

The background of the entire page is a photograph of an ancient stone archway. The arch is constructed from reddish-brown stone blocks and features elaborate carvings of figures and floral motifs. The arch is set into a larger wall of similar stone. Through the opening of the arch, a view of a green landscape with trees and a clear sky is visible. The overall tone of the image is warm and historical.

Doing Business in Paraguay

2024

The EY logo consists of the letters 'EY' in a bold, white, sans-serif font. Above the 'Y' is a yellow chevron pointing upwards and to the right.

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1

Country Profile





Location and Language

The Republic of Paraguay is a landlocked country located in South America. It is bordered by Argentina, Bolivia and Brazil.

The official languages are Spanish and Guaraní.

Form of Government

Paraguay is a sovereign republic, governed by a President. Also, it is constituted as a unitary, indivisible and decentralized social state governed by the rule of law.

General elections are held every five years to choose authorities.

Political System

It is a representative democracy. There are several political parties representing different political trends.

State powers are divided into:

- Executive
- Legislative
- Judiciary

Political/Administrative Division

Paraguay is politically divided into seventeen departments and a capital city, which is Asunción.

The main location where different types of businesses are conducted are:



Geographic and population data

Paraguay's population amounts to about 6.109.644 million inhabitants, according to the preliminary results reported by the last national census made in 2022.

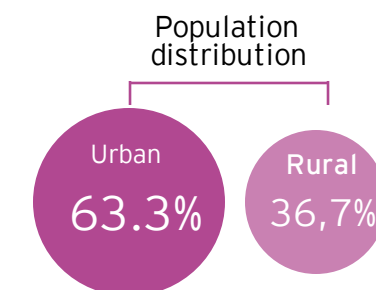
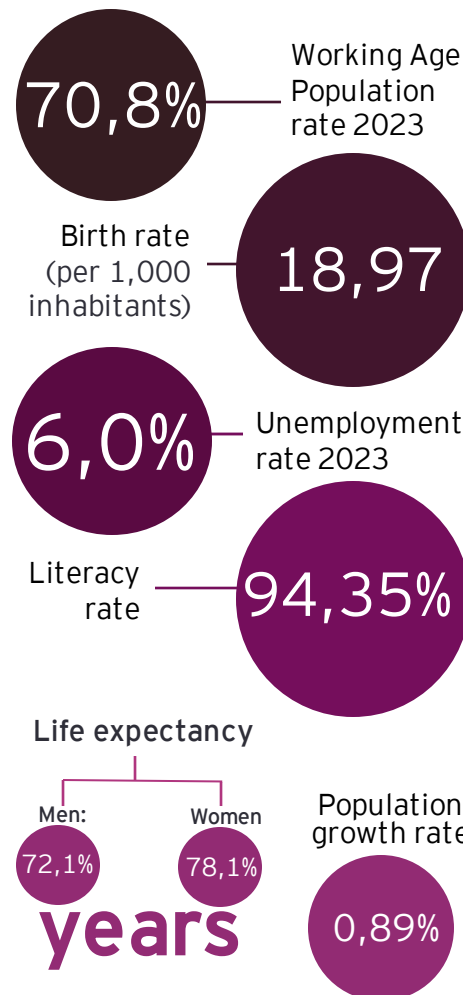
Climate and Natural Resources

The country's weather is framed in an area of high humidity and warm temperatures most of the year.

Average summer and winter temperatures are 31°C (about 88°F) and 15°C (about 60°F), respectively.

Paraguay's main natural resources are:

- Hydrological
- Agricultural
- Livestock
- Forest
- Mineral



Source: Official open data available, until date January 2024, in [Instituto Nacional de Estadística and Agencia IP](https://inec.gov.py).



2

Economy



Currency

Paraguay's currency is the Guaraní.

Exchange rates are free and the parity to US\$ dollar is US\$ 1 = Gs. 7.283,62 (as of December 31, 2023).

