

PARAGUAY

HEADING FOR GROWTH

February 2014

ISIS GLOBAL MEDIA
Jaime III N171, 07012 Palma de Mallorca

Photo:
National Secretary of Tourism (SENATUR).

FINANCE

A Safe Financial Market

Pag. 3

AGRICULTURE

A Giant Awakening

Pag. 5

INFRASTRUCTURE

A Country in the Making

Pag. 7

TOURISM

A Charming Heart of the Continent

Pag. 10



Itaipu Dam, Paraguay. Photo: National Secretary of Tourism (SENATUR).

Paraguay Heading for Growth

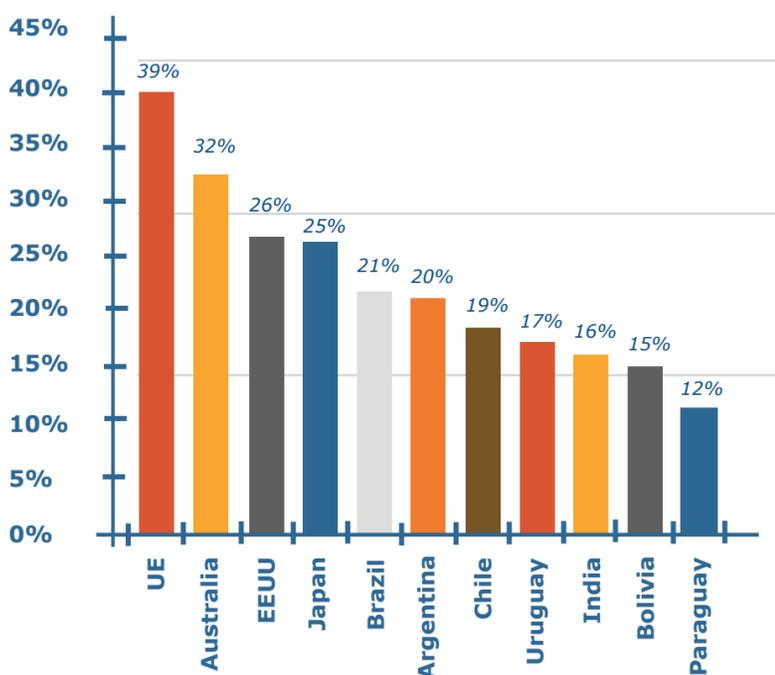
Although it still goes largely unnoticed internationally, Paraguay is turning out to be one of the big surprises of the Americas. The reason is its spectacular economic growth, that year after year far exceeds its own Central Bank estimates. In 2013 GDP had to be revised upwards no less than three times and at 13.6% Paraguay is the fourth fastest growing country in the world, just behind Turkmenistan, South Sudan and Sierra Leone, according to the IMF.

The major source of growth for Paraguay remains and will continue to be agriculture, which accounts for 80% of its exports. It is not difficult to see why. It is a country of nearly half a million square kilometers with a population of 6.6 million people and where there the cattle herd is 13 million head. It produces 9 million tons of soybean crops annually making it the sixth largest exporter in the world. Strategically located at the very heart of South America and surrounded by large, densely populated countries like Brazil and Argentine with an increasing demand for foods, Paraguay is reinventing itself as the food basket of the region.

Paraguay's other bonanzas are energy and water, two key commodities that will play a pivotal role in the world economy over the next few decades. It is energy self-sufficient, consuming just 20% of its total electricity production and tariffs are remarkably below the regional average. All of Paraguay's electricity for domestic consumption comes from a single facility, the 14 GW Itaipu hydroelectric dam, which is jointly owned and operated with Brasil. Itaipu, the world largest hydroelectric dam, produces 17.3% of Brazil total consumption and 72.5% of Paraguay's consumption. Paraguay also owns 17.2% of the great Guarani Aquifer, the largest freshwater aquifer in South America, covering more than 1.2 million square kilometers and spanning four countries - Paraguay, Brazil, Uruguay, and Argentina. The aquifer underlies nearly 20% of Paraguay, covering a vast landscape of 72,000 square kilometers.

Natural riches aside, the country is making significant efforts towards sound fiscal policies that should bring stability to its currency, namely low tax rates. The recently approved Public Private Partnership Act and further investment incentives will pave the way to large public works projects that will dramatically change the face of the country such as the Paraguay-Paraná waterway, better land connections from the capital city and access to the Pacific Ocean through Bolivia and Peru.

Tax Burden (Investment GDP)

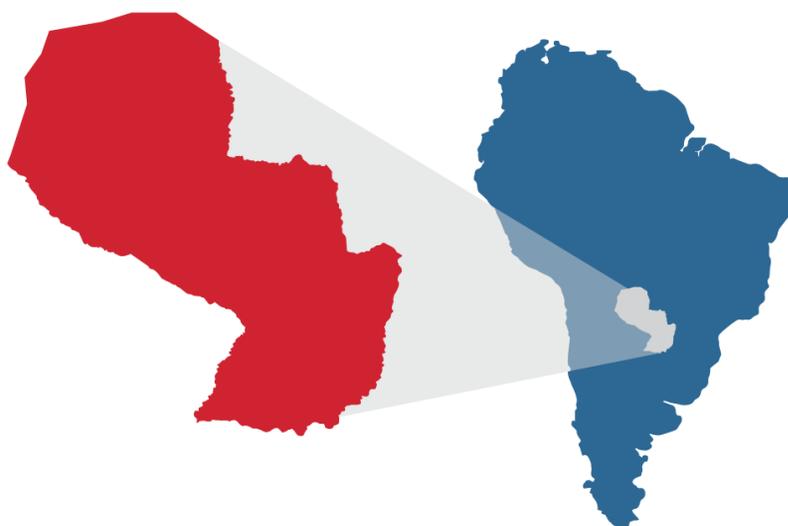


DID YOU KNOW THAT...



OVERVIEW

DATA	CONTENT
Official Name:	Republic of Paraguay
President:	Horacio Cartes
Capital:	Asunción
Population (2011):	6.672.633
Area:	406.752 km ²
Official languages:	Spanish and Guarani
Currency:	Guarani (Gs.)
Average exchange rate:	1 USD = 4.500 Gs.
GDP per capita:	4.855 (USD)
Nominal GDP:	32.936 million (USD)
Unemployment rate:	5,8%
Economically Active Population (EAP):	3.094.307
Annual Growth 2013:	13,6 %
Life expectancy:	74 years (men), 79 years (women)
Internet domain:	.py
Telephone:	+595
Member of:	ONU, OEA, CSN, Mercosur, OEI, Grupo de Río, Unesco, Unión Latina, Unasur, Interpol, CAF, OACI, BID, ALADI



Horacio Cartes
President of Paraguay

Horacio Cartes, was a reputed businessman before he became President of Paraguay in August last year. He explains **“the new Public Private Partnership Act pursues investment in state owned companies that will protect our national interests. These associations will allow infrastructure projects and releasing funds to fight poverty by investing in health, housing and education”**.

Thus the government expects to attract 30 billion dollars over the next five years to improve land and transport infrastructure, one of the major challenges the country faces. President Cartes is focused on attracting foreign direct investment which in 2013 increased by 13% and highlights his country's comparative advantages for investment **“issues such as low tax burden, good weather conditions for agriculture, soil fertility, and a young labor force are factors that help investors”**.

However, Paraguay needs to address some of its most serious challenges. It must reduce its high poverty levels (56% of population), unemployment (8%) and lack of social welfare. It must improve the quality of education; promote a more competitive industrialization, seek neighbor partnerships to ease transportation of exports and sensitize civil society to make a disciplined use of its vast natural resources.

