

Municipal Strengthening Program

PARAGUAY

SECTOR: Municipal Development

PROJECT NAME: Municipal Strengthening Program
(793/OC-PR; 794/OC-PR; 920/SF-PR)

TOTAL COST: \$18.0 million

FINANCING:
IDB \$16.2 million
LOCAL \$ 1.8 million

DATE OF APPROVAL: December 1, 1993

GENERAL DESCRIPTION: The objective of the program is to support the Paraguayan government in the process of administrative decentralization by establishing legal, technical and financial bases for effective participation by municipal governments in the country's public management. The program will finance projects for technical assistance and urban property rolls, intended to strengthen the financial base and administrative capacity of municipal governments.

It includes the following components: (a) financial and institutional strengthening, including financing for the implementation of urban property roll and tax collection systems in the country's principal municipalities; (b) reformulation of the legal and institutional framework of the municipal sector and clarification of the operational and legal base for the new departmental level of government; (c) preinvestment, including financing for prefeasibility studies, and in exceptional cases, for project feasibility studies, and training for municipal government officials in project identification and preparation; and (d) support for program execution, including financing for the program executing unit.

CONSULTANTS: The following specialized consulting services will be

contracted: to reformulate the legal framework & international and national legal consultants, including specialists in municipal and departmental legislation and municipal tax legislation, and international consultants on public finances for decentralization and financial aspects; for the executing unit & a general coordinator and consultants to participate in support for program execution in areas such as training, project formulation and evaluation, preparation of specific and preinvestment studies, financial and tax administration, urban and regional planning, property rolls and aspects directly related to the environment.

CIVIL WORKS: Not applicable.

GOODS AND EQUIPMENT: Not applicable.

EXECUTING AGENCY: Ministry of the Interior

ADDRESS: Chile y Manduvira
Asuncion, Paraguay
Telephone: (595-21) 446-743
Fax: (595-21) 446-664