Source: Exchange rates per day available on the website of [Dirección Nacional de Ingresos Tributarios](https://www.din.gub.uy/)

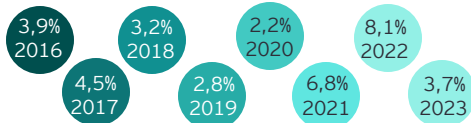
Main Economic Sectors

The main economic sectors of Paraguay are:

- Agribusiness (soybean, cotton and livestock activities)
- Forestry
- Real estate
- Manufacturing and Maquila
- Regional Logistics
- Mining
- Creative Industries

Inflation rate, business climate

The latest annual inflation rates were:



Source: Annual and Monthly inflation rates can be confirmed on the website of [Banco Central del Paraguay](https://www.bancomercantil.com.py/)

Trade Balance

The following information is provided in FOB US\$:

Total exports in 2023:
(in millions of US\$) **17.311,7**

Total imports in 2023:
(in millions of US\$) **15.680,1**

Source: Annual and Monthly data on exports and imports are available on the website of [Banco Central del Paraguay](https://www.bancomercantil.com.py/)

Monetary Policies

Paraguay's monetary policy is controlled and monitored by the Central Bank of Paraguay (BCP for its acronym in Spanish).

The BCP has the power to:

- Design Paraguay's monetary policy.
- Control financial institutions (local and foreign banks, savings and loan institutions, insurance brokers, exchange offices, goods guaranty warehouses, etc.); among others established by the law.

Banking and Financial Framework

Paraguay's banking and financial structure is made up of:

- Local capital banks (private and state-owned)
- Foreign capital banks
- Savings and loans institutions
- Cooperatives
- Exchange offices
- Goods guaranty warehouses
- Pension fund managers
- Investment fund managers

Credit Lines

In the local market, loans are granted by private and state-owned banks, including monetary credit grantors / credit entities (OCD for its acronym in Spanish).

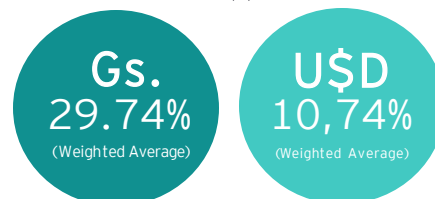
State-owned banks strongly support the domestic productive sector (agribusiness and industry), funded by international entities (international private banks, bilateral and multilateral funding agencies).

Private banking mainly supports the commercial and service sectors. In addition, there is currently a great deal of economic support for the empowerment of micro, small and medium-sized enterprises (MIPYMES for its acronym in Spanish).

Monetary credit grantors / credit entities, refer natural and legal persons who grant money loans from their own resources, or financing methods that do not involve receiving deposits from third parties. OCD mainly supports Micro, Small and Medium Enterprises sector. Currently there are more than 400 OCD registered in Paraguay.

Average rates are:

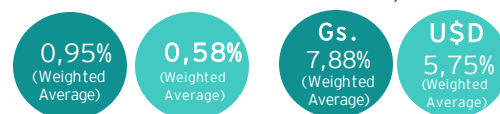
Interest rates on loans (%)



Interest rates on deposits (%)

(%) Demand Deposits Accounts (DDA)

(%) Certificate of Deposit (CD) applicable for 365 days or more



Note: Provisional data as of January 2024. Just applicable for Banks.

Source: Official Information about rates for Banks and Finance Company available on the website of [Banco Central del Paraguay](https://www.bancomercantil.com.py/)

Trade opportunities

Among the main investment attractions of Paraguay, we can name the richness of natural resources, the abundant electrical energy, the ample advantage and benefits for foreign and domestic investments, and the mainly trainable young population. The construction and maintenance of the infrastructure are considered major priorities.

Opportunities are also appealing in the agribusiness sector and livestock activities, as Paraguay is one of the world's top exporters of soybean and beef.

