

# PARAGUAY

## I. Introduction

### **1. Identify the geographic scope and limits of your answers to the questions below.**

Republic of Paraguay.

## II. Legislation

### **2. Please provide links to applicable statutes and regulations.**

Law No. 1340/1988 which “Represses the illicit trafficking of hazardous drugs and drugs and other related crimes and establish dependent drug prevention and recovery measures” – [Link](#)

Law No. 6007/2017 which “Creates the National Program for Scientific and Medical Investigation and Research of the Medical Use of the Cannabis Plant and its Byproducts (Crea el Programa Nacional para el Estudio y la Investigacion Medica y Cientifica del Uso Medicinal de la Planta del Cannabis y sus Derivados)” – [Link](#)

Decree No. 9303/2018 which “Regulates Law No. 6007/2017” – [Link](#)

Decree No. 2725/2019 “Whereby the general conditions for the production of industrial hemp (non-psychoactive cannabis)” – [Link](#)

Decree No. 3284/2020 which “Modifies Decree No. 9303/2018” – [Link](#)

Decree No. 3356/2020 which “Modifies Decree No. 3284/2018” – [Link](#)

Resolution No. 433/2019 issued by the Ministry of Health and Public Welfare – [Link](#)

### **A. Is there any pending legislation that could materially alter applicable statutes or regulations?**

Currently, there is no pending regulation under study by congress or the executive.

### **B. Is there any proposed legislation that could materially alter applicable statutes or regulations?**

Currently, there is no proposed regulation under study by congress or the executive.

### **3. Are cannabis laws in your jurisdiction pretty well settled or are they constantly changing in material ways?**

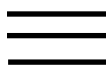
Cannabis regulation is fairly recent, the law was only enacted in 2017 and implemented in late 2018. Some changes have been introduced to regulatory decrees, but these are exclusively related to how many permits may be requested.

## III. General information (e.g., governing bodies, licenses, import/export)

### **4. What governing body regulates/licenses or enforces activities that are allowed in your jurisdiction?**

The Cannabis byproducts oversight is segmented into two industries, which are (i) industrialization of non-psychoactive hemp (mainly intended for exports), and (ii) research of medicinal and/or therapeutic uses of cannabis (psychoactive and non-psychoactive) and its industrialization and commercialization.

The first one is overseen by the Ministry of Agriculture (“MAG”), which shall regulate the application of the Decree in coordination with the Ministry of Industry and Commerce (“MIC”) and the National Anti-narcotics Agency (“SENAD”); while the latter is overseen by the National Directorate of Sanitary Supervision (“DINAVISA”) under the Ministry of Health and Public Welfare.



All cannabis related activities must be conducted under specific licenses granted by the overseeing authorities. The number of licenses that may be granted by the Ministry of Health and Public Welfare is capped at 12.

**5. What cannabis functions are allowed in your jurisdiction? E.g., growing, processing, retailing.**

The following activities are permitted in Paraguay (subject to regulatory authorizations):

Cultivation (Sowing - Harvest):

- Development of derivatives of the cannabis plant.
- Final disposal of remains.

Industrialization:

- Production.
- Fractioning.
- Quality control.
- Storage.
- Transportation.
- Final disposal of waste.
- Commercialization.

**6. What sales or use is allowed in your jurisdiction? E.g., edibles, vaping, tinctures, food additives, etc.**

Solely medicinal and therapeutic uses.

**A. Are the rules different for medical vs. adult recreational use?**

No. Recreational use is not permitted.

**B. Are retail sales of any cannabis products restricted to specific retail channels? E.g., medical dispensaries, government-owned stores, etc.**

Yes, sales in drugstores under prescription and government owned programs for certain beneficiaries determined in the regulation.

**C. Are there zoning restrictions on where medical, wellness, or adult-use (recreational) outlets can be located? Applicable to all cannabis products?**

Not under cannabis byproducts specific regulations. Zoning regulations may vary depending on the municipalities for clinics, hospitals, cultivation, processing, and disposal of wastes.

**7. What import and export is allowed in your jurisdiction?**

Both finished products and raw materials may be imported, subject to regulatory authorizations.

