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Second and third periodic reports to be submitted by States parties under articles 16 and 17 of the Covenant

PARAGUAY* ** ***

[Períod 1994-2006]

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I. TERRITORY AND POPULATION

A. General characteristics

1. With an estimated population of 5, 701, 675 million in 2005, Paraguay continues to be a country with low population density and sporadically inhabited. Its average population density is 12.7 inhabitants per km². At the same time, it can be appreciated that the socio-demographic indicators have stabilized. The pace of population growth slowed from 3.2 per cent (1982-1992) to 2.2 per cent in the decade 1992-2002. Likewise, population density has also remained relatively low at the national level (12.7 inhab/km², standing at 31.5 inhab/km² in the eastern region, where 97.3 per cent of the population is concentrated, and 0.5 per inhab/km² in the western region or the Chaco, which represents 60 per cent of the national territory. Its principal economic activity continues to be extensive livestock farming, although mixed livestock and crop farms have developed in the Mennonite colonies in the central part of the region. The eastern region, comprising 39 per cent of the national territory, has an undulating topography, and most of the country's economic activities are located there, the most important being livestock farming, forestry and large commercial centres.

Paraguay: Population and population density by region (eastern – western). Years 1992 and 2002

| | | | Popi | ulation | | Don | sitv |
|---------|----------|-------------|------|-------------|------|-----------------------------|------|
| | | 1992 | | 2002 | | – Density Inhabitant/km² | |
| Region | Area km² | Inhabitants | % | Inhabitants | % | 1992 | 2002 |
| Eastern | 159 827 | 4 046 955 | 97.5 | 5 028 012 | 97.4 | 25.3 | 31.5 |
| Western | 246 925 | 105 633 | 2.5 | 135 186 | 2.6 | 0.4 | 0.5 |
| Total | 406 752 | 4 152 588 | 100 | 5 163 198 | 100 | 10.2 | 12.7 |

Source: DGEEC. National Population and Housing Censuses. Years 1992 and 2002.

- 2. Paraguay is a full member of the Common Market of the South (MERCOSUR). In this way Paraguay encourages and is involved in a broad process of consolidation of regional integration manifest on various fronts: economic, social and cultural, as well as political and commercial. Agribusiness in Paraguay constitutes an important sector of the economy (especially in soya cultivation), as well as exports from the binational Itaipú and Yacyretá hydroelectric plants.
- 3. The MERCOSUR Specialized Meeting of Women (REM) was created under the aegis of MERCOSUR and is a body in which Paraguay has actively participated since its inauguration in 1998. That forum prepares joint proposals to be submitted to the Common Market Group.

B. Ethnic characteristics

4. The population of Paraguay is marked by its important multi-ethnic component resulting from the blend of races and cultures living and interacting with one another. Demographic indicators also show an active population dynamic, influenced by internal migration, emigration of nationals abroad and the appreciable inflow of foreign immigrants, mostly from neighbouring countries.

C. Ethnic characteristics of the indigenous population

- 5. According to the results of the Second Indigenous National Census 2002, the registered indigenous population is 87,099, representing 1.7 per cent of the country's total population. The data that emerged from the 2002 indigenous census suggests that in the past 21 years the growth of the indigenous population has been larger (3.9 per cent) than that of the national population, which grew at an accumulative annual rate of 2.7 per cent (1982-2002). At the same time, just over one half of the total indigenous population lives in the eastern region (44,135), and the remainder (42,964) in the western region. This new information on spatial distribution by region is perhaps one of the significant discoveries of the last census. The western region was historically home to most of the indigenous population, as shown by the previous census data (67.2 per cent in 1981 and 55.8 per cent in 1992). In 2002 the indigenous population of the Chaco region stood at 49.3 per cent. However, this apparent increase must be viewed in the light of better coverage of the indigenous communities of the eastern region in the 2002 census, with the following current advantages: improved access; establishment of a communication strategy involving different indigenous languages, and the indigenous peoples' effective participation in the organization of the census, among other things.
- 6. For census purposes, the indigenous population was divided into 20 ethnic groups, of which the following are the largest: the Avá Guaraní, Pai Tavyterá, Mbyá, Nivaclé, northern Enlhet, southern Enlhet and southern Enxet. The Guaná, Manjui and Tomáraho ethnic groups are smaller. The indigenous peoples of Paraguay are settled predominantly in rural areas (91.5 per cent). It should be pointed out, however, that there is a significant presence of five ethnic groups in urban areas: Maká (77.4 per cent), Maskoy (32.7 per cent), western Guaraní (29.4 per cent), Nivaclé (25.2 per cent) and northern Enlhet (24.4 per cent). This distribution suggests movement towards urban centres, which, should the trend continue, would probably intensify in the next few years.
- 7. Regarding education indicators, the average number of years of study of the national population is 10 or more. However, there is a pronounced contrast between the national population as a whole (7 years) and the indigenous population (2.2 years). The urban indigenous population is slightly over this average compared with their peers living in rural areas (3.2 years as opposed to 2.1 years). The western Guaraní post a higher average, while the Manjui post the lowest (5 years and 0.7 years respectively). Another indicator that patently reflects the situation of disadvantage experienced by the indigenous population in the area of formal education is the illiteracy rate. The national rate for the population aged 15 and over is 7.1 per cent, and 51 per cent among the indigenous population. Also, there is a lower incidence of illiteracy among the urban indigenous population, as compared to their rural counterparts (29.2 per cent and 53.3 per cent respectively). The highest level of illiteracy is to be found among the Paí Tavyterá (82 per cent), while the western Guaraní are in a more favourable situation (12.2 per cent).
- 8. With regard to the indigenous population's housing situation, 5,802 of all private indigenous dwellings are houses, 10,439 huts, 678 makeshift dwellings, 368 sheds and 25 declared as "Other". The majority type of housing (huts) is apparently linked to the concentration of most of the indigenous population in rural areas and especially to the lack of basic services, such as electricity and drinking water, from which indigenous peoples suffer. Only 2.5 per cent of the indigenous population has access to drinking water, while 9.7 per cent possesses electric light. 1

¹ Indigenous peoples of Paraguay. Final results. II NATIONAL INDIGENOUS POPULATION AND HOUSING CENSUS 2002. This material was compiled by the Technical Team of the Directorate-General for Statistics, Surveys and Censuses.

D. Demographic characteristics of the country and its population

1. Life expectancy at birth

- 9. The trend towards higher life expectancy in Paraguay is becoming entrenched owing, inter alia, to the drop in the infant mortality rate and the higher level of public information on care, prevention and treatment of diseases. At the same time, this strengthening is also due to the consolidation of the health system made up of institutions of the public, private and non-profit sectors operating in various areas of health care and with branches throughout the country.
- 10. Life expectancy (both sexes)stands at 70.8 years. Life expectancy at birth continues to rise in all projection periods, increasing from 62.6 years in the five-year period 1990-1995 to 78.44 for 2045-2050. This increase is mainly due to the drop in child and infant mortality, especially during the first year of life. For the period 2000-2005 life expectancy is 70.8 years for both sexes taken together, i.e. 68.6 for men and 73.1 for women.²

Country total: Infant mortality rate (IMR) and life expectancy at birth by five-year period. Years: 1995-2005

| Ouisquannium | | Life expectancy | | Imr |
|--------------|------------|-----------------|-------|-------------|
| Quinquennium | Both sexes | Men | Women | (thousands) |
| 1995-2000 | 69.4 | 67.2 | 71.7 | 39.2 |
| 2000-2005 | 70.8 | 68.7 | 72.9 | 35.5 |

Source: STP/DGEEC. National Population Projection by sex and age, 1950-2050. Directorate-General for Statistics, Surveys and Censuses, 2003

- 11. In the past five years, life expectancy at birth has increased by one year for the country's population as a whole. The increase was 0.5 years for men and over one year for women.
- 12. As shown, the increase in life expectancy at birth is fairly similar for men and women. However, women are in a slightly more favourable position.

2. Infant mortality

- 13. In Paraguay it is estimated that on average some 38 children for every 1,000 live births die every year, which means that 38 children die before their first birthday (although underregistration runs at 50 per cent).
- 14. Between 1994 and the present the infant mortality rate has tended to fall, albeit slightly, but regional and socio-economic differences as well as differences deriving from degrees of urbanization still persist in infant mortality levels. The rate among the indigenous, rural and poor populations could presumably higher levels. The infant mortality rate is higher among the groups with the highest illiteracy rates than among groups with six years of schooling. Infant mortality is most rife among children from poor families.

Department of Biostatistics, 2003.

| Infant mortalit | v recorded and | estimated | according to age | . Paraguay. | 1992-2003 |
|-----------------|----------------|-----------|------------------|-------------|-----------|
|-----------------|----------------|-----------|------------------|-------------|-----------|

| Years | Rate registered x 1 000 L.B. | Estimated rate x 1 000 L.B. |
|-------|------------------------------|-----------------------------|
| 1992 | 21.4 | 43.5 |
| 1993 | 24.8 | 42.7 |
| 1994 | 21.7 | 42 |
| 1995 | 19.7 | 41.2 |
| 1996 | 20.9 | 40.6 |
| 1997 | 19.7 | 39.9 |
| 1998 | 19.6 | 39.3 |
| 1999 | 19.4 | 38.7 |
| 2000 | 20.2 | 38.1 |
| 2001 | 19.7 | 37.5 |
| 2002 | 19.6 | 33.3 |
| 2003 | 19.4 | 33.1 |

Source: Mortality Indicators. Department of Biostatistics, MSPyBS

- 15. At the same time, the under-registration of births (59.45) would make it impossible to determine with greater accuracy whether the risk of death from transmissible diseases had decreased among children under one year of age.³
- 16. However, the infant mortality rate between 1997 (19.6) and 2003 (19.2) remained virtually stable. Regarding neonatal mortality, between 1995 (11.18) and 2003 (11.7) neonatal mortality underwent a slight reduction, although the trend has not decreased in the past ten years. In 2003, among children under one year old $(1,632)^4$ who died, 1,007 lived for fewer than 28 days (neonatal mortality), which means that 60 per cent of infant deaths occur before the first month of life and are closely linked to pregnancy, delivery and puerperal infections and related care. If premature births are included, the proportion is as high as 69.7 per cent. The performance of perinatal mortality rates and trends is similar to that of neonatal mortality rates. In this case, there was a slight decrease, from 19.6 per thousand live births in 1992 to 19.4 in 2003.
- 17. The highest neonatal mortality rates are to be found in the Neembucú, Guairá and Amambay regions. The highest infant mortality rate is to be found in Boquerón, Alto Paraná and Amambay. Generally speaking, the highest mortality rates among under-fives appear in the departments of Alto Paraguay and Boquerón; although they have dropped slightly, these two regions are still in first and second place, as they were in 1992.
- 18. Regarding the causes of infant deaths in 2003, the trend of previous years continues; pathologies relating to pregnancy. delivery and the puerperium among mothers and their related

Health conditions in the Americas. 1998. Paraguay chapter.

Provisional figures at 22/09/2004.

care are the most frequent causes, accounting for 50 per cent, and almost 70 per cent if premature births are taken into account.

2.1 Deaths from immuno-preventable diseases

- 19. Cases of deaths from immuno-preventable diseases, with annual periodic variations, have undergone no substantial change from the 1992 incidence in absolute numbers, with the exception of measles and tetanus. In that year measles caused the death of 13 under-tens. It was responsible for the deaths of 80 children in 1993 and of 4 in 1994. No cases of the disease have been reported since 1999.
- 20. Neonatal tetanus remained at above 10 cases in the five-year period 1995-1999 and below that figure from 2000 onwards. In 2002 there were 50 reported cases of diphtheria (45 of them among minors under 15 years of age), resulting in 7 deaths.
- 21. Cases of deaths from immuno-preventable diseases (with the exception of measles and poliomyelitis), which appeared episodically as epidemic outbursts and which have been considerably reduced, are impact indicators that reveal difficulties in the control of these diseases. No cases of poliomyelitis-related sickness have been reported in the past decade.

Mortality from immuno-preventable diseases among children under 10. Number of cases. Paraguay. 1999-2002

| Causes | 1999 | 2000 | 2001 | 2002 |
|---------------------------|------|------|------|------|
| Poliomyelitis | 0 | 0 | 0 | 0 |
| Measles | 0 | 0 | 0 | 0 |
| Neonatal tetanus | 7 | 4 | 7 | 3 |
| Tetanus (other ages) | 7 | 2 | 2 | 1 |
| Diphtheria | 0 | 0 | 0 | 7 |
| Bordetella pertussis | 2 | - | - | - |
| Pertussis (not specified) | 39 | 1 | 2 | 2 |
| TOTAL | 55 | 7 | 11 | 13 |

Mortality from tuberculosis in children under 10, 1993-2003, Paraguay

| Age groups | 1999 | 2000 | 2001 | 2002 | 2003 |
|------------|------|------|------|------|------|
| <1 year | 2 | 1 | 0 | 2 | 3 |
| 1-4 years | 6 | 8 | 3 | 8 | 2 |
| 5-9 years | 0 | 3 | 0 | 2 | 1 |
| TOTAL | 8 | 12 | 3 | 12 | 6 |

Source: Tuberculosis control programme, MSPyBS.

| Age groups | | | Years | | |
|------------|------|------|-------|------|-------|
| _ | 2000 | 2001 | 2002 | 2003 | Total |
| 0-1 year | 2 | 1 | 1 | 1 | 5 |
| 1-4 years | 2 | 1 | 1 | 1 | 5 |
| 5-9 years | 0 | 1 | 1 | 3 | 5 |
| Not known | 0 | 0 | 0 | 1 | 1 |
| TOTAL | 4 | 3 | 3 | 6 | 16 |

Source: Epidemiological Surveillance Department, HIV/AIDS Control Programme, MSPyBS

2.2 Mortality owing to child abuse

22. The Ministry's child-abuse records show 12 violent deaths from child abuse in the past five years, 10 of them of children under one year of age.

Mortality from violence against and abuse of children under 10, Paraguay, 1999-2003

| Years | Number of deaths | |
|-------|------------------|--|
| 1999 | 1 | |
| 2000 | 2 | |
| 2001 | 4 | |
| 2002 | 0 | |
| 2003 | 5 | |
| TOTAL | 12 | |

Source: Death certificates received. Department of Biostatistics, MSPyBS.

2.3 Infant deaths without medical attention

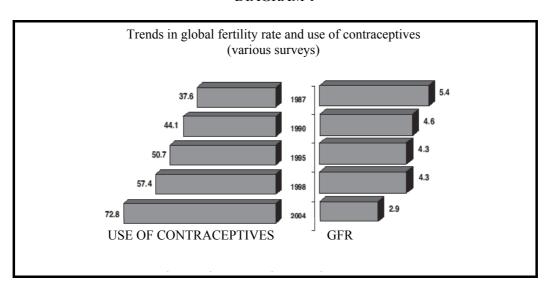
- 23. During 1992, 1,611 deaths of children were recorded; 34 per cent of them had received no medical attention as they died. In 2003, 162 out of 1,683 deaths occurred without medical attention. In 1992, of every 100 children who died 34 did so without receiving any medical attention. In 2003, of every 100 children who died, 10 had received no medical attention.
- 24. *Urban area:* this is defined as that of official district capitals according to administrative regulations, laid out in blocks, no other special factor is taken into account..
- 25. Rural area: These are simply areas not laid out in blocks, regardless of the number of inhabitants.

3. Fertility rate

26. The fertility rate has declined substantially in Paraguay, especially in the past six years, although the level continues to rise in some population subgroups. Fertility estimates are reckoned on the basis of the birth histories of women aged 15-44 and polled during the 2004 national demographic and sexual and reproductive health survey (ENDSSR 2004). The national general fertility rate (GFR) for 2001-2004 for women aged 15-44 stands at 2.9 children per

woman. Various surveys conducted in the country since 1990 show that after some 10 years of gradual reduction in fertility (1990-1998) Paraguay experienced a significant drop in the global fertility rate (GFR) between 1998 and 2004. This reduction is linked to significant improvements in Paraguayan women's education.

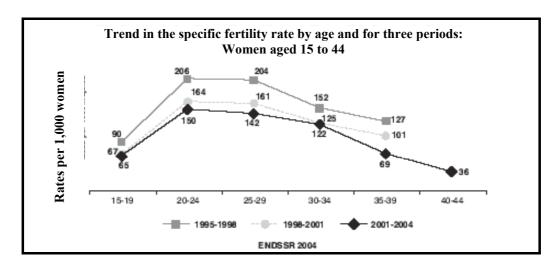
DIAGRAM 1



Source: EPF 87, ENDS 90, ENDSR 95/96, ENSMI 98, ENDSSR 2004.

27. The findings of the current survey, contained in diagram 1, show a constant decline in GFR, which, all in all, represents a reduction by one child (25 per cent), or to 2.9 children per woman in 2001-2004 as against 3.9 per woman in 1995-1998, with a reduction by 0.5 child in each three-year period. Similarly, the specific fertility rates for all ages are consistent in the estimates based on the figures from both surveys. In the 20-29 age group there has been a continuous reduction between the periods 1995-1998 and 2001-2004 in the specific fertility rate, which also substantially affects GFR because the majority of births occur among this age group. The fertility rate among adolescents aged 15-19 fell by 26 per cent. dropping from 90 births per 1,000 women during the period 1995-1998 to 67 births per 1,000 women in the period 1998-2001, stabilizing between the periods 1998-2001 and 2001-2004 (see Diagram 2).

DIAGRAM 2



28. It was mentioned earlier that rural women have an average of 1.2 children more than women living in urban areas: this difference prevails in all age groups. The northern region of the country posts the highest fertility rate, with an average of 3.9 children per woman, Greater Asunción being the region with the lowest fertility rate, with 2.4 children per woman.

Specific fertility rates by age (per 1,000 women) and global fertility rate (GFR) by area, region, education, language normally spoken in the home, and socio-economic level.

Period: March 2001 to February 2004. ENDSSR 2004

| | | | | Age grou | p | | |
|--|-------|-------|-------|----------|-------|-------|----------------------|
| Characteristics | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40-44 | ISF (15-44 years) |
| Areas | | | | | | | |
| Urban | 52 | 125 | 124 | 115 | 55 | 32 | 2.5 |
| Rural | 91 | 209 | 173 | 133 | 91 | 43 | 3.7 |
| Region | | | | | | | |
| Greater Asunción | 44 | 128 | 106 | 108 | 62 | * | 2.4 |
| Norte | 97 | 208 | 180 | 139 | 101 | * | 3.9 |
| Centro Sur | 67 | 172 | 140 | 117 | 69 | * | 3.1 |
| Este | 73 | 140 | 163 | 131 | 62 | * | 3.0 |
| Education (years of approved studies) | | | | | | * | |
| 0-5 years | 136 | 249 | 190 | 144 | 83 | * | 4.2 |
| 6 years | 153 | 217 | 151 | 120 | 70 | 52 | 3.8 |
| 7-11 years | 54 | 188 | 146 | 116 | 55 | * | 2.9 |
| From 12 years | 26 | 89 | 109 | 111 | 60 | * | 2.1 |
| Language spoken in home | | | | | | * | |
| Guaraní | 99 | 209 | 182 | 142 | 99 | 53 | 3.9 |
| Spanish and Guaraní | 54 | 139 | 133 | 115 | 51 | 31 | 2.6 |
| Spanish | 22 | 117 | 110 | 107 | 59 | 23 | 2.3 |
| Socio-economic level | | | | | | | |
| Very low | 148 | 293 | 221 | 193 | 152 | 82 | 5.4 |
| Low | 90 | 190 | 152 | 132 | 69 | * | 3.4 |
| Medium | 62 | 169 | 133 | 93 | 55 | * | 2.7 |
| High | 40 | 104 | 106 | 91 | 48 | * | 2.1 |
| Very high | * | 72 | 115 | 111 | 41 | * | 1.9 |
| Total | 65 | 150 | 142 | 122 | 69 | 36 | 2.9 |

Paraguay: Projection of population under 15 years of age, by actual age. period 1994-2006

| Ages (actual) | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 0 - 4 years | 683 586 | 688 898 | 693 928 | 698 514 | 702 777 | 706 834 | 710 803 | 714 750 | 718 594 | 722 241 | 725 592 | 728 551 | 731 068 |
| Under 1 year | 140 244 | 141 180 | 142 028 | 142 802 | 143 522 | 144 206 | 144 876 | 145 548 | 146 210 | 146 835 | 147 397 | 147 870 | 148 238 |
| 1 year | 137 982 | 138 997 | 139 939 | 140 802 | 141 608 | 142 374 | 143 123 | 143 868 | 144 597 | 145 287 | 145 913 | 146 453 | 146 892 |
| 2 years | 136 525 | 137 587 | 138 594 | 139 514 | 140 370 | 141 187 | 141 988 | 142 785 | 143 564 | 144 304 | 144 984 | 145 582 | 146 086 |
| 3 years | 135 137 | 136 252 | 137 327 | 138 308 | 139 218 | 140 085 | 140 935 | 141 778 | 142 598 | 143 377 | 144 100 | 144 750 | 145 319 |
| 4 years | 133 698 | 134 883 | 136 040 | 137 089 | 138 059 | 138 980 | 139 882 | 140 770 | 141 625 | 142 438 | 143 198 | 143 897 | 144 532 |
| 5 - 11 years | 643 170 | 651 372 | 659 086 | 665 886 | 672 012 | 677 704 | 683 201 | 688 441 | 693 265 | 697 765 | 702 037 | 706 173 | 710 225 |
| 5 years | 132 282 | 133 290 | 134 474 | 135 644 | 136 783 | 137 869 | 138 884 | 139 820 | 140 690 | 141 505 | 142 277 | 143 017 | 143 737 |
| 6 years | 130 617 | 131 883 | 133 219 | 134 471 | 135 647 | 136 757 | 137 809 | 138 793 | 139 703 | 140 555 | 141 364 | 142 146 | 142 915 |
| 7 years | 128 809 | 130 403 | 131 921 | 133 265 | 134 478 | 135 608 | 136 698 | 137 736 | 138 693 | 139 586 | 140 436 | 141 262 | 142 075 |
| 8 years | 126 826 | 128 794 | 130 519 | 131 971 | 133 234 | 134 392 | 135 529 | 136 632 | 137 643 | 138 585 | 139 480 | 140 350 | 141 204 |
| 9 years | 124 636 | 127 002 | 128 952 | 130 535 | 131 870 | 133 078 | 134 281 | 135 460 | 136 536 | 137 534 | 138 480 | 139 398 | 140 294 |
| 12 - 14 years | 580 881 | 597 813 | 611 223 | 622 303 | 631 733 | 640 195 | 648 371 | 656 107 | 662 948 | 669 125 | 674 870 | 680 414 | 685 692 |
| 10 years | 122 358 | 125 143 | 127 317 | 129 014 | 130 400 | 131 640 | 132 900 | 134 163 | 135 319 | 136 393 | 137 407 | 138 385 | 139 326 |
| 11 years | 120 109 | 123 337 | 125 710 | 127 467 | 128 837 | 130 049 | 131 332 | 132 679 | 133 938 | 135 119 | 136 232 | 137 290 | 138 281 |
| 12 years | 117 109 | 120 661 | 123 283 | 125 274 | 126 859 | 128 264 | 129 715 | 131 198 | 132 563 | 133 829 | 135 016 | 136 141 | 137 189 |
| 13 years | 113 026 | 116 713 | 119 660 | 122 155 | 124 313 | 126 252 | 128 088 | 129 780 | 131 252 | 132 562 | 133 772 | 134 942 | 136 054 |
| 14 years | 108 279 | 111 959 | 115 253 | 118 393 | 121 323 | 123 989 | 126 336 | 128 287 | 129 876 | 131 222 | 132 443 | 133 656 | 134 842 |
| Percentage under 15 | 40.7 | 40.4 | 40 | 39.6 | 39.1 | 38.7 | 38.2 | 37.7 | 37.3 | 36.8 | 36.3 | 35.9 | 35.4 |
| Total under 15 | 1 907 637 | 1 938 083 | 1 964 236 | 1 986 703 | 2 006 521 | 2 024 732 | 2 042 375 | 2 059 298 | 2 074 807 | 2 089 131 | 2 102 499 | 2 115 138 | 2 126 985 |
| Country total | 4 688 855 | 4 798 950 | 4 908 587 | 5 017 920 | 5 127 167 | 5 236 543 | 5 346 267 | 5 456 418 | 5 566 852 | 5 677 448 | 5 788 088 | 5 898 651 | 6 009 143 |

Source: STP/DGEEC. National Population and Housing Census 2002.

29. The periodicity of births, or the intergenesic period, is another important factor of fertility levels. The average period between births for the period 1999-2004 was 48.5 months, higher than for the period 1994-1999 (38.2 months) and the period 1989-1994 (34.4 months). This figure is based on births among women under 35 years of age during the 15-year period 1989-2004. Another significant finding is that the interval increases in line with more years of schooling and a higher socio-economic level. Also, women who normally speak Spanish at home have an interval of 62.6 months, while women speaking only Guaraní have an interval of 39 months between deliveries. The average interval between births in urban areas is 57.7 months, as opposed to 40.8 in rural areas.

4. Percentage of the population under age 15

30. The statistics and projections of the Directorate-General for Statistics, Surveys and Censuses estimate the under-15 Paraguayan population in 2005 at 2,115,138, equivalent to 35.8 per cent of the national population (see disaggregated statistics above [page 12]).

5. Percentage of the population aged 65 and over

31. There has been a moderate increase in the population aged 65 and over. In particular, a comparison with statistics for the period 1994-2005 shows that this segment of the population has increased from 4.2 per cent to 4.7 per cent of the total population. Likewise, the largest segment comprises persons aged 65-70 (see disaggregated statistics below).

| % 65 years and over | 4.2 | 4.2 | 4.3 | 4.3 | 4.3 | 4.3 | 4.3 | 4.4 | 4.5 | 4.5 | 4.6 | 4.7 | 4.8 |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|
| 65-69 | 77 507 | 79 276 | 80 013 | 79 906 | 79 640 | 79 899 | 81 368 | 84 407 | 88 562 | 93 288 | 98 045 | 102 290 | 105 775 |
| 65 | 16 421 | 16 711 | 16 997 | 17 258 | 17 549 | 17 923 | 18 433 | 19 119 | 19 947 | 20 855 | 21 781 | 22 664 | 23 453 |
| 66 | 16 256 | 16 595 | 16 719 | 16 664 | 16 582 | 16 628 | 16 954 | 17 654 | 18 626 | 19 729 | 20 823 | 21 768 | 22 494 |
| 67 | 15 850 | 16 226 | 16 267 | 16 042 | 15 756 | 15 613 | 15 818 | 16 487 | 17 482 | 18 632 | 19 764 | 20 705 | 21 384 |
| 68 | 15 030 | 15 416 | 15 499 | 15 345 | 15 129 | 15 027 | 15 215 | 15 780 | 16 604 | 17 557 | 18 512 | 19 340 | 19 992 |
| 69 | 13 949 | 14 328 | 14 531 | 14 597 | 14 624 | 14 708 | 14 947 | 15 367 | 15 903 | 16 516 | 17 166 | 17 814 | 18 453 |
| 70-74 | 55 467 | 57 352 | 59 495 | 61 881 | 64 269 | 66 417 | 68 086 | 68 891 | 68 992 | 68 966 | 69 389 | 70 837 | 73 616 |
| 70 | 12 932 | 13 313 | 13 623 | 13 882 | 14 119 | 14 362 | 14 640 | 14 926 | 15 201 | 15 505 | 15 880 | 16 366 | 16 997 |
| 71 | 11 911 | 12 299 | 12 727 | 13 194 | 13 656 | 14 070 | 14 391 | 14 533 | 14 527 | 14 500 | 14 582 | 14 902 | 15 539 |
| 72 | 10 968 | 11 355 | 11 854 | 12 449 | 13 053 | 13 577 | 13 931 | 13 999 | 13 840 | 13 629 | 13 541 | 13 752 | 14 358 |
| 73 | 10 175 | 10 550 | 11 036 | 11 619 | 12 214 | 12 735 | 13 097 | 13 199 | 13 100 | 12 948 | 12 894 | 13 088 | 13 603 |
| 74 | 9 481 | 9 835 | 10 256 | 10 737 | 11 227 | 11 674 | 12 028 | 12 233 | 12 325 | 12 384 | 12 492 | 12 729 | 13 120 |
| 75-79 | 36 691 | 38 129 | 39 584 | 41 063 | 42 592 | 44 200 | 45 911 | 47 876 | 50 078 | 52 291 | 54 290 | 55 851 | 56 643 |
| 75 | 8 766 | 9 098 | 9 467 | 9 870 | 10 282 | 10 677 | 11 031 | 11 328 | 11 586 | 11 826 | 12 071 | 12 343 | 12 618 |
| 76 | 8 059 | 8 369 | 8 685 | 9 010 | 9 345 | 9 691 | 10 049 | 10 448 | 10 885 | 11 320 | 11 713 | 12 021 | 12 174 |
| 77 | 7 350 | 7 637 | 7 910 | 8 175 | 8 450 | 8 755 | 9 109 | 9 566 | 10 112 | 10 667 | 11 152 | 11 486 | 11 570 |
| 78 | 6 622 | 6 887 | 7 139 | 7 382 | 7 635 | 7 920 | 8 256 | 8 695 | 9 224 | 9 765 | 10 240 | 10 573 | 10 676 |
| 79 | 5 894 | 6 138 | 6 382 | 6 625 | 6 880 | 7 157 | 7 466 | 7 840 | 8 272 | 8 713 | 9 114 | 9 428 | 9 605 |
| 80 and over | 27 656 | 29 001 | 30 424 | 31 917 | 33 490 | 35 149 | 36 903 | 38 753 | 40 693 | 42 723 | 44 840 | 47 046 | 49 416 |

Source: STP/DGEEC National Population and Housing Census 2002

6. Urban and rural population

32. The trend towards a reversal of the historical majority from the rural to the urban population has been gaining ground during the past decade; according to data produced by the 2002 census, the urban population stands at 56.7 per cent, whereas 43.3 per cent live in rural areas. The marked evolution of this phenomenon in Paraguay is illustrated below.

Population projection by urban/rural area, by calendar year. Period 2000-2005

| | U | I rban area | | Rural area | | | | | | |
|------|-----------|--------------------|------------|------------|------------------|-----------|------------|--|--|--|
| Vanu | | Urban populat | ion | Vanu | Rural population | | | | | |
| Year | Men | Women | Both sexes | - Year | Men | Women | Both sexes | | | |
| 2000 | 1 433 399 | 1 506 545 | 2 939 944 | 2000 | 1 272 125 | 1 134 198 | 2 406 323 | | | |
| 2001 | 1 473 081 | 1 547 200 | 3 020 281 | 2001 | 1 288 060 | 1 148 077 | 2 436 137 | | | |
| 2002 | 1 513 168 | 1 588 244 | 3 101 412 | 2002 | 1 303 520 | 1 161 920 | 2 465 439 | | | |
| 2003 | 1 553 561 | 1 629 599 | 3 183 160 | 2003 | 1 318 625 | 1 175 663 | 2 494 288 | | | |
| 2004 | 1 594 161 | 1 671 185 | 3 265 346 | 2004 | 1 333 497 | 1 189 245 | 2 522 742 | | | |
| 2005 | 1 634 869 | 1 712 924 | 3 347 793 | 2005 | 1 348 254 | 1 202 604 | 2 550 858 | | | |

Source: DGEEC. Paraguay. Population projection by sex and age group. by urban and rural area 2000-2030

7. Women heads of households

33. The sustained increase in the numbers of women heads of households is significant, from 20 per cent in 1992 to 25.9 per cent in 2002. According to the 2004 Household Census, one out of four Paraguayan households is headed by a woman. This development becomes even more significant if one considers that the number of women heads of households has almost tripled in the past 20 years. In 2002, 29.6 per cent of urban households and 20.7 per cent of rural households were headed by women. An important segment of these households live in poverty or extreme poverty.

Paraguay: Households headed by women. Years 1992 and 2002

| Census | Number | Percentage |
|--------|---------|------------|
| 1992 | 180 047 | 20.8 |
| 2002 | 287 040 | 25.9 |
| 2005 | 371 566 | 27.7 |

¹ Corresponds to population projections, taking census omissions into account.

E. Socio-economic indicators

34. In this section the information available is given under the following headings:

1. National income per head

35. According to data provided by the Central Bank of Paraguay, the national income per head has been as follows:

Evolution of income per head

| | Gross Domestic Product per Head | | | | | | | | | | | |
|------|---------------------------------|-------------------------|------|-----------------------|-------------------------|--|--|--|--|--|--|--|
| Year | Current US dollars | Constant US dollars* | Year | Current US dollars | Constant US dollars* | | | | | | | |
| 1994 | 1 481 | 1 481 | 2000 | 1 328 | 1 356 | | | | | | | |
| 1995 | 1 672 | 1 526 | 2001 | 1 182 | 1 356 | | | | | | | |
| 1996 | 1 785 | 1 498 | 2002 | 915 | 1 329 | | | | | | | |
| 1997 | 1 767 | 1 509 | 2003 | 978 | 1 353 | | | | | | | |
| 1998 | 1 543 | 1 485 | 2004 | 1 205 | 1 382 | | | | | | | |
| 1999 | 1 394 | 1 433 | 2005 | 1 301 | 1 393 | | | | | | | |

Source: Dept. of National Accounting and Internal Market Division. Central Bank of Paraguay.

2. Gross national product

- 36. The gross national product at market prices, in constant 1994 guaranies, showed a variation of 2.2 per cent in 2005 as compared with 2004, in which there was a variation of 4 per cent.
- 37. In 2005, domestic economic activity was affected by, inter alia, climatic factors, which reduced the size of the harvest of most crops, and the decline in the international prices of export products.

3. Rate of inflation

38. According to calculations by the Central Bank of Paraguay, the estimated percentage inflation rate is as follows:

| | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|-----------|------|------|------|------|------|------|------|------|------|------|------|------|
| Inflation | 18.3 | 10.5 | 8.2 | 6.2 | 14.6 | 5.4 | 8.6 | 8.4 | 14.6 | 9.3 | 2.8 | 9.9 |

4. Economically active population (EAP) by economic sector

39. Data produced by the 2002 census reveal the following indicators:

^{* 1994} constant.

4.1 Employment – Total population

Employment indicators for the total population. Period 1995-2005

| CL ACCIPICATION | | 1995(*) | | | 1999(*) | | | 2004 | | | 2005 | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| CLASSIFICATION | Total | Men | Women |
| Economically active population (EAP) (**) | 2 323 585 | 1 372 209 | 951 376 | 2 147 011 | 1 358 681 | 788 330 | 2 762 459 | 1 657 617 | 1 104 842 | 2 779 810 | 1 680 474 | 1 099 336 |
| Economically inactive population (EIP) (**) | 1 034 481 | 294 439 | 740 043 | 1 599 408 | 479 352 | 1 120 057 | 1 592 459 | 505 698 | 1 086 761 | 1 718 453 | 556 169 | 1 162 284 |
| Employed population | 2 245 742 | 1 330 321 | 915 421 | 2 000 412 | 1 270 898 | 729 514 | 2 560 612 | 1 561 745 | 998 867 | 2 617 708 | 1 598 232 | 1 019 476 |
| Overt unemployment | 77 843 | 41 888 | 35 955 | 146 599 | 87 782 | 58 816 | 201 847 | 95 872 | 105 975 | 162 102 | 82 242 | 79 860 |
| Invisible unemployment | 62 021 | 26 046 | 35 975 | 231 852 | 80 529 | 151 323 | 112 297 | 40 578 | 71 719 | 108 132 | 42 011 | 66 121 |
| Underemployed population | 388 639 | 209 084 | 179 555 | 377 500 | 201 950 | 175 551 | 667 735 | 362 174 | 305 561 | 698 492 | 372 649 | 325 843 |
| Visible underemployed population | 141 582 | 60 712 | 80 870 | 130 549 | 50 640 | 79 909 | 223 010 | 96 493 | 126 517 | 187 029 | 72 851 | 114 178 |
| Invisible underemployed population | 247 057 | 148 372 | 98 685 | 246 951 | 151 309 | 95 642 | 444 725 | 265 681 | 179 044 | 511 463 | 299 798 | 211 665 |
| Total population | 4 707 341 | 2 354 873 | 2 352 468 | 5 132 678 | 2 526 387 | 2 606 291 | 5 701 675 | 2 859 583 | 2 842 092 | 5 837 253 | 2 916 060 | 2 921 193 |
| Activity rate | 69.2 | 82.3 | 56.2 | 57.3 | 73.9 | 41.3 | 63.4 | 76.6 | 50.4 | 61.8 | 75.1 | 48.6 |
| Employment rate | 96.6 | 96.9 | 96.2 | 93.2 | 93.5 | 92.5 | 92.7 | 94.2 | 90.4 | 94.2 | 95.1 | 92.7 |
| Open unemployment rate | 3.4 | 3.1 | 3.8 | 6.8 | 6.5 | 7.5 | 7.3 | 5.8 | 9.6 | 5.8 | 4.9 | 7.3 |
| Invisible unemployment rate | 2.6 | 1.9 | 3.6 | 9.7 | 5.6 | 16.1 | 3.9 | 2.4 | 6.1 | 3.7 | 2.4 | 5.7 |
| Total underemployment rate | 16.7 | 15.2 | 18.9 | 17.6 | 14.9 | 22.3 | 24.2 | 21.8 | 27.7 | 25.1 | 22.2 | 29.6 |
| Visible underemployment rate | 6.1 | 4.4 | 8.5 | 6.1 | 3.7 | 10.1 | 8.1 | 5.8 | 11.5 | 6.7 | 4.3 | 10.4 |
| Invisible underemployment rate | 10.6 | 10.8 | 10.4 | 11.5 | 11.1 | 12.1 | 16.1 | 16.0 | 16.2 | 18.4 | 17.8 | 19.3 |

^(*) In the Permanent Household Survey 1995. Data adjusted to the findings of the 2003 census. (**) Population under 10 years of age. *Source:* STP/DGEEC. Permanent Household Survey 1995. 1999. 2004. 2005.

4.1.1 Employment – Adult population

Employment indicators of the adult population. Period 1995-2005

| CL ASSIEICATION | | 1995(*) | | j | 1999(*) | | | 2004 | | | 2005 | |
|---|-----------|---------|---------|-----------|---------|---------|-----------|-----------|-----------|-----------|-----------|-----------|
| CLASSIFICATION | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women |
| Economically inactive population (EIP) (**) | 347 908 | 65 791 | 282 117 | 531 396 | 83 604 | 447 792 | 505 209 | 102 844 | 402 365 | 550 301 | 104 797 | 445 504 |
| Occupied population | 1 240 322 | 716 363 | 523 959 | 1 201 604 | 752 059 | 449 545 | 1 484 480 | 874 669 | 609 811 | 1 587 170 | 934 295 | 652 875 |
| Open unemployment | 27 362 | 15 257 | 12 105 | 55 489 | 33 035 | 22 454 | 68 703 | 36 417 | 32 286 | 52 434 | 27 913 | 24 521 |
| Hidden unemployment | 14 068 | 2 928 | 11 140 | 62 735 | 12 308 | 50 427 | 31 453 | 8 483 | 22 970 | 38 915 | 15 457 | 23 458 |
| Underemployed population | 163 421 | 85 261 | 78 160 | 164 197 | 81 525 | 82 673 | 280 790 | 142 771 | 138 019 | 307 205 | 151 976 | 155 229 |
| Visible underemployed population | 69 941 | 26 201 | 43 740 | 66 441 | 18 933 | 47 508 | 106 954 | 36 105 | 70 849 | 99 212 | 29 934 | 69 278 |
| Invisible underemployed population | 93 480 | 59 059 | 34 421 | 97 756 | 62 591 | 35 165 | 173 836 | 106 666 | 67 170 | 207 993 | 122 042 | 85 951 |
| Total population | 1 615 592 | 797 411 | 818 181 | 1 788 489 | 868 698 | 919 791 | 2 058 392 | 1 013 930 | 1 044 462 | 2 189 905 | 1 067 005 | 1 122 900 |
| Activity rate | 78.5 | 91.7 | 65.5 | 70.3 | 90.4 | 51.3 | 75.5 | 89.9 | 61.5 | 74.9 | 90.2 | 60.3 |
| Employment rate | 97.8 | 97.9 | 97.7 | 95.6 | 95.8 | 95.2 | 95.6 | 96.0 | 95.0 | 96.8 | 97.1 | 96.4 |
| Open unemployment rate | 2.2 | 2.1 | 2.3 | 4.4 | 4.2 | 4.8 | 4.4 | 4.0 | 5.0 | 3.2 | 2.9 | 3.6 |
| Hidden unemployment rate | 1.1 | 0.4 | 2.0 | 4.8 | 1.5 | 9.7 | 2.0 | 0.9 | 3.5 | 2.3 | 1.6 | 3.3 |
| Total underemployment rate | 12.9 | 11.7 | 14.6 | 13.1 | 10.4 | 17.5 | 18.1 | 15.7 | 21.5 | 18.7 | 15.8 | 22.9 |
| Visible underemployment rate | 5.5 | 3.6 | 8.2 | 5.3 | 2.4 | 10.1 | 6.9 | 4.0 | 11.0 | 6.1 | 3.1 | 10.2 |
| Invisible underemployment rate | 7.4 | 8.1 | 6.4 | 7.8 | 8.0 | 7.5 | 11.2 | 11.7 | 10.5 | 12.7 | 12.7 | 12.7 |

^(*) En la EPH 1995-1999. Data adjusted to the findings of the 2003 census 2002 census. (**) Población *Source:* STP/DGEEC. Permanent Household Survey1995, 1999, 2005.. 2004. 2005.

4.1.2. Employment – Juvenile population

Employment indicators among the juvenile population. Period 1995-2005

| CL ACCUPACION AND AND AND AND AND AND AND AND AND AN | | 1995(*) | | | 1999(*) | | | 2004 | | | 2005 | _ |
|--|-----------|---------|---------|-----------|---------|---------|-----------|---------|---------|-----------|---------|---------|
| CLASSIFICATION | Total | Men | Women |
| Economically active population (EAP) (**) | 834 623 | 492 677 | 341 947 | 792 389 | 501 736 | 290 653 | 1 058 824 | 641 378 | 417 446 | 1 018 817 | 628 076 | 390 741 |
| Economically inactive population (EIP) (**) | 282 666 | 54 506 | 228 161 | 499 746 | 135 122 | 364 624 | 515 966 | 140 477 | 375 489 | 549 765 | 166 466 | 383 299 |
| Employed population | 791 151 | 469 791 | 321 360 | 712 740 | 456 537 | 256 203 | 935 416 | 585 842 | 349 574 | 917 466 | 579 022 | 338 444 |
| Overt unemployment | 43 472 | 22 886 | 20 586 | 79 648 | 45 198 | 34 450 | 123 408 | 55 536 | 67 872 | 101 351 | 49 054 | 52 297 |
| Invisible unemployment | 29 196 | 10 021 | 19 175 | 121 461 | 41 246 | 80 215 | 60 490 | 21 280 | 39 210 | 58 235 | 21 884 | 36 351 |
| Underemployed population | 187 217 | 97 568 | 89 649 | 185 075 | 102 428 | 82 647 | 344 349 | 189 642 | 154 707 | 361 973 | 201 901 | 160 072 |
| Visible underemployed population | 53 244 | 20 999 | 32 245 | 48 904 | 21 528 | 27 376 | 90 946 | 42 300 | 48 646 | 76 913 | 34 443 | 42 470 |
| Invisible underemployed population | 133 973 | 76 569 | 57 404 | 136 171 | 80 900 | 55 271 | 253 403 | 147 342 | 106 061 | 285 060 | 167 458 | 117 602 |
| Total population | 1 117 290 | 547 183 | 570 107 | 1 292 135 | 636 858 | 655 277 | 1 574 790 | 781 855 | 792 935 | 1 568 582 | 794 542 | 774 040 |
| Activity rate | 74.7 | 90.0 | 60.0 | 61.3 | 78.8 | 44.4 | 67.2 | 82.0 | 52.6 | 65.0 | 79.0 | 50.5 |
| Employment rate | 94.8 | 95.4 | 94.0 | 89.9 | 91.0 | 88.1 | 88.3 | 91.3 | 83.7 | 90.1 | 92.2 | 86.6 |
| Overt unemployment rate | 5.2 | 4.6 | 6.0 | 10.1 | 9.0 | 11.9 | 11.7 | 8.7 | 16.3 | 9.9 | 7.8 | 13.4 |
| Invisible unemployment rate | 3.4 | 2.0 | 5.3 | 13.3 | 7.6 | 21.6 | 5.4 | 3.2 | 8.6 | 5.4 | 3.4 | 8.5 |
| Total underemployment rate | 22.4 | 19.8 | 26.2 | 23.4 | 20.4 | 28.4 | 32.5 | 29.6 | 37.1 | 35.5 | 32.1 | 41.0 |
| Visible underemployment rate | 6.4 | 4.3 | 9.4 | 6.2 | 4.3 | 9.4 | 8.6 | 6.6 | 11.7 | 7.5 | 5.5 | 10.9 |
| Invisible underemployment rate | 16.1 | 15.5 | 16.8 | 17.2 | 16.1 | 19.0 | 23.9 | 23.0 | 25.4 | 28.0 | 26.7 | 30.1 |

^(*) In the Permanent Household Survey 1995-1999. Data adjusted to the findings of the 2002 census. (**) Population aged 15-25 *Source:* STP/DGEEC. Permanent Household Survey 1995, 1999, 2004, 2005.

4.2. Income distribution and degree of poverty

Income and Poverty Indicator

| | 1995 | 1999 | 2004 | 2005 |
|--|---------|---------|---------|---------|
| % Accumulated Income for the first two | | | | |
| income quintiles (40% of the total population) | 7.4 | 10.4 | 11.5 | 11.2 |
| Poverty lines (in Gs): | | | | |
| Asunción | 170 394 | 235 359 | 358 822 | 400 753 |
| Central urban | 168 658 | 232 981 | 355 181 | 396 683 |
| Other urban | 106 928 | 145 412 | 223 469 | 250 074 |
| Rural area | 64 996 | 87 269 | 135 000 | 151 315 |
| % of the population living in poverty | | | | |
| Urban | | | | |
| Extremely poor | 6.8 | 6.1 | 12.8 | 11.6 |
| Not extremely poor | 16.9 | 20.6 | 25.7 | 27.8 |
| Total | 23.7 | 26.7 | 38.4 | 39.4 |
| Rural | | | | |
| Extremely poor | 21.4 | 26.5 | 22.8 | 20.8 |
| Not extremely poor | 15.8 | 15.4 | 17.3 | 15.8 |
| Total | 37.2 | 42.0 | 40.1 | 36.6 |
| TOTAL | | | | |
| Extremely poor | 13.9 | 15.5 | 17.1 | 15.5 |
| Not extremely poor | 16.4 | 18.2 | 22.1 | 22.7 |
| Total | 30.3 | 33.7 | 39.2 | 38.2 |
| Gini Index | 0.618 | 0.529 | 0.522 | 0.506 |

Source: STP/DGEEC. Permanent Household Survey 1995, 1999, 2004.

5. External public debt

40. With regard to the external public debt, the Central Bank of Paraguay has supplied the following information:

External public debt – Outstanding balance at 31 december 2005

(In United States dollars)

| Standard of the mall the matter | Outstandi | ng balance |
|---|-----------------|-----------------|
| Structure of the public sector | Debtor | Disburser |
| I. NON-FINANCIAL PUBLIC SECTOR | 2 234 816 889.6 | 2 230 738 643.5 |
| I.I. OVERALL GOVERNMENT | 2 234 816 889.6 | 1 816 779 439.1 |
| I.I.I. CENTRAL GOVERNMENT | 2 129 506 574.0 | 1 815 868 461.3 |
| I.I.1.1 Central Administration | 2 129 506 574.0 | 1 815 868 461.3 |
| I.I.I.2. Decentralized Administration | 0.0 | 0.0 |
| I.I.I.3. Social Security | 0.0 | 0.0 |
| I.I.II. LOCAL GOVERNMENTS | 0.0 | 910 977.8 |
| I.II. NON-FINANCIAL PUBLIC ENTERPRISES | 105 310 315.6 | 413 959 204.4 |
| II. FINANCIAL PUBLIC SECTOR | 23 314 373.0 | 27 392 619.0 |
| A. MULTILATERAL ORGANIZATIONS | 1 256 626 048.4 | 55.6 |
| B. OFFICIAL BILATERAL BODIES | 1 001 505 214.1 | 44.4 |
| C. COMMERCIAL BANKS AND PRIVATE PROVIDERS | 0.0 | 0.0 |
| TOTAL(A+B+C) | 2 258 131 262.5 | 100.0 |
| TOTAL PUBLIC SECTOR (I + II) | 2 258 131 262.5 | 2 258 131 262.5 |

Source: SIGADE-BROWSER~2.0.~REPORTE~01/02/2006.~11:05~hours. - Rate~for~30/12/05 - Preliminary~figures.

Note. The outstanding balance is the amount disbursed and pending reimbursement.

Debtor: is the lawful debtor of the loan under the agreement.

Disburser: the person that effectively undertakes to service the debt

41. More recent figures made available by the same institution concerning the external public debt are given below:

^{*} The amount shown for the Central Administration) includes amounts paid in respect of other public entities not forming part of the central administration

^{**} Does not include loans from ANDE with the Banco do Brasil S.A. (Balance at 31/12/03 US \$ 66.7 million) and Banco Nación Argentina. Balance at 31/12/03 US \$48.3 million for incorporation in the capital to the Itaipú and Yacyretá binational entities.

¹ Debt Credited:Chinatrust US \$ 200 million- ICBC US \$200 million.

F. Cultural indicators⁵

1. School enrolment rate

42. The global enrolment rates in primary and secondary education (urban and rural areas) are known as crude and net enrolment rates and are shown in the table below.

Gross and net enrolment rates by level and zone, period 1994-2000

(Percentages)

| Vanu | | Basic scho | ol education | | Secondary school education | | | | | |
|--------|-------|------------|--------------|-------|----------------------------|-------|-------|-------|--|--|
| Year - | Urban | zones | Rural | zones | Urban | zones | Rural | zones | | |
| 1994 | 133 | 69 | 127 | 56 | 45 | 33 | 6 | 4 | | |
| 1995 | 125 | 76 | 122 | 61 | 49 | 36 | 7 | 5 | | |
| 1996 | 120 | 78 | 123 | 66 | 54 | 40 | 9 | 6 | | |
| 1997 | 124 | 77 | 122 | 65 | 57 | 44 | 9 | 6 | | |
| 1998 | 124 | 77 | 121 | 65 | 60 | 45 | 12 | 8 | | |
| 1999 | 118 | 73 | 119 | 63 | 63 | 48 | 14 | 10 | | |
| 2000 | 108 | 70 | 123 | 68 | 63 | 49 | 18 | 12 | | |

Source: MEC. DGPEC.

Comment: The Department of Educational and Cultural Planning of the Ministry of Education and Culture (DGPEC, MEC) has been unable to process the gross and net rates by area (from 2001-2005), owing to the lack of a population projection based on actual ages and geographical area. (This information is currently being adjusted by the Directorate-General for Statistics. Surveys and Censuses)

1.2 Basic school education

43. Throughout the period under consideration the gross enrolment rate (GER) has been over 100 per cent; it must therefore be borne in mind that the base data stems from population projections; there are also signs of a high over-age rate of access that affects the entire system. The net rate, which stood at 69 per cent in 1994, has shown a tendency to increase in the ensuing years.

1.3. Secondary education

44. During the period 1994-2005 the gross and net enrolment rates posted increases of 22 and 18 percentage points respectively; however, coverage at this level remains inadequate, since the rates have remained below 45 per cent at the national level. Disaggregation of coverage by area shows that enrolment in rural areas is a good deal lower than in urban areas, so that the growth of the gross rate in urban areas is higher than in rural areas. The existing difference in coverage in favour of urban areas could be explained not only by internal migrations and urbanization processes, but also by lower educational supply in rural areas. A statistical analysis is provided below.

See Annex 1: "Statistical data on Literacy", containing comparative data on literacy rates for the years 1994 to 2003 broken down by departments and urban or rural areas.

| Urban | | | ın | Rural | | | | | |
|-------------------|------------|--|---|------------------------|------------|--|--|-----------------------------|--|
| Year | Pre-school | EEB 1 st and 2 nd cycle (Primary) | EEB 3 rd cycle (Basic cycle) | Secondary education | Pre-school | EEB 1 st and 2 nd cycle (Primary) | EEB 3 rd cycle (Basic cycle) | Second- ary education | |
| 1994 | 39 946 | 387 682 | 129 011 | 68 419 | 10 680 | 447 407 | 30 664 | 7 820 | |
| 2005 | 66 592 | 454 378 | 205 918 | 159 059 | 58 181 | 479 155 | 117 845 | 57 272 | |
| 2006 | 68 360 | 457 437 | 208 923 | 164 948 | 59 726 | 482 382 | 119 565 | 59 393 | |
| Absolute growth | 28 414 | 69 755 | 79 912 | 96 529 | 49 046 | 34 975 | 88 901 | 51 573 | |
| Percentage growth | 71 | 18 | 62 | 141 | 459 | 8 | 290 | 659 | |

Source: MEC. DGPEC. The data are estimated from 2005.

2. Education and GDP

45. Regarding the evolution of the percentage of gross domestic product (GDP) and the National General Budget of Expenditures allocated to education, there was a period of continuous growth lasting from 1993 to 2000. This contrasts with the situation obtaining from 2001 onwards; in that year, a decrease began and became more and more marked until 2004; a small increase occurred in 2005. As regards the share of the budget of the Ministry of Education and Culture in the National General Budget of Expenditures, there have been no significant changes throughout the period under consideration, with the proportion hovering between 17 per cent and 20 per cent.

Ministry of education and worship 1993-2005 – Budget and execution (in millions of guaraníes)

1993 - 1999

| Items | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 |
|--|------------|------------|------------|------------|------------|------------|------------|
| Budget | | | | | | | |
| Central Administration | 2 068 868 | 2 568 389 | 3 490 367 | 4 303 706 | 4 528 874 | 5 419 007 | 7 278 673 |
| Ministery of Education and Worship | 349 981 | 439 233 | 610 698 | 788 674 | 949 009 | 1 071 373 | 1 122 042 |
| Nominal GDP (Current Gs.) * | 10 963 527 | 13 220 624 | 15 833 186 | 18 004 375 | 19 322 537 | 21 580 612 | 22 771 596 |
| MEC budget/Total budget | 19.1 | 19.0 | 19.1 | 20.8 | 21.6 | 21.3 | 19.5 |
| MEC executed budget/GDP | 3.0 | 3.2 | 3.7 | 4.0 | 4.2 | 4.3 | 4.6 |
| Execution | | | | | | | |
| Central Administration | 1 745 300 | 2 253 815 | 3 042 601 | 3 416 259 | 3 750 122 | 4 343 994 | 5 338 882 |
| Ministry of Education and Worship | 333 755 | 428 461 | 579 754 | 712 280 | 810 298 | 926 371 | 1 040 180 |

2000 - 2005

| Items | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|---------------------------------------|------------|------------|------------|------------|------------|------------|
| Budget | | | | | | |
| Central Administration | 7 604 699 | 7 291 523 | 7 770 138 | 9 994 811 | 9 568 415 | 10 911 323 |
| inistery of ducation and orship | 1 324 198 | 1 327 772 | 1 394 241 | 1 477 347 | 1 625 449 | 1 964 120 |
| ninal GDP rrent Gs.) * | 24 736 526 | 26 465 663 | 29 104 530 | 35 666 425 | 41 521 883 | 46 134 612 |
| C budget/Total get | 21.1 | 21.8 | 20.0 | 19.7 | 19.3 | 19.7 |
| C executed get/GDP | 5.2 | 4.8 | 4.6 | 4.0 | 3.7 | 3.9 |
| cution | | | | | | |
| ntral ministration | 6 112 908 | 5 838 915 | 6 657 582 | 7 209 332 | 8 017 808 | 9 224 171 |
| nistry of Education Worship | 1 288 579 | 1 272 627 | 1 332 560 | 1 422 641 | 1 545 407 | 1 819 423 |

Source: SICO. Ministry of Finance.