Paraguay has an open economy and is a founding partner of MERCOSUR that is the most important preferential trade agreements of Paraguay. MERCOSUR's objective is to create a common market and ensure the free movement of goods, services, capital and labour among member countries.

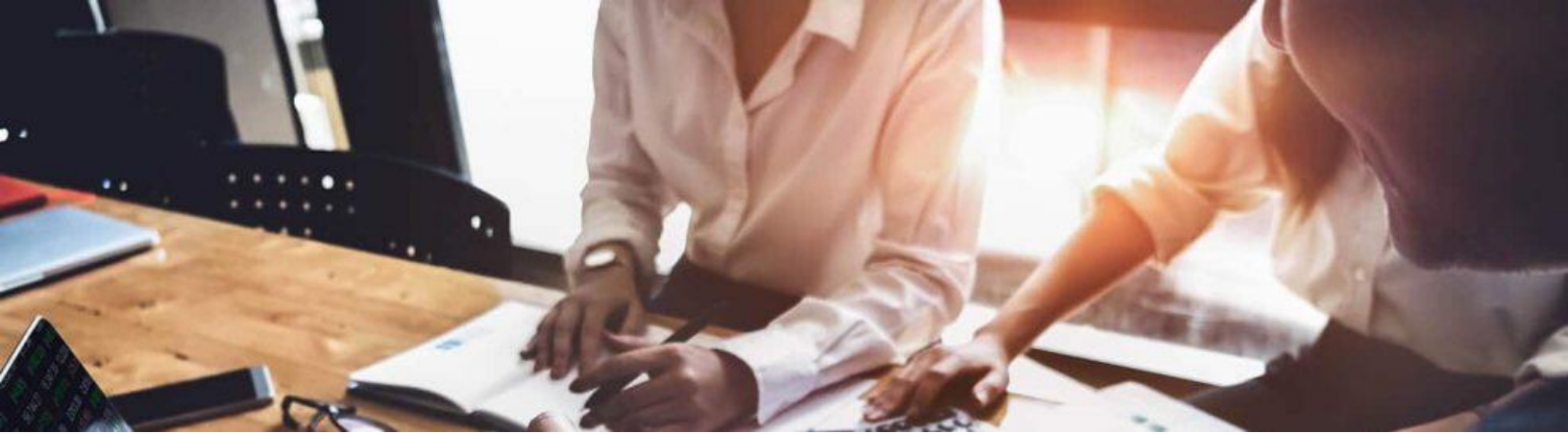
Likewise, Paraguay has enacted several laws and programs to promote domestic and foreign investment by means of tax exemptions and other incentives.

On the other hand, the Free-Trade Zone in Paraguay has also consolidated as a key place to promote investment, international trade and exports.



3

Business Presence



Types of Business Presence

The most common business forms of organization are:

- Joint Stock Corporation (Sociedad Anónima or S.A. form its acronym in Spanish)
- Limited Liability Company (Sociedad de Responsabilidad Limitada or S.R.L. for its acronym in Spanish)
- Branch
- Simplified Stock Company (EAS for its acronym in Spanish)

Auditing mandatory presentation

According to tax law and regulations in force, taxpayers who invoice:

Guaraníes

9.2 billion

(approximately USD 1.3 million) or more, are obligated to be audited by registered and independent auditors who must issue a Tax Compliance Report and inform to the Paraguayan Tax Authority directly.

Control Entities

For companies in general, the applicable regulatory agency is the Ministry of Economics and Finance through two bodies:

- Directorate of Legal Persons and Structures and Final Beneficiaries (Dirección Nacional de Personas y Estructuras Jurídicas y Beneficiarios Finales, in Spanish), for corporate issues; and
- Directorate of Tax Revenue (Dirección Nacional de Ingresos Tributarios, in Spanish), for tax issues.

Banks, savings and loans companies, exchange agencies, general bonded warehouses and insurance companies are controlled by the Banks and Insurance Superintendence, an agency reporting to the BCP (Central Bank of Paraguay). Also, there are other regulatory bodies related to, for example, stock exchange companies, cooperatives, etc.

