

OFFICIAL GAZETTE

ORGAN OF THE STATE

Founded by Cabinet Decree No. 10 of November 11, 1903

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LEGISLATIVE ASSEMBLY

LAW N ° 78

(Of December 17, 2003)

That restructures and organizes Gorgas Memorial Institute for Health Studies

THE LEGISLATIVE ASSEMBLY

DECREES:

Article 1. It is restructured and organized the organism called Gorgas Memorial Institute for Health Studies, which is hereinafter referred to as ICGES, as a public entity of social interest, with legal personality, financial and technical autonomy in its internal regime, in the management of its patrimony and in exercise of its functions, subject to the orientation and general policy of Executive Branch through the Ministry of Health and under oversight of the Comptroller General of the Republic.

Article 2. ICGES will be responsible for leading and promoting national development of scientific research in health matters by itself, along with, or through other entities related to the subject, and to look after compliance and application of legal standards, as well as of national policy on this matter, which it will plan, program, coordinate and will make compatible with general plans of economic and social development that government agrees to carry out, through the Ministry of Health.

Article 3. ICGES will be subject to the principles of excellence, effectiveness, efficiency, institutional commitment, equity, opportunity, transparency and productivity in the fulfillment of its objectives and functions.

Article 4. The Ministry of Health, in coordination with ICGES, will approve and promote the national policy on scientific research in health matters, and ensure compliance as part of public policies for the development, protection and improvement of health, in national territory.

ICGES, within the scope of its functions, will be carried out before the Executive Body, through the Ministry of Health.

Article 5. ICGES shall have exclusive jurisdiction for the organization, management, and resolution, under its own responsibility and for the benefit of national interest, matters related to its own organization and operation, as well as its own internal resources, which include its Financial, administrative and human resources regime in accordance with this Law and its regulations.

In guarantees of the attributed authority, ICGES:

1. Will have its own patrimony, integrated by the funds that will be assigned to it in the General Budget of the State and any other sum that it generates, as well as the right to manage it.
2. Will prepare its budget project, in which it will include the necessary items for the development of projects and work programs concerning investigations and other activities necessary for compliance of the objectives of this Law.
3. Will define a human resources policy, to promote merits system and training, and to promote respect as well as job stability.
4. Will select and appoint its staff, set its remuneration and will have the authority to promote, sanction and/or dismiss it, according to Human Resources procedure established in Internal Regulations approved for that purpose, and in Administrative Career Law. Changes to legal framework of its management will not affect current rights of public servants.
5. Will act independently in the exercise of its functions and will be subject to the Executive Branch guidance and general policy through the Ministry of Health, to Political Constitution, to law and oversight of the Comptroller General of the Republic, which does not imply interference in its administrative functions.

Article 6. ICGES and the General Comptroller of the Republic will establish a system of inspection, audit and control that allows for an agile and flexible acquisition of goods and services of ICGES for the achievement of the objectives of this Law. To that end, ICGES will regulate its legal regime for the acquisition of supplies, reagents, materials, equipment and others, as well as contracting of services through regulations issued for that purpose.

ICGES will have internal audit responsible for its operations, transactions and obligations, and may hire a firm of public accountants that will perform the external audit.

Article 7. ICGES will become the official entity for consultation and execution of the Ministry of Health in the field of health research, and will continue exercising functions and providing services of a central laboratory of health and public hygiene, pursuant to the standards and parameters accepted and adopted at national and international level. In addition, it will evaluate the reagents and laboratory supplies in the field of public health.

Article 8. The objectives of the ICGES are:

1. To contribute to improvement of population's health.
2. To increase the level and scope of scientific research in health.
3. To advise on formulation and evaluation of health policies.
4. To provide services in matters of interest to the institution and those required in matters of health and public hygiene.
5. To plan and coordinate scientific research sector in health matters, with cooperation of the National Secretaryship of Science, Technology and Innovation and the University of Panama.

Article 9. ICGES functions are:

1. To act as an organism of support, teaching and advisory of the Ministry of Health and other health sector institutions, in matters of health research and public hygiene, clinical-epidemiological diagnosis, health technology evaluation, as well as in formulation of research policies.

2. To design, promote, coordinate and execute research programs and studies in health sciences, to produce and adapt knowledge and technologies that contribute to sustainable human development.
3. To promote the execution of cooperation agreements for development in health knowledge, with public and private entities, national or foreign.
4. To offer information services and documentation on health, to health sector institutions and general public.
5. To investigate, evaluate and propose the appropriate technology to improve population's health in different health areas, without detriment to functions attributed to the Ministry of Health.
6. To provide services as a central laboratory of health and public hygiene, in accordance with accepted regulations and parameters adopted at national and international level, and evaluate reagents and laboratory supplies in the field of public health.
7. To establish, regulate and collect fees for public services rendered to public and private entities, except for exceptions provided to the Ministry of Health.
8. To supervise compliance with this Law and its regulations, as well as to establish, regulate and execute the corresponding sanctions established for that purpose.
9. To collaborate with Executive Branch in formulation of national standards to regulate research with living beings, in accordance with bioethical principles and standards internationally accepted, particularly with human beings.
10. To strengthen the operation of Bioethics Research National Committee, which will have a binding consultative nature and will prepare its own regulations to be approved by Executive Branch.
11. To perform all other necessary functions within compliance framework of this laws' objectives and its complementary regulations.

