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**QUARTERLY TECHNICAL REPORT No. 3**  
April 1 through June 31, 2010

Threshold Program II (Umbral)

Submitted to:

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## I. INTRODUCTION

This Quarterly Report, covering the period 1 April through 30 June 2010, is submitted by Casals & Associates, Inc. (C&A) in compliance with Contract Number DFD-I-02-08-00 069-00, Order Number 15, Threshold Program II.

This is the third Quarterly Report submitted to USAID under Contract DFD-I—02-08-00069-00, Order 15, and reflects the progress that has been made so far in the attainment of the goals and objectives of the Threshold Program II. In general, the majority of the components have progressed in accordance with the approved Work Plan and there is a clear trend moving towards the fulfillment of the objectives. However, it should be mentioned that there are still difficulties that persist in several activities.

During this quarter, over 800 public officials began training in different areas within components 1, 2 and 3. It should be noted that in component 3 alone, there are over 750 officials in MECIP training, 450 of which have started training under the Agreement between the Office of the Comptroller General of the Republic of Paraguay (CGR) and Colombia for the technical exchange in Internal Control. Also, in the framework of component 5, 2,500 high school students were educated in the basic concepts of intellectual property rights. Both local and international consultants have provided technical assistance in the different components with which progress has been made in the attainment of program objectives. For example, there is a Customs National Directorate complaints and claims office implementation plan. Moreover, there are obstacles that were previously detected and have not been remedied. One example is the Specialized Technical Unit (UTE) and the need for greater political will for its institutional strengthening as well as to ensure that the resources invested in the institution under the Threshold Program II contribute to its sustainability.

In the month of April, and on the occasion of Intellectual Property Day, Intellectual Property Week was organized with the Ministry of Industry and Commerce (MIC). The results of Intellectual Property Week were very positive; technical lectures were given by local and international consultants geared towards different sectors; the first comic strip about copyrights, "Agustin learns about copyrights and neighboring rights" was published, and the "Piracy kills Art" Concert was held with the participation of local artists at the Democracy Plaza.

Contact has continued with the United States Government Agencies responsible for the implementation of Components 1, 3, 4 and 6 of the Program in order to achieve more coordination, particularly in reference to the Communication transverse theme. In any case, this coordination effort still needs to be improved and consolidated in the following quarter.

In the Communication transverse theme, the communication plans of the Customs National Directorate, Public Ministry and Ministry of Industry and Commerce were approved and the validation process of the other participating entities' communication plans with USAID and the Executive Directorate was started. Also, the development of the Threshold Program II website is underway.

The Program will continue to realize its best efforts in order to implement the reforms that form part of our mandate, constantly searching for better solutions to obstacles and proposing improvements that are sustainable over time.

## II. COMPONENT 1: Strengthening of the Public Ministry's investigative capacity

### MAIN ACHIEVEMENTS OF THE QUARTER

- Budgets for the development of the Public Ministry's baseline control have been determined.
- Auditing training plan has been designed and Public Ministry Fiscal Management Control officials trained in the creation of risk maps.
- Public Ministry internal regulations and General Inspectorate handbook adjustment proposal.
- The Public Ministry General Inspectorate computer system operating.

## **A. Progress Made Against Work Plan and Operative Plan (Completed Activities)**

### **Activity 1**

- Budgets for the development of the Public Ministry's baseline control determined.
- Public Ministry internal regulations and General Inspectorate handbook adjustment proposals.
- Public Ministry General Inspectorate computer system improvement proposal.
- Training plan for the Fiscal Management Control Unit designed.

### **Activity 2**

- Hiring of civil society consultancy in progress.

## **B. Uncompleted Activities**

### **Activity 1**

- Commencement of technical assistance for the implementation of the General Inspectorate computer system implementation plan.

## **C. Results/Goals Achieved (Against Component Objectives)**

### **Activity 1**

- Budgets for the development of the Public Ministry's baseline control determined.
- Budget set for Public Ministry internal regulations and General Inspectorate handbook adjustment proposal.
- 14 General Inspectorate officials trained in Administrative Sanction Law.
- Public Ministry General Inspectorate computer system improvement proposal.

### **Activity 2**

- Proposal for channeling of complaints and denunciations in the Public Ministry.

