



MINISTERIO DE
**AGRICULTURA
Y GANADERÍA**



GPS



GROUP OF PRODUCING COUNTRIES FROM THE SOUTHERN CONE

Panel III: PARAGUAY AS FOOD PRODUCTION PLATFORM

JUAN CARLOS BARUJA

Minister of Agriculture & Livestock – PARAGUAY

Berlin's International Green Week

January 20th 2017



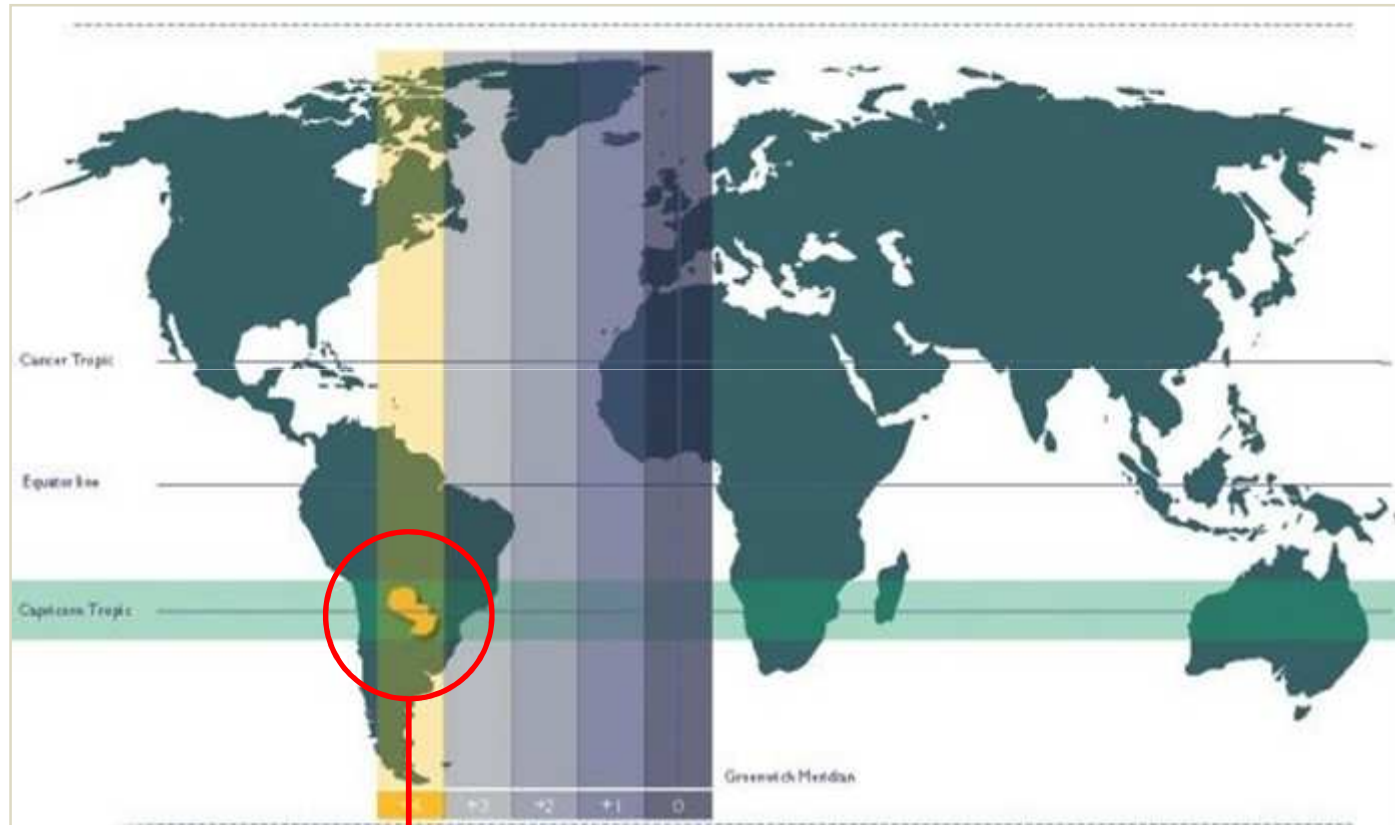
***Minister of Agriculture & Livestock
Paraguay***



GRUPO DE PAÍSES PRODUCTORES DEL SUR
GROUP OF PRODUCING COUNTRIES FROM THE SOUTHERN CONE



¿Where is PARAGUAY?



