



Paraguay

The Legal Framework and the Defence System

National Legislation

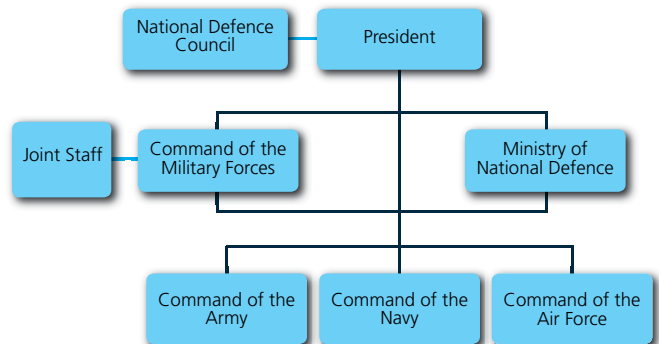
Systems and Concepts

- National Defence and Internal Security Act (N° 1.337 - 1999/04/14)
- Act which establishes the Border Security Zone (N° 2.532 - 2005/02/17)

Military Organization

- Obligatory Military Service Act (N° 569 - 1975/12/24. Last amendment: Law N° 3.360 - 2007/11/02)
- Organic Act of Military Courts (N° 840 - 1980/12/19)
- Military Penal Code (Act N° 843 - 1980/12/19)
- Code of Military Penal Procedures in War and Peace Times (Act N° 844 - 1980/12/19)
- General Organization of the National Armed Forces Act (N° 74 - 1991/11/20. Last amendment: Act N° 216 - 1993/06/16)
- Act of the Military Personnel Statute (N° 1.115 - 1997/08/27. Last amendment: Law N° 2.879 - 2006/04/06)
- Firearms, Ammunition and Explosives Act (N° 1.910 - 2002/06/19)
- Act on the Right to Conscientious Objection (N° 4.013 - 2010/06/17)

— Advisory and assistance functional relationship
 — Command reporting line



The President's advisory and consultative body is the National Defence Council, composed of the Ministers of Defence, Foreign Affairs and Interior, the highest-ranking General Officer, the Chairman of the Joint Chiefs of Staff, the official in charge of the State Intelligence Agency and its Permanent Secretary. The Ministry of Defence performs the administrative functions of the Armed Forces. The Commander of the Armed Forces holds the effective command of the Armed Forces as delegated by the President. He has the Joint Staff as the planning, advisory and coordinating body. The Congress holds the powers granted by the Constitution and permanently monitors defence related issues through the specific committees in both Houses.

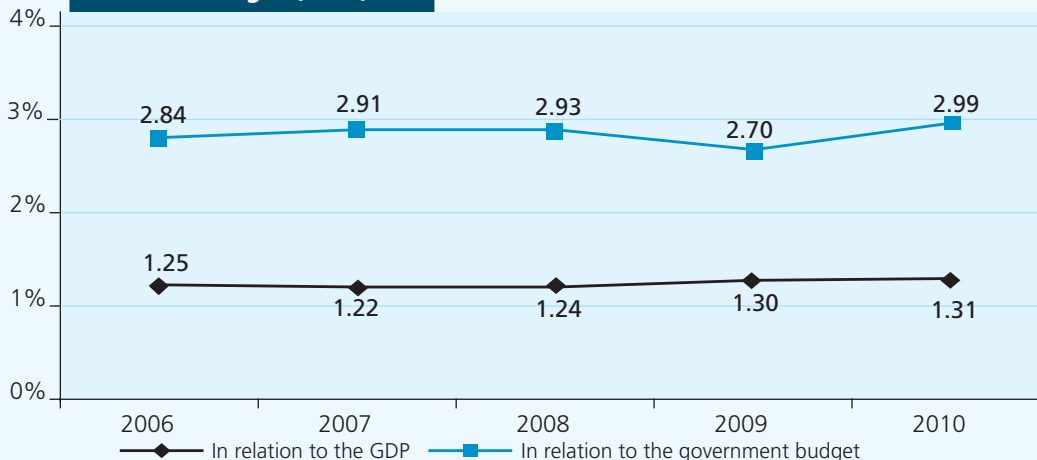
Source: Compilation based on the Political Constitution, *Ley de defensa nacional y de seguridad interna* (N° 1.337 - 1999/04/14), and *Ley de organización general de las Fuerzas Armadas de la Nación* (N° 74 - 1991/11/20. Last amendment: Act N° 216 - 1993/06/16).

Source: Compilation based on the legislation above mentioned. For constitutional provisions see Chapter 1.