Share of the budget of the Ministry of Education and Culture (MEC) in the National General Budget of Expenditures (NGBE) and the gross domestic product (in millions of current guaraníes)

| | GDP | Var. % | NGBE Total | Var. % | NGBE (MEC) | Var. % | MEC/GDP | MEC/NGBE |
|------|------------|--------|------------|--------|---------------|--------|---------|----------|
| 1993 | 10 963 527 | | 2 068 868 | | 349 981 | | 3.2 | 16.9 |
| 1994 | 13 220 624 | 20.6 | 2 568 389 | 24.1 | 439 233 | 25.5 | 3.3 | 17.1 |
| 1995 | 15 833 186 | 19.8 | 3 490 367 | 35.9 | 610 698 | 39.0 | 3.9 | 17.5 |
| 1996 | 18 004 375 | 13.7 | 4 303 706 | 23.3 | 788 674 | 29.1 | 4.4 | 18.3 |
| 1997 | 19 322 537 | 7.3 | 4 528 874 | 5.2 | 949 009 | 20.3 | 4.9 | 21.0 |
| 1998 | 21 580 612 | 11.7 | 5 419 007 | 19.7 | 1 071 373 | 12.9 | 5.0 | 19.8 |
| 1999 | 22 771 596 | 5.5 | 7 278 673 | 34.3 | 1 122 042 | 4.7 | 4.9 | 15.4 |
| 2000 | 24 736 526 | 8.6 | 7 604 699 | 4.5 | 1 324 198 | 18.0 | 5.4 | 17.4 |
| 2001 | 26 465 663 | 7.0 | 7 291 523 | -4.1 | 1 327 772 | 0.3 | 5.0 | 18.2 |
| 2002 | 29 104 530 | 10.0 | 7 770 138 | 6.6 | 1 394 241 | 5.0 | 4.8 | 17.9 |
| 2003 | 35 666 425 | 22.5 | 9 994 811 | 28.6 | 1 477 347 | 6.0 | 4.1 | 14.8 |
| 2004 | 41 521 883 | 16.4 | 9 568 415 | -4.3 | 1 625 449 | 10.0 | 3.9 | 17.0 |
| 2005 | 46 134 612 | 11.1 | 10 911 323 | 14.0 | 1 964 120 | 20.8 | 4.3 | 18.0 |

Comment: The percentages shown in the columns next to amounts in millions of guaranies correspond to the budget growth percentage compared with the previous year.

Source: SICO. Ministry of Finance; *Central Bank of Paraguay.

^{*} Central Bank of Paraguay.

3. Religion

- 46. The Constitution of Paraguay establishes in its Article 24 that "relations between the State and the Catholic Church are based on independence, cooperation and autonomy." Likewise, protection of freedom of thought, religion and worship are enshrined at the highest level of national legislation. Paraguay has not recorded any serious offences denoting hatred or violence among the various religious denominations that coexist in the country.
- 47. According to the 2002 national census, 89.6 per cent of the population is Roman Catholic, 6.2 per cent Evangelical Christian, 1.1 per cent of other Christian religions, 0.6 per cent indigenous religions, 0.3 per cent other non-Christian religions; 1.1 per cent of the respondents claimed to have no religious preference and 1 per cent released no information regarding their religious preference.
- 48. The various religious denominations include active Roman Catholic communities, Evangelical Christians, Protestants, Jews (Orthodox, Conservative and Reformist), Church of Jesus Christ of Latter Day Saints (Mormons) and Baha'i communities. There is also an Islamic community concentrated in the Alto Paraná department, an area that is host to a large number of Middle-Eastern immigrants, particularly from Lebanon. There is also a large Mennonite community, concentrated mainly in the western department of Boquerón.

4. Mother tongue

49. Paraguay's official languages are Spanish and Guaraní, with broad dissemination of both languages throughout the national territory, to such an extent that the proportion of people in urban areas speaking only Guaraní is 31.6 per cent, while 36.8 per cent speak Spanish and Guaraní, and 29.4 per cent speak only Spanish, and 2 per cent speak another language. In rural areas 78.6 per cent speak only Guaraní, 11.4 per cent Spanish and Guaraní, and 4.5 per cent only Spanish, while 5.3 per cent speak another language. However, generally speaking, most of the national population think of themselves as bilingual. As can be seen, there is a marked difference in preference for one or the other language between urban and rural areas, Guaraní being the language most spoken in the latter. Also, Spanish continues to be the main language of instruction and officialdom, although considerable progress has been made in the preservation, dissemination and use of Guaraní.

II. SYNOPSIS OF POLITICAL AND SOCIAL DEVELOPMENTS IN PARAGUAY

A. Developments in the political situation⁶

- 50. Following a number of years of political instability, during which the Vice-President was assassinated in 1999, the resignation of the then current President and a four-year interim presidency, a new administration came to power in August 2003 with a firmly-based legitimacy from the outset; it has maintained a majority up to the present time.
- 51. Nicanor Duarte Frutos is the first President to have been elected without any question arising as to his legitimacy. Likewise, for the first time the President was able to choose his Vice-

World Bank, Country Assistance Strategy for the Republic of Paraguay 2004/2007.

President instead of having to accept a domestic rival from within the Colorado party, which has been in power for a long time. This combination has resulted in an Executive with better relations, especially with Congress; this context is making for improved efficiency in the public administration.

- 52. These patterns of conduct have been well received by the population and also by the opposition parties. In addition, the 2003 elections changed the distribution of power. For the first time the opposition obtained a clear majority in the Senate, and the Colorado party no longer has an absolute majority.
- 53. President Duarte Frutos also formed a working alliance with the opposition which led to the signature, at the beginning of October 2003, of a Political Agreement in which all the parties represented in Parliament agreed to approve six important laws concerning a fiscally responsible budget, reform of the Tax Code and the public pensions system, a modern Customs Code, reforms in the financial sector (including the public banks) and a possible restructuring of public enterprises and the central administration. The opposition committed itself to cooperate in the adoption of those laws, which were widely agreed to be necessary to restore fiscal viability and revive the economy.
- 54. By mid-November 2003 three of the nine members of the Court had resigned, and all the parties with parliamentary representation made submissions calling for the political trial of three others. The outcome of that proceeding was the replacement of six of the nine members of the highest body in the judicial system. The changes effected in the Supreme Court of Justice enjoyed widespread approval among the population; they were considered a necessary precondition for the restoration of legal safety and a prerequisite for the resumption of investment and the stamping out of corruption.
- 55. During the last five years civil society has become increasingly active, pressing for a better public administration and governance. The Press in particular has been highly critical, exposing corruption in the government and the judiciary.
- 56. The economic results of the last decade have been highly discouraging and have affected the credibility of the government and the political institutions generally. As a result there is a growing desire among certain sectors of the population for a return to an authoritarian government, in which corruption was seen as less widespread and poverty less visible, since the great majority of the population were still living in rural areas. However, during the last five years Paraguay has been emerging from a long period of economic stagnation which left its population impoverished.
- 57. In 2001, the poverty level was 34 per cent; according to the data for 2005 the proportion is estimated at 39.2 per cent. The fall in income per head is due to a considerable degree to the economic difficulties of the Southern Cone, which gave rise to significant devaluations in all the countries of the region. However, the increase in poverty in Paraguay is also a consequence of political instability and the inefficiencies of a highly informal system. With these considerations in mind it can be appreciated that during the present period of government there has been a major decline in the strength of the public finances, and since the assumption of power of the new economic team, the government has managed to keep up to date with the payment of wages and pensions and debt service. With a platform of struggle against corruption, and with better economic management laying emphasis on social and fiscal responsibility, it has been possible significantly to stabilize the political situation.

- 58. The development strategy of the new Administration is directed to the following ends: (i) to restore trust in public institutions by an unremitting campaign against corruption and by the modernization of the public administration; (ii) sustained growth, moving from an economic model based on "triangular" trade and public employment to one focussed on agro-industry and the diversification of exports; and (iii) an increase in human capital through greater investment in health and education and policies which increase equity and access to those services.
- 59. Furthermore, although the Opposition controls one of the Chambers of Congress, all the parties agree that the economy has reached a critical point and that fundamental changes are necessary. The President of the Republic has taken advantage of this situation to establish an agreement with all the political parties in order to approve, as a matter of priority, a package of basic economic reforms.
- 60. The reforms include a fundamental reform of the taxation system, rationalization of the government pension scheme and reform of the financial sector to strengthen the banking system.
- 61. On the basis of these reforms the Administration approached domestic and multilateral creditors seeking support. Historic agreements were reached with the domestic bondholders for the reprogramming of the stock of Treasury bonds and with the International Monetary Fund concerning a standby agreement the first in 46 years which the Executive Board of the Fund has considered.

B. Governance and institutional weaknesses⁷

- 62. The first steps have been taken to attack the extensive culture of corruption in the public administration, smuggling, tax evasion and the formalization of the economy. In 1999 an Anti-corruption Commission was established with the technical support of the World Bank Institute (WBI). The Commission is made up of representatives of government and civil society in equal numbers. On the basis of a public opinion survey conducted by the WBI, the Commission decided to concentrate on three areas: Customs, the judiciary and public procurement, and during 2000 formulated a programme of institutional reform for each of those sectors. Following a period of public consultation it has since been actively promoting the adoption of these reforms. The principal achievement of the Commission so far has been the promotion of the approval of a new Procurement Act in the National Congress and the development of awareness within the government and the population of the feasibility of concrete steps to reduce institutional opportunities for corruption. Thus the Commission, which is now known as the National Integrity Council, has developed into an important agent for change, monitoring and pressing for improved public practices and policies to reduce corruption.
- 63. Within the central administration the personnel management system is at an initial stage and recently acquired an organizational chart showing all public employees. A task of much greater magnitude is that of professionalizing the civil service, which will include the establishment of competitive entrance examinations, career development and training.
- 64. Another obstacle to governance is the emergence of a horde of special interest groups which have successfully exerted pressure on the government and have in many cases contributed to the breakdown of law and order. One example consists of groups of "landless peasants" who

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invade rural estates demanding land. The government responds by purchasing the land, but the peasants often abandon it after felling the trees. Similarly, groups of peasants block the roads demanding free seeds or the remission of debts – a long-standing practice which has created a poor climate for credit and is partly responsible for the lack of private credit for small-scale farmers.

65. Above all, the decline of the rule of law is perceived by many observers, and by the general public, as the greatest obstacle to the economic development of Paraguay. Civil procedures for the enforcement of contracts and private property rights are slow. According to a recent report by the United Nations Development Programme (UNDP 2003) one-third of the National Police is made up of untrained conscripts; subaltern officials must purchase their own weapons, and the police services have an orientation more along the lines of military command and control than on the duty of providing physical security to the community. As a result, and together with the economic stagnation of the last five years, violent crime and lawlessness have increased. In the public eye the government is becoming steadily less capable of providing its citizens with the most basic of public services – physical and legal security.

C. Economic performance⁸

- 66. Paraguay is a small, open economy, heavily dependent on basic agricultural commodities and conditions in the region, particular those prevailing in her two big neighbour countries, Argentina and Brazil. As a result the Paraguayan economy is vulnerable to factors over which it has little control, such as international prices of agricultural commodities and political and economic events in neighbouring countries. Thus during the years following the end of the military dictatorship in 1989 economic management was gradualist and fairly prudent, with balanced fiscal accounts, low deficits on current account and falling inflation, but as regards growth the task was a daunting one.
- 67. The slow rate of growth during the mid-1990s reflected the slow progress of structural reform, widespread corruption and the decline in over-all factor productivity associated with a falling investment ratio.
- 68. Instead of proceeding with reforms which could help the economy to weather external shocks, successive governments generally showed little inclination to adopt the measures required to give the economy the necessary resistance to handle shocks, modernize the production structure or tackle the major problems of governance which were discouraging investment and private initiative. In recent years this combination of factors has been exacerbated by a series of internal and external shocks. In 1995 and 1997-98 major banking crises occurred which led to the closure of a number of local banks, a reduction of credit to the private sector and a sharp drop in private investment.
- 69. More fundamentally, structural weaknesses suggest an exhaustion of Paraguay's prevailing economic model, which was based on import-export trade with neighbouring countries (so-called "triangular trade"), cotton monoculture for small farmers and public-sector employment. Triangular trade, which used to represent up to 20 percent of GDP, has fallen significantly as a result of the reduction and/or abolition of tariffs between MERCOSUR countries and of greater border controls on smuggling.

⁸ World Bank, Country Assistance Strategy for the Republic of Paraguay 2004/2007.

- 70. Other parts of the exhausted economic model include the continued use of government to provide patronage jobs, continued government support for low-return cotton production, and in general the small margin available for productive expenditure in the Government budget (which is now mostly made up of salaries and pensions, with little over for operations and investment). Privatization of the telephone and water companies was attempted in 2001-02, but was stopped by Congress following accusations of corruption and protests by the peasants, who objected to the sale of the national patrimony.
- 71. Despite the general weakness of the economy, there are sectors which have experienced vigorous growth during recent years, namely sectors in agriculture which are still internationally competitive (in particular, soybeans and meat exports) as well as cellular telecommunications, in which foreign investment has been significant. Agro-industry for export has also grown substantially, but transport costs for Paraguay are the highest in the region (cif/fob ratio of 13 percent vs. 7 percent for the rest of the region) and a deterrent on growth. Due to the vibrancy of these sectors, Paraguay's economic situation appeared to be improving somewhat in 2003. The recent increase in soy and cotton prices is leading to considerably higher export revenues and an expected current account surplus.
- 72. The combination of external vulnerability and an unsettled policy and institutional environment has resulted in an exceptionally poor growth performance since the mid-1990s, with GDP growth averaging 1 percent per year, while annual population growth rates stand at 2.6 percent
- 73. As a result, there has been a secular decline in GDP per head to pre-1990s levels, with increasing poverty, exacerbated by polarization of income and land distribution.⁹
- 74. Economic growth is the best general strategy for a reduction in the numbers of poor people, since it is they who benefit most from the increases in basic public services which follow in the wake of the increased government expenditure made possible by more dynamic economic growth and higher revenue collected.
- 75. This assumes that the relative increase in social expenditure which has taken place in recent years will continue.
- 76. Efforts to reduce poverty should be principally focussed on rural areas. They should include appropriate land tax policies to bring unused land on to the market, concentrated settlement patterns (as opposed to "ribbon" settlements alongside roads) with a view to improving the provision of public services to rural communities and focussed technical assistance in agriculture. The expansion of services should continue to the extent that the fiscal situation permits.
- 77. Paraguay is a small, open economy, heavily dependent on basic agricultural commodities and conditions in the region, particular those prevailing in her two big neighbour countries, Argentina and Brazil. As a result, the Paraguayan economy is vulnerable to factors over which it has little control, such as international prices of agricultural commodities and political and economic events in neighbouring countries.

⁹ Gross national product per head, measured by World Bank Atlas methodology, fell from US\$ 1,810 in 1998 to US\$ 1.170 in 2002.

- 78. In 1995 and 1997-98 major banking crises occurred which led to the closure of a number of local banks, a reduction of credit to the private sector and a sharp drop in private investment.
- 79. Nevertheless, there are sectors which have experienced vigorous growth during recent years, namely sectors in agriculture which are still internationally competitive (in particular, soybeans and meat exports) as well as cellular telecommunications, in which foreign investment has been significant. Agro-industry for export has also grown substantially, but transport costs for Paraguay are the highest in the region (cif/fob ratio of 13 percent vs. 7 percent for the rest of the region) and a deterrent on growth. Due to the vibrancy of these sectors, Paraguay's economic situation appeared to be improving somewhat in 2003. The recent increase in soy and cotton prices is leading to considerably higher export revenues and an expected current account surplus.
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- 82. Economic growth is the best general strategy for a reduction in the numbers of poor people, since it is they who benefit most from the increases in basic public services which follow in the wake of the increased government expenditure made possible by more dynamic economic growth and higher revenue collected.
- 83. This assumes that the relative increase in social expenditure which has taken place in recent years will continue.
- 84. Efforts to reduce poverty are being principally focussed on rural areas. They include appropriate land tax policies to bring unused land on to the market, concentrated settlement patterns (as opposed to settlements alongside roads) with a view to improving the provision of public services to rural communities and focussed technical assistance in agriculture. The expansion of services should continue to the extent that the fiscal situation permits.

D. Paraguay's development challenges¹¹

- 85. The poverty indicators for Paraguay and the uncertain outlook regarding attainment of the Millennium Development Goals are a reflection of the many challenges facing long-term development, to overcome which sustained effort will be required.
- 86. One of the principal challenges is that of a labour force the majority of whose members are functionally illiterate. Even if other constraints are eased, it will take time for the current generation of schoolchildren to enter the labour force and for national productivity generally to rise to higher levels. In addition, the limited effectiveness of expenditure on social services restricts coverage and accessibility by the population. During the 1990s social expenditure increased considerably; even so, it represented only 6 per cent of GDP (not including pensions).

Gross national product per head, measured by World Bank Atlas methodology, fell from US\$ 1,810 in 1998 to US\$ 1,170 in 2002.

World Bank, Country Assistance Strategy for the Republic of Paraguay 2004/2007.

In particular, the health and social assistance programmes were underfinanced by comparison with other countries at similar levels of development. The basic public health services are concentrated in urban areas and tend to provide relatively complex services only to the 20 per cent of the population with some form of medical cover. The reorientation of these services towards basic health provision and preventive health care will require additional resources or a substantial increase in the efficiency of delivery. It will therefore be necessary to continue with the process of reform of the delivery of health services within the social security system currently in operation.

- 87. A similar pattern can be observed in education, where enrolment rates are high in primary education and extremely low (31%) in secondary education and there are striking differences between enrolment levels among the urban and rural populations (83% and 17% respectively). There are many small social assistance programmes which, taken all together, have difficulty in providing an effective social security network for the poorest and most vulnerable, although their contribution is significant. Lastly, the poor are lacking in pension coverage, even though pension expenditure is today considerable (3.5% of GDP), but only 10 per cent of the population working in the formal sector are covered. The provision of basic social services for the growing indigenous population is another challenge requiring special attention. In terms of infrastructure, the population's access to basic infrastructure services is probably the worst in the region. Only 23 percent of all roads are paved, and less than 43 percent of the paved roads are in good condition.
- 88. The yearly financing requirements of a modest infrastructure programme for roads, water, sanitation and basic telephone services would require some US\$150-200 million (compared to yearly investments of US\$40 million at present).
- 89. In the agricultural sector the forest frontier has practically vanished in the eastern region, since the drive to expand soy production has resulted in almost total destruction of the native forests (less than 5% remain). Yet the expansion of modern agriculture has left the 300,000 small (and mostly poor) farmers behind, who continue with subsistence farming based principally on cotton. The challenge here is to increase their productivity as well. Also, as a result of deforestation, Paraguay has reached the unthinkable point of becoming a net importer of wood, creating an unneeded drain on the balance of payments, not to mention the loss of employment in what used to be a thriving forestry sector.
- 90. Paraguay's capacity for domestic savings mobilization is severely limited by lack of confidence in the financial system following eight years of successive bank failures that, to date, have cost about 11 percent of GDP. Banking regulations and supervision are weak, and, as a result, financial intermediation is low and interest costs and spreads are very high. The lack of sound long-term savings mechanisms also limits the population's ability to save for old age and provide some self-insurance against poverty in old age. The major remaining public bank (the National Development Bank) is unviable in its current structure and insolvent, since about 50 percent of its portfolio consists of bad loans.
- 91. Within the public sector the most entrenched feature of public finances is the structural deficit of the Government pension system (*Caja Fiscal*), which has been the most striking feature of State finance for most of the past decade. However, the fiscal year 2005 ended with a surplus of 0.5 per cent of GDP an amount of some 250 million guaraníes. Thus for the first time in 10 years there have been two consecutive years with fiscal surpluses; this is due to an increase

in revenue collected, which implies that the economy is becoming formalized and that economic growth is taking place

92. In 2004 the surplus amounted to 1.61 per cent of GDP, or a little more than 650 million guaranies. Initially the general budget envisaged a deficit of 0.5 per cent, which was agreed with the IMF as part of the standby agreement. The commitment in that agreement is one of not exceeding that figure. However, there was a successful return to implementation of the financial plan which restricted implementation of the budget.

1. Growth

93. The country must achieve a higher growth rate; a rate of less then 5 per cent is insufficient. The year 2005 ended with an increase in GDP of 2.7 per cent – a rate equivalent to that of population growth – following growth of 4.1 per cent in the previous year. The growth estimate for 2006, calculated for the present financial year which is coming to an end, is 3.5 per cent. The Act concerning the public banks, through which it will be sought to direct long-term credits into the production sector, has been adopted, as has the Act concerning fiscal adjustment, the regulations concerning which are being distributed. The international financial organizations are of the opinion that the country should achieve a growth rate of between 7 and 8 per cent if it does not wish to remain marginalized from the rest of the world.

Fiscal deficits and surpluses

(as percentages of GDP)

| 2000 | -4.64 |
|------|-------|
| 2001 | -1.20 |
| 2002 | -3.24 |
| 2003 | -0.40 |
| 2004 | 1.61 |
| 2005 | 0.5 |

- 94. The cost of servicing this debt currently absorbs 20 per cent of government revenue and to some degree restricts the ability of the government to increase public investment by taking out loans. In addition, several public enterprises have problems of insolvency or excessive indebtedness and cannot mobilize the investments needed to improve the coverage and the quality of service.
- 95. A large informal economy, which is partly contraband trade but also a significant share of normal business activity, continues to operate outside the registered framework, mainly to avoid taxes and high contributions to an inadequate social security system, but also to avoid a complex and bureaucratic tangle of administrative regulations.
- 96. On the positive side, it should be noted that Paraguay possesses a number of development assets which can be used in its favour, including a relatively young population which would enable growth to break the logiam in the social security system if new entrants can be enticed to join the formal economy. Second, Paraguay's membership in MERCOSUR gives it access to a

large regional market. Third, the vibrant commercial farming and livestock sectors are oriented to export and have remained viable notwithstanding the difficult recent years. And, fourth, abundant electricity supply is available, although transmission and distribution costs are high due to a monopolistic state energy system.

E. Government development strategy

- 97. The objectives of the current development strategy are directed along the following lines:
 - i) Restoration *of confidence in state institutions* through a sustained fight against corruption and the modernization of public administration. By putting emphasis on improved governance the Administration hopes to achieve greater formality in the economy and to increase the international legitimacy of Paraguay.
 - ii) Equally, it aims to facilitate greater participation of civil society in the formulation of public policies and the control of public expenditure.
 - iii) Sustainable growth through a change in the economic model from triangular trade and public employment towards agro-industry and export diversification. While improved efficiency of public-sector services and public investment can contribute to the achievement of this objective, the National Government recognizes that clear and predictable rules, judicial security and equality of opportunities are essential for increasing private-sector competitiveness.
 - iv) An *increase in human capital* through higher investment in health and education, policies that enhance equity and increased access to these services, and well-targeted poverty reduction programmes directed at the most vulnerable groups.
- While keeping the above objectives in view, the Administration is also facing up to the primordial need to regain control of public finances and to put them on a long-term sustainable basis. This immediate priority is based on the recognition that expenditure has been rising faster than revenues, that there is an abnormally high share of incompressible expenses (salaries and pensions, which represent 90 per cent of recurrent expenditure), that the deficit in government pensions (2 per cent of GDP) is absorbing resources needed for development investments, that debt service is consuming an unsustainable share of total expenditure (20 per cent), and that the tax system suffers from major deficiencies in the form of multiple tax exemptions (42 separate laws) which are not only a cause of revenue loss but also create innumerable opportunities for tax evasion and corruption. The short-term seriousness of the situation was brought home when the new Administration, on taking office, found itself facing a short-term financing gap of US\$175 million (3.5 percent of GDP) in the form of arrears and end-of-financial-year debt service. Of this amount, US\$65 million represented arrears on existing debt service and US\$115 million of debt service obligations falling due in the fourth quarter. About US\$90 million of these amounts were domestic bonds in arrears or with bunched maturities in December 2003.
- 99. To address this situation the Administration took a number of measures to control expenditure and increase revenues. On the expenditure side it reduced by US\$30 million requests for budget increases that the previous government had sent to Congress and put on hold any discussion of an increase in public-sector salaries. It also started a census of public employees

and pensioners, in part to collect relevant data on personnel capacity, but also to identify persons receiving two salaries, of whom 1,650 were identified and eliminated from the dual payroll.

- 100. On the revenue side the Administration took a series of measures such as verification of tax registration and the proper use of tax accounting books, encouraging taxpayers in arrears to bring their payments up to date through the waiver of fines, eliminating 300 inspectors for large taxpayers (a major source of corruption), and removal of all non-customs employees from Customs entry points (another source of corruption). These simple moves to improve tax administration yielded significant benefits, with tax revenues rising substantially. As regards the budget for 2004, the Administration sent a proposal to Congress that was recast in programmatic terms with identifiable objectives and results for each programme. Expenditure allocations were increased only for education and health, and somewhat for agriculture. Overall, the budget aims for an "equilibrated" outcome of 1 percent deficit with zero financing gap.
- 101. The Administration also undertook some internal restructuring to integrate the personnel and planning functions into the Ministry of Finance (they were previously separate secretariats reporting directly to the Office of the President), which should improve control over the largest element of expenditure. Finance also created a central unit to manage external assistance, and the Economic Cabinet was streamlined from nine ministers to five (finance, central bank, agriculture, public works and industry).
- 102. In addition, the Minister of Finance requested the assistance of the Bank in the "ministry of excellence" project to finance the reengineering of the ministry in order to improve internal controls and audit and to professionalize the civil service. Regarding the long-term sustainability of public finances, the government reached a political agreement with all the political parties on the need for specific key economic reforms. This "Acuerdo Político" was signed on October 6, 2003 with all political leaders in the legislature and committed them to pass the following laws on a priority basis:
 - A fiscally responsible budget for 2004 (as described above);
 - A tax reform that would eliminate exemptions, extend the VAT to sectors that to date remained untaxed (e.g., agriculture and professional services), and introduce a personal income tax;
 - Reforms in *Government pensions* that would reduce the benefit calculation formulas
 for new retirees, equalize the conditions for different types of state employees
 (teachers, military, civil servants, etc.), and abolish the extra year-end pension
 payment for retirees;
 - A modern *Customs Code* that would provide financial autonomy to the Customs Service, rationalize procedures and assign responsibilities more clearly;
 - Renegotiation of *public debt*, in particular, rollover of local Treasury bills whose maturities are bunched towards the end of 2003 (as described above);
 - Reorganization of the *public banks*, to create a single first-tier retail window aimed at small farmers and a single second-tier window to channel external resources through the commercial banking system for long-term development loans; and

- Reorganization of the *public administration* and of the *public enterprises* to improve their efficiency, introduce financial discipline and incorporate private capital to help finance infrastructure investment.
- 103. Five of the above laws have already been sent to Congress (budget, tax, pensions, Customs and public debt) and those relating to the New Customs Code, the Tax Adjustment Act applying the personal income tax system and the Reorganization of Public Banks Act have already been promulgated.

III. REPORT OF THE OFFICE OF THE OMBUDSMAN

104. The Office of the Ombudsman, as a member of the Inter-agency Commission for Prison Visits, frequently visits the prisons where various anomalies are observed, the most worrying being the situation of prison overcrowding. At the Tacumbú National Prison, with a normal capacity of approximately 600-700 inmates, the current population is 1,810. While some progress has been made in this area, with the inauguration of the Nueva Esperanza Prison, the continuing seriousness of the situation reflects the economic situation of the country and the region, which precludes genuine exercise of most economic, social and cultural rights. However, thanks to the collaboration of the National Vocational Advancement Service, vocational training courses have been provided Meanwhile, the capacity of the Buen Pastor Women's Prison is over 200, whereas it houses 308 women; the facilities are well organized and show signs of order and cleanliness; it is divided into zones, one of them exclusively for women who have given birth or with children under one year old; they have access to medical staff and to craft workshops and vocational training activities. This establishment has one of the lowest levels of reported violence compared to the country's other prisons. The Itauguá Educational Centre for delinquent minors houses boys aged 14-20. With a capacity for 250, it contains some 170 inmates and has a school for basic education, gardening, bakery and farming.

A. Strengthening of public gender policies

105. The Government programme, with its commitment to strengthen public gender policies through the Secretariat for Women within the Office of the President of the Republic, in conjunction with the public and private sectors, has pressed for the adoption of a firm commitment to implement the National Plan on Equal Opportunities for Women 1997-2001 and the mechanisms for inter-agency linkage, decentralization and participation with civil society to that end.

106. The initiatives taken by the Secretariat for Women within the Office of the President of the Republic, with support from women's organizations, networks and international and cooperation organizations, started in 1993, the year in which the Secretariat was formed. The period since then has been used for cross-cutting gender mainstreaming in public policies and the implementation of programmes and projects designed to attain its objectives as established by Act No. 34/92. A variety of plans have been implemented since 1994, including national plans for the elimination of violence against women and plans to establish equality. This period has witnessed legislative amendments in favour of equality between men and women and non-discrimination against women, including amendments to the Penal, Electoral, and Domestic Violence Codes; ratifications of international conventions, including the Convention of Belém do Pará, the CEDAW Optional Protocol, the Convention against Transnational Organized Crime, the Rome Statute, and commitments under the Beijing and Cairo Platforms and the Millennium

Development Goals, regarding which special reference to gender and the advancement of women is made in this section of the report.

107. In addition, the establishment of bodies to work in favour of gender policies during this period has resulted in progress and in consolidation of some cases in parliamentary committees of both Chambers, in the Human Rights Unit of the Supreme Court of Justice, in the Office of the Ombudsman and in the Public Prosecutor's Office. Joint networks have been established in the sectoral ministries, such as Education, Health, Justice and Labour, Agriculture and Livestock, and in the departmental and municipal governments, and there has also been considerable interaction among international external cooperation organizations, such as the United Nations system, OAS, the Inter-American Development Bank, GTZ (the German cooperation agency), the Canadian International Development Agency, the Swedish International Development Cooperation Agency and many others. Women also now enjoy access to positions of power within the current Administration, the national Foreign Ministry, various sectoral ministries and secretariats, the Office of the President of the Central Bank, the National Directorate of Customs and the Supreme Court or Justice

108. Although there have been positive signs of awareness of equality, there is acknowledgement of the persistence of discrimination which is still cultivated and fostered by cultural factors, customs and attitudes. This is why the Secretariat for Women has undertaken activities in nine areas: equal rights for women and men; a culture of equality; access to economic resources and jobs; equity in education; comprehensive healthcare; a life free from violence; a healthy and sustainable environment; social and political participation with equal opportunities; effective decentralization; and establishment of inter-agency measures and civic participation.

109. The main activities concern still require amendments to the law, such as the Penal Code and the Electoral Code in connection with women's participation, filiation and the necessary food requirements for children and, more directly, women. It also involves cultural changes in society's view of women, to which end awareness, consciousness-raising and information and other activities for motivating discussion and reflection have been organized. There is also the strengthening of programmes affording women access to economic resources and to employment and education, programmes on health, the fight against violence against women and the fight against human trafficking. Mechanisms for the country's interior have also been established and guarantee decentralization of gender policies and civic participation in management and decision-making, sustainable development with cross-cutting gender and environmental action policies, and promotion of social participation and gender policies.

B. Establishment of generational public policies: children, young people and the elderly

110. Among the serious defects in Paraguay's public policies, one that causes concern is the problem of effective implementation of a comprehensive and cross-cutting approach that caters to the needs, interests and specific potential of children, young people and the elderly, together with the incorporation of a gender perspective. Measures and programmes geared to these groups usually view them as problem groups, and they are even commonly catered for exclusively as risk groups and objects of charity, without due consideration of their rights and potential for full and equal civic participation or their actual contribution to the tasks of society.

C. Egalitarian labour and employment policies

111. Women's economic participation has increased considerably, as reflected in the increased number of women among the economically active population (EAP). It is currently vital for women to engage in paid work in order to lift their families out of poverty. However, they continue to be solely responsible for domestic tasks. While their participation in productive labour in rural areas is indisputable, recognition of such work is not reflected in national statistics, public policies, etc.

D. Economic reorientation and recovery, uprooting of poverty, integration and sustainable human development with full inclusion of women

- 112. For their part, the Ministry of Justice and Labour and the Secretariat for Women signed a joint cooperation agreement to implement a programme of action comprising various components that will help improve public policies designed to give Paraguayan women better access to economic resources and employment. Provided for under the second National Plan on Equal Opportunities for Women and Men (2003 -2007), the cooperation agreement will provide training activities for women workers. Experts claim that it also ensures the full observance of the human rights of women prisoners throughout the country. Its implementation will include the formation of a technical team charged with devising the plan of operations for bodies of both entities, insofar as budgetary resources allow. The Minister for Women's Affairs, María José Argaña, is of the view that "Paraguayan women, when compared with men, live in unequal conditions in all spheres, especially the economic sphere".
- 113. Figures show that female unemployment stands at 18 per cent while male unemployment is only half that amount; where salaries are concerned, women earn 73.1 per cent of men's monthly earnings, according to the Minister. In earlier meetings with leaders of business and industry Ms. Argaña pointed out that in order to overcome poverty it was essential that women should be integrated into the labour market. The signing of this new agreement which will enter into force immediately, is of three years' duration and may be extended is an initiative of the Secretariat for Women to support the demands of the female sex. Earlier this month this department of State launched a campaign against sexual harassment. At its inauguration it was claimed that men were also victims of this offence, but statistics show a greater incidence among women.

E. Promotion of women's access to power in order to achieve labour equality

114. In 2005 the Paraguayan Secretariat for Women established a Women's Leadership Centre, a scheme supported by the Superior Court of Electoral Justice (TSJE). The Centre is a body that promotes women's access to the country's power structures. It is intended to provide differentiated training for young and adult women and guide them towards positions of power and so break down the barriers that impede their access to decision-making, and fostering in them attitudes and skills conducive to building a more equitable society. The proposed goal is to train 1,000 women during the first year and 100,000 by 2008. The Centre was inaugurated at a highly significant period for Paraguay, because "we are in transition towards the incorporation of more opportunities for women in elected posts on the eve of new elections of parties and administrations and three years away from the next general elections. This is why the goal must be to improve women's access to power structures." The opening of the Centre is in line with the guidelines of the second Plan on Equal Opportunities and the eighth Plan on Social and Political Participation and fulfils the recommendations contained in the Convention on the Elimination of

All Forms of Discrimination against Women. It should also be pointed out that in January 2005 Paraguay defended its report before the CEDAW Committee, whose observations were not only disseminated, but also incorporated into action plans; they also served as a guide for the drafting of this report in order to indicate the progress made and the main concerns at the national level.

IV. NORMATIVE FRAMEWORK FOR THE PROTECTION OF HUMAN RIGHTS¹²

115. On 12 July 2004 the Republic of Paraguay submitted its periodic report to the Committee on Civil and Political Rights, which considered it on 19 and 20 October 2005. That report contained up-to-date information on the human rights situation in Paraguay, as well all date relating to the normative framework for the protection of such rights. In this connection, that report contains a detailed list of the mechanisms of Paraguay's legal framework for the promotion and protection of human rights, since which time there have been no changes in the protection system, with the exception of the new draft Statute of Indigenous Communities, intended to abrogate Act No. 904 and introduce changes in the existing legislation. However, to date, since the promulgation by the Legislature, the draft law is being considered by the Executive for subsequent promulgation or, failing that, the veto and return to the committees of the National Congress, a process that is currently at a standstill owing to disagreement expressed by certain sectors of the indigenous communities.

V. SECOND PART: REPLY TO THE LIST OF ISSUES ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS¹³

ARTICLE 1

116. The exercise of the right of self-determination, and in particular regarding self-determination of indigenous peoples, is unequivocally established in Paraguay in the 1992 Constitution. Chapter V, "Concerning Indigenous Peoples", article 62 of which, "Concerning Indigenous Peoples and Ethnic Groups", states that "the Constitution recognizes the existence of indigenous peoples, defined as cultural groups that existed prior to the establishment of the Paraguayan State". article 63, "Concerning Ethnic Identity", is even clearer, stipulating that: "the right of indigenous peoples to preserve and develop their own ethnic identity in their own habitats is recognized and guaranteed. They also have the right freely to apply their systems of political, social, economic, cultural and religious organization and voluntarily to observe customary practices for the regulation of their domestic coexistence, provided that none of them runs counter to the fundamental rights established in this Constitution. In conflicts of jurisdiction, account shall be taken of indigenous customary law." article 64, "Concerning communal property", stipulates *in fine*: "Any removal or resettlement from their habitat is prohibited without their express consent".

See Annex II, "Normative Framework for the Protection of Human Rights", extract from the pertinent section of the periodic report of Paraguay to the Human Rights Committee, submitted on 28 July 2004.

This second part of the periodic report of the Republic of Paraguay for the period 1994-2005 contains the State's replies to the questions contained in the revised general guidelines regarding the form and content of reports to be submitted by States parties under articles 16 and 17 of the International Covenant on Economic, Social and Cultural Rights (basic reference document E/C.12/1991/1).

- 117. These rights are also recognized in the same spirit in the basic Act (the Statute of Indigenous Communities Act, No. 904/81), and in Act No. 234/93 approving ILO Convention No. 169 concerning Indigenous and Tribal Peoples in Independent Countries.
- 118. With regard to the legislative and other measures taken by the State for the full enjoyment of their cultural heritage by national ethnic groups, minorities and indigenous peoples, mention may be made of article 65 of the Constitution, "Concerning the right to participation", which "guarantees the indigenous peoples the right to participate in the economic, social, political and cultural life of the country in accordance with their practices and customs, the Constitution and national laws"; article 66, "Concerning Education and Assistance", stipulates: "The State shall respect the cultural heritage of Indian peoples, especially regarding their formal education. At their request, the State will also defend them against demographic decline, the degradation of their habitat, environmental contamination, economical exploitation and cultural alienation", while article77, "Concerning mother-tongue instruction", stipulates: "Teaching in the early school career will be in the official language of which the student is a native speaker. Students will be taught to understand and to use both official languages of the Republic likewise [...]. Ethnic minorities whose native language is not Guaraní may choose one of the two official languages."
- 119. Regarding positive aspects, there are laws that especially protect indigenous communities and other more vulnerable groups previously mentioned, in addition to the Code of Criminal Procedure in force which provides for differentiated treatment of an implicated indigenous person. At the same time, land has been acquired for the indigenous people, and the Paraguayan Institute for Indigenous Peoples (INDI) provides them, as far as possible, with legal protection through its legal department, especially under civil law in cases of claims, eviction and so forth. That Institute also comes up against negative aspects such as judges' and even the National Parliament's lack of understanding of indigenous issues, especially in the area of expropriation, and particularly regarding the shortage of economic and financial resources for appropriate compensation to owners of expropriated land.
- 120. According to data produced by the 2002 Indigenous National Population and Housing Census, the country's indigenous inhabitants are located mainly in rural areas (91.5 per cent). The remainder (8.5 per cent) are located in urban areas with a significant presence of five ethnic groups: Maka (77.4 per cent); Maskoy (32.7 per cent); western Guaraní (29.4 per cent); Nivacle (25.2 per cent); and Exnet (24.4 per cent).

A. Overall report on the indigenous situation

- 121. In its zeal to deal with issues relating to the urban indigenous population, INDI launched a process of inter-agency linkage with the Ministry of Public Health and Social Welfare, the Secretariat for Social Action, the National Emergencies Secretariat and the National Secretariat for Child and Adolescent Affairs. Together with this last body, a start was made on tackling the issue of indigenous street children, one of the most problematic aspects of indigenous urban daily life, making it possible to rescue indigenous children at risk or abandoned. As a result, most of them today live in their communities far from the risk of addiction.
- 122. At the same time, and in parallel with containment and emergency activities in favour of these indigenous families, INDI initiated action to address the underlying problem: abandonment and uprooting from their communities. To that end a new approach to their social management

was adopted, with provision of assistance to indigenous people in their own communities so as to respond more effectively to existing needs and promote their development at the same time.

- 123. A sizeable part of the responses to these needs comprises regular delivery of food (rice, noodles, kidney beans, white corn, sugar, tea, biscuits, oil and preserved meat). By delivering these foodstuffs to the communities the Institute ensures that the provisions actually reach the families, since they do not fall under the leadership's discretionary authority. This approach was adopted in response to the observation that in some cases leaders were enriching themselves with the provisions received, with the result that the provisions never reached genuinely needy families. The provisions are generally distributed for day-to-day consumption as food support during production periods or to strengthen nutritional content in the presence of illness. In addition to food, families receive tools and seed in order to launch the growing of food for personal consumption.
- 124. Special mention should be made of the provision of foodstuffs, tents and medical care to the indigenous inhabitants who lived in Plaza Italia for one month awaiting approval of the new Indigenous Statute. This task was supported by the National Directorate of Charity and Social Assistance (DIBEN) and the National Emergencies Secretariat (SEN). A parallel activity was developed with the indigenous persons who camped at the Metropolitan Seminary to protest against the Act approved by Congress. This draft Act is currently under partial veto by the Executive.
- 125. With regard to health care, the institution coordinates its work with the Ministry of Public Health and Social Welfare through the various clinics, hospitals, the Juan Max Boettner Institute, the Mother and Child Institute, the Medical Emergencies, the Clinics Hospital, the Military Hospital and others, which constitute receptacles for these communities' care needs. An overall evaluation of the health status of the indigenous people normally assisted by INDI shows that the main problems include acute respiratory infection, acute diarrhoea, parisitosis, anaemia, deficient nutrition and tuberculosis.
- 126. The Institute's budget is 6 billion guaraníes, enabling it to reach 22 of the existing 412 communities. However, thanks to efforts to optimize resources, INDI currently reaches 60 communities comprising some 1,200 families. It should be noted that indigenous people temporarily located in the capital regularly approach INDI, which, given its very limited space for the number of persons it receives, is in not equipped to provide temporary shelter, although it quite often does so.
- 127. Part of the provisional care offered to indigenous people who approach the Institute, either to seek medical care or to initiate action with INDI or with other bodies, as well as those who come to demonstrate and occupy various squares, is to provide them with three meals a day. The latter (demonstrators) are usually brought by leaders of their communities or other individuals or organizations in order to file claims, although they are often also unscrupulously manipulated by private interests. This is one more consequence of their vulnerability.¹⁴

¹⁴ See Annex III to this document: "Land acquired by the Paraguayan Indigenous Institute (INDI) for settling indigenous communities."

B. Programmes and projects in operation

- Project for institutional strengthening of Paraguay's indigenous organizations, with support from the Inter-American Development Bank (IDB).
- Project for improving the health care and food security system for indigenous communities in the Departments of Caaguazú, Presidente Hayes and Boquerón, with help from the Korean International Cooperation Agency (KOICA).
- Programme for social reintegration of indigenous street families: organizational strengthening and enhancement of production of their original communities, in coordination with the National Secretariat for Child and Adolescent Affairs (SNNA).

ARTICLE 2

- 128. Article 46 of the National Constitution establishes the framework for equality among individuals, stipulating that: "All residents of the Republic are equal as far as dignity and rights are concerned. No discrimination is permitted. The State shall remove those obstacles and prevent those factors that maintain or promote discrimination." It goes on to state that: "Guarantees aimed at preventing unjust inequalities shall be considered as not discriminatory but egalitarian factors."
- 129. In this connection, while the Paraguayan legal framework contains no discriminatory obstacles to enjoyment of the rights enshrined in the Covenant, especially against any vulnerable group, Act No. 2352 has as its main aim the establishment of a border security zone so as to protect the border strip against privatization of Paraguayan territory for the use of aliens. In this way:
- 130. Act No. 2532,article 1, establishes as "a border security zone" the 50-kilometre strip adjacent to the land and river borders within the national territory. Article 2: In the absence of authorization by decree of the Executive branch based on reasons of public interest, such as activities that generate jobs for the workforce in the border security zone, aliens originating in any of the countries bordering the Republic, or corporate bodies comprising a majority of aliens originating in any of the countries bordering the Republic, are not entitled to ownership, joint ownership, or usufruct of rural landed property.
- 131. Act No. 1863, article 45, "Limited borderland allocation", establishes that in official settlements land shall be awarded exclusively to Paraguayan citizens, with the exception established in the Act itself. In private settlements established on the basis of the promulgation of this borderland Act, considered as the strip of the national territory extending 50 kilometres inwards from its border, the resulting lots shall be awarded in a proportion of not less than 50 per cent (fifty per cent) to Paraguayan citizens.
- 132. Regarding legislation on foreign labour, especially in respect of permits to work or reside in the country, the Migration Act establishes:
 - Article 62: Prohibits aliens residing illegally in the country from working for pay or remuneration, whether self-employed or for an employer, and with or without a relationship of dependency.

- Article 63: No physical or legal person, public or private, may provide work or paid occupation to aliens residing in the country illegally or who, residing there legally, are not entitled to perform such tasks.
- Article 68: Any employer, in providing work or employment to or hiring aliens, whether to perform tasks on their own account or in a relationship of dependency, shall require him or her without exception to present the Paraguayan identification document stating that the alien is a permanent or temporary resident; and in the latter case that the period of his or her stay is valid that he or she is authorized to work.
- Article 69: Owners, managers or supervisors of hotels, boarding-houses or similar businesses may not provide lodgings to aliens who are in the country illegally.
- Article 70: Any irregularity regarding stays of migrants detected by persons offering work or lodging to an alien must be reported to the immigration authority within 48 hours so that the latter may exercise the powers set forth in this Act.
- Article 71: For purposes of verifying enforcement of the aforementioned provision, the Directorate- General of Migration may undertake inspections of workplaces and lodgings and duly report any infringement of the relevant provisions.
- Article 72: Corroboration of the infringement does not exempt employers from the payment of wages, salaries or other remuneration to the person to whom work or lodgings were given in violation of the provisions of this Act.
- 133. At the same time Paraguay is almost exclusively a recipient of international cooperation; however, in the past decade the national army has formed part of peace missions organized by the United Nations and the Organization of American States. Accordingly, while the missions are military in character, every effort is made to ensure that the Paraguayan contingent is properly instructed in the matter of human rights and that the relevant regulations are translated into strict respect for human dignity. In this way it also contributes to the enforceability of human rights in those peacekeeping missions.¹⁵

ARTICLE 3

134. With a view to promoting gender equity and eradicating discrimination and violence against women, Act No. 34/92 established the Secretariat for Women within the Office of the President of the Republic. Its main task is to incorporate a gender perspective in the public agenda, through plans, programmes, projects and standards. Since 1994 the Secretariat for Women has launched, in an inter-agency context, the National Plan for the Prevention and Punishment of Violence against Women, the First National Plan on Equal Opportunities for Women 1997-2001, the second National Plan on Equal Opportunities for Women 2003-2007, approved by Executive Decree No. 1958/04, which integrates the first and second National Plans on Sexual and Reproductive Health within the framework of CEDAW, the Beijing Platform and the seven main international human rights instruments ratified by Paraguay between 1994 and 2005.

¹⁵ See Annex IV: "Activities carried out by the Paraguayan contingent in United Nations missions".

- 135. Since 1995 the Secretariat has been implementing the National Programme on Equal Opportunities for Women in Education (PRIOME) jointly with the Ministry of Education and Culture (MEC), the aim of which is to incorporate a gender perspective in education. Its main activities are:
 - 1. Training and awareness-raising for directors, instructors, trainers, and extension trainers and leaders that is, a large section of the educational community through the Nanduti Plan for Education (2004-2005) and by implementing these policies through the departmental education plans.
 - 2. Dissemination and promotion of awareness of the importance of the gender approach through the mass media.
 - 3. Design of educational spots, posters, wall maps and brochures involving the entire educational community as protagonists.
 - 4. Promotion of initiative: the programme establishes cooperation alliances with civil society and State and international organizations with a view to supporting strategies for installing capacities in the sphere of formal education.
 - 5. Establishment of permanent discourse and reflection among the educational community through the organization of forums, debates on the topic, and participative workshops based on personal experiences, starting with children at the initial level and going on to adolescents and adults.
 - 6. Use of different methods to achieve inter-agency awareness with regard to the gender approach in the MEC.
 - 7. Analysis and review of textbooks and educational materials in order to make an impact on curricula.
- 136. Other activities include publication of the research work *Sexist Practices in the Classroom*, as part of UNICEF activities and based on the results that emerged from the research on "Improving girls' education in Paraguay"; and confirmation of the agreement between the Secretariat for Women within the Office of the President of the Republic, the Ministry of Education and Culture and the United Nations Children's Fund (UNICEF), signed in connection with the Millennium Development Goals. It is implemented through the Programme for Equal Opportunities for Women in Education (PRIOME).
- 137. There is also support and advice to the Guaraní-Spanish Bilingual Literacy Programme on Gender and Community Organization for Production, Health and Education, coordinated by the Ministry of Education and Culture. The education section of the Secretariat for Women and the PRIOME Coordination Office are the gender component facilitators. The programme is being conducted in six of the country's departments: Guairá, Caaguazú, Itapúa, San Pedro, Parguari and Caazapá.
- 138. The Secretariat for Women is represented on the "Tripartite National Commission to analyse and promote equal participation of women in employment", created by Executive Decree in 1998. It has served to foster tripartite social dialogue among Government, trade union and business sectors. The Commission, with ILO assistance, has generated research on subjects such

as gender analysis, poverty and employment, and the situation of domestic work in Paraguay, and has acted as the advisory counsel to the Gender, Poverty and Employment Programme in Paraguay. In the same year it carried out a six-month National Campaign against Sexual Harassment at Work , developed in the metropolitan area. This National Tripartite Commission has a plan of action entitled "Decent work agenda for Paraguayan women, 2005-2006", with the following lines of action:

- To promote respect for fundamental labour rights, in order to encourage and promote approval of ILO Convention No. 156 (Workers with family responsibilities).
- To promote opportunities for employment and income: this line of action will be implemented through business associations represented on the Tripartite Commission.
- To expand men and women workers' social protection through amendments to the organizational chart of the Social Security Institute.
- To promote social dialogue with a view to training public officials and men and women workers and entrepreneurs in labour-relations issues with a gender perspective.
- 139. In 2000 the Secretariat for Women set up the YES Youth Employability and Entrepreneurship Network (mixed network), which has promoted national and international youth events. The YES Network's actions are coordinated through local, regional and international inter-institutional efforts, strengthening the partnership of public and private youth assistance organizations cooperating at the national level in order to generate consensus and harmonize activities, proposing specific thrusts for policies and strategies on employability, entrepreneurship and youth labour enterprises with a gender approach.
- 140. In 2002 activities were carried out to evaluate progress on the Plans being implemented by the Secretariat for Women and their interaction with focal points in favour of the Paraguayan State's gender agenda. As of 2003, on the basis of internal and external operation evaluations, an institutional updating process was launched to boost the action strategies of the Secretariat for Women with State institutions, which set in train joint participation processes with civil society organizations, especially those that promote women's human rights. In this context, the Decentralization Directorate was created in order to support the decentralization process, ensuring incorporation of the gender approach at all territorial levels.
- 141. Section III of the Plan establishes as a general objective: "Achievement of equality for men and women regarding tenure, working conditions, access to and control of economic resources and employment." Within this framework a series of activities for inter-institutional linkage have been carried out in favour of women's access to land, credit and employment in the form of productive projects and through the installation of operational programmes and plans. In this connection, there is a mutual cooperation agreement for the period 2001-2006 between the Ministry of Agriculture and Livestock and the Secretariat for Women in the Office of the President of the Republic.
- 142. The purpose of this agreement is to coordinate and implement joint activities in the agrarian sphere, incorporating the gender perspective into the policies, plans, programmes and projects of the institutions that make up the agriculture and livestock sector, consistent with public sectoral policies and with the Plan on Equal Opportunities for Women, coordinated and implemented by

the Gender and Rural Youth Directorate created by the Ministry of Agriculture and Livestock for the purpose. At the same time, the agreement with DEVNET for implementing the WINNER Programme, April 2005-April 2006, consists of a virtual space devoted to women at the head of formalized micro, small and medium-sized businesses, giving them access to new information, communication and training technologies for their products' entry into the supply and demand circuit. Its website is www.winnernet.org. There is also an agreement between the Secretariat for Women and the Paraguayan Industrial Union for facilitating and making more flexible women's access to credit. The Secretariat for Women and the National Development Ban) also undertake activities to facilitate and smooth women's access to credit. A joint agenda of the National Cooperative Women's Committee of the Paraguayan Confederation of Cooperatives is being pursued; it has trained over 170 female members of cooperatives and has fostered national and international events, including national encounters and various day courses on "The gender dimension of lending policy, the microenterprise sector and the fight against poverty", and "Designing a framework of action for gender mainstreaming in employment policies and the labour market in Paraguay", "Cooperatives and local public policies and international integration" and "The gender dimension in credit policy and the microenterprise sector in the fight against poverty". A pilot project, "Eradicating sexist paradigms", the initial stage of which is a "Diagnostic workshop with female heads of household" originating in the poverty belt around Asunción city. There are also production initiatives with women heads of households, with support from B'nai B'rith in the form of the supply of work tools for equipping sewing workshops in the country's 17 departments. Seventy-six production projects with CONAMURI, including dairy and pig farming, egg and farmed hen production, and others currently at the training and monitoring stage.

- 143. Mention should be made of the United Nations WINNER programme implemented under the agreement signed with DEVNET, with financing from the Italian Ministry of Foreign Affairs. The Secretariat for Women has assumed the role of National Office and has established five support offices. To date it has trained 306 women entrepreneurs, and the same number of women are registered in the system, surpassing the project's target and with time left over for project completion. The virtual space affords access to new information, communication and training technologies, as well as the possibility of exchanges, business sessions, and supply and demand of products and services.
- 144. The Secretariat for Women supported the Latin American meeting on youth employment, progressing towards the Millennium Development Goals, "Youth: strategic capital in the fight against poverty and the strengthening of democratic governance", with the participation of 300 young people from 17 Latin American and Caribbean countries plus Japan and Taiwan.
- 145. Other topics placed on the agenda are decent work for Paraguayan women, based on ILO Convention No. 156 concerning Workers with Family Responsibilities, and social security. This Convention was presented with the support of ILO and the Tripartite Commission for the public and private sectors in order to raise the awareness of the actors involved.
- 146. The Secretariat has signed an agreement with the Ministry of Justice and Labour to coordinate institutional skills with a view to guaranteeing the fundamental principles and rights of women in the workplace, and protect the human rights of women deprived of their liberty in order to stamp out discrimination against them, and afford effective de jure and de facto equality. A process is under way, with assistance from ILO and UNFPA and coordinated by both organizations, to formulate the programme and budget for achieving these objectives.

- 147. The Secretariat for Women operates the Children's Centre for the children of officials not only of the institution, but also of the National Congress and the Ministry of Public Works and Communications, in order to give effect to the Labour Code and make working and family life more compatible. It also supports the initiatives of the Centre for Documentation and Studies (CDE) and advocates the inclusion in the public agenda of analysis of regulations and public policies on paid domestic work in Paraguay.
- 148. The Secretariat for Women is represented on the Bicameral Commission entitled National Natural Resources Defence Commission (CONADERNA), whose aim is to develop efficient and effective activities for protection of the ecosystem. In this area the Secretariat for Women has submitted a number of comments on proposals for laws, which have been studied by the aforesaid Commission. The proposals include:
 - An awareness-raising workshop for senators and parliamentarians on national environmental legislation in Paraguay (2003).
 - A forum on the use of agrochemicals and their effects on human health.
 - A public hearing on the proposed water law.
 - Support for supplementing Paraguay's document for the national Rio + 10 report submitted at the United Nations World Summit on Sustainable Development, held in South Africa in August 2002.
 - The mutual cooperation agreement between the Ministry of Agriculture and Livestock and the Secretariat for Women is currently in process of renewal; the new agreement provides for the mainstreaming of gender and the environment.
 - Representation of the Secretariat for Women to the National Environmental Council (CONAM) between 2001 and 2004.
 - Participation in and support of the Secretariat for Women for the Guidelines for the elaboration of a national environment policy, which is currently the National Eolithic of the Paraguayan Environment.
 - In 2003 an agreement was signed by the Environment Secretariat and the Secretariat for Women for coordinating and implementing joint environmental activities incorporating the gender perspective in the policies, plans, programmes and projects of the institutions that make up the environment sector, in line with sectoral public policies and in the Second National Plan for Equal Opportunities for Women and Men.
- 149. MERCOSUR Working Subgroup No. 6, responsible for following up environmental matters, stated in its report No. 02/2002 that "account will be taken in its agenda of work of Common Market Group Resolution 84/00, which makes reference to the need to work on the basis of gender perspective in this area. The Secretariat for Women formed part of the advisory committee for the National Biodiversity Strategy and Action Plan (ENPAB), for which work is shared by 12 sectoral groups for the inclusion of a gender perspective (2002-2004). Gender issues were included in the final report on the Strategy.