In spite of these challenges that are yet to be solved, Paraguay's strengths allow it to take a unique position on the international scene. The basis for sustainable economic growth and improving the country's infrastructure are set, it now needs to prove to the rest of the world that it is a good investment destination. It certainly deserves the opportunity.

The Itaipu Hydroelectric Dam was, until recently, the largest dam in the world power generation (currently it is the Three Gorges Dam, China).

The Paraguayan guarani official language along with Spanish, is spoken by 90% of the population living in complete harmony with the Spanish, enjoy widespread use among most of the population regardless of their social class and race.

Paraguay's GDP grew 13.6% in 2013 to constitute the fourth largest worldwide growth in that year.

A Safe Financial Market

Boasting high financial stability and low interest rates, the financial sector is in good health. To top it all off, Paraguay experiences a growth rate of 13.6% -one of the highest economic growth rates in the world.

Despite being a small country, Paraguay is emerging as one of the best investment destinations. The Guarani is the most stable currency in the continent, second only to the dollar. Guarani which turned 70 last October has uninterruptedly been the national currency, unlike what often happens in other countries in the region. Credit to the strength of the currency goes to the Central Bank of Paraguay -BCP, which kept inflation under control in recent years, something highly valued by foreign investors.

Moreover, interest rates remain at 5.5% since September 2012. Consumer prices barely reached 5% this year, as estimated by BCP, while GDP exceeded 13%, primarily driven by agriculture thanks to a record soybean harvest and a revival of beef exports. IMF estimates that the average real GDP over the period 2014-2018 shall be 4.5%, "as a result of strong growth in the farming sector and the expected investment boom in infrastructure and export-oriented industries".

As for the banking sector, all studies indicate it is solid and growing faster than the regional average with a 30% return on investment. However if credit growth continues to increase it would require a more comprehensive control by monetary authorities. According to IMF in 2013 this sector continued to demonstrate good levels of profitability, liquidity and capitalization and a relatively stable debt portfolio.

An IMF delegation that visited the country in December 2013 said "Paraguay has strong economic fundamentals -low debt, plenty of official reserves and a manageable fiscal deficit" and that the main challenge is "to promote social and economic development, which has lagged behind regional average.

"The trust that was lost with the 1995 crisis seems to have returned, and today not only nationals are returning their investments, but also foreign investors see in Paraguay a good place to invest their capitals thanks to its stability and high performance. A study conducted by the Economic Commission for Latin America, Paraguay is the second most profitable country in Latin America for foreign direct investment.

The stability of the Guarani and of consumer prices coupled with GDP growth make it a good investment destination

One bank that has contributed to the economic development of the country is Sudameris Bank. It is a mixed bank with a customer portfolio ratio of 80% corporate and 20% commercial, but at its inception was "a purely corporate bank that strongly supported industry, livestock and agriculture" says **VP and General Director Gustavo Cartes**. With over 50 years experience and 20 branches, it specializes in assisting foreign companies and all industries who want to settle in the country. Since 2008,



Gustavo Cartes
Vp and General Director

98% of the bank is owned by Irish bank Abbey Field Group, which brings added knowledge on international trade.

As the global financial crisis continues to affect much of the world, Paraguay seems to be growing unstoppably. Banks in developed countries have delinquency problems and recorded flat growth, but Sudameris Bank is precisely the opposite. "We are growing faster than the market, and in four years we have managed to triple our portfolio and

go from being eighth to fifth bank in the country," agrees Cartes, who estimates a further growth rate of 15 % by 2013. These good results are due in part to its network expansion which is expected to double in three years, as they target new regions such as Alto Parana where high production of soybean is taking place. In addition to agriculture Sudameris Bank works closely with the meat sector and it is now heading to city-based industries and mortgage loans.

Paraguay has strong economic fundamentals, low debt, plenty of official reserves and a large fiscal deficit.

Cartes believes the financial sector in the country is strong, banks are well capitalized and have a skilled workforce, and Central Bank regulations are sound. However, he thinks "the financial system is still closed and must be opened up to the world and offer financial products more in line with business needs. Although we are starting, the country still does not have international financial services and products or invests in other countries or do business in the stock market."

The banking system has clear rules and sound institutions.

One of the most urgent challenges is making banking available to all population and reach all corners of the country.



A world of opportunities at your disposal.

From Paraguay, Sudameris Bank approaches the world looking for the best business opportunities and global trends that allow us to offer the best services and appropriate advice to keep you growing.

The Banker



Bank of the Year 2012
PARAGUAY

Bank of the Year 2012 / 2011 / 2010
The Banker Magazine



2013



Best Banking Group
2013 / 2012 / 2011 / 2010
World Finance Magazine

Call Center
59521 416 6000
Asunción, Paraguay

www.sudamerisbank.com.py

SUDAMERIS BANK
ABBEYFIELD Group
De tu lado



Bahia Asunción, Paraguay.

Insurance is another well established, expanding sector that helps promote growth and development. Tajy Insurance is owned by Credicoop Cooperative and 33 foreign shareholders. In line with the agricultural nature of Paraguay, Tajy star product is agriculture insurance although there are other fast growing products such as “cars, personal accident insurance or micro insurance,” CEO Carlos Benitez explains. “Three million acres of soybean are grown annually but only 250,000 are insured, so agriculture is our niche. We are among the best insurance premiums on agriculture with a greater number of insured acres. In addition we are the only company in issuing insurance policies starting with one hectare of land while our competitors start at 50 hectares.” Hence Tajy has become a popular choice among traditionally unprotected small farmers. “We do things a little different than what is commonly done in the market, we care about going to crop fields, we have a network of highly skilled engineers, we evaluate the field, take GPS data and satellite photos. Given a sinister we perform the same procedure. Maintaining this structure of work is difficult and involves a significant cost,” argues Benitez. They proudly continue to raise awareness about the need for farmers to get insurance and Benitez reckons “insurance companies should work together to diminish risks and avoiding fraud.” On the short term Tajy is developing insurance for livestock and dairy enterprises. “Cooperatives like ours play an important role in education, health and economic growth, as we finance small and medium enterprises throughout the country.” Paraguay ranks second country in the Americas with most cooperative members at 1,400,000 people, behind Canada.

El Comercio Paraguayo is the oldest insurance company in Paraguay and ranks among the top ten. **Managing Director Hugo Elizeche** agrees with Benitez that “the market is now beginning to be aware of insurance.” According to Elizeche ,

“the most demanded are car and contingency insurance.” Another popular policy is international insurance such as green and blue cards which are commonly used for Mercosur transactions, **VP Manuel Gamarra** explains. “We are one of the few companies that serve customers over the counter; all transactions are conducted in our offices.” This distinguishing feature has resulted in dramatic growth in recent years, 42% in 2011, 32% in 2012 and 16% this past year.

Manuel Gamarra is proud to work with US reinsurance company Everest Re Group with whom they have “one of the best contracts in the country.” Top management at EL COMERCIO PARAGUAYO is adamant they can learn from international insurers, “if a foreign reinsurance company came to settle in Paraguay that would have a positive impact on the market. It would play a leading role and we have to prepare for this scenario” analyzes Gamarra.

Despite these good figures in the financial and insurance sector, the truth is that the country still faces the huge challenge of lifting thousands of people out of poverty, as Paraguay stays behind the Millennium Development Goals. According to the government 1.2 million Paraguayans live in extreme poverty, and nearly four in ten are poor. Various aid programs have been enabled to reverse this situation. The World Bank approved additional funding of \$ 100 million to a project that aims to improve the socio-economic status of small farmers and indigenous communities. This program will enhance access to markets and value chains for small farmers and indigenous communities and in turn improve community organization and self-government. But this gesture will not be enough to change the current situation and the government of Horacio Cartes must implement bold policies to improve wealth distribution and the economic situation of thousands of citizens.

