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Paraguay 2020

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Doing Business in Paraguay

Market Overview

- Throughout the last decade, Paraguay has been one of the fastest growing economies in Latin America. Over the last fifteen years, the country has averaged four percent growth, handily outpacing much larger countries in the region. Driven mostly by a rise in exports of agricultural commodities, shipments of soy, cereals and meat now account for almost a quarter of Paraguay's output and more than 65 percent of its total exports. Despite this growth, high poverty, inequality, and rampant corruption remain major challenges that the country has yet to overcome.
- A severe drought and lower commodity prices led to a lower than expected 0 percent GDP growth in 2019. For 2020, due to the economic effects of the COVID-19 pandemic, negative growth forecasts range between -3.5 percent (Central Bank of Paraguay) and -5.1 percent (IMF). However, the IMF predicts Paraguay will be one of the fastest economies in South America to recover from the pandemic. It expects this country's economy to rebound by the end of 2020 and return to 4.0 percent GDP growth in 2021.
- U.S.-Paraguay bilateral goods trade was \$2.3 billion in 2019, an eight percent decrease compared to 2018. U.S. goods exports to Paraguay were \$2.1 billion, down 6.2 percent (\$139 million) from the previous year. Corresponding U.S. imports from Paraguay were \$162 million, up 23.5 percent. Paraguay was the United States' 61st largest goods export market in 2019. U.S. exports included machinery, mineral fuels, toys, sports equipment, and optical and medical instruments. Imports from Paraguay were primarily sugar, oil seeds, precious metal and stone, wood, and products of animal origin. The U.S. goods trade surplus with Paraguay was \$2.0 billion in 2019, a 8.0 percent decrease (\$170 million) over 2018.
- U.S. foreign direct investment (FDI) in Paraguay (stock) was \$148 million in 2018, a 17.3 percent decrease from 2017 (latest data available).
- FDI flows to Paraguay remain weak compared to flows towards its neighbors. U.S. foreign direct investment (FDI) in Paraguay (stock) was \$148 million in 2018 (latest data available), a 17.3 percent decrease from 2017. The United States is the largest owner of FDI stock in Paraguay, followed by Brazil, Spain, Argentina and the Netherlands. Total FDI (stock) in the country is currently estimated at \$6.74 billion (Central Bank of Paraguay). Foreign exchange reserves for April 2019 were \$8.5 billion. The country's debt-to-GDP ratio is 22.3 percent as of end of 2019. Inflation was 2.8 percent in 2019.
- The service sector, including restaurants and hotels, transportation, financing, and retail, account for 49 percent of GDP. Agriculture, forestry, fishing, mining and cattle ranching create 10 percent of the wealth, with industry constituting another 19 percent. Construction, water and electricity account for 14 percent, and taxes on products the final 8 percent of GDP.
- Agriculture commodities exports account for roughly 31 percent of the \$7.9 billion in exports in 2019. Paraguay is the world's largest exporter of organic sugar, second-largest producer and exporter of stevia, sixth-largest soy producer, and eighth-largest beef exporter by volume.
- Paraguay's large pool of young workers—half of Paraguay's population is 25 or under and 30 percent is 15 or under—is an untapped resource and favors labor-intensive industry sectors.

Market Challenges

- Paraguay scores at the mid-range or lower in most competitiveness indicators. [The World Bank's Doing Business 2020](#) ranks Paraguay 125 out of 190 countries for the ease of doing business. [The 2019 World Economic Forum Global Competitiveness Index](#) ranks Paraguay 97 out of 141 countries. Judicial insecurity and corruption hinder Paraguay's investment climate. Many investors find it difficult to enforce contracts and are frustrated by lengthy bureaucratic procedures, limited transparency and accountability, and impunity. [Transparency International's 2019 Corruption Index](#) ranked Paraguay 137 of 198 countries.

Market Opportunities

- The Paraguayan government is working to improve the country's infrastructure and welcomes unsolicited Public Private Partnership proposals for strategic projects. These include roads, ports, electrical transmission / distribution networks, water treatment facilities, and digital infrastructure. Paraguayan firms do not have the capacity to execute all planned projects, creating opportunities for sales of U.S. road construction and engineering services, electrical equipment and installation, road building machinery, project management consulting, highway operations concessions, airport design, cloud services, telecommunications technology, and financial services.
- Paraguay offers attractive investment incentives for assembly/distribution operations and the lowest factor costs in the region. There are few restrictions on the types of products that can be produced under the maquila system. The Mercosur agreement allows products to be marked as "made in Paraguay/Mercosur" with only 40 percent minimum local content and be re-exported to any Mercosur country tax free (in Paraguay, these products pay a one percent tax over the value-added in Paraguay). U.S. firms operating through Paraguayan subsidiaries can also benefit from Paraguay's auto parts free trade deals with Argentina and Brazil, signed in 2019, which allow tariff-free exports of certain automotive components to these two large consumer markets.
- Agriculture is the primary driver of the Paraguayan economy. This industry presents opportunities for animal genetics and other areas of biotechnology, fertilizers, pest control, farm equipment, and processing machinery.
- Paraguay's construction and industrial sectors growth outpaces the capacity of local construction materials production. Domestic production cannot meet current demand for cement and concrete manufacturing. The rapid demand for the construction of warehouses for industry and agriculture has surpassed the capacity of local companies that build roofing systems. Demand also is increasing for higher-quality construction materials currently not locally available. Projected large infrastructure projects will require purchasing new or used heavy machinery, as well as engineering, project management consulting, and financial services.

Market Entry Strategy

- Foreign firms interested in establishing operations in Paraguay should hire experienced local attorneys and/or representatives and consider joint ventures with Paraguayan companies to assist them in operating in Paraguay.
- The selection of an appropriate agent/distributor may be a determining factor in success or failure.
- Close contact and periodic visits by foreign suppliers are essential to help reinforce ties with local business counterparts.
- Paraguay's export and investment promotion bureau, [REDIEX](#), prepares comprehensive information about business opportunities in Paraguay.

Leading Sectors for U.S. Exports and Investment

Agricultural Sector

Overview

Paraguay is the world's largest exporter of organic sugar, second-largest producer and exporter of stevia, fifth-largest soy exporter, and ninth-largest beef exporter.

Paraguay's efforts to improve agricultural and livestock production present opportunities for basic inputs, such as animal genetics. Farmers and ranchers are aware that using quality inputs is a key factor in their operations' profitability and have been adopting advanced production practices, providing opportunities for fertilizers, pest control, and farm equipment.

