



PERU: INDUSTRY NEWSBRIEF

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Peru's gastronomic tourism doubly awarded by prestigious institutions

Peru has consolidated its eminence as a world-leading tourist destination in three arenas for yet another year, having received the following accolades from the World Travel Awards 2022: World's Leading Culinary Destination, World's Leading Cultural Destination, and World's Leading Tourist Destination. This will be the fourth time that Peru enjoys recognition as the world's leading cultural destination and it is the fifth time that Machu Picchu has come out on top as the leading tourist attraction on the planet. Moreover, this will be the tenth time that Peru achieves the title of the World's Leading Culinary Destination, a clear demonstration of its dominance in the gastronomic scene. In fact, earlier this year two Peruvian restaurants were among the top 10 at 50's Best Restaurants, and four made it to the top 70. These titles represent well-earned validation for resourceful and creative Peruvians in the culinary sector who are consolidating their gastronomy as a world leader through their hard work. In addition to the WTA recognition, Lima, Peru's capital city, was awarded by Lonely Planet as the Top Destination to Eat, which is another sign that the country is a gastronomic bucket-list destination in the world. Certainly, Peru's awards as a culinary super-power will contribute greatly to the flow of food enthusiasts into the country. Moreover, Peru successfully participated at the WTM 2022 show in London this November showcasing to the industry some of its trendiest experiences, including new gastronomic tours, and demonstrating why it remains a powerhouse in the tourism sector and is ready to welcome visitors in the years to come.

Source: Promperu, WTA, Lonely Planet, 50's Best

The Peruvian Authority for Reconstruction with Changes (ARCC, by its Spanish acronym) has been able to execute 2.4 billion soles (£514 million) to rebuild, repair, and improve infrastructure damaged during extreme weather caused by El Niño, in 2017. The ARCC achieved an annual completion of 76% by September, the highest of all public institutions in Peru. This success is in part due to collaboration with the UK Delivery Team, which was put in place by the UK government as part of the Government-to-Government agreement signed in 2020. The Team, composed of three British companies (Mace, Arup, and Glead), is in charge of implementing and running Project Management Offices, providing technical assistance, and procurement, as well as transferring knowledge, expertise, and know-how to Peru's public sector. The G2G agreement is so far proving to be successful, taking UK-Peru bilateral relations to even greater heights, especially considering that a similar agreement was established in 2019 to support the delivery of infrastructure for the Pan American Games in Lima. The current agreement will see the renovation and construction of 74 schools and 15 health centres. Moreover, it will ensure 51 thousand hectares of reforestation, not to mention the development of 20 flood defence projects.

Source: Andina, ARCC, Mace Group

G2G agreement between the UK and Peru starting to show results

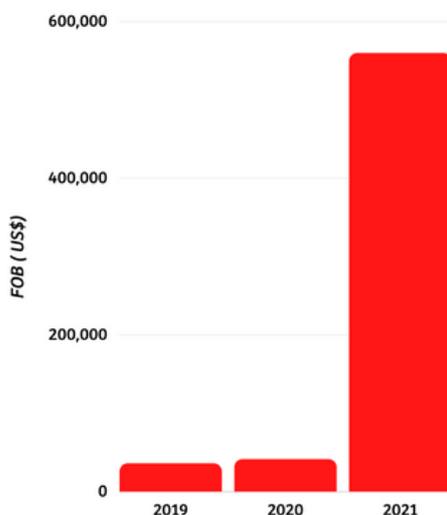


INFOGRAPHIC:

Frozen strawberries to the UK

Strong growth of exports of frozen strawberries from Peru

Peruvian frozen strawberries exports to the UK 2019-2021



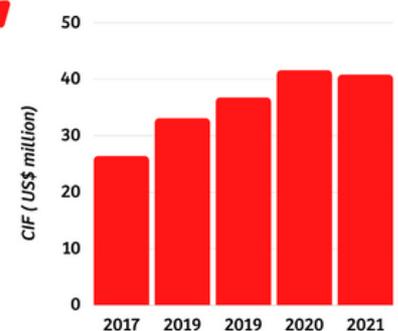
Exports to the UK have risen **674%** y-o-y between Jan-Sept 2021/2022

Peru is the **first Latin American supplier** to the UK

Frozen strawberries ready-to-mix **smoothie packs** are increasingly popular



Total UK imports of frozen strawberries 2017-2021



Sources: PromPeru, ITC Trademap, CBI Europe

Spreads and dips are very popular amongst the British population and, according to Statista, the average consumption is around 0.5 kg per capita. Despite spreads such as jam and other preserves dominating the market, new products are being launched in the UK, which often tends to emphasise premium qualities. Peru has the ability to develop and supply gourmet spreads and, indeed, it exported more than US\$12 million to the world in 2021. In fact, renowned food companies from Peru constantly launch new products, including tapenades with ingredients grown locally such as quinoa, aji, artichokes, and others. At US\$ 160 thousand in exports to the UK, there is still great potential in the market for further development. The category is expected to grow at a CAGR of 3.01% until 2025, reaching up to US\$ 814.37 million (Mordor Intelligence). This gives ample margin for Peruvian products to compete in this segment of the food market.

Source: Promperu, Mordor Intelligence

Peru, a potential new player in the premium spreads market in the UK



Peruvian baby apparel brands shine in London pop-up store



This past November four Peruvian baby-wear brands launched for the very first time in the UK. "Brands from Peru," a pop-up shop that took place on South Molton Street in London, saw the launch of garments from Kusi Kusi, Adriana Mae, Plumas, and Petit Voyageur. These four fantastic Peruvian brands make their products from the wide variety of high-quality fibres that Peru has to offer, such as Pima cotton and Alpaca. The brands aim to tap into the premium market in the UK owing to the soft and tactile nature of their fibres. Moreover, a rich Peruvian textile tradition influences and inspires designers to create a look that is unique and sought-after among British consumers. The brands were very encouraged to have been joined by buyers, agents, retailers, and members of the press. With the support of Promperu, the craftsmanship and unique stories behind these babywear and childrenswear brands were celebrated in one of the fashion capitals of the world.

Updates on Peru's Economy

FDI to Peru showed a dramatic recovery in 2021 | A report from CEPAL indicates that Peru received US\$ 7.45 billion in foreign direct investment during 2021, an increase of 919% when compared to the previous year. This made Peru the fifth country to receive the most FDI in Latin America for the year. (El Peruano)

CPTPP opens the Malaysian market for Peruvian products | Effective as of the 29th of November, 90% of Peruvian products will be able to enter the Malaysia market free of duty as part of the CPTPP, one of the largest free-trade areas in the world, by GDP. (La República)

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