

PARAGUAY

**WATER AND SANITATION PROGRAM
FOR RURAL AND INDIGENOUS COMMUNITIES
(PAYSRI)**

(PR-L1022 / PR-X1003)

GRANT AND LOAN PROPOSAL

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Proposed resolution

ELECTRONIC LINKS	
Required	
Annual work plan	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2155851
Monitoring and evaluation arrangements	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2155780
Procurement plan	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2155787
Environmental and social management report (ESMR)	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2155788
Environmental and social safeguard screening form for classification of projects	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2155817
Optional	
Operating Regulations	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2157529
Technical analyses	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2157531
Socioeconomic analysis	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2156164
Community development	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2157522
Institutional analysis	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2157526

ABBREVIATIONS

AWP	Annual work plan
EPH	Encuesta Permanente de Hogares [Ongoing Household Survey]
ERSSAN	Ente Regulador de Servicios Sanitarios [Sanitation Service Regulatory Agency]
ESMP	Environmental and social management plan
ESSAP	Empresa de Servicios Sanitarios del Paraguay [Sanitation Services Company of Paraguay]
INE/WSA	Water and Sanitation Division of the Infrastructure and Environment Sector
NGO	Nongovernmental organization
OR	Operating Regulations
OTC	Oficina Técnica de Cooperación [Technical Office for Cooperation]
PCU	Program coordination unit
SENASA	Servicio Nacional de Saneamiento Ambiental [National Environmental Sanitation Service]
SFW	Spanish Cooperation Fund for Water and Sanitation in Latin America and the Caribbean
SGAM	Sistema de gestión de administración y finanzas [Administrative and financial management system]
SUI	Sistema único de información [Single information system]

PROJECT SUMMARY

PARAGUAY

WATER AND SANITATION PROGRAM FOR RURAL AND INDIGENOUS COMMUNITIES (PAYSRI) (PR-L1022 / PR-X1003)

Financial Terms and Conditions						
Borrower: Republic of Paraguay Guarantor: Republic of Paraguay Executing agency: Servicio Nacional de Saneamiento Ambiental [National Environmental Sanitation Service] (SENASA)			Source of financing:	SFW	IDB	
			Amortization period:	N/A	25 years	
			Grace period:	N/A	5 years	
			Disbursement period:	5 years	5 years	
Source (US\$)		Program	%	Interest rate:	N/A	LIBOR
IDB (OC)		12 million	20.0%	Inspection and supervision fee:	N/A	*
Local		8 million	13.3%		N/A	*
Spanish Cooperation Fund for Water and Sanitation in Latin America and the Caribbean (SFW)**		40 million	66.7%	Credit fee:	N/A	*
Total		60 million	100.0%	Currency:	U.S. dollars from the Single Currency Facility	
Project at a Glance						
Project objective/description: The objective of the program is to help increase access to drinking water and sanitation services in rural and indigenous communities in Paraguay, so that families without these services may get them in the short term, thereby improving their quality of life. The scope of the operation includes: to extend the coverage of water and basic sanitation systems in rural and indigenous communities without such services, and promote their sustainability; to develop a pilot program for solid waste management; and to strengthen the project execution capacity of SENASA (see paragraph 2.1). This program is consistent with the sector challenges of the Bank’s Water and Sanitation Initiative, and is expected to contribute to meeting the target set by the 3,000 Rural Communities program. (see paragraph 2.2). Special contractual clauses agreed upon with the Bank and the Government of Spain: As conditions precedent to the first disbursement: (i) the program coordination unit will be established, and the minimum staff necessary for execution will be appointed (see paragraph 4.2); (ii) the Operating Regulations will enter into force (see paragraph 4.5); and (iii) the solicitation will be issued for development of a single information system (see paragraph 4.12). Execution conditions: (i) prior to the commitment of resources to finance the subcomponent on infrastructure investments in indigenous communities: the Operating Regulations for indigenous communities, compliant with Operational Policy OP-765, will be delivered (see paragraph 2.8); (ii) monitoring and evaluation will be conducted during the preinvestment and investment stages (see paragraph 4.11); (iii) an evaluation of program execution will be conducted the 24 months after the effective date of the loan contract (see paragraph 4.11); and (iv) SENASA’s single information system will be implemented (see paragraph 4.12). Exceptions to Bank policies: None. Other financial conditions: None.						
Project qualifies as:						

* The credit fee and inspection and supervision fee will be established periodically by the Board of Executive Directors as part of its review of the Bank's lending charges, in accordance with the applicable provisions of the Bank's policy on lending rate methodology for Ordinary Capital loans. In no case will the credit fee exceed 0.75% or the inspection and supervision fee exceed, in a given six-month period, the amount that would result from applying 1% to the loan amount divided by the number of six-month periods included in the original disbursement period.

** The Spanish Cooperation Fund for Water and Sanitation in Latin America and the Caribbean (SFW). Nonreimbursable. The agreement between the Government of Spain and the IDB ("Framework document for establishment of the Spanish Cooperation Fund for Water and Sanitation in Latin America and the Caribbean") was signed on 24 July 2009. The resources allocated under this fund to finance the activities included in this project are subject to the approval of the Government of Spain.

I. DESCRIPTION AND RESULTS MONITORING

A. The water and basic sanitation sector in Paraguay

- 1.1 The Republic of Paraguay is composed of 17 departments, 14 of which are located in the Eastern Region, and three in the Western Region. The country has a total population of 6.05 million, 58.3% of whom reside in urban areas, according to the 2007 Ongoing Household Survey (EPH). The indigenous population, which is the neediest segment, is 108,308 (1.7% of the population), and Asunción is the city with the highest population concentration in the country (519,080 inhabitants). According to the EPH, 63.2% of households had a water connection in the home, whereas the rest of the population got their water essentially from manual extraction wells containing water that frequently does not meet clean drinking water standards. In urban areas, coverage of drinking water supplied through a network¹ was 79.3%, compared to 38.1% in rural areas. The disparity in coverage between the urban and rural population (nearly 40 percentage points) is quite critical considering that in 2007 the rural population accounted for 42% of the total. With respect to sanitation, currently only 16% of urban households have a toilet connected to a sewer system, and only half receive some type of treatment. In rural areas, 62.1% of the households have common latrines, and 37.5% use a pit latrine; sewer systems are nonexistent in these areas. Access to a sewer system is closely tied to a family's income: it is nine times higher in the wealthiest 20% of households than in the poorest 20%.
- 1.2 In terms of solid waste management, only 54% of the wastes generated receive final disposal, all of which occurs at dumps or landfills. Just over one third of households (37.3%) have waste collection services; half of them (50.5%) burn waste, and the rest bury their waste in holes or dump it in areas near the dwelling. The gap between urban and rural households is even more pronounced, at 54.5 percentage points.
- 1.3 According to official figures from the EPH, nearly 35.6% of Paraguayans live in poverty, and 19.4% in extreme poverty. Poverty levels are linked to low levels of education and development, and to a large extent are related to a lack of access to means of production and basic social services such as health, education and sanitation. Poverty affects urban and rural areas equally, with 36% of the population in urban areas, and 35% in rural areas, living below the poverty line. However, extreme poverty is a phenomenon that primarily affects the rural sector, where 24.4% of the population lives in such conditions. Among indigenous populations, the infant mortality rate is 109 deaths per 1,000, compared to a national average of 40. The crude death rate also shows very divergent values, with 6.1 deaths per 1,000 in the nonindigenous population, compared to 16.9 for the indigenous population. These mortality rates are related to the absence of minimum conditions such as access to sanitation. Indigenous peoples less access to public services: only 5.9% have a connection to a clean water system, and only

¹ Subject to continual rationing, especially in the main cities.

