

PARAGUAY

NOTE ON THE APPLICATION OF ANNEX 12-D
BETWEEN THE EUROPEAN UNION AND PARAGUAY

Application of Annex 12-D of Paraguay shall be subject to receipt by the European Union within 3 (three) years after the date of entry into force of this Agreement of a written notification by Paraguay stating the consent of Paraguay to apply the said Annex no later than 3 (three) years after date of entry into force of this Agreement.

CENTRAL GOVERNMENT ENTITIES

Chapter 12 applies to the procurement carried out by the Paraguayan entities listed in this Appendix, if the value of the procurement estimated in conformity with Article 12.4 of the Agreement equals or exceeds the following thresholds:

- (a) For goods and services
 - (i) From the date of entry into force of this Agreement until the end of the 10th (tenth) year after its entry into force: SDR 1 067 568 (one million sixty seven thousand five hundred and sixty-eight).
 - (ii) From the 11th (eleventh) year until the end of the 15th (fifteenth) year after the date of entry into force of this Agreement: SDR 850 000 (eight hundred and fifty thousand).
 - (iii) From the 16th (sixteenth) year until the end of the 18th (eighteenth) year after the date of entry into force of this Agreement: SDR 650 000 (six hundred and fifty thousand).
 - (iv) From the 19th (nineteenth) year after the date of entry into force of this Agreement onwards: SDR 580 000 (five hundred and eighty thousand).
- (b) For construction services

This Appendix does not cover construction services.

List of Paraguay

Chapter 12 applies to the Paraguayan central level entities listed below:

A) CENTRAL ADMINISTRATION

1. Ministerio de Relaciones Exteriores (MRE);
2. Ministerio de Justicia (MJ);
3. Ministerio de Trabajo, Empleo y Seguridad Social (MTESS);
4. Ministerio de Industria y Comercio (MIC);
5. Ministerio de la Mujer (Min. Mujer);
6. Ministerio de Economía y Finanzas (MEF);
7. Vicepresidencia de la República (VPR);
8. Ministerio de Desarrollo Social (MDS);
9. Ministerio del Ambiente y Desarrollo Sostenible (MADES);
10. Secretaría Nacional por los Derechos Humanos de las Personas con Discapacidad (SENADIS);
11. Secretaría Nacional de la Juventud (SNJ);
12. Auditoría General del Poder Ejecutivo;

13. Consejo Nacional de Ciencia y Tecnología (CONACYT);
14. Instituto Nacional de Estadística (INE);
15. Escribanía Mayor de Gobierno;
16. Procuraduría General de la República (PGR);
17. Secretaría de Políticas Lingüísticas (SPL);
18. Secretaría de Prevención de Lavado de Dinero (SEPRELAD);
19. Secretaría Nacional Anticorrupción (SENAC);
20. Secretaría Nacional Antidrogas (SENAD);
21. Secretaría Nacional de Turismo (SENATUR);
22. Ministerio de Tecnologías de la Información y Comunicación (MITIC);
23. Ministerio de la Niñez y la Adolescencia (MNA);
24. Secretaría de Desarrollo para Repatriados y Refugiados Connacionales (SEDERREC).

B) LEGISLATIVE POWER

1. Congreso Nacional.

C) JUDICIAL POWER

1. Ministerio Público (MP);
2. Consejo de la Magistratura (CM);
3. Jurado de Enjuiciamiento de Magistrados (JEM);
4. Ministerio de la Defensa Pública (MDP).

D) AUTONOMOUS AND AUTARCHIC ENTITIES

1. Instituto Nacional de Tecnología, Normalización y Metrología (INTN);
2. Instituto Nacional de Desarrollo Rural y de la Tierra (INDERT);
3. Instituto Paraguayo del Indígena (INDI);
4. Dirección de Beneficencia y Ayuda Social (DIBEN);
5. Dirección Nacional de Correos del Paraguay (DINACOPA);
6. Dirección Nacional de Ingresos Tributarios (DNIT);
7. Dirección Nacional de Propiedad Intelectual (DINAPI);
8. Instituto Paraguayo de Tecnología Agraria (IPTA);

9. Servicio Nacional de Calidad y Sanidad Vegetal y de Semillas (SENAVE);
10. Fondo Nacional de la Cultura y las Artes (FONDEC);
11. Instituto Forestal Nacional (INFONA);
12. Instituto Paraguayo de Artesanía (IPA);
13. Agencia Nacional de Evaluación y Acreditación de la Educación Superior (ANEAES);
14. Agencia Nacional de Tránsito y Seguridad Vial (ANTSV);
15. Autoridad Reguladora Radiológica y Nuclear (ARRN);
16. Comisión Nacional de Competencia (CONACOM);
17. Consejo Nacional de Educación Superior (CONES);
18. Dirección Nacional de Transporte (DINATRAN);
19. Secretaría de Defensa del Consumidor y el Usuario (SEDECO);
20. Secretaría Nacional de Cultura (SNC);
21. Defensoría del Pueblo;
22. Mecanismo Nacional de Prevención contra la Tortura y Otros Tratos o Penas Crueles, Inhumanos o Degradantes (MNP).