- 150. In 2005 Paraguay updated the submission of reports to the CEDAW Committee and, as one of the main measures taken under the commitment to monitor implementation, the Secretariat for Women circulated the Convention, the Committee's Concluding Observations and Recommendations, international platforms and the Millennium Development Goals to over 140 offices of public institutions and over 60 non-governmental organizations. An inter-agency board to monitor implementation of CEDAW was also set up, sharing space with civil society organizations as part of the overall inter-agency plan of operations. There are currently thematic boards dealing with the CEDAW Committee's Observations and Recommendations.
- 151. In 1999 and 2000 the Regional Pilot Project for Prevention of and Attention to Domestic Violence against Women was implemented at the regional level by the Secretariat for Women with support from the Ministry of Public Health and Social Welfare and technical cooperation of the Inter-American Development Bank (IDB). In that same year (2000) the women's support centres (CENAM) were created; they have now become SEDAMUR, under the Secretariat for Women; they provide legal, psychological and social counselling for women and refer their cases to other bodies and competent institutions. Also established was the Care Centre for Victims of Violence in the Medical Emergencies Centre and the national network of care for victims of domestic violence, and the Code 1600 service from the National Police 911 system.
- 152. Between 1994 and 2005 the main achievements in the fight against the scourge of violence against women were reflected in the inclusion of domestic violence in the Penal Code; the enactment of Act No. 1600/00, a civil recourse that affords precautionary measures in favour of victims; the skills training series for men and women public officials of the National Police, health centres, police academies, the military academy, associations of persons with special skills, and older women; and awareness-raising and information campaigns on the basic rights of women in a context of violence. Since domestic and other types of violence have not been satisfactorily defined in the Penal Code, the National Parliament's National Commission on the Reform of the Penal and Penitentiary System has received proposals for the amendment of article 129 concerning domestic violence and other punishable acts against sexual integrity and autonomy, punishable acts against minors, and so forth.
- 153. To date, the Secretariat for Women has received support through international cooperation for equipping a reception centre for women victims of violence. The purpose of the centre is to provide full and comprehensive care, including safety, attention and treatment, and reintegration into the workforce.
- 154. A national campaign against sexual harassment under the name of "You harass, I accuse" (*Tu acosas, yo* acuso) was launched in November 2005. The first part of the campaign consisted of training workshops for public officials, secondary-school pupils and members of trade unions. The second part envisages working with the same groups, as well as university students and Military Academy cadets.
- 155. Since the same year, with support from the State Department of the United States of America, No. 2210 on Trafficking in Persons has been in operation. It is designed to consolidate the Paraguayan Government's overall efforts to eradicate trafficking in persons, establishing procedures for its prevention and for the protection of victims (especially women, adolescents and children) in Paraguay. With the establishment of the Referral Centre on Trafficking in Persons which provides comprehensive care for victims, assistance and monitoring of cases a total of nine cases involving 37 women (30 adults and 7 minors) in all, have been taken up. There

is also a telephone helpline and electronic mail site for receiving complaints. In parallel with those activities, an "awareness-raising and education" campaign on trafficking in persons and sexual exploitation was launched with the dissemination of educational materials (posters/fold-outs, radio spots in Guaraní and Spanish in the capital and the country's interior, and printed materials). Three workshops were also held for government and non-governmental institutions with a view to obtaining inputs for the subsequent preparation, starting in April 2006, of a manual on general intervention procedures.

- 156. On the basis of internal and external operation evaluations, in 2003 the central Government initiated an institutional modernization process to boost the strategies for action by the Secretariat for Women with State institutions and embarked on processes of joint participation with civil society organizations, especially those promoting women's human rights. This gave rise to the creation of the Decentralization Directorate of the Secretariat for Women, whose aim is to support the decentralization process and ensure gender mainstreaming at all territorial levels.
- 157. Communication strategies have served to raise awareness of the need for equal opportunities. In 2004 the Equal in Everything (*Campaña Iguales en Todo*) campaign covered the following main lines: equal remuneration for work of equal value, participation, health, prevention of domestic violence, equal access to education for girls, and sharing of domestic roles in the home.
- 158. The Equal in Everything Campaign in 2005 focused on the need to eradicate violence against women, promote equal opportunities for political participation by women, and the promotion of sexual and reproductive rights, as well as raising consciousness of the existing gender inequalities in various spheres of society. The campaign used television spots, advertisements in the printed Press, radio microprogrammes and fold-outs containing information on sociological violence, sexual violence, sexual and reproductive health, mothers' health and social and political participation. Other campaigns took the form of street theatre performances on those topics on public thoroughfares in communities in Asunción, Central, Ciudad del Este and Ca'acupé.
- 159. With regard to health, there have been campaigns to raise women's awareness of their vulnerability to HIV/AIDS. The Secretariat for Women lobbied the top national authorities of the three branches of State. A public campaign to obtain a commitment was also undertaken with the assistance of UNAIDS, and Thematic Groups met to review fulfilment of commitments with the assistance of the Pan American Health Organization. These Thematic Groups' achievements include the decision to provide VSRL analysis and ELISA testing free of charge, as well as antiretroviral treatment for pregnant women. Twenty men and women decision-makers were trained in programmes on transmissible diseases in Central Department level and in the Departments of Paraguari and Presidente Hayes.

ARTICLE 4 (operative paragraph)

ARTICLE 5 (operative paragraph)

ARTICLE 6

160. First and foremost, Paraguay is a party to the following international human and labour rights instruments:

International Convention on the Elimination of All Forms of Racial Discrimination

Adopted: New York, 21 December 1965 Signed by Paraguay: 13 September 2000

Act No. 2128 of 7 July 2003 Deposit: 18 August 2003

Entry into force for Paraguay: 17 September 2003

ILO Convention No. 111 concerning Discrimination in Respect of Employment and Occupation

Adopted: Geneva, 25 June 1958 Act No. 1154 of 29 July 1966 Deposit: Geneva, 10 July 1967

Entry into force for Paraguay: 10 July 1968

ILO Convention No. 122 concerning Employment Policy

Adopted: Geneva, 9 July 1964 Act No. 67 of 26 December 1968 Deposit: Geneva, 20 February 1969

Entry into force for Paraguay: 20 February 1970

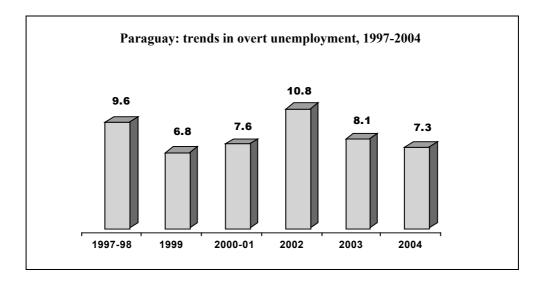
Paraguay has submitted reports to the ILO supervisory committees on its fulfilment of the provisions of the Conventions ratified by the country.

A. Situation, indices and trends in employment and unemployment

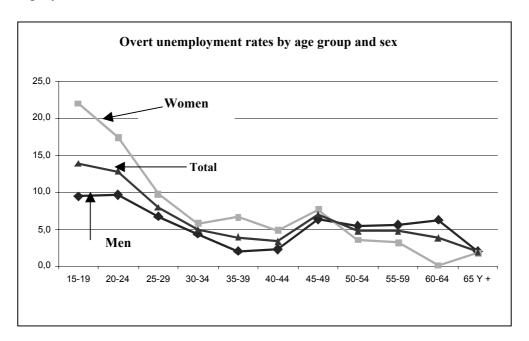
- 161. According to the Permanent Household Survey (EPH) 2004, the labour force participation rate (population employed or unemployed in relation to the total population of working age) was 63%. The percentage was higher in rural areas (64.9%) than in urban areas (62.4%) and higher among men than among women (76.6% and 50.4% respectively).
- 162. The Paraguayan economy is based on independent labour. The dominant group in the labour force is that of self-employed workers (39.8%), followed by unpaid family workers (13.1%) and employers (4.2%). The total of these figures shows that some 6 out of every 10 persons working generate income through the direct sale of their products or services.
- 163. The primary, or extractive, sector employs 33.3% of the workforce and the secondary (manufacturing, construction) 16%. Some 65% of working women are employed in the tertiary sector, while men are fundamentally distributed between the tertiary and the primary sectors (42% and 39% respectively).

1. Unemployment

164. According to the EPH for 2004 the rate of overt unemployment in the population was 7.3% –one percentage point less than the level recorded for 2003 (8.1%). Underemployment countrywide remained at a level similar to that for 2003 (24.1% as against 24.2%) in both rural and urban areas.

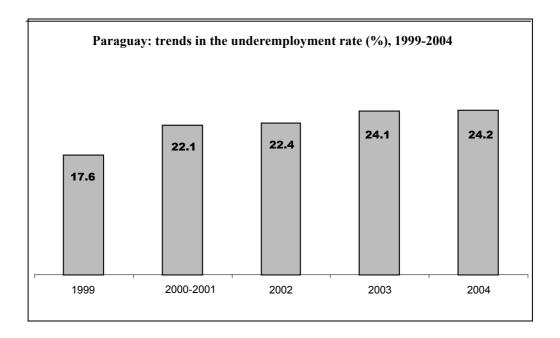


165. The following diagram shows that overt unemployment principally affects the population group aged 15-19, and particularly women in that age group, since, while approximately 14% of the juvenile population is actively seeking employment, the corresponding figure for women is 22.1%. The proportions remain high up to age 29; at that age 8 out of every 100 persons report overt unemployment.



2. Underemployment

166. According to information in the Household Surveys, underemployment remained stable between 2003 and 2004 (24.1%; 24.2% respectively) in both rural and urban areas.



B. Principal features of national employment policy

167. In line with the characteristics of the labour market in Paraguay, employment policy is focussed on the following elements:

- Sustainability of macroeconomic and social conditions favouring the promotion of private investment generating sources of employment;
- Incorporation of the employment objective in trade, production, education, migration, vocational training and social security policies;
- Promotion of the development of micro and small enterprises based on the creation of conditions easing the formalities for access to credit, technical assistance and entrepreneurial training;
- Training of human resources, improving their employability, and involving private initiative, making available to the latter training, guidance and placement services.
 Training must be adapted to the requirements of enterprises and technological development.
- Promotion of social dialogue to foster adjustments in regulations which will encourage recruitment of workers and serve as a basis for modernization and institutional and legal strengthening.
- Strong support for the improvement of agricultural and stock-rearing production,
 promoting the creation of clusters (line production). Support for the rural sector is a key element, since it also acts as a factor preventing migration from country to town.
- Development of special plans and programmes dealing with employment problems of specific population groups: programmes and measures to promote the employment of juveniles and women, programmes for the reintegration of specific groups into employment, etc.

C. Freedom of choice of employment

168. As regards the legal and administrative provisions ensuring freedom of choice of employment, and those ensuring that conditions of employment do not restrict the political and economic freedoms of the individual, the State of Paraguay has laid down the following provisions (in particular, concerning time off or leave for election days):

1. Legal provisions

- 169. *National Constitution*. In its different articles the National Constitution lays down the principles governing employment policy, relating specifically to the objective of full employment, equity, the promotion of cooperatives, agrarian reform and rural development, vocational training and technical education. The State is assigned the task of promoting the quality of life "through plans and policies which take into account conditioning factors such as extreme poverty and impediments of disability or old age.". "The State shall also promote investigation into population factors and their links with economic and social development, the preservation of the environment and the quality of life of the inhabitants" (article 6: Concerning the quality of life, Title II, chapter I.)
- 170. Article 87, chapter VIII (Concerning labour), section I (Concerning labour rights), refers to the commitment of the State to promote full employment. It reads: "the State shall promote policies aimed at achieving full employment and providing vocational training for human resources, giving preference to Paraguayan workers."
- 171. Equity: Article 107, chapter IX (Concerning economic rights and agrarian reform), section I (Concerning economic rights), states that "Every person has the right to take up the licit economic activity of his choice within a framework of equality of opportunities". This provision establishes the framework for the exercise of the right to work in a context of equity and freedom of choice.
- 172. *Training for work:* Article 78, chapter VII (Concerning education and culture), provides that "The State shall promote training for work through technical education with the aim of training the human resources required for national development".
- 173. *Promotion of cooperatives:* Article 113, chapter IX (Concerning economic rights and agrarian reform), section I (Concerning economic rights), states that "The State shall promote cooperative enterprise and other associative forms of production of goods and services based on solidarity and social profitability, to which it shall guarantee freedom of organization and autonomy..."
- 174. Rural development and agrarian reform: Article 115 (Concerning the bases for agrarian reform and rural development) provides that "Agrarian reform and rural development shall be implemented in accordance with the following principles:
 - The adoption of a tax system and other measures to encourage production, discourage large-scale landholding and ensure the development of small and medium-sized rural estates, in accordance with the characteristics of each area;

- The rationalization and regulation of land use and crop-growing practices to prevent the degradation of land, and the promotion of intensive and diversified agricultural and livestock production;
- The promotion of small and medium-sized agricultural enterprises...
- Education to train farmers and their families as active agents in national development;
- The adoption of policies to foment popular interest in farming by establishing vocational training centres in rural areas."

175. Labour Code (Act 213/93): chapter II (Concerning work guarantees pertaining thereto):

- Article 9. "Work is a right and a social duty and enjoys the protection of the State. It shall not be regarded as a commodity. The freedoms and dignity of those who work shall be respected, and work shall be performed in conditions that protect life and health and ensure a financial level compatible with the responsibilities of a man or a woman who is the head of a family. No discrimination may be established concerning a worker on grounds of physical impediment, race, colour, sex, religion, political opinion or social condition."
- Article 15. "Every worker must have the possibility of a decent existence and the right to just conditions in the performance of his work, to receive vocational and technical education to improve his skills, to obtain higher income and to contribute efficiently to the progress of the Nation."
- Article 16. "The State shall bear the responsibility of providing vocational and technical education for workers so as to improve their skills in order to obtain higher incomes and greater efficiency in production."... "It shall also, by means of an appropriate economic policy, preserve a just balance between the supply of and the demand for labour and provide suitable employment for workers unemployed or underemployed for reasons beyond their control and for the physically and mentally disabled, the elderly and war veterans."

2. Administrative measures

176. The general objective of the employment policy of the Ministry of Justice and Labour is to promote the competitiveness of national production and to improve the employability of the labour force in a context of social equity. To that end it is implementing active employment policies consisting of the effective application of training and skills development courses conducted by the National Vocational Advancement Service and the National Training and Work Skills Development System. During the last three years over 100,000 workers have been trained. The Ministry also implements employment support services through vocational guidance, information and placement services. It is currently strengthening the National Employment Service. As regards the quality of employment, the Ministry conducts inspections to ensure compliance with conditions of work as laid down in the Labour Code and international labour conventions.

D. Difficulties in the way of achievement of full and productive employment

- 177. On account of the characteristics of the economic structure of the country, with its limited numbers of production centres or factories, the majority of workers perform their activities in small-scale enterprises. Some 70% of Paraguayan workers are employed in establishments with less than five employees.
- 178. In addition, there are imbalances, both quantitative and qualitative, between the supply of and the demand for labour. The economy is unable to create jobs in sufficient numbers and quality to satisfy demand; at the same time, the qualifications of the workforce do not match the present requirements of the jobs on offer. Over 60% of the economically active population (EAP) has only primary education; only 7% have tertiary education. These shortcomings clearly hamper the functioning of the labour market. Consequently a project for the reform of the vocational education system is in course of implementation to improve productivity and the quality of the labour force.
- 179. During the last ten years their have been no reports to the Ministry of Justice and Labour alleging discrimination in labour matters on grounds of race, religion or social or economic condition. The national Constitution, the Labour Code and other legal provisions in substantive law ensure the right to non-discrimination in employment and equality of opportunity for all workers.
- 180. In addition, in the National Employment Service vocational guidance measures are used as a vehicle for the development of subjects relating to non-discrimination and the right to equality of opportunity. Similarly, the primary and middle school curricula contain elements relating to these fundamental human rights.

E. Report of the Supreme Court of Justice concerning article 6

- 181. The potential effectiveness of the above-mentioned legal provisions is enhanced by the absence of relatively impermeable social ceilings, with the natural exception of social status as determined by education and vocational training. However, certain discriminations deriving from supposed roles and working conditions exist, namely in the situations of women domestic workers and rural workers. Labour legislation discriminates against these categories of workers in that it allows payment of a wage below the statutory minimum on the understanding that the lower cash wage is complemented by the benefits of board and lodging in the dwelling of the employer. However, the discrimination is apparent when these workers neither receive board from the employer nor remain at all times in the domicile of the employer.
- 182. The socio-economic structure of the country apparently does not for the moment permit an improvement in the working conditions of these workers. A third social sector suffering from discrimination, but of a *de facto* kind, is the indigenous sector, a minority group of a different culture. There is no discrimination against them in law, but on account of the cultural difference they experience great difficulties in exercising any form of work activity on equal terms with non-indigenous citizens. Clearly a declaration of equality is insufficient for this social group; regulations are needed establishing a positive discrimination to enable them to attain equality.
- 183. A fourth disadvantaged sector is the group of physically and mentally handicapped persons. A high percentage of them cannot obtain jobs on account of their condition notwithstanding the provision of the law; consequently, although there is a presumption that they have equality of

rights to obtain jobs, prejudices of a cultural nature debar them in the majority of cases from doing so. However, considerable progress in the protection of this group was achieved with the promulgation of Act No. 1925 of 2002 ratifying the Inter-American Convention on the Elimination of All Forms of Discrimination against Persons with Disabilities and the approval of Act No. 2479 "establishing an obligation to incorporate disabled persons in public institutions". The case of this group is similar to that of indigenous persons; consequently the improvement of their condition must be achieved through measures of positive action to be established in the law.

184. It should also be pointed out that the protection of the rights of persons with special needs is of a constitutional nature; it is enshrined in article 58 of the National Constitution, and public policies on the subject are governed thereby. The article in question reads as follows: "Persons with special needs shall be guaranteed care for their health, their education, their recreation and their vocational training for full social integration." "The State shall organize a policy of prevention, treatment, rehabilitation and integration for physically, mentally and sensorially handicapped persons and provide them with the specialized care that they need."..."They shall be recognized the rights which this Constitution grants to all the inhabitants of the Republic, in equality of opportunities, in order to compensate their impairments."

1. Discrimination on language grounds

185. Another sector suffering from discrimination in practice is the group of citizens who do not have the use of the Spanish language. In Paraguay the majority of the peasants are monolingual and Guaraní-speaking; there is a minority in the urban sector. They suffer discrimination in practice arising from difficulties of communication in both the work sphere and that of law, in both of which all business is conducted in Spanish. This discrimination tends to be dealt with by short-term solutions. The conditions make for this approach, since the 1992 Constitution states that the Guaraní language is a language of official use on equal terms with Spanish throughout the Republic, with the consequence that Guaraní may be used in the judicial sphere, especially in proceedings relating to labour matters. However, this right has not so far been consolidated on account of the absence of more specific regulations concerning the official languages of the State. The sectors with an interest in the Guaraní language are currently working on a draft regulatory Act which will be submitted to the National Congress.

2. Changes in national legislation

- 186. Among the changes in national legislation positively affecting the enforcement of the rights enshrined in this article, the following may be mentioned:
- 187. As regards the right to a productive job and just working conditions:
- 188. Act 1980/2002 concerning first employment is designed to regulate, encourage and promote youth employment with regard to the remunerated provision of labour-power in a subordinate capacity. The Act applies to young persons between ages 15 and 18, to persons under age 28 who have recently obtained an occupational qualification but have never provided services in a subordinate capacity and to employers registered with the labour administration.
- 189. Act 1652/2000 establishing the National Training and Work Skills Development System (regulated by Decree 15904/2001). This Act regulates the training and work skills development of its beneficiaries, lays down the principles and the aims and objectives thereof, fixes guidelines for participation and the responsibilities of its managing body (a public-law entity under the

authority of the Ministry of Justice and Labour) and determines the responsibilities of the training and skills development institutions. It contains provisions concerning the methods of financing and the other functions of the system.

- 190. Act 1265/1987 amending Act 253/1971 establishing the National Vocational Advancement Service (SNPP), an entity under the authority of the Ministry of Justice and Labour. It will be governed by the provisions of this Act. Its purpose is the promotion and development of the vocational training of workers at all levels and in all sectors of the economy; fundamentally it serves to advance the employment policy of the government and the process of national development. All persons over age 18 residing in the national territory are entitled to use its services. It is also envisaging apprenticeship programmes for minors between ages 15 and 18.
- 191. Act 285/1993 concerning additional benefits for workers (regulates article 93 of the Constitution). This Act provides that an enterprise which grants its workers benefits in addition to their net wages which are unrelated to the wages and other benefits established in law or in agreements concluded between the enterprise and its workers may deduct those benefits; the latter shall be exempt from all taxation, and no contribution to the Social Security Institute, the National Workers' Bank or other entities created which may require contributions of any kind shall be payable in respect thereof by the enterprise or the workers.
- 192. *Act 1160/1997 (Penal Code)*. Article 205 stipulates that the owner of an establishment or enterprise, or the person responsible for the prevention of work accidents, shall be responsible and subject to the appropriate penalties if he exposes persons to dangerous workplaces.
- 193. Decree 20400/2003 regulating wages and salaries in the private sector provides for an increase of 11% in wages and salaries in the private sector with effect from 1 February 2003. It also applies to the minimum wages in force in activities expressly designated, activities with salary scales and other unspecified activities.

ARTICLE 7

194. In relation to the implementation of this article the State of Paraguay is a party to the following international conventions relating to labour rights:

ILO Convention (No. 14) concerning the Application of the Weekly Rest in Industrial Undertakings

Adopted: Geneva, 25 October 1921 Act No. 945 of 15 July 1964

Date of entry into force for Paraguay: 21 March 1966

Convention (No. 100) concerning Equal Pay for Men and Women Workers for Work of Equal Value

Adopted: Geneva, 29 June 1951 Act No. 925 of 3 June 1964

Date of entry into force for Paraguay: 24 June 1965

Convention (No. 106) concerning Weekly Rest in Commerce and Offices

Adopted: Geneva, 26 June 1957 Act No. 947 of 15 July 1964 Deposit: Geneva, 21 March 1966

Date of entry into force for Paraguay: 21 March 1967

Convention No. 81) concerning Labour Inspection in Industry and Commerce

Adopted: Geneva, 11 July 1947 Act No. 1235 of 21 June 1967 Deposit: Geneva, 28 August 1967

Date of entry into force for Paraguay: 28 August 1968

A. Minimum wage

195. The machinery for the fixing of the minimum wage is defined in the Paraguayan Labour Code, chapter II (Concerning the minimum wage), which reads as follows:

Article 249. "The minimum wage is one that is sufficient to satisfy the normal needs of the worker, namely, decent food, lodging, clothing, transport, social security, culture and decent recreation, the worker being deemed to be the head of the family."

Article 250. "The minimum and adjustable wage shall be fixed periodically with the aim of improving the standard of living, taking into account the following factors:

- a) The cost of living of a worker's family, according to time and place, in its basic elements, in accordance with the previous article;
- b) The general level of wages in the country, or in the region in which the work is performed;
- c) Economic conditions in the branch of activity in question;
- d) The nature of the work and the output thereof;
- e) The age of the worker (to the extent that it influences his productivity);
- f) Any other factors relevant to the fixing process.."

196. The right to a basic wage is thus established in the Labour Code, and the minimum wage has force of law. At present it stands at 1,219,795 Guaraníes (approximately US\$ 214 at the rate of exchange in May 2006).

1. Movements in minimum wage, 1994-2006

| 1994 | 379 500 | 2001 | 782 186 |
|------|---------|------|-----------|
| 1995 | 436 425 | 2002 | 876048 |
| 1996 | 480 069 | 2003 | 972413 |
| 1997 | 528 076 | 2004 | 972413 |
| 1998 | 580 883 | 2005 | 1 089 103 |
| 1999 | 591 445 | 2006 | 1 219 795 |
| 2000 | 680 162 | | |

2. Minimum wages for specific categories of workers (2006) (in guaranies)

| Workers in commerce and industry | Monthly wage: 1 219 795 Daily wage: 46 915 |
|--|---|
| Stevedores | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Labourers (general) | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Insurance companies | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Commercial, industrial and private offices | Monthly wage: 1 238 143 Daily wage: 47 621 |
| Transport (buses, lorries, hire cars and private cars) | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Drivers | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Labourers | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Hotels, restaurants, bars, boarding houses and similar | |
| Pageboys | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Cloakroom attendants | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Beauty parlours | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Dry-cleaning and laundering | Monthly wage: 1 219 795 Daily wage: 46 915 |

| Brickmaking and building materials | Monthly wage: 1 219 795 Daily wage: 46 915 |
|--|---|
| Marble works | Monthly wage: 1 238 143 Daily wage: 47 621 |
| Manufacture of tiles and mosaics | Monthly wage: 1 238 143 Daily wage: 47 621 |
| Labourers (flooring) | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Quarrying | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Food, bakeries, pasta manufacture | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Confectionery | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Potato flour industries | Monthly wage: 1 238 143 Daily wage: 47 621 |
| Flour mills | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Herbalist industries | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Oil production | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Rice mills | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Manufacture of ready-made meals | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Production of waters, sparkling beverages and cordials | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Refrigeration plant | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Clothing and textile industries | Monthly wage: 1 234 891 Daily wage: 47 385 |
| Cap and headgear manufacture | Monthly wage 1 231 997 Daily wage: 47 385 |
| Manufacture of handbags and similar items | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Manufacture of footwear | Monthly wage: 1 238 143 Daily wage: 47 621 |
| Tailors | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Ready-made clothing workshops (general) | Monthly wage: 1 219 795 Daily wage: 46 915 |

| Machine workshops (general) | Monthly wage: 1 219 795 Daily wage: 46 915 |
|---|---|
| Tinsmiths | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Foundries | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Painters (operatives) | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Auxiliaries | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Buildings and construction work : labourers | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Saddlery | Monthly wage: 1 231 997 Daily wage: 47 835 |
| Dockyards | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Soapmaking | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Clock and watch making | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Pattern making | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Match manufacture | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Cinemas and theatres | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Manufacture of paper and cardboard | Monthly wage: 1 246 396 Daily wage: 47 938 |
| Furniture manufacture | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Announcers | Monthly wage: 1 231 997 Daily wage: 47 385 |
| Operatives | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Asphalt and paving | Monthly wage: 1 219 795 Daily wage: 46 915 |

| Flower cultivation | Monthly wage: 1 219 795 Daily wage: 46 915 |
|--|---|
| Hides and skins | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Print shops | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Miscellaneous unspecified activities | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Journalists | |
| Editors-in-chief | Monthly wage: 1 806 635 |
| Secretary (editorial) | Monthly wage: 1 648 682 |
| Editor 1 | Monthly wage: 1 542 723 |
| Editor 2 | Monthly wage: 1 474 675 |
| Reporter | Monthly wage: 1 361 992 |
| Proofreaders | Monthly wage: 1 429 043 |
| Graphics – linotype workers | |
| Category 1 | Monthly wage: 1 498 541 Daily wage: 57 636 |
| Category 2 | Monthly wage: 1 441 231 Daily wage: 55 432 |
| Printing workers | |
| Category 1 | Monthly wage: 1 498 541 Daily wage: 57 636 |
| Category 2 | Monthly wage: 1 441 231 Daily wage: 55 432 |
| Typographers | |
| Category 1 | Monthly wage: 1 498 541 Daily wage: 57 636 |
| Category 2 | Monthly wage: 1 441 231 Daily wage: 55 432 |
| Masons, carpenters, cabinet makers and related | |
| Craftsman 1 | Monthly wage: 1 426 610 Daily wage: 54 870 |
| Craftsman 2 | Monthly wage: 1 389 120 Daily wage: 53 428 |
| Limestone worker | Monthly wage: 1 371 173 Daily wage: 52 737 |

| Shoemakers | | | | |
|--|---|--|--|--|
| Category 1 | Monthly wage: 1 369 024 Daily wage: 52 655 | | | |
| Category 2 | Monthly wage: 1 299 451 Daily wage: 49 979 | | | |
| Category 3 | Monthly wage: 1 233 895 Daily wage: 47 485 | | | |
| Captains, river traffic, North zone of River Paraguay | | | | |
| Captains | Monthly wage: 1 684 838 | | | |
| Pilots | Monthly wage: 1 559 059 | | | |
| Captains' and pilots' fees (ferrying) | Zeballos Cue (per trip): 1 401 831 Peñón (per trip): 1 667 043 Capi'i Pobó (per trip): 1 526 394 Rosario (per trip): 1 575 801 | | | |
| Charges for demurrage and handling Demurrage | Concepción (per trip): 1 867 907 Isla Margarita (per trip): 2 200 696 Bahía Negra (per trip): 2 504 097 | | | |
| Handling | Monthly wage: 1 731 930 Daily wage: 66 613 | | | |
| Machinists of National Merchant Marine (in vessels with internal-combustion engines) | | | | |
| Machinist 1 (river traffic) | Monthly wage: 1 859 160 | | | |
| Machinist 2 (river traffic) | Daily wage: 71 506 | | | |
| Machinist 2 (without river traffic) | Monthly wage: 1 503 598 | | | |
| Machinist 3 (river traffic) | | | | |
| Machinist 3 (without river traffic) | Monthly wage: 1 491 318 | | | |
| Machinist 4 (river traffic) | Monthly wage: 1 479 481 | | | |
| Machinist 4 (without river traffic) | Monthly wage: 1 448 517 | | | |
| Centre for steersmen | | | | |
| Steersman 1 (river traffic) | Monthly wage: 1 479 933 | | | |
| Steersman 1 (without river traffic) | Monthly wage: 1 475 835 | | | |
| Steersman 2 (river traffic) | Monthly wage: 1 442 343 | | | |
| Steersman 2 (without river traffic) | Monthly wage: 1 344 167 | | | |
| Steersman 3 (river traffic) | Monthly wage: 1 302 571 | | | |
| Steersman 3 (without river traffic) | Monthly wage: 1 302 571 | | | |
| Steersman (steam vessels) | Monthly wage: 1 301 522 | | | |
| Stokers (river) | | | | |
| Chief stokers | Monthly wage: 1 294 434 | | | |
| Boilermakers | Monthly wage: 1 510 634 | | | |
| Stokers | Monthly wage: 1 279 440 | | | |
| Greasers | Monthly wage: 1 229 021 | | | |
| Coaling workers | Monthly wage: 1 229 021 | | | |
| | | | | |

| Helmsmen's centre | |
|--|--|
| Helmsmen Helmsmen | Monthly wage: 1 226 271 |
| Centre for masters (Class 3) and master helmsmen | Monuny wage. 1 220 271 |
| Masters (Class 3) and master nemismen Masters (Class 3) | Monthly wage: 1 226 271 |
| | |
| Master helmsmen | Monthly wage: 1 219 795 |
| Centre for masters (Class 2) | 1 210 705 |
| Masters (Class 2) | Monthly wage: 1 219 795 |
| Captains and pilots in national river traffic | |
| Captains | Monthly wage: 1 303 363 |
| Pilots | |
| Stevedores | |
| Deckhands | Monthly wage: 1 314 019 |
| | Monthly wage: 1 432 333 Monthly wage: 1 620 123 |
| | Monthly wage: 1 559 059 |
| | Monthly wage: 1 250 387 |
| | Daily wage: 48 092 |
| | Monthly wage: 1 219 795 |
| Cooks (land) | |
| Cook 1 | Monthly wage: 1 271 797 |
| | |
| Cook 2 | Monthly wage: 1 238 345 |
| Cook's assistant | Monthly wage: 1 219 795 |
| Ships' boys | |
| Steward | Monthly wage: 1 274 003 |
| Boy 1 | Monthly wage: 1 256 928 |
| Furniture manufacture and joinery | |
| Craftsman 1 | Monthly wage: 1 345 254 |
| | Daily wage: 51 741 |
| Craftsman 2 | Monthly wage: 1 291 895 Daily wage: 49 688 |
| Craftsman (intermediate) | Monthly wage: 1 267 506 |
| | Daily wage: 48 750 |
| Assistant | Monthly wage: 1 233 617 |
| | Daily wage: 47 447 |
| Automated pasta manufacturing establishments | |
| Machinist | Monthly wage: 1 463 960 |
| 1. Identified | Daily wage: 56 306 |
| Assistant machinist | Monthly wage: 1 342 135 |
| | Daily wage: 51 621 |
| Drier operator | Monthly wage: 1 463 960 Daily wage: 56 306 |
| | Monthly wage: 1 341 751 |
| | |

| Assistant drier operator | Daily wage: 51 606 |
|---|---|
| Tanneries | Monthly wage: 1 219 795 Daily wage: 46 915 |
| Public transport | |
| Driver-conductor | Monthly wage: 1 875 430 Daily wage: 72 132 |
| Bus driver | Monthly wage: 1 505 241 Daily wage: 57 894 |
| Conductor and/or guard | Monthly wage: 1 488 241 Daily wage: 57 240 |
| Workers in stock-rearing establishments | |
| Category A $(1 - 4,000 \text{ head of cattle})$ | Monthly wage: 433 456 Daily wage: 16 671 |
| Category B (4,001 or more head) | Monthly wage: 595 920 Daily wage: 22 920 |
| Machine workshops | |
| Craftsman 1 | Monthly wage: 1 587 933 Daily wage: 61 074 |
| Craftsman 2 | Monthly wage: 1 460 150 Daily wage: 56 160 |
| Assistant | Monthly wage: 1 369 024 Daily wage: 52 655 |

197. There are various control mechanisms to ensure application of minimum wages. These include visits by labour inspectors, which are organized by a number of institutions such as the public prosecutor's department, the Directorate-General of Migration and the Ministry of Justice and Labour. At each inspection the effective application of minimum wages in enterprises is verified together with compliance with all the other elements of labour protection such as medical insurance and healthy working conditions. There are no legal mechanisms for admonishment or punishment relating to the productivity of the worker.

3. Equal pay for equal work

198. Although equality of pay for equal work, without discrimination of any kind, is guaranteed by law, there are still in practice cases in which it is not observed. Thus some statistics concerning work by women indicate a degree of discrimination which is being approached through a National Equal Opportunities Plan, which is being implemented by the Secretariat for Women of the Office of the President of the Republic. In the field of income inequalities women in employment earn from their principal occupations 28.1% less than men. ¹⁶ The Ministry of

¹⁶ Directorate-General of Statistics, Surveys and the Census, report Social Watch 2005.

Justice and Labour verifies compliance with the provisions establishing equality by means of labour inspections. In cases of non-compliance with the relevant provisions, an investigation takes place and administrative charges are brought against the employer with the imposition of fines.

199. In addition, there is in the Ministry of Justice and Labour a Directorate for the Promotion of Working Women, which provides advice and direct support at conciliation hearings where the subject is one of discrimination. At the same time it promotes and participates and cooperates in awareness development campaigns on non-discrimination in employment and occupation. The Ministry of Justice and Labour is also a member of the Institutional Board for Follow-up on the CEDAW.

200. The other responsibilities of the Directorate for the Promotion of Working Women include:

- Coordination of the National Tripartite Commission on Equality of Opportunities in Employment;
- Technical assistance and legal advice on labour matters or working women;
- Development of training and awareness promotion measures;
- Programme on Access to Incomes and Work for Women to contribute to equality of opportunities between men and women in access to and management and enjoyment of financial resources and work. The aim of the programme is to create a framework for action to establish the gender perspective as a cross-cutting factor in employment and labour market policies. It also has a standard-setting framework comprising national and international legal provisions.
- 201. The above-mentioned programme consists of three components:
 - A unit of support for the establishment of the gender perspective as a cross cutting element
 - A unit of support for productive entrepreneurial ventures
 - A unit of support for integration into productive chains.
- 202. The programme also comprises a focal point (the Directorate for the Social Promotion of Working Women) to establish the gender perspective as a cross-cutting element in employment policies and a coordinating board, established with the participation of all the actors involved, which promotes social dialogue and carries out the monitoring and continuous evaluation of those policies.
- 203. This programme has been designed with the cooperation of the ILO, and meetings are currently taking place with the Secretariat for Women to plan measures for its implementation.
- 204. In addition, measures have been taken since the ratification of CEDAW (the Convention on the Elimination of All Forms of Discrimination against Women) introducing egalitarian instruments, and amendments in other items of legislation, eliminating gender-based discrimination and establishing equality between men and women. The Secretariat for Women is

promoting the implementation of international conventions which will subsequently become part of the Paraguayan legal system. These have given rise to specific plans, programmes and projects fostering greater participation of women in the world of work and in community organizations; but these measures are still insufficient. Women generally suffer from discrimination in the fields of access to resources and development; the worst affected are rural women and ethnic groups. In 2003 a Decentralization Directorate was established within the structure of the Secretariat to coordinate strategies permitting a greater presence of the State in those areas.

205. It is important to mention that Paraguay is now up to date with the submission of reports to the CEDAW Committee with the defence of the report in January 2005, the observations on which have been widely disseminated. For follow-up on those recommendations an interinstitutional follow-up board for the implementation of CEDAW was set up; it now has a global plan of operations.

206. The Secretariat for Women is also developing a campaign entitled "Equal in everything". The campaign has been continuing since June 2004; it has included publicity spots on two aspects of "Discrimination at Work" on the radio and television. One spot shows a pregnant woman who was not considered in the selection process for a job she had applied for on account of her condition. Another spot shows men and women doing the same work but being paid differently, the difference being to the disadvantage of the women. The priority themes in this campaign are: violence against women; equality of rights in law; health; continuation in education; and the social and political participation of women. The principal impact within the population has been an increase in the number of reports of cases of violence. A new type of report reaching the Secretariat for Women concerns discrimination in the work sphere on grounds of gender. The "Equal in everything" campaign is still running.

207. However, some groups of workers still do not enjoy equality with regard to work and remuneration. These include the underemployed and informal-sector workers and also domestic and rural workers. According to the Permanent Household Survey for 2004 the underemployment rate was 24.2% (men, 21.8%; women 27.7%). The self-employed and persons employed in enterprises employing 5 persons or less are counted as informal-sector workers, giving a figure of 69.8% for the employed population.

208. The most precarious situation is that of women in domestic employment; 95% of them are paid at less than the legal rate; they have no entitlement to family benefits; they have long daily working hours; and although social insurance exists, it only provides cover to a few individuals registered in the capital. According to research by the ILO one of the principal grounds for dismissal of women domestic workers is pregnancy, although in that condition they should be protected.

4. Measures adopted to counter inequality at work

209. Although under the law opportunity under equal conditions exists, special measures are needed to guarantee women access to decent employment and to be promoted. To that end a draft "Act on Equality of Opportunities and Treatment between Men and Women in the Public Service and in Employment "has been submitted; the Secretariat for Women made contributions to it. It is being studied in Parliament.

210. Jointly with the Documentation and Study Centre the Secretariat for Women has organized working meetings concerning the situation of domestic workers of both sexes. The meetings were

organized for women's organizations, the Social Security Institute and representatives of trade unions and public institutions; they were to establish work guidelines which served as a basis for the signature of the Convention between the Ministry of Justice and Labour and the Secretariat for Women. It has also arranged information meetings and talks for the strengthening of the capacities of women micro-entrepreneurs. These meetings have been centred on the capital and have enjoyed the support of institutions such as the Social Security Institute and some trade unions in the country.

211. The Ministry of Justice and Labour has also promoted the creation of fora for dialogue with entrepreneurs and industrialists with the aim of guaranteeing access for women to decent work, decision-making posts and equal pay for equal work. The Labour Code confirms that domestic workers receive less than the minimum wage, are vulnerable in their working conditions, work longer hours, etc. There is a Tripartite Commission¹⁷ which has completed an analysis and study of this situation in order to promote equality of opportunity for women at work; it was supported by the Documentation and Study Centre (a non-governmental organization) in initiatives accompanied and supported by the Secretariat for Women. The results obtained by the Tripartite Commission are given below.

Annual reports on the work of the Directorate-General of Labour in the Ministry of Justice and Labour

| References | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Total |
|--------------------------------|------|------|------|------|------|------|-------|
| Results of tripartite meetings | | | | | | | |
| Appearances: | | | | | | | |
| Cases settled: | 191 | 192 | 133 | 105 | 85 | 121 | 827 |
| Cases not settled: | 60 | 59 | 58 | 45 | 28 | 31 | 281 |
| Failures to appear: | | | | | | | |
| Unions: | 1 | 3 | 6 | 10 | 9 | 7 | 36 |
| Employers: | 76 | 79 | 71 | 92 | 75 | 61 | 454 |
| Both parties: | 25 | 21 | 10 | 9 | 7 | 8 | 80 |

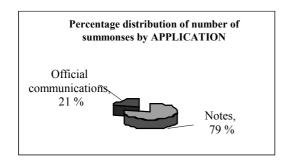
National Tripartite Commission to examine and promote the participation of women in work, established by Decree No. 21403 of 11 June 1998. The Commission is made up as follows: representatives of the State: Ministry of Justice and Labour, through the Directorate for the Social Promotion of Working Women); the Secretariat for Women of the Office of the President of the Republic, through Access to Financial Resources and Work; representatives of the employers: Association of Entrepreneurs, Executives and Professionals (APEP), the Federation of Production, Industry and Commerce (FEPRINCO); the Association of Medium-sized and Small Enterprises (APYME); and the Network of Women in Enterprises; representatives of the workers: Paraguayan Confederation of Workers (CPT); National Central Workers' Organization (CNT); Unitary Central Organization of Workers (CUT); Central Trade Union Organization of Paraguayan Workers (CESITP); General Central Organization of Workers (CGT); Authentic Unitary Central Organization of Workers (CUT-A).

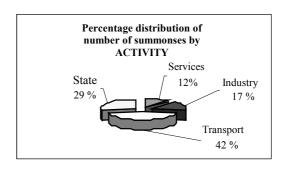
4.1. Résumé of results obtained by tripartite meetings, 2006

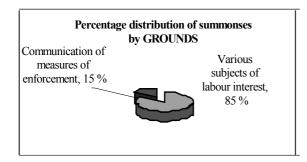
| D • C • • • • • • • • • • • • • • • • • | Results obtained | | | | | | |
|--|------------------|----------|-------|--------|--|--|--|
| References | January | February | March | Totals | | | |
| Tripartite meetings | | | | | | | |
| Summonses | 24 | 33 | 33 | 90 | | | |
| Notes | 13 | 20 | 8 | 41 | | | |
| Official communications | 1 | 5 | 5 | 11 | | | |
| Rulings | 0 | 0 | 0 | 0 | | | |
| By activity and orders: | 14 | 25 | 13 | 52 | | | |
| Commerce | 0 | 0 | 0 | 0 | | | |
| Services | 1 | 4 | 1 | 6 | | | |
| Industry | 4 | 5 | 0 | 9 | | | |
| Transport | 6 | 10 | 6 | 22 | | | |
| State | 3 | 6 | 6 | 15 | | | |
| By nature of case: | 14 | 25 | 13 | 52 | | | |
| Various subjects of labour interest | 13 | 19 | 12 | 44 | | | |
| Communication of measures of enforcemen | t 1 | 6 | 1 | 8 | | | |
| By results: | 14 | 25 | 13 | 53 | | | |
| Appearances | 9 | 19 | 10 | 38 | | | |
| Cases settled | 5 | 14 | 9 | 28 | | | |
| Cases not settled | 4 | 5 | 1 | 10 | | | |
| Failures to appear | 5 | 6 | 3 | 14 | | | |
| By employers | 4 | 4 | 2 | 10 | | | |
| By trade unions | 0 | 0 | 0 | 0 | | | |
| By both parties | 1 | 2 | 1 | 4 | | | |

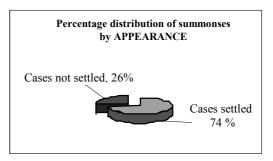
Source: Directorate-General of Labour. Asunción, 04/04/06

4.1.1. Representation in graphic form of the results obtained by the Tripartite Commission









4.2. The National Plan on Equal Opportunities for Women (in the Work Sphere)

- 212. The objective of this Plan in the work sphere is to attain equality of opportunity for access to financial resources (and particularly to work) in order to reduce poverty among women and to ensure better quality of life. Among other things, the Plan proposes:
 - To provide information and guidance in order to improve the access, continuance and position of women in the labour market;
 - To provide training in line with the needs of the market and the development of women in the work sphere;
 - To improve the quality of women's employment;
 - To guarantee adequate social security cover for working women;
 - To support the development of entrepreneurial skills among women;
 - To promote the equitable distribution of family responsibilities;
 - To facilitate access by rural women to services and productive resources;
 - To reduce poverty among women, paying special attention to heads of households.
- 213. This plan is of nationwide scope and requires implementation and execution by the public and private institutions involved. The Ministry of Justice and Labour is implementing it through concrete measures taken by the Directorate for the Promotion of Working Women and the National Tripartite Committee provided for in its annual plan of work and the Decent Work Agenda for Paraguayan Women.

214. In a different sphere Act No. 1725 ("Status of Teachers"), in chapter V (Remuneration), lays down in articles 23-29, for teachers of either sex in both the public and private sectors, the remuneration levels payable in the light of the teaching, technical and administrative functions stipulated for each function in the General Budget of the Nation.

4.5. Other specific measures

- 215. The Women's Leadership Centre launched on the initiative of the Secretariat for Women has the aim of training women in their civic rights to enable them to attain equality of opportunity to exercise and make decisions and to move into areas of power; and also to help them to create strategic alliances and associations in the pursuit of their common interests. The target for the year was to train 1,000 women in a variety of subjects with a bearing on national realities. The target has been exceeded; 1,800 women belonging to various political parties and social organizations have participated.
- 216. There is also the Women's Parliament, a forum in which women leaders from all the political parties obtain knowledge of and practice in parliamentary proceedings and of the formulation and submission of drafts.

B. Safety and health at work

- 217. As regards the administrative and other measures concerning minimum conditions of health ad safety, reference may be made to the legislation in force, which establishes the mechanisms for ensuring minimum standards of occupational safety and health. Article 91, paragraph 2, of the National Constitution states that "The law shall fix more favourable daily working hours for unhealthy, dangerous, arduous and night work or work performed in continuous or rotating shifts", while article 92, paragraph 2, speaks of "recognition of a wage higher than the basic wage for time worked in an unhealthy or dangerous environment, overtime work, night work and work on official rest days.." Article 198 of the Labour Code provides that "When work has to be performed in unhealthy places, or by its nature poses a threat to the health or the lives of the workers, or is performed in arduous conditions or in continuous or rotating shifts, it shall not exceed in duration six hours in a day or thirty-six in a week, and the wage corresponding to an eight-hour day shall be paid in respect thereof"; article 272 states that "in performing their professional services, workers shall be entitled to effective protection of their health, safety and hygiene at work", while article 273 states that "the policy of occupational risk prevention shall be developed through occupational safety, hygiene and medicine..."
- 218. Other legal measures in a similar vein include articles 47, 48 and 49 of the National Constitution, the Labour Code (Act No. 213/93, updated by Act No. 496/95, Title V ("Concerning Safety, Hygiene and Comfort at Work"), articles 272-282, and Act No. 1626/00 concerning the civil service.

1. Special protection of workers

219. The Labour Code contains occupational safety and health provisions specifically concerning women, who may not perform unhealthy or dangerous work, night work in industry, work in commerce or service establishments after 10 p.m. or overtime when there is a risk to the health of a pregnant woman or to the unborn child she is carrying or during the breastfeeding period. They may not perform unhealthy work which by its intrinsic nature, the physical, chemical or biological conditions obtaining in the environment in which the work is performed or

on account of the composition of the raw material being used, which may affect the life or the physical or mental health of the woman or her child. The employment of minors under age 18 is prohibited in work such as: a) the sale of intoxicating beverages for consumption; b) tasks or services of a nature adversely to affect his or her morals or good habits; c) itinerant work (save with special authorization); d) dangerous or unhealthy work; e) work requiring longer hours than those established and exceeding his physical strength or of a nature to impede or retard physical and mental development; and f) night work.

- 220. Paraguay has ratified ILO Convention No. 138 concerning minimum age of admission to employment¹⁸, which sets the minimum age at 14 years. Paraguay has also ratified the Convention on the Rights of the Child and its two protocols¹⁹, which are in line with the national legal system and thus provide an additional level of protection for children against exploitation at work and the worst forms of work. With regard to this subject in particular article 58 of the Code on Children and Adolescents also provides a vehicle for protection, stating that "an adolescent worker who has reached the age of 14 years may not work four hours in the day or 24 hours in the week prior to reaching the age of 16 years". Thus the age up to which paid employment is prohibited is 13 years.
- 221. In addition, there are legal standards and occupational safety and health regulations to guarantee safe and healthy working conditions. There is also a Directorate for Occupational Hygiene, Health and Safety in the Ministry of Justice and Labour.
- 222. In this connection article 274 of the Labour Code states that "The employer must guarantee the hygiene, health and safety of the workers in the performance of their labour activity. To that end he shall adopt whatever measures are necessary, including information, training and risk prevention activities and the constitution of the necessary organization or media. Occupational safety and hygiene measures shall not involve any financial charge for the workers", while article 278 stipulates: "Failure by the worker or the employer to comply with their obligations in the area of health, hygiene and safety at work is a serious offence punishable under this Code."

C. Holidays and rest with pay

223. The Labour Code fixes an uninterrupted rest period of at least ten hours between two days of work and states that every worker is entitled to a weekly day of rest, which will normally be Sunday. The Secretariat for Women has been giving continuous advice to the National Secretariat of the Public Service concerning working time not exceeding six hours per day, special leave for women in charge of persons with special needs, heads of households, persons with terminal illnesses, etc.

Ratified by Act No. 2332 of 19 December 2003; deposit on 3 March 2004; entry into force for Paraguay on 3 March 2005.

Convention on the Rights of the Child: signed in New York on 4 April 1990; ratified by Act No. 57 dated 20 November 1990. Optional Protocol to the Convention on the Rights of the Child on the involvement of children in armed conflict: signed in New York on 17 November 2000, ratified by Act 1897 0f 27 May 2002. Optional Protocol to the Convention on the Rights of the Child on the sale of children, child prostitution and child pornography: signed in New York on 13 November 2000, ratified by Act 2134/03 of 22 July 2003.

1. Regulations concerning statutory rest

1.1. Labour Code:

- Article 67. Workers have the following rights: (...) b) to enjoy the compulsoryweekly rest periods fixed in the present Code;
- Article 62. The following are obligations on employers:
 - h) To give the worker time off to discharge his personal obligations imposed by governmental laws or other provisions; but the employer is not obliged to recognize for such purposes more than two days in any calendar month, and in no case more than fifteen days in any one year;
 - j) At the request of the worker, to grant him three days' leave with pay to contract marriage; two days in the event of the birth of a child; and four days in the event of the death of a spouse, a child, a parent, a grandparent or a sibling;
- Article 133. Every woman worker shall be entitled to cease from working on presentation of a medical certificate issued or visaed by the Social Security Institute or the Ministry of Public Health and Social Welfare to the effect that she will probably give birth during the following six weeks, and shall not be permitted to work during the six weeks following the birth save with medical authorization. During her absence for maternity rest or during any additional period between the presumed date and the actual date of childbirth, she shall receive sufficient medical assistance and benefits at the expense of the social security system.
- Article 134. During the breastfeeding period working mothers shall be entitled to two special rest periods per day, of half an hour each, to nurse their children. These rest periods shall be deemed to be periods worked with pay. To that end industrial or commercial establishments in which more than 50 women are employed are required to fit out rooms for children under two years of age, where they will remain under care while their mothers are working. That obligation shall cease if and when such assistance is provided by social security institutions.
- Article 135. During the three months preceding childbirth women may not engage in any work requiring considerable physical effort. If during the maternity rest period they become unable to return to work as a consequence of the pregnancy or the birth, they are entitled to leave for all the time necessary for their recovery while keeping their jobs and the rights acquired under the employment contract.
- Article 136. With effect from the moment when the employer is notified of the
 pregnancy of the woman worker, and while she is enjoying maternity rest, any notice
 of dismissal or dismissal decided on by the employer shall be null and void.
- Article 154. Domestic workers, by agreement with the employer, may work on public holidays designated by law, but with the following rest periods:

- a) A period of absolute rest of 12 hours each day. For persons not having their own private spaces at least 10 hours shall be allowed for sleep and two hours for meals,
- b) Annual leave with pay like all workers as regards duration and remuneration in cash.
- 224. The Labour Code also contains the following provisions concerning statutory rest periods:
 - Article 212. On the conclusion of the working day workers shall be allowed an uninterrupted period of rest of not less than ten hours' duration.
 - Article 213. Every worker shall be entitled to a day of rest each week, which shall normally fall on a Sunday. Exceptionally a full period of rest of at least 24 consecutive hours may be granted on a separate working day and during the following week, in place of the Sunday rest, in the following cases:
 - a) Work which may not be interrupted on account of the nature of the needs it satisfies, for technical reasons or for reasons entailing serious prejudice to the public interest or to the enterprise itself;
 - b) Tasks relating to the repair and cleaning of machinery, installations or industrial and commercial premises which are essential to avoid interruption of the tasks of the week; and
 - c) Any tasks which clearly and urgently need to be performed because of the imminence of damage, accidents, acts of God, force majeure or other temporary circumstances which have to be acted upon immediately.
 - Article 217. All public holidays established by law shall also be compulsory rest days.
 - Article 218. Every worker is entitled to a period of paid holidays after each year of continuous service with the same employer. The minimum duration shall be: a) for workers with up to five years' seniority, 12 consecutive days; b) for workers with more than five years' and up to ten years' seniority, 18 consecutive days; c) for workers with over ten years' seniority, 30 consecutive days.

1.2. Difficulties hindering the full achievement of holidays with pay

225. Every year reports are received concerning non-payment of holiday pay, although there is a conciliation body; 80% of cases are dealt with by the administrative labour authorities.

2. Maternity leave

226. The Labour Code provides for maternity leave of not less than 12 weeks, leave during the breastfeeding period and special daily breaks, all with pay. In addition, during the three months preceding birth the women concerned may not perform any work requiring considerable physical effort. If during the maternity rest period the mother becomes unable to return to work she shall be entitled to leave while keeping her job and the rights acquired under the employment contract. With effect from notification of the pregnancy dismissal or notice of dismissal is prohibited.

There is also a obligation to establish children's centres in workplaces with a minimum of 50 persons. These regulations were laid down in 1993 and amended in 1995. With effect from 2004 the Secretariat for Women has been giving effect to the "proposal submitted concerning maternity leave for women in elective office", which has so far obtained partial approval in the Chamber of Deputies.

D. Progress in the field of labour legislation

227. Since the adoption of the 1992 Constitution there have been changes of interest in current legislation in the field of labour law. The new Labour Code (Act No. 213 of 29 October 1993) was adopted in that year and amended by Act No. 495 of 1995. This legislation has remained in force, with very few amendments, to this day.

1. Public sector

- 228. The most significant changes effected in the field of labour legislation have been those concerning the public sector, initially with the approval of Act No. 508/94 concerning collective bargaining in the public sector, authorizing the functioning of that process, which was forbidden under the dictatorship, and culminating with the adoption of the new Act concerning the public service (No. 1626/2000), which repealed the old Act No. 200 governing the status of public officials; under that Act public officials were prohibited from engaging in trade union activity and denied the right to strike, to bargain collectively, and other fundamental rights recognized in international conventions on the subject. In practice, since the adoption of the National Constitution of 1992, in which all these fundamental rights are recognized for public officials, a *de facto* situation has arisen in which an increase in trade union organizations has occurred in the public sector with the recognition of trade unions, the conclusion of collective agreements and the exercise of the right to strike. All these processes are governed by the Labour Code pending the adoption of the new Act concerning the public service.
- 229. Finally, Act No. 1626 of 2000 constitutes the reaction of the government authorities themselves seeking to regulate the exercise of the rights enshrined in the Constitution. Consequently many of the rules included in that Act were objected to as unconstitutional by the trade unions, and the Supreme Court of Justice had to give rulings on the subject in certain cases, in particular with regard to questions of procedure, but without coming to a decision on the substance of the matter. At present there is a strong current of parliamentary opinion seeking to amend the Act, where a new draft is under consideration.
- 230. However, it is in this sector of the public service that the implementation of measures to introduce more flexibility in labour legislation has been observed, particularly in the field of collective labour law.