Depending on the type of business, the companies may also be controlled by:

- National Competition Commission (CONACOM for its acronym in Spanish)
- Consumer and User Defense Secretary (SEDECO for its acronym in Spanish)
- Ministry of Industry and Commerce (MIC for its acronym in Spanish)

Public Procurement Supply

Law N° 7021/22 creates the National Public Supply System and the National Public Procurement System of Paraguay, regulating new mechanisms to do public procurement in the country in a more efficient way and in an improvement in public spending. This law counts with its Regulatory Decree N° 9823/23.

Likewise, Law N° 7021/22 establishes the use of electronic means for the proceedings and actions that make up the institutional administrative procedures, as well as administrative acts and measures, through the Public Procurement Information System (SICP for its acronym in Spanish).

This law also disposes the creation of the State Suppliers Registry in which will be registered all individuals, corporations and set up consortium or with intention agreement, to participate in the procurement procedures governed by the law. For the registration, the interested have to do the registration through the SICP

<https://www.contrataciones.gov.py> in the section of "Seller" and enter in "Request Registration as State Supplier".

The Regulatory Decree regulates, within others, the characteristics that should have conventions of consortium constitutions to be present in the public convenes, forms of offers presentation, guarantees of contact fulfillment and of anticipation, etc.



4

Foreign Investment and Exchange Control



Foreign Investment Presence in the Economy

Foreign capital has significant presence in the local economy.

There are many foreign companies' subsidiaries and branches operating in the trade, bank and service areas at the domestic market.

Requirements and Restrictions for the Foreign Capital

The main procedure to make a foreign investment begins with the incorporation and organization of a company under local legislation.

The local company will have to be registered with the local authorities governing the activity to be performed.

Likewise, the shareholding in local companies or the signing of joint venture agreements under the principle of equal treatment and the guarantee of enjoyed the same rights of national investors.

Paraguayan economic sectors are opened to foreign capital. There are no restrictions on capital inflows and outflows.

Paraguayan law guarantees equal treatment for foreign and domestic investment, except for the ownership of land near borders by foreigners.

Certain sectors reserved for the Paraguayan Government are not opened to private investment (either domestic or foreign). Accordingly, pursuant to the Paraguayan Constitution, Paraguay owns all deposits of hydrocarbons and solid, liquid or gaseous minerals, except for rocky, earthy or calcareous substances, and may grant concessions by law for their prospection, exploration and exploitation.

Exchange Controls

The exchange system is free and fluctuating and there is no exchange control. The monetary authority participates in the exchange market as another operator.

The banks, savings and loans companies and exchange agencies may operate at the exchange market.

Foreign currency circulates freely in the country. Contracts may be executed in local and/or foreign currency, indistinctly.



5

Taxation



General description of the Tax System

Paraguayan Tax System is divided in two principal types of taxes that would normally affect a company: central government taxes and municipal taxes.

Corporations, Limited Liability Companies and branches of companies incorporated abroad have the same tax treatments. Taxes usually apply to these entities generated incomes and purchase operations.

The Paraguayan Tax Authority is a dependent unit of the Ministry of Finance. It is responsible for the collections and administration of all tax laws in force related to central government.

The Paraguayan tax system is classified into:

- Income Taxes

 - Business Income Tax;
 - Dividends and Profit Tax;
 - Personal Income Tax; and
 - Non-Resident Income Tax.
- Indirect Taxes

 - Value Added Tax; and
 - Excise Tax.

Equity tax (Real Estate Tax ruled and collected by City Hall).

Direct Taxation

Business Income Tax

Business Income Tax levies income, profits or gains of Paraguayan source that come from all types of economic activities, primary, secondary, and tertiary. This tax includes all the agricultural, commercial, industrial activities and services, excluded those income taxed by Personal Income Tax.

