



SECTOR PROFILE
FORESTY AND
FLORICULTURE



FORESTRY AND FLORICULTURE SECTOR

The supply of forest products from Paraguay has been characterized by the supply of high-value timber species from native forests.

The current stage is one of transition in the use of raw materials, with a tendency to process wood logs from fast-growing plantations, with 60% of processing of wood logs from plantations and 40% from native species (National Forestry Institute-INFONA).

For the development of forestry plantations, Paraguay has a large area of land suitable for

the development of high-productivity forestry plantations. Some studies indicate that 45% of the territory has potential for forestry production.

The country has developed a relatively small forestry industry, with an installed capacity of about 865,000 m³/year, and actually 53% of this capacity is currently being used. These industries mainly produce sawn wood, veneer, plywood, flooring, and furniture for the local market, which is growing, and for export. (INFONA)



SECTOR POTENTIAL

The sector has growth potential throughout the production chain, based on the favorable conditions of the natural resource base for production, economic stability, and the constant growth in the global trade of forest products for pulp or cellulose, timber, and wood energy, with a projected global market of US\$ 998.5 billion (2022), suggesting an encouraging future for the sector.

Among the factors encouraging the increase are: population growth and average world income, which generates greater demand for products; climate change; a wide growth gap due to the increase in raw materials due to the development of plantations and access to forest plantation products at competitive prices; specific development policies for the sector; and demographic bonus.





INVESTMENT INCENTIVE SCHEMES

- **Law 4890/2013** - Law regarding the real property rights of Forested Areas
- **Law 6616/2020** - Allowing the Export of Logs from Exotic Species.
- **All current investment incentive regimes apply** (See Country Profile)



MAIN SECTOR INDICATORS

Number of Companies (INFONA)



● **261**
Sawmills

● **61**
Grinders
(Chippers)

● **17**
Sheeters

● **4**
Slicing Machine
Plants

● **5**
Packaging
Machine Plants

● **1**
Multi Laminating
Machine Plant

Installed Industrial Capacity (INFONA)

865.392 m3
of wood logs/ year

Number of employees (INFONA)



4,085

Women
5.5%

Men
94.5%

Distribution by gender
(INFONA)

Foreign Direct Investment (2021 - Central Bank)



USD 12
Millions

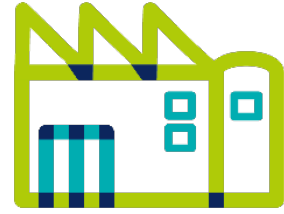


Geographical Location of the Companies



- Concepción
- San Pedro
- Central
- Caaguazú
- Caazapá,
- Alto Parana

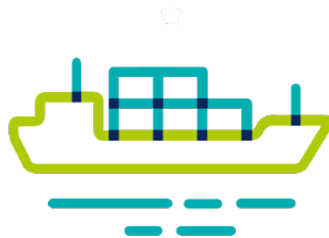
Economic Value



USD 264.2
Millions
Gross Value of Primary Production
(2019 - Central Bank)

574.1
Millions
Gross Value of Industrial Production
(2019 - Central Bank)

USD 83.8
Millions
Export
(2021 - REDIEIX)



Main Export Items (2021 - REDIEIX)

USD 47.7
Millions
Coal and Firewood

USD 17.3
Millions
Wood, Plywood

USD 7.8
Millions
Sawn Timber

USD 6.4
Millions
Parquets

USD 3.7
Millions
Other forest products

EXPORT DESTINATION (2021 - Rediex)



United States
20.4%



United Kingdom
11.7%



Chile
8.7%



Saudi Arabia
4.4%



Germany
4%



Uruguay
3.8%



Israel
3.8%



Argentina
2.6%



Spain
2.6%



Continental China
2.4%



LIST OF MAIN COMPANIES

COMPANIES
• Desarrollos Madereros S.A.
• Forestal Felber S.A.
• Unique Wood S.A.
• Madexport S.A.
• Chaco Forest S.A.
• Inpa Parquet S.A.
• La Industrial Maderil Altieri.