2. Amendments to the Labour Code currently in force

- 231. Mention may be made of the following amendments to Act No. 496 of 1995:
 - Act No. 285 of 1993 regulating article 93 of the National Constitution;
 - Act No. 1416/99 regulating conditions of work in overland transport;
 - Act No. 1542/2000 establishing a procedure for the assessment of strikes;

- Act No. 1652/2000 establishing a system of training and occupational skills development;
- Act No. 1680/2001 approving the Code on Children and Adolescents and amending the relevant sections of the Labour Code;
- Act No. 1702/2001 establishing the scope of the terms "child", "adolescent" and "adult minor";
- Act No. 1725/2001 establishing the status of teachers;
- Act No. 1980 of 2002 concerning first employment;
- Act No. 2332 of 2003 approving ILO Convention No. 138 of 1973 concerning minimum age for admission to employment. Mention may also be made, among others, of Act No. 1626 concerning the public service, which deals with the scope of application of the Code in State enterprises and the collective rights which will henceforth be governed by the new instrument.

3. Labour administration sector

- 232. On the purely labour administration side a number of decrees have been issued, for example, Decree No. 8421 of 1991 regulating the functions of the Under-Secretariat of State for Labour and Social Security: Decree No. 10447 of 1995 regulating registration in the register of employers of the Ministry of Labour; Decree No. 15030 of 2001 establishing the administrative procedures for unemployment through termination, the bodies concerned with central activity and decentralized entities, Decree No. 17781 of 2002 regulating the administrative inquiries provided for in the Act concerning the public service and Decree No. 468 of 2003 regulating the application of the teachers' statute.
- 233. In addition, regulations have been adopted governing employer registration, the documents to be submitted and the rules governing the application of sanctions.

4. Procedural matters

- 234. In the procedural field the settlement of labour disputes is still governed by the old Code of Procedure in Labour Affairs adopted in 1961. Since then no amendments of interest have been introduced save the disappearance, for practical purposes, of the Permanent Conciliation and Arbitration Board under the authority of the Ministry of Labour, which established compulsory procedures to be followed in cases of labour disputes. The situation was changed by the National Constitution, which abolished the compulsory element and introduced voluntary conciliation and arbitration, assigning responsibility for the settlement of collective labour disputes to the parties.
- 235. The jurisdiction in matters relating to public officials is that of administrative litigation. Act No. 1626 gave rise to a measure of confusion with regard to jurisdiction concerning contract employees not forming part of the permanent staff of the institutions and certain lower-grade officials who in certain cases were subject to the jurisdiction of the labour courts.
- 236. It should also be mentioned that article 296 of the National Constitution makes oral proceedings in labour matters compulsory; but hitherto this provision has not been put into practice except for the proceedings conducted directly by the Second Chamber of the Labour Court in the capital. In addition, the economic crisis has given rise to the maintenance of a high

degree of antagonism, which is reflected in the number of proceedings concerning labour matters brought before the labour courts and tribunals.

- 237. As regards the decisions of the judiciary in labour matters, a number of cases have been observed in which strikes have been declared illegal, with the consequence that the workers taking part in them have been dismissed. There is also a tendency among certain judges and courts to introduce a measure of flexibility into labour-management relations. In that connection it should be mentioned that the Constitutional Chamber of the Supreme Court of Justice recently handed down a ruling having the effect of gradually deregulating the right to stability of employment, which is acquired in Paraguay after 10 years' service.
- 238. However, generally speaking, the labour courts and tribunals are still the bodies which hear cases of violations of legal regulations and collective agreements referred to it in the absence of occupational organizations with the ability to discharge that function or of administrative bodies of State of little practical weight..

5. Administrative proceedings in labour matters

- 239. A number of positive changes have been made in the administrative field and that of labour policy which are the responsibility of the Ministry of Labour. In this connection conciliation proceedings, which are of practical importance in personal law as workers customarily have recourse to conciliation in cases of dismissal, although they have no legal force, have given rise to the study of draft legislation which would require their participation even before the beginning of any legal proceedings.
- 240. As regards collective law, the elimination of the Permanent Conciliation and Arbitration Board has led to a reduction of its activity to the holding of tripartite conciliation hearings of little practical value. However, these hearings have retained certain powers relating to the suspension of employment contracts and the closure of enterprises, which require, in accordance with the law, prior authorization given by the Ministry of Labour with the participation of the affected parties.

Statistical data on mediation proceedings

| References | Year 2004 | Year 2005 | Year 2006 1145 | |
|-----------------------------------|-----------|-----------|-----------------------|--|
| Complaints | 3108 | 3100 | | |
| Results of conciliation measures: | 3108 | 3100 | 1145 | |
| Settled | 636 | 1063 | 388 | |
| Not settled | 566 | 735 | 248 | |
| I. Employers' side | 1006 | 662 | 247 | |
| I. Workers' side | 66 | 86 | 32 | |
| Action | 189 | 210 | 78 | |
| Proceedings | 645 | 344 | 122 | |
| Records not informed | 0 | 0 | 31 | |
| Hearings held | 2359 | 2540 | 938 | |
| Preparation 2nd notification | 1657 | 882 | 326 | |
| Second notification | 1657 | 882 | 326 | |

ARTICLE 8

241. The State of Paraguay is a party to the following international instruments concerned with the protection of workers' rights and with a bearing on the implementation of this article:

International Covenant on Civil and Political Rights

Accession: 10 June 1992.

Ratified by Act No. 5/92 of 9 April 1992.

Entry into force for Paraguay: 10 November 1992.

Convention (No. 87) concerning Freedom of Association and Protection of the Right to Organize

Ratified by Act No. 748 of 31 August 1961 Deposit in Geneva on 28 June 1962.

Entry into force for Paraguay: 28 June 1963.

Convention (No. 98) concerning the Application of the Principles of the Right to Organize and to Bargain Collectively

Ratified by Act No. 977 of 31 August 1964.

Deposit in Geneva on 21 March 1966.

Entry into force for Paraguay: 21 March 1967.

A. Trade union rights

242. The following are the formal conditions, as laid down in the Labour Code, for membership of a trade union and the rules governing the establishment of certain categories of trade unions:

1. Freedom of association

Article 283. The law recognizes the right of workers and employers, without distinction with regard to sex or nationality, and without the need for prior authorization, freely to constitute bodies the purpose of which is the study, defence, promotion and protection of their occupational interests and the social, economic, cultural and moral betterment of their members. The right to associate in occupational unions extends to public officials and public-sector workers in accordance with the provisions of article 2 of this Code.

Article 284. Every employer in private activity, and every employee and public-sector worker, with the stipulated exceptions, has the right to join or to leave the appropriate occupational union.

Article 285. Occupational unions of employers and workers have the right to draw up their constitutions and administrative rules, freely to elect their authorities and representatives, and to organize their administrations and licit activities. The public authorities shall refrain from any interference of a nature to restrict this right or impede the exercise thereof.

Article 286. Occupational organizations of employers and workers shall enjoy adequate protection against any act of interference by one group with the other.

Acts of interference are deemed principally to be measures of a nature to promote the constitution of workers' organizations dominated by an employer or an organization of employers, or to support, financially or otherwise, organizations of workers with the aim of bringing them under the control of an employer or an organization of employers.

Article 287. Organizations of workers and employers shall determine their respective positions vis-à-vis political parties and religious bodies; these shall not jeopardize the economic and social functions of the bodies concerned.

1.2. Constitution of occupational unions

Article 288. An occupational union is an association of persons working in an enterprise, an institution or an industry, exercising the same trade or profession or similar or related professions, established solely for the purposes specified in article 284 of this Code.

Article 289. Occupational unions may be unions of workers and of employers. Workers' unions shall be organized by enterprise, trade or industry. Unions of employers may be for industries in the same branch, for commerce or for services. Company unions in enterprises shall be formed by workers in different professions, trades, occupations or specialities rendering services in the establishment or institution concerned. Craft unions are made up of workers in the same trade, occupation or speciality. Industrial unions are organized by workers rendering services in various enterprises in the same branch of industry. The majority craft union may have a delegate elected by his fellow-workers on the premises.

Article 292. Unions of employers may not be constituted with less than three members. Unions of workers may not be constituted with less than 20 founder members in the case of a company union, 30 in the case of a craft union or 300 in the case of an industrial union. Workers' unions in the public sector may be constituted with a minimum of 20% (twenty per cent) of a workforce of up to 500 employees, 10% (ten per cent) of employees between 501 and 1,000 in number and 5% (five per cent) where there are over 1,000 employees.

Article 293. The following may become members of unions: a) workers, without distinction of sex, aged 18 or over, nationals or aliens; b) all workers other than those acting in the capacity of a representative of the enterprise in accordance with article 25 of this Code; c) every worker may become a member of only one union, be it a company, industrial, professional or craft union or institution; and d) to become an officer in an organization the person concerned must be of full age and an active member of the union.

1.3. Registration of unions

Article 294. For purposes of authentification of documents and registration of a union, the promoters or organizers must submit the following documents to the administrative labour authority: a) the original or an authentificated copy of the deed of constitution; b) a copy of the statutes, approved by the general meeting; c) a list of the founder members with their signatures.

1.4. Federations and confederations of unions

Article 306. Legally registered unions of employees may form national or international federations and confederations and form part thereof. Unions of public officials and public-sector workers with the right to form unions may also form federations and confederations.

Article 307. Any member union may withdraw from a federation whenever it wishes, notwithstanding any clause to the contrary. A federation has the same right with regard to a confederation.

Article 308. The provisions of the present Code concerning unions shall apply to federations and confederations wherever possible.

1.5 Extinction and dissolution of unions

Article 309. No union may continue to exist without the number of members stipulated for its constitution in article 292 of this Code.

Article 310. The dissolution or final closure of an enterprise shall be the cause of the extinction of any shop union in that enterprise.

Article 311. The registration of unions, federations and confederations may be cancelled, with the consequent withdrawal of union personality, when in practice they engage in activities not falling within their statutes or fail to comply with obligations or prohibitions contained in the law or in collective agreements. Application for the withdrawal of union personality shall be made by the Labour Directorate before the labour court then sitting. In the case of a federation or confederation the Ministry of Justice and Labour shall seek a judgement of extinction and dissolution before the courts.

Article 312. Occupational organizations of employers and workers may not federate with national or foreign political associations or parties or become members thereof on pain of dissolution in accordance with the law.

Article 313. An association shall be deemed to be dissolved on the cancellation of its registration established in a final and executory sentence of the judiciary.

Article 314. Unions of employers and workers shall also be dissolved for reasons stipulated in their statutes.

Article 315. In the event of the dissolution of a union and in the absence of provisions in its statutes, its assets shall be transferred as a donation to benevolent institutions concerned with social assistance or security or to other legally constituted occupational organizations.

Article 316. The liquidation or disposal of the assets of a craft association shall be effected through the courts.

2. The right to strike

243. The Labour Code contains the following provisions concerning strikes:

- *Article 358.* A strike is the temporary, collective and agreed suspension of work at the workers' initiative directly and exclusively in defence of their occupational interests.
- *Article 359.* In accordance with the provisions of the National Constitution, all workers have the right to declare themselves on strike.
- *Article 360.* For the purposes of exercising the right to strike, workers shall be considered to be those in employment. The members of the armed forces and the police do not have this right.
- Article 361. The right to strike shall be exercised peacefully and consist in the cessation of the services of the workers concerned, without occupation by them of the places of work or any ancillary premises.
- Article 362. Workers in public services essential to the community, such as water and electricity supplies and hospitals, must, in the event of a strike, ensure a minimum level of service essential for the population. Hospitals must maintain in operation first aid services and all services necessary to avoid endangering the lives of individuals.
- Article 363. The power to declare a strike rests with the workers actually employed at the place of work in the form indicated in article 298. The assembly shall decide to declare a strike. In the event that the workers are not organized as a union, the assembly shall appoint a strike committee, consisting of five members, which will take responsibility for the negotiations and the search for a solution to the dispute.
- Article 364. The competent authority shall be furnished with the decision to declare a strike, the content of the decision and the signatures of the persons present at the assembly, together with the names of the negotiators or the members of the strike committee, at least seventy-two hours before the date on which the strike begins. The declaration of the strike shall be communicated to the employer with the same advance notice together with the names of the negotiators for the union or the members of the strike committee, the object of the strike and its duration. At that time a bipartite committee shall be set up which will seek to reconcile the interests in presence.
- *Article 365.* The members of the strike committee shall be exclusively workers at the place of work affected by the strike. They may receive legal or union advice.
- Article 366. A strike shall be declared illegal if it is declared while a collective contract is in effect and without reference to any failure on the part of the employer to comply with a clause of the contract. Exceptions are solidarity strikes or general strikes.
- Article 367. It is the responsibility of the union, or, in the absence of a union, of the strike committee to represent the striking workers during the period of the dispute.
- Article 368. For as long as a strike has not been declared illegal the employer may not replace the striking workers by other workers from outside the enterprise.
- Article 369. The freedom to work of workers not joining the strike is guaranteed. The employers and workers may use all legal means to ensure the exercise of this constitutional

- guarantee. Strikers are prohibited from impeding, or attempting to impede, by any means access to the workplaces or the removal of products from the enterprise except where the employer fails to comply with the provisions of article 368.
- *Article 370.* The union, or, in the absence of a union, the strike committee shall guarantee the provision of the essential services referred to in the National Constitution when the enterprise in which the dispute occurs is providing them in accordance with article 362.
- *Article 371.* Workers on strike may make peaceful publicity for the strike and collect funds for it. They may not compel any worker to contribute against his will.
- *Article 372.* The exercise of a strike declared legal shall not terminate the employment relationship and may not give rise to any sanction.
- Article 373. During the strike the employment relationship shall be suspended; the worker shall not be entitled to receive his wage for the period of duration of the strike. If the parties reach an agreement to put an end to the dispute following the strike, it may be agreed that part or all of the wages not paid during the strike, and part or all of the hours of work lost, may be recovered.
- *Article 374.* Once the strike has been declared, the bipartite committee formed in accordance with article 364 shall have seventy-two hours to draw up an agreement between the parties. Its recommendations may be rejected by either party.
- *Article 375.* No government authority may declare in general terms that a strike is illegal before it takes place or at the time at which it starts.
- Article 376. A strike shall be illegal: a) if its purpose or object is not, or is unrelated to, the promotion and defence of the interests of the workers; b) if it is declared or maintained for strictly political reasons or if it is directly aimed at bringing pressure to bear on the powers of the State; c) if workers in essential public services no longer ensure essential minimum services for the public; d) in the situation referred to in article 366.
- Article 377. Any judge in a labour court may declare a strike legal or illegal.
- 244. Similarly, the Labour Code provides for the possibility of lockouts as follows:
 - *Article 379.* The right of employers to call a lockout is guaranteed in accordance with article 97 of the National Constitution.
 - Article 380. A lockout shall be legal: a) when imposed to avert the danger of violence to persons or damage to property; b) when imposed to remove persons occupying the enterprise or any of its ancillary premises; c) when it imposed because maintenance of the production process in competitive conditions is impossible; d) when repeated breaches of the collective contract provoked by the workers occur; e) it is declared in the defence of any legitimate interest.
 - Article 381. A lockout declared legal by any judge at first instance releases the employer from the obligation to pay wages during its duration. Any illegal lockout declared such in

the same manner makes payment of wages during the period in which it is in force obligatory.

1.4. Restrictions on the right to strike in the armed forces and the national police

245. In the same spirit as that of the restrictions of workers' rights mentioned earlier in article 362 (workers in essential services ...), the same restrictions apply to members of the armed forces and the national police. In this connection the National Constitution provides that:

Article 96. Concerning freedom of association: All workers in public or private employment have the right to organize themselves in unions without prior authorization. This right does not apply to members of the Armed Forces or the Police Forces. Employers have equal freedom to organize. Nobody may be obliged to join a union.

Article 98. Concerning the right to strike and to lockout: All workers in the public and private sectors have the right to resort to strike action in the event of a conflict of interests. Employers have the right to impose lockouts in the same circumstances. The right to strike and to lockout is not extended to members of the Armed Forces of the Nation and the police forces. These rights shall be regulated by law in such a manner as not to affect public services essential to the community.

246. These restrictions imposed on members of the armed forces and police officers reflect the need to maintain public order and in no way impose a prejudicial burden on the persons concerned. It can in fact be said that the members of the armed forces and of the national police do not enjoy the right to strike because they are the public forces of the nation and as such are meeting the need to provide society with continuous security. The mission of the Armed Forces is to safeguard territorial integrity and defend the legally constituted authorities. It should also be pointed out that the provisions in the articles mentioned earlier concerning the exercise of the right to strike by members of the armed forces and of the national police are strictly applied, the military and police functions being defined respectively within the framework of the National Constitution.

ARTICLE 9

A. Social security

247. In Paraguay the following aspects of social insurance systems recognized in national legislation exist: ²⁰

1. *Medical insurance* is established in Act No. 2053/05 (General Budget of Expenditures of the Nation), which states: "Gs. 85,000 (eighty-five thousand guaraníes) monthly is fixed as the amount of State aid under the heading of "health benefit"

Article 67(d) of the Labour Code provides that workers have the following rights: ."... to receive compensation and other benefits established by law under the heading of social insurance and security ...".Provisions along the same lines are to be found at the end of article 95 of the National Constitution; in Act 2053/05 concerning the General Budget of Expenditures of the Nation (chapter V: "Concerning Social Security and the Retirement Pension Regime", articles 48-62); Act No. 375/56 as updated by Acts Nos. 1085/65, 427/73 and 98/92 concerning the Social Security Institute, articles 30-61; Act No. 2345/03 to reform the Financial Fund and the Public Sector Retirement and Pension Scheme.

(expenditure item 191) for each official or employee of the Executive, the Judiciary, the Office of the Comptroller-General of the Republic and the decentralized bodies whose salaried employees and manual workers do not enjoy medical insurance coverage by the Social Security Institute or any other special scheme."

- 248. Medical insurance is organized on the basis of specific risks: the risk of common sickness or accident; the risk of occupational disease or work accident; the risk of maternity. As regards the risk of common sickness or accident, a common accident is a fortuitous and unforeseeable occurrence occurring outside the workplace causing physical or psychological injury to an insured worker and requiring medical treatment. Common sicknesses are those not caused by conditions at the workplace. They give the insured worker entitlement to medical, surgical and dental treatment, medicaments and hospitalization and to apply for benefit while temporarily unable to work or, if the incapacity is permanent, an invalidity pension paid in respect of a common accident.
 - 2. Sickness insurance or benefit. Act No. 375/56, as amended by Acts Nos. 1085/65, 427/73 and 98/92, reads (article 30) as follows: "in the event of non-occupational sickness or an accident other than a work accident, the provision of: a) medical, surgical and dental care, medicaments and hospitalization ... b) a money benefit for economically active insured persons undergoing medical treatment with rest on account of sickness ... c) the provision of prosthetic and orthopaedic appliances in accordance with the regulations ... "Article 32 is concerned with the fixing of the amount of sickness benefit.
- 249. Work accidents are those caused by conditions of work. Work accidents and occupational diseases entitle an insured worker to medical, surgical and dental care, medicaments and hospitalization and to apply for the payment of benefit while temporarily unable to work or, if the incapacity is permanent, an invalidity pension in respect of a work accident or occupational disease (see also Occupational Disease). Benefit is granted to active insured workers undergoing medical treatment with rest in respect of common sickness. It begins on the day following the onset of incapacity and is provided for as long as the incapacity lasts, provided that and while the beneficiary is undergoing medical treatment in the Institute.
 - 3. *Maternity insurance*: articles 36-39 of Act No. 375/56, as updated by Acts Nos. 1085/65, 427/73 and 98/92 concerning the Social Security Institute, provide for benefits for women during pregnancy, childbirth and the puerperium; article 37 refers to "... a) a money benefit during the three weeks preceding and the six weeks following the probable date of childbirth; b) the provision of milk for a child whom the woman cannot breastfeed on account of incapacity certified by a doctor .."
- 250. The maternity risk for an insured woman is the condition of pregnancy, birth and the postnatal period, during which the Social Security Institute provides an insured working woman, or
 the spouse or cohabitant of an insured worker or a pensioner, with the medical benefits specified
 in the Act and also the compulsory rest prior to and following the birth, a money benefit and the
 provision of milk if she cannot breastfeed. The female child of an insured worker or pensioner is
 not entitled to maternity benefits even if she is a member of the group of insured family members.
 The maternity risk scheme provides insured women with benefits during pregnancy, childbirth
 and the puerperium as follows: medical, surgical and dental care, medicaments and
 hospitalization in accordance with the rules of the Institute. The same entitlements are extended
 to the spouse of an insured man or the insured woman or, failing them, to the cohabitant with

whom the insured person has lived publicly and in a stable and monogamous fashion for two (2) years preceding the contingency.

- 4. Family insurance or allowances: these are provided for in Act No. 2053/05 (general expenditure budget of the nation), which states: "Gs. 35,000 (thirty-five thousand guaraníes) per month is fixed as the amount of the family allowance payable in respect of each child under 18 years of age, up to a maximum of three, of a public official who receives Gs. 1,000,000 (one million guaraníes) per month or less". Articles 261-271 of the Labour Code lay down the requirements in relation to family allowances.
- 5. Old-age insurance or pensions: the National Constitution states (article 103): "(...) within the social security system the law shall regulate the retirement pension scheme for public officials and public employees, it being understood that the autarkic agencies set up for the purpose shall accord contributors and retirees the administration of these bodies under State control. All persons who, in whatever quality, render services to the State shall participate in the same scheme. The law shall guarantee the updating of retirement incomes in a manner equivalent to that accorded to public officials in service." Under article 60 of Act No. 375/56, as updated by Acts Nos. 1085/65, 427/73 and 98/92, concerning the Social Security Institute, an ordinary pension or old-age insurance scheme is established; the article goes on to state: "An insured person who has reached the age of 60 (sixty) years and has completed a minimum of 25 (twenty-five) years of recognized service ..."
- 6. Insurance or pensions in respect of invalidity caused by work accidents: article 61 of Act No. 375/56, as updated by Acts Nos. 1085/65, 427/73 and 98/92, concerning the Social Security Institute, establishes pensions in respect of invalidity caused by common illness and by work accident or occupational disease as follows: "... it shall consist of a basic amount equal to 50% (fifty) of the average monthly wage during the 36 months preceding the declaration of invalidity ..." (article 61).
- 7. Workers' incapacity insurance: One consequence of a work accident is that it temporarily or permanently incapacitates the worker for work. Temporary incapacity may last for between three days and 52 weeks and gives entitlement to a money benefit equal to 75% of average earnings during the preceding four months. If as a result of that same accident the worker is permanently incapacitated, or if the incapacity remains at the end of 52 weeks, the worker becomes entitled to a monthly pension calculated in accordance with the injury or the degree of incapacity sustained. This incapacity must not be confused with invalidity. The risk of incapacity is met by a pension determined in accordance with an incapacity valuation table.
- 8. *Invalidity insurance*: the Social Security Institute defines an invalid as an insured person who, as a consequence of a non-occupational disease, of senility or premature old age or of a non-occupational accident, is unable to obtain, by work proportionate to his strength, skills and vocational training, remuneration equivalent to at least one third of the usual remuneration received by a healthy worker of the same sex with similar skills and training in the same region. In such cases the insured person is entitled to an invalidity pension if the following requirements are met: a) a declaration of invalidity in accordance with the definition in the previous article by a board of three doctors of the Institute specially designated for the purpose; b) a minimum of one hundred and fifty (150) weeks' contributions if the insured person is under 55 years of age at the time of the invalidity, or

between one hundred and fifty (150) and two hundred and fifty (250) weeks of contributions if the insured is under 60 years of age, or between two hundred and fifty (250) and four hundred (400) weeks of contributions if the insured is under 65 years of age. No invalidity pension shall be paid if the occurrence of the contingency is the consequence of a deliberate or criminal act committed by the insured person.

- 251. Invalidity pensions are awarded on a provisional basis for a period not exceeding five (5) years, during which beneficiaries are required to undergo medical examinations and receive medical treatment as instructed. If the condition becomes permanent, then at any time, and in any case after five (5) years, the invalidity may be so declared.
- 252. A beneficiary under age sixty (60) who recovers over 50 per cent (50%) of working capacity shall cease to receive an invalidity pension; but the Institute may continue to pay it for six (6) months more if in so doing it facilitates the readaptation of the insured person to work. The Institute may conduct examinations once a year to determine the remaining degree of incapacity if the beneficiary is receiving a final pension; the beneficiary is required to undergo medical treatments prescribed for him.
- 253. Invalidity pensions are paid monthly in arrears and shall be calculated as from the onset of the invalidity, or the date of the application, whichever is the later.
- 254. However, the Institute may defer the starting date for payment while the insured person remains entitled to receive sickness benefit.
- 255. The monthly invalidity pension shall consist of a basic amount equal to forty-two and a half per cent (42.5%) of average earnings during the three (3) months preceding the onset of the invalidity. That amount is increased by one and a half per cent (1.5%) for every fifty (50) weeks of contributions in excess of the first seven hundred and fifty (750) weeks of contributions.
- 256. The average monthly wage shall be calculated by dividing by thirty-six (36) the total wages corresponding to the contributions for the three (3) years mentioned in the previous paragraph. If within that three-year period there are periods during which the insured person received invalidity benefits or pension, the average earnings used as a basis for the calculation of those benefits or pension shall be taken as the earnings for calculation purposes.
 - 9. Insurance against invalidity caused by common illness: the Social Security Institute pays a monthly invalidity pension in respect of common illness to its insured persons. It consists of a basic amount equal to 50% (fifty per cent) of average monthly earnings during the 36 (thirty-six) months preceding the declaration of invalidity, increased by one and a half per cent (1.5%) for every fifty (50) weeks of contributions in excess of one hundred and fifty (150) weeks of contributions, up to 100% (one hundred per cent).
- 257. If within that period of 36 months there are periods during which the insured person received temporary invalidity benefit or pension, the average earnings used as a basis for the calculation of those benefits or pension shall be taken as the earnings for calculation purposes.
- 258. As for invalidity pensions payable on account of a work accident or occupational disease, a pension for invalidity payable on this account is determined in accordance with an incapacity valuation table, the pension percentage table and the average monthly earnings over the 36 (thirty-six) months preceding the onset of the incapacity. If the work accident occurs before the insured

person has received any wage, the pension is calculated on the basis of the statutory minimum wage in force at the time for miscellaneous unspecified activities in the capital of the Republic.

259. If the insured person has been receiving a wage for less than 36 (thirty-six) months, the missing months shall be calculated with the corresponding equivalences in accordance with the statutory minimum wages.

| 260. | The incapacity valuation table used in respect of work accidents or occupational diseases |
|--------|---|
| establ | shed by the board of directors of the Institute and currently applicable is given below. |

| Percentage loss of working capacity (%). | | 90 | 80 | 70 | 60 | 50 | 40 | 30 |
|--|-------------------------------|------|------|------|------|------|------|------|
| Years of work | Pension as percentage of wage | | | | | | | |
| 3 - 5 | 75 | 67.5 | 60 | 52.2 | 45 | 37.5 | 30 | 22.5 |
| 6 - 9 | 79.5 | 71.5 | 63.6 | 55.6 | 47.7 | 39.7 | 31.8 | 23.9 |
| 10 – 14 | 85.5 | 76.9 | 68.4 | 59.8 | 51.3 | 42.7 | 34.2 | 25.6 |
| 15 – 19 | 93 | 83.7 | 74.4 | 65.1 | 55.8 | 46.5 | 37.2 | 27.9 |
| 20 (+) | 100 | 90.4 | 80.4 | 70.3 | 60.3 | 50.2 | 40.2 | 30.1 |

- 10. Survivors' insurance: in the event of the death of a pensioner, or of an insured person in service who has acquired entitlement to a pension, or who has credited to him not less than 750 (seven hundred and fifty) weeks' contributions but has not reached the minimum retirement age, and whose death is due to a work accident or occupational disease, the surviving family members shall be entitled to receive as a pension 60% (sixty per cent) of the amount of the pension that person was receiving or which would have been due to him or her, in the following order of ranking:
- a) The widow or widower (or cohabitant) currently with unmarried children up to the age of majority, and persons disabled and declared such by a medical board of the Institute, in such cases half the pension shall be awarded to the widow or widower (or cohabitant) and the other half to the children in question in equal shares:
- b) The widow or widower (or cohabitant) under 40 (forty) years of age shall be entitled to a lump-sum payment equivalent to three annual payments of the pension to which he or she would have been entitled;
- c) Orphaned children, up to the age of majority; disabled persons declared such by a medical board of the Institute, the total amount of the pension in equal shares;
- d) Parents, provided they have lived as dependants of the deceased, in equal shares. If only one of them survives, the whole of the pension shall be paid to that one.

The pensions referred to in sections a) and c) shall be increased proportionately as the concurrent beneficiaries cease to be entitled to them.

The entitlement to a pension is acquired with effect from the date of death of the insured person, and shall lapse if the widow or widower (or the cohabitant) marries or cohabits; in

such cases the person concerned shall receive a payment equivalent to 2 (two) annual pension payments. Pensions payable to disabled children shall continue for the duration of the disability.

- 261. For a cohabitant of either sex to be entitled to the pension, that person must have lived voluntarily in a public, stable and monogamous relationship for a minimum of 2 (two) years if they have children together and 5 (five) years if they have not, and in addition must be registered in the records of the Institute before the death of the insured person.
 - 11. *Death of an insured person:* in the event of the death of an insured person the Social Security Institute will pay the following benefits:
 - a) If the deceased insured person had less than 750 (seven hundred and fifty) weeks' contributions, that person's survivors or beneficiaries shall receive a single cash payment equivalent to one month's wage for every year the insured person has worked. For that purpose the basis taken shall be the statutory minimum wage in force for miscellaneous unspecified activities in the capital of the Republic, and payment shall be made in the proportions laid down in article 62 of the Act; and
 - b) If there are no heirs or beneficiaries, a payment shall be made to the person or persons who prove that they have paid the funeral expenses of the deceased amounting to up to 75 (seventy-five) times the statutory minimum wage in force for miscellaneous unspecified activities in the capital of the Republic. If an heir or beneficiary subsequently appears, the amount of that expenditure shall be deducted from the pension or benefit, according to the case.

B. Numbers of insured persons

262. The total number of titular insured persons in all the schemes (general, teachers, retired teachers, non-contributory, domestic service and inactive persons in the Social Security Institute) is approximately 375,000; if the families are included, the total insured population consists of 1,200,000 persons. In Paraguay there is no unemployment insurance.

C. Methods of financing

263. The provision of short-term healthcare benefits is financed by a pay-as-you-go system based on pure solidarity. The provision of long-term benefits (retirement benefits, pensions) is financed through a collective funding system with defined benefits and with the return on the technical reserves.

Percentage of GDP and the national general expenditure budget devoted to social insurance

| Year | Total GDP (G. '000 current) | National budget ¹ | Social security ² | % social security/GDP | % social security/budget |
|-------|-----------------------------|---------------------------------|------------------------------|--------------------------|-----------------------------|
| 1994 | 13 220 624 | 2 253 329 | 18 435 | 0.14 | 0.82 |
| 1995 | 15 833 186 | 3 042 601 | 32 169 | 0.20 | 1.06 |
| 1996 | 18 004 374 | 3 416 260 | 28 217 | 0.16 | 0.83 |
| 1997 | 19 322 537 | 9 896 024 | 230 510 | 1.19 | 2.33 |
| 1998 | 21 580 611 | 11 077 222 | 508 992 | 2.36 | 4.59 |
| 1999 | 22 771 596 | 12 255 602 | 670 137 | 2.94 | 5.47 |
| 2000 | 24 736 526 | 13 128 124 | 1 150 935 | 4.65 | 8.77 |
| 2001 | 26 465 663 | 15 357 915 | 1 244 987 | 4.70 | 8.11 |
| 2002 | 29 104 530 | 15 306 971 | 744 328 | 2.56 | 4.86 |
| 2003 | 35 713 137 | 18 246 180 | 1 693 496 | 4.74 | 9.28 |
| 2004 | 41 400 770 | 18 915 114 | 1 550 558 | 3.75 | 8.20 |
| 2005 | 45 737 176 | 21 809 827 | 2 330 027 | 5.09 | 10.68 |
| 2006* | 50 585 316 | 21 255 118 | 2 391 342 | 4.73 | 11.25 |

Source: accounting system (SICO). Figures in million guaraníes.

Trends in social insurance expenditure of the Social Security Institute (IPS)

| Tatal IDC hardwat | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|------------|-----------|-----------|-----------|-----------|------------|-----------|-----------|
| Total IPS budget | 726 917 | 700 767 | 450 499 | 539 735 | 672 637 | 853 903 | 705 514 | 830 230 |
| Health expenditure | 240 617 | 350 725 | 377 540 | 483 677 | 394 746 | 318 576 | 352 792 | 401 069 |
| Pension and retirement benefit expenditure | - | - | - | - | - | 271 791 | 338 616 | 409 773 |
| Other expenditure | - | 350 042 | 72 959 | 56 058 | 277 891 | 263 536 | 14 106 | 19 388 |
| Total public expenditure | 10 014 255 | | | | | 14 292 510 | | |
| Total national health expenditure | 1 324 732 | 1 526 484 | 1 747 512 | 2 273 199 | 2 351 880 | 2 640 589 | 2 813 799 | 3 178 524 |
| % Social security expenditure on pensions and retirement benefits/Gross domestic product | - | - | - | - | - | 0.8 | 0.9 | 1.0 |
| % % Social security expenditure on pensions and retirement benefits / expenditure of central administration | - | - | - | - | - | 3.7 | 4.2 | 4.7 |

¹ Up to 1996: adjusted budget for central administration. From 1997 onwards: budget of central administration and decentralized entities.

² Allocation by functional classification. Includes all bodies providing social security benefits of any kind. IPS plus 4 old-age and retirement pension assistance funds.

^{*} For 2006 an estimate of GDP is given. Source: Central Bank of Paraguay.

| TO A LIDER I | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| Total IPS budget | 726 917 | 700 767 | 450 499 | 539 735 | 672 637 | 853 903 | 705 514 | 830 230 |
| % % Social security expenditure on pensions and retirement benefits / total public expenditure | - | - | - | - | - | 1.9 | 2.2 | 2.5 |
| % Social security expenditure on health / total social security expenditure | 33.1 | 50.0 | 83.8 | 89.6 | 58.7 | 37.3 | 50.0 | 48.3 |
| % % Social security expenditure on pensions and retirement benefits / total social security expenditure | - | - | - | - | - | 31.8 | 48.0 | 49.4 |

Source: National Health Accounts Dept., 2005.

Social security expenditure of IPS. – Compulsory budget (million guaraníes)

1996 - 1997 = Current budget.

Distribution of budget of Ministry of Public Health and Social Welfare

| Function / health services | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|------|------|------|------|------|
| Compulsory budget (million guaranies) | 35.0 | 34.8 | 35.1 | 35.4 | 35.3 |
| % Curative health care (ambulatory) | 24.0 | 23.2 | 23.4 | 26.1 | 24.4 |
| % Sub-total curative care | 59.0 | 58.0 | 58.5 | 61.5 | 59.7 |
| % Emergencies | 3.7 | 4.6 | 4.9 | 5.4 | 4.7 |
| % Prevention and public health services | 10.2 | 10.6 | 11.3 | 12.9 | 11.5 |
| % Administration of health and health insurance | 15.0 | 15.3 | 12.6 | 12.1 | 13.8 |
| % Training of health personnel | 0.9 | 1.0 | 0.8 | 0.9 | 1.0 |
| % Gross capital formation | 8.6 | 9.3 | 11.8 | 7.2 | 9.3 |

- 264. For purposes of changes in the budget a decree is issued annually giving guidelines for the formulation and programming of the budget. It stipulates that the budget must be prepared taking into account the Plan of the National Government, economic policy, the development strategies, the monetary programme and the annual public investment plan. Any change in the budget is principally based on, or principally derives its origin from, the need to cover a deficit in one sector by means of a surplus in another. This happens principally by transfers from the retirement pensions sector to that of health.
- 265. In Paraguay the social insurance scheme administered by the Social Security Institute is not complemented by or coordinated with any private insurance scheme or with social insurance schemes administered by the other funds in the system (banks, prosecutor's department, municipal, ITAIPU, etc.) with the exceptions of the Pension Fund of the National Electricity Administration (ANDE) and of the Parliamentary Pension Fund.
- 266. The Social Security Institute is required by law (Decree-Law 17701/43) to provide a complete range of services. If it is unable to meet demand or obtain the services required of its

^{*} Balance-sheet data: Directorate-General of Planning and Evaluation - MSPyBS.

members it purchases services such as health care, intensive-care in-patient services and diagnostic and pharmaceutical services from the private sector. During recent years such purchases have accounted for more than 10% of its medical programme. In such cases payment is made by act or by package of services supplied. Some 20% of Paraguayans have some form of medical insurance; the proportion is higher (27%) in urban areas, while in rural areas it is of the order of 7%. According to the Integrated Household Survey 2000/2001, on the average, 49% of the insured population in the public sector (military and police health services, IPS) use the services of their insurance schemes; in the private sector the percentage is higher (83.2%). Of the population with no insurance of any kind, 41.7% are assisted by public institutions.

- 267. The persons insured with the Social Security Institute make up 10.9% of the population; the private sector has 6.5%, the health services 11% and external services 0.4%; 81.1% of the population has no insurance of any kind.
- 268. The other group of private actors are non-profit-making bodies founded, inter alia, by NGOs, community service organizations, purveyors of traditional medicine and community systems (micro-insurance). These sectors are principally concerned with meeting the health needs of the fringe of the population living in extreme poverty; they are financed by donations from honorary members, fund-raising events and small often occasional contributions from users of the services. Their financial bases are by their nature unstable and generally limited; this restricts their ability to offer services.
- 269. NGOs provide services in this subsector; most of them offer, not medical care, but complementary assistance to health programmes and surveys, together with medicines and consumable items for insolvent patients. In the Mennonite settlements in the Chaco a mutual health insurance scheme has been developed. The members (15,000 persons) pay 5-6% of family incomes into the insurance scheme. They also pay 30% of the cost of consultations, of medical care and of medicines prescribed in medical centres up to an amount of 2.5 times minimum wages; all additional expenditure beyond that amount is covered by the mutual-aid insurance. In additional, the approximately 18,000 indigenous workers in these settlements have the benefit of the Mutual Hospital Scheme, an insurance scheme for temporary workers. The indigenous workers pay 5% of their wages to the scheme and the employer 10%. The scheme covers the cost of consultations, in-patient care and medicines for the worker and his family as well as one month's sick leave.

D. Social groups excluded from social security

- 270. In Paraguay the population groups excluded from any kind of social security are the informal sectors of the economy. This is due to the fact that all the funds are organized on the basis of particular groups or collectivities (bank employees, public officials, municipal employees, officials of Itaipú, officials of ANDE). The Social Security Institute is the only fund with a broader mandate of providing benefits to employees generally. Consequently the greatest heterogeneity of groups of workers is to be found in the system administered by the Institute; it includes teachers, both in service and retired, domestic employees and veterans of the Chaco war as well as their respective family groups.
- 271. Hitherto the Institute has not been able to implement regulations permitting the formal admission of independent workers, that is to say, persons who are self-employed or working in a single-family group.

E. Measures taken for the benefit of vulnerable groups in the field of social security

- 272. The National Government considers it necessary to extend insurance through the Progressive Insurance Programme (PNAMI), in which priority is in principle given to mothers and children. In addition, the Ministry of Public Health, by Decision No. 19 of 2005, exempted children under age 10 from charges for out-patient consultations and in-patient care in the country's public assistance centres. Previously, in pursuance of ministerial decision No. 198/2003, exemption from charges existed for care provided to pregnant women and children under age 5 and medicines and consumables were distributed without charge for care in respect of births in institutions.
- 273. Similarly, the Ministry of Public Health, through the agency of the Development of the National Programme of Insurance for Mothers and Children (NAMI), is implementing a strategy associating health protection and equity in access to services. The project (Health Project II: project for the insurance of mothers and children (PNAMI)) has been approved by the Board of Directors of the World Bank; it will cover 353,711 children aged 0-4 years and 563,089 women of childbearing age, making a total of 916,800 persons. The project will extend to 10 health regions.

1. Implementation of the Basic Healthcare Programme

- 274. This is a strategy which is being taken up by the Ministry of Public Health and Social Welfare through the programme of reforms to the primary healthcare scheme; it will provide basic essential medicines and consumables for 20 items of care and 13 diseases. The programme is directed towards all pregnant women and children of either sex under 5 years of age attending health posts and centres, district, regional and maternity and children's hospitals under the authority of the Ministry of Public Health and Social Welfare throughout the country. The services are guaranteed to be free of charge.
- 275. One of the observed effects of these measures has been that the provision of free care to pregnant women and children under age 10, together with the provision of birth kits, kits for obstetric emergencies, anaesthetic kits and essential medicines, has led to a substantial reduction in the numbers of deaths in childbirth.

Total deaths in childbirth:

2002: 182 per 100,000 2003:174 per 100,000 2004:155 per 100,000.

189. There was an improvement in the denominator (Register of Live Births).

Trend in reduction of gross numbers of women dying in childbirth (2005)

Number of women dying in childbirth up to 11 December 2005: 108 Number of women dying in childbirth during the same period in 2004: 138

Difference: 30 deaths in childbirth (partial) Departments in which impact greatest:

> Concepción: from 11 to 4 San Pedro: from 20 to 11 Caguazú: from 18 to 9 Amambay: from 4 to 1

276. Infant mortality: there has been a reduction of less than 1 % (19 per 1,000 live births), 60% of which are cases of neonatal mortality. The principal causes of death were: lesions caused by birth, sepsis, premature birth.

F. Analysis of social security in Paraguay

- 277. The Republic of Paraguay has subscribed to two international agreements on social security, one with Spain. It has also subscribed to an agreement with the Kingdom of the Netherlands and with the member countries of MERCOSUR, A social security agreement with Chile is also in course of examination. In all these agreements the Institute is the managing body, i.e., the body coordinating the application of the benefits provided for in the relevant agreement to foreign nationals resident in Paraguay and Paraguayan nationals resident in Spain, Argentina, Uruguay, Brazil and, in the near future, Chile.
- 278. To sum up, social security has recently come under review in the country, especially in connection with groups deemed to be vulnerable. The institutions have once again undertaken to improve the situation due to the difficulty of resorting to subsidies; this has given rise to an analysis of other methods of maintaining the system and a radical restructuring with a view to arriving at sustainability of the system and developing ways and means of extending the present coverage.

ARTICLE 10

A. The family in Paraguayan society

- 279. The significance of the term "family" in the context of Paraguayan society is specified in the National Constitution. It is deemed to be the foundation of national society and as such is guaranteed full protection. Today there are other concepts of the family going beyond the traditional one; the Magna Carta now recognizes a stable de facto union of a man and a woman and the children and the community they form together with any of the parents and their descendants.
- 280. The 1992 National Constitution contains an entire chapter devoted to the rights of the family (Chapter IV: Concerning the rights of the family (articles 49-61)); in it the full protection of the family is guaranteed. It lays down the right to form a family; marriage and de facto unions enjoy the same constitutional ranking; the children, the protection of the child (art. 54), responsible parenthood, juveniles, the aged, the rights of persons with special needs, family property, protection against violence (art. 60) and family planning and mother and child health (art. 61).
- 281. Another constitutional protection directed towards the strengthening of the family as the basis of all social structures is that contained in article 115, which lays down the basis for agrarian reform and rural development. Section 9 refers to: "support for peasant women, especially those who are heads of households" (in line with the provisions of article 53). This provision is complemented by the content of section 10 of the same article, which refers to: "the participation of peasant women in plans for agrarian reform on an equal footing with peasant men."
- 282. Act No. 1,680 of 2001 gave approval to the new Code on Children and Adolescents envisaged in the Doctrine of Comprehensive Protection, which recognizes children as subjects of law with the capacity to live; to enjoy health, education, life within a family, identity and the right to participate in all matters concerning them. As regards the right to contract marriage the

law fixes a minimum age of 16 years for both men and women. The law also lays down certain restrictions, requiring the consent of the parents or guardian to the marriage. In the absence or incapacity of one parent the consent of the other shall suffice. If both are incapacitated or have lost parental authority the court of guardianship shall make the decision. Children born out of wedlock require the consent of the father or mother who recognized them or, where appropriate, of both parents. In their absence the decision is made by the court. There are exceptional cases in which the court of guardianship will authorize the marriage of minors between 14 and 16 years of age. The minimum age for obtaining a driving licence is 18 years for both men and women. Act No. 2169/03 fixes the minimum age for the purchase of property and for the acquisition of citizenship at 18 years. For criminal liability the minimum age is set at 14 years; from that age onwards an adolescent may be charged with offences committed.

1. System of protection of the family

283. The State guarantees the right of every man and every woman to contract marriage provided that they have freely expressed their consent. Both the Constitution and the Civil Code as amended by Act No 1/92 recognize a de facto union between a man and a woman voluntarily living together in a stable, public and monogamous fashion, provided that both have reached the minimum age to contract marriage. A union with the characteristics mentioned above which has lasted for at least four consecutive years will give rise to joint ownership of property between the partners which may be dissolved during the lifetime of both or by death; in both cases the assets must be distributed in equal shares between the cohabitants or between the survivor and the heirs of the other. If children of the two partners are born of the union, the waiting period shall be considered completed on the date of birth of the first child.

284. One aspect which may, in a sense, be considered a retrograde step in the exercise of the rights of the family on equal terms is to be found in a change in the provisions of Act No. 1/92, introducing a partial reform of the Civil Code, which stipulated that the order of the surnames of children born both within and outside marriage was to be determined by joint agreement between the two spouses. The amending Act (No. 985/96) stipulates that in the absence of agreement the surname of the father shall come first. Once an order has been established for the first child, the same order shall be used for all other children. However, the impact of this measure does not imply major complications with regard to access to other rights guaranteed to everyone – men, women and children – without discrimination of any kind.

1.2. Concrete measures for the protection of the family

285. The State of Paraguay has taken a variety of measures for the protection of the family. In a context of strategies for cultural change the Secretariat for Women has submitted proposals for the amendment of legislative instruments as follows:

- A draft Act concerning maternity leave for women in elective office was submitted in December 2004 and has now been partially approved;
- A draft Act concerning responsible parenthood was submitted on 2 January 2003.

286. The Secretariat for Women exercises influence on public policies on education relating to framing of study programmes, training and investigations into sexist practices through the Programme of Equality of Opportunities and Achievements for Women in Education (PRIOME).

It also exercises influence in the environmental sector in the framing of legislative proposals and a gender-based approach in public policies in the area.

287. In addition, there are a number of institutions concerned in a sector-specific manner with measures designed to protect the family through access to financial resources, State social benefits and access to ownership of land and credit.

1.2.1. The Protection and Social Promotion Network

288. Within the framework of the National Strategy to Combat Poverty the Secretariat for Social Action has recourse to the Protection and Social Promotion Network. This consists of a range of coordinated measures and programmes designed to prevent, alleviate and overcome the adverse effects of poverty on each population group, with emphasis on the most vulnerable groups. The Network concentrates basically on the family; it seeks to reinforce and reconstitute its protective role and improving the human, economic and social capacities of its members, in this way ending the transmission of poverty from generation to generation. Its priority concern is to prevent and overcome the risks associated with the development of the individual in terms of opportunities for access to education, health and participation in economic, social and political activity.

289. The Network conducts a number of forms of activity: the programme known as "Teko Porã" (a Native term meaning "well-being") for families in rural areas; the Abrazo programme, designed for the protection of boys and girls at risk; and the Ñopytyvo ("Let us help ourselves") programme for families in the Puerto Casado region of the Chaco. These three programmes are designed to strengthen the protective role of the family, facilitating access for the most vulnerable members to State social benefits with emphasis on health, education, identity, socio-family support and the strengthening of subsistence activities. They operate by means of solidarity vouchers, issued subject to the discharge of joint responsibilities by the family. Women heads of families in selected households are given direct financial support in exchange for the fulfilment of verifiable commitments relating to nutrition, health and school attendance. It is considered that the institutional legitimation of the woman as the subject of the transfers will imply a change in the situation of economic dependence of the woman on the man and that that change will bring with it an increase in the participation of the woman in decision-making within families. Capacity development and organization are the key areas which will be approached with women who are mothers.

290. The Protection and Social Promotion Network coordinates its activities with various agencies in the public and private sectors to attain its higher objectives, which include Improvement of Nutrition and Health; Prevention of School Dropouts and Improvement of Basic Health and Eating Patterns; Return to School and Improvement of Basic Health; Prevention of Dropouts and Return to School for Juveniles; Improvement of Basic Health, Employability and Entrepreneurship Qualities. Health, education and nutrition are considered to be the principal factors in the perpetuation of poverty, and victory in these areas is strategic to break the process of transmission of extreme poverty from generation to generation. The programmes forming part of the Network enable persons in extreme poverty to obtain complementary incomes helping them to meet their basic needs. They also enable those persons to improve their human capital in terms of education, health and work skills.

1.2.2. Community Improvement Programme

- 291. This programme is designed for families living in precarious (unhealthy and overcrowded) conditions and poverty and extreme poverty. Their dwellings are made of discarded materials, and they cannot obtain access to decent housing through the credit mechanisms on the market. The National Housing Council has undertaken, with a donation from the Government of Taiwan, the task of meeting, to the extent of its abilities, part of the need in this area.
- 292. In addition, with the support of the channels for applications (municipalities, various institutions and non-governmental organizations assisting with obtaining land), the agencies organizing demand put out invitations to tender for the construction of UBH (Basic Housing Unit)-type housing blocks together with a dormitory and infrastructure with drinking water, drainage, electricity and access to roads and other necessary equipment. All the work is performed under the supervision of this institution (CONAVI FUNDAPUEBLOS AND CONAVI REDINSA agreements).
- 293. The operating method consists of the provision of a housing subsidy. The selection of applications is based on eligibility criteria such as priority in the need for housing, the interest shown by the potential beneficiaries, their ability to organize themselves and the obtainability of suitable land. Coverage of the entire country is envisaged.
- 294. Within the framework of the Community Improvement Programme CONAVI is building social housing with a high level of participation by construction companies and the community. With the execution of these projects CONAVI expects to meet the housing and social needs of the most disadvantaged sectors of our society and, in addition, to contribute to economic revival, generating sources of employment and distributing work to enterprises in the construction and related sectors.
- 295. Within this programme, in addition to the investments effected in housing and basic infrastructure services, some US\$ 156,397 has been invested in creating sources of employment and incomes through 487 households.

296. Production centres for bread, soy milk, dressmaking, ceramic tiles and other products have been established.

| Place | - man of project | | No. of beneficiary families |
|----------------|--------------------------|--|-----------------------------|
| Coronel Oviedo | | | 120 |
| Itá | María Auxiliadora | Training and occupational skills development | 90 |
| Asunción | Esperanza | Sustainable production | 86 |
| Ñeembucú | Laureles | Sustainable production | 30 |
| Guarambaré | Tesá Peará | Sustainable production | 50 |
| Asunción | Extension of refuge area | Sustainable production | 72 |
| Atyrá | Rosa Mística | Sustainable production | 15 |
| Nanawa | Villa Hilaria | Sustainable production | 24 |
| Total | | | 487 |

- 297. In some projects the housing programmes have included training in building trades, while micro-enterprises have been promoted in group schemes through neighbourhood committees. In addition, the use of local labour in construction work has been promoted in the projects.
- 298. The target for 2006 in the Nande Rogará Community Improvement Programme is the construction of 1,070 dwellings. Of these, 785 are already under construction and 285 are subject to the tendering process.

1.2.3. Pilot project: programme of mutual-aid housing cooperatives

- 299. For the first time in Paraguay, and on the basis of Act No. 2329/03 establishing the Housing Cooperatives Fund, a programme of mutual-aid housing cooperatives has been launched. The programme was well accepted, and following the completion of the first stage of the cooperative *barrio* in Aveira (Itá) in September 2005, other cooperatives submitted projects which were approved in the 2006 budget (San Juan Bautista, Ypacarai and the second stage of Aveira (Itá).
- 300. This initiative is a pilot project and an expanding one; it seeks to meet part of the country's housing needs. A total amount of US\$ 580,000 (CONAVI, US\$ 325,000; IDB, US\$ 200,000; SCC, US\$ 55,000) has been invested. The cost is US\$ 4,300 per dwelling of 78 square metres, *barrio* infrastructure included. These *barrios* are integrated, productive and sustainable, and the families in them will be better able to keep their dwellings in a *barrio* integrated as a community.
- 301. The programme has succeeded in developing the capacities and social organization of the beneficiaries to make mutual aid effective in such matters as purchases of material and management of the work. Progress has been made on the production side, since, instead of purchasing completed houses, small cooperative enterprises have been formed to take charge of different facets of production (wooden door and window frames, carpentry, metal frames, ironwork, prefabricated reinforced-concrete elements, manufacture of prefabricated elements).
- 302. A number of actors have been brought together for the financing and management of the project. They have worked in cooperation with existing public institutions for water supply and refuse collection services. For the local school there is coordination with the Ministry of Education and Culture and with the Swedish Cooperative Centre, which supplies the funds for the building. Skills development has been focused particularly on cooperative enterprises (ironwork, carpentry, prefabricated concrete elements) created within the project itself (135 beneficiary families).
- 303. In January 2005 the implementation of the Pilot Test programme began. Under this programme conditional transfer programmes with both common and differing characteristics are being set up. These include the Teko Porã Programme (families), which involves conditional transfers to families living in extreme poverty and with children under age 14; the Abrazo Programme, which targets boy and girl street workers and their families; and the Ñopytyvo Programme, which is aimed at families in the locality of Puerto Casado. Work with families consists of the training of its members (mainly the father and the mother), monitoring of the families to ensure discharge of their joint responsibilities; special accompaniment of families in need of special care; and work with the community. Family Guides, who provide support to families in order to strengthen aspects permitting the maturing of the beneficiaries as individuals and family and community members, such as a reassessment of the care of oneself, the family and the community in the areas of food, health and education.

304. The Protection and Social Promotion Network comprises a number of programmes (include Improvement of Nutrition and Health; Prevention of School Dropouts and Improvement of Basic Health and Feeding Patterns; Return to School and Improvement of Basic Health; Prevention of Dropouts and Return to School among Juveniles; Improvement of Basic Health, Employability and Entrepreneurship Qualities). Health, education and nutrition are considered to be the principal factors in the perpetuation of poverty, and victory in these areas is strategic to break the process of transmission of extreme poverty from generation to generation. The programmes forming part of the Network enable persons in extreme poverty to obtain complementary incomes helping them to meet their basic needs. They also enable those persons to improve their human capital in terms of education, health and work skills. At present the Social Protection Network is assisting 3,054 families (76 per cent of the target) in its Teko Porã Programme; the Abrazo Programme is assisting 279 families; and the Ñopytyvo Programme is reaching 459 families.

1.3. Challenges facing the system of protection for the family

305. Notwithstanding these efforts, and in view of the limited resources of Paraguay, which is a developing country experiencing serious difficulties in maintaining economic growth which would enable it to minister to the needs of its most vulnerable peoples, there are inevitably many families not receiving a minimum of social protection. According to the 2004 Household Survey approximately 2,320,000 Paraguayans (39.2 per cent of the population) are living in poverty, as their incomes are less than the cost of a standard food basket (canasta).

306. Among the poorest families some 10.4 per cent of family incomes take the form of assistance from relatives; these are generated within the country or remitted from abroad. Family incomes in the households in the richest quintile are on the average 11 times those of the households in the poorest quintile. Some 30 per cent of the households belonging to the poorest 20 per cent of the population have access to drinking water supplies through the Paraguay Sanitary Services Supply Company (ESSAP) or the National Environmental Sanitation Service (SENASA); access to sewage services and to fixed telephones is practically non-existent. The average number of members of the poorest households is six; in contrast, the richest households have on the average three members. If the foregoing is used as a measure of the numbers of children in households, the average numbers of children are higher in households in the lower-income quintiles. Women heads of households are found in almost equal proportions in all the income quintiles; one could thus say that in one out of every four households the head is a woman.