High Yield Investment

Paraguay is the second most profitable country for foreign direct investment in Latin America with a 22% yield, based on a study by the Economic Commission for Latin America and the Caribbean (ECLAC). The high return offered by the country for foreign investment is currently motivating many companies to announce the development of major projects in Paraguay, as few countries in the region can shed as many reasons to invest.

What makes it a good investment market are its monetary and fiscal stability and an attractive tax regime. It recovered fairly quickly from the global financial crisis of 2008 and by 2010 it registered a growth of 14.5 %. As a member of Mercosur –a free trade area with a population of over 250 million it also provides specific investment regimes for garment factories and free zones. Meanwhile, Paraguay is one of the few countries in the world with demographic dividend, i.e. over 60 % of the population under the age of 30, trainable and at lower cost than the regional average. A key element in industrial development is energy and Paraguay has plenty of it and the lowest tariffs in the area. Investors interested in agriculture can rely on an abundance of water and fertile land at prices still lower than those of its neighbors.

Highest fiscal stability in Latin America. Its workforce is young and highly competitive

“In the sixties, Paraguay was still closed and largely unknown to the outside world. Today however it has great potential for foreign investors. Our biggest advantage is that we an economy similar to that of Argentina and Uruguay but with the added bonus of ample water and energy resources, a predominantly young

population and a favorable tax system for investment.” This statement belongs to **Hugo T. Berkemeyer managing partner at Berkemeyer Attorneys & Counselors**, one of the most prestigious law firms in the country. Founded in 1951 the firm is



Hugo Berkemeyer & Lourdes Breuer
Managing Partner

recognized nationally and internationally, and its clientele is mostly foreign, although also advises domestic companies. On the wave of investments that is expected to arrive soon in the country, he says

“Paraguay is undertaking major projects such as renovating Silvio Pettrossi International Airport, building new roads and improving access to the capital city. It is basic that we do so if we are to welcome international players”.

Berkemeyer’s insights reflect the business community’s optimistic outlook on the new administration, “we all seek growth and sound investments. Our firm acts as a link between national laws and our clients. We advise with clear guidelines as to the legal regulations applying to each case and we answer two basic questions all foreign investors ask: legal guarantee of their investment and how to repatriate utilities.

The growth experienced by the country has forced them to open a new real estate department, a booming business. According to Berkemeyer, “we advice the client before purchasing the land

or property and manage property and livestock or agricultural fields.”

The view that Paraguay has reached a point of no return in terms of international exposure is also shared by attorney Lourdes Breuer. “The conditions are right, the government is supportive and people are willing to invest. It is time for us to get out there and show what we have”, says Breuer. Berkemeyer points at some important initiatives the government is taking, “the Public Private Partnership Act, which allows the State’s partnership with private companies, and the Fiscal Responsibility Act”. He adds, “There is a Bill to protect investments that will enable investors to know the regulatory framework ensuring their investment.” However challenges can be glimpsed on the horizon.



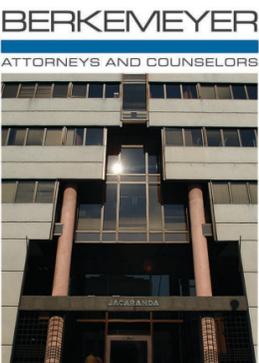
Gustavo Olmedo
Founding Partner

Gustavo Olmedo, Olmedo Attorneys founding partner, points to education as one of the most talked about challenges in the country today. To Olmedo, “we must substantially improve the quality of education to manage public services and benefits more rationally. Furthermore, improving education means improving health.” According to Olmedo, the Government should take immediate action on the matter: “I believe that with a good education reform we would achieve positive results in about 15 years.

Productivity is another major challenge for Paraguay. “The lack of middle management and technical professionals affects us directly,” analyzes Olmedo, one of the most prestigious lawyers in the country. With a professional career spanning 42 years that started off in 1971, he quickly took an interest to international law, attending numerous legal conferences abroad. He is well known in his country for being at the forefront of Olmedo Attorneys, an independent law firm that has been providing legal services for 37 years.

Currently Olmedo Attorneys “focuses on advising international investors as well as domestic investors. We specialize in financial, labor and tax law” says Olmedo. A section that has grown recently is Environmental Law, because, as he says, “Today every project or investment must be approved first by environmentalist agencies in the country.” Customers include leading international companies that have invested in Paraguay, banks, telecommunications, agricultural, insurance companies, etc. “Our attorneys are all fluent in English and often pursue specialized studies abroad. This is an added value to conduct all types of negotiations,” he proudly points. Another sensitive area in the firm is Litigation as they frequently resolve contentious issues. But what makes Olmedo proudest is the fact that his was the first firm in the country that signed the Pro Bono Declaration and today his daughter Alejandra Olmedo oversees this service. It works closely with foreign organizations like American BanCenter to cooperate in this area. “We offer assistance to low-income families. It is our moral and social obligation,” says Olmedo.

Maintains a favorable investment tax system. Multiple incentives for foreign investors.



BERKEMEYER
ATTORNEYS AND COUNSELORS

MAIN INTERNATIONAL AREAS OF PRACTICE

Corporate law, M&A, joint ventures, foreign investment, business transactions, international contracts, advertising, marketing and promotions, banking and finance, project finance, trusts and securitisation, telecommunications, intellectual property, employment law, energy and natural resources, environment, immigration, insurance, real estate, taxation, MERCOSUR and Latin American practice, litigation, mediation and arbitration, collections, outsourcing services.

law@berke.com.py
Hugo.TBerkemeyer@berke.com.py
Lourdes.Breuer@berke.com.py

www.berke.com.py



OLMEDO
abogados

A Giant Awakening

Agriculture and livestock are the true pillars of Paraguay's economy. Being one of the world's largest exporters of soy and beef, the country is a major global player in these key products for the country.



"Tranquilo Favero in soybean field", Paraguay.

As one of the world's largest exporters of soybean and meat, Paraguay could reap larger profits if it were not for some key aspects performing way below its potential. It is in need of a more competitive production system and better transport channels.

Crop exports still leave the country through the Paraguay River or by land to the main Brazilian and Argentinean ports. Paraguay is seeking to attract foreign investment and new technology to improve production and open up to new, demanding international markets. The increasing soybean production has already attracted large American investments from companies like ADM, Bunge, Monsanto and Cargill while private Brazilian investors are acquiring vast tracts of land in the High Parana River area. One of the pioneers in soybean cultivation is Brazilian businessman Tranquilo Favero.

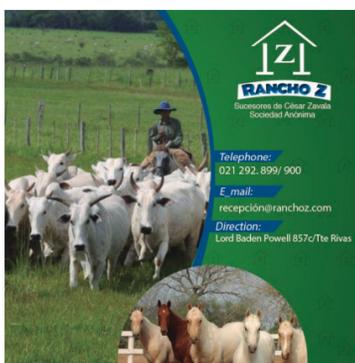
The Paraguay River runs the length of the country splitting it in two. To the East where the soil is rich and fertile takes place agriculture; to the West where the soil is drier we find livestock. Being largely over dependent comes with pros and cons.

To its advantage, the world population continues to grow exponentially and will require daily consumption of foods such as meat and soybeans. On the downside, it is subject to adverse weather conditions or epidemics – although Paraguay proudly boasts its

Historically it has been the engine of the national economy.

Improving competitiveness and transport channels will help exports report substantial amounts of foreign currency.

The Paraguayan Parliament passed the first law in 2012 to use biotechnology in maize



status as a "country free of food and mouth disease". It is in this context that the country seeks to put in place a less dependent, more effective export oriented agricultural system.

