

**LOAN NUMBER 9072-CO
GCFE TF NUMBER TF0B2826**

Memorandum of Collaboration

(Improving Quality of Health Care Services and Efficiency in Colombia Program)

between

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT and
GENERAL COMPTROLLER OFFICE OF THE REPUBLIC OF COLOMBIA (CONTRALORÍA
GENERAL DE LA REPÚBLICA DE COLOMBIA)**

MEMORANDUM OF COLLABORATION (MOC)

10-Jul-2020

AGREEMENT dated as of _____ between:

the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) represented for purposes of this document by ULRICH ZACHAU, identified with diplomatic card No. O2018471 accredited to the Colombian Government, Directorate of the Protocol of the Ministry of Foreign Affairs, as Representative of the World Bank since July 30th of 2018, AND THE GENERAL COMPTROLLER OFFICE OF THE REPUBLIC OF COLOMBIA (the “Comptroller” or the “CGR”) represented for purposes of this document by SANDRA PATRICIA BOHÓRQUEZ GONZÁLEZ, identified with the citizenship document No. 52.809.780, acting as Manager of Administrative and Financial Matters, appointed through Ordinary Resolution No. 00246 dated January 29, 2019 and possession act of January 30, 2019, delegated by the Republic’s General Comptroller as stated in the Organizational Resolution No. 191 dated February 11, 2015, and in accordance with the first paragraph of article 331 of Law 1955 of 2019; and

in connection with the financing agreement (the “Financing Agreement”) to be entered into between the Republic of Colombia (the “Borrower”) and the Bank to assist the Borrower in financing the Improving Quality of Health Care Services and Efficiency in Colombia Program described in Schedule 1 to the Financing Agreement (the “Program”) (“Loan No. 9072-CO and GCF TF No. TFOB2826”).

WHEREAS: (A) the Bank and the Comptroller have agreed to collaborate, within their respective mandates, to facilitate the Borrower’s application of the Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing,” dated February 1, 2012, and revised July 10, 2015 (the “Anti-Corruption Guidelines”), as well as the external audit requirements, to the Program.

NOW THEREFORE, the Bank and the Comptroller (“the Parties”) hereby agree as follows:

1. PURPOSE

1.1 The purpose of this MOC is to establish a framework for collaboration between the Bank and the Comptroller, within their respective mandates, in which the CGR: (i) shall support the application of the Anti-Corruption Guidelines to the Program pursuant to Section 5.13 of the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Program-for-Results Financing”, dated December 14, 2018 (the “General Conditions”); and (ii) shall carry out the financial audits of the Health Ministry - *Ministerio de Salud y Protección Social* (MSPS) and the Administrator of the Resources of the General System of Social Security in Health (*Administradora de los Recursos del Sistema General de Seguridad Social en Salud - ADRES*), reflecting in the audit reports the Program Expenditures, as set forth in Section 2.4 of this Memorandum.

2. AREAS OF COLLABORATION

2.1 Upon the Bank’s request, the Comptroller, pursuant to: (i) Articles 267 and 268 of the Constitution of Colombia; (ii) Legislative Act No. 04 published in the Official Journal on September 18, 2019; (iii) Law No. 42 published in the Official Journal on January 27, 1993; (iv) Law No. 610, published in the Official Journal on August 18, 2000; and (v) the Comptrollers Organic Resolution No. 7350 published in the Official Journal on December 3, 2013, and those that derogate or modify them, (the “Anti-Corruption Legislation”), shall provide to the Bank: (1) access to information that the Comptroller shall possess and that is related to the Program: (i) of ADRES; and (ii) of a particular accredited health insurance company (*Entidad Promotora de Salud – EPS*) that administers public resources; (2) access to individuals or entity representatives with knowledge of allegations under the Anti-Corruption Guidelines, within a framework of inadequate fiscal management, under the legal framework of personal data protection (Law 1266 of 2008 and Law 1581 of 2012); (3) such additional information, related to the Program, that the Bank may reasonably request; and (4) access to facts that may be contained in relation to allegations under

the Anti-Corruption Guidelines and within an inadequate fiscal management, all as required for the Bank to comply with the Bank's obligation under paragraph 7(b) of the Anti-Corruption Guidelines.

2.2 Together with the Bank's request pursuant to paragraph 2.1. of this Memorandum, the Bank, within its mandate, policies and procedures, shall inform the Comptroller of the allegation of fraud and corruption related to the Program.