2. Maternity protection system

307. The following are other aspects relating to maternity protection, in addition to the social insurance described above:

2.1 Coverage of the protection system

308. The system covers pregnancy, delivery and post-delivery, during which time the Social Security Institute grants an insured working woman or the spouse or cohabitant of a an insured working man the medical services prescribed by law, as well as a compulsory maternity leave before and after delivery, a financial subsidy and artificial milk for women who cannot breastfeed. The daughter of an insured working or retired man, even if she is included in the insured family group, is not entitled to maternity services.

2.1 Length of maternity rest period in hospital

309. The duration of the maternity rest period in 63 working days and the compulsory post-delivery rest period in hospital is 48 hours for a normal birth and from 72 hours to 5 days for caesarean deliveries.

2.3 Social, medical and financial benefits during maternity leave

310. Insured women receive the following benefits during pregnancy, delivery and the puerperium under the maternity insurance system: medical, surgical and dental care, medicines and hospitalization, in accordance with the provisions of the regulations of the Social Security Institute. The same rights are enjoyed by the spouse of the insured man or woman, or in their default, by the cohabitant male partner with whom they have lived publicly in a stable and exclusive relationship for two (2) years prior to the pregnancy. Moreover, article 133, paragraph 2, of the Labour Code stipulates: "[...] during their absence on maternity leave and in any other additional period between the presumed and actual dates of delivery, a working woman shall receive medical assistance and sufficient benefits at the expense of the social security system ...". That maternity leave is for a maximum of 90 days.

3. Evolution of the legal framework for vulnerable sectors

- 311. During the period covered by this report governmental and non-governmental organizations have supported various amendments to the existing codes such as the Labour, Electoral and Penal Codes and the Code of Criminal Procedure. The Inter-American Convention on the Prevention, Punishment and Eradication of Violence against Women (Belém do Pará) and the Optional Protocol to the Convention on the Elimination of All Forms of Discrimination against Women were also ratified, and the Adoption Act, the Domestic Violence Act, the Code on Children and Adolescents and the Agrarian Statute were promulgated. Also, the recent approval of the United Nations Convention against Transnational Organized Crime and the Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children, are some of the important advances in regulation to protect the rights of vulnerable social sectors. Another important milestone was the ratification of ILO Convention No. 100 concerning Equal Remuneration for Work of Equal Value. These instruments all aim at equality for men and women and incorporate the protection of women's human rights.
- 312. Also, the national mechanism for the protection of women, located at the highest level of Government, has created other public bodies in the three branches of Government, whose main objectives include gender equity, signs of strengthening gender mainstreaming in the State, and even a gradual movement towards decentralization. Also created were the Commission on Equity, Gender and Development of both Chambers of the National Parliament, and the Advisory Committee on Gender Equity in the Asunción Municipal Council, an experiment that is being replicated in several of the country's municipal councils. There are also secretariats for women in the country's 17 departments. Of the 234 municipalities throughout the national territory, 135 have set up secretariats for women.
- 313. At the same time, owing to the gender gaps in the rural sector and the special characteristic of bilingualism in Paraguay, there is a Guaraní-Spanish bilingual literacy project for adults in gender, production and community health, which trains 70 per cent of women in keeping with their daily routine, increasing their capacities for self-help and development in the community.

B. Situation of children and adolescents

1. Special protection measures for children and adolescents

- 314. The National Policy on Childhood and Adolescence (POLNA) is designed to direct activities for children and adolescents through joint efforts by the Government, the international organizations, civil society and children's and adolescents' organizations in order to develop effective policies and programmes adapted to the various realities, needs and challenges facing the country's children. The lead body for these policies is the National Council on Childhood and Adolescence and its executive organ, the Secretariat for Childhood and Adolescence. The National Policy on Childhood and Adolescence (POLNA) is designed to cover the ten-year period 2003-2013.
- 315. The objective pursued in POLNA is "to ensure the integral development of boys, girls and adolescents in Paraguay, as well as the effective exercise and full enjoyment of their rights". This implies two types of convergent action: formulation and implementation of basic rights-based universal policies that promote full protection of all boys, girls and young people and the design and execution of policies focusing on specific issues that affect particularly vulnerable groups of children and young people.
- 316. In order to realize this objective, POLNA is advocates a shift of focus and includes the criterion of guiding initiatives towards attainment of maximum effectiveness and efficiency in the activities undertaken and "as an operational requirement in order to guarantee coverage of the most vulnerable sectors, the development of proper systems for service provision adapted to needs, and extension to the poorer population sectors of the opportunities and basic options required to promote adequate levels of human development" IIN 2002:15).
- 317. POLNA also advocates a change in the traditional approach to future action, from the provision of programmes and services with a vision centred on the lending institution and its possibilities and resources (supply) to a vision centred on the recipient or beneficiary; in other words, centred on the needs, problems and rights of affected children and their families (demand side). See Annex V: Synopsis of the National Plan of Action for Children and Adolescents (PNA).²¹

2. Legal protection framework

- 318. Progress at the legislative level includes the incorporation in the Code on Children and Adolescents of the principles of the Convention on the Rights of the Child and the doctrine of full protection in domestic legislation which seeks to address matters relating to children and teenagers.
- 319. The following are a few specific contributions of that Code:
 - Explicit and tacit recognition of rights and guarantees for children and adolescents.
 - Specific recognition of children's and adolescents' right of participation.

Transcript of the National Policy on Childhood and Adolescence–POLNA and the National Plan of Action for Children and Adolescents. National Council on Childhood and Adolescence. Paraguay, July 2003.

- Installation of a specialized, decentralized social system responsible for promoting social polices designed to address social problems that affect children's rights; that is, provision of social care for children outside any judicial framework.
- Establishment of a system of specialized, graded justice for jurisdictional handling of issues relating to children and adolescents which adopts differential approaches to criminal cases involving adolescents.
- Specialized treatment of infringements of the Penal Code committed by adolescents.
- 320. The Code on Children and Adolescents (Act No. 168/01), in its Article 8, enshrines the child's or adolescent's right to a family, which consists of the right to live and develop within the family, and in the event of the relatives' lack or insufficiency of material resources, the right to have the State to provide such resources; it also prohibits separating the child or adolescent from the family group, or the suspension or loss of parental authority on the ground of lack or insufficiency of resources.
- 321. Article 9 of the same Code establishes that the protection of unborn persons is exercised through attention to the pregnant women from conception until 45 days after delivery. The State's responsibility is set forth in article 10, to the effect that it shall provide care for insolvent pregnant women, providing them with board and lodging and necessary medicines; provide care for pregnant indigenous women in a manner in keeping with strict respect for their culture; prepare plans for specialized care for the protection of pregnant teenagers; and promote breastfeeding. It stipulates that a pregnant woman shall receive these forms of care, even if the child is stillborn or dies during the neonatal period.
- 322. Article 11 establishes the obligation for medical care to be provided at the location nearest to a pregnant woman requiring emergency attention and prohibits referral or rejection of a pregnant woman in labour or requiring emergency attention when she is insolvent or because of the institution's shortage of beds or other resources, without her having first received the initial emergency treatment.
- 323. On no grounds and in no event may a newborn or the mother be detained in the hospital wherethe birth took place for failure to pay for medical services (art. 12).
 - Article 13: enshrines the right to health of a child or adolescent.
 - Article 14: enshrines the right to sexual and reproductive health.
 - Article 15: establishes that public health programmes (medical and dental care) are free of charge.
 - Article 16: enshrines the right to protection against harmful substances, tobacco and alcoholic beverages.
 - Article 17: refers to the necessary authorizations in the event of a surgical intervention where there is a risk of death of a child or adolescent.
 - Article 1 (8) enshrines the right to an identity.

- Article 19: refers to the obligation of birth registration.
- Article 20: enshrines the right to education.
- Article 24: enshrines the right to culture and sport.
- Article 25: enshrines the right of the child or adolescent to be protected against all forms of exploitation.
- Article 26: enshrines the right of petition.
- Article 27: establishes the secrecy of judicial and/or administrative proceedings relating to children and/or adolescents.
- Article 28: establishes exceptions to the secrecy of proceedings.
- Article 29: establishes the prohibition to publish (in the press) the names, photographs
 or data that may help identify children and/or adolescents who are victims or alleged
 authors of punishable acts.
- Article 30: establishes the duties of children and/or adolescents.
- Article 31: prohibits the use of children and/or adolescents in sexual commerce.
- Article 34: establishes protection and support measures..
- Article 35: establishes shelter, which consists in placing the child and/or adolescent with a body for his or her protection and care, as an exceptional and provisional measure.
- Article 37: creates the National System for Integral Protection and Advancement of Children and Adolescents (SNPPI).
- Article 39: creates the National Secretariat for Childhood and Adolescence.
- Article 42: establishes and incorporates the National Council on Childhood and Adolescence.
- Article 44: constitutes and incorporates the Departmental Council on Childhood and Adolescence.
- Article 46: constitutes and incorporates the Municipal Councils on Childhood and Adolescence.
- Article 48: creates municipal counselling services on child and adolescent rights.
- 324. Decree No. 4951 of 2 March 2005 of the National Council on Childhood and Adolescence establishes the list of dangerous forms of child labour.
- 325. Article 1 of Act 1136/97 provides that adoption is the legal institution for the protection of children and adolescents within the family and social environment so that, monitored by the

State, the adopted child becomes part of a family or creates a family with the adopter as his or her child and ceases to belong to his or her blood family, except in cases of adoption by a spouse or cohabiting partner.

- 326. The municipal counselling services on child and adolescent rights (CODENI) are the bodies created by the Code on Children and Adolescents at the local level and provides a free permanent service of protection, promotion and defence of children's rights of a non-jurisdictional nature. Its decisions may be reviewed by the courts at the request of the child and/or responsible person, and its officials may be stripped of their authority if they use the position for their own benefit and/or commit acts that infringe the laws in force.
- 327. The Code on Children and Adolescents (Act 1680/01) provides in its article 50 for the following powers of the CODENIs:
 - (a) Preventive action in the event of a threat of violation of the rights of children and/or adolescents, as long as there is no jurisdictional action, affording an alternative settlement of conflicts.
 - (b) Specialized guidance to the family to prevent critical situations.
 - (c) Approval of public or private entities devoted to developing shelter programmes and closing them where circumstances so warrant.
 - (d) Referral to the judicial authority of cases that fall within its competence.
 - (e) Keep a register of children and adolescents engaged in economic activities in order to promote protection and support programmes for the families.
 - (f) Support the implementation of alternative measures to deprivation of liberty.
 - (g) Coordinate training programmes for adolescent workers with vocational training bodies.
 - (h) Provide children's rooms, crèches and kindergartens for children whose parents work outside the home.
- 328. Once a threat to or violation of a child's rights has been established, the measures provided in article 34 of the Code on Children and Adolescents are applied when the child or adolescent is in a situation that points to the need for protection or support, namely:
 - (a) A warning to the father, mother, guardian or person responsible;
 - (b) Guidance to the child or adolescent and the family group;
 - (c) Temporary assistance to the child or adolescent and the family group;
 - (d) Placement of the child in a basic school establishment with compulsory attendance;
 - (e) Medical and psychological care;
 - (f) In emergencies, material provision for the maintenance of the child or adolescent;

- (g) Shelter;
- (h) Placement of the child or adolescent in a surrogate family; and
- (i) Placement of the child or adolescent in a home.

In the case of a measure contained in subparagraphs (g) to (i) of this article, the order will require judicial authorization.

329. Regarding case law in this area, a plethora of administrative and judicial measures have been issued by the CODENIs, especially on the subject of judicial provisions for attention to children in hospitals that refuse care.

2.1. National Council on Childhood and Adolescence (CODENI)

- 330. This Council shall be convened by the executive secretary of the National Secretariat on Childhood and Adolescence and is composed of a representative of each of the following:
 - The National Secretariat on Childhood and Adolescence;
 - The Ministry of Public Health and Social Welfare;
 - The Ministry of Education and Culture;
 - The Ministry of Justice and Labour;
 - The Ministry of Public Defence;
 - The Public Prosecutor's department;
 - The departmental councils; and
 - National non-profit-making non-governmental organizations that serve the public good;
- 331. Its functions include formulating policies for the promotion, monitoring and protection of the rights of children and adolescents, and adopting and overseeing implementation of individual programmes devised by the National Secretariat for Childhood and Adolescence.

3. Municipal counselling service on child and adolescent rights (CODENI)

332. The aim of this body is to provide a free and permanent service of protection, promotion and defence of children's and adolescents' rights. However, it has no judicial authority. CODENI's powers include administration and monitoring of: (a) special protection measures for children and adolescents without discrimination on grounds of their filiation or any other condition: (b) protection of children and adolescents from economic and social exploitation; (c) employment of minors in jobs harmful to their morals and health or in which their lives may be endangered; (d) control of the minimum age of paid employment of child labour.

4. Concrete measures in favour of children and adolescents

- 333. The National Five-Year Plan for Children and Adolescents (2003-2008) is designed to improve all children's and adolescents' opportunities for access to and enjoyment of their basic and fundamental rights. One of its operational strategies is the *strengthening of the family* (which cuts across all plans, programmes and projects of the Secretariat for Childhood and Adolescence) and *special protection for infants*.
- 334. In this connection the Ministry of Education and Culture and the Inter-American Development Bank are jointly implementing a project, whose component 4 is non-formal initial education. It takes into account the fact that a child's early years are worthy of special consideration because there is no second chance for a good start in life or reversing the later consequences on the various stages of life.
- 335. In the framework of the *Programme for Improving Initial and Pre-school education*, it was decided to install *Component 4* (Non-formal attention to infants) on the premises of the Secretariat for Childhood and Adolescence in the month of July and to validate the Agreement between the Ministry of Education and Culture and the Secretariat for Childhood and Adolescence (MEC-SNNA), which was translated into the following activities:
 - A cycle of national forums on comprehensive care for infants was organized.
 - Dissemination of the inauguration of Component 4 for designing a public policy on infants through three regional forums in which 210 persons from various organizations took part.
 - International forum with 554 participants from various organizations.
 - Installation of the technical team of Component 4 at the SNNA, in accordance with the Agreement.
 - The first meeting of the Grants Fund for financing infants' projects was convened on 11 September 2005.
 - Training was provided for 89 civil society organizations for project presentation to the Grants Fund. Three regional forums on infancy were held on 22 June, 30 June and 14-15 July. Two training workshops for civil society organizations involved with infants were held on 15 August and 20 September 2005.
 - Preparation of a guide for project presentation.
 - Individual technical advisory services for NGOs.
- 336. The National Secretariat for Childhood and Adolescence has also been implementing a pilot sponsorship project for families living in extreme poverty, so that the support provided by the sponsor serves to start a microenterprise that has a positive and immediate effect on their income (sale of vegetables and fruit) and affords them minimum subsistence for their children; it may also consist of ad hoc support for single mothers, etc.: to obtain medical equipment, medicines and medical care, as well as help with their children's schooling. This pilot project,

which has been implemented for two months, has been very well received in the society and has so far benefited 20 families in Asunción city.

- 337. Other programmes developed by the Secretariat for Childhood and Adolescence in 2005-2006 focused on:
 - Street children CONASICA
 - TEKOVE POTI: protection of children and adolescents against the use of alcohol, tobacco and other psychoactive substances
 - National Programme of Comprehensive Care for Disabled Children and Adolescents
- 338. There are also public-health programmes that provide free medical care to needy children and adolescents. Also, institutions such as the Social Action Secretariat, the Directorates of Welfare and of Social Aid and REPADEH offer training and subsidies to poor families who need to educate and take care of their dependent children.
- 339. In December 2003 the National Council on Childhood and Adolescence approved national plans for the prevention and eradication of child labour and the protection of adolescent labour, and prevention and eradication of sexual exploitation of children and juveniles in Paraguay; subsequently by Decrees No. 2645 of 8 June 2004 and No. 4269 of 6 December 2004, respectively, they were approved by the Executive of the Republic of Paraguay. Likewise, Decree No. 4951 of 2 March 2005 establishes the list of dangerous forms of child labour.
- 340. The Regional Office for the Fight against Commercial Sexual Exploitation of Children on the Triple Border (Ciudad del Este) was established and became a thematic reference point in areas of psychosocial and juridical action. Also, various governmental and non-governmental institutions in the area set up a committee to combat commercial sexual exploitation of children; it goes by the acronym COESCI. In that connection, activities and strategies were coordinated with the Juvenile Guardianship Council and the Paraguayan Consulate in Foz de Iguazú for assistance and care for child and adolescent victims of commercial sexual exploitation and street children in the environs of the Puente de la Amistad and the centre. COESCI joined the Binational Health Plan promoted by Itaipú Binacional for joint action by the two counties (Brazil and Paraguay) for prevention and for attention to public health in both countries. Lastly, a process was initiated to strengthen Homes that assist children and adolescents, and another for coordinating the Trinational Plan (Argentina, Brazil and Paraguay), taking care needs and due referral of cases relating to children on the triple border into consideration. The committee also joined the Binational Committee promoted by the Brazilian and Paraguayan consulates for defining strategies to combat smuggling, piracy and the labour and sexual exploitation of minors. It joined the decentralized Municipal Health Council of the Regional Hospital of Ciudad del Este, and awareness activities were organized for teachers, area directors and supervisors in the zone; the Direct Care Programme implemented by CEAPRA was evaluated, while and joint activities were devised with representatives of the Regional Office on commercial and sexual exploitation of children (ESCI):
 - The National Committee on Comprehensive Care for Street Children was formed by Presidential Decree No. 4907 of 10 March 2005, since which time it has made the following progress:

- ABRAZO programme: 1,385 children (2005)

– DIBEN programme: 500 children (2005)

– DIBEN programme: 1,800 abandoned children (2006)

Restoration of rights of abandoned children: 42 children

Children registration: 421 children

Detoxification at ALCEINA: 62 children

Addiction centres: 5 children

Housed at Tapé Pyahú: 25 children

Housed at the María Reina Home: 1 girl

Housed at Unidos por Cristo: 1 boy

Reintegrated into their families: 15 boys

Returned to the streets: 15 boys

 Delivered to the Paraguayan Indigenous Institute and referred to the Takuaró Community: 19 children

- Design of a model for assistance and coordination with government bodies and civil society organizations (Callescuela (street school), Don Bosco Róga, Hogar Mimbi, etc.) for its implementation
- 341. Since September 2004 the Secretariat for Childhood and Adolescence has been implementing the programme for prevention and care in respect of mistreatment and sexual abuse of children. It aims to establish decentralized governmental networks for intervention at the three prevention levels: primary (prevention), secondary (care) and tertiary (rehabilitation).

5. Child labour

342. The age limit for the prohibition of paid child labour is 13, as established in article 58 of the Code on Children and Adolescents. Also, under the Constitution, in particular in a90, guarantees for working minors are established with their normal physical, intellectual and moral development in mind. However, it is estimated that in Paraguay over 265,000 children and adolescents work, which means that 13.6 per cent of all persons between ages 5 and 17 engage in some economic activity. Of the children and adolescents in this age group working in Paraguay, 34.9 per cent, or over 92,000, are not attending a formal educational establishment. Most claim that they do not study for economic reasons. This reality is partly explained by the work that children and adolescents work in family businesses or in agricultural production, which means

Directorate-General of Statistics, Surveys and Censuses. Integrated Household Survey 2000/2001. Report on Child Labour 2002.

that of all the children and adolescents in Paraguay (1,953,725) 34.4 per cent (672,081) are performing some domestic task.²³ The main activities in this group are house-cleaning (89.5 per cent), laundry (52.6 per cent), cooking (41.4 per cent), care of younger children (41.2 per cent) and ironing (34.6 per cent).

343. In addition, most of children and adolescents aged 10-17 who work in Paraguay (more than 90,000, or 37.5 per cent of the total of this group) are engaged in agriculture, mixed farming, and fishing. Child labour in Paraguay assumes various guises, defined by the type of labour relation and the form of participation in such work.

5.1 Child labour according to type of labour relation:

- 344. *Unremunerated rural child labour*: Children and adolescents do not receive direct financial remuneration; they work in exchange for lodging, food, clothing and education. This situation prevails mainly on small farms.
- 345. *Remunerated rural child labour:* Children and adolescents perform work for which their parents or those in charge of them receive direct cash payment. This is the situation that prevails on large plantations, especially during the sowing, harvesting and picking seasons.
- 346. Combined rural child labour: Children and adolescents often accompany their parents or those in charge of them to small or large plantations to engage in the various stages of the labour process, changing from unpaid to paid workers, so that they may fall into both categories.

5.2 Child labour depending on the ownership of the worksite:

- 347. *Child labour on a family farm:* Children and adolescents work in the homes or plantations owned by the family to which they belong. This is generally on small farms, whose products are not destined for home consumption but are sold.
- 348. *Off-farm child labour:* This consists of activities performed by children and adolescents for natural or legal persons. They work on large plantations, generally alongside their parents or those in charge of them, making it paid labour. Also considered off-farm work is the selling of produce even if it comes from the family farm, when this entails long travel and a variety of odd jobs.

5.3 Situation of adopted children

349. Act No. 1136/97 created the Adoption Centre, the Central Administrative Authority on adoptions, in order to guarantee orphans and/or abandoned children a family to replace their biological family when the latter no longer exists, or refuses or is unable to take care of a child. Once adoption had been granted, the Adoption Centre monitors the situation for three years until the adoption becomes final. Also, article 103 of the Code on Children and Adolescents establishes that a child or adolescent, deprived of its family nucleus by court order, may be taken into a family on a temporary basis through custody, guardianship or permanently through adoption; it also provides that the family or person who takes the child or adolescent in shall be

Rural child labour in Canindeyú, Paraguay 2005, ILO-MPDL-AECI.

obliged to feed, educate, care for and protect him or her just as if the person formed part of the family nucleus.

- 350. Since 1999 the Adoption Centre has been implementing the Foster Parent Programme, and the Secretariat for Childhood and Adolescence is conducting its programmes and projects as a cross-cutting component of family strengthening. Likewise, the past few years have witnessed 24 cases of international return of minors to Paraguay and from Paraguay to other countries. Decree No. 3230 of September 2004 appointed that Secretariat as the central authority for the international return of minors abducted by their parents for purposes of the implementation of the 1980 Hague Convention on the Civil Aspects of International Child Abduction and the Inter-American Convention on the International Return of Children of 15 July 1989, both ratified by Paraguay.
- 351. Also, in the area of child protection outside the context of the natural family, there is the Technical Team for Supervision of Shelter Homes in the Special Protection System, in which officials of the National Secretariat for Childhood and Adolescence, which is attached to the Office of the President of the Republic, are appointed to implement public policies on comprehensive care for children and adolescents, under Decision No. 61/2006 of June 2006 of the National Secretariat for Childhood and Adolescence (SNNA). The purpose of this body is to ensure the welfare of children in temporary homes.

5.4 Children's labour rights

352. Article 50 of the Code on Children and Adolescents, paragraph (e), establishes as a task of the Municipal Council on Childhood (CODENI) the registration of children and adolescents engaged in economic activities, in order to promote programmes for protection of and support to families. As such, CODENI is the body responsible for publicizing the rights of children and adolescents. Article 60 provides that an employer who hires adolescents is obliged to keep a register of them, while article 61 prohibits labour and wage discrimination against adolescents with special needs. All this information is made public through mass education campaigns, and forms part of the basic education curriculum. The Paraguayan State is promoting the elimination of child labour, mainly through the activities of the National Council for the Eradication of Child Labour (CONAETI) which coordinates and implements a series of activities involving governmental and civil organizations, with a view to reducing the incidence of exploitation of child labour in Paraguay.

5.5 Protection of children and adolescents against economic and social exploitation

- 353. The Paraguayan State, aware of this reality, has incorporated various international treaties into its legislation and has promulgated laws to combat and eradicate the commercial sexual exploitation of children, trafficking in children, and transnational organized crime. Many organizations are working on this subject in Paraguay. They include the Human Rights Unit of the Supreme Court, the Secretariat for Childhood and Adolescence, ILO-IPEC, UNICEF and other governmental and nongovernmental organizations. The Human Rights Unit, through the Office of the General Coordinator of the Constituency of Alto Paraná, is currently participating actively in the work of the International Programme on the Elimination of Child Labour of the International Labour Organization (ILO-IPEC).
- 354. Actions are concentrated mainly on the triple border in the Department of Alto Paraná (Paraguay, Argentina and Brazil) where there is a significant presence of sex tourism.

Commercial sexual exploitation affects not only children and adolescents, but also adults. In addition, its interest is not limited to isolated cases, since there is a close link with criminal organizations and with border trafficking.

- 355. An agreement was concluded between the National Secretariat for Childhood and Adolescence (SNNA), the YACYRETÁ Binational Entity and the municipality of Encarnación City for the start-up in July 2006 of the SNNA Regional Office on the specific subject of commercial sexual exploitation of children (ESCI) in Encarnación city, Department of Itapúa.
- 356. The beneficiaries include: (a) children and adolescents in situations of commercial sexual exploitation in Encarnación city and its environs; (b) the original families of children and adolescents in situations of commercial sexual exploitation; and (c) the foster families and extended family nucleus, aunts, uncles, godparents, etc.
- 357. For implementation of the project, the Office of the General Coordinator is in charge of the Secretariat for Childhood and Adolescence (SNNA), which is the lead body for policies and programmes relating to children and adolescents, in accordance with Code No. 1681/01 (Code on Children and Adolescents). It has been designed for the coordination, linkage, management, promotion, negotiation, monitoring and organization of information to be used by the National System on the Comprehensive Protection and Advancement of Children and Adolescents.
- 358. Regarding trafficking in persons, in 2005 the Directorate of the Women's Support Service established the Trafficking in Persons Reference Centre at the Secretariat for Women. It supplies victims or their relatives with information of all types concerning crimes of this kind and provides support, psychological treatment, legal and social guidance and immediate medical attention to victims; a telephone hotline and an e-mail address for receiving reports of possible trafficking cases were also set up.
- 359. Twelve cases of trafficking in persons were dealt with between January 2005 and April 2006; they affected 42 female victims: 33 adults and 9 minors. At the same time, 4 women victims of trafficking (2 adults and 2 minors) have been involved in the pilot programme on the process or plan for rehabilitation of victims of trafficking in persons since February 2006 with the cooperation of the International Organization for Migration (IOM) Argentine Office. This programme aims at the social reintegration of trafficking victims, with a view to improving and/or increasing their socio-economic resources and reducing the possibilities of their further victimization. It includes and covers for a maximum period of six months a monthly money allowance for reintegration, psychological care (public or private, depending on the psychologist practising in the area); medical care (public or private, depending on the doctor practising in the area); training in a trade and/or studies to begin or complete primary or secondary education; support for undertaking productive microenterprises; document handling, and so on. All these alternatives will depend on the victims' wish and specific need and how they can regroup in order to reverse their situation of extreme vulnerability.
- 360. The Communication Campaign "Awareness and Education" on Trafficking in Persons and Sexual Exploitation took place In August and September 2005. It consisted of the dissemination of educational materials (posters-foldouts); radio spots in Guaraní and Spanish in the capital and in the interior of the country, and advertisements in the newspaper Popular.
- 361. The Handbook of General Procedures for Intervention in Trafficking in Persons was published in April 2006. Its aim is to provide general guidelines for tackling trafficking in

persons, especially women and children, in Paraguay, adopting an approach that guarantees the human rights of those affected and promotes punishment of those responsible, also seeking to supply information and analysis on substantive aspects of trafficking in persons, such as the concept and the rules directly or indirectly relating to trafficking and its victims.

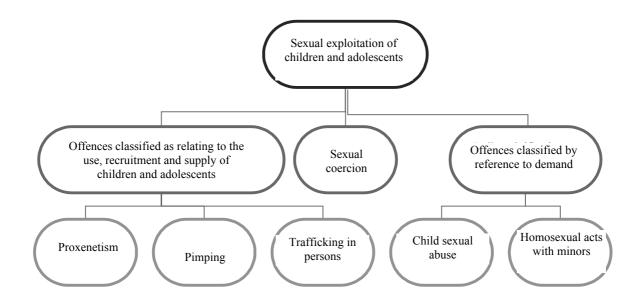
6. Action against commercial sexual exploitation of children and adolescents

362. The National Policy on Childhood and Adolescence (POLNA) and its National Plan for Childhood and Adolescence (PNA) were designed in 2003 to "promote cross-cutting and institutionalization of a child-rights approach in all public policies, encouraging and coordinating negotiation and dovetailing of agreements with bodies responsible for devising economic recovery programmes and programmes to combat poverty, that include components of education, health, water and sanitation, and employment generation; in other words, all the basic actions that affect the lives of children and their families."²⁴

363. Child sexual exploitation is not exempt from the aforementioned instruments. In this connection activities to combat that crime have been promoted through the integration of national sectoral plans; promotion at municipal level of the design and execution of activities to combat sexual exploitation on the streets and indoors, promoting the municipal and national sexual exploitation laws in force; encouraging the effective application of judicial guarantees of protection and damages to victims of sexual exploitation, maltreatment and abuse, and so on.

6.1 Administration of justice

364. Sexual exploitation of children is linked to the following crimes typified in the Penal Code of the Republic of Paraguay:

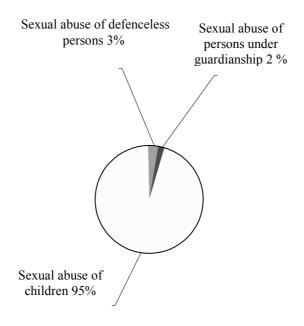


Source: "National Policy on Childhood and Adolescence – POLNA. National Plan of Action for Children and Adolescents – PNA. Building a new Paraguay for children and adolescents" published by the Secretariat for Childhood and Adolescence.

365. In May 2004 the Human Rights Unit of the Supreme Court of Justice undertook a sample survey concerning the number of crimes of sexual abuse reported in the capital in the previous three years (2000-2003). During this period 181 reports were received, 95 per cent of them cases of *child sexual abuse* and the remainder abuse of defenceless persons or persons under guardianship. However, these figures do not show specifically whether the offences relate to commercial exploitation; but they serve as a guideline for estimating and assessing children's vulnerability regarding crimes against sexual autonomy.

6.2 Sexual abuse offences reported in the capital during the period 2000-2003

Diagram showing comparative percentages of offences relating to sexual abuse Offences reported in the capital, 2000-2003



Sexual abuse of defenceless persons: five reports Sexual abuse of persons under guardianship: three reports Sexual abuse of children: 173 reports:

- 366. The victims (minors) in the reported cases relating to punishable acts against sexual autonomy who enter the judicial system are faced with another problem during the proceedings: further victimization. This phenomenon arises not only in local courts, but also in courts in all the countries in the region.
- 367. According to research carried out, fear and shame are the reasons given (by child victims) for failure to report punishable acts against sexual autonomy. Added to which there are psychological situations of painful memories during statements and interviews, owing to the lack of special judicial procedures, inadequate specialized assistance to victims and the inadequacy of the infrastructure for victims' care.

²⁵ Source: Report of the Office of Classification of Criminal Cases in the capital.

6.3 Activities of the Human Rights Unit of the Supreme Court of Justice

368. Since 2004 the Human Rights Unit of the Judicial District of Alto Paraná has been working on the subject of commercial sexual exploitation of children through the ILO-IPEC programme. The activities undertaken by the Unit in this regard cover protection and dissemination. Where the former is concerned, this is effected through inter-institutional participation for coordinating joint activities to fight and eradicate the problem; and with regard to the latter, through events such as workshops, seminars and launchings, the achievements and results of which are set out below:

6.3.1. Workshop on child labour and legislative reform (2003)

- 369. At this workshop discussions among children's judges and labour judges on the subject of child labour were held. This exchange of information made it possible to compare and contrast the norms of the Labour and Children's Codes governing this subject.
- 370. The International Labour Organization (ILO) offered the Human Rights Unit of the Supreme Court of Justice assistance for organizing a workshop on "Child Labour and Legislative Reform" so that magistrates could express their views on the ILO-sponsored draft law regulating juvenile labour. The event was attended by labour and children's and adolescents' magistrates, ombudsmen and representatives of UNICEF and non-governmental organizations. At the request of the magistrates present, a second workshop was organized to continue the analysis of the aforementioned project and took place on 9 April 2003.
- 6.3.2. Seminar-workshop on the human rights of children in Paraguay, organized by the Human Rights Unit of the Supreme Court of Justice and supported by ILO-IPEC and CIDSEP (2003).
- 371. This event took place on the following dates: 5 November (Coronel Oviedo); 6 November (Villarca); 17 November (Ciudad del Este); 20 November (San Juan Bautista de Misiones); 24 November (Concepción); 25 November (Pedro Juan Caballero); 1 December (Pilar), 2 December (Encarnación); and 26 December (Asunción).
- 372. Two plans were submitted at the above-mentioned workshops: the "Draft plan for prevention and progressive eradication of child labour, and protection of adolescent labour" and the "Plan for the elimination and prevention of sexual exploitation of children in Paraguay".

6.3.3. ILO-IPEC Triple Border Work Session on Commercial Sexual Exploitation of Children and Adolescents (2004).

373. At the request of the International Labour Organization-Programme on the Elimination of Commercial Sexual Exploitation of Children and Adolescents (ILO-IPEC), the Alto Paraná Regional Human Rights Unit (with the participation of judges of the Criminal Appeals Court for Children and Adolescents and judges of first instance for children and adolescents) organized a work session with legal officials (lawyers, defenders, magistrates and police officers) to follow up the proposals and recommendations that emerged from the study on "Commercial sexual exploitation of children and adolescents in the legislation of Argentina, Brazil and Paraguay: harmonization alternatives for MERCOSUR". The aims of the session are to promote proposals for juridical and social cooperation for the protection of children and adolescents in the triple

border area, and the formulation of a Special Protocol on mutual legal assistance in criminal matters in the triple border area.

374. The same material, "Commercial sexual exploitation of children and adolescents in the legislation of Argentina, Brazil and Paraguay: harmonization alternatives for MERCOSUR", was presented on 23 June 2004 in Ciudad del Este and on 29 June 2004 in Asunción, with support from ILO-IPEC, CONAETI, the Human Rights Unit of the Supreme Court of Justice of the capital (29 June 2004) and the Alto Paraná Regional Human Rights Unit (23 June 2004). This event was designed for justice officials and the material was distributed free of charge.

6.3.4. "Seminar: Procedures respectful of the human rights of children and adolescents in situations of sexual violence"

375. This seminar was held on 13 and 14 October 2006 and was organized by BECA and the Human Rights Unit of the Supreme Court of Justice in order to disseminate and make justice operators aware of the application of the principles and criteria contained in the Convention on the Rights of the Child, the Optional Protocol to the Convention on the Rights of the Child on the sale of children, child prostitution and child pornography; and to promote and include in the judicial system respectful practices in line with the new paradigm. It was sponsored by ICCB and targeted magistrates, ombudsmen and prosecutors.

376. Also, in 2005, in the area of research and analysis the Human Rights Unit conducted an overall diagnostic study of Paraguay's social and judicial situation and its links to the issue of sexual exploitation of children and adolescents. Data was collected, processed and analysed in advance for its preparation.

6.3.5. Workshop on "Policies to combat and prevent commercial sexual exploitation of children and adolescents along the triple border" (2005)

377. Held at the Ciudad del Este Hall of Justice and organized by the Regional Human Rights Unit in the Alto Paraná judicial constituency and ILO-IPEC Ciudad del Este, it was designed for justice officials and representatives of governmental and non-governmental organizations.

6.3.6. Training course on commercial sexual exploitation of children.

378. Organized by ILO, with the support of the Regional Human Rights Unit of the Alto Paraná judicial constituency, it was designed for judicial officials and social actors and was held at the Ciudad del Este Hall of Justice (2005).

6.3.7. Analysis of the "Report on violations of the rights of street children and adolescents" – Illegal deprivation of liberty in Ciudad del Este (2005).

379. Held at the Ciudad del Este Hall of Justice, it was followed by a discussion panel and a question-and-answer session with the authorities and representatives present, and was designed for judges, defenders, prosecutors, judicial officials, representatives of governmental and non-governmental organizations and the public at large.

ARTICLE 11

A. General situation of the right to adequate food

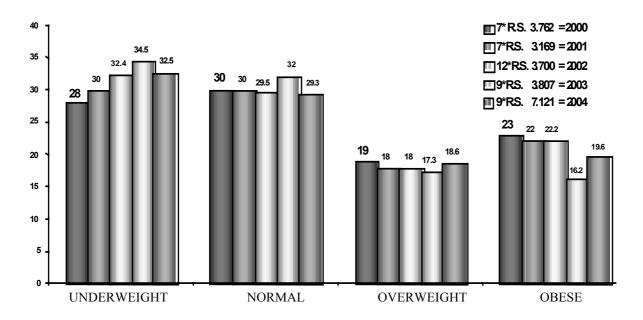
380. The National Constitution, in its article 72 on quality control, states that: "The State shall ensure quality control procedures for food, chemical, pharmaceutical and biological products throughout the production, import and marketing stages [...]". Book II – On Food, in the Public Health Code (Act No. 836/80) and the regulatory decrees and ministerial decisions constitute the legal framework within which the Ministry of Public Health and Social Welfare, through its technical institute, the National Food and Nutrition Institute (INAN), operates a national food register, RSPA (National Register of Food Products) and RE (Register of Establishments), that provide the database on the universe of registered food products circulating in the national territory. In addition, the coverage of SISVAN (National Food and Nutrition Surveillance Institute), established in all the country's departments, helps generate information that is analysed by the institution responsible for the nutritional state of the population groups which have recourse to the health services provided by MSP and BS. There is no nationwide survey on the country's nutritional status by age group, nor is there any decentralized register of the food products circulating throughout the national territory. Monitoring is partial, limited and sporadic, owing to the lack of human and financial resources. Where adequate food is concerned, there is an educational instrument, the Food Guides of Paraguay and Children under Two Years of Age. that promote healthy eating styles among the healthy population, it is being introduced at the departmental level. There is no national food security plan. However, the following public and civil society institutions are involved in food programmes for various population groups: Office of the First Lady, Pastoral del Niño, Alter Vida, Oguazú, MAG (with plans for production for home consumption), SAS and others.

381. The groups for which the National Food and Nutrition Institute (INAN) established the Food and Nutrition Surveillance System network include children under five, schoolchildren and pregnant women, whose data are transmitted to the health services and are processed by INAN with a reference to their nutritional status.

Incidence of malnutrition (SISVAN database 2003 and EIH 2000/01)

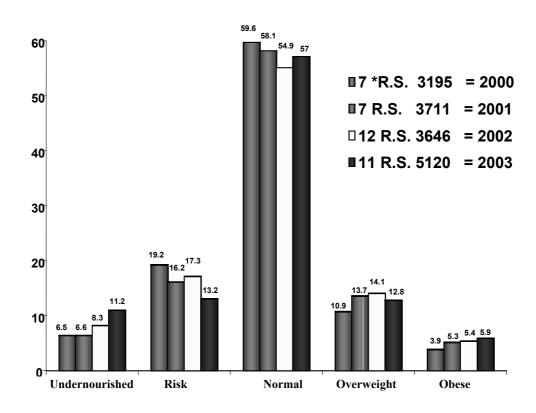
| Districts | Children at risk of malnutrition | | | Children moderately/seriously undernourished | | | Total children at | Total children | Total | Total pregnant | Total |
|------------------------|----------------------------------|---------------------|-----------|--|---------------------|--------------|---------------------------------------|---|--------------------|------------------------------|---------------|
| | 0-6 months | 6 months- 1 year | 1-4 years | 0-6 months | 6 months- 1 year | 1-4 years | risk of under- nourish- ment | moderately/ seriously under- nourished | under nourished | women under- nourished | beneficiaries |
| Coronel Oviedo | 36 | 36 | 281 | 9 | 9 | 70 | 353 | 88 | 441 | 132 | 573 |
| San Estanislao | 25 | 25 | 196 | 6 | 6 | 49 | 246 | 61 | 307 | 77 | 384 |
| San Pedro | 14 | 14 | 109 | 3 | 3 | 27 | 137 | 33 | 170 | 67 | 237 |
| San Juan Pepomuceno | 9 | 9 | 72 | 2 | 2 | 18 | 90 | 22 | 112 | 100 | 212 |
| Total | 84 | 84 | 658 | 20 | 20 | 164 | 826 | 204 | 1 030 | 376 | 1 406 |

Trends in nutrition situation – Pregnant women in health regions
Paraguay, 2001-2002-2003-2004



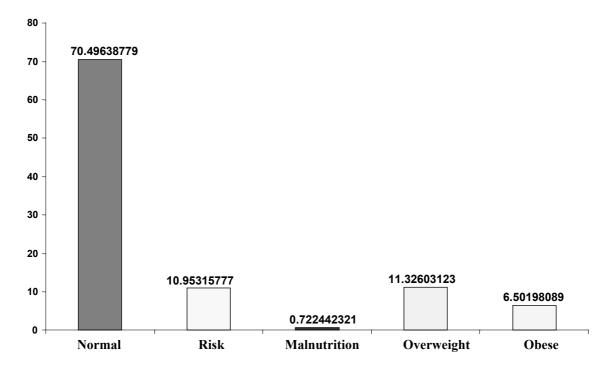
Source: SISVAN-INAN RS = Health Regions.

Trends in malnutrition - Children under five by health regions

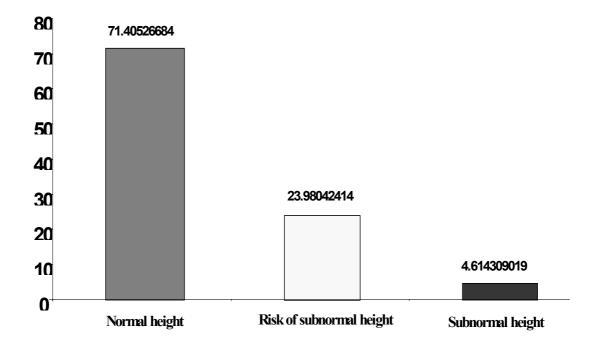


Source : SISVAN-INAN RS = Health Regions.

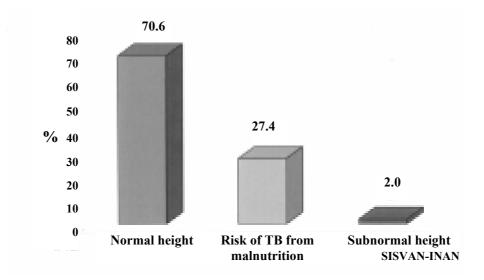
Nutritional situation of children and adolescents at school in 9 health regions (Canindeyu, Amambay, Alto Paraná, Misiones, Caaguazú, Guairá, San Pedro, Cordillera), 2002



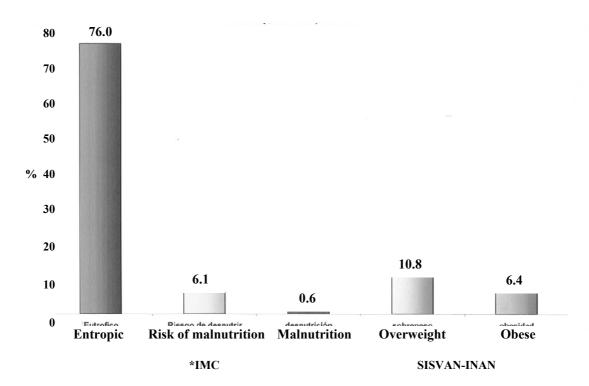
Heights of children and adolescents at school in 9 health regions (Canindeyu, Amambay, Alto Paraná, Misiones, Caaguazú, Guairá, San Pedro, Cordillera), 2002



Nutritional status of children and adolescents at school in 6 health regions (Caazapá, Misiones, Central, San Pedro, Paraguari, Alto Paraná), Paraguay, 2003

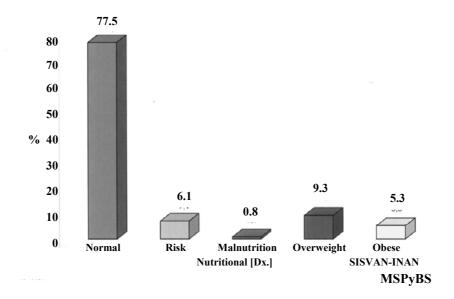


Nutritional situation of children and adolescents at school in 5 health regions (Caazapá, San Pedro, Cordillera, Amambay, Misiones), 2004



MSPyBS

Nutritional situation of schoolchildren in 6 regions (Caazapá, Misiones, San Pedro, Paraguari, Alto Paraná)



382. No change has been noted in the policies and laws that adversely affect access to adequate food for vulnerable groups or the most disadvantaged regions, but there are governmental initiatives in various areas of food and food-production activities.

1. Access to adequate food

383. In 2005 the Government allocated a budget for a Food and Nutrition Assistance Programme (PROAN) that provides food for children under five years of age and undernourished pregnant women until their recovery. This is the first programme of its kind in the country; it targets 35,000 beneficiaries comprising under-fives and pregnant women with nutritional deficiencies, who were identified as vulnerable population groups, with special emphasis on those living in extreme poverty. It is currently being implemented in the Department of Caazapá (two districts); the Department of San Pedro (three districts); and the Department of Caaguazú, (one district). The programme provides powdered milk, vitamin supplements and cereals to the villages where it is being implemented.

384. This national programme (normative and operational), which provides food and nutrition assistance for children under five years of age suffering or at risk from general malnutrition and underweight pregnant women, is also one of the basic components of the strategy to combat poverty and inequality and is designed for the recovery of human capital as one of the Government's actions to achieve the Millennium Development Goals. Its aim is to contribute to help enhance the quality of life of Paraguayan women and children, promoting the nutritional recovery of children under five and pregnant women. To that end, it endeavours to reduce malnutrition in children under five years of age and underweight pregnant women.

385. Its specific aim is to (1): reduce the number of undernourished children under five years of age in the selected districts; (2) reduce the number of low-weight pregnant women in selected districts; (3) help promote breastfeeding by mothers; (4) contribute to comprehensive care for children and women through the health services; (5) strengthen the oversight capacity of the Food and Nutrition Surveillance System (SISVAN); (6) promote the community's mobilization for recovery, prevention and improved nutrition of children under five years of age and pregnant women; (7) strengthen all the components of the regular programme; and (8) carry out continuous and ongoing programme evaluation.

2. School supplementary nutrition programme

386. For its part, the Ministry of Education and Culture is implementing a school supplementary nutrition programme in order to help improve the educability conditions of children from more needy sectors and, hence, enhance educational equality, providing every child daily and free of charge with a nutrition supplement comprising enriched milk and solid food. It has been under way since 1997 and there are plans to continue and expand it as budget availability allows.

387. Since its inception it has benefited 86,329 pupils in 454 schools. Coverage was extended to Asunción and the Departments of Concepción, San Pedro, Cordillera, Guairá, Caaguazú, Misiones, Paraguari, Central, Ñeembucú, Presidente Hayes and Canindeyú.

3. Situation in rural areas

388. First and foremost, it is important to establish a general picture of the overall situation of the rural sector in Paraguay. In this connection, 47 per cent of the country's total population still live in country areas; agriculture and livestock-farming and forestry activities account for 35 per cent of employment; the rural sector supplies 25 per cent of GDP and 90 per cent of export revenue; annual GDP from agriculture and livestock-farming stands at 2.45 per cent, which is below the annual population growth rate of 2.8 per cent; the country's main problem, and its most acute one, is the deteriorated condition of 75 per cent of peasant farms, which affects some 190,000 of the country's 280,000 family-owned farms.

389. While there are no accurate data on landless peasants, unofficial estimates and the number of disputes that have arisen in recent years underscore the seriousness of the problem. The 1991 farm census revealed that there were some 115,000 farms of fewer than 5 hectares, and 66,000 of between 5 and 10 hectares. A mere 1 per cent of farms are over 1,000 hectares in size, but they comprise 77 per cent of land surveyed (24 million hectares).

3.1. Legal framework for protection of the rural population

390. Agrarian reform no longer entails mere land redistribution for the Paraguayan State. With the new Agrarian Statute, access to land has become just another component, although one fundamental to agriculture, and includes production, the production system and food security as the basis of agrarian reform. The new Agrarian Statute stipulates that agrarian reform and rural development are inseparable components of a single process. The new Agrarian Act, in its articles 2 and 25, goes beyond the limitations of both positions, establishing that "rural development as a product of agrarian reform will be impossible unless it entails [...] achieving a rational distribution of agricultural land to the beneficiaries of this Act, [...] promoting the installation of sustainable production systems that settle peasant families permanently on the land."

- 391. Act No. 1863/02 "Establishing the Agrarian Statute" replaces Act 852/63. Act No. 1863/02, Article 2 "On Agrarian Reform and Rural Development", also advocates promoting adjustment of the agrarian structure with a view to the establishment, strengthening and harmonious incorporation of peasant family-owned farms into national development to help overcome rural poverty and its consequences through an overall strategy for productivity, environmental sustainability, participation and equitable in distribution.
- 392. Also promulgated was Act 2419/04, transforming the *Rural Welfare Institute (IBR)* into the *National Institute of Rural and Land Development (INDERT)*, whose purpose is to promote the peasant population's harmonious integration into national economic and social development. The Institute also improves the agrarian structure, promoting access to rural land, guaranteeing and regularizing tenure, coordinating and creating conditions conducive to development that affords the sort of establishment that leads to the consolidation of the beneficiary producers and constituting a strategy of participation, productivity and environmental sustainability.

B. Right to housing

1. Housing situation in Paraguay

- 393. Paraguay maintains a high rate of demographic growth through a sustained process of urbanization and through a structure made up of a largely young population and a high rate of newly-established households. These elements make for substantial demand for housing among all socio-economic strata, located for the most part in urban centres with a sizeable concentration in the metropolitan area of Asunción. Currently 31 per cent of the total population and 55 per cent of the urban population live in the metropolitan area.
- 394. The 2002 Population and Housing Census shows that the country, with a population of 5.2 million, maintains a high rate of demographic growth with an annual average of 2.5 per cent for the most recent inter-census period (1992-2002). This puts Paraguay among the countries with the highest rate of population growth in Latin America. At the same time, household size is diminishing both at the urban and rural levels and has fallen to an average of 4.5 persons per household and occupied dwelling.
- 395. With an urban population of some three million, Paraguay displays a medium level of urbanization, if the fact that 74 per cent of the population of Latin America is already living in towns is taken into consideration. The country has a demographic structure in which young people abound, making for a strong tendency to the establishment of new homes and affecting gross demand for new housing. Also, the growth in housing stock is statistically in line with the formation of new households, with an annual average increase of 24,327 units for the most recent inter-census period (1992-2002). The same survey shows that 58 per cent of occupied dwellings are found in cities, slightly higher than the percentage of urban population (56.74 per cent).

1.1. Quality of dwellings

396. The 2003 Permanent Household Survey also shows that one quarter of the stock of dwellings in Paraguay is affected by problems of quality; that 22 per cent of dwellings are overcrowded and a similar percentage lack access to any form of sanitation. Housing quality problems are more acute in rural areas, where over 40 per cent of dwellings are precarious and overcrowded. In urban areas poor housing quality and overcrowding affect 15 per cent of homes, while 23 per cent lack of access to sanitation services. Public coverage by sanitation services is

low, with a mere 44 per cent of homes connected to drinking water mains, 10 per cent to a sewerage system and 31 per cent to a refuse collection system. With 41.4 per cent of the population currently living below the poverty line, as defined by the basic-basket methodology, a comparison of the aforementioned quality rates clearly shows the enormous effort low-income families must make in order to obtain housing, especially in urban areas.

TABLE 1

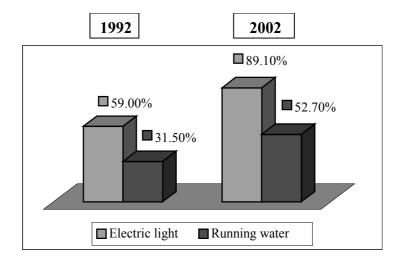
Private housing by urban-rural area, according to basic services – Period 1992-2002

| | | 1992 | | | 2002 | |
|------------------------------|---------|---------|---------|-----------|---------|---------|
| | Country | Urban | Rural | Country | Urban | Rural |
| Total | 855 547 | 443 691 | 411 856 | 1 098 005 | 643 920 | 454 085 |
| Electric light | 504 842 | 409 090 | 95 752 | 978 766 | 625 602 | 353 164 |
| Running water (*) | 269 443 | 256 909 | 12 534 | 578 639 | 476 500 | 102 139 |
| Lavatory connected to drains | 65 817 | 65 802 | 15 | 103 565 | 103 565 | - |
| Lavatory with septic tank | 231 047 | 198 878 | 32 169 | 588 003 | 450 981 | 137 022 |
| Refuse collection | 181 726 | 181 453 | 273 | 369 231 | 358 012 | 11 219 |
| Total | 10.0% | 100.0% | 100% | 100% | 100% | 100% |
| Electric light | 59.0% | 92.2% | 23.2% | 89.1% | 97.2% | 77.8% |
| Running water(*) | 31.5% | 57.9% | 3.0% | 52.7% | 74.0% | 22.5% |
| Lavatory connected to drains | 7.7% | 14.8% | 0.0% | 9.4% | 16.1% | 0.0% |
| Lavatory with septic tank | 27.0% | 44.8% | 7.8% | 53.6% | 70.0% | 30.2% |
| Refuse collection | 21.2% | 40.9% | 0.1% | 33.6% | 55.6% | 2.5% |

Source: Paraguay Final Results – National Population and Housing Census. Year: 2002.

DIAGRAM 1

Private dwellings according to availability of electricity and running water



Source: Paraguay Final Results – National Population and Housing Census 2002.

^(*) Includes public network (ESSAP/SENASA) and private network.

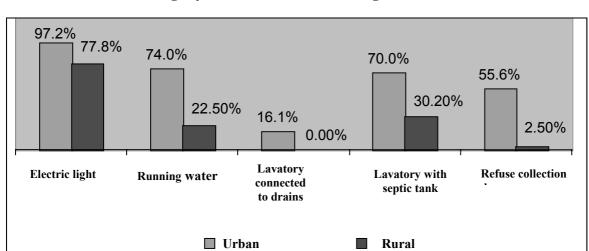


DIAGRAM 2

Private dwellings by urban-rural area according to basic services 2002

Source: Paraguay Final Results – National Population and Housing Census. Year: 2002.

397. The total number of defective dwellings owing to problems of physical quality throughout the country is 222,298, with 48,194 in urban areas and 174,104 in rural areas. Table 2 shows defective dwellings of the following types: huts, improvised, others, and the material mainly used for outer walls, floors and roofing.