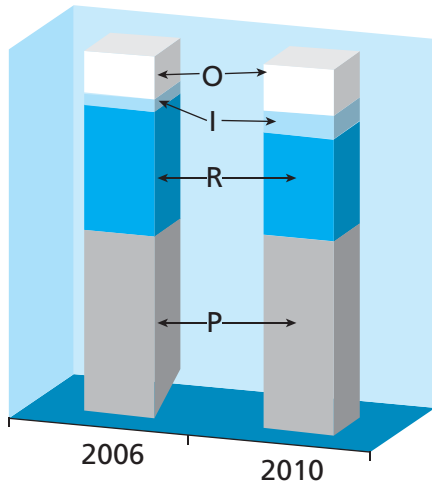
The Budget

Year	Defence Budget (in US\$)	Government Budget (in US\$)	GDP (in US\$)
2006	95,572,924	3,365,388,001	7,629,000,000
2007	126,711,873	4,351,047,350	10,347,000,000
2008	149,580,691	5,097,997,863	12,076,000,000
2009	176,769,687	6,546,922,124	13,611,000,000
2010	227,582,002	7,611,749,604	17,311,000,000

Defence Budget (in %)

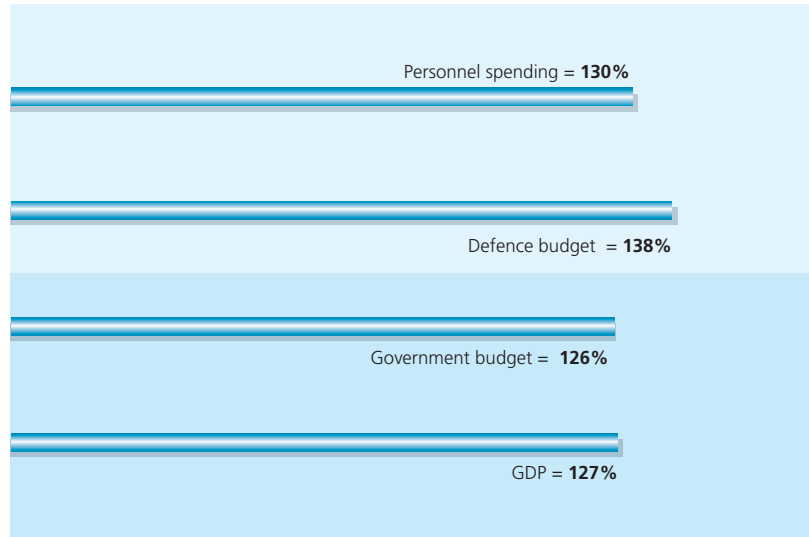


Defence Budget Breakdown



P: Salaries and other benefits
R: Retirement and pension funds / **I:** Investment
O: Other expenses

Comparative Increase (% variation 2006-2010)

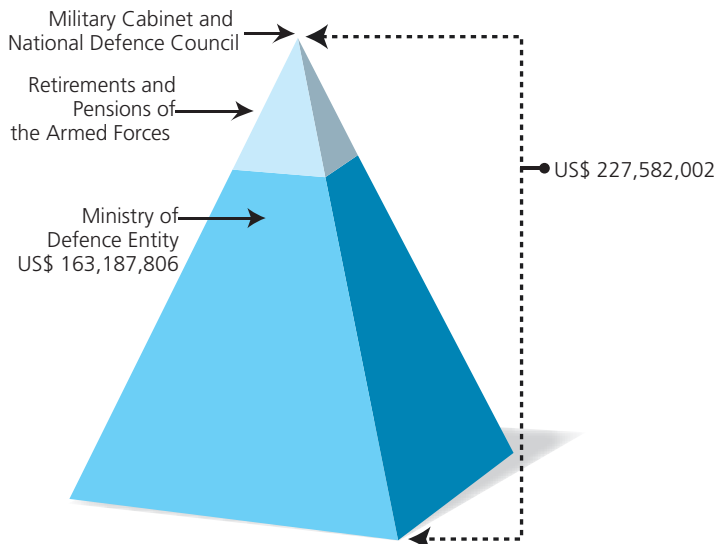


Defence Budget 2010 (in Local Currency)

Entities	Personnel Services	Non-personnel Services	Materials and Supplies	Others*	TOTAL
National Defence Ministry					
General Management/Administration	9,649,131,306	4,930,282,312	1,985,784,431	2,864,077,582	19,429,275,631
Command in Chief	49,127,860,071	15,676,449,133	10,694,794,611	51,684,384,431	127,183,488,246
Land Forces	349,746,343,087	4,299,962,106	37,249,570,001	8,326,171,847	399,622,047,041
Air Force	68,476,499,425	1,946,224,026	12,535,718,825	17,084,186,539	100,042,628,815
Navy	94,368,567,608	3,016,630,613	9,006,961,874	8,301,250,443	114,693,410,538
Presidency					
National Defence Council	238,506,800	7,877,703	6,455,609	0	252,840,112
Military Cabinet	2,375,980,600	400,125,000	1,374,003,200	1,896,240,342	6,046,349,142
Treasury Ministry					
Retirements and Pensions of the Armed Forces	0	0	0	293,981,246,988	293,981,246,988
TOTAL	573,982,888,897	30,277,550,893	72,853,288,551	384,137,558,172	1,061,251,286,513

* Includes physical investment, inventories, financial investment and other expenses.

Composition of Defence Budget 2010



In 2009 and 2010, the Ministry of Defence received US\$ 21,392,109 for military and security equipment acquisitions. This amount accounts for 5.29% of the allocated defence budget for those years.