Article 10. The State shall provide ICGES with necessary economic and human resources to comply with objectives and functions established in this Law, its regulations, as well as those required for its organization, operation and administration allocated in the State General Budget.

As a result, ICGES's patrimony will be constituted by:

1. Funds allocated by the State for the fulfillment of its objectives and functions, for the creation and maintenance of the Special Fund for Promotion of Health Research.

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2. Subsidies and contributions it receives from public and private entities.
 3. Donations and legacies that, for the benefit of inventory, are received from natural and legal persons, which will be considered deductible expenses of Income Tax, according to tax legislation.
 4. Income generated by ICGES for the provision of its services.
 5. Movable and immovable property that, when this Law enters into force, is in its use and/ or Administration or of the Ministry of Health in its favor, and those it acquires in the future.
 6. The product of any activity done to raise funds.

Article 11. It is created the Special Fund for Health Research Promotion, created by the State and held annually by the same, which will be managed by ICGES and the use of which will be regulated.

This Fund will be constituted by research projects financing, loans and donations, whether from individuals or legal entities, national or foreign, or from financial entities or international organisms, as well as from legacies and inheritances received for the benefit of inventory and balances of budget items not used at the end of each fiscal period of the State.

This Fund will be deposited in a special account created for this purpose in *Banco Nacional* or *Caja de Ahorros*; its use will be subject to approval of projects and its disbursements to the progress of these.

Paragraph. Unused and unencumbered resources of the Fund, as well as accrued interests of each fiscal year, will be kept in the special reserve account of this Fund to be used in other projects or otherwise will be allocated in the following fiscal periods.

Article 12. ICGES will be at all times exempt from the payment of taxes, contributions, fees, liens or rights of any kind or denomination of national nature, and in the proceedings to which it is a party of, will enjoy all privileges granted to the Nation by procedural laws. The exemptions and privileges established in this article will not be extended to personnel in active duty at ICGES.

Article 13. ICGES may enter into agreements with public and private entities, national or foreign, as well as with international organizations, and hire specialized scientific, research or teaching personnel, of Panamanian or foreign nationality, for specific programs or plans, for a defined period, according to its needs and the guidelines of the Board of Directors.

Article 14. ICGES will be integrated by a Board of Directors and a General Director's Office, which will be the internal management organisms.

Article 15. The Board of Directors shall be the highest-ranking organism within ICGES organizational structure, and shall consist of five members, as follows:

1. The Minister of Health or his representative, who will chair the board.
2. The General Director of Social Security Fund or his representative.
3. The University of Panama Rector or his representative.
4. The National Secretary of the National Secretaryship of Science, Technology and Innovation or his representative.
5. A representative from professionals associations or organizations in Health Sciences, chosen by Executive Branch.

In addition, ICGES General Director shall attend to all Board meetings, with right to voice only, who will act as secretary, a representative from ICGES Legal Counsel Office and a representative of the Comptroller General of the Republic.

Paragraph. The Board of Directors members referred to in numerals 1, 2, 3 and 4 of this article, once in office may issue a formal proxy in favor of a representative to act on their behalf during their temporary absences.

Article 16. The representative of professionals associations or organizations in Health Sciences must hold a university degree in any health sciences professional area, and preferably must have experience as a researcher as well as renowned moral standing. The position will be appointed for a period of three years and shall have a deputy, who must meet the same requirements, and be appointed in the same manner as the principal.

Article 17. Decision-making procedure and all related to internal organization and operation of the Board of Directors not regulated in this present Law, will be a matter of operating regulation to be adopted by this organism.

Article 18. The Board of Directors' powers are :

1. To approve its internal operating regulations.
2. To approve organizational structure; audit systems, costs and collections; manuals of positions and descriptions, and vacancy contest regulations, human resources, purchases and those necessary for the operation of ICGES.

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3. To propose Executive Branch for its selection and appointment, ternas of eligible candidates to occupy the position of General Director.
 4. To establish ICGES' consultation and advice organisms and appoint its members, in accordance with established regulations in this matter. In addition, to strengthen National Research Bioethics Committee, which will promote, certify, evaluate and supervise bioethics research committees in different public and private centers of the country that classify to become members of such committees, pursuant with parameters established at national and international level.
 5. To approve ICGES' budget project, submitted by the General Director for consideration.
 6. To create National Bioethics Committee for Research, which will promote, certify, evaluate and supervise research bioethics committees in different public and private centers of the country that classify to become a part of such committees, pursuant with parameters established at national and international level.
 7. To promote and manage, in coordination with General Director, procurement of resources for the development of its objectives and functions.
 8. To approve or disapprove expenses that exceed one hundred thousand balboas (B/.100,000.00), as well as annual budget of the Institute previously prepared and supported by the General Director.
 9. To approve cooperation agreements with public and private entities, national or foreign, proposed by the General Director.
 10. To hear appeals against resolutions issued by Director General in compliance of his duties.
 11. To request, approve or reject ICGES reports of activities and proposals that will be submitted by the General Director.
 12. To request the Executive Branch to remove or suspend the General Director, for the reasons defined in this Law.
 13. To perform any other function within the scope of the objectives of this Law, previously established in the regulations.