The tax rate is — **10%**

Foreign Tax Treaties and Tax Credit

The Paraguayan taxpayers can deduct from the Business Income Tax obligation, the Income Tax paid abroad, whatever its denomination and liquidation on those same incomes, provided that the discount does not exceed the amount of the tax that the taxpayer must pay in the country for said income.

This will be equally applicable to the income obtained related to agreements in force to avoid double taxation in Paraguay.

Paraguay has general Double Tax Treaties in force with Taiwan, Chile, Uruguay, Qatar and the United Arab Emirates.

Income Tax Incentives

The country has one of the broadest laws on foreign investment. The Investment Law No. 117/91 guarantee a free exchange regimen without restrictions on inflow and outflow of capital, as well as freedom for remittance abroad of dividends, interest, commissions, and royalties for technology transfer and other items, which, however, are subject to the taxes established by law. Paraguay allows free contracting of investment insurance in the country or abroad, and the establishment of joint ventures.

There are certain tax incentives for investors, both local and foreign, such as the provided by Law No. 60/90 its amendments and regulatory decrees. The purpose of this Law is to promote investment and reinvestment of capital by granting special tax benefits. To obtain these advantages the foreign investor must submit its investment project to the Ministry of Industry and Commerce and the Ministry of Economics and Finance. The benefits granted are irrevocable provided investors comply with the obligations established by the Law. Investment projects under this regimen are exempt from certain taxes on the investment for a period of up to 5 years, under certain conditions. There are no restricted sectors, discriminatory treatment or limitations. The foreign investor does not require any government authorization different from local investors to make investments.

Profits and dividends are tax-free for 10 years if the investment falls under Law 60/90 and the project involves over US\$ 13 million (according to Decree No. 8894/23) and if the country of origin cannot allow the use of the local taxes as tax credit in their own jurisdiction.

In sum, the most significant benefits are the exemptions of:

- Customs duties and VAT on local purchases and importation of machinery;
- WHT on loan interest when issued by well-known international financial institutions and the project of investments is more than US\$ 13 million; and
- 15% WHT on dividends remitted abroad when the investment is higher than US\$ 13 million.

To qualify for the above-mentioned tax benefits, investors are required to prepare and file an investment project which will be analyzed for approval by local authorities.

Transfer Pricing

Paraguayan legislation calls them “Special Norms for the Valuation of Operations” and establishes that the taxpayers of the Business Income Tax that carry out operations with related parties residing abroad or in the country, will be obliged for the purposes to determine their income and deductions, considering for those operations the prices and compensation that they would have used with or between independent parties in comparable operations, under similar conditions.

Taxpayers who carry out operations with related parties residing in the country (in this case when the operation for one of the parties is exonerated, exempt or not reached by the BIT) and abroad, must obtain and keep a Technical Study that includes the supporting documentation that demonstrates compliance with these standards as long as they have surpassed PYG 10.000.000.000 (USD 1.4 million) in the previous year. The Tax Administration will establish a registry that will include the professionals qualified to prepare the Technical Study.

Dividends and Profits Tax

Dividends and Profits Tax levies earnings, dividends and revenues (hereinafter profits) made available or paid to the owner, the consortium, partners or shareholders of entities established by law, as well as the permanent establishments of entities incorporated abroad, will be subject to this tax.

The rate is:

8%

when the recipient of the profits is an individual, corporation or entity resident in the country; or

15%

when the beneficiary of these concepts is a non-resident, including those obtained by the parent company abroad.

Personal Income Tax

Personal Income Tax is classified in two categories:

- i. Income and capital gains; and
- ii. Income derived from the provision of personal services in an independent or dependent manner.
 - Income and capital gains shall be understood as the income, in money or in kind, derived directly or indirectly from assets, goods or rights, owned by the PIT taxpayer. The PIT rate for the income and capital gains is 8%.
 - Personal services is calculated by the difference between the actual income received and the deductible expenses incurred (cash basis) during the fiscal year (January-December).