The Minister of Agriculture plays a key role in a country with no less than 260 thousand producers. **Minister Jorge Gattini** explains the objectives in his term are **"strengthening the private sector through the 'Paraguay Project' which provides advice and financing to small producers. Its budget is allocated to strengthening the production of sugar, sesame, milk and tapioca."**

Gattini further explains that the main projects in the pipeline are, **"to increase forestry production up to 1 million hectares; set up an irrigation system in Chaco to turn this region into a world-class GM crops production center; launch a greenhouses project that should help increase primary production and stabilize prices; and facilitate investment in new technology for small farms producing soy crops."**

Lands in the East are rich in agriculture, while in the west are ideal for livestock.



Fidel Zavala
Manager of Rancho Zavala

Zavala Group is a successful livestock enterprise. The fifth generation family company is run by agronomist **Fidel Zavala, who manages full cattle cycle in the three existing Zavala Ranches** throughout the country, two up North and one in Chaco. Zavala – who is also vice president of Paraguay Rural Association is aware that "until recently our country hardly showed up in world statistics but things are now changing for the better.

Today we are the world's seventh largest meat exporter with about 300 thousand tons which generate revenues of 1.4 billion dollars every year. Actually, it was year 1940 which marked the turning point because that is when new breeds were brought into Paraguay. Later in

2003 the law was changed to allow animal health financing and a cross-institutional committee was created which helped clear the path for the whole industry". The change was dramatic, as livestock industry went from accounting for 9% of total country exports to nearly 21% presently.

Furthermore, agriculture as a whole represents 55% of total GDP, an impressive figure that is easily understandable bearing in mind Paraguay has 40 million hectares of arable land. Zavala believes that Paraguay's environment friendly transformation makes it all the more significant.

A country with so much agricultural potential called for the presence of Monsanto, the largest seed company in the world. Since 1999 it is committed to "providing new technologies to Paraguayan core crops that enable farmers to obtain improved yields with less effort", **country manager Fernando Giannoni** explains.

A public-private agreement states that farmers pay royalties with 99% compliance in exchange for technology developed by the company.



Fernando H. Giannoni
General Manager of Monsanto

This exchange has been instrumental in essential crops like cotton. In 2010 Monsanto was the first company in the country to develop biotechnology trials. According to Giannoni, "Monsanto was the first company to introduce PGR cotton seeds whose main characteristic is its high resistance to insects and glyphosate". As a result, the cotton harvest tripled in many of the crops that Monsanto advised technologically. Apart from the know-how, Monsanto also offers farmers conventional and biotech seeds with appropriate genetics for each case and safe and effective crop protection systems.

In 2012 Congress passed the first law to use biotechnology on corn and in 2013 Monsanto Paraguay conducted the first campaign that yielded the first genetically modified corn, a milestone that raised the threshold in yield gains. Giannoni explains that the company has specialized in two niche markets, soybean and corn, "presently there are 3 million hectares of soybean crops and 900 thousand hectares of corn crops, and hence corn should become our focus commercially for all its growth potential. Paraguay's future lies in the development of projects that help stimulate domestic consumption of corn for obtaining derivatives such as ethanol; invest in products for domestic consumption; and introduce small farmers to modern agriculture", adds Giannoni.

From the Good, the Best!



Cooperativa FERNHEIM

Export Quality

FRIGOCHACO
Natural Beef

e-mail: frigochaco@fernheim.com.py
web: www.paraguaymeat.com

AGROCHACO

e-mail: agrochaco@fernheim.com.py

www.fernheim.com.py

Headquarters: Av. Hindeburg, Filadelfia - Paraguay - Telephone: (595) 491 417 000



Producing More, Preserving More and Improving the Quality of Life in Paraguay

Contact Us in:
www.monsanto.com.py
Tel.: +595 228 360/1

Follow Us in:
youtube/monsantolas
twitter@monsantopy

MONSANTO



The Mennonite Case

Besides traditional farmers in Paraguay there is an important colony of Mennonites who came to the country in the early twentieth century and currently owns a significant part of the agribusiness sector, particularly in the dairy and meat business. Their story is a universal example of how to generate wealth and prosperity from nothing based on knowledge, effort and hard work.

The Mennonite Christians, renowned for being excellent farmers, are part of a religious movement that was born in 1536, when Menno Simons turned away from the Catholic Church following a reform. Its origins are in Germany and Holland -they still speak a German dialect among them- though since the sixteenth century they began spreading to different countries (Prussia, Ukraine, Canada and the United States, among others). Between 1872 and 1874 they moved to Canada, but the Canadian government did not accept some rights that the Mennonites were requesting (freedom of religion, the freedom to administer their colonies and exemption from compulsory military service) and in 1921 the first Mennonite expedition arrived in Paraguay in search of their Promised Land.

The Government accepted their conditions as they pledged to develop the central Chaco region, a semi-arid land west of the Paraguay River where the population density was less than 1 per square kilometer -today it has developed to nearly 60%.

During 1926 and 1927 the first large group of Mennonites arrived and the Chortitzer colony was established. Thus was born what would become the Chortitzer Komitee Cooperative Society in 1936, reports current **President Gustav Sawatzky**. "At that time in central Chaco lived about 500 natives, and we acquired over 53 thousand hectares of land. The place was inhospitable, and the first Mennonites lived in tents until the purchase of land was legalized. Those were very hard times with a climate change from minus 40° in Canada to

over 40° in Chaco that affected many members of the colony" says Sawatzky. Over the years and with the help of the Paraguayan government they began to implement new farming techniques adapted to the Chaco arid soil, and these industrial development allowed them to offer high quality products to the national and international markets such as groundnuts, sesame, cotton, castor and a broad range of dairy and meat products. Nowadays they are responsible for 80% of milk production in the country



Gustav Sawatzky
President of Chortitzer

"Agriculture is our main item, we focus on cotton, groundnuts and soybeans, but also work producing milk and dairy products," explains Sawatzky. Under the Trebol brand they supply 40% of the dairy market in Paraguay with a daily production of 445,000 liters of milk. In 1998 the cooperative built their first factory of sausages and burgers. "Then in 2000 we also started producing pork products and today we produce 250,000 kilos per month of various products and between 15 thousand kilos of sausages and cold meats" says Sawatzky. Their slaughterhouse handles about 800 animals per day.

At present Chortitzer Cooperative has 6,232 members, making it one of the largest in South America. Their main business areas are dairy which represents 30% of its business volume; cold storage plants responsible for 35% to 38% of incomes; supermarkets which contribute 30 % of earnings and agriculture which currently stands at only 5% of earnings.

Encouraged by their success in different fields, Chortitzer Cooperative plans a large financial investment over the next 5 years. Its industry and trade expansion is focused on a fuel distribution corporation, an insurance company, new dairy products; the construction of a large supermarket in Loma Plata and new, export oriented cotton plantations and meat production systems.



Heinrich Ratzlaff K.
President of Fernheim

Fernheim is another Mennonite cooperative founded in 1930 by refugees who fled the Soviet revolution. As was the case with other cooperatives Fernheim has greatly contributed to the development of middle class in Paraguay. After enduring the droughts of 1937 and the 1950s, the Mennonite U.S. Central Committee mediated in obtaining a \$ 1 million loan for all colonies in Paraguay which enabled the first farm mechanization. Their next leap forward took place when the 500 kilometer Transchaco highway became operational in 1961.

While in the beginning the Fernheim Cooperative was engaged in agricultural production of cotton, peanut and castor,

in the '80s it began industrial production of dairy products and a milk processing plant, explains **President Heinrich K. Ratzlaff**. Nowadays, Fernheim slaughters 150 thousand cattle head each year in its facilities. Their brand Frigochaco is a world leading beef exporter and sends off its products to South America, Europe, Asia, Africa and the Middle East. Ratzlaff believes that future challenges include "positioning ourselves better internationally and open new markets for products such as chia seeds, peanuts or sesame".

