

PROCUREMENT PLAN

Country: Paraguay

Borrower: Republic of Paraguay

Executing agency: Ministry of Finance

Project name: Fiscal Management Strengthening and Modernization Program II

Project and loan contract numbers: PR-L1027

Brief description of the project's objectives and components: The objective of PROFOMAF II is to make Paraguay's management of tax revenues and public expenditure more efficient. The program strategy is to build on, and lock in, the progress made in the area of fiscal and public expenditure management under the previous operation (PROFOMAF I) and to continue to reform and modernize these areas of government by further integrating and protecting the information in the systems that support governance. The program has two components: **Component 1: Strengthening of tax administration**, which includes the following subcomponents: tax laws and regulations, organizational development, information technology, and tax training and dissemination; and **Component 2: Strengthening of public expenditure management**, which includes the following subcomponents: modernization of the SIAF, expansion and integration of the SINARH, modernization of public credit, debt, and investment operations, development and implementation of the Goods and Services Administration System (SIABYS), and strengthening of retirement and pension operations.

Estimated date of project approval by the Board of Executive Directors: June 2008

Estimated date of signature of the loan contract: September 2008

Estimated date of the final disbursement: June 2014

Address of the executing agency office responsible for the procurement plan:
Presidente Franco N° 173 c/Nuestra Señora de Asunción, Edificio Ybaga Piso 6.

FISCAL MANAGEMENT STRENGTHENING AND MODERNIZATION PROGRAM II (PR-L1027)

PERIOD COVERED BY THIS PROCUREMENT PLAN: 18 MONTHS

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1	GOODS										
	Good 1 – SSEAF Servers, databases, and security infrastructure, alternative site for SIARE. Estimated cost: US\$400,000	400,000	ICB	Ex ante	67%	33%	No	Q2	Q4	Pending	
	Good 2 – SSEAF Communications and power infrastructure for the SSEAF data center. Estimated cost: US\$52,000	52,000	PC	Ex ante	90%	10%	No	Q2	Q3	Pending	
	Good 3 – SSEAF/SET Procurement of communications equipment and hardware and software. Estimated cost: US\$400,000	400,000	ICB	Ex ante	71%	29%	No	Q3	Q5	Pending	
	Good 4 – SSEAF Procurement of fingerprint readers (50 readers). Estimated cost: US\$110,000	110,000	LPN	Ex ante	90%	10%	No	Q3	Q5	Pending	
	Good 5 – SSEAF/SET Procurement of office furniture for the DGJP customer service center and the SET taxpayer assistance center. Estimated cost: US\$90,000	90,000	LPN	Ex ante	90%	10%	No	Q2	Q3	Pending	
	Good 6 – SET Design and printing of literature and related materials (trifold brochures, flyers, posters, banners, stickers, displays for posters and other literature). Estimated cost: US\$100,000	100,000	PC	Ex ante	90%	10%	No	Q3	Q4	Pending	

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	Good 7 – SET 1 video recorder, 1 digital camera, 1 external memory drive, 2 projectors, 2 notebook computers, 1 DVD recorder. Estimated cost: US\$10,000	10,000	PC	Ex ante	90%	10%	No	Q2	Q3	Pending	
	Good 8 – SET										
	Software for e-learning. Estimated cost: US\$15,000	15,000	PC	Ex ante	90%	10%	No	Q2	Q3	Pending	
	Good 9 – SSEAF Computer equipment for strengthening of the SSEAF. Estimated cost: US\$266,700	266,700	LPN	Ex ante	50%	50%	No	Q5	Q8	Pending	
	Good 10 – SSEAF New version of SIGADE with maintenance support. Estimated cost: US\$80,000	80,000	DC	Ex ante	90%	10%	No	Q5	Q6	Pending	
	Good 11 – SSEAF Procurement and maintenance of Bloomberg. Estimated cost: US\$42,000	42,000	DC	Ex ante	90%	10%	No	Q5	Q6	Pending	
2	NONCONSULTING SERVICES										
	Service 1 – SET Information workshops and events for professional associations directly involved and generally interested, acceptance of proposals for changes, and other activities targeting the general public. Estimated cost: US\$80,000	80,000	PC	Ex ante	90%	10%	No	Q1	Q3	Pending	
	Service 2 – SSEAF Training for central government and decentralized institutions on new SIAF procedures and modules Estimated cost: US\$56,000	56,000	PC	Ex ante	90%	10%	No	Q3	Q4	Pending	

