration, and exploration of non-conventional hydrocarbons. Under a sensitivity exercise we performed for 2020 and 2021, we project that Ecopetrol dividends could fall from about COP 11 billion to COP 5 billion to 9 billion. Oil industry tax collection could drop from nearly COP 8.6 billion to COP 3.5 to 8 billion, and fiscal loss could be 0.3% to 1% of GDP. Adding likely new coronavirus-related spending, of 1% to 2% of GDP, the full impact of foregone revenues and additional financing for 2020-2021 would be 2% to 3% of (one year's) GDP. The government will have to accept that its current package is too timid, and that Thanos will have to be confronted with aggressive Keynesian measures.

Recently the influential analyst Gabriel Silva proposed selling Ecopetrol. We disagree, not only because the current share price is absurdly low, but because, as long as it is well managed, Ecopetrol is more profitable than a private company managing the same Colombian assets would be. That's because its main owner, the state, deducts taxes and royalties from its costs, which go to the same pool as dividends. Were Ecopetrol privatized, part of its output could be lost. It should not only be kept state-run and well managed, but should also be allowed to extract non-conventional hydrocarbons.

[See more](#)

