Paraguay

SOUTH AMERICA'S RISING INDUSTRIAL HUB

Global FDI REPORTS
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As published in DIE WELT



Going beyond commodities

Asunción. **Photos:** Shutterstock

Paraguay's economic ambition is transforming the country into a hub for industry, logistics and technology – with forests as its next great asset.

Paraguay's two decades of careful macroeconomic management have created the foundation for a deliberate economic transformation. Real GDP grew 6.6% in 2025, according to World Bank data, foreign direct investment exceeded $1 billion for the third consecutive year and all three major rating agencies rate the country investment grade. That points to both political and economic stability and the breadth of opportunity open to German partners – a relationship built on significant historic ties.

Now, Paraguay's economic shift is accelerating. "We are competitive. We move fast. We adapt faster. The region and the world are beginning to realise that," says President Santiago Peña. The country's economy has long been built on agricultural strength – particularly beef and soy – but a strategic push towards value addition and diversification is already bringing dividends. The maquila regime, offering exporting companies a 1% tax, saw manufacturing grow 8.2% in 2025 and maquila exports exceed $1.3 billion, creating 37,000 jobs in the process. The government has declared an industrial revolution and set a target of doubling GDP to $90 billion within ten years. The entry into force of the EU-Mercosur free trade agreement in May 2026 – opening a combined market of 720 million people – has given those ambitions further momentum.

> **"All the progress we have seen is nothing compared with what will come."**
>
> **SANTIAGO PEÑA,** PRESIDENT OF PARAGUAY

Paraguay's growing logistics strength offers further support. The Bioceánico Corridor, linking Atlantic ports in Brazil to the Pacific coast, runs through the country and is nearing completion, while the 3,441-kilometre Paraguay-Paraná waterway remains a key export route. In parallel, a surplus of affordable, clean electricity – largely from hydroelectric sources – adds a further advantage, one that is already drawing data centre and AI infrastructure investment from the United States, Taiwan, Japan and Saudi Arabia.

Alongside technology and digital infrastructure, the government is backing sectors where Paraguay's natural conditions offer an intrinsic edge. "Paraguay is so rich in natural resources that the more you understand the country, the clearer it becomes that all the progress we have seen is nothing compared with what will come," says Peña.

Forestry is a key example. Paracel, a more than $1.5 billion initiative to build Paraguay's first pulp mill, is the flagship project in the sector. Due to begin cellulose production in 2030, the mill is conceived as the first phase of a larger ecosystem, with an adjacent free-zone industrial park being developed to attract European partners. "We are perhaps the only competitive, certified forest area that is yet to be developed," says CEO Flavio Deganutti. "That is a genuinely rare position, and it will not remain open indefinitely." It is a sentiment that captures the trajectory of a nation set on realising its potential.



Soybean plantation in Caaguazú **Photos:** Va de Carro

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PERSPECTIVES



JOSÉ BRITEZ INFANTE, CEO, BANCO ITAÚ PARAGUAY S.A.

"Paraguay has the conditions to be extremely competitive for German companies."



EDUARDO FELIPPO, PRESIDENT OF THE SUPERIOR COUNCIL, UNIVERSIDAD PARAGUAYO ALEMANA

"Paraguay's industrial base has to be built from the ground up."



FLAVIO DEGANUTTI, CEO, PARACEL

"The creation of a forestry ecosystem in Paraguay is under way."

As published in DIE WELT

Paraguay's new industrial revolution

President Santiago Peña is at the forefront of Paraguay's economic ascent.



Photo: Official photo

Santiago Peña has led Paraguay since August 2023 with an agenda defined by economic transformation. Built around the goals that include doubling GDP within a decade and attaining full OECD membership, his programme prioritises industrialisation, diversification and the development of emerging sectors spanning technology, AI infrastructure and forestry. In this interview, Peña sets out his vision for Paraguay's resurgence and the opportunity it creates for German partners.

Q: Which sectors can consolidate Paraguay's role as a key partner for European markets?
We have a very strong agricultural base. Soy is the largest crop, and we are the third-largest exporter of soy in the world. We are also beginning the expansion of a new sector, which is forestry. Paraguay has probably one of the best climates for growing trees; a tree that takes 25 or 30 years to grow in Europe takes only seven in Paraguay. That is why there is now a multi-billion-dollar project under way called Paracel, which is a paper mill. We also see expansion in the industrial sector. Brazil has become the largest foreign direct investor in Paraguay. Many Brazilian companies cannot compete with Chinese companies, so they relocate to Paraguay instead of closing their businesses.

> **"Paraguay can become a lighthouse for other countries."**

We are also moving rapidly towards becoming the country with the highest GDP per capita in Latin America. At this pace, we could reach Uruguay and Chile in around a decade. But our aim is to reach OECD standards. To do that, high-income industries are the only way. Technology is going to be key. We have signed an MoU with the government of Taiwan to build an AI data centre in Paraguay. It will be binational. We will combine our energy with Taiwan's technology and semiconductors to create an entity that, instead of selling energy to Brazil or Argentina, sells computing capacity to hyperscalers and companies like OpenAI.

Q: How do you assess the relationship between Paraguay and Germany?
What we share with Germany is important. After Germany, Paraguay is the country with the largest number of cooperatives in the world. The cooperative system is very important in our production model. That is something we share with Germany: collaboration and joining forces.
German migration here has been relatively small, but very successful. German descendants found the right conditions in Paraguay. In recent years, a new wave of immigrants has come here valuing something very basic but very important to us: freedom.
Our model of success is to provide a safe environment where people can grow, develop and be free, while respecting our culture, laws and regulations. When you look at the statistics, Paraguay has outperformed the rest of Latin America over the past 60 years, growing 1,500% over the period.

