

**Embassy of India  
Asuncion**

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**BRIEF ON INDIA-PARAGUAY BILATERAL RELATIONS**

**Political Relations**

Diplomatic relations between India and Paraguay were established in 1961. The Embassy of India in Asuncion started its operations on 27 January 2022. Before the opening of the resident Mission in Asuncion, Embassy of India in Buenos Aires, Argentina, was concurrently accredited to Paraguay and had an Honorary Consul General in Asuncion, the capital of Paraguay. The Republic of Paraguay opened its Embassy in India in March 2006 and now has Honorary Consulates in Mumbai, Chennai and Kolkata.

**Bilateral Interactions**

2. External Affairs Minister (EAM) of India, Dr S. Jaishankar, paid an official visit to Paraguay from 21 to 22 August 2022 for the inauguration of the newly opened Indian Embassy in Asuncion. EAM and Foreign Minister (FM) of Paraguay, H.E. Amb Julio Cesar Arriola, jointly inaugurated the Embassy of India in Asuncion. EAM also met H.E. Mr Mario Abdo Benitez, President of Paraguay.

3. Vice President of India, Shri M. Venkaiah Naidu, paid an official visit to Paraguay from 5-7 March 2019 - the senior-most visit from India to Paraguay since the establishment of diplomatic relations. The Vice President was accompanied by a high-level delegation, including the Minister of State for Tourism Shri K.J. Alphons, Member of Parliament, Shri R. K. Kashyap and senior Government officials.

4. The then President of Paraguay, Mr Fernando Lugo, visited India in May 2012, accompanied by Paraguayan Ministers of Foreign Affairs, Agriculture & Animal Husbandry and Commerce, besides senior officials.

5. A telephonic conversation was held between EAM Dr S. Jaishankar and Paraguayan FM Mr Euclides Acevedo Candia on 11 March 2021, subsequent to which the Government of India sent a gift of 200,000 doses of the Made in India Covid-19 vaccine Covaxin to Paraguay. The doses were received at Asuncion in two lots of 100,000 each on 29 March and 25 April 2021. Later, 400,000 doses of Covaxin from Bharat Biotech were delivered on 12 November 2021 to Paraguay.

6. Earlier, EAM held a telephonic conversation with the then Paraguayan FM, Mr Antonio Rivas Palacios, on 30 April 2020, during which he conveyed India's decision to gift medicines and protective gear to Paraguay to support the country in its fight against the COVID-19 pandemic. On 25 August 2020, the gift was formally handed

over to the Minister of Public Health and Social Welfare of Paraguay, Dr Julio Daniel Mazzoleni Insfran, in a virtual ceremony.

7. EAM met the then-Paraguayan FM on the sidelines of the 74th UNGA on 26 September 2019 in New York.

8. Ministerial-level visits between the two countries have taken place from time to time. Paraguayan Minister of Tourism, Ms Sofía Montiel de Afara, visited India to attend the World Tourism day celebrations on 30 September 2019 and met the Vice President of India and Minister of Tourism, Shri Prahlad Singh Patel.

9. A Paraguayan Parliamentary Delegation visited India in 2010, and an Indian Parliamentary Delegation visited Paraguay in 2012.

10. Foreign Office Consultations between the two countries have been institutionalized by signing an MOU in 2002. The first round of Foreign Office Consultations was held in Asuncion in October 2010, the second in New Delhi in August 2015, and the third in December 2021 in Asuncion.

11 Vice-Minister of Defence of Paraguay, Colonel Dr Gladys Arsenia Ruiz Laconich, visited India in October 2022 to participate in DefExpo 2022.

## **Economic and Commercial Relations**

### **Bilateral Trade**

12. For the fiscal year 2021-22, the India-Paraguay bilateral trade stood at USD 227.45 million. India's exports to Paraguay were valued at USD 211.15 million, while Paraguay's exports to India were valued at USD 16.3 million. The main export items of Paraguay to India are waste and scrap of iron, steel, aluminium, copper and lead, soybean crude oil, hides & skins of bovine and essential oils. Main export items from India to Paraguay include iron and steel, plastics, fungicides, insecticides, tobacco and auto parts.