Paraguay, in the center of South America, landlocked country.

Producer and exporter of agricultural production and electric power



Surface Area: 406.752 km²

Population: 6.568.000

✓ **50%=15-49** year-old

✓ **37% <15** years old

**MILLENIUM ASSETS:
FOOD+WATER+ENERGY**

**Western Region
or CHACO (62%)**

- ✓ ≈ Size New Zealand
- ✓ < **3% population**
- ✓ **Livestock (45%):
(Natural Beef)**

Eastern Region (38%)

- ✓ ≈ Size United Kingdom
- ✓ **97% population**
- ✓ **Agriculture (99%) + Livestock
(55%)**

PARAGUAY ON THE WORLD



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1º
RENEWABLE ENERGY



2º PRODUCER OF STEVIA	3º PRODUCER AND EXPORTER OF YERBA MATE	3º BARGE FLEET	4º EXPORTER OF SOY	4º MOST EXPORTER OF SOY OIL	4º WORLD EXPORTER OF CASSAVA STARCH

5º MOST WORLD EXPORTER OF SOY EXPELLER	5º MOST EXPORTER OF BEEF	6º MOST EXPORTER OF CORN	6º MOST EXPORTER OF SOY	10º MOST EXPORTER OF WHEAT

PARAGUAY Produces Food for 100 million People in the World





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Paraguay GDP Share by sectors



Agriculture

28 %



Manufacturing

13 %



Construction

4%



Commerce & Services

56%

Agriculture Share in Total Country Exports

2010	2011	2012	2013	2014	2015
63,6%	63,8%	60,9%	69,1%	69,5%	58,7%



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STRATEGIC OBJECTIVES NATIONAL DEVELOPMENT PLAN PARAGUAY 2030



1

**Poverty
Reduction &
Social
Development**



2

**Promote
Socially
Inclusive
Economy**



3

**Positioning
Paraguay in
the World**



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SUSTAINABLE PARAGUAYAN AGRICULTURE

- ✓ **Economically FEASIBLE**
- ✓ **Socially INCLUSIVE**
- ✓ **Environmentally BALANCED**