E) FINANCIAL ENTITIES

1. Banco Nacional de Fomento (BNF);
2. Crédito Agrícola de Habilitación (CAH);
3. Agencia Financiera de Desarrollo (AFD);
4. Caja de Préstamos del Ministerio de Defensa Nacional;
5. Instituto Nacional de Cooperativismo (INCOOP).

F) CONTRALORÍA GENERAL DE LA REPÚBLICA

G) PUBLIC ENTITIES OF SOCIAL SECURITY

1. Caja de Jubilaciones y Pensiones del Personal de la ANDE;
2. Caja de Jubilaciones y Pensiones del Personal Municipal;
3. Caja de Seguridad Social de Empleados y Obreros Ferroviarios.

H) UNIVERSITIES

1. Universidad Nacional de Canindeyú;
2. Universidad Nacional de Concepción;

3. Universidad Nacional de Itapúa;
4. Universidad Nacional de Pilar.

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(a) For goods and services

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(b) For construction services

This Appendix does not cover construction services.

List of Paraguay

SUB-CENTRAL GOVERNMENT ENTITIES

Departmental governments

1. Gobernación del Departamento de Concepción;
2. Gobernación del Departamento de San Pedro;
3. Gobernación del Departamento de Cordillera;
4. Gobernación del Departamento de Guairá;
5. Gobernación del Departamento de Caaguazú;
6. Gobernación del Departamento de Caazapá;
7. Gobernación del Departamento de Itapúa;
8. Gobernación del Departamento de Misiones;
9. Gobernación del Departamento de Paraguari;
10. Gobernación del Departamento de Alto Paraná;
11. Gobernación del Departamento de Central;
12. Gobernación del Departamento de Ñeembucú;

13. Gobernación del Departamento de Amambay;
14. Gobernación del Departamento de Canindeyú;
15. Gobernación del Departamento de Boquerón;
16. Gobernación del Departamento de Presidente Hayes;
17. Gobernación del Departamento de Alto Paraguay.

OTHER ENTITIES

Chapter 12 does not cover other entities.

GOODS

Unless otherwise specified, Chapter 12 covers all procurement of goods carried out by the entities listed in Appendices 12-D-1 and 12-D-2, with the exception of goods that correspond to the HS listed below:

HS Nomenclature 2017	Description
02.02	Meat of bovine animals, frozen
02.03	Meat of swine, fresh, chilled or frozen
04	Dairy produce; birds' eggs; natural honey; edible products of animal origin not elsewhere specified or included
15.15	Other fixed vegetable fats and oils (including jojoba oil) and their fractions, whether or not refined, but not chemically modified
15.16	Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinised whether or not refined, but not further prepared
1517.10.00	Margarine, excluding liquid margarine
1601.00.00	Sausages and similar products, of meat, meat offal or blood; food preparations based on these products
17.01	Cane or beet sugar and chemically pure sucrose, in solid form
19.02	Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne gnocchi, ravioli, cannelloni; couscous, whether or not prepared
19.04	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals (other than maize (corn)) in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked, or otherwise prepared, not elsewhere specified or included

HS Nomenclature 2017	Description
19.05	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products
2008.11.00	Ground-nuts
20.09	Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter
2101.20.20	Of yerba mate
2201.10.00	Mineral waters and aerated waters
2804.30.00	Nitrogen
2804.40.00	Oxygen
30	Pharmaceutical products
32.08	Paints and varnishes (including enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in a non-aqueous medium; solutions as defined in Note 4 to Chapter 12
32.09	Paints and varnishes (including enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in an aqueous medium
32.14	Glaziers' putty, grafting putty, resin cements, caulking compounds and other mastics; painters' fillings; non-refractory surfacing preparations for façades, indoor walls, floors, ceilings or the like
32.15	Printing ink, writing or drawing ink and other inks, whether or not concentrated or solid
34.01	Soap; organic surface-active products and preparations for use as soap, in the form of bars, cakes, moulded pieces or shapes, whether or not containing soap; organic surface-active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap; paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent
39.17	Tubes, pipes and hoses, and fittings therefor (for example, joints, elbows, flanges), of plastics