Source: Compilation based on *Ley de presupuesto general de la Nación para el ejercicio fiscal 2006, 2007, 2008, 2009 and 2010*. The State Budget passed by the Congress by means of the above mentioned Act is considered herein. The concept of investment is that expressed in "Physical investment".
 GDP: Projection of the World Economic Outlook Database, IMF, of each year under review. This source has been taken for comparative purposes. Each country prepares the budget based on its own GDP estimation.
 The dollar value considered corresponds to the exchange rate determined by the World Economic Outlook Database, IMF, for each year under consideration. As of July, the 2010 exchange rate average is 4,711.47 Guaranies, based on the data provided by the Central Bank of Paraguay. For further calculations, figures are provided in local currency.
 Expressions in Bold Type (Table) make reference to the various defence budget items, which can be found in a sector-based or institutional classification of the Budget Act.

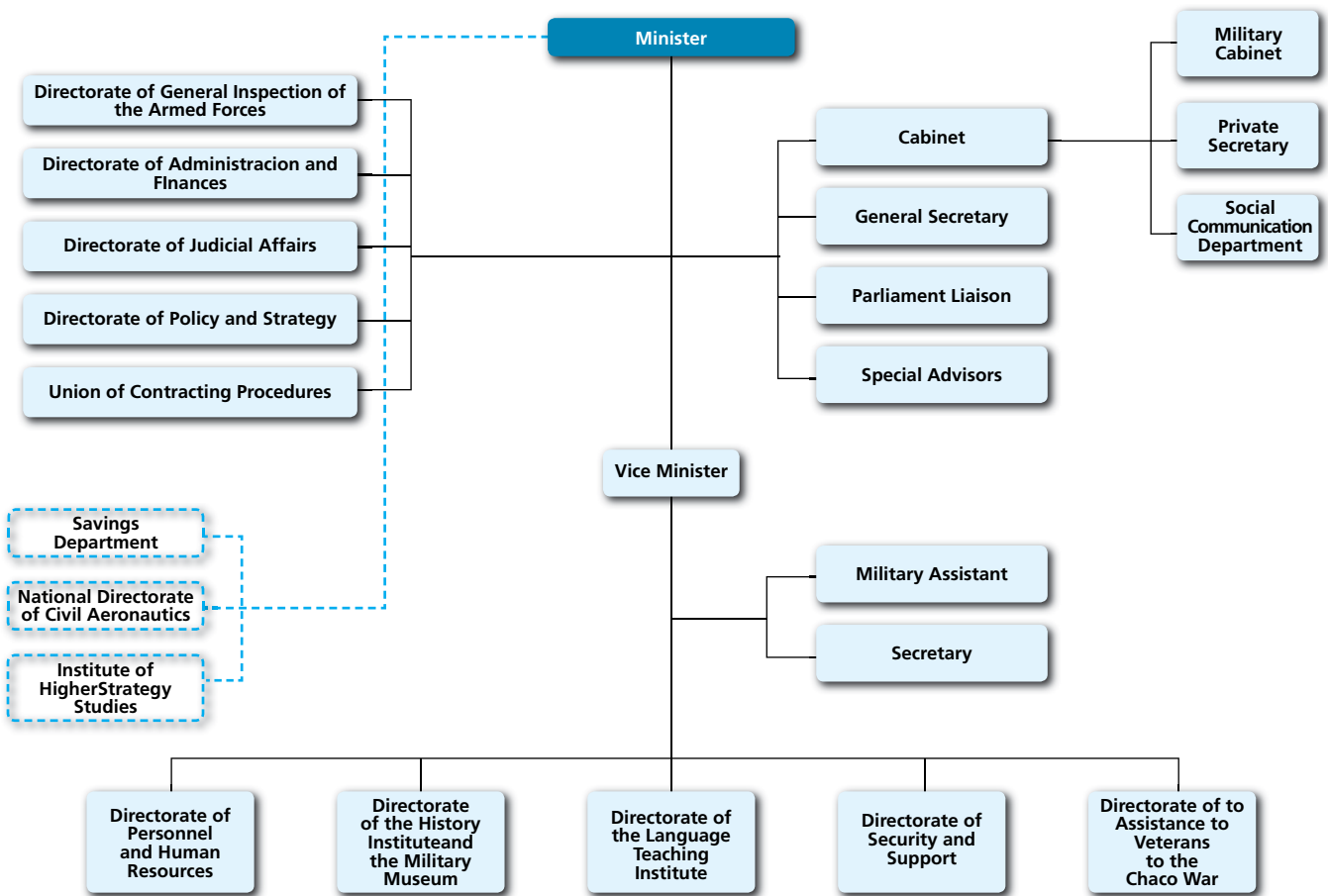


The Ministry of National Defence

Responsibility:

The administrative responsibilities of the Nation's Armed Forces fall under the National Ministry of Defence. (*Ley de organización general de las Fuerzas Armadas de la Nación*, Nº 74 – 1991/11/20. Last amendment: Act Nº 216 – 1993/06/16, Sec. 48)

Organization Chart



Date of Foundation: 1943
Current Minister (September 2010): Cecilio Pérez Bordón
Can military members be Ministers of Defence?: Yes (if they have retired)
Number of military members who were Ministers of Defence: 18
Number of civilians who were Ministers of Defence: 5
Have there been any women in charge of the Ministry of Defence?: No
Average permanence in the Minister of Defence position: 2 years and 11 months

[The Minister currently in charge is not considered. The creation date is related to the moment in which the term "Defence" becomes part of the Institution's name]

Source: Compilation based on information provided by the Ministry of National Defence.