The Mennonite Christians are renowned for being excellent farmers. The first settlers came to the country in the early twentieth century and now dominate the dairy market. Its area of influence is the Chaco region. Cooperatives are the largest in South America



A colony and country's centerpiece for growth.
Trebol, the best dairy products for a healthy life and Frigo Chorti, the fine meat from Paraguay to the world.



A Country in the Making

Infrastructure has the greatest potential and the largest growth rate. The Public Private Partnership Act will enable record investments in infrastructure.

One of the most important issues for Paraguay is improving its infrastructure. Over recent decades, public work had not progressed at a high rate and the country now realizes that needs better roads, airports, connectivity and new buildings if it is to continue growing. This deficit is due to low public investment by previous governments and a high level of corruption, two evil practices that the present administration aims to correct.

This has a positive side though, the prospect of building everything almost from scratch with modern technology and materials as Paraguay gets ready to take a giant step in becoming a modern country. Millions of dollars are needed in the form of investment, and the current administration led by Horacio Cartes seems to have found the solution. The new President passed the Public Private Partnership Act -which gives full power to the government to promote investments in public infrastructure, services and production of goods with public-private participation, just half a year after his swearing-in on August 15. In other words, from now the current government can structure, provide and award public works, goods and services with public-private partnerships.

Many Paraguayans are returning their capitals from abroad and reinvesting it in the country

This revolutionary law basically wants the private sector to invest in works or services that are now exclusively in the hands of the state, such as roads, railways, ports, airports, waterways and dredging of rivers; social infrastructure, electricity, equipment and urban development. The main argument that justifies PPP is that the state does not have enough resources to invest in works or services that are urgently called for and which are holding back the growth of the Paraguayan economy. However, this law has raised criticism by some civilian and political groups who fear that it implies the privatization of public enterprises and that the President gets too much power in his hands. Some dissenting voices also warned that the state would assume unnecessary risk.

But construction business has been growing progressively for some time anyway, and in recent months cranes have taken over the skylines of Asuncion and Ciudad del Este. Many Paraguayans are returning their capitals from abroad and reinvesting it in the country, FDI from neighboring Argentina, Uruguay and Brazil is increasing and an estimated 40% of real estate investing comes from outside the continent, namely Spain where construction companies remained stagnant after the explosion of the housing bubble in 2009. One of the star projects in Asuncion is the World Trade Center CDE with a budget over \$ 50 million that will include offices, shops and residential.



Ramón Jiménez
Minister of Public Works

The government has announced major investments in construction and public works. The Ministry of Finance will enable \$ 19 million for the construction of 8,500 homes, according to a recent report by the Department of Housing, while the Ministry of Public Works and Communications allocated \$ 1 billion to public works, five times more than previous governments.

According to **Minister Ramón Jiménez Gaona**, Paraguay needs between 60,000 and 70,000 kilometers of new roads and replacing 10,000 meters of wooden bridges with concrete, which will require an investment of almost \$ 8.5 billion. "This ministry plays a pivotal role as it is responsible for promoting economic and social development of the country.

Paraguay is attracting the interest of international capital that wants to invest in our future infrastructure.

It covers everything related to public and passenger transportation, road

network, the merchant marine; granting of mining licenses; acts as the water and telecommunications regulatory agency, etc." Jiménez Gaona admits that "Paraguay suffers from a backlog of public investment," and that therefore "public private partnership is key to settle the country's long standing debt towards its infrastructure. It is a business opportunity worth \$ 30 billion over the next 10 years."

This politician is convinced that "it should be as successful as it has been in other countries in the region and Paraguay is beginning to attract the interest of international capital that wants to invest in our future infrastructure. We have just over 5 thousand kilometers of paved roads over a total road network of approximately 60 thousand kilometers. A country must have at least 20% of its roads paved. This forces us to build 15 thousand kilometers of paved roads, which means we should triple the number of kilometers of paved road that we have today," explains Jiménez Gaona.

Paraguay must also "install new railways to create an input channel from Brazil bound for the Pacific Ocean through Argentina." On his ministry desk also sits the task of improving the Paraguay River waterway with the Paraná River. "We need to make an investment to optimize the current waterway infrastructure and enable it to work twelve months of the year and not just six or seven months as it does now. This investment would triple the carrying capacity and decrease the logistics costs, which will attract new businesses to the country in a way that we have not seen until now. Our waterway can become a huge corridor

ROGGIO

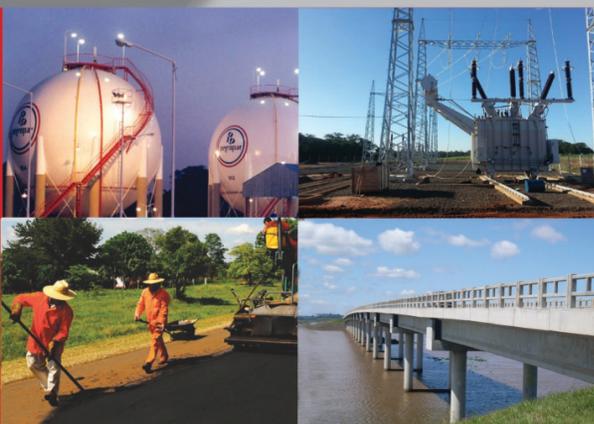
BENITO ROGGIO E HIJOS S.A.

www.roggio.com.py



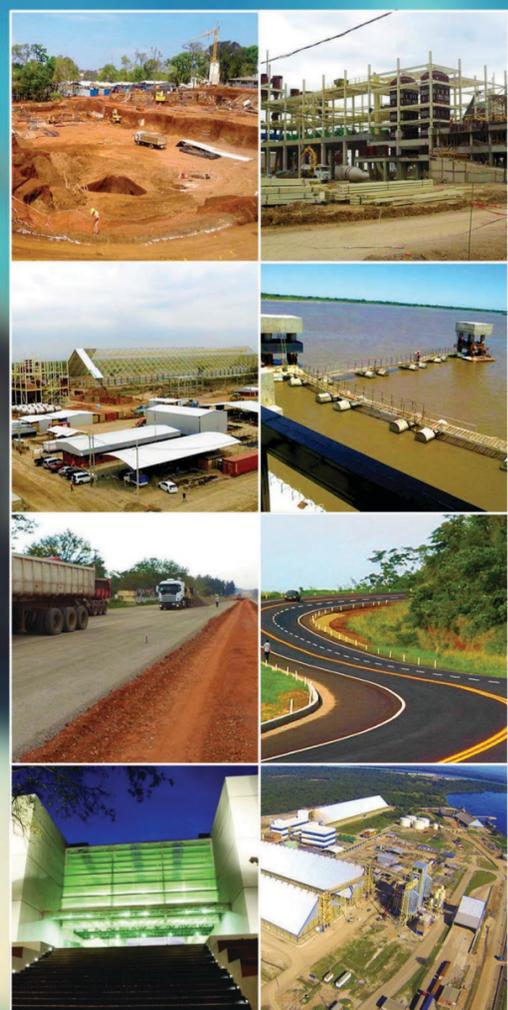
39 years

Opening road, challenging the future



Aviadores del Chaco Nº 3802. Tel. (595 21) 673 175/6, Fax: 671 961. Asunción - Paraguay

BUILDING THE FUTURE, TODAY.



DYNAMISM, TECHNICAL CAPACITY AND RESPONSIBILITY.

TECNOEDIL S.A.
CONSTRUCTORA
www.tecnoedil.com.py

PARAGUAY



Inside of the Itaipu Dam. Photo: National Secretary of Tourism (SENATUR)

between Brazil and the Pacific, an engine of development in the region, since now all transport is by road, which is much more expensive than transiting through the Paraguay River."