3.3% have access to a sewer drain or pit latrine (2008 Equity and Development Report).

B. Sector structure

- 1.4 Paraguay has been initiating change in the sector organizational structure, starting with the General Law on the Regulatory and Rate Framework for the Provision of Public Water and Sanitary Sewer Services (Law 1614/2000) and the General Law on the Reorganization and Transformation of Decentralized Public Agencies (Law 1615/2000). Under the new laws, the Ministry of Public Works and Communications and the Ente Regulador de Servicios Sanitarios [Sanitation Service Regulatory Agency] (ERSSAN) will remain the sector apex agencies, under the authority of the Executive Branch, which may deliver the service through a government-owned provider, by delegation, or by issuing permits or licenses to third parties. In addition, the government of Paraguay established the legal framework for the liquidation of the Corporación de Obras Sanitarias [Sanitation Works Corporation], and for establishment of the Empresa de Servicios Sanitarios del Paraguay [Sanitation Services Company of Paraguay] (ESSAP). Supplementing the sector structure is the Servicio Nacional de Saneamiento Ambiental [National Environmental Sanitation Service] (SENASA), which supports the creation of sanitation boards in areas with fewer than 10,000 inhabitants. In addition, the Secretaría de Medio Ambiente [Secretariat of Environment] and the Dirección General de Salud Ambiental [Directorate of Environmental Health] of the Ministry of Health are responsible for the formulation, coordination, enforcement and oversight of environmental policy in terms of sanitation, and setting technical standards for the quality of water resources and drinking water, respectively.

C. Service delivery

- 1.5 In urban centers with more than 10,000 inhabitants, the service is provided by ESSAP. In the rest of the country, SENASA promotes service delivery through sanitation boards. In addition, there are other system operators or builders, including “aguateros,” small private operators that provide services primarily in Asunción and the surrounding areas; binational entities such as Itaipú and Yacyretá; and the Concejo Nacional de la Vivienda [National Housing Council] and neighborhood commissions. According to information compiled by ERSSAN (2008), the service is supplied via 2,252 systems, 29 of which were operated by ESSAP, 1,277 by sanitation boards, and 946 by other operators. For solid waste, in urban centers with more than 10,000 inhabitants, the service delivery is generally private, with a national average coverage rate of 51%. In urban centers in the country’s interior and rural areas, such service is nonexistent.
- 1.6 SENASA, established by Law 369/72, is the technical agency of the Ministry of Public Health and Welfare that plans, promotes, executes, administers, and oversees activities related to the provision of water and basic sanitation services in delimited urban, periurban, and rural communities, supporting the creation of

sanitation boards in areas with fewer than 10,000 inhabitants. SENASA promotes the creation of sanitation boards, as entities under private law, whose members are elected by the community itself. SENASA comes to agreement with the community on the type of system to be built, how it will be financed,² and the rates consumers will pay to ensure sustainability of the service. It then contracts the construction of the systems, which are later transferred to the boards for operation and maintenance. The boards invoice users to cover operation and maintenance costs and debt service. The boards' debt service payments to SENASA are placed in an account, the balance of which may be used only for the construction of new systems. SENASA is currently executing the Drinking Water Supply and Sanitation in Small Communities program (loan 1312/OC-PR), which is scheduled to conclude by December 2009. According to an independent evaluation, program execution has been satisfactory and the proposed development objectives are expected to be achieved.

D. The sector policy and strategy of Spain and of the Bank

- 1.7 The principal objectives of the **sector policy of the Government of Paraguay** is to increase coverage levels, especially in the rural and indigenous sector; modernize and strengthen the operating and financial management of operators, and strengthen the institutional policy and regulatory framework. In addition, as part of its policy of serving the poorest sectors, the Paraguayan government created the Coordinadora Ejecutiva para la Reforma Agraria [Executive Coordination Agency for Agrarian Reform] (CEPRA), making the provision of sanitation services a strategic focus and delegating this responsibility to SENASA.
- 1.8 Strategy of the Government of Spain. In the Spanish Cooperation Agency's master plan, Paraguay is classified in the group targeted for expanded partnership, which includes those low- or middle-income countries where there are opportunities to establish a long-term partnership framework. Meeting basic social service needs, including water and sanitation, is among the plan's priorities for the sector. Accordingly, its general objective is to promote the human right to water and improve and expand coverage and access to basic sanitation, ensuring their environmental sustainability. The Spanish government is currently financing other interventions that this proposed program would complement. In addition, the Government of Spain, acting through the Oficina del Fondo de Cooperación para Agua y Saneamiento [Office of the Spanish Cooperation Fund for Water and Sanitation] (OFCAS) in Madrid, has reached agreement with the Bank on the terms and conditions for the creation of the Spanish Cooperation Fund for Water and Sanitation in Latin America and the Caribbean (SFW). Its objective is to contribute to the financing of projects, programs and activities that will help accelerate the process of individual and collective economic and social

² Financing includes a grant, a loan to the community, and local support, which has traditionally included a cash contribution (5% of the project cost), labor, and land.

development of the Bank's member countries in Latin America and the Caribbean in all areas related to water and sanitation, so as to help these countries benefit by the attainment of this objective and the Millennium Development Goals in this area. The SFW's specific objectives are to help extend access to drinking water, ensuring the sustainable use of natural resources; help extend access to basic sanitation services, encouraging the sustainable use of natural resources; promote the comprehensive management of water resources; and strengthen the governance in the water sector, promoting the transparent and participatory management of this resource.

- 1.9 The Bank's strategy. This program is consistent with the Bank's country strategy with Paraguay (document GN-2312-1), inasmuch as it seeks to improve quality of life in the communities that will benefit from the investments financed by the program. In particular, it falls in the area of poverty reduction, increasing the coverage of drinking water and sanitation services and improving their quality and access to them. The program is also consistent with the Bank's new country strategy now being formulated. The Bank has supported the development of the sector with six investment programs and seven technical cooperation projects, for up to US\$170 million. The Drinking Water Supply and Sanitation in Small Communities program (loan 1312/OC-PR) is now being executed by SENASA in a satisfactory manner.