## **D. Future Activities**

- Start the creation of handbooks and supervision guides for the establishment of the Public Ministry's baseline control.
- Commencement of adjustments to Public Ministry internal regulations and the General Inspectorate handbook.
- Commencement of computer technical assistance to improve the Public Ministry General Inspectorate computer system.
- Start the implementation of the proposal for the channeling of complaints and denunciations in the Public Ministry.
- Start the implementation of the training plan for Fiscal Management Control Unit officials.
- Commencement of civil society consultancy tasks.

## **E. Performance Supervision (Against Component Indicators)**

### **1a. Increase in the number of audits performed per year**

24 audits performed between January and June 2010.  
Training plan for Fiscal Management Control Unit officials designed.

### **2a. Increase public perception**

Proposal for channeling citizen complaints and denunciations submitted and hiring of civil society consultancy in process.

#### F. Difficulties/Obstacles (Problems Found)

The terms of reference for the hiring of technical assistance for the implementation of the General Inspectorate computer system improvement proposal cannot be completed due to delays on behalf of the Public Ministry Computer Directorate to grant its agreement.

#### G. List of Training Events in the Country

Activity	Objective	Participants	Date/Place	Comments
Administrative Sanction Law training workshop	<ul style="list-style-type: none"> <li>■ The student will learn the basic principles of Administrative Law</li> <li>■ The participants will list the types of administrative regulations</li> <li>■ The participants will be able to identify the elements of administrative acts</li> <li>■ The participant will be able to differentiate the judicial administrative process</li> <li>■ The participant will learn all of the stages of an administrative process</li> </ul> <p>Inform institutional Internal Audit general directors of the specific and general objectives of the Threshold Program II and MECIP implementations.</p>	14 Fiscal Management Control Unit officials	June 7 and 8, Pubic Ministry Entertainment Center	The workshops achieved the planned objectives.

### III. COMPONENT 2: Strengthening of the Contentious-Administrative Tribunal as well as of the Judicial Branch control and disciplinary systems

#### MAIN ACHIEVEMENTS OF THE QUARTER

- Training plan for disciplinary system officials.
- Start of tasks coordinated by the persons in charge of the complaints and denunciations offices in the interior of the country as well as in the capital.
- Proposal for basic employee and infrastructural needs in order to strengthen the Contentious-Administrative Tribunal.

#### A. Progress Made Against the Work Plan and Operative Plan (Uncompleted Activities)

##### Activity 1

- Disciplinary office handbook adjustments underway.
- Creation of mechanism of coordination among the different offices in the disciplinary system started.
- Knowledge test given to Judicial Management Audit Directorate officials to assess their knowledge of auditing topics.
- Implementation of complaints and denunciations software improvement plan and computer technical support for users.

##### Activity 2

- Knowledge test given to Administrative-Financial Audit Directorate officials to assess their knowledge of auditing topics.
- Auditing training plan designed for Administrative-Financial Audit Directorate officials.
- Proposal for improvements to the site of the Administrative-Financial Audit Directorate offices.

### **Activity 3**

- Work groups formed by officials for their active participation in the creation of proposals to strengthen the Contentious-Administrative Tribunal.
- Proposal for basic employee and infrastructural needs for the Contentious-Administrative Tribunal was submitted.
- Hiring process for technical assistance for the digitalization of Contentious-Administrative Tribunal sentences was started.

## **B. Uncompleted Activities**

### **Activity 1**

- Hiring of technical assistance to make adjustments to the Judicial Management Audit Directorate software.

## **C. Results/Goals Achieved (Against Component Objectives)**

### **Activity 1**

- Review and adjustments to the disciplinary office handbooks were started.
- 40 disciplinary system officials trained in investigation techniques and administrative law.
- Creation of proposal regarding coordination mechanism among disciplinary offices in process.
- Training plan for Judicial Management Audit Directorate officials.
- Complaints and denunciations software improvement plan being implemented.

### **Activity 2**

- Training plan for Administrative-Financial Audit Directorate officials.

### **Activity 3**

- Proposal for basic employee and infrastructural needs for the Contentious-Administrative Tribunal.
- The hiring process for the digitalization of Contentious-Administrative Tribunal sentences was started.

## **D. Future Activities**

- Submit adjustments to disciplinary area and management control handbooks.
- Begin training with Judicial Management Audit Directorate officials.
- Complete implementation of complaints and denunciations software improvement plan.
- Begin implementation of the judicial management audit software improvement plan.
- Create handbook and organization guide for the Contentious-Administrative Tribunal.
- Digitalization of Contentious-Administrative Tribunal sentences.

