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| **Peru’s Bogor Goals Progress Report (as at 30 September 2016)**[[1]](#footnote-1)\* | |
|  | **Highlights of Achievements and Areas for Improvement** |

* Low average MFN tariffs at HS 10-digit level equivalent to 2.2%. Average for both agricultural and non-agricultural products is low.
* No quantitative import restrictions, import licensing and export subsidies. Some prohibitions and restrictions apply for very specific products.
* Drawback rate to restitute import tariffs paid by exporters of specific products are being gradually reduced.
* Some additional flexibility to hire foreign managers of local investment funds.
* No investment screening mechanisms. Some restrictions on foreign investments remain on certain sectors and ownership of natural resources in border areas.
* Improvements in the Foreign Trade Single Window.
* Reduced times to register trademarks.
* New legislation on government procurement aims to increase efficiency.
* Changes in the Immigration Law to facilitate movement of natural persons.

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|  | **Summary of Topics** |

**Tariffs**

Peru’s tariff structure is comprised of three levels: 0%, 6% and 11%. In early 2016, the current MFN simple average tariff was equivalent to 2.2% (measured at the HS 10-digit level). MFN average tariffs are low for both agricultural and non-agricultural products, reaching 2.8% and 1.5% respectively.

70.3% of the tariff lines are equal to zero and they represented 73.3% of the imports in 2015. Only 9% of the tariff lines are equivalent to 11% and 0.6% of the tariff lines were subject to non-ad valorem duties.

**Non-Tariff Measures**

No import licensing, quantitative import restrictions and exports subsidies are applied. However, some restrictions apply to the import of used road motor vehicles for cargo and passenger transportation, used engines, components and spare parts for road vehicles, used tires, used clothing and footwear for commercial purposes and used goods, machinery and equipment using radioactive sources.

The drawback rate to restitute import tariffs paid for inputs to exporters of specific products went down from 5% to 4% on 1 January 2015 and from 4% to 3% on 1 January 2016.

**Services**

Some flexibility was given to investment funds. Since December 2014, international managers can be hired to manage local investment funds. In 2015, the cross listing of foreign exchange trade funds was allowed, giving investors with more options.

In the telecommunications sector, agreements with Bolivia and Colombia were endorsed to reduce roaming charges. In order to encourage competition, the regulation for fixed and mobile telephone number portability was modified. Moreover, in the mobile telephone market, more competition is expected through the participation of mobile virtual network operators in the Peruvian market.

**Investment**

No changes in investment policies since 2011. No screening mechanism, no performance requirements are applied. Certain limitations on foreign investments in broadcasting, air and water transport and ownership of natural resources within 50 kilometers of Peru’s international borders are applied. However, the limitation in border areas can be waived by decree on a case by case basis.

Two recent agreements concluded, the Pacific Alliance and the Trans-Pacific Partnership include an investment chapter with a liberal framework providing guarantees for non-discriminatory treatment to foreign investors and their investments.

**Standards and Conformance**

In 2015, 766 Peruvian Technical Standards were in place. 41% of them correspond to the adoption of international standards, such as the International Organization for Standardization (ISO), the International Electrotechnical Commission (IEC) and the Codex Alimentarius. INACAL, the institution in charge of standardization, accreditation and metrology activities, was created in July 2014 and has developed a Peruvian Catalogue of Standards.

Six specific trade concerns against Peru raised at the WTO TBT Committee have not reported a resolution. The most recent concerns were raised in 2013 and involved a moratorium on planting genetically engineered crops and an act to promote healthy eating among children and adolescents that might be including elements restricting trade.

**Customs Procedures**

Customs declarations are submitted electronically and data on cargo manifest has to be sent prior to the arrival of the cargo. Administrative procedures and institutions have been gradually added to the Single Window for Foreign Trade. Currently, 187 administrative procedures from 8 government agencies are included. For the next stage, 79 additional procedures and 7 agencies are expected to be added.

**Intellectual Property Rights**

A fast track procedure to register a trademark was introduced. This new system has reduced the average time to register a trademark from 150 to 75 business days. Moreover, to facilitate the registration of trademarks, INDECOPI has implemented a free advisory services focusing on entrepreneurs. Similarly, INDECOPI has introduced a software tool for users to apply for a copyright online.

In December 2014, a new appellation of origin, “Aceituna de Tacna” (Tacna olives) was recognized.

**Competition Policy**

In September 2015, the Law on the Suppression of Anticompetitive Behavior was modified. The changes seek to overturn cartel facilitators; define the responsibilities of the competent authorities to conduct market research, request information in connection to any case and sanction any failure to comply with the request; request the lifting of secrecy of communications to gather evidence; and exempt from penalties in specific cases (e.g. leniency for those providing information to the authorities on a particular case), amongst others.

**Government Procurement**

New legislation on Government Procurement entered into force in January 2016, in accordance with international standards to increase transparency and efficiency. Among the changes, the new legislation establishes higher threshold for entities to conduct direct adjudication and ease the possibility to adjudicate from suppliers based overseas.

**Dispute Resolution**

The Arbitration Act was amended in September 2015, with the objective to legislate public security and to strengthen the fight against crime, including organized crime. The amendment also seeks to curb or prevent the misuse of arbitration.

**Mobility of Business People**

In September 2015, the new Law on Immigration was issued. It aims to implement a more efficient immigration system and facilitate the mobility of natural persons. New migratory categories have been created, namely: Intra-Corporate Transferees, Short-Term Workers (30 days stay); Talent (including researchers and specialists); and Students (including trainees), among others. The Law establishes a specific category for investors, who can stay in Peru for 365 days with a multiple entry visa.

**RTA/FTAs**

Peru has reported 17 RTA/FTAs in force[[2]](#footnote-2), two RTA/FTA negotiations in place[[3]](#footnote-3), including the Trans-Pacific Partnership Agreement, and four RTA/FTA signed, but still under the ratification process.[[4]](#footnote-4)

1. \* This brief report was prepared with information from Peru’s submission of 2016 APEC Individual Action Plan (IAP) template; the WTO TBT Information System; and information from the Ministry of Economy and Finance, Organismo Supervisor de las Contrataciones del Estado and Diario Oficial El Peruano websites. [↑](#footnote-ref-1)
2. Peru’s RTA/FTAs in force are the following ones: Andean Community (1988), Peru–Cuba, Peru–MERCUSUR (2006), Peru–United States (2009), Peru–Chile (2009), Peru–Singapore (2009), Peru–China (2009), Peru–Canada (2009), Peru–Mexico (2012), Peru–Thailand (2011), Peru–EFTA (2011), Peru–Korea (2011), Peru–EU (2013), Peru–Costa Rica (2013), Peru–Panama (2012), Peru–Japan (2012), Peru–Venezuela (2013). [↑](#footnote-ref-2)
3. Peru’s RTA/FTAs under negotiation are the following ones: Peru-Turkey and Peru-El Salvador. [↑](#footnote-ref-3)
4. Peru’s RTA/FTAs signed, but still under ratification process, are the following ones: Trans-Pacific Partnership; Peru-Guatemala; Peru-Honduras and Alianza del Pacifico (Pacific Alliance). [↑](#footnote-ref-4)