

Foreword

Economic growth matters, but it is just one facet of development. Policy-makers should focus their attention on ensuring that their country's development path is sustainable and that the lives of their citizens improve. This requires reconciling economic, social and environmental objectives.

OECD Development Pathways is a series that looks at multiple development objectives beyond an exclusive focus on growth. It recognises well-being as part and parcel of development and helps governments identify the main constraints to more equitable and sustainable growth by undertaking a multi-dimensional country review (MDCR). Governments trying to achieve economic, social and environmental objectives need to understand the constraints they face and develop comprehensive and well-sequenced strategies for reform that take into account the complementarities and trade-offs across policies. The MDCR methodology draws on quantitative economic analysis, as well as qualitative approaches including foresight and participatory workshops that involve actors from the private and public sectors, civil society, and academia.

The MDCRs are composed of three distinct phases: *Initial assessment*, *In-depth analysis and recommendations*, and *From analysis to action*. This approach allows for a progressive learning process about the country's specific challenges and opportunities. The Mutual Learning Group for the Multi-dimensional Country Reviews (MLG-MDCR) brings together policy-makers responsible for designing development strategy to support the exchange of experiences on common challenges.

Paraguay initiated two OECD Reviews in 2017 as part of an effort to strengthen its ties with the OECD: a Multi-dimensional Country Review and a Public Governance Review. This report is the third volume of the MDCR of Paraguay. The second volume presented in-depth analysis and detailed policy recommendations to address three key development challenges identified in the first volume of this MDCR: a fragmented social protection system, a health system facing a double burden of communicable and non-communicable disease, and an education system in need of reform. This third volume draws on complementary analysis and the result of an in-country participatory policy dialogue process to identify priority areas for action and present action plans to make reform happen.

This MDCR has been carried out to assist Paraguay in formulating development strategies, and to identify and support the policy reforms needed to achieve further sustainable and inclusive development, in the context of the implementation of its National Development Plan and Paraguay's commitment to the Sustainable Development Goals. The report is primarily aimed at supporting public action by national authorities in Paraguay but is also a means to inform the private sector, civil society and other development actors in their efforts to achieve a brighter future for Paraguayan citizens.

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