TABLE 2

Defective private dwellings owing to problems of physical quality, by type of dwelling, according to urban or rural area and the material mainly used for outer walls, floors and roofing. Year 2002

| | Оссир | pied private dwelli | ngs with persons pre | esent |
|---|---------|---------------------|------------------------|--------|
| Urban-rural area and the principal material used for outer walls, floors, | | | Type of dwelling | |
| and roofing | Total | Hut | Improvised dwelling | Others |
| TOTAL COUNTRY | | | | |
| Total dwellings | 222 298 | 216 251 | 2 091 | 3 956 |
| A. OUTER WALLS | | | | |
| Brick | 10 733 | 8 341 | 18 | 2 374 |
| Wood | 170 007 | 168 961 | 144 | 902 |
| Stakes | 24 025 | 23 926 | 60 | 39 |
| Adobe | 7 865 | 7 858 | 3 | 4 |
| Palm trunk | 6 190 | 6 146 | 33 | 11 |
| Cement block | 87 | - | - | 87 |
| Cardboard, oilcloth, wood from packaging | 1 660 | - | 1 660 | - |
| No wall | 441 | - | 17 | 424 |
| Others | 1 290 | 1 019 | 156 | 115 |

| | Оссир | pied private dwelli | ngs with persons pre | sent |
|---|---------|---------------------|----------------------|--------|
| Urban-rural area and the principal material used for outer walls, floors, | | | Type of dwelling | |
| and roofing | Total | Hut | Improvised dwelling | Others |
| B. Floor | | | | |
| Earth | 177 143 | 174 221 | 1 981 | 941 |
| Brick | 8 731 | 8 386 | 18 | 327 |
| Ordinary tile | 1 177 | 24 | 7 | 1 146 |
| Cement (whitewashed) | 21 407 | 20 397 | 38 | 972 |
| Mosaic, ceramic, granite and marble | 346 | 3 | - | 343 |
| Wooden planks | 12 466 | 12 339 | 26 | 101 |
| Parquet | - | - | - | - |
| Carpeting | 12 | - | - | 12 |
| Other | 1 016 | 881 | 21 | 114 |
| C. Roof | | | | |
| Tile | 21 715 | 20 132 | 44 | 1 539 |
| Straw | 90 844 | 90 338 | 298 | 208 |
| Fibrocement or similar (Eternit) | 55 347 | 54 568 | 207 | 572 |
| Sheet metal | 44 684 | 43 006 | 419 | 1 259 |
| Wooden planks | 6 232 | 6 197 | 16 | 19 |
| Reinforced concrete, tiles or vaulted | 292 | - | 1 | 291 |
| Palm trunk | 1 973 | 1 927 | 29 | 17 |
| Cardboard, oilcloth, wood from packaging | 1 030 | - | 1 021 | 9 |
| Other | 181 | 83 | 56 | 42 |
| URBAN AREA | | | | |
| Total dwellings | 48 194 | 44 648 | 681 | 2 865 |
| A. Outer walls | | | | |
| Brick | 4 652 | 2 591 | 4 | 2 057 |
| Wood | 39 436 | 38 827 | 14 | 595 |
| Stakes | 1 704 | 1 692 | 5 | 7 |
| Adobe | 622 | 619 | - | 3 |
| Palm trunks | 698 | 689 | 5 | 4 |
| Cement blocks | 78 | - | - | 78 |
| Cardboard, oilcloth, wood from packaging | 646 | - | 646 | - |
| No walls | 33 | - | 3 | 30 |
| Other | 325 | 230 | 4 | 91 |

| | Occupied private dwellings with persons present | | | | | | | | |
|---|---|---------|------------------------|--------|--|--|--|--|--|
| Urban-rural area and the principal material used for outer walls, floors, | | | Type of dwelling | | | | | | |
| and roofing | Total | Hut | Improvised dwelling | Others | | | | | |
| B. FLOOR | | | | | | | | | |
| Earth | 28 659 | 27 670 | 627 | 362 | | | | | |
| Brick | 2 937 | 2 718 | 7 | 212 | | | | | |
| Ordinary tiles | 1 055 | 19 | 7 | 1 029 | | | | | |
| Cement (whitewashed) | 11 498 | 10 687 | 26 | 785 | | | | | |
| Mosaic, ceramic, granite and marble | 322 | 3 | - | 319 | | | | | |
| Wooden slabs | 3 106 | 3 038 | 11 | 57 | | | | | |
| Parquet | - | - | - | - | | | | | |
| Carpeting | 12 | - | - | 12 | | | | | |
| Other | 605 | 513 | 3 | 89 | | | | | |
| C. Roof | | | | | | | | | |
| Tiles | 4 898 | 3 620 | 11 | 1 267 | | | | | |
| Straw | 5 574 | 5 545 | 17 | 12 | | | | | |
| Fibrocement or similar (Eternit) | 19 139 | 18 568 | 144 | 427 | | | | | |
| Sheet metal | 17 517 | 16 493 | 200 | 824 | | | | | |
| Wooden slabs | 250 | 235 | 2 | 13 | | | | | |
| Reinforced concrete, tiles orvaulted | 278 | - | 1 | 277 | | | | | |
| Palm trunk | 154 | 143 | 4 | 7 | | | | | |
| Cardboard, oilcloth, wood packaging | 297 | - | 297 | - | | | | | |
| Other | 87 | 44 | 5 | 38 | | | | | |
| RURAL AREA | | | | | | | | | |
| Total dwellings: External walls | 174 104 | 171 603 | 1 410 | 1 091 | | | | | |
| Brick | 6 081 | 5 750 | 14 | 317 | | | | | |
| Wood | 130 571 | 130 134 | 130 | 307 | | | | | |
| Stakes | 22 321 | 22 234 | 55 | 32 | | | | | |
| Adobe | 7 243 | 7 239 | 3 | 1 | | | | | |
| Palm trunk | 5 492 | 5 457 | 28 | 7 | | | | | |
| Cement blocks | 9 | - | - | 9 | | | | | |
| Cardboard, oilcloth, wood from packaging | 1 014 | - | 1 014 | - | | | | | |
| No walls | 408 | - | 14 | 394 | | | | | |
| Other | 965 | 789 | 152 | 24 | | | | | |

| | Оссир | ied private dwellir | igs with persons pr | esent |
|---|---------|---------------------|------------------------|--------|
| Urban-rural area and the principal material used for outer walls, floors, | | | Type of dwelling | |
| and roofing | Total | Hut | Improvised dwelling | Others |
| B. FLOOR | | | | |
| Earth | 148 484 | 146 551 | 1 354 | 579 |
| Brick | 5 794 | 5 668 | 11 | 115 |
| Ordinary tiles | 122 | 5 | - | 117 |
| Cement (whitewashed) | 9 909 | 9 710 | 12 | 187 |
| Mosaic, ceramic, granite and marble | 24 | - | - | 24 |
| Wooden planks | 9 360 | 9 301 | 15 | 44 |
| Parquet | - | - | - | - |
| Carpeting | - | - | - | - |
| Other | 411 | 368 | 18 | 25 |
| C. Roof | | | | |
| Tiles | 16 817 | 16 512 | 33 | 272 |
| Straw | 85 270 | 84 793 | 281 | 196 |
| Fibrocement or similar | 36 208 | 36 000 | 63 | 145 |
| Sheet metal | 27 167 | 26 513 | 219 | 435 |
| Wooden planks | 5 982 | 5 962 | 14 | 6 |
| Reinforced concrete, tiles or vaulted | 14 | - | - | 14 |
| Palm trunk | 1 819 | 1 784 | 25 | 10 |
| Cardboard, oilcloth, wood from packaging | 733 | - | 724 | 9 |
| Other | 94 | 39 | 51 | 4 |

Source: Paraguay Final Results – National Population and Housing Census. Year: 2002

398. The enormous effort being made to gain access to housing is confirmed by an analysis of the situation of access to financing, illustrated by the findings of the 2002 National Population and Housing Census, which shows that a mere 3.3% of all occupied dwellings are paying financing charges, a proportion that rises to 6.8% in the Asunción metropolitan area.

399. It may be concluded, first of all, that there is a high demand for housing, encouraged by the substantial rates of population growth and establishment of new households, and, secondly, that this demand is centred in cities and will be accentuated there in the future, boosted by the high rate of urbanization. Formal supply barely manages to cater to just over one third of demand for new dwellings, and there is a substantial informal supply of dwellings suffering from problems relating to quality and access to basic services. The informal sector is boosted by lack of access to financing among other things. Lastly, the dearth of formal supply accessible to the population accentuates the defective condition of dwellings from the point of view of quality.

| 1.1 | Evolution of housing in | the notional general | hudget of expenditures |
|-----|--------------------------------|----------------------|------------------------|
| 1.1 | Evolution of housing in | the national general | buuget of expenditures |

| Years | National budget ¹ | Dwellings ² | % dwellings/budget |
|-------|------------------------------|------------------------|--------------------|
| 1994 | 2 253 329 | n d | |
| 1995 | 3 042 601 | n d | |
| 1996 | 3 416 260 | n d | |
| 1997 | 9 896 024 | n d | |
| 1998 | 11 077 222 | n d | |
| 1999 | 12 255 602 | 83 324 | 0.68 |
| 2000 | 13 128 124 | 61 304 | 0.47 |
| 2001 | 15 357 915 | 19 282 | 0.13 |
| 2002 | 15 306 971 | 12 318 | 0.08 |
| 2003 | 18 246 180 | 15 983 | 0.09 |
| 2004 | 18 915 114 | 57 348 | 0.30 |
| 2005 | 21 809 827 | 62 655 | 0.29 |
| 2006 | 21 255 118 | 93 798 | 0.44 |

Source: Accounting System (SICO). In guaranies (millions)

1.2 Housing deficit and homeless families²⁶

400. The projection found that for the year 2004 the housing deficit would rise to approximately 470 000 dwellings, 65 per cent of them dwellings with physical quality problems (floors, walls and roofs) and overcrowding, while the remaining 35 per cent, approximately 163,000 dwellings, would be accounted for by unmet demand for new homes.

Persons living in illegal settlements (rural areas) – Precarious occupation of private land

| Families (No.) | Surface (ha.) |
|----------------|---------------|
| 3 580 | 39 920 |

Source: Accesoría Jurídica - INDERT.

1.3 Rational land use

401. Act No. 1863/02. article 9, "Considers as unproductive estates, and therefore subject to expropriation, any agrarian property that, under the provisions of this law, is not put to rational use, regardless of whether the said property comprises a single farm or a group of farms belonging to the same physical or legal person."

Adjusted budget for the Central Administration (CA) until 1996. As of 1997 it covers both the CA and decentralized districts.

² Refers to the CONAVI budget. As of 2004 it includes the SAS Programme for Construction of Low-Cost Housing

The latest official information on the housing deficit consists of a projection made by the Planning Department of the National Housing Council.

402. Article 54 of the aforesaid Act provides as follows on "Deficient land use". The award of land by the awards body shall automatically lapse *in toto* if the beneficiary ceases to use it. In that event, the lot in question shall revert to the property of the Institution (INDERT), unless the beneficiary has already fulfilled the obligations established in this Act. In that event, there shall be no abrogation, and if the person pays the full price in time he or she shall have the right to be awarded the corresponding title of such land. Should the abrogation go ahead, the Institution shall establish, following an expert opinion in which the person concerned will be involved, the form that compensation for improvements the person has made to the property will take.

2. Overall situation of supply of basic services

403. The services with the greatest expansion of coverage in the last 30 years have been access to electricity and running water in the home. In both cases the proportion has increased fivefold although the number of homes with electricity is well above the number with running water. In 1992, 59 per cent of homes had electricity, while the proportion today is 89.1 per cent. One special aspect of this service is the considerable increase in coverage in rural areas, which rose from 23.2 per cent in 1992 to 77.8 per cent in 2002 (Table 1). Dwellings with running water accounted for 31.5 per cent in 1992 and now account for 52.7 per cent. Despite the significant increase, a little under half of homes in the country do not receive this service, with rural areas worst affected by lack of running water, with a coverage of only 22.5 per cent in 2002.

404. Of the overall services studied, homes with lavatories connected to the public system posted the slowest rate of increase: from 7.7 per cent in 1992 to 9.4 per cent in 2002, especially when compared with dwellings with lavatories connected to a septic tank: (27.2 per cent in 1992 and 53.6 per cent in 2002). There are marked differences in access to this service depending on urban or rural residence, with urban homes enjoying almost exclusively more salubrious sanitation. In fact, coverage of homes with lavatories connected to a public system continues to be mainly urban and today stands at 16.1 per cent.

405. The refuse collection service increased from 21.2 per cent in 1992 to 33.6 per cent in 2002, and is a mainly urban service.

Trends in refuse disposal 1995-2004 – Total country: homes by residential area according to method of refuse disposal

| Form of refuse disposal | 1995* | | | 1999* | | | | 2004 | | | 2005 | | |
|------------------------------|-------|----------------|-------|--------|----------------|-------|--------|---------|---------|-------|----------------|-------|--|
| | T-4-1 | Residence area | | Total | Residence area | | Total | Residen | ce area | Takal | Residence area | | |
| | Total | Urban | Rural | 1 Olal | Urban | Rural | 101111 | Urban | Rural | Total | Urban | Rural | |
| Incineration | 54.5 | 38.8 | 73.1 | 53.6 | 35.5 | 77.6 | 51.5 | 33.0 | 78.5 | 51.5 | 34.3 | 77.9 | |
| Public or private collection | _ | - | - | 32.1 | 54.0 | 3.2 | 35.2 | 57.6 | 2.3 | 36.6 | 58.1 | 3.5 | |
| Public collection | 24.8 | 45.7 | 0.1 | - | - | - | - | - | - | - | - | - | |
| Thrown into a watercourse | 11.8 | 8.8 | 15.3 | 9.8 | 7.2 | 13.3 | 8.2 | 5.8 | 11.6 | 7.3 | 4.0 | 12.3 | |

| Form of refuse disposal | | 1995* | | | 1999* | | | 2004 | | 2005 | | |
|----------------------------|-----------|----------------|---------|-----------|----------------|---------|-----------|----------------|---------|-----------|----------------|---------|
| | T-4-1 | Residence area | | Takal | Residence area | | Takal | Residence area | | T-4-1 | Residence area | |
| | Total | Urban | Rural | Total - | Urban | Rural | Total - | Urban | Rural | Total | Urban | Rural |
| Dumped on a patio | 6.0 | 2.9 | 9.7 | 2.8 | 0.9 | 5.4 | 2.7 | 2.2 | 3.4 | 3.4 | 3.0 | 3.9 |
| Dumped on farmland | - | - | - | - | - | - | 1.6 | 0.3 | 3.6 | 1.0 | 0.1 | 2.3 |
| Other ** | 2.9 | 3.9 | 1.8 | 1.7 | 2.5 | 0.6 | 0.8 | 1.0 | 0.5 | 0.4 | 0.5 | 0.1 |
| Total | 1 000 404 | 541 050 | 459 354 | 1 107 486 | 630 864 | 476 622 | 1 288 717 | 765 308 | 523 409 | 1 343 713 | 813 606 | 530 107 |

^{*} In the EPH 1995-1999, the data are adjusted to the findings of the 2002 Census.

Source: STP/DGEEC. Permanent Household Survey 1995, 1999, 2004, 2005.

2.1. Population with access to drinking water

406. Coverage has increased, but the improvement in the quality of water has been modest, with polluted water posing a huge risk to the population's health. The country has established disaggregated goals coverage targets for each locality to be served under the Drinking Water and Sanitation Programme: Master Plan, Phase II, for the Asunción metropolitan area and eight towns in the interior. For the first part of this second phase (year 2010) of the Master Plan the drinkingwater target is 83 per cent, while for the towns in the interior the target is 87.5 per cent. For the second phase in towns in the interior (year 2016) the target is 95 per cent.

407. With regard to the rural sector, the target set by the National Environmental Sanitation Service (SENASA) is to cover 60 per cent of the rural population. SENASA's priority is to supply drinking water in preference to a sewerage system with hydraulic displacement. However, any water project is always accompanied by the sewerage component through individual land-management solutions (sanitary latrines). Also, the National Service provides drinking water to 62 per cent of the country's total population, which means that since 2002 approximately 3,400,000 inhabitants have had access to the service.

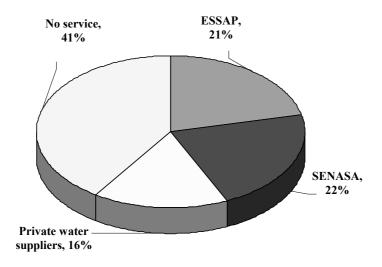
408. Two types of system are used for the connections. One is suitable for the urban population, whose demand is served by the public system; of the total population covered by the national system, 85 per cent of consumers, making for an approximate total of 2,890,000 inhabitants, are connected in this way. The scattered population, which is served by the individual system, accounts for 15 per cent, or 510,000 inhabitants. However, of the overall national population, 41 per cent of the urban population - that is, approximately 1,145,000 inhabitants, receive no service; 16 per cent – or 540,000 inhabitants – are served by private water suppliers, and 43 per cent – or 1,205,000 inhabitants – are served by SENASA.²⁷

^{**} Years 1995-1999: included under "Other" are dumping into a watercourse, tip or farmland.

^{**} Year 2004: includes under "Other" dumping into a stream or tip.

National Environmental Sanitation Service (SENASA) 2004



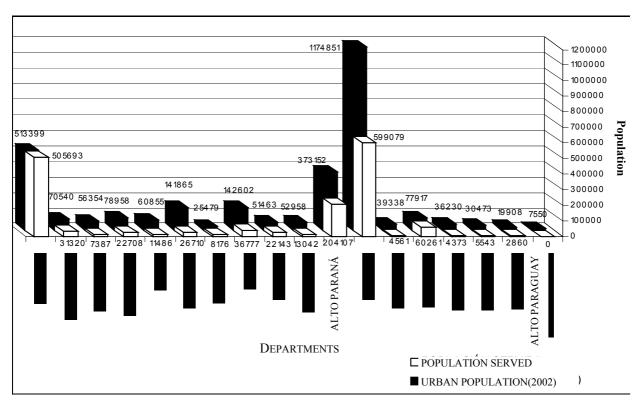


2.2 Population with access to a waste-treatment system

409. Solid-waste generation stands at 0.87 kg per inhabitant per day for domestic solid waste, and 1,038 kg per inhabitant per day for urban solid waste. Only 53 per cent of all urban solid waste is collected. The figures of the levels of final disposal are still quite alarming, with open-air refuse dumps at 80 per cent, as opposed to 20 per cent controlled dumps; but these indicators appear to be improving.

410. Treatment and final disposal of waste continues to be a topic in need of urgent action on the part of Governments at all levels (national, departmental and municipal), although progress is being made in that area. In this connection the Sectoral Analysis of Solid Waste in Paraguay, as well as specific initiatives for finding a necessary solution, such as the progress made by the Government of the Central Department (in 2000-2002) and the formulation of the Master Plan on Communal Solid Waste for the eastern region of Paraguay (2003) are a few of the latest efforts at coordinating action in this regard. Likewise, some municipalities have undertaken activities to improve the management and final disposal of waste. Also under way are efforts to improve the operation of services, projects for sanitary landfill and start-up of controlled landfills.

²⁸ Source: National Environmental Sanitation Service (SENASA), 2005



Quantities of solid-waste generation and collection by department

- 411. At the country level the volume of waste generated by public hospitals is approximately ten (10) tons per day. Of this amount approximately 41.5 per cent constitute hazardous waste and 58.5 per cent ordinary waste. In Asunción city, which has the largest concentration of public hospitals, the total volume of waste generated is approximately 2.7 tons per day.²⁹
- 412. Paraguay's characteristics and socio-economic conditions are reflected in the quantity and composition of the waste produced, while it should be noted that as the size of the population decreases and typically rural activities predominate in rural areas, the percentage of organic waste is higher. The average rate of urban solid-waste generation is around one (1) kg per day, ranging from 0.5 kg to 1.8 kg per person per day. It is estimated that some 3,700 tons per day are currently generated in urban centres.
- 413. Separate collection of pathological waste occurs almost entirely in Asunción, with an average of 55 tons per month. The treatment of hospital waste is again carried out, almost exclusively in Asunción, in dual-chamber incinerators that do not operate efficiently.
- 414. Nonetheless, there are some strengths and some progress in this area. The Government has assigned priority to resolving the problems caused by solid waste from healthcare establishments (EAS) through the Ministry of Public Health and Social Welfare, based on three main lines of action: (i) approval of the solid-waste regulations through Decision 750/02; (ii) promotion of management of EAS solid waste in Asunción city outside the hospital system via a scheme that allows the private sector to participate in collection, transport, and the operation of a treatment

²⁹ Diagnosis of Hospital Solid Waste in Paraguay – MSP and BS, OPS/WHO – 2003.

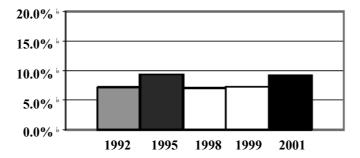
plant; (iii) promotion of a diagnostic study of EAS solid waste management and handling, with a view to conducting activities for improvement of the management of such waste.

- 415. The local Government of Asunción city still has the political will to resolve the EAS solid-waste problems; the current administration of the municipality of Asunción is in the process of inviting public tenders for concession of collection, transport, treatment and final disposal of EAS solid waste evidence of the high priority assigned to the subject on the municipality's agenda.
- 416. A crucial problem is the low sewerage coverage. In 1992 only 7.9 per cent of homes countrywide had access to a public sewerage system; in 1997-1998 the proportion rose only slightly to 8.2 per cent. According to the most recent official data (EIH 2000/001) only 10 per cent of homes have sewerage facilities and some 90 per cent have no home sewerage connection, but have access through private or shared lines. In the 10-year period 1992-2001 access to sewerage rose from 7 per cent to 10 per cent coverage. Rural dwellings are worse off than urban dwellings. The serious sanitation deficiencies, especially in sewerage, generate health problems, as well as aquifer pollution.
- 417. Diagram 2 shows the evolution of sewerage coverage in Paraguay between 1992 and 2001.

DIAGRAM 2

Evolution of sewerage coverage in Paraguay between 1992 and 2001

Population with sanitary sewerage – Country, 1992-2001



Source: Millennium Development Goals - Preliminary Report - UNDP 2003

The coverage target for this service for the first and second phases, for 2006 and 2016 respectively, is to supply 80% of the population with drinking water under the ESSAP (ex CORPOSANA)-IDB programme

| | 1995* | | | | 1999* | | | 2004 | | 2005 | | | |
|--------------------------|-----------|---------|---------|--------------|---------|---------|-----------|-----------------|------------|--------------|----------|--------------|--|
| Water source | T-4-1 | Residen | ce area | T-4-1 | Residen | ce area | Tatal | Resider | nce area | T-4-1 | Residenc | e area | |
| | Total - | Urban | Rural | Total | Urban | Rural | - Total - | Urban | Rural | Total — | Urban | Rural | |
| Corposana or Senasa | 34.6 | 59.8 | 4.8 | 37.1 | 57.8 | 9.8 | 46.0 | 60.4 | 24,9 | 46,3 | 60,0 | 25,3 | |
| Private network | 7.0 | 9.0 | 4.6 | 10.3 | 13.8 | 5.6 | 13.8 | 17.9 | 7,8 | 16,9 | 21,3 | 10,2 | |
| Stream - pond - river | 1.1 | 0.2 | 2.1 | 0.6 | - | 1.4 | 2.2 | 0.1 | 5,2 | 1,7 | 0,2 | 4,0 | |
| Lake or spring | 3.1 | 0.0 | 6.8 | 3.1 | 0.1 | 7.0 | - | - | - | - | - | - | |
| Artesian well | - | - | - | - | - | - | 2.6 | 2.7 | 2,6 | 2,4 | 2,0 | 3,2 | |
| Well with pump | 13.0 | 12.8 | 13.3 | 16.6 | 16.0 | 17.4 | 12.4 | 10.4 | 15,4 | 12,1 | 7,7 | 18,8 | |
| Well without pump | 39.9 | 17.2 | 66.6 | 31.6 | 12.0 | 57.7 | 22.4 | 8.4 | 42,8 | 20,3 | 8,8 | 37,8 | |
| Water carrier | 0.2 | 0.1 | 0.2 | 0.2 | 0.3 | - | - | - | - | - | - | - | |
| Cistern | - | - | - | - | - | - | 0.5 | 0.1 | 1,1 | 0,3 | 0,0 | 0,7 | |
| Other ** | 1.2 | 0.8 | 1.6 | 0.5 | 0.1 | 1.1 | 0.1 | 0.0 | 0,1 | - | - | - | |
| | 1 000 404 | ı 👃 | 459 354 | \downarrow | 630 864 | 1 | 1 288 717 | 7 | 523 409 | \downarrow | 813 606 | \downarrow | |
| Total | 4 | 541 050 | 1 | ▼ 107 48 | 6 | 476 62 | 22 | 765 3 08 | 3 1 | 343 713 | 5 | 30 107 | |

^{*} In the EPH 1995-1999 the data are adjusted to the findings of the 2002 Census.

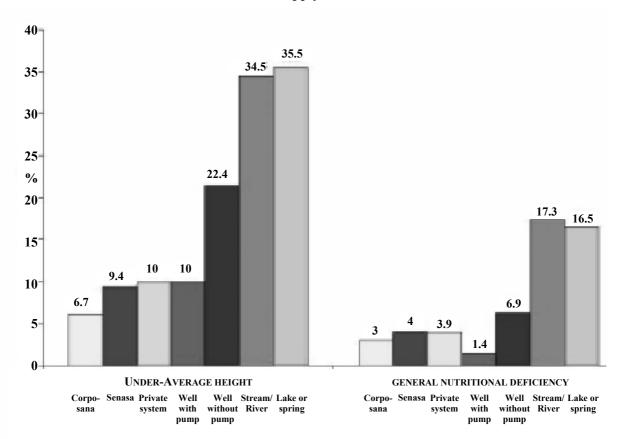
Source: STP/DGEEC. Permanent Household Survey 995, 1999, 2004.

418. It can also be said the incidence of chronic general malnutrition among children living in homes without drinking water that obtain their water from a stream/lake or pumpless well was considerably higher than those with homes supplied with water by ESSAP, SENASA or a private network (see Diagram 3). Likewise and from the same source, diagram 4 shows that when a home is not equipped with any kind of drainage or with defective drainage chronic and general malnutrition is much more prevalent than in homes with WCs connected to the public network or WCs connected to a pit latrine.

^{**} Year 1995: includes under "other" cistern, artesian well and pond. Year 1999: includes under "other" stream, farmland, refuse dump. Year 2004: includes under "other" lake or spring and stream.

DIAGRAM 3

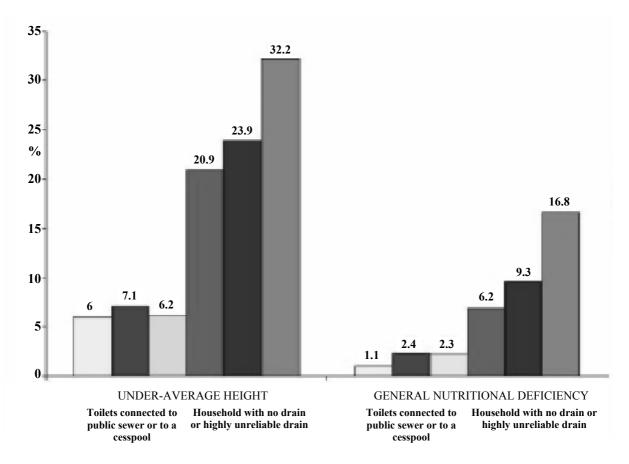
Prevalence of chronic or general malnutrition according to type of water supply in the home



Source: DGEEC.

DIAGRAM 4

Prevalence of chronic and general nutrition deficiency by type of sanitation service in the household, EIH 2000/01³⁰



Source: DGEEC.

3. Access to housing – National Housing Council (CONAVI)

419. The National Housing Council, created in 1990, is the independent body for "establishing the national housing policy within the framework of macroeconomic policies and the National Development Plan in which they are contained, with a view to meeting housing demand and find housing solutions". CONAVI is the lead body in Paraguay's housing sector.

420. Between 1995 and 2000 a Direct Housing Subsidy System was developed with financing from the Inter-American Development Bank (IDB) and the National Treasury. It was based on the following three components: subsidy, savings and credit. Five levels of subsidy were established in minimum-wage units, as a function of the beneficiaries' socio-economic level and the maximum value of the dwelling. Additional loans were awarded by intermediary financial institutions, including savings and loans housing societies (SAPVs), and some credit institutions and cooperatives at market rates and adjusted through a dual indexation system. The National

Factors determining the State of Health and Nutrition of Children under age 5 Living in Poverty, Paraguay, EIH 2000/01, María Cristina Sanabria, ed.

Housing Bank set up a mortgage rediscount fund, discounting mortgage loans made by the intermediary institutions, in order to boost the award of such loans.

421. Construction companies and estate agents were put in charge of construction and supply in the housing market for the subsidy beneficiaries. This system made possible the construction of 10,000 homes. The system failed for various reasons, including the crisis of the Paraguayan financial system, which led to the failure of a number of banks and housing savings and loan societies. By law the portfolios of the intermediary institutions were transferred to CONAVI and the debts were refinanced on the basis of fixed rates and payments. During the period 2000-2003 the budget allocated to CONAVI did not permit the execution of significant projects, and long-term financing of housing practically disappeared in Paraguay. Since 2003, with the new government administration and that of CONAVI, the institutions have established two major programmes for access to social housing, as follows.

3.1 The Community Improvement Programme

- 422. With donations from Taiwan, this programme is geared to families living in poverty or extreme poverty, which are virtually subsidized in full. Houses are built and improvements made to homes inhabited by the beneficiary population where they actually live. In two years 1,500 homes have been built, and they do not generate a loan portfolio.
- 423. The Social Action Secretariat (SAS) is implementing a similar programme with funds from the same source and with a similar number of houses per year.

3.2 Mortgage loans programme

- 424. Using CONAVI's own resources, this programme is targets middle-class families. The loans are made by intermediary financial institutions, especially cooperatives, at a rate of 17 per cent per annum on salaries, without readjustments, with fixed payments over a period of 15 years. These loans are rediscounted at CONAVI with a mortgage guarantee for the same period and at a rate of 11 per cent per annum on balances. This programme is currently suffering from limited resources. However, a total of 300 dwellings have been built.
- 425. Also under way is a pilot project with mutual-aid housing cooperatives for the population living in poverty. A mortgage loan was granted to the cooperatives consortium, with a readjustment system based on the minimum wage unit (USM) but interest-free. The project provides for a total of 300 dwellings, 135 of which have so far been completed.
- 426. There are also plans to implement a new programme for workers at the medium-to-low socio-economic level. This project is also based on the components of: direct subsidy, savings and loans, and would preferably operate through cooperatives. Another initiative in this area is the recent creation, by law, of the Development Financing Agency (AFD), which operates as a second-tier bank, promoting the granting of loans through first-tier intermediary financial institutions for:
 - Rural development
 - Loans for small and medium-sized enterprises (SMEs)
 - Setting-up and development of businesses

- Exports of goods and services and imports of capital goods for SMEs
- Tourism development projects
- Basic infrastructure investment projects
- Development of housing and town-planning programmes.
- 427. With the establishment of the Development Financing Agency, the other second-tier public banks, including the National Housing Bank, have ceased to exist; at present there are no specialized housing banks. At the same time, while the intention is to finance housing and town-planning projects, the Agency and the housing sector are coordinating their activities and jointly devise programmes (for instance, with direct State subsidies) so that housing loans are truly accessible to the homeless.
- 428. The Social Security Institute (IPS), an autonomous and self-contained body that administers medical security and the retirement funds of all employees in the Paraguayan private sector, is also considering the possibility of investing in housing mortgages. Meanwhile, risk securitization and classification laws have been promulgated and will stimulate a secondary market for mortgages, which are not yet covered by the required regulations. The idea of creating a secretariat or ministry of housing so as to raise the sector's standing is also being promoted.

3.3. Challenges facing the housing sector

- 429. There is currently no long-term private sector financing for housing in Paraguay. Experience with social housing has been limited in time, and policies and resources have varied with each administration. In this connection, there is still need for the activities of all the sectors involved to be better coordinated if policies and programmes are to survive each Administration's term of office.
- 430. Regarding the number of persons registered with the National Housing Council (CONAVI) awaiting housing, some 1,000 persons apply individually to CONAVI every year, while there are also some 11,500 families belonging to organized groups throughout the country which have submitted applications to CONAVI. The waiting period for assistance to housing applicants depends entirely on the availability of the Institution's funds.
- 431. Meanwhile, where CONAVI's production is concerned, the number of housing solutions found since its creation in 1990 stands at some 35,000 units to date, while the situation regarding home ownership and tenancy is illustrated in the tables and diagrams below. It should be pointed out that it is not only poor and extremely poor familieswhich lack appropriate housing; a high percentage of lower middle class inhabitants are in a similar situation, the main reason being the lack of adequate long-term financing for access to home ownership.
- 432. Some statistics on the housing situation in Paraguay are given below:

Home ownership

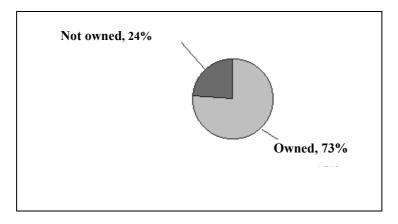
| E | T-4-11 | Home ov | (*) | (**) | |
|--|-------------|---------|-----------|------|-----|
| Family earnings | Total homes | Owned | Not owned | % | % |
| Poverty situation Up to 1 USM | 494 999 | 369 456 | 125 543 | 25 | 41 |
| Lower middle class From 1 USM to 5 USM | 659 119 | 498 121 | 160 998 | 24 | 53 |
| Upper middle class From 5 USM to 10 USM | 66 283 | 54 448 | 11 835 | 18 | 4 |
| Upper class Over 10 USM | 27 251 | 21 804 | 5 447 | 20 | 2 |
| TOTAL | 1 247 652 | 943 829 | 303 823 | 24 | 100 |

Source: EPH 2003 - DGEEC.

USM= Minimum wage unit= 950 000 Gs. (2003)

24% of homes in Paraguay (303,823 households) do not own their homes; of these, 53% (160 998 households) belong to the lower middle class, with family incomes ranging from 1 to 5 minimum wage units.

Occupation of housing in Paraguay by households

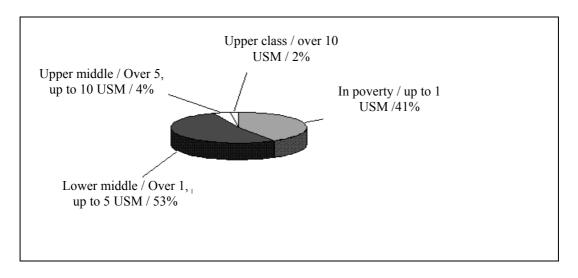


^{*} Percentage of households without own homes / % of all households.

^{**} Percentage of households without own homes by level of family earnings.

Trends in housing in Paraguay

Percentage of households without housing of their own by family income bracket



Prepared by the CONAVI Planning Administration.

Home ownership

| Income bracket | Households without own housing | | | | | | | |
|--|--------------------------------|---------|--------------|---------|--|--|--|--|
| Family | Total | Rented | ented % (**) | | | | | |
| Lower middle class Over 1 USM, up to 5 USM | 160 998 | 71 872 | 59 | 89 126 | | | | |
| Upper middle class Over 5 USM, up to 10 USM | 11 835 | 7 602 | 6 | 4 233 | | | | |
| Upper class Over 10 USM | 5 447 | 4 089 | 4 | 1 358 | | | | |
| Total | 303 823 | 121 276 | 100 | 182 547 | | | | |

Source: EPH 2003 - DGEEC.

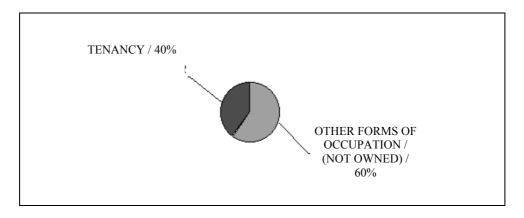
USM= Minimum wage= 950 000 Gs. (2003)

Does not include households without incomes.

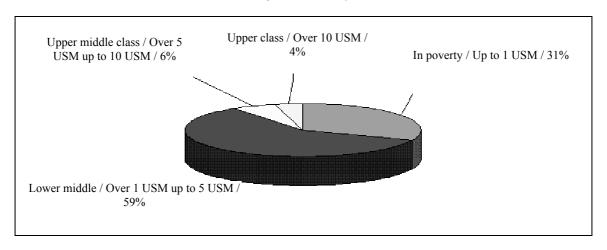
- (*) Other: Ceded; de facto occupation,; condominium; payment by instalments,.
- (**) Percentage of renting households according to family income bracket.

Of the 303 823 households not owning their homes, 40% (121 276 households) are renting. Of these 59% belong to the lower middle class, with family incomes ranging from 1USM to 5 USM.

Households not owning their housing - Occupation as tenants or in some other form



Households living as tenants by income bracket



Trends in home occupation according to residence area (urban or rural area) - Country total

| | 1995* | | | 1999* | | | 20 | 04 | 2005 | | |
|-----------------------|----------------|---------|---------|----------------|---------|---------|-----------|---------|----------------|---------|---------|
| Home ownership | Residence area | | T-4-1 | Residence area | | | Total | | Residence area | | |
| | Total | Urban | Rural | Total - | Urban | Rural | Total | Urban | | Urban | Rural |
| Owned | 74.2 | 67.5 | 82.2 | 79.6 | 74.5 | 86.3 | 75.4 | 69.6 | 77.0 | 73.2 | 83.0 |
| Paying by instalments | 2.6 | 2.8 | 2.3 | 1.0 | 0.6 | 1.4 | 1.0 | 1.1 | 0.7 | 0.6 | 0.8 |
| Condominium ownership | 0.4 | 0.6 | 0.2 | 0.7 | 1.0 | 0.2 | 0.4 | 0.4 | 0.4 | 0.6 | 0.2 |
| Tenant or renter | 9.7 | 16.9 | 1.2 | 8.8 | 14.2 | 1.7 | 9.9 | 15.9 | 10.1 | 15.6 | 1.6 |
| De facto occupant | 1.4 | 2.2 | 0.4 | 0.4 | 0.4 | 0.2 | 0.7 | 0.6 | 0.3 | 0.1 | 0.7 |
| Ceded | 8.3 | 7.6 | 9.0 | 9.6 | 9.3 | 10.1 | 12.6 | 12.3 | 11.4 | 9.9 | 13.7 |
| Other | 3.5 | 2.5 | 4.7 | - | - | - | - | - | - | - | - |
| Total | 1 000 404 | 541 050 | 459 354 | 1 107 486 | 630 864 | 476 622 | 1 288 717 | 765 308 | 1 343 713 | 813 606 | 530 107 |

(*) In EPH 1995-1999 the data are adjusted to the findings of the 2002 census.

Source: STP/DGEEC. Permanent Household Survey 1995, 1999, 2004, 2005.

3.4 List of laws regulating the implementation of the right to housing

433. First and foremost, Article 100 of the National Constitution (1992) establishes that: "Every inhabitant of the Republic has the right to decent housing. The State shall establish conditions conductive to the implementation of this right and shall promote housing projects of social interest, specially those designed for low-income families, through adequate methods of financing."

| Decree or Act No. | Purpose | Promulgation date |
|-------------------------|--|----------------------|
| Act No. 970/64 | Creating the Paraguayan Institute for Housing and Urban Planning – IPVU | 14 Aug. 1964 |
| Act No. 325/71 | Creating the National Housing Bank (BNV) and the National Savings and Loans System. | 10 Dec. 1971 |
| Decree Law No. 29721/72 | Regulating Act No. 325 of 10 Dec. 1971 creating the BNV. | 15 Dec. 1972 |
| Act N° 1378/88 | Expanding and amending Act No. 325/71 creating the BNV. | 20 Dec. 1988 |
| Decree Law No. 25/89 | Authorizing the BNV to create the National Housing Council and expanding and amending articles of Act No. 1378 of 22 Dec. 1988. | 6 May 1989 |
| Act No. 42/89 | Approving, with amendments, Decree Law No. 25 of 6 May 1989 creating the National Housing Council (CONAVI) and expanding and amending articles of Act No. 1378 of 22 Dec. 1988 | 2 Nov. 1989 |
| Act No. 118/90 | Creating the independent body "National Housing Council" (CONAVI) and establishing its organizational chart | 14 Dec.1990 |
| Decree Law No. 27/92 | Closing the IPVU and amending, abrogating and expanding articles of Acts Nos. 325/71 and. 118/90 | 24 Mar. 1992 |
| Act No. 79/92 | Approving, with amendments, Decree Law No. 27 of 24 March 1992 providing for the closure of the IPVU and amending, abrogating and expanding articles of Acts Nos. N° 325//71 and 118/90 | 3 Sept 1992 |
| Act No. 771/95 | Amending Act No. 125/92 and exempting from tax low-cost dwellings of social interest and social loans from the National Workers' Bank | 16 Nov. 1995 |
| Act No. 815/95 | Amending Act No. 118/90, and the legal provisions connected with the National Savings and Loan System for Housing, and regulating the Direct Housing Subsidy System for the purchase, construction, extension or improvement of low-cost and social housing. | 14 Dec. 1995 |
| Act No. 1555/00 | Establishing norms for determining the current pr ice of housing units and declaring Article 27 of Act No. 118/90 inapplicable. | 4 May 2000 |
| Act No. 1741/01 | Restructuring the debt contracted by borrowers in the national housing system. | 10 July 2001 |
| Act No. 1920/02 | Expanding Act No. 1555/20 establishing standards for determining the current price of housing units and declaring article 27 of Act No. 118/90 inapplicable. | 23 May 2002 |

| Decree or Act No. | Purpose | Promulgation date |
|-------------------|---|----------------------|
| Act No. 1896/02 | Expanding the functions of the Savings and Loan Societies for Housing and amending and repealing articles of Act No. 325/71 creating the BNV and the National Savings and Loan System and other related laws. | 22 May 2002 |
| Act No. 2026/02 | Establishing additional norms for the expansion of Act No. 1741/01 restructuring the debt contracted by borrowers in the national housing system. | 21 Nov. 2002 |
| Act No. 2199/03 | Providing for the reorganization of the collegiate organs responsible for the management of State-owned enterprises and entities. | 8 Sept. 2003 |
| Act No. 2329/03 | Establishing the management framework for Housing Cooperatives and the Cooperative Housing Fund. | 19 Aug. 2003 |
| Act No. 2253/03 | Extending the time frame established in article 1 of Act No. 2084/03 for the implementation and enforcement of Act No. 1555/00 | 13 Oct. 2003 |
| Act No. 2637/05 | Authorizing CONAVI/BNV to implement a Social Assistance System and establishing a new regime for the restructuring of mortgage loans referred to in Acts Nos. 1741/01 and 2026/02. | 7 July 2005 |
| Act No. 2640/05 | Creating the Development Financing Agency. (In article 22 of Chapter II abolishes the National Housing Bank). | 21 July 2005 |

434. There is no draft law for reform in Paraguay that impedes full exercise of the right to housing.

3.5 Legislation on speculation on housing and property

435. The Paraguayan Civil Code provides for "family property", defined as constituting a building and essential furnishings of a home and being immune from seizure. This provision favours spouses: cohabitants, male or female; biological or adopted minor children and the incapacitated adults; parents and other ascendants over 70 years of age; and minor or disabled siblings.

3.6 Regularization of illegal dwellings

436. The Programme for Regularization of Settlements in Municipalities of the Central Department (PRAM) has been in existence since 1995. It was created by Ministry of the Interior Decision No. 11177 of 1995 in response to a petition by homeless families joined together in the National Coordination Office for People's Organizations (CONOP). In 2000 the earlier decision was repealed by Decree No. 8487/00 and CONAVI was entrusted with implementation of the programme. PRAM's goal is to award a plot of land to every family with scant economic resources and living permanently in organized human settlements. Most of the beneficiary heads of families are informal-sector workers without stable incomes. The programme provides for the purchase of free land by the State for subsequent sale at low prices, financed over extended periods and with accessible instalments, so as to avoid further squatting on private property.

437. Likewise, on 26 November 2003 the Executive, by Decree No. 1038, repealed the decree whereby the PRAM had been entrusted to CONAVI and authorized the Social Action Secretariat to take over its implementation. During the period in which PRAM was executed by CONAVI 1,500 families benefited from the programme.

4. Healthy environment

- 438. The Environment Secretariat, created by Act No. 1561/00, has the nature of an authority directing the implementation of a number of laws concerning the environment. These include Act No. 294/93 "Concerning the Evaluation of Environmental Impact"), its amending Act (No. 345/94) and the decree regulating it.
- 439. It is important to mention that the right to a healthy environment is of a constitutional nature, being provided for in article 7 of that instrument. Article 8 of the same instrument lays down the guidelines for environmental protection. Furthermore, article 38 of the National Constitution provides for the right of defence of a variety of interests in the following terms: "Everyone has the right individually or collectively to demand of the public authorities measures for the defence of the environment, the integrity of habitat, public health, the common national culture, consumer interests and other interests which by their legal nature pertain to the community and have a relation to the quality of life and the collective heritage".
- 440. Act No. 294/93 defines environmental impact as any change in the environment caused by human works or activities which positively or negatively, directly or indirectly, affect life in general, biodiversity, the quality or a significant quantity of natural or environmental resources and their provision, wellbeing, health, personal safety, habits and customs, the cultural heritage or legitimate ways of life. Articles 1 and 2 provide for scientific studies permitting the identification, forecasting and evaluation of environmental impacts in all planned works or activities and their performance.
- 441. Act No. 352/94 ("Concerning Protected Forest Areas") is designed to establish general rules to govern the conduct and the administration of the National Protected Forest Areas System, to which end a strategic plan will be provided.
- 442. The National Protected Forest Areas System is declared to be of social interest and public utility and will be governed by the Act and the regulations issued under it. Every inhabitant, private organization and institution of State is under an obligation to safeguard protected forest areas.
- 443. Act No. 352/94 defines the region adjacent to the entire perimeter of a protected forest area as a buffer zone. It will vary in size, and its boundaries will be fixed by the plan for the management of the protected forest area in question. In these zones solidarity, mutual benefit and the necessary responsibility shared among the administration of the protected forest area in question and the communities, the individuals and the private and governmental organizations for the management of the protected forest area and sustainable socioeconomic development find expression. Since a wide range of jurisdictional and sectoral powers are vested in a zone, the administration of a protected forest area confines itself to promoting, stimulating and, to the extent of its technical and financial resources, participating in the sustainable development of the zone by socio-environmental education activities therein.

- 444. Act No. 2425/24 ("Concerning the prohibition in the eastern region of activities of transformation and conversion of woodland areas") is designed to foster the protection, recovery and improvement of native forests in that region, so that, within a framework of sustainable development, woodland can serve its environmental, social and economic purposes, contributing to the improvement of the quality of life of the inhabitants of the country.
- 445. Under article 15 of Act No. 1561/00 the Environment Secretariat exercises authority in matters within its area of competence and in coordination with the other authorities with competence under other laws such as Act No. 836/80 ("Health Code").
- 446. The Health Code regulates the functions of the State in matters relating to the comprehensive health care of the people and the rights and obligations of those concerned in this area. The health sector comprises all the institutions, both public and private, having any connection, direct or indirect, with the health of the population through their activities. The Ministry of Public Health and Social Welfare is the apex body of State with competence in the areas of health and fundamental aspects of social welfare. In accordance with articles 1 4 of Act No. 836/80 authority in health matters will be exercised by the Ministry of Public Health and Social Welfare with the responsibilities and powers relating to the implementation of the provisions of the Code and its attendant regulations.

4.1. Measures taken during the period 1994-2000

- 447. During that period there was no government institution with ministerial rank responsible for environmental health. The subject-matter was divided between two ministries, the Ministry of Public Health and Social Welfare acting through the National Environmental Health Service and the Ministry of Agriculture and Livestock, acting through the Under-Secretariat of State for Natural Resources and Environment.. The Ministry of Health and Social Welfare had set up environmental and occupational health units; in addition, commissions concerned with the environment and reporting to the national legislature and local authorities were established and introduced.
- 448. The Directorate-General of the National Environmental Health Service (SENASA), established under Act No. 369/72, is a technical body and, at the same time, the authority which administers the Health Code. It discharges the functions of executing and monitoring environmental health programmes relating to the supply of drinking water, the disposal of solid waste, food controls, occupational safety and hygiene and drainage in rural and urban areas with up to 4,000 inhabitants.

4.2. The National Environment System

449. There has been progress in the field of environmental legislation; a number of items of legislation on environmental matters have been promulgated during the last five years. The most general problem was the absence of certain laws, regulations concerning other laws already in force, and enforcement. The conflicts and difficulties of interpretation which arose in connection with the implementation of the laws which emerged in a few cases were due fundamentally to the fact that previously existing standards had not been expressly repealed and that it was unclear which provision should be applied to a specific problem. This situation gave rise to numerous difficulties in the implementation of environmental legislation, since generally the new laws did not specifically repeal the previous legislation.

- 450. To correct these shortcomings Act No. 1561/00 ("Establishing the National Environment System, the National Council for the Environment and the Environment Secretariat") was adopted on 29 May 2000. The purpose of this Act is the creation of the bodies responsible for the elaboration, standardization, coordination, implementation and enforcement of national environmental policy and management and to regulate their functions. The National Environment System (SISNAM), consisting of all the public bodies and entities in national, departmental and municipal governments with competence in the environmental field, together with private bodies created for the same purpose, is designed to ensure that all act in a joint, harmonious and orderly manner in the search for responses and solutions to environmental problems. A further aim is to avert conflicts between institutions and gaps in or overlapping of competences so as to respond effectively and efficiently to the objectives of environmental policy.
- 451. The National Council for the Environment (CONAM) is a collegiate body of an interinstitutional nature. It acts as a decision-making and advisory body and defines national environmental policy. Its membership consists of the Executive Secretary of the Environment Secretariat, who is the Chairman; representatives of the environment units in the ministries, secretariats and sectoral public organizations; the environment secretariats and departments in governments of departments and municipalities; and representatives of occupational associations, of the private sectors of production and of non-profit-seeking non-governmental organizations concerned with the environment.
- 452. The Environment Secretariat (SEAM) is an autonomous and independent institution with legal personality in public law and its own assets; it is constituted for an indefinite period. It reports to the President of the Republic. It will be governed by the provisions of this Act and the regulatory decrees issued for the purpose. Its purpose is the elaboration, standardization, coordination, implementation and enforcement of national environmental policy.
- 453. In conclusion, it must be pointed out that there is a new National Policy on the Environment, approved by Decision No. 04/05 of 31 May 2005, which lays down a set of general objectives, principles, criteria and guidelines for the protection of the environment in a society with a view to ensuring the environmental sustainability of development for present and future generations and establish the criteria of transversality which will orientate sectoral policies.
- 454. As regards the measures adopted and the specific activities carried out by the Environment Secretariat having a connection with the implementation of this Article, see Annex VI (annual reports of the Environment Secretariat, 2001-2005).

ARTICLE 12

A. General health situation

455. In Paraguay the five principal causes of illness are related to the environment and the living conditions of the population. They are: (acute respiratory infections (ARIs), diarrhoeas, intestinal parasitoses and anaemias. Cases of diarrhoea among babies under one year of age are still one of the most frequent causes of illness; they are followed by respiratory diseases and nutritional deficiencies. The principal diseases occurring among children under age 5 are those which arise during the perinatal period, and in particular intestinal and acute respiratory infections. The low levels of drainage cover explain to a considerable degree the prevalence of avoidable diseases.

Principal diseases recorded in MSP and BS services – Morbidity in out-patient surgeries / cases of illness per year, 1995 - 2005

| | ILLNESS | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|-----|------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 1. | ARI (No pneu, pneu, serious pneu.) | 225 311 | 236 125 | 238 316 | 251 110 | 256 241 | 207 711 | 243 503 | 243 458 | 274 579 | 327 317 | 350 859 |
| 2. | Intestinal parasitosis | 64 755 | 54 589 | 59 583 | 58 011 | 67 102 | 50 320 | 49 485 | 44 620 | (*) | 45 166 | 57 135 |
| 3. | Diarrhoea (with/without dehydr.) | 42 880 | 43 240 | 41 798 | 40 861 | 41 450 | 45 006 | 41 504 | 50 303 | 54 538 | 54 455 | 64 538 |
| 4. | Anaemia (other types) | 32 084 | 30 512 | 32 404 | 29 148 | 33 648 | 28 028 | 28 732 | 29 214 | 27 049 | 25 995 | 32 444 |
| 5. | Accidents (all forms) | 24 416 | 25 179 | 22 549 | 28 981 | 28 222 | 26 970 | 28 607 | 28 588 | 23 748 | 13 387 | 7 736 |
| 6. | Arterial hypertension | 22 004 | 21 226 | 23 646 | 23 376 | 26 255 | 25 713 | 29 948 | 30 744 | 32 001 | 33 551 | 34 788 |
| 7. | Parasitic nutritional anaemia | 26 249 | 24 903 | 21 485 | 19 732 | 23 978 | 17 948 | 15 995 | 12 862 | 12 957 | 10 277 | 9 318 |
| 8. | Urinary infection | 10 481 | 10 824 | 11 831 | 11 850 | 12 128 | 12 986 | 12 720 | 13 152 | 12 470 | 12 956 | 13 783 |
| 9. | Neurovegetative dystonia | 12 364 | 8 727 | 8 607 | 8 103 | 8 289 | 7 870 | 7 317 | 7 608 | 7 285 | 6 104 | 5 453 |
| 10. | Scabies or mange | 2 840 | 8 542 | 8 227 | 9 220 | 10 487 | 7 274 | 8 942 | 10 025 | 10 471 | 10 980 | 11 603 |
| 11. | High-risk pregnancy | 9 059 | 7 991 | 7 947 | 7 722 | 7 366 | 9 868 | 13 708 | 13 255 | 9 894 | 10 800 | 11 309 |
| 12. | Pyoderma | 9 976 | 6 921 | 8 405 | 8 582 | 9 004 | 6 190 | 8 453 | 9 589 | 9 323 | 9 059 | 1 074 |
| 13. | Dog bites | 7 215 | 5 679 | 6 100 | 8 369 | 7 126 | 5 210 | 4 297 | 5 102 | 4 772 | 4 810 | 4 510 |
| 14. | Nutritional deficiencies (1,2,3) | 6 222 | 4 275 | 4 676 | 4 000 | 4 101 | 4 510 | 5 244 | 5 091 | 5 005 | 6 649 | 14 036 |
| 15. | Diabetes Mellitus | 2 570 | 2 250 | 2 988 | 3 096 | 3 902 | 3 730 | 4 917 | 5 616 | 5 829 | 4 955 | 5 310 |

Source: Biotatistics Dept. Morbidity Report.M.S.P. Y.B.S..

- 456. Recent epidemiological studies show that some 20 per cent of children under age 2, and 45 per cent of children under age 5, in low socio-economic strata show some degree of psychomotor retardation. The typology of child maltreatment consists of four categories: physical maltreatment, emotional or psychological maltreatment, neglect or abandonment and sexual abuse.
- 457. In the country as a whole, 495 cases of sexual violence were reported, 94 per cent of them against women. The majority of the cases recorded concerned girls between ages 10 and 18 (50 per cent in 1997, 63 per cent in 1998), while in 1998 girls under age 10 made up 15 per cent of cases. Reports of cases concerning boys under age 10 were received. Of the total population, 3 per cent consists of upper-class families with high purchasing power, 14 per cent consists of small entrepreneurs and self-employed professionals with relative financial independence, 18 per cent are wage and salary earners, among whom there is a high percentage of de facto unions and disorganized nuclear families with women as heads of households, and 65 per cent belong to the marginal sectors (manual workers, unemployed and underemployed persons) with serious economic and social problems.

^(*) Information not available.

- 458. There is a relatively high prevalence of severe psychiatric disorders (0.4 per cent for each disorder); one may thus estimate that 44,000 persons are suffering from one or more such disorders in Paraguay.
- 459. Regarding drug consumption, the drug most frequently consumed is alcohol, with a prevalence of 79.5 per cent among the population between ages 18 and 45. The second most frequently consumed drug is tobacco, with a prevalence of 32.4 per cent. In the field of illegal drugs, inhalants have a prevalence of 1.9 per cent, followed by marijuana (1.4 per cent).
- 460. Regarding violence and its physical and psychological consequences, in Paraguay over 18 per cent of women reported having seen or heard, during their childhood or adolescence, their parents ill-treating one another in the household.
- 461. The gradual implementation of the mental health component and the prevention of addiction is a strategy of primary care, made possible through the incorporation of specialist professionals into the general health service centres and the decentralization of mental health care.

1. National health policy

- 462. The Ministry of Public Health and Social Welfare (M.S.P. y B.S.) has defined a policy designed to increase social protection with equity, revitalizing the continuity of the National Health System, which involves the institutional strengthening of the directing, organizational, financing and insurance functions with the resources available in the sector and the mobilization of resources in other sectors and actors in society with a view to improving the quality of life and the years of useful life in order to contribute effectively to the nation's development. This policy has been fully endorsed by civil society, and efforts are being made to convert it into a State policy.
- 463. This policy, with a strategic vision, sets out to develop opportunities, mechanisms and fora for the strengthening of institutional and citizen capacities which will progressively, and in an incremental and sustained manner, achieve better health for all the inhabitants of the country with social, ethnic, cultural, generational and gender equality and free from discrimination of all kinds.
- 464. The main lines of this policy rest on a reform of health; promotion; social protection in the health field with solidarity-based financing and safeguards, with measures focussed on the satisfaction of needs and access to services for excluded persons and groups of people with greater poverty and subject to higher biological and social risks; basic environmental health and sanitation with combined strategies aimed at individuals, institutions and society as a whole; the development of human resources and continuing education as central strategic elements in the change in the health field towards quality and efficiency, with technical and human excellence, at all levels in the system.
- 465. Paraguay, as a member of the World Health Organization, has signed a number of international treaties and agreements, and one of its primary guidelines for action is that of ensuring compliance with them. Paraguay's basic health strategy is that of primary care, defined by the Alma Ata Conference as essential health care based on practical, scientifically sound and socially acceptable methods and technology made universally acceptable to individuals and families in the community through their full participation.