## **E. Performance Supervision (Against Component Indicators)**

### **1a Increase the number of complaints from the interior of the country**

423 denunciations filed in the capital

31 denunciations filed in the interior of the country  
Workshop held for officials responsible for receiving complaints and denunciations in the interior of the country with the goal of establishing a coordination mechanism with the office located in the capital.

### **1b Reduce the time it takes to solve cases in the interior of the county and standardize their duration**

Denunciations from the interior of the country processed in an average of 137 days.  
Denunciations from the capital processed in an average of 107 days.

Start of adjustments to Disciplinary Office handbooks.

40 disciplinary system officials trained in investigation topics and administrative law.

### **2a Number of financial and administrative audits conducted using the MECIP**

MECIP training for Judicial Branch officials.

### **2b Develop risk maps based on audits**

Training plan for Judicial Management Audit General Directorate designed.

### **3a Improvement of public perception of administrative efficiency of services provided by the Tribunal.**

Internal meetings as well as meetings with USAID to determine the conduction of a survey in order to establish a baseline.

### **4a Number of communication campaigns implemented**

Judicial Branch communications plan in the approval process.

## **F. Difficulties/Obstacles (Problems Found)**

Counterpart authorities require the purchase of computer equipment before the Supreme Court of Justice approves the technical proposals for strengthening the Contentious-Administrative Tribunal.

## **G. List of Events in the Country**

<b>Activity</b>	<b>Objective</b>	<b>Participants</b>	<b>Date/Place</b>	<b>Comments</b>
Administrative Law and investigation training workshop.	<ul style="list-style-type: none"> <li>■ Identify the indicative facts of administrative offenses subject to the disciplinary authority of the Supreme Court of Justice.</li> <li>■ Plan steps to confirm or rule out weak evidence of said administrative offenses.</li> <li>■ Confirm the existence of sufficient information in order to draft reports for the Judicial Superintendence Council.</li> </ul>	40 Disciplinary system officials.	May 13 and 27 June 3 and 10 in the Judicial Branch Palace of Justice	The workshops achieved the planned goals.

## **H. Other Activities**

A coordination workshop was held for officials from different disciplinary system offices as well as officials from the interior of the country responsible for receiving complaints and denunciations in various judicial constituencies with the goal of identifying the tasks to be performed.

#### **IV. COMPONENT 3: Strengthening of Control Systems**

##### **MAIN ACHIEVEMENTS OF THE QUARTER**

- 425 professional officials from the CGR and the Executive Branch Auditor General's Office (AGPE), the majority of them auditors, began training under the building MECIP technical capacity Project under the Internal Control technical exchange that was made official in the CGR of Paraguay and CGR of Columbia.
- 10 of the 12 entities directly backed by the Threshold Program issued the administrative orders for MECIP implementation.
- 4 of the 12 entities directly backed by the Threshold Program created their first Internal Control Technical Committee.
- 10 out of 12 entities selected the management and MECIP teams necessary to begin effective MECIP implementation and made them official with direct support from the Threshold Program.

##### **A. Progress Made Against the Work Plan and Operative Plan (Completed Activities)**

###### **Activity 1**

- Completion of the first phase of training with auditors and professionals from the CGR and AGPE to initiate the generation of national installed capacity in the fields of Internal Control and MECIP Technical Assistance.
- Technical Assistance for the creation of Internal Control committees and management teams, and the selection and formalization of the MECIP teams in the 12 participating entities.
- The first phase of MECIP implementation training was completed with the Management Team from 5 of the 12 participating entities.
- Training processes geared towards assessing MECIP implementation executed with the auditing teams from the 12 entities participating in the MECIP project.
- Technical Assistance relating to MECIP implementation methodology provided to 5 of the 12 participating entities.
- Technical assistance procedures for the improvement of Government Auditing and Forensic Auditing procedures were carried out with CGR External Audit general directors.
- Technical assistance procedures for the improvement of Government Auditing and Forensic Auditing procedures were executed with the CGR External Auditors Team.
- Realization of joint analysis, decision making, and responsibility definition procedures with the mission department, computer department and the CGR Citizen Control Support Office to begin strengthening said office and improve access to public information and the Complaints and Claims System.
- Creation, study and approval of communication and procedural Terms of Reference for hiring technical support necessary for strengthening the Citizen Control Support Office.
- Analysis of the Technical proposal submitted for assistance to improve the Citizen Control Support Office.