Q: How can Paraguay's culture shape the way countries do business?
As we rise and raise awareness of the things we believe in, Paraguay can become a lighthouse for other countries. I say this with humility. This goes beyond economic benefits. Low taxes fulfil two purposes; one is competitiveness and the second is having a public sector that focuses on the areas it cannot give away: security, education and health. The rest depends on your effort and how good you are.
We are also seeing a rise in immigration. These are not immigrants looking for an easy life. There is no easy life here. There is no large social welfare system. But there is fertile ground for people to flourish if they are willing to make the effort.

Q&A



"Paraguay is the world's leading exporter of clean, 100% renewable electricity."

Fernando Acosta Díaz,
Ambassador of Paraguay to the Federal Republic of Germany

Paraguay's ambassador to Germany discusses the nation's renewable energy advantage and strength in logistics.

Q: What are your priorities for strengthening Paraguay's economic profile?
The priority is dissemination – making Paraguay's advantages genuinely known. Paraguay has been among the world's leading food producers for decades, particularly in soy and beef exports. The focus now shifts toward industrialisation: converting raw resource strength into finished product capacity and high-value sectors. Alongside this commercial and economic promotion, Paraguay is pursuing a parallel strategy in tourism, positioning the country as a venue for international events, conferences and sporting competitions. Paraguay recorded the highest tourism growth rate globally last year.

Q: Which sectors would you highlight to German partners?
Logistics and international transport are among the most immediate opportunities, reinforced by Paraguay's position at the heart of the Mercosur bloc and by the Bioceánico Corridor – a project now in advanced construction that will connect the Pacific port of Iquique with the Atlantic port of Santos in Brazil, cutting maritime transit times and reducing shipping costs by around 25%.
Clean energy is perhaps the most compelling single opportunity: Paraguay is the world's leading exporter of clean, 100% renewable electricity, a distinction that is generating increasing interest among German investors.

As published in DIE WELT

Government Voices

Senior ministers explain how industry, energy and infrastructure are at the heart of Paraguay's economic transformation.

MINISTRY OF INDUSTRY AND COMMERCE



Marco Riquelme,
Minister of Industry and Commerce

Q: What defines Paraguay's industrial revolution?
The industrial revolution is about connecting the global market with Paraguayan capacities, developing industry for the world rather than for the domestic market.

Q: What competitive advantages are key?
Our strongest foreign direct investment tool today is the maquila regime, under which exporting companies pay just 1% tax. Paraguay is also the only country in the Americas that allows raw materials to be imported from anywhere in the world without tariffs.

Q: Why should German investors consider Paraguay?
We want German and European companies to understand that they can build part of their production chain here. We are not a competitor to Brazil or Argentina; we are part of the production chain for the things we can do more competitively.

MINISTRY OF ECONOMY AND FINANCE



Óscar Lovera,
Minister of Economy and Finance

Paraguay's Minister of Economy and Finance discusses how sectoral expansion and an energy surplus are driving growth.

Paraguay will mark four consecutive years of growth above 4% in 2026, a trajectory not seen since the construction of the Itaipú dam in the 1970s and early 1980s. "What is fundamentally different today is that Paraguay is no longer dependent on a single sector," says Minister of Economy and Finance Óscar Lovera. "The economy now has multiple engines of growth."
Energy is a key advantage. Paraguay's domestic demand is not yet sufficient to consume its full allocation of hydroelectricity from Itaipú – a surplus that Lovera calls an asset to be deployed: "The broader ambition is to make Paraguay's energy surplus the foundation of its next phase of industrial growth."

MINISTRY OF PUBLIC WORKS AND COMMUNICATIONS



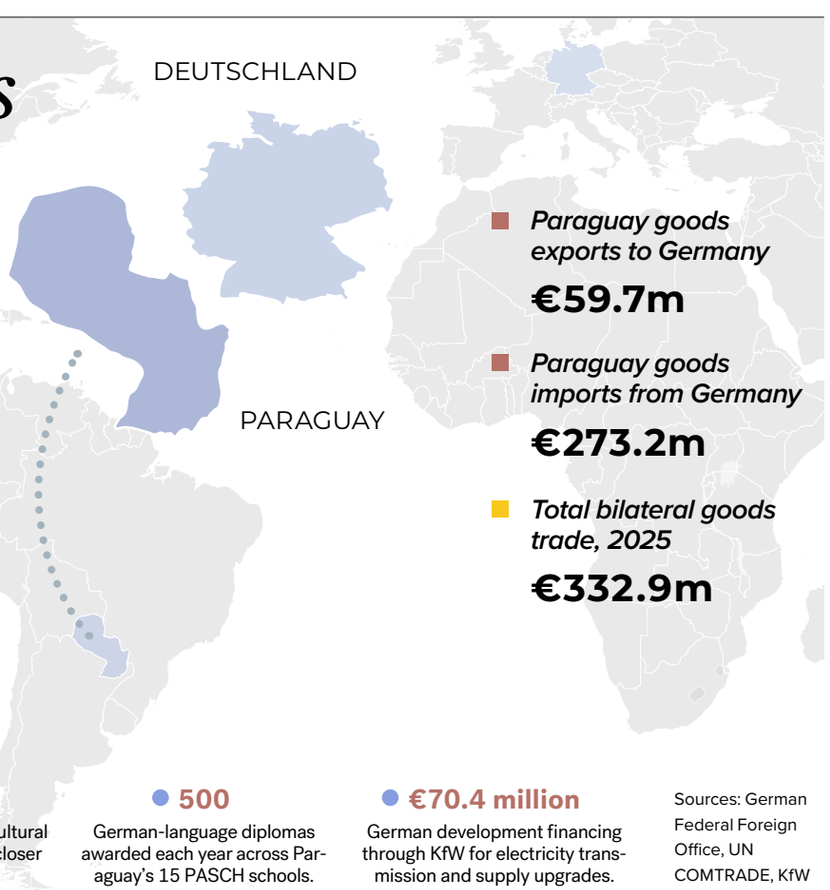
Claudia Centurión,
Minister of Public Works and Communications

Q: What are the ministry's key priorities?
We are committed to ensuring that every kilometre of road we build corresponds to a vision of logistics corridors, and to positioning Paraguay as a major hub in the region. Each project we develop must ultimately generate modal interconnection with our waterways and create genuine competitiveness for users and the country as a whole.