For personal services, a progressive tax rate will apply:

Net Income	Tax Rate
Incomes until Gs. 50.000.000	8%
From Gs. 50.000.001 to Gs. 150.000.000	9%
Equal or more than Gs. 150.000.001	10%

Non-Resident Income Tax

Non-Resident Income Tax (INR for its acronym in Spanish) levies income, profits or benefits obtained by individuals, corporations and other non-resident entities in Paraguay, coming from taxable events provided in the Business Income Tax and Personal Income Tax.

The tax rate is 15% on taxable base. The taxable bases are established presumptively according to the law provision.

Indirect taxation

Value Added Tax

VAT is applicable to:

- Sales
- Services rendered, other than personal services rendered under payroll-employee relationship
- Imports



Applicable rates

VAT rates are 10% and 5%. Basically, the latter rate is applicable to family housing leases and sales of real state, some agricultural products, basic family products and pharmaceutical goods.

Incentives related to this tax

Exports are VAT-exempted.

The VAT paid on goods and services incorporated into exports is recoverable through Credit Memos called Tax Credit Certificates issued by Tax Authorities; such certificates may be transferred or used to pay other taxes.

Excise Tax

Excise Tax (ISC for its acronym in Spanish) is applicable to the importation or first sale in factory of the following goods:

- Cigarettes;
- Tobacco;
- Beer, fruit juice, beverages in general;
- Various types of alcoholic beverages;
- High calory products;
- Petroleum-derived products;
- New and used aircraft and ships;
- Weapons and its accessories; and
- Electric appliances such as dishwashers, laundry machines, sound recording devices, cellphones, among others.

Exemptions

Exports are exempted of Excise Tax.

Import duties and taxes

Imports in general are subject to the following taxes:

1. Customs duties;
2. Tax on selected consumer items, if applicable; and
3. Value-added tax, if the product is subject to this tax.

The Mercosur Treaty provides that goods originated in the member countries may circulate freely within the territory of the five-member countries and that goods that do not originate within them are usually subject to "Common customs duties for external products".

Other Tax Regimes

Free Trade Zone Regime

The following activities performed in the established Free-Trade Zone areas are considered covered by this regime:

- a) Business
- b) Industries
- c) Services

Tax benefits under Free-Trade Zone regime

The activities performed under the Free-Trade Zone regime mentioned above developed in a pre-determined Free-Trade Zone area are exempted from any kind of tax, including national, regional or municipal taxes; such as the following:

- Entity Constitutions;
- Taxes on dividends remitted abroad;
- Payment of royalties, commissions, fees, interests and any other remuneration for services, technical assistance, technology transfer, loans and financing, equipment rental and every other service provided from third countries to Users of the Free-Trade Zone.

Users that carry out commercial, industrial or service activities dedicated to exports to third countries, shall pay a unique tax on this regime of 0.5% on the total invoicing amount. This tax will be paid at the time of the formalization of each Export Office.

Maquila Regime

The Maquila Regime allows the introduction of machinery into Paraguay on a temporary basis (Maquila temporary importation) during the production process.

The Maquila Law offers important advantages, among others, the geographical location of the country (center of South America and of the Mercosur) and a preferential taxation treatment.

Maquila Unique Tribute: payment of a tax corresponding to 1% on value added in Paraguayan territory, or on the value of the invoice issued by order and account of the Head Office, whichever is greater.



6

Sustainability



Carbon Credit Regime

Law N° 7190/23 of “The Carbon Credits”, has as purpose incentive and facilitate the participation of the public and private sectors in the mitigation of greenhouse gas emissions and carbon markets.

The law regulates the ownership of Credits derived of the benefits of reduced Carbon, avoided or/and captured; the transfer of said credits and its fiscal treatment; formal mechanism of accounting; the operations in the Carbon Credit Registry, among others.

The authority of application is the Environment and Development Ministry (for its acronym in Spanish “MADES”).