Trade statistics according to DGFT (Values in US\$ Millions):

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Indian Exports	160.71	126.97	160.81	211.15
Paraguay Exports	20.97	25.28	15.61	16.3
Total trade	181.68	152.25	176.43	227.45
Trade balance	139.74	101.69	145.20	194.85

13. Paraguay is a member of MERCOSUR. An India-MERCOSUR Preferential Trade Agreement (PTA) was concluded on 25 January 2004 and became operational in June 2009. Preferential duty (10-20 % in most cases) is given to certain Indian Products entering MERCOSUR countries and vice versa. India offers an additional 10% margin of preference to Paraguay for a Tariff Rate Quota of imports of crude soybean oil up to 30000 MT/year.

### **Investments and Joint Ventures**

14. Mahindra vehicles (pick-ups) have made a mark in Paraguay. Tata commercial vehicles, Royal Enfield motorcycles and Bajaj motorcycles have distributorship in the country. A joint venture plant, Carmenta, between Paraguayan firm Grupo Barr and Alok Masterbatches has been producing masterbatches (plastic industry) since May 2011. Vemarcorp, owned by a PIO based in the UK in the province of Villa Hayes, became the first steelmaker in Paraguay to produce recycled steel in 2018. Indian agrochemical multinational UPL, and Lohiya group are also present in Paraguay.

15. Business- and investment-promotion visits from India to Paraguay in the recent past have included buyer-seller meetings by a Pharmexcil delegation in August 2015, a visit by a CII delegation in September 2012 and a visit by an EEPC delegation in March 2010. Indian Mission, in collaboration with local partners, from time to time, has organized seminars on doing business with India. (one such event was held on 16 May 2022 with the participation of CII and Paraguay Industrial Union(the main Chamber in Paraguay). CII will bring a business delegation to Paraguay in September 2022. A representative of Aditya Birla Group based in Sao Paulo visited Asuncion in July 2022 to discuss business opportunities. Aditya Birla has a trading office in Asuncion. Pharmaceutical products of Cipla, Reliance healthcare and Sri Sri Tattva are being imported into Paraguay. It is proposed to set up an India-Paraguay Chamber of Commerce. The Embassy has also participated in the Mariano Roque Alonso expo – the most significant commercial event in Paraguay in 2022.

### **Cultural Relations**

16. There is a significant following of Indian arts, culture and heritage among Paraguayans. Indian Food Festivals and all editions of the International Yoga Day have seen enthusiastic participation from Paraguayans. Indian movies have been screened in various editions of the International Film Festival of Paraguay. As part of the celebrations of the 150<sup>th</sup> birth anniversary of Mahatma Gandhi, commemorative stamps were launched by Vice President Shri Venkaiah Naidu and his counterpart Mr Hugo Vélazquez in Asuncion in March 2019. A vegetarian food festival was also organized as a part of Gandhi@150 celebrations. Embassy organized the International Day of Yoga 2022 in Asuncion, Monday waterfalls(an iconic site) in Presidente Franco and Trinidad Jesuit Mission(a UNESCO World Heritage Site) in Encarnacion. Mission organized a dinner presentation on tourism opportunities in India for prominent tour operators in Paraguay in June 2022. Video presentations from the Indian Tour Operators Association were shown at the event. EAM, during his visit in August 2022, inaugurated a Gandhi Bust at Costanera – a prominent

location in Asuncion. The Mission participated in FITPAR – the most prominent tourism exhibition in Paraguay, in November 2022.

### **Technical and Development Cooperation**

17. India offers ten (10) scholarships under the ITEC program to Paraguay. Ten (10) diplomats from Paraguay have attended past editions of the Professional Course for Foreign Diplomats at the Sushma Swaraj Institute of Foreign Service, New Delhi. Dean of Diplomatic and Consular Academy “Carlos Antonio Lopez” of Paraguay, Ambassador Juan Andres Cardozo, visited India to participate in the 48<sup>th</sup> International Forum for Diplomatic Training (IFDT) in November 2022, organized by Sushma Swaraj Institute of Foreign Service, New Delhi.

### **Indian Community**

18. Around 600 Indians live in Paraguay, mainly in Ciudad del Este, a city in the southeast of Paraguay on the border with Brazil and Argentina. Approximately 200 of them are NRIs, and the remaining are PIOs involved in trading, wholesale and retail business. Over 50 NRIs are present as employees at the Vemarcorp plant and their family members in Villa Hayes.

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**23 November 2022**