



# Investing in Peru:

## A Comprehensive Report



### INTRODUCTION

Peru, a rapidly growing economy in South America, is an emerging global investment destination. With a population of approximately 34 million (2023 estimate) and a GDP of over \$260 billion, Peru is one of the region's most dynamic economies. Known for its rich cultural heritage, abundant natural resources, and strategic location on the Pacific coast, Peru has become a hub for trade, tourism, and investment.

As a leading producer of gold, copper, and silver, and a major exporter of agricultural products, Peru offers diverse opportunities for investors. The government's commitment to economic stability, market liberalization, and infrastructure development makes it an ideal location for foreign direct investment (FDI). Furthermore, Peru's extensive network of free trade agreements (FTAs) provides unparalleled access to global markets.

### BACKGROUND

Peru is located in western South America, bordered by Ecuador, Colombia, Brazil, Bolivia, and Chile, with a coastline along the Pacific Ocean. Its capital, Lima, is the country's political and economic hub, housing a modern financial system and a thriving business environment.

Peru's economy is highly diversified, with key sectors including mining, agriculture, fisheries, manufacturing, tourism, and energy. The country is the second-largest copper producer in the world and a major exporter of coffee, asparagus, and blueberries.

The Peruvian government has implemented significant reforms to foster economic growth and attract foreign investment. Its stable macroeconomic policies, low inflation, and open trade regime have positioned Peru as one of the fastest-growing economies in Latin America. With an extensive network of free trade agreements, including with the United States, China, and the European Union, Peru is well-integrated into the global economy.

### BENEFITS OF INVESTING IN PERU

#### Abundant Natural Resources

Peru is one of the world's top producers of copper, gold, silver, and zinc, providing excellent opportunities in mining and metals. Additionally, its fertile lands and diverse ecosystems create opportunities in agribusiness and fisheries.

#### Strategic Location

Located on the Pacific coast, Peru serves as a gateway to Asia-Pacific markets and is part of the Asia-Pacific Economic Cooperation (APEC) forum.

#### Stable Economy

Peru has maintained consistent economic growth over the past two decades, with an average GDP growth rate of 4.5%, supported by low inflation and prudent fiscal policies.

#### Open Trade and Market Access

Peru has signed 22 free trade agreements with over 50 countries, offering preferential access to more than 2.5 billion consumers worldwide.

#### Investment-Friendly Environment

The government actively promotes FDI by providing legal protections, tax incentives, and a streamlined regulatory framework for foreign businesses.

#### Modern Infrastructure

Peru has invested heavily in infrastructure, including airports, highways, and ports, ensuring efficient logistics and connectivity for businesses.

#### Disclaimer:

*This article is an independent thought piece published by the International Trade Council. It does not represent the official position of all International Trade Council members, nor that of its Board of Directors. The views expressed are those of the author and are intended for informational purposes only. This article contains forward-looking statements based on current assumptions, projections, and available information, which may be subject to change. These statements should not be relied upon as specific advice or a guarantee of future performance. Readers are encouraged to consult professional advisors for tailored guidance based on their individual circumstances.*

### Skilled Workforce

Peru boasts a young, educated, and competitive workforce, with strong expertise in mining, agriculture, and tourism-related industries.

### Renewable Energy Potential

Abundant solar, wind, and hydro resources make Peru an attractive destination for investments in renewable energy projects.

### Growing Middle Class

Peru's expanding middle class creates a rising demand for consumer goods, real estate, and financial services, offering significant market potential for investors.

### Cultural and Natural Appeal

As home to world-famous landmarks like Machu Picchu, Peru's tourism sector offers unrivaled opportunities in eco-tourism, luxury travel, and hospitality.

### RELEVANT AGENCIES

Several government institutions and organizations facilitate investment and business development in Peru:

#### ProInversión (Agency for the Promotion of Private Investment):

The primary government agency responsible for promoting and facilitating private investment in infrastructure and public services.

#### Ministry of Economy and Finance (MEF):

Oversees fiscal and economic policies, providing support for investment projects.

#### Ministry of Foreign Trade and Tourism (MINCETUR):

Promotes trade, tourism, and investment opportunities in Peru through international partnerships and agreements.

#### Peru's Export and Tourism Promotion Board (PromPerú):

Focuses on promoting Peruvian exports, tourism, and investment opportunities.

#### National Institute of Statistics and Informatics (INEI):

Provides data and insights to help businesses make informed investment decisions.

#### Supervisory Agency for Investment in Energy and Mining (OSINERGMIN):

Regulates and facilitates investments in the energy and mining sectors.