In late 2013, the World Organization for Animal Health reinstated Paraguay's status as a country free of Foot-and-Mouth Disease with vaccination. This status paves the way for Paraguay to increase beef exports, creating opportunities for U.S. meat and poultry processing equipment. Parts for processing equipment are also a good prospect for U.S. exports, given the need to repair existing machines. In 2019, the U.S. Department of Agriculture (USDA) began a re-certification process for Paraguayan beef. If Paraguay completes the re-certification successfully, USDA will authorize export of Paraguayan beef to the United States.

Processed foods and high-value items, including processed fruits, vegetables, and beverages, also show promise for U.S. exporters. Fresh fruits and vegetables have weaker demand, but frozen and canned products have gained wide acceptance for their convenience and uniform quality.

Paraguay has the potential to become an important player in the world's biofuel sector. The government has expressed interest in biofuels, with legislation to promote biofuels production and consumption already in place. Until recently, focus was on sugar-based ethanol production for local market and export, and on biodiesel production by small rural producers for local market. In 2019, the Paraguayan government granted a Free Zone regime to a project that will produce renewable diesel and aviation kerosene using hydrotreated vegetable oil on a large scale, utilizing U.S. technology. Biodiesel and ethanol producers will focus on increasing production and expanding exports. Plant construction projects and production expansion will present sales opportunities for U.S. suppliers of building and construction materials and biofuels processing machinery.

Paraguay is the world's second-largest producer of stevia after China. Paraguay has the potential to be a global provider of stevia, creating opportunities to sell new and used processing machinery. The most important market for stevia is currently the food and beverage industry, where it is chiefly employed as a sweetener and a flavoring agent. Other important stevia markets include health and tea.

Agricultural Machinery

Overview

Agriculture is the primary driver of the Paraguayan economy. Farmers and ranchers are aware that using quality inputs is a key factor in their operations' profitability and have been adopting advanced production practices.

Tractors (and accessories), harvesting machinery, bulldozers, backhoes, and excavators are usually in high demand, depending on the prospects for a successful harvest. Paraguay is among the few countries in Latin America that permits used machinery imports. Competition from other exporting countries is strong, and U.S. exporters must provide good follow-on service to be successful.

Opportunities

There could be an opportunity for irrigation projects in Paraguay, including in the Chaco region in the western half of the country.

Web Resources

[Paraguayan Importers Chamber](#)

[Paraguayan-American Chamber of Commerce](#)

[U.S. Embassy Asuncion](#)

Construction

Overview

Although growth in Paraguay's construction and industrial sectors remained sluggish in 2019 following the slow down in 2018, demand for construction equipment and materials are projected to rise as the government expands investment in public infrastructure projects as a means to stimulate the economy after COVID-19. Once the economy begins to grow again, so will the private sector demand for higher-quality construction materials, currently not locally available.

Sub-Sector Best Prospects

Construction materials are in high demand, notably: quality flooring, plumbing fixtures and bath accessories, home automation and smart home control systems, metal roof systems (with and without insulation), and high-voltage lines.

Projected large infrastructure projects will require heavy machinery that must be imported. Paraguay is among the few countries in Latin America that allows the importation of used machinery. These projects may also create additional opportunities for engineering, project management consulting, and financial services.

Opportunities

The rapid demand for the construction of warehouses for industrial and agriculture purposes has surpassed the capacity of local metal works companies that build roofs, forcing them to place clients on waiting lists and delaying construction for months.

Domestic production cannot meet current demand for cement and concrete manufacturing. Although Paraguay has abundant raw materials required for production, Paraguay has the most expensive cement and concrete in the region.

The U.S. Department of State built the Business Information Database System (BIDS) portal to help U.S. businesses learn about significant international commercial opportunities. The BIDS website features an interactive map that displays descriptions and locations of projects that represent potential contract or tender opportunities for U.S. businesses. The site also connects U.S. businesses to detailed information about each project as well as information to contact U.S. embassies overseas.

Web Resources

[National Directorate for Public Contracts](#)

[Paraguayan Ministry of Public Works](#)

[Paraguayan Real-Estate Chamber CAPADEL](#)

[Paraguayan Chamber of Constructors](#)

Highways

Overview

Much of Paraguay's road network that moves goods inland is unpaved, and paved arteries are in need of upgrades. The Paraguayan government is working to improve the roads throughout the country, with an aim to create better connectivity within the country and to major transportation arteries in Bolivia, Argentina and Brazil. Projects may be financed directly by the government or executed under the Public-Private Partnership law. In 2019, Paraguay began construction of the first of three phases of the "Corredor Bioceánico," which would provide road, rail, and fiber optic links between Chilean ports in the Pacific and Brazilian ports in the Atlantic.

Sub-Sector Best Prospects

Paraguayan road building firms do not have the capacity to execute or finance all planned projects, creating opportunities for U.S. road construction and engineering services. Other opportunities include the sale of road building machinery, project management consulting, operations of highway concessions, and financial services.

Opportunities

The government advertises tenders on the Ministry of Public Work's website and the government's public contracting office website. Under Paraguay's Public-Private Partnership law, firms may also propose unsolicited projects.

Web Resources

[Paraguayan Ministry of Public Works](#)

[National Directorate for Public Contracts](#)

[Inter-American Development Bank](#)

[The World Bank](#)

[U.S. Embassy Asuncion](#)

[U.S. Department of State Business Information Database System \(BIDS\)](#)

Civil Aviation Sector

Overview

The government cancelled a Public-Private Partnership concession to build a new passenger terminal within the grounds of the current Silvio Pettirossi International Airport in August 2018 due to irregularities in the review process. The tender was delayed further by COVID-19 but is expected to relaunch in late 2020 or 2021. The government also hopes to re-establish direct air service to the United States for the first time since 2016, which will require security upgrades to Silvio Pettirossi International Airport. Sub-Sector Best Prospects

The Government of Paraguay is exploring the possibility of positioning Paraguay as a logistics and aircraft maintenance platform. As a result, there is anticipated growth in the following sectors: civil aviation consulting and engineering services, airport infrastructure and technologies, weather monitoring equipment, safety and security equipment, air traffic control systems, and baggage and cargo handling equipment and systems.

In August 2020, the government formally registered the Lineas Aereas Paraguayas (LAP) brand and said it will evaluate the feasibility of re-initiating of the flag carrier.

Opportunities

The Government of Paraguay considers the improvement of the country's civil aviation infrastructure a top priority. The government is interested in projects to better utilize the country's second largest airport, located in Ciudad del Este, including using it as a regional hub for cargo logistics.

