



PERU

What's happening in this economy

Over the last two decades, Peru's policies have produced sustained economic growth. With growth picking up again across Latin America, Peru continues to be one of the strongest performers with stable macro-economic fundamentals.

Although red tape and political turbulence is frustrating, Peru consistently ranks highly in the World Bank Ease of Doing Business report.

Peru's expanding economy and steadily growing middle class continue to open opportunities for Australia to expand our existing trade, particularly as Peruvian demand increases for high-end agricultural products and inputs for the resources industry.

Peru encourages and promotes a healthy investment environment, especially in the mining, minerals and hydrocarbon industries. Foreign investment in Peru should increase further if the government can advance its ambitious resources and infrastructure development agenda.

Key facts and figures

- Population: 32.2 million
- GDP growth: 4% (2018)
- GDP per capita: USD 7,002.1 (2018)
- Two way trade: AUD 700 million (2018)
- Australian investment in Peru: AUD 716 million (2018)
- Australian businesses in Peru: over 90
- Key agreements: Peru–Australia FTA (PAFTA), Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)
- Peru work and holiday reciprocal arrangement in place
- Australia–Peru Aviation Agreement signed

Trade, investment, and commercial opportunities and activities

- The majority of Australian businesses in Peru are involved with mining and, to a smaller extent, energy and education. There is further scope for expanding trade and investment in emerging areas such as tourism, infrastructure, water, sports, events management and agribusiness:
 - to fully realise these opportunities, there is an ongoing need for greater mutual understanding of each country's market, and
 - trade opportunities may also be enhanced by implementing bilateral architecture, including the possibility of direct flights through the Air Services Agreement.
- Around 39,000 Australians travel to Peru each year:
 - about 1,600 Peruvians study in Australia each year
 - the new Work and Holiday Arrangement will further enhance this engagement.



connecting Australian business to the world

Trade policy and negotiations

Australia and Peru are like-minded in their commitment to liberalising trade for economic growth.

PAFTA, the CPTPP and – when concluded – the Pacific Alliance Free Trade Agreement will provide important platforms for increasing trade.

Australia can work with Peru to advance our shared interests in trade liberalisation through Asia Pacific Economic Corporation (APEC), our engagement with the Pacific Alliance, and in the Organisation for Economic Co-operation and Development (OECD), which Peru is committed to joining.

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