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	Service 3 – SET Awareness campaigns Estimated cost: US\$410,000	410,000	ICB	Ex ante	65%	35%	No	Q2	Q4	Pending	
	Service 4 – SET Training for users of the taxpayer assistance center model Estimated cost: US\$60,000	60,000	PC	Ex ante	90%	10%	No	Q5	Q6	Pending	
	Service 5 – SSEAF Two international seminars and one national seminar to provide SIGADE training Estimated cost: US\$56,000	56,000	PC	Ex ante	90%	10%	No	Q5	Q6	Pending	
3	CONSULTING SERVICES										
	Consulting services 1 - SSEAF Individual consultant to prepare an accounting manual for municipios Estimated cost: US\$20,000	20,000	NICQ	Ex ante	90%	10%	No	Q1	Q5	Pending	
	Consulting services 2 - SSEAF Individual consultant to prepare a manual of accounting procedures for the National Treasury Estimated cost: US\$16,000	16,000	NICQ	Ex ante	90%	10%	No	Q1	Q5	Pending	
	Consulting services 3 - SSEAF Consultant to design training modules for end users and trainer training Estimated cost: US\$15,000	15,000	NICQ	Ex ante	90%	10%	No	Q3	Q7	Pending	
	Consulting services 4 - SSEAF Consulting firm to reengineer basic modules that have already been installed to function in a Web environment, adding new functionalities and simplifying and optimizing processes. Estimated cost: US\$400,000	400,000	QCBS	Ex ante	75%	25%	No	Q2	Q5	Pending	

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	Consulting services 5 - SSEAF International consultant to conduct a diagnostic assessment, gather information, and prepare a proposal to bring the budget classification and chart of accounts in line with international standards Estimated cost: US\$30,000	30,000	IICC	Ex ante	90%	10%	No	Q2	Q5	Pending	
	Consulting services 6 - SSEAF Consultant to develop a method for identifying reciprocal items between levels of government and obtaining a consolidated balance sheet for the public sector Estimated cost: US\$30,000	30,000	NICQ	Ex ante	90%	10%	No	Q2	Q6	Pending	
	Consulting services 7 - SSEAF Consulting firm specializing in information technology to develop the investment project monitoring system (SICAP II) and link it to other SIAF systems Estimated cost: US\$90,000	90,000	QCBS	Ex ante	90%	10%	No	Q2	Q6	Pending	
	Consulting services 8 - SSEAF Individual consultant specializing in projects to support the SICAP II Estimated cost: US\$18,000	18,000	NICQ	Ex ante	90%	10%	No	Q1	Q5	Pending	
	Consulting services 9 - SSEAF										
	Consultant to design a system for monitoring the physical status of projects Estimated cost: US\$15,000	15,000	NICQ	Ex ante	90%	10%	No	Q2	Q6	Pending	
	Consulting services 10 - SSEAF Consultant to update the management information module of the SIAF Estimated cost: US\$25,000	25,000	NICQ	Ex ante	90%	10%	No	Q4	Q8	Pending	
	Consulting services 11 - SSEAF Consultant to develop pilot training for PCUs Estimated cost: US\$5,000	5,000	NICQ	Ex ante	90%	10%	No	Q3	Q5	Pending	