Political Definitions

Policy Guidelines

Strategic Objective: To recover national sovereignty. As part of eleven strategic tenets, this one aims at restoring the national power's supreme authority for the Paraguayan people. For this purpose, the recovery of the Nation's territorial, energy, food and cultural sovereignty will be promoted, and citizen democratic and prominent involvement will be encouraged.

Programmes and Objectives for the Sector

Fluvial Defence and Environmental Protection

- Ensure the sovereignty and integrity of river and maritime interests.
- Defend democracy and the legitimate authorities.
- Maintain the Paraguayan Navy in operational conditions.
- Recruit and train citizens called up to serve the compulsory military service.
- Cooperate in civil defence, environmental protection, and internal order control.
- Protect the fluvial borders and naval areas' inviolability.
- Conduct independent strategic actions and service-specific, joint and combined operations.
- Cooperate in the fight against drug trafficking.

Air Force Organization, Training and Equipment

- Recover unserviceable aeronautical material so as to strengthen the number of operational aircraft.
- Adapt the training equipment and update course curriculum structure.
- Improve the buildings' infrastructure of bases and facilities, and increase compliance with environmental preservation requirements under the Air Force area of responsibility.

Senior Leadership of the Armed Forces

- Efficiently comply with the mission assigned by the National Constitution and national laws in force.
- Strengthen reaction capacity against any action that may jeopardize the Rule of Law or national sovereignty.
- Equip and support each individual service (Army, Navy, and Air Force) in the exercise of its institutional mission.

Defence of Territorial Integrity

- Cooperate in the protection of the country's territorial integrity and defend the country's legitimate authorities.
- Exert control and develop policies for the Paraguayan Army's military operations.
- Artillery fire support to military operations.
- Communications support to military operations.
- Train and instruct officers and NCOs for special operations.
- Cooperate with the Civil Defence Authority in case of public disaster.
- Protect the 3,498 km long land border, with Army corps and divisions, including their respective military bases and posts.

Localization and Control of Border Security Areas

- Establish a border security line within 50 km. parallel to the country's borders.

Administration

- Train and educate human resources.
- Effectively administer available material and financial resources.
- Coordinate tasks and activities among different areas.
- Provide the necessary building infrastructure with office and IT equipment.
- Improve administrative transparency.
- Provide integral healthcare services to service members.

National Prevention and Biological Emergency Response Commission

- Design actions and implement measures for the prevention and execution of biological emergency response plans.
- Prevent and respond, in an adequate and timely manner, to emergencies caused by biological, chemical, or radioactive agents, or other mass destruction weapons, caused by accident or terrorist attack, thus contributing to the security of the people and the environment.

Assistance to Chaco's War Veterans

- Complete assistance to Chaco's war veterans and their heirs.

Training and Learning

- Train military and civilian professionals on national defence and strategy matters, development and language learning.

Source: *Informe del Gobierno Nacional 2009* and *Ley de presupuesto general de la Nación para el ejercicio fiscal 2010*

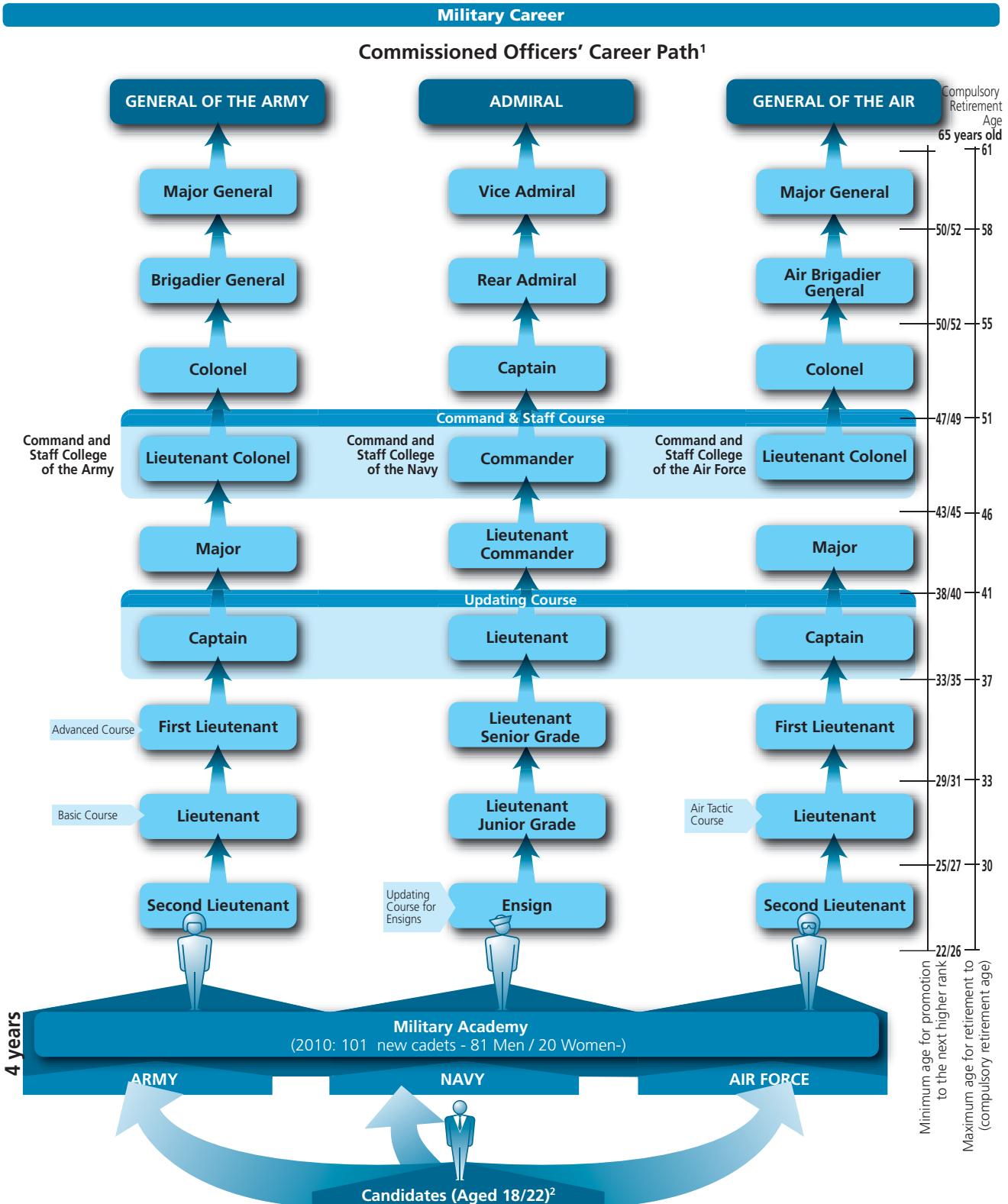
Paraguay published the *Política de Defensa Nacional de la República del Paraguay* (National Defence Policy of the Republic of Paraguay) in 1999.