E. Program design

- 1.10 Program design. This operation will finance the execution of projects in poor rural communities of up to 2,000 inhabitants, wishing to create sanitation boards in rural communities and sanitation commissions or other similar community structures in indigenous communities, in order to administer, operate and maintain financially self-sustaining water and sanitation systems. This program uses contributions from the public sector as an incentive for communities to get organized and commit to paying rates that will ensure self-sustainability. The program has been designed as a demand program, in which fully informed communities will bid for the resources. Access rules will be stipulated in Operating Regulations, which will govern all aspects of the program from its promotion in the communities to the selection and management of the systems. The program's beneficiaries will be majority poor communities.³ This is a poverty-targeting operation, using the criterion of geographic targeting.

II. OBJECTIVE, EXPECTED OUTCOMES, COMPONENTS, AND COST

A. Objectives

- 2.1 The objective of the program is to help increase access to drinking water and sanitation services, principally in rural and indigenous communities in Paraguay, so that families without these services may get them in the short term, thereby

³ Those with a human development index lower than the poverty threshold as set by the United Nations.

improving their quality of life. The scope of the operation includes: to extend the coverage of water and basic sanitation systems in rural and indigenous communities without such services, and promote their sustainability; to develop a pilot program for solid waste management, and to strengthen the project execution capacity of the Servicio Nacional de Saneamiento Ambiental [National Environmental Sanitation Service] (SENASA).

- 2.2 This program is consistent with the sector challenges of the Bank's Water and Sanitation Initiative, and is expected to contribute to meeting the target set by the 3,000 Rural Communities program.

B. Components

- 2.3 Infrastructure investments. The objective of this component is to increase access to water and sanitation services in rural and indigenous communities without such services. This component will have a subcomponent for rural communities, and another for indigenous communities (see paragraphs 2.9 and 4.6. Financing will be provided for the construction of new drinking water supply and excreta disposal systems, as well as the expansion of existing systems. As an expected outcome of this component, approximately 400 rural communities with 32,000 families, and 40 indigenous communities with 3,200 indigenous people, will have water and sanitation systems.
- 2.4 Project preparation and community development. The objective of this component is to structure water supply and sanitation projects and to support the formation and strengthening of sanitation boards in rural communities and sanitation commissions or other similar community structures in indigenous communities, which will enable a self-sustaining system to be implemented in each community. This component will finance prefeasibility and feasibility studies; final engineering designs; environmental studies, assistance to the communities in setting up sanitation commissions and sanitation boards; training for the members of such sanitation boards and commissions in legal, technical, accounting, and financial matters, awareness-raising and training of the community in the areas of health, hygiene, rational use of water, gender equity, and protection of water sources. As an expected outcome of this component, 400 rural communities and 40 indigenous communities will have legally established sanitation boards or commissions, as well as final engineering designs for water and sanitation systems that are technically, environmentally, socioeconomically, and financially viable.
- 2.5 Pilot program for solid waste management. The objective of this component is to develop a methodology for implementing solid waste management plans in rural communities institutionally strengthened by SENASA, which have demonstrated their ability to independently manage their systems. This component will finance the formulation of solid waste plans; citizen awareness-raising campaigns and school education; technical and environmental feasibility studies; and equipment for the collection and final disposal of wastes. As an expected outcome of this

component, 10 communities will have successfully implemented a solid waste management plan.

- 2.6 Institutional strengthening of SENASA. The objective of this component is to strengthen the fiduciary and project execution capacity of SENASA. It will finance the reengineering of SENASA, including the strengthening of its regional offices; the design and implementation of an information dissemination and communication plan; the development and implementation of an administrative and financial management system (SGAM) and a single information system (SUI), including a georeferenced system; the preparation of a pilot project for the development of alternative water and sanitation technologies in scattered rural and indigenous communities; and the updating and supplementation of technical standards on the design, construction, and maintenance of systems. As an expected outcome of this component, SENASA will have an implemented organizational structure, strengthened and equipped regional offices, an information dissemination and communication plan, a SUI and SGAM in operation, and alternative water and sanitation technologies with updated technical standards.

C. Cost and financing

- 2.7 The total cost of this operation will be US\$60 million, of which US\$40 million will be financed using SFW resources, US\$12 million using loan resources from the Ordinary Capital, and a local contribution of \$8 million.

Table II-1. Cost and Financing (US\$ million)

Category or component	SFW	IDB	Local contribution	Total	%
I. Engineering and management	5.00	2.75	1.90	9.65	16%
1. Program management	1.50	0.00	1.50	3.00	
2. Works inspection and supervision	2.50	1.25	0.25	4.00	
3. Studies and projects	1.00	1.50	0.15	2.65	
II. Direct costs	35.00	8.75	4.60	48.35	81%
1. Water and sanitation systems	32.00	7.25	3.60	42.85	
a) Rural communities	28.00	6.25	3.60	37.85	
b) Indigenous communities	4.00	1.00	0.00	5.00	
2. Solid waste pilot program	0.00	1.50	0.50	2.00	
3. Institution-strengthening	3.00	0.00	0.50	3.50	
III. Associated costs	0.00	0.50	0.00	0.50	0.8%
1. Audit, evaluation and monitoring	0.00	0.50	0.00	0.50	
IV. Finance charges	0.00	0.00	1.50	1.50	2.5%
1. Interest	0.00	0.00	1.50	1.50	
Total costs	40.00	12.00	8.00	60.00	100%

- 2.8 The loan will finance: (i) direct costs, which includes the water and sanitation systems as described in Component 1 (see paragraph 2.3), the solid waste pilot program as described in Component 3 (see paragraph 2.5), and institution-strengthening as described in Component 4 (see paragraph 2.6); (ii) engineering and management costs, which includes the operating expenses of the program coordination unit (PCU), works inspection and supervision, and the necessary studies and project evaluations as described in Component 2 (see paragraph 2.4); (iii) associated costs including audits and evaluation and monitoring activities; and (iv) finance charges including interest. *It was agreed that a clause would be included in the loan contract, as a condition precedent to the commitment of resources for the indigenous subcomponent, whereby the executing agency will submit to the Bank and to the Government of Spain for their no objection the operating regulations in accordance with Operational Policy OP-765, "Indigenous Peoples Policy," as established in paragraph 4.6.*

D. Key results indicators

Table II- 2. Performance Indicators and Targets

Indicator (year-end value)	Year 1	Year 2	Year 3	Year 4	Year 5
Water systems and individual solutions	70	100	90	80	60
Population benefited by water systems	26,250	37,500	33,750	30,000	22,500
Women active as members of sanitation boards	140	200	200	200	160
Systems in indigenous communities	5	10	10	10	5
Sanitation boards strengthened	70	80	80	90	80
Institutional strengthening of SENASA	Prepared	Approved	Implemented	Applied	

- 2.9 The program's goal is to increase coverage in the rural sector with the construction of systems in 400 rural communities with 32,000 families and 40 indigenous communities with 3,200 indigenous people. Each project will have a matrix of indicators to monitor results.