Q: How do you determine which projects offer the greatest strategic value?
The EU-Mercosur agreement has placed a serious challenge before us. We must now develop infrastructure that generates competitiveness not only within our domestic market, or with Brazil and Argentina, but externally – enabling our products to reach the end consumer across this vast new trading relationship.

Paraguay: Germany's opportunity in South America

A relationship built on historic and cultural ties is strengthening further under the EU-Mercosur agreement.



Leading German export categories 2025:

Machinery	€92m
Pharmaceuticals	€73m
Vehicles	€56m

Paraguay goods exports to Germany
€59.7m

Paraguay goods imports from Germany
€273.2m

Total bilateral goods trade, 2025
€332.9m

Fast Facts Paraguay

1893
Goethe School founded in Asunción by German immigrants.

150,000
Paraguayans of German descent, 30,000 German nationals resident.

1994
German-Paraguayan Cultural Agreement facilitates closer cultural ties.

500
German-language diplomas awarded each year across Paraguay's 15 PASCH schools.

€70.4 million
German development financing through KfW for electricity transmission and supply upgrades.

Sources: German Federal Foreign Office, UN COMTRADE, KfW

As published in DIE WELT

Why invest in Paraguay

Economic stability, a competitive tax framework and abundant clean energy are remaking Paraguay's case to global investors.

Paraguay's economy grew at 6.6% in 2025 according to the World Bank, its fastest expansion in more than a decade. The country's Central Bank noted that all major sectors made gains in the period, reflecting the success of a macroeconomic strategy built on controlled inflation, a stable policy environment and the 10-10-10 taxation framework – a flat 10% rate on corporate income, VAT and personal income.

That provides the foundation for the economic diversification currently taking place. The maquila regime's 1% tax for exporters and tariff-free import window for raw materials give Paraguay a growing edge in regional value chain integration. "At the moment, companies often open a factory in Brazil or Argentina without realising that building in Paraguay could be more efficient and competitive for exporting into those same markets," says Minister of Industry and Commerce Marco Riquelme. "More than 300 companies have already relocated part of their operations to Paraguay to export back into Brazil, which validates our model."



Photo: Minister of Industry and Commerce industrial tour.

In the context of the EU-Mercosur agreement, which brings together economies representing around 25% of global GDP, that increasingly positions Paraguay as a key gateway to South American markets for German partners. Added to this are a youthful population – median age 29, with 100,000 new workforce entrants each year – a surplus of renewable energy and a government committed to expanding sectors from forestry to technology. Taken together, they point to a country fast becoming the continent's next hub for manufacturing and investment.

BANCO CENTRAL DEL PARAGUAY (BCP)

Q: How does the Central Bank support growth?

The Central Bank is, I believe, a key anchor of macroeconomic stability. In objective terms, our monetary policy is among the most credible in the region. Three elements underpin that. The first is an autonomous central bank, the second is the quality of the Bank's technical staff and third is our inflation-targeting framework, which has delivered concrete results over time.

Investors coming to Paraguay can make a 20- or 30-year investment with confidence in a low and stable inflation environment and consistent economic policy.

Q: How will the EU-Mercosur deal benefit Paraguay?

The European market is demanding in terms of standards and highly advanced in technology and innovation. The real gains from this kind of agreement are therefore not only commercial. They include improvements in productivity, education, technology and more that come from deep engagement with a more advanced partner.



"The Central Bank is, I believe, a key anchor of macroeconomic stability."

Carlos Carvallo Spalding,
President, Banco Central del Paraguay (BCP)

Laying the foundations for a new economy

Residential demand, landmark urban projects and infrastructure investment are reshaping the face of Paraguay.

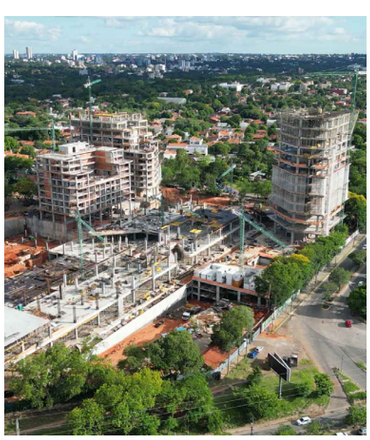
Paraguay's construction sector grew 5.6% in Q1 2026, driven by residential demand and large-scale infrastructure development, reflecting industry's importance to the wider economy.

Paraguay's construction sector grew 5.6% in Q1 2026.

Leading firm Benítez Bittar Constructora identified a housing deficit of one million units, with 100,000 new units required each year. That structural gap has seen the company expand its annual output fortyfold in eight years, with projections to develop three times as many hectares in 2026 as in the last three years combined. "We consider ourselves a company with a strategic vision for our country," says Director Sebastián Benítez Bittar.

The sector's evolution is captured in another landmark project: Asunción's Distrito Perseverancia, a $300 million development combining retail, commercial and residential spaces, designed for walkability. "We wanted the project to be a catalyst for a lifestyle that Asunción had lost," says Pedro Zuccolillo, executive director of Grupo La Perseverancia. The development is attracting both locals and the city's growing digital nomad population. "That's making the project succeed faster than we imagined," he adds.

