

## Data Sheet

<b>USAID Mission:</b>	Paraguay
<b>Program Title:</b>	Paraguay Threshold Country Program - MCA
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	526-020
<b>Status:</b>	New in FY 2006
<b>Planned FY 2006 Obligation:</b>	\$37,070,000 MCA
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2007 Obligation:</b>	\$0
<b>Year of Initial Obligation:</b>	2006
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** Technical assistance will be provided to the Government of Paraguay (GOP) in the implementation of the Millennium Challenge Corporation's Threshold Country Program. The program will support the GOP's efforts to reduce impunity in Paraguay and to formalize economic activities. Impunity and informality are inextricably linked and have adverse and cross-cutting socioeconomic and financial consequences.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Improve Economic Policy and the Business Environment (\$13,464,759 MCA). Technical assistance is being provided to reduce informal economic activity by increasing the formality, operational efficiency, and transparency levels within the government Tax Authority; increasing the number of enforced sanctions imposed for customs related crimes; increasing the Ministry of Finances' internal investigative capabilities to reduce tax and customs related corruption; reducing the number of days to open a business through simplified processing and call centers that cut through red tape; and encouraging formal investments in duty-free assembly and re-export activities to provide a legitimate alternative to black market activities. Principal contractors: To be determined by a competitive process.

Promote and Support Anti-Corruption Reforms (\$23,605,489 MCA). Technical assistance is being provided to strengthen key institutions in the fight against corruption and impunity. Impunity is being reduced by: strengthening the investigative capability and internal controls of the Public Ministry; strengthening the Supreme Court by setting up an effective internal control and disciplinary system to deter illegal conduct; increasing the integrity and effectiveness of government operations by adopting an effective internal auditing system in the five most important ministries; designing and implementing an integrated public information management and registry control system that will allow information and coordination between the National Police Department, the Motor Vehicles Registry, and the Office of Court Records of the Judiciary; and improving the capacity of the National Congress to provide oversight of public finances and increase citizen participation in the oversight process. Principal contractors: To be determined by a competitive process.

#### FY 2007 Program:

No obligations are planned during FY 2007.

**Performance and Results:** This program is expected to begin during FY 2006. At the end of the program, corruption and impunity will be reduced and economic activities will be more formalized.

## US Financing in Thousands of Dollars

Paraguay

526-020 Paraguay Threshold Country Program - MCA	<b>MCA</b>
<b>Through September 30, 2004</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2005</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2005</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	0
<b>Planned Fiscal Year 2006 NOA</b>	
Obligations	37,365
<b>Total Planned Fiscal Year 2006</b>	
Obligations	37,365
<b>Proposed Fiscal Year 2007 NOA</b>	
Obligations	0
Future Obligations	0
Est. Total Cost	37,365