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**Paraguay in Trade in Services, Service Policy Review of UNCTAD:  
Recommendations**

by

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# PARAGUAY: THE SERVICES AND STRUCTURAL TRANSFORMATION - IN PROCESS

In 2014 technical cooperation requested to the UNCTAD to identify the strengths, opportunities, weaknesses and threats: telecommunications, financial, construction and related profession services and education. Innovative methodology that involved several people and institutions.

In this selected sectors, was realize proper diagnosis of the legal institutional framework, structure of market and the level of market access.

## RECOMMENDATIONS SPRs to Paraguay

### CONSTRUCTION

- Promote national policy of urban and territorial planning.
- Promote new legislation
- Institucional Capacity building-system of statistics.

### FINANCIAL

- Promote regulation for new insurance products
- Greater dynamism and targeting capital market liquidity to financial inclusion.
- Reducing intermediation cost to lower interest rate in the market.
- More Long run loan for enterprises

### EDUCATION

- Strengthening institutional MEC
- Improve access to qualified education equals conditions.
- Incorporating scientific and technological contents, programs and teaching methods;
- Regulating virtual education
- **RECOMMENDATIONS SPRs to Paraguay**

### TELECOMUNICACION

- Specific guidelines for policies and updating regulatory
- Promote APP for wiring optical fiber boost transparency with respect to prices, services and equity practices

- Integrate dispersed laws applicable, e-commerce law, cyber crime, personal data among other
- Correct deficiencies in the enforcement

#### **Some actions taken to improve the regulatory structure in Paraguay to Trade In Services**

- Internalization of the Montevideo Protocol on Trade in Services MERCOSUR;
- Development of an interconnection methodology to collect data from the Services Sectors of the Administrative Registries.
- Strengthening of the Registry of Service Providers and National Service Forum of the Ministry of Industry and Commerce;
- Strengthen the diagnosis of the Academic Curriculum of the Universities through the Agency of Higher Education;
- Outreach about the necessity and benefits of the qualifications and accreditations of university degrees;
- Development a new of a law for the Construction Sector;
- Inside Ministry on Trade: Construction of a national service policy:
  - Exchange of experiences with countries of the region through technical visit to the Ministry of Industry of Colombia;
  - Identification potential service sectors.

#### **Some Problems that do not allow the strengthening of the Services Sector in Paraguay**

- Decommissioning between public institutions and service regulators to join efforts
- Lack of statistics disaggregated by national service sectors
- Lack of support to the sector through institutional strengthening projects, improvement of capacities of local companies on international standards and lack of monetary resources that allow this strengthening.
- University and technical education sector disconnected from business demand.
- Slow development of necessary regulations for the sectors, new services and that allow to assume commitments at international level.

## **What are the opportunities that Paraguay has for its development within the Services Sector**

- Basic infrastructure for the development of the country as roads, road works,
- Legal framework to promote internal and external trade.
- Greater investments in education and improvement in institution capacity building Improvement in efficiency and transparency.

The need to be able to provide general guidelines, public policies and incentives that contribute to boosting the sectors prioritized in Paraguay, is of particular importance for the country to have a National Plan to identify potential and vulnerable sectors, with advantages for their Insertion in foreign trade.

The aim is to strengthen the National Services Sector by obtaining public policy instruments that allow the sector to boost and consolidate, improving institutional management, leading to a better quantification of the Sector, with policies to support and improve sectorial competitiveness.

Have a "National Plan on Commercial Services", with a participative projection, involving both the public and private sector of Paraguay, with an internal vision for the search of external markets, on those sectors identified, prioritized and with potential for Its internationalization, becomes a requirement for the country.

Within this context, there is an urgent need to promote, raise awareness and raise awareness of the importance that the Services sector currently has over the country's productive structure. Therefore, it is necessary that the studies, diagnoses and plans drawn are accompanied by a cycle of momentum and socialization. Within this scheme, an Awareness Plan on Trade in Services is incorporated, with a wide national scope.