###### **Activity 2**

- Work meetings held with the Treasury Department and USAID for the analysis and approval of the Financial Administration Integrated System (SIAF) improvement proposal that was requested by the Treasury Department and that will be backed by the Threshold Program.
- Technical Proposal for SIAF improvement that was previously agreed upon was drawn up by the joint effort of USAID, OTA and the Treasury Department.
- Terms of Reference for SIAF improvement created.
- Tender project for the hiring of a support firm for SIAF improvement was drawn up.

**Activity 3**

- Realization of joint analysis, decision making and responsibility definition procedures with the information, quality, and communication departments in the Ministry of Health and Public Well Being (MSP and BS) in order to begin strengthening the Ministry's communication processes as well as the Beneficiary Health, Complaints and Claims Service System.
- Together with the Ministry of Health and Social Well Being, the support that will be given to the Regional and Local Health Councils for the improvement of Accountability processes in their communities in regards to public health funds management was determined.
- Creation, study and approval of communication, computer and procedural Terms of Reference for hiring technical support necessary to strengthen MS and BS communication processes and the Beneficiary Complaints and Claims Service System.
- Analysis of the submitted technical proposal to provide assistance for the improvement of communication processes and strengthening the MS and BS Beneficiary, Complaints and Claims Services System as well as the Citizen Control Support Office.

**B. Uncompleted Activities****Activity 2:**

The tasks reported for this quarter that were included in Activity 2 –“Improvement of the Financial Administration Integrated System (SIAF),” have experienced delays given that on 27 April 2010, the Treasury Department determined that the scope of SIAF improvement would focus on strengthening the generation of reports and information to optimize SIAF functioning for managerial decision making; the generation of basic information for control and auditing; and report structure for citizen control purposes, for which the Threshold Program II's support is formally requested. During the 2 months following the MH's decision, the Program progressed in the creation and approval of the Technical Proposal, the preparation of Terms of Reference, and the creation of Tender Specifications for the hiring of a SIAF improvement support firm.

**C. Results/Goals Achieved (Against Component Objectives)****Activity 1**

- Start of execution of the –“Generation of national Installed Capacity in Internal Control and MECIP Technical Assistance” Project in the CGR and AGPE which involves 400 CGR officials and 25 AGPE officials and which also supports State entities in their implementation of MECIP as well as in the continuous improvement of their Internal Control systems.
- 10 of the 12 institutions supported by the TP II in MECIP implementation carried out the first stage of MECIP implementation.
- Start of execution of the –“Government Auditing and Forensic Auditing Improvement” project in the CGR, through which substantial improvement is expected in the generation of CGR auditing recommendations for the supervised entities as well as in the study and report submitted to the Public Ministry and other competent State entities on evidence of punishable or administrative acts that put State Assets at risk.

**Activity 2**

- An agreement was reached between the Treasury Department and the Program on the specific improvement of the SIAF to achieve strengthening objectives.

**Activity 3**

- An agreement was reached in the CGR so that the improvement of the Government Auditing Process would involve the generation of information for Citizen Control and therefrom continuously feed the Access to CGR Public Information Process.

**D. Performance Supervision (Against Work Plan Indicators)**

**1a Improve the quality and quantity of responses of Paraguay's government institutions to the CGR audit recommendations**

The Operative Work Plan for the improvement of Government Auditing and Forensic Auditing was created and is in the process of being implemented with the participation of the Government Audit, Judicial Directorate, and CGR Forensic Audit's mission departments as well as with the Sub-Comptroller's supervision.

**1b Increase the responses to citizen complaints from 0 (no feedback mechanism in 2007) to 75%.**

The redesigning of the CGR website for Complaints and Denunciations is underway and the study of the technical proposal submitted for the improvement of Access to CGR Public Information, citizen service, promotion of citizen participation and Citizen Control Support are also underway.

**2a 12 Paraguay Government Internal Audit Offices utilizing the new reports generated by the SIAF to conduct audits based on the MECIP**

Technical proposal drawn up to improve the SIAF that includes an item for the supply of a computer solution for the SIAF that will guarantee the generation of reports for control and auditing.

**2b Daily automatic bank reconciliations of the Paraguay Government's bank accounts. Starting Date (2008)**

Technical proposal drawn up to improve the SIAF that includes an item for the interfaces between different systems that will guarantee the supply of information necessary for automatic Bank Reconciliations, as well as the generation of reports for its control and managerial decision making.

**2c 12 civil and social organizations executing supervision activities based on information generated by the SIAF available on the Treasury Department's website.**

Technical proposal drawn up to improve the SIAF that includes an item for the generation of information and the supply of reports necessary for both citizen participation and control.