The owner of the Carbon Credits project can be an individual or legal person or legal structure, owner of the real estate or movable properties associated with the project; or a third party, that the owner has transferred the rights to make activities of Credit Carbon or the right to the forest surface. Likewise, the owner of the Credits Carbon generated in a project will be the Project holder.

Carbon Credits can be transferred totally or in fractions, free of charge or with cost and it is exempt from Value Added Tax (VAT).

The law disposes that the holders of the Carbon Credits must retain and not transfer a percentage of the Carbon Credits of the same project between 3% and 10%, to be set by the MADES, in order to safeguard the fulfillment of the Determined National Contributions (NDC) of Paraguay.

The Carbon Credits Registry has the purpose of preventing the doble counting of the Carbon Credits and to ensure the due compliance with National Determinate Contributions. Also, every modification, transfer, cession, or restriction that could affect the Carbon Credits must be registered.

The developers of projects (professionals or businesses that elaborate the project to be presented before the Standard Carbon Administrator, in accordance with what is defined by the law) should a participation of Paraguayan workforce not less of 50%.

Electricity from Non-Conventional Renewable, Non-hydraulic Energy sources

Law N° 6977/23 regulates and promotes the generation, development and use of electric energy from non-conventional sources (ERNC, for its acronym in Spanish).

The ERNC are “non-fossil energy sources, e.g., biomass, bioenergy, geothermal, solar, wind and green hydrogen”. It should be clarified that regulation on the production of energy of hydraulic origin is excluded from this disposition.

In this sense, the production of electric energy from ERNC sources in projects with nominal generation capacity greater than one (1) MW will require a license granted by the Under Secretary’s Office of Mines and Energy from the Ministry of Public Works and Communications (MOPC for its acronym in Spanish).

Individuals and legal entities that produce manufacture, implement, and use of energy from renewable energy sources, must have their location in Paraguay and be incorporated in accordance with the Paraguayan legislation.

Special tax incentive regime both in capital invested and the importation of equipment, machinery, inputs for the development of the industry, destined to the production of electric energy are contemplated. This special tax incentive regime will be for a period of 5 (five) years according to the scopes and limitations established in the present law.

Likewise, the investments in ERNC will receive tax benefits included in Law N° 60/90 “Tax Incentives for the Investment of National and Foreign Capital”; Law N° 117/91 “On Investments”; and Law N° 5542/15 “On Guarantees for Investments and Promotion of Employment Generation and Economic and Social Development”. To beneficiate from these incentives, the application authority will set the minimum of investment.

The law regulates the “Autogenerators”, “Cogenerators” and “Generators” of ERNC.

Also, regulates the acquisition of electric energy by the National Electricity Administration (ANDE for its acronym in Spanish) or by the concessionaire of electric power system in the area from the “ERNC Generators” through the subscription of electric energy acquisition contracts (better known as Power Purchase Agreement) until 15 years of duration.

The electric energy produced from the ERNC, could be object of exportation under the legal requirement which will be developed within a framework of equal opportunities and conditions for any interested party.

The authority of application is the Ministry of Public Construction and Communications (MOPC).



7

Labour Legislation



General Description

Labour relations are regulated by a "Labour Code" applicable to the relationship between employers and payroll employees.

The type of labour relationship that may be established are:

- For an indefinite term
- For a fixed term
- Piecework

The current Labour Code is not applicable to Directors, Managers, Administrators, and other executives of companies, provided that their representation, amount of remuneration, nature of job, technical capacity, and especially independence in the job does not imply subordination.

Working Week

The normal working day has 8 (eight) hours, with a maximum of 48 hours a week for daytime work, and 7 (seven) hours a day and 42 (forty-two) hours a week for nighttime work.

For part-time modality, the worker shall work between 16 hours and a maximum of 32 hours per week. The maximum monthly load will be 128 hours.

Monthly Minimum Wage

The minimum wage is Gs. 2.680.373 = USD 370 approximately.