Soy Complex



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Control of erosion

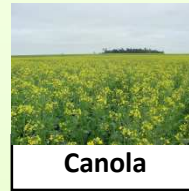


Sunflower



Rotación de Cultivo

Canola



Wheat



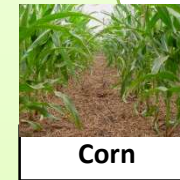
Floor mail application



Soy



Corn



Green manures to protect the soil



Direct seeding



Control of the erosion



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Crop rotation



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Soy



Crop



Wheat



Sunflower



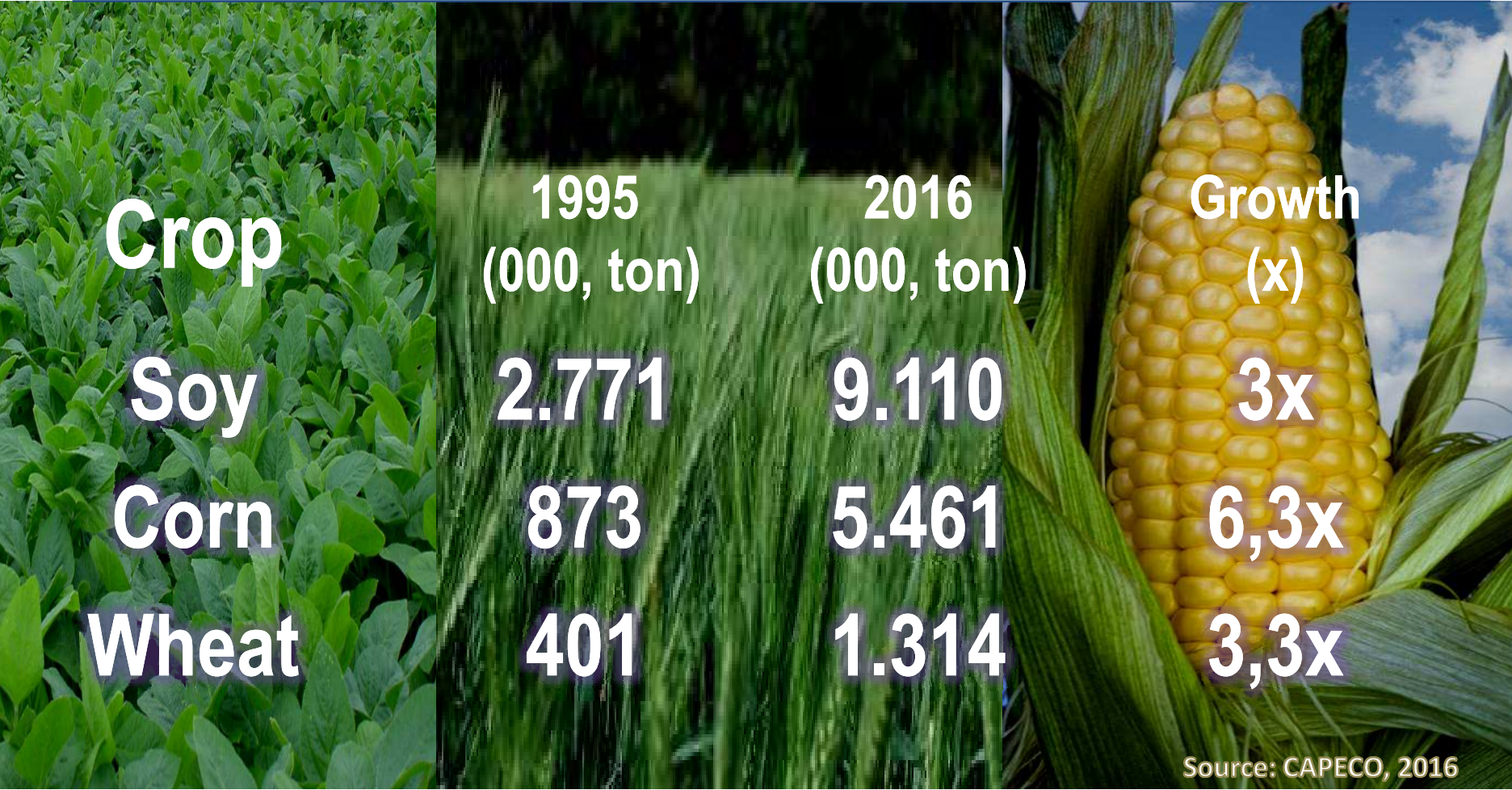
Canola

Crops Total Production

Paraguay 1995-2016



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Planting Area Paraguay 1995-2016



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Crop	1995 (000, Ha)	2016 (000, Ha)	Growth (x)
Soy	1.050	3.264	3,1x
Corn	335	876	2,6x
Wheat	201	635	3,1x

Source: CAPECO, 2016



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PARAGUAYAN BEEF
DELICIOUSLY NATURAL
¡A PLEASURE ON YOUR
TABLE!