III. FINANCING STRUCTURE AND MAIN RISKS

A. Financing structure

- 3.1 The financing from the Spanish Cooperation Fund for Water and Sanitation in Latin America and the Caribbean (SFW) will be nonreimbursable, the repayment period of the Bank loan will be 25 years. The execution period, grace period, and disbursement period will be up to five years. The local counterpart financing and repayment of debt service will be guaranteed by the national government. The program will be governed by Operating Regulations (see paragraph 4.5). The disbursement schedule appears in Table III-1.
- Table III-1. Disbursement Schedule (US\$ millions)**
- | | Local | IDB | SFW | Total | % |
|--------------|--------------|-------------|-------------|--------------|-------------|
| Year | contribution | | | | |
| 1 | 1.02 | 1.53 | 4.4 | 6.95 | 0.12% |
| 2 | 1.49 | 2.46 | 7.8 | 11.75 | 0.2% |
| 3 | 1.73 | 2.93 | 9.5 | 14.16 | 0.23% |
| 4 | 1.99 | 2.49 | 9.8 | 11.73 | 0.2% |
| 5 | 1.77 | 2.58 | 8.5 | 8.91 | 0.25% |
| Total | 8.0 | 12.0 | 40.0 | 60.0 | 100% |
| % | 13.3 | 20.0 | 66.7 | 100.0 | |
- 3.2 **Project rationale.** The Servicio Nacional de Saneamiento Ambiental [National Environmental Sanitation Service] (SENASA), has an inventory of rural and indigenous communities without water and sanitation systems in 17 departments, seeking investment of approximately US\$250 million. It currently has plans to complete detailed designs and community development for a sample of 80 rural communities without services, which would be financed with the loan proceeds and grant.

B. Environmental and social safeguards

- 3.3 The program is expected to have a positive environmental and social impact in the target area. However, given their nature, the works may cause moderate, localized, and short-term environmental and social impacts, for which effective mitigation measures will be taken, primarily during the construction phase. As part of program preparation, pursuant to the Bank's Environment and Safeguards Compliance Policy (Operational Policy OP-703), an environmental and social assessment of the program was conducted, and an environmental and social management plan (ESMP) formulated (see electronic link, "[ESMP](#)"). In accordance with OP-703, the project team classified the proposed operation as Category B, which includes operations that are likely to cause mostly local and

short-term negative environmental and associated social impacts and for which effective mitigation measures are readily available.

- 3.4 The *environmental impacts* generated by a given project depend in part on the specific features of that project, as well as on the features and vulnerability of the social and environmental setting in which the project will be implemented. The environmental assessment of the program identified the most material environmental impacts that the projects may cause, and the respective mitigation measures that should be taken. The adverse impacts were primarily taken into account, since the positive impacts on health, the environment, and the quality of life of the population are the reasons for the program's viability and sustainability and require no further analysis. The *mitigation measures* for the direct environmental impacts caused by the projects to be financed by the program will be included in the bidding documents and terms of the competitive bidding process for the works, and will be the direct responsibility of the contractor under the supervision of the program coordination unit (PCU). Indirect environmental impacts will be mitigated through the implementation of the environmental and social strategy described in the ESMR, which will indicate the measures to be taken and the party responsible.

C. Key issues and risks

- 3.5 **Analysis of engineering issues.** The solutions to be implemented in connection with the program refer to simple water supply systems, most of which are pump-operated,⁴ and sanitation systems employing various latrine options (waterborne or composting latrines, and borehole latrines in systems) with no water connection in the dwelling. The water systems will include the installation of chlorination systems to disinfect the water. SENASA follows the relevant technical specifications in the design of the systems, and the parameters for sanitation systems to be followed by works contractors are being designed, based on a core set of solutions for the disposal of excreta and gray water under a cost-effective model. The scale, costs, and evaluation of SENASA's engineering practices were analyzed on the basis of a sample of 30 projects that had been designed (from a larger sample consisting of 130 projects designed). The electronic link, "[Technical analyses](#)," shows a sample of the projects designed (130 projects) with information on costs, population, housing, type of system, and location for new system, expansion, and reconstruction projects. A contract is about to be awarded for the design of 50 rural projects, incorporating the final design for three types of least-cost sanitation solutions for various service conditions.
- 3.6 **Socioeconomic viability.** The socioeconomic evaluation was conducted for a representative sample of projects, based on which cost-efficiency parameters were set for evaluation of the projects to be financed with the program. The cost-benefit methodology was used for the evaluation. The costs considered in the

⁴ Gravity systems will be employed in indigenous communities and parts of the eastern region.

evaluation were investment, operation, and maintenance costs, valued at efficiency prices. Water projects were analyzed using the Public Works Simulator (SIMOP). Sanitation projects were analyzed by comparing the net present value of costs and benefits. The estimated economic indicators for all the projects included in the sample were correlated with the cost per inhabitant to determine the thresholds (cut-off values) corresponding to a socioeconomic return of 12% and a cost-benefit coefficient greater than 1. The calculated values were: US\$203/inhabitant for water supply projects; US\$252/inhabitant for water system expansion projects, US\$38/inhabitant for individual sanitation solutions; US\$113/inhabitant for individual sanitation solutions using gray water (disposal of excreta and gray water with a sanitary unit); and US\$228/inhabitant for solutions with sewer system. The details of the evaluation appear in the electronic link, "[Socioeconomic analysis.](#)"

- 3.7 **Ability to pay.** The effect of paying for the service on the average family income in the community was analyzed, based on the current rates charged by the sanitation boards to their members. According to information from SENASA, the monthly bill ranges from US\$1.34 to US\$6.55/month and does not exceed 3% of the average monthly family income for systems with individual sanitation solutions, or 5% for sewer systems.
- 3.8 **PTI/SEQ.** This operation qualifies as a social equity enhancing project (SEQ), as described in the indicative targets mandated by the Bank's Eighth Replenishment (document AB-1704), and qualifies as a poverty-targeted investment (PTI) based on the geographic criterion.
- 3.9 **Community development.** SENASA has an appropriate methodology to promote community development, developed as part of project 1312/OC-PR. Its objective is to promote service sustainability through: (i) community training in subjects related to the rational use of water, access to sanitation, health and hygiene practices, and environmental sustainability; (ii) the incorporation of sanitation boards and training of their members in the planning, organization, management, and oversight of the systems in technical, financial, and business terms; and (iii) assistance with diagnostic assessment, design, construction, and operation of the systems. It was agreed with SENASA that the sanitation boards benefiting from the program will generate operating income from the collection of user charges sufficient to cover operation, maintenance, administration, and short-term asset replacement costs; and that the amount collected will be 85% or more of total billings, and that a reserve fund equal to three months' operation and maintenance will be established at each sanitation board. It was also agreed to strengthen the capabilities of SENASA through staff additions and development, supervision mechanisms, and contracting of specialized firms or NGOs for component execution; develop and disseminate materials and a training curriculum that addresses technical subjects and health and environmental education; and hire two community development specialists for the PCU, one to

support component execution, and the other to support the development and execution of the indigenous subcomponent.