- 466. The model of care, management and financing is the organization, integration, management and financing of the resources available in the National Health System for promotion, prevention, recovery and rehabilitation in the field of health so as to optimize the implementation of public health programmes at every level of care and complexity to respond to the priority health problems of the population.
- 467. The model states that for the provision of care the health services must be functionally coordinated, forming regional care networks made up of establishments providing first-, second- and third-level care and up to the fourth level of complexity as they exist in each district. These networks provide comprehensive care, since the component establishments provide promotion, prevention, recovery and rehabilitation services at their respective levels. In addition, as health is envisaged as a fundamental element in economic and social development, care must be focussed on the individual and his or her family, community and environment in a process which takes into account the factors determining health and the prejudicial effects of ill-health.

2. Trends in health budget

| Year | Total GDP (million Gs. at current prices) | National budget ¹ | Health expendi- ture ² | % health exp./GDP | % health exp./budget | Basic health care 3 | % basic health care/GDP | % basic health care/budget |
|-------|--|---------------------------------|---|----------------------|-------------------------|---------------------|-------------------------------|----------------------------------|
| 1994 | 13 220 624 | 2 253 329 | 160 089 | 1.21 | 7.10 | 117 812 | 0.89 | 5.23 |
| 1995 | 15 833 186 | 3 042 601 | 190 299 | 1.20 | 6.25 | 152 744 | 0.96 | 5.02 |
| 1996 | 18 004 374 | 3 416 260 | 241 215 | 1.34 | 7.06 | 207 548 | 1.15 | 6.08 |
| 1997 | 19 322 537 | 9 896 024 | 382 194 | 1.98 | 3.86 | 307 110 | 1.59 | 3.10 |
| 1998 | 21 580 611 | 11 077 222 | 439 704 | 2.04 | 3.97 | 392 650 | 1.82 | 3.54 |
| 1999 | 22 771 596 | 12 255 602 | 577 641 | 2.54 | 4.71 | 492 152 | 2.16 | 4.02 |
| 2000 | 24 736 536 | 13 128 124 | 620 619 | 2.51 | 4.73 | 335 896 | 1.36 | 2.56 |
| 2001 | 26 465 663 | 15 357 915 | 636 141 | 2.40 | 4.14 | 349 103 | 1.32 | 2.27 |
| 2002 | 29 104 530 | 15 306 971 | 1 084 155 | 3.73 | 7.08 | 329 887 | 1.13 | 2.16 |
| 2003 | 35 713 137 | 18 246 180 | 842 417 | 2.36 | 4.62 | 724 360 | 2.03 | 3.97 |
| 2004 | 41 400 770 | 18915 114 | 977 132 | 2.36 | 5.17 | 850 782 | 2.05 | 4.50 |
| 2005 | 45 737 176 | 21 809 827 | 1 473 932 | 3.22 | 6.76 | 1 068 165 | 2.34 | 4.90 |
| 2006* | 50 585 316 | 21 255 118 | 1 553 273 | 3.07 | 7.31 | 1 207 965 | 2.39 | 5.68 |

Source: Accounting System (SICO). Figures in million guaranies.

Up to 1996: adjusted budget of central administration. From 1997 onwards: budget of central administration and decentralized entities.

² Corresponds to functional classification of budget.

³ Appears under heading "Medical care" in functional classification of budget.

^{*} The GDP figure for 2006 is an estimate. Source: Central Bank of Paraguay.

| Health expenditure per head | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|---------|---------|---------|---------|---------|---------|---------|-----------|
| Public expenditure on health (million Gs) | 526 963 | 694 129 | 784 316 | 913 121 | 828 019 | 879 870 | 887 419 | 1 072 297 |
| Public expenditure on health per head | 99 113 | 127 372 | 139 203 | 157 907 | 141 430 | 146 645 | 147 903 | 178 716 |
| Public expenditure on health per head (in US\$) | 45 22 | 46 23 | 44 40 | 45 09 | 34 26 | 25 4 | 23 1 | 28 6 |

Source: Public sector: MSPyBS, SICO, MH, National Health Accounts...

3. Child mortality rate

468. This section complements the information provided in the first part of this report, which furnished general information. The statistical data below reflect data on child mortality disaggregated by sex, zone of residence of the deceased and health region. It will be observed that 1,683 children died at less than one year of age, 1,025 (61 per cent) before reaching the age of one month and, of these, 768 (75 per cent) lived for less than one week.

469. According to the declarations of residence made by the parents, 1,257 children who died before reaching one year of age (74 per cent)) were from urban areas. Disaggregation by sex gives subtotals of 923 boys (55 per cent) and 758 girls (45 per cent). The five principal causes of child mortality are injuries sustained at birth, neonatal infections, congenital malformations, premature birth and pneumonia and influenza.

470. The principal cause of maternal mortality is still abortion, followed by toxaemia and haemorrhage. However, disaggregation by health region reveals that during the last three years the largest numbers of maternal deaths occurred in the Central department and the departments of San Pedro, Alta Paraná and Caaguazú. More detailed information on the situation regarding access to health in Paraguay is given below.

Deaths of children under age 1 where medical attendance present/not present, by health region (Paraguay, 2003)

| Haldh naoinn | < 1 | day | 1 - 0 | 6 days | 7 - 2 | 27 days | 28 da | ys and over | Total |
|--------------|-----|-------|-------|--------|-------|---------|-------|-------------|-------|
| Halth region | MA | No MA | MA | No MA | MA | No MA | MA | No MA | Totat |
| Concepcion | 14 | 2 | 39 | 0 | 15 | 2 | 28 | 8 | 108 |
| San Pedro | 13 | 0 | 18 | 0 | 13 | 0 | 42 | 4 | 90 |
| Cordillera | 26 | 1 | 18 | 1 | 8 | 3 | 28 | 8 | 93 |
| Guaira | 15 | 2 | 27 | 3 | 17 | 1 | 25 | 5 | 95 |
| Caaguazu | 21 | 1 | 16 | 3 | 7 | 1 | 25 | 13 | 87 |
| Caazapa | 8 | 1 | 14 | 1 | 3 | 1 | 8 | 7 | 43 |
| Itapua | 14 | 3 | 50 | 2 | 18 | 0 | 40 | 8 | 135 |
| Misiones | 9 | 0 | 21 | 0 | 9 | 0 | 14 | 0 | 53 |
| Paraguari | 15 | 1 | 10 | 1 | 1 | 1 | 22 | 6 | 57 |
| Alto Parana | 29 | 1 | 56 | 4 | 39 | 1 | 95 | 21 | 246 |
| Central | 87 | 3 | 78 | 3 | 69 | 2 | 137 | 19 | 398 |
| Neembucu | 3 | 0 | 7 | 0 | 2 | 0 | 7 | 1 | 20 |
| Amambay | 7 | 0 | 16 | 1 | 6 | 1 | 7 | 1 | 39 |

| Halth nagion | < 1 day | | 1 - 6 days | | 7 - 2 | 7 days | 28 da | ys and over | - Total | |
|-----------------|---------|-------|------------|-------|-------|--------|-------|-------------|---------|--|
| Halth region | MA | No MA | MA | No MA | MA | No MA | MA | No MA | Totat | |
| Canindeyu | 11 | 0 | 8 | 1 | 0 | 1 | 8 | 2 | 31 | |
| Pte. Hayes | 1 | 1 | 8 | 0 | 5 | 0 | 11 | 3 | 29 | |
| Alto Paraguay | 0 | 0 | 1 | 0 | 0 | 0 | 2 | 0 | 3 | |
| Boqueron | 1 | 0 | 2 | 0 | 0 | 1 | 8 | 1 | 13 | |
| Asuncion | 31 | 0 | 35 | 0 | 29 | 1 | 41 | 3 | 140 | |
| Other countries | 1 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 3 | |
| Total | 306 | 16 | 426 | 20 | 241 | 16 | 548 | 110 | 1 683 | |

MA = Medical attendance present

No MA = No medical attendance present

Paraguay: Child mortality by health region and by zone of residence, 2003

 $LBR = Live\ births\ registered$ $CDR = Child\ deaths\ registered$

| | | | | Z | one | | | | | | T - 4 - 1 | |
|-----------------|--------|-------|-------|--------|-------|------|-----|---------|------|--------|-----------|-------|
| Health region | | Urban | | - | Rural | | N | ot knov | vn | - | Total | |
| | LBR | CDR | Rate | LBR | CDR | Rate | LBR | CDR | Rate | LBR | CDR | Rate |
| Concepción | 1 612 | 73 | 45.3 | 2 065 | 35 | 16.9 | 0 | 0 | * | 3 677 | 108 | 29.4 |
| San Pedro | 1 191 | 28 | 23.5 | 3 359 | 62 | 18.5 | 2 | 0 | N | 4 552 | 90 | 19.8 |
| Cordillera | 1 844 | 61 | 33.1 | 2 634 | 32 | 12.1 | 0 | 0 | O | 4 478 | 93 | 20.8 |
| Guairá | 1 642 | 64 | 39.0 | 1 569 | 31 | 19.8 | 0 | 0 | * | 3 211 | 95 | 29.6 |
| Caaguazú | 2 619 | 43 | 16.4 | 3 667 | 44 | 12.0 | 1 | 0 | * | 6 287 | 87 | 13.8 |
| Caazapá | 588 | 16 | 27.2 | 1 749 | 27 | 15.4 | 0 | 0 | A | 2 337 | 43 | 18.4 |
| Itapúa | 3 243 | 66 | 20.4 | 3 928 | 69 | 17.6 | 1 | 0 | P | 7 172 | 135 | 18.8 |
| Misiones | 1 098 | 34 | 31.0 | 820 | 19 | 23.2 | 0 | 0 | L | 1 918 | 53 | 27.6 |
| Paraguari | 1 237 | 32 | 25.9 | 2 470 | 25 | 10.1 | 0 | 0 | I | 3 707 | 57 | 15.4 |
| Alto Paraná | 6 518 | 204 | 31.3 | 2 418 | 42 | 17.4 | 1 | 0 | C | 8 937 | 246 | 27.5 |
| Central | 21 133 | 387 | 18.3 | 4 418 | 11 | 2.5 | 6 | 0 | A | 25 557 | 398 | 15.6 |
| Ñeembucú | 684 | 14 | 20.5 | 401 | 6 | 15.0 | 0 | 0 | В | 1 085 | 20 | 18.4 |
| Amambay | 1 088 | 39 | 35.8 | 270 | 0 | 0.0 | 0 | 0 | L | 1 358 | 39 | 28.7 |
| Canindeyú | 633 | 15 | 23.7 | 896 | 16 | 17.9 | 0 | 0 | Е | 1 529 | 31 | 20.3 |
| Pdte. Hayes | 794 | 26 | 32.7 | 501 | 3 | 6.0 | 0 | 0 | * | 1 295 | 29 | 22.4 |
| Alto Paraguay | 129 | 1 | 7.8 | 63 | 2 | 31.7 | 0 | 0 | * | 192 | 3 | 15.6 |
| Boqueron | 226 | 11 | 48.7 | 459 | 2 | 4.4 | 0 | 0 | * | 685 | 13 | 19.0 |
| Asunción | 8 745 | 140 | 16.0 | 4 | 0 | 0.0 | 0 | 0 | * | 8 749 | 140 | 16.0 |
| Other countries | 22 | 3 | 136.4 | 1 | 0 | 0.0 | 0 | 0 | * | 23 | 3 | 130.4 |
| Whole country | 55 046 | 1 257 | 22.8 | 31 692 | 426 | 13.4 | 11 | 0 | * | 86749 | 1683 | 19.4 |

Source: Live births and child deaths registered, MSP and BS.

Paraguay: child mortality by health region, disaggregated by sex, 2003

 $LBR = Live\ births\ registered$ $CDR = Child\ deaths\ registered$

| | | | | | Sex | | | | | | Total | |
|---------------------|--------|-------|-------|--------|-------|------|-----|---------|------|--------|--------|-------|
| Health region | | Boys | | | Girls | | N | ot knov | vn | _ | 1 otat | |
| | LBR | CDR | Rate | LBR | CDR | Rate | LBR | CDR | Rate | LBR | CDR | Rate |
| Concepción | 1 874 | 60 | 32.5 | 1 830 | 48 | 26.2 | 0 | 0 | * | 3 677 | 108 | 29.4 |
| San Pedro | 2 379 | 47 | 19.8 | 2 173 | 43 | 19.8 | 0 | 0 | N | 4 552 | 90 | 19.8 |
| Cordillera | 2 230 | 55 | 24.7 | 2 247 | 38 | 18.9 | 1 | 0 | O | 4 478 | 93 | 20.8 |
| Guairá | 1 595 | 55 | 34.5 | 1 616 | 40 | 24.8 | 0 | 0 | * | 3 211 | 95 | 29.6 |
| Caaguazú | 3 178 | 44 | 13.8 | 3 108 | 43 | 13.8 | 1 | 0 | * | 6 287 | 87 | 13.8 |
| Caazapá | 1 180 | 23 | 19.5 | 1 157 | 20 | 17.3 | 0 | 0 | A | 2 337 | 43 | 18.4 |
| Itapúa | 3 638 | 81 | 22.3 | 3 534 | 54 | 15.3 | 0 | 0 | P | 7 172 | 135 | 18.8 |
| Misiones | 999 | 30 | 30.0 | 919 | 23 | 25.0 | 0 | 0 | L | 1 918 | 53 | 27.6 |
| Paraguari | 1 868 | 31 | 16.6 | 1 839 | 26 | 14.1 | 0 | 0 | I | 3 707 | 57 | 15.4 |
| Haut Paraná | 4 558 | 121 | 26.5 | 4 378 | 123 | 28.1 | 1 | 2 | C | 8 937 | 246 | 27.5 |
| Central | 12 972 | 225 | 17.3 | 12 573 | 173 | 13.8 | 2 | 0 | Α | 25 557 | 398 | 15.6 |
| Ñeembucú | 542 | 9 | 16.6 | 543 | 11 | 20.3 | 0 | 0 | В | 1 085 | 20 | 18.4 |
| Amambay | 721 | 17 | 23.6 | 637 | 22 | 34.5 | 0 | 0 | L | 1 358 | 39 | 28.7 |
| Canindeyú | 775 | 19 | 24.5 | 754 | 12 | 15.9 | 0 | 0 | E | 1 529 | 31 | 20.3 |
| Presidente Hayes | 682 | 15 | 22.0 | 613 | 14 | 22.8 | 0 | 0 | * | 1 295 | 29 | 22.4 |
| Haut Paraguay | 98 | 3 | 30.6 | 94 | 0 | 0.0 | 0 | 0 | * | 192 | 3 | 15.6 |
| Boquerón | 380 | 6 | 15.8 | 305 | 7 | 23.0 | 0 | 0 | * | 685 | 13 | 19.0 |
| Asunción | 4 506 | 79 | 17.5 | 4 242 | 61 | 14.4 | 1 | 0 | * | 8 749 | 140 | 16.0 |
| Aliens | 11 | 3 | 272.7 | 12 | 0 | 0.0 | 0 | 0 | * | 23 | 3 | 130.4 |
| Whole country | 55 046 | 1 257 | 20.9 | 42 574 | 426 | 13.4 | 6 | 2 | * | 86 739 | 1 683 | 19.4 |

Source: Live births and child deaths registered, MSP and BS.

Paraguay: Infant mortality by cause (rate recorded per 1,000 live births), 2003

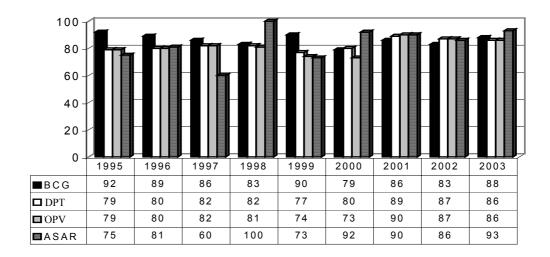
| Cause | Infant deaths | (%) | Rate |
|--|---------------|-------|------|
| . Injuries sustained at birth (P01-P03; P10-P15; P20-P28) | 381 | 22.6 | 4.4 |
| 2. Neonatal infections (A40-A41; P35-P39) | 271 | 16.1 | 3.1 |
| 3. Congenital malformations (Q00-Q99) | 217 | 12.9 | 2.5 |
| Premature birth (P05;P07) | 162 | 9.6 | 1.9 |
| Pneumonia and influenza (J10.0; J11.0; J12-J16; J18) | 136 | 8.1 | 1.6 |
| . Diarrhoea (A02-A09; K50-K52) | 94 | 5.6 | 1.1 |
| Nutritonal diseases and anaemias (D50-D64; E40-E46; E50-E64) | 36 | 2.1 | 0.4 |
| Meningitis (G00;G03) | 28 | 1.7 | 0.3 |
| Neonatal tetanus (A33;A35) | 3 | 0.2 | 0.0 |
| Abnormal clinical and laboratory symptoms, signs and discoveries, not elsewhere classified (R00-R99) | 83 | 4.9 | 1.0 |
| 1. Other causes | 272 | 16.2 | 3.1 |
| otal | 1 683 | 100.0 | 19.4 |

Live births registered in 2003: 86,739.

Source: Certificates of registered deaths: Biostatistics dept. .M.S.P. & B.S.

4. Infant health

471. The pattern of coverage of vaccination, like all biological factors in Paraguay, shows considerable swings over the years 1995-2000. Since 2001 the results have been more homogeneous, those attained in 2001 being somewhat higher. In 2002 and 2003 levels of 86 per cent were achieved for pentavalent vaccination and OPV and 90 per cent for BCG and SPR. Coverage of infants under 1 year of age with pentavalent vaccination in 2005 was 86 per cent (127,465 infants under age 1 received their third dose of pentavalent vaccine). In the same year coverage of SPR vaccination of infants under 1 year of age was 91 per cent (130,295 infants under age 1 vaccinated with SPR). During the National Vaccination Campaign the entire population between ages 5 and 39 was vaccinated with SR (3,761,308 persons vaccinated).



Vaccination coverage, 1995-2003

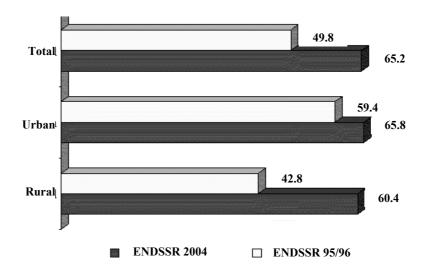
4.1. Immunization of children under five years of age

472. The diseases preventable by vaccination include measles, pertussis, tetanus, diphtheria, poliomyelitis and tuberculosis. In the ENDSSR 2004 a child is recorded as having had a complete course of vaccination if he or she has received one dose of BCG and measles vaccine, three doses of polio vaccine and 3 of DPT. In ENDSSR 2004 the criterion includes the pentavalent vaccination in combination with DPT, mainly on account of shortcomings in the recording of the information and SPR as a substitute for or complement to vaccination against measles.

GRAPH

Coverage of complete course of immunization with the four vaccinations (BCG, DPT, polio and measles) combined among children aged 12-23 months, by area,

according to ENDSR 95/96 and ENDSSR 2004.



Source: ENDSSR 1995/1996/2004.

4.2. Levels of immunization

473. When the results of ENDSSR 2004 are compared with those of ENDSR 95/96 appended to it, the figures for ENDSSR 2004 reveal that nationwide immunization coverage has increased in recent years. The proportion of children aged between 12 and 23 months vaccinated (i.e., who have, according to the statements of the mothers or the annotations in the vaccination booklets, received a full course of the 4 vaccinations combined (BCG, DPT, polio and measles)) is 65.2 per cent. The rate of coverage is similar in urban (65.8 per cent) and rural (64.4 per cent) areas. In ENDSR 95/96 the rate of coverage of the four vaccines for children aged 12-23 months was 49.8 per cent for the country as a whole and was higher in urban areas (59.4 per cent) than in rural areas (42.8 per cent).

4.2.1. Immunization by region and educational and socio-economic level

474. The lowest percentage of full vaccination coverage is to be found in Greater Asunción (61.3 per cent) and the highest (7 percentage points higher) in Centro Sur (68.6 per cent); however, the difference is not significant. Complete courses are more common when the mother is educated or in a higher-level socio-economic stratum. In addition, as the number of doses taken increases, the rate of coverage falls; thus it has been observed that DPT has a 94.9 per cent rate of coverage for the first dose, but that the rate falls to 82.8 per cent for the third (final) dose. The same occurs with the polio vaccine (93.8 per cent for the first dose, 82.2 per cent for the third). BCG and measles are single-dose vaccines; the rates of coverage recorded are 96.1 per cent and 75.2 per cent respectively.

5. Access to basic health services

475. As regards the proportion of the population at one hour's travel or journey from a treatment centre who have access to trained personnel for the treatment of common illnesses and injuries and the provision of any of the 20 basic remedies, in 2000-2001, 38.6 per cent of the population suffering from illness or injuries other than minor injuries did not seek assistance; of these, 6.9 per cent refrained for geographical reasons, 3.2 per cent for financial reasons, 56.1 per cent because they treated themselves and the remainder for other reasons.³¹

476. Alternatively, the cost of a journey to the nearest health centre can be measured in terms of time. Thus 17.5 per cent of the sick or injured persons who sought treatment were over 30 minutes from a centre in urban areas and over 60 minutes away in rural areas.³²

Exclusión Social en Salud, Paraguay, 2003.

³² Ibid.

Total population by area of residence, sex, type of consultation, sickness or injury during the last 90 days³³

| | | Area of | residence |
|-------------------------------|---------|---------|-----------|
| Type of consultation | Total | Urban | Rural |
| BOTH SEXES | 931 282 | 426 069 | 505 213 |
| Injury not serious | 22.1 | 27.1 | 17.9 |
| No treatment available nearby | 1.4 | 0.2 | 2.5 |
| Treatment poor | 0.1 | 0.0 | 0.2 |
| Consultations expensive | 6.5 | 4.0 | 8.6 |
| No money | 6.5 | 4.6 | 8.1 |
| No money for medicines. | 2.5 | 1.2 | 3.5 |
| Self-help medication | 59.2 | 61.1 | 57.6 |
| No time | 1.3 | 1.4 | 1.2 |
| Other reasons | 0.3 | 0.3 | 0.3 |
| MEN | 472 683 | 212 465 | 260 218 |
| Injury not serious | 23.0 | 29.1 | 18.0 |
| No treatment available nearby | 1.3 | 0.1 | 2.2 |
| Treatment poor | 0.2 | 0.0 | 0.3 |
| Consultations expensive | 5.6 | 2.6 | 8.1 |
| No money | 6.9 | 4.5 | 8.9 |
| No money for medicines. | 2.5 | 1.0 | 3.7 |
| Self-help medication | 58.7 | 60.8 | 57.1 |
| No time | 1.3 | 1.4 | 1.3 |
| Other reasons | 0.4 | 0.4 | 0.4 |
| WOMEN | 458 599 | 213 604 | 244 995 |
| Injury not serious | 21.2 | 25.1 | 17.8 |
| No treatment available nearby | 1.5 | 0.2 | 2.7 |
| Treatment poor | 0.1 | 0.0 | 0.1 |
| Consultations expensive | 7.4 | 5.3 | 9.2 |
| No money | 6.1 | 4.8 | 7.2 |
| No money for medicines. | 2.5 | 1.4 | 3.4 |
| Self-help medication | 59.7 | 61.5 | 58.2 |
| No time | 1.3 | 1.4 | 1.2 |
| Other reasons | 0.2 | 0.2 | 0.2 |

Source: STP/DGEEC. Permanent household survey, 2004.

³³ Source : DGEEC, permanent household survey, 2004.

5.1. Prenatal care

477. As regards the population groups with access to trained personnel during pregnancy and assisted by that personnel during childbirth, in 92.4 per cent of all cases of births occurring during the period March 1999 – February 2004 the mothers underwent prenatal monitoring at least once. When it is recalled that, according to ENSMI 1998, 88 per cent underwent at least one prenatal monitoring, it is seen that an improvement of six percentage points was achieved in six years. Monitoring of this type are more generalized among mothers with higher education, i.e., 12 years' or more studies (99.4 per cent), in the most favourable economic circumstances (high socio-economic level, 98.7 per cent), having a first child (97.2 per cent) and living in an urban environment (96.5 per cent).

478. In Greater Asunción 95.9 per cent of mothers attended monitoring; in Centro Sur the proportion was 97 per cent. It is worth recalling that 83.2 per cent of mothers without education or with up to two years of approved study underwent at least one prenatal check-up.

National total: Pregnant women aged 15-49 according to prenatal monitoring during current pregnancy and by area of residence

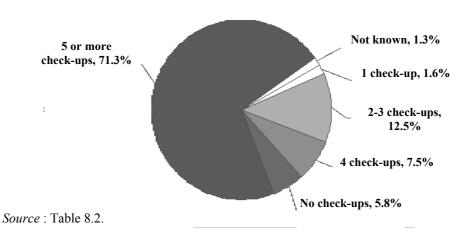
| | | 1997/98 (*) | | 2000/01 | | |
|---------------------|--------|-------------|--------|-------------------|--------|--------|
| Prenatal monitoring | | Area of re | | Area of residence | | |
| | Total | Urban | Rural | — Total | Urban | Rural |
| Total | 73 065 | 42 374 | 30 691 | 54 175 | 28 228 | 25 947 |
| Attended | 61.5 | 68.4 | 51.9 | 73.5 | 81.6 | 64.8 |
| Not attended | 38.5 | 31.6 | 48.1 | 26.5 | 18.4 | 35.2 |

^(*) The data in the Integrated Housing Survey (EIH) 1997/98 have been adjusted in the light of the results of the 2000 census.

Source: STP/DGEEC. Encuesta Integrada de Hogares (EIH), 1997/98, 2000/01.

GRAPH 8.1

Percentage distribution of live births during the period March 1999-February 2004 by number of prenatal check-ups (ENDSSR 2004)



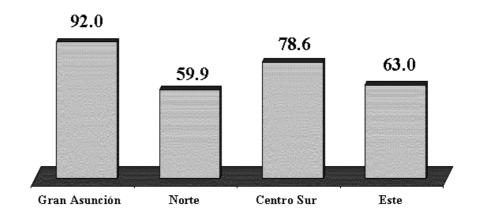
- 479. The next table shows the percentage distribution according to the places where the mothers underwent their prenatal check-ups. Countrywide, 71.9 per cent used public-sector services, 18.1 per cent of pregnant women received care in the private sector, 4.2 per cent went elsewhere and 5.8 per cent underwent no check-ups.
- 480. There were percentage differences, varying from region to region, in the respective levels of coverage by the public and private sectors. Check-ups in the private sector were most frequent in Greater Asunción and Este (25.2 per cent and 23.8 per cent respectively), while in comparison the highest concentrations of check-ups in the public sector were found in Centro Sur (83.7 per cent) and Norte (77.5 per cent).
- 481. With respect to the language spoken in the home, mothers who usually speak Guaraní at home are the ones who most frequently resort to the public sector for check-ups (79.9 per cent) compared with those who resort to the private sector (7.2 per cent).
- 482. With regard to socio-economic level, only 6.7 per cent of women in the lowest strata underwent pregnancy monitoring in the private sector, while 25.8 per cent and 52.6 per cent of women in the "high" and "very high" strata respectively used the services of that sector.
- 483. It is important to mention that one out of ten women between ages 15 and 19 have never undergone any prenatal monitoring. A similar proportion is to be found among women residing in the northern region or who speak only Guaraní in the home. The situation is more unfavourable among women who have had no education or who have only completed the second grade of primary education; one out of six women in these groups has never undergone prenatal monitoring.

5.1.1. Number of prenatal check-ups

- 484. The "Rules for care during pregnancy, birth and puerperium and of the newly-born", which are elements in the "Safe Motherhood" initiative of the Ministry of Public Health and Social Welfare, state that the number of minimal check-ups focussed on obstetrical risk should be 6; solely for purposes of comparison with earlier surveys which took into account 5 or more, the latter figure will be considered a sufficient number of check-ups for purposes of analysis.
- 485. It will be observed from the figure that in 5.8 per cent of births the mothers underwent no prenatal monitoring; 1.6 per cent underwent only one check-up, 12.5 per cent two or three and 7.5 per cent four. In 71.3 per cent of cases the mothers completed the course of five or more check-ups. If these figures for the percentage of births in which the mothers underwent five or more check-ups as shown in ENDSSR 2004 are compared with those in earlier surveys (57.4 per cent) and ENSMI 98 (55.7 per cent) an increase of some 15 percentage points is apparent.
- 486. The situation in rural areas was less favourable; there only 58.9 per cent of pregnant women underwent a sufficient number of check-ups. According to the data for the different regions, the problem of insufficiency of check-ups is more pressing in the northern region, where only 48.6 per cent of mothers underwent 5 or more check-ups.

GRAPH 8.2

Percentage of live births taking place in institutions during the period
March 1999 – February 2004, by region (ENDSSR)



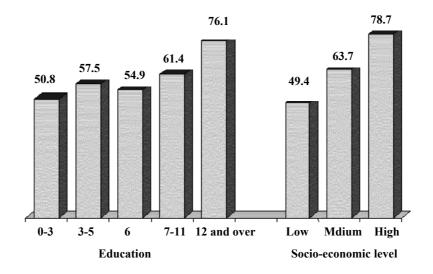
Source: ENDSSR 2004.

487. Mothers without education or with not more than two years of studies, and those who have not completed their primary education, with three to five years of studies, are far from reaching adequate levels of prenatal check-ups (5 or more), attaining less than 50 per cent (46 per cent for the first group, 49.8 per cent for the second). The situation is similar with mothers who speak only Guaraní (53.2 per cent), mothers at low socio-economic levels (52.6 per cent) and women who have had more than five children (47 per cent).

488. The rules laid down by the Ministry of Public Health and Social Welfare mentioned earlier also contain the requirement that prenatal check-ups be "early"; the first examination must take place during the first three months of pregnancy, i.e., within the first 12 weeks of gestation. The aggregate figures indicate that in only 68.6 per cent of births did women obtain prenatal care during the first three months; one quarter (25.3 per cent) underwent monitoring during the second or third quarters; and 5.8 per cent did not undergo any monitoring at all. Late attendance for the first check-up (during the second or third quarter) is higher in rural areas (30.9 per cent), in the northern region (34.8 per cent) and among relatively uneducated women (34.4 per cent of women with 2 years of education or less), in low socio-economic strata (34.4 per cent), women usually speaking Guaraní (33.5 per cent) and women with several children.

GRAPH 8.3

Percentage of professionally assisted births in institutions by education and socio-economic level of women (ENDSSR 2004)



Source: ENDSSR 2004.

5.1.2. Anti-tetanus vaccination during pregnancy

489. For each birth during the period March 1999-February 2004 the mother was asked if she had had an anti-tetanus vaccination during the pregnancy. The information given here derives from the statements of the mothers. Countrywide, ENDSSR established that, during the period referred to, anti-tetanus protection had been given in 93.6 per cent of pregnancies – almost three percentage points higher than the level recorded in ENDSR 95/96.

490. Anti-tetanus vaccination was more common among mothers in urban areas, Greater Asunción and Centro Sur, in all of which a level of 95.1 per cent was attained. The lowest percentage of anti-tetanus vaccination (90.6 per cent) was encountered in ENDSSR 2004 among women speaking only Guaraní. However, in ENDSR 95/96 the lowest percentage of anti-tetanus vaccination (77.6 per cent) was found among women who spoke a language other than Spanish or Guaraní.

5.1.3. Place where care given and type of professional assistance received during birth

- 491. The percentage of births taking place in institutions is still low in Paraguay but has been increasing, from 56.3 per cent in 1998 to 74.1 per cent in 2004. The difference is statistically significant, with a 95 per cent reliability level. As can be seen from the graph, there are regional differences in the percentages of births in institutions, ranging from 92 per cent in Greater Asunción to 59.9 per cent in the northern region.
- 492. The births took place in Ministry of Health services (45.1 per cent), private hospitals or clinics (16 per cent), IPSs (7 per cent) and other institutions such as the Red Cross, the hospital for mothers and infants in the Medical Science faculty or military or police hospitals (5.9 per cent).

5.1.4. Births in institutions

493. Countrywide, 58.1 per cent of births took place in public institutions and 16 per cent in private institutions; adding these two figures together, and as was mentioned earlier, it emerges that nearly three-quarters of all births (74.1 per cent) took place in institutions. Births in institutions were more common in urban areas (84.9 per cent) and in Greater Asunción (92 per cent), among women with secondary or higher education (94.3 per cent), Spanish-speakers (91.3 per cent) and women giving birth for the first time (83.1 per cent).

5.1.5. Births at home

494. 21.3 per cent of mothers gave birth at home, either with obstetric health professionals (3.1 per cent) or with midwives without formal training (15.8 per cent); the other births at home took place with family members (1.9 per cent) or alone and without assistance (0.5 per cent). Births at home with a midwife are more frequent in rural areas (25.4 per cent), in the northern region (27.6 per cent) and among relatively uneducated women (33.5 per cent) and women of low socio-economic level (28.8 per cent). It should be mentioned that 5.9 per cent of women without education or with two years of education or less gave birth without adequate assistance (i.e., without professional assistance) because they were alone (1.1 per cent) or assisted only by family members (4.8 per cent).

5.1.6. Professional assistance during birth

495. Professional assistance during childbirth is provided by physicians (63.2 per cent), professional obstetric nurses (32.9 per cent) and nurses (3.4 per cent). In urban areas approximately 7 out of 10 births in institutions were assisted by physicians, while in rural areas the proportion was only 5 out of 10. The proportion of births assisted by obstetric nurses is significant in rural areas (40.8 per cent) and in specific regions such as the northern region (46.4 per cent) and Centro Sur (37.1 per cent). It will be observed from the graph that the proportion of births assisted by physicians is higher among mothers with more years of study and belonging to high socio-economic strata.

496. The findings of ENDSSR 2004 reveal that 26.9 per cent of all births took place by Caesarean section – an increase of 63 per cent since 1998, during which the proportion was 16.5 per cent. Since 74.1 per cent of births took place in institutions, and that all births by Caesarean section take place in institutions, it follows that 36.3 per cent of births taking place in institutions are by Caesarean section. The percentage of Caesarean births in all live births during the period March 1999 – February 2004 was higher in urban areas (35.9 per cent) than in rural areas (15.6 per cent) – a difference of some 20 percentage points. The proportion of Caesarean births in all births is highest in Greater Asunción (40.7 per cent) and lowest in the northern region (12 per cent).

5.1.7. Education, socio-economic level and language

497. The proportion of Caesarean births to all live births increases in line with the educational levels of the women, rising from 12.1 per cent among women with 0-2 years of study to 53.4 per cent among those with 12 or more years of education. The proportion of Caesarean births is lowest (12.9 per cent) among women speaking only Guaraní at home, while among those speaking only Spanish the proportion is 43.5 per cent.

- 498. As regards economic condition, the proportion of Caesarean births increases with socio-economic level, rising from 11.9 per cent at the lowest level to 52.6 per cent at the highest.
- 499. It should be mentioned that the Pan-American Health Organization (PAHO), in its regional plan of action for the reduction of maternal mortality in the Americas, quoted in PAHO Bulletin, Vol. 110, No. 5, states that efforts will be made to reduce the number of births by Caesarean section to less than 15 per cent of all births.

5.1.8. Post-natal care of mothers

- 500. Post-natal monitoring is of vital importance in the care of reproductive health, since it permits the identification of maternal morbidity due particularly to the conditions of care during the birth and ensure its timely treatment, particularly when the check-up takes place "early" (two weeks after the birth), and in all cases because during the breastfeeding period it permits the provision of advice on family planning methods which are suitable and in accordance with the wishes of the users.
- 501. With a view to analysing post-natal monitoring of mothers, a random selection was made from among the births occurring five years before the inquiry, using the formula one/child/born/live, covering the period March 1999 February 2004. In all, 65 per cent of the births were followed up by post-natal monitoring of the mother (77.6 per cent in urban areas and 57.3 per cent in rural areas). Post-natal monitoring took place more frequently among mothers who had given birth in institutions (78.7 per cent) than among women who had given birth at home (31.7 per cent).
- 502. Of the women who received post-natal monitoring, 21.5 per cent received it in a private institution. This percentage rose with the educational level of the woman, rising from 6.9 per cent among women with 0-5 years of study to 43.2 per cent among those with 12 or more years of study. In 72.8 per cent of cases monitoring took place in a public institution and 5.7 per cent in a midwifery or elsewhere.
- 503. As regards the timing of post-natal check-ups, 9.4 per cent took place within a week of the birth, 62.1 per cent during the following two weeks and 17.2 per cent during the month following the birth. The women who gave birth in institutions underwent post-natal check-ups earlier than those who had given birth at home. Some 90 per cent of post-natal check-ups in institutions took place within the first month following birth, as compared with 79.4 per cent for births at home during the same period.

5.2. Maternal mortality

- 504. The maternal mortality rate as recorded by the Ministry of Public Health and Social Welfare was 155 per 100,000 live births a change of 20 from the figure for 2003, which was 174 per 100,000 live births.
- 505. At present maternal mortality in Paraguay is classified as "moderate". The data of the Ministry of Public Health and Social Welfare show a high level of mortality which has been coming down during the last 10 years, albeit with considerable variations from year to year. During the last three or four years the process of registration of maternal deaths has been strengthened through the work of the National Maternal Health and Mortality Monitoring Commission and the efforts of the Ministry of Health to gain a deeper understanding of the

problems underlying this situation. It is important to bear in mind that it is estimated that a substantial degree of under-registration of deaths exists and that data and figures may well increase as the system of supervision improves.

506. The factors contributing to maternal mortality in Paraguay are principally poverty, lack of education, lack of decent housing, a high fertility rate during the 20 years preceding this report, the fact that the use of family planning is not spreading owing to conditioning factors at educational level, a preference on the part of women to have large numbers of children, thereby ensuring their future welfare, the difficulties of access to health services (in a fragmented healthcare system there is a sector of the population which does not have access to health services and, as a consequence, to adequate mother and child care), and lack of knowledge of reproductive rights – again a consequence of the educational levels of men and women.

507. To improve this situation the Monitors on Sexual and Reproductive Health project is being implemented by the Secretariat for Women with the support of UNFPA. Training in sexual and reproductive health has been given to 1,200 men and women monitors, who form a national network covering all the departments in the country. Within this project 68 rural indigenous women in 3 departments of the country have been trained in sexual and reproductive health.

508. Through the Equal in Everything campaign the Secretariat for Women has launched a distribution of educational materials concerning prevention of maternal mortality by means of prenatal check-ups and alarm signals and also the prevention of sexually transmissible diseases. The campaign also includes street theatre performances on the prevention of domestic violence and the transmission of STDs such as HIV/AIDS.

Trends in maternal mortality, 1996-2003

| | 1 | 996 | 1 | 997 | 1 | 998 | 1 | 999 | 2 | 000 | 2 | 001 | 2 | 002 | 2003 | |
|--------------------------------------|-----|-------|-----|-------|-----|-------|-----|-------|-----|-------|-----|-------|-----|-------|------|-------|
| Causes | No. | Rate | No. | Rate |
| 1. Abortion | 34 | 38.5 | 25 | 28.3 | 16 | 18.5 | 23 | 25.6 | 35 | 40.7 | 32 | 38.1 | 39 | 43.3 | 36 | 41.5 |
| 2. Toxaemia | 23 | 26.0 | 15 | 17.0 | 23 | 26.6 | 21 | 23.3 | 37 | 43.0 | 20 | 23.8 | 27 | 30.0 | 32 | 36.9 |
| 3. Haemorrhage | 21 | 23.8 | 27 | 30.5 | 25 | 28.9 | 28 | 31.1 | 22 | 25.6 | 33 | 39.3 | 48 | 53.3 | 28 | 32.3 |
| 4. Sepsis | 10 | 11.3 | 7 | 7.9 | 12 | 13.9 | 11 | 12.2 | 15 | 17.4 | 22 | 26.2 | 19 | 21.1 | 16 | 18.4 |
| 5. Obstetric tetanus | 0 | 0.0 | 1 | 1.1 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| 6. AIDS | 0 | 0.0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2.4 | 0 | 0.0 | 0 | 0.0 |
| 7. Other Compl. birth and post-natal | 21 | 23.8 | 15 | 17.0 | 20 | 23.1 | 20 | 22.2 | 32 | 37.2 | 25 | 29.8 | 31 | 34.4 | 39 | 45.0 |
| TOTAL | 109 | 123.3 | 90 | 101.8 | 96 | 110.9 | 103 | 114.4 | 141 | 164 | 134 | 159.7 | 164 | 182.1 | 151 | 174.1 |
| LIVE DIDTIE | 1 | 996 | 1 | 997 | 1 | 998 | 1 | 999 | 2 | 000 | 2 | 001 | 2 | 002 | 2 | 003 |
| LIVE BIRTHS | 8 | 8 438 | 8 | 8 422 | 80 | 6 596 | 90 | 0 007 | 86 | 6 000 | 83 | 3 919 | 9 | 0 085 | 86 | 739 |

Source: Mortality indicators. Biostatistics Dept.. M.S.P.Y B.S.

Maternal deaths by health region, 2001-2005

| II 14 ' | | | Mate | rnal deaths | | |
|---------------|------|------|------|-------------|------|-----------|
| Health region | 2001 | 2002 | 2003 | 2004 | 2005 | 2003-2005 |
| Concepcion | 10 | 12 | 10 | 11 | 5 | 26 |
| San Pedro | 7 | 14 | 17 | 20 | 14 | 51 |
| Cordillera | 2 | 6 | 6 | 6 | 10 | 22 |
| Guaira | 2 | 5 | 2 | 6 | 3 | 11 |
| Caaguazu | 11 | 13 | 20 | 19 | 11 | 50 |
| Caazapa | 5 | 8 | 7 | 5 | 4 | 16 |
| tapua | 13 | 14 | 12 | 10 | 11 | 33 |
| Misiones | 1 | 4 | 1 | 3 | 1 | 5 |
| Paraguari | 11 | 9 | 4 | 7 | 10 | 21 |
| Alto parana | 25 | 17 | 18 | 10 | 14 | 42 |
| Central | 28 | 32 | 31 | 28 | 26 | 85 |
| Neembucu | 0 | 1 | 2 | 1 | 1 | 4 |
| Amambay | 2 | 4 | 1 | 4 | 3 | 8 |
| Canindeyu | 7 | 7 | 5 | 8 | 5 | 18 |
| Pte. Hayes | 6 | 4 | 3 | 5 | 6 | 14 |
| Alto Paraguay | 2 | 0 | 2 | 2 | 0 | 4 |
| Boqueron | 0 | 2 | 1 | 1 | 2 | 4 |
| Asuncion | 2 | 12 | 9 | 9 | 8 | 26 |
| Aliens | 0 | 0 | 0 | | | 0 |
| Γotal | 134 | 164 | 151 | 155 | 134 | 440 |

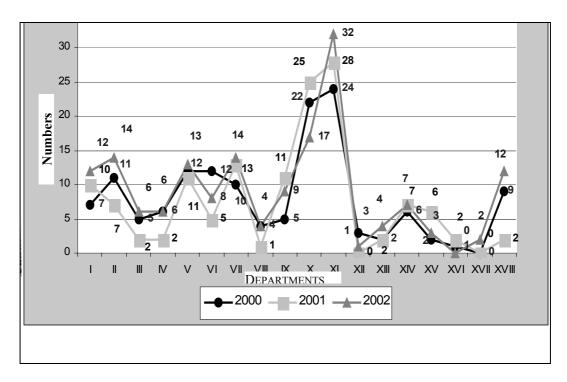
Source: death certificates registered. Biostatistics dept., m.s.p. And b.s.

509. In 2002, 164 cases of maternal mortality per 100,000 live births were reported. Preliminary data for 2003 give a total of 150 cases of maternal mortality per 100,000 live births. An analysis of maternal mortality during recent years reveals an improvement in the recording of information and a slight fall.

- 510. The most frequent recorded cause of maternal mortality in 2003 was haemorrhage, followed by abortion. However, variations in the pattern of causes of death are recorded each year; in recent years infections linked to sepsis have also become very important.
- 511. Over the years abortion has been an important cause of maternal mortality; according to the year, it has accounted for between one four and one in five maternal deaths. Probably its importance is even greater in reality on account of under-registration and concealment of an act which is punishable by law.

Ministry of Public Health and Social Welfare – Directorate-General of Health Programmes

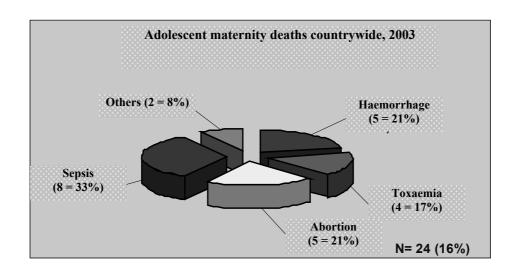
Maternal deaths by place of occurrence, years 2000, 2001, 2002



Source: Statistics Dept.

512. As regards maternal deaths by place of occurrence: the highest numbers of deaths occurred in Central, Capital and Alto Paraná departments.

Ministry of Public Health and Social Welfare Directorate-General of Health Programmes



Source: Statistics Dept.

513. Adolescent maternal deaths derive from the same causes as maternal mortality, but infections and abortions together account for over 50 per cent.

6. Access to health for vulnerable groups

- 514. The provision of services can be estimated in a satisfactory manner by the numbers of doctors and beds per inhabitant. This basis is preferable to the number of establishments, since the latter indicator includes a wide range of elements of different natures and complexity. According to information from the Ministry of Public Health and Social Welfare, there are on the average four doctors and 6.7 beds per 10,000 inhabitants. At regional level, and according to financial standing, extremely different situations regarding social exclusion in the health sphere can be observed. For instance, in Asunción there are 19.5 doctors per 10,000 inhabitants, while in the rest of the country here are only about two; and the population in the highest income stratum has three times as many doctors as the population in the lowest. The patterns of distribution of professionals who are not doctors (degree professionals in obstetrics and nursing, including itinerants in rural areas) are similar to that of "doctors" per inhabitant. There are in fact twice as many professionals of this type in Asunción as in the rest of the country – the same imbalance as between the richest and the poorest strata. As regards the numbers of beds, there is a nationwide average of 6.7 beds per 10,000 inhabitants; but there are substantial differences from region to region and from population group to population group. In Asunción there are 20.9 beds per 10,000 inhabitants, whereas the average in the rest of the country is approximately 5 per 10,000. This means that the population I the highest income stratum (quintile 5) has 65 per cent more beds per inhabitant than the poorest income stratum (quintile 1) and that in 91 districts (40 per cent of all districts in the country), containing half the population of the country, the number of beds per 10,000 inhabitants does not exceed 3.8.
- 515. Out of the total population falling ill or sustaining an accident (37.8 per cent of the total population) 48.6 per cent go to an establishment of some kind for a consultation. Of this percentage 76.6 per cent go to a public or private hospital, clinic, medical post, centre or dispensary; the others go to a pharmacy, a quack or some other place.
- 516. The most vulnerable groups are made up of indigenous people, peasant settlements, marginal and rural areas and women and children. Indigenous morbidity and mortality rates are difficult to analyse as the status of indigenous person is not mentioned either in medical histories or on death certificates.
- 517. In order to improve the condition of the vulnerable groups models of care and mechanisms for the extension of targeted coverage to specific groups with criteria of equality have been developed. The groups in question are: periurban population groups, poor families, poor peasant and urban settlements, indigenous communities, border-dwelling groups and migrants.
- 518. Some activities, programmes and policies designed to bring about improvements in the condition of vulnerable groups include comprehensive care through the extension and generalization of insurance and the provision and rational use of medicines.
- 519. The following contribute to the struggle against maternal mortality:
 - National Plan for Sexual and Reproductive Health, 2003-2008
 - National Plan for Comprehensive Care of Children with AIEPI Strategy
 - National Plan for Comprehensive Care of Adolescents
 - National Policy on Care for the All-round Health of Women

- Rules for care during pregnancy, birth and puerperium
- Distribution of birth kits
- Rules and procedures for care in obstetric emergencies
- Rules for diagnosis and treatment of sexually transmitted diseases
- National Commission for Epidemiologial Supervision of Maternal Health and Mortality (VESMM)
- Expanded Immunization Programme (AIEPI)
- Control of metaxaemic illnesses
- 520. Although the impact on health cannot be measured immediately, a slight drop in maternal and infantile mortality rates can be seen. Access to health services has improved; the rate of vaccination coverage with the pentavalent vaccine of children less than one year old in 2005 was 86 per cent (127,465 infants less than one year of age received their third doses of Pentavalente). The rate of SPR vaccination coverage of children of both sexes under age 1 in 2005 was 91 per cent (130,295 children under age 1 vaccinated with SPR); the rate of coverage of children aged 1 year with SPR vaccination in 2005 was also 91 per cent (130,295 children of age 1 vaccinated with SPR); and during the National Vaccination Campaign the entire population aged between 5 and 39 years (3,761,308 persons) was vaccinated with SR.
- 521. With regard to the measures taken to reduce stillbirths and loss of life among infants, and to ensure the healthy development of children, a National Programme for the Safeguarding of Mothers and Children (PNAMI) is being developed as a coordinating strategy for health protection and equality of access to services; distribution of birth kits; Specialist Obstetric and Neonatal Care (CONE); expansion of coverage of relevant vaccinations; etc.
- 522. The Secretariat for Women, jointly with the Ministry of Public Health and Social Welfare, has been promoting thematic meetings to establish joint and interinstitutional commitments concerning syphilis and HIV/AIDS among pregnant women. The commitments accepted include analysis and treatment of pregnant women for syphilis and HIV/AIDS free of charge. The Secretariat for Women, with the support of international cooperation agencies, has succeeded in introducing the gender theme into important programmes and orientations of the Ministry of Health and in the National Council on Sexual and Reproductive Health. Currently the National Health Policy (2005-2008), entitled "Building Together a State Policy: Health for All with Equality", rests on the principles of social, ethnic, cultural, generational and gender equality free of discrimination of any kind.
- 523. It must be emphasized that the majority of the plans and programmes emerging from the Ministry of Public Health and Social Welfare contain a gender component.

7. Environmental health

- 524. There is a health code, and provisions in municipal ordinances, laying down certain parameters for a healthy working environment.
- 525. In addition, the Directorate of Environmental Health (SENASA) was set up in 2004 to protect the heath of the population from the effects of unnecessary or excessive exposure to

physical, biological and chemical agents which do not depend solely on personal decisions. Its fields of action include basic sanitation, the supply of safe water, healthy environments and primary environmental health.

8. Control of epidemic, endemic, occupational and other types of disease

526. The government is establishing through different programmes supervision of the control of endemic diseases in the country. Some of the focal points of these programmes are described below.

8.1. Malaria

- 527. The behaviour of malaria over time comprises unstable cyclical variations. This can be seen from a comparison of the 1980s and the end of the 1990s. The number of cases reported varied between 5,247 in 1989 (an epidemic year) and 567 in 1987 (82 per cent less). During the 1990s the numbers of cases were considerably lower (1,000 per year on the average); from 1995 onwards the numbers of cases fell sharply; during those years the number of cases reported annually averaged 600.
- 528. However, in 1998 there was a considerable increase (2,091 cases); the incidence reached epidemic proportions in 1999 (9,946 cases). The epidemic persisted until August 2000; in that year there were 6,853 cases in all. With effect from 1999 a new strategy was employed to control malaria focussed on early diagnosis and immediate treatment of cases as measures accompanying the spraying of residues and spaces. In 2001, 2,710 cases were reported; in 2002, 2,278. This is the equivalent of a 77.1 per cent reduction in the number of cases during a four-year period.
- 529. In 2003, 1,235 cases were recorded and in 2004, 694. The historical series presented on the Endemic Channel shows a decreasing trend in the numbers of cases reported since the 1999 epidemic; the monthly averages were 571 cases in 2000, 226 in 2001, 231 in 2002, 116 in 2003 and 58 in 2004. During the last 5 years, 75 per cent of cases of malaria were concentrated in the rural area of Paraná, Caaguazú and Canindeyú and the East Central zone (but a few individual cases occurred in areas around that zone).

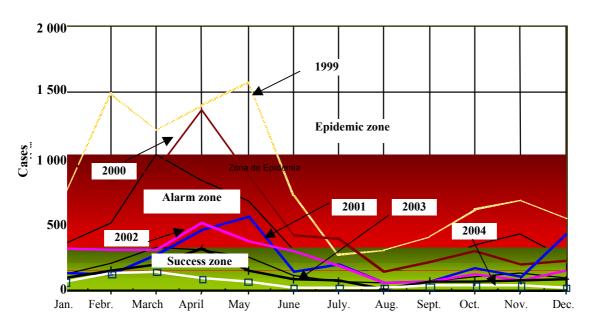
TABLE

Positive cases of malaria, disaggregated by age groups, 1999-2004

| | No. Of | | Age groups | | | | | | | | | | |
|------|--------|-----|------------|------|-------|-------|-------|-------|-------|------------|--|--|--|
| Year | cases | < 1 | 1-4 | 5-14 | 15-19 | 20-39 | 40-49 | 50-59 | 60y + | Not known. | | | |
| 1999 | 9 946 | 127 | 961 | 2297 | 1123 | 3245 | 1082 | 546 | 327 | 238 | | | |
| 2000 | 6 853 | 60 | 718 | 1768 | 809 | 2222 | 677 | 348 | 195 | 56 | | | |
| 2001 | 2 710 | 23 | 319 | 684 | 336 | 858 | 259 | 131 | 88 | 12 | | | |
| 2002 | 2 778 | 41 | 277 | 628 | 363 | 924 | 289 | 161 | 92 | 3 | | | |
| 2003 | 1 392 | 13 | 156 | 286 | 158 | 633 | 80 | 61 | 0 | 5 | | | |
| 2004 | 694 | 5 | 59 | 139 | 80 | 251 | 92 | 40 | 23 | 5 | | | |

Source: SENEPA, Statistical Section.

530. A comparison of the years 2003 and 2004 shows a sharp fall in the number of cases and the IPA; the number of cases fell by 44 per cent and the IPA from 0.89 to 0.44. In 2004 the majority of cases (68 per cent) were men – a pattern similar to that of previous years. The age group most affected was that of persons over age 20 (60 per cent). On the other hand, 20 per cent of cases were between ages 4 and 15 – a surprising observation.



Paraguay: Trends in malaria control, 1999/2004

Source: SENEPA, Statistical Section.

- 531. Finally, it is important to emphasize that the aim of the programme is to reduce the number of cases of malaria in the endemic zones on the basis of an epidemiological stratification of risk in the geographical zones affected. The strategy is based on:
 - a) Epidemiological approach according to priority of risks:
 - Stratification by intensity of incidence of malaria at departmental and district levels
 - Determination of control objectives suitable for each local situation
 - Identification of control measures at local level
 - b) Priority treatment for sick persons:
 - Early and precise diagnosis (clinical and parasitological)
 - Timely and complete curative treatment
 - c) Comprehensive control
 - Combined application of measures for control of local factors making for transmission

8.2. Dengue

- 532. Since 1997 the programme of vector control of dengue in Paraguay has been based on the objectives proposed by the countries of the region in the Continental Plan, which calls for increased measures to combat *Aedes aegypti* with the support of communities to bring levels of infestation down to below 1 per cent and thus halt the spread of the dengue virus in the MERCOSUR region or avoid epidemics of uncontrollable magnitude. The Continental Plan sets down the principal lines of action, focusing on the elimination of breeding places for *Ae. Aegypti* with citizen participation instead of relying solely on traditional chemical controls, as was the case previously. The roles of entomological vigilance and health promotion are crucial and decisive for the development of these activities jointly with communities.
- 533. In 2001 there was an energetic launching of a new approach to the management of the programmes, offering a more holistic vision for the solution of the dengue problem based on health promotion. In accordance with Decision S.G. 597/2000, the National Dengue Control Plan is directed by the Directorate-General for Health Monitoring. That body is responsible primarily for the coordination of all the institutional elements in the public sector (central laboratory, health regions, health services, epidemiological monitoring, health promotion, vectoral control, etc.) and of ventures in the private sector, all directed towards reduction of the risk of transmission of this re-emerging disease. In that context the National Service for the Eradication of Malaria (SENEPA) plays an integral part in the approach to vector control; currently the technical information produced by that service and the organization of combat measures on a vector-by-vector basis through the Vectoral Dengue Control Programme serve as fundamental elements of support for the National Programme.