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	Consulting services 12 - SSEAF National consultant to conduct diagnostic assessment and analysis of the SIGADE tool Estimated cost: US\$10,000	10,000	NICQ	Ex ante	90%	10%	No	Q2	Q5	Pending	
	Consulting services 13 - SSEAF Consultant to develop financial analysis and risk management methods and tools for public debt, including training. Estimated cost: US\$20,000	20,000	NICQ	Ex ante	90%	10%	No	Q3	Q7	Pending	
	Consulting services 14 - SSEAF Consulting firm to digitize records related to the documentation of assets subject to registration (real estate and vehicles). Estimated cost: US\$60,000	60,000	QCBS	Ex ante	90%	10%	No	Q2	Q6	Pending	
	Consulting services 15 - SSEAF Preparation of draft rules and regulations on the functioning of the SINARH with regard to fiscal elements. Estimated cost: US\$36,000	36,000	NICQ	Ex ante	90%	10%	No	Q1	Q5	Pending	
	Consulting services 16 - SSEAF Diagnostic assessment, analysis, design, and preparation of conceptual and procedural manuals on SINARH for centralized and decentralized entities. Estimated cost: US\$40,000	40,000	NICQ	Ex ante	90%	10%	No	Q1	Q4	Pending	
	Consulting services 17 - SSEAF Consulting firm to prepare the conceptual designs and develop the SINARH. Estimated cost: US\$180,000	180,000	QCBS	Ex ante	56%	44%	No	Q3	Q7	Pending	
	Consulting services 18 - SSEAF Consulting firm to set up a customer service center and provide training. Estimated cost: US\$38,000	38,000	QCBS	Ex ante	90%	10%	No	Q3	Q7	Pending	

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	Consulting services 19 - SSEAF Consultant to interface the digital fingerprint readers with the DPNC computer system. Estimated cost: US\$12,000	12,000	NICQ	Ex ante	90%	10%	No	Q2	Q5	Pending	
	Consulting services 20 - SET International consultant to prepare and adjust laws and regulations and a preliminary draft of the tax code. Estimated cost: US\$60,000	60,000	IICC	Ex ante	90%	10%	No	Q1	Q5	Pending	
	Consulting services 21 - SET International consultant to consolidate the legal framework. Estimated cost: US\$100,000	100,000	IICC	Ex ante	90%	10%	No	Q2	Q6	Pending	
	Consulting services 22 - SET National legal consultant to support the consolidation of the legal framework. Estimated cost: US\$36,000	36,000	NICQ	Ex ante	90%	10%	No	Q2	Q5	Pending	
	Consulting services 23 - SET Consulting firm to provide training for the implementation of the consolidated legal framework. Estimated cost: US\$25,000	25,000	LCS	Ex ante	90%	10%	No	Q2	Q5	Pending	
	Consulting services 24 - SET National legal consultant (specializing in constitutional law) Estimated cost: US\$10,000	10,000	NICQ	Ex ante	90%	10%	No	Q1	Q3	Pending	
	Consulting services 25 - SET National legal consultant to defend the tax code before National Congress. Estimated cost: US\$9,000	9,000	NICQ	Ex ante	90%	10%	No	Q1	Q3	Pending	

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	Consulting services 26 - SET Consulting firm to design training modules for the taxpayer assistance center and training for officials assigned to the center. Estimated cost: US\$40,000	40,000	LCS	Ex ante	90%	10%	No	Q2	Q5	Pending	
	Consulting services 27 - SET International consultant to conduct diagnostic assessment and develop a proposal for a fiscal studies center at the SET. Estimated cost: US\$50,000	50,000	IICC	Ex ante	90%	10%	No	Q2	Q5	Pending	
	Consulting services 28 - SET Consulting firm to maintain existing systems at the SET. Estimated cost: US\$350,000	350,000	QCBS	Ex ante	90%	10%	No	Q3	Q7	Pending	
	Consulting services 29 - SET Consulting firm to design public information campaigns to encourage voluntary compliance with tax obligations. Estimated cost: US\$30,000	30,000	QCBS	Ex ante	90%	10%	No	Q2	Q6	Pending	
	Consulting services 30 - SET Individual consultant specializing in audio and visual communications. Estimated cost: US\$10,000	10,000	NICQ	Ex ante	90%	10%	No	Q1	Q5	Pending	
	Consulting services 31 - SET Individual consultant specializing in press relations. Estimated cost: US\$10,000	10,000	NICQ	Ex ante	90%	10%	No	Q1	Q5	Pending	
	Consulting services 32 - SET Individual consultant specializing in the organization of events. Estimated cost: US\$10,000	10,000	NICQ	Ex ante	90%	10%	No	Q1	Q5	Pending	
	Consulting services 33 - SET Consultant to develop virtual courses for officials and the general public. Estimated cost: US\$7,000	7,000	NICQ	Ex ante	90%	10%	No	Q2	Q5	Pending	