Resources

[Paraguayan Civil Aviation Authority](#)
[Ministry of Public Works and Communications](#)
[Paraguayan Export & Investment Promotion Bureau \(REDIEX\)](#)
[National Directorate for Public Contracts](#)
[U.S. Embassy Asuncion](#)

Maquila Assembly and Distribution Operations

Overview

Paraguay offers an interesting alternative for assembly/distribution operations with attractive investment incentives (tax breaks, duty free import of capital goods, and unlimited repatriation of capital) and the lowest factor costs (especially hydro-generated electricity) in the region. The government has been pushing for the development of this sector, which it sees as an alternative to the informal economy of Paraguay's cities on the border with Brazil and Argentina.

Sub-Sector Best Prospects

There are few restrictions on the type of product that can be produced under the maquila system. The combination of relatively low labor and electricity costs makes Paraguay suitable for a variety of manufacturing industries.

Opportunities

Paraguay has a unique advantage under the Mercosur agreement that allows products to be marked as "made in Paraguay/Mercosur" with a minimum amount of value that must come from the region (Mercosur) of only 40 percent. The remaining 60 percent could be from any other country in the world. Once labeled as "country of origin Paraguay/Mercosur," the product may be re-exported to any Mercosur country tax free (in Paraguay, these products pay a one percent tax over the value-added in Paraguay). For example: an automotive spare part that is only 60 percent complete could be imported into Paraguay (tax free) where components from Argentina, Brazil, Uruguay, or Paraguay are added in order to complete the product for sale. Once the product is finished, it could be re-exported into any Mercosur country paying only a one percent tax. However, although Paraguay is an active Mercosur member, Brazil and Argentina regularly find non-tariff reasons to block Paraguayan goods from entering their markets, especially in certain industries. Maquilas providing necessary semi-finished inputs for factories in Brazil or Argentina (such as auto-parts destined for automobile factories in those countries) will find less resistance. Paraguay's auto parts free trade deals with Argentina and Brazil, signed in 2019, allow tariff-free exports of certain automotive components to these two large consumer markets.

Web Resources

[Paraguayan Export & Investment Promotion Bureau \(REDIEX\)](#)

[Paraguayan Maquila Industry Council](#)

[Paraguayan Ministry of Industry and Commerce](#)

[U.S. Embassy Asuncion](#)

Paraguay-Parana Waterway System

Overview

Paraguay's landlocked location in the heart of South America, and at the confluence of the Paraguay and Parana Rivers, places the country at an advantageous position along many of the continent's principal trade routes. The Paraguay and Parana Rivers jointly form a 3,302-kilometer waterway system connecting Argentina, Brazil, Bolivia, Paraguay, and Uruguay. It is a major transportation route for goods from the continent's interior to the Atlantic Ocean through the Rio de la Plata, and vice versa, and carries nearly 80 percent of Paraguay's trade. At present, the movement of goods on the waterway includes manufactured products, grains, oilseeds, oils and by-products, ore, minerals, steel, and petroleum. However, Paraguay needs significant infrastructure investments to improve its portion of the waterway and better leverage its strategic location.

Sub-Sector Best Prospects

River engineering projects would create multiple opportunities for U.S. firms. There could be significant potential for engineering and project management services, dredges, river gauges and flood monitoring equipment, navigation aids, and construction equipment and materials.

As crop production increases, private river ports are multiplying rapidly. This is especially noticeable in the area of Villeta, 30 km south of Asuncion. Its strategic location, along with Paraguay's low cost of labor, is transforming this city into a booming industrial center with several river ports recently constructed. This sort of increased need for port infrastructure creates a potential opportunity for U.S. exporters.

Opportunities

The Government of Paraguay considers the improvement of the country's waterway infrastructure a top priority. Improvement projects along the Paraguay-Parana waterway could include multiple sub-projects, such as deepening river beds, dredging, constructing ports, improving navigability and safety, and increasing capacity in terms of vessels, maintenance and services. These tenders are advertised on the Ministry of Public Work's website and the government's public contracting office (DNCP) website. In addition, unsolicited bids for river infrastructure projects under Paraguay's Public-Private Partnership model are welcome by the Ministry of Public works.

Web Resources

[Intergovernmental Coordinating Committee of the River Plate Basin Countries](#)

[Paraguayan Ministry of Public Works](#)

[National Directorate for Public Contracts](#)

[Department of State Business Information Database System \(BIDS\)](#)

Vocational Training and Education

Overview

Paraguay has among the youngest populations in the region; half of Paraguay's population is 25 or under and 30 percent is 15 or under. In comparison, this age group's unemployment rate is twice as high as that of the entire population, while at the same time the country's growing industrial and service sectors struggle in finding qualified labor.

Since 2004, the number of universities in Paraguay has grown from 21 to 54. Universities offer mostly undergraduate and graduate programs, with varying levels of quality, and no technical/vocational training. In March 2019, Paraguay and Taiwan opened the country's first STEM-focused university to build local expertise in technical fields. Juntos por la Educacion (Together for Education) was founded in 2012 by over 100 of Paraguay's largest firms as a response to the need for qualified labor. In a joint effort with the Education Ministry, this non-governmental organization focuses on training school teachers, capacity building of public employees in education-related institutions, and improving the infrastructure at schools.

The government has a plan to provide high speed Internet connectivity to all public schools under Paraguay's Digital Agenda, which received \$130 million in funding from the Inter-American Development Bank in 2019.

Sub-Sector Best Prospects

Vocational/technical training is in high demand in Paraguay. Both the private and public sector have identified such training as a top priority. Currently, most businesses provide extensive training for employees, often at a high cost and with inefficient results. Larger companies often send employees to other countries for basic technical training not readily available in the Paraguayan market.

Tenders for education-related portions of the Digital Agenda are expected to be published in 2020 and 2021.

Web Resources

[Ministry of Communications Technologies \(MITIC\)](#)

[Ministry of Education](#)

[Technical Planning Secretariat](#)

[NGO Juntos por la Educacion](#)

Customs, Regulations and Standards

Trade Barriers

Paraguay is largely open to imports, but some products face restrictions, such as firearms. Paraguay prohibits the import of used cars over ten years old and used clothing. In addition, seasonal restrictions on some vegetables (e.g., tomatoes, bell peppers, and onions) are sometimes implemented to protect local producers.

Paraguay requires non-automatic import licenses on personal hygiene products, cosmetics, perfumes and toiletries, textiles and clothing, insecticides, agrochemicals, poultry, barbed wire, wire rods, and steel and iron bars. Obtaining a license requires review by the Ministry of Industry and Commerce. Imports of personal hygiene products, cosmetics, and perfumes and toiletries also require a health certification and therefore must undergo a review by the Ministry of Health. The import license process usually takes ten days, but for goods that require a health certification, it can take up to 30 days. Once issued, the health certifications are valid for 30 days.