Article 19. The General Director will be appointed by the Executive Branch, for a period of five (5) years, from a terna of candidates proposed by the Board of Directors, in accordance with requirements established by this Law and selection regulation approved for such purpose. The General Director may be appointed only for one consecutive additional period.

Article 20. To be the General Director, it is required:

1. To be of Panamanian nationality.
2. To hold a university degree in any of health sciences.
3. To have three years of administrative experience, as a minimum.
4. To have a minimum of five years of experience in activities related to health research, including seminars, publications, work references, research carried out, diplomas or others.
5. To have recognized moral solvency, which will be presumed unless proven otherwise.
6. To Comply with formalities pertaining to selection regulation and its subsequent ratification.

Article 21. The General Director will be the legal representative of ICGES and the one in charge of managing and directing it, as well as executing the plans, projects and programs; in accordance with the regulations and guidelines approved by the Board of Directors.

Article 22. The General Director shall have the following functions:

1. To prepare and sustain ICGES Annual Operating Plan and annual budget project for presentation before the Board of Directors, the Ministry of Economy and Finance and Legislative Assembly.
2. To draft an annual report on the activities, expenses, production and costs of the ICGES and present it to the Board of Directors for approval.
3. To appoint, promote, impose sanctions and remove administrative and technical personnel of ICGES, according to their performance, training and execution, in compliance with Human Resources Internal Regulation, and to propose to the Board of Directors modifications of administrative structure and ICGES personnel to improve productivity and quality of services.
4. To conduct formulation and execution of the plans, programs and regulatory standards developed by ICGES in exercise of its functions.
5. To propose to the Board of Directors the project of national health research policy, for its evaluation and decision.
6. To present to the Ministry of Health the proposed national policy on health research, previously approved by the Board of Directors.
7. To prepare and submit quarterly to the Board of Directors and the Ministry of Economy and Finance, as well as to the Office of the Comptroller General of the Republic, with the frequency that it requests, the financial reports of production of services and costs of ICGES.

8. To propose the Board of Directors candidates members for ICGES consultancy and advisory bodies, in accordance with established regulations.
9. To prepare, comply and make comply with information systems and necessary regulations, previously approved by the Board of Directors, pertaining to ICGES administration and direction.
10. To propose, for approval of the Board of Directors, the regulations projects necessary for ICGES operation
11. To manage and sign cooperation agreements with other public or private entities, national or foreign, with prior approval of the Board of Directors and in coordination with the Ministry of Foreign Affairs, when appropriate.
12. To carry out expenses and apply for credits up to an amount of one hundred thousand balboas (B/.100,000.00), with the approval of the Board of Directors President, prior supporting of the same within the framework of programs and projects.
13. To apply for additional funds, with national and international organizations, to support ICGES operation.
14. To prepare the appropriate administrative structure for ICGES operation and to propose it to the Board of Directors for approval.
15. To participate in meetings of Directors of the Ministry of Health.
16. Any other function assigned by the Board of Directors, in accordance with this Law's objectives and its regulations, which will be previously established.

Article 23. The General Director will appoint a Deputy Director, who will replace him in his temporary absences and will perform the functions assigned by him

To be Deputy Director General, it is required the same requirements than for General Director.

Article 24. The General Director may only be removed from his office for the following reasons:

1. For the intentional commission of a crime or crime against public administration, with prior judicial sentence duly executed that condemns it.
2. For manifest incapacity in the exercise of his / her functions, decreed by resolution of the Executive Body, at request of the Board of Directors.

The Board of Directors shall regulate applicable procedures to the grounds for removal.

Article 25 (transitory). ICGES current Director General will continue in his position after enforcement of this law until a new director is appointed.

Article 26 (transitory). As of the enforcement of this Law, the Ministry of Health must transfer to ICGES the items in the General Budget of the State assigned for its operation and operation, contained in Law 66 of 2003, which approves the General State Budget for fiscal year of 2004.

Article 27. The Executive Branch shall regulate the present Law within a term not above ninety days from its promulgation.

Article 28. This Law shall take full force and effect from its promulgation and derogate any provision contrary to it.

BE IT NOTIFIED AND EXECUTED.

Approved in third debate at the Justo Arosemena Palace, Panama City, on the 3rd day of month December of year two thousand and three.

The President in Charge,

NORIEL SALERNO ESTEVEZ

The General Secretary in Charge,

EDWIN E. CABRERA U.

**NATIONAL EXECUTIVE ORGAN - PRESIDENCE OF THE REPUBLIC. - PANAMA, REPUBLIC OF PANAMA,
DECEMBER 17, 2003.**

MIREYA MOSCOSO
President of the Republic

FERNANDO GRACIA GARCIA
Health Minister