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	Consulting services 34 - SET Consulting firm to design a campaign to encourage the use of tax compliance technology, making processes more transparent, efficient, and streamlined. Estimated cost: US\$40,000	40,000	QCBS	Ex ante	90%	10%	No	Q2	Q5	Pending	
	Consulting services 35 - SET Consulting firm to strengthen the technical skills of officials. Estimated cost: US\$38,000	38,000	LCS	Ex ante	90%	10%	No	Q3	Q7	Pending	
	Consulting services 36 - PCU General coordinator Estimated cost: US\$70,000	70,000	NICQ	Ex ante	90%	10%	No	Q1	Q8	Pending	
	Consulting services 37 - PCU Financial administrative coordinator Estimated cost: US\$54,000	54,000	NICQ	Ex ante	90%	10%	No	Q1	Q8	Pending	
	Consulting services 38 - PCU Procurement coordinator Estimated cost: US\$50,000	50,000	NICQ	Ex ante	90%	10%	No	Q1	Q8	Pending	
	Consulting services 39 - PCU Monitoring coordinator Estimated cost: US\$50,000	50,000	NICQ	Ex ante	90%	10%	No	Q1	Q8	Pending	
	Consulting services 40 - PCU Procurement assistant Estimated cost: US\$20,000	20,000	NICQ	Ex ante	90%	10%	No	Q1	Q8	Pending	
	Consulting services 41 - PCU Financial administrative assistant Estimated cost: US\$10,000	10,000	NICQ	Ex ante	90%	10%	No	Q1	Q8	Pending	

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	Consulting services 42 - PCU Executive secretary Estimated cost: US\$14,000	14,000	NICQ	Ex ante	90%	10%	No	Q1	Q8	Pending	
	Consulting services 43 - SET Consultant to adjust the new organizational structure of the tax administration. Estimated cost: US\$30,000	30,000	NICQ	Ex ante	90%	10%	No	Q5	Q8	Pending	
	Consulting services 44 - SET										
	Consulting firm to design and implement a management model for access, retention, and promotion of human resources. Estimated cost: US\$50,000	50,000	QCBS	Ex ante	90%	10%	No	Q5	Q8	Pending	
	Consulting services 45 - SET Consulting firm to provide training on the model for the taxpayer assistance centers. Estimated cost: US\$50,000	50,000	QCBS	Ex ante	90%	10%	No	Q5	Q8	Pending	
	Consulting services 46 - SET Tax consultant to conclude development and implementation of the stamped paper system. Estimated cost: US\$32,000	32,000	IICC	Ex ante	90%	10%	No	Q5	Q8	Pending	
	Consulting services 47 - SET National organizational consultant to prepare adjustments to tax administration procedures related to compliance and audit functions Estimated cost: US\$32,000	32,000	NICQ	Ex ante	90%	10%	No	Q5	Q8	Pending	
	Consulting services 48 - SET Consulting firm to develop a digital signature certification system. Estimated cost: US\$25,000	25,000	QCBS	Ex ante	90%	10%	No	Q5	Q8	Pending	