- 3.10 **Institutional and financial characteristics of the executing agency.** SENASA is authorized to serve as executing agency and possesses the necessary autonomy within the purview of its activities. It has the executive and technical staff necessary to perform its functions and effectively execute the program. Its institutional capacity was assessed during program preparation using the Institutional Capacity Assessment System (ICAS) methodology (see electronic link, "[Institutional analysis](#)"), and an institutional modernization plan was agreed upon that includes primarily the following: development of a five-year strategic plan, strengthening of its organizational structure and updating of its manuals of duties and procedures, introduction of a single information system to improve new investment planning, monitoring and evaluation of the sanitation boards, strengthening of its ability to manage goods and services, and implementation of integrated administrative and financial management systems. In the financial area, over the last two years SENASA received an annual budget of US\$25 million, and on average executed nearly 60% of it. Transfers from the national budget and SENASA portfolio recover account for 15% of total annual revenues, and the remainder comes from external financing (loans from multilateral and bilateral banks and grants). Locally-generated revenues are devoted mainly to payroll (80%), with the remainder allocated for investments and nonpayroll expenses. It was agreed that SENASA will provide evidence of having budgeted annually the counterpart resources necessary to make the local counterpart contribution on a timely basis.

IV. IMPLEMENTATION AND MANAGEMENT PLAN

A. Execution arrangements

- 4.1 Beneficiary, borrower, and executing agency. The borrower will be the Republic of Paraguay. The executing agency will be the Servicio Nacional de Saneamiento Ambiental [National Environmental Sanitation Service] (SENASA), an agency of the Ministry of Public Health and Welfare, which will be responsible to the Spanish Cooperation Fund for Water and Sanitation in Latin America and the Caribbean (SFW) and the Bank for administration of the grant and loan proceeds and for arranging timely financing of the local counterpart contributions. SENASA will be responsible for program execution, and for the coordination of all related technical and operational activities during program execution and monitoring, including recording the loan proceeds in its accounting books and complying with the Operating Regulations.
- 4.2 Program coordination unit (PCU). SENASA will establish a PCU for program execution, and will appoint a coordinator who will be accountable to the Bank. During the first three years, this coordinator will be supported by a senior technical team responsible for the project cycle, supervision of construction

works, and environmental and social matters. The team of senior professionals will comprise at least a sanitation engineer, an environmental management specialist, an economic/financial specialist, and two social workers, one of whom will support execution of the indigenous subcomponent, and an administrative specialist. As part of the execution arrangements, this project coordination team will be supported by SENASA staff and junior staff who may be hired with program resources. Among the responsibilities of the PCU senior staff will be to train the junior staff. The training, update, and visualization of best practices may be financed using the program resources. Ultimately, the PCU should be assimilated into the functional structure of SENASA. ***It was agreed that a clause would be included in the loan contract, as a condition precedent to the first disbursement, whereby SENASA will appoint the program coordinator and the necessary work team, including a description of their duties and professional profiles.***

- 4.3 Project cycle. In rural communities, the project cycle will be divided into four stages: (i) *Dissemination of the program*, to provide information and communicate the objectives and scope of the program. In this stage, SENASA will conduct workshops in the various regions of the country to publicize and communicate the main features of the program; (ii) *Preinvestment*, to select the communities that will benefit from the program and prepare the projects to be financed. In this stage: (a) socioeconomic surveys will be conducted to determine whether eligibility criteria are met; (b) the eligibility of the communities will be reviewed, (c) the detailed designs for the projects will be prepared, (d) support will be provided for the process of establishing the sanitation boards for operation and maintenance of the systems, and (e) the scope of the project will be agreed upon, signing a contract. This stage will conclude with the presentation of the final designs to the community; (iii) *Investment*, to build the systems and promote community development. In this stage, SENASA will be responsible for the bidding, procurement, and execution processes and the payment of interim certificates. It will also contract the inspection of the construction projects, while monitoring execution of the community development component. In this stage, SENASA will be in charge of final settlement and turning the systems over to the community under a transfer and operate agreement; and (iv) *Postinvestment*, to guarantee the sustainability of the systems. In this stage, SENASA will monitor and provide technical support to the boards in the operation and management of the systems, through its regional offices. For indigenous communities, it was agreed to review the project cycle to address their specific needs and capabilities (see paragraph 4.6).
- 4.4 Priority-setting and eligibility criteria. It was agreed to take into consideration the geographic priority index of the Secretaría de Acción Social [Secretariat of Social Action] as one of the factors for prioritizing projects, as well as coverage deficits and the geographic priorities set in the Agreements of the Joint Hispano-Paraguayan Commission. The eligibility criteria for preparation of the projects include the following commitments: order of arrival, creation of the sanitation

board, support of the respective municipality, contribution of the local counterpart by the community, and appropriate operation and maintenance of the infrastructure to be financed, including charging a rate that at a minimum covers operating and maintenance costs.

- 4.5 Operating regulations (OR). The program will be governed by Operating Regulations, (see electronic link, [Operating Regulations](#)), which establish eligibility and selection criteria, the organization, responsibilities, and procedures of the PCU and the participating entities, and compliance with the environmental, labor and social regulations of Paraguay, as well as with Operational Policies OP-703, OP-704, OP-102, and OP-765. These OR will include: (i) the description of the program, its purpose, objectives and components; (ii) the structure and organization of the PCU, including its organization chart, functions and procedures; (iii) a description of the stages of the project cycle, for which flowcharts will be included; (iv) terms and conditions of the financing, and rules and procedures for bidding, procurement, and disbursement; (v) monitoring and evaluation; and (vi) the environmental and social management plan (ESMP). The annexes to the OR will include, inter alia, the profiles and terms of reference for contracting the consulting engagements to be financed, bidding documents for works, contracting of PCU staff, and other model documents for the project cycle. The scope of the OR was agreed upon during the preparation of the loan with SENASA. For the solid waste pilot program, a survey is being conducted of a ten-community sample, based on which eligibility and selection criteria will be determined, and various solution alternatives, service delivery modalities, and cost recovery arrangements will be reviewed. ***It was agreed that a clause would be included in the loan contract, whereby SENASA commits that the OR will be in force as a condition precedent to the first disbursement.***
- 4.6 Indigenous communities subcomponent. It was agreed to formulate specific Operating Regulations to meet the needs of this type of community. To this end, as stipulated in the loan agreement for project 1312/OC-PR, a specialized NGO will be contracted to conduct a study on lessons learned and best practices of the pilot program in indigenous communities, financed with resources from that project. Once this study is complete, SENASA will incorporate the results of the consulting engagement into the project cycle designed for this group of communities, and will submit the respective OR to the Bank for its no objection.
- 4.7 **Coordination with the Technical Office for Cooperation (OTC).** The Bank will coordinate and consult with the OTC on matters related to project execution, in accordance with the technical framework document and the Operating Regulations of the Spanish Cooperation Fund for Water and Sanitation in Latin America and the Caribbean (SFW) (document OP-207). The Operating Regulations for this program will specify how the Government of Spain will participate in project execution through the OTC.