There is also need to invest in the installation of new power lines. According to Jiménez Gaona, "Paraguay has a capacity of power generation that is several times its current need. We have an energy surplus as in no other Latin American country and it is being under exploited by lack of investment on transmission and distribution. We should invest \$ 2.5 billion on new transmission lines and improve the power distribution system so that this great flow of electricity produced can be used by industries located here," reveals the Minister of Public Works and Communications. Although the country has an inexhaustible source of power generation, only 15% of consumption is based on electricity, while 35% comes from petroleum and 50% from biomass.

Oscar Franco: "foreign investment and know-how from countries that went through similar processes are both capital to unlock full potential here"



Oscar Franco
President of Benito Roggio e Hijos S.A.

Specialized in public works Benito Roggio & Sons has contributed to the development of infrastructure in Paraguay with flagship projects such as Silvio Pettrossi International Airport. The company was a pioneer in the field of road infrastructure, but it is currently planning its diversification into garbage collection, electricity and manufacturing of car plates with materials imported from Europe. They also "advise foreign companies entering the Paraguayan market on the laws and idiosyncrasies of the country," says CEO Oscar Franco.

Franco thinks "the Public Private Partnership (PPP) is the transformation that Paraguay had been long awaiting." The company is willing to intervene in the Asunción road infrastructure and waterways works, however "foreign investment and know-how from countries that went through similar processes are both capital to unlock full potential here," adds Franco, who says that "we have a very good macroeconomics and great professionals."



Denes Tomboly
Tecnoedil CEO

One of the most experiences players in civil and harbor works is Tecnoedil. According to CEO Denes Tomboly it is the quality of their work which has allowed them to attain a leading position in the market and he is proud that "Tecnoedil reinvests all its profits in Paraguay." Tomboly thinks that "Paraguay needs to invest 15 billion dollars in roads, transportation, railways, airports infrastructure, and dredging of the river.

The country could not perform these works on loans or its own resources alone, it must come from foreign investment and charging tolls on boats sailing the Paraguay River." To Tomboly "one of the most important challenges is the inter-oceanic railway junction. There is a gap in the rail network in Paraguay, and one of our main financial contributions would be the railroad."



Julio Martínez
President of Puerto Fenix

Indeed, agricultural exports are made possible thanks to companies like Puerto Fenix. It began operations in July 2004 as a single multimodal terminal operating as a river port, harbor and terminal dry bulk carrier. It owns a port terminal with three concrete piers, one bulk carrier capacity of 46 tons and a payload of 550 tons. "Puerto Fenix is a multimodal company as it operates containers for soybeans, corn and wheat, but also operates as an inland port because Paraguay is landlocked, so

we freight load through rivers and also use trucks to carry all kinds of loads. I use the term multimodal because we offer all necessary services: waterways, port and dry bulk terminal," explains President Julio Martínez. He believes that many foreign companies are setting in Paraguay thanks "to its low tax scheme," and argues that the PPP "should pave the way for the dredging and maintenance of the Paraguay River, a long standing issue. The dredging of the river will not only help us but also South Brazil and Bolivia, who use this river for transportation." According to Martínez, "Paraguay has a strategic position right are in the middle of the waterway and there is plenty of business to be made if the river is dredged permanently. That would help the country and businesses alike."

For this graduate of Northeastern University in Boston, "Paraguay is no longer an obscure destination but a straightforward country with clear rules and a huge potential in agriculture and livestock". Its location and being a member of Mercosur free trade area are added advantages, as "we can freely export our products to highly populated markets like Brazil or Argentina from a most convenient geographical location", says Martínez.



Jorge Cartes
AeroCentro CEO

Apart from improving roads and river navigation, there is the challenge of expanding the main international airport to take advantage of the equidistance between Asunción and the rest of South American capitals. The airline industry still has much room for growth and expanded flight connections will be needed if more multinationals continue to settle here. Paraguay's flagship airline AeroCentro was founded in 1958 by Ramón Cartes.

As the only CESSNA Authorized Aircraft Service Center in the country and one of the best in the Mercosur region, it provides the maintenance and repair of aircraft, runs the Cessna flight school -over 800 pilots trained since 1965 - and has 7 hangars that accommodate 80 aircraft. AeroCentro CEO Jorge Cartes explains they are expanding into new markets as more companies from Brazil, Argentina and other countries in the continent increasingly demand their services.

Federal Express intends to set up a hub in Ciudad del Este as Paraguay sits two hours away from all major Latin American cities. "We will clearly capitalize on our strategic position. There are talks of a new Chaco airport where Middle Eastern airlines are looking to do aircraft maintenance and DHL considers as a regional hub as well. We aim to bring Silvio Pezzireti Internal Airport in Asunción to one million passengers and there is a project to build a new airport in the capital and convert Silvio Pezzireti into an executive airport, as Buenos Aires did with Aeroparque and Ezeiza airports" reveals Cartes about civil aviation potential in Paraguay. The existence of high-tech companies like AeroCentro showcases Paraguay's standards beyond raw material exports.



Integrated solutions in ports services

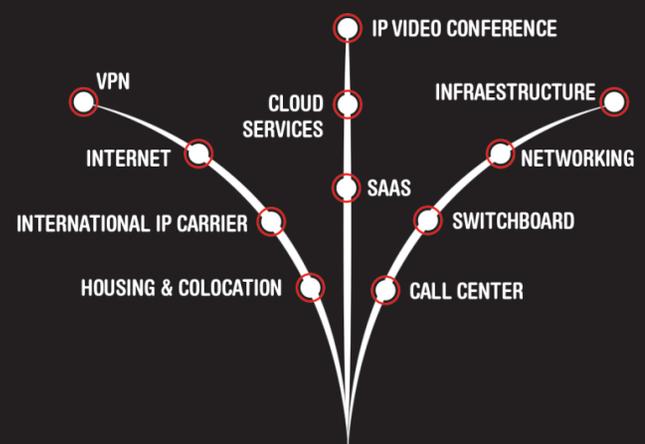
Km. 1640 Paraná-Paraguay Waterway
Asuncion - Paraguay Fone: +595 21 755 500
e-mail: info@puertofenix.com.py

The only multipurpose port in Paraguay

CONTAINERS, GRAINS, GENERAL CARGO SUCHS CARS, TRUCKS, MACHINERY, FERTILIZERS, OTHERS
PROJECT CARGO WITH LARGE CAPACITY CRANES

www.puertofenix.com.py

Convergence Technology in Paraguay



We meet all your needs for telecommunication solutions in one contact point only

Cecilio da Silva 1001 and Federación Rusa | Fax: +595 21 601 249
Tel.: +595 21 616 4000 (R.A.) | email: comercial@teisa.com.py - www.teisa.com.py

The regional energy pantry

Energy production is one of the biggest headaches for any country, as it is essential for its development and a major expense for both businesses and families. Not in Paraguay. According to its National Electricity Administration (ANDE), the country uses only 20% of the energy it generates and electricity tariffs is the cheapest in the region. This is due to the colossal amounts of megawatts generated by Yaciretá and Itaipu dams, making it the country with the highest per capita availability of energy in the world. Itaipu dam is the world's second largest, and is jointly owned by Paraguay and Brazil, who split in half the energy it produces. During 2013 it produced the world record 98.3 million megawatts.

As energy demand is lower than the energy produced -Paraguay only consumes 10% of Itaipu output, most of it is exported accounting for 8% of

the country's GDP. From January to November 2013 the two dams sold energy worth \$ 693 million. As for the consumption profile, ANDE indicates that the residential sector is 43% of the total, while commercial and industrial barely reach the 18 and 22% respectively. These figures are expected to reverse as new companies arrive in the country.