#### National Environment Fund (FONAM):

Supports green investments, including renewable energy and sustainable development projects.

#### Lima Stock Exchange (BVL):

Offers access to capital markets for businesses looking to expand operations in Peru.

### INCENTIVES FOR INVESTORS

Peru provides a range of incentives to attract foreign direct investment:

#### Tax Benefits

Corporate Income Tax Reduction: Competitive rates, with additional reductions for businesses operating in special economic zones.

Tax Stability Agreements: Long-term agreements that guarantee tax rates and incentives for foreign investors.

### Special Economic Zones (SEZs):

Businesses in SEZs enjoy tax exemptions, duty-free imports, and access to modern infrastructure.

### Customs and Duty Exemptions

Duty-free importation of machinery, equipment, and raw materials for qualifying industries.

### Legal Protections for Foreign Investors

Peru's Investment Promotion Law ensures equal treatment for foreign and domestic investors, with guarantees for profit repatriation and protection against expropriation.

### Public-Private Partnerships (PPPs):

Opportunities for businesses to collaborate with the government in infrastructure, energy, and social development projects.

### Export Incentives

Refunds on value-added tax (VAT) for exporters and preferential access to global markets under Peru's free trade agreements.

### Renewable Energy Support

Feed-in tariffs, grants, and concessional loans for renewable energy projects, including solar, wind, and hydropower.

### Tourism Development Incentives

Tax credits and duty exemptions for investments in hotels, resorts, and eco-tourism ventures.

## OPPORTUNITIES FOR INVESTORS

### Mining and Metals

As a leading global producer of copper, gold, and silver, Peru offers extensive opportunities in mineral exploration, mining operations, and processing facilities.

### Agriculture and Agro-Industry

Peru's favorable climate and fertile land support investments in high-value crops like coffee, avocados, and blueberries, as well as food processing and export-oriented agribusiness.

### Renewable Energy

With vast potential for solar farms, wind power, and hydropower, Peru is an ideal destination for green energy investments.

### Tourism and Hospitality

Peru's rich cultural heritage and stunning natural landscapes create opportunities in hotels, luxury resorts, and adventure tourism.

### Infrastructure Development

Major projects in transportation, ports, and telecommunications provide opportunities for investors in public-private partnerships (PPPs).

### Real Estate and Urban Development

Peru's growing urban population drives demand for residential, commercial, and industrial real estate projects.

### Technology and Innovation

The government's focus on digital transformation creates opportunities in IT services, e-commerce, and fintech.

### Fisheries and Aquaculture

As one of the world's largest producers of fishmeal and fish oil, Peru offers investment opportunities in sustainable fisheries and seafood processing.

## CONCLUSION

Peru is a land of opportunity, offering a stable, business-friendly environment and a wealth of resources for investors. Its strategic location, abundant natural wealth, and commitment to economic growth make it one of South America's most attractive investment destinations.

With strong government support, competitive incentives, and access to global markets, Peru provides unparalleled opportunities in sectors such as mining, agriculture, renewable energy, and tourism. The country's focus on infrastructure development, innovation, and sustainability ensures long-term profitability and growth for businesses.

Investing in Peru is not just a financial decision—it's a step toward participating in the growth story of one of Latin America's most vibrant and promising economies.

## REFERENCES

- ProInversión (Agency for the Promotion of Private Investment): [www.proinversion.gob.pe](http://www.proinversion.gob.pe)
- Ministry of Economy and Finance (MEF): [www.mef.gob.pe](http://www.mef.gob.pe)
- PromPerú (Peru's Export and Tourism Promotion Board): [www.promperu.gob.pe](http://www.promperu.gob.pe)
- Supervisory Agency for Investment in Energy and Mining (OSINERG-MIN): [www.osinergmin.gob.pe](http://www.osinergmin.gob.pe)
- National Institute of Statistics and Informatics (INEI): [www.inei.gob.pe](http://www.inei.gob.pe)
- Peruvian Investment Promotion Law: [www.investmentlawsperu.gob.pe](http://www.investmentlawsperu.gob.pe)
- Lima Stock Exchange (BVL): [www.bvl.com.pe](http://www.bvl.com.pe)
- World Bank - Peru Economic Overview (2023): [www.worldbank.org](http://www.worldbank.org)
- Asian Development Bank (ADB): [www.adb.org](http://www.adb.org)
- Peru's Free Trade Agreements: [www.mincetur.gob.pe](http://www.mincetur.gob.pe)