

# PARAGUAY

## CONNECTING WITH CANADA

**P**araguay has an historic connection with Canada. It dates back 75 years to 1926, when 2,000 Canadian Mennonites emigrated to the Chaco region of Paraguay following the passage of legislation requiring English to be the language of instruction in Canadian Mennonite schools. These German-speaking Mennonites were welcomed with open arms by the Paraguayan government of the day, so eager to develop the Chaco region that it allowed the new immigrants to conduct their own schools in German and exempted them from military service. This Mennonite community in Paraguay has since grown to 28,000, with 8,000 holding Canadian citizenship. It is very important in some sectors of the Paraguayan economy, such as the dairy industry.

Today, the government of Paraguay is again reaching out to Canadians. The Paraguayan Ministry of Foreign Affairs is currently sending technical specialists from its Informatics Division to learn more about our Government On-line initiatives. Paraguay views Canada as a model for its own emerging telecommunications industry, and considers this sector ripe for investment. During a five-day session held in Ottawa, the first delegation from Paraguay researched a number of initiatives, including School.Net, an Internet-based distance-education system linking rural schools, and government services distributed over the Web, particularly the software and hardware used by the Department of Foreign Affairs and International Trade (DFAIT) in its Intranet and Internet pages. At first glance, the issue of Internet connectivity might seem far removed from Paraguay's traditional focus on agriculture. However, considering that 50% of Paraguayans live in rural areas, linking such a far-flung population is clearly a priority.

Two-way trade between Paraguay and Canada for the first 10 months of 2000 was \$6 million. Although trade remains limited, some opportunities exist for Canadian goods and services in **agri-business**: seed potatoes, swine and cattle breeding stock/seed/embryos, herbicides and pesticides, and veterinary products; in **telecommunications**: switching stations and data transmission; and in **energy**: hydro distribution, transmission and sale; and oil and gas exploration and distribution. Proposed privatization of the state telecommunications, electricity, oil, and postal companies, though highly controversial, may eventually offer opportunities for Canadian firms. At present, EDC has no facilities set up in Paraguay, but is studying the market on a case-by-case basis.



## CONTACTS

**The Canadian Embassy in Argentina**  
Commercial Division (also responsible for Paraguay)  
Tel.: (011-54-11) 4805-3032  
Fax: (011-54-11) 4806-1209  
E-mail: bairs-commerce@dfait-maeci.gc.ca  
Internet: <http://www.dfait-maeci.gc.ca/bairs>

**The Embassy of the Republic of Paraguay in Canada**  
Chargé d'affaires: Helena Felip  
Tel.: (613) 567-1283  
Fax: (613) 567-1679  
E-mail: embapar@magmacom.com  
Internet: <http://www.magmacom.com/~embapar>

## FAST FACTS ABOUT PARAGUAY

Capital:	Asunción
Population:	5.3 million (1999*)
GDP:	\$7.7 billion (1999)
GDP Growth Rate:	0.5% (1999)
Inflation Rate:	6.8% (1999)
Canadian FDI:	N/A
Memberships:	Latin American Integration Association, ECLAC, G-77, WTO, IADB, Mercosur, OAS, Rio Group, UN

**Major Canadian Exports to Paraguay:**  
mechanical and electrical machinery, boilers, tobacco, toys and sports equipment

**Major Canadian Imports from Paraguay:**  
electrical machinery, wood, hides and skins, sugars, spices, coffee and tea

\* - estimated