**A. Are there restrictions in relation to the countries of origin, i.e. which countries of origin are permitted?**

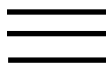
Not under cannabis byproducts specific regulations.

**B. Please describe restrictions on the import of cannabis seeds.**

N/A.

**8. Does your region distinguish between different types of cannabis products? (E.g., high or low concentrations of THC.)**

Yes.



**A. If so, what distinctions exist?**

Distinction is non-psychoactive cannabis (content of THC is inferior to 0.5% on dry weight) and psychoactive cannabis (content of THC is superior to 0.5% on dry weight).

**B. If so, briefly describe the differences.**

See above.

**C. Identify any related laws that should be considered when answering this question.**

Law No. 6007/2017; Decree No. 9303/2018; Decree No. 2725/2019.

**9. Are there legal requirements on Cannabidiol (CBD) products (without THC)?**

Regardless of whether the on Cannabidiol (CBD) products contain THC, they are subject to regulation under Law No. 6007/2017. However, current regulation only focuses on Cannabidiol (CBD) products with THC.

## IV. Patients and prescriptions

**10. What specific medical conditions, if any, are recognized for treatment with cannabis?**

There are no specific medical conditions recognized under cannabis byproducts specific regulations.

**11. Is there a licensed practitioner requirement in order to prescribe cannabis for medical purposes?**

While there is no licensing requirement under cannabis byproducts specific regulations for medical practitioners, the medical practice is a regulated industry.

**12. Are there patient registration or cardholder requirements?**

There are no patient registration or cardholder requirements, provided a prescription is given. But patient registration or cardholder requirements are available for patients who are part of the experimental program regulated by the government, under which such patients may receive cannabis products free of charge.

## V. Special requirements

**13. Does your jurisdiction require any recordkeeping from seed planting to the time of end user sale? For all cannabis products?**

No.

**14. Are special taxes imposed? On what and when?**

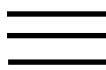
No.

**15. Are there any special rules or limitations that apply to the industry. E.g., banking, patent or trademark protection, labeling requirements?**

No, other than those applicable for all pharmaceutical products in terms of labeling and the above-mentioned licensing requirements.

**16. What is the legal status of access to financial services, including banking, merchant services, and cash handling?**

N/A



**17. Is data collected to determine the social or health impact of the rules in your jurisdictions? E.g.,**

**A. Impact on use by under age/minors.**

**B. Impact on beer, wine and spirit sales.**

**C. Tax revenue.**

**D. Impact on crime, including drug and alcohol addiction.**

Yes. Data is collected by the Ministry of Public Health and Social Welfare on the medicinal use of cannabis and its effects on patients.

## VI. Risks and enforcement

**18. What are the most critical issues currently facing the industry in your jurisdiction?**

For medicinal uses, the regulation is still quite new, and the first licenses were only been granted last month (12 in total).

**19. What is the current enforcement landscape with respect to cannabis? E.g., strict enforcement, low-enforcement, decriminalization, legalization.**

In terms of medicinal use, it is leaning towards legalization (subject to licensing requirements, e.g. homemade production is not permitted, even for self-consumption). In all other aspects the regulation remains strict.

**A. Does enforcement differ based on quantity?**

No.

**B. Does enforcement differ based on product type?**

No.

## VII. Your practice and useful links

**20. Tell us a little about your cannabis practice and how it interacts with other practices at your firm. Remember to include any recognition awards your firm has received in this practice area. How much experience does your firm have providing services to cannabis companies and how much interest does your firm have to grow its cannabis practice?**

We have advised the foreign partner (which formed joint venture with a local partner that is one of the largest pharmaceutical laboratories in Paraguay) for the production of cannabis byproduct which has been recently granted a license. in this sense, we had advised and participated in the making of the relevant regulation.

**21. Please provide links to any firm website, blogs, reputable trade publications, or attorneys that would help others understand the state of the law in your jurisdictions.**

<https://www.bizlatinhub.com/market-entry-opportunities-paraguay-cannabis/>

**A. Are there any relevant trade organizations?**

No.

**B. Are there any relevant lobbying organizations?**

No.

## Contributor

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