B. Procurement

- 4.8 **Procurement.** Works, goods, and consulting services financed, in whole or in part, with the loan proceeds will be procured in accordance with Bank policy documents GN-2349-7 and GN-2350-7. Based on the assessments of SENASA's institutional capacity, thresholds are recommended for international competitive bidding.

Table IV-1	
Thresholds for	
International Competitive Bidding	
Works	US\$3,000,000 or more
Goods	US\$250,000 or more
Consulting	US\$200,000 or more

- Program procurements will be subject to ex ante review, except as otherwise provided in the Procurement Plan and updates. Ex post reviews will be conducted at least every six months, and the executing agency's capacity will be rated annually, based on the judgment of a procurement specialist at the Country Office. All procurements to be made during a given period must be included in the Procurement Plan and updates approved by the IDB, and will follow the methods and ranges established therein, and will be delivered through the Procurement Plan Execution System (SEPA). SENASA will agree with the Bank on a Procurement Plan for the first 18 months of execution.
- 4.9 Works execution. Works will be constructed under contracts with engineering firms specializing in this type of project. Works construction and inspection will be subcontracted to third parties. Community and social support will be subcontracted to either firms or NGOs, which will be supervised by SENASA. SENASA may commission consultants to assist with supervision of works and studies. The costs required for execution and supervision will be included in the program budget.
- 4.10 Revolving fund. A revolving fund will be established for up to 5% of the amount of the grant and loan. These resources will be managed in a bank account in the project's name. SENASA will deliver consolidated reports to the Bank within 60 days after the end of each six-month period.

C. Program monitoring and evaluation

- 4.11 Monitoring and evaluation. Monitoring and evaluation will be conducted using the Bank's supervision toolkit, based on the preparation of a program execution plan, procurement plan, and results framework. It was agreed to review the annual work plan (AWP) on an annual basis, and that SENASA will deliver semiannual status reports as indicated in the AWP, the results obtained in the execution of the activities, and an action plan for the following six-month period. SENASA will be responsible for monitoring and evaluation of the financed projects, and for that purpose may contract independent consulting firms previously approved by the Bank. The framework indicators will include the outcomes of operational and business management by the boards, the physical construction works, and the benefits of such works. The Bank will be involved in the following stages of the project cycle: (i) *Preinvestment*: once a project has been declared eligible,

SENASA will deliver a project profile to the Bank for information, confirming that the eligibility criteria have been met; (ii) *Investment*: before the competitive bidding process, SENASA will deliver the corresponding bidding documents to the Bank for its no objection; and (iii) *Postinvestment*: the Bank will conduct an evaluation 24 months after the effective date the loan contract, and a second evaluation six months before program end.

- 4.12 Single information system (SUI). A system will be developed to monitor and evaluate the program with the development and implementation of a SUI, including the design of a baseline, incorporating basic information on indigenous communities. *It was agreed with SENASA that a clause would be included in the loan contract, whereby the solicitation will be issued for a consulting engagement to develop the SUI as a condition precedent to the first disbursement. In addition, within 24 months after the loan contract is signed, the SUI must be operating and producing official information on operations, as well as data on the status of indicators, including the indicators specified in the Results Framework.*
- 4.13 **Operation and maintenance.** The works financed and built with the program resources will be operated and maintained by the beneficiary rural communities. In the case of nonindigenous communities, during the preparation of eligible projects the executing agency will determine whether the sanitation boards have generated sufficient resources, in order to ensure that they have the technical staff and resources for proper operation and maintenance. In addition, SENASA's regional offices will be strengthened so that they can support the management of the sanitation boards and verify proper operation and maintenance of the systems.
- 4.14 Audits and inspections. SENASA will deliver the audited financial statements for the program and for SENASA each year during program execution. These external audits will be conducted by an independent auditing firm acceptable to the Bank. The procurement and scope of these audits will conform to the rules and requirements of the Bank's financial policies, for which purpose terms of reference and procurement procedures have been agreed upon with SENASA (documents AF-100, AF-300, AF-400, and AF-500). These audits will be financed with IDB resources.
- 4.15 Ex post evaluation. SENASA will compile the data necessary to evaluate the attainment of the project targets, which may be used to evaluate the efficiency and effectiveness of the program in terms of achieving the stated objectives and building upon the lessons learned.

PARAGUAY
RESULTS FRAMEWORK
MATRIX OF INDICATORS

Objectives	The objective of the program is to help increase access to drinking water and sanitation services in rural and indigenous communities of up to 2,000 inhabitants in Paraguay, so that families without these services may get them in the short term, thereby improving their quality of life.							
	The purpose of the operation is: (i) to extend the coverage of water and basic sanitation systems in rural and indigenous communities of up to 2,000 inhabitants without such services, and promote their sustainability; (ii) to develop a pilot program for solid waste management; and (iii) to strengthen the institutional framework of the program and the fiduciary and project execution capacity of the executing agency.							
Component 1. Infrastructure investments								
	Base	Year 1	Year 2	Year 3	Year 4	Year 5	Target	Comments/Mean of verification
Outputs								
Water and sanitation systems in rural communities of up to 2,000 inhabitants are in operation	-	70	100	90	80	60	400	Works completion certificate
Water and sanitation systems in indigenous communities of up to 2,000 inhabitants are in operation	-	5	10	10	10	5	40	Works completion certificate
Outcomes								
Contribution to increased drinking water coverage in the rural area attributable to the program (%)	49.2	-	-	-	-	-	51.1	Using information of the General Directorate of Statistics, Surveys and Census (DGEEC) on population growth projections, the 2008 Ongoing Household Survey (EPH), and 2002 Census. Means of verification: DGEEC’s Ongoing Household Survey

Contribution to increased basic sanitation coverage in the rural area attributable to the program (%)	37.1	-	-	-	-	-	39.7	Using DGEEC information on population growth projections, the 2008 Ongoing Household Survey, and 2002 Census. Means of verification: DGEEC's Ongoing Household Survey
Beneficiary population in rural communities of up to 2,000 inhabitants	0	26,250	37,500	33,750	30,000	22,500	150,000	SENASA's information system
Beneficiary population in indigenous communities of up to 2,000 inhabitants	0	750	1,500	1,500	1,500	750	6,000	SENASA's information system
Component 2. Community Development								
	Base	Year 1	Year 2	Year 3	Year 4	Year 5	Target	Comments/Mean of verification
Outputs								
Methodology implemented for the creation, strengthening and support of sanitation boards	-	B, E, A, I	I	I	I	I	I	Plan implementation manual B = Bidding, E = Execution, A = Approved, I = Implemented
Methodology implemented for the creation, strengthening and support of sanitation commissions	-	B, E, A, I	I	I	I	I	I	Plan implementation manual B = Bidding, E = Execution, A = Approved, I = Implemented
Training plans executed for members of sanitation boards	-	B, E	E, A, I	I	I	I	I	Plan implementation manual B = Bidding, E = Execution, A = Approved, I = Implemented
Training plans executed for members of sanitation commissions	-	B, E	E, A, I	I	I	I	I	Plan implementation manual B = Bidding, E = Execution, A = Approved, I = Implemented
Training and environmental and sanitation education plans executed for members of the beneficiary communities	-	B, E, A, I	I	I	I	I	I	Four courses will be offered to community members. Plan implementation manual B = Bidding, E = Execution, A = Approved, I = Implemented