HS Nomenclature 2017	Description
39.23	Articles for the conveyance or packing of goods, of plastics; stoppers, lids, caps and other closures, of plastics
39.25	Builders' ware of plastics, not elsewhere specified or included
3926.10.00	Office or school supplies
4011.40.00	Of a kind used on motorcycles
44.18	Builders' joinery and carpentry of wood, including cellular wood panels, assembled flooring panels, shingles and shakes
48.19	Cartons, boxes, cases, bags and other packing containers, of paper, paperboard, cellulose wadding or webs of cellulose fibres; box files, letter trays, and similar articles, of paper or paperboard of a kind used in offices, shops or the like
48.20	Registers, account books, note books, order books, receipt books, letter pads, memorandum pads, diaries and similar articles, exercise books, blotting-pads, binders (loose-leaf or other), folders, file covers, manifold business forms, interleaved carbon sets and other articles of stationery, of paper or paperboard; albums for samples or for collections and book covers, of paper or paperboard
48.21	Paper or paperboard labels of all kinds, whether or not printed
49.01	Printed books, brochures, leaflets and similar printed matter, whether or not in single sheets
49.11	Other printed matter, including printed pictures and photographs
61	Articles of apparel and clothing accessories, knitted or crocheted
63.02	Bed linen, table linen, toilet linen and kitchen linen
70.07	Safety glass, consisting of toughened (tempered) or laminated glass
72.14	Other bars and rods of iron or non-alloy steel, not further worked than forged, hot-rolled, hot-drawn or hot-extruded, but including those twisted after rolling
72.15	Other bars and rods of iron or non-alloy steel
72.16	Angles, shapes and sections of iron or non-alloy steel
72.17	Wire of iron or non-alloy steel
73.05	Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406.4 mm, of iron or steel

HS Nomenclature 2017	Description
73.07	Tube or pipe fittings (for example, couplings, elbows, sleeves), of iron or steel
73.08	Structures (excluding prefabricated buildings of heading 94.06) and parts of structures (for example, bridges and bridge-sections, lock-gates, towers, lattice masts, roofs, roofing frame-works, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel
7309.00	Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment
7310	Tanks, casks, drums, cans, boxes and similar containers, for any material (other than compressed or liquefied gas), of iron or steel, of a capacity not exceeding 300 l, whether or not lined or heat insulated, but not fitted with mechanical or thermal equipment
7311.00.00	Containers for compressed or liquefied gas, of iron or steel
7313.00.00	Barbed wire of iron or steel; twisted hoop or single flat wire, barbed or not, and loosely twisted double wire, of a kind used for fencing, of iron or steel
73.14	Cloth (including endless bands), grill, netting and fencing, of iron or steel wire; expanded metal of iron or steel
73.17.00	Nails, tacks, drawing pins, corrugated nails, staples (other than those of heading 83.05) and similar articles, of iron or steel, whether or not with heads of other material, but excluding such articles with heads of copper
8303.00.00	Armoured or reinforced safes, strong-boxes and doors and safe deposit lockers for strong-rooms, cash or deed boxes and the like, and parts thereof, of base metal
83.11	Wire, rods, tubes, plates, electrodes and similar products, of base metal or of metal carbides, coated or cored with flux material, of a kind used for soldering, brazing, welding or deposition of metal or of metal carbides; wire and rods, of agglomerated base metal powder, used for metal spraying
8701.95.90	Tractors (other than tractors of heading 87.09). Other, of an engine power. Exceeding 130 kW
8703.22	Other vehicles, with only spark-ignition internal combustion reciprocating piston engine. Of a cylinder capacity exceeding 1 000 cm ³ but not exceeding 1 500 cm ³

HS Nomenclature 2017	Description
8703.23	Other vehicles, with only spark-ignition internal combustion reciprocating piston engine. Of a cylinder capacity exceeding 1 500 cm ³ but not exceeding 3 000 cm ³
8704.21.90	Motor vehicles for the transport of goods. Other, with compression-ignition internal combustion piston engine (diesel or semi-diesel). "Gross vehicle weight" not exceeding 5 tonnes
8704.22.90	Motor vehicles for the transport of goods. Other, with compression-ignition internal combustion piston engine (diesel or semi-diesel). "Gross vehicle weight" exceeding 5 tonnes but not exceeding 20 tonnes
8704.31.90	Motor vehicles for the transport of goods. Other, with spark-ignition internal combustion piston engine. "Gross vehicle weight" not exceeding 5 tonnes
8711.20.20	Motorcycles with a cylinder capacity greater than 125 cm ³
8711.20.10	Motorcycles with a cylinder capacity not exceeding 125 cm ³