**2d Increase in the number of responsible politicians that use reports provided by the SIAF for decision making on a management level**

Technical proposal drawn up to improve the SIAF that includes an item for the generation of information and the supply of reports necessary for managerial decision making on behalf of the Treasury Department and the foremost authorities that form part of the SIAF.

**3a Increase in the number of public hearings on behalf of the Regional Health Councils**

The technical proposal is being studied and the hiring of support consultancy for this project is in process. The execution of the project is expected to begin in August 2010.

**3b Increase in responses to citizen complaints on behalf of the Ministry of Health and Social Well Being – MS and BS**

The technical proposal is being studied and the hiring of support, communication and computer consultants necessary for this project is in process. The execution of the project is expected to begin in August 2010.

**E. Difficulties/Obstacles (Problems Found)**

1. The changing of the Comptroller General of the Republic in August 2010 which generated a high risk in the execution of the "Generation of MECIP Installed Capacity"

project, the “Improvement of Government Auditing and Forensic Auditing” project and the CGR’s “Strengthening the Access to Public Information, Complaints and Denunciations” project.

2. The lack of availability of some institutional directors that may cause a delay in the “Support MECIP implementation in 12 State entities” project.
3. Achieve the availability of the different work teams (Internal Control Committee (Managerial Team, MECIP Team, Internal Audit Team) from the 12 entities that have direct support for MECIP implementation.
4. SIAF execution time, given the delay in determining the scope of its strengthening.

#### **F. List of Training Events in the Country**

ACTIVITIES APRIL 1° THROUGH JUNE 30, 2010				
Activity	Objective	Participants	Date/Place	Comments
Training for auditing teams in Internal Control and specialized MECIP management	Develop training processes in Internal Control and specialized MECIP management for Internal and External Auditing officials so as they can train other teams in the future and follow MECIP implementation processes; and improvement of Internal Control in all public entities.	<b>425</b> CGR and AGPE auditors begin training process in Internal Control and specialization in MECIP	From June 7 to 18, 2010  CGR and AGPE auditors	The process was performed very satisfactorily by the CGR and AGPE  It is necessary to adjust the teams of selected officials in order to make the most of training
Training for teams of Institutional Internal Auditors in towards MECIP assessment	Develop the internal auditors' capacity to assess Internal Control systems and perform follow up of MECIP implementation	<b>220</b> auditors from the 12 entities that are backed by the Threshold Program II in MECIP implementation	From April 12 to 16, 2010  From April 26 to 30, 2010  From May 10 to 14, 2010  From May 24 to 28, 2010  From June 7 to 11, 2010  Events held at the Excelsior Hotel	The institutional internal auditors have been conducting a detailed study of MECIP and have also been training in the tools necessary for MECIP implementation and assessment with a high level of commitment and training session attendance.

ACTIVITIES APRIL 1° THROUGH JUNE 30, 2010				
Activity	Objective	Participants	Date/Place	Comments
Control Self-Assessment workshops based on MECIP	Create a culture of self-assessment in the management teams from the entities participating in MECIP implementation	<p>25 officials from the AGPE Management and Technical Team</p> <p>28 officials from the CGR Management Team</p>	<p>June 16, 2010</p> <p>June 18, 2010</p> <p>Granados Park Hotel</p>	The Self-Assessment workshops generated an important contribution to the institutions' knowledge of their control and well-supported decision making status in real time for the improvement of their Internal Control
Training of directors in MECIP	Begin training directors from the 12 entities that have direct support from the Program for MECIP implementation	100 officials from the management teams from: The Public Ministry – MP-, Customs National Directorate -DNA-, Ministry of Public Works - MOPC- and Treasury Department –MH-	Institutional Auditoriums	The commencement of MECIP training with the management teams was well received by officials. The level of attendance was 100% and the level of subject acceptance was high
Technical Assistance for the installation or current sessions of Internal Control Committees	Follow through with procedures for the start up of the participating entities' Internal Control Committees	5 entities : CGR-AGPE – Ministry of Education, Ministry of Health and Customs National Directorate	Institutional Auditoriums	The promotion of the correct functioning of the Internal Control Committee is a strategic move for the proper functioning of the Internal Control System in all of the institutions

## **G Other Activities**

- Surveying and continuous updating of the database of government officials involved in the Component.
- Creation of terms of reference (TOR) for the hiring of supporting consultants for the execution of the Component.
- Logistics organization and management necessary to carry out Component events.
- Preparation of Training Schedules and Materials for government officials.
- Assistance provided to the foremost authorities of the participating entities in the different projects of Component 3, to designated directors responsible for MECIP implementation, Audit directors.
- Coordination, control and follow-up of Component training sessions and technical assistance.
- Control and follow-up of the fulfillment of scheduled activities with work teams from the Component's projects.