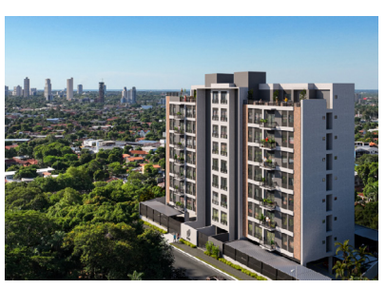
Large-scale infrastructure, meanwhile, remains central to Paraguay's economic model. Under national navigation and ports administration ANNP, obstruction removal and channel widening along the Paraguay-Paraná waterway are enabling larger cargoes – consolidating Paraguay's strength as a logistics hub. "The waterway, in this sense, does not just serve Paraguay – it serves the entire region," says ANNP President Julio César Vera Cáceres.



Photos: Grupo La Perseverancia



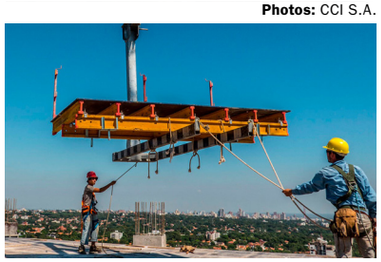
Photos: Benítez Bittar Constructora



Photos: Benítez Bittar Constructora



Photos: CCI S.A.

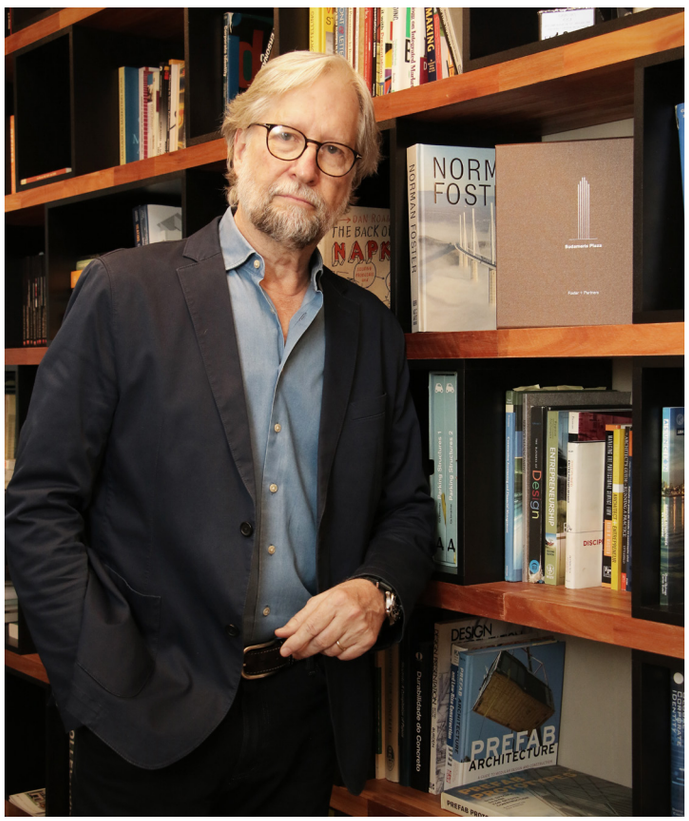


Photos: CCI S.A.

As published in DIE WELT

Building Paraguay, floor by floor

From project design to delivery, CCI is Paraguay's leading full-service construction company.



From its roots as specialists in the industrial infrastructure segment, CCI has grown into one of Paraguay's most technically accomplished construction firms. Defined by its integrated design-build model, which sees the company manage projects from initial concept through to final delivery, CCI has delivered major developments across the residential, commercial and industrial sectors, and is currently working on the landmark Sudameris Plaza project – slated to be the tallest corporate building in Paraguay.

A longstanding commitment to international standards is a key differentiator. The company operates in accordance with ISO 9001 standards in both construction and management, and employs LEED-certified sustainable construction practices. Through its partnership with NGO A Todo Pulmón, CCI manages its construction carbon footprint through mitigation and compensation: construction waste is crushed and repurposed as aggregate, plastics are melted into wall coverings and 17,500 trees have been planted on land purchased specifically for conservation.

Now the company sees significant opportunity in bringing its expertise to Paraguay's industrialisation drive. In this interview, CCI President Enrique Strubing sets out why the company is implementing lean construction principles and the Taktplanung methodology in its operations, what distinguishes CCI for European investors entering the market and how the company's industrial pedigree is central to its next growth cycle.

FAST FACTS
CCI

36 YEARS
of construction expertise in Paraguay

110 CONSTRUCTION SPECIALISTS
on the CCI team

5 NATIONALITIES
represented on management team

40+ HECTARES
purchased for carbon-offset initiatives

17,500 TREES PLANTED
on CCI-owned conservation land

Q: How has the company evolved over time?

Thirty-six years ago, we began as partners in a firm dedicated to industrial installations – equipment and silos. At that time, the market was heavily oriented towards agricultural production, and we focused on industrial construction: ports and large storage plants for multinationals, among others. That was our starting point, and it responded directly to the market reality.

Over time, the sector evolved. In 2008, during the global financial crisis, the real estate boom paradoxically began here. There is a saying that Paraguay always goes against the grain of history: while the rest of the world suffered – and especially the real estate sector – it began to grow here. National capital that had been abroad returned and was invested in construction. It was the start of a cycle that has not stopped.

From there, our capacity was progressively absorbed by the real estate sector, to the point where, almost without planning it, we moved away from industrial and logistical construction. Now, as a deliberate strategy, we are reactivating our presence in that segment. We have the know-how, and I am convinced that the next great cycle for construction could come from the logistics and industrial sectors, if the government's strategy to attract industry to the country succeeds.

Q: How do you maintain international standards across segments?

