Paraguay performs well in a number of Trilemma indicators, ranking 67th globally, but presents an unbalanced triangle across the three dimensions. Paraguay performs well in the Equity dimension with good levels of electrification and managed prices, although access to clean cooking is still a challenge. With an abundance of low carbon supply, sustainability indicators are high and stable. Security is the weakest dimension due to high levels of import dependence, low stocks, and poor grid stability. The balance grade is DBA.

Trends and Outlook
Nearly 99% of Paraguay’s energy demand is met by hydropower. Paraguay and Brazil will soon begin negotiations for the distribution of energy from Itaipu, the massive hydroelectric plant they share and whose use treaty expires in 2023. The availability of hydropower means that there is little to no incentive for Paraguay to develop a policy framework promoting the use of renewables.

CAF, the Development Bank of Latin America recently granted a loan of US $ 170 million to the National Electricity Administration (ANEd). The project aims at improving the power injection capacity from Itaipu to the transmission system, improving the power flow to the other transmission systems, generating greater reliability and safety in the supply of electricity. Discussions are still ongoing regarding a proposed Bolivia-Paraguay interconnection line.

Key metrics
Metrics are determined relative to other countries, with the top-performer receiving a full bar.

- Energy security
- Import dependence
- Diversity of electricity generation
- Energy storage
- Energy equity
- Access to electricity
- Electricity prices
- Gasoline and diesel prices
- Environmental sustainability
- Final energy intensity
- Low carbon electricity generation
- CO2 emissions per capita
- Country context
- Macroeconomic stability
- Effectiveness of government
- Innovation capability