

# Colombia: New anticompetitive conduct for government contracts

April 21, 2020

Decree 575 of April 15, 2020, which adopts certain measures to address the effects of the pandemic in the transportation industry, incorporates new conduct in Article 48 of Decree 2153 of 1992, effectively creating a new type of anticompetitive act in Colombian law, applicable only until the emergency triggered by COVID-19 is lifted.

The new anti-competitive act is the **“failure to pay any sum of money by a company that is performing a public contract regarding transportation infrastructure, civil works or construction to any of its suppliers that are small or medium companies [defined locally as “PYMES” or “MIPYMES”] after the invoice has been approved by the entity”**.

Anticompetitive acts are subject to investigations by the SIC and the fines listed in Law 1340 of 2009: up to 100,000 minimum monthly wages for companies and up to 2,000 for individuals.

## Your Key Contacts



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