Paraguay 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

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*

★ MCC's Board of Directors approved Paraguay's proposal for a Stage II threshold program. This program will build upon the substantial successes of Paraguay's initial threshold program and will focus on anti-corruption efforts in law enforcement, customs, and the healthcare and judicial sectors. The current threshold program is making excellent progress on its objectives.

★ Construction of the new forensic laboratory to help increase the number of successful prosecutions is now complete and construction of the evidence storage facility is on track.

★ A Standardized Model of Internal Controls (SMIC), which is a comprehensive framework for internal controls, was developed and approved by President Lugo in November 2008 and adopted by the Controller's General Office. This SMIC standardizes GOP institutions' auditing methodologies and procedures, setting up more cohesive and effective control procedures in compliance with international norms and best practice guidelines.

★ All three internal investigation units which received MCC assistance are working well and have achieved results in cases investigated and sent to the Public Ministry's office. Over 100 corruption cases have been sent to the Public Ministry offices by the Internal Investigation Unit of the Finance Ministry.

★ Over thirty firms have registered as maquilas over the last two years, seven of which are a direct result of the program's promotional efforts. The other 25 have resulted from improvements of the Ministry of Industry and Commerce' Maquila Council's capacity during that period with MCC assistance.

*World Development Indicators, World Bank, 2005