Import Tariffs

Paraguay is a founding member of the Mercosur common market, formed in 1991. Mercosur's full members are Argentina, Brazil, Paraguay, and Uruguay.

Mercosur's Common External Tariff (CET) averages 11.5 percent and ranges from zero to 35 percent ad valorem, with a limited number of country-specific exceptions. Paraguay's average bound tariff rate in the WTO is significantly higher at 33.5 percent. Paraguay's applied import tariffs tend to be much lower than the CET, ranging from zero to 30 percent, with an average applied tariff rate of 10.1 percent. Paraguay is permitted to maintain a list of 649 exceptions to the CET until December 31, 2023.

According to current Mercosur procedures, any good imported into any member country must pay the CET to that country's customs authorities. If the product is re-exported to any other Mercosur country, the CET must be paid again to the second country upon importation there. Thus, for any U.S. good imported into landlocked Paraguay via any other Mercosur country, all of which have ocean ports, the CET is effectively doubled.

Import Requirements & Documentation

Documents required for general imports include a banker's draft or letter of credit issued by a local bank as well as the following documents provided by the merchandise vendor: (a) commercial invoice, (b) bill of lading, (c) packing list, and (d) certificate of origin. Paraguay requires that specific documentation for each import shipment (e.g., commercial receipt, certificate of origin, and cargo manifest) be certified by either the Paraguayan consulate in the country of origin or, subject to payment of a fee, at the Ministry of Foreign Affairs in Paraguay.

Import operations must be processed through authorized banks with notification to the Central Bank of Paraguay.

Labeling/Marking Requirements

Paraguayan regulations require that the country of origin be labeled on domestic and imported products. Expiration dates are required on medical products and some consumer goods. Health warnings on hazardous products, such as cigarettes, must be labeled in a visible place. Imported beer is required to display detailed manufacturing and content information in Spanish, labeled at the point of packaging. A similar regulation applies for textile products and shoes. Soaps and detergents must be clearly labeled "tripolyphosphate-free."

For more information, please check the following websites:

[Paraguayan legal website](#)

[CERNECO](#)

[Ministry of Public Works \(MOPC\)](#)

U.S. Export Controls

The United States maintains a moratorium on small firearms exports to Paraguay since 2018. The United States imposes export controls to protect national security interests and promote foreign policy objectives. The United States also participates in various multilateral export control regimes to prevent the proliferation of weapons of mass destruction and prevent destabilizing accumulations of conventional weapons and related material.

The United States imposes export controls to protect national security interests and promote foreign policy objectives related to dual-use goods through implementation of the Export Administration Regulations (EAR). The Bureau of Industry and Security (BIS) is comprised of two elements: Export Administration (EA), which is responsible for processing license applications, counselling exporters, and drafting and publishing changes to the Export Administration Regulations; and Export Enforcement (EE), which is responsible for the enforcement of the EAR. BIS works closely with U.S. embassies, foreign governments, industry, and trade associations to ensure that exports from the United States are secure and comply with the EAR. BIS officials conduct site visits, known as End-Use Checks (EUCs), globally with end-users, consignees, and/or other parties to transactions involving items subject to the EAR to verify compliance.

An EUC is an on-site verification of a non-U.S. party to a transaction to determine whether the party is a reliable recipient of U.S. items. EUCs are conducted as part of BIS's licensing process, as well as its compliance program, to determine if items were exported in accordance with a valid BIS authorization or otherwise consistent with the EAR. Specifically, an EUC verifies the bona fides of transactions subject to the EAR, to include: confirming the legitimacy and reliability of the end use and end user; monitoring compliance with license conditions; and ensuring items are used, re-exported or transferred (in-country) in accordance with the EAR. These checks might be completed prior to the export of items pursuant to a BIS export license in the form of a Pre-License Check (PLC), or following an export from the U.S. during a Post-Shipment Verification (PSV).

BIS officials rely on EUCs to safeguard items subject to the EAR from diversion to unauthorized end uses/users. The verification of a foreign party's reliability facilitates future trade, including pursuant to BIS license reviews. If BIS is unable to verify the reliability of the company or is prevented from accomplishing an EUC, the company may receive, for example, more regulatory scrutiny during license application reviews or be designated on BIS's Unverified List or Entity List, as applicable.

BIS has developed a list of "red flags", or warning signs, and compiled "Know Your Customer" guidance intended to aid exporters in identifying possible violations of the EAR. Both of these resources are publicly available, and their dissemination to industry members is highly encouraged to help promote EAR compliance.

BIS also provides a variety of training sessions to U.S. exporters throughout the year. These sessions range from one to two-day seminars that focus on the basics of exporting to coverage of more advanced, industry specific topics. Interested parties can check a list of upcoming seminars and webinars or reference BIS provided online training.

BIS and the EAR regulate transactions involving the export of "dual-use" U.S. goods, services, and technologies. For advice and regulatory requirements, exporters should consult the other U.S. Government agencies which regulate more specialized items. For example, the U.S. Department of State's Directorate of Defense Trade

Controls has authority over defense articles and services, or munitions. A list of other agencies involved in export control can be found on the BIS website or in Supplement No. 3 to Part 730 of the EAR.

The EAR is available on the BIS website and on the e-CFR (Electronic Code of Federal Regulations) and is updated as needed.

The Consolidated Screening List (CSL) is a list of parties for which the United States Government maintains restrictions on certain exports, reexports or transfers of items. The CSL consolidates eleven export screening lists of the Departments of Commerce, State and the Treasury into a single data feed as an aid to industry in conducting electronic screens of parties to regulated transactions. Exporters are encouraged to classify their items prior to export, as well as consult the CSL to determine if any parties to the transaction may be subject to specific license requirements.

Temporary Entry

Paraguay has a temporary entry system, which allows duty free admission of capital goods such as machinery, tools, equipment, and vehicles to carry out public and private construction work. The government also allows temporary entry of equipment for scientific research, exhibitions, training or testing, competitive sports, and traveler or tourist items. The following documents are required for temporary entry: (a) a letter stating the reason for temporary entry; (b) a detailed list of the equipment, including the purchase price of each item; and (c) a local insurance policy covering the cost of the duties waived. For travelers and tourists, a local customs broker can process these documents prior to arrival.

Merchandise introduced into the country under the temporary entry system may be nationalized in Paraguay by paying the requisite duties. The temporary admission system allows entry of certain goods for subsequent re-export for a period of up to 12 months, which can be renewed once. Temporary entry for ten days for merchandise in transit is also permitted.