Paradoxically, Paraguay's energy matrix is not sustainable: 47% of consumption comes from biomass, 38% from oil while only 15% comes from electricity. Recently, American companies have begun to explore the Paraguayan Chaco in oil reserves, and President Energy has reached an agreement with the World Bank to invest \$ 20 million and continue drilling programs in Neuland. President Energy has reportedly identified an estimated 150 million barrels of oil reserves which would supply the Paraguayan consumption for at least 15 years.



Rural Association of Paraguay.



Aero Centro, the leader in executive aircraft sales in Paraguay since 1955.

Cessna Representative in Paraguay.

Our products and services include the following:

- ▣ Sale of new and used Cessna single engine, twin engine and jet aircraft
- ▣ Sale of used aircraft of all brands
- ▣ Aircraft maintenance
- ▣ Genuine spare part sales
- ▣ Flight School: Cessna Pilot Center for Private Pilot and IFR
- ▣ Hangarage
- ▣ Non-Destructive Testing

Autopista Aeropuerto Internacional N° 555. Luque, Paraguay.
Telefax: (595-21) 645 380 - info@aerocentro.com.py

Paraguay uses only 20% of the energy it produces. Highest per capita availability of energy in the world. Energy matrix is not yet sustainable. Chaco oil reserves could last at least fifteen years



Javier Ugarriza
President of Gabana S.A.

Gabana is a fuel distribution company and its CEO Javier Ugarriza regrets that "100% of our fuel is imported representing 12% of total imports in the country which greatly increases the price

and makes black economy proliferate. A stricter control is necessary." Ugarriza also denounces "the smuggling that takes place at the border and the unfair competition that we suffer at the hands of distributors."

Despite these difficulties, Gabana continues to grow wholesomely; it operates 11 service stations in the country and has strategic partnerships with Petrobras, Puma Energy, Esso, and Gas Copesa. This 12-year old company actively pursues an environment friendly policy and is switching from conventional to ecological facilities, in addition to soil remediation and other mitigation measures.

Fiber optic full coverage is expected over the next few years. Regions with better connectivity are to become development poles. Multinationals that require significant logistical support have chosen Paraguay.

It's in its fiber

Telecommunications business is relatively recent. With a population of just over six million only 9% of households have internet access, while broadband penetration is 13%, according to the Latin American Association of Research Centers and Telecommunications Companies (AHCIE). This makes it one of the countries with the lowest per capita investment in telecommunications. However, the foundations for modernizing this field are now being laid as it is essential to attract new businesses and improve the productivity of existing ones.



Sres. Jaime Egüez, Gustavo Egüez, Sra. Egüez,
Galo Egüez
Owners TEISA

The picture found by the founders of electronics and computer technology company Teisa in 1987 was much bleaker. "We saw that the country had a great need in the area of telecommunications and decided to go for the optical fiber. We were the pioneers and our first customer was Citibank" says CEO Galo Egüez. Teisa which ranks among the top 5 companies to work in Paraguay according to Great Place to Work, and as one of the most authoritative voices on this topic in the country it provides

bespoke integrated telecommunications services and distributes brands like NEC, Juniper, Fortinet, TheSiemonCompany or Lifesize.

Managing Director Jaime Egüez believes logistics is the greatest obstacle to this industry. "Paraguay must somehow negotiate with neighboring countries to allow access to global connectivity. Our fiber optic needs direct access to international nodes like São Paulo or Buenos Aires and for that we need to use networks belonging to Argentine or Brazilian companies." However there are targets being achieved, "we're getting all cities and districts, especially schools, to have digital access through fiber optic high speed and I reckon all cities in the country will have fiber optic coverage in two or three years at most.

That will be a breakthrough." He adds "companies not just in Asuncion but those located away in the provinces too will have full connectivity resources required for economic development. The direct development of digital platforms is well advanced in the country -e-government, digital signature etc. We are in the final stretch. Paraguay in 2005 had a problem with lack of connectivity, today, almost seven years later; we are the country that has more fiber optic in proportion to its population."

Commercial Director Gustavo Egüez belies the image many foreigners have even today, "people saw Paraguay as a third world, underdeveloped country. What it is, is a country of opportunities, I have witnessed CEOs of multinationals staying after completing their missions and developing their own business." Jaime Egüez further explains, "We now have better international connections and access to different markets, and as a country we have experienced a quantum leap that is almost impossible to size up. Fiber optic internet access in most of the country and mobile internet access are now available. There is much technological development in cell phone business applications, and large data centers that allow us to offer serious security to companies like DHL or FEDEX requiring huge logistical support in the area of telecommunications."

Teisa predicts a 50% growth in 2015 relying partly on growth in Paraguay and internationalization going on in other Latin American countries. It works with reputable telecommunications companies like Telefónica, Claro and Oi and provides services to clients like NEC or Petrobras.

enjoy has arrived

We are a unique convenience store that strives to always offer the best products with the best customer service. We do not just want customers, we want friends. We are committed to growing, but our strength will always be service. We promise to always greet you with a big smile.

The Charming Heart of the Continent

Paraguay offers historical and cultural attractions and an unparalleled nature. Being located in the geographic center of South America and with very low operating costs, it has superb features for events and conventions.



Photo: National Secretary of Tourism of Paraguay (SENATUR).

Paraguay offers something that few countries can provide and that is a low population density that determines a more leisurely way of life in their towns and cities. Stress does not exist and the visitor is quickly imbued with the magic of the country.

In recent years, several airlines have increased regional flight frequencies and Asunción has become a perfect meeting place for conferences for multinationals present across the continent. And as a tourism destination, the country still retains the charm of the unknown, despite having plenty of attractions to suit everyone's tastes, be it adventure, culture or nature.

Paraguay is perfect for those seeking authentic experiences, new undiscovered places and a strong cultural identity; a rich society with two languages Spanish and Guaraní. Those who visit for the first time are seduced by its friendly people, the crossbreeding that permeates every corner, its rich and varied cuisine, starring the best meat in the world. It is surprising to see how all Paraguayans without exception from all social extractions share fraternally the national drink tereré, a guaraní word for cold tea with maté which was declared Cultural Heritage. It became popular when the veteran soldiers of Chaco introduced it in their daily life, although the Guaraní indigenous population shared it with the first Jesuits that arrived in the continent. Currently all Paraguayans drink it and the guampa - the container is shared by employers and employees, colleagues, family and friends, making it the country's social drink.

Paraguay offers a wonderful subtropical climate with an average annual temperature of 25° that allows visitors to enjoy any outdoor activity. Among its attractions is the city of Encarnación, known as the Pearl of the South located on the right bank of the Parana River in the southeast of the country, it is an ideal place in the summer. It offers a newly built riverside boulevard and pleasant beaches, housing the most famous carnival in the country.

Near Encarnación are the Jesuit Missions, a World Heritage Site and one of the main tourist attractions of the country. These ruins were a set of towns founded by Jesuit missionaries in the seventeenth century which were established to evangelize the surrounding Guaraní people.

Also interesting is Chaco, a huge region in which forests and wilderness combine and where you can live authentic adventures surrounded by spectacular nature. In Asunción, the capital, you can visit the railway station and board the old nineteenth century steam wagon or stroll along the riverside promenade.

The country also offers a unique experience for shopping lovers: Ciudad del Este. In this border city with Brazil and Argentina you can buy virtually anything at the most competitive prices in the continent. And if you rather have a nature vacation, it is the perfect spot for sport fishing, horseback riding or country hiking. The more adventurous will enjoy a myriad of extreme activities, such as ziplining, rappelling or water skiing, while at the Brazilian border awaits another interesting claim: the Itaipu dam, one of the world's largest. This masterpiece of engineering responsible for Paraguay abundant and affordable energy will not leave any visitor indifferent.

Paraguay offers unparalleled historical, cultural and natural attractions. Being located in the geographic center of South America and with very low operating costs, it has superb features for Events & Conventions tourism.