SERVICES

Chapter 12 covers government procurement of services listed below, carried out by the entities listed in Appendices 12-D-1 and 12-D-2, which are identified in accordance with the document MTN.GNS/W/120, July 10, 1991, from the WTO, and the Provisional Central Product Classification United Nations Statistical Papers, series M, number 77.

SECTORS AND SUB-SECTORS	Corresponding CPC
1. BUSINESS SERVICES	Section B
B. Computer and related services	
a. Consultancy services related to the installation of computer hardware	84100
b. System analysis services	84220
c. Data processing services	843
d. Database services	844
C. Research and development services	
b. Research and development services on social sciences and humanities	852
F. Other business services	
b. Public opinion polling services	86402
c. Management consultants services	865
d. Services related to management consulting	866
h. Services incidental to mining	883+5115
n. Maintenance and repair of equipment (excluding ships, aircraft and other transport equipment)	663+8861-8866
s. Services rendered on the occasion of assemblies or conventions	87909*
2. COMMUNICATIONS SERVICES	
C. Telecommunications services	
4. DISTRIBUTION SERVICES	
B. Wholesale trade services	622

SECTORS AND SUB-SECTORS	Corresponding CPC
C. Retailing services	631+632 6111 +6113+6121
D. Franchise services	8929
7. FINANCIAL SERVICES	
C. Reinsurance and retrocession services	81299*
9. TOURISM SERVICES AND TRAVEL-RELATED SERVICES	
A. Hotels and restaurants (including food supply services from outside by contract)	641-643
C. Tour guide services	7472

CONSTRUCTION SERVICES

This Appendix does not cover construction services.

GENERAL NOTES

The following general notes apply to Chapter 12.

1. In the national public tenders called by the entities covered by Appendices 12-D-1 and 12-D-2, Paraguay reserves the right to apply support programmes for the production and employment on the basis of contracts concluded by the Paraguayan State. With regard to support programmes for production and national employment, Paraguay may:
 - (a) for 18 (eighteen) years as of the date of entry into force of this Agreement, apply a margin of price preferences of 20 % (twenty percent), to products and services of national origin:
 - (i) in products, when labour, raw materials and inputs from Paraguay represent a percentage equal to or greater than 40 % (forty percent); and
 - (ii) in road works, constructions, maintenance services, transportation, insurance, consulting and others in general when more than 70 % (seventy percent) of the staff of the provider is of Paraguayan nationality;
 - (b) for 10 (ten) years as of the date of entry into force of this Agreement, use support programmes to stimulate innovation and scientific and technological research, including offsets provided that their conditions and their assessment are non-discriminatory and indicated in the notice of intended procurement and clearly defined in the procurement documents.

2. Chapter 12 shall not apply when the subject matter of the bidding refers to national policies aimed at: education, services for public health included in programmes approved by the Ministry of Health, food and nutritional security and school feeding programmes, and family farming programmes, according to Paraguayan law.

3. Chapter 12 does not apply to:
 - (a) purchases of state owned and any other public institutions not listed in Appendices 12-D-1 and 12-D-2 of Paraguay;
 - (b) contracts for the delegation of services, such as authorisations, permits and concessions, including the concession of public works;
 - (c) non-contractual agreements or any form of assistance provided by a Party or by a state owned enterprise, including contracting under programmes financed with loans from international financial organisations, donations, capital increases, tax incentives, subsidies, guarantees, agreements, cooperation and public provision of goods and services to people or governments at the regional, province or local level;
 - (d) contracts signed for the sole purpose of rendering foreign assistance;
 - (e) public procurement made outside the territory of the Party, for consumption outside the territory of the Party;
 - (f) the acquisition of services of agencies or services of tax warehouses, services of liquidation and administration for regulated financial institutions, nor to the services of sale and distribution of public debt; or

- (g) public procurement undertaken among public entities, whether they are included or not in Appendix 12-D-1, as long as the object of the contract is not subcontracted to a third person that is not a public entity and provided that the object of the contract refers to logistics, social and educational goods and services.
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