Commercial Opportunities in Paraguay

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Fast-growing. Investment-grade. Powered by clean energy.

Asunción
406,752 km²
Spanish/Guaraní
Paraguayan Guaraní (PYG)
6.1 million (2026)
3.53 million
Pedro Alliana (*)
$64.00 billion (Nominal, 2026)
2027 Projected inflation rate: 3,5%

Major Economic Sectors & Industries

1. Agribusiness & Food Processing (beef, soybeans, cellulose)
   Agriculture is about 20-30% of GDP
2. Hydroelectric Energy
   Major exporter of clean electricity to Brazil & Argentina
3. Maquila Manufacturing & Assembly
   Fast-growing export-oriented manufacturing sector
4. Agri-Food & Wood Processing
   Soybean oil, sugar, wood products, leather goods, and cement
5. Financial Services & Fintech
   Led by major regional and local banks like Itaú, Continental, GNB, and Sudameris

Why Paraguay

- 6% GDP growth in 2025
- Investment-grade rating (Moody's): Baa3 with a stable outlook.
- 99.5% hydropower electricity
- 10% corporate tax
- Tax-free re-export access across Mercosur
- #3 global soybean exporter

Opportunities by Sector

Infrastructure Development
US$5.5 billion in planned roads, ports, and corridors, with a growing public-private partnership pipeline (PPPs) - Ample opportunity for infrastructure expertise - Strong focus on renewables and solar - Access to the strategic Paraná river.

Medical Devices
US$500M+ in new hospital investment, and device imports have roughly doubled since 2014.

Industrial, Mining, Manufacturing Equipment
A new maquila law (tax-incentivized export manufacturing) and US$664M in maquila investment (2025) are driving demand for machinery.

Defense, Safety, Security
Status of Forces Agreement (SOFA) signed Dec 2025 between the U.S. and Paraguay - covers joint training, real-time intelligence sharing, equipment transfers, and coordinated operations (including disaster response). 45 million deal with USA in Feb 2025 to acquire AN/TPS-78 ADCAP radar.

Processed Food
Formal retail is growing and there are significant opportunities in value-added food processing by transforming its massive raw agricultural output—such as soybeans, beef, pork, poultry, stevia, and organic sugar—into finished goods for domestic and Mercosur export markets

ICT and Cybersecurity
A national cybersecurity strategy (2025-2028) and a U.S. cooperation agreement are driving demand for digital security.

Paraguay Market Entry Strategy

• Local distributor or agent • Joint venture with a Paraguayan partner • Maquila regime (export-oriented manufacturing with tax advantages) • Free trade zones •

99.5% Hydropower

10% Corporate Tax

#3 Soybean Exporter

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(*) Disclaimer: Updated as of November 10, 2026. Information reflects ongoing updates following the resignation of President Santiago Peña and recent political developments.
Sources: USA International Trade Administration, World Bank Group, IP Paraguay, Gov, The Rio Times, IMF