Reports Submitted to the United Nations and the OAS

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
✘		✘	✘	✘	✘	✘	✘	✘	✘			
		◊				◊			◊	◊		
										✱	✱	✱

Register of Conventional Arms: ✘ Register of Military Expenditures: ◊ Implementation of Confidence and Security Building Measures: ✱

Source: Compilation based on reports submitted to the United Nations Register of Conventional Arms and the United Nations Instrument for Reporting Military Expenditures and reports submitted to the OAS on the Implementation of Confidence and Security-Building Measures.



1. Command corps includes officers who have been educated at military academies from the beginning of their professional careers. The graph makes a theoretical reconstruction of officers' promotion through the completion of mandatory courses. Further requirements for promotion have not been considered.
 2. Ages 18-22 have been considered for comparative purposes. The minimum age for promotion will depend on the age of graduation from the military institution.

Source: Compilation based on Ley del estatuto del personal militar (Nº 1.115 - 27/08/1997. Last reform: Law Nº 2.879 - 2006/04/06). New cadets: Information provided by the Ministry of National Defence

The Armed Forces

General Mission

The mission of the Armed Forces is to safeguard the territorial integrity and to defend the legitimately established authorities.
 (Constitution, Sec. 173)
 To comply with its objectives, the Armed Forces of the Nation shall maintain the inviolability of land, fluvial and air space borders; organize, equip and train forces to face any type of aggression; organize, manage and administer reserves. They also cooperate in civil defence; and cooperate in restoring internal order when the President of the Republic deems it necessary based on an issued decree.
 (Ley de organización general de las Fuerzas Armadas de la Nación, N° 74 - 1991/11/20. Last amendment: Act N° 216 - 1993/06/16, Sec. 7)

Specific Missions

Army

The Army is a land force which performs strategic operations, plans, prepares and directs operations in its organic units and others under its command, to which it supports in carrying out specific missions.

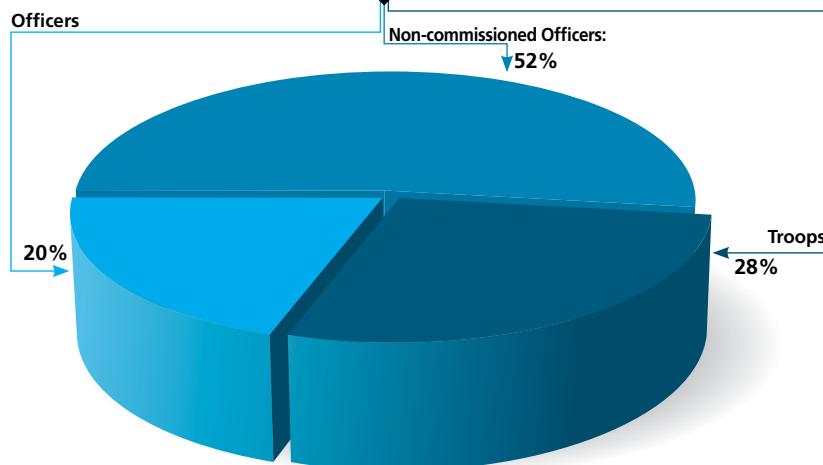
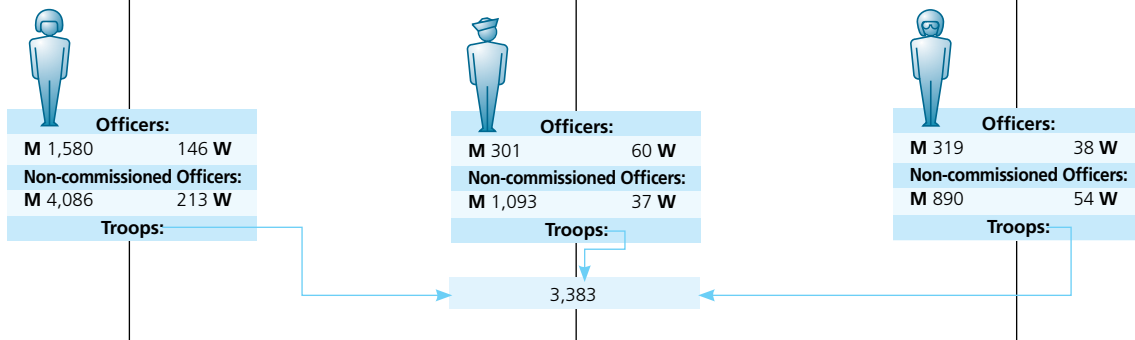
Navy