Intermediate outcomes								
Sanitation boards in beneficiary rural communities created and strengthened through training courses given to their members	0	70	80	80	90	80	400	Certificate of creation of sanitation boards and certificate of registration of sanitation boards filed with the municipio. SENASA's information system
Sanitation commissions in beneficiary indigenous communities created and strengthened through training courses given to their members	0	5	10	10	10	5	40	Certification of creation of sanitation commissions and SENASA's information system
Members of sanitation boards trained	0	420	480	480	540	480	2,400	Certificate of attendance and course completion. Three training courses will be offered during the first year for six sanitation board members in each rural community
Members of sanitation commissions trained	0	30	60	60	60	30	240	Certificate of attendance and course completion. Three training courses will be offered during the first year for six sanitation board members in each indigenous community
Women participate as members of sanitation boards	-	140	200	200	200	160	900	Records on membership of sanitation board executive committee
Members of the rural community with sanitation boards trained	0	26,250	37,500	33,750	30,000	22,500	150,000	Certificate of attendance and course completion. Three training courses will be offered during the first year for six sanitation board members in each rural community
Members of the indigenous community with sanitation commissions trained	0	750	1,500	1,500	1,500	750	6,000	Certificate of attendance and course completion. Three training courses will be offered during the first year for six members of the sanitation commissions in each indigenous community
Outcomes								
Percentage of sanitation boards and sanitation commissions that request assistance with the operation and maintenance of the systems.	60	-	-	-	-	-	25	SENASA's information system. SENASA statistics on technical assistance provided to communities

Component 3. Pilot program for solid waste management								
	Base	Year 1	Year 2	Year 3	Year 4	Year 5	Target	Comments/Means of verification
Outputs								
Methodology developed for implementing solid waste management plans	0	B, E	E, A, I	FO	FO	FO	FO	Plan implementation manual B = Bidding, E = Execution, A = Approved, I = Implemented, FO = Fully operational
Solid waste management plans implemented in rural communities	0	-	2	3	3	2	10	Certificate of progress
Training and education plans for members of the beneficiary communities	0	B, E	A, I	I	I	I	I	Materials for the implementation of training plans B = Bidding, E = Execution, A = Approved, I = Implemented
Intermediate outcomes								
Number of communities with solid waste systems fully implemented	0	-	2	3	3	2	10	Certificate of progress and works completion certificate
Outcomes								
Inhabitants benefited by implementation of the solid waste management plans	0	-	750	975	975	750	3.450	Works completion certificate and SENASA's information system
Component 4. Institutional strengthening of SENASA								
	Base	Year 1	Year 2	Year 3	Year 4	Year 5	Target	Comments/Means of verification
Outputs								
Design and implementation of SENASA reengineering	0	B, E	E, A, I	I	FO	FO	FO	New structure implemented. Decrees approving the new organizational structure of SENASA. B = Bidding, E = Execution, A = Approved, I = Implemented, FO = Fully operational
Design and implementation of a single information system	0	B, E, A	I	FO	FO	FO	FO	System in operation with the respective user manuals and information update protocol B = Bidding, E = Execution, A = Approved, I = Implemented, FO = Fully operational

Updating of technical standards on the design of drinking water and sanitation systems	-	B, E, A, I	FO	FO	FO	FO	FO	Manual of technical standards B = Bidding, E = Execution, A = Approved, I = Implemented, FO = Fully operational
Development of alternative technologies for supplying water in scattered communities	0		B, E, A	I	FO	FO	FO	Manuals for project designs using alternative technologies B = Bidding, E = Execution, A = Approved, I = Implemented, FO = Fully operational
Outcomes								
Number of sanitation boards and sanitation commissions created each year/100 staff.	10	-	-	-	-	-	50	SENASA's information system
Number of sanitation boards and sanitation commissions served each year/100 staff.	20	-	-	-	-	-	100	SENASA's information system
Percentage of projects that conform to updated design standards	-	50	100	100	100	100	100	Engineering project report SENASA's information system
Projects with alternative technologies in scattered communities	0	-	25	50	100	100	100	Engineering project report SENASA's single information system

SUMMARY PROCUREMENT PLAN

Period included in this Procurement Plan: September 2009 until June 2011

Ref. no. ¹	Description and type of procurement contract	Estimated cost of procurement (US\$000)	Procurement method ²	Review (ex ante or ex post)	Source of financing and percentage		Prequalification ³ (Yes/No)	Estimated dates		Status ⁴ (pending, in process, awarded, cancelled)	Comments
					IDB %	Local/ other %		Publication of specific procurement notice	Completion of contract		
1	GOODS										
1.1	Computer and communications equipment (hardware and software)	150	NCB	Ex ante	90	10	No	Jan/10	Apr/10	Pending	
1.2	Furniture	30	PC	Ex ante	90	10	No	Jan/10	Mar/10	Pending	
1.3	Pickup trucks	300	ICB	Ex ante	90	10	No	Jan/10	June/10	Pending	
1.4	Office supplies	30	PC	Ex ante	90	10	No	Jan/10	Mar/10	Pending	
2	WORKS										
2.1	Group 1 CEPRA. Construction of 12 water and basic sanitation systems	1,000	NCB	Ex post	0	100	No	Sept/09	June/10	In process	
2.2	Group 2 CEPRA. Construction of 12 water and basic sanitation systems	1,000	NCB	Ex ante	90	10	No	Jan/10	Oct/10	Pending	
2.3	Group 3 Indigenous communities. Construction of 10 water and basic sanitation systems	750	NCB	Ex ante	90	10	No	Apr/10	Dec/10	Pending	
2.4	Group 4. Construction of 50 water and basic sanitation systems (25 rural and 25 CEPRA)	5,000	ICB	Ex ante	90	10	No	Apr/10	June/11	Pending	
2.5	Group 5. Construction of 50 water and basic sanitation systems (25 rural and 25 CEPRA)	5,000	ICB	Ex ante	90	10	No	Jan/11	Mar/12	Pending	
2.6	Group 6. Construction of 50 water and basic sanitation systems (25 rural and 25	5000	ICB	Ex ante	90	10	No	June/11	Aug/12	Pending	

