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Trade Policy in Peru and Need of Better Practices to Deepen or Broaden Economic Integration

Submitted by: Applied Sciences University



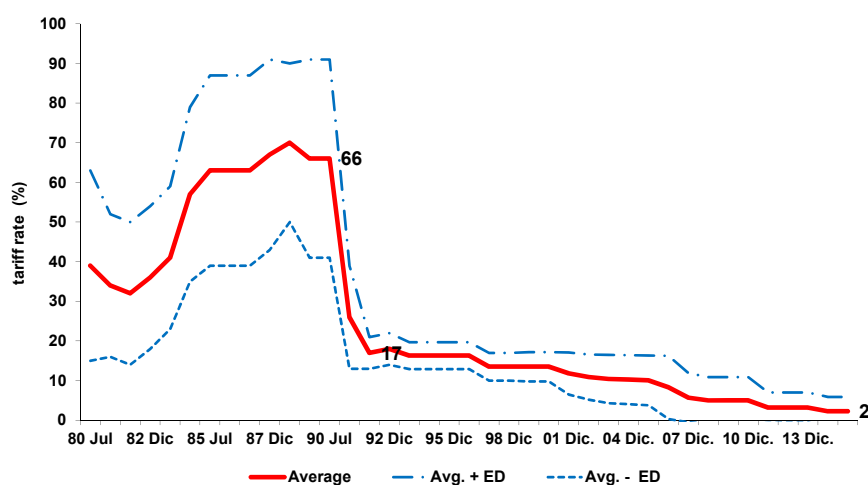
**Dialogue on Regional Trade Agreements and Free
Trade Agreements
Cebu, Philippines
2 September 2015**

Trade policy in Peru and need of better practices to deepen or broaden economic integration

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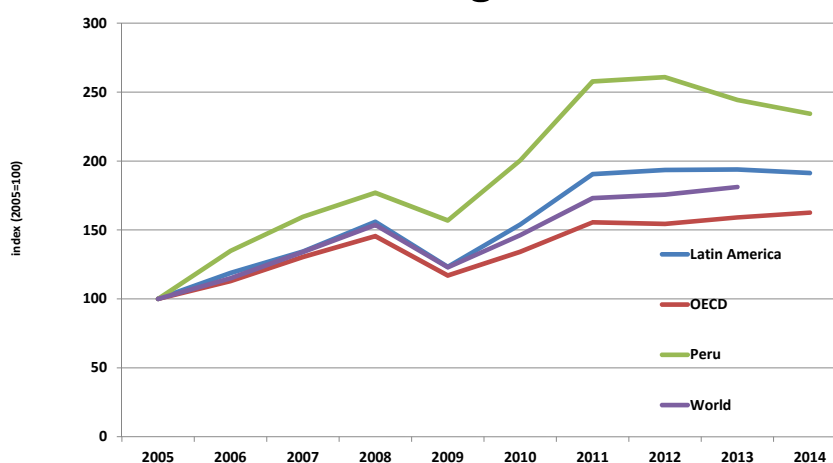
Peru's Unilateral liberalization



Peru's Free Trade Agreements

Agreement	Current state
United States of America	In force since February 2009
Chile	In force since March 2009
Canada	In force since August 2009
Singapore	In force since August 2009
China	In force since March 2010
EFTA countries	In force since July 2011 with Switzerland and Liechtenstein,
South Korea	In force since August 2011
Thailand	In force since December 31st, 2011
Mexico	In force since February 2012
Japan	In force since March 2012
Panama	In force since May 2012
European Union	In force since March 2013
Costa Rica	In force since June 2013
Pacific Alliance	In force since July 20th, 2015
Honduras	Signed at May 29th, 2015 and it is expected it will be in force in 2015
Guatemala	Negotiations signed on December 6th 2011. Trade agreement is not into force yet.
Trans-Pacific Partnership (TPP)	Negotiations in process. Last meeting of trade ministers was held in July 2015.
Turkey	Negotiations in process. Third Round was held on May 2015 in Ankara - Turkey.

Peru's export growth has been above average



Source: World Bank.

Stylized facts in Peru's trade

- Low diversity of export products
- Low use of market access through FTAs
- Relatively high costs and low economies of scale
- High red tape to do business
- High entry and mortality of export firms
- Insufficient infrastructure

Main areas of improvement

- Officials' capacities
- Trade promotion efforts
- Entrepreneurial international networking
- Competitiveness:
 - Infrastructure
 - Education
 - Institutionalility
 - Labor regime