The Navy is the Service that has the responsibility to execute specific missions of a naval nature.

Air Force

The Air Force is responsible for the custody and defence of the national air space and for executing operations to comply with its mission.

Total Strength: 12,200



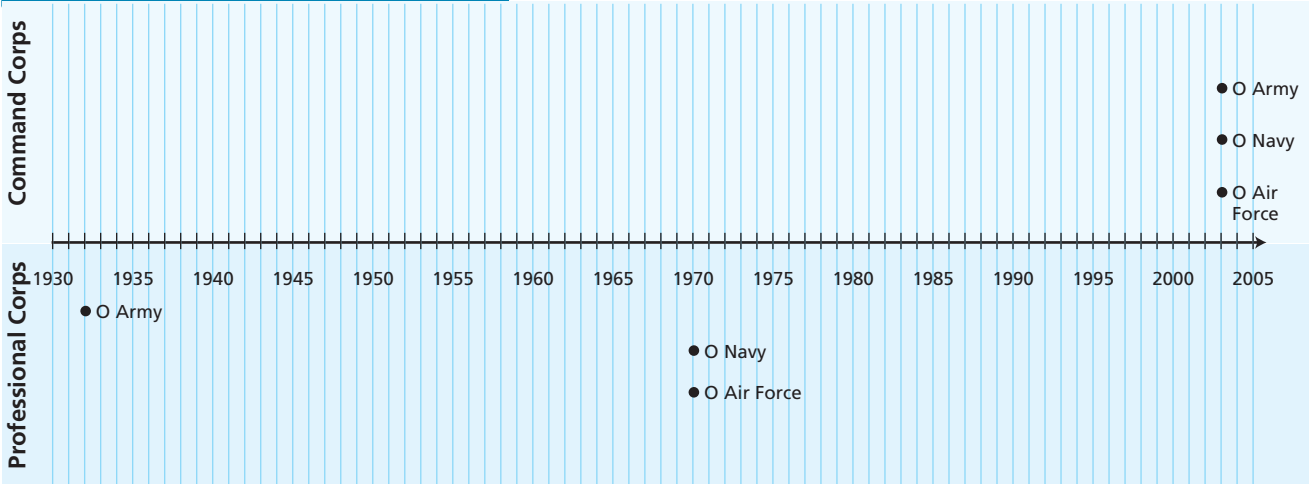
M: Men / W: Women

Source: Ley de organización general de las Fuerzas Armadas de la Nación (N° 74 - 1991/11/20. Last amendment: Act N° 216 - 1993/06/16) (missions) and information provided by the Ministry of National Defence (regular forces).



Women in the Armed Forces

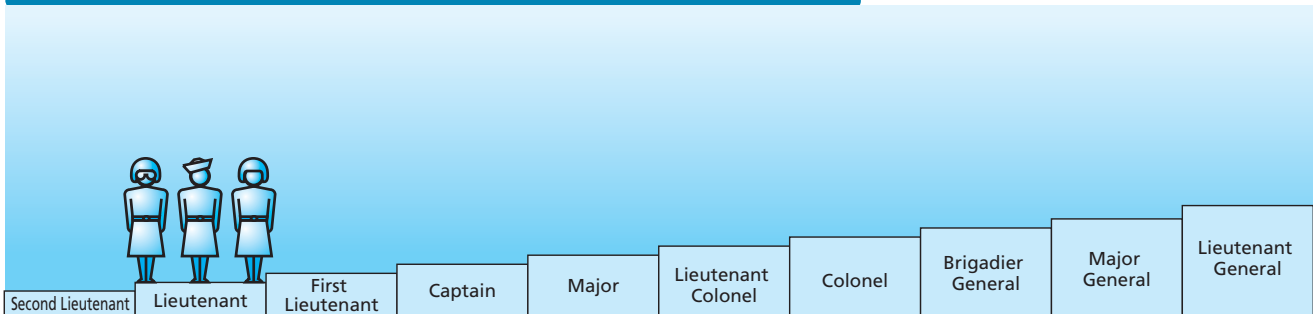
Women's Admission to the Armed Forces (year)



O: Officers

Note: Women do not enter the Armed Forces in the category of career personnel at NCO level. The Command corps includes officers who have been educated at military academies from the beginning of their professional careers. The Professional corps refers to those who develop a career in the civilian sphere and are then incorporated to the armed forces.