Ref. no. ¹	Description and type of procurement contract	Estimated cost of procurement (US\$000)	Procurement method ²	Review (ex ante or ex post)	Source of financing and percentage		Prequalification ³ (Yes/No)	Estimated dates		Status ⁴ (pending, in process, awarded, cancelled)	Comments
					IDB %	Local/ other %		Publication of specific procurement notice	Completion of contract		
	CEPRA)										
2.7	Group 7. Indigenous communities. Construction of 10 water and basic sanitation systems	750	NCB	Ex ante	90	10	No	Jan/11	Sept/11	Pending	
3	NONCONSULTING SERVICES										
3.2	Vehicle rental	50	PC	Ex ante	90	10	No	Jan/10	Dec/10	Pending	
3.3	Office rental	12	PC	Ex post	90	10	No	Jan/10	Dec/10	Pending	
3.4	Leasing of copy machines and printers	5	PC	Ex post	90	10	No	Jan/10	Dec/10	Pending	
3.5	Communication services	5	PC	Ex post	90	10	No	Jan/10	Dec/10	Pending	
3.6	Airfare to share experiences and training	6	PC	Ex post	90	10	No	Jan/10	Dec/10	Pending	
4	CONSULTING SERVICES										
4.1	Promotion, socioeconomic study and design of systems for 10 indigenous communities (Group 3)	80	LCS	Ex ante	90	10	No	Oct/09	Mar/10	Pending	
4.2	Socioeconomic study, preliminary and final engineering designs for 25 CEPRA communities (Group 5)	250	QCBS	Ex ante	90	10	No	Apr/10	Dec/10	Pending	
4.3	Socioeconomic study, preliminary and final engineering designs for 25 rural communities (Group 5)	250	QCBS	Ex ante	90	10	No	Apr/10	Dec/10	Pending	
4.4	Socioeconomic study, preliminary and final engineering designs for 25 CEPRA communities (Group 6)	250	QCBS	Ex ante	90	10	No	Sept/10	May/11	Pending	
4.5	Socioeconomic study,	250	QCBS	Ex ante	90	10	No	Sept/10	May/11	Pending	

Ref. no. ¹	Description and type of procurement contract	Estimated cost of procurement (US\$000)	Procurement method ²	Review (ex ante or ex post)	Source of financing and percentage		Prequalification ³ (Yes/No)	Estimated dates		Status ⁴ (pending, in process, awarded, cancelled)	Comments
					IDB %	Local/ other %		Publication of specific procurement notice	Completion of contract		
	preliminary and final engineering designs for 25 rural communities (Group 6)										
4.6	Community support for 25 CEPRA communities - Group 4 (includes assistance during and after works construction)	50	LCS	Ex ante	90	10	No	Apr/10	Dec/11	Pending	
4.7	Community support for 25 rural communities - Group 4 (includes assistance during and after works construction)	50	LCS	Ex ante	90	10	No	Apr/10	Dec/11	Pending	
4.8	Community support for 25 CEPRA communities - Group 5 (includes assistance before, during and after works construction)	100	LCS	Ex ante	90	10	No	Apr/10	Sept/12	Pending	
4.9	Community support for 25 rural communities - Group 5 (includes assistance before, during and after works construction)	100	LCS	Ex ante	90	10	No	Apr/10	Sept/12	Pending	
4.10	Community support for 25 CEPRA communities - Group 6 (includes assistance before, during and after works construction)	100	LCS	Ex ante	90	10	No	Oct/10	Mar/13	Pending	
4.11	Community support for 25 rural communities - Group 6 (includes assistance before, during and after works construction)	100	LCS	Ex ante	90	10	No	Oct/10	Mar/13	Pending	
4.12	Promotion, socioeconomic study and design of systems for 10 indigenous communities	80	LCS	Ex ante	90	10	No	May/10	Dec/10	Pending	

Ref. no. ¹	Description and type of procurement contract	Estimated cost of procurement (US\$000)	Procurement method ²	Review (ex ante or ex post)	Source of financing and percentage		Prequalification ³ (Yes/No)	Estimated dates		Status ⁴ (pending, in process, awarded, cancelled)	Comments
					IDB %	Local/ other %		Publication of specific procurement notice	Completion of contract		
	(Group 7)										
4.13	Works inspection, Group 1	80	LCS	Ex ante	0	100	No	Oct/09	Jul/10	Pending	
4.14	Works inspection, Group 2	80	LCS	Ex ante	90	10	No	Dec/09	Oct/10	Pending	
4.15	Works inspection, Group 3	30	NICQ	Ex ante	90	10	No	Dec/09	Oct/10	Pending	Includes travel expenses
4.16	Works inspection, Group 4	300	LCS	Ex ante	90	10	No	Mar/10	Jul/11	Pending	
4.17	Works inspection, Group 5	300	LCS	Ex ante	90	10	No	Dec/10	Apr/12	Pending	
4.18	Works inspection, Group 6	300	LCS	Ex ante	90	10	No	May/11	Sept/12	Pending	
4.19	Works inspection, Group 7	30	NICQ	Ex ante	90	10	No	Dec/10	Apr/12	Pending	Includes travel expenses
4.20	Formulation of integrated solid waste management plans	50	NICQ	Ex ante	90	10	No	Dec/10	June/11	Pending	Contracting of two consultants is anticipated.
4.21	Consultants for the program coordination unit (PCU)	580	NICQ	Ex ante	90	10	No	Jan/10	Dec/10	Pending	Contracting of 23 consultants is anticipated (general coordinator; procurement, technical/ administrative/financial, community development coordinators; environmental specialist; works supervision specialist; development and technology specialist, sanitation specialist; hydrogeologist; administrative/financial /procurement specialist, legal advisor, indigenous specialist, institutional and community development specialist, and FAPEP social workers 50%)

Ref. no. ¹	Description and type of procurement contract	Estimated cost of procurement (US\$000)	Procurement method ²	Review (ex ante or ex post)	Source of financing and percentage		Prequalification ³ (Yes/No)	Estimated dates		Status ⁴ (pending, in process, awarded, cancelled)	Comments
					IDB %	Local/ other %		Publication of specific procurement notice	Completion of contract		
4.22	Development and training courses in administrative systems for the technical teams of SENASA and the PCU	15	LCS	Ex post	90	10	No	June/10	Dec/10	Pending	
4.23	Restructuring/reengineering of SENASA processes	150	QCBS	Ex ante	90	10	No	Jan/10	Dec/10	Pending	
4.24	Integrated system of institutional financial management for SENASA, including module for the PCU	150	QCBS	Ex ante	90	10	No	Jan/10	Dec/10	Pending	
4.25	Single information system for rural areas	150	QCBS	Ex ante	90	10	No	Jan/10	Dec/10	Pending	
4.26	External audit of the program	100	QCBS	Ex ante	90	10	No	June/10	June/15	Pending	

¹ If there are a number of similar individual contracts to be executed in different places or at different times, these can be grouped together under a single heading, with an explanation in the comments column indicating the average individual amount and the period during which the contracts would be executed. For example: an education project that includes school construction might include an item “school construction”, for a total value of US\$20 million, and an explanation in the comments column such as: “This encompasses some 200 contracts for school construction averaging US\$100,000 each to be awarded individually by the participating municipal governments over a three-year period between January 2006 and December 2008.”

² **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; **IICQ:** International individual consultant selection based on qualifications.

³ In the case of the new policies, applicable only for goods and works. In the case of the old policies, applicable for goods, works and consulting services.

⁴ This “Status” column will be used for retroactive procurement and procurement plan updates.