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	Consulting services 49 - SET Consultant to develop rules and regulations for implementation of the digital signature system. Estimated cost: US\$15,000	15,000	NICQ	Ex ante	90%	10%	No	Q5	Q8	Pending	
	Consulting services 50 - SET Consulting firm to develop a system for managing digital documents. Estimated cost: US\$220,000	220,000	QCBS	Ex ante	50%	50%	No	Q5	Q8	Pending	
	Consulting services 51 - SSEAF Consulting firm specializing in information technology to tune the Integrated Project Administration and Accountability System, develop manuals, and conduct a test run with four pilot projects financed by the Bank. Estimated cost: US\$246,000	246,000	QCBS	Ex ante	50%	50%	No	Q5	Q8	Pending	
	Consulting services 52 - SSEAF National consultant to support implementation of the Integrated Project Administration and Accountability System with four pilot projects. Estimated cost: US\$18,000	18,000	NICQ	Ex ante	90%	10%	No	Q5	Q8	Pending	
	Consulting services 53 - SSEAF Consultant to update the SIGADE management information module. Estimated cost: US\$25,000	25,000	NICQ	Ex ante	90%	10%	No	Q5	Q8	Pending	
	Consulting services 54 - SSEAF National consultant to make the new version of the SIGADE compatible with the SIAF II. Estimated cost: US\$20,000	20,000	NICQ	Ex ante	90%	10%	No	Q5	Q8	Pending	
	Consulting services 55 - SSEAF Consulting firm to design and develop financial analysis and risk management software for public debt. Estimated cost: US\$85,000	85,000	QCBS	Ex ante	90%	10%	No	Q5	Q8	Pending	

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	Consulting services 56 - SSEAF Consultant to help prepare SINARH rules and procedures. Estimated cost: US\$20,000	20,000	NICQ	Ex ante	90%	10%	No	Q5	Q8	Pending	
	Consulting services 57 - SSEAF Consulting firm specializing in information technology to develop new applications for the SINARH. Estimated cost: US\$660,000	660,000	QCBS	Ex ante	50%	50%	No	Q5	Q8	Pending	
	Consulting services 58 - SSEAF Consulting firm to establish interfaces so information can be exchanged online between the SINARH and the other components of the SIAF, the retirement and pension system, and the components of the Civil Service Secretariat. Estimated cost: US\$60,000	60,000	QCBS	Ex ante	90%	10%	No	Q5	Q8	Pending	
	Consulting services 59 - SSEAF Consulting firm to develop new applications within the SIABYS for implementation in State entities. Estimated cost: US\$500,000	500,000	QCBS	Ex ante	50%	50%	No	Q5	Q8	Pending	

* **Goods and Works:** ICB: International competitive bidding; LIB: limited international bidding; NCB: national competitive bidding; PC: price comparison; DC: direct contracting; FA: force account; PSA: Procurement through Specialized Agencies; PA: Procurement Agents; IA: Inspection Agents; PLFI: Procurement in Loans to Financial Intermediaries; BOO/BOT/BOOT: Build, Own, Operate/Build, Operate, Transfer/Build, Own, Operate, Transfer; PBP: Performance-Based Procurement; PLGB: Procurement under Loans Guaranteed by the Bank; PCP: Community participation procurement. **Consulting Firms:** QCBS: Quality- and Cost-Based Selection QBS: Quality-Based Selection FBS: Selection under a Fixed Budget; LCS: Least-Cost Selection; CQS: Selection based on the Consultants' Qualifications; SSS: Single-Source Selection. **Individual Consultants:** NICQ: National Individual Consultant selection based on Qualifications; ICC: International Individual Consultant selection based on Qualifications

CAPACITY OF THE EXECUTING AGENCY AND SUPERVISION OF PROCUREMENT BY THE BANK

Assessment of the executing agency's capacity to administer procurement

The Ministry of Finance will be responsible for carrying out project procurements. The Bank assessed the capacity of the executing agency to carry out the procurement actions and rated the overall risk to the project arising from the administration of procurement as low, inasmuch as the executing agency for this operation will be the same one that executed PROFOMAF I.