1. **Paraguay: Monitoring the privatization of the telecommunications and water supply companies.** (PTF grant: $15,000 - March 22, 2001)

In December 1999, Transparencia Paraguay (TP), a civil society organization established in Paraguay to fight corruption, was invited by the President of Paraguay to monitor the work of the National Secretariat of Reform in the privatization of the telecommunication and water supply companies, ANTELCO and CORPOSANA. The objective has been to ensure a clear, open and transparent bidding processes for all participants, reducing

inappropriate discretion of public officials in decision-making. Through this project TP aims to build the confidence of the general public through the prior discussion of the bid documents, clear specification of the evaluation criteria, equal access to information, publication of the relevant information and, finally, a final survey among the participants to assess their perceptions of the process. PTF has helped fund the work of specialists to advise TP; TP has also contributed substantially from its own resources.

To date TP has produced reports on: (a) bidding for contracting a consulting film for the design of a strategic plan to open the telecommunications market (b) bidding for the contracting of an investment bank to advise the government on the process of private participation related to ANTELCO, (c) bid evaluation for the contracting of an

investment bank to advise the government on the process related to CORPOSANA ,

(d) bidding for contracting a law firm to advise the government on both privatizations, and (e) contracting a public relations firm with respect to both privatizations. TP has also been present at 12 bid openings.

TP's involvement so far has identified certain irregularities in the process that has led the government to re-bidding. Other concerns about access to the bidding process are under discussion with the government. TP has publicized its assessment of the procedures being followed on its website and by direct mailings to 150 journalists. TP has also given press briefings.