

Introduction

Paraguay is a country in South America. Neighboring countries include Argentina, Bolivia, and Brazil. Paraguay lies on both banks of the Paraguay River, which runs through the center of the country. The government system is a constitutional republic; the chief of state and head of government is the president. Paraguay has a free market system in which the prices are set by the market. Paraguay is a member of the Common Market of the South (Mercosur).



Location: South America

Capital City: Asuncion (-4 GMT)

Chief of State: President Horacio Manuel Cartes Jara

Head of Govt.: President Horacio Manuel Cartes Jara

Currency: Guarani (PYG)

Major Languages: <p>Spanish (official), Guarani (official)</p>

Primary Religions: <p>Roman Catholic 89.6%, Protestant 6.2%, other Christian 1.1%, other or unspecified 1.9%, none 1.1%</p>

Calling Code: 595

Voltage: 220

Key Websites

Commerce Ministry: mic.gov.py

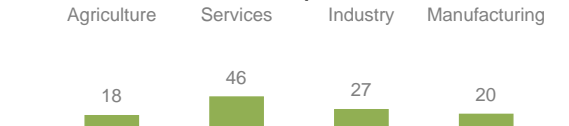
Export Promotion Agency: rediex.gov.py

Investment Promotion Agency: rediex.gov.py

Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$89.29 billion (2017)
GDP growth (annual %):	5.21% (2017)
GDP per capita, PPP (current international \$):	\$13,109.34 (2017)
External debt stocks, total (DOD, current US\$):	\$16,063,167,753.60 (2017)
Manufacturing, value added (% of GDP):	19.95% (2017)
Current account balance (BoP, current US\$):	\$1.22 billion (2017)
Inflation, consumer prices (annual %):	3.60% (2017)
Labor force, total:	3,453,079 (2018)
Unemployment, total (% of total labor force) (modeled ILO estimate):	4.71% (2018)
Imports of goods and services (current US\$):	\$12.14 billion (2017)
Exports of goods and services (current US\$):	\$14.08 billion (2017)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	135 / 178
Global Competitiveness Index	95 / 139
Global Enabling Trade Index	107 / 136
Index of Economic Freedom	84 / 179
International Logistics Performance Index (LPI)	74 / 160
Inward FDI Potential Index	106 / 139
KOF Index of Globalization	79 / 185
Networked Readiness Index (NRI)	105 / 139
Open Budget Index	62 / 115

Risk Assessment (Provided by Coface)

Country rating: C - A very uncertain political and economic outlook and a business environment with many troublesome weaknesses can have a significant impact on corporate payment behavior. Corporate default probability is high.

Business Climate rating: C - The business environment is difficult. Corporate financial information is often unavailable and when available often unreliable. Debt collection is unpredictable. The institutional framework has many troublesome weaknesses. Intercompany transactions run major risks in the difficult environments rated C.

Strengths

- Well-developed agricultural sector (soya and beef)
- Abundant hydroelectric resources
- Prudent fiscal and economic policies

Weaknesses

- Inadequate infrastructure (river transport, roads, electricity power lines)
- Dependent on the agricultural sector and a small number of trading partners (in particular, Brazil and Argentina)
- Weak governance (corruption and patronage)
- Large informal market (40% of GDP)

U.S. Embassy

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<https://py.usembassy.gov>