High standards have been a core value since our inception – it is the first value we address openly as a company. We define it as aspiring to the best obtainable result in everything we do – not just in the projects, but in the company's image, the office equipment and everything else. This naturally leads us to seek innovation and explore new ways of doing things, both in internal management and on the construction site itself.

Worldwide, most construction companies remain very traditional, focusing solely on the project. We have always placed a strong focus on people's quality of life and the environment. The result is that we have positioned ourselves around two main aspects: high standards and client focus. The latter is confirmed by our own surveys, including a "lean" maturity diagnostic where we received the highest score for customer orientation.

Q: What is CCI's role in the Sudameris Plaza project?

Sudameris Plaza is the headquarters for a local bank undergoing a very significant expansion. The bank's leadership has a clear vision regarding the country's potential and wanted an iconic headquarters. To achieve this, they hired an international real estate consultancy with over 150 years of history, which conducted an international architectural competition.

> **"What a European investor will find here is a partner who speaks their language."**

Our role is that of the local architectural firm – a concept that complements the creative vision of the international architect. In the conceptual design stage, we provide the local elements: technical possibilities, available materials and legal and regulatory compliance. Furthermore, we develop all the executive documentation – construction plans, specifications and calculations that allow the project to be realised.

The project involves 18 or 19 specialised international consultancies: lifts, facades, concrete and climate control, each with its own executive projects. Construction has already begun with the tower's foundations.



Photos: CCI

Next, the bidding process for the facade begins, which requires special profiles designed by a consultant in New York, with matrices manufactured specifically for this project. The tower's concrete is also a technical challenge: it must be white, which implies white cement and crushed marble instead of sand, to preserve the required visual seal.
We were selected because we are the only firm in the country that defines itself as design-build, capable of overseeing a project from concept to construction. They also valued our systematic use of Building Information Modelling. Our track record and reputation completed the picture.



Photos: CCI

"We are the only firm in the country that defines itself as design-build."

Q: How does CCI engage with European investors considering Paraguay?
For any investor whose project has a construction component, I believe we would be a very good partner. We have experience working with demanding international standards. Twenty-five years ago, when Volkswagen launched a new global image for its sales centres – a project that came entirely from Germany – we built it here, meeting 100% of the qualification requirements. We also built facilities for Mercedes-Benz and have worked on projects for investors from Uruguay, Argentina and the United States.
What a European investor will find here is a partner that speaks their language—and not just figuratively. We have a multicultural management team proficient in English, German, Portuguese and Spanish, which facilitates communication and mutual understanding. But above all, we share a common language in terms of values, principles and quality standards. These elements are integral to our identity, enabling us to understand their approach to business, their expectations and how they build long-term relationships.
Our design-build model involves getting involved from the start of the project, beginning with the client's needs and building solutions from there. In a cost-oriented market, this represents a real competitive advantage: we design for the budget the client needs and then build it at that value.

Q: What is your vision for CCI's next phase?
We are working on the implementation of lean construction. Lean is defined as the elimination of "waste" – meaning losses – adding value for the client. We formally initiated this transformation with a specialised Chilean consultant who will stay with us for three years, and we are adopting the Taktplanung methodology, developed in Germany, which introduces rhythmic construction planning. The goal is for every decision in the company to respond to a search for efficiency and the reduction of losses. And that elimination of losses, by its very nature, is essentially sustainable.



Photos: CCI

That is our greatest bet at this moment: to turn everything we have been doing in terms of quality, sustainability and client orientation into concrete, efficiency-oriented actions and results.

CCI
www.cci.com.py

BENÍTEZ BITTAR CONSTRUCTORA

Paraguay's standard-bearer in construction

A father-son partnership and a growing economy underpin Benítez Bittar Constructora's regional ambitions.



Sebastián Benítez Bittar,
Director, Benítez Bittar Constructora

Benítez Bittar Constructora has grown rapidly in recent years, on the back of an internal transformation and careful market analysis. The company has shaped its offering around Paraguay's middle class, with 4,000 to 6,000 units sold through its allied developers and a further 3,000 to 4,000 under construction. Here, Director Sebastián Benítez Bittar discusses the strength of Paraguay's real estate market, the company's expansion and opportunities for German investors.

Q: How robust is growth in Paraguay's real estate sector?
Our real estate sector has been in genuine expansion for no more than 15 years, and throughout that time the bar has been permanently raised in terms of product sophistication. Previously there was experimentation, mistakes were made and the product was refined along the way. That learning curve has, by and large, been completed. Today the product is being improved, but it is no longer being experimented on.
Our sector is objective by nature: you see sales, physical progress, occupancy. It is not possible to talk about a bubble when the results are visible in concrete market data.

Q: How has Paraguay's trajectory influenced the company?
On one hand, the country and the private sector influenced the macro environment positively over the past two decades, creating the conditions for those with vision to seize the moment in Paraguay. On the other, in our case, there was a strategic union between two generations: my father and me.

"The bar has been permanently raised in terms of product sophistication."

The projection for this year is to build three times what we built in the last three years combined, in terms of hectares. That growth comes from having defined roles at the management level and a very clear strategy: we do not think of ourselves as a local construction company – we think of ourselves as a construction company in Paraguay, travelling South America carrying the country with us. With that regional mindset, and understanding that borders are increasingly permeable thanks to technology, we continue to grow sustainably.

Q: What opportunities would you highlight to German investors?
The first recommendation is for large German industrialists who export to the region to evaluate Paraguay as an industrial and logistics hub – as a regional supply point. In the context of post-pandemic productive decentralisation, Paraguay is a strategic space for supplying the major neighbouring economies, leveraging the country's tax regimes and Mercosur agreements. I am convinced they will find economic, financial and logistical advantages.
The second opportunity lies in real estate for portfolio diversification. Depending on the product, returns of between 8% and 12% can be achieved, with additional capital appreciation potential. The timing is very interesting for taking advantage of this growth opportunity.