8.3. Chagas disease

- 534. The Programme has envisaged the establishment of three types of entomological monitoring: 1) training of community leaders; 2) active participation by schools; 3) active and vertical monitoring through sampling, with particular emphasis on infested localities detected during entomological evaluations prior to chemical disinfection.
- 535. Since 1999 greater care in the construction of basic entomological data has been observed; data has been collected on a house-to-house basis, and account has been taken of variables permitting the calculation of all the indictors in current use, such as infestation (within and around the dwelling); natural infection, settlements, overcrowding. This is an important step forward for purposes of analysis of and follow-up on results.
- 536. Methodological adjustments have been developed permitting rationalized use of resources and guaranteeing continuity and contiguity of control activities in endemic areas prioritized according to the degree of risk. In addition, the system adopted for data collection, with infestation before and after spraying, together with the collection of specimens after chemical treatment in dwellings, permits closer epidemiological investigation or the identification of conditions of risk of presence of triatomine bugs, even in low-density conditions.
- 537. The drop in *T. infestans* infestation in homes in endemic areas in Paraguay has been considerable. In 2002 vector transmission by *T. infestans* in the Arambay department was completely halted (international certification). Strategies of measured monitoring and control measures have been developed permitting the maintenance of the current epidemiological situation and progress towards the final objective: the eradication of *Triatoma infestans*.

538. Community participation is being secured through joint participation of the Programme for the Combat and Eradication of Chagas Disease in Paraguay and departmental education systems in monitoring operations which involve both schoolchildren and the community in activities of reporting focal points and improving housing conditions. The results of these activities have been the presence of trained community leaders, active monitoring on a sampling basis and "Chagas week" school activities.

8.4. Yellow fever

- 539. During the last 10 years there have been no reported cases of yellow fever; however, owing to the high levels of *Aedes aegypti* infestation and reported cases in neighbouring countries, Paraguay is still on epidemiological alert. The epidemiological situation regarding yellow fever in countries bordering on Paraguay and a 5 per cent increase in the level of *A. aegypti* infestation suggests that there is a considerable risk of possible circulation and appearance of cases of urban yellow fever. No suspicious cases have been reported. The monitoring system has introduced immediate notification and the taking of samples in all suspicious cases and a diagnosis by the Central Public Health Laboratory using serological analysis by the ELISA IgM method in use since 2001.
- 540. In 2001 the Ministry of Public Health and Social Welfare initiated an anti-yellow fever vaccination plan conducted in stages with the general objective of preventing the appearance of yellow fever in Paraguay. Vaccination is destined for persons over one year of age in accordance with risk zones and the availability of vaccines.
- 541. The first stage consisted of the vaccination of 280,000 inhabitants of areas bordering on endemic countries (Boquerón, Alto Paraguay, the northern zone of Pte. Hayes and Amambay) and travellers from all parts of the country going to endemic zones. Beginning in 2002, the populations of Concepción, Canindeyú and Alto Paraná were covered. In 2003, to advance with the prevention of yellow fever, the entire population between ages 1 and 4 years was vaccinated within the framework of the follow-up campaign for the eradication of measles in the seven frontier departments.
- 542. Vaccination coverage against yellow fever in the different health regions involved in the campaign is not homogeneous. However, in view of international commitments, an evaluation of progress made has been carried out, redefining targets and strategies in the light of the risk situation in each of the affected regions. The extent of vaccination coverage reported by the regions included in the Plan is shown in the following table.

| Paraguay: | Coverage of | vellow fever | vaccination by | health | region. | 2001-2004 |
|-----------|-------------|--------------|----------------|--------|---------|-----------|
| | | | | | | |

| Region | Population | Vaccinated | % coverage |
|------------------|------------|------------|------------|
| Boquerón | 32 345 | 39 579 | 82 |
| Alto Paraguay | 9 136 | 11 228 | 81 |
| Presidente Hayes | 26 121 | 86 295 | 30 |
| Concepción | 31 812 | 191 226 | 17 |
| Amambay | 16 383 | 110 782 | 15 |
| Canindeyú | 24 630 | 153 292 | 16 |
| Alto Paraná | 59 745 | 598 613 | 10 |
| Total | 200 172 | 1 191 015 | 17 |

- 543. A system for the monitoring of jaundice in observation centres is being developed, and entomological monitoring and control of epidemic diseases among animals is being developed in the Chaco region. At international level Paraguay is maintaining the requirement that all immigrants from endemic zones be vaccinated against yellow fever.
- 544. A bilateral agreement has been signed between Paraguay and Bolivia to make progress in the prevention and control of yellow fever in border areas. It provides for the attainment and maintenance of 100 per cent coverage with AA in border municipalities, interchanges of data on vaccination in those municipalities and standardization of reporting forms.

8.5. Cholera

- 545. In Paraguay four cases have been reported to date, three of them imported from Argentina. The diagnosis was confirmed by the laboratory in the Carlos B. Malbián Institute in Buenos Aires. The samples examined yielded the following results: *vibrio cholerae* 01, biotype EL TOR, serotype Inaba. The studies concluded that the outbreak probably began with the ingestion of contaminated food.
- 546. The cases which appeared were isolated and without any common source of contamination. The three imported cases were patients living in urban areas, i.e., with access to drinking water and basic sanitation. The home-grown case was recorded at San Antonio, 22 km from Asunción; the patient was a male, a fisherman on the River Paraguay. In 1999 an imminent risk of entry of cholera into the country was declared owing to an outbreak at Paranaguá, a free port on the Brazilian section of the River Paraguay.
- 547. It is accepted that the proportion of children under age 5 among all persons with diarrhoea does not exceed 20-30 per cent. If this proportion (diarrhoea among persons over and under 5 years of age) is monitored weekly, it may be observed that an increase in the proportion of persons over age 5 precedes by two or three weeks the appearance of cases of cholera.

8.5. Control of other diseases

548. As regards health monitoring relating to other diseases, the Integrated Monitoring of Avian Influenza in Humans programme came into operation in 2005; a National Programme for Monitoring and Control of Nosocomial Infections was launched in the same year.

9. Health education

- 549. One of the mechanisms for the fostering of healthy habits and environments favouring good health and life makes use of programmes and campaigns to promote healthy municipalities, healthy schools, healthy homes, healthy markets, healthy prisons, healthy transport, organic production systems, healthy workplaces, etc.
- 550. In addition, lifestyles are being promoted which make for better health among specific groups based on age, gender and geographical location to prevent the risk factors affecting the population. The measures taken include promotion of healthy eating, the development of physical activities, the prevention of addictions and violence, education in values, primary environmental care and the development of mental health arrangements. In addition, the development of factors protecting health and monitoring of the growth and development of school pupils and adolescents are being introduced into formal education curricula.

- 551. Since 2004 gender training workshops have been taking place for persons with responsibilities in priority transmissible disease programmes (STD/HIV/AIDS, Chagas disease, tuberculosis and immunization of children and mothers) in the capital and in the interior of the country. So far five workshops have been held, attended by 37 persons.
- 552. Recently an awareness and information campaign, directed principally at women, entitled "Do not ignore AIDS. Stop AIDS, let us keep the Pledge", was launched. The National Programme to Combat AIDS is fully aware of the increasing incidence of HIV/AIDS among women and has included "gender" modules in prevention training workshops, involving the Secretariat for Women in the development of awareness of the importance of changing cultural behaviour patterns.

ARTICLE 13

A. Right to education

- 553. First of all, it should be pointed out Article 76 of the National Constitution stipulates that: "Basic school education is mandatory. It shall be free in public schools. The State shall promote secondary, technical, agricultural, industrial, and higher or university education, as well as scientific and technological research. It is an essential responsibility of the State to organize the educational system, with participation of the distinct educational communities. The system will encompass the public and private sectors, as well as activities conducted both inside and outside schools." Likewise, Article 73 of the National Constitution defines clearly and in detail the right of every individual to a comprehensive, ongoing education (...) and lists the objectives of the system.
- 554. Article 4 of the General Education Act (No. 1264) establishes that: "The State shall be responsible for ensuring access to education for the entire population of the country and for creating the conditions for genuine equality of opportunities. The national education system shall be financed basically from resources of the National General Budget".
- 555. Article 18 of the same Act establishes "the functions of the State with regard to education", which it performs through the Ministry of Education and Culture.
- 556. The form in which the State delegates its task of providing education may be seen from the following articles of the General Education Act (No. 1264):
 - Article 12: "It is the responsibility of the State to organize the national education system, with the participation of the various educational communities. This system will encompass the public and private sectors, as well as activities conducted both inside and outside schools."
 - Article 20: The Ministry of Education and Culture, the departmental Governments, municipalities and educational communities shall be responsible for guaranteeing the quality of education. To that end, a systematic and ongoing evaluation of the education system and processes shall be carried out.
 - Article 109: The Ministry of Education and Culture is responsible for the educational supervision of public and private institutions. Supervision shall be carried out by

administrative monitoring and support inspectors and pedagogical technical support inspectors.

- Article 112: The Ministry of Education and Culture and the departmental and municipal Governments shall determine the manner in which the educational and cultural services that fall within their jurisdiction shall be coordinated, under the terms of this Act.
- Article 113: The Ministry of Education and Culture shall create Departmental Education Boards in all the country's departments, in coordination with the departmental Governments. The Ministry of Education and Culture shall determine the characteristics of school administration in public education centres and shall decide in consultation with private education centres on the features which, under the existing laws, require ministerial approval. It shall set the dates of admission and registration in public schools and the annual calendar and daily timetable for the various shifts, and also determine classroom periods and rest days. It shall always take into account the various circumstances, characteristics and cycles of agricultural production and harvests in the departments.
- Article 117: The Ministry of Education and Culture shall establish the general outlines of curricula, stipulating the minimum core curriculum requirements for the whole nation. In so doing it will take into account decentralization, the need for relevance in the curriculum and the rights of the educational communities. In preparing plans and programmes the Ministry shall be sure to consult the departmental governments and the public and private educational institutions.
- Article 118: The Ministry of Education and Culture shall establish education evaluation systems for both regular and special education. Its purpose shall be to monitor achievement of the aims and quality of education.

1. Secondary education

557. Some 80 per cent of total enrolment in secondary education (secondary, technical and vocational) is within the official sector; that is, it is funded from the national general budget of expenditures. There are no monthly fees in official secondary schools except for a few charges for enrolment, examination fees and other voluntary contributions administered by ACES (to cover various expenses: school maintenance, purchase of materials, computer equipment. etc.). The charges vary according to the baccalaureate course followed by the pupil and their monetary amount is not excessive.

2. Access to education for adults

- 558. An appropriate administrative structure for basic training of young people and adults in the country has been set up and is in operation in the Ministry of Education and Culture (Directorate-General of Literacy and Lifelong Education). It includes a training centre, headquarters, offices and necessary equipment, as well as the system of organization, management and training of human, technical and administrative resources.
- 559. These measures include the development and application of a special pedagogical model for the basic education of young people and adults as part of Paraguay's educational reform,

which includes elaboration of curricular guidelines and teaching materials suited to the training of education personnel (departmental coordinators, education supervisors and promoters, and teachers).

560. The PRODEPA KO'E PYAHU (Paraguay New Dawn Programme), created in 2003, offers education to persons over 15 years of age who either have never started or have not completed their basic education studies and who live in rural areas or in marginal urban areas in a situation of poverty or extreme poverty.

3. Challenges to the right to education

- 561. The education reform undertaken in 1994 establishes universal access to basic education (EGB) as a priority policy for the education sector with basic school education and general basic education as the two priority fields of action:. The former includes activities relating to differential attention to schools at high educational risk and the development of a programme for the gradual expansion of capacity in the second and third cycles, as well as a series of activities for strengthening school management and the participation of the educational community in the reform and other processes.
- 562. The most salient achievements in this regard have been an increase in the net enrolment rate for both cycles to 97 per cent in 2004. However, over that same period the net enrolment rate for the third cycle was only 54 per cent.
- 563. Despite the efforts made and the progress achieved under the reform. difficulties relating to the achievement of universal access to basic school education still persist. They may be classified as internal and external. The external factors are: growing poverty owing to the systematic drop in GDP between 1990 and 2001, unemployment (overt and invisible) and underemployment, which mainly affects women and rural areas, standing at 15.9 per cent in 2001, geographical dispersal of the population and internal migration towards urban areas in search of better work options.
- 564. Budgetary limitations principally impede classroom construction and repair and the provision of textbooks and teaching materials, as well as the hiring of teachers for new sections, not to mention the inadequate training of primary-school teachers for work in the more advanced cycles (over 90 per cent of the budget of the Ministry of Education and Culture goes on salaries, leaving little margin for investment in infrastructure and for other expenses for school financing and efficient administration of the national education system).

3.1 Practical action

565. The main measures taken to mitigate the effects of these difficulties and encourage the school-age population to avail themselves of access to education and to remain in the education system have been the design and implementation of programmes and activities as follows:

3.1.1. Viva Hekokatúva school programme for strengthening the reform of basic school education.

General objective: the general objective of the programme is to improve the quality and equality of Paraguayan basic school education and so contribute to poverty reduction and the country's social and economic development.

Specific objectives:

- To improve both the pedagogical and administrative methods of the programme schools.
- To reduce inequality in the education system.
- To improve the quality of teacher training.
- To strengthen MEC operations.

Lines of action

Activities in basic schools (150 urban schools and 1,000 rural schools most needing attention).

Improved initial training of teachers.

Infrastructure and equipment for expanding the third cycle of basic school education (7th and 8th grades).

Strategic support for MEC activities.

3.1.2 Other action taken to increase retention in school at this level includes:

(a) **Distribution of school kits** to schools in poor communities in the metropolitan area and the interior of the country. Each kit contains: exercise books, pencils, crayons, rulers, erasers, pencil sharpeners, scissors and plastic glue.

Objective: to improve the education of disadvantaged social groups and contribute to equality of educational opportunities for Paraguayans.

Beneficiaries: 450,000 school kits for pre-school pupils and pupils in the first and second cycles of basic school education in poor communities in the following departments: Capital, Concepción, Cordillera, Guairá, Itaipú, Misiones, Paraguari, Central, Ñeembucú, Amambay, Presidente Hayes, Boquerón, Alto Paraguay, San Pedro, Alto Paraná and Itapúa.

(b) Student vouchers

The student voucher system has been in force since 1999. It consists of a 50 per cent discount on urban public transport charges for basic and secondary education students. This represents substantial support for students who need to use this service daily to travel to and from their places of study.

Distribution of books of tickets to students

Target 2005: To deliver 60,000 books of tickets to students in the Central and Capital departments and the interior of the country.

Execution up to September: 34,248 books of tickets issued to students...

(c) Half-fare vouchers

Target 2005

To issue 32,400,000 vouchers per year (60 vouchers per student per month)

Execution up to September: 9,646,000 vouchers delivered to 34,248 students.

566. At the macroeducational level, the chief target is to ensure that all children under age 5 are enrolled in pre-school education by 2010 (National Initial Education Plan). In this context. more pre-school sections are being established in order to attain the 100 per cent coverage proposed.

567. Lines of action:

- Achievement of universal access to initial and basic school education (84 per cent coverage for initial education, 100 per cent coverage in the first and second cycles and 75 per cent in the third cycle.
- Compensatory policies for improving the education of disadvantaged social groups through the provision of textbooks. school supplies, lunches and snacks.
- Modernization of the administrative and management structure of the education system.

568. Another objective is that by 2020 all children should complete 9 years of study (Paraguay Strategic Plan 2020). Current coverage is 75 per cent. The target is to eliminate illiteracy altogether by 2008 (Paraguay Strategic Plan 2020. National Literacy Plan and Education Target for All – Dakar).

4. Measures for promoting literacy

569. Specific measures taken by the Paraguayan State to promote literacy include the following:

4.1 National Literacy Plan (2004-2008) – Programmes implemented:

- Bilingual Youth and Adult Basic Education Programme: the beneficiaries in 2005 were 26.000 young people and adults, achieving a 12.1 per cent reduction in illiteracy.
- *Intensive bilingual literacy programme*: 65.000 pupils enrolled in four years (2002-2004). The beneficiaries in 2005 were 8,000 young people and adults, achieving a 4.2 per cent reduction in illiteracy.
- Broadcasting-based literacy programme. : 45,000 pupils enrolled in four years (2002-2004). The beneficiaries in 2005 were 6,000 young people and adults who achieved literacy, , making for a 3.2 per cent reduction in illiteracy.
- Alpha prepares Prodepa: This is developed in agreements with secondary education teacher training institutions (IFDs). Coverage: approximately 5,000 participants. This programme comprises curricular reform and implementation of programmes for educating young people and adults who either have had no access to or have not

completed basic elementary education. It benefits 185,000 young people and adults aged 15 to 30 from the capital and all the country's geographical departments.

Additional projects of the PRODEPA programme

- Pedagogical attention to special disability-related educational needs: deafness, blindness, slight mental retardation and motor problems.
- Vocational training: continuing education provides vocational training via a special curriculum geared to training for skilled labour for a specific job. It is provided at the post- basic education level (second and third cycles).
- Training for work.: This programme is designed for attendees at youth and adult education centres and interested individuals in the community; its aim is to develop in the participants basic skills for integration into the world of work. Its beneficiaries are 20,000 participants enrolled in 2005.
- Aula Mentor (Mentor classroom): offers training via the Internet in courses with televised tutorials for women imprisoned in the "Casa del Buen Pastor" correctional centre
- 570. *Prisons education project*: offers young people and adults over 15 years of age access to basic education and training for work, which may bring them improved quality of life and effective reintegration into Paraguayan society. It is conducted at the National Penitentiary, regional penitentiaries, the Minors' Correctional Facility and the Women's Correctional Facility. The beneficiaries are 1,400 prisoners and PRODEPA participants held in the penitentiaries in the departments of Concepción, Amambay, San Pedro, Caaguazú, Guairá, Alto Paraná, Itapúa, Misiones, Cordillera, Central and Asunción, through an agreement entered into by MEC and the Ministry of Justice and Labour.
- 571. Under the curriculum policies in educational content and teaching-learning strategies, especially with regard to the education of young people and adults, the curricular reform of this sub-item is bilingual Spanish-Guaraní and responds to the socio-linguistic reality of the country, with educational service geared to the development of skills and improved educational opportunities within a framework of equity. The aim of the curriculum is to achieve autonomous civic participation and promote the training of citizens for democratic life together.
- 572. Its structure is broken down into four cycles, each lasting one academic year and including training for work through practical apprenticeship in a trade, which, once completed, is recompensed with a certificate of basic education.

B. Education system

1. Education budget

573. Of the National General Budget of Expenditures, 18.23 per cent of the amount allocated to the Central Administration goes to the Ministry of Education and Culture. Also, Article 85 of the National Constitution of Paraguay establishes that: "The resources devoted to education in the National General Budget may not be less than 20 per cent of the total allocated to the Central Administration, excluding loans and donations."

2. School system

- 574. Schools, according to the type of management, may be:
 - Official schools: of the State, directly administered by the Government.
 - Subsidized private schools: privately administered but with teachers paid by the Government.
 - Private schools.
- 575. The distribution of education centres, by type, is set out below.

Percentage of institutions by sector and area and by level. Year 2004

| Institutions | Official | % | Private | % | Private subsidies | % | Urban | % | Rural | % | Total |
|---|----------|----|---------|-----|----------------------|----|-------|----|-------|----|-------|
| Initial education | 4 032 | 78 | 687 | 13 | 454 | 9 | 1 894 | 37 | 3 279 | 63 | 5 173 |
| Basic school education (cycles 1,, 2 & 3) | 6 920 | 85 | 646 | 8 | 590 | 7 | 2 338 | 29 | 5 818 | 71 | 8 156 |
| Secondary education | 1 521 | 76 | 304 | 15 | 189 | 9 | 987 | 49 | 1 027 | 51 | 2 014 |
| Vocational training | 11 | 58 | 3 | 16 | 5 | 26 | 16 | 84 | 3 | 16 | 19 |
| Teacher training | 35 | 33 | 61 | 58 | 10 | 9 | 96 | 91 | 10 | 9 | 106 |
| Higher technical education | 2 | 13 | 13 | 87 | - | - | 14 | 93 | 1 | 7 | 15 |
| Special education | 26 | 46 | 9 | 16 | 22 | 39 | 55 | 96 | 2 | 4 | 57 |
| Special within basic school education | 505 | 88 | 2 | 0 | 66 | 12 | 317 | 55 | 256 | 45 | 573 |
| Special within secondary education | - | - | 141 | 100 | - | _ | 121 | 86 | 20 | 14 | 141 |
| Education of juveniles & adults | 1 047 | 70 | 414 | 28 | 33 | 2 | 706 | 47 | 788 | 53 | 1 494 |
| Professional education | 33 | 9 | 258 | 72 | 66 | 18 | 332 | 93 | 25 | 7 | 357 |

Source: MEC, DGPEC.

Note: There are institutions that offer more than one level and/or educational modality.

2.1 School buildings

576. School building: this is carried out in different forms and with different funding sources: for instance, direct construction carried out by the Ministry of Education and Culture, building through grants to School Cooperative Associations (ACEs), through local donations or investments (e.g. Itaipú Social Works. departmental authorities, etc.). Building during the current year is set out in detail below (does not include works executed by Itaipú and departmental authorities):

 Programme for strengthening educational reform in basic school education – "Viva Hekokatuva School": assists 130 educational establishments with infrastructure investment for construction and repairs: 337 new classrooms, 97 differentiated sanitation systems and 48 artesian wells.

- Programme for improving initial and pre-school education: there are plans to install
 244 new classrooms, 258 differentiated sanitation systems and 134 artesian wells.
- Educational reform programme with emphasis on secondary education: a start has been made on the design for construction of three prototype high schools in marginal urban areas in the departments of Caaguazú and Central.

577. Likewise, there are plans for 2005 to build 476 classrooms and 78 sanitation systems for basic and secondary education with budgetary resources from the Ministry of Education and Culture. During 2005 grants were made to the School Cooperative Associations (ACEs) of basic and secondary education establishments for improving infrastructure under the MEC-IDB and MEC-IBRD programmes. Contributions to 133 basic school education ACEs amount to 18,000,000 guaraníes on average to each cooperative, exclusively for improving, maintaining and expanding the physical structure of school establishments (a total of 2,398,399,391 guaraníes).

578. Meanwhile, grants to 60 secondary and technical education ACEs amount to roughly 18,000,000 guaranies on average to each cooperative, exclusively for the improvement of physical infrastructure (a total of 1,087,600,609 guaranies approximately).

2.3 School calendar

579. The school calendar is established on the basis of the following articles of the General Education Act (No. 1264)

- Article 114. The school year for basic, secondary and vocational school education shall comprise a minimum of 200 working days and each day shall consist of at least four hours, excluding examination days.
- Article 115. The Ministry of Education and Culture shall determine the characteristics of school administration in public education centres and shall decide in consultation with private educational centres on the features which, according to the existing laws, require ministerial approval. It shall set the dates of admission and registration in public schools and the annual calendar and daily timetable for the various shifts and shall determine classroom periods and rest days. It shall always take into account the various circumstances, characteristics and cycles of agricultural production and harvests in the departments.

Summary of schooldays

| February: | 6 (from 21 February) | August: | 22 |
|-----------|----------------------|------------|----|
| March: | 20 | September: | 21 |
| April: | 21 | October: | 21 |
| May: | 22 | November: | 22 |

June: 22 December: 11 (additional evaluation:

July: 11 (2 weeks of winter recess) up to the 16th)

Total: 199

3. Access to education

580. The rate of access to the education system shows the number of children who enter a particular level for the first time as a percentage of those children who have the right to be admitted. The gross admission rate for the first grade of basic school education is over 100 per cent (129 per cent in 2004), which means that the system has sufficient capacity to absorb the entire population of the officially established age. The rate of over 100 per cent also shows that there are over-age children in the system.

581. There was a significant increase in enrolment at all educational levels, with the secondary and pre-school level showing the highest percentage growth (177 per cent and 137 per cent respectively for the period 1994-2004).

Enrolment by level and sex. Period 1994 – 2004

| | n | , , | | Basic School | ~ | | | | |
|---------------------------------|--------------|--------|-----------------------|-----------------------|--------------------|---------|---------------------|---------|--|
| Year | Pre-school - | | 1 st and 2 | o nd cycle | 3 rd cy | cle | Secondary Education | | |
| | Men | Women | Men | Women | Men | Women | Men | Women | |
| 1994 | 26 056 | 25 615 | 431 189 | 430 900 | 79 721 | 79 954 | 35 727 | 40 512 | |
| 1995 | 29 933 | 29 680 | 449 050 | 420 553 | 85 824 | 86 856 | 38357 | 43 969 | |
| 1996 | 37 377 | 37 336 | 461 657 | 434 120 | 96 141 | 95 765 | 47 631 | 52 795 | |
| 1997 | 43 998 | 43 668 | 466 682 | 439 131 | 109 403 | 107 306 | 52 592 | 58 474 | |
| 1998 | 48 457 | 48 319 | 479 927 | 453 362 | 116 670 | 113 961 | 59 588 | 64 996 | |
| 1999 | 53 859 | 53 426 | 481 055 | 451 943 | 127 720 | 125 532 | 68 339 | 72 455 | |
| 2000 | 57 806 | 56 710 | 489 171 | 459 038 | 136 534 | 134 288 | 75 251 | 77 947 | |
| 2001 | 60 337 | 59 197 | 489 510 | 459 173 | 148 230 | 144 478 | 81 830 | 83 054 | |
| 2002 | 60 085 | 57 918 | 484 053 | 451 835 | 152 933 | 148 725 | 90 454 | 92 452 | |
| 2003 | 62 310 | 60 555 | 483 217 | 451 364 | 156 632 | 152 621 | 98 381 | 100 420 | |
| 2004 | 62 300 | 60 174 | 479 989 | 449 489 | 159 790 | 156 579 | 102 234 | 104 623 | |
| Percentag Growth 1994-200 | 139% | 135% | 11% | 11% | 100% | 96% | 186% | 158% | |

Source: MEC, DGPEC-SIEC.

582. The numbers participating in the education programme for young people and adults are as follows: 20,351 men (44 per cent) and 26,077 women (56 per cent) in urban areas. and 13,474 men (46 per cent) and 15,546 women (54 per cent) in rural areas, making for a proportion of 62 per cent in urban areas and 38 per cent in rural areas (Source: MEC. DGPEC-SIEC).

3.1 Indigenous education

583. There are currently 34,705 indigenous persons of school age (2002 census) between 5 and 19 years of age; 20,530 of them enjoy the right to formal initial and basic education in

- 339 educational establishments in the eastern and western regions. For secondary education there are seven indigenous establishments, focusing on the humanities and agricultural baccalaureate, with an enrolment of 334 young people. There were 2,000 enrolments for youth and adult literacy courses countrywide in 82 education centres.
- 584. At the higher education level, 57 pupils in the Ava Guaraní ethnic group are enrolled for the distance teacher-training course for indigenous baccalaureate holders. The *Escuela Viva* programme and its sub-component for the improvement of indigenous schools are currently working on proposals for intercultural bilingual education, designed with the participation of the indigenous communities, which ensures the right to education and the right of the Paraguayan indigenous peoples to the maintenance and development of their specific original cultures.
- 585. The Government still faces the challenge of improving the coverage, quality and relevance of indigenous education.

3.2 Egalitarian access to education

- 586. The Government has adopted a number of measures for promoting egalitarian access to all levels of education, including the following:
- (a) Programme for strengthening educational reform in basic school education "Escuela Viva Hekokatauva"
- 587. The overall aim of this programme is to improve the quality and equity of basic school education in Paraguay, thus contributing to poverty reduction and the country's social and economic development. It aims to develop comprehensive activities that go beyond the sole perspective of provision of inputs and to concentrate on improving procedures so as to guarantee pertinent and high-quality results.
- 588. Escuela Viva focuses its action on the 10 per cent of urban schools at greatest educational risk and on approximately 25 per cent of rural schools with poor educational results. All in all, and via its various sub-components, it covers approximately 2,500 official schools, or 43 per cent of all the country's public schools.
- 589. In order to improve learning in the rural context, the programme focuses its activities for implementation of pedagogical proposals on 1,000 rural schools in six regions and 150 high-risk urban schools in three priority geographical areas.
- 590. This programme's main sub-components, which deal with action in basic schools, are:
- *Improvement of rural schools:* its purpose is to implement in 1,000 rural schools (25 per cent of enrolments) a bilingual pedagogical proposal geared towards improving the education of pupils during the first six years of the education system (first and second cycles).
 - Improvement of urban schools: this seeks to implement a comprehensive pedagogical activity in the first cycles of basic school education to benefit 69,362 pupils and 150 schools at highest educational and poverty risk.
 - *Improvement of indigenous schools*: the aim is to undertake a bilingual intercultural pedagogical activity in indigenous schools with community participation.

- 591. In educational terms, the average period of schooling of the indigenous population aged 15 and over is 2.2 years, while the average for the overall population in that age group is 7 years.
- 592. For several years now special attention to the indigenous sector has been provided by Supervisory Offices for Indigenous Education, which are responsible for coordinating, supporting and monitoring implementation of programmes in indigenous communities. There are five such Offices.
- 593. Since 2002 the Programme for the Strengthening of Educational Reform has had a sub-component devoted to indigenous education, aimed at creating education schemes specifically geared to the real situation of each ethnic group. This experiment is being conducted in a targeted fashion.
- (b) Educational reform programme with emphasis on secondary education:
- 594. Alternative open secondary education offer: one alternative currently being devised is intended or young people in the 15-18 age group who have completed basic school education and have not gained access to regular secondary education since they have to work.
- (c) Mitá Irú Active School Programme
- 595. Since 1995 the Ministry of Education and Culture has been conducting this programme with the support of international cooperation organizations: Plan International, United Nations Children's Fund (UNICEF) and the MEC-IDB programme to improve the quality of education. It targets rural schools and uses a multigrade model in order to reduce the inequity gap in educational services, while recognizing education as a basic engine of development and as the investment yielding the highest return, as well as the best means of facilitating social mobility and one of the main strategies for redressing inequalities.
- 596. The *Escuela Activa* (Active School) is an innovative educational programme specifically designed for the rural sector. It uses an active methodology that facilitates children's learning, using play to tackle and solve problems relating to their daily tasks. In other words, it is a programme that produces active, creative, participative children. It uses play as a learning vehicle, respects individual differences and takes into account the special characteristics of the rural contexts in which peasant children live, in order to provide them with positively differential and innovative treatment so that those attending these schools can exercise the right to high-quality education relevant to their real lives and so gain admission to school and remain there, where they learn basic skills to become productive and participative citizens.
 - At the final stage 10 schools in the department of Caaguazú were selected;
 - As of 1997, the programme was consolidated and extended to other departments involving 50 establishments in the departments of Caaguazú, Paraguari and Presidente Hayes;
 - The consolidation and extension process continued during the period 1998-2000 to include the departments of Guairá and San Pedro, making a total of 100 official establishments in all;

- Internal/external evaluations were conducted in 2002 and constitute the basic inputs for expanded coverage; 2003 witnessed the beginning of expanded coverage to include 43 schools in the department of San Pedro, 15 schools in Guairá and 16 schools in the department of Caaguazú, with a total of 164 active schools financed during that period;
 - In 2004 PLAN and MEC signed a cooperation agreement for training teachers at the Mañana Institute in the country's capital;
 - In that year programme coverage increased to take in a further department, Cordillera, making a total of 218 schools supported in 5 departments.

4. Financial incentives for education

4.1 Strengthening of the School Cooperative Associations (ACEs): the success of community participation and management in Paraguay is being strengthened through the transfer of resources to the ACEs. This move is intended to improve the educational community's organizational capacity, school infrastructure, and equipment procurement.

4.2 Award of scholarships to young people with few resources for them to continue their secondary education:

- (a) Educational reform programme with emphasis on secondary education: the Sustainable Scholarship Programme seeks to increase the retention rate among secondary students aged 15-17 with scant economic resources. The 2005 beneficiaries were 2,807 young secondary students in the departments of San Pedro, Caaguazú, Itapúa, Central, Guairá and Alto Paraná.
- (b) National Scholarships Board: the help provided by the Board is designed for tertiary education, teacher training and first and postgraduate degrees (specializations. diplomas. masters' and doctorates). In 2005 the Board awarded grants to students with economic resources at the various higher-education levels as follows: 435 degree grants, 38 postgraduate grants, 194 teacher-training grants and 89 grants for pursuing various further-training courses in different countries.
- 597. One of the measures designed to guarantee egalitarian access to all levels of education is the Programme for the Improvement of Initial and Pre-school Education.

5. Status of teachers

598. With regard to the status of teachers in the country, with special reference to the Recommendation adopted on 5 October 1966 by the Intergovernmental Conference on the Status of Teachers convened by Unesco on the status of teachers, the legal framework on which the administrative regulations of the Ministry of Education and Culture are currently based is General Education Act No. 1264 of 26 May 1998, which, in its Chapter II – Section II - regulates the exercise of the teaching profession in articles 133-136. Likewise, its Section III, whose single article (article 137) provides for the formulation of a statute of educational personnel, which was established through Act No. 1725 of 13 September 2001; these are the framework laws that are logically supported by the National Constitution in force since 1992.

- 599. A study of the implementation of these recommendations on the status of teachers approved on 5 October 1966 by the Special Intergovernmental Conference on the Status of Teachers shows that they have been complied with, which may be deduced from which a simple reading of legal regulations in force.
- 600. Regarding paragraph VII in particular (Employment and career), and specifically Entry to the teaching profession, there is currently a regulation based on the recommendations contained in paragraphs 38 and 39 of the reference document, which comes from the Manual for Selection of Professional Educators, by Ministerial Decision No. 2520/05 and in force for one year on an experimental basis, It establishes the criteria for evaluating degrees and merits and for written and oral evaluations as a prerequisite for admission of professional teachers into the national education system. This regulation was formulated as part of the selection policy previously established in the General Education Act, article 135 of which reads: "Educators have the right to [...] (b) enter the profession through a competitive system", and by the Status of Teachers Act, Chapter IV (Concerning entry, promotion, duration and tenure in the teaching profession), which, in its article 16, states: "Competitive examinations shall be organized in accordance with the regulations in force and shall be the responsibility of the bodies created for that purpose in each region". In this connection, it should be mentioned that, in pursuance of the restructuring required by the ministerial decision in force since 2004, this process is currently the responsibility of the Human Resources Department, through its Directorate of Competitions, which is in charge of directing the process and for its administrative and technical monitoring, in keeping with the new vision and policy of the Human Resources Administration and abandoning the old concept of simple administration and monitoring of the administrative staff through a Personnel Directorate. The latter still exists but with responsibility for Central Administration personnel under the Human Resources Department. The latter also has a Directorate of Evaluation and Continuing Training and a Directorate of Public Competitive Examinations exclusively for the entry and promotion of teachers.
- 601. The antecedents of the regulations in force are the Selection Manuals for 2000 and 2004. It should be pointed out, however, that the former established criteria for evaluating teachers' performance, which went by the name of Merit Competition, with no other type of evaluation. Subsequently, in order to adjust the regulations to Act No. 1725/05 and in a joint effort of collaboration with teachers' organizations, pursuant to Recommendation No. 38 of the aforesaid document, a Selection Manual was prepared and was approved by ministerial Decision No. 16731/03, and the profiles required for competitive posts and marks in public competitive examinations were approved by Ministerial Decision No. 1176/04.
- 602. With regard to Recommendation No. 39, Act No. 1725 establishes the aforesaid probationary period mentioned in the document, which article 22 sets at one year, during which professional performance will be evaluated, following which, if confirmed, the person will be awarded tenure and the probationary period will be counted for all legal purposes.
- 603. Advancement and promotion (Recommendations Nos. 40 and 41) are also regulated through the Teachers' Selection Manual (Ministerial Decision No. 2520/05), in which the requirements for entry and appointment to more responsible positions in the national education system are spelled out. While these are only binding in public schools, all establishments providing education to the public are required to use them as a minimum profile for the exercise of the teaching profession and the evaluation of the moral integrity that goes with it.

604. In this connection, we have made a qualitative leap in teachers' promotion to director and supervisor posts in that this is done on the basis not only of quantifiable academic merits, which comprise 50 per cent of the selection process, but also by using both written and oral evaluations based on tests of knowledge, skills and attitudes, while taking into account the principal aim of education and those at whom it is directed, all within the framework of equality and transparency of management processes, publicizing the mechanisms used. More importantly, the process not only involves teachers' organizations in the preparation of selection instruments, but also enables them to be represented on the selection committees, of which they are active members with all the prerogatives that such membership entails, together with the Secretaries for Education of the local governments and representatives of school and municipal cooperatives who support the process and seek in teachers the quality required for the performance of their various tasks.

5.1 Other important aspects

605. A great many unqualified teachers currently work in the education system, for which they need the title of "assistant" (habilitante), and for which they pursue the training needed. This is the case exclusively in rural areas, in which such teachers perform a very important task in view of the dearth of qualified human resources in these areas. It is therefore important to point out that in the Final Provisions, Chapter XII, of Act No. 1725, article 60 establishes that non-professional personnel teaching or performing administrative technical support work in education at the time the Act was promulgated will have a maximum of five years from its promulgation to obtain the title of habilitante and the necessary qualification. The deadline is therefore 13 September 2006. With that in mind, the Ministry has duly provided the appropriate opportunities for professionalization and training, as well as continuing education, all in accordance with the 1966 recommendations.

606. In conclusion, recommendations on the status of teachers have been fully complied with the legal education regulations. Also, the existing legal framework and, consequently, the related administrative measures are contained and provided for in the General Education Act, the Teachers' Statute and the Handbook for selection of professional educators.

6. Trends in teachers' salaries

607. As shown in the schematic table below, there has been a steady increase in teachers' salaries over the past decade:

Trends in teachers' salaries - Period 1994-2005

| Years | Basic school educ. (first and second cycles) | | Categ. 1 |
|----------------|--|-------------------|----------------------|
| | Categ. 1 | Certified teacher | Classroom hours |
| | Amount (Gs.) | | Amount (hourly rate) |
| 1994 | 423 700 | 274 100 | 5 300 |
| 1995 | 489 400 | 316 600 | 6 120 |
| 1996 | 538 300 | 348 300 | 6 730 |
| 1997 | 538 300 | 348 300 | 6 730 |
| 1998 | 613 660 | 397 060 | 7 400 |
| 1999 (1st sem) | 650 480 | 420 884 | 7 844 |
| 1999 (2nd sem) | 689 508 | 446 137 | 8 315 |
| 2000 | 758 400 | 490 700 | 9 100 |
| 2001 | 758 400 | 490 700 | 9 100 |
| 2002 | 758 400 | 490 700 | 9 100 |
| 2003 | 758 400 | 490 700 | 9 100 |
| 2004 | 823 622 | 532 900 | 10 000 |
| 2005 | 823 622 | 532 900 | 10 000 |

Source: General Budget of Expenditures of the Nation: Personnel Annex (1994-2005). Ministry of Finance.

Comments:

- A 10 per cent increase in teachers' salaries is envisaged from November 2005.
 - A basic education teacher earns a monthly salary based on one teaching shift.
- A secondary-education teacher may teach a maximum total of 260 hours per month in the two shifts.

608. In conclusion, it should be mentioned that during the period under consideration there have been no special laws governing education that violate the principles set forth in article 13.

609. By the same token, regarding the right to education, mention must be made of the legal reform process as a component of the education reform (State Policy) currently under way in the country. The following are the most salient Acts promulgated under the legal reform component: No. 1246/98, General Education"; No. 2072/2003 creating the National Higher Education Evaluation and Accreditation Agency; No. 1680/2001 (Code on Children and Adolescents); No. 1725/2001 (Teachers' Statute); and Regulatory Decree No. 468/03. The regulations emanating from the Ministry of Education and Culture have also been brought into line with the aforementioned norms

610. The norms cited about have been faithfully incorporated into the principles enshrined in the International Covenant on Economic, Social and Cultural Rights, thus consolidating the farreaching changes produced in the process of entrenching all citizens' full enjoyment of the right to education.

ARTICLE 14

- 611. Article 75 of the National Constitution, "Concerning the obligations of the State", determines that: "Basic school education is compulsory. It shall be free in public schools."
- 612. Furthermore, considerable progress has been made on enrolment from initial to secondary education, as well as on gender equity and the reduction of illiteracy. That having been said, Paraguay still faces the challenge of increasing the school retention rate, since a minimum of 12 years' study is needed for securing the type of employment that ensures a high level of probability of avoiding poverty (ECLAC, 1999), not to mention the challenge of improving the quality of education.
- 613. Enrolment rates at the various educational levels have shown substantial increases. This increase is due in large measure to the fact that, under the educational reform, free and compulsory education was extended from six to nine years. The improvement of these indicators brought with it an increase in the average years of schooling and a drop in illiteracy.

ARTICLE 15

A. Overall situation of cultural promotion

- 614. A number of legislative and other measures have been adopted in Paraguay to guarantee enjoyment of the right to participate in and promote cultural life, especially activities developed through the National Fund for the Development of Culture (FONDEC) which this year awarded a total of 2,670 million guaranies for 68 cultural projects in the Central Department and in 85 departments in the interior of the country.
- 615. Meanwhile, regarding the institutional infrastructure installed for the implementation of policies promoting popular participation in culture, such as cultural centres, museums, libraries, theatres, cinemas and traditional arts, the Vice-Ministry of Culture, which comes under the Ministry of Education, operates seven museums, the National Archives and the National Library. It also collaborates with and uses cultural centres located in embassies and offices of diplomatic representatives (Argentina, Brazil, North America, Spain, etc.). It also uses the Lyric Theatre (*Teatro Lírico*) of the Central Bank of Paraguay for performances by the National Ballet and the National Symphony Orchestra. This hybrid model of cooperation with civil society organizations affords wider coverage and diffusion of culture, as well as the population's participation in cultural events.
- 616. One mechanism for the promotion of cultural identity as a factor of mutual respect among individuals, groups, nations and regions operates through the promotion of ministerial decisions classifying the activity, event or object as being "of cultural interest". The aim is to recognize and promote the various cultural activities and events organized by the community. In particular, regarding promotion of information and the enjoyment of the right to cultural heritage for national ethnic groups and minorities and indigenous peoples, a variety of events are organized through work with ethnic groups. The first MERCOSUR meeting of fundamental repositories of

Guaraní culture recently took place. Another important event was the second indigenous national census in 2002, which resulted in the Map of Indigenous Communities in Paraguay, a work that serves as a reference point and diagnostic for evaluating the overall situation of Paraguay's the indigenous peoples.

617. The media play a considerable role in promoting cultural life in Paraguay, although this is done mostly through the periodical media (daily newspapers, radio and television) which disseminate official and private material. The Directorate of Educational Broadcasting records the fundamental acts of the Vice-Ministry for Culture.

1. Curricular approach to culture

- 618. The curricular content for the promotion of culture is part and parcel of the objectives of Paraguayan education, specifically in the skills and capacities to be achieved by students. Its main features are:
 - Valorization and promotion of cultural identity;
 - Ethnic groups' and minorities' enjoyment of the right to inherit their cultures;
 - Preservation and diffusion of the cultural heritage of mankind.
- 619. These topics are addressed at all educational levels with varying degrees of detail and complexity.
- 620. The Ministry of Education and Culture has been working on the gender equity policy with the Secretariat for Women through the National Programme for Equality of Opportunities and Achievements for Women in Education (PRIOME). The Programme is an advisory body on gender policies in education, and its action is based on the National Plan on Equal Opportunities (2003-2007).
- 621. This Programme uses its lines of action to develop strategies for reducing gender inequity and for promoting conditions for gender mainstreaming throughout the education system, with a view to comprehensive and sustainable human development.

2. Preservation and dissemination of the heritage of humankind

622. The Directorate of Historical and Cultural Heritage, which is attached to the Vice-Ministry of Culture, is responsible for preserving and disseminating the cultural heritage of humankind to be found in Paraguay, for which purpose it has organized with the Italian Latin American Institute (IILA) courses for training officials in that area. Eight scholarship-holders are currently pursuing advanced courses in this subject in Italy.

3. Freedom of creation and artistic expression

623. Work is currently under way on the preparation of a Culture Act intended to cover various aspects relating to the promotion and protection of the cultural heritage. However, already in existence are the Act creating FONDEC, the Act creating protection of cultural property, the Act on crafts promotion, the Act creating the National Music Conservatory, and the Act creating the Higher Institute of Fine Arts.

4. Vocational education in the field of culture and art

624. There is an official institute for teacher and arts training (ISBA) and another attached to the National University, as well as academies supervised by the Directorate of Cultural Diffusion.. Meanwhile, a national plan is currently in the course of preparation, as is the corresponding Culture Act.

B. Dissemination of scientific progress

- 625. For purposes of promotion and dissemination of scientific and technological advances Paraguay has the National Science and Technology Council (CONACYT), established under Act 1028 of 31 January 1997 (the General Science and Technology Act) to facilitate the organization of science and technology in view of the importance of the two subjects in the social and economic development of a modern country. The concept of CONACYT is based on the most modern principles of this type of management, namely the creation of a body for the administration and coordination of the sector (CONACYT): multidisciplinary and representative participation of the different agents in a system comprising science, technology and innovation (State, academic institutions, research and development institutions, enterprises and workers): and the introduction of tax incentives for investment in research and development.
- 626. CONACYT established its Council in July 1997. The National Accreditation Agency (ONA) was crested in 1998 under Executive Decree No. 20660/98 attaching it to CONACYT as the body ensuring transparency and independence in the recognition of quality at national and international levels.
- 627. Subsequently the National Congress adopted Act 2279/03 (Act amending and expanding the articles of the General Science and Technology Act (No. 1028/97)). This Act establishes the National Systems for Science, Technology, Innovation and Quality.

1. Composition of the National Science and Technology Council

- 628. In accordance with Act No. 2279/03 the membership of CONACYT consists of 14 titular and 14 alternate councillors representing the following institutions and sectors:
 - The Technical Planning Secretariat of the Office of the President of the Republic (STP):
 - The Ministry of Industry and Commerce, through the intermediary of the National Technology and Standardization Institute (INTN);
 - The Ministry of Agriculture and Livestock
 - The Ministry of Education and Culture:
 - The Ministry of Public Health and Social Welfare;
 - The State universities;
 - The private universities;
 - The Paraguayan Industrial Union (UIP);

- The Paraguay Rural Association (ARP);
- The Production, Industry and Commerce Federation (FEPRINCO);
- The Association of Small and Medium-sized Enterprises;
- The central trade union bodies;
- The Scientific Society of Paraguay; and
- The Paraguayan Association for Quality.

2. Legal framework for the promotion of scientific and technological advance

- 629. The following is the text of articles 1, 2 and 3 of Act No. 2279/03, which refer to the functions of CONACYT.
 - Article 1. Concerning the institution of the systems: The present Act establishes the National System for Science, Technology and Innovation (SNCTI), comprising all the bodies, public and private national institutions and physical and legal persons engaging in or concerned with scientific, technological and innovative activities.

The National System for Quality, comprising all the public and private national institutions and physical and legal persons conducting activities relating to quality, is also hereby established.

The *National Science and Technology Council CONACYT*) may establish other national systems in specific areas of science and technology when progress in a particular field and the importance of that progress for the scientific and technological development of the country renders such a measure desirable.

- Article 2. Concerning competence. The National System for Science, Technology and Innovation shall have competence to stimulate and promote scientific and technological research; the generation, dissemination and transfer of knowledge; invention, innovation, scientific and technological education, the development of national technologies and management in the fields of science, technology and innovation. The National System for Quality shall have competence to promote scientific and technological research in the area of quality and the application and dissemination of accreditation, metrology and standardization services and the system of evaluation of conformity.
- Article 3. Concerning science, technology, innovation, quality and development policy. The development of scientific, technological and innovative activities within the country, and the development of activities in the sphere of quality, shall be orientated in accordance with specific policies and programmes stimulated by the public sector and, where appropriate, duly coordinated with the private sector, such policies to be in line with the social and economic development policy of the country. The national policies on science, technology and innovation and those on quality shall be developed on the basis of programmes which shall preferably be intersectoral and multidisciplinary.

3. Functions of CONACYT

- 630. The functions of the National Science and Technology Council shall be as follows:
 - (a) To formulate and propose to the National Government national policies in the fields of science, technology and innovation and that of quality for the country in harmony with the economic and social development policy of the State and, in coordination with the institutions concerned, to supervise and assess the implementation of those policies and strategies;
 - (b) To match national efforts in the scientific, technological, innovative and quality fields with those being conducted in other countries, promoting networks of research and development in those fields;
 - (c) To select, approve, supervise and evaluate research financed by FONACYT to ensure that it is conducted within the framework of the national policy for science, technology and innovation and that for quality formulated by CONACYT:
 - (d) To advise the authorities of State on all matters related to the fields of competence of CONACYT;
 - (e) To determine the criteria and/or principles in the fields of science, technology, innovation and quality to be incorporated in the formulation of national policies;
 - (f) To regulate and implement the policy of allocation of the resources of FONACYT for the pursuit of the aims of the national policy for science, technology and innovation and that for quality;
 - (g) To promote the dissemination of scientific, technological, innovative and quality activities and to effect their ordering and systematization;
 - (h) To promote standardization and evaluation of the conformity of processes, products and services and the generation, use and application of technology;
 - (i) To foster programmes of training and specialization of the human resources necessary for the development of the National System for Quality and the National System for Science, Technology and Innovation;
 - (j) To provide incentives for the generation, use, dissemination and application of culturally, socially and environmentally sustainable knowledge in the scientific, technological, innovation and quality spheres;
 - (k) To establish and maintain relations with similar public and private bodies in other countries and to facilitate the participation of representatives of the country in congresses or other types of scientific or technical activity and to support exchanges, cooperation and reciprocal transfers of information in the areas of competence of CONACYT;
 - (l) To coordinate and support the activities of national public bodies, civil associations and non-governmental organizations in its areas of competence;

- m) To promote rationalization and transparency in the management and use of public and private resources destined for scientific research, technological development, innovation and quality;
- (n) To define concepts related to its areas of competence in accordance with criteria established and accepted at international level;
- (o) To set up standing or ad hoc committees for the treatment and study of specific themes, and for the evaluation of specific projects, within its areas of competence;
- (p) To take part in activities, committees or collegiate bodies of any type or designation with links to official bodies concerned with science, technology, innovation and quality;
- (q) To promote the development of science, technology, innovation and quality; through incentive mechanisms directed at institutions, enterprises and individuals;
- (r) To authorize the conclusion of conventions, agreements, contracts and other like instruments relating to the fulfilment of its objectives;
- (s) To administer its budgetary resources, performing the managerial operations necessary to that end;
- (t) To draw up the rules and decisions relating to the functions of CONACYT;
- (u) To fix the amounts to be charged for the provision of services and to update them periodically;
- (v) To fix additional and special remunerations for the officials of CONACYT, to be paid out of FONACYT funds;
- (w) To approve the annual report of activities, the financial statement and balance sheet for the previous year, the draft budget, duly justified, and the work plans the execution of which the budget allocated to CONACYT permits;
- (x) To designate the members of the Council and the officials who, together with the President of CONACYT, are required to sign financial instruments, authorizations and other documents;
- (y) To perform other operations necessary for the attainment of the purposes of CONACYT.

4. National Policy on Science and Technology

631. Paraguay has a National Policy on Science and Technology, which was approved by the Executive under the terms of Decree No. 19007 dated 15 October 2002. The aims of the National Policy on Science and Technology are: to improve, increase and make more efficient the nation's efforts in the area of science and technology, promoting greater participation by the private sector and local authorities. On that basis the objectives making up that policy rest on the following guiding principles:

- The development of science and technology is one of the fundamental supports of the social, economic and cultural development of the country; consequently policy on science and technology must be in line with the long-term social and economic policies.
- The strengthening of the nation's technological and scientific capacity contributes to the assignment to science and technology of its proper role in a modern country.
- Research projects must be classified by level of priority viewed in the light of the country's needs.
- The institutional adaptation of the sector shall be directed to the strengthening of local capacity for innovation and the use of scientific and technological advances for the benefit of society. In particular, CONACYT must be strengthened as the directing body in the National System for Science and Technology.
- Coordination and linkages between the agents and institutions in both the public and private sectors participating directly or indirectly in scientific and technological activities is necessary for the formulation and implementation of sectoral policies. In particular, linkages between universities and enterprises are of particular importance for the attainment of the objectives of improving productivity, competitiveness and quality.
- The stimulation and rationalization of government programmes concerned with research and development should be translated into basic lines of action of CONACYT.
- The allocation of resources from the public budget to research through FONACYT in a sustained manner and in increasing amounts is an obligation on the State. The establishment of mechanisms with appropriate competence and relevance for the management of the Fund should be envisaged.
- One of the mechanisms for the enhancement of national public financing of science and technology should be directed to securing financial participation in projects by the private sector, local governments and/or institutions of othe countries within the framework of international cooperation.
- Public and private investment in activities of increasing intensity in knowledge generation will be favoured and fostered.
- 632. It should be emphasized that there is no restriction on the right of access to information.

5. Measures to ensure the application of scientific progress

633. Promulgation of Act No. 1028 dated 31 January 1997 (General Science and Technology Act), under which CONACYT was established; Decree No. 19007 dated 15 October 2002 in which the Executive officially approved the National Policy on Science and Technology; and Act No. 2279 dated 7 November 2003 amending and expanding Act No. 1028/97 (General Science and Technology Act).

- 634. Among the concrete activities taken for the effective implementation of the National Plan, mention may be made of the following:
 - The signature of project PAR/02/005 (Institutional strengthening for the development of science, technology, innovation and quality in Paraguay) between UNDP and CONACYT.
 - Finalization of the collection of data from science and technology institutions for purposes of the establishment of science and technology indicators, using 2001 as the base year, under project AE/149/01.
 - Signature of the interinstitutional agreement between CONACYT and the Secretariat for Science, Technology and Productive Innovation in the Ministry of Education of the Argentine Republic.
 - Organization of the conference on "Science, technology and society" under the responsibility of Dr. José Antonio López Cerezo of the University of Oviedo (Spain).
 - Organization of the international seminar on "Science, technology, society and globalization".
 - Implementation of project PAR 02 M15 (Strengthening of national dialogue on the information society).
 - Signature of the interinstitutional agreement between CONACYT and the Brazilian Enterprise Support Service (SEBRAE).
 - Support for the regional forecasting conducted under the Andrés Bello convention (CAB) for the period 2005-2015, using the DELPHI Platform, designed to determine trends in science and technology within the area of the member countries of the CAB.
 - Formulation of the final proposal for the CONACYT / Inter-American Development Bank project entitled "Programme of support for the development of science, technology and innovation" (PR 126).
 - Formulation and implementation of Project Genesis, phases I and II: regional incubation and innovation system in Paraguay; BM InfoDev.
 - Establishment of the national and regional platform for the launching of the activities of project BIOTECH I UE-MERCOSUR.
 - Establishment of the "Pierre and Marie Curie" junior science prize with national coverage (CONACYT – MEC).
 - Establishment of the RECYT MERCOSUR prize on a regional basis with the participation of scientists from Argentina, Brazil, Paraguay and Uruguay.
 - Conclusion of cooperation agreements with universities in both the public and private sectors with a view to establishing the mechanisms necessary to permit accompaniment of scientific progress in the different fields of knowledge.

- 635. It is equally important to point out that the National Government is encouraging and developing international and cooperation contacts regarding tasks in the fields of science and technology with the participation of the National Chancellery within the framework of bilateral or multilateral cooperation agreements concluded or other instruments in which CONACYT participates in proper form and within the ambit of its terms of reference.
- 636. The participation of scientists and/or authors in conferences, seminars or symposia takes place in the context previously referred to and also within the framework of projects receiving resources from financial cooperation agencies or from resources available in the general budget of expenditures and, in particular cases, from national, regional or international associations of professionals.
- 637. As regards the specific activities of the National Science and Technology Council relating to the implementation of this article of the Covenant during the year 2005, see Annex VII (Report on the activities of CONACYT in 2005).

International cooperation

638. International cooperation plays a highly important role in the effective implementation of all the rights enshrined in the International Covenant on Economic, Social and Cultural Rights, particularly in relation to support for the measures taken by the national government designed to guarantee the broad dissemination and scope of its programmes and projects in the field of development and social assistance. The institution of State responsible for receiving and taking action on offers of international cooperation in different areas is the Technical Planning Secretariat. That body has prepared a document setting forth in detail the contributions of the international cooperating agencies and the effective implementation of the articles of the Covenant. See Annex VIII (Role of international cooperation in the implementation of ESCRs).