## **V. COMPONENT 4: Strengthening the Customs National Directorate (DNA)**

### **MAIN GOALS OF THE QUARTER**

- DNA communications plan approved.
- Diagnosis and survey of the acknowledgement of complaints and denunciations in the DNA finalized and in the validation process.

### **A. Progress Achieved Against the Work Plan and Operative Plan (Completed Activities)**

#### **Activity 1**

- Consultancy for the assessment of the DNA complaints and denunciations system was started.
- The diagnosis of the DNA's current status in relation to complaints and denunciations was submitted.
- Submission of the Plan of Action for the implementation of a unit responsible for processing complaints, suggestions and information capable of resulting in investigations within the DNA.
- Meetings with the Center of Customs Brokers and Chamber of Importers to discuss the scope of the complaints, suggestions and information Processing Office.

#### **Activity 2**

- Approval of DNA communications plan.
- Consultant for the design of DNA communication campaigns in the process of being hired.

#### **Activity 3**

- Start of the hiring process of civil society specialist.

### **B. Uncompleted Activities**

- Creation of a committee for the organization of activities together with civil society entities.

### **C. Results/Goals Achieved (Based on Component Objectives)**

#### **Activity 1**

- Documentation of diagnosis and action plan for the implementation of a complaints and denunciations office in the approval process.

**Activity 2**

- DNA communications plan approved.
- Commencement of the hiring of a consultant for the design of DNA and Single Window for Imports (VUI) positioning campaigns.
- Organization of VUI dissemination events.

**Activity 3**

- Civil society specialist in the process of being hired.

**D. Future Activities:**

- Designing of a tool for the acknowledgement and follow-up of complaints, suggestions and information capable of resulting in investigations within the DNA.
- Hiring process for a consultant for the creation of Complaints Office handbooks.
- Commencement of civil society activities.

**E. Performance Supervision (Against Component Indicators)****1a Increase the percentage of complaints processed in a period of time**

Diagnosis and Plan of Action submitted and in the approval process.

**2a 2 (two) communication campaigns implemented**

Communications plan approved.

**F. Difficulties/Obstacles (Problems Found)**

No difficulties or obstacles have been encountered.

**I. List of Training Events in the Country**

No training events have been recorded.

**J. Other Activities**

Continuous coordination with the U.S. Government Treasury Department's technical group and DNA authorities.

**VI. Component 5: Strengthening the Protection of Intellectual Property Rights****MAIN ACHIEVEMENTS OF THE QUARTER**

- UTE diagnosis report and plan of action plan submitted and in the validation process.
- Intellectual Property Week organized and held.
- Training project for high school teachers regarding intellectual property topics created and discussed with MEC.
- Baseline of students' level of knowledge of intellectual property rights developed.

**A. Progress Made Against the Work Plan and Operational Plan (Completed Activities)****Activity 1**

- Diagnosis report on UTE's current status submitted.
- UTE institutional standardization action plan submitted.
- Terms of reference for the creation of UTE handbooks designed and approved.
- Tender process for the creation of UTE handbooks was declared void. New process to select consultants was started.

- Polygraph tests done to designated UTE officials.

### **Activity 2**

- Start of consultancy for the design of a national policy to reduce informality in the business sector.
- Design, approval and distribution of materials for Intellectual Property Week.
- Design, approval and distribution of the Comic Strip on Copyrights named "Agustin learns about copyrights and neighboring rights."
- 4 (four) seminars on intellectual property held for specialized audience and university students.
- 2500 (two thousand five hundred) high school students given lectures on intellectual property rights in 8 (eight) high schools in Asuncion and Gran Asuncion.
- "Piracy kills Art" Concert held in the Democracy Plaza with the participation of 6 (six) national groups.
- Talks held with the Ministry of Education and Culture's High School Directorate regarding the training project "Rescuing Intellectual Property" for training teachers in intellectual property-related subjects.

### **Activity 3:**

- Tender process for the assessment of intellectual property crime denunciations in the MIC started.
- Submission of final report on the survey conducted on high school students' level of knowledge and understanding of intellectual property rights in order to determine the baseline.
- Civil society specialist hiring process started.