Prohibited & Restricted Imports

Paraguay's customs authorities may enforce strict regulations concerning importation of items such as firearms, medications, toys resembling weapons, or protected species. There are prohibitions for used motor vehicles over ten years old and soaps/detergents that contain sodium tripolyphosphate.

Customs Regulations

The Paraguayan Customs Authority publishes regulations, decrees, customs code, and tariff nomenclature information on its website. Paraguay requires all companies operating in the country to contract the services of a customs broker. Customs broker fees are standardized by Paraguayan law.

National Customs Directorate
+595 (21) 416-2116
E-mail: car@aduana.gov.py
Website: <http://www.aduana.gov.py>

Trade Standards

Overview

The standards regime in Paraguay includes obligatory and voluntary standards. Public and private conformity assessment bodies operate in the country.

The National Institute of Technology, Standardization and Measurement (INTN) is the government organization in charge of developing Paraguay's standards regime.

Standards affecting meat and by-products are handled by the National Animal Quality and Health Service (SENACSA) and those affecting agricultural chemicals are handled by the National Seed and Vegetable Quality and Sanitation Service (SENAVE), both bureaus under the Ministry of Agriculture and Livestock.

Specific standards relating to health matters and foodstuffs fall under the scope of the Ministry of Public Health, through the National Health Vigilance Directorate (DINAVISA) or the National Institute of Food and Nutrition (INAN).

The Consumer Protection Directorate, under Ministry of Industry and Commerce, controls standards on labeling and marking. Legislation may be found in the linked reference site for Paraguayan laws.

The listed government institutions all act as conformity assessment bodies in their respective fields. Private firms acting as conformity assessment companies in Paraguay are SGS, Lloyds, and TÜV.

Standards

The Mercosur Standards Association (Asociación Mercosur de Normalización - AMN) is composed of the standards institutes of Mercosur Member States, which work together to establish Mercosur-wide standards.

Asociación Mercosur de Normalización (AMN)

Av. Paulista, 726

10º andar – cj. 1001

CEP: 01310-910

São Paulo – SP – Brasil

Tel: 55 11 3283-5276

Fax: 55 11 3285-6115

Fax: 55 11 3285-2074

secretaria@amn.org.br

<http://www.amn.org.br>

The following is a list of Paraguayan government bodies responsible for developing domestic standards:

- National Institute of Technology, Standardization and Measurement (INTN)
- National Animal Quality and Health Service (SENACSA)
- National Seed and Vegetable Quality and Sanitation Service (SENAVE)
- National of Food and Nutrition Institute (INAN)
- Ministry of Industry and Commerce, Consumer Protection Directorate
- [National Health Vigilance Directorate \(DINAVISA\)](#)

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect

trade with other Member countries. Notify U.S. is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register here.

Conformity Assessment

A conformity assessment includes all activities needed to demonstrate compliance with specified requirements relating to a technical regulation or voluntary standard. Conformity assessments can include test and calibration laboratories, product certification bodies, accreditation bodies, inspection and verification units, quality system registrars, and others.

The following are the main national testing organization(s) and conformity assessment bodies.

- National Institute of Technology, Standardization and Measurement (INTN)
- National Animal Quality and Health Service (SENACSA)
- National Seed and Vegetable Quality and Sanitation Service (SENAVE)
- National of Food and Nutrition Institute (INAN)
- Ministry of Industry and Commerce, Consumer Protection Directorate
- [National Health Vigilance Directorate \(DINAVISIA\)](#)

Product Certification

Product certification is regulated by the ISO standards. Paraguay has no mutual recognition agreements (MRAs) with U.S. organizations.

Accreditation

The local accreditation body is the National Accreditation Organism (ONA) under the National Council of Science and Technology (CONACYT).

Publication of technical regulations

The National System of Information and Notifications (Sistema Nacional de Informacion y Notificacion Sobre Reglamentos Tecnicos, Normas y Procedimientos de Evaluacion de la Conformidad - SNIN), under the Ministry of Industry and Commerce, acts as a data bank for all standards-related matters (e.g. proposals, comments/input, approvals).

Final regulations are published in the government's Official Gazette. Each organization submits final regulations to the Ministry of Foreign Relations, which submits them to the World Trade Organization.

Contact Information

Instituto Nacional de Tecnologia, Normalizacion y Metrologia (INTN)
Av. Artigas y Roa
Asuncion, Paraguay
Ph: (595-21) 290266, 290160
Fx: (595-21) 290873
E-mail: intn@intn.gov.py
Web: www.intn.gov.py

Servicio Nacional de Calidad y Salud Animal (SENACSA)
Ruta Mariscal Estigarribia, Km 10½
San Lorenzo, Paraguay
Ph: (595-21) 501374, 507862
Fx: (595-21) 507863

E-mail: info@senacsa.gov.py

Web: www.senacsa.gov.py

Servicio Nacional de Calidad y Sanidad Vegetal y de Semillas (SENAVE)

Edificio Planeta I, Piso 15

Calle Humaitá 145

Asuncion, Paraguay

Ph. & Fax: (595-21) 445769, 441549, 441491

E-mail: consultas@senave.gov.py

Web: www.senave.gov.py

Instituto Nacional de Alimentación y Nutrición (INAN)

Av. Santísima Trinidad e Itapua

Asuncion, Paraguay

Ph & Fax: (595-21) 206874

E-mail: direccion@inan.gov.py

Web: www.inan.gov.py

Dirección General de Defensa del Consumidor

Ministerio de Industria y Comercio

Av. Mariscal López 3333, Piso 1

Asuncion, Paraguay

Ph: (595-21) 661662

Fax: (595-21) 616-3058

E-mail: consultas@mic.gov.py

Web: www.mic.gov.py

Asociación Mercosur de Normalización

Av. Paulista, 726 - 10º andar - cj. 1001

CEP 01310-910 Sao Paulo, SP, Brasil

Ph & Fax: (55-11) 3283-5276, 3285-6115, 3285-2074

Web: www.amn.org.br

Organismo Nacional de Acreditación (ONA)

Consejo Nacional de Ciencia y Tecnología (CONACYT)

Calle Prócer M. Molas 122, Piso 1

Asuncion, Paraguay

Ph & Fx: (595-21) 664952, 664953, 665096

E-mail: aviveros@conacyt.gov.py

Web: www.conacyt.gov.py

Sistema Nacional de Información y Notificación (SNIN)
Ministerio de Industria y Comercio
Av. Mariscal Lopez 3333, Piso 1
Asuncion, Paraguay
Ph: (595-21) 616-3085, 616-3284, 616-3288
Fax: (595-21) 616-3084
E-mail: aromero@mic.gov.py
Web: www.snin.gov.py