As published in DIE WELT

PARAGUAY'S LEADING VOICES

PETROPAR

Petropar President William Wilka sets out the company's central role in the energy sector and how it adapts to stay ahead.



William Wilka, CEO, Petropar (Petróleos Paraguayos)

Q: How has Petropar evolved?
Initially, the company operated a refinery that processed crude, with a monopoly over the national fuel market. Today, we have 23 distributors, 11 importers and more than 2,800 service stations nationwide. Paraguay's economic growth, investment-grade status, stability and low taxes have made the fuel sector profitable enough to attract significant investment.

Q: How do you ensure price stability?
Petropar has a natural role as market regulator, establishing reasonable margins that enable the company to sustain itself while maintaining competitive advantage. When we benefit from that structure, we transfer the additional value to the citizenry. Our presence provides predictability to the government, peace of mind to the economy and confidence to the public, preventing panic over sudden price surges.

Q: What innovation strategies are you prioritising?
The idea is always to be at the forefront of AI, new technology development and new product types. We are currently entering new sectors, such as aviation, and expanding into electric vehicles with electric chargers.



Photo: Petropar

AZETA GROUP

Q: What is the group's growth strategy?
To continue growing at the pace we have planned, expanding beyond the Paraguayan market is a necessity. And that expansion must happen in the sectors we already operate in. What we would do is take what we already do well in Paraguay to regional or global markets.

Q: What role does ESG play?
The task is to create minimum standards for the whole group. When we talk about doubling our size by 2030, we need to grow in the right way – and growing in the right way means being responsible for our environmental, social and governance impact.



Jorge Raúl Talavera, President, Grupo Azeta

SUDAMERIS BANK

Q: What defines Paraguay for investors?
In Paraguay, you must be patient until your particular interest or problem gets onto the agenda. When Paraguay decides to do something, it will do in three years what it took 30 years to do elsewhere.

Q: How do you expect the banking sector to evolve?
What I see going forward is a banking sector that grows significantly alongside the real economy. When you have a business that is growing fast, you have to reinvest your profits. The return on equity of banks in Paraguay may look high, but those earnings are needed to support future loan growth.



Conor McEnroy, President, Sudameris Bank

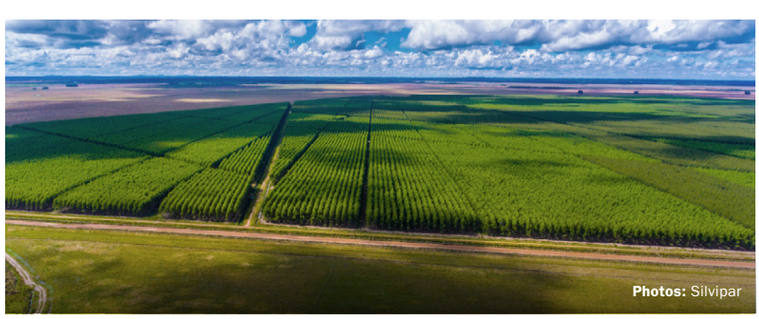
Paraguay cultivates higher-value growth

From its agricultural base to emerging sectors like forestry, Paraguay is aiming to capture more value at home.

Agriculture is the foundation of Paraguay's economy. The sector accounts for around 65% of total exports, with cooperatives playing a structurally important role across every major commodity. The federation of production cooperatives (FECOPROD) represents 35 cooperatives and around 200,000 members, accounting for 38% of national soy production and 36% of wheat exports – two of the sector's key drivers. Celebrating 50 years since its founding in 2025, FECOPROD serves as an industry voice, a lobby group and a force for rural development, with extensive training and education programmes aimed at capacity building in the sector. The federation has also been central to the adoption of innovative methods such as no-tillage farming, in which Paraguay has become a regional pioneer: more than 90% of the country's cultivated surface area now uses the system, preserving soil life, enabling crop rotation and raising yields consistently over decades. "Paraguay is a world champion in direct seeding, in adoption of the system," says FECOPROD president Alfred Fast.

At the national level, the priority now is adding value before goods leave the country.

At the national level, the priority now is adding value before goods leave the country. Grupo Hilagro, which holds Paraguay's largest wheat milling capacity, embodies that shift. In the mid-1990s Paraguay was a net wheat importer; today it processes around 60% of its domestic wheat harvest, selling the remainder to neighbouring countries for their own industries. A pilot export programme to Spain – two completed shipments – is testing whether Paraguayan processed food products can find a foothold in European markets. "We want to be a genuine partner in the supply chain, not simply a seller of raw materials," says Christian Gossen, president of Grupo Hilagro.



Photos: Silvipar

As well as value addition, expansion is high on the agenda, with the government identifying forestry as a priority sector within its industrial strategy. President Peña has pointed to timber clusters as a core element of the push to develop industry outside the traditional commodity base, with Silvipar among the most prominent projects to illustrate the ambition. Operating across 74,000 hectares in southern Paraguay, with around 35,000 trees already planted, the company is developing eucalyptus clusters designed to supply a range of industries, including pulp and solid wood. "Our vision is multipurpose: maximum economic impact, positive environmental impact and social impact," says CEO Ramón González. Backed by Astarte, a London-based institutional fund manager, the project is moving from its research and expansion phase towards large-scale industrial processing – a process that aims to help raise forestry's contribution from 0.06% of GDP to 4%, creating up to 40,000 permanent jobs. "The industrial phase is fundamental, because that is what will deliver the great leap in impact for investors and for the country as a whole."

As published in DIE WELT

SOUTH ATLANTIC COMPANY S.A.

Cutting the time from catch to consumers

The $45m investment in Paraguay that is reshaping South Atlantic Company's global seafood supply chain.