### **Activity 4:**

- Meetings held with the work group that coordinates activities and other public institutions to facilitate UTE's access to information.
- Commencement of talks with the OTA and DOJ on the scope of the agreements to be signed between the DNA and UTE, and the Public Ministry and UTE, respectively.

## **B. Uncompleted Activities**

### **Activity 1**

- Discussion of the interinstitutional agreements for the information exchange between UTE and other public institutions.
- Design for the implementation of a continuous training plan. Training courses in specialized fields for UTE officials.

### **Activity 3:**

- Diagnosis of the requirements for the creation of the complaints and denunciations system and submission of a work plan for its implementation.

### **Activity 4:**

- Creation of an interinstitutional commission to improve coordination and information access systems.

## **C. Results/Goals Achieved (Against Component Objectives)**

### **Activity 1**

- Report on the diagnosis of the UTE's current status submitted and in the validation process.

- UTE plan of action for institutional standardization submitted and in the validation process.
- Consultants for the creation of UTE handbooks were selected.

### **Activity 2**

- Consultancy for the design of a proposal for a national policy to reduce informality in the business sector.
- Materials for Intellectual Property Week designed, approved and distributed.
- Comic strip on Copyrights named "Agustin learns about copyrights and neighboring rights" designed, approved and distributed.
- Seminars on intellectual property rights held for specialized audience and university students.
- Lectures on intellectual property rights started in high schools.
- "Piracy kills Art" Concert held.
- Training Project named "Rescuing Intellectual Property" for the training of teachers in intellectual property-related subjects being discussed with the Ministry of Education and Culture's High School Directorate.

### **Activity 3:**

- Tender process for the assessment of the mechanisms used to denounce intellectual property crimes in the MIC was started.
- Submission of final report on survey conducted on high school students' level of knowledge and understanding of intellectual property rights for baseline definition.
- Civil society specialist hiring process started.

### **D. Future Activities:**

- Definition of plan of action for UTE institutional standardization.
- Creation of UTE handbooks
- Support for the discussion and consensus for the signing of the interinstitutional agreements for the information exchange between UTE and other public institutions.
- Design for a continuous training plan.
- Commencement of civil society-related activities.

### **E. Performance Supervision (Against Component Indicators)**

#### **1a Increase in the average annual value of counterfeit goods seized in operations**

UTE assessment and diagnosis submitted and in the validation process.

#### **1b Increase in the number of operations**

UTE assessment and diagnosis submitted and in the validation process.

#### **2a Improvement in the percentage of students' educational level in regards to intellectual property rights**

Baseline determined (77,9% unfamiliarity of intellectual property rights).

### **F. Difficulties/Obstacles (Problems Found)**

- UTE budget status not yet defined.
- UTE institutional viability not yet defined.
- Standardization of UTE legal status
- UTE authorities not open to the provision of technical assistance, mainly in relation to the discussion of interinstitutional agreements

## **G. List of Training Events in the Country**

No training events have been recorded.

## **VII. Component 6: Strengthening of State Police**

### **MAIN ACHIEVEMENTS OF THE QUARTER**

- State Police communications plan achieved consensus.

#### **A. Progress Made Against the Work Plan and Operative Plan (Completed Activities)**

##### **Activity 1**

- Consultancy for the assessment of the State Police and Ministry of Interior complaints and denunciations mechanisms started.
- Workshops and lectures started for officials from the Ministry of the Interior's Customer Service Office with the goal of determining the existing caseload and established procedures.

##### **Activity 2**

- State Police and Ministry of the Interior communications plan validated and in the approval process.

##### **Activity 3**

- Civil society specialist hiring process started.

#### **B. Uncompleted Activities**

- The drafting of a resolution that will regulate the functions, structure, organization and procedures of the Complaints and Denunciations Office.
- Determination of the tools to survey the baselines for learning the citizenry's perception of Paraguay National Police (PNP) management and services (indicator in the process of being reviewed).

#### **Results/Goals Achieved (Against Component Objectives)**

##### **Activity 1**

- Consultancy started for the assessment of the PN and Ministry of the Interior complaints and denunciations system.
- Talks held with authorities and officials from the departments involved in receiving complaints and denunciations.

##### **Activity 2**

- PN and Ministry of the Interior communications plan in the approval process.

##### **Activity 3**

- Civil society specialist in the process of being hired.

#### **C. Future Activities:**

- Determine the functions, structure, organization and procedures of the Complaints and Denunciations Office.
- Begin civil society activities.