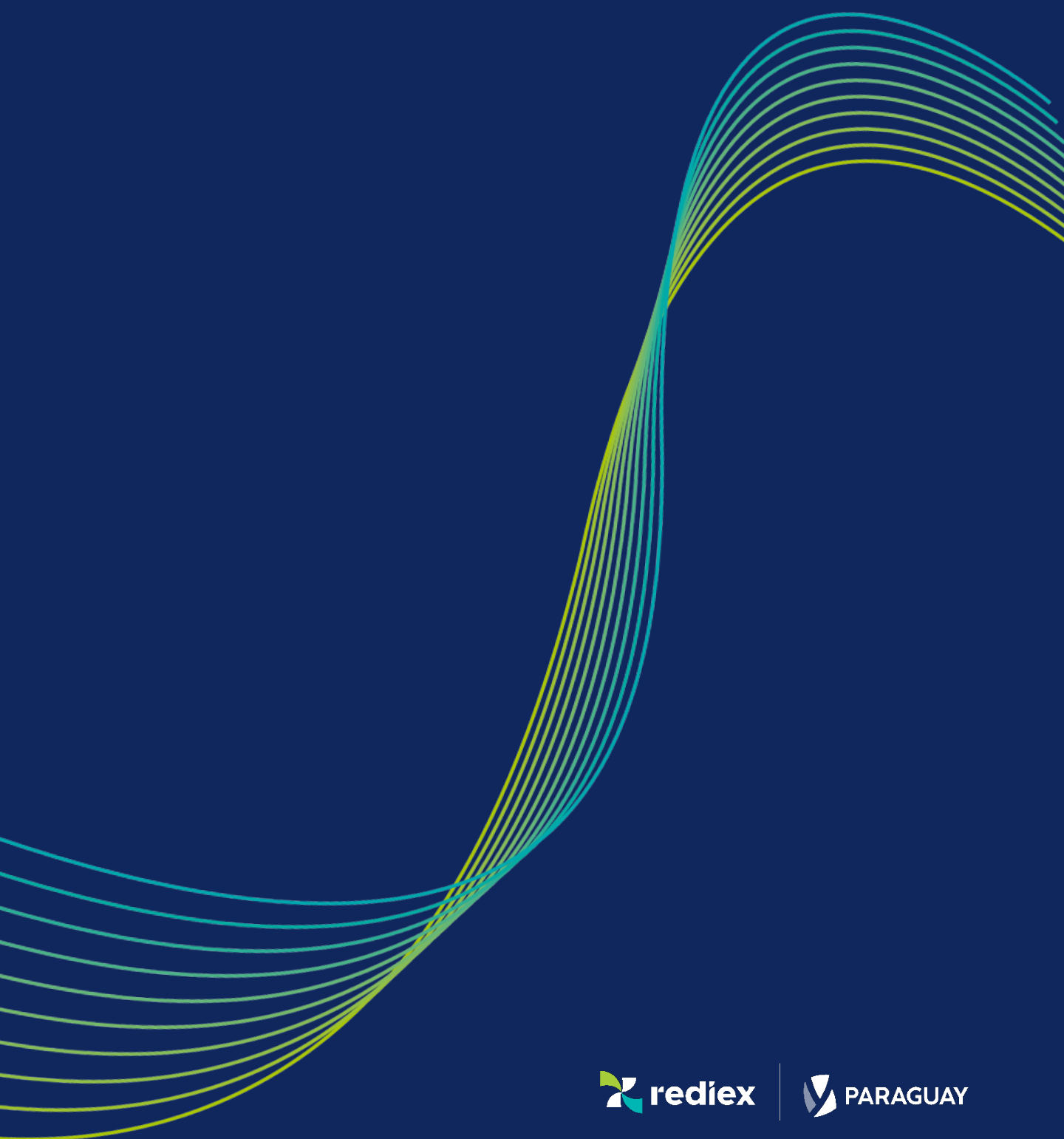


CONTACT

José Ayala Brun

Forestry Specialist – REDIEX

jose.ayala@rediex.gov.py



(+595) 021 616 3000

info@rediex.gov.py - www.rediex.gov.py

Mcd. López 3333 c/ Dr. Weiss | CP: 1892 | Asunción - Paraguay