Gaceta Oficial
Dirección de Publicaciones Oficiales
Gabinete Civil de la Presidencia de la Republica
Av. Stella Maris y Hernandarias
Asuncion, Paraguay
Ph: (595-21) 493-907, 498-311
Fx: (595-21) 497-855
E-mail: info@gacetaoficial.gov.py
Web: www.gacetaoficial.gov.py

Standards point of contact at post:
Economic & Commercial Office - U.S. Embassy
3020 Asuncion Place
Washington, D.C., 20521-3020, USA
Ph.: (595-21) 213-715
Fax: (595-21) 208-315
E-mail: commercialasuncion@state.gov
Web: py.usembassy.gov

Selling US Products and Services

Distribution & Sales Channels

Paraguay does not have preferred or special marketing channels. Imported merchandise can be marketed through subsidiaries of foreign companies, local importers, distributors, and/or dealers. The major distribution and sales centers are the cities of Asuncion, Ciudad del Este, and Encarnacion.

Imports enter the country by air through the Asuncion and Ciudad del Este international airports; by river through the ports on the Paraguay and Parana rivers, after transshipment through sea ports on the River Plate Basin; and by road to Asuncion, Encarnacion, Ciudad del Este, and Pedro Juan Caballero, after transshipment through sea ports in Southern Brazil, the River Plate Basin, and Northern Chile.

Using an Agent to Sell U.S. Products and Services

Foreign firms interested in establishing operations in Paraguay should consider hiring experienced local attorneys and representatives to assist them in operating in a sometimes confusing and non-transparent business environment. The selection of an appropriate agent/distributor is a determining factor in success or failure. Many local companies offer specialized marketing to foreign companies interested in the Paraguayan market.

Under Paraguayan Law 194 from 1993, foreign companies must demonstrate “just cause” to terminate, modify, or not renew contracts with Paraguayan distributors. Severe penalties and high fines may result if a court determines that the foreign company ended the relationship with its distributor without first having established that just cause exists. This requirement often leads to expensive out-of-court settlements. In a few cases, the courts have upheld the rights of foreign companies to terminate representation agreements after finding the requisite showing of just cause. However, the effect of the law is to discourage foreign investment, given concerns about potential lawsuits and contractual interference.

Because Paraguay is a relatively small market compared to its neighbors, some unscrupulous local representatives of foreign products have reportedly accepted side payments from smugglers in return for ignoring shipments of pirated or gray market versions of those products destined for Brazil and Argentina. Other representatives have re-exported large volumes of luxury items to distant, third-country markets in direct violation of their distribution agreements. These examples underscore the importance of independently monitoring the activities of representatives and licensees.

Establishing an Office

The government of Paraguay allows foreign companies to establish branches or subsidiaries. A legally authorized representative must head the branch office, and voting board members must have Paraguayan residency. The documents listed below must be authenticated by a notary public and the Paraguayan Consul in the country of the head office, and must be filed and recorded in the Commercial Public Registry within the Ministry of Industry and Commerce in Asuncion. The Sistema Unificado de Apertura y Cierre de [Empresas](#) is the government’s single window for registering a company. The process takes about one month.

Documents required:

1. The documents of incorporation and the by-laws of the company;
2. A certificate from a duly authorized government official or the Chamber of Commerce in the country of headquarters, certifying the legitimacy of the head office in the country of origin;
3. The legal instruments from the head office delegating management responsibilities in the subsidiary or branch office to the person or persons so designated; and
4. Minutes from a meeting of the Board of Directors which:
 - a. Resolve to establish a branch office in the Republic of Paraguay;

- b. Assign nominal capital to the branch office (a minimum of \$10,000 if related to export activities);
- c. Establish a domicile of the branch office in Paraguay;
- d. Designate the person or persons to manage the branch office; and
- e. Grant power to the person designated to manage the branch office.

Express Delivery

Express delivery is becoming more popular in Paraguay. Food and pharmaceutical delivery services are common, and deliveries for items such as documents, dry cleaning, grocery and pet-related products are expanding.

Selling Factors & Techniques

It is generally recommended that sales brochures and material be in Spanish for marketing in Paraguay.

eCommerce

Paraguay's level of Internet use continues to increase quickly and has accelerated further due to the COVID-19 pandemic. Local credit card operators and e-commerce operators are common in cities, particularly Asuncion. Some sites, such as supermarkets and electronic e-retailers, are used by Paraguayans overseas as an option to transfer resources to their relatives, sending goods or "credit coupons" instead of money. Consumer use of delivery phone apps has also grown significantly during the pandemic. Micro payments using e-wallets offered by cell phone carriers are increasingly common, especially among lower income Paraguayans who remain outside the formal banking sector.

In addition to commercial operations, a company can use the Internet in Paraguay with good results for other business purposes, such as Customer Relationship Management (CRM), on-line help desks, promotions, and advertising.

B2B websites:

[National domain name administration](#)

[Paraguayan Website Directory](#)

Banks with fully transactional websites

[Banco BASA](#)

[Banco Atlas](#)

[Banco Continental](#)

[Banco Familiar](#)

Banco Interfisa [S.A.E.C.A.](#)

Banco [Itapua](#)

Banco [Itau](#)

Bancop [S.A.](#)

[Banco Regional](#)

[BBVA](#)

[Citibank](#)

Sudameris [Bank](#)

[Vision Banco](#)

Electronic Payment Providers:

Tigo [Money](#) Paraguay

Billetera [Personal](#)

[Giros Claro](#)

[Western Union Paraguay](#)

[Banco Familiar Giros y Remesas](#)

[World Remit](#)

[Vision Giros](#)

Trade Financing

Methods of Payment

The method of payment most used by local importers is by letter of credit, followed closely by wire transfers. Under the second method a local importer, through his/her bank, transfers payment to the foreign exporter upon notice (proof) of shipment of the merchandise. This method is preferred by businesses that have established mutual confidence, and involves less administrative costs than a letter of credit. Other methods of payment are used to a lesser degree. For more information about the methods of payment or other trade finance options, please read the Trade Finance Guide available at <https://www.trade.gov/trade-finance-guide-quick-reference-us-exporters>.

The following are credit-rating firms operating in Paraguay:

[Equifax Paraguay](#)

[Criterion](#)

Banking Systems

Banks and finance companies are regulated by the Banking Superintendent, which is housed within, and is under the direction of, the Central Bank of Paraguay. Although deposits are supposed to be guaranteed up to 138 million Guaranis (approximately \$20,145 as of August, 2020), the Deposit Insurance program does not have a legal framework to implement the deposit protection. The Central Bank operates autonomously, although it is not truly independent because it needs the Treasury to capitalize it.