Women Officers who have reached the highest rank in the Command Corps (2010)



Note: These ranks correspond to the Army, as an example. The equivalent ranks for Lieutenant is Lieutenant Junior Grade in the Navy and the same in Air Force

6.22 % (548) of the total Armed Forces are women.

Military Service

It is compulsory for male citizens to enter the military service for a period of one year. Women may be called in the event of international war, to perform logistic and administrative activities, as well as to provide other services according to the requirements arising from the war. However, the National Constitution recognizes the objection based on conscience due to ethical or religious beliefs. People who assert their objection based on conscience shall provide services to the civil population by working in assistance centres.

Draftees:

	Number of Draftees of the Armed Forces	
	2009	2010 (1 ^o Semester)
Army	2,632	1,376
Navy	468	392
Air Force	236	133
Ministry of Defence	56	34
Others	535	328
Total	3,927	2,263

Citizens who have the age required to be enlisted, who are listed and called to provide services. The following table shows the number of draftees assigned to each division of the Forces.

Source: Information provided by the Ministry of National Defence, *Ley de servicio militar obligatorio* (N°569 - 1975/12/24. Last amendment: Act N°3.360 - 2007/11/02) and Project 07-184 Global Peace and Security Fund-Resdal.

Defence and National and International Community

Participation in Peace Operations

Current Missions	Military Component			
	MEM		MC	
	Men	Women	Men	Women
MINURSO (Western Sahara)	2	-	-	-
MINUSTAH (Haiti)	-	-	31	-
MONUSCO (Dem. Rep. of the Congo)	17	-	-	-
UNFICYP (Cyprus)	-	-	14	-
UNMIL (Liberia)	2	-	1	-
UNMIN (Nepal)	6	-	-	-
UNMIS (Sudan)	6	-	-	-
UNOCI (Ivory Coast)	8	-	2	-

MEM: Military experts on mission, including military observers, judge advocates and military liaison officers, among others - MC: Military Contingent.

The Joint Training Centre for Peacekeeping Operations, CECOPAZ, was created in October 8, 2001.

In 2009, 181 military troops and civilians were trained there on peacekeeping operations.



Paraguay contributes 89 military troops to the United Nations peacekeeping missions, which represents 1.16% of the total contribution of Latin America.

Currently, 14 Paraguayan troops integrate the Argentine contingent (FTA 36) in the United Nations Peacekeeping Force in Cyprus (UNFICYP). Likewise, 31 Paraguayan troops are currently part of the United Nations Stabilization Mission in Haiti (MINUSTAH), making up the Brazilian contingent (BRABATT XIII).

Source: Compilation based on documents from the Department of Peacekeeping Operations of the United Nations (data as of 31 August 2010) and websites of the CAECOPAZ and the Army of Brazil.

Support Actions

Support to the Ministry of Public Health and Social Welfare

Assistance was provided through materials, human resources, fuel and vehicles, used to fight epidemics such as cholera, dengue, yellow fever, AIDS, etc.

Support to the Ministry of Education and Culture

Support was provided for the repair of 57 schools, using:

- 57 vehicles
- 253 public officers
- 57 work team leaders

"Ñepohano" Operatives

The Armed Forces of Paraguay, with the logistics support of the United States, cooperated with the Ministry of Public Health in free medical assistance operations for low income adults and children: general medicine, ophthalmology, pediatrics, gynecology, vaccination, anti-parasite campaigns, family planning, talks on drug addiction and new epidemics, and distribution of medicines free of charge.

- ÑEPOHANO 04, from January 27 to February 2, 2009: 9,197 people were assisted.
- ÑEPOHANO 05, from May 29 to June 1, 2009: 6,081 people were assisted.
- ÑEPOHANO 06, August 7-10, 2009: 6,000 people were assisted.

Medical-dental care was provided to 41,000 civilians from rural areas.

Educational assistance to national and foreign institutions, through the Institute of History and the Military Museum of the Ministry of National Defence, for the promotion and dissemination of military history. Several free guided visits were performed for primary schools and highschools, both public and private, universities and international institutions.

The Armed Forces received a donation of 25,000 plants, which are being planted by military personnel within the framework of the Tree Planting Plan.

Paraguay's Air Force carries out air medical evacuations to assist the population in accidents or disasters.

Maintenance of rural roads, restoration and opening of new roads in charge of the Army Engineering Command (COMINGE), in coordination with the Ministry of Public Works and Communications (MOPC).

Literacy courses were developed in 2009 for the civil population in different headquarters across the country, as well as training courses on Human Rights and Humanitarian International Law.

Source: Informe 2009 del Gobierno Nacional, Memoria Institucional 2009 Paraguay and websites of the Parliament and the Air Force.



Analisis:

The Armed Forces' Modernization Process

Richard Ferreira

Journalist, Última Hora Newspaper

Paraguay continues the process of change commenced in 2008 with the coming into office of the former Catholic bishop Fernando Lugo. The Government renovation pillars are well backed in the political, structural and cultural spheres. Also within these three focuses of attention, as proclaimed by governmental authorities, are the security institutions, considered lagging behind this modernity era, and having made few changes, above all in their structure.