## **A. Performance Supervision (Against Component Indicators)**

### **1a Increase in citizens' level of trust in the National Police**

Assessment of complaints and denunciations mechanisms in the PN and the Ministry of the Interior (MI) in process. Civil society specialist selected and in the process of being hired.

## **B. Difficulties/Obstacles (Problems Found)**

Neither the PN nor the MI has designated a counterpart and this has hindered the definition of proposals and alternatives as well as their validation.

## **C. List of Training Events in the Country**

No training events have been recorded

## **VIII. Transverse Component: Communication**

### **MAIN ACHIEVEMENTS OF THE QUARTER**

- Approval of Public Ministry, Customs National Directorate and Ministry of Industry and Commerce communication plans.
- Development of the Threshold Program's website.
- 10,000 letters from the Ministry of Health printed and distributed urging the proper use of medication on the Basic List of Medicines.
- Intellectual Property Rights knowledge baseline determined.
- Intellectual Property Week held, reaching out to 3,700 people.
- Distribution of 50,000 inserts on Intellectual Property in the ABC Color newspaper distributed nationally.
- Support received from 6 music groups (over 30 musicians) during Intellectual Property Week.
- Creation of comic strip on Copyrights (5,000 copies).

## **A. Progress Achieved Against the Work Plan and Operative Plan (Completed Activities)**

- Institutional materials made (brochures and folders).
- Compilation of images for the Program started with support from the institutions.
- Approval of Public Ministry, Customs National Directorate and Ministry of Industry and Commerce communication plans.
- Judicial Branch communication support agreement that includes redesigning the website, donating minor equipment, training, and isolated campaigns with institutional allotment in compliance with the communication plan that is in its final stage of approval.
- Creation and validation of Terms of Reference for the hiring of a company that will develop a Judicial Branch complaints and claims campaign. In the process of being selected.
- Creation and validation of Terms of Reference for the hiring of a university for the communication training of communication directorate officials from the participating institutions. In the process of being selected.
- Creation and validation of Terms of Reference for the hiring of a consultant that will train authorities from Components 1,2,4 and 6 in dissemination.
- Creation and validation of Terms of Reference for the hiring of a company that will develop an image campaign for the Customs National Directorate and the Single Window for Imports (VUI). In the process of being selected.
- Implementation of Intellectual Property Week (see details in C5).

## **B. Uncompleted Activities**

- Implementation of Threshold Program II website.
- Creation of a quarterly newsletter.
- Written approval of the communication plans of the Judicial Branch, Ministry of Public Health and Social Well Being, the Comptroller General of the Republic and the National Police.

### **C. Results/Goals Achieved (Against Component Objectives)**

- The Baseline survey on young people's knowledge of Intellectual Property drafted.
- An agreement was reached with the Ministry of Education and Culture during Intellectual Property Week. This partnership continues with an Intellectual Property Rights training project for teachers from Asuncion Gran Asunción, Ciudad del Este and Encarnación.
- Support was provided by 6 musical groups (over 30 musicians) during Intellectual Property Week and relationships were established to continue working together with them.

### **D. Future Activities**

- Launch of the Program's website.
- Validation and approval of pending Communication Plans.
- The Program's participation in Expo 2010.
- Creation of a Threshold Program institutional video.
- Start training in communication skills for Communication Directorates.
- Train authorities from the Public Ministry, Judicial Branch, Customs National Directorate, Ministry of the Interior and National Police in dissemination.
- Start press coverage to publicize the reforms of the different components.
- Agreement on the requirements - in terms of tools and key resources - to optimize the participating institutions' Communications Directorates and the delivery of the donations and tools agreed upon.
- Creation and distribution of dissemination material on the reforms implemented by the Public Ministry.
- Train Ministry of Public Health and Well Being network communicators.
- Develop a positioning campaign for the Customs National Directorate's new image.
- Launch the VUI.
- Dissemination of survey on the baseline of Intellectual Property knowledge and practices.
- Creation of comic strips on trademarks and patents.

### **E. Performance Supervision (Against Component Indicators)**

The indicators are detailed in each of the components.

### **F. Difficulties/Obstacles (Problems Found)**

- Only verbal approval of the communication plans of the Judicial Branch, Ministry of Public Health and Social Well Being, Office of the Comptroller General of the Republic and the National Police has been obtained.
- Communication mechanisms for activities with communicative potential implemented by technical assistance providers need to be adjusted.

### **G. List of Training Events in the Country**

No training events have been recorded.