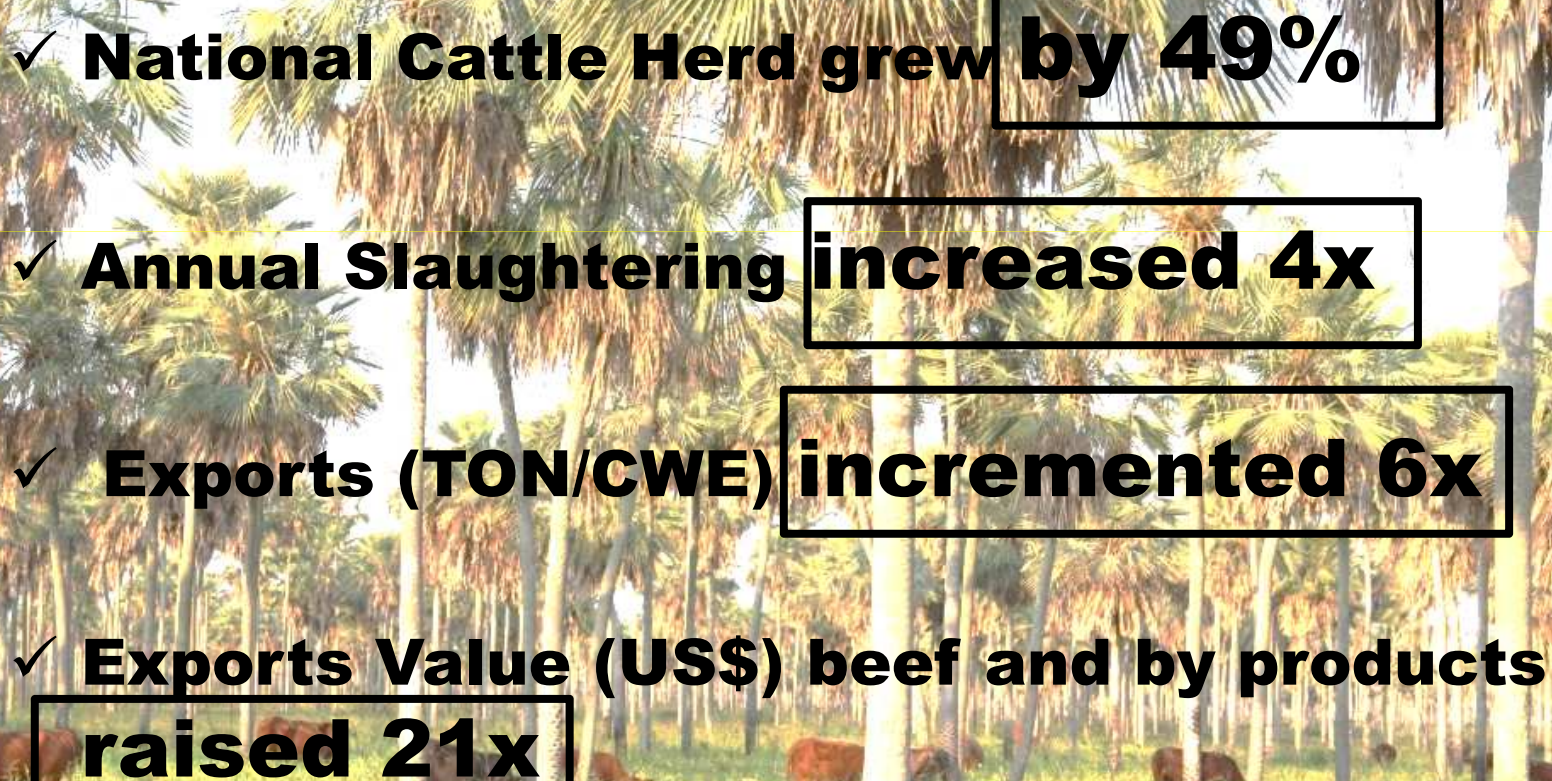


Beef Industry in Paraguay from 2000 – 2015:



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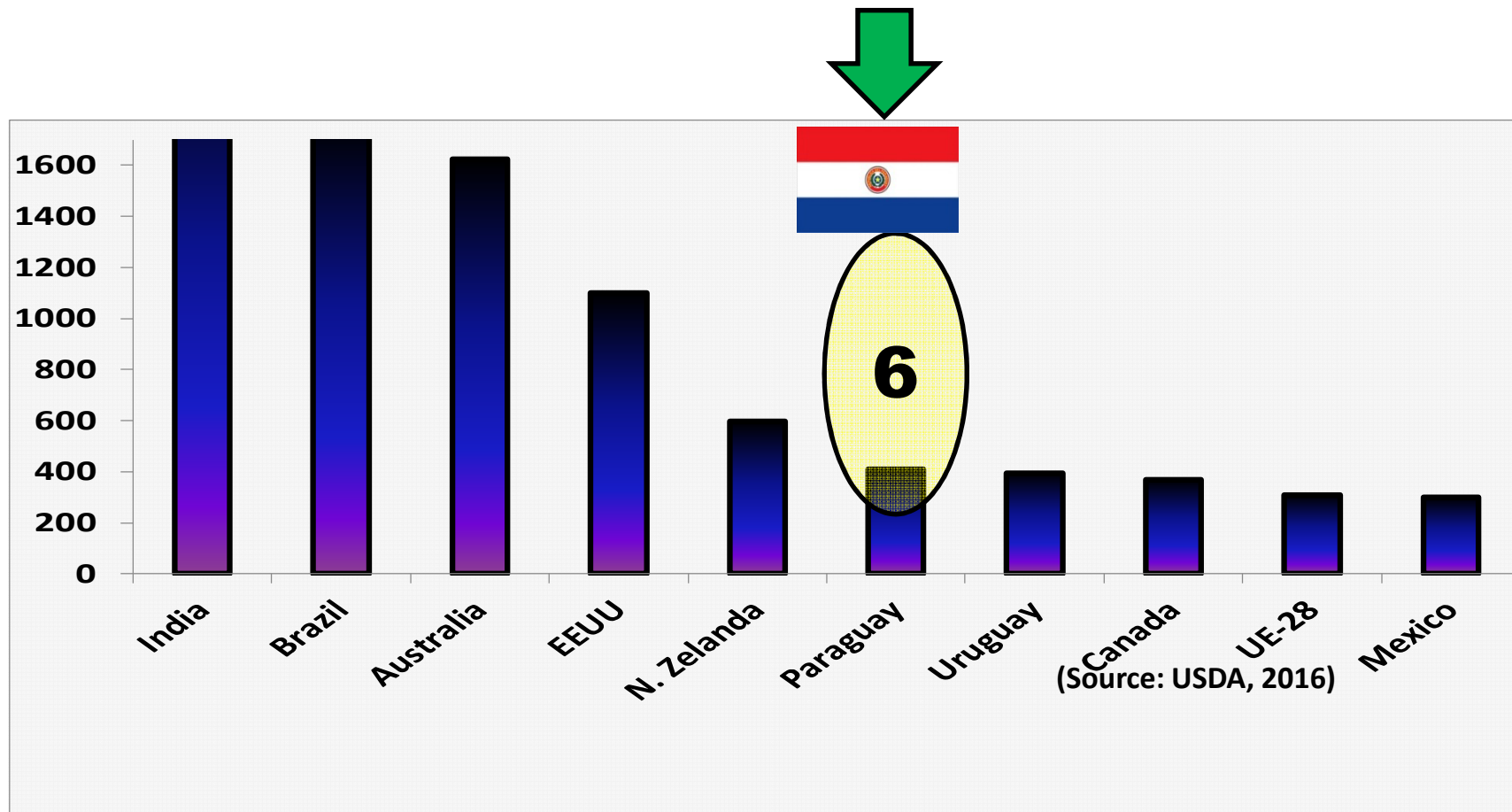
- 
- ✓ **National Cattle Herd grew by 49%**
 - ✓ **Annual Slaughtering increased 4x**
 - ✓ **Exports (TON/CWE) incremented 6x**
 - ✓ **Exports Value (US\$) beef and by products raised 21x**

