

OMB move to paperless cuts approvals to 10 days

Agencies able to better monitor contract, consultation requests

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Thanks to “Paco and Pepe,” as a pair of new operating systems are known, the Office of Management & Budget (OMB) will be able to reduce from 45 days to 10 days the process for approving contracts, appointments and transactions made by all government agencies, OMB Director Juan Carlos Pavía says.

“When I arrived here in February, everything involving transactions was manual,” Pavía told CARIBBEAN BUSINESS. “I wanted to do some streamlining because we were getting 30 requests every week, and they were beginning to pile up.”

The OMB, as part of new fiscal measures, must approve all contracts for services and transactions made by agencies. For that reason, the OMB has installed two new operating systems. The first, known as PCo (“Paco”), processes requests for approval of contracts, and the second, known as PP (“Pepe”), processes other types of requests.

In the past, agencies would send all requests by messenger to the OMB, whether for the approval of contracts for services or other types of transactions. Then, OMB analysts and managers had to evaluate the paperwork before Pavía or the OMB assistant director would give them the final seal



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of approval and send them back to the agencies. The whole process would often take 45 days or longer because documents would sometimes get lost.

“We would get phone calls from an agency asking about the status of the request, and sometimes we wouldn’t have a record of it or we would find out that something was missing,” Pavía said.

With an investment of \$20,000, Pavía set up a system whereby all requests are now sent by email and analyzed via computer by OMB analysts and managers. Pavía then gives final approval or denial in 10 days. Agency officials can check the status of their requests for contract approvals or consultations through the OMB webpage using a username and password.

“It is also good for me, because I work on the requests through any computer or at my home,” the OMB director said.

The system also includes a checklist of requirements and documents the agency must provide and sends a message to the agency if any documents are missing from the request.

“With these programs, we are eliminating paperwork and messengers. We are saving \$1 million a year,” Pavía said. “But the savings go beyond money, because we are becoming more efficient and changing the way the government operates.”

Pavía said he got the idea when he worked at the Government Development Bank, and hopes the system can be replicated in other government agencies. While “Paco” is fully operational, Pavía said “Pepe” is still in the pilot stages.

“We will be adding 10 to 20 agencies over the next month or so, so that we can have it fully operational,” he said. ■

Incentives, upgrades drive Cataño comeback

Coastal municipality moves on from Caribbean Petroleum disaster

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Almost three years after a fire engulfed the Caribbean Petroleum Corp., scorching Cataño’s public image in the process, the municipality is emerging as a safe and business-friendly alternative in the metropolitan area.

“We want to give companies assurances that Cataño is the best municipality in the metro area for investment,” Cataño Mayor José Rosario told CARIBBEAN BUSINESS in an interview just following the recent passage of Hurricane Irene.

Planned improvements to its urban center in conjunction with the Universidad Politécnica de Puerto Rico (UPPR), and a planned overhaul of its industrial parks coupled with generous incentives, have not only helped Cataño keep its current industries, but also attract new ones.

Five companies, including SuperMax, are in negotiations to move to Cataño to take advantage of decrees granting up to 60% exemptions in equipment and municipal taxes, Rosario said.

While Rosario declined to reveal names, he said these companies are expected to invest \$20

million in construction start-ups and yield around \$5 million in municipal revenue once they start operating.

“We want to give companies assurances that Cataño is the best municipality in the metro area for investment.”

—Cataño Mayor José Rosario

The Popular Democratic Party mayor said he wants to change the general perception of this 84-year-old municipality, whose waterfront provides a breathtaking view of Old San Juan. Cataño is home to some of the island’s largest distribution warehouses and companies, which together make up to \$200 million in annual sales.

These companies include Walmart, Unilever de Puerto Rico, Bacardi Corp. and Baxter Healthcare. An ordinance that provides generous tax

exemptions has allowed Cataño to attract companies such as Sojitz of Puerto Rico, V. Suárez & Co. and Motorambar.

The coastal town is minutes away from ports and main highways, allowing companies easy access to transportation lines.

“We are in the metropolitan area near docks, which makes shipping fast and easy,” Rosario said.

The mayor said he didn’t enact Ordinance No. 18, but the fact is that previous mayors failed to take full advantage of it.

“These new companies will be required to provide a minimum of 10 jobs to municipal residents to comply with the decrees,” he said.

The decrees also include a clause establishing a “good-neighbor policy” that calls for the companies to use a small percentage of their revenue—from 10% to 15%—to build infrastructure projects for the municipality.

To help boost Cataño’s efforts to reinvent itself as a cost-effective place to set up business, Rosario said he is looking at Germany for renewable-