2.3 The audit report, to be furnished to the Bank as set forth in Section 2.4 of this Memorandum, the Comptroller, shall contain the allegations of inadequate financial management and their final results, as related to the Program and covering the MSPS, ADRES and the respective EPS, as the case may be.

2.4 Throughout the implementation of the Program, the Comptroller shall carry out the financial audit of MSPS and ADRES for each fiscal year (January-December) in accordance with the provisions of Section 5.09 (b) of the General Conditions, by programming annually in its Fiscal Control and Vigilance Plan these audits during the first semester of each calendar year. Each financial audit shall cover the period of one fiscal year of the Borrower. The audit report for each such period shall be furnished by the CGR to the Bank as soon as it is released and, in any case not later than seven (7) months after the end of the corresponding period.

2.5 The Comptroller shall participate with the Bank in periodic discussions regarding the analysis to the results of the financial audits to MSPS and ADRES reflecting the Program Expenditures, as set forth in section 2.4 of this Memorandum.

2.6 The Bank, without prejudice to its privileges and immunities, and in compliance with its competencies, policies and procedures, may provide to the Comptroller access to: (i) information related to the development of the Program; and (ii) results achieved.

3. PRIVILEGES AND IMMUNITIES

3.1 This MOC shall not constitute and shall not be construed as an express or implied waiver of the privileges and immunities of the International Bank for Reconstruction and Development, the World Bank Group Organizations¹, or of its representatives.

4. DURATION AND AMENDMENTS

4.1 Unless terminated or renewed earlier by mutual agreement, this MOC shall terminate on the later of: (i) one (1) year after the Bank has received the audit report covering the period during which the last withdrawal from the Financing Account was made; and (ii) two (2) years after the Closing Date of the Program.

4.2 Any amendment or waiver of, or any consent given under, any provision of this MOC shall be in writing and, in the case of an amendment, signed by the Comptroller and the Bank.

5. ENFORCEABILITY

5.1 The rights and obligations of the Bank and the Comptroller under this MOC shall be valid and enforceable in accordance with their terms notwithstanding the law of any state or political subdivision thereof to the contrary.

¹ The "World Bank Group" means the International Bank for Reconstruction and Development, the International Development Association, the Multilateral Investment Guarantee Agency, the International Finance Corporation, and the International Centre for the Settlement of Investment Disputes.

6. SETTLEMENT OF DISPUTES

6.1 The Parties hereto will endeavor in good faith to resolve any differences and disputes under, or in connection with, this MOC by amicable settlement. Any dispute arising out of or in connection with this MOC which is not settled by agreement of the Parties shall be finally settled by arbitration in accordance with the UNCITRAL² Arbitration Rules in force on the date of this MOC. In the event of a conflict between the UNCITRAL Arbitration Rules and the terms of this MOC, the terms of this MOC shall govern.

7. MISCELANEOUS

7.1 This MOC may be executed in separate counterparts, and by the Bank and the Comptroller separately on a separate counterpart. Each such counterpart, when so executed and delivered, shall be an original. Such counterparts together constitute one and the same instrument.

8. CONTACTS

8.1 Each Party hereby designates and appoints below its representative with overall responsibility for implementing this MOC. The Parties may, by written notice to the other Party, designate additional or different persons as points of contact

For the Bank

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The World Bank
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For the Comptroller on all audit report matters related to this MOC:

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For the Comptroller on all matters related to this MOC:

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² The United Nations Commission on International Trade Law

In witness whereof, the Parties have caused this MOC to be executed as of the date first written in this Memorandum, in the Spanish and English languages, both being equally identical. In case of any discrepancy between the Spanish and English version, the English version shall prevail.

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
AND INTERNATIONAL DEVELOPMENT
ASSOCIATION**

**GENERAL COMPTROLLER OFFICE OF THE
REPUBLIC OF COLOMBIA**

Ulrich Zachau

Sandra Patricia Bohórquez González

Name: Ulrich Zachau

Name: Sandra Patricia Bohórquez González

Title: Country Director, Colombia and Venezuela
22-Jun-2020

Title: Manager of Administrative and Financial Matters
10-Jul-2020

Date: _____

Date: _____

Approved by:

Lina Maria Aldana Acevedo - Contralora Delegada Sector Salud

_____ *Lina Maria Aldana Acevedo*

Paula Andrea Lopez Dominguez – Jefe UNCOPI

_____ *PAUL*

Julián Mauricio Ruiz Rodriguez – Jefe Oficina Jurídica

_____ *JMR*

Vanessa Varón Garrido - Jefe Oficina de Planeación

_____ *Vanessa B.*