Sour: MAG, 2016

Top 10 World Beef Exporters (‘000 TON CWE) 2016



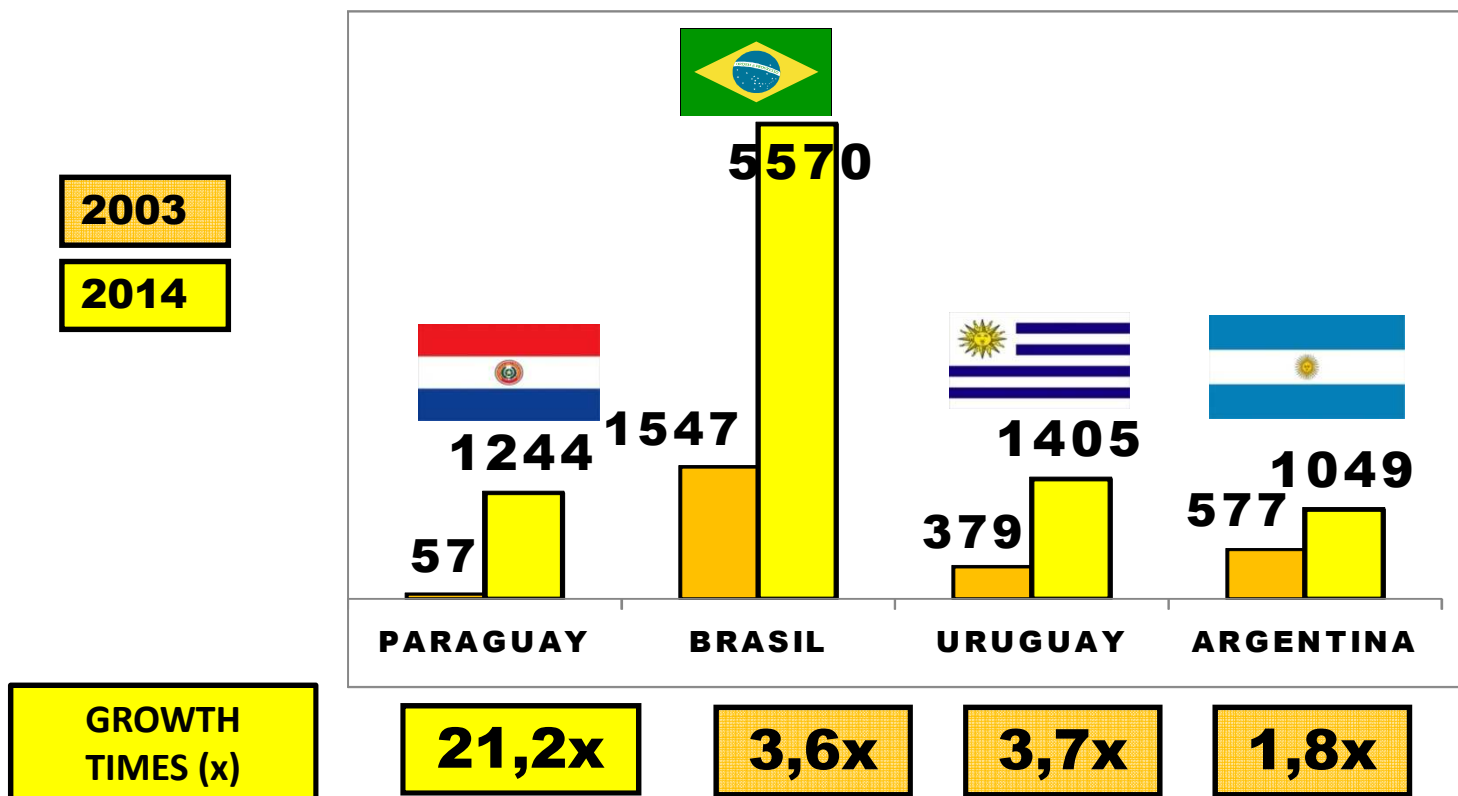
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Beef Export Growth in the MERCOSUR Years 2003 vs 2014 (US\$ Millions)



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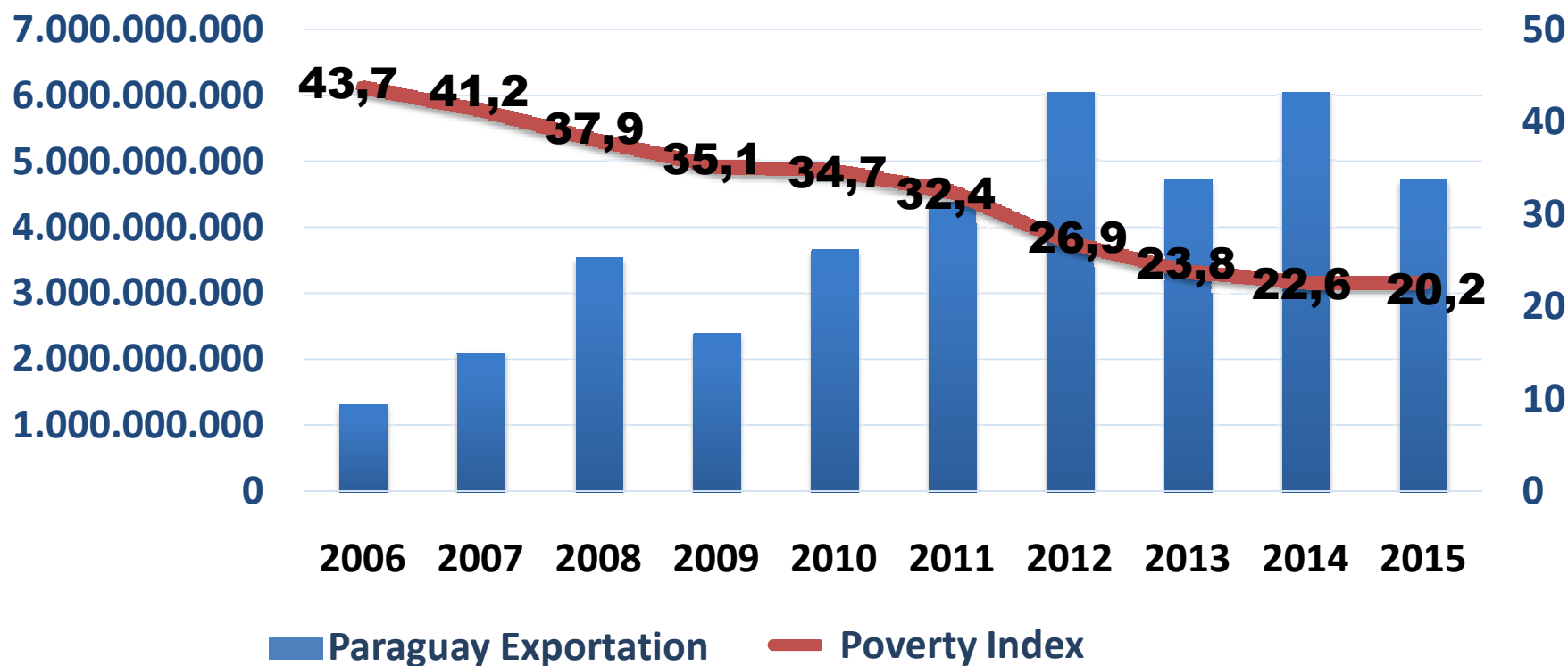