"That saving represents a huge reduction in financial and logistics costs."

Lucio Tortosa,
CEO, South Atlantic Company S.A.

South Atlantic Company is an integrated fisheries and processing conglomerate with a global footprint. Present in markets including China, Spain, Morocco, India and South America, the group handles prawns, squid, tuna and hake and operates across the value chain, from catch and cleaning to logistics and packaging – with a focus on food security and quality. "We capture, transport and transform everything ourselves, all under the same care and vision," says CEO Lucio Tortosa. The group's newest facility – in Hohenau, in Paraguay's Itapúa department – is the country's first open-sea product reprocessing plant, representing a $45 million investment that will spur job creation and growth in the wider segment.

The choice of Paraguay for the plant's location was based, in part, on significant operational advantages. Previously, species caught in South American waters were shipped to Asia for reprocessing before export to Europe – a route that took 90 days. "From Paraguay, we reduce the transit time of the goods from 90 days to three days," says Tortosa. "With an annual business volume of around $1.5 billion, that saving represents a huge reduction in financial and logistics costs."

Added to this was the appeal of a country with a youthful, responsive workforce and a receptive business climate – as well as abundant potable water and clean energy, which the company views as important future commercial advantages. "We believe that within 20 years, water and its use in industry will be a major issue," says Tortosa. "The fact that the energy used or the carbon footprint to bring a product to market is steadily shrinking will be an important differentiator." For South Atlantic's CEO, those long-term structural advantages should attract the attention of the wider international investment community. "Come to Paraguay and get to know the companies that are already here," he says. "Don't come to do business. Come as a tourist, get to know the people, the country, the culture."

That reflects the company's ethos that every country where it operates offers unique strengths which contribute to the business as a whole. With its headquarters in Vigo, Spain, South Atlantic's wider group encompasses partners from China, Denmark, Ecuador and more – a network Tortosa is keen to expand. "The most viable approach would be to bring the owners together with whoever has the technology or the company that can develop sales of these products in Germany," he says. "We are open to all kinds of partnerships."



Photo: South Atlantic Company S.A.

"This is the first investment of its kind here."

Q: How will the new plant contribute to Paraguay's development?
This is the first investment of its kind here. Open-sea product reprocessing did not exist in Paraguay. The primary contribution is job creation, but also the opening of a path. In fact, other companies in our sector are already looking at Paraguay as a place to set up.
Our sector is interesting because everything can be learned. When a company teaches a community to handle certain foods and another company – even a competitor – then sets up, employees move on but the town already knows the business. That generates cultural and social knowledge that lasts a lifetime.

Q: How is technology shaping the company?
The new technology we are applying – and this plant is part of that – consists of reducing industrial processes. There is a new demand coming from the shelves and from consumers: chemical-free products and first-freeze-only. Because we are integrated, we do not buy a product from anyone else. We have designed a logistics system in which the product travels on ice, with processes fully controlled and certified by the health authorities of each country. When it arrives at the plant it is processed, and that is the only day in the product's life on which it is frozen. Afterwards, the consumer thaws it when they are ready to eat it. Consumers are beginning to attach real importance to this, to the point of paying a premium.

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SILVIPAR



"We actively seek positive environmental and social impacts."

Ramón González,
CEO, Silvipar

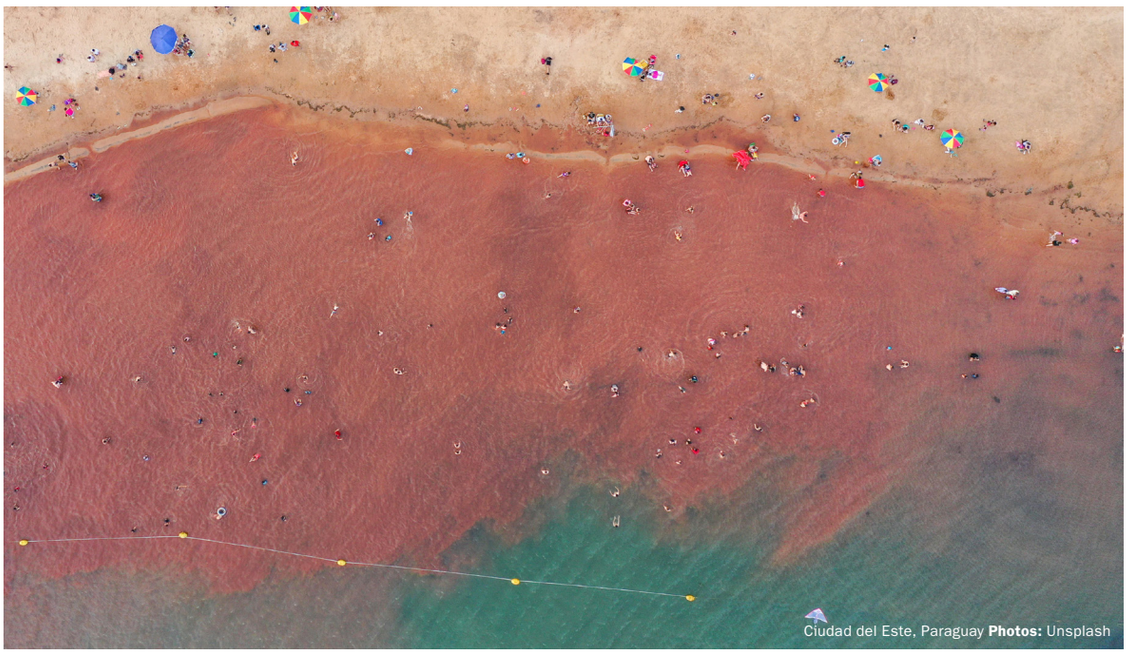
Ramón González, CEO of sustainable forestry firm Silvipar, discusses the company's social and economic impact in Paraguay.