Since the fall of Alfredo Stroessner's dictatorship in 1989 a democratic process commenced which now sees the opening of a new political process with the change in the political sign in 2008. The armed forces have been one of the institutions that had to adapt to the new times since the return of democracy. Although with tension in certain periods, the emergence of a political leader such as Lino Oviedo, and occasionally, with the potential of institutional breakdown, the armed forces have consolidated before society as democratic institutions committed to the defence of national interests and the Constitution.

Corruption in some of its areas, the size of its structure, the scarcity of budgetary resources for modernization, and the political indifference to the reform of old legislative schemes, are some of the negative aspects that have been observed.

Ministers

It is against the law to name an active duty military officer as Minister of Defence. During all the democratic period, that Office of the State has been managed by civilians or retired generals.

Reviewing part of the history, the government of Nicanor Duarte Frutos (2003-2008) decided not to name a retired military as Minister of Defence. All those who were in office during that administration were civilians of the Colorado Party, including Carlos Romero Pereira, Roberto González and Nelson Mora. Fernando Lugo chose a retired general, Luis Bareiro Spain, a military officer with an impeccable track record. According to his own statement, his objectives for this presidential period were 'institutionalizing and modernizing the Armed Forces'.

The relation between the President of the Republic, the Minister of Defence and the Armed Forces over the almost three years of President Lugo's government has been focused on good relations. No severe conflict which might endanger grave institutional disruption has been heard of.

However, March 2010 was the moment of the greatest political tension in the area related to the Ministry of Defence. Minister Bareiro Spain was involved in a debate that had diplomatic and political repercussions. A letter sent by Minister Spain to the US Ambassador to Paraguay, Liliana Ayalde, questioning an alleged

interference in internal affairs triggered the scandal. This derived in escalating tension that involved the Congress, subject to the dominance of the opposition, which summoned the minister and questioned him seeking clarification. While the American Embassy tried to turn over the page, the political environment was ever more altered. The opposition demanded the minister's destitution on this account and on account of other alleged irregularities. President Lugo backed the minister and ratified his position. However, the Minister eventually resigned in August 2010 when the Congress requested his impeachment after three M-16 rifles had been stolen from the Army Command.

Reform

A few years after the fall of Stroessner's military dictatorship, there was an attempt to reform the armed forces. Two laws were passed (one in 1991 and the second in 1993) where a general reorganization of the armed forces was contemplated, although no substantial change was introduced. On different subsequent occasions certain laws related to military organization were attempted, especially in 2007. The initiative did not prosper, however.

Once the Lugo administration was in office and with the presence of a retired military leading the Ministry of Defence, the debate over armed forces reform started once again. The tepid initial response of the Executive branch was accelerated by a regional situation that can be summarized as an arms build-up fever. Bolivia, a Paraguayan neighbour with a historic claim to the Paraguayan Chaco, also seemed to take to that course, which generated a strong discussion among politicians and analysts in Paraguay about the need to dig out old projects focusing the modernization of the armed forces.

The then Minister of Defence announced that it had decided to implement a set of proposals to attain military reorganization. One of the ideas set forth: including the Minister of Defence in the chain of command. Minister Bareiro Spaini himself explained it in the following terms: "The Minister of Defence must be included in the military command chain because such setup would contribute to armed forces modernization."

Until July 2010, the Executive Branch had not sent to Congress a bill for Armed Forces reorganization, although some of its points were discussed in the political environment after the leak to the media of some of the draft items.

The Proposals

The Ministry of Defence has an armed forces restruc-

turing project which, among other things, proposes to eliminate the Command of Military Forces, substituting all three Army corps and change the name of the mandatory military service, according to information of the *Ultima Hora* newspaper, which had access to the bill draft.

The plan provides for the replacement of the Command of the Military Forces by a new institution called Defence Staff (*Estado Mayor de la Defensa*), the fundamental objective of which will be the strategic planning of everything related to the country's defence and security. According to the official explanation, the Joint Staff will become the Defence Staff which will be presided over by the Minister of Defence, once its inclusion in the command chain is implemented.

Its head would be the General with the highest seniority in the military ranks. The departments will be comprised of members from the three services and their respective Staffs shall be under charge of senior officers.

In the same manner, the Defence Staff would assist and advise the Minister of Defence and would be the hands-on work body in the crises committee, according to the official explanation.

There is also mention of the need to replace all three Army corps by three Army divisions. Brigades would be created with flexible and versatile elements, so as to ensure fast and effective response. The idea is to reduce the number of operating units. At this time, there are three Army corps which are considered as a large unit or an exaggerated command. There would be better capabilities to act with more speed, operability, and economy of financial and human resources; and the incomplete units would be reinforced with personnel needed.

An additional action is the proposed reduction of Armed Forces' bureaucratic and administrative structures to a minimum. As counterpart, priority would be given to combined service groups.

The institutionalization and modernization is directly tied to the legal reform. However, the discussion of actual projects has not taken place in Parliament.

The time of discussing the reorganization of the armed forces seem to be near, although no date or time have been set. The authoritarian remnants represented in Congress by some lawmakers and the winds of change are set to meet face to face. Given the lack of own political forces that might tilt the balance, the political situation at this moment, the negotiations and the political ability of those in charge of the Executive Branch will be the elements with a say in the future of the armed forces.