(Source: Senacsa, 2014, IPCVA 2014, INAC 2014; MAPA, 2014)

Agriculture Total Exports (US\$) vs Poverty Index (%) – PARAGUAY 2006-2015



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Source: BCP, STP, 2016



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Paraguay



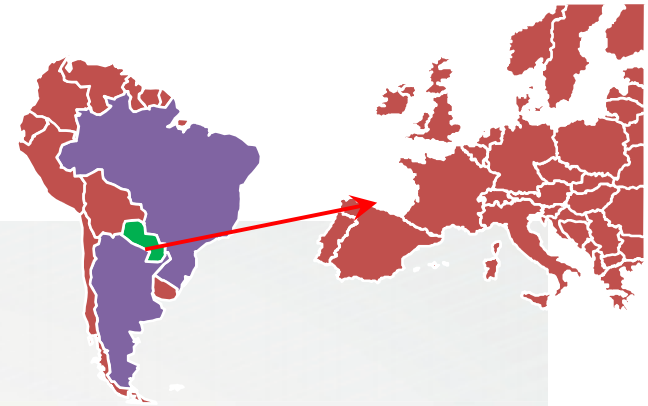
✓ **PERSPECTIVES**

National Development Plan Paraguay 2030

December 2014



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**PARAGUAY VISION:
“GLOBAL
FOOD PRODUCTION
PLATFORM”**

BY 2030 PARAGUAY FEEDS 300 Million People in the World



**In a Sustainable and
Competitive Way**



**Generating Social and
Economic Development for
the COUNTRY**



TRIBUTATE REGIME



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REGIME 10/10/10

IMPUESTOS	PY	AR	UR	BR
Corporate income tax (*)	≤10 %	35 %	25%	34%
Personal income tax	10%	35 %	25%	27,5 %
Value – added tax (IVA)	≤10 %	21 %	23%	25%

(*) Obs: si se distribuye internacionalmente puede ser hasta 27.5%

LAW 60/90

Import tariff for capital (Machines)

0 %

(IVA) Capital goods (In and out of the country país)

0 %

DEBT: Tax applie to remittances and capital payments, interest and commissions (For inversions > a USD 5MM)

0 %

EARNING: Divident tax and investment income (For inversions > a USD 5 MM by 10 años)

0 %

OTHER INCENTIVES

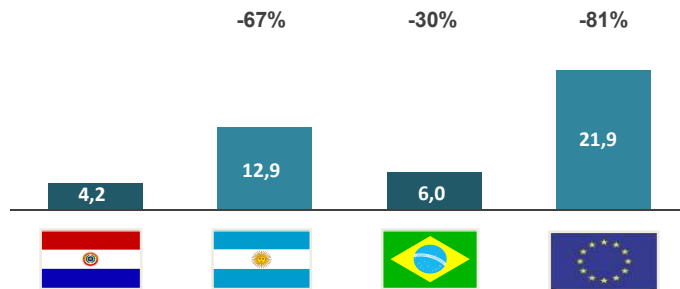
- MAQUILA LAW
- LAW OF CERTIFICATE OF ORIGIN
- LAW OF INVESTMENT GUARRANTY
- LAW APP / 5074
- LAW OF FISCAL RESPONSABILITY
- LAW OF INDUSTRIAL PARKS

