

Market Fact Sheet

Peru

Updated: January 2020

General Information

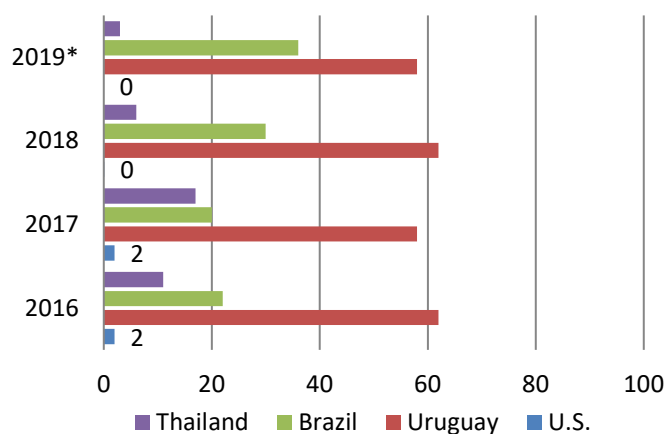
Population: 31 million

Population Growth Rate: 1% per annum

Per Capita Rice Consumption: 180 lbs.



Market Share of Peru's Imports (%)



	2019*	2018	2017	2016
U.S. Exports <i>Trade Data Monitor</i>	360	300	8,090	6,840
Total Imports <i>Trade Data Monitor</i>	255,730	271,500	402,000	291,350

* Jan - Nov

U.S. Rice Imports (2019): Type and Form
100% MG

USA Rice Budget (USD)	2018-2019*	2017-2018*	2016-2017*	2015-2016*
FAS Funds: MAP	30,000	30,000	30,000	40,000
FAS Funds: FMD	80,000	80,000	80,000	80,000
FAS Funds: ATP	50,000	-	-	-
Industry Funds	1,000	2,000	4,000	4,000
Total Budget Expenditure	161,000	112,000	114,000	124,000

* Financial data is for the Andean region, not Peru specific

Market Conditions:

- In 2009, the U.S. and Peru signed a FTA which included a TRQ for rice; in 2020, 140,474 MT of U.S. rice can come in duty free.
- All types and forms of U.S. rice are permitted entry, however, paddy imports are virtually blocked due to zero tolerance for false indigo seed.
- Strong quality image developed by Uruguay's rice industry.
- U.S. exports to Peru have decreased dramatically due to price.
- Market changed from predominantly long grain to 100% medium grain in 2018.

Goals in this Market: Work with the trade to develop a quality image of U.S. rice; remain apprised of market developments including local production, import needs and trade policy changes.

Marketing Related Issues:

1. **Constraints**
 - a. Competition from high-quality suppliers and suppliers with favorable trade terms.
 - b. Peru Trade Promotion Agreement establishes duty free TRQ of 132,523MT for US rice with annual 6% increases and full duty free access in 2025.
2. **Primary Target Group:** Local trade and foodservice sector.
3. **Strategy:** Work with large scale importers and foodservice sector to introduce the benefits of U.S. rice.
4. **Activities:** In the past year, just trade servicing. In previous years, USA Rice has conducted seminars with chefs.

Major change(s) from last year going into this year's UES

USA Rice will participate in the USDA trade mission in November 2020. Activities were reduced in the Andean in the 2018-2019 fiscal year as a result of lack of consumer engagement for parboiled rice promotions.