



Program Summary

Paraguay's program is focused on combating corruption by strengthening the rule of law and building a transparent business environment. It aims to fight impunity and confront informality in the economic sector by improving the capacity of the judicial system to carry out investigations, process allegations of corruption, and strengthen its internal controls and disciplinary capabilities.

Program Highlights

- A new complaints office was inaugurated in the Supreme Court, and the new procedures for receiving and processing complaints in coordination with the Supreme Court's Disciplinary Office and the judicial Audit Office took effect. During the first 2 months of operation, 133 complaints were filed at the Complaints Office.
- An inter-institutional agreement between the Civil Registry and the ID Department was signed, recognizing the electronic use of certificates, especially birth certificates, provided by the Civil Registry.
- For the first time, the Finance Ministry is incorporating information on procurement, performance indicators, and macro economic information as part of its 2007 budget execution financial statement.
- The Paraguayan Tax Authority suspended 124 firms after simulated purchases detected non compliance with local tax regulations and uncovered irregularities in these firms. All of these firms were suspended for three days which allowed the Finance Ministry to audit their tax payment records. The suspensions brought about an estimated 48% increase in sales tax collected from those audited.

Threshold Status

Status.....Implementation, Year 2

Threshold Information

Total Amount.....\$34.65 million

Agreement Signed.....May 8, 2006

Country Information

Population.....6,158,259*

GNI Per Capita Income.....\$1,280*

*World Development Indicators, World Bank, 2005