For part-time modality, the calculation of monthly remuneration will be based on the legal minimum wage and will be paid according to the number of hours worked.

Annual statutory Christmas bonus or 13th salary ("Aguinaldo")

Is equal to a twelfth of the employee's compensation accrued during the calendar year (including salary, overtime, commissions, or other compensation). The annual statutory bonus must be paid before December 31 or, proportionally, upon termination of the labour relation.

The minimum wage is

Gs. 2.680.373 = USD 370

approximately.

Social Security

Contributions are calculated based on the employee monthly salary. Employer's contributions amount is 16.5% and the employee's is 9%.

16.5% [Employer's contributions amount
and the employee's is] 9%

Social security coverage encompasses health care and pension benefits.

The banking sector has its own social security, being the employer's contributions 17%, and the employee's 11%.

17% [being the Employer's contributions
and the employee's is] 11%

Foreign employees from countries with Social Security Agreements with Paraguay may be exempted from local Social Security contribution through a Certificate of Coverage issued by the Social Security Authority of the country of origin.

Vacation

Vacation pay varies according to the employee's seniority:

Length of service	Vacation days
More than 1 year through 5 years	12 days
From 5 through 10 years	18 days
10 years onwards	30 days



Teleworking

Teleworking is a special type of employment relationship regulated in 2021. This modality of work, consists of performing an activity, producing a product, or providing a service remotely, without requiring the physical presence of the worker, through the use of Information and Communication Technologies (TIC for its acronym in Spanish), carried out at the worker's home or in an establishment other than the employer's workplace, under a system of control and supervision of their work through the use of technological means.

This modality applies to workers in a relationship of dependency both for labour relations in the public and private sector, however, the teleworking is not mandatory for either the employer or the worker.

The employer may make visits to monitor compliance with occupational health and safety standards, as well as the maintenance of computer equipment, subject to prior notification and agreement with the teleworker. A right to digital disconnection of workers is guaranteed, which allows employees to not answer work communications, calls, emails, messages, WhatsApp, etc, outside their working hours.

Foreigner

The Paraguayan government published a new Migration law on 18 October 2022 that introduces changes to the rules governing foreign nationals who seek to enter and/or establish residence in the country.

The aforementioned law sets forth the statutory rules related to foreign immigration, migration and repatriation of nationals.

A foreign individual can live and work in Paraguay after obtaining their residence. The residence is applicable to foreigners of all nationalities, as established by the mentioned Migration Law.

Types of Filing:

- i. **Temporary:** a foreigner who enters with the intention of temporarily residing in the country for the duration of the activities that gave rise to the admission is considered a temporary resident. The maximum term of duration in this category of residence is 2 (two) years. It can be renewed up to one time, for period equal to that authorized. This residence is a previous requirement for the Permanent Residence application.
- ii. **Permanent:** residence authorization granted to foreign citizens of any nationality who have fulfilled the condition of temporary resident for two years and wish to settle in Paraguayan territory on a permanent basis, to carry out any type of lawful activity, in accordance with the provisions of the Migration Law. Notably, foreigners are exempt from the two-year residence requirement if they can reliably prove the realization of investments in Paraguay or are qualifying dependents of a Paraguayan national.

The maximum term of duration in this category of residence is 10 (ten) years.

- iii. **Spontaneous or Occasional:** its purpose is to document foreign citizens who wish to settle for a period of no more than 90 (ninety) days to engage in remunerated or unremunerated work activities in Paraguay. This filing can be extended only once, for the same period.



8

International Distribution and Representation Regime



International Distribution and Representation Regime

Law No. 194/93 regulates the commercial relationships about promotion and sales of product and services in Paraguay provided by foreign companies, through their Paraguayan Representatives, Agents, and Distributors, and establishes the standards to which compensation calculations must be subject if the Representation, Agent and Distribution is canceled, revoked or otherwise terminated, without statement of cause.

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