Q: What is your vision for Silvipar?
Our mission is to establish sufficient forest masses to attract large forest industries. High-quality plantations allow for the generation of a forest cluster, which is ultimately where the road leads for us, but it begins with the quality of the plantations themselves. We establish those plantations against environmental and social criteria, and we actively seek positive environmental and social impacts within that mission. The vision is that, once that is achieved, Silvipar will deliver the greatest impacts in financial, economic, social and environmental terms. For me, it is clear that this will generate a transformation of the country: not only in specific aspects, but economically, socially and environmentally.

Q: What are Silvipar's productivity advantages?
Today we are at 47–48m³ per hectare per year, which positions us above the Brazilian average. Brazil is the mecca of productive plantations, with tremendous industrial development – much of it built on European investment – so exceeding those indices through R&D is significant.

Q: What is the rationale behind a multi-product approach?
We explore materials that can feed not only pulp industries but also solid wood industries such as laminate and sawn timber. A pulp mill might involve investment of $4 billion, while a sawmill can start at $2 million or $10 million. The difference is dramatic, but the social impact and the returns at a smaller scale remain important, and by generating a cluster, we give the project greater social reach.

As published in DIE WELT


Ciudad del Este, Paraguay **Photos:** Unsplash

Targeting a global profile in sport and entertainment

Paraguay is building on its natural tourism appeal with a national drive for world-class entertainment facilities and top-tier sporting events.

Paraguay's tourism model has traditionally rested on its natural attractions and cultural heritage, including river beaches, waterfalls and the Jesuit mission ruins at Trinidad and Jesús, a UNESCO World Heritage Site. Woven through everything is Guaraní: a language, way of life and cultural identity shared by virtually all Paraguayans.

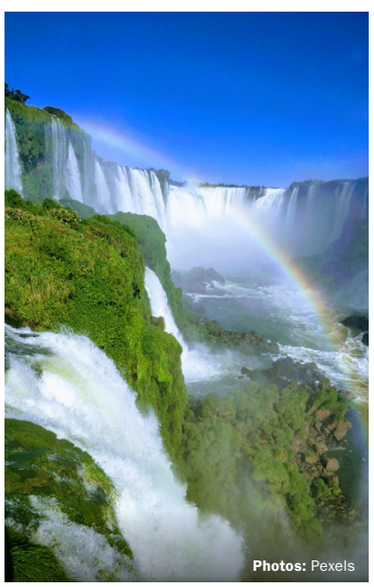
The national development plan focuses on building world-class entertainment infrastructure.

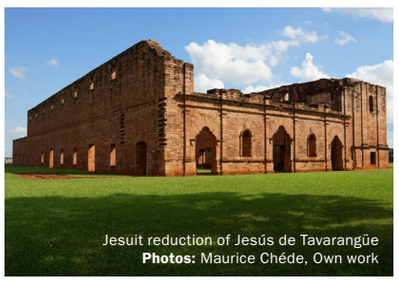
Now the government is targeting 10 million visitors a year by 2037. Taking inspiration from Orlando, the national development plan focuses on building world-class entertainment infrastructure, capitalising on the country's natural advantages and proximity to Iguazú Falls. With arrivals surging 90% in 2025 to a record 3.6 million, the plan is tailored for markets such as Germany, one of the world's largest sources of outbound tourists. "The German traveller is precisely the profile we are targeting: high-spending, discerning and genuinely oriented towards natural and cultural experiences," says Tourism Minister Jacinto Santa María Ammatuna.

Sport is also set to play a key role. In 2025, Paraguay hosted the Junior Pan American Games, the Copa Sudamericana final and its first World Rally Championship round – with the sector generating around $635 million in economic activity. "Sport has become a substantial economic force," says Camilo Pérez, president of the Paraguayan Olympic Committee. The country has also developed infrastructure such as the 100-hectare Olympic Park, with facilities comparable to elite training centres in the US.

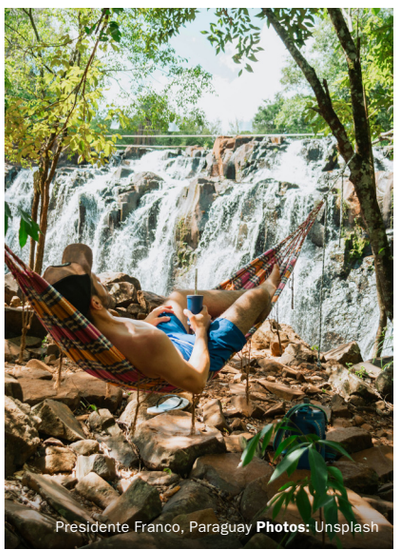
The complex will host World Track Cycling in 2028, and in 2030, Paraguay hosts a FIFA World Cup match, marking 100 years since the inaugural tournament. In 2031, Asunción stages the Pan American Games, having defeated Rio de Janeiro for the bid. "We are converting Paraguay into a sporting hub for the world, and the economics are beginning to reflect that," adds Pérez.


Photos: Rally del Paraguay 2026

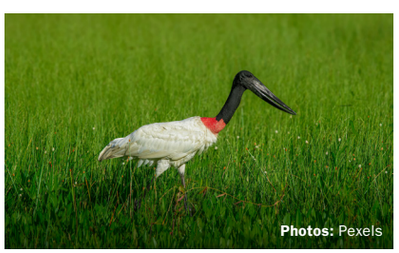

Photos: Pexels


Jesuit reduction of Jesús de Tavarangüe
Photos: Maurice Chéde, Own work


Photos: Rally del Paraguay 2026


Presidente Franco, Paraguay **Photos:** Unsplash


Photos: Pexels


Photos: Pexels