Francisca Gómez
General Manager of Paramanta Hotel

Whether you travel for business or tourism, Paraguay offers world class accommodation. Paramanta Hotel stands out in Asunción. Built in 1989 this hotel has 41 standard rooms, 26 Paramanta Life Style rooms and 15 fully equipped apartments. "It's mainly focused on corporate customers, so we offer spa, wifi, sauna, gym and swimming pool, plus a large business center," said **General Manager Francisca Gomez**. The hotel's main advantage is

its location five minutes away from the international airport, various shopping malls, the historic center, and major venues for exhibitions and conferences, embassies, the Ñu Guazú Park and many leisure facilities.



Oscar Díaz
CEO of Holding Fast

One of the best ways to get around the city is by renting a car or pick-up, as provided by Fast Rent a Car, a family business founded 25 years ago. The company, which made a major investment four years ago, now has a fleet of 25 new vehicle which are renewed every three years, and "recently signed a partnership agreement with European Europcar", says **CEO Óscar Díaz** de Bedoya. Fast Rent a Car is part of the Fast Holding, which also runs parcel delivery service Fast Box and

tourism company Fast Travel. According to Díaz de Bedoya, the key to success is "continuous innovation which has made our reputation." It currently targets corporate customers due to fast growing Paraguayan and international companies in the market.

SUNSET S.A.C.I.S.



wheels



www.sunset.com.py

PARAMANTA lifestyle HOTEL
★★★★★
Residence - Service - Business

Asunción - Paraguay - Avda. Aviadores del Chaco 3198 - Reservas: (995 21) 607 053 (RA) - reservas@paramantahotel.com.py
www.paramantahotel.com.py

Ciudad del Este, Trade at its Best



Ciudad del Este, Paraguay.

In the eastern region of Paraguay, sitting on the triple border with Brazil and Argentina is the second most important city, Ciudad del Este. With about 400,000 inhabitants, this one-of-its-kind city is one of the economic engines of the nation. It was founded in 1957 by then President Alfredo Stroessner in an area known as 'the triple border' near Brazilian town Foz do Iguazu and Argentina's Puerto Iguazu. The famous Itaipu Dam is just 20 kilometers to the north and 20 miles east of world famous Iguazú Falls. Despite being nicknamed 'Garden City' for its urban greenery, Ciudad del Este is known for the unique commercial dynamism of its streets, and in the late 90s became the third commercial city in the world. Today it is the site where the country's main agricultural companies set their headquarters. Unlike the tranquility in the rest of the country, this is a shopping paradise where constant motion, transactions and trade reign. It is no wonder a large number of immigrants from different nationalities chose this corner of the world as their new home.

Much of the trade taking place in Ciudad del Este is with Brazilian and Argentinean visitors who cross the border to shop at best prices. The most sought after is electronics, but in Ciudad del Este you can find absolutely everything. Businesses start to open literally at dawn and the streets get crowded with stalls and filled with pedestrians, vendors and buyers. Besides the itinerant stalls selling products with low added value, there are numerous shopping malls where top brands are located. One is the Monalisa, property of city pioneer Faisal Hammoud that sells luxury products. The Monalisa Group also is promoting an ambitious \$ 100 million investment project that aims to become the top tourism destination in the area - Paseo 3 Naciones a resort on the Parana Country Club that will feature a hotel, a casino, a convention center, a shopping center, restaurants and a 459 feet high viewpoint.

Another ambitious project is the Jesuitas Plaza shopping center, a behemoth which will open in December 2014 and will have two towers, 55 offices, cinemas and has required a \$ 24 million investment by a Spanish investment group. The center aims to revolutionize the business concept as it will be outdoors and also have a night opening schedule. It will introduce a contemporary shopping concept and it expects to attract 2.5 million visitors every year.

PlayStation

PlayStation 3

PlayStation 4

PlayStation Vita

ATLANTICO S.A. IMPORT - EXPORT

Edificio Nabil Center - Reg. Piribebuy, 63 - Ofic. 303-304
Tel.: (00595-61) 502251 - 503739 - E-mail: atlanticosa.m@tigo.com.py
Ciudad del Este - Paraguay

Atlantic Inc. -the sole distributor of Sony in Paraguay and owned by **Youssef Mohammad**, was the leading importer in 2011. Imported electronics are key to trade in Ciudad del Este and Mohammad is positive about what makes their business thrive, "the costs of our products are 70 to 80 % lower than those produced in Argentina or Brazil."



Mohamad Youssef
President of Atlántico S.A.

Atlantic Inc. distributes to shops and has a close business relationship with Sony Miami and San Francisco.

Mohammad considers the possibility of investing in other booming markets such as meat or agriculture. "We are currently building in the city center and in the near future we plan a cold storage plant for meat exports. Paraguay has great potential to export soybeans, corn, cotton and meat so we intend to venture into the field of refrigeration." The Lebanese-born businessman knows what to ask the government: "maintain good relations with Argentina and Brazil as the border tourists are our main source of income, and increase controls to provide greater security. In addition, the municipality must improve the city organization".

The second largest city is consumer paradise. National and multinational companies choose it as headquarters. Brazilian shoppers behind its phenomenal growth.

It is a magical destination for countless historical and cultural claims and unique natural areas. Despite its charms, the country is not yet in the international tourist circuit. The proximity to most South American capitals makes it an ideal convention center in the region.

Sunset SA is a leading automotive family business that imports and distributes tires. Sunset SA represents six major tire manufacturers in Latin America and today offers over 500 different items. It works with Asian and American companies and is the only company that exports tires from Paraguay, according to **CEO Nabil Chamseddine**. To Chamseddine, the reasons which helped the company become an industry leader are "our technical knowledge of the product



Nabil Chamseddine
CEO of Sunset S.A.

and sound financial management. The main difference with our competitors is the technical knowledge of the product. We outsource production to foreign factories with specific components for our market so we get good production and buying costs, and we sell a competitive product that offers good technical results." Among future challenges Chamseddine aims to "expand the tire recycling industry throughout the country, which will benefit both the environment and the company." There is also the challenge of meeting the growing demand for truck tires, as there is a increasing fleet to output all agricultural production to Brazilian ports. He believes "a country needs infrastructure to grow, as it is the base point to create employment. New roads, ports and airports are needed. This is essential to the growth of any nation."

Improved roads would facilitate more Brazilians and Argentineans coming to Ciudad del Este. Thousands do it already every month as they go shopping while their tires are being replaced. Those who spend the night have several accommodation options, but a popular choice is Acaray Hotel a city classic for over 30 years. **Commercial Manager Lucía Velázquez** explains that the property offers different types of rooms (standard, executive, junior suite, suite, suite and presidential suite premium), and features a business center, a restaurant, spa, gardens with a swimming-pool, and last but not least a casino.



Lucía Velázquez
Commercial Manager

Ciudad del Este is bustling, dynamic and growing every day. Guarani International Airport is the second-largest in the country, offering daily flights to Asuncion, Sao Paulo and Buenos Aires.

FAST
RENT-A-CAR

WWW.FAST.COM.PY

Tel / Fax
595 21 605 462 / 610 811

Dirección: Prof. Chávez 1276 casi Santa Rosa Asunción, Paragua

HOTEL CASINO ACARAY

Test your Luck in the most exciting **CASINO** in the Triple Frontier, at only minutes from the amazing **IGUAZU FALLS**.

Av. 11 de Setiembre y Luis María Argaña - Ciudad del Este - PY
Tel: (595 61) 504 250 - www.hotelcasinocaray.com.py



EL COMERCIO
PARAGUAYO

COMPAÑIA DE SEGUROS, DESDE 1947



EMPRESA CONSTRUCTORA
BAUMANN
S O C I E D A D A N O N I M A



**PUERTO
SAN JOSE**