The financial sector regulated by the Central Bank also includes eleven finance companies dedicated to smaller consumer operations not served by banks. The banking system operates mostly on short- to medium-term credit (twelve months is the usual maximum for commercial transactions, although private financing for vehicles and homes is available on longer terms) in both local and foreign currency.

There is also a large credit union sector in Paraguay, which is self-regulated and does not fall under the purview of the Central Bank. Credit unions could hold as much as one-third of total financial system assets, but their assets are not included in Central Bank data.

Paraguay has a high percentage of unbanked citizens. Seven out of 10 adults do not have bank accounts. Many Paraguayans use alternative methods to save and transfer money. In recent years, the use of e-wallets has grown considerably to fill this void. According to the Central Bank of Paraguay, the number of transactions increased by 11 percent this past year, from 18.9 million transactions in 2018 to 21 million in 2019, totaling USD 526 million, or around USD 25 per transaction. This growth made the Central Bank publish regulations on

e-wallets in February 2020 to expand “know your customer” (KYC) and other requirements to match those of traditional bank operations.

Foreign Exchange Controls

There are no controls on foreign exchange transactions, apart from bank reporting requirements for transactions in excess of \$10,000. Importers and exporters can buy and sell foreign exchange freely at commercial banks, finance companies, or exchange houses at the going market rate.

US Banks & Local Correspondent Banks

Citibank is the only U.S. bank operating in Paraguay. Nearly all banks have correspondent banking arrangements with U.S. banks, primarily in New York and Miami.

Protecting Intellectual Property

Selling to the Public Sector

Paraguay’s public procurements have historically involved widespread corruption, although the government is making efforts to enhance transparency and accountability. U.S. firms participating in government tenders are strongly urged to contact the embassy’s Economic and Commercial Section, and submit an advocacy questionnaire through the Advocacy Center in Washington, D.C. once the decision to participate has been made. Embassy advocacy in government tenders in the past has helped ensure a more transparent process.

Paraguay’s National Directorate for Public Contracts ([DNCP](#)), which manages all public procurement tenders, launched a web-based system to increase transparency. [DNCP’s website](#) provides information on upcoming solicitations for potential contractors to more easily follow the status of competitions and prepare bids prior to the closing date. Paraguay’s Public Contracting Law stipulates that all public contracting at the national and local levels with a value in excess of approximately \$6,000 must be done via DNCP. Foreign firms can bid on tenders deemed “international” and on “national” tenders through the foreign firms’ local legal agents or representatives. Paraguayan law gives preference to locally produced goods in public procurements open to foreign suppliers, even if the domestic good is up to 20 percent more expensive than the imported good.

In October 2013 the Paraguayan Congress passed a law to promote Public-Private Partnerships (PPPs) in public infrastructure and allow for private sector entities to participate in the provision of basic services such as water and sanitation. Implementing regulations for the PPP law were signed in March 2014. As a result, the Executive Branch can now enter into agreements directly with the private sector without the need for Congressional approval. Paraguay’s Ministry of Public Works expects to launch its first PPP in 2019, an expansion of a main highway between Asuncion and Ciudad del Este. Several roads, a dredging project for the Paraguay River, wastewater treatment project in Ciudad del Este, and a medical storage facility for the Social Security Institute are under evaluation.

Paraguay is not a signatory to the WTO Agreement on Government Procurement. It has observer status in the GPA Committee.

Selling to Public Sector

U.S. companies bidding on Government tenders may also qualify for U.S. Government advocacy. A unit of the U.S. Commerce Department's International Trade Administration, the Advocacy Center coordinates U.S. Government interagency advocacy efforts on behalf of U.S. exporters bidding on public sector contracts with international governments and government agencies. The Advocacy Center works closely with our network of the U.S. Commercial Service worldwide and inter-agency partners to ensure that exporters of U.S. products and services have the best possible chance of winning government contracts. Advocacy assistance can take many forms but often involves the U.S. Embassy or other U.S. Government agencies expressing support for the U.S. bidders directly to the foreign government. Consult [Advocacy Center](#) on foreign government contracts.

Financing Projects

Both import and export financing are limited. Local banks provide revolving credit for up to 360 days, which may be renewable. High nominal and real interest rates (generating high spreads in both dollars and local currency) present a major obstacle to medium and long-term financing.

Local commercial banks provide exporters direct financing, pre-financing of exports backed by a letter of credit, and discounting of letters of credit upon shipment of the merchandise. Local insurance companies offer importers and exporters a full range of services covering trade activities.

The World Bank, the Inter-American Development Bank (IDB), and the Andean Development Bank (CAF) provide project financing for basic infrastructure projects, water systems, and roads. The U.S. Development Finance Corporation (DFC) provides and facilitates the financing of private development projects. The U.S. Export-Import Bank (EX-IM) can finance sales of U.S. exports to Paraguay. Learn more by contacting the [Advocacy Liaison for World Bank](#) or the [Advocacy Liaison Website for Inter-American Development Bank \(IDB\)](#)

Financing Web Resources

[Trade Finance Guide](#): A Quick Reference for U.S. Exporters, published by the International Trade Administration's Industry & Analysis team

U.S. Government:

[Export-Import Bank of the United States](#)

[Country Limitation Schedule](#)

[DFC](#)

[Trade and Development Agency](#)

[SBA's Office of International Trade](#)

[USDA Commodity Credit Corporation](#)

[U.S. Agency for International Development](#)

Multilateral Development Banks:

[Andean Development Bank](#)

[Inter-American Development Bank](#)

[International Monetary Fund](#)

[The World Bank](#)

Paraguayan Government:

[Central Bank](#)

[Credit Union Regulatory Authority](#)

Commercial Banks in Paraguay:

[Banco Basa S.A.](#)

[Banco Atlas S.A.](#)

[Banco Continental S.A.E.C.A.](#)

Banco do Brasil [S.A.](#)

[Banco Familiar](#)

Banco Interfisa [S.A.E.C.A.](#)

Banco Itapua [S.A.](#)

Banco Nacional de [Fomento](#)

[Banco Regional S.A.](#)

Bancop [S.A.](#)

[BBVA Paraguay S.A.](#)

[Citibank N.A.](#)

Itau [S.A.](#)

Sudameris [Bank S.A.E.C.A.](#)

[Vision Banco S.A.E.C.A.](#)

Business Travel

Business Customs

There are no specific local business customs beyond the bounds of normal courtesy. Paraguayans are informal in observing appointment times, but foreign business visitors should not take such liberties when arriving for scheduled meetings. For social events, it is customary for Paraguayans to arrive up to 30 minutes late. Persons are normally addressed by their academic or professional title, e.g. Doctor, Engineer, Architect, or Licenciado, in the case of university graduates. Business dress follows similar patterns to those of the United States.