Source: Ministerio de Hacienda (www.hacienda.gov.py)

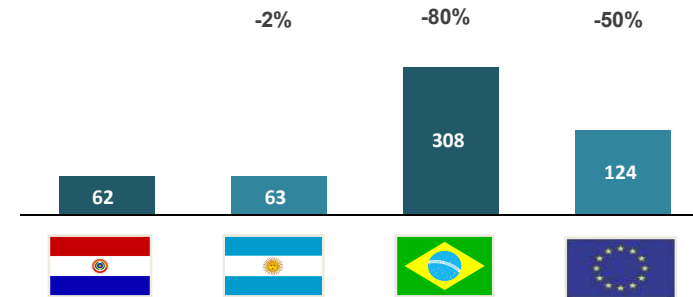
BESIDES OF SGP+ / MAIN COMPETITIVES ADVANTAGES OF PARAGUAY FOR THE COMPANIES

% Difference of Paraguay

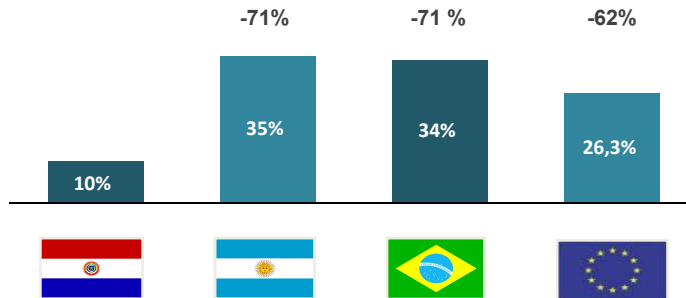
LABOR COST 2014
(USD x HORA) – SOCIAL COST



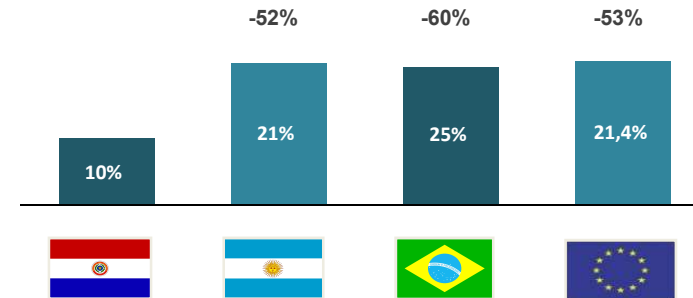
PRICE OF ENERGY – INDUSTRIAL SECTOR
Año 2014 (USD x MWH SIN IMPUESTOS)



INCOME TAX
2014



VALUE – ADDED TAX
(IVA) 2014



Source: ANDE, Eurostat, CIER, U.S. Bureau of Labor Statistics, KPMG statistics, Oanda y análisis Arthur D. Little.

AGROINDUSTRIAL POWER TO FEED THE WORLD



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América
economía

» Negocios & Industrias

Internacional

País +

Negocios & Industrias

Economía & Mercados

Análisis & Opinión

Política & Sociedad

Aéreo | Agro | Alimentos y Bebidas | Automotriz | Banca | Energía | Infraestructura | Minería y Metalurgia | P

Inicio > Negocios & Industrias > Agro > Paraguay y Ucrania son los países con mayor potencial de crecimiento agrícola

Paraguay y Ucrania son los países con mayor potencial de crecimiento agrícola



Europa, Paraguay
Las compañías internacionales de agronegocios han identificado a ambas naciones porque tienen amplio espacio para crecer, tanto en extensión como en intensidad.

Las zonas "arables" del planeta son escasas por efecto del aumento de la población y la presión sobre la demanda de alimentos, la degradación de los suelos y el cambio climático.

Mar, 09/04/2012 - 18:02

8

64

60

0

132

Paraguay has potential to triple its agricultural frontier with:

INCORPORATION OF TECHNOLOGY

IRRIGATION SYSTEMS

TERRITORIAL PLANNING



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AGRICULTURE has become the
symbol of **PARAGUAY** as an **Honest**
and **Prosperous Country**

FEEDING THE WORLD is an
OPPORTUNITY but also

**IS OUR COMMITMENT &
RESPONSIBILITY**





**AGUYJE!
GRACIAS!
THANKS
DANKE!**

