What effective coordination mechanisms are needed between regulatory authorities, sectorial Ministries and Trade ministries for trade liberalization to become pro-developmental?
The Paraguaian experiences

SESSION # 5
What effective coordination mechanisms are needed between regulatory authorities, sectorial Ministries and Trade ministries for trade liberalization to become pro-developmental?

The Paraguaian experiences

Margarita Peña
MAY, 2016
SUMMARY

► Inter-agency coordination between ministries, regulatory agencies and other entities (private sector) to facilitate regulation on trade in services.

► Opportunities and challenges for policies improvement and taking advantage of global trade trends for markets access.
Paraguay is a small country located in the middle of South America
Full member of WTO and MERCOSUR
Democratic, stable and reliable country,
Count on an efficient young people,
abundant energy and natural resources
Currently, Paraguay is an important center of foreign investment
National Development Plan 2030

- POVERTY REDUCTION AND SOCIAL DEVELOPMENT
- ECONOMIC GROWTH
- ACCESS TO INTERNATIONAL MARKET
COORDINATION IN SERVICES
National Service Forum - Decree N° 4201/10

EXECUTIVE COMMITTEE OF THE FORUM
( público y private sector)

COMMITTEE WORKING

Normative

FINANCE AND INSURANCE

TRANSPORT, COMUNICACION AND TURISM

Professional services

FUENTE: Elaboración propia
NATIONAL SERVICES TABLE

The national section of services was created by the Decree No. 7188/11 Instance where is analyzed trade negotiations issues related to commerce on services, regulations and possible measures required to improve conditions for promoting foreign trade on service. This is integrated by government officials appointed by their respective institutions such as ministries and regulatory agencies.
Achievements of the Forum

- National Services Nomenclature
- Register of services providers,
- Proposal of a methodology to collect data on service trade - network public institutions
- Unctad Cooperation for Policy Review
En 2014, PARAGUAY RECEIVED A TECHNICAL ASSISTANCY FROM UNCTAD FOR POLICY REVIEW ON THE FOLLOWING SERVICE SECTORS:

- CONSTRUCCION AND PROFESSIONAL RELATED TO THIS AREA
- EDUCATION SERVICES
- FINANCIAL SERVICES
- TELECOMUNICATIONS SERVICES

Following some recommendations on this Review,
CONSTRUCTION SERVICES

Improvements in regulations and transparency:

Efficiency in Project approval mechanism and better control and supervisión in road construction

Extension of the law Nº 5.102/13 "promotion of investment in public and private infrastructure expanded recently by law No. 5.567/16 which gives more power decision to the President to authorize certain projects related to: construction, dredging, bridge, road, telecommunications services, airports, hospitals, generation, distribution and energy distribution. Projects submitted last year was US$1,877,590,000
Projects executing: expansion, improvement and duplication of national routes, Expansion and improvement of the Silvio Pettirossi international airport.
Effective coordination among regulators and ministries have improved the standards of higher education with three new Resolutions: N° 2424/2016 issued by the Ministry of Education and Culture, for Register and Recognition of the professional diploma. N° 63/2016 settled rules for trade in the distance education and face-to-face semi and Resolution No. 166/2015 issued by The National Council of higher education to regulates the law of higher education.

The national accreditation agency for higher education, accredited 30 news carrers in undergraduate level during 2014 to 2016- Also, about 100 in Master degree level. This agency also have received more budget and improved its capacity building.
FINANCIAL SERVICES

- This sector is quite very well regulated

- Financial inclusion Program - educating for the better management of financial resources for small firms subject to credits. The system have 3,169 (banks and financial), the majority are private, benefiting more than 1,600,000 natural and juridical persons.

- Access increases more in the farthest parts of the country it shows the inclusion of those people into the financial system.

- There are more news products in the market, such long run loan, fund for housing (different level of income)
TELECOMUNICATION SECTOR

The new National Plan 2016-2020 was enacted recently
This plan includes: Expansion of network access and transport through municipalities network deployment and use of universal service Fund.
Cost reduction of international connectivity through structures such as IXPS, Caching and Data Center.
Legal framework to create network infrastructure to increase connectivity and broadband for businesses and individual person.
Lower the Mbps and MB price at 80%, for the population.
Expansion of connectivity for public institutions and public infrastructure, broadening the access network coverage (fixed or mobile)
Use of optical fibre and cable modem throughout the country
Promotion of exports of ICT products. Tender and award of the frequency band 1700-2100 MHz for broadband network deployment.
OPPORTUNITIES AND CHALLENGERS

OPPORTUNITIES

- INCREASED FOREIGN DIRECT INVESTMENT IN PARAGUAY
- GOOD CONDITION TO CONTRIBUTE TO CGV-CALL CENTERS, SOFTWARE, MAQUILAS
- E-COMMERCE LAW
- COMPETENCE LAW
- COMPLETE DIAGNOSIS OF SERVICES, INTELLECTUAL PROPERTIES, GOVERMENT PURCHASE AND INVESTMENT

CHALLENGES

- DOMESTIC REGULATION
- SERVICES TRADE PROMOTION
- IMPROVE SMES PRODUCTIVITY
- INTL STANDARDS FOR MARKET ACCESS
- EDUCATION
- INNOVATION AND TECHNOLOGY FOR VALUE ADDED
- STRATEGIC TO AVOID SMUGGLING -
THANKS FOR YOUR KIND ATTENTION