Travel Advisory

The State Department's Office of American Citizens Services and Crisis Management (ACS) administers the Consular Information Program, which informs the public of conditions abroad that may affect their safety and security. Country Specific Information, Travel Alerts, and Travel Warnings are vital parts of this program.

Country Specific Information for Paraguay is available [here](#).

Travel Alerts and Travel Warnings can be found [here](#).

Visa Requirements

Paraguay offers visas on arrival for U.S. citizens. More information is available [here](#).

Currency

The guaraní (sign: ₲; code: PYG) is the national currency unit of Paraguay. The exchange rate as of August 2020 is one U.S. dollar to approximately 6,800 guaranies.

Telecommunications/Electric

The telecommunications infrastructure in Paraguay has improved in recent years, although landline service from the state-owned monopoly can be slow and expensive. Mobile communication has been growing rapidly in recent years. Most telecomm providers offer 3G and 4G in urban areas. Business travelers often obtain a mobile phone locally for extended stays. Internet connections are slow, but the quality of connections is improving gradually and service is becoming more widely available. Most hotels in Asuncion and Ciudad del Este offer Wi-Fi. Electricity in Paraguay is 220V and 50Hz.

Transportation

Air connectivity to Paraguay is limited in comparison to neighboring countries. No U.S. carrier offers non-stop service between the United States and Paraguay. International carriers have non-stop flights from Asuncion to Buenos Aires, Cordoba, and Salta, Argentina; Montevideo, Uruguay; Brasilia, Sao Paulo and Rio de Janeiro, Brazil; Lima, Peru; Santiago, Chile; Santa Cruz, Bolivia; Bogota, Colombia; Madrid, Spain; and Panama City, Panama. Paranair offers daily service between Asuncion and Ciudad del Este.

Many local and foreign bus companies offer in-country and international service to the major cities in Paraguay and neighboring countries. The urban bus transportation system is inadequate for business purposes.

Asuncion's taxi network is reasonably well developed; however, some taxis are in poor repair and most lack air conditioning and seat belts. Motor vehicle rental service is available with or without a driver. Visitors can hire a "remise," which is a dedicated car with driver that has better quality and security than a taxi. Uber and Muv (Paraguayan company similar to Uber) are also available in Asuncion. Uber service is only available in Asuncion.

Language

Paraguay has two official languages: Spanish and Guarani. In practice, Spanish is the dominant language of business and government. A significant percentage of the business community understands Portuguese. English and German are also understood by many.

Health

Adequate medical facilities, prescription and over-the-counter medications, supplies, and services are available in Asuncion. Elsewhere, these are limited or non-existent in rural areas. Sanitary conditions are generally adequate. Bottled water is recommended.

Outbreaks of mosquito-borne diseases including Dengue, Chikungunya, and Zika are recurrent and occur in urban and rural areas. The World Health Organization (WHO) declared Paraguay Malaria-free in 2018. Travelers should carry and use CDC-recommended insect repellents.

Information on vaccinations and other health precautions can be found on the [U.S. Center for Disease Control website](#). For information about outbreaks of infectious diseases abroad, consult the [WHO website](#). [The WHO website](#) also contains additional health information for travelers, including detailed Paraguay-specific health information.

Local Time, Business Hours and Holidays

Paraguay is four hours behind Greenwich Mean Time, and one hour ahead of U.S. Eastern Standard Time. Paraguay implements daylight savings time by advancing clocks one hour, generally from mid-October to mid-March, meaning that it is two hours ahead of EST during the U.S. winter, but at EDT during the U.S. summer.

Commercial working hours are generally 9:00 am to 9:00 pm Monday through Friday; and 8:00 am to 12:00 noon Saturdays. Banking hours are 8:30 am to 4:00 pm Monday to Friday, with lobby hours generally only until 1:30 pm.

The following are national holidays in Paraguay:

January 1: New Year

March 1: Heroes' Day (*)

March/April: Holy Thursday & Good Friday

May 1: Labor Day

May 14-15: Independence Day

June 12: Chaco Armistice (*)

August 15: Founding of Asuncion

September 29: Victory at Boquerón

December 8: Virgin of Caacupe Day

December 25: Christmas Day

(*): Some holidays observed on Mondays.

Temporary Entry of Materials or Personal Belongings

The government allows temporary entry of equipment for scientific research, exhibitions, training or testing, competitive sports, and traveler or tourist items. The following documents are required for temporary entry:

(a) a letter stating the reason for temporary entry; (b) a detailed list of the equipment, including the purchase price of each item; and (c) a local insurance policy covering the cost of the duties waived. For travelers and tourists, a local customs broker can process these documents prior to arrival.

Travel Related Web Resources

[U.S. Department of State](#)

[U.S. Embassy Asuncion](#)

[Paraguayan Embassy, Washington, D.C.](#)

Paraguayan Consulates in the United States of America:

[Los Angeles, CA](#)

[Miami, FL](#)

[New York, NY](#)

Airlines that serve Asuncion:

Aerolineas [Argentinas](#)

[Air Europa](#)

[Avianca](#)

[Copa Airlines](#)

[GOL](#)

[LATAM](#)

[Paranair](#)

Paraguayan cellular telephone service providers:

[AMX Paraguay \(Claro\)](#)

[Hola Paraguay \(Vox\)](#)

Núcleo [\(Personal\)](#)

Telecel [\(Tigo\)](#)

Investment Climate Statement (ICS)

The U.S. Department of State Investment Climate Statements provide information on the business climates of more than 170 economies and are prepared by economic officers stationed in embassies and posts around the world. They analyze a variety of economies that are or could be markets for U.S. businesses.

Topics include Openness to Investment, Legal and Regulatory systems, Dispute Resolution, Intellectual Property Rights, Transparency, Performance Requirements, State-Owned Enterprises, Responsible Business Conduct, and Corruption.

These statements highlight persistent barriers to further U.S. investment. Addressing these barriers would expand high-quality, private sector-led investment in infrastructure, further women's economic empowerment, and facilitate a healthy business environment for the digital economy. To access the ICS, visit the U.S. Department of State [Investment Climate Statement](#) website.

Political Environment

For background information on the political and economic environment of the country, please click on the link to the U.S. Department of State [Countries & Areas](#) website.